

"A PREMIER RETAIL AND OFFICE PORTFOLIO."

- NET PROPERTY INCOME up by 13.2%
- NET ASSET VALUE R20.73 up by 30.5%
- FINAL DISTRIBUTION 70.77cpu up by 8.5%

AUDITED GROUP RESULTS AND DECLARATION OF THE FINAL DISTRIBUTION FOR THE YEAR ENDED 31 MARCH 2008

CONDENSED INCOME STATEMENT	Audited 12 months ended 31 Mar 2008 (R'000)	Restated 12 months ended 31 Mar 2007 (R'000)
Revenue	390 087	400 294
Rental income	389 823	353 928
Straight-line rental income accrual	(6 252)	46 366
Dividend Income	6 516	-
Expenditure	88 705	88 104
Administrative expenditure	1 161	823
Auditors' remuneration	935	870
Property expenses	65 519	67 399
Property management fees	13 002	10 048
Property operating costs [Note 1]	52 517	57 351
Service charge	21 090	19 012
Operating income	301 382	312 190
Net finance cost	40 231	37 327
Net income before fair value adjustments	261 151	274 863
Realised surplus on disposal of investment property	22 949	29 253
Unrealised surplus on revaluation of interest rate swap	6 372	4 764
Straight-line rental income accrual	6 252	(46 366)
Unrealised surplus on revaluation of investment property	833 038	509 760
Unrealised surplus on revaluation of investment in securities	101 941	-
Net income before taxation	1 231 703	772 274
Taxation	6 662	13 239
Earnings	1 225 041	759 035
Number of units in issue ('000)	205 107	183 356
Number of weighted average units in issue ('000)	196 703	183 356
Earnings per unit - cents	622.79	413.97

RECONCILIATION OF EARNINGS, HEADLINE EARNINGS AND DISTRIBUTABLE EARNINGS		
Earnings	1 225 041	759 035
Realised surplus on disposal of investment property	(22 949)	(29 253)
Unrealised fair value adjustments	(941 231)	(463 394)
Taxation	6 662	13 239
Headline earnings	267 523	279 627
Straight line rental income accrual	6 252	(46 366)
Unrealised surplus on revaluation of interest rate swap	(6 372)	(4 764)
Distribution clawback	9 333	-
Distributable earnings	276 736	228 497
Headline earnings per unit - cents	136.00	152.50
Distribution per unit - cents	134.92	124.62
Distributions per unit		
No. 43 for the period ended 30 Sep 2006 of 59.40 cents per unit	-	108 913
No. 44 for the period ended 31 Mar 2007 of 65.22 cents per unit	-	119 584
No. 45 for the period ended 30 Sept 2007 of 64.15 cents per unit	131 572	-
No. 46 for the period ended 31 Mar 2008 of 70.77 cents per unit	145 164	-
	276 736	228 497

CONDENSED BALANCE SHEET	Audited as at 31 Mar 2008 (R'000)	Audited as at 31 Mar 2007 (R'000)
ASSETS		
Non-current assets		
Investment property including straight line rental income accrual	4 426 016	3 480 037
Investment property under development	72 162	-
Investment in securities	360 252	-
Total non-current assets	4 858 430	3 480 037
Current assets		
Rental and other receivables	38 889	20 589
Other financial assets	11 136	4 764
Cash and cash balances	108 838	108 031
Total current assets	158 863	133 384
Total assets	5 017 293	3 613 421
UNITHOLDERS' FUNDS AND LIABILITIES		
Unitholders' funds		
Unitholders' capital	1 661 828	1 281 486
Non-distributable reserves	2 590 174	1 632 536
Total capital and reserves	4 252 002	2 914 022
Non-current liabilities		
Unsecured borrowings	562 087	529 298
Total non-current liabilities	562 087	529 298
Current liabilities		
Trade and other payables	51 382	37 277
Taxation payable	6 662	13 239
Unitholders for distribution	145 160	119 585
Total current liabilities	203 204	170 101
Total liabilities	765 291	699 399
Total unitholders' funds and liabilities	5 017 293	3 613 421
Net asset value per unit - cents	2 073	1 589
Weighted average net asset value per unit - cents	2 161	1 589

CONDENSED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS	Capital (R'000)	Non distributable Reserve (R'000)	Retained Income (R'000)	Total (R'000)
Balance at 1 April 2006	1 281 486	1 101 998	-	2 383 484
Earnings	-	-	759 035	759 035
Transfer to non-distributable reserve	-	530 538	(530 538)	-
Unitholders' distribution	-	-	(228 497)	(228 497)
Balance at 31 March 2007	1 281 486	1 632 536	-	2 914 022
Units issued	382 084	-	-	382 084
Units issue cost	(1 742)	-	-	(1 742)
Distribution clawback	-	-	9 333	9 333
Earnings	-	-	1 225 041	1 225 041
Transfer to non-distributable reserve	-	957 638	(957 638)	-
Unitholders distribution	-	-	(276 736)	(276 736)
Balance at 31 March 2008	1 661 828	2 590 174	-	4 252 002

CONDENSED CASH FLOW STATEMENT	Audited at 31 Mar 2008 (R'000)	Audited at 31 Mar 2007 (R'000)
Cash generated from operating activities		
Cash generated from operating activities	300 750	286 149
Interest received	18 992	10 521
Interest paid	(63 315)	(49 122)
Taxation paid	(13 239)	-
Distribution paid	(241 828)	(221 786)
Net cash inflow from operating activities	1 360	25 762
Cash flows from investing activities		
Additions to investment and development property	(254 030)	(175 424)
Additions to investment in securities	(258 311)	-
Proceeds on disposal of investment property	98 657	185 748
Net cash (outflow)/inflow from investing activities	(413 684)	10 324
Cash flows from financing activities		
Increase in issued capital	380 342	-
Decrease in borrowings	32 789	(12 203)
Net cash inflow/(outflow) from financing activities	413 131	(12 203)
Net increase in cash and cash equivalents	807	23 883
Cash and cash equivalents at the beginning of the period	108 031	84 148
Cash and cash equivalents at the end of the period	108 838	108 031

NOTES
1. ACCOUNTING POLICIES
The audited financial report has been prepared in accordance with the requirements of International Financial Reporting Standards ("IFRS"), International Accounting Standards 34: Interim Reporting ("IAS 34"), the JSE Listings Requirements, the Companies Act (Act 61 of 1973) and the Collective Investment Schemes Control Act of 2002. The accounting policies are consistent with those applied in the prior year, with the exception of property operating costs that are reflected net of municipal recoveries. The prior year's audited results were restated by reducing rental income and property operating costs by R38.6m. The results have been audited by the auditors of the Fund, Deloitte & Touche and their unmodified opinion is available for inspection at the registered office.

2. PRIMARY OPERATIONAL SEGMENTS FOR THE YEAR ENDED 31 MARCH 2008	Retail (R'000)	Office (R'000)	Fund (R'000)	Total (R'000)
Rental income	218 973	170 850	-	389 823
Straight-line rental income accrual	15 476	(21 728)	-	(6 252)
Dividend income	6 516	-	-	6 516
Total revenue	240 965	149 122	-	390 087
Expenditure	(37 860)	(28 271)	(22 574)	(88 705)
Net finance cost	904	2 313	(43 448)	(40 231)
Net operating income	204 009	123 164	(66 022)	261 151
Fair value adjustments	-	-	970 552	970 552
Taxation	-	-	(6 662)	(6 662)
Earnings	-	-	-	1 225 041
Investment property	2 563 016	1 935 162	-	4 498 178
Investment in securities	360 252	-	-	360 252
Current assets	15 846	22 249	120 768	158 863
Total assets	2 939 114	1 957 411	120 768	5 017 293
Unsecured borrowings	-	-	(562 087)	(562 087)
Current liabilities	(10 411)	(29 714)	(17 919)	(58 044)
Unitholders distribution	-	-	(145 160)	(145 160)
Total liabilities	(10 411)	(29 714)	(725 166)	(765 291)
Total capital and reserves	2 928 703	1 927 697	(604 398)	4 252 002

3. PRIMARY OPERATIONAL SEGMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Restated)	Retail (R'000)	Office (R'000)	Fund (R'000)	Total (R'000)
Rental income	183 946	169 982	-	353 928
Straight-line rental income accrual	32 515	13 851	-	46 366
Total revenue	216 461	183 833	-	400 294
Expenditure	(31 593)	(36 386)	(20 125)	(88 104)
Net finance cost	768	583	(38 678)	(37 327)
Net operating income	185 636	148 030	(58 803)	274 863
Fair value adjustments	-	-	497 411	497 411
Taxation	-	-	(13 239)	(13 239)
Earnings	-	-	-	759 035
Investment property	1 973 140	1 506 897	-	3 480 037
Current assets	9 370	11 107	112 907	133 384
Total assets	1 982 510	1 518 004	112 907	3 613 421
Unsecured borrowings	-	-	(529 298)	(529 298)
Current liabilities	(14 746)	(23 499)	(12 271)	(50 516)
Unitholders distribution	-	-	(119 585)	(119 585)
Total liabilities	(14 746)	(23 499)	(661 154)	(699 399)
Total capital and reserves	1 967 764	1 494 505	(548 247)	2 914 022

4. INVESTMENT PROFILE	Rental Income (R'000)	%	Net Income (R'000)	%
Somerset Mall (50% undivided share)*	58 394	15.0%	49 581	14.9%
Harrowdene Office Park*	46 188	11.8%	37 029	11.1%
Vaal Mall (77.86% undivided share)*	44 497	11.5%	36 997	11.0%
Sold properties	4 004	1.0%	3 232	1.0%
Other Properties	236 740	60.7%	206 586	62.0%
Total	389 823	100.0%	333 425	100.0%

(*Properties contributing more than 10% to net income)

MANAGEMENT COMMENTARY

1. Results
The distributable earnings for the six months ended 31 March 2008 amounted to 70.77 cents per unit, which represents growth of 8.5% over the 65.22 cents per unit distribution for the same period in the previous year. The distribution for the full year is 134.92 cents per unit which represents growth of 8.3% over the previous year and is in line with guidance.

The property portfolio was independently valued at year end and developments valued at cost, resulting in a revaluation surplus of R833m. The net asset value of the Fund increased by 30.5% over the previous year to 2 073 cents per unit. At the closing market price at 31 March 2008, the units are trading at a discount of 15.2% to net asset value. The favourable valuation is indicative of the quality of the portfolio.

The investment in Stenham European Shopping Centre Fund IC (SESCF) was revalued by the directors. The valuation was based on the appreciation of the underlying property and the weakening of the Rand/Euro exchange rate at 31 March 2008. The SESCOF dividend of R6.5m is in line with expectations and has benefitted from the exchange rate.

2. Operations

The property portfolio has experienced good net income growth of 13.2%. Property expenses came down and is 16.8% of rental income compared to 19.0% in the previous year. The portfolio of 296 664m² remained almost fully let with a vacancy of 1.1%, with 9.3% of leases expiring in the next twelve months, at an average rental of R133/m². The market rental is estimated at R161/m².

2.1 Retail portfolio

The retail portfolio's aggregated net income is in line with budget, while maintaining a low vacancy of 1.03%. Leases totalling 5 545m² were concluded at an average rental of R234/m², escalating at an average of 7% per annum. The retail portfolio contributes 64.0% to net income and represents 60.2% of assets by value.

2.2 Office portfolio

The office portfolio's aggregated net income exceeded budget expectations. The vacancy remained low at 1.2%. Leases totalling 9 248m² were concluded at an average rental of R111/m², escalating at an average 8.7% per annum. Upward reversions of expiring lettable area in the office sector is anticipated in the next twelve months.

3. Stenham European Shopping Centre Fund IC (SESCF)

The investment in SESCOF appreciated by R19m due to the revaluation of the underlying property and a further R83m from a foreign exchange gain. The underlying property is performing in line with expectations and will contribute a full twelve months income in the next financial year.

4. Developments

The Woodlands Office Park developments, comprising four buildings totalling 31 880m² (Sycom share 12 752m²), will be completed on a phased basis during the year at a projected aggregate initial yield of 11%.

An additional 900m², yielding 12% was added at Somerset Mall, at a cost of R7.8m (Sycom share R3.9m). This reflects a continuing programme to improve space and bulk utilisation in the property portfolio.

5. Funding

At 31 March 2008 the Fund's capital borrowings amounted to R562m. The outstanding Woodlands Office Park development commitment is R67m. A further sundry capital expenditure of R37m is committed. The above will be funded from the Fund's loan facility of R950m. The Fund hedged 71% of the debt using interest rate swap agreements. The interest rate expiry profile of the Fund is shown below:

	Amount (Rmillion)	Interest rate (%)	% of borrowings
Expiry date			
1 June 2009	100.0	8.99	17.79%
1 June 2010	100.0	9.10	17.79%
17 March 2012	200.0	11.35	35.58%
Fixed interest rates	400.0	10.20	71.16%
Floating interest rate (Prime less 2.5%)	162.1	12.50	28.84%
Unsecured borrowings	562.1	10.86	100.00%

The Fund concluded a further interest rate swap agreement after year end for R100m over 6 years at an effective interest rate of 10.51%.

6. Prospects

Management continue to explore investment opportunities in the office and retail sector. In addition, management continues to focus on maximising value generated from the high quality property portfolio and identifying asset redevelopment. The projected distribution growth for the year ahead should be similar to the growth experienced in the current year.

7. Subsequent events

Unitholders are referred to the SENS Announcement released on 9 May 2008 setting out the financial effects on Acucap Properties Limited, for the acquisition of 17.5% of the units in Sycom Property Fund and 50% of Sycom Property Fund Managers Limited. The Fund will benefit from improved economies of scale due to joint asset management, increased development opportunities and unlocking growth potential.

8. Distribution declaration

Notice is hereby given of the declaration of distribution No.46 in respect of the six months to 31 March 2008 of 70.77 cents per unit. The last day to trade cum distribution will be Friday, 6 June 2008 and the units will trade ex-distribution from the commencement of business on Monday, 9 June 2008. The record date is Friday, 13 June 2008 and payment will be made to unitholders on Tuesday, 17 June 2008. Unitholders may not dematerialise their units between Monday, 9 June 2008 and Friday, 13 June 2008 both days inclusive.