

SYCOM PROPERTY FUND



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Management Company's Responsibility and Approval of the Financial Statements



The management company is responsible for ensuring that the financial statements fairly present the financial position and operating results of the Fund and the Group. The financial statements have been compiled by management in terms of International Financial Reporting Standards and are supported, where appropriate, by reasonable and prudent judgements and estimates.

The management company is also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. The systems are implemented and

monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the management company to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the management company to indicate that the Fund and Group will not remain a going concern for the foreseeable future.

The financial statements, set out on pages 29 to 60, were approved by the management company on 3 June 2010 and are signed on its behalf by:

GK Everingham
CHAIRMAN
Sycom Property Fund Managers Limited

PA Theodosiou
CHIEF EXECUTIVE OFFICER
Sycom Property Fund Managers Limited

Management Company's Secretary and Registered Address:

Christopher Baden Marlow
Suite A11
Westlake Square
Westlake Drive
Westlake
7945



Independent Auditor's Report To the Unitholders of Sycom Property Fund

We have audited the annual financial statements and Group annual financial statements of Sycom Property Fund, which comprise the statements of financial position as at 31 March 2010, the statements of comprehensive income, the statements of changes in unitholders' funds and the statements of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 29 to 55.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The management company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Collective Investment Schemes Control Act, 2002. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement

of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the directors of the management company, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the annual financial statements and Group annual financial statements present fairly, in all material respects, the financial position of the Fund and of the Group as at 31 March 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and the Collective Investment Schemes Control Act, 2002.

KPMG Inc.

REGISTERED AUDITOR



PJ Conradie

CHARTERED ACCOUNTANT (SA)

REGISTERED AUDITOR

1 Mediterranean Street,
Foreshore, Cape Town

3 June 2010

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Statements of Comprehensive Income for the year ended 31 March 2010

		Group 2010	Group 2009	Fund 2010	Fund 2009
		R'000	R'000	R'000	R'000
Rental revenue		446 732	425 998	464 303	438 765
Contractual rental revenue and recoveries		462 879	430 995	462 879	430 995
Dividends from fixed property companies		-	-	-	1 298
Straight-lining of rental revenue adjustment		(16 147)	(4 997)	1 424	6 472
Property operating expenses		(71 838)	(70 690)	(71 838)	(70 690)
Net rental and related revenue		374 894	355 308	392 465	368 075
Investment income		9 793	11 668	9 793	11 668
Fair value gain on investment property and investments		175 148	39 784	157 577	28 530
(Deficit)/surplus on disposal of investment property		-	(64)	-	151
Fair value gain on investment property	8	277 382	84 088	259 811	72 619
Fair value deficit on listed investments		(102 234)	(44 240)	(102 234)	(44 240)
Administrative expenses		(22 687)	(21 427)	(22 687)	(21 427)
Profit before net finance costs		537 148	385 333	537 148	386 846
Net finance costs		(57 658)	(76 700)	(57 658)	(76 700)
Interest income	4	12 162	16 167	12 162	16 167
Finance costs		(69 820)	(92 867)	(69 820)	(92 867)
Interest on borrowings	4	(65 726)	(67 157)	(65 726)	(67 157)
Interest capitalised	4	2 242	7 833	2 242	7 833
Fair value adjustment on interest rate swaps		(6 336)	(33 543)	(6 336)	(33 543)
Profit before income tax	5	479 490	308 633	479 490	310 146
Taxation	6	-	1 513	-	-
Profit for the year		479 490	310 146	479 490	310 146
Total comprehensive income for the year		479 490	310 146	479 490	310 146
Basic earnings per unit (cents)*	7	233.78	151.21		

*The Fund has no dilutionary instruments in use

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Statements of Financial Position as at 31 March 2010

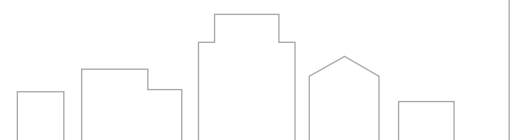
		Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
			Restated		Restated
ASSETS					
Property assets					
		5 150 956	4 673 229	4 984 477	4 673 229
Investment properties		4 999 600	4 408 836	4 858 184	4 451 470
Straight-line lease income accrual	8	151 356	167 503	126 293	124 869
Investment property under development	9	5 150 956	4 576 339	4 984 477	4 576 339
		-	96 890	-	96 890
Other non-current assets					
Listed investment	10	213 778	316 012	213 778	316 012
Investments in subsidiaries	11	-	-	631	10
Total other non-current assets		213 778	316 012	214 409	316 022
Current assets					
Rental and other receivables	12	36 939	42 553	36 939	42 553
Loan to subsidiary	13	-	-	165 858	-
Dividends receivable		4 435	6 350	4 435	6 350
Cash and bank balances	14	152 203	153 523	152 203	153 523
Total current assets		193 577	202 426	359 435	202 426
Total assets		5 558 311	5 191 667	5 558 321	5 191 677
UNITHOLDERS' FUNDS AND LIABILITIES					
Unitholders' funds					
Unitholders' capital	15	1 661 615	1 661 828	1 661 615	1 661 828
Non-distributable reserves		2 745 596	2 592 931	2 745 596	2 592 931
Total unitholders' funds		4 407 211	4 254 759	4 407 211	4 254 759
Non-current liabilities					
Unsecured borrowings	16	714 424	685 879	714 424	685 879
Current liabilities					
Trade and other payables	17	239 328	65 870	239 328	65 870
Other financial liabilities	18	28 743	22 407	28 743	22 407
Taxation payable	19	-	231	-	-
Unitholders for distribution		168 605	162 521	168 605	162 521
Loans from subsidiaries	20	-	-	10	241
Total current liabilities		436 676	251 029	436 686	251 039
Total liabilities		1 151 100	936 908	1 151 110	936 918
Total unitholders funds and liabilities		5 558 311	5 191 667	5 558 321	5 191 677

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Statement of Changes in Unitholders' Funds for the year ended 31 March 2010

GROUP AND FUND

	Capital R'000	Non- distributable reserves R'000	Retained earnings R'000	Total R'000
Balance at 1 April 2008	1 661 828	2 590 174	-	4 252 002
Total comprehensive income for the year	-	-	310 146	310 146
Transfer to non-distributable reserves	-	2 757	(2 757)	-
Unitholders distribution	-	-	(307 389)	(307 389)
Balance at 31 March 2009	1 661 828	2 592 931	-	4 254 759
Capital issue costs	(213)	-	-	(213)
Total comprehensive income for the year	-	-	479 490	479 490
Transfer to non-distributable reserves	-	152 665	(152 665)	-
Unitholders distribution	-	-	(326 825)	(326 825)
Balance at 31 March 2010	1 661 615	2 745 596	-	4 407 211



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Statements of Cash Flows for the year ended 31 March 2010

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
	Restated		Restated	
Cash generated from operating activities				
Cash generated from operations	21	375 361	348 358	375 130
Interest income	4	12 162	16 167	12 162
Finance costs	4	(65 726)	(67 157)	(67 157)
Dividends received	22	11 708	11 834	11 708
Distributions paid	23	(320 741)	(290 028)	(320 741)
Taxation paid	24	(231)	(4 918)	-
Net cash generated from operating activities		12 533	14 256	12 533
Cash flows from investing activities				
Additions to investment and development property		(42 185)	(102 859)	(42 185)
Cash flows from financing activities				
Capital issue costs		(213)	-	(213)
Increase in borrowings		28 545	123 792	28 545
Net cash generated from financing activities		28 332	123 792	28 332
Net (decrease)/increase in cash and cash equivalents		(1 320)	35 189	(1 320)
Cash and cash equivalents at beginning of the year		153 523	118 334	153 523
Cash and cash equivalents at end of the year	14	152 203	153 523	152 203

Notes to the Annual Financial Statements for the year ended 31 March 2010

1. GENERAL INFORMATION

Sycom Property Fund was incorporated in 1986 under the laws applicable in South Africa. The addresses of its registered office and principal place of business are disclosed in the introduction to the Management Company's responsibility and approval of the financial statements.

2. ADOPTION OF NEW AND REVISED STANDARDS

Standards and Interpretations in issue not yet adopted

- IAS 24 – Related party transactions – effective 1 January 2011
- IAS 27 – Consolidated and Separate Financial Statements – effective for periods commencing on or after 1 July 2009
- IAS 32 – Financial Instruments: Presentation – Classification of Rights Issues – effective for periods commencing on or after 1 February 2010
- IAS 39 – Financial Instruments: Recognition and Measurement – effective for periods commencing on or after 1 January 2010
- IFRS 2 – Share-based payments – effective for periods commencing on or after 1 July 2009
- IFRS 3 – Business Combinations – effective for periods commencing on or after 1 July 2009
- IFRS 9 – (Amendment) Financial instruments – effective 1 January 2013
- IFRIC 14 – (Amendment) Prepayments of a Minimum Funding Requirement – effective 1 January 2011
- IFRIC 17 – Distributions of Non-cash Assets to Owners – effective for periods commencing on or after 1 July 2009
- IFRIC 18 – Transfers of assets from customers – effective for periods commencing on or after 1 July 2009
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments – effective 1 July 2010

The directors anticipate that all of the above Standards and Interpretations will be adopted in the Fund and Group's financial statements for the period in which they become effective and that the adoption of those Standards and Interpretations will have no material impact on the financial statements of the Fund and Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The annual financial statements and Group annual financial statements have been prepared in accordance with International Financial Reporting Standards, the requirements of the Collective Investment Schemes Control Act of 2002 and the JSE Limited Listing Requirements.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. The principal accounting policies set out below are consistent with the prior year except for additional disclosure on the statement of financial position incorporating the Fund's share of working capital of their consortium entities.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Fund and its subsidiary companies. The results of the subsidiary companies are consolidated from effective date of achieving control until the date that control ceases. Control is achieved where



the Fund has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The assets and liabilities of the subsidiary companies are recognised at their fair values at the date of acquisition.

All intra-group transactions, balances, income and expenses are eliminated, in full, on consolidation.

Where the Fund has an undivided share in a property, the Fund accounts for only its portion of the income and expenses, property valuation and other net assets.

3.4 Revenue recognition

Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the relevant lease. This income source comprises rental income and operating lease recoveries, from investment properties. There is a difference between the straight-line adjustment of the Group and the Fund because the Fund only came into existence at a later stage to the Group following the Collective Investment Schemes Control Act, 2002.

Dividend and interest revenue

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established.

3.5 Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical

cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve in other comprehensive income and reclassified to profit and loss on disposal of the net investment.

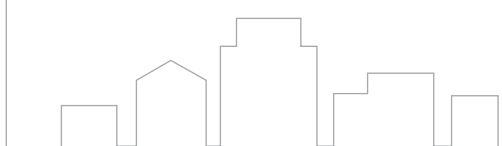
3.6 Tenant procurement costs

Tenant installation costs and letting commissions are written off over the period of the applicable lease on a straight line basis. The deferred portion of tenant installations and letting commissions are included in receivables.

3.7 Borrowing costs

Borrowing costs are capitalised to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities necessary to prepare the asset for its intended use are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs continues until the assets are substantially ready for their intended use. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of development cost financed out of general funds, the weighted average cost of borrowings.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

3.8 Taxation

The Fund is treated as a trust for taxation purposes and no liability for taxation arises on its net income for the year to the extent that it is distributed by the Fund.

The Fund is exempt from Capital Gains Taxation under section 67A of the 8th Schedule. The exemption is limited to the Fund.

Current tax comprises tax payable calculated on the basis of the expected taxable income for the period, using the tax rates at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, based on temporary differences. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date. The effect on deferred tax of any changes in tax rates is recognised in the Statement of Comprehensive Income except to the extent that it relates to deferred tax recognised previously in other comprehensive income.

The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.9 Investment property

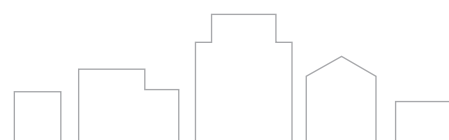
Investment property

Investment properties are held to earn rental income and for the subsequent capital appreciation.

Investment properties are initially measured at cost. The cost of the investment properties comprises the purchase price and directly attributable expenditure. Subsequent expenditure relating to investment properties is capitalised when it is probable that there are future economic benefits from the use of the asset. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

After initial recognition investment properties are measured at fair value. Fair values are determined annually by external independent professional valuers on the open market value basis. The valuers use either the discounted cash flow method or the capitalisation of earnings method or a combination of these methods. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Unrealised gains, net of deferred tax, are transferred to a non-distributable reserve in the statement of changes in equity. Unrealised losses, net of deferred tax, are transferred against a non-distributable reserve to the extent that the decrease does not exceed the amount held in the non-distributable reserve.

On disposal of investment properties, the difference between the net disposal proceeds and the fair value at the date of the last valuation is charged or credited to the statement of comprehensive income. Fair value adjustment gains accounted for in the non-distributable reserve relating to such disposals are transferred to accumulated profit in the statement of changes in unitholders' funds, and subsequently transferred to a non-distributable reserve for realised capital profits in order to comply with the terms of the Trust Deed.



Similarly, fair value adjustment losses accounted for in the non-distributable reserve relating to such disposals are transferred against accumulated loss in the statement of changes in equity and subsequently transferred to a non-distributable reserve for realised capital losses.

Gains or losses arising from changes in fair value and disposals of investment property are included in the net income for the year in which they arise and are transferred to the non-distributable reserve as they are not available for distribution.

Investment property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development and is measured at fair value.

All costs directly associated with the purchase and construction of a property, and all subsequent capital expenditures for the development qualifying as acquisition costs, are capitalised. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment is recognised.

3.10 Investment in subsidiaries

The investment in subsidiaries is recognised at cost less impairment.

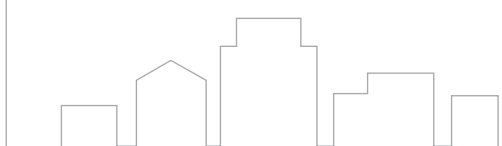
3.11 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Fund and Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value, including directly attributable transaction costs except where subsequently carried at fair value through profit or loss in which case transaction costs are expensed. Subsequent to initial recognition these instruments are measured as follows:

Financial assets

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised directly in other comprehensive income. The fair value of listed investments in equity securities classified as available-for-sale is their quoted bid price at the reporting date. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

3.11 Financial instruments (continued)

Financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in fair value. Cash and cash equivalents are stated at amortised cost.

Receivables

Trade receivables, loans and other receivables are classified as originated by the Fund and Group and are reflected at amortised cost using the effective interest rate method, less any impairment. Interest income is recognised by applying the effective interest rate.

Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss where the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; *or*
- it is a part of an identified portfolio of financial instruments that the Fund and Group manages together and has a recent actual pattern of short-term profit-taking; *or*
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement of recognition inconsistency that would otherwise arise; *or*

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund and Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; *or*
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and measurement* permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets are stated at fair value, with any resultant gain or loss recognised in profit or loss. Fair value is determined in the manner described in note 10.

Financial liabilities

Payables

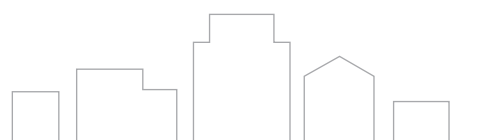
Payables are considered to be short-term in nature and are measured at amortised cost.

Other financial liabilities

Interest bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to the initial recognition, they are measured at amortised cost using the effective interest rate method.

Derecognition of financial instruments

The group and fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest to the extent of its continuing involvement in the asset and an associated liability for amounts it may



have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the Group has an enforceable right to set off the recognised amounts, and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.12 Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate risk through interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit and loss depends on the nature of the hedge relationship.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and its strategy for undertaking various hedge transactions. The Group further documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash

flow hedge are recognised directly in other comprehensive income to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs.

When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

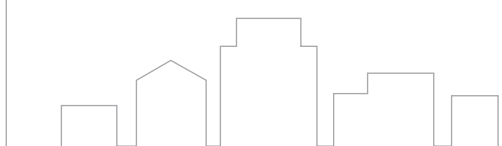
3.13 Segmental reporting

The group has the following primary operating segments:

- Retail
- Offices

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of enterprise revenue and expenses that can be allocated on a reasonable basis to a segment. Segment assets and liabilities comprise those assets and liabilities that are directly attributable to the segment on a reasonable basis.

On a secondary basis, the operations are segmented on a geographical basis.



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

3.14 Key judgements and the use of estimation uncertainty

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
4. Net finance cost				
<i>Interest income</i>				
Interest received from tenants and favourable bank balances	12 162	16 167	12 162	16 167
<i>Interest expense</i>	(63 484)	(59 324)	(63 484)	(59 324)
Interest paid on unsecured borrowings	(65 726)	(67 157)	(65 726)	(67 157)
Less: amounts capitalised to investment property	2 242	7 833	2 242	7 833
	(51 322)	(43 157)	(51 322)	(43 157)
5. Profit before income tax				
<i>Profit before income tax for the year is arrived at after taking into account the following items:</i>				
Auditor's remuneration – current year	910	819	-	819
Auditor's remuneration – prior year	-	(52)	-	(52)
Auditor's remuneration – other services	160	-	-	-
– capitalised	(120)	-	-	-
Impairment loss relating to tenants and related receivables				
– Movement in impairment allowance	4 086	2 307	4 086	2 307
– Bad debt written off	1 125	917	1 125	917
Legal fees (net of recoveries)	378	231	378	231
Trustee fees	275	275	275	275
Amortisation of tenant installation cost and letting commission	4 544	4 901	4 544	4 901
6. Taxation				
Group				
South African normal taxation	-	-	-	-
Secondary taxation on companies	-	(1 513)	-	-
<i>Taxation rate reconciliation:</i>				
Standard rate of South African normal taxation	28.0%	28.0%		
Exempt income	(41.2%)	(45.7%)		
Disallowed expenditure	13.2%	17.7%		
Secondary taxation	-	(0.5%)		
Effective tax rate	-	(0.5%)		
Fund				

The Fund is treated as a trust for taxation purposes and no liability for taxation arises on its net income for the year to the extent that it is distributed by the Fund.

7. Earnings, headline earnings and distribution per unit

Reconciliation of earnings to headline earnings to distributable earnings:

Earnings

Realised deficit on disposal of property

Unrealised surplus on revaluation of investment properties

Unrealised deficit on revaluation of investment in securities

Headline earnings

Taxation

Straight-line rental income accrual

Unrealised deficit on interest rate swap

Distributable earnings

Earnings per unit

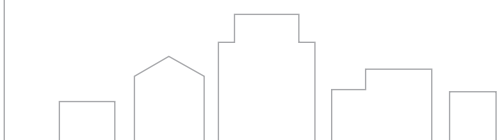
Headline earnings per unit

Distribution per unit

Number of units in issue ('000)

Weighted number of units ('000)

Note	Group 2010 R'000	Group 2009 R'000
	479 490	310 146
	-	64
8	(277 382)	(84 088)
	102 234	44 240
	304 342	270 362
	-	(1 513)
	16 147	4 997
	6 336	33 543
	326 825	307 389
	cents	cents
	233.78	151.21
	148.38	131.82
	159.34	149.87
	units	units
	205 107	205 107
	205 107	205 107



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

	Group 2010	Group 2009	Fund 2010	Fund 2009
	R '000	R '000	R '000	R '000
8. Investment properties				
Historical cost *	2 744 008	2 430 626	2 577 529	2 430 626
Straight-line rental adjustment	151 356	167 503	126 293	124 869
Revaluation	2 255 592	1 978 210	2 280 655	2 020 844
At fair value	5 150 956	4 576 339	4 984 477	4 576 339
MOVEMENT IN INVESTMENT PROPERTY				
Balance as at beginning of the year	4 576 339	4 426 016	4 576 339	4 426 016
Additions through subsequent expenditure #	196 839	27 707	30 360	27 707
Transfer from development property	116 543	43 525	116 543	43 525
Unrealised surplus on revaluation of investment properties	261 235	79 091	261 235	79 091
Straight-line rental income adjustment	(16 147)	(4 997)	1 424	6 472
Revaluation increase	277 382	84 088	259 811	72 619
Balance at end of the year	5 150 956	4 576 339	4 984 477	4 576 339

The fair value of investment property at 31 March 2010 has been arrived at on the open market value basis by Quadrant Properties (Pty) Ltd and by One Focus Property Consultants (Pty) Ltd; both are members of the South African Institute of Valuers.

All of the Group's investment property, except for Tyger Hills Office Park which is held under leasehold terminating on 11 October 2044, is held under freehold interests, and the register of title deeds is available for inspection at the registered office.

* includes interest capitalised of R 14 167 000 (2009: R 11 925 000)

includes interest capitalised of R 11 146 000 (2009: R 2 421 000)

9. Investment property under development

Balance at beginning of the year	96 890	72 162	96 890	72 162
Additions through subsequent expenditure †	19 653	68 253	19 653	68 253
Transfer to investment property	(116 543)	(43 525)	(116 543)	(43 525)
Balance at end of the year	-	96 890	-	96 890

† includes interest capitalised of R 2 242 000 (2009: R 7 833 000)



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

10. Listed investment

STENHAM EUROPEAN SHOPPING CENTRE FUND IC

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
Cost (Exchange rate R9.68/Euro)	258 311	258 311	258 311	258 311
Cumulative fair value adjustment	(44 533)	57 701	(44 533)	57 701
- Exchange rate fluctuation	6 204	83 880	6 204	83 880
- Underlying net asset value	(50 737)	(26 179)	(50 737)	(26 179)
Fair value at end of the year	213 778	316 012	213 778	316 012
Exchange rate – Rands per Euro	9.92	12.83	9.92	12.83

During June 2007 the fund acquired 27 318,073 shares (22.5% shareholding) in Stenham European Shopping Centre Fund IC (SESCF), a company listed on the Channel Island Stock Exchange as a closed fund. The shares were revalued by the directors based on the independent revaluation of the underlying property at the reporting date exchange rate. The investment is not considered to be an associate as the Group does not have the ability to exercise significant influence.

Summarised financial information of SESCOF is set out below:

	R'000	R'000	R'000	R'000
Total Assets	3 396 002	4 553 806	3 396 002	4 553 806
Total Liabilities	(2 445 879)	(3 145 958)	(2 445 879)	(3 145 958)
Net Assets	950 123	1 407 848	950 123	1 407 848
Group's share of net assets	213 778	316 667	213 778	316 667
Total Revenue	199 745	273 095	199 745	273 095
Total Profit	39 477	68 621	39 477	68 621
Group's share of profits	8 882	15 446	8 882	15 446
Dividends received	9 183	11 496	9 183	11 496

11. Investments in subsidiaries

UNLISTED INVESTMENTS

Centre South Properties (Pty) Ltd	*	-	-	-	-
Fairy Glen Properties (Pty) Ltd	*	-	-	-	-
Fourways Crossing Centre (Pty) Ltd		-	-	10	10
Paulshof Twenty Six (Pty) Ltd	*	-	-	-	-
Sycom Properties (Pty) Ltd	*	-	-	-	-
Tyger Hills Office Park (Pty) Ltd		-	-	621	-
Uppark (Pty) Ltd	*	-	-	-	-
		-	-	631	10

All subsidiary companies are wholly-owned and controlled by the Fund and registered in the Republic of South Africa. * The zero balances represent nominal amounts under R1 000.

12. Rental and other receivables

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
	Restated		Restated	
Rental receivable	9 006	8 566	9 006	8 566
Impairment provision	(4 909)	(1 948)	(4 909)	(1 948)
	4 097	6 618	4 097	6 618
Deferred tenant procurement cost	16 444	14 441	16 444	14 441
Other	16 398	21 494	16 398	21 494
	36 939	42 553	36 939	42 553

12.1. Rental receivable

Included in the Group and Fund's rental receivable balance are debtors with a carrying amount of R1 405 333 (2009: R2 311 491) which are past due at the reporting date for which the Group and Fund have not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group and Fund have collateral in place through deposits and suretyships. The average age of receivables is 5.4 days (2009: 5.7 days).

AGEING OF THE PAST DUE BUT NOT IMPAIRED RECEIVABLES

30 – 60 days	328	1 527	328	1 527
60 – 90 days	117	438	117	438
90+ days	960	346	960	346
	1 405	2 311	1 405	2 311

MOVEMENT IN THE IMPAIRMENT ALLOWANCE

Balance at the beginning of the year	(1 948)	(558)	(1 948)	(558)
Amounts written off as uncollectible	1 125	917	1 125	917
Impairment losses raised	(4 086)	(2 307)	(4 086)	(2 307)
Balance at the end of the year	(4 909)	(1 948)	(4 909)	(1 948)

In determining the recoverability of a rental receivable, the Fund and Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The concentration of the credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the impairment allowance recognised.

AGEING OF IMPAIRED RENTAL RECEIVABLES

1 to 60 days	934	181	934	181
60 – 90 days	655	175	655	175
90+ days	3 320	1 592	3 320	1 592
	4 909	1 948	4 909	1 948

Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
	Restated		Restated	

13. Loan to subsidiary

Tyger Hills Office Park (Pty) Ltd

-	-	165 858	-
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This unsecured loan is non-interest bearing with no fixed repayment date.

14. Cash and bank balances

Deposits at bank

31 049	31 074	31 049	31 074
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Deposits in access facility

121 154	122 449	121 154	122 449
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152 203	153 523	152 203	153 523
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15. Unitholders' capital

Issued units

205 107 471 units

(2009: 205 107 471 units)

1 661 615	1 661 828	1 661 615	1 661 828
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The capital of the fund is governed by the Trust Deed which can be viewed upon request at the registered office. There has been no change in the issued units during the year under review.

A new issue of 8 897 297 units was listed on the JSE on 13 April 2010 to finance the acquisition (effective date 31 March 2010) of the shares and loan account in a wholly-owned subsidiary company, Tyger Hills Office Park (Pty) Ltd, in an amount of R164 600 000 (refer note 17 for capital funding accrual). Costs relating to the issue in an amount of R212 620 had been incurred by year-end.

16. Unsecured borrowings

At amortised cost

Bank loan facility

714 424	685 879	714 424	685 879
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The loan with Nedbank Limited is repayable in full on 25 November 2014 and bears interest at the prime overdraft rate as applicable in South Africa less 2.5% (2009: prime less 2.5%) and is payable monthly in arrears.

The Group hedges a portion of the loan via interest rate swap agreements exchanging variable rate interest for fixed rate interest. The weighted average effective interest rate on the loan is 9.30% per annum (2009: 10.68%). The interest rate swaps are detailed below:

Maturity	Amount R'000	Fixed interest rate %	Effective interest rate %	Percentage of total borrowings %
1 June 2011	100 000	7.97	8.80	14.0
1 June 2012	100 000	7.84	8.67	14.0
17 March 2014	200 000	10.22	11.05	28.0
9 April 2014	100 000	9.93	10.76	14.0

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
	Restated		Restated	
17. Trade and other payables				
Trade and other payables	28 095	34 993	28 095	34 993
Capital accruals – unit issue *	164 600	-	164 600	-
Capital accruals – investment properties	19 435	9 727	19 435	9 727
Prepaid rentals	13 393	9 110	13 393	9 110
Tenant deposits	13 805	12 040	13 805	12 040
	239 328	65 870	239 328	65 870

* Settled through the issue of units - (Refer note 15)

18. Other financial liabilities

Interest rate swaps	28 743	22 407	28 743	22 407
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Interest rate swap liabilities arise from the fair value movements between the fixed rate and three month JIBAR rate entered into by the Group (Refer to note 16).

19. Taxation payable

The Fund is exempt from Capital Gains Taxation under section 67A of the 8th Schedule. The exemption is limited to the Fund.

The movement for the year in the taxation position was as follows:

Balance at beginning of the year	231	6 662	-	-
Secondary taxation on subsidiaries due to release of capital reserves to the Fund	-	(1 513)	-	-
Taxation paid	(231)	(4 918)	-	-
Balance at end of the year	-	231	-	-

20. Loans from subsidiaries

Unlisted dormant companies

Fourways Crossing Retail Centre (Pty) Ltd	-	-	10	10
Paulshof Twenty Six (Pty) Ltd	-	-	-	72
Sycom Properties (Pty) Ltd	-	-	-	159
	-	-	10	241

These unsecured loans are non-interest bearing and have no fixed terms of repayment.

Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

	Group 2010 R'000	Group 2009 R'000	Fund 2010 R'000	Fund 2009 R'000
	Restated		Restated	
21. Cash generated from operating activities				
Net income before taxation	479 490	308 633	479 490	310 146
<i>Adjusted for:</i>				
Net finance cost	53 564	50 990	53 564	50 990
Dividend income	(9 793)	(11 668)	(9 793)	(12 966)
Surplus on revaluations	(152 665)	(1 244)	(152 665)	(1 459)
Operating profit before working capital changes	370 596	346 711	370 596	346 711
<i>Change in working capital:</i>				
Decrease/(Increase)in receivables	5 614	(2 753)	5 614	(8 064)
(Decrease)/increase in payables	(849)	4 400	(849)	4 188
Increase in loan accounts payable to subsidiaries	-	-	(231)	(1 892)
Cash generated from operations	375 361	348 358	375 130	340 943
22. Dividends received				
Amount receivable at beginning of the year	6 350	6 516	6 350	6 516
Dividend income	9 793	11 668	9 793	11 668
Dividend declared by subsidiaries	-	-	-	1 298
Amount receivable at end of the year	(4 435)	(6 350)	(4 435)	(6 350)
	11 708	11 834	11 708	13 132
23. Distributions paid				
Amount payable at beginning of the year	(162 521)	(145 160)	(162 521)	(145 160)
Charged to the statement of comprehensive income	(326 825)	(307 389)	(326 825)	(307 389)
Amount payable at end of the year	168 605	162 521	168 605	162 521
	(320 741)	(290 028)	(320 741)	(290 028)
24. Taxation				
Amount payable at beginning of the year	(231)	(6 662)	-	-
Charged to the statement of comprehensive income	-	1 513	-	-
Amount payable at end of the year	-	231	-	-
	(231)	(4 918)	-	-

25. Group segmental information

25.1. Group operational segments

	Retail R '000	Office R '000	Fund R '000	Total R '000
2010				
Revenue				
Rental income	257 176	205 703	-	462 879
Straight-line rental income accrual	(378)	(15 769)	-	(16 147)
Dividend income	9 793	-	-	9 793
Total revenue	266 591	189 934	-	456 525
Expenditure	(39 764)	(31 765)	(22 996)	(94 525)
Net finance cost	869	2 902	(55 093)	(51 322)
Net operating income	227 696	161 071	(78 089)	310 678
Fair value adjustments	154 161	14 651	-	168 812
- South Africa	256 395	14 651	-	271 046
- International	(102 234)	-	-	(102 234)
Taxation	-	-	-	-
Earnings	381 857	175 722	(78 089)	479 490
Assets				
Investment and development property	2 702 125	2 297 475	-	4 999 600
Straight-line rental income accrual	95 012	56 344	-	151 356
Investment in listed investment	213 778	-	-	213 778
	3 010 915	2 353 819	-	5 364 734
Current assets	35 724	34 400	123 453	193 577
	3 046 639	2 388 219	123 453	5 558 311
Liabilities				
Unsecured borrowings	-	-	(714 424)	(714 424)
Current liabilities	(23 150)	(209 923)	(203 603)	(436 676)
	(23 150)	(209 923)	(918 027)	(1 151 100)
Net assets	3 023 489	2 178 296	(794 574)	4 407 211





Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

25.1. Group Operational Segments [continued]

	Retail R '000	Office R '000	Fund R '000	Total R '000
2009				
REVENUE				
Rental income	241 770	189 225	-	430 995
Straight-line rental income accrual	(699)	(4 298)	-	(4 997)
Dividend income	11 668	-	-	11 668
Total revenue	252 739	184 927	-	437 666
Expenditure	(42 951)	(27 800)	(21 366)	(92 117)
Net finance cost	833	720	(44 710)	(43 157)
Net operating income	210 621	157 847	(66 076)	302 392
Fair value adjustments	(100 969)	107 210	-	6 241
- South Africa	(56 729)	107 210	-	50 481
- International	(44 240)	-	-	(44 240)
Taxation	-	-	1 513	1 513
Earnings	109 652	265 057	(64 563)	310 146
ASSETS				
Investment and development property	2 434 549	2 071 177	-	4 505 726
Straight-line rental income accrual	95 389	72 114	-	167 503
Investment in listed investment	316 012	-	-	316 012
	2 845 950	2 143 291	-	4 989 241
Current assets	29 578	23 487	149 361	202 426
	2 875 528	2 166 778	149 361	5 191 667
LIABILITIES				
Unsecured borrowings	-	-	(685 879)	(685 879)
Current liabilities	(23 713)	(31 766)	(195 550)	(251 029)
	(23 713)	(31 766)	(881 429)	(936 908)
Net assets	2 851 815	2 135 012	(732 068)	4 254 759

25.2. Group Geographical Segments

	Gauteng R'000	Western Cape R'000	Inter- -national R'000	Fund R'000	Total R'000
2010					
Operating income	234 506	133 513	9 183	(66 524)	310 678
Net assets	3 147 029	1 820 099	218 212	(778 129)	4 407 211
2009					
Operating income	227 465	129 507	11 496	(66 076)	302 392
Net assets	3 015 866	1 648 598	322 363	(732 068)	4 254 759

Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

26. Financial instruments

The Fund and Group's financial instruments consist mainly of deposits with banks, unsecured borrowings from banks, accounts receivable, accounts payable and loans to wholly owned subsidiary companies. The carrying book value of the instruments mentioned before approximates fair value.

Exposure to credit, interest rate, and liquidity risk arises in the normal course of business.

Cash resources are monitored to meet working capital requirements and surplus cash is applied on an access basis against long-term interest bearing liabilities.

26.1. Capital risk management

The capital structure of the Fund and Group is governed by the Trust Deed. The allowed borrowing capacity is 30% of the value of the underlying asset comprising the portfolio, determined on the last published valuation in the most recent audited financial statements. As at 31 March 2010, the Fund and Group are within the allowed borrowing capacity.

	2010	2009
	R'000	R'000
Underlying assets	5 364 734	4 989 241
Unsecured borrowings	714 424	685 879
Utilised capacity	13.3%	13.7%

26.2. Market risk

The Fund and Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into interest rate swap agreements to mitigate the risk of rising interest rates as set out in note 16.

26.3. Foreign currency risk

The Fund and Group exposure to exchange rate fluctuations arises through the investment in a listed foreign asset. In accordance with the South African Reserve Bank approval, the Fund may under no circumstances enter into a forward exchange contract.

The carrying amount of the Fund and Group's foreign currency monetary assets at the reporting date is €21 557 601 (2009: €24 633 312).

The following table details the Group's sensitivity to a 10% increase and decrease in the Rand against the Euro. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

	2010	2009
	R'000	R'000
Profit or loss	979	1 167
Investment in securities	21 378	31 601

26.4. Interest rate risk management

The Group is exposed to interest rate risk as the Group borrows funds at a floating interest rate. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, through the use of interest rate swap contracts. Hedging activities are evaluated regularly to align them with interest rate views and the defined acceptable level of risk ensuring optimal hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

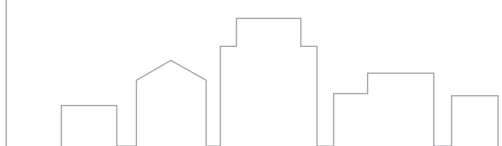
Interest rate sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates have been 100 basis points higher/lower and all other variables were held constant, the Group's profit of the year ended 31 March 2010 would decrease/increase by R1 026 440 (2009: decrease/increase by R858 799). This is mainly attributable to the Group's exposure to interest rates on a variable rate borrowing which is limited due to the increase in interest rate swaps.

Interest rate swap agreements

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such agreements enable the Group to mitigate the cash flow exposure on the issued variable debt. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at reporting date and the credit risk inherent in the contract, as is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.



Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

26.4. Interest rate risk management (continued)

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at reporting date:

CASH FLOW HEDGES	Average contracted fixed interest rate		Notional principal amount		Fair value	
	2010 %	2009 %	2010 R'000	2009 R'000	2010 R'000	2009 R'000
Repayment date						
Less than one year	-	7.86	-	100 000	-	460
1 to 2 years	7.91	-	200 000	-	(2 946)	-
2 to 5 years	10.12	9.06	300 000	400 000	(25 797)	(16 264)
More than 5 years	-	9.93	-	100 000	-	(6 603)
			500 000	600 000	(28 743)	(22 407)

The interest rate swaps are settled on a quarterly basis. The floating rate swaps valuations are determined by the local interbank rate of South Africa. The Group will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the period that the floating rate interest payments on debt impact profit or loss.

26.5. Credit risk management

Credit risk consists mainly of tenant debtors, which are from a widespread tenant base. Management has a credit policy in place. Continuous attention is paid to the financial position of the tenants.

Impairments are raised for all specific doubtful debts and at the year end management did not consider there to be any material risk exposure.

26.6. Liquidity risk management

Cash resources are monitored to meet working capital requirements. Surplus cash is applied on an access basis against long-term interest bearing liabilities. The facility is reviewed regularly to meet capital commitment requirements. The following table details the Group's contractual maturity for its non-derivative financial liabilities excluding interest. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date the Group can be required to pay.

GROUP AND FUND	1 - 3 Months	3 Months to 1 year	1 to 5 years	More than 5 years	Total
	R'000	R'000	R'000	R'000	R'000
2010					
Non interest bearing borrowings	208 387	16 652	29 227	13 805	268 071
Unitholders' distribution	168 605	-	-	-	168 605
Unsecured borrowings	-	-	714 424	-	714 424
	376 992	16 652	743 651	13 805	1 151 100
2009 (Restated)					
Non interest bearing borrowings	51 748	1 853	21 535	13 372	88 508
Unitholders' distribution	162 521	-	-	-	162 521
Unsecured borrowings	-	-	-	685 879	685 879
	214 269	1 853	21 535	699 251	936 908

27. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Transactions between the Fund and its subsidiaries, which are related parties of the Fund, have been eliminated on consolidation and are not disclosed in this note.

Identity of the related parties with whom material transactions have occurred

The management company of the Group is Sycom Property Fund Managers Limited that appointed certain parties to manage and administer the affairs of the investment properties and subsidiaries. Management and capital project fees paid for the year are as below.

MATERIAL RELATED PARTY TRANSACTIONS

	2010	2009
	R'000	R'000
<i>Asset management fees</i>		
Sycom Property Fund Managers Ltd	21 163	19 403
<i>Property management fees and letting commission</i>		
Acucap Properties Ltd	18 527	4 137
Sycom Property Fund Managers Ltd	806	376
Parkdev (Pty) Ltd	790	7 054
Somerset Mall Property Management Company (Pty) Ltd	1 356	1 178
FC Property Management Company (Pty) Ltd	1 229	842
Woodlands Office Park Management Company (Pty) Ltd	1 291	843

28. Operating lease payments receivable

At reporting date the Group had contracted with tenants for the following future minimum lease payments.

	Group 2010	Group 2009	Fund 2010	Fund 2009
	R '000	R '000	R '000	R '000
Less than one year	403 528	399 731	393 973	399 731
Between one and five years	851 121	833 225	847 170	833 225
More than five years	458 691	334 823	458 691	334 823
	1 713 340	1 567 779	1 699 834	1 567 779

Notes to the Annual Financial Statements for the year ended 31 March 2010 (continued)

Group 2010	Group 2009	Fund 2010	Fund 2009
R '000	R '000	R '000	R '000

29. Capital commitments

Commitments in respect of capital expenditure to be incurred in the ensuing year

Contracted	15 438	18 683	15 438	18 683
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The commitments are to be funded from unsecured borrowings.

30. Contingent liabilities

The deregistering of dormant subsidiary companies would potentially attract secondary taxation on companies under current legislation.

31. Events after reporting period

The Directors are not aware of any events subsequent to 31 March 2010, not arising in the normal course of the business, which are likely to have a material effect on the financial information contained in this report.

32. Restatement

In order for more meaningful disclosure of current assets and liabilities, the Group and Fund's interest in the current assets and liabilities of jointly owned properties have now been split into their individual components whereas in prior years the net amount of current assets or liabilities per property was included.

	Prior year 2009 Group and Fund	Adjustment	Restated 2009 Group and Fund
	R'000	R'000	R'000
Rental and other receivables	33 766	8 787	42 553
Cash and bank balances	139 815	13 708	153 523
Trade and other payables	43 375	22 495	65 870

The restatement has had no impact on earnings, tax or retained earnings

33. Approval of financial statements

The financial statements were approved by the Management Company's Board of Directors and authorised for issue on 3 June 2010.

34. Post balance sheet event

Certain subordinated note holders in Stenham's funding consortium have differed with the board's independent valuation of Stenham's investment in the Nova Eventis Shopping Centre, and effectively called for additional capital to be introduced into Stenham in order to reduce its gearing ratio.

The board of Stenham has disputed the valuation obtained by the note holders, although as a matter of prudence, it will consider re-capitalising the fund, given that Stenham's funding is in any event due to be re-negotiated in 13 month's time and some form of re-capitalisation is then likely to be required. The additional capital may be raised by way of a rights issue, and preliminary estimates indicate that Sycom's share of the re-capitalisation could be in the order of R90m.



UNAUDITED SUPPLEMENTARY SCHEDULES
Property Portfolio Information
at 31 March 2010

1 Geographic profile - rentable area

Gauteng	64.4%
Western Cape	35.6%

2 Geographic profile - revenue

Gauteng	61.5%
Western Cape	38.5%

3 Sectoral profile - rentable area

Retail	50.4%
Offices	49.6%

4 Sectoral profile - revenue

Retail	52.4%
Offices	47.6%

5 Tenant profile - by rentable area

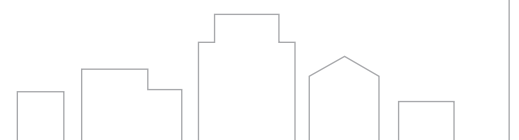
	% rentable area	number of tenants	number of leases
Large listed companies, SA Government and large multinational companies	67.1%	74	390
Other listed companies, franchises of listed companies and other large companies	10.0%	41	104
Other	17.0%	526	584

6 Vacancy profile by sector by rentable area

Vacant retail	0.8%
Vacant offices	5.1%
Total let	94.1%

7 Lease expiry profile by revenue by sector

	Retail	Offices
to Mar-11	13.3%	8.6%
to Mar-12	13.1%	17.7%
to Mar-13	7.7%	3.3%
to Mar-14	6.6%	2.0%
to Mar-15	4.4%	5.0%
thereafter	7.3%	11.0%



8 Lease expiry profile by rentable area by sector

	Retail	Offices
vacant	0.8%	5.1%
to Mar-11	12.4%	8.6%
to Mar-12	10.3%	16.3%
to Mar-13	4.4%	3.1%
to Mar-14	6.4%	1.6%
to Mar-15	3.4%	5.0%
thereafter	12.7%	9.9%

9 Weighted average rental per square meter by rentable area

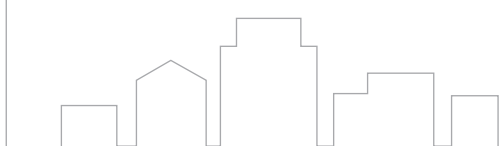
Retail	120.17
Offices	121.85

10 Weighted average escalation profile by sector and rentable area

Retail	7.1%
Offices	7.7%
Total	7.4%

11 Average annualised property portfolio yield

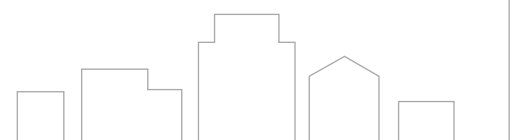
Retail	8.6%
Offices	7.9%



Property Portfolio Information at 31 March 2010 (continued)

Property portfolio at 31 March 2010

	Independent Valuation at 31 March 2010 (Sycom ownership)	Sycom share of the Property Area	Weighted average rental per m ² (including parking rental)	Description
	(R'000)	m ²	R/m ²	
Retail	2,797,137	161,223	120.17	
Fourways Crossing Retail Centre	356,000	23,616	110.49	William Nicol Highway, Fourways
N1 City Mall	413,574	27,176	103.56	Louwtjie Rothman Street, Goodwood
Paarl Mall	354,900	25,288	117.58	Cecile Road, Paarl
Somerset Mall	787,225	32,266	155.06	Cnr N2 & R44 Highways, Somerset West
Southgate Mall	215,442	11,465	115.02	Rifle Range Road, Mondeor
Southgate Value Market	23,758	3,075	57.27	Rifle Range Road, Mondeor
Vaal Mall	646,238	38,337	116.50	Vanderbijlpark
Office	2,353,819	158,441	121.85	
Advocates' Chambers	126,700	7,143	142.16	Protea Place, Sandton
Discovery Building	372,100	22,526	119.09	Fredman Drive, Sandton
ENS Building	261,200	18,065	117.18	Foreshore, Cape Town
Georgian Crescent	87,500	6,312	135.02	Georgian Crescent, Bryanston
Harrowdene Office Park	526,600	36,888	116.59	Woodmead, Sandton
Riverwoods Office Park	103,000	10,649	106.15	Civin Drive, Bedfordview
The Woodlands Office Park	710,240	45,758	126.83	Woodmead, Sandton
Tyger Hills Office Park	166,479	11,100	128.52	Hendrik Verwoerd Drive, Parow
Total	5,150,956	319,664	120.95	



6

Analysis of the Unitholders as at 31 March 2010

	31 MARCH 2010			31 MARCH 2009		
	Number of unit holders	Number of units	% of issued units	Number of unit holders	Number of units	% of issued units
Unitholder spread per JSE Listing requirements						
Public	2 442	91 743 427	44.73%	2 560	91 226 707	44.48%
Non-public	6	113 364 044	55.27%	9	113 880 764	55.52%
- Directors	3	344 277	0.17%	6	860 997	0.42%
- Sycom Property Fund Managers Limited	1	150 000	0.07%	1	150 000	0.07%
- Unitholders owning more than 10% of issued units	2	112 869 767	55.03%	2	112 869 767	55.03%
Total	2 448	205 107 471	100.00%	2 569	205 107 471	100.00%
Unitholders owning 5% or more of the units						
Hyprop Investments Limited		75 328 391	36.73%		75 328 391	36.73%
Acucap Properties Limited		37 541 376	18.30%		37 541 376	18.30%
		112 869 767	55.03%		112 869 767	55.03%
Interest of directors of Sycom Property Fund Managers Limited						
Direct beneficial interest						
TE Sewell (resigned)		344 277	0.17%		510 997	0.25%
FM Berkeley		-	-		150 000	0.07%
JP Flanagan		210 090	0.10%		210 090	0.10%
NFJ Haasbroek		-	-		16 720	0.01%
PA Theodosiou		9 187	0.01%		9 187	0.01%
		125 000	0.06%		125 000	0.06%
Indirect beneficial interest						
GA Nelson (resigned)		-	-		350 000	0.17%
Directors interest		344 277	0.17%		860 997	0.42%

There have been no changes post the year end and prior to the approval of the Annual Financial Statements

Interest of directors who resigned during the year

Direct beneficial interest

TE Sewell

Indirect beneficial interest

GA Nelson

500 000 0.24%

150 000 0.07%

350 000 0.17%