



● **SUCCESSFUL LISTING RAISED R1,66 BILLION** ● **MAIDEN DISTRIBUTION OF 22,25 CENTS PER LINKED UNIT**
● **NET ASSET VALUE R10,30 PER LINKED UNIT, EXCLUDING DEFERRED TAXATION**
● **RETAIL PORTFOLIO TURNOVER GROWTH 19%**

STATEMENT OF COMPREHENSIVE INCOME

	Audited for period from listing to 31 August 2011 R000	Audited financial year ended 31 August 2011* R000
REVENUE		
Property portfolio	105 944	257 067
Rental income	103 468	252 330
Straight line rental income accrual	2 476	4 737
Facilities management income	10 804	10 804
Sundry income	147	403
Total revenue	116 895	268 274
Property expenses	(29 545)	(66 535)
Administration and corporate costs	(3 901)	(3 957)
Listing costs	-	(50 028)
Debt arrangement fees	-	(120 726)
Net operating profit	83 449	27 028
Changes in fair values of investment properties and financial instruments	62 833	262 761
Profit from operations	146 282	289 789
Net finance charges	(32 672)	(144 701)
Finance charges – secured loans	(32 916)	(144 859)
Net interest received	244	158
Profit before taxation	113 610	145 088
Debt interest	(48 898)	(48 898)
Profit before taxation	64 712	96 190
Taxation	(3 233)	(44 038)
Total comprehensive income for the year	61 479	52 152
Reconciliation of earnings, headline earnings and distributable earnings		
Total comprehensive income for the year	61 479	52 152
Debt interest	48 898	48 898
Earnings	110 377	101 050
Change in fair value of investment properties (net of deferred taxation)	(92 471)	(241 026)
Change in fair value of properties	(107 524)	(280 263)
Deferred taxation	15 053	39 237
Headline profit/(loss) attributable to linked unitholders	17 906	(139 976)
Change in fair value of derivative instruments (net of deferred taxation)	32 178	12 601
Change in fair value of derivative instruments	44 691	17 502
Deferred taxation	(12 513)	(4 901)
Straight line rental income accrual (net of deferred taxation)	(1 783)	(3 411)
Straight line rental income accrual	(2 476)	(4 737)
Deferred taxation	693	1 326
Reversal of deferred taxation on derivative instruments no longer required	-	8 376
Listing costs	-	50 028
Debt arrangement fees	-	120 726
Structuring fee amortisation	554	554
Retained profit at listing date	43	-
Distributable earnings attributable to linked unitholders	48 898	48 898
Number of linked units in issue	219 744 713	219 744 713
Weighted average number of linked units in issue	64 092 209	64 419 020
Basic and diluted earnings per linked unit (cents)	172,22	156,86
Headline profit/(loss) per linked unit (cents)	27,94	(217,29)
Distributable earnings per linked unit (cents)	22,25	22,25

* Results for the financial year ended 31 August 2011 include trading for the nine month period from 1 December 2010 to 31 August 2011

SEGMENTAL INFORMATION

	Retail/ Eastern Cape R000	Office/ Gauteng R000	Total R000
Extracts from statement of comprehensive income			
For period from listing to 31 August 2011			
Total revenue from property portfolio	64 791	49 481	114 272
Rental income	64 791	38 677	103 468
Facilities management income	-	10 804	10 804
Property expenses	(16 401)	(13 144)	(29 545)
Net property income	48 390	36 337	84 727
Change in fair values of investment properties	73 507	34 017	107 524
Extracts from statement of financial position			
(as at 31 August 2011)			
Investment property	1 915 000	1 485 400	3 400 400

COMMENTARY

Profile

Rebosis, the first black-managed and substantially black-held property fund, successfully listed on the JSE Limited ("JSE") on 17 May 2011. On listing Rebosis raised R1,66 billion, in terms of a private placement that was oversubscribed. This was the largest property sector capital raising IPO on the JSE.

Financial results

The period reported on in these results is from 1 December 2010, the date on which Rebosis acquired the initial portfolio of six properties, to 31 August 2011. As reflected in the prelisting statement issued 3 May 2011 ("prelisting statement"), two additional properties were acquired being Victoria Mxenge building and Bloed Street Mall, Victoria Mxenge building transferred on 24 May 2011 but transfer of Bloed Street Mall has been delayed due to administrative circumstances outside of the control of company and the vendor. Transfer of this property is expected by no later than the end of November 2011.

In line with the prelisting statement, the portfolio of assets, the gearing against the portfolio, the asset management arrangements and the capital structure were substantially restructured. The results from 17 May 2011, the date of listing, to 31 August 2011, which are those relevant to Rebosis linked unitholders, have been reflected separately.

Rebosis has declared a distribution of 22,25 cents per linked unit for the period since listing. While the distribution is below the forecast distribution of 22,91 cents per linked unit per the prelisting statement, this is accounted for by the delay in the transfer of Bloed Street Mall. The effect of the delay in the transfer of Bloed Street Mall is a net reduction to distributable earnings of R1,6 million (0,7 cents per linked unit), made up of net property income of R9,1 million offset by a saving in interest on borrowings of R7,5 million.

At 31 August 2011, the net asset value per linked unit of R10,30, excluding deferred taxation, represents a premium of 4,6% to Rebosis' closing unit price of R9,85.

Property portfolio

At year end, the Rebosis property portfolio consists of 56% shopping centres and 44% office buildings (by value), located in Gauteng and the Eastern Cape. The retail portfolio comprises two exceptional-quality shopping malls delivering secure, escalating income streams underpinned by strong anchor and national tenants. The office portfolio consists of five buildings which are well-located in nodes attractive to government tenants; four in Pretoria and one in Braamfontein. These are mainly let to the National Department of Public Works, under long leases providing for escalations of 8% per annum. The office portfolio represents a sovereign underpin to a substantial portion of the earnings and shields it from private sector risks such as tenant insolvency and default.

The valuations prepared by independent valuer, Quadrant Properties (Proprietary) Limited, at 1 May 2011 for purposes of the listing, were updated at year-end. For the financial year ended 31 August 2011, investment property increased in value by R285 million to R3,4 billion, excluding Bloed Street Mall. Since the date of listing, the value of the portfolio increased by R110 million.

Property	GLA m ²	Value R000	Value per m ² R/m ²
Retail portfolio	109 679	1 915 000	17 460
Hemingways Mall	73 132	1 495 000	20 442
Mdantsane City	36 547	420 000	11 492
Commercial portfolio	114 034	1 485 400	13 026
Victoria Mxenge	24 720	426 500	17 253
Salu	30 354	425 000	14 001
Liberty	35 885	406 400	11 325
Bank of Lisbon	14 599	122 800	8 412
Arbour Square	8 476	104 700	12 353
	223 713	3 400 400	15 200

Including Bloed Street Mall, valued at R356,3 million on 1 May 2011, the value of the property portfolio at 31 August 2011 would be R3,757 billion, comprising 60% shopping centres and 40% office buildings.

Vacancies at 31 August 2011 were 4,7%. Subsequent to year end, additional leases have been concluded reducing vacancies to 3,0%.

Borrowings

At 31 August 2011, borrowings of R1,153 billion equate to a gearing ratio of 33,9%. Rebosis' average interest rate for the period since listing was 9,26% and interest rates are fixed in respect of 100% of borrowings for an average period of 4,2 years.

Subsequent to the transfer of the Bloed Street Mall, the gearing ratio will increase to 39,8%, the average cost of borrowings will decrease to 8,9% and interest rates will be fixed in respect of 80% of borrowings.

Business combination

Pursuant to its listing on the JSE, Rebosis acquired the assets and liabilities of Hemingways Shopping Centre (Proprietary) Limited, Mdantsane Shopping Centre (Proprietary) Limited and Phomella Property Investments (Proprietary) Limited with effect from 1 December 2010.

Details of the net assets acquired are as follows:

	R000
Investment property	2 857 500
Property, plant and equipment	735
Trade and other receivables	3 395
Cash and cash equivalents	8 571
Secured financial liabilities	(2 245 470)
Derivative instruments – interest rate swaps	(70 138)
Deferred taxation	(95 703)
Trade and other payables	(152 219)
Total net assets acquired	306 671
Goodwill	95 703
Purchase consideration settled in cash	402 374

Events after the reporting date

Due to delays in the transfer of Bloed Street Mall, it has been agreed to increase the purchase price of R335,7 million by R1,0 million per month, or part thereof, with effect from 31 May 2011 until the transfer date.

STATEMENT OF FINANCIAL POSITION

	Audited 31 August 2011 R000
ASSETS	
Non-current assets	3 501 676
Investment property	3 400 400
Goodwill	95 703
Property, plant and equipment	527
Structuring fee prepaid	5 046
Current assets	85 800
Trade and other receivables	13 680
Structuring fee prepaid	1 900
Cash and cash equivalents	70 220
	3 587 476
EQUITY AND LIABILITIES	
Equity	529 320
Stated capital	477 168
Reserves	52 152
Liabilities	2 933 310
Debentures	1 595 347
Secured financial liabilities	1 153 531
Derivative instruments	44 690
Deferred taxation	139 742
Current liabilities	124 846
Trade and other payables	60 761
Rental warranty	15 187
Unitholders for distribution	48 898
Total equity and liabilities	3 587 476
Net asset value per linked unit (R)	9,67
Net asset value per linked unit (excluding deferred taxation) (R)	10,30

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited year ended 31 August 2011 R000
Balance at the beginning of the year	1
Issue of shares	477 167
Total comprehensive income for the year	52 152
	529 320

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOW

	Audited year ended 31 August 2011 R000
Net cash flows utilised in operating activities	(233 172)
Cash absorbed by operations	(88 471)
Net finance costs	(144 701)
Net cash outflows from investing activities	(634 233)
Net cash generated from financing activities	937 625
Net movement in cash and cash equivalents	70 220
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	70 220

Directorate

Sisa Ngebulana was appointed as chief executive officer on 13 August 2010. Anna Mokgokong was appointed as chairperson and Mike Rodel and Jany Finn were appointed as chief operating officer and financial director respectively with effect 11 April 2011. Simon Fifield, Andile Mazwai, Ken Reynolds, Jaco Odendaal and Sindiswa Zilwa were appointed as non-executive directors with effect 11 April 2011.

Prospects

Rebosis is well positioned for future growth notwithstanding a difficult macro economic environment. The retail properties are still maturing with an average annual turnover growth to 31 August 2011 of 19% at Hemingways and Mdantsane Malls. It is anticipated that the majority of the remaining vacancies in the portfolio will be let in the first half of 2012 due to the increased interest for premises. The board remains confident of the sustainability of government leases and the company's empowerment credentials which position Rebosis well for future acquisitions of government tenanted buildings. The board anticipates that the distribution for the year ending 31 August 2012 will be between 85,0 cents and 88,3 cents per linked unit. This forecast has not been reported on by the company's auditors.

Debenture interest distribution

As announced on SENS on Friday, 4 November 2011, linked unitholders are advised that distribution no. 1 of 22,25 cents per linked unit for the period ended 31 August 2011 will be paid to linked unitholders in accordance with the abbreviated timetable set out below:

	2011
Last day to trade cum distribution	Friday, 18 November
Linked units trade ex distribution	Monday, 21 November
Record date	Friday, 25 November
Payment date	Monday, 28 November

Linked unitholders may not dematerialise or rematerialise their linked units between Monday, 21 November 2011, and Friday, 25 November 2011, both days included.

Basis of preparation

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the AC 500 series issued by the South African Institute of Chartered Accountants, JSE Listings Requirements and the requirements of the South African Companies Act. This report has been prepared in terms of IAS 34 – "Interim Financial Reporting" and has incorporated the amendment to IAS 12. These abridged financial statements have been derived from the financial statements which have been audited by the company's auditors, PKF (Jhb) Inc. Their unqualified audit opinion is available for inspection at the company's registered office. No comparative financial information has been presented as the company only commenced trading on 1 December 2010.

The financial results for the year ended 31 August 2011 were compiled by Ms JA Finn, financial director.

By order of the board

Rebosis Property Fund Limited
7 November 2011