

AUDITED RESULTS FOR THE YEAR ENDED 31 AUGUST 2012

HIGHLIGHTS

85,5 cents total distribution per linked unit
31,5% total return to unitholders
Market capitalisation up 39% to R3,014 billion
High growth defensive property portfolio valued at R4,54 billion
Net asset value, excluding deferred taxation, up 9% to R11,23 per linked unit
Retail turnover growth of 15%

STATEMENT OF COMPREHENSIVE INCOME

	Audited For year ended 31 August 2012 R'000	Audited For period from listing to 31 August 2011 R'000	Audited For year ended 31 August 2011 R'000
REVENUE			
Property portfolio	500 029	105 944	257 067
Rental income	414 163	103 468	252 330
Straight-line rental income accrual	85 866	2 476	4 737
Net income from facilities management	15 822	3 994	3 994
Sundry income	6 081	147	403
Total revenue	521 932	110 085	261 464
Operating costs	(98 494)	(22 735)	(59 725)
Administration costs	(15 961)	(3 901)	(3 957)
Restructuring costs	-	-	(50 028)
Debt arrangement fees	-	-	(120 726)
Net operating profit	407 477	83 449	27 028
Changes in fair values	157 461	62 833	262 761
Investment properties	253 489	110 000	285 000
Straight-line rental income accrual	(85 866)	(2 476)	(4 737)
Derivative instruments	(10 162)	(44 691)	(17 502)
Profit from operations	564 938	146 282	289 789
Net finance charges	(117 811)	(32 672)	(144 701)
Interest paid	(126 434)	(32 916)	(144 859)
Interest received	8 623	244	158
Profit before debenture interest and taxation	477 127	113 610	145 088
Debenture interest	(200 378)	(48 898)	(48 898)
Profit before taxation	246 749	64 712	96 190
Taxation	(102 564)	(3 233)	(44 038)
Total comprehensive income for the year	144 185	61 479	52 152
Reconciliation of earnings and distributable earnings			
Profit for the year attributable to shareholders	144 185	61 479	52 152
Debenture interest	200 378	48 898	48 898
Earnings attributable to linked unitholders	344 563	110 377	101 050
Change in fair value of investment property (net of deferred taxation)	(136 365)	(92 471)	(241 026)
Change in fair value of investment property	(167 623)	(107 524)	(280 263)
Deferred taxation	31 258	15 053	39 237
Deferred taxation – adjustment to CGT rate	50 108	-	-
Headline profit/(loss) attributable to linked unitholders	258 306	17 906	(139 976)
Calculation of distributable earnings			
Net operating profit	407 477	83 449	27 028
Less:	(201 633)	(34 594)	21 870
Straight-line rental income accrual	(85 866)	(2 476)	(4 737)
Finance charges	(115 767)	(32 118)	(144 147)
Net finance charges	(117 811)	(32 672)	(144 701)
Less: Structuring fee amortisation	2 044	554	554
Restructuring costs	-	-	50 028
Debt arrangement fees	-	-	120 726
Derecognition of current liability	(5 466)	-	-
Retained profit at listing date	-	43	-
Distributable earnings attributable to linked unitholders	200 378	48 898	48 898
Number of linked units in issue	249 147 699	219 744 713	219 744 713
Weighted average number of linked units in issue	226 332 267	64 082 209	64 419 020
Basic and diluted earnings per linked unit (cents)	152,24	172,22	156,86
Headline profit/(loss) per linked unit (cents)	114,13	27,94	(217,29)
Distributable earnings per linked unit/share (cents)	85,50	22,25	22,25

STATEMENT OF FINANCIAL POSITION

	Audited As at 31 August 2012 R'000	Audited As at 31 August 2011 R'000
ASSETS		
Non-current assets	4 636 346	3 501 676
Investment property	4 540 200	3 400 400
Goodwill	95 703	95 703
Property, plant and equipment	443	527
Structuring fee	-	5 046
Current assets	34 642	85 800
Trade and other receivables	17 320	13 680
Structuring fee	-	1 900
Cash and cash equivalents	17 322	70 220
Total assets	4 670 988	3 587 476
EQUITY AND LIABILITIES		
Equity	746 424	529 320
Stated capital	550 087	477 168
Reserves	196 337	52 152
Non-current liabilities	3 785 068	2 933 310
Debentures	1 808 812	1 595 347
Secured financial liabilities	1 679 098	1 153 531
Derivative instruments	54 853	44 690
Deferred taxation	242 305	139 742
Current liabilities	139 496	124 846
Trade and other payables	33 608	60 760
Rental warranty	-	15 188
Unitholders for distribution	105 888	48 898
Total equity and liabilities	4 670 988	3 587 476
Net asset value per linked unit (R)	10,26	9,67
Net asset value per linked unit (excluding deferred taxation) (R)	11,23	10,30

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited For year ended 31 August 2012 R'000	Audited For year ended 31 August 2011 R'000
Stated capital	550 087	477 168
Balance at beginning of the year	477 168	1
Issue of shares	72 919	477 167
Reserves	196 337	52 152
Balance at beginning of the year	52 152	-
Profit for the year attributable to shareholders	144 185	52 152
	746 424	529 320

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOW

	Audited For year ended 31 August 2012 R'000	Audited For year ended 31 August 2011 R'000
Cash flows from operating activities	17 211	(233 172)
Cash generated from/(absorbed by) operations	278 410	(88 471)
Net finance costs	(117 811)	(144 701)
Debenture interest paid	(143 388)	-
Cash outflows from investing activities	(886 963)	(634 233)
Cash inflows from financing activities	816 854	937 625
Net movement in cash and cash equivalents	(52 898)	70 220
Cash and cash equivalents at the beginning of the year	70 220	-
Cash and cash equivalents at the end of the year	17 322	70 220

CONDENSED SEGMENTAL ANALYSIS

	Retail R'000	Office R'000	Total R'000
Year ended 31 August 2012 (audited)			
Rental income (excluding straight-line rental income accrual)	263 762	150 401	414 163
Operating costs	(75 679)	(22 815)	(98 494)
Net property income	188 083	127 586	315 669
Changes in fair values of investment property	59 714	107 909	167 623
Investment property	2 382 000	2 158 200	4 540 200
For period 17 May to 31 August 2011 (audited)			
Rental income (excluding straight-line rental income accrual)	64 791	38 677	103 468
Operating costs	(16 401)	(6 334)	(22 735)
Net property income	48 390	32 343	80 733
Changes in fair values of investment property	73 507	34 017	107 524
Investment property	1 915 000	1 485 400	3 400 400

COMMENTARY

Introduction

Rebosis owns a high growth defensive portfolio of 12 properties. The company's primary objective is to grow its portfolio and distributions by investing in high-quality retail and commercial properties yielding secure capital and income returns for unitholders.

Financial results

Rebosis has declared a distribution of 42,50 cents per linked unit for the six months ended 31 August 2012 which, together with the interim distribution of 43,0 cents for the six months ended 29 February 2012, results in a total distribution of 85,50 cents per linked unit for the year. This represents an effective increase of 12,1% compared to the annualised distribution of 22,25 cents per linked unit for the period from listing on 17 May 2011 to 31 August 2011. The total distribution is in line with the forecast included in the announcements published on 25 April 2012.

The total return for the year of 31,5% comprises an income return of 8,7% and a capital return of 22,8%.

The comparative results of the company for the period 1 December 2010, the date on which Rebosis acquired the initial portfolio of six properties, to 31 August 2011, include the results of the company for the period prior to its listing on the JSE Limited ("JSE"). Pursuant to its listing, the portfolio of assets, the gearing against the portfolio, the asset management arrangements and the capital structure were substantially restructured. The results from listing to 31 August 2011, which are more relevant to Rebosis unitholders, have been reflected separately.

Property portfolio

At 31 August 2012, the portfolio, valued at R4,54 billion, consists of 12 properties with a total GLA of 295 716 m². The portfolio, which is located in Gauteng, the Eastern Cape, KwaZulu-Natal and North West Provinces, comprises 52% shopping centres and 48% office buildings (by value). The retail portfolio comprises three exceptional quality shopping malls delivering secure, escalating income streams underpinned by strong anchor and national tenants. The office portfolio consists of nine buildings which are well-located in nodes attractive to Government tenants. These are mainly let to the National Department of Public Works, under long leases providing for average escalations of 8,3%. 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.

Changes in fair values

The properties, which were valued by independent valuer Quadrant Properties (Proprietary) Limited, increased in value by R167,6 million at 31 August 2012.

Acquisitions

The company took transfer of the Bloed Street Mall, a 25 760 m² retail centre on 25 November 2011, at a cost of R341,5 million and an initial yield of 9,6%. Four office buildings, totalling 50 837 m², were acquired between 29 June 2012 and 31 July 2012 for R519,0 million at an initial yield of 10,8%.

Letting activity

At the reporting date, vacancies for the total portfolio were 3,7%. Taking into account signed leases commencing after the reporting date, vacancies are 2,0%.

During the year, the company let 9 940 m² of new space and leases in respect of 4 772 m² were renewed.

The portfolio

	GLA m ²	Value R'000	Value R/m ²
Retail portfolio	132 845	2 382 000	17 931
Hemingways Mall	70 538	1 536 000	21 775
Mdantsane City	36 547	442 000	12 094
Bloed Street Mall	25 760	404 000	15 683
Commercial portfolio	162 871	2 158 200	13 251
Salu	30 354	472 400	15 563
Liberty	33 885	448 000	13 221
Victoria Mxenge	24 720	435 000	17 597
28 Harrison Street	20 984	216 000	10 294
Bank of Lisbon	14 599	135 400	9 275
Sassa Campus	11 665	140 000	12 002
Jabu Ndlovu Street	10 874	122 000	11 219
Arbour Square	8 476	105 400	12 435
Revenue Building	7 314	84 000	11 485
	295 716	4 540 200	15 353

Borrowings

At 31 August 2012, Rebosis' net borrowings of R1,684 billion equate to a gearing ratio of 37,1%. The average interest rate for the year under review was 8,72% and interest rates are fixed in respect of 79% of borrowings for an average period of 2,8 years.

To ensure effective cash management, surplus cash is invested against revolving debt facilities.

Company secretary

Mande Ndema, an employee of the property management company, has been appointed company secretary of Rebosis in place of Probit Business Services (Proprietary) Limited which resigns effective 1 November 2012.

Prospects

With its first full year of trading successfully completed, Rebosis is well-positioned for future growth and acquisition opportunities aligned with its current investment profile. Vacancies have reduced, arrears have been cleared, and demand for premises remains strong. The shopping centres have performed ahead of national retail sales growth, with turnover growth for the period of 15,0%. The board anticipates that the distribution for the year ending 31 August 2013 will be between 92 cents and 95 cents per linked unit. This is based on the assumption that there will be no change in current trading conditions of the existing portfolio. This forecast has not been reviewed or reported on by the company's auditors.

Debenture interest distribution

Distribution No. 3 of 42,50 cents per linked unit for the six months ended 31 August 2012 will be paid to linked unitholders in accordance with the abbreviated timetable set out below:

Last day to trade <i>cum</i> distribution	Friday, 9 November 2012
Linked units trade ex distribution	Monday, 12 November 2012
Record date	Friday, 16 November 2012
Payment date	Monday, 19 November 2012

Linked unitholders may not dematerialise or rematerialise their linked units between Monday, 12 November 2012 and Friday, 16 November 2012, both days included.

Basis of preparation

These abridged financial statements have been derived from a complete set of the annual financial statements on which the auditors have expressed an unqualified audit opinion which is available for inspection at the company's registered office. These results have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34: Interim Financial Reporting, the AC 500 series issued by the Accounting Practices Board or its successor, JSE Listings Requirements and the requirements of the South African Companies Act, 2008. The accounting policies adopted in the preparation of these results are consistent with those applied in the preparation of the financial statements for the year ending 31 August 2011. These financial results have been compiled by the financial director, JA Finn, CA(SA).

While the company has complied with IFRS and JSE Listings Requirements by disclosing earnings and headline earnings per share, the directors are of the view that earnings per share is not meaningful to investors as the shares are traded as part of a linked unit and all earnings are distributed by way of debenture interest. Further, headline earnings include fair value adjustments for financial instruments and the straight-line rental income accrual that do not affect distributable earnings. Distributable earnings and the distribution per linked unit, as disclosed above, are more meaningful to investors.

On behalf of the Board

ATM Mokgokong

Chairman

24 October 2012

SM Ngebulana

Chief Executive

REBOSIS PROPERTY FUND LIMITED

("Rebosis" or the "company")
 Registration number 2010/003468/06
 JSE code: REB ISIN: ZAE000156147

Directors: ATM Mokgokong¹(Chairperson), SM Ngebulana (CEO), JA Finn, AM Mazwai¹
 WJ Odendaal¹, NV Qangule¹, KL Reynolds¹, MF Rodel, TSM Seopa¹, SV Zilwa¹

¹Non-executive ²Independent

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Transfer secretaries: Computershare Investor Services (Proprietary) Limited

Sponsors: Java Capital

Company secretary: Probit Business Services (Proprietary) Limited