



# Reviewed Consolidated Interim Results

## for the 6 months ended 30 September 2008

### 1 ABRIDGED CONSOLIDATED BALANCE SHEET

	30 September 2008	31 March 2008	30 September 2007
	R'000	R'000	R'000
<b>ASSETS</b>			
<b>Property Assets</b>	<b>5 438 365</b>	<b>5 655 482</b>	<b>4 698 552</b>
Investment properties	4 804 269	4 923 576	3 991 456
Long term receivable	93 950	107 434	89 254
Short term receivable	22 206	15 680	7 831
Investment properties and related receivables	4 920 425	5 046 690	4 088 541
Investment properties held for sale	299 645	411 950	406 665
Investment properties under development	176 173	161 990	152 456
Owner-occupied property	10 312	10 404	1 957
Property development inventory	31 810	24 448	22 660
Other property assets	-	-	26 273
<b>Other non current assets</b>	<b>1 133 782</b>	<b>924 314</b>	<b>196 615</b>
Loans in respect of unit purchase scheme	222 426	222 694	154 967
Equipment	1 361	1 208	3 004
Listed investments	662 445	643 642	25 621
Other investments	1 120	-	1 674
Intangible assets	212 579	-	-
Goodwill	4 370	-	-
Financial instruments	-	25 785	11 235
Deferred tax asset	29 481	30 985	11 114
<b>Other current assets</b>	<b>151 515</b>	<b>73 839</b>	<b>31 740</b>
Trade and other receivables	110 951	60 729	24 560
Cash and cash equivalents	40 564	13 110	7 180
<b>Total assets</b>	<b>6 723 662</b>	<b>6 653 635</b>	<b>4 926 907</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' interest</b>	<b>2 134 175</b>	<b>2 110 213</b>	<b>1 726 019</b>
Share capital and share premium	1 319 925	1 211 285	789 332
Non-distributable reserve	923 822	988 146	1 032 429
Accumulated loss	(109 572)	(89 218)	(95 742)
<b>Non current liabilities</b>	<b>4 082 618</b>	<b>3 262 408</b>	<b>3 048 778</b>
Debentures	1 369 120	1 289 200	1 092 561
Financial liabilities	2 329 987	1 604 149	1 606 024
BEE instrument	35 284	48 256	69 136
Financial instruments	32 286	-	-
Deferred tax liabilities	315 941	320 803	281 057
<b>Current liabilities</b>	<b>506 869</b>	<b>1 281 014</b>	<b>152 110</b>
Trade and other payables	127 910	93 622	59 610
Financial liabilities	200 488	1 032 136	44 543
Tax payable	12 230	10 411	8 101
Debt interest payable	166 241	144 845	39 856
<b>Total equity and liabilities</b>	<b>6 723 662</b>	<b>6 653 635</b>	<b>4 926 907</b>

### 2 ABRIDGED CONSOLIDATED INCOME STATEMENT FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2008

	6 months ended 30 September 2008	year ended 31 March 2008	6 months ended 30 September 2007
	R'000	R'000	R'000
<b>Revenue</b>			
- Contractual	263 311	427 594	155 910
- Straight lining	2 260	22 810	4 965
Net operating expenses	(30 443)	(57 493)	(17 512)
(Loss) / profit on sale of properties	(8 985)	10 965	2 719
Section 311 expenses	-	(2 287)	(2 287)
<b>Profit before fair value adjustments, interest and taxation</b>	<b>223 883</b>	<b>378 779</b>	<b>138 830</b>
Fair value adjustment to investment properties	5 085	100 515	24 018
Fair value adjustment to government bonds	(22 862)	-	-
Fair value adjustment to BEE instrument	12 972	22 322	1 441
<b>Profit before interest and taxation</b>	<b>219 078</b>	<b>501 616</b>	<b>164 289</b>
Interest received	48 863	33 253	20 790
Interest paid	-	(67 407)	(67 407)
- Debenture holders - special	-	(39 856)	(39 856)
- Debenture holders - interim	(175 220)	(152 517)	-
- Debenture holders - final	-	(152 517)	-
- Financial Institutions and other	(129 037)	(134 114)	(42 985)
<b>(Loss) / profit before taxation</b>	<b>(36 316)</b>	<b>140 975</b>	<b>34 831</b>
Taxation	2 682	(31 457)	544
<b>(Loss) / profit for the period</b>	<b>(33 634)</b>	<b>109 518</b>	<b>35 375</b>
<b>Reconciliation of (loss) / profit for the period to headline (loss) / earnings</b>			
(Loss) / profit for the period	(33 634)	109 518	35 375
Fair value adjustment to investment properties	(5 085)	(100 515)	(24 018)
Fair value adjustment to government bonds	22 862	-	-
Profit on disposal of investment properties	8 985	(10 965)	(2 719)
Tax effects	979	17 505	2 813
<b>Headline (loss) / earnings - shares</b>	<b>(5 893)</b>	<b>15 543</b>	<b>11 451</b>
Interest paid to debenture holders	175 220	259 780	107 263
<b>Headline earnings - linked units</b>	<b>169 327</b>	<b>275 323</b>	<b>118 714</b>
<b>Cents</b>			
Basic and diluted (loss) / earnings per share	(24.89)	98.15	36.62
Headline earnings per linked unit	125.31	246.74	122.91
Interest Distribution per linked unit	121.30	221.11	108.87
- Interim	121.30	36.83	36.83
- Special	-	72.04	72.04
- Final	-	112.24	-

### 3 ABRIDGED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2008

	Shares issued		Share capital		Share Premium		Non Distributable Reserve		Accumulated loss		Total	
	Number	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Balance at 31 March 2007</b>	93 567 599	94	442 163	959 239	(100 771)	1 300 725	-	-	-	-	-	-
Issue of 15 797 910 shares in August 2007	15 797 910	16	347 060	-	-	347 076	-	-	-	-	-	-
Proceeds	-	16	337 270	-	-	337 286	-	-	-	-	-	-
Adjustment of issue price on effective date of acquisition of investment in Atlas	-	-	9 953	-	-	9 953	-	-	-	-	-	-
Share issue costs	-	-	(163)	-	-	(163)	-	-	-	-	-	-
Income recognised directly in equity	-	-	-	42 844	-	42 844	-	-	-	-	-	-
Net change in fair value of listed investments	-	-	-	38 674	-	38 674	-	-	-	-	-	-
Net change in fair value of cash flow hedge recognised directly in equity	-	-	-	4 170	-	4 170	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	35 375	-	-	-	-	35 375	-
Transfer to non-distributable reserve	-	-	-	30 346	-	(30 346)	-	-	-	-	-	-
<b>Balance at 30 September 2007</b>	109 365 509	110	789 223	1 032 429	(95 742)	1 726 020	-	-	-	-	-	-
Issue of 17 603 596 shares in October 2007	17 603 596	17	378 054	-	-	378 071	-	-	-	-	-	-
Proceeds	-	17	387 438	-	-	387 455	-	-	-	-	-	-
Adjustment of issue price on effective date of acquisition of investment in Intaprop	-	-	(9 330)	-	-	(9 330)	-	-	-	-	-	-
Share issue costs	-	-	(54)	-	-	(54)	-	-	-	-	-	-
Issue of 2 080 000 shares in November 2007	2 080 000	2	43 879	-	-	43 881	-	-	-	-	-	-
Expenses recognised directly in equity	-	-	-	(111 902)	-	(111 902)	-	-	-	-	-	-
Net change in fair value of listed investments	-	-	-	(126 453)	-	(126 453)	-	-	-	-	-	-
Net change in fair value of cash flow hedge recognised directly in equity	-	-	-	14 551	-	14 551	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	74 143	-	-	-	-	74 143	-
Transfer to non-distributable reserve	-	-	-	67 619	-	(67 619)	-	-	-	-	-	-
<b>Balance at 31 March 2008</b>	129 049 105	129	1 211 156	988 146	(89 218)	2 110 213	-	-	-	-	-	-
Issue of 8 000 000 shares in May 2008	8 000 000	8	108 632	-	-	108 640	-	-	-	-	-	-
Proceeds	-	8	108 712	-	-	108 720	-	-	-	-	-	-
Share issue costs	-	-	(80)	-	-	(80)	-	-	-	-	-	-
Expenses recognised directly in equity	-	-	-	(51 044)	-	(51 044)	-	-	-	-	-	-
Net change in fair value of listed investments	-	-	-	7 028	-	7 028	-	-	-	-	-	-
Net change in fair value of cash flow hedge recognised directly in equity	-	-	-	(58 072)	-	(58 072)	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(33 634)	-	-	-	-	(33 634)	-
Transfer to non-distributable reserve	-	-	-	(13 280)	-	13 280	-	-	-	-	-	-
<b>Balance at 30 September 2008</b>	137 049 105	137	1 319 788	923 822	(109 572)	2 134 175	-	-	-	-	-	-

### 4 ABRIDGED CONSOLIDATED CASH FLOW STATEMENT FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2008

	6 months ended 30 September 2008	year ended 31 March 2008	6 months ended 30 September 2007
	R'000	R'000	R'000
<b>Cash flows from operating activities</b>			
Cash generated by operations	217 664	342 472	132 297
Income tax paid	(1 321)	(47)	175
Interest received	47 333	42 930	35 365
Interest paid	(282 861)	(378 677)	(202 706)
<b>Net cash (outflows) / inflows from operating activities</b>	<b>(19 185)</b>	<b>6 678</b>	<b>(34 869)</b>
<b>Cash flows from investing activities</b>			
Net cash inflows from investing activities	(13 249)	(1 466 111)	(886 648)
<b>Cash inflows from financing activities</b>	<b>59 888</b>	<b>1 466 768</b>	<b>922 922</b>
<b>Net cash inflows for the period</b>	<b>27 454</b>	<b>7 335</b>	<b>1 405</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>13 110</b>	<b>5 775</b>	<b>5 775</b>
<b>Cash and cash equivalents at end of period</b>	<b>40 564</b>	<b>13 110</b>	<b>7 180</b>

### 5 SEGMENTAL RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2008

	6 months ended 30 September 2008	6 months ended 30 September 2007
	R'000	R'000
<b>Retail</b>		
Segment revenue (external customers)	162 749	112 574
Net operating expenses	(7 721)	(11 209)
Fair value adjustment to investment properties	1 097	(6 296)
Segmental results	156 125	95 069
<b>Offices</b>		
Segment revenue (external customers)	87 654	37 633
Net operating expenses	(2 719)	(1 286)
Fair value adjustment to investment properties	3 955	(2 229)
Segmental results	80 696	34 118
<b>Industrial</b>		
Segment revenue (external customers)	6 583	5 703
Net operating expenses	(418)	(1 003)
(Loss) / profit on disposal of investment properties	(791)	2 719
Fair value adjustment to investment properties	33	32 543
Segmental results	5 407	39 962
<b>Property development</b>		
Segment revenue (external customers)	6 325	-
Net operating (expenses) / income	(1 324)	2 676
Segmental results	5 001	2 676
<b>Reconciliation to profit before interest and taxation for the period in the income statement</b>		
Revenue	263 311	155 910
Allocated operating expenses	(12 182)	(10 822)
Unallocated operating expenses	(18 261)	(6 690)
(Loss) / profit on disposal of investment properties	(8 985)	2 719
Section 311 expenses	-	(2 287)
Fair value adjustment to investment properties	5 085	24 018
Fair value adjustment to government bonds	(22 862)	-
Fair value adjustment to BEE instrument	12 972	1 441
Profit before interest and taxation	219 078	164 289

**ACUCAP PROPERTIES LIMITED**  
INCORPORATED IN THE REPUBLIC OF SOUTH AFRICA

Registration Number: 2001/021725/06  
"Acucap" or "the company"  
Share Code: ACP / JISIN : ZAF 000037651

**BASIS OF PREPARATION AND REVIEW CONCLUSION**

The interim financial results are prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, as well as the requirements of the Companies Act in South Africa, and on a basis consistent with the company's most recent audited annual financial statements.

KPMG Inc., the company's independent auditor, has reviewed the interim financial statements contained in this interim report and has expressed an unmodified conclusion on the interim financial results. Their review report is available for inspection at the company's registered office.

### 6 COMMENTARY

**1. REVIEW OF RESULTS AND OPERATIONS**

The directors of Acucap are pleased to report a distribution of 121.30 cents per linked unit for the six months ended 30 September 2008. This represents a 11.4% increase compared to the same period last year.

The Atlas and Intaprop businesses have been successfully integrated into Acucap, and the assets acquired are performing well under the direction of the Acucap asset management team. Within the original Atlas portfolio, 38 properties were identified as non-core and sold, and 33 of these have been transferred. The last remaining properties should be off Acucap's register by the end of the financial year, bringing the rationalisation of the Atlas portfolio to a successful conclusion. Two of the smaller Intaprop buildings were also sold, in line with Acucap's strategic intention of constructing its core portfolio around a small number of large, high quality assets.

In the six month period under review, a total of 6 properties were sold, including the two non-core Intaprop buildings referred to above. These properties were sold for a combined value of R215.7m, against their combined carrying value, based on March 2008 valuations, of R206.6m. The forward yield on disposal was 9.7%, and on transfer, the funds will be applied to retiring floating rate debt, currently priced at 13.2%.

On the basis of individual assets and asset segments, Acucap's net income is attributable as follows:

	Contractual rental income R'000's	% of total	Net property income R'000's	% of total
Festival Mall	41,896	16.4%	40,387	17.2%
Key West	25,702	10.1%	25,144	10.7%
Other retail	87,908	34.5%	77,681	33.0%
Offices	72,338	28.4%	68,129	29.0%
Industrial	2,881	1.1%	2,670	1.1%
Core portfolio	230,725	90.6%	214,011	91.0%
Acquisitions and disposals	24,001	9.4%	21,076	9.0%
<b>Total</b>	<b>254,726</b>	<b>100%</b>	<b>235,087</b>	<b>100%</b>

### 2. SIMPLIFIED FINANCIAL INFORMATION

Consistent with previous results announcements, a simplified distribution income statement is presented below.

	Note	R'000
Revenue	1	261,051
Net operating expenses	2	(30,395)
Profit before interest		