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Five Year Review

	GROUP				
	2005	2006	2007	2008	2009
Number of properties	72	66	95	101	403
SUMMARISED BALANCE SHEET	Rm	Rm	Rm	Rm	Rm
ASSETS					
Investment property	2 036	2 513	5 050	5 975	18 235
Listed securities portfolio	1 849	3 448	4 075	3 906	2 807
Goodwill and intangibles	–	–	–	–	3 258
Other non current assets	–	–	181	262	1 003
Current assets	103	142	528	574	640
Total assets	3 988	6 103	9 834	10 717	25 943
EQUITY AND LIABILITIES					
Linked unitholders' interest	2 139	3 153	5 572	6 012	17 968
Interest bearing liabilities	1 555	2 458	3 172	3 572	5 460
Deferred taxation	192	354	804	760	1 753
Other non current liabilities	–	–	–	33	56
Current liabilities	102	138	286	340	706
Total equity and liabilities	3 988	6 103	9 834	10 717	25 943
SUMMARISED INCOME STATEMENT					
Rental income	262	292	431	540	742
Listed security portfolio income	148	207	300	333	308
Property trading income	–	–	40	24	39
Fee income	–	–	–	4	14
Total revenue	410	499	771	901	1 103
Operating costs	(61)	(56)	(87)	(106)	(139)
Administration costs	(23)	(36)	(55)	(60)	(84)
Net operating income	326	407	629	735	880
Interest in associates	–	–	6	(7)	(4)
Interest paid	(150)	(190)	(270)	(282)	(350)
Interest received	5	9	19	49	80
Income before debenture interest	181	226	384	495	606
Debenture interest	(181)	(226)	(416)	(495)	(711)
Pre-acquisition income	–	–	32	–	105
Retained income	–	–	–	–	–
Linked units in issue* (million)	500.7	556.7	813.2	893.2	2 648.7
Distribution per linked unit (cents)	36.8	42.70	51.25	56.63	56.55
Distribution growth (%)	15.0	16.0	20.0	10.5	(0.1)
Net asset value per linked unit excluding deferred taxation (cents)	469.06	629.96	784.07	758.17	744.57
Property expenses as a % of revenue	23.28	19.18	20.19	19.63	18.73
Gearing ratio (%)	41	34	34	35	26

*Net of treasury units

Redefine at a Glance

COMPANY INFORMATION

Company name:	Redefine Income Fund Limited*
Share code:	RDF
JSE sector:	Financial Services – Real Estate
Listing date:	23 February 2000
Units in issue:	2 654 538 299

UNIT STATISTICS

AT 31 AUGUST 2009

Closing price:	R7,29 per linked unit
Market capitalisation:	R19,4 billion
Net asset value:	R7,45 per linked unit

YEAR TO 31 AUGUST 2009

Total distribution:	56.55 cents per linked unit
Total return:	95.55 cents per linked unit
Total return (%):	13.8%

PROPERTY PORTFOLIO AT 31 AUGUST 2009

Number of properties:	403
Valuation:	R18,2 billion
Gross lettable area ("GLA"):	3 610 050m ²
Vacancy factor:	8.5%
Valuation/m ² :	R5 000/m ²
Total gross monthly rental:	R182,4 million
Value of vacant land and property under development:	R256 million

LISTED SECURITIES AT 31 AUGUST 2009

Value:	R2,8 billion
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BORROWINGS AT 31 AUGUST 2009

Total:	R5,5 billion
Average interest rate:	9.2%
Borrowings as % of value of properties and listed securities:	26%

**It is proposed that the name of the company be changed from Redefine Income Fund Limited to Redefine Properties Limited at the forthcoming Annual General Meeting to be held on 4 February 2010 as Redefine Properties Limited better describes the business of the company (see page 164). In the interim, Outward Investments (Proprietary) Limited, the wholly owned operating subsidiary of Redefine Income Fund Limited, has been changed to Redefine Properties (Proprietary) Limited, and the group is trading under the name Redefine Properties.*

Company Overview

PROFILE

Redefine Income Fund Limited ("Redefine" or "the company") is a property loan stock ("PLS") company which listed on the JSE Limited ("JSE") in the Financial Services sector on 23 February 2000.

At 31 August 2009, the company was the second largest listed PLS company in South Africa, with a market capitalisation of R19,4 billion.

The company offers investors a diversified portfolio of 403 properties valued at R18,2 billion and a R2,8 billion portfolio of South African and international listed investments.

Redefine is internally managed by a proven team of entrepreneurial and experienced property and financial professionals who are committed to achieving sustained growth in distributions for unitholders.

OUR HISTORY

1999

Redefine was founded.

2000

Redefine listed on the JSE, with total assets of R1,1 billion and a market capitalisation of R400 million. At listing, Redefine's assets comprised 50% direct property and 50% listed securities, including the acquisition of its initial holding in Hyprop Investments Limited ("Hyprop").

2002

The company increased its stake in Hyprop to 18%.

2003

Redefine acquired 53% of Prima Property Trust.

2006

Redefine was the first South African listed property company to invest offshore, when it acquired 18% of Ciref plc ("Ciref"), Corovest International's property fund which is listed on the London Stock Exchange's Alternative Investment Market ("AIM").

Redefine formed an enterprise development initiative with black owned Dijalo Property Services (Proprietary) Limited ("Dijalo") to create Dipula Property Fund (Proprietary) Limited ("Dipula") with an initial property portfolio value of R300 million. A second enterprise development initiative with Mergence Africa Properties (Proprietary) Limited ("Mergence Africa") to create Mergence Africa Property Fund ("Mergence") with an initial property portfolio value of R230 million, followed later that year.

The company increased its stake in ApexHi Properties Limited ("ApexHi") to 12% in exchange for its investment in Prima Property Trust.

2007

Redefine acquired Spearhead Property Holdings Limited and increased its stake in Hyprop to 27% in exchange for Sycom Property Fund units.



11 DIAGONAL STREET



2009

Redefine acquired all the units of ApexHi and Madison Property Fund Managers Limited ("Madison") to effect a merger of the three companies in a record R12,7 billion transaction and increased its stake in Hyprop to 33.3%.

THE MERGER

Pursuant to a scheme of arrangement, ApexHi and Madison unitholders received 202 Redefine linked units for every 100 ApexHi A units, 246.8 Redefine linked units for every 100 ApexHi B units, 104 Redefine linked units for every 100 ApexHi C units and 90 Redefine linked units for every 100 Madison units. This resulted in an increase in the number of linked units in issue from 899 037 507 to 2 654 538 299, and culminated in the new enlarged Redefine to be rebranded as Redefine Properties.

MERGER BENEFITS AND RATIONALE

- Acquisition of the R12,2 billion property portfolio from ApexHi, including the Ambit Properties Limited ("Ambit") portfolio which was acquired by ApexHi prior to the merger, provided critical mass for immediate cost savings and economies of scale.
- Acquisition of Madison provided the intellectual capital required to internalise the asset management function in accordance with international best practise.
- Enhance earnings.
- Attract greater interest from a wider group of investors such as tracker funds and international investors.
- Easier access to funding from debt and capital markets at competitive rates.
- Increase in the Redefine linked unit price due to size and liquidity.

The transaction was approved by the boards and linked unitholders of all three companies in April 2009, and the regulatory bodies by 30 July 2009.

In terms of the scheme, the effective date of the merger was 1 July 2009. However, as all conditions precedent were only fulfilled on 30 July 2009, income earned by ApexHi and Madison for July 2009 has not been consolidated. Redefine has accounted for this income, amounting to R105 million, by reducing the cost of its investments in ApexHi and Madison and has included the income in its final distribution for the year ended 31 August 2009. The results of ApexHi and Madison have been consolidated with effect from 1 August 2009 as this is the date of the business combination.

The new Redefine linked units were listed on 17 August 2009 and ApexHi and Madison delisted on 18 August 2009.

STRATEGIC OBJECTIVES

MERGER INTEGRATION

As with most mergers of this scale, the integration of the three companies in terms of assets, systems, processes and staff culture took centre stage from the last month of the financial year.

Redefine's aim is to consolidate the expanded portfolio as quickly as possible to ensure the economies of scale and cost savings will be realised from early in the 2010 financial year. Accordingly, the business has been restructured to increase efficiencies.

The company will also formally change its name from Redefine Income Fund Limited to Redefine Properties Limited, and intends to transfer all properties from subsidiary companies to Redefine Properties Limited.

Company Overview continued



INVESTMENTS IN LISTED SECURITIES

In addition to investments in fixed properties, Redefine is invested in strategic listed property securities. Investments in other listed property companies will be actively pursued for strategic purposes or if there is an opportunity for corporate action. (See page 77 for details of current listed investments.)

GROWING INCOME

The company's primary objective is to grow income for its investors. Distributions are paid on a quarterly basis.

Growth in income and distributions will be achieved through:

- Organic growth from the core property portfolio;
- Increased distributions from strategic listed securities;
- Yield enhancing acquisitions and disposals;
- Development or redevelopment of properties to add value to the portfolio; and
- Containment of costs.

MANAGING RISK

Redefine has increased the size of its portfolio which significantly reduces risk due to:

- The number of properties owned;
- Their location throughout South Africa;
- The spread between office, retail and industrial; and
- The large number and quality of tenants within the portfolio.

The investment committee, a sub-committee of the board, approves all acquisitions and disposals based on a stringent technical and financial due diligence process.

Redefine has a conservative debt profile, with a current loan to value ratio of 26%. The company actively pursues the lowest cost of finance and fixes interest rates as low and for as long as possible.

The company's lease expiry profile reflects that approximately 29% of the lettable area expires in the next financial year. The company has leasing teams internally and at its property managers and also makes use of independent brokers. The strategy is to secure large A-grade tenants where the likelihood of renewal of leases are high.

OFFSHORE STRATEGY

Redefine has invested in offshore property companies to further diversify risk and to provide a hedge against rand weakness.

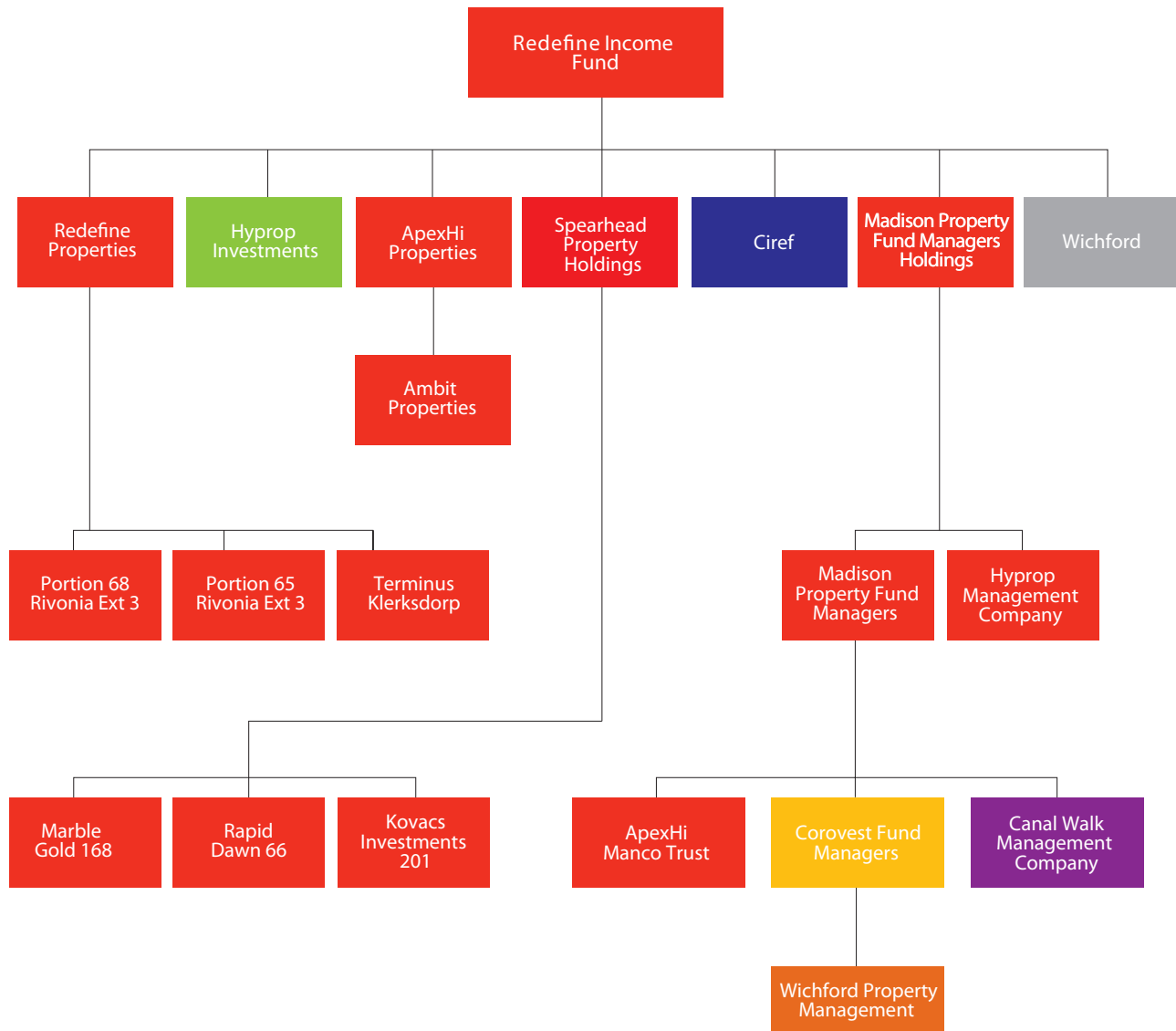
Its initial offshore investment was through Ciref. As a consequence of the merger with Madison, Redefine has acquired a 34% holding in Corovest Fund Managers Limited ("CFM"), the asset manager of Ciref and Wichford plc ("Wichford"). The strategy is to continue increasing its offshore holdings. (See page 101 for more information on offshore prospects.)

RE-ENGINEER PROPERTY MANAGEMENT

Following the merger, Redefine is researching alternative and more beneficial ways of property management.

The re-engineered process will result in considerable financial savings and efficiencies from mid 2010.

Group Structure



Ownership

Red	100%
Green	33.3%
Blue	28.7%
Yellow	34%
Purple	80%
Orange	50%
Grey	11%

Board of Directors



1. BRIAN AZIZOLLAHOFF (48)

EXECUTIVE DIRECTOR

Azizollahoff has more than 20 years' experience in the property industry. He served as CEO of Redefine from 2003 until the merger.

2. JANYS FINN (45)

EXECUTIVE DIRECTOR

Finn, a chartered accountant, is the financial director of Redefine and an alternate director of Hyprop. She was chief financial officer of Madison prior to the merger.

3. BERNARD NACKAN (65)

INDEPENDENT NON EXECUTIVE DIRECTOR

Nackan was an executive director of Sage Group prior to his retirement in 2003. He is a member of the Collective Investment Schemes Advisory Committee and was a non executive director of Madison prior to the merger.

4. DAVID RICE (53)

EXECUTIVE DIRECTOR

Rice has more than 20 years' experience in real estate. He was managing director of ApexHi from 2006 until the merger.

5. MIKE FLAX (44)

EXECUTIVE DIRECTOR

Flax, a chartered accountant, headed Spearhead Property Holdings Limited prior to its acquisition by Redefine. He was an executive director of Madison prior to the merger.

6. WOLF CESMAN (67)

JOINT CEO

Cesman, a chartered accountant, has 40 years' experience in property asset management, development and property management. He is a non executive director of Hyprop, Ciref and Wichford. Cesman was an executive director of Madison and a non executive director of Redefine and ApexHi prior to the merger.

**7. GERALD LEISSNER (67)****NON EXECUTIVE DIRECTOR**

Leissner was CEO of ApexHi from 2001 until his retirement at the time of the merger. He is also a director of The Johannesburg Housing Company and the Housing Development Agency.

8. DINES GIHWALA (56)**INDEPENDENT NON EXECUTIVE CHAIRMAN**

Gihwala is currently the chairman of Cliffe Dekker Hofmeyr, one of South Africa's largest legal practices. He is a director of several companies both private and public, unlisted and listed. In 2004 he was appointed as a Professor of Law. He is a member and chairman of the first Independent Regulatory Board for Auditors appointed by the Minister of Finance in terms of the Auditors' Profession Act. Gihwala was chairman of Redefine prior to the merger.

9. MONICA KHUMALO (44)**INDEPENDENT NON EXECUTIVE DIRECTOR**

Khumalo is managing director of Loato Properties, a woman's property company. She was a non executive director of Madison prior to the merger.

10. MARC WAINER (60)**JOINT CEO**

Wainer has 34 years' experience in real estate. He is a non executive director of Hyprop and a director of Cref. He was an executive director of Madison, non executive chairman of ApexHi and non executive director of Redefine prior to the merger.

11. GREG HERON (44)**INDEPENDENT NON EXECUTIVE DIRECTOR**

Heron is managing director of Clearwater Capital (Proprietary) Limited, a strategic BEE shareholder in Redefine. He was a non executive director of Madison prior to the merger.

12. DI PERTON (62)**INDEPENDENT NON EXECUTIVE DIRECTOR**

Perton was the head of legal at Liberty Properties until she retired in 2000 and was a non executive director of Redefine prior to the merger.

13. HARISH MEHTA (59)**INDEPENDENT NON EXECUTIVE DIRECTOR**

Mehta is the chairman of Clearwater Capital, a strategic BEE shareholder in Redefine. He is the managing director of the Universal Print Group (Proprietary) Limited and a non executive director of The Spar Group Limited. He was non executive chairman of Madison prior to the merger.

Board of Directors continued

The Redefine board comprises 13 members who are responsible for the strategic direction of the business, determine the investment and performance criteria and oversee the proper management, control, compliance and ethical behaviour of the business under its direction. (See page 105 for more details on corporate governance.)

CHANGES TO THE BOARD OF DIRECTORS

During the year under review, Eric Ellerine resigned as a non executive director and did not make himself available for re-election at the annual general meeting on 16 February 2009.

Subsequent to the merger, the following changes were made to the board:

RESIGNATIONS

The following non executive directors resigned on 4 August 2009:

- Liliane Barnard
- Stewart Shaw-Taylor
- Neville Venter

Redefine would like to thank these directors for their valuable contribution over the years.

APPOINTMENTS

The following directors were appointed on 5 August 2009:

- Wolf Cesman, a non executive director of Redefine prior to the merger, as joint chief executive officer
- Marc Wainer, a non executive director of Redefine prior to the merger, as joint chief executive officer
- Jany's Finn as financial director
- Mike Flax as executive director
- David Rice as executive director
- Greg Heron as an independent non executive director
- Monica Khumalo as independent non executive director
- Gerald Leissner as non executive director
- Harish Mehta as an independent non executive director
- Bernard Nackan as independent non executive director

BOARD COMPOSITION

- Independent non executive chairman: Dines Gihwala
- Two joint CEOs: Wolf Cesman and Marc Wainer
- Four executive directors: Brian Azizollahoff, Jany's Finn, Mike Flax and David Rice
- Five independent non executive directors: Greg Heron, Monica Khumalo, Harish Mehta, Bernard Nackan and Di Perton
- One non executive director: Gerald Leissner



SUB-COMMITTEES OF THE BOARD

The board has established a number of committees to provide detailed attention to certain of its responsibilities and which operate within defined, written terms of reference. These are:

- Audit committee
- Executive committee
- Investment committee
- Remuneration and nomination committee
- Risk committee

(See page 106 for detailed descriptions of the committees).

JOINT CHIEF EXECUTIVE OFFICERS

Wolf Cesman and Marc Wainer have been associated in business ventures for over 35 years, most recently as joint founders of Madison, the asset manager of Redefine, ApexHi and Hyprop.

It was deemed appropriate, taking account of their respective experience and expertise, that Cesman and Wainer should be the initial joint CEOs of Redefine subsequent to the merger.

Wainer focuses on strategy, corporate action and funding, while Cesman is responsible for finance, managerial and operational issues.

Cesman and Wainer are both members of the investment and risk committees and Cesman will attend the remuneration, nomination and audit committee meetings.

They both serve on the boards of Hyprop and Ciref, and Cesman serves on the board of Wichford.

Asset Management

REDEFINE STAFF

Subsequent to the merger, Redefine has a staff complement of 47 management and staff (31 in Johannesburg and 16 in Cape Town). This excludes 14 Redefine employees seconded to Hyprop who will be employed by Hyprop with effect from 1 January 2010 pursuant to the termination of the asset management agreement between Redefine and Hyprop.

Redefine is committed to attracting and retaining the best property talent in South Africa and a share incentive scheme for key employees will be introduced within the next financial year.

ANALYSIS OF STAFF

Joint CEOs	2
Executive directors	4
Finance	5
Asset management	10
Leasing	4
Development	5
Legal	2
Retail	3
Marketing	1
Office administration	11

ASSET MANAGEMENT

Prior to the merger, Redefine and ApexHi outsourced asset management to Madison.

The merger has resulted in the internalisation of the asset management function, in line with international best practise.

The internal asset management team comprises experienced asset managers and specialists in key areas of development, leasing and retail whose functions include:

- Formalising a strategic plan for the property portfolio and making recommendations to the board regarding re-engineering, streamlining and risk balancing within the portfolio;
- Making recommendations to the board regarding improvements to the property portfolio and more specifically disposal of assets, acquisitions, upgrades, renovations and developments;
- Strategic input to ensure that every property achieves its maximum potential, taking into account short and medium term considerations;
- An annual risk and exposure analysis and review of potential and current risks to which the company and each property is exposed;
- Sourcing and procuring property acquisitions;
- Preparing, analysing and reviewing three year income projections in order to identify properties for disposal;
- Conducting viability and feasibility studies to appraise upgrades, development and acquisition opportunities;
- Quarterly performance analysis of the property manager and for the property portfolio as a whole in terms of performance against budgets and relevant industry benchmarks;



UPPER EAST SIDE



- Physical inspection of every property in the portfolio to ensure that the properties retain quality physical condition;
- Scrutinising the maintenance plan prepared by the property manager and revising the programme and budget in terms of necessity and affordability;
- Management of the marketing strategy to include target market identification, compilation of tenant mix and tenant procurement;
- Utilisation of market research and available surveys, together with market intelligence, to ensure that the property managers implement at property level a relevant marketing strategy for all rentable premises;
- Controlling capital expenditure for new developments, refurbishments and improvements to the properties in the portfolio, provided the prior approval of the investment committee has been obtained;
- Appointment and briefing of professional teams and project managers for all capital projects and monitoring progress;
- Property lifecycle forecasting and revision of the business plan of each property on an annual basis; and
- Organising and overseeing the annual property valuations.

SPECIALIST SKILLS

In addition to asset management resources, a number of internal specialists advise on key areas in the Redefine portfolio.

Development

Headed by Mike Ruttell, the development team is focused on redevelopment, refurbishment and expansion of existing properties and new developments. These skills include coordination of all professionals, town planning issues, dealing with local councils, the coordination of leasing and control of construction and project management.

Retail

Mike Lewin, a retail property expert, is employed to provide specialist advice and knowledge for the retail portfolio and provides strategic and operational input at Hyprop. He is assisted by an experienced retail team whose responsibilities span the 1,2 million m² retail portfolio.

Leasing

The leasing team is focused on ensuring that vacant space is let. Leasing strategies are devised for every building and, where appropriate, third party brokers are utilised to secure tenants. Subsequent to the financial year end and in line with the restructuring of the company, a national leasing manager was appointed to focus on leasing the vacant space in the portfolio.

ASSET MANAGEMENT FEES PAID

Asset management fees of R42 million were paid to Madison for the 11 months until the effective date of the merger. Fees were based on 0.5% per annum of Redefine's enterprise value (market capitalisation plus debt).

Property Management

PROPERTY MANAGEMENT

The day to day property management of the portfolio is outsourced to Broll Property Group ("Broll").

Broll has a division of its property management business which is focused exclusively on Redefine's property portfolio.

The Broll contract with Redefine terminates on 31 August 2010 subject thereafter to three calendar months' notice for cancellation. Redefine is reassessing its current model and is exploring alternative and more beneficial methods of property management.

SUB MANAGERS

Broll has employed the services of BKD Trading, Isivuno Properties, Primecare Properties and Top Services Properties to assist with the management of a portion of the portfolio. Twenty staff members are employed by these companies to focus on letting, credit control and operational management.

FUNCTIONS OF THE PROPERTY MANAGER

- Property management functions include, but are not restricted to:
 - Collection of rent and other charges and enforcement of landlord's rights;
 - Negotiation of lease renewals and letting of vacant space;
 - Vetting and procuring of credit approvals in respect of new tenants;
 - Management and control of the tenant installation process;
 - Supervision of third party service providers such as security and cleaning;
 - Tenant relations and dealing with tenant complaints and requirements;
 - The preparation and implementation of a three year rolling plan for maintenance of each property;
 - The management, marketing and leasing of shopping centres;
 - Payment of property expenses; and
 - Ensuring that the necessary skills and staff are allocated to ensure the smooth running of the portfolio.
- Financial management and reporting in respect of the property portfolio and the company, including preparation of a monthly detailed forecast of anticipated income and expenditure.
- Fulfilment of Redefine's accounting function.

FEES PAID TO BROLL AND THE SUB MANAGERS

During the year under review, Redefine paid a property management fee of R30 million to Broll. This comprised R22,4 million in respect of 12 months for the Redefine portfolio, and R7,6 million in respect of August 2009 for the ApexHi/Ambit portfolio.



Chairman's Statement

GLOBAL ECONOMY

Following the sub-prime crisis in the United States, the world experienced its most serious financial meltdown in over 80 years. The global recession was characterised by failures of major international banks and unemployment and retrenchment of talented and experienced executives.

Internationally, the property sector was severely affected by substantial reductions in property valuations which, as a consequence of abnormally high gearing ratios, resulted in breaches in covenants, foreclosures by banks and financiers, insolvency of numerous property owners and companies and significant write-offs in equity values. As a result, consumer spending declined which impacted on turnovers of retailers, airlines, hotels and restaurants. Motor sales plummeted and turnovers in furniture, household appliances and housewares were similarly affected. The residential market was depressed by forced sellers and the inability of potential buyers to secure mortgage finance.

Banks became reluctant to provide lending for property and the sector was rescued by significant capital raisings which were carried out at huge discounts to net asset values.

SOUTH AFRICAN ECONOMY

The South African economy was not as severely affected. South African banks, which did not engage in the practises of their international counterparts, did not suffer the effects and fate of many global banks, although they did not escape increased write-offs and bad debts.

The South African listed property sector remained resilient principally as gearing was generally at a low level relative to property valuations, which remained stable.

The global economic turmoil prompted South African banks to immediately alert clients that they were experiencing a liquidity squeeze and were subject to severe constraints imposed by their lending committees. This signalled the expectation of higher margins and more expensive loans for borrowers when funds became available. Towards the end of the financial year it was apparent that banks had re-entered the lending market, but at considerably higher margins.

THE MERGER

It was against this backdrop that the merger of Redefine, ApexHi and Madison took place. The timing was right for consolidation in the property sector and investors were looking for larger, stable and more liquid counters.

The merger took more than seven months to implement and was completed on 30 July 2009. The transaction resulted in Redefine owning 403 properties valued at R18,2 billion and a R2,8 billion listed securities portfolio. Borrowings post the merger totalled R5,5 billion representing 26% of the value of properties and listed securities, while linked units in issue increased to 2,6 billion.

The decision to merge the three companies has to some degree already been vindicated since Redefine has entered a number of the more important indices, liquidity levels have increased substantially and the integration of the businesses will lead to significant benefits in the years ahead.



Chairman's Statement continued

During the forthcoming year the consolidated Redefine will be streamlined into a dominant property company with strategic South African and international property investments focused on sustainable growth in earnings and distributions.

APPRECIATION

I would like to express my sincere appreciation and thanks for their wise counsel to my colleagues on the Redefine board pre merger, in particular to Eric Ellerine who was not available for re-election, Liliane Barnard, Stewart Shaw-Taylor and Neville Venter who resigned when the merger was completed, and to Brian Azizollahoff and Di Perton who have remained on the board post merger.

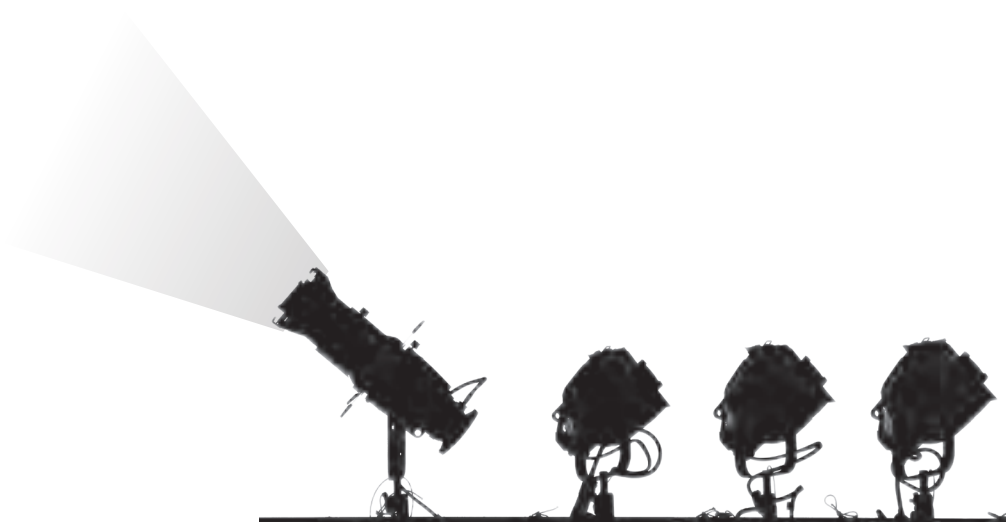
I would also like to thank Wolf Cesman and Marc Wainer, who became joint CEOs of Redefine after the merger, who will take the company into the future. I am confident that they will lead Redefine with distinction.

I welcome Greg Heron, Monica Khumalo, Gerald Leissner, Harish Mehta and Bernard Nackan to the board as non executive directors and Janys Finn, Mike Flax and David Rice as executive directors and look forward to a successful working relationship in the year ahead.



Dines Gihwala

CHAIRMAN



Financial Review

DISTRIBUTABLE INCOME STATEMENT

	GROUP		
	2009 R000	% change	2008 R000
Investment properties – net operating income			
Core portfolio – properties held for 24 months	433 483	10	393 723
Revenue	540 976	10	492 338
Turnover rental	2 610	27	2 063
Property expenses	(96 667)	6	(90 848)
Tenant installation and letting commissions	(13 436)	37	(9 830)
Additions – properties held for less than 24 months	163 708 [#]		24 297
Revenue	191 770		27 243
Property expenses	(23 706)		(2 932)
Tenant installation and letting commissions	(4 356)		(14)
Disposals – properties held for less than 24 months	5 516		14 959
Revenue	5 883		17 378
Turnover rental	381		281
Property expenses	(729)		(1 762)
Tenant installation and letting commissions	(19)		(938)
Net operating income from investment properties	602 707	39	432 979
Listed securities portfolio	308 203	(7)	332 396
Property trading income	39 089	65	23 638
Fee income	14 328	250	4 091
Total revenue	964 327		793 104
Operating and administration costs	69 432	15	60 283
Asset management fees	41 546	(9)	45 638
Employment costs	9 496	109	4 539
Investor relations and marketing	2 020	52	1 325
Corporate costs	2 410	89	1 273
Administration costs	13 960*	86	7 508
Net operating profit	894 895		732 821
Share of distributable losses from associates	(11 636)		(3 170)
Minority interest	1 163		–
July income from ApexHi and Madison	105 226		–
Adjusted operating profit	989 648		729 651
Interest paid	(350 129)	24	(281 796)
Interest received (net of non distributable foreign exchange gain)	71 835	52	47 302
Profit before debenture interest	711 354		495 157
Weighted average number of linked units in issue	1 042 258		856 002
Distribution per linked unit (cents)	56.55		56.63

[#]Includes ApexHi portfolio for August 2009

*Excludes capital impairments of R14,9 million which do not affect distributions

Financial Review continued

Note to distributable income statement: Straight lining of leases

Circular 12/2006 issued by the South African Institute of Chartered Accountants addresses fixed rental increases in relation to operating leases on all assets. The international accounting standard on operating leases – IAS 17 (AC105) requires that lease income be recognised in the income statement on a straight line lease basis over the lease term. Straight line recognition means that payments over the lease term are to be aggregated and divided by the lease term in order to arrive at the monthly charge. The straight line method results in an equal impact in the income statement in each reporting period irrespective of the fact that the cash flows differ. The cumulative difference between the amounts recognised in the income statement and the cash flows is recognised on the balance sheet.

Redefine recognises the straight lining adjustment in compliance with International Financial Reporting Standards ("IFRS"). The adjustment is disclosed separately, is ignored when calculating ratios and is not taken into account when determining distributions.

ACCOUNTING FOR THE MERGER

On 30 July 2009, Redefine linked unitholders were advised that all conditions for the merger between Redefine, ApexHi and Madison had been fulfilled. In terms of the scheme, the effective date of the merger was 1 July 2009. However, as all conditions precedent were only fulfilled on 30 July 2009, income earned by ApexHi and Madison for July 2009 has not been consolidated. Redefine has accounted for this income, amounting to R105,2 million, by reducing the cost of its investments in ApexHi and Madison and has included the income in its final distribution for the year ended 31 August 2009. The results of ApexHi and Madison have been consolidated with effect from 1 August 2009 as this is the date of the business combination.

INVESTMENT PROPERTIES

The core portfolio, representing properties held for 24 months, reflects growth of 10% in net property income. Total revenue increased by 10% and property expenses increased at a lesser rate of 6%.

Net operating income from properties acquired during the year totalled R163,7 million including R115,5 million from ApexHi's portfolio for August 2009.

LISTED SECURITIES PORTFOLIO

Revenue from listed securities decreased by 7% due to the elimination of Redefine's investments in ApexHi and Ambit as a consequence of the merger. Redefine earns net operating income from the ApexHi investment properties, including the Ambit portfolio, now owned directly by Redefine.

PROPERTY TRADING INCOME

Property trading income of R39 million comprises profit on the disposal of Maynard Plaza of R14,9 million and trading income from the sale of sectional title space in Buchanan of R25 million, offset by Redefine's share of trading losses of R0,9 million from the joint venture in Oasis Retirement Village.

FEE INCOME

Fee income increased substantially due to the acquisition of Madison which was a fee generating company. Fee income comprises asset and property management fees from Hyprop, Dipula and Mergence of R4,8 million, leasing commissions and development fees of R2,1 million and guarantee fees of R7,4 million.

The guarantee fees are payable by BEE participants as a result of Redefine's undertaking to guarantee repayment of their loans to banks for the funding of Redefine's linked units acquired by the BEE participants in prior years.

Guarantee fees for the year ending 31 August 2009 comprise fees from guarantee 1 for 12 months, together with fees from guarantees 2 and 3 for August 2009 only.



Calculation of estimated guarantee fees

	Guarantee 1	Guarantee 2	Guarantee 3
Effective date	18 February 2008	9 October 2006	1 April 2007
Number of units on which guarantee is based	80 000 000	33 801 014	25 984 125
Calculation date	17 February 2013	30 June 2010	30 June 2010
Assumed unit price on calculation date (R)	11,35	8,00	8,00
Actual cost of unit (R)	6,85	2,00	4,62
Estimated funding cost to calculation date (R)	0,68	0,85	1,95
Share of profit (%)	10	25	15
Total estimated guarantee fee (R000)	30 558	41 864	5 365
Guarantee fee per annum (R000)	5 936	11 417	1 694
Date guarantee fee payable on	17 February 2013	50% 31 August 2010 50% 31 August 2011	31 August 2010

OPERATING AND ADMINISTRATION COSTS

The overall increase of 15% can predominantly be attributed to the merger.

Asset management fee

Fees paid by Redefine to Madison for the 11 month period ended 31 July 2009 was calculated at 0.5% per annum of the enterprise value of Redefine, being market capitalisation plus long term borrowings.

Following the merger with Madison, Redefine is internally managed and the asset management fee has been replaced by employment and related costs.

Employment costs

Employment costs comprise the remuneration of Redefine's former CEO, Brian Azizollahoff, for the 11 month period ended 31 July 2009 of R5,3 million together with employment costs of the merged group for August 2009.

Investor relations, marketing, corporate and administration costs

The increases relate to the merger. Significant increases are attributed to the costs of the annual report due to the increased number of linked unitholders in the enlarged Redefine and increases in the costs of property valuations as a result of the increase in the number of investment properties in the portfolio.

INTEREST PAID

Interest paid increased by 24% in 2009 as a result of:

- The consolidation of ApexHi's interest for August 2009 of R34,7 million;
- The cessation of the capitalisation of interest on properties under development that were completed during the course of the year amounting to R26,9 million; and
- Funding for the acquisitions of listed securities in Hyprop and Wichford.

INTEREST RECEIVED

The increase of 52%, or R25,5 million in interest received is a result of the consolidation of ApexHi's results for August 2009 which included interest received of R24,8 million.

Financial Review continued

BALANCE SHEET REVIEW

	GROUP	
	2009 R000	2008 R000
ASSETS		
Non current assets	25 129 646	10 065 443
Investment properties	18 234 776	5 896 688
Fair value of property	18 101 725	5 764 528
Property under development	133 051	132 160
Listed securities portfolio	2 807 448	3 906 307
Goodwill	3 248 835	–
Intangibles	9 491	–
Interest in associates	201 387	140 227
Loans receivable	560 600	65 248
Interest rate swaps	–	6 514
Guarantee fees receivable	36 040	19 865
Property, plant and equipment	31 069	30 594
Current assets	640 129	634 381
Properties held for trading	186 908	197 265
Listed securities held for trading	9 316	105 385
Trade and other receivables	209 993	64 637
Guarantee fees receivable	20 127	–
Loans receivable	2 003	–
Listed securities income receivable	100 628	108 899
Cash and cash equivalents	111 154	158 195
Non current assets held for sale	173 200	17 585
Total assets	25 942 975	10 717 409
EQUITY AND LIABILITIES		
Equity	13 200 268	4 404 397
Share capital and premium	11 602 835	2 088 943
Accumulated loss	(156 310)	(31 517)
Non distributable reserves	1 750 642	2 341 265
Capital and reserves attributable to equity holders	13 197 167	4 398 691
Minority interest	3 101	5 706
Non current liabilities	12 036 910	5 972 087
Debenture capital	4 767 591	1 607 689
Interest bearing liabilities	5 460 099	3 572 250
Interest rate swaps	46 210	16 823
Financial guarantee contract	9 838	15 774
Deferred taxation	1 753 172	759 551
Current liabilities	705 797	340 925
Trade and other payables	374 271	95 773
Interest bearing liabilities	20 308	106 444
Linked unitholders for distribution	311 218	138 708
Total equity and liabilities	25 942 975	10 717 409
Net asset value per linked unit (cents)	678.38	673.12
Net asset value per unit excluding deferred taxation (cents)	744.57	758.17

NET ASSET VALUE

Net asset value per linked unit, excluding deferred taxation, decreased by 1.8% from R7,58 per linked unit at 31 August 2008 to R7,45 per linked unit at 31 August 2009. The linked unit market price of R7,29 at 31 August 2009 reflects a discount of 2.1% on the net asset value.

INVESTMENT PROPERTIES

Movement for the year	R000
Investment properties at valuation – 31 August 2008	5 764 528
Acquisition of subsidiaries – ApexHi and Ambit	12 516 210
Other acquisitions	165 510
Disposals	(46 545)
Changes in fair value	(310 381)
Tenant installations	23 514
Lease commissions	6 189
Transferred to non current assets held for sale	(17 300)
Properties held at valuation – 31 August 2009	18 101 725

The ApexHi and Ambit portfolios were revalued at 31 July 2009. The resulting net increase in value of R820 million was recognised in the subsidiary companies prior to the acquisition by Redefine. The year end revaluation of the Redefine property portfolio including developments and land resulted in a decrease in value of R380 million.

The R18,1 billion portfolio (which includes land) represents a forward yield of 10.6% and a valuation of R5 000 per m² of lettable area.

LISTED SECURITIES PORTFOLIO

The listed securities portfolio, valued at R2,8 billion, constituted 13.4% of Redefine's investment in property and listed securities at 31 August 2009. The decrease of R1,1 billion in the value of the listed portfolio since 31 August 2008 is attributable to the elimination of Redefine's interest in ApexHi as a result of the merger.

Redefine increased its strategic stake in Hyprop to 33.3% during the year under review.

Redefine owns 26.4% of Oryx Properties Limited, listed in Namibia, and 3.2% of Sycom Property Fund.

Redefine's offshore listed investments comprise 28.6% of Ciref and 10.6% of Wichford. Subsequent to the year end, Wichford had a rights issue in terms of which shareholders received seven new shares for each share held. Redefine owned 14,6 million shares which entitled it to 102,2 million new shares. Redefine exercised its rights at a cost of R76,5 million. In addition, a further 87,6 million shares were purchased at a cost of R121 million, increasing Redefine's stake in Wichford to 19.2%.

Listed securities held for trading comprise units in SA Corporate Real Estate Fund which were disposed of subsequent to the year end.

The market value of investments in listed securities decreased by a net R10 million at 31 August 2009.

Financial Review continued

GOODWILL

Goodwill relates to the acquisition of ApexHi and Madison. The business combination was accounted for using provisional figures in terms of IFRS 3: "Business Combinations". The excess of the purchase price over the net assets of ApexHi and Madison has been reflected as goodwill. A detailed assessment of the assets, liabilities and contingent liabilities acquired will be completed during the 2010 financial year and the required adjustments, which are expected to relate to goodwill, will be processed during that year.

INTANGIBLES

Intangibles reflect the carrying value of the management contract with Hyprop which expires on 31 December 2009. Agreement has been reached in terms of which Redefine will provide consultancy services to Hyprop for an initial period of 18 months at a fee of R1,5 million per month. The agreement is subject to the approval of Hyprop unitholders.

INTEREST IN ASSOCIATES

The increase in the interest in associates has arisen due to the acquisition of Madison which owns a 34% stake in CFM, the asset manager of Ciref and Wichford.

Redefine continues to own 49% in each of two enterprise development initiatives, Dipula and Mergence.

Redefine's share of attributable losses from associates in the current year amounted to R11,1 million.

LOANS RECEIVABLE

Loans receivable include a loan to Dijalo and Mergence Africa, the holding companies of Dipula and Mergence, of R159,6 million and R154 million respectively. These loans originated from the disposal of properties to Dipula and Mergence by Redefine and ApexHi. R262,6 million of the combined loan of R313,6 million is repayable on 31 January 2011 and bears interest at a fixed rate of 11.5% per annum, a minimum 9.5% per annum of which must be paid monthly with any shortfall capitalised to the loans. The balance of R51 million bears interest at rates linked to prime and has no fixed terms of repayment.

Loans receivable also include a loan to Aengus Lifestyle Properties (Proprietary) Limited ("Aengus") of R196,8 million. ApexHi disposed of a residential portfolio to Aengus for R212 million with an additional R20 million to be advanced to Aengus for the refurbishment of the YMCA building. A first mortgage bond was registered against the properties in favour of ApexHi. The loan bears interest at 12.5% per annum, a minimum 12% per annum of which must be paid monthly with any shortfall capitalised to the loan. The loan is repayable by no later than 29 February 2012.

TRADE AND OTHER RECEIVABLES

The level of trade receivables has increased from R15,2 million to R32,5 million as a result of the merger. The provision for impairment has increased by R1,8 million and represents 21.5% of the arrears at year end.

Refer to note 16 to the annual financial statements for an analysis of amounts included in other receivables.



SOUTH COAST MALL

NON CURRENT ASSETS HELD FOR SALE

Non current assets held for sale comprises eight properties – one was transferred from investment properties and seven were acquired from ApexHi.

INTEREST BEARING BORROWINGS

Total interest bearing borrowings of R5,5 billion represents 26% of the value of the property and listed securities portfolio. 87.7% of the borrowings are fixed for periods of three to ten years and the average all inclusive rate of borrowings is 9.2%.

DEFERRED TAXATION

Redefine previously provided deferred taxation on the fair value adjustment of investment properties at the income taxation rate. In the current year, deferred taxation has been provided on the fair value adjustment of the land and building portions at the capital gains and income taxation rates respectively. The cumulative reduction to deferred taxation of R96,5 million has been accounted for as a change in accounting estimate in the current year.

Circular 1/2006 issued by the South African Institute of Chartered Accountants specifies that the deferred taxation rate applied to the fair value adjustment must be determined by the expected manner of recovery. Where recovery of the investment property is expected through sale, it should be provided for at the Capital Gains Taxation ("CGT") rate. Where recovery is expected through indefinite use, it requires that the land component be separated from the property value as it is expected that the upliftment in the land value will be recovered through sale and the building will be recovered through indefinite use. Therefore, the CGT rate will apply to the upliftment in the land value and the income tax rate to the upliftment in the building value.

TRADE AND OTHER PAYABLES

The level of trade and other payables has increased predominantly as a result of the merger. Refer to note 22 to the annual financial statements for an analysis of amounts included in other payables.



Debt Profile

MANAGEMENT OF DEBT

In a global environment of volatile interest rates and restricted access to finance, debt management is an important focus.

Redefine has longstanding relationships with the leading banks and is well rated, facilitating access to funding for growth.

Redefine has a dynamic hedging philosophy for managing its debt by fixing interest rates for as low and as long as possible. This ensures that fluctuations in interest rates have a minimal impact on the cost of financing.

General market consensus is that interest rates will remain stable in the short term, and with its current hedge position, Redefine is geared towards rates remaining stable. Ideally, Redefine aims to retain the protection provided by hedging arrangements while positioning itself to take advantage of decreases in rates. Where appropriate, long dated fixes may be broken in order to take advantage of lower rates. The company continually assesses its debt and monitors the debt markets to identify opportunities to lower finance costs wherever possible.

FIXED VS FLOATING BORROWINGS

Redefine may opt for fixed rate or floating rate borrowings. Fixed rate borrowings imply loans with interest rates fixed at a specified rate which, by way of example, would be a base rate of JIBAR (Johannesburg Interbank Agreement Rate) plus costs made up of the banks' margin, a liquidity premium and the banks reserving costs. Once the JIBAR rate has been fixed, the total all-inclusive rate remains constant over the period of the loan.

Floating debt will attract interest at either JIBAR plus costs or at the prime rate less a discount. The JIBAR rate would be reset monthly or at three monthly intervals and similarly, should the prime rate of interest change the total all-inclusive rate of the loan would change.

JIBAR is the rate that South African banks charge each other for wholesale money. The JIBAR rate is a daily updated South African money market rate as indicated by a number of local and international banks.

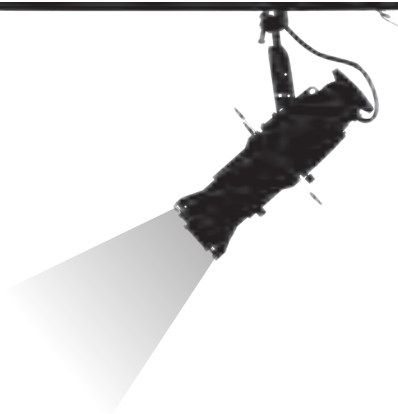
REDEFINE'S POSITION AT 31 AUGUST 2009

Redefine's total debt at 31 August 2009 was R5,5 billion of which approximately R5,3 billion is direct debt and R159 million is debt in respect of various joint ventures.

Of the R5,3 billion direct debt, 87.7% is fixed for an average period of six years at an average rate of 9.1% inclusive of all costs. The average rate in respect of total debt is 9.2% inclusive of all costs.

A portion of the floating debt is in respect of development projects and once these projects have been completed, long term fixed rate debt will replace the floating debt.

Redefine has successfully lowered its weighted average cost of borrowings on a consistent basis by renegotiating risk margins, unwinding high yielding borrowings and incorporating the breakage costs into the new fixes, and stretching its book's duration. The average weighted cost of borrowings has been reduced from just under 10% in 2008 to its current level of 9.2%.



Debt Profile continued

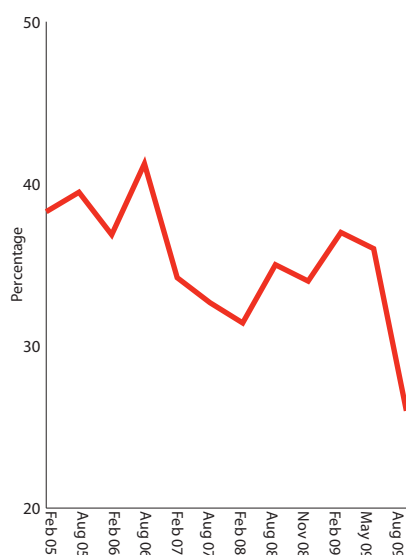
INTEREST BEARING BORROWINGS

At 31 August 2009

Repayment date	Loan R000	Average rate %
FIXED RATE DEBT		
Standard Bank debt capital market	1 795 945	9.56
11 January 2011	277 875	8.59
11 April 2011	5 000	12.23
1 July 2013	164 800	10.64
17 January 2017	207 870	9.71
28 February 2017	110 400	10.44
1 March 2017	30 000	11.29
1 April 2017	100 000	9.67
1 July 2017	400 000	9.24
1 July 2017	200 000	9.02
21 July 2017	150 000	9.47
27 July 2017	150 000	10.43
Standard Bank	951 249	9.89
1 July 2015	500 000	10.07
26 April 2017	451 249	9.69
Absa	511 672	9.23
1 December 2011	200 000	9.81
1 February 2012	40 000	9.65
1 April 2012	40 000	9.87
8 October 2018	231 672	8.55
Nedbank	105 000	9.76
27 January 2014	75 000	9.40
27 January 2014	30 000	10.66
Standard Finance (Isle of Man)	270 935	2.30
April 2010 (£13 699 893)	173 989	2.52
January 2012 (£7 633 535)	96 946	1.91
Interest rate swaps	1 013 795	9.33
10 February 2010	50 000	7.83
21 April 2010	50 000	8.52
1 April 2011	40 000	12.07
25 July 2011	50 000	8.89
5 December 2011	40 000	9.99
8 October 2018	230 000	10.48
11 November 2018	140 000	8.84
12 November 2018	413 795	8.86
Total fixed debt	4 648 596	9.12

	Loan R000	Average rate %	% of debt
FLOATING RATE DEBT			
Standard Bank	937 245	9.98	
Absa	488 576	10.37	
RMB	143 679	8.91	
Standard Bank debt capital market	71 200	8.48	
Nedbank	25 984	8.84	
Floating debt	1 666 684	9.92	
Interest rate swaps	(1 013 795)	9.33	
Total floating debt	652 889	9.69	
SUMMARY			
Fixed debt	4 648 596	9.12	87.7
Floating debt	652 889	9.69	12.3
Total Redefine debt	5 301 485	9.20	100.0
Joint venture debt	158 614		
Total debt	5 460 099		

Loan to value ratio



LOAN TO VALUE RATIO

Although the debenture trust deed does not limit gearing, Redefine's board has imposed a limit on gearing of 45% of total assets. This limit ensures that Redefine is not exposed to high levels of debt in the event that interest rates increase but also allows the flexibility for the prudent use of debt when opportune. Borrowings are currently 26% of the value of the property and listed securities portfolio, and the board has determined that the optimal level of gearing should not exceed 30% of the value of total assets.

Debt Profile continued

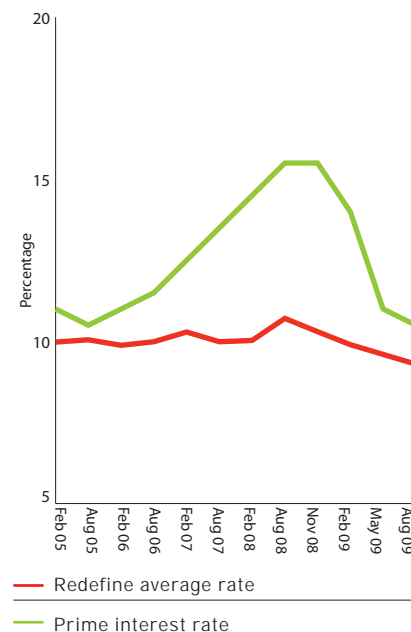
INVESTING SURPLUS CASH

Redefine maintains a level of floating debt which is commonly referred to as an “access facility”. Surplus funds are deposited into the access facility as opposed to investing the funds in a call account where the call deposit rate would be received.

There is a constant requirement to determine the correct balance between fixed funding and access facility as floating rates are higher than fixed rates. Therefore, the ideal scenario is not to have all borrowings fixed with funds on call earning call rates. Conversely, if an access facility is not being utilised efficiently, the impact is a higher rate of interest on the floating portion of borrowings.

Redefine’s optimum level of floating debt (access facility) is currently approximately R650 million.

Redefine average rate
vs prime interest rate



Property Portfolio

Sector	Number of properties	GLA m ²	Valuation R000	Average rate R/m ²
Offices	156	1 335 554	8 105 267	6 069
Retail	150	1 126 935	6 846 699	6 076
Industrial	86	1 021 451	2 784 938	2 726
Undivided shares in retail centres	3	53 310	241 614	4 524
Non current assets held for sale	8	72 800	173 200	2 379
Total property portfolio – developed properties	403	3 610 050	18 151 718	5 028
Vacant land			123 207	
Total property portfolio	403	3 610 050	18 274 925	

VALUATION OF PROPERTIES

It is Redefine's policy to revalue the entire property portfolio on an annual basis.

Properties valued at less than R20 million were valued by the directors on the basis of capitalising first year income into perpetuity. Properties worth more than R20 million were valued and certified by professional, registered third party independent valuers under the guidelines of the South African Institute of Valuers.

The Ambit portfolio, acquired by ApexHi immediately prior to the merger, was valued by third party valuers.

The following panel of valuers was appointed by the valuation sub-committee:

- Asset Valuation Services CC
- CB Richard Ellis (Proprietary) Limited
- DDP Valuers (Proprietary) Limited
- Mills Fitchet (TVL) CC
- Mills Fitchet (KZN) CC
- Mills Fitchet Magnus Penny (Proprietary) Limited
- Quadrant Properties (Proprietary) Limited

These valuers use the discounted cash flow ("DCF") methodology for the valuations, which is the widely accepted method of valuation adopted by the sector worldwide.

VALUATION ASSUMPTIONS

The range of the reversionary capitalisation rate applied to the portfolio is between 8.25% and 14.5% with the average being approximately 10.5%.

The discount rate applied ranged between 14% and 20% with the average being approximately 15.5%.

The market rental growth rate applied to the portfolio was between 3% and 9% with the average being approximately 6%.

The initial average yield of the portfolio, based on Redefine's budgeted net income for the year to August 2010, is 10.5%.

The ApexHi property portfolio was valued on 31 July 2009 and the resulting increase in value of R820 million was accounted for pre-acquisition.

The year end revaluation of the Redefine portfolio resulted in a decrease in valuation of R380 million.

Property Portfolio continued

Properties valued	Number of properties	Property value R000	% of total portfolio (by value)
Below R20 million by directors	157	1 750 068	9.7
Above R20 million independently	246	16 401 650	90.3
Total	403	18 151 718	100.0

TOP 20 PROPERTIES BY VALUE

Name	Location	Sector	GLA m ²	2009 valuation R000	Valuation R/m ²
1. Golden Walk	Germiston	Retail	45 014	610 000	13 551
2. Standard Bank Centre	Cape Town	Office	59 705	431 000	7 219
3. Park Meadows	Bedfordview	Retail	24 686	393 000	15 920
4. Cleary Park	Port Elizabeth	Retail	38 005	339 460	8 932
5. Poyntons	Pretoria	Office	72 350	285 400	3 945
6. Foretrust	Cape Town	Office	26 628	272 000	10 215
7. 11 Diagonal Street	Johannesburg	Office	32 972	264 000	8 007
8. Convention Tower	Cape Town	Office	16 117	243 000	15 077
9. 90 Rivonia Road	Sandton	Office	14 270	226 400	15 865
10. Knowledge Park	Century City	Office	16 930	211 000	12 379
11. Maynard Mall	Cape Town	Retail	24 271	205 000	8 446
12. Trust Bank	Johannesburg	Office	27 930	195 000	6 982
13. Wingfield Park	Jet Park	Industrial	55 927	184 000	3 290
14. Pepkor Warehouse	Isando	Industrial	40 438	164 000	4 056
15. Pier Place	Cape Town	Office	14 613	160 000	10 949
16. South Coast Mall*	Shelly Beach	Retail	29 364	159 614	12 179
17. 111 Commissioner Street	Johannesburg	Office/Retail	28 467	153 200	5 382
18. Jewel City	Johannesburg	Office	33 786	149 000	4 410
19. Premier Foods	Durban	Industrial	89 000	139 840	1 571
20. Premier Foods	Pretoria	Industrial	27 664	139 000	5 025
Total			718 137	4 923 914	6 857
% of total portfolio			19.9	27.1	

*Redefine owns 50% of South Coast Mall. The GLA reflects total GLA of the property and the valuation reflects Redefine's share

ACQUISITIONS

It is Redefine's strategy to acquire income enhancing properties to grow the portfolio, grow income and minimise risk. All decisions in respect of acquisitions are taken by the investment committee or by the board in cases where the acquisition value is above the investment committee mandate set by the board.

During the year under review, Redefine added the following property to its investment portfolio:

Property	Location	Sector	Date of transfer/ lodgement	GLA m ²	Purchase price R000	Initial yield %	Price/m ² R
Hartmann & Keppler	Johannesburg	Retail	21 Aug 2009	3 769	19 000	11.0	5 041

APEXHI PORTFOLIO

As a result of the merger with ApexHi, Redefine acquired 315 properties with a gross lettable area of 2,6 million m² from the effective date of 1 August 2009. These include the properties owned by Ambit, acquired by ApexHi immediately prior to the merger.

DISPOSALS

Redefine assesses the portfolio on a regular basis to identify properties that no longer meet its investment criteria.

During the year under review, Redefine disposed of two properties for R58,7 million, realising a total surplus on original cost of R27,5 million.

DISPOSALS DURING THE 2009 FINANCIAL YEAR

Property	Location	Sector	Date of transfer	GLA m ²	Selling price R000	Initial yield %	Price/m ² R
TWBA Benmore	Johannesburg	Office	23 Oct 2008	1 792	18 750	7.5	10 463
Mauff Zail Richmond	Johannesburg	Office	25 Mar 2009	4 586	40 000	10.9	8 722
Total				6 378	58 750		

POST BALANCE SHEET ACQUISITIONS AND DISPOSALS

ACQUISITIONS

Property	Location	Sector	Date of transfer/ lodgement	GLA m ²	Purchase price R000	Initial yield %	Price/m ² R
45 Pritchard Street	Johannesburg	Retail	16 Oct 2009	16 867	105 000	10.9	6 225
LinPac	Cape Town	Industrial	11 Nov 2009	23 804	100 001	10.6	4 201
Total				40 671	205 001		

Property Portfolio continued

DISPOSALS

Non current assets held for sale at 31 August 2009

Property	Location	Sector	Expected date of transfer	GLA m ²	Selling price R000	Initial yield %	Price/m ² R
Northstate	Gauteng	Office	10 Jan 2010	11 568	40 000	9.0	3 458
Mutual Building	Eastern Cape	Office	6 Oct 2009	12 640	33 000	9.1	2 611
Premquip	Western Cape	Industrial	15 Dec 2009	10 111	17 300	n/a*	1 711
Cassey's Auto Benoni	Gauteng	Retail	29 Nov 2009	3 091	8 500	11.0	2 750
32 Intersite Road	KwaZulu-Natal	Industrial	9 Sep 2009	600	3 100	8.1	5 167
5 Laub Street	Gauteng	Industrial	#	16 918	33 000	6.9	1 951
Oxford Street	Eastern Cape	Retail	#	2 090	25 300	10.1	12 105
Faurecias (Cadbury's Warehouse)	Eastern Cape	Industrial	#	15 782	13 000	20.0	824
Total				72 800	173 200		

Disposals subsequent to 31 August 2009

Property	Location	Sector	Expected date of transfer	GLA m ²	Selling price R000	Initial yield %	Price/m ² R
Fedsure Forum	Gauteng	Office	Apr 2010	28 888	141 750	11.8	4 907
Opera Plaza	Gauteng	Office	Apr 2010	14 968	74 840	12.9	5 000
Emanzini	Gauteng	Office	Apr 2010	9 340	46 700	10.2	5 000
Newmarket Junction	Western Cape	Office	Jan 2010	7 927	41 000	n/a*	5 172
Meditek – Hemco	Western Cape	Industrial	Dec 2009	8 843	22 145	n/a*	2 504
Malvin Court	Gauteng	Residential	Sep 2009	n/a	7 500	8.9	n/a
Dzanani Centre	Limpopo	Retail	Jan 2010	1 255	1 500	16.0	1 195
Erf 755 Denver	Gauteng	Land	Jul 2010	n/a	1 250	n/a	82
Total				71 221	336 685		

*Vacant occupation

#Agreement lapsed. Sale will not proceed

DEVELOPMENTS AND REFURBISHMENTS

Redefine has a number of developments and refurbishments in progress. All developments require the approval of the investment committee. Any development above the mandate threshold of the investment committee requires board approval.

Highly skilled managers are employed for these projects, and Redefine enters into joint ventures where opportune.

Redefine is engaged in two categories of development:

- Developments for long term investment
- Developments for trading

DEVELOPMENTS FOR LONG TERM INVESTMENT

These include office, retail or industrial developments in which land is acquired and the process from rezoning through to completion is managed by the development management team at Redefine.

Redefine may acquire land for future development when opportunities arise. All holding expenses are capitalised to the cost of the land. Investment in land for future development must be approved by the investment committee and is limited to a maximum of 5% of the value of the total property portfolio.

As with the investment property portfolio, vacant land is revalued annually and the increase or decrease in value is applied to non distributable reserves. At 31 August 2009, Redefine had approximately 89 000m² of vacant land and property held for development, valued at R256 million and located predominantly in the Western Cape and Namibia.

Developments have been affected by the global financial crisis, which has limited the banks' ability and willingness to lend. This has led to reduced development activity, which is expected to continue in the short term.

Developments in progress at 31 August 2009

Redefine has various developments in progress on which an estimated R205 million remains to be spent. The table below sets out four of the larger projects, which are all in the retail sector:

Development	Location	GLA m ²	Projected total cost R000	Initial yield %	Expected completion date	% complete	To be spent R000
Horizon View	Roodepoort	20 325	175 000	9.80	Feb 2010	87	23 000
Terminus	Klerksdorp	7 619	47 000	12.50	Oct 2010	6	44 000
Alberton Mall	Alberton CBD	5 458	25 000	10.00	Nov 2010	6	23 500
Sanlam	Vanderbijl Park	2 515	10 000	12.00	Apr 2010	5	9 500
Total		35 917	257 000				100 000

Property Portfolio continued

DEVELOPMENTS FOR TRADING

Redefine is engaged in two developments for trading purposes. Trading opportunities are subject to stringent criteria and require investment committee approval. These trading opportunities remain a minor part of Redefine's business and profits will not account for more than 5% of Redefine's operating revenue.

Development	Location	Redefine ownership %	GLA m ²	Projected total cost R000	Expected completion date	Sold %
Buchanan Square	Western Cape Woodstock	100	19 990	123 061	Jun 2010	33
Upper East Side Phase 2	Western Cape Salt River	50	20 062*	134 150*	May 2010	75
Total			40 052	391 361		

*GLA reflects total GLA of the property and the cost reflects Redefine's share

CAPITAL EXPENDITURE

Capital expenditure for the year amounted to R160,5 million, and a further R51,7 million was spent on general maintenance of the portfolio.

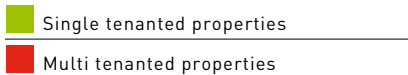
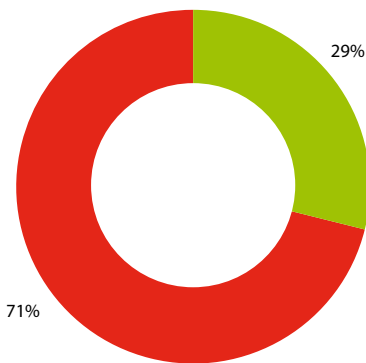
The major capital expenditure projects are outlined in the following table:

Property	Capex R000
Buchanan Square	42 917
Shoprite Polokwane	23 699
Berg River Business Park	22 634
Sable Square	9 900
Convention Tower	9 690
Standard Bank Centre	6 699
101 Dock Road	6 519
Knowledge Park	4 039
Newmarket Junction	3 797
Scott Street Mall	3 107
Monument Commercial	2 713
China City	2 536
Trencor Epping	2 529

ANALYSIS OF PROPERTY PORTFOLIO

At 31 August 2009, the Redefine portfolio comprised a total of 403 properties valued at R18,2 billion with a lettable area of 3,6 million m². (See pages 58 to 71 for a full schedule of properties.)

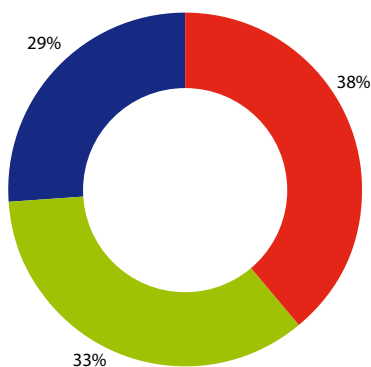
	Number	%	Number of leases	GLA				
				Office m ²	Retail m ²	Industrial m ²	Total m ²	%
Single tenanted properties	117	29	117	258 854	188 986	557 771	1 005 611	28
Multi tenanted properties	286	71	4 587	1 100 906	996 442	507 091	2 604 439	72
Total	403	100	4 704	1 359 760	1 185 428	1 064 862	3 610 050	100



PARKING

The Redefine portfolio has 29 109 parking bays which generate monthly revenue of R12,6 million.

In addition, 2 188 casual parking bays generate revenue of R1,6 million per month.



SECTORAL SPREAD

To ensure risk is well spread, Redefine's portfolio is appropriately divided between retail, office and industrial properties. Following the addition of the ApexHi portfolio, the proportion of office and retail has increased, balancing the spread of the portfolio.

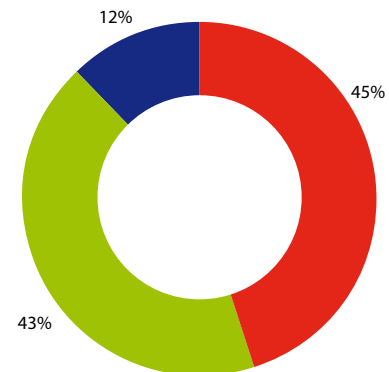
Sectoral spread by GLA

	Number of properties	GLA m ²	%
Office	158	1 359 762	38
Retail	155	1 185 426	33
Industrial	90	1 064 862	29
Total	403	3 610 050	100

Property Portfolio continued

Sectoral spread by gross monthly rental

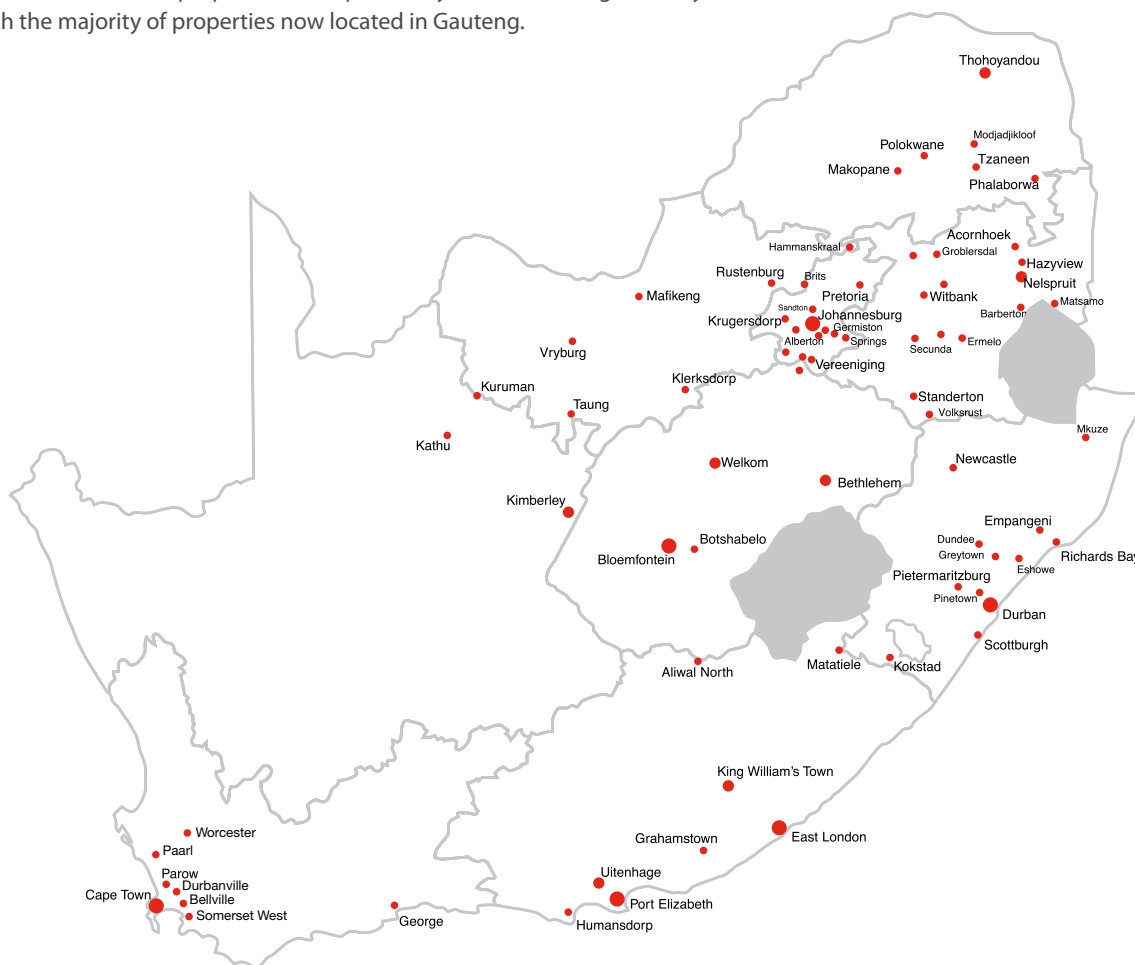
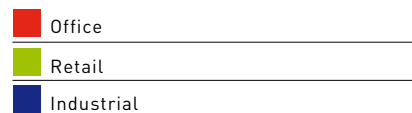
	Gross monthly rental R000	%	Average rental rate R/m ²
Office	81 440	45	64,35
Retail	78 204	43	67,60
Industrial	22 775	12	25,96
Total	182 419	100	55,29

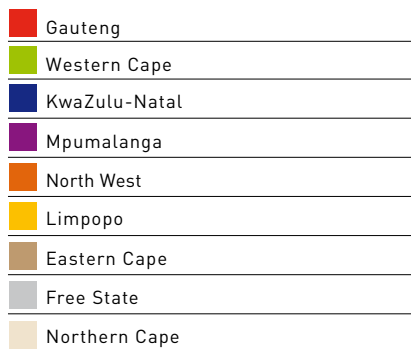
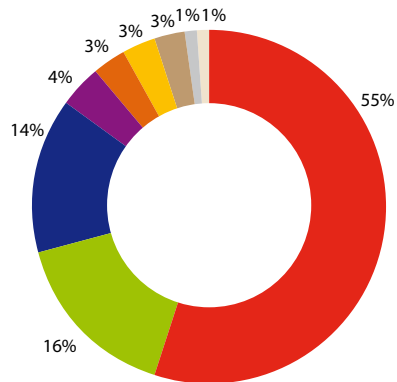


GEOGRAPHICAL SPREAD

Redefine is invested in quality properties throughout South Africa in its directly held property portfolio. The portfolio comprises properties located in concentrated nodes in all nine provinces.

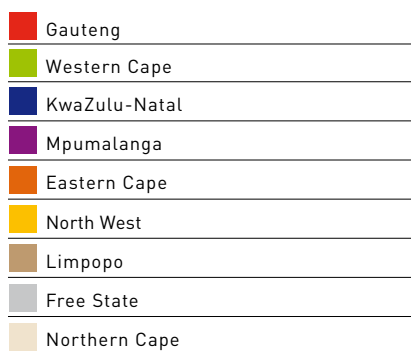
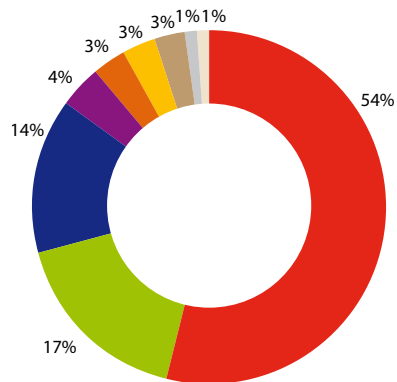
Following the merger with ApexHi, the geographical spread of the portfolio has diversified to all nine provinces. In addition, the proportion of properties in the Western Cape, where the most properties were previously located, has significantly decreased, with the majority of properties now located in Gauteng.





Geographical spread by GLA

	GLA m²	%
Gauteng	1 977 151	55
Western Cape	587 692	16
KwaZulu-Natal	518 143	14
Mpumalanga	154 717	4
North West	112 783	3
Limpopo	108 339	3
Eastern Cape	103 917	3
Free State	32 397	1
Northern Cape	14 911	1
Total	3 610 050	100



Geographical spread by gross monthly rental

	Gross monthly rental R000	%
Gauteng	99 203	54
Western Cape	30 710	17
KwaZulu-Natal	24 778	14
Mpumalanga	7 329	4
Eastern Cape	6 361	3
North West	5 364	3
Limpopo	4 643	3
Free State	2 638	1
Northern Cape	1 393	1
Total	182 419	100

Property Portfolio continued

VACANCY PROFILE

At 31 August 2009, the vacancy of the Redefine portfolio was 8.5%.

Vacancy by sector

	GLA m ²	Vacancy m ²	%
Office	1 359 760	139 105	10.2
Retail	1 185 428	98 396	8.3
Industrial	1 064 862	69 698	6.5
Total	3 610 050	307 199	8.5

Sector vacancy by province

	GLA							
	Office		Retail		Industrial		Total	
	m ²	%	m ²	%	m ²	%	m ²	%
Gauteng	65 798	47	36 330	37	33 415	48	135 543	44
Western Cape	14 448	10	19 675	20	35 983	52	70 106	23
KwaZulu-Natal	32 328	23	18 208	19	300	0	50 836	16
Mpumalanga	7 494	6	11 989	12	–	–	19 483	6
Eastern Cape	8 887	6	3 128	3	–	–	12 015	4
North West	6 148	5	5 099	5	–	–	11 247	4
Limpopo	2 681	2	2 348	2	–	–	5 029	2
Northern Cape	1 321	1	1 185	1	–	–	2 506	1
Free State	–	–	434	1	–	–	434	0
Total	139 105	100	98 396	100	69 698	100	307 199	100

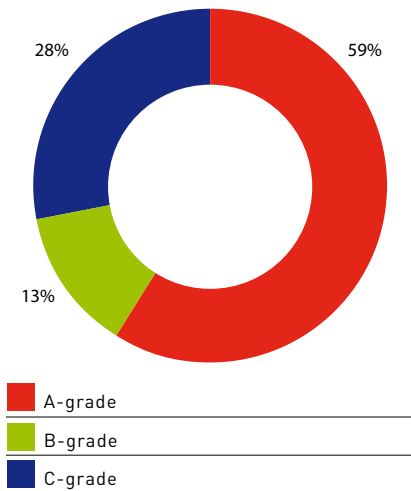
TENANT PROFILE

Redefine's policy is to lease space to good quality tenants from which the likelihood of renewal is high.

Tenants are classified as follows:

- A-grade: National, provincial and local government departments, parastatals, national retailers and large listed companies.
- B-grade: Professional firms and medium size companies
- C-grade: Other

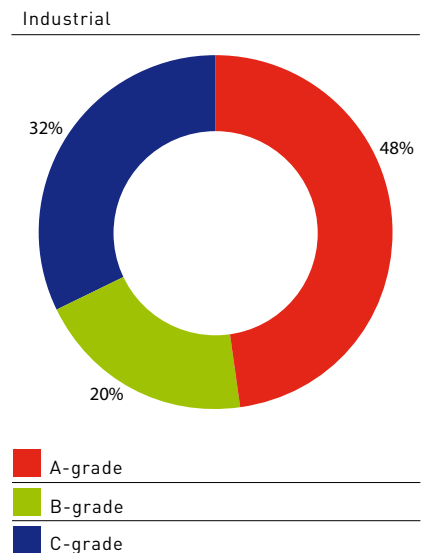
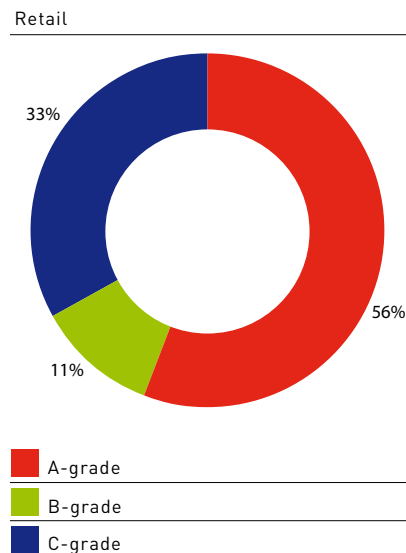
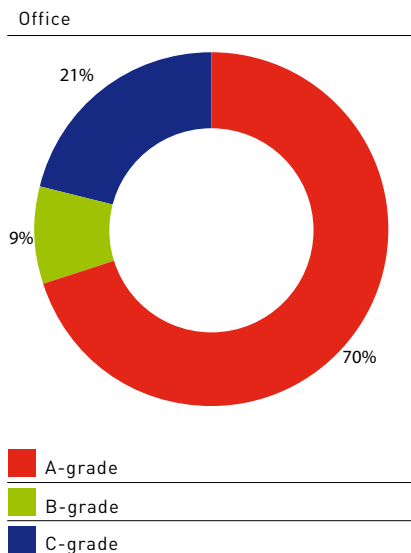
Tenant profile by let area



	GLA m ²	%
A-grade	1 940 875	59
B-grade	428 465	13
C-grade	933 511	28
Total	3 302 851	100

Tenant profile by let area per sector

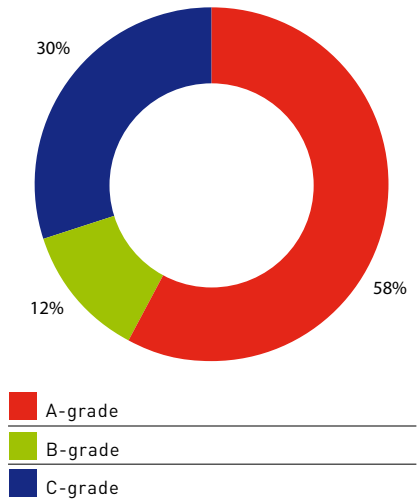
	GLA					
	Office		Retail		Industrial	
	m ²	%	m ²	%	m ²	%
A-grade	854 458	70	608 738	56	477 679	48
B-grade	109 859	9	119 573	11	199 033	20
C-grade	256 338	21	358 721	33	318 452	32
	1 220 655	100	1 087 032	100	995 164	100



Property Portfolio continued

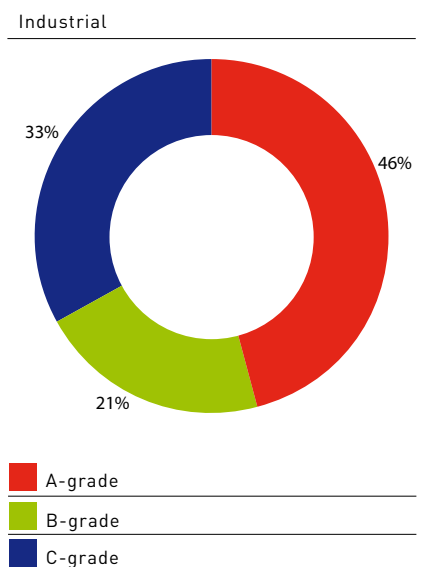
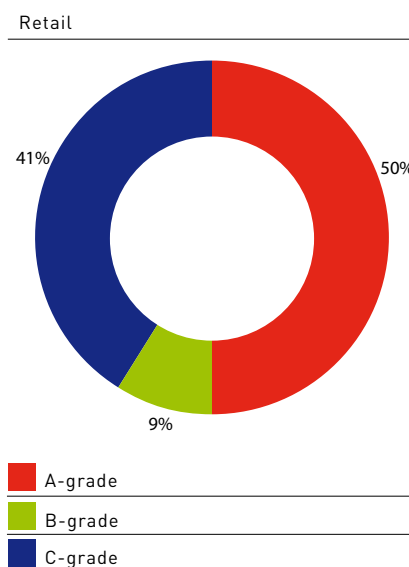
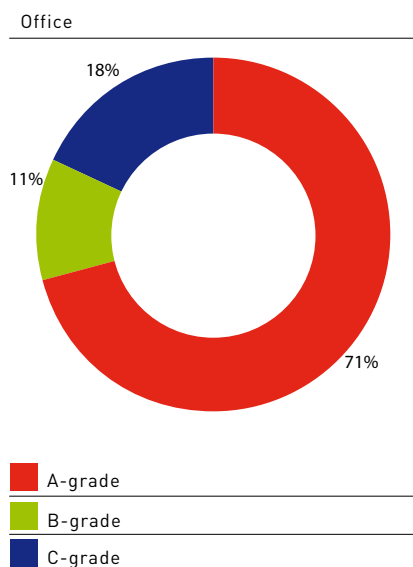
Tenant profile by gross monthly rental

	R000	%
A-grade	106 346	58
B-grade	21 996	12
C-grade	54 077	30
Total	182 419	100



Tenant profile by gross monthly rental per sector

	Office		Retail		Industrial	
	R000	%	R000	%	R000	%
A-grade	57 454	71	38 411	50	10 481	46
B-grade	9 305	11	7 910	9	4 781	21
C-grade	14 681	18	31 883	41	7 513	33
Total	81 440	100	78 204	100	22 775	100



Top 20 tenants by let area

	Let area m ²	Portfolio let area %
1. Government	559 923	17
2. Shoprite Checkers	144 692	4
3. Premier Foods	122 515	4
4. Edcon	92 891	3
5. Standard Bank	76 131	2
6. Pick'n Pay	74 166	2
7. Absa Bank	73 971	2
8. Pepkor	68 771	2
9. DHL	57 057	2
10. Illiad	56 573	2
11. Ellerines	35 866	1
12. JD Group	35 125	1
13. Nedbank	29 897	1
14. Africa Glass	27 705	1
15. First Rand Bank	27 075	1
16. Coricraft	23 864	1
17. DB Apparel	22 249	1
18. Amalgamated Appliances	21 313	1
19. Hudaco	20 848	1
20. Buildmax	19 696	1
	1 590 328	48
Total portfolio let area	3 302 851	

Property Portfolio continued



Top 10 office tenants by let area

	Let area m ²	Portfolio let area %
1. Government	542 356	45
2. Absa Bank	64 224	5
3. Standard Bank	50 415	4
4. Nedbank	15 562	1
5. Telkom	14 762	1
6. Vodacom	14 411	1
7. Alexander Forbes	14 270	1
8. First Rand Bank	13 659	1
9. Glenrand MIB	12 832	1
10. Sasol	8 448	1
Total	750 939	61
Total portfolio office let area	1 220 655	

Top 10 retail tenants by let area

	Let area m ²	Portfolio let area %
1. Shoprite Checkers	144 692	13
2. Edcon	87 762	8
3. Pick'n Pay	74 166	7
4. Illiad	52 732	5
5. Ellerines	33 068	3
6. JD Group	29 023	3
7. Pepkor	27 325	2
8. Standard Bank	22 205	2
9. Mr Price	18 532	2
10. Unitrans Automotive	16 588	2
Total	506 093	47
Total portfolio retail let area	1 087 032	

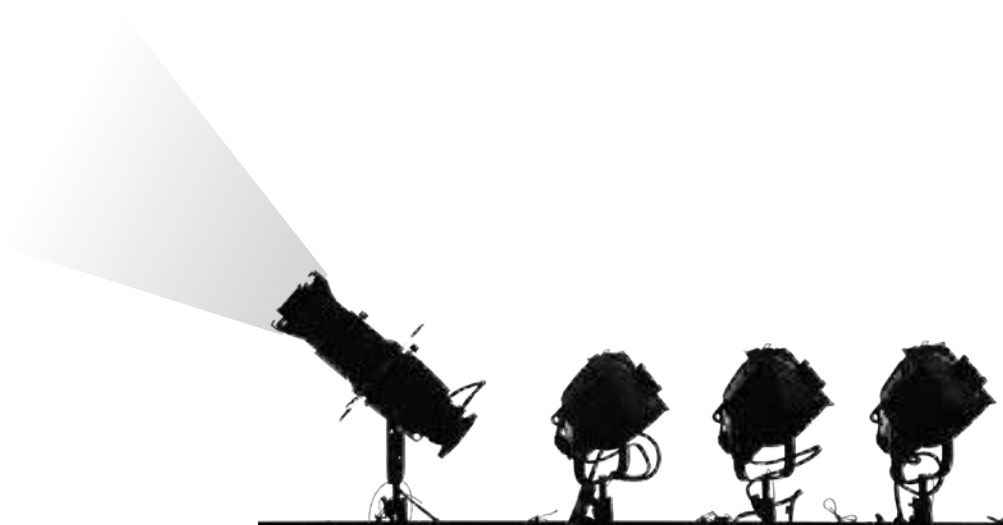
Top 10 industrial tenants by let area

	Let area m ²	Portfolio let area %
1. Premier Foods	122 515	12
2. DHL	57 057	6
3. Pepkor	40 438	4
4. Africa Glass	27 705	3
5. DB Apparel	22 49	2
6. Amalgamated Appliances	21 313	2
7. Hudaco	20 848	2
8. Buildmax	19 696	2
9. Kinetsu World Express	17 899	2
10. Kromberg & Schubert	17 575	2
Total	367 295	37
Total portfolio industrial let area	995 164	

Property Portfolio continued

Top 20 tenants by gross monthly rental

	Gross monthly rental R000	Portfolio gross monthly rental %
1. Government	33 480	18
2. Absa Bank	6 450	3
3. Edcon	5 822	3
4. Standard Bank	5 238	3
5. Shoprite Checkers	4 899	3
6. Pepkor	3 314	2
7. Pick 'n Pay	3 125	2
8. Premier Foods	2 674	1
9. First Rand Bank	2 299	1
10. Nedbank	2 267	1
11. JD Group	2 174	1
12. DHL	1 969	1
13. Alexander Forbes	1 954	1
14. Mr Price	1 885	1
15. Vodacom	1 758	1
16. Ellerines	1 572	1
17. Foschini	1 522	1
18. Glenrand MIB	1 416	1
19. Woolworths	1 221	1
20. Illiad	1 185	1
Total	86 224	47
Total portfolio gross monthly rental	182 419	



Top 10 office tenants by gross monthly rental

	Gross monthly rental R000	Portfolio gross monthly rental %
1. Government	32 761	40
2. Absa Bank	5 103	6
3. Standard Bank	3 267	4
4. Alexander Forbes	1 954	3
5. Vodacom	1 680	2
6. Nedbank	1 425	2
7. Glenrand MIB	1 416	2
8. Telkom	1 071	1
9. Webber Wentzel	920	1
10. Accenture	906	1
Total	50 503	62
Total portfolio office gross monthly rental	81 440	

Top 10 retail tenants by gross monthly rentals

	Gross monthly rental R000	Portfolio gross monthly rental %
1. Edcon	5 643	7
2. Shoprite Checkers	4 898	6
3. Pick'n Pay	3 125	4
4. Pepkor	2 125	3
5. JD Group	1 942	3
6. Standard Bank	1 871	2
7. Mr Price	1 855	2
8. Foschini	1 479	2
9. Ellerines	1 439	2
10. First Rand Bank	1 432	2
Total	25 809	33
Total portfolio retail gross monthly rental	78 204	

Property Portfolio continued

Top 10 industrial tenants by gross monthly rental

	Gross monthly rental R000	Portfolio gross monthly rental %
1. Premier Foods	2 674	12
2. DHL	1 969	9
3. Pepkor	1 104	5
4. Africa Glass	940	4
5. Government	719	3
6. Avroy Shlain	696	3
7. Kinetsu World Express	520	2
8. The Courier and Freight Group	462	2
9. Red Coral Investments	433	2
10. Hudaco	404	2
Total	9 921	44
Total portfolio industrial gross monthly rental	22 775	

LEASING

Redefine employs a proactive leasing and tenant retention strategy and aims to secure long leases with stable tenants.

Redefine concluded 339 leases with a gross monthly rental of approximately R11,3 million from 1 September 2008 to 31 August 2009. Of the total leasing deals, 177 were renewals with a gross monthly rental of approximately R5,2 million and 182 leases with a gross monthly rental of approximately R6,1 million were concluded with new tenants for vacant space.

Leases over 206 000m² were concluded during the year under review.

Leasing activity for the year under review is summarised as follows:

Sector	Renewals				New leases		Total portfolio	
	Area renewed m ²	Average expiry rental R/m ²	Average achieved rental R/m ²	Increase %	Area let m ²	Average achieved rental R/m ²	Area let m ²	R/m ²
Office	18 870	81,93	72,73	(11.23)	59 341	71,19	1 220 655	66,72
Retail	14 853	83,05	82,71	(0.42)	13 593	78,09	1 087 032	71,94
Industrial	79 142	26,45	33,23	25.65	20 181	38,83	995 164	22,89
	112 865	43,17	46,34	7.35	93 115	65,18	3 302 851	55,23

The above figures comprise 11 months of the original property portfolio and one month of the combined ApexHi and Redefine portfolio.

RENTAL GROWTH

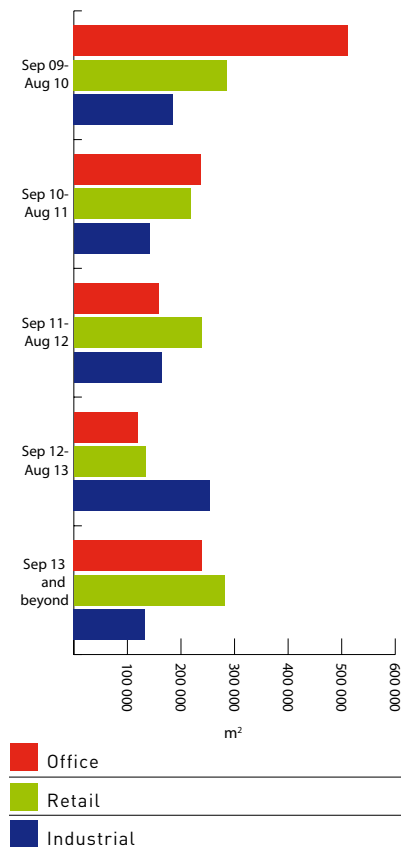
In the year under review, rentals on renewal grew by 7.35%. Rentals on new leases were achieved at an average of R65,18/m², compared to the portfolio average rental of R55,29/m².

Average rental escalations at 31 August 2009

Sector	%
Office	8.5
Retail	7.9
Industrial	8.8

LEASE EXPIRY PROFILE**Lease expiry by let area**

Year to 31 August	GLA							
	Office		Retail		Industrial		Total	
	m ²	%	m ²	%	m ²	%	m ²	%
2010	488 262	40	271 758	25	208 984	21	969 004	29
2011	231 924	19	206 536	19	159 226	16	597 687	18
2012	158 685	13	228 277	21	189 081	19	576 043	17
2013	109 859	9	119 574	11	288 598	29	518 030	16
Beyond	231 924	19	260 888	24	149 275	15	642 087	19
	1 220 655	100	1 087 032	100	995 164	100	3 302 851	100

**Lease expiry by average gross monthly rental/m²**

Year to 31 August	Office R/m ²	Retail R/m ²	Industrial R/m ²	Total R/m ²
2010	57,28	59,80	26,47	52,21
2011	79,78	69,62	30,48	64,40
2012	84,04	86,85	27,82	68,85
2013	89,83	100,26	30,00	62,57
Beyond	105,10	106,49	41,05	92,65

Schedule of Properties

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
OFFICE PORTFOLIO					
1. Standard Bank Centre	Western Cape	Cape Town	59 705	431 000	74,73
2. Poyntons	Gauteng	Pretoria	72 350	285 400	48,24
3. Foretrust Building	Western Cape	Cape Town	26 628	272 000	84,25
4. 11 Diagonal Street	Gauteng	Johannesburg	32 972	264 000	†
5. Convention Tower	Western Cape	Cape Town	16 117	243 000	128,88
6. 90 Rivonia Road	Gauteng	Sandton	14 270	226 400	†
7. Knowledge Park	Western Cape	Century City	16 930	211 000	†
8. Trust Bank Building	Gauteng	Johannesburg	27 930	195 000	50,38
9. Isivuno House (ex Batho Pele)	Gauteng	Pretoria	23 680	172 000	82,06
10. Pier Place	Western Cape	Cape Town	14 613	160 000	116,58
11. 111 Commissioner Street	Gauteng	Johannesburg	28 467	153 200	61,39
12. Jewel City	Gauteng	Johannesburg	33 786	149 000	63,19
13. Standard Bank Pretoria	Gauteng	Pretoria	22 940	138 400	72,60
14. Hatfield Square	Gauteng	Hatfield	15 048	126 000	71,44
15. Glenrand MIB	Gauteng	Randburg	12 832	125 000	†
16. 320 West Street	KwaZulu-Natal	Durban	46 123	120 600	41,14
17. ABSA Park Ridge	Gauteng	Parktown	10 116	118 100	114,95
18. 209 Smit Street	Gauteng	Braamfontein	25 730	115 000	53,52
19. De Bruin	Gauteng	Pretoria	35 647	111 000	50,00
20. Accenture – Woodmead	Gauteng	Woodmead	6 388	108 800	†
21. Fedsure Forum	Gauteng	Pretoria	28 888	106 000	49,30
22. Besterbrown	Mpumalanga	Nelspruit	13 793	102 000	69,80
23. Nedbank Centre Nelspruit	Mpumalanga	Nelspruit	13 802	101 000	66,88
24. Surrey Place	Gauteng	Randburg	11 750	100 000	†
25. Nedbank Building Polokwane	Limpopo	Polokwane	12 768	95 700	82,09
26. Batho Pele	Gauteng	Pretoria	14 342	95 000	†
27. Mineralia Building	Gauteng	Braamfontein	13 299	94 300	71,04
28. Thornhill Office Park	Gauteng	Vorna Valley	8 327	88 500	89,98
29. Boskruin Office Park	Gauteng	Randburg	7 716	86 000	95,30
30. 17 Harrison Street	Gauteng	Johannesburg	12 377	76 400	73,15
31. 61 Jorissen	Gauteng	Braamfontein	18 181	74 300	36,14
32. 222 Smit Street	Gauteng	Braamfontein	19 469	74 000	52,59
33. Stonewedge	Gauteng	Bryanston	6 020	71 900	93,45

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
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OFFICE PORTFOLIO continued

34. Shell House	KwaZulu-Natal	Durban	13 828	65 790	†
35. Hollard House and Parkade	Gauteng	Johannesburg	9 694	62 000	64,58
36. Opera Plaza	Gauteng	Pretoria	14 968	61 600	54,48
37. 90 Grayston Drive	Gauteng	Sandton	3 735	60 400	†
38. Wheat Board	Gauteng	Pretoria	8 933	56 900	64,16
39. 85 on Field	KwaZulu-Natal	Durban	12 814	56 820	53,13
40. Heron Place	Western Cape	Century City	4 731	55 000	†
41. Lakeview Terrace	KwaZulu-Natal	Richards Bay	13 360	53 600	60,46
42. Parliament Towers	Western Cape	Cape Town	8 620	53 300	62,59
43. Essex Gardens	KwaZulu-Natal	Berea	6 566	51 590	73,03
44. Finance House	Gauteng	Bruma	7 547	51 300	69,02
45. 2 Arnold Road	Gauteng	Rosebank	4 591	51 200	78,58
46. Nedbank Centre Durban	KwaZulu-Natal	Durban	13 682	51 110	67,74
47. Hyde Park Manor	Gauteng	Hyde Park	3 939	50 900	94,31
48. The Spearhead	Western Cape	Cape Town	5 078	50 200	103,71
49. Outspan House	Gauteng	Centurion	6 399	48 500	76,86
50. Matlotlo House	Gauteng	Johannesburg	10 649	48 000	73,57
51. NBS Building	Gauteng	Johannesburg	9 401	46 500	94,54
52. Curator	Gauteng	Pretoria	8 132	44 800	93,97
53. Wynberg Mews	Western Cape	Wynberg	7 409	44 500	74,50
54. 15 Baker Street	Gauteng	Rosebank	7 089	44 100	†
55. Shoreburg	Gauteng	Pretoria	14 250	44 100	46,72
56. Finsource House	Western Cape	Cape Town	2 971	44 025	n/a
57. Wedgefield	Gauteng	Bryanston	3 598	43 900	86,73
58. Treasury House	KwaZulu-Natal	Pietermaritzburg	8 928	43 700	34,19
59. The Avenues	Gauteng	Rivonia	6 244	42 800	63,82
60. Garlicks Building	KwaZulu-Natal	Durban	10 111	40 090	42,76
61. North-End	Eastern Cape	Port Elizabeth	7 018	38 980	77,22
62. Horizon Park	Gauteng	Roodepoort	2 427	38 000	†
63. Manhattan Plaza	Western Cape	Bellville	4 959	37 200	77,25
64. Tolaram House	KwaZulu-Natal	Durban	6 920	36 280	†
65. 3 Sturdee Avenue	Gauteng	Rosebank	3 434	35 650	90,43

Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
OFFICE PORTFOLIO continued					
66. Allhart Park	Gauteng	Woodmead	4 435	35 600	75,32
67. Domus	Gauteng	Pretoria	5 253	35 200	87,67
68. Reserve Street	Gauteng	Braamfontein	5 844	35 000	65,76
69. 6 Durban Club Place	KwaZulu-Natal	Durban	8 839	34 720	59,57
70. Noswal Hall	Gauteng	Braamfontein	8 593	32 000	49,91
71. Homestead	Gauteng	Bryanston	3 163	31 600	84,59
72. Fidelity Centre	Eastern Cape	Port Elizabeth	7 433	31 500	59,93
73. West End Centre	North West	Klerksdorp	19 913	31 500	37,68
74. Emanzeni	Gauteng	Pretoria	9 340	30 800	†
75. Bruma Boulevard	Gauteng	Bruma	4 308	30 200	70,58
76. 2 Rissik Street	Gauteng	Johannesburg	5 513	30 000	45,43
77. Clear Channel	Gauteng	Hurlingham	4 318	29 160	†
78. Commissioner House Bellville	Western Cape	Cape Town	4 019	28 500	73,76
79. 37 Bath Avenue	Gauteng	Rosebank	3 187	28 000	81,58
80. Shepstone & Wylie Building	KwaZulu-Natal	Durban	5 535	26 355	†
81. CCMA House	Western Cape	Cape Town	4 468	26 287	69,08
82. 2 Devonshire Place	KwaZulu-Natal	Durban	7 152	26 110	55,79
83. Pentagraph Building	Gauteng	Sunninghill	2 893	26 000	†
84. Agency I	Gauteng	Sunninghill	2 162	25 800	†
85. Kernick House	Gauteng	Vorna Valley	3 269	25 800	†
86. 125 Simmonds Street	Gauteng	Braamfontein	4 889	25 500	†
87. 360 Pretoria Avenue	Gauteng	Randburg	4 185	25 500	†
88. Education Centre	Gauteng	Johannesburg	12 479	25 400	22,32
89. Lakeside II	Gauteng	Bruma	3 852	25 000	73,25
90. 127 Bethlehem Street	North West	Rustenburg	5 748	24 900	65,99
91. Bloemhof Building	Western Cape	Bellville	4 532	24 500	81,44
92. Glenashley Views	KwaZulu-Natal	Durban	2 654	24 100	91,97
93. Stansure House	Gauteng	Braamfontein	6 251	24 000	58,03
94. Mae West	Limpopo	Polokwane	2 922	23 875	†
95. Delpen Building	Gauteng	Pretoria Riviera	5 550	23 200	†
96. Sanburn	Gauteng	Benoni	6 757	23 000	40,68
97. Station Building	KwaZulu-Natal	Durban	6 621	22 970	46,06
98. Monitor House	Gauteng	Houghton	1 709	22 600	†

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
OFFICE PORTFOLIO continued					
99. Sterling Place	Western Cape	Bellville	4 172	22 500	81,05
100. 101 Dorp Street	Limpopo	Polokwane	5 093	22 100	68,77
101. Accord House	KwaZulu-Natal	Durban	3 043	22 000	88,34
102. SAPS Worcester	Western Cape	Worcester	3 848	22 000	†
103. Hatfield Forum East	Gauteng	Pretoria	5 422	21 511	82,21
104. Perm – Smith Street	KwaZulu-Natal	Durban	8 276	20 670	65,67
105. Agency II	Gauteng	Sunninghill	2 594	20 200	†
106. Perm Building Kimberley	Northern Cape	Kimberley	4 856	19 197	71,71
107. Hartmann & Keppler	Gauteng	Bryanston	3 769	19 000	46,21
108. Edufin	Eastern Cape	Port Elizabeth	3 500	18 719	†
109. Dept of Forestry	Eastern Cape	King William's Town	3 790	18 607	†
110. Samancor House	Gauteng	Johannesburg	14 652	18 500	50,31
111. Engen House	Gauteng	Vorna Valley	2 579	17 691	61,18
112. Standard Bank Longmarket Street	KwaZulu-Natal	Pietermaritzburg	4 743	17 538	57,87
113. Mauff Zail	KwaZulu-Natal	Durban	4 162	17 487	†
114. Victoria Gate	Gauteng	Parktown	2 418	17 096	†
115. Westville BDO House	KwaZulu-Natal	Durban	2 157	16 800	87,08
116. Nosa Building	Gauteng	Pretoria	3 770	16 364	†
117. Parc Du Bel	Western Cape	Bellville	2 298	16 074	64,78
118. Duncan Street	Gauteng	Pretoria	1 310	15 392	130,19
119. The Arches	Eastern Cape	King William's Town	2 707	15 123	71,57
120. PICA West Building	Mpumalanga	Bethal	10 315	14 950	20,78
121. Standard Bank Rustenburg	North West	Rustenburg	2 807	14 584	46,40
122. Westville Odyssey Place	KwaZulu-Natal	Durban	1 848	14 500	83,47
123. De Goede Hoop Park	Western Cape	Bellville	2 278	14 306	†
124. Perm – Claremont	Western Cape	Cape Town	3 180	14 234	66,92
125. 36 Morsim Road	Gauteng	Hyde Park	2 004	14 200	77,50
126. Waterview Corner	Gauteng	Bruma	2 460	13 944	70,53
127. 135 Pietermaritzburg Street	KwaZulu-Natal	Pietermaritzburg	2 198	13 828	†
128. College House	Gauteng	Bryanston	1 846	13 491	86,19
129. Education Centre	Eastern Cape	King William's Town	3 100	13 335	42,99
130. Plum Park	Western Cape	Bellville	1 987	12 878	81,93

Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
OFFICE PORTFOLIO continued					
131. Spooral Park Lenchen Road	Gauteng	Centurion	3 688	12 467	63,69
132. SAPS Mitchell's Plain	Western Cape	Cape Town	3 416	12 300	43,62
133. Omnipark	Western Cape	Bellville	2 197	12 000	92,17
134. Embassy House	Gauteng	Pretoria	3 419	11 604	†
135. Motswedi	Gauteng	Rivonia	1 630	10 910	75,61
136. WJM House – Pinelands	Western Cape	Cape Town	1 781	10 651	70,78
137. Servier House ex Nortel	Gauteng	Rivonia	974	10 222	†
138. Hydewest	Gauteng	Johannesburg	1 207	9 971	93,75
139. Empire Place	Limpopo	Polokwane	1 066	8 413	76,11
140. 151/155 Juniper Road	KwaZulu-Natal	Durban	1 597	8 029	49,74
141. Nedbank Building Kimberley	Northern Cape	Kimberley	1 260	7 820	85,11
142. West House	Gauteng	Rivonia	983	7 757	83,95
143. Philipi Court	Western Cape	Phillipi	1 357	7 700	†
144. Westville The Ridge	KwaZulu-Natal	Durban	960	7 500	81,39
145. Perm Building	KwaZulu-Natal	Pietermaritzburg	1 803	6 935	71,20
146. Elna Sewing Machine	Gauteng	Randburg	4 090	6 391	13,07
147. Optiplan House	Gauteng	Pretoria	1 658	6 384	91,99
148. Cheshan	Gauteng	Bryanston	1 019	6 047	†
149. Chamber House	Eastern Cape	Port Elizabeth	2 863	5 826	49,13
150. Berolina	Limpopo	Polokwane	1 647	5 779	†
151. Centenary Branch	KwaZulu-Natal	Pietermaritzburg	966	5 682	†
152. Westville Sevenfold	KwaZulu-Natal	Durban	556	4 700	†
153. Union Club Place	KwaZulu-Natal	Durban	5 428	4 685	64,86
154. Middelburg SAPS	Mpumalanga	Middelburg	3 400	4 120	†
155. Grotto Mews	Western Cape	Rondebosch	320	2 946	79,31
156. Enel	Gauteng	Bryanston	272	2 098	86,89
Total office portfolio			1 335 554	8 105 267	69,25

†Single tenanted property. The weighted average gross rental of the single tenanted office properties is R80,09/m²

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
RETAIL PORTFOLIO					
1. Golden Walk	Gauteng	Germiston	45 014	610 000	99,61
2. Park Meadows	Gauteng	Johannesburg	24 686	393 000	134,95
3. Cleary Park	Eastern Cape	Port Elizabeth	38 005	339 460	85,84
4. Maynard Mall	Western Cape	Cape Town	24 271	205 000	75,16
5. Horizon View Shopping Centre	Gauteng	Roodepoort	20 263	198 000	92,02
6. Sable Square	Western Cape	Century City	25 201	140 000	75,90
7. Ottery Hypermarket	Western Cape	Ottery	27 310	135 000	48,29
8. Kempton Square	Gauteng	Kempton Park	16 808	125 000	76,02
9. Crossing at Makhado	Limpopo	Makhado	13 423	116 500	75,09
10. Alberton Mall	Gauteng	Alberton	17 006	112 000	65,82
11. Middestad Centre	Free State	Bloemfontein	19 894	108 900	73,05
12. Monument Commercial	Gauteng	Roodepoort	19 435	108 100	45,20
13. Shoprite Park	Western Cape	Parow	26 768	108 000	40,43
14. Smal Street Mall	Gauteng	Johannesburg	7 830	107 500	220,05
15. Scott Street Mall	KwaZulu-Natal	Newcastle	14 747	99 670	62,30
16. Ermelo Forum	Mpumalanga	Ermelo	20 465	98 000	44,82
17. Jet Mart Pretoria	Gauteng	Pretoria	11 008	97 800	^
18. Koponong	Limpopo	Hammanskraal	10 203	97 000	97,28
19. Sammy Marks Portion 1	Gauteng	Pretoria	7 331	91 600	124,26
20. Botshabelo Re A Hola Centre	Mpumalanga	Botshabelo	14 731	85 000	60,89
21. The Riverside Centre	Western Cape	Rondebosch	10 116	84 500	79,36
22. Witbank Medical	Mpumalanga	Witbank	13 712	84 500	53,23
23. Moreleta Plaza	Gauteng	Pretoria	9 005	83 500	105,04
24. Scottsville Mall	KwaZulu-Natal	Pietermaritzburg	14 461	83 200	85,20
25. Ferreiras North Riding	Gauteng	Randburg	27 144	81 000	26,66
26. Sammy Marks Portion 3	Gauteng	Pretoria	6 806	76 800	113,49
27. Stanhope Bridge	Western Cape	Claremont	6 406	72 500	95,76
28. Pine Parkade	KwaZulu-Natal	Durban	2 778	66 490	107,47
29. Hammanskraal	Limpopo	Hammanskraal	9 233	66 100	78,08
30. West Street Parkade	Gauteng	Johannesburg	3 211	65 800	96,23
31. Freeway Centre	Gauteng	Wynberg	42 364	62 000	19,61
32. Middelburg Plaza	Mpumalanga	Middelburg	7 897	60 500	76,62

Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
RETAIL PORTFOLIO continued					
33. Game Garden	Western Cape	George	11 349	60 250	78,59
34. Ferreiras Honeydew	Gauteng	Randburg	27 000	59 300	^
35. Berea Centre	KwaZulu-Natal	Durban	17 094	59 270	67,35
36. Riverside Value Mart	Mpumalanga	Nelspruit	9 561	57 500	66,82
37. Shoprite Polokwane	Limpopo	Polokwane	10 149	53 000	^
38. Sanlam Centre	Gauteng	Vanderbijlpark	18 199	52 000	47,10
39. Capital Centre	KwaZulu-Natal	Pietermaritzburg	9 766	51 220	67,77
40. Matsamo	Mpumalanga	Matsamo	7 577	49 000	61,72
41. Eerste Rivier City Centre	Western Cape	Eerste Rivier	6 700	47 250	73,88
42. 452 West Street	KwaZulu-Natal	Durban	3 235	47 030	142,22
43. China City	Western Cape	Ottery	7 933	47 000	52,63
44. Lowveld Lifestyle Centre	Mpumalanga	Nelspruit	11 170	47 000	45,89
45. Palm Court	Gauteng	Randburg	6 284	44 000	85,00
46. Klerksdorp Game Centre	North West	Klerksdorp	10 455	43 800	65,50
47. Bryanston Carvenience	Gauteng	Bryanston	3 892	40 000	93,37
48. Olivedale Corner	Gauteng	Randburg	6 808	39 600	71,39
49. Post House Link	Gauteng	Bryanston	4 251	39 500	94,01
50. Turfloop	Limpopo	Polokwane	6 800	38 200	55,77
51. Taung	North West	Taung	10 209	36 100	63,76
52. Rustenburg Checkers	North West	Rustenburg	8 700	35 100	^
53. Mkuze Boxer	KwaZulu-Natal	Mkuze	8 670	34 980	50,89
54. Mega Park	Free State	Bloemfontein	6 045	34 200	52,80
55. BMW Northcliff	Gauteng	Northcliff	3 784	34 000	^
56. Kemsquare	Gauteng	Kempton Park	7 366	33 300	51,39
57. The Pro Shop	Gauteng	Woodmead	5 044	33 000	^
58. Motor City – Capital Park	Gauteng	Pretoria	7 622	32 800	45,82
59. Post House	Gauteng	Bryanston	3 122	32 500	99,39
60. Argyle Centre	KwaZulu-Natal	Durban	5 299	32 340	82,42
61. Williams Hunt Randburg	Gauteng	Randburg	3 347	32 200	^
62. Devonshire Parking	KwaZulu-Natal	Durban	800	31 780	19,36
63. Standard Bank Blackheath	Gauteng	Blackheath	2 880	31 000	99,08

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
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RETAIL PORTFOLIO continued

64. African City	Gauteng	Johannesburg	9 457	30 000	93,37
65. Motorcity Strydompark	Gauteng	Randburg	7 416	27 100	48,98
66. 448 West Street	KwaZulu-Natal	Durban	1 485	26 450	172,63
67. Simunye Centre	Mpumalanga	Hazyview	6 538	26 108	47,87
68. Shoprite Eloff Street	Gauteng	Johannesburg	34 224	26 000	^
69. Ellerines Pinetown 1	KwaZulu-Natal	Pinetown	4 269	25 630	91,57
70. Standard Bank Centurion	Gauteng	Pretoria	2 732	25 430	^
71. Meadow Point	Gauteng	Soweto	4 558	24 700	65,18
72. Southern Motors	Gauteng	Johannesburg	3 863	24 699	^
73. Sanlam Rustenburg	North West	Rustenburg	6 564	24 200	64,08
74. The Pond	Gauteng	Midrand	5 501	24 000	45,63
75. Isipingo Junction	KwaZulu-Natal	Durban	5 614	23 940	64,53
76. Terminus	North West	Klerksdorp	10 360	23 400	43,57
77. Shoprite – Claremont	Western Cape	Claremont	6 734	23 300	29,30
78. Kathu Centre	Northern Cape	Kathu	5 051	23 040	57,05
79. 423/429 Church Street	KwaZulu-Natal	Pietermaritzburg	4 000	22 760	60,12
80. Sibasa Centre	Limpopo	Thohoyandou	4 102	22 700	59,21
81. First National Bank	Gauteng	Centurion	1 948	22 500	116,38
82. Ellerines Alberton 1 and 2	Gauteng	Alberton	5 264	22 500	46,58
83. Jet Stores Polokwane	Limpopo	Polokwane	3 320	22 400	^
84. Metro Cash & Carry	KwaZulu-Natal	Matatiele	11 887	22 080	^
85. Standard Bank Rivonia	Gauteng	Rivonia	3 178	22 000	75,66
86. Acornhoek	Limpopo	Acornhoek	5 363	21 400	56,14
87. Ronsyn Building	Western Cape	Rondebosch	2 388	21 000	93,37
88. Edgars Wynberg	Western Cape	Wynberg	2 606	20 959	^
89. Protea Point	Gauteng	Soweto	3 563	20 668	46,45
90. Oudehuis Centre	Western Cape	Somerset West	4 182	20 260	68,62
91. Siyabuswa	Limpopo	Siyabuswa	3 241	20 000	71,94
92. Blackheath Galleries	Gauteng	Randburg	3 347	19 666	73,05
93. Thohoyandou	Limpopo	Thohoyandou	4 431	18 824	34,82
94. Rand Stadium Toyota	Gauteng	Rosettenville	10 000	18 547	^
95. Town Centre	Gauteng	Boksburg	6 815	18 345	33,45
96. 233 Bram Fischer Drive	Gauteng	Randburg	2 956	18 200	^
97. Greytown Centre	KwaZulu-Natal	Greytown	5 373	18 122	40,64

Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
RETAIL PORTFOLIO continued					
98. ABSA Randburg	Gauteng	Randburg	1 533	18 071	^
99. BMW	Gauteng	Bruma	1 847	17 194	^
100. 4 Weightman Avenue	KwaZulu-Natal	Empangeni	4 171	16 935	54,69
101. Standard Bank Nelspruit	Mpumalanga	Nelspruit	2 394	16 500	^
102. McCarthy's Parow	Western Cape	Parow	4 193	16 302	^
103. McCarthy Centre Turffontein	Gauteng	Johannesburg	5 935	16 263	^
104. Standerton Centre	Mpumalanga	Standerton	6 213	15 784	36,10
105. Shoprite Boksburg	Gauteng	Boksburg	3 034	15 076	63,82
106. Melville Properties	Gauteng	Johannesburg	1 094	15 038	147,85
107. Checkers Klerksdorp	North West	Klerksdorp	7 931	14 701	20,73
108. Ellerines Matatiele	KwaZulu-Natal	Matatiele	3 165	14 275	49,12
109. Parkmore Centre Ellerines	Gauteng	Parkmore	1 099	14 213	130,06
110. Dobson Point	Gauteng	Soweto	3 553	14 208	31,97
111. 101 Market Street	Gauteng	Johannesburg	1 562	14 000	103,53
112. Sanlam Centre	North West	Vryburg	1 914	13 626	72,03
113. Pimville Centre	Gauteng	Soweto	3 651	12 602	53,60
114. Groblersdal Fruit and Veg	Mpumalanga	Groblersdal	3 980	12 260	33,87
115. Thohoyandou Centre	Limpopo	Thohoyandou	4 006	11 745	47,26
116. Dikai Centre	Mpumalanga	Hazyview	2 923	11 677	62,35
117. ABSA Centurion	Gauteng	Centurion	1 306	11 206	^
118. Standard Bank George	Western Cape	George	1 199	10 900	^
119. 471 – 472 Royal Palm	KwaZulu-Natal	Durban	912	10 500	99,36
120. 38 Prospecton Road	KwaZulu-Natal	Durban	1 528	10 284	76,76
121. Ellerines Pinetown 2	KwaZulu-Natal	Pinetown	1 742	10 001	64,10
122. Ellerines Dundee	KwaZulu-Natal	Dundee	3 518	9 137	40,60
123. Ellerines Empangeni	KwaZulu-Natal	Empangeni	1 656	9 131	62,22
124. Citizens Cape Town	Western Cape	Cape Town	1 467	8 802	86,83
125. Florida Road	KwaZulu-Natal	Durban	954	8 634	106,76
126. Citizens King Williams Town	Eastern Cape	King Williams Town	2 724	8 285	51,88
127. Norwood Centre Ellerines	Gauteng	Johannesburg	1 102	8 244	96,10
128. Nelspruit Centre	Mpumalanga	Nelspruit	1 060	8 152	84,41
129. The Forum	Western Cape	Bellville	668	7 985	^
130. Nelspruit Citizens	Mpumalanga	Nelspruit	1 147	7 940	73,27
131. FB Motors 343	Limpopo	Polokwane	2 570	7 919	^

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
RETAIL PORTFOLIO continued					
132. 245 Voortrekker Road	KwaZulu-Natal	Durban	4 877	7 267	33,47
133. Truworths Corner	Western Cape	Mitchells Plain	520	6 800	^
134. Ellerines Eshowe	KwaZulu-Natal	Eshowe	1 185	6 716	61,12
135. 106 Landdros Mare	Limpopo	Polokwane	1 200	6 704	^
136. Corpgro Benoni	Gauteng	Benoni	3 841	6 267	^
137. Klein Brothers	Northern Cape	Kimberley	915	6 199	^
138. Church Street C	KwaZulu-Natal	Pietermaritzburg	957	5 717	79,44
139. Ellerines Benoni 1	Gauteng	Benoni	3 089	5 436	47,31
140. Town Talk Nelspruit	Mpumalanga	Nelspruit	1 082	5 028	42,15
141. Citizens Kimberley	Northern Cape	Kimberley	840	5 000	98,68
142. Town Talk Groblersdal	Mpumalanga	Groblersdal	2 057	4 534	16,37
143. 105 Landdros Mare & 106 Mark Street	Limpopo	Polokwane	571	4 370	65,40
144. Church Street A	KwaZulu-Natal	Pietermaritzburg	623	4 117	85,46
145. Ellerines Thohoyandou	Limpopo	Thohoyandou	829	3 322	^
146. Ellerines Caywood	Eastern Cape	Port Elizabeth	2 265	3 281	33,35
147. Ellerines Kimberley	Northern Cape	Kimberley	1 989	2 175	24,93
148. Church Street B	KwaZulu-Natal	Pietermaritzburg	973	1 963	^
149. Church Street D	KwaZulu-Natal	Pietermaritzburg	398	1 545	82,24
150. Kimberley Printing	Northern Cape	Kimberley	n/a*	1 100	n/a*
Total retail portfolio			1 126 935	6 846 699	

*Parking garage

^Single tentanted property. The weighted average gross rental of single tenanted retail properties is R36,55/m²



Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
INDUSTRIAL PORTFOLIO					
1. Wingfield Park	Gauteng	Jet Park	55 927	184 000	34,25
2. Erf 509 Pepkor	Gauteng	Isando	40 438	164 000	#
3. Premier Foods Durban	KwaZulu-Natal	Durban	89 000	139 840	#
4. Premier Foods Waltloo	Gauteng	Pretoria	27 664	139 000	#
5. Home Affairs	Gauteng	Pretoria	30 858	138 000	#
6. 8 Jansen Road	Gauteng	Jet Park	30 774	94 000	#
7. 21 Wrench Road	Gauteng	Isando	31 576	91 000	26,66
8. 12 Piet Rautenbach Street	Gauteng	Pretoria	22 695	73 800	35,19
9. Berg River Park	Western Cape	Paarl	35 858	71 500	24,44
10. CTX Freight Park	Western Cape	Epping	8 914	69 233	51,84
11. Avroy Shlain	Gauteng	Midrand	12 448	68 700	#
12. Spearhead Business Park	Western Cape	Montague Gardens	14 572	59 496	41,04
13. Hudaco Park	Gauteng	Germiston	33 077	58 000	20,06
14. 45 & 46 City Deep	Gauteng	City Deep	13 407	54 700	#
15. African Glass – Alrode	Gauteng	Alrode	20 111	46 500	#
16. OHM Street Industrial Park	Gauteng	Randburg	12 773	45 300	36,21
17. Golf Air Park	Western Cape	Epping	14 788	34 000	28,07
18. Finpark	Gauteng	Pretoria	2 957	38 900	46,01
19. African Glass – Denver	Gauteng	Denver	7 594	38 300	#
20. Coricraft	Western Cape	Epping	13 417	37 000	#
21. Amalgamated Appliances	Gauteng	Reuven	21 313	36 500	#
22. Platinum Park	Western Cape	Montague Gardens	10 757	36 000	40,28
23. Creation	North West	Brits	28 182	36 000	22,73
24. Stand 502 Isando	Gauteng	Isando	13 472	35 150	#
25. Trentyre Sebenza	Gauteng	Spartan	15 482	35 000	#
26. Nampak Epping	Western Cape	Epping	15 398	34 750	21,59
27. Viking Park	Western Cape	Epping	9 089	34 000	60,37
28. 101 Lawley	KwaZulu-Natal	Durban	22 249	33 330	#
29. Eagle Park	Western Cape	Montague Gardens	4 076	29 875	67,10
30. S Burde	Gauteng	Germiston	19 696	28 750	#
31. Southern Denver Properties	Gauteng	Spartan	16 170	28 300	21,16
32. Denver Industrial Park	Gauteng	Johannesburg	12 877	27 600	29,13
33. Trencor	Western Cape	Epping	6 861	26 000	#
34. Fabric Park	Gauteng	Midrand	13 750	26 000	27,85
35. Roeland Park	Western Cape	Cape Town	11 086	25 500	18,75
36. 28 Marine Drive	Western Cape	Paarden Eiland	7 756	24 500	36,49

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
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INDUSTRIAL PORTFOLIO continued

37. Pepsi	Gauteng	Johannesburg	6 902	23 500	25,89
38. Jet Industrial Park	Gauteng	Jet Park	11 786	23 200	24,68
39. Chai Properties	Gauteng	Wynberg	6 344	23 000	34,05
40. Sentrachem	KwaZulu-Natal	Pinetown	7 070	22 142	#
41. RT Hillbank	Gauteng	Johannesburg	9 707	21 200	#
42. Virgin Active Benoni	Gauteng	Benoni	3 154	21 000	#
43. Wholesale Housing Supplies	Gauteng	Johannesburg	5 300	20 814	#
44. 12 Nourse Avenue	Western Cape	Epping	10 581	19 700	20,38
45. 77 & 78 Plane Road	Gauteng	Spartan	8 592	18 729	26,53
46. Meditek-Hemco	Western Cape	Epping	8 843	18 157	#
47. HK Parow	Western Cape	Parow	8 933	17 235	23,90
48. 1 Paarden Eiland Road	Western Cape	Paarden Eiland	5 312	16 969	27,85
49. Distro Dee	Gauteng	Johannesburg	6 931	16 499	#
50. 2 Sterling Road	Gauteng	Randburg	6 845	16 389	26,20
51. Log Square	Gauteng	Johannesburg	17 391	15 950	11,85
52. 16th Street	Gauteng	Midrand	3 460	15 807	#
53. Business Furniture Centre	Gauteng	Wynberg	7 700	15 806	#
54. Tarry's Head Office	Gauteng	Johannesburg	8 910	15 292	#
55. Creston	Gauteng	Spartan	5 954	15 145	31,62
56. Premier Foods Pinetown	KwaZulu-Natal	Pinetown	5 850	15 044	#
57. 52 Mimetes Road	Gauteng	Denver	7 567	14 067	#
58. 3 Spartan Crescent	Gauteng	Kelvin	4 587	14 009	#
59. Diesel Road	Gauteng	Isando	7 273	13 680	21,90
60. Plantation Road 20	Gauteng	Edenvale	4 209	13 233	31,42
61. Fascor	KwaZulu-Natal	Durban	8 282	12 743	#
62. 9 Montague Drive	Western Cape	Cape Town	2 649	12 200	48,16
63. Starfoods	KwaZulu-Natal	Pietermaritzburg	3 114	12 000	39,93
64. Transwire	Gauteng	Midrand	6 500	11 851	#
65. Plantation Road 18	Gauteng	Edenvale	3 954	11 791	31,42
66. Nameplate Centre	Gauteng	Roodepoort	5 720	11 636	32,50
67. Metcash	Gauteng	Chloorkop	3 892	11 377	#
68. Kimberly Clark	Gauteng	Germiston	6 817	10 857	16,38
69. 38 Derrick Road	Gauteng	Spartan	3 846	10 791	30,26
70. Wang Global Building	Gauteng	Spartan	3 718	9 806	#

Schedule of Properties continued

Property	Province	Location	GLA m ²	2009 valuation R000	Average gross rental R/m ²
INDUSTRIAL PORTFOLIO continued					
71. 64 Mimetes Road	Gauteng	Denver	5 049	9 519	#
72. 46 Steele Road	Gauteng	Spartan	3 790	9 422	#
73. 30 Marine Drive	Western Cape	Paarden Eiland	2 726	9 284	35,46
74. Hi-Tech Mini Factories Strijdompark	Gauteng	Randburg	2 719	9 237	42,98
75. Sandton Action Cricket	Gauteng	Kramerville	2 600	8 620	#
76. Sterling & Fabriek Road	Gauteng	Randburg	4 976	8 267	#
77. 7 Dartfield Road	Gauteng	Kramerville	2 299	8 051	39,15
78. 16 & 18 Forge Road	Gauteng	Spartan	3 166	7 375	25,07
79. Herfred	Limpopo	Polokwane	2 250	6 311	28,37
80. CMH Spartan	Gauteng	Spartan	2 890	6 150	29,02
81. JM Investments	Gauteng	Roodepoort	2 700	5 975	#
82. Metro Welkom	Free State	Welkom	5 202	5 300	#
83. 21 Dartfield Omlap	Gauteng	Kramerville	1 021	4 642	44,49
84. Metro Mokopane	Limpopo	Mokopane	3 152	4 500	#
85. Corpgro Welkom	Free State	Welkom	1 256	3 457	#
86. Femo	Mpumalanga	Nelspruit	900	1 685	#
Total industrial portfolio			1 021 451	2 784 938	26,51

#Single tenanted property. The weighted average gross rental of single tenanted industrial properties is R26,53/m²

VACANT LAND

1. Freedom Square	Namibia	Windhoek		99 407	
2. Golf Air Park Erf 1482	Western Cape	Matroosfontein		16 500	
3. Golf Air Park Erf 159269	Western Cape	Cape Town		6 000	
4. Erf 755 Denver	Gauteng	Johannesburg Denver		1 299	
Total vacant land				123 207	

UNDIVIDED SHARES IN RETAIL CENTRES

1. South Coast Mall (50% share)*	KwaZulu-Natal	Shelly Beach	29 364	159 614	
2. Pinetown Link (50% share)*	KwaZulu-Natal	Pinetown	15 608	33 700	
3. Blue Downs Shopping Centre (60% share)*	Western Cape	Somerset West	8 341	48 300	
Total undivided share in retail centres			53 310	241 614	
Total investment properties (excluding non current assets held for sale)			3 537 250	18 101 725	

*GLA reflects total GLA of the property and valuation reflects Redefine's share

Property	Province	Location	GLA m ²	2009 valuation R000
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NON CURRENT ASSETS HELD FOR SALE

OFFICE PORTFOLIO				
1. Northstate	Gauteng	Johannesburg	11 568	40 000
2. Mutual Building	Eastern Cape	Port Elizabeth	12 640	33 000
RETAIL PORTFOLIO				
1. Oxford Street	Eastern Cape	East London	2 090	25 300
2. Cassey's Auto Benoni	Gauteng	Benoni	3 091	8 500
INDUSTRIAL PORTFOLIO				
1. 5 Laub Street	Gauteng	Johannesburg	16 918	33 000
2. Premquip	Western Cape	Epping	10 111	17 300
3. Faurecias	Eastern Cape	Port Elizabeth	15 782	13 000
4. 32 Intersite Road	KwaZulu-Natal	Durban	600	3 100
Total non current assets held for sale			72 800	173 200
Total investment properties (including non current assets held for sale)			3 610 050	18 274 925

Listed Securities

STRATEGIC LISTED INVESTMENTS

Redefine originally listed as a property fund with a hybrid investment strategy, investing in both direct properties and listed property securities. From the outset, the company sought to establish core strategic holdings in certain securities and to acquire other securities on an opportunistic basis.

Although this strategy has served a valuable purpose in ensuring growth in distributions, the board has taken the decision to narrow the focus of the hybrid model and several core holdings have been eliminated during the financial year due to corporate activity.

Further investments in listed property companies will be actively pursued for strategic purposes, corporate action or on an opportunistic basis.

Opportunities to acquire strategic holdings in listed property securities are carefully considered in terms of the general strategy as ratified by the board.

As is the case with the direct property portfolio, all decisions in respect of acquisitions and disposals are taken by the investment committee or by the board in cases where the acquisition or disposal value is above the investment committee mandate set by the board.

Profit on realisation of the core holdings of listed securities is not distributed as it is deemed to be capital. However, where listed securities are purchased specifically for trading purposes, profit on realisation is distributed as trading revenue. The entire listed securities portfolio is revalued quarterly based on the market value of the securities net of any distributions declared and not yet received.

LISTED SECURITIES PORTFOLIO AT 31 AUGUST 2008

	Type	Number of units	Total units in issue	% held	% of portfolio	Value R000
Hyprop Investments Limited	PLS	48 518 688	166 113 169	29.21	48.0	1 926 192
ApexHi Properties Limited B units	PLS	44 389 841	284 592 114	15.60	19.4	784 409
Ciref plc	Other	20 236 072	73 324 751	27.60	9.2	367 291
Vukile Property Fund Limited	PLS	32 817 271	295 550 880	11.10	7.8	312 092
ApexHi Properties Limited A units	PLS	16 208 736	284 592 114	5.70	6.4	255 571
Ambit Properties Limited	PLS	46 660 824	487 555 691	9.57	4.2	167 979
Sycom Property Fund	PUT	6 530 673	205 107 471	3.18	2.9	115 593
ApexHi Properties Limited C units	PLS	9 278 266	284 592 114	3.26	2.1	82 565
Total					100.0	4 011 692

DISPOSALS SINCE 31 AUGUST 2008

APEXHI PROPERTIES LIMITED ("ApexHi")

In addition to the ApexHi units obtained as a result of the Ambit transaction, Redefine owned 5.7% of ApexHi A units, 15.6% of ApexHi B units, and 3.3% of ApexHi C units in issue at 31 August 2008. As a result of the merger, Redefine's interest in ApexHi was eliminated.

Listed Securities continued

AMBIT PROPERTIES LIMITED ("Ambit")

Redefine owned 9.6% of Ambit units, a property loan stock company with R2,4 billion in property assets. During the year under review, Ambit was acquired by ApexHi in terms of an offer from which Ambit unitholders received one ApexHi A, B and C unit for every 9.55 Ambit linked units held. As a large unitholder in Ambit, Redefine approved the transaction and accordingly, received 4 885 950 ApexHi A, B, and C units in exchange for its holding of 46 660 824 Ambit units. Following the merger with ApexHi, Redefine now owns the assets of Ambit.

VUKILE PROPERTY FUND ("Vukile")

During the year under review Redefine disposed of its holding of 32 817 271 Vukile units for R298,5 million.

ACQUISITIONS SINCE 31 AUGUST 2008

	Number of units	Cost R000
Hyprop Investments Limited	6 805 282	273 588
Wichford plc	14 600 000	95 424
Ciref plc	833 333	7 921
Total		376 933

HYPROP INVESTMENTS LIMITED ("Hyprop")

Hyprop owns prime retail centres, including Canal Walk (80%), The Glen (75%), Hyde Park Shopping Centre and The Mall of Rosebank, making it one of the premier retail portfolios in terms of quality and resilience.

During the year under review, Redefine increased its holding in Hyprop from 29.21% to 33.3%, taking advantage of an attractive opportunity. Redefine will continue to increase its holding when opportunities are presented. In the event that Redefine's interest in Hyprop exceeds 35%, Redefine will be required to make an offer to all other Hyprop unitholders.

Resulting from the merger with Madison, Redefine has an asset and property management contract with Hyprop which expires on 31 December 2009. Agreement has been reached in terms of which Redefine will provide consultancy services to Hyprop for an initial period of 18 months from 1 January 2010 at a fee of R1,5 million per month. This will ensure that the expertise, experience and value add of Wainer, Cesman and Lewin is retained by Hyprop, which in turn will benefit Redefine as the major unitholder.

WICHFORD PLC ("Wichford")

Wichford is a property investment company listed on the London Stock Exchange, with a portfolio focused on properties occupied by Central and State Government bodies in both the UK and Continental Europe. It has a market capitalisation of £98 million.

As at 30 June 2009, Wichford owned 78 properties in the UK and Continental Europe (one in France, five in Germany and one in The Netherlands) totalling 340 259m² and valued by external valuers at £532,5 million.



During the year under review, Redefine acquired 14,6 million units in Wichford, equating to 11% of the total units in issue. Subsequent to 31 August 2009, Redefine has increased its holding in Wichford to approximately 19.3%, in line with the offshore strategy being pursued.

CIREF PLC ("Ciref")

Ciref is a Jersey registered closed ended property investment and development company. It invests in commercial real estate primarily in the United Kingdom and Europe, with a focus on retail and commercial assets. Ciref is listed on the London Stock Exchange's AIM with a market capitalisation of approximately £40 million and total assets of more than £169 million.

During the year under review, Redefine increased its holding in Ciref from 27.6% to 28%, and the strategy is to continue increasing its offshore holdings (see page 101 in prospects).

LISTED SECURITIES HELD IN THE YEAR UNDER REVIEW

In addition to investments in Hyprop, Wichford and Ciref, Redefine has investments in:

SYCOM PROPERTY FUND ("Sycom")

Sycom is a property unit trust with a portfolio of office and retail properties situated in Johannesburg and the Western Cape. Some of its landmark assets include the Discovery building in Sandton, Woodlands Office Park in Woodmead and Somerset Mall.

Redefine has 6 530 673 Sycom units, equating to 3.18% of the units in issue. Hyprop has a right of first refusal to acquire these units should Redefine decide to sell, and the expectation is that there may be corporate action that will impact Redefine's holding in Sycom.

ORYX PROPERTIES LIMITED ("Oryx")

Oryx is a property investment company listed on the Namibian Stock Exchange that owns a premier quality retail, industrial and office property portfolio. Oryx's property portfolio comprises 26 properties with a value of N\$750 million. Its largest investment is the Mearua Mall, which is the major regional retail centre serving Windhoek. Oryx has a market capitalisation of approximately N\$620 million.

The investment in Oryx is owned by Ambit and was acquired by Redefine as a consequence of the merger with ApexHi.

LISTED SECURITIES PORTFOLIO AT 31 AUGUST 2009

	Type	Number of units	Total units in issue	% held	% of portfolio	Value R000
Hyprop Investments Limited	PLS	55 323 970	166 113 169	33.30	83.5	2 345 183
Sycom Property Fund	PUT	6 530 673	205 107 471	3.18	4.2	117 552
Ciref plc	Other	21 069 405	73 324 751	28.73	4.6	129 777
Wichford plc	Other	14 600 000	132 762 000	11.00	2.2	62 116
Oryx Properties Limited	PLS	14 554 269	55 046 403	26.44	5.5	152 862
Total					100.0	2 807 490

Unit Performance

SUMMARY OF LINKED UNIT TRADING

TRADED PRICE (cents per linked unit)

Open	1 September 2008	665
Low	27 October 2008	510
High	24 August 2009	760
Close	31 August 2009	729

LINKED UNITS IN ISSUE

Total linked units in issue	2 654 538 299
Linked units in issue (net of treasury linked units)	2 648 661 529
Weighted average number of linked units in issue	1 042 258 065

TRADING VOLUMES

Value traded	R4 884 828 328
Volume traded	717 813 251
Volume traded as % of number of linked units in issue	27%
Volume traded as % of weighted number of linked units in issue	69%

Number of linked unitholders 18 526

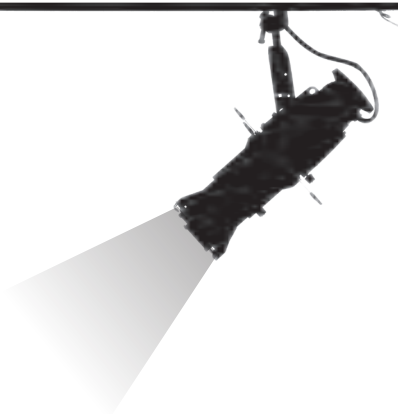
Market capitalisation – 31 August 2009 R19 351 584 200

UNITS ISSUED DURING THE YEAR

With effect from 7 August 2009, Redefine issued 1 755 500 792 linked units to fund the acquisition of ApexHi and Madison which increased the number of linked units in issue from 899 037 507 to 2 654 538 299.

UNISSUED SHARES

The 845 461 701 unissued shares, together with the 5 876 770 treasury shares, are under the control of the directors. This authority is in force until the next annual general meeting.



Unit Performance continued

ANALYSIS OF UNITHOLDERS

UNITHOLDER PROFILE

	Number of unitholders	%	Number of units	%
Banks	94	0.51	204 457 588	7.70
Close Corporations	239	1.29	21 411 685	0.81
Empowerment	5	0.03	170 780 156	6.43
Endowment Funds	273	1.47	36 710 131	1.38
Individuals	14 507	78.31	286 389 260	10.79
Insurance Companies	61	0.33	261 407 285	9.85
Investment Companies	56	0.30	183 108 632	6.90
Medical Schemes	16	0.09	4 816 706	0.18
Mutual Funds	180	0.97	740 428 360	27.89
Nominees and Trusts	2 373	12.81	169 188 875	6.37
Other Corporations	114	0.62	2 095 246	0.08
Own Holdings	1	0.01	5 866 500	0.22
Private Companies	363	1.96	104 204 538	3.93
Public Companies	16	0.09	933 051	0.04
Retirement Funds	228	1.23	462 740 286	17.43
Total	18 526	100.00	2 654 538 299	100.00

BENEFICIAL UNITHOLDERS HOLDING IN EXCESS OF 5%

	Number of units	%
Old Mutual	241 690 440	9.10
Investec	149 875 251	5.65
Stanlib	145 996 728	5.50
Total	537 562 419	20.25

UNITHOLDER SPREAD

	Number of unitholders	%	Number of units	%
Non public unitholders	34	0.18	9 334 676	3.52
Directors of the company	33	0.18	87 476 176	3.30
Own holdings	1	0.01	5 866 500	0.22
Public unitholders	18 492	99.82	2 561 195 623	96.48
Total	18 526	100.00	2 654 538 299	100.00

	Number of unitholders	%	Number of units	%
1 – 999 units	4 197	22.65	1 069 428	0.04
1 000 – 9 999 units	6 684	36.08	30 504 707	1.15
10 000 – 99 999 units	6 349	34.27	191 501 972	7.21
100 000 – 999 999 units	1 057	5.71	309 875 518	11.67
1 000 000 units and over	239	1.29	2 121 586 674	79.92
Total	18 526	100.00	2 654 538 299	100.00

UNIT PRICES AND PERFORMANCE

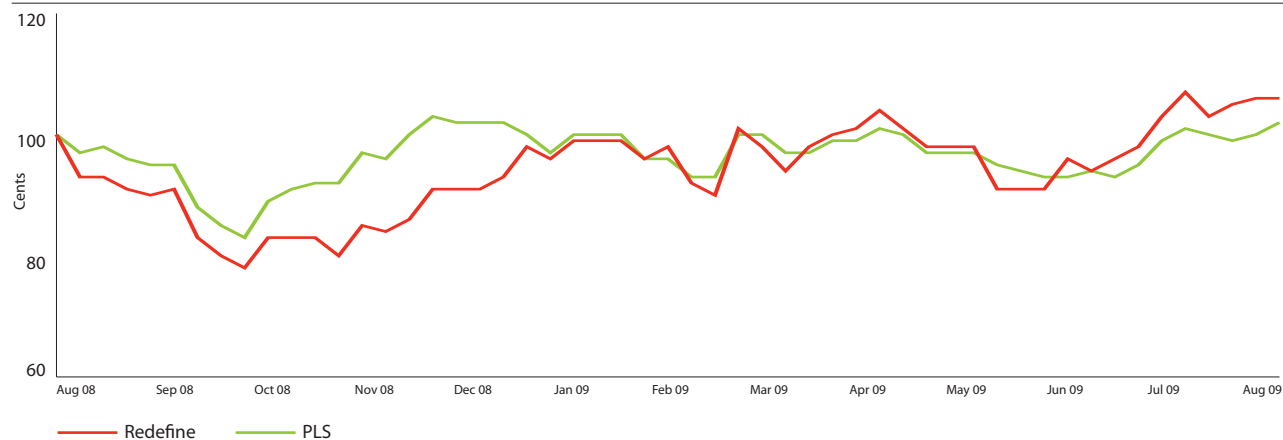
Month	High	Low
September 2008	692	600
October 2008	645	510
November 2008	598	525
December 2008	655	580
January 2009	730	625
February 2009	690	625
March 2009	700	590
April 2009	725	642
May 2009	720	661
June 2009	675	614
July 2009	749	645
August 2009	760	665

Redefine closing prices

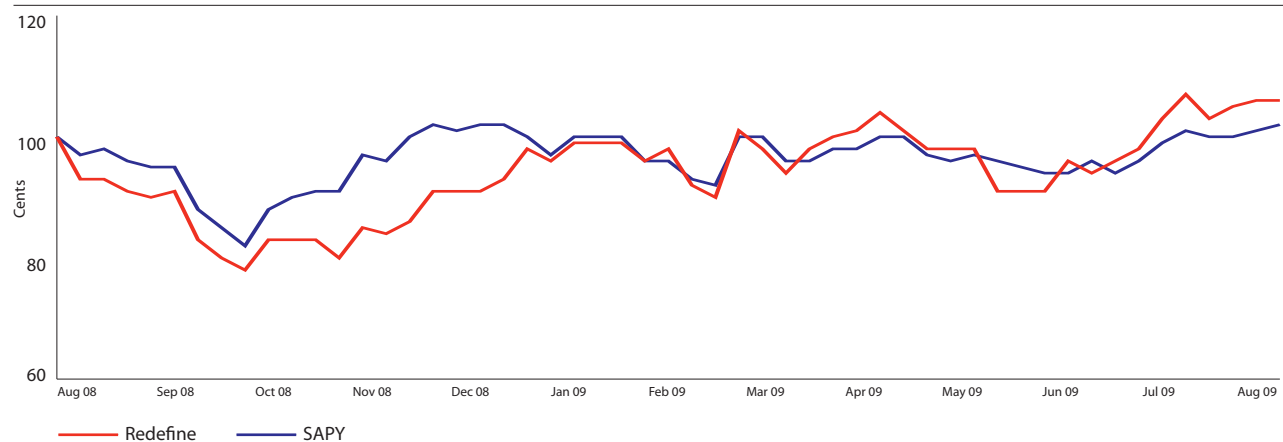


Unit Performance continued

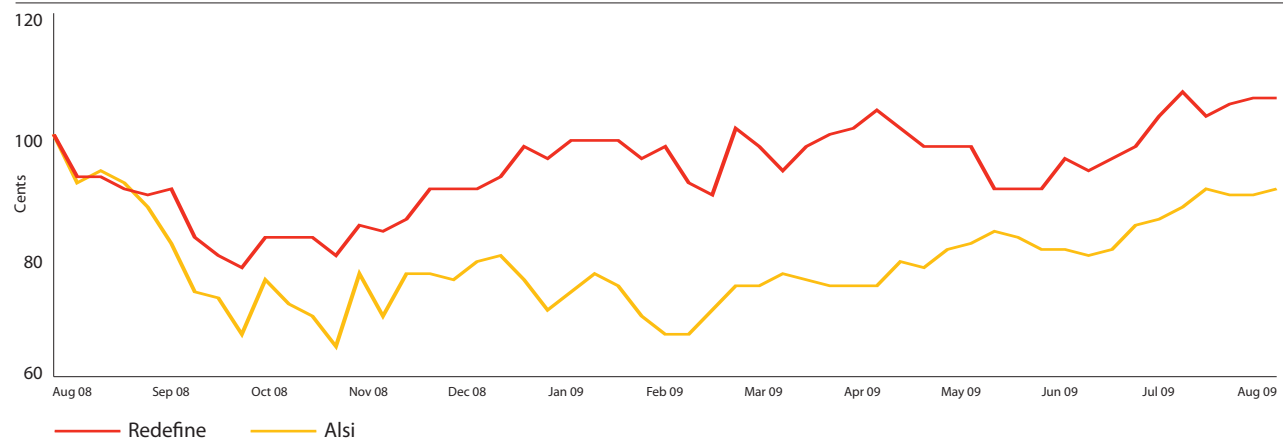
Redefine vs PLS



Redefine vs SAPY



Redefine vs Alsi



TOTAL RETURN

Opening price 1 September 2008 (cents per unit)	690
Closing price 31 August 2009 (cents per unit)	729
Increase in price (cents per unit)	39
Total distribution to 31 August 2009 (cents per unit)	56.55
Total return (cents per unit)	95.55
Total return (%)	13.8

TOTAL RETURN COMPARED TO PLS INDEX AND ALSI

Redefine	13.8%
SAPY	12.7%
ALSI	(6.8%)

LIQUIDITY AND TRADING VOLUMES

Period	Number of linked units in issue	Volume	Value R000	Volume traded %
Sep 08 – Nov 08	899 037 507	82 765 584	489 830	9
Dec 08 – Feb 09	899 037 507	103 614 245	664 230	12
Mar 09 – May 09	899 037 507	120 473 163	798 606	13
Jun 09 – Jul 09	899 037 507	77 188 761	512 819	8
Aug 09	2 654 538 299	333 771 498	2 419 343	13
Total		717 813 251	4 884 828	

Weighted average of linked units traded during the year 69%

INDICES

Subsequent to the merger, Redefine debuted on the Global Property Research (“GPR”) 250 Index, and at the time of inclusion it was the largest South African listed property company on the index. The GPR 250 Index is a free float weighted index that tracks the performance of the 250 leading and most liquid property companies worldwide. Companies are selected on US dollar trade volume of the share in the past 12 months and only companies with a free float market capitalisation of US\$50 million or more and a free float percentage of at least 15% are eligible for inclusion.

The merger has also resulted in Redefine being upgraded from Morgan Stanley’s MSCI Global Small Cap Index to the Mid Cap segment of the MSCI Global Standard Index.

Unit Performance continued

FITCH RATINGS

Redefine is one of the few listed South African property companies with a credit rating from an international rating company, Fitch.

Fitch operates in countries where there is a demand for ratings. It rates companies locally and its national ratings provide a relative measure of creditworthiness for rated entities. The best risk rating within a country is 'AAA' and other credits are rated only relative to this risk. National ratings are designed for use mainly by local investors in local markets and are signified by the addition of an identifier for the country concerned, such as 'AAA (zaf)' for National ratings in South Africa.

In the year under review, and subsequent to the merger, Fitch has reviewed and affirmed Redefine's National long term secured debt rating of 'A-(zaf)', its National long term unsecured debt rating of 'BBB(zaf)', and its subordinated debentures rating of 'BB(zaf)'.

The agency has assigned Redefine a newly initiated short term rating of 'F3' which means that the company's intrinsic capacity for timely payment of financial commitments is adequate.

Subsequent to the merger, Redefine's rating was upgraded from "Rating Watch Positive" to "Outlook Positive" as Fitch believes the enlarged Redefine has the potential to enhance its operational profile through the increased scale and the diversified sector spread of its direct property portfolio.

Empowerment

South Africa's socio-political and economic history has made it a priority for business to actively support the upliftment of previously disadvantaged South Africans through Black Economic Empowerment ("BEE") programmes.

In the property industry, transformation is guided by the Department of Trade and Industry's ("DTI") Codes of Good Practise as well as the Property Sector Transformation Charter ("Property Charter").

Redefine is committed to implementing these codes and is making progress in achieving its empowerment goals.

EMPOWERMENT RATING

Redefine contracted Empowerdex (Proprietary) Limited, a well known black empowerment rating agency, to undertake a survey of Redefine and its subsidiaries in order to determine the level to which Redefine achieves the BEE objectives of the DTI codes.

Empowerdex has acknowledged Redefine as a contributor towards BEE, but the company is yet to attain an acceptable rating due to its structure and the high level of liquidity of its units, which are owned by institutional or private investors who can trade the shares at any time.

However, Redefine is committed to activities which are not always recognised by formal BEE criteria, but which significantly assist the previously disadvantaged.

OWNERSHIP

The Property Charter requires that over a five year period, 25% of the total equity of property companies is to be owned by black investors.

The overall BEE unit holding in Redefine is approximately 16%, of which 3% are strategic BEE investors, with the balance made up of private investors.

BLACK ECONOMIC EMPOWERMENT ("BEE")

In October 2007, Redefine concluded a BEE transaction which resulted in just under 10% of the issued units in Redefine being issued to BEE parties. This was the first step in actively introducing BEE on an ownership level above the levels suggested in the Property Charter and the DTI codes.

The BEE parties comprise both strategic empowerment partners, which have synergies with Redefine as they are active in the property sector, and broad-based black economic empowerment ("B-BBEE") partners involved in community development and upliftment of previously disadvantaged South Africans.

The BEE participants are entitled to all voting rights, but are not entitled to dispose of the BEE units for a period of seven years from issue.

In the current year the number of Redefine linked units in issue has increased significantly from 899 037 507 to 2 654 538 299, and as a result, the BEE investment has been diluted from 10% to 6.2%.



Empowerment continued

	Number of units	Linked units in issue %
BEE INVESTORS		
Clearwater Capital	90 984 125	3.4
Ngatana Property Investments	20 000 000	0.8
Mtshobela Capital Holdings	8 000 000	0.3
Vunani Group	8 000 000	0.3
Loato Properties	4 000 000	0.2
B-BBEE INVESTORS		
Phutanang Youth Trust	8 000 000	0.3
The African Lotus Education and Development Trust	8 000 000	0.3
MaAfrika Tikkun	8 000 000	0.3
Basadi Bapono	8 000 000	0.3
Total	162 984 125	6.2

BEE INVESTORS

Ngatana Property Investments

An empowerment group with a focus on property, Ngatana is headed by Lance Manala, who also has interests in the information, communication, technology and shipping industries, through his company Amistad. Other participants in Ngatana include the family of Dines Gihwala, current chairman of Redefine and chairman of Cliffe Dekker Hofmeyr Inc; Inkara Basadi, a black women's investment group; Sakhikamva, an NGO investment group; Prescient Foundation; and a group of black professionals.

Mtshobela Capital Holdings

Abu Varachhia, who is a director and shareholder of Mtshobela Capital Holdings, is the managing director of Letchmiah, Daya & Varachhia, one of the largest quantity surveying firms in South Africa, and one of the few professional firms in the SA construction industry that is black owned.

Clearwater Capital

Owned by the KwaZulu-Natal based Mehta family, Clearwater Capital is an investment company with strong interests in the property sector.

Vunani Group

Established through a management buy-out of African Harvest Capital in 2004, the group forms part of the Vunani Capital Holdings Group led by Ethan Dube, which is a black owned and managed financial services group established in 1998. Vunani is active in the property sector, BEE structuring, corporate advisory services, private equity, capital raising and stockbroking.

Loato Properties

An investment company owned and managed by Monica Khumalo (non executive director of Redefine) and Oarona Khama, with 15 years' experience in property asset management, development and property management.

B-BBEE INVESTORS**Phuthanang Youth Trust**

A non profit youth organisation founded and based in Soweto, the organisation prepares and introduces out-of-school and unemployed youth to professionalism and entrepreneurship. Initiatives include tourism, business processing and outsourcing, youth outreach programmes which are geared towards stimulating entrepreneurship, career development and mentorship, HIV/AIDS support groups, life skills, community policing forum, clean up campaigns and car washers. The trustees of Phuthanang are Ruth "Mama Ruth" Manala, Modise Motloba and Makatu Mphore.

The African Lotus Education and Development Trust

The B-BBEE trust was established for the benefit of students from previously disadvantaged communities studying in the fields of mathematics and science principally at the Universities of the Free State and the Western Cape. The initial trustees of the trust are Mallet Pumelele Giyose, Dr Elias Links, Abdurazak Osman and Anita Gihwala. The sole object of the trust is to provide financial assistance to the beneficiaries in the form of bursaries, grants or another form of gratuitous payment, with the aim of developing previously disadvantaged individuals in the fields of mathematics and science.

MaAfrika Tikkun

An NGO established in 1994 to assist and support the upliftment and transformation of disadvantaged communities. Nelson Mandela is the organisation's Patron in Chief. The organisation works together with local community structures to ensure that it is ultimately the communities themselves who have ownership and control of the programmes initiated and driven by MaAfrika Tikkun. The core focus areas are adult HIV caring and skills development for the youth, with more than 10 000 previously disadvantaged beneficiaries comprising care givers, HIV/AIDS patients, orphans and other vulnerable children, youth and community volunteers.

Basadi Bapono

An organisation owned 100% by women and a broad-based community organisation De Laan Investments, representing the Proudly Mannenberg campaign. The organisation targets the working class community of Mannenberg with a view to reducing levels of unemployment and crime.

ENTERPRISE DEVELOPMENT

The DTI codes and the Property Charter place emphasis on skills transfer as well as ensuring that previously disadvantaged people are able to acquire assets.

Redefine has established two enterprise development initiatives, in which suitable partners were secured and new companies formed with the partners having majority ownership of 51% and Redefine owning 49%.

DIPULA

Redefine entered into a joint venture with a wholly black owned property company, Dijalo Property Services ("Dijalo"), to create Dipula Property Fund ("Dipula"). Dijalo owns 51% and Redefine owns 49% of Dipula. Redefine facilitated the establishment of Dipula by assisting with the financial backing of the business, and by disposing of a number of its properties to Dipula to facilitate increased property ownership among black people.

Redefine has invested R67,8 million in the company. In addition, Redefine has a loan to Dipula of R127,3 million. The value of Dipula's property portfolio at 31 August 2009 was R774,3 million.

Empowerment continued

MERGENCE

Redefine entered into a joint venture with Mergence Africa Properties (Proprietary) Limited ("Mergence Africa"), a substantially black owned company, to create an enterprise development initiative called Mergence Africa Property Fund (Proprietary) Limited ("Mergence"), which is 51% owned by Mergence Africa and 49% by Redefine. Redefine facilitated the establishment of the company by assisting with financial backing to enable the company to acquire properties.

At 31 August 2009, Redefine had advanced loans of R201,3 million to Mergence Africa and the value of the Mergence property portfolio was R605,2 million.

ISIVUNO PROPERTIES

Isivuno Properties, ApexHi's enterprise development initiative which was established to manage a portfolio of office properties let to and occupied by government departments and parastatals, has been retained as a sub manager on the portfolio following the merger. Isivuno is a 100% black owned and managed property company.

TRAINING AND SKILLS TRANSFER

Through Redefine's enterprise development initiatives, the company actively participates in skills transfer and training and provides knowledge and resources to its partners.

The group's staff members are encouraged to improve their personal industry knowledge and skills and attend conferences, seminars and courses at the company's cost where appropriate.

In addition, its corporate social investment programme focuses on education and training.

Redefine has awarded a bursary to a deserving student who is studying towards an MSc in Property Studies at the University of the Witwatersrand.

Redefine will make further bursaries available to suitable candidates who are interested in pursuing property related studies with a view to following a career in the property industry.

PROCUREMENT

Redefine's major supplier is Broll, which provides outsourced property management services to the group. Broll has received an 'A' empowerment scorecard rating from Empowerdex and is certified as a Level Four Contributor to empowerment. Broll is 20% owned by Akhona Nalpha Investments. In terms of the property management contract, Broll is obliged to comply with the Property Charter codes, and has been instructed to use outside contractors and suppliers who are BEE compliant.

As Broll has been categorised as a "Value Adding Supplier", Broll clients can claim a procurement spend of R1,25 for every R1 spent with Broll in calculating points towards BEE ratings or assessments.



THE VILLAGE @ HORIZON

Sustainability

PROPERTIES AND THEIR IMMEDIATE SURROUNDINGS

Redefine has a multi-faceted approach to ensure the sustainability of its business. As a company that owns, develops, maintains, refurbishes, expands and enhances its buildings and the areas in which they are located in a responsible manner, Redefine ensures the sustainability of the environment in which it operates.

CITY IMPROVEMENT DISTRICTS

Redefine contributed more than R2 million to city improvement districts which directly benefits the neighbourhoods in which its properties are located.

MAINTENANCE AND IMPROVEMENT OF PROPERTIES

Redefine applies the highest standards of maintenance to its buildings, protecting against degradation and decay to ensure there is no negative impact on the immediate environment in which they are located. Redefine also actively improves its properties to ensure their sustainability over time.

PROTECTING OUR HERITAGE

In accordance with the National Heritage Resources Act, Redefine adheres to provisions which have been put in place to recognise and protect South Africa's heritage.

ENVIRONMENT

Redefine is committed to sound environmental principles and management through responsible use of natural resources.

GREEN BUILDING PRINCIPLES

Redefine has adopted and applied green building design and technologies to new property developments such as Upper East Side and Convention Tower.

In Upper East Side, there is no need for air conditioners, as the concrete panels that run in front of the window cut out direct sun and reduce the heat in the units, while allowing the light in. Where air conditioners are necessary, engineers have designed a system to capture the warm air produced behind the units, which is repiped to the boiler. This increases the water temperature so that the energy required to heat the water to hot shower temperature is less than 25% of what is required to heat a geyser.

Wherever possible, materials from renewable sources such as linoleum, corcoleum and bamboo were incorporated. Grey water is pumped to a tank on top of the building to be kept for fire sprinkling systems and will also be used for landscaping.

Masonry was sourced from suppliers close to the site to save on transport energy and emissions and the supplier manufactures its products from almost exclusively recycled aggregate, with the lowest level of carbon emissions of any masonry product available on the market. The energy saving achieved during the construction of Upper East Side through the choice of masonry alone would be enough to power 300 medium size houses for a year, and the reduction in carbon emissions achieved is equivalent to removing almost 90 cars from the roads for a year. This masonry is also naturally thermally efficient.



Sustainability continued

At Convention Tower, all office and meeting areas are equipped with infra red detectors which cause the lighting in the area to be switched off when not in use. LED lighting, which requires only 7% of the energy demanded by conventional fluorescent lighting, was used on the signature light band that frames the building. In addition, heat reflecting glass, double glazing and filigree sunscreens have reduced air conditioning costs and improved the environmental efficiency of the building.

RETROFITTING BUILDINGS

Although a major and costly challenge to property owners, Redefine is converting older buildings to operate in a more energy efficient manner. The company has retrofitted a number of its top properties in the portfolio following consultation with leaders in the field of energy saving and alternative energy.

The arduous process of upgrading the properties to an acceptable level of energy efficiency is underway, and monthly cost savings are evident where these initiatives have been implemented.

ENERGY EFFICIENCY PROGRAMMES

Redefine is committed to achieving energy efficiencies wherever possible, and has formed a partnership agreement with Rural Maintenance, whose electronic wireless energy metering system allows Redefine to monitor energy consumption within its buildings on a live feed.

The energy metering system allows for the metering and effective management of the carbon footprint by portfolio, by building and by tenant. The current billing system and invoicing reflects the carbon impact to the tenant along with the proposed penalty targets as set out by the energy regulators.

Redefine is assisting tenants to reduce their existing energy demand by rolling out a programme to automate tenants' premises. This includes the installation of various cost saving devices such as timer switches, motion sensors and other demand management practises and tools, which allows tenants to control their usage effectively.

In addition, Redefine has enlisted the services of energy consultants to further investigate the design efficiencies of the higher consumption properties. The process entails the investigation into areas such as building design, HVAC and mechanical design integrated with the electrical and tenant design layouts, and educating tenants on more efficient building design and utilisation in order to reduce electricity consumption and carbon footprint of the buildings and impact on the environment.

ENVIRONMENTAL ASSESSMENTS

Environmental impact studies are undertaken with the guidance of industry experts prior to undertaking new developments where required.

Corporate Social Investment

CORPORATE SOCIAL INVESTMENT

Redefine identified music education as an area in which the company could contribute meaningfully to, teaching others to perform to the best of their ability and talent. The company continues to enhance its support for sustainable education by committing funds to assist disadvantaged children to play classical musical instruments.

THE SOUTH AFRICAN MUSIC EDUCATION TRUST ("SAMET")

The Redefine Western Cape Music Education Project, administered by Samet, attracted 110 learners in the current academic year from different parts of the Western Cape including Ilanga, Kuilsriver, Khayelitsha and Gugulethu. Tuition is offered in most orchestral instruments and theory of music and ensemble playing form part of the compulsory subjects at the school.

The grant from Redefine, amounting to R330 000 for the year to 31 August 2009, is utilised to pay the salaries of 11 teachers as well as the team leader, to purchase and maintain instruments, and for tutorial material.

In 2009, the school was featured on SABC 2's *Pasella*, and some learners were invited to take part in the Valdres Music Festival in Norway. Two students were selected to be part of the Johannesburg Philharmonic Training Academy Orchestra, and some of the learners sat for Trinity College of Music Examinations (London).

BUSKAID

Redefine has continued its sponsorship of Buskaid, located in Diepkloof, Soweto. Buskaid is a music school which offers tuition to less privileged youth from the local township community. Redefine contributed R275 000 for the year to 31 August 2009.

During the past year, Buskaid has accepted more than 30 new pupils (aged from five to 13), with a total of 80 students under its wing, and expanded its teacher-training programme with eight new trainee teachers.

Buskaid has been identified as one of the world's top ten most inspirational orchestras by the UK's prestigious *Gramophone* magazine, and two students were sent to the UK to take up scholarships at the Royal Academy of Music. They also released a new CD and their first DVD, presented two very successful public concerts, and raised significant funds for the charity through corporate performances.

Stakeholder Relations

INVESTOR RELATIONS

Investor relations is greatly emphasised by the board and the process is driven by an executive director whose role is to interact with investors both formally and informally.

The company communicates with its linked unitholders and the broader investment community via news releases, advertising, newsletters and through information contained on its website. A close connection is maintained with property journalists and a formal programme of interaction with these specialists is maintained.

Investors, analysts and other interested parties receive approximately two email investor communications per month which updates them on transactions and newsworthy information directly. In addition, any announcement that appears on SENS is distributed to this database.

It is Redefine's policy to meet regularly with institutional and large unitholders and investment analysts, as well as to provide regular information on the company and its performance.

Tours of select buildings are arranged with investors to provide detailed insight into the property portfolio.

Redefine hosts functions through the Investment Analysts Society in Johannesburg and Cape Town to present the company's annual results.

TENANTS

Tenant retention is critical to the success of the company and Redefine ensures that the property managers from Broll interact with tenants on an ongoing basis. Tenant communication is also promoted through newsletters and electronic communications.

Larger tenants are dealt with directly by the asset managers at Redefine who make annual visits to these tenants.

PARTNER PROVIDERS AND SUPPLIERS

As the property management of Redefine is outsourced, there is very little interaction with suppliers as this function is carried out by Broll. The largest service provider to Redefine is Broll and monthly management meetings are held at which every aspect of the portfolio is discussed in detail between the property managers and the Redefine asset managers.

Redefine produces a monthly vacancy schedule which lists and gives details of vacant space in the portfolio and this document is circulated to approximately 300 property brokers around the country.

NEIGHBOURS AND COMMUNITIES IN WHICH OUR BUILDINGS ARE LOCATED

Redefine participates in city improvement districts to ensure the company is an active participant in the communities in which its properties are located.

GOVERNMENT

Government is an important stakeholder to Redefine, both in terms of being its largest tenant and with regard to policies affecting the listed property sector.

Isivuno Properties, a specialist property management company that deals primarily with the properties let to government, has been contracted to manage relationships with government as a tenant.

PROPERTY INDUSTRY PEERS

Redefine is an active member of the South African Property Owners Association ("SAPOA"), Investment Property Databank ("IPD") and the Property Loan Stock Association ("PLSA").

Prospects

THE YEAR AHEAD

MANAGEMENT FOCUS

Redefine, ApexHi and Madison have been successfully integrated which will result in efficiencies and synergies. The full benefits of the merger will however not be realised during the 2010 financial year.

Management will focus on the creation and adoption by all employees of a common culture with unquestionable values, stringent asset management and re-engineering and improvement of property management.

The name of Redefine Income Fund will formally change to Redefine Properties, and all properties will be transferred from subsidiary companies to Redefine Properties to streamline the administration and financial process.

PROPERTY PORTFOLIO

Tenant retention and reduction in vacancies with the resultant increase in income will be paramount.

The property portfolio will be streamlined by the disposal of non performing assets, the sale of trading property stock will receive specific attention and a prudent and conservative view will be applied to acquisitions to ensure that Redefine's property portfolio will be significantly enhanced in terms of quality, income growth and manageability.

ENERGY MANAGEMENT

One of the greatest challenges in the forthcoming years will be the management of electricity usage. These include direct costs to Redefine for energy consumption in the common areas of buildings and the containment of costs for the tenants' account in order not to jeopardise the financial viability of their operations and businesses. See page 94 for details on Redefine's strategy with regard to energy management.

PROPERTY MANAGEMENT

The property management model is being re-evaluated which could result in additional economies. The forecast savings may not all materialise in 2010, but considerable financial savings and efficiencies are expected from mid 2010 and beyond.

OFFSHORE STRATEGY

Redefine is looking to expand its offshore portfolio, which has the benefit of providing a hedge against rand weakness.

The company plans to acquire further interests in Ciref, to rebrand it as Redefine International, and to obtain a mainboard listing on the London Stock Exchange. The company will also establish an inward listing of Redefine International on the JSE Limited for local investors to take advantage of the recovering offshore property market.

Redefine International will own direct properties, as well as 20% of Wichford, and further acquisitions are currently being explored.

Redefine will also own a majority share of the Redefine International Manco (Corovest Fund Managers), which will manage the offshore portfolio.



Prospects continued

FORECASTS AND TARGETS

Savings in property management and administrative expenses and in interest on borrowings may take longer to realise than was originally anticipated. Although this, together with the effects of the global economic recession, have dampened forecasts outlined in the revised listing particulars at the time of the merger, Redefine is expecting an increase in distributions in 2010 of between 20% and 25% on the distribution for 2009.

The distribution per linked unit for the year ending 31 August 2010 is expected to be between 68 cents and 71 cents per linked unit. This forecast has not been reviewed or reported on by the company's auditors.



Corporate Governance

The directors of Redefine are committed to the principles of openness, honesty, integrity and accountability to all stakeholders. The directors endorse the objective of conducting the affairs of the company in accordance with the highest standards of corporate governance and accept responsibility in achieving these standards.

Redefine is committed to the principles incorporated in the Code of Corporate Practises and Conduct as set out in the King Code II on Corporate Governance.

Corporate governance practises are reviewed periodically and improvements effected where necessary to account for changes in governance requirements.

ETHICS

Redefine, its directors and employees are committed to the strictest standards of ethical conduct, fairness and integrity in all business practises both in the workplace and in the market place. A code of ethics and conduct has been adopted by the company, which includes, but is not limited to:

- Adherence to the strictest standards of corporate governance;
- Integrity in business dealings;
- Zero tolerance of corruption or unethical business practises;
- Avoidance of conflicts of interest;
- Confidentiality of information;
- Conduct befitting the reputation of the company;
- Timeous dissemination of transparent, honest and accurate information;
- Legitimate dealings in the linked units of Redefine;
- Fair and ethical competition;
- Commitment to the process of transformation;
- Safeguarding of Redefine's assets;
- Adoption of an effective system of controls; and
- Sound environmental practises.

There is a clear division of responsibilities at board level such that no one individual has unfettered powers of decision making.

DEALING IN SECURITIES

As prescribed by the JSE Listings Requirements, the company has a policy prohibiting dealings in units by directors, officers and staff for a designated period preceding the announcement of its annual and interim financial results, quarterly distributions or any other period considered price sensitive. Dealings in units by directors are strictly monitored and the necessary SENS announcements are made as required.

BOARD OF DIRECTORS

The board comprises 13 directors, including two joint CEOs, four executive directors and seven non executive directors, six of whom – including the chairman – are independent.

The board meets on a quarterly basis, with additional meetings convened when circumstances necessitate. The board operates in accordance with a formal board charter setting out its responsibilities. The board is responsible to unitholders for the



Corporate Governance continued

proper management of the company and is involved in all decisions that are material to the company.

All directors have access to the advice and services of the company secretary who acts as an advisor to the board on relevant issues including compliance with company rules and procedures, statutory regulations and corporate governance issues. Board members are entitled to seek professional advice about the affairs of the company.

Details of directors' remuneration can be found on page 119.

COMMITTEES

The board has established a number of sub-committees of the board to give detailed attention to certain of its responsibilities and which operate within defined, written terms of reference.

EXECUTIVE COMMITTEE

The executive committee, comprising the six executive directors, is responsible to the board for the monitoring and supervision of the company's strategic objectives and key policies and implementation of the board's instructions. The committee meets weekly.

AUDIT COMMITTEE

The audit committee's objective is to provide the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in the discharge of their duties. The committee convenes at least four times a year with management, the internal auditors, invited attendees and the external auditors to review accounting, auditing, financial reporting, risk management and internal control matters.

The audit committee is responsible for nominating a registered auditor who is independent of the company, and for determining the terms of engagement and fees paid to the auditor. The committee ensures that the appointment of the auditor complies with the Companies Act, and determines the nature and extent of any non audit services to be provided by the auditor and pre-approves assignments in this regard.

The audit committee is tasked to deal with any complaints relating to accounting practises, the audit of the financial statements, internal audit and any other related matters.

Within this context, the board is responsible for the group's systems of internal financial and operational control. The executive directors are charged with the responsibility of determining the adequacy, extent and operation of these systems. Comprehensive reviews and testing the effectiveness of the internal control systems in operation are performed by external practitioners, who report to the audit committee.

The audit committee, which comprises three non executive directors who act independently, meets at least four times a year.

See page 121 for the Report of the Audit Committee.



90 RIVONIA ROAD

**INVESTMENT COMMITTEE**

The board established an investment committee, made up of the six executive and two non executive directors.

The investment committee meets when necessary to consider investment opportunities in respect of direct properties and listed securities. It approves acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it and strategy determined by the board.

REMUNERATION AND NOMINATION COMMITTEE

The board established a remuneration and nomination committee comprising two non executive directors whose primary responsibility is to monitor the remuneration policies of Redefine, specifically in respect of the executive directors. Salaries are market related and determined annually.

RISK COMMITTEE

The board of Redefine has established a risk committee to assist the board of directors in discharging its duties relating to corporate accountability and the associated risk in terms of management, assurance and reporting. The committee is responsible for reviewing and assessing the integrity of the risk control systems and for ensuring that the risk policies and strategies are effectively managed.

The risk committee sets out the nature, role, responsibility and authority of the risk management function within the company and outlines the scope of risk management work.

The committee provides an independent and objective review of the information presented by management on corporate accountability and associated risk, taking account of reports by management and the audit committee to the board on financial, business and strategic risk. Risk includes market risk, credit risk, liquidity risk, operational risk and commercial risk.

The committee consists of four members, comprising two executive and two non executive directors. Meetings of the committee are held at least twice a year.

MANAGEMENT REPORTING

The company has established comprehensive management reporting disciplines which include the preparation of monthly management accounts, detailed budgets and forecasts. Monthly results, the financial position and cash flows of operating units are reported against approved budgets and compared to the prior period. Profit and cash flow forecasts are reviewed regularly and working capital levels are monitored on an ongoing basis.

INTERNAL AUDIT AND CONTROLS

The company maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard and maintain accountability for assets.

Corporate Governance continued

The internal, financial and operating controls are designed to provide assurance regarding:

- The safeguarding of assets against unauthorised disposition or use;
- Compliance with statutory laws and regulations; and
- The maintenance of proper accounting records and the adequacy and reliability of financial information.

The board of directors acknowledges its ultimate responsibility for the systems of internal, financial and operating controls and the monitoring of their effectiveness.

Grant Thornton is the appointed internal auditor of the company. Its function is to appraise the group's activities and the appropriateness of the systems of internal control, including those of the company's external property managers and resultant business risks. The internal audit team reports directly to the audit committee.

RISK MANAGEMENT

The objective of risk management is to identify, assess, manage and monitor the risks to which the business is exposed. The board has established a risk committee to assist it in discharging its duties in this regard.

As part of its proactive management strategy and in line with principles of good corporate governance, Redefine is constantly assessing and addressing possible risks. The current risks for which mitigating actions and controls have been devised and implemented are tabled below.

Risk category	Risk identification	Mitigating action/control
Succession planning	Company strategy is determined and driven by joint CEOs who are both nearing retirement.	Succession planning must be addressed. Critical information must be shared and wherever possible recorded and filed.
Political risk	Socio economic upheaval creates an unstable/violent environment.	Insurance policies must be analysed annually and sufficient cover ensured. Adequate security measures must be in place at all buildings.



Risk category	Risk identification	Mitigating action/control
Pricing risk	Rentals uncompetitive and operating costs too high.	Asset managers must review budgets critically to acquire an indepth knowledge of market rentals and average operating costs per building type and per location.
Changes in the market	The impact of changing economic conditions on a particular sector.	The board and management must keep abreast of trends and movement in the economy in general as well as within the property sector. Economic and property research must be acquired and shared among management and members of the board.
Interest rates	Increases in interest rates slow economic growth and reduce demand for space, increase operating costs and increase cost of "floating" borrowings.	Longer leases should be negotiated and the "floating" portion of Redefine's debt should be minimised.
Exchange rates	Fluctuations can dampen the returns from Redefine's investment in Ciref and Wichford.	Exchange rates are monitored on an ongoing basis and hedged where appropriate.

STAKEHOLDER COMMUNICATION

The company subscribes to the principle of timeous and relevant communication to all relevant parties (see page 96).

EQUAL OPPORTUNITIES

Redefine is committed to the principle of equal opportunity employment.