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Directors' Responsibility and Approval

FOR THE YEAR ENDED 31 AUGUST 2009

The directors are responsible for the preparation and fair presentation of the annual financial statements of the company and of the group of Redefine Income Fund Limited, comprising the balance sheets at 31 August 2009 and income statements, statements of changes in equity and cash flow statements for the year then ended. To achieve the highest standards of financial reporting, these financial statements have been drawn up to comply with International Financial Reporting Standards and with the Companies Act of South Africa.

The directors' responsibility includes the design, implementation and maintenance of internal controls that will ensure the preparation, integrity and fair presentation of the financial statements and other financial information included in this report, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have reviewed the appropriateness of the accounting policies and conclude that estimates and judgments are prudent. They are of the opinion that the annual financial statements fairly present the financial position of the business at 31 August 2009 and of its financial performance and cash flows for the year to 31 August 2009. The external auditors, who have unrestricted access to all records and information, as well as to the audit committee, concur with this statement. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate. The unqualified audit report of PKF (Jhb) Inc. is presented on page 115.

In addition, the directors have also reviewed the cash flow forecast for the year to 31 August 2010 and believe that the company and the group have adequate resources to continue in operation for the foreseeable future. Accordingly, the annual financial statements have been prepared on a going concern basis. These financial statements support the viability of the company and of the group.

The annual financial statements were approved by the board of directors on 28 October 2009 and are signed on its behalf by:



D Gihwala

CHAIRMAN



WE Cesman

JOINT CEO

Certificate by Company Secretary

In terms of section 268G(d) of the South African Companies Act, 1973, as amended, we declare that to the best of our knowledge, for the year ended 31 August 2009, Redefine Income Fund Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act and that such returns are true, correct and up to date.



Probity Business Services (Proprietary) Limited

COMPANY SECRETARY

28 October 2009

Report of the Independent Auditors

TO THE MEMBERS OF REDEFINE INCOME FUND LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the annual financial statements and group annual financial statements of Redefine Income Fund Limited, which comprise the directors' report, the balance sheet as at 31 August 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 116 to 163. These annual financial statements and group annual financial statements are the responsibility of the entity's directors. Our responsibility is to express an opinion on these annual financial statements and group annual financial statements based on our audit.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement; including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the annual financial statements and group annual financial statements present fairly, in all material respects, the financial position of the company as at 31 August 2009 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

PKF (Jhb) Inc.

PKF (Jhb) Inc

DIRECTOR: PAUL BADRICK
Registration number 1994/001166/21
Chartered Accountant (SA)
Registered Auditor

Sandton
28 October 2009

Directors' Report

FOR THE YEAR ENDED 31 AUGUST 2009

TO THE UNITHOLDERS OF REDEFINE INCOME FUND LIMITED

We have pleasure in presenting the annual financial statements of Redefine Income Fund Limited for the year ended 31 August 2009.

CORPORATE OVERVIEW

Redefine is a listed property investment company. Its subsidiaries derive rental income from investments in office, retail and industrial properties, distributions from listed security investments and income from projects developed for trading.

NATURE OF BUSINESS

The nature of business and operations are commented on in detail in the Company Overview section on pages 5 to 16 of the annual report.

FINANCIAL RESULTS

The financial results for the year ended 31 August 2009 are set out in detail on pages 116 to 163 of these annual financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements are prepared in terms of International Financial Reporting Standards ("IFRS").

YEAR UNDER REVIEW

The year under review is covered fully in the chairman's statement on pages 19 and 20 and in the financial review section on pages 23 to 29.

SHARE AND DEBENTURE CAPITAL

The company's authorised share capital consists of 3 500 000 000 ordinary shares of 0.1 cents each. Each share is indivisibly linked to a debenture of 180 cents. This linkage means that each share may only be traded as a linked unit together with the debenture with which it is linked.

With effect 07 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 to 2 654 538 294.

DIVIDENDS AND INTEREST DISTRIBUTIONS

No dividend has been paid or declared during the year under review as the company distributes all its income as interest on the debentures.

The following distributions were declared per linked unit during the year:

- Distribution number 35 of 13.0 cents for the quarter ended 30 November 2008
- Distribution number 36 of 13.8 cents for the quarter ended 28 February 2009
- Distribution number 37 of 18.0 cents for the four months ended 30 June 2009
- Distribution number 38 of 11.75 cents for the two months ended 31 August 2009

Directors' Report continued

FOR THE YEAR ENDED 31 AUGUST 2009

DIRECTORATE

The directors of the company at the date of this report were:

B Azizollahoff
 WE Cesman
 JA Finn (appointed 5 August 2009)
 MN Flax (appointed 5 August 2009)
 D Gihwala
 GJ Heron (appointed 5 August 2009)
 MK Khumalo (appointed 5 August 2009)
 GGL Leissner (appointed 5 August 2009)
 HK Mehta (appointed 5 August 2009)
 B Nackan (appointed 5 August 2009)
 D Perton
 DH Rice (appointed 5 August 2009)
 M Wainer

JA Finn, MN Flax, D Gihwala, GJ Heron, MK Khumalo, GGL Leissner, HK Mehta, B Nackan, D Perton and DH Rice retire at the forthcoming annual general meeting and are all eligible for re-election.

The following non executive directors resigned during the year:

E Ellerine (16 February 2009)
 L Barnard (4 August 2009)
 S Shaw-Taylor (4 August 2009)
 N Venter (4 August 2009)

DIRECTORS' INTERESTS

The interests of the directors in the linked units of Redefine at 31 August 2009 were as follows:

	Beneficial		Non beneficial		Total
	Direct	Indirect	Direct	Indirect	
B Azizollahoff	1 016 500	–	–	–	1 016 500
WE Cesman	23 027 155	–	–	–	23 027 155
JA Finn	378 000	–	–	1 560	379 560
MN Flax	–	7 861 105	–	661 456	8 522 561
D Gihwala	–	–	–	–	–
GJ Heron	–	4 639 206	–	–	4 639 206
MK Khumalo	–	1 400 000	–	–	1 400 000
GGL Leissner	–	–	–	35 000	35 000
HK Mehta	197 345	27 385 238	–	–	27 582 583
B Nackan	9 000	–	–	–	9 000
D Perton	22 008	–	–	–	22 008
DH Rice	–	–	–	–	–
M Wainer	5 407 839	16 655 661	–	268 443	22 331 943
	30 057 847	57 941 210	–	966 459	88 965 516

There have been no changes in these holdings between the year end and the date of this report.

Directors' Report continued

FOR THE YEAR ENDED 31 AUGUST 2009

At 31 August 2008, the interests of the directors in the linked units of Redefine were as follows:

	Beneficial		Non beneficial		Total
	Direct	Indirect	Direct	Indirect	
WE Cesman	150 213	96 721	–	–	246 934
D Gihwala	–	6 147 669	–	–	6 147 669
S Shaw-Taylor					
– Linked units	82 245	–	–	–	82 245
– Warrants	9 000	–	–	–	9 000
M Wainer	–	171 621	–	–	171 621
	241 458	6 416 011	–	–	6 657 469

SCHEDULE OF MEETINGS ATTENDED

BOARD MEETINGS

	01/10/08	30/10/08	14/01/09	22/01/09	02/03/09	08/05/09	09/07/09
D Gihwala (<i>Chairman</i>)	A	P	P	P	P	P	A
B Azizollahoff	P	P	P	P	P	P	P
L Barnard	P	P	P	P	P	P	P
W Cesman	P	P	P	P	P	A	P
E Ellerine	P	P	P	P	†	†	†
D Perton	P	P	P	P	P	P	P
S Shaw-Taylor	P	P	P	P	P	P	P
N Venter	P	P	P	P	P	P	A
M Wainer	P	P	P	P	A	P	P

P: Present/Participated

A: Apology/Absent

†: Resigned 16 February 2009

AUDIT COMMITTEE MEETINGS

	29/10/08	22/01/09	07/05/09
N Venter (<i>Chairman</i>)	P	P	P
L Barnard	P	P	P
D Gihwala	A	P	A
B Azizollahoff [†]	P	P	P
W Cesman [†]	P	A	A
S Shaw-Taylor [†]	A	P	A

P: Present/Participated

A: Apology/Absent

† Attended as invitee

Directors' Report continued

FOR THE YEAR ENDED 31 AUGUST 2009

DIRECTORS' EMOLUMENTS

FEES EARNED FOR SERVICES AS NON EXECUTIVE DIRECTORS

	2009 R000	2008 R000
D Gihwala (<i>Chairman</i>)	183	220
D Perton	125	150
L Barnard	217	260
W Cesman (paid to Madison)	167	200
E Ellerine	75	150
S Shaw-Taylor (paid to Standard Bank)	167	200
N Venter	175	210
M Wainer (paid to Madison)	167	200
	1 276	1 590

EXECUTIVE DIRECTORS' REMUNERATION

	2009 R000	2008 R000
B Azizollahoff	5 442	5 476
W Cesman*	198	–
J Finn*	100	–
M Flax*	150	–
D Rice*	128	–
M Wainer*	198	–
	6 216	5 476

*From 01 August 2009 (effective date)

GOING CONCERN

The directors consider that the group has adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the group financial statements. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

MAJOR LINKED UNITHOLDERS

Beneficial linked unitholders holding in excess of 5% of the units in issue, are detailed on page 82 of the annual report.

Directors' Report continued

FOR THE YEAR ENDED 31 AUGUST 2009

INTEREST IN SUBSIDIARIES

Details of Redefine's interest in subsidiaries at 31 August 2009 are as follows:

	Issued share capital R000	Indebtedness R000	Shares at cost R000
Redefine Properties (Proprietary) Limited	¥	736 836	¥
Spearhead Property Holdings Limited	362	279 440	1 411 578
ApexHi Properties Limited	¥	200 643	12 707 507
Madison Property Fund Holdings Limited	104 661	26 567	1 351 520
Portion 65 Rivonia Ext 3 (Proprietary) Limited	¥	*	*
Portion 68 Rivonia Ext 3 (Proprietary) Limited	¥	*	*
Terminus Klerksdorp (Proprietary) Limited	¥	*	*
Rapid Dawn 66 (Proprietary) Limited	¥	#	#
Marble Gold 168 (Proprietary) Limited	¥	#	#
Kovacs Investments 201 (Proprietary) Limited	¥	#	#
Ambit Properties Limited	¥	*	*
Madison Property Fund Managers Limited	¥	~	~
Hyprop Management Company (Proprietary) Limited	¥	~	~
Canal Walk Management Company (Proprietary) Limited	¥	~	~
ApexHi Manco Trust	n/a	~	~
		1 243 486	15 470 605

¥ Below R1 000

* Held by Redefine Properties (Proprietary) Limited

Held by Spearhead Property Holdings Limited

* Held by ApexHi Properties Limited

~ Held by Madison Property Fund Managers Holdings Limited

EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

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, 87.4 million additional shares were purchased at a cost of R121 million, increasing Redefine's stake in Wichford to 19.2%.

AUDITORS

The auditors of the company, PKF (Jhb) Inc, will continue in office in accordance with section 270(2) of the Companies Act 1973 (as amended).

SECRETARY

Probit Business Services (Proprietary) Limited will continue to render company secretarial services to the company.

SPECIAL RESOLUTIONS

The following special resolutions were passed by unitholders and registered by Cipro:

- General authority for the repurchase of linked units (registered on 2 March 2009)
- Amendment of Articles regarding permitted number of directors (registered on 24 April 2009)
- Increase in authorised share capital (registered on 24 April 2009)

Report of the Audit Committee

REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF REDEFINE INCOME FUND LIMITED

The audit committee assists the board in discharging its responsibilities with regard to safeguarding the group's assets and ensuring that proper accounting records are maintained.

The audit committee operates in accordance with a written charter authorised by the board. During the current year, the audit committee considered the following:

- The scope, independence and objectivity of the external auditors;
- That the audit firm, PKF (Jhb) Inc., and audit director, Paul Badrick, are, in the committee's opinion, independent of the group, and have been proposed to the shareholders for approval to be the group's auditors for the 2010 financial year;
- The audit fee charged by the external auditor;
- That the appointment of the external auditor complies with the Companies Act, as amended, and with all other legislation regarding the appointment of external auditors;
- The nature and extent of non audit services were reviewed to ensure that the fees for these services were not significant so as to call into question their independence;
- The nature and extent of future non audit services have been defined and preapproved;
- At the date of the report, no complaints have been received relating to accounting practises and internal audit of the company or to the content or auditing of the company's financial statements, or to any related matter.

In addition, the audit committee has assessed the competency and experience of the financial director, Janys Finn, and is satisfied that she possesses the appropriate experience and expertise to meet the responsibilities in that position.

Audit Committee

28 October 2009

Balance Sheets

AT 31 AUGUST 2009

		GROUP		COMPANY	
	Note	2009 R000	2008 R000	2009 R000	2008 R000
ASSETS					
Non current assets		25 129 646	10 065 443	16 608 865	3 794 106
Investment properties		18 234 776	5 896 688	–	–
Fair value of property for accounting purposes	2	17 555 250	5 538 362	–	–
Straight line rental income accrual	3	546 475	226 166	–	–
Property under development	4	133 051	132 160	–	–
Listed securities portfolio	5	2 807 448	3 906 307	–	–
Goodwill	33	3 248 835	–	–	–
Intangibles	6	9 491	–	–	–
Interest in associates	7	201 387	140 227	–	–
Loans receivable	8	560 600	65 248	–	–
Interest rate swaps	9	–	6 514	–	–
Guarantee fees receivable	10	36 040	19 865	–	–
Property, plant and equipment	11	31 069	30 594	–	–
Interest in subsidiaries	12	–	–	16 608 865	3 794 106
Current assets		640 129	634 383	60	58
Properties held for trading	13	186 908	197 265	–	–
Listed securities held for trading	15	9 316	105 385	–	–
Trade and other receivables	16	209 993	64 637	60	58
Guarantee fees receivable	10	20 127	–	–	–
Loans receivable	8	2 003	–	–	–
Listed securities income receivable		100 628	108 899	–	–
Cash and cash equivalents	17	111 154	158 197	–	–
Non current assets held for sale	14	173 200	17 585	–	–
Total assets		25 942 975	10 717 411	16 608 925	3 794 164
EQUITY AND LIABILITIES					
Equity		13 200 268	4 404 397	11 441 216	2 033 905
Share capital and premium	18	11 602 835	2 088 943	11 607 246	2 093 355
Non distributable reserves		1 750 642	2 341 265	(44 000)	(44 000)
Accumulated loss		(156 310)	(31 517)	(122 030)	(15 450)
Capital and reserves attributable to equity holders		13 197 167	4 398 691	11 441 216	2 033 905
Minority interest		3 101	5 706	–	–
Non current liabilities		12 036 910	5 972 087	4 847 689	1 618 268
Debenture capital	19	4 767 591	1 607 689	4 778 169	1 618 268
Interest bearing borrowings	20	5 460 099	3 572 250	–	–
Interest rate swaps	9	46 210	16 823	–	–
Financial guarantee contract	10	9 838	15 774	–	–
Deferred taxation	21	1 753 172	759 551	69 520	–
Current liabilities		705 797	340 927	320 020	141 991
Trade and other payables	22	374 271	95 773	8 112	2 370
Interest bearing borrowings	20	20 308	106 444	–	–
Bank overdraft	17	–	2	–	–
Linked unitholders for distribution		311 218	138 708	311 908	139 621
Total equity and liabilities		25 942 975	10 717 411	16 608 925	3 794 164
Number of linked units in issue		2 648 661 529	893 160 737	2 654 538 299	899 037 507
Net asset value per linked unit (cents)		678.38	673.12	611.01	406.23
Net asset value per linked unit excluding deferred taxation (cents)		744.57	758.17	613.62	406.23

Income Statements

FOR THE YEAR ENDED 31 AUGUST 2009

	Note	GROUP		COMPANY	
		2009 R000	2008 R000	2009 R000	2008 R000
Revenue					
Property portfolio		770 139	566 856	–	–
Contractual rental income		741 620	539 303	–	–
Straight line rental income accrual		28 519	27 553	–	–
Listed securities portfolio		308 203	332 396	–	–
Property trading income		39 089	23 638	–	–
Fee income		14 328	4 091	–	–
Investment income	23	–	–	613 128	515 446
Total revenue		1 131 759	926 981	613 128	515 446
Operating costs		(138 913)	(106 324)	–	–
Administration costs		(84 363)	(60 283)	(5 031)	(2 053)
BEE transaction costs		–	(44 000)	–	(44 000)
Net operating profit	24	908 483	716 374	608 097	469 393
Changes in fair values	26	(389 841)	(176 538)	–	–
Equity accounted results of associates	7	(3 938)	(7 407)	–	–
Profit from operations		514 704	532 429	608 097	469 393
Interest paid	27	(350 129)	(281 796)	–	–
Interest received	28	79 079	48 983	–	1 159
Profit before debenture interest		243 654	299 616	608 097	470 552
Debenture interest	32	(711 354)	(495 157)	(714 677)	(498 485)
Loss before taxation		(467 700)	(195 541)	(106 580)	(27 933)
Taxation	29	176 949	43 282	–	–
Net loss after taxation		(290 751)	(152 259)	(106 580)	(27 933)
Attributable to:					
Redefine unitholders		(288 104)	(157 864)	(106 580)	(27 933)
Minorities		(2 647)	5 605	–	–
		(290 751)	(152 259)	(106 580)	(27 933)
Actual number of linked units in issue		2 648 661 529*	893 160 737*		
Weighted number of linked units in issue		1 042 258 065	856 002 267		
Earnings per linked unit (cents)		40.61	39.40		
Headline earnings per linked unit (cents)		60.40	19.01		
Distribution per linked unit (cents)		56.55	56.63		

*Net of 5 876 770 treasury units held

The reconciliation between earnings, headline earnings and distributable earnings is disclosed in note 30.

Statements of Changes in Equity

FOR THE YEAR ENDED 31 AUGUST 2009

	Share capital R000	Share premium R000	Non distributable reserves R000	Accumulated loss R000	Minority interest R000	Total R000
GROUP						
Balance at 1 September 2007	813	1 641 402	2 497 298	(31 517)	–	4 107 996
Issue of ordinary shares	80	447 920	–	–	–	448 000
Issue and preliminary expenses written off	–	(1 272)	–	–	–	(1 272)
(Loss)/profit for the year	–	–	–	(157 864)	5 605	(152 259)
Transfer to non distributable reserve (net of deferred taxation)	–	–	(157 864)	157 864	–	–
Revaluation of property, plant and equipment (net of deferred taxation)	–	–	1 831	–	–	1 831
Arising on acquisition of subsidiary	–	–	–	–	101	101
Balance at 31 August 2008	893	2 088 050	2 341 265	(31 517)	5 706	4 404 397
Issue of ordinary shares	1 756	9 513 059	–	–	–	9 514 815
Issue and preliminary expenses written off	–	(923)	–	–	–	(923)
Loss for the year	–	–	–	(288 104)	(2 647)	(290 751)
Transfer to non distributable reserve (net of deferred taxation)	–	–	(163 311)	163 311	–	–
Revaluation of property, plant and equipment (net of deferred taxation)	–	–	552	–	–	552
Foreign currency translation reserve	–	–	(807)	–	–	(807)
Transactions with minorities	–	–	–	–	(281)	(281)
Arising on acquisition of subsidiaries	–	–	(427 057)	–	323	(426 734)
Balance at 31 August 2009	2 649	11 600 186	1 750 642	(156 310)	3 101	13 200 268
COMPANY						
Balance at 1 September 2007	819	1 645 809	–	(31 517)	–	1 615 111
Issue of ordinary shares	80	447 920	–	–	–	448 000
Issue and preliminary expenses written off	–	(1 273)	–	–	–	(1 273)
Loss for the year	–	–	–	(27 933)	–	(27 933)
Transfer to non distributable reserve (net of deferred taxation)	–	–	(44 000)	44 000	–	–
Balance at 31 August 2008	899	2 092 456	(44 000)	(15 450)	–	2 033 905
Issue of ordinary shares	1 756	9 513 059	–	–	–	9 514 815
Issue and preliminary expenses written off	–	(924)	–	–	–	(924)
Loss for the year	–	–	–	(106 580)	–	(106 580)
Balance at 31 August 2009	2 655	11 604 591	(44 000)	(122 030)	–	11 441 217

Cash Flow Statements

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP		COMPANY	
	Note	2009 R000	2008 R000	2009 R000	2008 R000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from tenants and investments		1 173 747	834 787	613 126	516 603
Cash paid to suppliers		(139 325)	(154 060)	(2 871)	(3 154)
Cash generated from operations		1 034 422	680 727	610 255	513 449
Interest paid		(350 129)	(281 796)	–	–
Interest received		79 079	47 302	–	–
Distributions paid		(1 002 916)	(475 542)	(1 006 461)	(478 853)
Distributions paid to minorities		(280)	–	–	–
Taxation paid		–	(48 761)	–	–
Net cash (utilised in)/generated from operating activities		(239 824)	(78 070)	(396 206)	34 596
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition and development of investment properties		(211 255)	(810 847)	–	–
Acquisition of listed securities		(376 933)	(572 539)	–	–
Acquisition of property, plant and equipment		(1 182)	(29 766)	–	–
Acquisition of subsidiaries		–	(105)	–	–
Net loans advanced to subsidiaries		–	–	396 206	(581 325)
Proceeds on disposal of investment properties		20 689	252 642	–	–
Proceeds on disposal of listed securities		298 553	344 232	–	–
Proceeds on disposal of property, plant and equipment		1 511	–	–	–
Loans to associated companies		(12 456)	(23 542)	–	–
Loans to related parties		(25 123)	(16 147)	–	–
Cash balances from subsidiaries acquired (net of acquisition costs)		794 562	–	–	–
Increase in guarantee fees		(7 438)	–	–	–
Net cash generated from/(utilised in) investing activities		480 928	(856 072)	396 206	(581 325)
CASH FLOWS FROM FINANCING ACTIVITIES					
Linked units issued		–	546 731	–	546 729
Issue expenses		(923)	–	–	–
Increase in interest bearing borrowings		(287 222)	422 977	–	–
Net cash (utilised in)/generated from financing activities		(288 145)	969 708	–	546 729
Net movement in cash and cash equivalents		(47 041)	35 566	–	–
Cash and cash equivalents at beginning of year		158 195	122 629	–	–
Cash and cash equivalents at end of year		111 154	158 195	–	–

Notes to the Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2009

1. ACCOUNTING POLICIES

The financial statements and group financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the Companies Act of South Africa, 1973 and the JSE Listings Requirements.

The financial statements are prepared on the historical cost basis except for investment properties and certain financial instruments which are carried at fair value, and incorporate the principal accounting policies set out below which are consistent with those applied in the previous year.

The financial statements are prepared on a going concern basis.

1.1 BASIS OF CONSOLIDATION

The group financial statements include those of the holding company and enterprises controlled by the company. Control is achieved when the company has the power to govern the financial and operating policies of an investee enterprise. All significant intercompany transactions, unrealised profits and balances between group enterprises are eliminated on consolidation.

(a) Subsidiaries

Subsidiaries are entities over which the company has the power to govern the financial and operating policies of the entities so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account.

In the separate financial statements of the company, investments in subsidiaries are accounted for at cost and adjusted for impairment if applicable.

The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the group and all entities controlled by the group. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date of acquisition or up to the date of disposal. Inter company transactions and balances between group companies are eliminated on consolidation.

The purchase method of accounting is used to account for acquisitions of subsidiaries in a group. The assets and liabilities acquired are assessed and included in the balance sheet at their estimated fair values to the group at acquisition date. Where the fair value of the consideration paid exceeds the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed, the difference is recorded as goodwill. Where the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed exceed the fair value of the consideration given, the excess is recognised immediately in the income statement.

Transactions with minorities are recorded directly in equity.

(b) Associates

Associates are companies over which the group has significant influence but not control.

In the separate financial statements of the company, investments in associates are accounted for at cost and adjusted for impairment if applicable.

Associates are accounted for in the consolidated financial statements using the equity method of accounting. Under this method, the interest in associate is initially recognised at cost and the group's share of post acquisition profits or losses is recognised in the income statement. The interest in associate is adjusted for post acquisition profits or losses, distributions received and other adjustments to the carrying amount.

(c) Joint ventures

Investments in joint ventures are accounted for on the proportionate consolidation method, whereby the attributable share of the assets, liabilities, revenues, expenses and cash flows are combined on a line by line basis with similar items in the group financial statements. The results of the joint ventures are proportionately consolidated from the effective date of acquisition until the company ceases to have joint control over the entity.

1.2 FINANCIAL INSTRUMENTS

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

Financial instruments are recognised on the balance sheet when the group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Subsequent to initial recognition, these instruments are measured as follows:

Financial assets

- Listed securities are measured at fair value through profit and loss, less the accrual for distributions receivable which is included in current assets. Any movements in the impairment allowance are recognised in profit and loss.
- Trade and other receivables are stated at amortised cost less any accumulated impairments.
- The impairment allowance is recognised in profit and loss.
- Cash and cash equivalents are measured at fair value.
- Guarantee fee receivable is measured at fair value.

Financial liabilities

- Debenture capital is considered to be a held-to-maturity financial instrument and is recognised at amortised cost using the effective interest rate method.
- Interest-bearing borrowings are recognised at amortised cost.
- Interest rates swaps are measured at fair value through profit and loss.
- Financial guarantee contracts are measured at the higher of fair value or the amount initially recognised less accumulative amounts recorded as income to date.
- Trade and other payables are stated at fair value.

1.3 INVESTMENT PROPERTIES

Investment properties, both freehold and leasehold, are properties held for the purpose of earning rental income and for capital appreciation. Investment properties are initially recorded at cost and include transaction costs on acquisition. Subsequent expenditure to add to or to replace a part of the property is capitalised at cost.

Investment properties are valued annually and adjusted to fair value as at balance sheet date.

Investment properties above R20 million, at the last valuation date, are valued by external independent registered valuers. Investment properties below R20 million, at the last valuation date, are valued internally by the directors.

Any gain or loss arising from a change in the fair value of the investment property is included in net profit for the period to which it relates. Changes in fair value are transferred to a fair value reserve in the statement of changes in equity.

Gains and losses on the disposal of investment properties are recognised in profit and loss and are calculated as the difference between the sale price and the carrying value of the property. Realised gains and losses are transferred to a capital reserve, including any prior period fair value adjustments.

1.4 PROPERTY UNDER DEVELOPMENT

Property under development comprises the costs of the land and development and is stated at cost. On completion, property under development is transferred to investment property where it is measured under the policy stated in note 1.3 above.

1.5 BORROWING COSTS

Borrowing costs that are directly attributable to the development or acquisition of qualifying assets are capitalised to the cost of that asset until such time as it is substantially ready for its intended use.

The amount capitalised is the actual borrowing cost incurred on funds specifically borrowed for the qualifying asset.

All other borrowing costs are expensed in the period in which they are incurred.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

1.6 INVESTMENT IN LISTED SECURITIES

Listed securities are initially stated at cost. Subsequent to initial measurement, listed securities are measured at fair value through profit and loss. The value of listed securities is based on quoted market prices at the balance sheet date.

1.7 GOODWILL

Goodwill arises on the acquisition of a business and represents the excess of the cost of the acquisition over the group's interests in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired. Negative goodwill is recognised immediately in profit or loss.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

1.8 PROPERTY, PLANT AND EQUIPMENT

Land and buildings comprise a life care centre and is shown at fair value based on periodic valuations less subsequent depreciation. Any gain or loss arising from a change in fair value is accounted for directly in the statement of changes in equity.

All other plant and equipment is recorded at cost less depreciation and impairment.

Property, plant and equipment are depreciated on a straight line basis over the current useful lives of the assets. The estimated useful lives of the assets are:

Computer hardware	3 years
Furniture and fittings	6 years
Motor vehicles	5 years
Buildings	50 years

Land is not depreciated as it is deemed to have an indefinite life.

1.9 PROPERTIES HELD FOR TRADING

Properties held for trading are recorded at the lower of cost and net realisable value.

Costs include all costs of purchase, transaction costs, costs of conversion and other costs incurred in bringing the properties to their present condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of selling.

Properties developed for trading are recorded at the lower of cost and net realisable value.

1.10 TREASURY STOCK

Where a subsidiary company holds linked units in the holding company, the consideration paid to acquire these units is deducted from linked unitholders' equity as treasury stock. When these units are sold or reissued, any consideration received is included in linked unitholders' equity.

1.11 REVENUE RECOGNITION

(a) Property portfolio revenue

Property portfolio revenue comprises operating lease income and operating cost recoveries from the letting of investment properties. Operating lease income is recognised on a straight line basis over the term of the lease.

Contingent rentals (turnover rentals) are included in revenue when the amounts can be reliably measured.

(b) Listed securities revenue

Distributions from listed securities are recognised on a time apportionment basis over the effective holding period.

(c) Property trading income

Property trading income represents income from development units sold and is recognised once:

- The risks and rewards of ownership have transferred;
- The company no longer has managerial involvement;
- The amount of revenue and costs can be measured reliably; and
- It is probable that the economic benefits from the sale will flow to the company.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

1.12 TAXATION

The charge for current taxation is based on the results for the year as adjusted for items which are non assessable or disallowed. It is calculated using rates that have been enacted by the balance sheet date.

Deferred income taxation is provided using the comprehensive liability method for all temporary differences arising between the taxation bases of assets and liabilities and their carrying values for financial reporting purposes. In principle, deferred taxation liabilities are recognised for all taxable temporary differences and deferred taxation assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction which affects neither the taxation profit nor the accounting profit and is not a business combination.

Deferred taxation is calculated at the taxation rates that are expected to apply to the period when the asset is realised or the liability settled. Deferred taxation on the fair value adjustment on investment properties has been provided at a combination of the income taxation and capital gains taxation rates, based on the manner in which each asset is expected to be realised and only to the extent that there are not sufficient taxation losses to shield the charge.

Deferred taxation on the fair valuation adjustment of investment property and listed securities has been provided at the corporate taxation and capital gains taxation rates respectively, based on the manner that the asset is expected to be realised.

1.13 IMPAIRMENT OF NON FINANCIAL ASSETS

The carrying value of assets is reviewed for impairment at each reporting date. Assets are impaired when events or changes in circumstances indicate that the carrying values may not be recoverable.

If such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts.

Recoverable amount is determined as the higher of fair value less costs to sell or value in use.

Impairment losses and the reversal of impairment losses are recognised in the income statement.

1.14 SEGMENTAL INFORMATION

The company is organised into the following sectoral segments: office, retail and industrial.

1.15 LETTING COSTS

Tenant installations and lease commissions are carried at cost less accumulated depreciation. Depreciation is provided to write down the cost, less residual value, by equal instalments over the period of the lease.

1.16 KEY ESTIMATES AND ASSUMPTIONS

The preparation of financial statements, in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect amounts reported in the financial statements. Information on key estimates and assumptions, which have the most significant effect on the financial statements, are set out in the following notes in the financial statements:

- Accounting policies – notes 1.2 to 1.18
- Investment properties – note 2
- Guarantee fees receivable – note 10
- Trade and other receivables – note 16
- Deferred taxation – note 21
- Taxation – note 29

1.17 COMPARATIVE FIGURES

In the previous year, the group included investment properties held for sale of R17 585 000 under current assets on the balance sheet. In the current year, investment properties held for sale have been transferred to “non current assets held for sale”, which is shown separately on the face of the balance sheet.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

1.18 STANDARDS IN ISSUE, NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

Standard	Details of Amendment	Annual periods beginning on or after
IFRS 1: First-time Adoption of International Financial Reporting Standards	<ul style="list-style-type: none"> Measurement of the cost of investments in subsidiaries, jointly controlled entities and associates when adopting IFRS for the first time Amendments relating to oil and gas assets and determining whether an arrangement contains a lease 	1 January 2009 1 January 2010
IFRS 2: Share-based Payment	<ul style="list-style-type: none"> Amendment relating to vesting conditions and cancellations Clarification of scope of IFRS 2 and IFRS 3 revised Accounting for group cash-settled share-based payment transactions – clarity of the definition of the term “Group” 	1 January 2009 1 July 2009 1 January 2010
IFRS 3: Business Combinations	<ul style="list-style-type: none"> Amendments to accounting for business combinations 	1 July 2009
IFRS 5: Non-current Assets Held for Sale and Discontinued Operations	<ul style="list-style-type: none"> Plan to sell the controlling interest in a subsidiary Disclosures of non current assets (or disposal groups) classified as held for sale or discontinued operations Amendments resulting from IFRIC 17 for assets held for distribution to owners 	1 July 2009 1 January 2010 1 July 2009
IFRS 7: Financial Instruments: Disclosures	<ul style="list-style-type: none"> Presentation of finance costs Amendment dealing with improving disclosures about financial instruments Amendments enhancing disclosures about for value and liquidity risk 	1 January 2009 1 January 2009 1 January 2009
IFRS 8: Operating Segments	<ul style="list-style-type: none"> New standard on segment reporting (replaces IAS 14) Disclosure of information about segment assets 	1 January 2009 1 January 2010
IAS 1: Presentation of Financial Statements	<ul style="list-style-type: none"> Amendments to the structure of the financial statements Current/non current classification of derivatives Current/non current classification of convertible instruments 	1 January 2009 1 January 2010
IAS 7: Statement of Cash Flows	<ul style="list-style-type: none"> Cash flows from assets held for rental classified as operating activities Classification of expenditures on unrecognised assets 	1 January 2009 1 January 2010
IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	<ul style="list-style-type: none"> Status of the implementation guidance 	1 January 2009

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

Standard	Details of Amendment	Annual periods beginning on or after
IAS 10: Events after the Reporting Period	<ul style="list-style-type: none"> Dividends declared after the end of the reporting period Amendment resulting from the issue of IFRIC 17 	1 January 2009 1 July 2009
IAS 16: Property, Plant and Equipment	<ul style="list-style-type: none"> Recoverable amount definitions Accounting for sale of assets held for rental 	1 January 2009
IAS 17: Leases	<ul style="list-style-type: none"> Classification of leases of land and buildings 	1 January 2010
IAS 18: Revenue	<ul style="list-style-type: none"> Costs of originating a loan 	1 January 2009
IAS 19: Employee Benefits	<ul style="list-style-type: none"> Curtailments and negative past service cost Plan administration costs Replacement of term "fall due" Guidance on contingent liabilities 	1 January 2009
IAS 23: Borrowing Costs	<ul style="list-style-type: none"> Amendment requiring capitalisation only model Components of borrowing costs 	1 January 2009
IAS 27: Consolidated and Separate Financial Statements	<ul style="list-style-type: none"> Amendments dealing with measurement of the cost of investments when adopting IFRS for the first time Consequential amendments from changes to Business Combinations Measurement of subsidiary held for sale in separate financial statements 	1 January 2009
IAS 28: Investments in Associates	<ul style="list-style-type: none"> Consequential amendments from changes to Business Combinations Required disclosures when investments in associates are accounted for at fair value through profit or loss Impairment of investment in associates 	1 January 2009
IAS 29: Financial Reporting in Hyperinflationary Economies	<ul style="list-style-type: none"> Description of measurement basis in financial statements Consistency of terminology with other IFRSs 	1 January 2009
IAS 31: Interests in Joint Ventures	<ul style="list-style-type: none"> Consequential amendments from changes to Business Combinations Required disclosures when interests in jointly controlled entities are accounted for at fair value 	1 January 2009
IAS 32: Financial Instruments: Presentation	<ul style="list-style-type: none"> Certain financial instruments will be classified as equity whereas prior to these amendments they would have been classified as financial liabilities 	1 January 2009
IAS 34: Interim Financial Reporting	<ul style="list-style-type: none"> Earnings per share disclosures in interim financial reports 	1 January 2009

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

Standard	Details of Amendment	Annual periods beginning on or after
IAS 36: Impairment of Assets	• Disclosure of estimates used to determine recoverable amount	1 January 2009
	• Unit of accounting for goodwill impairment test	1 January 2010
IAS 38: Intangible Assets	• Advertising and promotional activities	1 January 2009
	• Unit of production method of amortisation	
	• Additional consequential amendments arising from revised IFRS 3	
	• Measuring the fair value of an intangible asset acquired in a business combination	1 July 2009
IAS 39: Financial Instruments: Recognition and Measurement	• Reclassification of derivatives into or out of the classification of at fair value through profit or loss	1 January 2009
	• Designating and documenting hedges at the segment level	
	• Applicable effective interest rate on cessation of fair value hedge accounting	
	• Clarifies two hedge accounting issues: – Inflation in a financial hedged item – A one-sided risk in a hedged item	1 July 2009
	• Amendments for embedded derivatives when reclassifying financial instruments	Annual periods ending on or after 30 June 2009
	• Treating loan prepayment penalties as closely related embedded derivatives	1 January 2010
	• Scope exemption for business combination contracts	
	• Cash flow hedge accounting	
IAS 40: Investment Property	• Property under construction or development for future use as investment property	1 January 2009
	• Consistency of terminology with IAS 8	
	• Investment property held under lease	

Interpretations	Annual periods beginning on or after
IFRIC 9: (amended) Reassessment of Embedded Derivatives Scope of IFRIC 9 and revised IFRS 3	1 July 2009
IFRIC 15: Agreements for the Construction of Real Estate	1 January 2009
IFRIC 17: Distribution of Non Cash Assets to Owners	1 July 2009
IFRIC 18: Transfer of Assets from Customers	1 July 2009

The directors have not yet determined what the impact of these new Standards and Interpretation on the company will be.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
2. INVESTMENT PROPERTIES			
2.1 NET CARRYING VALUE			
Cost		15 834 060	3 447 891
Fair value surplus		1 721 190	2 090 471
		17 555 250	5 538 362
2.2 MOVEMENT FOR THE YEAR			
Investment properties at beginning of year		5 538 362	4 461 871
On acquisition of subsidiaries		12 224 420	83 561
Acquisitions		165 510	210 625
Disposals		(46 545)	(154 950)
Change in fair value		(310 381)	255 697
Tenant installations		23 514	4 999
Capitalised		30 859	12 173
Amortised		(7 345)	(7 174)
Lease commissions		6 189	7 022
Capitalised		13 092	11 266
Amortised		(6 903)	(4 244)
Transferred from property under development (note 4)		–	714 675
Transferred to non current assets held for sale		(17 300)	(17 585)
Straight line rental income accrual – charge per the income statement		(28 519)	(27 553)
Investment properties at end of year		17 555 250	5 538 362
2.3 RECONCILIATION TO INDEPENDENT VALUATIONS			
Investment properties at valuation at end of year per 2.2 above		17 555 250	5 538 362
Straight line rental income accrual – per the balance sheet		546 475	226 166
Independent valuations at 31 August		18 101 725	5 764 528

Full details of freehold and leasehold investment properties owned by the company are contained in a register of investment properties which is open for inspection by members at the registered office of the company (see inside back cover).

In terms of the accounting policy, the portfolio is valued annually. For the purposes of the independent valuation at 31 August 2009, all properties above R20 million were valued by Asset Valuation Services, DDP Valuers, Mills Fitchet, Quadrant Properties and CB Richard Ellis, all registered valuers in terms of Section 19 of the Property Valuers Profession Act (Act No 47 of 2000). The remainder of the portfolio was valued by the directors. The majority of valuations have been undertaken on an open market basis with consideration given to the future earnings potential and by applying an appropriate capitalisation rate to a property. The remaining valuations have been based on the discounted cash flow of future income streams.

Investment properties are encumbered as set out in note 20.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
3. STRAIGHT LINE RENTAL INCOME ACCRUAL			
Balance at beginning of year		226 166	198 613
Subsidiaries acquired		291 790	–
Current year movement		28 519	27 553
Balance at end of year		546 475	226 166
4. PROPERTY UNDER DEVELOPMENT			
At cost			
Balance at beginning of year		132 160	269 680
Development costs		41 011	577 155
Completed developments transferred to investment properties (note 2)		–	(714 675)
Developments impaired		(40 120)	–
Balance at end of year		133 051	132 160
The impairment relates to the write-off of expenses incurred for a proposed retail development, Little Falls. A decision was made to terminate the development due to a legal dispute with the vendor of the land.			
5. LISTED SECURITIES PORTFOLIO			
5.1 AT FAIR VALUE			
Hyprop Investments Limited		2 345 183	1 926 192
Oryx Properties Limited		152 820	–
Ciref plc		129 777	367 291
Sycom Property Fund		117 552	115 593
Wichford plc		62 116	–
Vukile Property Fund Limited		–	312 092
ApexHi Properties Limited A units		–	217 197
ApexHi Properties Limited B units		–	736 871
ApexHi Properties Limited C units		–	63 092
Ambit Properties Limited		–	167 979
		2 807 448	3 906 307
5.2 MOVEMENT FOR THE YEAR			
Balance at beginning of year		3 906 307	4 075 285
Additions		562 558	572 539
Disposals		(501 421)	(344 232)
On acquisition of subsidiaries		139 558	–
Transfer from listed securities held for trading (note 15)		105 385	–
Effect of acquiring controlling interest in ApexHi		(1 359 834)	–
Revaluation		(20 936)	(383 506)
Foreign exchange loss		(24 169)	(13 779)
Balance at end of year		2 807 448	3 906 307

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

			GROUP	
			2009 Number of units held	2008 Number of units held
5. LISTED SECURITIES PORTFOLIO	continued			
5.3 DETAILS OF LISTED SECURITIES	Stock Exchange	% held		
Hyprop Investments Limited	JSE	33.30	55 323 970	48 518 688
Oryx Properties Limited	NSX	26.44	14 554 269	–
Ciref plc	LSE AIM	28.56	21 069 405	20 236 072
Sycom Property Fund	JSE	3.18	6 530 673	6 530 673
Wichford plc	LSE	10.92	14 600 000	–
Vukile Property Fund Limited	JSE		–	32 817 271
ApexHi Properties Limited A units			–	16 208 736
ApexHi Properties Limited B units			–	44 389 841
ApexHi Properties Limited C units			–	9 278 266
Ambit Properties Limited			–	46 660 824

Listed securities have been encumbered as set out in note 20.

The investments in Ciref and Wichford have been acquired utilising cash transfer capacity of South African institutions (asset swap).

Ambit Properties Limited and ApexHi Properties Limited were delisted from the JSE Limited with effect 6 July 2009 and 7 August 2009 respectively.

			GROUP	
			2009 R000	2008 R000
6. INTANGIBLES				
Management contract – Hyprop Investments Limited				
– Cost			11 864	–
– Amortisation			(2 373)*	–
			9 491	–

Contract expires 31 December 2009.

*From 1 August 2009 (effective date of the merger)

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
7. INTEREST IN ASSOCIATES			
7.1 CARRYING AMOUNT			
49% interest in Dipula Property Investment Fund (Proprietary) Limited		89 473	85 908
– Gross consideration		–	–
– Loan		67 832	67 743
– Share of fair valuation reserve		26 888	21 361
– Share of equity accounted results		(5 247)	(3 196)
49% interest in Mergence Africa Property Fund (Proprietary) Limited		52 392	46 011
– Gross consideration		–	–
– Loan		59 848	47 481
– Share of fair valuation reserve		4 606	1 007
– Share of equity accounted results		(12 062)	(2 477)
34% interest in Corovest Fund Managers Limited		59 522	–
– Gross consideration		62 657	–
– Dividend paid		(899)	–
– Share of fair valuation reserve		(1 935)	–
– Share of equity accounted results		506	–
– Foreign currency translation adjustment		(807)	–
25% interest in Arrow Creek Investments 28 (Proprietary) Limited		–	8 308
– Gross consideration		–	3 524
– Loan		–	4 784
		201 387	140 227
The loans are unsecured, bear interest at variable rates and have no fixed terms of repayment.			
7.2 MOVEMENT FOR THE YEAR			
Balance at beginning of year		140 227	124 097
On acquisition of subsidiaries		62 657	–
Equity accounted results of associates for the year		(3 938)	(7 407)
Share of distributable losses		(11 130)	(3 171)
Fair values adjustments (net of deferred taxation)		7 192	(4 236)
Loans advanced		12 456	23 537
Impairment of investment		(8 308)	–
Foreign currency translation adjustment		(807)	–
Dividend paid		(900)	–
Balance at end of year		201 387	140 227

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
7. INTEREST IN ASSOCIATES continued		
7.3 GROUP'S SHARE OF POST ACQUISITION RESERVES		
Fair valuation reserves		
Share of reserves at beginning of year	22 368	26 604
Share of profit for the year	7 191	(4 236)
Share of reserves at end of year	29 559	22 368
Accumulated losses		
Share of reserves at beginning of year	(5 673)	(2 502)
Share of profit for the year	(11 130)	(3 171)
Share of reserves at end of year	(16 803)	(5 673)
Total post acquisition reserves	12 756	16 695

	Assets	Liabilities	Revenues	Profit/(loss)
7.4 SUMMARISED FINANCIAL STATEMENTS				
The following is the summarised balance sheets and income statements of the associated companies as per their financial statements:				
2009				
Dipula Property Investment Fund (Proprietary) Limited (incorporated in South Africa)	783 568	735 370	73 231	11 127
Mergence Africa Property Fund (Proprietary) Limited (incorporated in South Africa)	614 770	624 047	51 666	(4 506)
Corovest Fund Managers Limited (incorporated in British Virgin Isles)	274 440	221 002	2 341*	1 493*
	1 672 778	1 580 419	127 238	8 114
<i>*Effective 01 August 2009</i>				
2008				
Dipula Property Investment Fund (Proprietary) Limited	747 290	710 684	63 786	(12 967)
Mergence Africa Property Fund (Proprietary) Limited	598 200	603 076	63 792	(2 149)
Arrow Creek Investments 28 (Proprietary) Limited	4 033	4 680	–	–
	1 349 523	1 318 440	127 578	(15 116)

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
8. LOANS RECEIVABLE			
8.1 AENGUS LIFESTYLE PROPERTIES (PROPRIETARY) LIMITED		196 777	–
The loan bears interest at 12.5% per annum, 12% is payable monthly and the balance is capitalised. The loan is repayable on 29 February 2012 and is secured by a mortgage bond over investment properties with a carrying value of R232 million.			
8.2 DIJALO PROPERTY SERVICES (PROPRIETARY) LIMITED		159 613	19 895
R127,3 million of the loan is repayable on 31 January 2011, bears interest at the 11.5% per annum, 9.5% is payable monthly and the remainder is capitalised to the loan.			
R32,3 million of the loan bears interest at the rate of prime less 2.2% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.			
In the event of default by Dijalo, Redefine has a call option to take ownership and transfer of all of Dijalo's interests in Dipula.			
8.3 MERGENCE AFRICA PROPERTIES (PROPRIETARY) LIMITED		154 063	12 988
R135,3 million of the loan is repayable on 31 January 2011, bears interest at 11.5% per annum, 9.5% is payable monthly and the remainder is capitalised to the loan.			
R2,9 million of the loan bears interest at 11.5% per annum. Interest and capital is repaid monthly until 31 January 2011.			
R15,8 million of the loan bears interest at the rate of prime less 2.2% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.			
In the event of default by Mergence, Redefine has a call option to take ownership and transfer of all of Mergence's interests in Mergence Africa Property Fund.			
8.4 THE NEST TRUST		15 072	11 001
The loan is unsecured, bears interest at the rate of prime plus 3% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.			
8.5 OASIS JOINT VENTURE		14 611	10 426
The loan is unsecured, bears interest at the prime lending rate and has no fixed terms of repayment. Payment is not expected within the next 12 months.			
8.6 AFHCO (PROPRIETARY) LIMITED		10 529	–
The loan bears interest at 11.5% per annum. Interest and capital is repaid monthly until 31 January 2011.			
8.7 BROADLANDS STUD FARM DEVELOPMENT JOINT VENTURE		4 977	3 658
The loan is unsecured, bears interest at the rate of prime plus 1% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.			
8.8 JOSDEL 137 (PROPRIETARY) LIMITED		4 604	6 494
The loan is unsecured, bears interest at the rate of prime plus 2% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.			

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
8. LOANS RECEIVABLE continued		
8.9 SHARE SCHEME LOAN TO EMPLOYEES SECONDED TO HYPROP INVESTMENTS LIMITED		
The loans are secured by a pledge and cession of 156 722 linked units in Hyprop Investments Limited held by employees, bear interest at variable rates and are repayable by 9 June 2012.	1 546	–
8.10 BRICKFIELD JOINT VENTURE	811	721
The loan is unsecured, bears interest at the rate of prime plus 1.5% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.		
8.11 MADISON PROPERTY FUND MANAGERS LIMITED	–	65
The loan is unsecured, bears interest at the rate of prime plus 2% per annum and has no fixed terms of repayment. Payment is not expected within the next 12 months.		
Total loans receivable	562 603	65 248
Current portion	(2 003)	–
Long term portion	560 600	65 248
9. INTEREST RATE SWAPS		
SWAP LIABILITIES/(ASSETS)		
9.1 A swap contract for R230 million at a fixed rate of 10.48% per annum. The contract matures on 8 October 2018	30 014	16 823
9.2 A swap contract for R413,8 million at a fixed rate of 8.86% per annum. The contract matures on 12 November 2018	8 735	–
9.3 A swap contract for R140 million at a fixed rate of 8.84% per annum. The contract matures on 11 November 2018	2 453	–
9.4 A swap contract for R40 million at a fixed rate of 12.07% per annum. The contract matures on 1 April 2011	2 171	–
9.5 A swap contract for R50 million at a fixed rate of 8.89% per annum. The contract matures on 25 July 2011	1 338	(2 007)
9.6 A swap contract for R40 million at a fixed rate of 9.99% per annum. The contract matures on 5 December 2011	911	–
9.7 A swap contract for R50 million at a fixed rate of 8.52% per annum. The contract matures on 21 April 2010	467	(2 125)
9.8 A swap contract for R50 million at a fixed rate of 7.83% per annum. The contract matures on 10 February 2010	121	(2 382)
Net interest rate swaps	46 210	10 309

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
9. INTEREST RATE SWAPS continued		
The interest rate swaps hedge the group's exposure to fluctuations in short term interest rates. The interest rate swaps reset on a quarterly basis.		
Reflected as:		
Non current assets	–	6 514
Non current liabilities	(46 210)	(16 823)
Net interest rate swaps	(46 210)	(10 309)
10. GUARANTEE FEES RECEIVABLE		
Receivable from BEE participants	56 167	19 865
Current portion	(20 127)	–
	36 040	19 865
Present value of financial guarantee contract liability	(9 838)	(15 774)
Net guarantee fees receivable	26 202	4 091
The guarantee fees are payable by BEE participants as a result of the group's undertaking to guarantee repayment of their loans to banks for funding of Redefine linked units acquired by BEE participants in prior years.		
Refer page 25 for the terms and basis of calculation of the fee payable.		
11. PROPERTY, PLANT AND EQUIPMENT		
Computer equipment	797	42
– Cost	1 591	782
– Accumulated depreciation	(794)	(740)
Furniture and fittings	92	1 007
– Cost	1 272	1 848
– Accumulated depreciation	(1 180)	(841)
Motor vehicles	249	370
– Cost	867	969
– Accumulated depreciation	(618)	(599)
Building	29 931	29 175
– Cost	27 432	26 970
– Accumulated depreciation	(597)	(338)
– Revaluation	3 096	2 543
	31 069	30 594

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
11. PROPERTY, PLANT AND EQUIPMENT continued		
11.1 MOVEMENT FOR THE YEAR		
Balance at beginning of year	30 594	1 779
Subsidiaries acquired	869	–
– Computer equipment	764	–
– Motor vehicles	105	–
Acquisitions	1 181	27 223
– Computer equipment	44	7
– Furniture and fittings	377	246
– Motor vehicles	298	–
– Building	462	26 970
Revaluation		
– Building	553	2 543
Depreciation	(675)	(951)
– Computer equipment	(54)	(130)
– Furniture and fittings	(339)	(289)
– Motor vehicles	(23)	(194)
– Building	(259)	(338)
Disposals	(1 453)	–
– Furniture and fittings	(953)	–
– Motor vehicles	(500)	–
Balance at end of year	31 069	30 594

The property is located at erf 6246, Montague Gardens situated in the City of Cape Town, Cape Division, Western Cape Province.

The building was revalued on 31 August 2009 by independent valuers on the same basis as investment properties (note 2). The revaluation surplus was credited to non distributable reserves, net of deferred taxation. On the historic cost basis, the book value would be R26,6 million.

	COMPANY	
	2009 R000	2008 R000
12. INTEREST IN SUBSIDIARIES		
Shares at cost – net	15 365 379	1 411 578
Costs incurred	15 502 122	1 443 095
Less: pre-acquisition dividends	(136 743)	(31 517)
Loans to subsidiaries	1 243 486	2 382 528
	16 608 865	3 794 106

The loans are unsecured, bear interest at variable rates and have no fixed terms of repayment. A schedule of subsidiaries is set out on page 120.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

			GROUP	
			2009 R000	2008 R000
13. PROPERTIES HELD FOR TRADING				
Properties acquired and developed for sale			186 908	197 265
14. NON CURRENT ASSETS HELD FOR SALE				
Investment properties to be disposed of after year end				
Balance at beginning of year			17 585	–
On acquisition of subsidiaries			155 900	–
Disposals			(17 585)	–
Transferred from investment portfolio			17 300	17 585
Balance at end of year			173 200	17 585
15. LISTED SECURITIES HELD FOR TRADING				
15.1 AT FAIR VALUE				
SA Corporate Real Estate Fund			9 316	–
ApexHi Properties Limited A units			–	38 374
ApexHi Properties Limited B units			–	47 538
ApexHi Properties Limited C units			–	19 473
			9 316	105 385
15.2 MOVEMENT FOR THE YEAR				
Balance at beginning of year			105 385	112 401
Transfer to listed securities portfolio (note 5)			(105 385)	–
On acquisition of subsidiary			8 666	–
Revaluation			650	(7 016)
Balance at end of year			9 316	105 385
15.3 NUMBER OF UNITS HELD	Stock Exchange	% held		
SA Corporate Real Estate Fund	JSE	0.17	3 611 000	–
ApexHi Properties Limited A units			–	2 863 714
ApexHi Properties Limited B units			–	2 863 714
ApexHi Properties Limited C units			–	2 863 714
Ambit Properties Limited and ApexHi Properties Limited were delisted from the JSE Limited with effect from 6 July 2009 and 7 August 2009 respectively.				

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP		COMPANY	
	2009 R000	2008 R000	2009 R000	2008 R000
16. TRADE AND OTHER RECEIVABLES				
Trade receivables	32 531	15 260	–	–
Less: Impairment	(7 005)	(5 236)	–	–
	25 526	10 024		
Deposits and prepayments	56 240	37 465	60	58
Loan receivable	14 409	14 105	–	–
Municipal recoveries	10 456	905	–	–
Executive sign on incentives	11 650	–	–	–
Debtors for properties sold	43 149	–	–	–
Capital gains taxation refundable	10 215	–	–	–
Other receivables	38 348	2 138	–	–
	209 993	64 637	60	58
17. CASH AND CASH EQUIVALENTS				
For the purpose of the cash flow statement, cash and cash equivalents comprise:				
Bank balances	111 154	158 197	–	–
Bank overdraft	–	(2)	–	–
	111 154	158 195	–	–
The group has a R10 million overdraft facility with The Standard Bank of South Africa Limited secured on the same terms as the loans in note 20 below. Material bank balances are with Standard Bank who have a Fitch Rating of A minus.				
18. SHARE CAPITAL AND PREMIUM				
Share capital				
Authorised				
3 500 000 000 (2008: 1 000 000 000) ordinary shares of 0.1 cent each	3 500	1 000	3 500	1 000
Issued				
2 654 538 299 (2008: 899 037 507) ordinary shares of 0.1 cent each	2 655	899	2 655	899
Less: 5 876 770 treasury shares	(6)	(6)	–	–
Total issued share capital	2 649	893	2 655	899
Share premium				
Balance at beginning of year	2 088 050	1 641 402	2 092 456	1 645 809
Premium on shares issued	9 513 059	447 920	9 513 059	447 920
Share issue expenses	(923)	(1 272)	(924)	(1 273)
Total share premium	11 600 186	2 088 050	11 604 591	2 092 456
Total share capital and premium	11 602 835	2 088 943	11 607 246	2 093 355

The unissued shares are under the control of the directors. This authority remains in force until the next annual general meeting. The issue of each share is irrevocably linked to one debenture, together comprising one linked unit (refer to note 19).

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP		COMPANY	
	2009 R000	2008 R000	2009 R000	2008 R000
19. DEBENTURE CAPITAL				
Authorised				
3 500 000 000 (2008: 1 000 000 000) ordinary debentures of 180 cents each	6 300 000	1 800 000	6 300 000	1 800 000
Issued				
2 654 538 299 (2008: 899 037 507) debentures of 180 cents	4 778 169	1 618 267	4 778 169	1 618 268
Less: 5 876 770 treasury debentures	(10 578)	(10 578)	–	–
	4 767 591	1 607 689	4 778 169	1 618 268
Movement for the year				
Balance at beginning of year	1 607 689	1 463 689	1 618 268	1 474 267
Issued during the year	3 159 902	144 000	3 159 901	144 001
Balance at end of year	4 767 591	1 607 689	4 778 169	1 618 268

- The debentures are irrevocably linked to the issued ordinary shares of the company and can only be sold together with the relevant linked shares.
- The debentures are unsecured and are subordinated in favour of the company's other creditors.
- Interest accrues to the debenture holder quarterly. The interest entitlement on each debenture will in aggregate be 100% of the group's net operating income for that distribution period. The net operating income as defined in the Debenture Trust Deed excludes capital items and the effects of straight lining of leases.
- In terms of the Trust Deed, the debentures are redeemable by special resolution at the instance of the debenture holders, on five years' notice, at any time after 23 February 2025. Full details and the terms and conditions of the debentures are set out in the Trust Deed which is available for inspection.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
20. INTEREST BEARING BORROWINGS			
20.1 ABSA		1 005 284	541 366
The loan bears interest at the 3 month JIBAR rate, currently 9.8% per annum and is secured by a first mortgage bond over investment properties		413 795	–
The loan bears interest at 11.58% per annum, is repayable in October 2018 and is secured by a first mortgage bond over investment properties		231 672	286 522
The loan bears interest at a rate of 9.81% NACM, is repayable in November 2011 and is secured by listed securities		200 000	249 800
The loan bears interest at a floating rate of prime less 2.0% per annum and is secured by a first mortgage bond over investment property		74 781	–
The loan bears interest at 9.65% per annum and is secured by a first mortgage bond over investment property and is repayable in January 2014		40 000	–
The loan bears interest at 9.87% per annum and is secured by a first mortgage bond over investment property and is repayable in January 2014		40 000	–
The loan bears interest at 1% below the prime bank overdraft rate, is secured by a first mortgage bond over investment property and is repayable within 12 months		5 036	5 044
20.2 NEDBANK CORPORATE (A DIVISION OF NEDBANK LIMITED)		221 609	105 585
The loan bears interest at 9.40% per annum until March 2009 and prime less 2% thereafter. The loan is secured by bonds over investment property and is repayable in January 2014		75 000	–
The loan bears interest at prime less 1.5%, is secured by a first mortgage bond over investment property and is repayable in November 2015		66 907	14 509
The loan bears interest at 10.66% per annum until March 2009 and prime less 2% thereafter. The loan is secured by bonds over investment property and is repayable in January 2014		30 000	–
The loan bears interest at prime less 1.25% per annum, is secured by a first mortgage bond over a building valued at R29,9 million (note 11) and 50% of the loan is repayable within two years of the sale of the care centre life rights. Repayment of the balance of the capital portion commences after five years		23 718	23 763
The loan is unsecured, bears interest at prime less 2.0% per annum and is repayable in January 2014		9 501	–
The loans bear interest at varying rates linked to the prime bank overdraft rate, are secured by a first mortgage bonds over investment properties and are repayable in August 2017		16 483	23 433
The loans bear interest linked to the prime bank overdraft rate and are secured by first mortgage bonds over investment properties		–	43 880

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

		GROUP	
		2009 R000	2008 R000
20. INTEREST BEARING BORROWINGS	continued		
20.3 THE STANDARD BANK OF SOUTH AFRICA LIMITED		1 809 037	1 531 644
Secured by first mortgage bonds over investment property and a pledge of listed securities.			
The fixed portion of loan is structured as follows:			
	NACM		
Maturity	Rate (%)		
01 July 2015	10.07	500 000	500 000
26 April 2017	9.69	451 249	451 249
15 November 2017	12.35	285 000	285 000
01 March 2017	11.23	100 000	–
30 April 2010	9.80	98 527	–
28 February 2017	10.66	70 200	–
Floating	8.98	304 061	295 395
20.4 BLUEPRINT ORIGINATOR (PROPRIETARY) LIMITED		1 962 145	871 200
Secured by first mortgage bonds over investment property. The loan is structured as follows:			
	NACQ		
Maturity	Rate (%)		
31 March 2010	9.52	687 870	–
30 April 2011	9.52	438 275	–
01 July 2012	9.24	400 000	400 000
01 July 2017	9.02	200 000	200 000
01 July 2013	10.64	164 800	200 000
Floating	8.48	71 200	71 200
20.5 STANDARD FINANCE (ISLE OF MAN) LIMITED		270 935	301 501
The loan is unsecured and denominated in pounds. Interest accrues at rates linked to the ruling GBP LIBOR rate. Interest is payable bi-annually in arrears. The loan facility is repayable in full by 25 January 2012.			
20.6 RAND MERCHANT BANK		143 679	149 829
The loan bears interest at prime less 1.75% per annum. The loan is secured by first mortgage bonds over investment property and is repayable in full by 01 July 2014.			
20.7 UNITED PROPERTY MANAGEMENT		49 440	63 209
The loan bears interest at the Namibian prime interest rate, is secured by a first mortgage bond over investment property and is repayable in 2010 with an option to renew thereafter.			

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
20. INTEREST BEARING BORROWINGS continued		
20.8 SANLAM		
The loan bears interest at 8.24% per annum, is secured by a first mortgage bond over investment property.	–	101 400
20.9 OTHER		
The loans are unsecured, bear interest at varying rates and have no fixed terms of repayment. The loans are not expected to be repaid within the next 12 months.	18 278	12 960
Total interest bearing liabilities	5 480 407	3 678 694
Current	20 308	106 444
Non current portion	5 460 099	3 572 250

The average all in interest rate in respect of total borrowings is 9.2% (2008: 10.5%). 87.7% (2008: 88.1%) of borrowings are fixed for periods of three to ten years.

Total borrowings represent 26% (2008: 35%) of the value of the assets.

Interest bearing borrowings valued at R5,2 billion have been secured by mortgage bonds over investment property (note 2, 4, 13 and 14) and pledges over listed securities (note 5) valued at R16,7 billion.

Certain loans are repayable in the next 12 months in terms of the original loan agreements. At the balance sheet date, the directors are currently negotiating a refinancing deal which will extend the repayment period outside of the next financial year. In the unlikely event that the loans will not be renegotiated, the group has adequate available facilities with other institutions to replace these loans.

	GROUP		COMPANY	
	2009 R000	2008 R000	2009 R000	2008 R000
21. DEFERRED TAXATION				
Arising on revaluation of property and listed security investments	1 753 172	759 551	69 520	–
Movement for the year				
Balance at beginning of year	759 551	804 029	–	–
Subsidiaries acquired	1 243 355	–	–	–
Effect of acquiring controlling interest in ApexHi	(72 785)	–	69 520	–
Deferred capital gains taxation	(176 949)	(44 478)	–	–
Balance at end of year	1 753 172	759 551	69 520	–

The group previously provided deferred taxation on the fair value adjustment on 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 portion at the capital gains and income taxation rate respectively. As this is a change in accounting estimate, the cumulative reduction to deferred taxation in the current year amounted to R96,5 million.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP		COMPANY	
	2009 R000	2008 R000	2009 R000	2008 R000
22. TRADE AND OTHER PAYABLES				
Trade payables	98 609	17 340	–	–
Accrued expenses	6 643	10 202	8 112	2 370
Tenant deposits	72 551	24 691	–	–
Tenant receipts paid in advance	49 854	–	–	–
Municipal expenses	116 266	30 760	–	–
VAT	11 196	8 897	–	–
Sundry creditors	12 734	3 883	–	–
Life right liability	1 222	–	–	–
Creditors for listed securities purchased	5 196	–	–	–
	374 271	95 773	8 112	2 370
23. INVESTMENT INCOME				
Interest received from subsidiaries	–	–	718 354	515 446
24. NET OPERATING PROFIT				
Net operating profit includes the following charges:				
Amortisation and depreciation	15 124	12 369	–	–
Auditors' remuneration	2 980	1 465	–	–
– External auditor – final audit	2 100	904	–	–
– External auditor – interim review	110	100	–	–
– Internal audit	770	461	–	–
Asset management fees	41 546	45 638	–	–
Staff costs	8 183	5 476	–	–
Property management fees	22 996	18 215	–	–
Valuation fees paid to third parties	1 150	915	–	–
25. DIRECTORS' EMOLUMENTS				
25.1 FEES EARNED FOR SERVICES AS NON EXECUTIVE DIRECTORS				
D Gihwala	–	–	183	220
D Perton	–	–	125	150
L Barnard	–	–	217	260
W Cesman (paid to Madison)	–	–	167	200
E Ellerine	–	–	75	150
S Shaw-Taylor (paid to The Standard Bank of SA)	–	–	167	200
N Venter	–	–	175	210
M Wainer (paid to Madison)	–	–	167	200
	–	–	1 276	1 590

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	COMPANY	
	2009 R000	2008 R000
25. DIRECTORS' EMOLUMENTS continued		
25.2 EXECUTIVE DIRECTORS' REMUNERATION		
B Azizollahoff	5 442	5 476
– Salary	1 479	1 348
– Bonus	1 200	1 200
– Contributions to a defined contribution plan	230	208
– Other long term employee benefit: staff incentive scheme	2 533	2 720
WE Cesman	198*	–
– Salary	197	–
– Contributions to a defined contribution plan	1	–
JA Finn	100*	–
– Salary	86	–
– Contributions to a defined contribution plan	14	–
MN Flax	150*	–
– Salary	140	–
– Contributions to a defined contribution plan	10	–
DH Rice	128*	–
– Salary	114	–
– Contributions to a defined contribution plan	14	–
M Wainer	198*	–
– Salary	197	–
– Contributions to a defined contribution plan	1	–
	6 216	5 476

*From 01 August 2009 (effective date)

	GROUP	
	2009 R000	2008 R000
26. CHANGES IN FAIR VALUES		
Property portfolio – unrealised (loss)/gain on revaluation	(379 020)	228 143
Listed securities portfolio – unrealised loss on revaluation	(14 207)	(390 522)
Interest rate swap – mark to market	7 358	(16 572)
Life rights liability – unrealised (loss)/gain on revaluation	(1 599)	2 413
Amortisation of management contract	(2 373)	–
	(389 841)	(176 538)

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
27. INTEREST PAID		
Interest paid on interest bearing borrowings	350 129	281 796
28. INTEREST RECEIVED		
Interest received on cash invested	71 835	47 302
Foreign exchange gain (net)	7 244	1 681
	79 079	48 983
29. TAXATION		
Normal taxation		
Current		
– Adjustment to prior year	–	1 197
Deferred	(176 949)	(44 479)
– Current year	(176 949)	(9 076)
– Adjustment to prior year	–	(7 977)
– Change in rate	–	(27 426)
	(176 949)	(43 282)
Reconciliation between applicable taxation rate and effective taxation rate		
SA normal taxation rate applied to income before taxation	(130 956)	(54 753)
Taxation effect of		
– Rate change	–	(27 426)
– Effect of capital gains taxation payable at a lower rate	17 375	50 955
– Change in accounting estimate (refer to note 21)	(96 484)	–
– Permanent differences	–	(5 278)
– Deferred taxation asset not recognised in respect of taxation losses	33 507	–
– Other	(391)	–
– Underprovision in respect of prior year	–	(6 780)
Effective taxation	(176 949)	(43 282)

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
30. EARNINGS, HEADLINE EARNINGS AND DISTRIBUTABLE EARNINGS		
Earnings per linked unit are calculated on the weighted average number of linked units of 1 042 258 065 (2008: 856 002 267) and net income before taxation and before interest distributions to linked unitholders of R243,7 million (2008: R299,6 million)		
Reconciliation between earnings, headline earnings and distributable earnings		
Loss attributable to equity holders	(288 104)	(157 864)
Changes in fair value of properties and intangibles (net of deferred taxation)	205 028	(175 776)
Changes in fair value of properties and intangibles	380 619	(228 143)
Deferred taxation on properties	(175 591)	52 367
Taxation – CGT	–	1 197
Headline loss attributable to shareholders	(83 076)	(332 443)
Debenture interest	711 354	495 157
Headline earnings attributable to linked unitholders	628 278	162 714
Changes in fair values of listed securities and financial instruments (net of deferred taxation)	7 864	335 261
Changes in fair values of listed securities and financial instruments	9 222	404 681
Deferred taxation	(1 358)	(69 420)
Deferred taxation rate change	–	(27 426)
Straight line rental income accrual	(28 519)	(27 553)
Foreign exchange gain	(7 244)	(1 681)
Fair value adjustment of associates and minorities	(10 610)	9 842
Equity accounted results of foreign associate	1 429	–
July income from ApexHi and Madison	105 226	–
Capital write offs included in administration costs	14 930	–
BEE transaction costs	–	44 000
Distributable earnings attributable to linked unitholders	711 354	495 157

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP		COMPANY	
	2009 R000	2008 R000	2009 R000	2008 R000
31. CASH GENERATED FROM OPERATIONS				
Loss before taxation	(467 700)	(195 541)	(106 580)	(27 933)
Adjusted for:				
Changes in fair values	389 841	176 538	–	–
Equity accounted results of associates	3 938	7 407	–	–
Amortisation and depreciation	675	12 369	–	–
Interest paid	350 129	281 796	–	–
Interest received	(79 079)	(54 755)	–	–
Debenture interest	711 354	495 157	714 677	498 485
BEE transaction costs	–	44 000	–	44 000
Amortisation of executive sign on bonus	432	–	–	–
Listed securities time apportionment accrual	24 169	–	–	–
Profit on disposal of property, plant and equipment	(58)	–	–	–
Impairment of loans to associates	8 309	–	–	–
Foreign exchange gain	7 244	1 681	–	–
Straight line rental income accrual	(28 519)	(27 553)	–	–
Merger costs accrued	–	–	(3 582)	–
Operating income before working capital changes	920 735	741 099	604 515	514 552
Working capital changes				
Movement in trade, listed security income and other receivables	57 834	(60 550)	(2)	–
Movement in properties held for trading	12 673	–	–	–
Movement in trade and other payables	43 180	178	5 742	(1 103)
	1 034 422	680 727	610 255	513 449
32. DISTRIBUTIONS PAID				
Distributions payable at beginning of year	138 708	119 093	139 620	119 989
On acquisition of subsidiary	464 072	–	464 072	–
Distributions declared	711 354	495 157	714 677	498 484
Distributions payable at end of year	(311 218)	(138 708)	(311 908)	(139 620)
	1 002 916	475 542	1 006 461	478 853

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
33. BUSINESS COMBINATIONS		
2009		
Acquisition of ApexHi Properties Limited ("ApexHi") and Madison Property Fund Managers Limited ("Madison")		
On 01 August 2009, the company acquired all of the A, B and C linked units in ApexHi that it did not already own and all of the linked units in Madison.		
The acquired businesses contributed revenues of R145,2 million and net profit after taxation of R162,2 million including the effect of the fair value adjustments to the group for the period 01 August to 31 August 2009. These amounts have been calculated using the group's accounting policies together with the consequential taxation effects.		
If the acquisition had occurred on 01 September 2008, the contribution to group revenue and net profit after taxation would have been R1,8 billion and R691 million respectively.		
Details of the net assets acquired and goodwill are as follows:		
Purchase consideration:		
– Cash paid	–	–
– Fair value of linked units issued	12 674 716	–
– Direct costs relating to the acquisition	24 477	–
Total purchase consideration	12 699 193	–

The fair value of linked units issued was based on the published linked unit price of Redefine on 14 August 2009, the day prior to that on which the new linked units commenced trading on the JSE Limited.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	Acquiree's carrying amount
33. BUSINESS COMBINATIONS continued	
The assets and liabilities as at 01 August 2009 arising from the acquisition are as follows:	
Cash and cash equivalents	819 039
Investment properties	12 224 420
Straight line rental income accrual	291 790
Non current assets held for sale	155 900
Listed securities portfolio	139 558
Listed securities held for trading	8 666
Property, plant and equipment	869
Loans receivable	470 229
Intangible assets	11 863
Investment in associate	62 657
Guarantee fees receivable	34 800
Trade and other receivables	197 354
Properties held for trading	2 059
Deferred taxation	(1 243 355)
Interest bearing borrowings	(2 119 261)
Interest rate swaps	(43 258)
Trade and other payables	(235 318)
Linked unitholders for distribution	(464 072)
Fair value of net assets	10 313 940
Minority interests	(323)
Goodwill	3 248 835
Total purchase consideration	13 562 452
Value of ApexHi linked units already owned by Redefine	(863 259)
Costs of acquisition	(24 477)
Purchase consideration settled by issue of linked units	12 674 716

The business combination has been accounted for using provisional figures in terms of IFRS 3 – “Business Combinations”. The excess of the purchase price over the acquirees’ net assets 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 will be processed. It is expected that the main adjustments will relate to intangible assets acquired and the corresponding deferred taxation effects.

2008

Acquisition of a 51% interest in Freedom Square (Proprietary) Limited

Fair value of assets and liabilities acquired :

Investment property	83 561
Interest bearing debt	(83 252)
Trade and other receivables	7
Trade and other payables	(110)
Fair value of assets and liabilities acquired	206
Attributable to minority interest	(101)
Cash outflow on acquisition and purchase consideration	105

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
34. COMMITMENTS		
34.1 CAPITAL COMMITMENTS		
Property under development	205 000	157 157
Capital improvements on investment properties	19 000	14 943
– Approved and committed	19 000	14 943
– Approved not yet committed	–	–
	224 000	172 100
34.2 OPERATING EXPENSE COMMITMENTS		
The only significant long term contractual commitments are in respect of general maintenance of lift, escalator and air conditioning installations:		
– Due within one year	35 440	17 176
– Due within two to five years	30 116	–
	65 556	17 176
34.3 OPERATING LEASE COMMITMENTS		
Commitments due in respect of leases entered into by Redefine on leasehold property.		
– Due within one year	9 811	49
– Due within two to five years	32 188	213
– Due beyond five years	273 548	81 927
	315 547	82 189
35. MINIMUM LEASE PAYMENTS RECEIVABLE		
Minimum lease payments comprise contractual rental income, excluding the straight line lease adjustment, and operating expense recoveries due in terms of signed lease agreements on investment properties:		
– Receivable within one year	1 909 905	486 042
– Receivable within two to five years	3 936 458	1 215 120
– Receivable beyond five years	1 517 249	1 039 250
	7 362 612	2 740 412

36. CONTINGENT LIABILITIES AND GUARANTEES

Suretyships limited to R119,1 million have been provided relating to BEE initiatives.

Liabilities of joint ventures have been guaranteed to a maximum amount of R30,8 million.

Guarantee issued on behalf of Corovest to a maximum of £2,68 million.

At the date of this report the company has provided guarantees in respect of the Nedbank loans to Clearwater to a maximum of R200 million. At year end Clearwater had met all its obligations in respect of its loans.

There are no other material guarantees or contingent liabilities.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

37. FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of deposits with banks, long term liabilities, derivative instruments, amounts due from subsidiaries, associates and third parties, trade and other receivables, trade and other payables, listed securities, debentures and linked unitholders for distribution. In respect of the aforementioned financial instruments, book value approximates fair value. Exposure to market, credit and liquidity risk arises in the normal course of business.

The group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

While formalisation of a risk management framework is the ultimate responsibility of the board of directors, the board has established a risk committee which is responsible for developing and monitoring the group's risk management policies.

The group's risk management policies are established to ensure:

- Improved risk management and control;
- The efficient allocation of funds to maximise returns;
- The maintenance of acceptable levels of risk within the group as a whole; and
- Efficient liquidity management and control of funding costs.

The risk committee reviews how management monitors compliance with the group's risk policies and procedures and assesses the adequacy of the risk management framework. The committee reports regularly to the board of directors.

37.1 CREDIT RISK MANAGEMENT

Potential areas of credit risk consist of trade receivables and short term cash investments. Trade receivables consist of a large widespread customer base. The financial positions of these customers are monitored on an ongoing basis. All specific doubtful debts have been impaired and at year end, management did not consider there to be any material credit risk exposure that was not already covered by an impairment adjustment.

The impairment adjustment at 31 August 2009 was R7 million (2008: R5,2 million) net of tenant deposits or guarantees held as security. The company held tenant cash deposits and guarantees with a fair value of R87,5 million at 31 August 2009 (2008: R24,7 million).

The specifically impaired receivables relate to tenants who have either been summonsed for non payment, vacated the premises or who have a history of payment default.

It is expected that a portion of the specifically impaired receivables will be recovered.

	GROUP	
	2009 R000	2008 R000
Ageing of impaired trade receivables		
Not more than 30 days	1 839	430
More than 30 days but not more than 60 days	901	619
More than 60 days but not more than 90 days	231	447
More than 90 days	4 034	3 740
Total	7 005	5 236
Movements on the allowance for the impairment of trade receivables are as follows:		
Balance at beginning of year	11 183	3 044
Impairment losses recognised on receivables	13 846	7 318
Impairment losses reversed on receivables	(18 024)	(5 126)
Balance at end of year	7 005	5 236

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
37. FINANCIAL RISK MANAGEMENT continued		
37.1 CREDIT RISK MANAGEMENT continued		
The allowance for impaired receivables and receivables written off is included in property expenses.		
Amounts charged to the allowance will be written off when all avenues for recovery have been exhausted and there is no expectation that any further cash will be received.		
At balance sheet date no geographic area, rental sector or size of tenant had been identified as a specific credit risk.		
Receivables past due but not impaired		
Receivables are considered to be "past due" when they are uncollected one day or more beyond their contractual due date.		
As at 31 August 2009, trade receivables of R25,5 million (2008: R10 million) were considered past due but not impaired. These include varied customers with no recent history of payment default.		
The ageing of these trade receivables is as follows:		
Ageing of trade receivables past due but not impaired		
Not more than 30 days	11 710	3 580
More than 30 days but not more than 60 days	3 422	1 004
More than 60 days but not more than 90 days	2 032	677
More than 90 days	8 362	4 763
	25 526	10 024

37.2 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group ensures that it always has adequate funds available and seeks to borrow for as long as possible at the lowest possible cost. Liquidity requirements are managed by monitoring forecasted cash flows and the maturity profile of financial liabilities.

A maturity analysis of financial assets and liabilities is set out in the table below. This analysis excludes interest payments as the amounts involved are dependent on future changes in interest rates.

	Less than one year R000	One to five years R000	More than five years R000	Total R000
Year ended 31 August 2009				
Financial assets				
Listed securities	9 316	–	2 807 448	2 816 764
Interest in associate	–	–	201 387	201 387
Loans receivable	–	–	560 600	560 600
Guarantee fees	20 127	36 040	–	56 167
Trade and other receivables	211 996	–	–	211 996
Listed securities income	100 628	–	–	100 628
Cash and cash equivalents	111 154	–	–	111 154
Total financial assets	453 221	36 040	3 569 435	4 058 696

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	Less than one year R000	One to five years R000	More than five years R000	Total R000
37. FINANCIAL RISK MANAGEMENT continued				
37.2 Liquidity risk continued				
Year ended 31 August 2009				
Financial liabilities				
Debenture capital	–	–	4 767 591	4 767 591
Interest bearing liabilities	20 308	–	5 460 099	5 480 407
Interest rate swaps	–	35 022	11 188	46 210
Financial guarantee contract	–	9 838	–	9 838
Trade and other payables	374 271	–	–	374 271
Linked unitholders for distribution	311 218	–	–	311 218
Total financial liabilities	705 797	44 860	10 238 878	10 989 535
Year ended 31 August 2008				
Financial assets				
Listed securities	105 385	–	3 906 307	4 011 692
Interest in associates	–	–	123 532	123 532
Loans receivable	–	–	65 248	65 248
Interest rate swaps	–	6 514	–	6 514
Guarantee fees	–	19 865	–	19 865
Trade and other receivables	64 637	–	–	64 637
Listed securities income	108 899	–	–	108 899
Cash and cash equivalents	158 195	–	–	158 195
Total financial assets	437 116	26 379	4 095 087	4 558 582
Financial liabilities				
Debenture capital	–	–	1 607 689	1 607 689
Interest bearing liabilities	106 444	–	3 572 250	3 678 694
Interest rate swaps	–	16 823	–	16 823
Financial guarantee contract	–	15 774	–	15 774
Trade and other payables	95 773	–	–	95 773
Linked unitholders for distribution	138 708	–	–	138 708
Total financial liabilities	340 925	32 597	5 179 939	5 553 461

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	Financial assets		Financial liabilities		
	At amortised cost R000	At fair value through profit or loss R000	At amortised cost R000	At fair value through profit or loss R000	Total R000
37. FINANCIAL RISK MANAGEMENT					
continued					
37.2 Liquidity risk continued					
Financial instruments					
by category					
Year ended 31 August 2009					
Financial assets					
Listed securities	–	2 816 764	–	–	2 816 764
Interest in associates	201 387	–	–	–	201 387
Loans receivable	560 600	–	–	–	560 600
Guarantee fees	56 167	–	–	–	56 167
Trade and other receivables	211 996	–	–	–	211 996
Listed securities income	100 628	–	–	–	100 628
Cash and cash equivalents	111 154	–	–	–	111 154
Total financial assets	1 241 932	2 816 764	–	–	4 058 696
Financial liabilities					
Debenture capital	–	–	4 767 591	–	4 767 591
Interest bearing liabilities	–	–	5 480 407	–	5 480 407
Interest rate swaps	–	46 210	–	–	46 210
Financial guarantee contract	–	–	9 838	–	9 838
Trade and other payables	–	–	374 271	–	374 271
Bank overdraft	–	–	–	–	–
Linked unitholders for distribution	–	–	311 218	–	311 218
Total financial liabilities	–	46 210	10 943 325	–	10 989 535
Year ended 31 August 2008					
Financial assets					
Listed securities	–	4 011 692	–	–	4 011 692
Interest in associates	123 532	–	–	–	123 532
Loans receivable	65 248	–	–	–	65 248
Interest rate swaps	–	6 514	–	–	6 514
Guarantee fees	19 865	–	–	–	19 865
Trade and other receivables	64 637	–	–	–	64 637
Listed securities income	108 899	–	–	–	108 899
Cash and cash equivalents	158 195	–	–	–	158 195
Total financial assets	540 376	4 018 206	–	–	4 558 582
Financial liabilities					
Debenture capital	–	–	1 607 689	–	1 607 689
Interest bearing liabilities	–	–	3 678 694	–	3 678 694
Interest rate swaps	–	16 823	–	–	16 823
Financial guarantee contract	–	–	15 774	–	15 774
Trade and other payables	–	–	95 773	–	95 773
Linked unitholders for distribution	–	–	138 708	–	138 708
Total financial liabilities	–	16 823	5 536 638	–	5 553 461

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

37. FINANCIAL RISK MANAGEMENT continued

37.3 MARKET RISK

Interest rate risk

The group is exposed to interest rate risk through its variable rate cash balances and long term balances (refer to managing debt section).

The group reduces its exposure to changes in interest rates by fixing interest rates in respect of 87.7% of its borrowings. This is achieved by entering into agreements to receive variable and pay fixed interest swaps.

An increase (or decrease) of 1% in interest rates for the year ending 31 August 2009 would have decreased (increased) distributions to unitholders by approximately R11,5 million.

Equity price risk

The group is exposed to equity securities' price risk in respect of listed securities held by the group. Any fluctuations in equity prices do not affect distributions paid to unitholders. If equity security prices increased or decreased by 5% of the carrying amount at year end the effect on net income before taxation would have been R140,8 million (2008: R200,6 million).

Currency risk

The group has a loan, listed securities and an investment in an associate which are denominated in pounds.

As the loan was raised to fund the acquisition of the listed securities, any resulting movement in the loan as a result of a currency fluctuation will be offset by a corresponding movement in the carrying amount of the listed securities.

The group controls currency risk relating to the investment in its associate by adopting a policy of not distributing attributable income from this investment until a dividend has been declared and paid by the associate.

38. CAPITAL MANAGEMENT

In terms of the articles of association and the trust deed, there are no restrictions on borrowings. However, to limit Redefine's exposure, the board has imposed a restriction on borrowings to 45% of total assets.

In practise, Redefine aims to limit borrowings to 30% (2008: 40%) of total assets. At 31 August 2009, borrowings represents 26% (2008: 35%) of total assets.

The group is funded by linked units (owner's equity) and external borrowings and monitors capital on the basis of the debt: adjusted capital ratio. At 31 August 2009, this ratio was 0.30:1 (2008: 0.58:1).

The group's capital management objective is to maintain a strong capital base to safeguard the entity's ability to provide returns to unitholders and other stakeholders. The group manages the capital structure with reference to risk and other changes in economic conditions.

	GROUP	
	2009 R000	2008 R000
Value of the property portfolio	18 594 884	6 111 538
Value of listed security portfolio	2 816 764	4 011 692
	21 411 648	10 123 230
30% (2008: 40%) thereof	6 423 494	4 049 292
Total borrowings utilised	5 480 407	3 678 694
Unutilised borrowings capacity	943 087	370 598

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	2008 R000
39. RELATED PARTY TRANSACTIONS		
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.		
Related parties with whom Redefine transacted during the year were:		
Madison Property Fund Managers		
Transactions concluded	47 845	61 165
– Asset management fee	41 546	45 638
– Development fees	5 966	15 127
– Directors' fees	333	400
Relationship: Asset manager, board representation		
Standard Bank of South Africa		
Transactions concluded	220 571	196 876
– Interest	253 193	225 376
– Bond administration fees	585	718
– Lease revenue	(33 207)	(29 218)
Relationship: Shareholder and financier		
ApexHi BEE Trust		
Income comprising interest distributions	916	–
Relationship: Trustee and shareholding		
Dipula Property Fund		
Asset management fees	155	–
Relationship: Associate company		
Mergence Africa Property Fund		
Asset management fees	122	–
Relationship: Associate company		
Directors' emoluments (note 25)		
Non executive directors	1 276	1 590
Non executive directors	6 216	5 476
40. JOINTLY CONTROLLED ASSETS		
40.1 SOUTH COAST MALL		
South Coast Mall, a jointly controlled and co-owned asset between Redefine and Hyprop, is proportionately consolidated on a line by line basis		
Summarised aggregate financial information relating to Redefine's interest in Southcoast Mall:		
Non current assets	159 616	153 555
Current assets	1 526	1 278
Non current liabilities	–	–
Current liabilities	2 788	1 657
Income	16 194	15 047
Expenses	3 372	3 055

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	GROUP	
	2009 R000	200 R000
40. JOINTLY CONTROLLED ASSETS continued		
40.2 101 DOCK ROAD		
101 Dock Road, a jointly controlled and co-owned asset between Redefine and Ingenuity Property Investments (Proprietary) Limited, is proportionately consolidated on a line by line basis.		
Summarised aggregate financial information relating to Redefine's interest in 101 Dock Road:		
Non current assets	61 733	52 483
Current assets	–	–
Non current liabilities	–	–
Current liabilities	–	–
Income	–	–
Expenses		
40.3 OASIS JOINT VENTURE (50% INTEREST)		
Non current assets	–	–
Current assets	54 563	59 401
Non current liabilities	–	37 680
Current liabilities	52 152	12 706
Income	6 703	83 877
Expenses	13 307	77 459
40.4 BROADLANDS JOINT VENTURE (50% INTEREST)		
Non current assets	48	64
Current assets	6 899	6 890
Non current liabilities	–	–
Current liabilities	11 251	9 701
Income	11	4
Expenses	1 568	1 336
40.5 BRICKFIELD JOINT VENTURE (50% (2008: 25%) INTEREST)		
Non current assets	–	–
Current assets	73 253	9 023
Non current liabilities	3 550	5 310
Current liabilities	68 884	185
Income	1 707	31 990
Expenses	1 942	26 531
40.6 JOSDEL 137 (PROPRIETARY) LIMITED (50% INTEREST)		
Non current assets	42 859	42 069
Current assets	577	1 662
Non current liabilities	31 312	28 030
Current liabilities	16 380	13 890
Income	5 677	5 489
Expenses	12 297	5 502

Notes to the Financial Statements continued

FOR THE YEAR ENDED 31 AUGUST 2009

	Office R000	%	Retail R000	%	Industrial R000	%	Total investment properties R000	Listed securities R000	Property trading R000	Admini- strative and corporate costs R000	Total R000
41. SEGMENTAL INFORMATION											
31 August 2009											
Contractual rental income	363 556	49	222 502	30	155 562	21	741 620	-	-	-	741 620
Straight line rental income accrual	8 051	28	30 163	106	(9 695)	(34)	28 519	-	-	-	28 519
Listed securities portfolio	-	-	-	-	-	-	-	308 203	-	-	308 203
Property trading income	-	-	-	-	-	-	-	-	39 089	-	39 089
Fee income	-	-	-	-	-	-	-	-	-	14 328	14 328
Revenue	371 607	48	252 665	33	145 867	19	770 139	308 203	39 089	14 328	1 131 759
Property expenses	(68 053)	52	(38 465)	29	(23 895)	18	(130 413)	-	-	-	(130 413)
Administrative and corporate costs	-	-	-	-	-	-	-	-	-	(92 863)	(92 863)
Segment profit from operations	303 554	47	214 200	33	121 972	19	639 726	308 203	39 089	(78 535)	908 483
Other information											
Investment properties	8 004 718	44	7 464 090	41	2 632 918	15	18 101 726	-	-	-	18 101 726
Other assets	73 000	42	33 800	20	66 400	38	173 200	2 816 764	186 908	4 664 377	7 841 249
Total assets	8 077 718	44	7 497 890	41	2 699 318	15	18 274 926	2 816 764	186 908	4 664 377	25 942 975
Total liabilities	-	-	-	-	-	-	-	-	-	12 742 707	12 742 707
31 August 2008											
Contractual rental income	288 818	54	161 590	30	88 895	16	539 303	-	-	-	539 303
Straight line rental income accrual	(3 912)	(14)	14 053	51	17 412	63	27 553	-	-	-	27 553
Listed securities portfolio	-	-	-	-	-	-	-	332 396	-	-	332 396
Property trading income	-	-	-	-	-	-	-	-	23 638	-	23 638
Revenue	284 906	50	175 643	31	106 307	19	566 856	332 396	23 638	-	922 890
Property expenses	(55 319)	52	(41 280)	39	(9 725)	9	(106 324)	-	-	-	(106 324)
Administrative and corporate costs	-	-	-	-	-	-	-	-	-	(60 283)	(60 283)
BEE transaction costs	-	-	-	-	-	-	-	-	-	(44 000)	(44 000)
Segment profit from operations	229 587	50	134 363	29	96 582	21	460 532	332 396	23 638	(104 283)	712 283
Other information											
Investment properties	2 933 700	51	1 595 128	28	1 235 700	21	5 764 528	-	-	-	5 764 528
Other assets	17 585	100	-	-	-	-	17 585	4 011 692	197 265	726 339	4 952 881
Total assets	2 951 285	51	1 595 128	28	1 235 700	21	5 782 113	4 011 692	197 265	726 339	10 717 409
Total liabilities	-	-	-	-	-	-	-	-	-	6 313 012	6 313 012

Explanation in Respect of Change of Name

Subject to the provisions of the Act, the Listings Requirements of the JSE and the approval of the linked unitholders by way of special resolution, the company, in order to better reflect its new corporate identity and branding, will change its name from Redefine Income Fund Limited to Redefine Properties Limited, with effect from Monday, 1 March 2010 or such other date approved by the JSE. The proposed new name of the company has been reserved on behalf of the company by the Registrar of Companies. Redefine's ISIN will change to ZAE000143178 whilst the short name (Redefine) and share code ("RDF") will remain unchanged.

SURRENDER OF CERTIFICATES AND/OR OTHER DOCUMENTS OF TITLE BY CERTIFICATED LINKED UNITHOLDERS

The following does not apply to dematerialised linked unitholders. The accounts of such linked unitholders at their CSDP or broker will be automatically updated to reflect the name Redefine Properties Limited (or similar appropriate name).

In order that certificated linked unitholders may receive new linked unit certificates bearing the name Redefine Properties Limited, they are requested to surrender their linked unit certificates or other documents of title to the transfer secretaries. A form of surrender which is enclosed with this annual report must be sent with the relevant documents of title.

Replacement linked unit certificates will be posted by registered post at the risk of the addressee on or about Monday, 8 March 2010 in respect of documents of title received on or before 12h00 on Friday, 5 March 2010 or within five business days of receipt of the relevant documents of title if received after 12h00 on Friday, 5 March 2010.

Additional copies of the form of surrender are available on request from the transfer secretaries.

If any person who is not the registered holder of linked units in the company or the company lodges with the transfer secretaries a linked unit certificate or a certified transfer deed or other valid document of title for linked units in the company together with:

- a properly completed transfer form for registration of the said linked units; and
- proof, to the satisfaction of the transfer secretaries that, the relevant stamp duty has been paid in respect of the proposed registration of transfer to those linked units,

then a linked unit certificate in the name of the transferee named in the abovementioned transfer form for the appropriate linked units will be posted by registered post at the risk of the addressee, to the transferee's address reflected on such transfer form, provided that no replacement certificates have already been issued in respect of the documents of title so lodged.

The company uses the "certified transfer deeds and other temporary documents of title" procedure approved by the JSE and, therefore, will issue only one "block" certificate for each unitholder.

The new linked unit certificates will be restrictively endorsed if the existing linked unit certificates or other documents of title lodged are restrictively endorsed under the South African Exchange Control Regulations or if the address of the certificated linked unitholder concerned is outside the common monetary area. If the linked unit certificates represent blocked assets of a former resident of the Republic of South Africa, the new linked unit certificate will be sent to the authorised dealer in foreign exchange in South Africa controlling such former resident's blocked assets. All non-residents, who are former residents, must give the name and address of the authorised dealer in foreign exchange in South Africa to whom, where applicable, linked unit certificates must be sent as set out above in the space provided. The company will retain the linked unit certificates until such information is provided.

If the non-resident is not a former resident, the linked unit certificate will be sent to the address of the non-resident concerned appropriately endorsed.

A new certificate will not be despatched to a holder before that holder has surrendered the relevant certificate or other documents of title in respect of the linked units held by him, provided that if any holder produces evidence to the satisfaction of the company that the certificate in respect of any linked units has been lost or destroyed, the company may dispense with the surrender of such certificate against the provision of an indemnity acceptable to the company.

No receipt will be issued in respect of documents of title which have been surrendered unless specifically requested. Lodging agents who require a receipt should prepare one and lodge it with the documents for stamping

Explanation in Respect of Change of Name

continued

SALIENT DATES AND TIMES OF THE PROPOSED CHANGE OF NAME

2010	
Receipt of forms of proxy in respect of the annual general meeting by 10h30 on	Tuesday, 2 February
Annual general meeting at 10h30 on	Thursday, 4 February
Results of annual general meeting released on SENS on	Thursday, 4 February
Results of annual general meeting published in the press on	Friday, 5 February
Finalisation announcement on or before	Friday, 19 February
Last day of trade under old name on	Friday, 26 February
Trading in the new name of Redefine Properties Limited on JSE commences on	Monday, 1 March
Record date in respect of the change of name	Friday, 5 March
New certificates will be issued to certificated linked unitholders who have surrendered the documents of title together with the surrender form on or before 12h00 on the record date on or about	Monday, 8 March
Dematerialised linked unitholders will have their accounts at their CSDP or broker updated on	Monday, 8 March

Note:

1. The above dates and times are South African and are subject to change. Any changes will be notified on SENS
2. Unit certificates in the name of Redefine Income Fund Limited may not be dematerialised or rematerialised after Friday, 5 March 2010

Unitholders' Diary

Financial year end	31 August 2009
Annual report to be posted to unitholders	December 2009
Annual general meeting	4 February 2010

Distribution timetable 2010 financial year				
Distribution number	39	40	41	42
Quarter ended	30 November 2009	28 February 2010	31 May 2010	31 August 2010
Declaration date	4 February 2010	5 May 2010	4 August 2010	3 November 2010
Payment date of interest distribution	1 March 2010	31 May 2010	30 August 2010	29 November 2010

Notice of Annual General Meeting

OF SHAREHOLDERS AND DEBENTURE HOLDERS

REDEFINE INCOME FUND LIMITED

Registration number 1999/018591/06

("Redefine" or "the company")

JSE Share code: RDF

ISIN code: ZAE 000023503

Notice is hereby given that the annual general meeting of shareholders and debenture holders ("unitholders") of Redefine will be held at Redefine Place, 2 Arnold Road, Rosebank, Gauteng, on Thursday, 4 February 2010 at 10h30 for the purposes of:

- A. Considering and adopting the annual financial statements of the company for the year ended 31 August 2009;
- B. Transacting such business as may be transacted at an annual general meeting of shareholders of a company including the re-appointment of the auditors and re-election of retiring directors (refer details of directors on pages 10 and 11); and
1. Considering and, if deemed fit, adopting with or without modification, the shareholder special and ordinary resolutions set out below, in the manner required by the South African Companies Act, 1973 (Act 61 of 1973), as amended ("the Act"):

1.1 SPECIAL RESOLUTION NUMBER 1: CHANGE OF NAME

"Resolved that, subject to the provisions of the Act and the Listings Requirements of the JSE, the name of the company be and is hereby changed from Redefine Income Fund Limited to Redefine Properties Limited with effect from 1 March 2010 or such other date approved by the JSE."

SALIENT DATES AND TIMES OF THE PROPOSED CHANGE OF NAME

2010	
Receipt of forms of proxy in respect of the annual general meeting by 10h30 on	Tuesday, 2 February
Annual general meeting at 10h30 on	Thursday, 4 February
Results of annual general meeting released on SENS on	Thursday, 4 February
Results of annual general meeting published in the press on	Friday, 5 February
Finalisation announcement on or before	Friday, 19 February
Last day of trade under old name on	Friday, 26 February
Trading in the new name of Redefine Properties Limited on JSE commences on	Monday, 1 March
Record date in respect of the change of name	Friday, 5 March
New certificates will be issued to certificated linked unitholders who have surrendered the documents of title together with the surrender form on or before 12h00 on the record date on or about	Monday, 8 March
Dematerialised shareholders will have their accounts at their CSDP or broker updated on	Monday, 8 March

Note:

1. The above dates and times are South African and are subject to change. Any changes will be notified on SENS.
2. Unit certificates in the name of Redefine Income Fund Limited may not be dematerialised or rematerialised after Friday, 5 March 2010.

Reason for and effect of Special Resolution Number 1

The reason for Special Resolution Number 1 is to change the name of the company to Redefine Properties Limited in line with the new corporate identity and branding of the company, and the effect of the special resolution will be that the name of the company will be changed.

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

1.2 SPECIAL RESOLUTION NUMBER 2: LINKED UNIT REPURCHASES

"Resolved that the directors be authorised in terms of the company's articles of association, until this authority lapses at the next annual general meeting of the company unless it is then renewed at the next annual general meeting of the company and provided that this authority shall not extend beyond 15 months, to enable the company or any subsidiary of the company to acquire linked units of the company subject to the Listings Requirements of the JSE Limited ("JSE") and the Companies Act, 61 of 1973, as amended, on the following bases:

- 1.2.1 the repurchase of linked units must be implemented through the order book operated by the JSE trading system without any prior understanding or arrangement between the company and the counterparty;
- 1.2.2 the company (or any subsidiary) must be authorised to do so in terms of its articles of association;
- 1.2.3 the number of linked units which may be repurchased pursuant to this authority in any financial year (which commenced 01 September 2009) may not in the aggregate exceed 20% (or 10% where repurchases are effected by a subsidiary) of the company's share capital as at the date of this notice of annual general meeting;
- 1.2.4 repurchases of linked units may not be made at a price more than 10% above the weighted average of the market value on the JSE of the linked units in question for the five business days immediately preceding the repurchase;
- 1.2.5 repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the Listings Requirements of the JSE) unless the dates and quantities of linked units to be repurchased during the prohibited period have been determined and full details thereof announced on SENS prior to commencement of the prohibited period;
- 1.2.6 after the company has repurchased linked units which constitute, on a cumulative basis, 3% of the number of linked units in issue (at the time that authority from linked unitholders for the repurchase is granted), the company shall publish an announcement to such effect;
- 1.2.7 the company's sponsor shall, prior to the company entering the market to commence with a repurchase of linked units, confirm in writing to the JSE, the adequacy of the company's working capital for the purposes of undertaking the repurchase of linked units;
- 1.2.8 repurchases may only take place if, after such repurchase, the unitholder spread of the company still complies with the JSE Listings Requirements;
- 1.2.9 the company (or any subsidiary) shall appoint only one agent to effect repurchases on its behalf."

In accordance with the Listings Requirements of the JSE the directors record that:

Although there is no immediate intention to effect a repurchase of the linked units of the company, the directors would utilise the general authority to repurchase linked units as and when suitable opportunities present themselves, which may require immediate action.

The directors undertake that, after considering the maximum number of linked units that may be repurchased and the price at which the repurchases may take place pursuant to the buyback general authority, for a period of 12 months after the date of this annual general meeting:

- the company in the ordinary course of business will be able to pay its debts;
- the consolidated assets of the company fairly valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the company after the repurchase; and
- the share capital, reserves and working capital available to the company and its subsidiaries will be adequate for the business of the company and its subsidiaries.

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

The following additional information, some of which may appear elsewhere in the annual report of which this notice forms part, is provided in terms of the Listings Requirements of the JSE for purposes of this general authority:

- Directors – pages 10 and 11;
- Major beneficial unitholders – page 82;
- Directors' interests in linked units – page 117; and
- Capital structure of the company – page 116.

Litigation statement

In terms of section 11.26 of the Listings Requirements of the JSE, the directors, whose names appear on pages 10 and 11 of the annual report of which this notice forms part, are not aware of any legal or arbitration proceedings including proceedings that are pending or threatened, that may have or have had in the recent past (being at least the previous 12 months) a material effect on the group's financial position.

Directors' responsibility statement

The directors, whose names appear on pages 10 and 11 of the annual report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act, 61 of 1973, as amended, and the Listings Requirements of the JSE.

Material changes

Other than the facts and developments reported on in the annual report of which this notice forms part, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report for the year ended 31 August 2009 and up to the date of this notice.

Reason for and effect of Special Resolution Number 2

The reason for Special Resolution Number 2 is to afford directors of the company a general authority for the company (or a subsidiary of the company) to effect a buy back of the company's linked units on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the Listings Requirements of the JSE and the Companies Act, 61 of 1973, as amended, to effect repurchases of the company's linked units on the JSE.

1.3 ORDINARY RESOLUTION NUMBER 1: UNISSUED LINKED UNITS

"Resolved that all authorised but unissued linked units of the company be placed under the control of the directors of the company until the next annual general meeting, with the authority to allot and issue linked units at such time or times, to such person or persons, company or companies and upon such terms and conditions as they may determine, subject to sections 221 and 222 of the Companies Act, 1973, as amended, and the Listings Requirements of the JSE Limited."

1.4 ORDINARY RESOLUTION NUMBER 2: ISSUE OF LINKED UNITS FOR CASH

"Resolved that, pursuant to the articles of association of the company, the directors of the company be and are hereby authorised until this authority lapses at the next annual general meeting of the company, provided that this authority shall not extend beyond 15 months, to allot and issue linked units for cash subject to the Listings Requirements of the JSE Limited ("JSE") and the Companies Act, 61 of 1973, on the following bases:

- a) the allotment and issue of linked units for cash shall be made only to persons qualifying as public unitholders as defined in the Listings Requirements of the JSE and not to related parties;

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

- b) the number of linked units issued for cash shall not in the aggregate in the financial year of the company (which commenced 01 September 2009) exceed 2.5% of the company's issued linked units. The number of linked units which may be issued for cash shall be based on the number of linked units in issue at the date of the application, less any linked units issued by the company during the current financial year, provided that any linked units to be issued for cash pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were linked units in issue at the date of application;
- c) the maximum discount at which linked units may be issued for cash is 10% of the weighted average price on the JSE of those linked units over 30 days prior to the date that the price of the issue is agreed between the company and the party subscribing for the linked units;
- d) after the company has issued linked units for cash which represent, on a cumulative basis within a financial year, 5% or more of the number of linked units in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the effect of the issue on the net asset value and earnings per linked unit and net tangible asset value per linked unit, and if applicable, diluted earnings and diluted headline earnings per linked unit of the company; and
- e) the linked units which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such linked units or rights as are convertible into a class already in issue."

In terms of the Listings Requirements of the JSE a 75% majority of the votes cast by unitholders present or represented by proxy at the annual general meeting must be cast in favour of Ordinary Resolution Number 2 for it to be approved.

1.5 **ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF D GIHWALA AS A DIRECTOR OF THE COMPANY**

"Resolved that D Gihwala be re-elected as a director of the company"

1.6 **ORDINARY RESOLUTION NUMBER 4 : RE-ELECTION OF D PERTON AS A DIRECTOR OF THE COMPANY**

"Resolved that D Perton be re-elected as a director of the company"

1.7 **ORDINARY RESOLUTION NUMBER 5: RE-ELECTION OF JA FINN AS A DIRECTOR OF THE COMPANY**

"Resolved that JA Finn be re-elected as a director of the company"

1.8 **ORDINARY RESOLUTION NUMBER 6: RE-ELECTION OF MN FLAX AS A DIRECTOR OF THE COMPANY**

"Resolved that MN Flax be re-elected as a director of the company"

1.9 **ORDINARY RESOLUTION NUMBER 7: RE-ELECTION OF GJ HERON AS A DIRECTOR OF THE COMPANY**

"Resolved that GJ Heron be re-elected as a director of the company"

1.10 **ORDINARY RESOLUTION NUMBER 8: RE-ELECTION OF KM KHUMALO AS A DIRECTOR OF THE COMPANY**

"Resolved that KM Khumalo be re-elected as a director of the company"

1.11 **ORDINARY RESOLUTION NUMBER 9: RE-ELECTION OF GGL LEISSNER AS A DIRECTOR OF THE COMPANY**

"Resolved that G Leissner be re-elected as a director of the company"

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

1.12 **ORDINARY RESOLUTION NUMBER 10: RE-ELECTION OF HK MEHTA AS A DIRECTOR OF THE COMPANY**

"Resolved that HK Mehta be re-elected as a director of the company"

1.13 **ORDINARY RESOLUTION NUMBER 11: RE-ELECTION OF B NACKAN AS A DIRECTOR OF THE COMPANY**

"Resolved that B Nackan be re-elected as a director of the company"

1.14 **ORDINARY RESOLUTION NUMBER 12: RE-ELECTION OF DH RICE AS A DIRECTOR OF THE COMPANY**

"Resolved that DH Rice be re-elected as a director of the company"

A brief CV of each director standing for re-election appears on pages 10 to 11 of the annual report of which this notice forms part.

1.15 **ORDINARY RESOLUTION NUMBER 13: RE-APPOINTMENT OF AUDITORS**

"Resolved that PKF (Jhb) Inc be re-appointed as the auditors of the company"

1.16 **ORDINARY RESOLUTION NUMBER 14: CONFIRMATION OF NON EXECUTIVE DIRECTORS' REMUNERATION: 2008/2009**

"Resolved that the remuneration and fees paid to non executive directors for the year ended 31 August 2009, as set out in the financial statements and annual report of which this notice forms part, be and are hereby confirmed"

1.17 **ORDINARY RESOLUTION NUMBER 15: APPROVAL OF NON EXECUTIVE DIRECTORS' REMUNERATION FOR THE FINANCIAL YEAR ENDING 31 AUGUST 2010**

"Resolved that the proposed remuneration of directors for the financial year ending 31 August 2010 as set out below, be and is approved.

Proposed non executive directors' fees for the year ending 31 August 2010:

- Board chairman R180 000 pa
- Non executive directors R150 000 pa
- Audit committee chairman R60 000 pa
- Audit committee member R50 000 pa
- Investment committee member R20 000 pa
- Remuneration and nomination committee member R20 000 pa"

1.18 **ORDINARY RESOLUTION NUMBER 16: SIGNATURE OF DOCUMENTATION**

"Resolved that a director of the company or the company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of Ordinary Resolution Numbers 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 and Special Resolution Numbers 1 and 2, which are passed by the unitholders in accordance with and subject to the terms thereof."

- C. Transacting such business as may be transacted at an annual general meeting of debenture holders of a company; and
1. Considering and, if deemed fit, adopting with or without modification, the debenture special and ordinary resolutions set out below in the manner required by the provisions of the Redefine Debenture Trust Deed:

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

1.1 DEBENTURE SPECIAL RESOLUTION NUMBER 1: LINKED UNIT REPURCHASES

"Resolved that the directors be authorised pursuant inter alia to the provisions of Article 7.3 of the Redefine Debenture Trust Deed, until this authority lapses at the next annual general meeting of the company unless it is then renewed at the next annual general meeting of the company and provided that this authority shall not extend beyond 15 months, to enable the company or any subsidiary of the company to acquire linked units of the company subject to the Listings Requirements of the JSE Limited ("JSE") and the Companies Act, 61 of 1973, as amended, on the following bases:

- 1.1.1 the repurchase of linked units must be implemented through the order book operated by the JSE trading system without any prior understanding or arrangement between the company and the counterparty;
- 1.1.2 the company (or any subsidiary) must be authorised to do so in terms of its articles of association;
- 1.1.3 the number of linked units which may be repurchased pursuant to this authority in any financial year (which commenced 01 September 2009) may not in the aggregate exceed 20% (or 10% where repurchases are effected by a subsidiary) of the company's share capital as at the date of this notice of annual general meeting;
- 1.1.4 repurchases of linked units may not be made at a price more than 10% above the weighted average of the market value on the JSE of the linked units in question for the five business days immediately preceding the repurchase;
- 1.1.5 repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the Listings Requirements of the JSE) unless a repurchase programme is in place and the dates and quantities of linked units to be repurchased during the prohibited period have been determined and full details thereof announced on SENS prior to commencement of the prohibited period;
- 1.1.6 after the company has repurchased linked units which constitute, on a cumulative basis, 3% of the number of linked units in issue (at the time that authority from linked unitholders for the repurchase is granted), the company shall publish an announcement to such effect;
- 1.1.7 the company's sponsor shall, prior to the company entering the market to commence with a repurchase of linked units, confirm in writing to the JSE, the adequacy of the company's working capital for the purposes of undertaking the repurchase of linked units;
- 1.1.8 repurchases may only take place if, after such repurchase, the unitholder spread of the company still complies with the JSE Listings Requirements; and
- 1.1.9 the company (or any subsidiary) shall appoint only one agent to effect repurchases on its behalf."

In accordance with the Listings Requirements of the JSE the directors record that:

Although there is no immediate intention to effect a repurchase of linked units of the company, the directors would utilise the general authority to repurchase linked units as and when suitable opportunities present themselves, which may require immediate action.

The directors undertake that, after considering the maximum number of linked units that may be repurchased and the price at which the repurchases may take place pursuant to the buyback general authority, for a period of 12 months after the date of this annual general meeting:

- the company in the ordinary course of business will be able to pay its debts;
- the consolidated assets of the company fairly valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the company after the repurchase; and
- the share capital, reserves and working capital available to the company and its subsidiaries will be adequate for the business of the company and its subsidiaries.

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

The following additional information, some of which may appear elsewhere in the annual report of which this notice forms part, is provided in terms of the Listings Requirements of the JSE for purposes of this general authority:

- Directors – pages 10 and 11;
- Major beneficial unitholders – page 82;
- Directors' interests in linked units – page 117; and
- Capital structure of the company – page 116.

LITIGATION STATEMENT

In terms of section 11.26 of the Listings Requirements of the JSE, the directors, whose names appear on pages 10 and 11 of the annual report of which this notice forms part, are not aware of any legal or arbitration proceedings including proceedings that are pending or threatened, that may have or have had in the recent past (being at least the previous 12 months) a material effect on Redefine's financial position.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors whose names appear on pages 10 and 11 of the annual report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act, 61 of 1973, as amended, and the Listings Requirements of the JSE.

MATERIAL CHANGES

Other than the facts and developments reported on in the annual report of which this notice forms part, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report for the year ended 31 August 2009 and up to the date of this notice.

REASON FOR AND EFFECT OF DEBENTURE SPECIAL RESOLUTION NUMBER 1

The reason for Debenture Special Resolution Number 1 is to afford directors of the company a general authority for the company (or a subsidiary of the company) to effect a buyback of the company's linked units on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the Listings Requirements of the JSE and the Companies Act, 61 of 1973, as amended, to effect repurchases of the company's linked units on the JSE.

1.2 DEBENTURE SPECIAL RESOLUTION NUMBER 2: ISSUE OF LINKED UNITS FOR CASH

"Resolved that, pursuant to the articles of association of the company and the Redefine Debenture Trust Deed, the directors of the company be and are hereby authorised until this authority lapses at the next annual general meeting of the company, provided that this authority shall not extend beyond 15 months, to allot and issue linked units for cash subject to the Listings Requirements of the JSE Limited ("JSE") and the Companies Act, 61 of 1973, on the following bases:

- a) the allotment and issue of linked units for cash shall be made only to persons qualifying as public unitholders as defined in the Listings Requirements of the JSE and not to related parties;
- b) the number of linked units issued for cash shall not in the aggregate in the financial year of the company (which commenced 01 September 2009) exceed 2.5% of the company's issued linked units. The number of linked units which may be issued for cash shall be based on the number of linked units in issue at the date of the application, less any linked units issued by the company during the current financial year, provided that any linked units to be issued for cash pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were linked units in issue at the date of application;

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

- c) the maximum discount at which linked units may be issued for cash is 10% of the weighted average price on the JSE of those linked units over 30 days prior to the date that the price of the issue is agreed between the company and the party subscribing for the linked units;
- d) after the company has issued linked units for cash which represent, on a cumulative basis within a financial year, 5% or more of the number of linked units in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the effect of the issue on the net asset value and net tangible asset value per linked unit, earnings and headline earnings per linked unit, and if applicable diluted earnings and headline earnings per linked unit of the company; and
- e) the linked units which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such linked units or rights as are convertible into a class already in issue."

In terms of the Listings Requirements of the JSE a 75% majority of the votes cast by debenture holders present in person or represented by proxy at the annual general meeting must be cast in favour of Debenture Special Resolution Number 2 for it to be approved.

1.3 DEBENTURE ORDINARY RESOLUTION NUMBER 1: UNISSUED LINKED UNITS

"Resolved that all authorised but unissued linked units of the company be placed under the control of the directors of the company until the next annual general meeting, with the authority to allot and issue linked units at such time or times, to such person or persons, company or companies and upon such terms and conditions as they may determine, subject to sections 221 and 222 of the Companies Act, 1973, as amended, the Listings Requirements of the JSE Limited and the provisions of the Redefine Debenture Trust Deed."

1.4 DEBENTURE ORDINARY RESOLUTION NUMBER 2: SIGNATURE OF DOCUMENTATION

"Resolved that a director of the company or the company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of Debenture Special Resolution Numbers 1 and 2, and Debenture Ordinary Resolution Number 1 which are passed by the debenture holders in accordance with and subject to the terms thereof."

VOTING AND PROXIES

Each of Redefine's linked units comprises one ordinary share and one debenture. Certificated and own-name dematerialised unitholders are therefore advised that they must complete a separate form of proxy for shareholders and for debenture holders in order for their vote/s to be valid. The form of proxy for certificated and own-name dematerialised shareholders and the form of proxy for certificated and own-name dematerialised debenture holders are attached to this annual report.

A unitholder of the company entitled to attend, speak and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and to vote in his stead. The proxy need not be a unitholder of the company.

On a show of hands, every unitholder of the company present in person or represented by proxy shall have one vote only. On a poll, every unitholder of the company present in person or represented by proxy shall have one vote for every linked unit in the company by such unitholder.

Forms of proxy are attached for the convenience of certificated and own name dematerialised unitholders holding linked units in the company who cannot attend the annual general meeting but wish to be represented thereat.

Such unitholders must complete and return the attached forms of proxy and lodge them with the transfer secretaries of the company.

Dematerialised unitholders who have not elected own name registration in the sub register of the company through a Central Securities Depository Participant ("CSDP") and who wish to attend the annual general meeting, must instruct the CSDP or broker to provide them with the necessary authority to attend.

Notice of Annual General Meeting continued

OF SHAREHOLDERS AND DEBENTURE HOLDERS

Dematerialised unitholders who have not elected own name registration in the sub register of the company through a CSDP and who are unable to attend, but wish to vote at the annual general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that unitholder and the CSDP or broker. Such unitholders are advised that they must provide their CSDP or broker with separate voting instructions in respect of the shares and the debentures in terms of their linked units.

Forms of proxy may also be obtained on request from the company's registered office. The completed forms of proxy must be deposited at, posted or faxed to the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107), to be received at least 48 hours prior to the meeting. Any unitholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting should the unitholder subsequently decide to do so.

By order of the board



Probity Business Services (Proprietary) Limited

COMPANY SECRETARY

8 December 2009

Registered office

2nd Floor
Redefine Place
2 Arnold Road
Rosebank
2196

Transfer secretaries

Computershare Investor Services (Proprietary) Limited
Ground Floor
70 Marshall Street
Johannesburg
2001

Form of Surrender

OF DOCUMENTS OF TITLE FOR USE BY CERTIFICATED LINKED UNITHOLDERS ONLY

INSTRUCTIONS

1. This form of surrender is for use by certificated linked unitholders who will be receiving certificated shares in the company under its proposed new name of Redefine Properties Limited and, when completed, should be sent to the transfer secretaries.
2. Replacement share certificates will not be sent to linked unitholders unless and until a form of surrender and the documents of title in respect of the relevant shares have been surrendered to the transfer secretaries.
3. Part A must be completed by all Redefine linked unitholders who have not yet dematerialised their share certificates or other documents of title. Dematerialised linked unitholders must not complete a form of surrender as the appropriate action will be taken by their CSDP or broker.
4. If this form of surrender is received by the transfer secretaries with the relevant documents of title prior to the proposed change of name of Redefine becoming effective, it will be treated as a conditional surrender which is made subject to such proposal becoming effective. Such surrendered documents of title will be held in trust by the transfer secretaries until the proposal becomes effective. In the event of such proposal not becoming effective, for any reason whatsoever, the transfer secretaries will (within five business days after either the date upon which it becomes known that the proposal concerned will not be able to be implemented, or, after subsequent receipt of surrendered documents of title, whichever is the later) return the relevant documents of title to the linked unitholders concerned, at their risk, by registered post.
5. Part B must be completed by all emigrants from and non-residents of the common monetary area who are recorded in the share register of Redefine and who have not yet dematerialised their documents of title.
6. A separate form of surrender is required for each shareholder.

Please refer to the instructions above and the notes overleaf before completing this form of surrender.

To: Redefine Income Fund Limited
care of: Computershare Investor Services (Proprietary) Limited
 Ground Floor, or PO Box 61051
 70 Marshall Street Marshalltown
 Johannesburg 2107
 2001

Dear Sirs,

I/We, the undersigned, being the registered holder of the number of Redefine linked units specified below, which are free of encumbrances, hereby surrender the enclosed documents of title identified below in respect of the linked units held by me/us in Redefine, conditional upon the proposal being passed (and the registration of the relevant special resolution) at the annual general meeting of linked unitholders to be held on Thursday, 4 February 2010.

I/We hereby instruct you to post a replacement certificate in respect of the linked units surrendered to me, by registered post, at my/our risk, to the address given below, on the terms set out in the annual report dispatched to linked unitholders to which this form of surrender was attached. I/We acknowledge that if no address is stated below, the replacement certificate will be sent to my/our address recorded on the relevant sub-register.

My/Our signature(s) on this form of surrender constitutes my/our execution of this instruction.

Signature of linked unitholder _____ Date _____ 2010

OF DOCUMENTS OF TITLE FOR USE BY CERTIFICATED LINKED UNITHOLDERS ONLY

REDEFINE / ANNUAL REPORT: 2009

Form of Surrender continued

OF DOCUMENTS OF TITLE FOR USE BY CERTIFICATED LINKED UNITHOLDERS ONLY

Return address:

Once completed, this form, together with documents of title surrendered, must be delivered or mailed to the transfer secretaries at the following addresses, respectively, in an envelope marked “**Redefine – Certificates of title**”:

By hand:

Computershare Investor Services (Proprietary) Limited
Ground Floor
70 Marshall Street
Johannesburg
2001

or

By mail:

PO Box 61051
Marshalltown
2107
Telephone number: (011) 370 5000

Posting of replacement certificates:

Subject to the approval of the proposal at the annual general meeting and registration of the special resolution contained in the notice of annual general meeting attached to the annual report dispatched to linked unitholders to which this form is attached, certificates reflecting the proposed name change of Redefine will be sent to the address provided overleaf (or failing such instruction, to the address of the linked unitholder concerned as recorded in the relevant sub-register of Redefine) by registered post at the risk of the linked unitholder concerned on or about Monday, 8 March 2010, if the documents of title have been surrendered by 12h00 on Friday, 5 March 2010, or, within five business days of receipt of such documents of title if surrendered after 12h00 on Friday, 5 March 2010. Contrary instructions will not be accepted.

Instructions

1. Persons who have acquired shares in Redefine after the date of posting of the annual report to which this form is attached, can obtain copies of the form and the said annual report from the transfer secretaries.
2. All certificated linked unitholders completing and returning the form must also surrender all their existing linked unit certificates.
3. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts.
4. Signatories may be called upon for evidence of their authority or capacity to sign this form.
5. If this form is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this form for noting, unless it has already been noted by the transfer secretaries or it has been lodged with a stockbroker and this form bears the stamp of that stockbroker.
6. Where the member is a company or a close corporation, unless it has already been registered with the transfer secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by the transfer secretaries.
7. Where there are joint holders of any linked units, only that holder whose name appears first in the register in respect of such linked units need sign the form.
8. If the linked unitholder is a deceased estate, this form must be accompanied by a certified copy of the Letter of Executorship, unless the relevant documents have already been lodged with the transfer secretaries or with a stockbroker and this form bears the stamp of that stockbroker.
9. A minor must be assisted by his/her parent or guardian.

Lost linked unit certificates and/or documents of title:

If a linked unit certificate or other document of title relating to any linked unit in Redefine has been lost or destroyed, the relevant replacement certificate will only be issued upon production of satisfactory evidence that the relevant linked unit certificate or document of title has been lost or destroyed and upon delivery of an indemnity, in a form and on terms and conditions approved by Redefine. Indemnity forms may be requested from the transfer secretaries.

Dematerialised linked unitholders:

This form is not intended for dematerialised linked unitholders and such linked unitholders must not complete this form. Where dematerialised linked unitholders wish to provide a new address to which share statements are to be posted, such linked unitholders should contact their CSDP or broker.

Form of Surrender continued

OF DOCUMENTS OF TITLE FOR USE BY CERTIFICATED LINKED UNITHOLDERS ONLY

South African Exchange Control Regulations:

1. Linked unitholders who are emigrants from or non-residents of the common monetary area, whose addresses are recorded in the shareholder register as outside the common monetary area and whose documents of title have been restrictively endorsed under the South African Exchange Control Regulations should nominate an authorised dealer in Part B of this form as required in terms of the circular to which this form is attached. A replacement linked unit certificate will be forwarded to the authorised dealer nominated above for its control. Failing such nomination, any replacement certificate due to such a linked unitholder will be retained in trust by the transfer secretaries pending instructions from the linked unitholder concerned and such linked unitholder shall be responsible for any costs associated with such trust account.
2. A non-resident linked unitholder whose documents of title have not been restrictively endorsed should submit such documents of title to the transfer secretaries. The replacement linked unit certificate will be sent to the address provided on the face of this form, or, failing that, the registered address of the non-resident linked unitholder concerned as recorded in the sub-register of Redefine.
3. Replacement linked unit certificates issued in the proposed new name of the company will duplicate any restrictive endorsement in terms of the South African Exchange Control Regulations appearing on current documents of title.

Form of Proxy

OF SHAREHOLDERS

REDEFINE INCOME FUND LIMITED

Registration number 1999/018591/06

("Redefine" or "the company")

JSE Share code: RDF

ISIN code: ZAE 000023503

Each of Redefine's linked units comprises one ordinary share and one debenture. Certificated and own-name dematerialised shareholders are therefore advised that they must complete a separate form of proxy for certificated and own-name dematerialised shareholders and a separate form of proxy for certificated and own name dematerialised debenture holders in order for their vote/s to be valid. The form of proxy for certificated and own-name dematerialised debenture holders is attached to this annual report.

This form of proxy is for use by the holders of the company's certificated linked units ("certificated unitholders") and/or dematerialised linked units held through a Central Securities Depository Participant ("CSDP") or broker who have selected own-name registration and who cannot attend but wish to be represented at the annual general meeting of the company at the offices of Redefine, Redefine Place, 2 Arnold Road, Rosebank, Gauteng, on Thursday, 4 February 2010 at 10h30 or any adjournment if required. Additional forms of proxy are available at the company's registered office.

Not for the use by holders of the company's dematerialised linked units who have not selected own name registration. Such unitholders must contact their CSDP or broker timeously if they wish to attend and vote at the annual general meeting and request that they be issued with the necessary authorisation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the annual general meeting but wish to be represented thereat, in order for the CSDP or broker to vote in accordance with their instructions.

For use at the annual general meeting on Thursday, 4 February 2010 at 10h30.

I/We _____ (Name in block letters)

of _____
(Address)

being the registered holder of _____ linked units hereby

appoint: _____ of _____

or failing him/her, _____ of _____

or failing him/her, the chairperson of the general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held on Thursday, 4 February 2010 at 10h30 and at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	In favour of	Against	Abstain
1.1 Special Resolution Number 1: Authority for change of name			
1.2 Special Resolution Number 2: General authority to effect repurchases of linked units			
1.3 Ordinary Resolution Number 1: Authority to place unissued linked units under control of the directors			
1.4 Ordinary Resolution Number 2: Authority to issue linked units for cash			
1.5 Ordinary Resolution Number 3: Re-election of D Gihwala as director			
1.6 Ordinary Resolution Number 4: Re-election of D Perton as director			
1.7 Ordinary Resolution Number 5: Re-election of JA Finn as director			
1.8 Ordinary Resolution Number 6: Re-election of MN Flax as director			
1.9 Ordinary Resolution Number 7: Re-election of GJ Heron as director			
1.10 Ordinary Resolution Number 8: Re-election of KM Khumalo as director			
1.11 Ordinary Resolution Number 9: Re-election of GGL Leissner as director			
1.12 Ordinary Resolution Number 10: Re-election of HK Mehta as director			
1.13 Ordinary Resolution Number 11: Re-election of B Nackan as director			
1.14 Ordinary Resolution Number 12: Re-election of DH Rice as director			
1.15 Ordinary Resolution Number 13: Re-appointment of auditors			
1.16 Ordinary Resolution Number 14: Confirmation of non executive directors' remuneration: 2008/09			
1.17 Ordinary Resolution Number 15: Approval of non executive directors' remuneration: 2010			
1.18 Ordinary Resolution Number 16: Authority for signature of documentation			

Signed this _____ day of _____ 2009/2010

Signature _____ assisted by _____ (if applicable)

Please read the notes on the reverse.

Notes to the Form of Proxy

OF SHAREHOLDERS

1. Each of Redefine's linked units comprises one ordinary share and one debenture. Certificated and own name dematerialised shareholders are therefore advised that they must complete a separate form of proxy for certificated and own name dematerialised shareholders and a separate form of proxy for certificated and own name dematerialised debenture holders in order for their vote/s to be valid. The form of proxy for certificated and own name dematerialised debenture holders is attached to this annual report.
2. This form of proxy is to be completed only by those members who are:
 - holding linked units in certificated form; or
 - recorded in the sub register in electronic form in their "own name".
3. Each unitholder is entitled to appoint one or more proxies (none of whom need to be a unitholder of the company) to attend, speak and vote in place of that shareholder at the annual general meeting.
4. Unitholders that are certificated or own name dematerialised unitholders may insert the name of a proxy or the names of two alternate proxies of the unitholder's choice in the space/s provided, with or without deleting "the chairperson of the general meeting", but any such deletion must be initialled by the shareholders. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the chairperson shall be deemed to be appointed as the proxy.
5. A unitholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the unitholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the chairperson, to vote or abstain from voting as deemed fit and in the case of the chairperson to vote in favour of the resolution.
6. A unitholder or his/her proxy is not obliged to use all the votes exercisable by the unitholder, but the total of the votes cast or abstained from may not exceed the total of the votes exercisable in respect of the linked units held by the unitholder.
7. Forms of proxy must be lodged at, posted or faxed to the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107), to be received at least 48 hours prior to the meeting.
8. The completion and lodging of this form of proxy will not preclude the relevant unitholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such unitholder wish to do so. Where there are joint holders of linked units, the vote of the first joint holder who tenders a vote as determined by the order in which the names stand in the register of unitholders, will be accepted.
9. Where there are joint holders of any linked units, only that holder whose name appears first in the register in respect of such linked units needs sign this form of proxy.
10. The chairperson of the annual general meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, the chairperson is satisfied as to the manner in which the unitholder concerned wishes to vote.
11. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or Computershare Investor Services (Proprietary) Limited or waived by the chairperson of the annual general meeting.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
13. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare Investor Services (Proprietary) Limited.

Form of Proxy

OF DEBENTURE HOLDERS

REDEFINE INCOME FUND LIMITED

Registration number 1999/018591/06

("Redefine" or "the company")

JSE Share code: RDF

ISIN code: ZAE 000023503

Each of Redefine's linked units comprises one ordinary share and one debenture. Certificated and own name dematerialised debenture holders are therefore advised that they must complete a separate form of proxy for certificated and own name dematerialised shareholders and a separate form of proxy for certificated and own name dematerialised debenture holders in order for their vote/s to be valid. The form of proxy for certificated and own-name dematerialised shareholders is attached to this annual report.

This form of proxy is for use by the holders of the company's certificated linked units ("certificated unitholders") and/or dematerialised linked units held through a Central Securities Depository Participant ("CSDP") or broker who have selected own name registration and who cannot attend but wish to be represented at the annual general meeting of the company at the offices of Redefine, Redefine Place, 2 Arnold Road, Rosebank, Gauteng on Thursday, 4 February 2010 at 10h30, or any adjournment if required. Additional forms of proxy are available at the company's registered office.

Not for the use by dematerialised unitholders who have not selected own name registration. Such unitholders must contact their CSDP or broker timeously if they wish to attend and vote at the annual general meeting and request that they be issued with the necessary authorisation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the annual general meeting but wish to be represented thereat, in order for the CSDP or broker to vote in accordance with their instructions.

For use at the annual general meeting on Thursday, 4 February 2010 at 10h30.

I/We _____ (Name in block letters)

of _____
(Address)

being the registered holder of _____ linked units hereby

appoint: _____ of _____

or failing him/her, _____ of _____

or failing him/her, the chairperson of the general meeting as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held on Thursday, 4 February 2010 at 10h30 and at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	In favour of	Against	Abstain
1.1 Debenture Special Resolution Number 1: General authority to effect repurchases of linked units			
1.2 Debenture Special Resolution Number 2: Authority to issue linked units for cash			
1.3 Debenture Ordinary Resolution Number 1: Authority to place unissued linked units under control of the directors			
1.4 Debenture Ordinary Resolution Number 2: Authority for signature of documentation			

Signed this _____ day of _____ 2009/2010

Signature _____ assisted by _____ (if applicable)

Please read the notes on the reverse.

Notes to the Form of Proxy

OF DEBENTURE HOLDERS

1. Each of Redefine's linked units comprises one ordinary share and one debenture. Certificated and own name dematerialised debenture holders are therefore advised that they must complete a separate form of proxy for certificated and own name dematerialised shareholders and a separate form of proxy for certificated and own name dematerialised debenture holders in order for their vote/s to be valid. The form of proxy for certificated and own name dematerialised shareholders is attached to this annual report.
2. This form of proxy is to be completed only by those members who are:
 - holding linked units in certificated form; or
 - recorded in the sub register in electronic form in their "own name".
3. Each unitholder is entitled to appoint one or more proxies (none of whom need to be a unitholder of the company) to attend, speak and vote in place of that unitholder at the annual general meeting.
4. Unitholders that are certificated or own name dematerialised unitholders may insert the name of a proxy or the names of two alternate proxies of the unitholder's choice in the space/s provided, with or without deleting "the chairperson of the general meeting", but any such deletion must be initialled by the unitholders. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the chairperson shall be deemed to be appointed as the proxy.
5. A unitholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the unitholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the chairperson, to vote or abstain from voting as deemed fit and in the case of the chairperson to vote in favour of the resolution.
6. A unitholder or his/her proxy is not obliged to use all the votes exercisable by the unitholder, but the total of the votes cast or abstained from may not exceed the total of the votes exercisable in respect of the linked units by the unitholder.
7. Forms of proxy must be lodged at, posted or faxed to the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107) to be received at least 48 hours prior to the meeting.
8. The completion and lodging of this form of proxy will not preclude the relevant unitholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such unitholder wish to do so. Where there are joint holders of linked units, the vote of the first joint holder who tenders a vote as determined by the order in which the names stand in the register of unitholders, will be accepted.
9. Where there are joint holders of any linked units, only that holder whose name appears first in the register in respect of such linked units needs sign this form of proxy.
10. The chairperson of the annual general meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, the chairperson is satisfied as to the manner in which the unitholder concerned wishes to vote.
11. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or Computershare Investor Services (Proprietary) Limited or waived by the chairperson of the annual general meeting.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
13. A minor must be assisted by his/her parent/ guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare Investor Services (Proprietary) Limited.

Administration

REDEFINE PROPERTIES

Company registration number: 1999/018591/06

REGISTERED OFFICE AND BUSINESS ADDRESS

JOHANNESBURG OFFICE

Redefine Place, 2 Arnold Road, Rosebank 2196

PO Box 1731, Parklands 2121

Telephone: +27 11 283 0110

Fax: +27 11 283 0055

CAPE TOWN OFFICE

The Spearhead, 42 Hans Strijdom Avenue

Foreshore, Cape Town 8001

PO Box 7089, Roggebaai 8012

Telephone: +27 21 425 1000

Fax: +27 21 425 1010

E-mail: mail@redefine.co.za

www.redefine.co.za

COMMERCIAL BANKERS

The Standard Bank of South Africa Limited

INDEPENDENT AUDITORS

PKF (Jhb) Inc.

42 Wierda Road West, Wierda Valley 2196

Telephone: +27 11 384 8000

COMPANY SECRETARY

Probity Business Services (Pty) Limited

3rd Floor, The Mall Offices, 11 Cradock Avenue, Rosebank 2196

Telephone: +27 11 327 7146

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Limited

70 Marshall Street, Johannesburg 2001

Telephone: +27 11 370 5000

CORPORATE ADVISOR AND SPONSOR

Java Capital (Pty) Limited

Redefine Place, 2 Arnold Road, Rosebank 2196

Telephone: +27 11 283 0042

PROPERTY MANAGERS

Broll Property Managers

Broll House, 27 Fricker Road, Illovo 2196

Telephone: +27 11 441 4000

TRUSTEE FOR DEBENTURE HOLDERS

Webber Wentzel Bowens

15th Floor, Convention Tower, Heerengracht

Foreshore, Cape Town 8001

Telephone: +27 21 431 7000