

Moving ahead,
staying on course

INTERIM RESULTS

2008

for six months ended
30 September 2008

VUKILE
PROPERTY FUND LIMITED

Highlights



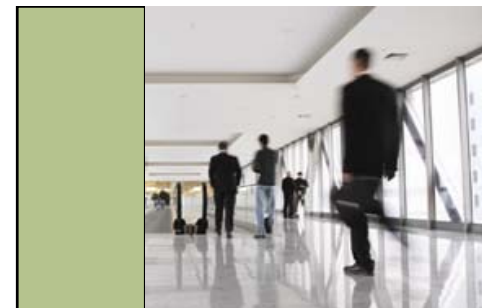
- Distribution for 6 months up 9.6% compared to comparable period
- Expansions, upgrades and revamps exceeding R90 million completed and underway
- Vacancies kept firmly under control
- R251 million new leases and/or renewals concluded
- Bad debts kept firmly under control

Condensed group income statement for 6 months ended 30 September 2008



	Sept 2008	Sept 2007	
	Cents per	Cents per	%
	<u>linked unit</u>	<u>linked unit</u>	<u>change</u>
Group net rental income	70.3	67.4	4.3
Net finance costs	(20.2)	(18.6)	(8.6)
Other (incl. taxation)	<u>(3.9)</u>	<u>(5.0)</u>	<u>(22.0)</u>
Headline earnings	46.2	43.8	5.5
Increase in distribution from previous 6 month period			9.6%

Contribution to increased distribution

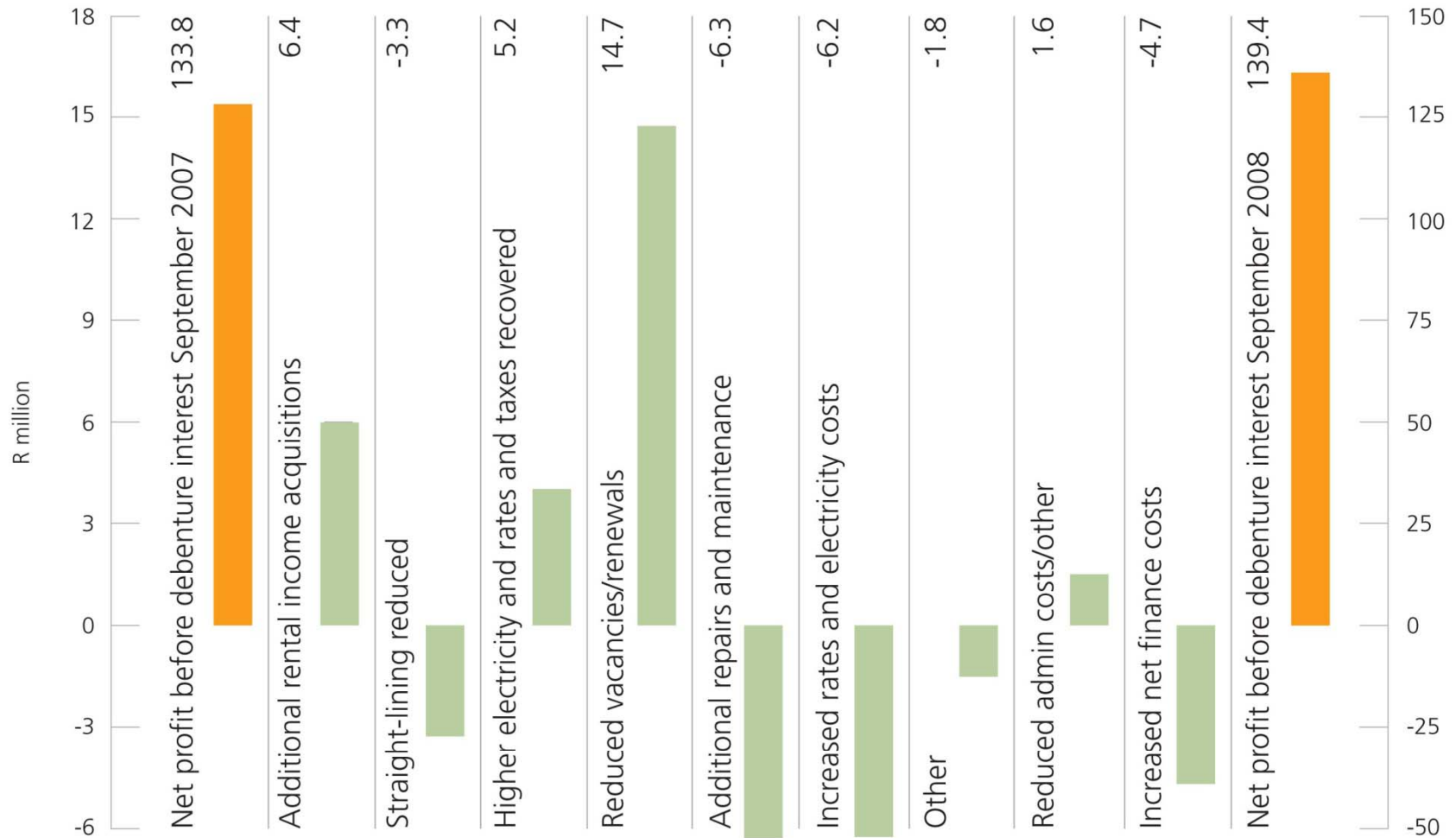


	Cents per linked unit
Contribution to increased rental income	8.9
<ul style="list-style-type: none"> • Reduction in vacancies and increased rentals • Additional rentals from property acquisitions • Higher recoveries of electricity and rates and taxes 	5.0 2.2 1.7
Less: Increase in property expenditure	(4.8)
<ul style="list-style-type: none"> • Higher electricity and rates and taxes charges • Larger number of renovation projects • Other 	(2.1) (2.2) (0.5)
Net increase in group property revenue	4.1
Net increase in finance costs	(1.6)
<ul style="list-style-type: none"> • Full six months interest on developments and acquisitions 	(1.6)
Reduction in administrative expenses/other	1.4
Net increase in distribution	3.9

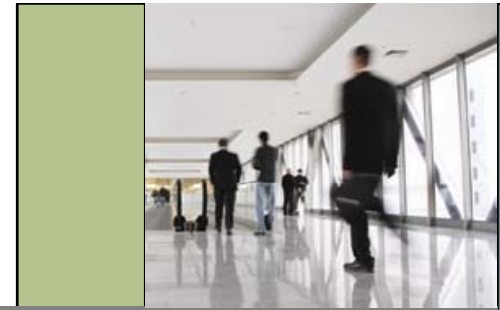
Components of growth in income and distribution



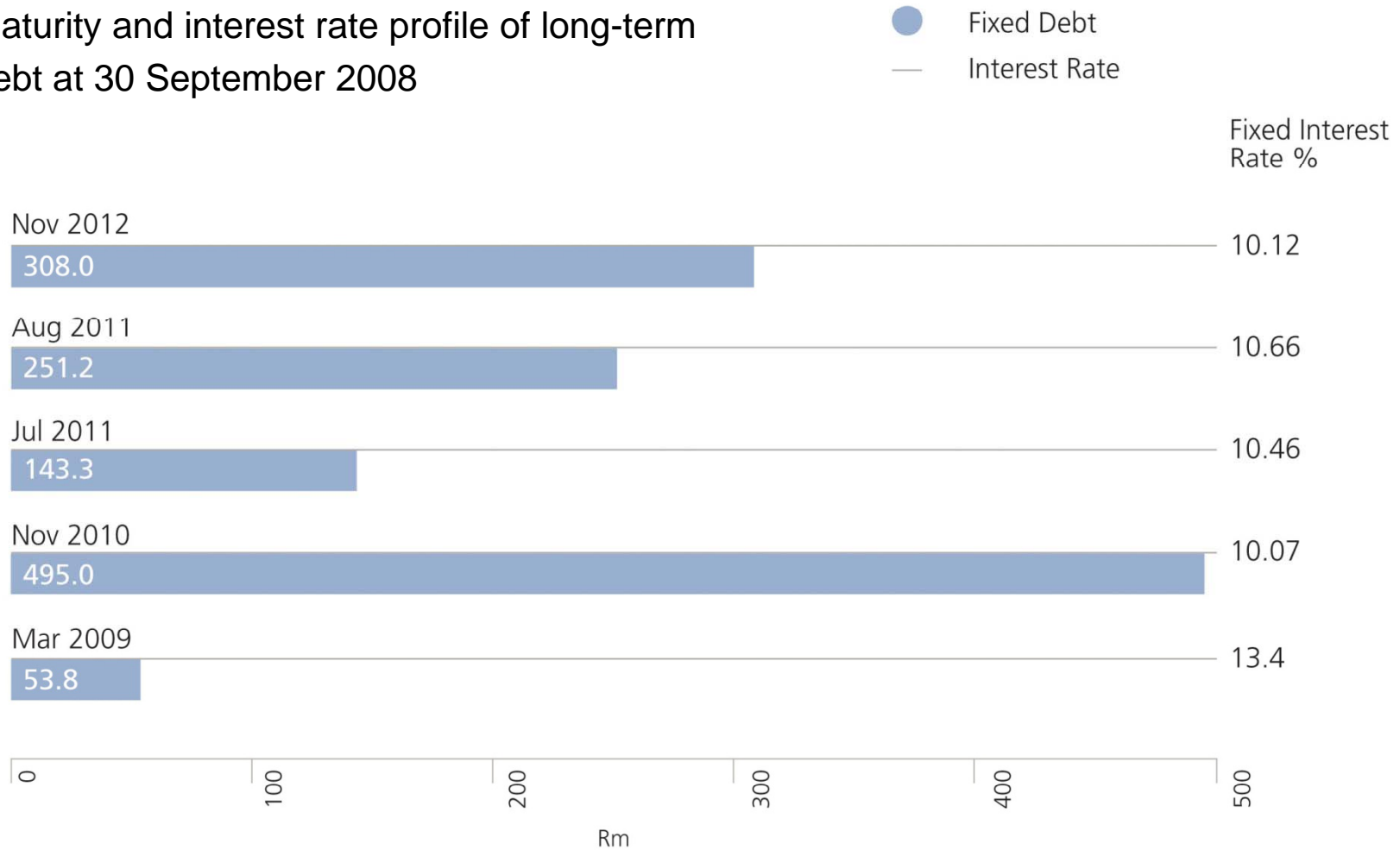
Growth components



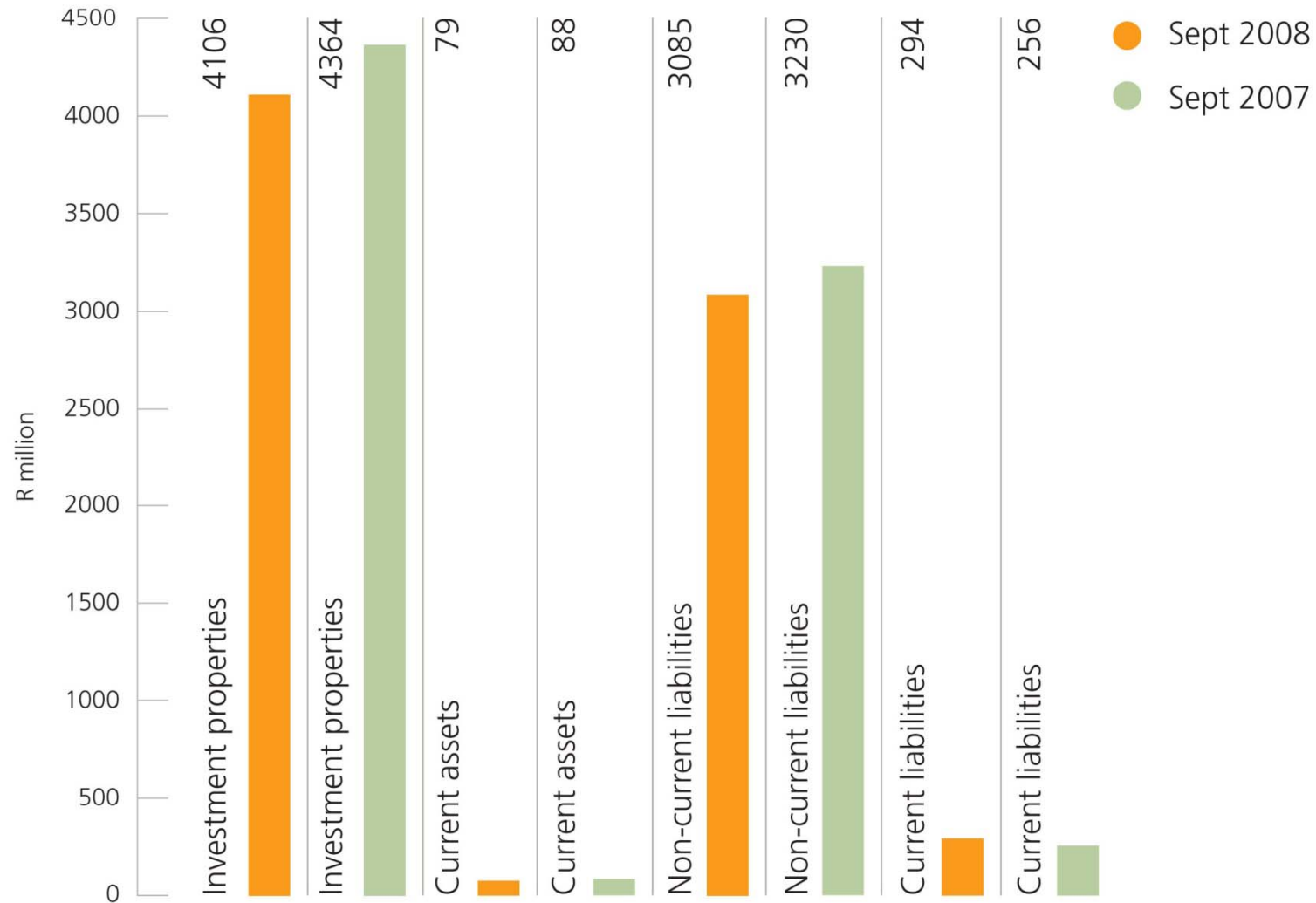
Group debt structure



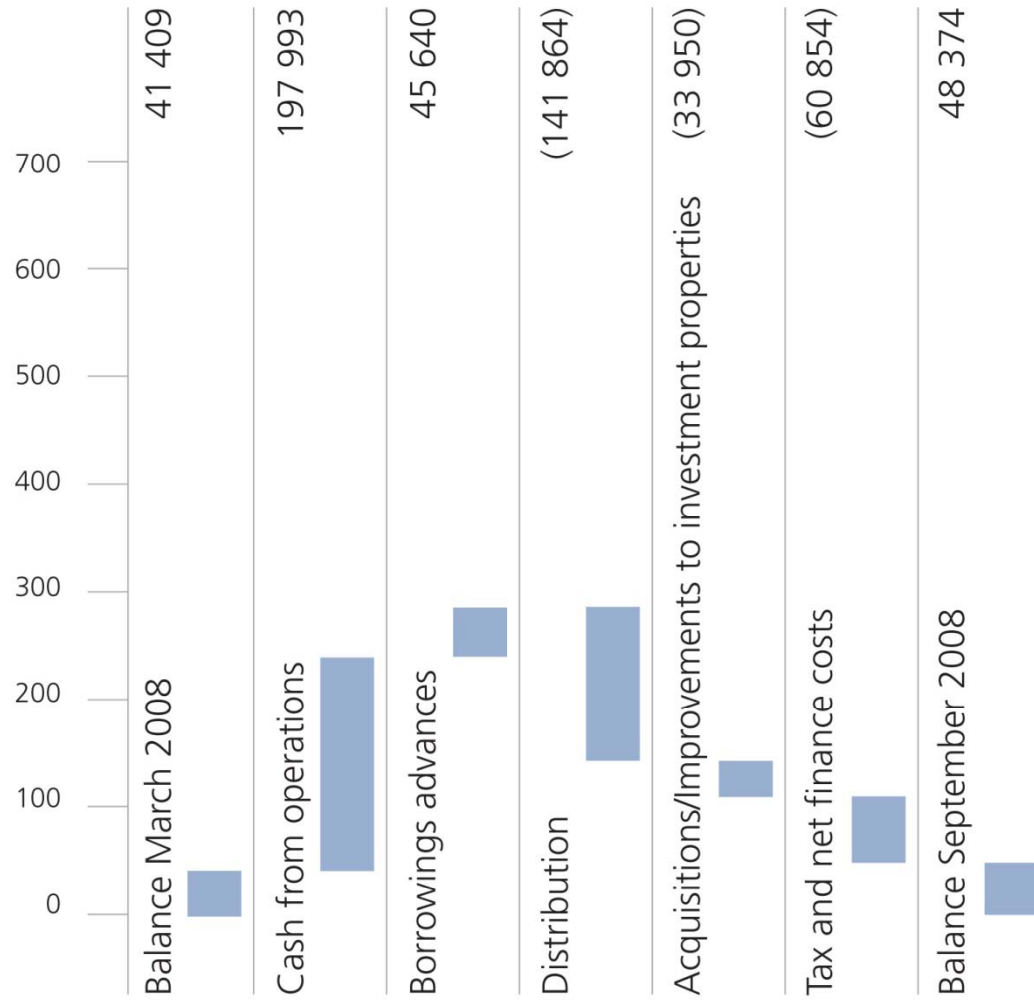
Maturity and interest rate profile of long-term debt at 30 September 2008



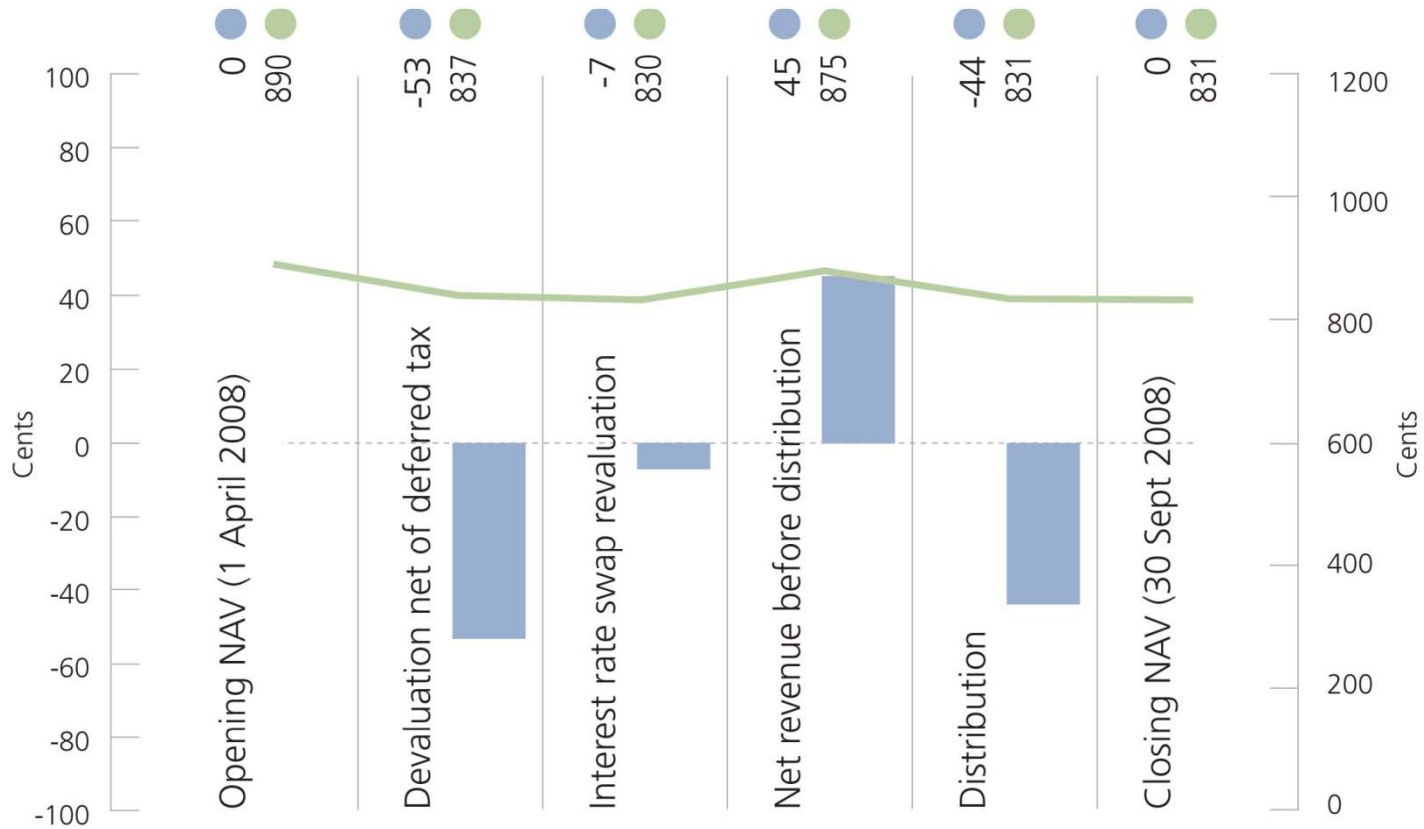
Group balance sheet as at 30 September 2008



Group net cash flow



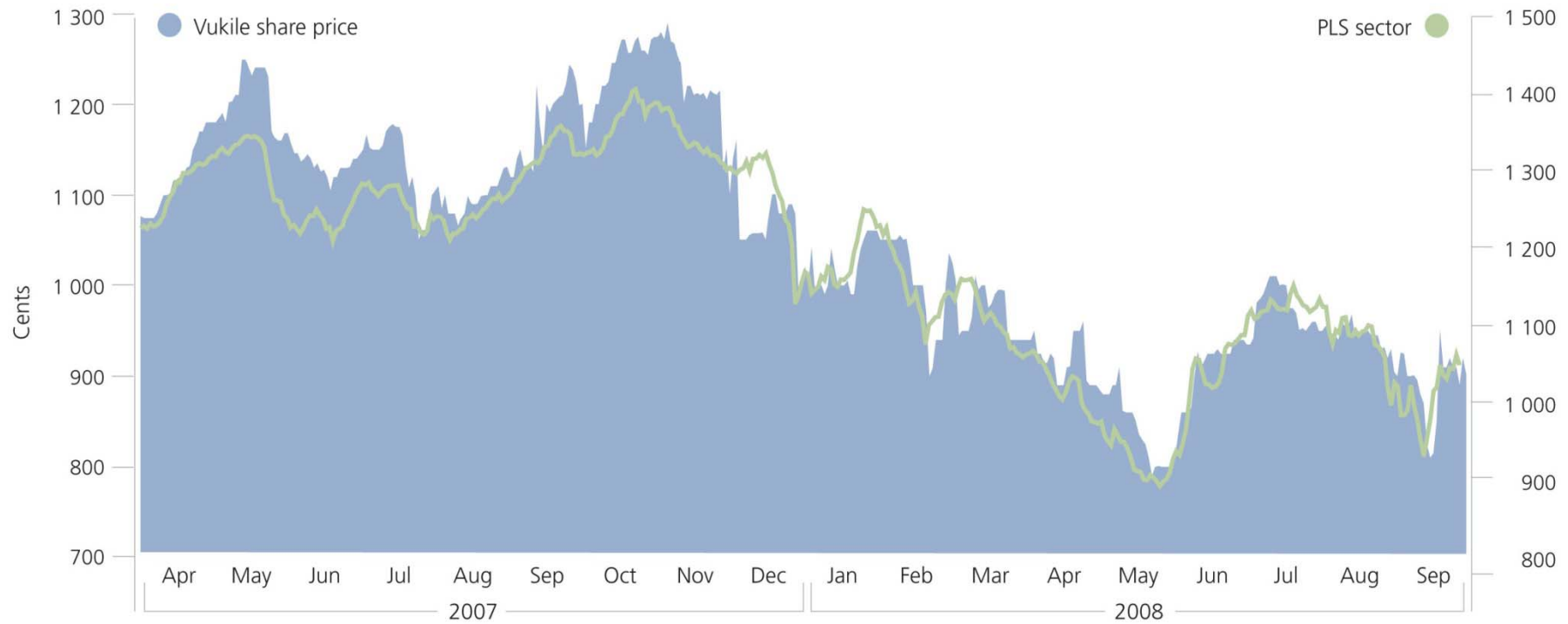
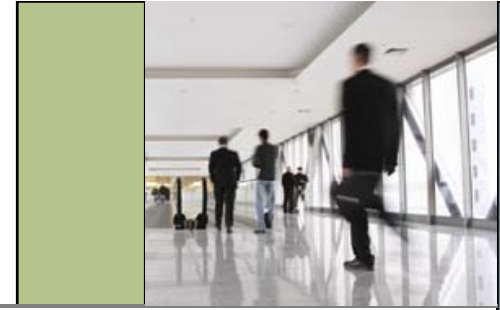
NAV Bridge



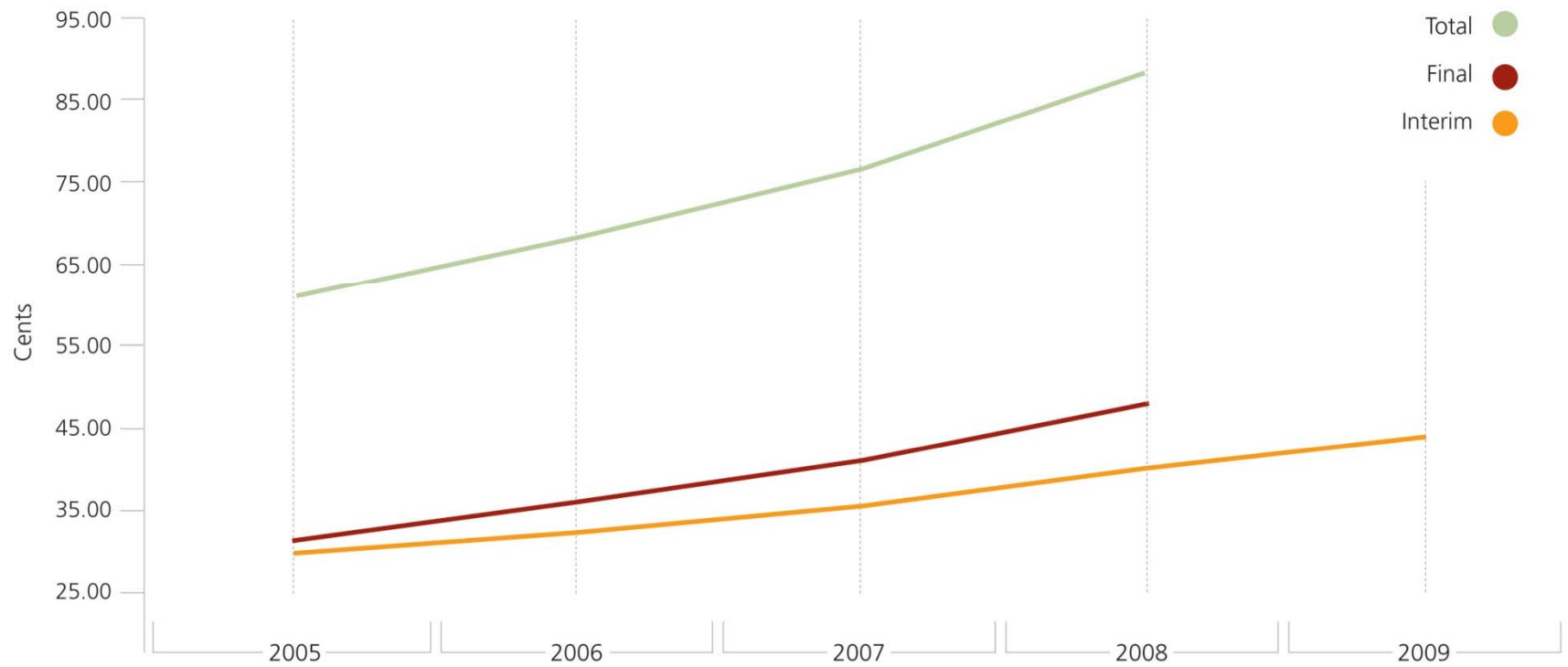
Net asset value (NAV) bridge - change in group net assets (cents per linked unit):
movement for 6 months ended 30 September 2008.

● Contribution to NAV ● NAV

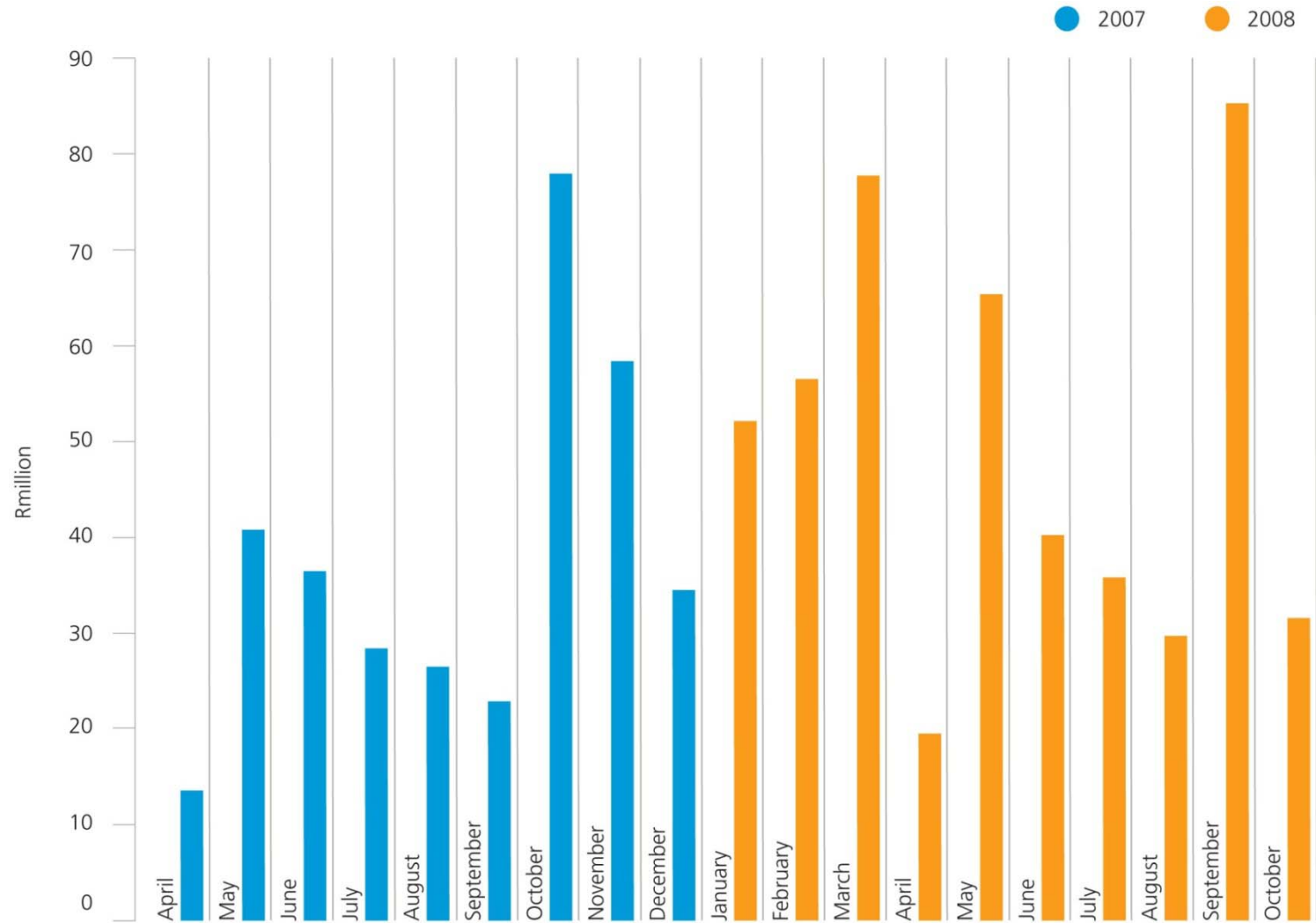
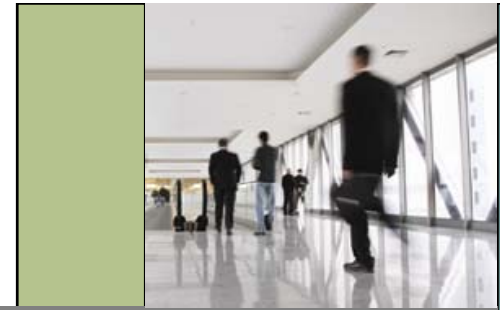
Linked unit price performance



Distribution history



Trading volumes



The property portfolio



- Number of properties 74 (74 on 31/3/08)
- GLA 911 907 m² (911 907 m² on 31/3/08)
- Valuation
 - Directors' valuation R4.09 billion – down R226 million (5.2%) from 31/3/08
 - External valuation R2 408.6 million compared to directors' valuation for same properties of R1 980.8 million (17.8% difference on 48.4% of portfolio)

The property portfolio – largest properties (> R100 million)



	Area (m ²)	Value (R'm)	% of total
Durban Phoenix Plaza S/C	24 162	310.0	7.6
Randburg Square S/C	51 370	238.4	5.8
Durban Embassy Offices	32 339	192.4	4.7
Pinetown Pinecrest S/C (50%)	40 492	170.3	4.2
Bellville Louis Leipoldt Hospital	20 479	137.6	3.4
Dobsonville Shopping Centre	23 124	127.3	3.1
Roodepoort Hillfox S/C	36 103	119.8	2.9
Midrand Arivia.com Offices	15 634	112.0	2.7
Germiston Route 24 Industrial Park	34 977	109.3	2.7
Bloemfontein Plaza S/C	38 438	107.8	2.6
Oshakati Shopping Centre	21 591	107.0	2.6
Daveyton Shopping Centre	<u>16 983</u>	<u>103.8</u>	<u>2.5</u>
	368 607	1 835.7	44.8

Acquisitions, developments and upgrades



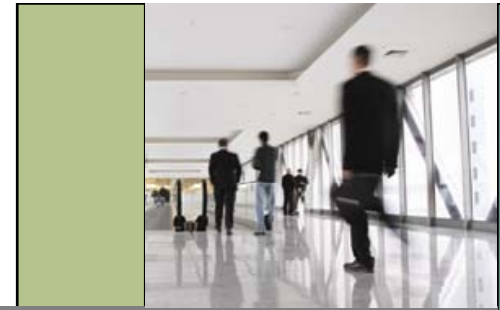
	Value (R'm)	Yield (%)
<u>Expansions</u>		
Oshakati Game Centre	24.3	7.5
Courier IT Warehouse	14.3	9.6
Nelspruit Truworths	<u>8.7</u>	<u>9.5</u>
	47.3	8.5
<u>Upgrades/Revamps</u>		
Dobsonville Shopping Centre	16.7	
Durban Phoenix Plaza	<u>27.3</u>	
	44.0	

Sectoral profile - % of gross rentals



● Retail	59
● Industrial	16
● Commercial	25

Vacancy profile - % of gross rentals



Retail



Industrial



Commercial



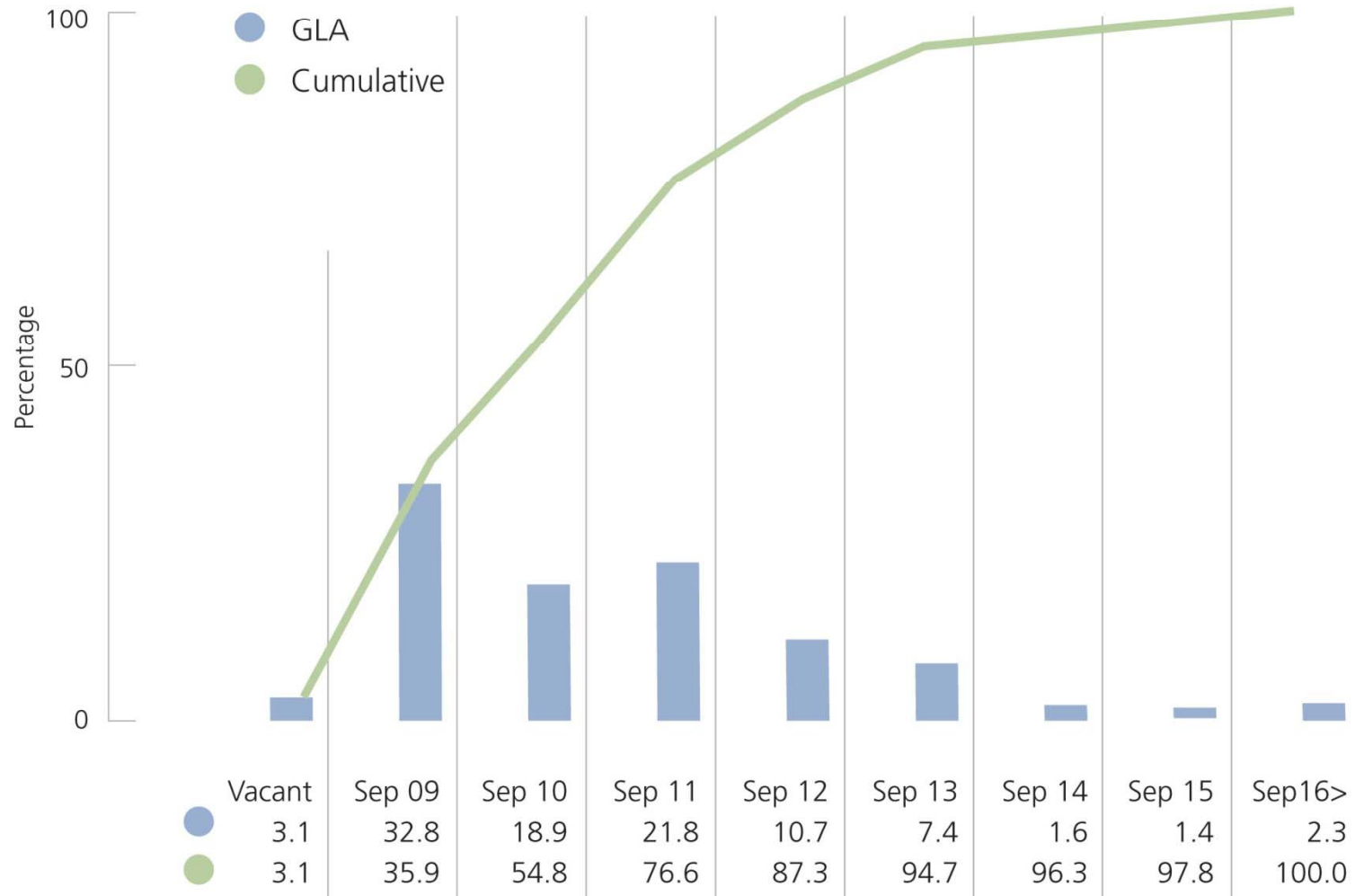
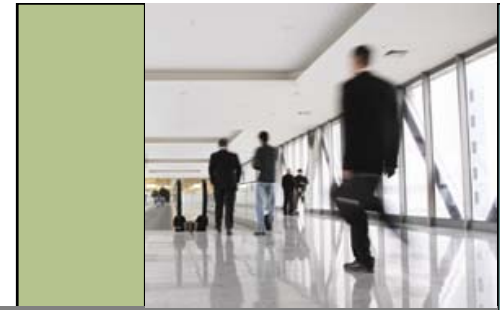
Total



0 1 2 3 4 5 6

Percentage

Lease expiry profile



New leases and renewals



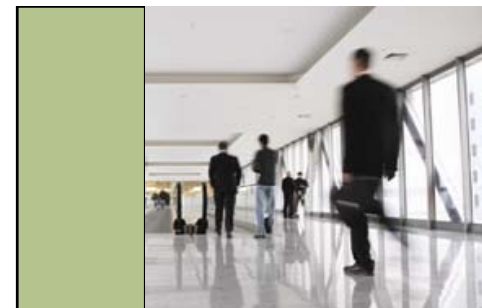
New leases and renewals for 6 months ended 30 September 2008

- Total area 115 579 m²
- Total contract value R251 million

	<u>Gross rental (R/m²)</u>	<u>Contract value (R'm)</u>
Pinecrest: Pick & Pay	42.00	15.8
50 6 th Rd, Hyde Park: Virgin	112.00	11.2
Robertville: New Teltron	25.00	9.1
Pinecrest: Woolworths	50.00	9.1
Nelspruit Prorom: Foschini	108.00	6.6

Subsequent to 30/9/08 – additional 7 640 m² with value of R24.5 m concluded

Growth in rentals



Contracts expired during 6 months ended 30 September 2008
(gross rentals)

	Average rental on <u>expiry (R/m²)</u>	Average renewal <u>rental (R/m²)</u>	Growth in rental <u>(%)</u>
Industrial	25.16	30.50	21.2
Retail	89.43	96.75	8.2
Commercial	67.95	74.04	9.0

Strategic priorities



- Retain tenants and control vacancies
- Manage and control bad and doubtful debts
- Continue to maintain/upgrade/revamp existing portfolio
- Manage the energy situation

Prospects



- Turmoil on world markets
- Inflation turning ?
- Interest rates have peaked ?
- Slowdown in economic growth
- Slowdown in rental growth
- Still low vacancies, limited new stock
- Support rental levels
- Expect reasonable growth in distributions

Questions



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