CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS (R000)	12 months to 31/12/07 (Reviewed)	17 months to 31/12/06 (Audited)
Unitholders' funds at beginning of period	**2,375,610**	1,774,925
Capital movements	**6,057,643**	600,685
Write-up on revaluation of investment properties	**721,624**	606,220
Capital deficit on disposal of investment properties	**(5,388)**	(2,091)
Taxation	**(60,659)**	(12,665)
Surplus on revaluation of interest rate swap derivative	**-**	1,602
Straight line rental adjustment net of taxation	**5,294**	7,619
1 364 151 734 units issued at prices ranging between 304.50 cpu to 427.80 cpu	**5,593,725**	-
Unit issue costs	**(5,347)**	-
Transfer to revenue of pre-acquisition distribution received	**(124,476)**	-
Transfer to revenue of distribution prepaid received in advance	**(67,130)**	-
Revenue movements	**-**	-
Net profit for the period	**1,088,643**	875,932
Transfers to capital	**(660,871)**	(600,685)
Unclaimed distributions written back	**-**	323
Pre-acquisition dividend received	**124,476**	-
Transfer to revenue of distribution prepaid received in advance	**67,130**	-
Available for distribution	**619,378**	275,570
Distribution attributable to unitholders	**(619,378)**	(275,570)
Unitholders' funds at end of period	**8,433,253**	2,375,610

ABRIDGED CONSOLIDATED CASH FLOW STATEMENT (R000)	12 months to 31/12/07 (Reviewed)	17 months to 31/12/06 (Audited)
Net cash flow from operating activities	**17,264**	(12,150)
Net cash flows from investing activities	**(5,578,153)**	(529,948)
Net cash flows from financing activities	**5,603,673**	497,665
Net increase/(decrease) in cash resources	**42,784**	(44,433)
Cash resources at beginning of year	**22,096**	66,529
Cash resources at end of period	**64,880**	22,096

OTHER INFORMATION (R000)	12 months to 31/12/07 (Reviewed)	17 months to 31/12/06 (Audited)
Debt funding facility		
Loan and guarantee facilities	**2,840,339**	750,000
Difference between facility and funding capacity	**(300,000)**	181,000
Total debt funding capacity	**2,540,339**	931,000
Less: Facility utilised (debt and guarantees issued)	**(705,799)**	(652,665)
Loan capacity available at end of period	**1,834,540**	278,335
Adjusted for future capital commitments and proceeds on disposal	**(714,365)**	(64,451)
Debt funded capital commitments	**(732,365)**	(140,861)
Expected proceeds on disposal	**18,000**	76,410
Anticipated available loan facility	**1,120,175**	213,884
Vacancy factor (based on gross lettable area)	**2.7%**	1.0%
Valuation analysis (cents per unit)		
Net asset value (including distribution yet to be paid)	**419**	340
Net tangible asset value (including distribution yet to be paid)	**370**	340
Listed market price	**400**	340
Capital commitments (R000)	**732,365**	140,861
Capitalised interest (R000)	**16,384**	5,853

NOTES TO THE FINANCIAL STATEMENTS

These condensed financial statements have been prepared in accordance with IAS 34 and the JSE requirements. The policies and methods of computation applied are consistent with those used in the prior period. All new and effective accounting standards and guidelines have been adopted and have not had an impact on the results of the group.

1 Headline earnings and distribution attributable to unitholders

	12 months to 31/12/07 (Reviewed) R 000	CPU	17 months to 31/12/06 (Audited) R 000	CPU
Net profit (earnings)	**1,088,643**	**52.10**	875,932	120.79
Adjustments for:				
Capital deficit on disposal of investment properties	**5,388**		2,091	
Write-up on revaluation of investment properties	**(721,624)**		(606,220)	
Taxation thereon	**60,659**		12,665	
Headline earnings	**433,066**	**20.73**	284,468	39.23
Surplus on revaluation of interest rate swap derivative	**-**		(1,602)	
Unclaimed distributions written back	**-**		323	
Straight line rental adjustment	**(22,300)**		(8,115)	
Taxation thereon	**17,006**		496	
Pre-acquisition distribution received	**124,476**		-	
Distribution prepaid received in advance	**67,130**		-	
Distributable income	**619,378**	**32.00**	275,570	38.00
Distribution attributable to unitholders	**619,378**		275,570	
1st interim	**262,863**	**14.60**	90,648	12.50
1st interim SA Retail once off contribution	**43,210**	**2.40**	-	-
2nd interim	**-**	**-**	97,926	13.50
Final	**313,305**	**15.00**	86,996	12.00
Weighted headline earnings		**29.71**		39.23

2 Acquisition of SA Retail Properties Limited

	12 months to 31/12/2007 (Reviewed) R 000
During the year the group acquired 100% of the issued share capital of SA Retail Properties Limited, a property owning company. The effective date of the acquisition was 19 April 2007, the date on which all the suspensive conditions relating to the acquisition were fulfilled.	
Cost of acquisition	
Settled by issue of 795,8 million SA Corporate units on a ratio of 3.05 units for every SA Retail share	3,404,512
Settled by cash	398
Transaction costs	26,594
	3,431,504
Net assets acquired	
Investment property	3,594,780
Other assets	104,955
Other liabilities	(1,277,325)
Net assets	2,422,410
Goodwill	1,009,094

Had the Fund owned SA Retail for the full year under review the revenue would have been R 861 million and the net profit would have been R1 278 million.

3 Primary operational segments (R000)

Business segment	Industrial	Office	Retail	Group
Extract from income statement				
Rental Income	206,761	47,654	322,417	576,832
Straight line rental adjustment	12,365	4,513	5,422	22,300
	219,126	52,167	327,839	599,132
Net property expenditure	15,142	7,921	28,532	51,595
Segment result	203,984	44,246	299,307	547,537
Write-up on revaluation of investment properties excluding straight line adjustment, net of taxation	331,490	95,014	239,755	666,259
Other information				
Properties	2,859,930	620,760	4,828,644	8,309,334
As per valuations	2,914,985	630,962	4,923,318	8,469,265
Straight line rental adjustment	(55,055)	(10,202)	(94,674)	(159,931)

DISTRIBUTION DECLARATION AND IMPORTANT DATES

Notice is hereby given of the declaration of distribution no. 26 in respect of the income distribution period 1 July 2007 to 31 December 2007. The distribution amounts to 15,00 cents per unit.

Last date to trade cum distribution	Thursday, 13 March 2008
Units will trade ex-distribution	Friday, 14 March 2008
Record date to participate in the distribution	Thursday, 20 March 2008
Payment of distribution	Tuesday, 25 March 2008

Unit certificates may not be dematerialised or re-materialised between Friday, 14 March and Thursday, 20 March 2008 both days inclusive.

OLD MUTUAL INVESTMENT GROUP PROPERTY INVESTMENTS (PTY) LTD

SECRETARIES
22 February 2008

SA CORPORATE REAL ESTATE Fund

SA CORPORATE REAL ESTATE Fund

Share code: SAC ISIN code: ZAE000083614

www.sacorp.co.za

UNAUDITED INTERIM RESULTS AND DISTRIBUTION DECLARATION

Distribution

- *32 cents per unit*
- *19% increase on 2006 annualised*
- *circular forecast of 31.55 cents per unit exceeded*

Property portfolio expansion

- *R4,7 billion of properties acquired*
- *R0,7 billion contractual investment pipeline*

Market capitalisation

- *R8,4 billion*
- *3rd largest listed property fund*
- *Value traded - R2.1 billion*

BEE transaction

- *R658 million equity deal concluded*
- *9% equity ownership of Fund*

SA Corporate Real Estate Fund Managers Limited

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Tel: (031) 366 - 1111

Auditors
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Pencarrow Park
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La Lucia 4051

Transfer secretaries
Computershare Investor Services
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PO Box 61051
Marshalltown 2107

Sponsor
Nedbank Capital
A division of Nedbank Limited
135 Rivonia Road
Sandton
2196

Managed By
OLD MUTUAL Investment Group | Property Investments

1. **Introduction**
SA Corporate Real Estate Fund Managers Limited, the management company of SA Corporate Real Estate Fund (SA Corporate), report on the reviewed results of the SA Corporate group for the year ended 31 December 2007.

The past year has been a period of substantial change for the Fund in line with the revised strategy which the board approved. This strategy was underpinned by the following four tangible strategic objectives:

- To deliver superior investment performance
- To expand the portfolio to R10bn by 2012 and to remain one of the three largest SA listed funds in terms of market capitalisation
- To enhance the profile of the Fund and improve investor relations
- To address the requirements of the Property Charter

Notable progress has been made in each of the above areas during the year under review. The specific achievements are dealt with in more detail below.

During the second half of 2007 there were signs of a weakening economy, investment and property market, particularly in the retail sector, and although these changing conditions have had a limited impact on the Fund's 2007 results, there is sufficient evidence that a tougher trading and investment environment in 2008 is going to present challenges. Specifically, a tightening of consumer spend was reflected in retail trading figures and SA listed property has not escaped the softening in investment markets worldwide.

2. **Results and Fund investment performance**
The industrial component of the SA Corporate portfolio has performed well and continues to be buoyed by the shrinking supply of rental space and rising market rentals which has impacted positively on property earnings. Office rentals, similarly, have shown healthy growth, particularly in the secondary market, which has benefited from the slowing delivery of new office space and increasing tenant demand.

The retail portfolio has not been immune to the impact of the successive interest rate increases and other factors which have curtailed consumer spending and this has been evidenced in turnovers of the major retailers. The level of rentals being achieved on renewals and new leases and the take-up of vacant retail space has lagged management's expectations. This has tempered the performance of this component of the Fund's portfolio.

The total distribution of 32 cents per unit for the 12 months under review is an increase of 19% over the comparable annualised period in 2006. It is also ahead of the 31,55 cents forecast contained in the Circular to unitholders dated 28 March 2007.

As previously disclosed in the Circular and in the interim announcement, the acquisition of SA Retail resulted in the interim distribution of 17 cents per unit incorporating a once-off contribution of 2,4 cents per unit, which did not recur in the second half of the year. The distribution growth, excluding this one-off amount, is 10% compared with the annualised 2006 period. This distribution growth should also be assessed in the context of the SA Retail acquisition which brought with it an element of dilution, given the exchange ratio at which new SA Corporate units were issued to SA Retail unitholders. This was fully disclosed in the Circular and was integral to the success of transaction.

The breakdown of distributable earnings is set out below:

	12 months to 31/12/2007 (Reviewed) R'000	17 months to 31/12/2006 (Audited) R'000
Rent (excluding straight line adjustment)	**576,832**	385,086
Net property expenses	**(51,595)**	(40,199)
Property expenses	**(187,834)**	(119,078)
Recovery of property expenses	**136,239**	78,879
Net property income	**525,237**	344,887
Interest income from associate company	**6,310**	-
Net funding cost	**(64,895)**	(43,227)
Interest	**12,725**	6,900
Interest paid	**(77,620)**	(50,127)
Fund expenses	**(38,880)**	(26,413)
Distribution contributions	**191,606**	323
Unclaimed distributions written back	**-**	323
Pre-acquisition dividend received (SA Retail pre acquisition earnings)	**124,476**	-
Prepaid distribution received in advance on unit issues	**67,130**	-
Distributable earnings	**619,378**	275,570
Units in issue at 31 December	**2,089,335,506**	725,183,770
Distribution (cents per unit)	**32.00**	38.00
- 1st Interim	**14.60**	12.50
- 1st Interim SA Retail once off contribution	**2.40**	-
- 2nd Interim	**-**	13.50
- Final	**15.00**	12.00

Although SA Corporate's unit price reflected some relative weakness during the second half of the year compared to the sector , the Fund still produced a total return of 26,53% for 2007, marginally above the South African listed property index (J253) and above the PUT index (J255) at 22,68%. This shows meaningful improvement over recent years and was one of management's key strategic objectives.

3. **Revaluation**
The portfolio was independently valued at 31 December 2007 at R8,5 billion, resulting in an upward fair value adjustment of R744 million. The standing SA Corporate and SA Retail portfolios have seen an average 18% increase in capital value on a year on year basis. The greatest relative increase in value in respect of the comparable properties has been seen in the industrial portfolio, where higher market rental levels have been the major driver. Weaker rental and investment fundamentals have inhibited valuation upside in the retail properties.

The forward yields and internal rates of return (IRR's) of the three property types in the Fund's portfolio, calculated on a weighted basis, and as at 31 December 2007, are as follows:

Property type	Initial (forward) yield	IRR
Retail	8.9%	13.6%
Offices	8.5%	15.5%
Industrial	8.0%	15.1%
Total	**8.6%**	**14.2%**

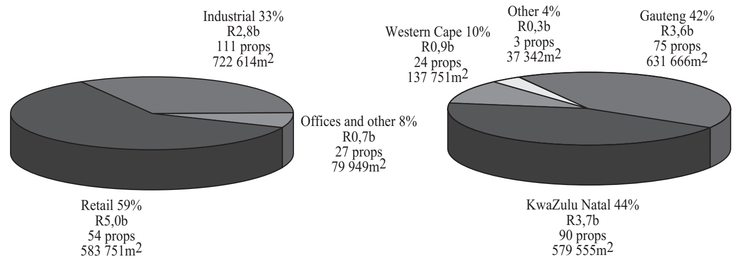
This valuation gives rise to a net tangible asset value (NTAV) of 370 cents per unit, inclusive of the distribution to be paid (2006: 340 cents per unit). At the closing price of 400 cents per unit on 31 December 2007, the units were trading at a premium to NTAV of 8%, although current trading prices now approximate NTAV.

4. **Portfolio investment activity**
Adding to the acquisition of SA Retail and the Sharemax portfolio in the first six months, SA Corporate also made a substantial R964 million investment in a portfolio of properties in the second half of the year under review. The portfolio, known as the Buffcol portfolio, was acquired on a forward yield of 8,15%. It comprises 40 properties, the bulk of which are single tenanted, high quality industrial buildings. The acquisition was funded through the issue of new SA Corporate units, issued at a capital price of 395 cents per unit. Transfers commenced on 1 October 2007, with the final transfer in February 2008.

In addition, a further R87 million was invested in a shopping centre located in Elim, Limpopo Province, which is anchored by an industry-leading Spar supermarket, at an initial yield of 9,5%. Transfer of this property took place in October 2007.

The Fund has disposed of six properties in the six months to December, with a total book value of R234 million. The most significant of these sales was that of Eikestad Mall, which was sold for R146 million pursuant to a ruling made by the Competition authorities in their approving the acquisition of SA Retail by SA Corporate. This brings total disposals for the year to R326 million.

In line with the Fund's investment policy to diversify up to 5% of its asset base in property investments elsewhere in Africa, SA Corporate has acquired a strategic 25% holding in Oryx Properties Limited, a Namibian listed property loan stock company. The major asset in Oryx is Maerua Mall, the dominant and very successful regional shopping centre in Windhoek, which constitutes some 60% of Oryx's assets and which is 80% tenanted by South African national retailers. The Oryx investment in the amount of R169 million was funded through the issue of SA Corporate equity at a price of 390 cents per unit.



Post year-end, the acquisition of a R115 million A Grade office block in La Lucia Ridge Office Estate, KZN, was approved. The initial yield on this acquisition will be 11.1%, underpinned by a rental guarantee from the vendor, with the second year yield dropping to 8.7%.

The Fund has also committed to a number of developments during the reporting period and these are set out in the table below.

Expected completion date	Property	Total cost R'000	Yield	Sector	Region
June 2008	Philani Valley Centre*#	110 000	9.0%	Retail	KZN
August 2008	Renbro Centre*	106 200	9.5%	Retail	Other
June 2008	Fuel Group- Jet Park	45 300	9.25%	Industrial	Gauteng
October 2008	Bell Equipment- Jet Park	142 000	9.5%	Industrial	Gauteng
August 2008	Unipark Bloemfontein	55 000	9.5%	Office	Other
May 2008	Paarden Eiland	66 300	9.5%	Industrial	Western Cape
March 2008	Nzehlele Shopping Centre*	43 000	9.5%	Retail	Other
	Total	**567 800**			

* Denotes investments into previously disadvantaged areas
\# Commenced during 2007

The Fund's investment portfolio, inclusive of contracted commitments, amounts to R9.1 billion and, in line with the board's strategy for the Fund, reflects a substantially larger and more diversified portfolio to that which existed at the beginning of the year under review.

5. **Lease expiries and vacancies**
The lease expiry of the respective components of the property portfolio by area is as follows:

Property type	Vacancies	2008	2009	2010	2011	Thereafter
Retail	4.0%	20.8%	16.6%	11.0%	11.3%	36.3%
Offices	10.5%	8.9%	10.5%	24.4%	23.2%	22.5%
Industrial	0.1%	16.6%	11.2%	27.3%	14.1%	30.7%
Total	**2.7%**	**17.2%**	**13.5%**	**20.2%**	**13.4%**	**33.0%**

The potential upside in expiring leases and rental reviews in the portfolio is the highest in the industrial component, where the current rentals being achieved in the market are some 20% higher than the average Fund rental of R27,50/ m². The office component also offers attractive upside, but constitutes a relatively small portion of the portfolio. Retail rentals, which form the bulk of the Fund's earnings, have come under pressure from slower trading conditions and management forecasts little upside in rentals as new leases or renewals are concluded in this environment.

The Fund's occupancy levels have been influenced by the take-on of the two significant retail portfolios. The overall vacancy factor is 2,7% of lettable space or 3,9% of total income (2006: 1.0% and 1.6% respectively) and is set out in detail below:

Property type	% of area	% of total rental
Retail	4.0	2.9
Offices	10.5	0.9
Industrial	0.1	0.1
Total	**2.7**	**3.9**

6. **Borrowings**
During the year management renegotiated the Fund's borrowing arrangements resulting in a favourable reduction in both variable and fixed debt margins. The revised margin for fixed debt is 100 basis points, all inclusive, with variable debt being 260 basis points below the prime rate. An increased facility was also concluded and accordingly, the Fund is well positioned to take advantage of viable investment opportunities as and when they are available.

The total debt amounts to R668m of which R100m is fixed until September 2013 at a cost of 10.57% nacm, R500 million is fixed at 10.82% nacq until December 2012, with the balance at a current variable rate of 11.90%. The weighted average cost of debt is 10.82%. The total debt level, at 8% of the total property portfolio value, is low relative to industry norms and the high proportion of fixing means that there is little interest rate exposure in the short to medium term. It has been managements' intention to increase the debt level to 20% in the medium term, but the relative cost of debt to equity funding has resulted in preference for equity issuance to fund SA Corporate's expansion activity during the past year.

7. **Units issued and liquidity**
1 364 151 734 new units were issued during the year under review to fund the SA Retail, Sharemax, Buffcol, Hubyeni, Forest Road, Hebbard Road, Cullinan Jewel Shopping Centre and Oryx acquisitions. A further 12 905 464 units were issued in January 2008 and 8 684 921 units will be issued in late
February 2008 for the last Buffcol transfers.

SA Corporate remains one of the most traded funds, in both percentage of units traded and absolute terms, with R2.1 billion trading in the year to 31 December 2007.

At year end SA Corporate's market capitalisation value was R8.4 billion making it the 3rd largest listed property fund on the JSE in terms of this measure.

8. **BEE & Transformation**
During the year, SA Corporate concluded a Relationship Agreement with Wipken Trust (an equal partnership between WIP Capital and Kensani Properties). Wipken have acquired and currently own 196 384 846 units in SA Corporate, which constituted 9,4 % of the Fund's equity at year end. No financial support in terms of financial guarantees or the issue of units at a discount was provided by SA Corporate in terms of this transaction and consequently there has been no dilution for existing unitholders in the Fund.

The board and management continue to be committed to transformation for the long term benefit of SA Corporate and its unitholders. During the year there have been changes to the board to improve its balance and diversity. In addition, as referred to above, the Fund has made a number of investments in retail developments in previously disadvantaged areas which, apart from being commercially attractive, have meaningfully enhanced the retail offering in these areas where there had been an underprovision of such facilities.

9. **Prospects**
The industrial component is expected to perform well as positive upward reversions are likely when leases expire during the year ahead. The current economic environment including increased interest rates are, however, likely to impact on the retail sector and SA Corporate's cost of funding.

Notwithstanding the above, management continue to support the distribution forecast for 2008 as per the Circular dated 28 March 2007.

REVIEW BY INDEPENDENT AUDITORS

SA Corporate's auditors, Deloitte & Touche, have reviewed the financial results of the group for the year ended 31 December 2007. Their unmodified report is available for inspection from the group's secretary.

CONSOLIDATED BALANCE SHEET (R000)	**31.12.2007 (Reviewed)**	31.12.2006 (Audited)
Assets		
Non-current assets		
Investment property	**8,241,267**	2,959,851
As per valuation	**8,401,198**	3,026,564
Straight line rental adjustment	**(159,931)**	(66,713)
Property under development	**50,067**	-
Investment in associate	**168,954**	-
Goodwill	**1,009,094**	-
Rental receivable - straight line adjustment	**121,853**	55,199
Current assets		
Properties classified as held for disposal	**18,000**	76,410
Trade receivables and accrued interest	**123,615**	43,649
Rental receivable - straight line adjustment	**38,078**	11,514
Cash resources and short term investments	**64,880**	22,096
Total assets	**9,835,808**	3,168,719
Unitholders' funds and liabilities		
Unitholders' funds	**8,433,253**	2,375,610
Non-current liabilities	**982,505**	677,149
Interest bearing borrowings	**667,960**	652,665
Deferred capital gains taxation	**314,545**	24,484
Current liabilities	**420,050**	115,960
Trade and other payables	**90,945**	28,415
Capital gains taxation and secondary taxation on companies	**15,033**	64
Unclaimed distributions	**767**	485
Distributions payable	**313,305**	86,996
Total unitholders' funds and liabilities	**9,835,808**	3,168,719

CONSOLIDATED INCOME STATEMENT (R000)	**12 months to 31/12/07 (Reviewed)**	17 months to 31/12/06 (Audited)
Revenue	**735,371**	**472,080**
Income	**754,406**	478,980
Rent	**576,832**	385,086
Straight line rental adjustment	**22,300**	8,115
Recovery of property expenses	**136,239**	78,879
Interest income from associate company	**6,310**	-
Interest	**12,725**	6,900
Expenses	**304,334**	194,016
Accounting and secretarial fees	**7,934**	5,848
Audit fees	**1,109**	1,198
Administrative fees	**2,958**	3,087
Interest paid	**77,620**	50,127
Property administrative fees	**21,360**	13,485
Property expenses	**166,474**	105,593
Service fees	**26,879**	16,280
Surplus on revaluation of interest rate swap derivative	**-**	(1,602)
Deferred taxation of straight line rental adjustment	**(17,006)**	(496)
Headline earnings	**433,066**	284,468
Capital deficit on disposal of investment property	**(5,388)**	(2,091)
Write up on revaluation of investment property	**721,624**	606,220
Revaluations	**743,924**	614,335
Straight line rental adjustment valuation	**(22,300)**	(8,115)
Taxation on property revaluation	**(60,659)**	(12,665)
On capital transactions	**(77,665)**	(13,161)
Straight line rental adjustment	**17,006**	496
Net profit attributable to unitholders	**1,088,643**	875,932
Units in issue (000)	**2,089,336**	725,184
Weighted units in issue (000)	**1,457,525**	725,184
	Cents	Cents
Distribution per unit	**32.00**	38.00
Net profit per unit	**52.10**	120.79
Weighted net profit per unit	**74.69**	120.79