SA CORPORATE
REAL ESTATE FUND

CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

SA Corporate Real Estate Fund
("SA Corporate" or "the Fund")
Incorporated in the Republic of South Africa
Share Code: SAC; ISIN Code: ZAE000083614
A Collective Investment Scheme in property registered in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 and managed by SA Corporate Real Estate Fund Managers Limited ("SA Corporate Fund Managers")
(Registration number 1994/009895/06)
REIT status approved

Interim distribution growth
- 7.3% higher than June 2012
- 8.7% higher than December 2012

Capital structure
- Low gearing of 14.5%
- 58.9m units repurchased
- Premium to NAV increased to 8.8%

Portfolio activity
- Disposal of 4 properties for R116,5m
- Purchased 1 property for R65,0m and contracted 5 properties for R575,0m

Property performance
- Industrial vacancy as % of GLA improved to 0.7%
- Standing portfolio net property income increase of 5.4%

INTRODUCTION
SA Corporate is a JSE listed Property Unit Trust (granted REIT status which will come into effect on 1 January 2014) which owns a portfolio of retail, industrial and commercial buildings located primarily in the major metropolitan areas of South Africa.

REVIEW OF FINANCIAL RESULTS AND PORTFOLIO PERFORMANCE
The interim distribution for the six months to June 2013 (16.28cpu) increased by 7.3% relative to the comparable period in June 2012 (15.17 cpu) and increased by 8.7% relative to the final distribution for the six months to December 2012 (14.98 cpu). While the current period was still impacted by disposals, the Fund achieved standing portfolio net property income growth of 5.4%. The premium to net asset value ("NAV") increased to 8.8% at June 2013 (NAV: 362cpu, Unit price: 394cpu), compared to a premium of 3.2% at June 2012.

Industrial rental growth (7.3%) was underpinned by positive rental reversions and good tenant retentions of 65.1%. Industrial tenant retentions were impacted by the expiry of a 30 000m2 distribution centre which, although not renewed, was re-let without any downtime. Retail rental income decreased by 15.3%. The reduction is attributable to a combination of the impact of disposals (14 properties in 2012 and 4 in 2013) and a 1.3% increase in vacancies. Retail rental income on the standing portfolio has improved from 4.7% growth as at June 2012 to 6.2% growth as at June 2013, arising from strong tenant retentions (87.4%) and positive reversions (0.9%). Commercial rental income decreased by 11.7%. This reduction is attributable to combination of the impact of disposals and a 5.4% increase in vacancies relative to the comparable period. Commercial rental income on the standing portfolio increased by 1.8%. The total standing portfolio rental (excluding recoveries and turnover rental) increased by 5.6%, mainly due to improved tenant retention and positive rental reversions.

Property expenses decreased by 4.0% compared to June 2012 as a result of the impact of the disposals. Property expenses in respect of the standing portfolio increased by 9.4%. The standing portfolio municipal costs representing 59.7% of property expenses increased by 10.7%, due to an increase in electricity, rates and water costs of 11.3%, 8.8% and 20.4% respectively. The standing portfolio property expenses excluding municipal costs increased by 7.6%. This is driven largely by the increase in Transnet ground rentals representing 3.7% of the total increased costs with the rest of the cost increasing by 3.9%.

Net interest expense decreased by 46.3% for the 6 months to June 2013 compared to the same period in 2012. The reduction is attributable to the settlement of more expensive debt; injection of disposal proceeds into flexible debt facilities and as well as the restructure of the swap facilities.

Fund expenses increased by 34.2% for the 6 months to June 2013, attributable to a further provision for VAT attribution liability to bring this in line with the potential liability to SARS (representing 28.3% of the increase) and increased service fees due to unit price growth (representing 5.5% of the increase). The VAT provision is still being reviewed by SARS and subject to query by the Fund.

The 58,896,063 units repurchased in the open market in January and February 2013, has given rise to a lapsed distribution of R8.8m, as these were purchased cum dividend. These lapsed distributions are available for redistribution as part of the interim distribution.

The breakdown of distributable earnings is set out below:

DISTRIBUTABLE EARNINGS (R000)	6 months to 30.06.2013 Unaudited	6 months to 30.06.2012 Unaudited	12 months to 31.12.2012 Audited
Rent (excluding straight line rental adjustment)	**424,333**	448,382	893,877
Net property expenses	**(47,664)**	(56,074)	(116,803)
Property expenses	**(206,144)**	(216,693)	(442,587)
Recovery of property expenses	**158,480**	160,619	325,784
Net property income	**376,669**	392,308	777,074
Taxation on distributable earnings	**103**	698	699
Interest income from associate company (Oryx)	**-**	1,402	1,402
Net funding cost	**(33,095)**	(61,589)	(108,655)
Interest income	**10,519**	12,115	30,547
Interest expense	**(43,614)**	(73,704)	(139,202)
Fund expenses	**(30,174)**	(22,481)	(54,707)
Lapsed distribution	**8,812**	795	795
Distributable earnings	**322,315**	311,133	616,608
Units in issue (000)	**1,980,093**	2,050,917	2,038,989
Weighted units in issue (000)	**1,991,406**	2,065,576	2,057,569
Distribution (cents per unit)	**16.28**	15.17	30.15
Interim	**16.28**	15.17	15.17
Final	**-**	-	14.98

PROPERTY VALUATIONS
The value of the Fund's independently valued property portfolio increased by R239,2m (2.9%) to R8,4bn as at June 2013 (December 2012: R8,1bn). The standing portfolio, representing properties not under development and held for the full 12 months to June 2013, increased by R278,5m (3.5%) from December 2012.

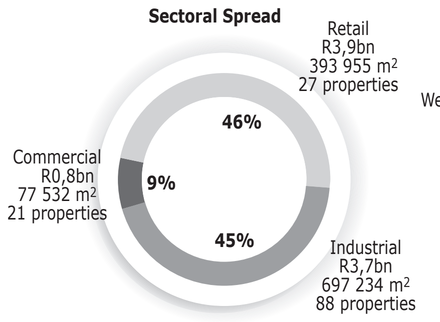
The capitalisation and discount rates in the Fund's portfolio at 30 June 2013 was calculated on a weighted basis:

Property type	Capitalisation rate (%)		Discount rate (%)		Growth in standing portfolio (%)
	30.06.2013	31.12.2012	**30.06.2013**	31.12.2012	**30.06.2013**
Industrial	**9.4**	9.5	**14.9**	15.0	**2.9**
Retail	**8.8**	9.0	**14.3**	14.5	**4.7**
Commercial	**9.8**	9.9	**15.3**	15.4	**0.6**
Portfolio total	**9.2**	9.3	**14.7**	14.8	**3.5**

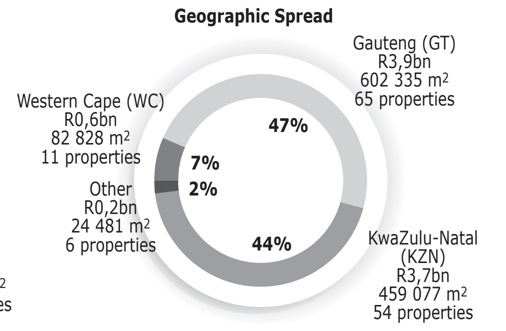
The portfolio valuation contributed to a 9.7% increase in the NAV of 362cpu, (June 2012: 330cpu).

PORTFOLIO INVESTMENT ACTIVITY
The portfolio comprised 136 properties (147 properties as at June 2012 and 139 properties as at December 2012). The sectoral and geographic weightings by value as at 30 June 2013 are set out below:

Sectoral Spread



Geographic Spread



Developments:

Properties	Cost (Rm)	Completion date	Yield forecast 1st 12 months (%)	Sector	Region
Corner of Rudo Nel & Tudor Streets, Jet Park	39	11/2013	10.8	Industrial	Gauteng
Middelburg Pick 'n Pay, Middelburg	5	07/2013	11.6	Retail	Mpumalanga
Town Square Shopping Centre, Weltevreden Park	9	11/2013	8.4	Retail	Gauteng

Acquisitions:

Property	Cost (Rm)	Acquisition date	Yield forecast 1st 12 months (%)	Sector	Region
PwC, 102 Essenwood Road, Durban	65,0	05/2013	10.6	Office	KwaZulu-Natal

Contracted and conditional acquisitions:

Properties	Purchase price (Rm)	Expected Yield (%)
World Trade Center, Sandton	360,0	9.0%
Eveready & Continental Tyres, New Brighton, Port Elizabeth	124,5	9.0%
Nampak, Denver; UPM Raflatac, Longmeadow and Wepco Tools, Founders View	90,5	9.0%
Total	**575,0**	**9.0%**

Disposals:

Properties	Transfer date	Gross selling price (Rm)	Carrying value at date of sale (Rm)	Exit yield on sale price (%)
425 West Street, Durban	01/2013	54,5	54,5	10.0
The Ridge, Wilgeheuvel	03/2013	30,0	30,0	9.0
Clubview Corner, Pretoria	01/2013	27,0	29,4	8.4
Main Street, Gingindlovu	06/2013	5,0	5,4	6.6^
Total		**116,5**	**119,3**	**9.2#**

Contracted disposals:

Properties	Expected transfer date	Gross selling price (Rm)	Carrying value at 30 June 2013 (Rm)	Exit yield on sale price (%)
106 Johan Avenue, Sandton	07/2013	35,0	35,0	4.4*
131 Jan Hofmeyer Road, Westville	08/2013	23,9	23,9	7.8^
13 Wellington Road, Parktown	08/2013	17,8	17,8	6.6^
Philani Valley Shopping Centre, Umlazi	09/2013	40,5	40,5	3.5
Total		**117,2**	**117,2**	**5.1#**

* Transferred in July 2013 # Weighted on gross selling price ^ Estimated yield as building is fully vacant

LEASE EXPIRIES AND VACANCIES
Vacancies in terms of rentable area and rental income were as follows:

Property type	Vacancy as % of GLA *			Vacancy as % of rental income		
	30.06.2013	31.12.2012	30.06.2012	**30.06.2013**	31.12.2012	30.06.2012
Industrial	**0.7**	1.3	3.7	**0.4**	1.5	2.2
Retail	**11.9**	10.6	11.5	**6.2**	5.8	5.9
Commercial	**19.9**	19.2	14.5	**14.1**	14.1	9.5
Portfolio total	**6.0**	**5.9**	**7.4**	**4.5**	**4.9**	**4.9**

* GLA=Gross lettable area

The Fund's industrial vacancies at 0.7% (June 2012: 3.7%) is better than the sector average and is indicative of the quality of the portfolio. The Fund continues to focus on retention strategy and partnering with its tenants.

Retail vacancies (11.9%) increased since June 2012 (11.5%) predominantly due to strategic areas held for expansion in respect of existing and prospective tenants and large box tenant failures. With the support of Broll good progress has already been made post 30 June 2013 in securing tenants for vacancies of 2.5%.

The commercial vacancy (including commercial in retail) as at June 2013 was 19.9% marginally up from December 2012 (December 2012: 19.2%) but substantially up from June 2012 (June 2012: 14.5%). The commercial vacancy, excluding C grade offices held for sale, will reduce to 14.1%.

The lease expiry profile and vacancies (by GLA) are set out below:

Property type	Vacant (%)	Expiring (%)					
		Monthly	2013	2014	2015	2016	Thereafter
Industrial	0.7	3.5	10.4	13.4	25.0	7.1	39.9
Retail	11.9	7.9	8.3	16.5	18.0	13.7	23.7
Commercial	19.9	7.8	9.1	16.6	14.3	5.2	27.1
Total	**6.0**	**5.3**	**9.6**	**14.7**	**21.8**	**9.2**	**33.4**

Good progress has been made in reducing the monthly expiries from 9.2% in December 2012 to 5.3% in June 2013, through longer lease negotiation or re-tenanting, while the focus on retention has seen the expiries for 2013 reduce from 18.5% to 9.6% since December 2012.

TENANT RETENTION AND RENTAL REVERSION
The table below reflects the Fund retention ratio and rental reversion per sector for a rolling 12 month period ending June 2013:

Property type	Expiries (m²)	Retention (m²)	Retention (%)	Rental reversion (%)
Industrial	136,965	89,178	65.1	5.3
Retail	69,688	60,883	87.4	0.9
Commercial	17,545	9,739	55.5	(1.0)
Total	**224,198**	**159,800**	**71.3**	**2.4**

The reduction in overall tenant retentions were impacted by the expiry and re-letting of the 30 000m² distribution centre referred to previously, representing a larger proportion of the Industrial expiries in the last 12 months. Both the retail and commercial retentions have improved over the same period.

BORROWINGS
The debt profile is detailed below as at 30 June 2013:

Type	Maturity date	Value (Rm)	Interest Rate (%)
Fixed	13.08.2018	270	7.45
Fixed	13.08.2018	30	7.45
Variable	31.12.2014	300	6.80
Fixed	11.09.2014	400	7.41
Fixed	29.04.2015	200	8.23
Variable	25.07.2016	16	7.15
Total		**1,216**	**7.40**

Gearing remained low with debt amounting to 14.5% of the total portfolio (30 June 2012: 17.8%). The Fund entered into new swap arrangements, effective January 2013, hedging R720m (59.2%) of the Fund's effective borrowings.

STRATEGY AND PROSPECTS
The Fund has made good progress with the execution of its four pillar strategy presented at the beginning of the year.

In respect of the first pillar relating to the Fund's investment strategy, the initial focus has been to make acquisitions to further enhance its quality industrial portfolio, acquire premium grade offices in prime locations, whilst divesting from largely vacant C grade offices in secondary nodes and retail properties not of a quality compatible with the long term strategy. The purchase of four industrial buildings for a total consideration of R215m in two separate transactions has been contracted whilst the Fund is in advanced negotiations for the acquisition of a further industrial property for R65m. The purchase of a premium grade office tower in Sandton for R360m has been contracted in addition to the office building situated in Durban already acquired. The sale of three largely vacant C grade office buildings and one of its underperforming retail centres, represents a divestment of R117,2m. The Fund is actively pursuing a number of acquisitions with a view to improving the growth of its retail portfolio. An important component of the Fund's investment strategy is to exploit redevelopment opportunities and in this regard obstacles to the redevelopment of two of its prime retail properties, East Rand Galleria and Umlazi Mega City, have been unlocked and planning on these projects has commenced.

Regarding the second pillar, being the procurement of sector best property management services to secure optimal performance of the Fund's portfolio, Broll Property Group was appointed effective 1 July 2013 and has already made good progress particularly in respect of retail vacancies. Property management expenses are expected to reduce by circa 20% from 1 July. The Fund has entered into a memorandum of understanding with Retail Africa who in return for the opportunity to co-invest 25% in the redevelopment of certain of the Fund's retail properties requiring renewal, will provide their expertise and experience in retail property redevelopment. This is done at a level which will ensure the Fund's NAV is not diluted. The partnership incentivises Retail Africa to introduce new investment.

With respect to the third pillar, establishing an optimal and cost efficient capital structure, the Fund has achieved good pricing on expiring borrowing facilities to ensure that the weighted average cost of debt supports the growth in core income. The Fund achieved its inaugural long term rating of A1-za by Global Credit Rating and will enter the debt capital markets with its inaugural issuance this year to coincide with its funding requirements. To mitigate interest rate volatility and the Fund's progress with acquisitions the Fund secured swaps on 24 July 2013 and renegotiated its long term debt on 14 August 2013, bringing the hedging of its long term debt to 91.8% and its weighted average cost of debt to 7.86%.

In the execution of the final pillar, being the alignment of investor and management interests, the Fund is still in discussions with Old Mutual Property. The aforementioned transaction would enable the conversion to a REIT company and the Fund's management is proactively engaging the Financial Services Board, National Treasury and SARS with other REIT Collective Investment Schemes in Property on formulating the process for this conversion.

The Board is confident that Management are in a position to continue to deliver the execution of the strategy such that a similar level of distribution growth is achievable for the full financial year.

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION (R000)	As at 30.06.2013 Unaudited	As at 30.06.2012 Unaudited	As at 31.12.2012 Audited
Assets			
Non-current assets	**8,328,842**	7,645,819	7,990,017
Investment property	**8,055,905**	7,418,385	7,733,791
- At valuation	**8,103,125**	6,757,925	7,903,575
- Straight line rental adjustment	**(221,020)**	(214,440)	(233,084)
- Properties under development	**173,800**	874,900	63,300
Letting commission and tenant installation	**55,897**	26,404	53,521
Interest rate swap derivative	**31,668**	10,831	2,854
Rental receivable - straight line adjustment	**185,372**	190,199	199,851
Current assets	**544,268**	1,209,116	754,215
Properties held for disposal	**112,040**	370,400	182,900
Letting commission and tenant installation	**637**	-	835
Trade receivables	**23,330**	18,042	20,186
Other receivables and accrued interest	**88,642**	130,626	108,956
Rental receivable - straight line adjustment	**35,648**	24,240	33,233
Capital gains taxation	**-**	824	824
Cash resources and short term investments	**283,971**	664,984	407,281
Total assets	**8,873,110**	8,854,935	8,744,232
Unitholders' funds and liabilities			
Unitholders' funds	**7,168,527**	6,777,333	6,973,355
Non-current liabilities	**1,216,014**	1,062,767	767,719
Interest-bearing borrowings	**1,216,014**	920,976	620,975
Interest rate swap derivative	**-**	29,227	-
Deferred taxation	**-**	112,564	146,744
Current liabilities	**488,569**	1,014,835	1,003,158
Trade and other payables	**161,951**	172,258	170,283
Interest-bearing borrowings	**-**	500,000	520,000
Capital gains taxation	**31**	56	56
Unclaimed distributions	**1,173**	879	1,034
Distributions payable	**322,315**	311,133	305,475
Interest rate swap derivative	**3,099**	30,509	6,310
Total unitholders' funds and liabilities	**8,873,110**	8,854,935	8,744,232
NAV cpu	**362**	330	342

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME (R000)	6 months ended 30.06.2013 Unaudited	6 months ended 30.06.2012 Unaudited	Year end 31.12.2012 Audited
Revenue	**570,158**	604,666	1,227,838
Income	**580,677**	618,183	1,259,787
Rent	**424,333**	448,382	893,877
Straight line rental adjustment	**(12,655)**	(4,335)	8,177
Recovery of property expenses	**158,480**	160,619	325,784
Interest income from associate company	**-**	1,402	1,402
Interest income	**10,519**	12,115	30,547
Expenses	**(279,932)**	(312,878)	(636,496)
Accounting and secretarial fees	**(3,041)**	(2,943)	(5,893)
Audit fees	**(787)**	(28)	(1,661)
Administrative fees	**(7,818)**	(2,095)	(11,594)
Interest expense	**(43,614)**	(73,704)	(139,202)
Property expenses	**(206,144)**	(216,693)	(442,587)
Service fees	**(18,528)**	(17,415)	(35,559)
Operating income	**300,745**	305,305	623,291
Revaluation of interest rate swap	**32,025**	(16,360)	(30,141)
Debt restructure costs	**(10,504)**	(19,002)	(32,739)
Capital loss on disposal of investment properties	**(4,995)**	(13,422)	(20,075)
Revaluation of investment properties	**271,891**	(46,379)	245,611
- Revaluations	**259,236**	(50,714)	253,788
- Straight line rental adjustment	**12,655**	4,335	(8,177)
Revaluation of investment property under development	**(14,354)**	11,905	625
Income before taxation	**574,808**	222,047	786,572
Taxation	**146,847**	(15,762)	(49,939)
Current capital gains and normal income taxation	**103**	1,439	1,441
Deferred taxation on property transactions	**146,744**	(17,201)	(51,380)
Deferred taxation on straight line valuation adjustment	**(21,815)**	(445)	846
Deferred taxation on straight line rental adjustment	**21,815**	445	(846)
Net profit attributable to unitholders	**721,655**	206,285	736,633
Other comprehensive income			
Amortisation of debt restructure	**10,515**	13,737	27,473
Total comprehensive income attributable to unitholders	**732,170**	220,022	764,106

CONDENSED GROUP STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS (R000)	6 months to 30.06.2013 Unaudited	6 months to 30.06.2012 Unaudited	12 months to 31.12.2012 Audited
Unitholders' funds at the beginning of the period	**6,973,355**	6,967,767	6,967,767
Total comprehensive income for the period	**732,170**	220,022	764,106
Net profit for the period	**721,655**	206,285	736,633
Amortisation of debt restructure	**10,515**	13,737	27,473
Repurchase of units	**(222,986)**	(100,000)	(142,489)
Unit repurchase cost	**(509)**	(118)	(216)
Lapsed distribution on units repurchased	**8,812**	795	795
Distribution attributable to unitholders	**(322,315)**	(311,133)	(616,608)
Unitholders' funds at the end of the period	**7,168,527**	6,777,333	6,973,355

CONDENSED GROUP STATEMENT OF CASH FLOWS (R000)	6 months to 30.06.2013 Unaudited	6 months to 30.06.2012 Unaudited	12 months to 31.12.2012 Audited
Operating profit before changes in working capital	354,722	371,234	744,552
Changes in working capital	11,504	24,494	31,663
Cash generated from operations	366,226	395,728	776,215
Changes in operating activities	(337,668)	(363,342)	(721,539)
Net cash flows from operating activities	28,558	32,386	54,676
Net cash flows from investing activities	(12,236)	665,542	708,137
Net cash flows from financing activities	(139,632)	(406,595)	(729,183)
Net (decrease)/increase in cash resources and short term investments	(123,310)	291,333	33,630
Cash resources and short term investments at beginning of period	407,281	373,651	373,651
Cash resources and short term investments at end of period	283,971	664,984	407,281

NOTES TO THE CONDENSED GROUP FINANCIAL STATEMENTS
The condensed financial information has been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Collective Investment Schemes Control Act and the information as required by IAS 34: Interim Financial Reporting. The report has been prepared using accounting policies that comply with IFRS which are consistent with those applied in the financial statements for the year ended 31 December 2012. The results and prospects have not been audited or reviewed by the Group's auditors, Deloitte & Touche.

1. Reconciliation of headline earnings to distributable earnings attributable to unitholders

	6 months to 30.06.2013 Unaudited R 000	CPU	6 months to 30.06.2012 Unaudited R 000	CPU	12 months to 31.12.2012 Audited R 000	CPU
Net profit for the period	**721,655**	**36.24***	206,285	9.99*	736,633	35.80*
Adjustments for:						
Capital loss on disposal of investment properties	**4,995**		13,422		20,075	
Revaluation of investment properties	**(271,891)**		46,379		(245,611)	
Revaluation of investment property under development	**14,354**		(11,905)		(625)	
Taxation on adjustments	**(125,032)**		16,207		49,093	
Headline earnings	**344,081**	**17.28***	270,388	13.09*	559,565	27.20*
Straight line rental adjustment	**12,655**		4,335		(8,177)	
Taxation on straight line rental adjustment	**(21,815)**		(445)		846	
Debt restructure costs	**10,504**		19,002		32,739	
Other	**103**		698		699	
Lapsed distribution on units repurchased	**8,812**		795		795	
Revaluation of interest rate swap	**(32,025)**		16,360		30,141	
Distributable earnings attributable to unitholders	**322,315**	**16.28**	311,133	15.17	616,608	30.15
Interim	**322,315**	**16.28**	311,133	15.17	311,133	15.17
Final	**-**	**-**	-	-	305,475	14.98

* calculated on weighted units in issue

2. Primary operational segments (R000)

Business segment	Industrial	Retail	Commercial	Group
Extract from statement of comprehensive income				
Revenue	225,798	297,925	46,435	570,158
Rental income (excluding straight line rental adjustment)	204,219	181,087	39,027	424,333
Net property expenses	(20,576)	(19,445)	(7,643)	(47,664)
Property expenses	(48,192)	(140,496)	(17,456)	(206,144)
Recovery of property expenses	27,616	121,051	9,813	158,480
Net property income	183,643	161,642	31,384	376,669
Straight line rental adjustment	(6,037)	(4,213)	(2,405)	(12,655)
Net interest expense	-	-	-	(33,095)
Debt restructure costs	-	-	-	(10,504)
Fund expenses	-	-	-	(30,174)
Deferred taxation on straight line rental adjustment	1,123	20,692	-	21,815
Revaluation of interest rate swap	-	-	-	32,025
Headline earnings	178,729	178,121	28,979	344,081
Other information				
Properties	3,607,390	3,815,707	743,130	8,166,227
At valuation	3,665,500	3,750,925	686,700	8,103,125
Classified as held for disposal	-	35,300	76,740	112,040
Property under development	65,300	108,500	-	173,800
Straight line rental adjustment	(123,410)	(79,018)	(20,310)	(222,738)
Revaluation of investment properties excluding straight line adjustment, net of taxation	101,763	286,102	3,761	391,626

Segment growth rates	Industrial %	Retail %	Commercial %	Group %
Rental income (excluding straight line rental adjustment)	7.3	(15.3)	(11.7)	(5.4)
Property expenses	19.3	(11.8)	2.5	(4.9)
Recovery of property expenses	8.2	(4.0)	9.4	(1.3)
Net property income	4.7	(10.6)	(13.2)	(4.0)

3. Unit repurchases
The Board approved the implementation of a unit repurchase programme for which approval was given by the unitholders at the annual general meeting in 2012. In terms of the programme, a portion of the proceeds from the sale of the properties can be used to repurchase units in the open market which would then be cancelled. In January to February the programme was concluded by the repurchase of 58,896,063 units at an average price of 378.61c (2012: 42,879,535 units at an average price of 332.30c).

4. Deferred taxation
During the reporting period, the JSE Limited approved the Fund's application for the Real Estate Investment Trust ("REIT") status. SA Corporate will qualify as a REIT with effect from the commencement of its next financial year, being 1 January 2014. In determining the aggregate capital gain or capital loss of a REIT or a controlled property company for purposes of the Eighth Schedule, of the Income Tax Act 1958, as amended, any capital gain or capital loss determined in respect of the disposal of immovable property; a share in a REIT; or a share in a controlled property company, must be disregarded. This resulted in a reversal of the Group's deferred taxation liability of R146.74m.

DISTRIBUTION DECLARATION AND IMPORTANT DATES
Notice is hereby given of the declaration of distribution no. 37 in respect of the income distribution period 1 January 2013 to 30 June 2013. The distribution amounts to 16.28 cpu. The source of the distribution comprises net income from property rentals, income earned from the Fund's listed property investment and interest earned on cash investments. Please refer to the statement of comprehensive income for further details. The distribution is not regarded as a dividend and therefore no dividend withholding taxation is payable on the distribution amount.

Last date to trade cum distribution	Thursday, 19 September 2013
Units will trade ex-distribution	Friday, 20 September 2013
Record date to participate in the distribution	Friday, 27 September 2013
Payment of distribution	Monday, 30 September 2013

Unit certificates may not be dematerialised or re-materialised between Friday, 20 September and Friday, 27 September 2013 both days inclusive.

SA Corporate Real Estate Fund Managers Limited

Registered office
5th Floor
Mutual Park
Jan Smuts Drive
Pinelands
7405
PO Box 333
Mutual Park
7451
Tel: (021) 530-4500

Registered auditors
Deloitte & Touche
1st Floor
The Square
Cape Quarter
27 Somerset Road
Cape Town
8005

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Ground Floor
70 Marshall Street
Johannesburg
2001
PO Box 61051
Marshalltown
2107

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

Managed By
OLDMUTUAL Property
A licenced financial services provider

Directors: J Molobela (Chairman appointed 3 May 2013), TR Mackey (Managing)*, AM Basson (Finance)*, RJ Biesman-Simons, GP Dingaan, KJ Forbes, P Levett, SH Mia, R Morar, ES Seedat, GJ Van Zyl (resigned 3 June 2013)
* Executive

This report has been prepared under the supervision of AM Basson, CA(SA).

OLD MUTUAL PROPERTY PROPRIETARY LIMITED
SECRETARIES
26 August 2013