

- Maiden distribution and yield exceed prospectus forecast
- Property portfolio increases to +R3 billion
- Liquidity of linked units significantly improved

ABRIDGED GROUP INCOME STATEMENT

	Audited year ended 31 March 2005 R000	
Gross property revenue	400 954	
Property expenses	(137 992)	
Net profit from property operations	262 962	
Administrative expenses	(9 320)	
Other income	2 438	
Net profit before finance costs	256 080	
Finance costs	(110 865)	
Net profit before debenture interest	145 215	
Debt interest	(149 582)	
Net loss before change in fair value of investment properties	(4 367)	
Increase in fair value of investment properties	289 239	
Net profit before taxation	284 872	
Taxation	(37 416)	
Deferred capital gains taxation	(38 063)	
Other	647	
Net profit for the year	247 456	
Attributable to:		
Linked unitholders of the company	233 032	
Minority shareholders	14 424	

	R000	Cents per linked unit
Reconciliation of net profit to headline earnings		
Net profit attributable to linked unitholders	233 032	105.35
Debt interest net of minorities	145 721	65.88
Earnings attributable to linked unitholders	378 753	171.23
Adjusted for:		
Increase in fair value of investment properties	(289 239)	(130.76)
Deferred taxation on fair value adjustment of investment properties	38 063	17.21
Minority interest in revaluation surplus net of deferred tax	14 210	6.42
Headline earnings attributable to linked unitholders	141 787	64.10
Total number of linked units in issue at 31 March 2005	268 189 490	
Weighted average number of linked units in issue	221 192 473	

	Total	First	Second	
	R000	R000	Cents per linked unit	Cents per linked unit
Distributions to Vukile unitholders				
Interest distribution to linked unitholders from current profits	136 637	61 413	29.94	75 224
Dividend distribution to linked unitholders	297	125	0.06	172
Pre-acquisition debenture interest from MICC	9 084	-	-	9 084
Total distribution	146 018	61 538	30.00	84 480

ABRIDGED GROUP CASH FLOW STATEMENT

	Audited year ended 31 March 2005 R000	
NET CASH FLOW FROM OPERATING ACTIVITIES	127 066	
NET CASH FLOW FROM INVESTING ACTIVITIES	(2 231 193)	
Purchase of investment properties	(1 905 276)	
Purchase of furniture and equipment	(254)	
Acquisition of business combination	(325 663)	
NET CASH FLOW FROM FINANCING ACTIVITIES	2 128 188	
Proceeds from issue of linked units	1 329 819	
Interest bearing borrowings raised	798 369	
Increase in cash and cash equivalents	24 061	
Cash and cash equivalents at the beginning of the year	-	
Cash and cash equivalents at the end of the year	24 061	

ABRIDGED GROUP BALANCE SHEET

	Audited 31 March 2005 R000	
ASSETS		
Non-current assets	3 152 674	
Investment properties	3 135 927	
Goodwill	16 286	
Furniture, fittings and computer equipment	461	
Current assets	46 725	
Trade and other receivables	22 664	
Cash and cash equivalents	24 061	
Total assets	3 199 399	
EQUITY AND LIABILITIES		
Equity and Reserves	272 356	
Share capital	2 682	
Share premium	13 009	
Reserves	212 101	
Minority interest	44 564	
Non-current liabilities	2 762 818	
Linked debentures	1 391 463	
Other interest bearing borrowings	1 300 815	
Interest rate hedge	20 562	
Deferred and other taxation	49 978	
Current liabilities	164 225	
Trade and other payables	63 984	
Tenant deposits	15 761	
Linked unitholders for distribution	84 480	
Total equity and liabilities	3 199 399	

ABRIDGED GROUP EQUITY STATEMENT

	Share capital R000	Share premium R000	Fair value reserves R000	Retained earnings R000	Minority interest R000	Total R000
Issue of linked units	2 682	24 137	-	-	-	26 819
Share issue expenses	-	(11 128)	-	-	-	(11 128)
	2 682	13 009	-	-	-	15 691
Acquisition of business combination	-	-	-	-	26 279	26 279
Net income recognised directly from equity	-	-	(20 562)	-	-	(20 562)
Cash flow hedges	-	-	(33 391)	-	-	(33 391)
Transferred to profit or loss for the year	-	-	12 829	-	-	12 829
Profit for the year	-	-	233 032	14 424	247 456	247 456
Revaluation of properties	-	-	289 239	(289 239)	-	-
Deferred taxation on revaluation of properties	-	-	(38 063)	38 063	-	-
Allocation of revaluation of properties to minorities	-	-	(14 210)	14 210	-	-
Transfer from pre-acquisition reserves	-	-	(9 084)	9 084	-	-
Minorities' share of post acquisition distribution	-	-	-	-	3 861	3 861
Other	-	-	(72)	-	-	(72)
Dividend distribution	-	-	-	(297)	-	(297)
Balance at 31 March 2005	2 682	13 009	207 248	4 853	44 564	272 356

COMMENTS

- PREPARATION AND AUDIT OPINION BY THE INDEPENDENT AUDITORS**
The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the South African Companies Act.
The auditors, Grant Thornton, have audited the abridged financial statements. Their unqualified report is available for inspection at the company's registered office.
- FINANCIAL RESULTS FOR VUKILE**
Vukile's net profit after tax amounted to R247.5 million for the year ended 31 March 2005, of which R233 million is attributable to the linked unitholders of the company.
Vukile, in accordance with policy, has resolved to distribute R146 million of its distributable income for the year ending 31 March 2005.
The Board has approved a final distribution of 31.5 cents per linked unit for the period from 1 October 2004 to 31 March 2005, which brings the total distribution for the year ended 31 March 2005 to 61.5 cents per linked unit compared to 60.25 cents per linked unit anticipated in the prospectus.
- ACQUISITION OF MICC PROPERTY INCOME FUND LIMITED ("MICC")**
Vukile holds 74.347% of MICC's issued linked units at 31 March 2005. Gerhard van Zyl and Michael John Potts were appointed to the board of MICC on 31 January 2005. A management agreement has been concluded between Vukile and MICC, in terms of which Vukile assumes responsibility for the management and administration functions of MICC on a cost recovery basis.
The MICC transaction equates to an acquisition by Vukile of a property portfolio worth approximately R740 million. Vukile's intention is still to acquire the MICC linked units that it does not yet own and various alternatives to achieve this objective are under investigation.
- BORROWINGS**
The salient terms of the group's debt funding are as follows:

	R000
JIBAR based debt	764 166
Prime less 1.5% debt (access facility)	75 000
Fixed interest rate funding (weighted average rate 11.44% - NACM)	502 446
Total	1 341 612

[JIBAR - Johannesburg Interbank Agreed Rate] • [NACM - Nominal Annual Compounded Monthly]
The debt funding is provided over fixed periods of between three and five years, with interest only to be serviced over the respective funding periods.
Management is investigating the securitisation of a major portion of Vukile's long-term debt. Initial indications are that, due to a keen appetite for this type of note, significant long-term interest savings can be achieved.
- INTEREST RATE SWAPS**
As at 31 March 2005 the company had entered into interest rate swap agreements up to an all in average rate whereby 91% of its variable interest rate loans had been converted to fixed rate debt at a three year period of 11.18% (NACM).
Subsequent to 31 March 2005 an interest rate swap agreement was cancelled and was replaced with a new two year interest rate swap at an all in average rate of 11.15% (NACM), increasing the interest rate cover to 100%.
- PROPERTY PORTFOLIO**
The Vukile property portfolio currently comprises 52 properties with a gross lettable area of 676 961m². Particulars with regard to the vacancy profile, lease expiry profile, geographical spread and other tenant information are contained in the accompanying graphs.
MICC owns 40 properties with a gross lettable area of 395 812m².
- DEVELOPMENTS**
During the year, the cinemas at Dobsonville Shopping Centre were converted into approximately 1 600m² of retail space and let to the Edgars Group, trading as Jetmart, for a six year period.
A similar conversion at the Daveyton Shopping Centre has been approved, creating additional retail space of approximately 1 300m² which will be let to Jetmart for a six year period.
Various other conversion and expansion opportunities are currently under investigation.
- SHARE CAPITAL AND DEBENTURES**
205 129 430 linked units were issued in respect of the acquisition of investment properties during the year. An additional 63 060 060 linked units were issued to finance the acquisition of the 74.347% interest in MICC.
Total linked units in issue at 31 March 2005: 268 189 490.
- RELATED PARTY TRANSACTIONS**
During the year, the company, in the ordinary course of business, entered into various transactions with related parties. These transactions occurred on terms that are no less favourable than those arranged with third parties.

Related party	Type of transaction	Amounts paid to related parties R000	Amounts owed to related parties R000
Sanlam Properties (Proprietary) Limited	Asset and property management fees	6 484	596
Gensec Property Services (Proprietary) Limited	Property management and other fees	10 398	871
MCH Properties (Proprietary) Limited	Total listing, property and MICC acquisition fees	44 767	4 030
Kuper Legh Property Group	Property management and other fees	2 537	-
Sanlam Group	Interest on adjustment account	10 682	6 097

Sanlam Properties (Proprietary) Limited is a subsidiary of Sanlam Limited which held 159 054 399 of the issued linked units of Vukile Property Fund Limited at 31 March 2005. Sanlam Limited also holds a minority shareholding in Gensec Property Services (Proprietary) Limited, and a majority shareholding in MCH Properties (Proprietary) Limited. Kuper Legh Property Group is controlled by two individuals who are also shareholders in Vukile.

10. SEGMENTAL REPORTING

Group income for the year ended 31 March 2005 (R000)

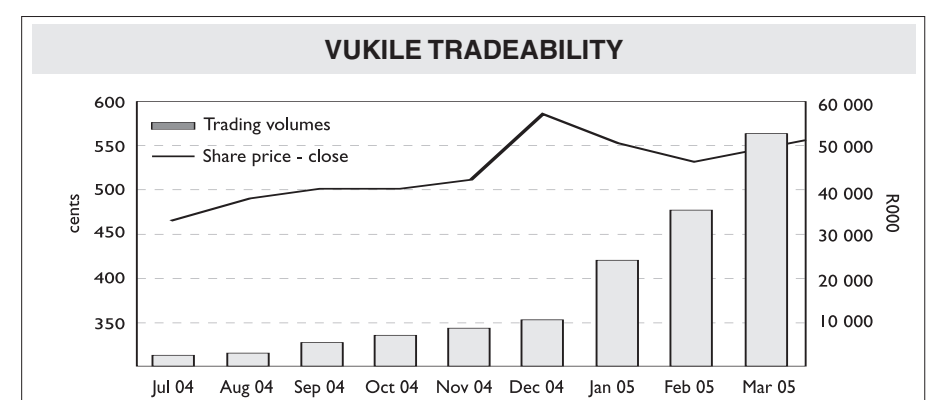
	Industrial	Commercial	Retail	Total
Rental income	63 634	143 198	194 122	400 954
Property expenses	(23 376)	(46 727)	(67 889)	(137 992)
Net property profit	40 258	96 471	126 233	262 962

Group balance sheet at 31 March 2005 (R000)

	Industrial	Commercial	Retail	Corporate	Total
Non-current assets	467 669	1 015 032	1 653 226	461	3 136 388
Investment properties	467 669	1 015 032	1 653 226	-	3 135 927
Furniture, fittings and computer equipment	-	-	-	461	461
Current assets	8 919	12 489	25 282	35	46 725
Trade and other receivables	6 188	6 178	10 286	12	22 664
Cash and cash equivalents	2 731	6 311	14 996	23	24 061
Current liabilities	9 927	16 863	29 742	107 693	164 225
Trade and other payables	9 927	16 863	29 742	23 213	79 745
Linked unitholders	-	-	-	84 480	84 480

11. LIQUIDITY IMPROVEMENT

Management has embarked on a programme to extend Vukile's unitholder base and improve the tradeability of its linked units. The exercise is still underway but it has already had a significantly positive effect on trading volumes, as shown in the accompanying graph.



12. PROSPECTS

Vukile is well positioned to deliver real growth in distributions in the 2006 financial year, provided there is no material deterioration in the company's operating environment during this period. Planned conversions of existing properties and planned expansions will provide a solid foundation for growth in 2006.

13. PAYMENT OF DEBENTURE INTEREST AND DIVIDEND

Notice was given on 1 June 2005 of a distribution amounting to 31.5 cents per linked unit, for the six month period to 31 March 2005. The distribution comprises interest on debentures of 31.44 cents per debenture and a dividend of 0.06 cents per share.

Last date to trade cum distribution: Friday, 17 June 2005
Linked units trade ex distribution: Monday, 20 June 2005
Record date for unitholders to participate in the distribution: Friday, 24 June 2005
Payment of distribution to unitholders: Monday, 27 June 2005

Linked unit certificates may not be dematerialised or re-materialised between Monday, 20 June 2005 and Friday, 24 June 2005, both days inclusive.

On behalf of the Board

AD Botha
Chairman

G van Zyl
Chief executive

Roodepoort

13 June 2005

VUKILE PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa) • (Registration number 2002/027194/06)
JSE CODE: VKE • **ISIN:** ZAE00056370 • **Sponsor:** Bridge Capital Services (Pty) Limited, Woodmead, Johannesburg • **Executive directors:** G van Zyl (CEO), MJ Potts (Financial Director)
Non-executive directors: AD Botha (Chairman), S Bernic, HSC Bester, KMK Bothongo, PJ Cook, PS Moyanga and M Serebro • **Registered office:** Meersig Building, Constantia Boulevard, Constantia Kloof, 1709. • **Transfer secretaries:** Computershare Investor Services 2004 (Pty) Limited, Marshalltown, Johannesburg. • **Investor and media relations:** Contact Kathy du Plessis on vukile@dpapr.com, or Tel: 011 728-4701.

