ATTACQ

INVEST • DEVELOP • GROW

ANNUAL FINANCIAL STATEMENTS 2016

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Index	Page
The reports and statements set out below comprise the Annual Financial Statements presented to the shareholders:	
Directors' responsibilities and approval	1
Certificate by Company Secretary	2
Audit and Risk report	3 – 8
Independent auditor's report	9 – 13
Directors' report	14 – 15
Statements of financial position	16 – 17
Statements of profit or loss and other comprehensive income	18
Statements of cash flows	19
Statements of changes in equity	20 – 21
Accounting policies	22 – 44
Notes to the financial statements	45 – 177

LEVEL OF ASSURANCE

These Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act, 71 of 2008.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The audited Annual Financial Statements, set out on pages 14 to 177, were approved by the Board of Directors on 9 September 2016.

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required in terms of the Companies Act, 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the Consolidated and Separate Financial Statements. It is their responsibility to ensure that the Consolidated and Separate Financial Statements fairly present the state of affairs of Attacq Limited ("Attacq") and its subsidiaries ("the Group" and "the Company") as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards ("IFRS").

The Consolidated and Separate Financial Statements are prepared in accordance with IFRS, issued by the International Accounting Standards Board, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is beyond reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Group.

The Directors have reviewed the cash flow forecast of the Group and Company for the next 12 months and, in light of this review and the current financial position, they are satisfied that the Group and the Company have access to adequate resources to continue in operational existence for the foreseeable future.

The Consolidated and Separate Financial Statements, set out on pages 14 to 177 in this report, have been prepared on the going concern basis.

The external auditors are responsible for independently auditing and reporting on the Consolidated and Separate Financial Statements. The Annual Financial Statements have been examined by the Group's external auditors and their unmodified report is presented on pages 9 to 13.

The consolidated and separate Annual Financial Statements set out on pages 2 to 177, were approved by the Board on 9 September 2016 and were signed on its behalf by:

P TREDOUX
Chairperson

9 September 2016

MC WILKEN
Chief Executive Officer

9 September 2016

CERTIFICATE BY COMPANY SECRETARY

In terms of Section 88(2)(e) of the South African Companies Act, 71 of 2008 (“the Companies Act”), I declare, to the best of my knowledge that the Company has filed the necessary returns and notices as required of a public company in terms of the Companies Act, and that all such notices and returns are true, correct and up to date.

TASJA KODDE
Company Secretary

9 September 2016

AUDIT AND RISK REPORT

TO THE SHAREHOLDERS

The Group's Audit and Risk Committee ("the Committee") is a committee of the Board of Directors ("the Board"). The activities of the Committee are determined by its terms of reference as approved by the Board and its statutory responsibilities as per the South African Companies Act, 71 of 2008 ("the Companies Act") and the Listings Requirements of the Johannesburg Stock Exchange ("JSE Listings Requirements").

The purpose of the Committee is to provide the Board and shareholders with sufficient assurance that their interests are protected in respect of internal controls, financial reporting and risk identification and management. The Committee therefore has a responsibility to ensure that the Group has effective systems in place to ensure adherence to good governance principles as defined in the King Report on Governance for South Africa 2009 ("King III"); that effective mechanisms are in place to ensure that risks are being identified and managed and that the Group is aware of its legal and regulatory commitments.

A key role of the Committee is to ensure that systems and processes are in place to ensure that assets and liabilities are recorded accurately and fairly in accordance with International Financial Reporting Standards ("IFRS"). In compliance with this responsibility, the Group has implemented an internal control framework, an internal audit function, regular interaction with the external auditor and regular reporting against budgets, forecasts and prior year results.

The governance of risk remains a key priority for the Board and the Committee. The Board is ultimately responsible for managing risk and has delegated oversight responsibility for risk management to the Committee. Management in turn is responsible for the identification, design, implementation and the management of risks.

The Committee established a Combined Assurance Forum ("CAF") to strengthen oversight of the various levels of assurance. The CAF meetings are attended by management and independent external assurance providers.

The Committee has agreed to extend the external and internal audit contracts with Deloitte & Touche ("Deloitte") and PricewaterhouseCoopers ("PwC"), respectively, for a further one-year period.

The Committee is satisfied that the Chief Financial Officer of the Group, Melt Hamman, has the necessary expertise and experience to carry out his duties and to meet his responsibilities.

The Committee has recommended to the Board the approval of the Annual Financial Statements for the year ended 30 June 2016.

On behalf of the Committee

S SHAW-TAYLOR
Audit and Risk Committee Chairperson

9 September 2016

The Board has formally delegated certain duties, responsibilities and authority to the Committee as defined in the Audit and Risk Committee Charter. The Committee acts on behalf of the Board and the matters reviewed and managed by the Committee remains the responsibility of the Board of Directors as a whole.

ROLE OF THE COMMITTEE

The specific roles and responsibilities of the Committee include, but are not limited to:

- providing the Board with additional assurance regarding the efficacy and reliability of the financial information used by the Directors to assist them in discharging of their duties;
- reviewing the going concern of the Group including its solvency and liquidity;
- reviewing legal and regulatory requirements and adherence thereto;
- the appointment of internal and external auditors;
- reviewing interim and Annual Financial Statements including the Integrated Report;
- overseeing the internal audit function;
- overseeing the relationship with the external auditor;
- overseeing the effective functioning of the Combined Assurance process;
- reviewing the expertise, qualifications and performance of the finance function;
- ensuring that significant business, financial and other risks have been identified and are being suitably managed;
- ensuring good standards of governance, reporting and compliance are in operation, including the monitoring of adherence to applicable legislation, including but not limited to the Companies Act, the Income Tax Act, 1962, the Value-added Tax Act, 1991, and other applicable tax legislation;
- effective and timely implementation of corrective actions to address any risk management deficiencies; and
- overseeing management's implementation and adherence to accounting policies, reporting and record-keeping standards.

MEMBERSHIP OF THE COMMITTEE

At date of approval of this report, the Committee comprises four Independent Non-Executive Directors appointed by the Remuneration and Nominations Committee. All members of the Committee are suitably skilled and experienced in:

- financial and sustainability reporting;
- internal financial controls;
- external audit process;
- internal audit process;
- corporate law;
- risk management;
- sustainability matters;
- information technology governance as it relates to integrated reporting; and
- governance processes within the Group.

Members and attendance of the Committee are included in the table below:

Member	Status	Attendance
Stewart Shaw-Taylor (Chairperson)	Independent Non-Executive Director	4/4
Hellen El Haimer	Independent Non-Executive Director	4/4
Keneilwe Moloko	Independent Non-Executive Director	4/4
Brett Nagle*	Independent Non-Executive Director	1/1
Wilhelm Nauta**	Independent Non-Executive Director	3/3

* *Brett Nagle joined the Attacq Board on 1 July 2015, however his status changed to Independent Non-Executive Director effective 1 May 2016, and was therefore appointed to the Committee with the resignation of Wilhelm Nauta.*

** *Wilhelm Nauta resigned as an Independent Non-Executive Director effective 30 April 2016.*

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

The Committee has an annual work plan, developed from its terms of reference and statutory responsibilities. Various standing items derived from the work plan are considered at each Committee meeting. This is in addition to relevant matters arising from time to time and topical items, which might be of concern to the Committee.

During the 2016 financial year, the Committee focused on three principle areas which are summarised below:

Risk and internal controls	External and internal audit	Accounting, tax and financial reporting
Participated in the annual risk assessment process	Considered and approved the extension of the appointment of the external auditors	Reviewed and approved the interim and Annual Financial Statements and significant financial reporting judgements
Considered reports from internal auditors on their assessment of the internal control environment	Considered and approved the audit approach and scope of audit work to be undertaken by the external auditor, including the related fees	Considered the solvency and liquidity of the Group for the basis of recommending the Group's interim and annual results to the Board for approval
Considered reports from external auditors on their assessment of the internal control environment	Considered the independence of the external auditors and their effectiveness, taking into account non-audit services undertaken by the external auditor and compliance with policy	Reviewed the related disclosures in the Annual Financial Statements
Considered output from the annual risk assessment process as identified and assessed by management and members of the Committee	Considered and approved the extension of the contract with the outsourced internal auditors	Considered capital management and gearing ratios.
Considered and interrogated risk management reports from the Executives on risk management activities and improvement on the residual risk ratings taking control improvements and risk mitigation strategies into account	Considered and approved the annual risk-based internal audit scope and budget	Reviewed and approved disclosures in the Integrated Report in relation to controls, risk management, principal risks and uncertainties and the work of the Committee
Assessed the effectiveness of the Group's internal control environment	Considered the level of alignment between the Group's key risks and the internal audit programme	
Considered a comprehensive analysis on the Group's regulatory compliance requirements		
Reviewed and recommended for approval improvement of the risk management policy and framework		
Established the Combined Assurance Forum		
Considered the proactive monitoring of Annual Financial Statements in 2015. The report was issued by the JSE on 11 February 2016		

SIGNIFICANT MATTERS IDENTIFIED AND CONSIDERED BY THE COMMITTEE

After discussions with management and the external auditor, the Committee determined that the key risks of misstatements of the Group's financial statements related to:

- valuation of investment properties;
- deferred taxation;
- impairment of goodwill and other intangible assets; and
- valuation of foreign associates.

The matters above were discussed during the year and treatments agreed with management and the external auditor.

Valuation of investment properties

There is significant judgement by the Board in determining the fair value of investment properties. The judgement applied is supported by independent valuations by experienced valuers. To ensure that the methods used in valuing properties are in line with industry standards, the Committee carefully considered the competence, qualifications, capabilities and objectivity of the independent valuers.

Special consideration was given to the valuation of all properties in the Waterfall development. The valuation in respect of Waterfall's development rights is based on an external valuation performed on a freehold basis by an independent valuer. The valuation is then reduced to take into account, *inter alia*, the contractual nature of the development rights and the estimated future rental obligations attached to the development rights.

Refer to the Annual Financial Statements where the inputs with the most significant impact on valuations are outlined.

Deferred taxation

Deferred taxation requires subjective input in regard to the rates to be applied to calculate deferred tax in respect of investment properties, having regard to the estimated manner in which timing differences will be realised. Furthermore, a change in the Capital Gains Tax ("CGT") inclusion rate was announced during the year, which has a significant effect on deferred tax balances.

After careful consideration, the Committee supported the view of management in regard to the manner in which timing differences will be realised and the rate at which deferred tax is calculated. The increase in the CGT inclusion rate has been correctly taken into account and included in the year-end results.

Refer to the Annual Financial Statements for note on deferred tax.

Impairment of goodwill and other intangible assets

Goodwill and other intangible assets arose as a result of acquisitions by the Group. The Directors conducted an annual impairment test to assess the recoverability of the goodwill and considers whether there are indicators of impairment with respect to other intangible assets. Accordingly, the impairment assessment of these assets is considered to be a key audit matter.

During the year, management assessed the future cash flows of the acquired Wi-Fi rights in Attacq Waterfall Investment Company Proprietary Limited ("AWIC") to be impaired by R11.9 million.

The Committee considered the goodwill and other intangible assets in the Group and determined that the disclosure, assumptions and judgements applied are appropriate.

Valuation of foreign associates

The Group has significant investments in Africa and the European markets, via its associations with AttAfrica Limited, Hyprop Investments Limited, MAS Real Estate Inc. and Atterbury Europe Limited. The foreign investment valuations are dependent on judgements applied which are influenced by, *inter alia*, the different trading and economic environments in the individual jurisdictions.

The Committee considered the individual values as at reporting date and determined that the values and disclosure are appropriate.

ASSESSMENT OF THE ACCOUNTING TREATMENT OF SIGNIFICANT TRANSACTIONS

The Committee reviewed the accounting treatment of all significant transactions including, but not limited to, the:

- disposal of certain industrial properties held by AWIC to EA Waterfall Logistics JV Proprietary Limited, a Joint Venture that will be entered into with Equites Property Fund Limited ("Equites"). These properties were classified as held-for-sale on 30 June 2016;
- disposal of the 31.96% investment in The Club Retail Park Proprietary Limited ("The Club") held by Attacq to Atterbury Property Fund Proprietary Limited ("APF");
- disposal of the Great Westerford Office Building held by Attacq to Leaf Property Fund Trust;
- settlement of the MAS Agterskot, resulting in the receipt of 21.3 million shares in MAS Real Estate Inc. ("MAS") equivalent to R479.8 million;
- settlement of the loans resulting from the disposal of a 20% undivided share in Mall of Africa through a restructure of the development loans held by AWIC and Atterbury Property Holdings Proprietary Limited ("APH") with Nedbank;
- disposal of Waterfall Land Parcel 3 and Land Parcel 24 to AWIC Pocket 3 JVCO Proprietary Limited ("AWIC Pocket 3 JVCO") and Winter Robin Investments 26 Proprietary Limited, being a 50% and 20% Joint Venture with Sanlam respectively. These properties were classified as held for sale at 30 June 2016; and
- disposal of the remaining 10% investment in APH, through the repurchase of shares by APH.

SUMMARY

After reviewing the presentations and reports from management and consulting, where necessary, with the external auditor, the Committee was satisfied that the Annual Financial Statements appropriately address the critical judgements and key estimates pertaining to the above mattes, in respect of both amounts and disclosures. The Committee was also satisfied that the significant assumptions used for determining the value of investment properties, other investments, taxation, goodwill and other assets and liabilities have been appropriately examined, questioned and challenged. No material errors in the consolidated and separate Annual Financial Statements were noted by the Committee.

Going concern

The Committee has considered and assessed the Group and Company's status as a going concern operation in the preparation of the Annual Financial Statements. The Committee has reviewed the Group's cash flow forecast for the 12 months ending 30 June 2017. In light of this review and the current financial position, the Committee and Board are satisfied that the Group and Company have access to adequate resources to continue in operational existence for the next 12 months. The Annual Financial Statements and the Integrated Report ("IR") have been prepared on the going concern basis.

Internal audit

Attacq maintains internal controls and systems designed to provide reasonable assurance regarding the reliability of the Annual Financial Statements and to adequately protect, verify and maintain accountability for its assets. These controls are implemented by trained individuals with segregated duties and responsibilities. Since Attacq's listing on the JSE on 14 October 2013, the Group has adopted a more formalised approach and continues with the project of documenting processes and controls with appropriate communication throughout the Group.

Attacq has outsourced its internal audit function to PwC Internal Audit, a professional service provider, ensuring that an independent strategically aligned function exists. The function is responsible for preparing and implementing the internal audit plan over a three-year rolling period. The Committee reviewed and approved the plan, incorporating the field work for the ensuing year. This internal audit function operates under the direction of the Committee, which has approved the scope of the work to be performed. Critical and significant findings are reported to the Committee on a regular basis. Corrective action is taken to address internal control deficiencies identified in the execution of work.

A risk-based internal audit plan was developed during the 2016 financial year. The results of the risk-based audits were reported to the Committee. The Committee has evaluated the internal audit report, and has not identified any material breakdowns in internal controls within the areas reviewed. Follow-up audits were also conducted during the financial year and reported on to the Committee.

External audit

Deloitte is the external auditor of Attacq and its major subsidiaries. The engagement partner on the audit is Patrick Kleb. During the year, Deloitte provided certain non-audit services which included a review on certain tax matters. The Committee is satisfied that the non-audit services provided by Deloitte does not bring its independence into question.

SUMMARY (CONTINUED)

Internal controls

To meet the Group's responsibility to provide reliable financial information, the Group maintains financial, legal compliance and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, are properly authorised and recorded and that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal.

The systems include a documented organisational structure and division of responsibility, established policies and procedures (which are communicated throughout the Group) and the careful selection, training and development of people.

Risk management

Effective risk management is an integral part in ensuring that the Group's strategic intent and growth targets are met.

Attacq has implemented an enterprise risk management policy and framework which are reviewed, assessed and amended, where applicable, by the Committee on a regular basis. The risk management policy and framework outline and prescribe the risk management process and is applicable across the Group and its subsidiaries. Attacq's risk management process is based on ISO 31000 risk management principles and guidelines. Attacq applies a formal risk assessment process on an annual basis and continuously identifies and quantifies emerging risks to the Group. Residual risk is re-assessed on a quarterly basis by CAF.

The Board takes ultimate responsibility for risk management and has delegated oversight responsibility to the Committee. Management, as the implementer of strategy, has to ensure that the Group has an effective system to manage risk, and that effective and efficient risk mitigations are implemented. Management reports on a regular basis to the Committee to confirm that all potential and emerging risks have been identified and recorded and furthermore that appropriate action has been taken to mitigate the risk to acceptable levels.

Risk management is a strategic imperative for business, ensuring that it not only protects value, but acts as an enabler for business and growth. Management, and the Committee are committed to continuously improving the risk management process to ensure a risk resilient environment.

Attacq's risk management policy and framework aims to:

- set risk governance structures, roles and responsibilities using a combined assurance approach;
- provide an overview of all risk management processes;
- define common risk management terminology;
- clarify the risk management organisational structure, related roles and responsibilities;
- provide guidance related to the key components of an effective risk management initiative;
- provide a bespoke, yet consistent, approach to the application of risk management across the Group; and
- ensure that the risk management function is integrated with the business planning processes.

Regulatory compliance

The Committee oversees compliance with accounting standards, financial reporting requirements and legal statutory compliance.

Statutory and regulatory compliance is a standing item on the agenda for the Committee as well as the Transformation, Social and Ethics ("TSE") Committee.

The TSE Committee provides oversight and ensures that the Group complies with the code of conduct and ethics, as well as legislation governing ethical conduct. This includes the implementation of an independent whistleblowing hotline and ensuring that all employees are made aware of the availability of the hotline.

The Board receives regular feedback from the Chairpersons of both the Committee, the TSE Committee as well as the Remuneration and Nominations Committee.

The legal compliance risk management process is facilitated by the Head of Legal and her team and supported by the risk management function from a monitoring and reporting perspective.

The legal and regulatory compliance process is defined in the risk management policy and framework. Attacq has established its compliance requirements (both prescribed and voluntary) through a formal compliance risk assessment process and applies the compliance risk management process as prescribed in the risk management policy and framework.

A formal process is in place ensuring a mandatory authorisation process for dealings in Attacq's shares, formal procedure for both acceptance and granting of gifts and inducements, disclosure of conflicts of interest, as well as formal levels of authority and delegated signing authorities for business transactions.

For the current reporting period, Attacq has had no material incidents of non-compliance, penalties or fines issued relating to non-compliance with legal and regulatory requirements.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ATTACQ LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the Consolidated and Separate Financial Statements of Attacq Limited and its subsidiaries ("the Group") set out on pages 16 to 177, which comprise the statements of financial position as at 30 June 2016, and the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Consolidated and Separate Financial Statements present fairly, in all material respects, the consolidated separate financial position of Attacq Limited as at 30 June 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors* ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of investment property	
The carrying value of investment property amounted to R18 billion and the fair value adjustment recorded in net profit for the year in respect of investment property was R1 billion. Significant judgement is required by the Directors in determining the fair value of investment property and for the purposes of our audit; we identified the valuation of investment property as representing a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the fair value. The Group's investment property comprises various categories of properties, the most significant being completed developments, developments under construction and development rights. The models used to determine the fair values for each of the categories differ due to the different nature of each of these categories. The Group uses independent valuers to determine the fair values for all of the properties held in these categories annually.	We assessed the competence, capabilities and objectivity of the Directors' independent valuers, and verified their qualifications. In addition, we discussed the scope of their work with management and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with IFRS and industry norms. We made use of our independent external expert to evaluate the Directors and their valuers' judgements on a sample of buildings, in particular: • The models used by the Directors and their independent valuers; and • The significant assumptions including discount rates, reversionary cap rates and the timing of development plans. Our independent external expert compared these inputs to market data and entity-specific historical information to confirm the appropriateness of these judgements.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of investment property	
Completed developments and developments under construction The inputs with the most significant impact on these valuations are disclosed in note 5, and include future cash flows and market-related cash flows, discount rates, reversionary cap rates and the timing of development plans (in respect of development rights). ***Development rights*** The determination of the underlying development rights value within the Waterfall development requires special consideration as it is highly complex. The Waterfall land was acquired through a 99 year lease, with the option to renew for a further 99 years, and is therefore classified as development rights in the separate and consolidated financial statements. The development rights value is largely based on the valuation of the underlying lease of the land whereby the lease payments are contingent and determined at a rate of 6% of the net lease income which in turn is calculated with reference to predetermined formulae. Furthermore the treatment of the lease and determination of the development rights value is multifaceted from an IFRS perspective.	We performed a sensitivity analyses on the significant assumptions to evaluate the extent of impact on the fair values and assessed the appropriateness of the Group's disclosures relating to these sensitivities. Furthermore, we tested a selection of data inputs underpinning the investment property valuation, including rental income, tenancy schedules, capital expenditure details, acquisition cost schedules and square meter details, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof. Our audit procedures focused on testing the estimated lease income and payments through comparison to agreements, business plans and historical performance, where available. We found that the models used for the various property categories were appropriate and the discount rates and reversionary cap rates were comparable to market rates. Both the reversionary cap rates and the timing of development plans appeared reasonable. The treatment of the underlying development rights and land was appropriate and the valuation of the land and development rights was accurate. The treatment of the finance lease for the Waterfall development rights was also found to be appropriate. The disclosures pertaining the investment property and related finance leases were found to be appropriate and comprehensive in the consolidated financial statements.
Deferred taxation	
There are various complexities relating to the treatment and recognition of deferred taxation, in particular the rate at which deferred taxation is calculated in respect of investment properties is dependent on the estimated manner in which the timing differences will be realised, which is subjective (disclosed in notes 11 and 27). Furthermore, a change in the Capital Gains Tax ("CGT") inclusion rate was announced during the year which had a significant effect on deferred tax balances at year-end. As a result, deferred taxation is considered a key audit matter due to the judgement arising from the considerations relating to the calculation and recognition of deferred tax balances and the materiality of the balances in relation to the financial statements as a whole.	Our procedures focused on evaluating the Directors' determination of the estimated manner in which the timing differences would be realised by comparing this to evidence obtained in respect of other areas of the audit, such as cash flow forecasts, minutes of Directors' meetings and our knowledge of the business. We assessed the presentation and disclosure in respect of tax-related balances in the Consolidated and Separate Financial Statements and considered whether the disclosures reflected the risks inherent in the accounting for the tax balances. We assessed the effect of the change in the CGT inclusion rate and found it to be reasonable. We concurred with the Directors' determination of the estimated manner in which timing differences will be realised. The disclosure was found to be appropriate.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Impairment of goodwill and intangible assets	
Goodwill and other intangible assets arise as a result of acquisitions by the Group. The Directors conducted their annual impairment test to assess the recoverability of the goodwill and considers whether there are indicators of impairment with respect to other intangible assets. In order to establish whether an impairment exists, fair value less costs to sell or the value in use is determined and compared to the net book value of the goodwill and other intangible assets. As detailed in notes 6 and 7, this determination of an impairment is highly subjective as significant judgement is required by the Directors in determining the fair value less costs to sell or the value in use as appropriate. The value in use is based on the cash flow forecast model for each cash-generating unit and requires the estimation of model assumptions, most importantly the discount rate and growth rate. Accordingly, due to the high estimation uncertainty, the impairment assessment of these assets is considered to be a key audit matter. A R12 million impairment of the Wi-Fi rights intangible asset was accounted for in the statement of comprehensive income (disclosed in note 24). There were no impairments recognised with respect to goodwill and the other intangible assets.	We focused our testing of the impairment of goodwill and other intangible assets on the key assumptions made by the Directors. Our audit procedures included: • critically evaluating the determination of the cash-generating units; • evaluating whether the model used to calculate the fair value less costs to sell and value in use of the individual cash generating units complies with the requirements of IAS 36: *Impairment of Assets*; • validating the assumptions applied and inputs in the respective models by comparing it to historical information and approved budgets; and • subjecting the key assumptions to sensitivity analyses. We found the models and assumptions applied in the impairment assessments to be appropriate and concur with the Directors' decision to partially impair the Wi-Fi rights. We considered the disclosure of the goodwill and other intangible assets to be appropriate for purposes of the consolidated financial statements.
Valuation of foreign associates	
The Group has significant operations and investments in Africa and exposure to European markets through its investment in MAS Real Estate Inc. The Group has further entered into new investments in Europe and Nigeria during the current year. The carrying value of investment in associates amounted to R3.1 billion. Impairment recognised on the African asset portfolio amounted to R22 million against the investment in associates and R58 million against the loans to associates. The determination of the valuation of foreign associates is based on significant judgements applied which is influenced by the different trading environment and jurisdictions. The fair value is further influenced by the accounting policies applied and appropriate adjustments should be made on consolidation for differences in accounting policies. We rely on the work performed by the component auditors in order to support our opinion on the consolidated financial statements. We identified the valuation of foreign associates as representing a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the fair value.	We engaged in continuous communication with the auditors of the foreign investments throughout the audit and sent out instructions to significant foreign component auditors to satisfy our audit requirements in terms of ISA 600: *Special considerations – Audit of Group Financial Statements (including the work of component auditors)*. Where we had to rely on information from the component auditors, we obtained the audited financial information to verify the valuation of our investments and also considered the underlying assumptions applied. We performed a review of the work performed by the component auditors of significant foreign associates by inspecting audit documentation and engaging our Member Firms to perform specific and focused procedures on certain foreign components and balances. We ensured that the Group accounting policies were consistently applied. We performed an independent assessment of the valuation of foreign investments based on the audited financial information of the underlying companies. We assessed the recoverability of loans granted to the foreign investments, based on the net asset value of the foreign investments. We did not identify any material errors in the consolidated financial statements. We consider the disclosure of the foreign investments to be appropriate for purposes of the consolidated financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Audit and Risk Committee's Report and Company Secretary's Certificate, as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report and the Annual Report, which is expected to be made available to us after that date. Other information does not include the Consolidated and Separate Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated and Separate Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the Consolidated and Separate Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated and Separate Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated and Separate Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Consolidated and Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated and Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the Consolidated and Separate Financial Statements, including the disclosures, and whether the Consolidated and Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit and Risk Committee, we determine those matters that were of most significance in the audit of the Consolidated and Separate Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of Attacq Limited for 6 years.

Deloitte & Touche

DELOITTE & TOUCHE
Registered Auditor
Per: Patrick Kleb
Partner

9 September 2016

The Directors have pleasure in submitting their report for the year ended 30 June 2016.

1. NATURE OF BUSINESS

Attacq Limited ("Attacq") is a leading South African capital growth property company listed on the JSE. Attacq's vision is to be the premier property fund. Attacq pursues this vision through its strategic drivers of Invest, Develop and Grow. Attacq's business has two key focus areas: Investments and Developments. Investments comprise completed buildings held directly and indirectly. Developments comprise land, greenfields development of land and brownfields development by refurbishment of existing buildings. Investments provide stable income and balance sheet strength to responsibly secure and fund sound growth opportunities.

Attacq has a total asset value of R27.6 billion (2015: R23.3 billion), which includes landmark commercial and retail property assets and developments. Attacq's portfolio of properties and investments consists of geographically diverse assets across South Africa as well as a growing representation of international investments in sub-Saharan Africa, western, central and eastern Europe.

2. AUTHORISED AND ISSUED SHARE CAPITAL

During the financial year, there were no significant changes to the issued share capital of Attacq as only 400 000 new shares were issued relating to the exercise of share option by MC Wilken.
As at 30 June 2016, Attacq's issued share capital comprised:

Total issued shares	747 822 777
Treasury shares	(46 427 553)
Attacq Retail Fund Proprietary Limited	(29 726 516)
Razorbill Properties 91 Proprietary Limited	(16 701 037)
Net issued shares	**701 395 224**

3. DIRECTORS' INTEREST IN ATTACQ SHARES

	30 June 2016			30 June 2015		
Name	Direct	Indirect	Total	Direct	Indirect	Total
P Tredoux	–	27 733	27 733	–	27 733	27 733
MC Wilken	–	1 005 263	1 005 263	–	605 263	605 263
M Hamman	60 000	–	60 000	60 000	–	60 000
MM du Toit	–	–	–	–	–	–
HR El Haimer	5 000	–	5 000	3 500	–	3 500
PH Faure (Resigned 30 April 2016)	–	491 864	491 864	–	731 639	731 639
KR Moloko	–	–	–	–	–	–
BT Nagle (Appointed 1 July 2015)	–	–	–	–	–	–
AW Nauta (Resigned 30 April 2016)	–	–	–	–	–	–
S Shaw-Taylor	650 000	–	650 000	650 000	–	650 000
JHP van der Merwe	–	631 481	631 481	–	631 481	631 481
LLS van der Watt	2 284	10 440 468	10 442 752	2 284	12 843 543	12 845 827
Total	**717 284**	**12 596 809**	**13 314 093**	**715 784**	**14 839 659**	**15 555 443**

On 30 June 2016, MC Wilken exercised 400 000 share options granted to him as detailed in Attacq's listing prospectus. The related shares were issued to MC Wilken on 4 July 2016.

Subsequent to 30 June 2016, on 26 September 2016, 360 000 share options granted to M Hamman as detailed in Attacq's listing prospectus were exercised. On 4 October 2014, 300 000 of these shares were sold.

Other than the aforementioned changes, there were no changes in Directors' shareholding since the reporting date.

4. INVESTMENT PROPERTY

Investment properties increased by 11.5% on the prior year, largely due to the continued roll-out of Waterfall. Additions to investment property totalled R2.6 billion, comprising R1.7 billion spent on properties under development, R299.2 million on the completed developments and R562.5 million on infrastructure. Fair value adjustments on investment property amounted to R1.1 billion for this financial year.

Investment property classified as held for sale amounted to R1.5 billion. Refer to note 17 for more details on the investment properties classified as held for sale. Investment properties disposed of during the current year amounted to R286.2 million.

5. DISPOSALS

The following assets were disposed of during the year as part of Attacq's strategy of simplifying its Group structure:

- The remaining 10.0% stake in APH
- The 50.0% undivided share in Great Westerford to Leaf Capital Proprietary Limited
- The 49.9% shareholding in Mall of Mauritius ("MOM") as well as the aggregate of all claims of any nature which MOM owes to the Company to ENL Proprietary Limited and Forsite Property Holdings Limited
- 34.9% shareholding in Bagaprop Limited to Ascentia Limited
- The 85.0% shareholding in Atterbury Mauritius Consortium by Attacq Limited to APH
- The 36.7% shareholding Geelhoutboom Estate
- The 32.0% shareholding in The Club Retail Park
- 9.1 million MAS shares

6. DIVIDENDS

No dividends were declared by Attacq during the current and prior financial year.

7. DIRECTORS AND BOARD CHANGES

P Tredoux	Independent Non-Executive Chairperson
MC Wilken	Chief Executive Officer
M Hamman	Chief Financial Officer
MM du Toit	Independent Non-Executive Director
HR El Haimer	Independent Non-Executive Director
PH Faure (Resigned 30 April 2016)	Non-Executive Director
KR Moloko	Independent Non-Executive Director
BT Nagle (Appointed 1 July 2015)	Independent Non-Executive Director (Independent Non-Executive Director from 1 February 2016)
AW Nauta (Resigned 30 April 2016)	Independent Non-Executive Director
TJA Reilly (Resigned 30 October 2015)	Non-Executive Director (Alternate to JHP van der Merwe)
S Shaw-Taylor	Independent Non-Executive Director
JHP van der Merwe	Independent Non-Executive Director (Independent Non-Executive Director from 1 February 2016)
LLS van der Watt	Non-Executive Director

8. COMPANY SECRETARY

Attacq's Company Secretary is Tasja Kodde.

Registered office: ATT House, 2nd Floor, Maxwell Office Park, Magwa Crescent West, Waterfall City, 2090

Postal address: PostNet Suite 016, Private Bag X81, Halfway House, 1685

9. AUDITORS

It will be proposed at the next Annual General Meeting that Deloitte continues in office in accordance with the Companies Act.

STATEMENTS OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2016

		GROUP		COMPANY	
Figures in R'000s	Note	30 June 2016	30 June 2015	30 June 2016	30 June 2015
ASSETS					
Non-current assets					
Property, plant and equipment	4	33 925	10 641	–	163
Investment properties	5	18 043 192	16 187 873	–	272 761
Per valuation		18 644 041	16 670 072	–	277 499
Straight-line lease debtor		(600 849)	(482 199)	–	(4 738)
Straight-line lease debtor		600 849	482 199	–	4 738
Deferred initial lease expenditure		6 539	9 154	–	1 335
Intangible assets	6	312 599	344 523	–	–
Goodwill	7	67 774	67 774	–	–
Investment in associates	8	3 126 328	2 369 884	3 139 670	2 295 797
Investment in subsidiaries	9	–	–	6 481 046	5 782 971
Other investments	10	408 339	402 414	307 408	334 109
Deferred tax assets	11	24 627	19 829	–	–
Loans to subsidiaries	15	–	–	1 905 750	414 677
Other financial assets	13	222 651	102 993	55 162	50 787
Total non-current assets		**22 846 823**	**19 997 284**	**11 889 036**	**9 157 338**
Current assets					
Taxation receivable		2 411	408	–	–
Trade and other receivables	12	290 579	223 084	8 668	8 702
Other financial assets	13	100 266	907 282	10 072	402 617
Loans to associates	14	2 302 472	741 037	51 455	104 840
Loans to subsidiaries	15	–	–	3 253 364	3 367 790
Cash and cash equivalents	16	437 281	747 145	213 658	259 097
Total current assets		**3 133 009**	**2 618 956**	**3 537 217**	**4 143 046**
Non-current assets held for sale	9 & 17	1 649 845	684 441	55 106	187 858
Total assets		**27 629 677**	**23 300 681**	**15 481 359**	**13 488 242**
EQUITY AND LIABILITIES					
Equity					
Stated capital	18	6 442 805	6 439 419	6 815 891	6 812 505
Available-for-sale reserve		847 499	682 579	3 374 520	3 058 760
Distributable reserves		5 891 513	4 815 584	3 534 583	2 200 327
Share-based payment reserve	19	100 453	90 359	100 453	90 359
Foreign currency translation reserve		318 734	45 740	–	–
Acquisition of non-controlling interest reserve		(116 483)	(116 483)	–	–
Equity attributable to owners of the holding company		**13 484 521**	**11 957 198**	**13 825 447**	**12 161 951**
Non-controlling interests	9.1	(13 201)	7 252	–	–
Total equity		**13 471 320**	**11 964 450**	**13 825 447**	**12 161 951**
Non-current liabilities					
Long-term borrowings	20	10 445 221	8 863 852	495 078	325 656
Other financial liabilities	13	50 705	28 086	968	3 270
Cash-settled share-based payments	19	787	–	–	–
Finance lease obligation	21	77 745	71 346	–	–
Provisions for liabilities relating to associates		–	1 579	–	1 579
Deferred tax liabilities	11	1 892 145	1 365 868	1 063 804	739 730
Total non-current liabilities		**12 466 603**	**10 330 731**	**1 559 850**	**1 070 235**

Figures in R'000s	Note	GROUP 30 June 2016	GROUP 30 June 2015	COMPANY 30 June 2016	COMPANY 30 June 2015
Current liabilities					
Long-term borrowings	20	265 276	326 329	17 326	22 544
Other financial liabilities	13	109 400	113 258	–	1 128
Finance lease obligation	21	–	1 332	–	–
Loans from associates	14	2 880	70 989	2 880	–
Loans from subsidiaries	15	–	–	58 059	179 148
Taxation payable		2 260	10 185	1 008	9 411
Cash-settled share-based payments	19	5 172	–	–	–
Trade and other payables	22	557 662	462 636	16 789	24 476
Provisions	23	2 081	1 422	–	–
Bank overdraft	16	–	19 349	–	19 349
Total current liabilities		**944 731**	**1 005 500**	**96 062**	**256 056**
Non-current liabilities associated with non-current assets held for sale	17	747 023	–	–	–
Total liabilities		**14 158 357**	**11 336 231**	**1 655 912**	**1 326 291**
Total equity and liabilities		**27 629 677**	**23 300 681**	**15 481 359**	**13 488 242**
The following information does not form part of the statement of financial position					
Net asset value per share (cents)		1 923	1 706	1 849	1 627
Net asset value per share – adjusted for deferred tax (cents)		2 189	1 898	1 991	1 726
Number of shares in issue		701 395 224	700 995 224	747 822 777	747 422 777

Lynnwood Bridge – Pretoria

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

Figures in R'000s	Note	GROUP 30 June 2016	GROUP 30 June 2015	COMPANY 30 June 2016	COMPANY 30 June 2015
Gross revenue		1 621 018	1 312 935	34 026	60 912
Rental income		1 472 656	1 140 335	38 764	71 428
Straight-line lease income adjustment		148 362	172 600	(4 738)	(10 516)
Property expenses		(502 745)	(358 885)	(29 434)	(17 652)
Net rental income		**1 118 273**	**954 050**	**4 592**	**43 260**
Other income	24	448 579	205 590	332 780	82 293
Operating and other expenses	24	(347 315)	(305 589)	(180 133)	(229 925)
Operating profit (loss)		**1 219 537**	**854 051**	**157 239**	**(104 372)**
Amortisation of intangible asset		(19 964)	(20 303)	–	–
Fair value adjustments		1 041 553	1 114 224	10 301	26 005
Investment property	5	1 074 224	1 110 711	9 811	21 649
Other financial assets	13	(32 452)	68 089	610	4 356
Other investments	10	(219)	(64 576)	(120)	–
Gain on available-for-sale financial assets		507 524	–	684 901	98 545
Share of profit of associates	8	35 098	50 568	–	–
Investment income	25	235 785	142 531	770 826	930 397
Finance costs	26	(839 975)	(685 872)	(66 353)	(76 724)
Profit before taxation		**2 179 558**	**1 455 199**	**1 556 914**	**873 851**
Income tax expense	27	(794 559)	(471 038)	(222 658)	(155 885)
Current tax		(183 703)	(75 283)	(175 204)	(66 982)
Deferred tax		(610 856)	(395 755)	(47 454)	(88 903)
Profit for the year		**1 384 999**	**984 161**	**1 334 256**	**717 966**
Attributable to:					
Owners of the holding company		1 387 828	978 654	1 334 256	717 966
Non-controlling interests		(2 829)	5 507	–	–
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain on available-for-sale financial assets		315 813	661 986	1 277 282	710 155
Taxation relating to components of other comprehensive income	27	93 720	(63 153)	(276 621)	(139 898)
Realisation of available-for-sale financial assets		(507 524)	–	(684 901)	(98 545)
Other comprehensive (loss) income for the year net of taxation		**(97 991)**	**598 833**	**315 760**	**471 712**
Other comprehensive income for the year		**1 287 008**	**1 582 994**	**1 650 016**	**1 189 678**
Attributable to:					
Owners of the holding company		1 289 837	1 577 487	–	–
Non-controlling interests		(2 829)	5 507	–	–
		1 287 008	**1 582 994**	**–**	**–**
Earnings per share					
Basic (cents)	28	197.9	142.4	–	–
Diluted (cents)	28	196.7	142.0	–	–

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

		GROUP		COMPANY	
Figures in R'000s	Note	30 June 2016	30 June 2015	30 June 2016	30 June 2015
Cash flow from operating activities					
Cash generated from (utilised in) operations	29	837 693	650 573	(90 850)	4 789
Interest income	25	182 944	96 242	69 597	32 697
Dividends income	25	154 005	23 431	509 421	395 678
Finance costs	26	(839 975)	(627 902)	(66 353)	(63 397)
Taxation paid		(194 116)	(75 768)	(183 607)	(68 251)
Net cash generated from operating activities		**140 551**	**66 575**	**238 208**	**301 515**
Cash flows from investing activities					
Expenditure to maintain operating capacity					
Property, plant and equipment acquired	4	(28 499)	(3 686)	–	(504)
Property, plant and equipment disposed	4	180	–	180	–
Expenditure to expand operating capacity					
Subsidiaries acquired	9.2	–	(71 670)	–	(54 986)
Investment properties acquired	5	(2 586 047)	(2 353 047)	–	(18 245)
Investment properties disposed	5	282 572	–	282 572	
Associates acquired		(152 488)	–	–	–
Associates disposed		263 299	235 035	219 973	235 035
Other investments acquired	10	(27 681)	–	–	–
Other investments disposed	10	90 000	110 393	90 000	110 393
Other financial assets repaid (raised)	13	327 997	(155 234)	28 809	1 069
Additions to intangible assets		–	(80 000)	–	–
Additions to deferred initial lease adjustments		(6 401)	(2 784)	–	–
Cash flow relating to non-current assets held for sale		670 706	138 846	16 248	138 846
Net cash (utilised in) generated from investing activities		**(1 166 362)**	**(2 182 147)**	**637 782**	**411 608**
Cash flows from financing activities					
Capital raised	18	3 386	640 576	3 386	640 575
Acquisition of additional interest in subsidiary		(13 000)	–	–	–
Long-term borrowings raised	20	4 944 286	2 954 446	274 000	–
Long-term borrowings repaid	20	(2 672 714)	(1 083 882)	(101 197)	(385 463)
Loans to associates (advanced) repaid	14	(1 477 314)	–	11 893	–
Loans from associates raised (repaid)	14	(68 109)	(175 090)	2 880	–
Loans repaid (advanced) to Group companies	15	–	20 048	(1 089 612)	(924 557)
Other financial assets repaid	13	–	–	–	–
Other financial liabilities repaid (raised)	13	18 761	97 586	(3 430)	(20 583)
Net cash generated from (utilised in) financing activities		**735 296**	**2 453 684**	**(902 080)**	**(690 028)**
Total cash movement for the year		(290 515)	338 112	(26 090)	23 095
Cash at the beginning of the year		727 796	389 294	239 748	216 653
Cash acquired with subsidiaries	9.2	–	390	–	–
Cash and cash equivalents at the end of the year		**437 281**	**727 796**	**213 658**	**239 748**

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

Figures in R'000s	Stated capital
GROUP	
Balance at 1 July 2014	**5 798 843**
Issue of shares	640 576
	6 439 419
Total comprehensive income	–
Profit for the year	–
Other comprehensive income	–
Recognition of change in ownership reserve	–
Derecognition of non-controlling interests	–
Foreign currency translation reserve	–
Recognition of share-based payment reserve	–
Balance at 30 June 2015	**6 439 419**
Issue of shares	3 386
	6 442 805
Total comprehensive income	–
Profit for the year	–
Other comprehensive income	–
Recognition of change in ownership reserve	–
Derecognition reserves and non-controlling interests due to sale of subsidiaries	–
Foreign currency translation reserve	–
Modification of equity-settled share-based payments	
Recognition of share-based payment reserve	–
Balance at 30 June 2016	**6 442 805**
Note	18
COMPANY	
Balance at 1 July 2014	**6 171 930**
Issue of shares	640 575
	6 812 505
Total comprehensive income	–
Profit for the year	–
Other comprehensive income	–
Recognition of share-based payment reserve	–
Balance at 30 June 2015	**6 812 505**
Issue of shares	3 386
Total comprehensive income	–
Profit for the year	–
Other comprehensive income	–
Recognition of share-based payment reserve	–
Balance at 30 June 2016	**6 815 891**
Note	18

Available-for-sale reserve	Distributable reserves	Share-based payment reserve	Foreign currency translation reserve	Acquisition of non-controlling interest reserve	Equity attributable to owners of the holding company	Non-controlling interests	Total equity
83 746	**3 836 930**	**83 317**	**111 929**	**(2 574)**	**9 912 191**	**214 567**	**10 126 758**
–	–	–	–	–	640 576	–	640 576
83 746	3 836 930	83 317	111 929	(2 574)	10 552 767	214 567	10 767 334
598 833	978 654	–	–	–	1 577 487	5 507	1 582 994
–	978 654	–	–	–	978 654	5 507	984 161
598 833	–	–	–	–	598 833	–	598 833
–	–	–	–	(113 909)	(113 909)	–	(113 909)
–	–	–	–	–	–	(212 822)	(212 822)
–	–	–	(66 189)	–	(66 189)	–	(66 189)
–	–	7 042	–	–	7 042	–	7 042
682 579	**4 815 584**	**90 359**	**45 740**	**(116 483)**	**11 957 198**	**7 252**	**11 964 450**
–	–	–	–	–	3 386	–	3 386
682 579	4 815 584	90 359	45 740	(116 483)	11 960 584	7 252	11 967 836
(97 991)	1 387 828	–	–	–	1 289 837	(2 829)	1 287 008
–	1 387 828	–	–	–	1 387 828	(2 829)	1 384 999
(97 991)	–	–	–	–	(97 991)	–	(97 991)
–	–	–	–	(13 000)	(13 000)	–	(13 000)
262 911	(311 899)	–	(158 312)	13 000	(194 300)	(17 624)	(211 924)
–	–	–	431 306	–	431 306	–	431 306
		(9 035)			(9 035)		(9 035)
–	–	19 129	–	–	19 129	–	19 129
847 499	**5 891 513**	**100 453**	**318 734**	**(116 483)**	**13 484 521**	**(13 201)**	**13 471 320**

2 587 048	**1 482 361**	**83 317**	**–**	**–**	**10 324 656**	**–**	**10 324 656**
–	–	–	–	–	640 575	–	640 575
2 587 048	1 482 361	83 317	–	–	10 965 231	–	10 965 231
471 712	717 966	–	–	–	1 189 678	–	1 189 678
–	717 966	–	–	–	717 966	–	717 966
471 712	–	–	–	–	471 712	–	471 712
–	–	7 042	–		7 042	–	7 042
3 058 760	**2 200 327**	**90 359**	**–**	**–**	**12 161 951**	**–**	**12 161 951**
–	–	–	–	–	3 386	–	3 386
315 760	1 334 256	–	–	–	1 650 016	–	1 650 016
–	1 334 256	–	–	–	1 334 256	–	1 334 256
315 760	–	–	–	–	315 760	–	315 760
–	–	10 094	–	–	10 094	–	10 094
3 374 520	**3 534 583**	**100 453**	**–**	**–**	**13 825 447**	**–**	**13 825 447**

1.1 Statement of compliance

The Group and Company Annual Financial Statements as at and for the year ended 30 June 2016, have been prepared under the supervision of M Hamman CA(SA), Chief Financial Officer ("CFO") of Attacq Limited ("Attacq"). The principal accounting policies of Attacq and its subsidiaries ("the Group") as well as the disclosures made in the Annual Financial Statements comply with International Financial Reporting Standards ("IFRS") and issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations effective for the Group's financial year as well as the South African Institute of Chartered Accountants ("SAICA") Financial Reporting Guidelines as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act, 71 of 2008 ("Companies Act") applicable to companies reporting under IFRS and the JSE Listings Requirements.

1.2 Basis of measurement

The Annual Financial Statements have been prepared on the historical cost basis, except for the revaluation to fair value of investment properties and financial instruments, as well as financial instruments measured at amortised cost. The Annual Financial Statements are prepared on the going concern basis. The Annual Financial Statements are presented in South African rand, which is the functional and presentation currency of Attacq Limited.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the separate and consolidated financial statements, are disclosed in note 2.

1.3 Basis of consolidation

The consolidated Annual Financial Statements incorporate the Annual Financial Statements of Attacq Limited, its subsidiaries, joint arrangement and associates ("the Group") up to 30 June 2016.

The accounting policies applied for 2016 are consistent with those applied in 2015 by the Attacq Group of Companies. The Group Annual Financial Statements present the consolidated financial position and changes therein, operating results and cash flow information of the Company and its subsidiaries.

Where necessary, adjustments are made to the financial statements of subsidiaries, associates, Joint Ventures and joint arrangements to bring the accounting policies used in line with those used by the Group.

1.4 Business combinations

The Group uses the acquisition method of accounting for business combinations when control is transferred to the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date. The Group recognises any non-controlling interest in the acquired subsidiary on an acquisition-by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Acquisition-related costs are expensed as incurred.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling interest in the acquired entity, less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess of the fair value over the consideration paid is negative, a bargain purchase gain is recognised immediately in profit or loss.

1.5 Non-controlling interests

Attacq has elected to measure non-controlling interests at their proportionate share in the recognised amounts of the acquiree's identifiable net assets and assumed liabilities.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Group and to non-controlling interests. Total comprehensive income of subsidiaries is attributable to the owners of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

1.6 Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented separately on the face of the statement of financial position. Refer note 1.4 for the policy on the measurement of goodwill at initial recognition.

Goodwill is subsequently measured at cost less accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each cash-generating unit ("CGU"), or group of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

1.7 Subsidiaries

The results of subsidiaries are included for the duration of the period in which the Group exercises control over the subsidiary. All inter-company transactions and resultant profits and losses between Group companies are eliminated on consolidation. Where necessary, accounting policies for subsidiaries are changed to ensure consistency with the policies adopted by the Group. If it is not practical to change the policies, the appropriate adjustments are made on consolidation to ensure consistency within the Group.

The Company carries its investments in subsidiaries at fair value. Subsequent increases in fair value remeasurements of the investment in subsidiaries are recognised in other comprehensive income. Subsequent decreases in fair value remeasurement of the investment in subsidiary are recognised in other comprehensive income, limited to the previously recognised fair value gains. Subsequent impairment losses are recognised in profit and loss.

Business combinations are accounted for using the acquisition method as at the acquisition date — i.e., when control is transferred to Attacq. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Attacq considers all relevant facts and circumstances in assessing whether it has the power over an investee and re-assesses whether or not it controls an investee if facts and circumstances indicates that there are changes to the elements of control. The Group also assesses existence of control where it does not have more than 50% of the voting power, but is able to govern the financial and operating policies by virtue of *de facto* control.

De facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating activities.

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in other comprehensive income. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.8 Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting rights of another entity.

The Company carries its investments in associates at fair value. Subsequent increases in fair value remeasurements of the investment in associates are recognised in other comprehensive income. Subsequent decreases in fair value remeasurement of the investment in associates are recognised in other comprehensive income, limited to the previously recognised fair value gains. Subsequent impairment losses are recognised in profit and loss.

Investments in associates and Joint Ventures are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs. Equity-accounted income represents the Group's share of profits of those entities and the share of tax thereon. Investments in associates classified as held for sale is accounted for in accordance with *IFRS 5: Non-current Assets Held for Sale and Discontinued Operations*.

The consolidated Annual Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interest that forms part thereof, is reduced to zero, and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The cumulative post-acquisition movements in profit or loss and other comprehensive income are adjusted against the carrying amount of the investment in the consolidated Group financial statements.

The requirements of *IAS 39: Financial Instruments: Recognition and Measurement* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment is tested or impairment in accordance with *IAS 36: Impairment of Assets* as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with *IAS 36: Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

When the Group reduces its ownership interest in an associate, but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets and liabilities.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a Joint Venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or Joint Venture and the retained interest is a financial asset, the Group measures the retained interest at the fair value at the date and the fair value is regarded as its fair value on the initial recognition in accordance with *IAS 39: Financial Instruments: Recognition and Measurement*.

The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate.

In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated annual financial statements only to the extent of interests in the associate that are not related to the Group.

1.9 Interest in Joint Operations

Joint arrangements are arrangements in which the Group has joint control, established by contracts requiring unanimous consent for decisions on the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- Joint Operation: when the Group has rights to the assets and obligations for the liabilities relating to an arrangement, each of its assets and liabilities, including its share of those held or incurred jointly, are accounted for in relation to the Joint Operation; or
- Joint Venture: when the Group has rights only to the net assets of the arrangements, its interest is accounted for using the equity method, similar to the accounting treatment for associates.

The Group has various undivided shares in investment properties which are being treated as Joint Operations, hence only the Group's percentage share in the property is included in the consolidated results. Refer to the segmental reporting in note 38 for the Group's undivided shares in investment properties.

When a Group entity undertakes its activities under Joint Operations, the Group as a joint operator recognises in relation to its interest in a Joint Operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue, including its share of revenue arising from the sale of the output arising from the Joint Operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for assets, liabilities, revenue and expenses relating to its interest in a Joint Operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a Joint Operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the Joint Operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent to other parties' interests in the Joint Operation.

When a Group entity transacts with a Joint Operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

1.10 Fair value measurement

The Group measures financial instruments, such as derivatives, investments and investment properties at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on the above basis, except for share-based payment transactions that are within the scope of *IFRS 2: Share-based Payment*, leasing transactions that are within the scope of *IAS 17: Leases*, and the measurements that have some similarities to fair value but are not fair value, such as value in use in *IAS 36: Impairment of Assets*.

1.10 Fair value measurement (continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities; or
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; or
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Refer to fair value measurement in note 37 for the categorisation of the Group's financial assets and liabilities within the fair value hierarchy.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between the Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.11 Investment property

Investment properties are properties held to earn rentals and for capital appreciation, including development rights, infrastructure and services and developments under construction.

Where a property is under construction with the purpose of holding the completed property for long-term rental yields and for capital appreciation, such property is classified as developments under construction.

Tenant installations are cost paid by the lessor on behalf of the lessee to ensure the building is in the condition suitable for the lease.

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise and the cost of the investment property can be measured reliably.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model.

Initial measurement

Investment property is initially recognised at cost, including transaction costs. Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. Maintenance and repairs, which neither materially add to the value of the properties nor prolong their useful lives, are charged against profit or loss.

The cost of tenant installations on the first lease are capitalised against the development, while the cost of tenant installations on subsequent leases signed are capitalised and expensed through the statements of comprehensive income over the initial lease period, where such tenant installations will not be recovered through a lump sum or through rental over the initial lease period.

Subsequent measurement

Subsequent to initial measurement, investment properties are measured and recognised at fair value.

Investment properties are valued bi-annually and adjusted to fair value at the reporting date with reference to the independent valuations.

1.11 Investment property (continued)

Subsequent measurement (continued)

Where an investment property is under construction, fair value is measured and recognised as the present value of the anticipated fair value of the investment property on completion and determined with reference to the stage of completion of the investment property.

If the fair value of an investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

Tenant installations relating to subsequent leases and lease commissions are carried at cost less accumulated amortisation. Amortisation is provided to write down the cost, less residual value, by equal instalments over the period of the lease.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

Derecognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in which the investment property is derecognised.

1.12 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Depreciation is provided on all property, plant and equipment to write down the cost, less residual value, using the straight-line method of depreciation, over the items' estimated useful lives.

It is the policy of the Group to write down items of property, plant and equipment with a cost less than R7 000 in full during the year the asset qualifies for recognition in terms of *IAS 16: Property, Plant and Equipment*, to align with the relevant tax authorities.

The assets' residual values and useful lives are reviewed, and adjusted annually, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater that its estimated recoverable amount.

1.13 Intangible assets

Intangible assets with finite useful lives are stated at cost, less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in profit or loss under "Amortisation of intangible assets" on a straight-line basis over the estimated useful life, and commences when the intangible asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date it is derecognised.

Useful lives and amortisation methods are reviewed on an annual basis, with the effect of any changes in estimate accounted for on a prospective basis.

The Group has a management contract that is classified as an intangible asset with a finite useful life.

The Group has Wi-Fi rights that are classified as an intangible asset with an infinite useful life.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

Intangible assets that have indefinite useful lives or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

The Wi-Fi rights have an infinite useful life due to the fact that it is based on the rolling 99 year lease term relating to the Attacq Waterfall Investment Company Proprietary Limited's ("AWIC") development rights.

1.14 Financial instruments

Recognition

A financial instrument is recognised when the Group becomes a party to a contract which entitles it to receive contractually agreed cash flows on the instrument. All acquisitions of financial assets that require delivery within the time frame established by regulation or market convention (regular-way purchases) are recognised at trade date, which is the date on which the Group commits to acquire the asset.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in financial assets transferred that is created or retained by the Group is recognised as a separate asset or liability.

The Group may enter into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all risks and rewards of the transferred assets or a portion of them. If all, or substantially all, risks and rewards are retained, then the transferred assets are not derecognised from the statement of financial position.

The rights and obligations retained in the transfer of financial instruments are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Group derecognises a financial liability when it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.

The Group may enter into transactions where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss from extinguishment of the original financial liability is recognised in profit or loss.

Measurement

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt instruments, trade and other payables, cash and cash equivalents, loans and borrowings and trade and other receivables.

Non-derivative financial instruments are recognised initially at fair value plus, in the case where financial instruments are not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash on hand, deposits held on call and investments in money market instruments, net of bank overdrafts, all of which are available for use by the Group unless otherwise stated. Bank overdrafts that are repayable on demand form an integral part of the Group's cash management system and are included as a component of cash and cash equivalents for purposes of the statements of cash flows. Cash and cash equivalents are measured at amortised cost.

Financial instruments at fair value through profit or loss

The Group designates financial assets and financial liabilities at fair value through profit or loss when the assets or liabilities are managed, evaluated and reported internally on a fair value basis.

Subsequent to initial recognition, financial instruments designated or classified as at fair value through profit or loss are measured at fair value with changes in fair value recognised in profit or loss.

Available-for-sale financial assets

The Group has designated certain assets as available-for-sale financial assets. In other circumstances, available-for-sale financial assets are classified as such because they do not fall within the classification of loans and receivables, held to maturity investments or financial assets at fair value through profit or loss. Gains or losses on available-for-sale financial assets are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary items, which are taken to profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in equity is recycled to profit or loss.

1.14 Financial instruments (continued)

Measurement (continued)

Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability (or group of financial assets or financial liabilities) and allocating the interest income or interest expense over the relevant period. Amortised cost is the amount at which the trade and other receivables are measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment or uncollectibility.

Loans and interest-bearing borrowings

Interest-bearing borrowings are financial liabilities with fixed or determinable payments.

Loans and interest-bearing borrowings are recognised initially at fair value, net of transaction costs incurred and subsequently carried at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs (this accounting treatment is applied to the term loan and bond). To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates (this accounting treatment is applied to the revolving facility).

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost, namely original debt less principal repayments and any amortisation, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents are recognised initially at fair value plus any directly attributable transaction costs. Cash and cash equivalents are subsequently measured at amortised cost.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate fluctuations, including interest rate swaps.

Derivative instruments are recognised initially at fair value at the date the derivative contracts are entered into, attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivative instruments are remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any evidence that the asset should be impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment allowance is raised when there is an indication of impairment and a write-off is only effected when the receivable is deemed to be fully impaired and not recoverable.

An available-for-sale equity investment is impaired when:

- its fair value has declined to below cost (adverse developments affecting the investee or operating environment have occurred since acquisition that, individually or collectively, amount to objective evidence of impairment; or the decline in fair value is significant or prolonged); and
- there is objective evidence of impairment (sometimes referred to as a possible impairment indicator).

1.14 Financial instruments (continued)

Impairment of financial assets (continued)

If any such evidence exists for available-for-sale financial assets, the cumulative loss which is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in profit or loss.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Determining fair values

The determination of fair values of financial assets and financial liabilities detailed in note 1.10.

Sureties

Sureties are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. These are measured and disclosed at their fair value.

1.15 Taxation

Income taxation expense

Income taxation expense comprises the sum of current and deferred taxation.

The current taxation payable or receivable is based on taxable profit for the year. Taxable profit or loss differs from profit or loss as reported in the statement of comprehensive income as it excludes items of income or expense that are taxable or deductible in other years in the determination of taxable profit or loss (temporary differences), it excludes items that are never taxable or deductible (permanent differences) and business combinations. The Group's liability for taxation is calculated using tax rates that have been enacted or substantially enacted at the reporting date.

Current taxation and deferred taxation are charged or credited to other comprehensive income if the taxation relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current taxation and deferred taxation are charged or credited directly to equity if the taxation relates to items that are credited or charged, in the same or a different period, directly in equity.

Current taxation

Current taxation for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

1.15 Taxation (continued)

Income taxation expense (continued)

Deferred taxation

Deferred taxation is provided using the balance sheet method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for tax purposes.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. The carrying amount of deferred taxation assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred taxation assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred taxation asset to be recovered.

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred taxation assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is calculated using tax rates (and taxation laws) that have been enacted or substantially enacted at the reporting date. The effect on deferred tax of any changes in taxation rates is charged to the statement of comprehensive income, except to the extent that it relates to items previously charged directly to equity.

For the purposes of measuring deferred taxation liabilities for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

1.16 Leases

Where the Group is the lessee

The Group leases land under finance leases and printers, copiers and servers under operating leases from non-related parties.

Lessee – Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as investment property and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Investment property held under a lease accounted for as a finance lease is recognised initially at the present value of the minimum lease payments under the lease, and thereafter in terms of the fair value methodology applicable to investment property as per note 1.11.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rentals are recognised as an expense in profit or loss when incurred.

The leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

1.16 Leases (continued)

Where the Group is the lessor

The Group leases investment properties under operating leases to non-related parties.

Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rentals are recognised as income in profit or loss when earned.

1.17 Non-current assets held for sale

A non-current asset or a disposal group comprising assets and liabilities is classified as held-for-sale if it is expected that its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and the sale is highly probable to occur within one year. For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset or disposal group.

Where the Group is committed to a sale plan involving the loss of control of a subsidiary it classifies all the assets and liabilities of that subsidiary as held-for-sale when the criteria set out above and detailed in *IFRS 5: Non-current Assets Held for Sale* and discontinued operations are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment in an associate, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate.

After the disposal takes place, the Group accounts for any retained interest in the associate in accordance with *IAS 39: Financial Instruments: Recognition and Measurement* unless the retained interest continues to be an associate, in which case the Group uses the equity method (refer to note 1.8 for the accounting policy regarding investments in associates).

On initial classification as held for sale, generally, non-current assets and disposal groups are measured at the lower of the carrying amount and fair value less costs to sell, with any adjustments taken to profit or loss (or other comprehensive income in the case of a revalued asset). The same applies to gains and losses on subsequent remeasurement. However, certain items, such as financial assets within the scope of *IAS 39: Financial Instruments: Recognition and Measurement* and investment property within the scope of *IAS 40: Investment Properties*, continue to be measured in accordance with those standards.

Impairment losses subsequent to classification of assets as held for sale are recognised in profit or loss. Increases in fair value less costs to sell assets that have been classified as held for sale are recognised in profit or loss to the extent that the increase is not in excess of any cumulative impairment loss previously recognised in respect of the asset. Assets classified as held for sale are not depreciated.

Gains and losses on remeasurement and impairment losses subsequent to classification as disposal groups and non-current assets held for sale are shown within continuing operations in profit or loss, unless they qualify as discontinued operations.

Disposal groups and non-current assets held for sale are presented separately from other assets and liabilities on the statement of financial position. Prior periods are not reclassified.

1.18 Share capital and equity

Ordinary shares are classified as equity.

Where any company within the Attacq Group of companies purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or re-issued. Where such ordinary shares are subsequently re-issued, any consideration received, net of any directly attributable incremental costs and the related income tax effects, is included in equity attributable to the Company's equity holders. The shares are listed on the JSE, with one vote per share.

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

1.19 Provisions

Provisions are recognised when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Such provisions are calculated on a discounted basis where the effect is material to the original undiscounted provision. The rate applied is a market-related rate adjusted for the risks associated with the obligation. The carrying amount of the provision increases in each period to reflect the passage of time and the unwinding of the discount, and the movement is recognised in profit or loss within interest costs. Provisions are not recognised for future operating losses; however, provisions are recognised for onerous contracts where a contract is expected to be loss-making (and not merely less profitable than expected).

1.20 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business, net of value added tax.

Rental income

Rental income comprises gross rental income and fixed operating cost recoveries from the letting of investment properties, excluding value added tax. Rental income excludes tenant security deposits, which represent financial advances made by tenants as guarantees during the lease, and are repayable by the Group upon termination of the lease contracts.

Rental income receivable is recognised on a straight-line basis over the term of the lease. Directly attributable lease incentives are recognised within rental income on the same basis.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example increases arising on rent reviews or rentals linked to tenant revenues, are recorded as income in the periods in which they are earned. Rent reviews are recognised as income from the date of the rent review, based on management's estimates. Estimates are derived from knowledge of market rents for comparable properties determined on an individual property basis and updated for progress of negotiations.

Service charge income is recognised on an accruals basis in line with the service being provided.

As specified in the lease agreements, the Group has the primary responsibility for providing services to tenants (electricity, water and gas utilities, interior and exterior cleaning, security, maintenance and repairs). The Group negotiates directly with the suppliers all contracts for services provided to tenants. These contracts are concluded between the Group subsidiaries which own the properties and the direct supplier.

Interest income

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

1.21 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings; and
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised cannot exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.22 Foreign currencies

The Group Annual Financial Statements are presented in South African rand, which is the Company's functional and presentation currency. However, the Group measures the transactions of each of its material operations using the functional currency determined for that specific entity, which, in most instances, is the currency of the primary economic environment in which the operation conducts its business.

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are credited to or charged in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

1.23 Foreign operations

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities at rates of exchange ruling at the reporting date
- Equity items are translated at historical rates
- Income, expenditure and cash flow items at weighted average rates

Exchange differences on translation are accounted for in other comprehensive income. These differences will be recognised in earnings upon realisation of the underlying operation.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (i.e. the reporting entity's interest in the net assets of that operation) are taken to other comprehensive income.

The average US dollar to South African rand conversion rate, where applicable, of US$1: R14.76 (2015: US$1: R10.86) has been used to translate the statement of comprehensive income and statement of cash flows while the statement of financial position has been translated at the closing rate at the last day of the reporting period US$1: R14.49 (2015: US$1: R11.56).

The average euro to South African rand conversion rate, where applicable, of €1: R16.41 (2015: €1: R13.62) has been used to translate the statement of comprehensive income and statement of cash flows while the statement of financial position has been translated at the closing rate at the last day of the reporting period €1: R16.08 (2015: €1: R13.72).

1.24 Employee benefits

Short-term benefits

The cost of the short-term employee benefits is recognised during the period in which the employees render the related service. Short-term employee benefits are measured on an undiscounted basis. The accrual for employee entitlements to salaries, bonuses and annual leave represents the amount which the Group has a present legal or constructive obligation to pay as a result of the employees' services provided up to the reporting date.

Defined contribution plan

As from 1 November 2015, the Group contributes to defined contribution funds for the benefit of employees and these contributions are expensed as they fall due. The Group is not liable for contributions to the medical aid of current and retired employees.

1.25 Share-based payment arrangements

Equity-settled share-based payments

Equity-settled shared-based payments are measured at the grant date fair value of the equity instruments granted, and are expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. The annual expense is based on the Group's estimate of the shares that will eventually vest, adjusted for the effect of non-market vesting conditions.

Cash-settled share-based payments

Cash-settled share-based payment liabilities are initially measured at fair value and subsequently remeasured to fair value at each reporting date as well as at the date of settlement, with any changes in fair value recognised in profit or loss. The expense is recognised on a straight-line basis over the vesting period, with a corresponding increase in the liability.

1.26 Determination and presentation of operating segments

Operating segments are reported on in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable operating segments, has been identified as the Group Executive Committee. Operating segments reported are based on the Group's different investment portfolios.

The Group has eight reportable operating segments, which are managed separately based on geographical areas and use of portfolio. The Group Executive Committee reviews internal management reports on these strategic divisions at least quarterly. The Group's reportable operating segments are as follows:

Direct owned real estate

- Office and mixed-use properties
- Retail properties
- Light industrial properties
- Hotels
- Vacant land and infrastructure
- Developments under construction

Indirect owned real estate

- International investments
- Head office/other

Segment results that are reported to the chief operating decision-maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision-maker, however, assesses each investment property on an individual basis in making decisions about its performance.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and judgements concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Critical accounting judgements

Control over certain investment in associates

The Group has certain investments in associates in which it effectively owns in excess of 35% of the issued share capital of the associates. In more cases than one, the Group is the single largest shareholder in these investments. The Group has deemed these investments to be associates as it does not have control. The assessment of control over these investments took into account the:

- number of Directors the Group has on the boards of the investments;
- involvement in decision-making over significant transactions and/or events of the investments; and
- pattern of shareholder voting at shareholder meetings.

Note 8 describes that MAS is an associate of the Group. The Group has a 41.38% ownership in MAS. The Directors of the Group assessed whether or not the Group has control over MAS, based on whether the Group has the practical ability to direct the relevant activities of MAS unilaterally. In making their judgement, the Directors considered the Group's absolute size of holding in MAS and the relative size of and dispersion of the shareholding owned by the other shareholders. After assessment, the Directors concluded that the Group does not have a sufficiently dominant voting interest to direct the relevant activities of MAS and therefore the Group does not have control over MAS.

It must be noted that Attacq has no right in terms of MAS' constitutional documents to appoint a Director. Attacq does not have any agreements in place governing the actions of MAS or the MAS Board.

Furthermore, in terms of the MAS Memorandum of Incorporation ("MOI"), a shareholder resolution to remove a Director must be passed by shareholders holding at least 75% of the voting rights in relation thereto. Any steps by Attacq on its own to remove members of the MAS Board of Directors could easily be blocked by the remaining shareholder groupings.

Determination of fair value of investment property

The Group measures and recognises all investment property, initially at cost and subsequently at fair value as noted in 1.11. The fair value estimate is determined using independent external valuations on an annual basis, adjusted as follows:

- An adjustment for the estimated future rental obligations to the lessors of the Waterfall development, Newtown and Majestic;
- Completed Developments – completed developments valued using the discounted cash flow of future rental income are adjusted with the value of the straight-lining lease debtor; and
- Developments under construction – an adjustment to the present value of the difference between the estimated fair value of the investment property at completion and the total estimated development cost using the stage of completion method. The stage of completion is determined with reference to the cost incurred to date versus the total anticipated cost of the development, excluding the cost allocated to the land.

The above adjustments are made to reflect the fair value at which the asset could be exchanged between market participants at the reporting date under current market conditions.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty

Trade receivables and loans and receivables

The Group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Share-based payments

For share-based payments, estimates are made in determining the fair value of equity instruments granted. Assumptions are used in the valuation models and include assumptions regarding future dividend yield, risk-free rate, expected employee attrition rate, expected share volatility and expected option life. Refer to note 19.

Effective date of property transactions

In the event of an investment property being disposed or acquired, the effective date of the transaction is generally treated as the date when all suspensive conditions have been met, and the buyer becomes contractually entitled to the income and expenses associated with the property, and not necessarily when the property is transferred.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

Impairment of investment in the African asset portfolio

Management assessed the fair value of the investment in the African asset portfolio and has determined that a risk of volatility in the property values exist due to the current difficult economic climate in those countries the Group has a presence in.

Based on the above mentioned factors, management assessed these investment for additional impairment.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Impairment testing of management contracts relating to Attacq Management Services Proprietary Limited ("AMS") and Attacq Retail Services Proprietary Limited ("ARS")

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The Company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are compared at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for expected future cash flows for each company of assets. Expected future cash flows used to determine the value in use of goodwill and intangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including industry specific and macroeconomic variances.

Refer to note 6 for the determination of the appropriate discount rate.

Impairment testing of Wi-Fi rights

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates.

Refer to note 6 for the determination of the appropriate discount rate.

The future cash flows were based on contractual net income that will be earned from the Wi-Fi rights.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash-generating unit and a appropriate discount rate in order to calculate present value.

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- a cash-generating unit to which goodwill has been allocated is tested for impairment annually or when there is an indication that goodwill is impaired;
- the discounted cash flow method is used to determine the fair value of the cash-generating unit;
- the future cash flows of the cash-generating units to which goodwill is allocated is used as input in the discounted cash flow valuation;
- the appropriate long-term growth rate is applied to the future cash flow of the cash-generating unit; and
- the selection of appropriate discount rates to reflect the risks involved, usually the weighted average cost of capital ("WACC").

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Expected manner of realisation for deferred taxation

Deferred taxation is provided for on the fair value adjustments of investment properties based on the expected manner of recovery, i.e. sale or use. This manner of recovery affects the rate used to determine the deferred taxation liability. Refer note 11.

The deferred taxation rate applied to the fair value adjustments of investment property is determined by the expected manner of recovery. Where the expected recovery of the investment property is through sale, the Capital Gains Tax ("CGT") rate of 22.4% (2015: 18.648%) is applied. If the expected manner of recovery is through definite use, the normal tax rate of 28% (2015: 28%) is applied. If the manner of recovery is partly through use and partly through sale, a combination of capital gains rate and normal tax rate is used.

The applicable tax rates on timing differences are based on management's best estimate of the manner in which these timing differences will realise.

Gains in the fair value of investment property give rise to taxable timing differences, being the difference between the original cost price and the market value as determined annually by external valuers. Refer to note 5 for valuation details of investment property.

Market value of investment properties represents the best estimate of value to be realised in the open market between a willing buyer and a willing seller. Thus, disposal of investment properties will primarily give rise to CGT.

In determining the amount of deferred taxation to be raised, accounting standards require:

- In respect of the investment property, management is required to estimate the expected period of use until sale and an estimated sales value (residual value). The fair value adjustment is then split between a use value and a sale value component and the respective taxation consequences applied to each component.

Given the overall nature of the Group's investment property portfolio and the historic performance of the portfolio as a whole as well as the individual properties, management estimates the expected future sale value (residual value) of the investment properties to at least be equal to the market values at year end. Thus, the fair value attributable to the value-in-use component of the investment properties is most likely to be nil. There is thus no benefit to value land separately for determining deferred taxation consequences.

Consequently:

- net fair value gains on investment properties are included at capital gains tax rates;
- straight-line rentals are included at normal tax rates;
- future recoupment of wear and tear allowances on individual depreciable components of investment properties are included at the normal tax rates; and
- deferred initial lease costs are included at normal tax rates.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board, through the Chief Executive Officer, Chief Financial Officer and Head of Asset Management, determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The above officers work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Fair value measurements and valuation processes (continued)

The above officers reports the decisions to the Board every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in notes 5, 19 and 37.

Amortisation of intangible asset arising from the asset management of the Group's investment property

Management has determined the useful live of the intangible asset to be 15 years. The residual value relating to the intangible asset has been determined as Rnil. In making this estimate, management has considered the:

- general initial lease period related to the underlying investment properties which is generally 7 to 10 years for offices and industrial tenants;
- initial renewal period of the above leases;
- general and initial renewal period of all other leases; and
- likelihood of renewal by the tenants following the initial lease period.

Estimation of the future rental payments to Waterfall Development Company Proprietary Limited

In 2009, Attacq Waterfall Investment Company Proprietary Limited, a subsidiary of the Group, entered into a sale of development rights and lease agreements with Waterfall Development Company Proprietary Limited in terms which it obtained the right to develop the relevant land parcels and to call for the registration of long-term lease agreements against the title deeds of these land parcels.

In terms of the agreements, the Company is obliged to pay, to the land owner, an amount equal to 6% of the net rentals it generates from the leasehold improvements. This obligation is deemed inseparable from the leased land and should therefore impact the fair value of the relevant investment property.

The 6% net rental obligation is calculated based on:

- staggered rental income streams based on anticipated completion dates of the various leasehold improvements or disposal of leasehold rights;
- discounting of anticipated cash flow streams to determine the present value of the obligation at rates between 16% and 18% (2015: 16% to 22%); and
- discounting of anticipated cash flow streams to determine the present value of the obligation at a rate of 0% (2015: 0%) for Land Parcel 3.

Development rights

The valuation in respect of Waterfall's development rights is based on an external valuation performed on a freehold basis. The valuation is then adjusted downward to take into account, *inter alia*, the nature of the contractual rights and the estimated future rental obligations attached to the development rights (as detailed above). The deteriorating economic environment and lower tenant activity have caused the Directors to take a more conservative view of the roll-out of the development activity resulting in a further reduction in value.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The following accounting amendments, standard and interpretation became effective in the current reporting period:

3.1 New and revised IFRSs affecting presentation and disclosure only

Standard or Interpretation	Nature	Effective date
• *IFRS 7: Financial Instruments: Disclosures*	• Deferral of mandatory effective date of IFRS 9 and amendments to transitional disclosures	1 January 2015
• *IAS 39: Financial Instruments: Recognition and Measurement*	• This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.	1 January 2015

3.2 New and revised IFRSs not yet effective

The accounting standards and amendments issued to accounting standards and interpretations which are relevant to the Group, but not yet effective at 30 June 2016, have not been adopted. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date. The Group continuously evaluates the impact of these standards and amendments. The effect of the implementation of these standards and interpretations on the Attacq Group of Companies still has to be determined. The Board of Directors does not currently believe the adoption of these pronouncements will have a material impact on its results, financial position or cash flow.

The following accounting amendments, standards and interpretations become effective for periods beginning on or after the effective dates set out below:

Standard or Interpretation	Effective date
• Amendment to *IFRS 11: Joint Arrangements* regarding acquisition of an interest in a Joint Operation. This amendment provides new guidance on how to account for the acquisition of an interest in a Joint Venture operation that constitutes a business. The amendments require an investor to apply the principles of business combination accounting when it acquires an interest in a Joint Operation that constitutes a 'business'. The amendments are applicable to both the acquisition of the initial interest in a Joint Operation and the acquisition of additional interest in the same Joint Operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same results in retaining joint control.	1 January 2016
• Amendment to *IAS 16: Property, Plant and Equipment* and *IAS 38: Intangible Assets* regarding depreciation and amortisation. This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. This has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The presumption may only be rebutted in certain limited circumstances. These are where the intangible asset is expressed as a measure of revenue; or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.	1 January 2016
• Amendment to *IFRS 10: Consolidated Financial Statements* and *IAS 28: Investments in Associates and Joint Ventures* regarding the sale or contribution of assets between an investor and its associate or Joint Venture. The postponement applies to changes introduced by the IASB in 2014 through narrow-scope amendments to IFRS 10 and IAS 28. Those changes affect how an entity should determine any gain or loss it recognises when assets are sold or contributed between the entity and an associate or Joint Venture in which it invests. The changes do not affect other aspects of how entities account for their investments in associates and Joint Ventures. The reason for making the decision to postpone the effective date is that the IASB is planning a broader review that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and Joint Ventures.	Postponed (initially 1 January 2016)

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

3.2 New and revised IFRSs not yet effective (continued)

Standard or Interpretation	Effective date
• Amendment to *IAS 27: Separate Financial Statements* regarding the equity method. The amendment allows entities to use the equity method to account for investments in subsidiaries, Joint Ventures and associates in their separate financial statements.	1 January 2016
• *IFRS 14: Regulatory Deferral Accounts*. This standard permits first-time adopters of IFRS to continue to recognise amounts related to rate regulation in accordance with their previous generally accepted accounting principles requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.	1 January 2016
• Amendment to *IAS 1: Presentation of Financial Statements*. This amendment aims to clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments form a part of the IASB's Disclosure Initiative, which explores how financial statement disclosures can be improved.	1 January 2016
• Amendment to *IFRS 10: Consolidated Financial Statements*, *IFRS 12: Disclosure of Interests in Other Entities* and *IAS 28: Investments in Associates and Joint Ventures*. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.	1 January 2016

Annual improvements to IFRSs 2012 to 2014 cycle

These annual improvements amend standards from the 2012 – 2014 reporting cycle. It includes changes to:

Standard or Interpretation	Effective date
• *IFRS 5: Non-current Assets Held for Sale and Discontinued Operations*. The amendment clarifies that, when an asset (or disposal group) is reclassified from held for sale to held for distribution, or *vice versa*, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such. This means that the asset (or disposal group) does not need to be reinstated in the financial statements as if it had never been classified as held for sale or held for distribution simply because the manner of disposal has changed. The amendment also explains that the guidance on changes in a plan of sale should be applied to an asset (or disposal group) which ceases to be held for distribution but is not reclassified as held-for-sale.	1 January 2016
• *IFRS 7: Financial Instruments: Disclosures*. There are two amendments:	1 January 2016
– Servicing contracts – if an entity transfers a financial asset to a third party under conditions which allow the transferor to derecognise the asset, IFRS 7 requires disclosure of all types of continuing involvement that the entity might still have in the transferred assets. The standard provides guidance about what is meant by continuing involvement. The amendment is prospective with an option to apply retrospectively. There is a consequential amendment to IFRS 1 to give the same relief to first-time adopters.	
– Interim financial statements – the amendment clarifies that the additional disclosure required by the amendments to *IFRS 7: Disclosure – Offsetting Financial Assets and Financial Liabilities* is not specifically required for all interim periods unless required by *IAS 34: Interim Financial Reporting*. This amendment is retrospective.	
• *IAS 19: Employee Benefits*. The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, not the country where they arise. The assessment of whether there is a deep market in high-quality corporate bonds is based on corporate bonds in that currency, not corporate bonds in a particular country. Similarly, where there is no deep market in high-quality corporate bonds in that currency, government bonds in the relevant currency should be used. The amendment is retrospective but limited to the beginning of the earliest period presented.	1 January 2016
• *IAS 34: Interim Financial Reporting*. The amendment clarifies what is meant by the reference in the standard to information disclosed elsewhere in the interim financial report. The amendment also amends IAS 34 to require a cross-reference from the interim financial statements to the location of that information. The amendment is retrospective.	1 January 2016

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

3.2 New and revised IFRSs not yet effective (continued)

Standard or Interpretation	Effective date
• Amendment to *IAS 12: Income Taxes*. The amendments were issued to clarify the requirements for recognising deferred taxation assets on unrealised losses. The amendments clarify the accounting for deferred taxation where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred taxation assets. The amendments clarify the existing guidance under IAS 12. They do not change the underlying principles for the recognition of deferred taxation assets.	1 January 2017
• Amendment to *IAS 7: Cash Flow Statements.* In January 2016, IASB issued an amendment to IAS 7 introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment responds to requests from investors for information that helps them better understand changes in an entity's debt. The amendment will affect every entity preparing IFRS financial statements. However, the information required should be readily available. Preparers should consider how best to present the additional information to explain the changes in liabilities arising from financing activities.	1 January 2017
• *Amendment to IFRS 9: Financial Instruments* The complete version of IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the hedged ratio to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.	1 January 2018
• *IFRS 15: Revenue from Contracts with Customers* This is the converged standard on revenue recognition. It replaces *IAS 11: Construction Contracts*, *IAS 18: Revenue* and related interpretations. Revenue is recognised when a customer obtains control of goods or services. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods or services. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: – Step 1: Identify the contract(s) with a customer; – Step 2: Identify the performance obligations in the contract; – Step 3: Determine the transaction price; – Step 4: Allocate the transaction price to the performance obligations in the contract; and – Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.	1 January 2018

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

3.2 New and revised IFRSs not yet effective (continued)

Standard or Interpretation	Effective date
• *IFRS 16: Leases*	1 January 2019

The new standard states that lessees should be required to recognise assets and liabilities arising from all leases (with limited exceptions) on the statement of financial position. Lessor accounting has not substantially changed in the new standard.

The model reflects that, at the start of the lease, the lessee obtains the right to use an asset for a period of time and has an obligation to pay for that right. In response to concerns expressed about the cost and complexity to apply the requirements to large volumes of small assets, the IASB decided not to require a lessee to recognise assets and liabilities for short-term leases (less than 12 months), and leases for which the underlying asset is of low value (such as laptops and office furniture).

A lessee measures lease liabilities at the present value of future lease payments. A lessee measures lease assets, initially at the same amount as lease liabilities, and also includes costs directly related to entering into the lease. Lease assets are amortised in a similar way to other assets such as property, plant and equipment. This approach will result in a more fair representation of a lessee's assets and liabilities and, together with enhanced disclosure, will provide greater transparency of a lessee's financial leverage and capital employed.

One of the implications of the new standard is that there will be a change to key financial ratios derived from lessee's assets and liabilities (for example, leverage and performance ratios).

IFRS 16 supersedes *IAS 17 Leases*, *IFRIC 4: Determining Whether an Arrangement Contains a Lease*, *SIC 15 Operating Leases: Incentives*, and *SIC 27: Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

4. PROPERTY, PLANT AND EQUIPMENT

Figures in R'000s	Equipment	Computer equipment and software	Furniture and fittings	Solar photo-voltaic panels	Other fixed assets	Total
GROUP						
2016						
Cost						
Balance at 1 July 2015	2 492	5 521	4 932	–	7 551	20 496
Additions	10 706	1 083	939	15 700	71	28 499
Disposals	–	–	(180)	–	–	(180)
Balance at 30 June 2016	**13 198**	**6 604**	**5 691**	**15 700**	**7 622**	**48 815**
Accumulated depreciation						
Balance at 1 July 2015	1 038	3 650	1 284	–	3 883	9 855
Depreciation	1 768	939	857	–	1 488	5 052
Disposals	–	–	(17)	–	–	(17)
Balance at 30 June 2016	**2 806**	**4 589**	**2 124**	**–**	**5 371**	**14 890**
Carrying amount at 30 June 2015	**1 454**	**1 871**	**3 648**	**–**	**3 668**	**10 641**
Carrying amount at 30 June 2016	**10 392**	**2 015**	**3 567**	**15 700**	**2 251**	**33 925**
2015						
Cost						
Balance at 1 July 2014	2 076	5 099	2 480	–	7 155	16 810
Additions	416	422	2 452	–	396	3 686
Balance at 30 June 2015	**2 492**	**5 521**	**4 932**	**–**	**7 551**	**20 496**
Accumulated depreciation						
Balance at 1 July 2014	820	1 994	873	–	2 062	5 749
Depreciation	218	1 656	411	–	1 821	4 106
Balance at 30 June 2015	**1 038**	**3 650**	**1 284**	**–**	**3 883**	**9 855**
Carrying amount at 30 June 2014	**1 256**	**3 105**	**1 607**	**–**	**5 093**	**11 061**
Carrying amount at 30 June 2015	**1 454**	**1 871**	**3 648**	**–**	**3 668**	**10 641**

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Figures in R'000s	Equipment	Computer equipment and software	Furniture and fittings	Solar photo-voltaic panels	Other fixed assets	Total
COMPANY						
2016						
Cost						
Balance at 1 July 2015	–	–	180	–	–	180
Disposals	–	–	(180)	–	–	(180)
Balance at 30 June 2016	**–**	**–**	**–**	**–**	**–**	**–**
Accumulated depreciation						
Balance at 1 July 2015	–	–	17	–	–	17
Disposals	–	–	(17)	–	–	(17)
Balance at 30 June 2016	**–**	**–**	**–**	**–**	**–**	**–**
Carrying amount at 30 June 2015	**–**	**–**	**163**	**–**	**–**	**163**
Carrying amount at 30 June 2016	**–**	**–**	**–**	**–**	**–**	**–**
2015						
Cost						
Balance at 1 July 2014	1 232	4 694	1 334	–	482	7 742
Additions	–	132	–	–	372	504
Disposals	(1 232)	(4 826)	(1 154)	–	(854)	(8 066)
Balance at 30 June 2015	**–**	**–**	**180**	**–**	**–**	**180**
Accumulated depreciation						
Balance at 1 July 2014	817	1 513	357	–	474	3 161
Depreciation	116	1 369	215	–	9	1 709
Disposals	(933)	(2 882)	(555)	–	(483)	(4 853)
Balance at 30 June 2015	**–**	**–**	**17**	**–**	**–**	**17**
Carrying amount at 30 June 2014	**415**	**3 181**	**977**	**–**	**8**	**4 581**
Carrying amount at 30 June 2015	**–**	**–**	**163**	**–**	**–**	**163**

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment annually. The useful lives in the current and prior years are:

Item	Useful life
• Equipment	3 years
• Computer equipment and software	3 years
• Furniture and fittings	3 years
• Solar photovoltaic panels	3 years
• Other fixed assets	5 to 10 years

Cell C Campus – Waterfall

5. INVESTMENT PROPERTY

Figures in R'000s
2016
Cost
Balance at 1 July 2015
Additions
Disposals
Transfer between components
Transfer to non-current assets held for sale
Balance at 30 June 2016
Fair value adjustment
Balance at 1 July 2015
Additions
Disposals
Transfer between components
Transfer to non-current assets held for sale
Balance at 30 June 2016
Carrying amount at 30 June 2015
Carrying amount at 30 June 2016
2015
Cost
Balance at 1 July 2014
Additions
Additions – *IFRS 3: Business Combinations*
Disposals
Transfer between components
Balance at 30 June 2015
Fair value adjustment
Balance at 1 July 2014
Additions
Disposals
Transfer between components
Balance at 30 June 2015
Carrying amount at 30 June 2014
Carrying amount at 30 June 2015

The investment properties are encumbered as per note 20.

GROUP						COMPANY
Develop-ment rights	Infrastructure and services	Land	Develop-ments under construc-tion	Completed develop-ments	Total	Completed develop-ments
526 844	615 997	37 508	1 783 856	8 808 308	11 772 513	195 304
–	562 533	–	1 724 314	299 200	2 586 047	–
(362)	(1 579)	–	–	(195 304)	(197 245)	(195 304)
(60 784)	(61 202)	–	(2 531 890)	2 653 876	–	–
(37 281)	(3 977)	–	(27 577)	(837 933)	(906 768)	–
428 417	**1 111 772**	**37 508**	**948 703**	**10 728 147**	**13 254 547**	**–**
940 578	–	(20 508)	840 161	2 655 129	4 415 360	77 457
(230 039)	–	(12 000)	758 314	557 949	1 074 224	9 811
(1 715)	–	–	–	(87 268)	(88 983)	(87 268)
(502)	–	–	(1 362 094)	1 362 596	–	–
(77 441)	–	–	–	(534 515)	(611 956)	–
630 881	**–**	**(32 508)**	**236 381**	**3 953 891**	**4 788 645**	**–**
1 467 422	**615 997**	**17 000**	**2 624 017**	**11 463 437**	**16 187 873**	**272 761**
1 059 298	**1 111 772**	**5 000**	**1 185 084**	**14 682 038**	**18 043 192**	**–**
579 280	446 047	37 508	2 355 883	6 034 549	9 453 267	443 643
–	278 165	–	1 803 912	125 601	2 207 678	18 245
–	–	–	–	348 770	348 770	–
(3 852)	(9 869)	–	(223 481)	–	(237 202)	(266 584)
(48 584)	(98 346)	–	(2 152 458)	2 299 388	–	–
526 844	**615 997**	**37 508**	**1 783 856**	**8 808 308**	**11 772 513**	**195 304**
924 269	–	(20 508)	535 264	1 937 045	3 376 070	141 612
84 472	–	–	591 562	434 677	1 110 711	21 649
(6 279)	–	–	(65 142)	–	(71 421)	(85 804)
(61 884)	–	–	(221 523)	283 407	–	–
940 578	**–**	**(20 508)**	**840 161**	**2 655 129**	**4 415 360**	**77 457**
1 503 549	**446 047**	**17 000**	**2 891 147**	**7 971 594**	**12 829 337**	**585 255**
1 467 422	**615 997**	**17 000**	**2 624 017**	**11 463 437**	**16 187 873**	**272 761**

5. INVESTMENT PROPERTY (CONTINUED)

A register of investment properties, together with the title deeds relating to the owned investment properties are available for inspection at the registered office of the Company:

ATT House, 2nd Floor
Maxwell Office Park
Magwa Crescent West
Waterfall City
Midrand

Development rights (Attacq Waterfall Investment Company Proprietary Limited) ("AWIC")

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Independent valuer's valuation	1 539 000	2 007 000	–	–
Adjusted for				
Adjustment relating to the future rental obligation	(479 702)	(534 968)	–	–
Undeveloped land on Maxwell Office Park held directly by JV partner	–	(4 610)	–	–
Adjusted valuation	**1 059 298**	**1 467 422**	**–**	**–**

The independent valuer's valuation is done by applying the residual-land valuation model.

The following unobservable inputs were used by the independent valuer in estimating the fair value of the development rights:

- Serviced land prices between R2 250 and R3 350 (2015: R2 250 and R3 350) per bulk square metre, depending on services installed and intended usage
- Estimated capital outlays and professional fees as per independent quantity surveyor
- Provision for any additional costs, for example, agents commission and marketing
- An estimated development plan spanning 1 to 12 years (2015: 1 to 10 years)
- Discount rates for present value calculations between 16% and 18% (2015: 16% to 22%)
- Discount rates for present value calculations of 0% in 2016 (2015: 0%) for Land Parcel 3

The estimated impact of a change in the following significant unobservable inputs would result in a change in the fair value estimate as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
• An extension by 1 year of the estimated development plan	(150 654)	(283 338)	–	–
• An increase of 100 basis points in the discount rate	8 244	(50 000)	–	–
Value of development rights	(50 000)	(50 000)	–	–
Future rental obligation	58 244	–	–	–

The effective date of the revaluations on the development rights was 30 June 2016. The revaluation was performed by an independent valuer, Mr Bruce Eastman – ND Property Valuation, Property Associated Valuer, of Old Mutual Investment Group: South Africa. Mr Bruce Eastman and Old Mutual Investment Group: South Africa are not connected to the Group.

There was no change to the valuation technique from the prior year. The fair value of development rights is deemed to be Level 3 as defined by *IFRS 13: Fair Value Measurements*.

In 2009, AWIC entered into a sale of development rights and lease agreements with Waterfall Development Company Proprietary Limited in terms of which it obtained the right to develop the land parcels listed below and to call for the registration of long-term lease agreements against the title deeds of the land parcels (it is anticipated that all the lease agreements will be registered within the foreseeable future).

5. INVESTMENT PROPERTY (CONTINUED)

For both years presented, Waterfall comprises remaining undeveloped development rights obtained relating to the:

- remainder of Land Parcel 8 of portion 1/RE on the Farm Waterfall No. 5;
- remainder of Land Parcel 9 of portion 1/RE on the Farm Waterfall No. 5;
- remainder of Land Parcel 10 of portion 1/RE on the Farm Waterfall No. 5;
- Land Parcel 10a of portion 1/RE on the Farm Waterfall No. 5;
- Land Parcel 10b of portion 1/RE on the Farm Waterfall No. 5;
- Land Parcel 12 of portion 1/RE on the Farm Waterfall No. 5;
- remainder of Land Parcel 15 of Portion 62 of the Farm Waterfall No. 5; and
- remainder of Land Parcel 22 of Portion 78 of the Farm Waterfall No. 5.

The following development rights have been classified as held for sale as per note 17.

- Land Parcel 3 of portion 1/RE on the Farm Waterfall No. 5; and
- Land Parcel 24 of portion 1/RE on the Farm Waterfall No. 5.

Land (Le Chateau Property Development Proprietary Limited)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Independent valuer's valuation (2015: Director's valuation)	5 000	17 000	–	–

Developments under construction

Details of Valuation

The effective date of the last valuation performed is 30 June 2013. The valuation was performed by an independent valuer, Mrs Amanda De Wet (member of the South African Institute of Valuers and registered as a Professional Associated Valuer with the SA Council for the Property Valuers Profession). Mrs Amanda De Wet is not connected to the Company and has recent experience in location and category of the investment property being valued.

The valuation was based on:

- bulk rates for areas being unserviced and for which no building works have been identified/tenanted; and
- valuation of tenanted developments under construction.

The bulk areas are discounted to a net present value based on expected timelines for zoning.

The Directors chose to value the property on a more conservative basis. Provision was made for the property market that has not turned around and the state of the residential market for second homes. The judgement is based on their experience in the industry and the property movements within the Hartbeespoort area.

The effective date for the current year valuation is 30 June 2016 (2015: 30 June 2015).

The carrying amount of developments under construction are reconciled as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Balance at the beginning of the year	2 624 017	2 891 147	–	–
Transfer of cost from development rights	60 784	48 584	–	–
Transfer from infrastructure and services	61 202	98 346	–	–
Transfer of fair value from development rights	502	61 884	–	–
Additions	1 724 314	1 803 912	–	–
Disposals	–	(288 623)	–	–
Net gain from fair value adjustment	1 493 234	3 024 228	–	–
Transfer to assets held for sale	(27 577)	–	–	–
Transfer to completed developments	(4 016 472)	(2 582 795)	–	–
Independent valuers' valuation	1 920 004	5 056 683	–	–
Adjusted for – against fair value				
Cost to complete and percentage of completion	(734 920)	(2 432 666)	–	–
Independent valuers' valuation – adjusted	**1 185 084**	**2 624 017**	**–**	**–**
Reconciled as follows:				
Cost	948 703	1 783 856	–	–
Fair value adjustments	236 381	840 161	–	–
Adjusted valuation	**1 185 084**	**2 624 017**	**–**	**–**

5. INVESTMENT PROPERTY (CONTINUED)

Developments under construction (continued)

The following unobservable inputs were used by the independent valuers in estimating the fair value of the investment property:

	GROUP		COMPANY	
Unobservable inputs (%)	2016	2015	2016	2015
• Discount rate	13.25 – 13.75	12.25 – 14.00	–	–
• Reversionary discount rate	13.25 – 13.75	12.25 – 14.00	–	–
• Market capitalisation rate	7.25 – 7.75	6.25 – 8.50	–	–
• Reversionary capitalisation rate	7.25 – 7.75	6.25 – 9.50	–	–
• Expense growth	7.00	7.00 – 8.00	–	–
• Income growth	6.00	6.00	–	–
• Long-term vacancy rate	0.00	0.00 – 0.50	–	–

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
• A decrease of 50 basis points in the discount rate	65 648	174 107	–	–
• An increase of 50 basis points in the discount rate	(62 862)	(167 255)	–	–
• A decrease of 50 basis points in the reversionary capitalisation rate	70 639	222 668	–	–
• An increase of 50 basis points in the reversionary capitalisation rate	(61 775)	(192 151)	–	–

The independent valuers' valuation of the following developments under construction represent the Group's shareholding as they are being developed through a Joint Venture and/or undivided share:

- PwC Tower – 75%. The balance is held by PwC Waterfall Property Partnership.
- Maxwell Office Park – 50%. The balance is held by East and West Investments Proprietary Limited ("The Moolman Group").
- Cummins – 50%. The balance is held by Truzen 116 Trust ("Zenprop") (which is classified as held for sale – refer note 17).
- Mall of Africa – 80%. The balance is held by Atterbury Property Fund Proprietary Limited (which has been completed in the current year).

Refer to note 38 for a detailed breakdown of all the investment properties under construction.

The value of developments under construction is determined with reference to the cost incurred to date plus a portion of the present value of the final anticipated fair value gain upon completion of the building. The final anticipated fair value gain upon completion of the buildings is the difference between the total costs of development and the fair value of the building at completion based on the independent valuer's valuation.

The portion of the present value of the anticipated fair value gain, is determined with reference to the stage of completion of the building. The stage of completion of the building is determined with reference to the cost to date of the top structure and the total anticipated costs excluding the development rights (land) and the related funding costs.

The fair value of developments under construction is deemed to be Level 3 as defined by *IFRS 13: Fair Value Measurements.*

Developments under construction are transferred to "Completed developments" on the date of practical completion as certified by the principal agent on the development.

Developments under construction were valued as at 30 June 2016, using the discounted cash flow of future income streams method by independent valuers. This is in line with the prior year.

5. INVESTMENT PROPERTY (CONTINUED)

Developments under construction (continued)

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000. For both years, the valuers were as follows:

Mills Fitchet Magnus Penny & Wolfs (previously Mills Fitchet KZN)

- T Bate – MSc, BSc Land Econ (UK), MRICS, MIV (SA), Professional Valuer
- MRB Gibbons – ND Property Valuation, MIV (SA), MRICS

Jones Lang LaSalle Proprietary Limited

- K Pfaff – BSc MRICS, Chartered Valuation Surveyor, Professional Valuer
- J Karg – Head of Valuations and Associate Director

Completed developments

The carrying amount of completed developments are reconciled as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Balance at the beginning of the year	11 463 437	7 971 594	272 761	585 255
Transfer from developments under construction	4 016 472	2 582 795	–	–
Additions – *IFRS 3: Business Combinations*	–	348 770	–	–
Additions	299 200	125 601	–	18 245
Disposals	(282 572)	–	(282 572)	–
Net gain from fair value adjustment	706 311	607 277	9 811	11 133
Straight-line lease income adjustment against fair value	(148 362)	(172 600)	–	10 516
Sale of building to Lynnwood Bridge Office Park Proprietary Limited	–	–	–	(352 388)
Independent valuers' valuation	16 054 486	11 463 437	–	272 761
Adjusted for				
Transfer to non-current assets held for sale	(1 372 448)	–	–	–
Independent valuers' valuation – adjusted	**14 682 038**	**11 463 437**	**–**	**272 761**
Reconciled as follows:				
Cost	10 728 147	8 808 308	–	195 303
Fair value adjustments	3 953 891	2 655 129	–	77 458
Adjusted valuation	**14 682 038**	**11 463 437**	**–**	**272 761**

The following unobservable inputs were used by the independent valuers' in estimating the fair value of the investment property:

	GROUP		COMPANY	
Unobservable inputs (%)	2016	2015	2016	2015
• Discount rate	12.25 – 15.50	12.50 – 15.50	–	14.00 – 14.75
• Reversionary discount rate	12.25 – 15.50	12.50 – 15.25	–	14.00 – 14.75
• Market capitalisation rate	6.25 – 9.50	6.75 – 9.50	–	8.75 – 9.40
• Reversionary capitalisation rate	6.25 – 9.50	7.25 – 9.50	–	8.50 – 9.00
• Expense growth	7.00 – 7.50	7.00 – 8.00	–	7.50
• Income growth	6.00	6.00 – 9.00	–	6.00
• Long-term vacancy rate	0.00 – 4.00	0.00 – 3.00	–	1.00 – 2.00

5. INVESTMENT PROPERTY (CONTINUED)

Completed developments (continued)

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
• A decrease of 50 basis points in the discount rate	415 282	289 904	–	5 035
• An increase of 50 basis points in the discount rate	(399 970)	(283 052)	–	(4 913)
• A decrease of 50 basis points in the reversionary capitalisation rate	619 950	425 908	–	10 579
• An increase of 50 basis points in the reversionary capitalisation rate	(541 589)	(379 988)	–	(9 465)

The independent valuers' valuation of the following completed developments represent the Group's shareholding as they are being developed through a Joint Venture and/or undivided share:

- Maxwell Office Park – 50%. The balance is held by East and West Investments Proprietary Limited ("The Moolman Group").
- Cummins – 50%. The balance is held by Truzen 116 Trust ("Zenprop") (which is classified as non-current assets held for sale–refer note 17).
- Mall of Africa – 80%. The balance is held by Atterbury Property Fund Proprietary Limited (which has been completed in the current year).

Refer to note 38 for a detailed breakdown of all the investment properties per segment.

The fair value of completed developments is deemed to be a Level 3 as defined by *IFRS 13: Fair Value Measurements*.

Completed developments were valued as at 30 June 2016, using discounted cash flow of the future income streams method by independent valuers. This is in line with the prior year.

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000. For both years, the valuers were as follows:

Old Mutual Investments: South Africa

- M Prins – BSc Hons (Property Studies), Property Associate Valuer
- T King – BSc DipSurv MRIC Valuer (SA), Professional and Chartered Valuation Surveyor (2015)
- B Eastman – ND Property Valuation, MIV (SA), Registered Professional Valuer
- M Smit – ND Property Valuation, Registered Professional Valuer
- C Houba – BSc Hons Property Studies, Registered Professional Valuer
- AS Smith – BSc Hons Property Studies, Registered Professional Valuer

Mills Fitchet Magnus Penny & Wolfs (previously Mills Fitchet KZN)

- T Bate – MSc, BSc Land Econ (UK), MRICS, MIV (SA), Professional Valuer (2015)
- MRB Gibbons – ND Property Valuation, MIV (SA), Registered Professional Valuer
- S Wolffs – ND Property Valuation, MIV (SA), Registered Professional Valuer

Jones Lang LaSalle Proprietary Limited

- K Pfaff – BSc MRICS, Chartered Valuation Surveyor, Professional Valuer
- J Karg – Head of Valuations and Associate Director

6. INTANGIBLE ASSETS

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Cost				
Balance at the beginning of the year	379 460	299 460	–	–
Additions from separate acquisitions	–	80 000	–	–
Balance at the end of the year	379 460	379 460	–	–
Accumulated amortisation				
Balance at the beginning of the year	(34 937)	(14 634)	–	–
Amortisation expense	(19 964)	(20 303)	–	–
Impairment of Wi-Fi rights	(11 960)	–	–	–
Balance at the end of the year	(66 861)	(34 937)	–	–
Net carrying amount at the beginning of the year	**344 523**	**284 826**	–	**–**
Net carrying amount at the end of the year	**312 599**	**344 523**	–	**–**

Value in use of the asset management contract is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- cash-generating units to which an intangible asset has been allocated is tested for impairment annually;
- the discounted cash flow method is used to determine the fair value of the cash-generating unit;
- the future cash flows are escalated at 6% per annum;
- the future cash flows of the cash-generating units to which an intangible asset is allocated is used as input in the discounted cash flow valuation;
- the appropriate long-term growth rate is applied to the future cash flow of the cash-generating unit; and
- the selection of appropriate discount rates to reflect the risks involved, usually the weighted average capitalisation rates, 7.89% and 7.39% respectively.

During the 2015 financial year, the Group (through wholly-owned subsidiary AWIC, acquired the Wi-Fi rights in relation to its developments over the Waterfall Farm from Waterfall Investment Company Proprietary Limited. The rights allow AWIC to exploit any multimedia and broadband-based services in respect of its developments. AWIC currently has a contract with a third party and will commence revenue generation from these rights in the 2017 financial year.

The Directors tested the Wi-Fi rights for impairment during the year ended 30 June 2016, through the determination of the present value of the future contractual discounted cash flows. This review resulted in an impairment of R12.0 million which was allocated to the statement of profit or loss and other comprehensive income under "other expenses".

For the impairment testing of the Wi-Fi rights the appropriate discount rate was determined as the Weighted Average Cost of Capital ("WACC"). The WACC at 30 June 2016 was determined with reference to the actual weighted cost of debt (9.18%) and the historical growth achieved in equity (15.30%), weighted based on the balances of borrowing and equity respectively at 30 June 2016.

The intangible assets (other than the Wi-Fi rights) are amortised over 15 years and are tested for impairment on an annual basis or when there are indications that the intangible assets may be impaired.

The Directors of the Group have tested the other intangible assets for impairment as at 30 June 2016, and concluded that the intangible assets are not impaired.

The Wi-Fi rights intangible asset's carrying value net of impairments of R68.0 million was included in the "Retail" segment. Refer to note 38.

7. GOODWILL

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Cost				
Balance at the beginning of the year	177 444	62 847	–	–
Additional amounts recognised from business combinations	–	109 670	–	–
Additional amounts recognised from purchase price adjustment Attacq Management Services Proprietary Limited	–	4 927	–	–
Balance at the end of the year	177 444	177 444	–	–
Accumulated impairment losses				
Balance at the beginning of the year	(109 670)	–	–	–
Impairment loss recognised in the year	–	(109 670)	–	–
Balance at the end of the year	(109 670)	(109 670)	–	–
Net carrying amount at the beginning of the year	67 774	62 847	–	–
Net carrying amount at the end of the year	67 774	67 774	–	–
The goodwill relates to the following cash-generating units:				
• Attacq Management Services Proprietary Limited	43 497	43 497	–	–
• Attacq Retail Services Proprietary Limited	24 277	24 277	–	–
Total	**67 774**	**67 774**	**–**	**–**

Refer to note 9.2 for details of the acquisition of goodwill.

The goodwill is not amortised but tested for impairment on an annual basis, or when there are indications that the goodwill may be impaired.

Management of the Group has tested goodwill that is allocated to Attacq Management Services Proprietary Limited and Attacq Retail Services Proprietary Limited respectively, for impairment as at 30 June 2016, and concluded that the goodwill is not impaired based on:

- the positive net asset value of the cash-generating units;
- no impairment of the investment by the Group in the underlying cash-generating units;
- the present value of the future discounted cash flows generated by the cash-generating units (refer note 6); and
- the additions to the asset base, which will be managed by the cash-generating units.

During the year ended 30 June 2015, the Group, through wholly-owned subsidiary Attacq Waterfall Investment Company Proprietary Limited, acquired 100% of the issued share capital of Micawber 832 Proprietary Limited.

The Directors of the Group had tested goodwill that was allocated to Micawber 832 Proprietary Limited for impairment as at 30 June 2015, and concluded that the goodwill was impaired based on:

- the fair value less costs to sell was considered to be the most appropriate model to assess the impairment;
- the entire Company, Micawber 832 Proprietary Limited, was considered to be the smallest cash-generating unit;
- fair values were obtained for the property, the single largest asset;
- the Directors have estimated fair values for all other assets and liabilities with reference to current market conditions; and
- the total fair values less costs to sell were less than the total carrying value of the total net assets by R109.7 million.

The amount of goodwill impaired was allocated to the statement of profit or loss and other comprehensive income under "other expenses".

8. INVESTMENT IN ASSOCIATES

Set out below is the associated Company of the Group as at 30 June 2016, which, in the opinion of the Directors, is material to the Group. The associated Company as set out below has ordinary shares, which are held directly by the Group; the country of incorporation is also the principal place of business.

Name of associate	MAS Real Estate Inc. ("MAS")
Principal activity	Real Estate Investment Company
Place of incorporation	British Virgin Island
Principal place of business	Isle of Man

	GROUP		COMPANY	
%	2016	2015	2016	2015
Proportion of ownership/voting rights held by the Group	41.38	45.26	41.38	45.26

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS (adjusted by the Group for equity accounting purposes).

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
MAS				
Current assets	1 877 345	1 628 387	–	–
Non-current assets	5 796 790	3 966 325	–	–
Current liabilities	(277 223)	(474 967)	–	–
Non-current liabilities	(818 406)	(306 262)	–	–
Revenue	261 339	116 278	–	–
Total comprehensive (loss) income for the year	(175 115)	732 941	–	–
Dividends received from MAS Real Estate Inc. during the year	101 164	42 539	–	–

The reconciliation of the above summarised financial information to the carrying amount of the interest in MAS recognised in the consolidated financial statements is as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
MAS				
Balance at the beginning of the year	2 178 350	1 976 837	2 112 786	2 222 386
Vesting of MAS agterskot	479 804	–	479 804	–
Disposals	(184 364)	–	(154 844)	–
Fair value adjustment through other comprehensive income	–	–	644 332	(109 600)
Share of retained profits and other comprehensive income for the year	248 670	201 513	–	–
Balance at the end of the year	**2 722 460**	**2 178 350**	**3 082 078**	**2 112 786**
Reconciled as follows:				
Cost	2 286 341	1 990 901	2 324 252	1 990 901
Net gain from fair value adjustment	–	–	757 826	121 885
Share of retained (losses) profits	(70 262)	11 328	–	–
Other comprehensive income since acquisition	332 835	332 638	–	–
Foreign currency translation effect	317 249	(113 978)	–	–
Dividends paid	(143 703)	(42 539)	–	–
Balance at the end of the year	**2 722 460**	**2 178 350**	**3 082 078**	**2 112 786**

8. INVESTMENT IN ASSOCIATES (CONTINUED)

The addition to the MAS shareholding relates to the vesting of the MAS agterskot in the prior year, which related to the realised performance of Karoo Investment Fund S.C.A. SICAV-SIF ("Karoo"), which the Group sold to MAS in the 2014 financial year. The agterskot was settled on 11 March 2016 by the issue of 21 317 449 new MAS shares, priced in terms of the euro equivalent of the 30-day volume weighted average price of MAS shares on the JSE at each of the underlying Karoo redemption dates. On 11 March 2016, the fair value of the agterskot was €28 157 532 (2015: €26 378 517).

During the current year, the Group disposed of 9.1 million shares in MAS.

Included in the share of retained profits for the year ended 30 June 2016, is a deemed loss of R14.5 million of the Group's shareholding in MAS due to the vesting of the Karoo Agterskot shares on 11 March 2016.

In addition, included in the retained profits for the year ended 30 June 2016, is a deemed profit of R30.6 million of the Group's shareholding in MAS due to the issue of additional shares by MAS as well as in respect of scrip dividends declared by the Company.

MAS' closing balance was converted on 30 June 2016 at the spot euro rate of R16.41.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Carrying amount of the Group's interest in associates				
MAS	2 722 460	2 178 350	3 082 078	2 112 786
Aggregate amount of other associates that are not individually material	403 868	191 534	57 592	183 011
Balance at the end of the year	**3 126 328**	**2 369 884**	**3 139 670**	**2 295 797**
Share of retained (losses) profit				
MAS	(70 262)	11 328	–	–
Aggregate amount of other associates that are not individually material	105 360	39 240	–	–
Total	**35 098**	**50 568**	**–**	**–**

The Directors have assessed the investments in associates relating to the African asset portfolio to be impaired by R22.0 million which has been recognised in the statement of profit or loss and other comprehensive income under "other expenses".

The investment in The Grove Mall of Namibia was transferred through an asset for share transaction during the current financial year from Attacq Limited to Attacq Namco Proprietary Limited, a newly incorporated wholly owned subsidiary of the Group.

Refer to note 39 for the interest in direct associates.

9. INVESTMENT IN SUBSIDIARIES

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Balance at the beginning of the year	–	–	5 782 971	4 120 961
Additions	–	–	130 658	1 549 972
Disposal	–	–	(256)	–
Deregistration	–	–	(18 943)	(44 711)
Distribution received – return of capital	–	–	–	(21 454)
Fair value adjustment through other comprehensive income	–	–	586 616	366 059
Reversal of impairment loss	–	–	–	2
Transfer to non-current assets held for sale	–	–	–	(187 858)
Balance at the end of the year	**–**	**–**	**6 481 046**	**5 782 971**
Reconciled as follows:				
Cost	–	–	2 983 499	2 882 850
Impairment	–	–	–	(10 810)
Net gain from fair value adjustment	–	–	3 497 547	2 910 931
Balance at the end of the year	**–**	**–**	**6 481 046**	**5 782 971**
Net investment in subsidiaries	**–**	**–**	**6 481 046**	**5 782 971**
Investment in subsidiaries comprise the following:				
AIH International Limited				
Balance at the beginning of the year	–	–	12 645	4 936
Fair value adjustment through other comprehensive income	–	–	49 398	7 709
Balance at the end of the year	**–**	**–**	**62 043**	**12 645**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	62 043	12 645
Balance at the end of the year	**–**	**–**	**62 043**	**12 645**
Aldabri 96 Proprietary Limited				
Balance at the beginning of the year	–	–	256	254
Disposal	–	–	(256)	–
Reversal of impairment loss	–	–	–	2
Balance at the end of the year	**–**	**–**	**–**	**256**
Reconciled as follows:				
Cost	–	–	–	8 001
Impairment	–	–	–	(7 745)
Balance at the end of the year	**–**	**–**	**–**	**256**
Attacq Management Services Proprietary Limited				
Balance at the beginning of the year	–	–	283 363	271 395
Additions	–	–	10 095	11 968
Fair value adjustment through other comprehensive income	–	–	–	–
Balance at the end of the year	**–**	**–**	**293 458**	**283 363**
Reconciled as follows:				
Cost	–	–	293 458	283 363
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**293 458**	**283 363**

* *The cost of this investment is less than R1 000.*

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Attacq Energy Proprietary Limited				
Balance at the beginning of the year	–	–	–	–
Additions	–	–	–	–
Fair value adjustment through other comprehensive income	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Attacq Retail Fund Proprietary Limited				
Balance at the beginning of the year	–	–	1 590 270	1 157 260
Additions	–	–	–	149 858
Fair value adjustment through other comprehensive income	–	–	75 924	283 152
Balance at the end of the year	**–**	**–**	**1 666 194**	**1 590 270**
Reconciled as follows:				
Cost	–	–	1 017 644	1 017 644
Net gain from fair value adjustment	–	–	648 550	572 626
Balance at the end of the year	**–**	**–**	**1 666 194**	**1 590 270**
Attacq Waterfall Investment Company Proprietary Limited				
Balance at the beginning of the year	–	–	2 508 506	1 324 069
Additions	–	–	–	1 081 459
Fair value adjustment through other comprehensive income	–	–	474 598	102 978
Balance at the end of the year	**–**	**–**	**2 983 104**	**2 508 506**
Reconciled as follows:				
Cost	–	–	1 106 556	1 106 556
Net gain from fair value adjustment	–	–	1 876 548	1 401 950
Balance at the end of the year	**–**	**–**	**2 983 104**	**2 508 506**
Atterbury Attfund Investment Company No. 1 Proprietary Limited				
Balance at the beginning of the year	–	–	–	54 013
Fair value adjustment through other comprehensive income	–	–	–	(51 505)
Deregistration	–	–	–	(2 508)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Atterbury Attfund Investment Company No. 2 Proprietary Limited				
Balance at the beginning of the year	–	–	–	92
Deregistration	–	–	–	(92)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Impairment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Atterbury Attfund Investment Company No. 3 Proprietary Limited				
Balance at the beginning of the year	–	–	–	42 110
Deregistration	–	–	–	(42 110)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Impairment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Atterbury Mauritius Consortium Proprietary Limited				
Balance at the beginning of the year	–	–	–	226 100
Fair value adjustment through other comprehensive income	–	–	–	(38 242)
Transfer to non-current assets held for sale	–	–	–	(187 858)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Brooklyn Bridge Office Park Proprietary Limited				
Balance at the beginning of the year	–	–	206 144	194 417
Fair value adjustment through other comprehensive income	–	–	4 474	11 727
Balance at the end of the year	**–**	**–**	**210 618**	**206 144**
Reconciled as follows:				
Cost	–	–	126 541	126 541
Net gain from fair value adjustment	–	–	84 077	79 603
Balance at the end of the year	**–**	**–**	**210 618**	**206 144**
Harlequin Duck Properties 204 Proprietary Limited				
Balance at the beginning of the year	–	–	2 157	2 225
Fair value adjustment through other comprehensive income	–	–	(615)	(68)
Balance at the end of the year	**–**	**–**	**1 542**	**2 157**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	1 542	2 157
Balance at the end of the year	**–**	**–**	**1 542**	**2 157**
Highgrove Property Holdings Proprietary Limited				
Balance at the beginning of the year	–	–	75 843	75 666
Deregistration	–	–	(18 943)	–
Fair value adjustment through other comprehensive income	–	–	(56 900)	177
Balance at the end of the year	**–**	**–**	**–**	**75 843**
Reconciled as follows:				
Cost	–	–	–	18 943
Net gain from fair value adjustment	–	–	–	56 900
Balance at the end of the year	**–**	**–**	**–**	**75 843**

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Lady Brooks Proprietary Limited				
Balance at the beginning of the year	–	–	–	–
Impairment loss	–	–	–	–
Fair value adjustment through other comprehensive income	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	3 065
Net gain from fair value adjustment	–	–	–	–
Impairment	–	–	–	(3 065)
Balance at the end of the year	**–**	**–**	**–**	**–**
Le Chateau Property Company Proprietary Limited				
Balance at the beginning of the year	–	–	–	–
Movement in provision for liabilities relating to subsidiaries	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	1
Net gain from fair value adjustment	–	–	–	(1)
Balance at the end of the year	**–**	**–**	**–**	**–**
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited				
Balance at the beginning of the year	–	–	–	47 040
Fair value adjustment through other comprehensive income	–	–	–	(47 039)
Deregistration	–	–	–	(1)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Lynnaur Investments Proprietary Limited				
Balance at the beginning of the year	–	–	176 560	114 519
Additions	–	–	–	50 060
Fair value adjustment through other comprehensive income	–	–	26 669	11 981
Balance at the end of the year	**–**	**–**	**203 229**	**176 560**
Reconciled as follows:				
Cost	–	–	50 060	50 060
Net gain from fair value adjustment	–	–	153 169	126 500
Balance at the end of the year	**–**	**–**	**203 229**	**176 560**
Lynnwood Bridge Office Park Proprietary Limited				
Balance at the beginning of the year	–	–	652 478	276 016
Additions	–	–	–	256 629
Fair value adjustment through other comprehensive income	–	–	72 629	119 833
Balance at the end of the year	**–**	**–**	**725 107**	**652 478**
Reconciled as follows:				
Cost	–	–	268 677	268 677
Net gain from fair value adjustment	–	–	456 430	383 801
Balance at the end of the year	**–**	**–**	**725 107**	**652 478**

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Majestic Offices Proprietary Limited				
Balance at the beginning of the year	–	–	13 959	12 066
Fair value adjustment through other comprehensive income	–	–	(1 638)	1 893
Balance at the end of the year	**–**	**–**	**12 321**	**13 959**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	12 321	13 959
Balance at the end of the year	**–**	**–**	**12 321**	**13 959**
Mantrablox Proprietary Limited				
Balance at the beginning of the year	–	–	–	117 813
Distribution received – return of capital	–	–	–	(21 454)
Fair value adjustment through other comprehensive income	–	–	–	(96 359)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Nieuwtown Property Development Company Proprietary Limited				
Balance at the beginning of the year	–	–	9 946	19 957
Fair value adjustment through other comprehensive income	–	–	(9 946)	(10 011)
Balance at the end of the year	**–**	**–**	**–**	**9 946**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	–	9 946
Balance at the end of the year	**–**	**–**	**–**	**9 946**
Razorbill Properties 91 Proprietary Limited				
Balance at the beginning of the year	–	–	250 845	181 011
Fair value adjustment through other comprehensive income	–	–	(57 654)	69 834
Balance at the end of the year	**–**	**–**	**193 191**	**250 845**
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	193 191	250 845
Balance at the end of the year	**–**	**–**	**193 191**	**250 845**
Attacq Namco Proprietary Limited				
Balance at the beginning of the year	–	–	–	–
Additions	–	–	120 563	–
Fair value adjustment through other comprehensive income	–	–	9 676	–
Balance at the end of the year	**–**	**–**	**130 239**	**–**
Reconciled as follows:				
Cost	–	–	120 563	–
Net gain from fair value adjustment	–	–	9 676	–
Balance at the end of the year	**–**	**–**	**130 239**	**–**

* *The cost of this investment is less than R1 000.*

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

9.1 Non-controlling interests

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
The balance comprises of the following components:				
Atterbury Mauritius Consortium Proprietary Limited	–	(14 264)	–	–
Nieuwtown Property Development Company Proprietary Limited	(25 524)	8 952	–	–
Majestic Offices Proprietary Limited	12 323	12 564	–	–
Total	**(13 201)**	**7 252**	**–**	**–**

The non-controlling interest balances recognised are not deemed to be material by management.

9.2 Business Combinations

Micawber 832 Proprietary Limited

Attacq Waterfall Investment Company Proprietary Limited acquired 100% of the Company on 31 January 2015.

Micawber 832 Proprietary Limited is the owner of the PwC offices located in Sunninghill, Gauteng. The Company was acquired with the main intention of entering into a 12 year lease for the new 26 storey PwC head office in Waterfall.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Consideration transferred				
Cash	–	71 670	–	–
Assets acquired and liabilities recognised at the date of acquisition				
Non-current assets				
Investment property	–	348 770	–	–
Deferred tax assets	–	14 515	–	–
	–	363 285	–	–
Current assets				
Cash and cash equivalents	–	390	–	–
Taxation receivable	–	1 920	–	–
	–	2 310	–	–
Non-current liabilities				
Loan from shareholder	–	(394 542)	–	–
Current liabilities				
Trade and other payables	–	(72)	–	–
Loans from shareholder	–	(8 981)	–	–
	–	(9 053)	–	–
Fair value of identifiable net liabilities acquired	–	(38 000)	–	–
Consideration transferred	–	(71 670)	–	–
Goodwill arising on acquisition	**–**	**(109 670)**	**–**	**–**

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

9.2 Business Combinations (continued)

At the date of acquisition, the assets and liabilities of the subsidiary were fairly valued. The difference between the assets and liabilities of the subsidiary, fairly valued, and the consideration paid gave rise to goodwill, which was assessed for impairment as detailed in note 7.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Net cash outflow on acquisition of subsidiaries				
Consideration paid in cash	–	71 670	–	–
Less: cash and cash equivalent balances acquired	–	(390)	–	–
Total	**–**	**71 280**	**–**	**–**
Impact of acquisitions on the results of the Group				
Profit for the year attributable to the additional business	–	4 074	–	–
Revenue for the year attributable to the additional business	–	18 961	–	–

Amrod – Waterfall

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The assets, liabilities, revenue and total comprehensive income (loss) of the Company's subsidiaries are as follows:

Figures in R'000s
COMPANY
Adamax Property Projects Brooklyn Proprietary Limited
AIH International Limited
Aldabri 96 Proprietary Limited
Attacq Energy Proprietary Limited
Attacq Namco Proprietary Limited
Attacq Management Services Proprietary Limited
Attacq Retail Services Proprietary Limited
Attacq Retail Fund Proprietary Limited
Attacq Waterfall Investment Company Proprietary Limited
Atterbury Attfund Investment Company No. 2 Proprietary Limited
Atterbury Attfund Investment Company No. 3 Proprietary Limited
Atterbury Mauritius Consortium Proprietary Limited
Brooklyn Bridge Office Park Proprietary Limited
Design Square Shopping Centre Proprietary Limited
Harlequin Duck Properties 204 Proprietary Limited
Highgrove Property Holdings Proprietary Limited
Lady Brooks Proprietary Limited
Le Chateau Property Company Proprietary Limited
Leipzig Nova Eventis Consortium Proprietary Limited
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited
Lynnaur Investments Proprietary Limited
Lynnwood Bridge Office Park Proprietary Limited
Majestic Offices Proprietary Limited
Mantrablox Proprietary Limited
Micawber 832 Proprietary Limited
Nieuwtown Property Development Company Proprietary Limited
Razorbill Properties 91 Proprietary Limited

Refer to note 39 for the interest in direct subsidiaries.

2016				2015			
Assets	Liabilities	Revenue	Total comprehensive income (loss) for the year	Assets	Liabilities	Revenue	Total comprehensive income (loss) for the year
932	932	216	–	713	713	–	–
2 677 053	2 615 010	–	45 485	1 008 850	996 205	–	6 985
–	–	–	–	256	–	–	1
17 244	17 244	–	–	–	–	–	–
130 239	2 168	–	7 508	–	–	–	–
63 687	60 370	73 606	(28 342)	109 768	88 204	53 022	(23 665)
14 403	893	34 427	5 688	6 575	681	30 329	5 015
4 676 829	3 010 642	443 738	75 916	4 521 868	2 931 597	299 907	283 147
11 925 624	8 942 506	523 602	474 616	8 748 707	6 240 204	356 200	613 298
–	–	–	–	–	–	–	2
–	–	–	–	–	–	–	186
–	–	–	346 479	717 566	437 583	–	(2 640)
648 573	437 958	80 683	4 472	652 333	446 190	78 864	11 727
–	–	–	20	141 789	49 201	–	217
1 542	–	–	(615)	5 433	3 276	–	(68)
–	–	–	15 567	141 777	65 935	–	177
–	–	–	–	1	–	–	–
5 001	44 104	–	(12 004)	17 002	44 101	–	(4)
74 262	74 262	–	–	67 125	67 124	–	–
–	–	–	–	–	–	–	3
776 737	573 508	98 556	26 705	738 240	561 681	97 596	23 867
1 955 049	1 229 947	223 375	72 625	1 792 922	1 140 444	152 566	119 832
141 043	116 397	21 136	(3 272)	141 678	113 757	12 845	3 827
–	–	–	–	–	–	80 022	32 045
365 170	394 881	45 533	4 214	368 350	397 721	18 961	(118 308)
1 581 540	1 632 588	157 705	(70 942)	1 439 411	1 419 518	117 254	(17 240)
323 499	130 308	–	(57 654)	385 127	134 282	–	69 834

10. OTHER INVESTMENTS

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Balance at the beginning of the year	402 414	523 750	334 109	454 436
Additions	26 745	6 474	–	5 215
Fair value adjustment	37 118	(59 270)	30 003	(55 768)
Disposal	(56 618)	(109 458)	(56 704)	(109 458)
Cross shareholding adjustment	(1 320)	1 234	–	–
Transfer from investment in associates	–	39 684	–	39 684
Balance at the end of the year	**408 339**	**402 414**	**307 408**	**334 109**
Reconciled as follows:				
Cost	357 986	370 925	254 612	294 296
Net gain from fair value adjustment	50 353	31 489	52 796	39 813
Balance at the end of the year	**408 339**	**402 414**	**307 408**	**334 109**
Other investments comprise the following:				
African Land Investments Limited				
Balance at the beginning of the year	–	127 666	–	127 666
Disposal	–	(109 458)	–	(109 458)
Fair value adjustment	–	(18 208)	–	(18 208)
Balance at the end of the year	**–**	**–**	**–**	**–**
Reconciled as follows:				
Cost	–	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**–**	**–**	**–**	**–**
Rainprop Proprietary Limited				
Balance at the beginning of the year	800	5 479	800	5 479
Fair value adjustment	(9)	(4 679)	(9)	(4 679)
Balance at the end of the year	**791**	**800**	**791**	**800**
Reconciled as follows:				
Cost	2	2	2	2
Net gain from fair value adjustment	789	798	789	798
Balance at the end of the year	**791**	**800**	**791**	**800**
Atterbury Property Holdings Proprietary Limited				
Balance at the beginning of the year	57 357	-	56 123	-
Transfer from investment in associates	–	39 684	–	39 684
Fair value adjustment	581	16 439	581	16 439
Cross shareholding adjustment	(1 320)	1 234	–	–
Disposal	(56 618)	–	(56 704)	–
Balance at the end of the year	**–**	**57 357**	**–**	**56 123**
Reconciled as follows:				
Cost	–	39 684	–	39 684
Net gain from fair value adjustment	–	17 673	–	16 439
Balance at the end of the year	**–**	**57 357**	**–**	**56 123**

10. OTHER INVESTMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Investec Securities Limited*				
Balance at the beginning of the year	146 275	151 168	79 205	81 853
Additions	–	2 744	–	1 487
Fair value adjustment	15 516	(7 637)	8 401	(4 135)
Balance at the end of the year	**161 791**	**146 275**	**87 606**	**79 205**
Reconciled as follows:				
Cost	167 330	167 330	90 701	90 701
Net gain from fair value adjustment	(5 539)	(21 055)	(3 095)	(11 496)
Balance at the end of the year	**161 791**	**146 275**	**87 606**	**79 205**
Sasfin Limited*				
Balance at the beginning of the year	197 982	239 439	197 982	239 439
Additions	–	3 728	–	3 728
Fair value adjustment	21 030	(45 185)	21 030	(45 185)
Balance at the end of the year	**219 012**	**197 982**	**219 012**	**197 982**
Reconciled as follows:				
Cost	163 909	163 909	163 909	163 909
Net gain from fair value adjustment	55 103	34 073	55 103	34 073
Balance at the end of the year	**219 012**	**197 982**	**219 012**	**197 982**
Artisan Development Partners Limited				
Balance at the beginning of the year	–	–	–	–
Additions	15 275	–	–	–
Fair value adjustment	–	–	–	–
Balance at the end of the year	**15 275**	**–**	**–**	**–**
Reconciled as follows:				
Cost	15 275	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**15 275**	**–**	**–**	**–**
Artisan Southport Limited				
Balance at the beginning of the year	–	–	–	–
Additions	11 470	–	–	–
Fair value adjustment	–	–	–	–
Balance at the end of the year	**11 470**	**–**	**–**	**–**
Reconciled as follows:				
Cost	11 470	–	–	–
Net gain from fair value adjustment	–	–	–	–
Balance at the end of the year	**11 470**	**–**	**–**	**–**
The effective and proportionate shareholding in the investments is as follows:				
Atterbury Property Holdings Proprietary Limited	0.00%	10.00%	0.00%	10.00%
Stenham European Shopping Centre Fund Limited (SESCF)*	19.91%	19.91%	16.03%	16.03%
Artisan Development Partners Limited	25.00%	0.00%	0.00%	0.00%
Artisan Southport Limited (con-controlling share)	0.00%	0.00%	0.00%	0.00%
Rainprop Proprietary Limited	1.50%	1.50%	1.50%	1.50%

* *Stenham European Shopping Centre Fund Limited is held through foreign investment allowances.*

Refer to note 37 for the fair value disclosure of the above investments.

11. DEFERRED TAX ASSETS AND LIABILITIES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
The balances comprise:				
Deferred tax assets				
• Tax losses available for set off against future taxable income	19 418	5 653	–	–
• Investment property	6 756	–	–	–
• Straight-line lease debtor	(1 033)	–	–	–
• Acquisition in business combination (refer to note 9.2)	–	14 515	–	–
• Other	(514)	(339)	–	–
Balance at the end of the year	**24 627**	**19 829**	**–**	**–**
Reconciliation of deferred tax assets				
Balance at the beginning of the year	19 829	11 570	–	–
• Originating (reversing) temporary differences on tax losses available for set off against future taxable income	2 878	(312)	–	–
• Originating temporary difference on investment property	2 271	–	–	–
• Reversing temporary difference on straight-line lease debtor	(608)	–	–	–
• Originating on acquisition in business combination	–	14 515	–	–
• Originating (reversing) temporary difference on other movements	257	(5 944)	–	–
Balance at the end of the year	**24 627**	**19 829**	**–**	**–**

The Group recognised the deferred tax asset as the future taxable profits were deemed sufficient to offset tax losses.

The recognition is based on the future taxable profits derived from approved budgets and cash flow forecasts.

Eikestad Mall – Stellenbosch

11. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
The balance comprises:				
Deferred tax liabilities				
• Investment property	(1 832 518)	(1 384 793)	–	(20 233)
• Straight-line lease debtor	(155 264)	(124 442)	–	(1 327)
• Tax losses available for set off against future taxable income	338 896	331 682	–	–
• Fair value on investments	5 154	5 987	(981 522)	(637 643)
• MAS agterskot receivable	–	(56 329)	–	(56 329)
• MAS equity accounting deferred taxation	(97 691)	(34 955)	–	–
• Asset management agreements (refer to note 6)	(68 477)	(76 135)	–	–
• Unrealised foreign exchange gains	(82 282)	(23 753)	(82 282)	(23 753)
• Other temporary differences	37	(3 130)	–	(445)
Balance at the end of the year	**(1 892 145)**	**(1 365 868)**	**(1 063 804)**	**(739 730)**
Reconciliation of deferred tax liability				
Balance at the beginning of the year	(1 365 868)	(900 811)	(739 730)	(532 818)
• (Originating) reversing temporary difference on investment property	(537 747)	(361 010)	20 234	15 722
• (Originating) reversing temporary difference on straight-line lease debtor	(37 287)	(34 156)	1 327	2 944
• Reversing temporary difference on tax losses available for set off against future taxable income	84 771	111 059	–	–
• Reversing (originating) temporary difference on revaluation of investments	20 447	24 037	(343 879)	(137 609)
• Reversing (originating) temporary difference on MAS agterskot receivable	56 329	(56 329)	56 329	(69 022)
• Originating temporary difference on MAS equity accounting deferred	(62 736)	(34 955)	–	–
• Reversing temporary difference on asset management agreements	7 658	5 818	–	–
• Originating temporary difference on unrealised foreign exchange gains	(58 529)	(14 947)	(58 529)	(14 947)
• Reversing (originating) other temporary differences	817	(104 574)	444	(4 000)
Balance at the end of the year	**(1 892 145)**	**(1 365 868)**	**(1 063 804)**	**(739 730)**

Use and sales tax rate

The deferred tax rate applied to the fair value adjustments of investment properties and financial asset is determined by the expected manner of recovery. Where the expected recovery of the investment property or financial assets is through sale, the Capital Gains Tax ("CGT") rate of 22.4% (2015: 18.648%) is used. If the expected manner of recovery is through definite use, the normal tax rate of 28% (2015: 28%) is applied. If the manner of recovery is partly through use and partly through sale, a combination of rate and normal tax rate is used.

The applicable tax rates on timing differences are based on management's best estimate of the manner in which these timing differences will realise.

Gains in the fair value of investment property gives rise to taxable timing differences, being the difference between the original cost price and the fair value as determined annually by external valuers. Refer to note 5 for valuation details.

A deferred tax asset to the amount of R37 017 156 (2015: R25 088 015) was not recognised for R132 204 129 (2015: R89 600 053), a portion of the estimated assessed loss in Nieuwtown Property Development Company Proprietary Limited.

A deferred tax asset to the amount of R2 618 277 (2015: R2 617 164) was not recognised for R9 350 991 (2015: R9 347 013), a portion of the estimated assessed loss in Le Chateau Property Company Proprietary Limited.

12. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Trade receivables	51 110	39 731	3 773	3 611
Municipal receivables	64 608	41 073	1 921	–
Deposits	10 346	12 896	89	89
Other receivables	71 540	56 310	2 093	4 631
Prepayments	5 764	1 892	529	–
Value Added Tax	95 397	78 532	263	371
Provision for doubtful debts	(8 186)	(7 350)	–	–
Balance at the end of the year	**290 579**	**223 084**	**8 668**	**8 702**
The fair value of deposits, other receivables, and trade receivables are deemed to be the same as the carrying value.				
Trade and receivables that are past due but not impaired	5 446	17 631	1 445	3 369
Trade and other receivables age analysis including amounts impaired and provided for:				
• Current	37 478	14 750	2 328	240
• 30 days	2 156	9 510	29	2 541
• 60 days	2 234	3 362	1 362	428
• 90 days	835	2 476	16	110
• 120 days and more	8 407	9 633	38	292
	51 110	39 731	3 773	3 611
Trade receivables that are past due, considered to be impaired and provided for	(8 186)	(7 350)	–	–
Total	**42 924**	**32 381**	**3 773**	**3 611**
Movement in the provision for doubtful debt				
Opening balance	7 350	1 722	–	51
Impairment losses raised	2 187	6 835	–	–
Impairment losses reversed	(1 351)	(1 207)	–	(51)
Balance at the end of the year	**8 186**	**7 350**	**–**	**–**

The creation and release of provision for doubtful debts have been included in operating expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

In considering any impairments on debtor accounts, the Group takes into account deposits held, bank guarantees issued by the debtor, additional sureties provided by the principals of the debtors and running credit checks on debtors and their principals.

No material concentration of credit risk exists.

13. OTHER FINANCIAL ASSETS AND LIABILITIES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Non-current assets	222 651	102 993	55 162	50 787
• Loans and receivables	184 223	48 255	54 194	48 255
• Derivative financial instruments	38 428	54 738	968	2 532
Current assets	100 266	907 282	10 072	402 617
• Loans and receivables	100 121	547 921	10 072	43 256
• MAS agterskot	–	359 361	–	359 361
• Derivative financial instruments	145	–	–	–
Other financial assets	**322 917**	**1 010 275**	**65 234**	**453 404**
Non-current liabilities	(50 705)	(28 086)	(968)	(3 270)
• Derivative financial instruments	(50 705)	(28 086)	(968)	(3 270)
Current liabilities	(109 400)	(113 258)	–	(1 128)
• Loans and payables	(108 973)	(106 669)	–	(1 128)
• Derivative financial instruments	(427)	(6 589)	–	–
Other financial liabilities	**(160 105)**	**(141 344)**	**(968)**	**(4 398)**

The MAS agterskot in the prior year related to the realised performance of Karoo Investment Fund S.C.A. SICAV-SIF ("Karoo") which Attacq sold to MAS in the 2014 financial year. The agterskot was settled on 11 March 2016 by the issue of 21 317 449 new MAS shares, priced in terms of the euro equivalent of the 30-day volume weighted average price of MAS shares on the JSE at each of the underlying Karoo redemption dates. On 11 March 2016, the fair value of the agterskot was €28 157 532 (2015: €26 378 517).

Refer to note 36 for the IFRS 13 information and to note 37 for the fair value information.

13. OTHER FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Figures in R'000s
GROUP
Derivative financial instruments
At fair value through profit or loss
Absa Bank Limited
Investec Bank Limited*
Nedbank Limited
PwC Partnership
Rand Merchant Bank – a division of FirstRand Bank Limited*
Standard Bank Limited
Total
Derivative financial assets
Current
Non-current
Derivative financial liabilities
Current
Non-current
Total
COMPANY
At fair value through profit or loss
Nedbank Limited
Attacq Waterfall Investment Company Proprietary Limited
Rand Merchant Bank – a division of FirstRand Bank Limited*
Standard Bank Limited
Total
Derivative financial asset
Non-current
Derivative financial liability
Non-current
Total

* *The swaps have been novated and/or settled in the current financial year.*

	2016				2015			
	Balance at the beginning of the year	Fair value adjustment through profit or loss	Additions/ derivatives realised/ novated	Balance at the end of the year	Balance at the beginning of the year	Fair value adjustment through profit or loss	Additions/ derivatives realised/ novated	Balance at the end of the year
	–	1 741	–	1 741	–	–	–	–
	(3 770)	5 243	–	1 473	(6 074)	2 304	–	(3 770)
	26 237	(38 371)	–	(12 134)	(31 439)	57 676	–	26 237
	–	4 748	–	4 748	–	–	–	–
	(461)	(6 569)	(170)	(7 200)	(2 127)	1 666	–	(461)
	(1 943)	756	–	(1 187)	(8 386)	6 443	–	(1 943)
	20 063	**(32 452)**	**–**	**(12 559)**	**(48 026)**	**68 089**	**–**	**20 063**
				38 573				54 738
				145				–
				38 428				54 738
				(51 132)				(34 675)
				(427)				(6 589)
				(50 705)				(28 086)
				(12 559)				**20 063**
	2 532	(1 564)	–	968	2 329	203	–	2 532
	(2 532)	1 564	–	(968)	(2 329)	(203)	–	(2 532)
	(738)	610	128	–	(1 092)	354	–	(738)
	–	–	–	–	(6 738)	4 002	2 736	–
	(738)	**610**	**128**	**–**	**(7 830)**	**4 356**	**2 736**	**(738)**
				968				2 532
				968				2 532
				(968)				(3 270)
				(968)				(3 270)
				–				**(738)**

13. OTHER FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Figures in R'000s
GROUP
Derivative financial instruments comprise of the following:
Nedbank Limited
• Attacq Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Nieuwtown Property Development Company Proprietary Limited*
• Lynnwood Bridge Office Park Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
Total
Standard Bank Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
• AIH International Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
Total
PwC Partnership
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited

* *The swaps have been novated and/or settled in the current financial year.*

		2016		2015	
Fixed rate	Expiry date	Notional amount	Mark-to-market	Notional amount	Mark-to-market
7.57%	January 19	493 393	968	505 960	(2 532)
9.57%	October 16	1 100 000	145	1 100 000	(8 864)
7.44%	February 20	600 000	6 396	600 000	11 561
7.59%	October 19	300 000	1 277	300 000	295
8.21%	April 21	250 000	(3 318)	250 000	(412)
8.14%	April 21	500 000	(5 287)	500 000	647
8.11%	September 25	84 411	382	85 059	796
7.57%	September 23	35 252	676	35 675	862
7.76%	September 25	41 902	888	41 874	1 177
8.71%	June 30	1 068 131	(15 037)	1 068 131	23 158
9.09%	June 30	102 556	(3 957)	–	–
7.95%	December 24	68 803	822	69 116	896
8.60%	June 30	136 863	–	–	–
8.06%	November 20	67 701	(550)	–	–
8.58%	March 16	–	–	300 000	(4 763)
8.52%	May 21	118 011	(2 571)	150 000	(4 316)
7.05%	February 20	310 000	7 032	310 000	7 732
			(12 134)		**26 237**
9.07%	June 16	–	–	25 000	(467)
9.24%	March 17	23 250	(295)	30 984	(953)
9.28%	March 16	–	–	30 986	(533)
7.05%	February 20	170 000	3 822	170 000	4 358
7.32%	October 19	250 000	1 372	250 000	2 422
7.49%	July 19	250 000	2 976	250 000	(2 538)
7.99%	June 20	250 000	(1 814)	250 000	240
8.99%	May 18	9 849	(206)	14 267	(443)
8.95%	June 18	31 010	(656)	45 000	(1 391)
9.18%	March 19	11 762	(363)	15 491	(622)
(0.01%)	February 19	328 232	(1 868)	–	–
7.28%	May 19	37 897	373	40 802	315
7.95%	July 19	29 772	(196)	30 000	(393)
7.65%	June 19	33 567	44	35 376	(95)
7.96%	July 20	29 438	(147)	29 760	(159)
8.05%	September 20	33 000	(259)	33 000	(233)
7.90%	October 20	47 500	(141)	–	–
8.26%	July 21	74 000	(1 035)	–	–
8.20%	November 19	69 534	(947)	69 796	(1 451)
8.23%	August 21	169 750	(1 847)	–	–
8.80%	July 22	260 000	–	–	–
			(1 187)		**(1 943)**
8.71%	June 30	267 033	3 759	–	–
9.09%	June 30	25 639	989	–	–
8.60%	June 30	34 216	–	–	–
			4 748	**–**	**–**

13. OTHER FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Figures in R'000s
GROUP
Derivative financial instruments comprise of the following:
Investec Bank Limited
• Brooklyn Bridge Office Park Proprietary Limited
• Brooklyn Bridge Office Park Proprietary Limited
Total
Rand Merchant Bank – a division of FirstRand Bank Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Attacq Waterfall Investment Company Proprietary Limited*
• Attacq Waterfall Investment Company Proprietary Limited*
• Attacq Limited*
• Attacq Limited*
Total
Absa Bank Limited
• Attacq Retail Fund Proprietary Limited
• Attacq Retail Fund Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
• Lynnwood Bridge Office Park Proprietary Limited
Total
COMPANY
Derivative financial instruments comprise of the following:
Nedbank Limited
• Attacq Waterfall Investment Company Proprietary Limited
• Nedbank Limited
Total
Rand Merchant Bank – a division of FirstRand Bank Limited
• Attacq Limited*
• Attacq Limited*
Total

* *The swaps have been novated and/or settled in the current financial year.*

		2016		2015	
Fixed rate	Expiry date	Notional amount	Mark-to-market	Notional amount	Mark-to-market
10.12%	June 18	32 986	1 473	36 436	(2 944)
10.35%	October 15	–	–	36 436	(826)
			1 473		**(3 770)**
8.02%	June 25	61 670	178	62 500	278
8.70%	January 22	259 349	(7 246)	–	–
7.90%	April 17	29 500	(112)	–	–
8.29%	November 16	4 337	(20)	–	–
7.90%	December 16	–	–	5 914	(120)
8.29%	April 17	–	–	36 875	(618)
			(7 200)		**(460)**
8.43%	March 21	100 000	(2 203)	–	–
8.08%	March 19	100 000	(1 058)	–	–
8.07%	March 19	150 000	1 550	–	–
8.46%	March 21	150 000	3 452	–	–
			1 741		**–**
7.57%	January 19	493 393	(968)	505 960	2 532
7.57%	January 19	493 393	968	505 960	(2 532)
			–		**–**
7.90%	December 16	–	–	5 914	(120)
8.29%	April 17	–	–	36 875	(618)
			–		**(738)**

13. OTHER FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Figures in R'000s
Loans and receivables (payables)
GROUP
Atterbury Property Development Proprietary Limited
Atterbury Property Development Proprietary Limited
Atterbury Property Development Proprietary Limited
Atterbury Property Fund Proprietary Limited
Atterbury Property Fund Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Employee loans Attacq Management Services Proprietary Limited
Artisan Development Partners Limited
MooiRivier Mall Proprietary Limited
PwC Waterfall Property Partnership
Windfall 86 Proprietary Limited
Total
Loans and receivables
Non-current
Current
Loans and payables
Non-current
Current
Total
Loans and receivable (payables)
COMPANY
Atterbury Property Development Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Windfall 86 Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
MooiRivier Mall Proprietary Limited
Total
Loans and receivables
Non-current
Current
Loans and payables
Current
Total

		2016			2015		
Repayment date	Interest rate	Loan amount	Impairment	Total	Loan amount	Impairment	Total
None	Prime	4 459	–	4 459	4 039	–	4 039
None	None	(2 247)	–	(2 247)	–	–	–
None	Prime	–	–	–	(99 525)	–	(99 525)
June 18	Prime + 0.50%	43 978	–	43 978	–	–	–
June 17	None	62 620	–	62 620	–	–	–
July 15	Prime + 5.00%	–	–	–	35 000	–	35 000
January 18	Prime	54 194	–	54 194	48 255	–	48 255
None	Prime	–	–	–	4 217	–	4 217
None	Prime	(106 726)	–	(106 726)	18 103	–	18 103
May 16	Prime + 0.50%	–	–	–	(6 016)	–	(6 016)
May 16	Prime + 0.50%	–	–	–	434 140	–	434 140
October 16	7.25%	39	–	39	–	–	–
None	None	27 390		27 390	–	–	–
None	Prime – 2.00%	–	–	–	(1 128)	–	(1 128)
June 30	Prime – 0.60%	86 051	–	86 051	52 422	–	52 422
None	Prime	5 613	–	5 613	–	–	–
		175 371	**–**	**175 371**	**489 507**	**–**	**489 507**
		284 344	–	284 344	596 176	–	596 176
		184 223	–	184 223	48 255	–	48 255
		100 121	–	100 121	547 921	–	547 921
		(108 973)	–	(108 973)	(106 669)	–	(106 669)
		–	–	–	–	–	–
		(108 973)	–	(108 973)	(106 669)	–	(106 669)
		175 371	**–**	**175 371**	**489 507**	**–**	**489 507**
None	Prime	4 459	–	4 459	4 039	–	4 039
January 18	Prime	54 194	–	54 194	48 255	–	48 255
None	Prime	5 613	–	5 613	–	–	–
July 15	Prime + 5.00%	–	–	–	35 000	–	35 000
None	Prime	–	–	–	4 217	–	4 217
None	Prime – 2.00%	–	–	–	(1 128)	–	(1 128)
		64 266	**–**	**64 266**	**90 383**	**–**	**90 383**
		64 266	–	64 266	91 511	–	91 511
		54 194	–	54 194	48 255	–	48 255
		10 072	–	10 072	43 256	–	43 256
		–	–	–	(1 128)	–	(1 128)
		–	–	–	(1 128)	–	(1 128)
		64 266	**–**	**64 266**	**90 383**	**–**	**90 383**

14. LOANS TO (FROM) ASSOCIATES

Figures in R'000s
Loans to associates
AttAfrica Limited*
Atterbury Pemba Property Holdings Limited*
Atterbury Cyprus Limited
Atterbury Serbia BV
Gruppo Investment Nigeria Limited
fatti 365 Proprietary Limited
fatti Attacq Proprietary Limited
Fountains Regional Mall Proprietary Limited
Geelhoutboom Estate Proprietary Limited
Kompasbaai Property Development Proprietary Limited
The Grove Mall of Namibia Proprietary Limited
The Club Retail Park Proprietary Limited
The Club Retail Park Proprietary Limited
Balance at the end of the year
Loans from associates
Travenna Development Company Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Atterbury Property Holdings Proprietary Limited
Balance at the end of the year
Total

* *Escalates annually with 4% with the anniversary of each tranche.*

The impairment loss of R59.4 million was recognised for the loan to Atterbury Africa Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the net asset value of the underlying entity. This forms part of the "International" segment (refer to note 38).

The impairment loss of R3.4 million was recognised for the loan to Fountains Regional Mall Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the underlying net asset value of the entity. This forms part of the "Head office/other" segment (refer to note 38).

The impairment loss of R6.9 million was recognised for the loan to Kompasbaai Property Development Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the net asset value of the underlying entity. This forms part of the "Head office/other" segment (refer to note 38).

R30.1 million of the impairments in the prior year were reversed in the current year (refer to note 29).

The net asset values of the Group's interests in the underlying investments are deemed to approach the fair value less cost to sell.

		GROUP					
		2016			2015		
Repayment date	Interest rate	Loan amount	Impairment	Total	Loan amount	Impairment	Total
None	8.00%	936 785	(59 411)	877 374	600 782	–	600 782
None	8.00%	–	–	–	35 415	–	35 415
None	4.69%	803 951	–	803 951	–	–	–
None	4.68%	366 450	–	366 450	–	–	–
None	17.25%	203 242	–	203 242	–	–	–
None	Prime	5 874	–	5 874	1 667	(272)	1 395
None	Prime	10 480	–	10 480	1 942	(307)	1 635
None	None	5 251	(3 431)	1 820	6 580	(4 754)	1 826
None	None	–	–	–	23 451	(23 451)	–
None	None	7 342	(6 871)	471	6 844	(6 380)	464
None	None	32 810	–	32 810	60 310	–	60 310
None	None	–	–	–	22 210	–	22 210
None	Prime	–	–	–	17 000	–	17 000
		2 372 185	**(69 713)**	**2 302 472**	**776 201**	**(35 164)**	**741 037**
None	None	(2 880)	–	(2 880)	–	–	–
None	None	–	–	–	(2 248)	–	(2 248)
None	None	–	–	–	(68 741)	–	(68 741)
		(2 880)	–	(2 880)	(70 989)	–	(70 989)
		2 369 305	**(69 713)**	**2 299 592**	**705 212**	**(35 164)**	**670 048**

14. LOANS TO (FROM) ASSOCIATES (CONTINUED)

Figures in R'000s
Loans to associates
fatti 365 Proprietary Limited
fatti Attacq Proprietary Limited
Fountains Regional Mall Proprietary Limited
Geelhoutboom Estate Proprietary Limited
Kompasbaai Property Development Proprietary Limited
The Grove Mall of Namibia Proprietary Limited
The Club Retail Park Proprietary Limited
The Club Retail Park Proprietary Limited
Balance at the end of the year
Loans from associates
Travenna Development Company Proprietary Limited
Balance at the end of the year
Total

The impairment loss of R3.4 million was recognised for the loan to Fountains Regional Mall Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the underlying net asset value of the entity. This forms part of the "Head office/other" segment (refer to note 38).

The impairment loss of R6.9 million was recognised for the loan to Kompasbaai Property Development Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the net asset value of the underlying entity. This forms part of the "Head office/other" segment (refer to note 38).

The impairment loss of R23.5 million relating to the loan to Geelhoutboom Estate Proprietary Limited in the prior year was reversed in the current year due to the interest in the entity being disposed of.

The net asset values of the Group's interests in the underlying investments are deemed to approach the fair value less cost to sell.

Waterfall Corner – Waterfall

		COMPANY					
		2016			2015		
Repayment date	Interest rate	Loan amount	Impairment	Total	Loan amount	Impairment	Total
None	Prime	5 874	–	5 874	1 667	(272)	1 395
None	Prime	10 480	–	10 480	1 942	(307)	1 635
None	None	5 251	(3 431)	1 820	6 580	(4 754)	1 826
None	None	–	–	–	23 451	(23 451)	–
None	None	7 342	(6 871)	471	6 844	(6 380)	464
None	None	32 810	–	32 810	60 310	–	60 310
None	None	–	–	–	22 210	–	22 210
None	Prime	–	–	–	17 000	–	17 000
		61 757	**(10 302)**	**51 455**	**140 004**	**(35 164)**	**104 840**
None	None	(2 880)	–	(2 880)	–	–	–
		(2 880)	–	(2 880)	–	–	–
		58 877	**(10 302)**	**48 575**	**140 004**	**(35 164)**	**104 840**

15. LOANS TO (FROM) SUBSIDIARIES

Figures in R'000s	Repayment date	Interest rate
Aldabri 96 Proprietary Limited	None	None
Attacq Management Services Proprietary Limited	None	None
Attacq Retail Fund Proprietary Limited	None	None
Attacq Waterfall Investment Company Proprietary Limited	None	None
Attacq Waterfall Investment Company Proprietary Limited	December 23	3-month JIBAR + 3.1%
AIH International Limited (USD)	None	6-month USD LIBOR + 4.60%
AIH International Limited (EUR)	None	6-month EURIBOR + 4.40%
Attacq Energy Proprietary Limited	None	None
Atterbury Mauritius Consortium Proprietary Limited	None	None
Brooklyn Bridge Office Park Proprietary Limited	None	None
Design Square Shopping Centre Proprietary Limited	None	None
Harlequin Duck Properties 204 Proprietary Limited	None	None
Highgrove Property Holdings Proprietary Limited	None	None
Le Chateau Property Company Proprietary Limited	None	None
Leipzig Nova Eventis Consortium Proprietary Limited	None	None
Lynnaur Investments Proprietary Limited	None	None
Lynnwood Bridge Office Park Proprietary Limited	None	None
Lynnwood Bridge Office Park Proprietary Limited	None	None
Majestic Offices Proprietary Limited	None	Prime
Nieuwtown Property Development Company Proprietary Limited	None	Prime
Razorbill Properties 91 Proprietary Limited	None	None
Total		
Loans to subsidiaries		
Non-current		
Current		
Loans from subsidiaries		
Current		
Total		

The impairment loss of R40.2 million was recognised for the loan to Le Chateau Property Company Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the underlying net asset value of the entity.

The impairment loss of R7.8 million was recognised for the loan to Leipzig Nova Eventis Consortium Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the underlying net asset value of the entity.

The impairment loss of R25.5 million was recognised for the loan to Nieuwtown Property Development Company Proprietary Limited due to the negative net asset value of the entity. The recoverable amount of the loan has been based on the underlying net asset value of the entity.

The net asset values of the Group's interests in the underlying investments are deemed to approach the fair value less cost to sell.

COMPANY					
2016			2015		
Loan amount	Impairment	Total	Loan amount	Impairment	Total
–	–	–	(221)	–	(221)
37 735	–	37 735	72 189	–	72 189
290 045	–	290 045	199 738	–	199 738
2 246 492	–	2 246 492	1 886 825	–	1 886 825
506 805	–	506 805	274 695	–	274 695
828 633	–	828 633	414 677	–	414 677
587 638	–	587 638	–	–	–
12 557	–	12 557	–	–	–
–	–	–	298 130	–	298 130
16 361	–	16 361	17 886	–	17 886
–	–	–	(141 501)	–	(141 501)
(1 541)	–	(1 541)	(2 156)	–	(2 156)
–	–	–	50 388	–	50 388
41 856	(40 227)	1 629	41 855	(27 100)	14 755
82 030	(7 767)	74 263	83 862	(17 440)	66 422
(7 425)	–	(7 425)	(8 063)	–	(8 063)
150 035	–	150 035	150 035	–	150 035
(49 093)	–	(49 093)	(27 207)	–	(27 207)
–	–	–	1 745	–	1 745
347 033	(25 528)	321 505	249 565	–	249 565
85 416	–	85 416	85 417	–	85 417
5 174 577	**(73 522)**	**5 101 055**	**3 647 859**	**(44 540)**	**3 603 319**
		5 159 114			3 782 467
		1 905 750			414 677
		3 253 364			3 367 790
		(58 059)			(179 148)
		(58 059)			(179 148)
		5 101 055			**3 603 319**

16. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Cash and cash equivalents	437 281	747 145	213 658	259 097
Bank overdraft	–	(19 349)	–	(19 349)
Balance at the end of the year	**437 281**	**727 796**	**213 658**	**239 748**

The Group, through Attacq Limited ("Attacq") and Attacq Waterfall Investment Company Proprietary Limited ("AWIC"), have overdraft facilities to the amount of R90 million (2015: R100 million) and R150 million (2015: R100 million) respectively with Nedbank Limited. The overdraft facilities bear interest at Prime (2015: Prime).

The Group, through Attacq, has an overdraft facility to the amount of R50 million (2015: R20 million) with Standard Bank Limited. Standard Bank Limited had a mortgage bond over Waterfall Land Parcel 10A as security, which has been released in the current financial year. The overdraft facility bears interest at Prime less 1.0% (2015: Prime less 0.5%).

Unutilised facilities as detailed above, as at 30 June 2016, amounted to R290.0 million (2015: R200.0 million).

MooiRivier Mall – Potchefstroom

17. NON-CURRENT ASSETS HELD FOR SALE AND ASSOCIATES' LIABILITIES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
ASSETS				
The following investment properties, subsidiaries, associates and loans to associates are presented as held for sale:				
Investment in associates and related loans:				
• Investment in Bagaprop Limited (49.9%)[£]	–	468 023	–	–
• Mall of Mauritius at Bagatelle Limited (49.9%)[£]	–	188 391	–	–
– Investment in Mall of Mauritius at Bagatelle Limited (49.9%)	–	174 977	–	–
– Shareholder's loan to Mall of Mauritius at Bagatelle Limited	–	13 414	–	–
• Atterbury Pemba Properties Limited (33.0%)[£]	46 267	–	–	–
• Bishopsgate Holdings Limited (30.0%)[£]	–	28 027	–	–
• The Club Retail Park Proprietary Limited (31.1%)[#]	55 106	–	55 106	–
Investment in subsidiaries:				
• Atterbury Mauritius Consortium Proprietary Limited (80.0%)	–	–	–	187 858
Investment properties				
• Carr street[@]	27 577	–	–	–
• Andringa Walk (20%)[*]	35 400	–	–	–
• Brooklyn Bridge Office Park (100%)[^]	608 887	–	–	–
• Angel Shack (100%)[$]	36 692	–	–	–
• Cummins (50%)[$]	94 740	–	–	–
• Dräger (100%)[$]	75 294	–	–	–
• Hilti (100%)[$]	59 276	–	–	–
• Medtronic (100%)[$]	137 800	–	–	–
• Servest (100%)[$]	157 013	–	–	–
• Stryker (100%)[$]	61 314	–	–	–
• Westcon (100%)[$]	106 068	–	–	–
• Straight-line lease debtors relating to assets held for sale	29 712			
• LP 3[€]	28 324	–	–	–
• LP 24[€]	86 399	–	–	–
• Infrastructure and services[€]	3 976	–	–	–
Balance at the end of the year	**1 649 845**	**684 441**	**55 106**	**187 858**
LIABILITIES				
• Brooklyn Bridge Office Park (100%)[^]	(330 533)	–	–	–
• Angel Shack (100%)[$]	(9 020)	–	–	–
• Cummins (50%)[$]	(61 063)	–	–	–
• Dräger (100%)[$]	(43 911)	–	–	–
• Hilti (100%)[$]	(30 000)	–	–	–
• Medtronic (100%)[$]	(82 911)	–	–	–
• Servest (100%)[$]	(87 587)	–	–	–
• Stryker (100%)[$]	(35 504)	–	–	–
• Westcon (100%)[$]	(66 494)	–	–	–
Balance at the end of the year	**(747 023)**	**–**	**–**	**–**

 # The investments held for sale as detailed above, form part of the Head office/other segment detailed in note 38.
@ The investment property held for sale as detailed above, forms part of the Developments segment detailed in note 38.
** The investment property held for sale as detailed above, forms part of the Retail segment detailed in note 38.*
^ The investment property held for sale as detailed above, forms part of the Office and mixed-use segment detailed in note 38.
$ The investment property held for sale as detailed above, forms part of the Industrial segment detailed in note 38.
€ The investment property held for sale as detailed above, forms part of the Land segment detailed in note 38.
£ The investment and related loans held for sale as detailed above, form part of the International segment detailed in note 38.

17. NON-CURRENT ASSETS HELD FOR SALE AND ASSOCIATES' LIABILITIES (CONTINUED)

Waterfall industrial properties

Equites Property Fund Limited ("Equites") and the Group (through wholly owned subsidiary Attacq Waterfall Investment Company Proprietary Limited ("AWIC") agreed to establish a Joint Venture in respect of a portfolio of industrial properties at Waterfall with effect from 1 July 2016.

A Special Purpose Vehicle ("SPV") was established to give effect to this Joint Venture. Equites will subscribe for an 80% shareholding in the SPV and the Group will hold the remaining 20%.

At 30 June 2016, the eight industrial properties that form part of this transaction, together with long-term borrowings relating to the buildings, were classified as held for sale.

Refer to note 33 for more details with regards to subsequent events.

Brooklyn Bridge Office Park

Brooklyn Bridge Office Park has been classified as held for sale. Management is in discussions with various interested parties. Directors consider Brooklyn Bridge Office Park to no longer be a core asset.

Sale of 20% undivided share in Andringa Walk

The Group (though wholly owned subsidiary Attacq Retail Fund Proprietary Limited ("ARF") entered into a sale agreement with Key Capital Holdings Proprietary Limited, in which it intends to sell a 20% undivided share in Andringa Walk for an amount of R37.0 million. The effective date of the sale transaction is 1 July 2016. The sale transaction was entered into to create alignment on the whole Eikestad precinct in which ARF currently holds 80.0% in Eikestad Mall and Mill Square and 100.0% in Andringa Walk.

Waterfall Land Parcel 24 and Land Parcel 3 (Joint Venture with Sanlam)

As announced on SENS on 2 August 2016, The Group (though wholly owned subsidiary AWIC) disposed of the development rights in respect of Land Parcel 24, Waterfall measuring 154 250 m^2, to Winter Robin Investments 26 Proprietary Limited ("WRI") for an aggregate consideration of R86.4 million. The amount remains outstanding on loan account. The transaction forms part of a Joint Venture with Sanlam Properties, a division of Sanlam Life Insurance Limited ("Sanlam"). Sanlam holds 80.0% and the Group 20.0% of the equity in WRI with the Group having the right to increase its shareholding to 50.0%. WRI also acquired the remaining development rights on Land Parcel 3 for R371.6 million with the Group funding R16.9 million of the acquisition of the additional rights.

As part of the said Joint Venture, the Group (though wholly owned subsidiary AWIC) disposed of its retail development rights on Land Parcel 3, Waterfall (the Group's retail rights measuring 15 000 m^2) to AWIC Pocket 3 JVCO Proprietary Limited ("P3JV") for an aggregate consideration of R28.3 million. The amount remains outstanding on loan account. Sanlam holds 50% and the Group 50% of the shareholding in P3JV.

The Joint Ventures will enhance the pipeline of additional light industrial commercial and retail developments at Waterfall. The development will include warehousing for storing goods for online retailers and imported goods. In terms of the Joint Venture agreement, Sanlam will make funding of R400.0 million available for further developments to be undertaken in the Joint Venture. The effective date of this transaction is 1 July 2016.

Mauritian asset sale

The Group finalised the disposal of its 34.9% interest in both Mall of Mauritius at Bagatelle Limited and 49.9% interest in Bagaprop Limited during December 2015, associates in Atterbury Mauritius Consortium Proprietary Limited ("AMC"). Proceeds of R656.4 million were received. In addition, the shareholder's loan was settled. The profit realised on the sale of the mentioned interests was R145.0 million and was recognised in other income in the statement of profit and loss.

The Club Retail Park

The assets classified as held for sale relating to The Club Retail Park Proprietary Limited, relates to loans outstanding at 30 June 2016, which were settled subsequent to year-end.

Investment in Atterbury Mauritius Consortium ("AMC")

The Company finalised the disposal of its 85% interest in AMC during February 2016. This interest includes the previously held interest of 80% and the additional 5% interest acquired from The Fish Eagle Trust during December 2015. Previous gains recognised in other comprehensive income of R187.9 million were reversed. Proceeds of R7.0 million was received. A dividend *in specie* of R368.9 million was received (refer to note 25). A loss on disposal of subsidiary of R6.0 million was recognised in other expenses in the statement of profit and loss.

Refer to note 38 for the investments held for sale as detailed above per segment.

18. STATED CAPITAL

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Authorised				
2 billion ordinary no par value shares (2015: 2 billion ordinary no par value shares).				
Issued				
Ordinary no par value shares	6 442 805	6 439 419	6 815 891	6 812 505
Reconciliation of shares issued in rand value:				
Stated capital				
Balance at the beginning of the year	6 439 419	5 798 843	6 812 505	6 171 930
Issue of no par value shares	3 386	640 576	3 386	640 575
Balance at the end of the year	**6 442 805**	**6 439 419**	**6 815 891**	**6 812 505**

Number of shares	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Reconciliation of number of shares issued:				
Reported at the beginning of the year	747 422 777	717 393 147	747 422 777	717 393 147
Issue of share capital during the year	400 000	30 029 630	400 000	30 029 630
	747 822 777	747 422 777	747 822 777	747 422 777
Adjusted for treasury shares held:				
Attacq Retail Fund Proprietary Limited	(29 726 516)	(29 726 516)	–	–
Razorbill Properties 91 Proprietary Limited	(16 701 037)	(16 701 037)	–	–
Total	**701 395 224**	**700 995 224**	**747 822 777**	**747 422 777**

In terms of a general authority to issue shares for cash passed by shareholders at the last Annual General Meeting ("AGM"), a maximum of 70 139 522 (2015: 70 099 522) shares were placed under the control of the Board at their discretion. This is subject to compliance with the Company's Memorandum of Incorporation ("MOI"), the Companies Act and the JSE Listings Requirements. This authority is valid for the shorter of 15 months or until the next AGM. As at year end, no shares have been issued in terms of this authority.

74 782 277 ordinary shares (2015: 74 742 277) were placed under the control of the Directors in terms of a resolution passed at the last AGM, provided that any allotment or issue is subject to a maximum discount of 5% of the weighted average traded price on the JSE of those securities over the then agreed number of business days prior to the allotment, issue or disposal or the date that the price is agreed, as the case may be. This authority is valid until the next AGM. As at year end, no shares have been issued in terms of this authority.

In terms of an ordinary resolution at the last AGM, the Board may, subject to the Companies Act and JSE Listings Requirements, allot and issue shares pursuant to the Attacq Long-Term Incentive Scheme as approved at the meeting.

In terms of a special resolution at the last AGM, the Board may, subject to the Company's MOI and the Companies Act, authorise the Company to allot and issue shares to the Company's Directors (present and future) and prescribed officers (present and future) pursuant to the Attacq Long-Term Incentive Scheme as approved at the meeting.

19. SHARE-BASED PAYMENT RESERVE

Equity-settled share-based payment reserve

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Opening balance	90 359	83 317	90 359	83 317
Recognition of share options expense	2 392	6 724	–	–
Recognition of incremental fair value on modification	3 931	–	–	–
Recognition of long-term incentives and retention allocations expense	12 806	318	–	–
Modification of equity-settled share-based payments	(9 035)	–	(9 035)	–
Contribution to subsidiary	–	–	19 129	7 042
Balance at the end of the year	**100 453**	**90 359**	**100 453**	**90 359**
Reconciled as follows:				
Share-based payments	70 745	70 745	70 745	70 745
Share options	25 619	19 296	12 572	12 572
Long-term incentives and retention allocations expense	13 124	318	–	–
Modification of equity-settled share-based payments	(9 035)	–	(9 035)	
Contribution to subsidiary	–	–	26 171	7 042
Balance at the end of the year	**100 453**	**90 359**	**100 453**	**90 359**

Cash-settled share-based payment reserve

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Modification of equity-settled share-based payments	9 035	–	–	–
Recognition of fair value adjustment at the end of the year	(3 076)	–	–	–
Balance at the end of the year	**5 959**	**–**	**–**	**–**
Reconciled as follows:				
Current liability	5 172	–	–	–
Non-current liability	787	–	–	–
Balance at the end of the year	**5 959**	**–**	**–**	**–**

Share options

Key employees expected to have an impact on the Company's future performance were offered 2 425 000 share options as part of the share incentive scheme.

On 20 July 2015, the 2 425 000 share options granted to key employees were reclassified from equity-settled grants to cash-settled grants due to a change in the contractual terms of the employees.

Share-based payments

The acquisition of 18.05% of the issued share capital of Attacq Retail Fund Proprietary Limited from Nedbank Limited ("Nedbank"), resulted in an IFRS 2 charge of R59 159 635 due to the increase in the share price of Attacq Limited, subsequent to the agreement of commercial terms with Nedbank, prior to listing on 14 October 2013. Subsequent to listing, the share price at which the agreed number of shares were issued upon implementation of the acquisition on 25 November 2013, was R16.50 as opposed to the contractually agreed issue price of R11.63.

An amount represents the fair value of the Agterskot payment to be paid to Trinsam Trust in respect of the acquisition of a 1.225% stake in Attacq Waterfall Investment Company Proprietary Limited ("AWIC") from the Trinsam Trust, determined with reference to the estimated future development profits to be earned by AWIC up to and including 30 June 2020, present valued at a rate of 28%. This resulted in an IFRS 2 charge of R11 586 136.

The future development profits will be determined with reference to valuations of the completed developments as determined by an external valuer, less the related costs of development escalated at prime from the date of completion to 30 June 2020. In respect of any developments completed and sold prior to 2020, the development profit will be determined with reference to the actual disposal proceeds, less the related costs of development escalated from the date of completion of the development to the date of sale, and the profit so determined will be escalated at the Prime interest rate from the date of sale to 30 June 2020.

19. SHARE-BASED PAYMENT RESERVE (CONTINUED)

	GROUP		COMPANY	
Number of options	2016	2015	2016	2015
Share options				
Movements in number of share options during the year is as follows:				
Balance at the beginning of the year	4 925 000	4 825 000	4 925 000	4 825 000
Granted during the year	–	500 000	–	500 000
Exercised during the year	(400 000)	(400 000)	(400 000)	(400 000)
Balance at the end of the year	**4 525 000**	**4 925 000**	**4 525 000**	**4 925 000**

The outstanding share options at 30 June 2016 includes 2 425 000 share options that will be settled in cash.

The above share options were exercised on 7 July 2015, at a price of R8.50 (2015: 14 November 2014 at a price of R8.50).

For all grants made after 31 December 2012, 60% of the share options will vest in the third year after the grant date, 20% of the options will vest in the fourth year and the final 20% will vest in year five. The employee has six months after vesting date to exercise his or her options.

The first grant, made on 31 December 2012, differs from the subsequent grants, since it vests in equal portions over the five years following the grant date. There is no maturity date by which the options need to be exercised.

	GROUP		COMPANY	
Number of options	2016	2015	2016	2015
Retention allocations				
Movements in number of retention allocations during the year is as follows:				
Balance at the beginning of the year	130 000	–	130 000	–
Granted during the year	1 216 869	130 000	1 216 869	130 000
Balance at the end of the year	**1 346 869**	**130 000**	**1 346 869**	**130 000**

Retention allocations were granted on the following dates:

- 11 March 2015;
- 1 April 2015;
- 1 July 2015;
- 7 September 2015;
- 1 January 2016;
- 1 April 2016;
- 18 May 2016; and
- 6 June 2016.

The retention allocations were granted as part of an employment package and are deemed to have been granted on the first day of employment. These will vest only if the employee has remained in the employment of Attacq Limited for a period of three years ("vesting period").

19. SHARE-BASED PAYMENT RESERVE (CONTINUED)

	GROUP		COMPANY	
Number of options	2016	2015	2016	2015
Long-Term Incentive ("LTI") Schemes				
Movements in number of LTI Schemes during the year is as follows:				
Balance at the beginning of the year	295 000	–	295 000	–
Granted during the year	1 109 128	295 000	1 109 128	295 000
Exercised during the year	–	–	–	–
Balance at the end of the year	**1 404 128**	**295 000**	**1 404 128**	**295 000**

LTI Schemes were granted on:

- 29 June 2015;
- 8 October 2015; and
- 8 December 2015.

For the LTI Schemes, no performance conditions are applicable to participants receiving less than 10 000 grants. Financial and non-financial performance conditions are applicable to participants who received 10 000 units or more. Both conditions are treated as non-market conditions under IFRS 2.

Financial performance conditions apply to 70% of the benefits with non-financial performance conditions applicable to 30% of the benefits. The percentage of benefits that vest (as quoted below) is that percentage of 10% for transformation and 20% for development roll-out conditions.

	GROUP		COMPANY	
Number of options	2016	2015	2016	2015
Share Appreciation Rights ("SARs")				
Movements in number of SARs during the year is as follows:				
Granted during the year	2 826 710	–	2 826 710	–
Balance at the end of the year	**2 826 710**	**–**	**2 826 710**	**–**

SARs were granted on 8 October 2015, 8 December 2015 and 1 January 2016. Financial performance conditions are applicable to all participants. Conditions are treated as non-market conditions under IFRS 2.

Newtown Junction – Johannesburg

19. SHARE-BASED PAYMENT RESERVE (CONTINUED)

Share options – equity-settled share options

The following share-based payment arrangements were in existence during the current and prior years:

Granted on 31 December 2012
Granted on 1 July 2013
Granted on 1 September 2013
Granted on 1 November 2013*
Granted on 1 December 2013*
Granted on 1 April 2014*
Granted on 1 June 2014*
Granted on 1 July 2014*

* *Modified during the current year from equity-settled to cash settled.*

Fair value of options

The weighted average fair value of share options outstanding at the end of the financial year is R4.00 (2015: R5.75).

Options were priced using the Black-Scholes option pricing model. As most of the grants options expire six months after vesting date, the maximum exercise period has been allowed considering the closed periods for Attacq Limited.

Share options – cash-settled share options

The following share-based payment arrangements were in existence during the current and prior years:

Granted on 1 November 2013
Granted on 1 December 2013
Granted on 1 April 2014
Granted on 1 June 2014
Granted on 1 July 2014

GROUP				COMPANY			
2016				2016			
Number	Expiry date	Exercise price R	Fair value R	Number	Expiry date	Exercise price R	Fair value R
2 000 000	31-Dec-2016	8.50	2.72	2 000 000	31-Dec-2016	8.50	2.72
1 200 000	31-Dec-2018	9.50	4.43	1 200 000	31-Dec-2018	9.50	4.43
500 000	31-Dec-2018	11.96	3.98	500 000	31-Dec-2018	11.96	3.98
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–

GROUP				COMPANY			
2016				2016			
Number	Expiry date	Exercise price R	Fair value R	Number	Expiry date	Exercise price R	Fair value R
225 000	31-Dec-2018	14.50	5.78	–	–	–	–
1 025 000	31-Dec-2018	14.50	5.78	–	–	–	–
275 000	30-Jun-2019	15.25	5.79	–	–	–	–
400 000	31-Dec-2019	15.25	6.09	–	–	–	–
500 000	31-Dec-2020	15.25	6.18	–	–	–	–

19. SHARE-BASED PAYMENT RESERVE (CONTINUED)

Fair value of options

On 20 July 2015, 2 425 000 share options were reclassified from equity-settled to cash-settled options. The share options were revalued on the date of modification as well as on 30 June 2016. The employees will be settled in cash by Attacq Management Services Proprietary Limited ("AMS").

The weighted average fair value of share options outstanding at the respective dates were as follows:

- At grant date – R6.47 (2015: R6.47)
- Date of modification – R10.23 (2015: Rnil)
- At 30 June 2016 – R5.44 (2015: Rnil)

Options were priced using the Black-Scholes option pricing model. As most of the grant options expire six months after vesting date, the maximum exercise period has been allowed considering the closed periods for Attacq Limited.

The following inputs, including the exercise price as detailed above, were taken into account in valuating the share options:

Granted on 31 December 2012
Granted on 1 July 2013
Granted on 1 September 2013
Granted on 1 November 2013
Granted on 1 December 2013
Granted on 1 April 2014
Granted on 1 June 2014
Granted on 1 July 2014

* *Over-the-counter share trading history for dates prior to listing during October 2013, and for all dates after the listing were used. The data was used to obtain independent volatilities over periods of one, three and five years. Based on our analysis, a volatility of 20.00% was applied in our calculations.*

** *The risk-free interest rates for discounting of future cash flows were determined from the bootstrapped zero coupon perfect fit swap curves. The swap curves as at the various grant dates were sourced from the Bond Exchange of South Africa, a subsidiary of the Johannesburg Securities Exchange.*

Brooklyn Mall – Pretoria

GROUP				COMPANY			
2016				2016			
Grant date share price R	Expected volatility* %	Dividend yield %	Risk free curve** %	Grant date share price R	Expected volatility* %	Dividend yield %	Risk free curve** %
10.11	25.00	–	5.13	10.11	25.00	–	5.13
11.11	25.00	–	7.04	11.11	25.00	–	7.04
12.18	25.00	–	7.36	12.18	25.00	–	7.36
16.69	25.00	–	7.46	16.69	25.00	–	7.46
16.64	25.00	–	7.46	16.64	25.00	–	7.46
18.00	25.00	–	7.51	18.00	25.00	–	7.51
18.20	25.00	–	7.55	18.20	25.00	–	7.55
18.00	25.00	–	7.56	18.00	25.00	–	7.56

19. SHARE-BASED PAYMENT RESERVE (CONTINUED)

Long-Term Incentive ("LTI") Scheme, Retention Allocations and Share Appreciation Rights ("SARSs")

The following LTI Schemes, retention allocations and SARSs were in existence in the current year:
Retention allocations granted on 11 March 2015
Retention allocations granted on 1 April 2015
Long-term incentives granted on 29 June 2015
Retention allocations granted on 1 July 2015
Retention allocations granted on 1 July 2015
Long-term incentives granted on 29 July 2015
Retention allocations granted on 7 September 2015
Long-term incentives granted on 8 October 2015
Share appreciation rights granted on 8 October 2015
Long-term incentives granted on 8 December 2015
Share appreciation rights granted on 8 December 2015*
Share appreciation rights granted on 8 December 2015*
Share appreciation rights granted on 8 December 2015*
Retention allocations granted on 1 January 2016
Share appreciation rights granted on 1 January 2016
Retention allocations granted on 1 April 2016
Retention allocations granted on 18 May 2016
Retention allocations granted on 6 June 2016

* *These awards were retrospectively rewarded for different financial years hence the different strike prices indicated.*

The fair value (excluding forfeitures and performance conditions) per share granted under the three schemes mentioned above is the share price of Attacq Limited at grant date less expected dividends over the vesting period. Allowance is then made for expected forfeitures and the likelihood of performance criteria to be satisfied where these are applicable.

Maxwell Office Park – Waterfall City

GROUP				COMPANY			
2016				2016			
Number	Expiry date	Exercise price R	Fair value R	Number	Expiry date	Exercise price R	Fair value R
120 000	11-Mar-2018	–	24.00	120 000	11-Mar-2018	–	24.00
10 000	1-Apr-2018	–	25.79	10 000	1-Apr-2018	–	25.79
295 000	14-Oct-2017	–	22.60	295 000	14-Oct-2017	–	22.60
200 000	30-Jul-2018	–	21.91	200 000	30-Jul-2018	–	21.91
50 000	14-Oct-2018	–	21.91	50 000	14-Oct-2018	–	21.91
269 504	14-Oct-2017	–	22.60	269 504	14-Oct-2-17	–	22.60
30 000	14-Oct-2018	–	21.82	30 000	14-Oct-2-18	–	21.82
573 922	14-Oct-2018	–	21.98	573 922	14-Oct-2-18	–	21.98
235 367	14-Oct-2018	22.30	5.21	235 367	14-Oct-2018	22.30	5.21
265 702	14-Oct-2018	–	19.88	265 702	14-Oct-2018	–	19.88
1 250 714	14-Oct-2018	11.91	10.28	1 250 714	14-Oct-2018	11.91	10.28
424 387	14-Oct-2018	17.55	6.23	424 387	14-Oct-2018	17.55	6.23
96 242	14-Oct-2018	22.30	3.65	96 242	14-Oct-2018	22.30	3.65
272 728	14-Oct-2020	–	18.24	272 728	14-Oct-2020	–	18.24
820 000	14-Oct-2-20	18.14	7.38	820 000	14-Oct-2020	18.14	7.38
80 695	14-Oct-2021	–	19.77	80 695	14-Oct-2021	–	19.77
48 004	14-Oct-2021	–	19.48	48 004	14-Oct-2021	–	19.48
535 442	14-Oct-2021	–	20.00	535 442	14-Oct-2021	–	20.00

20. LONG-TERM BORROWINGS

Figures in R'000s
2016
Absa Bank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
Bank of China Limited Johannesburg Branch
• Torre
Investec Bank Limited
• The Grove Mall of Namibia
• Brooklyn Bridge Office Park*
• Brooklyn Bridge Office Park*
• PwC Sunninghill
Nedbank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Cell C Campus
• Land Parcel 22
• Waterfall Corner
• Waterfall Corner
• Mall of Africa
• Mall of Africa
• Mall of Africa
• Medtronic*
• Medtronic*
• Servest*
• Hilti*
• Stryker*
Subtotal carried forward

* *These long-term borrowings were classified as liabilities directly associated with non-current assets held for sale (refer to note 17).*

GROUP						
Interest rate	Maturity	Mortgage bond	Surety A	Surety B	Non-current	Current
					1 084 000	**–**
3-month JIBAR + 1.50%	12-May-2018	714 290	393 850	–	393 850	–
3-month JIBAR + 1.75%	12-May-2020	714 290	393 850	–	393 850	–
3-month JIBAR + 1.50%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.75%	12-May-2020	315 239	148 150	–	148 150	–
					34 236	**–**
3-month JIBAR + 1.95%	26-Mar-2022	81 000	15 000	–	34 236	–
					377 196	**343 906**
Prime – 0.50%	31-Jan-2020	–	25 000	25 000	–	–
10.95%	31-Jan-2019	350 000	140 000	–	–	106 693
Prime – 0.85%	31-Jan-2019	20 000		–	–	223 840
9.13%	31-Jan-2018	400 000	200 000	–	377 196	13 373
					3 125 310	**278 983**
3-month JIBAR + 1.61%	12-May-2018	714 290	393 850	–	393 850	–
3-month JIBAR + 1.80%	12-May-2020	714 290	393 850	–	335 450	–
3-month JIBAR + 3.10%	1-Dec-2023	600 000	600 000	–	495 078	17 326
Prime – 1.00%	1-Jun-2017	300 000	20 000	–	–	23 055
1-month JIBAR + 2.00%	30-Apr-2024	145 000	54 000	–	66 574	2 600
10.86%	30-Apr-2024			–	68 292	–
Prime – 1.00%	5-Apr-2021	4 750 000	336 800	–	967 210	–
10.16%	5-Apr-2021			–	299 586	–
10.75%	5-Apr-2021			–	499 270	–
3-month JIBAR + 2.16%	31-Aug-2016	90 000	15 390	–	–	72 225
Prime	31-Aug-2016	32 000	16 916	–	–	10 686
Prime – 1.25%	31-Aug-2016	95 000	18 190	–	–	87 587
1-month JIBAR + 1.99%	31-Aug-2016	42 500	35 675	–	–	30 000
1-month JIBAR + 0.90%	31-Aug-2016	50 000	41 874	–	–	35 504
					4 620 742	**622 889**

20. LONG-TERM BORROWINGS (CONTINUED)

Figures in R'000s
2016
Subtotal brought forward
Nedbank Limited (continued)
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
• Newtown Junction and Majestic Office
• Newtown City Lodge
• Newtown City Lodge
• PwC Tower
• PwC Tower VAT
• PwC Annex
• PwC Annex VAT
Rand Merchant Bank ("RMB")#
• Land Parcel 9
• Novartis
• Westcon*
• Angel Shack*
• Cummins*
• Aurecon
• Aurecon
• Amrod
Sanlam Capital Markets Limited
• Dräger*
• Massbuild Distribution Centre
• Massbuild Distribution Centre
• Massbuild Distribution Centre
• Waterfall Lifestyle
• Dimension Data
Subtotal carried forward

* *These long-term borrowings were classified as liabilities directly associated with non-current assets held for sale (refer to note 17).*

\# *RMB a division of FirstRand Bank Limited.*

GROUP						
Interest rate	Maturity	Mortgage bond	Surety A	Surety B	Non-current	Current
					4 620 742	**622 889**
					1 718 525	30 223
3-month JIBAR + 1.61%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.80%	12-May-2020	315 239	148 150	–	148 150	–
10.85%	3-Oct-2024	1 200 000	250 000	–	980 223	23 044
3-month JIBAR + 2.96%	3-Nov-2025	100 000	36 000		66 240	1 022
Prime – 0.85%	3-Nov-2025			–	16 748	79
Prime – 0.60%	30-Jun-2030	1 432 000	1 075 698	–	359 014	–
Prime – 0.60%	30-Sep-2016			–	–	6 078
Prime – 0.60%	30-Jun-2030		121 545	–	–	–
Prime – 0.60%	31-May-2018			–	–	–
					715 870	**188 020**
Prime – 0.25%	1-Jul-2017	40 000	16 200	–	20 000	–
10.64%	20-May-2020	200 000	126 360	–	124 864	23 342
10.64%	31-Aug-2016	33 000				66 494
10.64%	31-Aug-2016	85 000				9 020
1-month JIBAR + 2.40%	31-Aug-2016	67 500	56 500	–	–	61 063
10.48%	30-Apr-2023	575 000	155 000	–	400 348	25 204
1-month JIBAR + 2.95%	4-Mar-2019				50 000	396
Prime – 0.50%	3-Jan-2022	264 000	264 000		120 658	2 501
					306 409	**47 409**
11.36%	31-Aug-2016	60 000	6 000		–	43 911
Prime – 0.50%	1-Apr-2028	250 000	40 000	–	39 816	–
10.58%	1-Apr-2028				133 190	884
11.05%	1-Apr-2028				27 650	–
11.31%	29-Oct-2019	150 000	48 000		81 275	2 614
3-month JIBAR + 2.75%	6-Sep-2022	60 000	59 070		24 478	–
					7 361 546	**888 541**

20. LONG-TERM BORROWINGS (CONTINUED)

Figures in R'000s
2016
Subtotal brought forward
Standard Bank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
• Altech Building
• City Lodge – Waterfall City
• Group Five
• Land Parcel 8
• Land Parcel 10
• Land Parcel 10 N1 Bridge
• Maxwell Office Park (Golder)
• Maxwell Office Park (Att House)
• Maxwell Office Park (Premier)
• Maxwell Office Park (Honda)
• Maxwell Office Park (Colgate)
• Maxwell Office Park (Mac Mac House)
• Maxwell Office Park (Magwa House)
• Allandale building
• AIH International Limited
• AIH International Limited
• AIH International Limited
• AIH International Limited
Total

Surety A was provided by Attacq Limited and Surety B was provided by Atterbury Property Holdings Proprietary Limited.

In respect of Cell C Campus, *causa* surety was provided by Attacq Waterfall Investment Company Proprietary Limited to an amount of R600 million (2015: R600 million).

In respect of Maxwell Office Park, *causa* surety was provided by East & West Investments Proprietary Limited to an amount of R301.8 million (2015: R223.1 million).

In respect of the Altech Building, *causa* surety was provided by East & West Investments Proprietary Limited to an amount of R29.2 million (2015: R29.2 million).

In respect of the AIH International Limited long-term borrowings, the facilities are secured by way of a cession and pledge of MAS shares at a 2.3 times cover.

The carrying values of the long-term borrowings are considered by management and Directors to approximate their fair values.

Loan covenants were applicable to certain long-term borrowings. None of the covenants were breached during the year ended 30 June 2016.

Refer to note 32 for more details with regards to the sureties provided.

GROUP						
Interest rate	Maturity	Mortgage bond	Surety A	Surety B	Non-current	Current
					7 361 546	**888 541**
					3 083 675	**123 758**
3-month JIBAR + 1.50%	12-May-2018	714 290	393 850	–	393 946	–
3-month JIBAR + 1.75%	12-May-2020	714 290	393 850	–	335 534	–
3-month JIBAR + 1.50%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.75%	12-May-2020	315 239	148 150	–	148 150	–
1-month JIBAR + 1.50%	30-Nov-2017	58 400	10 000	–	17 189	1 948
1-month JIBAR + 2.70%	31-Oct-2019	140 000	39 148	–	50 597	629
10.07%	1-Jan-2019	470 000	110 000	–	361 298	11 098
Prime – 1.00%	30-Apr-2018	231 000	77 800	–	57 834	–
Prime – 1.00%	30-Apr-2018	600 000	300 600	–	77 191	–
	1-Jun-2017			–	–	105 249
3-month JIBAR + 1.70%	7-Jan-2019	300 000	32 000	87 250	29 874	1 820
3-month JIBAR + 1.70%	7-Jan-2019				26 718	1 504
3-month JIBAR + 2.83%	7-Jan-2019		14 500	60 000	23 706	705
3-month JIBAR + 2.74%	7-Jan-2019				23 511	705
3-month JIBAR + 2.60%	30-Jun-2020		20 100	80 500	48 081	–
3-month JIBAR + 2.60%	30-Jun-2020				26 307	100
3-month JIBAR + 2.40%	30-Jun-2021		74 000	74 000	42 965	–
3-month JIBAR + 2.25%	1-Sep-2021	330 000	255 000		77 850	–
6-month USD LIBOR + 2.75%	30-Apr-2019	–	1 230 210	–	503 252	–
6-month USD LIBOR + 2.75%	30-Apr-2019	–		–	216 716	–
6-month USD LIBOR + 2.60%	30-Apr-2018	–		–	144 026	–
6-month EURIBOR + 2.40%	28-Feb-2019	–		–	330 780	–
					10 445 221	**1 012 299**

20. LONG-TERM BORROWINGS (CONTINUED)

Figures in R'000s
2015
Absa Bank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
Investec Bank Limited
• Brooklyn Bridge Office Park
• Brooklyn Bridge Office Park
• Brooklyn Bridge Office Park
• Brooklyn Bridge Office Park
• The Grove Mall of Namibia
• PwC Sunninghill
Nedbank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Cell C Campus
• Medtronic
• Land Parcel 22
• Waterfall Corner
• Waterfall Corner
• Mall of Africa
• Servest
• Stryker
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
• Newtown Junction & Majestic Office
• City Lodge – Newtown
Subtotal carried forward

GROUP						
Interest rate	Maturity	Mortgage bond	Surety A	Surety B	Non-current	Current
					1 084 000	**–**
3-month JIBAR + 1.50%	12-May-2018	714 290	393 850	–	393 850	–
3-month JIBAR + 1.75%	12-May-2020	714 290	393 850	–	393 850	–
3-month JIBAR + 1.50%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.75%	12-May-2020	315 239	148 150	–	148 150	–
					706 223	**42 482**
Prime - 1.50%	28-Sep-2018	350 000	140 000	–	113 610	11 297
Prime - 0.50%	28-Nov-2018	20 000	–	–	7 726	2 711
10.90%	28-Sep-2018	–	–	–	102 035	10 386
Prime - 0.50%	30-Mar-2019	20 000	–	–	94 198	4 038
Prime - 0.50%	31-Dec-2019	–	–	–	–	4 982
9.13%	31-Jan-2018	400 000	200 000	–	388 654	9 068
					3 734 797	**80 012**
3-month JIBAR + 1.61%	12-May-2018	714 290	393 850	–	393 850	–
3-month JIBAR + 1.80%	12-May-2020	714 290	393 850	–	393 850	–
3-month JIBAR + 3.10%	1-Dec-2023	600 000	600 000	–	257 113	17 562
3-month JIBAR + 2.16%	31-Mar-2020	90 000	15 390	–	68 594	4 488
Prime - 1.00%	1-Jun-2017	300 000	20 000	–	39 216	–
1-month JIBAR + 2.00%	30-Apr-2024	145 000	54 000	–	69 123	2 099
10.86%	31-May-2019				67 555	–
Prime - 1.00%	5-Apr-2021	4 750 000	700 000	100 000	1 034 149	27 189
Prime - 0.50%	31-Aug-2020	95 000	18 190	–	64 866	9 987
Prime - 0.50%	30-Oct-2025	62 500	41 874	–	11 090	1 576
3-month JIBAR + 1.61%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.80%	12-May-2020	315 239	148 150	–	148 150	–
10.85%	3-Oct-2024	1 200 000	250 000	100 000	993 929	14 681
Prime - 0.50%	2-Nov-2025		36 000		45 162	2 430
					5 525 020	**122 494**

20. LONG-TERM BORROWINGS (CONTINUED)

Figures in R'000s
2015
Subtotal brought forward
Rand Merchant Bank ("RMB")#
• Angel Shack
• Novartis
• Westcon
• Great Westerford
• Aurecon
• Aurecon
Sanlam Capital Markets Limited
• Dräger
• Massbuild Distribution Centre
• Massbuild Distribution Centre
• Massbuild Distribution Centre
• Waterfall Lifestyle
Standard Bank Limited
• Attacq Retail Fund
• Attacq Retail Fund
• Lynnwood Bridge Office Park
• Lynnwood Bridge Office Park
• Altech Building
• City Lodge – Waterfall City
• Group Five
• Land Parcel 8
• Land Parcel 10
• Land Parcel 10
• Maxwell Office Park (Golder)
• Maxwell Office Park (ATT House)
• Maxwell Office Park (Premier)
• Maxwell Office Park (Honda)
• Maxwell Office Park (Colgate)
• AIH International Limited
Total

RMB a division of FirstRand Bank Limited.

		GROUP				
Interest rate	Maturity	Mortgage bond	Surety A	Surety B	Non-current	Current
					5 525 020	**122 494**
					713 770	**68 071**
10.64%	2-Mar-2020	33 000	126 360	–	224 205	–
		200 000				
		85 000				
1-month JIBAR + 2.75%	1-Jul-2016	550 000	–	–	68 543	–
10.55%	30-Apr-2023	–	155 000	–	421 022	17 705
1-month JIBAR + 2.95%	31-Jan-2016				–	50 366
					326 809	**1 545**
11.36%	10-Oct-2024	60 000	6 000		43 866	204
Prime – 0.50%	1-May-2028	250 000	32 000	–	39 195	–
10.58%	1-May-2028				132 413	325
11.05%	1-May-2028				26 936	–
11.31%	29-Oct-2019	150 000	48 000		84 399	1 016
					2 298 253	**134 219**
3-month JIBAR + 1.50%	12-May-2018	714 290	393 850	–	393 932	–
3-month JIBAR + 1.75%	12-May-2020	714 290	393 850	–	393 935	–
3-month JIBAR + 1.50%	12-May-2018	315 239	148 150	–	148 150	–
3-month JIBAR + 1.75%	12-May-2020	315 239	148 150	–	148 150	–
1-month JIBAR + 1.50%	1-Nov-2017	58 400	10 000	–	18 847	1 544
1-month JIBAR + 2.70%	31-Oct-2019	140 000	39 148	–	56 252	–
10.07%	1-Jan-2019	470 000	110 000	–	374 060	4 947
1-month JIBAR + 1.85%	30-Apr-2016	231 000	77 800	–	–	52 908
3-month JIBAR + 1.50%	30-Apr-2016	600 000	300 600	–	–	70 777
	30-Jun-2017			–	41 586	–
3-month JIBAR + 1.70%	7-Jan-2019	300 000	32 000	–	30 123	1 869
3-month JIBAR + 1.70%	7-Jan-2019			–	26 934	1 530
3-month JIBAR + 2.83%	7-Jan-2019		14 500	–	24 053	322
3-month JIBAR + 2.74%	7-Jan-2019			–	23 860	322
Prime – 1.00%	30-Jun-2020		26 000	–	37 308	–
3-month USD LIBOR + 2.50%	14-Nov-2016	–	612 000	–	581 063	–
					8 863 852	**326 329**

20. LONG-TERM BORROWINGS (CONTINUED)

	COMPANY				
Figures in R'000s	Interest rate	Maturity	Mortgage bond	Non-current	Current
2016					
Nedbank Limited				**495 078**	**17 326**
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023	600 000	495 078	17 326
Total				**495 078**	**17 326**
2015					
Investec Bank Limited				**–**	**4 982**
• The Grove Mall of Namibia	Prime – 0.50%	31-Dec-2019	–	–	4 982
Nedbank Limited				**257 113**	**17 562**
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023	600 000	257 113	17 562
Rand Merchant Bank ("RMB")#				**68 543**	**–**
• Great Westerford	1-month JIBAR + 2.75%	1-Jul-2016	550 000	68 543	–
Total				**325 656**	**22 544**

RMB a division of FirstRand Bank Limited.

In respect of Cell C Campus, *causa* surety was provided by Attacq Waterfall Investment Company Proprietary Limited to an amount of R600 million (2015: R600 million).

The carrying values of the long-term borrowings are considered by management and Directors to approximate their fair values.

Garden Route Mall – George

21. FINANCE LEASE OBLIGATION

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Majestic Offices Proprietary Limited	5 335	5 103	–	–
Nieuwtown Property Development Company Proprietary Limited	72 410	67 575	–	–
Balance at the end of the year	**77 745**	**72 678**	–	–
The figures above are reconciled as follows:				
Majestic Offices Proprietary Limited				
Lessor: City of Johannesburg				
Minimum lease payments due				
• Within one year	256	237	–	–
• In the second to the fifth year, inclusive	1 249	1 157	–	–
• Later than five years	17 934	18 282	–	–
	19 439	19 676	–	–
Less future finance charges	(14 104)	(14 573)	–	–
Total	**5 335**	**5 103**	–	–
Present value of minimum lease payments due				
• later than five years	5 335	5 103	–	–
Total	**5 335**	**5 103**	**–**	**–**

The Group, through a subsidiary, Majestic Offices Proprietary Limited, entered into a finance lease agreement with the City of Johannesburg for a 49 year lease on Erf 591, Newtown, Johannesburg.

The effective finance lease starting date was 3 February 2011, with the basic monthly instalment starting at R15 000 (escalating at 8% compounded annually). Once the development is completed, the basic rental charges will be the higher of the basic monthly instalment or 2.5% of rental income for the year.

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Nieuwtown Property Development Company Proprietary Limited				
Lessor: City of Johannesburg				
Minimum lease payments due				
• Within one year	1 182	1 095	–	–
• In the second to the fifth year, inclusive	5 752	5 326	–	–
• Later than five years	13 045 878	13 047 486	–	–
	13 052 812	13 053 907	–	–
Less future finance charges	(12 980 402)	(12 986 332)	–	–
Total	**72 410**	**67 575**	**–**	**–**
Present value of minimum lease payments due				
• later than five years	72 410	67 575	–	–
Total	**72 410**	**67 575**	**–**	**–**

The Group, through a subsidiary, Nieuwtown Property Development Company Proprietary Limited, entered into a finance lease agreement with the City of Johannesburg for a 90 year lease on Erf 45, 46, 47, 56, 57 and 58 Newtown, Johannesburg.

The effective finance lease starting date is 16 September 2010, with the basic monthly instalment starting at R85 500 (escalating at 8% compounded annually). Once the development is completed, the rental payable is the greater of the basic monthly instalment or the turnover rent for the financial year concerned. Turnover rental is determined as follows: 1.75% of rental income for year 1 to 30, 1.9% of rental income for year 31 to 60 and 2% of rental income for year 61 to 90.

Refer to note 5 for a further description of the investment property.

22. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Trade payables	259 632	284 551	2 686	6 090
Accruals	187 289	117 628	14 001	14 052
Deposits held	68 214	38 398	102	3 120
Rental income received in advance	37 804	19 396	–	1 214
Value Added Tax	4 723	2 663	–	–
Balance at the end of the year	**557 662**	**462 636**	**16 789**	**24 476**

The fair value of trade payables, deposits held, amounts received in advance and sundry payables are deemed to be the same as the carrying value.

Trade payables include amounts due relating to buildings under construction.

Accruals include amounts relating to municipal accruals on the investment properties.

23. PROVISIONS

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Leave pay provision	2 081	1 422	–	–
Balance at the end of the year	**2 081**	**1 422**	**–**	**–**

The provision relating to leave pay for the current year was calculated based on the actual leave days outstanding at 30 June 2016 at the hourly rate per employee.

Mall of Africa – Waterfall City

24. OPERATING PROFIT IS STATED AFTER INCLUSION OF THE FOLLOWING:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Other income				
Sundry income	1 539	10 490	177	3 834
Foreign exchange gain	211 563	65 619	209 032	53 295
Profit on disposal of other investments and associates	192 874	90 117	77 289	1 373
Reversal of provision for liabilities relating to associates	1 579	7 265	1 579	7 265
Profit on disposal of investment property	10 888	31 999	4 894	–
Reversal of impairment of loans to associates (refer to note 14)	30 136	–	30 136	–
Reversal of impairment of loans to subsidiary	–	–	9 673	–
Reversal of impairment of investment in associate	–	100	–	16 526
Operating and other expenses				
Loss on disposal of subsidiary	(6 033)	–	(82 132)	(143 255)
Loss on disposal of associates	(42 844)	–	(42 844)	–
Auditors' remuneration	(4 414)	(5 307)	(314)	(11)
B-BBEE spend	(6 111)	(5 028)	(4 842)	(100)
Executive Directors' remuneration (note 31)	(10 448)	(12 009)	(434)	(4 552)
Non-Executive Directors' remuneration (note 31)	(3 442)	(3 281)	(3 442)	(2 896)
Prescribed officers' remuneration (note 31)	(8 251)	(3 409)	–	(781)
Staff expenses	(35 232)	(36 196)	–	(6 482)
Marketing	(23 098)	(10 095)	–	(400)
Rates and taxes	(28 979)	(6 228)	–	–
Professional fees	(15 719)	(19 063)	(69)	(1 105)
Impairment and write-off of loans	(5 294)	(10 851)	–	(10 855)
Impairment of loans to associates	(58 319)	–	–	–
Impairment of intangible asset	(11 960)	–	–	–
Impairment of investments in associates	(21 991)	–	–	–
Impairment loans to subsidiaries	–	–	(38 656)	–
Impairment of investments	–	–	–	(31 075)
Goodwill written off	–	(109 670)	–	–
Legal fees	(8 917)	(3 897)	(20)	(17)
Loss on disposal of investment property	(10 052)	(2 867)	–	–
Share-based payment expenses	(16 053)	(7 042)	–	–
Expensing of profit share on Grove Mall of Namibia Proprietary Limited	–	(15 001)	–	(15 001)

25. INVESTMENT INCOME

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Dividend income	52 841	28 644	612 695	745 140
Dividends – Local	33 012	11 687	493 536	688 914
Dividends – Foreign	19 829	16 957	119 159	56 226
Interest income	182 944	113 887	158 131	185 257
Group companies	147 714	72 220	140 685	160 509
Bank	12 820	29 389	7 276	22 803
Other interest	22 410	12 278	10 170	1 945
Total	**235 785**	**142 531**	**770 826**	**930 397**

26. FINANCE COSTS

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Mortgage bonds	(781 373)	(620 607)	(55 332)	(62 646)
Derivative financial liabilities	(26 719)	(57 970)	(5 523)	(13 327)
Bank overdraft	(178)	(37)	(139)	(2)
Finance lease obligation	(6 399)	(4 566)	–	–
Loans from group companies	(7)	–	(7)	–
Other	(25 299)	(2 692)	(5 352)	(749)
Total	**(839 975)**	**(685 872)**	**(66 353)**	**(76 724)**

27. INCOME TAX EXPENSE

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Major components of the tax expense (including other comprehensive income)				
Current				
Current tax	(183 703)	(75 283)	(175 204)	(66 982)
Local income tax – current year	(181 899)	(56 660)	(173 496)	(48 360)
Local income tax – prior period under provision	(1 804)	(18 623)	(1 708)	(18 622)
Deferred				
Originating and reversing temporary differences	(517 136)	(458 908)	(324 075)	(228 801)
Deferred tax	(610 856)	(395 755)	(47 454)	(88 903)
Taxation relating to components of other comprehensive income	93 720	(63 153)	(276 621)	(139 898)
Total	**(700 839)**	**(534 191)**	**(499 279)**	**(295 783)**
Reconciliation of the tax expense				
Applicable tax rate	28.00%	28.00%	28.00%	28.00%
Adjusted for:				
• Non-deductible expenditure*	6.16%	0.74%	4.45%	0.15%
• Non-taxable income received^	(11.95%)	(7.89%)	(18.29%)	(13.97%)
• Fair value adjustments investment property	(2.91%)	(6.00%)	0.00%	(1.72%)
• Provision for impairment of investments	0.03%	(0.44%)	0.00%	0.09%
• Prior period adjustment	(0.09%)	0.97%	(0.08%)	1.38%
• Change in capital gains tax inclusion rate	12.87%	–	6.43%	–
• Deferred tax acquired	–	1.51%	–	–
• Deferred tax asset not recognised	0.82%	1.18%	–	–
• Other˜	2.33%	7.16%	2.72%	5.98%
Total	**35.26%**	**25.23%**	**23.23%**	**19.91%**

* *Relates to accounting losses on disposal/unwinding of investments.*
^ *Relates to accounting profits on disposal/unwinding of investment, dividends and realisation of other comprehensive income.*
˜ *Relates mainly to the controlled foreign company ("CFC") tax included in the tax paid for the current year.*

28. EARNINGS, HEADLINE EARNINGS AND NET ASSET VALUE PER SHARE

At 30 June 2016, the Group had 701 395 224 shares in issue after adjusting for treasury shares (refer to note 18).

The calculation of headline earnings has been performed in accordance with Circular 2/2013.

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Group is based on the following data:

Figures in R'000s	Gross	Tax effect of the adjustments
Earnings for the purpose of earnings per share	**1 387 828**	**–**
Number of shares		
Weighted average number of ordinary shares for the purpose of earnings per share	701 388 667	–
Effect of dilutive potential ordinary shares: Share options	4 029 469	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	705 418 136	–
Earnings per share (cents)		
Basic	197.87	–
Diluted	196.74	–
Headline profit for the purpose of headline earnings per share		
Total profit attributable to ordinary shareholders	**1 387 828**	**–**
Profit on disposal of associates	(116 734)	26 148
Profit on disposal of other investments	(30 862)	6 913
Profit on disposal of investment property	(836)	187
Impairment of associates and other investments	53 880	(12 069)
Impairment of goodwill	–	–
Fair value adjustments	(1 041 553)	231 491
Net income from associates	(35 099)	7 862
Realisation of other comprehensive income	(507 524)	113 685
Loss on disposal of subsidiary	6 033	(1 351)
Impairment of intangible asset	11 960	(3 349)
Headline profit for the purpose of basic and diluted headline profit per share	**(272 907)**	**369 517**
Number of shares		
Weighted average number of ordinary shares for the purpose of earnings per share	701 388 667	–
Effect of dilutive potential ordinary shares	4 029 469	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	705 418 136	–
Headline earnings per share (cents)		
Basic		
Diluted		
Net asset value per share (cents)		
Closing number of shares (adjusted for treasury shares)		
Net asset value (adjusted for treasury shares) per share (cents)		

* *Given the nature of the business, Attacq uses net asset value per share as its key performance measurement.*

2016			2015				
Total non-controlling interest effect of the adjustments	Net	Total	Gross	Tax effect of the adjustments	Total non-controlling interest effect of the adjustments	Net	Total
–	**1 387 828**	**1 387 828**	**978 654**	**–**	**–**	**978 654**	**978 654**
–	701 388 667	701 388 667	687 046 081	–	–	687 046 081	687 046 081
–	4 029 469	4 029 469	2 210 545	–	–	2 210 545	2 210 545
–	705 418 136	705 418 136	689 256 626	–	–	689 256 626	689 256 626
–	197.87	197.87	142.44	–	–	142.44	142.44
–	196.74	196.74	141.99	–	–	141.99	141.99
–	**1 387 828**	**1 387 828**	**978 654**	**–**	**–**	**978 654**	**978 654**
–	(90 586)	(90 586)	(89 161)	16 627	–	(72 534)	(72 534)
–	(23 949)	(23 949)	(956)	–	–	(956)	(956)
–	(649)	(649)	(29 132)	5 433	–	(23 699)	(23 699)
–	41 811	41 811	3 486	(650)	–	2 836	2 836
–	–	–	109 670	(20 451)	–	89 219	89 219
(12 272)	(822 334)	(822 334)	(1 114 224)	207 780	(1 371)	(907 815)	(907 815)
–	(27 237)	(27 237)	(50 568)	9 430	(9 976)	(51 114)	(51 114)
–	(393 839)	(393 839)	–	–	–	–	–
–	4 682	4 682	–	–	–	–	–
–	8 611	8 611	–	–	–	–	–
(12 272)	**84 338**	**84 338**	**(192 231)**	**218 169**	**(11 347)**	**14 591**	**14 591**
–	701 388 667	701 388 667	687 046 081	–	–	687 046 081	687 046 081
–	4 029 469	4 029 469	2 210 545	–	–	2 210 545	2 210 545
–	705 418 136	705 418 136	689 256 626	–	–	689 256 626	689 256 626
	12.02	12.02				2.12	2.12
	11.96	11.96				2.12	2.12
		701 395 224					700 995 224
		1 923					1 706

29. CASH FLOW FROM OPERATING ACTIVITIES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Profit before taxation and other comprehensive income	1 987 847	2 117 185	2 149 295	1 485 461
Adjusted for:				
Interest income	(182 944)	(113 887)	(158 131)	(185 257)
Dividend income	(52 841)	(28 644)	(612 695)	(745 140)
Finance costs	839 975	685 872	66 353	76 724
Depreciation	5 052	4 106	21	1 709
Amortisation of intangible asset	19 964	20 303	–	–
Impairment of intangible asset	11 960	–	–	–
Other non-cash movements	–	(2 012)	–	3 983
Profit on disposal of other investments	(30 862)	(956)	(33 296)	–
Profit on disposal of associate	(116 734)	(89 161)	(1 149)	(1 373)
Net profit on disposal of investment properties	(836)	(29 132)	(4 894)	–
Loss on disposal of subsidiaries	6 033	–	82 132	–
Gain on available-for-sale financial assets	191 711	–	(592 381)	(98 545)
Reversal of impairment loss – other investments	–	(100)	–	(16 526)
Impairment loss (Reversal of impairment loss – associates)	80 310	–	–	31 075
(Reversal of impairment loss) Impairment loss – subsidiaries	–	–	(38 656)	143 255
Fair value adjustment to other investments	219	(597 410)	120	(303 593)
Fair value adjustment to investment properties	(1 074 224)	(1 110 711)	(9 811)	(21 649)
Fair value adjustment to other financial instruments	32 452	(68 089)	(610)	(4 356)
Fair value adjustments on investments in associates	–	–	–	58 044
Fair value adjustments on investments in subsidiaries	–	–	–	(464 606)
Realisation of available-for-sale financial assets	(507 524)	–	(684 901)	98 545
Straight-line rental adjustment	(148 362)	(172 600)	4 738	10 516
Deferred initial lease expenditure	3 786	804	1 097	444
Write-off of loans to associates	5 294	10 851	–	10 855
Reversal of impairments	(30 145)	-	(39 818)	–
Equity income from associates	(35 098)	(50 568)	–	–
Movement in provisions	(100)	–	–	–
Movement in provision for liabilities relating to associates	(1 579)	(7 265)	(1 579)	(7 265)
Impairment of goodwill	–	109 670	–	–
Share-based payments	16 053	7 042	–	–
Foreign currency translation effect	(209 245)	(65 619)	(209 032)	(53 295)
Cash generated from (utilised in) operations before working capital changes	**810 162**	**619 679**	**(83 197)**	**19 006**
Changes in working capital:				
(Increase) decrease in accounts receivable	(67 495)	(55 782)	34	(1 774)
Increase (decrease) in accounts payable	95 026	86 676	(7 687)	(12 443)
Total	**837 693**	**650 573**	**(90 850)**	**4 789**

30. OPERATING LEASE RECEIVABLES

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Value of minimum lease payments receivable				
• Within one year	932 313	1 011 725	–	24 191
• In the second to fifth year inclusive	4 666 510	4 068 600	–	82 486
• Later than five years	4 936 779	3 102 728	–	15 076
Total	**10 535 602**	**8 183 053**	**–**	**121 753**

Lease agreements are entered into with tenants on variable terms depending on the location and nature of the lettable area. The lease terms for office and industrial buildings are generally longer than for retail outlets.

31. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Executive Directors				
MC Wilken				
• Basic salary	3 560	3 121	3 560	956
• Bonus	2 479	3 188	2 479	1 125
• Pension fund contributions	37	–	37	–
• Benefits	266	417	266	95
Total	**6 342**	**6 726**	**6 342**	**2 176**
M Hamman				
• Basic salary	2 440	2 100	2 440	667
• Bonus	1 558	2 196	1 558	775
• Pension fund contributions	25	–	25	–
• Benefits	83	86	83	33
Total	**4 106**	**4 382**	**4 106**	**1 475**
LLS van der Watt				
• Basic salary	–	659	–	659
• Bonus	–	220	–	220
• Benefits	–	22	–	22
Total	**–**	**901**	**–**	**901**
Total	**10 448**	**12 009**	**10 448**	**4 552**

The above are all short-term benefits.

LLS van der Watt served as Executive Director until 30 June 2015. Attacq Limited paid a third of his executive remuneration. Effectively 1 July 2015, he served as Non-Executive Director on the Board.

31. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Key management and prescribed officers				
Prescribed officer A				
• Basic salary	800	626	800	209
• Bonus	167	157	167	156
• Pension fund contributions	8	–	8	–
• Benefits	46	49	46	16
Subtotal	**1 021**	**832**	**1 021**	**381**
Prescribed officer B				
• Basic salary	1 185	1 104	1 185	368
• Bonus	255	–	255	–
• Pension fund contributions	13	–	13	–
• Benefits	180	165	180	52
Subtotal	**1 633**	**1 269**	**1 633**	**420**
Prescribed officer C				
• Basic salary	1 418	1 238	1 418	338
• Bonus	615	–	615	–
• Pension fund contributions	14	–	14	–
• Benefits	105	70	105	23
Subtotal	**2 152**	**1 308**	**2 152**	**361**
Prescribed officer D				
• Basic salary	1 334	–	1 334	–
• Bonus	612	–	612	–
• Pension fund contributions	14	–	14	–
• Benefits	44	–	44	–
Subtotal	**2 004**	**–**	**2 004**	**–**
Prescribed officer E				
• Basic salary	997	–	997	–
• Bonus	–	–	–	–
• Pension fund contributions	59	–	59	–
• Benefits	48	–	48	–
Subtotal	**1 104**	**–**	**1 104**	**–**
Prescribed officer F				
• Basic salary	323	–	323	–
• Bonus	–	–	–	–
• Pension fund contributions	5	–	5	–
• Benefits	9	–	9	–
Subtotal	**337**	**–**	**337**	**–**
Total	**8 251**	**3 409**	**8 251**	**1 162**

Key management and prescribed officers were as follows:

2016
- D Theron
- P de Villiers – 1 July 2015
- W Mulder
- P McKenzie – 1 January 2016
- MW Clampett
- R Nana – 1 April 2016

2015
- W Mulder – Appointed 1 August 2014
- D Theron
- MW Clampett

31. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (CONTINUED)

During the prior year, the Group was restructured, effective 1 November 2014. From July 2014 to October 2014, the Executive Directors, prescribed officers and employees were remunerated by Attacq Limited. Effective 1 November 2014, all Executive Directors, prescribed officers and employees were remunerated from Attacq Management Services Proprietary Limited ("AMS"), a wholly owned subsidiary of Attacq Limited.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Non-Executive Directors – fees for services as Directors				
MM du Toit	316	358	316	358
PH Faure – Resigned 30 April 2016	193	340	193	340
HR El Haimer	389	342	389	342
WL Masekela – Resigned 30 November 2014	–	144	–	144
KR Moloko – Appointed 2 February 2015	387	127	387	127
BT Nagel – Appointed 1 July 2015	342	–	342	–
AW Nauta – Resigned 30 April 2016	249	418	249	418
S Shaw-Taylor	459	588	459	413
P Tredoux	467	713	467	503
JHP van der Merwe	323	251	323	251
LLS van der Watt – Appointed 1 July 2015 as Non-Executive Director	317	–	317	–
Total	**3 442**	**3 281**	**3 442**	**2 896**

PH Faure's fees were paid to Alkara 114 Proprietary Limited, BNF Investments Proprietary Limited and Mertech Investments Proprietary Limited. P Faure resigned as Director, with effect 30 April 2016.

B Nagle left the employment of Royal Bafokeng Holdings in November 2015. The fees for the period January 2016 to June 2016 were paid to him in his personal capacity.

AW Nauta resigned as Director, with effect 30 April 2016.

S Shaw-Taylor's fees were paid to him in his personal capacity.

P Tredoux's fees were paid to Tredoux Family Holdings Proprietary Limited.

JHP van der Merwe's fees were paid to Sanlam Investment Management Proprietary Limited until the period December 2015. The remainder of the fees were paid to him in his personal capacity.

LLS van der Watt served as Executive Director until 30 June 2015. Attacq Limited paid a third of his executive remuneration. Effectively 1 July 2015, he served as Non-Executive Director on the Board.

31. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (CONTINUED)

Share options granted to Executive Directors

MC Wilken
The Remuneration Committee ("Remco") approved the grant to MC Wilken consisting of 158 962 LTIs and 1 059 747 SARs, both vesting in October 2018. These grants were based on a multiple factor of 5.6 of the Guaranteed Total Package ("GTP"). These grants constitute a retrospective reward for the financial year ended 30 June 2014 and 30 June 2015, as well as a grant for the current year. The grant values of the Long-Term Incentive ("LTI") Scheme and Share Appreciation Rights ("SARs") were estimated on the NAVPS, as at June 2016 of the respective financial year. Performance conditions apply to these grants. For vesting to occur, MC Wilken has to remain employed as Executive Director. Refer to note 19.

The Board resolved in November 2012 to grant MC Wilken 2 000 000 share options that vest over a five year period in equal tranches. The first tranche vested on 30 June 2012, and the final tranche vested on 30 June 2016. For vesting to occur MC Wilken has to remain employed as Executive Director.

Each option converts into one ordinary share in Attacq Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R8.50 per share. There is no option of cash settlement.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Summary of share options granted				
Total number of options	3 219	2 000	3 219	2 000
Less number of options that have vested	(2 000)	(1 600)	(2 000)	(1 600)
Total	**1 219**	**400**	**1 219**	**400**
Reconciliation of outstanding options, not yet exercised				
Opening balance	400	400	400	400
Vested during the year	400	400	400	400
Granted during the year – LTI Schemes	159	–	159	–
Granted during the year – SARs	1 060	–	1 060	–
Exercised during the year	(400)	(400)	(400)	(400)
Total	**1 619**	**400**	**1 619**	**400**

M Hamman
Remco approved the grant to M Hamman, consisting of 106 739 LTI Schemes and 711 596 SARs, both vesting in October 2018. These grants were based on a multiple factor of 5.6 of the GTP. These grants constitute a retrospective reward for the financial year ended 30 June 2014 and 30 June 2015, as well as a grant for the current year. The grant values of the LTI Schemes and SARs were estimated on the NAVPS as at June 2016 of the respective financial year. Performance conditions apply to these grants. For vesting to occur M Hamman has to remain employed as Executive Director. Refer to note 19.

The Board resolved in August 2013 to grant M Hamman 1 200 000 share options that vest over a three year period from 30 June 2016. The options may be exercised as to 60% on 30 June 2016, 20% on 30 June 2017 and 20% on 30 June 2018. For vesting to occur, M Hamman has to remain employed as Executive Director.

Each option converts into one ordinary share in Attacq Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R9.50 per share. There is no option of cash settlement.

31. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Summary of share options				
Total number of options granted	2 019	1 200	2 019	1 200
Less number of options that have vested	(720)	–	(720)	–
Total	**1 299**	**1 200**	**1 299**	**1 200**
Reconciliation of outstanding options, not yet exercised				
Opening balance	1 200	1 200	1 200	1 200
Vested during the year	(720)	–	(720)	–
Granted during the year – LTI Schemes	107	–	107	–
Granted during the year – SARs	712	–	712	–
Exercised during the year	–	–	–	–
Total	**1 299**	**1 200**	**1 299**	**1 200**

Share options granted to prescribed officers

The Board resolved in June 2014 to grant 400 000 share options to a prescribed officer, that vest over a three year period from 30 June 2017. The options may be exercised as to 60% on 30 June 2017, 20% on 30 June 2018, and 20% on 30 June 2019. For vesting to occur, the prescribed officer has to remain in the employ of the Company.

The Board resolved in July 2014 to grant 500 000 share options to a prescribed officer that vest over a three year period from 31 July 2017. The options may be exercised as to 60% on 31 July 2017, 20% on 31 July 2018, and 20% on 31 July 2019. For vesting to occur, the prescribed officer has to remain in the employ of the Company.

Each option converts into one ordinary share in Attacq Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R15.25 per share. There is no option of cash settlement.

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Summary of share options granted				
Total number of options granted	2 592	900	2 592	900
Reconciliation of outstanding options, not yet exercised				
Opening balance	900	400	900	400
Granted during the year – Share options	–	500	–	500
Granted during the year – Retention shares	473	–	473	–
Granted during the year – LTI Schemes	164	–	164	–
Granted during the year – SARs	1 055	–	1 055	–
Total	**2 592**	**900**	**2 592**	**900**

32. COMMITMENTS

Number of shares	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.1 Shares pledged				
Shares held by Attacq Limited in MAS Real Estate Inc. were pledged as security in respect of obligations of AIH International Limited.	128 730 701	123 502 629	–	–
Total	**128 730 701**	**123 502 629**	**–**	**–**

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.2 Capital commitments				
Already contracted but not provided for				
The Waterfall lease hold and development rights relates to a minimum of 1 752 488 m² bulk of property zoned for light industrial, commercial and retail use. Current costs committed are for the installation of services on various land parcels on the Waterfall land and initial development costs.	75 157	85 708	–	–
Costs committed are for the development of the N1 Bridge and ancillary roads on Waterfall – Land Parcel 10.	2 397	125 465	–	–
Due to increased development activity and top structures reaching the completion stage on Waterfall – Land Parcel 8, the surrounding infrastructure will be developed.	49 623	43 712	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 9 referred to as the "Hilti Building". The building has been leased to Hilti and has been recognised as an investment property.	–	14 479	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 9 referred to as the "Servest Building". The building has been leased to Servest and has been recognised as an investment property.	–	12 287	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 9 referred to as the "Stryker Building". The building has been leased to Stryker and has been recognised as an investment property.	–	12 673	–	–
Development of the bulk earthworks on Waterfall – Land Parcel 10 commenced during the prior year in preparation for the construction of various retail and commercial buildings.	134 089	252 012	–	–
The Group entered into an agreement for the installation of additional capacity to the Impophoma substation on Waterfall – Land Parcel 10.	5 418	–	–	–
The Group entered into an agreement for the installation of services on Waterfall – Land Parcel 10B.	15 323	–	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Allandale Building". A portion of the building has been leased to a third party and has been recognised as an investment property.	69 771	252 504	–	–
The Group entered into an agreement to develop an office and retail centre building on Waterfall – Land Parcel 15, referred to as "Waterfall Lifestyle". The building has been leased to various third parties and has been recognised as an investment property.	–	4 544	–	–
Subtotal carried forward	**351 778**	**803 384**	**–**	**–**

32. COMMITMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.2 Capital commitments (continued)				
Already contracted but not provided for (continued)				
Subtotal brought forward	**351 778**	**803 384**	**–**	**–**
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Premier Building". The Group has an effective 50% interest in the development. The building has been leased to a third party and has been recognised as an investment property.	155	1 082	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Honda Building". The Group has an effective 50% interest in the development. A portion of the building has been leased to Honda and has been recognised as an investment property.	154	1 040	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Colgate Building". The building has been leased to Colgate and has been recognised as an investment property. The Group has an effective 50% interest in the development.	1 578	15 972	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Mac Mac House Building". The building has been leased to multiple third parties and has been recognised as an investment property. The Group has an effective 50% interest in the development.	2 338	23 181	–	–
The Group entered into an agreement for the installation of a photovoltaic solar system on "Mall of Africa". The Group has an effective 80% interest in the property.	37 244	–	–	–
The Group entered into an agreement for the installation of a photovoltaic solar system on Lynnwood Bridge Office Park Proprietary Limited.	15 700	–	–	–
The Group entered into an agreement for the installation of a photovoltaic solar system on "Brooklyn Mall". The Group has an effective 25% interest in the development.	7 253	–	–	–
The Group entered into an agreement for the development of an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Golder House Building". The building has been leased to a third party and has been recognised as an investment property.	955	–	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – Magwa House Building". The building is being developed on a speculative basis with the intention to lease it to a third party and will be recognised as an investment property. The Group has an effective 50% interest in the development.	9 862	72 415	–	–
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "Novartis Building". The building has been leased to Novartis and has been recognised as an investment property.	440	6 675	–	–
The Group entered into an agreement to develop a retail centre on Waterfall – Land Parcel 15, referred to as "Waterfall Corner". The building has been leased to multiple third parties and has been recognised as an investment property.	2 027	113	–	–
Subtotal carried forward	**429 484**	**923 862**	**–**	**–**

32. COMMITMENTS (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
32.2 Capital commitments (continued)				
Already contracted but not provided for (continued)				
Subtotal brought forward	**429 484**	**923 862**	**–**	**–**
The Group entered into an agreement to develop an office building on Waterfall – Land Parcel 10 referred to as the "PwC Tower". The building has been leased to PwC and has been recognised as an investment property. The Group has an effective 75% interest in the development.	527 830	748 337	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 8 referred to as the "Medtronic Building". The building has been leased to Medtronic and has been recognised as an investment property.	–	3 934	–	–
The Group entered into an agreement to develop a super-regional mall on Waterfall – Land Parcel 10 referred to as the "Mall of Africa". The building has been leased to various third parties and has been recognised as an investment property. The Group has an effective 80% (2015: 82%) interest in the development.	350 112	1 255 063	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 22 referred to as the "Dräger Building". The building has been leased to Dräger and has been recognised as an investment property.	–	752	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – Land Parcel 22 referred to as the "Cummins Building". The building has been leased to Cummins and has been recognised as an investment property. The Group has an effective 50% interest in the development.	–	6 989	–	–
The Group entered into an agreement for the development of an office and warehouse facility on Waterfall – Land Parcel 8 referred to as the "Torre Building". The building has been leased to Torre and has been recognised as an investment property.	37 453	–	–	–
The Group entered into an agreement for the development of a warehouse on Waterfall – Land Parcel 8 referred to as the "Dimension Data Building (previously Spec Warehouse)". The building has been leased to Dimension Data and has been recognised as an investment property.	20 646	–	–	–
The Group entered into an agreement for the development of an office building on Waterfall – Land Parcel 10 referred to as the "Gateway West Building". The building will be developed on a speculative basis with the intention to lease it to a third party and will be recognised as an investment property.	278 848	–	–	–
The Group entered into an agreement for the development of an office building on Waterfall – Land Parcel 10 referred to as the "Maxwell Office Park – ATT House Building". The building has been leased to multiple third parties and has been recognised as an investment property.	792	–	–	–
The Group entered into an agreement for the development of a communal and conference facility on Waterfall – Land Parcel 10 referred to as "PwC Annex". The building has been leased to a PwC and will be recognised as an investment property.	78 358	–	–	–
The Group entered into an agreement for the development of an office and distribution facility on Waterfall – Land Parcel 22 referred to as the "Amrod Building". The building has been leased to Amrod and has been recognised as an investment property.	97 401	–	–	–
Subtotal carried forward	**1 820 924**	**2 938 937**	**–**	**–**

32. COMMITMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.2 Capital commitments (continued)				
Already contracted but not provided for (continued)				
Subtotal brought forward	**1 820 924**	**2 938 937**	**–**	**–**
The Group entered into an agreement to develop a retail centre in Windhoek, Namibia called "The Grove". The Group has a 25% (2015: 27.5%) interest in the development.	–	10 663	–	10 663
The Group entered into an agreement to develop a retail and office centre in Johannesburg CBD, called "Newtown Junction". The development is done in two entities namely Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited. The Group has a 50% (2015: 55%) interest in the development.	–	17 657	–	–
The Group entered into an agreement to develop a hotel in Johannesburg CBD, known as "Newtown City Lodge". The Group has an effective 50% (2015: 55%) interest in the development.	–	16 884	–	–
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Eikestad and Mill Square". The Group has an 80% interest in the development. The buildings have been leased to multiple third parties and has been recognised as an investment property.	–	8 555	–	–
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Andringa Walk". The Building has been leased to multiple third parties and has been recognised as an investment property.	–	2 414	–	–
The Group entered into an agreement to further develop the retail centre in Pretoria known as "Brooklyn Mall". The Group has a 25% interest in the development. The building has been leased to multiple third parties and has been recognised as an investment property.	–	2 823	–	–
The Group entered into an agreement to add additional GLA to "Garden Route Mall" due to tenant specific requirements. The additions will be recognised as investment property.	26 892	–	–	–
The Group entered into an agreement to develop a retail centre in Pretoria known as "The Club Retail". The Group has a 0% (2015: 39%) interest in the development.	–	723	–	723
Total	**1 847 816**	**2 998 656**	**–**	**11 386**
Contingent Commitment				
Approved but not contracted for				
The Group has approved the development of an office and warehouse facility on Waterfall – Land Parcel 8. The building will be leased to a third party and will be recognised as an investment property.	–	60 759	–	–
The Group has approved the development of a warehouse on Waterfall – Land Parcel 8 referred to as the "Spec Warehouse". The building will be developed on a speculative basis with the intention to lease it to a third party and will be recognised as an investment property.	–	74 046	–	–
The Group has approved the development of a communal and conference facility on Waterfall – Land Parcel 10 referred to as "PwC Annex". The building will be leased to a third party and will be recognised as an investment property.	–	91 996	–	–
Costs committed are for the installation of additional capacity to the Impophoma substation on Waterfall – Land Parcel 10.	–	53 459	–	–
Total	**–**	**280 260**	**–**	**–**

32. COMMITMENTS (CONTINUED)

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
32.3 Contingent commitments				
Sureties provided				
Surety in respect of loan funds advanced by Investec Bank to Atterbury Property Developments Proprietary Limited for acquisition and development of "Beau Rivage".	–	7 000	–	7 000
Surety in respect of loan funds advanced by Standard Bank to Attacq Waterfall Investment Company Proprietary Limited for the installation of services in relation to Land Parcel 8 at Waterfall Midrand.	77 800	77 800	77 800	77 800
Surety in respect of funds advanced by Nedbank to Key Capital Property Holdings Proprietary Limited for the development taking place in Stellenbosch.	20 000	–	20 000	–
Surety in respect of loan funds advanced by Nedbank to Nieuwtown Property Development Company Proprietary Limited for the development of Newtown Junction.	250 000	250 000	250 000	250 000
Surety in respect of loan funds advanced by Nedbank to Nieuwtown Property Development Company Proprietary Limited for the development of Newtown City Lodge.	36 000	36 000	36 000	36 000
Surety in respect of loan funds advanced by Nedbank to Attacq Waterfall Investment Company in respect of the service installation for Waterfall Land Parcel 22.	20 000	20 000	20 000	20 000
Surety in respect of loan funds advanced by Investec Bank to Geelhoutboom Estate Proprietary Limited.	29 000	29 000	29 000	29 000
Surety in respect of loan funds advanced by Investec Bank to Brooklyn Bridge Office Park Proprietary Limited in respect of the investment property known as Brooklyn Bridge Office Park.	140 000	140 000	140 000	140 000
Surety in respect of loan funds advanced by Nedbank to The Club Retail Park Proprietary Limited in respect of the mixed-use development known as Club, Hazelwood.	19 530	19 530	19 530	19 530
Surety in respect of funds advanced by Nedbank to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	296 300	296 300	296 300
Surety in respect of funds advanced by Absa to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	296 300	296 300	296 300
Surety in respect of funds advanced by Standard Bank to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	296 300	296 300	296 300
Surety in respect of funds advanced by Nedbank to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq Retail Fund portfolio.	787 700	787 700	787 700	787 700
Surety in respect of funds advanced by Absa to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq Retail Fund portfolio.	787 700	787 700	787 700	787 700
Surety in respect of funds advanced by Standard Bank to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq Retail Fund portfolio.	787 700	787 700	787 700	787 700
Surety in respect of funds advanced by Rand Merchant Bank for the purchase of the Aurecon building in Pretoria by Lynnaur Investments Proprietary Limited.	155 000	155 000	155 000	155 000
Subtotal carried forward	**3 999 330**	**3 986 330**	**3 999 330**	**3 986 330**

32. COMMITMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.3 Contingent commitments (continued)				
Sureties provided (continued)				
Subtotal brought forward	**3 999 330**	**3 986 330**	**3 999 330**	**3 986 330**
Surety in respect of funds advanced by Investec Bank to Sinco Investments Six for Grove Mall of Namibia Proprietary Limited for the development of The Mall of Namibia.	200 000	200 000	200 000	200 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 10 (ATT House and Golder buildings).	32 000	32 000	32 000	32 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 10 (Colgate and Spec building) in Midrand.	20 100	26 000	20 100	26 000
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 9 (Servest building) in Midrand.	18 190	18 190	18 190	18 190
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 9 (Stryker building) in Midrand.	41 874	41 874	41 874	41 874
Surety in respect of funds advanced by Rand Merchant Bank for the development of Waterfall Land Parcel 9, Land Parcel 10 and Land Parcel 22 (Angel Shack, Novartis and Westcon buildings) in Midrand.	126 360	126 360	126 360	126 360
Surety in respect of funds advanced by Rand Merchant Bank for the infrastructure land loan situated on Waterfall Land Parcel 9 in Midrand.	16 200	–	16 200	–
Surety in respect of funds advanced by Standard Bank for the development of the Altech building situated on Waterfall Land Parcel 20 in Midrand.	10 000	10 000	10 000	10 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 15 (Group Five Building) in Midrand.	110 000	110 000	110 000	110 000
Surety in respect of funds advanced by Rand Merchant Bank for the development of Waterfall Land Parcel 22 (Cummins Building) in Midrand.	56 500	–	56 500	–
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 8 (Medtronic building) in Midrand.	15 390	15 390	15 390	15 390
Surety in respect of funds advanced by Nedbank for the funding of Kompasbaai Property Development Proprietary Limited.	3 333	3 333	3 333	3 333
Surety in respect of funds advanced by Standard Bank for the infrastructure service cost for Waterfall Land Parcel 10 in Midrand.	300 600	300 600	300 600	300 600
Surety in respect of funds advanced by Sanlam Capital Markets Limited and Sanlam Credit Conduit Proprietary Limited for the funding of the Massbuild DC situated on Waterfall Land Parcel 8 in Midrand.	40 000	32 000	40 000	32 000
Surety in respect of a working capital facility in Attacq Waterfall Investment Company Proprietary Limited.	65 500	–	65 500	–
Subtotal carried forward	**5 055 377**	**4 902 077**	**5 055 377**	**4 902 077**

32. COMMITMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.3 Contingent commitments (continued)				
Sureties provided (continued)				
Subtotal brought forward	**5 055 377**	**4 902 077**	**5 055 377**	**4 902 077**
Surety in respect of funds advanced by Investec for Grove Mall of Namibia Proprietary Limited for the development of The Mall of Namibia.	25 000	–	25 000	–
Surety in respect of a swap entered into with Nedbank for the development of Waterfall Land Parcel 9 (Hilti Building).	3 568	–	3 568	–
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 9 (Hilti Building).	35 675	–	35 675	–
Surety in respect of a swap entered into with Nedbank for the development of Waterfall Land Parcel 9 (Stryker Building).	4 187	–	4 187	–
Surety in respect of a swap entered into with Nedbank for the development of Waterfall Land Parcel 10 (PwC Tower Building).	114 000	–	114 000	–
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 10 (PwC Tower Building).	1 075 698	–	1 075 698	–
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 10 (PwC Tower Annex Building).	121 545	–	121 545	–
Surety in respect of a swap entered into with Nedbank for the development of Waterfall Land Parcel 10 (PwC Tower Annex Building).	11 500	–	11 500	–
The Group provided a rental guarantee to Leaf Capital regarding the 50% undivided share sold in Great Westerford. The guarantee is valid for three years ending February 2016 on 7 049 m^2 of office space as well as parking bays.	–	1 677	–	1 677
Causa surety by Attacq Waterfall Investment Company Proprietary Limited ("AWIC") in respect of funds advanced by Standard Bank to The Moolman Group for the development of Maxwell Office Park situated on Land Parcel 10 (Jukskei view ext 83). *Causa* surety for the mortgage bond registered over the joint lease with The Moolman Group in respect of Jukskei view ext 83.	301 800	223 136	–	–
Causa surety by AWIC in respect of funds advanced by Standard Bank to The Moolman Group for the development of the Altech Building situated on Land Parcel 20. *Causa* surety for the mortgage bond registered over the joint lease with The Moolman Group in respect of Erf 3540 Jukskei view ext 7.	29 200	29 200	–	–
Surety in respect of funds advanced by Nedbank for the development of Waterfall Corner Retail situated on Waterfall Land Parcel 15.	54 000	54 000	54 000	54 000
Surety in respect of funds advanced by Nedbank to Attacq Waterfall Investment Company Proprietary Limited for the development of Mall of Africa situated on Waterfall Land Parcel 10.	336 800	700 000	336 800	700 000
Surety in respect of funds advanced by Standard Bank to AWIC for the development of City Lodge situated on Waterfall Land Parcel 10.	20 000	20 000	20 000	20 000
Subtotal carried forward	**7 188 350**	**5 930 090**	**6 857 350**	**5 677 754**

32. COMMITMENTS (CONTINUED)

Figures in R'000s	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
32.3 Contingent commitments (continued)				
Sureties provided (continued)				
Subtotal brought forward	**7 188 350**	**5 930 090**	**6 857 350**	**5 677 754**
Surety in respect of a bridging facility advanced by Standard Bank to AWIC for the development of City Lodge situated on Waterfall Land Parcel 10.	19 148	19 148	19 148	19 148
Surety in respect of a swap entered into with Sanlam for the development of Waterfall Land Parcel 9 (Dimension Data Building).	59 070	–	59 070	–
Surety in respect of a swap entered into with Standard Bank for the development of Waterfall Land Parcel 10 (Allandale Building).	255 000	–	255 000	–
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 10 (Magwa House Buildings).	74 000	–	74 000	–
Surety in respect of a swap entered into with Bank of China for the development of Waterfall Land Parcel 8 (Torre Building).	15 000	–	15 000	–
Surety in respect of a swap entered into with Rand Merchant Bank for the development of Waterfall Land Parcel 22 (Amrod Building)	264 000	–	264 000	–
Surety in respect of funds advanced by Standard Bank to AWIC for the development of Premier Foods and Honda situated on Waterfall Land Parcel 10.	14 500	14 500	14 500	14 500
Surety in respect of funds advanced by Nedbank to AWIC for the development of Medtronic situated on Waterfall Land Parcel 8.	16 916	–	16 916	–
Surety in respect of the US dollar facility advanced by Standard Bank Limited for the obligations of AIH International Limited.	885 600	612 000	885 600	612 000
Surety in respect of the euro facility advanced by Standard Bank Limited for the obligations of AIH International Limited.	344 610	–	344 610	–
Surety in respect of funds advanced by Sanlam Capital Markets Limited to Attacq Waterfall Investment Company for the development of Waterfall Lifestyle situated on Waterfall Land Parcel 15.	48 000	48 000	48 000	48 000
Surety in respect of funds advanced by Sanlam Capital Markets Limited to AWIC for the development of Dräger situated on Waterfall Land Parcel 22.	6 000	6 000	6 000	6 000
Causa surety provided by AWIC in respect of funds advanced by Nedbank to Attacq for the development of the Cell C Campus on Waterfall Land Parcel 21.	600 000	600 000	–	–
Surety in respect of funds advanced by Standard Bank to Lord Charles and Lady Brooks Office Park Proprietary Limited for the commitments of Lord Charles and Lady Brooks Office Park Proprietary Limited.	–	35 000	–	35 000
Surety in respect of funds advanced by Investec Bank to AWIC for the refinancing of the PwC Building in Sunninghill.	200 000	200 000	200 000	200 000
Total	**9 990 194**	**7 464 738**	**9 059 194**	**6 612 402**

33. SUBSEQUENT EVENTS

Disposal of eight industrial properties to Equites Property Fund Limited

Equites Property Fund Limited ("Equites") and the Group (through wholly owned subsidiary Attacq Waterfall Investment Company Proprietary Limited ("AWIC")), have agreed to establish a Joint Venture in respect of a portfolio of eight industrial properties at Waterfall with effect from 1 July 2016.

Equites will subscribe for an 80% shareholding in a Special Purpose Vehicle ("SPV") that owns the portfolio. The Group will hold the remaining 20%.

Net proceeds from this transaction amounted to R292.7 million.

The Joint Venture forges a strategic partnership between Equites and the Group for the purposes of jointly pursuing opportunities in the industrial property sector in and outside of South Africa. The Group and Equites will be able to pursue and unlock certain greenfield developments around South Africa, which is consistent with the Group value proposition of developing properties as part of its strategy of being a capital growth fund to earn development profits. Furthermore, Equites as a specialised industrial property fund, has industrial property development skills and established relationships with industrial lessees which can provide further development opportunities for Waterfall's vast industrial node.

While this portfolio represents the majority of the Group's current completed industrial properties, the remaining industrial development bulk in Waterfall as well as a number of industrial properties which are currently under construction and are due for completion shortly, will restore the Group's exposure to this property sector.

The transaction allows the Group to continue in the upside of this high-quality industrial portfolio through the Joint Venture and providing the required property management services, while releasing some capital which will be redeployed in higher yielding development and investment opportunities that are available to the Group.

Waterfall Land Parcel 24 and Land Parcel 3 (Joint Venture with Sanlam)

The Group entered into a Joint Venture arrangement with Sanlam Properties, a division of Santam Life Insurance Limited, whereby the Group disposed of Waterfall land for an interest in a Joint Venture. Please refer to non-current assets held for sale for more information (Refer to note 17).

Further investment into Atterbury Serbia

On 12 August 2016, the Group invested a further €6.6 million (R100.3 million) into Atterbury Serbia in order for Atterbury Serbia to increase its shareholding in BreAtt from 33.0% to 50.0%. Please refer to investment in Serbia under acquisitions for more information.

Sale of 20.0% undivided share in Andringa Walk

The Group entered into a sale agreement with Key Capital Holdings Proprietary Limited, in which it intends to sell a 20.0% undivided share in Andringa Walk for an amount of R37.0 million. The effective date of the sale transaction is 1 July 2016. Please refer to non-current assets held for sale for more information.

Apart from the matter as described above, the Directors are not aware of any matter or circumstance arising since the end of the financial year up to the date of this report, that warrants disclosure in these financial statements.

34. RELATED PARTIES

Related parties are defined as those entities with which the Company transacted during the year, and in which the following relationship(s) exist:

Direct subsidiaries

AIH International Limited
Aldabri 96 Proprietary Limited (Disposed 14 October 2015)
Attacq Energy Proprietary Limited
Attacq Namco Proprietary Limited
Attacq Management Services Proprietary Limited
Attacq Retail Fund Proprietary Limited
Attacq Waterfall Investment Company Proprietary Limited
Atterbury Attfund Investment Company No 1 Proprietary Limited (Deregistered on 16 September 2015)
Atterbury Attfund Investment Company No 2 Proprietary Limited (Deregistered on 28 October 2015)
Atterbury Attfund Investment Company No 3 Proprietary Limited (Deregistered on 16 September 2015)
Atterbury Mauritius Consortium Proprietary Limited (Disposed on 10 February 2016)
Atterbury Property Investments Proprietary Limited (Deregistered on 9 January 2015)
Atterbury Property Holdings Proprietary Limited (Disposed on 30 June 2016)
Brooklyn Bridge Office Park Proprietary Limited
Harlequin Duck Properties 204 Proprietary Limited
Highgrove Property Holdings Proprietary Limited (Deregistration filed 30 June 2016)
Design Square Shopping Centre Proprietary Limited (Deregistration filed 30 June 2016)
Lady Brooks Proprietary Limited (Disposed on 29 February 2016)
Le Chateau Property Development Proprietary Limited
Leipzig Nova Eventis Consortium Proprietary Limited
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited (Deregistered on 11 May 2016)
Lynnaur Investments Proprietary Limited
Lynnwood Bridge Office Park Proprietary Limited
Mantrablox Proprietary Limited
Razorbill Properties 91 Proprietary Limited
Majestic Offices Proprietary Limited
Nieuwtown Property Development Company Proprietary Limited

Indirect subsidiaries

AIHI Ikeja Limited
Adamax Proprietary Limited
Attacq Retail Services Proprietary Limited
Attacq Group ESD Proprietary Limited
Micawber 832 Proprietary Limited

Direct associates

AttAfrica SA Proprietary Limited
Atterbury Property Holdings Proprietary Limited and its subsidiaries and associates (Disposed of on 30 June 2016).
fatti 365 Proprietary Limited
fatti Attacq Proprietary Limited
Fountains Regional Mall Proprietary Limited
Geelhoutboom Estate Proprietary Limited
MAS Real Estate Inc.
Kompasbaai Property Development Proprietary Limited
Retail Africa Consortium Holdings Proprietary Limited (Disposed during the 2015 financial year)
Retail Africa Wingspan Investments Proprietary Limited
The Club Retail Park Proprietary Limited
The Grove Mall of Namibia Proprietary Limited
Travenna Development Company Proprietary Limited

34. RELATED PARTIES (CONTINUED)

Indirect associates

Africa Land Investment Limited (Disposed during the 2015 financial year)
Artisan Development Partners Limited
Artisan Southport Limited
AttAfrica Limited
Atterbury Pemba Property Holdings Limited
Bagaprop Limited (Disposed during the 2016 financial year)
Atterbury Serbia BV
Atterbury Cyprus Limited
Bishopsgate Student Residential Limited
Mall of Mauritius at Bagatelle Limited (Disposed during the 2016 financial year)
Gruppo Investment Nigeria Limited

Directors

P Tredoux#* (Chairperson)
MC Wilken (CEO)
M Hamman (CFO)
MM du Toit#*
HR El Haimer#*
PH Faure* (Resigned 30 April 2016)
BT Nagle#* (Became independent 1 February 2016)
KR Moloko#*
AW Nauta#* (Resigned 30 April 2016)
S Shaw-Taylor#*
JHP van der Merwe#* (Became independent 1 February 2016)
LLS van der Watt*

Independent
* *Non-executive*

Management

Management and prescribed officers

2016

- D Theron
- W Mulder
- MW Clampett
- P de Villiers (Appointed 1 July 2015)
- P McKenzie (Appointed 1 January 2016)
- R Nana (Appointed 1 April 2016)

2015

- D Theron
- W Mulder (Appointed 1 August 2014)
- MW Clampett

MooiRivier Mall – Potchefstroom

34. RELATED PARTIES (CONTINUED)

Figures in R'000s	Shares issued/buy-back/sold/(purchased)	Sales and services to (Purchases and services from)
GROUP		
Attacq Group ESD Proprietary Limited	–	–
Atterbury Asset Managers Proprietary Limited	–	(5 976)
AttAfrica Limited	–	–
Atterbury Serbia BV	38	–
Atterbury Cyprus Limited	7	–
Atterbury Pemba Property Holdings Limited	–	–
Atterbury Property Developments Proprietary Limited	–	–
Atterbury Property Holdings Proprietary Limited	90 000	–
Atterbury Property Fund Proprietary Limited	–	–
Atterbury Trust	–	–
Artisan Development Partners Limited	15 275	–
Artisan Southport Limited	11 470	–
Bishopsgate Student Residential Limited	–	–
fatti 365 Proprietary Limited	–	–
fatti Attacq Proprietary Limited	–	–
Fountains Regional Mall Proprietary Limited	–	–
Gruppo Investment Nigeria Limited	152 403	–
Lynnwood Bridge Home Owners Association	–	98
Mall of Mauritius at Bagatelle Limited	–	–
MAS Real Estate Inc.	(295 440)	–
MAS Mezzi Limited	–	–
Micawber 832 Proprietary Limited	–	–
Leipzig Nova Eventis Consortium Proprietary Limited	–	–
Kompasbaai Property Development Proprietary Limited	–	–
Retail Africa Wingspan Investments Proprietary Limited	–	–
Retail Africa Consortium Holdings Proprietary Limited	–	–
The Club Retail Park Proprietary Limited	2 221	–
The Grove Mall of Namibia Proprietary Limited	120 563	–
Non-Executive Directors' remuneration (Refer to note 31)	–	3 442
Executive Directors' remuneration (Refer to note 31)	–	10 448
Prescribed Officer remuneration (Refer to note 31)	–	8 251
Total	**96 537**	**16 263**

2016			2015				
Dividends received from	Interest received from (paid to)	Balances owing by (to) – net of impairment	Shares issued/buy-back/sold/ (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) – net of impairment
–	–	–	–	2 120	–	–	–
–	–	–	–	(9 260)	–	–	–
–	34 016	877 374	–	–	–	36 895	600 782
–	9 702	366 450	–	–	–	–	–
–	38 503	803 951	–	–	–	–	–
–	3 625	46 267	–	–	–	2 254	35 415
–	421	2 212	–	(72 474)	–	(8 953)	(110 041)
–	5 408	(52 532)	79 367	(13 469)	11 392	17 225	377 409
–	–	106 598	–	–	–	–	–
–	–	–	–	594	–	–	–
–	–	25 619	–	–	–	–	–
–	–	–					
–	–	–	–	–	–	–	–
–	362	5 874	–	–	–	125	1 395
–	651	10 480	–	–	–	–	1 635
–	–	1 820	–	–	–	–	1 826
–	22 261	203 242	–	–	–	–	–
–	–	–	–	(599)	–	–	–
–	–	–	–	–	–	–	13 414
101 164	–	–	–	–	–	–	359 361
–	(6 047)	–	–	–	–	–	–
–	–	–	(71 670)	–	–	–	–
17 995	–	–	–	–	13 687	–	–
–	2	471	–	–	–	–	465
21 351	–	–	–	–	–	–	–
–	–	–	–	–	95	–	–
11 609	4 147	55 106	–	–	–	1 588	39 210
–	–	32 810	–	–	–	–	60 310
–	–	–	–	3 281	–	–	(127)
–	–	–	–	12 009	–	–	–
–	–	–	–	3 409	–	–	–
152 119	**113 051**	**2 485 742**	**7 697**	**(74 389)**	**25 174**	**49 134**	**1 381 054**

34. RELATED PARTIES (CONTINUED)

Figures in R'000s	Shares issued/buy-back/sold/(purchased)	Sales and services to (Purchases and services from)
COMPANY		
AIH International Proprietary Limited	–	–
Aldabri 96 Proprietary Limited	256	–
Attacq Energy Proprietary Limited	–	–
Attacq Namco Proprietary Limited	(120 563)	–
Attacq Retail Fund Proprietary Limited	–	–
Attacq Retail Services Proprietary Limited	–	–
Attacq Management Services Proprietary Limited	10 094	(8 866)
Attacq Waterfall Investment Company Proprietary Limited	–	5 089
Atterbury Asset Managers Proprietary Limited	–	–
Atterbury Attfund Investment Company 1 Proprietary Limited	–	–
Atterbury Attfund Investment Company 2 Proprietary Limited	–	–
Atterbury Attfund Investment Company 3 Proprietary Limited	–	–
Atterbury Mauritius Consortium Proprietary Limited	200 890	–
Atterbury Property Developments Proprietary Limited	–	–
Atterbury Property Holdings Proprietary Limited	90 000	–
Atterbury Property One Proprietary Limited	–	–
Brooklyn Bridge Office Park Proprietary Limited	–	–
Design Square Shopping Centre Proprietary Limited	–	–
fatti Attacq Proprietary Limited	–	–
fatti 365 Proprietary Limited	–	–
Fountains Regional Mall Proprietary Limited	–	–
Harlequin Duck Properties 204 Proprietary Limited	–	–
Highgrove Property Holdings Proprietary Limited	75 843	–
Lord Charles and Lady Brooks Proprietary Limited	–	–
Leipzig Nova Eventis Consortium Proprietary Limited	–	–
Le Chateau Property Development Proprietary Limited	–	–
Lynnaur Investments Proprietary Limited	–	–
Lynnwood Bridge Office Park Proprietary Limited	–	12 590
Majestic Offices Proprietary Limited	–	–
Subtotal carried forward	**256 520**	**8 813**

2016			2015				
Dividends received from	Interest received from (paid to)	Balances owing by (to) – net of impairment	Shares issued/buy-back/sold/(purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) – net of impairment
–	58 572	1 416 271	–	–	–	30 996	414 676
255	–	–	–	–	–	–	(221)
–	–	12 557	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	290 045	(149 857)	–	–	–	199 738
–	–	–	–	8	–	–	32
–	–	37 735	–	18 865	–	–	67 526
–	46 989	2 753 297	(1 081 457)	1 265	329 338	94 618	2 162 138
–	–		–	–	–	–	(320)
–	–	–	–	–	54 013	–	–
–	–	–	–	–	93	–	–
–	–	–	–	–	42 296	–	–
368 858	–	–	–	–	–	–	298 130
–	421	4 459	–	4 530	–	309	4 039
–	5 408	54 194	79 367	550	11 392	11 758	87 472
–	–	–	–	88	–	–	–
–	–	16 361	–	240	–	–	17 886
–	–	–	–	–	–	–	(141 501)
–	651	10 480	–	–	–	–	1 635
–	362	5 874	–	–	–	125	1 395
–	–	1 820	–	–	–	–	1 826
–	–	(1 541)	–	–	–	–	(2 156)
91 410	–	–	–	–	–	–	50 388
–	–	–	–	–	47 042	–	–
17 995	–	74 263	–	–	13 687	–	66 421
–	–	1 629	–	–	–	–	14 755
–	–	(7 425)	(50 041)	1 827	–	–	(8 063)
–	–	100 942	(256 629)	6 811	–	–	122 915
–	(73)	–	–	–	–	79	1 705
478 518	**112 330**	**4 770 961**	**(1 458 617)**	**34 184**	**497 861**	**137 885**	**3 360 416**

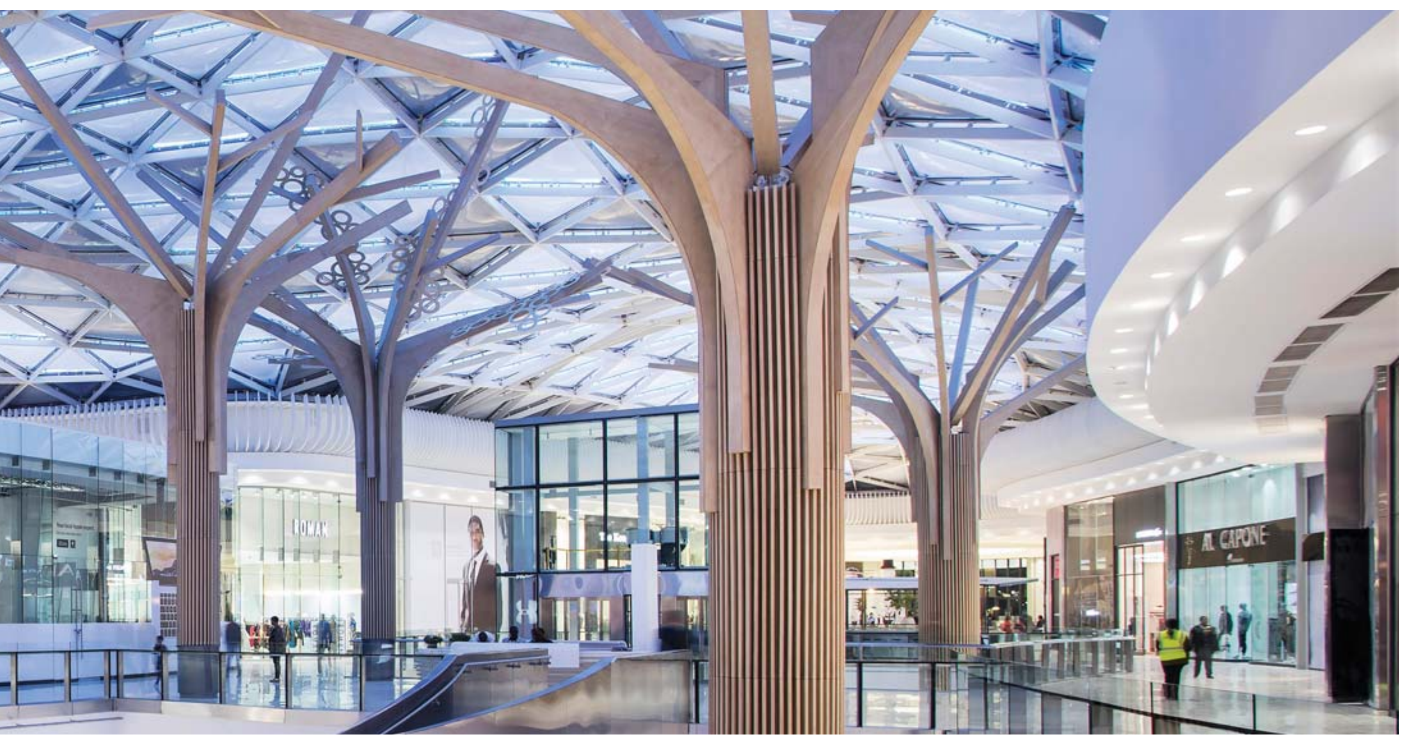
34. RELATED PARTIES (CONTINUED)

Figures in R'000s	Shares issued/buy-back/sold/(purchased)	Sales and services to (Purchases and services from)
COMPANY		
Subtotal brought forward	**76 520**	**8 813**
Mantrablox Proprietary Limited	–	–
MAS Real Estate Inc.	(295 440)	–
Nieuwtown Property Development Company Proprietary Limited	–	–
Kompasbaai Property Development Proprietary Limited	–	–
Retail Africa Wingspan Investments Proprietary Limited	–	–
Razorbill Properties 91 Proprietary Limited	–	–
Retail Africa Consortium Holdings Proprietary Limited	–	–
The Grove Mall of Namibia Proprietary Limited	120 563	–
The Club Retail Park Proprietary Limited	2 221	–
Travenna Development Company Proprietary Limited	–	–
Non-Executive Directors' remuneration (Refer to note 31)	–	3 442
Executive Directors' remuneration (Refer to note 31)	–	10 448
Prescribed Officer remuneration (Refer to note 31)	–	8 251
Total	**83 864**	**30 954**

All transactions between related parties during the year were at arm's length.

Mall of Africa – Waterfall City

2016			2015				
Dividends received from	Interest received from	Balances owing by (to) – net of impairment	Shares issued/buy-back/sold/ (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) – net of impairment
478 518	**112 330**	**4 770 961**	**(1 458 617)**	**34 184**	**497 861**	**137 885**	**3 360 416**
–	–	–	–	–	128 404	–	–
101 164	–	–	–	–	42 539	–	359 361
–	29 889	321 505	–	–	–	17 170	249 566
–	2	471	–	–	–	–	465
21 351	–	–	–	–	–	–	–
–	–	85 416	–	–	–	–	85 417
–	–	–	–	–	95	–	–
–	–	32 810	–	–	–	–	60 310
11 609	4 147	55 106	–	–	–	1 588	39 210
–	–	(2 880)	–	–	72 399	–	–
–	–	–	–	2 896	–	–	–
–	–	–	–	4 552	–	–	–
–	–	–	–	1 162	–	–	–
612 642	**146 368**	**5 263 389**	**(1 458 617)**	**42 794**	**741 298**	**156 643**	**4 154 745**



35. RISK MANAGEMENT

Changing market conditions expose the Group to various financial risks, including interest rate, credit, and liquidity risks.

Although the Group does not trade in financial instruments for speculative purposes, it does utilise derivative instruments to manage exposure to some of these risks.

The Group finances its operations through a mixture of retained profits, bank borrowings and long-term borrowings.

There have been no significant changes during the year to the types of financial risks the Group is exposed to nor to the measurement and management of these risks.

The Board, through the Audit and Risk Committee, is responsible for the Group risk management.

The duties mandated by the Board relating to the Audit and Risk Committee are detailed in the Report of the Audit and Risk Committee.

The Investment Committee meets frequently to consider new opportunities for the Group, including credit and interest risk relating to such opportunities and related financing structures.

Interest rate swap derivative

The Group has entered into interest rate swap contracts that entitle, or obligate it to receive interest at a fixed rate on notional principal amounts and entitle or obligate it to pay interest at a variable rate on the same notional principal amounts. Under these agreements the Group agrees with the counter party to exchange at pre-determined intervals the difference between the fixed and variable interest amounts calculated on the notional principal amounts.

The interest rate swap derivatives has been valued using a market quoted swap curve as at 30 June 2016. This is consistent with the prior year.

The interest rate swap have been recognised in terms of *IAS 39: Financial Instruments: Recognition and Measurement,* which requires that interest rate swaps be fair valued and marked to mark at each reporting date.

Interest rate swaps exposed to credit risk as at 30 June 2016 are detailed in note 13.

Interest rate risk

The Group's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit and loss.

The Group makes use of interest rate derivatives and fixed rate borrowings to hedge its exposure to interest rate fluctuations. Refer to note 13 and 20.

To hedge the fair value risk of fixed interest liabilities, the Group uses interest rate swaps and fixes, thus hedging the fair value of the financial liabilities.

It is the policy of the Group to enter into interest rate swap and fixed interest rate agreements with financial institutions to the extent that not less than 70% of its mortgaged liabilities are held at fixed interest rates (refer to note 20). At 30 June 2016, 81% (30 June 2015: 77%) of borrowings were hedged and fixed.

The Group's exposure to fair value interest rate risk and cash flow risk can be summarised as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Borrowings				
Bank borrowings at fixed rates and hedged	9 285 136	7 705 758	495 473	–
Bank borrowings at variable rates	2 172 384	1 484 423	16 931	348 200
Bank overdraft	–	19 349	–	19 349
Loans at variable rates	109 400	113 258	–	1 128
Interest rate swaps linked to JIBAR and prime rates (at fair value)	50 705	28 086	968	3 270
Total	**11 617 625**	**9 350 874**	**513 372**	**371 947**
The estimated impact of a 100 basis points increase in interest rates would have the following before tax impact on the profits of the Group.	23 325	16 451	179	3 719

35. RISK MANAGEMENT (CONTINUED)

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 adequate funds are available to meet its expected and unexpected financial commitments through surplus funds deposited at financial institutions and undrawn borrowing facilities. In some cases, certain short-term liabilities will be settled as part of predetermined approved structured deals.

The Group's contractual maturity on non-derivative financial liabilities, based on undiscounted cash flows at year end are as follows:

	GROUP		COMPANY	
Figures in R'000s	2016	2015	2016	2015
Less than 1 year				
Long-term borrowings	265 276	326 329	17 326	22 544
Other financial liabilities	109 400	113 258	–	1 128
Trade and other payables	557 662	462 636	16 789	24 476
Loans from associates	2 880	70 989	2 880	–
Loans from subsidiaries	–	–	58 059	179 148
Bank overdraft	–	19 349	–	19 349
Cash-settled share-based payments	5 172	–	–	–
Finance lease obligation	1 438	1 332	–	–
Non-current liabilities directly associated with assets held for sale	747 023	–	–	–
Total	**1 688 851**	**993 893**	**95 054**	**246 645**
Between 1 and 5 years				
Long-term borrowings	8 220 250	5 397 905	185 056	185 056
Other financial liabilities	50 705	28 086	968	3 270
Finance lease obligation	7 001	6 483	–	–
Cash-settled share based payments	787	–	–	–
Total	**8 278 743**	**5 432 474**	**186 024**	**188 326**
Over 5 years				
Long-term borrowings	2 224 971	3 465 947	310 022	140 599
Finance lease obligation	69 306	64 863	–	–
Total	**2 294 277**	**3 530 810**	**310 022**	**140 599**
Total	**12 261 871**	**9 957 177**	**591 100**	**575 570**

35. RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group's cash and cash equivalents are placed with high credit quality financial institutions. Credit risk in respect of trade receivables is limited due to the spread of the customer base and credit approval processes.

The Group's exposure to credit risk is primarily in respect of tenants and is influenced by the individual characteristics and risk profile of each tenant. The exposure to credit risk from tenants is mitigated by the spread of the tenant base. The granting of credit to tenants are made on application and is approved by the finance department and the property managers, based on their credit assessment of new and existing tenants. Tenants are required to supply refundable lease deposits and/or bank guarantees and/or suretyships by their principals. As at 30 June 2016, the Group did not consider there to be any significant concentration of credit risk which has not been insured or adequately provided for. In providing for impairments on tenant accounts, the Group takes cognisance of guarantees delivered by tenants and/or their bankers as well as unencumbered assets of tenants and their principals which may be attached.

The Group has some exposure in respect of loans granted where collateral has been requested. The financial position of the counter parties are considered at granting of the loans and is also evaluated on an ongoing basis.

The carrying amounts of financial assets included in the statement of financial position represent the maximum exposure to credit risk in respect of these assets. The maximum credit exposure of interest rate swaps is represented by the fair value of these contracts.

Refer to note 12 for an analysis of the Group's trade receivable's ageing, overdue accounts and impairments.

Insurance risk

The Group is exposed to insurance risk primarily on its investment properties. The Group has insured all its properties at estimated replacement values and against loss of income as a result of disrupted operations.

Foreign currency risk

The Group is exposed to foreign exchange risks in the following investments:

- Asset swap agreement with Investec Securities relating to the acquisition of its investment in Stenham European Shopping Centre Fund Limited, of which the exposure is denominated in euros
- Investment in Bishopsgate Student Residential Limited, of which the exposure is denominated in euro and pound sterling
- Investment in AIH International Limited, of which the exposure is denominated in US dollar and euros
- Investment in AttAfrica Limited, of which the exposure is denominated in US dollar
- Investment in Atterbury Cyprus Limited, of which the exposure is denominated in euros
- Investment in Gruppo Investment Nigeria Limited, of which the exposure is denominated in US dollar
- Investment in Artisan Development Partners Limited and Artisans Southport Limited, of which the exposure is denominated in pound sterling
- Investment in Atterbury Serbia BV, of which the exposure is denominated in euros
- Investment in The Grove Mall of Namibia Proprietary Limited, of which the exposure is denominated in Namibian dollars

The Group's exposure is managed by diversifying its investments into various currency zones.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2015.

The capital structure of the Group consist of net debt (borrowings as detailed in note 20 offset by cash and bank as detailed in note 16) and equity of the Group (comprising issued capital, reserve, retained earnings and non-controlling interests as detailed in note 9.1 and 18.

The Group is not subject to any externally imposed capital requirements.

The Board monitors the debt equity ratio on an ongoing bases to achieve optimal value to the shareholders.

Mall of Africa – Waterfall City

36. FINANCIAL INSTRUMENTS

Categories of financial instruments

Figures in R'000s
ASSETS
Non-current assets
Property, plant and equipment
Investment property
Straight-line lease debtor
Deferred initial lease expenditure
Intangible assets
Goodwill
Investment in associates
Other investments
Deferred tax assets
Other financial assets
Current assets
Taxation receivable
Trade and other receivables
Other financial assets
Loans to associates
Cash and cash equivalents
Non-current assets held for sale
Total assets
LIABILITIES
Non-current liabilities
Long-term borrowings
Other financial liabilities
Cash-settled share-based payments
Finance lease obligation
Deferred tax liabilities
Current liabilities
Long-term borrowings
Other financial liabilities
Finance lease obligation
Loans from associates
Taxation payable
Cash-settled share-based payments
Trade and other payables
Provisions
Non-current liabilities associated with non-current assets held for sale
Total liabilities

Note	GROUP 2016 Total	Cash	At fair value through profit or loss	Loans and receivables at amortised cost	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non-financial instruments
4	33 925	–	–	–	–	–	33 925
5	18 043 192	–	–	–	–	–	18 043 192
	600 849	–	–	–	–	–	600 849
	6 539	–	–	–	–	–	6 539
6	312 599	–	–	–	–	–	312 599
7	67 774	–	–	–	–	–	67 774
8	3 126 328	–	–	–	–	–	3 126 328
10	408 339	–	–	–	408 339	–	–
11	24 627	–	–	–	–	–	24 627
13	222 651	–	38 428	184 223	–	–	–
	2 411	–	–	–	–	–	2 411
12	290 579	–	–	195 182	–	–	95 397
13	100 266	–	145	100 121	–	–	–
14	2 302 472	–	–	2 302 472	–	–	–
16	437 281	437 281	–	–	–	–	–
9 & 17	1 649 845	–	–	–	–	–	1 649 845
	27 629 677	**437 281**	**38 573**	**2 781 998**	**408 339**	**–**	**23 963 486**
20	10 445 221	–	–	–	–	10 445 221	–
13	50 705	–	50 705	–	–	–	–
19	787	–	–	–	–	–	787
21	77 745	–	–	–	–	77 745	–
11	1 892 145	–	–	–	–	–	1 892 145
20	265 276	–	–	–	–	265 276	–
13	109 400	–	427	–	–	108 973	–
21	–	–	–	–	–	–	–
14	2 880	–	–	–	–	2 880	–
	2 260	–	–	–	–	–	2 260
19	5 172	–	–	–	–	–	5 172
22	557 662	–	–	–	–	552 939	4 723
23	2 081	–	–	–	–	–	2 081
17	747 023	–	–	–	–	747 023	–
	14 158 357	**–**	**51 132**	**–**	**–**	**12 200 057**	**1 907 168**

36. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments

Figures in R'000s
ASSETS
Non-current assets
Property, plant and equipment
Investment property
Straight-line lease debtor
Deferred initial lease expenditure
Intangible assets
Goodwill
Investment in associates
Other investments
Deferred tax assets
Other financial assets
Current assets
Taxation receivable
Trade and other receivables
Other financial assets
Loans to associates
Cash and cash equivalents
Non-current assets held for sale
Total assets
LIABILITIES
Non-current liabilities
Long-term borrowings
Other financial liabilities
Finance lease obligation
Provisions for liabilities relating to associates
Deferred tax liabilities
Current liabilities
Long-term borrowings
Other financial liabilities
Finance lease obligation
Loans from associates
Taxation payable
Trade and other payables
Provisions
Bank overdraft
Total liabilities

Note	Total	Cash	At fair value through profit or loss	Loans and receivables at amortised cost	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non-financial instruments
	GROUP						
	2015						
4	10 641	–	–	–	–	–	10 641
5	16 187 873	–	–	–	–	–	16 187 873
	482 199	–	–	–	–	–	482 199
	9 154	–	–	–	–	–	9 154
6	344 523	–	–	–	–	–	344 523
7	67 774	–	–	–	–	–	67 774
8	2 369 884	–	–	–	–	–	2 369 884
10	402 414	–	–	–	402 414	–	–
11	19 829	–	–	–	–	–	19 829
13	102 993	–	54 738	48 255	–	–	–
	408	–	–	–	–	–	408
12	223 084	–	–	144 552	–	–	78 532
13	907 282	–	–	547 921	359 361	–	–
14	741 037	–	–	741 037	–	–	–
16	747 145	747 145	–	–	–	–	–
9 & 17	684 441	–	–	–	–	–	684 441
	23 300 681	**747 145**	**54 738**	**1 481 765**	**761 775**	**–**	**20 255 258**
20	8 863 852	–	–	–	–	8 863 852	–
13	28 086	–	28 086	–	–	–	–
21	71 346	–	–	–	–	71 346	–
	1 579	–	–	–	–	–	1 579
11	1 365 868	–	–	–	–	–	1 365 868
							–
20	326 329	–	–	–	–	326 329	–
13	113 258	–	6 589	–	–	106 669	–
21	1 332	–	–	–	–	1 332	–
14	70 989	–	–	–	–	70 989	–
	10 185	–	–	–	–	–	10 185
22	462 636	–	–	–	–	459 973	2 663
23	1 422	–	–	–	–	–	1 422
16	19 349	19 349	–	–	–	–	–
	11 336 231	**19 349**	**34 675**	**–**	**–**	**9 900 490**	**1 381 717**

36. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments

Figures in R'000s
ASSETS
Non-current assets
Investment in associates
Investment in subsidiaries
Other investments
Loans to subsidiaries
Other financial assets
Current assets
Taxation receivable
Trade and other receivables
Other financial assets
Loans to associates
Loans to subsidiaries
Cash and cash equivalents
Non-current assets held for sale
Total assets
LIABILITIES
Non-current liabilities
Long-term borrowings
Other financial liabilities
Deferred tax liabilities
Current liabilities
Long-term borrowings
Loans from associates
Loans from subsidiaries
Taxation payable
Trade and other payables
Total liabilities

	COMPANY						
	2016						
Note	Total	Cash	At fair value through profit or loss	Loans and receivables at amortised cost	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non-financial instruments
8	3 139 670	–	–	–	3 139 670	–	–
9	6 481 046	–	–	–	6 481 046	–	–
10	307 408	–	–	–	307 408	–	–
15	1 905 750	–	–	1 905 750	–	–	–
13	55 162	–	968	54 194	–	–	–
	–	–	–	–	–	–	–
12	8 668	–	–	8 405	–	–	263
13	10 072	–	–	10 072	–	–	–
14	51 455	–	–	51 455	–	–	–
15	3 253 364	–	–	3 253 364	–	–	–
16	213 658	213 658	–	–	–	–	–
9 & 17	55 106	–	–	–	–	–	55 106
	15 481 359	**213 658**	**968**	**5 283 240**	**9 928 124**	**–**	**55 369**
20	495 078	–	–	–	–	495 078	–
13	968	–	968	–	–	–	–
11	1 063 804	–	–	–	–	–	1 063 804
20	17 326	–	–	–	–	17 326	–
14	2 880	–	–	–	–	2 880	–
15	58 059	–	–	–	–	58 059	–
	1 008	–	–	–	–	–	1 008
22	16 789	–	–	–	–	16 789	–
	1 655 912	**–**	**968**	**–**	**–**	**590 132**	**1 064 812**

36. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments

Figures in R'000s
ASSETS
Non-current assets
Property, plant and equipment
Investment property
Straight-line lease debtor
Deferred initial lease expenditure
Investment in associates
Investment in subsidiaries
Other investments
Loans to subsidiary
Other financial assets
Current assets
Trade and other receivables
Other financial assets
Loans to associates
Loans to subsidiaries
Cash and cash equivalents
Non-current assets held for sale
Total assets
LIABILITIES
Non-current liabilities
Long-term borrowings
Other financial liabilities
Provisions for liabilities relating to associates
Deferred tax liabilities
Current liabilities
Long-term borrowings
Other financial liabilities
Loans from subsidiaries
Taxation payable
Trade and other payables
Bank overdraft
Total liabilities

	COMPANY							
	2015							
	Note	Total	Cash	At fair value through profit or loss	Loans and receivables at amortised cost	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non-financial instruments
	4	163	–	–	–	–	–	163
	5	272 761	–	–	–	–	–	272 761
		4 738	–	–	–	–	–	4 738
		1 335	–	–	–	–	–	1 335
	8	2 295 797	–	–	–	2 295 797	–	–
	9	5 782 971	–	–	–	5 782 971	–	–
	10	334 109	–	–	–	334 109	–	–
	15	414 677	–	–	414 677	–	–	–
	13	50 787	–	2 532	48 255	–	–	–
	12	8 702	–	–	8 331	–	–	371
	13	402 617	–	–	43 256	359 361	–	–
	14	104 840	–	–	104 840	–	–	–
	15	3 367 790	–	–	3 367 790	–	–	–
	16	259 097	259 097	–	–	–	–	–
	9 & 17	187 858	–	–	–	–	–	187 858
		13 488 242	**259 097**	**2 532**	**3 987 149**	**8 772 238**	**–**	**467 226**
	20	325 656	–	–	–	–	325 656	–
	13	3 270	–	3 270	–	–	–	–
		1 579	–	–	–	–	–	1 579
	11	739 730	–	–	–	–	–	739 730
	20	22 544	–	–	–	–	22 544	–
	13	1 128	–	–	–	–	1 128	–
	15	179 148	–	–	–	–	179 148	–
		9 411	–	–	–	–	–	9 411
	22	24 476	–	–	–	–	24 476	–
	16	19 349	19 349	–	–	–	–	–
		1 326 291	**19 349**	**3 270**	**–**	**–**	**552 952**	**750 720**

37. FAIR VALUE MEASUREMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

		GROUP		COMPANY	
Figures in R'000s	Notes	2016	2015	2016	2015
Investment property	5				
• Level 3		18 043 192	16 187 873	–	272 761

The fair value of investment property is determined using the following techniques:

- Development rights – the residual land valuation method
- Land – residual land valuation method
- Developments under construction – discounted cash flow methodology
- Completed developments – discounted cash flow methodology

Future cash flows for the discounted cash flow are determined with reference to the signed leases between the Group and tenants. Discount, capitalisation and vacancy rates used in the estimate are determined by independent experts.

Refer to note 5 for the significant unobservable inputs and the relationship between the unobservable inputs and the fair value.

		GROUP		COMPANY	
Figures in R'000s	Notes	2016	2015	2016	2015
Non-current assets held for sale	9 & 17				
• Level 2		876 608	–	–	–
• Level 3		773 237	684 441	55 106	187 858
Total		**1 649 845**	**684 441**	**55 106**	**187 858**

The fair value of non-current assets held for sale is determined using the following techniques:

- Completed developments (Level 2) – using the contractual selling prices for the related properties
- Completed developments – discounted cash flow methodology

Future cash flows for the discounted cash flow are determined with reference to the signed leases between the Group and tenants. Discount, capitalisation and vacancy rates used in the estimate are determined by independent experts.

The fair value of other investments is determined with reference to the net asset value of the underlying investment.

There are no unobservable inputs identifiable that would have a significant impact on the fair value of the other investments.

Refer to note 9 and 17 for the for the detailed analysis of the balances.

		GROUP		COMPANY	
Figures in R'000s	Notes	2016	2015	2016	2015
Other investments	10				
• Level 3		408 339	402 414	307 408	334 109

The fair value of other investments is determined with reference to the net asset value of the underlying investment.

There are no unobservable inputs identifiable that would have a significant impact on the fair value of the other investments.

Refer to note 10 for the detailed analysis of the other investment balances.

37. FAIR VALUE MEASUREMENTS (CONTINUED)

Figures in R'000s	Notes	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Other financial assets (liabilities)	13				
Other financial assets					
• Level 2		38 573	54 738	968	2 532
• Level 3		284 344	955 537	64 266	450 872
Other financial liabilities					
• Level 2		(51 132)	(34 675)	(968)	(3 270)
• Level 3		(108 973)	(106 669)	–	(1 128)
Total		**162 812**	**868 931**	**64 266**	**449 006**

The fair value of other financial assets and liabilities is determined annually as the difference in the net present value of future cash flows on the mortgage bond at the floating and fixed rates. The difference is recognised as an asset or liability.

Future cash flows for the discounted cash flow are determined with reference to forward interest rates, from observable yield curves at the end of the reporting period, and contract interest rates, discounted at rates that reflect the credit risk of various counterparties.

During the current year, there has been no movement relating to fair value hierarchy with respect to the other financial assets and liabilities listed above.

Refer to note 13 for a reconciliation of the financial assets and liabilities.

Figures in R'000s	Notes	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
Loans receivable (payable)					
Loans to associates	14				
• Level 3		2 302 472	741 037	51 455	104 840
Loans from associates	14				
• Level 3		(2 880)	(70 989)	(2 880)	–
Loans to subsidiaries	15				
• Level 3		–	–	1 905 750	414 677
Loans to subsidiaries – current	15				
• Level 3		–	–	3 253 364	3 367 790
Loans from subsidiaries – current	15				
• Level 3		–	–	(58 059)	(179 148)
Trade and other receivables (payables)					
Trade and other receivables	12				
• Level 3		195 182	144 552	8 405	8 331
Trade and other payables	22				
• Level 3		(552 939)	(459 973)	(16 789)	(24 476)

The fair value of the above loans receivable, loans payable, trade and other receivables and trade and other payables are designated as level 3.

The carrying amounts of the balances are deemed by management to approximate their fair values. The fair value of balances are determined with reference to the carrying value and the net asset value of the underlying investments.

Refer to the relevant notes as indicated above for a detailed analysis of the balances.

38. SEGMENTAL REPORTING

	GROUP					
	2016					
Figures in R'000s	Primary GLA – m²	Region	Investment property	Other assets	Total assets	Total liabilities
Business segment						
South African						
Office and mixed-use						
Brooklyn Bridge Office Park@	23 525	Gauteng	636 999	11 361	648 360	340 143
Lynnwood Bridge Offices	27 618	Gauteng	825 629	106 148	931 777	448 329
Aurecon Building	19 104	Gauteng	662 560	106 752	769 312	488 111
Newtown Junction Offices	29 911	Gauteng	626 693	43 737	670 430	473 943
Majestic Offices	8 913	Gauteng	132 510	8 533	141 043	111 356
PwC Sunninghill	25 525	Gauteng	345 199	5 681	350 880	394 881
Waterfall – Altech Building*	2 113	Gauteng	43 944	5 542	49 486	19 495
Waterfall – Cell C Campus	43 890	Gauteng	794 486	121 242	915 728	519 713
Waterfall – Group Five	25 782	Gauteng	562 318	50 567	612 885	374 339
Waterfall – Maxwell Office Park – Phase I, II, III and IV*	18 424	Gauteng	486 240	40 209	526 449	236 090
Waterfall – Novartis	7 982	Gauteng	207 963	8 542	216 505	152 575
Total office and mixed-use			**5 324 541**	**508 314**	**5 832 855**	**3 558 975**
Retail						
Glenfair Boulevard Shopping Centre	15 927	Gauteng	419 044	13 856	432 900	210 683
Lynnwood Bridge Retail	11 378	Gauteng	335 267	12 686	347 953	172 709
Newtown Junction Retail	33 653	Gauteng	637 826	27 681	665 507	722 087
Garden Route Mall	53 015	Western Cape	1 247 711	30 971	1 278 682	776 178
Brooklyn Mall#	18 689	Gauteng	740 972	26 049	767 021	436 623
MooiRivier Mall	49 054	North West	1 106 356	33 317	1 139 673	680 223
Andringa Walk^	10 595	Western Cape	182 908	10 743	193 651	113 508
Eikestad Mall ^	25 678	Western Cape	573 031	29 075	602 106	348 502
Mill Square^	3 562	Western Cape	96 044	3 185	99 229	52 019
Waterfall – Mall of Africa^	98 678	Gauteng	3 730 216	234 615	3 964 831	1 839 370
Waterfall – Waterfall Corner	9 415	Gauteng	204 741	10 805	215 546	78 923
Waterfall – Waterfall Lifestyle	7 139	Gauteng	116 153	11 363	127 516	87 391
Total retail			**9 390 269**	**444 346**	**9 834 615**	**5 518 216**
Light industrial						
Waterfall – Angel Shack@	4 652	Gauteng	36 692	768	37 460	9 955
Waterfall – Medtronic@	12 060	Gauteng	137 800	5 602	143 402	87 732
Waterfall – Cummins*@	10 504	Gauteng	94 740	906	95 646	61 307
Waterfall – Dräger@	5 027	Gauteng	75 294	397	75 691	44 618
Waterfall – Massbuild Distribution Centre	36 803	Gauteng	256 380	40 146	296 526	208 907
Waterfall – Westcon@	8 087	Gauteng	106 068	1 681	107 749	68 248
Waterfall – Hilti@	3 948	Gauteng	59 276	709	59 985	31 007
Waterfall – Servest@	6 650	Gauteng	157 013	392	157 405	88 225
Waterfall – Stryker@	3 220	Gauteng	61 314	777	62 091	37 195
Total light industrial			**984 577**	**51 378**	**1 035 955**	**637 194**
Hotel						
Newtown Junction City Lodge	5 828	Gauteng	109 484	2 352	111 836	88 821
Lynnwood Bridge City Lodge	7 946	Gauteng	180 838	379	181 217	89 983
Waterfall – City Lodge	5 744	Gauteng	94 526	3 403	97 929	52 949
Total hotel			**384 848**	**6 134**	**390 982**	**231 753**
Subtotal carried forward			**16 084 235**	**1 010 172**	**17 094 407**	**9 946 138**

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share, @ Held for sale (refer note 17), $ Includes portion held for sale (refer note 17).*
Investment properties amounting to R1.5 billion was classified as held for sale.
Primary GLA disclosed above at Attacq's effective GLA.

38. SEGMENTAL REPORTING (CONTINUED)

	GROUP					
	2016					
Figures in R'000s	Primary GLA – m²	Region	Investment property	Other assets	Total assets	Total liabilities
Business segment						
South African (continued)						
Subtotal brought forward			**16 084 235**	**1 010 172**	**17 094 407**	**9 946 138**
Vacant land						
Le Chateau		North West	5 000	1	5 001	2 248
Waterfall – Development rights$		Gauteng	1 174 018	4	1 174 022	–
Waterfall – Infrastructure and services$		Gauteng	1 115 750	29	1 115 779	283 332
Total vacant land			**2 294 768**	**34**	**2 294 802**	**285 580**
Developments						
Newtown – Carr Street	–	Gauteng	27 577	–	27 577	159
Waterfall – Dimension Data	8 230	Gauteng	59 345	–	59 345	24 477
Waterfall – Allandale Building	14 670	Gauteng	322 095	–	322 095	79 698
Waterfall – PwC Tower and PwC Annex**	33 917	Gauteng	463 401	90 800	554 201	384 087
Waterfall – Amrod	38 455	Gauteng	261 942	–	261 942	130 405
Waterfall – Torre	8 910	Gauteng	78 301	6 044	84 345	34 237
Total developments			**1 212 661**	**96 844**	**1 309 505**	**653 063**
Total South Africa			**19 591 664**	**1 107 050**	**20 698 714**	**10 884 781**
International						
MAS Real Estate Inc.			–	2 722 460	2 722 460	–
Atterbury Cyprus Limited			–	891 980	891 980	–
Atterbury Africa Limited			–	877 374	877 374	863 994
Stenham European Shopping Centre Fund Limited			–	380 803	380 803	–
Atterbury Serbia BV			–	367 055	367 055	332 818
Gruppo Investment Limited (Ikeja Mall)			–	326 652	326 652	1 901
The Grove Mall of Namibia			–	163 049	163 049	–
Other international			–	104 396	104 396	27
Total international			**–**	**5 833 769**	**5 833 769**	**1 198 740**
Head office/other			–	2 645 666	1 097 194	2 074 836
Total			**18 043 192**	**9 586 485**	**27 629 677**	**14 158 357**

 # 25% undivided share, 50% undivided share, ** 75% undivided share, ^ 80% undivided share, @ Held for sale (refer note 17), $ Includes portion held for sale (refer note 17).*
Investment properties amounting to R1.5 billion was classified as held for sale.
Primary GLA disclosed above at Attacq's effective GLA.

38. SEGMENTAL REPORTING (CONTINUED)

	GROUP					
	2015					
Figures in R'000s	Primary GLA – m²	Region	Investment property	Other assets	Total assets	Total liabilities
Business segment						
South African						
Office and mixed-use						
Brooklyn Bridge Office Park	23 525	Gauteng	611 581	40 749	652 330	428 304
Great Westerford*	14 558	Western Cape	272 762	11 710	284 472	80 095
Lynnwood Bridge Offices	27 618	Gauteng	801 408	65 377	866 785	442 713
Aurecon Building	19 104	Gauteng	641 770	88 407	730 177	553 618
Newtown Junction Offices	29 911	Gauteng	615 652	40 377	656 029	511 315
Majestic Offices	8 913	Gauteng	134 361	5 572	139 933	112 012
PwC Sunninghill	25 525	Gauteng	351 306	17 044	368 350	397 721
Waterfall – Altech Building*	2 113	Gauteng	40 647	5 329	45 976	20 680
Waterfall – Cell C Campus	43 890	Gauteng	778 013	97 732	875 745	251 654
Waterfall – Group Five	25 782	Gauteng	543 093	91 905	634 998	382 578
Waterfall – Maxwell Office Park – Phase I and II*	9 545	Gauteng	239 659	83 156	322 815	200 968
Waterfall – Novartis	7 982	Gauteng	194 620	85 263	279 883	157 757
Total office and mixed-use			**5 224 872**	**632 621**	**5 857 493**	**3 539 415**
Retail						
Glenfair Boulevard Shopping Centre	15 927	Gauteng	388 900	9 170	398 070	240 590
Lynnwood Bridge Retail	11 378	Gauteng	311 313	22 708	334 021	173 177
Newtown Junction Retail	33 653	Gauteng	653 051	30 642	683 693	611 044
Garden Route Mall	53 015	Western Cape	1 186 014	36 619	1 222 633	770 272
Brooklyn Mall#	18 689	Gauteng	677 335	20 122	697 457	437 060
MooiRivier Mall	48 754	North West	1 042 802	32 745	1 075 547	677 120
Andringa Walk	10 595	Western Cape	169 323	9 447	178 770	112 848
Eikestad Mall^	25 678	Western Cape	529 416	21 103	550 519	347 736
Mill Square^	3 562	Western Cape	78 975	2 489	81 464	51 303
Waterfall – Waterfall Corner	9 298	Gauteng	185 440	57 517	242 957	154 014
Waterfall – Waterfall Lifestyle	7 139	Gauteng	112 371	8 942	121 313	93 141
Total retail			**5 334 940**	**251 504**	**5 586 444**	**3 668 305**
Light industrial						
Waterfall – Angel Shack	4 652	Gauteng	32 931	1 607	34 538	10 907
Waterfall – Covidien	11 082	Gauteng	108 442	13 555	121 997	101 048
Waterfall – Cummins*	10 504	Gauteng	78 008	4 338	82 346	5 532
Waterfall – Dräger	5 027	Gauteng	71 250	5 942	77 192	45 074
Waterfall – Massbuild Distribution Centre	36 803	Gauteng	243 439	34	243 473	203 445
Waterfall – Westcon	8 087	Gauteng	99 176	56 888	156 064	67 740
Total light industrial			**633 246**	**82 364**	**715 610**	**433 746**
Subtotal carried forward			**11 193 058**	**966 489**	**12 159 547**	**7 641 466**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region	Investment property	Other assets	Total assets	Total liabilities
	GROUP					
	2015					
Business segment						
South African (continued)						
Subtotal brought forward			**11 193 058**	**966 489**	**12 159 547**	**7 641 466**
Hotel						
Lynnwood Bridge City Lodge	7 946	Gauteng	170 481	7 782	178 263	90 136
Waterfall – City Lodge	5 744	Gauteng	99 904	8 050	107 954	61 593
Total hotel			**270 385**	**15 832**	**286 217**	**151 729**
Vacant land						
Le Chateau		North West	17 000	2	17 002	2 247
Waterfall – Development rights		Gauteng	1 467 422	10	1 467 432	45
Waterfall – Infrastructure and Services		Gauteng	615 991	57 212	673 203	465 459
Total vacant land			**2 100 413**	**57 224**	**2 157 637**	**467 751**
Developments						
Newtown – Carr Street	–	Gauteng	8 569	–	8 569	–
Newtown – City Lodge	5 828	Gauteng	73 018	–	73 018	47 593
Waterfall – Allandale Building	14 670	Gauteng	69 848	4 074	73 922	21 899
Waterfall – Hilti	3 948	Gauteng	38 981	2 759	41 740	13 165
Waterfall – Mall of Africa^	98 678	Gauteng	2 010 139	594 357	2 604 496	1 979 895
Waterfall – Maxwell Office Park – Phase III*	3 144	Gauteng	101 658	8 552	110 210	97 754
Waterfall – PwC Tower**	33 917	Gauteng	152 688	76 385	229 073	41 509
Waterfall – Servest	6 650	Gauteng	127 134	10 597	137 731	97 606
Waterfall – Stryker	3 220	Gauteng	41 982	3 110	45 092	26 194
Total developments			**2 624 017**	**699 834**	**3 323 851**	**2 325 615**
Total South Africa			**16 187 873**	**1 739 379**	**17 927 252**	**10 586 561**
International						
MAS Real Estate Inc.			–	2 537 711	2 537 711	–
Atterbury Africa Limited			–	599 317	599 317	581 061
Stenham European Shopping Centre Fund Limited			–	344 256	344 256	–
The Grove Mall of Namibia			–	143 486	143 486	–
Mall of Mauritius at Bagatelle Limited			–	188 394	188 394	–
Bagaprop Limited			–	468 020	468 020	–
Other international			–	73 266	73 266	473
Total international			**–**	**4 354 450**	**4 354 450**	**581 534**
Head office/other			–	1 018 979	1 018 979	168 136
Total			**16 187 873**	**7 112 808**	**23 300 681**	**11 336 231**

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Business segment		
South African		
Office and mixed-use		
Brooklyn Bridge Office Park	23 525	Gauteng
Great Westerford*	14 558	Western Cape
Lynnwood Bridge Offices	27 618	Gauteng
Aurecon Building	19 104	Gauteng
Newtown Junction Offices	29 911	Gauteng
Majestic Offices	8 913	Gauteng
PwC Sunninghill	25 525	Gauteng
Waterfall – Altech Building*	2 113	Gauteng
Waterfall – Cell C Campus	43 890	Gauteng
Waterfall – Group Five	25 782	Gauteng
Waterfall – Maxwell Office Park – Phase I, II, III and IV*	18 424	Gauteng
Waterfall – Novartis	7 982	Gauteng
Total office and mixed-use		
Retail		
Glenfair Boulevard Shopping Centre	15 927	Gauteng
Lynnwood Bridge Retail	11 378	Gauteng
Newtown Junction Retail	33 653	Gauteng
Garden Route Mall	53 015	Western Cape
Brooklyn Mall#	18 689	Gauteng
MooiRivier Mall	49 054	North West
Andringa Walk^	10 595	Western Cape
Eikestad Mall ^	25 678	Western Cape
Mill Square^	3 562	Western Cape
Waterfall – Mall of Africa^	98 678	Gauteng
Waterfall – Waterfall Corner	9 415	Gauteng
Waterfall – Waterfall Lifestyle	7 139	Gauteng
Total retail		
Subtotal carried forward		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

GROUP						
2016						
Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
80 683	693	79	(33 407)	22 311	(17 839)	4 472
33 904	(4 738)	–	(6 090)	16 068	(5 276)	10 792
100 565	12 776	319	(41 462)	49 118	(9 452)	39 666
98 556	15 210	81	(50 949)	47 948	(21 243)	26 705
68 852	2 925	–	(58 770)	(2 995)	1 971	(1 024)
21 136	4 353	392	(10 228)	(441)	(1 211)	(1 652)
45 533	2 170	–	(36 089)	(3 184)	1 030	(2 154)
6 431	702	18	(2 304)	5 784	(1 238)	4 546
135 372	40 625	210	(51 190)	74 292	(8 621)	65 671
71 570	16 889	111	(37 821)	42 534	(6 104)	36 430
43 170	7 225	67	(18 693)	47 980	(10 646)	37 334
25 247	6 121	11	(15 780)	10 251	(808)	9 443
731 019	**104 951**	**1 288**	**(362 783)**	**309 666**	**(79 437)**	**230 229**
56 849	3 893	154	(19 293)	34 576	(7 320)	27 256
44 858	(954)	3	(15 500)	28 626	(7 010)	21 616
83 465	16 494	11 703	(66 122)	(58 847)	18 516	(40 331)
139 701	6 905	445	(66 390)	72 654	(15 806)	56 848
75 601	332	89	(37 825)	64 673	(14 702)	49 971
119 751	(3 954)	82	(58 339)	69 189	(17 191)	51 998
26 554	738	37	(9 678)	13 908	(3 194)	10 714
68 918	2 385	71	(29 835)	53 246	(11 969)	41 277
8 681	(349)	12	(4 397)	15 064	(3 543)	11 521
79 675	9 129	389	(29 499)	685 882	(157 042)	528 840
29 268	627	104	(14 138)	24 003	(5 500)	18 503
21 142	5 842	23	(9 617)	(2 077)	2 541	464
754 463	**41 088**	**13 112**	**(360 634)**	**1 000 897**	**(222 220)**	**778 677**
1 485 482	**146 039**	**14 400**	**(723 417)**	**1 310 563**	**(301 657)**	**1 008 906**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Subtotal brought forward		
Business segment		
South African (continued)		
Light industrial		
Waterfall – Angel Shack	4 652	Gauteng
Waterfall – Medtronic	12 060	Gauteng
Waterfall – Cummins*	10 504	Gauteng
Waterfall – Dräger	5 027	Gauteng
Waterfall – Massbuild Distribution Centre	36 803	Gauteng
Waterfall – Westcon	8 087	Gauteng
Waterfall – Hilti	3 948	Gauteng
Waterfall – Servest	6 650	Gauteng
Waterfall – Stryker	3 220	Gauteng
Total light industrial		
Hotel		
Newtown Junction City Lodge	5 828	Gauteng
Lynnwood Bridge City Lodge	7 946	Gauteng
Waterfall – City Lodge	5 744	Gauteng
Total hotel		
Vacant land		
Le Chateau		North West
Waterfall – Development rights		Gauteng
Waterfall – Infrastructure and Services		Gauteng
Total vacant land		
Subtotal carried forward		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

GROUP						
2016						
Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
1 485 482	**146 039**	**14 400**	**(723 417)**	**1 310 563**	**(301 657)**	**1 008 906**
2 587	(703)	–	(960)	4 906	(1 360)	3 546
9 434	(2 035)	45	(7 309)	15 825	(4 084)	11 741
9 074	(247)	–	(6 419)	11 949	(2 762)	9 187
5 663	(1 446)	5	(5 015)	2 582	(956)	1 626
39 793	8 757	48	(20 834)	18 768	(2 282)	16 486
8 718	(3 095)	–	(7 080)	4 821	(1 831)	2 990
4 591	–	2	(2 180)	3 931	(783)	3 148
11 999	–	–	(6 840)	16 388	(3 807)	12 581
4 511	–	5	(2 651)	3 755	(935)	2 820
96 370	**1 231**	**105**	**(59 288)**	**82 925**	**(18 800)**	**64 125**
5 298	1 143	–	(2 264)	15 058	(3 164)	11 894
21 042	643	–	(8 542)	18 427	(4 338)	14 089
12 897	2 345	31	(6 728)	(3 056)	1 198	(1 858)
39 237	**4 131**	**31**	**(17 534)**	**30 429**	**(6 304)**	**24 125**
–	–	–	–	(12 004)	–	(12 004)
–	–	–	–	(230 039)	51 529	(178 510)
–	–	–	–	(34 031)	9 529	(24 502)
–	**–**	**–**	**–**	**(276 074)**	**61 058**	**(215 016)**
1 621 089	**151 401**	**14 536**	**(800 239)**	**1 147 843**	**(265 703)**	**882 140**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Subtotal brought forward		
Business segment		
South African (continued)		
Developments		
Newtown – Carr Street	–	Gauteng
Waterfall – Dimension Data	8 230	Gauteng
Waterfall – Allandale Building	14 670	Gauteng
Waterfall – PwC Tower and PwC Annex**	33 917	Gauteng
Waterfall – Amrod	38 455	Gauteng
Waterfall – Torre	8 910	Gauteng
Total developments		
Total South Africa		
International		
MAS Real Estate Inc.		
Atterbury Cyprus Limited		
Atterbury Africa Limited		
Stenham European Shopping Centre Fund Limited		
Atterbury Serbia BV		
Gruppo Investment Limited (Ikeja Mall)		
The Grove Mall of Namibia		
Other international		
Total international		
Head office/other		
Total		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

	GROUP						
	2016						
	Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
	1 621 089	**151 401**	**14 536**	**(800 239)**	**1 147 843**	**(265 703)**	**882 140**
	–	–	–	–	–	–	–
	–	–	–	–	6 281	(1 402)	4 879
	–	–	–	–	67 493	(14 951)	52 542
	–	–	–	–	14 474	(1 368)	13 106
	–	–	–	–	15 554	(3 064)	12 490
	–	–	–	–	9 012	(2 009)	7 003
	–	**–**	**–**	**–**	**112 814**	**(22 794)**	**90 020**
	1 621 089	**151 401**	**14 536**	**(800 239)**	**1 260 657**	**(288 497)**	**972 160**
	–	–	–	–	248 670	(55 702)	192 968
	–	–	38 503	–	124 359	(299)	124 060
	–	–	68 461	(10 407)	(264)	(1 421)	(1 685)
	–	–	–	–	56 375	(12 628)	43 747
	–	–	9 702	(8 683)	(511)	(46)	(557)
	–	–	22 261	(11 298)	(23 907)	511	(23 396)
	–	–	–	–	47 063	(10 542)	36 521
	–	–	3 625	–	5 681	(48)	5 633
	–	**–**	**142 552**	**(30 388)**	**457 466**	**(80 175)**	**377 291**
	(71)	(3 039)	25 856	(9 348)	777 248	(332 167)	(62 443)
	1 621 018	**148 362**	**182 944**	**(839 975)**	**2 495 371**	**(700 839)**	**1 287 008**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Business segment		
South African		
Office and mixed-use		
Brooklyn Bridge Office Park	23 525	Gauteng
Great Westerford*	14 558	Western Cape
Lynnwood Bridge Offices	27 618	Gauteng
Aurecon Building	19 104	Gauteng
Newtown Junction Offices	33 653	Gauteng
Majestic Offices	8 429	Gauteng
PwC Sunninghill	25 525	Gauteng
Waterfall – Altech Building*	2 113	Gauteng
Waterfall – Cell C Campus	44 782	Gauteng
Waterfall – Group Five	25 782	Gauteng
Waterfall – Maxwell Office Park – Phase I and II*	9 545	Gauteng
Waterfall – Novartis	7 982	Gauteng
Total office and mixed-use		
Retail		
Glenfair Boulevard Shopping Centre	15 927	Gauteng
Lynnwood Bridge Retail	11 378	Gauteng
Newtown Junction Retail	29 911	Gauteng
Garden Route Mall	53 015	Western Cape
Brooklyn Mall#	18 689	Gauteng
MooiRivier Mall	47 707	North West
Andringa Walk	10 595	Western Cape
Eikestad Mall^	25 678	Western Cape
Mill Square^	3 562	Western Cape
Waterfall – Waterfall Corner	9 298	Gauteng
Waterfall – Waterfall Lifestyle	7 139	Gauteng
Total retail		
Subtotal carried forward		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

GROUP						
2015						
Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
71 864	(2 334)	183	(36 340)	15 887	(4 160)	11 727
34 363	1 838	206	–	28 808	(9 826)	18 982
80 101	11 159	491	(38 869)	69 323	(14 186)	55 137
97 596	21 183	134	(51 933)	32 671	(8 804)	23 867
55 592	15 060	5 072	(58 126)	245	(7 430)	(7 185)
12 849	2 936	51	(8 100)	1 715	2 190	3 905
18 961	1 520	9	(15 146)	5 331	(1 256)	4 075
8 142	2 825	15	(2 534)	3 427	(202)	3 225
127 696	47 028	988	(56 975)	47 407	(225)	47 182
80 008	22 705	571	(38 200)	56 562	(6 450)	50 112
26 824	6 101	51	(9 525)	12 671	(1 611)	11 060
2 190	518	555	(1 301)	40 827	(7 524)	33 303
616 186	**130 539**	**8 326**	**(317 049)**	**314 874**	**(59 484)**	**255 390**
50 208	747	36	(18 088)	72 959	(10 430)	62 529
43 806	679	39	(14 507)	35 600	(8 595)	27 005
61 662	8 029	4 508	(51 662)	(11 202)	(3 509)	(14 711)
122 846	(2 273)	259	(58 426)	94 807	(20 803)	74 004
71 999	1 785	80	(33 969)	45 960	(9 041)	36 919
113 591	563	88	(47 569)	71 057	(14 979)	56 078
24 864	2 159	11	(23 102)	(1 003)	1 714	711
65 200	3 305	21	(35 708)	31 389	(5 368)	26 021
7 596	817	1	(5 263)	1 852	(74)	1 778
28 758	3 128	46	(13 744)	11 878	(1 431)	10 447
14 751	5 129	236	(7 183)	11 174	(850)	10 324
605 281	**24 068**	**5 325**	**(309 221)**	**364 471**	**(73 366)**	**291 105**
1 221 467	**154 607**	**13 651**	**(626 270)**	**679 345**	**(132 850)**	**546 495**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Subtotal brought forward		
Business segment		
South African (continued)		
Light industrial		
Waterfall – Angel Shack	4 652	Gauteng
Waterfall – Covidien	11 082	Gauteng
Waterfall – Cummins*	10 504	Gauteng
Waterfall – Dräger	5 027	Gauteng
Waterfall – Massbuild Distribution Centre	36 803	Gauteng
Waterfall – Westcon	8 087	Gauteng
Total light industrial		
Hotel		
Lynnwood Bridge City Lodge	7 946	Gauteng
Waterfall – City Lodge	6 180	Gauteng
Total hotel		
Vacant land		
Le Chateau		North West
Waterfall – Development rights		Gauteng
Waterfall – Infrastructure and services		Gauteng
Total vacant land		
Subtotal carried forward		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

GROUP						
2015						
Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
1 221 467	**154 607**	**13 651**	**(626 270)**	**679 345**	**(132 850)**	**546 495**
4 728	703	5	(783)	6 901	(1 272)	5 629
8 911	2 035	77	(2 615)	22 653	(4 064)	18 589
1 105	247	–	–	17 678	(3 321)	14 357
6 829	1 446	169	(3 362)	15 185	(2 584)	12 601
32 939	7 454	29	(20 376)	17 836	(1 763)	16 073
9 977	3 095	243	(3 834)	10 663	(1 454)	9 209
64 489	**14 980**	**523**	**(30 970)**	**90 916**	**(14 458)**	**76 458**
20 428	1 617	–	(8 008)	18 426	(4 293)	14 134
5 812	1 396	23	(4 509)	(1 148)	680	(468)
26 240	**3 013**	**23**	**(12 517)**	**17 278**	**(3 613)**	**13 666**
–	–	–	–	(4)	–	(4)
–	–	–	–	84 515	(15 764)	68 751
25	–	–	–	(10 765)	3 014	(7 751)
25	**–**	**–**	**–**	**73 746**	**(12 750)**	**60 996**
1 312 221	**172 600**	**14 197**	**(669 757)**	**861 285**	**(163 671)**	**697 615**

38. SEGMENTAL REPORTING (CONTINUED)

Figures in R'000s	Primary GLA – m²	Region
Subtotal brought forward		
Business segment		
South African (continued)		
Developments		
Newtown – Carr Street	–	Gauteng
Newtown – City Lodge	4 228	Gauteng
Waterfall – Allandale Building	14 670	Gauteng
Waterfall – Hilti	3 821	Gauteng
Waterfall – Mall of Africa^	104 830	Gauteng
Waterfall – Maxwell Office Park – Phase III*	5 261	Gauteng
Waterfall – PwC Tower**	46 010	Gauteng
Waterfall – Servest	6 650	Gauteng
Waterfall – Stryker	3 219	Gauteng
Total developments		
Total South Africa		
International		
MAS Real Estate Inc.		
Atterbury Africa Limited		
Stenham European Shopping Centre Fund Limited		
The Grove Mall of Namibia		
Mall of Mauritius at Bagatelle Limited		
Bagaprop Limited		
Other international		
Total international		
Head office/other		
Total		

*# 25% undivided share, * 50% undivided share, ** 75% undivided share, ^ 80% undivided share.*
Primary GLA disclosed above at Attacq's effective GLA.

	GROUP						
	2015						
	Revenue (incl straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
	1 312 221	**172 600**	**14 197**	**(669 757)**	**861 285**	**(163 671)**	**697 615**
	–	–	–	–	–	–	–
	–	–	–	–	4 656	–	4 656
	–	–	–	–	4 434	(807)	3 627
	–	–	–	–	12 332	(2 369)	9 963
	–	–	–	–	420 764	(81 078)	339 686
	–	–	–	–	19 320	(3 525)	15 795
	–	–	–	–	37 381	(9 486)	27 895
	–	–	–	–	34 594	(6 521)	28 073
	–	–	–	–	14 457	(2 795)	11 662
	–	**–**	**–**	**–**	**547 938**	**(106 581)**	**441 357**
	1 312 221	**172 600**	**14 197**	**(669 757)**	**1 409 223**	**(270 252)**	**1 138 972**
	–	–	–	–	201 513	(37 578)	163 935
	–	–	37 178	(3 753)	6 182	(123)	6 059
	–	–	–	–	(35 865)	6 688	(29 177)
	–	–	–	–	67 413	(12 571)	54 842
	–	–	–	–	3 704	(691)	3 013
	–	–	–	–	9 200	(1 716)	7 484
	–	–	2 251	–	917	8	925
	–	**–**	**39 429**	**(3 753)**	**253 064**	**(45 983)**	**207 081**
	714	–	60 261	(12 362)	454 898	(217 956)	236 941
	1 312 935	**172 600**	**113 887**	**(685 872)**	**2 117 185**	**(534 191)**	**1 582 994**

39. DIRECT SUBSIDIARIES AND ASSOCIATES

AIH International Limited (Mauritian)
Aldabri 96 Proprietary Limited **(Note A)**
Attacq Energy Proprietary Limited
Attacq Management Services Proprietary Limited
Atterbury Attfund Investment Company No. 1 Proprietary Limited **(Note B)**
Atterbury Attfund Investment Company No. 2 Proprietary Limited **(Note B)**
Atterbury Attfund Investment Company No. 3 Proprietary Limited **(Note B)**
Atterbury Mauritius Consortium Proprietary Limited **(Note C)**
Attacq Waterfall Investment Company Proprietary Limited
Atterbury Property Holdings Proprietary Limited **(Note D)**
Brooklyn Bridge Office Park Proprietary Limited
Geelhoutboom Estate Proprietary Limited **(Note D)**
Harlequin Duck Properties 204 Proprietary Limited
Highgrove Property Holdings Proprietary Limited **(Note E)**
Le Chateau Property Development Proprietary Limited
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited **(Note B)**
Lady Brooks Proprietary Limited **(Note F)**
Leipzig Nova Eventis Consortium Proprietary Limited
Lynnwood Bridge Office Park Proprietary Limited
Attacq Retail Fund Proprietary Limited
Mantrablox Proprietary Limited **(Note G)**
Lynnaur Investments Proprietary Limited
Razorbill Properties 91 Proprietary Limited
MAS Real Estate Inc. **(Note H)**
Majestic Offices Proprietary Limited **(Note I)**
Nieuwtown Property Development Company Proprietary Limited **(Note I)**
Retail Africa Wingspan Investments Proprietary Limited
Kompasbaai Property Development Proprietary Limited **(Note J)**
Grove Mall of Namibia Proprietary Limited (Namibian Company) **(Note K)**
Travenna Development Company Proprietary Limited
fatti 365 Proprietary Limited **(Note L)**
fatti Attacq Proprietary Limited **(Note L)**
The Club Retail Park Proprietary Limited **(Note D)**
Fountains Regional Mall Proprietary Limited **(Note M)**
AttAfrica SA Proprietary Limited
Attacq Namco Proprietary Limited

Nature of company	Issued shares 30 June 2016	% 2016	% 2015	Shares 2016	Shares 2015
Investment	1	100.00	100.00	1	1
Property Investment	100	–	100.00	–	100
Investment	1	100.00	–	1	–
Asset management	9 028	100.00	100.00	9 028	9 028
Dormant	–	–	100.00	–	10 000
Dormant	–	–	100.00	–	100
Dormant	–	–	100.00	–	92 800
Property Investment	100	–	80.00	–	80
Property Investment	100 000	100.00	100.00	100 000	100 000
Development company	83 333 333	–	10.00	–	8 333 333
Property Investment	1 000	100.00	100.00	1 000	1 000
Property Investment	1 200	–	37.00	–	440
Dormant	400	100.00	100.00	400	400
Dormant	100 000	100.00	100.00	85	100 000
Development	1 000	100.00	100.00	1 000	1 000
Dormant	–	–	100.00	–	1 000
Dormant	1 000	–	100.00	–	1 000
Investment	100	100.00	100.00	100	100
Development	1 828	100.00	100.00	1 828	1 828
Property Investment	735 624	100.00	100.00	735 624	735 624
Property Investment	100	100.00	100.00	100	100
Property Investment	105	100.00	100.00	105	105
Investment	100	100.00	100.00	100	100
Property Investment and development company	348 625 219	41.38	45.26	144 275 653	132 049 113
Development	100	50.00	50.00	50	50
Development	100	50.00	50.00	50	50
Property Investment	630 732	34.44	34.44	217 201	217 201
Property Investment	100	33.00	33.00	33	33
Property Investment	300	–	25.00	–	75
Property Investment	1 000	36.00	36.00	360	360
Investment	100	50.00	50.00	50	50
Investment	240	50.00	50.00	120	120
Property Investment	1 198	0.00	31.10	–	372
Property Investment	100 000	12.73	12.73	12 731	12 731
Management	1 000	25.00	25.00	250	250
Investment	100	100.00	100.00	100	10

39. DIRECT SUBSIDIARIES AND ASSOCIATES (CONTINUED)

The effective shareholding that the Group has in the entities above, is shown below:

A This company was sold on 14 October 2015;

B The deregistration was made final and published in the Government Gazette on 16 September 2015, 28 October 2015 and 11 May 2016 respectively;

C The shareholding was disposed of with effect from 10 February 2016;

D The shareholding was disposed of with effect from 30 June 2016. The disposal of the 10% shareholding in Atterbury Property Holdings Proprietary Limited will therefore not have an impact on the effective shareholding of Attacq Limited;

E Application for deregistration was filed with the Companies and Intellectual Properties Commission effective from 30 June 2016;

F The shareholding was disposed of with effect from 29 February 2016;

G The liquidation process has commenced during the 2016 financial year;

H MAS Real Estate Inc. shareholding includes the following movements;

- Issue of additional shares during the year which had the effect of diluting the effective shareholding of Attacq;
- Attacq disposed of 9.1 million shares during the 2016 financial year; and
- The vesting of the MAS Agterskot increasing the number of shares held by Attacq by 21.3 million (refer to note 13);

I Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited is a 50% held subsidiary of Atterbury Property Holdings Proprietary Limited. Effective holdings of Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited reduced to 50% as a result of the disposal of the 10% shareholding in the Atterbury investment. (Note D);

J The Group has an effective share of 33.00% (2015: 34.80%). The effective share reduced as a result of the disposal of the 10% shareholding in Atterbury Property Holdings Proprietary Limited (Note D);

K The Group has transferred the 25% shareholding in Grove Mall of Namibia into Attacq Namco Proprietary Limited of which Attacq Limited owns 100% of the shareholding;

L The Group has an effective share of 50.00% (2015: 55.00%) as a result of the disposal of the 10% shareholding in Atterbury Property Holdings Proprietary Limited (Note D); and

M The assets of the Company i.e. the Fountains Regional Mall was disposed of in May 2015, while the Company was retained.

40. SHAREHOLDER INFORMATION

Beneficial shareholders holding 5.0% or more of Attacq's issued share capital:

Number of shares/shareholding %	At 30 June 2016 Shares held	At 30 June 2016 %	At 30 June 2015 Shares held	At 30 June 2015 %
Sanlam Group Limited	95 849 673	12.8%	101 530 875	13.6%
Coronation Fund Managers Limited	93 513 575	12.5%	90 487 555	12.1%
Royal Bafokeng Holdings Proprietary Limited*	64 688 605	8.6%	78 754 233	10.5%
Government Employees Pension Fund	61 798 750	8.3%	46 057 439	6.2%
Total	**315 850 603**	**42.2%**	**316 830 102**	**42.4%**

* *The shares held by Royal Bafokeng Holdings Proprietary Limited are directly held by Lisinfo 222 Investments Proprietary Limited.*

Beneficial shareholder spread

	At 30 June 2016			At 30 June 2015		
	Number	Shares held	%	Number	Shares held	%
Non-public	23	249 104 894	33.3%	26	332 755 659	44.5%
> 10%	2	189 363 248	25.3%	3	270 772 663	36.2%
Treasury shares	2	46 427 553	6.2%	2	46 427 553	6.2%
Directors and associates	19	13 314 093	1.8%	21	15 555 443	2.1%
Public	8 354	498 717 883	66.7%	8 826	414 667 118	55.5%
Total	**8 377**	**747 822 777**	**100.0%**	**8 852**	**747 422 777**	**100.0%**

Summary of trading in Attacq shares

	30 June 2016	30 June 2015
Number of trades	133 699	110 030
Total number of shares traded	233 302 270	260 780 214
Total value of shares traded (R'000s)	4 624 098	5 752 733
High (R)	23.30	27.88
Low (R)	16.22	17.45
Closing price (R)	18.81	22.20

NOTES

NOTES

NOTES

CORPORATE INFORMATION

Attacq Limited

(Incorporated in the Republic of South Africa)
(Registration number 1997/000543/06)
JSE share code: ATT ISIN: ZAE000177218

Registered office

ATT House, 2nd Floor
Maxwell Office Park
Magwa Crescent West
Waterfall City
2090

Postal address

PostNet Suite 016
Private Bag X81
Halfway House
1685

Directors

P Tredoux#* (Chairperson)
MC Wilken (CEO)
M Hamman (CFO)
MM du Toit#*
HR El Haimer#*
KR Moloko#*
BT Nagle#*
S Shaw-Taylor#*
JHP van der Merwe#*
LLS van der Watt*

 # Independent
** Non-executive*

Company Secretary

T Kodde

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

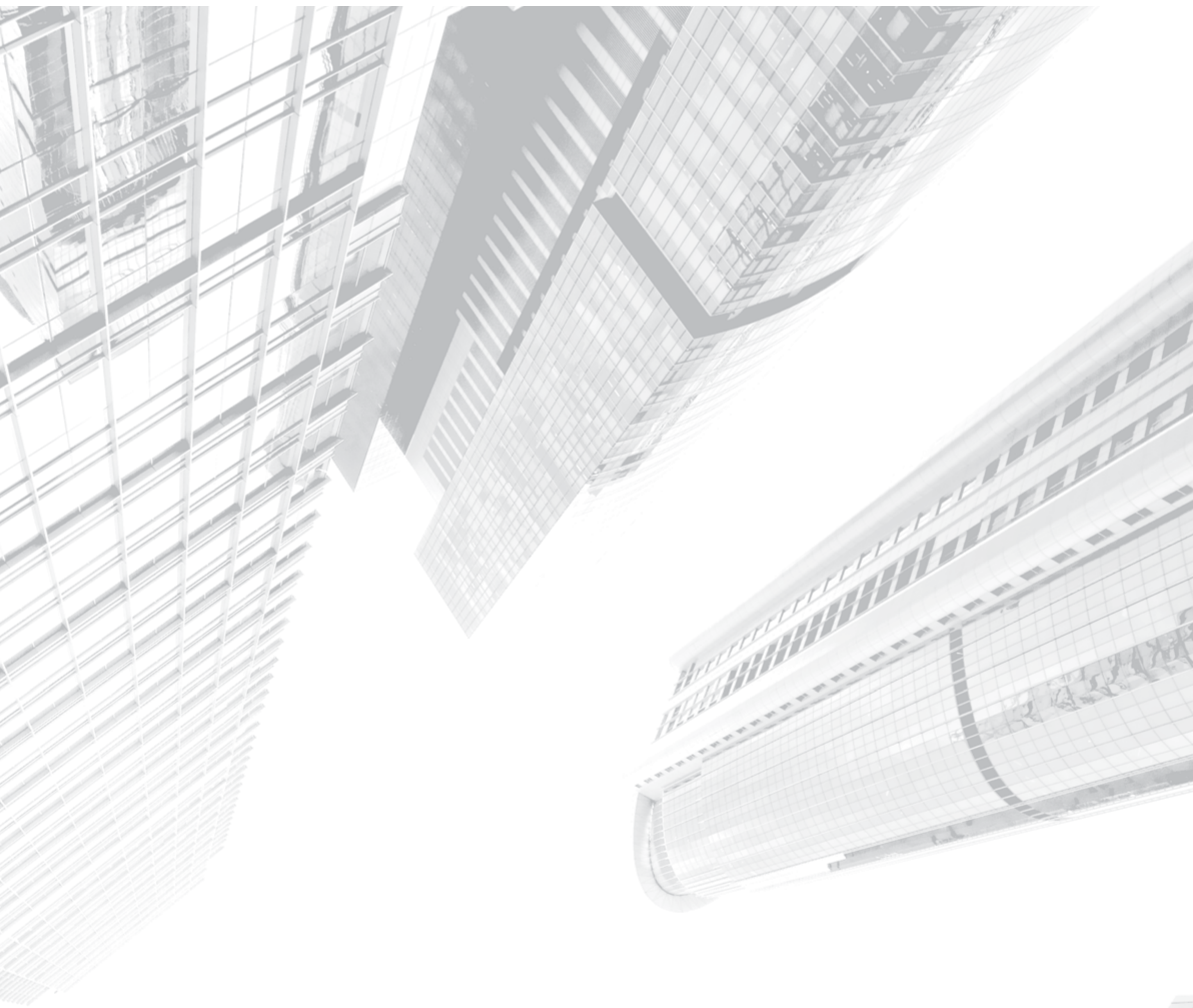
Sponsor

Java Capital

Independent auditors

Deloitte & Touche
Registered Auditors
Riverwalk Office Park, Block B
41 Matroosberg Road, Ashlea Gardens X6, Pretoria, 0081
(PO Box 11007, Hatfield, 0028)

GREYMATTER & FINCH # 10470



ATT House, 2nd Floor, Maxwell Office Park,
Magwa Crescent West, Waterfall City, Waterfall
Tel +27 10 596 8892
Tel +27 87 845 1136
Fax +27 86 242 9247
Reception@attacq.co.za

www.attacq.co.za