ATTACQ

INVEST • DEVELOP • GROW

INTERIM RESULTS

for the six months ended 31 December 2018

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INVEST • DEVELOP • GROW

CONDENSED UNAUDITED CONSOLIDATED INTERIM

FINANCIAL RESULTS

for the six months ended 31 December 2018

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Highlights

- Dividend per share (DPS) of 40.5 cents declared for the six months ended 31 December 2018
- Growth in distributable earnings per share (DEPS) of 9.5%
- Interest cover ratio improved to 1.77 times from 1.68 times
- Trading density growth in retail portfolio of 6.9%
- During the period, two buildings were completed in Waterfall with a further 12 buildings under construction

Introduction

Attacq is a South African-based REIT, delivering sustainable income and capital growth through a focused approach in real estate investments and developments.

The company's business model is based on four key value drivers, namely the South African portfolio, Developments at Waterfall, investment in MAS Real Estate Inc. (MAS) and the Rest of Africa retail investments.

Attacq is listed on the Johannesburg Stock Exchange (JSE) and is included in the FTSE/JSE SAPY Index, FTSE/JSE SA REIT Index as well as the FTSE/JSE Responsible Investment Index.

The group deconsolidated Nieuwtown Property Development Proprietary Limited (Nieuwtown) and Majestic Offices Proprietary Limited (Majestic) and as a result restated prior year figures. For more information, refer to the paragraph, restatement of Attacq's prior year financial statements.

General overview

Attacq's board of directors (the board) is pleased to announce that an interim dividend of 40.5 cents per share (cps) for the six months ended 31 December 2018 has been declared. Having converted to a REIT in May 2018, Attacq declared its inaugural dividend in October 2018 for the full year ended 30 June 2018 and therefore there is no prior period comparative for this interim dividend.

In a challenging environment, Attacq's South African portfolio performed well, supported by good trading growth from the Mall of Africa as well as newly completed buildings in Waterfall. This, combined with strong growth in dividends received from MAS, resulted in the group's distributable earnings increasing by 9.6% to R316.4 million (31 December 2017: R288.7 million). The investments into the Rest of Africa remain a challenge and impairments to these investments as well as Attacq paying out a full year dividend in October 2018, resulted in the net asset value per share (NAVPS) declining by 2.4% from R24.24 at 30 June 2018 to R23.66.

A breakdown of distributable earnings per value driver is tabled below:

Distributable earnings	Unaudited 31 December 2018 R'000	Unaudited 31 December 2018 cps	Restated unaudited 31 December 2017 R'000	Restated unaudited 31 December 2017 cps
South African portfolio	205 587	29.3	174 608	24.9
Developments at Waterfall	(16 213)	(2.3)	(2 792)	(0.4)
Investment in MAS	95 999	13.6	74 167	10.5
Rest of Africa retail investments	31 004	4.4	42 747	6.1
Total	**316 377**	**45.0**	**288 730**	**41.1**

Commentary
(continued)

South African Portfolio

Overview
Attacq's high-quality operational portfolio consists of retail, office and mixed-use, light industrial and hotel properties. During the six months ended 31 December 2018, the distributable earnings from the South African portfolio increased by 17.7% to 29.3 cps (31 December 2017: 24.9 cps). The value of the existing South African portfolio is R21.0 billion (30 June 2018: R21.0 billion), comprising 75.1% (30 June 2018: 75.2%) of total gross assets.

The portfolio's weighted average lease expiry profile is 6.8 years as at 31 December 2018 (30 June: 7.0 years). The average growth in trading densities in the retail portfolio for the year ended 31 December 2018 was 6.9% (31 December 2017: (0.8%)). The Mall of Africa's trading density growth is 12.7% (31 December 2017: 11.0%) for the 2018 calendar year ended and its rent to sales ratio improved to 9.2% (31 December 2017: 9.8%).

During the six months ended 31 December 2018, two buildings were completed in Waterfall, increasing the total South African portfolio primary gross lettable area (PGLA) to 731 945m^2 (30 June 2018: 722 730m^2). Attacq's attributable share of the total newly completed 19 268m^2 PGLA is 9 634m^2:

Completed properties	Lease commencement date	Effective PGLA m^2	Total PGLA m^2	Occupancy %	Effective share valuation R'000
Waterfall City					
Waterfall Corporate Campus – Accenture+	1 December 2018	1 985	3 970	100.0%	66 159
Waterfall Logistics Hub					
Cummins South Africa's Regional Office+	1 March 2019	7 649	15 298	100.0%	114 267
Total		**9 634**	**19 268**		**180 426**

+ Attacq has a 50.0% co-ownership

Rental income
Rental income increased by 12.4% to R1.0 billion (31 December 2017: R893.5 million) mainly due to the additional rental income from the buildings completed during the FY17 and FY18 years. Like-for-like rental growth was 0.4%, negatively impacted by the beneficial occupation period granted to Transnet and vacancies at 2 Eglin.

Leases expiring over the last 12 months amounted to 110 171m^2 (15.1% of total rentable area of the space). During this period, 92 861m^2 was renewed at a reversion rate of negative 4.1% and a weighted average escalation rate of 7.1%.

Lease renewals	Expired PGLA m^2	Success rate %	Reversion rate %	Escalation rate %
Office	61 421	91.5	(8.1)	7.8
Retail	48 751	75.5	(0.1)	6.5
Total	**110 171**	**84.4**	**(4.1)**	**7.1**

Property expenses
Property expenses increased by 8.0% on a like-for-like basis. The increase of 17.0% on total property expenses to R365.3 million (31 December 2017: R312.4 million) was due to newly completed buildings and an increase in municipal rates, impacted by increases in municipal valuations in Johannesburg. Municipal charges increased by 19.7% to R233.0 million (31 December 2017: R194.6 million), not all of which were recoverable from all tenants. This, combined with vacancies, resulted in a reduction in the municipal charge recovery ratio to 89.5% (31 December 2017: 93.1%).

Property cost-to-income ratio
The property cost-to-income ratio calculated below is based on best practice recommendations issued by the SA REIT Association. The Waterfall portfolio's ratios include the land lease rental obligation.

Property cost-to-income ratio	Unaudited 31 December 2018 %	Restated unaudited 31 December 2017 %
Waterfall portfolio		
Net cost-to-income ratio	21.0	21.2
Gross cost-to-income ratio	35.9	36.1
Non-Waterfall portfolio		
Net cost-to-income ratio	18.0	15.8
Gross cost-to-income ratio	37.0	33.9

Vacancies

Overall portfolio vacancies, measured in terms of PGLA, decreased by 19 168m^2 to 36 494m^2 when compared with 30 June 2018 mainly due to the Dis-Chem warehouse lease commencement and the leases concluded in Gateway West with Sage and Spaces.

Subsequent to 31 December 2018, 3 077m^2 of this vacant space was let, reducing the overall vacancy rate to 4.6%. Vacancies not yet filled mainly refer to 2 Eglin, Brooklyn Bridge Office Park and Gateway West.

	Unaudited 31 December 2018		Restated unaudited 30 June 2018	
Sector vacancies	%	PGLA m^2	%	PGLA m^2
Retail	2.6	7 539	1.7	4 946
Office and mixed-use	11.3	28 955	16.7	42 198
Light industrial	–	–	5.3	8 518
Hotel	–	–	–	–
Period end portfolio vacancy	**5.0**	**36 494**	**7.7**	**55 662**
Less: filled post period-end	0.4	3 077	3.0	21 791
Less: 2 Eglin	2.8	20 732	2.9	20 732
Adjusted portfolio vacancy	**1.7**	**12 685**	**1.8**	**13 139**
Waterfall	0.5	3 574	0.6	4 573
Other	1.2	9 111	1.2	8 566

Edcon restructure

From a South African operational point of view (including 50.0% of Newtown Junction), Attacq's effective Edcon Limited (Edcon) exposure will settle at 22 945m^2 of PGLA by 1 October 2019 (with an effective gross monthly rental of R3.2 million), which is estimated at 3.0% of the effective PGLA. This follows a reduction from 29 262m^2 based on PGLA (with an effective gross monthly rental of R4.1 million) at 30 June 2018 to 25 499m^2 by 31 December 2018 (with an effective gross monthly rental of R3.6 million).

Attacq is participating in Edcon's announced recapitalisation programme. The impact of the recapitalisation programme on Attacq's property valuations has been incorporated by reducing the gross rental income for the 24 months commencing 1 April 2019. On implementation, the impact on the distributable earnings for the 2019 financial year will be a R4.2 million reduction.

Valuations

The capitalisation and discount rates for the 31 December 2018 valuations remained largely unchanged when compared with the 30 June 2018 valuations. Fair value adjustments were negatively impacted mainly by an impairment on 2 Eglin, due to high vacancies and lower market rental projections.

Property valuations on completed properties for the interim reporting period are directors' valuations which are in the main supported by external desktop valuations performed by Sterling Valuation Specialists CC and Wolffs Valuations Services Proprietary Limited in association with Mills Fitchet Cape Proprietary Limited.

Commentary
(continued)

Developments at Waterfall

Overview
Waterfall's location and ease of access creates an attractive value proposition for the continued development of a new city and logistics hub in the centre of Gauteng. Waterfall has 953 036m² (30 June 2018: 957 008m²) of remaining developable bulk.

Distributable earnings are impacted by the holding costs relating to developments under construction, infrastructure and development rights. Holding costs refer to spend on rates and taxes, marketing, security, and Property Owners Association levies. For the period ended 31 December 2018, this has had a negative 2.3 cents impact on the distributable earnings.

The total asset value of Developments at Waterfall, including the value of the Attacq Sanlam joint venture, increased to R2.6 billion (30 June 2018: R2.3 billion). The increase is a result of capital expenditure and fair value adjustments on developments under construction due to the progress of the developments.

Developments at Waterfall	Unaudited 31 December 2018 R'000	Restated unaudited 30 June 2018 R'000
Developments under construction	**758 849**	527 592
Development rights	**879 179**	901 428
Infrastructure and services	**766 462**	685 875
Attacq Sanlam joint venture	**145 648**	143 803
Total	**2 550 138**	**2 258 698**

Whilst these assets are currently not contributing to distributable earnings, they create the platform for future economic benefits through the utilisation of developable bulk in the development of new properties.

Developments under construction
The following developments were under construction as at 31 December 2018. Attacq's attributable share of the total of 83 896m² PGLA is 57 431m².

Developments	Land parcel	Anticipated practical completion date	Lease commencement date	Effective PGLA m²*	Total PGLA m²*	Pre-let % based on total PGLA
Waterfall City						
Waterfall Corporate Campus – building 2+	10B	Q3 FY19	–	3 215	6 430	–
Waterfall Point	15	Q3 FY19	Sectional title sales	9 356	9 356	40.0#
The Ingress – PSG Wealth	10	Q1 FY20	1 August 2019	4 371	4 371	100.0
The Ingress – building 2	10	Q2 FY20	–	4 360	4 360	–
Deloitte head office+	10	Q3 FY20	1 April 2020	21 250	42 500	100.0
Waterfall Logistics Hub						
Pirtek	8	Q3 FY19	1 May 2019	2 926	2 926	100.0
Superga/Kappa warehouse	8	Q4 FY19	1 June 2019	4 657	4 657	100.0
Midi warehouse	8	Q4 FY19	–	5 296	5 296	–
Zimmer Biomet+	8	Q4 FY19	1 June 2019	2 000	4 000	100.0
Total				**57 431**	**83 896**	**>73.0%**

** Estimated PGLA of development. Subject to change upon final re-measurement post completion*
+ Attacq has a 50.0% ownership
 # Based on pre-sales

Waterfall Point – land parcel 15

Waterfall Point, located at the corner of Waterfall and Woodmead Drive, is an A-grade office park with four buildings of 2 339m² of PGLA each. The office park is structured as a sectional title scheme, to cater for companies with the need to invest in their own premises. It is the intention for Attacq to retain at least one full building as investment property, for rental. Three buildings have been classified as inventory, with 40.0% pre-sold. Recognition of the revenue, and cost of sales, on the pre-sold inventory is on a percentage completion basis.

Valuations

The valuations of developments under construction as at 31 December 2018 are directors' valuations, valuing the development at completion, less the costs to complete. These valuations are supported by external desktop valuations performed by Sterling Valuation Specialists CC and Wolffs Valuations Services Proprietary Limited in association with Mills Fitchet Cape Proprietary Limited.

Development rights

Development rights relate to the notarially secured leasehold rights held by Attacq Waterfall Investment Company Proprietary Limited (AWIC), a 100.0% subsidiary of Attacq.

As at 31 December 2018, AWIC had 953 036m² of remaining developable bulk. The heart of the development portfolio is 776 484m² of remaining developable bulk in Waterfall City, zoned for mixed-use developments. The Logistics Hub, which is well positioned for light industrial tenants, comprises 176 552m² of remaining developable bulk. In addition, AWIC has access to a further 686 054m² of developable bulk in the joint venture with Sanlam Properties, a division of Sanlam Life Insurance Limited (Sanlam).

The development rights valuation is a directors' valuation, supported by an external desktop valuation performed by Sterling Valuation Specialists CC. The external valuation is carried out using a residual land valuation model on a freehold, fully serviced basis. The valuation is adjusted downwards to take into account, *inter alia*, the costs required to complete the servicing of the development rights as well as the obligations pursuant to the leasehold nature of the development rights.

Infrastructure and services

The net increase in the value of infrastructure and services, held at cost, compared to prior year is as a result of infrastructure and pre-development spend of R75.7 million, offset against the reallocation to developments under construction of R4.8 million.

Development pipeline

Developments	Land parcel	Anticipated practical completion date	Anticipated lease commencement date	Effective PGLA* m²	Total PGLA* m²	Pre-let % based on total PGLA
Waterfall City						
Waterfall Corporate Campus – ContinuitySA+	10B	Q2 FY20	1 January 2020	2 765	5 530	100.0
Courtyard Hotel+	10	Q2 FY21	1 January 2021	3 119	6 237	100.0
The Ellipse	10	–	Sectional title unit sales	n/a	n/a	Phase I >60.0% pre-sold

** Estimated PGLA of development. Subject to change upon final re-measurement post completion*
+ Attacq has a 50.0% ownership

Commentary
(continued)

Waterfall Corporate Campus Office Park (Corporate Campus) – land parcel 10B
Corporate Campus is a 50/50 joint venture with Zenprop Property Holdings Proprietary Limited (Zenprop), with an approximate total development cost of R880.0 million. The development, on completion, will comprise six multi-tenanted office buildings with an estimated total PGLA of 30 000m^2. Building 1 (5 868m^2) and the Accenture building (3 970m^2) have been completed and are fully tenanted. Building 2 will be completed during the third quarter of the 2019 financial year. Building 5 (phase III) will be fully tenanted by ContinuitySA with a total construction cost estimated at R126.6 million. The estimated practical completion date of Building 5 is the second quarter of the 2020 financial year, with the lease commencement date being 1 January 2020.

Courtyard Hotel – land parcel 10
Attacq and Barrow Properties Proprietary Limited (Barrow Properties) have established a 50/50 joint venture to develop this mixed-use precinct adjacent to the Mall of Africa which comprises four office buildings and a "new concept" 4 star Courtyard Hotel by the City Lodge Hotel Group. The total PGLA is estimated at 32 000m^2 at an estimated total development cost of R800.0 million. The basement beneath building 1 has been completed with the construction of the remainder of the super-basement to commence in March 2019. The construction of the top structure of the 168 key Courtyard Hotel is estimated to commence 1 June 2019 at an approximate development cost of R229.1 million (cost per key: R1.3 million). Construction of the remaining precinct will be in a phased approach subject to leasing. Transfer of Barrow Properties share of development rights is pending and R56.0 million (30 June 2018: R46.7 million) is classified as non-current assets held for sale.

The Ellipse – land parcel 10
Attacq intends to roll out residential developments to create a "live, work, play" urban environment in Waterfall City. The proposed inaugural residential development will comprise four towers of approximately 620 residential units, west of the Mall of Africa. The development is a 50/50 joint venture with Portstone Developments Proprietary Limited. Phase I will consist of two towers of 272 units. The estimated development cost of R520.0 million for phase I includes infrastructure that will benefit phase II. The commencement of construction is subject to achieving a certain level of secured pre-sales.

Investment in MAS

Overview
Distributable earnings of R96.0 million (31 December 2017: R74.2 million), was generated by the investment in MAS, comprising the cash dividend received of R97.3 million, a realised profit of R2.3 million on forward exchange contracts less the tax impact of realised and unrealised hedges of R3.6 million.

Attacq's shareholding in MAS remained unchanged at 22.8%. The market value of Attacq's investment, based on 31 December 2018 MAS share price of R21.20 (30 June 2018: R21.00), equates to R3.1 billion (30 June 2018: R3.1 billion). Attacq's equity accounted investment at 31 December 2018 is R3.2 billion (30 June 2018: R3.1 billion).

MAS' income-producing portfolio achieved a 55.7% increase in net rental income to EUR23.8 million and MAS recorded a 40.0% increase in distributable earnings per share from 2.70 euro cents per share to 3.78 euro cents per share, driven by acquisitions of investment property, its Prime Kapital joint venture and its listed REIT portfolio. Investment property (including assets held for sale) increased by 21.6% to EUR769.8 million from EUR632.8 million.

MAS' management focus on the recycling of capital out of mature assets into higher-yielding properties resulted in the disposal of its Whitbread hotel assets at New Waverley, Edinburgh, for EUR43.3 million at yields of 4.1%. During the period, three income-producing properties were acquired adding a total of 110 340m^2 gross lettable area (GLA) to MAS' property portfolio.

Property	Location	GLA m^2	Acquisition valuation EUR million
Flensburg Galerie Shopping Centre	Flensburg, Germany	25 540	62.5
Militari Shopping Centre	Bucharest, Romania	56 200	95.0
Atrium Mall Shopping Centre	Arad, Romania	28 600	40.5

The Prime Kapital development joint venture completed the first two of its larger retail developments in November 2018 and December 2018, respectively, with the opening of the 18 808m^2 Roman Value Centre and the 21 318m^2 Baia Mare Value Centre, both located in Romania. A total of nine developments totalling 67 950m^2 of GLA have been completed by the joint venture at a net initial yield of 10.6%.

The development joint venture pipeline comprises ten assets with an estimated total development cost of EUR737.8 million and totalling 498 300m^2 of GLA. Development of seven of these assets will commence shortly and two are expected to be completed by December 2019.

In addition, plans are underway to extend and refurbish the retail assets of the investment joint venture between MAS and Prime Kapital, namely Nova Park (Poland), Burgas Mall and Stara Zagora Mall (both Bulgaria). Approximately 57 000m^2 of GLA can be added at an estimated cost of EUR134.5 million in order to expand the fashion and leisure offerings of the centres and entrench their regionally dominant nature.

Subsequent to period end, MAS entered into a transaction via the investment joint venture with Prime Kapital, to acquire the nine completed developments in Romania from the Prime Kapital development JV for an aggregate value of EUR108 million. It was also agreed that the existing development joint venture would be extended by a further two years, taking the exclusivity period with Prime Kapital to 2023.

Hedging of MAS dividends
Attacq hedged a portion of the final MAS dividend received on 17 October 2018 and realised a foreign exchange profit of R2.3 million.

Additional hedges currently in place in respect of expected future MAS dividends are as follows:

Amount hedged EUR million	Financial period received	Forward rate
4.5	2019	R17.9895
5.1	2020	R18.0962
2.7	2020	R17.2850

Rest of Africa Retail Investments

Overview
The Rest of Africa Retail Investments generated distributable earnings of R31.0 million (31 December R42.7 million) during the period, comprising R33.6 million of interest received from AttAfrica, R7.2 million of interest received from Gruppo Investment Nigeria Limited (Gruppo) less the cost of external debt service of R9.4 million and associated tax paid of R0.4 million.

As at 31 December 2018, Attacq's Rest of Africa Investments were held via its:

- 25.0% shareholding in Gruppo, the owner of Ikeja City Mall, located in Lagos, Nigeria; and
- 31.8% shareholding in AttAfrica Limited (AttAfrica), which is invested in four retail properties in Ghana and one retail property in Zambia.

As at 31 December 2018, the value of Attacq's Rest of Africa retail investments was R806.9 million comprising 2.9% (30 June 2018: 4.2%) of its total gross assets.

The group's equity accounted investment into and loan to Gruppo totalled R253.0 million (30 June 2018: R305.2 million). The decrease in the investment value is a result of an impairment of R66.1 million offset by a 4.9% weakening of the rand against the US dollar.

Attacq's investment in AttAfrica, through its shareholder loan, amounted to R553.9 million (30 June 2018: R787.3 million), being its gross loan of R1.0 billion (30 June 2018: R953.9 million), net of an aggregate impairment of R484.0 million (30 June 2018: R166.6 million). An impairment of R304.1 million was recognised against the loan in the current period (31 December 2017: R3.5 million) due to the increase in the negative net asset value position of AttAfrica.

AttAfrica capital structure
Currently Attacq is not receiving regular cash distributions from AttAfrica, due to the unfavourable trading conditions and as a consequence of the capital structure of Attacq's investment in AttAfrica. The capital structure, *inter alia*, gives Attacq a 31.8% shareholding in AttAfrica which is in excess of its obligation to contribute 25.0% of the funding requirements and therefore Attacq has a share of any capital growth in the underlying portfolio in excess of its capital contributions. However, Hyprop Investments Limited has first right to operational income flows generated by the portfolio, resulting in irregular cash distributions to Attacq. As reported in prior periods, AttAfrica shareholders are investigating options to create liquidity in the portfolio in advance of the June 2020 shareholder liquidity event; failing which the existing capital structure will be restructured.

Commentary
(continued)

Malls and performance

At 31 December 2018, the retail properties in which Attacq has an interest, together with the vacancy rates were as follows:

Property	Location	Owner	PGLA m^2	Attacq's effective interest %	Vacancy % Dec 2018	Vacancy % June 2018
Manda Hill	Lusaka, Zambia	AttAfrica	42 002	15.9	7.2	4.1
Accra Mall	Accra, Ghana	AttAfrica	21 311	15.0	6.3	6.8
West Hills Mall	Accra, Ghana	AttAfrica	28 272	14.3	15.6	10.4
Achimota Retail Centre	Accra, Ghana	AttAfrica	15 534	23.9	3.4	1.9
Kumasi City Mall	Kumasi, Ghana	AttAfrica	18 604	23.9	12.8	13.0
Ikeja City Mall	Lagos, Nigeria	Gruppo	22 223	25.0	3.1	3.1

The Ghana, Zambia and Nigeria economies remain under pressure with continued local currency depreciation and policy uncertainty. Tenant depth challenges will be exacerbated by the loss of a number of South African clothing retailers who are unlikely to renew their leases. AttAfrica shareholders are reviewing this investment with the view to a reduction in exposure.

Assets held for sale

	Unaudited 31 December 2018 R'000	Restated unaudited 30 June 2018 R'000
Waterfall City/Barrow Properties	56 026	46 668
Cummins South Africa's regional office/Zenprop	108 204	63 372
Stenham European Shopping Centre Fund Limited	–	2 947
Rainprop Proprietary Limited	763	775
Zimmer Biomet/Sanlam	11 751	5 109
Total	**176 744**	**118 871**

Attacq classified 50.0% of the development rights as well as infrastructure and service costs relating to Cummins South Africa's regional office as held for sale due to the 50/50 joint venture arrangement between Attacq and Zenprop. The 31 December 2018 value of R108.2 million was settled during February 2019 when the property transferred to Zenprop. Similarly, amounts outstanding from Barrow Properties and Sanlam will be settled upon transfer.

Borrowings

Total interest-bearing borrowings increased by 4.4% to R10.5 billion (30 June 2018: R10.1 billion). Gearing, calculated as total interest-bearing debt less unrestricted cash on hand as a percentage of total assets less cash on hand, increased from 33.5% (30 June 2018) to 36.3% (31 December 2018). The increase of the gearing ratio is largely as a result of paying out a full year dividend in October 2018 and impairments to the investments in Africa. Attacq has provided a guarantee of R286.0 million in respect of external interest-bearing debt on behalf of Nieuwtown a 50.0% equity accounted associate. Should Nieuwtown Precinct be proportionally consolidated, the group's gearing ratio would increase to 37.6% There are committed but undrawn facilities as at 31 December 2018 of R720.5 million which are all rand-denominated (30 June 2018: R676.4 million).

	Unaudited 31 December 2018	Restated unaudited 30 June 2018
Total drawn facilities (R'000)	**10 510 399**	**10 065 586**
Total weighted average loan term (years)	**3.8**	**4.2**
ZAR-denominated interest-bearing borrowings		
Committed facilities available (R'000)	9 755 753	9 312 162
Drawn facilities (R'000)	9 038 478	8 634 578
Weighted average loan term (years)	4.1	4.7
EUR-denominated interest-bearing borrowings		
Committed facilities available (R'000)	1 475 166	1 431 123
Drawn facilities (R'000)	1 471 921	1 431 008
Weighted average loan term (years)	1.1	1.4
Gearing (%)	**36.3**	**33.5**

In order to mitigate interest rate risk, as at 31 December 2018, approximately 89.0% (30 June 2018: 94.2%) of total committed facilities of R11.2 billion (30 June 2018: R10.7 billion) were hedged by way of fixed interest rate loans or interest rate swaps which is higher than the group's minimum hedging policy of 70.0%.

	Unaudited 31 December 2018	Restated unaudited 30 June 2018
Total hedged as a % of total committed facilities (%)	**89.0**	**94.2**
Total weighted average hedges term (years)	**3.3**	**3.7**
Rand-denominated hedges		
Total hedged as a % of total committed facilities (%)	93.9	99.9
Weighted average hedges term (years)	3.6	4.0
EUR-denominated hedges		
Total hedged as a % of total committed facilities (%)	56.8	56.8
Weighted average hedges term (years)	0.3	0.8

The weighted average cost of funding remained unchanged over the last six months at 8.9% (30 June 2018: 8.9%). For rand-denominated funding, the weighted average floating interest rate increased from 8.8% (30 June 2018) to 9.0% (31 December 2018), which is in line with the increase in the three-month JIBAR rate over the same period.

Commentary
(continued)

	Unaudited 31 December 2018 %	Restated unaudited 30 June 2018 %
Total weighted average cost of debt	**8.9**	**8.9**
Rand-denominated weighted average cost of debt		
Weighted average floating interest rate	9.0	8.8
Premium for hedging	0.9	1.2
Weighted average cost of debt	9.9	10.0
EUR-denominated weighted average cost of debt		
Weighted average floating interest rate	2.3	2.3
Premium for hedging	0.1	0.1
Weighted average cost of debt	2.4	2.4

The interest cover ratio has improved to 1.77 times (31 December 2017: 1.68 times) due to escalations in contractual rental income and an increase in the cash dividend received from MAS.

R503.1 million (30 June 2018: R538.1 million) of the group's interest-bearing debt is due for repayment over the next 12 months. Of the R503.1 million, R398.3 million relates to one of the tranches in the Attacq Retail Fund and Lynnwood Bridge Office Park syndicated loan and the group has started discussions with funders to refinance this tranche and is confident that the tranche will be refinanced.

During the six months ended 31 December 2018, a facility of R330.3 million was refinanced.

An increase in other financial liabilities of R15.9 million (30 June 2018: decrease R40.7 million) was recorded on the mark-to-market valuation of interest rate swaps.

Restatement of Attacq's prior year financial statements

Deconsolidation of Nieuwtown and Majestic

The group has a 50.0% shareholding in Nieuwtown and Majestic.

The group was considered to have control over both Nieuwtown and Majestic because of its 50.0% ownership as well as performing the asset management function on behalf of both companies. As a result, Nieuwtown and Majestic were consolidated in the group financial statements for all previous reporting dates since inception.

When Attacq relinquished the asset management function, Nieuwtown and Majestic were deconsolidated by the group with effect from 1 July 2018.

The decision to consolidate Nieuwtown and Majestic in prior years was reviewed together with the accounting treatment appropriate with the change in asset managers referred to above. Following the review, it was determined that the performance of the asset management function in conjunction with a 50.0% shareholding does not by itself result in control. It was therefore concluded that Attacq had joint control with its co-shareholder prior to 1 July 2018.

The impact of this error is that the group has restated the prior year financial statements by deconsolidating Nieuwtown and Majestic and accounting for these investments as associates in terms of IFRS 11: *Joint Arrangements*.

Error in treatment of non-controlling interest of Nieuwtown in calculating distributable earnings

While preparing the restated prior year financial statements as referred to above, it was observed that the non-cash intercompany transactions attributable to the non-controlling interest in respect of Nieuwtown were not adjusted for in the calculation of distributable earnings. This error was corrected by effecting the prior year restatement of deconsolidating Nieuwtown and accounting for this investment as an associate in terms of IFRS 11: *Joint Arrangements*.

The impact of these restatements on the key metrics is as follows:

	31 December 2017			30 June 2018		
Impact on	As reported	Restatement	Restated	As reported	Restatement	Restated
Net asset value per share (cps)	2 056.0	2.0	2 058.0	2 424.0	–	2 424.0
Distributable earnings per share (cps)	38.9	2.2	41.1	75.0	5.7	80.7

A restatement is required in terms of IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors* because of the material adjustments to individual line items of the financial statements as detailed below:

Condensed consolidated statement of financial position

	As reported unaudited 31 December 2017 R'000	Restatement R'000	Restated unaudited 31 December 2017 R'000	As reported audited 30 June 2018 R'000	Restatement R'000	Restated unaudited 30 June 2018 R'000
ASSETS						
Non-current assets						
Property and equipment	47 130	(1 501)	45 629	42 667	(1 446)	41 221
Investment properties	20 323 153	(1 480 370)	18 842 783	21 234 085	(1 442 940)	19 791 145
Per valuation	21 165 270	(1 558 148)	19 607 122	22 166 318	(1 533 150)	20 633 168
Straight-line lease debtor	(842 117)	77 778	(764 339)	(932 233)	90 210	(842 023)
Straight-line lease debtor	842 117	(77 778)	764 339	932 233	(90 210)	842 023
Investment in associates and joint ventures	3 179 281	12 404	3 191 685	3 328 852	16 710	3 345 562
Total non-current assets	25 117 175	(1 547 245)	23 569 930	26 255 538	(1 517 886)	24 737 652
Current assets						
Trade and other receivables	183 124	(12 672)	170 452	212 563	(9 548)	203 015
Loans to associates and joint ventures	1 070 696	346 370	1 417 066	1 190 590	320 295	1 510 885
Cash and cash equivalents	725 244	(19 989)	705 255	1 239 631	(18 505)	1 221 126
Total current assets	2 154 087	313 709	2 467 796	2 704 290	292 242	2 996 532
Total assets	28 164 232	(1 233 536)	26 930 696	29 078 699	(1 225 644)	27 853 055
EQUITY AND LIABILITIES						
Equity						
Distributable reserves	7 215 581	10 665	7 226 246	9 544 296	(9 521)	9 534 775
Available-for-sale reserve	286 152	9 525	295 677	279 845	9 526	289 371
Equity attributable to owners of the holding company	14 452 122	20 190	14 472 312	17 042 125	5	17 042 130
Non-controlling interests	(66 057)	66 057	–	16 705	(16 705)	–
Total equity	14 386 065	86 247	14 472 312	17 058 830	(16 700)	17 042 130
Non-current liabilities						
Long-term borrowings	10 372 429	(1 020 589)	9 351 840	10 527 029	(999 539)	9 527 490
Deferred tax liabilities	2 079 216	(2 541)	2 076 675	178 924	(1)	178 923
Other financial liabilities	214 106	(1 832)	212 274	127 869	(1 004)	126 865
Finance lease obligation	85 983	(85 983)	–	88 914	(88 914)	–
Total non-current liabilities	12 752 606	(1 110 945)	11 641 661	10 923 295	(1 089 458)	9 833 837
Current liabilities						
Other financial liabilities	158 002	(146 069)	11 933	74 060	(53 011)	21 049
Trade and other payables	301 382	(22 368)	279 014	403 550	(20 046)	383 504
Short-term portion of long-term borrowings	214 888	(40 401)	174 487	584 525	(46 429)	538 096
Total current liabilities	694 985	(208 838)	486 147	1 096 574	(119 486)	977 088
Total liabilities	13 778 167	(1 319 783)	12 458 384	12 019 869	(1 208 944)	10 810 925
Total equity and liabilities	28 164 232	(1 233 536)	26 930 696	29 078 699	(1 225 644)	27 853 055
The following information does not form part of the statement of financial position						
Net asset value per share (cents)	2 056	2	2 058	2 424	–	2 424
Net asset value per share adjusted for deferred tax (cents)	2 351	3	2 354	2 449	–	2 449

Condensed consolidated statement of comprehensive income

	As reported unaudited 31 December 2017 R'000	Restatement R'000	Restated unaudited 31 December 2017 R'000	As reported audited 30 June 2018 R'000	Restatement R'000	Restated unaudited 30 June 2018 R'000
Gross revenue	1 001 983	(89 152)	912 831	2 138 961	(186 452)	1 952 509
Rental income	980 055	(86 583)	893 472	2 035 494	(171 452)	1 864 042
Straight-line lease income adjustment	21 928	(2 569)	19 359	103 467	(15 000)	88 467
Property expenses	(348 163)	35 782	(312 381)	(724 726)	70 878	(653 848)
Net rental income	653 820	(53 370)	600 450	1 414 235	(115 574)	1 298 661
Other income	38 445	(176)	38 269	157 675	(112 705)	44 970
Operating expenses	(75 039)	1	(75 038)	(170 256)	2	(170 254)
Operating profit	549 754	(53 545)	496 209	1 253 939	(228 277)	1 025 662
Fair value adjustments	213 406	11 417	224 823	370 265	50 621	420 886
Investment properties	252 882	11 197	264 079	328 970	51 228	380 198
Other financial assets and liabilities	(39 476)	220	(39 256)	41 295	(607)	40 688
Net income from associates and joint ventures	38 020	–	38 020	81 706	(52 560)	29 146
Investment income	82 830	19 146	101 976	194 447	38 868	233 315
Finance costs	(456 060)	68 674	(387 386)	(950 501)	136 633	(813 868)
Profit before taxation	414 305	45 692	459 997	961 569	(54 715)	906 854
Income tax expense	(173 170)	247	(172 923)	1 749 765	(2 293)	1 747 472
Profit for the period/year	241 135	45 939	287 074	2 711 334	(57 008)	2 654 326
Attributable to:						
Owners of the holding company	264 105	22 969	287 074	2 651 542	2 784	2 654 326
Non-controlling interests	(22 970)	22 970	–	59 792	(59 792)	–
Total comprehensive income for the period/year	244 958	45 939	290 897	2 706 686	(57 008)	2 649 678
Attributable to:						
Owners of the holding company	267 928	22 969	290 897	2 646 894	2 784	2 649 678
Non-controlling interests	(22 970)	22 970	–	59 792	(59 792)	–
Earnings per share (cents)						
Basic	37.6	3.2	40.8	377.2	0.4	377.6
Diluted	37.3	3.2	40.5	374.2	0.4	374.6

Reconciliation between earnings and headline earnings

	As reported unaudited 31 December 2017 R'000	Restatement R'000	Restated unaudited 31 December 2017 R'000	As reported audited 30 June 2018 R'000	Restatement R'000	Restated unaudited 30 June 2018 R'000
Profit for the period/year	264 105	22 969	287 074	2 651 542	2 784	2 654 326
Headline earnings adjustments	(206 079)	(4 423)	(210 502)	(426 476)	43 788	(382 688)
Impairment of associates and other investments	6 435	–	6 435	51 197	16 624	67 821
Fair value adjustments	(213 406)	(11 417)	(224 823)	(370 265)	(50 621)	(420 886)
Net income from associates and joint ventures	(38 020)	–	(38 020)	(33 270)	52 560	19 290
Tax effect on adjustments	53 248	2 570	55 818	4 975	(170)	4 805
Non-controlling interests' share	(4 424)	4 424	–	(25 395)	25 395	–
Headline earnings	58 026	18 546	76 572	2 225 066	46 572	2 271 638
Headline earnings per share (cents)						
Basic	8.3	2.6	10.9	316.5	6.6	323.1
Diluted	8.2	2.6	10.8	314.0	6.6	320.6

Condensed consolidated statement of cash flows

	As reported unaudited 31 December 2017 R'000	Restatement R'000	Restated unaudited 31 December 2017 R'000	As reported audited 30 June 2018 R'000	Restatement R'000	Restated unaudited 30 June 2018 R'000
Cash flow generated from operating activities	54 890	8 881	63 771	380 762	3 827	384 589
Cash generated from operations	339 737	(48 096)	291 641	1 019 788	(108 193)	911 595
Investment income	106 605	(868)	105 737	290 129	(1 790)	288 339
Finance costs	(378 159)	57 845	(320 314)	(899 312)	113 810	(785 502)
Cash flow (utilised in) generated from investing activities	(237 968)	367	(237 601)	(119 105)	2 729	(116 376)
Property and equipment acquired	(640)	238	(402)	(2 874)	–	(2 874)
Investment properties acquired	(455 870)	129	(455 741)	(738 927)	2 729	(736 198)
Cash flow generated from financing activities	460 476	1 048	461 524	530 128	5 224	535 352
Long-term borrowings repaid	(1 496 779)	7 116	(1 489 663)	(2 895 275)	21 439	(2 873 836)
Loans to associates and joint ventures repaid (advanced)	135 484	(6 068)	129 416	130 649	(16 215)	114 434
Total cash movement for the period/year	277 398	10 296	287 694	791 785	11 780	803 565
Cash at the beginning of the period/year	447 846	(30 285)	417 561	447 846	(30 285)	417 561
Total cash at the end of the period/year	725 244	(19 989)	705 255	1 239 631	(18 505)	1 221 126

Reconciliation of profit for the year to distributable earnings

	As reported unaudited 31 December 2017 R'000	Restatement R'000	Restated unaudited 31 December 2017 R'000	As reported audited 30 June 2018 R'000	Restatement R'000	Restated unaudited 30 June 2018 R'000
Profit for the period/year	264 105	22 969	287 074	2 651 542	2 784	2 654 326
Fair value adjustments	(213 406)	(11 417)	(224 823)	(370 265)	(50 621)	(420 886)
Net income from associates and joint ventures	(38 020)	–	(38 020)	(81 706)	52 560	(29 146)
Non-controlling interests' share of fair value adjustments	(4 424)	4 424	–	(25 395)	25 395	–
Straight-line lease income adjustments	(20 644)	1 285	(19 359)	(95 967)	7 500	(88 467)
Adjustment for net non-cash interest from associates	–	–	–	(87 613)	(40 658)	(128 271)
Depreciation and amortisation	20 031	(357)	19 674	40 335	(571)	39 764
Finance lease interest	1 799	(1 799)	–	3 784	(3 784)	–
Write-off of other trade and receivable	–	–	–	52 492	(4 520)	47 972
Write-off of loan by APD net of non-controlling interest	–	–	–	(56 178)	56 178	–
Non-cash interest accrued	–	–	–	7 536	(7 536)	–
Deferred taxation	150 396	(247)	150 149	(1 771 676)	2 293	(1 769 383)
Actual finance lease payments	(378)	378	–	(773)	773	–
Distributable earnings for the period/year	273 494	15 236	288 730	527 384	39 793	567 177
Distributable earnings per share (cents)						
Basic	38.9	2.2	41.1	75.0	5.7	80.7

Prospects

Attacq expects its total dividend per share for the full year ending 30 June 2019 to be between 79.6 cps and 81.0 cps which would result in growth of between 7.5% and 9.5% on the 2018 full year dividend. This is in line with the guidance provided in September 2018.

This guidance is based on the following assumptions:

- achieving forecasted rental income based on contractual terms and anticipated market-related renewals
- the proposed Edcon restructure commencing on 1 April 2019
- the expected roll-out of the current and budgeted development portfolio
- MAS paying its 2019 interim dividend
- no unforeseen circumstances such as major corporate tenant failures or macro-economic instability occurring.

The prospects has not been reviewed or reported on by Attacq's auditors.

Declaration of a cash dividend

The board declared an interim gross cash dividend of 40.50000 cents per share, for the six months ended 31 December 2018, out of the company's distributable income.

The dividend is payable to Attacq shareholders in accordance with the timetable set out below:

Last day of trade in order to be eligible to receive the cash dividend	Tuesday, 26 March
Shares trade ex-dividend	Wednesday, 27 March
Record date to receive the cash dividend	Friday, 29 March
Accounts credited by Central Securities Depository Participant (CSDP) or broker to dematerialised shareholders with cash dividend payment	Monday, 1 April
Cash dividend payment to certificated shareholders on or about	Monday, 1 April

Notes:

1. Shares may not be dematerialised or rematerialised between Wednesday, 27 March 2019 and Friday, 29 March 2019, both days inclusive.
2. Where the transfer secretaries do not have the banking details of any certificated shareholders, the cash dividend will be held in trust by the transfer secretaries pending receipt of the relevant certificated shareholder's banking details whereafter the cash dividend will be paid via electronic transfer into the personal bank accounts of certificated shareholders.

In accordance with Attacq's status as a REIT with effect from 29 May 2018, shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 (Income Tax Act). The dividend on the shares will be deemed to be a taxable dividend for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for South African resident shareholders

The dividend received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT. This dividend is, however, exempt from dividend withholding tax (dividend tax) in the hands of South African tax resident shareholders, provided that the South African tax resident shareholders provide the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

a) a declaration that the dividend is exempt from dividends tax; and

b) a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Commentary
(continued)

Tax implications for non-resident shareholders
Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Any distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20.0%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20.0%, the net dividend amount due to non-resident shareholders is 32.40000 cents per share.

A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and

b) a written undertaking to inform their CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Non-resident shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted, if applicable.

The number of shares in issue as at 31 December 2018 and as at the date of this announcement is 749 822 777 ordinary shares of no par value which includes 46 427 553 treasury shares. Attacq's tax reference number is 9241/038/64/6.

Subsequent events
In line with IAS 10: *Events after the reporting period*, the declaration of the dividend occurred after the six months period under review, resulting in a non-adjusting event which is not recognised in the financial statements. There are no further subsequent events noted.

Commitments
Please refer to developments under construction and developments in the pipeline for future capital commitments. Future commitments will be funded by undrawn banking facilities, cash on hand and proceeds from capital recycling activities.

Issue of shares
During the period under review, 240 000 shares were issued in terms of long-term incentive awards.

Change in directors
There were no changes in directors during the reporting period.

Basis of preparation and accounting policies

The condensed unaudited consolidated interim financial statements for the six months ended 31 December 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34: *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of South Africa. These interim results was compiled under the supervision of R Nana CA(SA), CFO of Attacq.

The accounting policies applied in the preparation of the condensed unaudited consolidated interim financial statements are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements for the year ended 30 June 2018, with the exception of the adoption of new and revised standards i.e. IFRS 9: *Financial Instruments* and IFRS 15: *Revenue from contracts with customers* which became effective during the period. Based on management's assessment, the amendments to the applicable accounting standards and adoption thereof do not have a material impact on the group's interim financial statements.

The group's investment properties are valued internally by the directors at interim reporting periods and externally by independent valuers for year-end reporting. In terms of IAS 40: *Investment Property* and IFRS 7: *Financial Instruments: Disclosures*, the group's investment properties are measured at fair value and are categorised as level 3 investments. In terms of IAS 39: *Financial Instruments: Recognition and measurement* and IFRS 7: *Financial Instruments: Disclosures*, the group's interest rate derivatives are measured at fair value through profit or loss and are categorised as level 2 investments. In terms of IAS 39, listed investments are measured at fair value, being the quoted closing price at the reporting date, and are categorised as level 1 investments. Unlisted investments are categorised as level 3 investments. There were no transfers between levels 1, 2 and 3 investments during the period. The valuation methods applied are consistent with those applied in preparing the previous consolidated financial statements.

The condensed interim financial statements have not been audited or reviewed by Attacq's auditors.

On behalf of the board

P Tredoux
Chairman

M Hamman
CEO

5 March 2019

Condensed consolidated statement of financial position

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
ASSETS			
Non-current assets			
Property and equipment	37 083	45 629	41 221
Investment properties	20 369 160	18 842 783	19 791 145
Per valuation	21 292 503	19 607 122	20 633 168
Straight-line lease debtor	(923 343)	(764 339)	(842 023)
Straight-line lease debtor	923 343	764 339	842 023
Deferred initial lease expenditure	8 129	7 079	9 275
Intangible assets	256 520	276 894	266 502
Goodwill	67 774	67 774	67 774
Investment in associates and joint ventures	3 329 163	3 191 685	3 345 562
Other financial assets	388 307	361 280	373 651
Other investments	488	12 456	488
Deferred tax assets	–	11	11
Total non-current assets	25 379 967	23 569 930	24 737 652
Current assets			
Taxation receivable	2 713	–	2 714
Trade and other receivables	225 707	170 452	203 015
Inventory	93 078	34 592	42 484
Loans to associates and joint ventures	1 283 417	1 417 066	1 510 885
Other financial assets	26 822	140 431	16 308
Cash and cash equivalents	728 347	705 255	1 221 126
Total current assets	2 360 084	2 467 796	2 996 532
Non-current assets held for sale	176 744	892 970	118 871
Total assets	27 916 795	26 930 696	27 853 055
EQUITY AND LIABILITIES			
Equity			
Stated capital	6 462 389	6 458 912	6 460 108
Distributable reserves	9 052 751	7 226 246	9 534 775
Available-for-sale reserve	283 506	295 677	289 371
Share-based payment reserve	106 511	107 738	117 390
Foreign currency translation reserve	839 868	487 954	744 701
Acquisition of non-controlling interests reserve	(104 215)	(104 215)	(104 215)
Equity attributable to owners of the holding company	16 640 810	14 472 312	17 042 130
Total equity	16 640 810	14 472 312	17 042 130

Condensed consolidated statement of financial position (continued)

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
Non-current liabilities			
Long-term borrowings	10 007 313	9 351 840	9 527 490
Deferred tax liabilities	185 367	2 076 675	178 923
Other financial liabilities	141 955	212 274	126 865
Cash-settled share-based payments	376	872	559
Total non-current liabilities	10 335 011	11 641 661	9 833 837
Current liabilities			
Other financial liabilities	38 668	11 933	21 049
Taxation payable	3 354	16 195	1 496
Cash-settled share-based payments	329	1 873	747
Trade and other payables	361 735	279 014	383 504
Provisions	33 802	2 645	32 196
Short-term portion of long-term borrowings	503 086	174 487	538 096
Total current liabilities	940 974	486 147	977 088
Liabilities directly associated with non-current assets held for sale	–	330 576	–
Total liabilities	11 275 985	12 458 384	10 810 925
Total equity and liabilities	27 916 795	26 930 696	27 853 055
The following information does not form part of the statement of financial position			
Net asset value per share (cents)	2 366	2 058	2 424
Net asset value per share adjusted for deferred tax (cents)	2 392	2 354	2 449

Condensed consolidated statement of comprehensive income

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
Gross revenue	1 085 320	912 831	1 952 509
Rental income	1 004 001	893 472	1 864 042
Straight-line lease income adjustment	81 319	19 359	88 467
Property expenses	(365 346)	(312 381)	(653 848)
Net rental income	719 974	600 450	1 298 661
Sale of inventory	21 746	–	29 865
Cost of sales	(21 121)	–	(24 918)
Other income	39 523	38 269	44 970
Operating expenses	(83 508)	(75 038)	(170 254)
Other expenses	(422 904)	(67 472)	(152 662)
Operating profit	253 710	496 209	1 025 662
Amortisation of intangible asset	(9 982)	(13 645)	(24 037)
Fair value adjustments	71 103	224 823	420 886
Investment properties	86 962	264 079	380 198
Other financial assets and liabilities	(15 859)	(39 256)	40 688
Gain on available-for-sale financial assets	–	–	35 750
Net income from associates and joint ventures	24 007	38 020	29 146
Investment income	138 552	101 976	233 315
Finance costs	(435 576)	(387 386)	(813 868)
Profit before taxation	41 814	459 997	906 854
Income tax (expense)/credit	(10 482)	(172 923)	1 747 472
Profit for the period/year	31 332	287 074	2 654 326
Attributable to:			
Owners of the holding company	31 332	287 074	2 654 326
Other comprehensive income			
Items that will be reclassified subsequently to profit and loss			
(Loss) gain on available-for-sale financial assets	(5 867)	3 822	27 686
Taxation relating to components of other comprehensive income	3	1	2
Realisation of available-for-sale financial assets	–	–	(32 336)
Other comprehensive (loss)/income for the period/year net of taxation	(5 864)	3 823	(4 648)
Total comprehensive income for the period/year	25 468	290 897	2 649 678
Attributable to:			
Owners of the holding company	25 468	290 897	2 649 678
Earnings per share (cents)			
Basic	4.5	40.8	377.6
Diluted	4.4	40.5	374.6

Reconciliation between earnings and headline earnings

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
Profit for the period/year	31 332	287 074	2 654 326
Headline earnings adjustments	169 696	(210 502)	(382 688)
Profit on disposal of subsidiary	–	–	(5 633)
Loss on disposal of associate	2 597	–	–
(Profit)/loss on disposal of other investments	(2 180)	–	2 612
Profit on disposal of investment property	–	(9 912)	(14 947)
Impairment of associates and other investments	389 617	6 435	67 821
Realisation of available-for-sale financial assets	–	–	(35 750)
Fair value adjustments	(71 103)	(224 823)	(420 886)
Net (income)/loss from associates and joint ventures	(79 055)	(38 020)	19 290
Tax effect of adjustments	(70 180)	55 818	4 805
Headline earnings	201 028	76 572	2 271 638
Number of shares in issue*	703 395 224	703 055 224	703 155 224
Weighted average number of shares in issue*	703 178 702	702 838 702	702 989 909
Diluted weighted average number of shares in issue*	711 327 206	708 544 674	708 584 902
Headline earnings per share (cents)			
Basic	28.6	10.9	323.1
Diluted	28.3	10.8	320.6

**Adjusted for 46 427 553 treasury shares*

Condensed consolidated statement of cash flows

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
Cash flow generated from operating activities	227 943	63 771	384 589
Cash generated from operations	466 061	291 641	911 595
Investment income	197 028	105 737	288 339
Finance costs	(432 980)	(320 314)	(785 502)
Taxation paid	(2 166)	(13 293)	(29 843)
Cash flow utilised in investing activities	(554 218)	(237 601)	(116 376)
Property and equipment acquired	(1 545)	(402)	(2 874)
Property and equipment disposed	–	–	284
Investment properties acquired	(528 600)	(455 741)	(736 198)
Investment properties disposed	–	–	62 584
Associates and joint ventures acquired	–	–	(2 667)
Associates and joint ventures disposed	–	23 620	253 977
Other investments disposed	–	–	11 969
Other financial assets (repaid)/raised	(25 170)	(3 753)	98 074
Additions to deferred initial lease adjustments	(4 030)	(3 601)	(3 804)
Cash flow relating to non-current assets held for sale	5 127	202 276	202 279
Cash flow (utilised in)/generated from financing activities	(166 504)	461 524	535 352
Capital raised	2 281	2 279	3 475
Dividends paid	(520 334)	–	–
Settlement of share-based payment	(14 389)	2 236	(13 678)
Long-term borrowings raised	384 445	1 848 047	3 358 695
Long-term borrowings repaid	(8 966)	(1 489 663)	(2 873 836)
Loans to associates and joint ventures (advanced) repaid	(26 391)	129 416	114 434
Other financial liabilities raised (repaid)	16 850	(30 791)	(53 738)
Total cash movement for the period/year	(492 779)	287 694	803 565
Cash at the beginning of the period/year	1 221 126	417 561	417 561
Total cash at the end of the period/year	728 347	705 255	1 221 126

Condensed consolidated statement of changes in equity

	Stated capital R'000	Distributable reserves R'000	Available-for-sale reserve R'000	Share-based payment reserve R'000	Foreign currency translation reserve R'000	Acquisition of non-controlling interests reserve R'000	Equity attributable to owners of the holding company R'000	Non-controlling interests R'000	Total equity R'000
Audited balance as reported at 1 July 2017	6 456 633	6 945 483	282 329	128 216	238 254	(104 215)	13 946 700	(43 087)	13 903 613
Restatement	–	(12 304)	9 525	–	–	–	(2 779)	43 087	40 308
Balance at 1 July 2017 – restated	6 456 633	6 933 179	291 854	128 216	238 254	(104 215)	13 943 921	–	13 943 921
Total comprehensive income	–	287 074	3 823	–	–	–	290 897	–	290 897
Profit for the period	–	287 074	–	–	–	–	287 074	–	287 074
Other comprehensive profit	–	–	3 823	–	–	–	3 823	–	3 823
Foreign currency translation reserve	–	–	–	–	249 700	–	249 700	–	249 700
Issue of shares	2 279	–	–	–	–	–	2 279	–	2 279
Transfer between reserves	–	5 993	–	(15 304)	–	–	(9 311)	–	(9 311)
Settlement of share-based payment transaction	–	–	–	(11 198)	–	–	(11 198)	–	(11 198)
Recognition of share-based payment reserve	–	–	–	6 024	–	–	6 024	–	6 024
Unaudited balance at 31 December 2017 – restated	6 458 912	7 226 246	295 677	107 738	487 954	(104 215)	14 472 312	–	14 472 312
Total comprehensive income	–	2 367 252	(8 471)	–	–	–	2 358 781	–	2 358 781
Profit for the period	–	2 367 252	–	–	–	–	2 367 252	–	2 367 252
Other comprehensive loss	–	–	(8 471)	–	–	–	(8 471)	–	(8 471)
Issue of shares	1 196	–	–	–	–	–	1 196	–	1 196
Derecognition of reserves due to sale of subsidiary	–	(59 698)	2 164	–	–	–	(57 534)	–	(57 534)
Transfer between reserves	–	976	–	227	–	–	1 203	–	1 203
Settlement of share-based payment transaction	–	–	–	(3 763)	–	–	(3 763)	–	(3 763)
Recognition of share-based payment reserve	–	–	–	13 188	–	–	13 188	–	13 188
Unaudited balance at 30 June 2018 – restated	6 460 108	9 534 775	289 371	117 390	744 701	(104 215)	17 042 130	–	17 042 130
Total comprehensive income	–	31 332	(5 864)	–	–	–	25 468	–	25 468
Profit for the period	–	31 332	–	–	–	–	31 332	–	31 332
Other comprehensive loss	–	–	(5 864)	–	–	–	(5 864)	–	(5 864)
Foreign currency translation reserve	–	–	–	–	95 167	–	95 167	–	95 167
Issue of shares	2 281	–	–	–	–	–	2 281	–	2 281
Settlement of share-based payment transaction	–	–	–	(14 865)	–	–	(14 865)	–	(14 865)
Dividends	–	(520 334)	–	–	–	–	(520 334)	–	(520 334)
Transfer between reserves	–	6 977	–	(6 977)	–	–	–	–	–
Recognition of share-based payment reserve	–	–	–	10 963	–	–	10 963	–	10 963
Unaudited balance at 31 December 2018	6 462 389	9 052 751	283 506	106 511	839 868	(104 215)	16 640 810	–	16 640 810

Unaudited condensed segmental analysis
31 December 2018

	Office and mixed use R'000	Retail R'000	Industrial R'000	Hotel R'000
STATEMENT OF FINANCIAL POSITION				
Investment property	6 693 022	9 778 866	1 402 250	318 587
Waterfall developments	–	–	–	–
Developments under construction	–	–	–	–
Waterfall development rights	–	–	–	–
Infrastructure and services	–	–	–	–
Straight-line lease debtor	553 808	239 034	116 352	14 149
Intangible assets and goodwill	–	–	–	–
Investments in associates and joint ventures	978	37 619	91 025	–
Other financial assets	352 526	22 394	6 913	–
Loans to associates and joint ventures	–	–	69	–
Trade and other receivables	43 240	75 980	13 180	1 230
Cash and cash equivalents	44 740	106 900	7 164	54
Inventory	–	–	–	–
Non-current assets held for sale	–	–	108 204	–
Other assets	2 673	–	–	–
Total assets	7 690 987	10 260 793	1 745 157	334 020
Interest-bearing borrowings	–	–	–	–
Other financial liabilities	–	–	12 807	–
Deferred tax liabilities	–	–	–	–
Trade and other payables	101 119	151 932	25 723	1 091
Other liabilities	–	–	–	–
Total liabilities	101 119	151 932	38 530	1 091
STATEMENT OF COMPREHENSIVE INCOME				
Rental income	356 074	551 073	72 574	19 165
Straight-line lease income adjustment	62 380	3 366	16 775	(1 202)
Property expenses	(121 907)	(214 682)	(22 049)	(6 061)
Net rental income	296 547	339 757	67 300	11 902
Sale of inventory	32 267	–	(10 521)	–
Cost of sales	(29 517)	–	8 396	–
Other income	–	–	–	–
Operating expenses	(16 721)	(16 082)	(3 510)	(288)
Other expenses	–	–	–	–
Operating profit (loss)	282 576	323 675	61 665	11 614
Amortisation of intangible assets	–	–	–	–
Fair value adjustments	(58 956)	74 344	(12 466)	6 110
Net income from associates	24	(2 502)	3 463	–
Investment income	19 273	2 990	44	12
Finance costs	–	–	–	–
Profit (loss) before tax	242 917	398 507	52 706	17 736
Taxation	–	–	–	–
Profit (loss) for the period attributable to owners	242 917	398 507	52 706	17 736

Waterfall developments R'000	Head office SA R'000	Total SA R'000	MAS R'000	Rest of Africa R'000	Head office Global R'000	Total R'000
–	5 000	18 197 725	–	–	–	18 197 725
2 171 435	–	2 171 435	–	–	–	2 171 435
597 594	–	597 594	–	–	–	597 594
857 075	–	857 075	–	–	–	857 075
716 766	–	716 766	–	–	–	716 766
–	–	923 343	–	–	–	923 343
–	324 294	324 294	–	–	–	324 294
963	15 748	146 333	3 182 830	–	–	3 329 163
–	22 771	404 604	10 525	–	–	415 129
144 685	331 680	476 434	–	806 983	–	1 283 417
72 071	19 987	225 688	–	–	19	225 707
129	502 985	661 972	–	–	66 375	728 347
93 078	–	93 078	–	–	–	93 078
67 777	763	176 744	–	–	–	176 744
–	45 740	48 413	–	–	–	48 413
2 550 138	1 268 968	23 850 063	3 193 355	806 983	66 394	27 916 795
–	9 038 478	9 038 478	–	–	1 471 921	10 510 399
–	166 765	179 572	–	–	1 051	180 623
–	46 996	46 996	138 371	–	–	185 367
55 412	26 418	361 695	–	–	40	361 735
27 029	10 424	37 453	–	–	408	37 861
82 441	9 289 081	9 664 194	138 371	–	1 473 420	11 275 985
–	5 115	1 004 001	–	–	–	1 004 001
–	–	81 319	–	–	–	81 319
–	(647)	(365 346)	–	–	–	(365 346)
–	4 468	719 974	–	–	–	719 974
–	–	21 746	–	–	–	21 746
–	–	(21 121)	–	–	–	(21 121)
–	2 816	2 816	12 848	21 221	2 638	39 523
–	(46 907)	(83 508)	–	–	–	(83 508)
(16 213)	(24 581)	(40 794)	–	(382 110)	–	(422 904)
(16 213)	(64 204)	599 113	12 848	(360 889)	2 638	253 710
–	(9 982)	(9 982)	–	–	–	(9 982)
77 930	(16 552)	70 410	–	–	693	71 103
(795)	(1 280)	(1 090)	41 683	(16 586)	–	24 007
–	48 044	70 363	–	68 189	–	138 552
–	(417 705)	(417 705)	–	–	(17 871)	(435 576)
60 922	(461 679)	311 109	54 531	(309 286)	(14 540)	41 814
–	1 831	1 831	(11 912)	–	(401)	(10 482)
60 922	(459 848)	312 940	42 619	(309 286)	(14 941)	31 332

Unaudited restated condensed segmental analysis (continued)
31 December 2017

	Office and mixed use R'000	Retail R'000	Industrial R'000	Hotel R'000
STATEMENT OF FINANCIAL POSITION				
Investment property	6 011 433	9 522 341	1 286 167	309 043
Waterfall developments	–	–	–	–
Developments under construction	–	–	–	–
Waterfall development rights	–	–	–	–
Infrastructure and services	–	–	–	–
Straight-line lease debtor	475 055	213 643	59 631	16 010
Intangible assets and goodwill	–	–	–	–
Investments in associates and joint ventures	932	37 621	90 564	–
Other financial assets	42 636	71 860	–	–
Loans to associates and joint ventures	–	–	138 859	–
Trade and other receivables	28 904	55 531	3 543	1 255
Cash and cash equivalents	31 047	80 293	1 487	2
Inventory	27 726	–	6 866	–
Non-current assets held for sale	550 548	–	–	–
Other assets	–	–	–	–
Total assets	7 168 281	9 981 289	1 587 117	326 310
Interest-bearing borrowings	–	–	–	–
Other financial liabilities	–	–	9 685	–
Deferred tax liabilities	–	–	–	–
Trade and other payables	84 386	135 022	23 657	1 861
Liabilities held for sale	–	–	–	–
Other liabilities	–	–	–	–
Total liabilities	84 386	135 022	33 342	1 861
STATEMENT OF COMPREHENSIVE INCOME				
Rental income	294 776	527 096	47 059	18 340
Straight-line lease income adjustment	9 765	6 578	3 332	(316)
Property expenses	(75 720)	(209 519)	(13 154)	(5 982)
Net rental income	228 821	324 155	37 237	12 042
Other income	10 014	33	–	–
Operating expenses	(17 743)	(21 334)	(3 012)	(339)
Other expenses	–	–	–	–
Operating profit (loss)	221 092	302 854	34 225	11 703
Amortisation of intangible assets	–	–	–	–
Fair value adjustments	11 804	203 333	11 592	12 504
Net income from associates	–	(6 664)	(1 026)	–
Investment income	4 899	5 060	4	–
Finance costs	–	–	–	–
Profit (loss) before tax	237 795	504 583	44 795	24 207
Taxation	–	–	–	–
Profit (loss) for the period attributable to owners	237 795	504 583	44 795	24 207

	Waterfall developments R'000	Head office SA R'000	Total SA R'000	MAS R'000	Rest of Africa R'000	Head office Global R'000	Total R'000
	–	5 000	17 133 984	–	–	–	17 133 984
	1 708 799	–	1 708 799	–	–	–	1 708 799
	138 070	–	138 070	–	–	–	138 070
	937 779	–	937 779	–	–	–	937 779
	632 950	–	632 950	–	–	–	632 950
	–	–	764 339	–	–	–	764 339
	–	344 668	344 668	–	–	–	344 668
	–	12 404	141 521	2 950 461	59 115	40 588	3 191 685
	–	385 740	500 236	–	1 475	–	501 711
	–	347 365	486 224	–	892 840	38 002	1 417 066
	44 692	36 395	170 320	–	–	132	170 452
	–	482 565	595 394	–	–	109 861	705 255
	–	–	34 592	–	–	–	34 592
	152 982	775	704 305	–	185 951	2 714	892 970
	–	53 206	53 206	–	–	11 969	65 175
	1 906 473	1 668 118	22 637 588	2 950 461	1 139 381	203 266	26 930 696
	–	8 091 810	8 091 810	–	–	1 434 517	9 526 327
	–	212 465	222 150	–	–	2 057	224 207
	–	1 956 047	1 956 047	86 324	34 304	–	2 076 675
	20 230	13 835	278 991	–	–	23	279 014
	–	330 576	330 576	–	–	–	330 576
	–	21 561	21 561	–	–	24	21 585
	20 230	10 626 294	10 901 135	86 324	34 304	1 436 621	12 458 384
	–	6 201	893 472	–	–	–	893 472
	–	–	19 359	–	–	–	19 359
	–	(8 006)	(312 381)	–	–	–	(312 381)
	–	(1 805)	600 450	–	–	–	600 450
	–	10 423	20 470	–	17 799	–	38 269
	–	(30 935)	(73 363)	–	–	(1 675)	(75 038)
	(2 792)	(10 284)	(13 076)	–	(54 396)	–	(67 472)
	(2 792)	(32 601)	534 481	–	(36 597)	(1 675)	496 209
	–	(13 645)	(13 645)	–	–	–	(13 645)
	24 846	(38 536)	225 543	–	–	(720)	224 823
	–	–	(7 690)	41 801	(7 551)	11 460	38 020
	79	28 129	38 171	–	60 723	3 082	101 976
	–	(371 111)	(371 111)	–	–	(16 275)	(387 386)
	22 133	(427 764)	405 749	41 801	16 575	(4 128)	459 997
	–	(123 359)	(123 359)	(49 538)	–	(26)	(172 923)
	22 133	(551 123)	282 390	(7 737)	16 575	(4 154)	287 074

Unaudited restated condensed segmental analysis (continued)
30 June 2018

	Office and mixed use R'000	Retail R'000	Industrial R'000	Hotel R'000
STATEMENT OF FINANCIAL POSITION				
Investment property	6 674 605	9 639 616	1 286 827	312 477
Waterfall developments	–	–	–	–
Developments under construction	–	–	–	–
Waterfall development rights	–	–	–	–
Infrastructure and services	–	–	–	–
Straight-line lease debtor	491 428	235 667	99 577	15 351
Intangible assets and goodwill	–	–	–	–
Investments in associates and joint ventures	954	40 121	91 619	–
Other financial assets	22 920	13 288	–	–
Loans to associates and joint ventures	–	–	143 247	–
Trade and other receivables	106 650	63 070	23 286	2 367
Cash and cash equivalents	67 398	89 325	5 862	151
Inventory	42 484	–	–	–
Non-current assets held for sale	–	–	–	–
Other assets	3 000	–	–	–
Total assets	7 409 439	10 081 087	1 650 418	330 346
Interest-bearing borrowings	–	–	–	–
Other financial liabilities	–	–	12 807	–
Deferred tax liabilities	–	–	–	–
Trade and other payables	186 261	135 957	33 113	2 630
Other liabilities	–	–	–	–
Total liabilities	186 261	135 957	45 920	2 630
STATEMENT OF COMPREHENSIVE INCOME				
Rental income	650 477	1 058 450	107 598	34 880
Straight-line lease income adjustment	17 561	28 604	43 278	(976)
Property expenses	(202 340)	(422 464)	(32 000)	(10 248)
Net rental income	465 698	664 590	118 876	23 656
Sale of inventory	19 344	–	10 521	–
Cost of sales	(16 522)	–	(8 396)	–
Other income	16 708	31	–	–
Operating expenses	(30 848)	(31 927)	(5 972)	(562)
Other expenses	(7 918)	(13 395)	(2 231)	–
Operating profit (loss)	446 462	619 299	112 798	23 094
Amortisation of intangible assets	–	–	–	–
Fair value adjustments	99 784	263 650	(10 842)	15 939
Gain on available for sale financial assets	–	–	–	–
Net income from associates	36	(4 164)	9 668	–
Investment income	3 119	7 779	13	6
Finance costs	–	–	–	–
Profit (loss) before tax	549 401	886 564	111 637	39 039
Taxation	–	–	–	–
Profit (loss) for the year attributable to owners	549 401	886 564	111 637	39 039

Waterfall developments R'000	Head office SA R'000	Total SA R'000	MAS R'000	Rest of Africa R'000	Head office Global R'000	Total R'000
–	5 000	17 918 525	–	–	–	17 918 525
1 872 620	–	1 872 620	–	–	–	1 872 620
346 441	–	346 441	–	–	–	346 441
879 324	–	879 324	–	–	–	879 324
646 855	–	646 855	–	–	–	646 855
–	–	842 023	–	–	–	842 023
–	334 276	334 276	–	–	–	334 276
–	19 092	151 786	3 145 828	47 948	–	3 345 562
–	353 751	389 959	–	–	–	389 959
–	323 109	466 356	–	1 044 529	–	1 510 885
–	7 587	202 960	–	–	55	203 015
–	990 152	1 152 888	–	–	68 238	1 221 126
–	–	42 484	–	–	–	42 484
115 149	775	115 924	–	–	2 947	118 871
–	50 709	53 709	–	–	–	53 709
1 987 769	2 084 451	23 543 510	3 145 828	1 092 477	71 240	27 853 055
–	8 634 578	8 634 578	–	–	1 431 008	10 065 586
–	133 393	146 200	–	–	1 714	147 914
–	48 840	48 840	130 083	–	–	178 923
–	25 532	383 493	–	–	11	383 504
25 476	8 026	33 502	–	–	1 496	34 998
25 476	8 850 369	9 246 613	130 083	–	1 434 229	10 810 925
–	12 637	1 864 042	–	–	–	1 864 042
–	–	88 467	–	–	–	88 467
–	13 204	(653 848)	–	–	–	(653 848)
–	25 841	1 298 661	–	–	–	1 298 661
–	–	29 865	–	–	–	29 865
–	–	(24 918)	–	–	–	(24 918)
–	23 017	39 756	–	5 214	–	44 970
–	(95 767)	(165 076)	–	–	(5 178)	(170 254)
(39 500)	(1 773)	(64 817)	–	(83 490)	(4 355)	(152 662)
(39 500)	(48 682)	1 113 471	–	(78 276)	(9 533)	1 025 662
–	(24 037)	(24 037)	–	–	–	(24 037)
11 667	40 887	421 085	–	–	(199)	420 886
–	35 750	35 750	–	–	–	35 750
–	(57 150)	(51 610)	68 774	908	11 074	29 146
–	97 997	108 914	–	120 619	3 782	233 315
–	(779 960)	(779 960)	–	–	(33 908)	(813 868)
(27 833)	(735 195)	823 613	68 774	43 251	(28 784)	906 854
–	1 842 193	1 842 193	(93 297)	–	(1 424)	1 747 472
(27 833)	1 106 998	2 665 806	(24 523)	43 251	(30 208)	2 654 326

Reconciliation of profit
for the year to distributable earnings

Unaudited distributable earnings	**Dec 2018 R'000**	**Office and mixed use R'000**	**Retail R'000**	**Industrial R'000**
Profit/(loss) for the period	31 332	242 917	398 507	52 706
Loss on disposal of associate	2 597	–	–	–
Profit on disposal of other investments	(2 180)	–	–	–
Impairment of associates, other investments and loans	389 617	–	–	–
Fair value adjustments	(71 103)	58 956	(74 344)	12 466
Net income from associates and joint ventures	(24 007)	(24)	2 502	(3 463)
Straight-line lease income adjustments	(81 319)	(62 380)	(3 366)	(16 775)
Adjustment for net non-cash interest from Africa	(64 786)	–	–	–
Net cash interest received from Africa	31 405	–	–	–
Depreciation and amortisation	18 631	–	–	–
Foreign currency translation effect	(19 867)	–	–	–
Dividends received from associates	99 600	–	–	2 300
Deferred taxation	6 457	–	–	–
Distributable earnings	316 377	239 469	323 299	47 234

Restated unaudited distributable earnings	Dec 2017 R'000	Office and mixed use R'000	Retail R'000	Industrial R'000
Profit/(loss) for the period	287 074	237 874	504 583	44 795
Profit on disposal of investment property	(9 912)	(9 912)	–	–
Impairment of associates, other investments and loans	6 435	–	–	–
Fair value adjustments	(224 823)	(11 804)	(203 333)	(11 592)
Net income from associates and joint ventures	(38 020)	–	6 664	1 026
Straight-line lease income adjustments	(19 359)	(9 765)	(6 578)	(3 332)
Depreciation and amortisation	19 674	–	–	–
Foreign currency translation effect	33 014	–	–	–
Dividends received from associates	84 498	–	–	–
Deferred taxation	150 149	–	–	–
Distributable earnings	288 730	206 393	301 336	30 897

Hotel R'000	**Waterfall developments R'000**	**Head office SA R'000**	**Total SA R'000**	**MAS R'000**	**Rest of Africa R'000**	**Head office Global R'000**
17 736	60 922	(460 047)	312 741	42 619	(309 286)	(14 742)
–	–	2 597	2 597	–	–	–
–	–	–	–	–	–	(2 180)
–	–	19 335	19 335	–	370 282	–
(6 110)	(77 930)	16 552	(70 410)	–	–	(693)
–	795	1 280	1 090	(41 683)	16 586	–
1 202	–	–	(81 319)	–	–	–
–	–	(13 760)	(13 760)	–	(68 189)	17 163
–	–	–	–	–	40 825	(9 420)
–	–	18 631	18 631	–	–	–
–	–	–	–	(10 525)	(9 342)	–
–	–	–	2 300	97 300	–	–
–	–	(1 831)	(1 831)	8 288	–	–
12 828	(16 213)	(417 243)	189 374	95 999	40 876	(9 872)

Hotel R'000	Waterfall developments R'000	Head office SA R'000	Total SA R'000	MAS R'000	Rest of Africa R'000	Head office Global R'000
24 207	22 054	(555 351)	278 162	(7 737)	20 803	(4 154)
–	–	–	(9 912)	–	–	–
–	–	10 162	10 162	–	3 586	(7 313)
(12 504)	(24 846)	38 536	(225 543)	–	–	720
–	–	–	7 690	(41 801)	7 551	(11 460)
316	–	–	(19 359)	–	–	–
–	–	19 674	19 674	–	–	–
–	–	–	–	–	33 014	–
–	–	10 331	10 331	74 167	–	–
–	–	100 611	100 611	49 538	–	–
12 019	(2 792)	(376 037)	171 816	74 167	64 954	(22 207)

Segmental analysis

Reconciliation of profit for the period/year to distributable earnings

	Unaudited 31 December 2018 R'000	Restated unaudited 31 December 2017 R'000	Restated unaudited 30 June 2018 R'000
Profit for the period/year	31 332	287 074	2 654 326
Profit on disposal of subsidiary	–	–	(5 633)
Loss on disposal of associate	2 597	–	–
(Loss)/profit on disposal of other investments	(2 180)	–	2 612
Profit on disposal of investment property	–	(9 912)	(14 947)
Impairment of associates, other investments and loans	389 617	6 435	51 197
Realisation of available-for-sale financial assets	–	–	(35 750)
Fair value adjustments	(71 103)	(224 823)	(420 886)
Net income from associates and joint ventures	(24 007)	(38 020)	(29 146)
Straight-line lease income adjustments	(81 319)	(19 359)	(88 467)
Adjustment for net non-cash interest from associates	(64 786)	–	(128 271)
Net cash interest received from associates	31 405	–	42 425
Depreciation and amortisation	18 631	19 674	39 764
Unrealised foreign currency translation effect	(19 867)	33 014	50 698
Dividends received from associates	99 600	84 498	166 723
Write-off of other trade and receivable	–	–	47 972
Movement in provision	–	–	3 943
Deferred taxation	6 457	150 149	(1 769 383)
Distributable earnings for the period/year	316 377	288 730	567 177
Number of shares in issue*	703 395 224	703 055 224	703 155 224
Weighted average number of shares in issue*	703 178 702	702 838 702	702 989 909
Distributable earnings per share (cents)			
Basic	45.0	41.1	80.7
Dividends (cents)			
Interim	284 875	–	–
Final	–	–	520 334
Dividend per share (cents)			
Interim	40.5	–	–
Final	–	–	74.0

**Adjusted for 46 427 553 treasury shares*

Independent non-executive directors
P Tredoux (Chairman)
HR El Haimer (Lead independent)
MM du Toit
IN Mkhari
KR Moloko
BT Nagle
S Shaw-Taylor
JHP van der Merwe

Executive directors
M Hamman (CEO)
R Nana (CFO)
JR van Niekerk (COO)

Company secretary
T Kodde

Attacq Limited
(Incorporated in the Republic of South Africa)
(Registration number 1997/000543/06)
JSE share code: ATT
ISIN: ZAE000177218
(Approved as a REIT by the JSE)
(Attacq or company or group)

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Transfer secretaries
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Sponsor
Java Capital

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