

Domestic listed property had another very strong quarter returning 15.7%, which brings the return for the past year to 21.9%. This return was driven largely by a significant tightening of the spread compared to long bonds. The all bond index posted a mediocre 1.6% return over the quarter and 5.6% over the past year, which is well below cash. Distribution growth has continued to come through strongly among the listed property companies reporting as expected.

The fund returned 13.6% over the quarter, bringing the return for the past year to 22.5%.

The strategy for the fund remains unchanged. Whilst fundamentals for domestic listed property remain very strong, we have factored this into our forecasts and valuations, and believe that valuations are becoming stretched again. The average listed property company now trades at a one year forward yield of 7.2% and a premium to NAV of around 40%. On this basis we will continue to reduce exposure as prices rise, and have done so in the past quarter.

Domestic listed property now represents 84% of the fund compared to 88% in the previous quarter. We will also continue to focus on property companies with high quality properties that will be able show good distribution growth through the cycle. This strategy has led to a very focussed portfolio currently.

The only purchase over the past quarter was Liberty International, where we have increased the fund weighting from 3.2% to 5%, on the back of a price decline from around 1400 pence to 1250 pence.

Going forward, our challenge remains to stay close to all the companies in our investable universe, and through good stock-picking and a flexible approach to asset allocation continue to deliver good returns to unit holders.

Edwin Schultz
Portfolio Manager

Fund category	Domestic Asset Allocation Flexible Property
Launch date	20 November 2000
Portfolio manager	Edwin Schultz
Fund size	R1.1 billion
NAV	2946.46 cents
Annual management fee	1.43% (incl VAT)
Initial fee	0.00%

Benchmark	Flexible Property Funds Mean
Fund description	Invests in quality listed property assets with the aim to produce high income yields and long-term capital growth.

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2007
Domestic Assets	100.00%
Preference Shares & Other Securities	1.99%
Real Estate	86.99%
Cash	11.02%
International Assets	0.00%

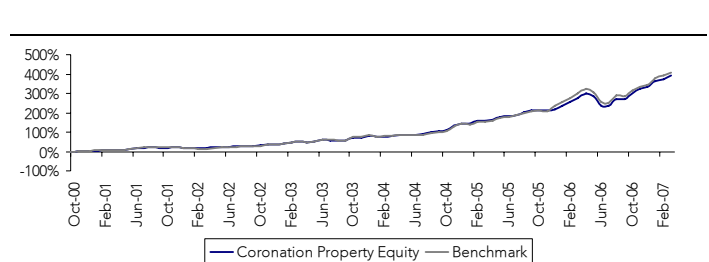
PERFORMANCE AND RISK STATISTICS

	Fund	Benchmark
Year to date	13.55%	13.42%
Latest 12 months	22.52%	19.58%
Latest 36 months (annualised)	39.19%	40.07%
Latest 60 months (annualised)	33.49%	34.43%
Since inception (annualised)	27.94%	28.36%
Annual deviation since inception	12.06%	12.92%
Sharpe ratio	1.51	1.44
Maximum gain	47.01%	33.80%
Maximum drawdown	-16.66%	-17.09%
Positive months	75.32%	70.13%

TOP 10 HOLDINGS

As at 31 March 2007	% of Fund
Allan Gray Property Trust Ltd	16.08%
Hyprop Investments Ltd	14.78%
Growthpoint Properties Ltd	12.45%
Apexhi "A"	10.08%
Syfrets and CU Property Fund	9.93%
Resilient Property Income Fund	6.57%
Accucap Properties Ltd	6.08%
Liberty International Plc	5.00%
Hospitality Property Fund	3.31%
Foord Compass Debentures	2.19%
Total	86.47%

CUMULATIVE PERFORMANCE SINCE INCEPTION



INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31/03/2007	01/04/2007	30.11	-	30.11
31/12/2006	01/01/2007	36.97	-	36.97
30/09/2006	01/10/2006	38.62	-	38.62
30/06/2006	01/07/2006	29.13	2.59	26.54

ANNUAL RETURNS SINCE INCEPTION

	Fund	Benchmark	Active Return
2006	28.40%	25.19%	3.21%
2005	36.69%	42.07%	-5.38%
2004	35.27%	35.00%	0.27%
2003	30.11%	33.39%	-3.29%
2002	17.91%	16.71%	1.20%
2001	14.99%	14.02%	0.97%
2000	2.20%	2.66%	-0.46%

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund 2007	6.76%	2.30%	3.97%									
B'mark 2007	6.75%	3.22%	2.94%									
Fund 2006	5.73%	5.98%	6.20%	-0.22%	-4.15%	-12.36%	-0.57%	10.64%	0.18%	8.27%	5.16%	2.59%
B'mark 2006	5.51%	6.07%	6.10%	-0.14%	-4.14%	-12.24%	-1.31%	11.06%	-1.37%	7.37%	5.05%	2.91%