

## Emira Property Fund Outperforms its Peer Group

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### Intro

For the second year in succession Emira Property Fund has performed exceptionally well in international research house, Investment Property Databank (IPD's), annual survey into listed property funds in South Africa

Assets within Emira Property Fund scored a total return of 38,3% in the year to December 2006 – against the IPD's benchmark, which comprises comparable directly held property assets in other listed property funds in SA.

Total return comprises both income return and capital growth on the fund's property portfolio.

Emira Property Fund outperformed the average 28% return achieved by its benchmark. The fund also outperformed the IPD universe, a much broader measure of listed international property funds, by 9,6%.

In the review period Emira was ranked number 2 out of the 14 benchmark funds. In terms of the 25 ranked funds in the IPD universe, Emira was ranked on the 8th percentile.

The fund's total return of 38,3% for the year comprised capital growth of 25,3% (benchmark 17%) and income return of 10,6% (0,9% above the average). In terms of the segmental contribution, the greatest contribution to total return came from the fund's commercial office portfolio with retail space being the next greatest contributor.

In the previous year (2005) the Emira Property Fund showed a total return of 39.9% against a 34.1% return for its benchmark. Over the last three years it has recorded an average 32,8% return – 1,6% above the benchmark average.

Interestingly, Freestone Property Holdings, which became part of Emira Property Fund with effect from April 1 this year, showed a total return of 45,5% during 2006 – substantially outperforming the average 28% return of the benchmark. The fund also outperformed the IPD universe by 15.4%.

The Freestone Property Fund was ranked number 1 out of a total of 15 benchmarked funds in its category and on the 4th percentile against the 26 ranked funds in the IPD universe. Of the fund's 45,5% total return, capital growth comprised 31.2% (benchmark 17%) and income return 11.2% (1,5% above the average).

Says Emira CEO, James Templeton:

"As a result of acquisitions completed during the financial year, as well as certain once-off items included in financial statements that are published every six months, listed property fund investors often find it difficult establish the true underlying performance of the physical property portfolios they are invested in. The Annual Benchmark Report published by IPD therefore performs a valuable function in this regard.

"We are pleased to see that the Emira portfolio outperformed both the South Africa Listed Funds Benchmark and the IPD Universe in 2006 and over the past three years, illustrating the quality of the underlying portfolio and strength of management within Emira and RMB Properties.

"We are also encouraged by the turnaround in the Freestone portfolio in the past three years and are confident that this will continue - especially as the team responsible for this excellent performance has been successfully integrated into Emira since the completion of the purchase of Freestone in April this year."