

STANLIB Fahari I-REIT

CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE THIRTEEN-MONTH PERIOD ENDED 31 DECEMBER 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRTEEN-MONTH PERIOD ENDED 31 DECEMBER 2016

	2016 KShs
Revenue	337,576,486
Rental and related income	248,572,436
Straight-lining of lease income	89,004,050
Other income	137,856,149
Interest income	111,209,231
Bargain purchase gain on acquiring property subsidiaries	25,156,147
Sundry income	1,490,771
Operating expenses	(265,053,969)
Property expenses	(84,631,625)
Fund operating expenses	(180,422,344)
Increase in fair value of investment property	(81,004,050)
Fair value adjustment to investment property	8,000,000
Straight-lining of lease income	(89,004,050)
Operating profit	129,374,616
Finance costs	(23,374,328)
Net profit for the period	106,000,288
Other comprehensive income	-
Total comprehensive income attributable to unitholders for the period	106,000,288
Basic earnings per unit (KShs)	0.59
Headline earnings per unit (KShs)	0.89
Supplementary information:	
Distributable earnings per unit (KShs)	0.54
Distribution per unit (KShs)	0.50

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRTEEN-MONTH PERIOD ENDED 31 DECEMBER 2016

	2016 KShs
Cash flows from operating activities	
Cash generated from operations	106,812,692
Interest paid	(23,374,328)
Net cash inflow from operations	83,438,364
Cash flows from investing activities	
Acquisition of subsidiaries	(2,418,416,927)
Increase in investment securities	(733,035,734)
Net cash outflow from investing activities	(3,151,452,661)
Cash flows from financing activities	
Proceeds from issue of new units	3,619,446,000
Transaction costs for issue of new units	(139,905,255)
Net cash inflow from financing activities	3,479,540,745
Net movement in cash and cash equivalents	411,526,448
Cash and cash equivalents at acquisition of subsidiaries	28,660,202
Cash and cash equivalents at end of period	440,186,650

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRTEEN-MONTH PERIOD ENDED 31 DECEMBER 2016

	Trust capital KShs	Revaluation reserve KShs	Retained earnings KShs	Total KShs
2016				
Balance at 26 November 2015	-	-	-	-
Net profit for the period	-	-	106,000,288	106,000,288
Transfer to non-distributable reserve	-	8,000,000	(8,000,000)	-
Transactions with owners of the REIT				
Issue of units	3,619,446,000	-	-	3,619,446,000
Transaction costs for issue of new units	(139,905,255)	-	-	(139,905,255)
Total transactions with owners of the REIT	3,479,540,745	-	-	3,479,540,745
Balance at 31 December 2016	3,479,540,745	8,000,000	98,000,288	3,585,541,033

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	2016 KShs
ASSETS	
Non current assets	
Investment property	2,435,000,000
Fair value of investment property for accounting purposes	2,345,995,950
Straight-line lease adjustment	89,004,050
Property and equipment	4,729,976
	2,439,729,976
Current assets	
Investment securities	733,035,734
Trade and other receivables	102,059,051
Cash and cash equivalents	440,186,650
	1,275,281,435
TOTAL ASSETS	3,715,011,411
EQUITY & LIABILITIES	
Capital and reserves	
Trust capital	3,479,540,745
Revaluation reserve	8,000,000
Retained earnings	98,000,288
	3,585,541,033
Current liabilities	
Trade and other payables	124,435,477
Tax payable	5,034,901
	129,470,378
TOTAL EQUITY & LIABILITIES	3,715,011,411
Net asset value per unit	19.81

The Consolidated Statements of Profit or Loss and other Comprehensive Income, Financial Position, Changes in Equity and Cash Flows are extracts from the STANLIB Fahari I-REIT's annual financial statements as audited by KPMG Kenya and received an unqualified audit opinion. The complete set of financial statements will be made available on the STANLIB Fahari I-REIT website (www.stanlibfahariireit.com) by 31 March 2017.

DISTRIBUTION

The REIT Manager (STANLIB Kenya Limited) has recommended and the Trustee (The Co-operative Bank of Kenya Limited) has approved a first and final distribution of KShs 90,486,150 (KShs 0.50 distribution per unit in issue) for the thirteen-month period ended 31 December 2016. This distribution is payable by 30 April 2017 to unitholders who are on the register of members by close of business on 31 March, 2017.

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved for issue by the Trustee and the REIT Manager on 23 March 2017 and signed on their behalf by:


Amos Mwita
Trustee Compliance Officer
The Co-operative Bank of Kenya Limited


Wanjiru Mwangi
Chairman
STANLIB Kenya Limited


Nkoregamba Mwebesa
Managing Director
STANLIB Kenya Limited