

The Directors of Allan Gray Property Trust Management Limited, the manager of Allan Gray Property Trust ("Grayprop"), submit their report on the unaudited results of Grayprop for the six months ended 31 March 2004.

BALANCE SHEET	UNAUDITED AS AT 31 MAR 2004 (R000)	AUDITED AS AT 30 SEPT 2003 (R000)	UNAUDITED AS AT 31 MAR 2003 (R000)
Assets			
Non-current assets			
Fixed properties	2 617 239	2 359 852	2 223 816
Current assets	342 602	410 087	342 749
Accounts receivable	34 445	42 076	31 942
Capital debtor	-	89 019	-
Cash and cash equivalents	308 157	278 992	310 807
Total assets	2 959 841	2 769 939	2 566 565
Unitholders' funds and liabilities			
Unitholders' funds	2 536 544	2 358 446	2 172 136
Capital of the fund	1 933 354	1 757 354	1 757 354
Capital reserve	394 742	393 019	209 093
Revaluation reserve	208 430	208 055	196 076
Maintenance reserve	-	-	9 597
Distributable reserve	18	18	16
Non-current liabilities	214 557	214 557	218 542
Interest-bearing liability	214 557	214 557	214 557
Deferred capital gains tax	-	-	3 985
Current liabilities	208 740	196 936	175 887
Accounts payable	48 869	44 255	36 258
Taxation	4 490	4 674	-
Unitholders for distribution	155 381	148 007	139 629
Total unitholders' funds and liabilities	2 959 841	2 769 939	2 566 565

STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS	UNAUDITED 6 MONTHS TO 31 MAR 2004 (R000)	AUDITED 12 MONTHS TO 30 SEPT 2003 (R000)	UNAUDITED 6 MONTHS TO 31 MAR 2003 (R000)
Capital of the fund			
Balance at beginning of the period	1 757 354	1 757 354	1 757 354
Units issued during the period	176 000	-	-
Balance at end of the period	1 933 354	1 757 354	1 757 354
Capital reserve			
Balance at beginning of the period	393 019	208 257	208 257
Net surplus on disposal of fixed properties	1 723	184 762	836
Balance at end of the period	394 742	393 019	209 093
Revaluation reserve			
Balance at beginning of the period	208 055	193 335	193 335
Revaluation reserve on fixed properties sold	375	(180 170)	2 741
Revaluation of fixed properties	-	194 890	-
Balance at end of the period	208 430	208 055	196 076
Maintenance reserve			
Balance at beginning of the period	-	9 597	9 597
Transfer to distributable reserves	-	(9 597)	-
Balance at end of the period	-	-	9 597
Distributable reserves			
Balance at beginning of the period	18	16	16
Net profit for the period	157 479	477 522	143 206
Realised surplus on disposal of fixed properties	(2 098)	(4 592)	(3 577)
Transfer to revaluation reserve	-	(194 890)	-
Transfer from maintenance reserve	-	9 597	-
Income distributions	(155 381)	(287 635)	(139 629)
Balance at end of the period	18	18	16
Total unitholders' funds	2 536 544	2 358 446	2 172 136

INCOME STATEMENT	UNAUDITED 6 MONTHS TO 31 MAR 2004 (R000)	AUDITED 12 MONTHS TO 30 SEPT 2003 (R000)	UNAUDITED 6 MONTHS TO 31 MAR 2003 (R000)
Income	260 181	487 754	238 754
Rent income	243 358	441 931	215 513
Interest received	16 823	45 823	23 241
Expenditure	104 800	200 117	99 125
Property expenses	84 420	153 157	75 891
Audit fees	304	411	223
Interest paid	11 978	31 444	15 979
Administrative charges	619	802	-
Service charge	7 479	14 303	7 032
Distributable earnings	155 381	287 637	139 629
Accelerated maintenance expense	-	(9 597)	-
Capital items	2 098	199 482	3 577
Net realised surplus on disposal of fixed properties	2 098	5 281	3 577
Net unrealised surplus on revaluation of fixed properties	-	194 890	-
Taxation	-	(689)	-
Net profit	157 479	477 522	143 206
Net profit per unit (cents)	15.8	51.3	15.4
Headline earnings per unit (cents)	15.6	29.9	15.0
Distribution per unit (cents)	15.6	30.9	15.0
Interim distribution per unit (cents)	15.6	15.0	15.0
Final distribution per unit (cents)	-	15.9	-
Units in issue	996 043 081	930 857 895	930 857 895
Headline earnings reconciliation			
Net profit	157 479	477 522	143 206
Less: capital items	(2 098)	(199 482)	(3 577)
Headline earnings	155 381	278 040	139 629

CASH FLOW STATEMENT	UNAUDITED 6 MONTHS TO 31 MAR 2004 (R000)	AUDITED 12 MONTHS TO 30 SEPT 2003 (R000)	UNAUDITED 6 MONTHS TO 31 MAR 2003 (R000)
Cash effects from operating activities			
Cash generated from operations	150 536	263 661	132 469
Change in working capital	12 245	(14 607)	(4 824)
Cash available from operating activities	162 781	249 054	127 645
Interest received	16 823	45 823	23 241
Interest paid	(11 978)	(31 444)	(15 979)
Taxation paid	(184)	-	-
Income distributions	(148 007)	(285 773)	(146 145)
	19 435	(22 340)	(11 238)
Cash effects of investing activities			
Additions to fixed properties	(86 184)	(123 110)	(56 637)
Net proceeds from disposal of fixed properties	6 895	144 226	17 093
Decrease/(increase) in capital debtor	89 019	(89 019)	-
	9 730	(67 903)	(39 544)
Net increase/(decrease) in cash and cash equivalents	29 165	(90 243)	(50 782)
Cash and cash equivalents at beginning of the period	278 992	369 235	369 235
Cash and cash equivalents at end of the period	308 157	278 992	318 453

COMMENTS

1. NET DISTRIBUTABLE INCOME

Grayprop's net distributable income for the first six months of the financial year amounts to 15.6 cents per unit, 4 percent greater than the comparable period last year. It is anticipated that distributions for the full year could grow by a similar amount.

The interim results are prepared in accordance with South African Generally Accepted Accounting Practice and are consistent with those used in the prior year.

2. RESTRUCTURE

All the outstanding properties have now been registered in the name of the Trustee.

3. CHANGES TO PORTFOLIO

The Boulders Shopping Centre and MIFA Industrial Park, the purchases of which were announced in the previous results publication and which were effective from 1 October 2003, have been registered in the name of the Trustee, and the additional units issued. Both properties have met initial expectations.

During the period the following properties were sold:

Property	Net Price (R000)	Valuation (R000)
Sunshine Place	2 299	1 489
1 Stan Road	4 596	3 308
	6 895	4 797

4. MAJOR CAPITAL PROJECTS

Centurion Shopping Centre (75% undivided share)

Anticipated Final Cost	R 206 million
Anticipated Final Yield	15.0%

The second phase is on schedule to open at the end of April and will be anchored by Woolworths in their new 5 800m² store. This releases the space for the final stage scheduled to open in September 2004. Construction of the final stages of the structured parking decks is substantially complete. The final project is now 96 percent let, with the balance under firm negotiation.

The Brightwater Commons

Anticipated Final Cost	R126 million
Anticipated Final Yield	15.0%

Agreement has been reached with Woolworths for a 1 800m² food and textile store scheduled to open in September 2005. This serves as the catalyst to redevelop the space currently occupied by the Flea Market as a fashion and homeware node in which both national and specialist retailers can be accommodated. The Market will move to newly constructed premises on the northern side of the Commons area and will trade by October this year. To date great interest has been shown in the family orientated events, which have been held at the Centre and which complement the retail offer.

Capital commitments at the end of March were R161 million, which will require additional resources of R24 million to be funded by the sale of properties or the use of the approved borrowing facility.

5. VACANCY LEVELS

Vacancy levels in terms of rentable area at 31 March were as follows (percent):

Sector	March 2004	Sept 2003
Retail	6	5
Office blocks	12	10
Industrial	8	9
Other	0	0
Total	7	7

By value, the vacancies remained 6 percent of potential rental income over the past half year.

In the retail sector 80 percent of the vacancies are contained in the following properties:

- The Brightwater Commons, which is being redeveloped as discussed above.
- The Boulders, where 8 149m² is vacant as anticipated in the purchase. Various options are being considered for the redevelopment of the lower level where the vacancies are concentrated. Good demand is being shown by national retailers for this space.

In the office sector significant vacancies by area and value remain at Grayston Ridge, Summit Park and Rosebank Corner. Dunkeld Park, which experienced significant vacancies at the end of last year, has now substantially improved.

In the industrial sector the improvement in vacancy levels is notwithstanding the additional vacancies arising from the purchase of MIFA Industrial Park.

6. DISTRIBUTION ANNOUNCEMENT

Notice is hereby given of distribution no. 42 of 15.6 cents per unit for the six months ended 31 March 2004.

The last date to trade cum the distribution will be Friday, 21 May 2004. The units of Grayprop will commence trading ex-distribution on Monday, 24 May 2004 and the record date will be Friday, 28 May 2004. The distribution will be paid on Monday, 31 May 2004.

Unit certificates may not be dematerialised or rematerialised between Monday, 24 May 2004 and Friday, 28 May 2004, both dates inclusive.

BY ORDER OF THE BOARD

Allan Gray Property Trust Management Limited (Reg No 1983/003324/06) 29 April 2004

Transfer Secretaries	Secretary and registered office
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