

The Scudder RREEF Real Estate Fund, Inc.

MAR
2004

Investment style: Total return

Investment objective

The Scudder RREEF Real Estate Fund, Inc. seeks total return through a combination of high current income and capital appreciation potential by investing in real estate securities.

Fund statistics

Total net assets	\$375,796,590
<i>does not include \$160,000,000 in preferred shares</i>	
Shares outstanding	16,149,757
Ticker symbol	SRQ
Primary exchange	AMEX
Dividend reinvestment and cash purchase plan	Yes
Annualized expense ratio** (12/03)	0.76%
CUSIP	81119Q100
Inception date	10/31/02
Portfolio management team	Karen Knudson, John Robertson, Mark Zeisloft

**Includes preferred share equity

Portfolio characteristics

Number of issues:	46
Asset mix	
Common stocks	85%
Preferred stocks	12%
Convertible bonds	1%
Cash equivalents	1%
Limited partnerships	1%

Portfolio characteristics are subject to change.

Yield information

Annualized dividend yield^B (as of 3/31/04)

Market yield	NAV yield
6.94%	6.19%

Yields fluctuate and are not guaranteed.

Performance history

Average annual total returns as of 3/31/04

Based on	1-month*	3-month*	1-year	Life of fund*
Annualized				
Market price	4.29%	10.16%	55.07%	37.62%
Net asset value^A	5.80%	15.30%	73.47%	54.07%

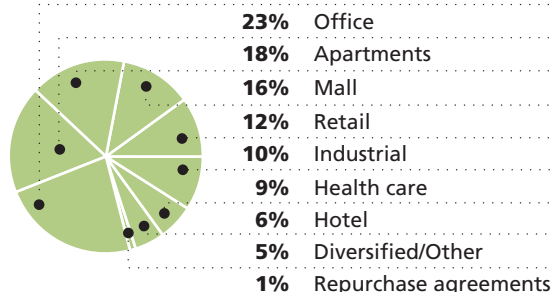
*Not annualized

Performance and any rankings/ratings are historical and do not guarantee future results.

Please call (800) 349-4281 for the Fund's most up-to-date performance.

Fund diversification

Largest sector holdings



Security type

Sector	Common stock %	Convertible bonds %	Preferred stock %
Office	23%	—	—
Industrial	8%	—	2%
Apartments	18%	—	—
Mall	12%	—	4%
Retail	10%	—	2%
Hotel	0%	1%	4%
Diversified/other	5%	—	—
Health care	9%	—	—

Top holdings

Company	% of market value
1. Ventas, Inc.	5.4%
2. Glimcher Realty Trust	5.3%
3. New Plan Excel Realty Trust	4.7%
4. Simon Property Group, Inc.	4.5%
5. Highwoods Properties, Inc.	4.5%
6. iStar Financial, Inc.	4.4%
7. Archstone-Smith Trust	4.4%
8. Mack-Cali Realty Corp.	3.9%
9. Kilroy Realty Corp.	3.8%
10. Gable Residential Trust	3.4%

Portfolio holdings are subject to change. Percentage (%) of market value refers to all securities in the portfolio, except cash and equivalents.

Market and net asset value data

Month-end	Market price	NAV
Mar-04	\$20.76	\$23.27
Feb-04	\$20.02	\$22.12
Jan-04	\$19.95	\$21.62
Dec-03	\$19.18	\$20.53
Nov-03	\$18.50	\$19.96
Oct-03	\$17.91	\$19.28
Sep-03	\$17.99	\$18.89
Aug-03	\$17.23	\$18.34
Jul-03	\$16.89	\$18.34
Jun-03	\$16.55	\$17.15
May-03	\$15.85	\$16.37
Apr-03	\$15.33	\$15.52

Dividends and capital gains distributions

Payable date	Ordinary income	ST gains	LT gains
3/31/04	\$0.1200	—	—
2/27/04	\$0.1200	—	—
1/30/04	\$0.1200	—	—
12/31/03	\$0.1150	\$0.3000	—
11/28/03	\$0.1150	—	—
10/31/03	\$0.1150	—	—
9/30/03	\$0.1150	—	—
8/29/03	\$0.1150	—	—
7/31/03	\$0.1150	—	—
6/30/03	\$0.1150	—	—
5/30/03	\$0.1150	—	—
4/30/03	\$0.1150	—	—

⁴Total investment returns reflect changes in net asset value per share during each period and assume that dividends and capital gain distributions, if any, were reinvested. These percentages are not an indication of the performance of a shareholder's investment in the Fund based on market price.

⁵Annualized dividend yield is the latest monthly dividend shown as an annualized percentage of net asset value/market price at month-end. Annualized dividend yield simply measures the level of dividends and is not a complete measure of performance. Market price, annualized dividend yield, net asset value and returns are historical and will fluctuate and do not guarantee future results.

Performance is historical, assumes reinvestment of dividends and capital gains, and is not indicative of future results. Investment return and principal value will fluctuate. Performance assumes reinvestment of dividends and capital gains. Investment return and principal value will fluctuate. Returns reflect a fee waiver, without this waiver returns would have been lower.

Sector diversification, top 10 holdings and security type are subject to change.

Fund shares are not FDIC-insured and are not deposits or other obligations of, or guaranteed by, any bank. Fund shares involve investment risk, including possible loss of principal.

Investments in mutual funds involve risk. Some funds, such as this one, have more risk than others. These include funds that allow exposure to or otherwise concentrate investments in certain sectors, geographic regions, security types, market capitalizations or foreign securities (which are exposed to potential political or economic instability, accentuated further in emerging-market countries). Please read this fund's prospectus for specific details regarding its objective, investments and risk profile.

Scudder Investments is part of Deutsche Asset Management, which is the marketing name in the US for the asset management activities of Deutsche Bank AG, Deutsche Bank Trust Company Americas, Deutsche Asset Management Inc., Deutsche Asset Management Investment Services Ltd., Deutsche Investment Management Americas Inc. and Scudder Trust Company.

CONTACT US:**Deutsche Asset Management**

Closed-end Funds

Tel (800) 349-4281

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