Investec
Property Fund

MEDIA RELEASE

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INVESTEC PROPERTY FUND ON THE ACQUISITION TRAIL

Announcing interim results for the period ended 30 September 2013

The Investec Property Fund (“Fund”) announced a 7.7% increase in its interim distribution to 50.46 cents per share (“cps”) for the six months ended 30 September 2013. This was driven both by growth in the net income of the Fund’s base portfolio and accretive acquisitions made towards the end of FY12.

Salient features:

- Property portfolio of 52 properties valued at R4.4 billion
- Distribution of 50.46 cps (up 7.7% from H1 2012: 46.83 cps)
- Total completed and announced acquisitions of R1.6 billion
- REIT status obtained and effective 1 April 2013
- Capital structure converted to all equity
- Low gearing of 10.1% (31.0% after the completion of all announced acquisitions)
- R500 million term debt facility in place
- Continued low vacancy rate of 2.8%
- 38 000m2 of industrial space let, a further 28 000m2 committed

Investec Property Fund CEO Sam Leon said the results reflected the defensiveness of the portfolio.
“The interim distribution growth of 7.7% reflects the consistent distribution growth to shareholders over time. It also reflects the quality of the property portfolio, the quality and long-dated tenant profile and the focus of the management team on looking after our tenants and the properties they occupy.”

During the period the Fund completed acquisitions to the value of R254 million, announced R1.3 billion of acquisitions that are expected to transfer before the end of the financial year and invested R236 million in the newly JSE-listed Investec Australia Property Fund.

Recently announced acquisitions include circa R900 million of prime located office parks in Gauteng and the Western Cape and circa R200 million of big box retail. The most recently announced acquisition is the Nicol Main Office Park for R298 million, an AAA-grade office park located in the hub of Bryanston’s commercial and retail node. Of the five offices, three are developed and two are currently under construction. The property is fully let and well situated directly opposite a major regional shopping centre with street frontages to both the William Nicol highway and Main Road.

The Fund expects its second half performance to be in line with the first half, and has maintained its previous guidance of 7% to 8% growth in distributions for the full year. This outlook is premised on prevailing economic conditions.

“The significant investments made during the period once finalised, will see the portfolio value increase to R5.7 billion, an asset growth of approximately 3.5 times since listing two and a half years ago. We will continue to be aggressively acquisitive while consistently remaining committed to underlying property performance,” concluded Sam Leon.