

MEDIA RELEASE FROM GROWTHPOINT PROPERTIES

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Growthpoint embarks on a strategic partnership with OPEN for eight inspiring new co-working locations

Technology has changed the way people work and, as a result, office arrangements and work environments are changing too. This has led to the rise of co-working. Thanks to their cost-efficiency, flexibility, and often inspiring environments, co-working spaces are attracting a growing user base from businesses big and small, locally and globally.

Meeting the working needs of modern businesses, professionals and entrepreneurs, leading JSE-listed REIT Growthpoint Properties has partnered with local co-working space trailblazers OPEN in a 50/50 joint venture. Together they will grow an exciting network of co-working spaces across South Africa.

Co-working spaces allow entrepreneurs, consultants, service-providers, and corporate teams convenience and flexibility. Businesses are afforded a means of growing and shrinking more easily as well as a way to house consultants and temporary staff. Co-working spaces solve the need for space for meetings, working at a desk, audio-visual needs, and coffee and food for a more mobile business generation, while away from a head office. The OPEN spaces also provide an environment of ideas, energy and opportunity through being part of a dynamic community.

The joint venture's first new co-working space will open in Sandton Central this July at Growthpoint's 138 West Street office building, across the road from Sandton Gautrain Station.

Growthpoint is the largest South African primary listed REIT and is well on its way to becoming a leading international property company. It provides space to thrive in a diversified portfolio of 526 properties that it owns and manages, including 467 in South Africa, 58 in Australia through its investment in Australian Stock Exchange listed Growthpoint Properties Australia and a 50% interest in the properties at V&A Waterfront, Cape Town. Growthpoint also has a 26.9% stake in London Stock Exchange Alternative Investment Market listed Globalworth Real Estate Investment Limited, the largest owner of office space in Romania.

OPEN designs, builds and manages inspiring and comfortable spaces to work, meet, learn, collaborate and hold events. It has two existing co-working spaces - OPEN Maboneng in Johannesburg and Workshop17 at V&A Waterfront in Cape Town - which have redefined workspaces as flexible, multifunctional places for working, connecting, developing and creating. OPEN's vision is to create an inclusive platform for start-ups and established businesses to engage with each other, to thrive and to make a difference. To achieve this, OPEN is creating a network of spaces located in prime locations as well as in upcoming areas and townships.

For Growthpoint, the joint venture adds to the full range of workspaces it offers for all kinds of business to thrive in, from iconic headquarters for large corporates to collaborative spaces for entrepreneurs starting out on their business journeys. By adding more shared facilities to

Growthpoint's buildings, it also activates them and adds value to buildings for existing clients and another way of attracting new ones.

For OPEN, the joint venture enables its substantial growth and unlocks access to prime sites for co-working spaces in major metropolitan cities countrywide. For OPEN's members, it offers the expansion of services in multiple locations and the opportunity to grow.

Commenting on the joint venture, Norbert Sasse, CEO of Growthpoint Properties, says: "This partnership combines and amplifies Growthpoint's and OPEN's shared passion for nurturing and growing business in South Africa with innovative and sustainable property solutions. It creates incubator spaces for thriving businesses and tomorrow's office users."

Sasse adds: "Our new venture with OPEN gives our clients access to the forefront of the booming co-working trend. It adds diversity to our office space and ensures we can offer optimised office space to everyone, whatever the size or phase of their business."

Paul Keursten, co-founder of OPEN, comments: "Growthpoint is the leader in commercial property. It operates with integrity and has the matching values we believe are crucial for a successful joint venture. We look forward to growing by tapping in to the expertise and experience, portfolio and financing power of Growthpoint."

Keursten explains: "The demand for co-working spaces is growing and this partnership provides a genuine response, with beautiful and inclusive collaborative workspaces. OPEN and Growthpoint's co-working spaces are platforms for developing entrepreneurship and businesses. They are ecosystems that foster productivity, creativity, innovation, ideas and collaborative working in a thriving community."

Mark Seftel, co-founder of OPEN, says: "What was a novel idea five years ago is now becoming mainstream. Even at 1% of the office property pie there is significant growth opportunity in South Africa. We are focused on creating spaces where people can thrive via a unique combination of design, technology and customer care, while ensuring that we take care of the environment. We feel truly honoured to be able to do this together with Growthpoint as the ideal partner with shared vision and values.

The eight - or more if demand is robust - new co-working locations planned for the next three years will each have a coffee bar with public access, meeting and seminar facilities, member areas with hot desking, dedicated desk and team spaces, and dedicated serviced offices. While having much in common, each location will be distinct with design elements that uniquely reflect its position.

Each co-workspace will be around 2,000sqm and feature superb connectivity and technology with all the office fundamentals in place for a plug-and-play environment that provides full functionality for optimal productivity.

Yet, they also offer so much more. The co-working locations developed as part of the collaboration between Growthpoint and OPEN are also designed to give their users a distinct advantage by providing fertile ground for creativity and innovation while connecting members with a diverse community to share and develop ideas.

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