HYPROP REDUCES FUNDING COSTS WITH RESTRUCTURED DEBT

Hyprop today announced a favourable restructuring of its debt facilities, with the conversion of R648 million in conventional bank loans into debt capital market ("DCM") funding.This latest DCM issuance comprises a R450 million five-year bond, issued at a margin of 145 bps, and R198 million in three-month commercial paper at a margin of 19 bps. R450 million of the R648 million is fixed for an average of 4,1 years at an average all-in rate of 7,6 %.Hyprop Financial Director Laurence Cohen says: "The restructuring has advantages for Hyprop, in that the funding has been secured at attractive rates, reducing overall funding costs. In addition, the DCM funding is unsecured."The restructure is part of Hyprop's R5 billion DCM rogramme, with the total issue to date equating to R1,65 billion or about 33% of total net borrowings. Net borrowings at 31 December 2012 were R4,9 billion, while Hyprop's gearing ratio was 23,1%.Hyprop has an A3.za/P-2.za national scale rating from Moody's Investor Services.

Property investment excellence.