MEDIA RELEASE

Redefine delivers 7.1% half year distribution growth, in line with guidance and on target to meet full year forecast

Highlights:

- Half year distribution +7.1%
- Total assets exceed R60 billion
- Market cap +23.6% to R45 billion
- Acquisitions of R10.7 billion
- Development of R3.7 billion
- First direct entry into Europe

Thursday, 07 May 2015 - Redefine Properties today reported distribution growth of 7.1% to 39 cents per share for the half year to 28 February 2015, delivering on its market guidance.

Andrew Konig, CEO of Redefine comments: *"Redefine's solid performance and growth in distributable income for the half year of 31.4% reflects our enhancing acquisitions and successful strategies*.

"Our diversified asset base and stated strategies will enable us to achieve our long-term goals. We are confident that we will deliver distribution growth of between 7% and 7.5% for the full 2015 year."

Redefine's strategic growth, geographic diversification, tight asset management, efficient cost control and effective tenant retention strategies all contributed positively to the results despite ongoing challenging property fundamentals, with the operating environments across all property sectors remaining subject to uncertainty around electricity supply and local service delivery.

JSE-listed Redefine is an internally managed diversified REIT that controls a property income-earning asset base of R55.6 billion, which increased by some R5 billion during the half year. Its market capitalisation appreciated a considerable 23.6% during the six-month period to R45 billion, of which 22.9% now represents international ownership, with notable investor inflows from Europe.

Konig notes the increase in international investment in Redefine has come when domestic interest rates look like they could increase again. *"This helps us fund future investments at a lower average cost."*

Redefine's property portfolio income for the period was 95.2% of its total revenue, while income from listed securities was 4.3%, and trading and fee income totalled 0.5%.

Its local investment assets comprise an actively managed diversified, directly-held property portfolio valued at R35.9 billion. Fountainhead Property Trust, in which Redefine has a 65.9% equity interest, has a R11.9 billion property portfolio, comprising predominantly of retail assets. Redefine now holds 11.5% of Emira.

Redefine has a 30.1% equity interest of R3.6 billion in Redefine International PLC (RI PLC), which is listed on both the LSE and the JSE. In addition, Redefine has a direct 50% interest in Australia's North

Sydney landmark tower, Northpoint, as well as holding 15.9% of ASX-listed Cromwell Property Group totalling R4.1 billion. Redefine has a further 10% indirect equity interest in Cromwell through RI PLC.

"Our domestic priorities include dealing with the electricity crisis by providing uninterrupted power supply at our key properties, as well as energy-efficiency initiatives and sustainable building technologies," reports Konig*. "We're also focused on upholding our profit margins, given rising utilities and rates and taxes. Letting of vacant space and managing tenant credit risk is another key focus area, given the muted state of the economy. We will also help further sustainable, long-term economic and social development, by establishing the Redefine Empowerment Trust."*

Redefine aims to continue diversifying, growing and improving the quality of its portfolio. It made excellent progress during the half-year with a programme of strategic acquisitions including 31 direct properties acquired for a total R3 billion at an initial yield of 8.5%, and the Leaf portfolio for a collective R4.7 billion at an initial yield of 7.8%.

Redefine is making progress in the acquisition of all the Fountainhead assets – a process which it aims complete and implement before the financial year end.

Konig says Redefine will continue to seek out prospects for its international investment, "*although it is difficult to source opportunities given the weight of money chasing property internationally right now."* He adds Redefine is also exploring new subsectors to support investor value. This includes de-risked projects in student and possibly residential accommodation, geared to test market demand and strategic suitability.

"The headwind of upward interest rate pressure will pose a challenge for the listed property sector, but we believe it will also create opportunities in the rest of the year. We will continue to identify and pursue enhancing opportunities which furthers Redefine's strategy to become South Africa's best REIT and deliver sustained value to our shareholders." says Konig.

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ENQUIRIES:

Redefine Properties
Cara White, Communications Consultant 011 283 0202
CaraW@redefine.co.za

Website: **www.redefine.co.za**

Distributed by:
Marketing Concepts
Suren Naidoo 011 783 0700/ 083 453 6668