



MEDIA RELEASE FROM THE SOUTH AFRICAN REAL ESTATE INVESTMENT TRUST ASSOCIATION (SA REIT)

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The future of best-practice reporting for SA's REIT sector to be announced

A new era of best practice accounting disclosure and reporting standards for South Africa's REIT sector will be announced at the first ever SA REIT Conference in Sandton next month.

This potent senior management conference, sponsored by Nedbank Corporate Property Finance, will dish up the latest intelligence on REITs, with a strong focus on doing REITs right.

In an insight-rich session, Chairman of the SA REIT Accounting and JSE Committee and Financial Director of Hyprop Investments, Laurence Cohen will reveal the latest direction for the sector's reporting and reveal the latest thinking on the best practice reporting guidelines for the sector. Cohen will be joined by Director of Financial Services and Partner at KPMG Gawie Kolbe. Both will be in conversation with Mohamed Kalla, prominent listed property fund manager at Sefikile Capital.

Cohen explains, in its drive to improve disclosure in the sector and foster a greater understanding of this asset class, the SA REIT has been compiling best practice disclosure and reporting standards.

He says: "Numerous SA REITs already have commendable levels of disclosure and create a clear picture of their business, performance and financial reporting. However, by standardising these important areas across the sector, it helps make it easier for an accurate analysis and comparison of different REIT counters."

Cohen adds the new guidelines will also give REITs a reference point for the level of disclosure and scope of reporting they should strive for, to be in the best position to attract a good flow of funds.

"The SA REIT 'BPR' (Best Practice Recommendations) will be modelled on similar publications released in other REIT markets internationally, all with the primary objective of improving the quality and comparability of disclosure," reports Cohen. "The SA listed property sector has historically been particularly pro-active, and publication of Best Practice Recommendations for SA REITs will continue this tradition, enhancing the attractiveness of the sector for investors."

The exclusive glimpse into the guidelines for the sector at the conference will be illuminating for financial, audit, accounting, risk, governance and investor relations teams of REITs. It will also shed invaluable light on measuring the sector for the investment community from owners of capital to industry analysts, and even financial media reporting on the performance of the sector.

SA REIT represents South Africa's listed REIT sector. SA REIT members comprise all 30 JSE-listed REITs and represent around R250 billion worth of real estate assets. The quality of SA REITs influences our economy and the quality of people's lives.

Ken Reynolds, Regional Executive: Nedbank Corporate Property Gauteng, proud sponsors of this inaugural conference, says: "As an institution whose country's banking system is rated amongst the best in the world from a regulatory perspective, we are



encouraged with the direction that the SA REIT is moving in terms of best practice to even better the sector, with the aim to attract investment.”

South Africa’s REIT structure is still in its infancy, having been adopted in 2013. Keith Engel, an architect of the SA REIT tax dispensation, will also share an update on the SA REIT world with conference delegates. A Partner at Ernst & Young Africa Tax Practice, Engel will focus on tying up tax matters for the sector.

Chairman of the SA REIT, Laurence Rapp, comments: “Our listed property sector concluded a seven-year journey into a new era of REITs in 2013. Throughout this journey, we focused on a creating best-of-breed, internationally-recognised REIT dispensation. Now REITs are in place in South Africa, we remain committed to the highest international standards for our sector. The new best practice IFRS guidelines help give investors, no matter which markets they come from, confidence in their understanding of our REITs and allow them to make informed investment decisions.”

The SA REIT Conference’s first-rate programme offers direct access to an unprecedented panel of the brightest international minds and key local players active in the REIT sector, with extraordinary insight into the biggest issues and opportunities for the listed property sector in South Africa.

Cohen, Kolbe and Engel join a leading dais of local and international speakers and panellists including Kari Pitkin, Managing Director and head of EMEA Real Estate for Bank of America Merrill Lynch, the straight-talking Andrew Parsons, MD of Resolution Capital in Australia, and Fraser Hughes, Deputy CEO of the European Public Real Estate Association (EPRA).

The SA REIT conference is designed to equip delegates with a keen understanding of the latest influences and advances around REITs in South Africa and across the world, as well as sound approaches to opportunities and challenges in the market place.

*** For more information on the SA REIT Conference on 22 October 2014 at the Sandton Convention Centre contact visit www.sareit.com and follow @SA_REIT on twitter.**

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