

news release

29 March 2016

A BUMPER DISTRIBUTION GROWTH ANTICIPATED BY EQUITES

Cape Town, 29 March 2016. Specialist logistics property developer and landlord, Equites Property Fund Limited, today announced that the company anticipates the distribution per share for the year ended 29 February 2016 to be between 95 and 97 cents per share, which is between 55.1% and 58.3% higher than the 61.26 cents per share reported in the annual results for the year ended 28 February 2015.

The distribution for the comparative financial period was for a nine month period from 1 June 2014 to 28 February 2015, whereas the distribution for the current period represents a full twelve month period. Comparing like-for-like on an adjusted 12-month basis, the anticipated distribution will be between 16.3% and 18.8% higher than the previous year, this despite a significantly higher number of shares in issue from an accelerated book-build in November 2015 that raised R1,5 billion.

Equites CEO, Andrea Taverna-Turisan, said that *“the anticipated distribution growth reflects the strong property fundamentals of the Equites logistics portfolio, with almost all our earnings derived from blue chip tenants, occupying modern A-grade logistics facilities on long dated leases in proven logistics nodes in Cape Town and Gauteng”*. Contributory factors to the above market anticipated distribution growth were:

- a further reduction in already low vacancy levels;
- enhanced cost containment in the light of a significant growth in the portfolio size;
- an effective interest rate hedging strategy; and
- the reduction in finance costs following the accelerated book-build undertaken by the company during November 2016 that raised R1,5 billion.

The audited financial results of Equites for the year ended 29 February 2016 will be published on SENS on or about 6 May 2016.