

REBOSIS PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa on 22 February 2010)

(Registration number 2010/003468/06)

JSE code: REB ISIN code: ZAE000156147

("Rebosis" or "the company")



FINANCIAL EFFECTS IN RESPECT OF THE PROPOSED ACQUISITIONS OF SUNNYPARK SHOPPING CENTRE AND AN INDUSTRIAL WAREHOUSE

INTRODUCTION

Linked unitholders are referred to the announcement released on SENS on 15 November 2012 in which it was announced that Rebosis had concluded agreements for the acquisition of letting enterprises from the following vendors:

- Centre of the Sun Properties (Proprietary) Limited in respect of and including a property known as the Sunnypark Shopping Centre ("**Sunnypark**"); and
- Stonibut Trading and Invest 13 (Proprietary) Limited in respect of and including an industrial warehouse property known as Antalis ("**Antalis**");
(each "**an acquisition**" and together "**the acquisitions**").

The purpose of this announcement is to set out the financial effects of the acquisitions.

FORECAST FINANCIAL INFORMATION OF THE SUNNYPARK ACQUISITION

Set out below are the forecast revenue, operating profit, net profit after taxation and distributable earnings of Sunnypark ("**the Sunnypark forecasts**") for the five months ending 31 August 2013 and the year ending 31 August 2014 ("**the forecast periods**"). The Sunnypark forecasts have been prepared on the assumption that transfer will be implemented on 1 April 2013.

The Sunnypark forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Rebosis. The Sunnypark forecasts have not been reviewed or reported on by the independent reporting accountants.

The Sunnypark forecasts presented in the table below have been prepared in accordance with the company's accounting policies and in compliance with IFRS.

	Five months ending 31 August 2013	Year ending 31 August 2014
Contractual rental and tenant recoveries	28 922 751	72 587 448
Straight-line rental income accrual	561 975	539 858
Rental revenue	29 484 727	73 127 305
Operating profit*	17 392 374	44 007 048
Net profit/(loss) after taxation and debenture interest*^	3 940 847	(151 160)
Distributable earnings	17 229 024	43 467 190

*Includes the effects of straight-lining rental income and asset management fees.

^ Includes the effects of fair value gains.

The Sunnypark forecasts incorporate, *inter alia*, the following material assumptions:

1. Contracted revenue is based on existing lease agreements.
2. Uncontracted revenue comprises 5.0% and 4.9% of gross rental revenue for the five months ending 31 August 2013 and the year ending 31 August 2014 respectively.
3. All existing lease agreements are valid and enforceable.

4. Turnover rental (rental income based on the actual turnover of the tenant) has only been forecast for those tenants who have previously paid turnover rental.
5. Current vacant space has been assumed to remain vacant unless it is deemed probable that such space will be let. Vacant space has been assumed to be let during the forecast periods only if management are at an advanced stage of discussions with prospective tenants and where offers to tenants have been made.
6. Forecast rental income not yet contracted for but which has been guaranteed amounts to 9.2% of total forecast rental income for the five months ending 31 August 2013 and 4.9% of total forecast rental income for the year ending 31 August 2014.
7. Leases expiring during the forecast periods have been forecast on a lease-by-lease basis, and in circumstances where discussion with the lessee has proven positive, are forecast to be let at current market rates.
8. Rebosis management's forecast operating expenditure has been determined based on management's review of historical expenditure, where available, and discussions with Sunnypark's property managers and based on supplier service contracts.
9. Sunnypark is assumed to be acquired for a purchase price of R577.5 million (including capitalised transaction costs of R0.8 million). In terms of the acquisition agreement, if the property is not transferred by 1 March 2013, the purchase price for the Sunnypark acquisition will increase at a rate of 0.6458% (compounded monthly in arrears) up to and including the date of transfer and will be prorated for that portion of the month during which transfer is effected.
10. 100% of the purchase price (including acquisition costs) is assumed to be funded through the issue of linked units at market related prices.
11. A fair value gain of R4.8 million (based on the valuation from the independent property valuer, Quadrant Properties (Proprietary) Limited) has been recognised in respect of the five months ending 31 August 2013. No fair value adjustment has been provided for in respect of the year ending 31 August 2014.
12. In terms of the asset management agreement with Billion Asset Managers (Proprietary) Limited ("**the manager**"), Rebosis pays the manager a monthly fee equivalent to 1/12th of 0.3% of the aggregate of the market capitalisation and the borrowings of Rebosis.
13. In terms of the property management agreement with Billion Property Services (Proprietary) Limited ("**Billion Property Services**"), Rebosis pays Billion Property Services a monthly fee equivalent to 2.5% of gross revenue collected from or paid by tenants (including VAT) for providing the services of a property managing agent in respect of letting, property maintenance and property accounting.
14. Debenture interest will be paid to linked unitholders in accordance with the provisions of the debenture trust deed.

FORECAST FINANCIAL INFORMATION OF THE ANTALIS ACQUISITION

Set out below are the forecast revenue, operating profit, net profit after taxation and distributable earnings of Antalis ("**the Antalis forecasts**") for the five months ending 31 August 2013 and the year ending 31 August 2014 ("**the forecast periods**"). The Antalis forecasts have been prepared on the assumption that transfer will be implemented on 1 April 2013.

The Antalis forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Rebosis. The Antalis forecasts have not been reviewed or reported on by the independent reporting accountants.

The Antalis forecasts presented in the table below have been prepared in accordance with the company's accounting policies and in compliance with IFRS.

	Five months ending 31 August 2013	Year ending 31 August 2014
Contractual rental and tenant recoveries	5 247 647	13 182 088
Straight-line rental income accrual	1 285 884	2 498 386
Rental revenue	6 533 531	15 680 474
Operating profit*	6 232 723	14 941 784
Net profit/(loss) after taxation and debenture interest*^	358 334	(927 881)
Distributable earnings	1 321 461	3 742 493

*Includes the effects of straight-lining rental income and asset management fees.

^ Includes the effects of finance costs and fair value gains.

The Antalis forecasts incorporate, *inter alia*, the following material assumptions:

1. Contracted revenue is based on an existing lease agreement with the sole tenant.
2. All gross rental revenue for both the five months ending 31 August 2013 and the year ending 31 August 2014 is contracted.
3. The existing lease agreement is valid and enforceable.
4. There is currently no vacant space and no vacant space has been assumed to arise during the forecast periods.
5. The lease does not expire during the forecast periods and accordingly, the Antalis forecasts reflect contractual revenue based on an existing lease agreement.
6. Rebosis management's forecast operating expenditure has been determined based on management's review of historical expenditure, where available, and discussions with Antalis' property managers and based on supplier service contracts.
7. Antalis is assumed to be acquired for a purchase price of R120.8 million (including capitalised transaction costs of R0.8 million).
8. 100% of the purchase price (including acquisition costs) is assumed to be funded through third party debt at a melded fixed and variable rate of 7.21%.
9. A fair value gain of R0.2 million (based on the valuation from the independent property valuer, Quadrant Properties (Proprietary) Limited) has been recognised in respect of the five months ending 31 August 2013. No fair value adjustment has been provided for in respect of the year ending 31 August 2014.
10. In terms of the asset management agreement with the manager, Rebosis pays the manager a monthly fee equivalent to 1/12th of 0.3% of the aggregate of the market capitalisation and the borrowings of Rebosis.
11. In terms of the property management agreement with Billion Property Services, Rebosis pays Billion Property Services a monthly fee equivalent to 2.5% of gross revenue collected from or paid by the tenant (including VAT) for providing the services of a property managing agent in respect of letting, property maintenance and property accounting.
12. Debenture interest will be paid to linked unitholders in accordance with the provisions of the debenture trust deed.

UNAUDITED *PRO FORMA* FINANCIAL EFFECTS OF THE ACQUISITIONS

The unaudited *pro forma* financial effects of the acquisitions on Rebosis' net asset value and tangible net asset value per linked unit, based on the unaudited *pro forma* statement of financial position as at 31 August 2012 presented in the rights offer circular issued to Rebosis linked unitholders on 14 January 2013, are not significant and have accordingly not been presented.

CAUTIONARY

Linked unitholders are referred to the announcement dated 5 December 2012 in relation to the proposed acquisition of the Nthwese office portfolio and are advised to continue to exercise caution when dealing in their linked units until such time as a further announcement is released in this regard.

11 February 2013

Corporate advisor and sponsor

JAVACAPITAL