REBOSIS PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2010/003468/06)
JSE share code: REB
ISIN: ZAE000201687
(Approved as a REIT by the JSE)
("Rebosis" or "the company"or "the Group")

PROVISIONAL REVIEWED CONDENSED CONSOLIDATED RESULTS
for the year end 31 August 2016

OUR UNDERLYING PORTFOLIO INDICATORS AT 31 AUGUST 2016 (DIRECT ASSETS OWNED)

- 4 high growth dominant regional malls
- Includes Hemingways Mall, East London's largest retail centre
- National tenant profile of 86% in the retail portfolio
- Average escalation of 7,4%

- 15 large properties well located in nodes attractive to government tenants
- Let primarily to National Department of Public Works under long leases
- Average escalation of 8,5%
- Shielded from private sector e.g. tenant cash flow and insolvency-related default

- Specialised single tenant industrial warehouse
- Triple net lease expiring on 31 December 2019
- Lease underpinned by the international parent company which is listed on the Paris Stock Exchange
- Average escalation of 7,0%

	Retail	Office	Industrial
Number Of Properties	7	42	2
Portfolio Valuation	49%	49%	2%
Gross Lettable Area (M^2)	45%	51%	4%
Revenue	45%	53%	2%

INVESTMENT HIGHLIGHTS

Distribution Growth
Up 8,2% to 119,45
cents per share

Growth in assets under management
29,5% to R12,8 billion

Net property income growth
10,3%

Reduction of costs to income ratio
from 13.3% to 12,5%

Reduction in vacancies
3.1%

Consolidated group Assets
R19,1 billion

Sectorial by value

Retail	45%
Office	51%
Industrial	4%

Sectorial by GLA

Retail	49%
Office	55%
Industrial	2%

Geographic by GLA

UK	30%
Western Cape	12%
Mpumalanga	1%
Eastern Cape	10%
Gauteng	44%
KwaZulu-Natal	2%
North West	1%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	GROUP Reviewed 31 August 2016 R000	Audited 31 August 2015 R000 Restated
ASSETS			
Non-current assets		17 383 410	14 905 355
Investment property		16 996 072	14 555 401
Goodwill	3	315 906	331 775
Derivative instruments		70 852	17 671
Property, plant and equipment		580	508
Current assets		561 798	337 196
Short-term portion of derivatives		23 486	-
Trade and other receivables		309 233	162 373
Cash and cash equivalents		229 079	174 823
Investment properties held for sale		1 156 698	-
Total assets		19 101 906	15 242 551
EQUITY AND LIABILITIES			
Equity		9 462 284	7 777 196
Stated capital	3	5 590 410	5 219 879
Retained income	3	2 179 569	870 206
Foreign currency translation reserve		(73 805)	109 757
Total equity attributable to equity holders of the parent		7 696 174	6 199 842
Non-controlling interests		1 766 110	1 577 354
Non-current liabilities		8 170 604	5 372 421
Interest bearing borrowings		8 052 484	5 370 741
Derivative instruments		118 120	1 156
Deferred taxation		-	524
Current liabilities		1 469 018	2 092 934
Short term portion of interest bearing borrowings		1 223 203	1 893 700
Trade and other payables		244 347	191 371
Tax payable		1 468	7 863
Total equity and liabilities		19 101 906	15 242 551

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		GROUP	
		Reviewed 31 August 2016 R000	Audited 31 August 2015 R000
	Note		Restated
REVENUE			
Property portfolio		1 809 981	1 009 880
Contractual rental income		1 835 767	896 124
Listed property securities and related income		-	60 262
Straight line rental income accrual		(25 786)	53 494
Net income from facilities management		23 109	21 051
Asset management fee income		-	18 891
Sundry income		2 206	1 707
Total revenue		1 835 296	1 051 529
Operating costs		(430 688)	(226 735)
Administration costs		(153 115)	(111 831)
Net operating profit		1 251 493	712 963
Gain on bargain purchase		-	53 756
Changes in fair values		1 183 454	136 935
Profit from operations		2 434 947	903 654
Net finance charges		(561 864)	(282 078)
Finance charges - secured loans		(606 614)	(289 587)
Interest received - other		44 750	7 509
Profit before debenture interest and taxation		1 873 083	621 576
Debenture interest	3	-	(346 811)
Profit before taxation		1 873 083	274 765
Taxation		1 104	(13 499)
Profit form continuing operations		1 874 187	261 266
Profit from discontinued operations		-	1 009
Profit for the year		1 874 187	262 275
Other comprehensive income			
Foreign currency translation reserve		(217 000)	177 226
Total comprehensive income		1 657 187	439 501
Profit attributable to:			
Owners of the parent		1 706 946	262 539
Non-controlling interests		167 241	(264)
Profit for the year		1 874 187	262 275
Total comprehensive income attributable to:			
Owners of the parent		1 523 384	372 296
Non-controlling interests		133 803	67 205
Total comprehensive income for the year		1 657 187	439 501
Basic and diluted earnings per share (cents)	2	329,68	61,92

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		GROUP	
		Reviewed	Audited
		31 August	31 August
		2016	2015
		R000	R000
	Note		Restated
Balance at beginning of period (as previously reported)		7 541 124	1 832 554
Restatements	3	236 072	-
Balance at beginning of period (restated)		7 777 196	1 832 554
Issue of shares		406 205	914 938
Conversion of capital structure	3	-	3 251 209
Shares bought back		(11 029)	-
Acquisition of New Frontier Properties Limited		-	566 367
Shares issued to non-controlling interests		186 512	-
Acquisition of Ascension Properties Limited		-	943 782
Treasury shares		(24 644)	-
Dividend paid	3	(529 144)	(171 155)
Total comprehensive income for the year		1 657 188	439 501
Profit for the year		1 874 188	262 275
Other comprehensive income			
Foreign currency translation reserve		(217 000)	177 226
Balance at 31 August		9 462 284	7 777 196

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

	GROUP	
	Reviewed 31 August 2016 R000	Audited 31 August 2015 R000 Restated
Cash flows from operating activities	47 077	(163 643)
Cash generated from operations	1 187 234	715 917
Debenture interest paid	-	(432 567)
Dividend paid	(547 610)	(171 155)
Taxation paid	(23 767)	-
Net finance charges paid	(568 780)	(275 838)
Cash outflows from investing activities	(965 201)	(850 332)
Acquisition of investment property	(502 604)	-
Capital expenditure, tenant installations and lease commissions	(203 800)	(74 726)
Acquisition of businesses, net of cash acquired	(238 728)	(775 117)
Acquisition of listed securities and investments	(24 644)	-
Proceeds from disposal of investment property	5 000	-
Acquisition of property, plant and equipment	(425)	(489)
Cash inflows from financing activities	917 164	1 127 453
Proceeds from issue of shares	518 949	752 791
Share buy back program	(11 029)	-
Increase in secured financial liabilities	409 244	79 313
Proceeds from non-controlling shareholders	-	295 349
Net movement in cash and cash equivalents	(960)	113 478
Effect of translation	55 216	12 495
Cash and cash equivalents at beginning of the year	174 823	48 850
Cash and cash equivalents at end of the year	229 079	174 823

COMMENTARY

INTRODUCTION

Rebosis is a JSE listed real estate investment trust (REIT) that directly owns 20 properties comprising of 4 dominant shopping centres, 15 large office buildings let on long term leases and an industrial property. It has a 67.5% interest in New Frontier Properties Limited ("New frontier"or"NFP"), which owns 3 dominant shopping centres in the UK. Rebosis also owns 59% of Ascension Properties Limited ("Ascension"), a JSE Listed REIT with 27 office buildings and 1 industrial building.

Despite a tough domestic economic environment we are pleased to announce an exciting set of results.

FINANCIAL RESULTS

Rebosis has declared a dividend of 62,66 cents per share for the six months ended 31 August 2016. With a dividend of 56,79 cents per share for the six months ended 29 February 2016, this amounts to total dividend of 119,45 cents for the year, an increase of 8,2%. This is in line with the 8% to 10% guidance communicated and is based on continuing strong performance on portfolio fundamentals as well as increased income from acquisitions.

Rebosis company specific information which includes the full statement of financial position and statement of profit or loss and comprehensive income along with operational information is included in the results presentation that can be found on the Rebosis website www.rebosis.co.za.

Property expenses for the company were again well contained with the net cost to income ratio declining to 12,5% from 13,3% in 2015.

PROPERTY PORTFOLIO

At year-end, assets under management were valued at R12,8 billion (2015: R9,8 billion). The value of the Group's investment property portfolio was R18.1 billion (2015: R14.5 billion). The effective investment in Ascension and New Frontier was valued at R3,9 billion (2015: R2,7 billion).

The investment property portfolio for the Group of 51 properties is illustrated in the included graphs in terms of sectoral and geographical splits.

FUNDING

At 31 August 2016, the Group's borrowings increased to R9.3 billion .The weighted average cost of borrowings for the group is 7.2% (8.9% for Rebosis company). This includes the lower interest rates earned in the UK for New Frontier. There are currently swap/fixed rate arrangements for 80,7% of the debt. The groups LTV is 48.8% with Rebosis company LTV which is ring-fenced from it's subsidiaries at 34.7%. (Total Debt/Total Assets)

BASIS OF PREPARATION

The provisional reviewed condensed consolidated financial statements are prepared in accordance with the JSE Listings Requirements for provisional reports and the requirements of the Companies Act of South Africa. The JSE Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the provisional reviewed condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements. These financial results have been prepared under the supervision of the Chief Financial Officer, K Keshav, CA(SA).

The directors are not aware of any matters or circumstances arising subsequent to 31 August 2016 that require any additional disclosure or adjustment to the financial statements, other than as disclosed in this announcement.

These provisional reviewed condensed consolidated financial statements for the year ended 31 August 2016 have been reviewed by Grant Thornton Johannesburg Partnership, who expressed an unmodified review conclusion thereon.

The auditor's review report does not necessarily report on all the information contained in this announcement / financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review report together with the accompanying financial information from the issuer's registered office. The directors take full responsibility for the preparation of these results and confirm that the financial information has been correctly extracted from the underlying financial statements.

NOTES TO CONSOLIDATED RESULTS

1. BUSINESS COMBINATIONS
On 23 September 2015 the group acquired Houndshill Shopping Centre in Blackpool by acquiring the whole of the issued share capital in BCC Eiffel S.a.r.l. Based on management's judgements and estimates, the group has determined that this acquisition was a business combination. The costs of acquisition which have been recognised in the consolidated statement of profit and loss and other comprehensive income amount to R54,4 million (included in administration costs).
The following table summarises the consideration paid for BCC Eiffel S.a.r.l. and fair values of the assets acquired and liabilities assumed recognised at acquisition date.

	R000
Investment property	2 081 868
Trade and other receivables	3 843
Cash and cash equivalents	37 877
Trade and other payables	(54 883)
Borrowings	(1 792 101)
Fair value of net assets	276 604
Cash consideration paid	(276 604)
Goodwill arising on acquisition	-
Amounts recognised in the profit and loss since acquisition:	
Revenue	154 196
Profit after tax	18 075

Had BCC Eiffel S.a.r.l. been consolidated from 1 September 2015, revenue for the year would have been higher by R9,86 million and profit would have been higher by R7,26 million respectively.

Net cash outflow on acquisition of subsidiaries	
Consideration paid in cash	276 604
Less cash and cash equivalents balances acquired	(37 877)
Total consideration	238 728

2. BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE

	31 August 2016	31 August 2015
Number of shares in issue at year end	530 178 149	493 363 078
Weighted average number of shares in issue used for the calculation of earnings and headline earnings per share	517 765 320	424 011 545
Reconciliation of earnings and headline earnings:	R000	R000
Profit attributable to equity holders of the parent entity	1 706 947	262 539
Adjusted for:		
Change in fair value of investment properties	(1 258 611)	(133 508)
Gain on bargain purchase	-	(53 756)
Headline profit attributable to shareholders	448 336	75 275
Debenture interest	-	346 811
Headline earnings attributable to shareholders	448 336	422 086
Basic and diluted earnings per share (cents)	329.68	61.92
Headline and diluted earnings per share (cents)	86.59	85.55

3. RESTATEMENT OF COMPARATIVE STATEMENT OF FINANCIAL POSITION, STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME, STATEMENT OF CHANGES IN EQUITY AND STATEMENT OF CASH FLOWS

Following a review of the Group’s annual financial statements for the year ended 31 August 2015 by the JSE in terms of its pro-active monitoring of financial statements process, the Group has restated the following items in the 2015 statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity:

(a) The Group converted its linked unit structure to an all share capital structure on 8 June 2015. A distribution was declared on 30 June 2015 amounting to R171.2 million, which was accounted for as debenture interest in the statement of profit or loss and other comprehensive income.

However, as the debentures were carried at amortised cost using the effective interest profit or loss and other rate method, debenture interest of R140.3 million should have accrued in until the date of capital conversion on 8 June 2015. This gives rise to an error of R30.9 million on the debenture interest line in the statement of profit or loss and other comprehensive income. Due to this, the carrying value of the debentures at the date of conversion to share capital would have been R3.25 billion, and not the R3.11 billion as previously reported. In addition, the actual payment to shareholders of R171.2 million should have been accounted for as a dividend in the statement of changes in equity.

(b) The Group acquired a controlling interest of 61.9% in New Frontier Properties Limited (“NFP”) during March 2015. As the Group’s share in the net assets (mainly cash) was lower than the purchase price paid for the controlling stake, a control premium of R236 million was recognised on consolidation of NFP. Management incorrectly concluded that as NFP did not have a business on the date of acquisition (as NFP had mainly cash and no other assets), that the control premium should be accounted for as a day one transaction with the non-controlling shareholders, and this was therefore debited directly to reserves in the statement of changes in equity. However, whilst NFP’s only substantial asset at the time of acquisition was cash, NFP was a fully functioning company with a business plan, and with certain acquisitions in the pipeline, which were executed in the month after the Group acquired its controlling stake. At the date of acquisition of the controlling stake, NFP had a primary listing on the Mauritian Stock Exchange, with a secondary listing on AltX of the JSE. Therefore, this control premium should have been allocated to goodwill on the date of the acquisition.

Set out below is the impact of these changes based on (a) and (b) above on the comparative statement of financial position, the comparative statement of profit or loss and other comprehensive income and the comparative statement of changes in equity for the year ended 31 August 2015:

Statement of financial position

	Restated comparative 2015 R 000's	Published 2015 R 000's	Difference R 000's
Group impact			
Assets			
Non current assets			
Investment property	14 555 401	14 555 401	-
Goodwill	331 775	95 703	236 072
Derivative instruments	17 671	17 671	-
Property, plant and equipment	508	508	-
Current assets	337 196	337 196	-
Total assets	15 242 551	15 006 479	236 072
Equity and liabilities			
Equity			
Stated capital	5 219 879	5 079 588	140 291
Retained income	870 206	774 425	95 781
Foreign currency translation reserve	109 757	109 757	-
Non controlling interests	1 577 354	1 577 354	-
Total equity	7 777 196	7 541 124	236 072
Long term liabilities	5 372 421	5 372 421	-
Current liabilities	2 092 934	2 092 934	-
Total equity and liabilities	15 242 551	15 006 479	236 072

The goodwill recognised is attributable to the retail segment and is allocated to retail assets under the segment report.

Statement of profit or loss and other comprehensive income

	Restated comparative 2015 R 000's	Published 2015 R 000's	Difference R 000's
Group impact			
Profit before debenture interest and taxation	621 576	621 576	-
Debenture interest	(346 811)	(377 675)	30 864
Profit before taxation	274 765	243 901	30 864
Taxation	(13 499)	(13 499)	-
Total profit for the year before discontinued operations	261 266	230 402	30 864
Discontinued operations	1 009	1 009	-
Total profit for the year	262 275	231 411	30 864
Earnings per share (cents)	61.92	54.64	

Statement of changes in equity

	Restated comparative 2015 R 000's	Published 2015 R 000's	Difference R 000's
Group impact			
Balance at 31 August 2014	1 832 554	1 832 554	-
Issue of shares	914 938	914 938	-
Conversion of capital structure	3 251 209	3 110 918	140 291*
Dividend paid	(171 155)	-	(171 155)*
Profit for the year	262 275	231 411	30 864*
Arising on investment in New Frontier Properties Limited	566 367	330 295	236 072
Arising on acquisition of Ascension Properties Limited	943 782	943 782	-
Foreign currency translation reserve	177 226	177 226	-
Balance at 31 August 2015	7 777 196	7 541 124	236 072

* Net difference amounts to R Nil.

Statement of cash flows

	Restated comparative 2015 R 000's	Published 2015 R 000's	Difference R 000's
GROUP IMPACT			
Cash generated from operations	715 917	715 917	-
Debenture interest paid	(432 567)	(603 722)	171 155
Dividend paid	(171 155)	-	(171 155)
Net finance charges paid	(275 838)	(275 838)	-
Net cash utilised in operating activities	(163 643)	(163 643)	-

4. SEGMENT REPORT

The Group classifies segments based on the type of property i.e. Commercial, Retail, Industrial, and Other. Properties can be mixed use properties. In this instance the property will be classified according to its principle use. Accordingly, the group only has three reporting segments as set out below. Some of the buildings do have a small retail component (normally at street level), but seldom exceeds 10% of the total GLA per building. These operating segments are managed separately based on the nature of the operations. For each of the segments, the Group's CEO (the group's chief operating decision-maker) reviews internal management reports monthly. The CEO considers earnings before taxation to be an appropriate measure of each segment's performance.

For the year ended
31 August 2016

	Property portfolio					
	Retail	Office	Industrial	Total	Admin and corporate costs	Total
	R000	R000	R000	R000	R000	R000
Property portfolio	816 779	964 960	28 242	1 809 981	-	1 809 981
Contractual rental income	820 280	987 972	27 515	1 835 767	-	1 835 767
Straight line rental income accrual	(3 501)	(23 012)	727	(25 786)	-	(25 786)
Net income from facilities management	-	23 109	-	23 109	-	23 109
Sundry income	1 103	46	-	1 149	1 057	2 206
Total revenue	817 882	988 115	28 242	1 834 239	1 057	1 835 296
Operating costs	(195 389)	(231 889)	(3 410)	(430 688)	-	(430 688)
Administration and corporate costs	-	-	-	-	(153 115)	(153 115)
Changes in fair values	471 084	487 384	38 764	997 232	186 222	1 183 454
Finance charges	-	-	-	-	(561 864)	(561 864)
Segment profit before taxation	1 093 577	1 243 610	63 596	2 400 783	(527 700)	1 873 083
Investment property	8 952 372	7 934 700	109 000	16 996 072	-	16 996 072
Investment property held for sale	-	1 006 698	150 000	1 156 698	-	1 156 698
Other assets	304 001	236 390	29 940	570 331	378 805	949 136
Total assets	8 987 237	9 131 017	288 940	18 407 195	694 711	19 101 906
Total liabilities	70 776	95 268	5 278	171 322	9 468 300	9 639 622

For the year ended
31 August 2015

	Property portfolio					
	Retail	Office	Industrial	Total	Admin and corporate costs	Total
	R000	R000	R000	R000	R000	R000
Property portfolio	378 506	455 816	15 672	849 994	159 886	1 009 880
Contractual rental income	364 587	417 808	14 105	796 500	99 624	896 124
Listed property securities income	-	-	-	-	60 262	60 262
Straight line rental income accrual	13 919	38 008	1 567	53 494	-	53 494
Net income from facilities management	-	21 051	-	21 051	-	21 051
Management fees received	-	-	-	-	18 891	18 891
Sundry income	957	(15)		941	766	1 707
Total revenue	379 463	476 852	15 672	871 986	179 543	1 051 529
Operating costs	(126 061)	(85 217)	(402)	(214 680)	(12 055)	(226 735)
Administration and corporate costs	-	-	-	-	(111 831)	(111 831)
Changes in fair values	(70 353)	119 789	5 021	54 458	82 477	136 935
Gain on bargain purchase	-	-	-	-	53 756	53 756
Finance charges	-	-	-	-	(282 078)	(282 078)
Segment profit before taxation	183 049	511 423	20 291	711 764	(90 188)	621 576
Investment property	3 051 000	3 842 200	145 500	7 038 700	7 516 701	14 555 401
Other assets	296 616	29 887	36 688	363 192	323 958	687 150
Total assets	3 347 616	3 872 087	182 188	7 401 892	7 840 659	15 242 551
Total liabilities	10 174	10 297	-	20 471	7 444 884	7 465 355

	2016	2015
Non-IFRS information	R000	R000
Reconciliation of profit before tax to distributable earnings:		
Total segment profit before taxation (as per above)	1 873 083	621 576
Debenture interest	-	(346 811)
Taxation	1 104	(13 499)
Profit from discontinued operations	-	1 009
Profit for the year	1 874 187	262 275
Less: Portion attributable to non-controlling interests	(167 241)	264
Adjusted for:		
Debenture interest	-	346 811
Changes in fair value	(1 183 454)	(136 935)
Gain on bargain purchase	-	(53 756)
Straight line rental accrual	25 786	(53 494)
Amortisation of structuring fees	7 843	6 241
Corporate transaction costs	74 789	323
Antecedent interest	43 694	29 112
Dividend income distributed in previous periods	(78 970)	-
Anticipated distribution from listed REIT subsidiaries	136 479	79 714
Antecedent dividend on anticipated distribution	-	33 696
Consolidation adjustments between group entities:	(100 293)	57 879
Reversal of underwriting fee income	-	35 400
Transaction cost arising on Ascension acquisition	-	10 568
Non-controlling interests	-	6 813
Effects of translation	(100 293)	5 098
Distributable earnings attributable to shareholders/owners of the parent	632 821	572 130
Dividend per share (cents)	119,45	110,41
H2 2016 (cents)	62,66	57,95
H1 2016 (cents)	56,79	52,46

KEY ESTIMATION UNCERTAINTIES

29% of the Group's property portfolio is held via its subsidiary New Frontier Properties Limited ("NFP"), which is domiciled in the UK. Whilst the outcome of the UK referendum vote on 23 June 2016 has created a period of uncertainty in relation to many factors that impact the property investment and letting markets, its timing was such that it has not been possible for the valuers of the NFP properties to gauge its impact on values at 31 August 2016 by reference to transactions in the market. Consequently, Colliers International Valuation UK LLP (in relation to the NFP properties) has advised that the probability that the valuation would exactly coincide with the price achieved, were there to be a sale, has reduced. This situation is likely to remain until the number and consistency of comparable transactions in the market increases, particularly in the UK. Having consulted with Colliers International Valuation UK LLP subsequent to the period end, Group management believes it is appropriate to adopt the valuations when preparing these financial results.

RELATED PARTIES

Parties are considered related if one party has the ability to exercise control or significant influence over the party in making financial or operational decisions. Related parties with whom the Group transacted during the period were:

	Group	
	31 August 2016	31 August 2015
	R000	R000
Amounts included in trade and other payables		
Billion Asset Managers (Pty) Ltd	3 440	5 393
Amount included in trade and other receivables		
Billion Group (Pty) Ltd	-	17 763
Related party transactions		
Billion Asset Managers (Pty) Ltd		
Asset Management fees paid	33 588	25 810
Billion Property Services (Pty) Ltd		
Property management fee	30 327	21 120
Lease commission fee	2 887	922

EVENTS AFTER REPORTING PERIOD

The directors are not aware of any material events, other than those noted below, which occurred after the reporting date and up to the date of this report.

ACQUISITION OF SHOPPING CENTRES AND PROPERTY SERVICES BUSINESSES

With effect from 3 October 2016, Rebosis acquired 100% of Billion Property Developments (Pty) Ltd ("BPD" which owns Forest Hill City Mall (Centurion)), Baywest City Mall (Pty) Ltd ("Baywest" which owns Baywest City Mall), Billion Asset Managers (Pty) Ltd (the asset management business) and Billion Property Services (Pty) Ltd (the property services business) for a total consideration of R4,9 billion. The transaction as further detailed in the circular posted to Rebosis shareholders on 2 September 2016, has been successfully consummated with Rebosis receiving 88% of the vote in favour of all resolutions proposed for the transaction. The acquisition price of R4,9 billion will be settled by new debt facilities of R3,7 billion and an equity raise of R1,2 billion (of which R700 million is deferred over the next two years at R350 million each year). R1,5 billion of this debt will be settled through the disposals of non-core commercial assets.

The transaction will be accounted for in terms of IFRS3 Business Combinations and a full purchase price allocation will be performed within twelve months as allowed by the standard. Due to the fact that the release of these provisional results is so close to the effective date of the transactions, it is not possible to make the required IFRS 3 disclosures as the initial accounting is still incomplete. This acquisition is part of the Rebosis long-term strategy to become a more retail focused fund.

FIRM INTENTION BY REBOSIS TO MAKE AN OFFER TO ACQUIRE 100% SHARES OF ASCENSION THAT IT DOES NOT ALREADY OWN
As detailed on SENS on 27 October 2016, Ascension and Rebosis have concluded an agreement in terms of which Rebosis has given notice of its firm intention to offer to acquire all of the Ascension A ordinary shares that Rebosis does not already own in exchange for Rebosis A ordinary shares, by scheme of arrangement (the "scheme"), on a swap ratio of 19.34236 Rebosis A ordinary consideration shares for every 100 Ascension A shares held.

The proposed transaction will result in an enlarged market capitalisation for Rebosis, with economies of scale and enhanced liquidity. The terms of the Rebosis A ordinary shares effectively mirror the terms of the Ascension A ordinary shares. In addition, the cash-cover ratio applicable to the Rebosis A ordinary shares will be significantly higher than the cash-cover ratio applicable to Ascension A shares. Full details of the scheme will be set out in a joint circular which will be distributed by Rebosis and Ascension to each of the Ascension A shareholders in due course and which will include an independent expert report on the scheme, a notice of the general meeting of Ascension A shareholders to approve the scheme and the salient dates and times applicable to the scheme.

DISPOSAL OF ASSETS

Disposal of assets continue for the R1.5 billion indicated to shareholders of which R1.156 billion (this includes Ascension disposals) has been formally committed to and announced on SENS. Further offers have been received and are being considered and negotiated with the potential buyers on the remaining R0.5bn by management. The R1.156 billion of assets committed through sale agreements have been classified as assets held for sale on the statement of financial position.

PAYMENT OF DIVIDEND

Dividend number 12 of 62,66428 cents per share for the six months ended 31 August 2016 will be paid to the shareholders in accordance with the abbreviated timetable set out below:

	2016
Last day to trade cum dividend	Tuesday, 22 November
Securities trade ex dividend	Wednesday, 23 November
Record date	Friday, 25 November
Payment date	Monday, 28 November

Share certificates may not be dematerialised or rematerialised between Wednesday, 23 November 2016 and Friday, 25 November 2016, both days inclusive. The dividend will be transferred to dematerialised shareholders CSDP accounts/brokers accounts on Monday, 28 November 2016. Certificated shareholders dividend payments will be paid to certificated shareholders bank accounts on or about Monday, 28 November 2016.

An announcement relating to the tax treatment of the dividend will be released separately on SENS.

PROSPECTS

The Board is cognisant of the economic headwinds in SA. Its focus will be on improving the quality of the Group's portfolio and balance sheet through targeted disposals of commercial assets. This will reduce gearing and furthermore, the Group will take the opportunity to extend the duration and hedging on debt falling due for refinancing.

The UK has its own set of challenges. Following its vote to leave the European Union (EU), it faces a period of uncertainty before exit, if indeed it actually occurs, whilst negotiations between it and the other EU member countries begin. The Board fully supports the decision by New Frontier to now target niche high quality acquisitions in countries such as Netherlands, Germany and Switzerland where it has identified opportunities.

With regards to Ascension, the Board is optimistic in being able to consummate the recently announced firm intention to acquire the remaining Ascension A shares. This will simplify the Group structure and deliver on the promise of scale benefits.

Operationally, Rebosis will focus on realising the full benefit of the recently acquired Billion assets of Forest Hill City, Baywest Mall and the internalisation of the management and property companies. This will have a full year financial effect on the financial results.

The Board is of the view that these strategies, together with the defensive nature of the portfolio will deliver distribution growth per share for FY17 of between 7% and 9% above that of FY16. This forecast has not been reviewed or reported on by the company’s auditors. Rebosis uses distribution per share as the key measure of financial performance for trading statement purposes.

By order of the Board
7 November 2016

COMPANY INFORMATION

COMPANY SECRETARY:
M Ndema

DIRECTORS:
ATM Mokgokong*† (Chairperson), SM Ngebulana (CEO), K Keshav (CFO), AM Mazwai*†, WJ Odendaal*†, NV Qangule*†, TSM Seopa*†
*Non-executive † Independent

SPONSOR:
Java Capital

TRANSFER SECRETARIES:
Computershare Investor Services Proprietary Limited

REGISTERED OFFICE:
3rd Floor, Palazzo Towers West, Montecasino Boulevard, Fourways, 2191, (PO Box 2972, Northriding, 2162)