

Press Release

For immediate release

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**Emira disposes of non core properties and uses the cash to buy back its own PIs**

Emira Property Fund has sold some of its non-core properties and has used the proceeds to buy back its own Participatory Interest units (PIs) in the open market in a move which will be earnings enhancing for Emira PI holders.

In addition to other sales concluded in 2011 and announced in February 2012, in the past few months Emira Property Fund has disposed of 3 buildings for R86m. The buildings include Mutual Mews in Rivonia Boulevard; Midrand Business Park in Midrand; and 33 Heerengracht in the Cape Town CBD.

These sales, which are unconditional, but have not yet been transferred, have been concluded at a premium to book value of 8%.

It also has two other buildings which have been sold for R70m but these sales are still conditional at this stage.

CEO of Emira Property Fund, James Templeton, says the proceeds from these and other sales concluded earlier in the year, have enabled the Fund to spend R86.5m in repurchasing its own PIs since December 2011.

The yield on the Emira PIs that have been repurchased is between 9% and 9.5% whereas the yield on the buildings it has disposed of in order to effect the PI repurchase is around 7.5%.

Says Templeton: "We are buying back our PIs at a higher yield than we would have achieved on the disposed of buildings, so in effect this transaction is earnings enhancing for the Fund.

Templeton says further property sales are on the cards for 2012 and the intention is to use the proceeds for either the repurchase of PIs or capital projects that are in the pipeline, depending on the returns offered to PI holders. Ideally it will be deployed to purchase other blue chip properties at earnings enhancing yields, thus adding to the quality of the entire Emira property portfolio over the longer term.

Ends

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