

Press Release

For immediate release

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Emira Property Fund extends its Wonderpark Shopping Centre at a cost of R513m

Emira Property Fund is extending its flagship Wonderpark Shopping Centre north-west of Pretoria by some 27 000m², which will increase the GLA to 90 000m².

The cost of the extensions is estimated at R513m. Work on the improvements will start this month and the complete, extended centre should open for business in May 2015.

Emira CEO, James Templeton, says:

“The Wonderpark Shopping Centre is Emira’s biggest asset - both by value (R652m) and gross lettable area. It’s a highly trafficked shopping centre in a prime location with a good tenant mix, including some top national chains such as Game, Woolworth, Truworths, Jet and Edgars.

“It serves a massive, and growing, catchment area which includes the suburbs of Karenpark, Akasia, Rosslyn, The Orchards, Amandasig, Chantelle and Pretoria North as well as the adjacent township areas, which include Soshanguve. It currently enjoys a 41% market share among the region’s shoppers.

“It’s important that we keep upgrading our shopping facilities by adding to our mix of tenants – especially in fashion, electronics, health and beauty and groceries - in order to satisfy shopper needs and retain our dominant market position.”

The extensions will make provision for larger trading areas for all of the current national tenants and will introduce into the mix new national tenants in the form of Checkers, Dischem, Stuttafords, Hi-Fi Corporation, PQ Clothing, Cotton On and The Hub.

Management puts the annual foot traffic at the centre at 9.3m shoppers, while shopping centre research group, Urban Studies, estimates that Wonderpark currently enjoys a 41% market share. They believe that, once completed, the centre has the potential to increase its market share of spending in the region to 45%, generating annual turnover of around R2.1bn.

The number of households served by the centre in the primary catchment area is 290 000 and 909 000 in the adjacent township areas. The number of households in the surrounding residential areas is growing rapidly, assisted by the increasing number of jobs generated by government in Pretoria. Approximately 50% of the centre's trade is generated from the suburbs and 35% from the township dwellers.

Wonderpark has undergone several extensions over the years. The site was first developed in 1985 as a 36 000m² shopping centre. The first extension took place in 1996 to accommodate Spur and Virgin Active. The latest extensions took place in 2005 when Ster-Kinekor, Game and a new food court were added. That was followed shortly thereafter by the addition of a new Caltex filling station and a Builders' Express outlet to reach its current size of 63 000m².

Emira acquired the centre in 2006 from MPI Properties for R406.4m and the adjoining Builders' Express outlet for an additional R26.5m. The combined value of the centre has since grown to R652m.

The new extensions will be constructed on a phased basis. The first phase includes a parking deck, new basement, new mall and new outlets for Woolworths, Edgars, Game, Dischem and Truworths. Once Game is relocated to its new premises, work will begin on the new Checkers and adjacent line shops. Finally, there will be upgrades to the old Edgars, Woolworths and Truworths premises and a revamp of the Pick 'n Pay Hyper premises, which will include a new mall leading to Pick 'n Pay.

Says Templeton:

"The proposed capital expenditure of R513m is expected to yield an incremental 8.4% to Emira participatory interest holders. It will also substantially improve the tenant mix, secured on long term leases, and ensure the centre's continued dominance in its catchment area."

Ends

ISSUED BY: GRAY CORPORATE & INVESTOR RELATIONS
Graham Fiford Tel: (011) 442 9019; Cell 083 391 2459

ON BEHALF OF: EMIRA PROPERTY FUND
James Templeton Tel: (011) 775 1401

