

RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

February 2016



EMIRA
PROPERTY FUND

Overview

- › Highlights
- › 5-year track record

Financials

- › Distribution statement
- › Balance sheet

Portfolio

- › Portfolio statistics
- › Capex projects, acquisitions and disposals

Outlook

- › How we define ourselves
- › Summary and financial outlook



Overview

Geoff Jennett
CEO

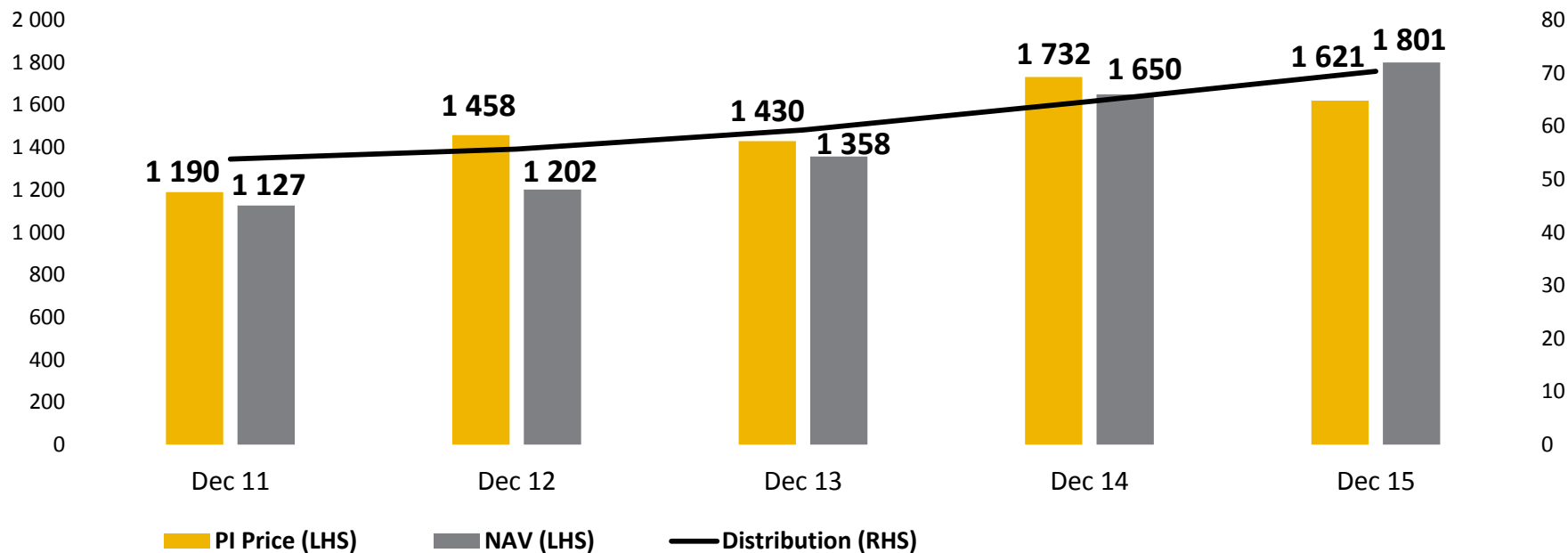


HIGHLIGHTS AT DECEMBER 2015

Distributions per Share	+8.8%
NAV per Share	2.9% to 1 801c
Vacancies	4.7%
Tenant retention	82%
Acquisitions	R244.4m
Disposals of	R421.5m
Capex projects	R515.1m
DPS outlook	Similar to 1H16



5-YEAR TRACK RECORD



Compound annual
growth rate in NAV of

12.4%

12-month share price

-6.4%

Total 12-month return of

+1.3%

Financials

Greg Booyens
CFO



DISTRIBUTION STATEMENT

R'000	Dec 14	Dec 15	% ch
Revenue	837 473	882 934	5.4
<i>Property expenses</i>	(290 600)	(323 703)	11.4
<i>Lease commission amortisation</i>		8 582	100.0
Total property expenses	(290 600)	(315 121)	8.4
<i>Gross property expenses to revenue ratio %</i>	34.7	35.7	
<i>Net property expenses to revenue ratio %</i>	12.3	13.8	
Asset management fee	(16 252)	(16 989)	4.5
Admin expenses (fund expenses and coll. comm.)	(26 678)	(26 096)	(2.2)

- › Contractual escalations and acquisitions
- › Worley Parsons accrual
- › Municipal expenses, maintenance costs and bad debt provision
- › Amended distribution policy re lease commission amortisation
- › Stable asset management and fund costs

DISTRIBUTION STATEMENT continued

R'000	Dec 14	Dec 15	% ch
Net income from property portfolio	546 873	567 813	3.8
Income from listed property investment	23 570	28 715	21.8
Interest cost	(203 094)	(199 397)	(1.8)
Investment income	5 651	5 075	(10.2)
Distribution payable	330 070	359 121	8.8
Number of shares in issue	510 550 084	510 550 084	0.0
Dividend per share (cents)	64.65	70.34	8.8

›
GOZ DPS
growth and
weaker R/AUD

›
Increase in
interest rates

›
Cross currency
swaps, debt
swap restructure

›
Unchanged
number of
shares

›
DPS
+8.8%

BALANCE SHEET

Rm	Dec 14	Dec 15	% ch
Investment properties	12 475.7	12 997.2	4.2
Investment in Growthpoint Australia	707.3	942.7	33.3
Other assets	322.7	434.9	34.8
Total assets	13 505.7	14 374.8	6.4
Interest-bearing debt	4 660.4	4 758.9	2.1
Other liabilities	421.0	420.4	(0.1)
Shareholders equity	8 424.3	9 195.5	9.2
Total equity and liabilities	13 505.7	14 374.8	6.4

›
Revaluations,
new acquisitions
and sales and
capex

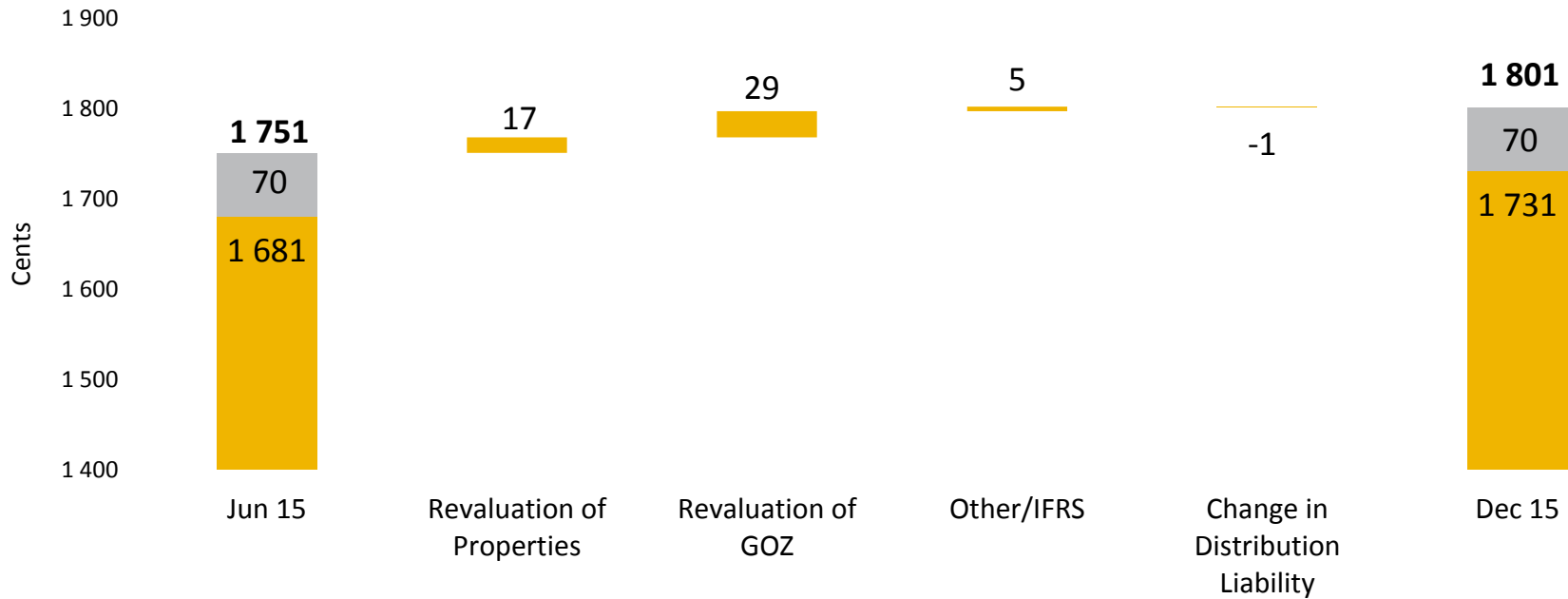
›
Price
appreciation,
and depreciation

›
Prepaid rates
and derivatives

›
Increased
debt funding
LTV 33.7%

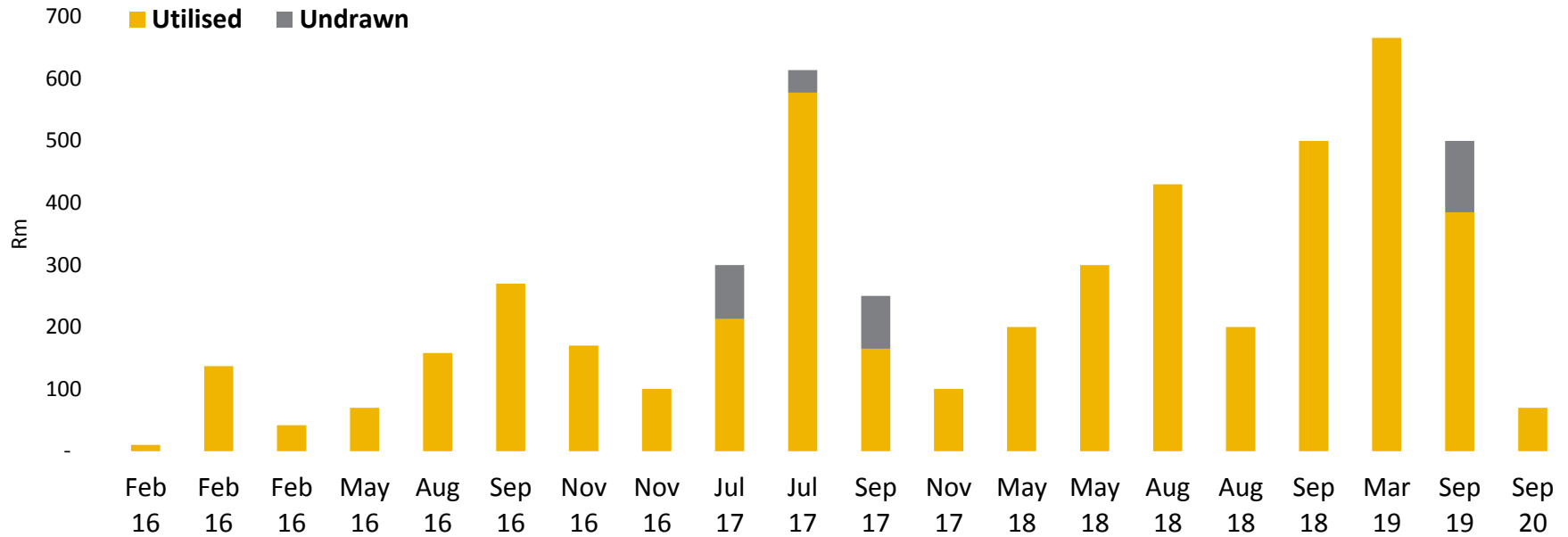
›
Increased
shareholders
equity

NET ASSET VALUE PER SHARE



2.9% growth in NAV per share

DEBT FUNDING MIX

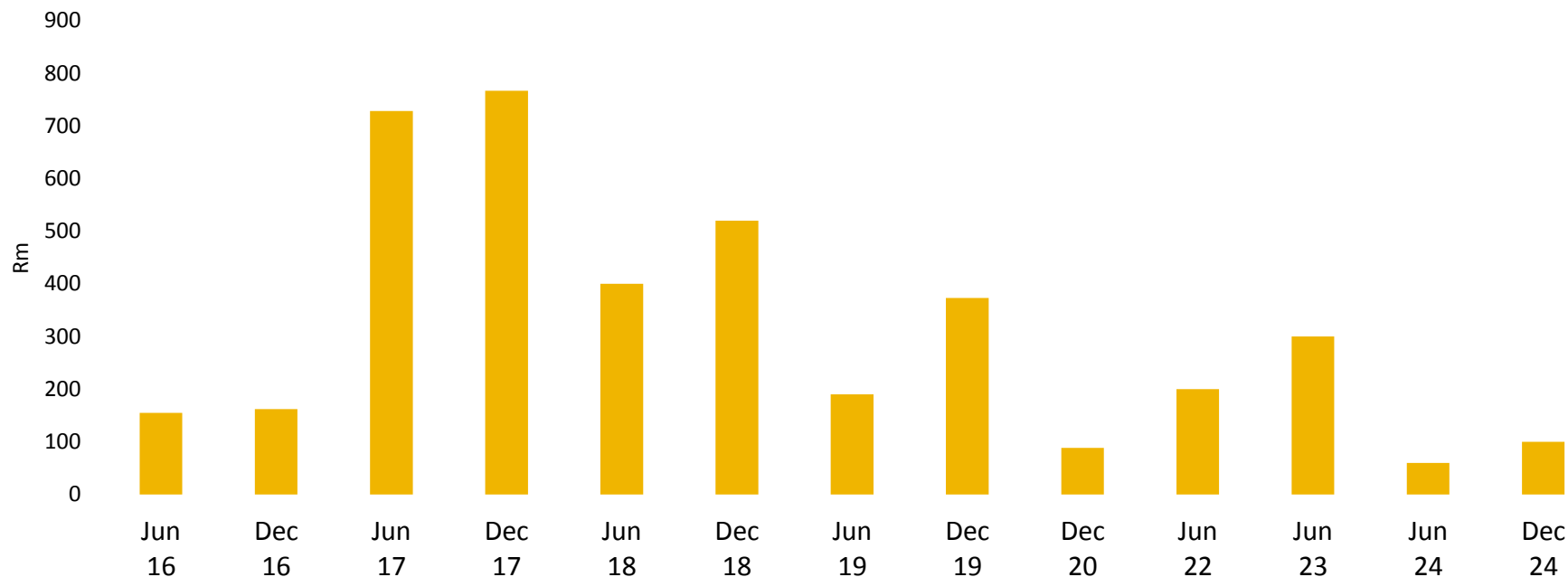


R2.2bn of rollovers and new loans concluded to Dec 15

R1.0bn of debt maturing in 2016

Diversified sources of debt and maturity dates

SWAP PROFILE



Hedged
debt

85%

Weighted
expiry duration

3.1 years

Weighted average
all in interest rate

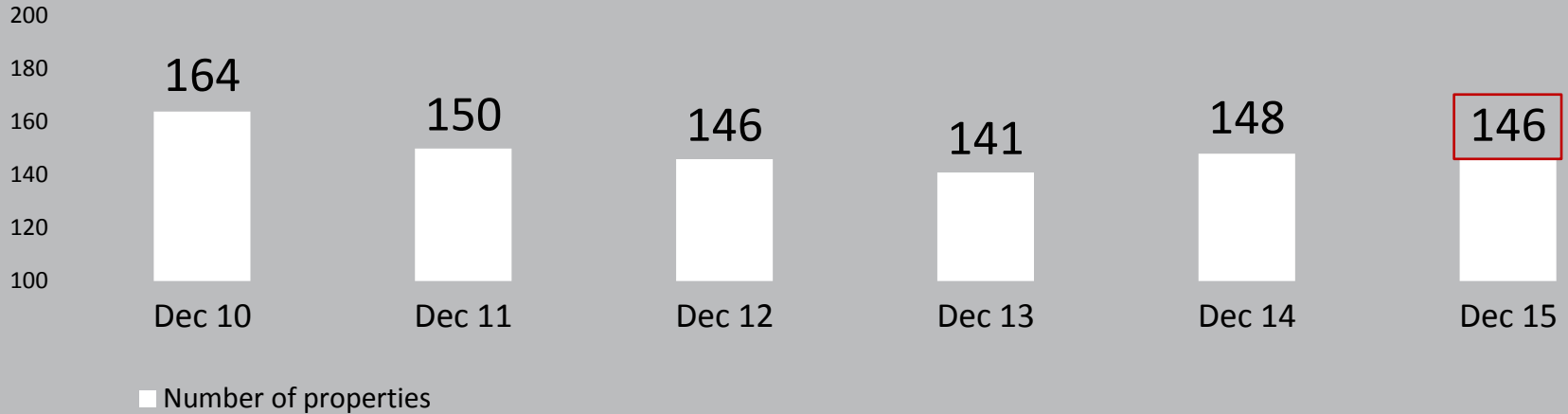
8.6%

Portfolio

Ulana van Biljon
COO

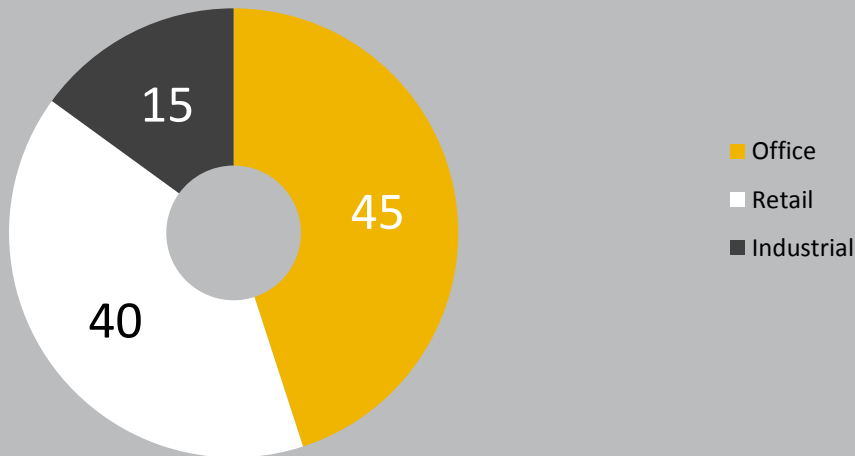


PROPERTY PORTFOLIO SUMMARY



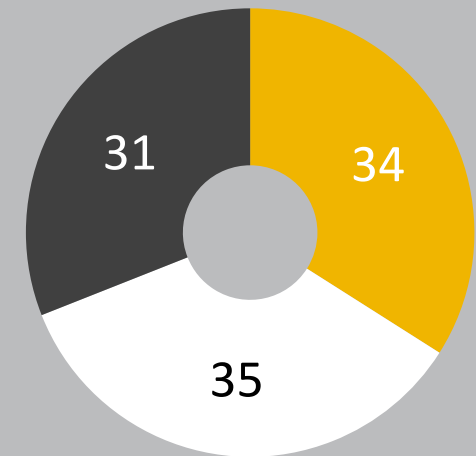
VALUE SPLIT PER SECTOR (%)

R13.0bn – 4.2% increase



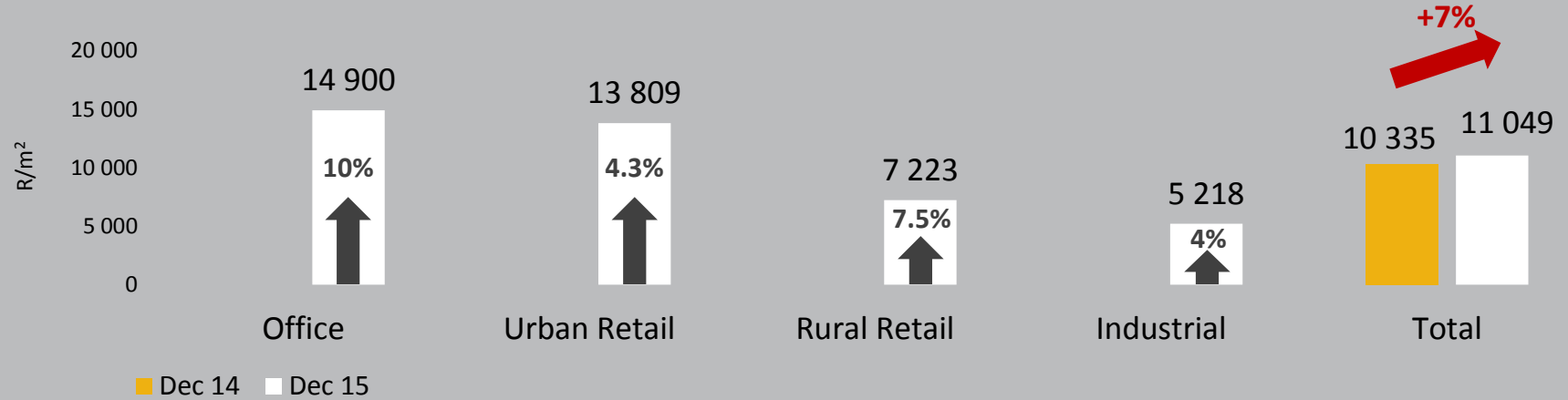
GLA SPLIT PER SECTOR

1.2m sqm

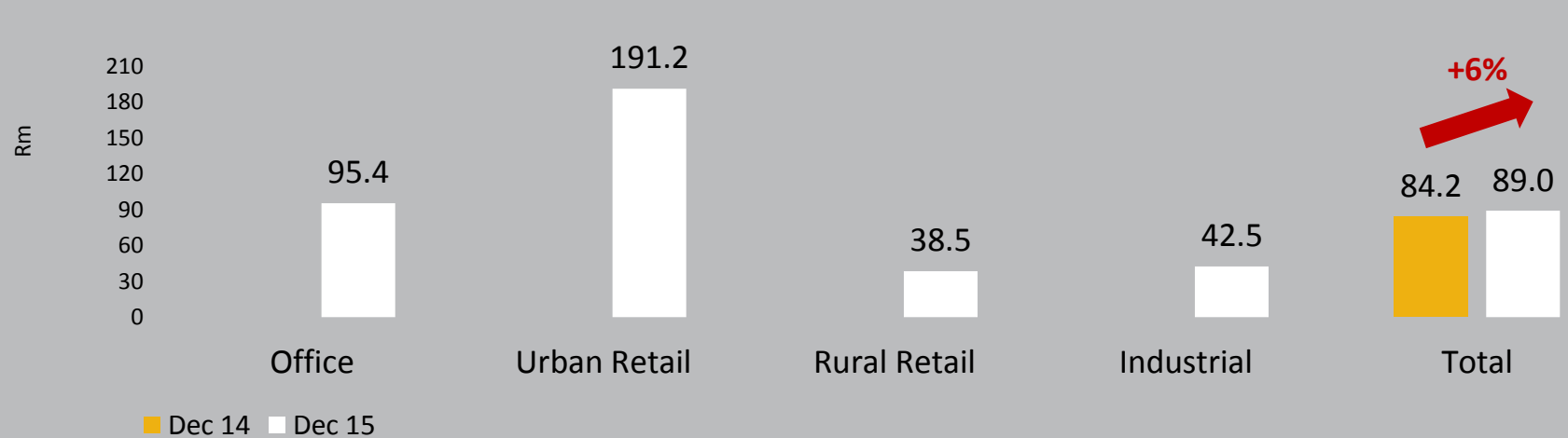


PROPERTY PORTFOLIO SUMMARY continued

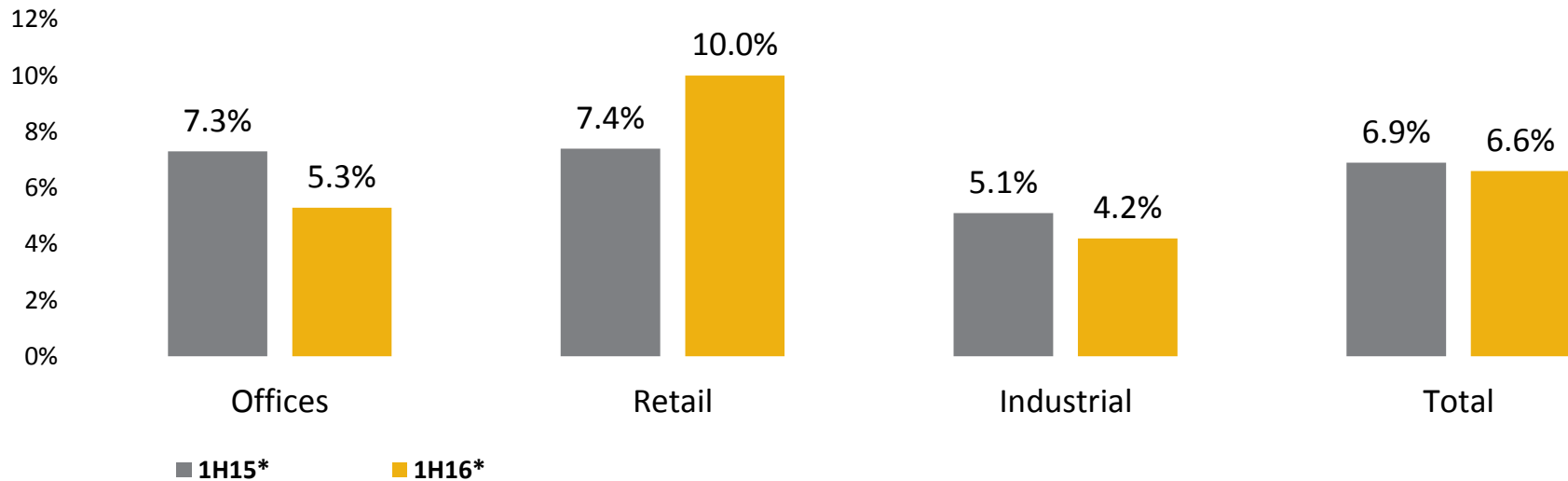
VALUE PER m²



AVERAGE VALUE



LIKE-FOR-LIKE GROWTH IN NET INCOME (STATIC PORTFOLIO)

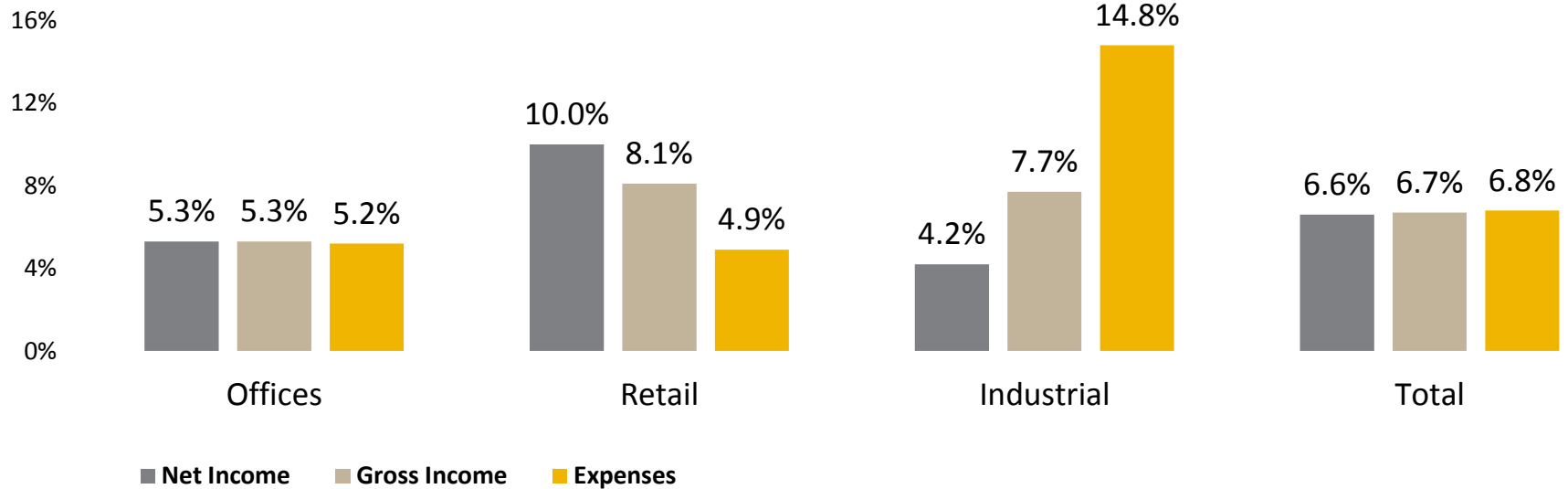


* Excluding depreciation saving and lease commission amortisation.

All 3 sectors contributed positively to the

6.6% y-o-y growth

YEAR-ON-YEAR, LIKE-FOR-LIKE GROWTH IN NET INCOME (static portfolio)



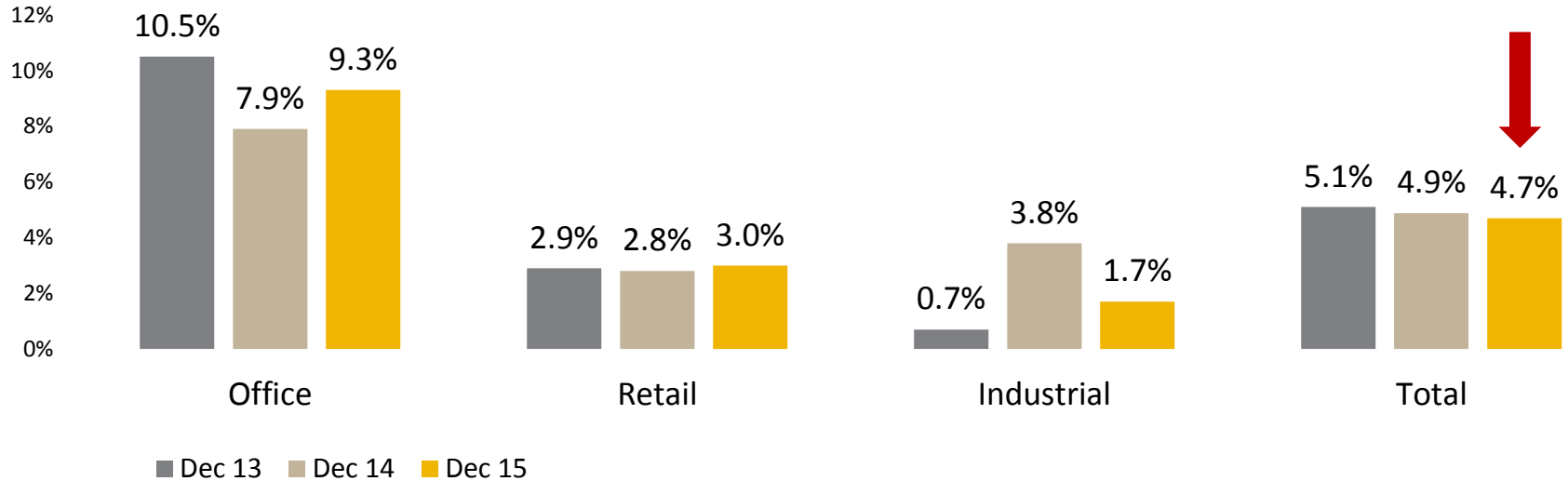
Gross income –
positive growth in
all 3 sectors

Expenses –
office and retail sectors
under control

Expenses –
industrial sector

- Electricity
- Roof maintenance
- Leasing expenses

VACANCY PROFILE BY GLA



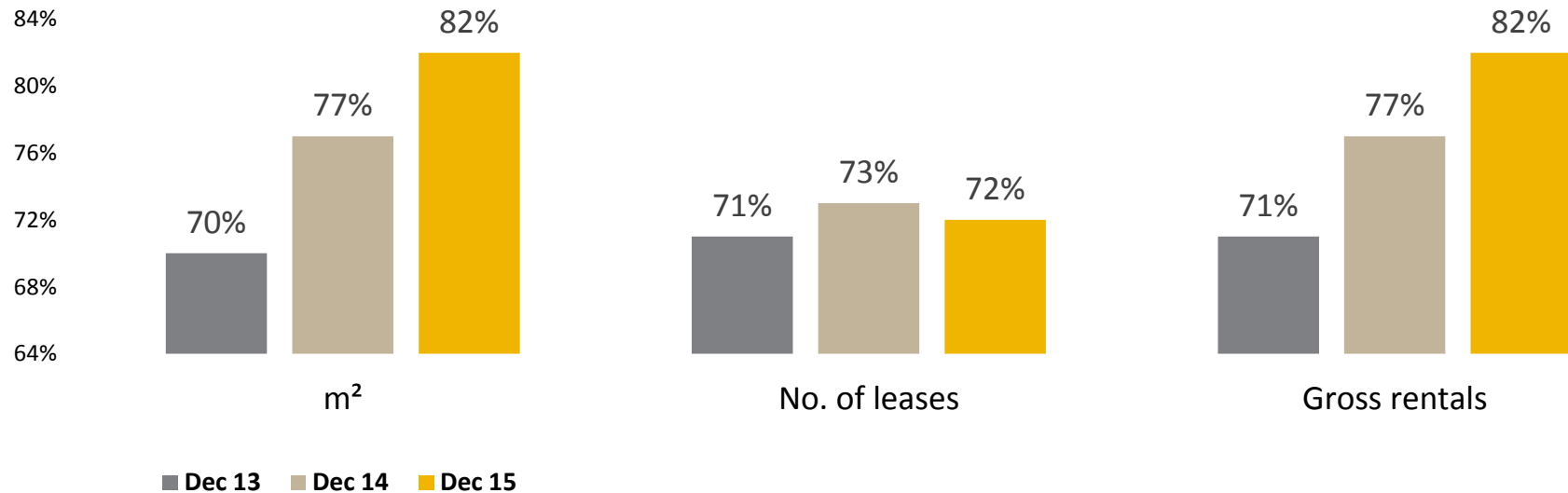
> Vacancies stable for 3 years

> Office vacancies increased to 9.3% (SAPOA 10.5%)

> Retail vacancies constant (SAPOA 5.3%)










> Industrial vacancies reduced to 1.7% (SAPOA 4%)

> Cape Town and Durban Industrial buildings fully let



Expiries of 193 185m² comprising 474 leases
and 2H renewals of 36 277m² (68 leases)

MAJOR LEASE EXPIRIES: 1H16











Property	Tenant	Lease end	GLA (m ²)		Status
Defy Appliances	Defy	Sep 15	10 100		Renewed
The Studios Atlas Gardens	CIPLA	Dec 15	6 441		Re-let 600m ² and firm interest for 2 400m ²
Menlyn Corporate Park	SALGA	Oct 15	5 939		Renewed
Spoor & Fisher 11 and 13	S&F Management	Aug 15	5 814		Renewed
Evapco	Evapco	Nov 15	5 715		Renewed
Menlyn Corporate Park	CTI Educational	Dec 15	5 316		Renewed – short term (Jun 16)
Menlyn Corporate Park	Santam Limited	Nov 15	4 524		Renewed – finalising lease terms
Epping Warehouse	Autozone	Jul 15	4 191		Renewed
Corporate Park 66	Prof Medical Scheme	Sep 15	4 134		Re-let 2 848m ² , Fidelity the biggest of 1 820m ²
Iustitia	Society of Advocates	Dec 15	3 249		Renewed – short term (Apr 16)

55 423

MAJOR LEASE EXPIRIES: 2H16

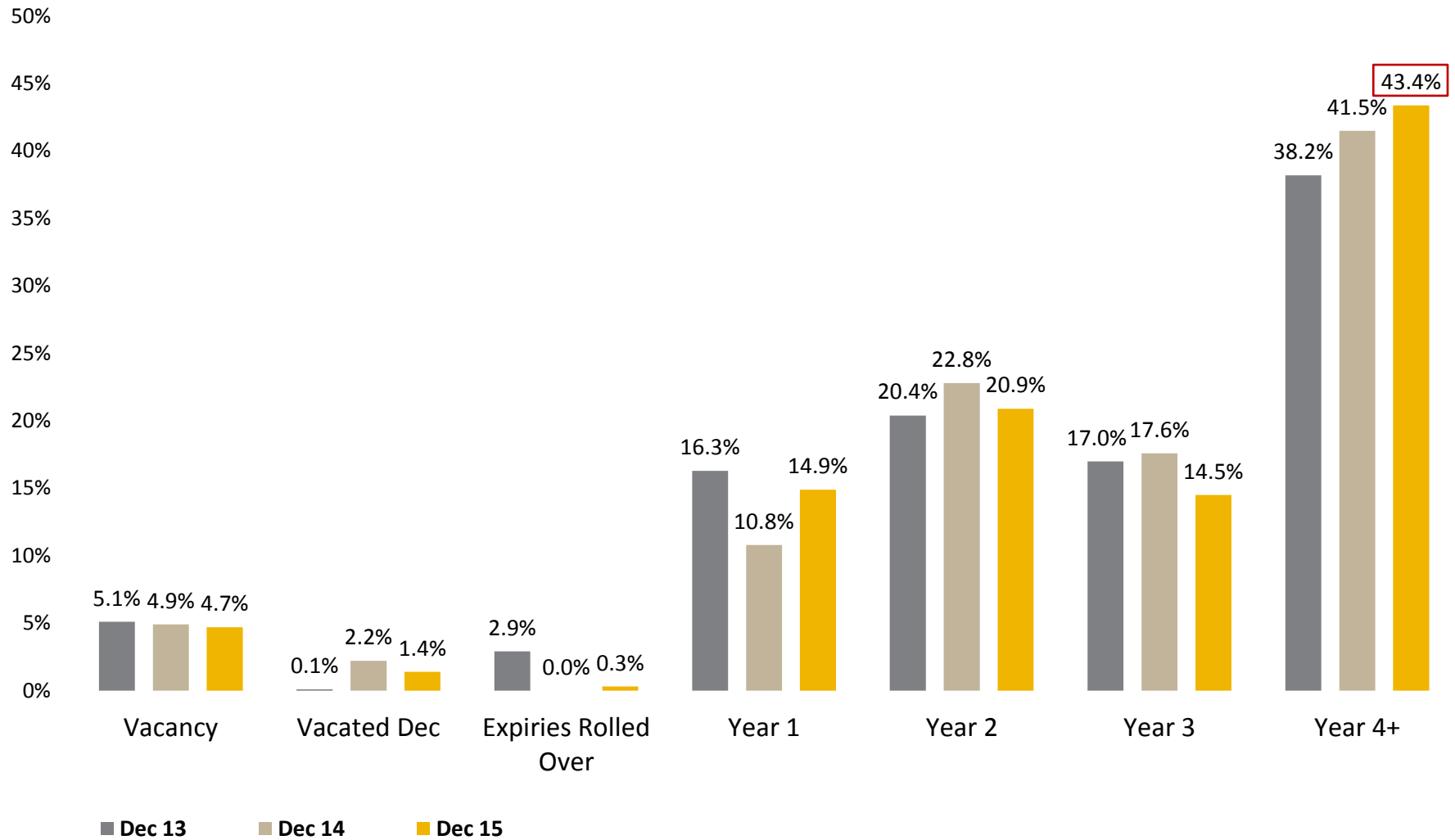
Property	Tenant	Lease end	GLA (m ²)		Status
Mitek	Mitek	Jan 16	6 604		Renewed
500 Smuts Drive	SMADA	Jun 16	5 201		Vacating
Morgan Creek	Simba	May 16	4 644		Renewed – finalising lease terms
Discovery Health	Discovery Health	Mar 16	3 863		Renewed – finalising lease terms
Aeroporto (96 Loper Road)	Bateman Projects	Jun 16	3 805		Renewed – finalising lease terms
Technohub	Vodacom	Mar 16	3 342		Renewed – finalising lease terms
Steelpark Industrial Park	Easy Life Kitchens	Jan 16	3 235		Renewed
Kyalami Business Park	RS Components	Feb 16	3 028		Renewed
The View – Tygervalley	Clicks	May 16	2 416		Renewed – finalising lease terms
Kramerville Corner	St Leger & Viney	Feb 16	2 263		Busy with negotiations
			38 400		

MAJOR LEASE EXPIRIES: FY17

Property	Tenant	Lease end	GLA (m ²)		Status
Epping Warehouse	Auction Operation	Sep 16	13 662		Expecting to renew
RTT Continental	RTT Group	Dec 16	12 921		Expecting to renew
1 Kikuyu Road	Eskom	Aug 16	7 845		Expecting to vacate
Southern Life Plaza	Free State Legislature	May 17	7 268		Expecting to renew
Epping Warehouse	Disaki	Aug 16	5 480		Expecting to renew
Steiner Services	Steiner	May 17	4 804		Expecting to renew
9 Long	Dept of Public Works	Jan 17	4 444		Renewed
Waterkloof House	SARS	Jun 17	4 000		Expecting to renew
Wonderpark	Virgin Active	Dec 16	3 508		Renewed
Johnson & Johnson	Johnson & Johnson	Nov 16	3 472		Expecting to vacate

67 404

LEASE EXPIRY PROFILE



REVERSION – TOTAL (GROSS RENTALS)

Sector	Area	Avg. expiry rental	Avg. new lease rental	Increase/decrease %
Office	60 326	137.82	137.99	0.1%
Retail	38 925	124.54	128.02	2.8%
Industrial	48 872	47.16	45.42	-3.7%
Total Dec 15	148 123	104.89	104.83	-0.1%
Total Dec 14	100 596	93.55	78.41	-0.7%
Total Dec 13	140 370	81.13	78.41	-3.4%



Portfolio

Geoff Jennett
CEO



KNIGHTSBRIDGE MANOR

Bryanston

GLA 29 352m²

Phase 1

GLA 13 500m²

Capital Spend

R704m

Completion Value

R794.6m

Completion

Apr 19

R367m

May 17



KRAMERVILLE CORNER

Kramerville, Sandton
GLA 19 342m²

Capital Spend

R69.4m

Completion Value

R136m

Completion

Mar 16

Major Tenants

Bakos Brothers 1 031m² (5 yrs)

Paco 1 107m² (5 yrs)

Design Plus 704m² (5 yrs)



BEN FLEUR (60%)

Emalahleni
GLA 6 468m²

Capital Spend

R19.9m

Completion Value

R114.4m

Completion

Jan 16

Major Tenants

Woolworths 1 153 m² (10 yrs)

Checkers 3 483 m² (10 yrs)

Spur 722 m² (7 yrs)

Clicks 438 m² (10 yrs)



CAPEX PROJECTS IN PROGRESS

	Value (Rm)	Completion
Knightsbridge Phase 1 (redevelopment)	367.6	Apr 17
Kramerville Corner (redevelopment)	69.4	Mar 16
Ben Fleur Phase 2 (extension)	19.9	Jan 16
9 Long Street (facade)	11.3	Mar 16
Wonderpark (Nandos drive-thru, parking deck louvres, walkway canopy)	8.9	May 16
Bradenham Hall (Millwood Brown)	8.5	Feb 16

Yield on completion of top
6 projects of above

7.8%

Yield on 13 projects of
R515.1m currently in progress

7.7%

Projects
in planning

>R2.5bn

ACQUISITIONS TRANSFERRED

2 buildings

- Summit Place
- Mitchells Plain

R161.6m

Yield 8.6%



ACQUISITIONS NOT YET TRANSFERRED/UNCONDITIONAL

2 buildings

- 1 West
- 40% Ben Fleur

R80.4m

Yield 6.4%



2 buildings

- Brandwag
- Kosmos Flats

R250m

Forward
yield 6.5%



DISPOSALS NOT YET TRANSFERRED

3 buildings

- Bloemfontein
Offices

R160m

Forward
yield 11.2%



Outlook

Geoff Jennett
CEO



“A predominantly South African,
balanced/diversified, relevant mid-cap listed REIT”





Solid portfolio
Sound strategy
Strong team in place



Growth



DPS growth = similar growth as for 1H16

Annexures

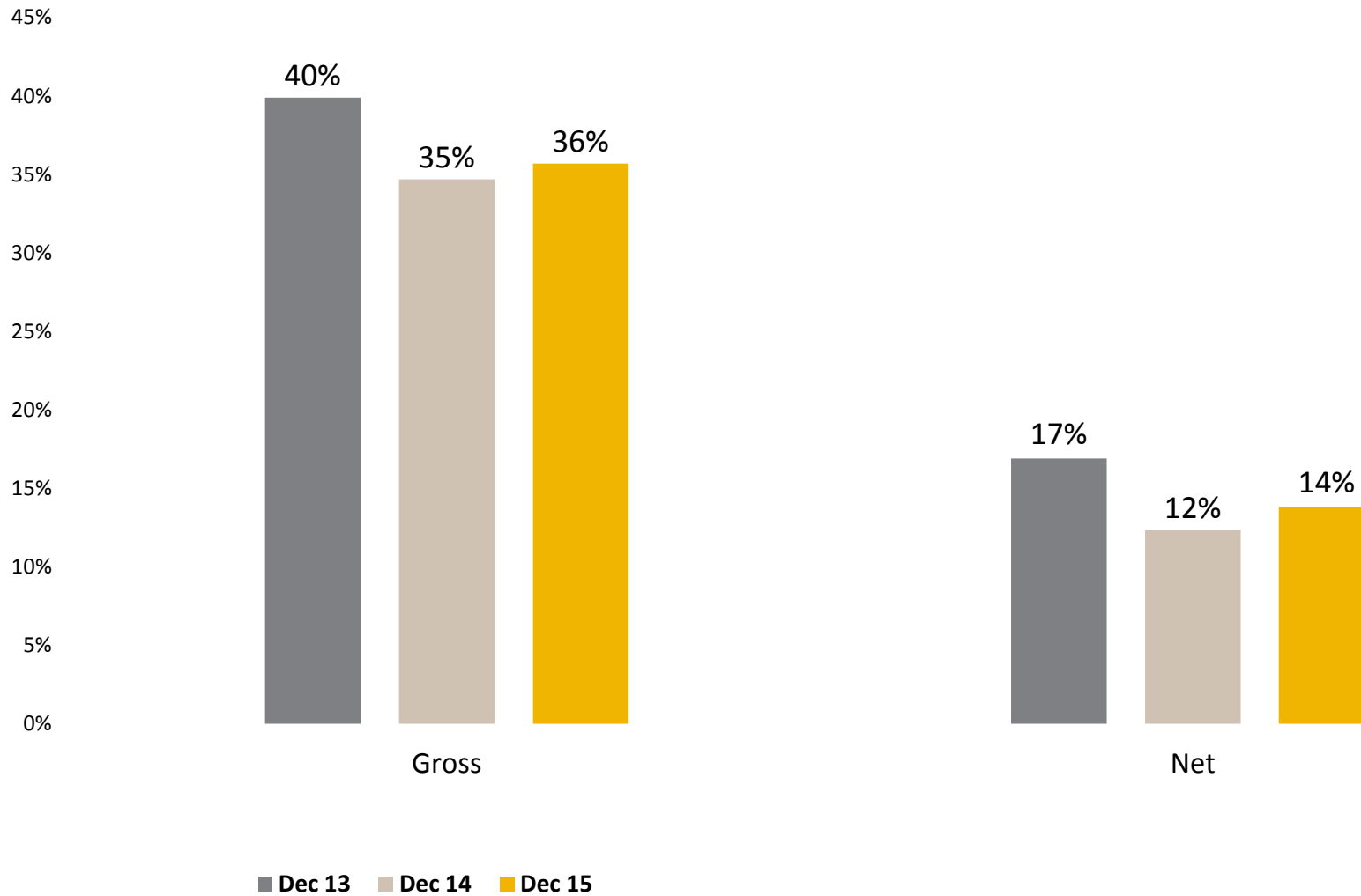


FINANCIALS: DEBT COVENANTS

Facility	Value of properties Rm	Amount available Rm	Amount drawn Rm	Actual LTV %	LTV covenant %	Actual ICR	ICR covenant times
Nedbank Synthesis	576.3	200.0	200.0	34.2*	40.0	2.8	2.0*
Nedbank Loan (unsecured)	–	614.0	577.7	–	40.0	–	2.0
Standard Bank	359.9	200.0	200.0	34.2*	50.0	2.8	2.0
Commercial Paper + unsecured DMTNs	–	1 357.0	1 357.0	–	–	–	–
DMTNs (secured)	1 323.9	500.0	500.0	37.8	40.0	–	2.0
RMB Loans	6 967.3	1 965.9	1 763.8	25.3	40.0	2.8	
ABSA	695.0	250.0	165.0	23.7	40.0	–	2.0
Total	9 922.4	5 086.9	4 763.5	–	–	–	–
Unbonded properties	2 904.8	–	–	–	–	–	–
For sale	170.0	–	–	–	–	–	–
GOZ investment	942.7	–	–	–	–	–	–
Grand total	13 939.9	5 086.9	4 763.5	34.2	40.0	–	2.0
New Bank of China facility	–	155.0	–	–	40.0	–	2.0
New Nedbank Facility	–	200.0	–	–	40.0	–	2.0
		5 441.9	4 763.5				

* Covenants are based on Emira's total property portfolio, not the secured portfolio.

FINANCIALS: COST-TO-INCOME RATIO



The following are excluded from FY14 and FY15 numbers:

› Purchases

- » Gateway Landing, Mitchells Plain Town Centre, Ben Fleur Shopping Centre (60%), Portion 156 of the Farm 356 Zwartkop JR, Portion 180 of the Farm Brakfontein No. 390

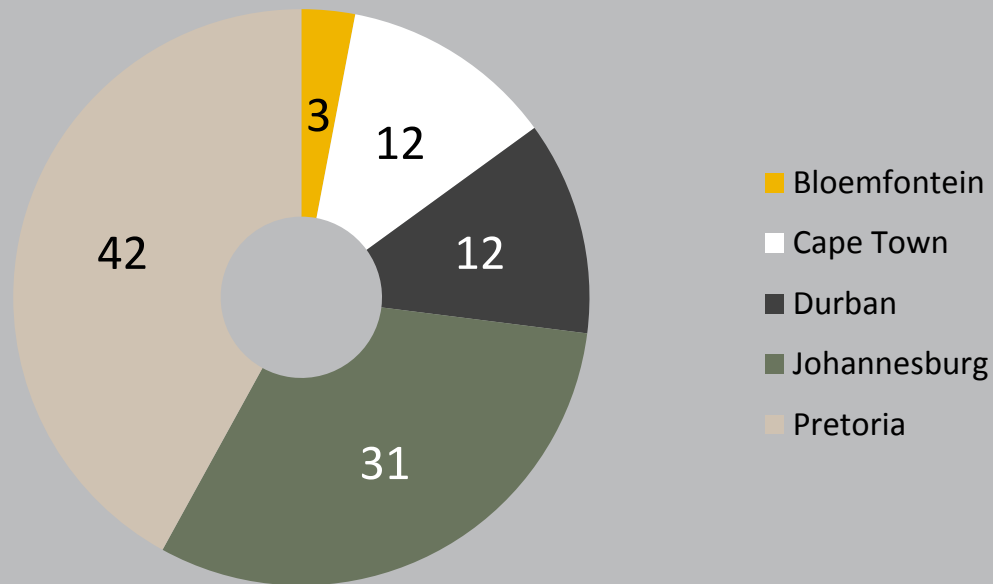
› Disposals

- » Executive City, Kya Sands Corner Precision & Staal Streets, Woodmead Office Park (50%), 122 Pybus Road, Braamfontein Centre, Harrogate Park, WorldWear, Atlantis, Brandwag & Kosmos flats

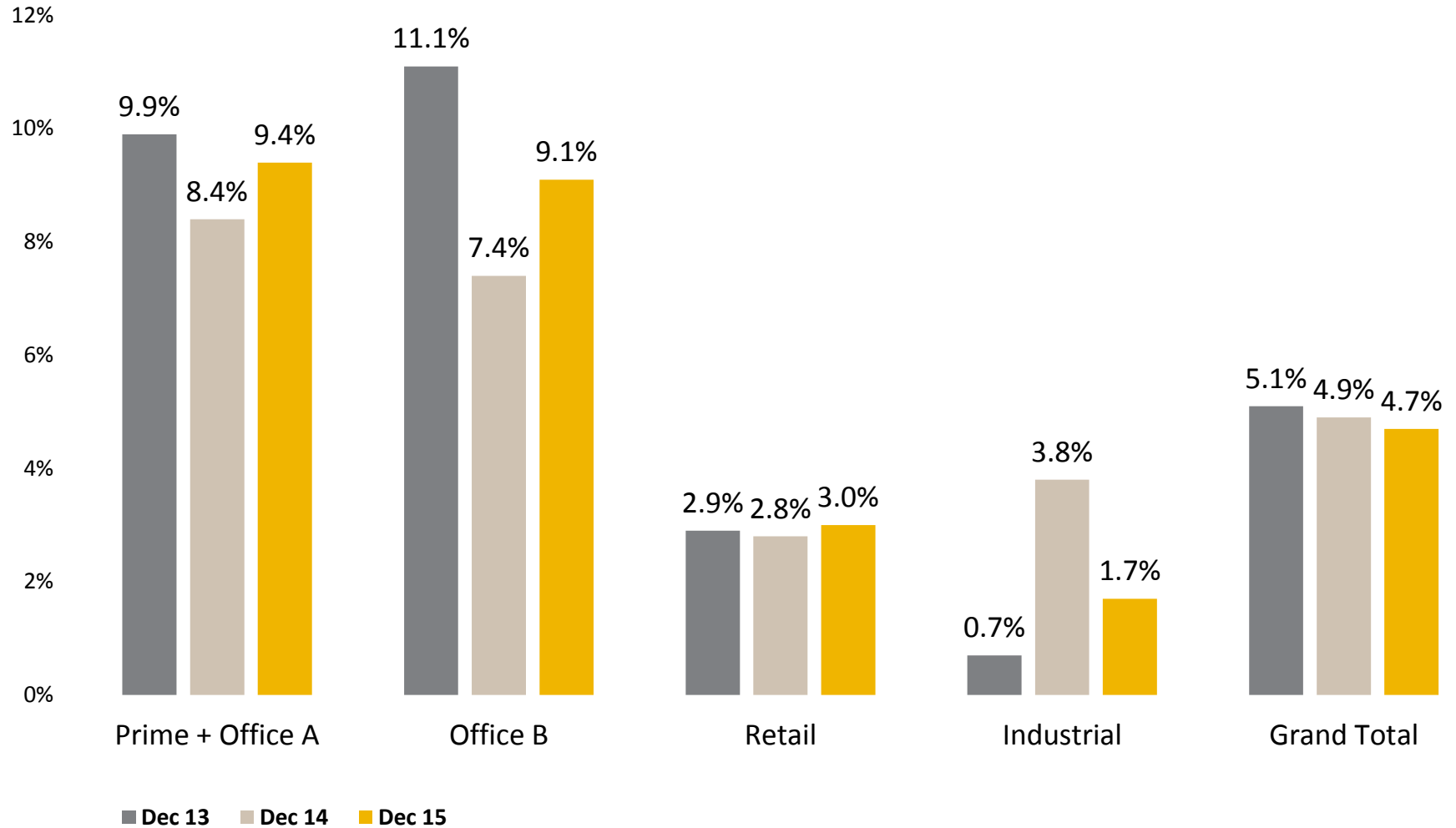
› Refurbishments

- » Wonderpark, Cofimvaba Shopping Centre, Flagstaff Shopping Centre, Springfield, Kramerville Corner, Central Square Idutywa, Menlyn Corporate Park, Knightsbridge Manor, Ben Fleur Phase 2

Geographical spread by value (%)



PORTFOLIO: VACANCY BY CATEGORY AND GRADE BY GLA



PORTFOLIO: ADJUSTED VACANCY PROFILE

Sector	Total GLA	Vacant space	% Vacant	Comment
Office	396 064	36 735	9.3%	
Knightsbridge Manor	6 356	364	5.7%	Redevelopment
Office balance	389 708	36 371	9.3%	
Retail	412 479	12 383	3.0%	
Ben Fleur Boulevard	6 468	798	12.3%	Extension
Kramerville Corner	19 342	2 039	10.5%	Refurbishment
Retail balance	386 669	9 547	2.5%	
Industrial	366 505	6 087	1.7%	
Total	1 175 048	55 205	4.7%	
Excluding adjustments	1 142 882	52 005	4.6%	

REVERSIONS: RENEWALS (GROSS RENTALS)

Sector	Area	Avg. expiry rental	Avg. new lease rental	Increase/decrease
Office	53 150	137.42	139.99	1.9%
Retail	28 115	130.09	129.67	-0.3%
Industrial	37 649	46.13	44.10	-4.4%
Total Dec 15	118 914	107.43	107.19	-0.2%
Total Dec 14	75 251	94.20	93.74	-0.5%
Total Dec 13	91 631	91.22	89.65	-1.7%



REVERSIONS: NEW LEASES (GROSS RENTALS)

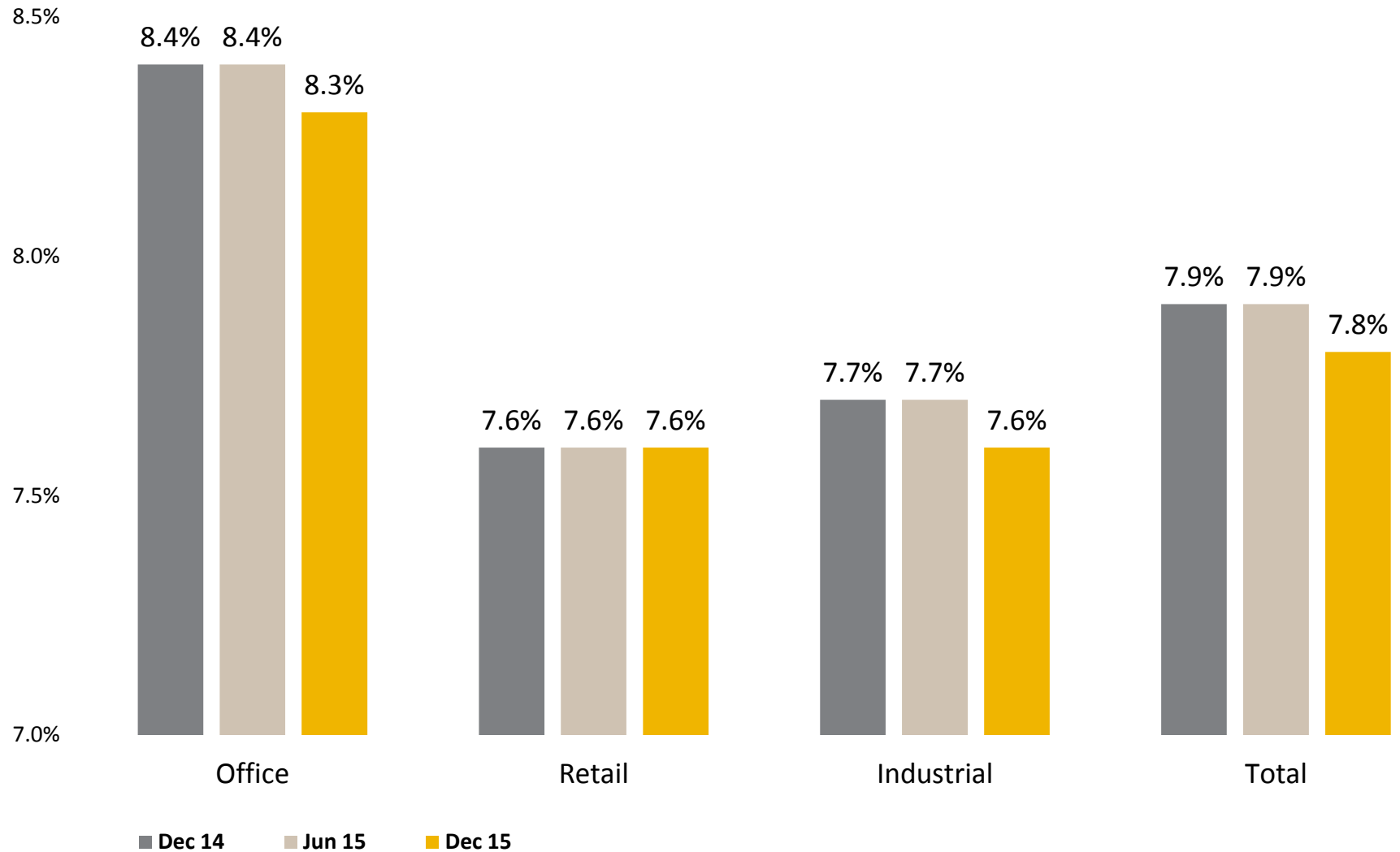
Sector	Area	Avg. expiry rental	Avg. new lease rental	Increase/decrease
Office	7 176	140.89	123.15	-12.6%
Retail	10 810	110.78	123.75	11.7%
Industrial	11 223	50.43	49.87	-1.1%
Total Dec 15	29 209	94.83	95.21	0.4%
Total Dec 14	25 345	91.60	90.54	-1.2%
Total Dec 13	48 739	62.54	57.27	-8.4%



PORTFOLIO: LEASE EXPIRY PROFILE (BY GLA)

Sector	Office	Retail	Industrial	Total
Vacancy	3.1%	1.1%	0.5%	4.7%
Vacated Dec 2015	0.5%	0.3%	0.5%	1.4%
Expiries rolled over	0.0%	0.3%	0.0%	0.3%
Year 1	6.4%	2.6%	5.8%	14.9%
Year 2	8.2%	5.2%	7.5%	20.9%
Year	6.0%	5.1%	3.4%	14.5%
Year 4+	9.4%	20.5%	13.4%	43.3%
Total	33.7%	35.1%	31.2%	100%

PORTFOLIO: ESCALATIONS



PORTFOLIO: EMIRA NET RENTALS

(excl. parking, stores and vacancies)

Sector	No. of buildings	Occupied GLA	Avg. net rental (R/m ²)
Office: P Grade	4	50 432	169.21
Office: A Grade	30	156 983	120.16
Office: B Grade	28	151 914	101.53
Retail: Urban	24	321 073	116.28
Retail: Rural	15	79 022	91.01
Industrial	45	360 418	48.01
Total Dec 15	146	1 119 843	93.45
Total Dec 14	145	1 129 671	89.04

PORTFOLIO: POTENTIAL NEW CAPEX PROJECTS

Major projects being considered	Type	m ²	Value (Rm)	Construction time
12 Baker Street & 2 Sturdee Avenue, Rosebank	Office/Residential	25 400	730.0	24 months
1 West Street, Centurion	Office	22 500	561.0	18 months
Harbour Place, Cape Town	Office/Retail	14 000	550.0	24 months
Southern Sentrum, Bloemfontein	Retail	8 000	250.0	18 months
Podium Phase 2, Menlyn	Office	9 900	239.3	15 months
Quagga Centre, Phase 1, Pretoria	Retail	7 000	180.0	18 months
Ben Fleur Phase 3, Emalahleni	Retail	2 800	50.0	12 months
Total		89 600	2 560.3	



Water

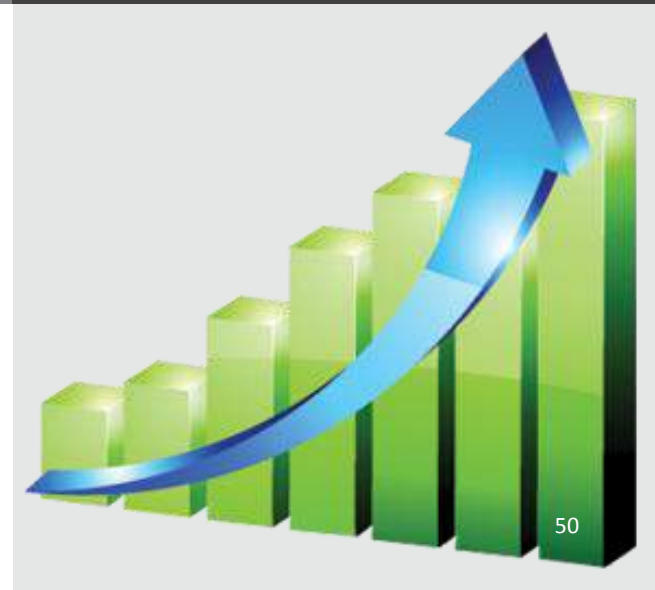
- › Ongoing restrictions noted as risk to operations
- › Water footprint audit of all properties concluded by GCX Africa
- › Risks identified are being dealt with through the budget process namely:
 - » Back-up water supply
 - » Water cooled aircon systems

Carbon Disclosure Project (CDP) and carbon footprint

- › Best CDP result yet – 98C!
- › R22 aircon gases to be replaced across portfolio
- › Energy and water efficiency projects underway:
 - » Electrical and mechanical plant and equipment upgrades

Reporting and targets

- › CDP 2016 submission in progress
- › Carbon reduction targets approved. 16% reduction target over 5 years against our audited FY14 CO₂ footprint
- › Sustainability strategy engrained as part of daily operations and capex decisions



PORTFOLIO: ACQUISITIONS – OFFICE

	GLA (m ²)	Value (Rm)	Yield	Transfer
Summit Place (50% Buildings A and C), Menlyn	3 631	86	8.0%	Dec 16
Total	3 631	86	8.0%	



PORTFOLIO: ACQUISITIONS – RETAIL

	GLA (m ²)	Value (Rm)	Yield	Transfer
Shoprite Mall – Mitchells Plain, Cape Town (50%)	8 333	75	9.3%	Aug 15
Total	8 333	75	9.3%	



PORTFOLIO: DISPOSALS

Property	Location	Sector	GLA	Book Value (Rm)	Price (Rm)	NI	Yield (%)
Brandwag Shopping Centre + Kosmos flats	Bloemfontein	Retail	12 328	159	250	16 250 000	6.5%
Total			12 328	159	250	16 250 000	6.5%



ACQUISITIONS NOT YET TRANSFERRED/UNCONDITIONAL

Property	Location	Sector	Emira GLA	Price (Rm)	Yield (%)
1 West Street	Centurion	Land	n/a	17.2	n/a
Mitchells Plain (Metro Centre)	Cape Town	Retail	1 118	2.3	9.0%
Ben Fleur (40%)	Emalahleni	Retail	4 312	63.2	8.2%
Total			5 430	82.7	6.5%



PORTFOLIO: DISPOSALS NOT YET TRANSFERRED

Property	Location	Sector	GLA	Price (Rm)	Yield (%)	Transfer date
Omni Centre	Bloemfontein	Office	5 447	40.5	6.6%	Apr 16
Iustitia Building	Bloemfontein	Office	5 360	39.9	11.0%	Apr 16
Southern Life Plaza	Bloemfontein	Office	10 697	79.6	13.6%	Apr 16
1289 Heuwel Avenue	Centurion	Retail	2 049	11.5	4.7%	Feb 16
Total			23 553	171.5	10.8%	

PORTFOLIO: TOP TEN BY VALUE

Property	Node	Classification	GLA	Rm	Major tenants
Wonderpark Shopping Centre	Pretoria	Regional S/Centre	90 413	1 634	Pick n Pay (12 867m ²), Game (5 292m ²), Checkers (4 708m ²), Woolworths (4 135m ²), Edgars (3 998m ²)
Menlyn Corporate Park	Menlyn	Offices	26 709	695	CTI (7 293m ²), SALGA (5 939m ²), King Price (5 347m ²), Santam (4 524m ²), BVI Engineering (3 098m ²)
Quagga Centre	Pretoria West	Small Regional S/Centre	29 412	432	Shoprite (5 715m ²), Pick n Pay (4 878), Woolworths (1 807m ²), FNB (1 367m ²) Edgars (1 065m ²)
Makro Selby	Selby	Retail	19 705	375	Makro
Corobay Corner	Menlyn	Offices	13 865	357	Old Mutual (4 300m ²), King Price (2 213m ²), Eris Property Group (803m ²)
Randridge Mall	Randpark Park Ridge	Community S/Centre	22 472	319	Pick n pay (4 473m ²), Woolworths (2 124m ²), Dis-Chem (2 035m ²), FNB (615m ²), Foschini (594m ²), Mr Price (581m ²)
RTT Acsa Park	Boksburg	Industrial (Warehouse)	46 673	316	RTT
Hyde Park Lane	Hyde Park	Offices	15 546	228	Standard Bank (1 844m ²), DTH Services (1 189m ²), Tag Travel (1 114m ²), Deutsche Lufthansa Group (489m ²)
Corporate Park 66	Centurion	Offices	13 449	221	PSG (3 161m ²), Fidelity (2,409m ²), Nanoteq (2 183m ²), Department of Public Works (1 206m ²)
Southern Sentrum	Bloemfontein	Community S/Centre	21 266	216	Pick n Pay (13 893m ²), Shell (1 733m ²), FNB (613m ²), Clicks (480m ²)
			299 510	4 792	37% of the portfolio by value