



EMIRA
PROPERTY FUND

FIXED INCOME DEBT ROADSHOW

22 + 23 AUGUST 2018

EMIRA.CO.ZA

DMTN PROGRAMME TERMS

Issuer	Emira Property Fund Limited	
National scale ratings (Global Credit Rating Co, "GCR")	Short-term unsecured	A1 (ZA)
	Long-term unsecured	A (ZA)
	Long-term secured	AA (ZA) <i>(previous note rating, currently under review)</i>
Programme size	ZAR5 billion (ZAR3,773 million outstanding)	
Cross default	Financial indebtedness in an amount which exceeds ZAR75 million	
Issuer undertakings	<p>The Issuer shall:</p> <ul style="list-style-type: none"> ▪ Ensure that those notes are listed on the interest rate market of the JSE; and ▪ Maintain a credit rating in respect of the Issuer, Notes or Programme, as the case may be 	
Covenants	Loan-to-value ratio	50%
	Secured loan-to-value	40%

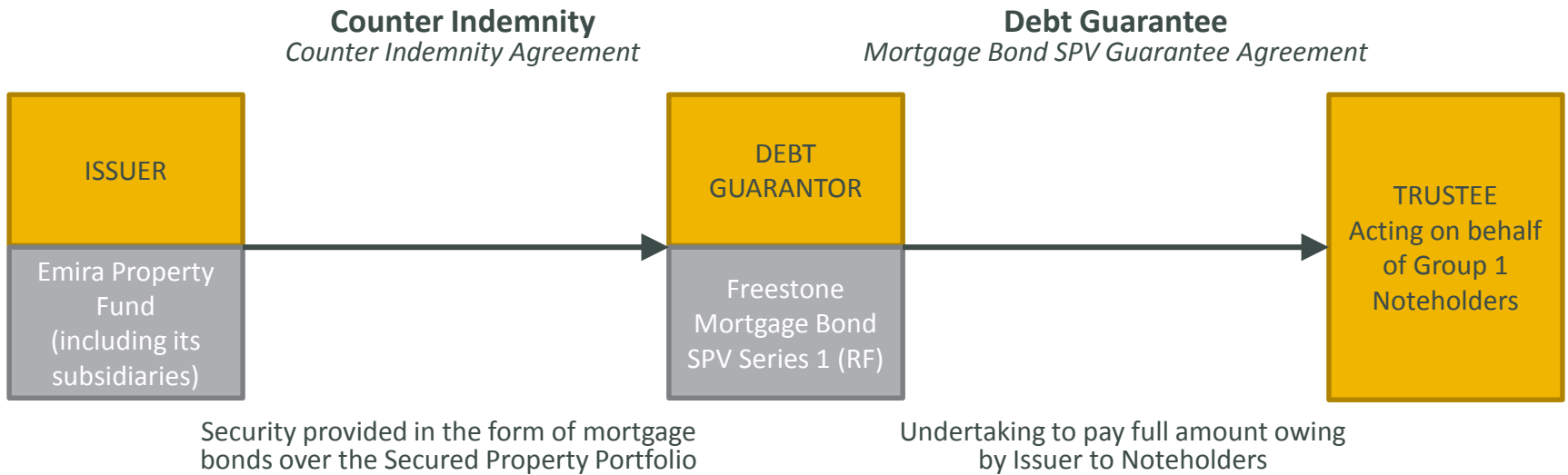
SALIENT TERMS OF AN ISSUANCE

Issuer	Emira Property Fund Limited
Arranger and dealer	Rand Merchant Bank
Expected secured Notes rating	GCR pre-sale rating report expected to be released ahead of the auction (<i>previously assessed as: Long term AA (ZA)</i>)
Auction date	Early September 2018
Settlement date	T+3
Targeted issue size	Up to [R330 million] across the following proposed secured notes: <ul style="list-style-type: none">▪ 3-year▪ 5-year▪ [7-year]
Secured debt covenants	Secured loan-to-value ratio 40%
To bid contact	Bond desk +27 (11) 269 9040 / fixedincomesales@rmb.co.za
Placement methodology	Dutch Auction (sealed bids, no feedback)
Book build times	09h00 to 11h00

TREASURY GUIDELINES

Topic	Guidelines	Achieved
Maturities	Staggered maturity dates with ideally no more than 1/3 of total interest bearing debt maturing within any one financial year and a minimum of 1.5 years weighted average duration to expiry	~
Hedging strategy	80% - 100% of total long term natured debt must be hedged/fixed	✓
Target debt capital market funding ratio	No more than 50% of debt funding to come from debt capital markets	✓
Gearing policy	Maximum gearing level of 40% LTV, management's long term gearing target between 30% and 35%	✓
Multi-banked approach	Facilities to be held with multiple banks/financial institutions in order to mitigate concentration risk	✓
Commercial paper	All commercial paper maturities to be fully-backed by standby liquidity facilities – mitigating any refinance risk	✓

SECURITY ARRANGEMENTS



SECURED PROPERTY PORTFOLIO

LOAN TO VALUE

	Current position R'000	Proposed issue R'000	Post proposed issue R'000
Value of secured portfolio	1 014 350		1 014 350
Notes in issue			
Existing			
- EPF007	70 000		70 000
Proposed			
- tbc		330 000	330 000
	70 000	330 000	400 000
LTV – actual	6.9%		39.4%
LTV – covenant	40.0%		40.0%

SECURED PROPERTY PORTFOLIO

Retail

- › Springfield Retail Centre
- › The Colony Shopping Centre
- › The Tramshed

Office

- › Albury Park
- › Hamilton House

Industrial

- › Universal Industrial Park

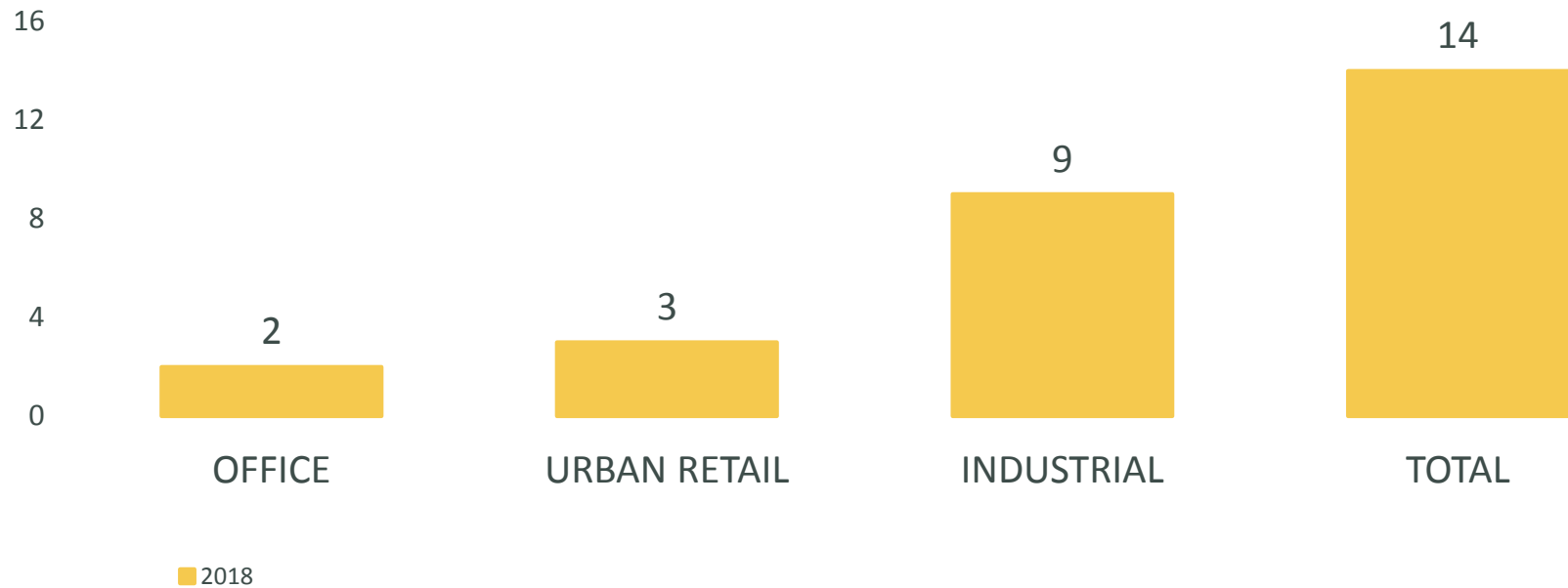
Industrial (continued)

- › HBP Industrial Units
- › Midline Business Park
- › Steiner Services
- › Wadeville Industrial Village
- › Johnson & Johnson
- › Industrial Village Rustivia
- › 14-16 Boston Circle
- › Isando – (20 Anvil Road)

**Emira has the ability to substitute and/or add properties to the Secured Property Portfolio to the extent that a property is disposed of or the value for the Secured property Portfolio reduces below the secured loan-to-value ratio. At 30 June 2018 Emira R2.98 billion of un-encumbered directly held properties*

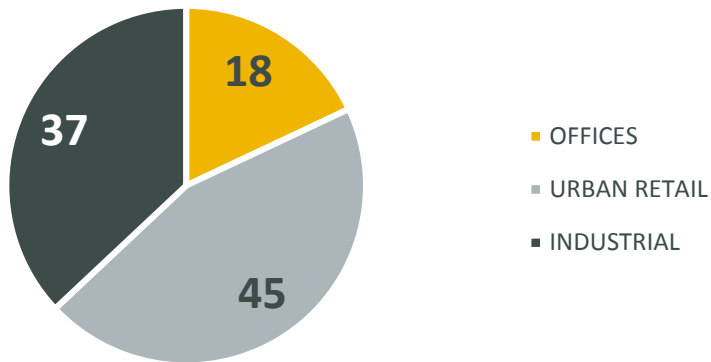
SECURED PROPERTY PORTFOLIO

NUMBER OF PROPERTIES PER SECTOR - 2018

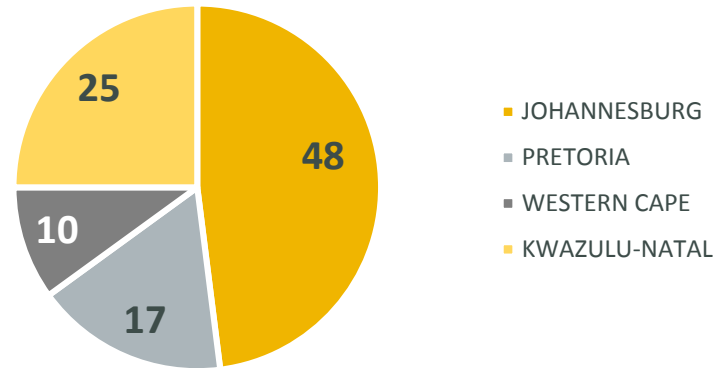


SECURED PROPERTY PORTFOLIO

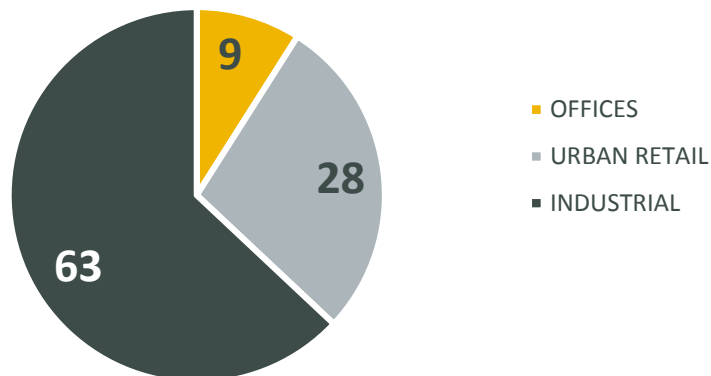
2018 VALUE SPLIT PER SECTOR (%) R1.01bn



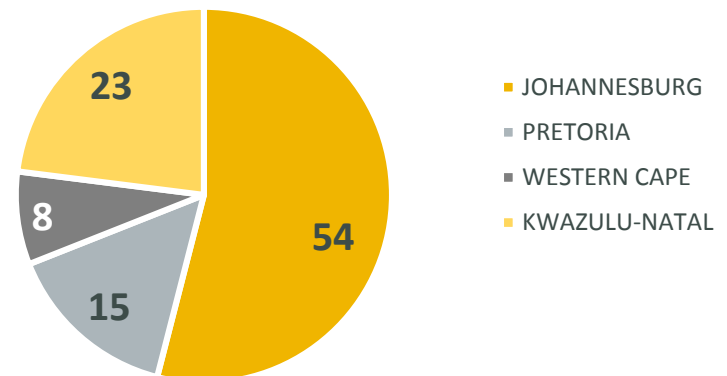
GEOGRAPHICAL SPREAD BY VALUE (%) 2018



2018 GLA SPLIT PER SECTOR (%)



GEOGRAPHICAL SPREAD BY GLA (%) 2018



SECURED PROPERTY PORTFOLIO

AVERAGE VALUE PER m²

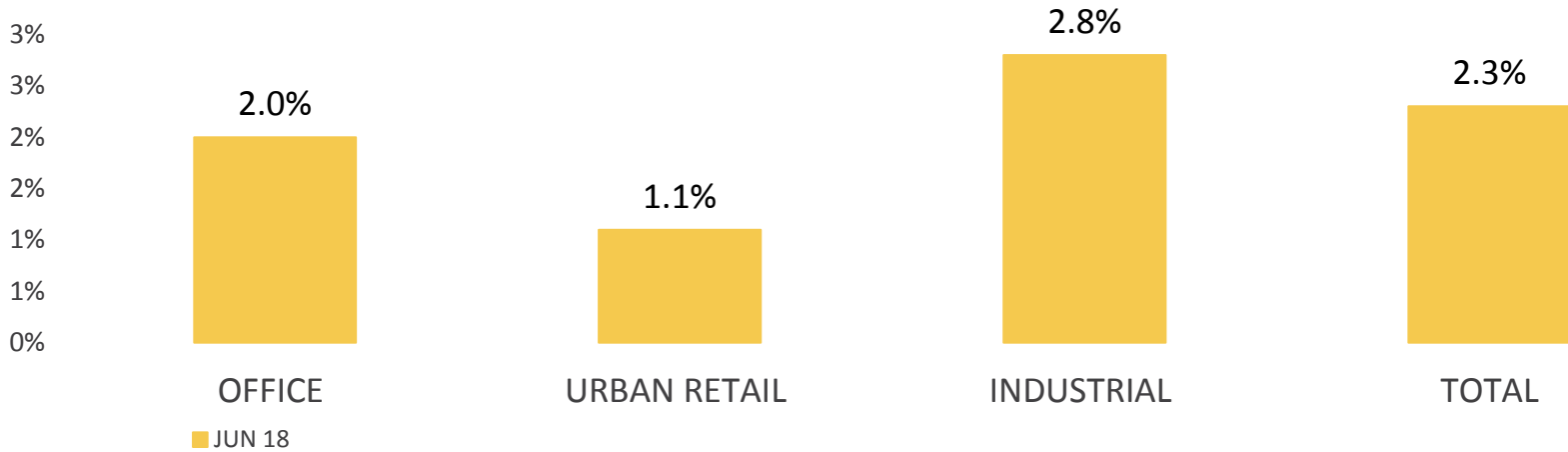


AVERAGE VALUE PER PROPERTY

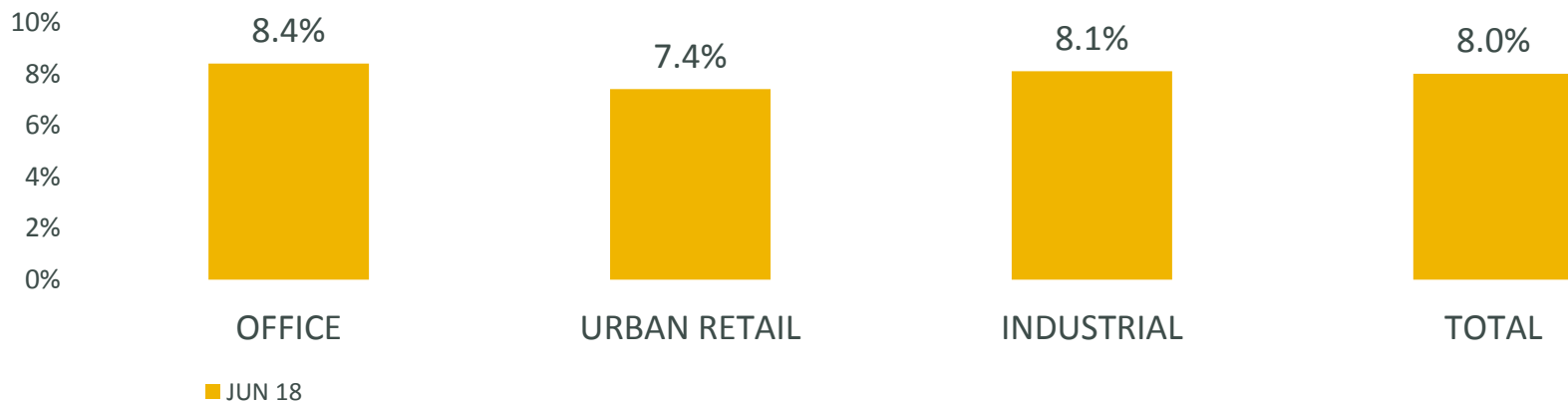


SECURED PROPERTY PORTFOLIO

VACANCY PROFILE BY GLA

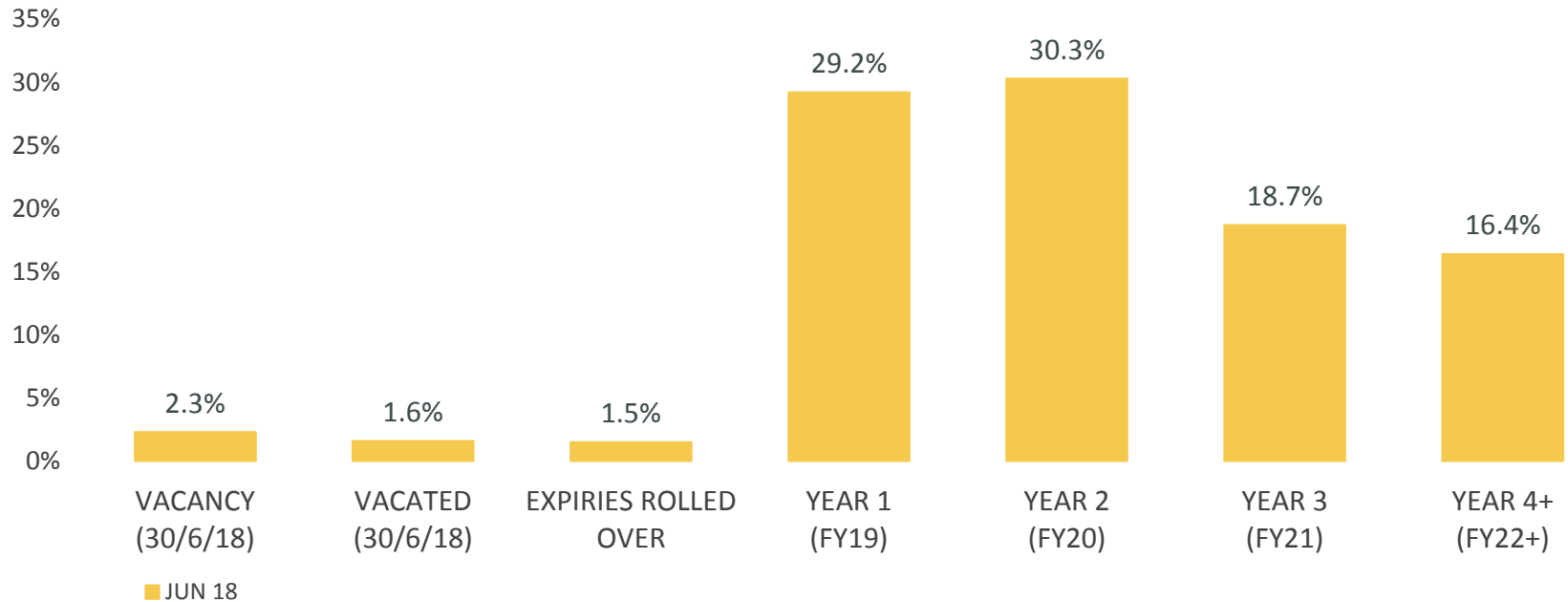


ESCALATIONS (%)



SECURED PROPERTY PORTFOLIO

LEASE EXPIRY PROFILE BY GLA (%)



Property	Tenant	Lease End	GLA (m ²)	Status
14-16 Boston Circle	Bidvest Data	Jun 19	7 533	Expecting to renew 3 years
Johnson & Johnson	Johnson & Johnson	Nov 18	3 472	Expecting to renew 10 months (addendum with the tenant)

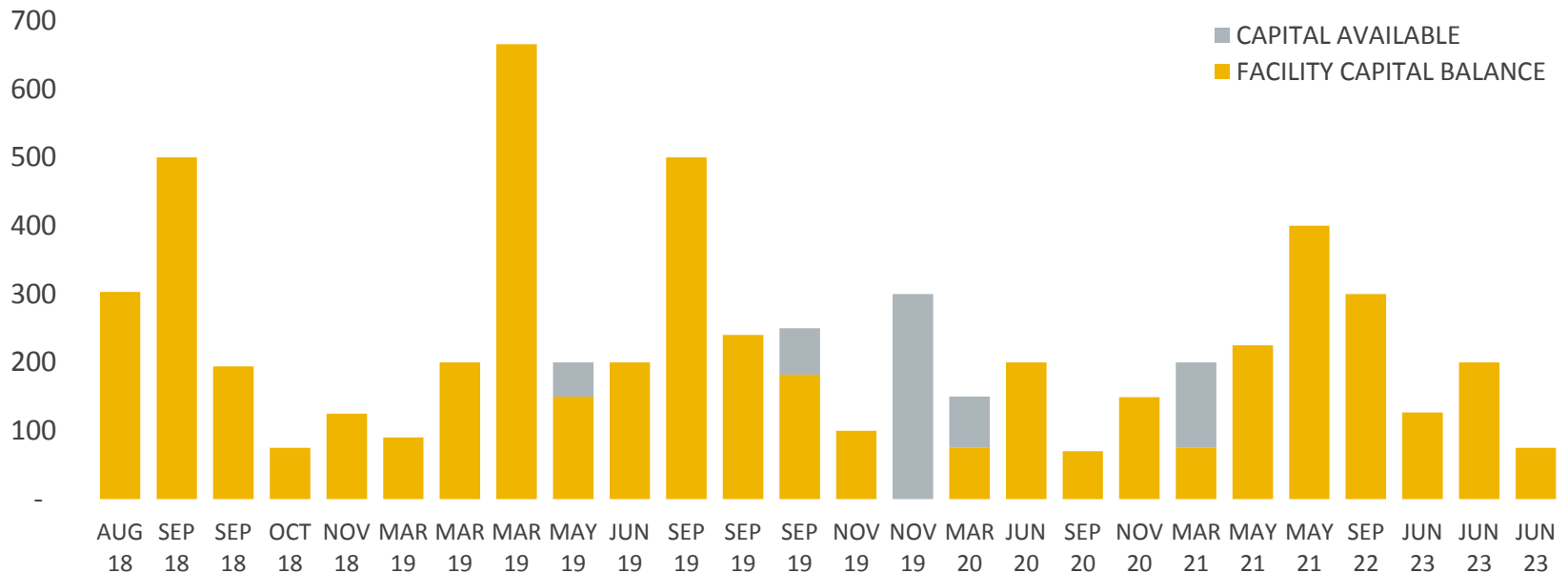
SECURED PROPERTY PORTFOLIO

TOP TENANTS PER PROPERTY BY GROSS RENTAL

Springfield Retail Centre	Food Lovers Market, The Hub, Baby City, HiFi Corporation, Toy Zone
Albury Park	Aegis, Office Space On-line, Sechaba, Scarab, Bouwers Incorporated
The Tramshed	Pick n Pay, Virgin Active, City Of Tshwane, Fashion Fusion, Nandos
Isando (20 Anvil Road) *	Little Green Beverages
Universal Industrial Park	Liquid Ink Screen Printers, Royal Distribution Centre, Powerbrand Signs and Graphics, Quadrant Clothing, Trader Plus
Hamilton House	Luno, H&M, Kids Living, Insight Actuaries and Consultants, Hamilton House Agency
14-16 Boston Circle *	Bidvest Data
The Colony Shopping Centre	Baby City, JDI Research, Pronto Italian Deli Restaurant and Foodstore, Colony Arms, Hash Tag Kitchen Bar
HBP Industrial Units	Productive Systems, Ceramic World, More for Cars
Midline Business Park	Co-Fab Coated Fabrics, Flintgroup, Akula Trading, Igus
Steiner Services *	Bidvest Services
Wadville Industrial Village	Crescent Manufacturers and Distributors, Ground Zero Manufacturing, Wonder Z14, Identisea Distributors, Zippel Filing and Storage Systems
Johnson & Johnson *	Johnson & Johnson
Industrial Village Rustivia	Mzansi Rolls, Level Productions, GIF Products

* Properties with single tenant

DEBT FUNDING MIX (Rm)



R2.9bn of rollovers and new loans concluded for the 12 months to Jun 2018

Extended expiry profile to 1.8 years

R2.5bn debt maturing next 12 months

Diversified sources of debt and maturity dates

R618m of undrawn, backup facilities

DEBT COVENANTS

FACILITY	VALUE OF PROPERTIES Rm	FACILITY AVAILABLE Rm	FACILITY DRAWN Rm	TRANSACTION LTV COVENANT %	TRANSACTION LTV ACTUAL (DRAWN) %	TRANSACTION LTV ACTUAL (AVAILABLE) %	CORPORATE LTV COVENANT %	CORPORATE LTV ACTUAL*	CORPORATE ICR COVENANT times	CORPORATE ICR ACTUAL times
Nedbank (secured)	1 010	700	700	n/a	69.3	69.3	40.0	37.9	2.0	2.7
Standard Bank (secured)	908	500	500	70.0	55.1	55.1	50.0	37.9	2.0	2.7
DMTN – commercial paper + bonds (unsecured)	–	1 700	1 700	n/a	n/a	n/a	50.0	37.9	n/a	n/a
DMTN – bonds (secured)	1 014	373	373	40.0	36.8	36.8	50.0	37.9	n/a	n/a
RMB (secured)	5 570	1 966	1 666	40.0	29.9	35.3	40.0	37.9	2.0	2.7
ABSA 1 (secured)	628	250	182	45.0	29.0	39.8	40.0	37.9	2.0	2.7
ABSA 2 (secured)	430	350	150	60.0	31.4	56.7***	40.0	37.9	2.0	2.7
Investec (unsecured)	–	200	150	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sanlam (unsecured)	–	200	200	n/a	n/a	n/a	50.0	37.9	n/a	n/a
Total	9 560	6 239	5 621							
Unbonded properties	2 975									
Indirect investments:										
– GOZ	956									
– Enyuka	605									
– USA	458									
	14 554	6 239	5 621**							

* Actual corporate LTV calculation includes loans receivable (R69.7m) an addition to assets and cash on hand (R105.5m) as a deduction to liabilities.

** Excludes unamortised debt raising fees of R4.1m, accrued interest of R27.0m and other third-party interest-bearing debt of R21.7m.

*** Transaction LTV for ABSA facility 2 is calculated using the debt on both facility 1 and facility 2 and the security on both facility 1 and facility 2.