

**INVESTEC PROPERTY FUND LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration Number 2008/011366/06)  
Share code: IPF    ISIN: ZAE000155099  
("Investec Property Fund" or "the Fund")

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**DECLARATION ANNOUNCEMENT AND TERMS OF THE INVESTEC PROPERTY FUND RENOUNCEABLE RIGHTS OFFER**

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## 1. Introduction

Investec Property Fund Linked Unitholders ("**Linked Unitholders**") are referred to the announcement dated 27<sup>th</sup> August 2012 whereby Unitholders were advised that the Fund intends to undertake a rights offer to fund recently announced acquisitions, subject to the approval by Linked Unitholders of the necessary resolutions to implement such acquisitions. The Fund proposes to raise R1.56 billion through the issue of 113,220,000 new Investec Property Fund linked units ("**Rights Offer Linked Units**") at an issue price of R13.82 per linked unit ("**Rights Offer Issue Price**") in the ratio of 66.60 Rights Offer Linked Units for every 100 linked units held on the record date for the rights offer ("**Rights Offer**").

The Rights Offer Issue Price of R13.82 per linked unit effectively includes an estimated accrued distribution of 57 cents for the period from 1 April 2012 to 4 November 2012 which will be distributed to Linked Unitholders when the Fund makes its interim distribution during December 2012 and final distribution during June 2013. On this basis, the Rights Offer Issue Price excluding the accrued distribution for the applicable periods ("**Clean Price**") at which the Rights Offer Linked Units will be issued is R13.25 per linked unit.

The Rights Offer Issue Price of R13.82 per linked unit represents a:

- 8.4% discount to the 30-day volume-weighted average price of Investec Property Fund linked units listed on the JSE as at the close of business on Friday, 24 August 2012 being the last business day prior to the release of the SENS announcement dated 27<sup>th</sup> August 2012; and
- 11.5% discount to the closing price of Investec Property Fund linked units on the JSE on Friday, 24 August 2012.

The Rights Offer Linked Units will, upon allotment and issue rank *pari passu* with the existing issued linked units in terms of both voting and dividend rights. Excess applications will be allowed.

## 2. Rationale for the Rights Offer

As advised in the SENS announcements released on 21 June 2012, 9 July 2012 and 27 August 2012, the Fund has concluded agreements for the acquisition of the following properties:

- Nonkqubela mall, from Bakoro Capital Partners for a purchase consideration of R100,500,000;
- Megamark Mall, from Ivory Pewter Trading 18 Proprietary Limited for an aggregate purchase consideration of approximately R217,973,539;
- a portfolio of 12 retail properties from various subsidiaries of S Giuricich Holdings Proprietary Limited for an aggregate purchase consideration of R742,800,000 ("**the Giuricich Acquisition**") as detailed in the Circular dated 27 August 2012); and
- the Firs, Investec Pretoria and Balfour properties from Investec Limited for an aggregate purchase consideration of approximately R839,252,295 ("**the Investec Acquisitions**") as detailed in the circular dated 27 August 2012);

The acquisitions detailed above, collectively valued at approximately R1.9 billion, will be funded through vendor placements and the proceeds of the Rights Offer. Post the Rights Offer, the Fund will have a conservative gearing ratio of 11% providing it with significant debt capacity to pursue further debt-funded acquisitions thereafter.

## 3. Excess applications

All Rights Offer Linked Units not taken up in terms of the Rights Offer will be available to the holders of letters of allocation, who may apply for excess applications.

Any excess applications will be allocated to applicants in an equitable manner by the directors of the Fund in accordance with the provisions of paragraph 5.33 of the Listings Requirements of the JSE.

#### 4. Irrevocable letters of undertaking

Linked Unitholders holding directly and indirectly, approximately 120,524,724 linked units, comprising approximately 70.90% of the Investec Property Fund linked units in issue, have provided irrevocable commitments to take up their rights in respect of the Rights Offer.

A summary of the irrevocable letters of undertaking provided by Linked Unitholders is provided in the table below:

Shareholder	Current shareholding		Commitment
	Existing linked units held	Interest (%)	Value of Rights Offer entitlement (R)
Investec Limited	85,000,100	50.00%	782,351,126
Stanlib	14,639,448	8.61%	134,743,231
Investec Asset Management	8,080,455	4.75%	74,373,477
Arzteversorgung Niedersachsen	5,265,480	3.10%	48,464,114
Sam Hackner	3,689,474	2.17%	33,958,366
Coronation Fund Managers	2,344,978	1.38%	21,583,454
Sam Leon	1,504,789	0.89%	13,850,252
<b>Total commitments received (excl. excess applications)</b>	<b>120,524,724</b>	<b>70.90%</b>	<b>1,109,324,020</b>

In addition, excess applications covering approximately 32.4% of the R1.56 billion Rights Offer have been received.

#### 5. Conditions precedent

The final implementation of the Rights Offer will be subject to the following conditions precedent:

- all the necessary resolutions to implement the Giuricich Acquisition and the Investec Acquisitions and the authority to issue linked units in terms of the Rights Offer are passed at the general meeting of Linked Unitholders to be held at 09:00 on Thursday, 27 September 2012 in the 2nd Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton;
- the JSE granting a listing for the Rights Offer Linked Units; and
- the JSE granting their approval for the Rights Offer circular and all documents ancillary thereto.

#### 6. Financial effects of the Rights Offer

The financial effects of the Rights Offer are still being finalised and will be published in the finalisation announcement to be released on or about 27 September 2012.

#### 7. Salient dates and times

The proposed salient dates and times in respect of the Rights Offer are set out below:

<b>2012</b>	
Declaration date announcement released on SENS on	Thursday, 20 September
Declaration date announcement published in the press on	Friday, 21 September
General meeting	Thursday, 27 September
Finalisation date announcement released on SENS on	Thursday, 27 September
Finalisation date announcement published in the press on	Friday, 28 September

Last date to trade in linked units on the JSE for settlement by the Record Date and to be recorded as a qualifying Unitholder for the purpose of receiving Rights Offer Circular	Friday, 5 October
Linked Units trade ex-rights on the JSE from	Monday, 8 October
Listing and trading on the JSE of the letters of allocation from the commencement of trade on	Monday, 8 October
Record date in order to be entitled to participate in the Rights Offer (“ <b>Record Date</b> ”) on	Friday, 12 October
Rights Offer opens at 09:00 and the Circular, including a form of instruction (where applicable), mailed to Linked Unitholders on	Monday, 15 October
Letters of allocation credited to an electronic account held at the Transfer Secretaries in respect of certificated Linked Unitholders on	Monday, 15 October
CSDP or broker accounts credited with rights in respect of dematerialised Linked Units on	Monday, 15 October
Last day to trade in the letters of allocation on the JSE in order to settle by close of the Rights Offer on	Friday, 26 October
Listing and trading on the JSE of Right Offer Linked Units commences at 09:00 on	Monday, 29 October
Payment to be made, and form of instruction to be lodged, with the Transfer Secretaries by certificated Linked Unitholders by 12:00 on	Friday, 2 November
Rights Offer closes at 12:00 on	Friday, 2 November
Record date for letters of allocation on	Friday, 2 November
Rights Offer Linked Units issued on	Monday, 5 November
Dematerialised unitholders accounts updated and debited by CSDP or broker with rights offer linked units on	Monday, 5 November
Results of Rights Offer announced on SENS on	Monday, 5 November
Results of Rights Offer announced in the press on	Tuesday, 6 November
Refunds (if any) to certificated Linked Unitholders in respect of unsuccessful excess applications made and/or linked unit certificates posted on or about	Wednesday, 7 November
Dematerialised unitholders accounts updated and debited by CSDP or broker in respect of any excess linked units allocated on	Wednesday, 7 November

1. All times indicated in this announcement are South African times.
2. Dematerialised Linked Unitholders are required to inform their CSDP or broker of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Linked Unitholder and its CSDP or broker.
3. Linked unit certificates may not be dematerialised or rematerialised between Monday, 8 October 2012 and Friday, 12 October 2012, both days inclusive.
4. Dematerialised Linked Unitholders will have their accounts at their CSDP or broker automatically credited with their rights and certificated Linked Unitholders will have their rights credited to a nominee account at Computershare.

## 8. Finalisation announcement

It is anticipated that the finalisation announcement for the Rights Offer will be released on SENS on Friday, 27 September 2012.

## 9. Posting of Rights Offer circular

Linked Unitholders are advised that a circular containing full details of the terms of the Rights Offer and a form of instruction will be mailed to all Linked Unitholders on or about Monday, 15 October 2012.

Investment Bank and Sponsor  
Investec Corporate Finance

Independent sponsor  
Deloitte & Touche Sponsor Services (Pty) Ltd

Reporting accountant  
Ernst & Young Inc.

Johannesburg  
20 September 2012