



INVESTEC PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration Number 2008/011366/06)
Share code: IPF ISIN: ZAE000180915
("Investec Property Fund" or "the Fund")

UPDATE ON THE ZENPROP TRANSACTION AND RIGHTS OFFER RESULTS ANNOUNCEMENT

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1. INTRODUCTION AND UPDATE ON THE ZENPROP TRANSACTION

Investec Property Fund shareholders ('**Shareholders**') are referred to the announcement released on the Stock Exchange News Services of the JSE Limited ("**SENS**") on 11 August 2015 and the transaction circular issued on 11 September 2015 ("**Circular**") regarding the acquisition by Investec Property Fund of a portfolio of properties ("**Zenprop Portfolio**") from Zenprop Property Holdings Proprietary Limited and associated trusts ("**Zenprop**") for an aggregate purchase consideration of R7.06 billion.

As set out in the Circular, the Fund agreed to settle the purchase consideration for the Zenprop Portfolio as follows:

- R0.80 billion through the issue of Investec Property Fund shares to Zenprop at a price of R16.51 (ex dividend) ("**Vendor Consideration Shares**");
- R0.20 billion through the transfer to Zenprop of Investec Australia Property Fund ("**IAPF**") shares owned by the Fund at a price of R11.58 (ex dividend) per IAPF share;
- the remaining R6.06 billion (together with transaction costs) in cash funded through a combination of debt and equity:
 - R3.57 billion has been funded with gearing raised on the Zenprop Portfolio from a syndicate of banks and debt capital market investors;
 - R2.57 billion has been funded from the Investec Property Fund rights offer ("**Rights Offer**"), the results of which are set out below.

Investec Property Fund is pleased to announce that all the properties in the Zenprop Portfolio, save for the Lerwick Road and Union Castle properties, have transferred or will imminently transfer to the Fund. Accordingly, the purchase consideration in respect of those properties, which amounts to R6.80 billion, has been settled. The Fund anticipates that transfer of the Lerwick Road and Union Castle properties and the settlement of the remaining purchase consideration of R0.26 billion will take place early in 2016.

2. RESULTS OF RIGHTS OFFER

Shareholders are referred to the finalisation announcement released on the SENS on Tuesday, 17 November 2015 and the circular to Shareholders issued on Tuesday, 1 December 2015 relating to the Rights Offer, in terms of which the Fund offered a total of 171,032,683 Rights Offer shares ("**Rights Offer Shares**") at a price of R15.00 per Rights Offer Share ("**Rights Offer Issue Price**") in the ratio of 35.57696 Rights Offer Shares for every 100 existing shares held on the record date for the Rights Offer, being Friday, 4 December 2015.

The rights offer closed at 12:00 on Friday, 18 December 2015 and the results of the Rights Offer are as follows:

	Number of Rights Offer Shares	% of rights offer	Rm
Rights Offer Shares available for subscription	171,032,683	100.0%	2,565.5
Subscriptions for Rights Offer Shares	111,758,423	65.3%	1,676.4
Applications for excess Rights Offer Shares	140,089	0.1%	2.1
Total applications	111,898,512	65.4%	1,678.5
Excess Rights Offer Shares available to be allocated	59,274,260	34.7%	889.1
Excess Rights Offer Shares allocated in terms of excess applications	140,089	0.1%	2.1
Shares to be taken up by Zenprop nominees and associated trusts (" Sellers ")	59,134,171	34.6%	887.0
Total Rights Offer Shares to be issued	171,032,683	100.0%	2,565.5

Excess allocations will be allocated in full.

In terms of the transaction agreement, following the allocation of excess applications to Shareholders, the Sellers will take up the excess unsubscribed Rights Offer Shares at the ex-dividend Rights Offer price of R15.00 per share ("**Sellers' Rights Offer Shares**"). The issue of the Sellers' Rights Offer Shares was approved at the General Meeting held on Wednesday, 14 October 2015, and will be in part settlement of the transaction purchase consideration as set out above.

3. ISSUE OF RIGHTS OFFER SHARES

Share certificates will be posted to holders of certificated shares who have followed their rights today (Monday, 21 December 2015). The CSDP or broker accounts of holders of dematerialised shares or their renounees, who have followed their rights, will be credited with the Rights Offer Shares and debited with any payments due today.

Share certificates will be posted to holders of certificated shares, or their renounees, who have been allocated Rights Offer Shares in terms of excess applications on or about Wednesday, 23 December 2015.

The custody account of holders of dematerialised shares, or their renounees, who have been allocated Rights Offer Shares in terms of excess applications, will be updated and their accounts at their CSDP or broker credited on Wednesday, 23 December 2015.

4. ISSUE OF R800 MILLION VENDOR CONSIDERATION SHARES

In addition to the Rights Offer Shares, the Fund has issued a further 46,698,654 Investec Property Fund Shares as a direct issue of shares to the Sellers in part settlement of the purchase consideration at a price of R16.51 per share as set out in paragraph 1 above. An additional 1,756,827 shares will be issued to the Sellers on the transfer of the Lerwick Road and Union Castle properties. Following the issue of these shares and the Rights Offer Shares, the Fund's total shares in issue will be 700 228 202.

Sandton
21 December 2015

Investment Bank and Sponsor
Investec Bank Limited