

Out of the Ordinary®



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")

NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT

RIGHTS OFFER FINALISATION ANNOUNCEMENT, CLEAN OUT DIVIDEND DECLARATION AND UPDATE IN RELATION TO THE ZENPROP ACQUISITION

1. Introduction

Investec Property Fund shareholders ("**Shareholders**") are referred to the declaration announcement ("**Declaration Announcement**") released on the Stock Exchange News Service ("**SENS**") on Monday, 16 November 2015 in respect of the renounceable rights offer of R2.6 billion ("**Rights Offer**") in terms of which Investec Property Fund will offer 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 Fund is pleased to inform Shareholders that the Competition Commission has approved the acquisition by the Fund of the portfolio of properties from Zenprop and associated trusts ("**Zenprop Acquisition**") without any conditions and has referred the matter to the Competition Tribunal who will hear the matter on Wednesday, 25 November 2015. The approval of the Zenprop Acquisition by the competition authorities is the last outstanding condition precedent, and a further announcement will be released once the decision of the Competition Tribunal has been communicated to the Fund.

Shareholders are advised that the Rights Offer will now be implemented in accordance with the timetable set out in paragraph 2 below and on the terms set out in the Declaration Announcement and more fully described in the circular to Shareholders ("**Rights Offer Circular**") referred to in paragraph 3 below.

If the Rights Offer is not fully subscribed, any shortfall post the allocation of excess applications by Shareholders will be taken up by Zenprop at the ex-dividend Rights Offer Issue Price of R15.00 per share.

2. Salient dates and times

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

	2015
Declaration date announcement in respect of the Rights Offer released on SENS on	Monday, 16 November
Finalisation date announcement in respect of the Rights Offer released on SENS on	Tuesday, 24 November
Declaration date announcement in respect of the Clean Out Dividend released on SENS on	Tuesday, 24 November
Last day to trade in Investec Property Fund Shares in order to participate in the Rights Offer	Friday, 27 November
Listing and trading of Letters of Allocation on the JSE under JSE code: IPFN and ISIN: ZAE000210662	Monday, 30 November
Investec Property Fund Shares trade ex-Rights Offer entitlement	Monday, 30 November

Rights Offer Circular and Form of Instruction distributed to Certificated Shareholders	Tuesday, 1 December
Finalisation date announcement in respect of the Clean Out Dividend released on SENS on Record Date for determination of Shareholders entitled to participate in the Rights Offer (Initial Record Date)	Thursday, 3 December Friday, 4 December
Dematerialised Shareholders will have their accounts at their CSDP or broker automatically credited with their entitlement	Monday, 7 December
Certificated Shareholders on the Register will have their entitlement credited to their accounts held with the Transfer Secretaries	Monday, 7 December
Rights Offer opens at 09:00	Monday, 7 December
Rights Offer Circular distributed to those Dematerialised Shareholders who have elected to receive documents in hard copy	Tuesday, 8 December
Last date to trade in Investec Property Fund Shares in order to receive the Clean Out Dividend	Thursday, 10 December
Last day to trade Letters of Allocation on the JSE	Thursday, 10 December
Investec Property Fund Shares commence trading on the JSE ex Clean Out Dividend entitlement	Friday, 11 December
Rights Offer Shares listed and trading therein commences on the JSE	Friday, 11 December
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Certificated Shareholders by 12:00 on	Friday, 18 December
Rights Offer closes at 12:00	Friday, 18 December
Record Date for determination of Shareholders entitled to receive the Clean Out Dividend (Clean Out Dividend Record Date)	Friday, 18 December
Record Date for Letters of Allocation (Final Record Date)	Friday, 18 December
Clean Out Dividend paid/posted to Certificated Shareholders and accounts credited by CSDP or broker to Dematerialised Shareholders on or about	Monday, 21 December
Rights Offer Shares issued	Monday, 21 December
Dematerialised Shareholders' accounts updated and debited by CSDP or broker (in respect of payment for Rights Offer Shares)	Monday, 21 December
Certificates distributed to Certificated Shareholders (in respect of the Rights Offer Shares)	Monday, 21 December
Results of Rights Offer announced on SENS	Monday, 21 December
Refunds (if any) to Certificated Shareholders in respect of unsuccessful excess applications made	Wednesday, 23 December
Dematerialised Shareholders' accounts updated and debited by their CSDP or broker (in respect of successful excess applications)	Wednesday, 23 December
Certificates distributed to Certificated Shareholders (in respect of successful excess applications)	Wednesday, 23 December

1. All references to dates and times are to local dates and times in South Africa.
2. Dematerialised Shareholders 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 Shareholder and their CSDP or broker.
3. Share certificates may not be dematerialised or rematerialised between Monday, 30 November 2015 and Friday, 4 December 2015 and between Friday, 11 December 2015 and Friday, 18 December 2015, both days inclusive.
4. Dematerialised Shareholders will have their accounts at their CSDP or broker automatically credited with their rights and Certificated Shareholders will have their rights credited to their accounts held on their behalf by the Transfer Secretaries.
5. CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

3. Rights Offer Circular

Further details of the Rights Offer will be set out in the Rights Offer Circular which is expected to be distributed to Shareholders and will be made available on the Fund's website (www.investecpropertyfund.com) on 1 December 2015.

4. Clean Out Dividend

Shareholders are referred to the reviewed consolidated interim results announcement released on SENS on Thursday, 19 November 2015 which included details of the clean out dividend (“**Clean Out Dividend**”) to be paid by the Fund in order to enable existing IPF shares and the Rights Offer Shares to rank *pari passu* to the entitlement to dividends from the date of issue of the Rights Offer Shares.

Notice is hereby given that the Clean Out Dividend of 29.67986 cents per share has been declared in respect of the period 1 October 2015 to the record date of the Rights Offer.

Other information:

- The Clean Out Dividend has been declared from income reserves
- A dividend withholding tax will be applicable on the dividend portion to all Shareholders who are not exempt
- The issued share capital at the declaration date is 480,740,038

In accordance with Investec Property Fund's status as a REIT, shareholders are advised that the dividend meets the requirements of a 'qualifying distribution' for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 (Income Tax Act). The dividends on the shares will be deemed to be dividends for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for South African resident shareholders:

Dividends received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax in terms of the exclusion to the general dividend exemption contained in section 10(1)(k)(i)(aa) of the Income Tax Act because they are dividends distributed by a REIT. These dividends are however exempt from dividend withholding tax (Dividend Tax) in the hands of South African resident shareholders provided that the South African resident shareholders have provided to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Fund, in respect of certificated shares, a DTD(EX) (Dividend Tax: Declaration and undertaking to be made by the beneficial owner of a share) form to prove their status as South African residents.

If resident shareholders have not submitted the abovementioned documentation to confirm their status as South African residents, they are advised to contact their CSDP, or broker, as the case may be, to arrange for the documents to be submitted prior to the payment of the dividend.

Tax implications for non-resident shareholders:

Dividends received by non-resident shareholders from a REIT will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption section 10(1)(k) of the Income Tax Act. It should be noted that up to 31 December 2013 dividends received by non-residents from a REIT were not subject to Dividend Tax. With effect from 1 January 2014, any dividend received by a non-resident from a REIT will be subject to Dividend Tax at 15%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between South Africa and the country of residence of the non-resident shareholder. Assuming Dividend Tax will be withheld at a rate of 15%, the net amount due to non-resident shareholders is 25.22788 cents per share. A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Fund, in respect of certificated shares:

- A declaration that the dividend is subject to a reduced rate as a result of the application of the DTA; and
- A written undertaking to inform the CSDP, or broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Services.

If applicable, non-resident shareholders are advised to contact the CSDP, broker or the Fund, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted.

Summary of the salient dates relating to the Clean Out Dividend are as follows:

	2015
Last date to trade in Investec Property Fund Shares in order to receive the Clean Out Dividend	Thursday, 10 December
Investec Property Fund Shares commence trading on the JSE ex Clean Out Dividend entitlement	Friday, 11 December
Record Date for determination of Shareholders entitled to receive the Clean Out Dividend (Clean Out Dividend Record Date)	Friday, 18 December
Clean Out Dividend paid/posted to Certificated Shareholders and accounts credited by CSDP or broker to Dematerialised Shareholders on or about	Monday, 21 December

Shares will not be dematerialised or rematerialised between Friday, 11 December 2015 and Friday, 18 December 2015.

Sandton
24 November 2015

Investment Bank and Sponsor
Investec Bank Limited

Legal Advisor
Fluxmans Inc