



INVESTEC PROPERTY FUND LIMITED

Approved as a REIT by the JSE
 Incorporated in the Republic of South Africa
 Registration number: 2008/011366/06
 Share code: IPF
 ISIN: ZAE000180915
 Income tax reference number: 9332/719/16/1
 ("IPF" or "the Fund")

REVIEWED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019 AND CASH DIVIDEND DECLARATION

The board of directors of IPF is pleased to announce the results for the six months ended 30 September 2019:

Highlights

- Interim distribution of 70.93 cents per share: 3.1% increase year-on-year
- Although SA growth subdued, distribution growth underpinned by performance of offshore investments – benefit of a diversified balance sheet
- Base net property income growth of 1.3% year-on-year in line with expectations – dragged by business failures and Edcon rental rebate
- Vacancy remains comparatively low at 3.9%, well below the industry average
- 89% of space expiring in the period renewed or re-let in challenging environment
- Offshore investments continue to outperform
 - European logistics – 20.1% total return in the period
 - Investec Australia Property Fund – 27.4% total return during the period on the back of ASX listing
- Significant recycling of capital during the period on a shareholder return enhancing basis
 - R843m proceeds from sell down of IAPF and local assets redeployed offshore into European logistics and light industrial and UK investment
 - Exited from minority position in Ingenuity Property Investments Limited during the period at 29% profit to cost

	30 September 2019 Reviewed	30 September 2018	Increase/ (decrease)	Movement %
Revenue (ZAR'000) ¹	874 802	916 543	(41 741)	(4.6)
Operating profit (ZAR'000) ¹	639 377	698 237	(58 860)	(8.4)
Net asset value per unit (ZAR) ²	1 810	1 780	30	1.7
Distributions per unit (pre WHT) (cents)	70.93	68.81	2.12	3.1

1. Decrease mainly due to the disposal of buildings in the current period and in the second half of the prior financial year.

2. Increase due to increase in Investec Australia Property Fund share price and the revaluation of the assets in the European platform, offset by the negative fair value movements on the swap book.

INTERIM DIVIDEND

Notice is hereby given of the declaration of interim dividend number 18 of 70.92906 cents per share for the period 1 April 2019 to 30 September 2019 ("dividend").

Other information:

- The dividend has been declared from income reserves.
- A dividend withholding tax of 20% will be applicable on the dividend portion to all shareholders who are not exempt.
- Assuming Dividend Tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 56.74325 cents per share.
- The issued share capital at the declaration date is 736 290 993 ordinary shares of no par value.
- Income Tax Reference Number of Investec Property Fund Limited: 9332/719/16/1.

In accordance with IPF's status as a REIT, shareholders are advised that the cash 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 the CSDP or broker, as the case may be, in respect of uncertificated shares, or the Fund, in respect of certificated shares, a declaration by the beneficial owner (in such form as may be prescribed by the Commissioner) that the dividend is exempt from dividends tax in terms of section 64F and a written undertaking (in such form as may be prescribed by the Commissioner) to forthwith inform the CSDP, broker or the Fund, as the case may be, should the circumstances affecting the exemption change or if the beneficial owner ceases to be the beneficial owner. 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 date determined by the regulated intermediary, or if no date is determined, by the date of payment of the dividend.

Tax implications for non-resident shareholders

Dividends received by non-resident shareholders from a REIT will not be taxable in South Africa as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) 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 22 February 2017, any dividend received by a non-resident from a REIT will be subject to Dividend Tax at 20%, 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.

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 by the beneficial owner (in such form as may be prescribed by the Commissioner) that the dividend is subject to a reduced rate as a result of the application of the DTA; and
- A written undertaking (in such form as may be prescribed by the Commissioner) to forthwith inform, the CSDP, broker or the Fund, as the case may be, should the circumstances affecting the reduced rate change or if the beneficial owner ceases to be the beneficial owner.

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 the date determined by the regulated intermediary, or if no date is determined, by the date of payment of the dividend, if such documents have not already been submitted.

SALIENT DATES RELATING TO THE CASH DIVIDEND

Declaration of dividend	Wednesday, 13 November 2019
Last day to trade in order to receive distribution (cum-dividend)	Tuesday, 10 December 2019
Shares trade ex-dividend	Wednesday, 11 December 2019
Record date for shareholders to receive dividend	Friday, 13 December 2019
Dividend payment date	Tuesday, 17 December 2019

Share certificates may not be dematerialised or rematerialised between Wednesday, 11 December 2019 and Friday, 13 December 2019, both days inclusive.

FURTHER INFORMATION

The directors of IPF are responsible for the preparation and fair presentation of this short-form announcement and its contents.

The reviewed condensed consolidated interim financial results for the six months ended 30 September 2019 have been reviewed by Ernst & Young Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at our registered office together with the financial statements identified in the auditor's report.

This short-form announcement is a summary of the information in the full announcement and any investment decision should be based on the full announcement available at <https://invest.ec/2qHEEys> and <https://senspdf.jse.co.za/documents/2019/jse/isse/IPF/Interims.pdf>.

In addition, copies are available for inspection at the Fund's registered offices, at no charge, every Monday to Friday between 08:00 – 17:00 or may be requested via email on InvestecPropertyFund@investec.co.za.

Johannesburg
13 November 2019

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