



REDEFINE PROPERTIES

GROUP RESULTS AND STRATEGIC REVIEW

HALF YEAR ENDED
28 FEBRUARY 2015

www.redefine.co.za



REDEFINE
PROPERTIES

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INTRODUCTION AND SALIENT THEMES



ANDREW KONIG



FIRST HALF 2015: SALIENT THEMES

Strategic intent focused on delivering sustained value



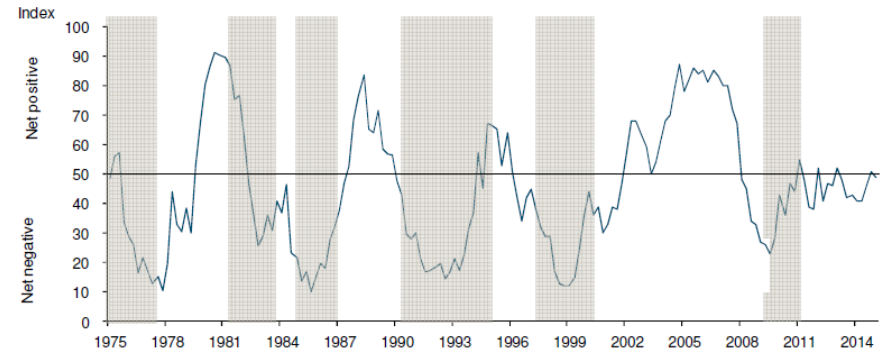
Highlights

- Efficient cost control
- Effective tenant retention strategy
- Tight asset management
- Diversifying, growing and improving the quality of the portfolio continues
 - Acquisitions total R10.7bn concluded
 - Developments R3.7bn
 - Offer to acquire Fountainhead's assets launched
 - Direct property investment in Europe completed
- Discount to SAPY yield narrowed
- Black economic empowerment enhanced

Priority issues

- Electricity crisis
- Rising utility and rates and taxes
- Letting of vacant space
- Tenant credit risk

Business confidence levels overall remain subdued



Source: BER/RMB





FINANCIAL RESULTS

LEON KOK



HALF YEAR 2015 FINANCIAL HIGHLIGHTS



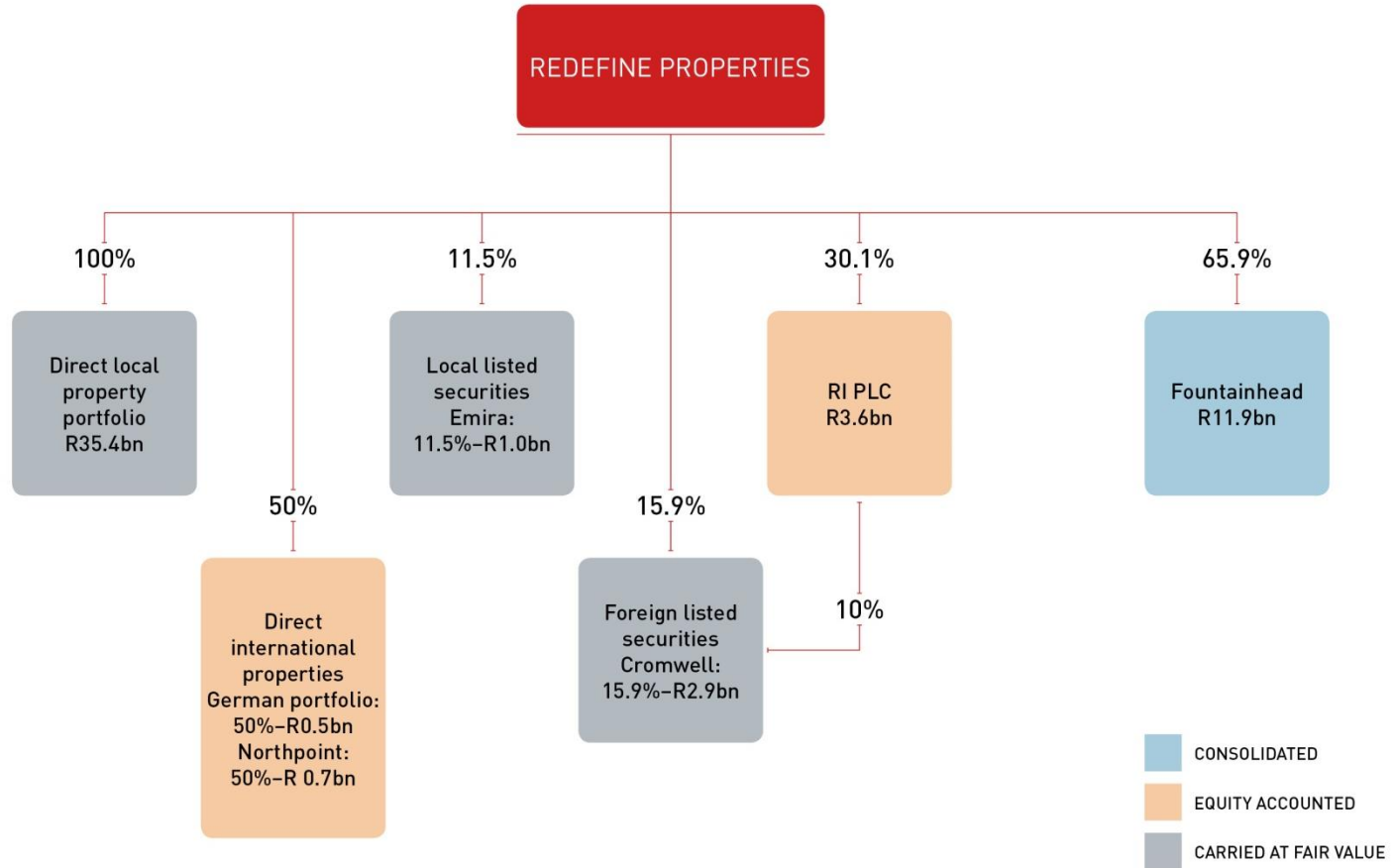
- Distribution growth of 7.1% to 39 cents
- Distributable income of R1.47bn
- In Rand terms distributable income has grown by 31.4%
- Operating margins maintained despite tough trading conditions
- Income producing assets under management now R56bn, up R5bn
- Total group assets now R62.7bn (first time above R60bn)
- Raised R3.4bn in equity, shares in issue increased by 354 million (+10.4%)
- 71% shareholder participation in distribution re-investment plan that raised R988m
- Redefine's LTV improved to 35.1%
- Most key debt metrics improved



Peter Place, Sandton



CURRENT CORPORATE STRUCTURE



Rand amounts reflect carrying values of assets

DISTRIBUTABLE INCOME PER SHARE

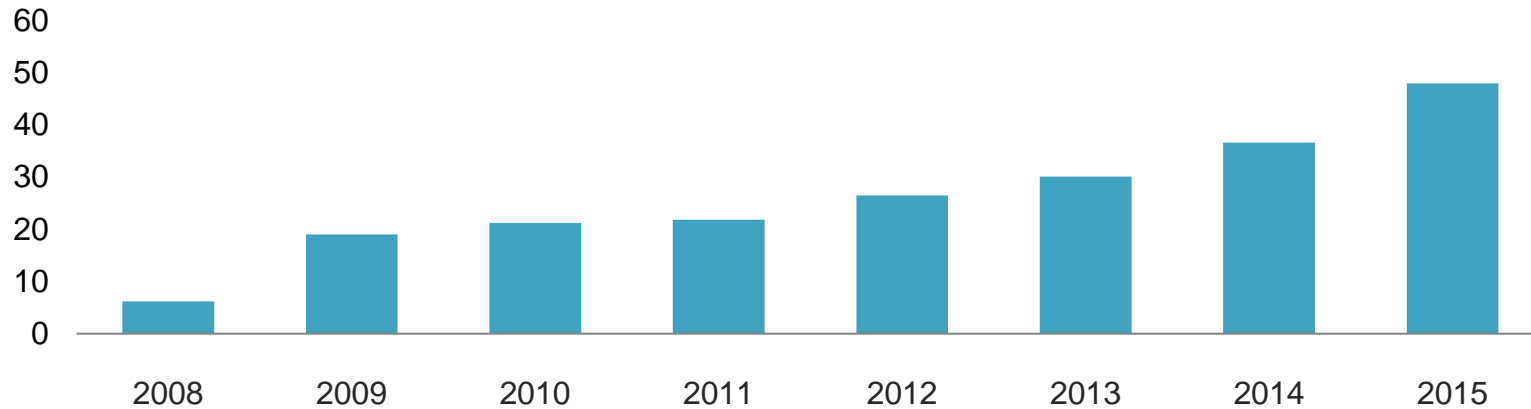
Half year ended 28 February 2015



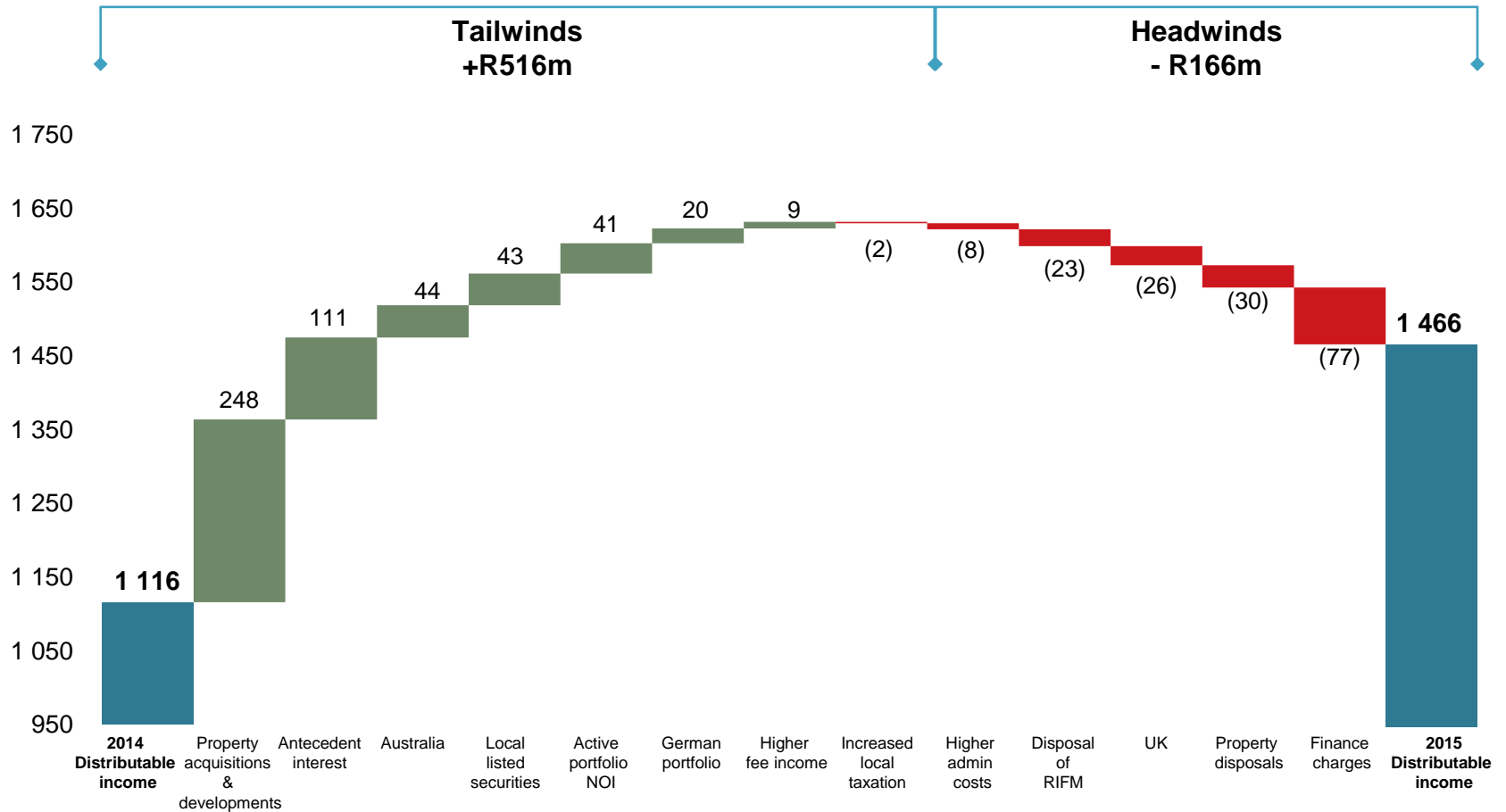
	Distributable income (Rm)	Per share (Cents)	Y-o-Y change
2014 distributable income	1 116	36.4	
Less dilution arising from new shares	-	-6.7	
Local organic growth	335	8.9	
International growth	15	0.4	
2015 distributable income	1 466	39.0	7.1%

Market capitalisation

Rbn



FIRST HALF 2015 CONTRIBUTORS TO TRADING



SIMPLIFIED DISTRIBUTABLE INCOME STATEMENT

Half year ended 28 February 2015



	2015 (Rm)	2014 (Rm)	Change %
Net operating income from investment properties	1 421	1 162	22.3%
Listed security portfolio	274	230	19.1%
Fee income	47	38	23.7%
Property trading income	1	1	0.0%
Total revenue	1 743	1 431	21.8%
Administration costs	(80)	(72)	11.1%
Net operating profit	1 663	1 359	22.4%
Net finance charges	(435)	(457)	-4.8%
Taxation	(3)	(1)	200.0%
South African distributable income	1 225	901	36.0%
International distributable income	241	215	12.1%
Distributable income	1 466	1 116	31.4%



The distributable income analysis included in the published results announcement splits the group (IFRS) figures into Redefine, Fountainhead and International

ACTIVE PORTFOLIO INCOME ANALYSIS

Half year ended 28 February 2015



	2015 (Rm)	2014 (Rm)	Change %
Active portfolio revenue	1 242	1 187	4.6%
Active portfolio costs*	(251)	(238)	5.5%
Property income from active property portfolio	991	949	4.4%
Net operating income from acquired/development properties	320	72	344.4%
Net operating income from disposed properties	110	141	-22.0%
Net operating income from investment properties	1 421	1 162	22.3%
Active portfolio margin %	79.8%	79.9%	



* Net of recoveries

ACTIVE PORTFOLIO REVENUE GROWTH

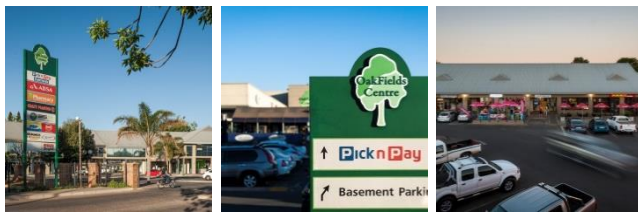
Half year ended 28 February 2015



A tough leasing environment has diluted contractual lease escalations

	% of rental income	Growth vs 2014	% of property revenue	Contribution to growth
Rental income	4.7%	4.7%	92.0%	4.3%
Contractual lease escalations	76.0%	7.2%		
Renewals plus new lets net of expiries	24.0%	-2.9%	3.1	3.2
Rebates, parking, turnover rent etc		3.2	8.0%	0.3%
H1 2015 Property revenue				4.6%

	Industrial	Office	Retail	Total
Vacancy Aug 2014	5.3%	7.2%	3.9%	5.5%
Vacancy Feb 2015	5.3%	8.7%	5.5%	6.4%
Contractual lease escalations for H1 2015	7.8%	6.8%	7.2%	7.2%
Renewals plus new lets net of expiries for H1 2015	-2.8%	-3.3%	-2.4%	-2.9%



ACTIVE PORTFOLIO EXPENDITURE ANALYSIS

Half year ended 28 February 2015



	2015 (Rm)	Change %
2014 Property Costs	238	
Net municipal recoveries benefitting from successful objections	-1	-1.3%
Net electricity recoveries worse due to increased costs	2	-15.9%
Operating costs increased	8	9.7%
Property management benefitting from cost recoveries	-2	-2.8%
Repairs & maintenance across the portfolio	1	3.0%
TI costs are deal driven	3	19.7%
Letting commission is a function of the market	1	0.5%
Management fees down due to reduced outsourced facilities management	-2	-18.9%
Bad debts up due to turn in interest cycle	3	34.6%
2015 Property costs	251	5.5%

	2015 %	2014 %
Municipal recoveries as a % of municipal charges	73.6	74.9
Electricity recoveries as a % of electricity charges	105.2	106.7



ACTIVE PORTFOLIO TRADING EFFICIENCY

Half year ended 28 February 2015



Every R100 of property revenue converts into property income as follows

	2015 %	2014 %
Property revenue	100.0	100.0
Less property costs	20.2	20.1
Municipal charges net of recoveries	3.1	3.2
Electricity charges net of recoveries	(0.9)	(1.1)
Operating costs	7.4	7.0
Property management	4.7	5.1
Repairs & maintenance	2.2	2.2
Tenant installation	1.4	1.3
Letting commission	0.7	0.7
Management fees	0.7	0.9
Bad debts	0.9	0.7
Property Margin	79.8	79.9



SIMPLIFIED STATEMENT OF FINANCIAL POSITION

At February 2015

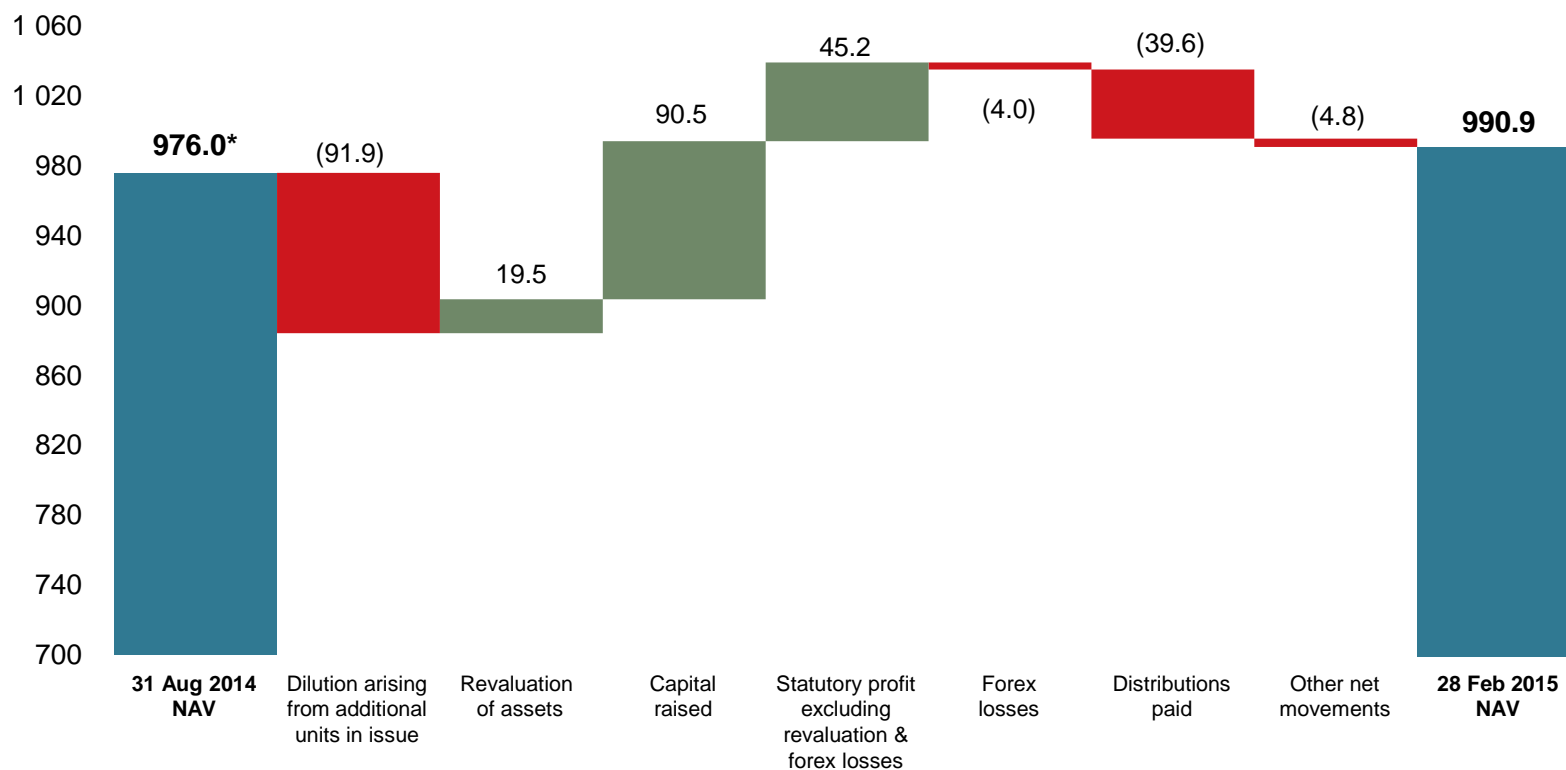


	28 Feb 15				31 Aug 14			
	RDF (Rm)	FPT (Rm)	Global (Rm)	Group (Rm)	RDF (Rm)	FPT (Rm)	Global (Rm)	Group (Rm)
Property assets	35 893	11 921	8 153	55 967	31 471	12 168	7 429	51 068
Intangible assets	4 404	893	-	5 297	4 436	893	-	5 329
Other assets	899	442	94	1 435	660	433	-	1 093
Total assets	41 196	13 256	8 247	62 699	36 567	13 494	7 429	57 490
Shareholders interest	22 476	10 096	7 183	39 755	19 517	10 074	6 145	35 736
Interest bearing borrowings	17 231	2 833	917	20 981	15 463	3 243	1 050	19 756
Total funding	39 707	12 929	8 100	60 736	34 980	13 317	7 195	55 492
Deferred tax and other liabilities	1 489	327	147	1 963	1 587	177	234	1 998
Total equity and liabilities	41 196	13 256	8 247	62 699	36 567	13 494	7 429	57 490



GROWTH IN NET ASSET VALUE

Half year ended 28 February 2015



	Aug 2014	Feb 2015	Growth
NAV as stated above	976.0*	990.9	
2014 second half distribution	(38.1)	39.6	
2015 first half distribution	-	(39.0)	
Pro-forma NAV	937.9	991.5	5.7%

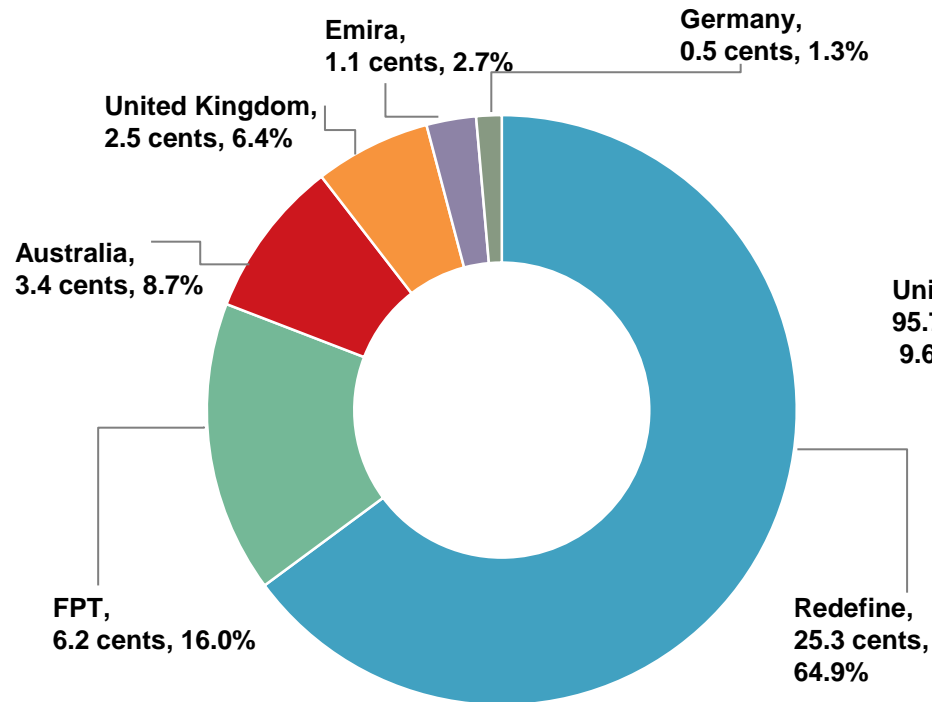
* No second half distribution deducted due to REIT conversion

CONTRIBUTORS TO GROWTH

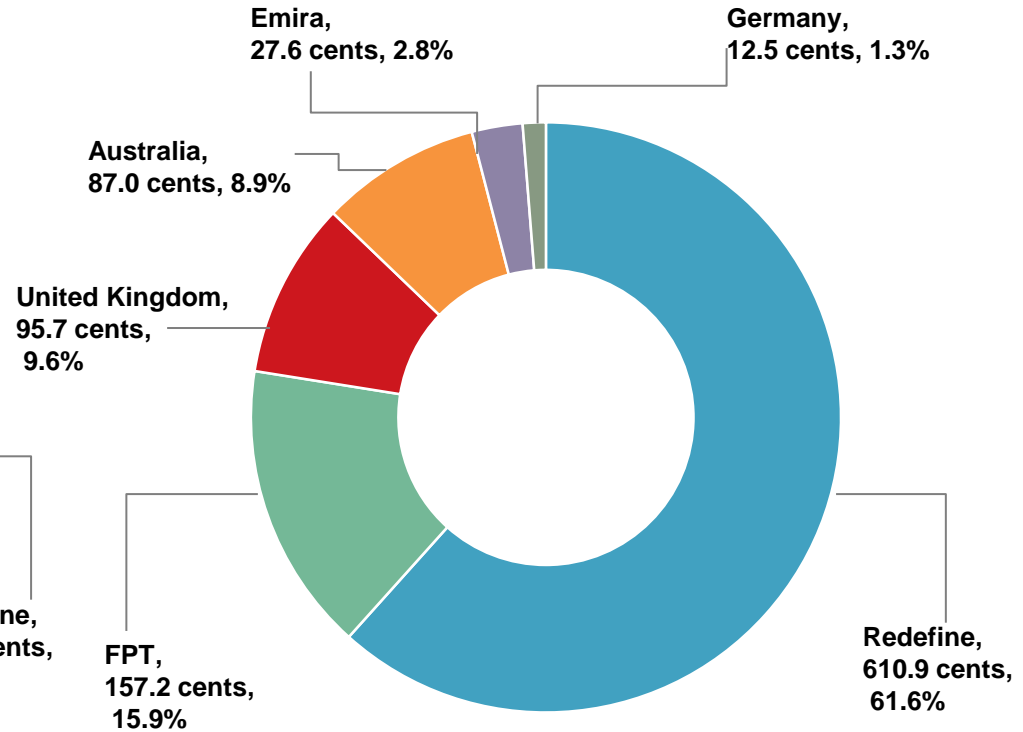
Half year ended 28 February 2015



Distribution contributors (cents)



Net asset value composition (cents)



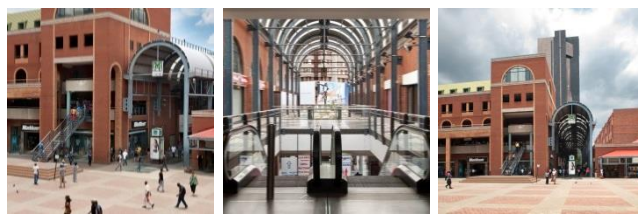
FUNDING PROFILE

At February 2015



Funding snapshot	Redefine (Rm)	Fountainhead (Rm)	International (Rm)	Group (Rm)
Bank borrowings	13 689	2 833	917	17 439
Debt capital markets	3 542	-	-	3 542
Total borrowings	17 231	2 833	917	20 981

Key debt statistics*	Feb 2015	Aug 2014
Loan to value (management target 35%) – including held for sale	35.1%	36.6%
Debt capital market funding (management target 20-30% of debt)	19.3%	17.8%
Average term of debt	3.5 years	2.9 years
% of debt secured	61%	67%
% of property assets secured	56%	59%
Equity headroom on total assets (Rbn)	32.7	28.8
Weighted average cost of borrowings	8.3%	8.2%
% of debt fixed (Management target 75%)	86%	78%
Average term of SWAP's	3.3 years	3.5 years
Undrawn debt facilities – available on demand (Rbn)	3.0	1.4
Interest cover ratio	3.0	3.1



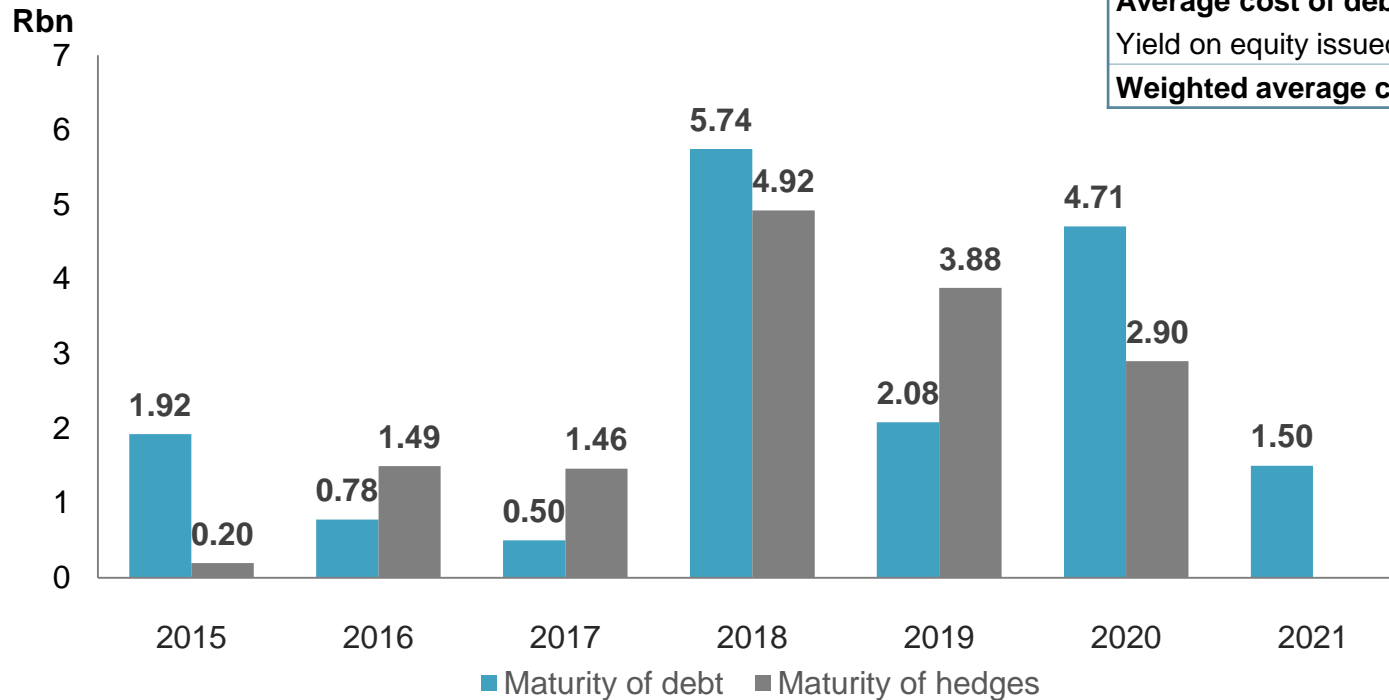
* Excludes Fountainhead

DEBT MATURITY PROFILE

At February 2015

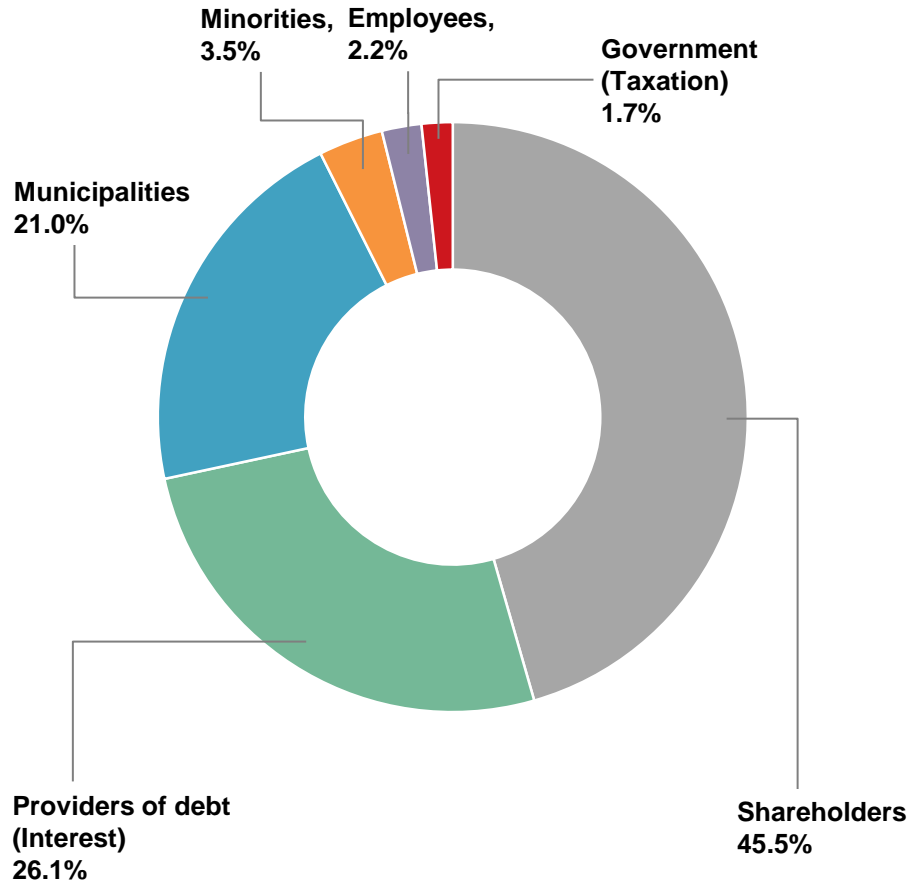


Cost of funding	2015 (%)
Average JIBAR	6.1%
Bank margin	1.3%
Floating rate	7.4%
Cost of fixing	0.9%
Average cost of debt	8.3%
Yield on equity issued	8.4%
Weighted average cost of debt	8.3%



THE CASH VALUE CREATED BY REDEFINE

Half year ended 28 February 2015



	Rm
Revenue	3 088
Interest received	128
Equity accounted result of associates	147
Property and other operating expenses	(359)
Cash value created	3 004
Employees	65
Providers of debt (Interest)	784
Government (Taxation)	51
Shareholders	1 368
Minorities	106
Municipalities	630
Cash value distributed	3 004





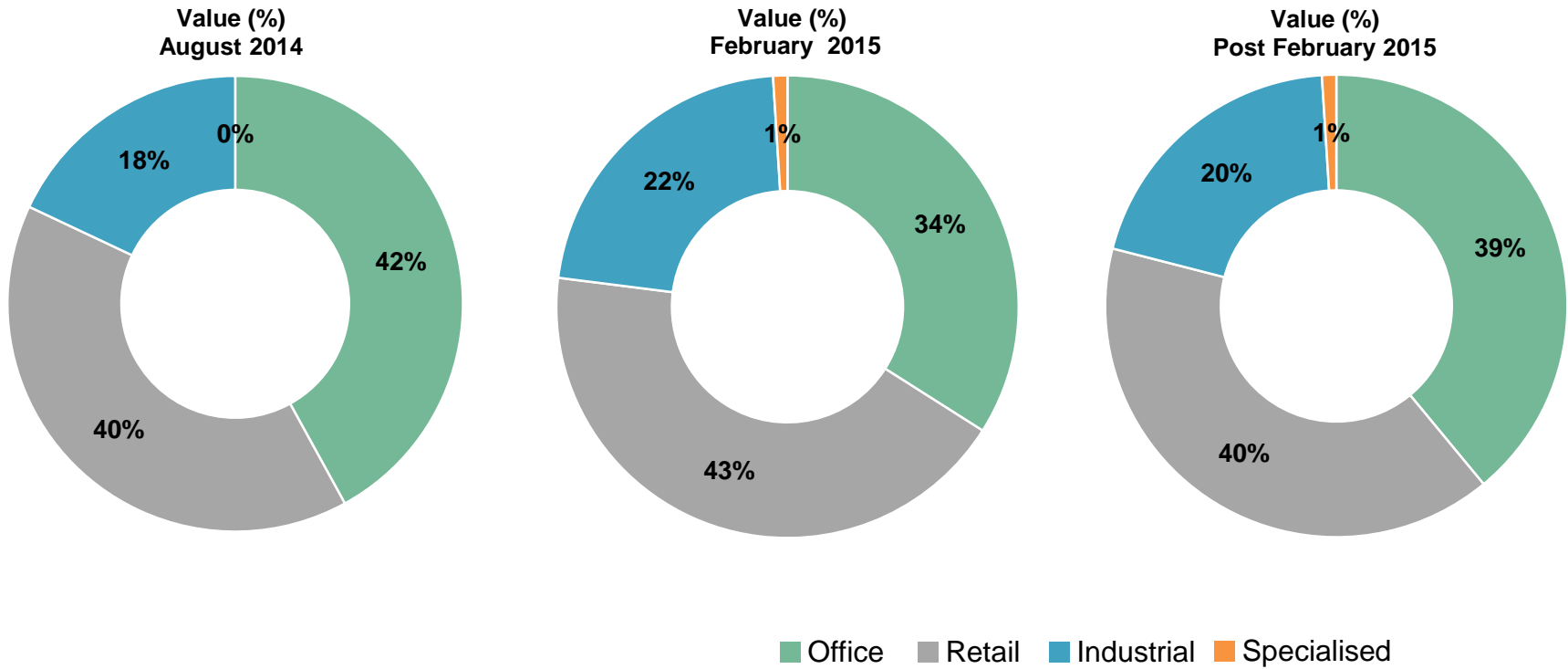
LOCAL PROPERTY PORTFOLIO



DAVID RICE



SECTORAL SPLIT



Notes:

Feb 2015 includes 66% Fountainhead

Post Feb 2015 includes 66% Fountainhead + Stoneridge + Leaf Capital

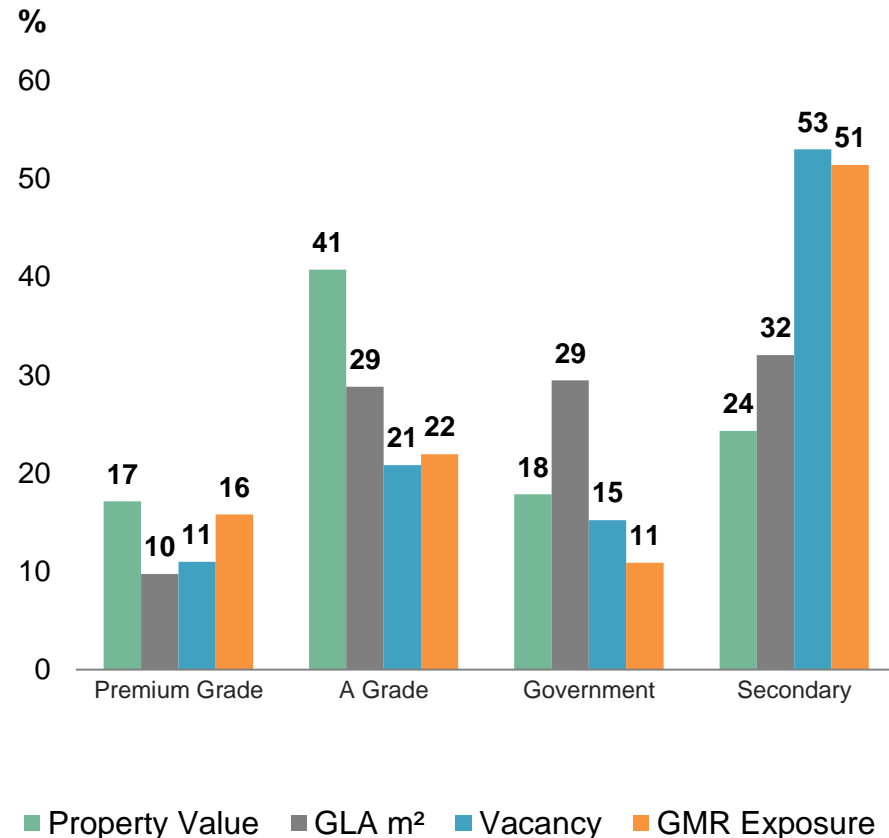
Specialised includes hotels and hospitals

- Tenant renewal retention by GLA – 89%
- Leases covering 290 000m² renewed
- Renewal rental growth of 2% with escalations of 8.3% (excludes short-term leases)
- Vacancy 6.4% (FY14: 5.5%)
- Average property value R114m
- 46% of the portfolio by GLA and 45% by GMR expires beyond 2018
- Acquisitions:
 - Properties valued at R3bn at an initial yield of 8.6% transferred - includes Macsteel industrial portfolio
 - R4.7bn acquired post February at an initial yield of 7.8% - includes Leaf office portfolio
- R593m non-core properties disposed at a yield of 9.3%
- R1.1bn total development activity concluded and a further R2.6bn in progress



- Tenant renewal retention by GLA - 82%
- Renewal rental growth of 10% with rental escalations of 8.7%
- Market conditions continue to be challenging with no real growth in rentals expected in the foreseeable future
- Cost of new leases remains at 15-20% of total lease rent
- Vacancies increased to 8.7% (FY14 : 7.2%) whilst national average for Q1 was 11.2% (SAPOA)
- Acquisitions:
 - Acquired 50% of 16 Fredman Drive (Discovery) for R250m giving control over West Street and Fredman Drive
 - R4.1bn Leaf office portfolio of P and A grade properties concluded at an initial yield of 8% and commercially effective 1 Mar 2015
- Government tenanted portfolio
- Current development activity of R1 805bn underway
- Complete developments:
 - Commerce Square parking redevelopment
 - Nashua House, Milnerton, 2 373m² office block and warehouse

Office portfolio by grade



OFFICE DEVELOPMENTS

The Towers

- Cape Town CBD
- Redevelopment project - parking
- GLA: 57 085m²
- Total cost: R533m
- Parking ratio: 3 bays/100m²
- Standard Bank occupying 21 43m²
- Lease agreed with Food Lovers Market
- Current 4 000m² vacancy offers rental growth opportunity
- Estimated completion: Aug 2015



90 Rivonia Road

- Sandton, Gauteng
- New office development
- Total cost: R979m
- GLA: 34 500m²
- Yield: 7.8%
- Parking ratio: 5 bays/100m²
- ±75% pre-let to Webbers
- Estimated completion: Nov 2015



Rosebank Towers

- New development (RDF share: 42.5%)
- Total cost: R276m
- GLA: 22 965m²
- Yield: 9.2%
- Parking ratio: 5 bays/100m²
- Redefine to occupy top 2 floors – 6 380m²
- Virgin Active gym confirmed for 3 845m²
- MOU signed with Times Media for 4 898m²
- Further 6 487m² under negotiation
- Estimated completion: Oct 2016



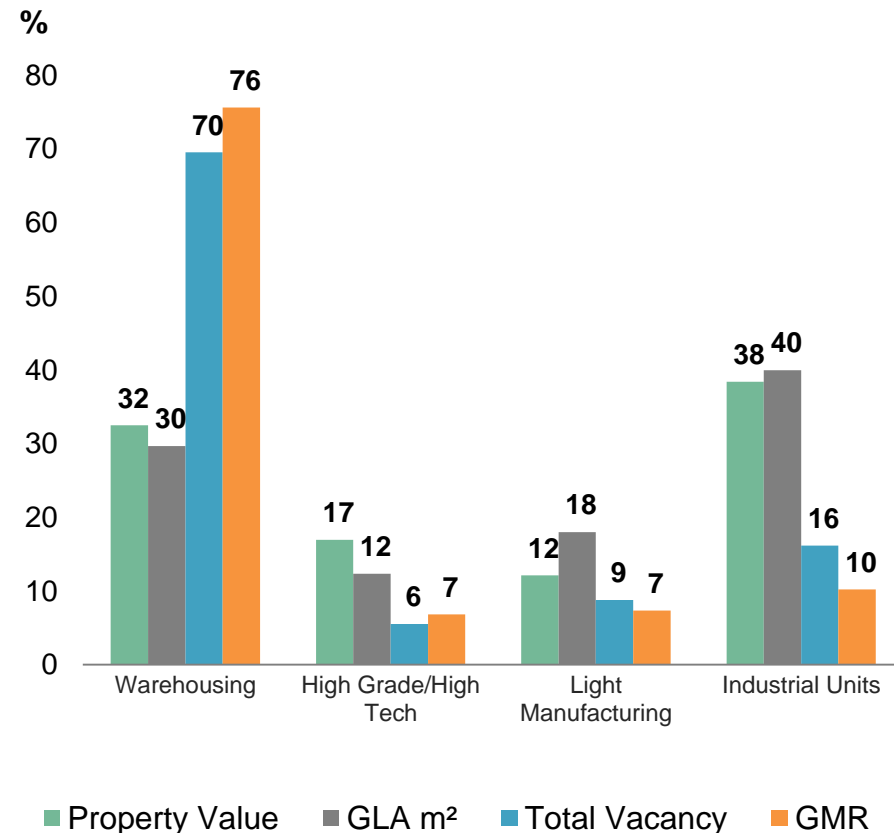
Essex Gardens

- Durban, Kwazulu Natal
- Redevelopment project
- Development cost: R113m
- Yield: 9.5%
- Estimated completion: Sept 2015
- Leasing Status – Phase 1 to 6 100% let



- National Head of Industrial portfolio appointed – significant asset management experience
- Tenant renewal retention by GLA - 94%
- Renewal rental growth of -7% with rental escalations of 8.3% due to negative reversions on Buco and Le Sel renewals
- Vacancies remained at 5.3% although reduced to 2.6% post Feb (national average Q1 - 3.5% IPD). Ellerines Cato Ridge premium grade facility now 60% let
- R2.7bn Macsteel acquisition (over 560 000m²) at an initial yield of 8.7% effective 01 Nov 2014 – integrated into industrial portfolio management division driven by newly appointed industrial head
- R378m current development activity underway with a further 82 000m² within the existing portfolio identified for future redevelopment
- Negotiations at an advanced stage to acquire a share of 2 large tracts of land for future industrial development
- Continued focus on re-development of existing portfolio, disposal of non-core assets, new development opportunities and tenant retention

Industrial portfolio by type



uShukela (Cornubia)

- Durban, Kwazulu-Natal
- Development of midi units
- Well located between Umhlanga and the airport
- Phased development
- Total cost: R192m
- GLA: 27 660m²
- Yield: 9%
- Estimated completion: May 2016



Waltloo Industrial Park

- Pretoria
- Total cost: R173m
- GLA: 26 285m²
- Yield: 8.75%
- Leasing status: Advance interest from a number of key industrial users
- Estimated completion: May 2015



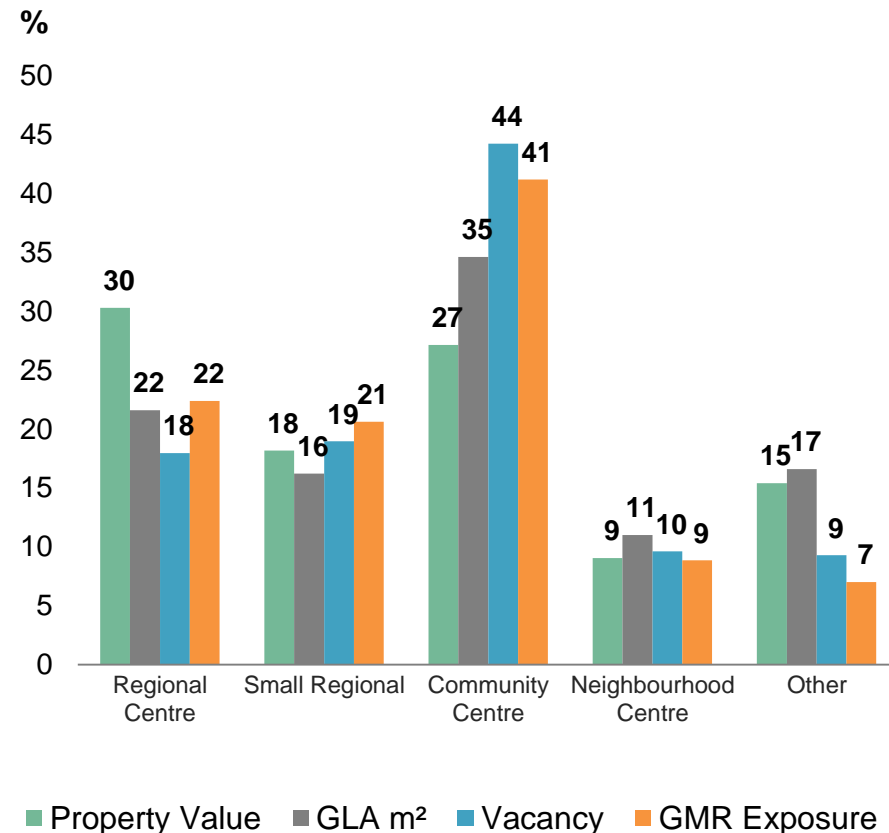
Fabric Park

- Midrand, Gauteng
- Redevelopment of well located property
- Total cost: R103m
- GLA: 13 000m²
- Yield: 8%
- Negotiations underway with a number of key potential tenants
- Projected start date: May 2015



- Retention rate by GLA – 91%
- Renewal rental growth of 3% with rental escalations of 7.9%
- Vacancies increased to 5.5% (FY2014 : 3.9%) due to Matlosana Mall, the impact of Ellerines and development vacancies
- The Kopanong, Hammanskraal and Soweto properties were disposed of during the period
- Matlosana Mall completed Oct 2014
- R256m current development activity progress
- Southcoast Mall due for completion in Sept 2015 and East Rand Mall in Aug 2016
- Generators to be installed at all major centres ensuring 100% power during load shedding periods or as necessary. Tenants to pay towards capital cost and ongoing running cost

Retail portfolio by type



Matlosana Mall

- North West
- New development
- Regional shopping centre
- Improving trading conditions since opening
- GLA: 64 103m²
- Total cost: R1 029bn
- Yield: 8.25%
- Completed Oct 2014
- 90% let



South Coast Mall

- Shelly Beach, Kwa-Zulu Natal
- Redevelopment – installation of Food Lovers Market, extension of Checkers and re-tenanting
- GLA: 33 699m²
- Total cost: R100m
- Yield: 7.8%
- Parking: 5 bays/100m²
- Estimated completion: Sept 2015



East Rand Mall

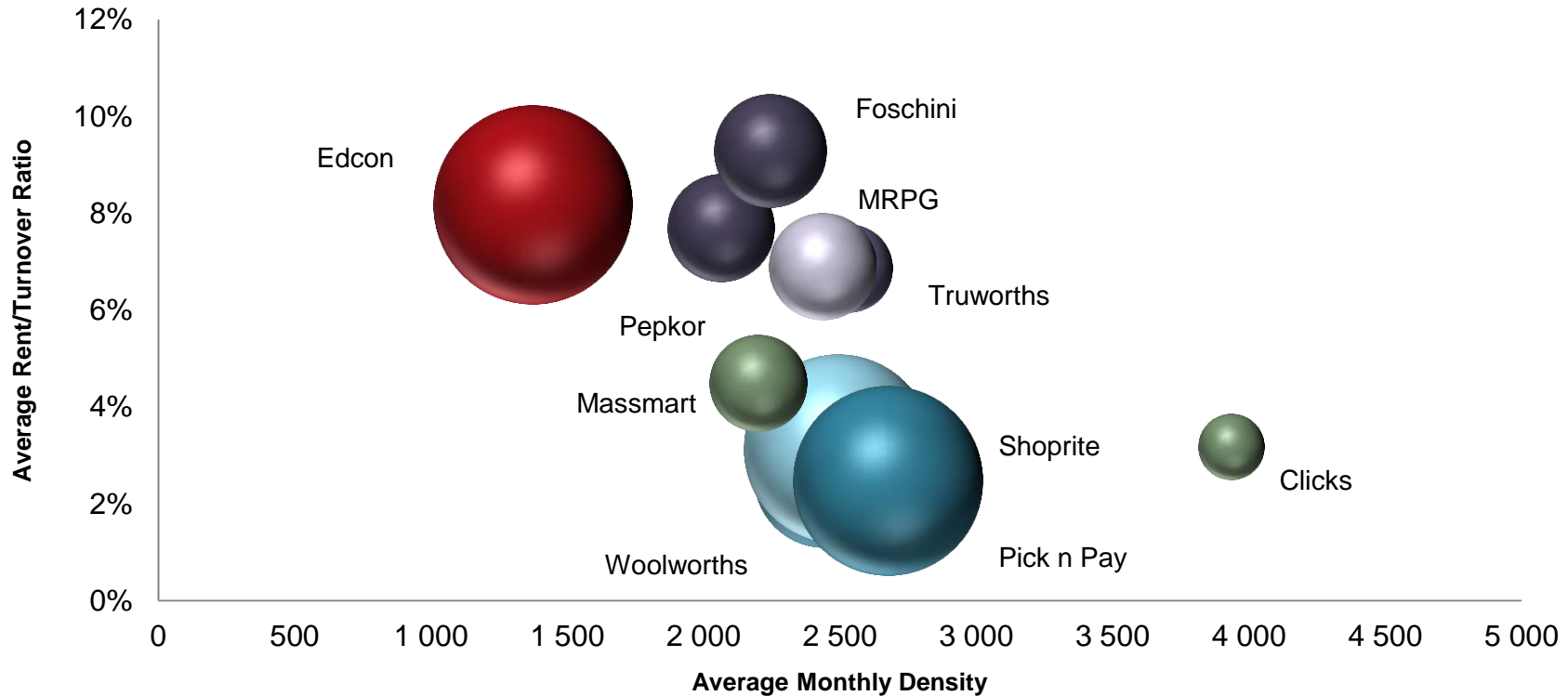
- Boksburg, Gauteng
- Total cost: R153m (RDF 50% share)
- Extension approximately 7000m²
- GLA on completion 67 813m²
- Significant common area improvement and additional parking
- Anchored by Mr Price Emporium
- Possible inclusion of H&M
- Estimated completion: Aug 2016



CATEGORY PERFORMANCE



MAJOR TENANTS PERFORMANCE COMPARISON



The above data is based on the 12 months ended February 2015. Only stores that have traded for the full 12 months are included in the comparison. Edcon in red, apparel retailers in purple, grocery retailers in blue, drug and general retail in green



RESHAPING THE PROPERTY PLATFORM



ANDREW KONIG

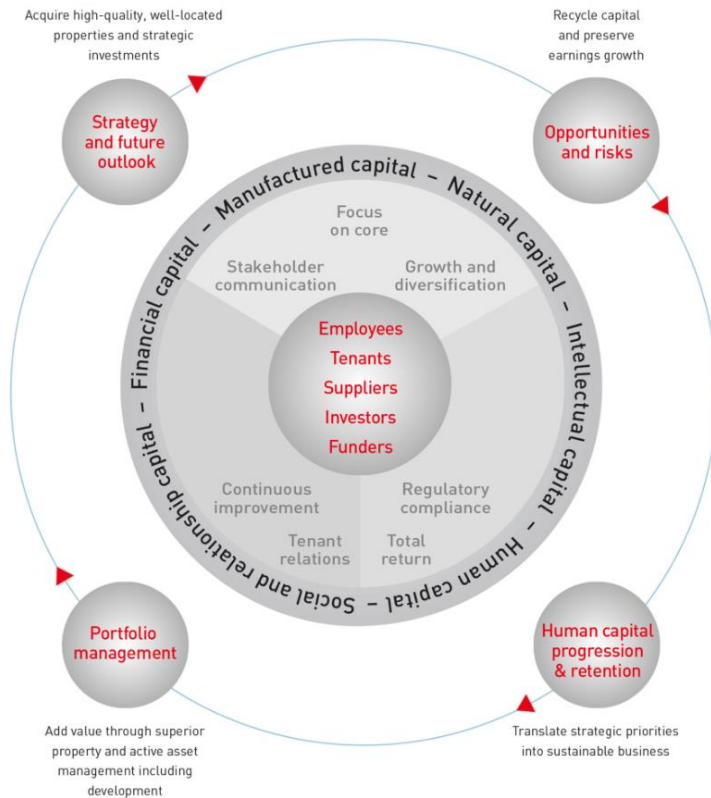


STRATEGIC PRIORITIES

Focus on creating value over property cycles



Redefine's business model is people centric



Strategic focus areas:

- Refine asset allocation and active portfolio management
- Focused and efficient property management
- Disciplined growth and diversification of the local property asset base
- Prudent management of funding
- Growth and geographic diversification in international real estate markets
- Unlock value-added development opportunities in existing properties

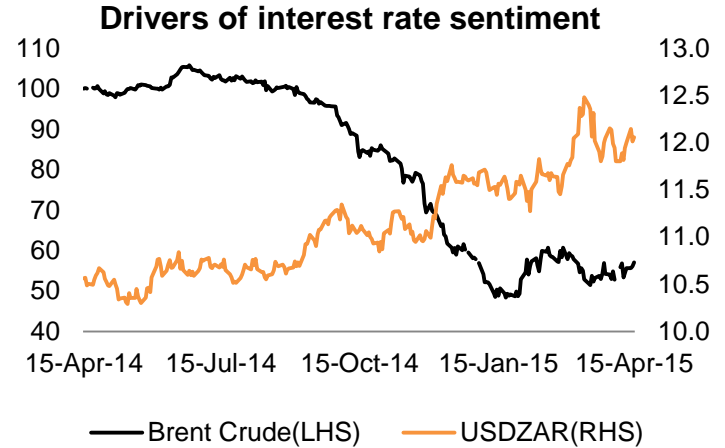
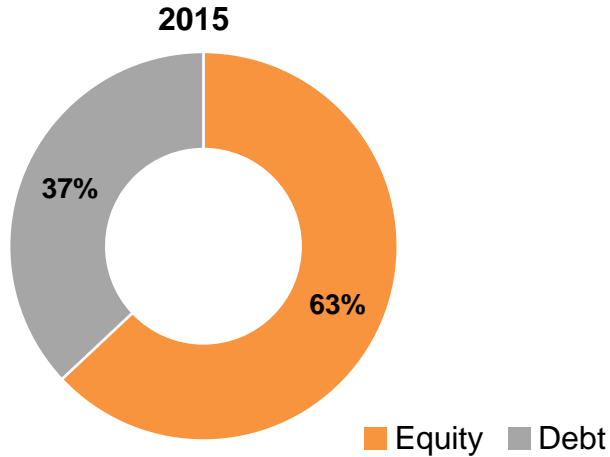


115 West Street, Sandton



SOURCES OF CAPITAL

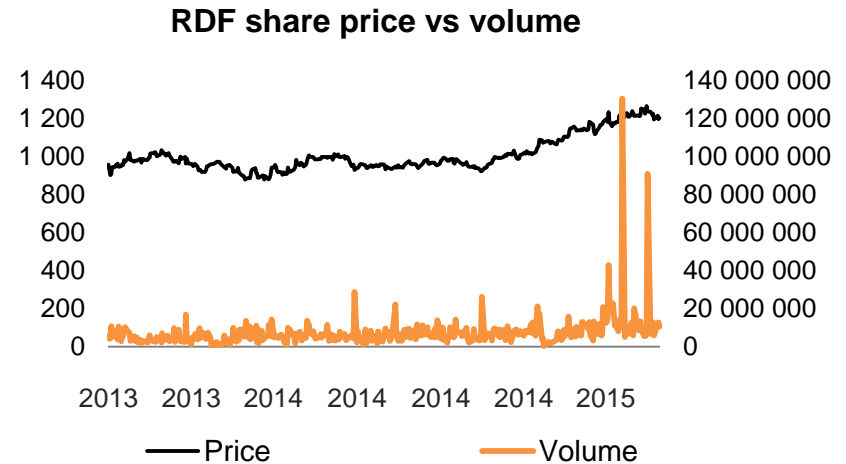
Size and liquidity do matter



Source : RMB

Investments of R6.3bn in property assets funded by:

- Equity raised R3.4bn
- Recycling of capital R1.9bn
- Debt funding of R1bn

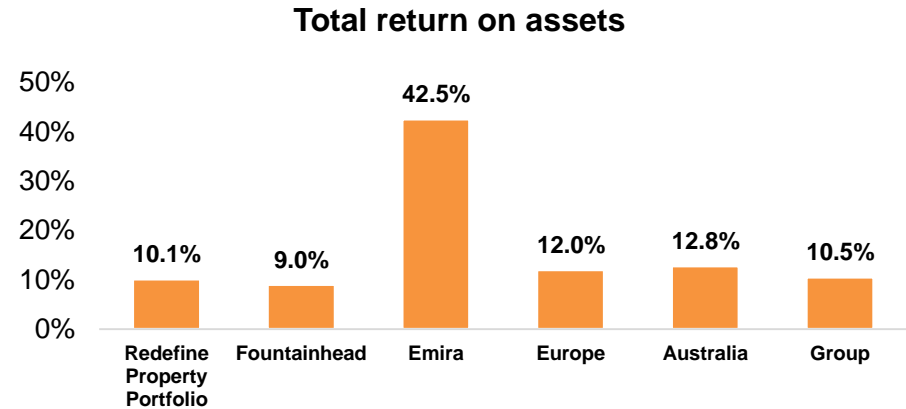
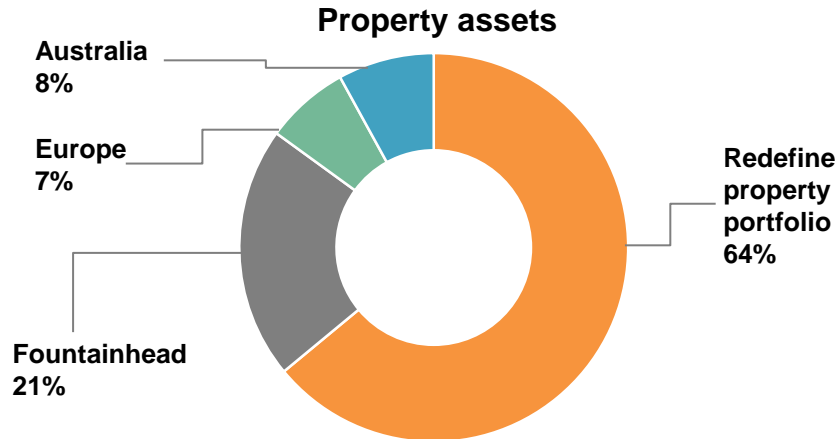


Source : Inet



ALLOCATION OF CAPITAL

Growing, diversifying and improving the platform



Total return on assets is based on 2015's net income before interest (annualised) plus changes in fair value, compared to the average value of property assets for the period

	RDF (Rm)	FPT (Rm)	Global (Rm)	Group (Rm)
H1 2015				
Acquisitions	4 297	572	562	5 431
Developments	666	165	-	831
	4 963	737	562	6 262
Underway				
Acquisitions	4 605	-	678	5 283
Developments	892	150	-	1 042
Projected 2015	10 460	887	1 240	12 587

Active asset management goes hand-in-hand with vigilant risk management

Top risks

- Downgrade of SA sovereign credit rating
- Sluggish domestic economic growth
- Transformation
- Power supply
- Inadequate service provided by local authorities
- Staff retention



LOCAL INVESTMENT STRATEGY

South Africa is a unique market with fixed lease escalations

- Strategy centred on optimising risk and reward
- Continued expansion across traditional sectors
- Focus on younger (more efficient), bigger and better quality properties
- Diversify into higher yielding student accommodation
- Opportunistic investments will be pursued where value can be unlocked or a strategic foothold is obtained to participate in corporate action
- Adding value through redevelopments high on the agenda
- Speculative developments limited to no more than 3% of property assets
- Non-core assets to be disposed of include:
 - Government tenanted office portfolio
 - Management intensive, older, inefficient properties outside three main economic hubs of SA
- Completing the Fountainhead takeover a priority
- During the period, R5.7bn was spent by Redefine and Fountainhead on expanding their property portfolios
- Whilst Redefine's focus is on acquisitions, Fountainhead is looking to expand and protect its existing assets
- Subsequent to the period end a further R5.6bn is to be invested



90 Grayston Drive, Sandton



MAJOR ACQUISITIONS

Local properties acquired



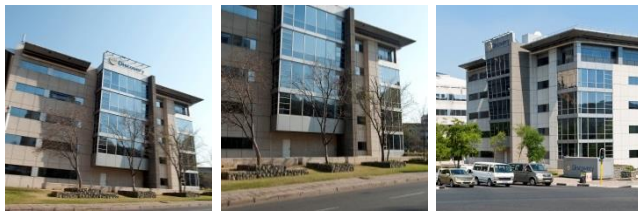
- R2.7bn portfolio
- 8.7% acquisition yield
- Triple net lease
- 8% lease escalation
- 12 year lease period with option to renew
- Redefine has protection in the event of Macsteel wishing to vacate, sell any non-core properties and change controlling shareholder
- Funded through a book-build of R1.4bn and new debt facility
- Implemented 1 Nov 2014



- R4.1bn portfolio
- 9 office properties - 3 in Cape Town have an average value of R930m
- Acquisition yield of 8%
- 8.1% average escalations
- Multi tenanted
- WALE 3.5 years
- Funded by assumed third party debt of approximately R1.8bn, R1.6bn was settled through the issue of new Redefine shares and the balance funded from existing cash resources
- Black River Park – 6 star green rating
- Commercially effective 1 Mar 2015
- Concluded 15 April 2015



- New opportunity
- R204m for 51% interest
- 4 student housing facilities offering 2 734 beds
- Acquisition yield of 10%
- Has capacity to expand
- Redefine owns properties ideally located for redevelopment
- Agreements in process of finalisation



INTERNATIONAL INVESTMENT STRATEGY

Redefine offers exposure to Australia and European markets



- Strategy centred on geographic diversification and taking advantage of attractive yield spreads
- 15% of group portfolio invested offshore – expected to grow to circa 25%
- Invest in international markets where:
 - We have local representation
 - Interests with local partners aligned
 - Economies are developed – no currency restrictions
 - Tax regime and rule of law sophisticated
- Co-invest with Redefine International and Cromwell (and other credible partners) where opportunities exceed their risk criteria
- 80% of offshore portfolio currently invested in listed securities
- During the period, R466m invested in direct property in Germany and R96m in Redefine International
- Subsequent to the period end, R294m was invested to complete the German transaction and R384m invested in Redefine International
- The 2015 investments have been funded at in-country rates of interest



*Artist Impression,
Northpoint Building Redevelopment, North Sydney*



German Portfolio

- First direct investment in Europe
- Co-investment with Redefine International due to portfolio size – €157m and takeover of existing of €100m (at a rate of 4.4%)
- 56 retail properties spread across Germany
- Acquisition yield of 7.5%
- Phase I: Redefine's equity investment €31m
- Phase II: involves debt restructure to €83m (all-in rate of 1.6%) and acquisition of additional properties – Redefine's equity outlay €22.5m
- Phase I cash-on-cash return 9.7%

Cromwell Property Group

- Acquired leading European real estate manager, for €145m – Valad
- Valad is a pan-European real estate manager operating in 13 countries
- Priced at a yield of 12%
- Earnings neutral for 2015
- NTA is expected to decrease from circa 72 Aus cents to 65 Aus cents
- Cromwell prefer commercial office property exposure in Australia
- Redefine intends to grow its direct holding over time

Northpoint Tower

- Purchased 50% in December 2013 with Cromwell
- Opportunity to significantly reposition asset
- Submitted a development application including:
 - Concept designs for a newly developed retail precinct
 - Concept designs for a AAAT rated 4.0 star, 180+ room hotel
- The redevelopment is expected to assist in developing North Sydney as an after hours destination outside of the Sydney CBD
- Construction period estimated at approximately 2 years



BLACK ECONOMIC EMPOWERMENT

Proactive steps taken to address BEE score



Redefine Empowerment Trust

- Empowerment Trust established – Redefine’s commitment to long term economic and social development
- Objectives of the Trust will be to focus on:
 - The provision of scholarships and bursaries
 - Career guidance and counselling
 - Equipment for educational institutions
 - Education enrichment and support
 - Youth leadership development
 - Community development
- The scheme is to be approved by shareholders during June
- Up to 300m Redefine shares to be issued to the Trust
- Funded by a Redefine loan bearing interest equal to the distribution accruing to the shares
- Loan estimated to be repaid over 9 years by selling shares as certain target prices are reached
- Redefine’s black ownership will be largely addressed
- The trust will exist in perpetuity – preserving capital base



Matlosana Mall, Klerksdorp



Addressing BEE integral to being a good corporate citizen

Fountainhead empowerment transaction

- Fountainhead being a PUT is not permitted to provide financial assistance for BEE initiatives
- During December 2014 Redefine agreed in principle an empowerment arrangement with broad-based Bakgatla (BBK)
- BBK is a north-west community broad-based trust
- 75 million Fountainhead units to be sold to BBK at a price of R9.19 per unit
- Transaction partly equity funded by BBK (R2 per unit)
- Balance to be debt funded supported by credit enhancement from Redefine
- Shares subject to 5 year lock-in period
- Arrangement to remain in place if Redefine is successful with Fountainhead takeover
- Redefine will score enterprise development points
- Fountainhead will benefit from black ownership
- Transaction, which was formalised earlier this year, subject to conclusion of debt funding arrangements



Centurion Mall, Gauteng



REDEFINE'S SUSTAINABILITY STRATEGY

Building a responsible business



- Redefine's sustainability strategy is built on four pillars: governance, environmental, social and economic
- A balance between these factors create the foundation upon which to create a sustainable, well-governed business
- Our efforts are focused on
 - Maintaining good relations with employees and achieving transformations objectives
 - Supporting and protecting the environment
 - Health and Safety
 - Maintaining good relations with customers
 - Preventing and combating bribery and corruption (ethical behaviour)
 - Being a good corporate citizen
- Black River Park is the first office park to be awarded an existing building 6 star green rating



OFFER FOR FOUNTAINHEAD'S ASSETS

Completion in sight of a process that began three years ago



- Swop ratio of 85 Redefine shares for every 100 Fountainhead units
- Irrevocable undertakings received from 35.7% of eligible voters
- Non-binding indications of support received from 14.3% of those capable of voting
- High probability of success:
 - Combined level of support 50%
 - 4 largest investors who previously voted against provided irrevocables
 - Regulator supportive of transaction
- Shareholder meeting to be convened during July
- If successful, implementation will be by the end of August 2015



The Boulders Shopping Centre, Gauteng

High level financial effects

(before any synergistic benefits and based on H1 2015)

	RDF investor	FPT investor
Distribution before transaction	39 cents	30.6 cents
Distribution after transaction (computed)	38.7 cents	32.9 cents
Net asset value before transaction	991 cents	771 cents
Net asset value after transaction (computed)	968 cents	823 cents





CLOSING



KEY INVESTMENT ATTRACTION

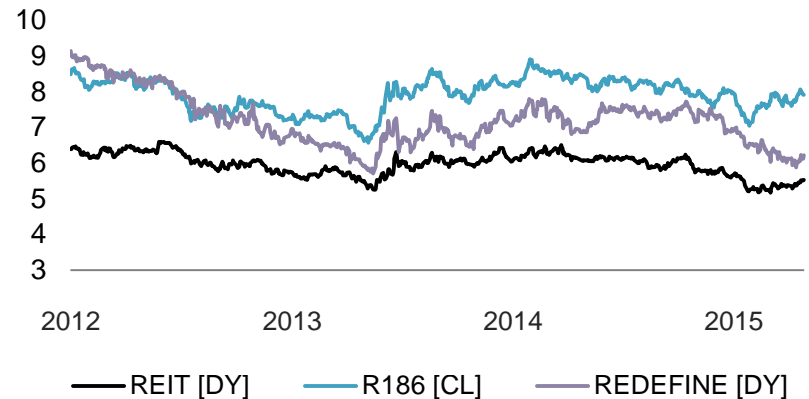
A highly liquid opportunity to invest in real estate



What sets Redefine apart

- Committed staff aligned with Redefine’s values
- Unique hands-on management approach
- Quality diversified portfolio
- Capital recycle opportunities for future growth
- Development capability with substantial pipeline
- Global diversification – Europe and Australia
- Robust balance sheet
- Agility in the conduct of business
- Platform to execute large scale transactions

Total return to February	Cents	% return
Change in price	240.0	25.4%
2014 distributions	74.5	7.9%
Total return	314.5	33.3%



International ownership	2008	2009	2010	2011	2012	2013	2014	2015
% held	1.4%	6.0%	10.1%	12.2%	14.9%	15.9%	17.5%	22.9%
Value	R86.8m	R1.1bn	R2.2bn	R2.7bn	R3.9bn	R4.8bn	R6.3bn	R10.7bn



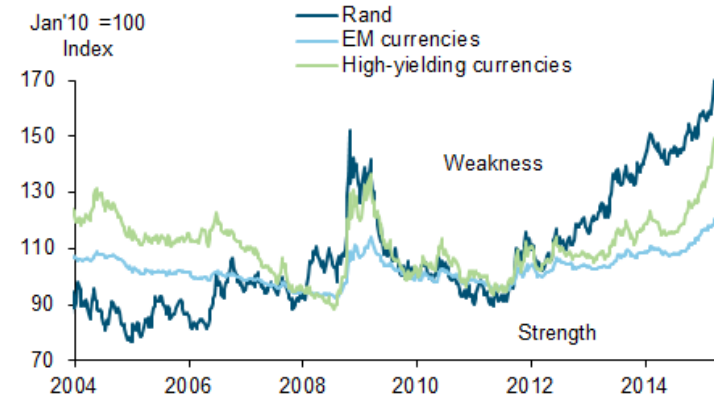
In summary

- Subdued trading environment
- Upward interest rate cycle looming
- Preservation of margins critical
- Focus on reducing vacancies
- Equity funding preferred
- Heightened risk management
- Astute execution of refined strategy

Prospects

- On track to deliver distribution growth between 7% - 7.5% for 2015
- Your continued support enables us to build the best SA REIT

ZAR and emerging market currencies vs USD



Critical issues that we need to address

- Economy
- Employment
- Energy
- Education
- Equity
- Etc...





SUPPLEMENTARY INFORMATION



IFRS DISTRIBUTABLE INCOME RECONCILIATION

Half year ended 28 Feb 2015



Revenue	Statutory IFRS (Rm)	Income adjustments (Rm)	Distributable income (Rm)	Notes
Property portfolio	3 017	(80)	2 937	
Contractual rental income	2 937	-	2 937	
Straight-line rental income accrual	80	(80)	-	Non cash entry
Listed securities income	137	-	137	
Fee income	12	-	12	
Trading income	1	-	1	
Insurance proceeds	119	(119)	-	Capital proceeds
Total revenue	3 286	(199)	3 087	
Operating costs	(1 002)	-	(1 002)	
Administration costs	(106)	-	(106)	
Net operating profit	2 178	(199)	1 979	
Changes in fair values	734	(734)	-	Preservation of capital
Amortisation of intangibles	(31)	31	-	Non cash entry
Equity accounted results of associates	281	(122)	159	Align to receipt
Profit from operations	3 162	(1 024)	2 138	
	(656)	-	(656)	
Interest paid	(784)	-	(784)	
Interest received	128	-	128	
Forex exchange gain / (loss)	(153)	152	(1)	Unrealised gain
Profit before taxation	2 353	(872)	1 481	
Taxation	(73)	35	(38)	UK REIT and deferred tax reversal
Profit for the year before distributable income adjust	2 280	(837)	1 443	
Cromwell pre-acquisition distribution		7	7	Pre-acquisition income receipt
Antecedent interest		137	137	Shares issued ranking for full period distribution
Distributable profit for the year	2 280	(693)	1 587	
Redefine shareholders	2 115	(649)	1 466	
Non-controlling interests	165	(44)	121	

ACTIVE PORTFOLIO EXPENSES

Half year ended 28 February 2015



	2015 (Rm)	2014 (Rm)	Change %
Net municipal charges	38	38	-1%
Net electricity recoveries	(11)	(13)	-16%
Operating costs	92	84	10%
Property management	59	60	-3%
Repairs and maintenance	27	27	3%
TI costs	18	15	20%
Letting commission	8	8	0%
Management fees	9	11	-19%
Bad debts	11	8	35%
Property costs	251	238	5%

ABRIDGED STATEMENT OF FINANCIAL POSITION

At February 2015



	2015 Group (Rm)	2015 Redefine (Rm)	2014 Redefine (Rm)	2014 Group (Rm)
Assets				
Investment properties	45 113	33 455	29 715	40 906
Listed securities	3 934	3 937	2 753	2 751
Goodwill and intangible assets	5 297	4 404	4 435	5 329
Interest in associates	4 751	4 751	4 173	4 173
Interest in subsidiaries	-	6 401	6 401	-
Other non-current assets	1 276	1 276	1 827	1 848
Current assets	1 863	1 656	805	993
Non-current assets held for sale	465	201	513	1 490
Total assets	62 699	56 081	50 622	57 490
Equity and liabilities				
Shareholders' interest	36 696	36 296	32 404	32 720
Non-controlling interests	3 059	-	-	3 016
Interest bearing borrowings	18 033	15 200	11 363	14 355
Deferred taxation	547	547	510	510
Other non-current liabilities	181	182	133	133
Interest bearing borrowings - current	2 948	2 948	5 151	5 401
Trade and other payables	1 235	908	1 061	1 355
Total equity and liabilities	62 699	56 081	50 622	57 490

SUMMARISED CASH FLOW

Half year ended 28 February 2015



	Redefine (Rm)	Fountainhead (Rm)	International (Rm)	2015 (Rm)	2014 (Rm)
Opening cash	72	258	21	351	359
Generated from operations	1 512	475	(348)	1 639	3 794
Net interest paid	(528)	(104)	(24)	(656)	(1 324)
Distributions paid	(1 134)	(340)	-	(1 474)	(2 309)
Surplus cash	(78)	289	(351)	(140)	520
Investments	(4 869)	393	373	(4 103)	(5 845)
Funding raised	5 086	(410)	286	4 962	5 558
Translation effects	(1)	-	(259)	(260)	118
Closing cash	138	272	49	459	351

SENSITIVITY ANALYSIS

Half year ended 28 February 2015



Event	Forecast 2015 Impact (cps)	vs 2014 %
Change in vacancy by 10 000 m ²	0.4	0.5
Increase in municipal charges by 5%	0.2	0.3
Increase in electricity cost by 5%	0.1	0.1
Bad debts increase by R5 million	0.3	0.4
All acquisitions change by one month	0.2	0.3
Change in admin costs by 5%	0.2	0.3
Change in interest rate by 50 bps	0.6	0.8
Change in Fountainhead's distribution by 1%	0.1	0.1
Change in Cromwell's distribution by 1%	0.1	0.1
Change in Redefine International's distribution by 1%	0.1	0.1
Change in ZAR / GBP exchange rate by 25 cents	0.1	0.1
Change in ZAR / AUD exchange rate by 25 cents	0.1	0.1

PORTFOLIO OVERVIEW

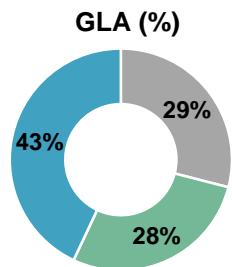
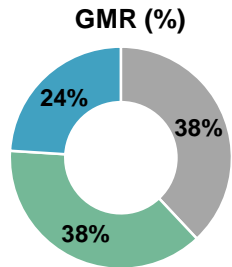
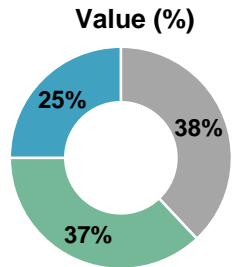
Half year ended 28 February 2015



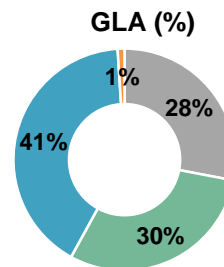
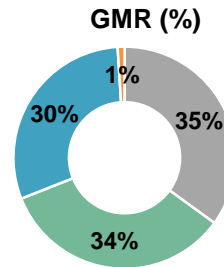
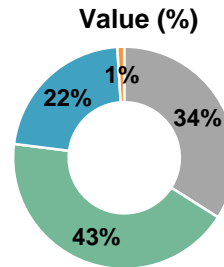
	Office	Retail	Industrial	Total
Number of properties	107	85	99	291
GLA (m ²)	1 171 802	1 128 191	1 722 213	4 022 206
Vacancy (m ²)	101 711	62 422	91 701	255 834
Vacancy %	8.7	5.5	5.3	6.4
Valuation (R'm)	12 658	12 139	8 469	33 266
Average Property Value	118	143	86	114
Value per M ² (excluding undeveloped Bulk)	10 802	10 759	4 917	120 910
Value as % of Portfolio	38	37	25	100
Average Gross Rent per m ²	111	127	43	90
Average Portfolio Rental Escalation%	7.1	7.4	7.4	7.3
GMR as % of Property Income	38	38	24	100
Tenant Retention Rate by GLA	82	91	94	89
Average Renewal Growth %	10	3	-7	2
Weighted average escalations*	8.7	7.9	8.3	8.3
Weighted average lease period by GMR (years)	4	4	7	5

*Excludes short-term leases

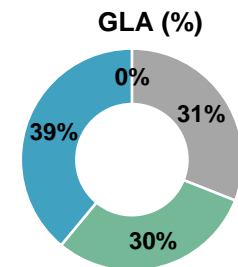
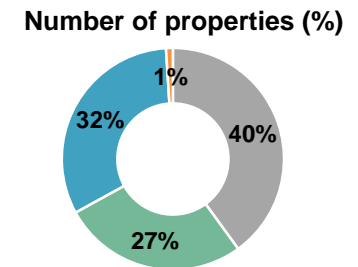
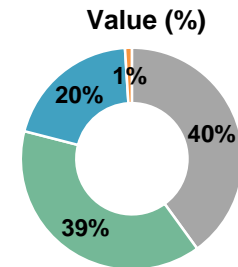
Half year ended 28 Feb 2015



Half year ended 28 Feb 2015*



Post February 2015**



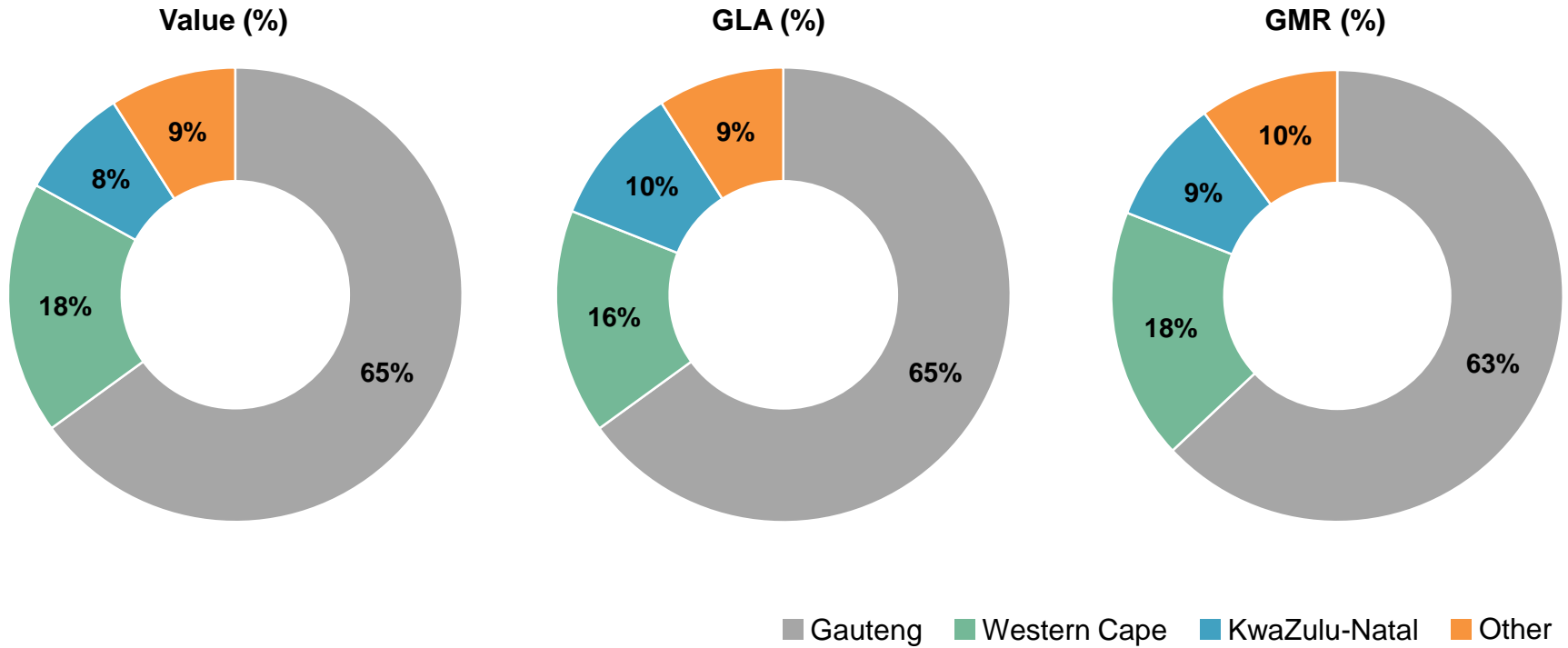
■ Office ■ Retail ■ Industrial ■ Specialised

*Includes FPT (66%)

**Includes Stoneridge, Leaf Capital, FPT (66%)

GEOGRAPHICAL SPLIT

Half year ended 28 February 2015



ACQUISITIONS AND DISPOSALS

Half year ended 28 February 2015



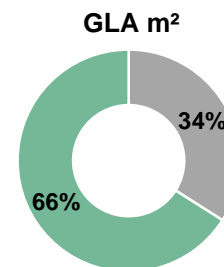
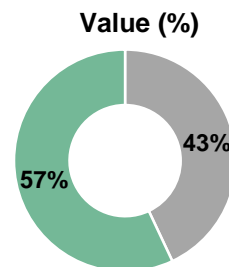
	GLA	Price (Rm)	Yield	Price/m ²
Acquisitions transferred between 1 Sept 2014 and 28 Feb 2015	576 435	R 3 000 510	8.56%	R 5 190
Acquisitions transferred or to be transferred after 28 Feb 2015	286 722	R 6 014 893	7.95%	R 17 601
Unconditional acquisitions transferred or to be transferred after 28 Feb 2015	274 587	R 4 705 177	7.81%	R 17 090
Conditional acquisitions to be transferred after 28 Feb 2015	12 135	R 1 309 716	9.87%	R 12 361
Disposals transferred between 1 Sept 2014 and 28 Feb 2015	70 920	R 592 722	9.26%	R 7 822
Disposals to be transferred after 28 Feb 2015	465 022	R 3 291 228	10.04%	R 7 078
Unconditional disposals transferred or to be transferred after 28 Feb 2015	66 352	R 250 690	6.55%	R 3 778
Conditional disposals to be transferred after 28 Feb 2015	398 670	R 3 040 538	10.33%	R 7 627

TOP 10 PROPERTIES

Half year ended 28 February 2015



Property		Sector	Region	Value (Rm)	GLA m ²
East Rand Mall	(50%)*	Retail	Gauteng	1 174	62 541
Matlosana Mall		Retail	North West	982	64 574
Golden Walk		Retail	Gauteng	834	45 129
115 West Street	(50%)*	Office	Gauteng	831	35 064
Standard Bank Centre		Office	Western Cape	800	54 143
Pepkor Isando		Industrial	Gauteng	712	107 017
Maonya Mall	(51%)*	Retail	Gauteng	684	71 406
Sammy Marks Square		Retail	Gauteng	644	34 124
155 West Street		Office	Gauteng	531	24 501
90 Grayston Drive		Office	Gauteng	478	19 559
Subtotal				7 671	518 058
Balance of portfolio				25 595	3 504 148
Total Portfolio				33 266	4 022 206
As a percentage				23	13



■ Top 10 ■ Balance of portfolio

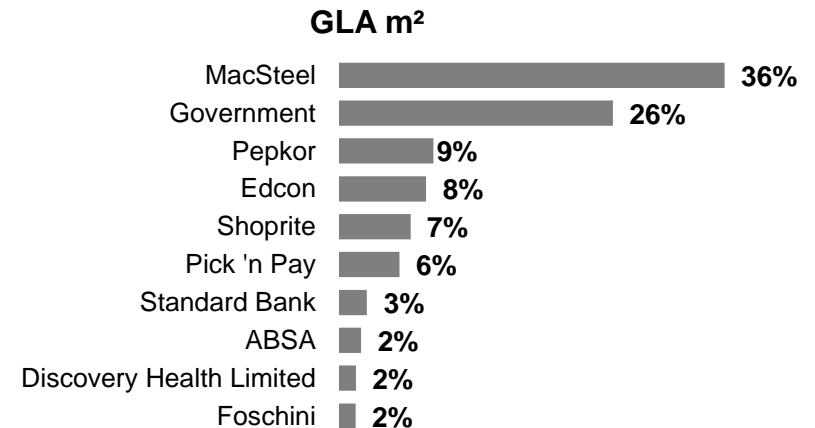
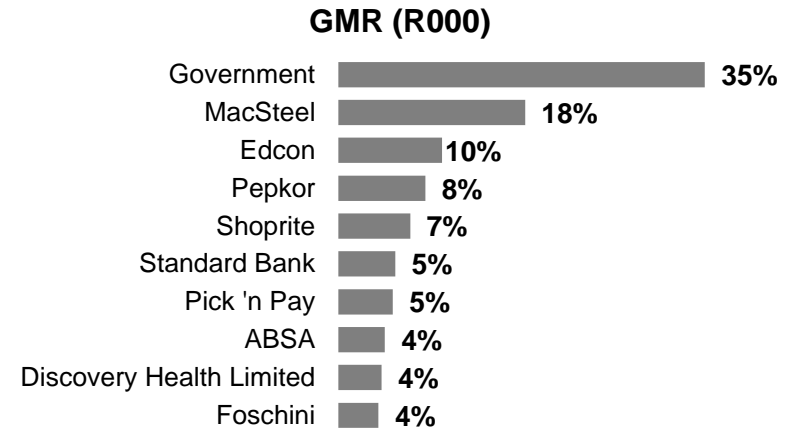
* Redefine share

TOP 10 TENANTS

Half year ended 28 February 2015



Tenant	GMR (R000)	GLA m ²
Government	38 419	396 923
MacSteel	19 583	558 676
Edcon	10 859	126 301
Pepkor	9 108	136 752
Shoprite	7 534	103 789
Standard Bank	5 961	40 534
Pick 'n Pay	5 710	87 549
ABSA	4 872	31 968
Discovery Health Limited	4 526	24 501
Foschini	4 195	23 934
Subtotal	110 766	1 530 927
Balance of portfolio	163 470	2 491 279
Grand Total	274 236	4 022 206

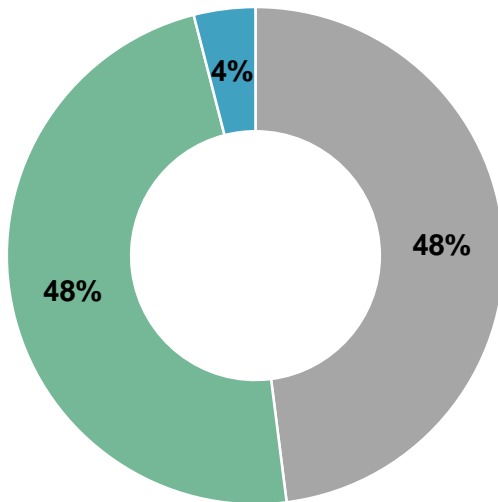


TENANT GRADE

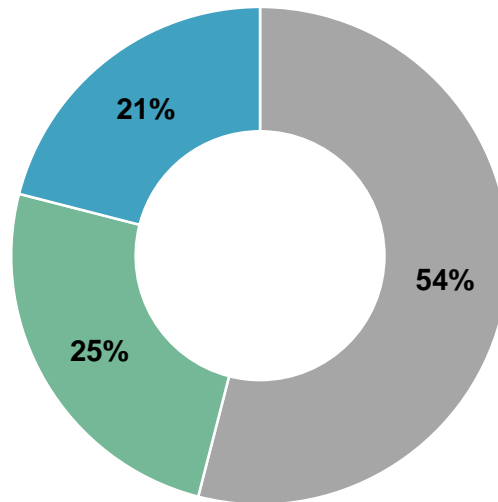
Half year ended 28 February 2015



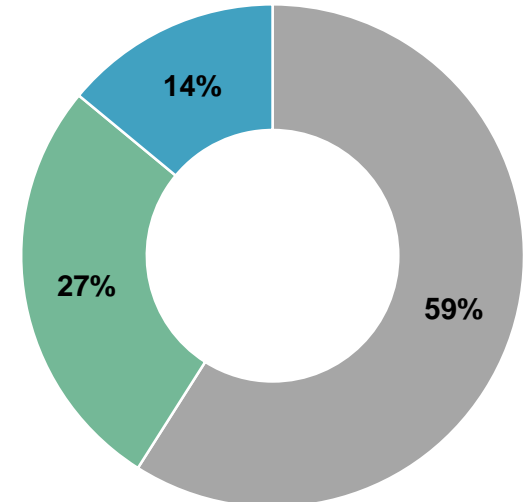
Industrial tenant grading



Retail tenant grading



Office tenant grading



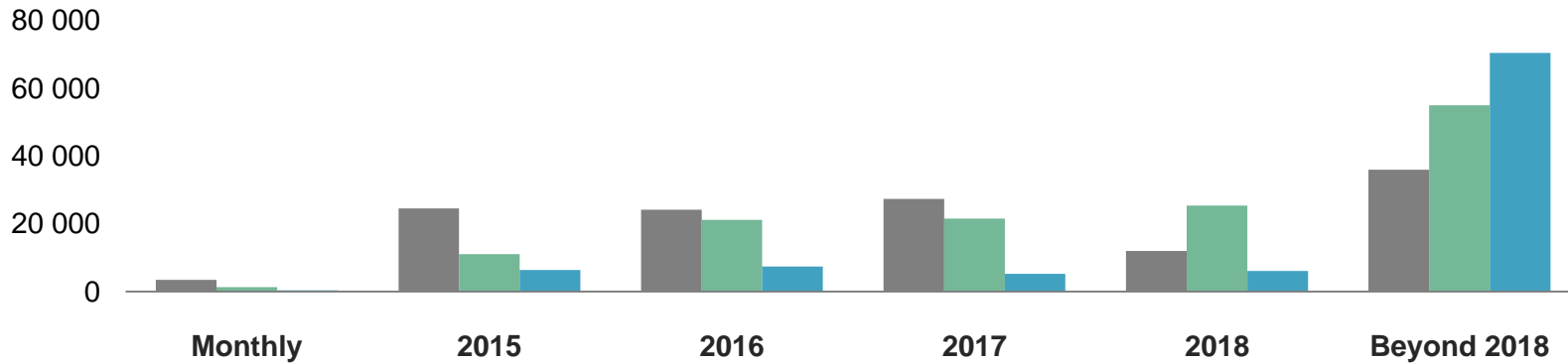
■ A ■ B ■ C

LEASE EXPIRY PROFILE

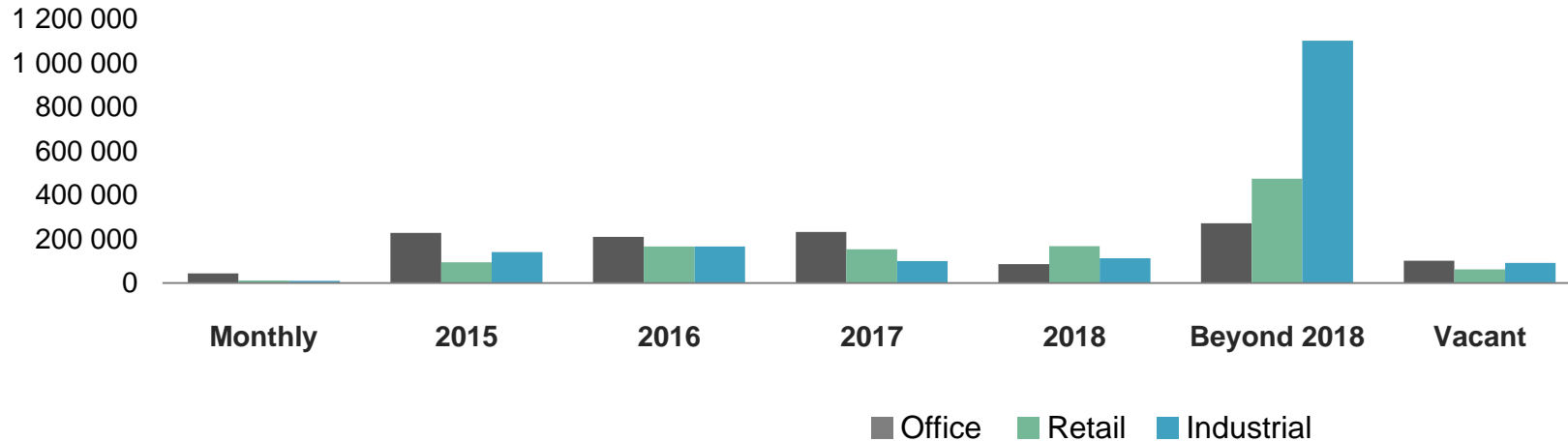
Half year ended 28 February 2015



Lease expiry profile by GMR (R000)



Lease expiry profile by GLA

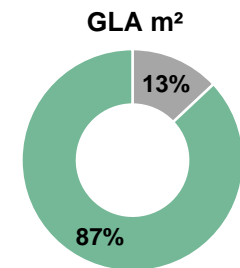
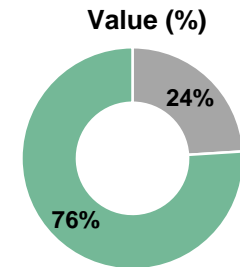


TOP 10 PROPERTIES

Half year ended 28 February 2015



Property		Sector	Region	Value (Rm)	GLA m ²
Centurion Mall	(66%)*	Retail	Gauteng	2 374	75 766
East Rand Mall	(50%)*	Retail	Gauteng	1 174	62 541
Matlosana Mall		Retail	North West	982	64 574
Golden Walk		Retail	Gauteng	834	45 129
115 West Street	(50%)*	Office	Gauteng	831	35 064
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Maponya Mall	(51%)*	Retail	Gauteng	684	71 406
Sammy Marks Square		Retail	Gauteng	644	34 124
Subtotal				9 826	586 395
Balance of portfolio				31 308	3 995 525
Total Portfolio				41 134	4 581 920
As a percentage				24	13



■ Top 10 ■ Balance of portfolio

*Redefine share and Fountainhead 66%



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PROPERTIES