



## GROWTHPOINT PROPERTIES (GRT) FACT SHEET 30 JUNE 2019

### Growthpoint offers a unique investment opportunity

- The largest and most liquid South African primary listed REIT with an average monthly value and volume traded of R4.9 billion and 202.2 million shares respectively
- 16-year track record of uninterrupted dividend growth with 6.2% compound average annual growth in distributions over the past five years
- Sustainable quality of earnings that can be projected with a high degree of accuracy
- Underpinned by high-quality, physical property assets, diversified across sectors (retail, office and industrial) and geography (South Africa, Australia, Romania and Poland)
- Best practice corporate governance with transparent reporting
- Dynamic and proven management track record
- Included in the FTSE/JSE Responsible Investment Index, Dow Jones Sustainability Index (DJSI) and FTSE4Good Emerging Index
- A JSE Top 40 Index company with a market capitalisation of R72.1 billion
- Constituent of the FTSE EPRA/NAREIT Emerging Index
- Recipient of multiple sustainability, governance and reporting awards
- Baa3 global scale and AAA.za national scale rating from Moodys
- Level 2 B-BBEE contributor

Growthpoint owns and manages a diversified portfolio of 445 properties in South Africa, 57 properties in Australia through its 66.0% holding of Growthpoint Properties Australia (GOZ) and has a 50% interest in the properties of the V&A Waterfront, Cape Town. Growthpoint also owns 60 properties in Poland and Romania, valued at EUR2.8 billion, through its 28.0% stake in London Stock Exchange (AIM) – listed Globalworth Real Estate Investments (GWI). The group's combined property assets are valued at R139.4 billion of which 30.3% by book value, are located offshore.

Committed to sustainability practices, Growthpoint has featured in national and international sustainability indices including the Dow Jones Sustainability Index and Global Real Estate Sustainability Benchmark. For ten consecutive years we have been included in the FTSE/JSE Responsible Investment Index. We are a founding member of the Green Building Council of South Africa, where we play an active leadership role. Growthpoint is the recipient of multiple sustainability, governance and reporting awards. We have been included in the FTSE4Good Emerging Index for the past three years.

Growthpoint understands transformation is essential to delivering superior value. We are committed to empowerment and promoting equal opportunity through our business and within the property industry. We are truly motivated to be a leader in transformation, and to help more businesses thrive and contribute positively to the South African economy. This is demonstrated with our achievement of a Level 2 B-BEE rating on the Property Sector Charter scorecard.

### Group Capital Management

- Good access to funding from a variety of funding sources
- Total debt of R35.2 billion with 52.8% being traditional bank debt and 47.2% from the debt capital markets
- Conservatively geared - Group LTV 36.4%
- 3.8 x interest cover for the Group
- Weighted average interest rate 9.2% or 7.1% including AUD and EUR cross currency interest rate swaps and EUR debt
- 86.5% of interest rate exposure fixed for a weighted average term of 3.6 years

### SUMMARISED FINANCIAL DATA

#### CONSOLIDATED DISTRIBUTION CALCULATION

|   | FY19<br>Rm | FY18<br>Rm |
|---|------------|------------|
| Net property income   | 8 753      | 8 610      |
| Other operating expenses  | -467       | -442       |
| Net property income after operating expenses                    | 8 286      | 8 168      |
| Finance costs   | -2 603     | -2 574     |
| Other income  | 1 352      | 1 163      |
| Adjustment for NCI, foreign exchange profit and normal taxation | -605       | -649       |
| Distributable profit  | 6 430      | 6 108      |
| Distribution for the year                                       | 6 430      | 6 108      |
| Dividend per share (cents)                                      | 218.10     | 208.6      |

#### BALANCE SHEET DATA

|                                    | FY19<br>Rm | FY18<br>Rm |
|------------------------------------|------------|------------|
| Property portfolio                 | 117 009    | 112 227    |
| RSA                                | 78 304     | 78 634     |
| GOZ                                | 38 705     | 33 593     |
| 50% Investment in V&A Waterfront   | 7 583      | 7 549      |
| 29.8% Investment in GWI            | 7 714      | 5 057      |
| 21.6% Investment in GPRE           | -          | 2 422      |
| Other property-related investments | 218        | 68         |
| Listed investments                 | 846        | 801        |
| Unlisted investment                | 96         | -          |
| Nominal borrowings                 | 49 446     | 47 385     |
| RSA                                | 35 241     | 35 152     |
| GOZ                                | 14 225     | 12 233     |
| Shareholders interest              | 74 908     | 75 273     |
| Net asset value per share (cents)  | 2 539      | 2 556      |

### STRATEGIC INTENT

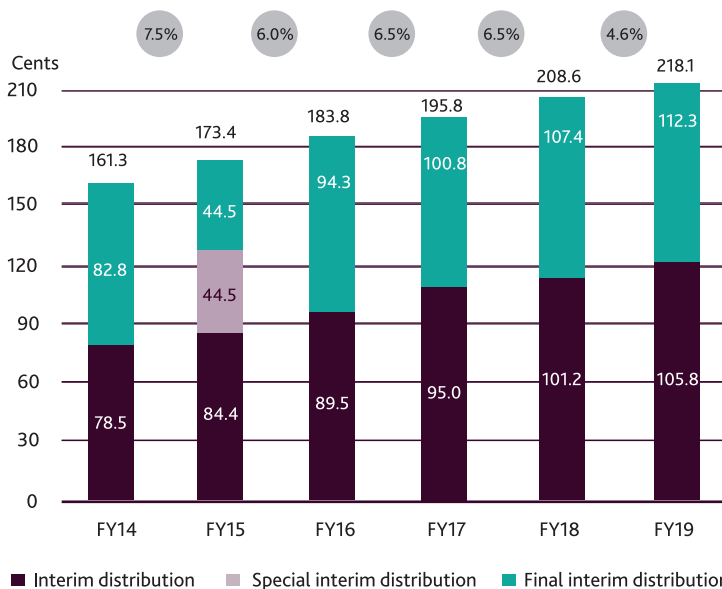
#### OUR VISION

To be a leading international property company, providing space to thrive.

#### OUR MISSION

We create value for all our stakeholders through innovative and sustainable property solutions.

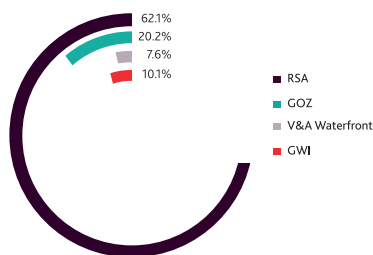
### DISTRIBUTION HISTORY



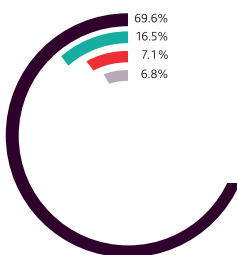


**CONSOLIDATED PORTFOLIO OVERVIEW**

**Book Value of Property portfolio**

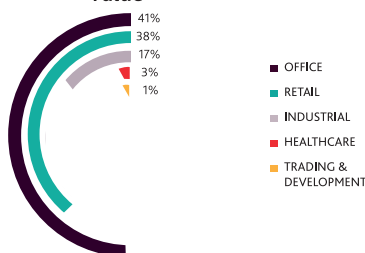


**EBIT**

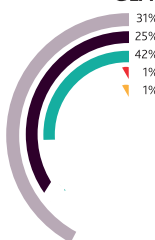


**SPLIT OF RSA PROPERTY PORTFOLIO**

**Value**



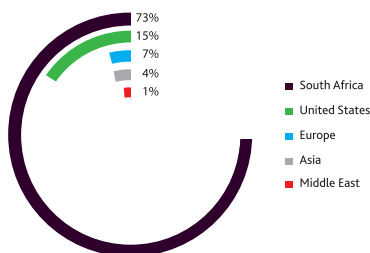
**GLA**



**SHAREHOLDERS**

JSE (Ticker: GRT)

Total Shares Issued 2 970 981 288



**GROUP EXECUTIVE MANAGEMENT & RSA EXECUTIVE MANAGEMENT FORUM**

|                       |  |
|-----------------------|--|
| Norbert Sasse         | Group Chief Executive Officer            |
| Estienne De Klerk     | RSA Chief Executive Officer              |
| Gerald Völkel         | Group Financial Director                 |
| Engelbert Binedell    | Chief Operating Officer                  |
| Rudolf Pienaar        | Chief Development and Investment Officer |
| Olive Chauke          | Executive Director Human Resources       |
| George Muchanya       | Head Corporate Finance                   |
| Dirkje Bourma         | Corporate Treasurer                      |
| Lauren Turner         | Head of Investor Relations               |
| Francois Schindehütte | RSA Chief Financial Officer              |
| David Stoll           | Regional Head Cape Town                  |
| Greg de Klerk         | Regional Head KwaZulu Natal              |
| Nadine Kuzmanich      | Head of Marketing and Communication      |
| Shawn Theunissen      | Head of Corporate Social Responsibility  |
| Errol Taylor          | Head of Industrial Asset Management      |
| Neil Schloss          | Head of Retail Asset Management          |
| Paul Kollenberg       | Head of Office Asset Management          |

**FINANCIAL CALENDAR**

|   |                     |
|---|---------------------|
| Financial year end                        | June                |
| Full-year Results                         | beginning September |
| Annual Report                             | end September       |
| Interim results for half-year to December | beginning March     |
| Distribution payments                     | September and March |

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**RSA Retail**

Growthpoint offers investment into the largest retail portfolio in South Africa with 49 properties valued at R29.9 billion with gross lettable area (GLA) of 1.4 million square metres. Shopping centres are in the metro areas of Johannesburg, Durban KwaZulu Natal, Cape Town, Rustenberg and Vereeniging. The majority of the centres are large regional malls. Top 10 tenants include The Foschini Group, Shoprite Holdings, Pepkor Holdings, Mr Price Group, Pick 'n Pay and Edcon.

**RSA Office**

Growthpoint has 172 office properties in its portfolio valued at R31.7 billion with GLA of 1.7 million square metres. Some 87% of the portfolio is A grade and B grade with green, sustainable buildings being a key focus. The top 10 tenants include Discovery Holdings, Deloitte, Transnet and Absa Bank.

**RSA Industrial**

The industrial portfolio represents the largest sector by number of properties with 219 properties in the portfolio valued at R13.7 billion with GLA of 2.3 million square metres. It is a diversified portfolio, made up of warehousing, industrial parks and mini, midi and maxi units. The top 10 tenants include The Bidvest Group, Adcock Ingram Holdings, Consolidated Steel Industries and Scania SA.

**GOZ - Australia**

GOZ is listed on the ASX with a market capitalisation of AUD\$3.3 billion. GOZ is included in the S&P/ASX 200 index. The company has 57 property assets valued at R38.8 billion, of which 26 are office and 31 industrial with 86% of the properties located in the growth states on the Eastern Seaboard. Top tenants include Woolworths, New South Wales Police, Commonwealth of Australia and Bank of Queensland.

**V&A Waterfront - South Africa**

Growthpoint acquired a 50% stake in the V&A Waterfront in 2011 together with the PIC, on behalf of the Government Employees Pension Fund, through a joint venture. The property is a mixed-use precinct that has its own management and staff. Growthpoint's 50% share in the V&A Waterfront is valued at R9.6 billion. It has 600 000 square metres bulk which is more than two thirds developed with approximately 120 000 square metres un-developed. It is the most visited destination on the African continent with USD0.60 of every USD1.00 spent in Cape Town spent at the V&A Waterfront. There is demand for space from local and international retailers and blue chip corporate tenants. Development continues and we are investigating opportunities to acquire more bulk.

**GWI - Romania and Poland**

In December 2016 Growthpoint purchased its first stake in GWI, which it increased in 2017 and, at the same time, GWI expanded its footprint to Poland through a 71.7% acquisition of GPRE. GPRE has subsequently been consolidated into GWI and Growthpoint now has a single entry point into the region through its 29.8% stake into GWI. GWI today owns 60, predominantly office properties in Romania and Poland valued at EUR2.8 billion. The assets are modern A-grade buildings let to global multi national tenants such as Google, Amazon Wipro, Hewlett Packard and Vodafone.

**Funds management**

Growthpoint is building its multi-fund management business, which raises third-party funding of up to 80% in each fund and adds gearing of around 40%. Growthpoint retains at least 20% in each fund but also earns fees of between 1% and 2% of either net asset value (NAV) or gross asset value (GAV) on 100% of the assets under management. These funds are very different from Growthpoint's existing RSA portfolio by asset type or geographic composition. It has established two funds to date: **Growthpoint Investec African Properties (GIAP)** - With Investec Asset Management and the International Finance Corporation (IFC), GIAP is in the process of investing its more than USD212 million of capital commitments in income-producing commercial real estate assets in select cities across the African continent. **Growthpoint Healthcare Property Holdings (GHPH)** - GHPH already holds five healthcare assets in South Africa valued at R2.6bn, four of which are hospitals. It has a substantial pipeline of acquisition, development and value-add opportunities.

**RSA trading and development**

Growthpoint's investment in developments for its own portfolio is capped at 10% of the RSA portfolio value. It pre-identifies projects when developing assets for third parties, as well as taking short-term, active positions in assets with the intent to trade them. Third-party trading and development is capped at 5% of the total value of the RSA portfolio. A sustainable pipeline of third-party trading and development opportunities should contribute no more than 2% of distributable income.