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**NEWLY LISTED LIBERTY TWO DEGREES  
ON TRACK TO DELIVER QUALITY SUSTAINABLE EARNINGS**

*Underpinned by a sound retail real estate portfolio and growth through capital deployment initiatives, the company is positioned to deliver quality sustainable earnings*

**16 February 2017** – Following its listing in December 2016, Liberty Two Degrees (L2D), one of South Africa's premier retail property portfolios today reported its financial results for the one month ended 31 December 2016.

**Results highlights for the period:**

- **Distribution per unit 4,85c for the one-months trading**
- **Premium to NAV of 8.9%**
- **Closing share price at 31 December up 5% to R10,50 on listing price**
- **Listing cost saving of R27 million on the estimated costs in the pre-listing statement**

As a recently listed REIT on the Johannesburg Stock Exchange (JSE) with a proud heritage spanning decades through the Liberty Group Property Portfolio, L2D is pleased to announce a distribution of 4,85c per linked unit for the period since listing.

Amelia Beattie, CEO of Liberty Two Degrees commented: **“Following the successful listing of L2D as a REIT on the JSE on 6 December 2016, we believe we are well positioned to execute on our strategy that we set out for 2017. Management believes in the strategic approach of investing in high-quality assets that remain resilient during tough economic cycles and look forward to deploying capital raised during the listing to acquisitions identified and the developments on the ground.”**

Robust income growth, unique gearing flexibility, a long track record of benchmark-beating returns coupled with an ungeared balance sheet, positions the L2D portfolio as an attractive investment opportunity in the current climate, further augmenting its growth story.

The share price at 31 December 2016 compared favourably to the listing price of R10 translating to a premium of 8.9% to NAV. The cost-to-income ratio for the portfolio was 27% for the period, and is testament to the excellent cost management quality for a portfolio of this nature.

L2D boasts a management team with extensive property experience and a sustained track record in acquiring, developing and managing some of South Africa's flagship property assets. Management remains optimistic with the quality of the underlying environments that underpin the resilience and defensive nature of the portfolio, and with the opportunity of having R2,8 billion cash available for acquisitions.



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**“Our strategy to expand our portfolio coupled with our scale, presence and location of retail assets positions L2D as one of the premier real estate investment opportunities in South Africa. The historic capital expenditure incurred to maintain the high quality of the properties provides a platform for good growth without incurring significant new capital to refresh the environments.”**  
Beattie continued

The current development pipeline includes the Eastgate Office Tower which is scheduled for completion in March 2017. Melomed Hospital, which is on track to meet the beneficial occupation date of June 2017. Leasing is progressing well at Liberty Midlands Mall and it is anticipated to be fully leased by completion in March 2018.

**“Looking at the year ahead, the objective remains to be focused on the strategy that will drive the delivery of the forecast and sustainable earnings growth.”** concludes Beattie

***ENDS***

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## **Notes to editors**

### **About Liberty Two Degrees**

Liberty Two Degrees is a portfolio created under the Liberty Two Degrees Scheme in terms of the CISCA to afford investors growth in income and capital by investing at fair prices in a balanced spread of immovable properties and related assets permitted by the Trust Deed.

The Liberty Two Degrees Scheme was registered by the Registrar of Collective Investments Schemes on 28 October 2016 and is managed by STANLIB REIT Fund Managers. Liberty Two Degrees acquired an undivided share of the Liberty Property Portfolio immediately prior to the listing.



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### **About Liberty Two Degrees' portfolio**

The portfolio is one of South Africa's iconic, predominantly retail property portfolios with interests in assets such as the Sandton City Complex, the Eastgate Complex and Melrose Arch.

The portfolio comprises predominantly retail real-estate assets in South Africa. In Johannesburg, the retail assets are an interest in the Sandton City Complex, the Eastgate Complex and Nelson Mandela Square. Two regional shopping centres; Liberty Midlands Mall in KwaZulu-Natal and Liberty Promenade Mitchells Plain in the Western Cape are also included in the portfolio as well as interests in the mixed-use precinct of Melrose Arch and the newly developed Botshabelo Mall.

The Sandton City Complex is located in the economic heartland of the country and showcases some of the most prestigious of international and domestic retailers. The attraction of its long-established iconic presence and the overall quality of the shopping experience make it irreplaceable and confers brand-value and recognition on the portfolio.

Similarly, the Eastgate Complex, with its strong history and recent upgrade, is located in a large catchment area with good access. The recently refurbished Nelson Mandela Square is also a destination centre with a good entertainment offering that complements the neighbouring Sandton City Complex. Melrose Arch's office and retail component supports its status as one of the leading mixed-use precincts in Johannesburg's high end Northern Suburbs.

Liberty Midlands Mall and Liberty Promenade Mall are large high-quality centres within regional catchment areas positioned for high growth.

In addition to the offices included in the portfolio's main retail complexes, the portfolio includes select office properties located in key business nodes with blue-chip anchor tenants. These properties include the Standard Bank Centre in Johannesburg, Liberty Centre in Century City Office Park in Cape Town and Liberty Centre in Umhlanga Ridge, Durban. Also included the John Ross Eco-Junction where the Melomed Hospital and other development opportunities provide diversification and higher yield opportunities.