



Annual Financial Results Announcement

for the year ended 31 March 2018

Steady growth drives SAFARI's portfolio to R2,85 billion

SALIENT FEATURES

- Property portfolio value increased to R2,85 billion
- Property revenue up 18% to R240 million
- Operating profit up 27% to R183.5 million
- Operating expenses 29% of property revenue
- Headline earnings per share up 9% to 47 cents
- Dividend growth 3% with distribution of 68 cents per share
- Net asset value per share 824 cents
- Vacancy rate 2%
- Third Safari retail centre in Atteridgeville (Nkomo Village) opening November 2018

PORTFOLIO GROWTH

JSE-listed retail focused REIT Safari Investments RSA Ltd ("SAFARI") records a successful financial year ended 31 March 2018. Its property portfolio has more than doubled in value from R1,3 billion since listing in 2014 to R2,85 billion. The company continues to focus on creating dominant nodes through competitive advantage in geographical locations with 91% of the portfolio in the retail sector.

RETAILERS PERFORMANCE

SAFARI's retailers continued to trade well, despite economic challenges faced by businesses and consumers. National retailers occupy 88% of the portfolio. The average trading density of retailers weighted across SAFARI's portfolio was R32,600p/m². The vacancy factor remained very low at 2% – much lower than the industry level. SAFARI's average gross rental rate of R142 p/m² continues to hold room for sustainable escalations. Operating cost was managed well at 29% of property revenue.

DEVELOPMENT OUTLOOK

SAFARI has a valuable project pipeline to extend its growth trajectory. The new 24,800m² Nkomo Village in Atteridgeville is under construction and on track to open in November 2018. A new 11,000m² prime office development on Lynnwood Road in Pretoria is in its planning phase. Together with a new acquisition underway these developments will bring the portfolio over R3 billion and total built area over 200,000m².

STRATEGY

Looking forward, SAFARI continues to focus on enhancing the quality of existing assets through its core values of innovation, improvement, and integrity. This is coupled with the application of quality hands on management. Furthermore, SAFARI intends to grow the portfolio through selective local and international acquisitions.

ABOUT SAFARI

SAFARI is a South African REIT listed on the Johannesburg Stock Exchange since 2014. It has a portfolio of premium property assets in a sustainable investment fund. The portfolio comprises retail centres, a private day-hospital, residential properties, and vacant land for future development. Its primary sector focus is retail. The strategic positioning of assets and planned acquisitions ensures that properties are optimally located within catchment areas to take full advantage of current and future growth trends. Retail centres are developed into strong regional nodes, a strategy that attracts top-quality national retailers. The company's vision is to become a leading mid-cap REIT, driving sustained growth and returns above market average through selective property investments, thereby creating value for all its stakeholders.

This is a brief announcement of the 2018 financial results as published on SENS on 27 June 2018. The information in this announcement is obtained from the information published on the website: www.safari-investments.com and investment decisions should be based on consideration of the full announcement published on SENS and the website.