

ATTACQ LIMITED

(previously Atterbury Investment Holdings Limited)
(Incorporated in the Republic of South Africa)
(Registration number 1997/000543/06)
JSE share code: ATT ISIN: ZAE000177218
("Attacq")



Creating investment opportunities.

SUBSCRIPTION FOR SHARES IN MAS REAL ESTATE INC.

1. THE TRANSACTION

Attacq has subscribed for 82 189 132 shares in MAS Real Estate Inc. (registered in the British Virgin Islands with registration number 1750199) ("MAS") in terms of a private placement of 173 987 429 new shares undertaken by MAS ("the subscription").

Attacq subscribed for the new shares through MAS' South African share register at a subscription price of R15.75 per share, equating to an aggregate subscription price of R1 294 478 829.

The subscription price was funded out of the placement undertaken by Attacq on 25 February 2014 in terms of which it raised an aggregate of R1 billion through the issue of 56.7 million new shares at a price of R17.65 per share ("the Attacq placement") and existing cash resources. Further details of the Attacq placement are set out in the announcement released on SENS on 25 February 2014.

The MAS shares were issued, listed and traded on the Alternative Exchange of the JSE Limited ("JSE") and the Euro-MTF market of the Luxembourg Stock Exchange from Thursday, 20 March 2014. The MAS shares will rank for dividends in respect for the six months ended 31 December 2013.

Following the subscription Attacq holds 131 392 152 shares in MAS, equivalent to 47.2% of MAS' shares in issue.

2. RATIONALE FOR THE ACQUISITION

Attacq's investment in MAS is a strategic investment and forms part of Attacq's international diversification strategy. MAS' strategy is to invest 70% of its funds in core, mature assets with long term leases, thus providing predictable cash flow used to pay dividends. Historically MAS has approached Attacq to co-invest in a number of developments as a strategic investment partner, thereby increasing Attacq's exposure to international developments. This additional investment in MAS is in line with Attacq's strategy to retain its offshore exposure.

3. CATEGORISATION

The subscription constitutes a category 2 acquisition in terms of the JSE Listings Requirements and accordingly does not require approval by Attacq shareholders.

4. FINANCIAL EFFECTS

The *pro forma* financial effects, set out in the table below, have been prepared for illustrative purposes only, to provide information on how the subscription may have impacted on the historical financial results of Attacq for the six months ended 31 December 2013. Due to their nature, the *pro forma* financial effects may not fairly present Attacq's financial position, changes in equity, results of operations or cash flows after the subscription.

The *pro forma* financial effects have been prepared in accordance with Attacq’s accounting policies and in compliance with IFRS.

The *pro forma* financial effects of the subscription and the Attacq placement on Attacq’s basic earnings per share and diluted basic earnings per share and headline loss per share and diluted headline loss per share for the six months ended 31 December 2013 and net asset value per share and net tangible asset value per share as at 31 December 2013 are set out in the table below.

| | Before (cents) | <i>Pro forma</i> after (cents) | Percentage change (%) |
|---|---------------------------|---|--------------------------------------|
| Basic earnings per share | 68.1 | 71.0 | 4.3% |
| Diluted basic earnings per share | 68.0 | 70.9 | 4.3% |
| Headline loss per share | (14.9) | (13.5) | 9.4% |
| Diluted headline loss per share | (14.9) | (13.4) | 10.1% |
| Net asset value per share | 1 289 | 1 331 | 3.3% |
| Net tangible asset value per share | 1 228 | 1 275 | 3.9% |
| Weighted average number of shares in issue* | 524 687 572 | 581 344 796 | 10.8% |
| Diluted weighted average number of shares in issue* | 526 050 170 | 582 707 394 | 10.8% |
| Actual number of shares in issue* | 580 416 250 | 637 073 474 | 9.8% |

* Net of treasury shares

Notes and assumptions:

1. The amounts set out in the “Before” column have been extracted, without adjustment, from the reviewed condensed consolidated financial results of Attacq for the six months ended 31 December 2013.
2. Attacq subscribed for 82 189 132 MAS shares for an aggregate subscription price of R1 294 478 829, in terms of the MAS placement referred to above.
3. The above subscription for MAS shares and the Attacq placement are assumed to have been implemented on 1 July 2013 for the statement of comprehensive income purposes and on 31 December 2013 for statement of financial position purposes.
4. R1.0 billion of the aggregate investment is assumed to have been funded through the Attacq placement and the balance through existing cash resources.
5. During the six months ended 31 December 2013, Attacq increased its holding in MAS from 21.1% to 23.9% on 20 November 2013 pursuant to the Artisan transaction and thereafter to 47.2% on 20 December 2013 pursuant to the Karoo transaction, further details of which were disclosed in Attacq’s prospectus issued on 4 October 2013 and subsequent announcements

released by MAS. Accordingly it has been assumed that Attacq equity accounted for a 47.2% interest in MAS for the full six months ended 31 December 2013, after adjusting for the effects of the post-tax profit and the post-tax loss realised by Attacq on the Artisan and the Karoo transactions respectively. The net income from associate for MAS for the six months ended 31 December 2013 was calculated by subtracting MAS' total comprehensive income as set out in its interim consolidated reviewed financial statements for the four months ended 30 June 2013, as published on SENS on 18 July 2013, from MAS' total comprehensive income as set out in its interim consolidated unaudited financial statements for the ten months ended 31 December 2013, as published on SENS on 27 January 2014. An average exchange rate of EUR1.00: ZAR13.525 for the six months ended 31 December 2013 was used to translate MAS' results from EUR to ZAR.

6. All statement of comprehensive income adjustments have a continuing effect.

20 March 2014

Corporate advisor and sponsor

JAVACAPITAL