



ATTACQ
INVEST • DEVELOP • GROW

PRE-CLOSE UPDATE

December 2018

STRATEGY UPDATE

Our focus for FY19 continues to be:

- Our four key value drivers
 - › South African Portfolio
 - › Developments at Waterfall
 - › Investment in MAS
 - › Rest of Africa Retail Investments
- DEPS and DEPS growth
- Reducing our LTV and increasing our ICR
- Recycling capital



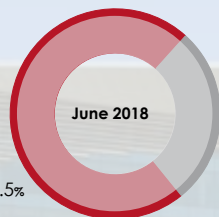
Mall of Africa sculptures

NOTES

SOUTH AFRICAN PORTFOLIO



Gateway West



SOUTH AFRICAN PORTFOLIO **R21.1 bn assets**
DISTRIBUTABLE EARNINGS PER SHARE **45.7 cps**

South Africa: Gauteng, North West and Western Cape

- **Our retail and mixed-use precincts**
 - › Mall of Africa, Waterfall City
 - › Lynnwood Bridge precinct, including Glenfair Boulevard, Pretoria
 - › Garden Route Mall, George
 - › MooiRivier Mall, Potchefstroom
 - › Eikestad precinct, Stellenbosch
 - › Newtown precinct, Johannesburg, 50.0% interest
 - 1. Brooklyn Mall, Pretoria, 25.0% interest
- **Our top Waterfall office and mixed-use buildings by value**
 - › PwC Tower, 75.0% interest
 - › Cell C Campus
 - › Transnet
- **Our top Waterfall industrial buildings by value**
 - › Amrod
 - › Massbuil Distribution Centre
 - › BMW Group SA Regional Distribution Centre

NOTES

SOUTH AFRICAN PORTFOLIO



VACANCIES	30 Sept 2018 50.0% Newtown Precinct*		30 Sept 2018 100.0% Newtown Precinct*		30 June 2018 100.0% Newtown Precinct*	
Retail	3.3	10 719	3.8	12 783	2.8	9 170
Office and mixed-use	10.5	29 562	10.2	30 808	15.3	44 944
Light industrial	-	-	-	-	5.3	8 518
Hotel	-	-	-	-	-	-
Portfolio vacancy	4.7	40 281	5.4	43 591	7.8	62 632
• Waterfall		4 795		4 795		20 930
• Balance of portfolio		35 486		38 796		41 702

2 Eglin, Sunninghill: 20 525 m²

Vacancies filled mainly relate to Gateway West and the Dis-Chem warehouse

* From 1 July 2018, Newtown Precinct is no longer consolidated, but equity accounted due to the asset management function being taken over by our co-shareholders. Attacq has a 50.0% shareholding in the companies holding the Newtown Precinct

NOTES

SOUTH AFRICAN PORTFOLIO CONTINUED



Trading density and rent to turnover ratios

MALL	Trading density*			Rent to turnover**		
	12 month average Sept 2018	12 month average Sept 2017	Growth %	12 month average Sept 2018	12 month average Sept 2017	Growth %
Mall of Africa	2 904	2 586	12.3	9.1	9.7	(6.2)
Lynnwood Bridge	5 099	4 951	3.0	5.3	4.9	8.2
Glenfair Boulevard	4 946	4 924	0.4	5.4	5.0	8.0
Waterfall Corner	3 469	3 409	1.8	5.0	4.9	2.0
Garden Route Mall	2 653	2 539	4.5	6.6	6.5	1.5
Brooklyn Mall	2 971	2 940	1.1	10.5	10.2	2.9
MooiRivier Mall	2 576	2 472	4.2	6.4	6.2	3.2
Eikestad Precinct	2 530	2 381	6.3	6.9	6.7	3.0
Newtown Junction	1 563	1 488	5.0	8.6	9.4	(8.5)
Weighted average based on effective PGLA incl. 50.0% of Newtown Junction	2 897	2 727	6.2	7.6	7.7	(1.4)

* Reported turnover divided by reported primary gross lettable area

** Gross rental income divided by reported turnover

^ From 1 July 2018, Newtown Precinct is no longer consolidated, but equity accounted due to the asset management function being taken over by our co-shareholders. Attacq has a 50.0% shareholding in the companies holding the Newtown Precinct

NOTES

SOUTH AFRICAN PORTFOLIO **EDCON RESTRUCTURE**



MALL	Effective share %	Effective PGLA before restructure	Edgars	Jet	M.A.C.	CNA	Effective PGLA as at 1 Nov 2018
Brooklyn Mall	25.0	1 893	1 393	-	-	195	1 587
Eikestad Precinct	80.0	1 793	-	-	-	238	238
Garden Route Mall	100.0	4 796	3 500	799	-	497	4 796
MooiRivier Mall	100.0	4 955	3 534	1 013	-	408	4 955
Glenfair Boulevard	100.0	223	-	-	-	223	223
Mall of Africa*	80.0	13 855	10 082	1 114	61	443	11 701
Newtown Junction	50.0	1 747	1 334	413	-	-	1 747
		29 261	19 843	3 339	61	2 003	25 246

Effective rental income before restructure (annual)	R48 480 222
Effective rental income after restructure* (annual)	R33 123 189

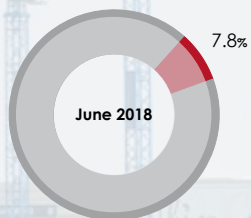
* Restructure not yet complete. Attacq is in the final stages of negotiation with a national tenant for a portion of the Edgars space at the Mall of Africa

NOTES

DEVELOPMENTS AT **WATERFALL**



Deloitte head office under construction



WATERFALL DEVELOPMENT **R2.3 bn assets**
DISTRIBUTABLE EARNINGS PER SHARE **(1.4 cps)**

South Africa: Gauteng

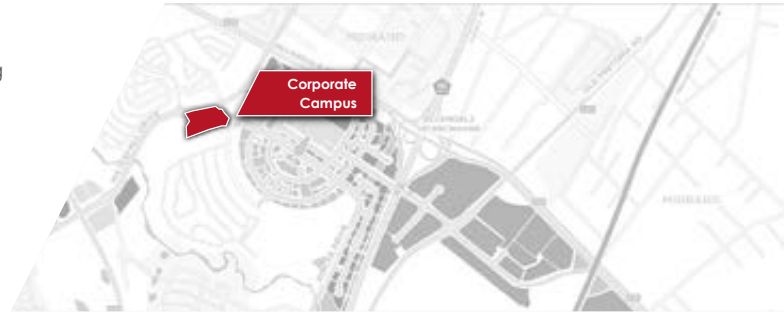
- **Waterfall City**
 - › Deloitte head office, 50.0% interest
 - › Waterfall Point
 - › Waterfall Corporate Campus, 50.0% interest
 - › The Ingress
 - › The Atria, 50.0% interest
- **Waterfall Logistics Hub**
 - › Cummins South Africa's regional office, 50.0% interest
 - › Pirtek warehouse
 - › Superga/Kappa warehouse
 - › Midi warehouse
 - › Zimmer Biomet warehouse, 50.0% interest
- **Development rights, infrastructure and services**
- **Attacq Sanlam joint venture**

NOTES

COMMERCIAL DEVELOPMENT COMPLETED

Waterfall Corporate Campus – Accenture

- Second of six buildings completed during **Quarter 2 FY19**
- **3 874 m² PGLA**
- Land parcel 10b
- Fully tenanted by **Accenture**
- Lease commencement date: **1 December 2018**
- Targeting **GBCSA four star** by design and as built



NOTES

COMMERCIAL DEVELOPMENT UNDER CONSTRUCTION

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The Ingress

- PGLA: **±23 000m²**
- Land Parcel 10
- **Five** buildings, phased development
- Phase I consists of two buildings
- Building 1 leased by **PSG Wealth**, lease commencement date: **1 August 2019**
- Phase I estimated date of completion: **Quarter 1 FY20**
- Designed to meet **four star GBCSA** certification



NOTES

INDUSTRIAL DEVELOPMENT UNDER CONSTRUCTION

Zimmer Biomet

- PGLA: **±4 000m²**
- Land Parcel 8
- Segment: **light industrial**
- Estimated completion date: **Quarter 4 FY19**
- **50.0% joint venture** with Sanlam Properties
- Lease commencement date: **1 June 2019**



NOTES

PIPELINE FOR DEVELOPMENTS AT WATERFALL



COMMERCIAL

- **Waterfall Corporate Campus:** lease for building five signed
- **The Atria:** mixed-use precinct including four star hotel
- **City Lodge extension** of 50 additional rooms (1 181 m²)
- **Ellipse phase I:** approximately 250 residential units

INDUSTRIAL

- In process of **designing four new spec midi units** based on success of our current midi unit development
- **Engaging with tenants** on a further **150 000 m²** of new developments
- We are planning the **infrastructure** for the first phase of **Waterfall Junction** (Attacq Sanlam joint venture)



NOTES

WATERFALL MASTER PLAN



- **K60 – connecting east to west**
- Estimated completion date: **Quarter 4 FY22**
- With the agreement with the Gauteng Department of Transport to develop the **K60 through Waterfall**, access to Waterfall will be significantly improved



NOTES

INVESTMENT IN MAS



Militari Shopping Centre, Bucharest



NOTES

INVESTMENT IN MAS



- **Acquired** Flensburg Galerie, a **25 540 m² shopping centre** located in Flensburg, Germany, in line with MAS' investment strategy of expanding the German portfolio through the selective acquisition of good quality assets where there is potential to unlock further value
- **MAS FY18 final dividend received in October 2018 – R97.3 million**

HEDGING OF DIVIDENDS	AMOUNT HEDGED Rm
75.0% of our expected FY19 MAS interim dividend (receivable in Attacq's FY19) at a fixed rate of R17.99	81.6
50.0% of our expected FY19 MAS final dividend (receivable in Attacq's FY20) at a fixed rate of R18.77	65.0

NOTES

REST OF AFRICA **RETAIL INVESTMENTS**



Ikeja City Mall, Nigeria

June 2018
3.8%

REST OF AFRICA RETAIL INVESTMENTS **R1.1 bn assets**
DISTRIBUTABLE EARNINGS PER SHARE **6.0 cps**

Ghana, Nigeria and Zambia
As at 30 June 2018, Attacq holds

- 31.8% interest in **AttAfrica Limited** (AttAfrica): R787.4 m
- 25.0% interest in **Ikeja City Mall**: R305.2 m

NOTES

REST OF AFRICA **RETAIL INVESTMENTS**



- Game opened in West Hills Mall (October 2018) and Achimota Retail Centre (November 2018), Well received in both locations
- Continuing to explore opportunities with our fellow shareholders to introduce liquidity into the AttAfrica portfolio

ASSET	GLA m ²	Attacq share %	ANNUAL FOOTCOUNT millions		VACANCY %	
			Sept 2018	June 2018	Sept 2018	June 2018
Accra Mall	21 311	15.0	7.2	7.2	6.7	6.8
West Hills Mall	28 272	14.3	5.4	5.4	12.1	10.4
Achimota Retail Centre	15 534	23.9	5.9	5.9	2.3	1.9
Kumasi City Mall	18 604	23.9	6.3	6.2	11.2	13.0
Manda Hill Mall	42 002	15.9	10.6	10.7	3.4	4.1
Ikeja City Mall	22 223	25.0	7.8	7.8	6.3	3.1

Data provided at 100.0% level

NOTES

INTEREST-BEARING DEBT



	Sept 2018	June 2018
Interest-bearing debt (gross)	R10.2 billion	R11.1 billion
• South African debt	R8.7 billion	R9.7 billion
• Euro debt	R1.5 billion	R1.4 billion
Total hedged as a % of total committed facilities	100%	95%
• South African debt	102%	105%
• Euro debt	55%	57%
Average cost of debt	8.8%	8.7%
• South African debt	9.9%	9.9%
• Euro debt	2.3%	2.3%

From 1 July 2018, Newtown Precinct is no longer consolidated, but equity accounted due to the asset management function being taken over by our co-shareholders. The majority of the reduction in interest-bearing debt is as a result of this change in accounting treatment.

NOTES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Second year of being included in the FTSE/JSE Responsibility Index (FTSE4GOOD)

PILLAR	RATING OUT OF 5.0
Environment	2.5
Social	3.2
Governance	5.0
Overall ESG rating (threshold is 2.5 or above)	3.5

Environmental

- The Mall of Africa photovoltaic system is performing to designed expectations

Human capital

- Building on our development team with two new senior development managers:
 - **Martin du Plessis**
 - › Joined September 2018
 - › Holds a master's degree in architecture
 - › Previously worked at Abland (3 years)
 - › International exposure (Hong Kong, China, Macau and Malaysia)
 - **Thomas Fuller**
 - › Joined November 2018
 - › Qualified as a professional quantity surveyor
 - › Previously worked at Investec (9 years) and Davis Langdon (7 years)



NOTES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

- Our Attacq Foundation's mission is to be a driver of **change** through **education and training** within the communities that we operate in
- **3rd Property Point intake in April 2018**
 - › In the last quarter under review companies on the Attacq Property point Enterprise Development intake realised a combined revenue of R5.9 million, creating 17 full time equivalent jobs



- **Ukukhula horticulture learnership training – September 2018**
 - › 70 Learners are on the Attacq Ukukhula (Growth) Horticulture Learnership for 12 months



NOTES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED



Feedback on AGM held on 15 November 2018

- General authority to issue equity securities for cash
- Control over unissued shares
- Endorsement of remuneration policy of the company

Rank	Beneficial holder	% September 2018	% June 2018
1	Coronation Fund Managers	14.25	14.36
2	Government Employees Pension Fund	8.40	8.34
3	Sanlam Group	7.55	9.27
4	Royal Bafokeng Holdings (Pty) Ltd	5.53	5.53
5	Prudential	4.40	4.13
6	Vanguard	3.65	3.04
7	Alexander Forbes Investments	3.20	3.02
8	Investec	2.76	2.64
9	Allan Gray	2.64	2.51
10	Old Mutual Group	2.15	1.97

NOTES

ATTACQ AWARDS

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- **SAPOA award** for best corporate development – **PwC Tower**, Waterfall City and best industrial development – **BMW Group South African regional distribution centre**, Waterfall Logistics Hub
- **MSCI South Africa real estate awards – 2018** for best performing property fund in the office and industrial sectors over three years, based on annualised return
- Three awards in the **South African Council of Shopping Centres (SACSC) Footprint marketing awards**

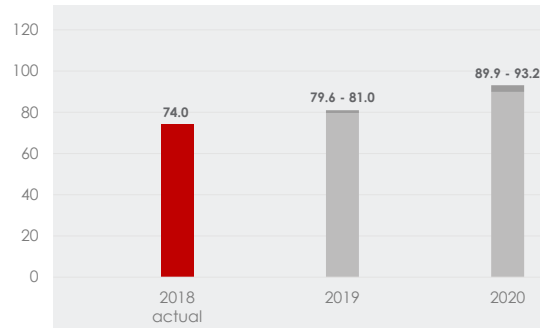


NOTES

LOOKING AHEAD

- Trading densities
- Cost of occupancy
- Securing new tenants
- Further improving interest cover ratio
- Recycling assets
- Commence with Ellipse residential
- Guidance remains*
 - › 7.5% to 9.5% for FY19
 - › 13.0% to 15.0% for FY20

Distribution guidance (cents)



* The guidance has not been reviewed or reported on by Attacq's auditors

Mall of Africa



NOTES

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NOTES

CORPORATE INFORMATION



1 Independent Non-Executive Directors

P Tredoux (Chairman)
HR El Haimer (Lead independent)
MM du Toit
IN Mkhari
KR Maloko
BT Nagle
S Shaw-Taylor
JHP van der Merwe

2 Executive Directors

M Hamman (CEO)
R Nana (CFO)
JR van Niekerk (COO)

3 Company Secretary

T Kodde

4 Attacq Limited

(Incorporated in the Republic of South Africa)
(Registration number 1997/000543/06)
JSE share code: ATT ISIN: ZAE000177218
(Approved as a REIT by the JSE)
(Attacq or the company or the group)

5 Registered office

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37 Magwa Crescent
Waterfall City
2090

6 Postal address

PostNet suite 016
Private Bag X81
Halfway House
1685

7 Transfer Secretaries

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue,
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

8 Sponsor

Java Capital

9 Company contact details

Head of Investor Relations: B Botha
Landline number: 087 845 1112
brenda@attacq.co.za

NOTES



The First Luxury Apartments in Waterfall City

Inspired by the idea of creating something truly spectacular and exciting for Waterfall, we designed Ellipse, a majestic development that raises the benchmark for luxury living and design.

KENT
GUSH

Sales: 0861 882 882
Email: sales@ellipsewaterfall.co.za
Website: www.ellipsewaterfall.co.za

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TRICOLT

A photograph of the Mall of Africa building at dusk. The building features a large sign that reads "MALL OF Africa" in a stylized font. The sky is a mix of purple and blue, and the building's lights are on. In the foreground, there is a curved walkway and a pool of water reflecting the building and sky. The image is partially overlaid with a grey geometric pattern on the left side.

MALL OF Africa

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