

## **HYPROP INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 1987/005284/06)

JSE share code: HYP ISIN: ZAE000190724

(Approved as a REIT by the JSE)

(“**Hyprop**” or “**the company**”)



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### **DIVIDEND: TAX TREATMENT AND SALIENT DATES**

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Shareholders are referred to Hyprop’s condensed consolidated interim results for the six months ended 31 December 2018, released on SENS on Friday, 1 March 2019, and in particular, the notification of a gross dividend payment of 385,55078 cents per share (“**the dividend**”) referred to therein, and are advised as follows:

In accordance with Hyprop’s status as a REIT, shareholders are advised that the dividend meets the requirements of a “qualifying distribution” for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 (“**Income Tax Act**”). The distribution on the shares will be deemed to be a dividend for South African tax purposes, in terms of section 25BB of the Income Tax Act.

The dividend received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT. This dividend is, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders provided the following forms to their Central Securities Depository Participant (“**CSDP**”) or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

- a) a declaration that the dividend is exempt from dividends tax; and
- b) a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

Dividends received by non-resident shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Assuming dividend withholding tax will be withheld at a rate of 20% (unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (“**DTA**”) between South Africa and the country of residence of the shareholder), the net dividend amount due to non-resident shareholders is 308,44062 cents per share. A reduced dividend withholding rate in terms of the applicable DTA, may only be relied upon if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

- a) a declaration that the distribution is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform their CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident shareholders are advised to contact their CSDP, broker or the company, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the distribution if such documents have not already been submitted, if applicable.

The dividend is payable to Hyprop's shareholders in accordance with the timetable set out below:

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	<b>2019</b>
Last day to trade <i>cum</i> dividend	Monday, 18 March
Shares trade <i>ex</i> dividend	Tuesday, 19 March
Record date	Friday, 22 March
Payment date	Monday, 25 March

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Shareholders may not dematerialise or rematerialise their shares between Tuesday, 19 March 2019 and Friday, 22 March 2019, both days inclusive. Payment of the dividend will be made to shareholders on Monday, 25 March 2019. In respect of dematerialised shareholders, the dividend will be transferred to the CSDP accounts/broker accounts on Monday, 25 March 2019. Certificated shareholders' dividend payments will be deposited on or about Monday, 25 March 2019.

Shares in issue at the date of declaration of dividend: 255 894 516  
Hyprop's income tax reference number: 9425177715.

1 March 2019

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Sponsor

The logo for JAVACAPITAL, featuring the word "JAVACAPITAL" in a bold, sans-serif font. A blue horizontal line is drawn across the letters "A", "V", and "C".