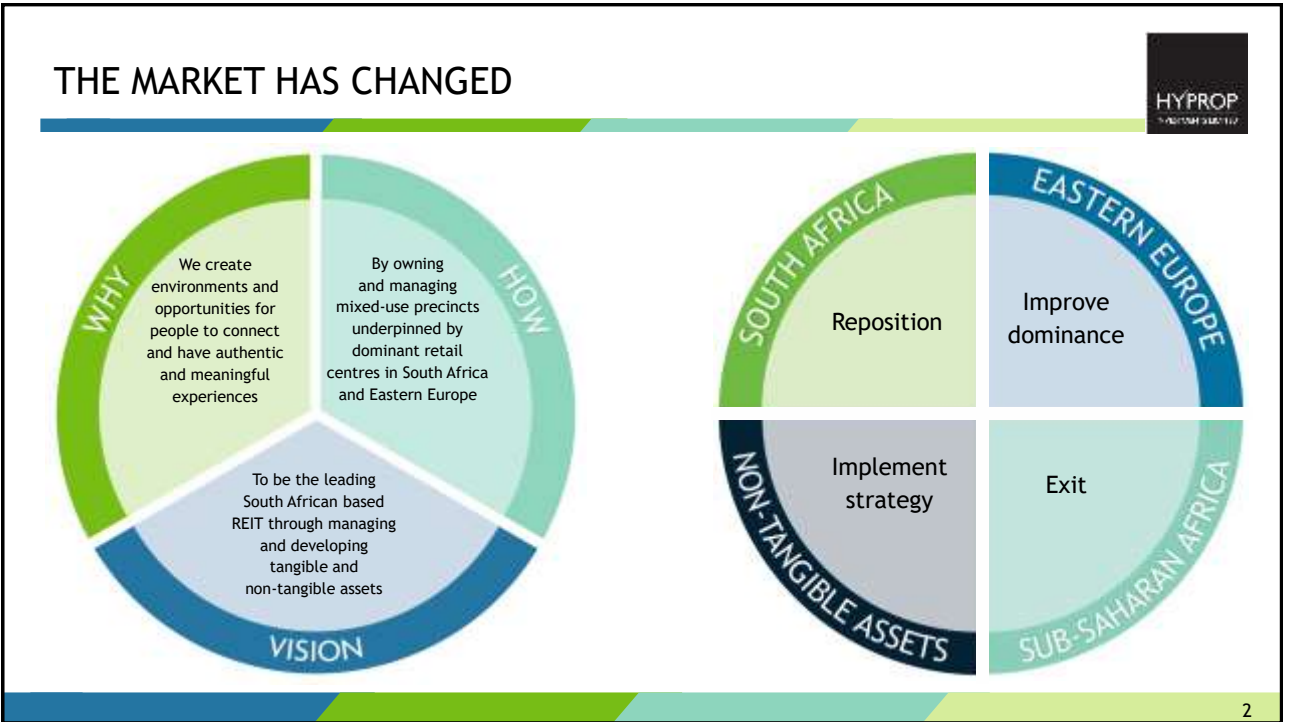




1



2

# AGENDA



HEADLINES & KEY METRICS

SOUTH AFRICA R

EASTERN EUROPE €

SUB-SAHARAN AFRICA \$

FINANCIAL RESULTS

PRIORITIES & GUIDANCE

# HEADLINES



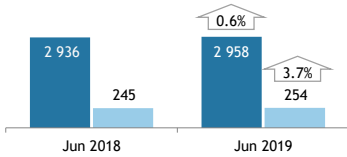
SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	GROUP
<p>↑ <b>6.5%</b> Distributable income (yoy)</p>	<p>↑ <b>13.5%</b> Distributable income (yoy)</p>	<p>Take control of asset management</p>	<p>Revised strategy</p>
<p><b>0.8%</b> Vacancies reduced</p>	<p><b>&lt;0.5%</b> Vacancies reduced</p>	<p>Significant reduction of exposure</p>	<p>↓ <b>1.5%</b> Distribution per share</p>
<p>Disposal of last non-core asset <b>Lakefield</b></p>	<p><b>12 000 m<sup>2</sup></b> Hyper conversion at The Mall, Sofia</p>	<p><b>R1.46bn</b> Investments impaired</p>	<p>Strong liquidity <b>R8.5 bn</b> Debt refinanced/raised</p>

# KEY METRICS



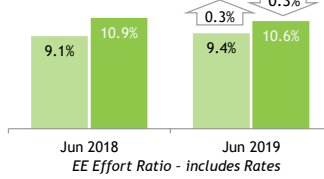
## Trading density - Rate / m<sup>2</sup>

■ South Africa - R ■ Eastern Europe - €



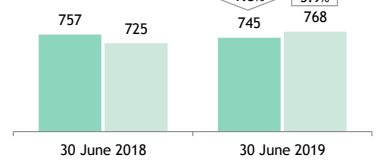
## Rent ratio SA and effort ratio EE

■ South Africa ■ Eastern Europe



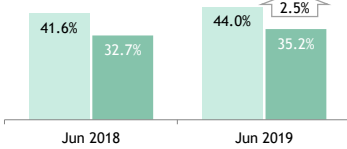
## Distribution - cps

■ Group ■ Excl Africa

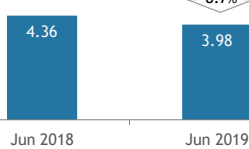


## Loan-to-value - %

■ Moody's ■ Hyprop

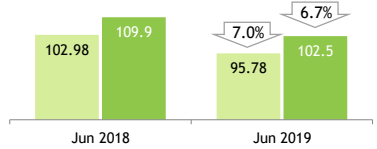


## Interest Cover Ratio (ICR)



## NAV per share - R

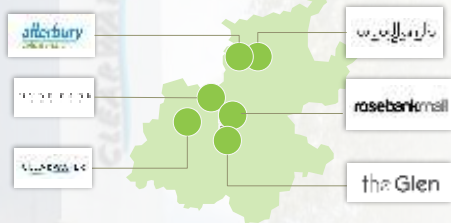
■ IFRS ■ Adjusted - see through



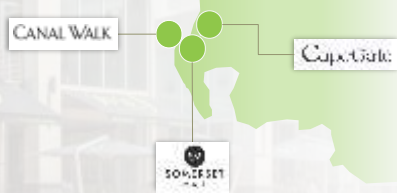
# SOUTH AFRICA

- Assess and reposition malls
- Increase trading densities
- Increase non-GLA revenue

## GAUTENG REGION

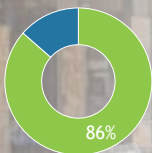


## WESTERN CAPE REGION



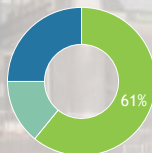
### DISTRIBUTABLE INCOME

R1 695m

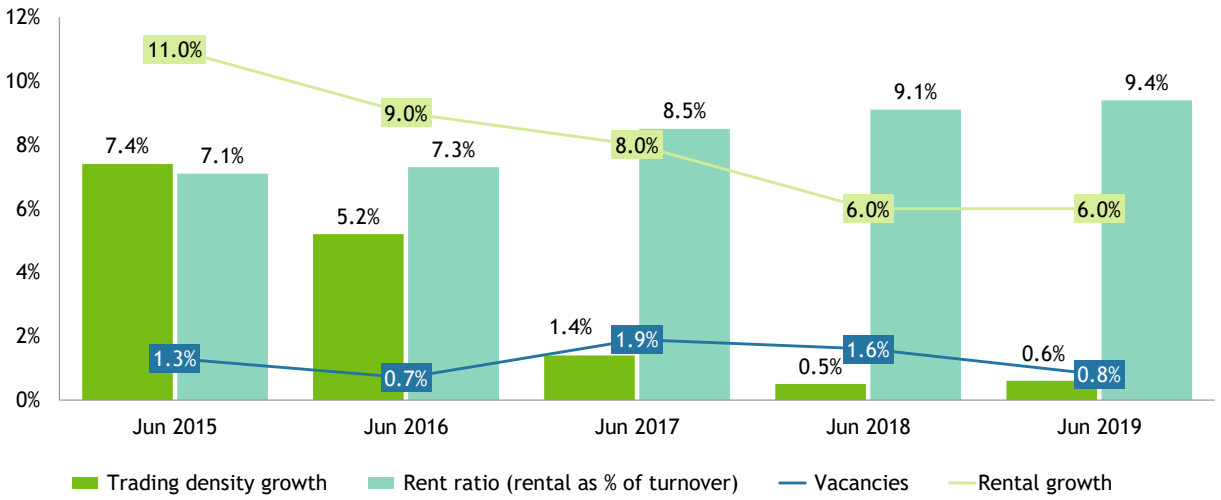


### GROSS ASSET VALUE

R31.2bn



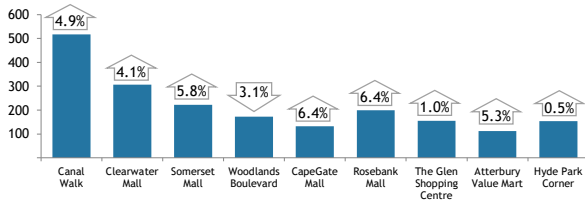
# TRADING OVERVIEW



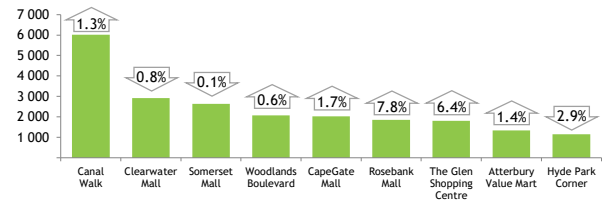
# OPERATIONS



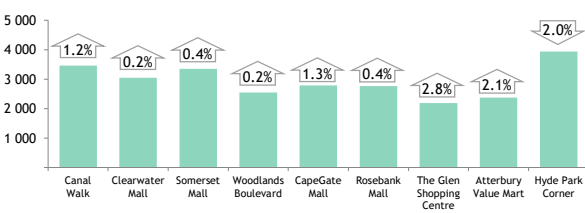
NOI per mall - R'm



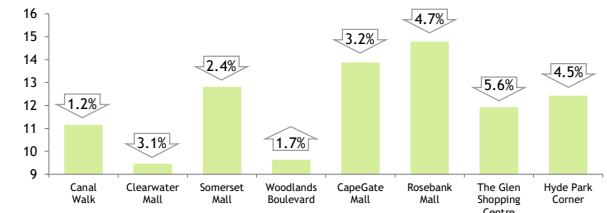
Turnover - R'm



Trading density - R / m<sup>2</sup>



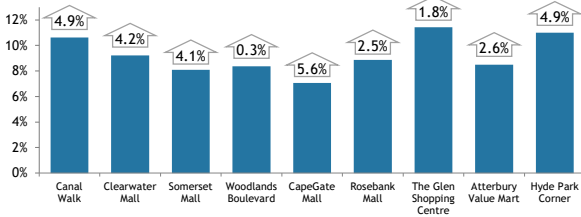
Average monthly foot count / m<sup>2</sup>



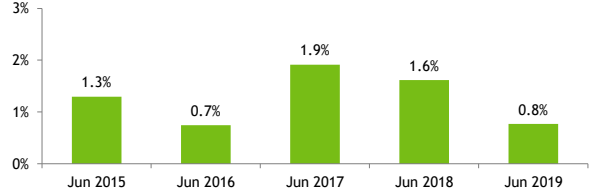
# OPERATIONS



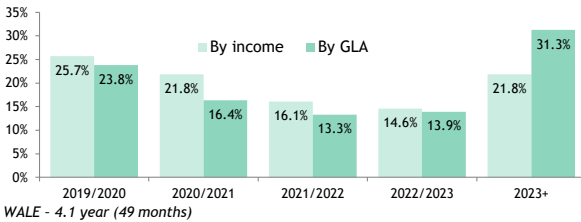
## Rent ratio



## Retail vacancy



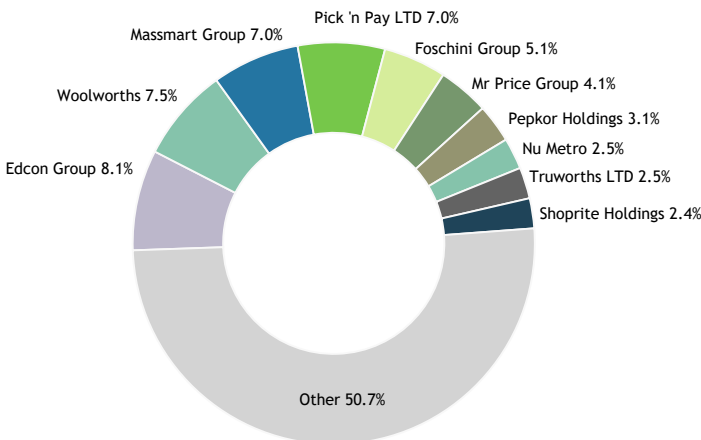
## Lease expiry profile



## New lettings & renewals

Leasing	% of total portfolio	Rentable area (m <sup>2</sup> )	Rental growth (%)	Contractual escalation (%)
Retail	17.2	113 795	(9.1)	7.0
New lettings	6.5	42 839	(12.9)	6.5
Renewals	10.7	70 954	(7.3)	7.3
Offices	15.2	6 626	(8.7)	6.7
<b>Total</b>	<b>17.0</b>	<b>120 420</b>	<b>(9.1)</b>	<b>7.0</b>

# TOP 10 GROUPS BY GLA



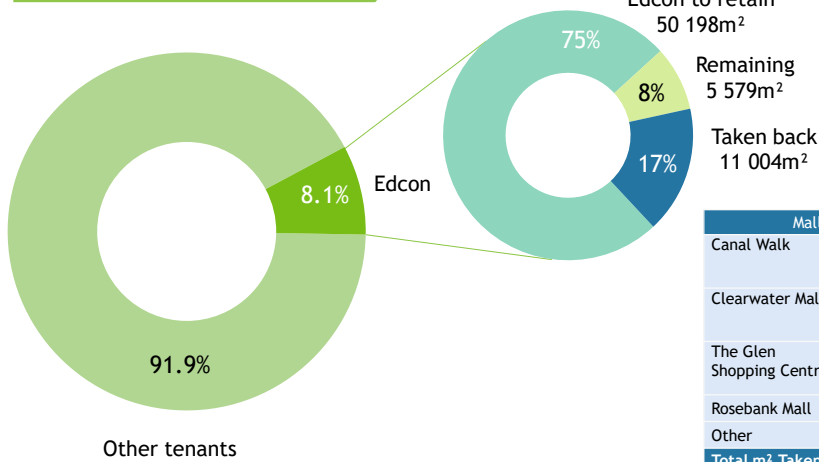
Tenant	% of Total GLA	* % of Total Income
Edcon Group	8.1%	7.2%
Woolworths	7.5%	2.9%
Massmart Group	7.0%	3.8%
Pick 'n Pay LTD	7.0%	2.6%
Foschini Group	5.1%	6.9%
Mr Price Group	4.1%	4.1%
Pepkor Holdings	3.1%	3.2%
Nu Metro	2.5%	1.0%
Truworths LTD	2.5%	3.2%
Shoprite Holdings	2.4%	0.9%

\* Gross income (based on basic rental & operating cost)

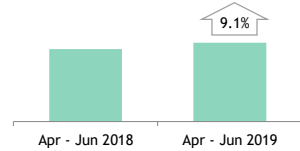
# EDCON EXPOSURE



% of Gross GLA (Jun 2019)



Trading density growth



Mall	New Tenants	m <sup>2</sup>
Canal Walk	Coricraft	1 012
	New concept iStore	538
Clearwater Mall	Leather Gallery	829
	Total Sports	686
The Glen Shopping Centre	Checkers & Checkers Liquor	4 131
	PQ Clothing	802
Rosebank Mall	Crazy Plastics	1 524
Other		1 482
<b>Total m<sup>2</sup> Taken Back</b>		<b>11 004</b>

# CURRENT PROJECTS



Mall	Project	Program dates	Budget	Yield	Status
The Glen, Johannesburg	<ul style="list-style-type: none"> <li>New enclosed 'Foodhall'</li> <li>Improved entertainment offering</li> <li>1 100m<sup>2</sup> new GLA</li> </ul>	Completed	R113 m	10%	16.3% increase in foot count
Woodlands Boulevard, Pretoria	<ul style="list-style-type: none"> <li>Integrated cinema block and Piazza</li> <li>New kiddies play and entertainment facility</li> </ul>	Completed	R9.5 m	n/a	25% increase in foot count
Woodlands Boulevard, Pretoria	<ul style="list-style-type: none"> <li>Phase-1: Two blocks of restrooms</li> <li>Phase-2: Two remaining blocks in process</li> </ul>	Phase-1 Completed - May 2019	R6 m	n/a	Phase-2 in process
The Glen, Johannesburg	<ul style="list-style-type: none"> <li>New 4 100m<sup>2</sup> 'Fresh-X' Checkers in Edcon space</li> </ul>	November 2019	R 54.2 m	9.8%	In process
Canal Walk, Cape Town	<ul style="list-style-type: none"> <li>Phased upgrade of the restrooms</li> </ul>	May 2020	R26.5 m	n/a	In progress

## FUTURE PROJECTS



Mall	Project
Woodlands Boulevard, Pretoria	Right size tenants and secure new anchor
Rosebank Mall, Johannesburg	Edgars replacement with a new anchor to the Mall
Canal Walk, Cape Town	Entertainment offering plus foodcourt upgrade



## SUSTAINABILITY INITIATIVES



### Solar roll-out

Install solar PV at

**6 malls**

Total project generation capacity will be

**18 million kWh / annum**

Estimated capital investment

**R65m** and yield of **14%**



## EASTERN EUROPE

- Retain dominance
- Leverage SA expertise
- Formalise growth strategy

**DISTRIBUTABLE INCOME**

R266 m

14%

**GROSS ASSET VALUE**

R12.8bn

25%

## SHAREHOLDER FUNDING ARRANGEMENTS

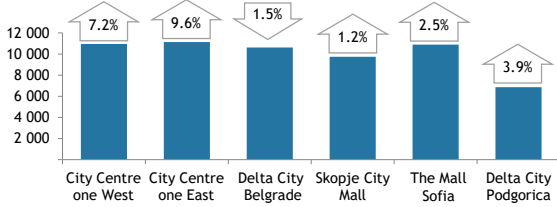
	June 2019 %
<b>PDI shareholding</b>	<b>40</b>
% Shareholding in Hystead	(22)
Adjusted for collateral	(10)
PDI - €40m bank guarantee direct to lenders	(12)
PDI - €46.8m back to back security - UK listed shares, cash and bank guarantees	18
Unsecured portion	(11)
Guarantee fee (60% x 18.3%)	<b>7</b>
Carry	7



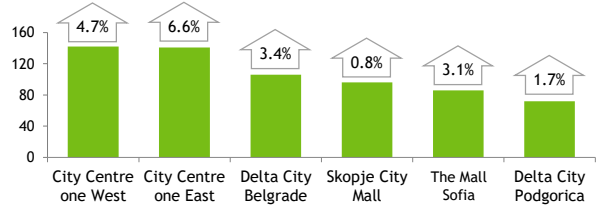
# OPERATIONS



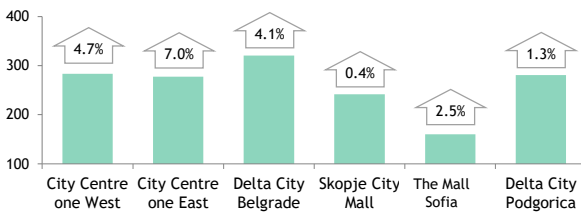
NOI per mall (€'000)



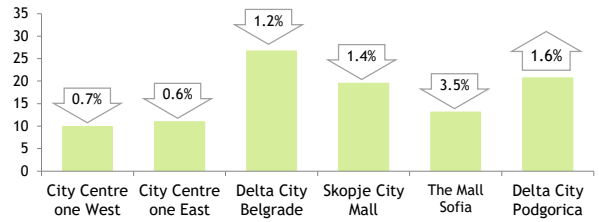
Turnover - €m



Trading density per month - €



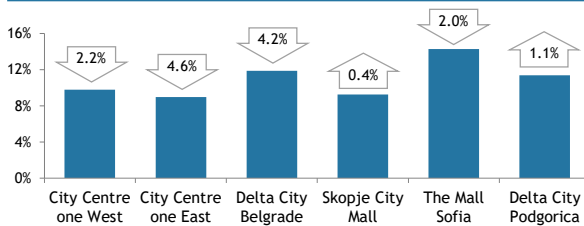
Average monthly foot count / m<sup>2</sup>



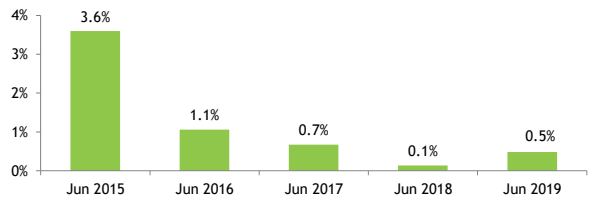
# OPERATIONS



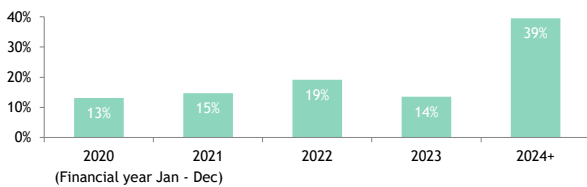
Effort ratio



Retail vacancy - Portfolio



Lease expiry profile

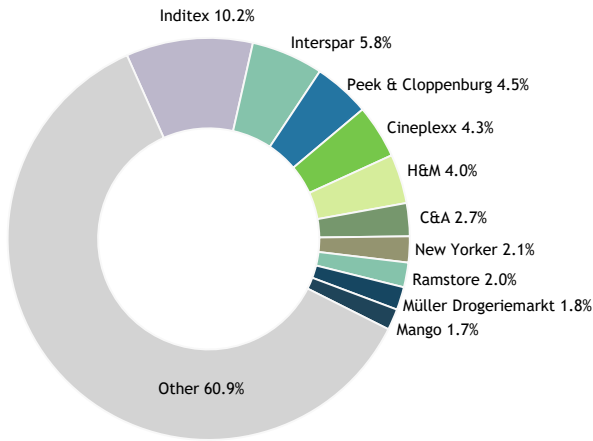


WALE - 3.96 year (48 months)

New lettings & renewals

	% of total portfolio	Rentable area (m <sup>2</sup> )	Rental growth (%)
Leasing			
Retail	4.9	12 081	2.8
<b>Total</b>	<b>4.9</b>	<b>12 081</b>	<b>2.8</b>

## TOP 10 TENANT GROUPS BY GLA

Tenant	% of Total GLA	* % of Total Income
Inditex	10.2%	7.0%
Interspar	5.8%	3.3%
Peek & Cloppenburg	4.5%	2.6%
Cineplexx	4.3%	1.5%
H&M	4.0%	1.4%
C&A	2.7%	2.0%
New Yorker	2.1%	1.9%
Ramstore	2.0%	0.8%
Müller Drogeriemarkt	1.8%	1.9%
Mango	1.7%	1.8%

\* Gross income (based on basic rental & service cost)

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## CURRENT PROJECTS



Mall	Project	Program dates	Budget	Yield	Status
The Mall, Sofia, Bulgaria	Convert Hypermarket into a multi-tenanted mall environment	Completed June 2019	€23.9 m	9%	<ul style="list-style-type: none"> <li>Complete. Mall footfall increased by 9%</li> <li>Existing tenant turnovers have increased</li> </ul>
Delta City, Podgorica, Montenegro	Parking upgrade: <ul style="list-style-type: none"> <li>Paid parking implemented</li> <li>Existing parking deck refurbished</li> </ul>	May 2019 - August 2019	€0.96 m	15%	Complete
Skopje City Mall, Skopje, Macedonia	Repositioning: <ul style="list-style-type: none"> <li>Right-sizing tenants</li> <li>Improve vertical flow in the mall</li> <li>New external play area</li> <li>New revolving entrance doors</li> </ul>	June 2019 - February 2021	€6.4 m	10%	In progress

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# FUTURE PROJECTS

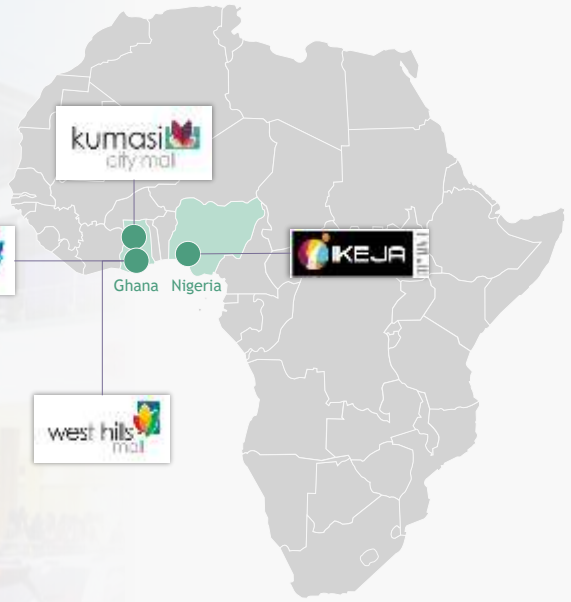


Mall	Project
The Mall, Sofia, Bulgaria	<ul style="list-style-type: none"> <li>Upgrade and refurbishment of the mall food court</li> <li>New potential tenants</li> </ul>
Delta City, Podgorica, Montenegro	<ul style="list-style-type: none"> <li>Mall extension of 7 500m<sup>2</sup></li> <li>Linking with the adjoining mall - subject to zoning approval</li> </ul>
City Centre One East, Zagreb, Croatia	<ul style="list-style-type: none"> <li>Extend the mall by adding 14 000m<sup>2</sup> GLA and parking - subject to zoning approval</li> </ul>



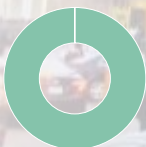
# SUB-SAHARAN AFRICA (Excl.SA)

- Implement exit strategy
- Take control of asset management
- Preserve value



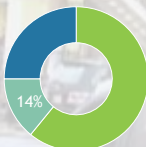
DISTRIBUTABLE INCOME

(R58m)



GROSS ASSET VALUE

R7.2 bn



# DISPOSALS



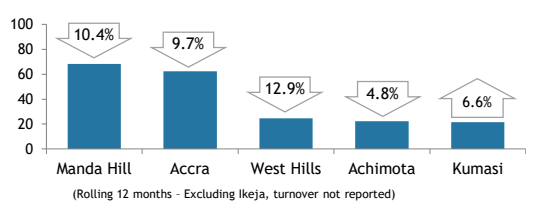
- Phase one
  - Achimota (Ghana) and Manda Hill (Zambia) sold
  - Proceeds of \$66m will be used to settle USD debt
- Phase two
  - Ikeja Mall, Nigeria
  - Various interested parties
  - Target completion date 30 June 2020
- Phase three
  - Accra Mall, West Hills Mall and Kumasi City Mall
  - Various interested parties
  - Target completion date 30 June 2020
- All proceeds will go to settle USD denominated debt



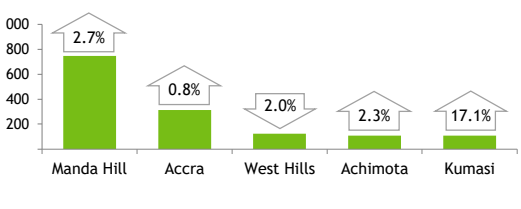
# OPERATIONS



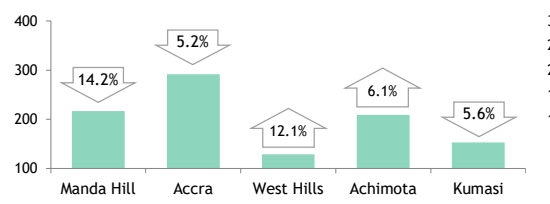
Turnover - \$m



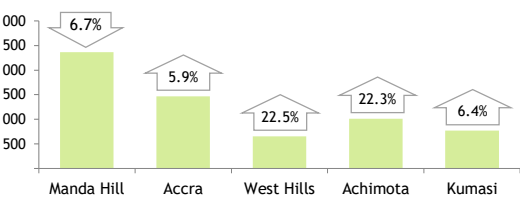
Turnover - Local Currency (million)



Trading density - \$ / m<sup>2</sup>



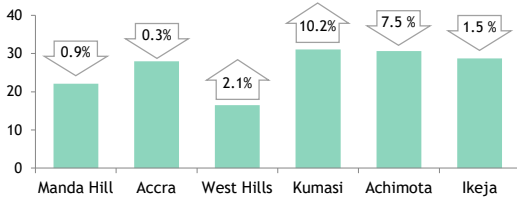
Trading density - Local Currency / m<sup>2</sup>



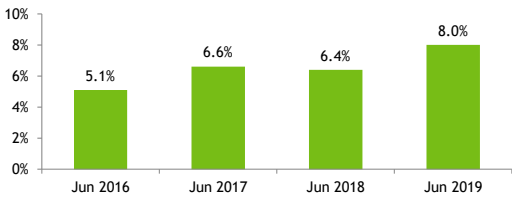
# OPERATIONS



Average monthly foot count / m<sup>2</sup>



Retail vacancy - Portfolio



# LESSONS LEARNT



	Sub-Saharan Africa	Eastern Europe
Impact of currency depreciation	✗	✓
Cost of hard currency debt	✗	✓
Internal versus external asset management	✗	✓
Shareholder alignment of interest	✗	Neutral
Skin in the game	✗	✓
Specification levels of malls	✗	✓
Risk of greenfield developments	✗	✓
Secure local tenants	✗	✓
GDP and GDP growth not diversified and widespread	✗	Neutral

## INTERVENTIONS

HYPROP  
THE AFRICAN MARKET

- Clear lines of responsibility
- Improve communication
- Internalise asset management function
- Retain and hire key staff
- Restructure in-country debt to reduce funding cost
- Restructure arrangements with in-country partners
- New funding arrangements between shareholders from 1 Jan 2020
- Upkeep of the malls - maintenance capex
- Green shoots emerging

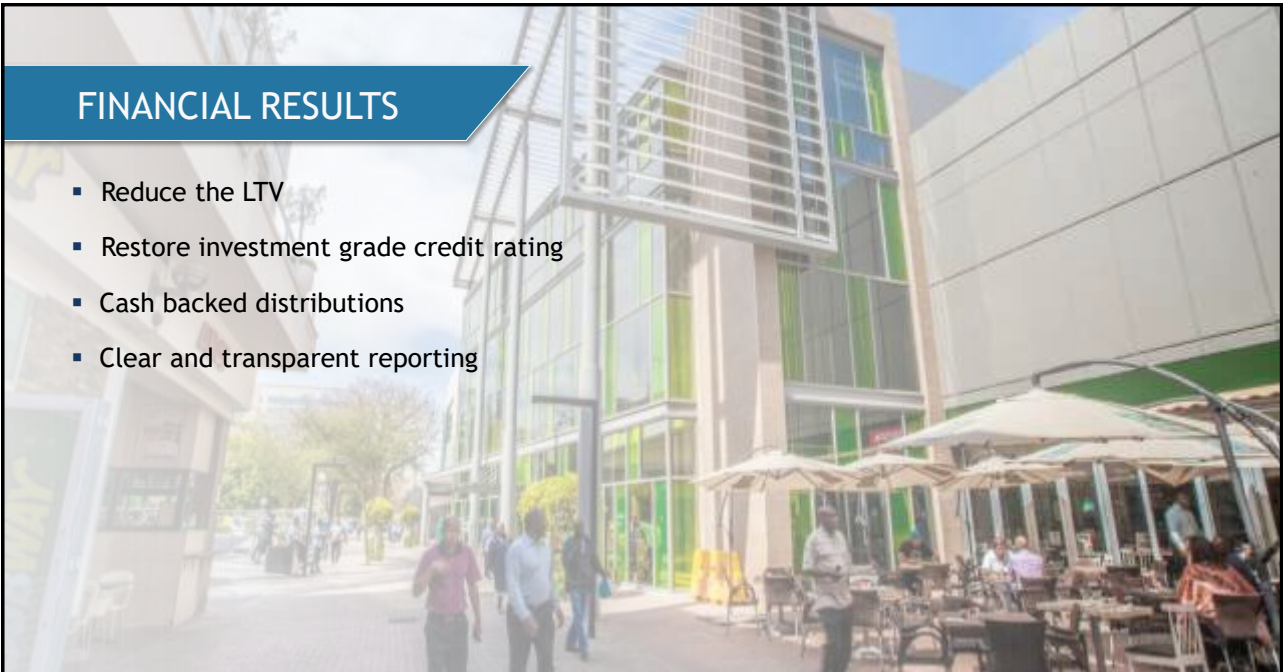


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## FINANCIAL RESULTS

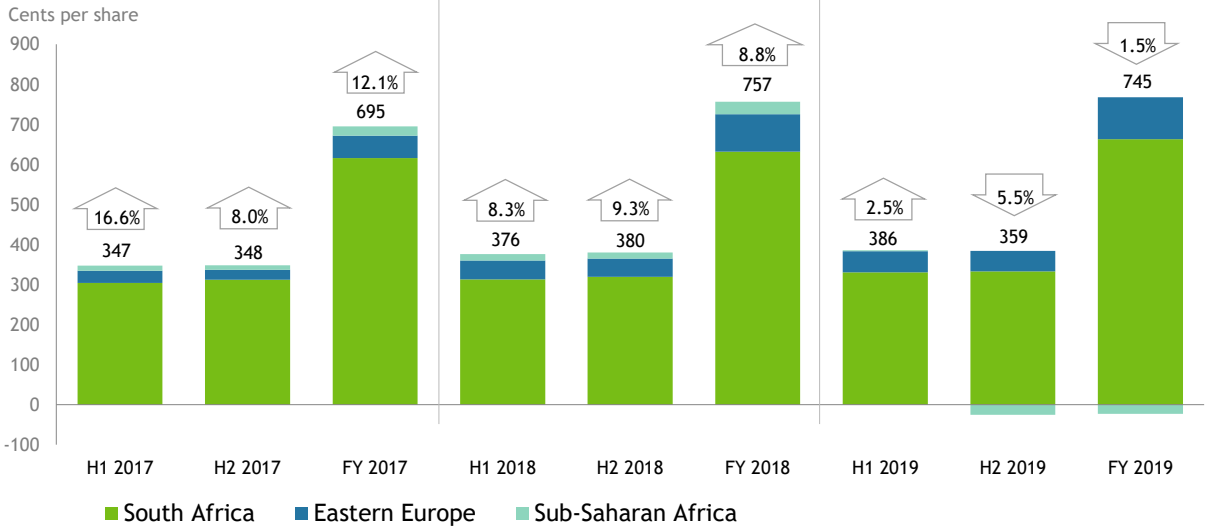
- Reduce the LTV
- Restore investment grade credit rating
- Cash backed distributions
- Clear and transparent reporting



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## DISTRIBUTION GROWTH



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## DISTRIBUTABLE INCOME

	30 June 2019				30 June 2018			
	SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	GROUP	SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	GROUP
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Net income before fair value adjustments	1 627 268	266 016	(95 513)	1 797 771	1 592 470	234 473	128 276	1 955 220
Adjustments to calculate distributable income	67 743		37 154	104 897	(797)		(49 909)	(50 706)
Straight-line rental income accrual	81 399		6 488	87 887	4 696		(848)	3 847
Non-controlling interest			30 959	30 959			2 600	2 600
Taxation paid			(427)	(427)			(4 381)	(4 381)
Net interest adjustments			134	134			(47 279)	(47 279)
Other fair value adjustments - Edcon	(12 705)			(12 705)				
Capital items for distribution purposes	(951)			(951)	(5 493)			(5 493)
Distributable income	1 695 011	266 016	(58 359)	1 902 668	1 591 673	234 473	78 368	1 904 514
% change	6.5%	13.5%		(0.1%)				
Weighted average number of shares for calculating distribution per share				255 429 238				251 741 343
Distribution per share	663.6	104.1	(22.9)	744.9	632.2	93.2	31.1	756.5
% change	5.0%	11.8%		(1.5%)				

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## REVENUE & DISTRIBUTABLE INCOME



	SOUTH AFRICA		EASTERN EUROPE		SUB-SAHARAN AFRICA	
	30 June 2019 R'000	30 June 2018 R'000	30 June 2019 R'000	30 June 2018 R'000	30 June 2019 R'000	30 June 2018 R'000
Revenue	3 003 847	2 889 135			214 000	224 578
Expenses	(1 092 420)	(956 146)			(86 634)	(93 746)
<b>Net property income</b>	<b>1 911 427</b>	<b>1 932 989</b>			<b>127 366</b>	<b>130 832</b>
Other operating expenses	(44 969)	(59 707)			(914)	(1 095)
Income from Hystead			266 016	234 473		
Net interest	(239 190)	(280 812)			(221 965)	(1 461)
<b>Net operating income before fair value adjustments</b>	<b>1 627 268</b>	<b>1 592 470</b>	<b>266 016</b>	<b>234 473</b>	<b>(95 513)</b>	<b>128 276</b>
Adjustments to calculate distributable income	67 743	(797)			37 154	(49 909)
<b>Distributable income</b>	<b>1 695 011</b>	<b>1 591 673</b>	<b>266 016</b>	<b>234 473</b>	<b>(58 359)</b>	<b>78 368</b>
Dividend income			221 190	180 525		
Guarantee fees			40 542	46 671		
Foreign exchange gains			4 284	7 277		
<b>Distributable income</b>			<b>266 016</b>	<b>234 473</b>		

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## RECONCILIATION OF CASH GENERATED FROM OPERATIONS TO DISTRIBUTABLE INCOME



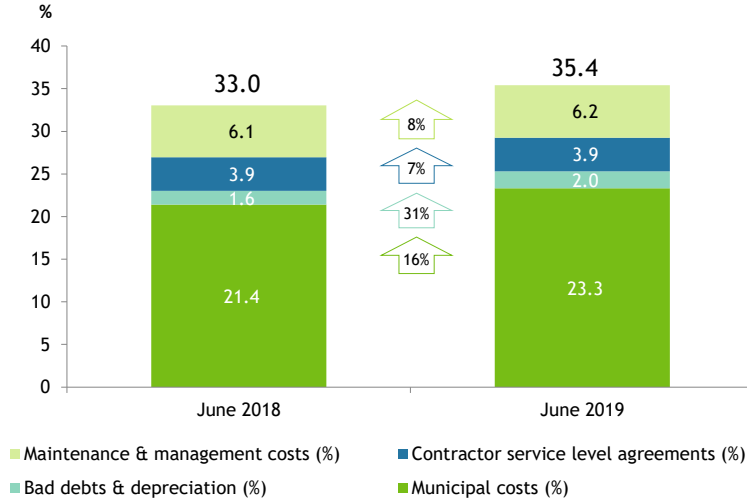
	SOUTH AFRICA 30 June 2019 R'000	EASTERN EUROPE 30 June 2019 R'000	SUB-SAHARAN AFRICA 30 June 2019 R'000	GROUP 30 June 2019 R'000
<b>Cash generated from operations</b>	<b>1 989 011</b>	<b>44 826</b>	<b>116 095</b>	<b>2 149 932</b>
Working capital changes	(9 272)		18 490	9 218
Depreciation	(40 523)		(1 686)	(42 209)
Straight-lining	(81 399)		(6 489)	(87 888)
Other non-cash items	(4 063)		41	(4 022)
Edcon impairment	12 705			12 705
Net interest	(239 190)		(221 965)	(461 155)
Dividends		221 190		221 190
<b>Net income before fair value adjustments</b>	<b>1 627 269</b>	<b>266 016</b>	<b>(95 514)</b>	<b>1 797 771</b>
Straight-lining	81 399		6 489	87 887
Non-controlling interest			30 959	30 959
Taxation expense - Mauritius			(427)	(427)
Sub-Saharan Africa			134	134
Edcon impairment	(12 705)			(12 705)
Capital items for distribution purposes	(952)			(952)
<b>Distributable income</b>	<b>1 695 011</b>	<b>266 016</b>	<b>(58 359)</b>	<b>1 902 668</b>

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## COST-TO-INCOME RATIOS (Gross basis %)

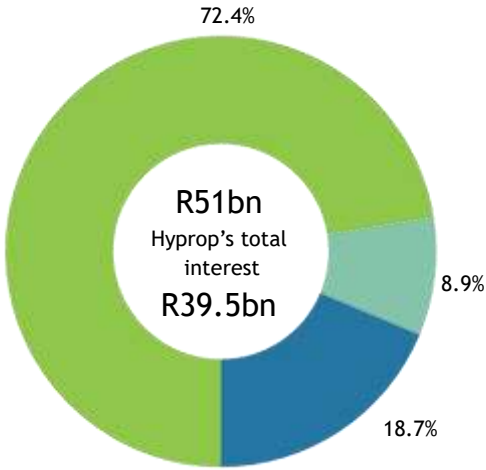


## RESULTS ANALYSIS



Other opex. R42m (2018: R56m)	Net Interest paid R461m (2018: R282m)	Edcon R12m	Taxation
Increase in Hystead management fees received R10m	R160m less interest income from AttAfrica & Manda Hill	Elected monthly equity contribution	Recognition of deferred tax assets in Ikeja Mall
Decrease in staff cost - CUP forfeitures	Slight increase in borrowings	Impaired to zero	
	Marginal decrease in ZAR borrowing rates (9.4% to 9.3%)	R12m in 3 months	
	Increase in R/\$ exchange rate		

# INVESTMENT PROPERTY

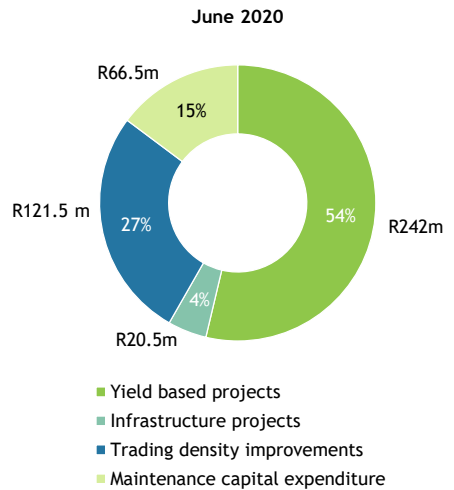
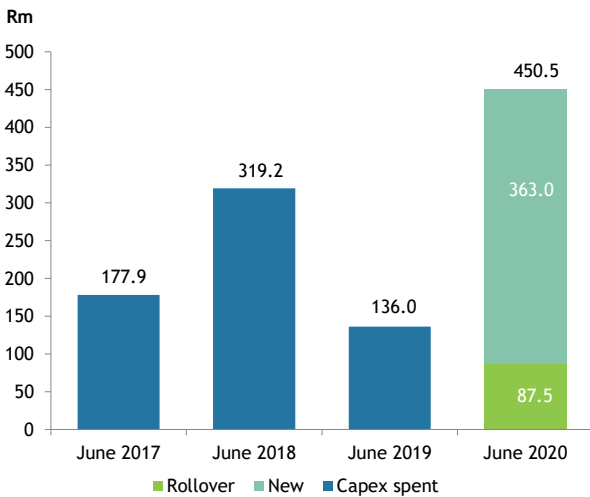


<b>South African portfolio</b>	<b>R31.2bn (61%)</b>
Hyprop share	R28.6bn
Cap rates	6.3% - 8.3%
Forward yield	7.2%

<b>Sub-Saharan Africa</b>	<b>R7.2bn (14%)</b>
Hyprop share	R3.5bn
Cap rates	7.8% - 8.8%
Forward yield	7.9%

<b>Eastern Europe</b>	<b>R12.8bn (25%)</b>
Hyprop share	R7.4bn
Cap rates	7.0% - 9.3%
Forward yield	8.0%

# CAPITAL EXPENDITURE



# RESULTS ANALYSIS



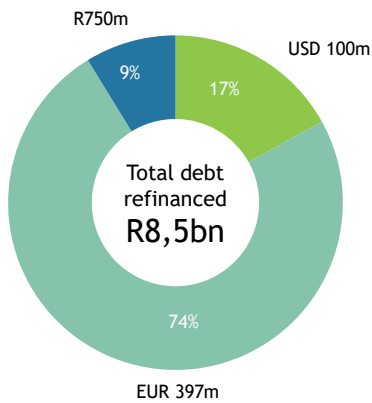
Manda Hill	R106m
AttAfrica	R1,35bn
<ul style="list-style-type: none"> <li>Decision to sell</li> <li>Achimota sold, Manda Hill value at share of sale proceeds</li> <li>Valuation of underlying properties by independent valuers</li> <li>Impact of current year losses due to interest expense</li> <li>Expected credit losses for 12 months (time to sell)</li> </ul>	

No change in accounting treatment
Valuation based as DCF for each property
Increase of R66m <ul style="list-style-type: none"> <li>Growth in underlying NOI</li> <li>Effect of new supermarket opened in The Mall Sofia</li> <li>Lower funding cost on re-financed loans</li> </ul>

Year end balance includes R350m earmarked for bond redemption in July 2019 - Complete

All Euro denominated loans refinanced during the year
Value at higher of ECL or day 1 fair value
Lower than Dec 2018 due to more market information on Credit default rates (CDR)
Includes evaluation of probability of default (PD), loss given default (LGD), expected credit loss (ECL)

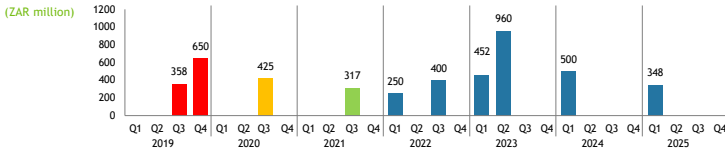
# DEBT REFINANCED / RAISED



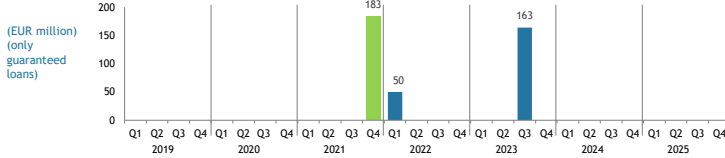
Facilities	November 2019 Bond Maturity R650m
Revolving credit facility R500m undrawn	Facilities in place if needed
R1,1bn bank facilities - term sheets signed	Engaging with bond holders to test appetite and pricing
Increase unencumbered assets	

## DEBT MATURITY PROFILE

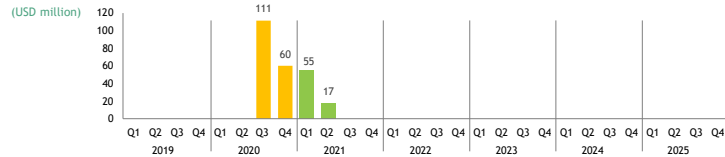
### SOUTH AFRICA



### EASTERN EUROPE



### SUB-SAHARAN AFRICA



	Jun 2019	Jun 2018
Property value (Rbn)	28.5bn	28.6bn
LTV	15.62%	9.83%
Weighted average cost of debt (incl hedges)	9.3%	9.4%
Weighted average loan tenor	2.84	3.15
Proportion of debt hedged	101.1%	113.6%

	Jun 2019 Guaranteed	Jun 2019 Non-recourse
Property value (EURm)		798m
LTV	47.11%	43.45%
Weighted average cost of debt	2.03%	3.57%
Weighted average loan tenor	3.12	3.59
Proportion of debt hedged	100%	30%

	Jun 2019	Jun 2018
Property assets (Rbn)	3.7bn	5.0bn
LTV	103.4%	98.9%
Weighted average cost of debt (incl hedges)	5.4%	5.0%
Weighted average loan tenor	1.35	1.98
Proportion of debt hedged	44.6%	61.0%

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## LTV CALCULATIONS

30 June 2019 (R'000)

30 June 2018 (R'000)

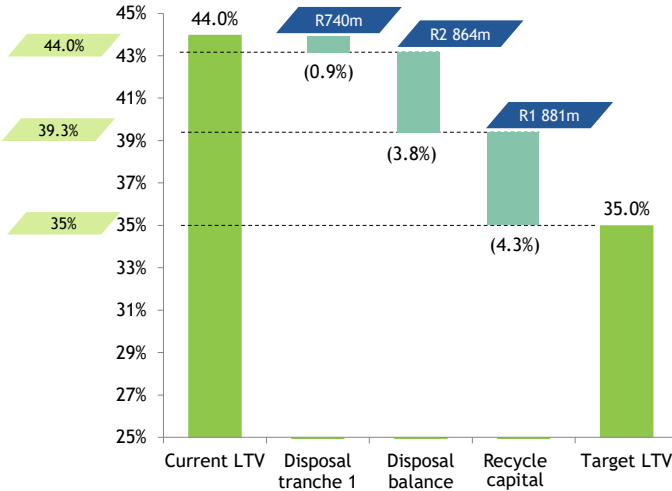
	Moody's methodology	Hyprop methodology	Moody's methodology	Hyprop methodology
Hyprop total assets	33 432 598	33 432 598	35 012 920	35 012 920
Hystead total assets	13 570 002		13 217 510	
Hystead NAV (total assets - in-country debt) x 60%		4 604 241		4 297 489
<b>Total assets</b>	<b>47 062 600</b>	<b>38 036 839</b>	<b>48 230 430</b>	<b>39 310 409</b>
Hyprop gross debt	8 385 363	8 385 363	7 884 994	7 884 994
Hystead gross debt	12 289 038		12 194 954	
Hystead debt guaranteed by all shareholders (gross)		6 392 771		6 352 742
Hystead debt guaranteed by PDI (EUR 40m)		(644 332)		(640 128)
Security from PDI held by Hyprop (EUR 46,8m)		(754 133)		(748 950)
<b>Total debt</b>	<b>20 674 401</b>	<b>13 379 670</b>	<b>20 079 948</b>	<b>12 848 659</b>
<b>Gross debt / total assets</b>	<b>44.0%</b>	<b>35.2%</b>	<b>41.6%</b>	<b>32.7%</b>

Key objective - Restore investment grade rating by December 2020

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# REDUCING LTV AND SENSITIVITY



Moody's LTV ratio 44.0%

Moody's LTV ratio	Change in property values				
	44.0%	(5%)	(10%)	(15%)	(20%)
Rand (stronger)/weaker	(20%)	42.1%	44.2%	46.6%	49.3%
	(10%)	44.2%	46.4%	48.9%	51.7%
	0%	46.1%	48.5%	51.1%	54.0%
	10%	47.9%	50.4%	53.1%	56.1%
	20%	49.6%	52.2%	55.0%	58.1%

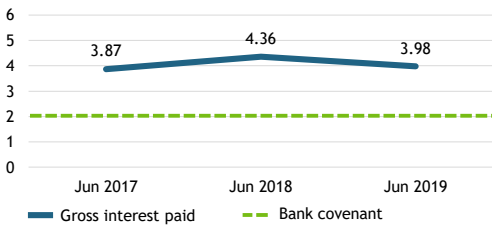
Hyprop's LTV ratio 35.2%

Hyprop's LTV ratio	Change in property values				
	35.2%	(5%)	(10%)	(15%)	(20%)
Rand (stronger)/weaker	(20%)	33.7%	35.5%	37.6%	40.0%
	(10%)	35.4%	37.4%	39.6%	42.1%
	0%	37.0%	39.1%	41.4%	44.1%
	10%	38.6%	40.8%	43.2%	46.0%
	20%	40.2%	42.4%	45.0%	47.8%

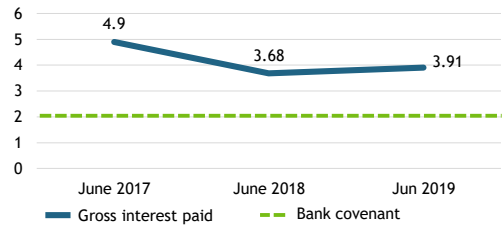
# ICR AND BANK COVENANTS



Consolidated EBITDA / interest paid



Cash generated from operations / Consolidated cash interest paid



## Summary of key covenants and their status

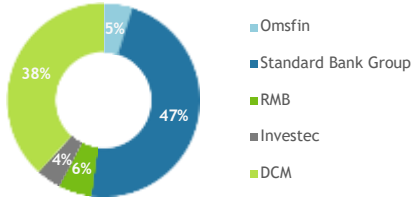
Covenant	Benchmark range	Actual 30 June 2019	Status	Actual 30 June 2018	Status
Loan to value ratio	A maximum of 50% to 60%	12% to 40%	✓	17% to 40%	✓
Secured loan to value ratio	A maximum of 55% to 70%	12.5% to 49%	✓	12.7% to 63%	✓
Net asset value	A minimum of R 7.5 billion	22.9	✓	26.0	✓
Interest cover ratio (EBITDA/Interest expense)	A minimum of 1.75 to 2 times cover	3.6 to 6.3	✓	4.4 to 5.6	✓
Secured portfolio interest cover ratio	A minimum of 1.75 to 2 times cover	3.1 to 5.9	✓	3.8 to 6.0	✓

The group complied with all of its loan covenants during the current and preceding financial years.

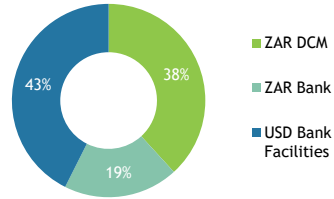
# BANK & DCM DEBT PROFILE



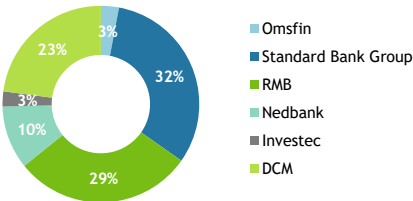
On balance sheet by lender



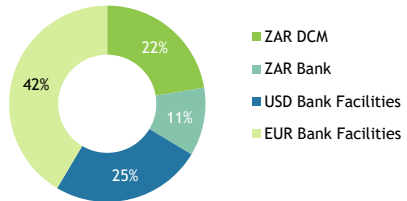
On balance sheet sources of funding



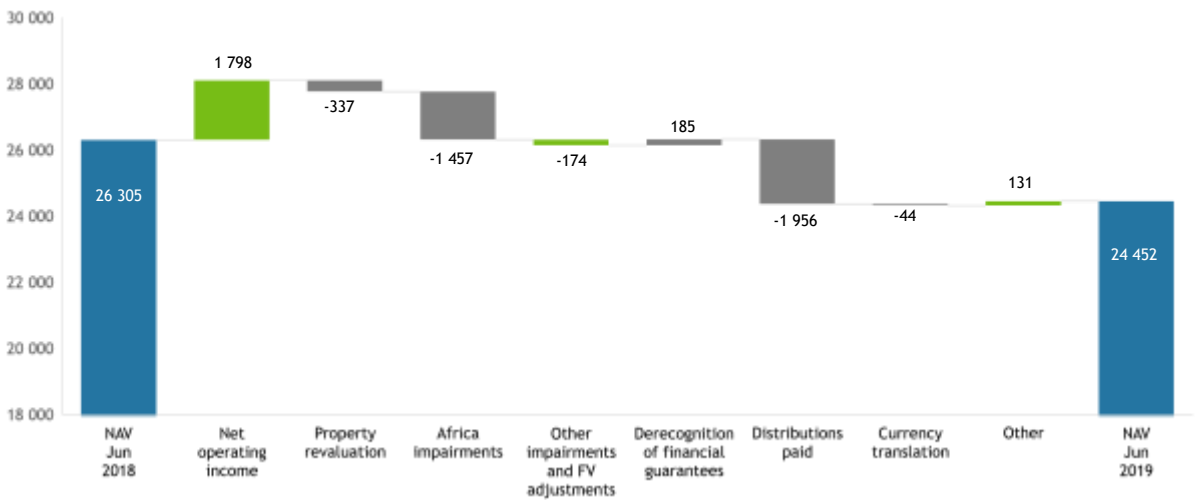
Group (incl. guaranteed debt) by lender



Group (incl. guaranteed debt) sources of funding



# EQUITY BRIDGE - HYPROP GROUP (Rm)



## HYSTEAD GROUP



## Balance sheet

	JUN 2019 R000	JUNE 2018 R000
Non-current assets	13 013 799	12 703 739
Investment property	12 951 540	12 676 758
Other non-current assets	62 259	26 981
Current assets	556 203	512 699
Receivables and other current assets	89 659	106 232
Cash and cash equivalents	466 545	406 466
<b>Total assets</b>	<b>13 570 002</b>	<b>13 216 438</b>
Non-current liabilities	13 015 235	8 926 768
Borrowings - in country	5 881 478	2 873 344
Borrowings - equity	6 392 771	5 550 277
Other non-current liabilities	740 985	503 146
Current liabilities	271 795	4 082 283
Borrowings - in country	14 787	2 943 557
Borrowings - equity	-	800 070
Other current liabilities	257 008	338 656
<b>Total liabilities</b>	<b>13 287 031</b>	<b>13 009 051</b>
<b>Net Assets</b>	<b>282 971</b>	<b>207 387</b>

Converted to Rands at year-end spot rate R 16.11/EUR for 2019 (2018: R16.00)

## Pro-forma distributable income

	Year Jun 2019 R000	Year Jun 2018 R000
Total revenue	1 434 847	826 177
Operating profit	916 062	513 901
Finance costs	(373 067)	(169 252)
Profit/(loss) from derivatives	(62 348)	-
Net income before taxation	480 646	344 649
Taxation	(74 906)	(41 048)
Net income after taxation	405 740	303 601
Dividends declared	349 676	301 804
<i>Converted to Rands at average rate R 16.04/EUR for 2019 (2018: R 15.32)</i>		
Dividend included in Hyprop's income	221 190	180 525

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## PRIORITIES &amp; GUIDANCE



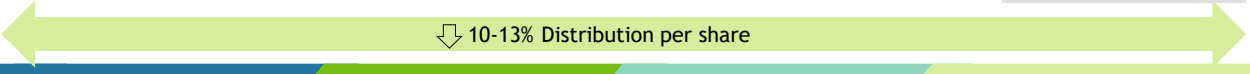
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# PRIORITIES AND GUIDANCE



SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	NON-TANGIBLE ASSETS	GROUP
Assess and reposition malls <ul style="list-style-type: none"> <li>• New brands</li> <li>• Entertainment and other offerings</li> <li>• Alternative uses</li> <li>• Reduce Edcon Exposure</li> </ul>	Retain dominance <ul style="list-style-type: none"> <li>• Extensions</li> <li>• Asset management initiatives</li> </ul>	Take control of asset management	Formalise and implement	Reduce the LTV
	Leverage SA expertise	Implement exit strategy		Restore investment credit rating
Increase trading densities	Formalise growth strategy	Preserve value		Cash backed distributions
Increase non-GLA revenue				Improve stakeholder communication - internal and external
				New skills at board and operational level - Digital Disruption, Innovation and Analytics

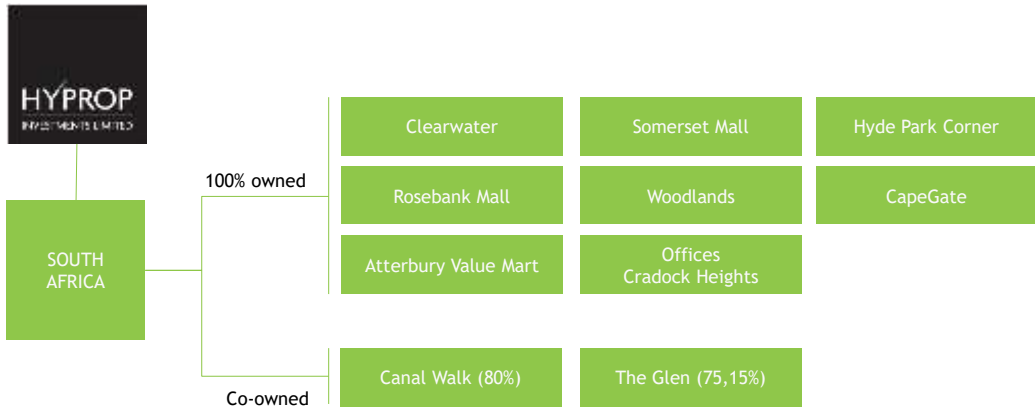






APPENDICES

### COMPANY STRUCTURE - SOUTH AFRICAN PORTFOLIO



## SOUTH AFRICAN PROPERTIES



Portfolio summary	Canal Walk & Canal Walk Offices	Clearwater	The Glen	Woodlands	CapeGate
% Ownership	80%	100%	75.15%	100%	100%
GLA	158 697	87 028	80 323	71 629	63 831
Vacancy levels	0.8%	0.3%	4.0%	0.1%	0%
Avg foot count per m <sup>2</sup> / month	11.2	9.5	11.9	9.6	13.9

## SOUTH AFRICAN PROPERTIES



Portfolio summary	Somerset Mall	Rosebank Mall	Hyde Park Corner & Offices	Atterbury Value Mart	Cradock Heights	Rosebank Mall Offices
% Ownership	100%	100%	100%	100%	100%	100%
GLA	69 001	65 831	38 716	48 642	4 468	18 249
Vacancy levels	0%	0.8%	8.3%	0.8%	9.0%	2.5%
Avg foot count per m <sup>2</sup> / month	12.8	14.8	12.4	-	-	-

## TRADING PERFORMANCE SOUTH AFRICAN PORTFOLIO



Primary category	Trading density growth	% of total turnover	% of area
Department Stores: Clicks, Dis-Chem, Edgars, Game, Woolworths	2,4	27,7	24,4
Apparel	(1,4)	18,3	21,3
Food	0,7	11,6	10,7
Electronic/Photography/Music	4,5	7,1	3,8
Food Service	4,0	6,5	5,4
Sporting/Outdoor Goods & Wear	4,5	5,7	5,9
Speciality	(5,4)	5,3	7,3
Home Furnishings/Art/Antiques/Décor	6,2	4,8	7,2
Jewellery	4,1	2,5	0,9
Health & Beauty	(0,3)	2,4	1,6
Shoes	2,1	2,0	2,3
Books/Cards/Stationery	0,6	1,7	1,7
Entertainment	(1,2)	1,1	5,3
Eyewear	2,8	1,1	0,6

Note: IPD/MSCI allocations

## COMPANY STRUCTURE - EASTERN EUROPE PORTFOLIO



EASTERN EUROPE

60% owned

Hystead Limited  
(established in the UK)

100%

100%

100%

100%

90%

90%

Delta City  
Belgrade  
(Serbia)

Delta City  
Podgorica  
(Montenegro)

Skopje City Mall  
(Macedonia)

The Mall  
Sofia  
(Bulgaria)

City Center  
One - East,  
Zagreb  
(Croatia)

City Center  
One - West,  
Zagreb  
(Croatia)

# EASTERN EUROPE PROPERTIES



Delta City  
Belgrade  
Serbia

Delta City  
Podgorica  
Montenegro

Skopje  
City Mall  
Macedonia

The Mall  
Sofia  
Bulgaria

City Center  
One East  
Zagreb, Croatia

City Center  
One West  
Zagreb, Croatia

Portfolio summary

% Ownership	60%	60%	60%	60%	54%	54%
GLA	29 862	23 281	36 264	61 896	48 569	46 719
Vacancy levels	0%	0%	0%	2%	0%	0%
Avg foot count per m <sup>2</sup> / month	27	21	20	13	11	10

# SUSTAINABILITY



## BREAM CERTIFICATION

Belgrade, Serbia



Very Good

Podgorica, Montenegro



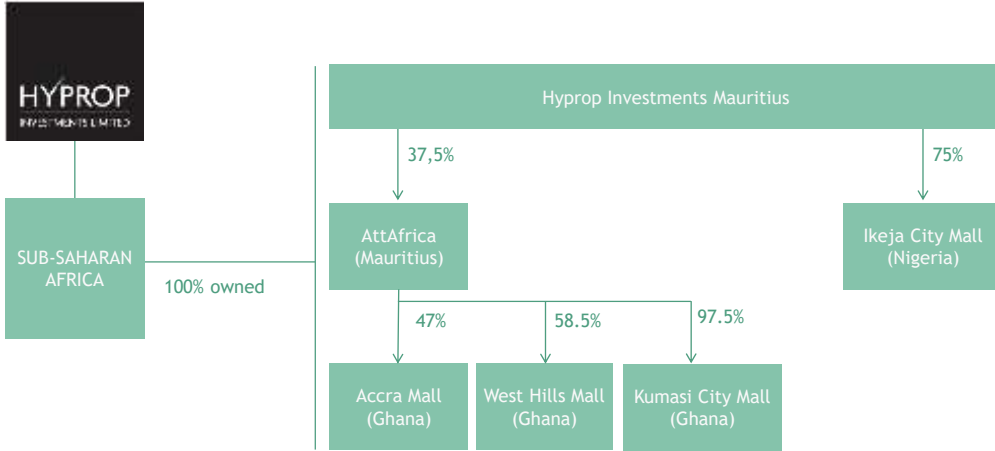
Good

Skopje, Macedonia



Very Good

## COMPANY STRUCTURE - SUB-SAHARAN AFRICA PORTFOLIO

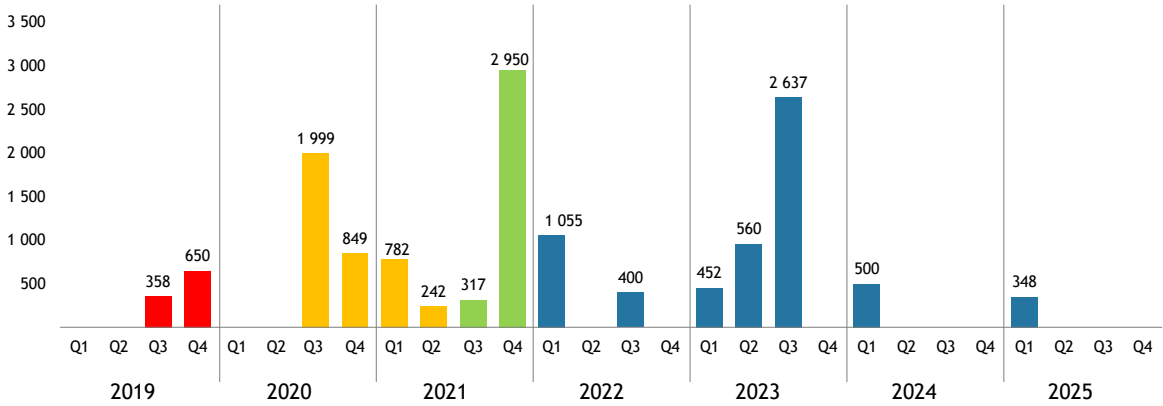


## SUB-SAHARAN AFRICA PROPERTIES



Portfolio summary	Accra Mall	West Hills Mall	Kumasi	Ikeja City Mall
% Ownership	17.6%	21.94%	36.6%	75.0%
GLA m <sup>2</sup>	21 311	28 272	18 604	22 223
Vacancy levels	5.6%	13.9%	10.5%	0%
Avg foot count per m <sup>2</sup> / month	28	16.5	31	29

## TOTAL DEBT MATURITY PROFILE (ZAR million)



## HYSTEAD CAPITAL STRUCTURE



### Debt guaranteed directly

	PDI Jun 2019 € m	HYPROP Jun 2019 € m	PDI Jun 2019 %	HYPROP Jun 2019 %
Debt guaranteed directly %	40	361	10	90
Adjusted for:	91	(91)	23	(23)
PDI - back to back security - UK Listed shares	47	(47)	12	(12)
Guarantee fee*	44	(44)	11	(11)
Subtotal	131	270	33	67
% Shareholding in Hystead	(160)	(241)	(40)	(60)
Perceived (under)/over-exposure	(29)	29	(7)	7

## RATING AGENCY OVERVIEW - MOODY'S



Rating class	Rating scale	Rating	Rating outlook
Long Term	International	Ba1	Negative
Long term	National	Aa3.za	
Short term	National	P1.za	

Rating Action - 13 February 2019

### Positives

1. High quality and well positioned retail portfolio in South Africa
2. Active management and low vacancies (1.9% as of 30 June 2018), producing solid, recurring rental income
3. Fixed-charge cover of 4.3x and Hyprop's conservative approach to development risk
4. Strong track record of access to debt and equity capital

### Points to watch

1. Refinancing of existing debt becoming due in the next 18 months
2. Size of the portfolio and scale of operations relative to local peers
3. Exposure to the retail sector and the weakening consumer environment
4. Growing exposure to retail properties across countries with low ratings in the rest of Africa and Central and Eastern Europe

Source: Moody's Credit Opinion Hyprop Investments Limited 21 February 2019

## DISCLAIMER FORWARD-LOOKING STATEMENTS



- This document contains forward-looking statements that, unless otherwise indicated, reflect the group's expectations as at 30 June 2019
- Actual results may differ materially from the group's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate
- The group cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on any forward-looking statements
- The group disclaims any intention and assumes no obligation to update or revise any forward-looking statement even if new information becomes available as a result of future events or for any other reason, other than as required by the JSE Listings Requirements

## CONTACT DETAILS INVESTOR RELATIONS



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