

VUNANI PROPERTY INVESTMENT FUND LIMITED

Approved as a REIT by the JSE

(Incorporated in the Republic of South Africa)

(Registration number 2005/019302/06)

JSE code: VPF

ISIN: ZAE000157459

JSE code for LA's: VPFN

ISIN FOR LA's: ZAE00010087

("VPIF" or "the company")

FINALISATION INFORMATION RELATING TO THE RIGHTS OFFER

1. Introduction

Unitholders are referred to the SENS announcement, dated 5 July 2013, and are advised that the relevant rights offer terms and documentation has been finalised and approved by the JSE Limited ("JSE"). VPIF will accordingly proceed with a renounceable rights offer of 48 503 939 new linked units ("rights offer units") to its linked unitholders in the ratio of 40.21283 rights offer units for every 100 linked units held on Friday, 2 August 2013 at a subscription price of 987.33 cents per rights offer unit, in order to raise R455 million.

The subscription price of 987.33 cents per rights offer unit is comprised of a clean price of 938.07 cents determined as at the 4th July 2013 being the day before the declaration announcement and total pre paid distributions of 49.26 cents.

The pre paid distributions have been calculated on the basis that the rights offer units will qualify for the full distribution in respect of the period ending 30 June 2013 and 31 December 2013 notwithstanding the date of issue of such rights offer units and as such the subscription price includes the following pre-paid amounts ("antecedent divestiture"):

- 37.33 cents as a pre-paid distribution for the 6 month period from 1 January 2013 to 30 June 2013; and
- 11.93 cents as a pre paid distribution for the 53 day period from 1 July 2013 to 23 August 2013.

The pre paid distributions have been calculated based on the mid range of the distribution guidance published by VPIF for the periods ending 30 June 2013 and 30 June 2014 and a discount rate of 5.5% to take account of the time value of money between the rights issue payment date and the actual envisaged distribution payment dates of 23 September 2013 and 23 March 2014.

The clean price of 938.07 cents per rights offer unit represents a:

- 7% discount to the 30-day volume weighted average clean price of VPIF linked units listed on the JSE at the close of business on Thursday, 4 July 2013, being the last business day prior to the release of the declaration data announcement; and
- 4% discount to the closing clean price of VPIF linked units on the JSE on Thursday, 4 July 2013.

2. Salient dates and times

The salient dates and times pertaining to the rights offer are as follows:

	2013
Last day to trade in VPIF units in order to qualify to participate in the rights offer (cum entitlement)	Friday, 26 July
Listing of letters of allocation on the JSE under the JSE code VPFN and ISIN ZAE000180097 at commencement of trading on	Monday, 29 July
VPIF units commence trading ex-rights on the JSE at commencement of trading on	Monday, 29 July
Record date for participation in the rights offer at the close of trade on	Friday, 2 August
Rights offer circular and form of instruction posted to unitholders, where applicable	Monday, 5 August

Rights offer opens at commencement of trading on	Monday, 5 August
Dematerialised unitholders' accounts at their CSDP or broker automatically credited with their entitlement	Monday, 5 August
Certificated unitholders' entitlements will be credited to an account held with the transfer secretaries	Monday, 5 August
Last day to trade in letters of allocation on the JSE on	Friday, 16 August
Listing of VPIF rights offer units at commencement of trading on	Monday, 19 August
Rights offer closes – payments to be made and form of instruction in respect of letters of allocation lodged by certificated unitholders by 12:00 on (see notes 1 and 5 for dematerialised unitholders)	Friday, 23 August
Record date for letters of allocation	Friday, 23 August
Dematerialised unitholders' accounts updated with rights offer units to the extent accepted and debited with the relevant costs by their CSDP or broker (see note 5)	Monday, 26 August
Results of rights offer announcement released on SENS on or about	Monday, 26 August
Results of rights offer announcement published in the press on or about	Tuesday, 27 August
Dematerialised unitholders' accounts updated with excess rights offer units allocated to them and debited with the relevant costs by their CSDP or broker	Wednesday, 28 August
Unit certificates posted to certificated unitholders (including any excess rights offer units allocated to them), if applicable, on or about	Wednesday, 28 August

Notes:

- Dematerialised unitholders are required to notify their duly appointed CSDP or broker of their acceptance or otherwise of the rights offer in the manner and time stipulated in the agreement governing the relationship between such unitholder and their CSDP or broker.
- All times indicated are South African times unless otherwise stated.
- Unit certificates may not be rematerialised between Monday, 29 July 2013 and Friday, 2 August 2013, both days inclusive.
- The CSDP / broker accounts of dematerialised unitholders will be automatically credited with the rights offer units to the extent to which they have accepted the rights offer. VPIF unit certificates will be posted, by registered post at the unitholders' risk, to certificated unitholders in respect of the rights offer units which have been accepted.
- CSDPs or brokers effect payment in respect of dematerialised unitholders on a delivery versus payment method.

3. Financial effects of the rights offer

The unaudited and unreviewed consolidated *pro forma* financial information before and after the rights offer, for which the directors are responsible, is provided for illustrative purposes only to show the effect of the rights offer on net asset value per unit ("NAVPU") and net tangible asset value, less deferred tax, per unit (NTAVPU"), as if the rights offer had taken effect on 31 December 2012. Because of its nature, the unaudited and unreviewed consolidated *pro forma* financial information before and after the rights offer may not fairly present the company's financial position subsequent to the rights offer. The unaudited and unreviewed consolidated *pro forma* financial information, before and after the rights offer, has been compiled from the unaudited condensed consolidated interim results of VPIF for the six months ended 31 December 2012 and is presented in a manner consistent with the format and accounting policies adopted by VPIF and has been adjusted as set out below:

	Unaudited before the rights offer (Note 1)	Unaudited and unreviewed <i>pro forma</i> after the rights offer	% Change
NAVPU (cents) (notes 2 and 4)	742.44	782.80	5.44
NTAVPU, less deferred tax (cents) (notes 2 and 4)	811.92	843.35	3.87

Available distribution per linked unit (cents) (note 3)	39.04	31.92	(18.24)
Basic earnings per linked units (cents) (note 3)	37.51	30.83	(17.81)
Headline earnings per linked units (cents) (note 3)	37.51	30.83	(17.81)
Number of units in issue at period end ('000)	120 618	169 122	

Notes:

- The information as reflected in the "Unaudited - before the rights offer" column has been extracted from the company's unaudited consolidated interim financial results for the six months ended 31 December 2012.
- The effects relating to the NAVPU and NTAVPU are based on the following assumptions and information:
 - the rights offer was effective 31 December 2012;
 - R455 million was received pursuant to the subscription for the 48.504 million rights offer units;
 - expenses of R8.034 million relating to the rights offer were written off against debentures and R1 108 relating to the acquisition of the Greenstone Properties was capitalised to Investment Properties;
 - the rights offer proceeds, net of transaction costs, were utilised to settle the purchase consideration for the Greenstone Properties of an aggregate amount of R267.884 million and R179.082 million of floating debt.
- The effects relating to the Available distribution per linked unit, Earnings and Headline earnings per linked unit are based on the following assumptions and information:
 - the rights offer was effective 30 June 2012;
 - R455 million was received pursuant to the subscription for the 48.504 million rights offer units of which R267.884 million was utilised towards the acquisition of the Greenstone Properties and R179.082 million towards settling of floating debt at a rate of 7.64%;
 - No account has been taken of any income and expenditure relating to the acquisition of the Greenstone Properties. The circular to shareholders in this regard, includes a profit forecast relating to these properties and should be referred to.
- The rights offer will have a continuing effect with the exception of the transaction costs.

4. Irrevocable undertakings

The following unitholders have irrevocably undertaken to take up rights offer units in respect of the rights offer and will be paid a market-related commitment fee of 2% in this regard:

Name of unitholder	Number of rights to be taken up	Percentage of rights offer
Stanlib Asset Management Limited	9 290 021	19.15%
Momentum Asset Management (Pty) Limited	3 431 942	7.08%
Old Mutual Investment Group (SA) (Pty) Limited	2 420 345	4.99%
Nedgroup Private Wealth (Pty) Limited	1 019 170	2.10%
	16 161 478	33.32%

5. Underwriter

VPIF has entered into an underwriting agreement with Handful of Keys (Pty) Ltd ("the underwriter"), whereby in terms of the underwriting agreement, the underwriter has irrevocably undertaken to underwrite an amount of up to R110 million of the rights offer. In consideration, the underwriter will be paid a market-related underwriting fee of 2%. The directors have made due and careful enquiry to confirm that the underwriter is able to meet its commitment in terms of the rights offer. Further details pertaining to the underwriting agreement will be in the circular posted to shareholders.

6. Letters of Allocation

The rights to new VPIF units are negotiable and can be dealt on the JSE. VPIF will issue all rights to new units in dematerialised form. VPIF currently has no certificated unitholders, however, arrangements will be made for an electronic record for any certificated unitholders to be maintained by Computershare Investor Services Proprietary Limited, making it possible for them to enjoy the same rights and opportunities as those unitholders holding dematerialised VPIF units.

7. Excess applications

Unitholders will be permitted to apply for rights offer units in excess of their entitlement. Any excess applications will be allocated to applicants in an equitable manner by the company's directors.

8. Foreign unitholders

Foreign unitholders may be affected by the rights offer, having regard to prevailing laws in their respective jurisdictions. Such foreign unitholders should inform themselves about and observe any applicable legal requirements of such jurisdiction in relation to the rights offer. Unitholders in such jurisdictions are responsible for providing any evidence required that they are permitted to take up their rights. If such evidence is not provided, then the entitlement to rights offer units will be deemed to have been declined.

9. Circular

A circular and a form of instruction, where applicable, setting out detailed information relating to the rights offer will be posted to unitholders on Monday, 5 August 2013.

Sandton
22 July 2013

Corporate Adviser
Vunani Corporate Finance

Sponsor
Grindrod Bank Limited

Investment Bank
Investec Bank Limited