ATTACQ

CEO Morne Wilken

Attacq is a property holding, development and investment group which was spun out of developer Atterbury and listed on the JSE in the real estate holdings and development sector in October 2013. Its focus is on capital growth rather than on paying out a regular income to investors and, as such, it is not a real estate investment trust (Reit).

Attacq has grown its property portfolio from about R12bn at listing to just more than R27bn at December 2015. The company has increased its footprint beyond SA's borders quite aggressively over the past 18 months. At the end of December 2015, the portfolio had a 51% exposure to SA, 7% to emerging markets, 17% to developed markets and 25% to developments.

Attacq's major asset in SA is the 340 ha Waterfall mixed-use development located alongside the N1 highway between Sandton and Midrand in Johannesburg. The mixed-use precinct is anchored by the recently opened Mall of Africa. At 131,000 m², the super-regional shopping centre is the largest first phase completion of a mall in SA to date. The R4.9bn mall, which is co-owned by Attacq (80%) and unlisted developer Atterbury (20%), is now Attacq's largest asset by far, representing about 15% of total assets.

CEO Morne Wilken said at the opening of the mall at the end of April the centre should attract 15m shoppers each year and generate sales turnover of about R4bn/year. Attacq will earn rental income of R78m in the first year of the mall's operation.

The mall is expected to serve as a catalyst for surrounding development at the Waterfall precinct, which has approved development bulk of more than 1.8m m², of which about 33% has already been developed. A number of office and industrial buildings are currently under construction at Waterfall, including a new head office for auditing and consulting firm PwC.

The 40,000 m² building will have a value of R1.5bn on completion, is designed to house 3,500 employees and is set for completion in January 2018. Attacq has entered into various joint ventures at Waterfall to maximise the value unlock of the development, which will be rolled out over the next 10-15 years. It recently signed a joint venture agreement with industrial-focused Equites Property Fund. Equites will acquire eight industrial and logistics-focused buildings at Waterfall in a deal worth R728m. Attacq has a 20% stake in the joint venture and Equites the remaining 80%.

Attacq has also partnered Sanlam Properties, with each party owning 50% of the

venture, to acquire 28 ha of Waterfall land from Attacq, and an additional adjacent 100 ha from the Mia family, securing a total of 128 ha of land on the eastern side of the N1 freeway and south of the Allandale interchange. The bulk of the land will be used for light industrial commercial developments, with 14 ha to be developed for retail purposes.

The company's non-Waterfall assets include a number of shopping centres such as Garden Route Mall in George, Mooiriver Mall in Potchefstroom and a 25% stake in Brooklyn Mall in Pretoria. Attacq also owns mixed-use development Lynnwood Bridge in Pretoria and Newtown Junction, which is a retail and office development in Johannesburg's inner city. The company also owns stakes in six malls in the rest of Africa, which are spread across Ghana, Zambia and Nigeria.

Attacq offers investors offshore exposure through its 48% holding in fellow JSE-listed MAS Real Estate. MAS is also listed on the Euro-MTF in Luxembourg and owns assets in Germany, the UK and Switzerland. Management recently announced plans to expand its investment focus to new developments in Central and Eastern Europe.

Attacq also has exposure to developing European countries through a stake in Atterbury Europe, which was launched in July last year. Atterbury Europe's first investment was a €200m retail portfolio in Cyprus. Its second investment is a one-third stake in a €259m retail portfolio of seven shopping centres in Serbia as well as a 50/50 joint venture in a new development fund. Attacq has the option to invest in 50% of any development undertaken by Atterbury Europe.

Alistair Anderson
Property writer, Business Day

LEASE EXPIRY PROFILE

SOURCE: ATTACQ

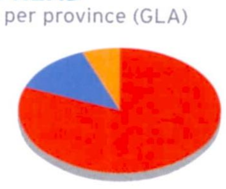
PRICE VS SECTOR

SOURCE: IRESS

TOP FOUR SHAREHOLDERS

Shareholder's name	% Share held
Sanlam Life Insurance	12.65
Coronation Fund Managers	12.50
Royal Bafokeng Holdings	8.65
Government Employees Pension Fund	7.38

GEOGRAPHICAL SPREAD
% per province (GLA)

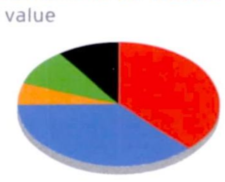


- Gauteng – 80.9%
- Western Cape – 13.2%
- North West – 5.9%

ATTACQ (As at December 31 2015)

Who manages the fund?	Attacq Limited
Number of properties in the fund	37 operational; 7 under development
Property valuation	R17,854,801,000
Market capitalisation	R13,640,287,452
Annual trading volume as % of units in issue	30.98%
Net asset value per unit	R19.33; R21.72 (excluding deferred tax)
Price per unit at date	R18.24
Discount to net asset value	5.64% to NAVPS of R19.33; 16.02% to NAVPS, adjusted for deferred tax of R21.72
Historic/forward yield (%)	N/A
Gearing (%)	39.70%
Name of the company	Attacq Ltd
Name of fund	Attacq Ltd
JSE code	ATT
Head of fund and title	Morne Wilken (CEO)
Contact person	Melt Hamman (CFO)
Tel no	(087) 845-1136
Fax no	(086) 242-9247
Physical address	2nd Floor, Att House, Maxwell Office Park, Magwa Crescent West, Waterfall City
Email address	reception@attacq.co.za
Website address	www.attacq.co.za

SECTORAL SPREAD
by value



- Retail – 42.2%
- Office – 40.7%
- Industrial – 6.2%
- Vacant land – 10.9%

SOURCE: ATTACQ