

**LIBERTY
REAL ESTATE
PORTFOLIO**



LIBERTY

**We know how to make
property work for you**



The Liberty name has always been synonymous with top property investments.

Now the investment team that created the “richest square mile in Africa”, among other iconic property developments, is creating a new and exciting property investment opportunity for Liberty customers – the Liberty Real Estate Portfolio.

Liberty is launching a new property investment opportunity on the Johannesburg Stock Exchange, and as part of the listing is planning one of the largest property capital raisings ever seen in South Africa. It will be selling shares to leading institutional investors such as fund managers and pension funds, both in South Africa and internationally.

This new venture, the Liberty REIT (Real Estate Investment Trust), will be buying into Liberty's existing blue chip properties, but is also set to expand both locally and in sub-Saharan Africa with a planned investment pipeline of some R4 billion. Unlike Liberty's existing Property Portfolio, the new Liberty REIT will be allowed to enhance its returns further through the prudent use of borrowing.

The Liberty Real Estate Portfolio

This new and innovative Liberty Real Estate Portfolio will invest only in the shares of the newly created and JSE-listed Liberty REIT.

This new portfolio's returns will depend upon how well the Liberty REIT shares perform in the future. Key to the share performance of the Liberty REIT is:

- The management of the REIT – Guided by the same expert property asset management team that has grown the Liberty Property Portfolio to its current premier stature. The REIT will offer more diversification, invest in development opportunities in the rest of Africa and employ gearing to enhance returns.
- The quality of its property assets – The Liberty REIT will start by buying into Liberty's existing Property Portfolio that comprises some of the most iconic property assets in South Africa. These include 75% of Sandton City, Nelson Mandela Square and Eastgate shopping centres, and a 25% share in Melrose Arch.

- Future investment opportunities – The management team, with its proven track record of identifying quality property opportunities, has lined up an impressive R4 billion pipeline of potential new opportunities in South Africa and other sub-Saharan countries.

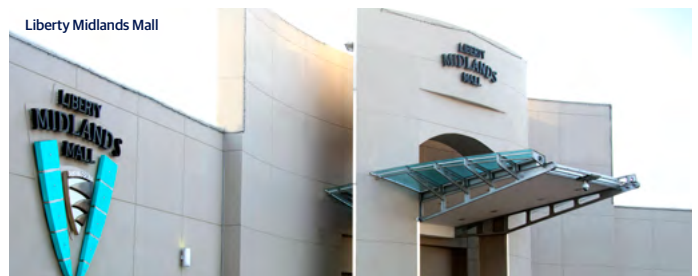
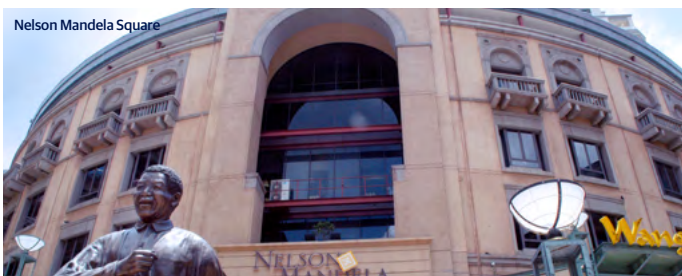
These factors combined mean the expected returns from this new portfolio are anticipated to be higher than the existing Liberty Property Portfolio, but returns from the new portfolio won't be as stable as the existing portfolio. This is reflected in the risk ratings given to the portfolios: The existing Liberty Property Portfolio is rated as 'Moderate' while the new Liberty Real Estate Portfolio is 'Moderately Aggressive'. As is the case with many investments, this means that customers looking to invest in Liberty Real Estate Portfolio must be comfortable with taking a long-term view.

Please contact your Liberty Financial Adviser or Broker, or contact the Liberty Call Centre 0860 456 789 for more information.

WHAT'S A LISTED REIT?

A listed REIT is a tax efficient, listed structure in the property sector. It invests in a portfolio of properties in order to earn rental yield, with the added potential of capital growth.

It is able to borrow by using external debt (gearing or financial leverage), and raise capital for further property investments by issuing more shares. Because the REIT shares are traded on the stock exchange (the JSE), the price is subject to market sentiment determined by what distribution growth the company is expected to generate in the future.



For more information please contact your Liberty financial adviser or broker, or contact our call centre on 0860 456 789 or visit www.liberty.co.za

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