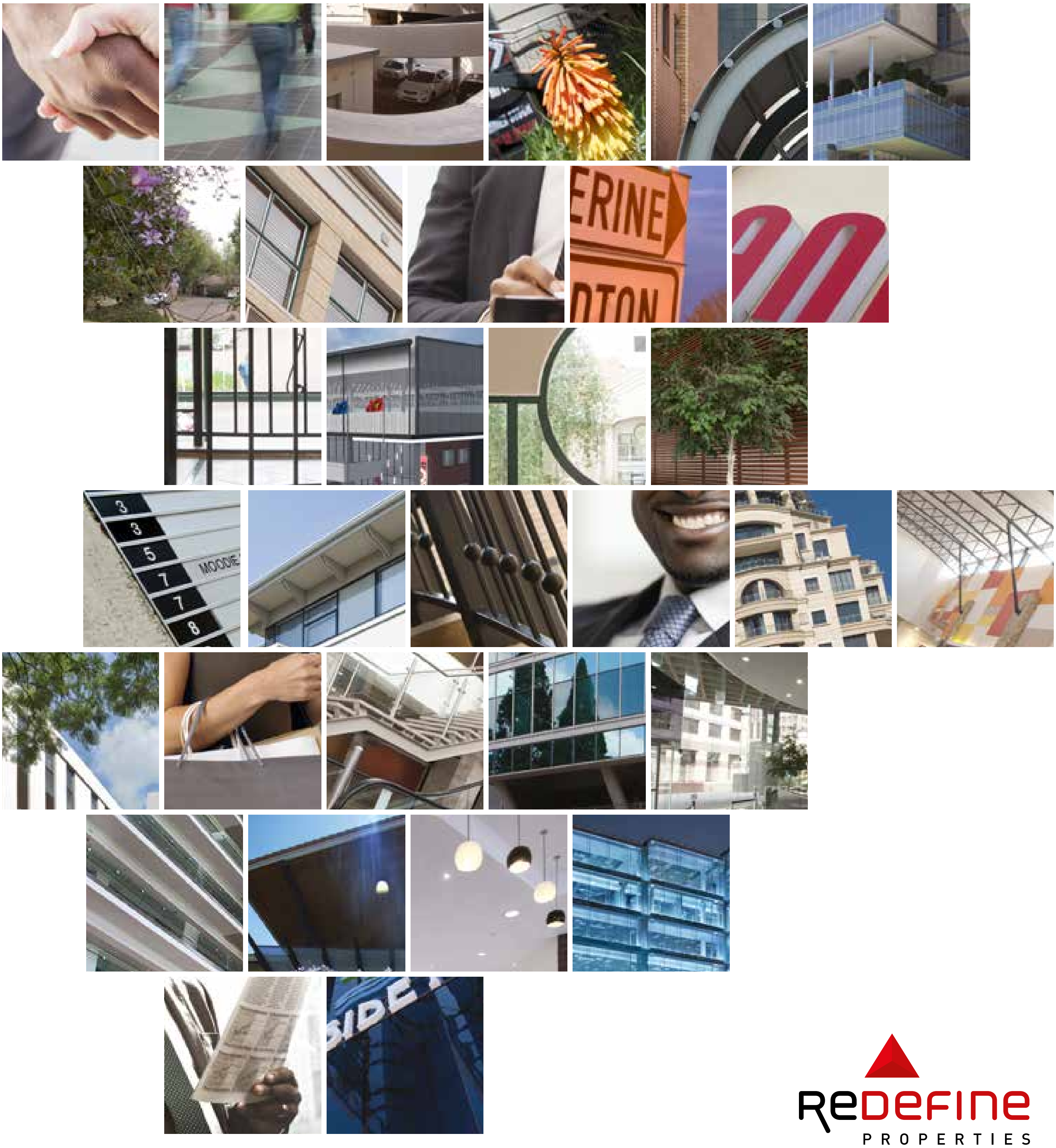
REDEFINE PROPERTIES LIMITED

INTEGRATED ANNUAL REPORT 2014



REDEFINE
PROPERTIES

We're not landlords. We're people.


innovation
accountability
enthusiasm
COOPERATION
FAIR

DEFINITIONS

Redefine/the company/the group	Redefine Properties Limited, a company listed on the JSE
AGM	Annual general meeting
ADR	American Depositary Receipt Programme
Annuity	Annuity Properties Limited
Arrowhead	Arrowhead Properties Limited, a company listed on the JSE
ASX	Australian Stock Exchange
BASA	Business and Arts South Africa
BBBEE	Broad-Based Black Economic Empowerment
CDP	Carbon disclosure project
CGT	Capital gains tax
Companies Act	Companies Act No. 71 of 2008 as amended
CP	Commercial Paper
Cromwell	Cromwell Property Group, a fund listed on the ASX
CRM	Customer Relationship Management
DC	Distribution Centre
DCF	Discounted cash flow
Dipula	Dipula Income Fund Limited, a company listed on the JSE
DJSI	Dow Jones Sustainability Index
DMTN	Domestic Medium-Term Note Programme
DRIP	Dividend re-investment programme
Emira	Emira Property Fund
EPRA	European Property REIT Association
ERM	Enterprise Risk Management
FTSE	Financial Times Stock Exchange
Fountainhead	Fountainhead Property Trust, a JSE listed property unit trust
Fountainhead Manco	Fountainhead Property Trust Management Limited
Framework	The International IR Framework
GBCSA	Green Building Council of South Africa
GHG	Greenhouse Gas Emissions
GLA	Gross lettable area
GMR	Gross monthly rental
GP	Guaranteed package
GRI	Global Reporting Initiative
Hyprop	Hyprop Investments Limited, a JSE listed company
IAR	Integrated annual report
ICT	Information and Communications Technology
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
JSE	Johannesburg Stock Exchange
King III	King Report on Corporate Governance for South Africa and the King Code of Governance Principals
KPI	Key performance indicators
LSE	London Stock Exchange
LTI	Long-term incentive
LTV	Loan to value ratio
MoI	Memorandum of incorporation
NAV	Net asset value
NGO	Non Governmental Organisation
NOI	Net operating income
PLS	Property Loan Stock
PSC	Property Sector Charter
PV	Photovoltaic
REIT	Real Estate Investment Trust
RIFM	Redefine International Fund Managers Limited, a private company incorporated in the British Virgin Isles
RIN	Redefine Properties International Limited, a company listed on the JSE
RI PLC	Redefine International P.L.C. a company listed on both the JSE and LSE
SAPOA	South African Property Owners Association
SARB	South African Reserve Bank
SAR	Share appreciation rights
SRI	Socially Responsible Investment Index
STI	Short-term incentive
TGP	Total guaranteed package
TI	Tenant installation
USA	United States of America

CONTENTS

REDEFINE'S INTEGRATED ANNUAL REPORT 2014 CONSISTS OF TWO BOOKS:

INTEGRATED ANNUAL REPORT

The report incorporates an overview of Redefine's organisation, key operational matters, strategic intent and performance reviews, including reports from the executive chairman and chief executive officer, the financial director as well as sector reviews, corporate responsibility and corporate governance and risk management commentaries.

ANNUAL FINANCIAL STATEMENTS

The statutory annual financial statements were prepared in accordance with IFRS, JSE Listings Requirements and the requirements of the Companies Act 2008.

The integrated annual report should be read together with the annual financial statements which, combined, provide a comprehensive overview of Redefine's performance and prospects.

The complete annual financial statements and integrated annual report of the company and group for the financial year ended 31 August 2014 may be obtained:

- from the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Ground Floor, 70 Marshall Street, Johannesburg 2001, or
- from the company's website at: **www.redefine.co.za**, or
- by request from the company.

NAVIGATION

The integrated annual report is available on **www.redefine.co.za**

DEFINITIONS

Contained as a foldout at the back of the report

PAGE REFERENCES

Refers readers to information elsewhere in this report

WEBSITE

Indicates that additional information is available on our website **www.redefine.co.za**

HOW TO NAVIGATE THIS REPORT

To facilitate reading and navigating the report, we have incorporated the following symbols

FINANCIAL CAPITAL
MANUFACTURED CAPITAL
HUMAN CAPITAL
SOCIAL AND RELATIONSHIP CAPITAL
INTELLECTUAL CAPITAL
NATURAL CAPITAL
OFFICE
RETAIL
INDUSTRIAL

FINANCIALS

Annual financial statements 2014

SOCIAL, ETHICS AND SUSTAINABILITY REPORT

FEEDBACK

Your feedback is important to us and will help enhance our reporting processes and ensure that we report those things that matter to you.

Visit **www.redefine.co.za** or email **investorenquiries@redefine.co.za**

REDEFINE'S VISION IS TO BE THE BEST, BUT NOT NECESSARILY THE BIGGEST SA REIT. THIS MEANS BEING THE BEST IN ALL ASPECTS OF WHAT WE DO, SO THAT WE ARE THE PROPERTY OWNER OF CHOICE, WITH A STRATEGIC FOCUS CENTRED ON DELIVERING SUSTAINED VALUE TO STAKEHOLDERS.

WE'RE NOT LANDLORDS. WE'RE PEOPLE

Redefine is a diversified REIT, with a strategic focus centred on delivering sustained value to stakeholders. Redefine controls a property income earning asset base of R51,1 billion and is capitalised on the JSE at R36,4 billion.

Redefine's consistent performance, despite the significant challenges in our markets, demonstrates the resilience of our strategy. As we execute the group's near to medium-term business focus, and advance our longer-term strategic priorities, we are confident we will continue to meet the expectations of our stakeholders.

In the year under review, Redefine achieved another sound all-round performance, judged against our social, environmental, operational and financial performance targets. We also tweaked our strategy to grow and diversify the existing asset base and to expand through development and re-development opportunities.

ABOUT REDEFINE

Local property presence:

270 geographically diversified properties valued at **R30,2 billion** across the retail, office and industrial sectors

Actively managed by an expert and agile team of 252 property and financial professionals

65,9% equity interest in Fountainhead which owns **64 properties** valued at **R12,2 billion**, managed by Redefine

A value-driven culture underpins everything that Redefine does

International diversification through:

30,1% direct holding in LSE and JSE listed RI PLC

15,9% direct holding in ASX listed Cromwell

50% interest in North Sydney's landmark tower, Northpoint

WE BELIEVE

Property is our commodity, but people are our business. Our unique and focused approach to relationships enables us to create and sustain meaningful value for our business partners. We believe that our values underpin our success. To achieve our vision, to be the best in all aspects of what we do, every employee has to align their activities and efforts with Redefine's strategic priorities.

WE VALUE

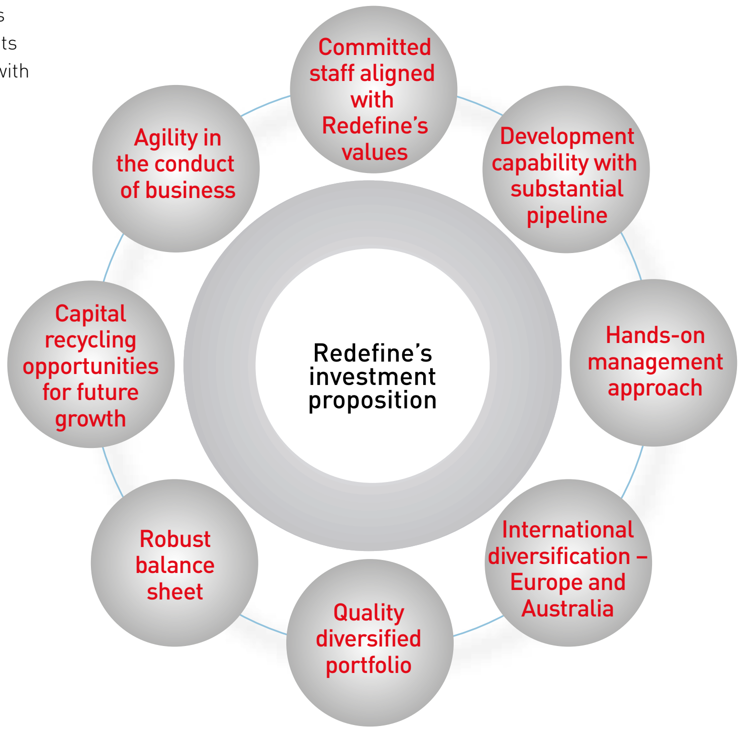
Professionalism with personality, delivered through:
Unconventional thinking
Simplicity and straight talk
Decisive action
Trusting partnerships

HOW WE DO IT

Challenge the norm
Oneness
Make it happen
Respect personal relationships
Mean it

HOW YOU BENEFIT

Innovative solutions
Proactive service
Always in the know
Peace of mind
Enabled for success



IN PREPARING REDEFINE'S INTEGRATED ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2014, WE INCORPORATED THE KEY PRINCIPLES CONTAINED IN THE INTERNATIONAL INTEGRATED REPORTING COUNCIL'S FRAMEWORK. THIS HAS SUPPORTED OUR PROGRESSIVE APPROACH TO INTEGRATED REPORTING.

The content of this report endeavours to portray a holistic and integrated presentation of the group's performance in terms of financial, manufactured, intellectual, social and relationship and natural capital. This report also aims to inform our stakeholders about the objectives and strategies of the group.

INTRODUCTION AND PROFILE

FRAMEWORKS APPLIED

This report has been prepared using the IIRC's framework as its basis and Redefine has endeavoured to apply the guiding principles and content elements contained in the framework. In addition, the board has ensured that the report meets the requirements of the Companies Act, and the JSE Listings Requirements.

Redefine is committed to applying the corporate governance principles contained in King III. Details of the company's application of these principles appear on our website. The annual financial statements are available on the company's website.

REPORT SCOPE AND BOUNDARIES

This report covers Redefine's activities for the financial year ended 31 August 2014 conducted by the holding company, subsidiaries, jointly controlled assets and associates over which it has significant influence. Details of investments in subsidiaries, jointly controlled assets and associates appear in the annual financial statements. A simplified group structure can be found on page 10.

Fountainhead (www.fountainheadproperty.co.za) and RI PLC (www.redefineinternational.com) are separately listed and managed entities. Detailed information on financial and operational activities are covered in their respective annual reports which are available on their websites.

Non-financial performance indicators are only provided for the Redefine (excluding Fountainhead) operations. This report does not discuss social or environmental aspects of the group's supply chain but does address legitimate issues considered important by a variety of stakeholders outside the group.

DETERMINING MATERIALITY

The information presented in this integrated annual report is selected by the board and executive committee such that, in our view, it offers the most value or 'materiality' to those who will read this report. Supporting information is available on Redefine's website and in other company publications. Both quantitative and qualitative aspects of a material matter, together with an anticipated timeframe, were considered when determining their materiality.

As described in King III, achieving full integrated reporting is 'a journey'. Redefine's board and management are confident that the information presented is that which is most material to our stakeholders and which will inform their assessment of the group's ability to create value in the short, medium and long term.

This report is primarily prepared for the providers of financial capital, and is therefore relatively succinct when dealing with social and environmental matters. However, Redefine's approach and performance with regard to social and environmental matters has been reviewed as these are integral to its ability to create sustainable value to all its stakeholders.

Redefine has been assessed as having a low impact on the environment and society in terms of the review requirements by the JSE impact classification. Consequently, limited information is provided in this report regarding these impacts and the company's responses. This report focuses on the organisation's corporate responsibility of accountability and stewardship of the six forms of capital (financial, manufactured, human, social and relationship, intellectual and natural), identified in the IIRC's framework and in this regard the GRI guidelines have been reviewed to identify indicators to report on its non-financial performance.

Further information regarding the company's approach to sustainability is available in the social, ethics and sustainability report which is published on the company's website.

Redefine's commitment to applying the King III principles and to providing an understanding of the significance of governance to the providers of financial capital means that the governance of the company is reviewed at length.

Material matters representing events, risks, opportunities, issues and amounts are discussed throughout the report.

LOCAL AND INTERNATIONAL BENCHMARKING

We benchmark our performance against our peers and others, and are proud to be one of the leading SA REITs in several key corporate responsibility indices.

GREEN BUILDING COUNCIL SOUTH AFRICA
MEMBER ORGANISATION 2014

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

ASSURANCE

Redefine continues to develop and apply a combined assurance model, providing all stakeholders with confidence regarding the information disclosed in this report. At this stage in its reporting journey, and given the lack of any universally accepted assurance guidelines, it is premature for Redefine to obtain independent assurance on the report as a whole.

The group financial statements were audited by Grant Thornton (Jhb) Inc. and prepared under the supervision of AJ Konig CA(SA), Redefine's chief executive officer and LC Kok CA(SA), Redefine's financial director.

The group's BBBEE contributor levels were verified by Honeycomb BEE Ratings Proprietary Limited. The group's carbon footprints were prepared with the assistance of Terra Firma Solutions Proprietary Limited.

BOARD RESPONSIBILITY STATEMENT

The Redefine board of directors acknowledges its responsibility to ensure the integrity of the integrated annual report for the 2014 financial year. The board has accordingly applied its mind and, in its opinion, this integrated annual report addresses all material matters, and offers a balanced view of the performance of the organisation and of its impact on the environment and society.

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements. Words such as 'believe', 'anticipate', 'intend', 'seek', 'will', 'plan', 'could', 'may', 'endeavour' and similar expressions, are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements.

While these forward-looking statements represent our judgements and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include factors that could adversely affect our businesses and financial performance.

We are not under any obligation to (and expressly disclaim any such obligation) to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein, as they have not been reviewed or reported on by Redefine's independent external auditors.

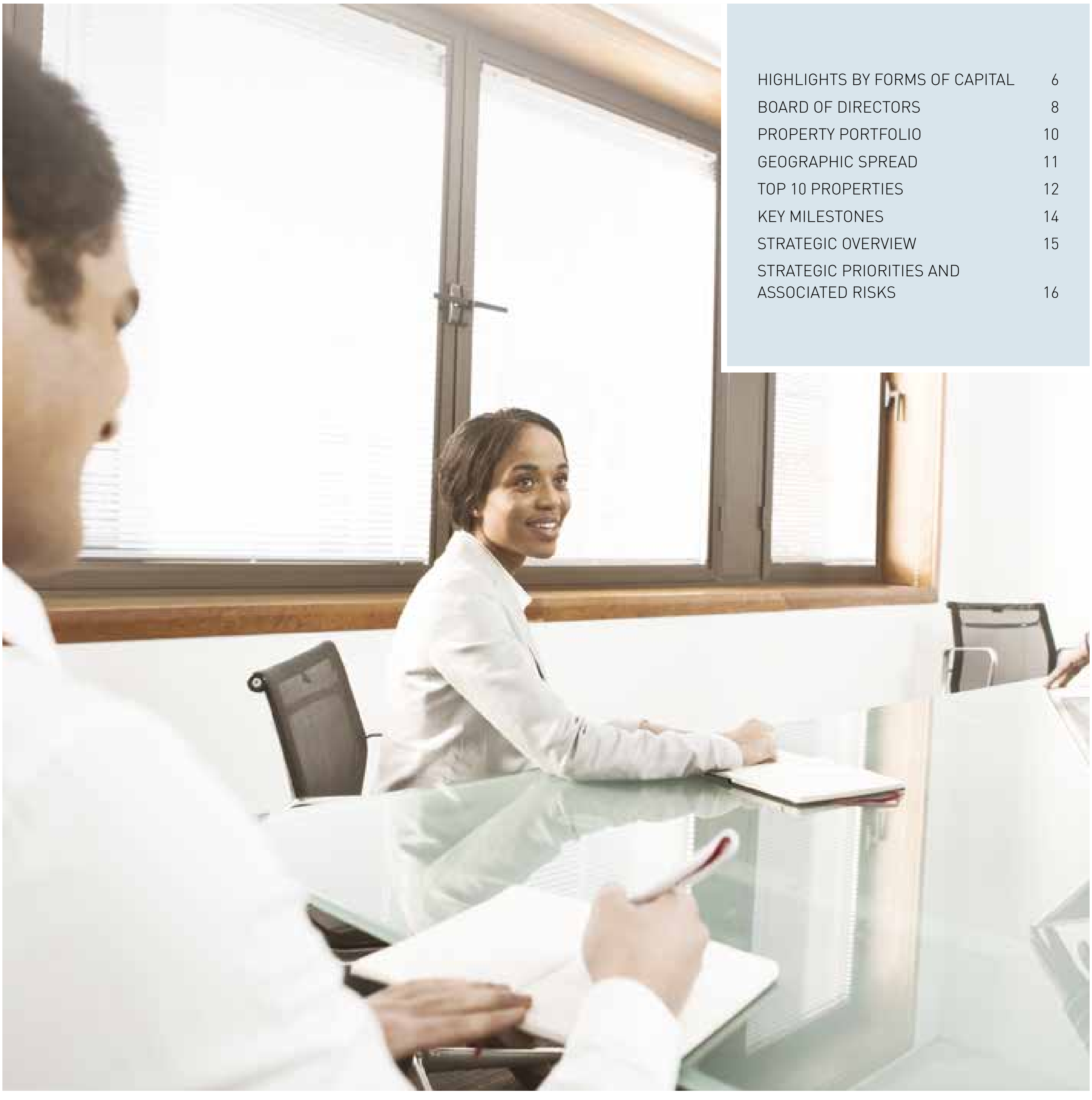
Duly authorised by the board and signed on its behalf

Marc Wainer
Executive chairman

Andrew Konig
Chief executive officer

REDEFINE'S FIRST GREEN OFFICE DEVELOPMENT

ESSENTIAL READS



FINANCIAL CAPITAL

8,5% distribution growth to **74,5 cents** per share

20,5% increase in market capitalisation to **R36,4 billion**

MANUFACTURED CAPITAL

R4,6 billion acquisitions concluded during the year

R2,3 billion developments in progress

HUMAN CAPITAL

LEARNERSHIP PROGRAMME entrenched in the business

R13,6 million net property income per employee

SOCIAL AND RELATIONSHIP CAPITAL

BASA award for partnership with Buskaid Music Academy

R3,3 million spent on CSI initiatives

JSE SRI Index continued inclusion

NATURAL CAPITAL

28,5% decrease in Scope 2 emissions

Inclusion in DOW JONES Sustainability Index

INTELLECTUAL CAPITAL

REDEFINE'S brand awareness entrenched in the market

Inclusion in EY excellence category in Integrated Reporting 2013, and most improved integrated report award

NAV up 12,1% to
976 cents per share

EQUITY structure
conversion completed

R3,6 billion increase
in international investments to
R7,4 billion

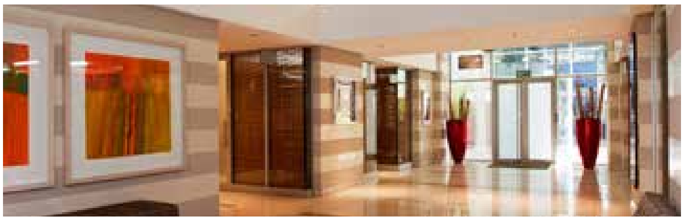
R1,5 billion in
developments completed
subsequent to year-end

R3 billion transfer
of property acquisitions post
year end

R9,6 million
distribution per employee

R5,5 million invested
in employee training

INVESTOR PERCEPTIONS
show overall improvement



87% scored in Carbon
Disclosure Leadership Index

FOUR-STAR
green building rating for
90 Grayston Drive

144 YEARS combined
executive management
experience

EMPLOYER
of choice

GROUP AT A GLANCE	2014	2013
Total distribution per share	**74,5**	68,7
Total annual investor return (%)	**12,5**	2,6
Total return on equity (%)	**20,7**	17,2
Closing share price (cents)	**956**	916
Trading volume (%)	**41,7**	43,6
Market capitalisation (R billion)	**36,4**	30,2
Total property assets under management (R billion)	**51,1**	41,2
Property portfolio (R billion)	**44,2**	35,6
Listed security portfolio and investments in associates (R billion)	**6,9**	5,6
Borrowings (R billion)	**19,8**	17,1
Weighted average cost of borrowings (%)	**8,2**	8,0

Standing from left: Mike Ruttell, Andrew Konig, David Rice, Günter Steffens, Mike Watters and Leon Kok.
Seated from left: Marc Wainer, David Nathan, Harish Mehta and Bernie Nackan.

MARC WAINER (66)

EXECUTIVE CHAIRMAN

Appointment to the board:
Marc was appointed to the board in 1999, as chief executive officer in 2009 and subsequently became executive chairman in August 2014

Committee membership:
Investment committee

External appointments:
Director of RI PLC and Cromwell of Australia and an executive director of Fountainhead Manco. He is also a non-executive director of Elwain Investments Proprietary Limited and Pivotal Property Fund

Previous experience:
He has more than 40 years' experience in all aspects of real estate.

Marc's primary focus is on acquisitions and disposals, international investments and investor relations, as well as playing a role in conceptual development at Redefine.

ANDREW KONIG (47)

CHIEF EXECUTIVE OFFICER

BCom, BAcc CA(SA)

Appointment to the board:
Andrew was appointed as financial director and to the board in January 2011 and elected as chief executive officer in August 2014

Committee membership:
Chairman of the executive committee and member of the investment committee

External appointments:
Executive director of Fountainhead Manco, director of Cromwell and an alternate director to Marc Wainer on the RI PLC board

Previous experience:
A qualified chartered accountant with 22 years of commercial and financial experience, Andrew was previously group financial director of Independent News and Media.

He is responsible for the management of Redefine and for ensuring the board's strategy is implemented as well as all aspects of regulatory compliance, corporate activity and communications.

DAVID RICE (58)

CHIEF OPERATING OFFICER

Appointment to the board:
David was appointed to the board in August 2009 and subsequently became chief operating officer in March 2011

Committee membership:
Executive and investment committees

External appointments:
Executive director of Fountainhead Manco

Previous experience:
David was managing director of ApexHi Properties Limited from 2006 until the merger of Redefine, ApexHi and Madison Property Fund Managers Holdings Limited.

He is responsible for all aspects of the asset and property management of the business which includes the general administration of the property portfolio. David has more than 30 years' experience in the property industry.

LEON KOK (43)

FINANCIAL DIRECTOR

BCom, BCom (Hons) (Acc), CA(SA)

Appointment to the board:
Appointed in October 2014

Committee membership:
Executive committee and social and ethics committee

Previous experience:
Leon is a chartered accountant with an excellent blend of operational experience, sound business acumen and technical accounting knowledge. He joined Redefine in 2014 from a 13-year career at Peermont Global Limited.

He is responsible for all aspects of finance, legal and human resources management and supports the chief executive officer in corporate activities, regulatory compliance and investor relations.

MIKE RUTTELL (56)

EXECUTIVE DIRECTOR: DEVELOPMENT

BSc QS, PrQS, PMAQS, MRICS, HBS, AMP

Appointment to the board:
Appointed in September 2013

Committee membership:
Executive and social and ethics committees

Previous experience:
Mike is a quantity surveyor by profession with over 36 years of technical and commercial experience in the construction and property development sectors both in South Africa and internationally. He is responsible for all aspects of Redefine's development activities.

HARISH MEHTA (64)

NON-EXECUTIVE DIRECTOR

BSc, MBA

Appointment to the board:
Appointed in September 2009

Committee membership:
Remuneration and nomination committees

External appointments:
Non-executive director of Times Media Group Limited, The Spar Group Limited, The KZN Provincial Board of FNB, The Wasteman Group Limited and Cibapac Proprietary Limited. Harish is the executive chairman of Clearwater Capital, a strategic BEE shareholder in Redefine.

Previous experience:
He was formerly the managing director of the Universal Print Group Proprietary Limited.

BERNIE NACKAN (70)

LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR

BA Econ (Wits), SEP (Stanford – USA)

Appointment to the board:
Appointed in 2009

Committee membership:
Chairman of the nomination and investment committees, member of the audit and risk and remuneration committees

External appointments:
Director RI PLC, Fountainhead Manco and the Rezco Asset Management Group

Previous experience:
Bernie was financial editor of the Rand Daily Mail and an executive director of Sage Group from 1974 until his retirement in 2003.

He was a member of the Collective Investment Schemes Advisory Committee for 10 years.

GÜNTER STEFFENS (77)

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA)

Appointment to the board:
Appointed in September 2013

Committee membership:
Chairman of the remuneration committee and member of the audit and risk and nomination committees

External appointments:
Director of Astrapak Limited and Imara S.P Reid Proprietary Limited. Independent non-executive director at Conduit Capital Limited and serves on the boards of several non-listed companies

Previous experience:
Günter established Dresdner Bank AG in London and ran it for 25 years. He subsequently oversaw the bank's interests in southern Africa. He was chairman of the German-British Chamber of Commerce and The Foreign Banks and Securities Houses Association and is a member of the Worshipful Company of International Bankers.

DAVID NATHAN (65)

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA)

Appointment to the board:
Appointed in March 2014

Committee membership:
Chairman of the audit and risk and social and ethics committees

External appointments:
Non-executive director and member of audit and risk as well as social and ethics committees of Karan Beef Proprietary Limited

Previous experience:
Before retiring, David was a senior partner at Grant Thornton (Jhb) with close on 40 years of experience at the firm of which 35 years were as a partner. He has extensive experience of board, governance, finance, investment and risk matters.

David has extensive knowledge of exchange control matters and investment trusts.

MIKE WATTERS (55)

NON-EXECUTIVE DIRECTOR

BSc Eng (Civil), MBA

Appointment to the board:
Appointed August 2014

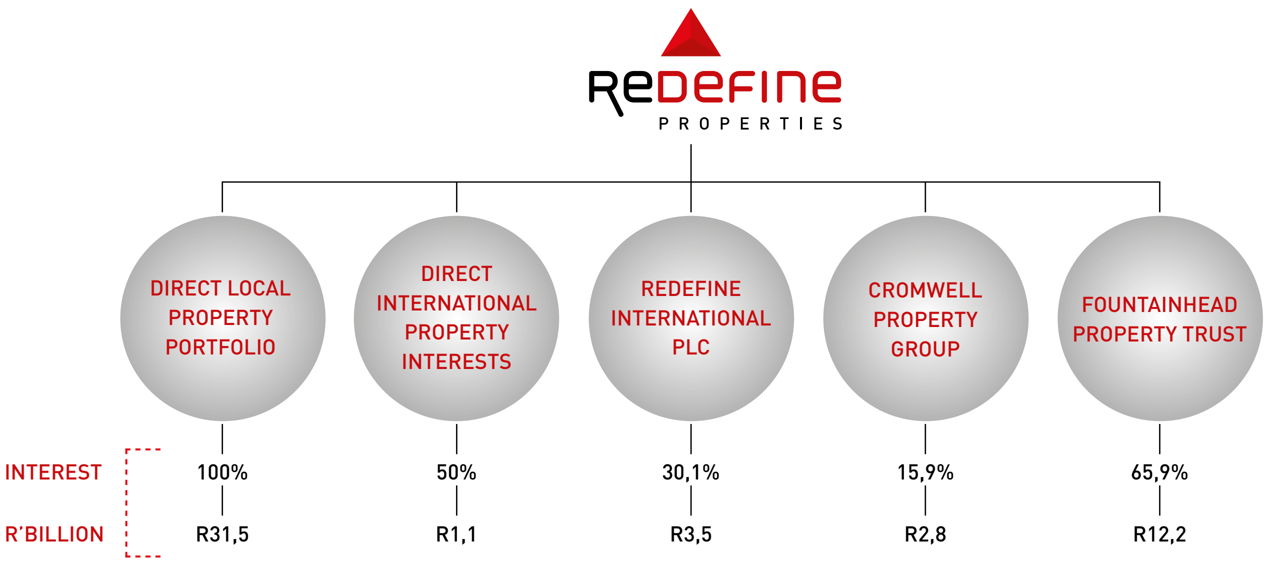
External appointments:
CEO of RI PLC

Previous experience:
A qualified engineer with a BSc Engineering (Civil) Degree and an MBA. Mike has over 27 years' experience in the investment banking and real estate industries. He has held directorships of some of South Africa's top-rated listed property funds including Sycom Property Fund, Hyprop Investments Limited as well as the Sapphire Retail Fund in the UK.

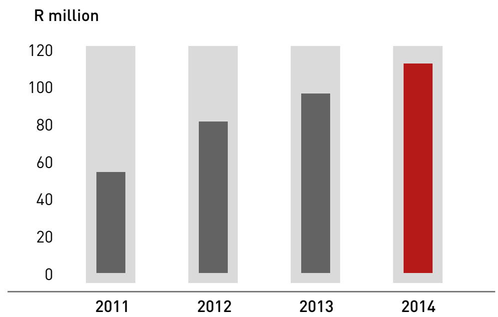
REDEFINE HAS MADE SIGNIFICANT PROGRESS IN IMPLEMENTING ITS STRATEGY OF DIVERSIFYING, GROWING AND IMPROVING THE QUALITY OF THE PROPERTY PORTFOLIO. THE PORTFOLIO BEARS LITTLE RESEMBLANCE TO WHAT IT WAS THREE YEARS AGO WITH THE AVERAGE VALUE PER PROPERTY INCREASING FROM R54 MILLION TO R112 MILLION.

REDEFINE'S FOCUS REMAINS ON ADDING VALUE TO GROWING AND DIVERSIFYING THE PROPERTY PORTFOLIO. TO THIS END REDEFINE HAS CONTINUED INVESTING IN HIGHER-VALUE WELL-LOCATED PROPERTIES, WITH A FOCUS ON BLUE-CHIP TENANTS, WHICH HELPS IMPROVE MANAGEMENT EFFICIENCY AND SECURE GROWTH IN RENTALS. REDEFINE STILL HAS A BALANCED AND DIVERSIFIED PORTFOLIO FOCUSED ON THE OFFICE, RETAIL, AND INDUSTRIAL SECTORS.

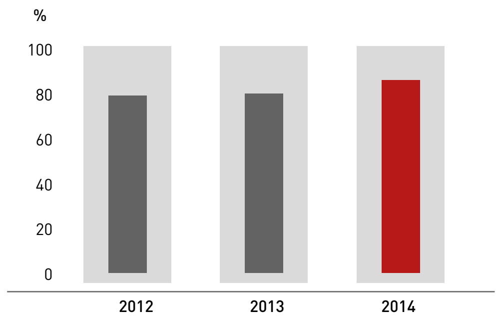
TOTAL PROPERTY ASSETS UNDER MANAGEMENT R51,1 BILLION

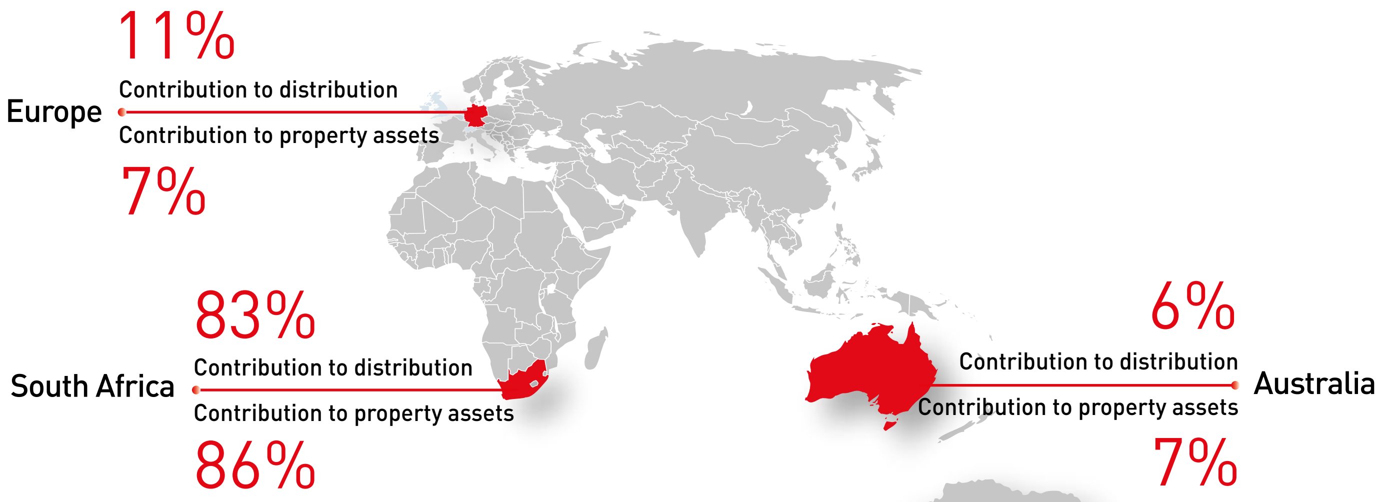


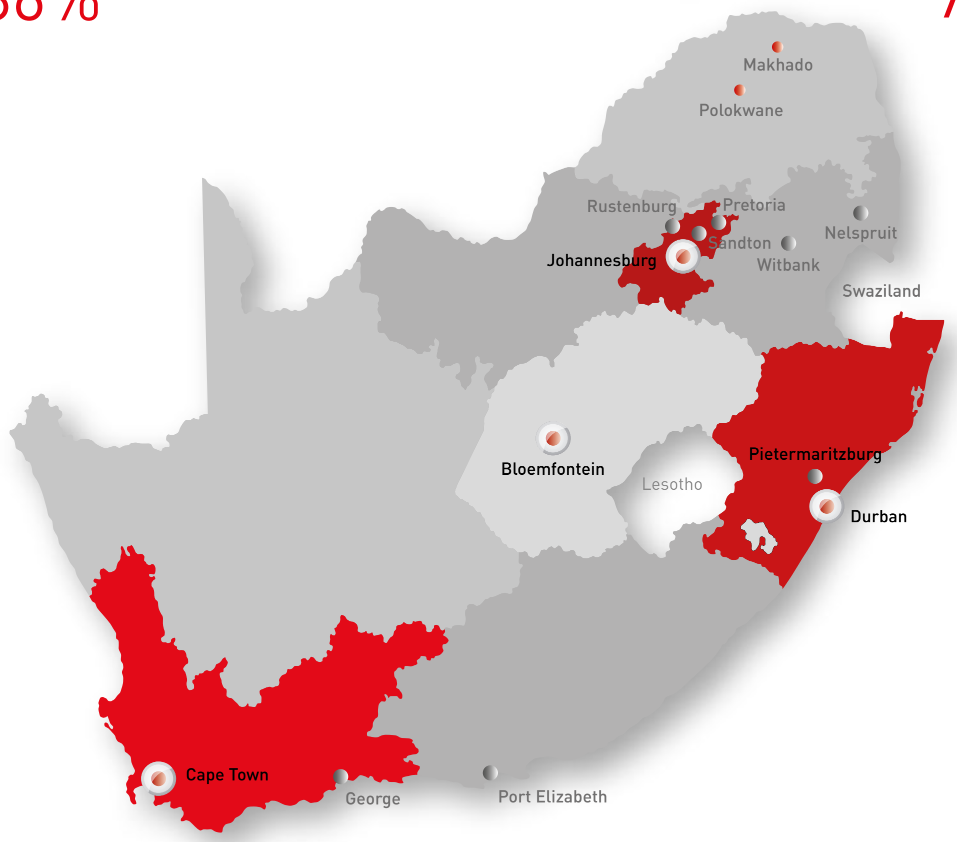
AVERAGE VALUE PER PROPERTY



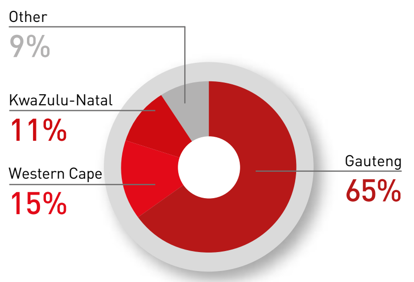
POSITIVE TREND IN TENANT RETENTION RATE



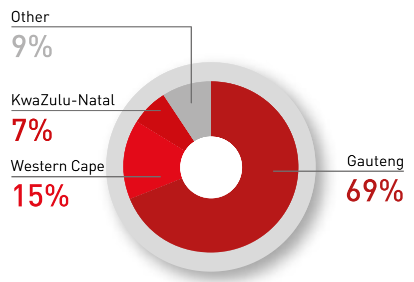




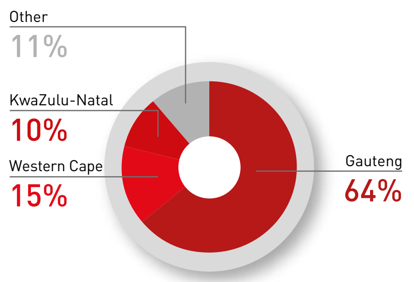
NUMBER OF PROPERTIES %



VALUE %



GLA %



EAST RAND MALL

Location:	Boksburg, Gauteng
Sector:	Retail
GLA (m^2):	62 514
Property valuation (Rm):	1 109
Occupancy:	97,2%
Average footcount per month:	1,1 million
Projected redevelopment cost (Rm):	153 (RDF contribution)
Major anchor tenants:	Woolworths, Edgars, Truworths, Mr Price and Foschini
Ownership:	50%

MATLOSANA MALL

Location:	Klerksdorp, North West
Sector:	Retail
GLA (m^2):	65 180
Property valuation (Rm):	1 029
Occupancy:	87,5%
Major anchor tenants:	Pick n Pay, Checkers, Woolworths, Edgars, Mr Price, Truworths and Foschini
Ownership:	100%

GOLDEN WALK

Location:	Germiston, Gauteng
Sector:	Retail
GLA (m^2):	45 129
Property valuation (Rm):	834
Occupancy:	99,6%
Average footcount per month:	1,3 million
Major anchor tenants:	Pick n Pay, Shoprite, Woolworths, Edgars, Jet Mart and Mr Price
Ownership:	100%

115 WEST STREET

Location:	Sandton, Gauteng
Sector:	Office
GLA (m^2):	35 064
Property valuation (Rm):	816
Occupancy:	100%
Ownership:	50%
Key tenant:	Alexander Forbes

THE TOWERS

Location:	Cape Town Foreshore, Western Cape
Sector:	Office
GLA (m^2):	54 140
Property valuation (Rm):	800
Occupancy:	92,5%
Projected redevelopment cost (Rm):	533
Ownership:	100%
Key tenant:	Standard Bank

MAPONYA MALL

Location: Soweto, Gauteng
Sector: Retail
GLA (m²): 71 406
Property valuation (Rm): 689
Occupancy: 98,8%
Average footcount per month: 1 million
Major anchor tenants: Pick n Pay, Woolworths, Edgars, Ackermans, Mr Price, Truworths and Foschini
Ownership: 51%

PEPKOR

Location: Isando, Gauteng
Sector: Industrial
GLA (m²): 107 017
Property valuation (Rm): 687
Occupancy: 100%
Ownership: 100%

SAMMY MARKS SQUARE

Location: Pretoria CBD, Gauteng
Sector: Retail
GLA (m²): 34 120
Property valuation (Rm): 555
Occupancy: 99,2%
Major anchor tenants: Woolworths, Mr Price, Ackermans and Jet Stores
Ownership: 100%

155 WEST STREET

Location: Sandton, Gauteng
Sector: Office
GLA (m²): 24 501
Property valuation (Rm): 530
Occupancy: 100%
Ownership: 100%
Key tenant: Discovery

LANGEBERG MALL

Location: Mossel Bay, Western Cape
Sector: Retail
GLA (m²): 29 942
Property valuation (Rm): 504
Occupancy: 97,2%
Average footcount per month: 395 000
Major anchor tenants: Pick n Pay, Game, Edgars, Woolworths, Mr Price and Clicks
Ownership: 100%

’99–’08

Redefine Income Fund was established in 1999 and listed in February 2000 with a market cap of R463 million and a R1,1 billion asset base. The fund traded successfully and in 2009 the market capitalisation had grown to R6,1 billion.

2009

Redefine Income Fund, ApexHi and Madison were the subject of a R12,7 billion three-way merger resulting in the formation of Redefine Properties Limited.
Increased its stake in Hyprop to 33,3%.
MARKET CAP INCREASED TO R19,3 BILLION.

2010

Redefine International listed on the JSE as part of a dual listing structure.
Redefine increased its stake in Hyprop from 33,3% to 45,2%.
MARKET CAP INCREASED TO R21,5 BILLION.

2011

Redefine internalised property management to streamline business processes and to reduce costs.
Dipula listed on the JSE – a Redefine-funded enterprise development initiative.
RI PLC achieved an LSE main board listing.
Redefine made its debut in the local bond market under a R5 billion DMTN programme.
Successfully unbundled and listed Arrowhead on the main board of the JSE.
MARKET CAP INCREASED TO R22,3 BILLION.

2012

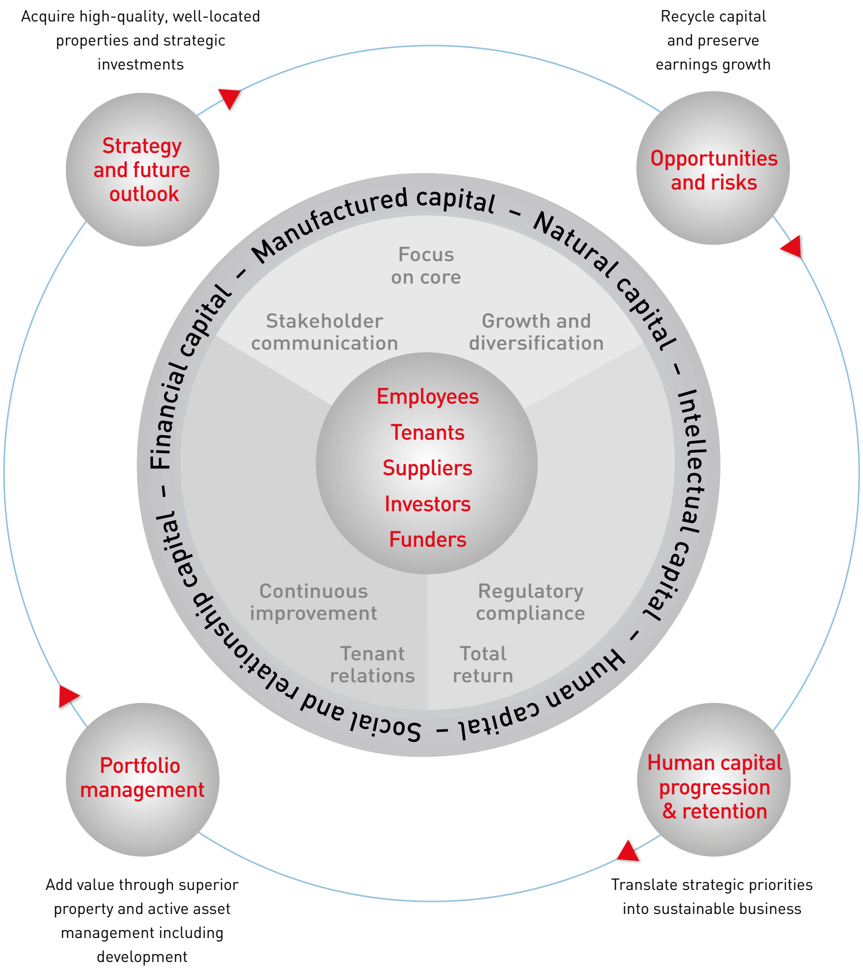
Redefine acquired the Fountainhead Manco for R660 million.
Redefine undertook a significant rebranding process with a renewed focus on people. A modern and uniform corporate identity and a national rebranding initiative were launched to entrench the brand in the South African marketplace – We’re not Landlord’s, We’re people.
MARKET CAP INCREASED TO R26,6 BILLION.

2013

Redefine acquired a controlling stake in Fountainhead and increased its holding in Cromwell to 12,5%.
ADR programme was launched in the United States to facilitate international ownership – the first property company in South Africa.
Awarded the tender to develop new Webber Wentzel Attorney offices in Sandton valued at approximately R1,1 billion.
Internalised the measuring and recovery of electricity.
MARKET CAP INCREASED TO R30,2 BILLION.

2014

Redefine exited its remaining Hyprop holding.
REIT status approved from 1 September 2013.
Redefine completed its maiden direct offshore property acquisition, obtaining a 50% share in the landmark Northpoint Tower located in North Sydney, Australia.
International investments increased by R3,6 billion to R7,4 billion.
The issued capital of Annuity Properties was acquired for R1,4 billion.
An offer to acquire all the assets of Fountainhead did not receive the requisite shareholder approval.
Inward listing of RI PLC.
A strategic stake was acquired in Emira, subsequent to year-end.
Completed first four-star green development – 90 Grayston Drive.
MARKET CAP INCREASED TO R36,4 BILLION.



REDEFINE'S BUSINESS MODEL IS PEOPLE CENTRIC.

OUR STRATEGY IS CENTRED ON DELIVERING SUSTAINED VALUE TO STAKEHOLDERS.

OUR GOAL	SUPERIOR RETURNS					
OUR VISION	TO BE THE PROPERTY OWNER OF CHOICE					
OUR BUSINESS MODEL	INVESTING IN AND MANAGING HIGH-QUALITY PROPERTY ASSETS THAT ARE OPTIMALLY FUNDED TO PROVIDE SUSTAINED AND GROWING INCOME FOR SHAREHOLDERS					
STRATEGIC PRIORITIES	REFINE ASSET ALLOCATION AND ACTIVE PORTFOLIO MANAGEMENT	FOCUSED AND EFFICIENT PROPERTY MANAGEMENT	DISCIPLINED GROWTH AND DIVERSIFICATION OF THE LOCAL PROPERTY ASSET BASE	PRUDENT MANAGEMENT OF DEBT	GROWTH AND GEOGRAPHIC DIVERSIFICATION IN INTERNATIONAL REAL ESTATE MARKETS	UNLOCK VALUE ADD OPPORTUNITIES TO EXISTING PROPERTIES
BUSINESS FOCUS	OPTIMISE ALLOCATION BETWEEN CORE, DEFENSIVE AND SECONDARY PROPERTIES	SPECIALIST PROPERTY MANAGEMENT	RECYCLE CAPITAL AND CONTINUOUS IMPROVEMENT OF QUALITY	EFFICIENT MANAGEMENT OF FUNDING	DIVERSIFY RISK GEOGRAPHICALLY	DEVELOP FOR LONG-TERM VALUE UPLIFTMENT

Strategic objectives	Goals	2014 outcomes	Key risks	Residual risk rating
REFINE ASSET ALLOCATION AND ACTIVE PORTFOLIO MANAGEMENT	• Achieve competitive core income growth and long-term capital appreciation • Optimise asset allocation between core, defensive and secondary properties • Be ahead of property market cycles • Continuously review the mix of property sectors • Maintain a long-term strategy for each property asset • Increase cash flows (rental income) from property assets • Improve property sector BBBEE rating	• Focused on renewing government leases • Master plan for each property prepared • Established BBBEE trust to be approved by shareholders	• Downgrading of SA sovereign risk by rating agencies • Retention of key staff and lack of experienced people • Inadequate rate of transformation and inability to comply with the property sector score card and the BBBEE requirements • Fraud, collusion, bribery and corruption • Sluggish economic growth • Scarcity and competitive activity for quality assets • Constraints arising from insufficient and disruptive electricity supply	

RESIDUAL RISK RATING

- CRITICAL
- HIGH
- MEDIUM
- LOW

Consequences	Capitals impacted	Risk response	2015 priorities
• Compromised business sustainability • Strategic priorities may not be achieved or delayed • Constrained ability to achieve defined transformation and business targets • Lack of succession planning which contributes to insufficient leadership pipeline • Empowerment rating may not be appropriate/adequate to compete on bids on developments and leases • Financial loss • Reputational impact • Increased potential for reduction in portfolio growth • Reduced turnover • Increased potential for default in collection of rental income • Increased potential for default further impacted by unintended consequences of business rescue proceeding and leading to increased vacant space • Increased operating cost to supply electricity		• Proactive internal communication on strategic matters • Proactive communication with all external stakeholders • Regulator monitoring and assessment • Diversification of the portfolio against international benchmarks • Appropriate diversification of foreign and local assets • Re-evaluation and adjustment of the portfolio • Succession planning framework implementation • Retention strategy which encompasses short, medium and long-term performance incentives, remuneration benchmarking, performance evaluations and personal development • SAPOA and business coordination • Development, implementation and monitoring of an appropriate BBBEE strategy • Effective internal control environment • Design and implementation of an effective fraud risk management programme • Zero-tolerance policy • Appropriate selection criteria for good-quality tenants • Effective credit management • Diversification of the asset base • Shoring up of the defensive asset base (increased focus on the development of a sound defensive asset base) • Pursue the lowest cost of funding • Alternative energy generation	• Introduce specialist sector-specific asset management teams • Refine master plan for each property • Implement strategy to improve BBBEE score • Introduce energy/electricity supply through alternative means

Strategic objectives	Goals	2014 outcomes	Key risks	Residual risk rating
FOCUSED AND EFFICIENT PROPERTY MANAGEMENT	• Improve service to tenants • Optimise operating efficiencies and management information flows • Continuous investment in the development of our people • Fully embrace technology to enhance communications • Extend lease expiry profiles • Strengthen the tenant profile by focusing on financially sound tenants • Improve the tenant retention rates • Minimise and reduce vacancies • Increase annual escalation rates above 8%	• Took on Fountainhead property management • Improved management information • Focused on costs through levering economies of scale • Tenant renewal retention above 85% • Maintained occupancy levels	• Increased levels of crime at shopping centres • Inadequate service provided by local councils, coupled with significant increases in municipal charges and electricity tariffs • Key dependency on the leadership team including insufficient leadership pipeline • Over/under billing by local authorities	
DISCIPLINED GROWTH AND DIVERSIFICATION OF THE LOCAL PROPERTY ASSET BASE	• Recycle capital from non-core holdings to achieve higher future growth • Continuously improve the quality of the core property portfolio • Invest only in well serviced areas • Lower the property age profile and increase average property values • Explore investments outside the traditional property sectors • Invest strategically in local listed securities where there is the potential for obtaining ultimate control	• Substantially completed the rationalisation of the property portfolio • Realisation strategy of Hyprop completed • Eliminated reliance on non-recurring fee income by focusing on sustainable sources of fee income • Transformed the local investment proposition from a hybrid into a pure property play • Acquired properties totalling R3,9 billion which transferred during the year • Concluded acquisition of Macsteel's property portfolio for R2,7 billion (to transfer early 2015)	• Investment at higher than market value • Over exposure to government tenants • Failure to gain control of strategic listed investments • Dilutive aquisitions and developments	

RESIDUAL RISK RATING

CRITICAL

HIGH

MEDIUM

LOW

Consequences	Capitals impacted	Risk response	2015 priorities
• Reputational and financial loss • Increased potential for reduced asset and portfolio values • Client dissatisfaction • Declining profit margins • Overstatement of property values by authorities leading to higher rates and taxes • Reduced revenue stream • Strategic objectives may not be achieved or are delayed • Compromised business sustainability • Financial loss • Reputational impact • Increased potential for long-term vacancies • Rates increasing ahead of inflation putting pressure on the cost of occupation		• Effective security programme operational in all retail spaces • Closer liaison with National Shopping Centre Council and other key security stakeholders • Effective electricity and tariff management/focus on building efficiencies • Development and effective maintenance of relationships with appropriate management in local councils • Review and assess the need to exit from specific areas to focus on new acquisitions in well-serviced areas • Rezoning of areas to correct outdated zoning • Objection process – proactive review of valuation rolls • Succession planning implementation • Design and implementation of a structured leadership development programme • Benchmarking of municipal accounts against predefined criteria and monitoring of independent metering data to validate council readings • Query handling and management • Focus on building efficiencies	• Refine processes • Maintain margins despite continued above-inflation increases in rates and utility costs • Introduce technology-based applications to improve communications with staff • Introduce electronic communication platforms to serve shoppers/support tenants • Outsource specialist non-core functions
• Deteriorating competitive position in the industry • Reduced yields • Compromised performance resulting in financial loss • Reputational impact • Increased potential for compromised investor perception • Increased cost associated with transactions/deals • Moody's downgrade trigger/increased potential for a downgrade by rating agencies • Unattractive gearing opportunities • Increased strain on the ability to maximise synergistic benefits • Impairment in asset values		• Appropriate and effective management of funding costs relative to expected returns • Investment strategy implementation and monitoring • Delivery on strategic objectives • Extending and improving lease profile • Review of the portfolio with the view to retain or dispose of certain properties • Improved research of pricing prior to submission of offers • Management of public relations and stakeholder communications • Development of structured exit strategies	• Continue to acquire good quality and dispose of non-core assets to recycle capital • Ongoing restructure without diluting earnings • Selectively dispose of the government- tenanted office portfolio • Monitor market for possible takeover targets • Investigate new asset classes outside of the traditional property sectors

Strategic objectives	Goals	2014 outcomes	Key risks	Residual risk rating
PRUDENT MANAGEMENT OF FUNDING	• Efficient management of funding • Target the lowest available cost of fixed and variable debt funding • Optimise funding maturity profiles • Broaden quality-rated funding sources • Maintain loan-to-value ratios below 40% • Improve investment profile to narrow current discount to property sector forward yield	• Spread the debt maturity profile • Improved the loan to value ratio • Reduced the funding cost by restructuring costly debt • Established an American Depositary Receipts programme • Lowered the level of secured debt and increased fixed debt to 75% • Introduced a dividend reinvestment programme • Issued 474,9 million shares to raise R4,5 billion • Maintained sufficient liquidity • Ensured a healthy balance of fixed and floating debt • Focused on reducing value of secured assets • Improved group credit metrics • Linked unit capital structure converted to an all share structure	• Gradual upward movement in interest rates • Liquidity – inability to roll existing debt facilities at optimal funding rates • Credit risk – exposure to single sources of funding	
GROWTH AND GEOGRAPHIC DIVERSIFICATION IN INTERNATIONAL REAL ESTATE MARKETS	• Diversify risk geographically • Benefit from investing in higher-yielding environments • Exploit foreign income and capital growth opportunities at low risk	• Set up SARB approved HoldCo (Redefine Global) to invest in offshore property directly • Inward listing of RI PLC • RIFM internalised • Cromwell now directly held via Redefine Global • Acquired 50% interest in Northpoint by gearing Cromwell holding in Australia • Increased holding in Cromwell	• Exchange rate risk • Economic recession • Financial market movements • Changes in exchange control regulations	

RESIDUAL RISK RATING

- CRITICAL
- HIGH
- MEDIUM
- LOW

	Consequences	Capitals impacted	Risk response	2015 priorities
	• Strategic objectives may not be achieved or delayed • Reduced yields • Deterioration of competitive position in the industry • Compromised business sustainability • Higher interest rates and forward yield will result in increased funding costs, thereby reducing distribution to shareholders		• Implementation of an appropriate hedging strategy • Actively managing maturity profile • Management imposed a conservative loan to value target of 35% • Manage cash position and available funding headroom monitored daily • Moody's global and national credit rating obtained to support alternative funding sources • Regulator liquidity stress testing and scenario analysis • Negotiate cheaper funding arrangements • Avoid concentration risk of swap maturity	• Spread the debt maturity profile • Broaden funding sources • Improve loan to value ratio • Restructure expensive debt • Expand presence in debt capital market • Optimise funding of international investments • Close current discount to property sector forward yield
	• Yield on investment is unpredictable • Growth prospects impaired • Recapitalisation of investment at low yields • Impairment of capital invested		• International exposure is limited to 15% of total assets • Strategic input provided at board level • Prudent management of foreign currency fluctuations • Geographic diversification of investment • In-country financing to provide a natural hedge	• Invest in listed offshore securities and direct property at attractive yields • Gear up RI PLC and Cromwell holdings to fund offshore investments • Increase holding in Cromwell to 26% • Improve the tax efficiency of the Australian structure • Consider implementing hedging of income

Strategic objectives	Goals	2014 outcomes	Key risks	Residual risk rating
UNLOCK VALUE ADD OPPORTUNITIES TO EXISTING PROPERTIES	• Redevelop existing properties to enhance revenue growth • Monitor and meet tenant upgrading and expansion requirements • Maximise opportunities from existing strategically located properties • Uplift values • Partner with developers in attractive new investment opportunities • Focus on sustainable building techniques and energy-efficiency improvements • Limit speculative development to a maximum of 5% of the property portfolio value	• Current development pipeline totals R2,3 billion, R847 million of which is being invested in the redevelopment of existing properties • Completion of a number of developments totalling R1,5 billion	• Restrictive lease clauses may be challenging • Initiatives regarding development of new energy-efficient buildings or conversion of existing buildings to more efficient buildings are cost prohibitive • Excessive lead times for town planning • Actual development costs exceed budgeted costs • Delays in completion of developments arising from labour unrest • Developer under performance • Exchange rate fluctuations negatively impacting the cost of imported components	High High High Medium Medium Low High

RESIDUAL RISK RATING

- CRITICAL
- HIGH
- MEDIUM
- LOW

	Consequences	Capitals impacted	Risk response	2015 priorities
	• Increased opposition to altering GLA without prior permission • Competitive advantage may be hampered/lost • Inability to attract certain tenants • Reputational impact • Delayed developments • Penalties and increased development costs • Value destruction • Potential loss of tenants/breach of tenant undertakings • Violent behaviour and safety issues impacting reputation of the company • Overcapitalisation of development • Possible loss arising from warranty claims • Dilution of earnings		• Appropriate management of relationships • Design and implementation of a formal programme to address the 'green initiatives' required for appropriate tenant and other stakeholder satisfaction • Quality/specialised town planner on the team • Upfront involvement of the town planner • Speculative development limited to a maximum of 5% of total property asset base • Development is demand driven • Well structured contracts with contractors • Building flexibility in the construction programmes • Use of reputable contractors • Hedging of foreign currency risk	• Identify yield enhancing development opportunities around owned properties • Pursue prelet/tenant demand-driven development opportunities • Provide redevelopment services to Fountainhead • Completion of a number of developments totalling R2,3 billion • Establish long-term master plans for development of key assets • Explore yield-enhancing opportunities in new market segments outside of traditional property sectors • Focus to reduce existing buildings' energy consumption through efficiency improvements

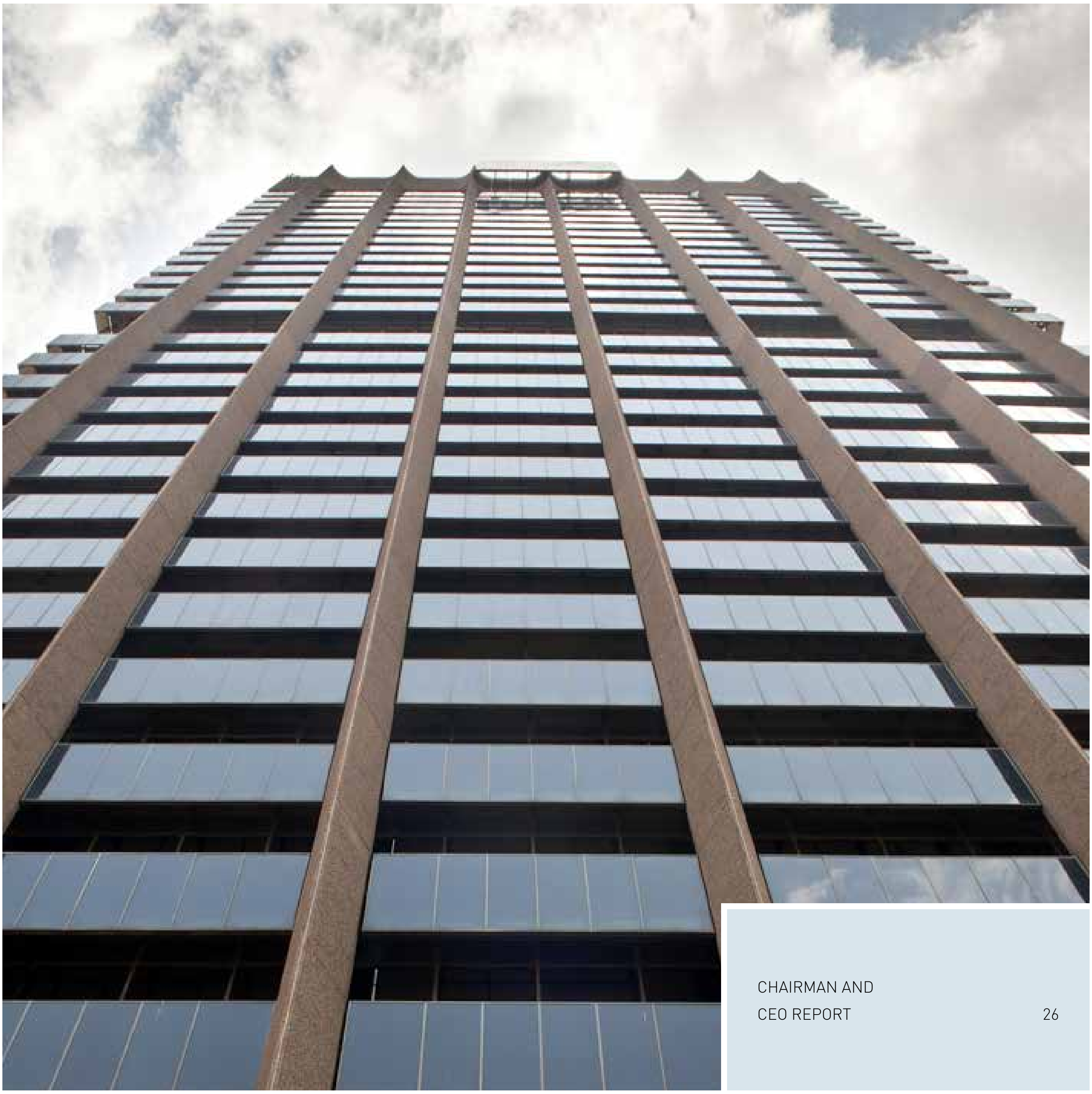
WE VALUE VERY HIGHLY THE ROLE OF ALL STAFF MEMBERS WHO MAKE REDEFINE'S BUSINESS WHAT IT IS.

MENORA VOEGT, WENDY DE VILLIERS, YOLANDI BILLING, DARYL SHER, MICHELLE QUECK, LANCE HOFFMAN, ANDREW KONIG, VIRGINIA TSHAWVUZA, XANDER RAU, GRANT ELLIOTT, PAUL SCOP, PHELEMON MASHABA, SAMANTHA LAMBERT, THANDIWE BULA, LORRAINE SNYMAN, LETITIA MEYER, NASEEGAH TOEFY, FATIMA ISAACS, GERAD DAVIDSON, CHANTAL EYRE, FLOORS LINDT, DENISE PAGE, AMELIA KAYSER, MELVINA MULLOM, KOBUS BERNARDO, CEDRIC SALTER, DANIELLE BROWER, JUSTIN ROOME, GAYNOR SAMSON, DIRK DUIVESTEIN, NATASHA HENN, CHARLOTTE TRUTER, LARA SCHENK, WYNAND DU PREEZ, ERIC GQIZA, ZILINDILE DYUBHELE, JEANETTE VAN NIEKERK NORTMANN, CHARMAINE GIRARDI HATTINGH, TANYA EDWARDS, SHERRIL VAN WYK, SHAFEEGAH ADAMS, VIVIAN APPALSAMY, CORDELIA CELE, SALOME DHARMALINGUM, CINDY GOVENDER, LARA HUNT, CLAIRE CHINSAMY, SHARON ELLISON, MICHAEL RUTTELL, NELLIE MOODLEY, JAYNE MUNIEN, CONRAD VAN WYK, LINDA PILLAY, ROSANNE KARPATHOO, SHEROMA RAMLAKAN, GERALD DAVEY, DALE NELSON, NEVILLE ELLARY, JAYNE MUNRO, SIMPHIWE NHLUMAYO, ESTON NAIDOO, MISTY ROUX, ANDRIES VAN SCHALKWYK, NTOKOZO NWAMBA, WALTER KUNENE, YUSUF KARA, JULIE HERHOLDT, JOHN LAWS, WELCOME MATHIBELA, SINDHA NAIDOO, TRACEY WOLF, LEWIS COHEN, AARON NDIMANDE, ZWELITHINI MADHLALA, RUTH FERREIRA, LESLEY DUKES, KALINKA WANTENAAR, SAMANTHA OSHEA, LINDA SCHROEDER, JANINE GOSSMANN, VINCENT LABUSCHAGNE, BIANCA BADENHORST, VUYO MTWECU, ANDILE MAGIBA, AMOS BAEPI, NOLU SIMELANE, SOLANGE CUMMINGS, THEA BOTHMA, HELEN LAMBROU, PIETER STRYDOM, KEVIN GOVENDER, GLORIA WHITEHEAD, MOEKETSI, MARIJKE COETZEE, MOTAUNG, DANIEL BEZUIDENHOUT, ZANELE MABASO, GAIL STEYN, JACQUES BEUKES, LOUIS SITHOLE, KEERAN GOVENDER, KLEINBOOI MASOLA, MARC WAINER, JACOB MVUBU, THULANI TSHABALALA, LINDA MOLYNEUX, MAXWELL PONI, RENDANI PHASWANA, VIRAL PATEL, NAN CHALMERS, SHIREEN GEORGE, NOMSA MOTHOA, NOTIKA DISEKO, MEENA LALOO, LISTER MASIA, ANGELA MOKGOKO, ANGELA VAN ECK, , NTHABISENG MZOLO, LORNIA KHATI, SONYA CAWOOD, JENNI VAN STRAATEN, JOB KGOBANE, MICHELLE DE OLIVEIRA, GIDEON MEBUHULU, SAFIA PRESTON, SYDNEY SIMON, AMANDUS MERE, AURI BENATAR, SAMUEL NDIMANDE, GODFREY MANGENA, BELINDA HILL, JABU SIKHOSANA, PHINEAS MCHUNU, LOUIS MDLULI, JOSEPH KHEOANE, ANTON NORTIER, KAREN MARSHALL, CECIL GXOYIYA, SANDY ABERMAN, ALBERT JOAQUIM, GARETH BLAKE, BRONWEN WILKINS, NONKU MKHIZE, MADELAINE TYMVIOS, CHEVONNE MARE, BONITA KRIGE, DIMITRIS PAPAIKONOMOU, SISANDA MEMELA, MISHKA GOVINDRAM, JEAN BIDDULPH, LESEGO SEALE, NONKWEZI MBINA, DAVID RICE, ANNELENE MOODLEY, SAKI MOGWE, KASHIEFA MOHAPI, DEBBIE HEWITT, PETUNIA RAMATHOKA, ROBYN TURRISI, FAITH NKOANA, CURVEY NAIKER, ROSE MELTZ, SERGIO NOVELE, RENSKE COETZEE, URSULA MOKOMA, MORGAN WRATTEN, LAETITIA ZILLEN, ANTOINETTE COETZEE, LINDA KUNDON, KOTI BOTHA, WILLEM DU PLESSIS, BRADLEIGH CHETTY, WANDA VAN DEN BERG, SOFIYYA LIMALIA, MUHAMMED KHAN, LYDIA MQHAYI, NOMSA MAKHADO, THERESSA VORSTER, CRAIG NEWNHAM, SAMANTHA SEEGER, NICOLE SMITH, MARY LEMPE, RAFAEL ZABOW, THEMBILE TSHABALALA, SAADIYA BARNES, VENETIA ANTHONY, STEPHAN POTGIETER, KELELLO MOTA, PRIYANKA ROWJEE, DIPUO MOAHLODI, IRENE KALABATANE, KATLEGO PHASHA, THOKOMELE BUTHELEZI, RORISANG POO, JUAN HERRERO, ANDILE NENE, FAITH DLAMINI, SARINA MOLEPO, LEBOGANG MAGETA, KWETSIMANI SHIBURI, KEDIBONE RAKWENA, CARA WHITE, DANIEL MAUSENBAUM, TAPIWA ZINDOGA, SHAMEEN JAMALUDEEN, NONHLANHLA NDABA, JAYSEN MULAUDZI, NICOLA MUNDELL, LEON KOK, JAN VAN DRIEL, MOSIDI PHIRINO, MANDISA MZIZI, TAZZ DLAMINI, VYAKSHA PUCKIREE, ADAM MARCUS, ILSE BADENHORST, JEFFREY VAN DAMME JALINK, CHARLOTTE SELLO, NOLAN HARWOOD, ANGELA JUNIPER, JOHANNES KHOARAI, MAUREEN HLUNGWANE, RUDI JOUBERT, REGINA HULETT, YVETTE ELS, FAZLIN JONES, WARREN SKINNER, URSAURLA SWARTZ, MANDIE DUVENAGE, TERI WELLS, ANNEGRET OTTO, ALNA VAN DEN BERG, MELISSA HEYMANS, LEAH MASHIANE, SAMUEL ADAMS, VICTOR MATHEY, KEIGH LYNNE SCHULTZ, SIGHT PHIRI, LUCY MALULEKE, JOHAN WILKEN, FANIE PRETORIUS, SOLLY KGOLE, JOHANNES SETHOLE, REGINAH RAMAKULUKUSHA, JACOB MMOLAENG, LES DAVID, BRENDA MACHITELA, RONELLE DOMANN, ELPHUIS MANANA, TONY KYRIAZIS, ERIC SADIKI, SHAUN BOTHA, JOHANNA KHARIVHE, BONGANI SIBISI, THOMAS TEBELE, JOSUA VAN TONDER, IRENE MALINDI

EXECUTIVES

HEAD OF DEPARTMENT

LEADERSHIP COMMENT



Marc Wainer Executive chairman

OVERVIEW

Over the past four years, we have successfully reshaped our property platform and the robust results reported are evidence of this refined strategic direction. We are pleased to report on a successful year in which the distribution of 74,54 cents per share represented growth of 8,5%, above market expectations of about 8,3%.

Redefine's pleasing results were based on a solid performance from the core property portfolio which was bolstered by the newly acquired assets and our international assets made a strong contribution and are set to deliver continuing value in the years ahead. These contributions were supported by our relentless drive for cost efficiencies in the face of above-inflation increases in administered prices.

This was Redefine's first year trading as a REIT and the conversion to an all share structure became effective from 29 August 2014.

MACRO-ECONOMIC ENVIRONMENT

In South Africa the macro-economic climate has continued to deteriorate. A major disappointment was the downward credit rating of the country and our major financial institutions. These negative moves were not surprising, however, given the prolonged strikes in the platinum and metals sectors followed by the near collapse of African Bank (we believe full effects are still to be felt). Investor and business confidence in South Africa is presently at a low ebb. The current energy crisis poses further disruption to economic growth and energy supply is anticipated to limit economic prospects.

The coming financial year will be challenging as South Africa is moving into a cycle of increased (albeit would seem moderate) interest rates and the USA is looking to normalise its monetary policy. In South Africa the intention is to mitigate inflation, while the USA's Federal Reserve has indicated that its quantitative easing programme will be phased out.

In South Africa, slowing GDP growth may indicate that we are entering into a very concerning classic 'stagflation' scenario, where stagnant growth combines with climbing inflation. Current trends in long-term interest rates suggest that a low interest rate environment will remain with us.

As an asset class, it must, however, be remembered that property is interest rate sensitive, which impacts on property valuations and overall returns. We see pockets of recovery in Europe, which is firmly in a low interest rate cycle.

REDEFINE'S BUSINESS MODEL AND PERFORMANCE TRAJECTORY

Redefine has a simple yet effective business model. This is supported by our strategic priorities, which drive the business and provide insight into performance against objectives.

Effective management of these areas is critical, as they have the potential to impact our future performance. The exchange rate in particular can be a double-edged sword that must be carefully managed.

Redefine is a nimble company that values decisive action, unconventional thinking, simplicity and proactive solutions. When appealing potential deals are offered, these are swiftly assessed by executive management without first having to filter through layers of bureaucracy. This agility is a key Redefine competitive advantage.

INVESTMENT OPPORTUNITIES

In South Africa, quality assets are scarce and the margin between the cost of funding and initial income yield is thin. In this environment the return on capital only realistically commences in the second year as rentals escalate.

European properties offering a worthwhile yield can still be found, though increased demand from Eastern Europe and Russia results in above-market prices for properties in prime locations, distorting the UK market to some extent.

We are also seeing a similar phenomenon in Australia, where cash buyers from major Asian economies are investing at prices that shrink the options for market value buyers such as ourselves. When it comes to international territories, finding the right partners is critical.

RECYCLING OF CAPITAL

Property and strategic equity stakes are continuously evaluated for their long-term capital appreciation prospects as well as sustained income earning potential. If the price is right, we will sell secondary assets to reinvest the capital into opportunities that have better long-term capital upside to offer. Capital recycling requires a disciplined approach as the sale of these higher yielding assets impacts distributable income.

Rand weakness against the British Pound during 2014, as well as a positive rerating of RI PLC following its inward listing, provided the opportunity to sell 40,5 million RI PLC shares at an exceptionally attractive yield. This capital was recycled into Australia, where we bought a further 3,5% shareholding in Cromwell, which yields in the region of 8%. This is a positive example of capital recycling – an asset sold at a premium price and reinvested in a manner that offers further uplift in value. Nevertheless, RI PLC remains an excellent business and it continues to be a cornerstone investment partner.

Andrew Konig Chief executive officer

FOUNTAINHEAD PROPERTY TRUST

We had anticipated acquiring Fountainhead's property portfolio, to be integrated with the Redefine portfolio, but that prospect disappointingly did not materialise. Redefine's offer fell somewhat short of the requisite 75% unitholder support, from those unitholders eligible to vote. It was not a completely unexpected outcome as Fountainhead had been trading above the swap ratio since the transaction announcement. In addition, Redefine could not vote its majority stake, which amplified the support required to achieve the approval threshold.

At this time our approach to Fountainhead is 'business as usual'. Fountainhead remains a prized investment.

ANNUITY PROPERTY FUND

In June 2014, Redefine concluded a successful R2,1 billion takeover of Annuity Properties, advancing Redefine's investment strategy in a single deal. The portfolio was priced at an 8,75% income yield in an environment of scarce investment opportunities. About 80% of Annuity's properties meet Redefine's investment criteria, with 30% being retail assets. The transaction was funded through the issue of 136,6 million Redefine shares plus debt assumed.

EMIRA PROPERTY FUND

Subsequent to year-end, Redefine acquired a 13,7% strategic foothold in Emira Property Fund for R1,1 billion. We believe that Emira was undervalued and its management is pursuing a sound property strategy. This is a strategic investment rather than a takeover strategy and positions Redefine to participate in any possible future corporate action. Redefine is of the view that if Emira becomes a takeover target we will sell at the right price. The transaction was funded through the swap of Redefine shares for Emira participatory units.

BOARD MOVEMENTS AND SUSTAINABILITY PLANNING

There were a number of changes to Redefine's board during 2014. Sadly Roger Rees (independent non-executive director) passed away on 11 June 2014. For personal reasons our chairman, Dines Gihwala, resigned from the board with effect from 26 June 2014. Robert Robinson, an independent non-executive, resigned from the board with effect from 4 July 2014 to avoid possible conflicts of interest which might arise as a result of him pursuing other property projects and investment opportunities. The board thanks these gentlemen for their valuable contributions during their tenure.

During March 2014, David Nathan was appointed as an independent non-executive director.

In August 2014 Redefine structured its board and executive management to enhance operational management and allay any concerns regarding succession planning. Marc Wainer became Redefine's executive chairman and Andrew Konig was appointed chief executive officer. To maintain sound governance, Bernie Nackan was appointed as lead independent non-executive director in terms of King III requirements and will chair proceedings when appropriate.

The restructuring has strengthened Redefine's executive leadership. Marc Wainer has been freed up to focus on growing and diversifying the property portfolio, while Andrew Konig brings his strong financial and management skills to the management of the business.

David Rice continues as COO, managing property operations and Mike Ruttell remains executive director for property development.

During this period Mike Watters, CEO of RI PLC, was appointed to Redefine's board as a non-executive director. Leon Kok was appointed as financial director with effect from 1 October 2014.

This revision of executive management roles has proved seamless and is functioning well.

DIRECT INTERNATIONAL PROPERTY INVESTMENTS

During 2014, Redefine made its first direct property investment in Australia, purchasing 50% of Sydney's landmark Northpoint Tower in partnership with Cromwell. Redefine's equity investment was AUS$80 million, which was entirely funded in Australia by leveraging our directly held Cromwell units.

Northpoint, which is primarily office space, has an underutilised retail component. Northpoint's unique location within northern Sydney provides us with the opportunity of unlocking significant value through redevelopment of this site.

Our international strategy is to find direct property investment opportunities where Redefine's proven team and local partners can unlock potential.

ENVIRONMENTAL AND SOCIAL DISCLOSURES

Managing social, environmental and economic impacts is central to how we do business, adding value to our assets and delivering value to shareholders.

Redefine was included in the JSE SRI, Carbon Leadership Index and the DJS Indices. Participation in these demonstrates Redefines commitment to independent and public scrutiny and measurement of our efforts to be responsible corporate citizens.

BBBEE AND TRANSFORMATION

Redefine is presently a level 6 contributor and we are working towards reaching level 4. The revised BBBEE codes have shifted the goalposts and will negatively impact our rating if we are not proactive. Certain of these amendments require clarification by the Property Sector Charter, therefore their potential impact is still being assessed.

DISTRIBUTION GROWTH OF 8,5% MARKET CAPITALISATION GREW 20,5% OUR BRAND HAS BEEN SUCCESSFULLY ENTRENCHED

Rather than offering equity ownership to a handful of previously disadvantaged people, Redefine is in the process of establishing a sustainable educational trust, which requires shareholders' approval. In time, the trust will be in a position to make a meaningful difference in an area which we believe is critical to a successful economy and country.

STAKEHOLDER ENGAGEMENT

Redefine has an active investor relations department that interacts with key stakeholders. For the past four years we have commissioned an independent service provider to conduct ongoing market research into investor perceptions. This research keeps our stakeholder communications on track and is synchronised with stakeholder expectations. It also provides useful insights into Redefine's perceived strengths and weaknesses.
We were pleased to see market perceptions indicate that key stakeholders are particularly pleased with the performance of Redefine, in addition to the executive team's ability to deliver on the business strategy. These were the highest performing categories measured. The lowest being our website, which is currently being addressed.

BUILDING THE REDEFINE BRAND

Redefine has successfully entrenched its brand through its marketing programme. This year we announced that we will be terminating our sponsorship of the Golden Lions Rugby Union after a highly successful season. Over the three-year period the sponsorship played a significant role in positioning the Redefine brand, however, we have decided to take our marketing into a different direction for the coming year.

A key priority is to seamlessly integrate the brand externally and internally, from investors and tenants through to all levels within Redefine.

PEOPLE CAPITAL

Property is our commodity – people are our business. Our performance is underpinned by strong relationships with our tenants, partners, suppliers, employees and the communities in which we operate.

Retaining competent employees is a constant challenge due to a skills shortage in the property sector. Redefine is striving to become the employer of choice in property to attract and retain high-calibre staff. To increase the skills pool, we introduced the Redefine learnership programme two years ago, which has gained significant traction among a number of tertiary education institutions. We are pleased to say that this year we had a total of 18 learners of whom more than half will be staying on to further their careers in various aspects of the property arena.

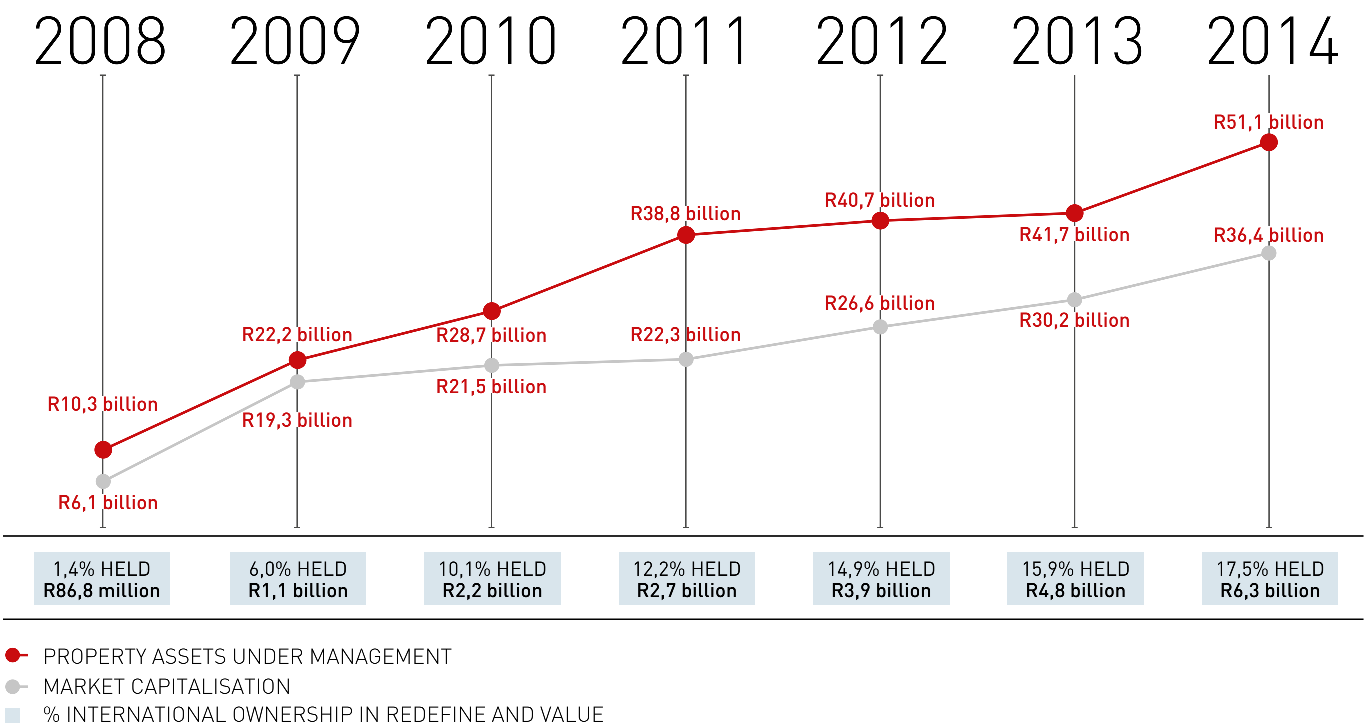
A legacy of Redefine's recent acquisitions is a growing workforce drawn from other corporate cultures such as Broll and Annuity. Redefine's brand values are being disseminated internally to create a distinct Redefine corporate culture. This will be reinforced by introducing a reward system at levels below top management that links performance pay to achieving strategic priorities and living Redefine's values.

GEARING AND FUNDING

Access to flexible and cost-effective funding is a key differentiator for Redefine. It allows us to respond quickly to opportunities. Our financial flexibility not only allows us to have readily available access to funding, but also allows us to access the equity markets at the optimal time. During the past year, Redefine raised R4,5 billion through two accelerated book builds and retained R402 million through the distribution reinvestment alternative, while 136,6 million shares were issued for the acquisition of the Annuity portfolio.

Redefine's current loan to value ratio is at 37%. As opportunities arise to fund assets with equity over the medium term, gearing will be reduced to a targeted 35%.

REDEFINE'S ASSET AND MARKET CAPITALISATION GROWTH IS ATTRACTING INTERNATIONAL INVESTMENT INTEREST



OUTLOOK FOR 2015

The outlook for Redefine remains positive despite the continuing sluggish pace of economic growth. It is certainly not going to be easy, and superior performance will only be possible with efficient cost control, tight asset management and a hands-on approach. From a property management perspective, the differentiating factor for Redefine will be the effectiveness of our tenant retention strategy and the letting of vacant space.

We will continue to seek long-term value for Redefine shareholders by investing strategically, managing our assets through the property market's cycles and adjusting the portfolio ahead of changing conditions to maximise return and minimise risk.

An upward interest rate cycle, sharp increases in administered prices, energy challenges and a muted trading environment all pose challenges, but will no doubt also create opportunities in the coming year. Our quality asset base combined with an ongoing drive to improve cost efficiencies keep Redefine on track to fulfil our strategy.

Growth in distributable income per share for 2015 is anticipated to be between 7% and 7,5%, but we do point out that this forecast has not been reviewed or reported on by our independent auditors and that the forecast is made on the assumption that current trading conditions will prevail.

CONCLUSION AND APPRECIATION

Redefine is well positioned for the future with a highly attractive portfolio of assets, extensive and resilient finance capacity and a motivated and committed team. There are, of course, risks to all of this. Political and economic uncertainty is greater than it was a year ago. These will have an impact, but we draw comfort from the strength of our underlying asset base.

Redefine's success in 2014 was due to a collective effort from all our employees, whom we thank for making Redefine's achievements possible.

We would also like to thank our fellow board members for their commitment, insights and continued efforts and our funders and investors for their support as Redefine continues to reap the benefits of our discipline in these demanding times.

We look forward to the coming year as we continue to build on our successes.

Yours sincerely,

Marc Wainer
Executive chairman

Andrew Konig
Chief executive officer

VALUE CREATION

FINANCIAL CAPITAL

REDEFINE'S ABILITY TO ACCESS COST-EFFECTIVE FUNDING, EITHER THROUGH EQUITY OR DEBT, IS FUNDAMENTAL TO ITS ABILITY TO CREATE VALUE FOR ITS STAKEHOLDERS, IN PARTICULAR TO PROVIDERS OF FINANCIAL CAPITAL. OUR DEBT METRICS REMAIN STRONG AND THE GROUP'S ABILITY TO MANAGE ITS TOTAL COST OF CAPITAL MAKES A SIGNIFICANT CONTRIBUTION TO ITS PROFITABILITY.

REDEFINE'S FOCUS IS ON:

- Maintaining liquidity to meet future cash requirements
- Maintaining adequate protection against volatile interest rate movements
- Extending our maturity profile for as long as possible
- Diversifying our funding sources
- Maintaining strong credit and balance sheet metrics

OUR FUNDING STRUCTURE

	2014 R million	2013 R million
Stated capital	**22 558**	12 979
Debenture capital	**–**	5 085
Shareholders' interest	**22 558**	18 064
Interest-bearing borrowings	**19 757**	17 063
FUNDING STRUCTURE	**42 315**	35 127

FUNDING RAISED DURING THE YEAR

	R million
ISSUE OF SHARES	
– for cash	**2 784**
– dividend reinvestment plan	**402**
– swapped to acquire Annuity	**1 308**
	4 493
INTEREST-BEARING BORROWINGS	
Bank funding	
– secured	**1 026**
– unsecured	**1 297**
Debt capital market funding	
– bonds	**–**
– commercial paper	**371**
	2 694
TOTAL FUNDING RAISED	**7 187**

CAPITAL CONVERSION

Redefine was granted REIT status by the JSE with effect from 1 September 2013 in line with the REIT structure as provided for in the Income Tax Act, No 58 of 1962, as amended and section 13 of the JSE Listings Requirements. To align the company's capital structure with the REIT standard in South Africa and to comply with the JSE Listings Requirements for REITs, Redefine converted its linked unit capital structure into an all share capital structure within the scheme of arrangement framework as provided for in terms of section 114 of the Companies Act. The implementation date of the scheme was 29 August 2014.

KEY DEBT METRICS

	2014	2013
Loan to value ratio	**36,6%**	40,1%
Interest cover (times)	**3,1x**	4,1x
Debt capital market funding (management target of 30%)	**17,0%**	17,6%
% of debt secured	**68,7%**	72,8%
% of property assets pledged as security	**61,6%**	61,7%
Market value of property assets pledged as security (R million)	**27 672**	21 362
Weighted average cost of borrowings	**8,2%**	8,0%
% of debt fixed (management target of 65%)	**78,3%**	66,0%
Undrawn facilities available on demand (R million)	**1 424**	1 781

These metrics are for the Redefine group excluding Fountainhead. Fountainhead is a collective investment scheme in property and as such its assets and liabilities are ringfenced.

Refer to note 22 on page 48 P of the annual financial statements for full details of the group's interest-bearing borrowings.

THE KEY IS TO SECURE THE LOWEST MARGIN ON DEBT FUNDING, FROM A BROAD RANGE OF FUNDERS WHILE OPTIMISING MATURITY PROFILES.

MAINTAINING LIQUIDITY TO MEET FUTURE CASH REQUIREMENTS AND DEBT MATURITIES

Liquidity risk is managed through proactive renegotiation of short-term debt maturities, optimisation of maturity profiles and ensuring there is a funding plan in place for each asset acquisition or disposal. Redefine maintains a healthy level of undrawn, committed revolving bank facilities to meet immediate funding needs and cover short-term debt maturities. Revolving bank facilities reduce the need to hold unproductive cash resources and are cost effective as the cash earns interest at the borrowing rate (currently prime less 1,8%) versus the cash deposit rate (currently 5,8%). Redefine's liquidity requirements are managed by monitoring forecast and actual cash flows and renegotiating and extending debt facilities coming up for renewal to ensure that no more than 25% of the group's financial liabilities mature in any given year.

UNDRAWN COMMITTED FACILITIES

R1,4 billion

MAINTAINING ADEQUATE PROTECTION AGAINST EXPOSURE TO VOLATILE INTEREST RATE MOVEMENTS

Volatile interest rate movements result in increased borrowing costs, reducing distributable income. International and local economic conditions impact the cost of Redefine's debt through movements in bond yields and central bank monetary policy. To manage this risk, Redefine fixes the cost of variable interest rate borrowings through entering into derivative instruments (interest rate swaps and caps). The board has set a hedging target of 75% (2013: 65%) of interest-bearing borrowings to be fixed for as long as possible. The target was increased during the year due to a shift in monetary policy and the change to a cycle of higher interest rates.

78,3% OF INTEREST-BEARING LIABILITIES HEDGED FOR AN AVERAGE PERIOD OF 3,5 YEARS

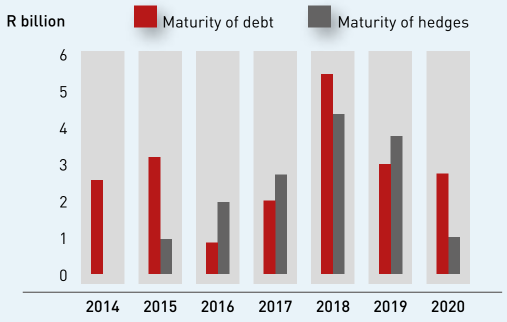
EXTENDING OUR MATURITY PROFILE FOR AS LONG AS POSSIBLE

Redefine manages its maturity profile by spreading the repayment dates to ensure that no more than 25% of the group's interest-bearing borrowings mature in any given calendar year. Redefine proactively reviews its facilities and extends, restructures (for better terms) and renews upcoming maturities. Redefine actively monitors the financial markets, which assists in the fast and efficient execution of a funding plan for any new asset opportunities which may arise. Maturities between each of the sources of finance are spread in order to mitigate the risk of refinancing. At 31 August 2014, Redefine had R5,4 billion in the short-term portion of interest-bearing borrowings. Since balance sheet date Redefine has managed to either extend the terms, restructure or repay the majority of the facilities.

AVERAGE TERM OF DEBT

2,9 years

MATURITY PROFILE OF DEBT AND HEDGES



FINANCIAL CAPITAL continued

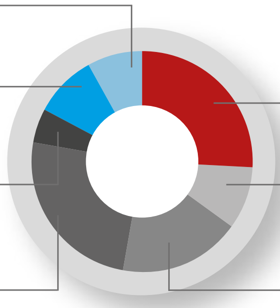
DIVERSIFYING OUR FUNDING SOURCES

Credit risk may arise from a credit crisis, the introduction of Basel III requirements or prudential limits which are imposed by debt providers. Redefine limits the credit risk by diversifying the sources of funding among financial institutions (the banks) and the debt capital market. The size and the quality of our unsecured assets as well as the equity headroom on unencumbered assets allow us to arrange unsecured debt. Management's target is to source approximately 30% of its total debt funding from the debt capital market in order to avoid concentration risk among the major financial institutions.

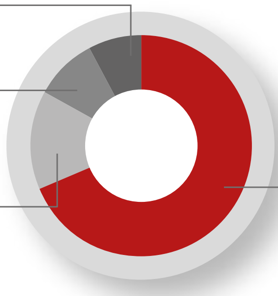
UNSECURED DEBT OF

31,3%

SOURCES OF DEBT



SECURED VERSUS UNSECURED SOURCES OF DEBT



MAINTAINING STRONG CREDIT AND BALANCE SHEET METRICS

Redefine's board has imposed a gearing limit of 45% of total assets. Management further strives to achieve a target of 35% believing this is the optimal level of gearing over the long term. Moody's credit rating was refreshed during August 2014 and remains unchanged as follows:

- Global long-term Baa3
- Global short-term P-3
- National long-term A3.za
- National short-term P-2.za

Redefine has encumbered R27,7 billion of its property assets against secured borrowings of R11,3 billion. For unsecured lenders (currently R5,2 billion), R33,6 billion of property assets are available (the remaining unsecured property assets of R17,2 billion plus the secured assets' funding headroom of R16,4 billion) to support their exposure. Redefine is looking to increase its level of unsecured borrowings through leveraging this situation, which has the added benefit of providing the unsecured lender with a diversified asset pool.

LTV 36,6%

INTEREST COVER 3,1x

% DEBT SECURED 68,7%

FUNDING PROSPECTS

Redefine will continue to follow its strategy of prudently managing its capital to provide an appropriate balance between debt and equity and the certainty of these costs. This approach enables the operating business units to strategically plan and sustain value creation, reinforces our credit reputation with the lenders, and maintains a strong capital base to safeguard Redefine's ability to provide reasonable returns to stakeholders, despite financial market volatility.

MANUFACTURED CAPITAL

GROUP PROPERTY ASSET PLATFORM

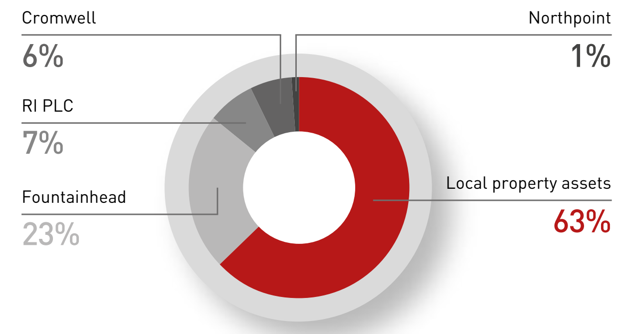
REDEFINE HAS A ROBUST PROPERTY ASSET PORTFOLIO TOTALLING R51,1 BILLION THAT HAS THE SCALE TO GROW ORGANICALLY AND BY ACQUISITION AND IS DIVERSIFIED BY SECTOR AND GEOGRAPHY TO ABSORB RISK. REDEFINE'S ASSET BASE PROVIDES THE PLATFORM TO UNDERTAKE LARGE-SCALE PROPERTY PORTFOLIO ACQUISITIONS.

Redefine actively manages a diversified directly held local property portfolio valued at R31,5 billion, while Fountainhead in which Redefine has a 65,9% equity interest, has a R12,2 billion (predominantly retail) property portfolio.

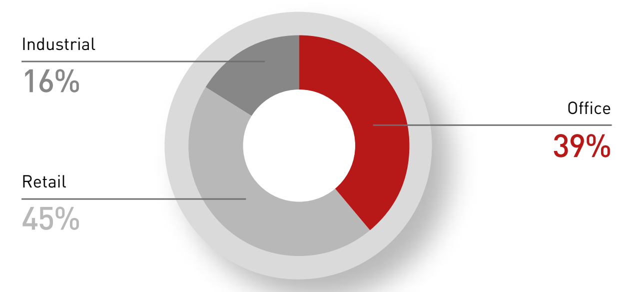
Redefine's international property investments totalling R7,4 billion (representing 14,5% of the group property assets) provide geographic diversification. Redefine has a 30,1% equity interest, equating to R3,5 billion, in RI PLC which is listed on both the LSE and the JSE.

In addition, Redefine has a R3,9 billion presence in the Australian property market through a direct 50% interest in North Sydney's landmark tower, Northpoint, as well as a holding of 15,9% in Cromwell, which is listed on the Australian Stock Exchange, and an indirect equity interest of a further 10% through RI PLC.

GROUP PROPERTY ASSETS (%)



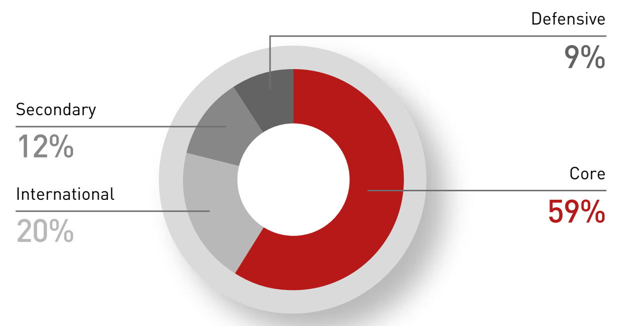
GROUP VALUE BY SECTOR (%)



PORTFOLIO STRUCTURE

Redefine's objective is to obtain the best possible risk adjusted returns from our portfolio, and to maintain a strong bias on predictable income streams. To achieve this, we aim to maintain a portfolio that offers growth potential but also provides a balance between defensive investments and assets that can be improved with active asset and value-added development management.

ALLOCATION OF CAPITAL (%)



The portfolio has been restructured with 12% of available capital invested in higher-risk, higher-return assets. This does not preclude acquisitions that are opportunistic or intended to explore new segments of the property business. A total of 59% of our income-earning property assets make up the core portfolio which provide stable, secure and growing income, however, requiring effective property and asset management. International investments contributed 20% of our income which require no local management and 9% of the portfolio is defensive in nature with long leases and national tenants.

Redefine will continue to evolve and refine the portfolio composition in line with the strategic objectives of the business.

MANUFACTURED CAPITAL continued

David Rice Chief operating officer

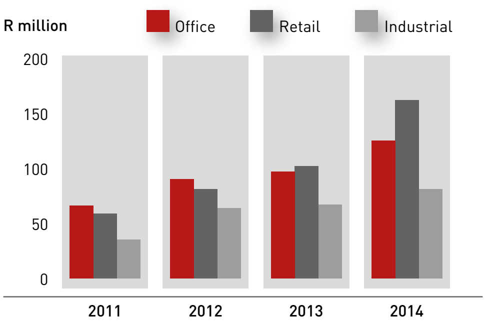
LOCAL PROPERTY PORTFOLIO

"REDEFINE CONTINUES TO DIVERSIFY, GROW AND IMPROVE THE QUALITY OF ITS CORE PROPERTY PORTFOLIO, WITH THE AVERAGE VALUE PER PROPERTY NOW APPROACHING R112 MILLION, COMPARED TO R95 MILLION A YEAR AGO, AND AROUND R54 MILLION WHEN WE FIRST SET OUT ON THIS JOURNEY. THE RESTRUCTURING WAS WELL-TIMED AND THE PORTFOLIO IS NOW POSITIONED TO CREATE VALUE THROUGH PROPERTY CYCLES, WHILE ALSO BEING DIVERSIFIED AND THUS DEFENSIVE IN AN OPERATING ENVIRONMENT THAT IS LIKELY TO REMAIN CHALLENGING FOR THE FORESEEABLE FUTURE."

Redefine had an active year and continued its strategy of growing the local portfolio through the acquisition of quality long-term income-producing assets with attractive capital-appreciation prospects. The portfolio performed well, despite tough market conditions, as we benefited from actions taken in the past three years. We also continued to benefit from our decision in 2010 to commit to a substantial development and redevelopment programme.

The strategy of disposing of smaller, non-core properties and the ongoing investment in and development of premium properties is reflected in the value per property.

AVERAGE PROPERTY VALUE



Mike Ruttell Executive director development

The portfolio comprises assets with a range of lease expiries and different ages, including new developments and properties scheduled for redevelopment. This allows us to drive returns through asset management initiatives, development and recycling of capital from mature assets into those with superior growth potential.

At 31 August 2014, the direct property portfolio was valued at R30,2 billion (2013: R24 billion) and comprised 270 (2013: 251) properties with a total GLA of 3,6 million square metres (2013: 3,1 million square metres). We have continued to grow and improve the quality of the core portfolio, with an emphasis on acquisitions, wherever possible with fully repairing leases to blue-chip tenants who offer secure cash flows and negligible vacancy rates. The strategy set out in 2011 has progressed well and has not changed materially in respect of the bricks and mortar of our portfolio:

- Securing long-term growth and capital appreciation prospects
- Focused asset and property management
- Growth and diversification of the local property asset base
- Identifying value-add opportunities to existing properties

We continue to make significant strides in improving the portfolio which is evident through:

- Redefine's increased average value per property
- the top 20 properties make up 36% (2013: 35%) of the portfolio by value
- 33% (2013: 31%) of the total portfolio is single-tenanted properties which helps improve cost efficiencies
- the top 20 tenants contribute 45% (2013: 46%) of the gross monthly rental
- the GLA, the portfolio is evenly diversified between the office, retail and industrial sectors
- 65% (2013: 65%) of the portfolio is located in Gauteng which is in line with our strategy to reduce exposure to smaller, less efficient municipalities and focus mainly on the dominant urban areas

PRIORITIES FOR 2015

- Proactive asset management to remain cost-effective and retain tenants
- Continue to reshape our portfolio
  - Enhance our existing portfolio through redevelopments
  - Dispose of non-core properties
  - Agile approach to acquisitions
  - Active asset and property management
- Strategic acquisitions, when they become available
- Maintain tenant retention, even if growth is stagnant
- Continue to invest in people, process, analytics, technology and tactical marketing

MANUFACTURED CAPITAL continued

PORTFOLIO OVERVIEW

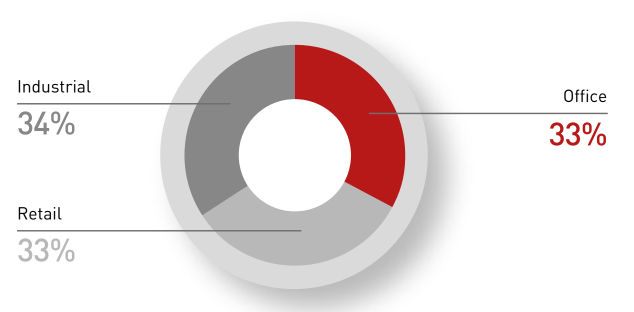
SECTORAL SPREAD BY GROSS LETTABLE AREA

	2014				2013			
	Value R000	Number of properties	GLA m²	GLA %	Value R000	Number of properties	GLA m²	GLA %
Office	12 612 765	112	1 182 590	33	9 833 527	97	1 051 602	33
Retail	12 013 722	89	1 187 975	33	9 601 346	90	1 019 342	33
Industrial	5 601 764	69	1 199 577	34	4 564 079	64	1 054 070	34
Total	30 228 251	270	3 570 142	100	23 998 952	251	3 125 014	100

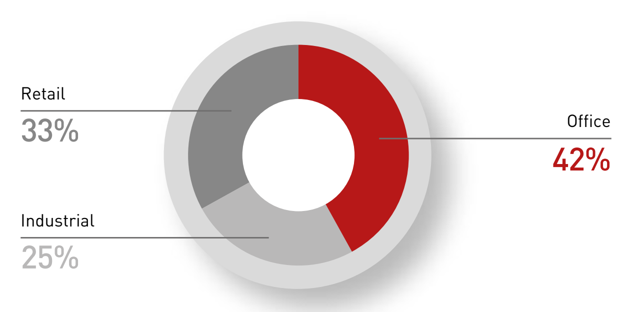
SECTORAL SPREAD BY GROSS MONTHLY RENTAL

	2014				2013			
	Value R000	Number of properties	GMR R000	GMR %	Value R000	Number of properties	GMR R000	GMR %
Office	12 612 765	112	114 821	43	9 833 527	97	103 654	44
Retail	12 013 722	89	103 619	39	9 601 346	90	90 796	39
Industrial	5 601 764	69	48 105	18	4 564 079	64	38 915	17
Total	30 228 251	270	266 545	100	23 998 952	251	233 365	100

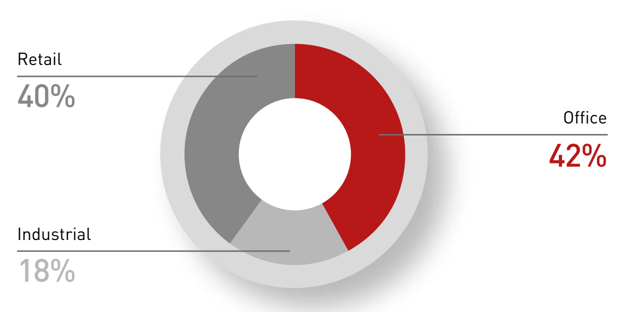
GLA (%)



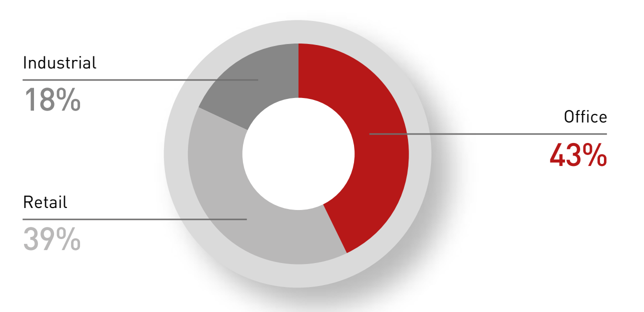
NUMBER OF PROPERTIES (%)



VALUE (%)



GMR (%)



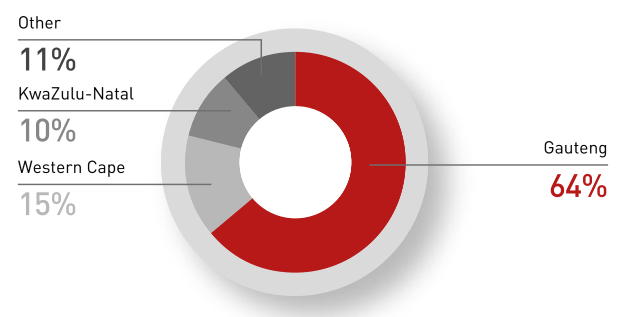
GEOGRAPHICAL SPREAD BY GROSS LETTABLE AREA

	2014				2013			
	Value R000	Number of properties	GLA m^2	GLA %	Value R000	Number of properties	GLA m^2	GLA %
Gauteng	**19 727 074**	**176**	**2 271 652**	**64**	15 534 393	159	1 985 035	63
Western Cape	**5 162 381**	**40**	**545 653**	**15**	4 841 803	40	579 422	19
KwaZulu-Natal	**2 348 488**	**31**	**363 934**	**10**	1 906 997	30	303 135	10
Other	**2 990 308**	**23**	**388 903**	**11**	1 715 759	22	257 422	8
Total	**30 228 251**	**270**	**3 570 142**	**100**	23 998 952	251	3 125 014	100

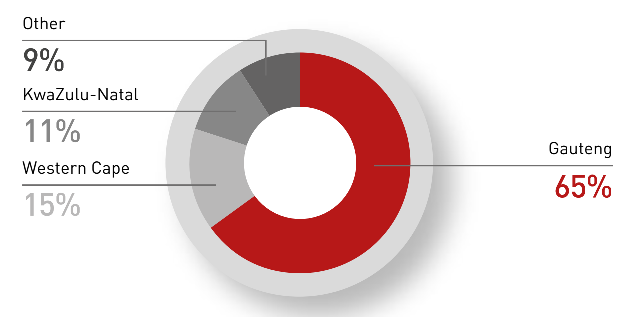
GEOGRAPHICAL SPREAD BY GROSS MONTHLY RENTAL

	2014				2013			
	Value R000	Number of properties	GMR R000	GMR %	Value R000	Number of properties	GMR R000	GMR %
Gauteng	**19 727 074**	**176**	**170 245**	**64**	15 534 393	159	150 189	64
Western Cape	**5 162 381**	**40**	**45 345**	**17**	4 841 803	40	44 724	19
KwaZulu-Natal	**2 348 488**	**31**	**26 591**	**10**	1 906 997	30	21 083	9
Other	**2 990 308**	**23**	**24 364**	**9**	1 715 759	22	17 369	8
Total	**30 228 251**	**270**	**266 545**	**100**	23 998 952	251	233 365	100

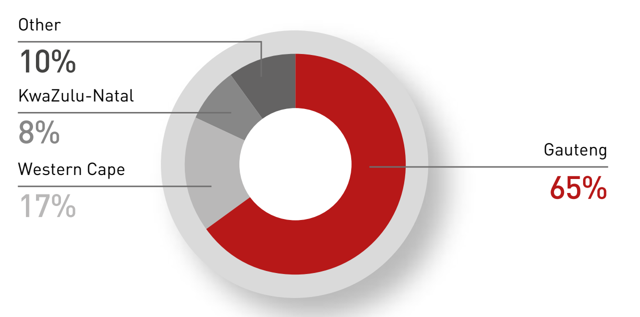
GLA (%)



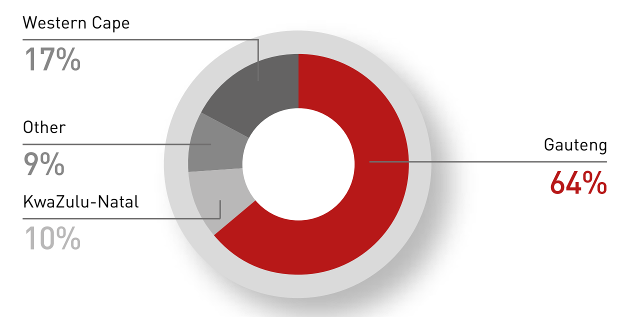
NUMBER OF PROPERTIES (%)



VALUE (%)



GMR (%)



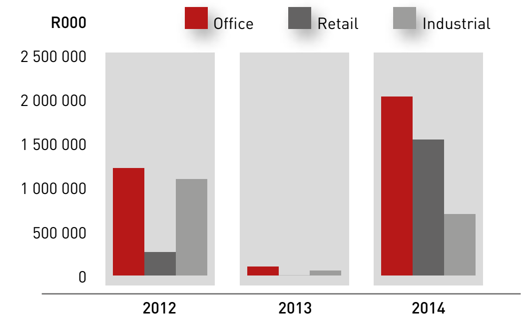
MANUFACTURED CAPITAL continued

SECURING LONG-TERM GROWTH AND CAPITAL APPRECIATION PROSPECTS THROUGH A LOCAL PORTFOLIO DIVERSIFIED BY SECTOR AND GEOGRAPHY

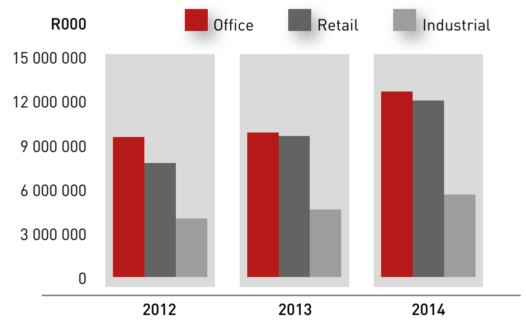
Although the market is extremely competitive, we continue to seek acquisition opportunities which meet our investment criteria:

- Acceptable initial yield
- Right geographic location – focused on well-serviced urban areas
- Growth in rental income – good escalations and where possible fully repairing and insuring leases
- Quality tenants with long lease expiry profiles
- Good prospect of capital appreciation

ACQUISITIONS



PROPERTY PORTFOLIO



We were able to successfully conclude a number of key transactions by taking advantage of our financial flexibility. The ability to unlock high-quality opportunities in a very competitive market is also a differentiating factor and is testament to the agility of Redefine's management and deal-making abilities and the strength of its relationships in the financial and property sectors.

These acquisitions were focused on core income-producing assets with good growth prospects. A total of 26 properties, with a combined GLA of 275 095m^2, were acquired and transferred during the year for an aggregate consideration of R4,6 billion at an initial yield of 8,0%. In addition, and subject to the usual conditions precedent, agreements have been concluded for the acquisition of properties for an aggregate consideration of R3 billion at an initial yield of 8,7% and GLA of 580 735m^2.

In line with our stated objective to enhance the retail portfolio, Redefine acquired 51% of one of Gauteng's landmark retail centres, Maponya Mall located in Soweto, for R700 million (GLA of 35 582m^2 at an initial yield of 7,5%). This was an important transaction for Redefine as it contributed to a number of strategic business priorities including an improved BBBEE scorecard. Redefine provided vendor financing and this constitutes investment in a designated area.

During the year, Redefine also acquired the Annuity property portfolio for R1,9 billion, which furthered our strategy of investing in quality retail assets, as 30% was made up of key retail centres including Langeberg Mall in Mossel Bay, valued at R416 million. For Redefine, this acquisition was priced at an attractive yield of 8,5% in an environment of scarce investment opportunities.
The portfolio is a good match for Redefine, with about 80% of its properties fitting Redefine's investment criteria. It also includes quality office and industrial assets with long leases which contribute to maintaining a healthy lease expiry profile.

We also took the opportunity of partnering with Zenprop in the iconic Alexander Forbes building in Sandton where we purchased 50% for R788 million at an initial yield of 7%. This acquisition aligns with our strategy of investing in properties that have fully repairing leases with blue-chip tenants.

ACQUISITIONS TRANSFERRED DURING THE YEAR – R4,6 BILLION

MAPONYA MALL (51%)

SOWETO

ALEXANDER FORBES (50%)

SANDTON

SASFIN HEAD OFFICE

WAVERLEY

Post year-end, Redefine concluded the acquisition of the Macsteel portfolio of 27 industrial properties for R2,7 billion, with a 12 year triple net lease. This transaction represents an attractive initial yield of 8,7% that escalates at 8% per annum, with a further five year renewal option. The Macsteel portfolio covers a total rentable area of some 560 000m^2, with a small office component of around 12% of this area. The buildings are located across eight of South Africa's provinces, with 75% of this space concentrated in Gauteng. The transaction enhances Redefine's existing industrial portfolio, increasing it from approximately R5 billion to R7,7 billion and bolstering the defensive component of the portfolio and lifting the weighted average lease period from 2,5 years to 5,5 years.

During the year, a total of 10 properties with a GLA of 58 008m^2, which no longer meet Redefine's investment criteria, were sold to various buyers for an aggregate consideration of R202 million at an average yield of 11%. Agreements have been reached for the disposal of properties with a GLA of 65 771m^2 for an aggregate consideration of R571 million.

FOCUSED ASSET AND PROPERTY MANAGEMENT

Our property management function is led by the national heads for the office, retail and industrial property portfolios. They are directly supported by the heads of the Gauteng and Western Cape regions, where the bulk of our properties are located. Each sector also has at least one leasing executive, while each region has dedicated facilities management. Certain specialised facilities functions such as air-conditioning and lift-management are outsourced.

A dedicated manager is responsible for each Redefine property or retail centre, supported by the administration department. A major advantage in having internalised asset and property management is the quality and real time access to tenant information which is available on demand, enabling us to directly monitor service levels and proactively plan to meet current and prospective tenant requirements.

Besides dealing directly with property and facilities managers, tenants can interface with Redefine through our call centre or the Redefine enquiries email account which is monitored by dedicated internal agents who are tasked with resolving tenant queries quickly and effectively. A total 20 718 telephone enquiries were handled during the review period with a further 7 428 emails responded to. The call centre aims for a first-time resolution with an average turnaround time of 24 hours. However, should the enquiry require municipal or third-party information or assistance or should it be a maintenance enquiry, the lead time can vary.

In a tough economic environment, it is crucial to retain tenants as it is far more cost-effective to maintain an existing tenant than to source a new one. Key to this is maintaining good relationships with our tenants and keeping abreast of their needs. Wherever possible we try to negotiate early lease renewals. Over the past three years we have focused on increasing our tenant retention rate and have achieved good results. The tenant retention rate by GLA is 86% compared to 80% a year ago.

The improvement in the quality of the portfolio has translated into a positive weighted average renewal rental growth of 5,4%.

During the year, leases covering 570 610m^2 were renewed at an average annual escalation of 7%. A further 238 203m^2 was let across the portfolio. However, the overall vacancy rate increased marginally by 0,2% to 5,5% reflecting a number of industrial vacates.

By reducing our exposure to furniture retailers over the past 18 months, Redefine is positively positioned amid increasing concerns about the impact of poor furniture retail trading on the retail property sector. Over the past two financial years, Redefine has worked proactively to minimise the portfolio risk in terms of exposure to this sector and our team has given priority to recycling this space across our portfolio.

ACQUISITIONS TRANSFERRED DURING THE YEAR – R4,6 BILLION

LANGEBERG MALL

MOSSEL BAY

OAKFIELDS CENTRE

BENONI

VIRGIN ACTIVE BRYANSTON

BRYANSTON

MANUFACTURED CAPITAL continued

OUR TENANT PROFILE
MULTI AND SINGLE TENANTED PROPERTIES

Tenant profile	Number of properties	GLA m²	Value R000	Number of properties %	GLA %	Value %
MULTI	179	2 483 923	21 189 096	66	70	70
Office	77	871 152	8 537 838	28	24	28
Retail	76	1 024 524	10 349 819	28	29	34
Industrial	26	588 248	2 301 439	10	16	8
SINGLE	85	1 009 665	7 823 171	32	28	26
Office	32	311 438	3 996 415	12	9	13
Retail	13	99 888	847 013	5	3	3
Industrial	40	589 339	2 979 743	15	17	10
PARKADE/VACANT LAND	6	12 991	485 767	2	–	2
Office	3	–	78 512	1	–	–
Retail	–	–	86 674	–	–	–
Industrial	3	12 991	320 582	1	–	1
DEVELOPMENT	–	63 563	730 217	–	2	2
Retail	–	63 563	730 217	–	2	2
Total	270	3 570 142	30 228 251	100	100	100

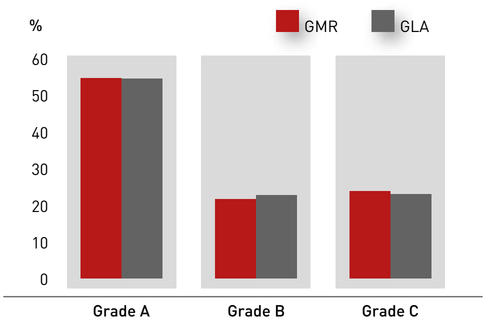
TOP 20 TENANTS

Tenant name	GMR R000	GLA m²	GMR %	GLA %
Government	40 101	458 104	15,0	12,8
Edcon	9 777	131 352	3,7	3,7
Pepkor	8 898	145 262	3,3	4,1
Shoprite	7 125	114 895	2,7	3,2
Pick 'n Pay	6 779	105 786	2,5	3,0
Discovery Health	5 533	33 292	2,1	0,9
Standard Bank	5 278	45 561	2,0	1,3
ABSA	4 996	34 642	1,9	1,0
Foschini	3 605	22 679	1,4	0,6
Woolworths	3 385	57 493	1,3	1,6
Mr Price	3 192	21 815	1,2	0,6
Vodacom	3 049	16 194	1,1	0,5
JDG	3 005	59 996	1,1	1,7
De Beers Group	2 986	12 448	1,1	0,3
Massmart	2 838	39 276	1,1	1,1
Hogan Lovells SA	2 111	11 461	0,8	0,3
Truworths	1 972	14 686	0,7	0,4
Premier Foods	1 971	40 976	0,7	1,1
FNB	1 884	12 976	0,7	0,4
Webber Wentzel	1 862	7 007	0,7	0,2
Total	120 348	1 385 901	45,2	38,8

TENANT GRADING OF TOTAL PORTFOLIO

Grade	Sector	GMR %	GLA m²	GLA %	Tenant count
GRADE A		54,6	1 838 523	51,5	850
	Office	26,9	679 944	19,0	185
	Retail	18,6	617 369	17,3	627
	Industrial	9,1	541 210	15,2	38
GRADE B		21,6	760 377	21,3	988
	Office	7,8	201 138	5,6	363
	Retail	8,8	242 628	6,8	569
	Industrial	5,1	316 610	8,9	56
GRADE C		22,8	775 938	21,7	2 052
	Office	8,6	216 362	6,1	690
	Retail	11,2	281 397	7,9	1 191
	Industrial	3,0	278 179	7,8	171
Total excluding vacancy		100	3 374 837	94,5	3 890
	Office		85 146	2,4	
	Retail		46 581	1,3	
	Industrial		63 578	1,8	
Total vacancy			195 305	5,5	–
Total		100	3 570 142	100	3 890

TENANT GRADE



Redefine's policy is to lease space to quality tenants with a high likelihood of renewal. Redefine classifies its tenants as follows:

GRADE A: Companies that trade out of multiple geographic locations and/or serve a diverse customer base and generally occupying more than 2 000m^2

GRADE B: Companies that have multiple offices although these may not be geographically dispersed, serve a reasonably diverse customer base, and generally occupying more than 1 000m^2 of space

GRADE C: Comprises individuals and sole proprietorships as well as other legal entities that trade out of one or very few locations occupying less than 200m^2

VACANCY PROFILE

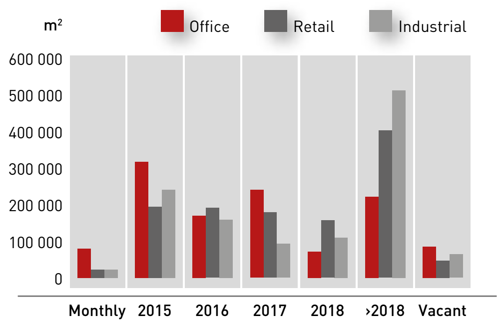
	2014				2013			
	Office GLA m²	Retail GLA m²	Industrial GLA m²	Total GLA m²	Office GLA m²	Retail GLA m²	Industrial GLA m²	Total GLA m²
Gauteng	66 017	21 911	48 980	136 907	63 537	11 725	32 423	107 685
Western Cape	6 120	5 088	4 598	15 806	4 768	9 665	5 977	20 410
KwaZulu-Natal	5 433	9 790	–	15 223	10 791	8 118	–	18 909
Other	7 577	9 791	10 000	27 368	11 432	7 510	–	18 942
Total	85 146	46 581	63 578	195 305	90 528	37 018	38 400	165 946
Vacancy (%)	7,2	3,9	5,3	5,5	8,6	3,6	3,7	5,3
Total GLA	1 182 590	1 187 975	1 199 577	3 570 142	1 051 602	1 019 342	1 043 788	3 114 732

MANUFACTURED CAPITAL continued

LEASE EXPIRY PROFILE

	Office		Retail		Industrial	
Year to August	GLA m²	GMR R/m²	GLA m²	GMR R/m²	GLA m²	GMR R/m²
Monthly	79 140	90,0	21 662	154,6	22 220	32,0
2015	316 558	111,4	194 258	109,5	240 633	39,9
2016	169 588	118,3	190 281	108,3	158 970	41,1
2017	239 685	104,0	177 501	106,8	93 287	42,3
2018	71 660	123,6	156 202	104,3	109 801	40,9
Beyond 2018	220 813	112.0	401 490	66,1	511 088	45,0
Vacant	85 146	–	46 581	–	63 578	–
Total	1 182 590	110,21	1 187 975	93,5	1 199 577	42,5

LEASE EXPIRY PROFILE (GLA)



A particular area of concern for us is the inadequate service provided by local authorities, coupled with rising costs of rates, electricity and water. We have experienced a significant rise in the number of back billings received from councils (particularly from the City of Johannesburg), placing pressure on our ability to recover costs from our tenants. As these amounts are typically significant, tenants usually cannot afford to settle in one payment and the impact is consequently on Redefine's working capital.

Managing our municipal accounts and attempting to resolve recurring issues is becoming increasingly frustrating for all involved, and it requires a significant amount of time and effort by our employees. During the past year, the City of Tshwane changed all large power users to a prepaid electricity platform, placing further strain on working capital cash flows with landlords having to pay electricity upfront only to recover from tenants after use in arrears. The regulatory environment regarding the resale of electricity in the commercial property space is uncertain and may pose a potential risk to the recovery of electricity from tenants. Significant increases in rates charges have also been experienced. Redefine raised a number of successful objections to the rates increases, however, we expect continued pressure in this area.

IDENTIFYING VALUE-ADD OPPORTUNITIES

A key pillar of Redefine's strategy is to build high-quality greenfield projects in prime locations and to redevelop and revitalise existing (brownfield) properties on a demand-driven basis to generate higher returns and to improve the quality of the portfolio. Among these projects are many significant and innovative concepts, which strongly position Redefine for the future in a competitive market.

The extent of development we undertake varies depending on our assessment of the prospective returns. Development returns are generally considered higher risk than those available from existing income-producing properties and as a result we target returns that are commensurately higher. As part of our overall risk management process, we have limited the maximum total speculative development exposure to not more than 5% of our portfolio. Risks associated with development projects generally arise from the amount of time taken to complete projects, as a result of the following:

- Particular difficulty arises as a result of restrictive clauses in retail leases
- Excessive lead time in town planning issues with councils
- Actual development costs exceeding budgeted levels and contractor underperformance – we manage this by putting fixed-costs contracts in place and implementing solid service level agreements
- Delays in the completion of projects due to labour unrest

During the year, we completed developments worth R1,5 billion, with the largest being the prime multi-tenanted offices at 90 Grayston Drive in Sandton shortly after year-end. A further R2,3 billion of development is under way, including Webber Wentzel's new headquarters, with an aggregate value of R1,5 billion and redevelopment projects in the existing portfolio with an approved value of R847 million presently in progress.

GREEN BUILDINGS AND ENERGY SAVINGS

Where possible, Redefine is committed to creating efficient, modern buildings that adhere to the latest, cutting edge environmental responsible technologies. Lowering the cost of occupation through reducing utilities' consumption, such as electricity and water, can help make tenants' businesses more profitable, resulting in enhanced tenant retentions while preserving our margins. We are now evaluating which properties can be converted for further efficiency gains, particularly as part of redevelopment projects.

The newly completed premium 90 Grayston Drive property earned a four-star Green Star SA design rating and Matlosana Mall in Klerksdorp has also been fitted with green technologies.

OFFICE REVIEW

Redefine's office properties are situated in prime nodes, geographically spread across South Africa's major metropolitan areas and are substantially let to blue-chip tenants. Driven by demand and opportunity, we develop innovative, operationally efficient and cost-effective, sustainable buildings on risk in addition to redeveloping existing properties to realise further value.

HIGHLIGHTS

- Completion of 90 Grayston Drive
- Leasing team expanded
- Purchase of 50% of the iconic Alexander Forbes building
- Vacancy improved

OFFICE KEY PERFORMANCE STATISTICS

Description	2014	2013	Increase/ (decrease) %
Asset value (R billion)	**12,6**	9,8	28,7
Valuation per m² (excluding undeveloped bulk)	**11 868,5**	9 351,0	26,9
Average property value (R million)	**125,3**	102,0	22,9
Value as % of portfolio	**41,7**	41,0	1,8
Average gross rent per m²	**110,2**	99,0	11,3
Number of properties	**112,0**	97,0	15,5
Total GLA (m²) (million)	**1,2**	1,1	7,5
GLA as % of portfolio	**33,1**	34,0	(2,6)
Vacancy (%)	**7,2**	8,6	(16,0)
Tenant retention rate (%)	**89,3**	87,0	2,6
Weighted average renewal rental growth (%)	**5,5**	3,2	71,9
Weighted average portfolio escalation (%) – by rentable area	**7,0**	7,2	(2,4)
% of net property income	**38,2**	46,0	(16,9)
Average annualised property yield (%)	**10,9**	12,6	(13,8)

MARKET OVERVIEW

'Challenging' is the one word that most aptly describes the commercial property trading environment during the past financial year, with the negative impact of a sluggish economy, a rising CPI, no increase in employment rate and increased labour unrest, holding back any prospect of improvement in the short term.

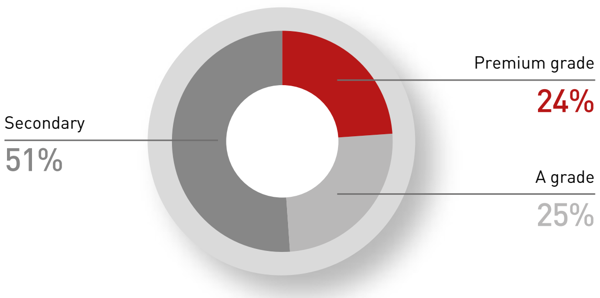
Landlords face challenges in the short term as supply remains relatively high, there are no new large takers of office space and tenants are able to upgrade to higher-grade offices at lower costs, resulting in churn in the market. It is also important to note that the general decline in new demand (driven by lack of employment), coupled with increased occupancy costs, has put pressure on rentals going forward. Redefine is improving the product offering at competitive pricing, working proactively to incentivise prospective tenants to relocate through deal structures and tenant installation offerings combined with competitive rentals. This is evident in an increase in P-grade space and market-rental caps that have either remained stagnant or moved backwards by approximately 10% in major nodes.

The impact of an unstable power supply throughout the country cannot be ignored. The delay in new power supplies coming online will impact the sustainability of existing businesses and curtail the growth of new business. Load-shedding is also putting pressure on business confidence and investment. Redefine is aiming to offset this negative impact through developing green sources of energy.

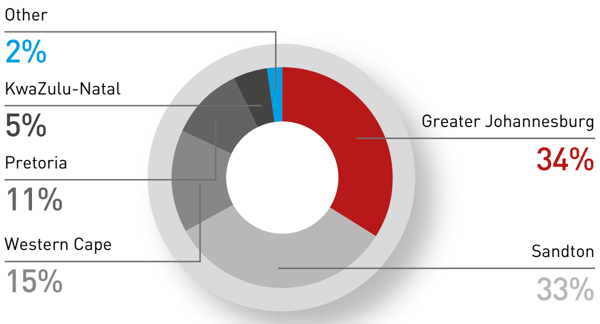
The key driver of rising vacancies is the growing supply of higher-quality space and a slowing take-up. This oversupply affects rental levels as potential tenants can pick and choose when deciding to upgrade their office premises. A second key driver is transport and proximity, with crime being the third driver, especially in the CBDs. Vacancies are much higher in the lower-grade office premises.

MANUFACTURED CAPITAL continued

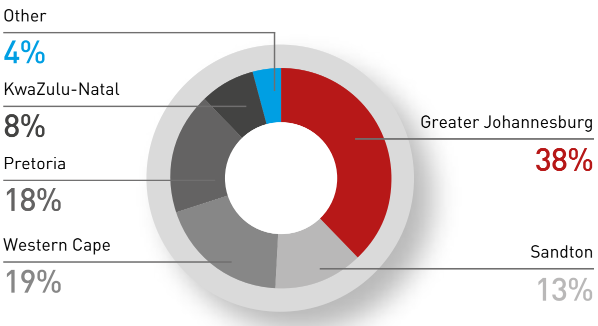
OFFICE VALUE BY GRADE



OFFICE VALUE BY LOCATION



OFFICE GMR BY LOCATION



REDEFINE PLACE

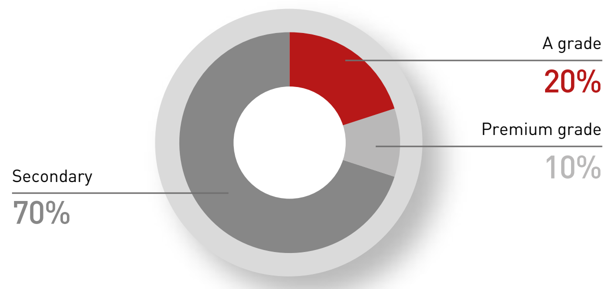
OFFICE PORTFOLIO PERFORMANCE

Notwithstanding the economic environment, the Redefine office portfolio performed satisfactorally and is considered to be generally robust and defensive and able to weather tough conditions until there is an uptick in GDP growth. The value of the Redefine office portfolio grew by 29% to R12,6 billion which reflects both the acquisitions made during the year as well as a 23% overall uplift in valuations. The office portfolio achieved a total return of 10,9% which is ahead of the national average.

The office portfolio is 25% let to P-grade tenants with a balanced tenant mix of 32,7% to single-tenants and 67,3% to multi-tenants. Net property income is underpinned by a weighted average lease expiry profile of two and a half years. At year-end, office vacancies were at 7,2% which is an improvement on the prior year's 8,6%. On renewal, only 4% to 5% escalations in office rentals is being achieved. C-grade assets across the country have a 20% vacancy rate on average, while P-grade properties are at 7,1%. The two largest nodes in South Africa remain the Johannesburg CBD at 1 873 000m² and the Sandton precinct at 1 497 000m². Redefine's exposure in these areas is:

Sandton	7 buildings	GLA 71 531m² (96,5% occupied) GLA 53 899m² under development
Jhb CBD	15 buildings	259 943m² GLA (88,3% occupied)

7,2% OFFICE VACANCY SPLIT BY GRADE



OFFICE LETTING STRATEGY

- Tenant retention is vital, as obtaining new tenants is costly
- Reinvesting in assets
- Grow our brand – be the first port of call for brokers
- Reducing management costs (green strategies, better lighting and sustainable buildings)

In such a tough market it remains critical to focus on maintaining relationships, and this is the cornerstone of Redefine's approach to leasing. A focused approach with a dedicated property management and leasing team has made good strides in terms of tenant retention ratios, up from 87% in 2013 to 89% in 2014. Apart from the obvious benefits of maintaining steady cash flows from existing occupancies there are material benefits in cost savings such as commission, reduced tenant installation costs, marketing and carrying costs as it relates to beneficial occupation periods.

The market is highly rent sensitive as is evidenced by the success of rental incentives offered on specific properties. These have included rents substantially below market trends, rentals inclusive of electricity, and a 10% rent-back bonus at the end of a tenant's lease. It is interesting to note that the most effective incentive was a 'low rental' offer which resulted in 12 deals totalling 6 450m² that filled long-standing vacancies. By contrast, the industrial sector only concluded three leases on the rent-back bonus basis.

The leasing team was bulked up by the appointment of three additional executives to maintain leasing relationships and aggressively pursue new engagements. In Sandton, the primary risk remains traffic congestion on the limited traffic routes. This risk is offset to a degree by improved public transport, namely the Gautrain and the Rea Vaya bus system, the need to remain in the business and economic hub of Johannesburg, as well as in emerging supplementary nodes such as Rosebank. The longevity of the Sandton CBD is not in doubt and allows long-term planning to improve and uplift the assets, though there will be vacancies after 2017 due to the known termination of the Discovery Health and Eversheds leases.

Older CBDs (apart from Pretoria) still find it difficult to reduce their high vacancies. Pretoria has the lowest vacancies at 7,1% primarily driven by government, followed by Cape Town at 14%, Johannesburg at 17,2% and Durban at 20,7%.

OFFICE ACQUISITIONS AND DISPOSALS

In line with market trends, we are continuing our strategy of investing in high-quality assets in core business nodes and have acquired a prime selection of assets. During the review period, 13 buildings valued at R1,9 billion with a combined GLA of 80 427m², transferred, 10 of which were integrated from the Annuity portfolio transaction and 50% of the new Alexander Forbes building on West Street Sandton, representing 40% of the buildings acquired. Other properties acquired include the Ericsson building in Woodmead and a site in Bierman Avenue in Rosebank which will be redeveloped for Redefine as its new head office.

During the year, Redefine reduced exposure in less desirable nodes, selling five properties with a combined GLA of 36 657m² for R1,3 billion at an average yield of 12%. Three further assets were sold post year-end.

MANUFACTURED CAPITAL continued

OFFICE ACQUISITIONS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Purchase price R000	Yield* %	Purchase price R/m²
Cell C Property	Gauteng	Mar 2014[1]	5 819	156 310	8,6	26 862
Sasfin head office building	Gauteng	Mar 2014[1]	8 028	202 234	8,6	25 191
Woolworths financial services call centre	Western Cape	Mar 2014[1]	11 320	164 390	8,6	14 522
Ethos Property	Gauteng	Mar 2014[1]	2 496	54 224	8,6	21 724
The Atrium building	Gauteng	Mar 2014[1]	13 483	162 776	8,6	12 073
BCX building	Gauteng	Mar 2014[1]	2 542	43 840	8,6	17 246
Clarins Waverley	Gauteng	Mar 2014[1]	1 442	29 363	8,6	20 362
Clarins Ormonde	Gauteng	Mar 2014[1]	2 000	13 766	8,6	6 883
Clarins Cape Town	Western Cape	Mar 2014[1]	360	5 806	8,6	16 129
Warich Office Park	Gauteng	Mar 2014[1]	3 212	50 542	8,6	15 735
Ericsson Woodmead	Gauteng	May 2014	11 475	240 000	8,5	20 915
13 and 15 Bierman Avenue – 42,5%[2]	Gauteng	Jun 2014	N/A	31 513	N/A	N/A
Alexander Forbes – 50%	Gauteng	Aug 2014	18 250	788 111	7,0	43 184
Total			80 427	1 942 873	7,9	23 765

[1] Acquired with a commercial effective date 1 March 2014 – Annuity portfolio.
[2] Property held for future development of Rosebank Towers.
** Calculation of yield and purchase price per square meter excludes property held for future development.*

OFFICE DISPOSALS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Selling price R000	Yield %	Selling price R/m²
Monitor House	Gauteng	Nov 2013	1 709	30 750	10,9	17 993
CCMA House	Western Cape	Feb 2014	4 747	21 000	11,6	4 424
Nedbank Centre – Durban Club Place	KwaZulu-Natal	Apr 2014	14 039	37 500	12,8	2 671
Reserve Road	Gauteng	May 2014	5 847	39 900	12,6	6 824
Pica Bethal	Gauteng	Jun 2014	10 315	7 800	10,0	756
Total			36 657	136 950	12,0	3 736

OFFICE DEVELOPMENT PROGRAMME

90 GRAYSTON DRIVE

Completed August 2014
SANDTON

ESSEX GARDENS

Completed July 2014
DURBAN

THE TOWERS

To complete 2015
CAPE TOWN FORESHORE

GOVERNMENT-TENANTED OFFICE PORTFOLIO

Last year, Redefine announced its intention to dispose of its public sector tenanted office properties to a BBBEE partner by establishing a sovereign fund. After protracted negotiations with a potential partner, the deal failed. These are relatively high-yielding properties and the Department of Public Works has agreed to sign three-year leases at 5,5% rental escalations per annum. Discussions with a number of interested parties are under way to dispose of the portoflio in tranches through a managed process to minimise any dilution in distributable income.

OFFICE DEVELOPMENT

Redefine has made good progress on development projects currently underway and there is a significant pipeline of potential redevelopment projects within our current portfolio. Over the year, Redefine's newly completed premium-grade 90 Grayston Drive property (R504 million) earned a four-star Green Star SA design rating and is already 88% let, yielding 8,5% for occupation during the first half of 2015.

In Cape Town, the 57 000m² 'The Towers' is currently undergoing new façade changes, and the main public thoroughfares and lobbies are being upgraded. In addition, the parking ratio is being increased from one bay per hundred square metres to three bays per hundred square metres. The façade on the small tower will be completed at the end of December this year, with August 2015 the completion date for the entire project.

The new Webber Wentzel headquarters in Sandton is well under way. Due to a number of vacancies in Commerce Square in Sandton and to make the property more marketable, a redevelopment is in progress including the addition of much needed parking. At completion, the parking ratio will increase from 4,3 bays per hundred metres to 5,1 bays per hundred metres.

NEW OFFICE DEVELOPMENTS COMPLETED DURING THE YEAR

Property	Description	Prelet GLA m²	Total GLA m²	Total cost Rm	Yield %	Completion date
GAUTENG						
90 Grayston Drive	Four-star green rated P-grade	16 285	19 400	504	8,5	Aug 2014

OFFICE REDEVELOPMENTS COMPLETED DURING THE YEAR

Property	Description	Total cost Rm	Yield %	Completion date
KWAZULU-NATAL				
Essex Gardens Phase 3	Alterations and additions	7,8	11,0	Dec 2013
Essex Gardens Phase 4	Alterations and additions	12,7	8,2	Jul 2014
Essex Gardens Phase 5	Alterations and additions	10,0	8,1	Jul 2014
Total		**30,5**	**8,9**	

OFFICE DEVELOPMENT PROGRAMME

90 RIVONIA ROAD

To complete 2016
SANDTON

COMMERCE SQUARE

To complete 2015
SANDTON

ROSEBANK TOWERS

To commence 2015
ROSEBANK

MANUFACTURED CAPITAL continued

NEW OFFICE DEVELOPMENTS IN PROGRESS

Property	Description	Prelet GLA m²	Total GLA m²	Projected total cost Rm	Initial yield %	Projected completion date
GAUTENG						
90 Rivonia Road	Multi-tenanted P-grade	25 000	34 500	979,0	7,8	Nov 2015
Rosebank Towers*	Multi-tenanted P-grade	6 000	22 965	276,2	9,2	June 2016
WESTERN CAPE						
Eagle Park	B-grade	2 373	2 373	28,5	8,3	Dec 2014
Total		**33 373**	**59 838**	**1 283,7**	**8,1**	

**Redefine's 42,5% share*

CURRENT OFFICE REDEVELOPMENTS IN PROGRESS

Property	Description	Projected total cost Rm	Initial yield %	Projected completion date
GAUTENG				
Commerce Square	Parking construction	20,3	6,1	Feb 2015
WESTERN CAPE				
The Towers	Alterations and additions	533,0	6,4	Jun 2015
Total		**553,3**	**6,4**	

FUTURE OFFICE REDEVELOPMENT PROJECTS

Property	Description	Projected total cost Rm	Initial yield %	Projected start date
KWAZULU-NATAL				
Essex Gardens Phase 6	Alterations and additions	17,1	8,9	Mar 2015
Essex Gardens Phase 7	Alterations and additions	22,1	9,3	Sep 2015
Total		**39,2**	**9,1**	

OFFICE PROSPECTS

We expect the office sector overall to remain under pressure with higher vacancy levels in certain nodes as new developments near completion, which tend to suppress rental growth. Green building projects will, however, give us an edge, particularly with those corporates looking for top-level office accommodation. Quality assets are set to retain and attract tenancies.

A key focus will continue to be on tenant retention and on reducing vacancies across the portfolio. Further exposure to the Sandton node will not be considered unless it is a long-term, fully leased property at an acceptable yield.

TOP 10 OFFICE PROPERTIES

Property name	Value Rm	GLA m^2	GMR R000
Alexander Forbes, Sandton, Gauteng (joint venture 50%)*	816	35 064	–
Standard Bank Centre, Cape Town CBD, Western Cape	800	54 140	5 597
155 West Street, Sandton, Gauteng	530	24 501	4 535
90 Grayston Drive, Sandton, Gauteng**	478	18 704	–
90 Rivonia Road, Sandton, Gauteng**	398	35 844	–
Thibault Square, Cape Town CBD, Western Cape	388	30 522	3 919
Convention Tower, Foreshore, Western Cape	385	17 859	3 531
Commerce Square, Sandton, Gauteng	368	16 445	2 843
Poyntons, Pretoria CBD, Gauteng	338	64 381	5 053
Pier Place, Cape Town CBD, Western Cape	313	14 746	2 671
Total	**4 814**	**312 206**	**28 149**

** New acquisition transferred.*
*** Development properties.*

TOP 10 OFFICE TENANTS

Tenant name	GMR R000	GLA m^2
Government	35 669	412 000
Discovery Health	5 502	32 724
ABSA	3 906	29 714
Standard Bank	3 227	30 544
De Beers Group	2 986	12 448
Vodacom	2 659	15 400
Hogan Lovells SA	2 111	11 461
Webber Wentzel	1 861	7 007
Woolworths	1 815	19 463
Cell C	1 775	10 096
Total	**61 512**	**580 857**

MANUFACTURED CAPITAL continued

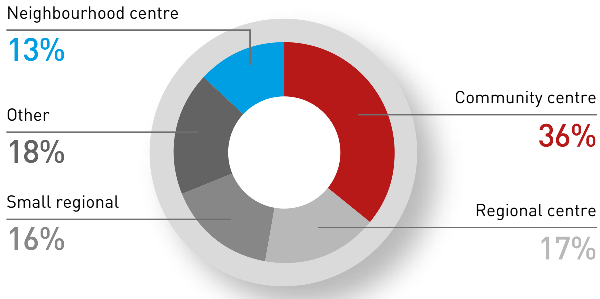
RETAIL REVIEW

HIGHLIGHTS

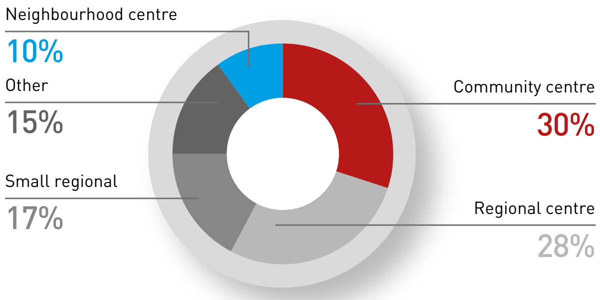
- Acquisition of 51% of Maponya Mall and property management taken on
- Solar panel installation at Alberton Mall
- Master Development Plan in place for East Rand Mall
- Retail Business Intelligence project implemented
- Completion of Matlosana Mall development subsequent to year-end

During the past year, Redefine's retail property portfolio showed strong underlying performance with the addition of R1,7 billion in newly acquired properties. At year-end, the vacancy level was 3,9% and the weighted average lease expiry was 3,2 years.

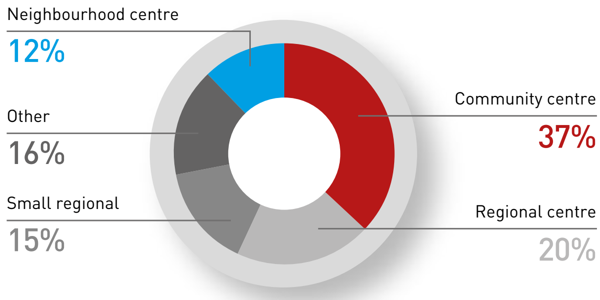
RETAIL GMR BY TYPE



RETAIL VALUE BY TYPE



RETAIL GLA BY TYPE



RETAIL KEY PERFORMANCE STATISTICS

Description	2014	2013	Increase/ (decrease) %
Asset value (R billion)	**12,0**	9,6	25,0
Valuation per m² (excluding undeveloped bulk)	**12 112,2**	9 419,0	28,6
Average property value (R million)	**161,7**	107,0	51,1
Value as % of portfolio	**39,7**	40,0	(0,6)
Average gross rent per m²	**93,5**	89,0	5,1
Number of properties	**89**	90	(1,1)
Total GLA (m²) (million)	**1,2**	1,0	18,8
GLA as % of portfolio	**33,3**	33,0	0,8
Vacancy (%)	**3,9**	3,6	8,9
Tenant retention rate (%)	**89,4**	88,0	1,6
Weighted average renewal rental growth (%)	**5,0**	6,4	(21,9)
Weighted average portfolio escalation (%) – by rentable area	**7,4**	7,9	(6,3)
% of net property income	**45,8**	41,0	11,6
Average annualised property yield (%)	**10,4**	11,3	(8,4)

RETAIL MARKET OVERVIEW

The South African economy remains fragile, and if current growth projections prove to be accurate, will remain so for at least the next 18 to 24 months. While outlook statements from listed companies in SA have become increasingly cautious this year, navigating the different consumer markets in SA still presents opportunities. Research and results continue to point towards a more resilient upper income consumer market in SA. The concern, however, is the sustained pressure on the mass middle market, while the low-end is dependent on social grants.

The continuing economic headwinds facing SA consumers have led the slowing trend in consumption expenditure. Our medium term planning has been adapted to these conditions and to the key factors that we believe will continue to impact the consumer market in SA, namely interest rates and inflation. The emerging consumer base which is higher-rate sensitive, underpins retail spending and domestic consumption in general. In addition, the low-end of the consumer market which is dominated by South Africa's 16 million social grant recipients, is heavily weighted toward food and transport inflation. As landlords, we cannot afford to underestimate the stimulus to the low-end food retail market and deep value fashion offerings that now stem from these grants, and have been significant drivers of retail development is SA's rural markets.

In recent years in South Africa, the growth in household income has lagged the growth in consumer spending, funded largely by unsecured credit. Many retailers are, for the first time in many decades, facing a bad debt cycle with limited offset from a higher yield on the debtor's book. It is therefore not surprising that in the last two quarters the level of credit extended by retailers and other lenders has been severely curtailed.

For Redefine's retail division, it means that there will be less of a natural underpin to sales in our shopping centres and that our focus on differentiated offerings and an improved tenant mix across our shopping centres will be key. We continue to expect pedestrian growth across the retail market as a whole, but believe the opportunity to increase our share of customers' spend remains one to be exploited.

RETAIL PORTFOLIO PERFORMANCE

During the year, Redefine's retail portfolio value increased by R2,4 billion, a 25% gain on last year. Turnover in non-co-owned centres grew approximately 11%, and 5% on a comparable basis. While this is slightly below the current approximately 7% growth rate being reported by Stats SA, the composition of our portfolio is weighted differently to the Stats SA index. There has been some upward creep in rent to turnover ratios, but they are still largely in a healthy range. Our vacancy rate has increased by 30bp across the portfolio, which we do not believe is concerning given the current macro environment. The retention rate was 89% this year, with an average growth in renewal rentals of 9,4% which is extremely strong in such a tough market.

Last year we highlighted the risk to content-driven industries such as books, movies and music. While we are insulated to some extent, trading densities and occupancy costs are a concern to us, which we are performance managing.

We also anticipated that some furniture retailers had a limited future in prime shopping centres. Unfortunately, during the year Ellerines was placed under business rescue. While we were prepared for such an eventuality, there is very little that can be done with regard to taking back space during the business rescue process. In the short term, there is some risk that we could lose potential deals being unable to negotiate early lease terminations.

Performance divergences were a key trend during the year, and we expect a continuation in 2015. Brands that target the upper-income consumer, are from cash-based retailers focused on best product, best price and best offering. These retailers are outperforming, while brands that are largely credit dependent or operate in the over-competitive mass middle market are experiencing slowing sales performance.

CATEGORY SALES GROWTH COMPARISON

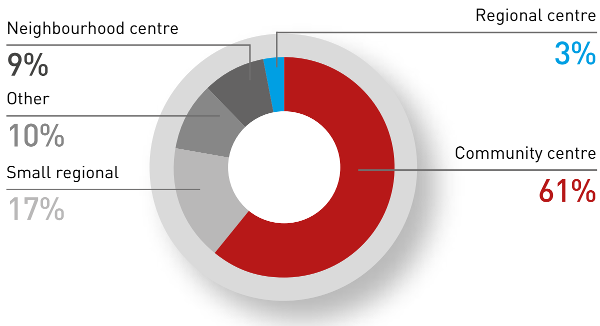
Macro commentators are keenly focused on national retail sales numbers as reported by Stats SA. Given the fundamentally different weighting of the index, we certainly watch this trend of data, but more importantly use category performance data as part of the benchmarking process. One of the most exciting opportunities for Redefine is to continuously improve tenant mix offering through the introduction of niche tenants. While the market as a whole may look very pedestrian in the medium-term, there are opportunities for Redefine to improve the market share of our centres. We are encouraged by the fact that key categories such as Fashion & Accessories, Health & Beauty and Specialty Food are all performing well ahead of the Stats SA benchmark. More encouraging though is that the comparable store growth continues to outperform, supporting our thesis that improved tenant mix and differentiated offerings can see a whole category's performance improve.

Whilst there are a number of retail categories that are underperforming, which we highlighted in previous years, we continue to performance manage and reduce our exposure to these categories.

SALES GROWTH BY CATEGORY (2014 VERSUS 2013)

MANUFACTURED CAPITAL continued

3,9% RETAIL VACANCY SPLIT BY TYPE



RETAIL DEVELOPMENT

Matlosana Mall, a 65 180m² super-regional mall yielding 8,2%, in Klerksdorp opened to the public in October 2014. We believe that this mall will soon become the preferred destination for retailers and consumers in the area. Matlosana Mall is over 90% let to a strong mix of prominent national retail brands including Mr Price Group, Edgars and Woolworths.

Ottery Centre was extensively redeveloped, including a 5 000m² expansion of Pick n Pay. The mall has been rejuvenated with tenants reporting improved turnovers. We have committed R294 million to the redevelopment of existing assets, including extensions to East Rand Mall, South Coast Mall and Scottsville Mall which are key assets.

RETAIL REDEVELOPMENT PROJECTS COMPLETED DURING THE YEAR

Property	Description	Total cost Rm	Yield %	Completion date
GAUTENG				
Riverside Value Mart	Alterations	9	N/A	Nov 2013
WESTERN CAPE				
Ottery Hyper	Retail shopping centre	79	8,2	Aug 2014
Total		**88**	**8,2**	

NEW RETAIL PROJECT COMPLETED AFTER THE YEAR-END

Property	Description	Prelet GLA m²	Total GLA m²	Yield %	Total cost Rm
GAUTENG					
Matlosana Mall	New regional shopping centre	57 051	65 180	8,2	1 029

CURRENT RETAIL REDEVELOPMENTS IN PROGRESS

Property	Description	Projected total cost Rm	Initial yield %	Projected completion date
KWAZULU-NATAL				
South Coast Mall	Alterations and additions	100	7,8	May 2015
Scottsville Mall	Alterations and additions – Phase 2	41	9,9	Oct 2014
GAUTENG				
East Rand Mall	Alterations and additions	153	7,5	Oct 2015
Total		**294**	**7,9**	

RETAIL ACQUISITIONS AND DISPOSALS

We continued to reshape our portfolio with R1,7 billion of acquisitions across the retail portfolio, which includes the integration of the Annuity portfolio in addition to the 51% interest in Maponya Mall, a main shopping destination in the centre of Soweto, Gauteng for R700 million. This centre has a large catchment area and an impressive tenant mix resulting in a high annual footfall of about 12 million visitors per annum.

During the year, we disposed of R35 million of non-core, non-regional centres, recycling the capital into acquisitions where we can generate higher returns. In the coming year, we expect to conclude further disposals. We currently have retail properties valued at R471 million either under offer or in the market, R425 million of which will be sold to Dipula, a black-owned enterprise.

RETAIL ACQUISITIONS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Purchase price R000	Yield %	Purchase price R/m²
Oakfields Shopping Centre	Gauteng	Mar 2014[1]	11 514	177 390	8,6	15 406
Langeberg Mall	Western Cape	Mar 2014[1]	29 942	416 155	8,6	13 899
Riverhorse Valley	KwaZulu-Natal	Mar 2014[1]	12 489	111 800	8,6	8 952
McCarthy Audi Motor Dealership	Gauteng	Mar 2014[1]	4 309	68 650	8,6	15 932
Unitrans Nissan Clearwater	Gauteng	Mar 2014[1]	4 000	68 006	8,6	17 001
Virgin Active Bryanston	Gauteng	Mar 2014[1]	5 282	116 459	8,6	22 048
Maponya Mall – 51%	Gauteng	Mar 2014[1]	35 582	699 975	7,5	19 672
Total			**103 118**	**1 658 435**	**8,1**	**16 083**

[1] *Acquired with commercial effective date 1 March 2014 – Annuity portfolio.*

RETAIL DISPOSALS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Selling price R000	Yield %	Selling price R/m²
Rand Stadium Toyota	Gauteng	Sept 2013	5 035	7 000	13,3	1 390
McCarthy Parow	Western Cape	Aug 2014	4 193	28 000	8,3	6 678
Total			**9 228**	**35 000**	**9,3**	**3 793**

RETAIL DEVELOPMENT PROGRAMME

RIVERSIDE MALL

Completed November 2013
CAPE TOWN

OTTERY HYPER

Completed August 2014
CAPE TOWN

SCOTTSVILLE MALL

Completed October 2014
PIETERMARITZBURG

MANUFACTURED CAPITAL continued

MANAGING OUR TENANTS, OUR CUSTOMERS AND OUR ASSETS

Shopping centres operate in a dual consumer market. Our primary customers are our tenants, who want great premises in high-quality locations at market-related rentals. To meet these needs, we focus on tenant mix, marketing strategies, security and customer offerings such as parking, Wi-Fi and events. At the same time we need to consider what the shoppers want in terms of offerings, experience and location.

These considerations are directly linked to our asset management strategies. Our focus remains our continuous improvement in key operating metrics. Decisions involving changes to tenant mix, introduction of new tenants, expansions or reconfigurations are all based on research, focus groups and analytics aimed at extracting further value from our shopping centres. These decisions are measurable and manageable as we track turnover and density performance, centre footfall and customer dwell-time. They also become evident in occupancy cost ratios.

Rent to turnover ratios remain healthy, although we have become increasingly focused on these ratios for individual categories, rather than individual centres.

While turnover growth has been in line with expectations during the past year, we are not seeing footfall growth, particularly at super regional centres.

RETAIL PROSPECTS

Despite the increased pressure on consumers and potentially lacklustre retail spend in the short term, we continue to see new centres opening and older centres being redeveloped and extended. Some of this activity is defensive and is likely to continue. Some of the activity is driven by new entrants looking for space in many of SA's premium centres. Redevelopment and expansion activity is likely to continue given the limited opportunity available for high-quality acquisitions in the sector.

Many well known international brands continue to show interest in this market and we see this as an underpin to much of the activity at present. We share the view that many parts of SA are now near retail saturation and remain concerned that some assets are simply dilutive to densities within trading nodes.

During the next 12 months we will break ground on the East Rand Mall expansion, retenanting of Maponya Mall will become more evident and the redevelopment of Southcoast Mall will continue. As Matlosana Mall settles, we will get a deeper perspective on trading patterns in the area.

We expect continued tension in retail lease negotiations, and strategically we will need to manage the balance between escalations and vacancies. Cannibalisation naturally leads to higher occupancy costs, which will continue to remain under pressure from increasing administered costs. Given our views on portfolio mix, we will dispose of some smaller centres in the Soweto area, given our strong representation in Soweto through Maponya Mall.

Our focus on tenant performance and category management remains paramount. We have concerns around unsecured credit and the resultant impact on certain large retail chains that are inextricably dependent on credit to stimulate sales. We continue to focus on trading trends and managing tenant mix when the opportunity arises.

During the year, Wi-Fi installation and analytics capabilities will be rolled out to many of our larger centres. We believe the insights gained from the resultant business intelligence will support our focus on offering a differentiated tenant mix in an attractive shopping environment. Business Intelligence will improve our understanding of the traffic flow within the malls, dwell-time of shoppers, better insight into first-time and repeat customers and allow us to interact directly with the shoppers.

While the environment is expected to remain challenging, we see significant opportunities across the retail portfolio.

RETAIL DEVELOPMENT PROGRAMME

MATLOSANA MALL

Completed October 2014
KLERKSDORP

SOUTH COAST MALL

To complete May 2015
SHELLY BEACH

EAST RAND MALL

To complete October 2015
BOKSBURG

EAST RAND MALL – EXPLORING THE EXPANSION OPPORTUNITY

SUMMARY STATS

- Centre GLA: approximately 62 500m^2
- Annual turnover of reporting tenants: approximately R1,8 billion
- Average monthly footfall: approximately 1 million
- Average monthly trading density: R2 400/m^2

INTRODUCTORY INFORMATION

- Directly adjoins the Galleria – the customer sees it as a single large mall
- Galleria is anchored by Pick n Pay and Dischem
- ERM anchored by large national fashion chains – Woolworths (includes food offering), Edgars, Truworths, Foschini Group and Mr Price

WHAT IS RIGHT?

- Location
- Dominant in a strong trading node
- Loyal customer base
- Strong representation across the national retailers
- Healthy trading densities and occupancy cost ratios
- Links directly to the Galleria, which is currently being upgraded and re-configured

WHAT IS WRONG?

- Tenant mix is "tired"and lacks any real differentiation
- Evident overtrading in some categories dilutes tenant profitability
- Current design results in poor internal traffic flow and "dead zones"
- High demand for space from new tenants does not match current or upcoming supply of stores

WHAT WE NEEDED TO ASSESS

- Was there really a need for another food anchor?
- How real was the demand from new fashion tenants?
- Benchmarking of category and tenant performance to drive tenant strategy
- Detailed feasibility analysis to understand potential return
- Assessing the opportunity and the upside in terms of changing existing mix

WHAT WE ARE DOING

- Re-configuration and expansion will add approximately 7 500 m^2 of new trading area
- Food court to be re-positioned and the number of tenants in the category to be reduced – remaining tenants are seeing the benefit of this decision
- Expansion introduces a youth fashion wing to be anchored by Mr Price Group
- Phase 2 will allow for a "punch through" at the current dead end area, allowing not only improved traffic flow but for re-tenanting as well
- Right sizing of existing tenants, particularly nationals
- Strategy to introduce new, niche and differentiated tenants across various categories
- Tenant strategy a balance of benchmarking and research alongside customer and tenant demand
- Early stage relocations to be completed in 2014
- New wing expected to open early 2016

MANUFACTURED CAPITAL continued

TOP 10 RETAIL PROPERTIES

Property name	Value Rm	GLA m^2	GMR R000
East Rand Mall, Boksburg, Gauteng (joint operation 50%)	1 109	62 514	–
Golden Walk, Germiston, Gauteng	834	45 129	7 166
Matlosana Mall, Klerksdorp, North West*	730	63 563	–
Maponya Mall, Soweto, Gauteng (joint venture 51%)	689	71 406	10 701
Sammy Marks Square, Pretoria CBD, Gauteng	555	34 120	4 837
Langeberg Mall, Mossel Bay, Western Cape	504	29 942	3 408
Park Meadows, Kensington, Gauteng	465	27 371	3 988
Cleary Park Shopping Centre, Port Elizabeth, Eastern Cape	463	36 319	4 293
Chris Hani Crossing, Vosloorus, Gauteng (joint venture 50%)	280	40 659	–
Ottery Centre, Ottery, Western Cape	266	30 752	1 794
Total	5 894	441 774	36 187

** Completed October 2014 at a total development cost lof R1,029 billion.*

TOP 10 RETAIL TENANTS

Tenant name	GMR R000	GLA m^2
Edcon	8 848	103 791
Shoprite	7 125	114 895
Pick n Pay	6 779	105 786
Pepkor	3 770	30 997
Foschini	3 403	21 041
Mr Price	3 192	21 815
Government	3 038	27 226
Massmart	2 838	39 276
JDG	2 048	25 822
Truworths	1 958	14 341
Total	42 998	504 990

REDEFINE RETAIL CENTRES

CLEARY PARK

PORT ELIZABETH

CHRIS HANI CROSSING (50%)

VOSLOORUS

PARK MEADOWS

KENSINGTON

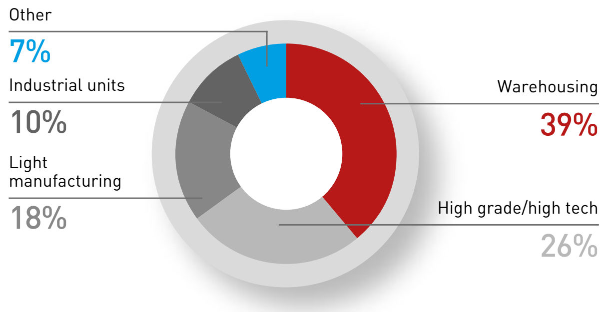
INDUSTRIAL REVIEW

Redefine has a diversified industrial property portfolio covering a wide spectrum of users, which continues to underpin defensive property assets.

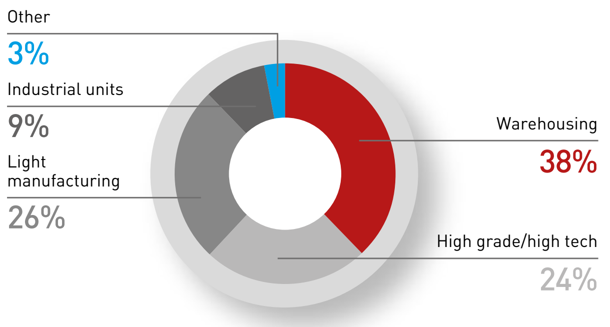
HIGHLIGHTS

- Tenant retention rate increased from 63% to 77%
- Acquired land for industrial development in prime areas – Cornubia and Isando (Robor)
- Focus on extending lease maturity profile
- Completed redevelopments of 190 Barbara Road and CTX Business Park
- Concluded acquisition of Macsteel property portfolio for R2,7 billion

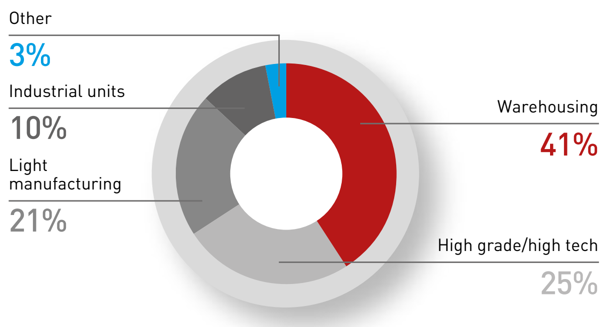
INDUSTRIAL VALUE BY TYPE



INDUSTRIAL GLA BY TYPE



INDUSTRIAL GMR BY TYPE



INDUSTRIAL KEY PERFORMANCE STATISTICS

Description	2014	2013	Increase/ (decrease) %
Asset value (R billion)	**5,6**	4,6	21,7
Valuation per m² (excluding undeveloped bulk)	**4 669,8**	4 356,0	7,2
Average property value (R million)	**81,2**	69,0	17,7
Value as % of portfolio	**18,5**	19,0	(2,5)
Average gross rent per m²	**42,5**	37,0	14,7
Number of properties	**69,0**	64,0	7,8
Total GLA (m²) (million)	**1,2**	1,0	20,0
GLA as % of portfolio	**33,6**	34,0	(1,2)
Vacancy (%)	**5,3**	3,7	42,8
Tenant retention rate (%)	**76,8**	63,0	21,9
Weighted average renewal rental growth (%)	**4,4**	5,4	(18,9)
Weighted average portfolio escalation (%) – by rentable area	**7,9**	7,2	9,8
% of net property income	**16,0**	13,0	23,2
Average annualised property yield (%)	**10,3**	10,2	0,7

MANUFACTURED CAPITAL continued

INDUSTRIAL MARKET OVERVIEW

Despite a difficult economic climate, the industrial sector remains stable. Rental growth rates in the sector have increased, reflecting the lack of good stock and the increased cost of new developments. While the average vacancy in the industrial property market has increased marginally compared to the previous year, it has remained reasonably low. The sector is evolving as a result of high demand for improved efficiency in terms of both productivity and cost management and there is also a marked increase in the consolidation of distribution facilities in core nodes. This has caused an increase in vacancies in smaller and/or lower-grade facilities and the low increase in new small business demand has created an increased vacancy in the industrial sector overall. This, in turn, however, has fuelled the take-up and development pipeline of land holders across the board.

Given the demand for higher quality and more efficient space, landlords have been committing capital to refurbish and redevelop older properties to remain competitive. This is certainly an active component of our strategy.

INDUSTRIAL PORTFOLIO PERFORMANCE

The overriding priority in the industrial sector has been tenant retention and development. The weak economy has taken its toll, with three of our larger facilities subject to business rescue proceedings, namely Ellerines, Duro Pressings and Burde. Such developments are very challenging for Redefine, as there is very limited scope to negotiate out of leases and to get new tenants, while arrears creep up with minimal hope of recovery.

Our effective letting teams have already relet approximately 50% of the available space with the balance expected to be let in due course. It is important to note from a competition perspective that some property owners are offering deals to the market with tenant installations as high as R2 000 per m² as an incentive to fill vacancies.

Redefine is committed to keeping costs to an absolute minimum through innovative building technologies. Prospective tenants are being attracted to buildings with improved floor plates, floor loading, ceiling heights and general reticulation. We have also seen a demand for improved efficient DC facilities, with tenants moving from less ergonomic buildings as better facilities become available. Qualifying the need to continue to review existing, well located industrial properties and redevelop when necessary.

Redefine's industrial portfolio delivered a weighted average rental renewal growth of 4,4% underpinned by annual lease escalations of 7,6% and the further take up of vacant space. The tenant retention ratio of 77% was impacted primarily by three tenants in business rescue, which is beyond our control.

INDUSTRIAL ACQUISITIONS AND DISPOSALS

During the year, six properties were acquired for a combined purchase consideration of R957,5 million, including land and development properties, two of which formed part of the Annuity portfolio transaction.

Ellerines Cato Ridge and Halifax Road were acquired. As Ellerines is currently under business rescue proceedings, the Redefine leasing team is actively in discussion with a number of interested parties to take up the space.

Post year-end, Redefine concluded the acquisition of a portfolio of 28 industrial properties from leading steel supplier Macsteel for R2,7 billion with a 12-year triple net lease, thus improving the defensive nature of the portfolio.

Three non-core properties that no longer met our strategic requirements were disposed of during the year for a combined selling price of R29,7 million.

INDUSTRIAL ACQUISITIONS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Purchase price R000	Yield* %	Purchase price R/m²
Cornubia Land[1]	KwaZulu-Natal	Sept 2013	N/A	171 109	N/A	N/A
Ellerines Cato Ridge	KwaZulu-Natal	Oct 2013	50 333	467 500	7,4	9 288
Halifax Road	KwaZulu-Natal	Oct 2013	15 853	60 000	9,0	3 785
Aveng Stormill	Gauteng	Mar 2014[2]	5 995	75 521	8,6	12 597
Coricraft Warehouse	Gauteng	Mar 2014[2]	19 369	90 497	8,6	4 672
Robor Land[1]	Gauteng	Apr 2014	N/A	92 832	N/A	N/A
Total			**91 550**	**957 459**	**7,8**	**7 575**

[1] Property held for future development.
[2] Acquired with commercial effective date 1 March 2014 – Annuity portfolio.
** Calculation of yield and purchase price per square meter excludes property held for future development.*

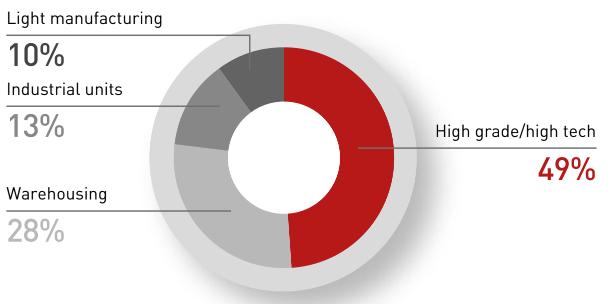
INDUSTRIAL DISPOSALS TRANSFERRED DURING THE YEAR

Property	Province	Date of transfer	GLA m²	Selling price R000	Yield %	Selling price R/m²
Fascor	KwaZulu-Natal	Nov 2013	8 282	20 500	9,3	2 475
12 Piet Rautenbach (50%)	Gauteng	Mar 2014	N/A	5 833	N/A	N/A
Corpgro Benoni	Gauteng	Mar 2014	3 841	3 413	–	888
Total			**12 123**	**29 746**	**9,30**	**1 972**

INDUSTRIAL LEASING

Our industrial leasing strategy remains unchanged with a primary focus on establishing solid working relationships with the new generation of brokers and agents who represent international brands. Redefine is continually developing the executive network with the external broker community and we offer market-leading incentives. Our goal is to match quality products with the right nodes. Much focus has been given to the extension of our leasing expiries, through early negotiations in order to deliver security of tenure.

5,3% INDUSTRIAL VACANCY SPLIT BY TYPE



INDUSTRIAL DEVELOPMENT

One of the key pillars of Redefine's strategy is to build high-quality properties in prime areas and to redevelop existing properties on a demand-driven basis. We have been extremely busy this year with the completion of the 190 Barbara Road and the Waltloo redevelopment which is due for completion in March 2015.

The R100 million redevelopment of 50% of 190 Barbara Road, Isando was completed in March, bringing on line the newest addition to our portfolio of high-quality light manufacturing facilities. The newly developed section of approximately 14 800m² has been let to two tenants who will take occupation of their new facilities by December 2014. The positive response to the development has paved the way for the further redevelopment of the facility.

In Durban, distribution centre demand remains high at rentals of approximately 15% above the remainder of the country. This is partly due to the import and export zones around the harbour and airport as well as the shortage of developable land. We have acquired industrial land in Cornubia and Cato Ridge, which are on the supply route to Johannesburg. This is prime land for development opportunities in the near future.

For the 2015 financial year, we have committed R173 million to redevelopment, primarily focused on upgrading and extending our existing assets to meet tenant demand. Distribution centres are being designed or redeveloped with higher eaves, as modern racking and mechanical lifting equipment now allows stacking heights up to 17 metres. Clients prefer to pay slightly higher rates per square metre in exchange for an additional four to five metres of height. The net gain is approximately 1m² per 3m² leased.

The R27 million redevelopment at CTX Business Park in the Western Cape was completed in September 2013.

MANUFACTURED CAPITAL continued

NEW INDUSTRIAL PROJECTS COMPLETED DURING THE YEAR

Property	Description	Total GLA m^2	Total cost Rm	Yield %	Completion date
GAUTENG					
190 Barbara Road	Construction of warehouse facility	14 800	100	8,5	Mar 2014
WESTERN CAPE					
CTX Business Park	Industrial expansion – Phase 3	4 028	27	9,1	Sept 2013
Total		**19 221**	**127**	**8,6**	

NEW INDUSTRIAL DEVELOPMENTS IN PROGRESS

Property	Description	Total GLA m^2	Projected total cost Rm	Initial yield %	Projected completion date
GAUTENG					
Waltloo	DC in Pretoria region	26 285	173	8,8	Mar 2015

INDUSTRIAL PROSPECTS

We do not expect market conditions to improve materially in the next financial year due to the ongoing economic issues mentioned earlier.

Our key focus going forward will be on redevelopment opportunities, acquiring more land in prime development areas and disposing of non-performing assets. We will also remain focused with regard to being proactive in terms of managing space where leases are expiring, particularly where there is a possibility of tenants that are unlikely to renew. Increasing operating costs coupled with tenants' affordability thresholds have placed a growing pressure on the sustainability of rental levels. In response, Redefine has a focused strategy on understanding tenants' changing operational needs and requirements and on partnering with them through tougher economic conditions.

INDUSTRIAL DEVELOPMENT PROGRAMME

CTX BUSINESS PARK

Completed September 2013
CAPE TOWN

190 BARBARA ROAD

Completed March 2014
ISANDO

WALTLOO INDUSTRIAL PARK

To complete March 2015
PRETORIA

TOP 10 INDUSTRIAL PROPERTIES

Property name	Value Rm	GLA m²	GMR R000
Pepkor, Isando, Gauteng	687	107 017	4 824
Ellerines Cato Ridge, Riet Vallei, KwaZulu-Natal	318	50 333	3 227
Wingfield Park, Boksburg, Gauteng	236	56 483	2 308
Dawn, Elandsfontein, Gauteng	225	44 138	1 543
Premier Milling – Durban, Durban CBD, KwaZulu-Natal	199	38 926	1 951
Cornubia, Durban, KwaZulu-Natal*	184	–	–
GM – COEGA, Port Elizabeth, Eastern Cape	173	38 000	1 422
190 Barbara Road, Isando, Gauteng	150	32 157	607
Heron Industrial, Montague Gardens, Western Cape	131	23 803	1 250
29 Springbok Road, Boksburg, Gauteng	126	20 067	1 139
Total	2 427	410 925	18 271

** Vacant land held for redevelopment.*

TOP 10 INDUSTRIAL TENANTS

Tenant name	GLA m²	GMR R000
Pepkor	112 653	4 870
Premier Milling	40 976	1 971
Le-Sel Research	11 606	1 884
Dawn	46 462	1 559
DHL	25 419	1 473
General Motors SA	40 001	1 435
Royal Fern	25 057	1 264
Government	18 878	1 186
Imperial Retail Logistics	21 124	1 151
Coricraft	23 484	733
Total	365 660	17 526

INDUSTRIAL PROPERTIES

PEPKOR

ISANDO

CORICRAFT

BENONI

AVENG

ILLOVO

LISTED SECURITIES
FOUNTAINHEAD PROPERTY TRUST

FOUNTAINHEAD PROPERTY TRUST

KEY STATISTICS

- 65,9% equity interest valued at R6,4 billion
- 19,2% of group distribution
- 31,2% of group NAV.

ABOUT FOUNTAINHEAD

Fountainhead is a property unit trust listed on the Johannesburg Stock Exchange. The trust has R12,1 billion of investment properties with a focus on retail assets located in South Africa's major metropolitan areas. Included in the portfolio are Centurion Mall, Boulders Shopping Centre, Benmore Gardens Shopping Centre, Bryanston Shopping Centre, Blue Route Mall, Kenilworth Centre and a majority share in N1 City.

The investment policy objective of Fountainhead is to create wealth for unitholders by consistently generating a total rate of return in excess of inflation. This is to be achieved by optimising net rental growth and thereby maximising the appreciation in the value of the underlying properties in the portfolio.

Fountainhead seeks to acquire properties that have a competitive advantage, similar to a brand name or differentiated product for consumer goods companies. This is difficult to create in property as one office block or factory is very much like another and one tends to be a captive of the market. In-house research has indicated that large dominant shopping centres have a competitive advantage in that their rentals are linked to the prospects of a portfolio of businesses and these businesses have a goodwill value attached to their specific locations that is reflected in higher rental levels.

REDEFINE'S STRATEGY

Redefine acquired Fountainhead's management company in 2012 and took over management of the properties in a phased approach which was completed during the current year.

Redefine's offer to acquire Fountainhead's property portfolio did not receive the requisite support from those Fountainhead unitholders eligible to vote on the transaction. Redefine believes the offer was fair and was not willing to pay more. Fountainhead remains an integral part of the Redefine group and in the fullness of time the balance will be acquired. For now the status quo remains.

For a more comprehensive overview of Fountainhead please refer to www.fountainheadproperty.co.za.

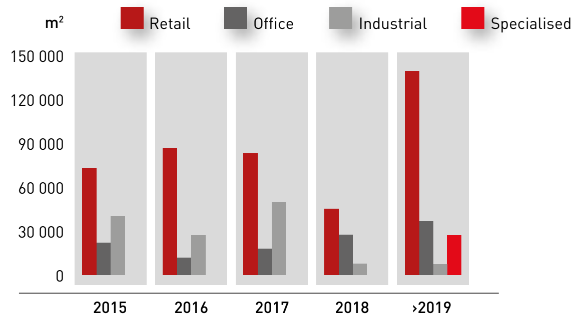
TOP 10 PROPERTIES

Building	Valuation Rm
Centurion Mall	3 485
Blue Route Mall	1 162
Kenilworth Centre	795
N1 City Mall	793
Boulders Shopping Centre	731
Westgate Shopping Centre	719
Benmore Gardens Shopping Centre	629
Bedford Gardens Private Hospital	297
Bryanston Shopping Centre	257
Constantia Kloof 3	250

TOP 10 TENANTS

Tenant	GLA m²
Shoprite	55 126
Edcon	35 238
Pick 'n Pay	31 221
Woolworths	28 945
Government	28 071
Massmart	24 830
Standard Bank	19 537
Murray and Roberts	19 166
Foschini	15 723
Southern Sun OR Tambo	14 153

LEASE EXPIRY PROFILE BY GLA



CENTURION MALL PRETORIA

KENILWORTH CENTRE, CAPE TOWN

BLUE ROUTE MALL CAPE TOWN

LISTED SECURITIES continued
REDEFINE INTERNATIONAL PLC

KEY STATISTICS

- 30,1% equity interest valued at R3,5 billion
- 11% of group distribution
- 10,5% of group NAV.

ABOUT RI PLC
RI PLC is an income-focused diversified UK REIT with exposure to a broad range of properties, listed property securities and geographical areas. The group currently has investments in the United Kingdom, Switzerland, Germany, the Netherlands, the Channel Islands and Australia concentrating on the retail, government, commercial (office and industrial) and hotel property sectors.

RI PLC has a primary listing on the LSE and a secondary listing on the JSE, with a market capitalisation in excess of £650 million. Redefine is its major shareholder with an ownership of 30,1%.

RI PLC is included in the FTSE 250, FTSE All-Share and the EPRA indices.

The company is a highly rated UK mid-cap REIT and has a proven and solid international track record in excess of 10 years.

RI PLC's investment policy is to provide investors with strong investment returns and a balanced exposure to lower risk, income-generating assets and opportunities that will provide a higher capital return.

In implementing its investment policy, RI PLC contemplates available opportunities and future undertakings that will yield satisfactory returns at acceptable risk levels. In making investments, RI PLC seeks to achieve a reasonable level of diversification across a spread of assets and geographies.

REDEFINE'S STRATEGY
Redefine entered the international property market during 2006 through its investment in Redefine International, which was then listed on the LSE Alterative Investment Market.

Redefine has supported RI PLC's growth over the years to become a main board LSE counter which has a secondary listing on the JSE.

RI PLC is actively traded on both exchanges with a fully fungible share price. As part of Redefine's strategy to recycle capital, Redefine reduced its interest in RI PLC by 2,8% and used the proceeds to partly fund the increased holding in Cromwell.

Where the value of investment opportunities exceed RI PLC's risk criteria, Redefine will look to partner them in directly-held property investments across Europe.

For a more comprehensive overview of RI PLC please refer to www.redefineinternational.com.

SCHLOSS BERLIN

CROMWELL PROPERTY GROUP

KEY STATISTICS

- 15,9% direct equity interest valued at R2,8 billion and a further indirect equity interest of 10% through RI PLC
- 5,6% of group distribution
- 6,8% of group NAV.

ABOUT CROMWELL

Cromwell is one of Australia's leading property investment and funds management groups. It has a property portfolio valued at AUS$2,2 billion, and a thriving funds management business with AUS$1,3 billion of assets under management. Cromwell is listed on the ASX, and is included in the S&P/ASX 200, an index of the 200 largest and most liquid stocks on ASX.

Cromwell has a track record of delivering superior long-term performance through a disciplined and diligent approach to managing property and investors' funds. Cromwell is committed to maximising value and returns.

The way Cromwell does business has underpinned its performance over recent times. It has significantly outperformed its peers over the last one, three, five and 10 years. Cromwell remains committed to continuing this performance into the future by staying focused on the things that they know make the greatest contribution to their success.

Cromwell is focused on Australian commercial property with a bias towards the office sector. This focus has enabled it to build and retain a deep organisational knowledge that is consistently applied to maximising investors' returns.

Its focus on Australia with its stable, well managed economy, has allowed Cromwell to continue growing its business while many parts of the world have struggled with volatility and stagnation.

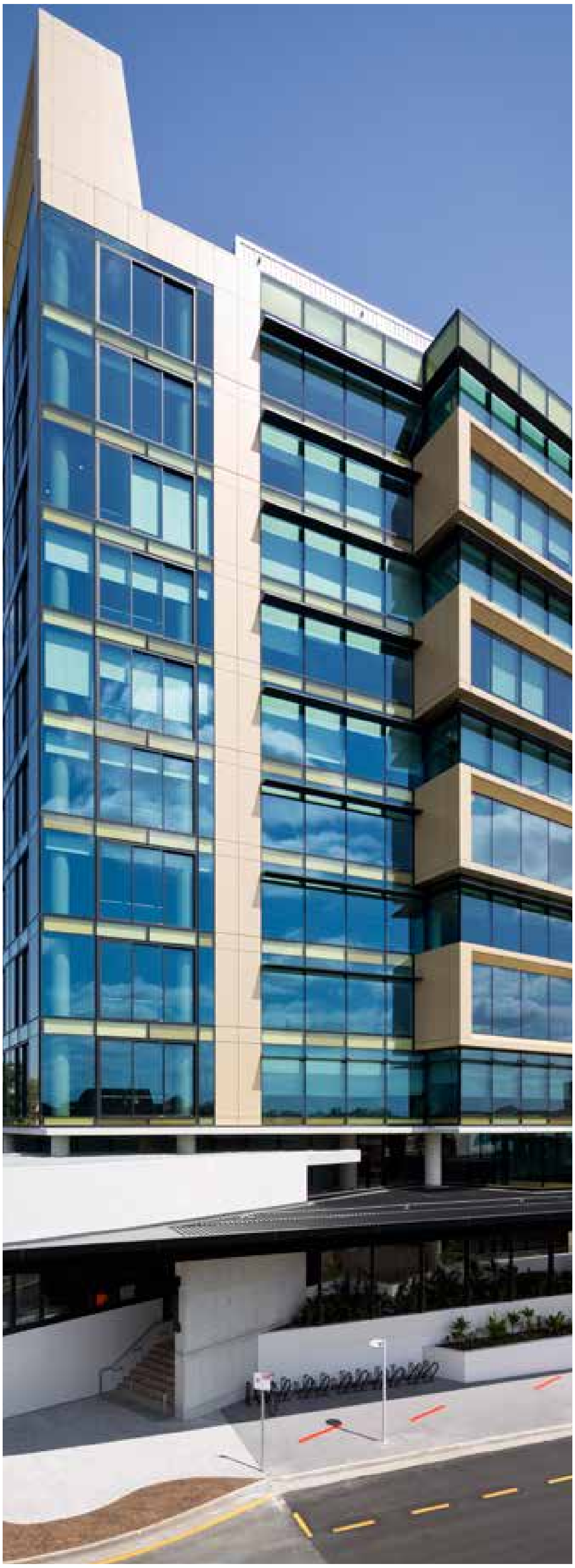
REDEFINE'S STRATEGY

During the year, Redefine received South African Reserve Bank approval to hold its interest in Cromwell directly and over the year increased its holding by 3,5% to 15,9%.

Redefine intends to grow its direct holding in Cromwell over time and will look to partner Cromwell in direct Australian property investments (such as Northpoint) where the value of such opportunities exceeds Cromwell's risk threshold.

For a more comprehensive overview of Cromwell please refer to www.cromwell.com.au.

IPSWHICH CITY HEART



INTERNATIONAL DIRECT PROPERTY INVESTMENT

CROMWELL PARTNERS TRUST

Northpoint

North Sydney's Landmark Tower

KEY STATISTICS

- 50% equity interest valued at R672 million
- 0,3% of group distribution
- Equity interest funded by gearing the Cromwell stake.

ABOUT NORTHPOINT

The trust was formed to acquire and hold units in Northpoint Trust, which itself was constituted to acquire the Northpoint Tower (Northpoint) in the North Sydney CBD. The Northpoint property, located at 100 Miller Street, North Sydney, New South Wales, was acquired by Northpoint Trust on 19 December 2013 for AUS$279 million. Cromwell and Redefine Global each own 50% of the issued units of the trust.

Northpoint is North Sydney's tallest and most recognisable office tower, with a total land area of more than 5 000m^2 and a net lettable area of 35 145m^2 spread across 42 floors, which is fully let.

Redefine's equity contribution of AUS$80 million was funded through gearing obtained in Australia, on a non-recourse basis, against its holding in Cromwell.

REDEFINE'S STRATEGY

The investment in Northpoint during 2014 is Redefine's first direct international property investment, which was made possible by the establishment of an SA Reserve Bank approved holding company (Redefine Global).

Northpoint's prominence within the Northern Sydney precinct, offers substantial repositioning opportunities while retaining the existing commercial office tower.

For a more comprehensive overview of Northpoint please refer to property portfolio overview on www.cromwell.com.au.

NORTHPOINT TOWER

HUMAN CAPITAL

2014 HIGHLIGHTS

- Learnership programme entrenched in the business
- Successful employee engagement survey conducted – engagement capital score of 70%, significantly higher than 61% benchmark
- Leadership conference – alignment with Redefine's values and strategic objectives
- Launch of e-Learning platform.

PRIORITIES FOR 2015

- Ongoing focus on employee engagement and communication
- Focused leadership development
- Proactive succession management
- Improving organisational structure
- Proactive change management
- Accurately assessing employee performance.

HUMAN RESOURCES STRATEGY

Redefine is committed to providing a working environment which is stimulating and challenging, giving employees opportunities to reach both personal and professional goals whilst delivering business objectives.

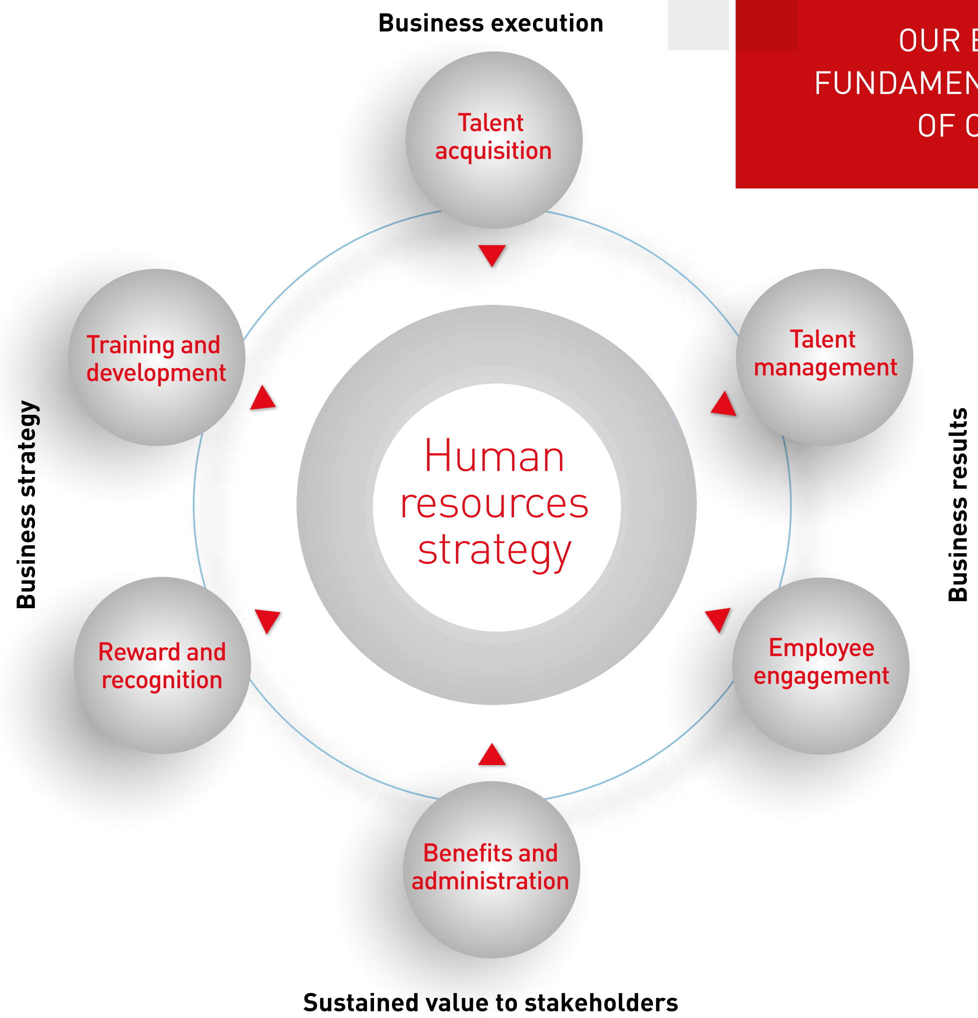
Everyone who works at Redefine is passionate and proud of our reputation as a leading SA REIT. Providing a first-class service to all our stakeholders, is central to our work ethic and values system.

Human resources' strategic priority is to support the business in creating a high-performance environment through:

- continued focus on positive initiatives to ensure the long-term sustainability of the business
- acknowledging that the right people are the primary source of a competitive advantage
- contributing to the establishment of an engaged workforce that strongly identifies with the company's values and strategic priorities.

The human resources department works closely with other business units to ensure that risks associated with human capital are identified and addressed. Special focus is also placed on regulatory compliance as it relates to day-to-day activities at Redefine. The human resources department is proactive in supporting the business to utilise opportunities that will add value to the business and its 252 permanent and fixed-term contract employees.

> OUR EMPLOYEES ARE FUNDAMENTAL TO THE SUCCESS OF OUR BUSINESS.



OUR COMMITMENT TO EQUITY AND TRANSFORMATION IS UNDERPINNED BY OUR ONGOING INVESTMENT IN OUR PEOPLE.

TRAINING AND DEVELOPMENT

Redefine continues to develop talent from within by giving employees the opportunity to acquire skills, knowledge and competencies. Redefine uses a blended approach which includes on-the-job training, coaching, workshops, structured programmes (including learnerships and graduate programmes) and study bursaries for tertiary education.

Redefine makes financial resources available for staff training and development, based on 3% of the annual leviable salary bill. Our training initiatives are aimed at reaching an annual training target of at least 80% of the workforce attending at least one training event per annum. These targets are included in the annual workplace skills plan submission to the Services Seta. Redefine is committed to identifying, transferring and developing scarce or critical skills to optimise competence in key areas of business.

Training interventions = 750

Training courses per employee = 3,6

Average hours per training course = 8,4

Working days training per employee = 2,1

Direct cost of training = R2,8 million (4.2% of leviable salary bill)

Total cost of training = R5,5 million (8.4% of leviable salary bill)

Redefine's training policy is focused on skills development and we have a performance review system that sets, measures and facilitates communication of business objectives to track employee performance. The pertinent objectives of these two policies are outlined below:

Redefine's training and development policy:

- Development of our staff, without prejudice and discrimination
- Allow staff to progress to full qualifications in the work that they do
- Ensure the highest possible quality of training by ensuring the accreditation status of training providers used
- Allow flexibility for staff to progress in their career path development.

Redefine's performance review policy:

- Performance reviews are conducted bi-annually
- Job descriptions are used as a basis to determine outputs for specific roles
- Mapping career paths for individuals
- Supporting and encouraging employees to further develop themselves
- Personal development plans for employees to focus on areas that will assist them to perform at peak in their current roles.

E-LEARNING

Redefine launched its e-Learning training platform in May 2014. This platform provides an integrated approach to learning and blends electronic learning, classroom-based training and on-the-job training.

The e-Learning platform offers a series of online courses on topics such as company systems, policies, procedures and processes. New modules are released monthly.

LEARNERSHIP PROGRAMMES

Redefine's learnership programme offers graduates and school leavers from designated groups the opportunity to gain real work experience. The programme is transformational in that it supports talented young previously disadvantaged South Africans who have successfully completed studies in legal, human resources, internal audit, finance and property-related fields. The programme is also aimed at school leavers who may not have the financial means to further their education. Successful applicants work for Redefine for one year to gain practical business experience, while earning a salary.

BREAKDOWN OF REDEFINE'S 2014 LEARNERSHIPS

Race	Male	Female	Disabled
African	4	11	1
Indian	–	1	–
White	1	–	–
TOTAL	**5**	**12**	**1**

Learners obtain a recognised qualification in business administration and practical industry-related experience. The learnership programme comprises structured learning at National Qualification Framework (NQF) levels 2 and 4, as well as practical on-the-job training in all facets of property management. The certifications obtained are:

- National Certificate in Business Administration (NQF level 2). This workplace readiness programme was developed to bridge the gap between school learning and actual work. It is aimed at equipping learners with skills to secure gainful employment.
- Further Education and Training Certificate in Business Administration (NQF level 4). This qualification provides learners with a broad spectrum of knowledge, skills and values needed in the business world and opens the door to more advanced education.

Redefine's learnership programme enters its third year in 2015. Starting with a meagre five learners in 2013, the programme grew to 18 learners in 2014 and is expected to expand even further next year. More than half of the 2014 learners have been offered further work contracts with Redefine.

The recruitment process for prospective candidates is intensive and designed to select high-calibre individuals who would benefit from a career-boosting opportunity.

HUMAN CAPITAL continued

EMPLOYEE ENGAGEMENT

Employee engagement encompasses a holistic approach to Redefine's interaction with our people, including how we:

- introduce and manage change
- set clear goals and objectives
- promote transparency
- establish an equitable workplace through understanding and embracing diversity
- place a high regard on employee well-being
- ensure decisions are fair and consistent
- behave in a socially responsible manner.

During the past year employees were given the opportunity to share their opinions regarding their jobs and the work environment at Redefine by participating in an employee engagement survey featuring questions on topics such as career and professional development, manager quality, rewards and recognition.

To measure the levels of engagement, employees had to answer questions using a seven-point rating scale. Ratings between six and seven were perceived as favourable, between three and five as neutral and between one and two as unfavourable. The survey was conducted in March 2014. Approximately 72% of the workforce completed the survey meaning the results can be viewed as credible and representative of the current levels of employee engagement.

The employee engagement survey evaluated employee commitment to the company by providing feedback regarding their perceptions of employment events over the past two years, their current attitude about day-to-day experiences, and their expectations regarding future experiences at the organisation.

Redefine's scores were benchmarked using global results from over 180 like-sized organisations across more than 20 industries.

Redefine achieved an overall engagement capital score of 70% (the benchmark is 61%). The score indicates that employees reported a relatively high overall level of commitment, discretionary effort, and intent to stay. As such, we believe our employees are motivated to achieve the company's goals.

Redefine's top engagement strengths, the two areas that scored the highest, are discretionary effort at 86% (1% lower than the benchmark) and employee commitment at 81%, which is significantly higher than the benchmark of 72%. The top two engagement gaps, meaning the aspects that scored the lowest, are communication at 34% (9% lower than the benchmark) and compensation and reward at 41% (2% higher than the benchmark). This employee engagement survey will be performed annually to monitor any developments – and hopefully improvements – in these scores.

72% PARTICIPATION IN EMPLOYEE ENGAGEMENT

Survey category	Redefine score %	Benchmark score %	Relevance
Engagement capital	70	61	Relatively high overall level of commitment, discretionary effort, and intent to stay
Top engagement strengths			
Discretionary effort	86	87	Willingness to go 'above and beyond' the call of duty
Employee commitment	81	72	Shows intent to stay with the organisation
Top engagement gaps			
Communication	34	43	Need for enhanced internal communication
Compensation and reward	41	39	Recognition of effort and commitment

EMPLOYEE WELLNESS

Redefine believes in an all-inclusive approach to wellness and has designed an employee wellness programme based on three pillars:

- physical wellness
- emotional wellness
- financial wellness.

Wellness days help us to understand where we are at risk and to drive sustainable wellness activities. At our head office the services of a registered nurse and counsellors are made available to employees, who are given health assessments which includes voluntary counselling and testing for HIV/Aids.

Employees also have access to independent financial advisers and are given the tools through training programmes to assist them to manage their personal finances.

Improving the lives of our employees is constantly evolving and forms part of the overall employee value proposition, the broader employee engagement and employee retention programmes.

REWARD AND RECOGNITION

Providing a competitive remuneration structure helps us retain and motivate the best people. As well as base salaries that are benchmarked against our peers in the industry, many employees are eligible for an annual bonus based on corporate measures that reflect the executive remuneration policy (described more fully in the remuneration report) and related to individual performance.

In addition, Redefine acknowledges and rewards people for good performance through a formal reward and recognition programme and also informally through constant feedback, opportunities to grow and various other initiatives. Reward and recognition builds morale and commitment within the company.

Recognising the effort and commitment of our employees is not merely a "nice thing to do" – it is part of who and what we are. We celebrate success through, and with, our people. Our reward programme is a communication tool that

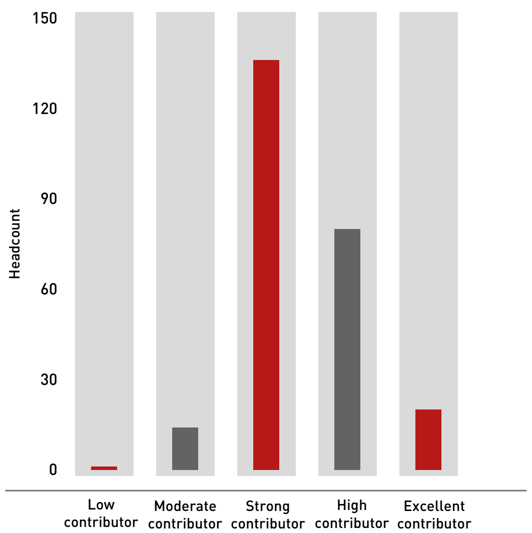
reinforces and rewards the most important outcomes people create for our business. By recognising our employees we effectively reinforce the actions and behaviour we most value. All employees participate and are eligible for recognition. We use various mechanisms such as fair and equitable remuneration, regular feedback and appreciation, quarterly reward celebrations and the annual CEO year-end awards.

PERFORMANCE MANAGEMENT

Redefine has a comprehensive performance management system, applicable to all employees, linking company and individual performance against a predetermined set of criteria which supports the achievement of Redefine's strategy.

Individual performance contracts outline predetermined performance criteria (key performance areas and key performance indicators) to align individual performance with company goals. The performance period is in line with the company's financial year.

2014 PERFORMANCE REVIEW RATING DISTRIBUTION



TRANSFORMATION AND EMPLOYMENT EQUITY

Redefine strives to create an equitable workplace by embracing diversity, valuing employee well-being, ensuring decisions are fair and consistent and by being available and approachable for all employees.

We are committed to ongoing organisational transformation that leads to diversity through all levels up to and including leadership. The company is committed to creating an equitable workplace by ensuring that decision making is fair and consistent.

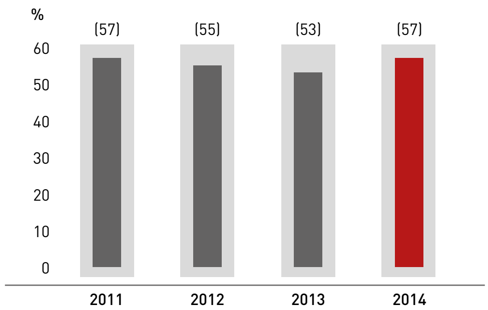
Redefine recognises that all employees must be committed to achieving employment equity goals. We support the principles reflected in the Employment Equity Act and forbid unfair discrimination on any grounds.

Affirmative action measures are used to redress the effect of historical patterns of discrimination in employment practices, thereby ensuring equitable representation of designated groups in all occupational categories and levels in the work environment. We have developed a comprehensive employment equity plan with specific implementation goals and targets.

Redefine submits employment equity reports and plans as required by legislation. In line with the strategic priorities of the business to enhance and improve the core property portfolio, new properties are acquired and new staff transferred to the existing business. When properties are sold, the employees associated with these assets are transferred out of the business as part of sale agreements with the new owners. These business transactions have an impact on our employment equity statistics. A key challenge and continuous focus is to increase the number of employees from designated groups.

Reaching a demographic balance is exacerbated by the shortage of specific skills in our sector.

EMPLOYEES FROM PREVIOUSLY DISADVANTAGED GROUPS



STATUTORY REPORTING

Redefine complies with statutory reporting and meets its legislative obligations through the submission of the workplace skills plan, annual training report and employment equity reports.

PREVENTION OF UNFAIR DISCRIMINATION

DISCRIMINATION

Redefine views discrimination as a very serious transgression of employees' rights and is a dismissible offence. Our disciplinary policy prioritises employees' rights and our sexual harassment policy prohibits such behaviour as a form of discrimination.

DISCIPLINARY PROCESSES

We have numerous active policies relating to discipline which are published on our intranet and are available to all employees. In addition, we publish a quarterly newsletter highlighting the most pertinent misconduct-related issues. In this way, employees become more familiar with what is acceptable behaviour and what is not. There is also a grievance policy and procedure in terms of which employees may submit grievances to management.

SOCIAL AND RELATIONSHIP CAPITAL

2014 HIGHLIGHTS

- Strengthened relationship with Buskaid
- BASA development category award
- Investor perceptions improved overall
- Enhanced brand awareness

PRIORITIES FOR 2015

- Revising our corporate responsibility strategy and targets
- Further align with business objectives
- More regional projects with staff involvement
- Aim to create 'pockets of excellence' within communities
- Identify additional stakeholder communication platforms
- Evolution of marketing strategy
- Relaunch corporate website

STAKEHOLDER RELATIONSHIPS ARE DRIVING OUR PERFORMANCE

Redefine's commitment to social and relationship issues helps us meet our business objectives, to attract staff, tenants, investors and other partners, and consequently to deliver long-term value. We continue our efforts to improve understanding of how these factors add value. This builds the business case for the issues we need to address, and helps us further integrate them into our daily operations.

Strengthening stakeholder relationships is fundamental to ensuring effective operations, delivering our growth mandate and achieving our vision: "To be the property owner of choice".

We have strategies, systems and processes in place that enable us to understand and respond to our stakeholders' concerns, form collaborative partnerships to find solutions to collective challenges, and to drive development in the communities in which we operate.

Redefine has identified all its material stakeholder groups and prioritises its stakeholder concerns as part of its risk management activities.

REPUTATION MANAGEMENT – TO BE THE PROPERTY OWNER OF CHOICE

Corporate reputation and trust are among a company's most important assets. Managing Redefine's brand and reputation management is an ongoing priority in today's global business environment in which stakeholders are increasingly well-informed and assertive.

Reputation management is a process aimed at aligning our internal corporate culture and behaviour with our brand and how we interact with our key stakeholders.

COMMUNICATION WITH OUR STAKEHOLDERS

Proactive and transparent stakeholder engagement is essential to preserving our corporate reputation and remaining a successful business. Stakeholder engagement is conducted through direct and indirect engagement with stakeholder groupings.

In 2012 Redefine prioritised stakeholder communication and relationships by refocusing our brand promise (captured in the pay-off line: "We're not landlords. We're people"). Living this brand promise is fundamental to enhancing and protecting our corporate reputation. We see our stakeholder relationships and engagement as being a continuous feedback loop flowing between Redefine and our stakeholder universe, with stakeholder inputs informing our decision making, while our communications to each stakeholder group imparts information that enables them to make well-informed decisions regarding Redefine.

CONNECTING STAKEHOLDER ENGAGEMENT TO STRATEGIC DECISION MAKING

We need to understand the needs and expectations of a wide range of stakeholders in order to provide a business that offers the best in office, retail and industrial space with informed investors, passionate employees and well-supported communities.

Being responsive to the concerns of our stakeholders, and advancing their interests is integral to our ability to effectively allocate resources and manage the relationships necessary to operate sustainably and achieve our strategic aspirations. We have deepened our stakeholder focus over the last three years and have implemented a coordinated and constructive engagement approach, which informs strategic decision making at the highest levels of the group.

Once stakeholders are identified, management decides through consultation with the various stakeholder groups how to further engage with each constituency.

STAKEHOLDERS ARE RANKED IN TERMS OF THE LEVEL OF INVOLVEMENT REQUIRED TO ACHIEVE REDEFINE'S BUSINESS OBJECTIVES.

KEY STAKEHOLDERS IDENTIFIED BY:

DOES THIS STAKEHOLDER INFLUENCE THE COMPANY'S PERFORMANCE?
IS THIS STAKEHOLDER STRONGLY INFLUENCED BY THE COMPANY'S PERFORMANCE?
FUTURE INFLUENCE?

COLLABORATE	INVOLVE	CONSULT
REDEFINE EMPLOYEES		
BROKERS	BROKERS	
	LOCAL AND NATIONAL GOVERNMENT	LOCAL AND NATIONAL GOVERNMENT
DEVELOPMENT PARTNERS	DEVELOPMENT PARTNERS	
	TENANTS	TENANTS
	INVESTORS AND ANALYSTS	INDUSTRY BODIES
	FUNDERS	COMMUNITIES
	SERVICE PROVIDERS/ SUPPLIERS	PUBLIC
		MEDIA

SOCIAL AND RELATIONSHIP CAPITAL
continued

Stakeholder	How we engage with our stakeholders	Their contribution to value creation
Employees	Induction, training and development, ethics hotline, monthly informal staff events, intranet and electronic newsletters, rewards and recognition programme, communication from CEO's office, performance appraisals and exit interviews, internal roadshows and presentations and financial, physical and emotional wellness support, engagement survey	Employees acting in accordance with Redefine's values of oneness, make it happen, respect personal relationships, mean it and challenge the norm, form the foundation of our business By providing Redefine employees timely updated business information and relevant strategic information, Redefine would embed its strategy while achieving company objectives
Property brokers	Website, incentive programmes, presentation and broker getaways, access to information and internal leasing executives	The letting of available space which enables Redefine to sustain and grow its business
Development partners	Project management and design meetings, personal relationships, progress reports, on-site meetings	Provide expertise and resource to assist with all development projects within the Redefine portfolio
Investors and analysts	Investor presentations and roadshows, circulars to shareholders, integrated annual report, annual general meeting, press releases, breaking news announcements and notifications through SENS, Redefine website and site visits, one-on-one meetings, investor perception surveys, social invitations	Investors provide the financial capital necessary to sustain growth Shareholders are encouraged to attend the company's annual general meeting to vote on resolutions and to discuss relevant issues with the company's directors and management
Funders	Ongoing engagement and debt structuring through one-on-one meetings, JSE SENS, bi-annual results presentation, roadshows, announcements, media announcements and breaking news, credit rating agency opinions, integrated annual report, regular reporting	The provision of funding to grow the business
Suppliers and service providers	Supplier meetings, site visits, performance evaluation and audits, business association meetings	The provision of services which will preserve and enhance our properties and enable us to meet our business objectives
Local and national government	Personal meetings and relationships with municipal officials, written and verbal communication, tax returns, collaboration with community initiatives	The provision of regulatory frameworks which will enable Redefine to operate in an environment which provides reasonable certainty and is fair and transparent to all competing participants
Tenants	Personal interaction, information events, on-site teams, operational notices, safety notices and practice drills, print and electronic communication, ethics hotline, call centre and service excellence surveys	The letting of available space which enables Redefine to sustain and grow its business
Media	Media statements and briefings, site visits, access to management	The media contributes in communicating our results and achievements, sustaining our brand reputation and increasing awareness of the business operations
Communities	Direct interaction through various corporate social investment initiatives and environmental campaigns in various communities	Participation with the community affords Redefine the opportunity to understand its needs and to further align our business in a way that improves the lives of our communities at large
Industry and business organisations	Active involvement on boards and committees, presentations at conferences and congresses, networking events	To share ideas and experience on matters affecting the industry as a whole as well as matters of mutual interest
Public	Shopping centre communications, public relations and marketing, local media, community forums and engagements	Users of space within our office or industrial properties, retail centre customers, drivers of reputation

What our stakeholders expect from us
A stimulating and gratifying work environment, while offering prospects to achieve career growth aspirations
The provision of quality properties, reasonable payment terms and consistent communication
Collaboration and efficiency in the way we conduct business, compliance with regulations
Providing sustained returns on investment by achieving business objectives through delivery on embedded strategy, sound risk management, identifying strategic growth opportunities and good governance practices
Maintaining a strong balance sheet through conservative gearing and credit metrics that are well within covenants
Conducting business in a transparent manner that is mutually beneficial and sustainable
Continued contribution to the economic growth and social upliftment of the communities in which we operate Exercise good corporate governance practices while ensuring compliance with all applicable legislation
To become the property owner of choice – providing the highest level of service to tenants which will enable them to thrive and grow their businesses
Good corporate citizenship
Ongoing commitment to our core strategic social investment initiatives adding to the well-being of the community
The sharing of expertise which will mutually benefit the property industry and related organisations
A safe, secure environment, correct tenant mix, service delivery

Stakeholder engagement key

- Collaborate
- Collaborate and involve
- Involve
- Involve and collaborate
- Involve and consult
- Consult and involve
- Consult

SOCIAL AND RELATIONSHIP CAPITAL
continued

ENGAGING WITH OUR COMMUNITIES

MAKING A DIFFERENCE THROUGH TARGETED PROJECTS

Redefine aligns its CSI efforts with government's socioeconomic development priorities. We specifically focus on education and skills development. Accurately identified and managed corporate social responsibility initiatives are designed to benefit the broader community in a manner that dovetails with business objectives.

Buskaid Music Academy

We increased our involvement with Buskaid this year and are actively assisting with their daily challenges. Built on our brand values, the relationship is one of harmony and friendship.

Buskaid provides opportunities for children from the age of five to learn to play classical stringed instruments. When they have gained maturity and skill, they are employed by the academy as music teachers. They also play in the main ensemble and are remunerated for performances.

There are around 115 children and young people enrolled in the Buskaid Music Academy in Diepkloof, Soweto, and many more who dream of joining. The teaching staff now includes seven skilled young teachers and Buskaid is able to offer full and part-time employment to 35 of its trained performers and teachers. On 25 August 2014 the partnership between Buskaid Soweto String Project and Redefine Properties won the Development category of the 17th Annual Business Day BASA Awards, which recognise excellence and innovation in business support for the arts.

While the Buskaid music academy teaches underprivileged youngsters to play classical stringed instruments, their academic performances tend to improve because of the discipline in music education. Especially gifted young musicians compete for the opportunity of a graduate musician scholarship to the Royal Academy in London.

During 2014 Redefine supported the daily operations of the academy and sponsored a five stop performance tour of the UK that attracted standing ovations wherever they performed, ending on a high note with a Mandela Day appearance. Before departing for home the Buskaid orchestra put on a "flashmob" appearance at Trafalgar Square that was reported around the world and went viral on YouTube.

While contributing skills and enthusiasm to local communities, Redefine has aligned this initiative with its own business objectives.

Creating sustainable solutions

Redefine has continued to support Fred & Martie's soup kitchen in Claremont. Our vision is to create sustainable solutions for charities, rather than once-off interventions with short-term results. To help make this soup kitchen project more sustainable, Redefine assisted by:

- fencing off the property
- installing a vegetable tunnel and vegetable garden (including all the training and equipment to maintain these)
- landscaping the gardens and planting shade trees
- installing a safe play-park for the children.

Collaborating with our employees to make a difference

Redefine introduced a staff fund to ensure our employees get actively involved in making a difference within the communities where they work or live. During the past year, employees involved themselves in the following projects:

Reach for a Dream

Redefine partnered with Reach for a Dream during 2014, with employees participating in the foundation's initiatives in their regions. Reach for a Dream's vision is to bring hope and inspiration to children with life-threatening illnesses by making their wildest dreams come true. There is also a "Queen for a Day" initiative for young girls and "Captain Courage" initiatives for boys.

Buskaid beginners violin and cello class

The Jabulani Kingdom programme brings joy and laughter to kids confined to hospital beds, with 15 professional clowns and magicians entertaining the ailing children with magic tricks, balloon sculptures, jokes and stories.

Another initiative is "Camp Sunshine", where the young ones and their families break away from reality for a weekend filled with outdoor fun and teambuilding.

A HUMBLING EXPERIENCE – EMPLOYEE FEEDBACK

"I felt apprehensive the morning of our visit as I didn't know what to expect. I left the hospital feeling humbled, uplifted and inspired by those children. As adults we often complain about small insignificant problems, but to see faces light up of children who are fighting for their lives, really puts everything into perspective.

We forget how privileged we are to be healthy and to have healthy children. I truly admire them and Amajabulani for the laughter and hope they provide."

Republic Primary School in Port Elizabeth

Employees in the Eastern Cape Region undertook to refresh and refurbish a school close to the Cleary Park Shopping Centre. This project included repairing the perimeter fence to ensure a safe and secure environment for the children at school.

Redefine employees also attended to basic sanitary needs like remodelling bathrooms and painting school walls – making the school a safer, cleaner environment for children to attend.

THE PROPERTY FOUNDATION
A MEMBER OF

Fred and Martie's soup kitchen

Thandi's Reach for a Dream party

Buskaid UK tour

INTELLECTUAL CAPITAL

In a knowledge-based economy, Redefine is of the view that the source of our economic value no longer depends only on our "bricks and mortar" income earning asset base, but also on the creation and manipulation of intellectual capital. Our organisational, knowledge-based intangible assets include not only our intellectual property and patents, unique approach to relationships, internal knowledge, management systems and company culture. These are all critical to our ability to sustain and grow our business.

Intellectual capital can comprise intellectual property such as patents, copyrights, software, rights and licences. It also includes the organisational capital that makes a company intellectually competitive in its field, such as institutional knowledge, systems, procedures and protocols.

BUILDING INTELLECTUAL CAPITAL

For years Redefine outsourced most of its management and property administration functions, with the company itself largely comprising the board and executive management. Four years ago we decided on a strategic shift and have since been steadily building our in-house intellectual capital.

We commenced this strategy by ending our outsourced management contracts and directly employing many of the professionals who had previously managed our properties on our behalf. To support the core management function, the company brought in leasing specialists, property sector analysts and customer relations experts, while also considerably expanding our marketing and other service departments.

The property management structure was reorganised during the past year, with regional management decentralised closer to its property portfolios for more effective hands-on control and communication.

RETAINING INTELLECTUAL CAPITAL

Redefine is renowned for the speed and effectiveness of its deal making under the legendary guidance of Marc Wainer. Redefine is often the first point of call for the broker community with potential deals, knowing that they will quickly gain access to the right decision makers.

As effective deal making is the lifeblood of a property company such as Redefine, we recently rebalanced our board and executive management to more astutely leverage this core intellectual capital.

The board decided to move Marc Wainer from his CEO position into the role of executive chairman, filling the vacancy left by the recent resignation of Dines Gihwala. This freed up Marc Wainer from duties that diverted his attention from property deal making, which is his outstanding attribute.

Redefine's erstwhile financial director, Andrew Konig, who has impressed the industry with his grasp of its financial dynamics, was appointed to the CEO role.

Although corporate governance in terms of the King III regulations does not support the concept of an executive chairman, it is recognised that, at times, the strict application of these guidelines does not fit the specific operational realities of every listed company. The particular leadership dynamic at Redefine is one such case. The board weighed up this management reshuffle and approved it as being in the best interests of the company's shareholders, employees and its broader stakeholder universe.

Bernard Nackan, as the lead independent non-executive director, will chair the board when necessary to maintain sound governance practice.

"VALUES ARE A FUNDAMENTAL DRIVER OF OPERATIONAL AND FINANCIAL PERFORMANCE."

EXECUTIVE MANAGEMENT HAS A COMBINED 144 YEARS OF EXPERIENCE.

Recently appointed Leon Kok has become Redefine's new financial director, while David Rice and Mike Ruttell continue in their pivotal roles.

From left: Mike Ruttell, Marc Wainer, Andrew Konig, David Rice, Leon Kok

Redefine's executive management team is supported by heads of department who are highly qualified in their chosen disciplines. This management body meets on a monthly basis to grow leadership, ensure a cohesive approach and knowledge sharing to align with strategic objectives and daily tasks.

RECRUITING NEW INTELLECTUAL CAPITAL

The property investment business in South Africa is characterised by a high rate of consolidation and acquisitions, with Redefine being no exception. As a result, employees from other property cultures are regularly brought into the company and it is essential that they are quickly and successfully inducted into the Redefine internal culture.

Redefine welcomes the fresh intellectual capital and experience that new employees bring into the company, but ensures that newcomers become closely aligned with Redefine's outlook and strategic objectives. This is accomplished through a comprehensive induction programme that is mandatory for all new employees, at all levels, to attend.

Redefine is mindful of the fact that creating a values driven corporate culture is a fundamental driver of operational and financial performance. We believe this is rapidly becoming the new frontier of competitive advantage. All Redefine employees are aligned with Redefine's values being:

- Oneness
- Make it happen
- Respect personal relationships
- Mean it
- Challenge the norm

Redefine rolled out various internal initiatives during the review period, including a highly successful 'Redefine Gets Real' roadshow, which was designed to emphasis our values-driven high-performance culture. Redefine is so serious about instilling and living these values that they form part of the performance management process that all employees, including executive directors are measured by. Redefine's vision is to be the employer of choice.

To address the skills shortage within the listed property sector, Redefine introduced a paid learnership programme three years ago, which provides training and skills development specific to the sector. Redefine then offers full-time employment to as many of the successful graduates it can absorb, so that we can build and gain from their newly acquired knowledge.

Skills development is more fully reported on in the human capital section.

IMPROVED DATA AND SYSTEMS TO ASSESS, MANAGE AND MITIGATE RISK

The volume and granularity of information required to service tenants, manage assets and our people in Redefine is significant. While data integrity is sound throughout the organisation, until recently, few of the outlying business entities utilised technology in a manner where differentiation, speed, simplicity or low cost constituted a competitive advantage. Redefine has prioritised the installation of enhanced and

INTELLECTUAL CAPITAL continued

comprehensive information gathering and management technologies to control costs and gain operational insights.

Executive management oversees this enhanced information gathering process, which is monitored by appropriate board committees.

Consumer traffic through our key retail assets is being recorded by foot counters, which monitor the directional flow of shoppers in addition to the number of feet entering at various entrances. Understanding directional flow assists with optimally locating tenants and improving the general flow of the malls.

HELPING STAKEHOLDERS SAVE MONEY

Sustainability is a key Redefine business objective, therefore we are continuously evaluating how and where the company can introduce greening and energy-saving initiatives. Information derived from these projects is recycled back into the business and information used to drive business decisions.

Energy efficiency and 'green building' is discussed further in the natural capital section.

THE REDEFINE BRAND

The Redefine brand has become a very valuable component of our intellectual capital. We have used an innovative strategic approach in developing awareness and recognition. All staff within Redefine are also aligned with the brand proposition and are brand ambassadors. We believe this has had a direct positive effect on the bottom line through service levels and employee lifestyle.

INTEGRATING CUSTOMER RELATIONS INTO DAILY OPERATIONS

CUSTOMER RELATIONS

Redefine is committed to being the property owner of choice, and has differentiated itself from its competitors through a positioning strategy that emphasises the commitment to customer relations. Redefine uses traditional and online media channels to position its brand strategy with the pay-off line: "We're not landlords. We're people".

Over the past two years Redefine has embarked on a journey of transforming its corporate culture and business operations to deliver the brand promise to support the business principle of redefining relationships.

Stakeholder engagement and communication is proactively managed and driven through various channels and across platforms, targeting all of Redefine's key stakeholders. Customer complaints are taken seriously and dealt with through a centralised call centre and dealt with timeously and effectively through evolving business processes.

Tenants' interests range from cost of occupation, compliance, location, complementary mix of tenants and Redefine's ability to acknowledge problems and to respond. To more fully integrate Redefine's operations and break down reporting silos, the previously stand-alone customer relations unit was dissolved and its functions made the responsibility of each operational and centre manager. Supported by the call centre, each property manager now engages directly with their own tenants.

ATTRACTING PROSPECTIVE TENANTS

Engagement with prospective stakeholders commences with strong brand positioning. Redefine projects its brand promise and values through an above-the-line media campaign that targets current and prospective stakeholders.

Redefine appointed a research company to measure the success of the corporate advertising campaign and more specifically how it has impacted on brand awareness and propensity to engage with our brand.

The sample audience was split equally between current Redefine tenants and key decision makers from a selection of the top 100 companies listed on the JSE who are not currently renting space from Redefine.

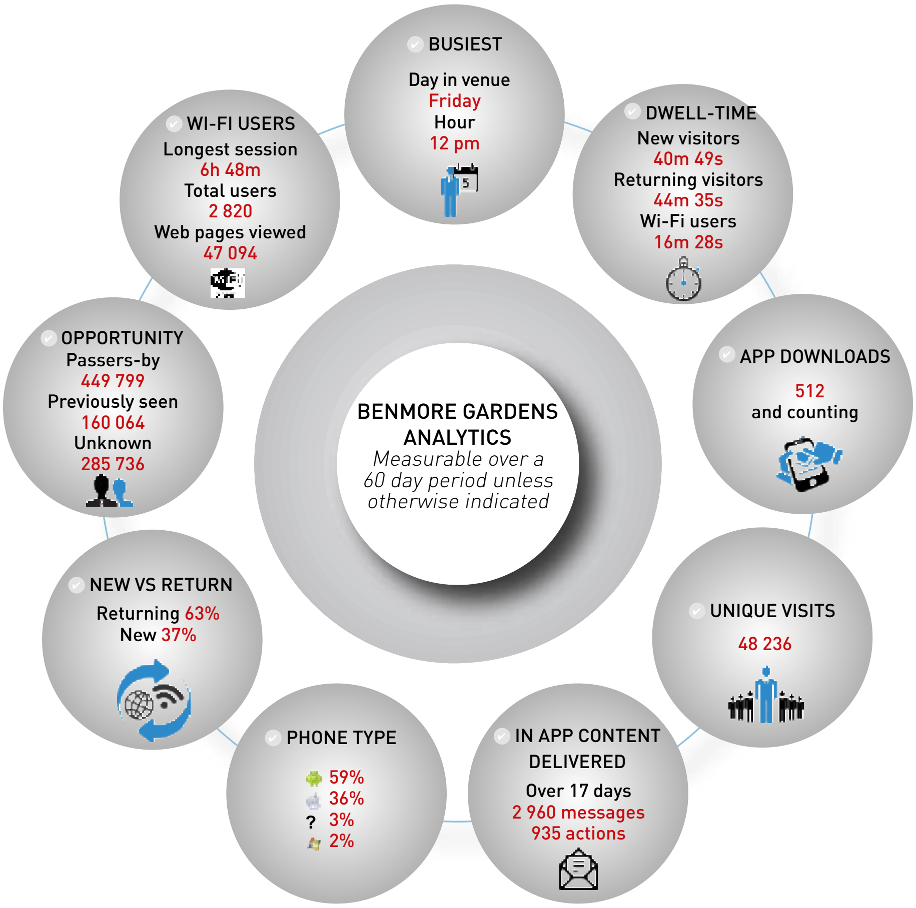
THE RESEARCH OUTCOMES HIGHLIGHTED THAT OUR CORPORATE ADVERTISING STRATEGY DELIVERED FAST-TRACK BRAND AWARENESS. SOME 88% OF REDEFINE CLIENTS RECALLED THE ADVERTISING SPONTANEOUSLY, WHILE 73% OF POTENTIAL CLIENTS ALSO DID SO.

PILOT WI-FI PROJECT

During the period, a pilot Wi-Fi project was implemented at Benmore Gardens, which further enhances our intellectual property regarding customers, foot traffic and directional flow. This technology will not replace foot counters but will allow Redefine to identify Wi-Fi enabled devices entering the centre on which we can distinguish the following:

- new versus repeat visitors
- dwell-time
- path travelled to provide understanding of customer movements between stores

The intention is to roll out this technology to key Redefine and Fountainhead retail centres when appropriate.



NATURAL CAPITAL

HIGHLIGHTS

- 28,5% decrease in Scope 2 emissions
- Alberton Mall rooftop solar PV project implemented
- Inclusion in the DJSI and JSE SRI Index
- Carbon Disclosure Leadership Index with 87% score
- Completed first four-star green building

PRIORITIES FOR 2015

- Reduce Scope 1 and 2 intensity emissions by 5%
- Refine sustainability policy
- Achieve GBCSA silver status
- Develop water and waste policy

In 2014 Redefine continued to undertake environmental and sustainability projects with the ultimate responsibility resting with the company's CEO, who is sanctioned by the board. Essentially, the social and ethics committee has been mandated to integrate sustainability into the business strategy. The committee drives several environmental projects defined in Redefine's sustainability strategy.

In 2012 Redefine conducted a sustainability gap assessment to determine the status at the time and to establish sustainability-related objectives for the following two years.

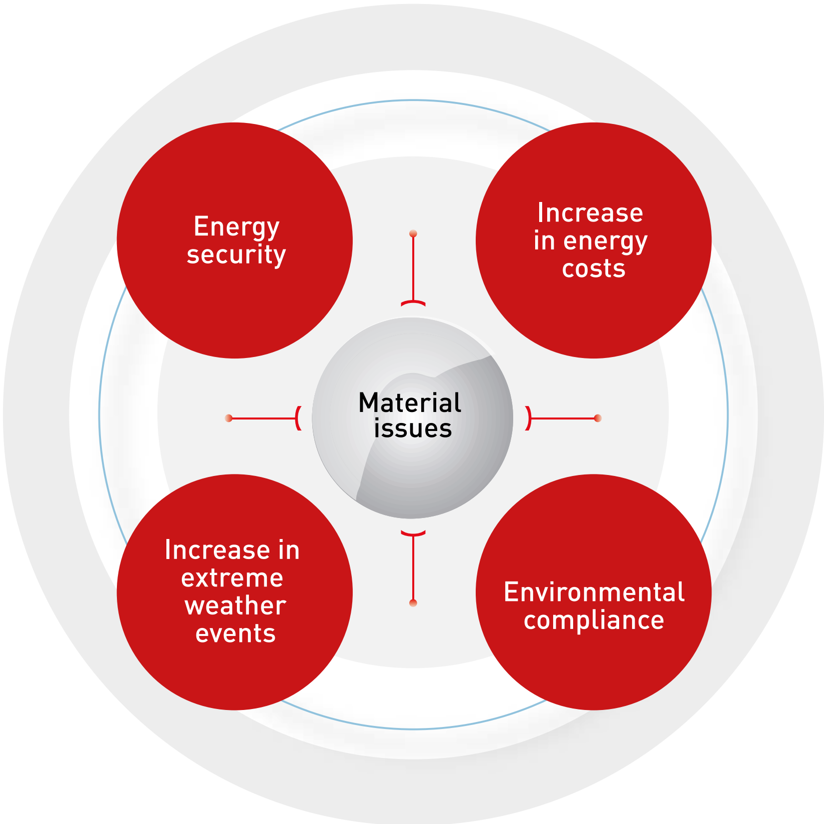
This assessment identified key areas for improvement and informed the development of an action plan to be carried out over the following 18 to 24 months. Redefine has since made rapid progress in implementing its sustainability action plan and is currently refining its strategy to further embed the three pillars of sustainability (environmental, social, economic) into the core business operations.

As a committed responsible corporate citizen, Redefine acknowledges its responsibility not just to manage and minimise our day-to-day environmental impacts, but also to share good practices and influence our delivery partners, retailers and visitors towards more sustainable behaviour. Ultimately, we seek to create a more sustainable operating environment.

Redefine's environmental sustainability progress

Redefine strives to understand and reduce the impact that external environmental factors, such as climate change, energy, water shortages and waste proliferation, have on business operations. We have consequently identified material issues, shown below, that require continuous attention. Redefine has implemented "adaption" or "mitigation" strategies to reduce the risk of these material environmental concerns.

IDENTIFIED MATERIAL ISSUES



ENVIRONMENTAL POLICY

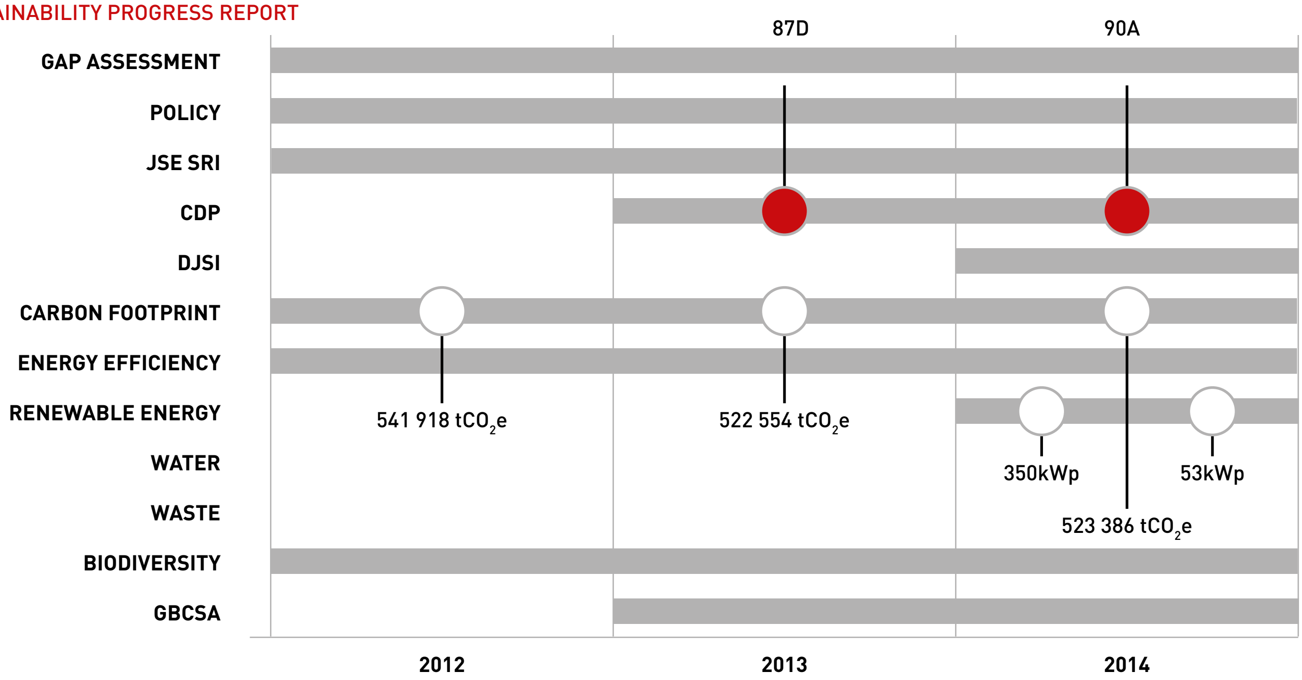
Redefine's environmental policy was developed to reflect the company's vision regarding its future environmental performance and to demonstrate the company's commitment to meaningfully contribute to improving the environment. The policy encompasses all operations in the Redefine portfolio and includes the commitment to make resources available for the effective integration, management and implementation of the policy.

SOME OF THE MORE PERTINENT ENVIRONMENTAL COMMITMENTS INCLUDE:

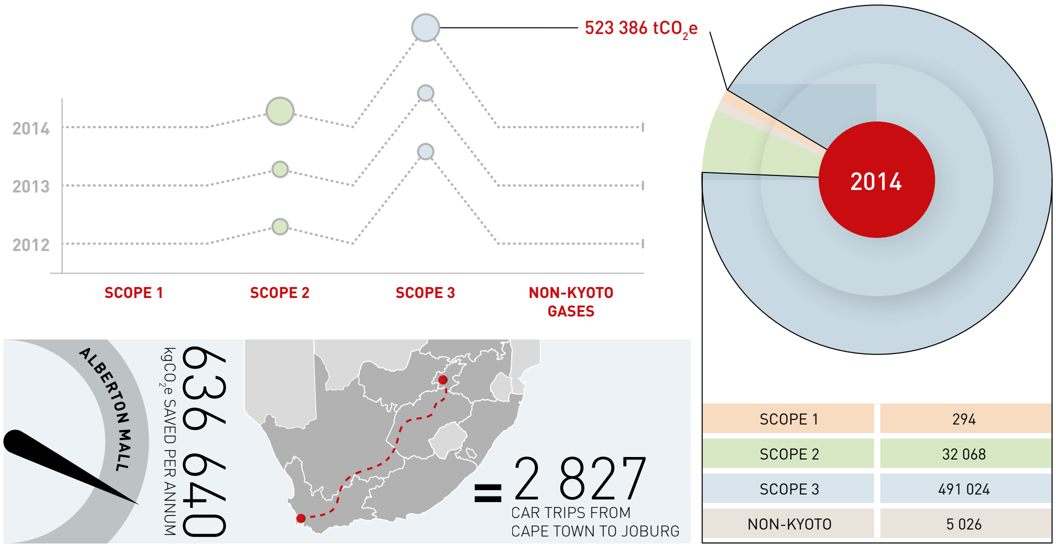
- To implement globally accepted environmental management systems to help assess Redefine's environmental performance and measure our performance against goals and objectives
- To conduct detailed audits and assessments of benchmarks set at Redefine properties to identify steps aimed at minimising their environmental footprints
- To nurture and grow climate change awareness among employees, tenants, suppliers and partners, thus creating a culture of broader environmental awareness
- To set goals for "greening" buildings and to align this strategy with green building standards such as the GBCSA
- To remain on the cutting edge of renewable energy developments and other green alternatives appropriate to our buildings, and to invest in these alternatives when economically viable.

An abridged version of the Redefine environmental policy is available on the company website.

SUSTAINABILITY PROGRESS REPORT



NATURAL CAPITAL continued



CARBON FOOTPRINT

In 2014 Redefine's carbon emissions in terms of the Greenhouse Gas Protocol and expressed in tonnes of carbon dioxide equivalent (tCO_2e) totalled 523 386tCO_2e. Redefine identified electricity as the major emissions source – specifically electricity purchased and consumed by tenants. Redefine's total carbon footprint increased by 0,2% compared to 2013 and total Scope 1 and 2 emissions decreased by 28%. Over the past year Redefine brought the management of electricity in-house, which has seen a dramatic improvement in the recovery of electricity charges from tenants. This improvement, along with energy-efficiency projects in common areas, are the major reasons for the 28,5% decrease in Scope 2 emissions.

	Tonnes CO_2e		
Scope	**2014**	2013*	2012
Scope 1	**294**	269	635
Scope 2	**32 068**	44 575	50 627
Total Scope 1 and 2	**32 362**	44 844	51 262
Scope 3	**491 024**	477 710	490 656
Total Scope 1, 2 and 3	**523 386**	522 554	541 918
Non-Kyoto gases	**5 026**	4 092	3 631

** Redefine's emissions were restated to account for emission factor updates.*

Our 2013 carbon footprint assessment has been verified by an external third party in accordance with ISO 14064-3. Redefine aims to undergo third-party verification of all carbon footprint assessments to ensure that carbon footprint measurements accurately reflects Redefine's impact.

Redefine has a target to reduce Scope 1 and 2 intensity emissions in 2015 by 5%, compared to 2012 levels. Property acquisitions and disposals are an inherent component of Redefine's business that affect the physical footprint of the company. Redefine therefore uses the intensity measurement of metric tonnes CO_2e per square metre to ensure that the target is tracked accurately year-on-year. We improved our Scope 2 emissions through an improved electricity recovery strategy implemented by our utilities department. In 2014 Redefine reduced the company's carbon footprint intensity metric (total Scope 1 and 2 tCO_2e per m²) by 46% compared to 2012.

INTENSITY BENCHMARKING

Intensity	**2014**	2013	2012
tCO_2e (Scope 1 and 2) per m²	**0,009**	0,014	0,02
tCO_2e (Scope 1 and 2) per FTE employee	**120**	144	223

Alberton Mall

ENERGY AND RENEWABLE ENERGY

Redefine is continually refining its energy strategy in line with best practice and business requirements. The energy crisis and rising cost of electricity is a financial driver promoting investment in energy-efficiency projects. Electricity prices will increase by over 12% per annum from 2014 to 2017, which is significantly higher than the anticipated 8% increase. As a consequence the payback periods for energy-efficiency projects will be reduced.

The energy strategy has the initial aim of reducing the consumption of seven energy-intensive retail sites by 15%. These retail centres were selected as presenting the most significant opportunities for sustainability-related improvements.

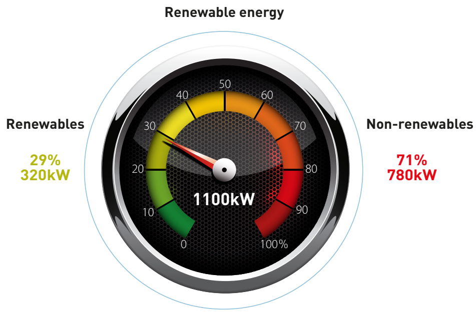
This project is currently in the assessment phase. If financially viable, it will commence implementation in 2015.

Alberton Mall near Johannesburg was selected as Redefine's pilot project for evaluating energy-efficiency improvements. Impressive energy-efficiency gains have already been made and further improvements are expected when the mall's lighting system is retrofitted with efficient lighting technology that includes occupancy sensors and timers. Future retrofitting will include the installation of a variable speed drive and power drive corrections.

A 350kW peak solar PV plant was installed at the Alberton Mall to provide renewable energy. At optimum output, the plant provides up to 30% of the site's total power demand.

It is estimated that the plant will produce 618MWh of electricity and reduce emissions by 636 540kg CO_2e each year. In September 2014 the plant produced 50 903kWh and reached a peak power output of 341kW.

ALBERTON MALL SOLAR PV AT CLOSE TO PEAK POWER PRODUCTION



A solar PV 53kW peak system was installed at Redefine's four-star green building at 90 Grayston Drive and became operational in November 2014. The plant is expected to produce an average of 97MWh of electricity per year and reduce the building's carbon footprint by 100 238kg CO_2e over the period.

Redefine is investigating the installation of additional solar PV plants at suitable properties. A feasibility study was conducted for a 800kW to 1MW solar PV system at Matlosana Mall, which would provide an annual yield of approximately 1 677MWh. Over time this system could be expanded to an output of 2,4MW. A second feasibility assessment was conducted for a proposed 245kW peak system, potentially producing 421MWh of electricity, at The Towers. These projects are planned to be implemented in the near future.

LOCAL AND INTERNATIONAL BENCHMARKING

We benchmark our performance against our peers and others, and are proud to be a leading SA REIT on several key corporate responsibility indices. During the year, Redefine was included in the JSE SRI Index for the third consecutive year. The index is used to identify listed companies that integrate the principles of the triple bottom line and good governance into their business activities.

NATURAL CAPITAL continued

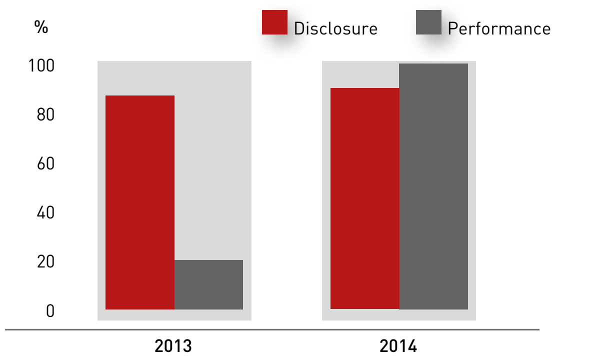
We were also included in the DJSI which provide a benchmark for investors to integrate sustainability considerations into their portfolios. Redefine was selected as a constituent of the DJSI in recognition of our corporate sustainability leadership in the property industry. Redefine's results outperformed the emerging markets index's real estate industry overall average, as well as in all three measured dimensions: economic, environmental and social.

During 2013, Redefine responded to the CDP for the first time and was the top first-time CDP respondent, with a disclosure score of 87. In 2014 Redefine received a disclosure score of 90 (performance band A) and, as a result, was one of eight South African organisations included on the Carbon Performance Leadership Index.

CARBON DISCLOSURE PROJECT

The CDP provides a platform for companies to disclose, measure, manage and share environmental information.

REDEFINE CDP SCORE



Redefine's CDP disclosure identified specific risks, opportunities and mitigation options that could have a material impact on the company's business operations over the medium to long term. The company engages with external professionals to mitigate and adapt to the risks identified and to take advantage of available opportunities.

Redefine has completed several different projects designed to enable a full understanding of our environmental impact and the possible impacts of climate change on long-term business sustainability.

MEMBERSHIP OF THE GREEN BUILDING COUNCIL SOUTH AFRICA

Redefine will continue to build all new developments to a minimum Green Star Rating level 4, as certified through the Green Building Council South Africa's assessment criteria on design and as built basis. The company registered as a member of the GBCSA in 2013 and we are committed to achieving its Silver membership status in the near future.

We believe that creation of highly innovative, well located, healthy, functional, and environmentally friendly working and living spaces will be fundamental to our business in future. To provide places where people can thrive and be productive, Redefine will continue to seek ways in which this end-goal may be achieved.

DEVELOPMENT AND REDEVELOPMENT OF GREEN BUILDINGS

Redefine has several high-profile green buildings currently under construction, including 90 Grayston Drive, 90 Rivonia Road (primarily to be tenanted by Webber Wentzel in association with Linklaters) and the Rosebank Towers developments. In the South African context, sustainability has reached a stage of maturity whereby few (if any) premium-grade buildings are developed without seeking a benchmark green rating. The GBCSA has established national standards with guidance from the Green Building Council Australia.

Rising electricity and rates costs have made tenants increasingly aware of the need to optimise energy use and space in a quality environment. Once built in, resource-efficient methods reduce the total operating costs throughout the life of the building.

Redefine's strategy for all new buildings incorporates sustainable building techniques in the design, implementation, and operation of these assets. Well located sites in highly attractive development nodes, eye-catching designs, environmentally friendly materials, together with highly efficient electro-mechanical building operating systems, are fundamental to delivering "green" buildings.

Enhancing our existing properties will be a major sustainability focus, so that these remain attractive and functional environments for tenants. Redefine intends upskilling the employees to be tasked with optimising key assets.

As is the case in first-world markets, filling vacancies in our property portfolio will likely become increasingly dependent on providing energy-efficient and sustainably configured premises. The recent introduction of green building tools in South Africa, which allows the rating of existing assets and tenant fitouts, is set to be a market differentiator in this aspect of asset management.

Our strategy continues to facilitate reduction of the company's environmental footprint and to drive a sustainability focus. Furthermore, green buildings in the Redefine portfolio are envisaged to have a positive effect on asset values, while reducing multi-tenant vacancy rates.

BIODIVERSITY

Wherever possible, Redefine is committed to making a positive contribution to biodiversity in the local environments of all new developments. The property at 90 Rivonia Road underwent an eco-conditional assessment by an independent senior natural scientist and is being developed to meet the ECO-00 Conditional Requirement, as per conditions provided by the GBCSA.

All the sites chosen were brownfield sites, limiting the destruction of floral and faunal life. Exotic plants are being replaced by indigenous plants which are more suited to the climatic conditions of Johannesburg, and also encourage the flourishing of bird and insect life in the landscape.

GOVERNANCE & REMUNERATION

OUR COMMITMENT

REDEFINE'S BOARD OF DIRECTORS IS COMMITTED TO MAINTAINING CORPORATE GOVERNANCE STANDARDS AS AN ESSENTIAL ELEMENT TO DELIVER SUSTAINABLE GROWTH FOR THE BENEFIT OF OUR STAKEHOLDERS.

GOVERNANCE STRUCTURE

Board of directors

M Wainer (executive chairman)
B Nackan (lead non-executive)
AJ Konig (CEO)
DH Rice (COO)
LC Kok (FD)
MJ Ruttell (executive: development)
GZ Steffens
DA Nathan
HK Mehta
MJ Watters

Roles and responsibilities

- Appoint the chief executive officer
- Guard and promote the values and ethics of Redefine
- Approve the objectives and strategic direction of the company
- Approve and monitor the annual budget
- Monitor executive management in implementing the corporate vision and strategy
- Ensure compliance with the letter and spirit of the law
- Communicate with stakeholders openly and timeously throughout the year

Remuneration and nomination committee
B Nackan#
HK Mehta
GZ Steffens*

Audit and risk committee
DA Nathan*
B Nackan
GZ Steffens

Executive committee
AJ Konig*
LC Kok
DH Rice
MJ Ruttell

Investment committee
B Nackan*
M Wainer
AJ Konig
DH Rice

Social and ethics committee
DA Nathan*
LC Kok
MJ Ruttell

* *Chairman*
\# *Chairman of remuneration committee for the review period, subsequently Chairman of the nomination committee.*

ROLES AND RESPONSIBILITIES

- Design, monitor and communicate remuneration policies that will promote the achievement of strategic priorities and encourage individual performance
- Assess, recruit and nominate new board members to ensure an appropriate mix of skills and experience of the board to contribute to the strategic direction of the company
- Review and approve the company's recruitment, retention and termination policies and procedures for senior executives
- Consider and recommend remuneration policies for all levels of the company
- Ensure the mix of fixed and variable pay, in cash, shares and other elements, meets the company's needs and that incentives are based on targets that are challenging, verifiable and relevant
- Recommend to the board the fees payable to the non-executive directors
- Ensure that all benefits including retirement benefits and other financial arrangements are justified and correctly valued
- Co-ordinate board and committee evaluations
- Monitor board performance and succession planning

- Oversee preparation of integrated reporting
- Review the interim and annual financial statements and integrated annual report
- Express a formal opinion on the going-concern status
- Ensure a co-ordinated approach to all assurance activities
- Review the expertise, resources and experience of the finance function, including the financial director
- Oversee the internal audit function
- Play an integral part in the risk management process
- Recommend the external auditors and oversee the external audit process
- Review the annual budgets and forecasts
- Report to stakeholders and the board on the effectiveness of the internal financial controls
- Ensure compliance with statutory requirements

- Develop and maintain the group's strategic plan for board approval
- Make recommendations and take decisions on all matters affecting the company's strategy and operations including risk management
- Give direction on day-to-day business activities
- Monitor markets and competitors to identify trends
- Define, configure, finance and structure the portfolio of assets
- Approve operating plans and budgets for each division
- Measure and monitor divisional performance
- Manage capital requirements
- Ensure adequate levels of risk management, controls, governance and compliance
- Approve proposals for development, acquisition and disposal of properties within mandated levels

- Review investment strategy
- Set criteria and targets for investment
- Approve proposals for development, acquisition and sale of properties within mandated levels
- Approve strategic investments within mandated levels
- Review market valuations by external valuers
- Annually review performance of the property portfolio, including those recently acquired
- Make recommendations to the board for approval where it is beyond the scope of mandated limits

- Perform its statutory duties as detailed in the Companies Act
- Monitor social and economic development activities
- Promote good corporate citizenship, equality and reduction of corruption
- Review the impact of the company's activities on the environment and ensure public safety is responsibly managed
- Govern consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws
- Oversight of the company's employment relationships, and its contribution to the educational development of its employees

Please refer to our website for our full board and committee charters.

The board of directors is committed and subscribes to the values of good corporate governance as contained in King III. The board endorses and accepts the responsibility for achieving the four values underpinning good governance advocated by King III:

- Fairness
- Responsibility
- Transparency
- Accountability

The board and its committees regularly review the company's governance structures and processes to ensure that the board exercises effective and ethical leadership, conducts its affairs as a good corporate citizen and takes decisions to ensure sustainability. Redefine is committed to achieving high standards of business integrity and ethics. This report aims to provide our stakeholders with an understanding of how we have adhered to the principles of King III.

THE BOARD OF DIRECTORS

The board of directors is responsible for the strategic direction and control of the company. The board exercises its control through the governance framework of the company which includes detailed reporting to the board and its committees, board reserved decision-making matters and a system of assurances on internal controls.

LENGTH OF SERVICE OF NON-EXECUTIVE DIRECTORS

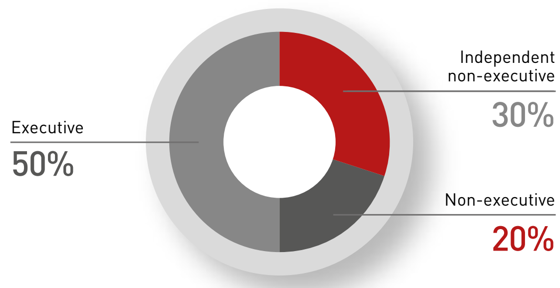
	Date of appointment	Years of service
Harish Mehta	5/08/2009	5
Bernard Nackan	5/08/2009	5
Günter Steffens	1/09/2013	1
David Nathan	17/03/2014	*
Mike Watters	1/08/2014	*

** Appointed during the current financial year.*

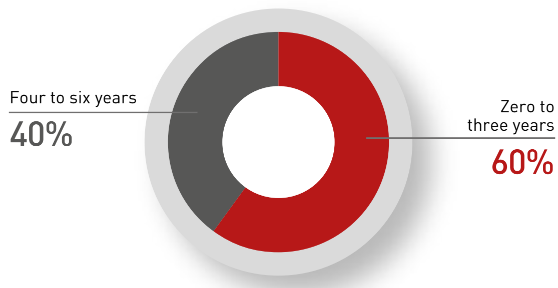
The board currently comprises 10 directors, three of whom are categorised as independent non-executive directors in terms of King III; two are non-executive directors and five are executive directors. The non-executive directors have no fixed terms of office. The executive representation on the board comprises Marc Wainer (executive chairman), Andrew Konig (CEO), David Rice (COO), Leon Kok (FD) and Mike Ruttell (executive: development). Each executive director has defined areas of responsibility. Short biographies of

COMPOSITION AND INDEPENDENCE

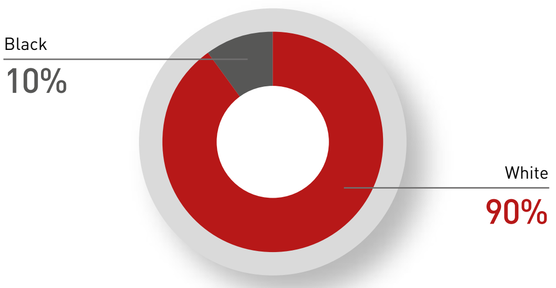
COMPOSITION OF THE BOARD



LENGTH OF SERVICE OF NON-EXECUTIVE DIRECTORS



BOARD SPLIT BY RACE



BOARD SPLIT BY GENDER

each of the directors can be found on pages 8 and 9. The board currently comprises:

Executive directors	Marc Wainer (executive chairman), Andrew Konig (CEO), David Rice (COO), Leon Kok (FD), Mike Ruttell (executive: development)
Non-executive directors	Harish Mehta, Mike Watters
Independent non-executive directors	Bernard Nackan (lead non-executive), David Nathan, Günter Steffens

Monica Khumalo resigned from the board on 11 November 2013 to avoid possible conflicts of interest which might arise as a result of her assuming an executive role within another organisation. Diana Perton retired from the board with effect from 30 January 2014. Roger Rees sadly passed away on 11 June 2014. Robert Robinson resigned from the board on 4 July 2014 to pursue other property projects and property investment opportunities, which may give rise to potential conflicts of interest in the future if he were to remain on the board.

David Nathan was appointed to the board with effect from 17 March 2014, Mike Watters with the effect from 1 August 2014 and Leon Kok with effect from 1 October 2014.

At each meeting of the board, the directors declare their interest in writing and where there are any potential conflicts of interest these are minuted and the affected directors are recused from the relevant debate and decision making.

As prescribed by the JSE Listings Requirements, Redefine has a policy prohibiting dealings in shares by directors, officers and staff for a designated period preceding the announcement of its annual and interim financial results, or any other period considered price sensitive. Dealings in shares by directors are strictly monitored and the necessary Securities Exchange News Service announcements are made.

The role of the executive chairman is separate from that of the CEO. The CEO takes responsibility for the management of the company and provides leadership to the executive team and is also accountable for the effectiveness of governance practices. The executive chairman leads the board and is responsible for its effectiveness and integrity while facilitating constructive relations between executive and non-executive directors. As the chairman is an executive director, a lead independent non-executive director has been appointed.

There is an appropriate balance of power and authority on the board, such that no one individual has unfettered powers of decision making and no one individual dominates the board's deliberations or its decisions.

The board considers that Bernard Nackan, David Nathan and Günter Steffens are independent non-executive directors. In its assessment, the board considered if each director is independent in character and judgement and if there are any existing relationships or circumstances which could affect the directors' judgement.

Any newly appointed director who has been appointed by the directors during the year has to retire at the next AGM and has to be re-elected by shareholders. One-third of all non-executive directors retire on a rotational basis and make themselves available for re-election at the AGM. For details of the directors who are retiring and offering themselves for re-election, refer to the directors' report in the annual financial statements.

RESPONSIBILITIES

The board regularly reviews the decision-making authority given to management and its subcommittees.

The board has adopted a charter which sets out the practices and processes adopted by the board in order to discharge its responsibilities. The board's charter specifically sets out the following:

- A description of roles, functions, responsibilities and powers of the board, the shareholders, the chairman, individual directors, company secretary and other prescribed officers and executives of the company
- The terms of reference of the board and its committees.
- Matters reserved for the final decision making or pre-approval of the board
- Policies and practices of the board on matters such as corporate governance, directors' dealings in securities of the company, declarations of conflicts of interest, board meeting documentation, business rescue proceedings, and procedures for the nomination, appointment, induction, training and evaluation of the directors and members of the board committees.

The board has delegated specific responsibilities to the following committees:

- Executive committee
- Remuneration and nomination committee
- Audit and risk committee
- Investment committee
- Social and ethics committee

The committees assist the board of directors in discharging its responsibilities and duties under King III; however, overall responsibility remains with the board.

Directors are encouraged to take independent advice, at the cost of the company, for the proper execution of their duties and responsibilities. During the financial year no director felt it necessary to seek such advice. The board has unrestricted access to the group external auditors, professional advisers, the services of the company secretary, the executives and the staff of the company at any given time.

BOARD AND BOARD COMMITTEE ASSESSMENTS

During the past year, Redefine's Remco conducted a series of evaluations by board and committee members of their functioning and performance in line with the requirements of King III.

For purposes of the evaluations, Redefine utilised an internationally recognised online software package called 'Thinking Board' from Independent Audit Limited based in the United Kingdom.

The programmes were utilised during the year to facilitate the following evaluation projects:

- **Board evaluation:** An evaluation by Redefine's directors of the functioning and performance of the board. The evaluation encompassed the functioning of board meetings, strategy development, board risks, external perception and support functions.

  Salient aspects arising from the project were as follows: Two of the issues which emerged in the evaluation, were succession planning and board composition. These topics are continually reviewed by Remco and at board level and they felt that there is currently adequate depth of management at the executive director level while board composition is under continuous review.

  In response to comments regarding strategy development, management reviewed and updated the strategic plan which was approved by the board and is included in this report.

  Briefings/updates on topics such as directors' responsibilities and the changing regulatory environment were flagged as items requiring ongoing consideration. Presentations and briefing sessions are provided on these and other relevant topics by external experts/specialists.

  Positive feedback from the evaluation was reinforced by investor relations research conducted during the year under review by independent market researchers.

- **Peer evaluation:** An evaluation by the directors of their peers on the board tested directors' perceptions of their peers' skills and knowledge and their contributions to board deliberations. The peer evaluation supported the positive overall assessment reflected in the board evaluation above. Specific issues emerging from the evaluation are dealt with by the chairman in collaboration with Remco and executive management.
- **Chairman evaluation:** An evaluation by board members of the chairman's role and performance was designed to assess the chairman's effectiveness in his role, his management of board issues and processes, the effectiveness of his relationships with management and the non-executive directors and his contribution in promoting the corporate culture. The assessment of the then chairman was positive in all aspects.
- **Audit and risk committee evaluation:** A board evaluation of the functioning and performance of the audit and risk committee included assessment of committee meetings in terms of the quality of information provided and the effectiveness of meeting procedures, strategy specific to the committee, risk assessment and support functions. The assessment was decidedly positive in all aspects.

In summary, this evaluation process established the following:
- The directors believe they have a good understanding of Redefine's strategic plan and key issues.
- Board members generally believe that they constructively contribute to the resolution of issues at meetings and that communication of expectations is clear.
- Information is obtained in an adequate, relevant and timely manner and that meeting attendance and preparation for such meetings is good.
- Redefine's strategy, vision and objectives are understood by members of the board.
- There is a clear understanding of the legal and fiduciary obligations of individual directors and of the board as a whole
- Issues raised during the evaluation would be taken forward by the chairman.

The directors and the members of the board committees are supplied with comprehensive and accurate information which allows them to properly discharge their responsibilities. The members of the board bring a mix of skills, experience and technical expertise to the board and all actively participate in the proceedings at board meetings.

The board meets at least four times per year and more frequently if circumstances dictate. Each meeting is conducted in accordance with a formal and structured agenda. To facilitate the decision-making process, board papers are circulated to the directors well in advance of meetings to allow sufficient time for directors to scrutinise properly the content thereof and to apply their minds thereto. Non-executive directors have access to management and from time to time meet without the executive directors being present.

BOARD MEETINGS AND ATTENDANCE

	30/10/2013	5/02/2014	6/05/2014	31/07/2014	5/11/2014
M Wainer (executive chairman)	✓	✓	✓	✓	✓
D Gihwala[5]	✓	✗	✓	5	5
MK Khumalo[1]	✓	1	1	1	1
AJ Konig	✓	✓	✓	✓	✓
HK Mehta	✓	✓	✓	✓	✓
B Nackan	✓	✓	✓	✓	✓
D Perton[2]	✓	2	2	2	2
RW Rees[4]	✓	✓	✓	4	4
DH Rice	✓	✓	✓	✓	✓
MJ Ruttell	✓	✓	✓	✓	✓
G Steffens	✓	✓	✓	✓	✓
R Robinson[6]	6	✓	✓	6	6
DA Nathan[3]	3	3	✓	✓	✓
MJ Watters[7]	7	7	7	7	✓
LC Kok[8]	8	8	8	8	✓

✓ *Present/Participated*
✗ *Apology*
1 *Resigned 11 November 2013*
2 *Resigned 30 January 2014*
3 *Appointed 17 March 2014*
4 *Deceased 11 June 2014*
5 *Resigned 26 June 2014*
6 *Appointed 31 October 2013/resigned 4 July 2014*
7 *Appointed 1 August 2014*
8 *Appointed 1 October 2014*

BOARD COMMITTEES

THE EXECUTIVE COMMITTEE

The executive committee is empowered and responsible for implementing the strategies approved by the board and for managing the affairs of Redefine. The committee is chaired by the CEO and comprises the FD, COO and the executive of development. Executive committee members are appointed by the CEO after consultation with the board of directors.

The committee meets weekly and deliberates, takes decisions or makes recommendations on all matters of executing the company's strategy and day-to-day operations within its mandate. The mandate is set by the board of directors and where appropriate the decisions or recommendations are referred to the board or relevant board committee for final approval.

THE INVESTMENT COMMITTEE

The investment committee comprises a mixture of executive and non-executive directors. The investment committee meets when necessary to consider investment opportunities in respect of properties and listed securities. It approves acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it and strategy determined by the board.

LEVELS OF AUTHORITY FOR EXECUTIVE AND INVESTMENT COMMITTEE

	Acquisitions		Disposals	
	Per property transaction	Rollup per quarter	Per property transaction	Rollup per quarter
Executive committee	R120 million	R500 million	R60 million	R300 million
Investment committee	R500 million	4% of total assets	R500 million	4% of total assets

	Developments		Extensions, refurbishments and capex	
	Per property transaction	Rollup per quarter	Per property transaction	Rollup per quarter
Executive committee	R120 million	R400 million	R120 million	R400 million
Investment committee	R400 million	R800 million	R400 million	R800 million

THE REMUNERATION AND NOMINATION COMMITTEE

The remuneration and nomination committee comprises two independent non-executive directors and one non-executive director. Due to the combined nature of this committee and in order to ensure compliance with the JSE Listings Requirements and principles of King III, the chairman of the remuneration component of the committee is Günter Steffens (an independent non-executive director) while the chairman of the nomination component is Bernie Nackan in his capacity as lead independent non-executive director.

The committee's primary responsibility is to monitor the implementation of the remuneration policies of Redefine, specifically in respect of the executive directors. The committee is also responsible for assisting the board in the recruitment of directors and assisting the board to ensure that the appointment procedures are implemented in a formal and transparent manner in accordance with the policy on appointments. During the review period the committee recommended the appointment of three new directors to the board.

During the year, Dines Gihwala resigned from the committee consequent to his resignation from the board. Independent non-executive director, Günter Steffens, was appointed to the committee to replace Dines Gihwala.

PwC continues to act as standing adviser to the committee on a wide range of remuneration matters, including:

- the remuneration of executive directors and senior executives
- the remuneration of non-executive directors
- local and global market trends and practices in the field of remuneration
- corporate governance issues around executive remuneration
- the implementation of remuneration structures
- the recruitment and appointment of executive staff members.

The executive chairman, CEO, FD, COO and the head of human resources attend the meetings by invitation. The executive directors are not involved in setting their own remuneration.

Please refer to the detailed remuneration report on pages 102 to 116. P

REMUNERATION AND NOMINATIONS COMMITTEE MEETINGS AND ATTENDANCE

	25/09/2013	29/10/2013	5/02/2014	6/05/2014	30/07/2014	4/11/2014
B Nackan	✓	✓	✓	✓	✓	✓
D Gihwala[1]	✓	✓	✗	✓	1	1
HK Mehta	✓	✓	✓	✓	✓	✓
GZ Steffens[2]	2	2	2	2	✓	✓
AJ Konig[#]	✓	✓	✓	✓	✓	✓
M Wainer[#]	✓	✓	✓	✓	✓	✓
DH Rice[#]	✓	✓	✓	✓	✓	✓

✓ Present | ✗ Apology | # Attended as invitee | 1 Resigned 26 June 2014 | 2 Appointed 31 July 2014

THE AUDIT AND RISK COMMITTEE

Redefine's audit and risk committee assists the board in discharging its duties in relation to the safeguarding of the group's assets, the operation of adequate systems of control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with all applicable laws and regulatory statements and accounting standards. In addition, it reports to shareholders on the extent to which it carried out its statutory oversight duties and mandate in accordance with its terms of reference, as approved by the board. This is in respect of the external auditors, the appropriateness of the financial statements and the accounting practices, as well as the effectiveness of the internal financial controls. Their report can be found on pages 99 to 101.

All members of the committee are independent non-executive directors of the company in accordance with the Companies Act. During the year, Roger Rees passed away and was succeeded as chairman of the committee by David Nathan, and Günter Steffens was appointed as a member of the committee. The executive chairman, CEO, FD, COO, senior financial management of the group and representatives of the internal and external auditors attend all meetings by invitation. All committee members have the requisite financial and commercial skills and experience to contribute to the committee's deliberations. Internal and external auditors have unrestricted access to the audit committee.

Well in advance of meetings, the audit committee receives relevant, detailed reports. These include financial performance, governance and internal controls, adherence to the accounting policies, compliance and areas of significant risk to the group, as well as written reports from the external and internal auditors. Issues identified in the reports are discussed and deliberated in audit committee meetings. After considering all of these reports the audit committee reports to the board regarding the framework and effectiveness of controls.

The committee has unrestricted access to independent expert advice should the need arise.

Annually the audit committee reviews the external audit report and annual financial statements of subsidiary companies in order to meet its obligations as a holding company in terms of the Companies Act.

As required by the JSE, the audit committee and the board satisfied themselves that the financial director, Leon Kok, has the necessary skills and qualifications to fulfil his responsibilities.

AUDIT AND RISK COMMITTEE MEETINGS AND ATTENDANCE

	29/10/2013	5/02/2014	5/05/2014	31/07/2014	4/11/2014
DA Nathan[1]	1	1	✓	✓	✓
R Rees[2]	✓	✓	✓	2	2
HK Mehta[5]	✓	✓	✓	✓	✓
B Nackan	✓	✓	✓	✓	✓
GZ Steffens[3]	3	3	3	✓	✓
M Wainer[#]	✓	✓	✓	✓	✓
AJ Konig[#]	✓	✓	✓	✓	✓
DH Rice[#]	✓	✓	✗	✓	✓
LC Kok[#4]	4	4	4	4	✓

✓ *Present* | ✗ *Apology* | # *Attended as invitee* | **1** *Appointed as member on 17 March 2014 and as chairman effective 31 July 2014* | **2** *Deceased 11 June 2014* | **3** *Appointed 31 July 2014* | **4** *Appointed 1 October 2014* | **5** *Stepped down as member on 11 December 2014*

THE SOCIAL AND ETHICS COMMITTEE

A social and ethics committee has been established in accordance with the Companies Act and King III. During the year the committee's membership was changed with a view to enhancing its profile by replacing three senior managers with two executive directors. These senior managers still attend the meetings by invitation. The committee now comprises one independent non-executive director and two executive directors. The committee is chaired by David Nathan, who is an independent non-executive director. All members have the requisite knowledge, skills and experience to discharge the responsibilities of the committee.

Redefine recognises that integrating transformation into business practice is essential for the sustainability of the company and South Africa. The company supports the Property Transformation Charter and is committed to transformation. Redefine's website includes the detailed social, ethics and sustainability report.

SOCIAL AND ETHICS COMMITTEE MEETINGS AND ATTENDANCE

	29/10/2013	4/02/2014	2/06/2014	27/08/2014	3/11/2014
DA Nathan[1]	1	1	1	1	✓
D Gihwala[2]	✓	✓	✓	2	2
R Coetzee	✓	✓	✓	✓	✓#
A Coetzee	✓	✓	✓	✓	✓#
LC Kok[3]	3	3	3	3	✓
MJ Ruttell[4]	4	4	4	4	✓
I Badenhorst[5]	5	5	5	✓	✓#

✓ Present | *# Attended as invitee* | **1** *Appointed 1 August 2014* | **2** *Resigned 26 June 2014* | **3** *Appointed 1 October 2014* | **4** *Appointed 1 October 2014* | **5** *Appointed 27 August 2014*

COMPANY SECRETARY

The board is assisted by a suitable qualified company secretary, Neville Toerien (principal of CIS Company Secretaries Proprietary Limited) who is not a director of the company and who has been empowered to fulfil his duties. The board has reviewed and is satisfied that the company secretary has adequate experience and competence to be the company secretary, and that an arm's-length relationship is maintained between the board and the company secretary. The company secretary advises the board on appropriate procedures for management of meetings and ensures that the corporate governance framework is maintained. The directors have unlimited access to the advice and services of the company secretary.

COMPLIANCE WITH KING III

Redefine's website includes a detailed King III compliance checklist indicating the company's compliance with the principles of King III and providing an explanation on matters of non-compliance.

DEALINGS IN THE COMPANY'S SHARES

As prescribed by the JSE listing requirements, the Group has a policy prohibiting dealings in shares by directors, officers and staff for a designated period preceding the announcement of its annual and interim financial results, half yearly distributions or any other period considered price sensitive. Furthermore, directors of both the Group and its major subsidiaries, in addition to the Company Secretary, must obtain prior written clearance from the CEO and/or Chairman if they intend to deal in Redefine shares, whether directly or indirectly. Dealings in shares by directors are strictly monitored and the necessary SENS announcements are made as required.

CODE OF BUSINESS CONDUCT

Integrity is fundamental to Redefine. Our Code of Business Conduct is central to the growth and sustainability of the business and is designed to entrench a culture that does not tolerate unethical conduct, fraud and corruption.

The Code of Business Conduct addresses our responsibilities to the company, to each other, suppliers, shareholders and stakeholders. It includes a whistle-blowing policy that offers several avenues for reporting unethical conduct, including an independent whistle-blowing contact number, the sustainability and ethics committee and the CEO's 'Red Post Box'. Redefine's Code of Business Conduct is available on the website.

GOING CONCERN

Redefine has considerable undrawn debt facilities, as well as comfortable headroom against its covenants for secured and unsecured facilities. Redefine has a diverse and secured income stream which it derives from the value of its underlying properties and their related lease agreements. The board of directors believes that Redefine is well placed to adequately manage its business risks and continue in operational existence for the foreseeable future, therefore, the financial statements have been prepared on a going-concern basis.

ENTERPRISE RISK MANAGEMENT

For Redefine, risk management involves achieving an appropriate balance between realising opportunities for gain while minimising adverse impacts. It is considered an integral part of good management practice and an essential element of good corporate governance. Risk management is an iterative process consisting of steps that, when undertaken in sequence, enable continuous improvement in decision-making and facilitate continuous improvement in performance.

The group is committed to managing risk in a proactive and effective manner with the purpose of remaining a competitive and sustainable business, enhancing its operational effectiveness and continuing to create value for the benefit of employees, shareholders and other stakeholders in pursuance of its long-term strategy and goals.

While the Redefine board has delegated responsibility for enterprise risk management to the audit and risk committee, it retains the ultimate accountability for the governance of risk. This committee is responsible for ensuring that the significant risks faced by Redefine are adequately addressed and that there is a combined assurance model. In this way, the committee provides the board with relevant and timeous reports, based on the combined assurance reports of internal and external assurance providers.

This enables and positions the board to accurately and timeously disclose to Redefine's stakeholders how it has satisfied itself that risk assessments, responses and interventions are effective.

Day-to-day management of risks lies with line, senior and executive management.

RISK MANAGEMENT PROCESS

Identify

The risks that are fundamental to achieving our strategy are identified using a top-down and bottom-up approach. The ERM framework and policy are utilised to guide the ERM process.

Assess and measure

Risks are assessed based on their potential impact on the business (tenants, investors, business systems and employees), financial position and reputation, including the likelihood of the risk occurring.

We classify risks as critical, high, medium and low based on the impact and likelihood of them occurring. For example, where a risk has a high likelihood of occurring and a high impact on our business, financial position or reputation, it would be considered critical.

Response and action

In line with the ERM policy, mitigating actions are assigned to each risk. The appropriateness of these responses is overseen by the audit and risk committee. Internal audit, as part of the risk-based audit plan, provides assurance as to the appropriateness and effectiveness of these mitigating actions.

Monitor and report

The risks are managed and monitored on an ongoing basis. Quarterly risk reports are provided to the audit and risk committee which in turn provides feedback to the board.

TOP OF MIND RISKS

Impact	Possible	Likely	Almost certain
Major		• Downgrading of South African sovereign credit rating	
Medium/ moderate	• Gradual upward movement in interest rates	• Inadequate rate of transformation and inability to comply with the property sector scorecard and the BBBEE requirements • Failure to gain control of strategic listed investments • Staff retention and inadequate succession planning or availability of skills to support growth prospects	• Sluggish RSA economic growth • Inadequate service provided by local authorities and inadequate disruptive electricity supply, coupled with disproportionate increases in municipal charges and electricity tariffs

Likelihood

Anticipated time horizon of 5 years

ICT GOVERNANCE

As stipulated by King III, Redefine's board is responsible for the governance of ICT risk, which it oversees through the audit and risk committee. Redefine has accordingly established an ICT steering committee that reports back to the audit and risk committee.

This committee comprises executive directors and certain heads of departments and dedicated ICT personnel. This committee is responsible for the ICT governance framework, which is supported by comprehensive ICT policies. Redefine's ICT strategy has been aligned to its goals and objectives.

Internal audits are performed periodically by experienced and independent personnel, with further audits performed by qualified external auditors. The internal audit team does not participate in the planning, implementation or review of any ICT activities and have neither reporting lines nor incentives related to the performance of the ICT activities and are therefore deemed to be independent.

Redefine's ICT structure is periodically audited against the international standards of control objectives for information and related technology.

ICT SUSTAINABILITY

Redefine's ICT system is built on the principles of scalability, availability and sustainability.

Redefine's ICT system is designed to enable Redefine to achieve its goals and objectives, through:

- ensuring business continuity through the documentation and automation of business processes
- housing company information in a document management system which leads to increased efficiency in sharing, accessing and maintaining knowledge
- utilising a diverse partner network which ensures a globally aligned skill-set is always available
- facilitating the exploration and realisation of alternative revenue-generating opportunities (within our core business) which can directly benefit from the involvement of ICT

Redefine's ICT undertook a number of projects during the course of the year. The most notable being the commencement of a Wi-Fi initiative along with an associated mobile application. This project underwent the final stages of proof of concept towards the end of October 2014.

Future ICT projects being investigated include:

- Rolling out the Wi-Fi and mobile application to key shopping centres based on the outcome of feasibility studies at each centre
- Evolution of the current document management and business process management systems into an enterprise content management system. This will enable Redefine to control, interact with, change and track information as it flows into, is consumed, and flows out of the organisation allowing for alignment of previously unstructured data for use in data analytics

ICT services are provided at three regional offices and nearly 30 branch offices comprising:

- wide-area network and local-area network management
- software and business application management
- business-process management
- security management
- user support
- software management
- project management
- ICT user training
- ICT corporate governance and risk management
- solutions architecturing
- ICT management

David Nathan Audit and risk committee chairman

AUDIT AND RISK COMMITTEE MEMBERS

DA Nathan (Chairman)	Appointed as member on 17 March 2014 and chairman on 31 July 2014
B Nackan	Member since 2009
GZ Steffens	Appointed 31 July 2014

AUDIT COMMITTEE ATTENDEES

Grant Thornton	Attends as group independent external auditor
CIS Company Secretaries Proprietary Limited	Attends as company secretary
Executive directors	Attend as invitees
Group financial management	Attend as invitees
Internal audit	Attend as invitees

COMPOSITION OF THE COMMITTEE

The audit and risk committee meets at least four times a year in line with financial reporting quarterly deadlines. During the 2014 financial year, the committee met on four occasions. All members of the committee are independent non-executive directors and for the review period one was a non-independent non-executive director. All members are financially literate with the requisite levels of expertise and skill. Attendance and dates of the meetings have been disclosed on page 95 of the governance section. P

FINANCIAL REPORTING	RISK AND INTERNAL CONTROL
• Approving accounting policies and financial statements • Reviewing key judgements including the valuations of the investment properties • Assessing the impact of future financial reporting standards • Reviewing going-concern assumption • Reviewing corporate governance • Approving budgets and forecasts • Monitoring funding policy • Ensuring tax compliance	• Establishment of a risk management policy • Reviewing key risks facing Redefine, including the risk management programme • Assessing the effectiveness of the internal controls • Monitoring fraud risk management, including the whistle-blower's facility • Reviewing of ICT governance • Monitoring compliance and regulatory matters • Reviewing adequacy of insurance cover • Monitoring compliance with BBBEE requirements • Monitoring compliance with the risk management policy
INTERNAL AUDIT	**EXTERNAL AUDIT**
• Adoption of the internal audit charter • Assessment of the internal audit effectiveness • Approval of risk-based internal audit plans • Review of findings and recommendations made by internal audit and management responses • Follow up on action plans for unsatisfactory findings	• Review of the independence of the external auditor including the pre-approval of non-audit services provided • Approval of the audit budget for the year • Annual audit planning, conclusions and final opinion reports • Approval of audit engagement letters • Review of management report items identifying effectiveness of controls and recommendations for corrective action

ACTIVITIES

The committee receives and reviews detailed reports from management and the internal and external auditors. Areas of regular discussion include the following:

EXTERNAL AUDIT

Grant Thornton (Jhb) Inc is the external auditor of all group companies, with the exception of Fountainhead and Fountainhead Manco, which are audited by KPMG Inc. During the year, Grant Thornton (Jhb) Inc provided certain non-audit services, including tax reviews and advice, reviews of information technology systems and applications, as well as certain agreed upon procedures. The audit and risk committee is satisfied that the non-audit services provided by Grant Thornton (Jhb) Inc do not bring its independence into question.

INTERNAL AUDIT

The internal audit department has unrestricted access to the chairman and members of the audit and risk committee, however, reports administratively to the financial director.

To ensure the independence of internal audit, the department reports functionally to the audit and risk committee. The team comprises qualified and experienced personnel to ensure the delivery of a relevant and high-quality risk-based audit service.

The responsibilities of the internal audit department are governed by a charter approved by the audit and risk committee and the board. Internal audit has unrestricted access to all information and staff in order to discharge its responsibilities.

Internal audit reviews the significant business, strategic and governance and risk controls. The internal audit department provides the audit and risk committee with a level of assurance for the governance, control and risk management of the group.

The committee reviews and approves the annual internal audit plan, which approves the strategic risk-based internal audit plan. The head of internal audit has unrestricted access to all employees and directors of the organisation. Frequent discussions are held with the audit and risk committee chairman and the executive committee.

The internal audit department formally reports any material findings and matters of significance to the audit and risk committee on a quarterly basis. The report highlights all actual and potential risks to the business and whether or not these risks are being appropriately managed or controlled. Progress updates on unsatisfactory audit findings are followed up and reported back to the audit committee until resolved.

The internal audit department follows a risk-based audit methodology, which is updated quarterly. The annual audit plan is determined after consideration and assessment of all risks facing the group, including coverage of significant operating segments. The audit includes reviews of the ICT general and application controls of the company in order to ensure satisfactory ICT governance and assurance.

The key duties of the internal audit function include:

- evaluating the company's governance processes
- performing an objective assessment of the effectiveness of risk management and the internal control environment
- systematically analysing and evaluating business processes and associated controls
- providing a source of information where appropriate, regarding instances of fraud, corruption, unethical behaviour and irregularities
- following up on whistle-blower calls
- facilitating the enterprise-wide risk management process.

STATUTORY DUTIES

In the conduct of its statutory duties, the committee:

- has satisfied itself that the external auditor is independent of the company in terms of the Companies Act
- has agreed, in consultation with executive management, to the engagement letter, audit plan and budgeted fees for the 2014 financial year. The actual fees are envisaged to be in line with those agreed in the audit fee budget
- has pre-approved all non-audit service arrangements with Grant Thornton (Jhb) Inc. The nature and extent of these services has been reviewed to ensure that the fees for these services do not become so significant as to possibly impact any perception of their independence
- is of the opinion that significant internal financial controls are effective, based on control processes in place, assurances obtained from management and the issues raised by the internal and external auditors in their various management reports
- is satisfied that the internal audit function is adequately resourced and is operating effectively in terms of both the mandate and agreed audit plan
- has considered and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the finance function of the company. The committee confirmed that the company's financial director, Leon Kok, has the necessary expertise and experience to carry out his duties
- recommended the 2014 integrated annual report and annual financial statements to the board for approval, based on processes and assurances obtained
- through its review of the 2015 budget and discussions with management, reported to the board that it supported management's view that the company will be a going concern in the foreseeable future
- reviewed the critical risks facing the company on an ongoing basis. The key risk analysis and the company's response to these risks can be found on pages 16 to 23 P of this report. The committee is reasonably satisfied adequate compensating controls are in place to mitigate the identified critical risks.

David Nathan
Audit and risk committee chairman

LETTER FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE TO SHAREHOLDERS

I am pleased to present to our shareholders and other stakeholders our remuneration report for the 2014 financial year. This report sets out Redefine's remuneration policies and practices for executive directors, non-executive directors and prescribed officers together with their implementation in the 2014 financial year, as well as the activities of the Remco during the financial year. In formulating and implementing its remuneration policy, Redefine has sought to further realise the corporate philosophy represented by its slogan, "We're not landlords. We're people" and has sought to reward and incentivise the management team which has led the company and specifically, has successfully driven the implementation of the repositioning and improvement of the quality of Redefine's core property portfolio. The company is sensitive to stakeholder perceptions regarding the remuneration policy, and the remuneration committee has focused its agenda over the course of the year on key remuneration issues.

The 2013 non-binding advisory vote on the remuneration policy, as contained in the annual report, was approved by a majority of shareholders voting at the AGM. Nonetheless, a minority of shareholders voted against the resolution and Redefine's senior management and the remuneration committee have consequently canvassed investor and analyst opinions and reviewed its remuneration policies in light thereof. This is an ongoing process which the Remco will continue to pursue.

Redefine's remuneration philosophy and strategy is designed to support the company's strategy by providing a framework which encourages behaviour required to meet and exceed company goals, thus creating value for shareholders. A great deal of attention is given to correctly positioning both the nature and the scale of remuneration against industry comparator companies and market best practice. The Remco has retained PricewaterhouseCoopers (PwC) as its external reward consultants.

The company is a recognised leader in integrated reporting and disclosure of remuneration in this report is designed to be transparent and focused, with clear links made between our strategy and the company's remuneration policies.

This year, the remuneration policy provides details regarding performance conditions for the vesting of long-term incentives as well as the performance criteria for executives to earn short-term incentives (bonuses).

In line with international best practice and emerging local practice, Redefine has segmented this Report into two sections. The first section (Part 1) describes the remuneration policy for executive and non-executive directors as well as prescribed officers, and the second section (Part 2) discloses the implementation of the policy regarding actual payments, accruals and awards for the year ended 31 August 2014. This reflects Redefine's commitment to produce an easily navigable remuneration report. The remuneration policy contained in Part 1 of this report will be put to a non-binding advisory vote at the 2014 annual general meeting (AGM). The board will also include the recommended fees for non-executive directors for shareholder approval at the AGM.

Bernie Nackan Chairman for the review period. Subsequently succeeded by Günter Steffens.

PART 1: POLICY

PURPOSE

Redefine's remuneration philosophy and strategy supports the company's strategy in that it governs all components of remuneration, and in so doing it aligns the company's strategic goals with the behaviour required to meet and exceed these goals and drive performance (both on company level and individual level). The remuneration strategy is reviewed regularly and its primary focus is to motivate and retain executives of high calibre who can contribute positively to company performance. A balanced remuneration mix is offered to key talent which is weighted more heavily towards variable pay linked to performance criteria. The performance criteria are in line with the company's approach to risk management and are set to avoid excessive risk-taking behaviour by executives, but to encourage sustainable growth of the company.

Redefine's remuneration policy sets out the guiding principles for remuneration and presents an implementation policy framework which aligns with the strategic direction and specific value-drivers of the business. It therefore fully supports the company's remuneration philosophy and strategy.

The resultant benefits of such an approach include:

- enhanced internal fairness through consistent decision making regarding remuneration
- appropriate remuneration guidelines that form the basis of all remuneration decisions
- an enhanced "employer of choice" profile.

THE REMUNERATION COMMITTEE

The Remco has an independent role, operating as an overseer and making recommendations to the board for its consideration and final approval. The role of the Remco is to oversee the establishment and approval by the board of the remuneration strategy and policy. It is responsible for assisting the board in ensuring that Redefine remunerates directors and prescribed officers fairly and responsibly and that directors' remuneration is disclosed in an accurate, complete and transparent manner. The Remco is also tasked with regularly monitoring remuneration practices in the company to make sure that they are in line with the remuneration philosophy and policy.

The members and attendees of of the committee are contained on page 94. P

The independent remuneration advisers are invited from time to time to attend Remco meetings.

Invitees to Remco meetings are not allowed to vote. None of the invitees are present when their own remuneration is discussed.

The majority of the members of the committee are independent non-executive directors. The committee members do not decide on their own remuneration; instead they request that executive management propose their fee structure (through independent advice and benchmarking, if required), and subsequently this is tabled before the board for approval.

The committee met six times during the period. A schedule of their meeting times and attendance is provided on page 94. P

The Remco chairman reports to the board after each committee meeting and attends the AGM to respond to questions, where necessary from shareholders on the Remco's areas of responsibility, as well as the remuneration policy as contained in the remuneration report. The Remco is governed by terms of reference which are approved by the board.

The Remco is tasked with making remuneration recommendations, including the recommendation of mandates for short and long-term incentives schemes that it deems appropriate within a framework, to the board for its consideration and final approval. The Remco may propose amendments to any part of the company's remuneration policy as necessitated by changing circumstances. To fulfil the role described above, the Remco's terms of reference prescribe that its duties are to:

- Review and approve the company's recruitment, retention and termination policies and procedures for senior executives to enable the company to attract and retain executives and directors who can create value for shareholders
- Oversee the establishment of a remuneration policy that will promote the achievement of strategic objectives and encourage individual performance
- Oversee the setting and administration of remuneration at all levels in the company
- Ensure that the remuneration policy is put to a non-binding advisory vote at the AGM
- Ensure that any remuneration policies fairly and responsibly reward executives having regard to the performance of the company, the performance of the executive and prevailing remuneration trends in the market
- Review the outcomes of the implementation of the remuneration policy to determine whether the set objectives are being achieved
- Ensure that the mix of fixed and variable pay, in cash, shares and other elements, meets the company's needs and strategic objectives
- Satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives
- Ensure that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued
- Consider the results of the evaluation of the performance of the CEO and other executive directors, both as directors and as executives in determining remuneration
- Select appropriate comparator companies when comparing remuneration levels
- Regularly review incentive schemes presented by management to ensure continued contribution to shareholder value and that these are administered in terms of the rules
- Consider the appropriateness of early vesting of share-based schemes at the end of employment

- Advise on the fees of non-executive directors
- Oversee the preparation and recommendation to the board of the remuneration report, to be included in the integrated report, which achieves the following:
  - Accurate, complete and transparent disclosure of policy and implementation
  - Provides a clear explanation of how the remuneration policy has been implemented
  - Compliance with King III principles or provides the rationale behind principles not applied by the company. Where the principles are not applied by the company, the Remco should review the rationale provided by the company and assess whether it is acceptable
  - Provides sufficient information for the shareholders to pass a special resolution in terms of section 66(9) of the Companies Act, 2008 with regard to non-executive directors' fees.

During 2014 the Remco decisions included the following:

- Approval of participants in the restricted unit scheme
- Confirmation of the existing comparator group of companies, namely Growthpoint, Hyprop and Capital to measure vesting of performance conditions. These companies, together with Redefine, are sufficiently dominant in their sector to provide a robust comparator for the performance criteria
- The company engages regularly with institutional investors and analysts, including discussion of aspects of the remuneration policy and specifically the details of performance conditions for vesting of long-term incentives
- Conducted and reviewed benchmarking exercises regarding remuneration levels against the market, with assistance from PwC and 21st Century Pay Solutions
- Reviewed and approved general salary increases (based on market information)
- Conducted a benchmarking study for non-executive directors' fees (with assistance from the executive team and external advisers) against market to inform non-executive directors' fee proposals for financial year 2015.

REMUNERATION PHILOSOPHY AND STRATEGY

PHILOSOPHY

The company's primary employment philosophy is to attract self-starting high-calibre, appropriately skilled employees who subscribe to the values and culture of the company. A motivated and skilled management team is recognised as being integral to the achievement of corporate objectives and accordingly are remunerated for the contribution that they make. Accordingly, a culture of enterprise and innovation is encouraged and appropriate rewards are linked to this.

STRATEGY

The manner in which the company remunerates its employees reflects the dynamics of the market and the context in which it operates. Remuneration practices, at all times, are aligned with the strategic direction and specific value drivers of the business. As such, remuneration plays a critical role in attracting and retaining high-performing employees and motivating them to achieve the company's business objectives. Redefine's remuneration practices reinforce, encourage and promote superior performance. Remuneration is not a standalone management process, but rather fully integrated into other management processes aligned to achieving the company's business objectives. The strategic principles included in the remuneration strategy are aligned to and in support of the overall human resources strategy which in itself supports the overall business strategy.

The remuneration strategy is designed to align itself with the company's business strategy and the execution of that strategy. This in turn, is designed to maximise the performance and effectiveness of the company and the returns to shareholders. In order to meet these objectives, the company aspires to be one that:

- Attracts the appropriate talent
- Is able to retain key employees over a period of time
- Rewards and motivates employees
- Is regarded as a high-performing company
- Rewards exceptional performance
- Creates wealth for skilled employees linked to their value-add to company performance.

By employing the appropriate talent, rewarding them correctly and integrating non-financial rewards such as career growth, training and work-life integration, the company attracts and retains employees and grows shareholder value through a culture of high performance. The remunerative package rewards the meeting of performance conditions as well as the effective repositioning and improvement of the quality of its core property portfolio, and incentivises executives and key employees to continue to realise its vision and valuing them for doing so.

In order to achieve this, the company is in the process of establishing, developing and managing the most appropriate talent pool and, through a culture of performance, ensuring the right skills are in place to implement and deliver on the company's strategy.

Redefine's total remuneration offering consists of guaranteed remuneration and variable remuneration, the quantum of which is determined based on company and individual performance criteria.

The alignment of corporate strategy to the remuneration strategy is reflected in the table below.

ALIGNMENT OF CORPORATE AND REMUNERATION STRATEGY

Strategic point	Impact on remuneration	Remuneration strategy in support of organisational strategy
Grow shareholder value	Need to attract and retain talent at certain levels in the organisation who can achieve this strategic point.	Well-structured guaranteed remuneration – market-related – median or above.
	Need to be preferred employer for key talent.	Good incentive schemes, short-term and long -term that have a strong retention element.
	Employees are incentivised to meet performance targets aligned to strategy, and are rewarded when they do so.	Stable professional working environment.
		Above industry-specific market median for remuneration.
		Good robust long-term and short-term incentive schemes.
Consistent shareholder returns	Retain talented individuals who consistently meet their targets, both financial and strategic – the latter demonstrating a sensitivity to shareholder concerns.	Well-structured guaranteed remuneration – market related – median and above.
		Good incentive schemes, short-term and long-term, which have a strong performance element coupled with a limited retention element – both schemes equally important as short-term benefits should not be driven at the expense of long-term gain.

WHAT WE HAVE PLANNED FOR 2015

- The Remco will consider shareholder feedback and will address key issues through ongoing research, written communication and personal meetings with shareholders
- In line with best practice, the Remco will conduct a review of the company's remuneration policy to ensure that it creates value for the company over the long term and incentivises those employees who successfully reposition and improve the quality of Redefine's core property portfolio
- As a means of promoting stability in the event that executives leave the company, the notice period for executives has been extended from one month to three months effective from 1 September 2014
- The Remco will continue a process of review of the vesting levels for long-term incentives based on performance conditions set in line with the best practice in the property industry. See the amendments on page 106 for November 2014 long-term incentive awards. P

PERFORMANCE CRITERIA AND VESTING LEVELS FOR LONG-TERM INCENTIVES

After consultation with external remuneration advisers (and based on shareholder feedback), the following forward-looking performance criteria and vesting levels for long-term incentives have been approved by the board.

For the restricted unit scheme, 40% of the award is in respect of retention and 60% is performance based. In terms of performance, 70% will be based on financial objectives and 30% on the achievement of strategic objectives set by the board. The table below details the forward-looking performance conditions and vesting for the restricted unit scheme:

		Financial year 2014	Financial year 2015 onwards
Financial objectives (Weighting = 70%)	Growth in distributions per unit in relation to peer companies (Weighting = 35%)	1. More than 5,1% lower than peer distributions growth (20% vesting)	(More than 0,5% lower = 0%) 1. Between 0,01% – 0,49% lower than peer distributions growth (15% vesting)
		2. Up to 5% lower than peer distributions growth (40% vesting)	2. Equal to peer distributions growth (75% vesting)
		3. Equal to peer distributions growth (60% vesting)	3. 0,01% to 0,49% better than peer distributions growth (85% vesting)
		4. 1% to 5% better than peer distributions growth (80% vesting)	4. 0,05 to 1,0% better than peer distributions growth (90% vesting)
		5. Above 5,1% of peer distributions growth (100% vesting)	5. Above 1,01% of peer distributions growth (100% vesting)
	Achievement of budgeted distribution per unit (Weighting = 35%)	1. Budget not achieved by more than 3% (20% vesting)	1. Budget achieved (75% vesting)
		2. Budget not achieved by less than 1% (40% vesting)	2. Between 0,01% to 0,49% better than budget (85% vesting)
		3. Budget achieved (60% vesting)	3. Between 0,5% to 0,99% better than budget (90% vesting)
		4. Between 0% and 1,5% better than budget (80% vesting)	4. 1,0% better than budget (95% vesting)
		5. More than 3% better than budget (100% vesting)	5. More than 1,01% better than budget (100% vesting)
Strategic objectives (Weighting = 30%)	Achievement of strategic objectives set by board (Weighting = 30%)	Percentage achievement of strategic objectives = percentage vesting of the portion of the award linked to this condition. Annually set and approved by the board and requires the participant to: • Secure core growth and capital appreciation prospects through active asset management • Efficiently manage all aspects of our properties through focused property management • Grow and diversify the local property asset base through disciplined investment criteria • Prudently manage the funding of the business • Geographically diversify to deliver real growth from international markets • Exploit value-add opportunities for existing properties	

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STAKEHOLDER ENGAGEMENT

Management and Remco remains committed to maintaining regular, transparent and informative dialogue with analysts and Redefine's shareholders, aimed at building relationships based on trust and mutual understanding. It is recognised that strong shareholder engagement policies strengthen the relationship between the board and shareholders, helping to ensure the effectiveness of the board.

In the 2015 financial year, Remco will undertake:

- An analysis of known major shareholders' voting policies and records
- A post-facto analysis of shareholder priorities and issues
- Engage in post-facto dialogue with shareholders.

TOTAL REMUNERATION DESIGN FOR EXECUTIVES AND PRESCRIBED OFFICERS

The variable remuneration comprises, depending on the role, function and responsibility of the executive director and prescribed officer between 40% and 60% of the total remuneration.

Redefine aims to reward executive directors and prescribed officers with performance-based variable pay that has both a short-term cash component and long-term remuneration component.

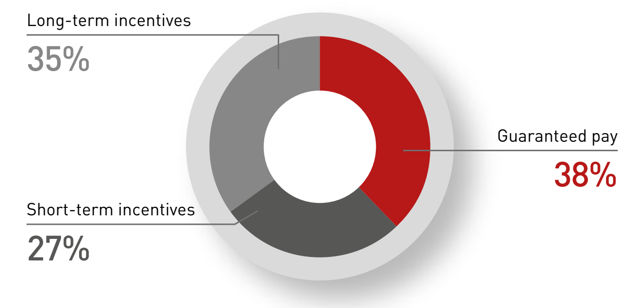
ELEMENTS OF REMUNERATION

The table below summarises the elements of the total remuneration package offered to employees. The long-term incentive component offering applies to executive directors, prescribed officers and other key employees upon invitation.

Components	Fixed/ Variable	Purpose	Performance period and measures	Operation and delivery	Changes in the year
Annual cost to company (GP)	Fixed	Core element that reflects market value of role and individual performance	Reviewed annually based on performance against contracted criteria and market surveys	Benchmarked against national and industry comparator companies and positioned on average between the 50th and the 75th percentile	In light of benchmarking results, the annual cost to company for executives will increase by 6% in the 2015 financial year
Benefits (GP)	Fixed	Retirement and company risk benefits	Reviewed annually	Included in comparator benchmarking	No change currently anticipated
Annual bonus (STI)	Variable	Create a high-performance culture through a cash bonus in relation to performance against predetermined criteria	Annual	Based on predetermined performance criteria for the company and individual performance with stretch targets. Cash settlement was capped at 100% for executive directors of annual cost to company, and at 50% for prescribed officers. From 1 September 2014 onwards, the caps will be the same for executive directors and prescribed officers.	No change currently anticipated
Long-term incentives (LTI)	Variable	Alignment with shareholder interests	Long-term incentive plans	Measurement of growth in distributions per share	Changes for LTI as indicated

The average mix between guaranteed and variable remuneration for executive directors and prescribed officers is currently as follows:

REMUNERATION



Total remuneration is reviewed on an ongoing basis by Remco to ensure the relative percentages of guaranteed pay and variable pay are market-related and aligned to the attainment of corporate objectives. The Remco is satisfied that the pay-mix outlined above serves the company's operational needs and objectives and supports achievement of the company's strategic objectives.

GUARANTEED REMUNERATION

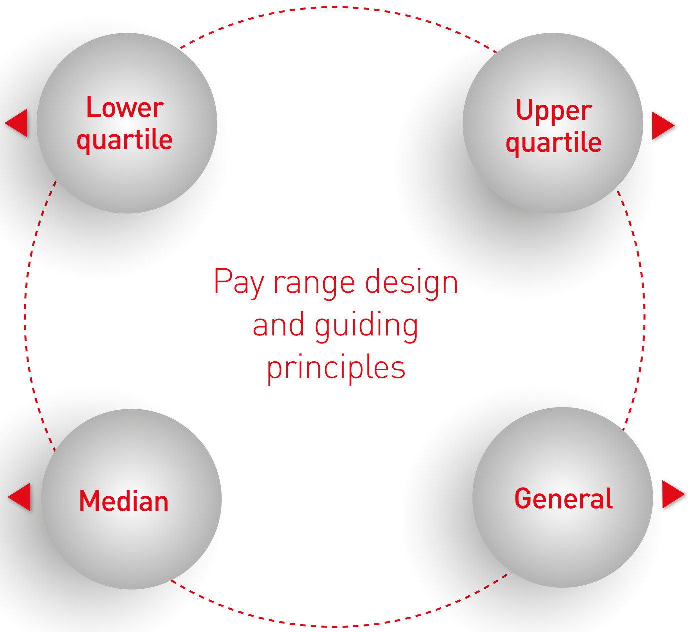
BENCHMARKING AND MARKET POSITION

The company conducts annual external benchmarking and participates in remuneration surveys to determine the market positioning to remain competitive. The organisation selects appropriate peer companies for benchmarking based on industry, organisation size, the specific job that is being benchmarked (some roles are industry-specific whereas other roles are generic to business), and any other parameters that are considered valid.

The company will apply a GP structure to fixed remuneration. The strategy is that the company will strive to pay on average at between the median and upper quartile for all positions. The company will review the policy on an ongoing basis and will remunerate and pay according to prevailing market conditions which will include circumstances where there is a shortage of skills and during periods of recession.

As such, jobs with the same grade can earn different amounts as determined by market factors resulting in a premium being paid for those skills.

The principles applied for GP at lower quartile, median and upper quartile are as follows:



Lower quartile

- This percentile is recommended for new employees. A new entrant or an employee being promoted may earn below the median depending on, for instance, experience
- 'Slowing down' the pay of overpaid people ie under performers who are paid at the top of the pay scale

Median

- This is the target position which is considered an equitable rate of pay for all employees
- The salaries of good performers who are considerably underpaid should be actively managed
- Giving poor performers no increases
- Avoiding creating expectations for interim/ ad hoc increases

Upper quartile

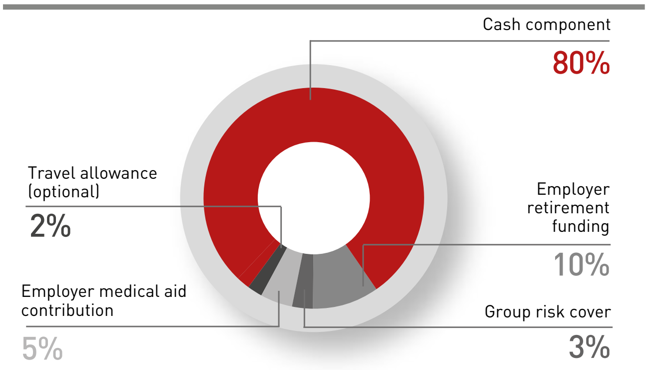
- Employees may earn above the upper quartile in exceptional circumstances only, ie if the employee is identified by the company as being key for sustainability, or is a consistently high performer
- An experienced employee would be paid above the median towards the upper quartile
- Individuals could earn in excess of the upper quartile if they possess critical skills or if they perform multiple roles
- Consideration should be given to the individual's unique market worth

General

- Consideration should be given to the overall salary history of the individual
- Salary ranges are guidelines only
- Annual performance review will impact salary increases
- Poor performers are not given any increases
- Annual remuneration reviews are informed by projected inflation, internal equity, external market trends, performance of the individual, and affordability

GP (which includes benefits) is structured as follows:

GUARANTEED REMUNERATION



A recommendation is made to the Remco annually as to an overall percentage increase for GP. Factors such as Consumer Price Index (CPI), industry performance, projected growth and affordability will be taken into consideration in setting the recommended increase. The Remco will approve or set the overall increase percentage and this will be ratified by the board. This total increase to payroll will be distributed to each employee based on their performance reviews in line with the company's performance management system.

As mentioned under the forward-looking section on page 106, we are currently conducting a review of the company's remuneration policy. Therefore annual salary increases will be determined against business affordability and the meeting of performance targets in the previous year.

BENEFITS

All employees qualify for participation in the company's benefit schemes. These benefit schemes are:

- The retirement scheme
- Company risk benefits (life and disability insurance)
- The designated medical aid scheme.

A travel allowance may be included if it is a requirement to travel for business in line with the company policy on travel. As stated above the value of these benefit schemes and travel allowance are included in the GP of each employee.

Cell phone costs are reimbursed on an actual cost basis.

Business kilometres travelled are reimbursed based on a predetermined rate per kilometre reviewed from time to time. Employees are required to keep a log book of all kilometres claimed against business travel.

All employees must join the designated medical aid scheme unless they can prove they are covered under their spouse's or partner's regime. The company administers the monthly deductions for the prescribed schemes.

The company takes care of its people; in line with its ethos that "We're not landlords. We're people", the company uses its superior buying power to subsidise annual professional subscriptions, funeral cover, and the administration fees for schemes.

If necessary, the Remco scrutinises all benefits including pensions (and where necessary, the audited financial statements of any benefit fund) to make sure that they are justified, correctly valued and suitably disclosed.

VARIABLE REMUNERATION

Variable remuneration refers to the short-term incentive scheme (annual performance bonus) and long-term incentive schemes. The variable remuneration component enables the company to link performance and reward to a performance metric that will deliver value to shareholders. The performance criteria for short-term and long-term incentives are regularly reviewed and where the Remco is aware of harsh economic or operating conditions, targets are set accordingly. Incentives should be based on targets that create value for shareholders, are verifiable and relevant, and the Remco satisfies itself as to the accuracy of recorded performance conditions that govern the vesting of incentives. Similarly, the Remco is careful not to, in so doing, encourage behaviour contrary to the company's risk management strategy and does not drive excessively risky behaviour in pursuing incentive targets.

SHORT-TERM INCENTIVES

PRINCIPLES AND ELIGIBILITY

Every employee participates in the short-term incentive (STI) scheme which is linked to performance. This scheme is established at all levels within the company to support the achievement of its objectives. The annual objectives (as reflected in the performance metrics) are consistent with the company's long-term needs. These incentives, which are not a condition of employment, but are at management's discretion, will be paid based on company and individual performance against a predetermined set of performance criteria. The affordability of bonuses will be taken into account by management when awarding STIs. Incentives are not guaranteed pay, and are paid for doing more than what is expected.

STI earning potentials are benchmarked against comparable peer companies (market and industry information) applying similar principles as applied for GP benchmarking. The benchmarking will consider amounts earned as well as amounts that could potentially be earned by meeting target and stretch performance.

The STI scheme will seek to enable participants to retain a clear view of their remuneration opportunities by ensuring that there is a clear 'line of sight' between required individual or team performance and reward. The STI scheme will:

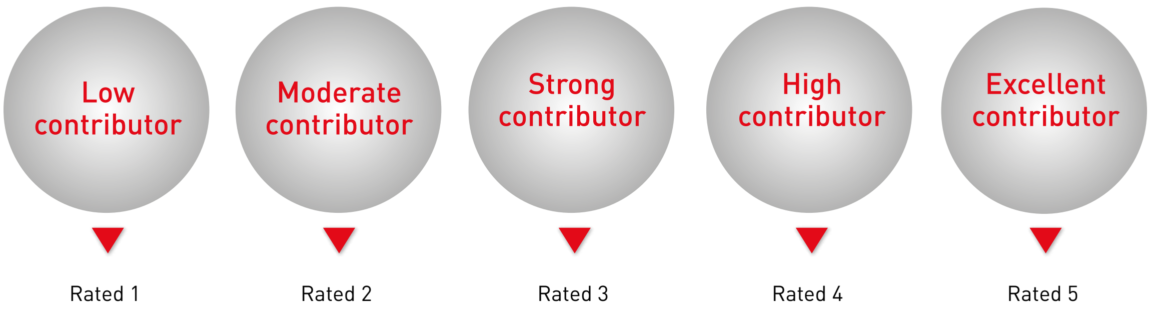
- pay meaningful bonuses
- seek to grow profits
- be structured around company and individual based objectives;
- include a limited number of meaningful measures
- be reviewed bi-annually to ensure measures, weighting of measures and split between individual and company are still appropriate

- where appropriate include non-financial individual measures in the KPIs
- the measure for the annual bonus will reflect that time period whereas measures for the long-term incentive scheme will be linked to growth and sustainability
- the weighting of a measure may vary depending on seniority and relevance and ability to influence the outcome
- the measures will limit the impact of factors outside the control of employees
- bonus payments are based upon GP.

The company will implement appropriate annual incentive schemes applicable to the appropriate category of employees. The schemes are regulated through a performance recognition system and individual performance contracts based on predetermined performance criteria (key performance areas and key performance indicators) that align to company goals. The performance period is in line with the company's financial year ie 1 September to 31 August and the payment of bonuses takes place in the month of December.

EARNING POTENTIAL

Performance against the set criteria is formally measured using a five-point performance rating scale. The rating scale is linked to earning potential for the appropriate employee category. The application of the performance rating scale is illustrated below:



The maximum earning potential for employees (per level) in terms of the STI will be based on performance scores and benchmarks appropriate to the Paterson grade level.

ACCRUAL OF BONUS POOL AND BONUS MECHANISM

The bonus pool is accrued based on the meeting of the following performance conditions:

- Relative growth in distribution per unit share
- Budgeted growth in distribution per unit share
- Strategic measures.

The pool is accrued based on a top-down mechanism and the targets set for each of these measures ensures self-funding of the bonus pool.

Once the bonus pool is accrued it is disbursed taking into account employees' performance rating and their annual GP.

The Remco retains the discretion to review the STI outcome and to moderate any bonus payments to avoid unexpected outcomes.

In exceptional cases, the committee has the discretion to make ex gratia payments, where considerable value has been added to shareholders.

LONG-TERM INCENTIVES

The company operates long-term incentive plans (approved and adopted by shareholders at the 2012 AGM), which include the purchase scheme, the matching scheme and the restricted share scheme. The Share Appreciation Rights Scheme is a legacy scheme and the committee no longer makes awards in terms thereof. The company's strategy is to achieve optimal growth and increase distributions. In line with King III, none of the long-term incentives provide for retesting of performance conditions.

The purpose of long-term incentives is to incentivise participants to deliver the company's business strategy over the long-term, to serve as a retention mechanism and act as a means of attracting prospective employees. Value is delivered by way of shares. The participants are executives, prescribed officers and key employees as nominated by the committee.

The scheme:

- uses market surveys to assess reward and allocation levels as required
- has performance criteria aligned to the interest of shareholders with various degrees of stretch
- has vesting criteria which operate for a minimum of three years from allocation
- applies to senior employees who have the ability to influence the company's performance.

The participants are invited on an annual basis to participate. There is no automatic entitlement to participate. If, for example, an employee has scored poorly on their annual performance evaluation, consideration may be given to exclude him/her from the award of long-term incentives when the next allocation is made. The Remco guards against unjustified windfalls or inappropriate gains caused by widespread fluctuations in the share price. The Remco practice of making regular annual awards is one of the safeguards against such windfalls. The vesting levels are under revision, as detailed under the forward looking section on page 106. P

The committee may use any one of the following settlement methods for awards:

- Market purchase
- Treasury shares
- Broker subscription
- Issuing of shares.

If a participant's employment with the company ends prior to the vesting date as a result of resignation, dismissal or abscondment, the awards of restricted units and matching units which have not vested shall be forfeited in their entirety and will lapse immediately on the date of termination of employment.

If the employment with the company of a participant who holds scheme units in terms of the purchase scheme ends as a result of resignation, dismissal or abscondment, the outstanding scheme debt as well as any accrued and unpaid interest thereon is payable in full within 30 days of the date of termination, after which time the relevant scheme units will be released to such participant.

In the event of a capitalisation or rights issue, or similar event, the Remco may make adjustments to the number of restricted units or matching units comprising the award or take other necessary action to make sure that participants are no worse off than they were before the occurrence of the relevant event. If the company is placed under liquidation for reasons other than reorganisation, an award of restricted units or matching units shall ipso facto lapse from the date of liquidation.

At the inception of the restricted unit scheme, in order to incentivise the executives of the company, units were issued with shorter vesting periods. In line with best practice, shares awards are granted after the close of the previous financial year and are not granted within a closed period. The closing price of shares on the vesting date will be used to determine the market value of shares. The Remco does not backdate awards.

Shares purchased in terms of the purchase scheme have aligned the interests of the participants with the shareholders of the company, as participants are exposed to unit price fluctuations and the full recourse loan attached to acquisition of the units.

For all three long-term incentive plans the peer group currently used to determine relative performance consists of Hyprop, Growthpoint and Capital.

A summary of the long-term incentive plans is contained in the table below:

Scheme name	Restricted share scheme	Purchase scheme	Matching scheme	Share appreciation scheme (legacy scheme)
Description	Participants will be awarded an approved number of Redefine units, free of consideration	Participants will be awarded the opportunity to acquire Redefine units by way of a market-related interest-bearing loan, on an arm's-length basis, granted by the company	Participants will be invited to utilise a predetermined percentage of their after-tax STI bonus (annual) to acquire Redefine shares Participants holding shares at the third anniversary of the date of award will be awarded Redefine shares free of consideration by the company based on a multiple linked to company and individual performance	Participants were awarded shares based on a multiple of the participants' GP, grade, performance, retention and attraction requirements The participants share in the appreciation of the share price over the strike price

Scheme name	Restricted share scheme	Purchase scheme	Matching scheme	Share appreciation scheme (legacy scheme)
Rationale	Incentivisation/retention of key executive directors	Enhance employee and shareholder alignment through achieving and encouraging direct ownership by employees of Redefine units. This is essentially a 'management buy-in' plan and exposes participants to the risk of share price growth and the repayment of the full loan for purchase of the shares (even in instances where the share price decreases from purchase date)	Incentivisation/attract and retain key staff.	Incentivisation/attract and retain key staff
Vesting conditions	40% of this award of units will be subject to the participant remaining in the employment of the company 60% of this award will be subject to predetermined performance conditions For future awards, the performance period will run for three years and thereafter all of the awards will vest	On termination of employment of the 10th anniversary of the date on which the scheme shares were awarded, the employee will be required to repay the outstanding scheme debt plus all accrued but unpaid interest	Remain in the employment of the company Company and individual performance	Remain in the employ of the company Company and individual performance. For legacy awards equal tranche vesting applies (either three or four-year vesting profile)
Participation *Participation in the schemes is based on the remuneration policy and committee approval	Executive directors	Executive directors, prescribed officers and senior management	Key staff	Key staff
References	Refer to the directors' report in the annual financial statements and note 21 in the annual financial statements	Refer to note 21 in the annual financial statements	Refer to the directors' report in the annual financial statements and note 21 in the annual financial statements	Refer to the directors' report in the annual financial statements and note 21 in the annual financial statements

**Please refer to our website, www.redefine.co.za for our detailed remuneration policy regarding long-term incentives.*

DILUTION LIMITS

The aggregate number of shares at any one time which may be allocated under all the long-term incentive plans shall not exceed 207 000 000 shares (which represent approximately 7,5% of the number of issued shares as at the date of approval of the long-term incentive plans by shareholders). This dilution limit is lower than the general dilution limit among JSE listed companies, which is 10% of issued share capital. The limit excludes shares allocated by way of awards in terms of the long-term incentive plans which have been forfeited by participants. These limits will be adjusted proportionately in the event of a subdivision or consolidation of shares.

At present, the board has resolved that the company settle the shares issued in terms the long-term incentive schemes by buying in the market; thus, there is no dilution of shares at this stage.

EXECUTIVE DIRECTOR AND PRESCRIBED OFFICER SERVICE CONTRACTS

Executive directors and prescribed officers were formerly on standard employment contracts with one-month notice periods. After negotiations with key staff, the notice period for directors and key employees (senior staff members) has been extended from one month to three months, effective from 1 September 2014. This will ensure that, in the event of any change in management, the company has sufficient time to find a suitable replacement and ensure a smooth handover process from the exiting to the incoming executive. Normal retirement age is 65 for executive directors and prescribed officers. Performance contracts align to company strategic objectives. The company is not compelled to make balloon payments or other special severance payments on termination of employment for underperformance. For early termination, there is no automatic entitlement to bonuses or share-based payments, and any bonus payments made upon early termination may be made purely at the discretion of the Remco. There are no restraints of trade on executive directors.

While there is no automatic entitlement to payment in the event of a change of control, long-term incentives will vest in accordance with approved share plan rules.

NON-EXECUTIVE DIRECTORS

Non-executive director fees are reviewed annually, based on market benchmarks, and are proposed at the AGM for shareholder approval, by special resolution, prior to payment for the following financial year. The remuneration of non-executive directors is targeted at the median of the comparator group, using the same comparator group which is used to benchmark executive directors' remuneration. The fees recognise the responsibilities borne by directors throughout the year and not only during meetings. The fees comprise an annual fee, as tabulated in Part 2 of this report.

In addition, non-executive directors are compensated for travel on official business where necessary, as well as other direct expenses. If required, the directors may be requested to perform work outside of their standard duties. These duties include attending the AGM and resultant presentations.

Non-executive directors do not participate in the company's annual bonus plan, or in any of its long-term incentive plans, in order to avoid any potential conflict of interest and maintain their independence.

None of the non-executive directors has a contract of employment with the company. Their appointments are made in terms of the company's Memorandum of Incorporation and are confirmed initially at the first AGM of shareholders following their appointment, and thereafter at a minimum of two-year intervals.

PART 2: IMPLEMENTATION

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

GUARANTEED REMUNERATION

The table below provides an analysis of the total 'single figure' remuneration of executive directors and prescribed officers for the 2014 financial year. In line with international best practice, the methodology for disclosure of long-term incentives earned in the year has changed. The value attributable to long-term incentives that vested in the 2014 financial year in terms of the LTI is disclosed below as a 'single figure' together with all other components of remuneration:

Name	Cash salary R'000	Benefits R'000	STI R'000	LTI vesting 2014 R'000	Total remuneration 2014 R'000	Total remuneration 2013 R'000
AJ Konig	2 854	406	2 769	3 199	9 228	6 396
DH Rice	2 645	362	2 537	3 604	9 148	6 016
M Wainer	3 615	139	3 164	4 829	11 747	7 984
MJ Ruttell	1 400	–	700	560	2 660	2 381
Prescribed officer	1 092	207	499	518	2 316	2 218
Prescribed officer	841	198	435	371	1 845	1 675

SHORT-TERM INCENTIVE OUTCOME

In determining the 2014 STI outcome the following performance criteria were taken into consideration:

Financial performance (Weighting = 70%)	Growth in distributions per share in relation to peer companies (Weighting = 35)
	Achievement of budgeted distribution per share (Weighting = 35)
Non-financial performance (Weighting = 30%)	Achievement of strategic objectives set by board

Redefine Place, 2 Arnold Road

DISCLOSURE OF THE VALUE OF LONG-TERM INCENTIVES EARNED

The table below illustrates on an individual executive director and prescribed officer level, the value of long-term incentives allocated, settled, forfeited and the current value of shares not yet settled.

DIRECTORS' AND PRESCRIBED OFFICERS' BALANCE SHEET

			Number					Value				
	Year granted	Scheme	Opening	Allocated in year	Settled	Forfeited	Closing	Grant price R	Settled Price R	Settlement value R000	Current unit value R	Total estimated value R000
AJ Konig	2011	SAR	1 200 000	–	400 000	–	800 000	6,50	9,12	1 048	9,56	**2 448**
	2012	SAR	750 000	–	250 000	–	500 000	7,00	9,12	530	9,56	**1 280**
	2013	Restricted	720 000	–	164 800	15 120	540 000	*	9,83	1 621	9,56	**5 162**
	2014	Matching	–	318 600	–	–	318 600	#	–	–	9,56	**3 045**
										3 199		**11 936**
DH Rice	2011	SAR	1 200 000	–	400 000	–	800 000	6,50	9,12	1 048	9,56	**2 448**
	2012	SAR	750 000	–	250 000	–	500 000	7,00	9,12	530	9,56	**1 280**
	2013	Restricted	900 000	–	206 100	18 900	675 000	*	9,83	2 026	9,56	**6 453**
	2014	Matching	–	293 829	–	–	293 829	#	–	–	9,56	**2 809**
										3 604		**12 990**
M Wainer	2011	SAR	1 950 000	–	650 000	–	1 300 000	6,50	9,12	1 703	9,56	**3 978**
	2012	SAR	600 000	–	200 000	–	400 000	7,00	9,12	424	9,56	**1 024**
	2013	Restricted	1 200 000	–	274 800	25 200	900 000	*	9,83	2 702	9,56	**8 604**
	2014	Matching	–	367 167	–	–	367 167	#	–	–	9,56	**3 510**
										4 829		**17 116**
M Ruttell	2011	SAR	562 500	–	187 500		375 000	6,50	9,12	491	9,56	**1 148**
	2012	SAR	97 500	–	32 500		65 000	7,00	9,12	69	9,56	**166**
	2014	Matching	–	21 165	–	–	21 165	#	–	–	9,56	**202**
										560		**1 516**
Prescribed officer	2011	SAR	562 500	–	187 500		375 000	6,50	9,12	491	9,56	**1 148**
	2012	SAR	37 500	–	12 500		25 000	7,00	9,12	27	9,56	**64**
	2014	Matching	–	54 423	–	–	54 423	#	–	–	9,56	**520**
										518		**1 732**
Prescribed officer	2011	SAR	318 750	–	106 250		212 500	6,50	9,12	278	9,56	**650**
	2012	SAR	131 250	–	43 750		87 500	7,00	9,12	93	9,56	**224**
	2014	Matching	–	39 300	–	–	39 300	#	–	–	9,56	**376**
										371		**1 250**

** In terms of this scheme the directors have a conditional right to a share, which is awarded subject to performance and vesting conditions. No grant price is applicable as the restricted scheme is settled in shares.*

 # In terms of this scheme the directors are invited annually to utilise a predetermined percentage of their after-tax bonus to acquire Redefine shares. Directors holding these shares at the third anniversary of the date of award will be awarded additional Redefine shares free of consideration based on a multiple of the original shares linked to the group and individual's performance. No grant price is applicable as the matching scheme is settled in shares.

NON-EXECUTIVE DIRECTORS' FEES

The table below illustrates the current shareholder approved and proposed fee increases in respect of non-executive directors. The increases have the effect of narrowing the gap between existing Redefine levels and overall sector trends of non-executive remuneration.

Committee and role	2014 R	Proposed 2015 R
Board member	**295 000**	330 000
Audit and risk committee chairman	**135 000**	155 000
Audit and risk committee member	**115 000**	130 000
Remuneration and nomination member	**55 000**	60 000
Investment committee member	**85 000**	95 000
Social and ethics committee member	**55 000**	60 000

The proposed 2015 non-executive directors' fees will be tabled for approval by shareholders in accordance with the Companies Act, No 71 of 2008 (the Companies Act) and King III at the group's annual general meeting to be held on 19 February 2015. Refer to ordinary shareholders resolution 11 on page 144 for this resolution. P

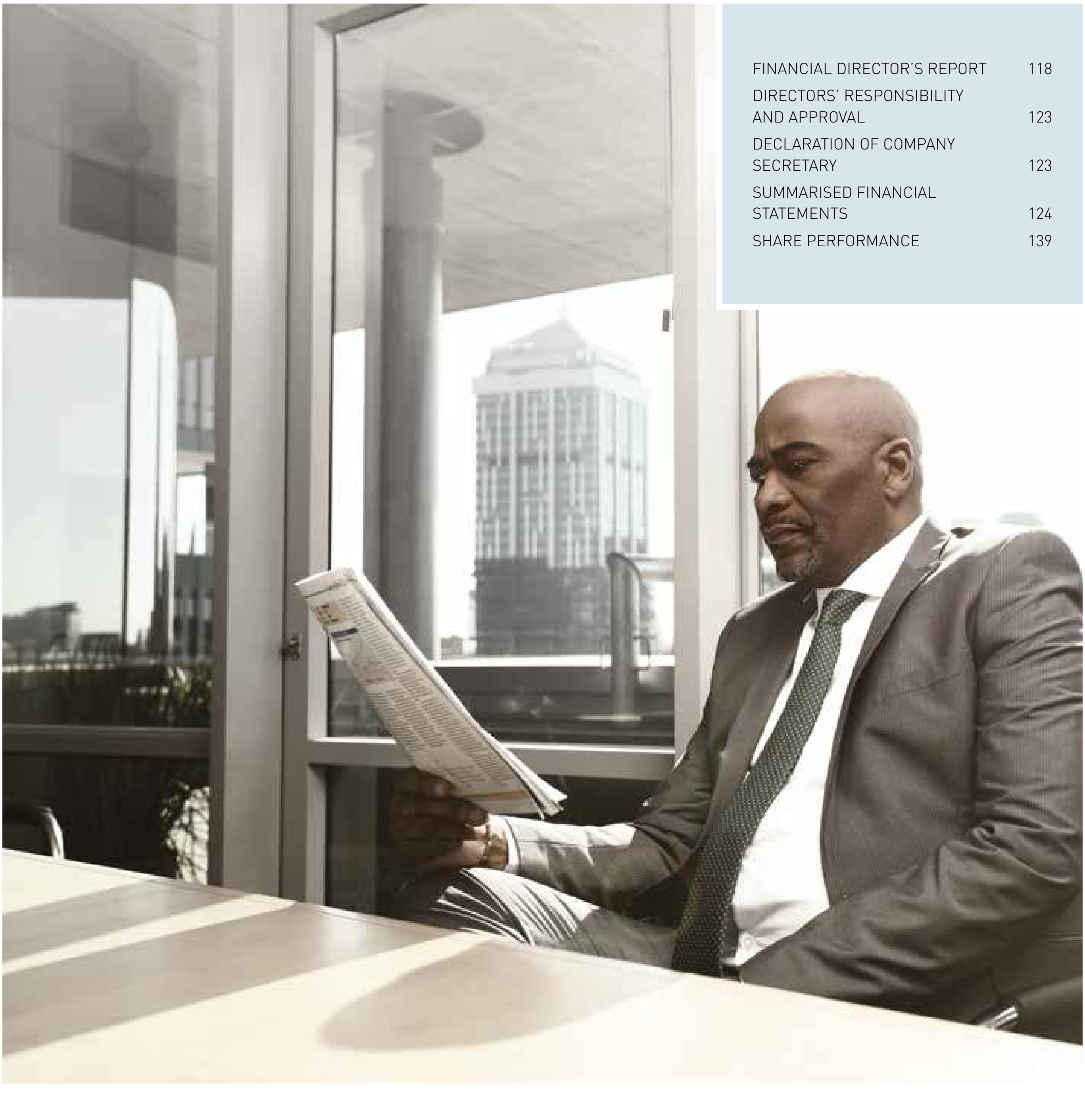
APPROVAL

This remuneration report was approved by the remuneration committee of Redefine Properties Limited on 4 November 2014.

Bernie Nackan
Chairman remuneration committee*

** Chairman for the review periods. Subsequently appointed Chairman of the nomination committee and succeeded by Günter Steffens as Chairman of the remuneration committee.*

FINANCIAL PERFORMANCE

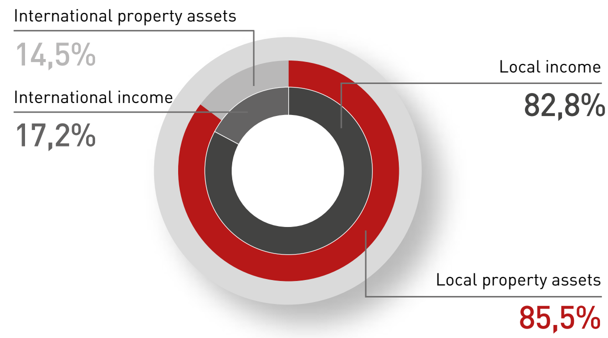


Leon Kok Financial director

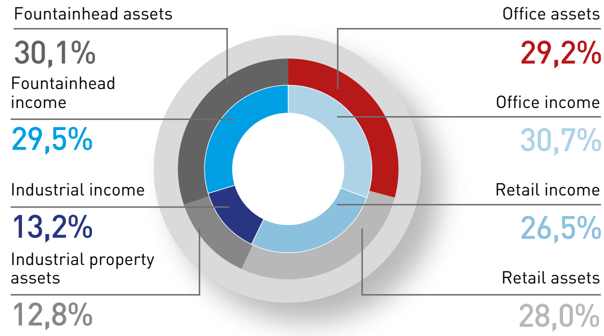
HIGHLIGHTS

- Distribution growth of 8,5% to 74,54 cents
- NAV up 12,1% to 976,03 cents per share
- Acquisitions of R4,6 billion transferred with R3 billion in progress
- Market capitalisation up 20,5% to R36,4 billion
- International investments increased by R3,6 billion to R7,4 billion

GEOGRAPHIC INVESTMENT AND INCOME SPLIT



PORTFOLIO AND INCOME SPLIT



SUMMARISED FINANCIAL STATEMENTS

The summarised financial statements on pages 124 to 138 in this report, have been included to highlight the most material matters for shareholders. The summarised financial statements have been extracted from the audited financial statements and readers are advised that the comprehensive annual financial statements for the group are available for download on Redefine's website.

FINANCIAL PERFORMANCE

DISTRIBUTION

Redefine has delivered full-year distributable income of R2,4 billion, 74,54 cents per share (2013: 68,7 cents), which is ahead of market guidance and shows year-on-year growth of 8,5%. In rand terms, distributable income grew by 19,9%. Results for the year are underpinned by a solid performance from the core property portfolio, bolstered by acquisitions made in the previous financial year and a strong contribution from international operations.

NET OPERATING INCOME

NOI from the property portfolio grew year on year by 15,4%, with the active portfolio growth in NOI of 5,9% enhanced by properties acquired during the prior and current year. The continued focus on cost containment and the internalisation of electricity recoveries boosted the active portfolio's NOI. The office portfolio grew its contribution to NOI by 7,4% resulting from revenue growth of 5,1%. The retail portfolio NOI growth of 5,2% was similarly driven by modest revenue growth of 4,4%, bolstered by marginal cost growth. The industrial portfolio NOI growth of 4,1% resulted from revenue growth of 5,7%, offset by cost increases as a result of significant increases in net municipal charges, increased bad debts and repairs and maintenance expenses.

Operating costs were 35,9% of contractual rental income (2013: 32,4%), with the increase arising mainly from the internalisation of electricity recoveries. Net of electricity and utility recoveries, operating costs were 18,8% of contractual rental income (2013: 20,1%).

ACTIVE PROPERTY PORTFOLIO RATIOS

	2014 %	2013 %	2012 %	2011 %	2010 %
Operating costs as a % of active property income	**17,1**	17,7	20,7	21,9	20,0
Property management costs as a % of collections	**3,6**	3,9	3,7	3,4	3,6
Municipal recoveries as a % of municipal charges	**73,0**	75,4	67,8	67,3	67,8
Electricity recoveries as a % of electricity charges	**109,5**	99,0	56,4	51,4	43,8

In terms of IAS 18 *Revenue*, Redefine acts as a principal for the collection of operating cost recoveries and as such these recoveries should be accounted for as revenue and included in contractual rental income. In light thereof, the directors of Redefine decided during the current year to revise the accounting policy relating to the recognition of the operating costs recoveries received from tenants. In the prior period these recoveries were offset against the relevant operating costs. The revised policy adopted in the current year is as follows: Recoveries of costs from lessees are included in contractual rental income; however, where Redefine merely acts as an agent and makes payment of these costs on behalf of lessees, the recoveries are offset against the relevant costs. In our view this policy better reflects the economic substance of the transaction and is seen as best practice in the REIT industry. This change provides more relevant information to the users of the financial statements. This change has not resulted in any impact on the profit of the group. This change has been applied retrospectively and as a result the prior period's statements of comprehensive income and the segmental analysis have been re-presented to reflect this change.

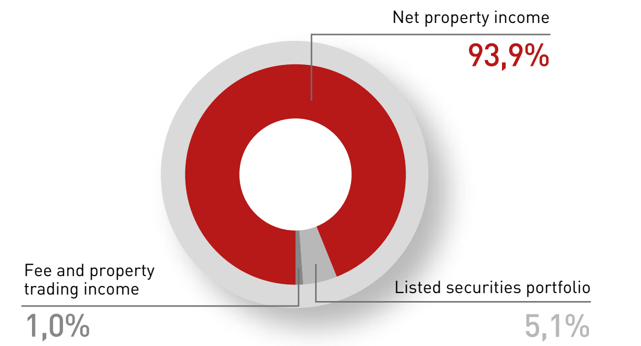
LISTED SECURITIES INCOME

Income from listed securities increased principally due to the acquisition of Fountainhead during the second half of 2013 which was offset by disposing of the entire remaining shareholding in Hyprop during the period by swapping Hyprop shares for Fountainhead shares and selling the remaining balance in a single trade for cash.

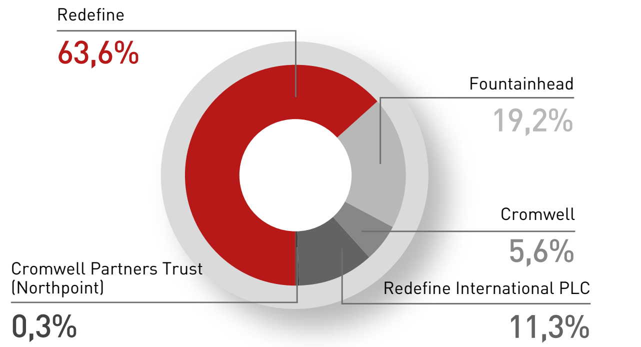
NET FINANCE CHARGES

Net finance charges increased by 11,4%, due to the higher average cost of borrowings, up 20 basis points to 8,2% for the year, as well as Redefine's increased interest-bearing borrowings. Redefine is at ease with this increase considering prime lending rates increased by 75 basis points during the year.

REVENUE NET OF PROPERTY EXPENSES



DISTRIBUTION CONTRIBUTORS



A pleasing feature of the 2014 trading performance was that there was no reliance on non-recurring fee income to generate the full-year result. This resulted in recurring distributable income growth per share of 9%. Redefine contributed 64% (47,38 cents) of the total distribution and listed securities on a combined basis contributed 36% (27,16 cents).

CAPITAL CONVERSION AND EQUITY RAISED

To align the company's capital structure with the REIT standard in South Africa and to comply with JSE Listings Requirements for REITs, Redefine converted its linked unit capital structure into an all share capital structure within the scheme of arrangement framework provided for in terms of section 114 of the Companies Act. The implementation date of the scheme was 29 August 2014, resulting in a R5,9 billion increase in stated capital.

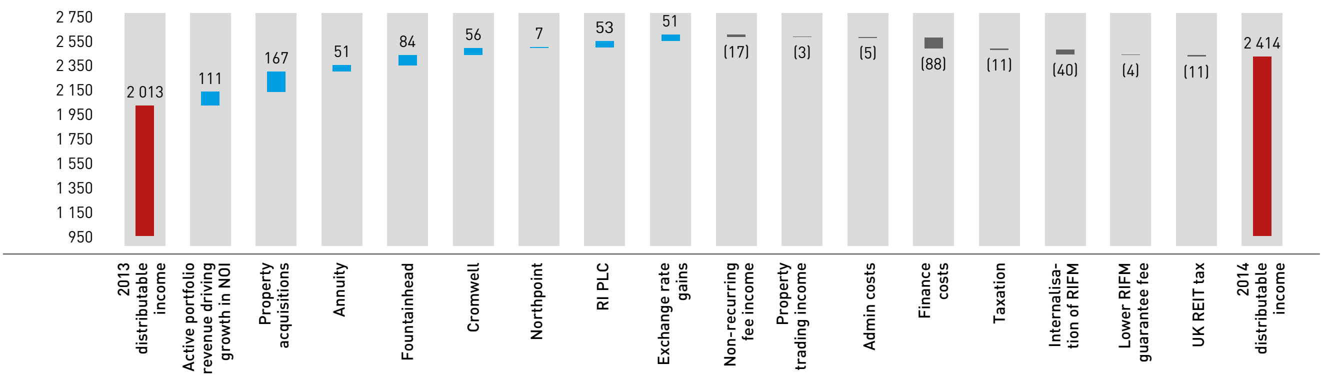
During the year, Redefine successfully introduced the election to reinvest cash dividends in return for Redefine shares and raised R402 million in June 2014, with 42 million shares issued at R9,66 each through the election. Redefine raised a further R1,3 billion in December 2013 and R1,5 billion in July 2014, through accelerated book builds during which 135 million and 161 million shares were issued at R9,60 and R9,30 per share respectively. The equity raised from the dividend reinvestment and accelerated book builds was used to finance Redefines' investment activities.

Redefine issued 137 million shares at R9,57 per share for the acquisition of Annuity Properties Limited in June 2014, The transaction had a commercial effective date of 1 March 2014 and the shares issued ranked for distribution from the commercial effective date.

At 31 August 2014 there were 3 410 507 125 shares in issue.

Subsequent to year-end Redefine raised R1,4 billion through an accelerated book build, with 143 million shares issued at R9,50 each to fund part of the acquisition of the Macsteel property portfolio and a further 107 million shares were issued during September and October 2014 in exchange for 69,56 million Emira Property Fund participatory interests.

CONTRIBUTION TO GROWTH IN DISTRIBUTABLE INCOME



INVESTMENT PROPERTY PORTFOLIO

Redefine has made further substantial progress in implementing its strategy of diversifying, growing and improving the quality of the core property portfolio. The emphasis in acquisitions, wherever possible, is to secure fully repairing leases with blue-chip tenants.

The group's property portfolio was independently valued at 31 August 2014 resulting in a net increase in value of R1,2 billion.

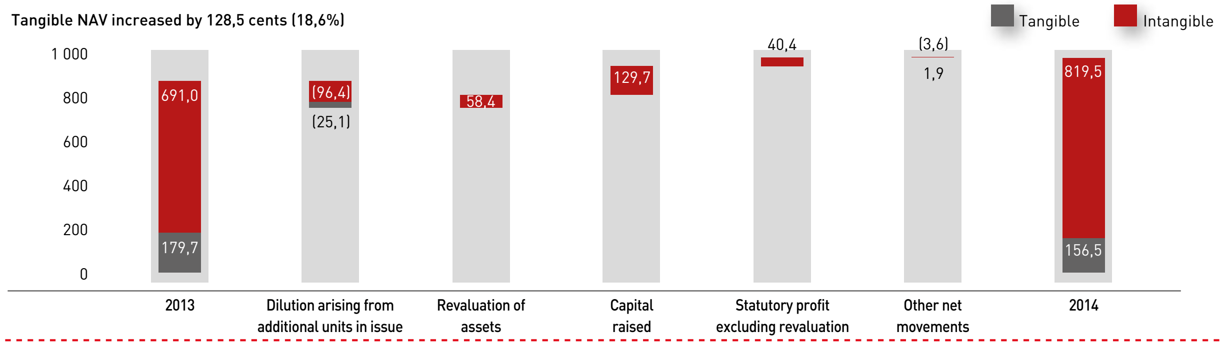
NET ASSET VALUE

The NAV per share for the group excluding deferred tax and NCI as at 31 August 2014 was 976,03 cents per share representing a 12,1% increase in NAV at 31 August 2013.

The increase in NAV was predominantly as a result of an increase in the independent valuation of the investment property portfolio, capital raised and statutory profit, excluding the revaluations generated mainly in the second half of the year. This is a result of the second half dividend being declared only after the end of the reporting period, resulting in a non-adjusting event which is not recognised in the financial statements.

In prior periods, the distribution consisted of debenture interest which accrued on a daily basis. The NAV after adjustment for the second half distribution for 2014 at 38,14 cents would be 937,89 cents.

GROWTH IN NET ASSET VALUE

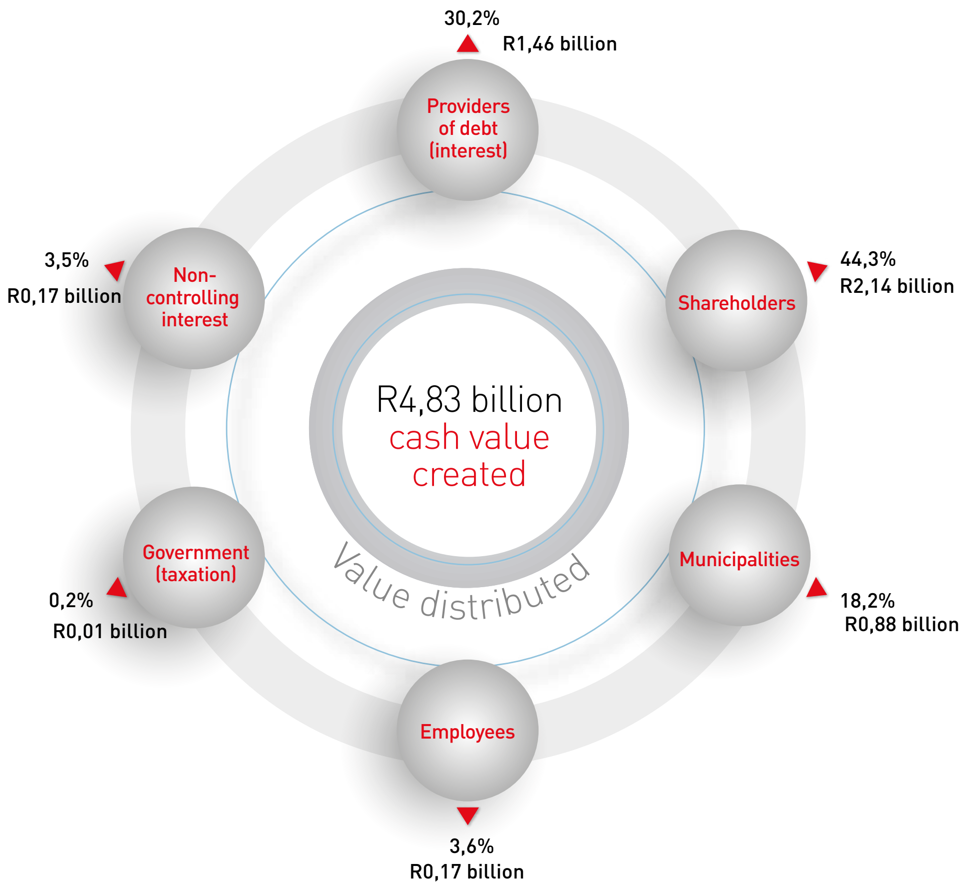


THE VALUE CREATED BY REDEFINE

Redefine is in the business of generating cash. During the 2014 financial year, R4,83 billion was created from:

	R'billion
Revenue	5,53
Interest received	0,16
Equity accounted result of associates	0,16
Profit from discontinued operations	0,02
Property and other operating expenses	(1,04)
Cash value created	**4,83**

THE CASH VALUE CREATED WAS DISTRIBUTED TO OUR STAKEHOLDERS AS FOLLOWS:



FUNDING AND HEDGING

Funding snapshot at 31 August 2014	Redefine	Group
Total debt – R billion	16,5	19,8
Loan-to-value ratio (target 35%)	37,0%	38,4%
Average term of debt	2,9 years	3,1 years
Debt capital market funding (target 30%)	17,8%	14,2%
% of debt secured	66%	73%
% of assets secured	58%	65%
Equity headroom on total assets – R billion	28,0	31,2
Weighted average cost of debt	8,2%	8,1%
% of debt fixed (target 75%)	78,3%	76,0%
Average term of SWAPs	3,5 years	3,7 years

Please refer to the financial capital section on pages 32 to 34 for a detailed review of Redefine's funding and hedging activities. P

SENSITIVITY ANALYSIS

Redefine has a diversified asset base which absorbs risks and provides the platform for growth. The current operating environment however contains a number of variables outside the control of management and the analysis below provides some insight to these and the potential impact thereof on distributable income per share.

	Impact (cents per share)	vs 2014 %
Change in renewals by 1%	0,1	0,1
Change in vacancy by 10 000m^2	0,3	0,4
Increase in municipal charges by 5%	0,4	0,5
Increase in electricity cost by 5%	0,6	0,8
Bad debts increase by R5 million	0,2	0,3
Change in interest rate by 50 bps	0,7	0,9
Change in FPT's distribution by 1%	0,1	0,1
Change in Cromwell distribution by 1%	0,1	0,1
Change in RI PLC distribution by 1%	0,1	0,1
Change in ZAR/GBP exchange rate by 50 cents	0,2	0,2
Change in ZAR/AUD exchange rate by 25 cents	0,2	0,3

APPRECIATION

During the year Redefine's 2013 integrated report was rated 'Excellent' in this year's EY Excellence in Integrated Reporting Awards. EY conducts an annual survey of integrated reports from South Africa's top 100 JSE-listed companies and top 10 state-owned companies. Redefine also received a merit award for the most improved integrated report.

This achievement is a significant stride forward in communicating with our stakeholders and places us among the standout companies in South Africa for integrated reporting. This is an exciting milestone on our integrated reporting journey and we intend on improving and developing it further, so that it guides our stakeholders on exactly how Redefine continues to grow and diversify its business to provide sustained value creation.

This recognition bears testimony to the skill and professionalism of our colleagues who provided input to the preparation of the integrated report and I am very proud of their achievement.

I would further like to sincerely thank my financial colleagues for their ongoing dedication and commitment. Their tireless efforts in producing reliable and accurate information enable us to effectively measure our financial and operational decisions during the year. We also appreciate and value their input in the execution of our strategic priorities.

Leon Kok
Financial director

for the year ended 31 August 2014

The directors are responsible for the preparation and fair presentation of the company and group annual financial statements of Redefine Properties Limited, comprising the statement of financial position at 31 August 2014 and statements of comprehensive income, changes in equity and cash flows for the year then ended. The financial statements have been prepared under the supervision of Andrew Konig CA(SA), the group's chief executive officer and Leon Kok CA(SA), the group's financial director. The directors take full responsibility for the preparation of the summarised report and the financial information has been correctly extracted from the underlying audited consolidated annual financial statements.

To achieve the highest standards of financial reporting, these financial statements have been drawn up to comply with International Financial Reporting Standards, the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and with the Companies Act, No 71 of 2008 (the Companies Act), as amended.

The directors' responsibility includes the design, implementation and maintenance of internal controls that will ensure the preparation, integrity and fair presentation of the financial statements and other financial information included in this report, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have reviewed the appropriateness of the accounting policies and conclude that estimates and judgements are reasonable. They are of the opinion that the annual financial statements fairly present the financial position of the group at 31 August 2014 and of its financial performance and cash flows for the year to 31 August 2014. The consolidated and company annual financial statements were audited by Grant Thornton Jhb Inc, who expressed an unqualified opinion thereon. The audited consolidated and company annual financial statements and the auditors' report thereon are available for inspection at the company's registered office. The summarised financial statements are extracted from audited information, but are not themselves audited.

In addition, the directors have also reviewed the cash flow forecast for the year to 31 August 2015 and believe that the company and the group have adequate resources to continue in operation for the foreseeable future. Accordingly, the annual financial statements have been prepared on a going-concern basis.

The annual financial statements were approved by the board of directors on 5 November 2014 and are signed on its behalf by:

Marc Wainer
Executive chairman

Andrew Konig
Chief executive officer

FINANCIAL PERFORMANCE I Declaration by company secretary

In terms of section 88(2)(e) of the Companies Act 2008, as amended (the Act), we declare that to the best of our knowledge, for the year ended 31 August 2014, Redefine Properties Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act and that such returns are true, correct and up to date.

CIS Company Secretaries Proprietary Limited
Company secretary

5 November 2014

as at 31 August

		GROUP	
	Note	2014 R000	2013 R000
ASSETS			
NON-CURRENT ASSETS		**55 007 339**	42 796 057
Investment property		**40 906 077**	32 812 494
– Fair value of investment property for accounting purposes	2	**37 710 045**	30 687 910
– Straight-line rental income accrual		**1 213 985**	1 089 942
– Properties under development		**1 982 047**	1 034 642
Listed securities	3	**2 750 900**	2 050 203
Goodwill		**3 769 570**	3 647 251
Intangible assets		**1 559 106**	1 616 871
Interest in associates and joint ventures	4	**4 173 173**	1 654 067
Loans receivable		**1 727 212**	837 742
Other financial assets		**23 510**	78 236
Guarantee fees receivable		**50 000**	50 000
Property, plant and equipment		**47 791**	49 193
CURRENT ASSETS		**992 697**	997 895
Properties held-for-trading		**21 349**	23 949
Trade and other receivables		**580 021**	453 483
Loans receivable		**2 050**	113 504
Listed security income receivable		**38 671**	48 051
Cash and cash equivalents		**350 606**	358 908
NON-CURRENT ASSETS HELD-FOR-SALE		**1 490 128**	5 087 645
TOTAL ASSETS		**57 490 164**	48 881 597
EQUITY AND LIABILITIES			
SHAREHOLDERS' INTEREST		**32 720 342**	19 833 320
Stated capital		**22 558 039**	12 979 046
Reserves		**10 162 303**	6 854 274
Non-current liabilities – debenture capital		**–**	5 085 419
SHAREHOLDERS'/LINKED UNITHOLDERS' INTEREST		**32 720 342**	24 918 739
Non-controlling interests (NCI)		**3 015 595**	4 240 603
TOTAL SHARE/UNITHOLDERS' INTEREST		**35 735 937**	29 159 342
OTHER NON-CURRENT LIABILITIES		**14 997 245**	13 525 562
Interest-bearing borrowings	5	**14 355 324**	12 873 367
Interest rate swaps		**95 192**	10 430
Other financial liabilities		**36 731**	52 241
Deferred taxation		**509 998**	589 524
CURRENT LIABILITIES		**6 756 982**	4 149 445
Trade and other payables		**1 294 307**	948 055
Interest-bearing borrowings	5	**5 401 205**	2 142 000
Interest rate swaps		**926**	16 165
Other financial liabilities		**12 872**	11 439
Taxation payable		**47 672**	6 390
Linked unitholders for distribution		**–**	1 025 396
NON-CURRENT LIABILITIES HELD-FOR-SALE		**–**	2 047 248
TOTAL EQUITY AND LIABILITIES		**57 490 164**	48 881 597
Number of shares/linked units in issue		**3 404 630***	2 929 702*
Net asset value per share/linked unit (excluding deferred tax and NCI)(cents)		**976,03**	870,68
Net tangible asset value per share/linked unit (excluding deferred tax and NCI)(cents)		**819,52**	691,00

** Net of 5 876 766 treasury shares/units.*

for the year ended 31 August

	Note	GROUP 2014 R000	GROUP 2013 R000
REVENUE			
Property portfolio		**5 372 149**	3 791 621
– Contractual rental income		**5 310 428**	3 723 977#
– Straight-line rental income accrual		**61 721**	67 644
Listed security income		**185 742**	311 046
Fee income		**35 204**	88 886
Trading income		**1 032**	3 807
TOTAL REVENUE		**5 594 127**	4 195 360
Operating costs		**(1 907 524)**	(1 204 846)#
Administration costs		**(202 031)**	(149 968)
NET OPERATING INCOME		**3 484 572**	2 840 546
Changes in fair values of properties, listed securities and financial instruments	6	**2 051 245**	1 369 451
Amortisation of intangibles		**(62 856)**	(62 856)
Equity accounted profit	4.2	**439 766**	329 656
INCOME FROM OPERATIONS		**5 912 727**	4 476 797
Net interest		**(1 297 768)**	(850 716)
– Interest paid	7	**(1 457 159)**	(989 407)
– Interest received		**159 391**	138 691
Foreign exchange loss		**(13 638)**	(81 279)
INCOME BEFORE DEBENTURE INTEREST		**4 601 321**	3 544 802
Debenture interest		**(1 115 697)**	(2 012 705)
PROFIT BEFORE TAXATION		**3 485 624**	1 532 097
Taxation	8	**31 303**	1 389 657
Profit for the year from continuing operations		**3 516 927**	2 921 754
Profit from discontinued operations		**369 458**	935 272
PROFIT FOR THE YEAR		**3 886 385**	3 857 026
REDEFINE SHAREHOLDERS		**3 407 818**	3 619 654
– Continuing operations		**3 042 122**	2 693 667
– Discontinued operations		**365 696**	925 987
NON-CONTROLLING INTERESTS		**478 567**	237 372
– Continuing operations		**474 805**	228 087
– Discontinued operations		**3 762**	9 285
OTHER COMPREHENSIVE LOSS		**(40 817)**	(297 087)
Those items that may be reclassified to profit or loss			
Exchange differences on translation of foreign discontinued operations – subsidiaries		**93 230**	93 449
Exchange differences on translation of foreign continuing operations – associates		**(25 140)**	(17 820)
Recycling of exchange differences on translation of deemed disposal of foreign subsidiary and associate		**(108 907)**	(372 716)
Total comprehensive income for the year		**3 845 568**	3 559 939
REDEFINE SHAREHOLDERS		**3 363 439**	3 314 344
– Continuing operations		**3 016 983**	2 675 847
– Discontinued operations		**346 456**	638 497
NON-CONTROLLING INTERESTS		**482 129**	245 595
– Continuing operations		**474 805**	228 087
– Discontinued operations		**7 324**	17 508
– Actual number of shares/linked units in issue (000)		**3 404 631***	2 929 702*
– Weighted number of shares/linked units in issue		**3 090 599**	2 824 980
BASIC EARNINGS PER SHARE/LINKED UNIT (CENTS)		**146,36**	199,38
– continuing operations per share/linked unit (cents)		**134,53**	166,60
– discontinued operations per share/linked unit (cents)		**11,83**	32,78
DILUTED EARNINGS PER SHARE/LINKED UNIT (CENTS)^		**123,78**	–
– continuing operations per share/linked unit (cents)		**113,77**	–
– discontinued operations per share/linked unit (cents)		**10,01**	–
DISTRIBUTION PER SHARE/LINKED UNIT (CENTS)		**74,54**	68,70

 # Re-presented (note 12).
** Net of 5 876 766 treasury shares.*
^ In the prior period there were no dilutionary linked units in issue.
The reconciliation between basic earnings, headline earnings and distributable earnings is disclosed in note 34 of the AFS.

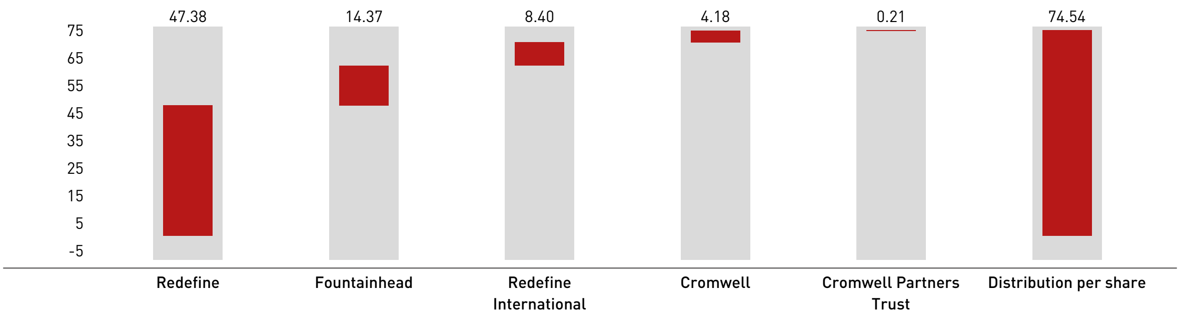
for the year ended 31 August

	2014 R000	2013 R000
Profit for the year attributable to Redefine shareholders	3 407 818	3 619 654
Changes in fair values of properties (net of deferred taxation)	(1 108 787)	(2 024 718)
Profit on disposal/deemed disposal of subsidiaries	(340 949)	(898 651)
Profit on deemed disposal of interest in an associate (net of deferred tax)	(726 919)	–
Capital gains tax	–	64 542
HEADLINE PROFIT ATTRIBUTABLE TO REDEFINE SHAREHOLDERS	1 231 163	760 827
Debenture interest	1 115 697	2 012 705
HEADLINE EARNINGS ATTRIBUTABLE TO REDEFINE SHAREHOLDERS/LINKED UNITHOLDERS	2 346 860	2 773 532
Changes in fair values of listed securities and financial instruments (net of deferred taxation)	(238 302)	(718 943)
Amortisation of intangible assets (net of deferred taxation)	45 256	45 256
Alignment of consolidated foreign profits with distributions	–	47 589
Straight-line rental income accrual	(61 721)	(67 644)
Unrealised foreign exchange loss	29 945	85 552
Fair value adjustment of associates and NCI (other than investment property)	63 966	(164 203)
Anticipated withholding taxes on RI PLC distributable profit	(10 517)	–
Debt restructure costs	136 095	–
Pre-acquisition distribution received from Annuity	36 454	–
Transactions costs relating to Annuity and Fountainhead corporate action	14 423	–
Antecedent interest (capitalised on shares issued)	77 446	–
Unrealised interest received	(25 682)	–
Pre-acquisition income on listed securities	–	11 566
DISTRIBUTABLE EARNINGS	2 414 223	2 012 705
Six months ended 28 February	1 115 697	987 309
Six months ended 31 August	1 298 526	1 025 396
TOTAL DISTRIBUTIONS	2 414 223	2 012 705
Actual number of shares/linked units in issue (000) *	3 404 630	2 929 702
Weighted number of shares/linked units in issue (000)*	3 090 599	2 824 980
Diluted number of shares/linked units in issue (000)*	3 654 675	2 929 702
BASIC EARNINGS PER SHARE/LINKED UNIT (CENTS)	146,36	199,38
– continuing operations per share/linked unit (cents)	134,53	166,60
– discontinued operations per share/linked unit (cents)	11,83	32,78
DILUTED EARNINGS PER SHARE/LINKED UNIT (CENTS) ^	123,78	–
– continuing operations per share/linked unit (cents)	113,77	–
– discontinued operations per share/linked unit (cents)	10,01	–
HEADLINE EARNINGS PER LINKED UNIT (CENTS)	75,94	98,18
– continuing operations per share/linked unit (cents)	75,48	97,21
– discontinued operations per share/linked unit (cents)	0,46	0,97
DILUTED HEADLINE EARNINGS PER SHARE/LINKED UNIT (CENTS) ^	64,22	–
– continuing operations per share/linked unit (cents)	63,83	–
– discontinued operations per share/linked unit (cents)	0,39	–
DISTRIBUTION PER SHARE/LINKED UNIT (CENTS)	74,54	68,70

** Excludes 5 876 766 treasury shares.*

^ In the prior period there were no dilutionary linked units in issue.

DISTRIBUTION CONTRIBUTORS (CENTS PER SHARE)



for the year ended 31 August

	Stated capital R000	Share premium R000	Non-distributable reserve* R000	Accumulated profit/(loss) R000	Non-controlling interests R000	Total R000
GROUP						
BALANCE AS AT 31 AUGUST 2012	2 761	11 658 175	396 089	3 193 574	1 301 316	16 551 915
Issue of ordinary shares	1 318 110	–	–	–	–	1 318 110
Deemed disposal of a subsidiary	–	–	–	–	(1 177 188)	(1 177 188)
Transfer to stated capital	11 658 175	(11 658 175)	–	–	–	–
Change in ownership interests of subsidiary	–	–	–	(55 555)	(376 413)	(431 968)
Profit for the year	–	–	–	3 619 654	237 372	3 857 026
Foreign currency translation reserve	–	–	61 590	–	14 039	75 629
Share-based payment expense	–	–	5 822	–	–	5 822
Recycling of exchange differences on translation of deemed disposal of a foreign subsidiary	–	–	(366 900)	–	(5 815)	(372 715)
Dividends paid to non-controlling interests	–	–	–	–	(153 783)	(153 783)
Non-controlling interests on acquisition of subsidiaries	–	–	–	–	4 401 075	4 401 075
BALANCE AS AT 31 AUGUST 2013	**12 979 046**	**–**	**96 601**	**6 757 673**	**4 240 603**	**24 073 923**
Issue of ordinary shares	**3 663 579**	**–**	**–**	**–**	**–**	**3 663 579**
Changes in ownership interests of subsidiary	**–**	**–**	**–**	**(231 283)**	**147 279**	**(84 004)**
Profit for the year	**–**	**–**	**–**	**3 407 818**	**478 567**	**3 886 385**
Conversion of debentures to stated capital	**5 915 414**	**–**	**–**	**–**	**–**	**5 915 414**
Foreign currency translation reserve	**–**	**–**	**64 528**	**–**	**3 562**	**68 090**
Share-based payment expense	**–**	**–**	**7 880**	**–**	**–**	**7 880**
Recycling of exchange differences on translation of deemed disposal of a foreign subsidiary	**–**	**–**	**(108 907)**	**–**	**–**	**(108 907)**
Transactions with non-controlling interests	**–**	**–**	**–**	**167 993**	**(1 612 703)**	**(1 444 710)**
Dividends paid to non-controlling interests	**–**	**–**	**–**	**–**	**(241 713)**	**(241 713)**
BALANCE AS AT 31 AUGUST 2014	**22 558 039**	**–**	**60 102**	**10 102 201**	**3 015 595**	**35 735 937**

** The non-distributable reserve consists of the share-based payment reserve of R13,7 million (2013: R5,8 million) and R46,4 million (2013: R90,8 million) for the foreign currency translation reserve.*

for the year ended 31 August

	GROUP	
	2014 R000	2013 R000
Cash inflow from continuing operations	3 622 025	2 853 684
Interest paid	(1 457 159)	(989 407)
Interest received	159 391	65 997
Distributions paid	(2 141 093)	(1 884 471)
Distributions paid to non-controlling interests	(168 460)	(303 582)
Taxation paid	(9 692)	(62 923)
Net cash inflow/(outflow) in operating activities – continuing operations	5 012	(320 702)
Net cash inflow in operating activities – discontinued operations	180 979	14 523
Net cash inflow/(outflow) in operating activities	185 991	(306 179)
Net cash outflow in investing activities	(5 871 318)	(5 209 623)
Net cash outflow in investing activities – continuing operations	(6 419 871)	(4 810 258)
Net cash inflow/(outflow) in investing activities – discontinued operations	548 553	(399 365)
NET CASH INFLOW FROM FINANCING ACTIVITIES	5 558 778	5 504 581
Net cash inflow from financing activities – continuing operations	5 559 634	5 500 030
Net cash (outflow)/inflow from financing activities – discontinued operations	(856)	4 551
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(126 549)	(11 221)
Cash and cash equivalents at the beginning of the year	358 908	351 333
Effect of foreign exchange fluctuations on acquisition	118 247	18 796
CASH AND CASH EQUIVALENTS AT END OF YEAR	350 606	358 908

for the year ended 31 August

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These summarised consolidated financial statements have been prepared in accordance with the measurement and recognition requirements of International Financial Reporting Standards (IFRS), and the presentation and disclosure requirements of IAS 34 *Interim financial reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the South African Companies Act, 71 of 2008, as amended, the Companies Regulations 2011 and the JSE Listings Requirements. Except for the new standards adopted as set out below and the change in accounting policy for property portfolio revenue (note 12), all accounting policies applied by the group in the preparation of these consolidated annual financial statements are consistent with those applied by the group in its consolidated annual financial statements as at and for the year ended 31 August 2013. The group has adopted the following new standards:

- Amendment to IFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*
- IFRS 10 *Consolidated Financial Statements*
- IFRS 11 *Joint Arrangements*
- IFRS 12 *Disclosure of Interests in Other Entities*
- IFRS 13 *Fair Value Measurement*
- Amendments to IAS 1 *Presentation of Items of Other Comprehensive Income*
- Amendments to IAS 16 *Property, Plant and Equipment*
- Revised IAS 27 and 28 *Investments in Associates and Joint Ventures*
- Amendments to IAS 32 *Financial Instrument Presentation*

	GROUP 2014 R000	GROUP 2013 R000
2. INVESTMENT PROPERTY		
2.1 NET CARRYING VALUE		
Cost	**28 330 555**	22 546 519
Fair value surplus	**9 379 490**	8 141 391
BALANCE AT END OF YEAR	**37 710 045**	30 687 910

Full details of freehold and leasehold investment properties owned by the company are contained in a register of investment properties which is open for inspection by the shareholders at the registered office of the company or is available on the website.

In terms of the accounting policy, the portfolio is valued annually. For the purposes of the independent valuation at 31 August 2014, all properties above R20 million were valued. Independent valuations were also obtained for a portion of the properties under R20 million. Properties under R20 million are valued externally on a three year rotational basis.

South African valuations were obtained from the following valuers who are all registered valuers in terms of section 19 of the Property Valuers Professional Act (Act No 47 of 2000):

- Asset valuation services
- CBRE – Broll
- JHI Excellerate
- JLL
- African Corporate Real Estate Solutions (Acres)
- Mills Fitchet Gauteng
- Mills Fitchet KZN
- Mills Fitchet Magnus Penny
- Eris Property Group
- Old Mutual Properties
- Glenross
- Alternative Real Estate

for the year ended 31 August

		GROUP 2014 R000	GROUP 2013 R000
3.	**LISTED SECURITIES PORTFOLIO**		
3.1	**AT FAIR VALUE**		
	Arrowhead Properties Limited – A Units	–	9 490
	Arrowhead Properties Limited – B Units	–	9 309
	Cromwell Property Group	**2 750 900**	2 031 404
	BALANCE AT END OF YEAR	**2 750 900**	2 050 203

		Stock exchange	% held	Number of units held – 2014	Number of units held – 2013
3.2	**DETAILS OF LISTED SECURITIES**				
	Cromwell Property Group	ASX	15,90%	275 038 850	212 336 234

During the period Redefine received South African Reserve Bank approval to hold its interest in Cromwell directly. As a result the investment in Cromwell, previously held through an asset swap agreement with Investec, was increased by 0,4% to 12,8% and transferred to Redefine Properties Australia Proprietary Limited, a wholly owned subsidiary incorporated in Australia. Redefine Global Proprietary Limited, a wholly owned subsidiary incorporated in South Africa, acquired a further 3,1% holding in Cromwell shortly before year end, increasing the groups holding in Cromwell to 15,9%.

The fair value of the investment in Cromwell is based on the closing price on the ASX and South African rand/Australian dollar exchange rate at 31 August 2014, less an accrual for distributions, included separately on the statement of financial position as listed security income receivable.

		GROUP 2014 R000	GROUP 2013 R000
4.	**INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**		
4.1	**CARRYING AMOUNT**		
	Associate – Redefine Properties International Limited (note 4.3)	–	1 654 067
	– Gross consideration	–	1 485 080
	– Dividend paid	–	(142 849)
	– Share of equity accounted results	–	311 836
	Joint ventures – Cromwell Partners Trust (note 4.4)	671 793	–
	– Gross consideration	733 864	–
	– Dividend paid	(43 096)	–
	– Share of equity accounted results	(18 975)	–
	Associate – Redefine International (note 4.5)	3 501 379	–
	– Gross consideration	3 174 764	–
	– Dividend paid	(112 074)	–
	– Share of equity accounted results	438 689	–
	BALANCE AT END OF YEAR	4 173 172	1 654 067
4.2	**MOVEMENT FOR THE YEAR**		
	Balance at beginning of year	1 654 067	1 963 050
	Deemed disposal of a subsidiary	–	(1 696 447)
	Transferred to listed securities	–	(266 603)
	Acquisitions	3 908 628	–
	Equity accounted results for the year	414 612	311 836
	Equity accounted results for the year per statement of comprehensive income	439 766	329 656
	Share of distributable profit	155 169	142 849
	Fair value adjustments (net of deferred tax)	284 597	186 807
	Other comprehensive income	(25 154)	(17 820)
	Disposal	(1 648 965)	–
	Deemed acquisition of an associate	–	1 485 080
	Dividend paid	(155 170)	(142 849)
	BALANCE AT END OF YEAR	4 173 172	1 654 067

4.3 REDEFINE PROPERTIES INTERNATIONAL LIMITED

RIN's unitholders approved the distribution of the RI PLC shares held by RIN at a general meeting on 18 October 2013. Following the inward listing on the JSE on 28 October 2013 of RI PLC, RIN unbundled all of the RI PLC shares it held, resulting in the deemed disposal of RIN.

4.4 CROMWELL PARTNERS TRUST

The Trust was formed to acquire and hold units in Northpoint Trust, which itself was constituted to acquire the Northpoint Tower (Northpoint) in the North Sydney CBD. The Northpoint property, located at 100 Miller Street, North Sydney, New South Wales was acquired by NPT on 19 December 2013. The Cromwell Property Group and Redefine Global Proprietary Limited each own 50% of the issued units of the trust. Redefine invested AUS$80 million in CPT, equating to an investment in CPT of R734 million.

4.5 REDEFINE INTERNATIONAL

Redefine's indirect holding in RI PLC through RIN transferred to a direct holding as a result of the inward listing of RI PLC on the JSE (refer to note 4.3). This resulted in the deemed disposal of RIN and deemed acquisition of RI PLC. RI PLC is a UK REIT listed on the London Stock Exchange (LSE) and inwardly listed on the JSE Securities Exchange (JSE). Redefine held 389 525 639, (388 498 851 on the JSE and 1 026 788 on the LSE) (30,05%) of the issued share capital at 31 August 2014. The closing share price of RI PLC on 31 August 2014 was R9,28 on the JSE and 51,8 pence (R9,14) on the LSE.

for the year ended 31 August

		GROUP	
		2014 R000	2013 R000
5.	**INTEREST-BEARING BORROWINGS**		
	INTEREST-BEARING BORROWINGS CONSIST OF:		
	Bank loans	16 956 529	12 526 192
	Bonds and commercial paper	2 800 000	2 429 000
	Non-controlling interest shareholder loans	–	60 175
	TOTAL INTEREST-BEARING BORROWINGS	19 756 529	15 015 367
	NON-CURRENT INTEREST-BEARING BORROWINGS		
	Bank loans	13 316 324	11 274 192
	Bonds and commercial paper	1 039 000	1 539 000
	Non-controlling interest shareholder loans		60 175
	TOTAL NON-CURRENT BORROWINGS	14 355 324	12 873 367
	CURRENT INTEREST-BEARING BORROWINGS		
	Bank loans	3 640 205	1 252 000
	Bonds and commercial paper	1 761 000	890 000
	TOTAL CURRENT BORROWINGS	5 401 205	2 142 000
	The average all-in interest rate in respect of total group borrowings is 8,04% (2013: 8,0%). Total group borrowings (net of cash on hand) represent 38.0% (2013:40,5%) of the value of the property portfolio (which includes investment properties, listed securities, loans receivable and interests in associates).		
6.	**CHANGES IN FAIR VALUES OF PROPERTIES, LISTED SECURITIES AND FINANCIAL INSTRUMENTS**		
	PROPERTY PORTFOLIO	1 158 864	834 367
	– realised	(15 857)	6 959
	– unrealised	1 174 721	827 408
	LISTED SECURITIES	296 647	72 213
	– realised	636 794	293 475
	– unrealised	(340 147)	(221 262)
	Interest rate swaps – mark to market	(128 495)	462 871
	Deemed profit on disposal of investment in associate	734 568	–
	Loss on sale of subsidiary	(10 585)	–
	Profit on disposal of unlisted investment	246	–
		2 051 245	1 369 451
7.	**INTEREST PAID**		
	Interest paid on interest-bearing borrowings	(1 457 159)	(989 407)

		GROUP	
		2014 R000	2013 R000
8.	**TAXATION**		
	NORMAL	**(48 553)**	(67 856)
	– Current	**(37 176)**	(52 349)
	– Adjustment to prior year	**(11 377)**	(15 507)
	DEFERRED	**79 856**	1 457 513
	– Current	**79 856**	1 457 513
		31 303	1 389 657

CHANGE IN CAPITAL GAINS TAX RATE

Redefine's application to the JSE Limited for REIT status was approved on 5 July 2013. The conversion to a REIT was effective 1 September 2013.

As such, the group will not be liable for capital gains tax on certain transactions from 1 September 2013. In the prior year, the restated balance of deferred tax at 1 September 2012 on investment properties and listed securities was reduced to nil, as prospectively, capital gains tax would no longer apply.

Deferred tax is no longer calculated on the straight-line rental income accrual as the rental accrual will form part of the group's distributions in the future. Given the conversion to a REIT, such distributions are fully deductible for tax purposes and hence no tax liability will arise on straight-line rental income accruals.

for the year ended 31 August

9. BUSINESS COMBINATIONS

9.1 ANNUITY PROPERTIES LIMITED, ANNUITY ASSET MANAGERS PROPRIETARY LIMITED AND ANNUITY PROPERTY MANAGERS PROPRIETARY LIMITED

On 23 June 2014 the group acquired 100% of the share capital and the loan claims of Annuity Properties Limited (APL), Annuity Asset Managers Proprietary Limited (AAM) and Annuity Property Managers Proprietary Limited (APM). The APL, AAM and APM share capital was acquired for an aggregate consideration of R1,411 billion, comprising Redefine shares and cash.

The acquired businesses contributed revenues of R18,2 million and net profit after tax (including fair value adjustments) of R56,6 million to the group for the two months since acquisition. These amounts have been calculated using the group's accounting policies.

If the businesses had been acquired on 1 September 2013, management estimates that the revenue and profit after tax from these businesses would have been R186,4 million and R78,8 million respectively.

	GROUP 2014 R000
PURCHASE CONSIDERATION:	
Cost of shares acquired	1 405 054
Loan claims acquired	5 552
Total purchase consideration	1 410 606
THE ASSETS AND LIABILITIES AS AT 23 JUNE 2014 ARISING FROM THE ACQUISITION ARE AS FOLLOWS:	
Investment properties	1 894 586
Straight-line rental income accrual	55 135
Interest-rate swaps	4 245
Trade and other receivables**	35 365
Cash and cash equivalents	14 609
Interest-bearing liabilities – non-current	(612 437)
Deferred taxation	102
Trade and other payables	(42 404)
Shareholders' loan	(5 552)
Interest-bearing liabilities – current	(60 914)
FAIR VALUE OF NET ASSETS	1 282 735
Goodwill*	122 319
Shareholders' loans acquired	5 552
TOTAL PURCHASE CONSIDERATION	1 410 606
Purchase consideration:	1 410 606
– Settled in Redefine shares	1 307 506
– Settled in cash	103 100
Cash and cash equivalents in subsidiary acquired	(14 609)
CASH OUTFLOW ON ACQUISITION	88 491

* *The goodwill arose as a result of the expected synergies from the acquisition.*

** *Gross contractual amounts receivable are R36,9 million, the group's best estimate of the contractual cash flow not expected to be collected is R1,5 million.*

		GROUP 2014 R000	GROUP 2013 R000
10.	**COMMITMENTS**		
10.1	**CAPITAL COMMITMENTS**		
	Property acquisitions	**2 973 020**	2 431 291
	Property under development	**1 538 385**	2 335 717
	Capital improvements on investment properties	**979 725**	884 611
	– approved and committed	**979 725**	787 611
	– approved and not yet committed	**–**	97 000
		5 491 130	5 651 619
10.2	**OPERATING EXPENSE COMMITMENTS**		
	Contractual commitments are in respect of general maintenance of lifts, escalators and air conditioning installations		
	– Due within one year	**124 112**	122 575
	– Due within two to five years	**80 235**	118 011
	– Due beyond five years	**4 707**	–
		209 054	240 586
10.3	**OPERATING LEASE COMMITMENTS**		
	Commitments due in respect of leases entered into by Redefine on leasehold property		
	– Due within one year	**11 520**	11 572
	– Due within two to five years	**32 267**	38 529
	– Due beyond five years	**311 277**	253 001
		355 064	303 102

for the year ended 31 August

11. SUBSEQUENT EVENTS

DIVIDEND DECLARATION AFTER REPORTING DATE

In line with IAS 10 *Events after the Reporting Period*, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements. In the prior periods, the distribution consisted of debenture interest which accrued on a daily basis.

SHARES ISSUED

The following shares were issued after the end of the reporting period:

- 143 107 149 shares were issued at an issue price of R9,50 per share on 1 October 2014. The above share issue was in terms of an accelerated bookbuild to raise R1,4 billion through the issue of new shares to fund part of the acquisition of the Macsteel property portfolio. The balance is to be funded by way of debt
- 86 904 498 shares were issued at an issue price of R9,66 per share on 29 September 2014
- 3 260 000 shares were issued at an issue price of R9,50 per share on 2 October 2014
- 16 773 280 shares were issued at an issue price of R9,42 per share on 17 October 2014

The above share issues were in exchange for Emira Property Fund participatory interests.

EMIRA PROPERTY FUND

Subsequent to year-end, Redefine issued 106 937 778 shares in exchange for 69,56 million Emira Property Fund participatory interests (13,7% of the issued participatory interest holders capital of Emira Property Fund).

MACSTEEL PROPERTY PORTFOLIO

Redefine has concluded an agreement with Macsteel Coreprop Proprietary Limited, Macsteel Genprop Proprietary and Macsteel Service Centres SA Proprietary Limited (collectively known as the sellers) for the acquisition of the Macsteel property portfolio of the seller.

In terms of the portfolio sale agreement, Redefine will purchase the Macsteel property portfolio from the sellers for a purchase consideration of R2,7 billion. The purchase consideration will be paid in cash to the sellers on the first day of the month following the month during which the last of the conditions precedent is fulfilled or waived.

12. CHANGE IN ACCOUNTING POLICY

In terms of IAS 18 *Revenue*, Redefine acts as a principal for the collection of operating cost recoveries and as such these recoveries should be accounted for as revenue and included in contractual rental income. In light thereof the directors of Redefine decided during the current year to revise the accounting policy relating to the recognition of the operating costs recoveries received from tenants. In the prior period these recoveries were offset against the relevant operating costs. The revised policy adopted in the current year is as follows: Recoveries of costs from lessees are included in contractual rental income, however where the entity merely acts as an agent and makes payment of these costs on behalf of lessees, the recoveries are offset against the relevant costs. In our view this policy better reflects the economic substance of the transaction and is seen as best practice in the REIT industry. This change provides more relevant information to the users of the financial statements. This change has not resulted in any impact on the profit of the group. This change has been applied retrospectively and the following changes have been made to the 2013 results.

	2013 R000	2013 Re-presented R000	Effect on profit or loss R000
Contractual rental income	3 152 971	3 723 977	571 006
Operating costs	(633 840)	(1 204 846)	(571 006)
			–

13. SEGMENTAL REPORT

The local segment is divided into the subsectors of office, retail and industrial and Fountainhead, however, this is limited as follows:

- on the statement of comprehensive income to:
  - contractual rental income
  - property expenses
- on the statement of financial position to:
  - investment properties excluding developments
  - non-current assets held for sale.

All other line items are split between local and foreign as they are not split between the subsectors above for management purposes.

	Office R000	Retail R000	Industrial R000	Foreign R000	Fountainhead R000	Total R000
2014						
Contractual rental income	1 597 514	1 520 780	633 521	–	1 558 613	5 310 428
Property expenses	(551 164)	(619 196)	(183 896)	–	(553 268)	(1 907 524)
NET PROPERTY INCOME	1 046 350	901 584	449 625	–	1 005 345	3 402 904

	Redefine R000	Foreign R000	Fountainhead R000	Total R000
NET PROPERTY INCOME	2 397 559	–	1 005 345	3 402 904
Straight-line rental income	22 102	–	39 619	61 721
Listed securities portfolio	18 916	166 826	–	185 742
Fee income	34 735	469	–	35 204
Property trading income	1 032	–	–	1 032
REVENUE NET OF PROPERTY EXPENSES	2 474 344	167 295	1 044 964	3 686 603
Administration costs	(112 179)	(126)	(73 448)	(185 753)
Depreciation	(16 278)	–	–	(16 278)
SEGMENT PROFIT FROM OPERATIONS	2 345 887	167 169	971 516	3 484 572
Changes in fair values of properties, listed securities and financial instruments	1 388 754	109 626	552 865	2 051 245
Amortisation of intangibles	(62 856)	–	–	(62 856)
Interest in associates	–	439 766	–	439 766
Income from operations	3 671 785	716 561	1 524 381	5 912 727

	Office R000	Retail R000	Industrial R000	Other R000	Foreign R000	Fountain-head R000	Total R000
Investment properties (excluding development properties)	11 738 986	10 831 043	5 162 644	–	–	11 191 357	38 924 030
Non-current assets held for sale	42 344	471 060	–	–	–	976 724	1 490 128
	11 781 330	11 302 103	5 162 644	–	–	12 168 081	40 414 158

for the year ended 31 August

13. SEGMENTAL REPORT continued

	Redefine R000	Foreign R000	Fountain-head R000	Total R000
Investment properties and non-current assets held-for-sale	28 246 077	–	12 168 081	40 414 158
Other assets	9 658 851	6 983 784	433 371	17 076 006
TOTAL ASSETS	**37 904 928**	**6 983 784**	**12 601 452**	**57 490 164**
Total liabilities	**(19 170 145)**	**1 175 780**	**(3 759 862)**	**(21 754 227)**

2013	Office R000	Retail R000	Industrial R000	Foreign R000	Fountain-head R000	Total R000
Contractual rental income	1 385 523	1 210 012	524 042	–	604 400	3 723 977
Property expenses	(432 424)	(425 132)	(132 013)	–	(215 277)	(1 204 846)
NET PROPERTY INCOME	9 53 099	784 880	392 029	–	389 123	2 519 131

	Local	Foreign	Fountain-head	Total
Net property income	2 130 008	–	389 123	2 519 131
Straight-line rental income	86 606	–	(18 962)	67 644
Listed securities portfolio	311 046	–	–	311 046
Fee income	88 886	–	–	88 886
Property trading income	3 807	–	–	3 807
REVENUE NET OF PROPERTY EXPENSES	2 620 353	–	370 161	2 990 514
Administration and corporate costs	(96 210)	–	(29 987)	(126 197)
Depreciation	(23 771)	–	–	(23 771)
SEGMENT PROFIT FROM OPERATIONS	2 500 372	–	340 174	2 840 546
Changes in fair values of properties, listed securities and financial instruments	1 191 592	–	177 859	1 369 451
Amortisation of intangibles	(62 856)	–	–	(62 856)
Interest in associates	–	329 656	–	329 656
INCOME FROM OPERATIONS	3 629 108	329 656	518 033	4 476 797

	Office R000	Retail R000	Industrial R000	Other R000	Foreign R000	Fountain-head R000	Total R000
Investment properties (excluding development properties)	7 212 356	9 177 965	4 282 406	–	–	11 105 125	31 777 852
Non-current assets held for sale	2 167 796	74 000	25 838	1 912 567	907 444		5 087 645
	9 380 152	9 251 965	4 308 244	1 912 567	907 444	11 105 125	36 865 497

	Local	Foreign	Other	Total
Investment properties and non-current assets held-for-sale	24 852 928	907 444	11 105 125	36 865 497
Other assets	9 868 517	1 654 067	493 516	12 016 100
Total assets	34 721 445	2 561 511	11 598 641	48 881 597
Total liabilities (including debenture capital)	(24 807 674)	–	–	(24 807 674)
Total liabilities (excluding debenture capital)	(19 722 255)	–	–	(19 722 255)

SUMMARY OF SHARE TRADING

TRADED PRICE (CENTS PER SHARE)

Open	916
Low	865
High	1054
Close	956

SHARES/LINKED UNITS IN ISSUE

	2014	2013
Total shares/linked units in issue	**3 410 507 125**	2 935 578 269
Shares/linked units in issue (net of treasury share/linked units)	**3 404 630 359**	2 929 701 503
Weighted average number of shares/linked units in issue (net of treasury shares/linked units in issue)	**3 090 599 470**	2 824 980 402

TRADING VOLUMES

	2014	2013
Value traded (rand)	**13 539 564 871**	12 507 076 089
Volume traded	**1 419 603 119**	1 276 453 296
Volume traded as % of number of shares/linked units in issue	**41,7**	43,6
Volume traded as % of weighted number of shares/linked units in issue	**45,9**	45,2
Market capitalisation at 31 August (rand)	**32 604 448 115**	26 889 896 944
Number of share/linked unitholders	**25 880**	25 084

SHARES/UNITS ISSUED DURING THE YEAR

There were 474 928 856 shares/units that were issued during the year.

UNISSUED SHARES

299 881 242 unissued shares are under the control of the directors. This authority is in force until the next AGM.

ANALYSIS OF SHAREHOLDERS

SHAREHOLDER PROFILE

	Number of shareholdings	%	Number of shares	%
Collective investment schemes	515	1,99	1 431 838 137	41,98
Retirement benefit funds	431	1,67	823 569 350	24,15
Retail shareholders	20 177	77,96	274 273 159	8,04
Private companies	427	1,65	214 580 854	6,29
Trusts	3 343	12,92	157 892 809	4,63
Assurance and insurance companies	64	0,25	108 850 145	3,19
Custodians	73	0,28	82 225 644	2,41
Sovereign funds	23	0,09	61 700 638	1,81
Foundations and charitable funds	267	1,03	45 301 441	1,33
Other corporations	249	0,96	113 482 372	3,33
Stockbrokers and nominees	43	0,17	40 608 879	1,19
Treasury	3	0,01	22 039 324	0,65
Scrip lending	19	0,07	23 063 189	0,68
Close corporations	246	0,95	11 081 184	0,33
Total	**25 880**	**100**	**3 410 507 125**	**100**

as at 31 August 2014

SUMMARY OF SHARE TRADING continued

BENEFICIAL SHAREHOLDERS HOLDING IN EXCESS OF 2%

	Number of shares	%
Government Employees Pension Fund	265 881 369	7,80
Investment Solutions	174 461 948	5,12
Stanlib	169 623 287	4,97
Investec	134 921 293	3,96
Coronation Fund Managers	125 582 655	3,68
Clearwater Property Holdings Proprietary Limited	98 984 125	2,90
Prudential	93 487 983	2,74
Eskom Pension and Provident Fund	85 356 880	2,50
Sanlam Group	82 917 162	2,43
Old Mutual Group	82 470 915	2,42
iShares	74 424 830	2,18
Momentum	72 263 152	2,12
Total	**1 460 375 599**	**42,82**

SHAREHOLDER SPREAD

	Number of shareholdings	%	Number of shares	%
Non-public shareholders	13	0,05	147 475 648	4,32
Directors of the company	10	0,04	125 436 324	3,68
Own holdings	3	0,01	22 039 324	0,65
Public shareholders	25 867	99,95	3 263 031 477	95,68
Total	**25 880**	**100**	**3 410 507 125**	**100**

Number of shareholders	Number of shareholdings	%	Number of shares	%
1 – 999 shares	4 622	17,86	1 229 099	0,04
1 000 – 9 999 shares	10 987	42,45	48 947 169	1,44
10 000 – 99 999 shares	8 525	32,94	235 733 819	6,91
100 000 – 999 999 shares	1 385	5,35	400 765 377	11,75
1 000 000 – 9 999 999 shares	303	1,17	964 100 423	28,27
10 000 000 shares and over	58	0,23	1 759 731 238	51,59
Total	**25 880**	**100**	**3 410 507 125**	**100**

SHARE PRICES AND PERFORMANCE

MONTHLY TRADED PRICES

Month	High	Low	Number of deals	Volume	Value (Rand)
September 2013	1 020	903	15 862	129 147 930	1 233 635 286
October 2013	1 035	970	14 844	79 537 333	796 034 173
November 2013	1 025	965	14 995	101 891 015	1 003 895 566
December 2013	975	920	13 033	88 786 214	835 852 406
January 2014	973	880	18 170	109 848 888	1 006 038 905
February 2014	944	880	22 555	136 460 384	1 232 429 659
March 2014	985	906	18 709	109 567 976	1 020 644 622
April 2014	1 008	949	25 715	133 721 231	1 318 784 747
May 2014	1 015	930	27 124	123 513 184	1 207 187 094
June 2014	962	941	20 122	93 069 638	884 441 179
July 2014	978	934	22 849	158 846 577	1 508 614 954
August 2014	984	941	19 148	155 212 749	1 492 006 280

Redefine Properties Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1999/018591/06)
JSE share code: RDF ISIN: ZAE000190252
(Approved as a REIT by the JSE)
(Redefine or the company)

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the annual general meeting of shareholders of Redefine will be held at Redefine Place, 2 Arnold Road, Rosebank, Johannesburg, on 19 February 2015 at 10:00 (the annual general meeting or AGM) for the purposes of:

(a) receiving, considering and adopting the directors' report, the annual financial statements and the audit and risk committee report of the company for the year ended 31 August 2014 and the social and ethics committee report
(b) transacting any other business as may be transacted at an annual general meeting of shareholders of a company including the reappointment of the auditors and re-election of retiring directors
(c) considering and, if deemed fit, adopting, with or without modification, the shareholder special and ordinary resolutions set out below.

IMPORTANT DATES TO NOTE

	Date
Record date for receipt of notice purposes	**Wednesday, 24 December 2014**
Integrated report to be posted on	**Monday, 5 January 2015**
Last day to trade in order to be eligible to participate in and vote at the AGM	**Friday, 6 February 2015**
Record date for voting purposes (voting record date)	**Friday, 13 February 2015**
Last day to lodge forms of proxy for the annual general meeting	**Tuesday, 17 February 2015**
Annual general meeting (at 10:00)	**Thursday, 19 February 2015**
Results of annual general meeting released on SENS	**Thursday, 19 February 2015**

In terms of section 62(3)(e) of the Companies Act, No 71 of 2008 (Companies Act):

- a shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder, by completing the form of proxy in accordance with the instructions set out therein
- a proxy need not be a shareholder of the company.

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. In this regard, all shareholders recorded in the register of the company on the voting record date will be required to provide identification satisfactory to the chairman of the AGM. Forms of identification include valid identity documents, driving licences and passports.

ORDINARY RESOLUTION 1: ADOPTION OF ANNUAL FINANCIAL STATEMENTS

"Resolved that the annual financial statements of the company for the year ended 31 August 2014, including the directors' report and the report of the audit and risk committee, be and are hereby received and adopted."

In order for ordinary resolution 1 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 2: CONFIRMATION OF APPOINTMENT OF DA NATHAN AS DIRECTOR

"Resolved that the appointment of DA Nathan as a director of the company be confirmed."

A brief *curriculum vitae* is set out on page 9 of the integrated annual report.

In order for ordinary resolution 2 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 3: CONFIRMATION OF APPOINTMENT OF MJ WATTERS AS DIRECTOR

"Resolved that the appointment of MJ Watters as a director of the company be confirmed."

A brief *curriculum vitae* is set out on page 9 of the integrated annual report.

In order for ordinary resolution 3 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 4: CONFIRMATION OF APPOINTMENT OF LC KOK AS DIRECTOR

"Resolved that the appointment of LC Kok as a director of the company be confirmed."

A brief *curriculum vitae* is set out on page 9 of the integrated annual report.

In order for ordinary resolution 4 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 5: RE-ELECTION OF B NACKAN AS DIRECTOR

"Resolved that B Nackan who retires in terms of the company's Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a director of the company."

A brief *curriculum vitae* is set out on page 9 of the integrated annual report.

The remuneration and nomination committee has considered B Nackan's past performance and contribution to the company and recommends that B Nackan is re-elected as a director of the company.

In order for ordinary resolution 5 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 6: RE-ELECTION OF GZ STEFFENS AS DIRECTOR

"Resolved that GZ Steffens who retires in terms of the company's Memorandum of Incorporation and who, being eligible, offers himself for re-election, be re-elected as a director of the company."

A brief *curriculum vitae* is set out on page 9 of the integrated annual report.

The remuneration and nomination committee has considered GZ Steffens's past performance and contribution to the company and recommends that GZ Steffens is re-elected as a director of the company.

In order for ordinary resolution 6 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 7: REAPPOINTMENT OF MEMBERS OF THE AUDIT AND RISK COMMITTEE

"Resolved that the members of the company's audit and risk committee set out below be and are hereby reappointed, each by way of a separate vote, with effect from the end of this AGM in terms of section 94(2) of the Companies Act. The membership as proposed by the remuneration and nominations committee is as follows:

7.1 DA Nathan (chairman);
7.2 B Nackan; and
7.3 GZ Steffens.

all of whom are independent non-executive directors."

A brief *curriculum vitae* of each of the above audit and risk committee members is set out on page 9 of the integrated annual report.

In order for ordinary resolutions 7.1, 7.2 and 7.3 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass each resolution.

ORDINARY RESOLUTION 8: REAPPOINTMENT OF AUDITORS

"Resolved that Grant Thornton (Jhb) Inc, together with GM Chaitowitz as individual registered auditor for the company, be and are hereby reappointed as the auditors of the company from the conclusion of this AGM until the conclusion of the next AGM."

The audit and risk committee has nominated for appointment Grant Thornton (Jhb) Inc as auditors of the company pursuant to section 90 of the Companies Act.

In order for ordinary resolution 8 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 9: UNISSUED SHARES

"Resolved that, subject to the provisions of the Companies Act and the JSE Listings Requirements, up to a maximum of 10% of the issued shares as at the date of passing this resolution of the company be and are hereby placed under the control of the directors of the company until the next AGM, with the authority to allot and issue all or part thereof in their discretion to fund the acquisition of property assets, provided that the maximum discount at which shares may be issued in terms of this authority is 5% of the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares adjusted for a dividend where the ex date in respect of the dividend occurs during the 30-day period in question."

In order for ordinary resolution 9 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 10: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

"Resolved that, subject to the restrictions set out below and subject to the provisions of the Companies Act and the JSE Listings Requirements, the directors of the company be and are hereby authorised until this authority lapses at the next AGM of the company, provided that this authority shall not extend beyond 15 months, to allot and issue shares of the company for cash on the following bases:

(a) The shares which are subject to the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such shares or rights as are convertible into a class already in issue.
(b) The allotment and issue of shares for cash shall be made only to persons qualifying as 'public shareholders', as defined in the JSE Listings Requirements, and not to 'related parties'.
(c) The total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 188 227 167 shares, being 5% of the company's issued shares as at the date of notice of this AGM. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 188 227 167 shares the company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority.
(d) In the event of a subdivision or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio.

(e) The maximum discount at which shares may be issued is 5% of the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares adjusted for a dividend where the ex date in respect of the dividend occurs during the 30-day period in question.
(f) After the company has issued shares for cash which represent, on a cumulative basis, within the period that this authority is valid, 5% or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the number of shares issued, the average discount to the weighted average trade price of the shares over the 30 days prior to the date that the issue is agreed in writing and an explanation, including supporting documentation (if any), of the intended use of the funds."

In terms of the JSE Listings Requirements, in order for ordinary resolution 10 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 11: APPROVAL OF REMUNERATION POLICY

"Resolved that, in accordance with the principles of the King III report on governance, and through a non-binding advisory vote, the company's remuneration policy and the implementation thereof, as set out in part one of the remuneration policy included in the integrated annual report, be and is hereby approved."

In order for ordinary resolution 11 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION 12: SPECIFIC AUTHORITY TO ISSUE SHARES PURSUANT TO A REINVESTMENT OPTION

"Resolved that, subject to the provisions of the Companies Act, the company's Memorandum of Incorporation and the JSE Listings Requirements, the directors be and are hereby authorised by way of a specific standing authority to issue ordinary shares of no par value (new shares), as and when they deem appropriate, for the exclusive purpose of affording shareholders opportunities from time to time to elect to reinvest their dividends in new shares of the company pursuant to a reinvestment option."

In order for ordinary resolution 12 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

SPECIAL RESOLUTION 1: APPROVAL OF 2015 FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

"Resolved, as a special resolution, that the fees payable by the company to non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved by the passing of this resolution for the 2015 financial year, as follows:

	Proposed 2015 fee
Non-executive directors	R330 000
Audit and risk committee chairman	R155 000
Audit and risk committee member	R130 000
Remuneration and nomination committee chairman/member	R60 000
Investment committee member	R95 000
Social and ethics committee chairman/member	R60 000

In order for special resolution 1 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION 1

The reason for special resolution 1 is to obtain shareholder approval by way of special resolution in accordance with section 66(9) of the Companies Act for the payment by the company of remuneration to each of the non-executive directors of the company for each non-executive directors' services as a non-executive director for the ensuing financial year in the amounts set out under special resolution 1.

SPECIAL RESOLUTION 2: SHARE REPURCHASES

"Resolved that the company or any of its subsidiaries be and are hereby authorised by way of a general approval to acquire ordinary shares issued by the company, in terms of sections 46 and 48 of the Companies Act, and in terms of the JSE Listings Requirements being that:

(a) Any acquisition of shares shall be implemented through the order book of the JSE and without prior arrangement
(b) This general authority shall be valid until the company's next AGM, provided that it shall not extend beyond 15 months from the date of passing this special resolution
(c) The company (or any subsidiary) is duly authorised by its Memorandum of Incorporation to do so
(d) Acquisitions of shares in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the company's issued ordinary share capital as at the date of passing this special resolution
(e) In determining the price at which shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value on the JSE over the five business days immediately preceding the repurchase of such shares
(f) At any point in time the company (or any subsidiary) may appoint only one agent to effect repurchases on its behalf
(g) Repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the JSE Listings Requirements) unless a repurchase programme is in place (where the dates and quantities of shares to be repurchased during the prohibited period are fixed) and has been submitted to the JSE in writing prior to commencement of the prohibited period
(h) An announcement will be published as soon as the company or any of its subsidiaries have acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition pursuant to which the aforesaid threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions
(i) The board of directors of the company must resolve that the repurchase is authorised, the company and its subsidiaries have passed the solvency and liquidity test, as set out in section 4 of the Companies Act, and since that test was performed, there have been no material changes to the financial position of the group."

In accordance with the JSE Listings Requirements the directors record that although there is no immediate intention to effect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which may require expeditious and immediate action.

The directors undertake that, after considering the maximum number of shares that may be repurchased and the price at which the repurchases may take place pursuant to the repurchase general authority, for a period of 12 months after the date of notice of this AGM:

- the company and the group will, in the ordinary course of business, be able to pay its debts
- the consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the company and the group, fairly valued in accordance with International Financial Reporting Standards
- the company and group's share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information, some of which may appear elsewhere in the integrated annual report of which this notice forms part, is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of this general authority:

- Major beneficial shareholders – page 139 and 140
- Capital structure of the company – pages 32 to 34

LITIGATION STATEMENT

In terms of section 11.26 of the JSE Listings Requirements, the directors, whose names appear on pages 8 and 9 of the integrated report, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the company's financial position.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors whose names appear on pages 8 and 9 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act and the JSE Listings Requirements.

MATERIAL CHANGES

Other than the facts and developments reported on in the integrated annual report of which this notice forms part, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report for the financial year ended 31 August 2014 and up to the date of this notice.

In order for special resolution 2 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION 2

The reason for special resolution 2 is to afford the directors of the company (or a subsidiary of the company) general authority to effect a repurchase of the company's shares on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the JSE Listings Requirements and the Companies Act, to effect acquisitions of the company's shares on the JSE.

SPECIAL RESOLUTION 3: FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED PARTIES

"Resolved that to the extent required by section 45 the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance as contemplated in section 45 of the Companies Act by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the company for any purpose or in connection with any matter, such authority to endure for two years after the adoption of this special resolution 3 or until its renewal, whichever is the earliest, and further provided that inasmuch as the company's provision of financial assistance to its subsidiaries will at any and all times be in excess of one-tenth of 1% of the company's net worth, the company hereby provides notice to its shareholders of that fact."

In order for special resolution 3 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

REASONS FOR AND EFFECT OF SPECIAL RESOLUTION 3

The company would like the ability to provide financial assistance in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. This authority is necessary for the company to provide financial assistance in appropriate circumstances. Under the Companies Act, the company will, however, require the special resolution referred to above to be adopted, provided that the board of directors of the company is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test contemplated in the Companies Act. In the circumstances and in order to, *inter alia*, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution 3. Therefore, the reason for and effect of special resolution 3 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in special resolution 3 above.

NOTICE IN TERMS OF SECTION 45(5) OF THE COMPANIES ACT IN RESPECT OF SPECIAL RESOLUTION 3

Notice is hereby given to shareholders of the company in terms of section 45(5) of the Companies Act of a resolution adopted by the board authorising the company to provide such direct or indirect financial assistance as specified in the special resolution above:

(a) By the time that this notice of AGM is delivered to shareholders of the company, the board will have adopted a resolution (section 45 board resolution) authorising the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date on which the special resolution is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation.

(b) The section 45 board resolution will be effective only if and to the extent that special resolution 3 is adopted by the shareholders of the company, and the provision of any such direct or indirect financial assistance by the company, pursuant to any such resolution, will always be subject to the board being satisfied that (i) immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the company as referred to in section 45(3)(b)(ii) of the Companies Act.

(c) In as much as the section 45 board resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of 1% of the company's net worth at the date of adoption of such resolution, the company hereby provides notice of the section 45 board resolution to shareholders of the company.

ORDINARY RESOLUTION 13: SIGNATURE OF DOCUMENTATION

"Resolved that any director of the company or the company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of ordinary resolutions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 and special resolutions 1, 2 and 3 which are passed by the shareholders with and subject to the terms thereof."

In order for ordinary resolution 13 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

QUORUM

A quorum for the purposes of considering the resolutions above shall consist of three shareholders of the company personally present (or represented) and entitled to vote at the AGM. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by Redefine shareholders in respect of each matter to be decided at the AGM.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107), for the purposes of being entitled to attend, participate in and vote at the AGM is Friday, 13 February 2015.

ELECTRONIC PARTICIPATION

The company has made provision for Redefine shareholders or their proxies to participate electronically in the AGM by way of telephone conferencing. Should you wish to participate in the AGM by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Monday, 9 February 2015 by submitting by email to the company secretary at Neville.Toerien@computershare.co.za or by fax to be faxed to +27 11 688 6238, for the attention of Neville Toerien, relevant contact details, including an email address, cellular number and landline, as well as full details of the Redefine shareholders' title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of materialised Redefine shares) and (in the case of dematerialised Redefine shares) written confirmation from the Redefine shareholders' CSDP confirming the Redefine shareholders' title to the dematerialised Redefine shares. Upon receipt of the required information, the Redefine shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the AGM. Redefine shareholders must note that access to the electronic communication will be at the expense of the Redefine shareholders who wish to utilise the facility.

Redefine shareholders and their appointed proxies attending by conference call must note that they will not be able to cast their votes during the AGM through this medium. Such shareholders, should they wish to have their vote counted at the AGM, must, to the extent applicable, (i) complete the form of proxy; or (ii) contact their CSDP or broker, in both instances, as set out above.

VOTING AND PROXIES

A shareholder of the company entitled to attend and vote at the AGM is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, vote and speak in his/her stead.

On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

A form of proxy is attached for the convenience of any shareholder holding certificated shares who cannot attend the AGM but who wishes to be represented thereat. Forms of proxy may also be obtained on request from the company's registered office. The completed form of proxy must be deposited at or posted to the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by not later than [10:00 on Tuesday, 17 February 2015]. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

Shareholders who have already dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and who wish to attend the AGM must instruct their CSDP or broker to issue them with the necessary letter of representation to attend.

Dematerialised shareholders, who have elected 'own name' registration in the subregister through a CSDP and who are unable to attend but who wish to vote at the AGM must complete and return the attached form of proxy and lodge it with the transfer secretaries, Computershare Investor Services Proprietary Limited, PO Box 61051, Marshalltown, 2107 to be received by no later than 10:00 on Tuesday, 17 February 2015.

All beneficial owners whose shares have been dematerialised through a CSDP or broker other than with 'own name' registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the AGM. Alternatively, they may request the CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the AGM. Such shareholder must not complete the attached form of proxy.

In terms of section 63(1) meeting participants will be required to provide identification to the reasonable satisfaction of the chairman of the AGM and the chairman must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably satisfied.

Redefine does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the AGM or any business to be conducted thereat.

By order of the board

CIS Company Secretaries Proprietary Limited
Company secretary

Registered office
Third floor
Redefine Place
2 Arnold Road
Rosebank
2196

Transfer secretaries
Computershare Investor Services Proprietary Limited
Ground floor
70 Marshall Street
Johannesburg
2001

Redefine Properties Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1999/018591/06)
JSE share code: RDF ISIN: ZAE000190252
(Approved as a REIT by the JSE)
(Redefine or the company)

FORM OF PROXY

Where appropriate and applicable the terms defined in the notice of annual general meeting to which this form of proxy is attached and forms part of bear the same meanings in this form of proxy.

For use by shareholders of the company holding certificated shares and/or dematerialised shareholders who have elected 'own name' registration, nominee companies of Central Securities Depository Participant's (CSDP) and brokers' nominee companies, registered as such at the close of business on Friday, 13 February 2015 (the voting record date), at the annual general meeting to be held at the offices of the company at 2 Arnold Road, Rosebank, 2196 at 10:00 on **Thursday, 19 February 2015** (the **annual general meeting**) or any postponement or adjournment thereof.

If you are a dematerialised shareholder, other than with 'own name' registration, do not use this form. Dematerialised shareholders, other than with 'own name' registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (BLOCK LETTERS PLEASE)

of (ADDRESS)

being the holder/s of Redefine shares hereby appoint:

1. or failing him/her,

2. or failing him/her,

3. the chairman of the annual general meeting,

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the annual general meeting and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the annual general meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s):

		Number of votes		
		For*	**Against***	**Abstain***
Ordinary resolution 1:	Adoption of annual financial statements			
Ordinary resolution 2:	Confirmation of appointment of DA Nathan as director			
Ordinary resolution 3:	Confirmation of appointment of MJ Watters as director			
Ordinary resolution 4:	Confirmation of appointment of LC Kok as director			
Ordinary resolution 5:	Re-election of B Nackan as director			
Ordinary resolution 6:	Re-election of GZ Steffens as director			
Ordinary resolution 7.1:	Reappointment of DA Nathan as a member of the audit and risk committee			
Ordinary resolution 7.2:	Reappointment of B Nackan as a member of the audit and risk committee			
Ordinary resolution 7.3:	Reappointment of GZ Steffens as a member of the audit and risk committee			
Ordinary resolution 8:	Reappointment of auditors			
Ordinary resolution 9:	Unissued shares			
Ordinary resolution 10:	General authority to issue shares for cash			
Ordinary resolution 11:	Approval of remuneration policy			
Ordinary resolution 12:	Specific authority to issue shares pursuant to a reinvestment option			
Special resolution 1:	Approval of 2015 fees payable to non-executive directors			
Special resolution 2:	Share repurchases			
Special resolution 3:	Financial assistance to related and inter-related parties			
Ordinary resolution 13:	Signature of documentation			

**One vote per share held by Redefine shareholders recorded in the register on the voting record date.*

Mark "for", "against" or "abstain" as required. If no options are marked the proxy will be entitled to vote as he/she thinks fit. Unless otherwise instructed, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed this day of 20

Signature

Assisted by me (where applicable)

(State capacity and full name)

A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the annual general meeting.

Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, or posted to PO Box 61051, Marshalltown 2107, so as to arrive by no later than 10:00 on Tuesday, 17 February 2015.

Please read the notes on the reverse side hereof

1. Only shareholders who are registered in the register of the company under their own name on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, being Friday, 13 February 2015 (the voting record date), may complete a form of proxy or attend the annual general meeting. This includes shareholders who have not dematerialised their shares or who have dematerialised their shares with 'own name' registration. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. A proxy need not be a shareholder of the company.
2. Certificated shareholders wishing to attend the annual general meeting have to ensure beforehand with the transfer secretaries of the company (being Computershare Investor Services Proprietary Limited) that their shares are registered in their own name.
3. Beneficial shareholders whose shares are not registered in their 'own name', but in the name of another, for example, a nominee, may not complete a form of proxy, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instruction on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the annual general meeting.
4. Dematerialised shareholders who have not elected 'own name' registration in the register of the company through a Central Securities Depository Participant (CSDP) and who wish to attend the annual general meeting, must instruct the CSDP or broker to provide them with the necessary authority to attend.
5. Dematerialised shareholders who have not elected 'own name' registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the annual general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
6. A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the aforegoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
   - 8.1 stated in the revocation instrument, if any; or
   - 8.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, No 71 of 2008, as amended (the Companies Act).
9. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's Memorandum of Incorporation to be delivered by the company to the shareholder must be delivered by the company to:
   - 9.1 the shareholder; or
   - 9.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the company or the instrument appointing the proxy provides otherwise.
11. If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
    - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
    - 11.2 the company must not require that the proxy appointment be made irrevocable; and
    - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the annual general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the company that wishes to attend and participate at the annual general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the annual general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders be present or represented at the meeting, that one of the said persons whose name appears first in the register of shareholders of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to that proportion of the total votes in the company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares of the relevant class issued by the company.
18. The chairman of the annual general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he/she shall not accept a proxy unless he/she is satisfied as to the matter in which a shareholder wishes to vote.
19. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
20. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the annual general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the annual general meeting or other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
21. It is requested that this form of proxy be lodged or posted or faxed to the transfer secretaries, Computershare Investor Services Proprietary Limited at 70 Marshall Street, Johannesburg, or by fax on +27 11 688 6238, to be received by the company no later than 10:00 on Tuesday, 17 February 2015. A quorum for the purposes of considering the ordinary resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the annual general meeting. In addition, a quorum shall consist of three shareholders of the company personally present or represented and entitled to vote at the annual general meeting.
22. This form of proxy may be used at any adjournment or postponement of the annual general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.

Financial year-end	31 August
Integrated annual report to be posted to shareholders	5 January 2015
Annual general meeting	19 February 2015

DIVIDEND TIMETABLE FOR THE 2015 FINANCIAL YEAR

Six months ended	28 February 2015	31 August 2015
Declaration date	7 May 2015	5 November 2015
Payment date	1 June 2015	30 November 2015

REDEFINE PROPERTIES LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1999/018591/06)
(JSE share code: RDF ISIN: ZAE000190252)
(Approved as a REIT by the JSE)

REGISTERED OFFICE AND BUSINESS ADDRESS

Redefine Place, 2 Arnold Road, Rosebank 2196
PO Box 1731, Parklands 2121
Telephone: +27 11 283 0000
Fax: +27 11 283 0055

Email: investorenquiries@redefine.co.za
www.redefine.co.za

INDEPENDENT AUDITORS

Grant Thornton (Jhb) Inc
42 Wierda Road West, Wierda Valley 2196
Telephone: +27 11 384 8000

COMPANY SECRETARY

CIS Company Secretaries Proprietary Limited
70 Marshall Street, Johannesburg 2001
Telephone: +27 11 370 5000

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
70 Marshall Street, Johannesburg 2001
Telephone: +27 11 370 5000

INVESTOR RELATIONS

Should you wish to be placed on the mailing list to receive regular 'breaking news' email updates, please send an email to investorenquiries@redefine.co.za

CORPORATE SPONSOR

Java Capital Trustees and Sponsor Proprietary Limited
Redefine Place, 2 Arnold Road, Rosebank 2196
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BASTION GRAPHICS

www.redefine.co.za

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