

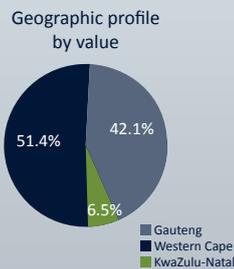
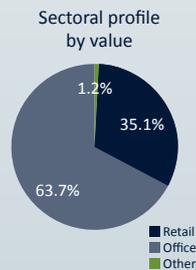
TOWER PROPERTY FUND

Summary of the provisional annual results for the year ended 31 May 2014

- Increase in operating profit from R147 million to R161 million
- Increase in Headline Earnings per Share from 69 cents to 94.4 cents
- Increase in Earnings per Share from 11 cents to 82 cents
- Maiden annual distribution of 74.6 cents per share exceeds pre-listing forecast
- Distributable earnings of R96.8 million
- Net asset value increased from R8.75 to R9.07
- Portfolio value increased by 25% to R2.06 billion
- Portfolio vacancies reduced by 19%
- Loan to value reduced to 37%
- Fixed debt increased to 72%
- Successful greening programme at Cape Quarter

Profile

Tower Property Fund became South Africa's first new real estate investment trust (REIT) to list when the group made its debut on the JSE Limited in July 2013. The group owns a diversified portfolio of 31 commercial and retail properties valued at R2.06 billion, located mainly in the Western Cape (51% by value) and Gauteng (42% by value). Tower is committed to a 'greening' strategy to increase the competitiveness and values of buildings in its portfolio.



Financial and operating performance

Tower performed strongly in its first year of operation, generating revenue of R191.3 million and operating profit of R161.3 million for the 12 months ended 31 May 2014 (the period). Comparative figures are not provided as this is the group's first period of operation.

Distributable earnings totalled R96.8 million. The directors declared a final distribution of 41.6 cents per share, bringing the total distribution for the period to 74.6 cents. This exceeds the fund's pre-listing forecast of 71.7 cents.

Property acquisitions

Three properties totaling R329 million were acquired in the past six months, contributing to the growth in the portfolio to R2.06 billion. These properties are the De Ville Shopping Centre (Durbanville) for R226 million, Clifton Place office building (Durban) for R81 million and 19 Section Street, an industrial property in Paarden Eiland, Cape Town for R22 million.

Portfolio greening

The lighting retrofit programme completed at the Cape Quarter has resulted in an estimated annual saving of R1 million in operating costs. This programme is expected

to reduce kilowatt hours and carbon emissions by 69%.

Prospects

Management will continue to enhance the portfolio and investor returns through careful cost control of its existing portfolio and the continued roll out of greening initiatives. Well located, quality properties will be sourced to strengthen the portfolio and reduce risk to particular properties.

Over R1 billion of new acquisitions are being negotiated and management is currently undertaking extensive due diligence on these properties.

This short-form announcement is only a summary of the full announcement released on SENS and published on the company's website (www.towerpropertyfund.co.za) on 24 July 2014, and does not contain full or complete details.

The full announcement is available for inspection from 25 July 2014 until 8 August 2014 at:

- the company's registered office; and

- the offices of the sponsor, Java Capital (2nd Floor, 2 Arnold Road, Rosebank, 2196); and
- Copies of the full announcement may be requested, at no charge, during business hours. Any investment decision by investors and/or shareholders in relation to the company's shares should be based on the full announcement. This short-form announcement is the responsibility of the Tower Property Fund board of directors.

Tower Property Fund Limited
(Incorporated in the Republic of South Africa)
Registration number
2012/066457/06
JSE share code
TWR
Registered address
2nd Floor, Spire House, Tannery Park,
23 Belmont Road, Rondebosch, 7700
PO Box 155, Rondebosch, 7701
Transfer secretaries
Link Market Services South Africa
Proprietary Limited

Sponsor
Java Capital
Company secretary
Ovland Management Services
Proprietary Limited
Directors
A Dalling* (Chairman), M Edwards (Chief Executive Officer), J Bester*, K Craddock, M Evans*, F Jenkings (Chief Financial Officer), B Kerswill, A Magwentshu*, N Milne*, R Naidoo*
* non-executive directors