

**TOWER PROPERTY FUND LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2012/066457/06)  
JSE share code: TWR ISIN: ZAE000179040  
(Approved as a REIT by the JSE)  
(“Tower” or “the company”)



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## DISPOSAL OF PICK N PAY DISTRIBUTION CENTRE

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Shareholders are referred to the audited consolidated annual financial statements for the year ended 31 May 2018, wherein shareholders were advised that Tower had entered into a sale agreement in respect of the disposal of the Pick n Pay Distribution Centre in Pinetown, Kwazulu Natal, for a total purchase consideration of R96 million (being its 31 May 2018 book value) (the “**transaction**” or “**disposal**”).

Tower is pleased to inform shareholders that the transaction has now been implemented. This property was not core to Tower and there was uncertainty regarding the probability of renewal of the lease on its expiry in 2020.

Tower has not provided distribution guidance for its financial year ending 31 May 2019. However, Tower provided property net income guidance and will continue to update shareholders on the progress of its asset management initiatives, including the disposal of non-core properties, as the investment of these proceeds is key to Tower’s sustainable income and total return strategy.

The disposal is consistent with Tower’s strategy of recycling assets where Tower has already successfully unlocked value and utilising the proceeds of such disposal to strengthen Tower’s balance sheet and funding investments in assets where there is still growth to be unlocked. Tower will utilise 55% of the proceeds to reduce the company’s local debt. The remaining funds will be used by Tower to realise accretive and defensive capital projects in its existing property portfolio, and to continue to repurchase Tower shares should the circumstances be favourable.

The transaction is not categorisable in terms of the JSE Listings Requirements and this announcement is voluntary and for information purposes only.

4 September 2018

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Sponsor

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