

# STENPROP



## UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS for the nine months ended 31 December 2015

### STENPROP LIMITED

(Incorporated in Bermuda)

(Registration number 47031)

BSX share code: STPBH JSE share code: STP ISIN: BMG8465Y1093

("Stenprop" or "the Company" or "the Group")

*Stenprop Limited, a Bermuda company which has dual primary listings on the Bermuda Stock Exchange ("BSX") and the Johannesburg Stock Exchange ("JSE"), today announces its results for the nine months ended 31 December 2015.*

*The company is required to publish financial results for the nine months ended 31 December 2015 in terms of the rules of the BSX. Accordingly, this announcement presents the unaudited condensed consolidated financial results of the Group in respect of the financial period from 1 April 2015 to 31 December 2015 in a form compliant with the requirements of the BSX.*

### FINANCIAL REVIEW

#### Earnings

The basic earnings attributable to ordinary shareholders for the nine-month period to 31 December 2015 were €33.5 million (2014 *pro forma*<sup>1</sup>: €18.6 million). This equates to a diluted IFRS EPS of 12.06 cents (2014 *pro forma*: 7.46 cents). The headline earnings were €22.3 million (2014 *pro forma*: €16.2 million) equating to a diluted headline EPS of 8.03 cents (2014 *pro forma*: 6.52 cents).

In accordance with reporting standards widely adopted across the real estate industry in Europe, the board of directors feels it is appropriate and useful, in addition to providing the IFRS disclosed earnings, to also disclose EPRA<sup>2</sup> earnings.

Adjusted EPRA earnings attributable to shareholders for the nine-month period were €21.8 million (2014 *pro forma*: €18.3 million), equating to a diluted adjusted EPRA EPS of 7.86 cents (2014 *pro forma*: 7.34 cents).

#### Net assets

The basic and diluted IFRS NAV per share at 31 December 2015 was €1.61 (2014: €1.45). The basic and diluted EPRA NAV per share was €1.66 (2014: €1.50).

<sup>1</sup> The basis of preparation of the comparative *pro forma* is explained in note 1 to the financial statements

<sup>2</sup> European Public Real Estate Association

## ACQUISITIONS DURING THE QUARTER

As previously reported, the purchase of the Victoria shopping centre for €20.6 million completed on 24 November 2015. The property is located in the Lichtenberg district of Berlin, approximately 15 minutes by underground from the city centre and is anchored by Kaufland (a hypermarket chain) on a new 17-year lease. The return on equity on this investment exceeded 8% per annum at inception.

## DIVIDENDS

On 26 November 2015, the Company announced an interim dividend of 4.2 cents per share in respect of the six months to 30 September 2015. On 25 January 2016, the Company announced a 41.5% take up of the scrip dividend for which 3,253,857 new Stenprop shares were issued at an issue price of €1.49854 per share.

## PROSPECTS

As announced on SENS in the Forecast Financial Information announcement published on 14 August 2015, the Group expected adjusted diluted EPRA earnings per share for the year ended 31 March 2016 of 10.32 cents per share. Whilst fluctuations in exchange rates used in our forecast may impact earnings, we remain on track to achieve our forecast.

Stenprop expects to declare a final dividend in June 2016 of 4.3 cents per share which, together with the interim dividend of 4.2 cents per share, will give a total dividend relating to the current financial year of 8.5 cents per share.

This general forecast has been based on the Group's own forecasts and has not been reported on by the external auditors.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | Notes     | Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2015<br>€'000 | Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 | *Pro forma<br>Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 |
|--|-----------|--|--|--|
| Net rental income  |           | 29,523   | 10,624   | 25,298   |
| Management fee income  |           | 2,057  | 823  | 890  |
| Operating costs  |           | (6,811)  | (3,106)  | (5,300)  |
| <b>Net operating income</b>                                    |           | <b>24,769</b>  | 8,341  | 20,888   |
| Fair value movement of investment properties                   |           | 10,249   | 4,970  | 16,162   |
| Reversal of provision for selling costs                        |           | –  | –  | 5,612  |
| Investment in associates                                       |           | 137  | 643  | 1,803  |
| Investment in joint ventures                                   |           | 7,530  | 442  | 1,551  |
| Impairment of notional goodwill                                |           | –  | –  | (19,374)   |
| <b>Profit from operations</b>                                  |           | <b>42,685</b>  | 14,396   | 26,642   |
| Gain on acquisition  |           | –  | 9,657  | –  |
| Other gains and losses   |           | –  | 12   | 42   |
| Net gain/(loss) from fair value of financial liabilities       |           | 1,231  | (128)  | 86   |
| Net finance costs  |           | (8,418)  | (2,709)  | (7,481)  |
| Net foreign exchange gain/(loss)                               |           | 2  | (52)   | (36)   |
| <b>Profit for the period before taxation</b>                   |           | <b>35,500</b>  | 21,176   | 19,253   |
| Taxation   |           | (1,784)  | (16)   | (633)  |
| <b>Profit for the period after taxation</b>                    |           | <b>33,716</b>  | 21,160   | 18,620   |
| <b>Profit attributable to:</b>                                 |           |  |  |  |
| Equity holders   |           | 33,506   | 21,124   | 18,584   |
| Non-controlling interest                                       |           | 210  | 36   | 36   |
| <b>Other comprehensive income</b>                              |           |  |  |  |
| Items that may be reclassified subsequently to profit or loss: |           |  |  |  |
| Fair value movement on interest rate swaps                     |           | 519  | (48)   | (48)   |
| Foreign currency translation reserve                           |           | (4,253)  | 232  | 2,773  |
| <b>Total comprehensive profit for the period</b>               |           | <b>29,982</b>  | 21,344   | 21,345   |
| <b>Total comprehensive profit attributable to:</b>             |           |  |  |  |
| Equity holders   |           | 29,772   | 21,344   | 21,309   |
| Non-controlling interest                                       |           | 210  | 36   | 36   |
| <b>Earnings per share</b>                                      |           |  |  |  |
| IFRS EPS   | (cents) 2 | 12.09  | 8.49   | 7.47   |
| Diluted IFRS EPS   | (cents) 2 | 12.06  | 8.48   | 7.46   |
| EPRA EPS   | (cents) 2 | 7.33   | 2.44   | 6.58   |
| Diluted EPRA EPS   | (cents) 2 | 7.31   | 2.44   | 6.57   |
| Adjusted EPRA EPS  | (cents) 2 | 7.88   | 2.70   | 7.35   |
| Diluted adjusted EPRA EPS                                      | (cents) 2 | 7.86   | 2.70   | 7.34   |

\* Readers are referred to note 1 where the basis of preparation of the pro forma information is explained.

Results derive from continuing operations

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | Notes | Unaudited<br>as at<br>31 December<br>2015<br>€'000 | Unaudited<br>as at<br>31 December<br>2014<br>€'000 | Audited<br>as at<br>31 March<br>2015<br>€'000 |
|---|-------|--|--|---|
| <b>ASSETS</b>   |       |  |  |   |
| Investment properties   |       | 748,159  | 558,341  | 695,196                                       |
| Investment in associates  |       | 39,235   | 35,193   | 39,652  |
| Investment in joint ventures  |       | 40,545   | 9,390  | 8,506   |
| Investments   |       | –  | 332  | –   |
| Other debtors   |       | 7,449  | –  | –   |
| Property, plant and equipment   |       | 3  | 5  | 2   |
| <b>Total non-current assets</b>   |       | <b>835,391</b>                                     | 603,261  | 743,356                                       |
| Cash and cash equivalents   |       | 37,367   | 46,068   | 80,430  |
| Accounts receivable   |       | 3,369  | 1,553  | 2,634   |
| Other debtors   |       | 617  | 1,588  | 3,910   |
| Prepayments   |       | 1,994  | 873  | 1,519   |
| Assets held for sale  |       | –  | 60,918   | –   |
| <b>Total current assets</b>   |       | <b>43,347</b>                                      | 111,000  | 88,493  |
| <b>Total assets</b>   |       | <b>878,738</b>                                     | 714,261  | 831,849                                       |
| <b>Equity and liabilities</b>   |       |  |  |   |
| <b>Capital and reserves</b>   |       |  |  |   |
| Share capital   | 4     | –  | –  | –   |
| Share premium   | 4     | 385,036  | 339,825  | 374,127                                       |
| Equity reserve  |       | 303  | –  | –   |
| Retained earnings   |       | 47,665   | 21,087   | 37,561  |
| Foreign currency translation reserve                                    |       | 17,890   | 325  | 22,143  |
| Cash flow hedge reserve   |       | –  | (136)  | (519)   |
| Total equity attributable to equity shareholders                        |       | 450,894  | 361,101  | 433,312                                       |
| <b>Non-controlling interest</b>   |       | <b>2,025</b>                                       | 1,758  | 1,815   |
| <b>Total equity</b>   |       | <b>452,919</b>                                     | 362,859  | 435,127                                       |
| <b>Non-current liabilities</b>  |       |  |  |   |
| Bank loans  |       | 272,609  | 283,316  | 296,873                                       |
| Derivative financial instruments  |       | 3,448  | 4,732  | 5,108   |
| Other loan and interest   |       | 30   | 369  | 23  |
| Deferred tax  |       | 8,429  | 6,075  | 7,230   |
| <b>Total non-current liabilities</b>                                    |       | <b>284,516</b>                                     | 294,492  | 309,234                                       |
| <b>Current liabilities</b>  |       |  |  |   |
| Bank loans  |       | 109,582  | 24,993   | 68,058  |
| Derivative financial instruments  |       | 562  | –  | 1,273   |
| Accounts payable and accruals   |       | 31,159   | 14,161   | 18,157  |
| Liabilities directly associated with assets classified as held for sale |       | –  | 17,756   | –   |
| <b>Total current liabilities</b>  |       | <b>141,303</b>                                     | 56,910   | 87,488  |
| <b>Total liabilities</b>  |       | <b>425,819</b>                                     | 351,402  | 396,722                                       |
| <b>Total equity and liabilities</b>                                     |       | <b>878,738</b>                                     | 714,261  | 831,849                                       |
| IFRS net asset value per share  | 3     | 1.61   | 1.45   | 1.59  |
| EPRA net asset value per share  | 3     | 1.66   | 1.50   | 1.65  |

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|   | Share capital<br>€'000 | Share premium<br>€'000 | Equity reserve<br>€'000 | Retained earnings<br>€'000 | Foreign currency translation reserve<br>€'000 | Cash flow hedge reserve<br>€'000 | Attributable to equity shareholders<br>€'000 | Non-controlling interest<br>€'000 | Total equity<br>€'000 |
|---|------------------------|------------------------|-------------------------|----------------------------|---|----------------------------------|--|-----------------------------------|-----------------------|
| Balance at 1 April 2015                                     | -                      | 374,127                | -                       | 37,561                     | 22,143  | (519)                            | 433,312                                      | 1,815                             | 435,127               |
| Issue of share capital                                      | -                      | 10,909                 | (25)                    | -                          | -   | -                                | 10,884                                       | -                                 | 10,884                |
| Credit to equity for equity-settled share-based payments    | -                      | -                      | 328                     | -                          | -   | -                                | 328  | -                                 | 328                   |
| Total comprehensive profit/(loss) for the period            | -                      | -                      | -                       | 33,506                     | (4,253)                                       | 519                              | 29,772                                       | 210                               | 29,982                |
| Ordinary dividends  | -                      | -                      | -                       | (23,402)                   | -   | -                                | (23,402)                                     | -                                 | (23,402)              |
| <b>Balance at 31 December 2015</b>                          | <b>-</b>               | <b>385,036</b>         | <b>303</b>              | <b>47,665</b>              | <b>17,890</b>                                 | <b>-</b>                         | <b>450,894</b>                               | <b>2,025</b>                      | <b>452,919</b>        |
| Balance at 1 April 2014                                     | -                      | 21,131                 | -                       | (37)                       | -   | 5                                | 21,099                                       | -                                 | 21,099                |
| Issue of share capital                                      | -                      | 320,854                | -                       | -                          | -   | -                                | 320,854                                      | -                                 | 320,854               |
| Listing costs   | -                      | (2,160)                | -                       | -                          | -   | -                                | (2,160)                                      | -                                 | (2,160)               |
| Novation of swap contract                                   | -                      | -                      | -                       | -                          | 93  | (93)                             | -  | -                                 | -                     |
| Total comprehensive profit/(loss) for the period            | -                      | -                      | -                       | 21,124                     | 232   | (48)                             | 21,308                                       | 36                                | 21,344                |
| Adjustments arising from change in non-controlling interest | -                      | -                      | -                       | -                          | -   | -                                | -  | 1,722                             | 1,722                 |
| <b>Balance at 31 December 2014</b>                          | <b>-</b>               | <b>339,825</b>         | <b>-</b>                | <b>21,087</b>              | <b>325</b>                                    | <b>(136)</b>                     | <b>361,101</b>                               | <b>1,758</b>                      | <b>362,859</b>        |

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|   | <b>Unaudited<br/>for the<br/>nine months<br/>ended<br/>31 December<br/>2015<br/>€'000</b> | Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 |
|---|---|--|
| <b>Operating activities</b>                                 |   |  |
| Profit from operations                                      | <b>42,685</b>   | 14,396   |
| Share of loss in associates                                 | <b>(137)</b>  | (643)  |
| Increase in fair value of investment property               | <b>(10,249)</b>   | (4,970)  |
| Increase in fair value of joint venture                     | <b>(7,530)</b>  | (442)  |
| Exchange rate gains/(losses)                                | <b>2</b>  | (52)   |
| Decrease/(increase) in trade and other receivables          | <b>371</b>  | (1,313)  |
| (Decrease)/increase in trade and other payables             | <b>(102)</b>  | 641  |
| Interest paid   | <b>(8,040)</b>  | (2,500)  |
| Interest received   | <b>768</b>  | 8  |
| Net tax paid  | <b>(342)</b>  | (260)  |
| <b>Net cash from operating activities</b>                   | <b>17,426</b>   | 4,865  |
| <b>Investing activities</b>                                 |   |  |
| Dividends received from trading activities                  | –   | 3  |
| Dividends received from associates                          | <b>1,388</b>  | 562  |
| Dividends received from joint ventures                      | <b>315</b>  | –  |
| Purchase of investment properties                           | <b>(45,797)</b>   | –  |
| Capital expenditure on investment properties                | <b>(2,790)</b>  | (783)  |
| Acquisition of investment in joint venture                  | <b>(26,782)</b>   | –  |
| Cash obtained on acquisition of subsidiaries                | –   | 42,256   |
| <b>Net cash (used in)/from investing activities</b>         | <b>(73,666)</b>   | 42,038   |
| <b>Financing activities</b>                                 |   |  |
| Repayment of borrowings                                     | <b>(37,796)</b>   | (2,046)  |
| Dividends paid  | <b>(8,198)</b>  | –  |
| Listing costs paid  | –   | (989)  |
| Financing fees paid   | <b>(1,090)</b>  | (6)  |
| Unutilised facility fee paid                                | –   | (43)   |
| Payments made on swap break                                 | <b>(571)</b>  | –  |
| New bank loans raised                                       | <b>60,369</b>   | –  |
| New other loans   | –   | 346  |
| <b>Net cash from/(used in) financing activities</b>         | <b>12,714</b>   | (2,738)  |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>(43,526)</b>   | 44,165   |
| Effect of foreign exchange rate changes                     | <b>463</b>  | 232  |
| Cash and cash equivalents at beginning of the period        | <b>80,430</b>   | 1,671  |
| <b>Cash and cash equivalents at end of the period</b>       | <b>37,367</b>   | 46,068   |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. BASIS OF PREPARATION

These unaudited condensed consolidated financial results (the "IFRS Statements") for the nine months ended 31 December 2015 have been prepared in accordance with the recognition and measurements principles of the International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB"), and the listings requirements of the Bermuda Stock Exchange and the Johannesburg Stock Exchange as applicable.

The accounting policies and methods of computation are consistent with those applied in the preparation of the annual financial statements for the year ended 31 March 2015 which were audited and reported on by the Group's external auditors, except for the new standards adopted during the period.

These financial results have not been audited or reviewed by the Company's external auditors. They have been prepared by, and are the responsibility of the directors of Stenprop.

### **Comparative *pro forma***

In the interests of consistency in those areas of reporting that are seen to be of most relevance to investors, and of providing a meaningful basis of comparison for users of the financial information, the Group has presented for the comparative period an unaudited *pro forma* statement of comprehensive income for the nine months ended 31 December 2014. The comparative *pro forma* statement, which is denominated in EUR, is for illustration purposes only and may not fairly represent the Group's results of operations.

The main difference between the comparative *pro forma* statement and the comparative IFRS statement is that the comparative *pro forma* statement of comprehensive income has been prepared as if completion of the acquisition of the property owning companies had taken place on 1 April 2014, which was the effective date on which risk and reward passed to Stenprop in the purchase of the various property companies, while the comparative IFRS statement use the completion date of the acquisition (date that control passes), being 2 October 2014, to account for these investments.

The comparative *pro forma* statement of comprehensive income therefore separately shows trading profits, property revaluations and other adjustments for the nine months ended 31 December 2014. In addition, the comparative *pro forma* statement of comprehensive income discloses the notional goodwill arising on the purchase of the management companies, the gain arising on the purchase of the property companies (which under IFRS is treated as one linked transaction), and the recognition of the amount of the deferred consideration which is reasonably expected to become payable.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 2. EARNINGS PER ORDINARY SHARE

### Reconciliation of profit for the period to adjusted EPRA earnings

|  | <b>Unaudited<br/>for the<br/>nine months<br/>ended<br/>31 December<br/>2015<br/>€'000</b> | Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 | <i>*Pro forma</i><br>Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 |
|--|---|--|---|
| <b>Earnings per IFRS income statement attributable to shareholders</b> | <b>33,506</b>   | 21,124   | 18,584  |
| <i>Adjustments to calculate EPRA earnings, exclude:</i>                |   |  | –   |
| Changes in fair value of investment properties                         | <b>(10,249)</b>   | (4,970)  | (16,162)  |
| Reversal of provision for selling costs                                | –   | –  | (5,612)   |
| Reversal of gain on acquisition  | –   | (9,657)  | –   |
| Reversal of impairment of goodwill                                     | –   | –  | 19,374  |
| Changes in fair value of financial instruments                         | <b>(1,231)</b>  | 128  | (86)  |
| Deferred tax in respect of EPRA adjustments                            | <b>1,347</b>  | (468)  | 106   |
| <i>Adjustments above in respect of joint ventures and associates:</i>  |   |  |   |
| Changes in fair value  | <b>(3,004)</b>  | (90)   | 207   |
| Deferred tax in respect of EPRA adjustments                            | <b>(66)</b>   | 13   | (32)  |
| <b>EPRA earnings attributable to shareholders</b>                      | <b>20,303</b>   | 6,080  | 16,379  |
| <i>Further adjustments to arrive at adjusted EPRA earnings</i>         |   |  |   |
| Straight-line unwind of purchased swaps                                | <b>1,536</b>  | 636  | 1,909   |
| <b>Adjusted EPRA earnings attributable to shareholders</b>             | <b>21,839</b>   | 6,716  | 18,288  |
| <b>Weighted average number of shares in issue</b>                      | <b>277,112,787</b>  | 248,902,812  | 248,902,812   |
| Share-based payment award  | <b>652,799</b>  | 291,563  | 291,563   |
| <b>Diluted weighted average number of shares in issue</b>              | <b>277,765,586</b>  | 249,194,375  | 249,194,375   |
| <b>Earnings per share</b>  |   |  |   |
| IFRS EPS (cents)   | <b>12.09</b>  | 8.49   | 7.47  |
| Diluted IFRS EPS (cents)   | <b>12.06</b>  | 8.48   | 7.46  |
| EPRA EPS (cents)   | <b>7.33</b>   | 2.44   | 6.58  |
| Diluted EPRA EPS (cents)   | <b>7.31</b>   | 2.44   | 6.57  |
| Adjusted EPRA EPS (cents)  | <b>7.88</b>   | 2.70   | 7.35  |
| Diluted adjusted EPRA EPS (cents)                                      | <b>7.86</b>   | 2.70   | 7.34  |

### Straight-line unwind of purchased swaps

A further adjustment was made to the EPRA earnings attributable to shareholders and relates to the straight-line unwind of the value as at 1 April 2014 of the swap contracts in the property companies acquired. When the property companies were acquired by Stenprop with effect from 1 April 2014, it also acquired the bank loans and swap contracts which were in place within these property companies. As a result, Stenprop took over loans with higher swap interest rates than would have been the case had new loans and swaps been put in place at 1 April 2014. To compensate for this, the value of the swap breaks costs was calculated at 1 April 2014 and the purchase consideration for the property companies was reduced accordingly to reflect this liability.



## 2. EARNINGS PER ORDINARY SHARE CONTINUED

### Reconciliation of profit for the period to headline earnings

|  | <b>Unaudited<br/>for the<br/>nine months<br/>ended<br/>31 December<br/>2015<br/>€'000</b> | Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 | <i>*Pro forma</i><br>Unaudited<br>for the<br>nine months<br>ended<br>31 December<br>2014<br>€'000 |
|--|---|--|---|
| <b>Earnings per IFRS income statement attributable to shareholders</b> | <b>33,506</b>   | 21,124   | 18,584  |
| <i>Adjustments to calculate headline earnings, exclude:</i>            |   |  |   |
| Changes in fair value of investment properties                         | <b>(10,249)</b>   | (4,970)  | (16,162)  |
| Reversal of provision for selling costs                                | –   | –  | (5,612)   |
| Reversal of gain on acquisition  | –   | (9,657)  | –   |
| Reversal of impairment of goodwill                                     | –   | –  | 19,374  |
| Changes in fair value of financial instruments                         | <b>519</b>  | (48)   | (48)  |
| Deferred tax in respect of headline earnings adjustments               | <b>1,347</b>  | (468)  | 106   |
| <i>Adjustments above in respect of joint ventures and associates</i>   |   |  |   |
| Changes in value of investment properties                              | <b>(2,431)</b>  | –  | –   |
| Deferred tax   | <b>(399)</b>  | –  | –   |
| <b>Headline earnings attributable to shareholders</b>                  | <b>22,293</b>   | 5,981  | 16,242  |
| <b>Earnings per share</b>  |   |  |   |
| Headline EPS (cents)   | <b>8.04</b>   | 2.40   | 6.53  |
| Diluted headline EPS (cents)   | <b>8.03</b>   | 2.40   | 6.52  |

\* Readers are referred to note 1 where the basis of preparation of the pro forma information is explained.

## 3. NET ASSET VALUE PER ORDINARY SHARE

### Net asset value per share

|   | <b>Unaudited<br/>as at<br/>31 December<br/>2015<br/>€'000</b> | Unaudited<br>as at<br>31 December<br>2014<br>€'000 | Audited<br>as at<br>31 March<br>2015<br>€'000 |
|---|---|--|---|
| <b>Net assets attributable to equity shareholders</b>     | <b>450,894</b>  | 361,101  | 433,312                                       |
| <i>Adjustments to arrive at EPRA net asset value:</i>     |   |  |   |
| Derivative financial instruments                          | <b>4,010</b>  | 4,732  | 6,381   |
| Deferred tax  | <b>8,429</b>  | 6,075  | 7,230   |
| Adjustments above in respect of non-controlling interests | <b>2,291</b>  | 2,559  | 2,504   |
| <b>EPRA net assets attributable to shareholders</b>       | <b>465,624</b>  | 374,467  | 449,427                                       |
| <b>Number of shares in issue</b>                          | <b>279,720,942</b>  | 248,902,812  | 272,236,146                                   |
| Share-based payment awards                                | <b>652,799</b>  | 291,563  | 291,563                                       |
| <b>Diluted number of shares in issue</b>                  | <b>280,373,741</b>  | 249,194,375  | 272,527,709                                   |
| <b>Net asset value per share</b>                          |   |  |   |
| IFRS net asset value per share (cents)                    | <b>1.61</b>   | 1.45   | 1.59  |
| Diluted IFRS net asset value per share (cents)            | <b>1.61</b>   | 1.45   | 1.59  |
| EPRA net asset value per share (cents)                    | <b>1.66</b>   | 1.50   | 1.65  |
| Diluted EPRA net asset value per share (cents)            | <b>1.66</b>   | 1.50   | 1.65  |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

|   | <b>Unaudited<br/>as at<br/>31 December<br/>2015<br/>€</b> | Unaudited<br>as at<br>31 December<br>2014<br>€ | Audited<br>as at<br>31 March<br>2015<br>€ |
|---|---|--|---|
| <b>4. SHARE CAPITAL</b>   |   |  |   |
| <b>Authorised</b>   |   |  |   |
| 1,000,000,000 ordinary shares with a par value of €0.000001258 each | <b>1,258</b>  | 1,258  | 1,258                                     |
| <b>Unaudited for the nine months ended 31 December 2015</b>         |   |  |   |
| <b>Issued share capital</b>   |   |  |   |
| <i>Opening balance</i>  | <b>272,236,146</b>  | 15,986,003                                     | 15,986,003                                |
| Issue of new shares   | <b>7,484,796</b>  | 232,916,809                                    | 256,250,143                               |
| Closing number of shares issued                                     | <b>279,720,942</b>  | 248,902,812                                    | 272,236,146                               |
| <b>Share capital</b>  |   |  |   |
| Share premium (€000)  | <b>387,895</b>  | 341,985  | 376,985                                   |
| Less: Acquisition/transaction costs (€000)                          | <b>(2,859)</b>  | (2,160)  | (2,858)                                   |
| <b>Total share premium (€000)</b>                                   | <b>385,036</b>  | 339,825  | 374,127                                   |

There were no changes made to the number of authorised shares of the Company during the period under review. Stenprop Limited has one class of share; all shares rank equally and are fully paid. With effect from 5 October 2015, the Johannesburg Stock Exchange ("JSE") approved the transfer of Stenprop's listing from the JSE's AltX to the JSE's Main Board. The transfer does not affect the Company's current listing on the Bermuda Stock Exchange ("BSX").

The Company has 279,720,942 (March 2015: 272,236,146) ordinary shares in issue at the reporting date which are dual listed on the BSX and the JSE.

## 5. EVENTS AFTER THE REPORTING PERIOD

On 26 November 2015, the Company announced an interim distribution of 4.2 cents per share in respect of the six months to 30 September 2015 and offered shareholders the option to receive in respect of all or a part of their Stenprop shareholding either a scrip dividend by way of an issue of new Stenprop shares (of the same class as existing shares) credited as fully paid up or a cash dividend. On 25 January 2016, the Company announced a 41.5% take up of the scrip dividend, for which 3,253,857 new Stenprop shares have been issued at a price of €1.49854 per share, resulting in the number of shares in issue, at the date of this announcement, being 282,974,799.

There were no changes to the board of directors during the period.

Stenprop has dual primary listings on the BSX and the JSE.

Date: 10 March 2016

**South African corporate advisor and JSE sponsor**



**BSX sponsor**

Appleby Securities (Bermuda) Limited

