

## ASTORIA INVESTMENTS LTD

(Incorporated in the Republic of Mauritius)

(Registration number 1297585 C1/GBL)

SEM share code: ATIL.N0000

JSE share code: ARA NSX share code: ARO

ISIN: MU0499N00007

(“Astoria” or “the company”)



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## ACQUISITION BY ASTORIA OF AN INTEREST IN ECHO PRIME PROPERTIES B.V

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### INTRODUCTION

Astoria shareholders are referred to the announcement released by Redefine Properties Limited (“**Redefine**”) on 1 March 2016 (the “**Redefine announcement**”), advising of the conclusion by Redefine of an agreement in terms of which it will acquire 75% (plus one share) of the issued share capital of Echo Prime Properties B.V. (“**EPP**”), with the intention of reducing its shareholding to approximately 50% through the immediate on-sale of approximately 25% of EPP’s shares to a consortium of selected co-investors (the “**Redefine transaction**”). EPP indirectly owns a portfolio of prime real estate assets throughout Poland (the “**property portfolio**”).

Astoria has concluded agreements to co-invest with Redefine in EPP. Astoria will acquire, from Redefine, a number of shares in EPP which will result in an effective interest to Astoria of approximately 2.6% of EPP’s issued share capital. The effective purchase consideration payable by Astoria is EUR13 million.

### DETAILS OF EPP

As has been publicly disclosed by Redefine, EPP represents a portfolio of 18 properties located in Poland. The properties are being acquired at an initial Euro yield of approximately 6%. Astoria’s investment manager expects the investment into EPP to yield a return on equity of 9.5%, after incorporating the impact of debt within the structure. The Redefine transaction attributes a value to the total property portfolio of EUR1,188,000,000.

Full details of the Redefine transaction and the property portfolio are set out in the Redefine announcement and relevant presentation which are available on the Redefine website ([www.redefine.co.za](http://www.redefine.co.za)).

### RATIONALE

The investment is in line with Astoria’s strategic intention of allocating capital to unlisted investments. The investment in EPP amounts to approximately 12% of Astoria’s net asset value (using the most recent publicly announced figure). The investment is in the ordinary course of business of the company and does not fall within the scope of Chapter 13 of the SEM Listing Rules.

As previously communicated, the board of Astoria (“**the board**”) has considered and has decided to increase the allocation of capital to private equity to a level which is likely to exceed the originally intended 20% of net asset value based on the opportunity set presented. The underlying belief of Astoria’s investment manager is that the outlook for global equity markets remains uncertain in the short to medium term. The board believes that the objectives of Astoria are more likely to be met via increasing capital allocation to carefully considered direct private equity opportunities at this stage of the market cycle.

The investment manager, together with the board, have considered a number of unlisted investment opportunities over the last few months and will continue to do so. The investment manager and the board have adopted a conservative approach and seek to invest in only those opportunities that meet strict investment criteria.

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South African corporate advisor and JSE sponsor



**NSX sponsor**



**SEM authorised representative**



23 May 2016

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This notice is issued pursuant to SEM Listing Rules 11.3. The Board of Astoria Investments Ltd accepts full responsibility for the accuracy of the information in this announcement.