Out of the Ordinary®

Investec
Australia Property Fund

2019

INVESTEC AUSTRALIA PROPERTY FUND

ROADSHOW PRESENTATION

Disclaimer

STRICTLY PRIVATE AND CONFIDENTIAL

You must read this notice before reading or making any use of this document or any information contained in this document. By continuing to read, use or otherwise act on this document, you agree to be bound by the following terms and conditions, including any modifications to them. This document is being supplied to you on a strictly confidential basis.

If you do not agree to be so bound, you should immediately return this document to Investec Property Limited (ABN 93 071 514 246) ("**Responsible Entity**") as responsible entity of Investec Australia Property Fund (ARSN 162 067 736) ("**Fund**").

General

The information contained in this presentation ("**Presentation**") has been prepared solely for information purposes and is provided to you on a no-reliance basis so that you may consider an invitation to participate in, or information in relation to, a proposed offer of units in the Fund ("**Units**") ("**Offer**").

This Presentation is not a prospectus, product disclosure statement, pathfinder document or disclosure document and has not been lodged with the Australian Securities and Investments Commission ("**ASIC**"). The issuer of the Units is the Responsible Entity as responsible entity of the Fund. A product disclosure statement in respect of the Offer ("**PDS**") has been lodged with ASIC and with the Registrar of Financial Service Providers in New Zealand,, and is available on the Fund's website at www.iapf.com.au. Investors should consider the PDS in deciding whether to acquire and continue to hold the new Units. Capitalised but undefined terms in this Presentation have the meaning given to them in the PDS.

Distribution

This Presentation may not be released to US wire services or distributed to, or relied upon by, any person in the United States. In particular, this Presentation does not constitute an offer to sell, or the solicitation of an

offer to buy, any Units in the United States. The Units have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**") or the securities laws of any state of the United States and may only be offered and sold in "offshore transactions" (as defined in Rule 902(h) under Regulation S) in reliance on Regulation S under the US Securities Act.

Distribution of this Presentation outside Australia may be restricted by law. Persons who come into possession of this Presentation who are not in Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Presentation has not been filed, registered or approved in any jurisdiction. No action has been taken or is proposed to be taken to register or qualify this Presentation, the Units or the Offer, or otherwise permit a public offering of securities in any jurisdiction outside Australia and New Zealand.

Disclaimer

No disclosure document required

This Presentation is provided to you on the basis that you are, and you represent and warrant that:

- if you are in Australia, you are a “professional investor” or “sophisticated investor” (within the meaning of sections 708(11) and 708(8), respectively, of the Corporations Act) and are also, in each case, a “wholesale client” (within the meaning of section 761G of the Corporations Act);
- if you (or any person for whom you are acquiring the Units) are in New Zealand, you are a "wholesale investor" within the meaning of section 3(2) of Schedule 1 of the New Zealand Financial Markets Conduct Act 2013; and
- if you are not in Australia or New Zealand, you are an institutional or professional investor to whom an offer of securities or the provision of information in this Presentation is permitted by laws of the jurisdiction in which you are situated without the need for any registration, locally compliant prospectus or lodgement.

By reading this Presentation you represent and warrant to the Responsible Entity that you are such an investor. If you are not such an investor, please do not read this Presentation. Please return it immediately to the Responsible Entity and destroy or delete any copies. Neither this Presentation nor any copies of this Presentation may be circulated or disclosed (electronically or otherwise) to any persons who do not receive this Presentation directly from Responsible Entity or its advisors.

No recommendation or advice

This Presentation is not, and should not be construed as a recommendation by the Responsible Entity, Macquarie Capital (Australia) Limited or J.P. Morgan Securities Australia Limited (“**Joint Lead Managers**”) or their respective affiliates or related bodies corporate or any of their respective officers, directors, employees, partners, advisors or agents (each a “**Limited Party**” and together the “**Limited Parties**”) or any other party referred to in this Presentation to you to participate in the Offer.

The information in this Presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this Presentation constitutes legal, financial, tax or other advice.

Each Limited Party, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Presentation.

Before making an investment decision, you should consider whether an investment in the Fund is appropriate in light of your particular investment needs, objectives and financial circumstances and consider obtaining professional securities advice. In all cases, you should conduct your own investigations and analysis of the Offer, the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of the Responsible Entity, and the contents of this Presentation.

Disclaimer

This Presentation does not constitute an offer or advertisement

This Presentation does not constitute an invitation, recommendation or offer to apply for the Units and does not contain any application form for the Units. This Presentation does not constitute an advertisement for an offer or proposed offer of the Units. Neither this Presentation nor anything contained in it shall form the basis of any contract or commitment, and it is not intended to induce any person to engage in, or refrain from engaging in, any transaction.

No person is authorised to give information or make any representation in connection with the Offer which is not contained in this Presentation. Any information or representation not so contained may not be relied on as

being authorised by the Responsible Entity, the Joint Lead Manager or any person associated with them in connection with the Offer.

Forward-looking statements

This Presentation contains certain forward looking statements and comments about future events, including in relation to the Fund's businesses, plans and strategies. Forward-looking statements also include prospective financial information for the Fund. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar words that involve risks and uncertainties. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. A number of important factors could cause the Fund's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements, and many of these factors are beyond the Responsible Entity's control. Nothing in this Presentation is a promise or representation as to the future and past performance is not a guarantee of future performance. Statements or assumptions in this Presentation as to future matters may prove to be incorrect. None of the Responsible Entity, the Joint Lead Managers, or any other Limited Party, makes any representation or warranty as to the accuracy of such statements or assumptions. You acknowledge that the circumstances may change and that the contents of this Presentation may become outdated as a result.

You should make your own independent assessment of the information and seek your own independent professional advice in relation to the information and any action taken on the basis of the information.

Investment risk

An investment in Units is subject to known and unknown risks, some of which are outside the control of the Responsible Entity, the Directors and management and if they were to eventuate, may adversely affect the future operating performance of, and the value of an investment in the Fund. The Responsible Entity does not guarantee any particular rate of return or the performance of Primary. Investors should have regard to the risk factors outlined in this Presentation, and section 7 of the PDS.

Disclaimer

Information in this Presentation

The information in this Presentation is given as at the date of this Presentation and is subject to change without notice. The Responsible Entity reserves the right in its absolute discretion to alter this Presentation and the PDS accordingly, but does not undertake to update this Presentation or the PDS (except to the extent required by law).

Electronic form

Where you receive this Presentation in an electronic form, you are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Responsible Entity, the Joint Lead Managers, nor any other Limited Party accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from any of the foregoing entities or persons.

Representations, warranties and acknowledgements

By accepting this Presentation, you acknowledge and agree that you understand the contents of this notice and that you agree to abide by the terms and conditions of this notice. You also acknowledge and agree that you will:

- keep strictly confidential this Presentation or any other written or oral information made available to you in respect of the Offer;
- not, and will procure that your officers and employees will not:
  - use this Presentation, in whole or in part, for any purpose other than considering an invitation to participate in the Offer; nor
  - copy, publish, reproduce or distribute this Presentation, in whole or in part, nor disclose this Presentation, in whole or in part, including the nature of the Offer, to any other person at any time without the prior written consent of the Responsible Entity and any such person may be required to enter into a confidentiality undertaking in terms acceptable to the Responsible Entity as a condition of the Responsible Entity giving their consent;
- comply with any selling restrictions given to your organisation in connection with the Offer; and
- upon request, return promptly this Presentation together with any other materials received in connection with it, to the Responsible Entity without retaining any copies.

For the purposes of this notice, "**this Presentation**" shall mean the slides, any oral presentation of the slides, any question-and-answer session that follows, hard copies of this document and any materials distributed at, or in connection with, that presentation.

Today's presenters

- CEO of Investec Australia Property Fund and Head of Investec Australia Property, based in Sydney
- Joined Investec Group in 2006 and has more than 25 years of experience in real estate
- Previously general manager of investment sales at Mirvac Group
- Holds a Bachelor of Social Science (Economics) from Rhodes University, South Africa

Graeme Katz
Chief Executive Officer

- Fund Manager of Investec Australia Property Fund, based in Sydney
- 20 years experience in a range of legal, corporate, property funds management and property development roles
- Joined Investec Group in 2007 and has been involved in the structuring, capital raising and management of property funds
- Holds a Bachelor of Laws, a Bachelor of Commerce (Finance) and a Post Graduate Diploma in Business Administration from the University of Auckland

Zach McHerron
Fund Manager

- Chief Financial Officer of Investec Australia Property Fund, based in Sydney
- 17 years experience in finance and accounting
- Joined Investec Group in 2009, initially in central finance responsible for the group's Australian financial operations
- Holds a Bachelor of Commerce (Accounting and Economics) and is a chartered accountant

Kristie Lenton
Chief Financial Officer

Investment highlights

- ✓ Existing portfolio of 28 properties located in Australia and New Zealand and valued at $1,063 million
- ✓ Focused on favourable sectors of fringe office and industrial
- ✓ Occupancy of 99.4%[1] and WALE of 4.7 years[1] with a focus on active asset management
- ✓ Managed by the Investec Group, a global specialist bank and asset manager
- ✓ 5.5 year listed track record of delivering unitholder value – opportunity for investors to buy into attractive portfolio of assets at or around NAV
- ✓ Post offer market cap of $722m - $750m[2] with pro forma gearing of 29%[3]
- ✓ Forecast annualised FY20 distribution yield of 6.5% - 6.8%[4], 31% tax deferred

Notes: 1. Weighted by gross property income. 2. Based on the indicative price range. 3. Assuming Offer price set within the indicative price range. 31% gearing post drawdown for payment of FY19 / pre-allotment distributions. Gearing means interest bearing liabilities (excluding debt establishment costs) divided by the total value of the Fund's investment properties. 4. Forecast distribution per unit (based on total number of units on issue post Offer) divided by the Offer price (at the upper and lower ends of the indicative price range respectively).

Executive summary

Investec Australia Property Fund (“IAP” or “Fund”) has been listed on the JSE for 5.5 years and is now seeking an additional primary listing on the ASX

Portfolio overview

IAP’s strategy is to invest in office, industrial and retail properties in major metropolitan cities or established commercial precincts in Australia and New Zealand

– $1.1bn of assets, 75% located on the East Coast[1]

– 77% office / 23% industrial split[1]

NAV[2]	$1.30
Portfolio cap rate[3]	6.6%
Occupancy[3]	99.4%
GLA	290,281sqm
WARR[3]	3.3%
WALE[3]	4.7 years

Key governance arrangements in response to investor feedback

- ✓ No manager entrenchment or termination payment while the Fund is ASX listed
- ✓ Majority independent directors – additional independent non-executive director intended to be appointed post listing
- ✓ Reduction in existing base management fee to 0.55% p.a. of enterprise value while the Fund is ASX listed
- ✓ Distribution policy linked to FFO
- ✓ Dilution of Investec Group stake

Notes: 1. Weighted by property value. 2. As at 31 March 2019. Pro forma NAV at completion is A$1.29 (post transaction costs relating to the Offer, assuming Offer price is set within the indicative price range). 3. Weighted by gross property income.

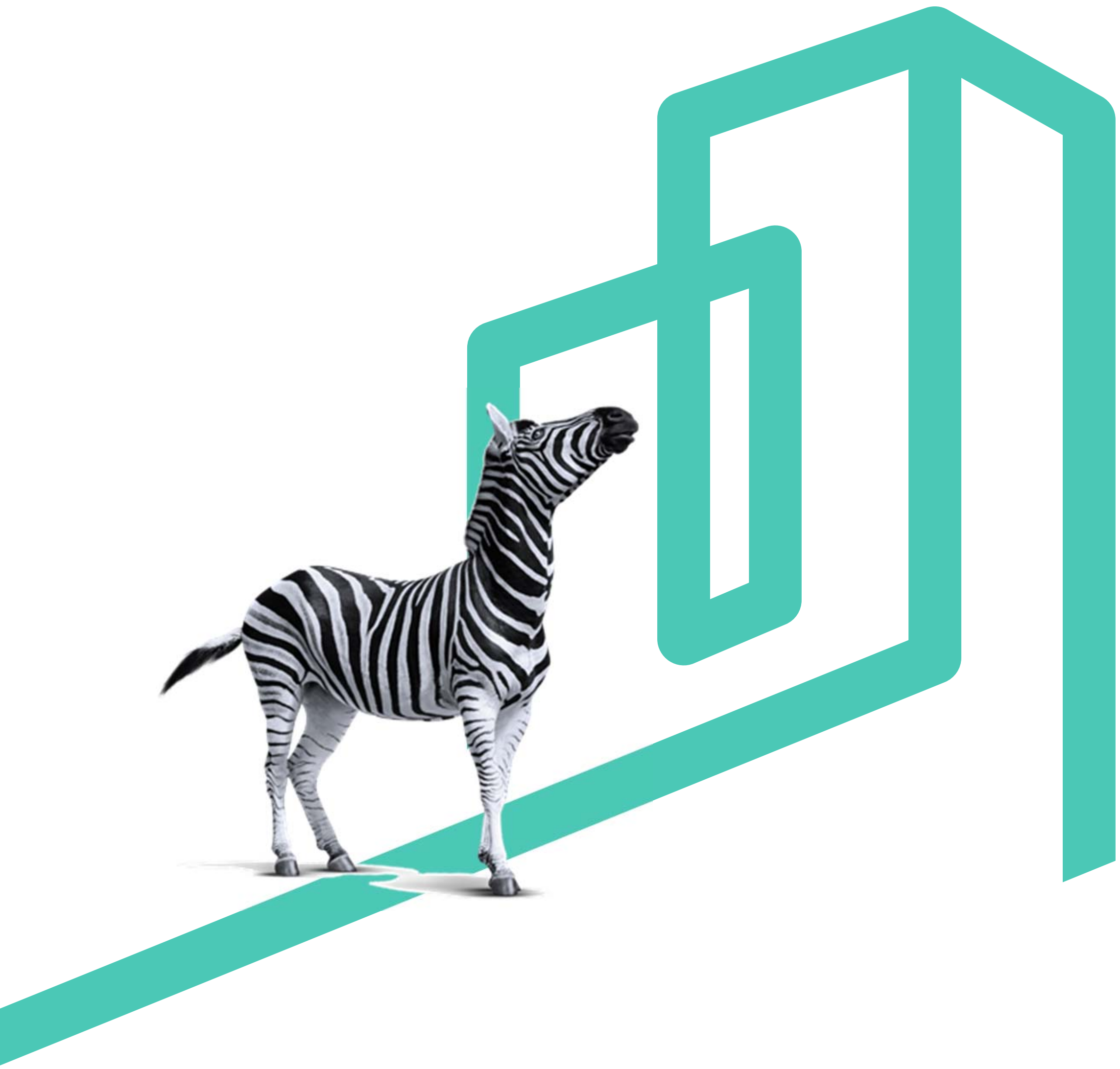
Executive summary (cont'd)

ASX listing enhances the Fund's ability to continue to deliver on its objective of delivering stable capital and income returns to unitholders over time

Offer overview

- Seeking to raise approximately $100 million, which will be used to repay debt and pay transaction costs **("Offer")**
  - In addition, Investec Property Fund Limited ("**IPF**"), the largest unitholder of the Fund, may sell up to 45 million[1] units it currently holds for the purposes of satisfying oversubscriptions from certain institutional investors under the Offer ("**IPF Sale**")
- Pro forma gearing of 29%[2] post Offer, and target gearing range of 30% - 40%
  - Balance sheet capacity to continue to grow and diversify the asset base by acquiring good quality income-producing properties
- Offer metrics
  - $722m - $750m market cap[3]
  - FY20 annualised distribution yield of 6.5% - 6.8%[4] / FY20 annualised FFO yield of 7.1% - 7.4%[4]
  - Indicative price range of $1.30 - $1.35[5] (determined via bookbuild), representing a premium to NAV of nil to 3.8% over the range
  - Institutional bookbuild: Monday, 20 May 2019 to Tuesday, 21 May 2019

Notes: 1. $58.5m - $60.8m at the lower and upper ends of the indicative price range respectively. 2. 31% post drawdown for payment of FY19 / pre-allotment distributions. 3. Based on the indicative price range. 4. At the upper and lower ends of the indicative price range respectively. 5. Offer price may exceed this range.



1

OVERVIEW OF THE FUND

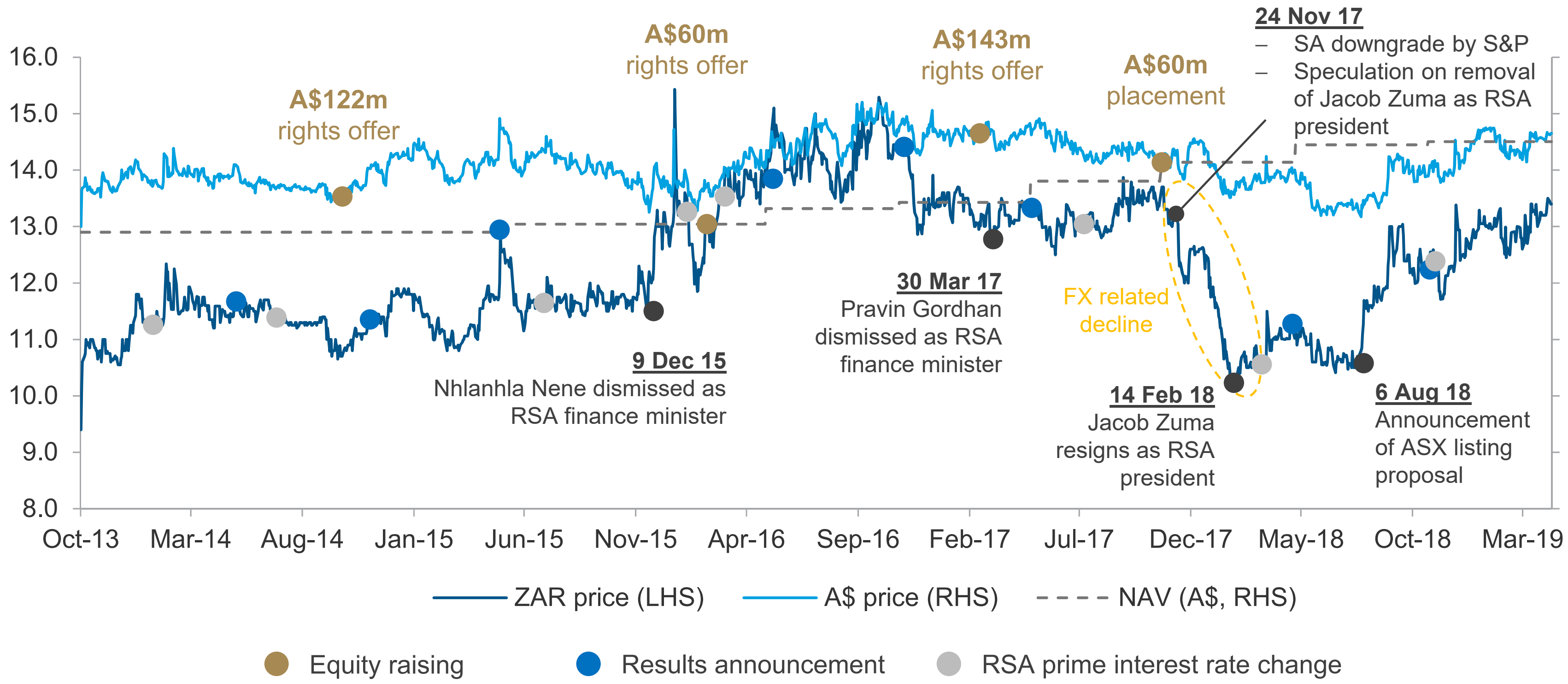
Out of the Ordinary®

Investec

Australia Property Fund

Equity performance since IPO

The JSE price performance has been influenced by ZAR / A$ exchange rate fluctuations



Sources: IRESS, company disclosures, South African Reserve Bank disclosures

Fund overview

IAP is an A-REIT registered as a managed investment scheme with a mandate to invest in Australian and New Zealand office, industrial and retail properties

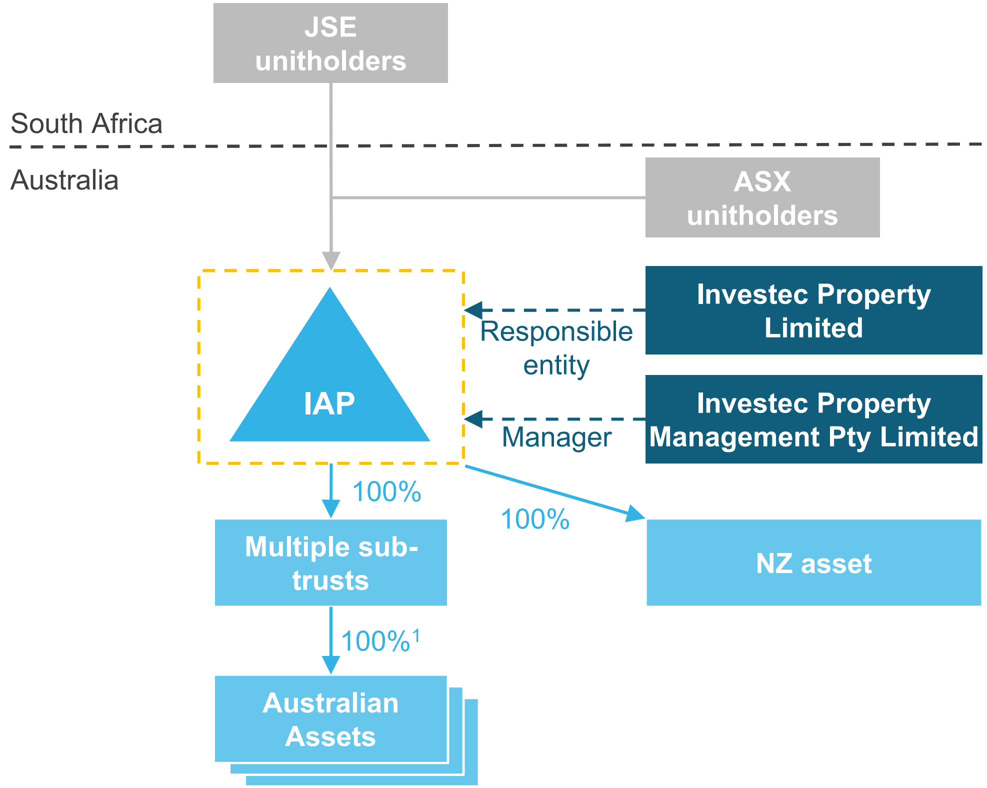
The Fund has been continuously listed on the JSE since Oct-13

The Fund is seeking an additional primary listing on the ASX and to raise approximately $100 million of new equity capital mainly from the Australian capital markets

An ASX listing will allow the Fund to be listed in the jurisdiction where the majority of its assets are located

Following completion, IAP will be dual primary listed on the JSE and the ASX

The Fund is externally managed – the responsible entity is Investec Property Limited (AFSL 290 909) and the manager is Investec Property Management Pty Limited, both members of the Investec Group



Notes: 1. 324 Queen Street, Brisbane QLD is co-owned (50/50) with Abacus Funds Management Limited.

Portfolio overview

IAP owns a portfolio of high quality properties that are well located in major metropolitan cities or established commercial precincts in Australia and New Zealand

$1,063m
Portfolio value

28
Properties

13
Office

15
Industrial

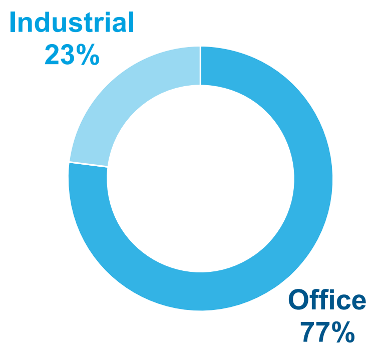
6.59%
WACR[1]

4.7 years
WALE[2]

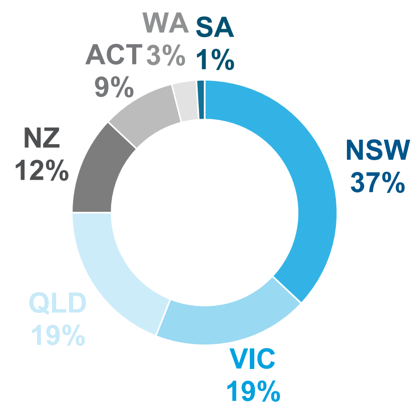
99.4%
Occupancy[2]

3.3%
WARR[2]

Sector split[1]



Geographic split[1]



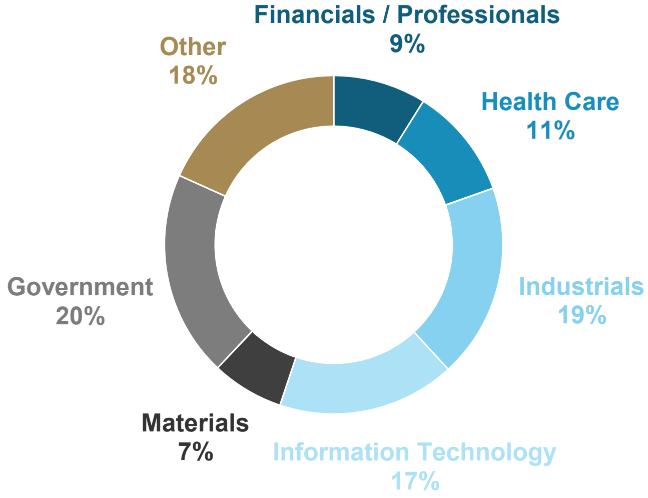
Notes: 1. Weighted by property value. 2. Weighted by gross property income.

Diversified tenant base

IAP's top 10 tenants account for 38% of gross property income

Tenant	Description	% of portfolio
Commonwealth of Australia	Government	9%
carsales.com	Information Technology	4%
ABB Enterprise Software	Engineering	4%
Ricoh Australia	Information Technology	4%
Honeywell	Technical Services	3%
Horan Steel	Manufacturing	3%
State Government of Victoria	Government	3%
CTI Freight Systems	Logistics	3%
Pharmaxis	Pharmaceuticals	3%
Toll Transport	Logistics	2%
Total		**38%**

Tenant composition[1,2]

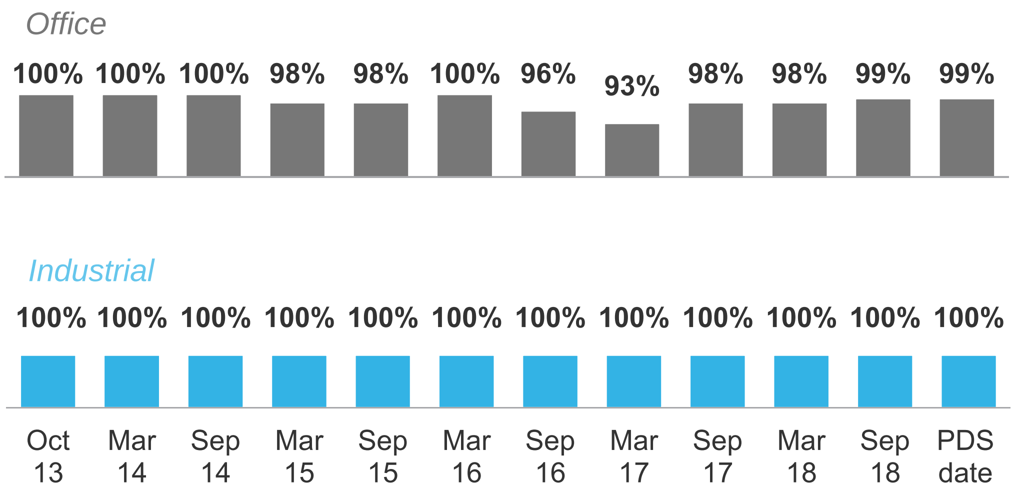


Notes: 1. Weighted by gross property income. 2. Numbers may not add up due to rounding.

Occupancy and lease expiry profile

Consistently delivered high occupancy and with 49%[1] of leases expiring after 5 years

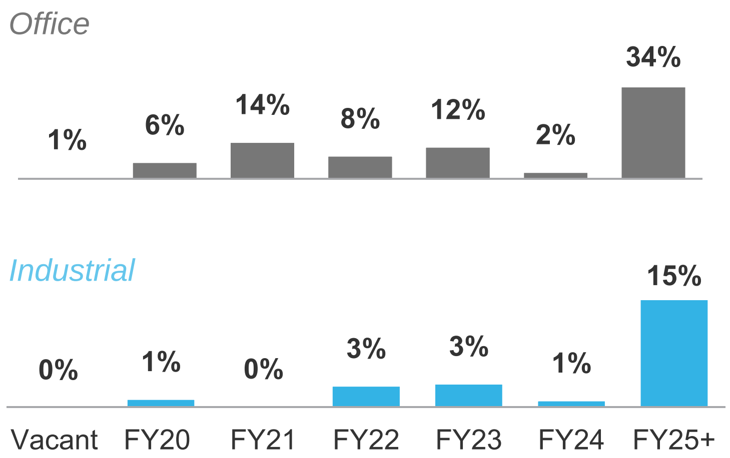
Occupancy[1]



Total

Oct 13	Mar 14	Sep 14	Mar 15	Sep 15	Mar 16	Sep 16	Mar 17	Sep 17	Mar 18	Sep 18	PDS date
100%	100%	100%	99%	99%	100%	97%	95%	98%	99%	99%	99%

Lease expiry profile[1]



Total

Vacant	FY20	FY21	FY22	FY23	FY24	FY25+
1%	7%	14%	11%	15%	3%	49%

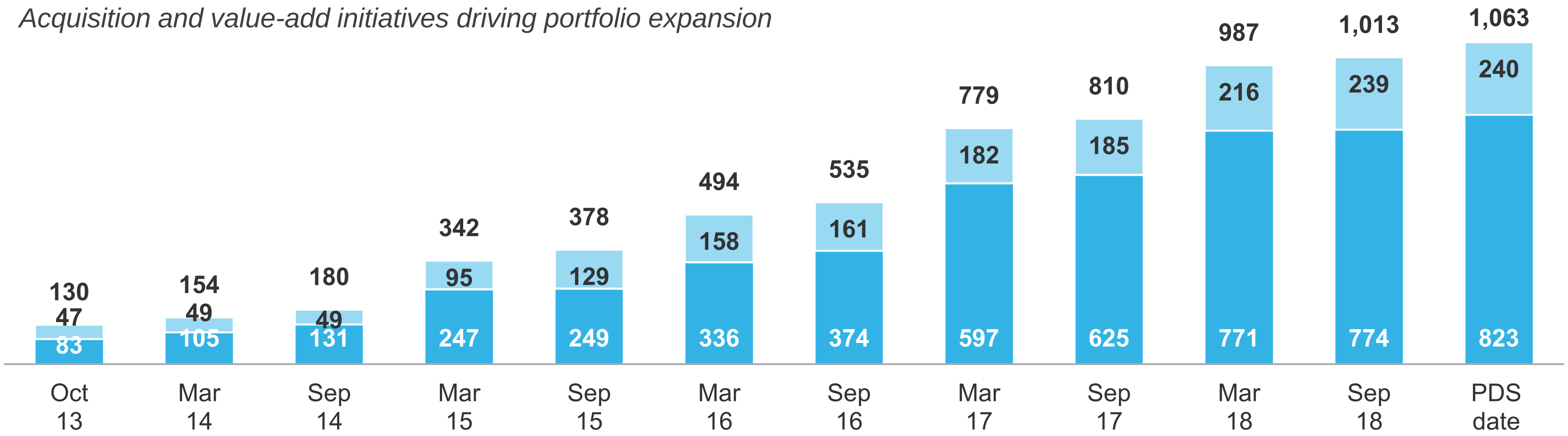
Notes: 1. Weighted by gross property income.

Track record of portfolio growth

The portfolio's value has grown 8.2x since listing on the JSE with a consistent track record of executing acquisitions

Portfolio value ($m)

Acquisition and value-add initiatives driving portfolio expansion



Number of properties (office / industrial)

8	**9**	**10**	**16**	**18**	**19**	**20**	**24**	**25**	**26**	**27**	**28**
2 / 6	3 / 6	4 / 6	6 / 10	6 / 12	7 / 12	8 / 12	11 / 13	12 / 13	12 / 14	12 / 15	13 /15

Notes: Figures may not add up due to rounding.

Summary of financial metrics

IAP offers attractive financials with a forecast FY20 distribution yield of 6.8%[1]

6.8%
Forecast FY20 distribution yield[1]

$1.30
NAV[2]

29.3%
Pro forma gearing[3]

9.57cpu
Forecast FY20 FFO per unit

8.88cpu
Forecast FY20 AFFO per unit

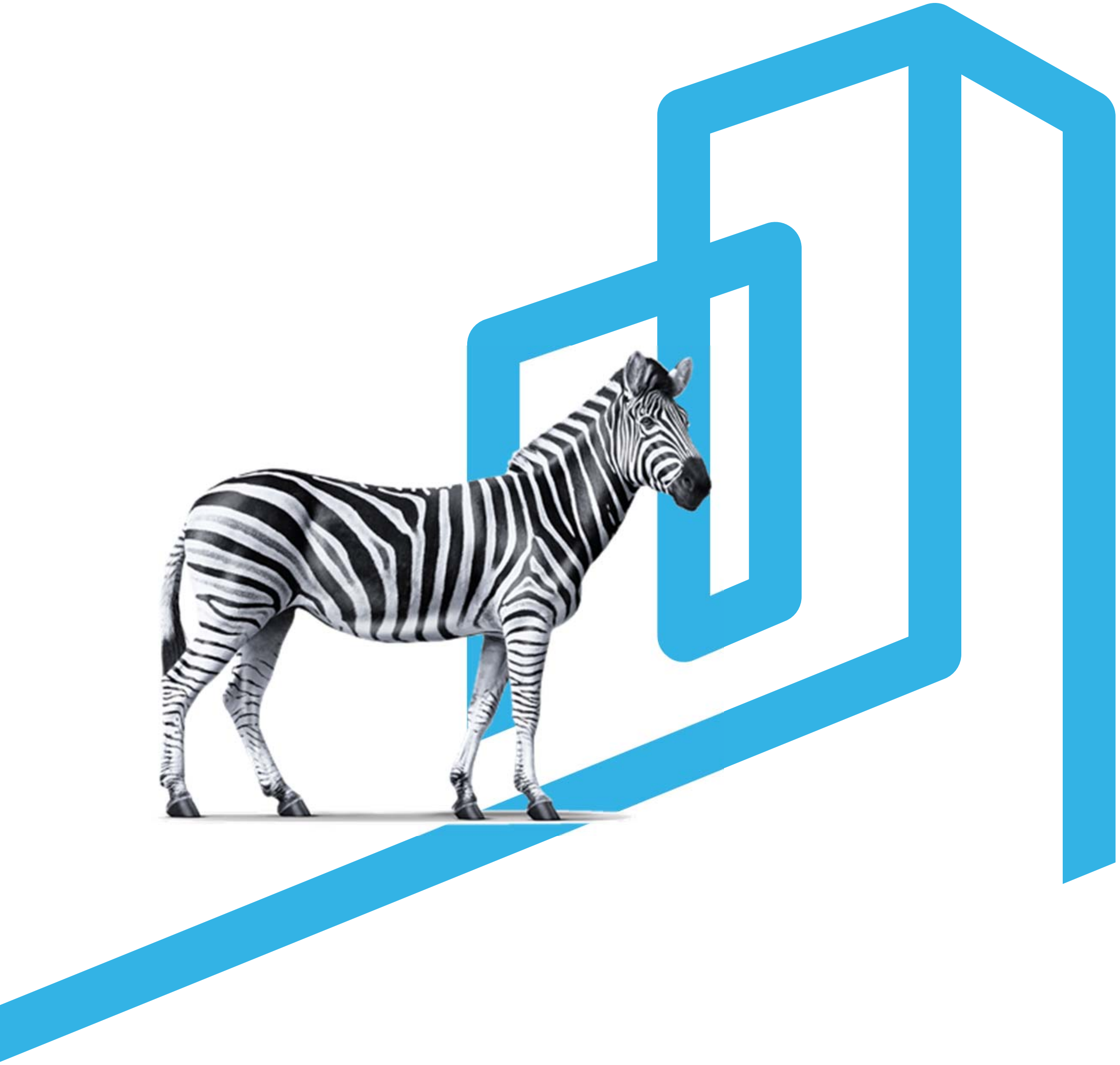
8.88cpu
Forecast FY20 distribution per unit

7.4%
Forecast FY20 FFO yield[1]

92.7%
Forecast FY20 payout ratio (as % of FFO)

Notes:

1. Based on subscription price being set at lower end of the indicative price range. The FFO yield and distribution yield at the upper end of the indicative price range are 7.1% and 6.5% respectively.
2. As at 31 March 2019. Pro forma NAV at completion is $1.29 (post transaction costs relating to the Offer and assuming the Offer price is set within the indicative price range).
3. Assuming Offer price is set within the indicative price range. 31% gearing post drawdown for payment of FY19 / pre-allotment distributions to existing unitholders. The pre-allotment distributions consist of the final distribution for the 6 month period from 1 October 2018 to 31 March 2019 and a special distribution for the period from 1 April 2019 to 27 May 2019.



2

FUND STRATEGY

Why invest in Investec Australia Property Fund

IAP offers exposure to strategically located industrial properties with sustainable income, suburban office properties located in close proximity to key infrastructure with affordable occupancy costs, and CBD office properties in select markets with the opportunity to enhance income and/or capital value through active asset management

1 Focused property fundamentals

- Sustainable revenue stream
- Long-term focus
- Location and quality of buildings
- Strong tenants
- Defensive portfolio

2 Acquisition strategy

- Purchasing quality assets
- "Right asset at the right price"
- Focus on properties that deliver affordable occupancy solutions for tenants
- Focus on properties located near critical infrastructure

3 Active asset management

- Active hands-on asset management
- Track record of letting activity
- High level of service to tenant base
- Early engagement with tenants to improve portfolio WALE
- Capex projects focussed on achieving value uplift

4 Balance sheet

- Conservative but opportunistic balance sheet management
- Hedging strategy in place to mitigate downside risk
- Decrease cost of funding

5 Management team

- Specialist in local market
- Leverage off the Investec network
- Strong relationships with key stakeholders
- Passionate and driven
- Extensive industry experience

Acquisition strategy

IAP invests in good quality income-producing properties in Australia and New Zealand in the office, industrial and retail sectors

Macro considerations

- Underlying market fundamentals
  - Market rents, incentives provided to tenants
  - Growth rates
  - Supply and demand dynamics
  - Vacancy and absorption rates
  - Demographics
- Supported by external research and management's relationships with industry participants

Micro considerations

- Detailed due diligence utilising in-house expertise and external consultants
  - Strength of tenant covenant
  - Lease expiry profile
  - Contractual escalations
  - 10 year yield analysis
  - Location
  - Physical attributes including capex requirements
  - Replacement costs assessment
  - Valuation

Context

- Acquisitions are assessed with reference to the impact on the Fund's:
  - Geographic concentration
  - Sector concentration
  - Lease expiry profile
  - Net property income
  - Distribution growth profile

Asset management strategy

Active asset management approach to deliver capital and income returns to unitholders over time

Origination 1

- Identify opportunities to enhance yield and/or create value as part of due diligence process
- Asset management and project management teams actively involved in the acquisition process
- Origination team retains responsibility alongside asset management team to deliver on asset management strategy outlined in the investment case until the end of first financial reporting period

Leasing 2

- Active approach to tenant engagement with continual dialogue with tenants
- Continual assessment of external property manager's performance
- Tenant surveys to ensure satisfactory tenant experience and identify opportunities for improvement
- Early engagement with tenants to understand occupancy requirements
- Actively manage lease expiry profile to mitigate vacancy concentration
- Significant leasing experience within the asset management team

Repositioning 3

- Identify opportunities to create additional GLA
- Identify opportunities to rent under-utilised space
- Ensure the best and highest use of space is achieved

Capital expenditure 4

- Identify opportunities to improve the quality of properties to ensure a satisfactory tenant experience
- Add amenity to assist with tenant retention
- Ensure properties are current and relevant through ongoing investment
- Undertake defensive capital expenditure to protect against downside risk

Property case study (1/3)

20 Rodborough Road, Frenchs Forest NSW

Major tenants: KFC, Henkel, Outotec

Overview

– Located 19kms from the Sydney CBD in close proximity to the new Northern Beaches Hospital and associated infrastructure
– Campus style building with affordable occupancy costs
– High quality tenant mix

Value-add / management strategy

– Continuing engagement with tenants
– Maintaining long term lease profile
– Maximising security and sustainability of gross property income
– Significant building upgrade works completed/underway to improve amenity including new end of trip facilities, new lobby and café and fire safety upgrades

Independent valuation
$61.0 million

GLA
13,023 m²

Acquisition date
Mar-17

Capitalisation rate
6.75%

Occupancy
96%

WALE
5.8 years

Property case study (2/3)

449 Punt Road, Cremorne VIC

Major tenants: carsales.com

Overview

- Located 2kms from the Melbourne CBD in one of the best performing Melbourne fringe office markets
- High quality building with significant exposure to main arterial roads and in close proximity to the Richmond train station
- High quality ASX listed tenant

Value-add / management strategy

- New lease to carsales.com agreed with Oct-19 commencement
- Building improvement works to be completed in advance of new lease commencing
- Assisting carsales.com with significant fitout works that will greatly improve the quality of the building

Independent valuation $57.0 million	**Acquisition date** Oct-13	**Occupancy** 100%
GLA 6,384 m²	**Capitalisation rate** 5.50%	**WALE** 5.4 years

Property case study (3/3)

66 Glendenning Road, Glendenning NSW

Major tenants: Subsidiary of Panasonic

Acquisition rationale

- Located 35kms from the Sydney CBD in an established industrial precinct
- Easy access to M7 Motorway which connects to M4 and M5
- Generic warehouse facility with adjoining office accommodation
- High quality tenant (subsidiary of Panasonic)

Value-add / management strategy

- New 10-year lease commencing Nov-19
- Building works to be completed in advance of new lease commencing
- Assisting tenant with fitout works that will greatly improve the quality of the property

Independent valuation $25.9 million	**Acquisition date** Apr-15	**Occupancy** 100%
GLA 16,461m²	**Capitalisation rate** 6.25%	**WALE** 10.5 years

Portfolio summary – office

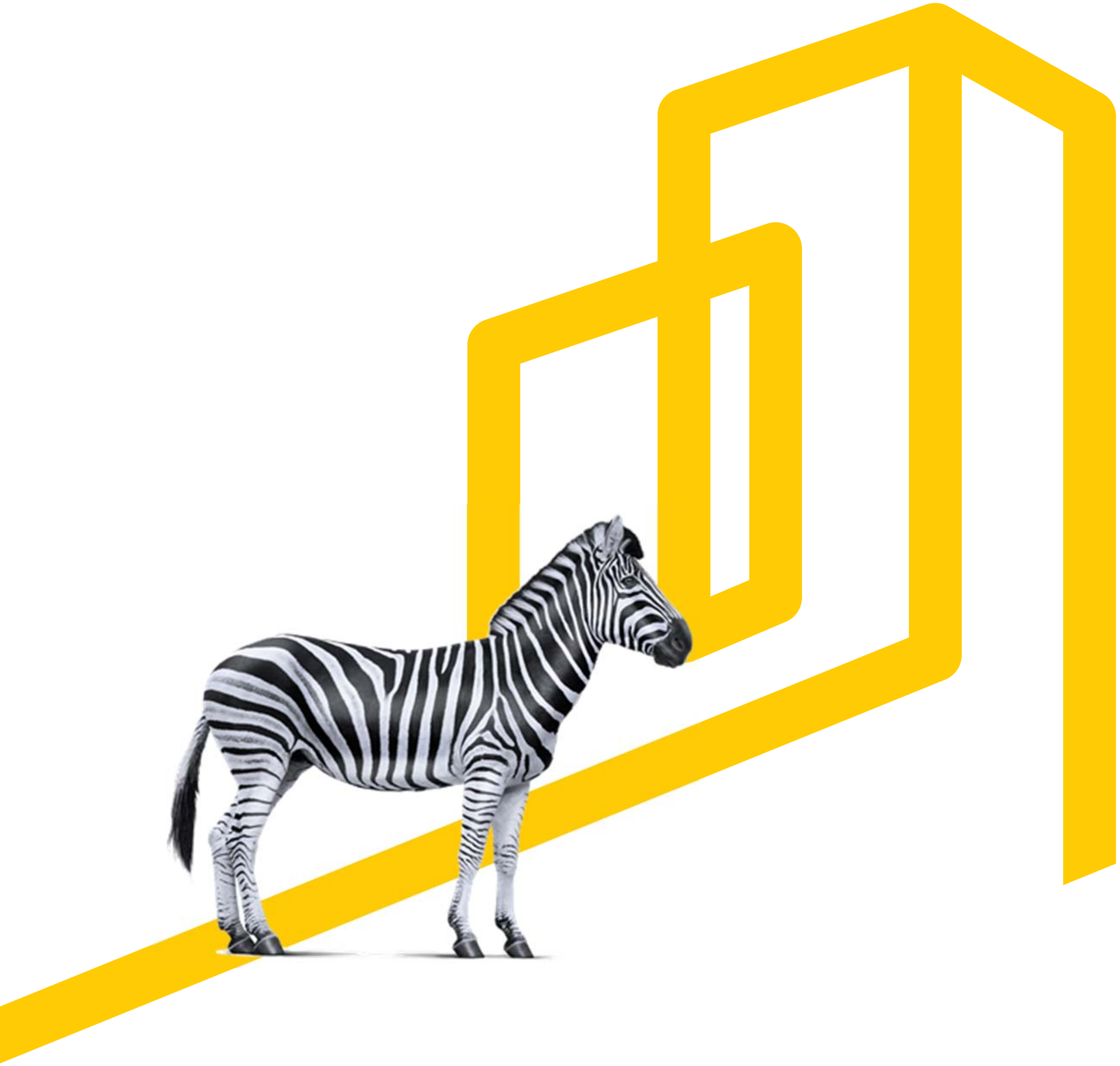
	State	Owner-ship (%)	Ind. Val. ($m)	Cap. Rate (%)[1]	WALE (years)[2]	Occup. (%)[2]	GLA (sqm)	WARR (%)[2]
449 Punt Road, Cremorne	VIC	100	57.0	5.50	5.4	100.0	6,384	3.75
35-49 Elizabeth Street, Richmond	VIC	100	93.0	5.50	1.4	100.0	11,917	3.63
2 Richardson Place, North Ryde	NSW	100	90.0	6.50	2.3	100.0	15,205	3.56
20 Rodborough Road, Frenchs Forest	NSW	100	61.0	6.75	5.8	96.0	13,023	3.21
113 Wicks Road, Macquarie Park	NSW	100	26.5	6.50	1.3	100.0	6,253	3.50
21-23 Solent Circuit, Baulkham Hills	NSW	100	59.0	7.00	3.1	95.7	10,818	3.58
266 King Street, Newcastle	NSW	100	75.0	7.00	4.7	100.0	13,870	3.50
324 Queen Street, Brisbane	QLD	50	75.5	6.25	4.4	99.3	19,364	3.78
757 Ann Street, Fortitude Valley	QLD	100	85.0	6.25	4.9	100.0	9,422	3.04
2404 Logan Road, Eight Mile Plains	QLD	100	20.0	8.00	2.0	100.0	3,637	2.71
186 Reed Street, Greenway	ACT	100	28.2	7.00	3.8	100.0	5,407	3.50
24 Wormald Street, Symonston	ACT	100	29.8	6.25	8.3	100.0	4,720	3.50
100 Willis Street, Wellington	NZ	100	122.9	7.00	5.9	99.6	24,664	2.69
Total / Weighted Average			**822.9**	**6.49**	**4.2**	**99.3**	**144,685**	**3.34**

Notes: 1. Weighted by property value. 2. Weighted by gross property income.

Portfolio summary – industrial

	State	Owner-ship (%)	Ind. Val. ($m)	Cap. Rate (%)[1]	WALE (years)[2]	Occup. (%)[2]	GLA (sqm)	WARR (%)[2]
66 Glendenning Road, Glendenning	NSW	100	25.9	6.25	10.5	100.0	16,461	3.00
24 Rodborough Road, Frenchs Forest	NSW	100	21.0	8.00	5.0	100.0	7,198	3.25
165 Newton Road, Wetherill Park	NSW	100	23.5	6.00	11.7	100.0	12,529	3.00
24 Spit Island Close, Newcastle	NSW	100	10.0	7.50	11.7	100.0	5,257	3.75
67 Calarco Drive, Derrimut	VIC	100	9.7	6.50	3.5	100.0	7,150	3.40
6-8 and 11 Siddons Way, Hallam	VIC	100	22.4	6.00	6.2	100.0	15,504	3.00
36-42 Hydrive Close, Dandenong	VIC	100	19.5	6.00	6.1	100.0	14,635	3.50
30-48 Kellar Street, Berrinba	QLD	100	8.4	6.75	4.6	100.0	4,102	3.15
85 Radius Drive, Larapinta	QLD	100	18.0	7.00	2.6	100.0	10,088	1.90
24 Sawmill Circuit, Hume	ACT	100	9.9	8.50	0.4	100.0	6,300	3.75
47 Sawmill Circuit, Hume	ACT	100	11.4	7.25	7.2	100.0	5,535	4.00
57 Sawmill Circuit, Hume	ACT	100	10.4	7.75	2.2	100.0	7,079	4.00
44 Sawmill Circuit, Hume	ACT	100	11.3	7.50	3.4	100.0	4,639	3.75
54 Miguel Road, Bibra Lake	WA	100	29.5	7.25	8.5	100.0	22,358	3.00
2-8 Mirage Road, Direk	SA	100	9.3	8.50	3.4	100.0	6,762	3.50
Total / Weighted Average			**239.9**	**6.94**	**6.3**	**100.0**	**145,596**	**3.31**
Portfolio Total / Weighted Average			**1,062.8**	**6.59**	**4.7**	**99.4**	**290,281**	**3.34**

Notes: 1. Weighted by property value. 2. Weighted by gross property income.



3

MANAGEMENT ARRANGEMENTS

Management team

Dedicated specialist property management team supported by the broader Investor Group

Senior management team

Graeme Katz
Chief Executive Officer
12 years

Zach McHerron
Fund Manager
11 years

Kristie Lenton
Chief Financial Officer
9 years

Supported by

Origination

George Rose
Melbourne – 10 years

Adam Broder
Melbourne – 10 years

David Cupit
Brisbane – 11 years

Mia Renshaw
Sydney – 1 year

Asset management

James Graves
Head of Asset Management – 2 years

Tom Greenwell
Asset Manager – 4 years

Ivan Goodman
Projects – 5 years

Finance

Joanna Xue
Finance manager – 18 years

Edwin Cheung
Analyst – 1 year

Board of the responsible entity

Experienced and majority independent board

	**Richard Longes** Independent non-executive chairperson	• Appointed to the Board on 28 February 2005 • A director of various Investec Group companies in Australia since March 2001, including chairperson of Investec Australia Limited • Co-founder of Investec Wentworth Ltd and previously a partner at Freehills • Previously chairperson of Investa Office Fund, MLC Limited and GPT Group and a non-executive director of Metcash Limited, Boral Limited and Lend Lease Corporation Limited
	**Graeme Katz** Chief executive officer	• Appointed to the Board on 31 March 2009 • Joined the Investec Group to head up the Australian property business in 2006 • Currently a director of a number of companies within the Investec Group • Previously the general manager of investment sales at Mirvac Group and a director of the Property Investors Association of Australia
	**Hugh Martin** Independent non-executive director	• Appointed to the Board on 30 September 2014 • Over 40 years' experience in major public and private institutions in the finance and property industry, internationally and domestically • Formerly an executive director of the apartments business of Lend Lease Corporation Limited and the CEO of a JV between Mirvac and Lend Lease for the Olympic Village project • Currently a non-executive director, advisory board member and consultant on a number of boards

Board of the responsible entity (cont'd)

Experienced and majority independent board

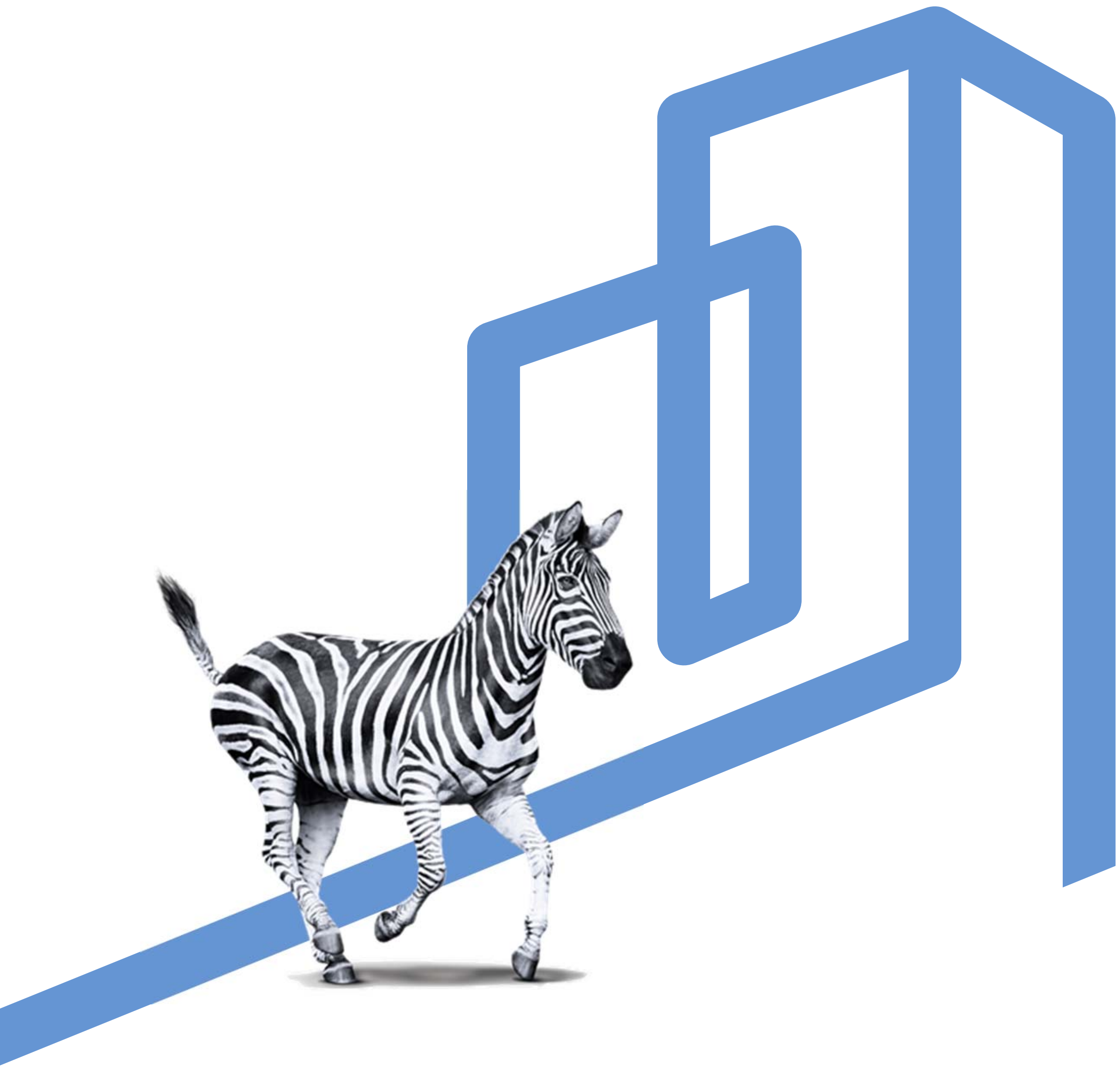
	**Sam Leon** Non-executive director	• Appointed to the Board on 24 July 2013 • Over 40 years' experience across the property industry with 28 years at the Investec Group, previously as a director, managing director and currently as deputy chairperson of Investec Property (Pty) Limited • Previously CEO of IPF from its JSE listing in 2011 until 2015. Remains on the board of IPF as non-executive deputy chairperson • Served on the board of the South African Property Owners' Association
	**Sally Herman** Independent non-executive director	• Appointed to the Board on 24 July 2013 • Spent 16 years with Westpac Group, running business units in the institutional bank, wealth management and the retail and business banking division • Non-executive director, sitting on board of Premier Investments Limited, Breville Group Limited, Suncorp Limited and Evans Dixon Limited. Also a member of Chief Executive Women
	**Stephen Koseff** Non-executive drector	• Appointed to the Board on 7 July 2014 • Investec Group's former CEO, a position held for 22 years • Currently a board member of Business Leadership South Africa, a non-executive chairman of Bid Corporation Limited and co-chairman of Youth Employment Services NPC • Held chairman and non-executive director positions in multiple companies, including the South African Banking Association, The Bidvest Group Limited, JSE Limited, the Financial Markets Advisory Board and the Independent Bankers Association

Note: The Board intends to appoint an additional independent non-executive director following the ASX listing.

Management agreement

Management agreement in line with current best practice for ASX-listed A-REITs

Term and termination	No fixed term while the Fund is ASX listed and automatic termination if the responsible entity removed via ordinary resolution
Termination payments	No fee payable to the manager on termination or expiry of the management agreement while the Fund is ASX listed
Fees	**Base fee** • 0.60% p.a. of enterprise value, stepping down to 0.55% p.a. on every dollar over $1.5 billion • The manager has formally waived part of the fee so that as long as the Fund is ASX-listed 0.55% p.a. will be charged on the full enterprise value **Property management fee** • Agreed between the manager and the responsible entity on a case by case basis at market rates (typically passed on to third party property managers and paid for by tenants under net leases) **Leasing fees** • Agreed between the manager and the responsible entity on a case by case basis and, when taken as a whole, must be reasonable as if dealing at arm's length • No leasing fees paid to the manager where a third party leasing agent is engaged



4

CAPITAL MANAGEMENT

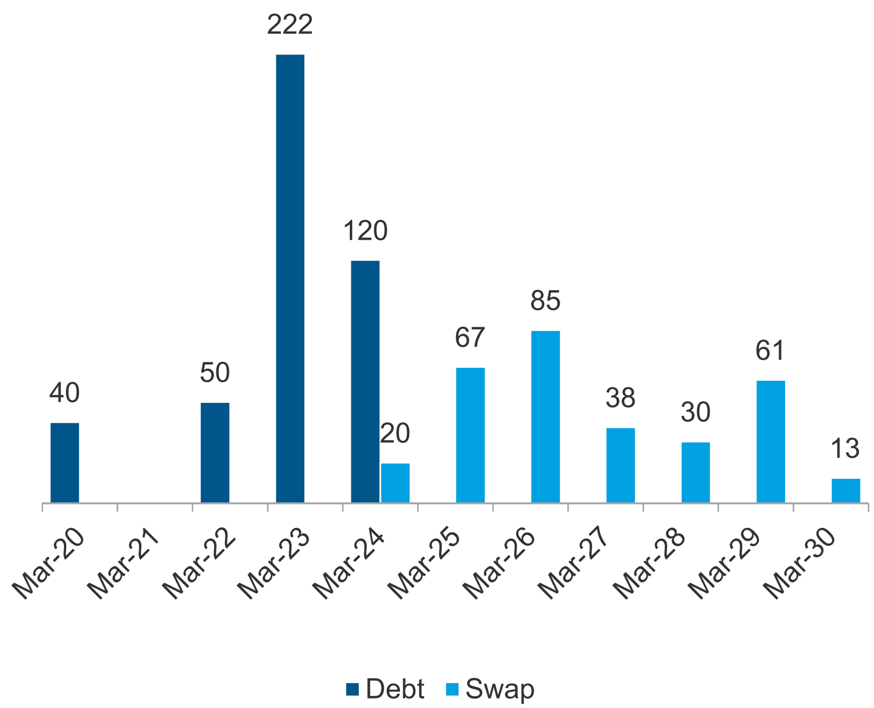
Out of the Ordinary®

Investec
Australia Property Fund

Capital management summary

Conservatively geared balance sheet leaves headroom for growth

Key debt metrics	On Completion	Covenant
Facility limit	$431.7m	*n/a*
Drawn amount[1]	$310.3m	*n/a*
Weighted avg. debt expiry	3.6 years	*n/a*
Proportion hedged	94.6%	>50%
Weighted avg. hedge maturity	7.2 years	*n/a*
Cost of debt	3.75%	*n/a*
Pro forma gearing[3]	29.3%	55%[4]



Notes: 1. Excludes debt drawn for payment of FY19 / pre-allotment distributions. Following completion and forecast debt drawdowns, the undrawn debt balance is forecast to be $59.8 million. 2. Assuming Offer price set within the indicative price range. 3. 31% gearing post drawdown for payment of FY19 / pre-allotment distributions. Gearing means interest bearing liabilities (excluding debt establishment costs) divided by investment properties. 4. Gearing covenant represents total liabilities divided by total tangible assets. Gearing is equivalent to the Fund's gearing ratio, excluding the effect of mark-to-market movements in relation to interest rate swaps taken in respect of the Fund's debt.

Capital management policies

Distribution policy aligned with current market practice for ASX listed REITs

Borrowing policy	– Gearing will be maintained between 30% and 40%, with the ability to exceed the top end of the range provided gearing will be reduced to below 40% within a reasonable period of time – Gearing ratio[1] must not exceed 55% under the facility agreement; 60% under the constitution (while the Fund is JSE listed)
Hedging policy	– At least 75% of borrowings fixed through the use of hedging instruments such as interest rate swaps
Distribution policy	– Target of 80% to 100% of FFO each year, at the discretion of the Board – Distributions paid on a half-yearly basis – As long as JSE is main trading exchange[2], distributions are expected to be paid in June and December – If the ASX becomes the main trading exchange, IAP must comply with the distribution timetables under the ASX Listing Rules

Notes: 1. Gearing covenant represents total liabilities divided by total tangible assets. Gearing is equivalent to the Fund's gearing ratio, excluding the effect of mark-to-market movements in relation to interest rate swaps taken in respect of the Fund's debt. 2. Based on units traded by volume during a half year trading period.

5
KEY OFFER INFORMATION

Out of the Ordinary®

Investec
Australia Property Fund

Key Offer metrics

Key Offer statistics

Indicative price range	\$1.30 – \$1.35[1]
Number of new units to be issued	76,923,077
Total number of units on issue on completion	555,725,531
Indicative market capitalisation on completion[2]	\$722m
Offer proceeds (primary issuance)[2]	\$100m
Forecast FY20 annualised FFO yield[2]	7.4%
Forecast FY20 annualised distribution yield[2]	6.8%
NAV per unit on completion[3]	\$1.30
Pro forma gearing on completion[4]	29.3%

Indicative sources and uses[1]

Sources of funds	
Proceeds from the Offer	\$100m
Total sources	**\$100m**

Uses of funds	
Repayment of debt	\$93.5m
Costs of the Offer	\$6.5m
Total uses	**\$100m**

Sale of existing units by IPF

– Under the IPF Sale, IPF may sell up to 45 million units[5] it currently holds for the purposes of satisfying oversubscriptions from certain institutional investors under the Offer

– IPF is a REIT listed on the JSE which is majority owned by various investors who are not members of the Investec Group

– IPF has confirmed that it has no current intention to reduce its unitholding in the Fund following completion (irrespective of whether the IPF Sale proceeds, or the number of units sold under the IPF Sale)

– The price per unit under the IPF Sale will be the final subscription price determined under the institutional bookbuild for the Offer

Register composition post Offer

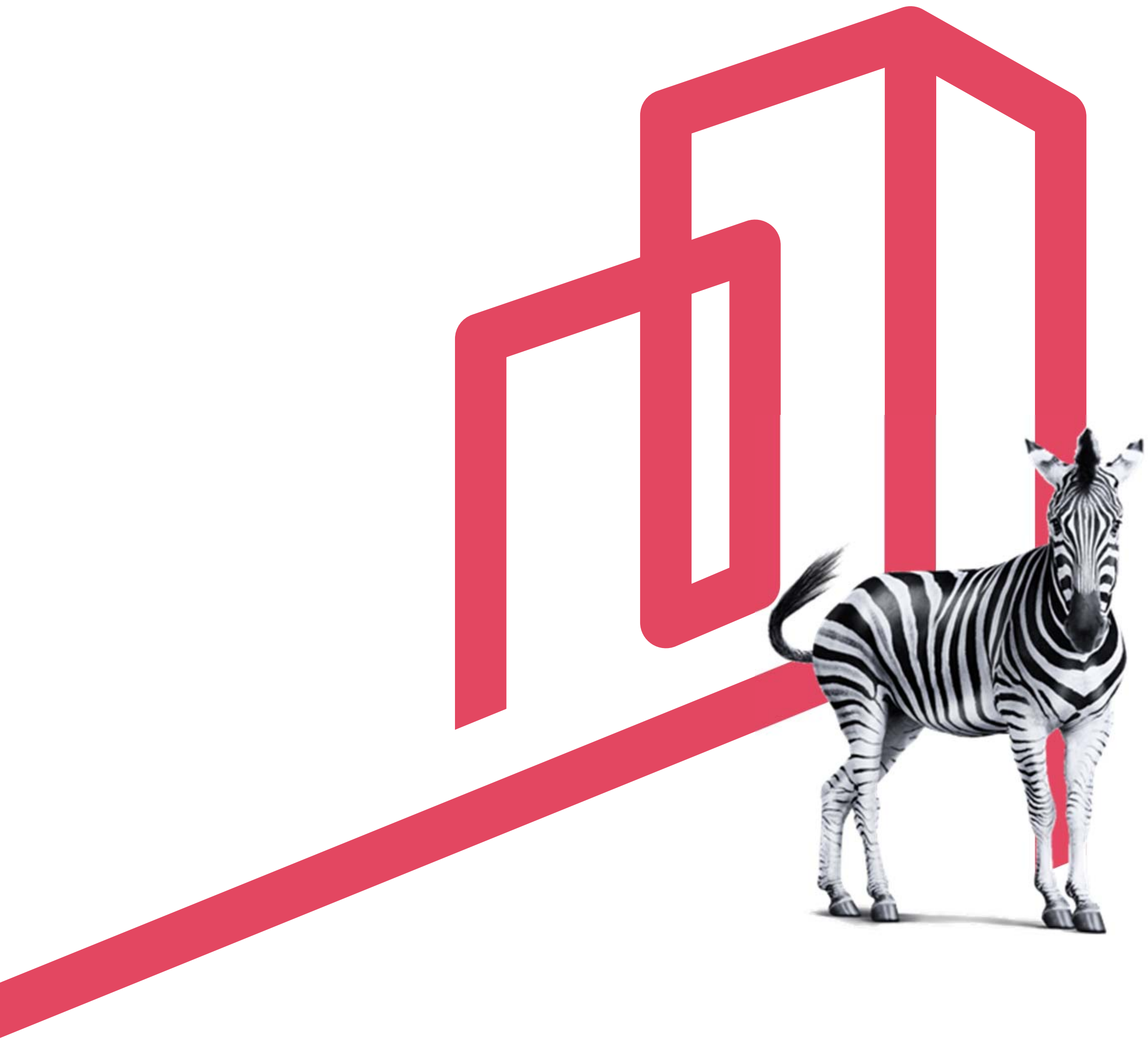
	Pre Offer	**Post Offer**
Investec Bank Limited (“**IBL**”)[6]	15.1%	13.0%
IPF	20.9%	9.9% - 18.0%[7]
Other unitholders	64.0%	69.0% - 77.1%[7]

Notes: 1. Offer price may exceed this range. 2. At the lower end of the indicative price range. The FFO yield and distribution yield at the upper end of the indicative price range are 7.1% and 6.5% respectively. 3. Assuming Offer price is set within the indicative price range. \$1.29 post transaction costs relating to the Offer. 4. Assuming Offer price is set within the indicative price range. 31% post drawdown for payment of FY19 / pre-allotment distributions. 5. \$58.5m - \$60.8m at the lower and upper ends of the indicative price range respectively. 6. IBL’s property fund management strategy involves it investing directly into its platforms alongside investors to ensure alignment of interests. In line with this strategy, IBL confirms it will hold a meaningful interest in the Fund. 7. Dependent on the number of units sold under the IPF Sale.

Key dates

	Sydney time (unless otherwise specified)
Lodge product disclosure statement with ASIC	Friday, 3 May 2019
Broker firm offer opening date	Monday, 13 May 2019
Broker firm offer closing date	Monday, 20 May 2019
Institutional offer and bookbuild conducted	Monday, 20 May 2019 to Tuesday, 21 May 2019
Final subscription price and allocation announced on JSE	Tuesday, 21 May 2019 (Johannesburg time)
Settlement of units on Australian subregister	Monday, 27 May 2019
Settlement, issue and allotment of units on South African subregister, which commence trading on the JSE (on a normal T+3 settlement basis)	Monday, 27 May 2019 (Johannesburg time)
Issue and allotment of units on Australian subregister[1]	Tuesday, 28 May 2019
Trading commences (deferred settlement basis on ASX)	Tuesday, 28 May 2019
Despatch of holding statements	Wednesday, 29 May 2019
Trading on normal settlement basis commences (T+2 on ASX)	Thursday, 30 May 2019

Notes: The above timetable is indicative only and may change without notice. 1. The transfer of units under the IPF Sale (if it proceeds) to investors on the Australian sub-register to occur on 28 May.



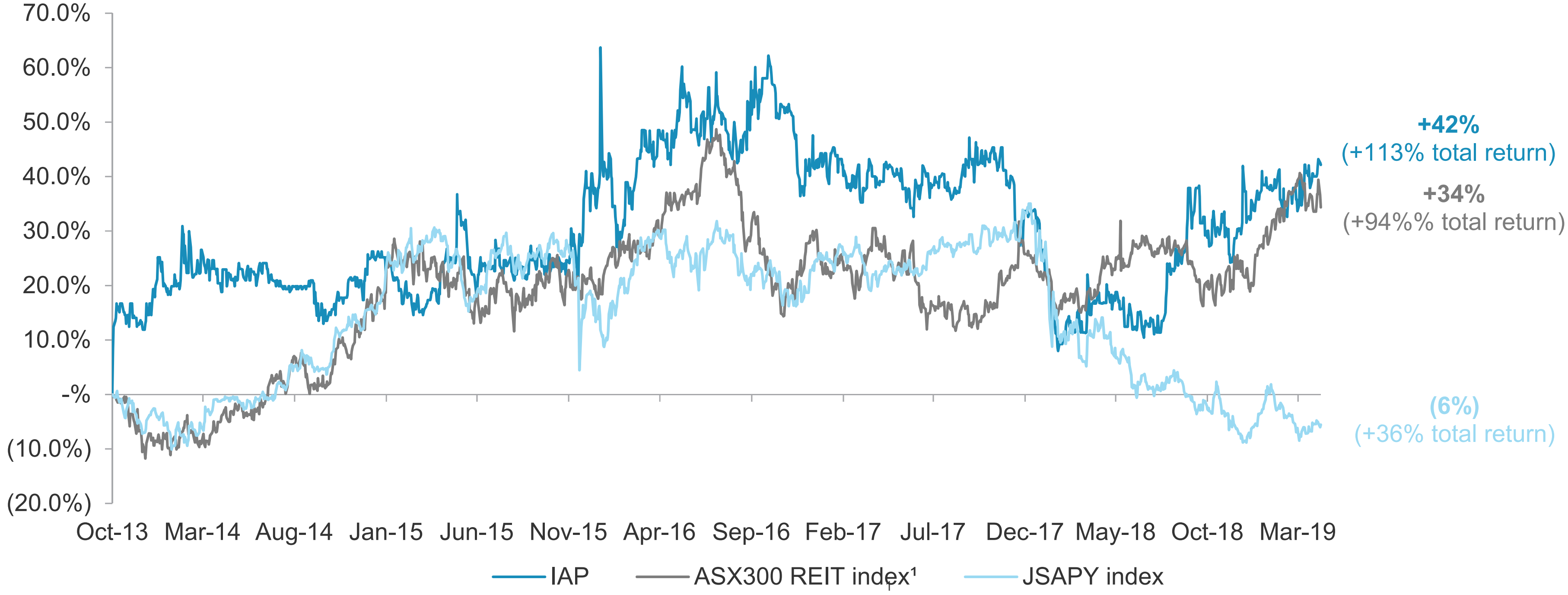
APPENDIX A: HISTORICAL UNIT PRICE PERFORMANCE

Out of the Ordinary®

Investec
Australia Property Fund

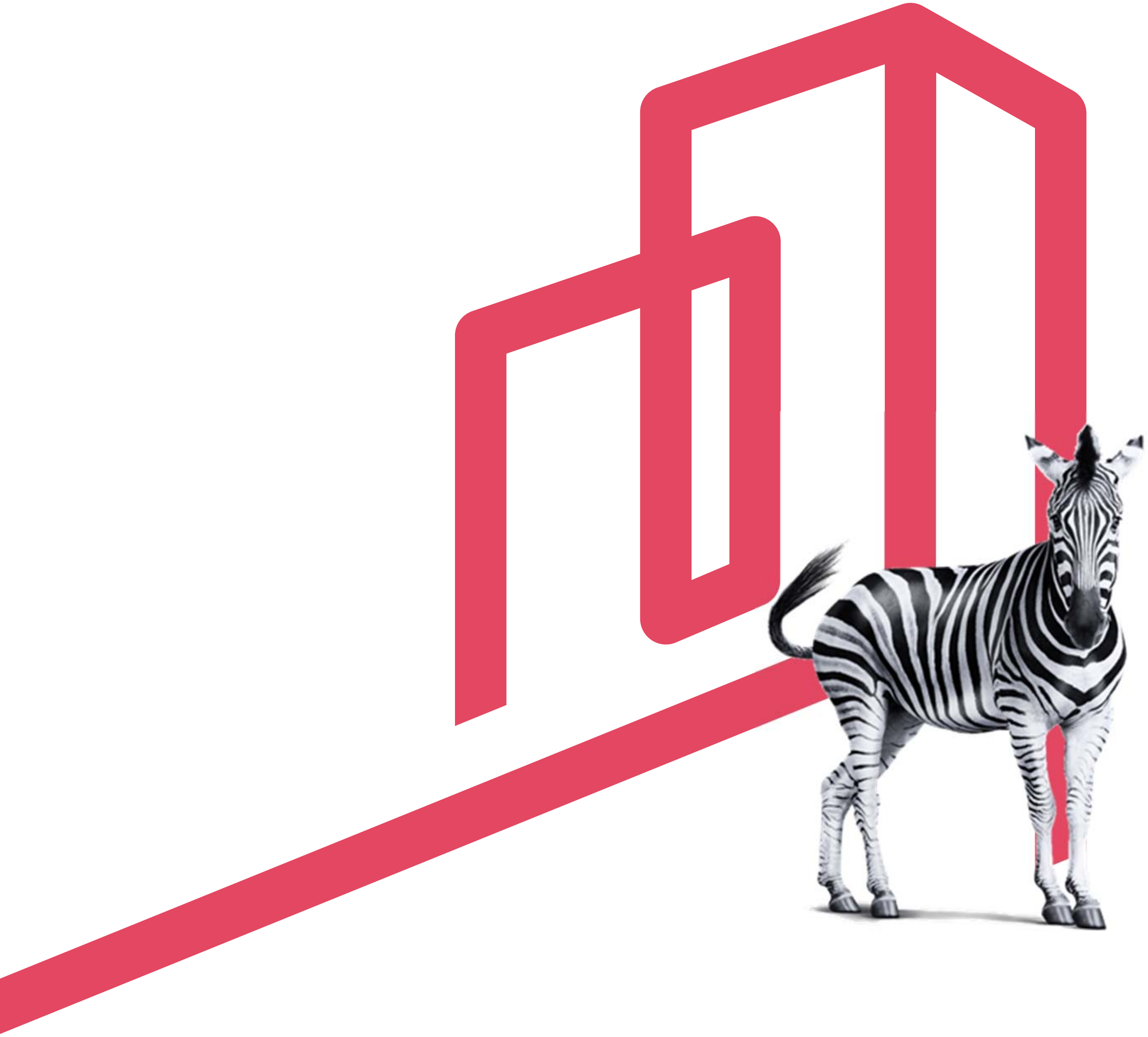
Unit price performance

Since listing on the JSE in 2013, IAP has outperformed both its JSE-listed peers and a comparable subset of the ASX300 REIT index[1] since IPO in 2013



Sources: IRESS, Bloomberg

Notes: 1. Market cap weighted average of current ASX300 REIT index constituents excluding GMG, CHC (as dedicated real estate fund management groups). WFD and SCG prices rebased to market cap weighted average of WRT and WDC as at 24 June 2014.



APPENDIX B: INDUSTRY DYNAMICS

Out of the Ordinary®

Investec

Australia Property Fund

Australian office market

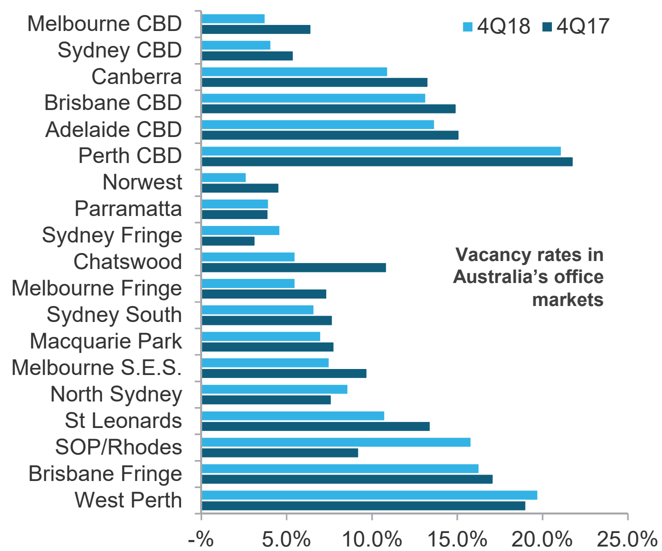
The volume of capital from domestic and increasingly diverse offshore sources seeking to invest in Australian office assets is well in excess of available product

- Australia remains an attractive destination for global capital, supported by a stable economic outlook, population growth, and transparency
- Recent rental growth has been centred on Melbourne and Sydney, however other markets are now showing positive signs for stronger effective rental growth, Brisbane and Perth markets expected to lead growth over the next five years to 2023
- Mild decompression cycle expected to commence in 2020, likely to be influenced by movements in bond yields and whether the RBA moves to a tightening monetary policy stance. This should be offset by effective rental growth

Prime gross effective rental growth, 2018-2023

CBD markets	Rental growth, five years to 4Q23	Non-CBD markets	Rental growth, five years to 4Q23
Brisbane CBD	6.2%	Brisbane fringe	5.0%
Perth CBD	5.6%	Parramatta	3.1%
Adelaide CBD	4.0%	North Sydney	2.8%
Melbourne CBD	2.7%	Melbourne S.E.S.	2.0%
Canberra CBD	2.4%	St Leonards	1.9%
Sydney CBD	1.9%	Chatswood	1.3%
		Melbourne fringe	1.3%
		Macquarie Park	0.9%

Sources: JLL Research



Strong demand evidenced by tightening vacancy rates across almost all markets

Australian industrial market

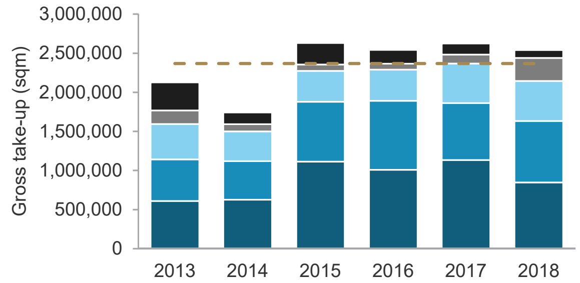
Supported by structural changes, Australian industrial assets are attracting a broad range of investors, including global institutional investors

- Performance across Australia’s main industrial markets is converging with Sydney and Melbourne continuing to experience rental growth and market recovery evident in Perth, Brisbane and Adelaide
- All markets forecast to experience rental growth over the next five years to 2023
- Yields are expected to remain firm at cyclical low levels throughout 2019

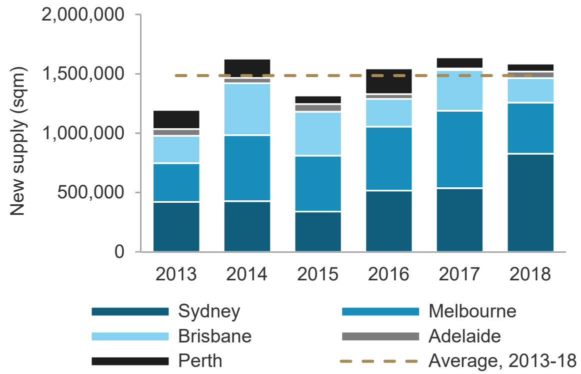
Prime gross effective rental growth, 2018-2023

Industrial market	Rental growth, five years to 4Q23
Sydney outer central west	2.6%
Sydney south	3.5%
Melbourne south east	2.9%
Melbourne west	2.0%
Brisbane southern	3.1%
Adelaide north west	2.1%
Perth east	2.4%

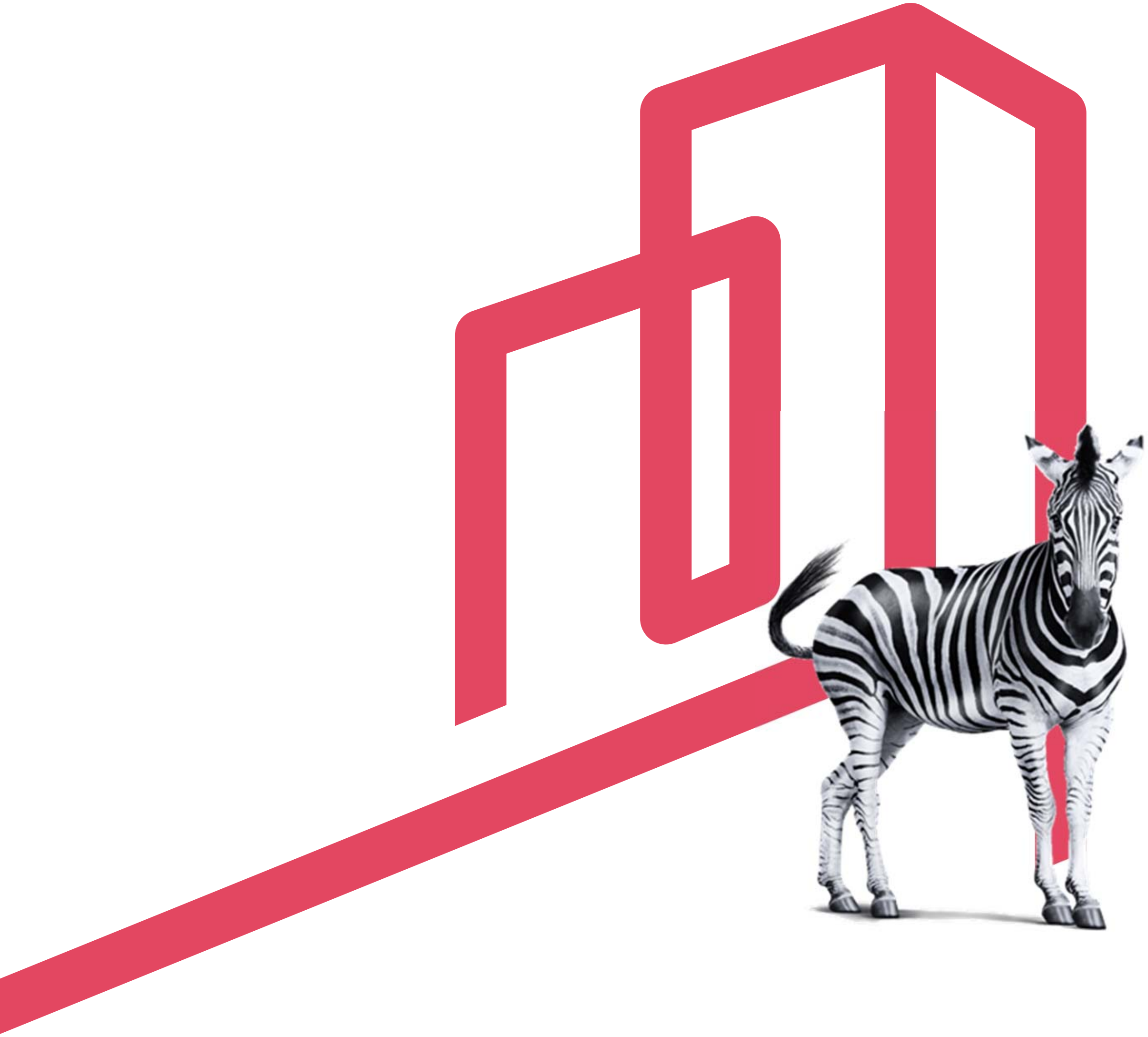
Demand remains strong due to economic growth, dominated by NSW and Victoria, but now building in QLD



Supply expected to be below average in 2019, with 1.2 million sqm of developments due to complete in the next 12 months



Sources: JLL Research



APPENDIX C: FINANCIAL INFORMATION

Out of the Ordinary®

Investec

Australia Property Fund

Statutory historical income statement, statutory forecast income statement and pro forma forecast income statement

$ million	FY17 Statutory	FY18 Statutory	FY19 Statutory	FY20 Statutory	FY20 Pro forma
Revenue, excluding straight-line rental revenue adjustment[1]	51.7	75.5	88.5	91.9	91.9
Straight-line rental revenue adjustment	2.8	2.1	0.9	1.1	1.1
Revenue	**54.5**	**77.6**	**89.4**	**93.0**	**93.0**
Property expenses	(8.4)	(13.9)	(18.2)	(19.2)	(19.2)
Net property income	**46.1**	**63.7**	**71.2**	**73.8**	**73.8**
Management fees[2]	(3.7)	(5.1)	(5.8)	(6.0)	(6.0)
Other operating expenses[3]	(0.6)	(1.1)	(1.2)	(4.7)	(1.5)
Operating profit	**41.8**	**57.5**	**64.3**	**63.1**	**66.4**
Finance costs	(7.1)	(10.7)	(14.6)	(13.7)	(13.4)
Finance income	0.1	0.1	0.1	0.0	0.0
Other income	0.3	0.0	0.2	0.0	0.0
Net profit	**35.1**	**46.9**	**49.9**	**49.4**	**52.9**
Fair value adjustments[4,5]	13.6	61.2	3.2	-	-
Total comprehensive income attributable to unitholders	**48.7**	**108.2**	**53.1**	**49.4**	**52.9**

Statutory historical income statement, statutory forecast income statement and pro forma forecast income statement notes

Notes:

The statutory forecast income statement has been prepared on the basis that completion occurs 28 May 2019 and the pro forma forecast income statement has been prepared on the basis that completion occurs on 1 April 2019. Transaction costs will be funded by the proceeds from the Offer and do not affect the operating cash flow of the Fund.

1. Revenue, excluding straight-line rental revenue adjustments is the equivalent of gross property income.
2. The FY20 forecast base management fee is calculated based on 0.046% per month of enterprise value or 0.55% per annum, assuming an enterprise value based on IAP's market capitalisation at the final subscription price of $1.30 per unit (assuming the final subscription price is set at the minimum subscription price).
3. Statutory other operating expenses include $3.3 million of transaction costs which relate to the implementation of the Offer ($3.3 million of which has been expensed to the income statement and $3.2 million of which is netted off against contributed equity). If the IPF Sale proceeds, and the full 45 million units is sold, $4.3 million is expensed to the income statement and $2.1 million is netted off against contributed equity.
4. Fair value adjustments include:
    a. fair value adjustments of derivative financial instruments in FY17 ($2.2 million), FY18 ($(2.3) million) and FY19 ($(13.7) million);
    b. fair value adjustments on investment properties in FY17 ($11.4 million), FY18 ($61.3 million) and FY19 ($15.2 million); and
    c. foreign exchange revaluation in relation to the 100 Willis Street, Wellington NZ in FY18 ($2.3 million) and FY19 ($1.7 million).

    The statutory forecast income statement and the pro forma forecast income statement do not account for any potential fair value adjustments to investment properties, derivative financial instruments or other financial assets which may be recognised in the income statement on the basis that such adjustments cannot be reliability reliably determined. No material tax expense is expected to arise for IAP in the forecast period.

Reconciliation from net profit to FFO and AFFO

$ million	FY19 Pro Forma	FY20 Pro Forma
Statutory net profit (pre transaction costs)[1]	49.9	52.7
Straight-line rental revenue adjustment	(0.9)	(1.1)
Other non-cash items[2]	1.3	1.6
Funds from operations (“FFO”)	**50.3**	**53.2**
Maintenance capital expenditure	(1.0)	(2.1)
Leasing fees and cash incentives[3]	(3.3)	(1.8)
Adjusted FFO (“AFFO”)	**46.0**	**49.3**
Units on issue (million)[4]	478.8	555.7
FFO per unit (cents)	10.50	9.57
AFFO per unit (cents)	9.61	8.88

Notes:

1. Prepared on the basis that completion occurs on 28 May 2019. Transaction costs associated with the Offer will be funded by the proceeds from the Offer and do not affect operating cash flow of IAP.
2. Relates to amortisation of leasing fees and incentives.
3. Relates to forecast cash leasing fees and incentives paid.
4. Assuming 76,923,077 units are issued under the Offer.

Pro forma forecast distribution statements

$ million	FY20 Pro Forma
Distribution per units (cents)[1]	8.88
Distribution as % of FFO	92.7%
Distribution as % of AFFO	100.0%
Tax deferred component of distribution[2]	31.0%
FFO yield (%)[3]	7.4%
Distribution yield (%)[3]	6.8%

Notes:

1. The distribution is presented on a pro forma basis consistent with the proposed distribution policy following completion.
2. The tax deferred component of forecast distributions has been determined in accordance with the tax legislation prevailing at the time of preparing the PDS. The actual tax deferred components of the distribution will be determined based on tax legislation prevailing at the time of the relevant distributions.
3. The yield disclosure represents pro forma forecast FFO per unit or pro forma forecast distribution per unit (as applicable) for the financial year ending 31 March 2020 (based on the total number of units on issue following completion) divided by the final subscription price (assuming the final subscription price is set at the lower end of the indicative price range). The FFO yield and distribution yield at the upper end of the indicative price range are 7.1% and 6.5% respectively.

Pro forma balance sheet

$ million	31 March 2019	Offer (A)	Pro Forma
Current assets	**14.2**	**0.0**	**14.2**
Cash and cash equivalents[2]	7.8		7.8
Trade and other receivables	6.4		6.4
Non-current assets	**1,069.2**	**0.0**	**1,069.2**
Investment properties[3]	1,062.8		1,062.8
Financial instruments held at fair value	6.4		**6.4**
Total assets	**1,083.4**	**0.0**	**1,083.4**
Current liabilities	**60.3**	**(28.6)**	**31.7**
Borrowings	28.6	(28.6)	0.0
Trade and other payables	6.9		6.9
Distributions payable	24.8		24.8
Non-current liabilities	**401.6**	**(64.9)**	**336.7**
Long-term borrowings[4]	375.2	(64.9)	310.3
Trade and other payables	5.3		5.3
Financial instruments held at fair value	21.2		21.2
Total liabilities	**461.9**	**(93.5)**	**368.4**
Net assets	**621.5**	**93.5**	**715.0**
Contributed equity[5]	515.2	96.8	612.0
Retained earnings[6]	106.3	(3.3)	103.0
Total equity	**621.5**	**93.5**	**715.0**
Units in issue	**478.8**	**76.9**	**555.7**
NAV per unit[7]	**1.30**		**1.29**
Gearing (%)[8,9]	**38.1**		**29.3**

Pro forma balance sheet notes

Notes:

1. IAP had pro forma net current liabilities of $46.1 million as at 31 March 2019. The net pro forma liability position is principally due to the distribution declared ($24.8 million) as at 31 March 2019, along with borrowings to fund the acquisition of 24 Wormald Street, Symonston ACT ($28.6 million) which will be repaid from the proceeds of the Offer. Distributions are funded from a combination of cash and undrawn borrowing facilities. The directors are of the opinion that IAP will have sufficient working capital to carry out it stated objectives during the forecast period.
2. Cash and cash equivalents of $7.8 million assumed to be held for working capital.
3. The value of the portfolio is based on the audited financial statements of IAP as at 31 March 2019. All the properties (excluding 24 Wormald Street, Symonston ACT which was independently valued as at the date of acquisition) in the portfolio were independently valued as at 30 September 2018. Independent valuations as at 31 March 2019 were undertaken for three of the properties, being 24 Wormald Street, Symonston ACT, 35-39 Elizabeth Street, Richmond VIC and 449 Punt Road, Cremorne VIC. The remainder of the properties were valued as at 31 March 2019 based on internal director valuations with no subsequent material change to the fair values reported at 30 September 2018.
4. Long-term borrowings represents the drawn debt excluding the debt to partially fund the payment of the pre-allotment distributions which are expected to be paid to existing unitholders on or about 27 May 2019. Following completion and forecast debt drawdowns, the undrawn debt balance is forecast to be $59.8 million.
5. Assuming the final subscription price is set at the minimum subscription price of $1.30. If the final subscription price were to be set at the upper end of the indicative price range of $1.35, an additional $3.8 million contributed equity would be raised and $3.7 million of debt would be repaid, with the pro forma gearing being 29.0%.
6. Retained earnings adjustments represent expensed transaction costs in relation to the Offer of $3.3 million. If the IPF Sale proceeds, the allocation of transaction costs between the income statement and netted against contributed equity will change. To the extent the full allocation of $45 million units is sold under the IPF Sale, the retained earnings adjustment is $4.3 million.
7. Pro forma NAV per unit on completion based on the total number of units following completion (assuming the final subscription price is set at the lower end of the indicative price range).
8. Gearing means interest bearing liabilities (excluding debt establishment costs) less cash divided by total tangible assets less cash.
9. The gearing in the pro forma balance sheet excludes the debt IAP will draw to pay the FY19 distribution/pre-allotment distributions which are expected to be paid to existing unitholders on or about 27 May 2019. The forecast gearing post debt drawdown is 31%.

Capital management policies

Gearing and hedging policy

- As per the constitution, the responsible entity must ensure that IAP's gearing ratio[1] does not exceed 60% at any time and, while the Fund is JSE listed, under the facility agreement IAP's gearing ratio must not exceed 55%
- Notwithstanding this, the board has approved a borrowing policy whereby gearing will be maintained between 30% and 40%, with the ability to exceed the top end of the range, provided gearing will be reduced to below 40% within a reasonable period of time
- The hedging policy is to maintain at least 75% of borrowings as fixed through the use of hedging instruments such as interest rate swaps, concurrently fulfilling the requirement under the facility agreement to hedge at least 50% of the interest rate exposure under the facility

Valuation policy

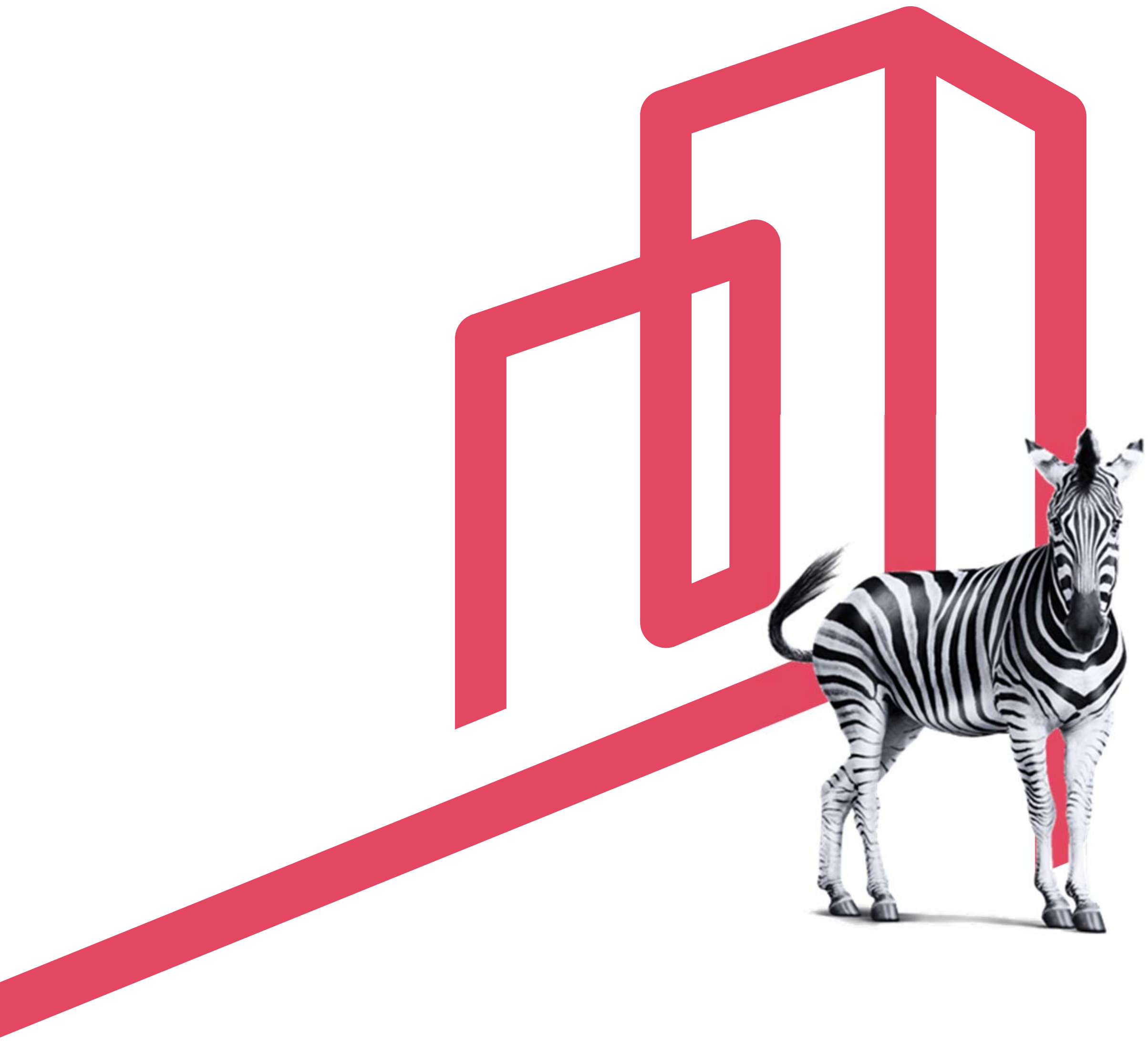
- IAP values properties on the basis of fair value. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction
- IAP's policy is to value all properties at each reporting period, with independent valuations performed on a rotational basis to ensure each property is valued at least every 24 months by an independent external valuer
- For properties not independently valued during a reporting period, a director's valuation is carried out to determine the appropriate carrying value of the property when IAP's financial reports are prepared. Where directors' valuations are performed, the valuation methods include using the discounted cash flow method and the capitalisation method
- All independent valuations are presented to the audit and risk committee and the board or a committee of the board appointed for such purpose

Notes: 1. Gearing covenant represents total liabilities divided by total tangible assets. Gearing is equivalent to the Fund's gearing ratio, excluding the effect of mark-to-market movements in relation to interest rate swaps taken in respect of the Fund's debt.

Capital management policies (cont'd)

Distribution policy

- The responsible entity will target distributions of between 80% to 100% of IAP's FFO each year in order to more closely align its distribution policy with that of other ASX listed Australian REITs and report the distributions in accordance with the Property Council Guidelines
- The responsible entity intends to continue to pay distributions on a half yearly basis in respect of the periods ending 31 March and 30 September
- IAP's distribution pay-out ratio will be formulated with regard to a range of factors including:
    - General business and financial conditions;
    - Certainty of IAP's cash flow and adequacy of forecast liquidity;
    - Capital expenditure requirements and acquisitions;
    - Covenants and undertakings under the facility agreement;
    - Taxation considerations;
    - Working capital requirements; and
    - Other factors that the responsible entity considers relevant.
- While the main trading exchange of IAP is the JSE, it is intended that IAP's interim and final distributions will be paid in accordance with the corporate actions timetables under the JSE Listings Requirements
- If the main trading exchange becomes the ASX, the responsible entity must comply with the distribution timetables under the ASX Listing Rules as required under IAP's constitution



APPENDIX D: KEY RISKS

Out of the Ordinary®

Investec
Australia Property Fund

Key risks

Gross property income	– Gross property income may be adversely affected by a number of factors within and beyond the Fund's control – Any negative impact on gross property income has the potential to decrease the value of the properties – A decrease in gross property income may affect the FFO of the Fund and in turn impact distributions and the market price of the units
Re-leasing and vacancy	– The Fund may not be able to negotiate suitable lease extensions with existing tenants or replace outgoing tenants with new tenants on the same terms (if at all) or be able to find new tenants to take over space that is currently unoccupied which could affect FFO of the Fund and in turn impact distributions – Gross property income might also be negatively impacted by any increases in amounts not recoverable from tenants that might be incurred by the Fund which could affect FFO and distributions
Capital expenditure requirements	– Required capital expenditure may exceed forecast spend, requiring additional funding or property sales, affecting FFO and distributions
Property valuation	– The value of, and returns from, the properties may fluctuate depending on property market conditions, general economic conditions, and/or property specific factors – Demand for property may change as investor preferences for particular sectors, asset classes and geographies change over time and can be influenced by general economic factors – A change in valuations will not directly impact FFO of the Fund and distributions but will impact gearing which could have a bearing on compliance with covenants

Key risks (cont'd)

Property liquidity	– The Fund may not be able to realise the properties within a short period of time or may not be able to realise properties at valuation, this may affect the NAV or price of the units
Sector concentration	– The Fund's performance depends on, in part, the performance of the office and industrial property sectors in Australia and New Zealand – A downturn in these sectors might reduce gross property income and impact FFO of the Fund and distributions
Environmental issues and contamination	– The Fund may be required to undertake remediation for contaminated properties which could require material capital expenditure and impact the FFO of the Fund and distributions – Environmental laws impose penalties for environmental damage and contamination, which can be material in size. Exposure to hazardous substance at a property could result in personal injury claims which could prove greater than the value of the contaminated property – An environmental issue may also result in interruptions to the operations of a property, including loss as a result of closure. Any loss of income might not be recoverable
Health and safety	– Liability arising from workplace health and safety matters at a property may be attributable to the Fund as the landlord instead of, or as well as, the tenant – Any liabilities or penalties borne by the Fund may impact the financial performance of the Fund (to the extent not covered by insurance)

Key risks (cont'd)

Gearing	– A higher level of gearing will magnify the effect of any changes in interest rates or changes in value or performance measures – Changes in the value of the properties or gross property income that secure the repayment and servicing of the borrowing may also affect the gearing ratio which a financier may require to be maintained which may result in a requirement to reduce the level of debt, including by selling properties – If the level of gearing increases over the term of the facility agreement (thereby impacting the Fund's gearing ratio), this may create refinancing risk on the facility
Funding and refinancing	– The ability to raise capital from debt or equity markets on favourable terms depends on a number of factors including the general economic climate, the state of debt and equity capital markets and the property market, and the performance, reputation and financial strength of the Fund – The Fund may be unable to borrow on terms and conditions, including durations and interest rates, which are acceptable or may be unable to refinance the facility when it matures, or that the refinance may not be obtained on the same terms – An inability to attract funding on acceptable terms may adversely affect the Fund's ability to make future acquisitions or meet future capital expenditure needs, which could adversely affect the growth prospects of the Fund – A lack of or increased cost of debt financing could also increase the funding costs of the Fund and therefore impact the performance and financial position of the Fund

Key risks (cont'd)

Breach of covenants	– An event of default may occur if the Fund fails to maintain the undertakings and covenants under the facility agreement – In the case of a default that is not remedied, lenders may require repayment of the facility prior to the expected expiry date – If so, the Fund may need to sell properties for less than the book value, raise additional equity, or reduce or suspend distributions in order to repay the facility
Dilution of participatory interest	– Units may be issued to finance future acquisitions which may, under certain circumstances, dilute the value of the unitholder's interests
Interest rate fluctuations	– The Fund is exposed to interest rate risk and adopts a policy of ensuring that at least 75% its exposure to changes in interest rates on borrowings is on a fixed basis – There is a risk that hedging counterparties may fail to honour their obligations under these arrangements and that the arrangements may not be effective in reducing exposure to movements in interest rates – The Fund is exposed to movements in variable interest rates on the portions drawn but unhedged – The Fund may be unable to hedge future interest rate risk or the terms of such hedging may be less favourable than existing terms

Key risks (cont'd)

Exchange rate fluctuations	– If a unitholder chooses to hold their units through the South African register, the units will be denominated in ZAR but distributions will be denominated in AUD and earnings derived from the Australian properties will be denominated in AUD – The value of the units trading on the JSE may go up or down according to changes in the exchange rate between the ZAR and AUD. These changes may be significant – Earnings derived from any New Zealand properties will be denominated in NZD. Movements in the exchange rate at such times between AUD and NZD may adversely affect the results of the operations and/or the balance sheet of the Fund
Dual listing	– Following ASX listing, the Fund will be dual primary listed and will need to comply with both the ASX Listing Rules and the JSE Listings Requirements – Investors should be aware that certain SA legal concepts, which investors may not be familiar with via investments in Australian companies or trusts, may apply to the Fund – Transfer of units between the Australian and South African subregisters will generally be processed within one business day, although in some circumstances, it may take longer for the request to be processed
Liquidity	– There can be no guarantee that an active market in the units will develop in Australia, that the price of the units will increase, or that liquidity will be maintained – If a large unitholder chooses to sell its units, this may affect the prevailing market price of the units

Key risks (cont'd)

Inability to complete disposals or acquisitions	– The Fund may be able to identify suitable investment opportunities that meet the Fund's investment objectives or the Fund will be unable to dispose of and/or acquire properties on appropriate terms, thereby potentially limiting growth of the Fund – Failure to deliver or effectively execute its stated strategy including its acquisition and/or disposal of properties or its failure to redefine its strategy to meet changing conditions could result in a decline in the price of the units and/or distributions – There can be no assurance that any future acquisitions and/or disposals will enhance the investment returns of unitholders
Financial information and forecasts	– Forward-looking statements, opinions and estimates provided in this document rely on various factors, many of which are outside the control of the board or management of the Fund, and several assumptions, any of which could be inaccurate or result in material deviations in actual performance from expected results – There can be no guarantee that the Fund will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate
Substantial holding by Investec Group entities	– Following completion of the Offer, the Investec Group entities IBL and IPF will hold a combined stake of 22.9% - 31.0%, depending on the number of units sold by IPF under the IPF Sale (compared to a current combined stake of 35.99%) – If Investec Group entities sell some or all of their units the price of the units may be affected given the size of their holdings – Investec Group entities may also have influence over the potential outcome of matters submitted to a vote of unitholders – However, the responsible entity and its associates (including Investec Group entities) are prohibited from voting if they have an interest in the resolution or matter other than as a member in accordance with section 253E of the Corporations Act
Compliance	– If the responsible entity of the Fund breaches the Corporations Act or the terms of its AFSL, ASIC may take action to suspend or revoke the responsible entity's licence, which in turn may adversely impact the Fund

Key risks (cont'd)

Tax	– Changes in general taxation law and, in particular, income tax, GST or stamp duty legislation, case law in Australia, rulings and determinations issued by the Australian Commissioner of Taxation or other practices of tax authorities may adversely affect the Fund's performance, position and prospects – Any changes to the tax regime applicable to the Fund may affect the Fund's ability to make distributions or attributions of income and may adversely affect the tax treatment of distributions or attributions in the hands of unitholders – Changes in the Fund's business activities or Australian tax legislation could result in the Fund incurring income tax on its net income in the future – As the Fund currently invests in New Zealand and is subject to New Zealand tax, the Fund, and returns from the Fund, are subject to any changes in New Zealand tax laws – If concessional rates for managed investment trusts change or if the Fund ceases to qualify as a managed investment trust in the future, distributions or attributions to non-Australian resident investors may become subject to a higher withholding tax rate
Insurance	– If any of the properties are damaged or destroyed by an event which is not covered by the Fund's insurance policies, the Fund could incur a capital loss which could affect gross property income, FFO of the Fund and distributions – Dependent on the type of coverage, the Fund may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount – The Fund may also incur increases to its insurance premium applicable to other areas of its cover as a result of the event

Key risks (cont'd)

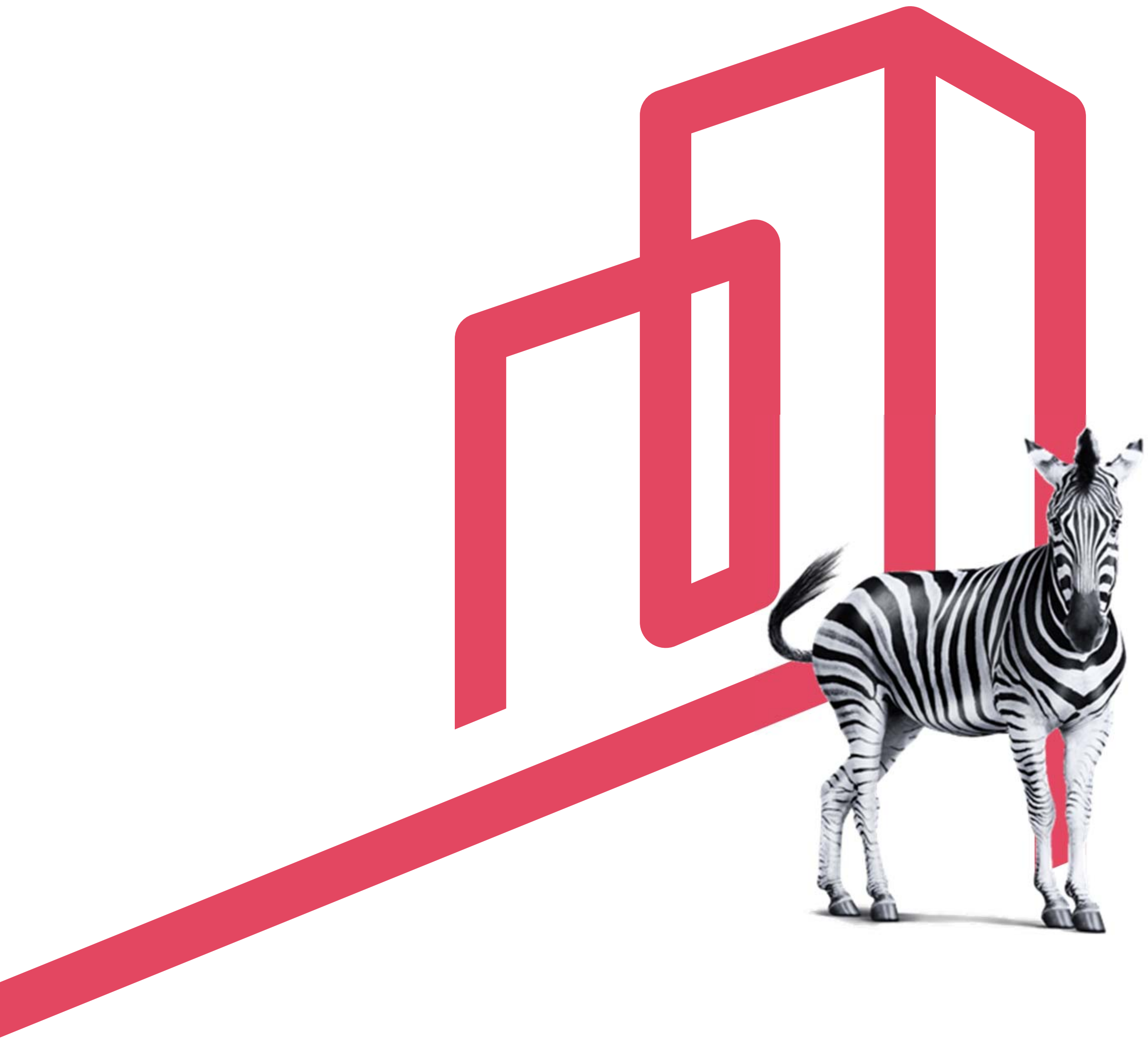
Litigation	– While the responsible entity has in place professional indemnity insurance, certain events may not be covered, or the claims incurred may be in excess of the insured amount – If the Fund breaches the law, this may result in a fine or penalty or, in a serious case, the loss of the responsible entity's AFSL – Such matters may have a material adverse effect on the Fund's reputation, divert its financial and management resources from more beneficial uses, and/or have a material adverse effect on the Fund's future financial performance or position
Loss of key management personnel	– The loss of key management personnel could cause material disruption to the Fund's activities in the short to medium term and could result in the loss of key relationships and expertise which could have a material adverse impact on its current and future earnings
Joint owners agreement	– The Fund and Abacus Property Group are joint owners of the property located at 324 Queen Street, Brisbane QLD – Where a joint owner wishes to dispose of its interest in the property, the other joint owner will have a pre-emptive right except in limited circumstances (for example, by way of a permitted transfer to a member of its group) – The joint owners agreement also contains tag along and drag along rights which may be exercised if a joint owner wishes to sell its interest in the property to a third party

Key risks (cont'd)

Termination	– In the event of termination or winding-up of the Fund, the claims of the Fund's creditors will have priority over the claims of unitholders – Under such circumstances, the responsible entity may sell properties and first repay or discharge all costs and liabilities owed to the Fund's creditors before distributing the remaining proceeds to unitholders – There is a risk that unitholders may receive no amount or an amount less than the subscription price on termination or winding-up of the Fund
Price of the units	– The units have not previously been traded on the ASX and their price may be volatile and fluctuate significantly in response to various factors including changes to general economic conditions, demand for property securities, changes in government policy or regulations, inclusion / removal from major market indices and other general or operational business risks – The trading price of units may be influenced by factors non-specific to the Fund and out of the Fund's control. No assurances can be made that the performance of the units will not be adversely affected by such market fluctuations or factors – As a result of fluctuations in the market price of units, unitholders may not be able to sell their units at or above the subscription price, if at all
Economy and market conditions	– There is the risk that changes in economic and market conditions may affect asset returns and values and may decrease the unit price
Law, regulatory and policy changes	– Changes in law, government legislation, regulation and policy in a jurisdiction in which the Fund operates may adversely affect the value of the performance of the portfolio and/or future distributions and the value of the units

Key risks (cont'd)

Accounting standards	– Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in the Fund's financial statements
Reliance on third parties	– The responsible entity may engage third party services providers in respect of a part or the whole portfolio – A failure of third parties to discharge their agreed responsibilities may adversely affect the management and financial performance of the Fund and therefore also adversely impact returns to unitholders
Conflicts	– Related party transactions carry a risk that they could be assessed and monitored less rigorously than transactions with unrelated third parties – The responsible entity has engaged the manager to provide the management services in accordance with the terms of the management agreement. This may create a conflict of interest – The responsible entity will mitigate these risks through its conflict of interest policy and related party policy that governs the way the Fund manages such conflict situations and related party transactions



APPENDIX E: FOREIGN SELLING JURISDICTION

Out of the Ordinary®

Investec

Australia Property Fund

Selling restrictions

This document does not constitute an offer to subscribe for subscription units in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the units may not be offered or sold, in any country outside Australia and New Zealand except to the extent described below.

Hong Kong

WARNING: This document has not been, and will not be, reviewed or authorised by the Securities and Futures Commission (the “**SFC**”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). You are advised to exercise caution in relation to the Offer. If you are in any doubt about the contents of this document, you should obtain independent professional advice.

No action has been taken in Hong Kong to authorise this document or to permit the distribution of this document, any documents issued in connection with it or any offering of interests in the Fund to the public in Hong Kong. Accordingly, the subscription units have not been and will not be offered or sold in Hong Kong other than to “professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the subscription units has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the subscription units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance. As this document has not been approved by the SFC or any other authority in Hong Kong, the subscription units are being offered to you in the manner contemplated in this document or any other subscription document.

The subscription units are suitable for professional investors (as defined in the SFO), who do not require immediate liquidity for their investments, for whom an investment in the Fund does not constitute a complete investment program, and who fully understand and are willing to assume the risks involved in an investment in the Fund. Potential investors for the subscription units must represent that they are acquiring the subscription units for investment.

Selling restrictions (cont'd)

Singapore

This document and any other material in connection with the Offer is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment in the Fund is suitable for you.

This document has not been registered as a prospectus with the Monetary Authority of Singapore and this Offer is not regulated by any financial supervisory authority pursuant to any legislation in Singapore and the Offer is not allowed to be made to the retail public. Accordingly, this document and any other document or material in connection with the Offer, or invitation for subscription or purchase, of the subscription units may not be circulated or distributed, nor may the subscription units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than to an "institutional investor" (as defined under the SFA).

Certain resale restrictions apply to the Offer and investors are advised to acquaint themselves with such restrictions.

South Africa

This document does not constitute, advertise or relate to an offer to the public (as defined in the South African Companies Act) for the sale of or subscription for, or the solicitation of an offer to buy or subscribe for, securities. In South Africa this document will not be distributed to any person in any manner which could be construed as an offer to the public in terms of the South African Companies Act and is only directed at financial institutions and other persons who are referred to in section 96(1)(a) of the South African Companies Act, or to investors who apply, as principal, for the Subscription Units at a total acquisition cost of ZAR1,000,000 or more. Should any person who is not a qualifying investor receive this document, they should not and will not be entitled to acquire any subscription units offered for sale or subscription as described in this document or otherwise act thereon. This document does not, nor is it intended to, constitute a prospectus registered under the South African Companies Act and accordingly, does not comply with the substance and form requirements for prospectuses set out in the South African Companies Act and the South African Companies Regulations of 2011.

Nothing in this document should be viewed, or construed, as "advice" as that term is used in the South African Financial Markets Act and/or the South African Financial Advisory and Intermediary Services Act, No 37 of 2002, as amended from time to time and nothing in this document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.