

IPD South Africa Green Property Index highlights link between green buildings and investment performance

Green buildings outperform

Cape Town – October 10, 2017 MSCI Inc. (NYSE: MSCI) recently released the IPD South Africa Annual Green Property Index. The Index, sponsored by Growthpoint Properties, supports the investment case for Green Buildings in the commercial property sector.

For the year ending December 2016, Green Star Certified buildings delivered a total return of 11.8% against the balance of the sample which delivered a 5.9% total return. This outperformance was driven by superior capital growth, lower vacancies and higher net income growth. In addition, Green star certified buildings used less water and electricity than their non-certified counterparts.

The IPD South Africa Annual Green Property Index, in conjunction with the Green Building Council of South Africa (GBCSA), is released annually and tracks the benefits of green buildings to investors. It compares the investment and fundamental performance of certified green buildings to the rest of the IPD sample by sector.

MSCI announced a change in methodology for the index in 2016, aligning the green property index production practice with other country markets. Index inclusion is now determined on the basis of the availability of green building certificates as opposed to the previous determination, which was based on the level of energy and water usage. The increased availability of certified green buildings enables a more objective assessment of the comparative than the level of energy and water consumption used previously, as this varied with asset occupancy and tenancy behaviour.

In December 2016, the IPD South African Annual universe consisted of 1,450 properties valued at more than R296bn, of which the Green Property Index considered a subset of 240 Prime and A-Grade offices valued at over R47bn. The Green Star rated subset consisted of 49 buildings with a combined capital value of R13bn.

Phil Barttram, Executive Director, MSCI, commented: “The 2016 results provide a different perspective from what we have been able to show in previous years. The methodology change to consider green star certified assets was an essential evolution in our approach and continues to reinforce the growing body of evidence that shows green buildings provide better investment returns.

Dorah Modise, CEO, GBCSA, commented: “The IPD South AFRICA Green Property Index remains a valuable tool for us to understand the proliferation and impacts of green buildings within the commercial property sector. The GBCSA and its partners uses this data as an input in building the business case and advocating for a wider adoption of green building practices both within the commercial sector and in other sectors that are beginning to gain traction”.

Rudolf Pienaar, Divisional Director, Growthpoint Properties commented: “The compelling business case for certified green buildings in South Africa is made abundantly clear with this research. We are proud to sponsor the IPD South Africa Annual Green Property Index and help provide quality market intelligence that demonstrates the benefits of certified green buildings. This knowledge supports more sustainable development and green building certification in South Africa. It confirms what we have long known and put into action. Today, Growthpoint owns or co-owns the largest number of certified green buildings of any company in South Africa.”

About MSCI

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research.

Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research.

MSCI serves 97 of the top 100 largest asset managers, based upon P&I data as of December 2014 and MSCI client data as of June 2015.

For more information, visit us at www.msci.com.

About Green Building Council South Africa

Founded in 2008, the Green Building Council South Africa (GBCSA) is one of over 95 members of the World Green Building Council. We exist to inspire the property industry to design, build, operate and tenant better, greener buildings. GBCSA operates in the commercial, residential and public sectors. Our aim is to work with our membership community to sustainably transform the built environment. We strive to preserve the planet for future generations and operate through advocacy, membership, certification and training. The GBCSA is the official certification body for Green Star SA and EDGE residential projects.

For further information, visit us at www.gbcsa.org.za

About Growthpoint Properties

Growthpoint is a leading international property company, and the largest South African primary listed REIT on the JSE. It creates value for all its stakeholders through innovative and sustainable property solutions that provide space to thrive. Growthpoint is a Platinum Founding member of the Green Building Council South Africa, a constituent of the FTSE4Good Emerging Index and has been included in the FTSE/JSE Responsible Investment Index for eight years running. It owns and co-owns the biggest portfolio of certified green buildings in South Africa.

As a JSE-listed REIT and leading international property company, it provides space to thrive with innovative and sustainable property solutions in a diversified portfolio of 547 property assets. This includes 471 properties in South Africa valued at R76.9bn and Growthpoint's 50% interest in the properties at V&A Waterfront, Cape Town, valued at R8.7bn. Internationally, Growthpoint owns 57 properties in Australia valued at R32.5bn through its investment in ASX-listed Growthpoint Properties Australia (GOZ) and 18 properties in Romania valued at EUR1.0bn through its investment in LSE AIM-listed Globalworth Real Estate Investments (GWI).

For more information, visit us at www.growthpoint.co.za

Media Inquiries

Paris

Maud Kerlan, MSCI

+ 33 1 56 79 07 42 / maud.kerlan@msci.com

MSCI Global Client Service

| | |
|-----------------------------|----------------------------|
| EMEA Client Service | + 44 20 7618.2222 |
| Americas Client Service | 1 888 588 4567 (toll free) |
| Asia Pacific Client Service | + 852 2844 9333 |

This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the “Information”) is the property of MSCI Inc. or its subsidiaries (collectively, “MSCI”), or MSCI’s licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the “Information Providers”) and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or disseminated in whole or in part without prior written permission from MSCI.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not be applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.

The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, “Index Linked Investments”). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.

Index returns do not represent the results of actual trading of investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.

The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.

Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.

Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research Inc. and Barra LLC, may be used in calculating certain MSCI equity indexes. More information can be found in the relevant standard equity index methodologies on www.msci.com.

MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.’s revenue includes fees based on assets in investment products linked to MSCI equity indexes. Information can be found in MSCI’s company filings on the Investor Relations section of www.msci.com

MSCI ESG Research Inc. is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Except with respect to any applicable products or services from MSCI ESG Research, neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and neither MSCI nor any of its products or services is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Issuers mentioned or included in any MSCI ESG Research materials may include MSCI Inc., clients of MSCI or suppliers to MSCI, and may also purchase research or other products or services from MSCI ESG Research. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD, FEA, InvestorForce, and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor’s. “Global Industry Classification Standard (GICS)” is a service mark of MSCI and Standard & Poor’s.