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SUMMARISED REVIEWED ANNUAL RESULTS

FOR THE THREE MONTHS ENDED 28 FEBRUARY 2015

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2015

	Group 2015 R
ASSETS	
Non-current assets	**4 705 603 927**
Investment property	3 434 689 962
Plant and equipment	119 368 620
Operating lease asset	101 959 225
Goodwill	625 464 153
Prepayments	409 661 602
Investments in associates	1 136 021
Other financial assets	13 324 344
Current assets	**41 519 034**
Operating lease asset	11 423 330
Loans to group companies	1 715 241
Loans to shareholders	258 812
Trade and other receivables	11 321 363
Cash and cash equivalents	16 800 288
Non-current assets held for sale	87 658 711
TOTAL ASSETS	**4 834 781 672**
EQUITY AND LIABILITIES	
Equity	
Equity attributable to equity holders of parent	
Share capital	3 979 955 592
Retained income	40 810 869
	4 020 766 461
Non-controlling interest	(17 678)
	4 020 748 783
Liabilities	
Non-current liabilities	**734 706 823**
Deferred tax	545 141 460
Other financial liabilities	189 565 363
Current liabilities	**79 326 066**
Current tax payable	13 086 757
Loans from shareholders	361 373
Other financial liabilities	8 746 882
Provisions	6 108 015
Trade and other payables	51 023 039
Total liabilities	**814 032 889**
TOTAL EQUITY AND LIABILITIES	**4 834 781 672**
Net asset value per share	10,18
Net asset value per share excluding deferred taxation (R)	11,56

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group Three months 28 February 2015 R
Revenue	107 423 590
Other income	4 604 667
Operating expenses	(56 135 158)
Operating profit	**55 893 099**
Finance income	474 200
Income from equity accounted investments	160 166
Finance costs	(3 729 019)
Profit before taxation	**52 798 446**
Taxation	(12 005 255)
Profit for the period	**40 793 191**
Other comprehensive income	–
Total comprehensive income for the period	**40 793 191**
Profit attributable to:	
Equity shareholders of Acsion	40 810 869
Non-controlling interest	(17 678)
	40 793 191
Total comprehensive income attributable to:	
Equity shareholders of Acsion	40 793 191
Earnings per share	
Basic/diluted/headline earnings per share (c)	41.33

STATEMENT OF CASH FLOWS

	Group Three months 28 February 2015 R
Cash flows from operating activities	
Cash generated from operations	55 085 304
Interest income	474 200
Finance costs	(3 729 019)
Tax paid	(20 010 694)
Net cash from operating activities	**31 819 791**
Cash flows from investing activities	
Purchase of plant and equipment	(4 615 371)
Development costs of investment property	(20 668 596)
Sale of investment property	1 221 659
Cash acquired with purchase of investments in subsidiaries	13 095 903
Increase in financial assets	(4 950 908)
Net cash from investing activities	**(15 917 313)**
Cash flows from financing activities	
Proceeds from other financial liabilities	4 347 831
Loans received from shareholders	361 373
Loans advanced or repaid to shareholders	(3 811 394)
Net cash from investing activities	**897 810**
Total cash movement for the period	**16 800 288**
Cash at the beginning of the period	–
Total cash at end of the period	**16 800 288**

IFRS 3 – Business combinations

The group arose on the 3rd December 2014 in terms of a Business combination, the details of which can be found in the pre-listing statement on www.acsionsa.co.za the pertinent details are described below:

The restructure transaction that lead to the forming of Acsion Limited and ultimately gave 100% control in most of the subsidiaries is illustrated below. The purchase consideration was settled by way of a share issue. The fair value of the identifiable assets and liabilities are as follows:

	Group 2015 R
ASSETS	
Investment property	3 737 395 953
Investment in associates	975 855
Trade and other receivables	429 877 716
Cash and cash equivalents	13 106 915
Total	**4 181 356 439**
LIABILITIES	
Deferred tax	546 574 365
Other financial liabilities	193 975 108
Loans to shareholders	69 274 549
Current tax payable	19 031 789
Trade and other payables	67 283 424
Total	**896 139 235**
Total identifiable net assets at fair value	3 285 217 204
Goodwill arising on acquisition	625 464 153
Purchase consideration transferred	**3 910 681 357**

IFRS 8 – Segment reporting

Due to the current investment property portfolio exposure being heavily weighted to retail the CODM considers the operations to be a single operating segment and as such reviews financial information on this basis.

IFRS 13 – Fair value measurement

The Group's policy is to value investment properties at year-end, with independent valuations performed on a rotational basis to ensure each property is valued at least every three years by an independent external valuer. The directors value properties by applying the discounted cashflow method. There were no revaluations for the 3 month period ended 28 February 2015.

Fair value hierarchy	Level 3
Investment property	R3.755bn

IAS 24 – Related parties

During the financial year, Anastasi Construction close corporation of which K. Anastasiadis is the sole member, undertook construction of the Hyde Park development as well as the phase III extension of Mall@Carnival to the value of R24 299 344 for the 3 month period ended 28 February 2015.

Kinsella consultants were used for ad hoc repairs and maintenance to the value of R39 786 for the 3 month period ended 28 February 2015. Kinsella consultants is owned by I. Anastasiadis's wife, a director of all underlying subsidiaries.

STATEMENT OF CHANGES IN EQUITY

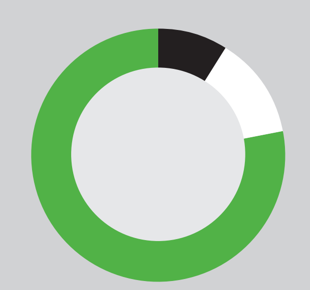
	Share capital R	Retained income R	Total attributable to equity holders of the group/company R	Non-controlling interest R	Total equity R
Group					
Profit for the period	–	40 810 869	40 810 869	(17 678)	40 793 191
Issue of shares	3 979 955 852	–	3 979 955 852	–	3 979 955 852
Balance at 28 February 2015	**3 979 955 852**	**40 810 869**	**4 020 766 721**	**(17 678)**	**4 020 749 043**

GEOGRAPHIC AND TENANT PROFILES

The tenant profile is separated into national and semi-national to indicate the exposure Acsion has to direct head office leases and individual franchises. The national and semi-national exposure is supported by robust leases and national tenant financial strength, and at 82% based on GLA is above the retail property industry norm of 70%.

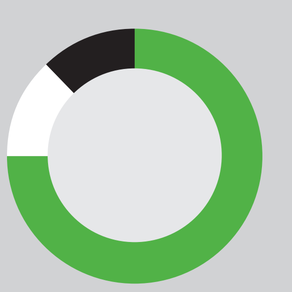
The line and other franchises are carefully vetted by Acsion's leasing division to promote maximum dwelling time and footfall in the centre, to ensure trading densities are sustainable over all tenants' lease terms.

GEOGRAPHIC PROFILE BY REVENUE



- 78%: Gauteng
- 13%: Mpumalanga
- 9%: Limpopo

GEOGRAPHIC PROFILE BY GLA

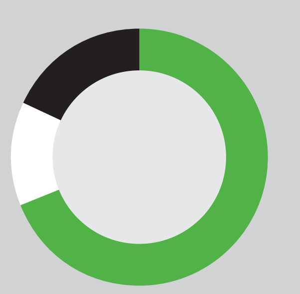


- 75%: Gauteng
- 13%: Mpumalanga
- 12%: Limpopo

TENANT PROFILE BY REVENUE

- 59%: National
- 22%: Semi-national
- 19%: Line and other franchises

TENANT PROFILE BY GLA



- 69%: National
- 13%: Semi-national
- 18%: Line and other franchises

COMMENTARY

About Acsion

Acsion ("the Group" and "the Company") is a property manager and property developer that listed on the Johannesburg Stock Exchange on 9 December 2014. Acsion is differentiated from Real Estate Investment Trusts (REITs) in the listed property sector as it focuses on the delivery of superior net asset value (NAV) growth. NAV growth drivers include enhancing existing properties, completing the secured development pipeline and obtaining additional future development opportunities. To a lesser extent, the Group derives capital growth from selling completed developments and purchasing existing properties.

The group's development function and "value-engineering" approach to development, significantly enhances return to shareholders.

At the time of listing, Acsion's portfolio of assets was independently valued at R3.246bn, and the group was in various stages of developing a pipeline to be completed over a period of three years at an approximate cost of R1.981bn.

Existing investment properties consist of six predominantly retail developments strategically located in Gauteng, Mpumalanga and Limpopo with an aggregate gross lettable area (GLA) of 188 716 m². The tenant profile comprises 69% national tenants, 13% semi-national and 18% line and other franchises, by GLA.

Operational update

Management is pleased to report that the development and leasing of the development pipeline disclosed at the time of listing is progressing in line with expectations. Construction of some developments is currently underway with additional developments expected to commence by August 2015.

Further development opportunities are currently being considered, including the initiation of Acsion's footprint in the Free State and into the rest of Africa and expanding the group's interest in Mpumalanga.

Financial results

In the three months since listing, Acsion performed well. The group recorded revenue of R107.4m and net profit after tax of R40.8m despite a challenging operating environment with escalating utility costs continuing to place tenants under pressure. Although this could ultimately lead to possible rental reversions, Acsion is pleased to report minimal rental reversions during the reporting period.

The direct property expenses to income ratio across the portfolio for the three months to 28 February 2015 was 11.08%.

Net profit after tax attributable to ordinary shareholders was R40.8m equating to basic/diluted/headline earnings of 41.33c per share.

The financial position remains strong with investment property less estimated cost to completion at R3.755bn. Mortgage bonds decreased from R230m (acquired on restructure) to R198m after expansion costs of R25.2m, which is testament to the cash-generating capability of the Group. Mortgage bonds were prepaid by R147m as at 28 February 2015.

Goodwill is carried at R625.4m. Goodwill originated on the restructuring transaction through which Acsion was formed and was paid to acquire the development function that has successfully developed the investment portfolio to date. The estimated profit from the development pipeline exceeds the value of goodwill and as such no impairment of goodwill occurred.

Prepayments include two projects, previously carried as part of goodwill. The transfer of the Benmore development, priced at R200m for listing, is imminent and it is envisaged that construction will start in July 2015. The duart of the Maputo development, priced for listing at R210m, is expected in the last quarter of this year. Strong interest from a number of national retailers was received for this development.

The group has significant headroom to increase debt funding. Debt as at 28 February 2015 was R198m, which equates to 6.1% of the developed investment property value. Given the current low cost of debt, all debt is at a floating interest rate. Weighted average cost of debt funding is 7.37% with a remaining average term of 7.32 years.

Net asset value per share (excluding deferred tax) increased from R10.70 on listing to R11.56 at the end of the reporting period.

Vacancy levels

The weighted average vacancy level for the portfolio is 5.05% of which 1.86% was planned vacancies for Mall@Carnival and Mall@Reds to facilitate expansion and tenant relocations respectively.

Lease expiry profile

The weighted average lease expiry by GLA for the portfolio is 4.5 years, which is in line with what was communicated in the prelisting statement. Management does not expect any additional material vacancies to arise.

The developed investment portfolio consists of six properties with a total GLA of 188 716 m². Details of the existing portfolio is as follows:

Property name	Independent valuation (Rm)	GLA (m²)	Value/m² (excluding bulk, where applicable)	Percentage of total portfolio by value (%)
Mall@Carnival	1 525	72 338	21 082	47.0
Mall@Reds	820	53 423	15 349	25.3
Mall@Emba	419	24 477	17 118	12.9
Mall@Lebo	314	23 964	13 103	9.7
Moreleta Square	136	8 507	15 987	4.2
Simarlo Rainbow	32	6007	5 377	0.9
Total developed investment portfolio	**3 246**	**188 716**	**17 200**	**100.0**

Development pipeline

The Mall@Carnival phase III (12 136 m²) and Phase IV (2 900 m²) expansion, a tenant-driven expansion of Mall@Carnival to accommodate and introduce new tenants to the mall and expand on the trading space of select existing national tenants. The expansion will include the introduction of a value retail offering to the Mall@Carnival node.

The expansion project entrenches Mall@Carnival's position as the preferred regional retail destination in its primary catchment area of Brakpan, Benoni, Springs, Boksburg and Germiston by increasing the Mall@Carnival's total GLA to 87 374 m² and enhancing the mall's relevance as a regional shopping centre in its catchment area.

Acsion has secured rights to develop up to a total of 217 000 m² at Mall@Carnival and, dependent on sufficient tenant demand to justify further expansion, the Group aims to expand Mall@Carnival to 110 000 m² over the next five to seven years.

Acsiopolis, executive residential accommodation in Benmore, Sandton. An approximate 1 hectare parcel of land in Benmore, Sandton for upmarket residential accommodation and a small component of mixed-use of 56 000 m² and underground parking of 55 000 m². The development rights have been obtained for 70 000 m² above ground. With the transfer of the land being the only outstanding condition, it is anticipated that the construction will start in July 2015. This development is situated in the heart of Sandton's densely populated, ultra-high-income residential Benmore node.

There is a scarcity of land for new high-rise developments in Sandton and it is the opinion of management that above average rentals can be achieved for the right nature of development. This development is also in line with Acsion's vision of sectoral diversification into residential and mixed-use property.

The subdivision of the land has been completed and the final legal conveyancing steps are being undertaken so that the transfer can be lodged. Engineering service assessments and traffic impact assessments were completed and approved by the council.

Mall@Moutsiya phase I, a 15 648 m² development, comprising a 14 348 m² retail offering and a 1 300 m² petrol station in Walkraal, Limpopo. The highly visible and easily accessible location has direct thoroughfare onto the Moloto Road, a major regional arterial road through the Elias Motsoaledi municipality in Limpopo. The primary catchment market consists of approximately 136 000 people and secondary catchment market consists of approximately 396 000 people.

Mall@55 phase 1 (previously named Mall@Ruimte), a 15 433 m² convenience shopping centre in Monavoni, Gauteng. It is located on an extremely busy arterial route accessible from the N14 freeway and the R55. This development is ideal for a value/convenience/lifestyle centre, which is underrepresented in the Monavoni area with the closest convenience/value offering over 5 km away. The convenience offering will also include a drive-through fast food offering. The anticipated start date for this development is September 2015 with the centre opening in September 2016.

Trade 55 phase 1 (previously named Commercial@Ruimte), a 10 000 m² big box retail with special commercial and retail rights already obtained in Monavoni, Gauteng. It is located on an extremely busy arterial route accessible from the N14 freeway and the R55 and across from the Mall@55 site. Trade 55's value offering will be complementary to Mall@55's offering. The timing thereof is anticipated to be similar to that of Mall@55.

Hyde Park Terrace, a residential development comprising 12 completed cluster units and 27 residential land parcels in Hyde Park, Gauteng. This high-end residential development is in the heart of one of Sandton's most exclusive areas. The total land size of 2.5 ha and is situated 500 m away from the Hyde Park shopping centre. The 12 units are approximately 350 m² to 540 m² under roof, the balance is to be sold as stands of 450 m² to 650 m² with or without building packages. There is significant appetite based on initial marketing and sales, and a growing demand for luxury residential properties in close proximity to the Sandton CBD driven by rising living standards. Completed four to five-bedroom units start from R6.5m.

Residential@Moutsiya, an affordable housing development in Walkraal, Limpopo with a total land size of 40 ha. Acsion has formed a partnership with local residents and the local municipality to approach prospective buyers with access to housing subsidies from the Department of Human Settlements. Proclamation of the land is at its final stage with all services (water, sewage and electricity) already secured. Plans to build up to 551 residential units for sale are supported by a shortage of affordable housing in the Moutsiya area. The proceeds will be between R300 000 to R350 000 per unit. Interest for approximately 50 units has already been secured and construction is anticipated to commence in August 2015. The development will be demand driven.

Mall@Mfula (previously named Mall@Piet Retief) an 18 000 m² shopping centre, with an anticipated 75% national tenancy, providing a complete formal retail offering for Piet Retief. Acsion is currently finalising the township establishment application of this property, and aims to commence construction by October 2015 with the opening scheduled for October 2016. National retailer commitments for 65% of GLA have been received and negotiations for the remaining 35% of GLA are anticipated to be finalised by end July 2015.

Further development opportunities

Acsion is continuously evaluating up to 30 new opportunities and is in advanced discussions on certain projects to further enhance capital growth for shareholders for financial years 2018 and beyond. Details of most of these projects are not contained in this report and will be communicated to shareholders in due course once an appropriate level of certainty has been reached. At the last practicable date, the following further development opportunities were under investigation by Acsion, among others, the salient features include:

Mall@Frankfort, an 8 000 m² shopping centre in Frankfort, Free State. The rezoning of land is currently in process and construction is anticipated to commence in January 2016, with the opening planned for April 2017. Interest from a potential anchor tenant for 4 000 m² has already been received.

Mall@Maputo, this development is located in northern Maputo and is adjacent to the main Maputo ring road, with a total land size of 8.9 ha. A memorandum of understanding has been signed with the Mozambican Ministry of Sport to develop a 50 000 m² shopping centre – a formal agreement is still to be finalised. Acsion's effective holding in the development project will be 85%, with 15% held by local Mozambican partners. The development is to be completed in partnership with a reputable local Mozambican partner and is in line with Acsion's vision of geographic diversification into Southern African retail. In terms of a recently commissioned Dirk Prinsloo study, there are 125 000 households in the primary trade area, which is expected to increase to 140 000 by 2020 with limited formal retail supply in the northern sector of Maputo, the catchment area of the proposed development. The study shows support for 46 275 m² of retail in the primary and secondary catchment area. Interest has been received from South African national retailers looking to expand their footprint into Maputo. Letters of intent have been received from Pepkor, Woolworths and other retailers for up to 7 000 m². Discussions with various other South African national retailers for approximately 32 000 m² are underway, and include the likes of Shoprite, Spar, Foodlovers Market, Clicks, Truworths, Identity and Foschini, Mr Price and the Edcon group.

Offices@Lusaka, Acsion aims to take advantage of Zambia's growing economy and limited available infrastructure for multinational companies. Negotiations with a local land owner to co-develop up to 20 000 m² of office space are currently underway. The site is located in close proximity to Manda Hill Shopping Mall and next to Stanbic's Lusaka offices.

Prospects

Acsion's board and management remain confident that the group's growth objectives can be achieved despite a challenging economic operating environment. The group remains focused on the completion of its secured development pipeline over the next three years.

Acsion will also continue reinvesting in its existing portfolio and focus on its development expertise, or "value-engineering" approach to ensure above average NAV growth. In addition, Acsion will explore further development opportunities in high-growth markets in the rest of Africa and Europe.

These prospects have not been reviewed or reported on by Acsion's independent external auditors.

Dividends

No dividends were declared for the period ending 28 February 2015.

By order of the board

Centurion, 28 May 2015

D Green (Chairman)	**K Anastasiadis** (Chief executive officer)

Basis of preparation and accounting policies

The summarised reviewed consolidated financial results for the three months ended 28 February 2015 were prepared in accordance with International Financial Reporting Standards (IFRS), the information required by IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The financial statements were summarised from the audited financial statements on which Ernst & Young Inc. has issued an unqualified audit opinion. The additional disclosure required in terms of IFRS 7 Financial Instruments: Disclosures and IFRS 13 Fair Value Measurements, will be included in the integrated report. The integrated report will be posted to shareholders and published on www.acsionsa.co.za on or about 30 June 2015.

The directors are not aware of any matters or circumstances arising subsequent to the period ended 28 February 2015 that require additional disclosure or adjustment to the financial statements.

The auditor's report does not necessarily cover all of the information included in this announcement. The directors take full responsibility for the preparation of the summarised reviewed consolidated financial results for the three months ended 28 February 2015 and for ensuring that the financial information was correctly extracted from the underlying audited annual financial statements.

These results were prepared under the supervision of the chief financial officer, Pieter Scholtz CA(SA), MCom (Tax).

Directors: D Green (Chairman)*, K Anastasiadis (CEO), P Scholtz (CFO), S Griesel*, PD Sekete*, T Jali* (*Independent non-executive) | **Registered office:** Mall@Reds, 1st Floor, Corner of Rooihuiskraal and Hendrik Verwoerd Drives, Rooihuiskraal, Ext 15, Centurion | **Postal address:** PO Box 569, Wierda Park, 0149 | **Registration number:** 2014/182931/06
Transfer secretaries: Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 | **Sponsor:** Investec Bank Limited
JSE share code: ACS | **ISIN code:** ZAE000198289

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