

Redefine International buying new properties

By [Nick Hedley](#)

16 Jan 2013

Redefine International Plc, the London Stock Exchange-listed subsidiary of JSE-listed Redefine Properties International, said on Tuesday (15 January) that the past four months had been "transformative" for the company, which had addressed debt issues and moved into a proactive acquisition phase.

Following the completion of its equity capital raising in October last year, the company had "made good progress" in deploying the £122.5m of net proceeds to positively restructure existing debt facilities and make new investments into good quality assets with attractive income returns.

About £94m of the net proceeds had been invested to date, Redefine International said in an interim management statement.

"Despite the persistent weak economic outlook in the UK and Europe, investment market activity was stronger in the last quarter of 2012 with better quality assets receiving strong interest from the investment market.

"The company is undertaking due diligence on a number of potential investments," Redefine International said.

The company's strategy to significantly reduce its exposure to the UK regional office market, which was operating in "challenging" conditions, was underway together with the redevelopment of assets with alternative uses.

Redefine International's chairman Greg Clarke said: "The successful capital raising in October has enabled the company to address many of our legacy debt issues and simultaneously move the company into a more proactive acquisition phase which will lay the foundations for the future delivery of shareholder value," Clarke said.

Since September last year, the company completed the restructuring of all four VBG assets (German office properties) and the associated financing facilities, and bought a newly developed retail property in Hückelhoven, Germany.

It had also bought a 60% share in BNRI Earls Court, the owner of the 150 bedroom Earls Court Holiday Inn Express Hotel in London.

Occupancies in the company's UK retail portfolio improved to 95.9%, while hotel occupancy rates have "remained robust".

Redefine International had received confirmation from the South African Reserve Bank that it was agreeable to an application for an inward listing onto the JSE, subject to necessary approvals, it said.

Redefine Properties International holds a 65.8% shareholding in Redefine International.

Redefine Properties International is in turn a subsidiary of South African-based Redefine Properties and was listed in 2010 to house the group's offshore real estate portfolio.

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