

# Doubts about value of Liberty splitting

**THABANG MOKOPANELE**  
Property Editor

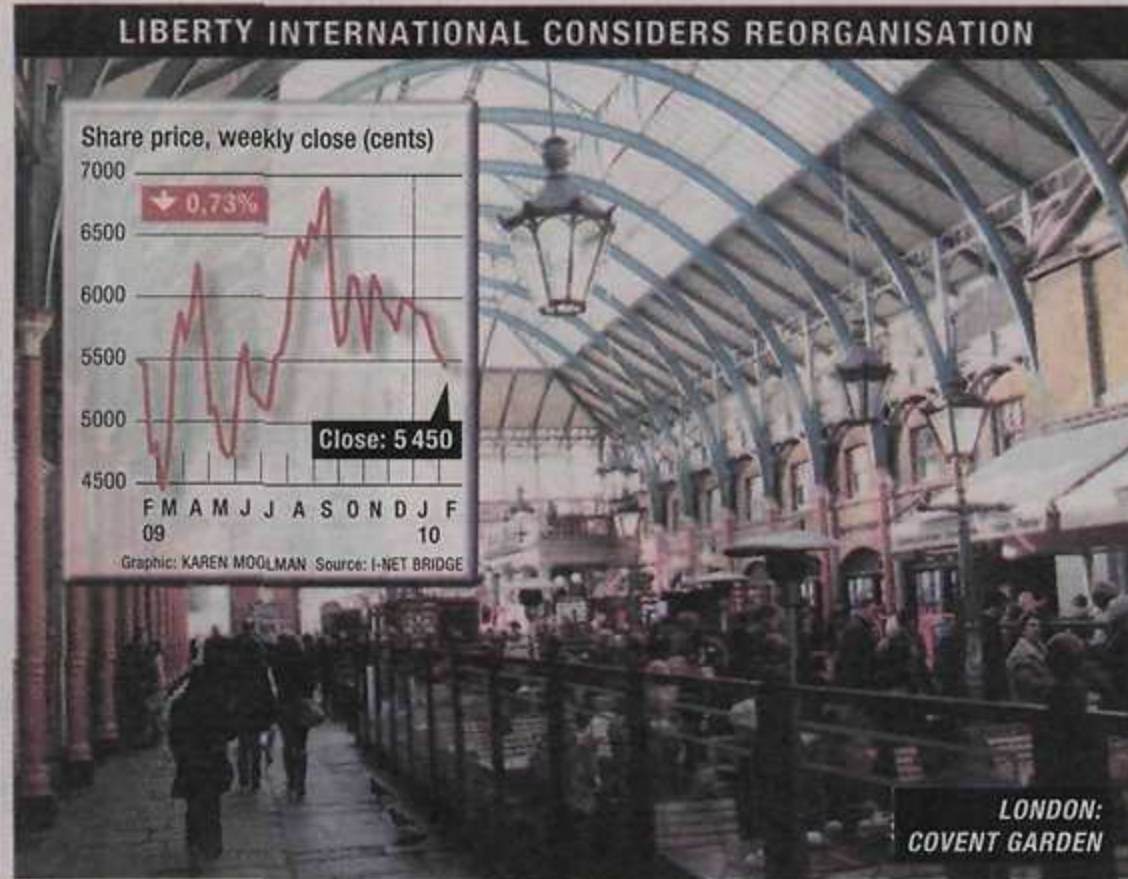
PLANS by UK-based property company Liberty International to split into two separate businesses "make sense", but were unlikely to create or unlock significant value for shareholders, an analyst said on Friday.

This comes after the group confirmed it was considering reorganising by way of a demerger of a London-focused entity from its shopping centre business.

Liberty International's business is divided into the shopping centre portfolio, housed in Capital Shopping Centres, and the non-retail portfolio, housed in Capital & Counties.

Grindrod Asset Management chief investment officer Ian Anderson said a demerger would probably mean separate listings for Capital Shopping Centres and Capital & Counties.

"The announcement from Liberty International ... doesn't come as a surprise, but is unlikely to create or unlock significant value for shareholders," Anderson said. The two businesses had different risk profiles. The shopping centres are world-class, income-producing assets, while Capital & Counties, which houses the office



properties and exhibition business, is thought to be riskier as it adds value through developments and redevelopments.

Management thinks more

focused businesses will "deliver increased shareholder value over time" and address market concerns about balance sheet strength and access to capital.

Anderson said there was no guarantee the proposed demerger would receive the necessary third-party approvals.  
mokopanelet@bdfm.co.za