

Old Mutual targets African properties

Old Mutual Investment Group is looking to invest R250m-R500m acquiring properties in east and west Africa.

By [Phakamisa Ndzamela](#) 15 Sep 2015



© 3ddock - [123RF.com](#)

This is part of the group's plans to spread its asset management capability beyond SA to key growth markets in the rest of Africa. It also comes as the company has ambitions to grow its assets under management to R100bn in the next five years.

Old Mutual Investment Group CEO Diane Radley said the plan was to leverage off the African footprint of parent Old Mutual. "We are looking at east and west Africa. This is a first for our property fund outside SA. It will predominantly target commercial properties."

Radley said Old Mutual Investment Group had opportunities in Kenya and Nigeria. The plan is not to develop properties in the rest of Africa, but to acquire existing assets.

The group has over the past years allocated R5bn for the rest of Africa. It has successfully invested in insurance assets in west and east Africa.

Radley has previously said that it makes sense for Old Mutual Investment to build a business aligned with the Old Mutual Life operations in the rest of Africa.

She said the firm was also targeting the agricultural space. The agricultural investments have been made through Futuregrowth, an asset management affiliate of Old Mutual.

"The other area we have been actively investing in is South African as well as African agricultural funds through Futuregrowth. The story around agriculture is a very compelling one and we do believe agriculture has a very massive investment opportunity," Radley said. "We are looking to raise almost R3bn just in agricultural funds in the next two to three years."

She said the capital would be raised from third party investors locally and internationally.

Radley said Old Mutual Investment Group had invested R22bn in infrastructure across the country, about R13bn in impact funds and R20bn in private equity.

"By 2020 we would like to have more than R100bn invested in the African continent."

Source: Business Day

For more, visit: <https://www.bizcommunity.com>