



ROCKCASTLE

GLOBAL REAL ESTATE COMPANY LIMITED



Interim results presentation – December 2014

- **Dual-listed hybrid real estate company**
 - Move to JSE's main board effective 25 November 2014
 - Primary listings on the JSE and SEM
- **Listed real estate securities**
- **Direct property**
 - Kafubu Mall, Ndola, Zambia
 - Mukuba Mall, Kitwe, Zambia
 - Cosmopolitan Mall, Lusaka, Zambia
 - Poland

Summary of financial performance



	Dec 2014	Jun 2014	Dec 2013	Jun 2013
Dividend per share	4.28 USD cents**	4.18 USD cents	4.07 USD cents	4.00 USD cents
Dividend growth	5.2%	4.4%	4%	First financial period
Shares in issue	769 700 000	705 500 000	530 000 000	350 000 000
Net asset value	USD 1.50	USD 1.39	USD 1.16	USD 1.15
Loan to value ratio*	37.5%	38.3%	42.3%	42.4%

* The loan to value ratio is calculated by dividing net interest-bearing borrowings by total assets.

** An election was introduced to shareholders to receive either a cash dividend or a scrip dividend for the first time.



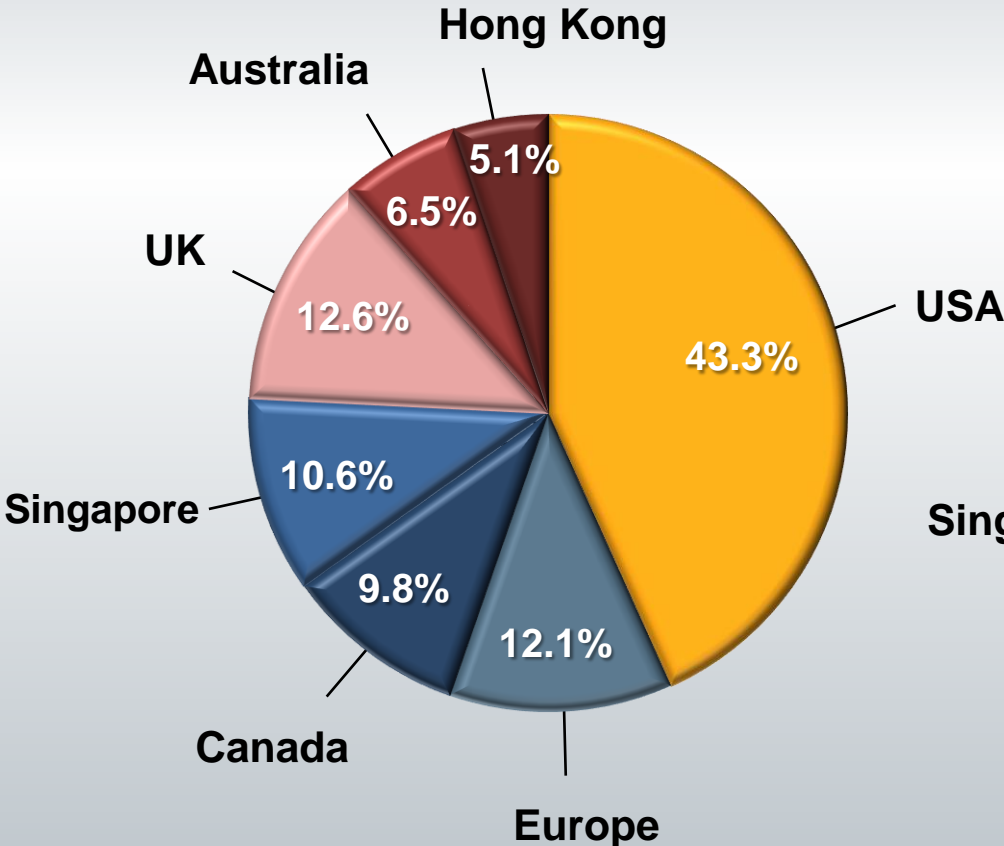
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Listed Equity Portfolio

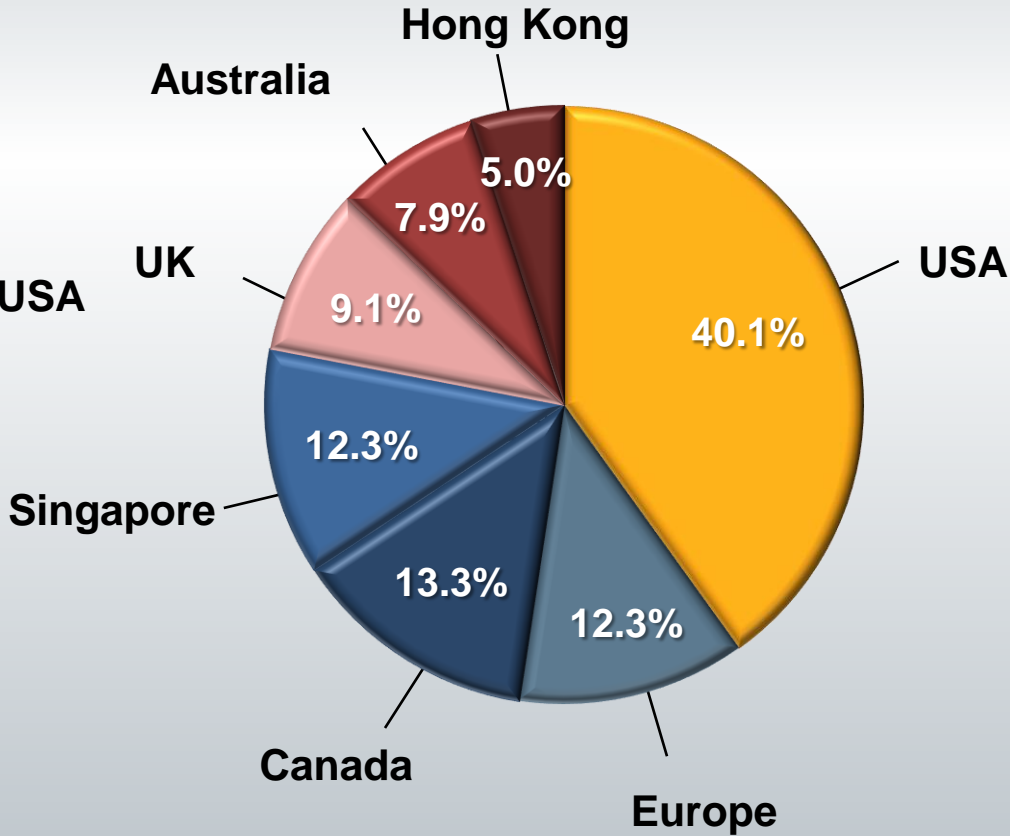
Geographical spread



Dec 2014

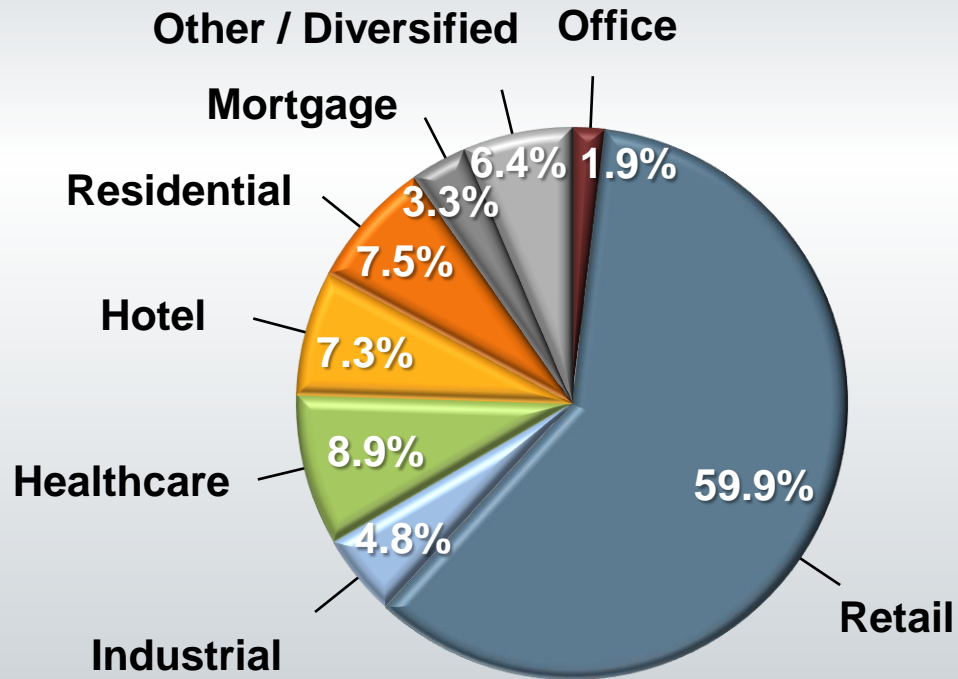


Jun 2014

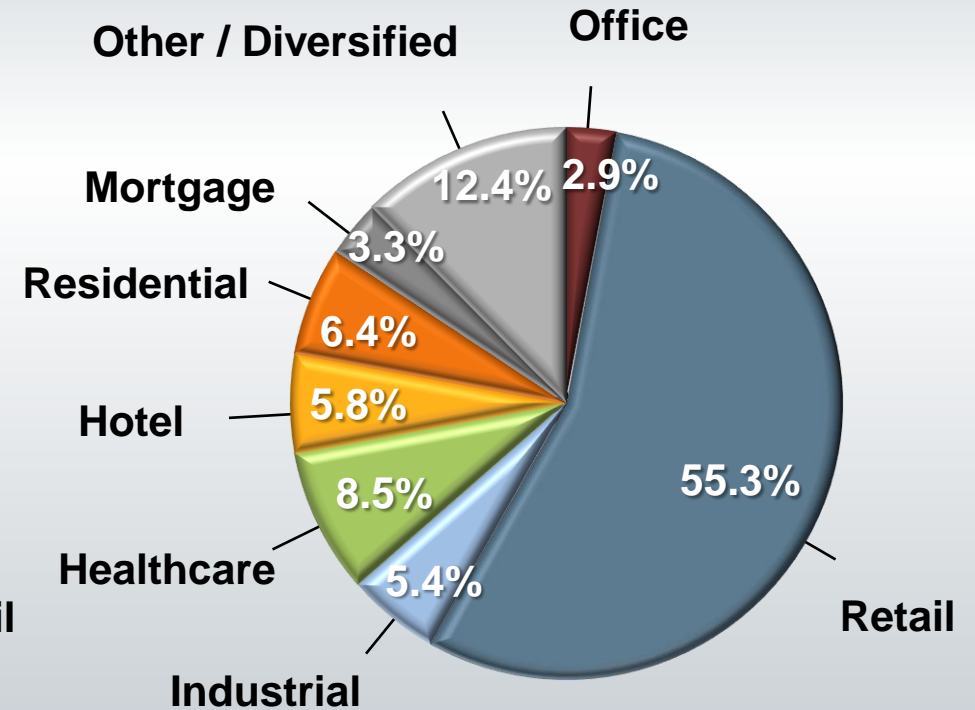


Sectoral split

Dec 2014



Jun 2014



- **Continued shift from yield to growth**
- **Retail bias**
- **No formal currency hedging**
- **Distribution growth ahead of forecasts**
- **Discounts to NAV have become premiums**
- **Assessment of direct property of listed portfolio counters**

Top 10 listed real estate holdings

Counter	Sector	Jurisdiction	Market value at 31 Dec 2014 (USD million)
Hammerson plc	Retail	UK	227.6
Unibail Rodamco	Retail	Europe	181.4
Simon Property Group	Retail	USA	174.4
Avalonbay Communities	Residential	USA	135.6
Ventas Inc	Healthcare	USA	109.1

Top 10 listed real estate holdings (continued)

Counter	Sector	Jurisdiction	Market value at 31 Dec 2014 (USD million)
CapitaMall Trust	Retail	Singapore	105.4
The Link REIT	Retail	Hong Kong	92.3
Ascendas	Industrial	Singapore	87.0
Westfield Group	Retail	Australia	81.5
Hospitality Properties	Hotel	USA	70.1

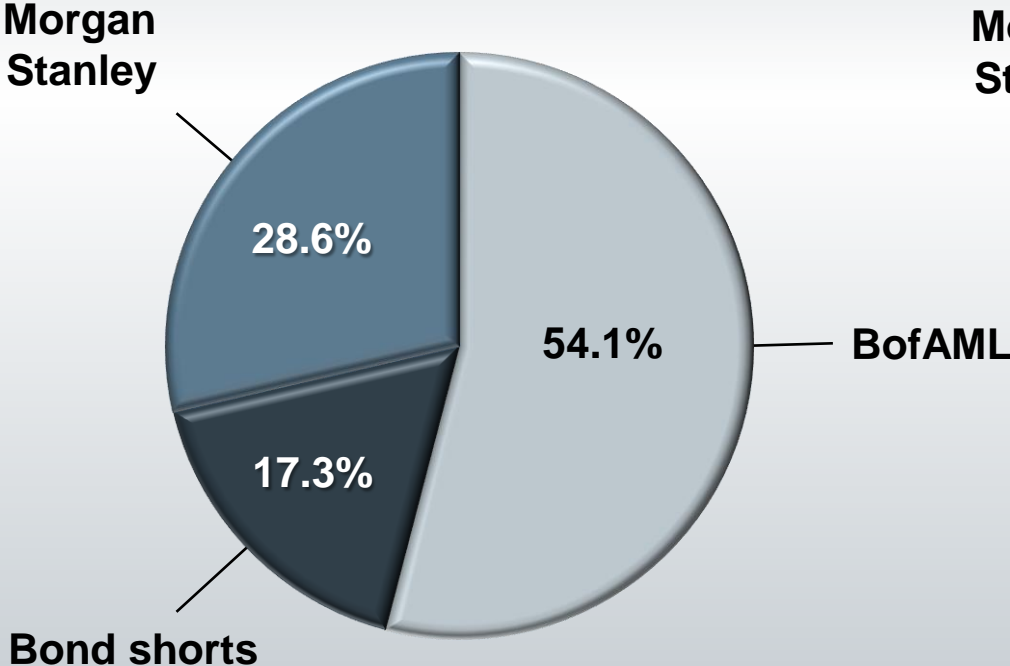
- **Gearing**
 - 65% maximum in the company
 - Cost of borrowings – consistent with prior period

- **Hedging strategy**
 - Bond shorts
 - Interest rate swaps
 - Polish funding at SPV level in EUR

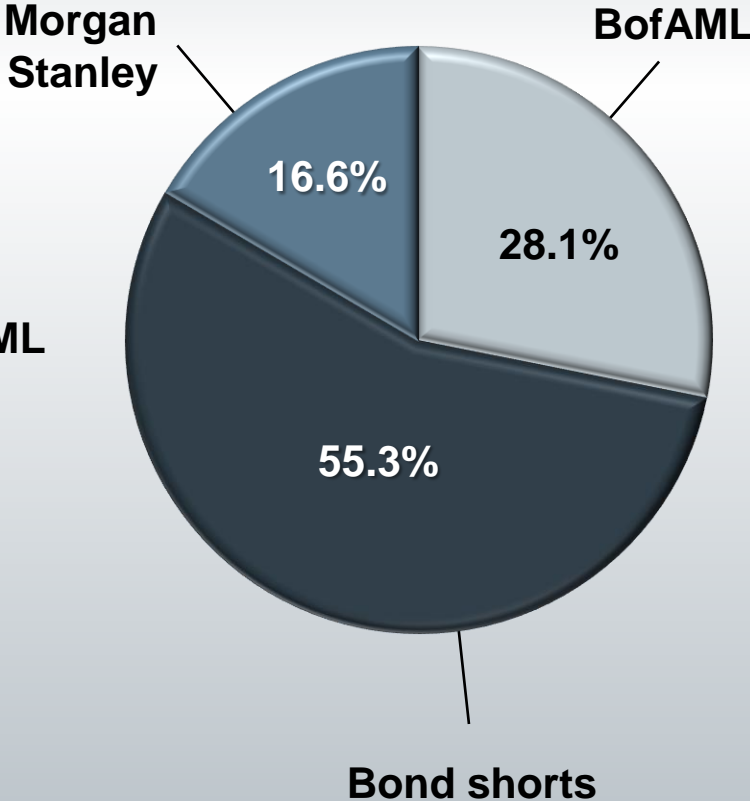
- **Direct property funding**
 - Polish funding (50% - 65% LTV)
 - Dollar funding for Zambian investments

Borrowing facilities

Dec 2014



Jun 2014



Swap profile

Swap	Expiry (Financial year)	Nominal USD equivalent (million)	Swap rate
Euro 7-year	Jun 2021	30.91	1.77%
US 10-year	Jun 2024	50.00	2.77%
Euro 7-year	Jun 2024	36.47	1.52%
US 10-year	Jun 2024	30.00	2.84%
Euro 10-year	Jun 2025	18.23	1.45%
US 10-year	Jun 2025	20.00	2.62%
		185.61	2.22%



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Direct Property Portfolio

Mukuba Mall – Kitwe, Zambia



- **Scheduled to open in April 2015**
- **GLA of 29 000m²**
- **Anchored by Shoprite, Pick n Pay and Game**
- **Acquired at a yield of 9.5% in USD**
- **Ownership 50%**



Mukuba Mall – Kitwe, Zambia



Mukuba Mall – Kitwe, Zambia



Cosmopolitan Mall – Lusaka, Zambia



- Scheduled to open in March 2016
- GLA of 25 800m²
- Anchored by Shoprite, Game, Edgars, Mr Price and Woolworths
- Acquired at a yield of 9.5% in USD on completion
- Ownership 50%



Poland







- Construction scheduled to commence in September 2015
- GLA of 16 500m²
- Will be anchored by international fashion and food tenants
- Expected development yield of 9.5% in Euros
- Capital commitment of EUR 25 million
- JV with established development partner
- 85% ownership stake

Targeted opportunities



Retail shopping centre acquisition expected to complete in March 2015

- **Due diligence successfully concluded**
- **City centre location**
- **Population of town in excess of 120 000 inhabitants**
- **GLA 18 000m² with extension opportunity - anchored by an up market grocer and includes most international fashion retailers including Inditex**
- **Acquisition yield approximately 7.7%**
- **Purchase price of EUR 52 million**

Size	Tenancy	Approximate value
70 000m ²	75% national and international retailers	EUR280 million
40 000m ²	80% national and international retailers	EUR140 million
50 000m ²	70% national and international retailers	EUR150 million
60 000m ²	80% national and international retailers	EUR190 million

- **Continued shift from yield to growth**
- **Migration to direct property – target of >50%**
- **Increasing focus on development**
- **Distribution growth**



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Questions & Answers