



DIRECTORS' COMMENTARY

STRUCTURE OF ROCKCASTLE

Rockcastle was established on 30 March 2012 in Mauritius as a Category One Global Business License Company with the primary objective of investing globally in listed real estate assets and opportunistically in direct property assets. Rockcastle is listed on both the Stock Exchange of Mauritius Limited ("SEM") and the Alternative Exchange of the JSE Limited.

REVIEW

During the 3 month period since the release of the first audited annual financial statements for the period ended 30 June 2013, the number of investors increased and the trading liquidity of the Company's shares improved. Rockcastle continues to invest in global listed real estate companies and is in the process of finalising various agreements for the acquisition of direct retail property assets in Africa (excluding South Africa). Further announcements will be made as and when appropriate. Rockcastle will continue to pursue direct property opportunities and will seek to raise additional capital accordingly. The global macro-economic environment continues to be volatile, providing Rockcastle with various investment opportunities.

As at the end of the quarter, Rockcastle's loan to value ratio (total interest-bearing borrowings divided by total assets) was 40.6%. The Company utilises short selling of government bonds as well as interest rate swaps to hedge out interest rate risk. No currency hedging strategies have been implemented.

No dividend has been declared in respect of the quarter ended 30 September 2013. The Company will continue to consider and declare dividends on a semi-annual basis.

OUTLOOK

Rockcastle's portfolio is performing in line with management's expectations. Accordingly, the Company's hybrid strategy of investing in global listed real estate equities and direct property should allow Rockcastle to deliver continued growth in distributable earnings per share.

Annualised distributions are forecast to increase by approximately 5% for the 2014 financial year. The foregoing forecast statement and the forecasts underlying such statement are the responsibility of the board and have not been reviewed or reported on by the Company's external auditors. The forecast is based on the assumptions that a stable macro-economic environment will prevail and that no major currency fluctuation or failures of listed REITs will occur.

By order of the board

Intercontinental Trust Limited
Company secretary

5 November 2013

STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30 Sep 2013 USD'000	Audited as at 30 Jun 2013 USD'000	Restated as at 30 Sep 2012 USD'000
ASSETS			
Non-current assets	669 887	693 644	138 133
Listed security investments	665 477	689 257	138 133
Rockcastle management incentive loans	4 410	4 387	-
Current assets	173	3 321	4
Trade and other receivables	82	3 126	4
Cash and cash equivalents	91	195	-
Total assets	670 060	696 965	138 137
EQUITY AND LIABILITIES			
Total equity attributable to equity holders	396 690	401 361	122 250
Stated capital	409 771	409 771	120 970
Retained (loss)/earnings	(13 081)	(8 410)	1 280
Total liabilities	273 370	295 604	15 887
Non-current liabilities	179 541	66 970	15 733
Interest-bearing borrowings	179 541	66 970	15 733
Current liabilities	93 829	228 634	154
Trade and other payables	1 247	51	145
Interest-bearing borrowings	92 165	228 385	-
Income tax payable	417	198	9
Total equity and liabilities	670 060	696 965	138 137
Total number of shares in issue	350 000 000	350 000 000	118 000 000
Net asset value per share (USD)	1.13	1.15	1.04

STATEMENT OF COMPREHENSIVE INCOME

	Unaudited for the quarter ended 30 Sep 2013 USD'000	Restated for the quarter ended 30 Sep 2012 USD'000
Distributions received from listed security investments	6 164	930
Fair value loss on listed security investments	(13 100)	(546)
Foreign exchange gain	4 380	1 394
Operating expenses	(196)	(61)
Listing costs	-	(314)
(Loss)/profit before net finance costs	(2 752)	1 403
Net finance costs	(1 700)	(43)
Finance costs	(2 990)	(43)
Interest on borrowings	(2 373)	(43)
Unrealised fair value loss on interest rate derivatives	(459)	-
Unrealised fair value loss on bond shorts	(158)	-
Finance income	1 290	-
Interest received	22	-
Unrealised fair value gain on interest rate derivatives	76	-
Unrealised fair value gain on bond shorts	1 192	-
(Loss)/profit before income tax expense	(4 452)	1 360
Income tax expense	(219)	(9)
(Loss)/profit for the period attributable to equity holders	(4 671)	1 351
Total comprehensive (loss)/income for the period	(4 671)	1 351
Basic (loss)/earnings per share and headline (loss)/earnings per share (USD cents)	(1,33)	2,49

Basic (loss)/earnings per share and headline (loss)/earnings per share are based on the weighted average of 350 000 000 shares in issue for the three months ended 30 September 2013 (three months ended 30 September 2012: 54 315 815 shares).

There are no reconciling items between basic (loss)/earnings and headline (loss)/earnings.

Rockcastle has no dilutionary instruments in issue.

STATEMENT OF CHANGES IN EQUITY

	Stated capital USD'000	Retained earnings/ (loss) USD'000	Total USD'000
Restated for the quarter ended 30 September 2012			
Balance as at 30 June 2012	6 201	(71)	6 130
Total comprehensive income for the period	-	1 351	1 351
Issue of shares	114 769	-	114 769
Balance at 30 September 2012	120 970	1 280	122 250
Unaudited for the quarter ended 30 September 2013			
Balance as at 30 June 2013	409 771	(8 410)	401 361
Total comprehensive loss for the period	-	(4 671)	(4 671)
Balance at 30 September 2013	409 771	(13 081)	396 690

STATEMENT OF CASH FLOWS

	Unaudited for the quarter ended 30 Sep 2013 USD'000	Restated for the quarter ended 30 Sep 2012 USD'000
Cash inflow from operating activities	7 475	438
Cash inflow/(outflow) from investing activities	16 072	(137 141)
Cash (outflow)/inflow from financing activities	(23 651)	136 703
Decrease in cash and cash equivalents	(104)	-
Cash and cash equivalents at beginning of period	195	-
Cash and cash equivalents at end of period	91	-
Cash and cash equivalents consist of:		
Current accounts	91	-

SEGMENTAL REPORTING

	Unaudited for the quarter ended 30 Sep 2013 USD'000	Restated for the quarter ended 30 Sep 2012 USD'000
(Loss)/profit before income tax expense	623	66
Australia	(4 017)	428
Canada	4 318	108
Europe	1 815	9
UK	110	7
Hong Kong	809	33
Singapore	(12 316)	155
USA	4 206	554
Corporate	(4 452)	1 360

	Unaudited as at 30 Sep 2013 USD'000	Audited as at 30 Jun 2013 USD'000	Restated as at 30 Sep 2012 USD'000
Total assets	54 406	52 823	16 767
Australia	92 428	90 125	12 978
Canada	123 658	135 869	31 834
Europe	61 028	58 106	9 780
UK	37 758	33 867	3 505
Hong Kong	73 553	72 900	19 902
Singapore	222 815	248 888	43 371
USA	4 414	4 387	-
Corporate	670 060	696 965	138 137

NOTES

The Company is required to publish financial results for the quarter ended 30 September 2013 in terms of the Listing Rule 12.19 of the SEM. Accordingly, this announcement presents the financial results of the Company in respect of the period from 1 July 2013 to 30 September 2013 as well as the restated comparative results from the prior period.

The comparative results for the quarter ended 30 September 2012 have been restated from a disclosure perspective to ensure the comparability of information for the users of the financial statements. The disclosure of the financial results for the quarter ended 30 September 2012 has accordingly been restated to ensure consistency between this information and the current quarter's information using the accounting policies and disclosures currently applied. The accounting policies which have been applied are consistent with those used in the preparation of the audited financial statements for the 15 month period ended 30 June 2013.

During the course of the quarter, shareholders approved a cash distribution of USD 4.00 cents per share by way of a reduction of stated capital. The distribution is due to be approved and paid in the following quarter.

The abridged unaudited financial statements ("financial statements") for the quarter ended 30 September 2013 have been prepared in accordance with the measurement and recognition requirements of IFRS, the requirements of IAS 34: Interim Financial Reporting, the JSE Listings Requirements, the SEM Listing Rules and the Securities Act of Mauritius 2005.

The financial statements have not been reviewed or reported on by the Company's external auditors.

These financial statements were approved by the board on 5 November 2013.

Copies of the financial statements and the Statement of direct and indirect interests of each officer of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules of Mauritius 2007, are available free of charge, upon request at the Registered Office of the Company at Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.

Contact person: Mr Kesaven Moothoosamy

This communiqué is issued pursuant to SEM Listing Rules 12.20 and section 88 of the Securities Act of Mauritius 2005. The board accepts full responsibility for the accuracy of the information contained in these financial statements. The directors are not aware of any additional matters or circumstances arising subsequent to the period ended 30 September 2013 that require any additional disclosure or adjustment to the financial statements.

Directors Mark Olivier (chairman); Craig Hallowes*; Stephen Delpot*; Andries de Lange; Rory Kirk; Alexandru Morar; Yan Ng; Paul Pretorius* (*executive director)

Company secretary Intercontinental Trust Limited

Registered address Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

Transfer secretary in South Africa Link Market Services South Africa Proprietary Limited

JSE sponsor Java Capital

SEM sponsor Capital Market Brokers Limited