

DIRECTORS' COMMENTARY

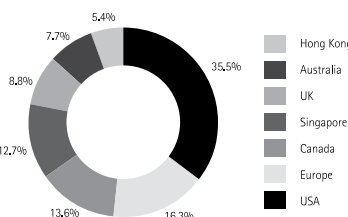
NATURE OF THE BUSINESS

Rockcastle was established in Mauritius as a Category One Global Business License Company. Rockcastle is a hybrid real estate company with a portfolio comprising retail property developments and global listed real estate securities.

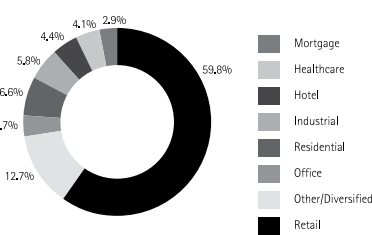
REVIEW

The Company's investment in higher growth listed stocks has been both defensive and has contributed to an increase in net asset value per share. Currently the listed portfolio is geographically and sectorally invested as follows:

Geographical profile by market value



Sectoral profile by market value



The Company has identified certain regions as being able to provide strong growth prospects and is currently undertaking extensive due diligence investigations on a number of potential acquisitions. Additional details in this regard will be provided as and when appropriate.

CHANGES TO THE BOARD

Rockcastle is well advanced in establishing an office in London. With the increased focus on direct property acquisitions in Europe, the Company has completed a restructuring at both a Board and executive management level in order to create capacity for the direct property initiative. Spiro Noussis and Nick Matulovich have been appointed to the roles of Chief Executive Officer and Financial Director respectively

ABRIDGED UNAUDITED FINANCIAL STATEMENTS for the three months and nine months ended 31 March 2014

Incorporated in the Republic of Mauritius Reg no 108869 C1/GBL ISIN MU0364N00003
Primary listing SEM SEM share code Rock.N0000 Secondary listing JSE JSE share code ROC ("Rockcastle" or "the Company")

and join Andre van der Veer, who has been appointed as a non-executive director, as new additions to the Board. Craig Hallowes, Stephen Delpont and Alexandru Morar have resigned from the Board. All changes to the Board are effective from 14 May 2014.

DEVELOPMENTS

Kafubu Mall in Ndola, Zambia, opened shortly after the close of the current quarter and is trading well with positive feedback from the tenants. Mukuba Mall in Kitwe, Zambia, is on schedule to open in April 2015. Rockcastle has, since the last reporting period, committed to a 26,000m² mall in Lusaka, Zambia with over 75% Zambian and South African national tenants. Further African developments are in the process of being evaluated.

RISK HEDGING AND GEARING

In accordance with the Company's hedging strategy, Rockcastle continues to employ various bond shorts and interest rate swaps. Rockcastle's loan to value ratio (defined as total interest-bearing borrowings divided by the total assets) was 41,9% as at 31 March 2014.

OUTLOOK

Rockcastle continues to maintain its exposure to higher growth, quality stocks which are performing in line with expectations. In addition, the Company continues to actively pursue direct property acquisitions. The Board is confident that the forecast dividend growth of 4% will be met for the year ending 30 June 2014.

The foregoing forecast statement and the information 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 global macro-economic environment will prevail and no failures of listed REITs will occur.

By order of the Board
Intercontinental Trust Limited
Company Secretary
14 May 2014

STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 Mar 2014 USD'000	Audited as at 30 Jun 2013 USD'000	Restated as at 31 Mar 2013 USD'000
ASSETS			
Non-current assets	1 108 145	693 644	465 633
Listed security investments	1 085 203	689 257	464 030
Rockcastle management incentive loans	16 790	4 387	1 603
Loans to development partners	6 152	-	-
Current assets	666	3 321	163
Cash and cash equivalents	541	195	162
Trade and other receivables	125	3 126	1
Total assets	1 108 811	696 965	465 796
EQUITY AND LIABILITIES			
Total equity attributable to equity holders	641 689	401 361	257 950
Stated capital	630 978	409 771	240 806
Non-distributable reserves	(519)	(8 410)	13 436
Retained income	11 230	-	3 708
Total liabilities	467 122	295 604	207 846
Non-current liabilities	290 972	66 970	207 453
Interest-bearing borrowings	290 972	66 970	207 453
Current liabilities	176 150	228 634	393
Trade and other payables	2 034	51	393
Interest-bearing borrowings	173 555	228 385	-
Income tax payable	561	198	-
Total equity and liabilities	1 108 811	696 965	465 796
Total number of shares in issue	530 000 000	350 000 000	220 000 000
Net asset value per share (USD)	1,21	1,15	1,17

STATEMENT OF COMPREHENSIVE INCOME

	Unaudited for the nine months ended 31 Mar 2014 USD'000	Restated for the nine months ended 31 Mar 2013 USD'000	Unaudited for the three months ended 31 Mar 2014 USD'000	Restated for the three months ended 31 Mar 2013 USD'000
Dividends received from listed security investments	27 131	5 134	12 155	3 292
Fair value gain on listed security investments	22 553	20 031	47 515	14 544
Foreign exchange gain/(loss)	380	(64)	311	(1 805)
Operating expenses	(865)	(207)	(385)	(83)
Listing expenses	-	(314)	-	-
Profit before net finance costs	49 199	24 580	59 596	15 948
Net finance costs	(7 947)	(874)	(12 025)	(609)
Finance income	231	30	170	-
Interest received	231	-	170	-
Fair value gain on bond shorts	-	30	-	-
Finance costs	(8 178)	(904)	(12 195)	(609)
Interest on borrowings	(7 372)	(904)	(3 537)	(536)
Fair value loss on interest rate derivatives	(746)	-	(1 799)	-
Fair value loss on bond shorts	(60)	-	(6 859)	(73)
Profit before income tax expense	41 252	23 706	47 571	15 339
Income tax expense	(560)	(107)	(305)	(72)
Profit for the period attributable to equity holders	40 692	23 599	47 266	15 267
Total comprehensive income for the period	40 692	23 599	47 266	15 267
Weighted average number of shares in issue				
	441 318 681	83 628 802	530 000 000	143 516 484
Basic earnings per share and headline earnings per share (USD cents)				
	9,22	28,22	8,92	10,64

There are no reconciling items between basic earnings and headline earnings.
Rockcastle has no dilutionary instruments in issue

STATEMENT OF CHANGES IN EQUITY

	Stated capital USD'000	Retained income USD'000	Non- distributable reserves USD'000	Total USD'000
Unaudited				
Restated for the nine months ended 31 March 2013				
Balance at 1 July 2012	6 201	-	(71)	6 130
Issue of shares	234 605			234 605
Total comprehensive income for the period		23 599		23 599
Transfer to non-distributable reserves		(13 507)	13 507	-
Dividend paid		(6 384)		(6 384)
Balance at 31 March 2013	240 806	3 708	13 436	257 950
Restated for the three months ended 30 June 2013				
Balance at 1 April 2013	240 806	3 708	13 436	257 950
Issue of shares	168 965			168 965
Total comprehensive loss for the period		(25 554)		(25 554)
Transfer from non-distributable reserves		21 846	(21 846)	-
Balance at 30 June 2013	409 771	-	(8 410)	401 361
Unaudited for the nine months ended 31 March 2014				
Balance at 1 July 2013 restated	409 771	-	(8 410)	401 361
Issue of shares	235 207			235 207
Total comprehensive income for the period		40 692		40 692
Distribution				-
Recategorisation of reserves	(14 000)	14 000		-
Distribution paid		(35 571)		(35 571)
Transfer to non-distributable reserves		(7 891)	7 891	-
Balance at 31 March 2014	630 978	11 230	(519)	641 689

STATEMENT OF CASH FLOWS

	Unaudited for the nine months ended 31 Mar 2014 USD'000	Restated for the nine months ended 31 Mar 2013 USD'000
Cash inflow from operating activities	23 165	3 779
Cash outflow from investing activities	(391 567)	(445 522)
Cash inflow from financing activities	368 748	441 905
Increase in cash and cash equivalents	346	162
Cash and cash equivalents at beginning of period	195	-
Cash and cash equivalents at end of period	541	162
Current accounts	541	162

SEGMENTAL REPORTING

	Unaudited for the nine months ended 31 Mar 2014 USD'000	Restated for the nine months ended 31 Mar 2013 USD'000
Profit before income tax expense		
Australia	(705)	2 302
Canada	6 170	1 712
Europe	5 859	3 637
UK	13 801	313
Hong Kong	1 357	2 192
Singapore	245	3 295
USA	14 654	10 822
Corporate	(129)	(567)
	41 252	23 706

	Unaudited as at 31 Mar 2014 USD'000	Audited as at 30 Jun 2013 USD'000	Restated as at 31 Mar 2013 USD'000
Total assets			
Australia	83 223	52 823	37 907
Canada	147 736	90 125	61 468
Europe	176 443	135 869	78 519
UK	95 040	58 106	29 912
Hong Kong	58 110	33 867	23 448
Singapore	137 807	72 900	51 981
USA	387 384	248 888	180 795
Corporate	23 068	4 387	1 766
	1 108 811	696 965	465 796

NOTES

The Company is required to publish financial results for the three months and nine months ended 31 March 2014 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 3 month period from 1 January 2014 to 31 March 2014, the nine month period from 1 July 2013 to 31 March 2014, as well as the restated comparative results from the prior period.

The comparative results disclosed in this announcement 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 three months and nine months ended 31 March 2013 have accordingly been restated to ensure consistency between the comparative information and the current period'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. Non-distributable reserves arise from net changes in the fair value of the assets in the Company on a US Dollar basis.

The abridged unaudited financial statements ("financial statements") for the three months and the nine months ended 31 March 2014 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 14 May 2014.

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, 72201, Mauritius.

Contact person: Mr Kesaven Moothoosamy

This communique is issued pursuant to SEM Listing Rules 11.3 and 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 matters or circumstances arising subsequent to the period ended 31 March 2014 that require any additional disclosure or adjustment to the financial statements.

Directors Mark Olivier (chairman); Spiro Noussis*; Nick Matulovich*; Andries de Lange; Rory Kirk;
Andre van der Veer; Yan Ng; Paul Pretorius* (*“executive director”*)
Company secretary Intercontinental Trust Limited
Registered address Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius
Transfer secretary in South Africa Link Market Services South Africa Proprietary Limited
JSE sponsor Java Capital
SEM sponsor Capital Markets Brokers Limited