

Rockcastle Global Real Estate Company Limited

(Incorporated in the Republic of Mauritius)

(Registration number 108869 C1/GBL)

JSE share code: ROC

SEM share code: ROCK.N0000

ISIN: MU0364N00003

(“Rockcastle” or “the Company”)



ACQUISITION OF THE SILESIA RETAIL PORTFOLIO SITUATED IN POLAND

INTRODUCTION

Shareholders are advised that, on 6 August 2015, Rockcastle, through its subsidiaries Kestral spółka z ograniczoną odpowiedzialnością and Rockcastle Poland spółka z ograniczoną odpowiedzialnością (collectively, “Rockcastle”), concluded agreements to acquire Karolinka Shopping Centre and Pogoria Shopping Centre (collectively “the Properties” or “the Silesian retail portfolio”) from Eldora Investments spółka z ograniczoną odpowiedzialnością Karolinka Investments spółka komandytowo-akcyjna and Jantar Investments spółka z ograniczoną odpowiedzialnością Pogoria Investments spółka komandytowo-akcyjna (collectively, “the sellers”) (“the Transaction”).

RATIONALE FOR THE TRANSACTION

Karolinka Shopping Centre (“Karolinka”)

Karolinka is situated in Opole which has a population of approximately 120 000 residents and is the centre of an agglomeration of over 300 000 people comprising suburban areas and adjacent towns. It is the regional administrative, business, education and cultural centre of the Opolskie Voivodeship, is home to various national and international manufacturers and benefits from its proximity to the Czech border and the large towns of Wrocław and Katowice.

Karolinka is a prime, large-scale and dominant regional shopping centre. It is conveniently located only 5km from Opole city centre and is positioned on one of the city’s main thoroughfares in the expanding suburban areas. It consists of 69 997m² gross lettable area (“GLA”) split into a 37 702m² Shopping Gallery and an adjoining 32 295m² Retail Park. Its location allows easy access to the wider catchment area and the property offers convenient on-grade parking and substantial critical mass relative to its competitors. The catchment area includes approximately 400 000 residents within a 45-minute drive.

The shopping centre and retail park are anchored by an Auchan hypermarket, Leroy Merlin, Decathlon and contains numerous national and international fashion brands, such as Carry, CCC, Deichmann, H&M, New Yorker, Pepco, Reserved, TK Maxx, Pull & Bear and Sinsay. Other tenants include Burger King, KFC, McDonalds, Pizza Hut, Media Expert, Smyk, and Euro RTV AGD.

Pogoria Shopping Centre (“Pogoria”)

Pogoria is situated in Dabrowa Gornicza with a population of 125 000 residents while the number of people living within a 15 minute drive extends beyond 350 000. The city defines the Silesia region’s north-eastern perimeter lying 20km from the largest city, Katowice. Its economy is based on advanced industrial processing and in the last year, several light and medium-scale industries have commenced operations in the region.

Pogoria is the largest shopping centre and leisure destination in the city and is prominently located in the heart of the city centre. It offers 36 705m² of retail GLA over two levels, which includes an 8 198m² OBI DIY stand-alone store and is served by convenient on-grade parking which ensures that it is both easy to navigate and convenient for major shopping trips.

The shopping centre is anchored by a hypermarket anchor – Auchan, and contains numerous international fashion brands including Bershka, Carry, CCC, Deichmann, H&M, House, New Yorker, Reserved, Takko, Pull & Bear, Sinsay and Stradivarius. The centre has an existing leisure and entertainment area including a 5 screen Helios multiplex cinema and 7 food court restaurants including KFC and McDonalds.

SALIENT TERMS OF THE TRANSACTION AND CONDITION PRECEDENT

The aggregate purchase price for the Transaction is EUR220.8 million. This amount will be settled from Rockcastle’s existing cash resources and available debt facilities.

The effective date of the Transaction is 6 August 2015.

The purchase agreements for the Properties contain warranties that are typical for transactions of this nature.

The purchase agreements are subject to the fulfilment or waiver, as the case may be, of the condition precedent that by no later than 30 December 2015, the Polish authorities issuing rulings confirming that the transfer of legal rights to the Properties will be subject to VAT and will not be subject to taxation in terms of the civil law transaction tax.

DETAILS OF THE PROPERTIES

The details of the Properties, including the property name, location, sector, monthly weighted average rental per square metre, the GLA, the purchase price, the valuation and the sustainable net operating income, effective as at 5 August 2015, attributed by Rockcastle, are as follows:

Property name	Location	Sector	Monthly weighted average rental per m² (EUR/m²)	GLA (m²)	Purchase price (EUR 'million)	Valuation (EUR' million)	Sustainable net operating income (EUR 'million)
Karolinka	Opole, Poland	Retail	11.2	69 997	145.4	145.4	9.4
Pogoria	Dabrowa Gornicza, Poland	Retail	11.4	36 705	75.4	75.4	5.1
Total				106 702	220.8	220.8	14.5

Note:

The purchase price reflects the price for the acquisition of the Properties, whilst the valuation amount reflects the value attributed to the Properties by the directors of the Company. The directors of the Company are not independent and are not registered as professional valuers or as professional associate valuers in terms of the South African Property Valuers Profession Act, No 47 of 2000.

CATEGORISATION OF THE TRANSACTION

The Transaction is classified as a category 2 transaction in terms of paragraph 9.5(a) of the JSE Listings Requirements and accordingly does not require approval by Rockcastle's shareholders.

The Transaction constitutes an undertaking in the ordinary course of business of Rockcastle and therefore does not fall under the scope of Chapter 13 of the SEM Listing Rules. As disclosed in its Listing Particulars, Rockcastle's primary objective is to invest in real estate assets and companies that have competitive yields and with the prospect of capital growth.

Rockcastle has its primary listings on both the Official Market of the Stock Exchange of Mauritius Limited and the Main Board of the JSE.

7 August 2015

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This notice is issued pursuant to the JSE Listings Requirements and SEM Listing Rule 11.3 and the Securities Act 2005 of Mauritius. The Board of Directors of Rockcastle Global Real Estate Company Limited accepts full responsibility for the accuracy of the information contained in this announcement.