

June 2016

Interim Results Presentation



ROCKCASTLE
GLOBAL REAL ESTATE COMPANY LIMITED

Agenda

- 01 Highlights & interim financial results**
- 02 Listed security portfolio update**
- 03 Funding & hedging**
- 04 Direct property portfolio update**
- 05 Post interim results acquisitions**
- 06 Conclusion and Q&A**

Spiro Noussis - CEO

01 Highlights & interim financial results

Distribution
growth

+8.2%

Direct property
as a percent
of investment
assets

23%

New prime
brokerage
relationship

**Goldman
Sachs**

Capital
Invested
in Central
Europe
to date

**USD 519
million**

Acquisitions
and
developments
in the last
6 months

**USD 140
million**

Central
European
focus

**Expansion
into
Czech
Republic**

Headline results underpinning our growth targets

| | 30 Jun 2016 | 31 Dec 2015 | 30 Jun 2015 | 31 Dec 2014 |
|---|-----------------|-----------------|----------------|----------------|
| Rental income (USD'000 equivalent) | 15 612 | 6 029 | 2 633 | 22 |
| Direct property assets (USD'000 equivalent) ⁽¹⁾⁽²⁾ | 553 968 | 383 021 | 108 286 | 22 648 |
| Direct property as a percent of investment assets | 23.1% | 17.0% | 4.8% | 1.2% |
| Dividend per share | 4.782 USD cents | 4.631 USD cents | 4.42 USD cents | 4.28 USD cents |
| Dividend growth over prior comparable period | 8.2% | 8.2% | 5.7% | 5.2% |
| Net asset value per share | USD 1.70 | USD 1.56 | USD 1.46 | USD 1.50 |
| Total shares in issue (millions) | 930.9 | 912.5 | 847.9 | 769.7 |
| Loan to value % ⁽³⁾ | 33.9% | 41.6% | 46.9% | 37.8% |

(1) Including investment property under development

(2) Includes effective Zambian interest, where applicable

(3) The loan to value ratio is calculated by dividing interest-bearing borrowings – cash by investment property + listed securities + loans

02 Listed security portfolio update

Portfolio
composition
by jurisdiction

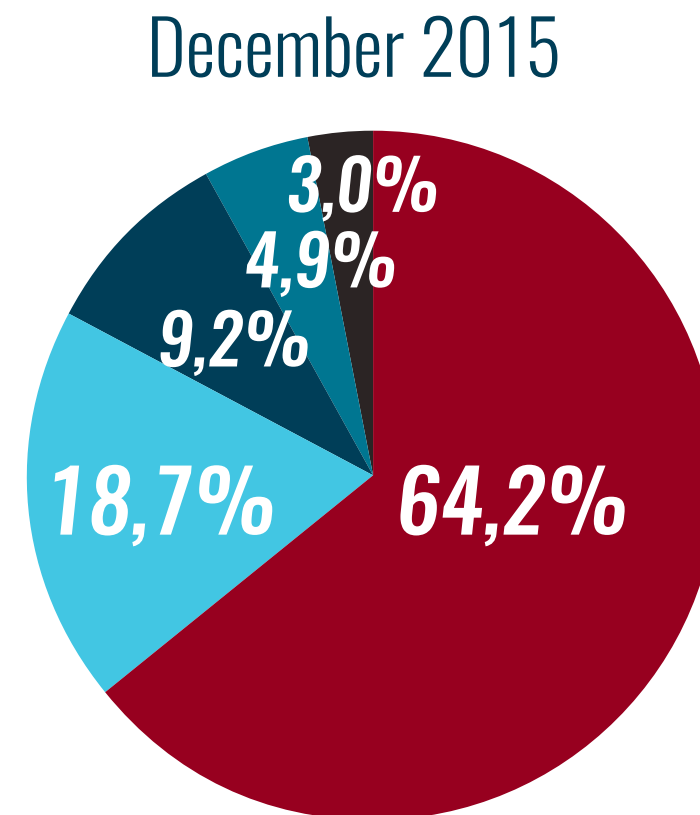
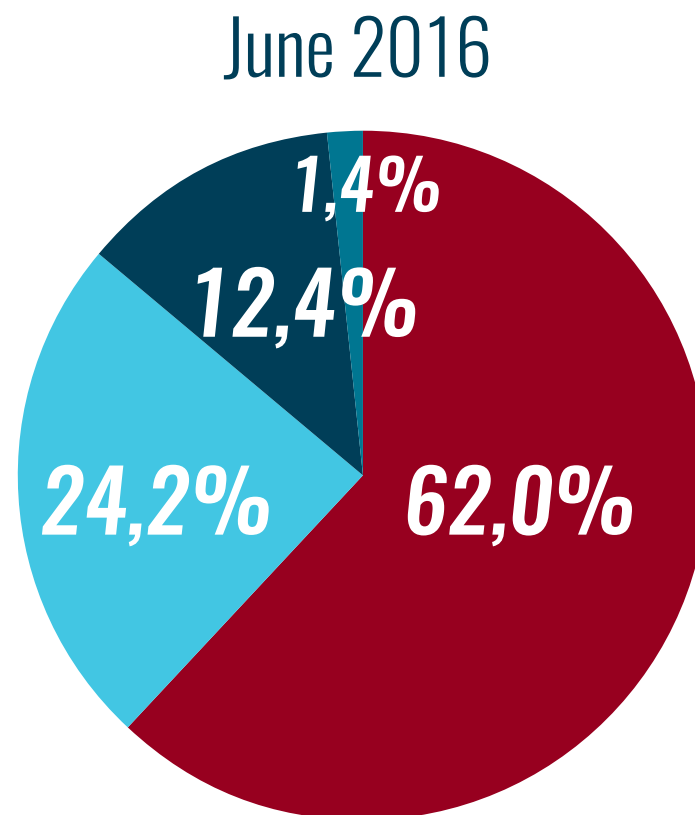
Portfolio
composition
by sector

Top 10
holdings

Portfolio
performance
& strategy

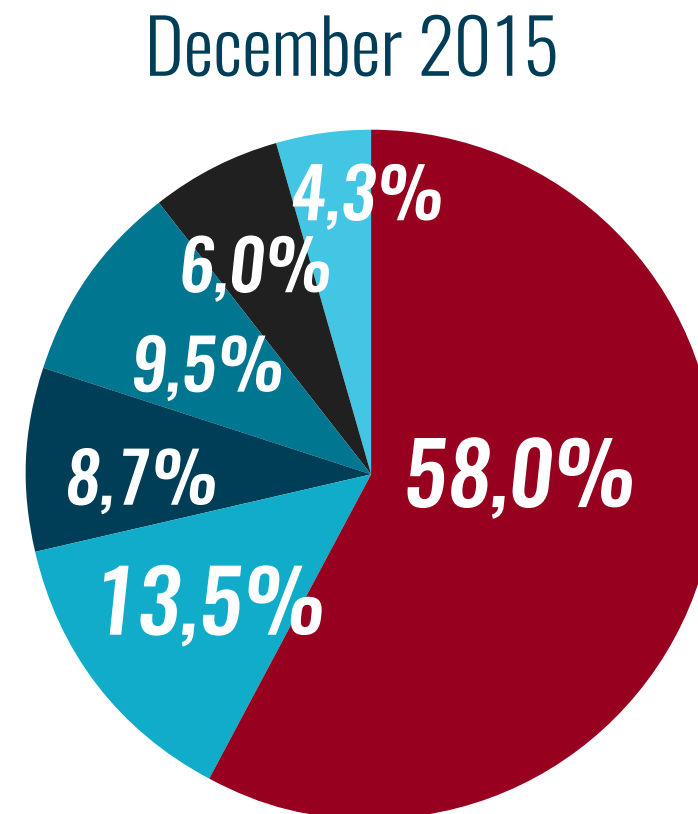
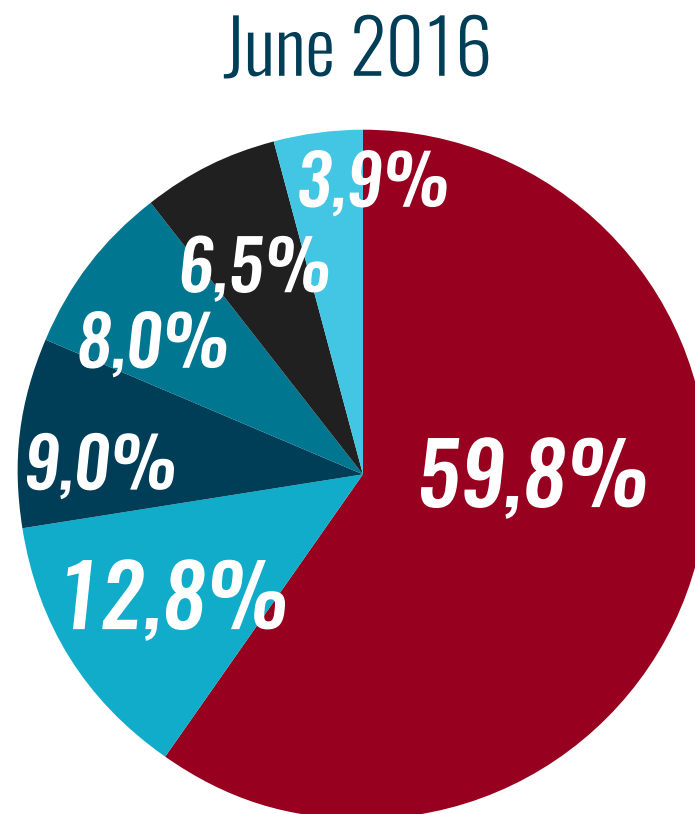
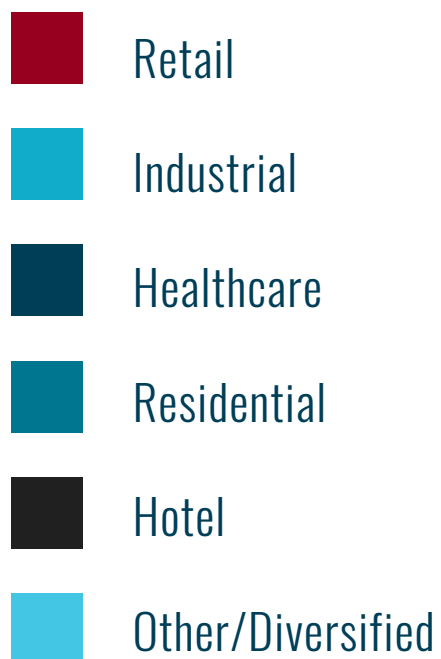
Portfolio composition by jurisdiction

Geographic spread



Portfolio composition by sector

Sectoral spread



Top 10 real estate holdings

| | Name | Sector | Jurisdiction | Market value as at 30 jun 2016 (USD million) | Market value as at 31 dec 2015 (USD million) |
|----|---------------------------|-------------------|--------------|---|---|
| 1 | Simon Property | Retail | USA | 377.4 | 359.7 |
| 2 | Hammerson | Retail | UK | 372.6 | 349.1 |
| 3 | Unibail | Retail | Europe | 229.6 | 172.6 |
| 4 | Prologis Inc | Industrial | USA | 226.6 | 214.6 |
| 5 | Ventas Inc | Healthcare | USA | 167.5 | 149.5 |
| 6 | Avalonbay Communities Inc | Residential | USA | 147.2 | 176.8 |
| 7 | Host Hotels & Resorts Inc | Hotel | USA | 119.3 | 112.9 |
| 8 | KIMCO | Retail | USA | 103.6 | 84.7 |
| 9 | Land Securities Group | Other/Diversified | UK | 38.0 | - |
| 10 | British Land Co plc | Other/Diversified | UK | 34.1 | - |

Portfolio performance & strategy

- Portfolio concentration intensified on larger, more liquid counters in developed markets with sustainable growth
- Strategic emphasis on companies which dominate their respective regions and consistently outperform their competitors
- Defensive positioning has safeguarded portfolio value in times of extreme volatility
- EU referendum was a litmus test of the quality of the portfolio
- Rockcastle's underlying holdings performed in line with their respective forecasts during the period
- Bias toward US, UK and European retail sectors
- No formal currency hedging of capital positions, however underlying gearing in base currencies continues to mitigate the effects of currency movements on the capital base

03 Funding & hedging

Gearing

Hedging
strategy

Financing
developments
during
the period

Counterparty
composition

Swaps and
caps profile

Funding and hedging

Gearing

- Gearing for the company is targeted between 35% and 50% - currently below range in anticipation of significant acquisitions
- Cost of borrowings for listed securities portfolio – improved during the period even as the hedging profile was increased
- Anticipated increase of asset level funding of direct properties in CEE in next quarter

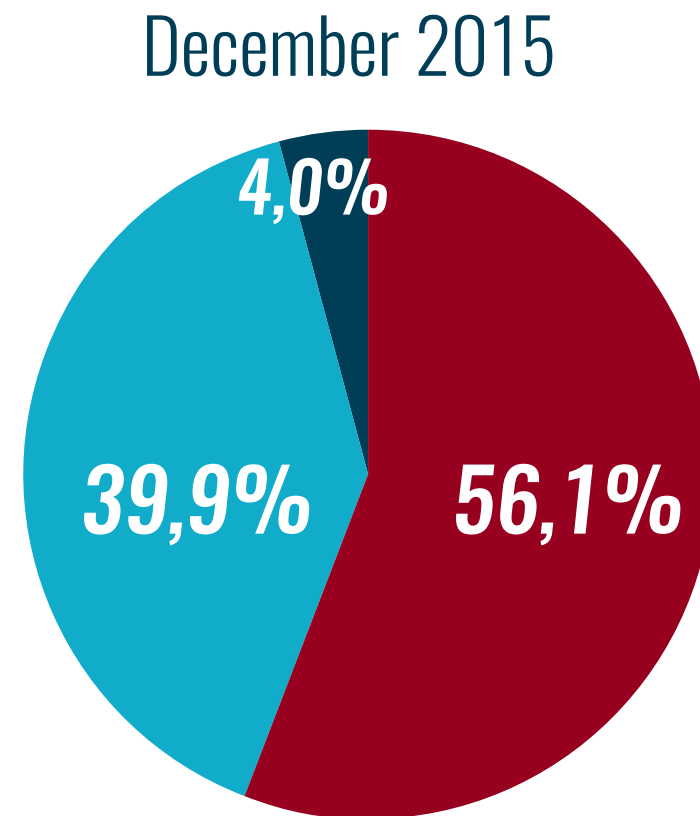
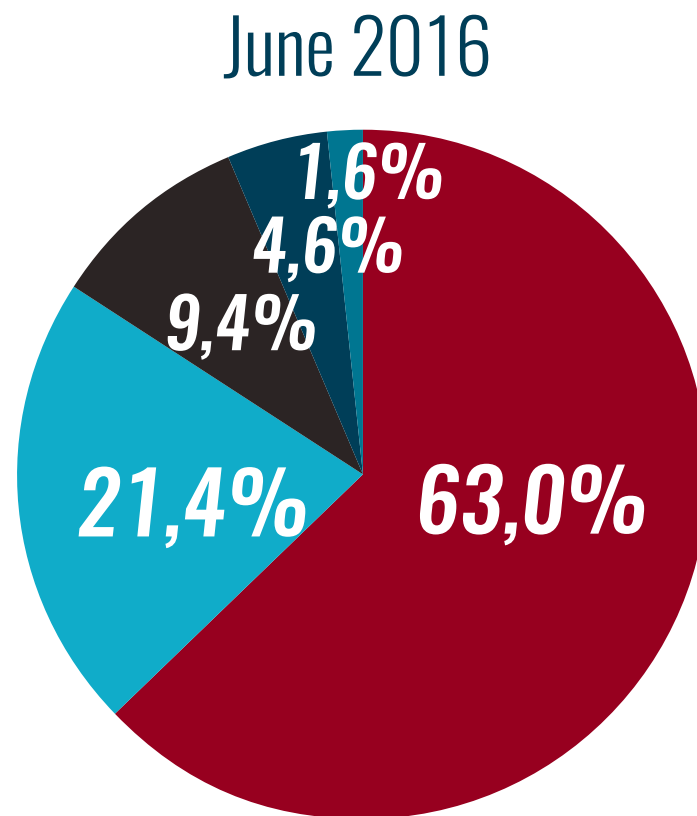
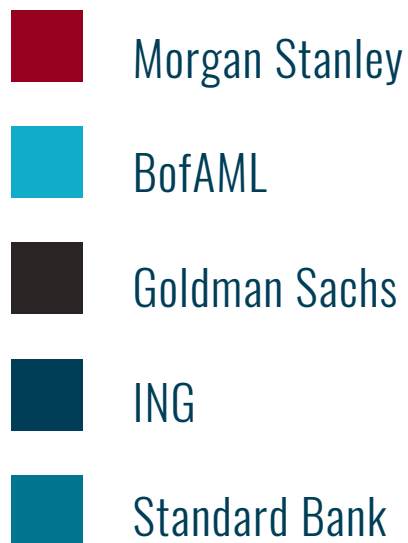
Hedging strategy

- Portfolio hedging increased from 50% to over 65% of net borrowings with medium term objective to further increase this percentage
- Direct property facilities currently 100% hedged
- Distributions for next 6 months are over 90% hedged

Funding and hedging

- Funding developments during the period
 - Listed security portfolio gearing reduced – short-term in nature – continued trend
 - Continued trend towards lengthening the debt maturity profile
 - Despite some tightening of credit conditions in early 2016 and increase in lending rates due to the introduction of the Bank tax in Poland, liquidity available for quality assets remains robust
 - During the period a new facility was negotiated with a syndicate of banks against the Karolinka, Pogoria and Platan assets
 - Banks include ING, Deutsche Pfandbriefbank and Helaba
 - Facility proceeds EUR163.6 million
 - 5-year, non-recourse facility
- Fully hedged at an all-in rate below 1.75%
- Signed post interim period and proceeds to be fully utilised towards new acquisitions
- Negotiations in progress for refinancing of new acquisitions

Facilities by counterparty



Swaps and caps profile

Total USD510
million equivalent

Average value
weighted
expiry 7.5 years
(based on 30 June 2016)

Average rate:
swaps 1.56%
caps 0.76%

USD'000

250 000

200 000

150 000

100 000

50 000

0

Dec 2018

Dec 2019

Dec 2020

Dec 2021

Dec 2025

0,73%

0,78%

0,82%

0,53%

1,94%

2,0%

1,5%

1,0%

0,5%

0

04 Direct property portfolio update

Existing
portfolio update

Acquisitions

Developments

Zambian
Disposals

Existing portfolio update

Poland

- Introduction of banking and retail taxes - difficult to assess medium and long term impact
- 2016 Forecast GDP growth 3.7%
- Retail sales growth of 4.6% year on year as at June 2016 with signs that H2 may be stronger
- Social Grant programme recently introduced having a positive impact on retail sales
- Record low unemployment rate in Poland (8,8%) – lowest since 1991
- Low interest rate environment expected to continue

Existing portfolio update

Retail Market

- Market supply is relatively stable. Expected openings:
 - 2016 - Tomaszów (Rockcastle), Wołomin (Rockcastle) and Poznań
 - 2017 - Wrocław (Unibail) and Forum Radunia
- Leisure, fitness, value and convenience tenants are growing the fastest. Smaller format grocers need to be replaced or right-sized to adequately anchor shopping centres



Existing portfolio update



Karolinka
GLA: **69 994m²**
Acquisition cost: **EUR 145.4 million**
Turnover growth ytd June 15/16: **10%**
Vacancy: **3.4%**

Solaris
GLA: **17 700m²**
Acquisition cost: **EUR 52.7 million**
Turnover growth ytd June 15/16: **1.2%**
Vacancy: **2.25%**

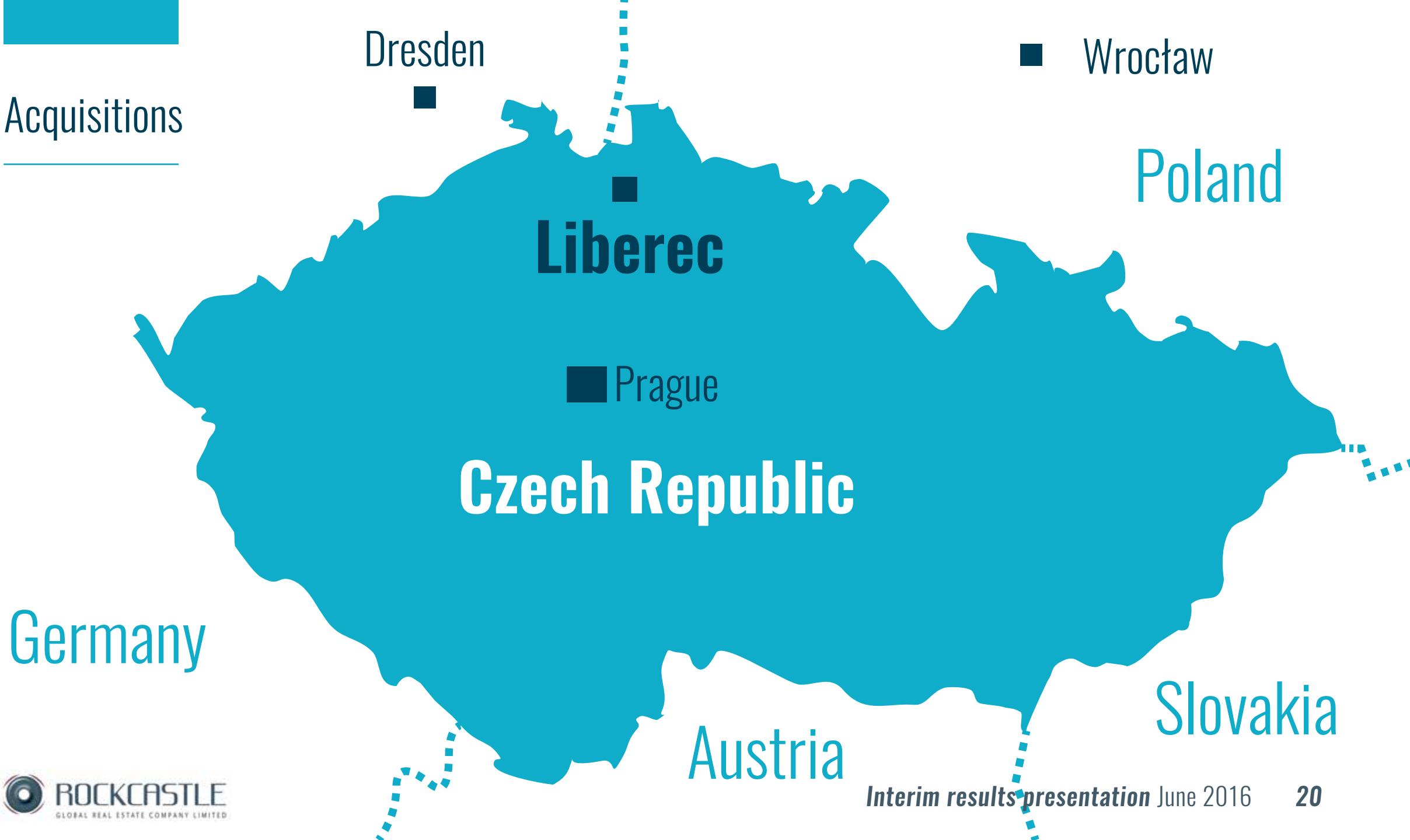
Platan
GLA: **25 300m²**
Acquisition cost: **EUR 51.8 million**
Turnover growth ytd June 15/16: **2.75%**
Vacancy: **3.2%**

Pogoria
GLA: **36 706m²**
Acquisition cost: **EUR 75.4 million**
Turnover growth ytd June 15/16: **6%**
Vacancy: **1.4%**

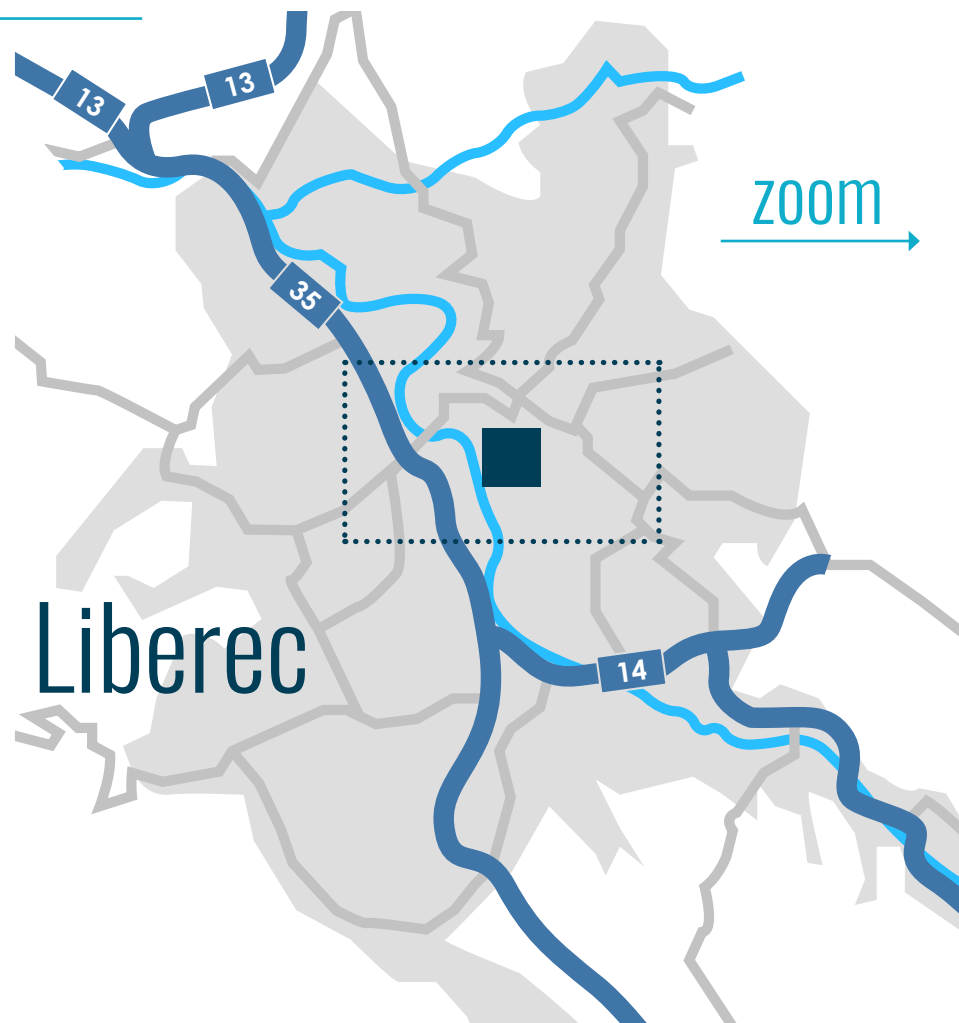
Acquisitions

Forum Liberec Shopping Centre Liberec, Czech Republic

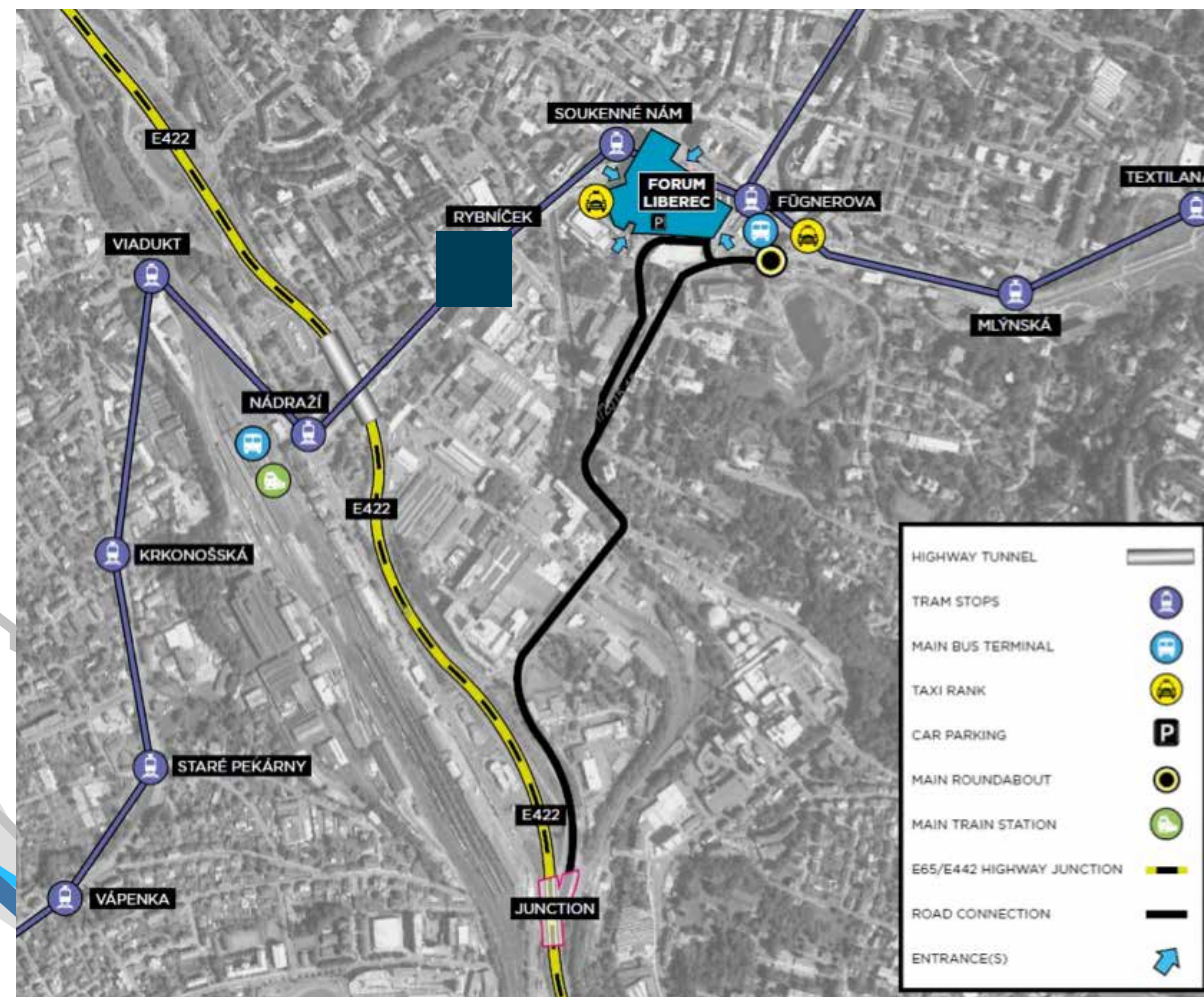
Acquisitions



Acquisitions



Forum Liberec Shopping Centre



Forum Liberec Shopping Centre Liberec, Czech Republic

- Transaction concluded in June 2016
- GLA of 46 816m²
- Ownership 100%
- Annual footfall: 12 million
- Tenants include:
Cinema City, C&A, Datart, Gant, H&M, Lindex,
New Yorker, Nord Blanc, Norma, ProBest,
Reserved, Sportissimo and Tiger, Tesco
- Acquisition price: EUR 80 million



Forum Liberec Shopping Centre Liberec, Czech Republic

Ground floor



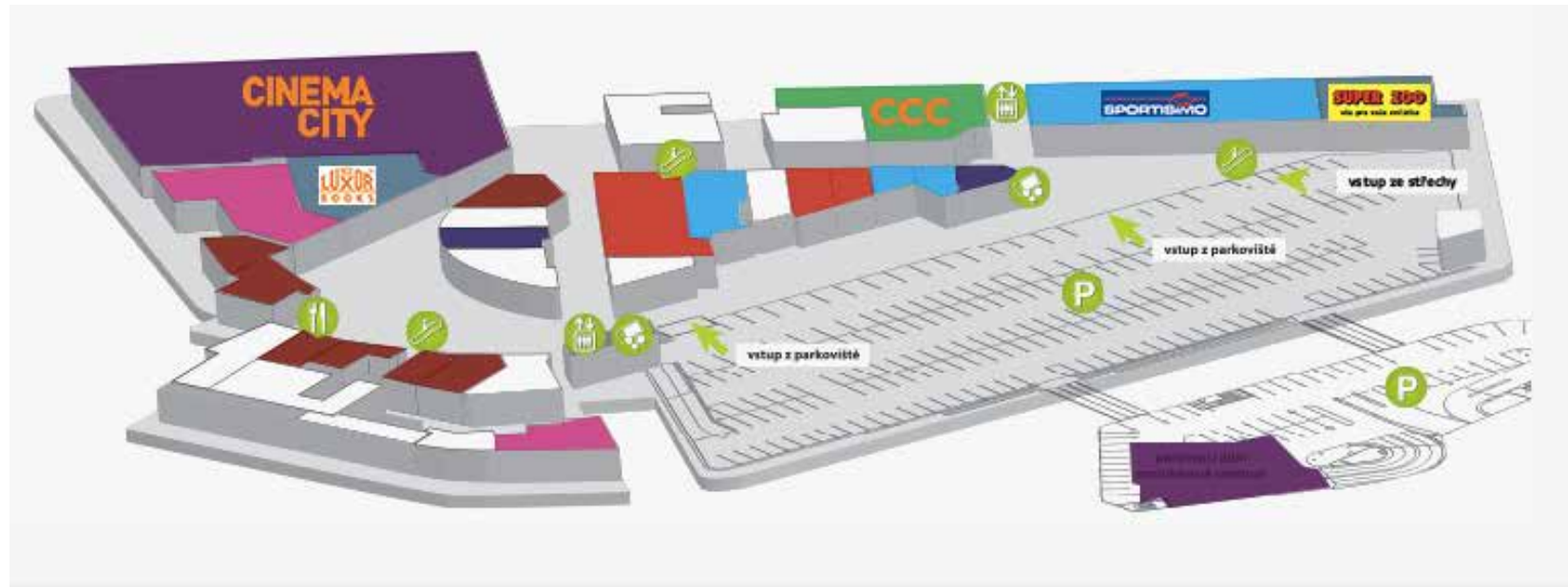
Forum Liberec Shopping Centre Liberec, Czech Republic

First floor



Forum Liberec Shopping Centre Liberec, Czech Republic

Second floor



Developments

Opening 2016

- Galeria Tomaszów
- Galeria Wołomin

Planned for 2017

- Platan Zabrze extension
- Solaris extension

Galeria Tomaszów

Galeria Tomaszów

- GLA: 18 500m²,
95% leased at opening date
- Grand opening:
26 October 2016
- Development cost:
EUR 30 million at 9% yield
- Rockcastle ownership: 85%



Galeria Wołomin

Galeria Wołomin

- GLA: 25 000m²,
95% to be leased at opening date
- Grand opening: 6 October 2016
- Development cost:
EUR 50 million at yield of 8%
- 2nd phase (retail park) – construction
commencing, 77% pre-leased
- Rockcastle ownership: 90%



Platan



Platan

- Planned extension 11 000m² of GLA
- Transform mall from convenience centre to 3rd generation fashion and leisure destination centre
- Tenants to include: Cinema, Fitness, H&M, LPP group,
- Construction to commence Q3 2017



Ground floor



Platan

First floor





Platan

An aerial photograph of a city, likely Stockholm, showing a dense urban environment. In the center, a large, modern red brick building with a curved facade and a flat roof stands out among older, multi-story buildings. The surrounding area is filled with various types of residential and commercial buildings, interspersed with green trees. The word "Solaris" is overlaid in white text on the left side of the image.

Solaris

Solaris

- Planned extension 8 000m² of GLA
- Strong tenant demand for new retail area
- Includes extension of Inditex and LPP group brands and introduction of H&M
- Construction to commence Q3 2017



Solaris



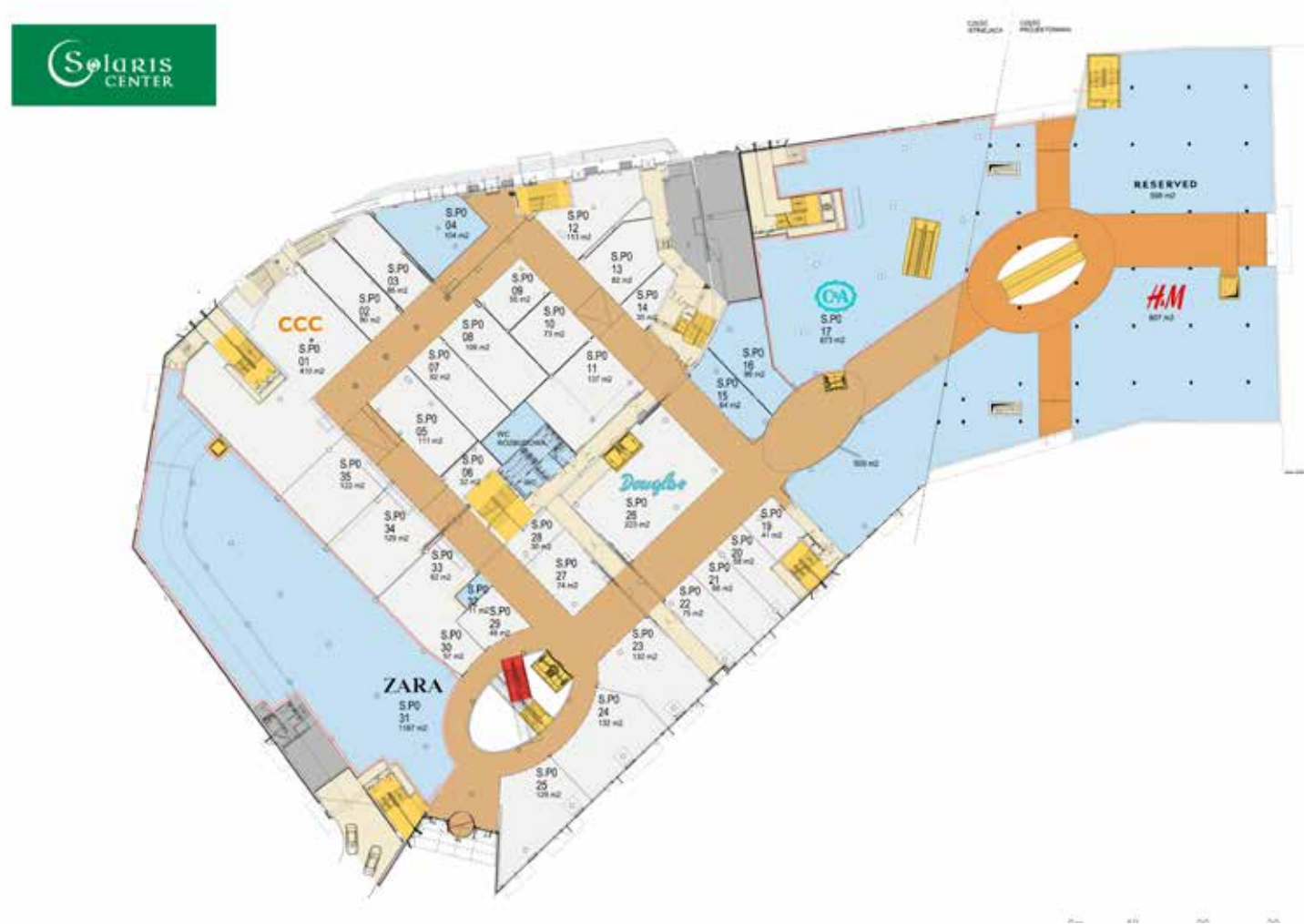
Solaris

-1 Level



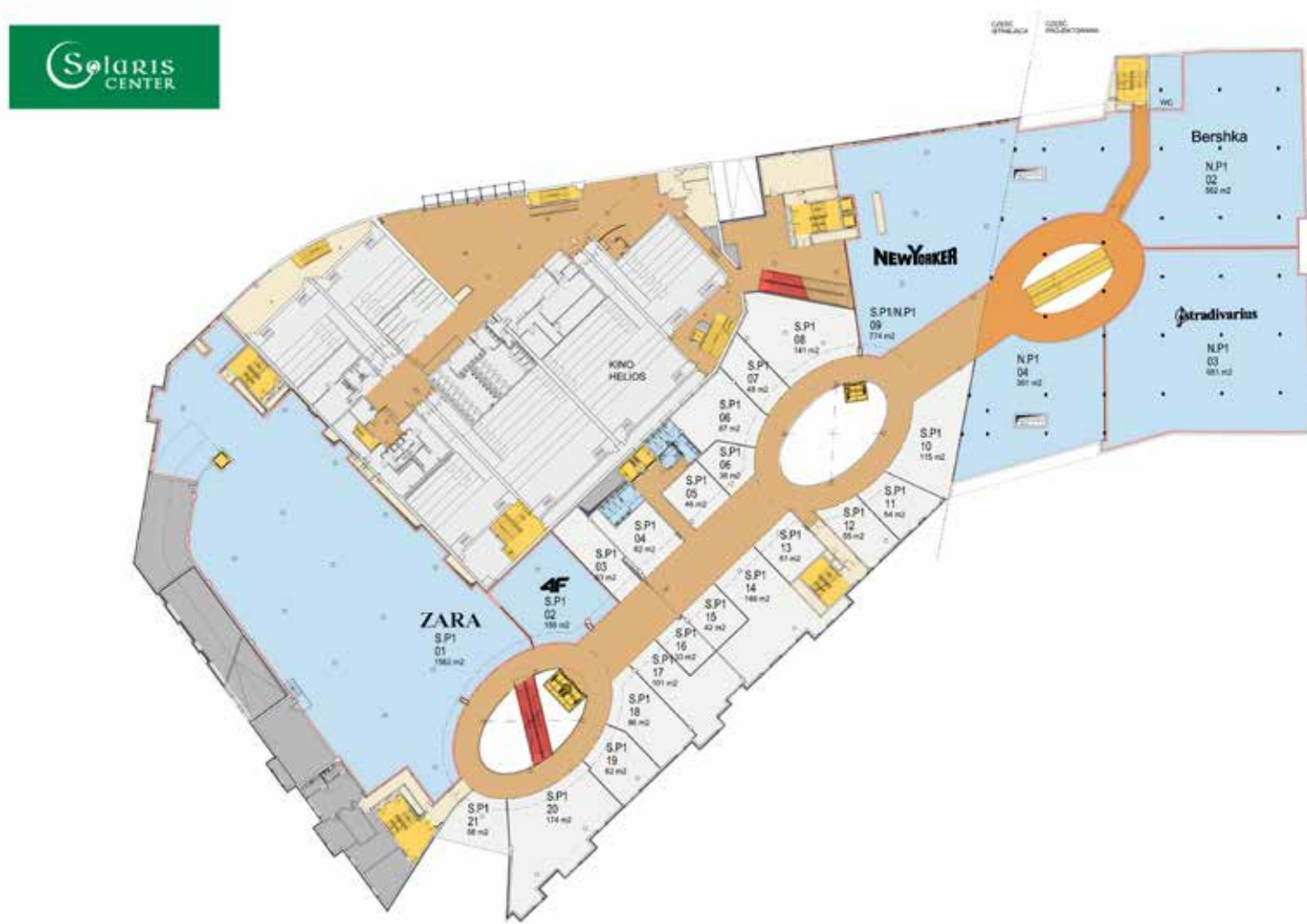
Solaris

Ground floor



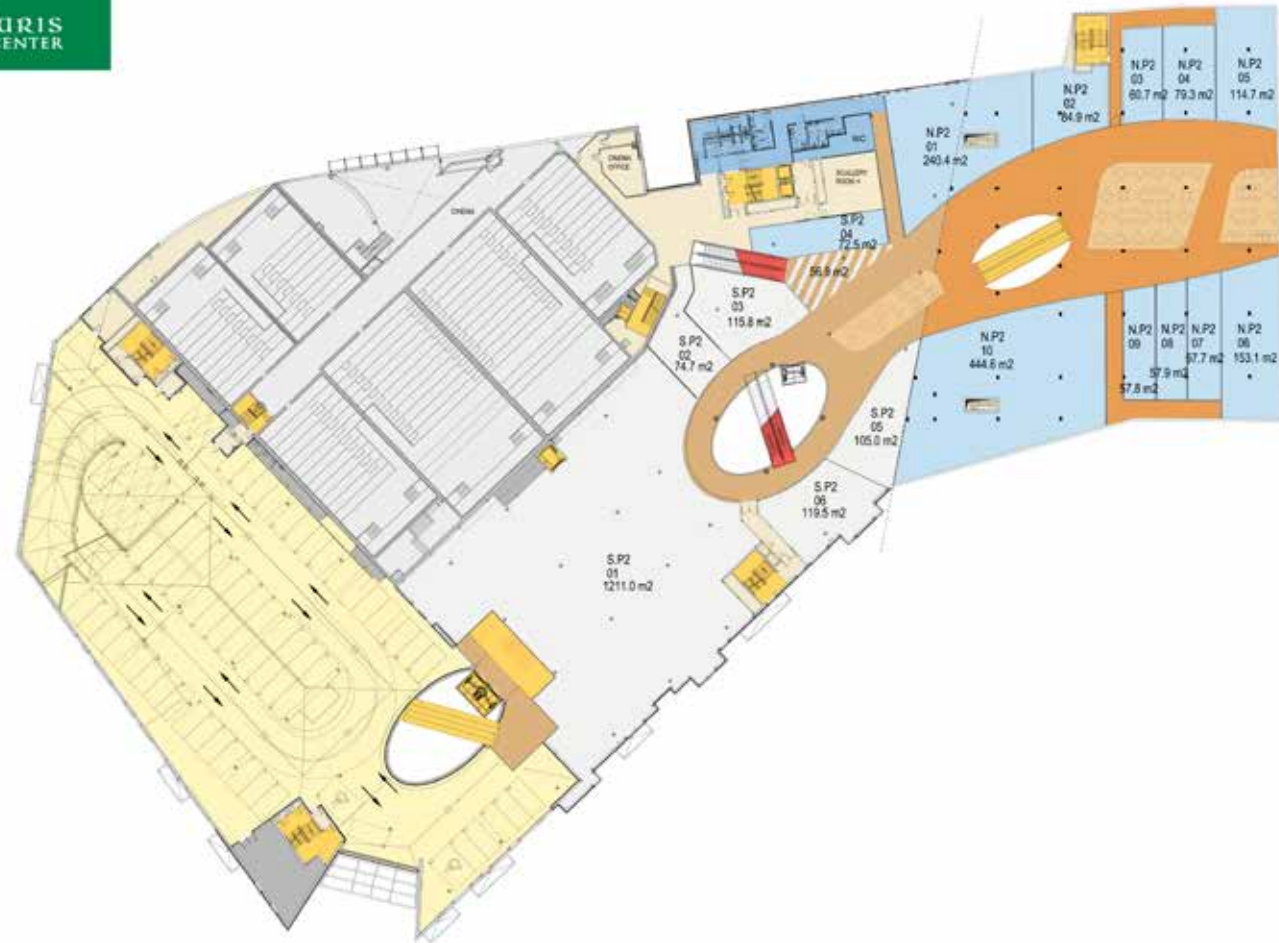
Solaris

First floor



Solaris

Second floor



Zambian disposals

05 Post interim results acquisitions

Bonarka

Piotrków
Trybunalski

Zielona Góra

Retail portfolio
summary

Post interim results acquisitions

Bonarka Kraków, Poland



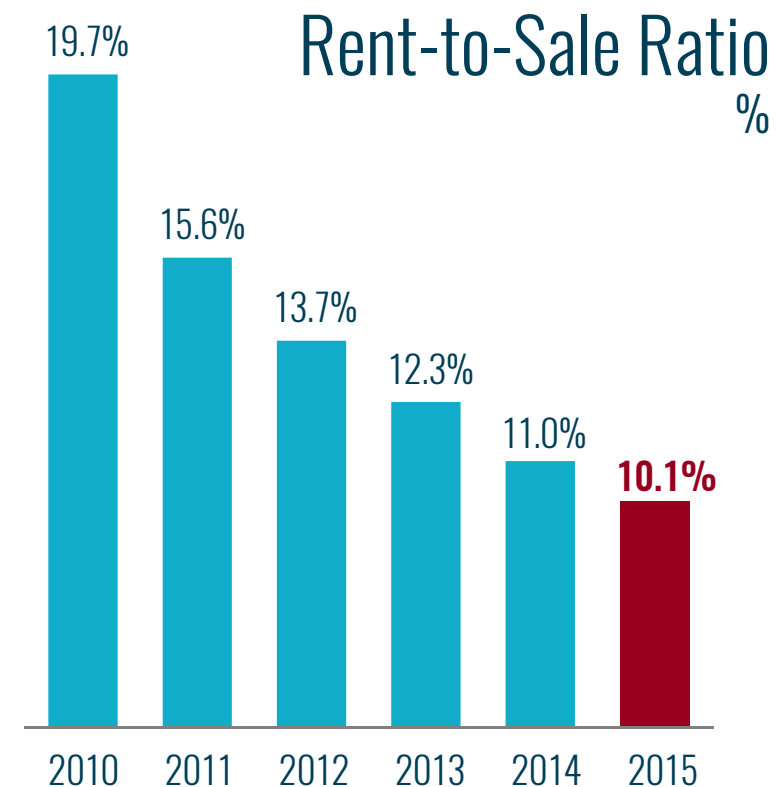
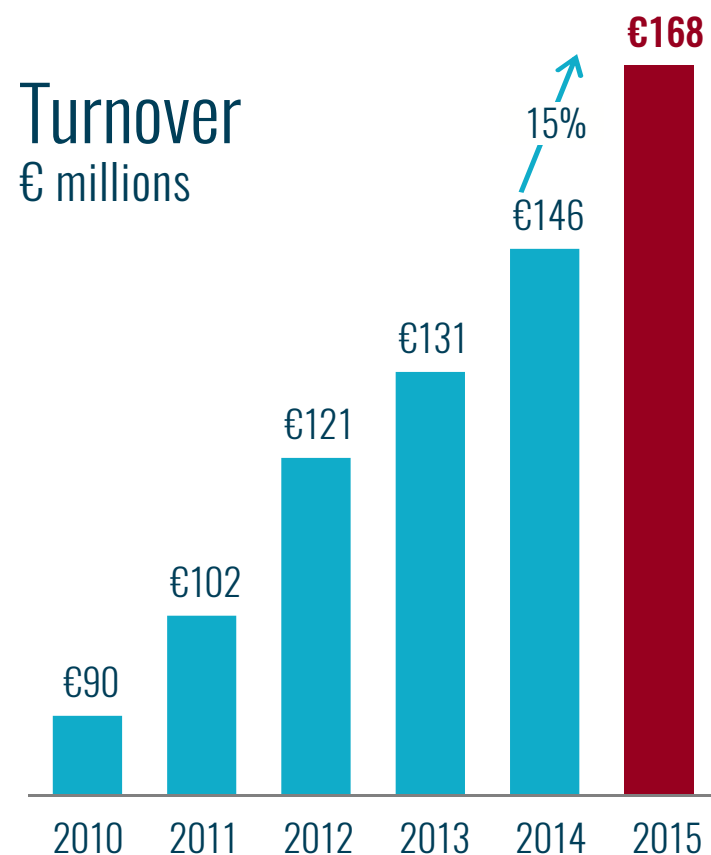
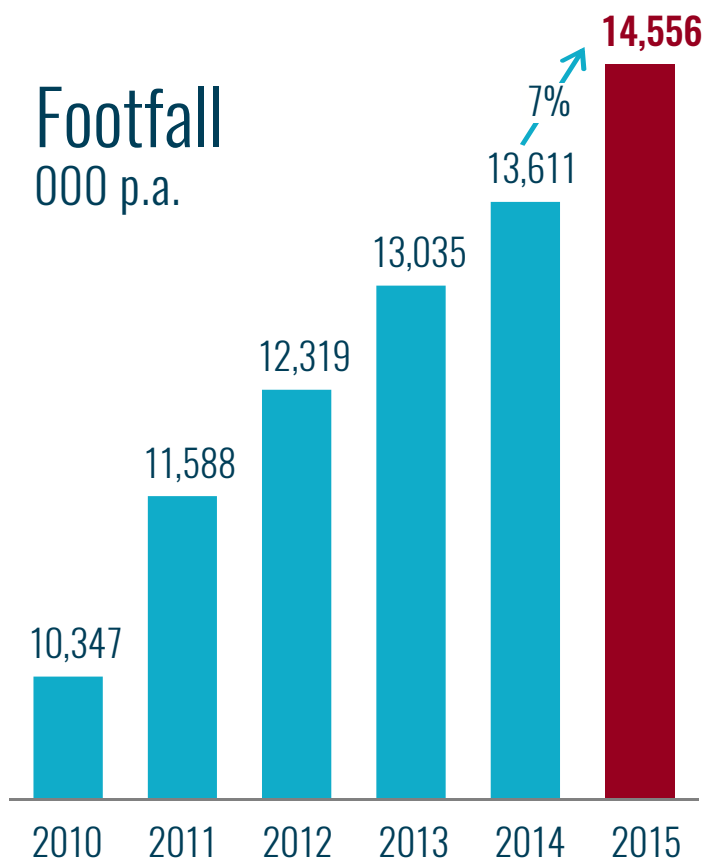
Bonarka City Centre – Kraków, Poland

- Agreement signed August 2016
- Ownership 100%
- GLA 92,425m² (including 20,620m² of Auchan constituting a separate ownership)
- Acquisition cost EUR 360 million
- Existing financing of EUR 191 million in place
- Dominant regional mall in Krakow (2nd largest city in Poland – population 760 000)
- Anchored by Auchan
- Key tenants include:
 - C&A
 - Cinema City (20 screens)
 - H&M
 - Inditex Group
 - Leroy Merlin
 - LPP Group
 - Peek & Cloppenburg
 - TK MAXX
- 6% vacancy



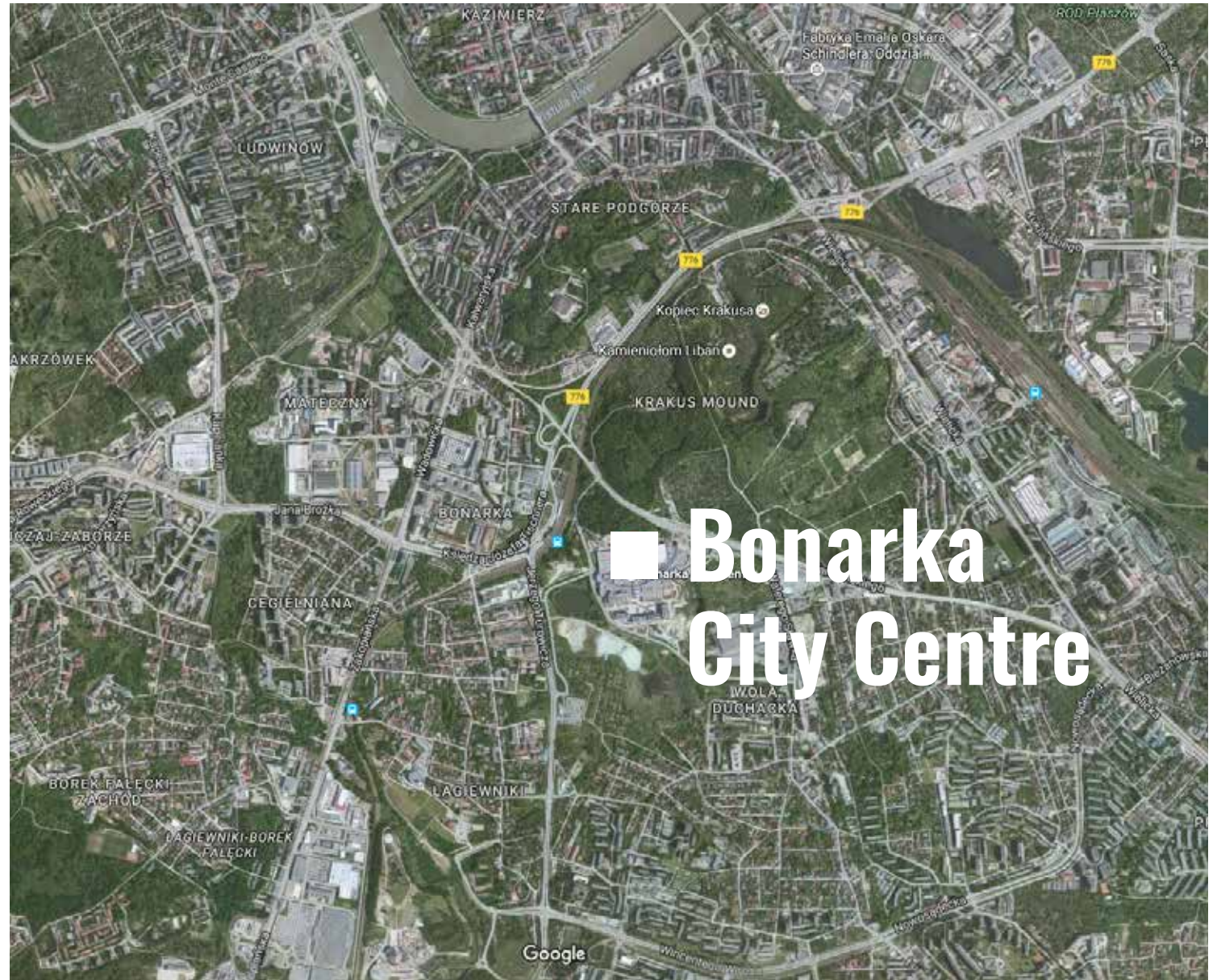
- One of the biggest retail destinations in Poland and number 1 choice for new retailers in Southern Poland, on the radar of most of the tenants, creates great value enhancing opportunities through active asset management

Bonarka Operational Performance

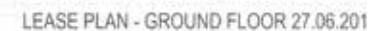


Good Momentum

Bonarka City Centre Kraków, Poland



Ground floor



Bonarka City Centre – Kraków, Poland

First floor



Bonarka City Centre – Kraków, Poland



Focus Mall Piotrków Trybunalski Poland



Focus Mall – Piotrków Trybunalski, Poland

- Agreement signed August 2016
- Ownership 100%
- GLA 35 168m²
- Acquisition price: EUR 49 million
- Anchored by Carrefour
- Key tenants include:
 - C&A
 - CCC
 - H&M
 - Helios Cinema
 - Martes Sport
 - Reserved
 - Smyk
- 14% vacancy
- Footfall: 4 million per annum
- Key point: opportunity for active asset management (exchange of grocery store, introducing missing brands, enlarging existing tenants)



Focus Mall – Piotrków Trybunalski, Poland



Focus Mall – Piotrków Trybunalski, Poland

Ground floor



Focus Mall – Piotrków Trybunalski, Poland

First floor





Focus Park Zielona Góra Poland

Focus Park – Zielona Góra, Poland

- Agreement signed August 2016
- Ownership 100%
- GLA: 26 800m²
- Acquisition price: EUR 112 million
- Anchored by Alma, to be converted
- Key tenants include:
 - C&A
 - CCC
 - Cinema City
 - Empik
 - H&M
 - Martes Sport
 - Media Markt
 - Reserved
 - Rossmann
 - Smyk
- 0,8% vacancy
- Footfall: 5.4 million per annum
- Key point: Opportunity for significant expansion in a city with no other competition



Focus Park – Zielona Góra, Poland



Focus Park – Zielona Góra, Poland

Ground floor



Focus Park – Zielona Góra, Poland

First floor



Retail portfolio summary

- 7 Existing retail centres and 2 new centres scheduled to open in October 2016.
- Including recent acquisitions:
 - Total GLA is over 400 000 m²
 - NOI over EUR60m p.a.
 - Service charge marketing and budgets of EUR21m
 - Approximately 65m people will visit our malls this year

06 Conclusion and Q&A

Summary
& conclusion

Q&A

Conclusion

- Migration to direct property accelerating – currently 23% of total assets and forecast to be 40% after acquisitions
- Further acquisitions targeted in Czech Republic, Hungary and Poland
- Value creation targeted via development, extension and refurbishments
- Listed securities portfolio consolidated further towards core holdings in developed markets
- Forecast growth in dividends for the 6-month period to 31 December 2016 of between 11% and 13%

Questions & Answers