



Redefine International P.L.C.

(formerly Wichford P.L.C.)

(Incorporated and registered in the Isle of Man with registered number 111198C)

(LSE share code: RDI)

(JSE share code: RPL)

(ISIN: IM00B8BV8G91)

("RI PLC" or "the company")

PRE-LISTING STATEMENT

**prepared in terms of the JSE Listings Requirements relating to the secondary listing on the JSE
of all the issued shares in RI PLC already listed on the LSE**

Proposed listing date:

09:00 on Monday, 28 October 2013

The definitions and interpretations commencing on page 10 of this pre-listing statement have, where appropriate, been used on this cover page. This pre-listing statement is not an invitation to the public to subscribe for shares in RI PLC. It is prepared and issued for the purpose of providing information to the public regarding RI PLC.

RI PLC's shares are currently listed on the LSE under the abbreviated name: "REDEFINE INTL", LSE share code: RDI and ISIN: IM00B8BV8G91, which constitutes its primary listing.

The JSE has granted RI PLC a secondary listing by way of introduction of all of its issued ordinary shares in the "Real Estate – Real Estate Holdings and Development" sector of the JSE lists, in terms of the FTSE classification, under the abbreviated name: "RI PLC", JSE share code: RPL and ISIN: IM00B8BV8G91 with effect from the commencement of trade on Monday, 28 October 2013. The price per share at which RI PLC will list on the JSE on Monday, 28 October 2013 is expected to be the ZAR equivalent of the GBP closing price as quoted on the LSE on the previous trading day.

This pre-listing statement has been prepared on the assumption that the special resolution proposed in the notice of RIN general meeting forming part of the RIN unbundling and de-listing circular enclosed with this pre-listing statement, will be passed at the RIN general meeting of RIN linked unitholders to be held on Friday, 18 October 2013.

As at the date of posting this pre-listing statement and at the date of the listing, the authorised share capital of the company will comprise 1 800 000 000 shares with a par value of 8 pence per share and the issued share capital will comprise 1 057 157 691 shares with a par value of 8 pence per share.

There will be no shares held in treasury. All shares in issue rank *pari passu* in respect of all rights.

Shareholders are advised that their RI PLC shares will only be traded on the JSE in dematerialised form and accordingly all shareholders who elect to receive their RI PLC shares in certificated form will have to dematerialise their share certificates in order to trade their RI PLC shares on the JSE. Such shareholders must accordingly make arrangements with their CSDP or broker in terms of the custody agreement with their CSDP or broker.

The directors, whose names are given in paragraph 5.1 of this pre-listing statement, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this pre-listing statement contains all information required by law and the JSE Listings Requirements.

Each of the South African corporate advisor, the JSE sponsor, the SA transfer secretaries, the auditors, company secretary, the investment adviser, the Isle of Man administrator, the legal adviser as to English law, the legal adviser as to IOM law, the Crest settlement agent and the joint LSE sponsors, whose names are included in this pre-listing statement, have consented in writing, and have not prior to publication of this pre-listing statement withdrawn their written consent to the inclusion of their names in the capacities stated and where applicable, to their reports being included in this pre-listing statement.

An abridged version of this pre-listing statement will be published on SENS and RNS on Friday, 18 October 2013 and in the press on Monday, 21 October 2013.

In this pre-listing statement, unless otherwise stated, an indicative GBP:ZAR exchange rate of £1.00:R16.00 has been used.

South African corporate advisor and JSE sponsor

JAVACAPITAL

Joint LSE sponsor

PEEL HUNT

Legal adviser as to English law


Pinsent Masons

Legal adviser as to Isle of Man law


Simcocks

Joint LSE sponsor

 Investec
Specialist Bank

Isle of Man administrator


International Fiduciary Services

Auditors


KPMG

Date of issue: Thursday, 19 September 2013

This pre-listing statement is only available in English. Copies of this pre-listing statement may be obtained from the registered office of the company, the JSE sponsor, the joint LSE sponsors and the SA transfer secretaries whose addresses are set out in the "Corporate Information" section of this pre-listing statement from Thursday, 19 September 2013 to Monday, 28 October 2013.

CORPORATE INFORMATION

Registered office

Top Floor
14 Athol Street
Douglas
Isle of Man, IM1 1JA
(Postal address same as physical address above)

South African corporate advisor

Java Capital (Proprietary) Limited
(Registration number 2002/031862/07)
Redefine Place
2 Arnold Road
Rosebank
Johannesburg, 2196
South Africa
(PO Box 2087, Parklands, 2121)
(Postal address same as physical address above)

JSE sponsor

Java Capital Trustees and Sponsors (Proprietary) Limited
(Registration number 2006/005780/07)
Redefine Place
2 Arnold Road
Rosebank
Johannesburg, 2196
South Africa
(PO Box 2087, Parklands, 2121)

Joint LSE sponsor

Investec Bank plc
(Registration number 489604)
2 Gresham Street
London
EC2V 7QP
(Postal address same as physical address above)

Legal adviser as to IOM law

Simcocks Advocates Limited
(Registration number 104672C)
Ridgeway Street
Douglas
Isle of Man, IM99 1PY
(Postal address same as physical address above)

Auditors

KPMG
1 Harbourmaster Place
IFSC
Dublin 1
Ireland
(Postal address same as physical address above)

Company secretary

Anne Couper Woods, FCIS
Top Floor
14 Athol Street
Douglas
Isle of Man, IM1 1JA
(Postal address same as physical address above)

Direct holding company of RI PLC

Redefine Properties International Limited
(Registration number 2010/009204/06)
Redefine Place
2 Arnold Road
Rosebank
Johannesburg, 2196
South Africa
(Postal address same as physical address above)

SA transfer secretaries

Computershare Investor Services (Proprietary) Limited
(Registration number 2004/003647/07)
Ground Floor
70 Marshall Street
Johannesburg, 2001, South Africa
(PO Box 61051, Marshalltown, 2107)

Joint LSE sponsor

Peel Hunt LLP
(Registration number 0C357088)
Moor House
120 London Wall
London
EC2Y 5ET
(Postal address same as physical address above)

Investment adviser

Redefine International Property Management Limited
(Registration number 4469376)
2nd Floor
30 Charles II Street
London
SW1Y 4AE
(Postal address same as physical address above)

Legal adviser as to English law

Pinsent Masons LLP
(Registration number OC333653)
30 Crown Place
London
EC2A 4ES
(Postal address same as physical address above)

Crest settlement agent

Capita Registrars (Isle of Man) Limited
3rd Floor
Exchange House
54 – 62 Athol Street
Douglas
Isle of Man
IM1 1JD
(Postal address same as physical address above)

Isle of Man administrator

IQE Limited
(Registration number 099262C)
Top Floor
14 Athol Street
Douglas
Isle of Man
IM1 1JA
(Postal address same as physical address above)

Place and date of incorporation

Isle of Man, 28 June 2004

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IMPORTANT INFORMATION

FORWARD-LOOKING STATEMENTS

This pre-listing statement includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this pre-listing statement and include, but are not limited to, statements regarding the company’s and/or the group’s intentions, beliefs or current expectations concerning, among other things, the company’s and/or the group’s business, results of operations, financial position, prospects, growth and strategies.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the company and/or the group’s operations, financial position and the development of the markets and the industries in which the group operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this pre-listing statement. In addition, even if the group’s results of operations and financial position and the development of the markets and the industries in which the company and the group currently operate, are consistent with the forward-looking statements contained in this pre-listing statement, those results or developments may not be indicative of results or developments in subsequent periods. A number of risks, uncertainties and other factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation:

- materially adverse changes in economic or industry conditions generally or in the markets served by the group; and
- changes in costs.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this pre-listing statement reflect the group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the group’s business, results of operations, financial condition, prospects, growth and strategies. Investors should specifically consider the factors identified in this document, which could cause actual results to differ, before making an investment decision. Subject to the requirements of the UK Listing Rules, the Prospectus Rules, made by the UK Listing Authority, the Disclosure and Transparency Rules and the JSE Listings Requirements, the company undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this pre-listing statement that may occur due to any change in the company’s expectations or to reflect events or circumstances after the date of this pre-listing statement.

AVAILABLE INFORMATION

The company has agreed that, for so long as any of the ordinary shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities and Exchange Act of 1934, as amended (the “Exchange Act”) nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) of that Act, make available to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

ENFORCEABILITY OF U.S. JUDGMENTS

The company is a holding company incorporated under the laws of the Isle of Man with business operations conducted through various subsidiaries. All of the directors and officers of the company reside outside the United States. In addition, substantially all of the assets of the company, the directors and the company’s officers are located outside of the United States. As a result, it may not be possible for U.S. investors to effect service of process within the United States upon any of the company, the directors or officers of the company located outside the United States or to enforce against them any judgments of U.S. courts, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the securities laws of any state or territory within the United States.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

Neither the fact that a registration statement or an application for a licence has been filed under Chapter 421-B of the New Hampshire Revised Statutes (“RSA 421-B”) with the State of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the State of New Hampshire constitutes a finding by the Secretary of State of the State of New Hampshire that any document filed under RSA 421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State of the State of New Hampshire has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer or client any representation inconsistent with the provisions of this paragraph.

NOTICE TO INVESTORS IN GIBRALTAR

The company is not a “collective investment scheme” as defined under the Financial Services (Collective Investment Schemes) Act 2005 of Gibraltar. This pre-listing statement does not constitute an offer or invitation to the public in Gibraltar for the purchase of

ordinary shares. The company is not approved or regulated in Gibraltar. This document does not purport to give investment advice. Each prospective purchaser represents by requesting a copy of the pre-listing statement that it will obtain such independent professional advice as it will deem appropriate.

NOTICE TO INVESTORS IN MAURITIUS

Ordinary shares are not being offered to the public in Mauritius and the company is not and does not intend to be registered as a “reporting issuer” under the Securities Act 2005 of Mauritius. Accordingly, this pre-listing statement has not been registered with the Mauritius Financial Services Commission (“FSC”). Securities are offered only:

- by way of private placements only to the person to whom such offer has been made; and
- to persons in Mauritius meeting the criteria “sophisticated investors” as defined under the Securities Act 2005 of Mauritius.

The company has not been authorised (or recognised) and does not intend to seek authorisation (or recognition) with the FSC, and the FSC expresses no opinion as to the matters contained in this private placement memorandum and as to the merits on an investment in the company. There is no statutory compensation scheme in Mauritius in the event of the company’s failure.

NOTICE TO INVESTORS IN SWITZERLAND

This pre-listing statement does not constitute an issuance prospectus pursuant to Articles 652a or 1156 of the Swiss Code of Obligations and may not comply with the information standards required thereunder.

The ordinary shares will not be listed on the SIX Swiss Exchange and, consequently, the information presented in this pre-listing statement does not necessarily comply with the information standards set out in the relevant listing rules of the SIX Swiss Exchange.

This pre-listing statement has not been and will not be authorised, and may not be able to be authorised, by the Swiss Financial Market Supervisory Authority FINMA under the Swiss Collective Investment Schemes Act (“CISA”). Therefore, investors do not benefit from protection under the CISA or supervision by the FINMA.

The ordinary shares may not be offered, distributed or sold directly or indirectly, to the public in or from Switzerland as defined in article 3 of the CISA, but only to qualified investors as defined in the CISA and its implementing ordinance CISO.

This pre-listing statement does not constitute investment advice. It may only be used by those persons to whom it has been delivered by the company and may neither be copied nor directly or indirectly distributed or made available to other persons without the express consent of the company.

NOTICE TO INVESTORS IN JERSEY

Consent under the Control of Borrowing (Jersey) Order 1958 has not been obtained for the circulation of this pre-listing statement.

NOTICE TO INVESTORS IN GUERNSEY

No regulatory approval has been sought to the offer in Guernsey and the Guernsey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the company.

NOTICE TO INVESTORS IN THE BRITISH VIRGIN ISLANDS

The company is not registered or recognised in the British Virgin Islands and as such shares of the company may not be offered to individuals in the British Virgin Islands. However, shares may be offered to British Virgin Islands business companies (from outside the British Virgin Islands) without restriction. A British Virgin Islands business company is a company formed under or otherwise governed by the BVI Business Companies Act, 2004 (British Virgin Islands).

NOTICE TO INVESTORS IN THE REPUBLIC OF SOUTH AFRICA

This pre-listing statement is not an offer to the public of ordinary shares as contemplated in the South African Companies Act, 2008 and accordingly has not been and will not be registered as a prospectus in terms of and in accordance with that Act.

SALIENT FEATURES

The information set out in this section of the pre-listing statement is only an overview and is not intended to be comprehensive. It should be read in conjunction with the information contained in other sections of this pre-listing statement.

1. INTRODUCTION

As set out in the RIN unbundling and de-listing circular, the current structure of the RIN group is no longer considered optimal as it gives rise to a number of inefficiencies at various levels within the RIN group. The current structure tends to result in limited liquidity of RIN linked units and RI PLC shares which hampers the ability to raise capital due to the significant controlling interest held by Redefine Properties and RIN respectively. In addition, having two listed points of entry in the same group duplicates costs with no real benefit to holders of such securities.

To remove these inefficiencies the boards of directors of RIN and RI PLC have resolved to rationalise the current structure by inwardly listing RI PLC on the Main Board of the JSE and then immediately unbundling all RI PLC shares held by RIN to RIN linked unitholders and de-listing RIN.

The purposes of this pre-listing statement are to provide information to the public in relation to the group and its activities, enable RI PLC to obtain a secondary listing of its entire issued share capital on the JSE and to set out the salient dates of the secondary listing.

2. OVERVIEW AND BACKGROUND

RI PLC is incorporated in the Isle of Man as a public company limited by shares with registered number 111198C and is listed on the Main Market of the LSE. The principal legislation under which the company operates is the IOM Act and the regulations made thereunder.

RI PLC is an income focused property investment company with exposure to a broad range of properties and geographical areas. The company has direct and indirect property investments geographically diversified across the UK, Germany, Switzerland, the Channel Islands, the Netherlands and Australia, providing exposure to the retail, office, industrial and hotel sectors. The company also owns a 13.7% interest in ASX-listed Cromwell, with a market value of approximately £138.9 million as at 30 August 2013 (based on an exchange rate of £1.00:AUD1.738) as at the last practical date.

3. MANAGEMENT OF RI PLC

3.1 Overview

RI PLC's strategy is focused on delivering sustainable and growing income returns through investment in high income yielding assets, let to high quality occupiers on long leases. Development exposure is generally limited to asset management and ancillary development of existing assets in order to enhance and protect capital values. RI PLC is focused on real estate investment in large, well developed economies with established and transparent real estate markets.

3.2 Investment adviser

RIPML, an unregulated property management company, provides on an exclusive basis the investment and property advisory services to the group, in accordance with the investment adviser agreement. Pursuant to the investment adviser agreement, RIPML is authorised to sub-contract its duties to subsidiaries of the RIFM group or external third parties. Principally, services relating to, *inter alia*, investment advisory, accounting, treasury, statutory, information technology and human resources are performed by RIPML and subsidiaries of the RIFM group and property management services are performed by external third parties.

Further details regarding the investment adviser are set out in paragraph 5.3 of the pre-listing statement. Details of the directors and management of the RIFM group are set out in **Annexure 4**.

4. THE PROPERTY AND PROPERTY SECURITIES PORTFOLIO

4.1 Summary of the property and property securities portfolio

As at the last practical date, the group had interests in 140 properties valued at £980.1 million, with a gross lettable area of approximately 6.2 million square feet and generating an annualised gross rental income of £70.9 million. In addition, as at the last practicable date, the group's 13.7% holding in Cromwell had a market value of £138.9 million.

4.2 Business segments

The group's business is split into five distinct yet complementary key business segments: UK stable income; UK retail; Europe; Hotels; and investments in property securities (which currently consists solely of its investment in Cromwell).

5. **STATEMENT AS TO LISTING ON THE JSE AND THE LSE**

The JSE has granted RI PLC a secondary listing of all of its issued shares on the JSE under the abbreviated name: “RI PLC”, JSE share code: RPL and ISIN: IM00B8BV8G91 with effect from the commencement of trade on Monday, 28 October 2013.

RI PLC’ shares are currently listed on the LSE under the abbreviated name: “Redefine Intl”, LSE share code: RDI and ISIN: IM00B8BV8G91, which constitutes its primary listing.

IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 10 of this pre-listing statement apply to these important dates and times:

2013

Issue pre-listing statement on	Thursday, 19 September
Abridged pre-listing statement published on SENS and RNS on	Friday, 18 October
Abridged pre-listing statement published in the press	Monday, 21 October
Proposed listing of RI PLC shares on the JSE at the commencement of trade on	Monday, 28 October
Trading in RI PLC shares commences on	Monday, 28 October

Note:

1. These dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS and RNS and published in the press in South Africa.

DEFINITIONS AND INTERPRETATIONS

In this pre-listing statement and the annexures hereto, unless inconsistent with the context, an expression which denotes one gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the expressions set out in the first column bear the meaning assigned to them in the second column.

“AIM”	AIM, a market operated by the LSE;
“articles of association”	the articles of association of the company, as amended from time to time, extracts of which are set out in Annexure 8 ;
“ASX”	Australian Stock Exchange;
“AUD”	Australian dollars, the legal currency of Australia;
“Aviva convertible facility”	the facility agreement entered into between RI PLC and Aviva Commercial Finance Limited (Registration number 2559391), a company incorporated and registered in England and Wales, with its registered address at Sentinel House, 37 Surrey Street, Norwich, Norfolk NR1 3UZ, further details of which facility are set out in paragraph 5 of Annexure 14 and in terms of which 36 587 873 new RI PLC shares were issued on 17 September 2013;
“Birchwood”	Birchwood Warrington Limited (Registration number 94661), a company incorporated in terms of the laws of Jersey with its registered address at Consortia Trustees Ltd, Channel House, Green Street, St Helier, JE2 4UH;
“Birchwood acquisition”	the acquisition by the group of a further 66% of the issued share capital of Birchwood;
“board” or “directors” or “board of RI PLC”	the board of directors of RI PLC as set out in paragraph 5.1 of this pre-listing statement;
“board of RIN”	the board of directors of RIN as set out in the RIN unbundling and de-listing circular;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa and/or the UK;
“BVI”	British Virgin Islands;
“certificated RI PLC shareholders”	RI PLC shareholders who hold certificated shares;
“certificated RI PLC shares”	RI PLC shares which have not yet been dematerialised into the Strate system, title to which is represented by share certificates or other physical documents of title;
“CHF”	Swiss Franc, the legal currency of Switzerland;
“CMC Transaction”	the acquisition by RI PLC of the entities which own three shopping centres in Germany from CMC Capital Limited, further details of which are set out in paragraph 3 of Annexure 6 ;
“common monetary area”	collectively, South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
“Corovest Offshore”	Corovest Offshore Limited (Registered number 83581), a company duly incorporated in terms of Jersey law, with its registered address at Consortia Trustees Limited, Channel House, Green Street, St Helier, Jersey, JE2 4UH;
“Cromwell”	Cromwell Property Group, listed on the ASX, is an Australian Property Trust whose capital consists of stapled securities comprising units in Cromwell Diversified Property Trust (an Australian Real Estate Investment Trust) which are contractually bound to ordinary shares in Cromwell Corporation Limited (an Australian property funds management business);
“Cromwell Corporation Limited”	Cromwell Corporation Limited (ABN 44 001 056 980), a company incorporated in terms of the laws of Australia, with its registered address at Level 19, 200 Mary Street, Brisbane, Queensland, Australia, 4000;
“Cromwell Diversified Property Trust”	Cromwell Diversified Property Trust (ARSN 102 982 598), a trust established in terms of the laws of Australia;

“Cromwell Property Securities Limited”	Cromwell Property Securities Limited (ABN 11 079 147 809), a company incorporated in terms of the laws of Australia and the responsible entity for Cromwell Diversified Property Trust, with its registered address at Level 19, 200 Mary Street, Brisbane, Queensland, Australia, 4000;
“CSDP”	a Central Securities Depository Participant in South Africa appointed by a shareholder for purposes of, and in regard to, dematerialisation and to hold and administer securities or an interest in securities on behalf of a shareholder;
“de-listing”	the de-listing of RIN from the Main Board of the JSE;
“Delta facility”	a facility agreement entered into between Wichford Delta Limited and Windermere XI CMBS plc in relation to a portfolio of properties, details of which facility are set out in paragraph 12 of Annexure 14 ;
“dematerialisation”	the process whereby certificated shares are converted to an electronic form as dematerialised shares and recorded in the sub-register of shareholders maintained by a CSDP or broker in South Africa;
“dematerialised RI PLC shareholders”	RI PLC shareholders who hold dematerialised RI PLC shares;
“dematerialised RI PLC shares”	RI PLC shares which have been incorporated into the Strate system, title to which is no longer represented by share certificates or other physical documents of title;
“emigrant”	an emigrant from South Africa whose address is outside the common monetary area;
“Euro” or “€”	the lawful common currency from time to time of participating member states of the European Monetary Union;
“FCA”	the Financial Conduct Authority in the United Kingdom and/or any successor or replacement body or bodies from time to time (including, for the avoidance of doubt, the Prudential Regulation Authority);
“FSMA”	Financial Services and Markets Act 2000;
“Gamma facility”	a facility agreement entered into between Wichford Gamma Limited and Windermere XI CMBS plc in relation to a portfolio of properties;
“GBP” or “£” or “Pounds Sterling”	Great British Pound, the legal currency of the UK;
“GLA”	gross lettable area, being the total area of a property that can be rented to a tenant;
“IFRS”	International Financial Reporting Standards;
“Investec”	Investec Bank plc (Registration number 489604), a company incorporated in terms of the laws of England and Wales and acting as joint LSE Sponsor, full details of which are set out in the “Corporate Information” section;
“investment adviser agreement”	the investment adviser’s agreement dated 13 July 2011 between RI PLC and the RIPML, further details of which are set out in paragraph 10 of Annexure 6 ;
“IOM”	Isle of Man;
“IOM Act”	the Companies Acts 1931 – 2004 (as amended) of the Isle of Man and every statutory modification or re-enactment thereof for the time being in force and, where the context requires, every other statute from time to time in force concerning companies and affecting RI PLC;
“Java Capital”	collectively, Java Capital (Proprietary) Limited (Registration number 2002/031862/07), the South African corporate advisor to RI PLC and Java Capital Trustees and Sponsors (Proprietary) Limited (Registration number 2008/005780/07), the JSE sponsor to RI PLC, full details of which are set out in the “Corporate Information” section;
“Jersey law”	The Companies (Jersey) law 1991, as amended;
“joint LSE sponsors”	Investec and Peel Hunt acting as joint sponsors to RI PLC in respect of the company’s listing on the LSE;
“JSE”	JSE Limited (Registration number 2005/022939/06), licensed as an exchange under the Financial Markets Act of South Africa (Act No 19 of 2012), and a public company incorporated in terms of the laws of South Africa;

“JSE Listings Requirements”	the JSE Listings Requirements, as issued by the JSE from time to time;
“last practical date”	the last trading date before the practical finalisation of this pre-listing statement, being Friday, 13 September 2013;
“listing” or “secondary listing”	the proposed secondary listing by way of introduction of the entire issued share capital of RI PLC on the JSE which is anticipated to take place with effect from the commencement of trade on Monday, 28 October 2013;
“London Stock Exchange” or “LSE”	the London Stock Exchange plc;
“LTV”	loan to value;
“Madison Property Fund Managers”	Madison Property Fund Managers Limited (Registration number 2005/021874/06), a public company duly incorporated in South Africa, a wholly-owned subsidiary of Redefine;
“Manx Pounds”	the lawful currency of the Isle of Man;
“memorandum of association”	the memorandum of association of the company, as amended from time to time, extracts of which are set out in Annexure 8 ;
“non-resident”	a person whose registered address is outside the common monetary area and a person who is not an emigrant;
“Official List”	the Official List of the UK Listing Authority;
“p” or “pence”	Great British pence;
“Peel Hunt”	Peel Hunt LLP (Registration number 0C357088), acting as joint LSE sponsor, full details of which are set out in the “Corporate Information” section;
“press”	the Business Day newspaper published in South Africa;
“R” or “Rand” or “ZAR”	the South African Rand, the lawful currency of South Africa;
“Redefine Australian Investments Limited”	Redefine Australian Investments Limited (Registration number 478607), a company incorporated in terms of the laws of the Republic of Ireland and a wholly-owned subsidiary of RI PLC;
“Redefine Properties”	Redefine Properties Limited (Registration number 1999/018591/06), a public company incorporated in terms of the laws of South Africa and listed on the JSE, with its registered address at 3rd Floor, Redefine Place, 2 Arnold Road, Rosebank, 2196, South Africa;
“reverse takeover”	the acquisition of RIHL by Wichford on 23 August 2011, further details of which were set out in the circular dated 15 July 2011 issued to RIN linked unitholders;
“RBHG” or “hotel manager”	Redefine BDL Hotel Group Limited (formerly Redefine International Hotels Limited) (Registered number 1522323), a company incorporated in terms of the laws of the BVI and its subsidiaries, with its registered address at Coastal Building, Wickhams Cay II, Road Town, Tortola, BVI, further details of which are set out in paragraph 5.3.5 of the pre-listing statement;
“RHM”	Redefine Hotel Management Limited (Registration number 7316555), a company incorporated in terms of the laws of England and Wales with its registered address at 2nd Floor, 30 Charles II Street, London SW1Y 4AE;
“RI Investment Managers (UK)” or “UK manager”	Redefine Investment Managers (UK) Limited (formerly Corovest Investment Managers (UK) Limited (Registration number 6492492), a company incorporated under the laws of England and Wales and a wholly owned subsidiary of RIFM, with a registered address of 2nd Floor, 30 Charles II Street, London SW1Y 4AE and is a wholly-owned subsidiary of RIFM;
“RI PLC” or “the company”	Redefine International P.L.C. (formerly Wichford P.L.C.) (Registered number 111198C), a public company incorporated in terms of the laws of the Isle of Man and listed on the Main Market of the LSE, with its registered address at Top Floor, 14 Athol Street, Douglas, Isle of Man IM1 1JA;

“RI PLC capital raising”	a share issue which raised approximately £128 million (before expenses) through the issue of new RI PLC shares, further details of which are set out in a circular dated 10 August 2012 issued to RIN linked unitholders and in the prospectus dated 13 September 2012 issued to RI PLC shareholders;
“RI PLC group” or “the group”	collectively, RI PLC, its subsidiaries, associates and jointly controlled entities;
“RI PLC property portfolio” or “property portfolio”	the entire property portfolio held by the RI PLC group, further details of which are set out in Annexure 9 ;
“RI PLC shares” or “shares” or “ordinary shares”	ordinary shares of 8 pence each, in the authorised and/or issued share capital of RI PLC;
“RI PLC shareholders”	holders of RI PLC shares, as recorded in RI PLC’s share register;
“RIFM”	Redefine International Fund Managers Limited (formerly Corovest Fund Managers Limited) (Registered number 605116), a company incorporated in terms of the laws of the BVI and its subsidiaries, with its registered address at Coastal Building, Wickhams Cay II, Road Town, Tortola, BVI;
“RIFM group”	collectively, RIFM, RIFME, RBHG, RIGS and each of their subsidiaries;
“RIFME” or “European manager”	Redefine International Fund Managers Europe Limited (formerly Corovest Fund Managers Europe Limited) (Registered number 1402084), a 90% owned subsidiary of RIFM, incorporated in terms of the laws of the BVI and its subsidiaries, with its registered address at Coastal Building, Wickhams Cay II, Road Town, Tortola, BVI, further details of which are set out in paragraph 5.3.3 of the pre-listing statement;
“RIGS” or “group services manager”	Redefine International Group Services Limited (formerly Corovest International Limited) (Registration number 361434), a company incorporated in terms of the laws of the Republic of Ireland and a wholly-owned subsidiary of RIFM, with its registered address at The Mews, 10 Pembroke Place, Dublin 2, the Republic of Ireland and a UK Branch, (Registration number FC024374), with a registered address at 2nd Floor, 30 Charles II Street, London SW1Y 4AE, further details of which are set out in paragraph 5.3.4 of the pre-listing statement;
“RIHL”	Redefine International Holdings Limited (formerly Redefine International plc) (Registered number 91277), a company incorporated and registered under the Jersey Law, with its registered address at Channel House, Green Street, St Helier, Jersey, JE2 4UH;
“RIN”	Redefine Properties International Limited (formerly Kalpafon Limited) (Registration number 2010/009284/06), a public company incorporated in terms of the laws of South Africa and listed on the JSE, with its registered address at 3rd Floor, Redefine Place, 2 Arnold Road, Rosebank, 2196, South Africa;
“RIN debentures”	variable rate debentures issued by RIN with a nominal value of R5.00 as governed by the RIN debenture trust deed;
“RIN debenture holders”	the registered holders of RIN debentures;
“RIN debenture trust deed”	the debenture trust deed entered into between RIN and the trustee for RIN debenture holders on 16 August 2010;
“RIN general meeting”	the general meeting of RIN unitholders to be held at 10:00 on Friday, 18 October 2013 at the registered office of RIN (Redefine Place, 2 Arnold Road, Rosebank, Johannesburg, 2196) for the purpose of considering, and if deemed fit, passing the special resolution necessary to implement the transaction, further details of which are provided in the RIN unbundling and de-listing circular;
“RIN group”	collectively, RIN, its subsidiaries, associates and jointly controlled entities;
“RIN linked units”	RIN linked units listed on the JSE, each comprising one RIN share linked to one RIN debenture;
“RIN linked unitholders”	the holders of RIN linked units as recorded in RIN’s linked register, including all sub-registers;
“RIN shares”	ordinary shares of 0.1 cent each in the issued share capital of RIN;

“RIN unbundling and de-listing circular”	the circular issued by RIN to RIN linked unitholders on Thursday, 19 September 2013 relating to the proposed unbundling, de-listing and winding up;
“RIPML” or “the investment adviser”	Redefine International Property Management Limited (previously Wichford Property Management Limited) (Registered number 04469376), a private company duly incorporated in terms of the laws of England and Wales, further details of which are set out in paragraph 5.3.1 of the pre-listing statement;
“RNS”	Regulatory News Services of the LSE;
“SARB”	South African Reserve Bank;
“SA” or “South Africa”	the Republic of South Africa;
“SA transfer secretaries” or “Computershare SA”	Computershare Investor Services (Proprietary) Limited (Registration number 2004/003647/07), a private company incorporated in terms of the laws of South Africa, full details of which are set out in the “Corporate Information” section;
“SENS”	Stock Exchange News Service of the JSE;
“September 2013 placing”	the placing of 40 000 000 new ordinary shares in RI PLC at an price of 42 pence per share, which shares were issued and listed on the LSE on 3 September 2013;
“South African Exchange Control Regulations”	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act (Act 9 of 1933), as amended;
“sq ft”	square feet;
“Strate”	Strate Limited (Registration number 1998/022242/06), a private company which is registered in terms of the Financial Markets Act of South Africa (Act 19 of 2012), as amended responsible for the electronic settlement system of the JSE;
“the/this pre-listing statement”	this pre-listing statement and its annexures thereto dated Thursday, 19 September 2013;
“the transaction”	collectively, the listing, the unbundling, the de-listing and winding up;
“trustee for RIN debenture holders”	Java Capital Trustees and Sponsors (Proprietary) Limited (Registration number 2008/005780/07), full details of which are set out in the “Corporate Information” section;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Rules”	the UK Listing Rules made by FCA under Part VI of FSMA;
“UK REIT”	a real estate investment trust under Part 12 of the UK’s Corporation Tax Act 2010;
“unbundling”	the distribution of all RI PLC shares held by RIN to RIN linked unitholders;
“Wichford”	Wichford P.L.C. refer to the definition of RI PLC; and
“winding up”	the voluntary winding up of RIN.



Redefine International P.L.C.

(formerly Wichford P.L.C.)

(Incorporated and registered in the Isle of Man with registered number 111198C)

(LSE share code: RDI)

(JSE share code: RPL)

(ISIN: IM00B8BV8G91)

("RI PLC" or "the company")

Directors of the company

Gregory Allison Clarke (*Chairman, Non-executive director*)*

Michael John Watters (*Non-executive director*)

Ita Mary McArdle (*Non-executive director*)*

Richard Marcus Melhuish (*Non-executive director*)*

Robert Mark Taylor (*Non-executive director*)*

Gavin Robert Tipper (*Non-executive director*)

Michael James Wills Farrow (*Non-executive director*)*

Stewart Shaw-Taylor (*Non-executive director*)*

Marc Wainer (*Non-executive director*)

* Independent

PRE-LISTING STATEMENT

SECTION ONE – INFORMATION ON RI PLC

1. INTRODUCTION

As set out in the RIN unbundling and de-listing circular, the current structure of the RIN group is no longer considered optimal as it gives rise to a number of inefficiencies at various levels within the RIN group. The current structure tends to result in limited liquidity of RIN linked units and RI PLC shares which hampers the ability to raise capital due to the significant controlling interest held by Redefine Properties and RIN linked units respectively. In addition, having two listed points of entry in the same group duplicates costs with no real benefit to holders of such securities.

To remove these inefficiencies the boards of directors of RIN and RI PLC have resolved to rationalise the current structure by inwardly listing RI PLC on the Main Board of the JSE and then immediately unbundling all RI PLC shares held by RIN to RIN linked unitholders and de-listing RIN.

Further details relating to the structure and implementation of the transaction are set out in the RIN unbundling and de-listing circular.

The purposes of this pre-listing statement are to provide information to the public in relation to the company and its activities, enable RI PLC to obtain a secondary listing of its entire issued share capital on the JSE and to set out the salient dates of the secondary listing.

2. OVERVIEW AND BACKGROUND

2.1 Incorporation, nature of business and year end

RI PLC is incorporated in the Isle of Man as a public company limited by shares with registered number 111198C and is listed on the Main Market of the LSE. The principal legislation under which the company operates is the IOM Act and the regulations made thereunder.

RI PLC is an income focused property investment company with exposure to a broad range of properties and geographical areas. The company has direct and indirect property investments geographically diversified across the UK, Germany, Switzerland, the Channel Islands, the Netherlands and Australia, providing exposure to the retail, office, industrial and hotel sectors. The company also owns a 13.70% interest in ASX-listed Cromwell.

As at the last practicable date the company had no employees. The company's year end is 31 August of each year.

2.2 History

RIHL was incorporated with the name Ciref Limited (which was subsequently renamed to Ciref plc) in Jersey as a private closed-ended property investment and development company under Jersey Law with registered number 91277 on 28 September 2005. RIHL was established to invest in commercial real estate and real estate securities primarily in the UK, Europe and Australia, with a focus on retail and commercial assets. RIHL re-registered as a public company on 15 May 2006 and was admitted to trading on the AIM market of the LSE on 26 May 2006.

On 1 July 2010 RIHL changed its name from “Ciref Plc” to “Redefine International plc” as a consequence of becoming a major subsidiary of Redefine Properties through RIN. RIN was incorporated in South Africa as a public company on 11 May 2010 as a wholly-owned subsidiary of Redefine Properties and listed on the JSE as a property loan stock company on 7 September 2010. RIN was established to hold Redefine Properties’ interest in RIHL and to provide South African residents and institutions an SA Rand-based opportunity to invest in an international portfolio of properties. Each RIN linked unit effectively equates to one share held in RI PLC.

In August 2011, shareholders of RIHL and RIN approved the reverse takeover of RIHL by Wichford. Wichford was incorporated as an Isle of Man registered property investment company in 2004, with a portfolio focused on the UK, Germany and Netherlands investment property which was primarily occupied by central and state government bodies.

As a result of the reverse takeover and simultaneously with the de-listing of RIHL from the AIM market of the LSE, the enlarged Wichford company secured a listing on the Main Market of the LSE on 23 August 2011 and changed its name to “Redefine International P.L.C.” Currently, the majority shareholder of the company is RIN which holds 61.83% of RI PLC. The ultimate holder, Redefine Properties, which currently has a 47.8% shareholding in RIN, is also listed on the JSE and has a current market capitalisation of R27.3 billion as at the last practical date.

2.3 Cromwell investment

In 2009, RIHL acquired a stake in Cromwell which is an internally managed Australian Real Estate Investment Trust (A-REIT) that promotes and manages unlisted property investments in Australia. Cromwell, whose capital consists of stapled securities comprising one unit in Cromwell Diversified Property Trust Limited stapled to one ordinary share in Cromwell Corporation Limited, initiated trading on the ASX on 12 December 2006. RI PLC currently has a 13.7% interest in Cromwell held through its subsidiary, Redefine Australian Investments Limited. As at 31 December 2012 (excluding properties in managed funds), Cromwell owned 26 properties with a total value of AUD1.89 billion (£1.14 billion) with a net lettable area of 573 107 million square metres.

2.4 Prospects

After an extended economic downturn, the UK and northern European economies are showing signs of stabilising. Activity in the investment market has picked up considerably in recent months with competition being reflected in more aggressive pricing for good quality assets and demand starting to spill over into secondary markets.

The company is well placed to take advantage of the economic upturn when it arrives and is focusing on:

- maximising the potential within the existing asset base through redevelopment and extension;
- disposing of non-core properties into a rising market; and
- managing the interest rate profile to protect against the expected rising interest rate environment.

The company will remain opportunistic in seeking out good quality and well-priced acquisitions but remains focused on existing markets in which it has established expertise and resources.

2.5 UK REIT

As announced on RNS and SENS on 18 July 2013, RI PLC confirmed its intention to convert to a UK REIT. RI PLC is currently in the final stages of its internal tax review and has engaged with HMRC (the tax authority in the UK) to facilitate the conversion. An announcement will be made in due course once a final decision has been made to proceed with conversion to a UK REIT.

Conversion to a UK REIT will also involve the internalisation of the management of the company. The board recognises the trend towards and advantages of internalising management and is in the process of determining the relative merits for the company and its shareholders. An internalisation of the management will be subject to the approval of RI PLC shareholders and a further announcement will be made once all arrangements in this regard have been finalised.

3. GROUP STRUCTURE

3.1 Group structure

The current RIN group structure before implementation of the transaction and the resultant group structure after implementation of the transaction are presented in **Annexure 1**.

3.2 Subsidiaries, associates and jointly controlled entities

The company has a number of subsidiaries. The company's interests in these entities are comprised as follows:

- 128 of the companies are wholly-owned subsidiary companies;
- 10 of the companies are interests held amounting to 75% or more but less than 100% of the ownership of the relevant company;
- 29 of the companies are interests in companies of 50% or more but less than 75% of the ownership of the relevant company; and
- 20 of the companies are minority interests in companies amounting to less than 50% of the ownership of the relevant company.

Further details relating to RI PLC's subsidiaries, associates and jointly controlled entities are set out in **Annexure 2**.

4. INVESTMENT POLICY

4.1 RI PLC's strategy is focused on delivering sustainable and growing income returns through investment into income yielding assets, let to high quality occupiers on long leases. Development exposure is generally limited to asset management and ancillary development of existing assets in order to enhance and protect capital values. RI PLC is focused on real estate investment in large, well developed economies with established and transparent real estate markets.

4.2 Further details on the investment policy are set out in **Annexure 3**.

5. DIRECTORS AND MATERIAL THIRD PARTIES

5.1 Directors of RI PLC

The board of RI PLC comprises entirely of non-executive directors (and no executive directors). On listing on the JSE, the board of RI PLC will comprise independent and non-independent non-executive directors only. RI PLC is a real estate investment holding company incorporated in the Isle of Man and is governed by the Isle of Man Companies Act. The company has its primary listing on the London Stock Exchange and is in compliance with the UK Listing Rules regarding corporate governance of companies in such jurisdictions. As set out in paragraph 5.3 below, RI PLC is currently externally managed. The asset management team resides in the UK and performs the executive functions of RI PLC with Mike Watters fulfilling the function of chief executive officer and Andrew Rowell fulfilling the role of financial director. The company has been operating in this manner since incorporation.

5.1.1 Details of the directors of RI PLC are set out below:

Names, age and nationality	Business address	Qualification	Function
Gregory Allison Clarke 55 British	Top Floor 14 Athol Street Douglas Isle of Man, IM1 1JA	MBA BA (Hons) Business Studies	Independent non-executive chairman
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Non-executive director of RIFM and performs the role of the chief executive officer to RI PLC
Ita Mary McArdle 49 Irish	Top Floor 14 Athol Street Douglas Isle of Man, IM1 1JA	LLB	Senior independent non-executive director
Richard Marcus Melhuish 66 British	Top Floor 14 Athol Street Douglas Isle of Man, IM1 1JA	FRICS	Independent non-executive director
Robert Mark Taylor 62 British	Top Floor 14 Athol Street Douglas Isle of Man, IM1 1JA	BSc FCA	Independent non-executive director
Gavin Robert Tipper 48 South African	69 Arcadia Road Bantry Bay, 8005 South Africa	BComm, BAcc (Wits), MBA (UCT), CA(SA)	Non-executive director

Names, age and nationality	Business address	Qualification	Function
Michael James Wills Farrow 59 British	Channel House Green Street St Helier Jersey, JE2 4UH	MSc, FCIS	Independent non-executive director
Stewart Shaw-Taylor 61 South African	4th Floor, The Firs Corner Craddock & Bierman Avenue Rosebank 2196 South Africa	CA(SA), PMD (Harvard)	Independent non-executive director
Marc Wainer 64 South African	Redefine Place 2 Arnold Road Rosebank, 2196 South Africa	–	Non-executive director

Details of other key individuals are set out in the table below:

Andrew Rowell 35 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BComm (Hons), CA(SA)	Executive director of RIPML and performs the role of the executive financial director to RI PLC
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The experience and expertise of the directors of RI PLC and other key individuals are set out below:

Gregory Clarke

Gregory Clarke has over 30 years' experience of working for and running large international public corporations across Europe, Australia and South Africa. Between 2002 and 2009 he was Chief Executive of Lend Lease Corporation, an ASX 50 international corporation specialising in property investment, development and construction. Between 1994 and 2000 he worked for groups owned by Cable and Wireless, ultimately being promoted to CEO of Cable and Wireless Communications Plc. He is currently Chairman of The Football League, a role he has held since 2010, and was appointed Chairman of the Meteorological Office and Chairman of EGHL Limited in 2012.

Michael Watters

Michael Watters is a qualified engineer with a BSc Eng (Civil) Degree and an MBA. He has over 25 years' experience in the investment banking and real estate industries. He has held directorships of some of South Africa's top rated listed property funds including Sycom Property Fund and Hyprop Investments Limited as well as the Sapphire Retail Fund in the United Kingdom. He is CEO of RIN.

Ita McArdle

Ita McArdle qualified as a Manx Advocate in 1995 and became a partner of Simcocks Advocates in 1996. She practiced in corporate commercial law including financial services for both private and corporate clients before retiring on 30 April 2008 to set up her own consultancy. She sits on the boards of a number of public companies and collective investment schemes together with some private companies in conjunction with clients. She is a member of the Isle of Man Law Society, the Law Society of England and Wales and the International Bar Association. Ms McArdle resides in the Isle of Man. Ms McArdle holds a Class 4 – corporate services – sub-class (6) and Class 5 – trust services – sub-classes (2) and (5) Financial Services Licence and is regulated by the Financial Supervision Commission of the Isle of Man.

Richard Melhuish

Richard Melhuish is a fully qualified chartered surveyor with over 30 years' experience in property investment and asset management. He was previously managing director and co-founder of Chancerygate Asset Management Limited. Since 2006 he has been a director of Chancerygate (IOM) Limited where he is responsible for strategy management, portfolio performance and acquiring and selling property. Prior to this Richard worked from 1978 at Liverpool Victoria Friendly Society Limited where, as head of property from 1993, he was responsible for the property element of both the Life Fund and the Staff Pension Fund. These two funds directly owned property assets valued around £500 million. He was elected a Fellow of the RICS in 1989.

Mark Taylor

Mark Taylor is a chartered accountant with over 30 years' financial and general management experience in the construction, property development and investment sectors. He was finance director and company secretary of Workspace Group plc for 12 years. Prior to this, he spent 17 years with John Laing, where he was both joint managing director of John Laing Developments Limited and group investment director. Following this, Mark joined the Ministry of Defence for a short period to assist in the privatisation of its married quarters estate. He qualified as an accountant in 1972, being admitted as a Fellow of the ICAEW in 1975.

Gavin Tipper

Gavin Tipper is a Chartered Accountant of South Africa with BComm and BAcc degrees and a Masters in Business Administration. He has been involved in the financial services industry for over 20 years. Prior to joining the Coronation Group where he spent 10 years, as chief operating officer in 2001, he was a technical partner at KPMG. Mr Tipper holds directorships in a number of listed South African companies.

Michael Farrow

Michael Farrow is a founder director of Consortia Partnership Limited, a Jersey licensed trust company; following seven years as an executive director and trustee of a very substantial family trust whose main activity was property investment and development in UK, central Europe and California. He currently sits on the boards of both UK listed and private property companies and funds. From 1993 to 1997 he was group company secretary of Cater Allen, Jersey and, prior to that a regular army officer. He holds an MSc in Corporate Governance and is a Fellow of the Chartered Institute of Secretaries and Administrators.

Stewart Shaw-Taylor

Stewart Shaw-Taylor is a Chartered Accountant of South Africa with nearly 30 years' experience in Investment Banking and Real Estate.

He is currently Head of CIB Real Estate responsible for the real estate and private equity related activities undertaken by the Corporate and Investment Banking Division of The Standard Bank of South Africa Limited.

Marc Wainer

Marc Wainer has more than 35 years of experience in the property industry in South Africa, including founding Investec Property Group, Investec Bank's property division. Marc is Chief Executive Officer and an Executive Director of JSE-listed South African property group Redefine Properties which he founded.

Andrew Rowell

Andrew Rowell is a Chartered Accountant with a BComm (Hons) Degree. He spent four years with PricewaterhouseCoopers, South Africa, and the USA. Andrew was group accountant for the Mvelaphanda Group, a listed investment company in South Africa, prior to joining the Redefine International Group.

5.1.2 Terms of office

The non-executive directors do not have fixed terms of office but are subject to the provisions of the articles of association. At every annual general meeting of RI PLC one third of the directors for the time being shall retire from office by rotation. In addition, any director who at the date of the relevant annual general meeting has been in office more than three years since his appointment or last election, or who was elected or last elected at the annual general meeting preceding by three years the relevant annual general meeting, shall also retire by rotation. The retiring director shall be eligible for re-appointment.

5.2 Additional information related to directors

5.2.1 **Annexure 4** contains the following information:

- 5.2.1.1 details regarding the directors and RIFM group including interests in shares and transactions and interests of directors and promoters;
- 5.2.1.2 directors' emoluments;
- 5.2.1.3 borrowing powers of directors; and
- 5.2.1.4 directors' declarations.

5.2.2 Relationship information

Details regarding the "relationship information" of RI PLC as required in terms of the JSE Listings Requirements is set out in **Annexure 4**.

5.2.3 **Annexure 5** contains details of the directors' other directorships and partnerships currently or in the previous five years.

5.2.4 The provisions of the memorandum of association and articles of association with regard to the following are set out in **Annexure 8**:

- 5.2.4.1 qualification of directors;
- 5.2.4.2 remuneration of directors;
- 5.2.4.3 any power enabling the directors to vote remuneration to themselves or any member of the board;
- 5.2.4.4 the borrowing powers exercisable by the directors and how such borrowing powers can be varied; and
- 5.2.4.5 retirement or non-retirement of directors under an age limit.

5.3 Details of the RIFM group are set out below:

5.3.1 Investment adviser

RIPML, a wholly-owned subsidiary of RIFM and an unregulated property management company, provides on an exclusive basis the investment and property advisory services to the group through its wholly-owned subsidiary.

The investment adviser's management team has considerable expertise in property and structured finance. Details of the directors of the RIFM group are set out in **Annexure 4**.

RIPML's business address is 2nd Floor, 30 Charles II Street, London SW1Y 4AE.

RIFM's business address is Coastal Building, Wickhams Cay II, Waterfront Drive, Road Town, Tortola, VG1110, BVI.

Details of the fees which RIPML receives and other pertinent details of the investment adviser agreement are set out in paragraph 10 of **Annexure 6**. The investment advisory fee which RIPML receives from RI PLC is paid by RIPML to each of the UK manager, the European manager, the group services manager and the hotel manager in accordance with the services they have provided.

The investment adviser does not provide any advisory services to any other listed property entities.

The current shareholders of RIPML are set out in the table below:

Shareholder	Holding (%)
RI Investment Managers (UK)	100.0
Total	100.0

The current shareholders of RIFM are set out in the table below:

Shareholder	Holding (%)
Redefine Properties*	90.0
Corovest Offshore	10.0
Total	100.0

* The registered shareholder is Madison Property Fund Managers (a subsidiary of Redefine Properties).

5.3.2 UK manager

The assets and day-to-day management of the UK property aspects of the group's business is undertaken by RIPML. Details of the directors of RIPML are set out in **Annexure 4**.

RIPML's business address is 2nd Floor, 30 Charles II Street, London, SW1Y 4AE, England.

RIPML does not provide any advisory services to any other listed property entities.

RIPML is a wholly-owned subsidiary of RIFM.

5.3.3 European manager

The assets and day-to-day management of the European property aspects of the group's business is undertaken by RIFME. Details of the directors of RIFME are set out in **Annexure 4**.

The European manager's business address is Coastal Building, Wickhams Cay II, BVI and the address of its German branch is 4 Etage, Gutleustrasse 169 – 171, 60327, Frankfurt/Main, Germany.

The European manager does not provide any advisory services to any other listed property entities.

The European manager is a 90% owned subsidiary of RIFM, with the remaining 10% held by Peter Katz.

5.3.4 The group services manager

All group services, except for the administration services provided by IQE Limited and other local overseas administrators, are provided by the group services manager. These include: accounting and tax; audit; annual reports; secretarial duties; human resources and payroll; information technology; treasury and corporate governance. Details of the directors of RIGS are set out in **Annexure 4**.

The group service manager's business address is The Mews, 10 Pembroke Place, Dublin 2, Ireland and its UK branch is at 2nd Floor, 30 Charles II Street, London, SW1Y 4AE, England.

The group services manager does not provide any advisory services to any other listed property entities.

The group services manager is a wholly-owned subsidiary of RIFM.

5.3.5 The hotel manager

RBHG manages the hotel portfolio. Details of the directors of RBHG are set out in **Annexure 4**.

The hotel manager's business address is Coastal Building, Wickhams Cay II, Waterfront Drive, Road Town, Tortola, VG1110, BVI.

The hotel manager also provides full operational services as well as strategic support to Redefine Properties in respect of the Upper East Side Hotel located in Cape Town, South Africa. The hotel manager does not provide any advisory services to any other listed property entities.

The hotel manager is a 63% owned subsidiary of RIFM. 10% is held by third party investors and the remaining 27.0% is held in trust of which Helder Pereira (who is an executive director of the hotel manager) is a beneficiary (14.83%), a discretionary trust of which Michael Watters is a discretionary beneficiary (4.71%), a discretionary trust of which Stephen Carlin is a discretionary beneficiary (6.40%) and a discretionary trust of which Andrew Rowell is a discretionary beneficiary (1.03%).

5.3.6 Property management

Currently for each of the properties in the property portfolio, property management agreements have been entered into with local property management companies by each of the companies which hold the properties. Each of the property holding companies pays the local property management companies.

The duties of the property managers include *inter alia* the following:

- 5.3.6.1 pay all property expenses, including without limitation, stamp duties and relevant property taxes;
- 5.3.6.2 enforce the landlord's rights against defaulting tenants;
- 5.3.6.3 insure the buildings on the properties adequately against all relevant risks;
- 5.3.6.4 inspect all the buildings and properties with a view to ensuring the continued maintenance and carrying out of authorised capital expenditures are carried out;
- 5.3.6.5 deal with tenant complaints and requirements;
- 5.3.6.6 inform all tenants of all rules, regulations and notices issued by the company;
- 5.3.6.7 prepare budgets of income and expenditure for each property;
- 5.3.6.8 deal with lease expiries and renewals and report on and, where possible, fill anticipated vacancies prior to their occurrence; and
- 5.3.6.9 use its/their best endeavours to let vacant space immediately and space which is to become vacant before leases expire.

Information on the property managers and the property management agreements is set out in **Annexure 7**.

6. MAJOR AND CONTROLLING SHAREHOLDERS

- 6.1 Set out below are the names of shareholders, other than directors that, directly or indirectly, will be beneficially interested in 5% or more of the issued shares of RI PLC immediately before the transaction.

Name of shareholder	Number of shares held	% of shares in issue held
RIN	653 648 414	61.8
Total	653 648 414	61.8

- 6.2 Set out below are the names of shareholders other than directors that, directly or indirectly, will be beneficially interested in 5% or more of the issued shares of RI PLC post the transaction.

Name of shareholder	Number of shares held	% of shares in issue held
Redefine Properties	349 236 344	33.0
Allan Gray Asset Management	151 394 048	14.3
Total	500 630 392	47.3

- 6.3 As at the last practical date the controlling shareholder of RI PLC was RIN. Post implementation of the unbundling, Redefine Properties will be the largest shareholder of RI PLC with an expected shareholding of 33.0%.

SECTION TWO – DETAILS OF THE PROPERTY PORTFOLIO AND THE PROPERTY SECURITIES PORTFOLIO

7. THE PROPERTY PORTFOLIO AND THE PROPERTY SECURITIES PORTFOLIO

7.1 Summary of the property portfolio

As at 28 February 2013, the group had interests in 141 properties (excluding its investment in Cromwell) valued at £820.5 million, with a gross lettable area of approximately 5.8 million square feet and generating an annualised gross rental income of £71.1 million.

As at the last practical date, the group had interests in 140 properties (excluding its investment in Cromwell) valued at £980.1 million, with a gross lettable area of approximately 6.2 million square feet and generating an annualised gross rental income of £70.9 million.

7.2 The property securities portfolio

As at 28 February 2013, the group's 22.01% holding in Cromwell had a market value of £203.8 million.

As at the last practicable date, the group's 13.7% holding in Cromwell had a market value of £138.9 million.

7.3 Business segments

The group's business is split into five distinct yet complementary key business segments: UK stable income; UK retail; Europe; Hotels; and property securities (which currently consists solely of its investment in Cromwell). A description of the different business segments is set out below:

7.3.1 UK stable income

The UK stable income segment consists predominantly of UK offices, but includes petrol filling stations, Kwik-Fit centres, retail and residential units.

7.3.2 UK retail

The group's UK retail portfolio consists of five sub-regional shopping centres which dominate their catchment areas and a town centre redevelopment scheme located in Crewe.

7.3.3 Europe

The European segment consists of the group's properties in Continental Europe located in Germany, Switzerland and the Netherlands.

7.3.4 Hotels

The group owns or majority owns seven hotel properties branded as Holiday Inn, Holiday Inn Express and Crowne Plaza, six of which are located in greater London and one in Reading. The properties are let to RHM on a fixed rental basis with annual reviews.

The focus on branded, limited service hotels in greater London provides for defensive underlying occupancies in line with the company's income focus.

7.3.5 Cromwell

RI PLC owned 22.01% of Cromwell as at 28 February 2013 (13.7% as at the last practical date) which is an ASX-listed property fund in Australia.

7.4 Analysis of the property portfolio

An analysis of the property portfolio in respect of sectoral, geographic, tenant, vacancy and lease expiry profiles as at 28 February 2013 is provided in the tables below. A detailed list of the properties comprising the property portfolio appears in **Annexure 9**.

7.4.1 Sectoral profile

	GLA per sector	Gross rental per sector
Retail	44%	39%
Office	39%	39%
Industrial	11%	4%
Hotels	5%	16%
Other	1%	2%
Total	100%	100%

7.4.2 Geographic profile

	GLA per geographical area	Gross rentals per geographical area
UK	71%	73%
Germany	25%	20%
Netherlands	2%	3%
The Channel Islands	1%	2%
Switzerland	1%	2%
Total	100%	100%

7.4.3 Tenant profile

	Based on GLA	Based on gross rentals
A	74%	69%
B	14%	8%
C	7%	7%
D	5%	16%
Total	100%	100%

For the tenant profile table, the following key is applicable:

- A. Large international and national tenants, large listed tenants and government or smaller tenants in respect of which rental guarantees are issued. These include, *inter alia*, Debenhams, ASDA, British Home Stores, Tesco, Kwik-Fit, Aldi, Kik, UK and European Central and State government tenants.
- B. Smaller international and national tenants, smaller listed tenants, major franchisees and medium to large professional firms. These include, *inter alia*, Malthurst Limited, Coventry Building Society, Warrington Primary Care Trust.
- C. Other local tenants and sole proprietors. This comprises approximately 160 tenants.
- D. RHM, which has franchise agreements with the Intercontinental Hotels Group and Six Continents Hotels Inc.

7.4.4 Vacancy profile

The vacancy profile indicated below reflects the vacancy percentage in terms of GLA by sector.

Sector	Vacancy based on GLA
Retail	3%
Office	10%
Industrial	0%
Hotels	0%
Other	6%
Portfolio vacancy	5%

7.4.5 Lease expiry profile

To 28 February 2013	% of GLA	% of gross rentals
< 1 year	3	5
1 – 2 years	5	6
2 – 3 years	4	4
3 – 4 years	8	9
4 – 5 years	2	3
> 5 years	78	73
Total	100	100

To 28 February 2013	Retail GLA	Retail GR*	Office GLA	Office GR*	Industrial GLA	Industrial GR*
<1 year	10%	12%	12%	2%	0%	0%
1 – 2 years	3%	4%	9%	10%	0%	0%
2 – 3 years	5%	3%	6%	7%	0%	0%
3 – 4 years	9%	10%	10%	12%	0%	0%
4 – 5 years	4%	5%	2%	2%	0%	0%
>5 years	69%	66%	61%	67%	100%	100%
Total	100%	100%	100%	100%	100%	100%

To 28 February 2013	Hotels GLA	Hotels GR*	Other GLA	Other GR*
< 1 year	0%	0%	20%	1%
1 – 2 years	0%	0%	26%	7%
2 – 3 years	0%	0%	27%	8%
3 – 4 years	0%	0%	0%	0%
4 – 5 years	0%	0%	0%	0%
> 5 years	100%	100%	27%	84%
Total	100%	100%	100%	100%

* GR: Gross rentals.

7.4.6 Rental escalations and rental per square metre

With the exception of certain properties including the Malthurst and Kwikfit portfolios (which escalates every five years to the equivalent of 2.5% per annum compounded), RI PLC lease agreements are not subject to annual escalations but are rather reviewed at each rent review date and adjusted (upwards only), typically every five years, to market rental levels or inflation adjusted rental levels where provided for in the lease. As at 28 February 2013, 58.4% of the group's underlying rental income was subject to inflation indexation or fixed increases.

The weighted average rental per square foot in the property portfolio as at 28 February 2013 is presented in the table below.

Sector	£/sq ft
Retail	11.10
Office	12.32
Industrial	3.80
Hotels	38.56
Other	21.14
Weighted average total	12.22

The average annualised property yield in the property portfolio (based on existing leases) as at 28 February 2013 was 8.1%.

8. VENDORS

- 8.1 Details relating to the vendors of properties, assets and business undertakings purchased by the group in the preceding three years are set out in **Annexure 10**.
- 8.2 No goodwill has been recognised in respect of the properties acquired.
- 8.3 The vendors of the properties acquired did not guarantee the book debts of the letting enterprises acquired by the group. The following guarantees and/or warranties were given by each of the vendors in respect of the assets sold by them:
- 8.3.1 each vendor was the sole registered and beneficial owner of the shares;
- 8.3.2 each vendor was entitled to and able to give free and unencumbered title to the sale of shares;
- 8.3.3 no person had any rights (including, *inter alia*, any option or right of first refusal) to acquire any of the sale shares; and
- 8.3.4 none of the vendors had any claims against the relevant companies in which the vendor's shares were acquired or held.
- 8.4 Each vendor indemnified the purchaser, against all loss, liability damage and expense of every nature whatsoever suffered by the purchaser as a result of any breach by the vendor of any of the warranties. The vendors of the properties, assets and business undertakings provided guarantees against any undisclosed liabilities.
- 8.5 The agreements entered into between RI PLC and each of the vendors of the properties, assets or business undertakings do not preclude the vendors of the properties, assets or business undertakings from carrying on business in competition with RI PLC nor do the vendor agreements impose any other restrictions on the vendors of the properties, assets or business undertakings and no payment in cash or otherwise has been made in this regard.
- 8.6 There are no liabilities for accrued taxation that will be settled in terms of the vendors' agreements.
- 8.7 Details of the net liabilities acquired and intangible assets recognised in respect of the Birchwood acquisition:

	2010 £
Purchase price	1
Fair value of net liabilities acquired	647 000
Intangible assets	647 001

- 8.8 No promoter or director (or any partnership, syndicate or other association in which a promoter or director had an interest) had any beneficial interest, direct or indirect in any transaction relating to any of the properties, assets or business undertakings detailed in **Annexure 10**.
- 8.9 No cash or securities have been paid or any benefit given within the three preceding years of this pre-listing statement or is proposed to be paid or given to any promoter (not being a director).
- 8.10 The properties, assets or business undertakings have been transferred into the RI PLC group. The assets referred to in **Annexure 10** have not been ceded or pledged to any third party.

SECTION THREE – FINANCIAL INFORMATION

9. HISTORICAL FINANCIAL INFORMATION OF RI PLC

The historical financial information of RI PLC for the six months ended 28 February 2013 is set out in **Annexure 11** and the historical financial information of RI PLC for the years ended 31 August 2012 and 31 August 2011 is set out in **Annexure 12**. The historical financial information is the responsibility of the directors of RI PLC.

10. SHARE CAPITAL

10.1 The authorised and issued share capital of the company immediately before and after the transaction is expected to be as follows.

	£
<i>Authorised share capital</i>	
1 800 000 000 ordinary shares of 8 pence each	144 000 000
<i>Issued share capital</i>	
1 057 157 691 ordinary shares of 8 pence each	84 572 615
Share premium	218 699 188
Total share capital and share premium	303 271 803

10.2 **Annexure 13** contains the following salient information relating to the authorised and issued share capital:

- 10.2.1 authorisations;
- 10.2.2 preferential conversion rights, voting rights and rights to dividends;
- 10.2.3 options and preferential rights in respect of shares;
- 10.2.4 alterations to share capital; and
- 10.2.5 statement as to listing on stock exchange.

11. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

Save as disclosed in note 27 of the historical financial information for the six months ended 28 February 2013, set out in **Annexure 11**, there are no other material commitments, lease payments and contingent liabilities.

12. MATERIAL BORROWINGS AND LOANS RECEIVABLE

- 12.1 Details of material borrowings advanced to the group and by the group as at the last practical date are set out in **Annexure 14**.
- 12.2 None of the material borrowings listed in **Annexure 14** has any redemption or conversion rights attaching to them. However the borrowings under the Aviva convertible facility, further details of which are set out in **Annexure 14**, were not repaid with the result that RI PLC issued 36 587 873 shares at an issue price of 41.925 pence per share in order to discharge the outstanding amount due.
- 12.3 Save for the Aviva convertible facility, the Newington House facility, the Zeta facility and the Coronation facility, none of the material borrowings listed in **Annexure 14** are repayable within the next 12 months.
- 12.4 The borrowings set out in **Annexure 14** arose in respect of the acquisitions of investment properties and companies holding investment properties.
- 12.5 No loans have been made or security furnished by the group for the benefit of any director, manager or associate of any director or manager of the group.
- 12.6 The company has no loan capital outstanding.
- 12.7 Save as disclosed in note 20 of the historical financial information of RI PLC for the six months ended 28 February 2013, set out in **Annexure 11**, the group has not entered into any other inter-company financial or other transactions.
- 12.8 As at the last practical date, the group has not undertaken any off-balance sheet financing.

13. DIVIDENDS AND DISTRIBUTIONS

- 13.1 Holders of shares have rights to dividends or distributions in proportion to the number of shares they hold.
- 13.2 The company's previous dividend policy was to seek a distribution of the majority of its earnings available for distribution. With effect from 1 December 2013 (and taking into consideration the company's desire to convert to a UK REIT) it is expected that the company will seek to distribute at least 90% of its UK property rental profits, to fall in line with the current UK REIT regime. However, there is no assurance that the company will pay a dividend or if a dividend is paid, the amount of such dividend.
- 13.3 Any dividends remaining unclaimed for a period of three years from the declaration date thereof may be forfeited by resolutions of the directors for the benefit of the company.
- 13.4 There are no arrangements in terms of which future dividends are waived or agreed to be waived.

14. MATERIAL CHANGES

- 14.1 Save for the CMC Transaction and the September 2013 placing, there have been no other material changes in the financial or trading position of the RI PLC group since RI PLC published its results for the six months ended 28 February 2013.
- 14.2 There has been no change in the business or trading objects of RI PLC during the past five years.
- 14.3 There has been no major change on the nature of property, plant and equipment and in the policy regarding the use thereof.
- 14.4 There has been no material change in the nature of business of RI PLC.
- 14.5 Save for the CMC Transaction and the September 2013 placing, no other material fact or circumstance has occurred between 28 February 2013, being the latest financial period and the date of this pre-listing statement.

SECTION FOUR – ADDITIONAL MATERIAL INFORMATION

15. CONFIRMATION OF SHAREHOLDER SPREAD

As set out in paragraph 3.2 of the RIN unbundling and de-listing circular, RIN will distribute on a *pro rata* basis all of the RI PLC shares held by it to RIN linked unitholders recorded on the RIN linked unit register on Friday, 1 November 2013 in the ratio of one RI PLC share for every RIN linked unit held.

Currently there are in excess of 300 public RIN linked units holding in excess of 20% of RIN's issued linked unit capital. Once each of these RIN linked unitholders receives an RI PLC share, there are expected to be in excess of 300 public RI PLC shareholders collectively holding in excess of 20% RI PLC's issued share capital.

16. STATEMENT AS TO LISTING ON THE JSE AND THE LSE

The JSE has granted RI PLC a secondary listing of all of its issued shares on the JSE under the abbreviated name: "RI PLC", JSE share code: RPL and ISIN: IM00B8BV8G91 with effect from the commencement of trade on Monday, 28 October 2013.

RI PLC's shares are currently listed on the LSE under the abbreviated name: "Redefine Intl", LSE share code: RDI and ISIN: IM00B8BV8G91, which constitutes its primary listing.

17. PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS ACQUIRED OR TO BE ACQUIRED

Other than in respect of the properties disclosed in **Annexure 10**, no other immovable properties and/or fixed assets and/or business undertakings have been acquired by the group within the past three years or are in the process of being or are proposed to be acquired by the group (or which the group has an option to acquire).

18. PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS DISPOSED OF OR TO BE DISPOSED OF

No material properties or subsidiaries or business undertakings have been disposed of in the three years preceding the last practical date or are intended to be disposed of within six months of listing on the JSE. Shareholders however, should note the Interim Management Statement announcement on 15 January 2013, with regards to the appointment of a receiver for the properties secured by the Gamma facility. Attention is also drawn to the Delta restructuring agreement with regards to the annual disposal targets for the 16 Delta portfolio assets further details of which agreement are set out in paragraph 4 of **Annexure 6**.

19. MATERIAL CONTRACTS

Save for those contracts set out in **Annexure 6** and **Annexure 7**, the group has not entered into any other material contract, being a contract entered into otherwise than in the ordinary course of business, within the two years prior to the date of this pre-listing statement or at any time containing an obligation or settlement that is material to the group at the date of this pre-listing statement.

20. COMMISSIONS PAID OR PAYABLE

20.1 The company paid an underwriting fee of £1 640 000, being 2.5% of £65 600 000, being the underwritten amount, to Redefine Properties in respect of the RI PLC capital raising. Other than this, there have been no commissions paid or payable in respect of underwriting by the company in the three years preceding the date of this pre-listing statement.

20.2 Other than as detailed below, no other commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any shares in the share capital of the company, in the three years preceding the date of this pre-listing statement.

20.2.1 A capital raising fee of £234 990, being 2.0% of £11 749 500 was payable to the investment adviser in respect of the September 2013 placing.

20.2.2 A capital raising fee of £101 010 being 2.0% of £50 50 500 was payable to Peel Hunt and Investec in respect of the September 2013 placing.

20.2.3 A capital raising fee of £330 000, being 2.2% of £15 000 000 was payable to the investment adviser in respect of the RI PLC capital raising.

20.2.4 A capital raising fee of £517 500, being 2.5% of £20 700 000 plus 0.3% of £18 000 000 was payable to Peel Hunt and Investec in respect of the RI PLC capital raising.

20.2.5 A capital raising fee of £66 000, being 2.2% of £3 000 000 was payable to third party brokers in respect of the RI PLC capital raising.

20.3 Except for the investment adviser agreement referred to in paragraph 10 of **Annexure 6**, the group is not subject to any royalty agreements or other management agreements and no royalties are payable by the group.

21. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW

There is no government protection or any investment encouragement law pertaining to any of the businesses operated by the group in any of the jurisdictions in which it operates.

22. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

RI PLC has obtained approval from the SARB for the listing of the company's shares on the JSE, which listing is classified as an "inward listing" in terms of the South African Exchange Control Regulations.

A summary of the South African Exchange Control regulations relating to the acquisition of shares after the listing on the JSE is set out in **Annexure 15**.

23. CORPORATE GOVERNANCE

The board has outlined the corporate governance statement in **Annexure 16**.

24. TRADING HISTORY OF RI PLC SHARES ON THE LSE

The trading history of RI PLC shares on the LSE is set out in **Annexure 17**.

25. ADVISORS TO THE COMPANY

The salient details relating to the advisors of the company are set out in the "Corporate Information" section. None of the advisors have an interest or will acquire an interest in RI PLC.

26. ADEQUACY OF CAPITAL

The directors are of the opinion that the working capital available to the RI PLC group post the transaction is sufficient for the group's present requirements, that is, for at least the next 12 months from the date of issue of this pre-listing statement.

27. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which RI PLC is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the group's financial position.

28. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given in paragraph 5.1 of this pre-listing statement, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this pre-listing statement contains all information required by law and the JSE Listings Requirements.

29. CONSENTS

Each of the South African corporate advisor, the JSE sponsor, the Isle of Man administrator, the investment adviser, the company secretary, the auditors, the legal adviser as to English law, the legal adviser as to IOM law, the Crest settlement agent, the joint LSE sponsors and the SA transfer secretaries, have consented in writing to act in the capacities stated and to their names appearing in this pre-listing statement and have not withdrawn their consent prior to the publication of this pre-listing statement.

30. PRELIMINARY EXPENSES AND ISSUE EXPENSES

The preliminary and issue expenses (excluding VAT) relating to the transaction which have been incurred or that are expected to be incurred by the group are presented in the table below.

Expense	Recipient	R	£
UK legal fees	Pinsent Masons LLP	1 600 000	100 000
Sponsor fees	Peel Hunt	800 000	50 000
	Investec	800 000	50 000
	Java Capital	2 750 000	171 875
SA legal fees	Java Capital	100 000	6 250
Transfer secretarial fees	Computershare SA	35 008	2 188
Takeover Regulation Panel fees	Takeover Regulation Panel (in South Africa)	200 000	12 500
Printing costs	Ince (Proprietary) Limited	236 000	14 750
UK Registrar	Capita Registrars (Isle of Man) Limited	210 000	13 125
JSE listing fees	JSE	43 408	2 713
JSE documentation inspection fees: pre-listing statement	JSE	54 960	3 435
JSE documentation inspection fees: RIN unbundling and de-listing circular	JSE	18 160	1 135
JSE documentation inspection fees: articles of association of RI PLC	JSE	6 400	400
JSE ruling	JSE	4 128	258
Press announcements and marketing	Ince (Proprietary) Limited	300 000	18 750
Contingency		1 161 936	72 621
Total		8 320 000	520 000

Note:

A GBP:ZAR exchange rate of £1.00: R16.00 was used in the calculation of the above expenses.

31. DOCUMENTATION AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the company's registered office and from the company's JSE sponsor during business hours from date of issue of the pre-listing statement up to and including Monday, 28 October 2013:

- 31.1 the signed pre-listing statement;
- 31.2 the RIN unbundling and de-listing circular;
- 31.3 the memorandum of association and articles of association of RI PLC and its subsidiaries;
- 31.4 the category 1 circular dated 15 July 2011 issued by RIN pursuant to the reverse takeover;
- 31.5 the offer document dated 13 July 2011 issued by RI PLC pursuant to the reverse takeover;
- 31.6 the prospectus dated 13 July 2011 issued by Wichford pursuant to the reverse takeover;
- 31.7 the category 1 circular dated 15 July 2011 issued by RIN pursuant to the RI PLC capital raising;
- 31.8 the *pro rata* offer circular dated 3 August 2012 issued by RIN pursuant to the RI PLC capital raising;
- 31.9 the prospectus dated 13 September 2012 issued by RI PLC pursuant to the RI PLC capital raising;
- 31.10 the detailed valuation reports as at 28 February 2013;
- 31.11 the engagement letters with non-executive directors referred to in paragraph 4.2 of **Annexure 4**;
- 31.12 the letters of consent referred to in paragraph 29 above;
- 31.13 the material contracts referred to in paragraph 19 above and **Annexure 6** and **Annexure 7**;
- 31.14 the audited annual report of RI PLC for the years ended 31 August 2012 and 31 August 2011; and
- 31.15 the reviewed interim results of RI PLC for the six months ended 28 February 2013.

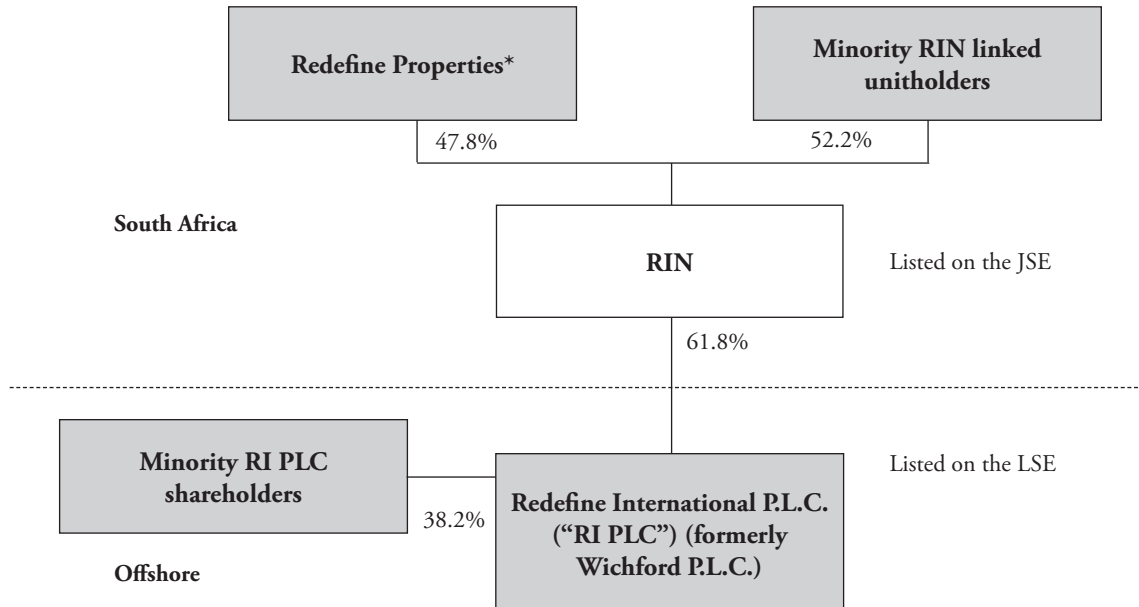
Signed by Richard Marcus Melhuish on his behalf and on behalf of all of the directors of the company on 19 September 2013 in terms of powers of attorney granted by them.

Richard Marcus Melhuish
Director

Duly authorised
19 September 2013

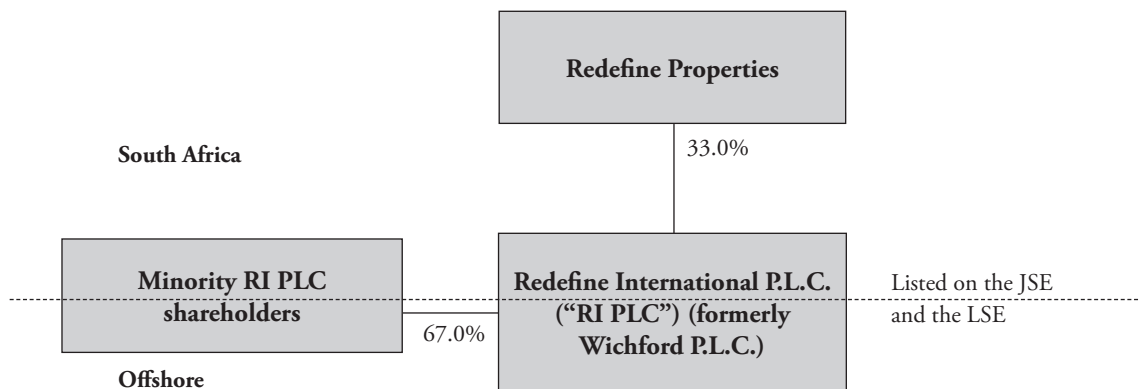
GROUP STRUCTURE

1. The current group structure before implementation of the transaction is set out below:



* In addition, Redefine Properties has an economic interest of approximately 3% in RI PLC.

2. The proposed group structure after implementation of the transaction is set out below:



DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

The following table contains a list, as at the date of this pre-listing statement, of the subsidiaries, associates and jointly controlled entities of the company that will be significant in terms of the company's assets and liabilities, financial position and profits and losses. None of the subsidiary companies are listed on any stock exchange.

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
1.	Wichford Centenary Court Limited	9 February 2004 BVI	580805	£4 117.80	100	£25.2 million	Property holding company	03/02/2006
2.	Wichford Edgbaston Holdings Limited	20 October 2005 BVI	681634	US\$ 000	100	£5.2 million	Property Holding company	22/12/2005
3.	B. Holding II GmbH	8 November 2005 Germany	HRB83114	€25 000	46.45	–	Limited partner	29/06/2007
4.	B Holding III GmbH	Germany	HRB82896	€25 000	46.45	–	Limited partner	29/06/2007
5.	Ludwigsburg Real Estate Management GmbH	11 May 2006 Germany	HRB77127	€25 000	48.87	–	Limited partner company	29/06/2007
6.	Ticino Real Estate Management GmbH	15 December 2005 Germany	HRB83236	€25 000	48.87	–	Limited partner company	29/06/2007
7.	RI Menora Berlin GmbH & Co. KG	29 February 2012 Germany	HRA46805	€10 000	46.45	€2.9 million	Property holding company	08/10/2012
8.	RI Menora Dresden GmbH & Co. KG	29 February 2012 Germany	HRA46807	€10 000	48.87	€4.5 million	Property holding company	08/10/2012
9.	RI Menora Ludwigsburg GmbH & Co. KG	29 February 2012 Germany	HRA46806	€10 000	48.87	€4.5 million	Property holding company	08/10/2012
10.	RI Menora Bergisch-Gladbach	14 August 2012 Germany	HRA47032	€10 000	46.45	€2.1 million	Property holding company	08/10/2012
11.	Wichford Edgbaston Limited	3 September 2004 Gibraltar	92721	2 000 shares of £1	100	£5.2 million	Property holding company	22/12/2005
12.	Wichford Aberdeen (Atholl House) Limited*	6 July 2005 Isle of Man	005963V	100 shares of £1	100	£10.3 million	Holding company	06/07/2005
13.	Wichford Aberdeen (Cullen House) Limited*	6 July 2005 Isle of Man	006010V	100 shares of £1	100	£7.5 million	Property holding company	06/07/2005
14.	Wichford Acton Limited*	25 February 2005 Isle of Man	006008V	100 shares of £1	100	£9.9 million	Property holding company	25/02/2005

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
15.	Wichford Alpha Limited	16 September 2004 Isle of Man	005776V	100 shares of £1	100	–	Holding company	16/09/2004
16.	Wichford Atherton Wigan Limited	24 March 2011 Isle of Man	005178V	100 shares of £1	100	£3.6 million	Property holding company	24/03/2010
17.	Wichford Barnsley Limited	17 March 2006 Isle of Man	005914V	100 shares of £1	100	£4.0 million	Property holding company	17/03/2006
18.	Wichford Basildon No. 1 Limited*	30 November 2005 Isle of Man	005964V	100 shares of £1	100	£7.8 million	Property holding company	30/11/2005
19.	Wichford Bedford Limited*	5 October 2004 Isle of Man	006009V	100 shares of £1	100	£1.4 million	Property holding company	05/10/2004
20.	Wichford Beta Limited	20 September 2004 Isle of Man	005777V	100 shares of £1	100	–	Holding company	20/09/2004
21.	Wichford Billingham Limited*	10 February 2006 Isle of Man	005920V	100 shares of £1	100	£1.0 million	Property holding company	10/02/2006
22.	Wichford Birkenhead Limited*	6 July 2005 Isle of Man	005965V	100 shares of £1	100	£11 million	Property holding company	06/07/2005
23.	Wichford Birmingham Limited*	6 July 2005 Isle of Man	005966V	100 shares of £1	100	£8.4 million	Property holding company	06/07/2005
24.	Wichford Bradford Limited*	6 July 2005 Isle of Man	005968V	100 shares of £1	100	£7.1 million	Property holding company	06/07/2005
25.	Wichford Bridgewater Limited*	6 July 2005 Isle of Man	005967V	100 shares of £1	100	£2.5 million	Property holding company	06/07/2005
26.	Wichford Bristol Limited	19 March 2007 Isle of Man	005916V	100 shares of £1	100	£7.5 million	Property holding company	19/03/2007
27.	Wichford Bromley Limited*	16 September 2004 Isle of Man	005989V	100 shares of £1	100	£14.5 million	Property holding company	16/09/2004
28.	Wichford Chatham Limited	11 April 2007 Isle of Man	005911V	100 shares of £1	100	£5.0 million	Property holding company	11/04/2007
29.	Wichford Chelmsford Limited	14 May 2007 Isle of Man	005921V	100 shares of £1	100	£4.0 million	Property holding company	14/05/2007
30.	Wichford Chester Limited*	6 July 2005 Isle of Man	005970V	100 shares of £1	100	£5.3 million	Property holding company	06/07/2005
31.	Wichford Chippenham Limited*	6 July 2005 Isle of Man	005971V	100 shares of £1	100	£3.1 million	Property holding company	06/07/2005

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
32.	Wichford DSA Dundee Limited	24 March 2010 Isle of Man	005180V	100 shares of £1	100	£2.1 million	Property holding company	24/03/2010
33.	Wichford DSA Uxbridge Limited	24 November 2009 Isle of Man	005922V	100 shares of £1	100	£6.1 million	Property holding company	24/11/2009
34.	Wichford Dalkeith Limited	6 July 2005 Isle of Man	005907V	100 shares of £1	100	£1.6 million	Property holding company	06/07/2005
35.	Wichford Delta Limited	11 July 2006 Isle of Man	005972V	100 shares of £1	100	–	Holding company	11/07/2006
36.	Wichford Dundee Limited*	6 July 2005 Isle of Man	005969V	100 shares of £1	100	£11.5 million	Property holding company	06/07/2005
37.	Wichford Durlley Limited	30 November 2005 Isle of Man	005918V	100 shares of £1	100	£16.3 million	Property holding company	30/11/2005
38.	Wichford Equitable House Limited	19 November 2010 Isle of Man	006239V	100 shares of £1	100	–	–	19/11/2010
39.	Wichford Europe Limited	8 December 2006 Isle of Man	005823V	100 shares of £1	100	–	Holding company	08/12/2006
40.	Wichford G1 Limited*	6 July 2005 Isle of Man	005973V	100 shares of £1	100	–	Property holding company	06/07/2005
41.	Wichford G2 Limited*	6 July 2005 Isle of Man	006012V	100 shares of £1	100	–	Property holding company	06/07/2005
42.	Wichford G3 Limited	6 July 2005 Isle of Man	005927V	100 shares of £1	100	£12.5 million	Unit holder	06/07/2005
43.	Wichford G4 Limited	6 July 2005 Isle of Man	005926V	100 shares of £1	100	<£0.1 million	Unit holder	06/07/2005
44.	Wichford Gamma Limited	20 September 2004 Isle of Man	006007V	100 shares of £1	100	–	Holding company	20/09/2004
45.	Wichford Gillingham Ltd	31 March 2008 Isle of Man	005825V	100 shares of £1	100	£3.6 million	Property holding company	31/03/2008
46.	Wichford Glidewell Limited	16 November 2004 Isle of Man	005904V	100 shares of £1	100	£3.7 million	Property holding company	16/11/2004
47.	Wichford Grays Limited	24 February 2005 Isle of Man	005915V	100 shares of £1	100	£2.0 million	Property holding company	24/02/2005
48.	Wichford Halle Limited	8 December 2006 Isle of Man	005824V	100 shares of £1	100	–	Limited partner	08/12/2006

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
49.	Wichford Halle II Limited	17 July 2007 Isle of Man	006004V	100 shares of £1	100	–	Limited partner	17/07/2007
50.	Wichford Halle III Limited	17 July 2007 Isle of Man	006005V	100 shares of £1	100	–	Limited partner	17/07/2007
51.	Wichford Halle IV Limited	8 December 2006 Isle of Man	006006V	100 shares of £1	100	–	Limited partner	08/12/2006
52.	Wichford Hartlepool Limited	20 September 2004 Isle of Man	005996V	100 shares of £1	100	£2.9 million	Property holding company	20/09/2004
53.	Wichford Lindsay Limited*	22 February 2005 Isle of Man	005974V	100 shares of £1	100	£5.3 million	Property holding company	22/02/2005
54.	Wichford Liverpool Limited	16 November 2004 Isle of Man	005925V	100 shares of £1	100	£3.9 million	Property holding company	16/11/2004
55.	Wichford Manchester Limited*	25 November 2004 Isle of Man	006028V	100 shares of £1	100	£2.1 million	Property holding company	25/11/2004
56.	Wichford Molineux Wolverhampton Limited	1 November 2006 Isle of Man	005923V	100 shares of £1	100	£5.1 million	Property holding company	01/11/2006
57.	Wichford Newcastle Limited	17 March 2006 Isle of Man	005908V	100 shares of £1	100	£1.9 million	Property holding company	17/03/2006
58.	Wichford Newington Causeway Limited	17 October 2006 Isle of Man	005924V	100 shares of £1	100	£7.5 million	Property holding company	17/10/2006
59.	Wichford Newport Road Limited*	06 July 2005 Isle of Man	005975V	100 shares of £1	100	£6.5 million	Property holding company	06/07/2005
60.	Wichford Northampton Limited*	7 December 2004 Isle of Man	005990V	100 shares of £1	100	£4.0 million	Property holding company	07/12/2004
61.	Wichford North Street Limited	24 November 2006 Isle of Man	005929V	100 shares of £1	100	£15.4 million	Property holding company	24/11/2006
62.	Wichford Norwich Limited*	14 November 2006 Isle of Man	005999V	100 shares of £1	100	£2.3 million	Property holding company	14/11/2006
63.	Wichford Paisley Limited*	8 December 2005 Isle of Man	005976V	100 shares of £1	100	£2.8 million	Property holding company	08/12/2005
64.	Wichford Park Place Leeds Limited	25 June 2010 Isle of Man	005562V	100 shares of £1	100	£7.6 million	Property holding company	25/06/2010
65.	Wichford Parliament Square Edinburgh Limited	9 March 2010 Isle of Man	005110V	100 shares of £1	100	£5.7 million	Property holding company	09/03/2010

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
66.	Wichford Peterborough Limited*	6 July 2005 Isle of Man	005980V	100 shares of £1	100	£12.2 million	Property holding company	06/07/2005
67.	Wichford Plymouth Limited*	8 December 2005 Isle of Man	005979V	100 shares of £1	100	£4.0 million	Property holding company	08/12/2005
68.	Wichford Property Holdings No. 3 Limited*	17 June 2005 Isle of Man	005981V	100 shares of £1	100	£3.1 million	Property holding company	17/06/2005
69.	Wichford Redcar Limited*	20 September 2004 Isle of Man	005997V	100 shares of £1	100	£1.2 million	Property holding company	20/09/2004
70.	Wichford Rotherham Limited*	20 September 2004 Isle of Man	005998V	100 shares of £1	100	£2.0 million	Property holding company	20/09/2004
71.	Wichford Salford Quays Limited*	17 June 2005 Isle of Man	005977V	100 shares of £1	100	£2.0 million	Property holding company	17/06/2005
72.	Wichford Sheffield Limited	20 September 2004 Isle of Man	005993V	100 shares of £1	100	£10.7 million	Property holding company	20/09/2004
73.	Wichford Smethwick Limited	21 April 2005 Isle of Man	005928V	100 shares of £1	100	£1.9 million	Property holding company	21/04/2005
74.	Wichford Sparkhill Limited	21 April 2005 Isle of Man	005917V	100 shares of £1	100	£1.8 million	Property holding company	21/04/2005
75.	Wichford St. Asaph Limited*	21 April 2005 Isle of Man	005992V	100 shares of £1	100	£6.6 million	Property holding company	21/04/2005
76	Wichford St George House Leeds Limited*	24 March 2010 Isle of Man	005179V	100 shares of £1	100	£11.2 million	Property holding company	24/03/2010
77.	Wichford St. Helens Limited*	16 November 2004 Isle of Man	005991V	100 shares of £1	100	£3.0 million	Property holding company	16/11/2004
78.	Wichford St. Mellons Limited*	6 July 2005 Isle of Man	006002V	100 shares of £1	100	£3.6 million	Property holding company	06/07/2005
79.	Wichford Swansea Limited*	6 July 2005 Isle of Man	005978V	100 shares of £1	100	£4.9 million	Property holding company	06/07/2005
80.	Wichford Swindon Limited	16 November 2004 Isle of Man	005903V	100 shares of £1	100	£5.9 million	Property holding company	16/11/2004
81.	Wichford Tamar Limited	21 March 2007 Isle of Man	005910V	100 shares of £1	100	£6.1 million	Property holding company	21/03/2007
82.	Wichford Telford Limited	17 February 2006 Isle of Man	005906V	100 shares of £1	100	£16.5 million	Property holding company	17/02/2006

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
83.	Wichford Temple Back Limited	17 December 2010 Isle of Man	004648V	100 shares of £1	100	£14.3 million	Property holding company	17/12/2009
84.	Wichford Wakefield Limited*	6 July 2005 Isle of Man	006003V	100 shares of £1	100	£19.1 million	Property holding company	06/07/2005
85.	Wichford Waterside Leeds Limited	17 March 2006 Isle of Man	005919V	100 shares of £1	100	£8.4 million	Property holding company	17/03/2006
86.	Wichford Wellesley Road Ltd	11 March 2008 Isle of Man	005905V	1 share of £1	100	£15.9 million	Property holding company	11/03/2008
87.	Wichford West Point Limited*	19 March 2007 Isle of Man	006000V	100 shares of £1	100	£7.2 million	Property holding company	19/03/2007
88.	Wichford West Tullis Aberdeen Limited	30 March 2010 Isle of Man	005200V	100 shares of £1	100	£2.2 million	Property holding company	30/03/2010
89.	Wichford Weymouth Limited	24 March 2010 Isle of Man	005186V	100 shares of £1	100	£2.6 million	Property holding company	24/03/2010
90.	Wichford Wigan Limited	20 September 2004 Isle of Man	005994V	100 shares of £1	100	£3.5 million	Property holding company	20/09/2004
91.	Wichford Wolverhampton Limited*	6 July 2005 Isle of Man	006001V	100 shares of £1	100	£4.2 million	Property holding company	06/07/2005
92.	Wichford Woodlands Limited	14 March 2003 Isle of Man	005909V	100 shares of £1	100	£22.1 million	Property holding company	14/03/2007
93.	Wichford Zeta Limited	8 April 2008 Isle of Man	005982V	100 shares of £1	100	–	Holding company	08/04/2008
94.	Exchange House Unit Trust	28 July 2005 Jersey	n/a	10,454,937 units of no par value	100	–	Property holding company	28/07/2005
95.	Wichford Harrow Limited	24 November 2003 Jersey	86507	2 shares of £1	100	£13.3 million	Holding company	09/01/2006
96.	Wichford Ipswich Limited	16 April 2004 Jersey	85263	10 shares of £1	100	£8.1 million	Holding company	26/06/2006
97.	Wichford Oldham Limited	20 April 2001 Jersey	79827	100 shares of £1	100	£3.5 million	Holding company	29/11/2006
98.	Wichford Southampton Ltd*	23 June 2000 Jersey	77554	2400 shares of £1	100	£3.7 million	Holding company	30/09/2005
99.	Wichford VGB Holding Sarl	23 May 2007 Luxembourg	B128.297	€500	100	–	Holding company	23/05/2007

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
100.	Cooperatie Redefine Internationaal Real Estate U.A.	17 July 2008 Netherlands	17229846	€9 210 000	100	–	Holding company	17/07/2008
101.	Redefine Internationaal Den Haag B.V.	17 July 2008 Netherlands	17229846	€18 000	100	€4.9 million	Holding company	17/07/2008
102.	Atholl No 1 Limited*	30 June 2003 England & Wales	4815326	£1 000	100	–	Holding company	16/07/2004
103.	Atholl No 2 Limited*	30 June 2003 England & Wales	4815328	£1 000	100	–	Holding company	16/07/2004
104.	Wichford Aberdeen No. 1 Limited*	30 June 2003 England & Wales	4815257	£1 000	100	–	Holding company	16/07/2004
105.	Wichford Aberdeen No. 2 Limited*	30 June 2003 England & Wales	4815410	£1 000	100	–	Holding company	16/07/2004
106.	Wichford Carlisle Limited*	19 March 2003 England & Wales	4702170	£1 000	100	£2.6 million	Holding company	16/09/2005
107.	Wichford Ladywell Limited*	21 September 2001 Scotland	SC223440	£1 000	100	–	Holding company	06/04/2005
108.	Wichford Property General Partner Limited	25 June 2002 England & Wales	4469387	£1 000	100	–	General partner	16/07/2004
109.	Acton Properties Limited	5 December 2005 BVI	1000876	£1	100	£197 572	Investment holding company	05/12/2005
110.	Churchill Court Limited	13 February 2008 BVI	1464427	£1 000	25.00	£2 198 380	Property holding company	13/02/2008
111.	Ciref Coventry Limited	29 March 2007 BVI	1395433	£100	50.00	£6 631 180	Holding company	29/03/2007
112.	Ciref Crawley Investments Limited	25 February 2008 BVI	1466467	£50 000	50.00	£2 089 671	Holding company	25/02/2008
113.	Ciref Crawley Limited	13 February 2008 BVI	1464384	£50 000	25	£3 116 687	Holding company	13/02/2008
114.	Ciref Europe Limited	1 May 2007 BVI	1402188	€309 459	95.99	–	Holding company	01/05/2007
115.	Ciref Jersey Limited	12 July 2006 BVI	1039117	£100	100	£3 147 959	Holding company	13/09/2006
116.	Ciref Malthurst Limited	7 March 2007 BVI	1391529	£1 000	100	£15 433 235	Holding company	07/03/2007

Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date		Nature of business	Date of becoming a subsidiary
					practicable date	business		
117. Gibson Property Holdings Limited	5 July 2005 BVI	1067773	£2 000	100	£2 922 581	Property holding company	05/07/2005	
118. Inkstone Grundstuckverwaltung Limited & Co KG	24 July 2006 Germany	HRA43205	€1 000	57.12	–	Property holding company	15/06/2009	
119. Inkstone Property no. 1 Limited	7 February 2006 BVI	1009526	US\$1	57.12	€2 823 538	Limited partner	10/07/2007	
120. Inkstone Zwei Grundstuckverwaltung Limited & Co KG	15 June 2007 Germany	HRA43987	€1 000	57.12	–	Property holding company	15/06/2009	
121. Inkstone Grundtucks Limited	13 March 2006 England & Wales	5741330	£1	57.12	–	General partner	13/03/2006	
122. Newington House Limited	16 August 2005 BVI	1000426	£10 000	100	£33 243	Property holding company	30/09/2005	
123. Redefine Hotel Holdings Limited	24 June 2010 BVI	1590979	£6 553	71.05	–	Holding company	26/07/2010	
124. Redefine Hotels Portfolio 1 Limited	24 March 2010 BVI	1577300	£100	71.05	£10 405 677	Property holding company	26/07/2010	
125. Redefine Hotels Portfolio 2 Limited	14 June 2010 BVI	1589767	£100	71.05	£8 841 978	Property holding company	26/07/2010	
126. Redefine Hotels Portfolio III Limited	24 June 2010 BVI	1591055	£1	71.05	£6 439 452	Property holding company	26/07/2010	
127. Redefine Hotels Portfolio IV Limited	24 June 2010 BVI	1591054	£1	71.05	£8 540 446	Property holding company	26/07/2010	
128. Redefine Hotels Portfolio V Limited	24 June 2010 BVI	1591053	£1	71.05	£8 905 361	Property holding company	26/07/2010	
129. Redefine Hotels Portfolio VI Limited	18 October 2012 BVI	1739273	£1	71.05	£1 820 400	Holding company	18/10/2012	
130. Redefine Hotels Reading Limited	8 March 2011 BVI	1635830	£100	71.05	£5 727 051	Property holding company	08/03/2011	
131. BNRI Earls Court Limited	29 October 2012 BVI	1741260	£500	42.63	£7 281 600	Property holding company	21/11/2012	
132. Redefine Wigan Limited	23 June 2010 BVI	1590959	£100	50.00	–	Holding company	23/06/2010	
133. Seaham Wax Limited	16 September 2008 BVI	1503562	£100	100	£100	Holding company	16/09/2008	

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
134.	St Georges Harrow Limited	4 July 2008 BVI	1491469	€1 000	100	£715 033	Property holding company	07/04/2011
135.	Swansea Estates Limited	18 October 2006 BVI	1057591	£1 000	50.00	£1 622 764	Property holding company	18/10/2006
136.	Trito Kwik-Fit Limited	24 November 2004 BVI	1065884	£13 048	100	£3 228 098	Holding company	30/09/2005
137.	Trito Gibson Limited	7 December 2004 BVI	1067774	£1 000	100	£1 418 006	Holding company	30/09/2005
138.	Tritam Investments Limited	28 June 2004 BVI	1067775	£7 730	100	£5 560 791	Holding company	29/09/2005
139.	Twenty Six The Esplanade Limited	8 September 2006 BVI	1050124	£50 000	50.00	£3 147 959	Holding company	01/11/2006
140.	Chelvey Holdings Limited	23 July 2010 Cyprus	HE271047	€1 000	64.02	€3 409 525	Holding company	05/08/2010
141.	Ciref Berlin (Cyprus) Limited	29 December 2006 Cyprus	HE 189519	€99 419	95.99	€9 317 068	Holding company	29/12/2006
142.	CirefNepi Holdings Limited	14 April 2008 Cyprus	HE227426	€100 000	48.00	€4 642 525	Holding company	14/04/2008
143.	Kalihora Holdings Limited	14 July 2005 Cyprus	HE 163072	€34 200	100	–	Holding company	15/09/2005
144.	Redefine Cyprus Limited	29 December 2009 Cyprus	HE260092	€50 000	100	£117 515 488	Holding company	29/12/2009
145.	R.I. Waldkraiburg Limited	7 December 2011 Cyprus	HE298173	€2 000	95.99	€200 965	Holding company	07/12/2011
146.	CEL Portfolio 1 Limited & Co KG	19 March 2008 Germany	HRA44578	€1 000	77.73	–	Property holding company	20/03/2008
147.	Kaiserlautern Merkurstrasse GmbH & Co. KG	18 October 2011 Germany	HRA12154	€1 000	48.30	€2 301 538	Property holding company	27/11/2012
148.	St Bau Retail 20 Untermehmergesellschaft	25 August 2010 Germany	HRB14306	€1 000	–	–	Limited partner	
149.	ITB FMZ Huckelhoven GmbH & Co. KG	15 December 2012 Germany	HRA6247	€100 000	50.13	€3 347 514	Property holding company	15/12/2012
150.	Premium Portfolio Limited & Co KG	6 March 2008 Germany	HRA44553	€1 000	48.00	€4 877 235	Property holding company	06/03/2008
151.	Premium Portfolio 2 Limited & Co KG	6 March 2008 Germany	HRA44544	€1 000	48.00	€4 313 683	Property holding company	06/03/2008

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
152.	Ciref Berlin 1 Limited	29 September 2006 Ireland	427371	€100 000	95.99	€7 360 452	Property holding company	29/12/2006
153.	Ciref Europe Management Limited	18 December 2007 Ireland	450901	€100	48.00	€9 199 413	Holding company	18/12/2007
154.	Ciref German Portfolio Limited	15 February 2007 Ireland	434925	€100	95.99	€1 993 855	Property holding company	15/02/2007
155.	Redefine Australian Investments Limited	10 December 2009 Ireland	478607	€100	100	€118 932 880	Investment holding company	12/02/2010
156.	Birchwood Warrington Limited	29 September 2006 Jersey	94661	£1 007	100	–	Property holding company	02/11/2006
157.	26 The Esplanade No. 1 Limited	28 March 2007 Jersey	96357	£10 000	50.00	£6 296 119	Property holding company	02/04/2009
158.	Matterhorn Brig SARL	5 August 2005 Luxembourg	B109895	CHF500	100	CHF2 681 490	Property holding company	05/08/2005
159.	Matterhorn Properties SARL	5 August 2005 Luxembourg	B109894	CHF1 000	100	–	Holding company	05/08/2005
160.	Matterhorn Vich SARL	5 August 2005 Luxembourg	B109897	CHF500	100	CHF3 380 165	Property holding company	05/08/2005
161.	Everton Shopping Centre SARL	9 July 2013 Luxembourg	B178605	€500	100	–	Property holding company	15/07/2013
162.	Everton Finco SARLS	9 July 2013 Luxembourg	B178606	€500	100	–	Property holding company	15/07/2013
163.	R.I. Menora German Holdings S.a.r.l.	8 February 2007 Luxembourg	B124033	€1 000	48.47	€4 561 477	Investment holding company	07/06/2012
164.	R.I. Menora German Holdings 2 S.a.r.l.	27 August 2012 Luxembourg	B171828	€500	48.47	€5 974 040	Limited partner	27/08/2012
165.	ITB Management Huckelhoven BV.	13 November 2008 Netherlands	9184978	€20 000	76	€229 716	Limited partner	
166.	ITB Baumarkt Schwandorf BV	22 August 2008 Netherlands	9181200	€20 000	48.02	€1 936 643	Property holding company	15/07/2011
167.	ITB FMZ Herzogenrath BV	6 August 2007 Netherlands	9164031	€20 000	48.02	€2 839 226	Property holding company	15/07/2011
168.	ITB FMZ Reinheim BV	27 September 2007 Netherlands	9171195	€20 000	64.02	€3 406 640	Holding company	15/07/2011
169.	ITB FMZ Waldkraiburg BV	9 September 2009 Netherlands	9174346	€20 000	51.33	€1 676 862	Property holding company	15/07/2011

	Name of company	Date and place of incorporation	Registration number	Issued share capital	% held	Inter-company loan as at the last practicable date	Nature of business	Date of becoming a subsidiary
170.	Princess Street Investments Limited	18 October 2004 Scotland	SC274858	£100	100	£1 529 892	Property holding company	24/05/2007
171.	Byron Place Seaham Limited	3 July 2003 England & Wales	4819259	£1	100	£100 000	Property holding company	27/04/2009
172.	Ciref Kwik-Fit Stafford Limited	20 July 20006 England & Wales	5882541	£480 500	84.15	£974 300	Property holding company	21/09/2006
173.	Ciref Kwik-Fit Stockport Limited	20 July 2006 England & Wales	5882537	£293 500	84.08	£615 358	Property holding company	21/09/2006
174.	Delamere Place Crewe Limited	4 December 2003 England & Wales	4984673	£130 000	100	–	Property holding company	10/05/2006
175.	Grand Arcade Wigan Limited	2 April 2001 England & Wales	4191641	£2 000	50.00	–	Property holding company	06/09/2010
176.	Pearl House Swansea Limited	27 April 2004 England & Wales	5114055	£1 000	50.00	£149 500	Holding company	21/09/2005
177.	Pearl House Residents Association Limited	5 May 2006 England & Wales	5808019	£1	50	–	Property holding company	05/05/2006
178.	Seaham Limited	1 August 2006 England & Wales	5893492	£1	100	£1 000 000	Property holding company	25/03/2010
179.	Standishgate Wigan Limited	7 October 1994 England & Wales	2976055	£100	50.00	–	Property holding company	06/09/2010
180.	West Orchards Coventry Limited	29 March 2007 England & Wales	6192658	£500 100	50	–	Property holding company	04/07/2007
181.	Redefine Gamma JV Limited	12 October 2009 Isle of Man	005827V	£100	100	–	Holding company	12/10/2009
182.	Redefine International Holdings Limited	28 September 2005 Jersey	91277	£4 521 822	100	£38 811 812	Holding company	28/12/2005
183.	Everton Shopping Centres S.a.r.l.	9 July 2013	B178605	€12 500	100	€13 541 127	Holding company	30/08/2013
184.	EKZ SSc Berlin GmbH & Co KG	29 June 2004	HRA 40893	€25 000	94	€7 674 625	Property holding company	30/08/2013
185.	CMC Shopping Center Altona GmbH	25 July 2006	HRB 93547	€25 000	94	–	Property holding company	30/08/2013
186.	SMK Erst Invetitions GmbH	5 January 2006	HRB 22135	€25 000	94	€5 866 502	Property holding company	30/08/2013

* These companies are part of the Gamma facility, which matured on 15 October 2012. Despite ongoing negotiations to restructure the £199.7 million loan facility, the servicer decided to appoint a receiver and although receivers have taken control of the companies, they have not taken over legal ownership.

INVESTMENT POLICY

The company's current investment policy is set out below.

1. INVESTMENT POLICY

The company's investment policy is to provide investors with strong investment returns and a balanced exposure to lower risk income generating assets and opportunities that will provide a higher capital return.

In implementing its investment policy, RI PLC will contemplate available opportunities and future undertakings that will yield satisfactory returns at acceptable risk levels. In making investments the company will seek to achieve a reasonable level of diversification across a spread of assets and geographies. The company currently has investments in the United Kingdom, Switzerland, Germany, the Netherlands, the Channel Islands and Australia concentrating on the retail, government, commercial (office and industrial) and hotel sectors.

2. INVESTMENT CRITERIA

The group will focus on property investments which provide a stable, predictable and low risk income stream, with opportunities to enhance value through active management.

The group will also selectively pursue development or redevelopment opportunities where they can be substantially pre-let to businesses with strong rental covenants or in order to protect, enhance or extract additional value from existing investments. This will include residential, hotel, retail or mixed use developments if appropriate.

The group may also look at distressed property investments where opportunities arise as markets recover. Investments outside the above criteria will only be made where risk adjusted returns to shareholders are satisfactory and the group has the reserves necessary to extract an above-market return from the investments.

The group will make investments in property *via* a number of methods which include:

- acquisition of the real estate assets or portfolio of assets;
- direct investment in or acquisition of the holding company of the real estate asset or portfolio of assets;
- direct investment in or acquisition of a joint venture vehicle which has a direct investment in or holds the real estate assets or the holding company of the real estate asset or portfolio of assets; and
- investments in property securities (debt and/or equity securities) which are acquired when their value is considered superior to physical property. These investments are often of a strategic nature where the shareholding can be used to unlock value in underlying property assets or significant influence can be exerted through board representation or through management.

3. GEARING

The level of gearing of the group will be governed by careful consideration of the cost of borrowing and the ability to mitigate the risk of interest rate increases and the effect of leverage on the returns generated from assets acquired. The group's directors intend that the level of borrowing will be between 50% and 65% of the gross value of its total assets through the cycle. The group's maximum level of gearing will not exceed 85% of the gross value of the group's total assets at any point in time. Details of the group's borrowing limits under its memorandum of association and articles of association are set out below.

The group's board may exercise all the powers of the group to borrow money, to give guarantees, to mortgage, hypothecate, pledge or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the group and, subject to the provisions of the Companies Acts 1931 to 2004 of the Isle of Man (as amended from time to time) and the memorandum of association and articles of association, to create and issue debenture and other loan stock and debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the group or of any third party provided that the group shall restrict the borrowings of the group so as to secure that the aggregate principal amount for the time being of all borrowings by the group and for the time being owing to persons outside the group shall not at any time, without the previous sanction of an ordinary resolution of the group exceed ten times the aggregate of:

- the amount paid up on the issued share capital for the time being of the company; and
- the total of capital and revenue reserves (including any share premium account, capital redemption reserve, all as shown in the latest balance sheet of the company).

4. INVESTMENT RESTRICTIONS

The group will not invest in forward funding a development on land in which the group does not have an interest without a pre-let agreement to lease.

The group will not invest in properties where the purchase price is not supported by an external valuation.

The group will not invest in properties where there are known to be material environmental issues.

The group will typically invest in properties in the UK with fully repairing and insuring leases.

No more than 15% in aggregate, of the value of the total assets of the group may be invested in other listed closed-ended investment funds and/or debt instruments (provided that if such listed closed-ended investment funds themselves do not have a published investment policy limiting exposure to other listed closed-ended investment funds to 15% of total assets, the maximum exposure of the group shall be 10% of its total assets).

In addition, pursuant to the UK Listing Rules, the group is subject to the following investment restrictions:

- The group must at all times manage its assets in a way which is consistent with its object of spreading investment risk and is in accordance with the company's published investment policy.
- The group and other members of the group must not conduct any trading activity which is significant in the context of the group as a whole.

5. INVESTMENT PROCESS

The directors set the investment policy (subject to shareholder approval), parameters and objectives and review and approve each sale or purchase of investment assets.

The group's investment adviser is responsible for identifying and reporting to the directors, the availability of new investment opportunities that fall within the investment policy and objectives. Following the identification of a potential new investment opportunity and approval by the directors, the investment adviser is responsible for negotiating the terms of investment.

It is anticipated that all associated costs and expenses incurred by the group when acquiring or disposing of properties, property portfolios or special purpose property vehicles will be paid for and capitalised by the group in order to determine the total cost.

6. CHANGES TO THE INVESTMENT POLICY

The group will apply its investment policy to all investments made and held by it. Any material changes to the investment policy of the group will only be made with the approval of shareholders by ordinary resolution at a general meeting, which will also be notified *via* a regulatory information service provider to the LSE and SENS.

If the group breaches its investment policy (including any investment restrictions), the group will make a notification *via* a regulatory information service provider to the LSE and SENS of details of the breach and of actions it may or may have taken.

7. INVESTOR PROFILE

RI PLC's directors expect typical investors in RI PLC to be primary UK- and SA-based fund managers or sophisticated private investors or those acting on the advice of their stockbroker or financial adviser, who are looking to allocate part of their investment portfolio to the UK, European countries other than the UK, and Australian commercial property market.

INFORMATION ON THE DIRECTORS OF RI PLC'S MATERIAL SUBSIDIARIES AND THE MANAGEMENT OF THE RIFM GROUP

1. DETAILS OF THE DIRECTORS AND THE MANAGEMENT

- 1.1 Details of the directors of RI PLC's material subsidiaries and the directors and management of the RIFM group are set out in the tables below:

Name, age and nationality	Business address	Qualification	Function
Material subsidiaries of RI PLC			
Dustyn Molver† 34 South African	Coastal Building 2nd Floor Wickhams Cay II PO Box 2221 Road Town, Tortola VG 1110 BVI	TEP, BCompt	Non-executive director
† Dustyn is a director of the majority of the BVI subsidiaries.			
RIFM			
Stephen Carlin 62 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Elec) Degree	Non-executive director
Nicolaas Faure 34 South African	2nd Floor Coronation House The Oval Protea Street Newlands Cape Town	BComm, BCompt	Executive director
Miles Cameron Walton 49 South African	Coastal Building Wickhams Cay II PO Box 2221 Road Town Tortola BVI	FCIS, TEP, IMC	Executive director
Andrew Joseph Konig 46 South African	Redefine Place 2 Arnold Road Rosebank, 2196 South Africa	BComm (Hons), CA(SA)	Non-executive director
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Non-executive director
RIPML			
Stephen Carlin 62 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Elec) Degree	Non-executive director

Name, age and nationality	Business address	Qualification	Function
Andrew Rowell 35 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BComm (Hons), CA(SA)	Executive director
Stephen James Oakenfull 34 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc (CM), CFA	Chief operating officer
Phillip David Cooper 49 British	Brown Cooper Marples 17 Grosvenor Street London W1K 4QG England	BSc (Hons), MRICS	Non-executive director
Michael John Watters 54 British	2nd Floor, 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Non-executive director
RI Investment Managers (UK)			
Stephen Carlin 62 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Elec)	Executive director
Andrew Rowell 35 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BComm (Hons) CA(SA)	Executive director
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Executive director
RIFME			
Nicolaas Faure 34 South African	2nd Floor Coronation House The Oval Protea Street Newlands Cape Town	BComm, BCompt	Non-executive director
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Non-executive director
RBHG			
Stephen Carlin 62 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Elec)	Non-executive director

Name, age and nationality	Business address	Qualification	Function
Dustyn Molver 34 South African	Coastal Building 2nd Floor Wickhams Cay II PO Box 2221 Road Town, Tortola BVI VG 1110	TEP, BCompt	Non-executive director
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Executive director
Hans Rudolf Enderle 69 South African	19th Floor Newton Tower Sir William Newton Street Port Louis Mauritius	–	Non-executive director
Marc Wainer 64 South African	Redefine Place 2 Arnold Road Rosebank, 2196 South Africa	–	Executive director
Helder Ricardo Silva Pereira 58 Portuguese	Holiday Inn Brentford Lock Commerce Road, Brentford Middlesex, TW8 8GA England	NDip (Hons) Hotel Keeping, MDP	Executive director
RIGS			
Stephen Carlin 62 British	2nd Floor 30 Charles II Street London SW1Y 4EA England	BSc Eng (Elec)	Executive director
Nicolaas Faure 34 South African	2nd Floor Coronation House The Oval Protea Street Newlands Cape Town	BComm, BCompt	Executive director
Nicholas Robert Landor 55 British	Channel House Green Street St Helier Jersey JE2 4UH	TEP	Non-executive director
Christopher Alec McFadyen 62 British	Channel House Green Street St Helier Jersey JE2 4UH	FCA, FCCA, TEP	Non-executive director
Andrew Rowell 35 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BComm (Hons), CA(SA)	Executive director

Name, age and nationality	Business address	Qualification	Function
Timothy Nicholas Scott Warren 58 British	Channel House Green Street St Helier Jersey JE2 4UH	FCA, TEP	Non-executive director
Linda Culleton 31 Irish	2nd Floor Europa House Harcourt Centre Harcourt Street Dublin 2 Republic of Ireland	CA	Non-executive director
RIFM management			
Michael John Watters 54 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil), MBA	Chief executive officer
Stephen James Oakenfull 34 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSC (CM), CFA	Chief operating officer
Andrew Rowell 35 South African	2nd Floor 30 Charles II Street London SW1Y 4BP England	BComm (Hons), CA(SA)	Finance director
Phillip David Cooper 49 British	BCM 17 Grosvenor Street London W1K 4QG England	BSc (Hons), MRICS	Non-executive director
Peter Edward Katz 42 Israeli	2nd Floor 30 Charles II Street London SW1Y 4AE England	BA, LLB, MA (Tax) Master of Laws (Tax)	Executive director Europe
Helder Ricardo Silva Pereira 58 Portuguese	Holiday Inn Brentford Lock, Commerce Road, Brentford Middlesex, TW8 8GA England	NDip (Hons) Hotel Keeping, MDP	Executive director
Peter McAllister Todd 54 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BComm/LLB, HDip Tax	Non-executive director#1
Darryl Kohler 55 South African	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc Eng (Civil)	Group development officer
Vedran Kosoric 32 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	BSc (Hons), MRICS	Senior asset manager UK stable

Name, age and nationality	Business address	Qualification	Function
Nicholas Alexander Gregory 43 British	2nd Floor 30 Charles II Street London SW1Y 4AE England	MSc, MRICS	Senior asset manager UK retail

- 1.2 The experience and expertise of the directors of RI PLC's material subsidiaries and the directors and management of the RIFM group are set out below:

Stephen Carlin

Stephen Carlin is a qualified engineer with over 30 years' experience in the real estate industry. He has been involved in many aspects of the industry, including property services, project management and development.

Nicolaas Faure

Nicolaas Faure is a director of RIFM. He has a BComm and BCompt Degree and completed his articles with Kirkman Lanfear in Cape Town between 2003 and 2005.

Peter Katz

Peter Katz is a qualified lawyer with a masters degree in taxation. He has eight years' experience in law and taxation having worked in the property department of one of Australia's largest law firms as well as being a senior tax manager at Deloitte and Touche. For the last five years, Peter has been sourcing property acquisitions and banking finance in Western Europe. Peter is currently responsible for the asset management of the western European portfolio of properties.

Nicholas Landor

Nicholas Landor has over 30 years' experience in fiduciary services. Previously he was Managing Director of one of the largest trust companies in Jersey, having led that business through several key acquisitions. Prior to that, he was Director and General Manager for the offshore trust division of a major UK bank.

Christopher McFadyen

Christopher McFadyen qualified as a Chartered Accountant at age 22. He founded and ran one of Jersey's most successful independent trust companies. Over the course of his career he has dealt with the majority of problems facing trust businesses. His advice is sought by other professionals in potentially litigious cases. He has also been involved with the commercial activities of his clients.

Dustyn Molver

Dustyn Molver is a senior trust accountant with a Bachelor of accounting science degree. He spent six years in auditing and accounting at a firm of chartered accountants in South Africa. He is currently the senior trust accountant for Osiris International Trustees Limited in the British Virgin Islands. Prior to joining Osiris he was an audit supervisor at Kirkman Lanfear Inc in Cape Town, South Africa.

Stephen Oakenfull

Stephen Oakenfull is a CFA charterholder with a BSc (Hons) Degree in Construction Management. He spent four years working as a management consultant for Turner & Townsend, an international construction and management consultancy, both in South Africa and London. Prior to joining Redefine International Fund Managers Limited Stephen worked for DTZ Corporate Finance in London where he focused on capital raising for property developments and investments in the UK and Europe. Stephen is the Chief Operating Officer of the investment adviser.

Helder Pereira

Prior to joining Redefine International Hotels, Helder Pereira was the Managing Director of Southern Sun Hotels, a part of Tsogo Sun Holdings, the largest Hotel and Gaming company in the Southern Hemisphere. Helder has held many positions in the hospitality industry and is a Fellow of the Institute of Hospitality and was on the Board of the Tourism Council of South Africa. Until recently he was the Chairman of the IAHI (International Association of Hospitality Advisors) (Europe, Middle East and Africa) and on the IAHI InterContinental Hotel Group franchisee representative board.

Andrew Rowell

Andrew Rowell is a Chartered Accountant with a BComm (Hons) Degree. He spent four years with PricewaterhouseCoopers, South Africa, and the USA. Andrew was group accountant for the Mvelaphanda Group, a listed investment company in South Africa, prior to joining the Redefine International Group.

Miles Walton

Miles Walton is a fellow of the Institute of Chartered Secretaries and Administrators, and also a member of the Society of Trust Estate Practitioners (TEP). He has worked in the financial services industry for over 20 years in Jersey and the BVI and was head of Equity Trust's International Incorporations Division and a director of trust and fiduciary services for Equity Trust's BVI, Panama and Bermudan offices since July 2004. His further qualifications include the UK Securities Institute Investment Management Certificate and a BA degree in International Business with marketing and management.

Timothy Scott Warren

Qualified as a Chartered Accountant in 1979 and has since been involved in the financial service industry. Tim Scott Warren was formerly Managing Director and thereafter Chairman of a respected bank trust company. Mr Scott Warren's particular experience is of employee benefit matters and complex trust issues.

Michael Watters

Michael Watters is a qualified engineer with a BSc Eng (Civil) Degree and an MBA. He has over 25 years' experience in the investment banking and real estate industries. He has held directorships of some of South Africa's top rated listed property funds including Sycom Property Fund and Hyprop Investments Limited as well as the Sapphire Retail Fund in the United Kingdom. He is CEO of the Redefine International Group.

Philip Cooper

A chartered surveyor, with a BSc (Honours) in Urban Surveying, Philip Cooper has 27 years' experience of the property investment market and worked for 11 of those years with Weatherall Green & Smith. In 1996 he co-founded BCM, a real estate investment adviser, which acts primarily for property companies, geared funds and high net worth individuals.

Darryl Kohler

Darryl Kohler is a registered professional engineer with a BSc Eng. (Civil) degree and a Graduate Diploma in Construction Management. He practiced as an Engineer for 15 years before entering the property industry where he worked for several years with a dynamic property development company in South Africa. Prior to joining Redefine International Group he developed and managed his own property portfolio of office, residential and petrol filling station interests.

Vedran Kosoric

Vedran Kosoric is a chartered surveyor and a member of the Royal Institute of Chartered Surveyors, with a BSc (Hons) degree from the University of Reading. Prior to joining Redefine International Group, he worked for Land Securities Trillium, now Telereal Trillium, one of the UK's largest property companies. He was responsible for creating value for shareholders by proactive asset management of public and private sector property portfolios, managed within the Corporate Real Estate Group.

Nicholas Gregory

Nick Gregory is a qualified chartered surveyor, with an MSc in property investment from Cass Business School. Nick has 10 years' experience in the shopping centre sub-sector, firstly with The Glanmore Property Fund and latterly six years with Hammerson, one of the UK's largest real estate investment trusts. Nick was asset manager for three super prime centres at Hammerson, including the Bullring in Birmingham, and was responsible for a number of exciting asset management and development projects. Prior to this Nick worked in private practice in several analytical and professional roles.

2. DIRECTORS' INTERESTS

2.1 RI PLC directors' interests in RI PLC shares

2.1.1 Set out below are the names of directors (including directors who have resigned in the last 18 months) of RI PLC that, directly or indirectly, are beneficially interested in RI PLC shares in issue at the last practical date, before the transaction:

Directors	Beneficially held		Total	%
	Directly	Indirectly		
Greg Clarke	–	–	–	–
Ita McArdle	3 172	–	3 172	0.00*
Gavin Tipper	–	398 068	398 068	0.04
Michael Farrow	–	–	–	–
Richard Melhuish	16 922	–	16 922	0.00*
Robert Mark Taylor	–	–	–	–
Marc Wainer	–	2 063 902	2 063 902	0.20
Michael Watters [^]	–	3 250 816	3 250 816	0.31
Stewart Shaw-Taylor	411 230	456 922	868 152	0.08
Total	431 324	6 169 708	6 601 032	0.63

*less than 0.01%.

[^] The beneficial interests of Michael Watters are held indirectly through his shareholding in Corovest Offshore.

Save for the change in Michael Watters' indirect shareholding from 3 063 231 shares to 3 250 816 shares as announced on 29 July 2013, there were no other changes to the interests of the other directors of RI PLC in RI PLC shares between 28 February 2013, being the end of the preceding reporting period and the last practical date.

2.1.2 Following the transaction the interests of the directors of RI PLC in RI PLC shares will be as follows:

Directors	Beneficially held		Total	%
	Directly	Indirectly		
Greg Clarke	–	–	–	–
Ita McArdle	3 172	–	3 172	0.00*
Gavin Tipper	–	398 068	398 068	0.04
Michael Farrow	–	–	–	–
Richard Melhuish	16 922	–	16 922	0.00*
Robert Mark Taylor	–	–	–	–
Marc Wainer	–	2 063 902	2 063 902	0.20
Michael Watters [^]	–	3 250 816	3 250 816	0.31
Stewart Shaw-Taylor	411 230	456 922	868 152	0.08
Total	431 324	6 169 708	6 601 032	0.63

*less than 0.01%.

[^] The beneficial interests of Michael Watters are held indirectly through his shareholding in Corovest Offshore.

Save for the change in Michael Watters indirect shareholding from 3 063 231 shares to 3 250 816 shares as announced on 29 July 2013, there were no other changes to the interests of the other directors of RI PLC in RI PLC shares between 28 February 2013, being the end of the preceding reporting period and the last practical date.

2.2 RIFM group director's interest in RI PLC shares

2.2.1 Set out below are the names of directors (including directors who have resigned in the last 18 months) of the RIFM group that, directly or indirectly, are beneficially interested in RI PLC shares in issue at the last practical date before the transaction:

Directors	Beneficially held		Total	%
	Directly	Indirectly		
Stephen Carlin**	–	2 229 109	2 229 109	0.21
Philip Cooper	–	–	–	–
Nicolaas Faure	–	–	–	–
Peter Katz	–	–	–	–
Nicholas Landor	–	–	–	–
Christopher McFadyen	–	–	–	–
Dustyn Molver	–	–	–	–
Stephen Oakenfull [^]	–	324 099	324 099	0.03
Helder Pereira	–	–	–	–
Andrew Rowell**	–	358 928	358 928	0.03
Peter Todd	–	562 004	562 004	0.05
Bernie Nackan	–	10 647	10 647	0.00*
Miles Walton	–	–	–	–
Timothy Scott Warren	–	–	–	–
Total	–	3 484 787	3 484 787	0.32

*less than 0.01%.

**Certain of the beneficial interests of Stephen Carlin and Andrew Rowell are held indirectly through their shareholding in Corovest Offshore Limited.

[^] The beneficial interests of Stephen Oakenfull are held indirectly through his shareholding in Corovest Offshore.

- 2.2.2 The table below sets out the number of RI PLC shares acquired by the directors of the RIFM group who are also shareholders of RI PLC in respect of their entitlements in terms of the RI PLC capital raising concluded on 8 October 2012:

Directors	Beneficially held		Total	%
	Directly	Indirectly		
Stephen Carlin**	–	1 196 759	1 196 759	0.24
Philip Cooper	–	–	–	–
Nicolaas Faure	–	–	–	–
Peter Katz	–	–	–	–
Nicholas Landor	–	–	–	–
Christopher McFadyen	–	–	–	–
Dustyn Molver	–	–	–	–
Stephen Oakenfull^	–	138 792	138 792	0.03
Helder Pereira	–	–	–	–
Andrew Rowell**	–	165 583	165 583	0.03
Peter Todd	–	–	–	–
Bernie Nackan	–	5 768	5 768	0.00*
Miles Walton	–	–	–	–
Timothy Scott Warren	–	–	–	–
Total	–	1 506 902	1 506 902	0.30

*less than 0.01%.

**Certain of the beneficial interests of Stephen Carlin and Andrew Rowell are held indirectly through their shareholding in Corovest Offshore.

^ The beneficial interests of Stephen Oakenfull are held indirectly through his shareholding in Corovest Offshore.

- 2.2.3 Following the transaction the interests of the directors of the RIFM group in RI PLC shares will be as follows:

Directors	Beneficially held		Total	%
	Directly	Indirectly		
Stephen Carlin**	–	2 229 109	2 229 109	0.21
Philip Cooper	–	–	–	–
Nicolaas Faure	–	–	–	–
Peter Katz	–	–	–	–
Nicholas Landor	–	–	–	–
Christopher McFadyen	–	–	–	–
Dustyn Molver	–	–	–	–
Stephen Oakenfull^	–	324 099	324 099	0.03
Helder Pereira	–	–	–	–
Andrew Rowell**	–	358 928	358 928	0.03
Peter Todd	–	562 004	562 004	0.06
Bernie Nackan	–	10 647	10 647	0.00*
Miles Walton	–	–	–	–
Timothy Scott Warren	–	–	–	–
Total	–	3 484 787	3 484 787	0.33

*less than 0.01%.

**Certain of the beneficial interests of Stephen Carlin and Andrew Rowell are held indirectly through their shareholding in Corovest Offshore.

^ The beneficial interests of Stephen Oakenfull are held indirectly through his shareholding in Corovest Offshore.

- 2.2.4 Save for as disclosed within this paragraph, none of the entities forming part of the RIFM group, directly or indirectly, are beneficially interested in the share capital of RI PLC as at the last practical date.

2.3 Directors' interests in transactions

- 2.3.1 The directors of RI PLC and the directors of the RIFM group who are also shareholders of RI PLC subscribed for 3 452 944 RI PLC shares and 1 506 902 RI PLC shares, respectively, in respect of their entitlements in terms of the RI PLC capital raising.

- 2.3.2 Save for their entitlements in terms of the RI PLC capital raising, none of the directors of the company or the RIFM group, including a director of the company or the RIFM group who resigned during the last 18 months, has or had any material beneficial interest, direct or indirect, in transactions, that were effected by the group during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.

3. INTERESTS OF DIRECTORS AND PROMOTERS

- 3.1 No amount has been paid, or is accrued as payable, within the preceding three years, or is proposed to be paid to any promoter or to any partnership, syndicate or other association of which such promoter is or was a member and no other benefit has been given or is proposed to be given to such promoter, partnership, syndicate or other association within the said period.
- 3.2 None of the directors or promoters of RI PLC or the RIFM group have received any material beneficial interest, direct or indirect, in the promotion of the group or its properties, as disclosed in **Annexure 10**, during the three years preceding this pre-listing statement. This includes a partnership, company, syndicate or other association.
- 3.3 No amount has been paid, or agreed to be paid, within the three years preceding the date of this pre-listing statement, to any director of RI PLC or the RIFM group or to any company in which such director is beneficially interested, directly or indirectly, or of which he is a director (“**the associate company**”) or to any partnership, syndicate or other association of which he is a member (“**the associate entity**”), in cash, securities or otherwise, by any person, either to induce him to become, or to qualify him as a director or otherwise for services rendered by him or by the associate company or the associate entity in connection with the promotion or formation of the RI PLC group.

4. DIRECTORS' EMOLUMENTS

The emoluments of the directors for the year ended 31 August 2012 are set out in the table below:

Director	Basic salaries £	Directors' fees £	Other fees £	Expense allowances £	Pension scheme contributions £	Other material benefits £	Commission gain, or profit sharing arrangements £	Bonuses and other performance payments £	Total £
<i>Non-executive directors</i>									
Gregory Clarke	–	75 000	–	–	–	–	–	–	75 000
Michael Watters	–	30 000	–	–	–	–	–	–	30 000
Ita McArdle	–	30 000	–	–	–	–	–	–	30 000
Richard Melhuish	–	30 000	–	–	–	–	–	–	30 000
Mark Taylor	–	35 000	–	–	–	–	–	–	35 000
Gavin Tipper	–	40 000	–	–	–	–	–	–	40 000
Michael Farrow	–	35 000	–	–	–	–	–	–	35 000
Stuart Shaw-Taylor	–	40 000	–	–	–	–	–	–	40 000
Marc Wainer	–	30 000	–	–	–	–	–	–	30 000
Total	–	345 000	–	–	–	–	–	–	345 000

- 4.1 Save for the table above, the directors of RI PLC did not receive any emoluments for the year ended 31 August 2012 in the form of:
- 4.1.1 fees for services as a director;
- 4.1.2 management, consulting, technical or other fees paid for such services rendered, directly or indirectly, including payments to management companies, a part of which is then paid to a director of the company;
- 4.1.3 basic salaries;
- 4.1.4 bonuses and performance-related payments;
- 4.1.5 sums paid by way of expense allowance;
- 4.1.6 any other material benefits received;
- 4.1.7 contributions paid under any pension scheme; or
- 4.1.8 any commission, gain or profit-sharing arrangements.
- 4.2 The terms of remuneration of the directors are set out below:
- 4.2.1 Ita McArdle has entered into an engagement letter dated 19 December 2007 with the company, which records the terms of her appointment as non-executive director of the company, and has also received a fee letter dated 16 March 2006 from the company. Pursuant to these letters, Ita McArdle is now entitled to be remunerated in an amount of £30 000 per annum.

- 4.2.2 Michael Watters has entered into an engagement letter with the company dated 3 October 2011 which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Watters is entitled to be remunerated in an amount of £30 000 per annum.
- 4.2.3 Richard Melhuish has entered into an engagement letter dated 19 December 2007 with the company, which records the terms of his appointment as non-executive director of the company. Pursuant to this letter, Richard Melhuish is entitled to be remunerated in an amount of £30 000 per annum.
- 4.2.4 Robert Mark Taylor has entered into an engagement letter dated 19 December 2007 with the company which records the terms of his appointment as non-executive director of the company. Pursuant to this letter, Mark Taylor is entitled to be remunerated in an amount of £35 000 per annum.
- 4.2.5 Gavin Tipper has entered into an engagement letter with the company dated 3 October 2011 which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Tipper is entitled to be remunerated in an amount of £40 000 per annum.
- 4.2.6 Michael Farrow has entered into an engagement letter with the company, dated 3 October 2011, which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Farrow is entitled to be remunerated in an amount of £35 000 per annum.
- 4.2.7 Stewart Shaw-Taylor has entered into an engagement letter with the company dated 3 October 2011 which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Shaw-Taylor is entitled to be remunerated in an amount of £40 000 per annum.
- 4.2.8 Marc Wainer has entered into an engagement letter with the company dated 3 October 2011 which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Wainer is entitled to be remunerated in an amount of £30 000 per annum.
- 4.2.9 Gregory Clarke has entered into an engagement letter with the company dated 3 October 2011 which records the terms of his appointment as a non-executive director of the company. Pursuant to this letter, Mr Clarke is entitled to be remunerated in an amount of £75 000 per annum.
- 4.3 All engagement letters referred to in paragraphs 4.2.1 to 4.2.9 above are on substantially similar terms and include provisions relating to, *inter alia*, responsibilities, remuneration, conflicts of interest and insurance in respect of each of the directors, *vis-à-vis* the company. The letters shall terminate when the first of one of the following occurs:
 - 4.3.1 if the director is not re-appointed as a director by the shareholders following his retirement in accordance with the articles of association; or
 - 4.3.2 if he or she is removed as a director or vacates his or her office pursuant to the law or the articles of association;
 - 4.3.3 if he or she resigns or does not offer himself or herself for re-election by shareholders either for his or her own reasons or at the request of the board; or
 - 4.3.4 he or she gives the company three months' notice in writing.
- 4.4 No share options or any other right has been given to a director of the company in respect of providing a right to subscribe for shares in RI PLC.
- 4.5 No shares have been issued and allotted in terms of a share purchase or share option scheme for any of the employees.
- 4.6 The directors are remunerated by RI PLC. The directors did not receive any remuneration or benefit from any holding company, subsidiary, associate, joint venture or third party management or advisory company.
- 4.7 RI PLC has not paid any other fees or incurred any fees that are payable to a third party in *lieu* of directors' fees.
- 4.8 The remuneration of the directors will not be varied as a consequence of the transaction.
- 4.9 Save for the relationship with the investment adviser, as set out in paragraph 5 of the pre-listing statement, the business of RI PLC, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.
- 4.10 Other than the investment adviser agreement, the company has not entered into any contracts relating to the directors' and managerial remuneration, secretarial and technical fees and restraint payments.

5. BORROWING POWERS

The directors intend that the group's level of borrowing will be between 50% and 65% of the gross value of its total assets through the cycle. The group's maximum level of gearing will not exceed 85% of the gross value of the group's total assets at any point in time. The group's borrowings shall not at any time, without the previous sanction of an ordinary resolution of the company exceed ten times the aggregate of the amount paid up on the issued share capital of the company and the total of capital and revenue reserves.

The borrowing powers have not been exceeded during the previous three years. Further information related to the borrowing powers of directors are set out in **Annexure 8**.

6. DIRECTORS' DECLARATIONS

- 6.1 Save as disclosed in respect of Mr Farrow and Mr Watters below, the following signed declarations have been made by each director as required in terms of Schedule 21 of the JSE Listings Requirements that they have not:
- 6.1.1 been a director of a company that has been put into liquidation or been placed under business rescue proceedings or had an administrator or other executor appointed during the period when he was (or within the preceding 12 months had been) one of its directors, or alternate directors or equivalent position;
 - 6.1.2 either themselves or any company of which he was a director or an alternate director or officer at the time of the offence, been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the South African Companies Act, 2008 or the IOM Act;
 - 6.1.3 been removed from an office of trust, on grounds of misconduct, involving dishonesty;
 - 6.1.4 been disqualified by a court from acting as a director of the company, or from acting in management or conduct of the affairs of any company;
 - 6.1.5 been appointed as a director of an AltX company;
 - 6.1.6 been convicted of an offence resulting from dishonesty, fraud, theft, perjury, misrepresentation or embezzlement;
 - 6.1.7 been adjudged bankrupt or sequestered in any jurisdiction.;
 - 6.1.8 been a party to a scheme of arrangement or made any other form of compromise with his creditors;
 - 6.1.9 been found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
 - 6.1.10 had any court grant an order declaring him to be a delinquent or placed such director under probation in terms of sections 162 of the South African Companies Act, 2008 and/or 47 of the South African Close Corporations Act, 1984 (Act No. 69 of 1984);
 - 6.1.11 been barred from entry into any profession or occupation; or
 - 6.1.12 been involved in any bankruptcies, insolvencies or individual voluntary compromise arrangements of such person;
 - 6.1.13 have been involved in any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);
 - 6.1.14 entered into receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event; or
 - 6.1.15 been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the South African Companies Act, 2008.
- 6.2 Mr Farrow was a director of the following company which entered administration: Freedom Interactive Limited.
- 6.3 Mr Watters was a director of the following companies which entered administration: Friars Walk Newport Limited, Trinity Walk Wakefield Limited and Modus Corovest Blackpool Limited.

7. RELATIONSHIP INFORMATION

- 7.1 The directors, promoters, the RIFM group and the property managers, do not have any beneficial interests, direct or indirect, in relation to any property held or property to be acquired by the group nor are they contracted to become a tenant of any part of the property of the group.
- 7.2 There is no relationship between any parties mentioned in paragraph 7.1 of this annexure and another person that may conflict with a duty to the group.
- 7.3 Neither the RIFM group, nor its directors have any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by RI PLC in order to finance the acquisition of any properties in the property portfolio.
- 7.4 Neither the property managers, nor its directors have any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by RI PLC in order to finance the acquisition of any properties in the property portfolio.
- 7.5 Save as disclosed in **Annexure 10**, the vendors did not have any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by RI PLC in order to finance the acquisition of any properties in the property portfolio.
- 7.6 The directors of RI PLC, the directors of the RIFM group, the directors of the property managers and promoters have not had a material beneficial interest in the acquisition or disposal of any properties of the group during the preceding two years.

CURRENT AND PAST DIRECTORSHIPS

The table below lists the companies and partnerships of which each director of RI PLC is currently a director or partner as well as the companies and partnerships of which each director of RI PLC was a director or partner over the five years preceding this pre-listing statement:

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
Gregory Clarke	The Football League Limited Eteach group Limited Stratus (Holdings) Limited The Meteorological Office EGHL Limited	British United Provident Association Lend Lease Corporation
Ita McArdle	Agri Innovation Master Fund Plc Agri Innovation Fund Plc ALIL Services Limited Belsay Limited Capital Investment Fund PCC PLC Corrado Investments Limited Eden Rock Finance Master Ltd Eden Rock Unleveraged Master Ltd Eden Rock Asset Based Lending Fund Ltd Eden Rock Asset Based Lending Master Ltd Eden Rock Direct Lending Master Ltd Eden Rock Direct Lending Fund EMCO Alternative Property Master Fund EMCO Alternative Property Fund Innish Consulting Limited IQE Limited IQE (Mauritius) Limited Laurentia Global Fund Limited The Legacy Fund PCC PLC The Legacy Subsidiary Limited National Grid Insurance Company (Isle of Man) Limited NS Holding IOM Limited OCIM Market-Neutral Equity Fund Limited Odyssey Alternative Strategy Fund Limited Odyssey Reserve Portfolio Limited Ridgeway Corporate Services Limited RS Investments Limited Scarista Limited SEIF Global Limited Solid Rock Liquidating Investments Limited Solid Rock Special Situations Ltd Solid Rock Special Situations 2 Limited The Premier Property Options Fund plc Themis MN Fund PLC Tilly Masterson & Co PLC Vaultex Isle of Man Insurance Limited Women's Aid The Alpen Fund Limited	The Alpen Redemptions Ltd Alliance & Leicester International Holdings Limited Appleby Global group Services Limited Artara Limited Berkshire UK Industrial Properties (Isle of Man) Ltd Blomidon Investments Limited Bradford and Bingley International Limited Bulgarian Land Development plc Creechurch Capital Limited Crestatus Limited Court Management Limited Dev Property Development Plc Eden Rock Fund Ltd Eden Rock Master Ltd Eden Rock Diversified Finance Fund Ltd Eden Rock Diversified Master Ltd Eden Rock Structured Finance Institutional Fund Ltd Eden Rock Structured Finance Ltd Fallan Limited Hellenic Hull Insurance Company Limited Holidaybreak Holding Company Limited Jayspen (No. 2) Limited Kellsalt (No. 2) Limited Kilgowan Limited Klar Global Limited Litigation Solutions PCC Limited Lochside Limited LP Hedge Fund Limited Mayweather Limited Multihedge Management Limited Neilson Global Convertible Fund NGT Holding Company (Isle of Man) Limited Night Time Corporation (No. 2) Limited Odyssey Illiquid Portfolio Limited Paradiddle Limited Prime Rate Cash Management Funds (Isle of Man) Limited

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
Richard Melhuish	Berryhill 1 Limited Cambridge Research Park Limited Campion Holdings Limited Castletown (General Partner I) Limited Castletown (General Partner II) Limited Castletown (General Partner III) Limited Castletown Private Equity Limited Chancerygate (IOM) Limited Clean Power Properties Limited Corrado Investments Limited Craighouse Limited Eden Rock Asset Based Lending Fund Limited Eden Rock Asset Based Lending Master Limited Eden Rock Direct Lending Fund Limited Eden Rock Direct Lending Master Limited Eden Rock Finance Master Limited Eden Rock Unleveraged Finance EMCO Capital Management Limited Master Limited Glenville Limited Jeeves Equity Limited Jeeves GP (IOM) Limited Jeeves GP Limited Jeeves GP Two Limited Jeeves Holdings Limited Jeeves Investments Limited Jeeves Nominees Limited Jeeves Nominees Two Limited Meadows GP Limited Meadows Nominee Limited Meadows Property Limited MoREOF Aberdeen Limited	Ridgeway Associates Limited Ridgeway Corporate Nominees Limited Ridgeway Nominees Limited Ridgeway Secretarial Services Limited Simcocks Advocates Limited Solid Rock Liquidating Limited Solid Rock Master Limited The Em-ES Fund Plc The Premier Property Options Fund Protected Cell Company plc Titon Capital Limited Traded Policies Management Limited Triptych Limited Wimberley Investments Limited Zenria Limited Ariston Investments Sub A Limited Ariston Investments Sub B Limited Ariston Investments Sub C Limited Chancerygate Eagle Limited Clean Power Properties (Biomass) Limited Clean Power Properties (EFW) Limited Clean Power Properties (Solar) Limited Clean Power Properties (Wind) Limited Dev Property Development PLC Eden Rock Fund Limited Eden Rock Master Limited Eden Rock Structured Finance Institutional Fund Limited Eden Rock Structured Finance Fund Limited Eden Rock Diversified Finance Fund Limited Eden Rock Diversified Finance Master Limited Hillberry Director Services Limited Jeeves Capital Limited Mondragon LLP Poplar Investments Limited Solid Rock Master Fund Limited Solid Rock Liquidating Ltd

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
	MoREOF Berryhill Limited MoREOF Business Parks Limited MoREOF Clean Power Properties Limited MoREOF Seeker Limited MoREOF Glasgow Holdings Limited MoREOF Glasgow No 1 Limited NS Holdings IOM Limited Office Portfolio 1 Limited Papua Limited Poplar Holdings Limited RS Investments Limited Simeon Properties Limited Solid Rock Liquidating Investments Limited Solid Rock Special Situations Limited Solid Rock Special Situations 2 Limited Tarvel Properties Limited Warwick House (GP) Limited Warwick House Limited Warwick House Nominees Limited Ariston Investments Limited	
Mark Taylor	Bois Consulting Limited King & Queen Wharf Residents Company Limited King & Queen Wharf Freehold Limited	Leonards Piece Ltd
Gavin Tipper	Accelerate Cape Town AVI Limited AVI Black Staff Empowerment Scheme Trust AVI Executive Share Incentive Scheme Trust AVI Limited Share Incentive Scheme Trust AVI Out-Performance Scheme Trust DGA Trust ERJF One (Proprietary) Limited Hyprop Investments Limited Interwaste Holdings Limited Redefine Properties International Limited York Timber Holdings Limited S.A. Airlink (Proprietary) Limited	Axiom Fund Managers (Pty) Limited Corocapital Limited Corohedge Capital (Proprietary) Limited Coronation Capital Limited Coronation Equities Limited Coronation Investments & Trading Limited Corovest Offshore Limited Corovest Property Group Holdings (Proprietary) Limited Corovest Property group Limited Finsource Group Holdings (Proprietary) Limited Finsource Group Holdings International Limited Ikamva Capital Trust Natrust (Proprietary) Limited Off The Shelf Investments Thirty Eight (Proprietary) Limited Redefine International Management Limited (Ireland) Redefine International Holdings Limited
Michael Farrow	Addison Nominees Limited Ariya Capital Group Limited Bellzone Mining Plc Birchwood Warrington Limited Camco Clean Energy PLC Consortia Trustees Limited Consortia Partnership Limited Consortia Directors Limited ELG Holdings Limited MacDonald Hotels Limited	0800 freedom.com plc Acton Maritime Limited Broadsheet Investments Limited Broadsheet Properties Limited Burchill Limited Canvey Properties Limited Carrousel Capital (CI) Limited Circle Property (Warrington) Limited Coronation Overseas Limited Corovest Offshore Limited

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
	Mad House Limited Prime London Holdings 11 Limited Redefine International Holdings Limited Santa Juana Limited STANLIB Funds Limited Standard Bank Strategist Funds Limited Triton Administration (Jersey) Limited Urban Infrastructure Real Estate Fund 1 Merchant Square (Jersey) Limited 3 Merchant Square (Jersey) Limited	Estero Holdings Inc Freedom Interactive Limited Gillminster Investments Limited Global Wealth Management Trust Co (Jersey) Limited GWM Secretaries Limited Lausanne Holdings Limited Maplewood Financial Corporation Inc Redefine Properties International Limited Sadis Limited Special Holdings Limited Termco Computer Holdings Limited Wedgeport Properties Limited
Stewart Shaw-Taylor	Atterbury Investment Holdings Limited Blue Bond Investments Limited Blue Bond Financial Nominees (Pty) Ltd Blue Waves Properties 78 (Pty) Ltd Burnet Investments Limited Dream Circle Destination Club (Pty) Ltd Dream Circle Property Development (Pty) Ltd Elderberry Investments 49 (Pty) Ltd Eldee (Pty) Ltd FHP Managers (Pty) Ltd Gloster Farm (Pty) Ltd Gold Street Property Investments (Pty) Ltd Greenfield Newgate (Pty) Ltd Hijob (Pty) Ltd Huddle Investments (Pty) Ltd Hyprop Investments Limited Image Ambassadors (Pty) Ltd Inani Realty Asset Management (Pty) Ltd JSG Developments (Pty) Ltd LC Golf SA (Pty) Ltd Main Street 100 (Pty) Ltd Mogale's Gate (Pty) Ltd Newpark Towers (Pty) Ltd Novelway Investments (Pty) Ltd Odyssey Oil Developments (Pty) Ltd Pearl Valley Golf Estates (Pty) Ltd Pivotman (Pty) Ltd Sotor Investments (Pty) Ltd Standard Bank Properties (Pty) Ltd The Milnerton Estates Limited The Pivotal Fund Limited The Unisec group Limited Thirty-Three Bolton Road (Pty) Ltd Tiyani Property Consortium (Pty) Ltd	All Square Investments (Pty) Ltd Asakhe Realty Investment Fund (Pty) Ltd Atlas Properties Limited Belhar CBD Development Company (Pty) Ltd Casadobe Props 72 (Pty) Ltd Charmond Investments (Pty) Ltd Clifton Dunes Investments 488 (Pty) Ltd Die Meentgebou (Pty) Ltd Evening Star Trading 768 (Pty) Ltd Emerald Fire Investments (Pty) Ltd Erf 244 Edenburg (Pty) Ltd Fountainhead Property Trust Management Limited Gleneagles Retail Centre (Pty) Ltd Grand Central Shopping Centre (Pty) Ltd Keanda Properties (Pty) Ltd New Heights 409 (Pty) Ltd Monchique (Pty) Ltd Outward Investments (Pty) Ltd Otter Investments (Pty) Ltd Portion ¾ of Erf 5495 Bryanston (Pty) Ltd Redefine Properties Limited Redefine International Fund Managers Limited SBS Development Company (Pty) Ltd Shelley Beach Junction (Pty) Ltd Soubrette Investments (Pty) Ltd Western Plaza Two (Pty) Ltd
Marc Wainer	ApexHi Properties Limited Barringer Investment Holdings (Proprietary) Limited Cromwell Property Group Drawood First Investments (Proprietary) Limited Drawood Second Investments (Proprietary) Limited	Redefine International Holdings Limited Newpark Towers (Proprietary) Limited

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
Michael Watters	Ellwain Investments (Proprietary) Limited Insite Properties (Proprietary) Limited Lason Trading 12 (Proprietary) Limited Madison Property Fund Managers Holdings Limited Madison Property Fund Managers Limited Marc Wainer & Ass (Proprietary) Limited Redefine International Hotels Limited Redefine Properties Limited Redefine Properties International Limited	Adorn Developments (Proprietary) Limited Byron Place Seaham Limited Ciref Kwik-Fit Stafford Limited Ciref Kwik-Fit Stockport Limited Coronation Capital Limited (Ireland) Corovest International Limited (Ireland) Corovest International Limited (London B) Corovest Investment Managers Limited Corovest Mezzanine Capital Limited Corovest Property group Limited Corovest Property Investment Fund Corovest Property Offshore Holdings Limited Corovest-NIB Property Asset Managers (Proprietary) Limited Delamere Place Crewe Limited Friars Walk Newport Limited GHB Developments (Proprietary) Limited Hyprop Investments Limited Kirchmann-Hurry Properties Limited Le Forum Security Limited Milequay Limited Modus Corovest Blackpool Limited P7 Investments (Proprietary) Limited Pearl House Swansea Limited Pegasus III Holdings (Proprietary) Limited Pegasus III Oil Development Company (Proprietary) Limited Pegasus III Properties (Proprietary) Limited Pegasus III Trading (Proprietary) Limited PIII Investments Portion 4 Erf 204 Bruma (Proprietary) Limited Real Estate Securities Limited Redefine International Management Limited (Ireland) Redefine International Management Limited (UK Branch) Regeneration Capital Limited Sancon Investments (Proprietary) Limited Sapphire Retail Fund Limited Stannifer Corovest Fund Management Limited Stannifer Corovest Jersey Limited Sycom Property Fund Managers Limited Trinity Walk Wakefield Limited Tritam Investments Limited Trito Investments Fund Limited West Orchards Coventry Limited

Director	Current directorships and partnerships	Directorships and partnerships held in the last five years
		Wharfside Regeneration (Banbury) Limited Wharfside Regeneration Limited Winnock Investments (Proprietary) Limited

MATERIAL CONTRACTS

In addition to the loan agreements described in **Annexure 14**, the following are the other contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the group in the two years preceding the last practical date and which are or may be material to investors or RI PLC or were entered into at any time and contain an obligation or settlement that is material to RI PLC or its subsidiaries at the last practical date:

1. BROKER PLACING AGREEMENT

- 1.1 In connection with the placing of 12 025 000 new ordinary shares of 8 pence each (the “**placing shares**”) in the capital of the company (the “**September 2013 placing**”), the company has entered into a placing agreement with Peel Hunt, Investec and RIFM dated 23 August 2013 (the “**broker placing agreement**”). Peel Hunt and Investec agreed to use reasonable endeavours to procure places to subscribe for 9 665 000 and 2 360 000 placing shares, respectively.
- 1.2 The obligations of Peel Hunt and Investec under the broker placing agreement are subject to certain standard conditions (some of which may be waived by Peel Hunt and Investec), including, among others:
 - 1.2.1 admission of the placing shares to the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange taking place by not later than 08.00 on 6 September 2013; and
 - 1.2.2 delivery by the company and RIFM of certain agreed documents to Peel Hunt and Investec by the times and dates specified in the Placing Agreement.
- 1.3 Under the broker placing agreement a commission of:
 - 1.3.1 1.00% of the gross proceeds payable to the company in respect of the aggregate commitments for the placing shares procured by Peel Hunt and Investec was paid by the company to Peel Hunt; and
 - 1.3.2 1.00% of the gross proceeds payable to the company in respect of the aggregate commitments for the placing shares procured by Investec and Peel Hunt was paid by the company to Investec.

2. RIFM PLACING AGREEMENT

- 2.1 The company has entered into a placing agreement with RIFM dated 23 August 2013 (“**RIFM placing agreement**”) in connection with the participation by certain shareholders in the September 2013 placing. The obligations of RIFM and the company under the RIFM placing agreement are conditional upon the placing agreement becoming unconditional in accordance with its terms.
- 2.2 Commission of 2% of the aggregate value of all placing shares issued at the issue price of 42 pence per placing share pursuant to the September 2013 placing to places from South Africa by origin procured by RIFM was paid by the company to RIFM.

3. ACQUISITION OF THREE PRIME SHOPPING CENTRES IN GERMANY

- 3.1 A framework agreement dated 13 August 2013 was entered into between RI PLC and CMC Capital Limited (“**CMC Capital**”) in terms of which RI PLC agreed to acquire the entities (the “**Target Entities**”) which own three shopping centres in Germany from various funds managed by CMC Capital valued at €189 million (the “**CMC Transaction**”).
- 3.2 The shopping centres comprised the Schloss-Strassen Shopping Centre in Berlin, the Bahnhof Altona Shopping Centre in Hamburg and City Arkaden Shopping Mall in Ingolstadt.
- 3.3 The aggregate purchase consideration payable in respect of the shares in and claims on loan account against Grundstücksgesellschaft EKZ SSC-Berlin GmbH & Co. (the “**Berlin Target**”), SMK Erste Investitions GmbH (the “**Ingolstadt Target**”) and CMC Shopping Center Altona GmbH (the “**Hamburg Target**”) of €47.1 million, comprised a fixed cash payment of €5.4 million with the vendors having the option to elect to receive the remaining consideration either entirely in cash, at a discount of approximately 4.0% to the equity value of the Target Entities, or partly in cash and up to approximately €34.3 million by the issue of up to 74.9 million new ordinary shares in RI PLC at an effective issue price of 40.0 pence per share.
- 3.4 The vendors of the Ingolstadt Target and the Hamburg Target elected to receive the consideration of approximately €26.2 million due to them as €19.4 million in cash (reflecting a discount of 8.5% to the equity value) and €5.0 million by the issue of 12 606 061 new ordinary shares of 8 pence each in RI PLC (the “**Consideration Shares**”) (which represented approximately 1.3% of the then current issued share capital of the company). The Consideration Shares issued in respect of the Hamburg and Ingolstadt Targets are subject to lock-in arrangements for between four and six months.

- 3.5 The consideration for the Berlin Target to be settled on 6 December 2013 will be made up by way of an issue of approximately 19 635 340 new ordinary shares of 8 pence each in RI PLC (the precise number being determined pursuant to the GBP:EUR exchange rate on 29 November 2013) (the “**Berlin Consideration Shares**”) at an effective issue price of 40.0 pence per share and €12.1 million in cash. The Berlin Consideration Shares are expected to be issued and admitted to trading after the final dividend for the year ended 31 August 2013 has been declared and paid, and as such will not rank for such dividend.
- 3.6 As part of the CMC Transaction, RI PLC assumed existing bank debt facilities totalling €141.4 million provided by HSH Nordbank and Hypothekenbank which are fully drawn.

4. **RESTRUCTURING AGREEMENT RELATING TO THE DELTA FACILITY SET OUT IN PARAGRAPH 12 OF ANNEXURE 14**

4.1 A facility agreement dated 21 July 2006, as amended on 1 December 2006 and 26 July 2007, originally between (1) Wichford Delta Limited (as borrower), (2) certain wholly owned subsidiaries within the group (as original guarantors), (3) L.C.P.I. (United Kingdom Branch) (as original lender) and (4) Lehman Brothers International Europe (“**Lehman Brother**”) (as arranger and security trustee). Pursuant to that facility agreement the lender made available to the borrower a term loan facility with an initial amount of £64 607 750 that was subsequently amended and increased to £114 607 750. The final repayment date for the facility was originally 15 October 2012 but has been extended as set out at paragraph 4.2 below. The borrower and the guarantors have (i) given certain warranties and undertakings to the finance parties and (ii) granted to the security trustee a debenture in respect of all of its and assets and undertakings (including a first legal mortgage over each property held by it). The holder of the shares in the borrower and each guarantor has also granted security over such shares to the security trustee. The loan under the facility agreement was placed into a securitisation conduit by Lehman Brothers by way of offering circular dated 2 August 2007 whereby Windermere XI CMBS Plc became the lender under the facility agreement. The company and its relevant subsidiaries are not a party to the documentation relating to the securitisation. From the company’s perspective, the facility agreement and its related documents continue to be applicable notwithstanding the securitisation and Lehman Brothers administration and Hatfield Phillips Agency Services Limited was appointed as replacement security trustee on 26 January 2010 at the time that Lehman Brothers resigned as security trustee. Hatfield Phillips Agency Services Limited has also been appointed as servicer for and on behalf of the lender.

4.2 An amendment letter dated 11 October 2012 made between (1) Hatfield Phillips Agency Services Limited (as servicer for and on behalf of the lender and as security trustee), (2) Wichford Delta Limited (as borrower) and (3) certain wholly owned subsidiaries within the group (as original guarantors), and copied to (4) RI PLC. Pursuant to the amendment letter certain amendments and consents have been made in relation to the facility described at paragraph 4.1 above. These include the following:

- Subject to the meeting of certain milestones detailed below the extension of the final repayment date to 15 April 2015
- The facility must be reduced to £76 000 000 by 15 October 2013 and to £40 000 000 by 15 October 2014
- A cash sweep has been introduced so that 35% of the amount standing to the credit of the rent accounts shall be applied in prepayment of the loans after (i) the payment of interest and any other sums otherwise due to the finance parties and (ii) the payment of certain approved capital expenditure on the relevant properties
- All financial covenants are waived
- Consent was provided to the disposal of seven properties at Aberdeen, Gillingham, Uxbridge, Watford, Weymouth, Newington Causeway (Southwark, London) and Harrow and the criteria for those consents have been met and accordingly those properties are no longer charged to the security trustee

5. A sale and purchase agreement dated 31 July 2012 relating to the VBG portfolio. Ticino Property GmbH & Co. KG, Ticino Property Management GmbH, Ticino Real Estate Management GmbH and Ebony Verwaltungsgesellschaft GmbH & Co. Vermietungs KG (the “**Borrowers**”) for the purposes of this paragraph and paragraphs 5 and 6 below) under the VBG facility agreements entered into a sale and purchase agreement with various German KG Companies which have been restructured to become wholly owned subsidiaries of a new joint venture special purpose vehicle established between the company and a major pension fund jointly owned in equal shares of 50% by the company and such pension fund (the “**Purchaser**”). The Purchaser acquired a 50% share in the Berlin, Dresden, Cologne and Stuttgart assets forming the VBG portfolio. The total consideration under the sale and purchase agreement was €84.9 million with €80.0 million attributable to the property assets and €4.0 million attributable to transaction costs. A deposit of €0.4 million was made and was held in custody by the notary to the transaction as security for performance under the agreement. The €80.0 million consideration in respect of the property assets has been assigned to the creditors under the VBG facility agreements. Both the Borrowers and the Purchaser were entitled to rescind the sale and purchase agreement if at least one of the creditors under the VBG facility agreements failed to release all security in respect of, amongst other things, the land charges over the VBG properties.

6. A standstill agreement dated 30 July 2012 where following the maturity of both the VBG1 and VBG2 loans, the Borrowers entered into a Standstill Agreement wherein the special servicer agreed to refrain from exercising and taking any legal action to protect and preserve the rights of the lenders, the facility agent and the security agent under the facility agreements and finance documents subject to, *inter alia*, the Borrowers co-operating with the sales process and continuing to act in compliance with the facilities and finance documents.

7. In connection with the sale and purchase agreement disclosed at paragraph 5 above and the standstill agreement disclosed at paragraph 6 above, a workout agreement dated 30 July 2012 was entered into between Ebony Verwaltungsgesellschaft GmbH, B. Holding II GmbH, Concertine S.A. and the company's subsidiaries Wichford VBG Holding S.À.R.L and Hatfield Philips International Limited in its capacity as facility servicer to the Talisman-3 Finance p.l.c. CMBS securitisation. Following the Borrowers entering into a sale and purchase agreement in respect of the VBG assets as set out at paragraph 5 above, the parties to the workout agreement agreed that the sale proceeds were not sufficient to repay all amounts outstanding under the facility agreements and agreed to undertake an orderly liquidation of the Borrowers and their respective general partners. The balance of the loan, €37.3 million, not repaid from the €80 million sales proceeds was fully subordinated with the company that acquired the remaining debt balance for a nominal amount. In addition, the servicer acknowledged in the workout agreement that there were no further claims against the remaining debt balance. The workout agreement contained further standstill provisions during the workout period subject to the Borrowers continuing to co-operate with, amongst other things, the agreed liquidation process.
8. As a result of the reverse takeover, RIN and RIFM entered into an administrative service agreement in terms of which RIFM provides administrative services to RIN.

RIFM provides, *inter alia*, the following administrative services:

- provide to RIN on a full-time basis a suitably qualified financial director and chief executive officer who meet the requirements of the JSE from time to time;
- prepare all management and statutory accounts as required by RIN and as required by the regulatory authorities in each jurisdiction in which RIN operates; and
- liaise with RIN's auditors from time to time to ensure compliance with all relevant codes and ensure the annual financial statements are duly signed off by the auditors.

The remuneration payable by RIN to RIFM for the administrative services rendered by it will be a monthly fee equal to 0.2%/12 of the market capitalisation of RIN at the end of each month, adjusted (by way of a rebate payable to RIN by RIFM) to take account of the minority interests in RI PLC from time to time.

Unless terminated sooner for cause, the administrative services agreement will remain in place for so long as the investment adviser's agreement is in place.

9. The relationship agreement between RIN (as the majority shareholder) and RI PLC, dated 13 July 2011 sets out the governance arrangements for RI PLC.

Subject to ongoing compliance with all regulatory requirements (including the JSE Listings Requirements), the relationship agreement contains certain corporate governance arrangements to facilitate the independent operation of RI PLC. The relationship agreement limits the ability of RIN and/or its associates from appointing additional directors (other than the proposed directors) who are associates to obtain a majority of the board of the RI PLC.

The relationship agreement also:

- 9.1 limits the ability of RIN and its associates from voting on matters not permitted under chapter 11 of the UKLA Listing Rules or otherwise not complying with the Listing Rules;
- 9.2 ensures that all transactions between RI PLC and RIN and/or its associates will be on a normal commercial basis as would be agreed between parties acting in their own interests; and
- 9.3 prevents RIN from modifying the articles of RI PLC in any manner that is inconsistent with the relationship agreement.

The relationship agreement applies to RIN and, to the extent that any shares in RI PLC which are beneficially owned by RIN are transferred to one or more of its associates, RIN would be required to procure that such associates enter into parallel obligations prior to the transfer of shares.

The obligations of RIN and its associates under the relationship agreement will only terminate if the beneficial ownership of RIN and its associates in RI PLC either falls below 30%, or the RI PLC is no longer admitted to listing on the Official List of the UKLA and to trading on the LSE's Main Market for listed securities.

10. An investment adviser's agreement between RI PLC and RIPML dated 13 July 2011 and effective from 23 August 2011. Under this contract the services previously provided to RI PLC by Brown Cooper Marples Limited ("**BCM**") pursuant to the property manager's agreement are now provided by RIPML (such services to be subcontracted to BCM in respect of sales and acquisitions and to others for property management) and the property manager's agreement with BCM was terminated. In return for the provision of the services, RI PLC pays to RIPML an asset management fee of 0.5% (reduced from 0.6% on RI PLC's assets excluding cash and 0.3% on RI PLC's cash) on the aggregate gross value of RI PLC's assets (including cash) and a commission of 0.75% (reduced from 1% under the property manager's agreement) in respect of sales and acquisitions, or 1% (reduced from 1% plus agents costs and fees) where BCM acts in a joint agency capacity or incurs sub-agent costs and fees. RIPML also receives a fee of 1% of the rents on properties that it is directly responsible for managing; currently this is all the UK properties. RIPML is, in respect of any multi-let retail property within the RI PLC portfolio, entitled to receive a fee equal to 3% of the annual rents of such multi-let retail property. RI PLC also pays to RIPML an incentive fee calculated on a three-year rolling basis and payable in RI PLC shares under the Redefine Property Management Incentive Scheme. The first three-year period incentive fee is equal to 20% of the total shareholder returns in excess of 12% per annum and the incentive fee for all subsequent three-year periods is equal to 20% of the total shareholder returns in excess of 10% per annum subject to a clawback in respect of periods already covered by this incentive fee. Payment of the incentive fee is subject to the EPRA earnings per share of RI PLC being equal to or greater than 20% or more

of the EPRA net asset value per share of RI PLC as at the date immediately prior to the final day of the relevant three year period. The maximum award in any year shall be capped at 5% of RI PLC's shares in issue from time to time provided that the aggregate award is limited to a maximum of 10% of the total shares of RI PLC in issue over any 10-year period. Either party may terminate the investment adviser's agreement upon 30 months' notice in writing. In addition, RI PLC will be entitled and obliged to terminate the investment adviser's agreement if the majority of the independent shareholders approve the termination of the investment adviser's agreement. If the investment adviser's agreement is terminated following the approval of the independent shareholders RIPML shall either be given 30 months' written notice or receive a payment *in lieu* of such 30-month notice period. The investment adviser's agreement will automatically terminate if RI PLC ceases directly or indirectly to hold any properties.

11. Pursuant to the capital raising implementation agreement between RI PLC, RIN and Redefine Properties dated 13 July 2011, agreement RIN agreed to subscribe for the percentage equal to its holding of RI PLC shares, at the time of the reverse takeover which was 65.6%, in respect of any capital raising by RI PLC of approximately £100 million prior to October 2012. RI PLC had undertaken the capital raising by way of the firm placing and the open offer. RIN subscribed for 287 658 801 RI PLC shares under the open offer.
12. Pursuant to the implementation agreement between Wichford, RIHL and RIN dated 13 July 2011, each of Wichford, RIHL and RIN agreed to co-operate and take all necessary steps in order to facilitate the reverse takeover which included the convening by Wichford of an extraordinary general meeting, the convening of a general meeting of unitholders of RIN and the commitment from each of Wichford and RIHL not to take certain actions that would prejudice the successful completion of the reverse takeover (which completed on 23 August 2011).
13. The sponsors' agreement between Wichford, the investment adviser, RIFM, each of N M Rothschild & Sons Limited, Evolution Securities Limited and Peel Hunt LLP ("**joint sponsors**") dated 13 July 2011 (the "**sponsors' agreement**") pursuant to which each of the joint sponsors agreed to act as sponsor to Wichford in connection with the reverse takeover, in accordance with the requirements of the UK Listing Rules. Under the sponsors' agreement, the joint sponsors' obligations were subject to certain customary conditions. Wichford, the investment adviser and RIFM, each gave customary warranties to the joint sponsors in relation to the business, the legal and regulatory compliance of the Wichford group (in the case of Wichford and the investment adviser) and in relation to the business, the legal and regulatory compliance of the group (in the case of RIFM) and in relation to the contents of the reverse takeover prospectus issued on 13 July 2011. Wichford also gave an indemnity to the joint sponsors in respect of any losses suffered as a result of acting in connection with the reverse takeover. The liability of Wichford under the warranties and indemnity provided by it was unlimited. Wichford agreed to pay all the costs and expenses of admission.
14. A sale and purchase agreement dated 10 May 2011 between: (1) Redefine Hotels Reading Limited as purchaser and (2) Pedersen (UK) Limited as seller. Pursuant to the agreement the purchaser acquired the business and assets that comprise the Caversham Hotel, Thames Side Promenade, Reading. This agreement completed on 1 June 2011. The purchase price for the hotel was £12 750 000.
15. An acquisition agreement dated 7 April 2011 between: (1) RIHL (as purchaser) and Corovest Offshore Limited (as seller). Pursuant to the agreement the purchaser agreed to acquire the entire issued share capital and shareholder loan in St Georges Harrow Limited for a purchase price of £25 million. The St George's transaction was completed on 27 April 2011.
16. The sale and purchase agreement dated 5 April 2011 between Harrow Trustee 1 Limited, Harrow Trustee 2 Limited, St Georges Harrow Limited (a wholly owned subsidiary of RIHL) and Propinvest Asset Management LLP, in terms of which St Georges Harrow Limited agreed to acquire the St Georges shopping centre which is situated in Harrow in the United Kingdom for a purchase price (before transaction costs) of £60 060 000.
17. On 24 February 2011, Redefine Australian Investments Limited concluded a Call Option Subscription Deed whereby Redefine Australian Investments Limited agreed to subscribe for the lesser of 35 000 000 stapled securities or that number of stapled securities which will result in Redefine Australian Investments Limited holding 22.9% of Cromwell at a subscription price of AUD0.7071 per Cromwell stapled security.

INFORMATION ON THE PROPERTY MANAGERS AND THE PROPERTY MANAGEMENT AGREEMENTS

The table below sets out the information on the property managers of the RI PLC property portfolio.

Property manager	Property manager address	Directors/Partners of property manager	Shareholders of property manager	Business/Property managed	Fee amount and basis							
The Robson Partnership trading as Robson Associates	34 Dover Street London W1S 4NG	Eirik Peter Robson Colin James McPhee Richard Spencer Turner	Partnership Eirik Peter Robson Colin James McPhee Richard Spencer Turner	Gibson Properties Limited	£630.51	Full quarterly amount of £750 charged to Gibson partly allocated to Stafford and Stockport						
				Ciref Kwikfit Stafford Limited	£76.36							
				Ciref Kwikfit Stockport Limited	£43.13							
				Princes Street Investments Limited	£1 500.00							
				Ciref Malthurst Limited	£375.00							
				Newington House Limited	£625.00							
26 The Esplanade No 1 Limited	Recoverable through service charge											
Hartnell Taylor Cook LLP	Somerset House 18 Canynge Road Clifton, Bristol BS8 3JX	Alasdair McLeod Lyall Kennedy Ian Lambert Andrew Batchelor Simon Harvey Jonathan Gilbert Stuart Howell John Rand Martin Davenport Andrew Bradley Rob Amey	Limited Liability Partnership Alasdair McLeod Lyall Kennedy Ian Lambert Andrew Batchelor Simon Harvey Jonathan Gilbert Stuart Howell John Rand Martin Davenport Andrew Bradley Rob Amey	Ciref Reigate Limited	£1 875.00	Charged quarterly Claim 10% of service charge expenditure as fees from tenants						
				Banstead Property Holdings Limited	£1 000.00		Recoverable through service charge					
				Swansea Estates Limited	£1 000.00			Commercial element of Pearl House Leases do not allow recovery Recoverable through service charge Recoverable through service charge				
				Trito Petersfield Limited	£750.00							
				KA Property Services Limited	58 Queen Anne Street London, W1G 8HW		Dohne Arnold		N/A	Churchill Court Limited	£1 750.00	Recoverable through service charge
				Weck, Aeby & Cie SA	Une société du groupe Weck, Aeby Av. de la Gare 12 Case postale 1648 1701 Fribourg		Andeol Jordan		Andeol Jordan, Pascal Kuenlin	Matterhorn Brig Sarl Matterhorn Vich Sarl	Brig: CHF 3 195.00 Vich: CHF 10 206.00	Quarterly Charged quarterly
Unit Verwaltungs-GmbH	Hegelstrasse 8, D-63628, Bad soden-Salmunster	Norbert Kittler	Norbert Kittler	Aachen Aldenhoven Aschaffenburg Brandenburg Delmonhorst Heilbron Marne Neumunster Recklinghausen Tarp Windeck Bremenvorder	€31 986.00	Charged quarterly						
Unit Verwaltungs-GmbH	Hegelstrasse 8, D-63628, Bad sodden-Salmunster	Norbert Kittler	Norbert Kittler		€7 391.00	Charged quarterly						

Property manager	Property manager address	Directors/Partners of property manager	Shareholders of property manager	Business/Property managed	Fee amount and basis	
Unit Verwaltungs-GmbH	Hegelstrasse 8, D-63628, Bad sodden-Salmunster	Norbert Kittler	Norbert Kittler	Uelzen Sassenburg Bunde	€7 775.00	Charged quarterly
				Uelzen 2	€710.00	
				Bunde	€710.00	
				Aachen	€710.00	
				Aldenhoven	€710.00	
				Aschaffenburg	€710.00	
				Brandenburg	€710.00	
				Delmenhorst	€710.00	
				Heilbronn-Sonth	€710.00	
				Marne	€710.00	
				Neumunster	€710.00	
				Recklinghausen	€710.00	
				Tarp	€710.00	
Windeck	€710.00					
Sassenburg	€710.00					
Unit Verwaltungs-GmbH	Hegelstrasse 8, D-63628, Bad sodden-Salmunster	Norbert Kittler	Norbert Kittler	Bremen Lindenhof	€11 198.00	Charged quarterly
				Wedel	€514.14	Charged monthly
				Wuppertal	€370.58	Charged monthly
				Bad Salzflfen	€490.93	Charged monthly
wnd-Innobilienverwaltung	Unteranger 55, 85457 Wörth	Doris Platzer	Doris Platzer	Munich Bruckmuhl	€42 439.49	Charged monthly
Schwerdtner Immobilien	Hallesche strasse 76, 04435 Schkeuditz	Uwe Schwerdtner	Uwe Schwerdtner	Leipzig Eilenburg	€26 268.65 p.a.	Charged quarterly
Kroll Immobilien e.K	Hauptstrasse 17, 23879 Mölln	Michael Kroll	Michael Kroll	Mölln	€888.95	Charged monthly
OEC Objektentwicklung und Consulting	Bornstraße 17, 35647 Waldsolms	Wilfried Wissenbach, Martin Somme	OEC Objektentwicklung und Consulting/ Wissenbach/ Sommer	Frankfurt	€170.00	Charged monthly
Ten Brinke Asset Management B.V.	Zanderstraat 21, 7051, CS Varsseveld	Anton Ten Brinke	Anton Ten Brinke	Waldkraiburg	€7 087.00	Charged quarterly
Ten Brinke Asset Management B.V.	Zanderstraat 21, 7051, CS Varsseveld	Anton Ten Brinke	Anton Ten Brinke	Hückelhoven	€8 807.00	Charged quarterly
ST BAU HOLDING GmbH	Kirchplatz 6, 89264 Weissenhorn	Walter Gehring	Walter Gehring	Kaiserslautern	€9 502.08 p.a.	Charged quarterly Recharged to tenant
Hallmark Properties Germany GmbH	A-1010 Vienna, Operning 19/10	Dr Helmut Tomanec	Dr Helmut Tomanec	Sschwandorf	€23 638.00	Charged quarterly
				Hertzenrath	£125 690.00	Annual Recoverable through service charge
Jones Laing La Salle	22 Hanover Square London W1S 1JA	John Michell Catherine Lambert	Listed	Birchwood		
Savills Commercial plc	20 Grosvenor Hill London W1K 3HQ	Nick Herwood Graeme Clark	Listed	West Orchards Coventry Ltd	£106 800.00	Annual Recoverable through service charge
Savills Commercial plc	20 Grosvenor Hill London W1K 3HQ	Nick Herwood Graeme Clark	Listed	Delamere Place Crewe Limited	£3 000.00	Annual Recoverable through service charge
Jones Lang La Salle	22 Hanover Square London W1S 1JA	John Michell Catherine Lambert	Listed	Byron Place Seaham Limited	£4 000.00	Annual Recoverable through service charge
Jones Lang La Salle	22 Hanover Square London W1S 1JA	John Michell Catherine Lambert	Listed	Grand Arcade Wigan Limited	£106 000.00	Annual Recoverable through service charge
Jones Lang La Salle	22 Hanover Square London W1S 1JA	John Michell Catherine Lambert	Listed	St Georges Harrow Limited	£110 000.00	Annual Recoverable through service charge
Jones Lang La Salle	22 Hanover Square London W1S 1JA	John Michell Catherine Lambert	Listed			

Property manager	Property manager address	Directors/Partners of property manager	Shareholders of property manager	Business/Property managed	Fee amount and basis
Eddisons Commercial (Property Management) Ltd	Pennine House, Russell Street, Leeds LS1 5RN	Adrian Dack	Richard Roe	Edgbaston – 2 Duchess Place	£895.00 per annum
		David Rowling	Nigel McDonald	Wigan – Gibfield Park,	£895.00 per annum
			Bob Hartley	Atherton	£895.00 per annum
			Jon Bourlet	Barnsley – Cooper House,	£895.00 per annum
			David Rowling	59 Peel Street	£895.00 per annum
			Anthony Spencer	Bristol – Newfoundland Court/Newfoundland St	£895.00 per annum
				Chelmsford – Wren House	£895.00 per annum
				Uxbridge – DSA Unit,	£895.00 per annum
				Kier Park	£895.00 per annum
				Dalkeith – 7/15	£895.00 per annum
				Buccleuch Street	£895.00 per annum
				Dundee – DSA Test Centre	£895.00 per annum
				Rochdale – Pilsworth Road, Heywood	£895.00 per annum
				Gillingham – DSA Unit,	£895.00 per annum
				Astra Park	£895.00 per annum
				York – Athena House,	£895.00 per annum
				Kettlestring Lane, Clifton Moor	£895.00 per annum
				Grays – 2 Derby Street	£895.00 per annum
				Hartlepool – Ward	£895.00 per annum
				Jackson House	£895.00 per annum
				Liverpool – Prudential Buildings, 36 Dale Street	£895.00 per annum
				Wolverhampton – Molineux House	£895.00 per annum
				Temple Street	£895.00 per annum
				Newcastle – Centrallofts	£895.00 per annum
				London SE1 – 63/67	£895.00 per annum
				Newington Causeway	£895.00 per annum
				Plymouth – Bretonside,	£895.00 per annum
				Exeter Street	£895.00 per annum
				Leeds – 21/22 Park Place and 71/77 St Paul's Street	£895.00 per annum
				LS12 4UR	£895.00 per annum
				Edinburgh – 1A	£895.00 per annum
				Parliament Square	£895.00 per annum
				Bedford – Woodlands,	£895.00 per annum
		Manton Lane	£895.00 per annum		
		Sheffield – Kings Court,	£895.00 per annum		
		Hanover Way	£895.00 per annum		
		Smethwick – Trinity House, High Street	£895.00 per annum		

EXTRACTS FROM THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION

The articles of association of RI PLC contain, *inter alia*, provisions with the effect of providing for the appointment, qualification, remuneration, borrowing powers and interests of directors and dividends as set out in the extracts below.

The memorandum of association of the company provides that the objects of the company are unrestricted and the company has, by and subject to the IOM Act, the same rights, power and privileges as an individual, unless restricted by special resolution and no such restrictions have been imposed or are resolved to be imposed.

RI PLC intends amending its articles of association on or before its next annual general meeting which is expected to be held during January 2014, to align certain provisions with the JSE Listings Requirements. Until the articles of association have been amended, the board has provided the JSE with an undertaking that they will not invoke those provisions of the articles of association which are contradictory to the JSE Listings Requirements.

“SHARE CAPITAL

7. Voting

The holders of shares shall be entitled to receive notice of, to attend and to vote at all general meetings of the Company. Subject to the restrictions in these Articles and subject to any special rights or restrictions for the time being attached to any class of shares, every shareholder who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held.

8. Income

Subject to these Articles, the Ordinary Shares shall otherwise rank *pari passu* in all respects as amongst themselves and shall carry the same rights as amongst themselves, including as to participation in the profits of the Company.

9. Winding up or other return of capital

The surplus assets available for members shall be paid to the holders of Ordinary Shares in proportion to the number of Ordinary Shares held.

10. Allotment

10.1 Subject to the provisions of the IOM Act and any resolution of the Company in general meeting relating to pre-emptive rights, unissued shares at the date of adoption of these Articles and any shares hereafter created shall be at the disposal of the Board who, subject to being authorised to do so by the Company by an ordinary resolution of the shareholders passed in general meeting, may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Board may decide, provided that no share shall be issued at a discount.

10.6 Shares must be fully paid up when issued.

11. Redeemable shares

Subject to the provisions of the IOM Act and to any special rights for the time being attached to any existing shares, any share (including any preference share) may be issued which is, or at the option of the Company or of the holder of such share is liable, to be redeemed on such terms and in such manner as these Articles and the IOM Act may provide.

12. Power to attach rights

Subject to the provisions of the IOM Act and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time to time by special resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.

TRANSFER OF SHARES

28. Form of transfer

- 28.1 Subject to such of the restrictions of these Articles as may be applicable, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board or, without a written instrument (subject to the class of shares becoming a participating security for the purposes of the Regulations) through an un-certificated system in accordance with the Regulations. ("Regulations" means The Uncertificated Securities Regulations 2005 of the Isle of Man).
- 28.2 In respect of shares held in certificated form, every instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. Every instrument of transfer and shall be left at the registered office of the Company (or such other place as the Board may from time to time determine) at which it is presented for registration accompanied by the certificate of the shares so transferred, and/or such other evidence as the Company may require, to prove the title of the transferor of his rights to transfer the shares. All authorities to sign instruments of transfer granted by members for the purpose of transferring shares which may be lodged, produced or exhibited with or to the Company at its registered office (or such other place as the Board may from time to time determine) shall, as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's registered office (or such other place as the Board may from time to time determine) at which the authority was lodged, produced or exhibited. Even after the giving and lodging of such notice, the Company shall be entitled to give effect to any instrument signed under the authority to sign, and certified by any officer of the Company, as being in order before the giving and lodging of such notices. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

29. Right to refuse registration

- 29.1 Subject to Article 29.2, the Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of a certificated share (or renunciation of a renounceable letter of allotment) unless:
- (a) it is in respect of a share which is fully paid up;
 - (b) it is in respect of a share upon which the Company has no lien;
 - (c) it is in respect of only one class of share;
 - (d) it is in favour of a single transferee or not more than four joint transferees;
 - (e) it is duly stamped (if so required); and
 - (f) it is delivered for registration to the Office (or such other place as the Board may from time to time determine) in accordance with Article 28.2.
- 29.2 The Board shall not refuse to register any transfer or renunciation of shares which are traded on the London Stock Exchange in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis.
- 29.3 The Board may also refuse to register a transfer if in their opinion (and with the concurrence of the United Kingdom Financial Services Authority or such other competent authority) exceptional circumstances so warrant.
- 29.4 The Directors are required to register a transfer of an un-certificated share (a share in CREST) in accordance with the Regulations and may refuse to register the transfer of any un-certificated share in accordance with the Regulations.
- 29.5 Transfers of shares to a Prohibited Person will not be registered.
- 29.6 Transfers of shares will not be registered in the circumstances referred to in Article 75.

30. Notice of refusal

If the Board refuses to register a transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected or actual fraud) be returned to the person depositing it. All instruments of transfer which are registered may be retained by the Company.

31. Plan Investors and Non-Qualifying Holders

- (1) If it shall come to the notice of the Board that any shares are owned directly or beneficially by:
- (a) a Plan Investor or other Non-Qualified Holder; or
 - (b) any person or persons in any circumstances (whether directly or indirectly affecting such person and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Board to be relevant) which will or may result in the Company incurring any liability to taxation or suffering any pecuniary, fiscal, administrative or regulatory or similar disadvantage which the Company might not otherwise have incurred or suffered in connection with circumstances in which 25 per cent or more of any class of the capital of the Company (or

such new ownership threshold that may be established by a change in the Plan Asset Regulations or other applicable law) are owned by Plan Investors or in some other way the Company's assets may be deemed to be in jeopardy of being "plan assets" under the Plan Asset Regulations or which may cause the Company to be required to be registered as an "investment company" under the US Investment Company Act (in each case a "**Prohibited Person**"),

the Board may give notice to such person requiring him either: (i) to provide the Board within 30 days of receipt of such notice with sufficient documentary evidence to satisfy the Board that such person is not a Prohibited Person; or (ii) to sell or transfer his shares to a person who is not a Prohibited Person within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer.

- (2) If any person upon whom such a notice is served pursuant to paragraph (1) does not within 30 days after such notice either: (i) transfer his shares to a person who is not a Prohibited Person or (ii) establish to the satisfaction of the Board (whose judgement shall be final and binding) that he is not a Prohibited Person, the Board may arrange for the sale of the shares on behalf of the registered holder at the best price reasonably obtainable at the relevant time. Any shares in relation to which the Board is entitled to arrange the sale under this Article 31 may be aggregated and sold together. The manner, timing and terms of any such sale of shares made or sought to be made by the Board (including but not limited to the price or prices at which the same is made and the extent to which the assurance is obtained that no transferee is or would become a Prohibited Person) shall be such as the Board determines (based on advice from bankers, brokers, or such other persons as the Board considers appropriate to be consulted by them for the purpose) to be reasonably obtainable having regard to all the circumstances, including but not limited to the number of shares to be disposed of and any requirement that the disposal be made without delay; and the Board shall not be liable to any person (whether or not a Prohibited Person) for any consequences (including consequences as to price and/or failure to find a purchaser) of its decision as to such manner, timing and terms of such sale or its reliance on any such advice.
- (3) For the purpose of effecting any disposal, the Board may:
 - (a) authorise in writing any director, officer or employee of the Company to execute any necessary transfer on behalf of any holder; and/or
 - (b) give any notice required to change any share from uncertificated form to certificated form,

and may enter the name of the transferee in the register in respect of the transferred shares notwithstanding the absence of any share certificate and may issue a new share certificate to the transferee, and an instrument of transfer executed by any director, officer or employee of the Company so authorised by the Board shall be as effective as if it has been executed by the holder of the transferred shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the sale. The proceeds of the disposal shall be received by the Company or by any person nominated by the Company whose receipt shall be a good discharge for the purchase money and shall be paid (without any interest being payable in respect of it and after deduction of any expenses incurred by the Board in the sale including, without limitation, broker's or selling agent's fees, commissions and expenses, taxes and duties) to the former holder (or, in the case of joint holders, the first of them named in the register) upon surrender by him or on his behalf to the Company for cancellation of any certificate in respect of the transferred shares.

- (4) If pursuant to the provisions of paragraphs (2) and (3) the Company cannot effect a sale of the shares within a period of five business days from the date on which the Board first attempts to sell the shares then, upon the expiration of such period, the holder of shares on whom notice has been served pursuant to paragraph (1) shall be deemed to have forfeited his shares and the Board shall be empowered at its discretion to follow the procedure pursuant to Articles 24 and 25 in respect of such shares.
- (5) Any resolution or determination of, or decision or exercise of any discretion or power by, the Board or any director under or pursuant to the provisions of this Article 31 (including, without prejudice to the generality of the foregoing, as to the manner, timing and terms of any disposal made by the Board under paragraph (2) and/or as to whether a sale can or cannot be made such that paragraph (4) applies) shall be final and conclusive and any disposal or transfer or forfeiture made, or other thing done, by or on behalf of, or on the authority of, the Board or any director pursuant to the provisions of this Article 31 shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever. The Board shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Article 31 and the Board shall not be liable to any person (whether or not a Prohibited Person) for any consequences in relation thereto.
- (6) Neither the Company nor the Board nor any director shall be liable to indemnify, reimburse or compensate any member in respect of any cost, liability or expense (including, without limitation, any taxes or duties imposed, paid or suffered under the laws of the United States, the United Kingdom, Isle of Man or any other jurisdiction) arising from or by reference to any sale of any shares pursuant to Article 31 paragraph (2) or forfeiture of shares pursuant to paragraph (4).
- (7) Nothing in these Articles shall constitute the holders of shares subject to the provisions of paragraphs (1) to (3) as a separate class.
- (8) The provisions of paragraphs (1) to (8) shall apply notwithstanding any provision in any other of these Articles which is inconsistent with or contrary to them.
- (9) Notwithstanding Article 16 and paragraphs (2) to (8), if a Plan Investor acquires shares in the Company or if any member, who was not a Plan Investor at the time he acquired shares in the Company, subsequently becomes a Plan Investor, and as a result, the Company's assets would be deemed to constitute "plan assets" under the Plan Asset Regulations, such person shall, with

effect from the time such shares were acquired, or the time at which he became a Plan Investor (as the case may be), be deemed to hold such shares on trust for such charitable purposes as the Plan Investor may determine in his capacity as trustee of the trust (the "Beneficiaries"), provided that the Beneficiaries may not be Prohibited Persons, such that the capital and income relating to such shares shall be applied for the above purposes and the Plan Investor shall not have any beneficial interest in the shares.

- (10) In the event that, and with effect from the time when, a member holding shares on trust under paragraph (9) subsequently ceases to be a Plan Investor, any shares held by such person shall no longer be deemed to be held on trust for the Beneficiaries and the beneficial interest in such shares shall revert to the relevant member who shall be entitled to retain both the legal and beneficial interest in such shares or dispose of them as he sees fit.

ALTERATION OF SHARE CAPITAL

39. INCREASE, CONSOLIDATION, CANCELLATION AND SUB-DIVISION

The Company in general meeting may from time to time by special resolution:

- (a) increase its authorised share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (d) subject to the provisions of the IOM Act, sub-divide its shares or any of them into shares of a smaller amount, and may by such resolution determine that, as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

41. Reduction of capital

Subject to the provisions of the IOM Act and to any rights for the time being attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve or share premium account in any way.

42. Purchase of own shares

Subject to the provisions of the IOM Act and to any rights for the time being attached to any shares, the Company may purchase any of its own shares of any class (including any redeemable shares). Any shares to be so purchased may be selected in any manner whatsoever.

VARIATION OF CLASS RIGHTS

43. Sanction to variation

If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise).

44. Class meetings

All the provisions in these Articles as to general meetings shall *mutatis mutandis* apply to every meeting of the holders of any class of shares. The Board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting shall be not less than two persons holding or representing by proxy at least one third of the nominal amount paid up on the issued shares of the class. Every holder of shares of the class, present in person or by proxy, may demand a poll. Each such holder shall on a poll be entitled to one vote for every share of the class held by him. If at any adjourned meeting of such holders such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

GENERAL MEETINGS

46. Annual general meetings

Subject to the provisions of the IOM Act, annual general meetings shall be held at such time and place as the Board may determine.

47. Extraordinary general meetings

All general meetings, other than annual general meetings, shall be called extraordinary general meetings.

48. Convening of extraordinary general meeting

The Board may convene an extraordinary general meeting whenever it thinks fit. An extraordinary general meeting shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by section 113 of the IOM Act. At any meeting convened on such requisition or by such requisitionists no business shall be transacted except that stated by the requisition or proposed by the Board. If there are not within the Isle of Man sufficient members of the Board to convene a general meeting, any Director may call a general meeting.

49. Notice of general meetings

49.1 An annual general meeting and an extraordinary general meeting convened for the passing of a special resolution shall be convened by not less than 21 clear days' notice in writing. All other extraordinary general meetings shall be convened by not less than 14 clear days' notice in writing.

PROCEEDINGS AT GENERAL MEETINGS

52. Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to attend and to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member (provided that one such member is Redefine if at the relevant record date it is the holder of in excess of 50% of the issued share capital of the Company), shall be a quorum.

VOTING

67. Restriction on voting rights for unpaid calls etc

No member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of a share held by him unless and until all calls or other sums presently due and payable by him in respect of that share whether alone or jointly with any other person together with interest and expenses (if any) have been paid to the Company.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

78. Number of Directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be not less than four but there shall be no maximum. A majority of the Directors must be resident outside the United Kingdom.

79. Power of Company to appoint Directors

Subject to the provisions of these Articles (including those concerning the residency of Directors), the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles.

80. Power of Board to appoint Directors

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to these Articles, the Board shall have power (subject to the requirements of these Articles concerning the residency of Directors) at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Any Director so appointed shall retire at the annual general meeting of the Company next following such appointment.

81. Appointment of executive Directors

Subject to the provisions of the IOM Act, the Board may from time to time appoint one or more of its body to hold any employment or executive office (including that of Chief Executive or Managing Director) for such term (subject to the provisions of the IOM Act) and subject to such other conditions as the Board thinks fit in accordance with Article 101, provided that no person who is resident in the United Kingdom may be so appointed. The Board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the Director and the Company.

82. Eligibility of new Directors

No person, other than a Director retiring, shall be appointed or re-appointed a Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than seven nor more than 42 clear days before the date appointed for the meeting, notice duly executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the Company of the intention to

propose that person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors, together with notice executed by that person of his willingness to be appointed or re-appointed, is lodged at the Office; and

(c) in either case, his appointment would not result in a majority of the Board being resident in the United Kingdom.

84. Resolution for appointment

A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless an ordinary resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.

85. Retirement by rotation

85.1 Life directorships are not permissible.

85.2 At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.

85.3 The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. In addition, any Director who would not otherwise be required to retire shall retire by rotation at the third Annual General Meeting after his last appointment or re-appointment.

85.4 The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
- (c) where the default is due to the moving of a resolution in contravention of Article 84; or
- (d) where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

ALTERNATE DIRECTORS

89. Appointments

89.1 Each Director (other than an alternate Director) may, by notice in writing delivered to the Secretary at the Office, or in any other manner approved by the Board, appoint any other Director or any person approved for that purpose by the Board and willing to act, to be his alternate.

89.2 No appointment of an alternate Director who is not already a Director shall be effective until his consent to act as a Director in the form prescribed by the IOM Act has been received at the Office. No person resident in the United Kingdom may be appointed as an alternate Director unless his appointor is also so resident.

DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS

94. Directors' fees

The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine provided that such sum shall not exceed in the aggregate £350 000 (or such other sum as the Company in general meeting shall from time to time determine). Such sum (unless otherwise directed by the resolution of the Company by which it is voted) shall be divided among the Directors in such proportions and in such manner as the Board may determine or, in default of such determination, equally (except that in such event of any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he holds office). Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day.

For the avoidance of doubt, Directors will not be entitled to additional remuneration in respect of their service on committees of the Board save that the chairman of any audit committee from time to time may receive an additional sum at the discretion of the Board.

95. **Expenses**

Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director, including any expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the business of the Company.

96. **Additional remuneration**

If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether, by way of salary, commission, participation in profits or otherwise) as the Board may from time to time determine.

97. **Remuneration of executive Directors**

The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of these Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or *in lieu* of any fee payable to him for his services as Director pursuant to these Articles.

98. **Pensions and other benefits**

The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the Company or to benefit, any person who is or has at any time been a Director or employee of the Company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the Company or any such holding company or subsidiary undertaking or any predecessor in business of the Company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the IOM Act, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any of the aforesaid matters. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Article and shall not be obliged to account for it to the Company.

POWERS AND DUTIES OF THE BOARD

99. **Powers of the Board**

Subject to the provisions of the IOM Act, the Memorandum of Association of the Company and these Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, whether relating to the management of the business or not. No alteration of the Memorandum of Association or of these Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article. The powers of the Board shall be exercised so as to ensure that at all times management and control of the Company takes place outside the United Kingdom. The Board of the Company may not make, amend or repeal any necessary or incidental rules relating to the governance of the Company which are contrary to the Listings Requirements of the JSE Limited.

101. **Powers of executive Directors**

The Board may from time to time:

- (a) delegate or entrust to and confer on any Director holding executive office and who is not resident in the United Kingdom (including a Chief Executive or Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and
- (b) revoke, withdraw, alter or vary all or any of such powers.

102. **Delegation to committees**

102.1 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons, provided that:

- (a) a majority of the members of a committee shall be Directors and non-residents of the United Kingdom; and
- (b) no resolution of a committee shall be effective unless passed outside the United Kingdom and a majority of those present when it is passed are Directors or alternate Directors and non-residents of the United Kingdom.

102.2 The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

104. **Power of attorney**

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers.

108. **Borrowing powers**

The Board may exercise all the powers of the Company to borrow money, to give guarantees, to mortgage, hypothecate, pledge or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the provisions of the IOM Act and these Articles, to create and issue debenture and other loan stock and debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Provided that the Board shall restrict the borrowings of the Company so as to secure that the aggregate principal amount for the time being of all borrowings by the Company and for the time being owing to persons outside the Company shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed 10 times the aggregate of:

- (a) the amount paid up on the issued share capital for the time being of the Company;
- (b) the total of capital and revenue reserves (including any share premium account, capital redemption reserve, all as shown in the latest balance sheet of the Company).

DIRECTORS' INTERESTS

119. **Director may have interests**

Subject to the provisions of the IOM Act and provided that Article 120 is complied with, a Director, notwithstanding his office:

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or *in lieu* of any remuneration provided for by any other Article;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (d) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal;

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

120. **Disclosure of interests to Board**

120.1 A Director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested.

120.2 For the purposes of this Article:

- (a) a general notice given to the Board by a Director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this Article in relation to such contract, transaction, arrangement or proposal; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

121. Interested Director may vote and count for quorum

Subject to Article 122, provided that notice has been given in accordance with Article 120, a Director may vote and be counted in the quorum in relation to any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company is or is to be a party and in which he has directly or indirectly any interest which is material or otherwise.

122. Director's interest in own appointment

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment or remuneration (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment .

123. Chairman's ruling conclusive on Director's interest

If any question arises at any meeting in respect of Article 122 as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive.

DIVIDENDS AND OTHER PAYMENTS

131. Declaration of dividends

Subject to the provisions of the IOM Act and of these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

132. Interim dividends

Subject to the provisions of the IOM Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

133. Entitlement to dividends

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

134. Calls or debts may be deducted from dividends

The Board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company.

135. Distribution *in specie*

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of the Company or any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks fit. In particular, the Board may:

- (a) issue fractional certificates (or ignore fractions);
- (b) fix the value for distribution of such assets or any part thereof and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.

136. Dividends not to bear interest

Unless otherwise provided by the rights attached to the share, no dividend or other monies payable by the Company or in respect of a share shall bear interest as against the Company.

137.4 The Board may, at its discretion, make provisions to enable any member as the Board shall from time to time determine to receive duly declared dividends in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such rate or rates and the payment thereof shall be on such terms and conditions as the Board may in its absolute discretion determine.

138. Un-cashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto are returned to the Company or left un-cashed on three consecutive occasions or, following one occasion, reasonable enquiries have failed to establish any new address to be used for the purpose, the Company shall not be obliged to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

139. Unclaimed dividends

Subject to the Board ensuring that the Company is at all times able to immediately satisfy any claim to such unclaimed dividends, all unclaimed dividends may be invested or otherwise be made use of by the Board for the benefit of the Company until claimed, provided that any dividend remaining unclaimed for a period of not less than 3 (three) years from the date on which it became payable may be forfeited by resolution of the Board for the benefit of the Company and shall cease to remain owing by the Company.

140. Payment of scrip dividends

Dividends may be taken in cash or otherwise.

WINDING UP

155. Division of assets

If the Company is wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by law, divide among the members *in specie* the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights; the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 222 of the IOM Act. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine, but no member shall be compelled to accept any assets on which there is a liability.

DISCLOSURE OF INTERESTS IN SHARES

160. Individual and group acquisitions

160.1 Where a member either:

- (a) to his knowledge acquires a Notifiable Interest in shares in the Company, or ceases to be so interested in shares (whether or not retaining an interest in other shares); or
- (b) becomes aware that he has acquired a Notifiable Interest in shares in the Company or that he has ceased to be so interested in shares in the Company in which he was previously interested;

then the member is obliged to notify the Company of the interests which he has or had in shares. For the purpose of this Article 160, a member has a "Notifiable Interest" at any time when he is interested in shares and is resident for tax purposes in the Isle of Man or the legal holder of shares of an aggregate nominal value equal to or more than 5% of the Company's issued share capital.

161. Power of the Company to investigate interests in shares

161.1 The Company may by notice in writing request any person whom the Company knows or has reasonable cause to believe to be or, at any time during the three years immediately preceding the day on which the notice is issued, to have been interested in shares in the Company:

- (a) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
- (b) where he holds or has during that time held an interest in shares so comprised, to give such further information as may be requested in accordance with Article 161.2.

- 161.5 If any member, or any other person appearing to the Directors to be interested in any shares in the capital of the Company held by such member has been served with a request notice under Article 161 and does not within the 14-day period prescribed therein supply to the Company the information thereby requested, the Company may (at the absolute discretion of the Directors) at any time thereafter by notice (a "restriction notice") to such member direct that, in respect of the shares in relation to which the default has occurred (the "default shares" which expression shall include any further shares which are issued in respect of any default shares), the member shall not be entitled to be present or to vote on any question, either in person or by proxy, at any general meeting of the Company or separate general meeting of the holders of any class of shares of the Company, or to be reckoned in a quorum.
- 161.6 Where the default shares represent at least 0.25% (in nominal value) of the issued shares of the same class as the default shares, then the restriction notice may also direct that:
- (a) any dividend or any part thereof or other monies which would otherwise be payable on or in respect of the default shares shall be withheld by the Company; shall not bear interest against the Company; and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
 - (b) where an offer of the right to elect to receive shares of the Company instead of cash in respect of any dividend or part thereof is or has been made by the Company, any election made thereunder by such member in respect of such default shares shall not be effective; and/or
 - (c) no transfer of any of the shares held by such member shall be recognised or registered by the Directors unless:
 - (i) the transfer is a permitted transfer; or
 - (ii) the member is not himself in default as regards supplying the requisite information required under Article 161 and, when presented for registration, the transfer is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a restriction notice its terms shall apply accordingly:

162. RATIFICATION

Notwithstanding anything to the contrary contained in these Articles, the members may not ratify any action by the Company or the Directors that is inconsistent with any limit, restriction or qualification contained in these Articles and/or any provision contained in the listing requirements of the JSE Limited."

DETAILS OF THE PROPERTY PORTFOLIO

The table below sets out the details of the properties within the RI PLC property portfolio as at 28 February 2013.

No.	Property name (Property owning company)	Registered legal description	Physical address	Region	Sector	Freehold/Leasehold	Tenure of leasehold	Approximate age of buildings (years)	Rental per sq ft (£)	GLA (sq ft)	Shareholding
1.	Aberdeen – West Tullos Industrial Estate	KNCI7459	Wellington Road, Aberdeen, AB12 3LQ	UK	Office	Freehold	N/A	40	2.24	44 649	100%
2.	Bedford – Woodlands, Manton Lane	BD226574	Manton Lane, Bedford, MK41 7LW	UK	Office	Freehold	N/A	28	12.13	116 223	100%
3.	Bristol – Temple Back	AV45054	Temple Back, Bristol, BS1 6EZ	UK	Office	Freehold	N/A	40	11.29	87 854	100%
4.	Chatham – The Observatory, Brunel	K924853	Brunel, Chatham Maritime, Chatham, ME4 4NT	UK	Office	Leasehold	125 years	19	7.94	21 451	100%
5.	Croydon – St Anne House, Wellesley Road	SY274586	20/26 Wellesley Road, Croydon, CR9 2JL	UK	Office	Freehold	N/A	40	0.49	73 234	100%
6.	Dalkeith – 7/15 Buccleuch Street	MID22314	7/15 Buccleuch Street, Dalkeith EH22 1HB	UK	Office	Freehold	N/A	30	16.49	7 119	100%
7.	Edinburgh, Parliament Square	MID123462	1a Parliament Square, Edinburgh, EH1 1RF	UK	Office	Freehold	N/A	168	17.75	22 270	100%
8.	Harrow – Equitable House	NGL836211	Lyon Road, Harrow HA1 2DG	UK	Office	Freehold	N/A	N/A	0.00	0	100%
9.	Gillingham, DSA	K964970	Astra Park, Courteney Road, Gillingham, ME8 0RY	UK	Office	Freehold	N/A	3	17.93	13 943	100%
10.	Harrow – Lyon House, Lyon Road	NGL702564	Lyon Road, Harrow HA1 2DG	UK	Office	Freehold	N/A	N/A	0.00	0	100%
11.	Leeds, Park Place	YWE64482	21/22 Park Place and 71/77 Park Street, Leeds, LS1 4UR	UK	Office	Freehold	N/A	40	16.23	39 169	100%
12.	London SE1 – 63/67 Newington Causeway	SGL391266	63/67 Newington Causeway, London, SE1 6LS	UK	Office	Freehold	N/A	30	17.55	21 899	100%
13.	Newcastle – Centrallofts	TY438967	1 Waterloo Square, Newcastle Upon Tyne NE1 4DR	UK	Office	Leasehold	175 years	80 and 10	21.20	5 607	100%
14.	Plymouth – West Point and Centre Court, Ebrington Street	DN402156, DN403976	Ebrington Street, Plymouth, PL4 9RF	UK	Office	Freehold	N/A	30	12.23	27 693	100%
15.	Sparkhill – Haynesfield House, Stoney Lane	WM632370	10 Stoney Lane, Sparkhill B12 8AF	UK	Office	Leasehold	125 years	20	13.34	11 712	100%
16.	Swindon – Delta 900, Delta Business Park	WT72653	Delta Business Park, Great Western Way, Swindon SN5 7XQ	UK	Office	Leasehold	125 years	24	15.03	30 495	100%
17.	Telford – Sapphire House, Stafford Park 10 ⁵	SL162768	Stafford Park 10, Telford, TF3 3AB	UK	Office	Leasehold	999 years	28	0	89 636	100%
18.	Uxbridge, DSA	AGL149874	Kier Park, Cowley Mill Road, Uxbridge UB8 2XW	UK	Office	Freehold	N/A	3	25.00	13 400	100%
19.	Dundee, DSA	ANG25846	Kilspindie Road, Dundee, DD2 3QH	UK	Office	Freehold	N/A	3	11.19	13 400	100%
20.	Watford – Exchange House	HD307043	60 Exchange Road, Watford, WD18 0LL	UK	Office	Freehold	N/A	50	13.57	62 926	100%

No.	Property name (Property owning company)	Registered legal description	Physical address	Region	Sector	Freehold/Leasehold	Tenure of leasehold	Approximate age of buildings (years)	Rental per sq ft (£)	GLA (sq ft)	Shareholding
21.	Weymouth – Westway House	HP229903	Westway Road, Weymouth, DT4 8TE	UK	Office	Freehold	N/A	42	3.81	28 856	100%
22.	Wigan – DSA	MAN123916	Gibfield Park Avenue Atherton M46 OSU	UK	Office	Freehold	N/A	4	11.00	16 363	100%
23.	York – Athena House, Kettlestring Lane, Clifton Moor	NYK306771	Kettlestring Lane, Clifton Moor, York, YO30 4XF	UK	Office	Freehold	N/A	8	12.10	22 055	100%
24.	Gibson Properties Limited	AYR15352	7 Quarry Road, KA12 0TE, Scotland	UK	Industrial	Freehold	N/A	22	4.92	4 474	84%
25.	Gibson Properties Limited	REN2041	7 Chesser Avenue, EH14 1TB, Scotland	UK	Industrial	Freehold	N/A	32	7.33	5 586	84%
26.	Gibson Properties Limited	PTH22687	Units 1 & 2, 70-90 Dalrymple Street, PA15 1HU, Scotland	UK	Industrial	Freehold	N/A	32	4.60	13 468	84%
27.	Gibson Properties Limited	LAN1550	27-31 Canal Street, PH2 8LF, Scotland	UK	Industrial	Freehold	N/A	52	5.04	5 952	84%
28.	Gibson Properties Limited	PTH22685	50 Union Street, ML3 9AA, Scotland	UK	Industrial	Freehold	N/A	22	7.32	6 766	84%
29.	Gibson Properties Limited	HP266279	65-67 Main Street, Bridgend, PH2 7HD, Scotland	UK	Industrial	Freehold	N/A	52	7.29	5 076	84%
30.	Gibson Properties Limited	LAN16546	151 forton road, PO12 3HB, England	UK	Industrial	Freehold	N/A	42	6.13	4 953	84%
31.	Gibson Properties Limited	GLA96810	1 Telford Road, G75 0JD, Scotland	UK	Industrial	Freehold	N/A	22	5.25	4 977	84%
32.	Gibson Properties Limited	WM689140	2196 Paisley Road West, Cardonald, G52 3SJ, England	UK	Industrial	Freehold	N/A	32	5.81	5 250	84%
33.	Gibson Properties Limited	STG44847	Bearwood Road, B66 4DP, England	UK	Industrial	Freehold	N/A	12	6.45	4 338	84%
34.	Gibson Properties Limited	CL128878	Bo'Ness Road, FK3 9BJ, England	UK	Industrial	Freehold	N/A	52	5.38	4 777	84%
35.	Gibson Properties Limited	LL51573	244 Henwer Road, TR7 3EH, England	UK	Industrial	Freehold	N/A	32	6.91	4 486	84%
36.	Gibson Properties Limited	ABN74391	Swan Street, PE11 1BT, England	UK	Industrial	Freehold	N/A	32	6.62	3 778	84%
37.	Gibson Properties Limited	INY8919	123 Causewayend, AB25 3TB, Scotland	UK	Industrial	Freehold	N/A	52	5.55	5 770	84%
38.	Gibson Properties Limited	FFE69775	40 Milburn Road, IV2 3TR, Scotland	UK	Industrial	Freehold	N/A	22	5.68	4 562	84%
39.	Gibson Properties Limited	MOR2394	11-43 Hospital Hill, KY11 3AT, Scotland	UK	Industrial	Freehold	N/A	22	7.54	3 378	84%
40.	Gibson Properties Limited	K249268	East Road, IV30 1XU, Scotland	UK	Industrial	Freehold	N/A	32	6.03	5 589	84%
41.	Gibson Properties Limited	WLN3334	Watling street, ME7 2YS, England	UK	Industrial	Freehold	N/A	52	8.06	8 992	84%
42.	Gibson Properties Limited	STG49065	Carmondean Centre, EH54 8PT, Scotland	UK	Industrial	Freehold	N/A	22	6.35	7 137	84%
43.	Gibson Properties Limited	GLA14190	Callander Road, FK1 1XS, Scotland	UK	Industrial	Freehold	N/A	52	5.78	5 623	84%
44.	Gibson Properties Limited	YEA35286	94 Baillieston Road, Mount Vernon, G32 0TH, Scotland	UK	Industrial	Freehold	N/A	32	6.39	4 709	84%
45.	Gibson Properties Limited	LA582770	47-53 Hull Road, HU10 6SP, England	UK	Industrial	Freehold	N/A	12	4.84	4 621	84%
46.	Gibson Properties Limited	DN114088	Metropolitan Drive, FY3 9JD, England	UK	Industrial	Freehold	N/A	22	10.49	8 457	84%
47.	Gibson Properties Limited	GM338678	Richmond Walk, Devonport, PL1 4LL, England	UK	Industrial	Freehold	N/A	52	6.89	3 899	84%
48.	Gibson Properties Limited	GM916959/60	180 Washway Road, Sale, Trafford, M33 6RH, England	UK	Industrial	Freehold	N/A	52	7.47	2 877	84%
49.	Ciref Kwik-fit Stockport Limited	SF321723	179 Heaton Lane, SK4 1AR, England	UK	Industrial	Freehold	N/A	52	5.94	10 446	42%
50.	Ciref Kwik-fit Stafford Limited	SF321723	Lichfield Road, ST17 4JZ, England	UK	Industrial	Freehold	N/A	52	7.77	8 791	42%
51.	Ciref Kwik-fit Stafford Limited	ND63058	Lichfield Road, ST17 4JZ, England	UK	Retail	Freehold	N/A	52	24.10	1 328	42%
52.	Princes Street Investments Limited		Morpeth Road, Ashington, Northumberland NE63 8PX	UK	Industrial	Freehold	N/A	23	4.08	24 394	84%

No.	Property name (Property owning company)	Registered legal description	Physical address	Region	Sector	Freehold/Leasehold	Tenure of leasehold	Approximate age of buildings (years)	Rental per sq ft (£)	GLA (sq ft)	Shareholding
53.	Princes Street Investments Limited	NYK117795	A64 Eastbound, Tadcaster, North Yorkshire LS24 8EG, England	UK	Industrial	Freehold	N/A	14	1.90	35 719	84%
54.	Princes Street Investments Limited	SYK285564	Penistone Road, Sheffield, South Yorkshire S30 4JB, England	UK	Industrial	Freehold	N/A	20	3.13	23 522	84%
55.	Princes Street Investments Limited	ON232320	A40, Eynsham, Oxfordshire OX8 1EN, England	UK	Industrial	Freehold	N/A	29	3.11	26 572	84%
56.	Princes Street Investments Limited	TY238411	Sunderland Road, Gateshead, Tyne & Wear NE10 8HE, England	UK	Industrial	Freehold	N/A	24	8.08	9 104	84%
57.	Princes Street Investments Limited	NYK97431	Lawrence Street, York, North Yorkshire YO1 3EB, England	UK	Industrial	Freehold	N/A	24	3.65	13 024	84%
58.	Princes Street Investments Limited	WM577887	Icknield Street, Birmingham, West Midlands B18 5AU, England	UK	Industrial	Freehold	N/A	19	3.55	25 483	84%
59.	Princes Street Investments Limited	WR65541	Malvern Road, Lower Wick, Worcestershire WR2 4NR, England	UK	Industrial	Freehold	N/A	36	5.63	15 464	84%
60.	Princes Street Investments Limited	YWE27813	272 Meanwood Road, Leeds, West Yorkshire LS7 2JD, England	UK	Industrial	Leasehold	43 years	19	6.15	12 371	84%
61.	Princes Street Investments Limited	WYK214572/ WYK9886	Keighley Road, Bingley, West Yorkshire BD16 2RD, England	UK	Industrial	Freehold	N/A	20	4.43	19 166	84%
62.	Princes Street Investments Limited	DN165618/ DN257682	147 Torquay Road, Paignton, Devon TQ3 2AG, England	UK	Industrial	Freehold	N/A	27	3.78	17 947	84%
63.	Princes Street Investments Limited	BM107576	London Road, Beaconsfield, Buckinghamshire HP9 1XA, England	UK	Industrial	Freehold	N/A	49	6.47	13 634	84%
64.	Princes Street Investments Limited	CEI42877	Yarm Road, Stockton on Tees, Cleveland TS18 3RW, England	UK	Industrial	Freehold	N/A	25	1.31	41 818	84%
65.	Princes Street Investments Limited	DU250112	Nevilles Cross Bank, Stonebridge, County Durham DH1 3RY, England	UK	Industrial	Freehold	N/A	28	5.74	19 210	84%
66.	Princes Street Investments Limited	DN367154	Telegraph Hill, Exeter, Devon EX6 7XX, England	UK	Industrial	Freehold	N/A	25	0.72	102 409	84%
67.	Princes Street Investments Limited	NYK131854	Thirsk BY-Pass, Thirsk, North Yorkshire YO7 3HL, England	UK	Industrial	Freehold	N/A	23	1.60	56 431	84%
68.	Princes Street Investments Limited	SK225224	Fornham Road, Bury St Edmunds, Suffolk IP22 6AX, England	UK	Industrial	Freehold	N/A	42	5.06	14 099	84%
69.	Princes Street Investments Limited	DU13421	Durham Road, Birtley, County Durham DH3 2BE, England	UK	Industrial	Freehold	N/A	43	2.59	21 824	84%
70.	Princes Street Investments Limited	WK399038	Warwick Road, Kenilworth, Warwickshire CV8 1FB, England	UK	Industrial	Freehold	N/A	43	5.86	11 587	84%
71.	Newington House Limited	TGL2455663	Ground & Upper Floors, Substation, 237 Southwark Bridge Road, London, SE1 6NP	UK	Office	Leasehold	117 years	52	19.96	43 080	77%
72.	Barnsley – Cooper House, 59 Peel Street	SYK81842	59 Peel Street, Barnsley, S70 2RL	UK	Office	Freehold	N/A	11	14.11	21 699	100%
73.	Bristol – Newfoundland Court/ Newfoundland St	AV191318	31/49 Newfoundland Street & 1 Newfoundland Court, Bristol, BS2 9AP	UK	Office	Freehold and Leasehold	N/A	12	13.27	31 598	100%
74.	Chelmsford – Wren House	EX546945	Hedgerows Business Park, Colchester Road, Chelmsford, CM2 5FP	UK	Office	Freehold	N/A	20	18.04	13 857	100%

No.	Property name (Property owning company)	Registered legal description	Physical address	Region	Sector	Freehold/Leasehold	Tenure of leasehold	Approximate age of buildings (years)	Rental per sq ft (£)	GLA (sq ft)	Shareholding
75.	Edgbaston – 2 Duchess Place	WM824429	2 Duchess Place, Edgbaston, B16 8NS	UK	Office	Leasehold	125 years	40	12.19	46 377	100%
76.	Grays – 2 Derby Street	EX746586	2 Derby Street, Grays, RM16 8QQ	UK	Office	Freehold	N/A	18	13.02	11 967	100%
77.	Hartlepool – Ward Jackson House	CE134325	Raby Road, Hartlepool, TS24 8AA	UK	Office	Freehold	N/A	18	9.67	20 828	100%
78.	Ipswich – St Clare House, Princes Street	SK177445	Princes Street, Ipswich, IP1 1PH	UK	Office	Freehold	N/A	50	8.42	82 524	100%
79.	Leeds – Waterside Court, Kirkstall Road	WYK640926	Waterside Court, Kirkstall Road, Leeds, LS4 2QB	UK	Office	Freehold	N/A	210	14.70	35 966	100%
80.	Liverpool – Prudential Buildings, 36 Dale Street	MS262196	36 Dale Street, Liverpool, L2 5UZ	UK	Office	Freehold	N/A	128	13.07	24 749	100%
81.	Oldham – Tweedale House, Union Street	GM567089	75 Union Street, Oldham, OL1 1LH	UK	Office	Freehold	N/A	21	10.52	20 622	100%
82.	Plymouth – Bretonside, Exeter Street	DN516877	64 Exeter Street and 63/65 Bretonside, Plymouth, PL4 0AJ	UK	Office	Freehold	N/A	13	16.22	61 357	100%
83.	Rochdale – Pilsworth Road, Heywood	GM637174	Pilsworth Road, Heywood, Rochdale, OL10 2TA	UK	Office	Freehold	N/A	7	13.23	98 735	100%
84.	Sheffield – Kings Court, Hanover Way	SYK315376	80 Hanover Way, Sheffield, S3 7UF	UK	Office	Freehold	N/A	22	15.34	52 850	100%
85.	Smethwick – Trinity House, High Street	WM640320	High Street, Smethwick, B66 3AD	UK	Office	Freehold	N/A	17	12.86	12 394	100%
86.	Wigan – Brocol House King Street	LA162063	King Street, Wigan, WN1 1EA	UK	Office	Freehold and Leasehold	N/A	48	6.86	44 425	100%
87.	Wolverhampton – Molineux House Temple Street	WM146	Temple Street, Wolverhampton, WV2 4AN	UK	Office	Freehold	N/A	20	9.74	32 437	100%
88.	Pearl House Swansea Limited	WA795811	33-47 Princess Way, Swansea, SA1 5HF, Wales	UK	Other	Leasehold	195 years	4	11.74	1 456	50%
89.	Swansea Estates Limited	WA795811	41 Kingsway, Swansea, SA1 5HF, Wales	UK	Retail	Leasehold	195 years	4	17.71	8 048	50%
90.	Churchill Court Limited	WSX101286	Vanguard House, Churchill Court, Manor Royal, Crawley, West Sussex, RH10 9LU	UK	Office	Freehold	N/A	24	13.95	105 629	25%
91.	26 The Esplanade No 1 Limited	69206091/2/3/4	26 The Esplanade, St Helier, Jersey	Channel Islands	Office	Freehold	N/A	12	27.47	59 352	50%
92.	Ciref Berlin 1 Limited	355/2007R/306A	52457 Aldenhoven, Blumenstr. 3	Germany	Retail	Freehold	N/A	5	8.48	6 566	96%
93.	Ciref Berlin 1 Limited	355/2007R/13249	63741 Aschaffenburg, Langestr 50	Germany	Retail	Freehold	N/A	21	8.20	10 538	96%
94.	Ciref Berlin 1 Limited	355/2007R/8155	144776 Brandenburg, Potsdamerstr 23	Germany	Retail	Freehold	N/A	18	6.77	9 214	96%
95.	Ciref Berlin 1 Limited5	355/2007R/30925	27751 Delmenhorst, Bremerstr 302	Germany	Retail	Freehold	N/A	15	0	8 988	96%
96.	Ciref Berlin 1 Limited	355/2007R/6	74081 Heilbronn-Sonth, Kreuzackerstr 6	Germany	Retail	Freehold	N/A	15	9.27	11 410	96%
97.	Ciref Berlin 1 Limited	355/2007R/1141	25709 Marnewesterstr. 30	Germany	Retail	Freehold	N/A	12	11.08	4 499	96%
98.	Ciref Berlin 1 Limited	355/2007R/16.757 A	24536 Neumunster, Kiederstr 385	Germany	Retail	Freehold	N/A	15	9.34	10 301	96%
99.	Ciref Berlin 1 Limited	355/2007R/1038	24963 Tarp, Wanderuper str 17	Germany	Retail	Freehold	N/A	15	4.00	10 549	96%
100.	Ciref Berlin 1 Limited	355/2007R/8377145663	Recklinghausen, Marienstr 1 B 9835	Germany	Retail	Freehold	N/A	14	5.62	9 149	96%

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101.	Ciref Berlin 1 Limited	355/2007R/3733	51570 Windeck, Gerhard-Hauptmannstr 2-6	Germany	Retail	Freehold	N/A	15	3.32	11 302	96%
102.	Ciref Berlin 1 Limited	660/10	48336 Sassenberg, Lappenbrink 53	Germany	Retail	Freehold	N/A	15	10.96	9 009	96%
103.	Ciref Berlin 1 Limited	106/2007/11032	29525 Uelzen, Hauenriede 1	Germany	Retail	Freehold	N/A	12	15.09	13 993	96%
104.	Ciref Berlin 1 Limited	106/2007/11462	29525 Uelzen, Hauenriede 17	Germany	Retail	Freehold	N/A	16	6.48	22 827	96%
105.	Ciref Berlin 1 Limited	106/2007/1540	32257 Bünde, Lübbecke str 74	Germany	Retail	Freehold	N/A	11	11.42	12 389	96%
106.	Ciref Berlin 1 Limited	216/2007E/5408	52078 Aachen, Heustr 4	Germany	Retail	Freehold	N/A	12	9.78	29 148	96%
107.	Ciref German Portfolio Limited	231/2007O/7773/274	27432 Bremervorde, Wesermünder Str. 60	Germany	Retail	Freehold	N/A	9	7.48	44 341	96%
108.	CEL Portfolio Limited & Co. KG	154/2008/670	28237 Bremen-Gropelangen, Lindenhofcenter	Germany	Retail	Freehold	N/A	3	10.90	44 322	96%
109.	Inksone Zwei Grundstücksverwaltung Limited & Co. KG5	3459/2007/028/1376	32105 Bad Salzuflen, Herforder str 82	Germany	Retail	Freehold	N/A	5	10.17	16 053	57%
110.	Inksone Zwei Grundstücksverwaltung Limited & Co. KG5	270/2007/6581	42283 Wuppertal, Unterdörnen 91	Germany	Retail	Freehold	N/A	3	5.56	28 018	57%
111.	Herzogenrath	18	Nordstern-Park 11 52134 Herzogenrath, Germany	Germany	Retail	Freehold	N/A	1	6.66	121 578	48%
112.	Schwandorf	1830/7, 1830/13	Am Brunnefeld 6 92421 Schwandorf	Germany	Retail	Freehold	N/A	1	7.38	87 112	48%
113.	Premium portfolio Limited & Co. KG	3046/674/ 2007	04357 Leipzig, Mockauerstr	Germany	Office	Freehold	N/A	19	9.28	63 687	96%
114.	Premium portfolio Limited & Co. KG	3881/674/ 2007	04838 Eilenburg, Grenzstr Mittelstr	Germany	Retail	Freehold	N/A	19	7.20	40 662	96%
115.	Premium portfolio Limited & Co. KG	674/ 2007/37756	81540 Munich, Tegernseer platz	Germany	Retail	Freehold	N/A	18	14.80	22 116	96%
116.	Premium portfolio 2 Limited & Co. KG	674/ 2007 150/2008/5464	83052 Bruckmühl, Pettenkofenstr 15 a	Germany	Retail	Freehold	N/A	16	6.74	63 496	96%
117.	Premium portfolio 2 Limited & Co. KG	126/2008/8563	60311 Frankfurt, Barttonstr	Germany	Retail	Leasehold	97 years	4	13.85	11 711	96%
118.	Premium portfolio 2 Limited & Co. KG	058/2008/6399	23879 Mölln, Wasserkrügerweg	Germany	Other	Freehold	N/A	20	6.37	54 175	96%
119.	VBG – Berlin	Folio no. 3934, lot 189, plot 820	Markgrafenstrasse 17/18, 10969 Berlin, Germany	Germany	Office	Freehold	N/A	1	15.95	77 207	100%
120.	VBG – Dresden	Folio no. 4136, lot 2930/41 & 2961/3	Wiener Platz, 01069 Dresden, Germany	Germany	Office	Freehold	N/A	1	12.58	187 818	100%
121.	VBG – Cologne	Folio no. 3159, lot 6, plot 1224, Folio no. 4057, lot 6, plot 1225	Kolner Strasse 20, 51429 Bergisch Gladbach, Germany	Germany	Office	Freehold	N/A	1	10.72	88 696	100%
122.	VBG – Stuttgart	Folio no. 32370, lot 856/4	Martin-Luther-Strasse 79, 71636 Ludwigsburg, Germany	Germany	Office	Freehold	N/A	1	14.97	134 059	100%
123.	The Hague	AP1667, AP1768 & AP1670	Haagse Vest, Saturnusstraatong, The Hague, Netherlands	Germany	Office	Freehold	N/A	1	13.86	138 618	100%
124.	Metterhorn Brig SARRL	66/127058 & 66/127067	3900 Brig, Industriestrasse 3	Switzerland	Retail	Leasehold	43 years	12	15.57	35 000	100%
125.	Matterhorn Vich SARRL	66/127085	1267 Vich, ch. De la Bichette 429, Centre commercial	Switzerland	Retail	Freehold	N/A	16	102.39	8 250	100%

No.	Property name (Property owning company)	Registered legal description	Physical address	Region	Sector	Freehold/Leasehold	Tenure of leasehold	Approximate age of buildings (years)	Rental per sq ft (£)	GLA (sq ft)	Shareholding
126.	Waldkraiburg	16/82, 22/08/4, 22/10/2, 22/15/5 & Hofraum 16/428	Berliner Strasse 11, Kaufhaus Hertie, 3674/094, 3674/207, 3674/208	Germany	Retail	Freehold	N/A	1	10.46	58 071	46%
127.	Kaiserslautern	145/2012 146/2012	Denisstrasse 34 & Merkurstrasse 40	Germany	Retail	Freehold	N/A	1	10.77	37 308	48%
128.	ITB FMZ Hückelhoven GmbH & Co. KG	WM448546, WM742402	Am Landabsatz, Hückelhoven	Germany	Retail	Freehold	N/A	1	6.34	119 103	48%
129.	West Orchards Coventry Limited	CH90102/ CH95204/ CH397373	West Orchards Shopping Centre, Smithford Way, Coventry, CV11QX	UK	Retail	Leasehold	76 years	24	19.02	210 221	50%
130.	Delamere Place Crewe Limited	CH298798	Delamere Place Shopping Centre, Delamere Street, Crewe, Cheshire, CW1	UK	Retail	Freehold	N/A	52	4.72	183 742	100%
131.	Birchwood Warrington Limited	DU296186	Birchwood Shopping Centre, Dewhurst Road, Warrington, WA3 7PG	UK	Retail	Freehold	N/A	45	6.66	403 268	100%
132.	Byron Place Seaham Limited	MAN8656, GM966893, GM661089	Byron Place Shopping Centre, Seaham, County Durham, SR7 7DR	UK	Retail	Freehold	N/A	5	11.83	115 377	100%
133.	Redefine Grand Arcade Wigan Limited	NGL756853	Grand Arcade Shopping Centre 23 Crompton Street, Wigan, WN1	UK	Retail	Leasehold	244 years	6	15.66	471 355	50%
134.	St Georges Harrow Limited	AGL208981	St George's Centre, Harrow, North London, HA1 1HS	UK	Retail	Leasehold	999 years	16	19.38	214 579	100%
135.	Redefine Hotels Portfolio I (Brentford Lock)	LNI 20648	High Street, Brentford, Middlesex, TW8 8JZ	UK	Hotels	Leasehold	N/A	7	24.56	61 064	71%
136.	Redefine Hotels Portfolio II (Southwark)	166632, NGL52950	469 – 475 The Highway, London E1 3HN	UK	Hotels	Freehold	N/A	13	63.90	23 476	71%
137.	Redefine Hotels Portfolio III (Limehouse)	EGL415969	Victoria Road, North Acton, London W3 6XU	UK	Hotels	Freehold	N/A	9	24.25	61 860	71%
138.	Redefine Hotels Portfolio IV (Royal Docks)	AG43935	1 Silvertown Way, London E16 1EA	UK	Hotels	Freehold	N/A	12	30.55	49 094	71%
139.	Redefine Hotels Portfolio V (Park Royal)	BK266158	103 – 109 Southwark Street, London, SE1	UK	Hotels	Freehold	N/A	9	39.09	38 373	71%
140.	Redefine Hotels (Reading)	BGL25451	Caversham Bridge, Richfield Ave, Reading, RG1 8BD	UK	Hotels	Leasehold	N/A	33	44.06	34 047	71%
141.	BNRI (Earls Court)		295 North End Road, London W14 9NS	UK	Hotels	Freehold	N/A	8	105.22	19 957	71%
Total										5 815 003	

(continued)

No	Property name (Property owning company)	Registered legal description	Physical address	Vacancy (% of GLA) acquisition	Effective date of acquisition	Acquisition cost	Valuation as at 28 February 2013 ^{3,4}	Difference between valuation amount and acquisition cost ¹ (£)	Registered property valuer ⁵	Place of registration of property valuer
1.	Aberdeen – West Tullos Industrial Estate	KNC17459	Wellington Road, Aberdeen, AB12 3LQ	0%	30-Mar-10	£2,208,030	£2,100,000	£(108,030)	Savills	United Kingdom
2.	Bedford – Woodlands, Manton Lane	BD226574	Manton Lane, Bedford, MK41 7LW	0%	14-Mar-07	£22,275,110	£10,000,000	£(12,275,110)	Savills	United Kingdom
3.	Bristol – Temple Back	AV45054	Temple Back, Bristol, BS1 6EZ	20%	17-Dec-09	£14,802,809	£10,700,000	£(4,102,809)	Savills	United Kingdom
4.	Chatham – The Observatory, Brunel	K924853	Brunel, Chatham Maritime, Chatham, ME4 4NT	67%	11-Apr-07	£5,133,463	£1,300,000	£(3,833,463)	Savills	United Kingdom
5.	Croydon – St Anne House, Wellesley Road	SY274586	20/26 Wellesley Road, Croydon, CR9 2UL	100%	11-Mar-08	£16,166,768	£5,550,000	£(10,666,768)	Savills	United Kingdom
6.	Dalkeith – 7/15 Buccleuch Street	MID22314	7/15 Buccleuch Street, Dalkeith EH22 1HB	0%	06-Jul-05	£1,627,756	£800,000	£(827,756)	Savills	United Kingdom
7.	Edinburgh, Parliament Square	MID123462	1a Parliament Square, Edinburgh, EH1 1RF	0%	09-Mar-10	£5,953,394	£4,250,000	£(1,703,394)	Savills	United Kingdom
8.	Harrow – Equitable House	NGL836211	Lyon Road, Harrow HA1 2DG	0%	17-Feb-11	£3,303,958	£4,250,000	£946,042	Savills	United Kingdom
9.	Gillingham, DSA	K964970	Astra Park, Courteney Road, Gillingham, ME8 0RY	0%	31-Mar-08	£3,834,623	£3,500,000	£(334,623)	Savills	United Kingdom
10.	Harrow – Lyon House, Lyon Road	NGL702564	Lyon Road, Harrow HA1 2DG	0%	09-Feb-06	£17,822,839	£8,000,000	£(9,822,839)	Savills	United Kingdom
11.	Leeds, Park Place	YWE64482	21/22 Park Place and 71/77 Park Street, Leeds, LS1 4UR	0%	27-Jul-10	£7,696,945	£5,450,000	£(2,246,945)	Savills	United Kingdom
12.	London SE1 – 63/67 Newington Causeway	SGL391266	63/67 Newington Causeway, London, SE1 6LS	0%	17-Oct-06	£7,573,540	£4,250,000	£(3,323,540)	Savills	United Kingdom
13.	Newcastle – Centrallofts	TY438967	1 Waterloo Square, Newcastle Upon Tyne NE1 4DR	0%	17-Mar-06	£1,880,972	£750,000	£(1,130,972)	Savills	United Kingdom
14.	Plymouth – West Point and Centre Court, Ebrington Street	DN402156, DN403976	Ebrington Street, Plymouth, PL4 9RF	0%	21-Mar-07	£6,109,763	£2,500,000	£(3,609,763)	Savills	United Kingdom
15.	Sparkhill – Haynesfield House, Stoney Lane	WM632370	10 Stoney Lane, Sparkhill B12 8AF	0%	21-Apr-05	£1,879,785	£1,250,000	£(629,785)	Savills	United Kingdom
16.	Swindon – Delta 900, Delta Business Park	WTT72653	Delta Business Park, Great Western Way, Swindon SN5 7XQ	0%	16-Nov-04	£5,996,497	£1,100,000	£(4,896,497)	Savills	United Kingdom
17.	Telford – Sapphire House, Stafford Park 10 ⁵	SL162768	Stafford Park 10, Telford, TF3 3AB	100%	17-Feb-06	£16,727,002	£530,000	£(16,197,002)	Savills	United Kingdom
18.	Uxbridge, DSA	AGL149874	Kier Park, Cowley Mill Road, Uxbridge UB8 2XW	0%	24-Nov-09	£5,996,044	£5,300,000	£(696,044)	Savills	United Kingdom
19.	Dundee, DSA	ANG25846	Kilspindie Road, Dundee, DD2 3QH	0%	24-Mar-10	£2,238,424	£1,950,000	£(288,424)	Savills	United Kingdom
20.	Watford – Exchange House	HD307043	60 Exchange Road, Watford, WD18 0LL	0%	23-Nov-05	£12,186,079	£9,500,000	£(2,686,079)	Savills	United Kingdom
21.	Weymouth – Westway House	HP239903	Westway Road, Weymouth, DT4 8TE	0%	06-May-10	£2,630,068	£2,000,000	£(630,068)	Savills	United Kingdom
22.	Wigan – DSA	MAN123916	Gibfield Park Avenue Atherton M46 OSU	0%	05-May-10	£3,650,895	£3,000,000	£(650,895)	Savills	United Kingdom
23.	York – Athena House, Kettlestring Lane, Clifton Moor	NYK306771	Kettlestring Lane, Clifton Moor, York, YO30 4XF	0%	16-Nov-04	£3,790,274	£1,900,000	£(1,890,274)	Savills	United Kingdom
24.	Gibson Properties Limited	AYR15352	7 Quarry Road, KA12 0TE, Scotland	0%	31-Jan-05	£326,645	£320,000	£(6,645)	Jones Lang Lasalle	United Kingdom
25.	Gibson Properties Limited		7 Chesser Avenue, EH14 1TB, Scotland	0%	31-Jan-05	£625,201	£570,000	£(55,201)	Jones Lang Lasalle	United Kingdom

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26.	Gibson Properties Limited	REN2041	Units 1 & 2, 70-90 Dalrymple Street, PA15 1HU, Scotland	0%	31-Jan-05	£863 563	£900 000	£36 437	Jones Lang Lasalle	United Kingdom
27.	Gibson Properties Limited	PTH22687	27-31 Canal Street, PH2 8LF, Scotland	0%	31-Jan-05	£444 623	£440 000	£(4 623)	Jones Lang Lasalle	United Kingdom
28.	Gibson Properties Limited	LAN1550	50 Union Street, ML3 9AA, Scotland	0%	31-Jan-05	£756 822	£720 000	£(36 822)	Jones Lang Lasalle	United Kingdom
29.	Gibson Properties Limited	PTH22685	65-67 Main Street, Bridgend, PH2 7HD, Scotland	0%	31-Jan-05	£544 944	£500 000	£(44 944)	Jones Lang Lasalle	United Kingdom
30.	Gibson Properties Limited	HP266279	151 fortou road, PO12 3HB, England	0%	31-Jan-05	£463 844	£430 000	£(33 844)	Jones Lang Lasalle	United Kingdom
31.	Gibson Properties Limited	LAN16546	1 Telford Road, G75 0JD, Scotland	0%	31-Jan-05	£398 876	£385 000	£(13 876)	Jones Lang Lasalle	United Kingdom
32.	Gibson Properties Limited	GLA96810	2196 Paisley Road West, Cardonald, G52 3SJ, England	0%	31-Jan-05	£410 925	£430 000	£19 075	Jones Lang Lasalle	United Kingdom
33.	Gibson Properties Limited	WM689140	Bearwood Road, B66 4DP, England	0%	31-Jan-05	£411 236	£390 000	£(21 236)	Jones Lang Lasalle	United Kingdom
34.	Gibson Properties Limited	STG44847	Bo Ness Road, FK3 9BJ, England	0%	31-Jan-05	£372 392	£375 000	£2 608	Jones Lang Lasalle	United Kingdom
35.	Gibson Properties Limited	CL128878	244 Henver Road, TR7 3EH, England	0%	31-Jan-05	£414 125	£445 000	£30 875	Jones Lang Lasalle	United Kingdom
36.	Gibson Properties Limited	LL51573	Swan Street, PE11 1BT, England	0%	31-Jan-05	£308 186	£365 000	£56 814	Jones Lang Lasalle	United Kingdom
37.	Gibson Properties Limited	ABN74391	123 Causewayend, AB25 3TB, Scotland	0%	31-Jan-05	£383 628	£435 000	£51 372	Jones Lang Lasalle	United Kingdom
38.	Gibson Properties Limited	INV8919	40 Milburn Road, IV2 3TR, Scotland	0%	31-Jan-05	£382 022	£355 000	£(27 022)	Jones Lang Lasalle	United Kingdom
39.	Gibson Properties Limited	FPE69775	11-43 Hospital Hill, KY11 3AT, Scotland	0%	31-Jan-05	£389 246	£375 000	£(14 246)	Jones Lang Lasalle	United Kingdom
40.	Gibson Properties Limited	MOR2394	East Road, IV30 1XU, Scotland	0%	31-Jan-05	£467 095	£475 000	£7 905	Jones Lang Lasalle	United Kingdom
41.	Gibson Properties Limited	K249268	Watling street, ME7 2YS, England	0%	31-Jan-05	£1 066 613	£1 085 000	£18 387	Jones Lang Lasalle	United Kingdom
42.	Gibson Properties Limited	WLN3334	Carmondean Centre, EH54 8PT, Scotland	0%	31-Jan-05	£692 616	£660 000	£(32 616)	Jones Lang Lasalle	United Kingdom
43.	Gibson Properties Limited	STG49065	Callander Road, FK1 1XS, Scotland	0%	31-Jan-05	£437 400	£475 000	£37 600	Jones Lang Lasalle	United Kingdom
44.	Gibson Properties Limited	GLA14190	94 Baillieston Road, Mount Vernon, G32 0TH, Scotland	0%	31-Jan-05	£459 872	£440 000	£(19 872)	Jones Lang Lasalle	United Kingdom
45.	Gibson Properties Limited	YEA35286	47-53 Hull Road, HU10 6SP, England	0%	31-Jan-05	£331 461	£330 000	£(1 461)	Jones Lang Lasalle	United Kingdom
46.	Gibson Properties Limited	LA582770	Metropolitan Drive, FY3 9JD, England	0%	01-Nov-05	£1 300 000	£1 230 000	£(70 000)	Jones Lang Lasalle	United Kingdom
47.	Gibson Properties Limited	DN114088	Richmond Walk, Devonport, PL1 4LL, England	0%	01-Nov-05	£400 000	£330 000	£(70 000)	Jones Lang Lasalle	United Kingdom
48.	Gibson Properties Limited	GM338678	180 Washway Road, Sale, Trafford, M33 6RH, England	0%	01-Nov-05	£300 000	£300 000	£0	Jones Lang Lasalle	United Kingdom
49.	Ciref Kwik-fit Stockport Limited	GM916959/60	179 Heaton Lane, SK4 1AR, England	0%	30-Sep-06	£2 356 250	£875 000	£(1 481 250)	Jones Lang Lasalle	United Kingdom
50.	Ciref Kwik-fit Stafford Limited	SF321723	Lichfield Road, ST17 4JZ, England	0%	30-Sep-06	£3 393 000	£975 000	£(2 418 000)	Jones Lang Lasalle	United Kingdom
51.	Ciref Kwik-fit Stafford Limited	SF321723	Lichfield Road, ST17 4JZ, England	0%	30-Sep-06	£580 000 ⁶	£350 000 ⁶	£(230 000) ⁶	Jones Lang Lasalle	United Kingdom
52.	Princes Street Investments Limited	ND63058	Morpeth Road, Ashington, Northumberland NE63 8PX	0%	30-Apr-07		£1 550 000		DTZ	United Kingdom
53.	Princes Street Investments Limited	NYK117795	A64 Eastbound, Tadcaster, North Yorkshire LS24 8EG, England	0%	30-Apr-07		£1 000 000		DTZ	United Kingdom
54.	Princes Street Investments Limited	SYK285564	Penisrone Road, Sheffield, South Yorkshire S30 4JB, England	0%	30-Apr-07		£1 130 000		DTZ	United Kingdom

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55.	Princes Street Investments Limited	ON232320	A40, Eynsham, Oxfordshire OX8 1EN, England	0%	30-Apr-07		£1 270 000		DTZ	United Kingdom
56.	Princes Street Investments Limited	TY238411	Sunderland Road, Gateshead, Tyne & Wear NE10 8HE, England	0%	30-Apr-07		£1 130 000		DTZ	United Kingdom
57.	Princes Street Investments Limited	NYK97431	Lawrence Street, York, North Yorkshire YO1 3EB, England	0%	30-Apr-07		£760 000		DTZ	United Kingdom
58.	Princes Street Investments Limited	WM577887	Ickneld Street, Birmingham, West Midlands B18 5AU, England	0%	30-Apr-07		£1 370 000		DTZ	United Kingdom
59.	Princes Street Investments Limited	WR65541	Malvern Road, Lower Wick, Worcestershire WR2 4NR, England	0%	30-Apr-07		£1 400 000		DTZ	United Kingdom
60.	Princes Street Investments Limited	YW/E27813	272 Meanwood Road, Leeds, West Yorkshire LS7 2JD, England	0%	30-Apr-07		£440 000		DTZ	United Kingdom
61.	Princes Street Investments Limited	WYK214572/ WYK9886	Keighley Road, Bingley, West Yorkshire BD16 2RD, England	0%	30-Apr-07		£1 200 000		DTZ	United Kingdom
62.	Princes Street Investments Limited	DN165618/ DN257682	147 Torquay Road, Paignton, Devon TQ3 2AG, England	0%	30-Apr-07		£1 100 000		DTZ	United Kingdom
63.	Princes Street Investments Limited	BM107576	London Road, Beaconsfield, Buckinghamshire HP9 1XA, England	0%	30-Apr-07		£1 440 000		DTZ	United Kingdom
64.	Princes Street Investments Limited	CE142877	Yarm Road, Stockton on Tees, Cleveland TS18 3RW, England	0%	30-Apr-07		£780 000		DTZ	United Kingdom
65.	Princes Street Investments Limited	DU250112	Nevilles Cross Bank, Stonebridge, County Durham DH1 3RY, England	0%	30-Apr-07		£1 570 000		DTZ	United Kingdom
66.	Princes Street Investments Limited	DN367154	Telegraph Hill, Exeter, Devon EX6 7XX, England	0%	30-Apr-07		£1 070 000		DTZ	United Kingdom
67.	Princes Street Investments Limited	NYK131854	Thirsk BY-Pass, Thirsk, North Yorkshire YO7 3HL, England	0%	30-Apr-07		£1 390 000		DTZ	United Kingdom
68.	Princes Street Investments Limited	SK225224	Fornham Road, Bury St Edmunds, Suffolk IP32 6AX, England	0%	30-Apr-07		£1 100 000		DTZ	United Kingdom
69.	Princes Street Investments Limited	DU13421	Durham Road, Birtley, County Durham DH3 2BE, England	0%	30-Apr-07		£800 000		DTZ	United Kingdom
70.	Princes Street Investments Limited	WK399038	Warwick Road, Kemilworth, Warwickshire CV8 1FB, England	0%	30-Apr-07		£1 050 000		DTZ	United Kingdom
71.	Newington House Limited	TGL2455663	Ground & Upper Floors, Substation, 237 Southwark Bridge Road, London, SE1 6NP	0%	29-Sep-05	£8 100 000	£9 525 000	£(1 425 000)	Jones Lang Lasalle	United Kingdom
72.	Barnsley – Cooper House, 59 Peel Street	SYK81842	59 Peel Street, Barnsley, S70 2RL	0%	17-Mar-06	£4 074 112	£2 300 000	£1 774 112	Savills	United Kingdom
73.	Bristol – Newfoundland Court/ Newfoundland St	AV191318	31/49 Newfoundland Street & 1 Newfoundland Court, Bristol, BS2 9AP	14%	19-Mar-07	£7 599 654	£2 400 000	£5 199 654	Savills	United Kingdom
74.	Chelmsford – Wren House	EX546945	Hedgerows Business Park, Colchester Road, Chelmsford, CM2 5FP	0%	14-May-07	£4 083 339	£1 050 000	£(3 033 339)	Savills	United Kingdom
75.	Edgbaston – 2 Duchess Place	WM824429	2 Duchess Place, Edgbaston, B16 8NS	0%	22-Dec-05	£9 098 900	£3 700 000	£(5 398 900)	Savills	United Kingdom
76.	Grays – 2 Derby Street	EX746586	2 Derby Street, Grays, RM16 8QQ	0%	24-Feb-05	£2 003 800	£1 250 000	£(753 800)	Savills	United Kingdom

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77.	Hartlepool – Ward Jackson House Street	CE134325	Raby Road, Hartlepool, TS24 8AA	0%	20-Sep-04	£2 850 947	£1 100 000	£(1 750 947)	Savills	United Kingdom
78.	Ipswich – St Clare House, Princes Street	SK177445	Princes Street, Ipswich, IP1 1PH	0%	26-Jun-06	£12 072 262	£6 000 000	£(6 072 262)	Savills	United Kingdom
79.	Leeds – Waterside Court, Kirkstall Road	WYK640926	Waterside Court, Kirkstall Road, Leeds, LS4 2QB	0%	17-Mar-06	£8 713 153	£3 500 000	£5 213 153	Savills	United Kingdom
80.	Liverpool – Prudential Buildings, 36 Dale Street	MS262196	36 Dale Street, Liverpool, L2 5UZ	0%	16-Nov-04	£3 918 633	£2 350 000	£(1 568 633)	Savills	United Kingdom
81.	Oldham – Tweedale House, Union Street	GM567089	75 Union Street, Oldham, OL1 1LH	0%	29-Nov-06	£3 472 160	£1 900 000	£(1 572 160)	Savills	United Kingdom
82.	Plymouth – Bretonside, Exeter Street	DN516877	64 Exeter Street and 63/65 Bretonside, Plymouth, PL4 0AJ	0%	28-Nov-06	£15 472 841	£9 000 000	£(6 472 841)	Savills	United Kingdom
83.	Rochdale – Pilsworth Road, Heywood	GM637174	Pilsworth Road, Heywood, Rochdale, OL10 2TA	0%	30-Nov-05	£16 341 004	£8 750 000	£(7 591 004)	Savills	United Kingdom
84.	Sheffield – Kings Court, Hanover Way	SYK315376	80 Hanover Way, Sheffield, S3 7UF	0%	20-Sep-04	£10 616 499	£ 6 650 000	£(3 966 499)	Savills	United Kingdom
85.	Smethwick – Trinity House, High Street	WM640320	High Street, Smethwick, B66 3AD	0%	21-Apr-05	£1 999 807	£1 150 000	£(849 807)	Savills	United Kingdom
86.	Wigan – Brocol House King Street	LA162063	King Street, Wigan, WN1 1EA	0%	20-Sep-04	£3 393 355	£2 400 000	£(993 355)	Savills	United Kingdom
87.	Wolverhampton – Molineux House Temple Street	WM146	Temple Street, Wolverhampton, WV2 4AN	0%	06-Jul-05	£4 200 101	£2 600 000	£(1 600 101)	Savills	United Kingdom
88.	Pearl House Swansea Limited	WA795811	33-47 Princess Way, Swansea, SA1 5HF, Wales	0%	21-Jul-09	£345 000	£219 000	£(126 000)	Jones Lang Lasalle	United Kingdom
89.	Swansea Estates Limited	WA795811	41 Kingsway, Swansea, SA1 5HF, Wales	18%	21-Jul-09	£1 875 000	£1 260 000	£(615 000)	Jones Lang Lasalle	United Kingdom
90.	Churchill Court Limited	WSX101286	Vanguard House, Churchill Court, Manor Royal, Crawley, West Sussex, RH10 9LU	25%	01-Apr-08	£25 000 000	£14 270 000	£(10 730 000)	Jones Lang Lasalle	United Kingdom
91.	26 The Esplanade No 1 Limited	69206091/2/3/4	26 The Esplanade, St Helier, Jersey	0%	23-Nov-07	£27 147 075	£23 700 000	£(3 447 075)	BNP Paribas Real Estate	Jersey
92.	Ciref Berlin 1 Limited	355/2007R/306A	52457 Aldenhoven, Blumenstr. 3	0%	29-Nov-07	€ 1 868 080 ⁶	€ 330 000 ⁶	€(539 080) ⁶	Jones Lang Lasalle	Germany
93.	Ciref Berlin 1 Limited	355/2007R/ 13249	63741 Aschaffenburg, Langestr 50	0%	29-Nov-07	€ 810 000	€ 810 000		Jones Lang Lasalle	Germany
94.	Ciref Berlin 1 Limited	355/2007R/8155	144776 Brandenburg, Porsdamerstr 23	0%	21-Sep-07	€ 7 054 632 ⁶	€ 4 410 000 ⁶	€(2 644 632) ⁶	Jones Lang Lasalle	Germany
95.	Ciref Berlin 1 Limited ⁵	355/2007R/ 30925	27751 Delmenhorst, Bremerstr 302	100%	21-Sep-07	€ 270 000	€ 270 000		Jones Lang Lasalle	Germany
96.	Ciref Berlin 1 Limited	355/2007R	74081 Heilbronn-Sonth, Kreuzackerstr 6	0%	21-Sep-07	€ 1 230 000	€ 1 230 000		Jones Lang Lasalle	Germany
97.	Ciref Berlin 1 Limited	355/2007R/1141	25709 Marne, westerstr. 30	0%	21-Sep-07	€ 320 000	€ 320 000		Jones Lang Lasalle	Germany
98.	Ciref Berlin 1 Limited	355/2007R/ 16.757 A	24536 Neumunster, Kiederstr 385	0%	21-Sep-07	€ 950 000	€ 950 000		Jones Lang Lasalle	Germany
99.	Ciref Berlin 1 Limited	355/2007R/1038	24963 Tarp, Wanderuper str 17	0%	21-Sep-07	€ 330 000	€ 330 000		Jones Lang Lasalle	Germany

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100.	Ciref Berlin 1 Limited	355/2007R/8377/45663 9835	Recklinghausen, Marienstr 1 B	0%	21-Sep-07	€450 000	€450 000		Jones Lang Lasalle	Germany
101.	Ciref Berlin 1 Limited	355/2007R/3733	51570 Windeck, Gerhard- Hauptmannstr 2-6	4%	21-Sep-07	€350 000	€350 000		Jones Lang Lasalle	Germany
102.	Ciref Berlin 1 Limited	660/10	48336 Sassenberg, Lappenbrink 53	0%	29-Nov-07	€1 567 000	€530 000	€(1 037 000)	Jones Lang Lasalle	Germany
						€6 880 000 ⁶	€7 590 000 ⁶	€(710 000) ⁶		
103.	Ciref Berlin 1 Limited	106/2007/11032	29525 Uelzen, Hauenriede 1	0%	31-May-07	€3 080 000	€3 080 000		Jones Lang Lasalle	Germany
104.	Ciref Berlin 1 Limited	106/2007/11462	29525 Uelzen, Hauenriede 17	0%	31-May-07	€1 380 000	€1 380 000		Jones Lang Lasalle	Germany
105.	Ciref Berlin 1 Limited	106/2007/1540	32257 Bünde, Lübbecke str 74	0%	31-May-07	€3 130 000	€3 130 000		Jones Lang Lasalle	Germany
106.	Ciref Berlin 1 Limited	216/2007E/5408	52078 Aachen, Heustr 4	0%	31-May-07	€3 950 000	€3 830 000	€(120 000)	Jones Lang Lasalle	Germany
107.	Ciref German Portfolio Limited	231/2007O/ 7773/274	27432 Bremervorde, Wäsermünder Str. 60	0%	21-Sep-07	€4 750 000	€4 550 000	€(200 000)	Jones Lang Lasalle	Germany
108.	CEL Portfolio Limited & Co. KG	154/2008/670	28237 Bremen-Gropplingen, Lindenhofcenter	0%	30-Jun-09	€7 728 446	€6 640 000	€(1 088 446)	Jones Lang Lasalle	Germany
109.	Inkstone Zwei Grundstücksverwaltung Limited & Co. KG ⁵	3459/2007/028/ 1376	32105 Bad Salzuflen, Herforder str 82	0%	27-Jul-07	€2 766 960	€1 970 000	€(96 960)	Jones Lang Lasalle	Germany
110.	Inkstone Zwei Grundstücksverwaltung Limited & Co. KG ⁵	270/2007/6581	42283 Wuppertal, Unterdömen 91	3%	27-Jul-07	€3 942 789	€2 050 000	€(1 892 789)	Jones Lang Lasalle	Germany
111.	Herzogenrath	18	Nordstern-Park 11 52134 Herzogenrath, Germany	0%	30-Nov-10	€12 991 231	€10 400 000	€(2 591 231)	Jones Lang Lasalle	Germany
112.	Schwandorf	1830/7, 1830/13	Am Brunnfeld 6 92421 Schwandorf	0%	30-Nov-10	€10 152 275	€9 560 000	€(592 275)	Jones Lang Lasalle	Germany
113.	Premium portfolio Limited & Co. KG	3046/674/ 2007	04357 Leipzig, Moeckauerstr	0%	14-May-08	€8 596 220	€7 930 000	€(666 220)	Jones Lang Lasalle	Germany
114.	Premium portfolio Limited & Co. KG	3881/674/ 2007	04838 Eilenburg, Grenzstr Mittelstr	6%	14-May-08	€4 459 240	€2 940 000	€(1 519 240)	Jones Lang Lasalle	Germany
115.	Premium portfolio Limited & Co. KG	674/ 2007/37756	81540 Munich, Tegernseer platz	0%	14-May-08	€6 618 120	€6 490 000	€(128 120)	Jones Lang Lasalle	Germany
116.	Premium portfolio 2 Limited & Co. KG	674/ 2007 150/2008/5464	83052 Bruckmühl, Pettenkofenstr 15 a	0%	14-May-08	€6 526 420	€5 990 000	€(536 420)	Jones Lang Lasalle	Germany
117.	Premium portfolio 2 Limited & Co. KG	126/2008/8563	60311 Frankfurt, Barttonstr	0%	07-Apr-07	€2 091 000	€2 460 000	€(369 000)	Jones Lang Lasalle	Germany
118.	Premium portfolio 2 Limited & Co. KG	058/2008/6399	23879 Mölln, Wasserkrügerweg	8%	07-Apr-07	€5 450 000	€5 080 000	€(370 000)	Jones Lang Lasalle	Germany
119.	VBG – Berlin	Folio no. 3934, lot 189, plot 820	Markgrafenastrasse 17/18, 10969 Berlin, Germany	0%	18-Oct-12	€15 500 000	€20 900 000	€5 400 000	DTZ	Germany
120.	VBG – Dresden	Folio no. 4136, lot 2930/41 & 2961/3	Wiener Platz, 01069 Dresden, Germany	0%	18-Oct-12	€28 500 000	€29 800 000	€1 300 000	DTZ	Germany
121.	VBG – Cologne	Folio no. 3159, lot 6, plot 1224, Folio no. 4057, lot 6, plot 1225	Kolner Strasse 20, 51429 Bergisch Gladbach, Germany	0%	18-Oct-12	€9 500 000	€11 600 000	€2 100 000	DTZ	Germany

Property name (Property owning company)	Registered legal description	Physical address	Vacancy (% of GLA)	Effective date of acquisition	Acquisition cost	Valuation as at 28 February 2013 ^{3,4}	Difference between valuation amount and acquisition cost ¹ (£)	Registered property valuer ³	Place of registration of property valuer
122. VBG – Stuttgart	Folio no. 32370, lot 856/4	Martin-Luther-Strasse 79, 71636 Ludwigsburg, Germany	0%	18-Oct-12	€26 500 000	€28 000 000	€1 500 000	DTZ	Germany
123. The Hague	AP1667, AP1768 & AP1670	Haagse Vest, Saturnusstraatong, The Hague, Netherlands	0%	16-Jul-08	€31 646 284	€20 950 000	€(10 696 284)	DTZ	The Netherlands
124. Metterhorn Brig SARL	66/127058 & 66/127067	3900 Brig, Industriestrasse 3	0%	12-Sep-05	CHF 8 810 015	CHF 9 400 000	CHF 589 985	Jones Lang Lasalle	Switzerland
125. Matterhorn Vich SARL	66/127085	1267 Vich, ch. De la Bichette 429, Centre commercial	0%	12-Sep-05	CHF 16 000 014	CHF 21 500 000	CHF 5 400 986	Jones Lang Lasalle	Switzerland
126. Waldkraiburg	16/82, 2208/4, 2210/2, 2215/5 & Hofraum 16/428	Berliner Strasse 11, Kaufhaus Hertie, & Hofraum	0%	17-Jul-12	€9 700 000	€9 390 000	€(310 000)	Jones Lang Lasalle	Germany
127. Kaiserslautern	3674/94, 3674/207, 3674/208	Denisstrasse 34 & Merkurstrasse 40	0%	15-Oct-12	€6 490 000	€6 210 000	€(280 000)	Jones Lang Lasalle	Germany
128. ITB FMZ Hückelhoven GmbH & Co. KG	145/2012 146/2012	Am Landabsatz, Hückelhoven	0%	20-Dec-2012	€11 500 000	€11 890 000	€390 000	Jones Lang Lasalle	Germany
129. West Orchards Coventry Limited	WN448546, WN742402	West Orchards Shopping Centre, Smithford Way, Coventry, CV11QX	1%	06-Jul-07	£64 200 000	£37 000 000	£(27 200 000)	Jones Lang Lasalle	United Kingdom
130. Delamere Place Crewe Limited	CH90102/ CH95204/ CH397373	Delamere Place Shopping Centre, Delamere Street, Crewe, Cheshire, CW1	7%	19-May-05	£17 961 915	£9 150 000	£(8 811 915)	Jones Lang Lasalle	United Kingdom
131. Birchwood Warrington Limited	CH298798	Birchwood Shopping Centre, Dewhurst Road, Warrington, WA3 7PG	10%	16-Nov-06	£50 150 000	£29 210 000	£(20 940 000)	Jones Lang Lasalle	United Kingdom
132. Byron Place Seaham Limited	DU296186	Byron Place Shopping Centre, Seaham, County Durham, SR7 7DR	0%	27-Apr-09	£19 178 652	£17 070 000	£(2 108 652)	Jones Lang Lasalle	United Kingdom
133. Redefine Wigan Limited	MAN8656, GM966893, GM661089	Grand Arcade, Wigan	1%	26-Jul-10	£1	£76 400 000	£76 399 999	Jones Lang Lasalle	United Kingdom
134. St Georges Harrow Limited	NGL756853	St George's Centre, Harrow, North London, HA1 1HS	4%	05-Apr-11	£68 200 000	£57 480 000	£(10 720 000)	Jones Lang Lasalle	United Kingdom
135. Brentford Lock	AGL208981	High Street, Brentford, Middlesex, TW8 8JZ	0%	26-Jul-10	£25 507 246	£25 600 000	£92 754	Savills	United Kingdom
136. Southwark	LN120648	469 – 475 The Highway, London E1 3HN	0%	26-Jul-10	£21 776 938	£22 550 000	£1 423 062	Savills	United Kingdom
137. Limehouse	166632, NGL52950	Victoria Road, North Acron, London W3 6XU	0%	26-Jul-10	£22 180 214	£24 050 000	£1 869 786	Savills	United Kingdom
138. Royal Doeks	EGL415969	1 Silvertown Way, London E16 1EA	0%	26-Jul-10	£21 172 023	£22 600 000	£1 427 977	Savills	United Kingdom
139. Park Royal	AG43935	103 – 109 Southwark Street, London, SE1	0%	26-Jul-10	£15 626 969	£16 100 000	£473 031	Savills	United Kingdom
140. Reading	BK266158	Caversham Bridge, Richfield Ave, Reading, RG1 8BD	0%	21-Apr-11	£13 600 000	£12 000 000	£(1 300 000)	Savills	United Kingdom
141. Earls Court	BGL25421	295 North End Road, London W14 9NS	0%	21-Apr-11	£27 622 000	£27 000 000	£(622 000)	Savills	United Kingdom
Total			4%			£820 467 509			

Notes:

1. The difference between the valuation amounts and the acquisition costs are reflected in local currencies and arose due to changes in the market value of the properties. Further to this is that the value attributed by each valuer is an open market value while the acquisition costs are negotiated values.
2. Where properties were valued in a currency other than GBP, the following exchange rates were used to translate the value of the properties in to GBP: £1.00:€1.16; £1.00:CHF1.48
3. The properties were valued at 28 February 2013 on the basis of open market value by independent professionally qualified external valuers in accordance with the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors (the Red Book).
4. Figures reflect 100% ownership of property assets.
5. These properties (numbered 17, 95, 109 and 110) have been sold subsequent to 28 February 2013.
6. These properties were acquired as a portfolio at an aggregated acquisition cost, therefore individual acquisition costs cannot be assigned to each of the properties.
7. The table of properties excludes the acquisition of the three shopping centres in Germany which were acquired in August 2013 in terms of the CMC Transaction. Further details of the acquisition of the three shopping centres are set out in paragraph 3 of **Annexure 6**.

DETAILS OF ACQUISITIONS AND VENDORS

The immovable properties, subsidiaries and investments acquired by the RI PLC group in the three years preceding the last practical date are detailed in the table below, together with the names and addresses of the vendors of the immovable properties and/or securities purchased by RI PLC and/or its subsidiaries and the consideration paid by the vendors during the three year period preceding the last practical date:

No.	Nature of the asset acquired	Entity which acquired the asset	Name of vendor	Address of vendor	Names of beneficial shareholders of vendor	Date of acquisition by RI PLC and/or its subsidiary	Consideration			Date of acquisition by the vendor	Cost of asset to vendor (if purchased within preceding 3 years)	Amount paid for goodwill by vendor
							Issue of securities	Cash portion	Loans incurred to finance acquisition			
								Goodwill/ Intangible assets paid in which accounted for				
1	2.53% of the issued share capital of Wichford	RI PLC	Purchased in the open market	N/A (Purchased in the open market)	Listed entity with various shareholders	Between March 2010 and June 2010	N/A	£2 304 410	N/A	N/A (Purchased in the open market)	N/A (Purchased in the open market)	
2	6.88% of the issued stapled securities of Cromwell	Redefine Australian Investments Limited	N/A (Issue of new Cromwell stapled securities)	N/A (Issue of new Cromwell stapled securities)	N/A	15 July 2010	N/A	AUD54 000 000	£30 million bridging loan from Redefine Properties	N/A	N/A	
3	66.66% of the issued share capital of Birchwood	RIHL	N/A (Acquired by way of a capitalisation)	N/A (Acquired by way of a capitalisation)	N/A (Acquired by way of a capitalisation)	15 July 2010	£531 850	NIL	None	£0.6 million	N/A	
4	Five Holiday Inn branded hotels situated in London	Redefine Hotel Holdings Limited and subsidiaries	Bashir Hakamali Nathoo	296 Joel Street, Pinner, Middlesex, HA5 2PY	Bashir Hakamali Nathoo	29 June 2010 ^a	N/A	£106 263 390	£68 500 000	N/A (Purchased the asset at market value)	N/A (The properties were constructed and not purchased)	
5	50% holding in ITB FMZ Herzogenrath B.V. and 50% holding in ITB Baumarkt Schwandorf B.V.	ITB FMZ Reinheim B.V.	Albert ten Brinke Beheer B.V.	Molendijk-Noord 69, NL-7461, Rijssen, The Netherlands	Mr. Albert ten Brinke	30 November 2010	N/A	€2 700 000	None	N/A (The properties were constructed and not purchased)	N/A (The properties were constructed and not purchased)	

		Consideration											
No.	Nature of the asset acquired	Entity which acquired the asset	Name of vendor	Address of vendor	Names of beneficial shareholders of vendor	Date of acquisition by RIPLC and/or its subsidiary	Issue of securities	Cash portion	Loans incurred to finance acquisition	Goodwill/ Intangible assets paid and manner in which accounted for	Date of acquisition by the vendor	Cost of asset to vendor (if purchased within preceding 3 years)	Amount paid for goodwill by vendor
6	2.98% of the issued stapled securities of Cromwell	Redefine Australian Investments Limited	N/A (Issue of new Cromwell stapled securities)	N/A (Issue of new Cromwell stapled securities)	N/A	4 March 2011	N/A	AUD24 748 500	AUD24 748 500	N/A	N/A	N/A	N/A
7	100% of the issued shares in St Georges Harrow Limited	RIHL	Propinvest Asset Management Limited	17 Grosvenor Street, London W1K 4QG	Glenn Maud	27 April 2011	N/A	£25 000 000	None	(Purchased a non-controlling interest)	November 2007	N/A	N/A
8	Crowne Plaza Hotel Reading	Redefine Hotels Reading Limited	Pedersen (UK) Limited in administration	30 Finsbury Square London EC2P 2YO	Grant Thornton LLP	1 June 2011	N/A	£12 764 104	£7 650 000	N/A (Purchased the asset at market value)	26 January 2004	N/A	N/A
9	3.56% of the issued stapled securities of Cromwell	Redefine Australian Investments Limited	N/A (Issue of new Cromwell Stapled Securities)	N/A (Issue of new Cromwell Stapled Securities)	N/A	16 December 2011	N/A	AUD35 000 000	AUD9 558 820	N/A (Purchased a non-controlling interest)	N/A	N/A	N/A
10	100% of the issued share capital of RIHL	Wichford	Wichford	Top Floor, 14 Athol Street, Douglas, Isle of Man, IM1 1JA	Listed entity with various shareholders	23 August 2012	7.2 Wichford shares for every one RIHL share	N/A	None	(Purchased the asset at market value)	N/A	N/A	N/A
11	60% of the issued shares in BNRI Earls Court Limited	Redefine Hotel Holdings Limited	Camden Lock and Earls Court LLP	30 Jamestown Road, Camden Town, London NW1 7By	Bashir Hakamali Nathoo	22 November 2012	N/A	£8 700 000	None	N/A (Purchased the asset at market value)	18 May 1999	N/A	N/A
12	Participation in AUD163 million Cromwell capital raising	Redefine Australian Investments Limited	N/A (Issue of new Cromwell stapled securities)	N/A (Issue of new Cromwell stapled securities)	N/A	11 December 2012	N/A	AUD40 000 000	None	N/A (Purchased a non-controlling interest)	N/A	N/A	N/A

Consideration													
No.	Nature of the asset acquired	Entity which acquired the asset	Name of vendor	Address of vendor	Names of beneficial shareholders of vendor	Date of acquisition by RI PLC and/or its subsidiary	Issue of securities	Cash portion	Loans incurred to finance acquisition	Goodwill/ Intangible assets paid and manner in which accounted for	Date of acquisition by the vendor	Cost of asset to vendor (if purchased within preceding 3 years)	Amount paid for goodwill by vendor
13	100% of the issued share capital of a property owning company, ITB FMZ Hückelhoven BV & Co. KG	Jointly controlled entity RI Menora German Holdings S.a.r.l.	Albert ten Brinke and Hüland Beheer B.V.	Molendijk-Noord 69, NL-7461, Rijssen, The Netherlands	Mr. Albert ten Brinke	24 December 2012	N/A	€3 700 000	None	N/A (Purchased the asset at market value)	N/A (The properties were constructed and not purchased)	N/A (The properties were constructed and not purchased)	N/A (The properties were constructed and not purchased)
14	100% of the issued shares in and claims on loan account against Grundstucksgesellschaft EKZ SSC-Berlin GmbH & Co., SMK Erste Investitions GmbH and CMC Shopping Center Altona GmbH [†]	RI PLC	CMC Capital Limited	Building G, West Cork Technology Park, Clonakilty, Co Cork, Ireland	CMC Capital Limited	3 September 2013	Approximately 32 241 401 RI PLC Shares	€31 400 000	None	N/A (Purchased the asset at market value)	2006	N/A	N/A

[†] The date of acquisition by the vendor, the cost of the property to the vendor and the amount paid for goodwill by the vendor could not be obtained due to inaccessibility to the prior vendor.

[^] This was the date that the heads of agreement for this hotel transaction were concluded.

[‡] Further details of the CMC transaction are set out in paragraph 3 of **Annexure 6**.

HISTORICAL FINANCIAL INFORMATION OF RI PLC FOR THE SIX MONTHS ENDED 28 FEBRUARY 2013

Set out below are extracts from the financial results of RI PLC for the six months ended 28 February 2013 and 29 February 2012. These extracts are the responsibility of RI PLC's directors. The financial statements for the six months ended 28 February 2013 and 29 February 2012, from which the information below was extracted, were prepared in accordance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board and which were reviewed by KPMG in accordance with the International Standards on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. The financial results for the six months ended 28 February 2013 and 29 February 2012 are available for inspection on the company's website (www.redefineinternational.com).

REDEFINE DEMONSTRATES GOOD PROGRESS ON INCOME FOCUSED STRATEGY WITH IMPROVED CAPITAL STRUCTURE AND STRONG GROWTH IN EARNINGS

Redefine International, the diversified income focused property company, today announces its half-year results for the six months ended 28 February 2013.

Financial Highlights

- Earnings available for distribution of £14.4 million (February 2012: £12.9 million), an increase of 11.6%
- Group profit after tax attributable to equity holders of £16.9 million (February 2012: loss of £60.7 million)
- Basic earnings per share of 1.91 pence (restated February 2012: 11.87 pence loss)
- Interim dividend declared of 1.475 pence per share (February 2012: 2.10 pence), following the increased number of shares in issue post capital raise
- Adjusted NAV per share of 40.29 pence (August 2012 *pro forma*⁽¹⁾: 36.41 pence), an increase of 10.7%
- Fully diluted IFRS NAV per share of 26.69 pence (restated August 2012: 24.14 pence)
- Like-for-like portfolio⁽²⁾ valued at £969.2 million (August 2012: £917.4 million), an increase of 5.2%
- Group loan to value reduced to 51.2% (August 2012: 81.7%) and weighted debt maturity increased to 8.18 years

(1) August 2012 adjusted EPRA NAV per share of 39.06 pence adjusted for the issuance of 490 384 616 new ordinary shares at 26 pence per share and the subsequent 0.9:1 share consolidation

(2) Excludes the Delta and Gamma portfolios

Operational Highlights

- Strong progress in further improving the capital structure following the £127.5 million capital raise supporting the Company's drive for delivering high quality income
- Strong operating performance from Cromwell reflected by 25.3% Australian dollar (29.8% in Sterling) increase in the market value of securities held throughout the period
- Supported Cromwell capital raise with £26.1 million investment at 78.5 cents per security
- Successful capital recycling with disposal of £52.8 million Cromwell securities at a weighted average price of 90.1 cents per security in April 2013
- Restructuring of legacy Wichford assets and associated financing facilities largely complete
- Acquisition of a 60% interest in the Earls Court Holiday Inn Express, London and the commencement of the Southwark Holiday Inn Express redevelopment
- €6.5 million acquisition of a newly developed retail park in Kaiserslautern, Germany, in joint venture with a pension fund partner
- €11.5 million acquisition of OBI Huckelhoven, Germany; a newly developed property let to Germany's leading DIY chain, in joint venture with a pension fund partner
- Portfolio occupancy stable at 95.9% by area (August 2012: 95.5%)
- Continued portfolio improvement through asset management and disposal of non-core assets

Greg Clarke, Chairman, said:

"The capital raise was a transformational event for the Company placing us on a firm financial footing for future growth. The shift from restructuring the legacy financing facilities and simplifying the ownership structure to enhancing the quality of the portfolio is progressing well, with a number of new accretive investment opportunities being explored.

The Company's business model is focused around a diversified portfolio. This not only provides quality income but also the ability to recycle capital between asset types and geographical areas in order to benefit from property's inherent cyclicality. The sale of a portion of Cromwell securities, our best performing investment over the last 12 months, is a clear illustration of how our diversified portfolio is being used to benefit shareholders in a counter cyclical manner. The intention is to continue to recycle capital across the portfolio into opportunities that provide the best risk-adjusted returns.

The future is considered to be brighter than it has been for some time and the Company is looking forward to a dynamic period where it can cement its place as a significant participant in the UK listed real estate market offering a strongly capitalised, diversified, income focused investment opportunity.”

Meeting and conference call

A meeting for analysts and institutional investors will take place today at 09.00 (UK local time) at the offices of Investec Bank plc, 7th Floor, 2 Gresham Street, London, EC2V 7QP. The meeting can also be accessed via a conference call dial in facility, starting at 09.00, using the details below. The presentation will be made available on the Company’s website <http://www.redefineinternational.com/investor-relations/financial-reports>

Dial in number: UK Local +44(0)20 7136 2051

South Africa Local +27(0)11 019 7015

Confirmation Code: 1094079

For further information, please contact:

Redefine International Property Management Limited

Michael Watters, Stephen Oakenfull

Tel: +44 (0)20 7811 0100 Tel: +44 (0)20 7831 3113

FTI Consulting LLP

Stephanie Highett, Dido Laurimore, Faye Walters

Chairman’s Statement

I am pleased to report a solid set of operating and financial results for the six months ended 28 February 2013. The results are the first since the successful £127.5 million capital raising in October 2012 and reflect a significantly stronger balance sheet.

The Group’s financial position has enabled a renewed focus on enhancing the property portfolio as evidenced by the number of successful asset management initiatives and new investments completed during the past six months.

Although performance within the Group’s business segments varied significantly, the benefits of our diversified portfolio, enhanced by the larger allocation of capital to performing sectors, has proved successful in delivering both earnings and NAV growth. Overall occupancy levels improved marginally to 95.9% and the like-for-like value of the investment portfolio, including Cromwell at market value, increased 5.6% in Sterling terms.

The decision to invest in Australia (through Cromwell) has been a successful strategy which, together with the relative stability of our German and Swiss assets, illustrates the benefit of the Group’s diversified business model. Simultaneously, exposure to UK regional offices has been significantly reduced given the structural issues within a number of these markets.

Financial Results

Earnings available for distribution for the six months were 1.5 pence per share with basic earnings per share of 1.91 pence. Given the impact of the capital raising in October 2012, and that the new investments have not contributed to earnings for the full period, it is pleasing to have achieved this.

The overall increase in investment values supported an increase in the Adjusted NAV per share to 40.29 pence, a 10.7% increase over the comparable figure, post the capital raising.

The Group’s Adjusted NAV removes the negative equity associated with the Gamma and Delta non-recourse financing facilities and accounts for the investment in Cromwell at market value as opposed to the equity accounted net asset value reflected on the balance sheet.

Leverage has been materially reduced following the capital raising and the successful restructuring of a number of debt facilities. The Group’s LTV of 51.2% and weighted debt maturity in excess of 8 years places the Company on a significantly stronger financial footing.

Operations

The overall performance of the Group’s investment portfolio was supported by sound performances from Cromwell and the European portfolio, as well as a stronger Australian Dollar and Euro against Pound Sterling.

The UK retail environment continues to be challenging with pressure on consumers’ disposable income and structural changes to the retail market suppressing rental growth and general demand for space. The general market trend of less frequent visits to shopping centres but higher expenditure per visit was reflected in our portfolio with footfall down across the portfolio although most retailers are reporting stable or higher turnover. Despite this footfall trend, the 0.4% increase in occupancy to 95.9% by area, together with the redevelopment and refurbishment initiatives being carried out at Birchwood, Warrington and St George’s, Harrow shopping centres supported a 1.0% increase in values.

Exposure to UK regional offices has been significantly reduced and will continue to reduce as assets are sold as part of the Delta portfolio restructuring. In the interim there have been a number of successful lettings, maintaining occupancy and securing government-backed income returns.

The acquisition of the Earls Court Holiday Inn Express strengthened the Hotel portfolio and complements the strategy of investing in branded London-based limited service hotels. The London hotel market has had a slow start to the calendar year but the quality of the Group’s Hotel portfolio and its long term prospects remain sound.

The European portfolio provided a resilient income contribution backed by strong covenants and inflation-linked leases. Investment into newly developed convenience retail assets in Germany and the sale of smaller non-core assets continues to strengthen the quality of the portfolio.

Cromwell produced an outstanding performance which included a well-supported capital raise and improvements in key operating and financial measures. This, together with inclusion in the ASX 300 index, supported a 25.3% increase in the security price during the period.

The Company took the opportunity in April 2013 (post period end) to capitalise on the strength of the Cromwell security price and Australian Dollar, selling 86.0 million Cromwell securities at a weighted average price of AUD 90.1 cents, delivering £52.8 million of capital and a profit of approximately £12.9 million. The Company remains committed to its shareholding, which, following this sale, equates to a 16.12% shareholding, but will take opportunities to recycle capital where opportunities exist to reinvest capital into earnings enhancing investments.

Wichford legacy assets and debt facilities

As previously announced, despite on-going negotiations to restructure the £199.7 million Gamma loan facility, the servicer confirmed in January 2013 that it would be accelerating the loan. The loan facility is entirely non-recourse to the Company and, as a result of the negative net asset value position of the Gamma portfolio, the Company did not attribute any economic value to the portfolio. The Company's Adjusted NAV reflects this by removing the residual non-recourse debt associated with the portfolio.

Dividend

The Board has declared an interim dividend of 1.475 pence per share reflecting a pay-out ratio of 98% of earnings available for distribution, which is payable on 24 May 2013 to shareholders on the register at the close of business on 10 May 2013.

Corporate Restructuring and UK REIT Conversion

A formal application has been submitted to the South African Reserve Bank following notification that it was agreeable to considering an application for an inward listing onto the Johannesburg Stock Exchange ("JSE"). An inward listing will enable the Group to simplify its corporate structure and consolidate its shareholder base by distributing Redefine Properties International Limited's current 65.8% shareholding in the Company. This should have the impact of enhancing the Company's liquidity and free float with existing shareholders in Redefine Properties International Limited becoming direct shareholders in the Company through a dual listing on the LSE and the JSE.

The Company has also previously highlighted its intention to convert to a UK REIT. Recent changes to the UK REIT regime enacted in the UK Finance Bill 2012 including, *inter alia*, the abolition of the 2% entry charge has made the conversion to a UK REIT more attractive to the Group and its shareholders. The Company is at an advanced stage with an internal tax restructuring review in order to facilitate a potential conversion. The Board is also considering proposals to internalise the management function. An announcement will be made as soon as a formal decision to proceed is taken by the Board.

Prospects

The capital raise was a transformational event for the Company, placing us on a firm financial footing. The shift from restructuring the legacy financing facilities and simplifying the ownership structure to enhancing the quality of the portfolio, is progressing well with a number of new accretive investment opportunities being explored.

The Company's business model is focused around a diversified portfolio. This not only provides good quality income but also the ability to recycle capital between asset types and geographical areas, in order to benefit from property's inherent cyclicality. The sale of a portion of Cromwell securities, our best performing investment over the last 12 months, is a clear illustration of how our diversified portfolio is being used to benefit shareholders in a counter cyclical manner. The intention is to continue to recycle capital across the portfolio into opportunities that provide the best risk-adjusted returns.

We remain committed to investing in and upgrading our properties; specifically the shopping centres, retail parks and hotels. We are also considering an active development programme on some existing well located properties that have reached the end of their life cycle, but where there is evidence of future strong occupational demand. Furthermore, the Company's enhanced balance sheet position and on-going work in relation to the portfolio and simplifying the corporate structure should, in due course, provide the ability to attract capital from a wider range of sources.

The future is considered to be brighter than it has been for some time and the Company is looking forward to a dynamic period where it can cement its place as a significant participant in the UK listed real estate market offering a strongly capitalised, diversified, income focused investment opportunity.

Greg Clarke

Chairman

Redefine Properties International Limited ("RIN") Trading Statement

The Company refers to the announcement made today by its largest shareholder, RIN. In terms of the Listings Requirements of the JSE Limited, RIN is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the distribution per linked unit for the period to be reported upon next will differ by at least 15% from the distribution for the previous corresponding period. The Company notes RIN's trading statement and that its expected range of distribution per linked unit for the year ending 31 August 2013, after factoring in the known effects of the capital raise in October 2012, is broadly consistent with the latest published analyst guidance for Redefine International. The financial results on which RIN's trading statement is based have not been reviewed or reported on by RIN's external auditors.

Our Business

Investment Strategy

The Group's strategy is focused on delivering sustainable and growing income returns through investment in high income yielding assets let to high quality occupiers on long leases. Development exposure is generally limited to asset management and ancillary development of existing assets in order to enhance and protect capital values. The Group aims to distribute the majority of its earnings available for distribution on a semi-annual basis, providing investors with attractive income returns and exposure to capital growth opportunities.

Investment Markets

The Group is focused on real estate investment in large, well developed economies with established and transparent real estate markets. The investment portfolio is geographically diversified across the UK, Europe and Australia providing exposure to the office, retail, industrial and hotel sectors.

Business Segments

UK Stable Income	Consists predominantly of offices let to the UK Government, but includes petrol filling stations, Kwik-Fit centres, retail and residential units.
UK Retail	Consists of the Group's UK shopping centre portfolio which includes four shopping centres (two of which are held through jointly controlled entities) and two retail parks.
Europe	Consists of all the Group's properties in Continental Europe, located in Germany, Switzerland and the Netherlands. The portfolio comprises discount supermarkets and government let offices.
Hotels	Consists of all the Group's hotel properties. The hotels are let to Redefine Hotel Management Limited and Redefine Earls Court Management Limited on a fixed rental basis with annual reviews. The portfolio comprises six London based hotels and one hotel in Reading, branded under the Holiday Inn, Holiday Inn Express and Crowne Plaza franchises.
Cromwell	The Group's investment in the Cromwell Property Group, a commercial real estate company listed in Australia with major lettings to listed companies and government tenants. As at 28 February 2013 Cromwell's market capitalisation was AUD 1.4 billion (£926 million) and the Company's shareholding was 22.01%.

Property portfolio by business segment at 28 February 2013

Business segments	Market values (£'million)	Occupancy by lettable area (%)	Lettable area ('000 sqft)	Annualised gross rental income (£'million)
UK Stable Income	175.4	91.0	1 651	14.1
UK Retail	226.3	95.9	1 602	20.5
Hotels	150.2	100.0	288	11.1
Europe	213.5	99.0	1 661	17.0
Cromwell ⁽¹⁾	281.4	94.9	1 358	30.0
Total investment portfolio	1 046.8	95.5	6 560	93.6
Delta portfolio	56.1	99.3	612	7.6
Total	1 102.9	95.9	7 172	101.2

Note:

- Figures for Cromwell reflect the Company's 22.01% share of Cromwell's property assets and net rental income. The investment value based on the 28 February 2013 share price of AUD 0.94 is £203.8 million.

Figures (excluding Cromwell) assume 100% ownership of assets held in subsidiaries and jointly controlled entities.

Top 15 properties by value

Name	Principal occupiers	Market value (£m)	Ownership interest (%)	Sector	Lettable area (sqft)	Annualised gross rent (£m)	Let by area (%)	Weighted average unexpired lease term (years)
Wigan, Grande Arcade	Debenhams, BHS	76.4	50.0	Retail	471 355	7.38	99	12.7
Harrow, St Georges	Debenhams	57.5	100.0	Retail	217 595	4.22	96	6.4
Coventry, West Orchards	Debenhams	37.0	50.0	Retail	210 221	3.95	99	7.4
Warrington, Birchwood	ASDA	29.2	100.0	Retail	403 268	2.64	90	17.5
Earls Court, Holiday Inn Express	RHM1	27.0	42.6	Hotels	19 957	2.10	100	12.8

Name	Principal occupiers	Market value (£m)	Ownership interest (%)	Sector	Lettable area (sqft)	Annualised gross rent (£m)	Let by area (%)	Weighted average unexpired lease term (years)
Dresden, VBG	VBG	27.7	49.0	Europe	187 818	2.38	100	11.2
Brentford Lock, Holiday Inn	RHM1	25.6	71.0	Hotels	61 064	1.50	100	12.8
Limehouse, Holiday Inn Express	RHM1	24.1	71.0	Hotels	61 860	1.50	100	12.8
Stuttgart, VBG	VBG	24.1	49.0	Europe	134 059	2.02	100	11.9
25 – 26 The Esplanade St Helier	JFSC2, Capita	23.7	50.0	Office	59 352	1.63	100	10.5
Southwark, Holiday Inn Express	RHM1	22.6	71.0	Hotels	23 476	1.5	100	12.8
Royal Docks, Holiday Inn Express	RHM1	22.6	71.0	Hotels	49 094	1.50	100	12.8
Malthurst Portfolio	Malthurst	21.6	100.0	Industrial	503 777	1.49	100	12.4
The Hague, ICC	Royal Dutch Gov.	18.1	100.0	Europe	138 618	1.93	100	1.3

Notes:

1. Redefine Hotel Management Limited.
2. Jersey Financial Services Commission.

UK Stable Income

Market

Investment and occupational demand in regional office markets remains limited although longer-term secure income remains in demand from both private investors with access to capital as well as property funds looking to generate income returns. The public sector remains under intense Treasury scrutiny over new leases and lease renewals, with much of the emphasis still on reduction of estate costs. In contrast, the private sector is starting to stabilise and there has been a marked improvement in interest in office space since the beginning of the year. However, the regional office market continues to be a tenant's market where lease renewals and break clauses represent an opportunity to negotiate better lease terms. In response, the Company has reduced its exposure to this market and is active in engaging with occupiers to secure future occupation and income streams.

Performance

Values declined 6.1% in the period since 31 August 2012, largely as a result of declining lease lengths, but the portfolio continues to provide a high income yield underpinned by a largely government tenant base.

Occupancy (including the Delta portfolio) remained stable at 93.2% (31 August 2012: 93.3%) and there have been a number of successes in retaining tenants or re-letting vacant space. A large percentage of the vacancy at 28 February 2013 related to Sapphire House, Telford and Valiant House, Crawley. Both properties have agreed terms for sale post period end at a total book value of £2.5 million, which will reduce vacancy and associated operating costs. Occupancy is expected to increase to 98.0% following the sale of these two assets.

There are currently on-going lease negotiations totalling approximately 25,000 sqft, at the Crescent Centre in Bristol, Wren House, Chelmsford and The Observatory, Chatham.

Investment and asset management

Lyon and Equitable House, Harrow

Further progress has been made in satisfying the Section 106 conditions and pre-commencement planning conditions at Lyon and Equitable House, Harrow.

Crescent Centre, Bristol

Refurbishment of the Crescent Centre in Bristol is now complete offering affordable, refurbished space in a strong location. URS Infrastructure & Environment Group took 4,552 sqft on a five year lease at £11.50 per sqft during the period.

Strategy and Outlook

Overall exposure to regional offices has reduced significantly since the last financial year end. The UK Stable Income portfolio now represents £175.4 million or 16% of the Group's gross investment portfolio, down from 33.7% at 31 August 2012.

Of the remaining exposure, £56.1 million relates to the Delta portfolio which will be sold under the terms of the restructuring agreement over the period to April 2015. The Company has no economic exposure to changes in valuation of the Delta portfolio but will continue to receive 65% of net income after interest costs, subject to meeting certain sales targets.

UK Retail

UK Retail at a glance

	28 February 2013	31 August 2012	29 February 2012
Market value	£226.3 million	£224.1 million	£247.4 million
Occupancy (by lettable area)	95.9%	95.9%	94.8%
Annualised gross rental income	£20.5 million	£20.5 million	£20.6 million
Estimated rental value ("ERV")	£20.9 million	£20.4 million	£21.2 million
Footfall % change ¹	(2.6%)	(0.8%)	1.6%
Net initial yield	7.5%	7.5%	7.4%
Lettable area ('000)	1 602sqft	1 602sqft	1 602 sqft

Notes:

Figures assume 100% ownership of property assets in subsidiaries and jointly controlled entities.

1. Excludes Crewe.

Market

Despite the well documented challenges for retailers, and in light of the limited availability of prime stock, investment demand for good quality secondary retail centres strengthened. Income yields on secondary, but sustainable centres are now looking attractive.

Performance

The UK Retail portfolio (including Wigan and Coventry which are held in jointly controlled entities) was valued at £226.3 million (31 August 2012: £224.1 million) reflecting a 1.0% uplift. This reflects significant outperformance compared with the 4.9% decline recorded by the IPD Monthly Shopping Centre Index for the same period. The valuations were supported by various asset management and redevelopment initiatives, particularly at St Georges, Harrow and Birchwood, Warrington.

Net income increased by 1.58% across the portfolio for the period, which again reflects favourably compared to the 1.9% decline as measured by the IPD Shopping Centre rental value growth index for the same period. This highlights the stabilisation of the shopping centre markets following the successive waves of retailer insolvencies, renewed tenant demand for good quality secondary centres, together with an active asset management strategy.

Footfall across the portfolio decreased 2.6% compared to the same period last year. This appeared to be a consistent trend across most retail portfolios with consumers shopping less often but spending more per visit. This compared to the national benchmark provided by Experian estimated at -3.8%.

Occupancy increased to 95.9% (31 August 2012: 95.2%). Eight leases totalling 18,320 sqft were completed during the period which reflects positively against five leases totalling 4,231 sqft that expired or were subject to break options.

The portfolio was subject to retail administrations at two Republic stores and one HMV store, all of which are in advanced negotiations regarding new lettings.

Marketing and omni-channel development

The effects of technology and the internet on retailing are becoming clearer. Having listened to our retailers and undertaken consistent research, the Company believes the following initiatives are the best way to protect the portfolio and maintain a competitive edge.

The following initiatives are in progress:

- Introducing free Wi-Fi across the portfolio to provide essential customer requirements and CRM (customer relationship management) opportunities;
- Introducing mobile-enabled websites across the portfolio;
- Introducing CRM initiatives including promotional based consumer applications;
- Introducing navigable, detailed Goad plans for all centres on Google maps (android mobile version);
- Refocusing marketing towards digital advertising and CRM, supported by events, promotions and above the line media where appropriate;
- Exploring true omni-channel initiatives such as digital personal shoppers; and
- Exploring ideas and partnerships to deliver a customer focused and efficient click and collect system.

Commercialisation

The Company has instructed Asset Space to coordinate commercialisation at a portfolio level and introduce bespoke mall kiosks, media and promotions. The three year target is to create additional annual gross income in excess of £0.5 million.

Investment and asset management

St Georges, Harrow

The initiatives to modernise the centre and bolster the leisure offer are progressing well and the first phase of the works is almost complete. This phase has seen the Deichmann store completed as well as the enabling works to introduce full height shop fronts to the units concentrated around the eastern side of the atrium. The existing outdated low ceiling in the area approaching the atrium has also been raised and modernised.

A twenty year lease has been agreed with Nando's for 3,520 sqft at a rent of £ 82,720 p.a. Terms have also been agreed with another multi-national restaurant chain for 4,210 sqft. The lease term is twenty-five years at a rent of £101,040 p.a. It is anticipated that both these lettings will support the strategy to drive further footfall to the centre.

Phase two has commenced which will see the installation of full height shop fronts, the creation of two new modern kiosks for commercialisation and a new architectural treatment of the entrance and facade.

Birchwood, Warrington

Phases one to three of the scheduled redevelopment are now complete and both QVC and Home Bargains have taken occupation of their units. QVC opened for trade in early November and is trading exceptionally well.

The remaining large unit of 10,000 sqft has been let to 99p Stores and the enabling works have commenced with handover scheduled for the end of June 2013.

Phase four of the redevelopment programme which focuses on the refurbishment of existing mall areas started in early February 2013 and is progressing on schedule. Included in this phase is the refurbishment of the old plant room to create a new 1,550 sqft unit facing the public realm area on the south eastern corner of the centre. The final phase will be an extension of the car park to provide an additional 221 spaces.

Strategy and Outlook

Investment and asset management will remain focused on occupancy and income protection in the short term. A number of new development projects have been identified to leverage off the strength of foodstore anchors and in particular to establish Birchwood and Seaham as dominant well anchored retail parks.

Hotels

The London hotel market has had a slow start to the year. Despite improvements in average daily rates, the overall increase in supply and a weaker leisure sector is likely to see RevPar declines for the London market as a whole in 2013.

While the current business environment and 'Olympic overhang' are providing some short term challenges, the Company is confident that the focus on branded London-based limited service hotels will provide long term outperformance.

The value of the portfolio remained broadly unchanged at £150.2 million.

Underlying operating performance

There were signs of pressure on operating margins in the first two months of 2013 although this was largely anticipated and related to lower average room rates rather than volume. The impact of the Olympics and the supply of additional rooms into the London market will need to be absorbed, but the continued growth of London is anticipated to support longer term trends in investment and occupational demand.

The hotels are operated by Redefine Hotel Management Limited ("RHM"). The Company sets a fixed annual rental which is reviewed annually.

Investment

Earls Court Holiday Inn Express

In November, the Company, through its 71% held subsidiary Redefine Hotel Holdings Limited ("RHH"), acquired a 60% share in BNRI Earls Court Limited, the owner of the 150 bedroom Earls Court Holiday Inn Express Hotel in London (the "Hotel"), for a consideration of £8.7 million. The effective purchase price of the Hotel of £27.0 million plus transaction costs of £0.4 million, reflected a net yield of 7.5% and was funded by the Company and its co-investors in RHH on a *pro-rata* basis.

The hotel is well located close to the Earls Court Exhibition Centre and Arena and the Olympia Exhibition Centre. The area is earmarked for large-scale redevelopment and the hotel is expected to complement the Group's existing portfolio of six high quality limited service hotels.

Holiday Inn Express, Southwark

The construction of an additional 50 bedrooms commenced in February 2013 and is anticipated to be completed in January 2014. The Company has forward funded the additional rooms at a yield of 10.0% with certain guarantees being provided by the developer.

Holiday Inn, Brentford Lock

A new InterContinental Hotels Group open lobby design concept has been launched at the Holiday Inn Brentford Lock making it the first hotel in Europe to pilot this new concept. The new design combines the front desk, lobby, restaurant, bar, lounge area and business centre into one area providing a contemporary feel and relaxed guest experience. The refurbishment was completed in November 2012.

Strategy and Outlook

The strategy remains firmly focused on branded London-based limited service hotels as evidenced by the recent acquisition of the Earls Court Holiday Inn Express.

Europe

Market

Despite continued volatility in the Eurozone, Germany, which accounts for the majority of the portfolio, proved resilient with strong employment figures and slow but positive GDP growth of 0.7% in 2012. The investment market in Germany was buoyant with transactional values up 10% making 2012 the most active year since 2008.

Performance

The European portfolio (including jointly controlled entities) was valued at €247.8 million (31 August 2012: €240.5 million). The like-for-like portfolio declined 2.6% in local currency terms but was offset by a stronger Euro resulting in a 5.1% increase in Sterling terms.

Occupancy decreased marginally to 99.0% (31 August 2012: 99.3%). However a number of leases have been agreed after the period end which have subsequently increased occupancy to 99.6%.

Asset management during the period focused on the extension and renovation of three discount food store anchors in return for new lease terms of between 10 to 15 years. A number of smaller leases were extended providing additional income security.

Investment and asset management

Kaiserslautern and Huckelhoven acquisitions

The Kaiserslautern retail park and OBI Huckelhoven acquisitions were completed in October 2012 and December 2012 respectively. The newly developed retail properties in Germany were acquired through the Group's jointly controlled entity RI Menora German Holdings S.a.r.l.

The Kaiserslautern property, valued at €6.5 million, was acquired directly from the developers at a net initial yield of 6.8%. The property comprises eight retail units and one office, with 150 parking bays. The retail units are occupied by leading German retail chains, accounting for approximately 75% of the gross rental income.

The Huckelhoven property, valued at €11.6 million, was acquired directly from the developers at a net initial yield of 7.3%. The property is leased to OBI AG on a 15 year lease linked to German CPI. OBI AG is Germany's leading DIY chain with over 580 stores throughout Europe.

Sale of non-core assets

The sale of three smaller non-core assets valued at €3.1million was agreed post period end. The proceeds will be utilised to pay down the associated financing facilities.

Strategy and Outlook

Recent investments into newly developed, well-let retail assets and the sale of certain smaller non-core assets is providing on-going improvements to the portfolio and income security. The relative strength of the German economy and a stronger property lending market remain attractive and the Company has a number of opportunities under review.

Cromwell

Cromwell Property Group ("Cromwell") is an internally managed Australian Real Estate Investment Trust (A-REIT) with an Australian property portfolio valued in excess of AUD 1.9 billion and a fund management business that promotes and manages unlisted property investments. Cromwell's income is underpinned by a focus on quality income producing office properties with strong tenant covenants.

Redefine International holds a strategic shareholding in Cromwell, as its largest shareholder, with the Redefine Group and has two directors on the Cromwell Board.

Cromwell Capital Raising

Cromwell completed a successful capital raising during the period raising AUD 143.0 million from an institutional placement and a further AUD 40.0 million from existing security holders through a security purchase plan. Both were materially oversubscribed.

Redefine International subscribed for AUD 40.0 million (£26.1 million) worth of new securities in the capital raising at 78.5 cents per security. The placement was subject to a sub-underwriting commitment from Redefine Australian Investments Limited (the Company's 100% owned subsidiary) for which it received a cash fee of AUD 0.8 million (£0.52 million).

The Company's shareholding at 28 February was 321.5 million securities or 22.01% (August 2012: 22.08%).

Operating performance

Cromwell produced a strong set of operating and financial results for its half-year ended 31 December 2012. Highlights included:

- Statutory accounting profit of AUD 29.5 million, compared to a prior year loss of AUD 6.8 million

- Operating earnings of AUD 45.9 million, up 24% from AUD 37.0 million in 1H12
- Like-for-like increase of 3.8% in net property income
- Reduction in gearing from 51% at June 2012 to 44%
- AUD 143.0 million raised from institutional placements and AUD 39.0 million raised from security purchase plan
- Completed the acquisition of the balance of the Cromwell Property Fund
- Fund management momentum continued with completion of Ipswich fund and launch of Box Hill Trust
- FY13 operating earnings guidance maintained at not less than 7.5 cps, with distributions of 7.25 cps

Security price performance

Cromwell's security price increased 25.3% during the period from AUD 75.0 cents at August 2012 to AUD 94.0 cents at 28 February 2013. This reflects a 29.8% increase in Sterling terms. Since the period end the Cromwell security price has consistently traded in the range of AUD 94.0 cents to AUD 1.04.

The Company took the opportunity to capitalise on the strength of the security price and Australian dollar, selling 86 million securities at a weighted average price of AUD 90.1 cents (after expenses), delivering £52.8 million of capital. The Company remains committed to its shareholding but will recycle capital where opportunities exist to reinvest capital into earnings enhancing investments.

Portfolio Summary

Portfolio overview by business segment

Business segments – market values

	Properties (No.)	Lettable area (sqft '000)	Market value (£'million)	Segmental plit by value (%)	Net initial yield (%)
UK Stable Income ¹	75	1 651	175.4	15.9	7.5
UK Retail	6	1 602	226.3	20.5	7.5
Hotels	7	288	150.2	13.6	7.0
Europe	37	1 661	213.5	19.4	7.9
Cromwell ²	26	1 358	281.4	25.5	8.4
Total investment portfolio	151	6 560	1 046.8	94.9	7.7
Delta portfolio ³	16	612	56.1	5.1	12.6
Total	167	7 172	1 102.9	100.0	8.0

Notes:

1. Excludes the Gamma portfolio valued at £155.7 million.
2. Cromwell's market value reflects the Group's 22.01% stake in Cromwell as at 28 February 2013. The Cromwell property portfolio consist of 26 assets with a market value of AUD 1.89 billion as at 31 December 2012.
3. The Delta portfolio reflects the assets that remain in the restructured Delta facility and are held for sale. The seven assets acquired as part of the restructuring are included in the UK Stable Income portfolio.

Figures (excluding Cromwell) reflect 100% ownership of property assets held through subsidiaries and jointly controlled entities.

Business segments – gross rental income

	Annualised gross rental income (£'000)	Average rent per (sqft)	Weighted average unexpired lease term (years)	Occupancy by lettable area (%)	Indexation and fixed increases (%)
UK Stable Income ¹	14.1	8.5	9.2	91.0	56.2
UK Retail	20.5	12.8	11.0	95.9	5.3
Hotels	11.1	38.6	10.3	100.0	0.0
Europe	17.9	10.8	8.0	99.0	100.0
Cromwell ²	30.0	22.1	6.0	94.9	91.0
Total investment portfolio	93.6	14.3	8.5	95.5	57.9
Delta portfolio (held for sale)	7.6	12.4	4.7	99.3	64.0
Total	101.2	14.1	8.2	95.9	58.4

Notes:

1. Excludes the Gamma portfolio.
2. Cromwell's gross rental income reflects the Group's 22.01% stake in Cromwell as at 28 February 2013.

Figures (excluding Cromwell) reflect 100% ownership of property assets.

Business segments – valuation movement since 31 August 2012

	Proportion of portfolio by value (%)	Market value 28 February 2013 (£'000)	Valuation movement six months ended 28 February 2013 (%)
UK Stable Income ¹	17.1	175.4	(6.1)
UK Retail	22.1	226.3	1.0
Hotels	12.0	123.2	(0.1)
Europe	19.3	197.9	5.9
Cromwell ²	16.7	171.5	29.8
Total like-for-like portfolio	87.2	894.3	4.8
Acquisitions ³	7.3	74.9	9.8
Total investment portfolio	94.5	969.2	5.2
Delta portfolio	5.5	56.1	(8.7)
Total	100.0	1 025.3	4.3

Notes:

1. Excludes the Gamma portfolio.
2. Cromwell reflects market value at a closing share price of AUD 0.94 per security.
3. Acquisitions include Earls Court Holiday Inn Express, retail assets in Huckelhoven and Kaiserslautern (held in a jointly controlled entity) and 50.95 million Cromwell securities.

Includes the effect of foreign exchange movement during the period.

Portfolio overview by sector

Property sectors at 28 February 2013

	Market value (£'000)	Occupancy by lettable area (%)	Lettable area (sqft '000)	Annualised gross rental income (£'million)
Retail	334.3	96.8	2 534	28.2
Office	296.2	90.02	27.9	95.9
Industrial	36.2	100.0	663	2.5
Hotels	150.2	100.0	288	11.1
Other	4.6	100.0	72	1.5
Total	821.5	94.7	5 814	71.2

Note:

Excludes Cromwell and Delta and assumes 100% ownership of property assets held in subsidiaries and jointly controlled entities.

Financial Review

Overview

The Group's profit after tax attributable to equity holders was £16.9 million, compared to a loss of £60.7 million for the six months ended 29 February 2012. Earnings available for distribution were £14.4 million, up by £1.5 million from the comparable period. Basic earnings per share were 1.91 pence compared to a loss per share of 11.87 pence (as restated following the 0.9:1 share consolidation) for the six months ended 29 February 2012.

Adjusting for the effects of the capital raise and the 0.9:1 share consolidation in October 2012, the Adjusted NAV increased by 3.89 pence from 36.41 pence at 31 August 2012 to 40.29 pence at 28 February 2013, an increase of 10.7%. This was as a result of a small underlying GBP increase in investment property values of £0.9 million and an increase in the market value of the Cromwell securities.

Earnings available for distribution

The Company's policy is to distribute the majority of its earnings available for distribution in the form of dividends to shareholders. The earnings available for distribution exclude any capital and one-off items and is one of the figures used by the Board as its measure of underlying earnings performance.

Considering the earnings available for distribution for the six months ended 28 February 2013, the Board declared an interim dividend of 1.475 pence per share, which is payable on 24 May 2013 to shareholders on the register at the close of business on 10 May 2013. This is a satisfactory increase in underlying earnings in a period where income continued to be placed under pressure by further retail administrations.

The statement of earnings available for distribution is as follows:

	Six months ended 28 February 2013	Six months ended 29 February 2012	Year ended 31 August 2012
	Total £'000	Total £'000	Total £'000
Gross rental income from investment properties	20 690	38 633	73 394
Property operating expenses	(1 500)	(2 437)	(4 688)
Net operating income from investment properties	19 190	36 196	68 706
Cromwell distributions received	6 522	5 083	11 467
Other income	984	1 199	1 866
Total revenue	26 696	42 478	82 039
Administrative expenses	(576)	(855)	(1 538)
Investment management fees	(2 145)	(2 780)	(5 451)
Professional fees	(670)	(1 387)	(2 684)
Net operating profit	23 305	37 456	72 366
Share of distributable income from associates and jointly controlled entities	1 428	388	847
Adjusted operating profit	24 733	37 844	73 213
Net finance charges	(8 229)	(22 979)	(43 273)
Interest paid	(8 550)	(23 162)	(43 519)
Interest received	321	183	246
Foreign exchange loss	(5)	(161)	(240)
Taxation	(928)	(604)	(2 216)
Profit before non-controlling interest	15 571	14 100	27 484
Non-controlling interest	(1 152)	(1 160)	(1 996)
Earnings available for distribution for the period/year	14 419	12 940	25 488
First interim distribution	–	–	(12 168)
Earnings available for distribution for the period/year	14 419	12 940	13 320
Earnings available for distribution per share			
Earnings available for distribution	14 419	12 940	13 320
Number of ordinary shares in issue ('000)	962 855	579 454	579 454
Earnings available for distribution per share (pence) at period/year	1.50	2.23	2.30
Summary			
Distribution per share (pence)	1.475	2.10	4.40
First interim (pence)	1.475	2.10	2.10
Second interim (pence)	–	–	2.30
Reconciliation to headline earnings/(loss)			
	Six months ended 28 February 2013	Six months ended 29 February 2012	Year ended 31 August 2012
Reconciliation to headline earnings			
Profit/(loss) attributable to shareholders	16 918	(60 670)	(124 755)
Net fair value losses on investment property	16 448	59 835	125 410
(Gain)/loss on disposal of subsidiaries	(16 491)	100	2 195
Headline earnings/(loss)	16 875	(735)	2 850
Weighted average shares in issue ('000)	883 545	511 194	516 380
Diluted weighted average shares in issue ('000)	913 391	539 480	545 452
Headline earnings/(loss) per share (pence)	1.91	(0.14)	0.55
Diluted headline earnings/(loss) per share (pence)	1.85	(0.14)	0.52

Net assets

The EPRA NAV per share has increased from 27.63 pence at 31 August 2012 (pro-forma) to 28.36 pence per share. EPRA NAV is used as a reporting measure to better reflect the underlying net asset value attributable to shareholders by removing the cumulative fair value movements of interest rate derivatives and deferred tax.

The EPRA NAV as at 28 February 2013, includes items which, in the opinion of the Board, should be adjusted in order to better reflect the underlying value of the Group. An Adjusted NAV has therefore been calculated as follows:

	Notes	28 February 2013 Pence per share	<i>Pro forma</i> ¹ 31 August 2012 Pence per share
Fully diluted IFRS NAV per share		26.69	25.83
Adjusted for derivatives and deferred tax		1.67	1.80
EPRA NAV per share		28.36	27.63
Write back of VBG negative equity		–	1.76
Write back of Gamma negative equity	2	4.82	4.44
Write back of Delta negative equity	3	2.52	1.81
Cromwell fair value write-up	4	4.59	0.77
Adjusted NAV per share		40.29	36.41

Notes:

- Pro forma* position of the 31 August 2012 NAV per share figures after adjusting for the effects of the capital raise and the 0.9:1 share consolidation in October 2012.
- Notwithstanding the appointment of a receiver to the assets held in the Gamma portfolio, the residual non-recourse debt associated with the portfolio of £47.9 million will remain on the Group balance sheet until such time as it can be legally extinguished or Redefine International loses control of Wichford Gamma Limited. Refer Note 2.2.1 and Note 24 of the condensed consolidated financial statements for further detail.
- Following the successful completion of the Delta restructuring announced on 15 October 2012, the negative net asset value position of 2.52 pence per share is expected to reverse over the remaining term of the loan.
- Cromwell has been equity accounted at a net asset value of AUD 68.0 cents per security at 28 February 2013. The market price of Cromwell at 28 February 2013 was 94.0 cents per security and should the Cromwell investment have been accounted for at fair value at this date would have led to a write-up of 4.59 pence per share.

Financing and capital

The completion of the VBG and Delta restructurings and the £127.5 million capital raising have significantly improved the strength of the balance sheet.

A key component of the profit after tax is the realised gain of £16.4 million on the restructuring of the VBG portfolio and associated financing facilities. The gain reflects the release of the negative net asset value in the underlying portfolio prior to its disposal, being primarily the property portfolio value of €94.0 million less the debt of €116.0 million.

The nominal value of the Group's debt facilities at 28 February 2013 was £438.8 million (£576.5 million including its attributable share of debt in subsidiaries and jointly controlled entities). A pro-forma position of the investments and related debt financing has been set out in the table below to show the effect of the capital raise and various debt restructurings and repayments completed during the period.

Key financing statistics	28 February 2013 £'000	31 August 2012 £'000	29 February 2012 £'000
Total investment portfolio	744 319	889 588	1 038 808
Gross debt ⁽¹⁾	438 821	744 733	855 380
Cash and short-term deposits	(57 879)	(17 726)	(33 866)
Net debt	380 942	727 007	821 474
Weighted average debt maturity	8.18 years	2.57 years	4.13 years
Weighted average interest rate	4.25%	5.02%	5.09%
% of debt at fixed/capped rates	99.9%	93.3%	93.6%
Loan-to-value	51.2%	81.7%	79.1%

Note:

- Excludes the Gamma residual non-recourse debt (see commentary below).

The Delta financing facility will continue to reduce as disposals are made to meet agreed disposal targets. The facility remains non-recourse to the Group.

Notwithstanding the appointment of a receiver to the assets held in the Gamma portfolio, according to accounting rules, the residual non-recourse debt associated with the portfolio of £47.9 million will remain on the balance sheet until such time as it can be legally extinguished or Redefine International loses control of Wichford Gamma Limited. Refer to Note 2.2 and Note 24 of the condensed consolidated interim financial statements for further detail.

The £46.0 million Zeta facility matures in May 2013. Credit approved terms have been received to refinance the Zeta portfolio for a three year term at a margin of 3.25% p.a.

Principal risks and uncertainties

The principal risks of the business are set out on pages 26 – 27 of the 2012 Annual report alongside their potential impact and related mitigations. These risks fall into four categories: strategic, financial, operational, legal and other. The Board has reviewed the principal risks in the context of the second half of the current financial year.

The Board believes that the risks outlined in the Annual Report have not changed and that the existing mitigation measures within the business remain relevant for the risks highlighted.

Statement of Directors' Responsibilities

Each of the Directors (whose details are provided in the 2012 Annual Report) confirms that to the best of each person's knowledge and belief:

the condensed consolidated interim financial statements comprising the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and related notes have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim management commentary includes a fair review of the information required by:

DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during the period; and any changes in the related party transactions described in the last annual report that could do so.

The Board

29 April 2013

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 28 February 2013

		Reviewed six months ended 28 February 2013	Restated reviewed six months ended 29 February 2012	Audited year ended 31 August 2012
	Notes	Total £'000	Total £'000	Total £'000
Revenue				
Gross rental income		29 421	38 537	76 150
Other income		1 012	1 199	1 917
Total revenue		30 433	39 736	78 067
Expenses				
Administrative expenses		(721)	(855)	(1 639)
Investment adviser and professional fees		(3 159)	(4 473)	(9 006)
Property operating expenses		(1 875)	(2 437)	(4 707)
Net operating income		24 678	31 971	62 715
Net gains from financial assets and liabilities	4	3 081	4 848	1 943
Redemption of loans and borrowings		–	–	6 080
Gain/(loss) on sale of subsidiaries	23	16 491	(100)	(2 195)
Equity accounted profit		5 082	1 879	6 325
Net fair value losses on investment and assets for sale	8, 11	(15 680)	(57 824)	(126 871)
Profit/(loss) from operations		33 652	(19 226)	(52 003)
Net fair value losses on investment property and assets held for sale	5	(15 680)	(57 824)	(126 871)
Profit/(loss) before taxation		33 652	(19 226)	(52 003)
Interest income	5	6 125	4 911	9 776
Interest expense	6	(20 174)	(45 805)	(81 344)
Share based payment – finance cost		(387)	(375)	(768)
Foreign exchange loss		(1 137)	(945)	(542)
Profit/(loss) before taxation		18 079	(61 440)	(124 881)
Taxation	7	(2 535)	(1 124)	(3 370)
Profit/(loss) after taxation		15 544	(62 564)	(128 251)
Profit/(loss) attributable to:				
Equity holders of the parent		16 918	(60 670)	(124 755)
Non-controlling interest		(1 374)	(1 894)	(3 496)
		15 544	(62 564)	(128 251)
Basic earnings/(loss) per share (pence)	21	1.91	(11.87)	(24.16)
Diluted earnings/(loss) per share (pence)	21	1.85	(11.87)	(24.16)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

As at 28 February 2013

		Reviewed six months ended 28 February 2013 Total £'000	Restated reviewed six months ended 29 February 2012 Total £'000	Audited year ended 31 August 2012 Total £'000
	Notes			
Profit/(loss) for the period		15 544	(62 564)	(128 251)
Other comprehensive income				
Transfer of FCTR to income statement on disposal of foreign operation	23	298	–	(381)
Foreign currency translation on foreign operations – subsidiaries		(98)	95	497
Foreign currency translation on foreign operations – associates and jointly controlled entities	12, 13	5 338	3 692	(1 546)
Total comprehensive income for the period		21 082	(58 777)	(129 681)
Total comprehensive income attributable to:				
Equity holders of the parent		22 507	(56 875)	(125 881)
Non-controlling interest		(1 425)	(1 902)	(3 800)
		21 082	(58 777)	(129 681)

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 28 February 2013

		Reviewed six months ended 28 February 2013 Total £'000	Restated reviewed six months ended 29 February 2012 Total £'000	Audited year ended 31 August 2012 Total £'000
	Notes			
Assets				
Non-current assets				
Investment property	8	487 349	805 249	631 278
Long-term receivables	9	103 559	91 881	98 470
Investments at fair value	10	99	529	399
Investments in jointly controlled entities	12	14 068	2 201	2 159
Investment in associates	13	158 208	129 795	124 507
Total non-current assets		763 283	1 029 655	856 813
Current assets				
Assets held for sale	11	60 236	109 231	136 009
Trade and other receivables		32 269	23 847	23 359
Cash at bank	14	57 879	33 820	17 726
Total current assets		150 208	129 795	124 507
Total assets		913 757	1 196 553	1 033 907
Equity and liabilities				
Capital and reserves				
Share capital	15	77 029	41 721	41 721
Share premium		187 106	164 939	164 939
Reserve acquisition reserve		134 295	134 295	134 295
Retained loss		(164 400)	(159 321)	(232 991)
Capital instrument	16	14 923	14 143	14 536
Foreign currency translation reserve		15 100	14 432	9 511
Other reserves		903	3 912	903
Total equity attributable to equity shareholders		264 956	214 121	132 914
Non-controlling interest		10 150	3 818	5 342
Total equity		275 106	217 939	138 256
Non-current liabilities				
Borrowings	17	450 013	469 360	353 707
Derivatives	18	2 120	5 487	4 244
Deferred tax	7	3 219	1 692	2 489
Total non-current liabilities		455 352	476 529	360 440
Current liabilities				
Borrowings	17	141 938	458 377	400 455
Liabilities held for sale	17	–	–	91 935
Derivatives	18	4 235	11 340	5 379
Provision for liabilities and commitments	19	12 079	–	12 079
Trade and other payables		25 047	32 358	25 363
Total current liabilities		183 299	502 075	535 211
Total liabilities		638 651	978 614	895 651
Total equity and liabilities		913 757	1 196 553	1 033 907

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 28 February 2013

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Retainable loss £'000	Foreign currency translation reserve £'000	Capital instrument £'000	Other reserves £'000	Total attributable to equity shareholders £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 September 2011	40 870	161 420	134 295	(87 598)	10 637	13 768	3 912	277 304	5 506	282 810
Change in accounting policy for deferred tax	-	-	-	905	-	-	905	-	905	-
Restated balance at 1 September 2011	40 870	161 420	134 295	(86 693)	10 637	13 768	3 912	278 209	5 506	283 715
Total loss for the period (restated)	-	-	-	(60 670)	-	-	-	(60 670)	(1 894)	(62 564)
Foreign currency translation effect	-	-	-	-	3 795	-	-	3 795	(8)	3 787
Total comprehensive income (restated)	-	-	-	(60 670)	3 795	-	-	(56 975)	(1 902)	(58 777)
Shares issued	851	3 519	-	-	-	-	-	(56 875)	(1 902)	(58 777)
Share taken into treasury	-	-	(67)	(317)	-	-	-	(384)	-	(384)
Treasury shares sold	-	-	67	280	-	-	-	347	-	347
Dividend paid to equity stakeholders	-	-	-	(11 921)	-	-	-	(11 921)	-	(11 921)
Share-based payment	-	-	-	-	-	375	-	375	-	375
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	(272)	(272)
Disposal of subsidiaries/non-controlling interests	-	-	-	-	-	-	-	-	486	486
Balance at 29 February 2012	41 721	164 939	134 295	(153 321)	14 432	14 143	3 912	214 121	3 818	217 939
Total loss for the period	-	-	-	(64 085)	-	-	-	(64 085)	(1 602)	(65 687)
Foreign currency translation effect	-	-	-	-	(4 921)	-	-	(4 921)	(296)	(5 217)
Total comprehensive income	-	-	-	(64 085)	(4 921)	-	-	(69 006)	(1 898)	(70 904)
Dividend paid to equity stakeholders	-	-	-	(12 168)	-	-	-	(12 168)	-	(12 168)
Increase in non-controlling interest	(426)	(426)	426	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	393	-	393	-	393
Increase in non-controlling interest	-	-	-	-	-	-	-	-	272	272
Disposal of subsidiaries/non-controlling interests	-	-	3 009	-	-	(3 009)	-	2 724	2 724	-

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Retainable loss £'000	Foreign currency translation reserve £'000	Capital instrument £'000	Other reserves £'000	Total attributable to equity shareholders £'000	Non- controlling interest £'000	Total equity £'000
Balance at 31 August 2012	41 721	164 939	134 295	(232 991)	9 511	14 536	903	132 914	5 342	138 256
Balance at 1 September 2012	41 721	164 939	134 295	(232 991)	9 511	14 536	903	132 914	5 342	138 256
Total profit for the period	-	-	-	16 918	-	-	-	16 918	(1 374)	15 544
Foreign currency translation effect	-	-	-	-	5 589	-	-	5 589	(51)	5 538
Total comprehensive income	-	-	-	16 918	5 589	-	-	22 507	(1 425)	21 082
Shares issued	35 308	92 192	-	-	-	-	-	127 500	-	127 500
Share issue costs	-	(5 025)	-	-	-	-	-	(5 025)	-	(5 025)
Reduction of share premium	-	(65 000)	-	65 000	-	-	-	-	-	-
Dividend paid to equity stakeholders	-	-	-	(13 327)	-	-	-	(13 327)	-	(13 327)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	(96)	(96)
Share-based payment	-	-	-	-	-	387	-	387	-	387
Increase in non-controlling interest	-	-	-	-	-	-	-	-	6 547	6 547
Disposal of subsidiaries/non-controlling interests	-	-	-	-	-	-	-	-	(218)	(218)
Balance at 28 February 2013	77 029	187 106	134 295	(164 400)	15 100	14 923	903	264 965	10 150	275 106

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 28 February 2013

		Reviewed six months ended 28 February 2013 Total £'000	Restated reviewed six months ended 29 February 2012 Total £'000	Audited year ended 31 August 2012 Total £'000
	Notes			
Cash flows from operating activities				
Profit/(loss) before taxation		18 079	(61 440)	(124 881)
Adjustments for:				
Straight lining of rental income		99	177	504
Net fair value losses on investment property and assets held for sale	8, 11	15 680	57 824	126 871
Exchange rate losses		1 137	945	542
Net gains from financial assets and liabilities	4	(3 081)	(4 848)	(1 943)
Redemption of loans and borrowings		–	–	(6 080)
Equity accounted profit	12, 13	(5 082)	(1 879)	(6 325)
(Gain)/loss on sale of subsidiaries	23	(16 491)	100	2 195
Interest income	5	(6 125)	(4 911)	(9 776)
Interest expense	6	20 174	45 805	81 344
Share-based payments – finance cost	16	387	375	768
Cash generated by operations		24 777	32 148	63 219
Changes in working capital		3 655	(5 251)	(6 915)
Cash flow from operations		28 432	26 897	56 304
Interest income		3 221	3 754	7 908
Interest paid		(18 321)	(26 193)	(54 012)
Taxation paid		(2 088)	(718)	(1 412)
Distributions from associates and jointly controlled entities		7 591	5 083	11 263
Net cash generated from operating activities		18 835	8 823	20 051
Cash flows from investing activities				
Purchase of investment properties	8	(29 798)	(1 126)	(3 893)
Disposal of investment properties		6 937	–	–
Investments in associates and jointly controlled entities	12, 13	(42 781)	(24 222)	(25 863)
Disposal of subsidiaries – net cash disposed	23	(1 693)	615	(181)
Increase in loans to related parties		(6 066)	(208)	–
(Increase)/decrease in long term receivables		(5 089)	11 057	(2 600)
Increase in restricted cash balances		(3 867)	(1 958)	(592)
Net cash utilised in investing activities		(82 357)	(15 942)	(33 129)
Cash flows from financing activities				
Proceeds from loans and borrowings		33 385	18 776	19 443
Repayment of loans and borrowings		(48 957)	(24 369)	(20 826)
Dividends paid to equity shareholders		(13 327)	(11 921)	(24 089)
Acquisition of treasury shares		–	(384)	(384)
Proceeds from issue of shares from treasury		–	347	347
Proceeds from issue of share capital		127 500	4 370	4 370
Share issue costs		(5 025)	–	–
Increase in contribution from non-controlling shareholders		6 547	–	–
Net cash generated from financing activities		100 027	(13 181)	(21 139)
Net increase/(decrease) in cash		36 505	(20 200)	(34 217)
Effect of exchange rate fluctuations on cash held		(219)	694	(17)
Opening cash		5 703	39 937	39 937
Net cash at end of period	14	41 989	20 431	5 703

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 28 February 2013

1. GENERAL INFORMATION

Redefine International P.L.C (“Redefine International”) was incorporated on 28 June 2004 under the laws of the Isle of Man and is listed on the Main Market of the London Stock Exchange.

The financial information presented herein does not amount to statutory financial statements.

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ materially from these estimates. The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty are discussed further in Note 2.2.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” as issued by the IASB. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 August 2012.

The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 August 2012.

Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its audited financial statements as at and for the year ended 31 August 2012.

As noted in the consolidated financial statements as at and for the year ended 31 August 2012 the Group elected to early adopt the amendment of IAS 12 and deferred taxation is now recognised on the revaluation of the building component of investment properties at the capital gains rate on the presumption that the investment will be recovered through disposal and will therefore attract capital gains tax. The amendment was applied retrospectively as required by IAS 8 and consequently there has been adjustments to the financial information presented here for the six month to 29 February 2012.

The early adoption had the effect of reducing the 2011 deferred taxation balance with a corresponding increase in the opening 2012 reserves of £0.9 million and a decrease in the deferred tax charge for the six months to 29 February 2012 of £0.04 million. This therefore reduced the previously reported deferred tax liability as at 29 February 2012 by £0.94 million.

2.2 Judgements and estimates

The preparation of the condensed consolidated interim financial statements requires the use of judgements and estimates that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the period reported. Although these estimates are based on the Directors’ best knowledge of the amount, event or actions, actual results may differ from those estimates.

The principal areas where such judgements and estimates have been include in the area of financing and going concern, investment property valuation and classification and taxation. These areas are discussed in more detail below.

2.2.1 Financing and the going concern basis of accounting

Application of the Going Concern Basis of Accounting

These condensed consolidated interim financial statements have been prepared on a going concern basis as after considering the relevant factors, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. Completion of the restructuring on the Delta and VBG Facilities in the period has significantly improved the going concern expectation of the Group.

The Board has also had regard to the funds raised as part of the equity raising which completed in October 2012 and saw the Company raise gross proceeds of £127.5 million. This additional capital has allowed the Group to further reduce its leverage.

The Board has also considered the working capital forecast for the Group and believes that based on a detailed analysis of cashflow projections, the level of capital raised post year end and the progress made on loan refinancing that the Group has adequate resources to continue in operation for the foreseeable future.

The Board remains of the view that the Gamma facility and related portfolio of assets has limited impact on the continued operations of the Group considering the non-recourse nature of the facility.

Accounting for Gamma

Following the appointment of a Fixed Charge Receiver (“the Receiver”) to the property subsidiaries which secure the Gamma facility, the Board considered whether the Group should continue to consolidate the underlying property companies.

Under IAS 27 the requirement for consolidation is based on control, which is the power to govern, either directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities.

As a result of the powers and the responsibilities of the Receiver as set out under UK law, the Directors believe that the Group has lost control of the underlying property companies. It no longer has the power to govern their operating activities and or dispose of any of the underlying assets. It is also not in a position to exercise any power to obtain benefits from the underlying subsidiaries activities. Redefine International has therefore ceased to consolidate the underlying property companies from the date control was lost i.e the date the Receiver was appointed.

Wichford Gamma Limited is the primary obligor for the debt although it is recourse only to the subsidiary companies on which it is secured. The Group is deemed to continue to control this company as a receiver has not been appointed and at 28 February 2013 Redefine International continues to have the ability to govern the activities of Wichford Gamma Limited.

The Directors have considered the impact of the appointment of the Receiver to the underlying property subsidiaries on the carrying value of the loan facility in the books of Wichford Gamma Limited.

IAS 39 does not provide specific guidance on whether or not the appointment by the lender of a receiver over the secured assets constitutes partial settlement of the debt. In the opinion of the Directors, the receiver is acting on behalf of the lender and consequently they consider that the transfer of the secured assets to the Receiver is in

As a result the loan facility recorded in the books of Wichford Gamma Limited and hence consolidated by Redefine International has been reduced by the fair value of the net assets of the property subsidiaries at the date the Receiver was appointed. This is a key judgement.

The Group will continue to recognise the residual debt until such time as that element of the debt is legally extinguished or legally released by the Security Trustee or it can be evidenced that Redefine International no longer has the power to control Wichford Gamma Limited.

Redefine International is currently taking steps to transfer the property companies included in the legal ownership of Wichford Gamma Limited but not secured against the Gamma facility to other group entities. Following which, it is likely that the Security Trustee will be seen to control the Wichford Gamma Group resulting in the deconsolidation of Wichford Gamma Limited and the remaining residual debt. Failing this, the Company will seek a legal extinguishment of the debt from the Security Trustee following the sale of the Gamma portfolio, which is currently being marketed.

2.2.2 Investment Property Valuation

The Group uses the valuations performed by its independent valuers as the fair value of its investment properties. The valuation is based upon assumptions including estimated rental values, future rental income, anticipated maintenance costs, future development costs and appropriate discount rates. The valuers also make reference to market evidence of transaction prices for similar properties.

2.2.3 Classification of Investment Property for hotels

The hotel properties are held for capital appreciation and to earn rental income. The properties have been let to Redefine Hotel Management Limited (“RHML”) for a fixed rent which is subject to annual review. The annual review takes into account the forecasted EBITDA for the hotel portfolio when setting the revised rental level. RHML operates the hotel business and is exposed to the fluctuations in the underlying trading performance of the hotels. It is responsible for the day to day upkeep of the properties and retains the key decision making responsibility for the business. Aside from the payment of rental income to Redefine International which resets annually, there are limited or no transactions between the two entities. As a result, Redefine International classifies the hotel properties as investment properties in line with IAS 40.

2.2.4 Taxation

The Group is exposed to the risk of changes to tax legislation in the various countries in which the Group operates. It is also exposed to different interpretations of tax regulations between the tax authorities and the Group.

2.2.5 Deferred Taxation

The Group considers that the value of the property portfolio is likely to be realised through sale. The Group bases its deferred taxation provision on the assumption that the expected sales proceeds of the investment properties is not less than the present value as provided by its external valuers.

The recoverability of any deferred tax asset is assessed and, where it is thought unlikely that a recovery will be made, is not included in the Group’s statement of financial position.

3. SEGMENTAL REPORTING

The Group's identified reportable segments are set out below. These segments are generally managed by separate management teams. As required by IFRS 8, Operating Segments, the information provided to the Board of directors, who are the Chief Operating Decision Makers, can be classified in the following segments:

UK Stable Income:	Consists predominantly of UK offices, but includes petrol filling stations, Kwik-Fit centres, retail and residential units.
UK Retail:	Consists of the Group's major UK shopping centres and retail parks.
Europe:	Consists of the Group's properties in Continental Europe, located in Germany, Switzerland and The Netherlands.
Hotels:	Consists of the Group's hotel properties. The hotels are let to Redefine Hotel Management Limited on a fixed rental basis with annual reviews.
Cromwell:	Relates to the Group's investment in the Cromwell Property Group, Australia.

Relevant revenue, assets and capital expenditure information is set out below:

(i) Information about reportable segments

	UK stable					Total
	income £'000	UK retail £'000	Europe £'000	Hotels £'000	Cromwell £'000	£'000
At 28 February 2013						
Rental income	15 681	4 519	4 149	5 072	–	29 421
Net fair value losses on investment property and assets held for sale	(13 658)	844	(2 144)	(722)	–	(15 680)
Net gain/(loss) from financial assets and liabilities	1 798	(48)	700	387	244	3 081
Gain on sale of subsidiaries	71	–	16 420	–	–	16 491
Equity accounted profit/(loss)	439	(1 003)	(3 133)	–	8 779	5 082
Interest expense – bank debt	(5 837)	(2 199)	(2 230)	(1 906)	(1 043)	(13 215)
Property operating expenses	(734)	(850)	(291)	–	–	(1 875)
Investment property	137 161	112 929	86 634	150 625	–	487 349
Assets held for sale	56 630	–	3 696	–	–	60 326
Investments designated at fair value	–	79	20	–	–	99
Investment in jointly controlled entities	276	–	13 792	–	–	14 068
Investment in associates	–	–	–	–	158 208	158 208
Loans and receivables	17 208	49 790	–	36 561	–	103 559
Borrowings	(21 639)	(73 072)	(69 950)	(86 831)	(40 459)	(591 951)
At 29 February 2012						
Rental income	18 258	6 858	8 721	4 700	–	38 537
Net fair value losses on investment property and assets held for sale	(45 599)	(9 250)	(2 744)	(231)	–	(57 824)
Net gain/(loss) from financial assets and liabilities	6 073	(363)	(22)	(540)	–	4 848
Loss on sale of subsidiaries	(100)	–	–	–	–	(100)
Equity accounted (loss)/profit	(165)	–	(143)	–	2 187	1 879
Interest income	801	2 397	92	1 554	17	4 861
Interest expense – bank debt	(11 779)	(4 862)	(20 464)	(1 841)	(1 012)	(39 958)
Property operating expenses	(1 001)	(795)	(641)	–	–	(2 437)
Investment property	418 703	167 911	94 860	123 775	–	805 249
Assets held for sale	–	–	109 231	–	–	109 231
Investments designated at fair value	222	228	79	–	–	529
Investment in jointly controlled entities	657	–	1 544	–	–	2 201
Investment in associates	–	–	–	–	129 795	129 795
Loans and receivables	17 673	42 821	–	31 387	–	91 881
Borrowings	411 150	177 525	194 285	119 083	25 694	927 737

	UK stable income £'000	UK retail £'000	Europe £'000	Hotels £'000	Cromwell £'000	Total £'000
At 31 August 2012						
Rental income	40 856	9 303	16 591	9 400	–	76 150
Net fair value losses on investment property and assets held for sale	(101 215)	(20 213)	(5 102)	(341)	–	(126 871)
Net gain/(loss) from financial assets and liabilities	11 969	(8 391)	(233)	(1 463)	61	1 943
Redemption of loans and borrowings	–	6 080	–	–	–	6 080
Loss on sale of subsidiaries	(51)	(1 323)	(821)	–	–	(2 195)
Equity accounted (loss)/profit	(858)	–	(914)	8 097	6 325	
Interest income	1 628	4 866	122	3 128	32	9 776
Interest expense – bank debt	(23 755)	(9 645)	(30 624)	(3 672)	(2 360)	(70 056)
Property operating expenses	(2 112)	(1 696)	(899)	–	–	(4 707)
Investment property	309 489	110 669	87 395	123 725	–	631 278
Assets held for sale	61 450	–	74 559	–	–	136 009
Investments designated at fair value	222	118	59	–	–	399
Investment in jointly controlled entities	1 552	–	607	–	–	2 159
Investment in associates	–	–	–	–	124 507	124 507
Loans and receivables	17 208	49 790	84	31 388	–	98 470
Borrowings	(389 080)	(73 191)	(159 902)	(74 961)	(24 740)	(721 874)
Liabilities held for sale	–	–	(91 935)	–	–	(91 935)

(ii) Reconciliation of reportable segment profit or loss

	Reviewed six months ended 28 February 2013 Total £'000	Restated reviewed six months ended 29 February 2012 Total £'000	Audited year ended 31 August 2012 Total £'000
Rental income:			
Total rental income for reported segments	29 421	38 537	76 150
Profit or loss:			
Net fair value losses on investment property and assets held for sale	(15 680)	(57 824)	(126 871)
Net gains from financial assets and liabilities	3 081	4 848	1 943
Redemption of loans and borrowings	–	–	6 080
Gain/(loss) on sale of subsidiaries	16 491	(100)	(2 195)
Equity accounted profit	5 082	1 879	9 776
Interest expense – secure bank loans	(13 215)	(39 958)	(70 056)
Property operating expenses	(1 875)	(2 437)	(4 707)
Total profit/(loss) per reportable segments	29 137	(50 194)	(103 555)
Other profit or loss – unallocated amounts:			
Other income	1 012	1 199	1 917
Administrative expenses	(721)	(855)	(1 639)
Investment adviser and professional fees	(3 159)	(4 473)	(9 006)
Interest income	293	50	–
Interest expense	(6 959)	(5 847)	(11 288)
Share based payment – finance cost	(387)	(375)	(768)
Foreign exchange loss	(1 137)	(945)	(542)
Consolidated profit/(loss) before income tax	18 079	(61 440)	(124 881)

4. NET GAINS FROM FINANCIAL ASSETS AND LIABILITIES

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Fair value through profit or loss			
Equity investments – unrealised	(149)	–	(141)
Derivative financial instruments	3 248	5 286	10 001
Financial assets carried at amortised cost			
Impairment of loans and receivables	(18)	(438)	(7 917)
Net gains from financial assets and liabilities			

5. INTEREST INCOME

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Interest income on bank deposits	767	183	250
Interest receivable from mezzanine financing	5 358	4 728	9 526
Total interest income	6 125	4 911	9 776

6. INTEREST EXPENSE

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Interest expense on secured bank loan	(13 773)	(39 958)	(70 056)
Finance lease interest	(244)	(369)	(693)
Interest expense on other financial liabilities	(300)	(285)	(509)
Interest expense on mezzanine financing	(5 857)	(5 193)	(10 086)
Total interest expense	(20 174)	(45 805)	(81 344)

Interest expense on secured bank loans for the year ended 31 August 2012 includes £25.93 million (29 February 2012: £14.82 million) in finance costs due to the amortisation of the fair value adjustment of the VBG, Gamma and Delta loan facilities arising due to the reverse acquisition of Wichford in August 2011. Swap interest expense is included in interest expense.

7. TAXATION

(a) Tax recognised in profit or loss

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Current income tax			
Income tax in respect of current year	1 460	604	1 950
Withholding tax	226	162	265
Deferred tax			
Origination and reversal of temporary differences	849	358	1 155
Total income tax expense	2 535	1 124	3 370

No tax was recognised on equity or other comprehensive income during the period (2012: nil).

(b) Recognised deferred tax liability and movement during the period

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Deferred tax movement for the year is attributable to the following:			
Deferred tax liability			
Opening balance	2 489	1 334	1 334
Deferred tax liability recognised on investment properties	372	(28)	(55)
Deferred tax liability recognised on associates	477	366	1 210
Impact of the loss of control of subsidiary property companies securing the Gamma facility	(119)	–	–
Closing balance	3 219	1 672	2 489

The Group elected to early adopt IAS 12 in its 31 August 2012 annual consolidated financial statements with the resulting amendments applied retrospectively. The early adoption had the effect of reducing the 2011 deferred taxation balance with a corresponding increase in opening 2012 reserves of £0.91 million. The Group has also restated the deferred tax charge for the six month period ended 29 February 2012 resulting in a decrease in the income statement charge of £0.04 million.

(c) Reconciliation

The tax for the period is lower (higher in 2011) than the 20% payable under the UK's NRL Scheme. The differences are explained below:

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Profit/(loss) before tax	18 079	(61 440)	(124 881)
Profit/(loss) before tax multiplied by NRL rate of UK income tax (20%)	3 616	(12 288)	(24 976)
Effect of:			
– exempt property valuations	3 136	11 565	25 373
– income not subject to UK income tax	(9 474)	1 846	(4 918)
– gain from financial assets and liabilities	(616)	(950)	(388)
– losses carried forward	4 216	565	6 680
– expenses not deductible for tax	1 431	224	1 334
– withholding tax	226	162	265
Total tax charge for year	2 535	1 124	3 370

Net deferred tax assets not recognised amounted to £46.03 million (31 August 2012: £43.75 million).

From the reconciliation above, the effective tax rate of the Group was 14% (29 February 2012: 1.8%, 31 August 2012: 2.7%).

8. INVESTMENT PROPERTY

The cost of the consolidated investment properties as at 28 February 2013 was £0.9 billion (29 February 2012: £1.19 billion, 31 August 2012: £1.07 billion). The carrying amount of investment property is the fair value of the property as determined by a registered independent appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued (together referred to as "valuers").

The fair value of each of the properties for the year ended 31 August 2012 was assessed by the valuers in accordance with the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors ("Red Book"). For the six months ended 28 February 2013, the independent valuers updated the valuations as prepared at 31 August 2012.

The valuers have used the following key assumptions:

The market value of investment properties has been primarily derived using comparable market transactions on arm's-length terms and an assessment of market sentiment. The aggregate of the net annual rents receivable from the properties and, where relevant, associated costs, have been valued at an average yield of 8% which reflect the risks inherent in the net cash flows. Valuations reflect, where appropriate, the type of tenants actually in occupation or likely to be in occupation after letting of vacant accommodation and the market's perception of their creditworthiness and the remaining useful life of the property.

In terms of IAS 40 Investment property: Paragraph 14, judgement is needed to determine whether a property qualifies as an investment property. The Group has developed criteria so that it can exercise its judgement consistently in recognising investment properties. These include inter alia; property held for long-term capital appreciation, property owned (or under finance leases) and leased out under one or more operating leases; and property that is being constructed or developed for future use as an investment

property. The recognition and classification of property as investment property principally assures that the Group does not retain significant exposure to the variation in cash flows arising from the underlying operations of properties. Investment property comprises a number of commercial and retail properties that are leased to third parties. The hotel properties are held for capital appreciation and to earn rental income. The properties have been let to Redefine Hotel Management Limited (“RHML”) for a fixed rent which is subject to annual review. The annual rent review takes into account the forecasted EBITDA for the hotel portfolio when setting the revised rental level.

RHML operates the hotel business and is exposed to the fluctuations in the underlying trading performance of the hotels. It is responsible for the day to day upkeep of the properties and retains the key decision making responsibility for the business. Aside from the payment of rental income to Redefine International there are limited or no transactions between the two entities. As a result, in line with IAS 40, Redefine International classifies the hotel properties as investment properties.

Property operating expenses in the consolidated income statement relate solely to income generating properties.

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Opening balance	631 278	986 654	986 654
Properties acquired during the period	27 000	–	349
Capitalised expenditure	2 798	1 126	3 893
Disposals during the period	(7 985)	(3 150)	(44 626)
Disposals through the sale of property	(6 937)	–	–
Disposals through sale of subsidiaries (refer Note 23)	(1 048)	(3 150)	(44 626)
Impact of the loss of control of subsidiary property companies securing the Gamma facility (refer Note 24)	(158 040)	–	–
Foreign exchange movement in foreign operations	6 854	(12 326)	(17 081)
Net fair value losses on investment property	(10 330)	(57 824)	(127 230)
Reclassification to assets held-for sale (refer Note 11)	(4 226)	(109 231)	(170 681)
Closing balance	487 349	805 249	631 278
Acquisitions			
Earls Court Holiday Inn Express	27 000	–	–
Petersfield	–	–	349
	27 000	–	349
Disposals			
Trito Petersfield Limited (refer Note 23)	(735)	–	–
Inkstone	(3 447)	–	–
Princes Street Investments	(3 490)	–	–
Banstead (refer Note 23)	–	–	(1 015)
West Orchards Coventry (refer Note 23)	–	–	(37 000)
Reigate (refer Note 23)	–	(3 150)	(3 150)
Finance leases (refer Note 23)	(313)	–	(3 461)
	(7 985)	(3 150)	(44 626)

On 21 November 2012, the Company, through its 71% held subsidiary, Redefine Hotel Holdings Limited completed the acquisition of 60% of the issued shares in BNRI Earls Court Limited. BNRI Earls Court Limited owns the 150 bedroom Holiday Inn Express in Earls Court, London valued at £27 million. This acquisition was financed by contributions from Redefine International, bank debt and a £6.55 million contribution from non-controlling interests.

The Inkstone properties located in Hamburg and Wedel were disposed for €4 million in October 2012. The proceeds of the sale were utilised to settle the outstanding Barclays facility within Inkstone Grundstuckverwaltung & Co. KG.

Three petrol station properties in the Princes Street Investments portfolio were sold to Malthurst Limited (the tenant) on 7 September 2012.

Disposals of properties have also been effected through the disposal of the corporate entity as was the case for Trito Petersfield Limited and as a result of the loss of control of the underlying property companies as was the case for Gamma. Further details of the impact of the disposals is provided in Notes 23 and 24.

A reconciliation of investment property valuations to the consolidated statement of financial position is shown below:

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Investment property at market value as determined by external valuers	540 516	774 793	757 468
Freehold	378 000	552 801	580 203
Freehold and long leasehold	12 530	15 350	15 350
Leasehold	149 986	206 642	161 915
Investment property at directors' valuation	–	17 150	–
– Adjustments for items presented separately on the Statement of Financial Position:			
– Add minimum payment under head leases separately included under Borrowings	7 159	13 306	9 819
– Investment properties classified as assets held for sale (refer note 11)	(60 326)	–	(136 009)
Statement of financial position carrying value of investment property	487 349	805 249	631 278

9. LONG TERM RECEIVABLES

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Amounts due from related parties (refer Note 20)	74	74	158
Amounts due from Mezzanine Capital Limited	103 485	91 343	98 312
Security deposits with banks	–	464	–
	103 559	91 881	98 470

10. INVESTMENTS AT FAIR VALUE

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Derivative financial instruments (refer Note 18)	27	307	178
Other investments – designated at fair value	72	222	221
Closing balance	99	529	399

11. ASSETS AND LIABILITIES HELD FOR SALE

Discussions are ongoing regarding the sale of a number of assets with disposals expected to be finalised within the next 12 months. As a result the assets have been reclassified to held for sale in the period.

In addition at 31 August 2012 the Group had committed to a sale plan involving the loss of control of a number of subsidiaries and, as a result, all the assets and liabilities of those subsidiaries were classified as held for sale. These subsidiaries were subsequently sold in October 2012.

Assets held for sale

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Opening balance	136 009	–	–
Transfers in (refer Note 8)	4 226	109 231	170 681
Disposals through sale of subsidiaries (refer Note 23)	(76 307)	–	(29 378)
Foreign exchange movement in foreign operations	1 748	–	(5 653)
Net fair value (losses)/gains on assets held for sale	(5 350)	–	359
Total	60 326	109 231	136 009

Assets held for sale include the following property assets:

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Delta	56 100	–	61 450
Telford	530	–	–
Inkstone	3 463	–	–
Ciref Berlin 1 Limited – Delmenhorst	233	–	–
VBG	–	78 531	74 559
Halle	–	30 700	–
Total	60 326	109 231	136 009

LIABILITIES HELD FOR SALE

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Opening balance	91 935	–	–
Disposals (refer Note 23)	(91 935)	–	91 935
Total	–	–	91 935

The Group finalised the restructuring of all four VBG assets and the associated financing facilities on 8 October 2012. The restructuring and refinancing of the VBG portfolio and financing facilities saw the Group sell 51% of its interest in the VBG holding company to a major pension fund and resulted in Redefine International owning a 49% interest in the VBG assets. The resulting jointly controlled entity also reached agreement with the servicer of the VBG facilities which saw the payment of approximately €80.0 million to settle the original VBG facilities in full. See note 23 for further details.

The Company announced on 15 October 2012 the agreement to extend and restructure the £114.6 million Delta facility. The restructure involved repaying £33.5 million of debt in consideration for the release of a portfolio of seven assets. The maturity date of the Delta facility was extended to 15 April 2015 subject to the Company meeting annual disposal targets, in respect of the remaining 16 Delta portfolio assets. The Group has undertaken to sell these properties over a two year period with sales targets required to be met each year. The Group is unable to specifically identify in which time period which of the Delta assets will be sold. As the Group is committed to the sale of the Delta property portfolio, all of the properties have been included in assets held for sale.

12. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

The Group's investments in jointly controlled entities currently consist of the following:

- (i) 50% in Pearl House Swansea Limited, a jointly controlled entity with Sandgate Properties Limited, which owns a long leasehold retail interest in Swansea, Wales.
- (ii) 50% in Swansea Estates Limited, a jointly controlled entity with Sandgate Properties Limited, which owns a long leasehold retail interest in Swansea, Wales.
- (iii) 50% in Ciref NEPI Holdings Limited, a joint venture with New Europe Property Investments, which ultimately owns property in Germany, Western Europe.
- (iv) 50% in 26 The Esplanade No 1 Limited, a joint venture with Rimstone Limited which ultimately owns an office building in St. Helier, Jersey.
- (v) 50% in Ciref Crawley Limited, a joint venture with Graymont Limited which owns 3 blocks of offices in Crawley, Surrey.
- (vi) 50% in Redefine Wigan Limited, a jointly controlled entity with Sandgate Properties Limited, which ultimately owns a shopping centre in Wigan, Greater Manchester.
- (vii) 50% in CIREF Coventry Limited, a jointly controlled entity with Sandgate Properties Limited, which ultimately owns the West Orchards Shopping Centre in Coventry.
- (viii) 50.5% interest in RI Menora German Holdings S.a.r.l., a joint venture with Menora Mivtachim which ultimately owns properties in Waldkraiburg, Hucklehoven and Kaiserslautern in Germany.
- (ix) 49% interest in VBG Holdings S.a.r.l., a joint venture with Menora Mivtachim which ultimately owns government let properties in Dresden, Berlin, Stuttgart and Cologne, Germany.

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Opening balance	2 159	2 606	2 607
Increase in investment	16 660	–	1 641
Equity accounted loss	(3 697)	(308)	(1 772)
Foreign currency translation	63	(97)	(317)
Distributions received	(1 107)	–	–
Closing balance	14 068	2 201	2 159

The investment in jointly controlled entities includes investments at nil value in the balance carried forward on 1 September 2012.

The increase in investment over the period is comprised largely of the investment made in VBG Holdings S.a.r.l. of £12.6 million. Additional investments totalling £3.02 million were also made in RI Menora German Holdings S.a.r.l, to help fund, in conjunction with bank debt, the acquisition of properties in Hucklehoven and Kaiserslautern in Germany.

13. INVESTMENTS IN ASSOCIATES

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Opening balance	124 507	104 680	104 680
Increase in investment	261 121	24 222	24 222
Impact of foreign currency translation	5 285	3 789	(1 229)
Equity accounted loss	(3 697)	(308)	(1 772)
Foreign currency translation	53	(97)	(317)
Distributions received	(1 107)	–	–
Closing balance	158 208	129 795	124 507

The Company further increased its holding in the Cromwell Property Group (“Cromwell”) through a AUD 40 million (£26.1 million) participation in the Cromwell entitlement offer in December 2012. The Company’s interest in Cromwell at 28 February 2013 was 22.01%. This was diluted post the interim period to 16.12% following the disposal of 86 million stapled securities for AUD 77.5 million (£52.8 million).

Following an assessment of the recoverable value of Cromwell and having regard for its share price, the impairment previously recorded has been reversed.

The closing price of Cromwell on 28 February 2013 was 94 Australian cents per security and the total fair value of shares held is AUD 302.2 million (£203.8 million).

During the period ended 28 February 2013, the Group received AUD 9,989,241 (29 February 2012: AUD 7,796,143, 31 August 2012: AUD 17,266,471) as a distribution, before withholding tax of AUD 347,482 (29 February 2012: AUD 248,249, 31 August 2012: AUD 400,279), resulting in a net distribution of AUD 9,641,759 (29 February 2012: AUD 7,547,894, 31 August 2012: AUD 16,866,192). The GBP equivalent of the above gross distribution is £6.48 million (28 February 2013: £5.08 million, 31 August 2012: £11.26 million).

There are no restrictions on the ability of Cromwell to transfer funds to its shareholders in the form of cash, distributions and loan repayments.

14. CASH AT BANK

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Cash at bank consists of the following:			
Unrestricted cash balances	41 989	20 431	5 703
Bank balances	41 989	10 677	5 694
Call deposits	–	9 754	9
Restricted cash balances	15 890	13 389	12 023
	57 879	33 820	17 726

As at 28 February 2013, there was £15.9 million (29 February 2012: £13.4 million, 31 August 2012: £12.0 million) of cash at bank to which the Group did not have instant access. The principal reason for this is that rents received are primarily held in locked bank accounts as interest and other related expenses are paid from these monies. This includes a balance of £5.7 million held by Wichford Gamma Limited related to the properties in the Gamma facility over which a fixed charge receiver was appointed in January 2013. This cash balance includes rent of approximately £2 million received following the appointment of the Receiver.

Also included in the restricted cash balance at 28 February 2013 is £1.2 million held with Aviva with regards to the development in Birchwood Warrington Limited (29 February 2012: £2.57 million, 31 August 2012: £1.6 million).

15. CAPITAL AND RESERVES

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Authorised			
Ordinary shares of 8 pence each (29 February 2012 and 31 August 2012 7.2 pence each)			
– number	1 800 000 000	1 000 000 000	1 000 000 000
– £'000	41 721	40 870	40 870
Ordinary shares acquired into treasury of 7.2 pence each			
– number	–	(939 000)	
– £'000	–	(67)	
Shares issued during the period of 7.2 pence each			
– number	490 384 616	12 750 000	12 750 000
– new issue	490 384 616	11 811 000	11 811 000
– out of treasury	–	939 000	939 000
– £'000	35 308	918	918
Consolidation from 7.2 pence to 8 pence each (9 shares allotted for every 10 previously owned)			
– number	(106 983 941)	–	–
Closing: ordinary shares of 8 pence each (29 February 2012 and 31 August 2012: 7.2 pence each)			
– number	962 855 467	579 454 792	579 454 792
– £'000	77 029	41 721	41 721

The Company issued 490,384,616 shares on 4 October 2012, at a price of 26.0 pence per share. The shares were admitted to trading on the LSE on 9 October 2012. On this date the Company announced a share consolidation where 9 shares were issued to shareholders for every 10 shares held previously.

As a result of the share issue in October 2012 the share premium account increased by £92,192k.

DISTRIBUTIONS

In terms of the dividend policy, the Company will seek to distribute the majority of its recurring earnings available for distribution in the form of dividends subject to realisable profits. However, there is no assurance that the Company will pay a dividend or, if a dividend is paid, the amount of such dividend.

During the period ended 28 February 2013, the second interim dividend of 2.30 pence per share for the period ended 31 August 2012 was distributed.

REVERSE ACQUISITION RESERVE

The reverse acquisition reserve comprises the difference between the capital structure of the Company and RIHL.

OTHER RESERVES

These are non-distributable reserves arising from the acquisition of subsidiaries.

Reduction in the share premium

In February 2013, following the receipt of shareholder approval and approval from the Isle of Man High Court, share premium was reduced by £65 million and transferred to distributable reserves.

16. CAPITAL INSTRUMENT

As part of the Aviva debt restructuring in 2010 the Company has entered into a £13 million facility with Aviva. The loan bears interest at 6% per annum, and all interest is rolled up until payment or conversion. The capital plus rolled up interest is repayable or convertible three years after the date of the agreement or on any earlier date if there is an event of default.

Should the drawings together with interest not be repaid, the Company will be required to issue shares to discharge the outstanding amount due, the number of which is calculated by dividing the outstanding amount by 50 pence per ordinary share.

The capital instrument is an equity instrument under IAS 32 as it is to be settled in either cash or a fixed number of equity shares at the discretion of the Company. The fixed number of shares to be issued changes over time but is fully predetermined based on the time the Company chooses to settle the instrument. The additional shares that arise over time are charged to profit or loss in each period as a share based payment charge which is credited to the equity reserve.

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Share based payment	387	375	768
Closing balance	14 923	14 143	14 536

17. BORROWINGS

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Non-current			
Loan facilities	444 685	458 397	345 819
<i>Less: Deferred finance costs</i>	<i>(1 831)</i>	<i>(2 343)</i>	<i>(1 926)</i>
Finance leases	7 159	13 306	9 814
Total non-current borrowings	450 013	469 360	353 707
Current			
Loan facilities	143 585	459 334	401 330
<i>Less: Deferred finance costs</i>	<i>(1 647)</i>	<i>(957)</i>	<i>(875)</i>
Total	141 938	458 377	400 455
Liabilities held for sale (refer Note 11)	–	–	91 935
Total borrowings	591 951	927 737	846 097

(a) Loans

This note provides information about the contractual terms of the group's loans and borrowings, which are measured at amortised cost.

SECURED BORROWINGS

The terms and conditions of outstanding loans are as follows:

Facility	Amortising	Lender	Currency	Maturity date	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
					Carrying value	Carrying value	Carrying value
Gamma*****	No	Windermere VIII CMBS	GBP	October 2012	47 904	198 719	199 678
Delta*****	No	Windermere XI CMBS	GBP	October 2014	81 116	114 177	114 608
Redefine Hotel Holdings Limited	Yeas	Aareal	GBP	November 2015	86 831	75 295	74 961
Zeta	No	Lloyds TSB	GBP	May 2013	46 000	46 000	46 000
St Georges Harrow Limited	Yes	Landesbank Berlin	GBP	April 2016	40 940	41 400	41 170
Halle	No	Windermere XIV CMBS	EUR	April 2014	–	25 590	–
Redefine Australian Investments Limited	No	Investec	AUD	March 2016	40 459	25 693	24 740
Delamere Place Crewe Limited	No	Aviva	GBP	March 2012	–	17 150	–
Hague	Yes	Property Finance	EUR	July 2014	17 223	16 216	15 576
Birchwood Warrington Limited****	No	Aviva	GBP	September 2035	16 979	16 738	16 856

Facility	Amortising	Lender	Currency	Maturity date	Reviewed	Reviewed	Audited
					28 February	29 February	31 August
					2013	2012	2012
					£'000	£'000	£'000
					Carrying	Carrying	Carrying
					value	value	value
Ciref Berlin 1 Limited	Yes	RBS	EUR	September 2014	15 425	15 234	14 262
Byron Place Seaham Limited***	Yes	Aviva	GBP	September 2031	15 153	15 176	15 165
Kalihora Holdings Limited	Yes	UBS	CHF	October 2018	12 377	12 099	11 820
Princes Street Investment Limited	Yes	HSBC	GBP	September 2016	8 147	11 710	11 590
Gibson Property Holdings Limited	Yes	Aviva	GBP	June 2029	10 820	10 978	10 900
ITB Herzogenrath B.V.	Yes	Bayern LB	EUR	October 2017	7 521	6 178	6 989
ITB Schwandorf B.V.	Yes	Bayern LB	EUR	October 2017	6 221	7 469	5 781
Newington House Limited	Yes	AIB	GBP	September 2013	6 194	6 409	6 304
CEL Portfolio Limited & Co. KG	Yes	Valovis	EUR	November 2014	4 116	4 134	3 851
Inkstone Grundstücksverwaltung Limited & Co. KG	Yes	Barclays	EUR	August 2012	–	3 374	3 173
Inkstone Zwei Grundstücksverwaltung Limited & Co. KG	Yes	Barclays	EUR	August 2012	3 786	3 713	3 482
Ciref German Portfolio Limited	Yes	RBS	EUR	September 2014	3 281	3 237	3 033
VBG1*****	Yes	Talisman 3	EUR	January 2012	–	51 620	50 585
VBG2*****	Yes	Talisman 4	EUR	April 2011	–	41 751	41 350
West Orchards Coventry Limited***	Yes	Aviva	GBP	July 2027	–	49 273	–
Ciref Kwik-Fit Stafford Limited	No	KBC	GBP	April 2012	–	718	–
Ciref Kwik-Fit Stockport Limited	No	KBC	GBP	April 2012	–	463	–
Total bank loans					471 493	820 514	721 874
Mezzanine Capital Limited****			GBP	Extendable	116 106	95 915	108 825
Coronation Group Investments Limited**			GBP	2011	–	–	7 768
Loans secured by cash deposits			GBP	2012	–	640	–
CEL Portfolio Limited & Co. KG			GBP	2029	671	652	617
Total secured loans					588 270	917 731	839 084

All bank loans are secured over investment property, and bear interest at the specified interest rates.

* Fixed rates.

** Loan secured over Redefine Australian Investments Limited.

*** These facilities are cross collateralised against each other and against facilities to Redefine Wigan Limited. See Note 19.

**** Loans are extendable at the request of the Company.

***** In the period to 28 February 2013 the Group sold a 51% shareholding in the VBG Group to a major pension fund resulting in the deemed sale of the VBG entities and the acquisition of a 49% shareholding in a jointly controlled entity. The jointly controlled entity reached agreement with the servicer of the VBG facilities in October 2012 which saw the payment of approximately €80.0 million to settle the original VBG facilities in full.

***** The maturity date of the Delta facility has been extended to 15 April 2015 subject to the Group meeting annual disposal targets in respect of the remaining 16 Delta portfolio assets.

***** During the period a Fixed Charge Receiver was appointed to the property company subsidiaries that secured the Gamma debt resulting in the lender having been deemed to have taken control of the assets and resulting in the extinguishing of part of the related debt. See Note 2.2.1 and Note 24 for further details.

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Non-current liabilities			
Secured bank loans	444 685	458 397	345 819
Total non-current loans and borrowings	444 685	458 397	345 819
The maturing of non-current borrowings is as follows:			
Between one year and five years	391 089	345 570	283 561
More than five years	53 596	112 827	62 258
	444 685	458 397	345 819
Current liabilities			
Secured loans	143 585	459 334	401 330
Liabilities held for sale (refer Note 11)	–	–	91 935
Total current loans and borrowings	143 585	459 334	493 265
Total loans and borrowings	588 270	917 731	839 084

Exposure to credit, interest rate and currency risks arise in the normal course of the Group's business. Derivative financial instruments are used to reduce exposure to fluctuations in interest rates. Refer Note 18 for further details.

(b) Finance leases

Obligations under finance leases at the reporting dates are analysed as follows:

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Gross finance leases liabilities repayable:			
Not later than one year	318	680	460
Later than one year not later than five years	1 274	2 720	1 840
Later than five years	20 019	48 005	32 354
	21 611	51 405	34 654
<i>Less:</i> Finance charges allocated to future periods	(14 452)	(38 099)	(24 840)
Present value of minimum lease payments	7 159	13 306	9 814
Present value of finance lease liabilities repayable:			
Not later than one year	318	511	313
Later than one year not later than five years	1 108	1 821	1 124
Later than five years	5 733	10 974	8 377
Present value of minimum lease payments	7 159	13 306	9 814

18. DERIVATIVES

The Group enters into interest rate swaps and interest rate cap agreements. The purpose is to manage the interest rate risks arising from the Group's operations and its sources of finance.

The interest rate swaps employed by the Group to convert the Group's borrowings from floating to fixed interest rates, fall into two categories, as explained in (a) (i) and (ii) below.

The interest rate caps employed by the Group limit the exposure to upward movements in interest rates. These are detailed in (b) below.

It is the Group's policy that no economic trading in derivatives shall be undertaken.

(a) Interest rate swap agreements

In accordance with the terms of the borrowing arrangements, the Group has entered into interest swap agreements. The interest rate swaps are used to manage the interest rate profile of financial liabilities. The Group has employed interest rate swaps to eliminate future exposure to interest rate fluctuations as well as being charged fixed rate interest on those facilities described as having lender level swaps.

(i) Lender level interest rate swap agreements

Lender level interest rate swaps agreements are those from which the Group benefits but which do not have any Group entity as a counter-party, instead the lender is the counter-party with the commercial banking entity providing the

interest rate swap. These arise where the loan agreements call for interest rate swaps to be taken out to allow a fixed interest charge to be made to the borrowing subsidiaries and these borrowers have given indemnities to the lenders in respect to these interest rate swaps.

The interest rate swaps for the Delta and Gamma facilities, from which the Group benefitted by both eliminating any interest rate fluctuations in the market over the course of the facilities and also from any benefit (or cost) of closing these instruments out, are lender level interest rate swaps. Swaps are between the CMBS vehicles (the lenders) and commercial banking counterparties.

The Group recognised these embedded derivatives separately as, while the Group was charged interest at a fixed rate on these facilities, the terms of the facilities mean the Group ultimately received their benefit or paid their burdens.

As a result of the use of lender level interest rate swaps, the fixed rate profile of the Group's interest rate swaps was:

Facility	Effective date	Maturity date	Swap rate	Fair value		
				Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Gamma	21/07/2006	15/10/2012	4.95%	–	(4 404)	(557)
Delta	23/05/2005	20/10/2012	4.77%	–	(2 653)	(921)
Halle	19/02/2007	22/04/2014	4.19%	–	(2 205)	–
				–	(9 262)	(1 478)

The Delta and Gamma swaps expired during the six months to 28 February 2013 and Justizzentrum Halle GmbH & Co. K.G was disposed of effective 29 June 2012.

(ii) Borrower level interest rate swap agreements

Borrower level interest rate swap agreements are those that have a Group company as the counter-party to the commercial bank providing the interest rate swap. The following table sets out the Borrower level interest rate swaps.

Facility	Effective date	Maturity date	Swap rate	Fair value		
				Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Newington House Limited	03/09/2010	19/09/2013	1.54%	(42)	(54)	(62)
Princes Street Investments Limited	30/09/2011	30/09/2016	1.69%	(318)	(219)	(422)
Ciref Berlin 1 Limited	05/06/2007	15/04/2014	4.61%	(449)	(678)	(534)
Ciref Berlin 1 Limited	31/07/2007	15/04/2014	4.20%	(361)	(537)	(427)
Ciref German Portfolio Limited	31/07/2007	15/04/2014	4.20%	(162)	(241)	(192)
Redefine Hotel Holdings Limited	30/11/2010	30/01/2015	2.45%	(2 936)	(2 428)	(3 278)
Redefine Hotel Holdings Limited	30/06/2011	30/11/2015	2.32%	(364)	(336)	(409)
Redefine International Holdings Limited	04/03/2011	04/03/2013	5.45%	–	(227)	(244)
Hague	01/08/2008	01/08/2014	4.89%	(1 273)	(1 632)	(1 569)
Zeta	20/07/2010	09/05/2013	2.73%	(216)	(966)	(677)
Matterhorn Brig SARL	30/01/2012	08/10/2018	0.73%	(73)	(78)	(103)
Matterhorn Vich SARL	30/01/2012	08/10/2018	0.73%	(161)	(169)	(228)
				(6 355)	(7 565)	(8 145)

(j) Interest rate cap agreements

The Group has entered into interest rate caps in order to take advantage of the low interest rates in the market while at the same time protecting the Group against any significant increases in these interest rates. The current interest rate cap agreements are detailed below:

Facility	Effective date	Maturity date	Swap rate	Reviewed	Fair value	Audited
				28 February 2013 £'000	Reviewed 29 February 2012 £'000	31 August 2012 £'000
St Georges Harrow	27/04/2011	27/04/2016	2.85%	7	228	118
ITB Herzogenrath B.V.	31/05/2011	31/05/2017	4.50%	11	43	41
ITB Schwandorft B.V.	31/05.2011	31/05/2017	4.50%	9	36	19
Delta	16/10/2012	15/04/2015	4.95%	–	–	–
				27	307	178

(k) Summary of fair value of interest rate swaps and interest rate caps

Facility	Reviewed	Fair value	Audited
	28 February 2013 £'000	Reviewed 29 February 2012 £'000	31 August 2012 £'000
Fair value of lender level interest rate swaps	–	(9 262)	(1 478)
Fair value of borrower level interest rate swaps	(6 355)	(7 565)	(8 145)
	(6 355)	(16 827)	(9 623)
Fair value of interest rate cap agreements*	27	307	178
Fair value of the group's derivative instruments	(6 328)	(16 520)	(9 445)

*Interest rate cap assets are included in investments designated at fair value (please refer Note 10).

19. PROVISIONS FOR LIABILITIES AND COMMITMENTS

	Reviewed	Reviewed	Audited
	28 February 2013 £'000	29 February 2012 £'000	31 August 2012 £'000
Opening balance	12 079	–	–
Increase in provisions	–	–	12 079
Total	12 079	–	12 079

20. RELATED PARTY TRANSACTIONS

Related parties of the Group include subsidiary undertakings, associate undertakings and jointly controlled entities, the Investment Advisor, Directors and key management personnel and connected parties, the parent undertaking Redefine International Properties Limited and the ultimate parent Redefine Properties Limited as well as entities connected through common directors.

INVESTMENT ADVISER

The investment adviser duties are carried out in accordance with the Investment Adviser's Agreement (as approved on 13 July 2011) between the Company and RIPML. The director Michael Watters is a director of associated companies of the investment adviser.

	Reviewed	Reviewed	Audited
	28 February 2013 £'000	29 February 2012 £'000	31 August 2012 £'000
Trading transactions			
Rental income received from Redefine Hotel Management Limited	5 072	4 700	9 400
Fee income from the Cromwell Property Group	513	566	566
Portfolio management fees charged by Redefine International Property Management Limited	(1 234)	(1 717)	(3 328)
Portfolio management fees charged by Redefine International Fund Managers Limited	(352)	(262)	(610)
Portfolio management fees charged by Redefine International Fund Managers Europe Limited	(367)	(494)	(817)
Redefine International Hotels Limited	(342)	(209)	(617)

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Fee payable to Redefine Properties Limited	–	–	(130)
Amounts receivable			
Pearl House Swansea Limited	74	74	74
ITB FMZ Waldkraiburg B.V.	–	–	–
Redefine Hotel Management Limited	3 080	3 352	3 314
Ciref Crawley Investments Limited	87	140	104
Swansea Estates Limited	87	86	86
26 The Esplanade No 1 Limited	78	–	48
Banstead Property Holdings Limited	496	–	518
Osiris Properties International Limited	–	–	369
Corovest Offshore Limited	162	–	–
VBG Holdings S.a.r.l.	243	–	–
Bashir Nathoo*	5 038	–	–
Amounts payable			
Redefine International Fund Managers Limited**	352	368	320
Osiris Properties Services Limited	3	–	6
Redefine International Fund Managers Europe Limited**	336	531	352
Redefine International Group Services Limited**	–	43	–
Redefine Properties International Limited	45	47	35
Corovest Offshore Limited	–	2 363	868
Coronation Group Investments Limited	–	10 910	7 768
Redefine International Hotels Limited	342	–	154
Redefine International Property Management Limited	464	1 061	660

* Loan receivable from Bashir Nathoo bears interest at 10% and matures on 31 December 2013.

**Loans payable to Redefine International Fund Managers Limited, Redefine International Fund Managers Europe Limited and Redefine International Hotels Limited are not secured, bear no interest and are expected to be repaid in cash within 12 months.

MEZZANINE CAPITAL LIMITED

Details of transactions with Mezzanine Capital Limited are provided in notes 5, 6, 9 and 17.

DIRECTORS

The remuneration paid to directors for the period ended 28 February 2013 was £179,970 which represents directors' fees only (29 February 2012: £134,558, 31 August 2012: £334,565).

21. EARNINGS PER SHARE

Earnings per share are calculated on the weighted average number of shares in issue and the profit/(loss) attributable to shareholders. The weighted average number of shares in issue is based on the capital structure in place after the reverse acquisition.

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Net profit/(loss) attributable to shareholders (Basic and diluted)	16 918	(60 670)	(124 755)
Weighted average number of ordinary shares	883 545	511 194	516 380
Effect of potential share based payment transactions – capital instrument	29 846	28 286	29 072
Diluted weighted average number of ordinary shares	913 391	539 480	545 452
Number of ordinary shares			
– In issue	962 855	521 510	521 510
– Weighted average	883 545	511 194	516 380
– Diluted weighted average	913 391	539 480	545 452
Earnings/(loss) per share (pence)			
– Basic	1.91	(11.87) ¹	(24.16) ¹
– Diluted	1.85	(11.87) ¹	(24.16) ¹

Note:

1 The 2012 share balances have been restated to reflect the impact of the 0.9:1 share consolidation in October 2012.

There are also contingently issuable shares in terms of the Investment Adviser agreement. The conditions for recognising these shares had not been met at the year end.

22. NET ASSETS PER SHARE

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Net assets attributable to equity shareholders (£'000)	264 956	214 121	132 914
Number of ordinary shares ('000's)	962 855	521 510	521 510
Effect of potential share based payment transactions – capital instrument	29 846	28 286	29 072
Diluted number of shares ('000s)	992 701	549 796	550 582
Net asset value per share (pence)			
– Basic	27.52	41.06	25.94
– Diluted	26.69	38 95	24.14

The 2012 share balances have been restated to reflect the impact of the 0.9:1 share consolidation in October 2012.

23. DISPOSAL OF SUBSIDIARIES

The Group disposed of the following subsidiaries during the period ended 28 February 2013:

- VBG Holdings S.a.r.l. on 11 October 2012
- Trito Petersfield on 28 February 2013 – conditional sale

The Group disposed of the following subsidiaries during the financial year ended 31 August 2012:

- Cifef Reigate Limited on 29 February 2012
- Banstead Property Holdings Limited on 11 June 2012
- Justizzentrum Halle mbh & Co. KG on 29 June 2012
- Cifef Coventry Limited on 31 August 2012

The assets and liabilities of the subsidiaries at their respective dates of disposal were as follows:

	Reviewed 28 February 2013 £'000	Reviewed 29 February 2012 £'000	Audited 31 August 2012 £'000
Assets			
Investment property	77 355	3 150	74 004
Long term receivables	–	405	5 838
Trade and other receivables	422	(7)	1 411
Liabilities			
Trade and other payables	(1 040)	(79)	(5 702)
Derivative liabilities	–	(80)	(2 108)
Loans and borrowings	(94 405)	(3 160)	(87 099)
Total	(17 668)	229	(13 656)
<i>Add:</i>	(218)	486	3 210
Non-controlling shareholder interest	(396)	(178)	(1 767)
Non-controlling interest share of net deficit	178	664	4 977
Provision for liabilities and commitments	–	–	12 079
Transfer of FCTR to income statement on disposal of foreign operation	(298)	–	381
Net gain/(loss) on sale of subsidiaries	16 491	(100)	(2 195)
Net cash disposed	(1 693)	615	(181)

The Company announced that it had completed the restructuring of all four VBG assets and the associated financing facilities on 8 October 2012.

As part of the restructuring, the Company sold, for a nominal amount, 51% of its shareholding in VBG Holdings S.a.r.l. to a major pension fund. From this date VBG Holdings S.a.r.l. was deconsolidated as a subsidiary within the group and is now accounted for as a jointly controlled entity. This newly established joint venture company, together with certain of its subsidiaries, reached agreement with the servicer of the VBG facilities to dispose of the VBG assets to new subsidiary companies within the joint venture vehicle. The proceeds from the disposal of approximately €80 million was used to settle the original VBG facilities in full. The facilities had an outstanding balance of €116 million.

The gain recognised by the Group in respect of this transaction and the resulting settlement of the original VGB facilities was £16.42 million.

On 28 February 2013, RIHL sold its shares in Trito Petersfield for £0.47 million realising a gain on disposal of £0.07 million.

24. LOSS OF CONTROL OF CERTAIN GAMMA SUBSIDIARIES

A Receiver was appointed to certain property subsidiaries which secure the Gamma facility in January 2013. As a result of the powers and the responsibilities of the Receiver the Group has lost control of the underlying property companies as it no longer has the power to govern their operating activities and or dispose of any of the underlying assets. Redefine International has therefore ceased to consolidate the underlying property companies from the date control was lost i.e the date the Receiver was appointed.

The Group is deemed to continue to control Wichford Gamma Limited who is the primary obligor for the loan facility.

IAS 39 does not provide specific guidance on whether or not the appointment by the lender of a receiver over the secured assets constitutes partial settlement of the debt. In the opinion of the Directors, the receiver is acting on behalf of the lender and consequently they consider that the transfer of the secured assets to the receiver is in substance the transfer of those assets to the lender.

As a result the loan facility recorded in the books of Wichford Gamma Limited and hence consolidated by Redefine International has been reduced by the value of the net assets of the property subsidiaries at the date the Receiver was appointed.

The impact of the appointment of a receiver and loss of control of the underlying property companies is as follows:

	Reviewed 28 February 2013 £'000
Assets	
Investment property	158 040
Trade and other receivables	819
Liabilities	
Finance lease payables	(2 315)
Trade and other payables	(4 770)
Net asset impact to the group	151 774
Gamma loan facility	199 678
Residual debt	47 904

25. INTEREST RATE RISK

The Group's exposure to the risk of the changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group uses interest rate derivatives to mitigate its exposure to interest rate fluctuations. At the year end, as a result of the use of interest rate swaps, the majority of the Group's borrowings were at fixed interest rates.

The Group's profit before tax has limited exposure to interest rate fluctuations until the repayment dates of the loans for which the interest rate swaps have been arranged. Refer Note 18 for further details on the Group's interest rate swap agreements.

26. LIQUIDITY RISK

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient rental income to service its financial obligations when they fall due. The monitoring of liquidity risk is assisted by the monthly review of financial covenants imposed by financial institutions, such as interest and loan to value covenant ratios. Renegotiation of loans takes place in advance of any potential covenant breaches in so far as the factors that is within the control of the Board. In periods of increased market uncertainty the Board strive to ensure sufficient cash resources are available for potential loan repayments/cash deposits as may be required by financial institutions. In certain cases the Company may take a decision not to support non-recourse facilities. Refer to Note 2.2 for further details on the going concern assumption adopted by the Board.

27. CONTINGENCIES, GUARANTEES AND CAPITAL COMMITMENTS

The Group has capital commitments of £2.3 million (31 August 2012: £2.6 million) in respect of capital expenditure contracted for at the reporting date, but not yet incurred, for future transactions approved by the Board. The Group has entered into a corporate guarantee agreement with IHG Hotels Limited, the contingent liability of which is not expected to exceed £0.3 million.

External loan facilities to the jointly controlled entities (Redefine Wigan Limited and Ciref Coventry Limited) with a nominal value of 197.97 million are cross collateralised against properties held directly by the Group. These external loan liabilities are in excess of the value of the properties held by the jointly controlled entities. A provision of £12.1 million is held based on the estimated potential future cash outflows for the Group related to this cross collateralisation.

28. SUBSEQUENT EVENTS

The Board resolved to declare an interim dividend of 1.475 pence per share. The record date for the interim dividend is 10 May 2013. The dividend will be paid to shareholders on 24 May 2013.

The Company announced on 3 April 2013 that it has disposed of 86 million securities in Cromwell. The Cromwell securities were sold on the ASX at prices ranging from AUD90 cents to AUD96.53 cents for which the Company received a total consideration of AUD77.5 million (GBP52.8 million). Following the Transaction the Company's holding in Cromwell reduced from 22.01% to 16.12%.

Glossary

Board	The board of directors of Redefine International.
AUD	Australian Dollar made up of 100 cents.
Cromwell	Cromwell Property Group is an Australian Securities Exchange listed stapled security (ASX:CMW) comprising the Cromwell Corporation Limited and Cromwell Property Securities Limited, which acts as the responsible entity of the Cromwell Diversified Property Trust: www.cromwell.com.au
EPRA	European Public Real Estate Association.
ERV	The estimated market rental value of lettable space which could reasonably be expected to be obtained on a new letting or rent review.
Eurozone	The geographic and economic region that consists of all the European Union countries that have fully incorporated the Euro as their national currency.
Euro or €	The lawful common currency of participating member states of the European Monetary Union.
Fair value movement	An accounting adjustment to change the book value of an asset or liability to its market value.
Finance lease	A lease that transfers substantially all the risks and rewards of ownership from the lessor to the lessee.
FCTR	Foreign Currency Translation Reserve.
GBP or £	Great British Pound, the legal currency of the UK.
IFRS	International Financial Reporting Standards.
Interest rate swap	A financial instrument where two parties agree to exchange an interest rate obligation for a predetermined amount of time. These are used by the Group to convert floating-rate debt or investments to fixed rates.
IPD	Investment Property Databank. A global real estate information business providing independent research and analysis on the commercial real estate market.
JSE	JSE Limited, licensed as an exchange and a public company incorporated in terms of the laws of South Africa.
LIBOR	The London Interbank Offered Rate, the interest rate charged by one bank to another for lending money.
LTV	Loan to value. A ratio of debt divided by the market value of investment property.
LSE	The London Stock Exchange plc.
NAV	Net Asset Value.
Pre-let	A lease signed with an occupier prior to completion of a development.
Redefine International P.L.C. (Redefine International, the Company or the Group)	The enlarged company following the reverse acquisition between Wichford and Redefine International plc.
RIHL	Redefine International Holdings Limited. The previously AIM listed property investment company party to the reverse acquisition (previously named Redefine International plc).
RIPML	Redefine International Property Management Limited. The Investment Adviser to the Company.
RIN	Redefine Properties International Limited. The Company's largest shareholder listed on the JSE, whose sole asset is its shareholding in Redefine International.
Redefine Properties Limited (Redefine Properties)	Ultimate parent company of the Redefine Group, listed on the JSE.

REIT	Real Estate Investment Trust. A REIT must be a publicly quoted company with at least three-quarters of its profits and assets derived from a qualifying property rental business. Income and capital gains from the property rental business are exempt from tax but the REIT is required to distribute at least 90% of those profits to shareholders. Corporation tax is payable on non-qualifying activities in the normal way.
Revpar	Revenue per available room (calculated by multiplying the hotel's average daily room rate by its occupancy rate).
UK	The United Kingdom of Great Britain and Northern Ireland.
WAULT	Weighted average unexpired lease term.
Wichford P.L.C. (Wichford)	The previously LSE listed property investment company party to the reverse acquisition.

HISTORICAL FINANCIAL INFORMATION OF RI PLC FOR THE YEAR ENDED 31 AUGUST 2012

Set out below are extracts from the audited financial statements of RI PLC for the years ended 31 August 2012 and 31 August 2011. These extracts are the responsibility of RI PLC's directors. The financial statements for the years ended 31 August 2012 and 31 August 2011, from which the information below was extracted, were prepared in accordance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board and which were audited by KPMG in accordance with International Standards on Auditing (UK and Ireland), who issued an unqualified audit opinion on the financial statements for the years ended 31 August 2012 and 31 August 2011. The audited financial statements for the years ended 31 August 2012 and 31 August 2011 are available for inspection on the company's website (www.redefineinternational.com).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 August 2012

	Notes	Year ended 31 August 2012 Total £'000	Restated Year ended 31 August 2011 Total £'000
Revenue			
Gross rental income	5	76 150	26 823
Investment income	6	–	3 875
Other income	7	1 917	1 592
Total revenue		78 067	32 290
Expenses			
Administrative expenses		(1 639)	(774)
Investment adviser and professional fees	8	(9 006)	(4 664)
Property operating expenses		(4 707)	(2 368)
Net operating income		62 715	24 484
Gains from financial assets and liabilities	9	1 943	12 517
Redemption of loans and borrowings	10	6 080	913
Loss on sale of subsidiaries	37	(2 195)	(334)
Equity accounted profit/(loss)	11	6 325	(3 088)
Net fair value losses on investment property and assets held for sale	15, 18	(126 871)	(10 627)
Impairment of intangible assets		–	(591)
(Loss)/profit from operations		(52 003)	23 274
Interest income	12	9 776	8 134
Interest expense	13	(81 344)	(24 305)
Share-based payment		(768)	(768)
Foreign exchange loss		(542)	(1 224)
(Loss)/profit before tax		(124 881)	5 111
Taxation	14	(3 370)	(1 360)
(Loss)/profit after tax		(128 251)	3 751
(Loss)/profit attributable to:			
Equity holders of the parent		(124 755)	5 035
Non-controlling interest		(3 496)	(1 284)
		(128 251)	3 751
Basic (loss)/earnings per share (pence)	34	(21.72)	1.18
Diluted (loss)/earnings per share (pence)	34	(21.72)	1.11
Headline earnings per share (pence)	34	0.50	5.51

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 August 2012

	Notes	Year ended 31 August 2012 Total £'000	Restated Year ended 31 August 2011 Total £'000
(Loss)/profit for the year		(128 251)	3 751
Other comprehensive income			
Transfer of FCTR to income statement on disposal of foreign operation	37	(381)	–
Foreign currency translation on foreign operations – subsidiaries		497	1 927
Foreign currency translation on foreign operations – associates and jointly controlled entities	19, 20	(1 546)	4 882
Share of foreign currency movement recognised in associate undertaking		–	1 494
Share of cash flow hedge reserve movement recognised in associate undertaking		–	(155)
Total comprehensive income for the year		(129 681)	11 899
Total comprehensive income attributable to:			
Equity holders of the parent		(125 881)	13 157
Non-controlling interest		(3 800)	(1 258)
		(129 681)	11 899

	Year ended 31 August 2012	Restated Year ended 31 August 2011
Reconciliation to headline earnings		
(Loss)/profit attributable to shareholders	(124 755)	5 035
Net fair value losses on investment property	125 410	9 871
Loss on disposal of subsidiaries	2 195	334
Headline earnings	2 850	15 240
Weighted average shares in issue ('000)	516 380	426 125
Diluted weighted average shares in issue ('000)	545 452	452 605
Headline earnings per share (pence)	0.55	3.58
Diluted headline earnings per share (pence)	0.52	3.37

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2012

	Notes	Year ended 31 August 2012 Total £'000	Restated Year ended 31 August 2011 Total £'000
Assets			
Non-current assets			
Investment property	15	631 278	986 654
Long-term receivables	16	98 470	104 080
Investments designated at fair value	17	399	1 123
Investments in jointly controlled entities	19	2 159	2 607
Investments in associates	20	124 507	104 680
Total non-current assets		856 813	1 199 144
Current assets			
Assets held for sale	18	136 009	
Trade and other receivables	21	23 359	23 785
Cash at bank	22	17 726	51 368
Total current assets		177 094	75 153
Total assets		1 033 907	1 274 297
Equity and liabilities			
Capital and reserves			
Share capital	23	41 721	40 870
Share premium		164 939	161 420
Reverse acquisition reserve		134 295	134 295
Retained loss		(232 991)	(86 693)
Capital instrument	24	14 536	13 768
Foreign currency translation reserve		9 511	10 637
Other reserves		903	3 912
Total equity attributable to equity shareholders		132 914	278 209
Non-controlling interest		5 342	5 506
Total equity		138 256	283 715
Non-current liabilities			
Borrowings	25	353 707	811 415
Derivatives	26	4 244	6 824
Deferred tax	14	2 489	1 334
Total non-current liabilities		360 440	819 573
Current liabilities			
Borrowings	25	400 455	117 071
Liabilities held for sale	18	91 935	
Derivatives	26	5 379	16 291
Provision for liabilities and commitments	27	12 079	
Trade and other payables	28	25 363	37 647
Total current liabilities		535 211	171 009
Total liabilities		895 651	990 582
Total equity and liabilities		1 033 907	1 274 297

The consolidated statements were approved by the Board of Directors on 29 October 2012 and were signed on its behalf by:

Ita McArdle
Director

Richard Melhuish
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 August 2012

	Share capital £'000	Share premium £'000	Reverse share acquisition reserve £'000	Retained loss £'000	Other reserves £'000	Foreign currency translation reserve £'000	Cash flow hedge reserve £'000	Capital instrument £'000	Total attributable to equity shareholders £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 September 2010	3 047	211 359	–	(78 327)	3 912	2 360	155	–	142 506	2 254	144 760
Change in accounting policy for deferred tax	–	–	–	–	–	–	–	–	–	–	–
Restated balance at 1 September 2010	3 047	211 359	–	(78 327)	3 912	2 360	155	–	142 506	2 254	144 760
Profit as previously reported	–	–	–	5 035	–	–	–	–	5 035	(1 284)	3 751
Effective portion of cash flow hedges from associates	–	–	–	–	–	–	(155)	–	(155)	–	(155)
Foreign currency translation effect	–	–	–	–	–	8 277	–	–	8 277	26	8 303
Total comprehensive income	–	–	–	5 035	–	8 277	(155)	–	13 157	(1 258)	11 899
Shares issued	1 471	73 096	–	–	–	–	–	–	74 567	–	74 567
Share issue costs	–	(3 028)	–	–	–	–	–	–	(3 028)	–	(3 028)
Scrip dividend paid to equity stakeholders	4	235	–	(239)	–	–	–	–	–	–	–
Dividend paid to equity stakeholders	–	–	–	(13 964)	–	–	–	–	(13 964)	–	(13 964)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(81)	(81)
Decrease in non-controlling interest	–	–	–	(103)	–	–	–	–	(103)	(326)	(429)
Convertible shares to be issued	–	–	–	–	–	–	–	13 000	13 000	–	13 000
Share-based payment	–	–	–	–	–	–	–	768	768	–	768
Contribution of non-controlling shareholders	–	–	–	–	–	–	–	–	–	4 917	4 917
Shares issued pursuant to reverse acquisition	32 557	–	19 978	–	–	–	–	–	52 535	–	52 535
Cancellation of shares	(2 308)	–	2 308	–	–	–	–	–	–	–	–
Share issue costs	–	–	(2 134)	–	–	–	–	–	(2 134)	–	(2 134)
Adjustment to present Wichford capital structure	6 099	(120 242)	114 143	–	–	–	–	–	–	–	–
Reported balance at 31 August 2011	40 870	161 420	134 295	(87 598)	3 912	10 637	–	13 768	277 304	5 506	282 810
Change in accounting policy for deferred tax	–	–	–	905	–	–	–	–	905	–	905
Restated balance at 31 August 2011	40 870	161 420	134 295	(86 693)	3 912	10 637	–	13 768	278 209	5 506	283 715
Balance at 1 September 2011	40 870	161 420	134 295	(86 693)	3 912	10 637	–	13 768	278 209	5 506	283 715
Total loss for the period	–	–	–	(124 755)	–	–	–	–	(124 755)	(3 496)	(128 251)
Foreign currency translation effect	–	–	–	–	–	(1 126)	–	–	(1 126)	(304)	(1 430)
Total comprehensive income	–	–	–	(124 755)	–	(1 126)	–	–	(125 881)	(3 800)	(129 681)
Shares issued	851	3 519	–	–	–	–	–	–	4 370	–	4 370
Shares taken into treasury	–	–	(67)	(317)	–	–	–	–	(384)	–	(384)
Treasury shares sold	–	–	67	280	–	–	–	–	347	–	347
Dividend paid to equity stakeholders	–	–	–	(24 089)	–	–	–	–	(24 089)	–	(24 089)

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Retained loss £'000	Other reserves £'000	Foreign currency translation reserve £'000	Cash flow hedge reserve £'000	Capital instrument £'000	Total attributable to equity holders £'000	Non-controlling interest £'000	Total equity £'000
Decrease in non-controlling interests	–	–	–	(426)	–	–	–	–	(426)	426	–
Share-based payment	–	–	–	–	–	–	–	768	768	–	768
Disposal of subsidiaries/non-controlling interests	–	–	–	3 009	(3 009)	–	–	–	–	3 210	3 210
Balance at 31 August 2012	41 721	164 939	134 295	(232 991)	903	9 511	–	14 536	132 914	5 342	138 256

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 August 2012

	Notes	Year ended 31 August 2012 Total £'000	Year ended 31 August 2011 Total £'000
Cash flows from operating activities			
(Loss)/profit before tax		(124 881)	5 111
Adjustments for:			
Straight lining of rental income		504	169
Impairment of intangible assets		–	591
Net fair value losses on investment property and assets held for sale	15, 18	126 871	10 627
Exchange rate losses		542	1 224
Gains from financial assets and liabilities	9	(1 943)	(12 517)
Redemption of loans and borrowings	10	(6 080)	(913)
Equity accounted (profits)/losses	11	(6 325)	3 088
Loss on sale of subsidiaries	37	2 195	334
Investment income	6	–	(3 875)
Interest income	12	(9 776)	(8 134)
Interest expense	13	81 344	24 305
Share-based payments	24	768	768
Cash generated by operations		63 219	20 778
Changes in working capital	36.1	(6 915)	93
Cash flow from operations		56 304	20 871
Interest income		7 908	4 540
Interest paid		(54 012)	(22 867)
Taxation paid		(1 412)	(152)
Distributions received		–	3 875
Distributions from associates and jointly controlled entities	20	11 263	5 986
Net cash generated from operating activities		20 051	12 253
Cash flows from investing activities			
Purchase of investment properties	15	(3 893)	(211 083)
Investment in associates and jointly controlled entities	19, 20	(25 863)	(18 586)
Cash acquired on reverse acquisition		–	32 340
Acquisition of subsidiaries		–	(307)
Disposal of subsidiaries	37	(181)	(477)
Decrease in loans to related parties		–	3 990
Decrease in long term receivables		(2 600)	–
Purchases of financial assets		–	(1 565)
(Increase)/decrease in restricted cash balances	22	(592)	14 616
Net cash utilised in investing activities		(33 129)	(181 072)
Cash flows from financing activities			
Proceeds from loans and borrowings		19 443	152 831
Repayment of loans and borrowings		(20 826)	(21 846)
Dividends paid to equity shareholders		(24 089)	(13 964)
Dividends paid to non-controlling interests		–	(81)
Acquisition of treasury shares		(384)	–
Proceeds from issue of shares from treasury		347	–
Proceeds from issue of share capital	36.3	4 370	73 644
Share issue and reverse acquisition costs	36.3	–	(3 993)
Reduction in or contribution from non-controlling shareholders		–	4 804
Net cash (utilised)/generated from financing activities		(21 139)	191 395
Net (decrease)/increase in cash		(34 217)	22 576
Effect of exchange rate fluctuations on cash held		(17)	392
Opening cash		39 937	16 969
Net cash at 31 August		5 703	39 937

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August 2012

1. GENERAL INFORMATION

Redefine International P.L.C was incorporated on 28 June 2004 under the laws of the Isle of Man and is listed on the Main Market of the London Stock Exchange. On 23 August 2011 the Company's financial year end was changed to 31 August from 30 September.

With effect from 23 August 2011, Redefine International plc (subsequently renamed Redefine International Holdings Limited ("RIHL")) was legally acquired by Wichford P.L.C. ("Wichford") subsequently renamed Redefine International P.L.C. As a result of the terms of the transaction, reverse acquisition accounting has been applied under IFRS 3 Business Combinations (2008) and RIHL was identified as the accounting acquirer. Consequently, the comparative figures shown for the consolidated statement of financial position reflects the reserves, assets and liabilities of RIHL and the capital, reserves, assets and liabilities of Redefine International P.L.C., effectively acquired by RIHL at fair value as at 31 August 2011. As Wichford was the legal acquirer, the Wichford capital structure became that of the Company.

As the reverse acquisition occurred effective 31 August 2011, the comparative consolidated income statement and statement of comprehensive income reflects the income and expenses of RIHL only, for the 12 months ended 31 August 2011.

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ materially from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are discussed further in Note 2.2 Basis of preparation.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB. This represents a difference from the prior year when the consolidated financial statements were prepared in accordance with IFRS as adopted by the EU. There is however no material difference between IFRS as issued by the IASB and IFRS as adopted by the EU.

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its audited financial statements as at and for the year ended 31 August 2011 except for the following:

2.1.1 IAS 12

In December 2010, the IASB released amendments to IAS 12 effective from 1 January 2012. Redefine International has elected to early adopt the amendment of IAS 12. Deferred taxation is now recognised on the revaluation of the building component of investment properties at the capital gains rate on the presumption that the investment will be recovered through disposal and will therefore attract capital gains tax. Redefine International has applied the amendment retrospectively as required by IAS 8.

It is the view of the Board that the adoption of this policy results in more accurate and meaningful information.

The effect of the change in the accounting policy is a reduction of the deferred tax balance, with a corresponding increase in reserves as reflected in the statement of changes in equity.

The early adoption had the effect of reducing the 2011 deferred taxation balance with a corresponding increase of opening 2012 reserves by £0.9 million. The change in accounting policy had no impact on the balances reported in 2010.

Amendments to IFRS 7, disclosures – transfers of financial assets

In October 2010, the IASB issued amendments to IFRS 7 Financial Instruments: "Disclosures – Transfers of Financial Assets". These amendments, were adopted by the Group during the year and result in additional disclosures on transfer transactions of financial assets (for example, securitisations), including the possible effects of any risks that may remain with the transferor of the assets. The adoption of this amendment did not have a significant impact on the Group.

2.2 Basis of preparation

The consolidated financial statements are presented in Great British Pounds, which is the functional currency of the Company and the presentational currency of the Group, rounded to the nearest thousand pounds. They are prepared using the historical cost basis except for investment property, derivative financial instruments and financial instruments designated at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of judgements and estimates that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the period reported. Although these estimates are based on the Directors' best knowledge of the amount, event or actions, actual results may differ from those estimates.

The principal areas where such judgements and estimates have been made are:

2.2.1 *Application of the going concern basis of accounting*

These consolidated financial statements have been prepared on a going concern basis as after considering the relevant factors, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. The principal issues the Board considered in its enquiries included, inter alia, the maturity of the Delta and Gamma facilities which total £314.29 million in October 2012 and the maturities of the VBG2 and VBG1 facilities totalling £91.94 million and the equity raised post year end.

Significant progress has been made on the refinancing discussions over the year and post year end including:

- The announcement on 3 August 2012 regarding the agreed restructuring of the VBG holding companies, the sale of the VBG assets and restructuring/repayment of the related debt and its subsequent completion post year end. The restructuring was finalised post year end on 8 October 2012 with the proceeds from the disposal of the properties of approximately €80.0 million used to settle the VBG facilities in full. The facilities had an outstanding balance of €116.0 million at the time of the restructuring.
- The Company announced on 15 October 2012 that the agreement to extend and restructure the £114.6 million Delta facility had been completed. The restructure sees the Group repaying £33.5 million of debt associated with the release from charge of seven assets in the portfolio. The maturity date of the facility was extended to 15 April 2015 subject to the Company meeting annual disposal targets.
- The settlement of the Aviva Commercial Finance Limited loan of £17.15 million secured on the Delamere Place, Crewe property.
- The finalisation of the sale of the companies which held a 94% shareholding in the Justice Centre in Halle in June 2012 resulting in property, with a value of €36.3 million and debt amounting to €37.1 million, being removed from the Group's balance sheet and the de-recognition of a liability in respect of the 6% non-controlling interest.

Discussions are still on-going with respect to the Gamma facility of £199.7 million which matured on 15 October 2012. This facility is non-recourse in nature. There can be no guarantee as to the outcome of current negotiations; however the Board remains of the view that there would be limited impact on the continued operations of the Group should agreement not be reached and if the servicer enforced its security rights.

The Board has also had regard for the funds raised as part of the equity raising which completed post year end and saw the Company raise gross proceeds of £127.5 million. This additional capital will allow the Company to further reduce its leverage.

The Board has also considered the working capital forecast for the Group and believes that based on a detailed analysis of cashflow projections, the level of capital raised post year end and the progress made on loan refinancing that the Group has adequate resources to continue in operation for the foreseeable future.

2.2.2 *Investment property valuation*

The Group uses the valuations performed by its independent valuers as the fair value of its investment properties. The valuation is based upon assumptions including estimated rental values, future rental income, anticipated maintenance costs, future development costs and appropriate discount rates. The valuers also make reference to market evidence of transaction prices for similar properties. Further details are provided in Note 3.3.5 and Note 15.

2.2.3 *Classification of investment property for hotels*

The hotel properties are held for capital appreciation and to earn rental income. The properties have been let to Redefine Hotel Management Limited ("RHML") for a fixed rent which is subject to annual review. RHML operates the hotel business on its own account and is exposed to the fluctuations in the underlying trading performance of the hotels. It is responsible for the day to day upkeep of the properties and retains the key decision making responsibility for the business. Aside from the payment of rental income to Redefine International there are limited or no transactions between the two entities. As a result, in line with guidance in IAS 40, Redefine International classifies the hotel properties as investment properties.

2.2.4 *Taxation*

The Group is exposed to the risk of changes to tax legislation in the various countries in which the Group operates. It is also exposed to different interpretations of tax regulations between the tax authorities and the Group.

2.2.5 *Deferred taxation*

The Group considers that the value of the property portfolio is likely to be realised through sale. The Group bases its deferred taxation provision on the assumption that the residual value of the investment properties is not less than the present value as provided by its external valuers.

The recoverability of any deferred tax asset is assessed and, where it is thought unlikely that a recovery will be made, is not included in the Group's provision.

2.3 Basis of consolidation

2.3.1 *Investment in subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries are included in the Group results from the effective dates of acquisition to the effective dates of disposal. Any difference between the purchase price of a subsidiary and the Group's share of the fair value of the identifiable net assets acquired is treated in accordance with the Group's accounting policy for intangible assets.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies.

The initial interest of non-controlling interests is stated at the non-controlling interest's proportion of the net asset value of the company or the fair value.

Transactions with non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore neither goodwill nor profit or loss is recognised as a result of such transactions.

2.3.2 *Transactions eliminated on consolidation*

Intragroup balances, transactions and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3.3 *Investment in associates and jointly controlled entities*

Associates are entities over whose financial and operating policies the Group has the ability to exercise significant influence but not control and which are neither subsidiaries nor jointly controlled entities. Jointly controlled entities and joint ventures are those entities over which the Group exercises joint control under the terms of a contractual agreement.

Investments in associated undertakings and jointly controlled entities are initially recorded at cost and increased (or decreased) each year by the Group's share of the post-acquisition net income (or loss), and other movements reflected directly in the equity of the associated undertaking.

Where the Group acquires an additional shareholding or where it obtains significant influence such that an investment which was previously accounted for as a simple investment under IAS 39 is now deemed to be an associate undertaking, the Group's previously held interest is re-measured to fair value through profit or loss for the period. The cost of the associate is determined as the fair value of the original investment plus the fair value of any additional consideration given to achieve significant influence.

Goodwill arising on the acquisition of an associated undertaking or jointly controlled entity is included in the carrying amount of the investment. When the Group's share of losses in an associate or jointly controlled entity has reduced the carrying amount to zero, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations to make payments on behalf of the associate or jointly controlled entity.

The Group's share of the results of associated or jointly controlled entity undertakings after tax reflects the Group's proportionate interest in the relevant undertaking and is based on financial statements made up to a date not earlier than three months before the period end reporting date, adjusted to conform with the accounting policies of the Group.

Since goodwill that forms part of the carrying amount of the investment in an associate or jointly controlled entity is not recognised separately, it is therefore not tested for impairment separately. Instead, the entire amount of the investment in an associate or jointly controlled entity is tested for impairment as a single asset when there is objective evidence that the investment in an associate or jointly controlled entity may be impaired.

Reversals of impairments are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate or jointly controlled entity increases.

Unrealised gains and losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entities.

2.3.4 *Accounting for business combinations*

The Group applies IFRS 3 "Business Combinations (2008)" in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination has been achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination, are expensed as incurred.

Costs associated with the issue of equity securities are recorded directly in equity.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

2.3.5 *Property acquisitions*

Where properties are acquired through the acquisition of corporate interests, the Directors have regard to the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

In this regard, the Directors consider the nature of the transaction and assess whether the acquisition represents the acquisition of an integrated set of activities and assets. An assessment is made as to what is being acquired and to what extent the acquisition represents the acquisition of inputs and processes rather than simply the purchase of an asset. This determination is made on a case by case basis having regard to the facts and circumstances of each acquisition and in light of the guidance in IFRS 3 Business Combinations relating to the identification of a business.

Where acquisitions are not judged to be an acquisition of a business the transactions are accounted for as if the Group had acquired the underlying property directly. Accordingly, no goodwill arises, rather the cost of the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values at the acquisition date.

Otherwise corporate acquisitions are accounted for as business combinations.

2.3.6 *Goodwill and intangible assets*

Goodwill and intangible assets are carried at cost less accumulated impairment losses. In respect of equity accounted investments the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the investee.

Amortisation of intangible assets is recognised in profit or loss on a straight-line basis over their estimated useful life, from the date that they are available for use.

2.4 **Currency translation reserve**

2.4.1 *Foreign currency transactions*

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at the foreign exchange rates ruling at the dates that the values are determined.

2.4.2 *Foreign operations*

Exchange differences arising from the translation of the net investment in foreign operations are taken to the currency translation reserve (FCTR). They are released into the income statement upon disposal. On consolidation, the statements of financial position of foreign subsidiaries and associates are translated at the closing rate and the income statement and statement of comprehensive income are translated at the rates at the dates of the transaction or at an average rate for the period where this is a reasonable approximation.

2.5 **Investment property**

Investment properties are those which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. External, independent valuation companies, having professionally qualified valuers and recent experience in the location and category of property being valued, value the portfolios on an annual basis. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and without compulsion.

The valuations are prepared by considering comparable market transactions for sales and letting and having regard for the current leases in place. In the case of lettings this includes considering the aggregate of the net annual market rents receivable from the properties and where relevant, associated costs. A yield which reflects the risks inherent in the net cash flows is applied to the net annual rentals to arrive at the property valuation.

As the fair value model is applied, property under construction or redevelopment for future use as investment property is measured at fair value. However, where the fair value of investment property under redevelopment is not reliably measurable, the property is measured at cost.

Property held under leases for the same purpose is also classified as investment property, accounted for as held under a finance lease and initially recognised at the sum of any premium paid on acquisition and the present value of any further minimum lease payments. The corresponding liability to the superior leaseholder is included in the consolidated statement of financial position as a finance lease obligation.

Thereafter investment property is measured at fair value, which reflects market conditions at the reporting date. For the purposes of the historical financial information, the assessed fair value is:

- reduced by the carrying amount of any accrued income and expense resulting from the spreading of lease incentives and/or minimum lease payments; and
- increased by the carrying amount of any liability to the superior leaseholder included in the consolidated statement of financial position as a finance lease obligation.

The annual valuations of investment property are based upon estimates and subjective judgements that may vary from the actual values and sales prices that may be realised by the Group upon ultimate disposal. The critical assumptions made relating to valuations have been disclosed in Note 3 and Note 15 to the financial statements.

Gains or losses arising from changes in the fair value of investment property are included in the profit or loss in the year in which they arise. Profits or losses on the disposal of investment property are recognised at contract completion for the disposal.

Disposals of investment properties are recognised on completion and the profit or loss on disposal is calculated as the difference between the sale proceeds and the latest carrying value of the property after adding attributable costs of the disposal.

2.5.1 *Borrowing costs and cost of construction*

All costs directly associated with the purchase and construction of a property are capitalised.

Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs may continue until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its value, an impairment loss is recognised. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of the development cost financed out of general funds, to the average rate.

2.6 **Financial instruments – recognition, classification and measurement**

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not designated at fair value through profit or loss, any directly attributable transaction costs, except as described below. Loan receivables and payables are subsequently measured at amortised cost using the effective interest rate method.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire.

Investments at fair value through profit or loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated as fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss comprise equity securities and are measured at fair value, and changes therein are recognised in the income statement. Fair values are determined by reference to their quoted bid price at the reporting date, where such a price is available. Investments in investment property funds are recorded at the net asset value per share reported by the managers of such funds, which is the best estimate of fair value.

Derivative financial instruments

The Group holds derivative financial instruments to manage its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for in profit or loss and disclosed in losses/gains from financial assets and liabilities.

2.7 Financial leases

Finance leases, which are the ground rents payable to the superior landlord on leasehold properties, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged through profit or loss as they arise.

2.8 Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash deposited with financial institutions and short-term call deposits. Cash and cash equivalents have a maturity of less than three months.

Restricted cash comprises cash deposits which are restricted until the fulfilment of certain conditions.

2.10 Share capital

Ordinary share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from equity, net of tax.

Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. The shares are available for reissue in the future.

2.11 Leasehold property

Leasehold properties that are leased out to tenants under operating leases are classified as investment properties as appropriate, and included in the statement of financial position at fair value.

Land interests held under an operating lease are classified and accounted for as investment property on a property by property basis when they are held to earn rentals or for capital appreciation on both the land and the property. Any such property interest under an operating lease classified as investment property is carried at fair value.

2.12 Loans and borrowings

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Finance costs

Finance costs recognised in the income statement comprises interest payable on borrowings calculated using the effective interest method, net of interest capitalised.

Restructured debt

A financial liability is derecognised when it is extinguished (i.e. it is discharged, cancelled or expires) which may happen when a payment is made to the lender, the borrower legally is released from primary responsibility for the financial liability or where there is an exchange of debt instruments with substantially different terms or a substantial modification of the terms of an existing debt instrument.

Any difference between the carrying amount of the original liability and the consideration paid is recognised in profit or loss. The consideration paid includes non-financial assets transferred and the assumption of liabilities, including the new modified financial liability. Any new financial liability recognised is measured initially at fair value. Any costs or fees incurred are recognised as part of the gain or loss on extinguishment and do not adjust the carrying amount of the new liability.

2.13 Dividends

Dividends to shareholders are recognised when they become legally payable. In the case of interim dividends, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at a general meeting.

2.14 Rental income

Rental income from investment property leased out under operating leases is recognised in the income statement on a straight-line basis over the term of the leases. Lease incentives granted are recognised as an integral part of the total rental income and amortised over the term of the leases.

Contingent rental income is recognised as it arises. Premiums to terminate leases are recognised in profit or loss as they arise.

2.15 Service charges

Where the Group invoices service charges, these amounts are not recognised as income as the risks in relation to the provision of these goods and services are primarily borne by the Group's customers. Any servicing expenses suffered by the Group are included within property operating expenses in the income statement.

2.16 Investment income

Dividends from listed property investments are recognised on the date the Group's right to receive payment is established. Interest earned on cash invested with financial institutions is recognised on an accrual basis using the effective interest rate method.

2.17 Income tax

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for those arising from: goodwill not deductible for tax purposes, those arising from the initial recognition of assets or liabilities that affect neither accounting or taxable profit, nor differences relating to investments in subsidiaries to the extent described below. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not provided on temporary differences arising on investments in subsidiaries and jointly controlled entities where the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled. Deferred tax on the fair value adjustment on investment properties and listed securities has been provided at the capital gains taxation rate based on the manner in which each asset is expected to be realised.

Deferred taxation is provided only to the extent that there are not sufficient tax losses to shield the charge.

2.18 **Earnings per share**

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares.

2.19 **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and in respect of which it may incur expenses, including revenues and expenses that relate to the transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. See Note 4 for further details.

2.20 **Capital instrument**

A financial instrument or its component parts is classified on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement.

An instrument is classified as equity where there is no contractual obligation to deliver cash or another financial asset to another party, or to exchange financial assets or financial liabilities with another party under potentially unfavourable conditions (for the issuer of the instrument) or where the instrument will or may be settled for a fixed number of the entity's own equity instruments.

Equity instruments are recognised initially at their fair value with any directly attributable costs allocated to the instrument. The equity instrument is not re-measured subsequent to initial recognition.

Payments in relation to the capital instrument are deemed to be share based payments and are recorded in the income statement due to the unavoidable nature of the obligation. See Note 25 for further details.

2.21 **Share-based payments**

The grant-date fair value of equity share-based payment awards granted to the Investment Adviser is recognised as an expense, with the corresponding increase in equity, over the period that the Investment Adviser become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related non-market condition performance conditions at the vesting date.

2.22 **Disposal groups and non-current assets held for sale**

A non-current asset or a disposal group comprising assets and liabilities is classified as held for sale if it is expected that its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and the sale is highly probable to occur within one year. For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset or disposal group.

Where the Group is committed to a sale plan involving the loss of control of a subsidiary it classifies all the assets and liabilities of that subsidiary as held for sale when the criteria set out above and detailed in IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

On initial classification as held for sale, generally, non-current assets and disposal groups are measured at the lower of the previous carrying amount and fair value less costs to sell, with any adjustments taken to the income statement. The same applies to gains and losses on subsequent re-measurement. However, certain items such as financial assets within the scope of IAS 39 and investment property in the scope of IAS 40 continue to be measured in accordance with those standards.

Impairment losses subsequent to classification of assets as held for sale are recognised in the income statement.

Increases in fair value less costs to sell assets that have been classified as held for sale are recognised in the income statement to the extent that the increase is not in excess of any cumulative impairment loss previously recognised in respect of the asset. Assets classified as held for sale are not depreciated.

Gains and losses on re-measurement and impairment losses subsequent to classification as disposal groups and noncurrent assets held for sale are shown within continuing operations in the income statement, unless they qualify as discontinued operations.

Disposal groups and non-current assets held for sale are presented separately from other assets and liabilities on the statement of financial position. Prior periods are not reclassified.

2.23 Provisions

A provision is recognised if, as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected cash flows at a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

2.24 Standards not yet effective

The following new accounting standards and amendments to existing standards approved by the IASB in 2011 or prior years, but not early adopted by the Group, will impact the Group's financial reporting in future periods. The Group is currently considering the impacts of these amendments. The new accounting standards and amendments which are more relevant to the Group are detailed below.

The following will be applied in 2013 unless otherwise noted:

Amendments to IAS 1 – Presentation of Items in Other Comprehensive Income

The amendments to IAS 1 were issued in June 2011 and are applicable to annual periods beginning on or after 1 July 2012. These amendments require companies preparing financial statements in accordance with IFRSs to group together items within other comprehensive income that may be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in other comprehensive income and profit or loss should be presented as either a single statement or two consecutive statements.

The following will be applied in 2014 unless otherwise noted:

Consolidation Standards

In May 2011, the IASB published a set of five standards dealing with consolidation, jointly controlled entities and their related disclosures. Each of the five standards is effective for annual periods beginning on or after 1 January 2013, with retrospective application required.

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee.

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. This new standard will not change consolidation procedures for the Group, but will require management to assess whether an entity should be consolidated.

IFRS 11 Joint Arrangements

IFRS 11 introduces new accounting requirements for joint arrangements, replacing IAS 31 Interests in jointly controlled entities, by focusing on the rights and obligations of the arrangement, rather than its legal form. The option to apply the proportional consolidation method when accounting for jointly controlled entities is removed. The impact on the Group will be dependent on the formation of new joint arrangements by the Group.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the required disclosures for entities reporting under the two new standards, IFRS 10 'Consolidated financial statements' and IFRS 11 'Joint arrangements'; it also replaces the disclosure requirements currently found in IAS 28 'Investments in Associates'.

The required disclosures aim to provide information to enable users to evaluate the nature of, and risks associated with, an entity's interests in other entities and the effects of those interests on the entity's financial position, financial performance and cash flows. This basic principle is further supported by more detailed disclosure objectives and requirements. This new standard will result in enhanced disclosures on the Group's subsidiaries and associates as well as unconsolidated structured entities.

IAS 27 Separate Financial Statements (revised 2011)

The requirements relating to separate financial statements are unchanged and are included in the amended IAS 27. The other sections of IAS 27 are replaced by IFRS 10. IAS 27 is renamed 'Separate financial statements' and is now a standard dealing solely with separate financial statements. The existing guidance and disclosure requirements for separate financial statements are unchanged.

IAS 28 Investments in Associates and Jointly Controlled Entities (revised 2011)

This standard prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and jointly controlled entities. IAS 28 (revised 2011) does not include any disclosure requirements; these are now included in IFRS 12 Disclosure of Interests in Other Entities.

IFRS 13 Fair Value Measurement

This standard, which applies prospectively for annual periods beginning on or after 1 January 2013, establishes a single source of guidance for fair value measurements under IFRSs. IFRS 13 defines fair value, provides guidance on its determination and introduces consistent requirements for disclosures on fair value measurements. IFRS 13 requires entities to disclose information about the valuation techniques and inputs used to measure fair value, as well as information about the uncertainty inherent in fair value measurements. This information will be required for both financial and non-financial assets and liabilities. The impact of the standard is being assessed by the Group and may result in additional disclosures.

Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32, and Disclosures

Offsetting Financial Assets and Financial Liabilities – Amendments to IFRS 7

In December 2011, the IASB issued amendments to IAS 32 and IFRS 7 which clarify the accounting requirements for offsetting financial instruments and introduce new disclosure requirements that aim to improve the comparability of financial statements prepared in accordance with IFRS and US GAAP.

The amendments to IFRS 7 will require more extensive disclosures than are currently required. The disclosures focus on quantitative information about recognised financial instruments that are offset in the statement of financial position, as well as those recognised financial instruments that are subject to master netting or similar arrangements, irrespective of whether they are offset. The amended offsetting disclosures are to be retrospectively applied, with an effective date of annual periods beginning on or after 1 January 2013.

The amendments to IAS 32 clarify that the right of set-off must be currently available and legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The IAS 32 changes are effective for annual periods beginning on or after 1 January 2014 and apply retrospectively.

The following will be applied in 2015:

IFRS 9 Financial Instruments

In 2009, the IASB commenced the implementation of its project plan for the replacement of IAS 39. This consists of three main phases:

Phase 1: Classification and Measurement

In November 2009, the IASB issued IFRS 9 Financial Instruments, covering classification and measurement of financial assets, as the first part of its project to replace IAS 39 and simplify the accounting for financial instruments. The new standard endeavours to enhance the ability of investors and other users of financial information to understand the accounting for financial assets and to reduce complexity.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets.

In October 2010, the IASB reissued IFRS 9 incorporating new requirements on accounting for financial liabilities, and carrying over from IAS 39 the requirements for derecognition of financial assets and financial liabilities. IFRS 9 does not change the basic accounting model for financial liabilities under IAS 39. Two measurement categories continue to exist: fair value through profit or loss (“FVTPL”) and amortised cost. Financial liabilities held for trading are measured at FVTPL, and all other financial liabilities are measured at amortised cost unless the fair value option is applied. IFRS 9 requires gains and losses on financial liabilities designated as at fair value through profit or loss to be split into the amount of change in the fair value that is attributable to changes in the credit risk of the liability, which should be presented in other comprehensive income, and the remaining amount of change in the fair value of the liability which should be presented in profit or loss.

- The basic premise for the derecognition model in IFRS 9 (carried over from IAS 39) is to determine whether the asset under consideration for derecognition is:
 - an asset in its entirety; or
 - specifically identified cash flows from an asset (or a group of similar financial assets); or
 - a fully proportionate (*pro rata*) share of the cash flows from an asset (or a group of similar financial assets); or
 - a fully proportionate (*pro rata*) share of specifically identified cash flows from a financial asset (or a group of similar financial assets).
- A financial liability should be removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.
- All derivatives, including those linked to unquoted equity investments, are measured at fair value. Value changes are recognised in profit or loss unless the entity has elected to treat the derivative as a hedging instrument in accordance with IAS 39, in which case the requirements of IAS 39 apply.

Phase 2: Impairment Methodology

An exposure draft issued by the IASB in November 2009 proposes an 'expected loss model' for impairment. Under this model, expected losses are recognised throughout the life of a loan or other financial asset measured at amortised cost, not just after a loss event has been identified. The expected loss model avoids what many see as a mismatch under the incurred loss model – front-loading of interest revenue (which includes an amount to cover the lender's expected loan loss) while the impairment loss is recognised only after a loss event occurs. The impairment phase of IFRS 9 is subject to ongoing deliberations and has not yet been finalised.

Phase 3: Hedge Accounting

In December 2010, the IASB issued an exposure draft on hedge accounting which will ultimately be incorporated into IFRS 9. The exposure draft proposes a model for hedge accounting that aims to align accounting with risk management activities. It is proposed that the financial statements will reflect the effect of an entity's risk management activities that uses financial instruments to manage exposures arising from particular risks that could affect profit or loss. This aims to convey the context of hedge instruments to allow insight into their purpose and effect. This phase of IFRS 9 is not yet finalised.

The effective date for implementation of IFRS 9 is annual periods beginning on or after 1 January 2015, which was extended from 1 January 2013 due to delays in completing phases 2 and 3 of the project as well as the delay in the insurance project.

Since significant aspects of the standard have yet to be finalised, it is impracticable for the Group to quantify the impact (if any) of IFRS 9 at this stage.

3. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout the consolidated financial statements.

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies require the identification and analysis of the risks faced by the Group, the setting of appropriate risk limits and controls, and the monitoring of risks and adherence to limits. Risk management policies and systems are reviewed regularly and adjusted to reflect changes in market conditions and the Group's activities.

The Group Audit Committee oversees management's monitoring of compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

3.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from tenants and on investment securities.

3.1.1 *Trade and other receivables*

The Group is exposed to concentrations of sectoral credit risk. Concentrations of tenant risk exist in each individual property portfolio. The Board of Directors monitors the concentration of credit risk with individual tenants and counterparties across the portfolio. The level of concentration is addressed both with regards to the sector of property, the industry in which the tenant operates and the credit history of the tenant/customer. An allowance is made where there is an identified loss event which is evidence of a reduction in the recoverability of the cash flows. See Note 29 for further details.

3.1.2 *Cash and cash equivalents*

The Group limits its exposure to credit risk by only investing in liquid deposits and securities and only with counterparties that have a credit rating of at least investment grade from Standard & Poor's or Moody's, except where specific exemptions are granted by the Board. Given the credit quality, management does not expect any counterparty to fail to meet its obligations. Cash transactions are limited to high-credit-quality financial institutions. The Board of Directors monitors the exposure of the Group to any one financial institution and ensures that this is limited by diversification of deposits and lending from each institution across the portfolio.

3.1.3 *Loan and hedging counterparties*

The Group limits its exposure to loan counterparty risk by firstly, diversifying its property related loans over a number of high credit rated financial institutions and secondly, only enters into single interest rate swap agreements with the respective financial institution providing the loan. Mezzanine counterparties are assessed for suitability prior to entering into loan agreements and are reviewed regularly in line with the Group's risk management policies.

3.1.4 *Long-term receivables*

The Group limits its exposure to credit risk by ensuring all loans are made to high-credit-quality financial institutions and counterparties, whose investments are secured over their underlying property assets. See Note 16 for further details.

3.2 **Liquidity risk**

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient rental income to service its financial obligations when they fall due. The monitoring of liquidity risk is assisted by the monthly review of financial covenants imposed by financial institutions, such as interest and loan to value covenant ratios. Renegotiation of loans takes place in advance of any potential covenant breaches in so far as the factors are within the control of the Board. In periods of increased market uncertainty the Board will ensure sufficient cash resources are available for potential loan repayments/cash deposits as may be required by financial institutions. Refer to Note 2.2 for further details on the going concern assumption adopted by the Board and Note 41 for refinancing developments post year end.

3.3 **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its investments in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Group enters into derivative financial instruments in the ordinary course of business, and incurs financial liabilities, in order to manage market risks. The Board of Directors receives reports on a quarterly basis with regards to currency exposures as well as interest rate spreads and takes the necessary steps to hedge/limit the risk the Group is exposed to. The Group does not apply hedge accounting. See Notes 25, 26 and 30 for further details.

3.3.1 *Currency risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro ("EUR"), Australian Dollar ("AUD"), United States Dollar ("USD") and Swiss Franc ("CHF"). Foreign exchange risk arises from current exposures the Group has to foreign currencies, recognised monetary assets and liabilities and net investments in foreign operations.

The Group's investments in foreign subsidiaries and associates are not hedged as the currency positions are considered to be long-term in nature. See Note 31 for further details.

3.3.2 *Interest rate risk*

The Group's exposure to the risk of the changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group uses interest rate derivatives to mitigate its exposure to interest rate fluctuations. At the year end, as a result of the use of interest rate swaps, the majority of the Group's borrowings were at fixed interest rates.

The Group's profit before tax has limited exposure to interest rate fluctuations until the repayment dates of the loans for which the interest rate swaps have been arranged. Refer Note 26 for further details on the Group's interest rate swap agreements.

3.3.3 *Equity price risk*

Equity price risk arises from investment securities held by the Group. These investments are held at fair value. Their performance is actively monitored and managed on a fair value basis.

3.3.4 *Commercial property price risk*

The Directors draw attention to the risks associated with commercial property investments. Although over the long term property is considered a low risk asset, investors must be aware that significant short and medium term risk factors are inherent in the asset class.

Investments in property are relatively illiquid and usually more difficult to realise than listed equities or bonds and this restricts the Group's ability to realise value in cash in the short term.

3.3.5 *Estimates of fair value of investment properties*

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable estimates. The Group considers a variety of information including:

- valuations from independent valuers;
- current prices in an active market for properties of a different nature, condition or location, adjusted for those differences;

- recent prices from similar properties in less active markets, with adjustments to reflect differences in economic conditions;
- discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments.

3.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors both the demographic spread of shareholders, as well as the return on capital, which the Group defines as total shareholders' equity, excluding non-controlling interests, and the dividends paid to ordinary shareholders.

The Company has the necessary shareholder authorisation to purchase its own shares on the market. The timing of these purchases will depend on market conditions and purchase and sale decisions will be made on a transaction by transaction basis by the Board of Directors. No share purchases took place in the period. The Group does not have a defined share buy-back plan.

Neither the Company nor any of its subsidiaries are subject to externally imposed regulatory capital requirements. The level of the Company's borrowings, in terms of its articles of association, shall not at any time, without the previous sanction of an ordinary resolution of the Company exceed ten times the aggregate of:

- the amount paid up on the issued share;
- capital of the Company;
- the total of capital and revenue reserves.

The Company's dividend policy is to distribute the majority of its earnings available for distribution to shareholders.

4. SEGMENTAL REPORTING

The Group's identified reportable segments are set out below. These segments are generally managed by separate management teams. As required by IFRS 8, Operating Segments, the information provided to the Board of directors, who are the Chief Operating Makers, can be classified in the following segments:

UK Stable Income:	Consists predominantly of UK offices, but includes petrol filling stations, Kwik-Fit centres, retail and residential units.
UK Retail:	Consists of the Group's UK shopping centres.
Europe:	Consists of the Group's properties in Continental Europe, located in Germany, Switzerland and The Netherlands.
Hotels:	Consists of the Group's hotel properties. The hotels are let to Redefine Hotel Management Limited on a fixed rental basis with annual reviews.
Wichford:	Consists of the Group's investment in Wichford, up to the date of the reverse acquisition.
Cromwell:	Relates to the Group's investment in the Cromwell Property Group, Australia.

Relevant revenue, assets and capital information is set out below:

i. **Information about reportable segments**

	UK Stable Income £'000	UK Retail £'000	Europe £'000	Hotels £'000	Wichford £'000	Cromwell £'000	Total £'000
At 31 August 2012							
Rental income	40 856	9 303	16 591	9 400	–	–	76 150
Net fair value loss on investment property	(101 215)	(20 213)	(5 102)	(341)	–	–	(126 871)
Gains/(loss) from financial assets and liabilities	11 969	(8 391)	(233)	(1 463)	–	61	1 943
Redemption of loans and borrowings	–	6 080	–	–	–	–	6 080
Losses on sale of subsidiaries	(51)	(1 323)	(821)	–	–	–	(2 195)
Equity accounted (losses)/ profits	(858)	–	(914)	–	–	8 097	6 325
Interest income	1 628	4 866	122	3 128	–	32	9 776
Interest expense – bank debt	(23 755)	(9 645)	(30 624)	(3 672)	–	(2 360)	(70 056)
Property operating expenses	(2 112)	(1 696)	(899)	–	–	–	(4 707)
Investment property	309 489	110 669	87 395	123 725	–	–	631 278
Assets held for sale	61 450	–	74 559	–	–	–	136 009
Investments designated at fair value	222	118	59	–	–	–	399
Investment in jointly controlled entities	1 552	–	607	–	–	–	2 159
Investment in associates	–	–	–	–	–	124 507	124 507
Loans and receivables	17 208	49 790	84	31 388	–	–	98 470
Borrowings – bank loans	(389 080)	(73 191)	(159 902)	(74 961)	–	(24 740)	(721 874)
Liabilities held for sale	–	–	(91 935)	–	–	–	(91 935)
At 31 August 2011							
Rental income	3 965	10 656	5 816	6 386	–	–	26 823
Investment income	–	–	–	–	–	3 875	3 875
Net fair value (losses)/gains on investment property	(354)	(8 485)	(2 298)	510	–	–	(10 627)
Gains/(losses) from financial assets and liabilities	3 361	519	816	(2 225)	–	10 046	12 517
Losses on sale of subsidiaries	913	–	–	–	–	–	913
Redemption of loans and borrowings	(334)	–	–	–	–	–	(334)
Equity accounted profits/(losses)	173	(2 137)	473	–	(4 224)	2 627	(3 088)
Interest income	2 316	3 348	–	2 397	–	–	8 061
Interest expense – bank debt	(1 204)	(8 400)	(2 270)	(2 460)	–	(727)	(15 061)
Property operating expenses	(102)	(1 896)	(303)	(67)	–	–	(2 368)
Investment property	467 426	82 796	312 657	123 775	–	–	986 654
Investments designated at fair value	361	592	170	–	–	–	1 123
Investment in jointly controlled entities	823	–	1 784	–	–	–	2 607
Investment in associates	–	–	–	–	–	104 680	104 680
Loans and receivables	29 889	42 804	–	31 387	–	–	104 080
Borrowings – bank loans	(378 793)	(139 818)	(186 511)	(75 778)	–	(17 344)	(798 244)

ii **Reconciliation of reportable segment profit or loss**

	31 August 2012 £'000	31 August 2011 £'000
Rental income		
Total rental income for reported segments	76 150	26 823
Profit or loss		
Investment income	–	3 875
Net fair value losses on investment property	(126 871)	(10 627)
Gains from financial assets and liabilities	1 943	12 517
Redemption of loans and borrowings	6 080	913
Losses on sale of subsidiaries	(2 195)	(334)
Equity accounted profits/(losses)	6 325	(3 088)
Interest income	9 776	8 061
Interest expense – secure bank loans	(70 057)	(15 061)
Property operating expenses	(4 707)	(2 368)
Total (loss)/profit per reportable segments	(103 556)	20 711
Other profit or loss – unallocated amounts		
Other income	1 917	1 592
Administrative expenses	(1 639)	(774)
Investment advisor and professional fees	(9 006)	(4 664)
Impairment of intangible assets	–	(591)
Interest income	–	73
Interest expense	(11 287)	(9 244)
Share based payment	(768)	(768)
Foreign exchange loss	(542)	(1 224)
Consolidated (loss)/profit before income tax	(124 881)	5 111

5. **GROSS RENTAL INCOME**

	31 August 2012 £'000	31 August 2011 £'000
Gross lease payments collected/accrued from third parties	66 750	20 437
Gross lease payments collected/accrued from related parties (refer Note 33)	9 400	6 386
Gross rental income	76 150	26 823
The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than 1 year	71 472	72 505
Later than 1 year not later than 5 years	253 949	263 536
Later than 5 years	341 133	389 167
	666 554	725 208

6. **INVESTMENT INCOME**

	31 August 2012 £'000	31 August 2011 £'000
Dividends received from equity securities designated at fair value through profit or loss	–	3 875
Total investment income	–	3 875

7. OTHER INCOME

	31 August 2012 £'000	31 August 2011 £'000
Fee income from related parties (refer Note 33)	566	1 010
Other property income	1 351	582
Total other income	1 917	1 592

8. INVESTMENT ADVISER AND PROFESSIONAL FEES

	31 August 2012 £'000	31 August 2011 £'000
Investment adviser's fees	5 747	2 431
Independent Auditor's remuneration		
– for audit	222	179
– for tax compliance and advisory work	75	72
Reverse acquisition costs	–	914
Legal fees	593	115
Other professional fees	2 274	842

Under the amended Investment Advisory Agreement dated 13 July 2011 (the "IAA"), the Company pays to Redefine International Property Management Limited ("RIPML") an asset management fee of 0.5 per cent on the aggregate gross value of the Group's assets (including cash) and a commission of 0.75 per cent in respect of sales and acquisitions, or 1 per cent where sub-agent costs are incurred. RIPML will also receive a fee of 3 per cent of the annual rents in respect of multi-let retail property and 1 per cent for any other properties.

In addition to the asset management fee, an incentive fee is payable by the Company to RIPML, and will be satisfied by the issue of ordinary shares in Redefine International at no cost to RIPML. The number of ordinary shares to be issued in terms of the award will be determined by reference to their average middle market price for the 20 working days prior to the final day of the relevant three year award period. The amount of any award is calculated as 20 per cent of the amount by which the total return on the Ordinary Shares in the Company exceeds 12 per cent for the first award under the contract and 10 per cent for subsequent awards.

No incentive fee has been accrued for the years ended 31 August 2012 or 31 August 2011 as the performance related conditions had not been met.

9. GAINS FROM FINANCIAL ASSETS AND LIABILITIES

The following table details the net gains and losses earned by the group during the year:

	31 August 2012 £'000	31 August 2011 £'000
Fair value through profit or loss		
Equity investments – unrealised	(141)	10 351
Derivative financial instruments – realised	–	3 540
– unrealised	10 001	(857)
Financial assets carried at amortised cost		
Impairment of loans and receivables	(7 917)	(517)
Net gains from financial assets and liabilities	1 943	12 517

10. REDEMPTION OF LOANS AND BORROWINGS

	31 August 2012 £'000	31 August 2011 £'000
Redemption of loans and borrowings	6 080	913

In May 2012, agreement was reached with Aviva Commercial Finance Limited with respect to the loan facility for Delamere Place, Crewe. The outstanding loan balance of £17.5 million in Delamere Place Crewe was replaced by Mezzanine Capital Limited and subsequently settled with Aviva for a £11.0 million cash payment.

11. EQUITY ACCOUNTED PROFIT/(LOSS)

	31 August 2012 £'000	31 August 2011 £'000
Investment in jointly controlled entities (refer Note 19)	(1 772)	(1 491)
Investments in associates (refer Note 20)	8 097	4 729
Investments in associates – impairment (refer Note 20)	–	(6 326)
Total equity accounted profit/(loss)	6 325	(3 088)

12. INTEREST INCOME

The following table details the interest income earned by the Group:

	31 August 2012 £'000	31 August 2011 £'000
Interest income on bank deposits	250	136
Interest receivable from mezzanine financing	9 526	7 998
Total interest income	9 776	8 134

13. INTEREST EXPENSE

The following table details the interest expense incurred by the Group:

	31 August 2012 £'000	31 August 2011 £'000
Interest expense on secured bank loans	(70 056)	(15 060)
Finance lease interest	(693)	(386)
Interest expense on other financial liabilities	(509)	(868)
Interest expense on mezzanine financing	(10 086)	(7 991)
Total interest expense	(81 344)	(24 305)

Interest expense on secured bank loans includes £25.93 million in finance costs due to the amortisation of the fair value adjustment of the VBG, Gamma and Delta loan facilities arising due to reverse acquisition of Wichford. Swap interest expense is included in the interest expense above.

14. TAXATION

	31 August 2012 £'000	31 August 2011 £'000
(a) Tax recognised in profit or loss		
Current income tax:		
Income tax in respect of current year	1 950	563
Withholding tax	265	174
Deferred tax:		
Origination and reversal of temporary differences	1 155	623
Total income tax expense	3 370	1 360
No tax was recognised on equity or other comprehensive income during the year (2011: nil).		
	31 August 2012 £'000	31 August 2011 £'000
(b) Recognised deferred tax liability and movement during the period		
Deferred tax movement for the year is attributable to the following:		
Deferred tax liability		
Opening balance	1 334	–
Deferred tax liability acquired – investment properties	–	1 616
Change in accounting policy	–	(905)
Restated deferred tax on investment properties	1 334	711
Deferred tax liability recognised on investment properties	(55)	–
Deferred tax liability recognised on associates	1 210	623
Closing balance	2 489	1 334

In December 2010, the IASB released amendments to IAS 12 effective from 1 January 2012. These amendments impact the rate at which deferred tax is recognised, specifically on the fair value movements of the building component of investment property as it establishes a presumption that it will be recovered through disposal and hence will attract deferred tax at the capital gains tax rate. Redefine has elected the early adoption of these amendments and applied them retrospectively as required by IAS 8.

It is the view of the board that the adoption of this policy results in more accurate and meaningful information.

The effect of the change in the accounting policy is a reduction of the deferred tax balance as stated above, with a corresponding increase in reserves as reflected in the statement of changes in equity.

The early adoption had the effect of reducing the 2011 deferred taxation balance with a corresponding increase in opening 2012 reserves by £0.91 million.

(c) Factors affecting the tax charge in the year

As the largest portion of the Group's properties are principally in the UK and owned by companies registered in the Isle of Man or in the British Virgin Islands, the Company regards the UK's income tax rate of 20% (2011: 20%), as payable under the UK's Non-Resident Landlord Scheme, to be the most relevant tax rate for the reconciliation of the theoretical tax charge on accounting profits to the tax charge for the year shown through the profit or loss.

The Group invests in Swiss property and therefore is liable to cantonal and federal taxes in Switzerland. The rates depend largely on the canton in which the property is situated and the property value. The effective rate of tax ranges from 22% to 23.23%.

The Group also invests in German properties held either in corporates or partnerships. The effective rate of tax ranges from 15.825% to 25%.

The Group's investment in the Australian resident Cromwell Group is held through an Irish section 110 company. Unfranked dividends received from Cromwell were subject to an Australian withholding tax of 7.5%. Following the change in the accounting for the Cromwell investment to equity accounting with effect from 1 March 2011, withholding taxes on the distributions received have been disclosed within equity accounted profits (Refer Note 20 for details on taxes withheld during the period).

The tax for the period is lower (higher in 2011) than the 20% payable under the UK's NRL Scheme. The differences are explained below:

	31 August 2012 £'000	31 August 2011 £'000
(Loss)/profit before tax	(124 881)	5 111
(Loss)/profit before tax multiplied by NRL rate of UK income tax (20%)	(24 976)	1 022
Effect of:		
– exempt property valuations	25 373	2 125
– income not subject to UK income tax	(4 918)	(321)
– gain from financial assets and liabilities	(388)	(2 708)
– losses carried forward	6 680	415
– expenses not deductible for tax	1 334	653
– withholding tax	265	174
Total tax charge for the period	3 370	1 360

From the reconciliation above, the effective tax rate of the Group was 2.7% (2011: 26.6%).

(d) Unrecognised deferred tax assets and liabilities

	31 August 2012 £'000	31 August 2011 £'000
Deferred tax has not been recognised in respect of the following items:		
Deferred tax asset		
Fair value adjustment – investment property	45 437	31 691
Fair value adjustment – derivatives	2 061	4 695
Deferred taxation asset not recognised	47 498	36 386
Deferred tax liability		
Fair value adjustment – investment property	–	146
Fair value adjustment – borrowings	3 752	6 081
Deferred taxation liability not recognised	3 752	6 227

The deferred tax liability noted above has not been recognised due to existence of deferred tax assets which can be utilised against the deferred tax liability. The remaining deferred tax assets have not been recognised because it is not probable that future taxable profits will be available against which the Group can utilise the benefits.

15. INVESTMENT PROPERTY

The cost of properties as at 31 August 2012 was £1.07 billion (31 August 2011: £1.19 billion). The carrying amount of investment property, is the fair value of the property as determined by a registered independent appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued (together referred to as “valuers”).

The fair value of each of the properties has been assessed by the valuers in accordance with the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors (“Red Book”). In particular, the Market Value has been assessed in accordance with PS 3.2. Under these provisions, the term “Market Value” means “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion.

In undertaking the valuations on the basis of Market Value, the valuers have applied the interpretative commentary which has been settled by the International Valuation Standards Committee and which is included in PS 3.2. The RICS considers that the application of the Market Value definition provides the same result as Open Market Value, a basis of value supported by previous editions of the Red Book.

The valuation does not include any adjustments to reflect any liability for taxation that may arise on disposal, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or taxation allowance that may arise on disposals.

The valuers have used the following key assumptions:

The market value of investment properties has been primarily derived using comparable market transactions on arm’s-length terms and an assessment of market sentiment. The aggregate of the net annual rents receivable from the properties and, where relevant, associated costs, have been valued at an average yield of 8% which reflect the risks inherent in the net cash flows. Valuations reflect, where appropriate, the type of tenants actually in occupation or likely to be in occupation after letting of vacant accommodation and the market’s perception of their creditworthiness and the remaining useful life of the property.

In terms of IAS 40 “Investment Property”: Paragraph 14, judgement is needed to determine whether a property qualifies as an investment property. The Group has developed criteria so that it can exercise its judgement consistently in recognising investment properties. These include inter alia; property held for long-term capital appreciation, property owned (or under finance leases) and leased out under one or more operating leases; and property that is being constructed or developed for future use as an investment property. The recognition and classification of property as investment property principally assures that the Group does not retain significant exposure to the variation in cash flows arising from the underlying operations of properties. Investment property comprises a number of commercial and retail properties that are leased to third parties. The hotel properties are held for capital appreciation and to earn rental income. The properties have been let to Redefine Hotel Management Limited (“RIHML”) for a fixed rent which is subject to annual review. RIHML operates the hotel business on its own account and is exposed to the fluctuations in the underlying trading performance of the hotels.

It is responsible for the day to day upkeep of the properties and retains the key decision making responsibility for the business. Aside from the payment of rental income to Redefine International there are limited or no transactions between the two entities. As a result, in line with guidance in IAS 40, Redefine International classifies the hotel properties as investment properties.

Property operating expenses in the consolidated income statement relate solely to income generating properties.

	31 August 2012 £'000	31 August 2011 £'000
Opening balance	986 654	227 675
Properties acquired during the period	349	197 424
Capitalised expenditure	3 893	13 659
Disposals during the period	(44 626)	(6 543)
Impact of reverse acquisition (refer Note 39)	–	546 900
Impact of acquisition of subsidiaries	–	2 381
Foreign exchange movement in foreign operations	(17 081)	6 073
Recognition of finance leases	–	9 712
Net fair value losses on investment property	(127 230)	(10 627)
Reclassification to assets held-for sale (refer Note 18)	(170 681)	–
Closing balance	631 278	986 654
Acquisitions:		
Petersfield	349	–
Ciref Kwik-fit Stockport	–	925
Ciref Kwik-fit Stafford	–	1 456
	349	2 381
Disposals:		
Banstead Property Holdings Limited (refer Note 37)	(1 015)	–
Ciref Streatham Limited	–	(6 543)
West Orchards Coventry (refer Note 37)	(37 000)	–
Ciref Reigate Limited (refer Note 37)	(3 150)	–
Financial lease assets related to West Orchards Coventry (refer Note 37)	(3 461)	–
Total	(44 626)	(6 543)

The properties noted above were sold as part of the sale of subsidiaries as detailed in Note 37. The acquisition of Petersfield was a non-cash transaction with the property being received as settlement for an outstanding debtor balance.

A reconciliation of investment property valuations to the consolidated statement of financial position are shown below:

	31 August 2012 £'000	31 August 2011 £'000
Investment property at market value as determined by external valuers	757 468	956 167
Freehold	580 203	714 430
Freehold and long leasehold	15 350	17 900
Leasehold	161 915	223 837
Investment property at directors' valuation	–	17 150
Adjustments for items presented separately on the Consolidated Statement of Financial Position:		
– <i>Add</i> : Minimum payment under head leases separately included under borrowings	9 819	13 337
– Investment properties classified as held for sale (refer Note 18)	(136 009)	–
Consolidated statement of financial position carrying value of investment property	631 278	986 654

16. LONG-TERM RECEIVABLES

	31 August 2012 £'000	31 August 2011 £'000
Amounts due from related parties (refer Note 33)	158	116
Amounts due from Mezzanine Capital Limited	98 312	103 500
Loans	123 404	121 592
Impairment	(25 092)	(18 092)
Security deposits with banks	–	464
Closing balance	98 470	104 080

The loans from jointly controlled entities are unsecured, bear interest at rates between 0% and 7% and are repayable on demand, but the expectation is that the term will be greater than 12 months.

The loans from Mezzanine Capital Limited are secured, bear interest at rates between 10% and 12% and are repayable between one and three years.

Included in amounts due from Mezzanine Capital Limited is rolled up interest in respect of the period of £7.6 million (2011: £6 million).

17. INVESTMENTS DESIGNATED AT FAIR VALUE

	31 August 2012 £'000	31 August 2011 £'000
Derivative financial instruments (refer Note 26)	178	761
Other investments	221	362
Closing balance	399	1 123

18. ASSETS AND LIABILITIES HELD FOR SALE

Discussions are ongoing regarding the sale of a number of assets with disposals expected to be finalised within the next 12 months. As a result the assets have been reclassified to held for sale in the period.

In addition the Group is committed to a sale plan involving the loss of control of a number of subsidiaries and as a result all the assets and liabilities of those subsidiaries are classified as held for sale.

	31 August 2012 £'000	31 August 2011 £'000
Assets held for sale		
Opening balance	–	–
Transfers in (refer Note 15)	170 681	–
Disposals*	(29 378)	–
Foreign exchange movement in foreign operations	(5 653)	–
Net fair value gains on assets held for sale	359	–
Total	136 009	–

* Halle was disposed of during the year, see Note 37 for further details.

Assets held for sale at the year end include the following:

	31 August 2012 £'000	31 August 2011 £'000
VBG	74 559	–
Delta	61 450	–
Total	136 009	–

	31 August 2012 £'000	31 August 2011 £'000
Liabilities held for sale		
Opening balance	–	–
Transfers in from borrowings (refer Note 25)	91 935	–
Total	91 935	–

As the Group is committed to the sale of the VGB1 and VGB2 subsidiaries the related loan liabilities totalling £91.94 million have been included in liabilities held for sale.

19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

The Group's investments in jointly controlled entities currently consist of the following:

- (i) 50% in Pearl House Swansea Limited, a jointly controlled entity with Sandgate Properties Limited, which owns a long leasehold retail interest in Swansea, Wales.
- (ii) 50% in Swansea Estates Limited, a jointly controlled entity with Sandgate Properties Limited, which owns a long leasehold retail interest in Swansea, Wales.
- (iii) 50% in Ciref NEPI Holdings Limited, a joint venture with New Europe Property Investments, which ultimately owns property in Germany, Western Europe.
- (iv) 50% in 26 The Esplanade No 1 Limited, a joint venture with Rimstone Limited which ultimately owns an office building in St. Helier, Jersey.
- (v) 50% in Ciref Crawley Limited, a joint venture with Graymont Limited which owns 3 blocks of offices in Crawley, Surrey.
- (vi) 50% in Grand Arcade Wigan Limited, a jointly controlled entity with Sandgate Properties Limited, which owns a shopping centre in Wigan, Greater Manchester.
- (vii) 50% in CIREF Coventry Limited, a jointly controlled entity with private investors, which ultimately owns the West Orchards Shopping Centre in Coventry.
- (viii) 50.5% interest in RI Menora German Holdings S.a.r.l, a joint venture with Menora Mivtachim which ultimately owns a property in Waldkraiburg, Germany.

	31 August 2012 £'000	31 August 2011 £'000
Opening balance	2 607	2 041
Increase in investment	1 641	2 137
Equity accounted loss	(1 772)	(1 491)
Foreign currency translation	(317)	(80)
Closing balance	2 159	2 607

Summarised financial information

The summarised financial information derived from the gross balance sheets of the jointly controlled entities is set out below:

	31 August 2012 £'000	31 August 2011 £'000
Investment property	185 189	156 193
Current assets	8 601	6 213
Total assets	193 790	162 406
Capital and reserves	(19 119)	(6 236)
Long term liabilities	199 482	159 212
Current liabilities	13 427	9 430
Total equity and liabilities	193 790	162 406
Revenue	19 097	12 996
Net loss	(12 880)	(2 306)

The investment in jointly controlled entities includes investments at nil value in the balance carried forward on 1 September 2011. These include a 50% holding in Redefine Wigan Limited which owns Grand Arcade Wigan Limited and Standishgate Wigan Limited and which was acquired out of administration in September 2010 as part of the Group's debt restructuring with Aviva.

Jointly controlled entities also include Ciref Coventry Limited. The Group disposed of a 31.25% shareholding in this company effective 31 August 2012, resulting in a loss of control for the Group and the investment being re-classified from an 81.25% held subsidiary to a 50% jointly controlled entity as at that date. At the date control was lost, the fair value of Group's remaining 50% investment was deemed to be nil as the liabilities of the jointly controlled entity exceeded its assets.

Loan facilities with a nominal value of £142 million to Redefine Wigan Limited and facilities with a nominal value of £55.97 million to Ciref Coventry Limited have been cross-collateralised against properties held directly by the Group. The loan liabilities of Redefine Wigan Limited and Ciref Coventry Limited are in excess of the value of the properties ultimately held by these companies. As a result a provision has been created in the current year based on the estimated potential future cash outflows for the Group related to this cross collateralisation. See Note 27 for further details.

20. INVESTMENTS IN ASSOCIATES

	31 August 2012 £'000	31 August 2011 £'000
Opening balance	104 680	18 923
Investment at cost	24 222	16 449
Reclassified from investments designated at fair value	–	85 128
Impact of foreign currency translation	(1 229)	4 963
Equity accounted profits	8 097	4 729
Distribution received from associates	(11 263)	(5 986)
Impairment of investment	–	(6 326)
Share of foreign currency movement recognised	–	1 494
Share of cash flow hedge reserve movement recognised	–	(155)
Cancellation of investments at fair value	–	(14 539)
Closing balance	124 507	104 680

With effect from 4 March 2011, the Group's shareholding in Cromwell was reclassified from investments designated at fair value to an investment in an associate. The Company further increased its holding in Cromwell through the AUD 35 million (£22.6 million), participation in the Cromwell entitlement offer in December 2011. The Company's interest in Cromwell at 31 August 2012 was 23.08%. This was diluted post year end to 22.08% following further share placements and following the merger of Cromwell with the Cromwell Property Fund which was announced on 3 October 2012.

The closing price of Cromwell on 31 August 2012 was 75 Australian cents per security and the total fair value of shares held is AUD 202.9 million (£132.1 million).

During the year ended 31 August 2012, the Group received AUD 17,266,471 (31 August 2011: AUD 7,062,222) as a distribution, before withholding tax of AUD 400,279 (31 August 2011: AUD 196,730), resulting in a net distribution of AUD 16,866,192 (31 August 2011: AUD 6,865,492). The GBP equivalent of the above gross distribution is £11.26 million (31 August 2011: £4.49 million).

There are no restrictions on the ability of Cromwell to transfer funds to its shareholders in the form of cash, distributions and loan repayments.

The comparative numbers, including distributions received from associates, include RIHL's previous shareholding of 230,772,000 (21.73%) in Wichford PLC which following the reverse acquisition was deemed to be disposed of.

Summarised financial information

The summarised financial information derived from the gross statements of financial position of the associates, is set out below. The financial information represents those as reported by Cromwell in their 30 June 2012 and 2011 audited financial statements.

	31 August 2012 £'000	31 August 2011 £'000
Investment property	1 122 656	1 444 850
Other non-current assets	19 982	35 126
Current assets	53 717	59 452
Total assets	1 196 355	1 539 428
Short-term loans to jointly controlled entities are unsecured, bear no interest and are expected to mature within 12 months		
Long-term liabilities	630 799	780 865
Current liabilities	51 891	53 403
Total equity and liabilities	1 196 355	1 539 428
Revenue	121 681	181 976
Net profit	15 024	88 102

21. TRADE AND OTHER RECEIVABLES

	31 August 2012 £'000	31 August 2011 £'000
Interest receivable	494	299
Deposits and prepayments (net of provision of £407k (2011: £73k))	1 298	2 253
Service charges recoverable from tenants	1 719	1 787
Amounts receivable from related parties (refer Note 33)	4 070	4 393
Net receivables – Mezzanine Capital Limited	5 989	5 947
Gross receivables	9 585	8 626
Impairment	(3 596)	(2 679)
VAT recoverable	298	578
Consideration outstanding on disposed subsidiaries	5 219	5 374
Sundry receivables	4 272	3 154
Total	23 359	23 785

Short-term loans to jointly controlled entities are unsecured, bear no interest and are expected to mature within 12 months.

22. CASH AT BANK

	31 August 2012 £'000	31 August 2011 £'000
Cash at bank consist of the following:		
Unrestricted cash balances	5 703	39 937
Bank balances	5 694	35 742
Call deposits	9	4 195
Restricted cash balances	12 023	11 431
Total	17 726	51 368

As at 31 August 2012 there was £12.0 million (31 August 2011: £11.43 million) of cash at bank to which the Group did not have instant access. The principle reason for this is that rents received are primarily held in locked bank accounts as interest and other related expenses are paid from these monies. Also included in the restricted cash balance is £1.6 million held with Aviva with regards to development in Birchwood Warrington Limited.

23. CASH AND RESERVES

	31 August 2012 £'000	31 August 2011 £'000
Authorised		
Ordinary shares of 7.2 pence each		
– number	1 000 000 000	1 000 000 000
– £'000	72 000	72 000
Issued, called and fully paid		
Opening: Ordinary shares of 1 penny each		
– number	567 643 792	1 062 095 584
– £'000	40 870	10 621
Allotted: Ordinary shares of 1 penny each		
– number	–	3 255 711 718
– £'000	–	32 557
Consolidation from 1 pence to 7.2 pence each		
– number	–	599 695 459
– £'000	–	43 178
Cancellation of ordinary shares of 7.2 pence each		
– number	–	(32 051 667)
– £'000	–	(2 308)
Ordinary shares acquired into treasury of 7.2 pence each		
– number	(939 000)	–
– £'000	(67)	–
Shares issued during the period of 7.2 pence each		
– number	12 750 000	–
– new issue	11 811 000	–
– out of treasury	939 000	–
– £'000	918	–
Closing: Ordinary shares of 7.2 pence each		
– number	579 454 792	567 643 792
– £'000	41 721	40 870

The Company acquired 939 000 shares into Treasury on 11 November 2011 at a cost of £384 990.

The Company issued 12 750 000 shares to RIN on 1 February 2012, at a price of 37.0 pence per share. The placement was made to assist with the funding of the Company's underwriting commitment in connection with the Cromwell capital raising. The shares (including the release of 939 000 shares out of Treasury) were admitted to trading on the LSE on 6 February 2012.

Following this placement and as at 31 August 2012, the Company had 579 454 792 shares in issue.

Distributions

In terms of the dividend policy, the Company will seek to distribute the majority of its recurring earnings available for distribution in the form of dividends subject to realisable profits. However, there is no assurance that the Company will pay a dividend, or if a dividend is paid the amount of such dividend.

During the year ended 31 August 2012, the second interim dividend of 2.10 pence per share for the period ended 31 August 2011 was distributed, as well as the first interim dividend of 2.10 pence per share for the six-month period ended 29 February 2012.

Reverse acquisition reserve

The reverse acquisition reserve comprises the difference between the capital structure of the Company and RIHL.

Other reserves

These are non-distributable reserves arising from the acquisition of subsidiaries. £3.0 million of Other Reserves were transferred to the Retained Loss reserve during the year due to the sale of Cref Coventry Limited.

24. CAPITAL INSTRUMENT

As part of the Aviva debt restructuring the Company has entered into a £13 million facility with Aviva. The loan bears interest at 6% per annum, and all interest is rolled up until payment or conversion. The capital plus rolled up interest is repayable or convertible three years after the date of the agreement or on any earlier date if there is an event of default.

Should the drawings together with interest not be repaid, the Company will be required to issue shares to discharge the outstanding amount due, the number of which is calculated by dividing the outstanding amount by 50 pence per ordinary share.

The capital instrument is an equity instrument under IAS 32 as it is to be settled in either cash or a fixed number of equity shares at the discretion of the Company. The fixed number of shares to be issued changes over time but is fully predetermined based on the time the Company chooses to settle the instrument. The additional shares that arise over time are charged to profit or loss in each period as a share-based payment charge and is credited to the equity reserve.

	31 August 2012 £'000	31 August 2011 £'000
Opening balance	13 768	–
Capital instrument issued	–	13 000
Share based payment	768	768
Closing balance	14 536	13 768

25. BORROWINGS

	31 August 2012 £'000	31 August 2011 £'000
Non-current		
Bank loans	345 819	800 518
<i>Less:</i> Deferred finance costs	(1 926)	(2 440)
Finance leases	9 814	13 337
Total	353 707	811 415
Current		
Bank loans	401 330	117 822
<i>Less:</i> Deferred finance costs	(875)	(751)
Total	400 455	117 071
Liabilities held for sale (refer Note 18)	91 935	–
Total borrowings	846 097	928 486

(a) Loans

This note provides information about the contractual terms of the Group's loans and borrowings, which are measured at amortised cost.

Secured borrowings

The terms and conditions of outstanding loans are as follows:

Facility	Amortising	Lender	Loan interest rate	Currency	Maturity date	31 August 2012 £'000 Nominal value	31 August 2011 £'000 Nominal value	31 August 2012 £'000 Carrying value	31 August 2011 £'000 Carrying value
Gamma	No	Windermere VIII CMBS	LIBOR + 0.75%	GBP	October 2012	199 678	199 678	199 678	197 791
Delta	No	Windermere XI CMBS	LIBOR + 0.75%	GBP	October 2012	114 608	114 608	114 608	113 759
Redefine Hotel Holdings Limited	Yes	Aareal	LIBOR + 2.45%	GBP	November 2015	74 961	75 778	74 961	75 778
VBG1*****	Yes	Talisman 3	EURIBOR + 1.1%	EUR	January 2012	50 585	58 063	50 585	37 984
VBG2*****	Yes	Talisman 4	EURIBOR + 1.1%	EUR	April 2011	41 350	46 770	41 350	45 882
West Orchards Coventry Limited***	Yes	Aviva	6.29%*	GBP	July 2027	–	55 970	–	49 227
Zeta	No	Lloyds TSB	LIBOR + 1.15%	GBP	May 2013	46 000	46 000	46 000	46 000
St Georges Harrow Limited	Yes	Landesbank Berlin	LIBOR + 2.5%	GBP	April 2016	41 170	41 630	41 170	41 630
Halle	No	Windermere XIV CMBS	EURIBOR + 0.85%	EUR	April 2014	–	32 849	–	25 975
Redefine Australian Investments Limited**	No	Investec	BBSY + 4%	AUD	February 2013	24 740	17 344	24 740	17 344
Delamere Place Crewe Limited	No	Aviva	6.49%*	GBP	March 2012	–	17 150	–	17 150
Hague	Yes	SNS Property Finance	EURIBOR + 2.3%	EUR	July 2014	17 194	19 309	15 576	16 879
Birchwood Warrington Limited***	No	Aviva	6.10%*	GBP	September 2035	29 150	29 150	16 856	16 629
Ciref Berlin 1 Limited	Yes	RBS	EURIBOR + 1.2%	EUR	September 2014	14 262	16 242	14 262	16 242
Byron Place Seaham Limited***	Yes	Aviva	6.44%*	GBP	September 2031	16 831	16 907	15 165	15 182
Kalihora Holdings Limited	Yes	UBS	LIBOR + 1.25%	CHF	October 2018	11 820	13 522	11 820	13 522
Princes Street Investments Limited	Yes	HSBC	LIBOR + 2.5%	GBP	September 2016	11 590	–	11 590	–
Gibson Property Holdings Limited	Yes	Aviva	6.37%*	GBP	June 2029	10 900	11 053	10 900	11 053
ITB Herzogenrath B.V.	Yes	Bayern LB	EURIBOR + 1.3%	EUR	October 2017	6 989	6 593	6 989	6 593
ITB Schwandorf B.V.	Yes	Bayern LB	EURIBOR + 1.3%	EUR	October 2017	5 781	7 971	5 781	7 971
Newington House Limited	Yes	AIB	LIBOR + 2.50%	GBP	September 2013	6 304	6 509	6 304	6 509
CEL Portfolio Limited & Co. KG	Yes	Valovis	4.95%*	EUR	November 2014	3 851	4 427	3 851	4 427
Inkstone Grundstücksverwaltung Limited & Co. KG	Yes	Barclays	5.75%*	EUR	December 2012	3 173	3 603	3 173	3 603

Facility	Amortising	Lender	Loan interest rate	Currency	Maturity date	31 August	31 August	31 August	31 August
						2012	2011	2012	2011
						£'000	£'000	£'000	£'000
						Nominal value	Nominal value	Carrying value	Carrying value
Inkstone Zwei Grundstücksverwaltung Limited & Co. KG	Yes	Barclays	5.91%*	EUR	December 2012	3 482	3 986	3 482	3 986
Ciref Reigate Limited	No	RBS	LIBOR + 2.50%	GBP	June 2015	–	2 500	–	2 500
Ciref German Portfolio Limited	Yes	RBS	EURIBOR + 1.2%	EUR	September 2014	3 033	3 447	3 033	3 447
Ciref Kwik-Fit Stafford Limited	No	KBC	LIBOR + 2.50%	GBP	April 2012	–	718	–	718
Ciref Kwik-Fit Stockport Limited	No	KBC	LIBOR + 2.50%	GBP	April 2012	–	463	–	463
Total bank loans						737 452	852 240	721 874	798 244
Mezzanine Capital Limited****			7.10% to 10%*	GBP	2012	108 825	107 847	108 825	107 847
Coronation Group Investments Limited**			4%*	GBP	2012	7 768	10 910	7 768	10 910
Loans secured by cash deposits			7.00%*	GBP	2012	–	650	–	650
CEL Portfolio Limited & Co. KG			0%*	GBP	2 029	617	689	617	689
Total secured loans						854 662	972 336	839 084	918 340

All bank loans are secured over investment property, and bear interest at the specified interest rates.

* Fixed rates.

** Loan secured over Redefine Australian Investments Limited which holds the Group's shares in Cromwell.

*** These facilities are cross collateralised against each other and against facilities to Redefine Wigan Limited. See Notes 27 and 40.

**** Loans are extendable at the request of the Company.

***** The Group has committed to the sale of the VGB1 and VGB2 subsidiaries and so the related loan liabilities totalling £91.94 million have been included in liabilities held for sale. See Note 18.

VBG1 and VGB2

The VBG1 facility matured on 15 January 2010 and was subsequently extended to 15 January 2012. The VBG2 facility matured on 21 April 2011. Both facilities were not repaid on the original or extended maturity dates and were further extended to April 2012. Following the extended standstill period expiry, the Group announced on 3 August 2012, the agreed restructuring of the VBG holding companies, sale of the VBG assets and restructuring/repayment of the related debt. The restructuring was finalised post year end with the loans repaid in October 2012. Please see Note 41 for further details.

	31 August	31 August
	2012	2011
	£'000	£'000
Non-current liabilities		
Secured bank loans	345 819	800 518
Total non-current loans and borrowings	345 819	800 518
The maturity of non-current borrowings are as follows:		
Between one year and five years	283 561	685 581
More than five years	62 258	114 937
	345 819	800 518
Current liabilities		
Secured loans	401 330	117 822
Liabilities held for sale (refer Note 18)	91 935	
Total current loans and borrowings	493 265	117 822
Total loans and borrowings	839 084	918 340

Exposure to credit, interest rate and currency risks arise in the normal course of the Group's business. Derivative financial instruments are used to reduce exposure to fluctuations in interest rates. Refer to Note 26 for further details.

(b) Finance leases

Obligations under finance leases at the reporting dates are analysed as follows:

	31 August 2012 £'000	31 August 2011 £'000
Gross finance leases liabilities repayable:		
Not later than one year	460	680
Later than one year not later than five years	1 840	2 720
Later than five years	32 354	48 344
	34 654	51 744
<i>Less:</i> Finance charges allocated to future periods	(24 840)	(38 407)
Present value of minimum lease payments	9 814	13 337
Present value of finance lease liabilities repayable:		
Not later than one year	313	511
Later than one year not later than five years	1 124	1 821
Later than five years	8 377	11 005
Present value of minimum lease payments	9 814	13 337

26. DERIVATIVES

The group enters into interest rate swaps and interest rate cap agreements. The purpose is to manage the interest rate risks arising from the group's operations and its sources of finance.

The interest rate swaps employed by the group to convert the group's borrowings from floating to fixed interest rates, fall into two categories, as explained in (a) (i) and (ii) below.

The interest rate caps employed by the group limit the exposure to upward movements in interest rates. These are detailed in (b) below.

It is the group's policy that no economic trading in derivatives shall be undertaken.

(a) Interest rate swap agreements

In accordance with the terms of the borrowing arrangements, the group has entered into interest swap agreements. The interest rate swaps are used to manage the interest rate profile of financial liabilities. The group has employed interest rate swaps to eliminate future exposure to interest rate fluctuations as well as being charged fixed rate interest on those facilities described as having lender level swaps.

(i) Lender level interest rate swap agreements

Lender level interest rate swaps agreements are those from which the group benefits but which do not have any Group entity as a counterparty, instead the lender is the counterparty with the commercial banking entity providing the interest rate swap. These arise where the loan agreements call for interest rate swaps to be taken out to allow a fixed interest charge to be made to the borrowing subsidiaries and these borrowers have given indemnities to the lenders in respect to these interest rate swaps.

The interest rate swaps for the Delta and Gamma facilities, from which the group benefits by both eliminating any interest rate fluctuations in the market over the course of the facilities and also from any benefit (or cost) of closing these instruments out, are lender level interest rate swaps. Swaps are between the CMBS vehicles (the lenders) and commercial banking counterparties.

The group recognises these embedded derivatives separately as, while the group is charged interest at a fixed rate on these facilities, the terms of the facilities mean the group ultimately receives their benefit or pay their burdens.

As a result of the use of lender level interest rate swaps, the fixed rate profile of the Group's interest rate swaps was:

Facility	Effective date	Maturity date	Swap rate	Fair value		Nominal	
				31 August 2012	31 August 2011	31 August 2012	31 August 2011
				£'000	£'000	£'000	£'000
Gamma	23/05/2005	20/10/2012	4.77%	(921)	(8 426)	199 678	199 678
Delta	21/07/2006	15/10/2012	4.95%	(557)	(5 062)	114 608	114 608
Halle*	19/02/2007	22/04/2014	4.19%	–	(2 325)	–	32 849
				(1 478)	(15 813)	314 286	347 135

* Justizzentrum Halle GmbH & Co. K.G was disposed of effective 29 June 2012.

(ii) Borrower level interest rate swap agreements

Borrower level interest rate swap agreements are those that have a group company as the counterparty to the commercial bank providing the interest rate swap. As a result of the use of interest rate swaps, the fixed rate profile of the Group was:

Facility	Effective date	Maturity date	Swap rate	Fair value		Nominal	
				31 August 2012 £'000	31 August 2011 £'000	31 August 2012 £'000	31 August 2011 £'000
Subsidiaries							
Ciref Reigate Limited**	23/09/2010	30/06/2015	2.03%	–	(68)	–	2 500
Newington House Limited	03/09/2010	19/09/2013	1.54%	(62)	(82)	6 304	6 509
Princes Street Investments Limited	30/09/2011	30/09/2016	1.69%	(422)	–	11 590	–
Ciref Berlin 1 Limited	05/06/2007	15/04/2014	4.61%	(534)	(735)	7 599	8 591
Ciref Berlin 1 Limited	31/07/2007	15/04/2014	4.20%	(427)	(569)	6 745	7 681
Ciref German Portfolio Limited	31/07/2007	15/04/2014	4.20%	(192)	(256)	3 061	3 452
Redefine Hotel Holdings Limited	30/11/2010	30/11/2015	2.45%	(3 278)	(2 105)	67 695	68 145
Redefine Hotel Holdings Limited	30/06/2011	30/11/2015	2.32%	(409)	(290)	7 599	7 633
Redefine International							
Holdings Limited	04/03/2011	04/03/2013	5.45%	(244)	(305)	16 733	16 293
Hague	01/08/2008	01/08/2014	4.89%	(1 569)	(1 751)	17 193	19 309
Zeta	20/07/2010	09/05/2013	2.73%	(677)	(1 141)	46 000	46 000
Matterhorn Brig SARL	30/01/2012	08/10/2018	0.73%	(103)	–	3 794	–
Matterhorn Vich SARL	30/01/2012	08/10/2018	0.73%	(228)	–	8 265	–
				(8 145)	(7 302)	202 578	186 113
** Ciref Reigate Limited was disposed of on 29 February 2012.							
Held in jointly controlled entities							
Ciref Jersey Limited	31/07/2007	30/07/2027	5.48%	(7 484)	(5 532)	18 500	18 500
Ciref Jersey Limited	30/01/2008	30/07/2027	4.80%	(503)	(371)	1 800	1 800
Churchill Court Limited	10/04/2008	10/04/2018	5.08%	(1 620)	(1 554)	9 487	9 863
Premium Portfolio Limited & Co. KG	31/03/2008	31/12/2014	4.23%	(536)	(435)	4 917	5 544
Premium Portfolio Limited & Co. KG	31/03/2008	31/12/2014	4.13%	(1 175)	(1 486)	16 129	18 182
				(11 318)	(9 378)	50 833	53 889

(b) Interest rate cap agreements

The group has entered into interest rate caps in order to take advantage of the low interest rates in the market while at the same time protecting the Group against any significant increases in these interest rates. The current interest rate cap agreements are detailed below:

Facility	Effective date	Maturity date	Swap rate	Fair value		Nominal	
				31 August 2012	31 August 2011	31 August 2012	31 August 2011
				£'000	£'000	£'000	£'000
VBG1	15/07/2010	15/01/2012	2.50%	–	–	–	58 063
St Georges Harrow Limited	27/04/2011	27/04/2016	2.85%	118	591	41 400	41 630
ITB Herzogenrath B.V.	31/05/2011	31/05/2017	4.50%	41	93	6 989	6 593
ITB Schwandorf B.V.	31/05/2011	31/05/2017	4.50%	19	77	5 781	7 971
				178	761	54 170	114 257

(c) Summary of fair value of interest rate swaps and interest rate caps

Facility	31 August 2012 £'000	31 August 2011 £'000
Fair value of lender level interest rate swaps	(1 478)	(15 813)
Fair value of borrower level interest rate swaps	(8 145)	(7 302)
	(9 623)	(23 115)
Fair value of interest rate cap agreements*	178	761
Fair value of the Group's derivative instruments	(9 445)	(22 354)

*Interest rate cap assets are included in investments designated at fair value (refer note 17).

27. PROVISION FOR LIABILITIES AND COMMITMENTS

	31 August 2012 £'000	31 August 2011 £'000
Opening balance	–	–
Increase in provisions	12 079	–
Total	12 079	–

External loan facilities to the jointly controlled entities Redefine Wigan Limited and Ciref Coventry Limited, which have a nominal value of £197.97 million, are cross collateralised against properties held directly by the group. These external loan liabilities are in excess of the value of the properties held by the jointly controlled entities. A provision has been created in the current year based on the estimated potential future cash outflows for the group related to this cross collateralisation.

Ciref Coventry Limited was sold during the year. As the acquirer may benefit from the cross collateralisation of the Ciref Coventry loan facilities, the provision was considered in calculating the loss on sale of the subsidiary, see note 37 for further details.

28. TRADE AND OTHER PAYABLES

	31 August 2012 £'000	31 August 2011 £'000
Rent received in advance	2 789	3 274
Trade creditors	40	4 246
Accrued interest	5 546	6 007
Short-term loans from jointly controlled entities	16	16
Amount owing to related parties (refer note 33)	2 395	4 391
Amount owing to Mezzanine Capital Limited (refer note 33)	6 574	6 019
VAT payable	1 863	2 306
Income tax payable	1 988	586
Other accruals	4 152	8 567
Accrued reverse acquisition costs	–	2 235
Total	25 363	37 647

Short-term loans from jointly controlled entities are unsecured, bear no interest and are expected to mature within 12 months.

29. CREDIT RISK

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 August 2012 £'000	31 August 2011 £'000
Financial assets	399	1 123
Loans and receivables	98 470	104 080
Trade and other receivables	23 359	23 785
Cash and cash equivalents	17 726	51 368
Total	139 954	180 356

The concentration of credit risk per segment is set out below:

UK stable income	36 308	53 413
UK retail	53 282	48 456
Europe	6 132	3 408
Hotels	35 086	35 669
Australia	963	2 054
Other ¹	8 183	37 356
Total	139 954	180 356

¹ Includes £2.14 million (2011: £31.1 million) of cash held by the company and its subsidiary, RIHL.

Included in loans and receivables and trade and other receivables are debtors with the following age profile:

	2012 £'000 Gross	2012 £'000 Impairment	2012 £'000 Net	2011 £'000 Gross	2011 £'000 Impairment	2011 £'000 Net
Not past due	136 459	(25 092)	111 367	135 589	(18 092)	117 497
Past due 0 – 120 days	1 354	–	1 354	4 588	–	4 588
Past due – 120 days	12 704	(3 596)	9 108	8 459	(2 679)	5 780

Bad debt provisions of £198k (2011: £73k) have also been booked against deposits and prepayments as detailed in note 21. These provisions are specific to tenants that went into administration.

30. LIQUIDITY RISK

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount £'000	Contractual cash flows £'000	6 months or less £'000	6 – 12 months £'000	1 – 2 years £'000	2 – 5 years £'000	More than 5 years £'000
31 August 2012							
Financial liabilities at amortised cost							
Secured loans	747 149	(817 837)	(28 346)	(327 063)	(116 126)	(264 910)	(81 392)
Finance leases	9 814	(34 654)	(230)	(230)	(460)	(1 380)	(32 354)
Liabilities held for sale	91 935	(92 637)	(92 637)	–	–	–	–
Trade and other payables	25 363	(25 363)	(25 363)	–	–	–	–
Derivative financial liabilities							
Interest rate swaps used for economic hedging	9 623	(10 356)	(3 764)	(2 071)	(2 520)	(1 920)	(81)
	883 884	(980 847)	(150 340)	(329 364)	(119 106)	(268 210)	(113 827)

	Carrying amount £'000	Contractual cash flows £'000	6 months or less £'000	6 – 12 months £'000	1 – 2 years £'000	2 – 5 years £'000	More than 5 years £'000
31 August 2011							
Financial liabilities at amortised cost							
Secured loans	917 690	(1 147 239)	(135 931)	(44 596)	(414 293)	(344 736)	(207 683)
Loans secured by cash deposits	650	(776)	(23)	(23)	(46)	(684)	–
Finance leases	13 337	(51 744)	(340)	(340)	(680)	(2 040)	(48 344)
Trade and other payables	37 647	(37 647)	(37 647)	–	–	–	–
Derivative financial liabilities							
Interest rate swaps used for economic hedging	23 115	(25 771)	(8 283)	(8 283)	(5 382)	(3 823)	–
	992 439	(1 263 177)	(182 224)	(53 242)	(420 401)	(351 283)	(256 027)

Cash flows on financial liabilities at amortised cost and derivative financial liabilities were based on the respective loan interest rates as per notes 25 and 26.

31. CURRENCY RISK

Structural risk

The investments in subsidiaries in Germany, the Netherlands, Switzerland and Australia represent structural currency risk as these investments have functional currencies of Euro, Swiss Franc and Australian Dollar, respectively.

	31 August 2012 £'000	31 August 2011 £'000
Assets		
EUR	145 858	196 880
CHF	21 347	24 050
AUD	125 470	106 734
Liabilities		
EUR	171 577	206 844
CHF	12 339	14 130

Transactional risk

The group's income from income-producing rental properties is denominated in the same currencies as the loans that are financing those properties. There is a single exception to this where loans have been made by the group to subsidiary companies in the foreign currencies as set out below:

	Fair value 31 August 2012 £'000	Fair value 31 August 2011 £'000
Swiss Francs	4 000	1 774
Total	4 000	1 774

As at 31 August 2012 the Group's transactional risk associated with Cromwell is £24.74 million which represents the sterling equivalent of the AUD loan facility used to finance part of the investment.

Sensitivity analysis

A 5% strengthening in the GBP exchange rate against the following currencies at year-end would have decreased equity and profit by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

	Equity £'000	Profit or loss £'000
31 August 2012		
EUR	3 238	76
CHF	480	(4)
AUD	(5 907)	1 178
31 August 2011		
EUR	(112)	4
CHF	(209)	33
AUD	(4 054)	826

A 5% weakening in the GBP exchange rate against the above currencies at year end would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis all other variables remain constant.

The Group's total net exposure to fluctuations in foreign currency exchange rates at the reporting date was as above. This reflects the total and financial and non-financial assets and liabilities in foreign currencies.

The following exchange rates were applied during the year:

	Average rate		Period end rate	
	2012	2011	2012	2011
EUR	1.188	1.154	1.262	1.129
CHF	1.451	1.461	1.516	1.309
AUD	1.531	1.534	1.536	1.519

32. FAIR VALUES

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

	Notes	31 August 2012		31 August 2011	
		Carrying £'000	Fair £'000	Carrying £'000	Fair £'000
Financial assets					
Loans and receivables	16, 21	121 829	120 997	127 865	126 279
Designated at fair value through profit or loss	17	399	399	1 123	1 123
Cash and cash equivalents	22	17 726	17 726	51 368	51 368
		139 954	139 122	180 356	178 770
Financial liabilities					
Amortised cost	25, 28	871 460	791 136	966 133	960 269
Derivatives at fair value through profit or loss	26	9 623	9 623	23 115	23 115
		881 083	800 983	989 248	983 384

Basis for determining fair values

The group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Company determines fair values using net present value and discounted cash flow models and comparisons to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, foreign currency exchange rates and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments such as interest rate swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for simple over the counter derivatives, e.g. interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The following is a summary of the classifications of the financial assets and liabilities:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total Fair value £'000
31 August 2012				
Financial assets				
Designated at fair value through profit or loss	–	399	–	399
	–	399	–	399
Financial liabilities				
Interest rate swaps	–	9 623	–	9 623
	–	9 623	–	9 623
31 August 2011				
Financial assets				
Designated at fair value through profit or loss	–	1 123	–	1 123
	–	1 123	–	1 123
Financial liabilities				
Interest rate swaps	–	23 115	–	23 115
	–	23 115	–	23 115

No financial instruments were transferred between levels during the year.

The financial assets designated at fair value through profit and loss has been categorised as Level 2 as the have been priced using quoted prices for identical instruments in markets that are considered less than active.

Interest rate swaps have been categorised as Level 2 as although they are priced using directly observable input, the instruments are not traded in an active market.

No instruments have been categorised as Level 3.

33. RELATED PARTY TRANSACTIONS

Related parties of the group include subsidiary undertakings, associate undertakings and jointly controlled entities, the investment adviser, directors and key management personnel and connected parties, the parent undertaking Redefine International Properties Limited and the ultimate parent Redefine Properties Limited as well as entities connected through common directors.

Investment adviser

The investment adviser duties are carried out in accordance with the investment adviser's agreement (as approved on 13 July 2011) between the Company and RIPML. The director Michael Watters is a director of associated companies of the investment adviser.

	31 August 2012 £'000	31 August 2011 £'000
Trading transactions		
Rental income received from Redefine Hotel Management Limited	9 400	6 386
Fee income from Redefine Hotel Management Limited	–	700
Fee income from the Cromwell Property Group	566	310
Portfolio management fees charged by Redefine International Property Management Limited	(3 328)	–
Portfolio management fees charged by Redefine International Fund Managers Limited	(610)	(2 028)
Portfolio management fees charged by Redefine International Fund Managers Europe Limited	(817)	(403)
Redefine International Hotels Limited	(617)	–
Fee payable to Redefine Properties Limited	(130)	–
Administration fees charged by Redefine International Group Services Limited	–	(153)
Amounts receivable		
Pearl House Swansea Limited	74	116
ITB FMZ Waldkraiburg B.V.	84	–
Redefine Hotel Management Limited	3 314	2 922
Redefine Properties International Limited	–	70
Cromwell Property Group	–	1 217
Ciref Crawley Investments Limited	104	100
Swansea Estates Limited	86	84
26 The Esplanade No 1 Limited	48	–
Banstead Property Holdings Limited	518	–
Osiris Properties International Limited – consideration outstanding	369	–
Amounts payable		
Redefine International Fund Managers Limited	320	1 688
Osiris Properties Services Limited	6	–
Redefine International Fund Managers Europe Limited	352	260
Redefine International Group Services Limited	–	80
Redefine Properties International Limited	35	–
Corovest Offshore Limited	868	2 363
Coronation Group Investments Limited	7 768	10 910
Redefine International Hotels Limited	154	–
Redefine International Property Management Limited	660	–

Loans payable to Redefine International Fund Managers Limited, Redefine International Fund Managers Europe Limited and Redefine International Group Services Limited are not secured, bear no interest and are expected to be repaid in cash within 12 months.

Mezzanine Capital Limited

Details of transactions with Mezzanine Capital Limited are provided in notes 12,13, 16, 21, 25 and 28.

Directors

The remuneration paid to directors for the year ended 31 August 2012 and their interest in the shares of the company have been disclosed in the directors' remuneration report.

34. EARNINGS PER SHARE

Earnings per share are calculated on the weighted average number of shares in issue and the profit/(loss) attributable to shareholders. The weighted average number of shares in issue is based on the capital structure in place after the reverse acquisition.

	31 August 2012 £'000	Restated 31 August 2011 £'000
Net (loss)/profit attributable to shareholders (basic and diluted)	(124 755)	5 035
Weighted average number of ordinary shares	574 325	426 125
Effect of potential share-based payment transactions – capital instrument	29 072	26 480
Diluted weighted average number of ordinary shares	603 397	452 605
Number of ordinary shares		
– In issue	579 455	567 644
– Weighted average	574 325	426 125
– Diluted weighted average	603 397	452 605
Earnings per share (pence)		
– Basic	(21.72)	1.18
– Diluted	(21.72)	1.11
– Headline	0.50	5.51
Basic (loss)/profit is reconciled to headline earnings as follows:		
Net (loss)/profit attributable to shareholders	(124 755)	5 035
Impairment of intangible assets	–	591
Impairment of loans	–	444
Changes in fair value of investment property	125 410	17 430
Loss on disposal of subsidiaries	2 195	–
Headline earnings attributable to shareholders	2 850	23 500

There are also contingently issuable shares under the performance agreement. The conditions for recognising these shares had not been met at the year-end.

35. NET ASSET PER SHARE

	31 August 2012 £'000	Restated 31 August 2011 £'000
Net assets attributable to equity shareholders (£'000)	132 914	278 209
Number of ordinary shares ('000s)	579 455	567 644
Effect of potential share-based payment transactions – capital instrument	29 072	27 537
Diluted number of shares ('000s)	608 527	595 181
Net asset value per share (pence):		
– Basic	22.94	49.01
– Diluted	21.84	46.74

36. CASH FLOW INFORMATION

36.1 Changes in working capital

	31 August 2012 £'000	31 August 2011 £'000
Increase in trade receivables	(1 602)	(2 087)
(Decrease)/Increase in trade payables	(5 313)	2 180
Total	(6 915)	93

36.2 Acquisition of subsidiaries

The group acquired the following subsidiaries during the financial year ended 31 August 2011:

- Ciref Kwik-Fit Stafford Limited was acquired on 30 April 2011;
- Ciref Kwik-Fit Stockport Limited was acquired on 30 April 2011; and
- the non-controlling interest in Kalihora Holdings Limited was acquired on 1 October 2011.

	31 August 2012 £'000	31 August 2011 £'000
Assets acquired		
Investment property	–	2 381
Trade and other receivables	–	159
Cash and cash equivalents	–	142
Trade and other payables	–	(742)
Loans and borrowings	–	(998)
Total	–	942
<i>Less: Non-controlling interest</i>	–	458
Gain on acquisition recognised in equity	–	(29) ¹
Total consideration	–	1 371
<i>Less: Shares issued as consideration</i>	–	(922)
<i>Less: Cash and cash equivalents acquired</i>	–	(142)
Net cash consideration acquired	–	307

¹ Gain relates to the acquisition of non-controlling interests. The gain arose on a transaction between shareholders and as such was treated as a gain in equity.

36.3 Proceeds from issue of share capital

	31 August 2012 £'000	31 August 2011 £'000
Proceeds from shares issued	4 370	73 644
Acquisition of treasury shares	(384)	–
Proceeds from issue of treasury shares	347	–
Share issue and reverse acquisition costs	–	(3 993)
Total	4 333	69 651

Please see note 23 for details of share transactions.

37. DISPOSAL OF SUBSIDIARIES

The group disposed of the following subsidiaries during the financial year ended 31 August 2012:

- Ciref Reigate Limited on 29 February 2012;
- Banstead Property Holdings Limited on 11 June 2012;
- Justizzentrum Halle mbh & Co. KG on 29 June 2012; and
- Ciref Coventry Limited on 31 August 2012.

The 2011 disposals relate to the disposals of TYS Holdings and CIREF Streatham on 1 December 2010.

The assets and liabilities arising from those disposals were as follows:

	31 August 2012 £'000	31 August 2011 £'000
Assets disposed		
Investment property	74 004	6 543
Long-term receivables	5 838	–
Trade and other receivables	1 411	(5 244)
Liabilities		
Trade and other payables	(5 702)	(42)
Derivative liabilities	(2 108)	–
Loans and borrowings	(87 099)	(1 400)
Total	(13 656)	(143)

	31 August 2012 £'000	31 August 2011 £'000
<i>Add</i>	3 210	–
Non-controlling interest shareholder loans	(1 767)	–
Non-controlling interest share of net deficit	4 977	–
Provision for liabilities and commitments	12 079	–
Transfer of FCTR to income statement on disposal of foreign operation	381	–
Loss on sale of subsidiaries	(2 195)	(334)
Net cash disposed	(181)	(477)

On 31 August 2012, the group disposed of a 31.25% shareholding in Ciref Coventry Limited for a nominal amount, resulting in the investment being re-classified from an 81.25% held subsidiary to a 50% jointly controlled entity. External loan facilities to the jointly controlled entities Redefine Wigan Limited and Ciref Coventry Limited, which have a nominal value of £197.97 million are cross collateralised against properties held directly by the group. These external loan liabilities are in excess of the value of the properties held by the jointly controlled entities. A provision has been created in the current year based on the estimated potential future cash outflows for the group related to this cross collateralisation.

As the acquirer of Ciref Coventry Limited may benefit from the cross collateralisation of the Ciref Coventry loan facilities, a provision was created of £12.1 million. This provision has been included in calculating the loss on sale of Coventry of £1.32 million.

On 29 June 2012, the Wichford Halle II, III and IV shares in Justizentrum in Halle, Germany were sold for a consideration of €1.0 million (GBP: £816k). These shares represented a 94% shareholding, and as a result of the disposal, property with a value of €36.3 million (GBP £29.1 million) and borrowings amounting to €37.1 million have been removed from the group's balance sheet, together with the loans to non-controlling shareholders. The disposal resulted in the recognition of a loss on disposal of £0.82 million.

On 29 February 2012, the group disposed of its 61.36% shareholding in Ciref Reigate Limited for a nominal amount. As at the disposal date, the fair value of the assets exceeded the fair value of the liabilities and hence a loss on sale of £0.10 million was recognised.

On 11 June 2012, the group disposed of its 71.43% shareholding in Banstead Property Holdings Limited for a nominal amount. As at the disposal date, the fair value of the liabilities exceeded the fair value of the assets and hence a gain on sale of £0.05 million was recognised.

38. MOVEMENT IN NON-CONTROLLING INTEREST

	31 August 2012		31 August 2011	
	Retained earnings interest £'000	Non- controlling £'000	Retained earnings £'000	Non- controlling interest £'000
Ciref Europe Limited	(426)	426	–	–
Kalihora Holdings Limited	–	–	29	(458)
Redefine Hotel Holdings Limited	–	–	(132)	132
Total	(426)	426	(103)	(326)

With effect from 1 September 2011, shares in Ciref Europe Limited were issued to RIHL. As a result of this issue, the non-controlling shareholders diluted from 7.29% to 4.01%.

The movements for the year ended 31 August 2011 relate to:

- an increase in non-controlling interests in Redefine Hotel Holdings Limited due to their injection of additional capital not matched by the Company; and
- the acquisition by the Group of the remaining 19.54% of Kalihora Holdings Limited which it did not already hold.

39. BUSINESS COMBINATIONS – REVERSE ACQUISITION OF WICHFORD P.L.C. BY RIHL

On 13 July 2011, the Boards of Wichford and RIHL announced that they had reached agreement on the terms of a reverse acquisition. The transaction was undertaken in terms of which Wichford made a recommended all share offer ("the offer") for the entire issued ordinary share capital of RIHL ("the reverse acquisition"). Under the terms of the offer RIHL shareholders received 7.2 Wichford shares for each RIHL share. The share register was then consolidated with 1 new share for every 7.2 shares held. Following the adoption of reverse acquisition accounting in accordance with IFRS, RIHL has been identified as the accounting acquirer.

Following the reverse acquisition, the cancellation of RIHL's previously equity accounted investment in Wichford (refer note 20) and the subsequent issue of ordinary shares to the RIHL shareholders, RIN became the majority shareholder in the company with a shareholding of approximately 65.59%. Non-controlling interest ("NCI") shareholders in RIHL hold approximately 14.07% and previous Wichford shareholders (other than RIHL shareholders) hold approximately 20.34% of the shares in the company.

(a) Consideration transferred

In accordance with IFRS 3.B20, the consideration transferred by RIHL to the company is based on the number of shares RIHL would have had to issue to give the shareholders of the company the same percentage equity interest in the combined entity that results from the reverse acquisition, ie. a 20.34% equity interest:

Previous shareholding of the company	831 323 584	20.3%
Shares deemed to be issued to all RIHL shareholders	3 255 711 718	79.7%
	<u>4 087 035 302</u>	
Number of issued shares in RIHL	452 182 183	79.7%
Hypothetical shares to be issued to reflect the same percentage as above	115 461 609	20.3%
RIHL share price as at 23 August 2011 (pence per share)	4.5	
Value of shares to be issued to reflect the same percentage as above (£'000)	52 535	
		31 August 2011 £'000
Value of 115 461 609 shares at share price of 45.5 pence per share on 23 August 2011		52 535
Total consideration		52 535

(b) Identifiable assets acquired and liabilities assumed

	31 August 2011 £'000
Investment property	546 900
Trade and other receivables	3 769
Cash and cash equivalents – unrestricted	32 340
Cash and cash equivalents – restricted	7 605
Loans and borrowings	(487 894)
Derivative financial instruments	(18 704)
Deferred tax	(1 616)
Trade and other payables	(15 342)
Total identifiable net assets	67 058

At the date of the acquisition Redefine International Holdings Limited held a 21.73% shareholding in Wichford P.L.C. (subsequently renamed Redefine International PLC). This was effectively cancelled at that date with the previously equity accounted investment in Wichford P.L.C. of £14 539 000 deemed to be disposed of. The total consideration including non-controlling interest is represented by the total consideration transferred of £52 535 000 plus the fair value of the existing interest in the Wichford P.L.C. (subsequently renamed Redefine International PLC).

(c) Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	31 August 2011 £'000
Total consideration transferred	52 535
Fair value of existing interest in the company (refer note 20)	14 539
Fair value of identifiable net assets	(67 058)
Goodwill	16

Goodwill was impaired in the statement of comprehensive income as no lasting economic benefits could be attributed to the goodwill.

The 31 August 2011 financial statements were prepared assuming an acquisition date of 31 August 2011, with the statement of comprehensive income reflecting the income and expenses of RIHL only for the 12 months ended 31 August 2011. If the acquisition had occurred on 1 September 2010, management estimates that consolidated revenue would have been

£68.11 million and consolidated loss for the year would have been £44.73 million. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition occurred at the beginning of the period.

40. CONTINGENCIES, GUARANTEES AND CAPITAL COMMITMENTS

The group has capital commitments of £2.6 million (2011: £3 million) in respect of capital expenditure contracted for at the reporting date, but not yet incurred, for future transactions approved by the board. The group has entered into a corporate guarantee agreement with IHG Hotels Limited, the contingent liability of which is not expected to exceed £0.3 million.

External loan facilities to the jointly controlled entities (Redefine Wigan Limited and Ciref Coventry Limited) with a nominal value of £197.97 million are cross collateralised against properties held directly by the group. These external loan liabilities are in excess of the value of the properties held by the jointly controlled entities. A provision of £12.1 million has been created in the current year based on the estimated potential future cash outflows for the group related to this cross collateralisation. This provision is an estimate of the potential future outflow of resources from the group and is based on the underlying fair values of properties against which the loan facilities are cross collateralised and the current carrying value of those facilities in the group accounts.

Terms have been agreed to acquire an effective 50% interest in a newly developed retail store in Germany. The gross purchase price of the property located in Kaiserslatern is €6.4 million.

41. SUBSEQUENT EVENTS

On 20 September 2012, the board resolved to declare a second interim dividend of 2.30 pence per share. Taken together with the first interim dividend of 2.10 pence per share, the total dividend for the financial year ended 31 August 2012 was 4.40 pence per share. The record date for the second interim dividend was 28 September 2012. The dividend was paid to shareholders on 22 November 2012.

VBG

The company announced that it had completed on the restructuring of all four VBG assets and the associated financing facilities on 8 October 2012. The restructuring and refinancing of the VBG portfolio and financing facilities resulted in the Company owning a 50% interest in the VBG assets together with a major pension fund as its joint venture partner.

As part of the restructuring the company agreed to sell, for a nominal amount, 50% of its interest in the VBG holding company to a major pension fund. This newly established joint venture company, together with certain of its subsidiaries, reached agreement with the servicer of the VBG facilities to dispose of the VBG assets to new subsidiary companies within the joint venture vehicle. The proceeds from the disposal of approximately €80.0 million was used to settle the original VBG facilities in full. The facilities had an outstanding balance of €116.0 million at the time of the restructuring.

The gross acquisition cost (inclusive of transaction costs) of approximately €84.9 million was partly funded by the joint venture company with a new five-year €57.0 million debt facility secured from a German bank, with both joint venture partners injecting €14.0 million (£11.7 million) for their 50% interests. The new debt facility was secured at a margin of 1.72% p.a. which, together with the prevailing five year swap rate, provided an indicative all in rate of 2.8% per annum. This resulted in an initial yield on equity in excess of 19.0% on the group's investment.

Delta

The company announced on 15 October 2012 the agreement to extend and restructure the £114.6 million Delta facility. The restructure involved repaying £33.5 million of debt in consideration for the release from the Delta facility of a portfolio of seven assets, which comprise the Lyon House, Harrow development site and six other assets let to predominantly UK central government occupiers. The seven assets were released from security and will be ungeared going forward. The repayment of debt associated with the six income producing assets reflects a net initial yield of 7.6% and a weighted average unexpired lease term in excess of 17 years.

The maturity date of the Delta facility was extended to 15 April 2015 subject to the company meeting annual disposal targets, which the company considers achievable, in respect of the remaining 16 Delta portfolio assets. The disposal proceeds, together with planned scheduled repayments, were applied to reducing the remaining £81.1 million facility balance.

Gamma

Gamma entered into a facility agreement on 29 March 2005 (as subsequently amended) with Lehman Brothers International (Europe) (the "**Facility Agreement**"). Following the administration of the various Lehman Brothers entities Hatfield Phillips Agency Services Limited ("**Hatfield Phillips**") was appointed as security trustee and agent under the Facility Agreement.

On or around 14 January 2013, Hatfield Phillips appointed receivers over all the English properties owned by Gamma's subsidiaries and receivers over all the shares held in those subsidiaries of Gamma that own properties in Scotland.

Equity raising

On 13 September 2012, Redefine International announced details of a proposed Firm Placing and Open Offer to raise £127 500 000 (£122 475 000 net of expenses) through the issue of 490 384 616 New Ordinary Shares at an Issue Price of 26 pence per New Ordinary Share. The Open Offer closed for acceptances at 11.00 am on 3 October 2012.

The company announced on 4 October 2012, that it had received valid applications under the Open Offer in respect of 386 517 950 New Ordinary Shares from qualifying Shareholders. The remaining 14 643 060 Open Offer Shares were placed to institutional and other investors. In addition, 89 223 606 Firm Placed Shares had been placed with certain institutional and other investors pursuant to the terms of the Firm Placing. As a consequence the company raised, through its Firm Placing and Open Offer, gross proceeds of £127 500 000.

Admission of the New Ordinary Shares to the Premium Segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Main Market for listed securities, for which application was made, occurred at 8:00 am on 9 October 2012. These New Ordinary shares were not eligible for the second interim dividend, as announced on 20 September 2012, but will rank *pari passu* in all other respects with the existing ordinary shares as at the date of issue.

42. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board on 29 October 2012.

COMMENTARY

The commentary below is an extract of the chairman's statement from the audited condensed consolidated results for the year ended 31 August 2012 and trading statement which was released on SENS on 30 October 2012.

The reverse acquisition of Wichford exposed RI PLC to a high level of short-term debt in the context of a UK banking industry that is largely closed to new real estate lending. In this constrained environment the group was able to restructure or repay more than £250 million of legacy financing facilities, significantly improving its financial position.

The capital raisings undertaken by both RIN and RI PLC post year-end were extremely successful and further boosted the group's balance sheet enabling it to reduce levels of gearing. The RI PLC firm placing and open offer concluded on 9 October 2012 and raised £127.5 million before costs, well in excess of the initial target of £100 million. RIN raised just over R1 billion (£75 million) through the issue of 218 141 257 new linked units at a price of R4.60 each in terms of the *pro rata* offer.

The *pro rata* offer was partially underwritten by Redefine Properties Limited ("**Redefine**") but given the demand for new RIN linked units and in order to broaden the RIN linked unitholder base, Redefine made available a portion of the RIN linked units taken up by it under the *pro rata* offer for placement with third party placees. This resulted in Redefine's beneficial interest in RIN decreasing to 49.34% following the capital raise.

RIN can now look forward with confidence to meeting its objective of being a leading diversified mid-cap cash flow focused property group, that provides hard currency income returns to unitholders.

Earnings available for distribution by RI PLC for the year were 4.38 pence per share. In a period in which there were significant challenges for the UK retail and regional office environment and austerity measures throughout the Eurozone and the UK, it is particularly pleasing to have achieved a strong operating and income performance.

The group's adjusted net asset value ("**NAV**") comprises the IFRS net asset value adjusted for, *inter alia*, the negative equity associated with certain non-recourse financing facilities, principally the Delta, Gamma and VBG portfolios. The restructurings of both the Delta and VBG portfolios were concluded post year end. The adjusted NAV at 31 August 2012 was 36.20 pence per share, down 16.0% from 29 February 2012. NAV per share, excluding deferred tax and derivatives, decreased to 21.21 pence (36.33 pence at 29 February 2012). The decrease was largely as a result of significant declines in the values of regional offices across the UK, which impacted our former Wichford properties.

The performance of the portfolio varied substantially across our business segments. Overall, occupancy and income returns were stable despite tough trading conditions, particularly for UK retail. In a market with such divergent performances, the benefit of having diversified sources of income with strong covenants has been demonstrated.

The Hotel portfolio performed strongly in a year that included both the Queen's Diamond Jubilee and the Olympics. The underlying hotel properties benefited from near full occupancy over the Olympic and Paralympic period and demand has remained robust post the Olympics, which is encouraging.

Our investment in Cromwell remains an important part of the business and we are confident that the quality of the underlying portfolio and recent investments will continue to provide strong income returns for our shareholders.

Following the successful capital raisings, the group can now shift its focus from restructuring the balance sheet to enhancing and growing the property portfolio. The group is in a strong position to take advantage of distressed property offerings and banks being forced to dispose of assets to reduce leverage. The group continues to engage with regulatory authorities to agree a simplified ownership and listing structure in place of the current complicated and somewhat unwieldy structure.

Significant changes to the UK REIT legislation were enacted in July 2012, paving the way for RI PLC to convert to a UK REIT. We are also led to believe that the SA REIT legislation is imminent. The group is, in consultation with its tax advisers, reviewing the possibility of conversion to either a UK REIT or SA REIT and further announcements will be made in due course.

SHARE CAPITAL

1. AUTHORISATIONS

- 1.1 Ordinary shares will be created and issued pursuant to the laws of the Isle of Man and are denominated in Manx Pounds being the lawful currency of the Isle of Man.
- 1.2 The directors control the issue or disposal of the authorised but unissued shares of the company.

2. PREFERENTIAL CONVERSION RIGHTS, VOTING RIGHTS AND RIGHTS TO DIVIDENDS

- 2.1 The company has not issued any partly paid shares nor any convertible securities (other than the Aviva convertible facility, further details of which are set out in **Annexure 14**, exchangeable securities or securities with warrants. The company does not hold any shares in treasury. There are no shares in the issued share capital of the company that do not represent capital.
- 2.2 All shares in issue rank *pari passu* with each other. The rights attaching to the ordinary shares are uniform in all respects and they form a single class for all purposes. Holders of ordinary shares have uniform voting rights and rights to dividends or distributions in proportion to the number of ordinary shares they hold at any time.

3. OPTIONS AND PREFERENTIAL RIGHTS IN RESPECT OF SHARES

There are no acquisition rights and/or obligations over authorised but unissued share capital or an undertaking to increase the capital nor are there any contracts or arrangements, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any shares in the company.

4. ALTERATIONS TO SHARE CAPITAL

- 4.1 Set out below is a summary of alterations to the issued share capital of the company during the preceding three years.

Description	Date of issue/listing	Number of shares issued	Issue price per share (pence)	Cumulative number of shares in issue	Discount %
Shares in issue as at 24 September 2009		132 761 948		132 761 948	
Rights offer of 7 new shares for every share held ¹	25 September 2009	929 333 636	6.00	1 062 095 584	68.8
Issued to RIHL in terms of the reverse takeover ²	22 August 2011	3 255 711 718		4 317 807 302	
Share consolidation from 1 pence to 7.2 pence each	22 August 2011	599 695 459		599 695 459	
Cancellation of existing holding of RIHL in Wichford	22 August 2011	(32 051 667)		567 643 792	
Shares acquired into treasury	18 November 2011	(939 000)	41.00	566 704 792	
Shares issued out of treasury pursuant to a call option to RIN ³	1 February 2012	939 000	37.00	567 643 792	2.0
Shares issued pursuant to a call option to RIN ³	1 February 2012	11 811 000	37.00	579 454 792	2.0
New shares issued pursuant to the RI PLC capital raising ¹	9 October 2012	490 384 616	26.00	1 069 839 408	22.4
Share consolidation from 7.2 pence to 8 pence each	11 October 2012	(106 983 941)		962 855 467	
New shares issued pursuant to minority acquisition	1 July 2013	5 108 920	39.00	967 963 757	1.3
Issue of new shares in part settlement of the purchase price owing for the Hamburg and Ingolstadt Targets as disclosed in paragraph 3 of Annexure 6	3 September 2013	12 606 061	40	980 869 818	3.2
New shares issued pursuant to a placing by RIN	3 September 2013	40 000 000	40	1 020 569 818	3.2
New shares issued pursuant to Aviva convertible facility repayment as disclosed in Annexure 14 .	17 September 2013	36 587 873	41.925	1 057 157 691	4.7

Notes:

1. The RI PLC shares were issued at a discount to market value at the time of the issue in order to encourage potential investors to acquire RI PLC shares/rights offer shares.
2. The purchase consideration was 7.2 Wichford shares for every RIHL share held.
3. RI PLC placed a total of 12 750 000 shares of 7.2 pence each with RIN at a price of 37.0 pence per share of which 939 000 shares were sold out of treasury. The shares were issued at a 2% discount to the closing mid-price on 31 January 2012 of 37.75 pence. The shares were issued pursuant to a call option, between RI PLC and RIN, in order to assist with funding the company's underwriting commitment in connection with a capital raising undertaken by Cromwell. Further details were announced on 1 February 2012.

5. STATEMENT AS TO LISTING ON STOCK EXCHANGE

RI PLC's shares are currently listed on the LSE under the abbreviated name: "Redefine Intl", LSE share code: RDI and ISIN: IM00B8BV8G91, which constitutes its primary listing.

MATERIAL BORROWINGS AND LOANS RECEIVABLE

MATERIAL LOANS PAYABLE BY THE GROUP

The following material loans were made to the company and its subsidiaries as at the last practical date.

1. THE BYRON PLACE FACILITY AGREEMENT

Lender:	Aviva Commercial Finance Limited
Borrower:	Byron Place Seaham Limited
Facility amount:	£16 978 817
Description/purpose:	The facility has been employed to finance in part the acquisition and development of Byron Place Shopping Centre, Seaham, Durham.
Interest rate:	6.44% per annum fixed
Capital repayments:	The borrower must repay £3 098 817 of the facility amount before the maturity date in such instalments and on such dates specified by Aviva from time to time to the borrower.
Maturity date:	18 September 2031
Property:	Byron Place Shopping Centre, Seaham, Durham.
Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a deed of legal charge and deed of assignment with respect to the property referred to above.
Material covenants:	100% income cover requirement ending on 12 September 2013; 105% ending on 12 September 2015 and 110% ending on the maturity date (applicable on an aggregated basis for all of the cross-collateralised Aviva facilities).
Special conditions:	This facility is cross-collateralised with those provided by Aviva Commercial Finance Limited to Birchwood Warrington Limited, Grand Arcade Wigan Limited and West Orchards Coventry Limited.

2. THE COVENTRY FACILITY AGREEMENT

Lender:	Aviva Commercial Finance Limited
Borrower:	West Orchards Coventry Limited
Facility amount:	£29 150 000
Description/purpose:	The facility has been employed to finance in part the acquisition of West Orchards Shopping Centre, Smithford Way, Coventry and 4, 6, 8 and 10 Smithford Way, Coventry.
Interest rate:	6.29% per annum fixed
Capital repayments:	The borrower must repay approximately £6 182 660 of the facility amount before the maturity date in such instalments and on such dates specified by Aviva from time to time to the borrower.
Maturity date:	3 July 2027
Property:	West Orchards Shopping Centre, Smithford Way, Coventry and 4, 6, 8, and 10 Smithford Way, Coventry.
Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a deed of legal charge and deed of assignment with respect to the property referred to above.
Material covenants:	100% income cover requirement ending on 12 September 2013; 105% ending on 12 September 2015 and 110% ending on the maturity date (applicable on an aggregated basis for all of the cross-collateralised Aviva facilities).
Special conditions:	This facility is cross-collateralised with those provided by Aviva Commercial Finance Limited to Birchwood Warrington Limited, Grand Arcade Wigan Limited and Byron Place Seaham Limited.

3. THE WIGAN FACILITY AGREEMENT

Lender:	Aviva Commercial Finance Limited
Borrower:	Grand Arcade Wigan Limited
Facility amount:	£125 000 000 as Facility A and £16 740 169 as Facility B (so a total of £141 740 169)
Description/purpose:	The facility has been employed to finance, in part, the acquisition and development of The Grande Arcade Shopping Centre, 25 and 27 Standishgate, Wigan, 1 and 13 to 25 (odd) Standishgate and land and buildings on the north side of Crompton Street, Wigan.
Interest rate:	5.68% per annum fixed
Capital repayments:	The borrower must repay £24 150 000 of the facility amount dependent on available cash resources before the maturity date in such instalments and on such dates specified by Aviva from time to time to the borrower, in writing, the first instalment being due on the interest payment date following 3 April 2012.

Maturity date:	3 April 2032.
Property:	The Grand Arcade Shopping Centre, Wigan 25 and 27 Standishgate, Wigan 1 and 13 to 25 (odd) Standish Gate and land and buildings on the north side of Crompton Street, Wigan
Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a deed of legal charge and deed of assignment with respect to the property referred to above.
Material covenants:	100% income cover requirement ending on 12 September 2013; 105% ending on 12 September 2015 and 110% ending on the maturity date (applicable on an aggregated basis for all of the cross-collateralised Aviva facilities).
Special conditions:	This facility is cross-collateralised with those provided by Aviva Commercial Finance Limited to Birchwood Warrington Limited, Byron Place Seaham Limited and West Orchards Coventry Limited. There is an intercreditor arrangement in place whereby Facility A referred to above ranks ahead of the loan of £7 000 000 provided by Mezzanine Capital Limited (formerly known as Corovest Mezzanine Capital Limited) which in turn ranks ahead of Facility B referred to above.

4. THE BIRCHWOOD FACILITY AGREEMENT

Lender:	Aviva Commercial Finance Limited
Borrower:	Birchwood Warrington Limited
Facility amount:	£29 150 000
Description/purpose:	The facility has been employed to re-finance in part the existing facility in relation to Birchwood Shopping Centre, Dewhurst Road, Warrington.
Interest rate:	6.10% per annum fixed
Capital repayments:	Birchwood must repay £9 150 000 of the facility amount before the maturity date in such instalments and on such dates specified by Aviva from time to time to Birchwood, in writing, the first instalment being due on the interest payment date following the third anniversary of the date of the facility agreement.
Maturity date:	13 September 2035
Property:	Birchwood Shopping Centre, Dewhurst Road, Warrington.
Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a deed of legal charge and deed of assignment with respect to the property referred to above.
Material covenants:	100% income cover requirement ending on 12 September 2013; 105% ending on 12 September 2015 and 110% ending on the maturity date (applicable on an aggregated basis for all of the cross-collateralised Aviva facilities).
Special conditions:	This facility is cross-collateralised with those provided by Aviva Commercial Finance Limited to Byron Place Seaham Limited, Grand Arcade Wigan Limited and West Orchards Coventry Limited.

5. THE AVIVA CONVERTIBLE FACILITY

As announced on 13 September 2013, the Aviva Convertible facility was settled in full in accordance with its terms by the issue of 36 587 873 new RI PLC shares to Aviva Commercial Finance Limited at an issue price of 41,925 pence per share, which shares were put to Redefine Properties into terms of a put option.

Lender:	Aviva Commercial Finance Limited
Borrower:	Redefine International Holdings Limited
Facility amount:	£13 000 000
Description/purpose:	The purpose of the facility is: for the repayment of certain loans provided by Aviva Commercial Finance Limited to certain of the subsidiaries of RI PLC relating to the Shopping Centre Portfolio; and general working capital purposes.
Interest rate:	6.00% per annum fixed
Capital repayment:	The capital plus rolled up interest is repayable on the date falling three years after the date of the agreement or on any earlier date if there is an event of default.
Maturity date:	13 September 2013
Security:	Whilst there is no security for this loan there is an option agreement in place as set out below.
Special conditions:	The borrower has given certain warranties and undertakings to the lender. In the event that repayment is not made when due the loan will be converted into shares of RI PLC at an agreed price of 50p for each such share (and RI PLC has agreed to issue shares accordingly). The lender may then put those shares to RIN at the same agreed price of 50p per share pursuant to a put option deed dated 1 February 2011. Redefine Properties has guaranteed the obligations of RIN under that put option pursuant to a guarantee and indemnity also dated 1 February 2011.

6. THE HOTELS FACILITY

Lender:	AAreal Bank AG, Wiesbaden
Borrower:	Redefine International Hotel Holdings Limited
Facility amount:	£68 445 000 increased to £76 095 000
Description/purpose:	To fund the acquisition of the hotels set out below
Interest rate:	Margin of 2.45% per annum plus 2.20% per annum fixed rate on original facility and 2.375% per annum on additional facility.
Capital repayment:	Quarterly payments of: Years 1 and 2: £150 000; Years 3, 4 and 5: £375 000 Repayment: The outstanding balance of the facility to be repaid at: expiry of the final maturity date; or upon sale or refinancing of the whole or any part of the properties. Upon disposal of a property a minimum of 110% of the allocated loan amount of that property will be repaid. Upon disposal of a property, the allocated loan amount will be repaid (100%) with the remaining 10% used in reduction of the remaining allocated loan amounts on a <i>pro rata</i> basis.
Maturity date:	26 November 2015
Properties:	Express By Holiday Inn Limehouse, London Express By Holiday Inn Park Royal, London Express By Holiday Inn Royal Docks, London Express By Holiday Inn Southwark, London Holiday Inn Brentford Lock, London
Security:	The borrower has given certain warranties and undertakings to the finance parties and together with its subsidiaries and Redefine Hotel Management Limited as tenant granted to the security trustee a debenture in respect of all of its assets and undertakings. The holders of the shares in the borrower and the tenant have also granted security over such shares to the security trustee. Subordination deeds have also been entered in favour of the finance parties.
Material covenants:	70% loan to value prior to 26 November 2013 and 65% until maturity date. 9.25% yield on debt prior to 26 November 2013 and 10.25% until maturity date. 125% debt service cover.
Hedging arrangements:	The facility is fully hedged at the fixed interest rates stated above.

7. THE ST GEORGES FACILITY

Lender:	Berlin-Hannoverische Hypothekbank AG
Borrower:	St Georges Harrow Limited
Facility amount:	£41 745 000
Description/purpose:	To assist with the acquisition of the St Georges Shopping Centre, Harrow, Middlesex, United Kingdom
Interest rate:	Margin of 2.50% per annum when the loan to value ratio is equal to or exceeds 62.5% and 2.25% per annum at any time the loan to value ratio is less than 62.5% plus LIBOR.
Capital repayment:	On 27 July, 27 October and 27 April each year falling on or after the second anniversary of the 27 April 2011. £115 000 if the loan to value ratio is equal to or less than 62.5% £287 500 if the loan to value ratio exceeds 62.5%
Maturity date:	27 April 2016
Property:	St Georges Shopping Centre, Harrow, Middlesex.
Security:	The borrower has given certain warranties and undertakings to the finance parties and granted to the security trustee a debenture in respect of all of its assets and undertakings (including a first legal mortgage over each property held by it). The holder of the shares in the borrower has also granted security over such shares to the security trustee. Subordination deeds have also been entered in favour of the finance parties.
Material covenants:	70% loan to value ratio; interest cover ratio 130% up to 22 April 2012, 140% up to 22 April 2013 and 150% until maturity.
Hedging arrangements:	The facility is capped at a LIBOR rate of 2.85%.

8. THE GIBSON FACILITY

Lender:	Aviva Commercial Finance Limited (formerly known as Norwich Union Mortgage Finance Limited)
Borrower:	Gibson Property Holdings Limited
Facility amount:	£13 600 000
Description/purpose:	To fund the acquisition of the properties referred to below.
Interest rate:	6.37% per annum fixed

Capital repayments:	The borrower must repay £6 100 000 of the facility amount before the maturity date in such instalments and on such dates specified by the lender from time to time to the borrower.
Maturity date:	11 June 2029
Properties:	Kwik-Fit Portfolio: 7 Quarry Road, KA12 0TE, Scotland 7 Chesser Avenue, EH14 1TB, Scotland Units 1 & 2, 70-90 Dalrymple Street, PA15 1HU, Scotland 27-31 Canal Street, PH2 8LF, Scotland 50 Union Street, ML3 9AA, Scotland 65-67 Main Street, Bridgend, PH2 7HD, Scotland 151 Forton road, PO12 3HB, England 1 Telford Road, G75 0JD, Scotland 2196 Paisley Road West, Cardonald, G52 3SJ, England Bearwood Road, B66 4DP, England Bo'Ness Road, FK3 9BJ, England 244 Henver Road, TR7 3EH, England Swan Street, PE11 1BT, England 123 Causewayend, AB25 3TB, Scotland 40 Milburn Road, IV2 3TR, Scotland 11-43 Hospital Hill, KY11 3AT, Scotland East Road, IV30 1XU, Scotland Watling street, ME7 2YS, England Carmondean Centre, EH54 8PT, Scotland Callander Road, FK1 1XS, Scotland 94 Baillieston Road, Mount Vernon, G32 0TH, Scotland 47-53 Hull Road, HU10 6SP, England Metropolitan Drive, FU3 9JO, England Richmond Walk, Devonport, PL1 4LL, England 180 Washway Road, Sale, Trafford, M33 6RH, England
Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a deed of legal charge and deed of assignment with respect to all English properties owned by it and standard security and assignment of rents with respect to all Scottish properties owned by it.
Material covenants:	None

9. THE NEWINGTON HOUSE FACILITY

Lender:	Allied Irish Banks p.l.c.
Borrower:	Newington House Limited
Facility amount:	£6 699 000
Description/purpose:	To refinance the previous expired facility that was provided in relation to the acquisition of the property referred to below.
Interest rate:	2.5% margin plus 1.54% per annum fixed
Capital repayments:	Quarterly repayments amortising to £6 084 000 on maturity date
Maturity date:	21 September 2013
Property:	239-251 (ODD) Southwark Bridge Road, London, SE1 6NL
Security:	The borrower has given certain warranties and undertakings to the bank and granted to the bank a debenture in respect of all of its assets and undertakings (including a first legal mortgage over each property held by it). The holders of the shares in the borrower have also granted security over such shares to the security trustee. Subordination deeds have also been entered in favour of the bank.
Material covenants:	85% loan to value; 120% interest cover ratio
Hedging arrangements:	The facility is fully hedged at the fixed rate stated above.

10. THE CIREF BERLIN 1 FACILITY

Lender:	ABN AMRO Bank N.V. London Branch
Borrower:	Ciref Berlin 1 Limited and Ciref German Portfolio Limited
Facility amount:	€23 156 550
Description/purpose:	To fund the acquisition of the properties referred to below

Interest rate:	Margin of 1.20% per annum plus 4.611% fixed rate on original facility amount of €10 122 974 and 4.20% fixed rate on original facility amount of €13 033 576.
Capital repayment:	Various percentages per annum of total commitment in four equal instalments.
Maturity date:	1 June 2014
Properties:	Drinkgern, Lidl, Aachen and Bremenworde portfolio's: 144776 Brandenburg, Potsdamerstr 23 24536 Neumunster, Kielerstr 385 52457 Aldenhoven, Blumenstr. 3 63741 Aschaffenburg, Langestr 50 27751 Delmenhorst, Bremerstr 302 74081 Heilbronn-Sonth, Kreuzackerstr 6 25709 Marne,westerstr. 30 24963 Tarp, Wanderuper str 17 45663 Recklinghausen, Marienstr 1 B 51570 Windeck, Gerhard-Hauptmannstr 2-6 48336 Sassenberg, Lappenbrink 53 29525 Uelzen, Hauenriede 1 29525 Uelzen, Hauenriede 17 32257 Bünde, Lübbecker str 74 52078 Aachen, Heusstr 4 27432 Bremervorde, Wesermünder Str. 60
Security:	The borrowers and guarantor have given certain warranties and undertakings to the finance parties and granted a security package to the security agent that includes land charges, security assignments of claims under or in connection with any property acquisition document, any property development and construction agreement, any management agreement, any lease document, certain insurance policies, any hedging arrangement, and certain account pledges. The holders of the shares in the borrowers have also granted security over the shares that they hold in the borrowers to the security agent. Subordination deeds have also been entered in favour of the finance parties.
Material covenants:	Interest cover at least 120%; 90% loan to value.
Hedging arrangements:	The facility is fully hedged at rates specified above.

11. THE MALTHURST FACILITY

Lender:	HSBC Bank plc
Borrower:	Princes Street Investments Limited
Facility amount:	£11 700 000
Description/purpose:	To assist with the acquisition of the Malthurst petrol station portfolio in the United Kingdom
Interest rate:	Margin of 2.5% per annum plus a fixed rate of 1.69% per annum
Maturity date:	30 September 2016
Property:	Malthurst petrol station portfolio: Morpeth Road, Ashington, Northumberland NE63 8PX A64 Eastbound, Tadcaster, North Yorkshire LS24 8EG, England Penistone Road, Sheffield, South Yorkshire S30 4JB, England A40, Eynsham, Oxfordshire OX8 1EN, England Sunderland Road, Gateshead, Tyne & Wear NE10 8HE, England Lawrence Street, York, North Yorkshire YO1 3EB, England Ickneild Street, Birmingham, West Midlands B18 5AU, England Malvern Road, Lower Wick, Worcestershire WR2 4NR, England 272 Meanwood Road, Leeds, West Yorkshire LS7 2JD, England Keighley Road, Bingley, West Yorkshire BD16 2RD, England 147 Torquay Road, Paignton, Devon TQ3 2AG, England London Road, Beaconsfield, Buckinghamshire HP9 1XA, England Yarm Road, Stockton on Tees, Cleveland TS18 3RW, England Nevilles Cross Bank, Stonebridge, County Durham DH1 3RY, England Telegraph Hill, Exeter, Devon EX6 7XX, England Thirsk BY-Pass, Thirsk, North Yorkshire YO7 3HL, England Fornham Road, Bury St Edmonds, Suffolk IP32 6AX, England Durham Road, Birtley, County Durham DH3 2BE, England Warwick Road, Kenilworth, Warwickshire CV8 1FB, England

Security:	The borrower has given certain warranties and undertakings to the lender and granted to the lender a debenture in respect of all of its assets and undertakings (including a first legal mortgage over each property held by it). An intercreditor deed has also been entered in favour of the lender.
Material covenants:	Loan to value of no more than 60%; interest cover ratio at least 150%
Hedging arrangements:	The facility is fully hedged at the fixed rate stated above

12. THE DELTA FACILITY

Lender:	Windermere XI CMBS plc
Borrower:	Wichford Delta Limited
Facility amount:	£81 115 613
Description/purpose:	To assist with the funding of the properties secured by the Delta facility
Interest rate:	Margin of 0.75% plus swap rate of 4.9485%
Capital repayments:	The Delta facility must be reduced to £76 000 000 by 15 October 2013 and £40 000 000 by 15 October 2014
Maturity date:	15 April 2015
Properties:	Barnsley – Cooper House, 59 Peel Street Bristol – Newfoundland Court/Newfoundland St Chelmsford – Wren House Edgbaston – 2 Duchess Place Grays – 2 Derby Street Harrow – Lyon House, Lyon Road Hartlepool – Ward Jackson House Ipswich – St Clare House, Princes Street Leeds – Waterside Court, Kirkstall Road Liverpool – Prudential Buildings, 36 Dale Street Oldham – Tweedale House, Union Street Plymouth – Bretonside, Exeter Street Rochdale – Pilsworth Road, Heywood Sheffield – Kings Court, Hanover Way Smethwick – Trinity House, High Street Wigan – Brocol House King Street Wolverhampton – Molineux House Temple Street
Security:	The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.
Material covenants:	The financial covenants have been waived.
Hedging arrangements:	The facility is fully hedged at the rate specific above. The interest payable under the facility is an effective fixed rate. The relevant interest rate swap has been entered into by the lenders, however the borrower(s) remain liable for any costs or benefits associated with the interest rate swaps.

13. THE ZETA FACILITY

Lender:	Lloyds TSB Bank plc
Borrower:	Wichford Zeta Limited
Facility amount:	£ 38 500 000
Description/purpose:	To assist with the funding of the properties secured by the Zeta facility
Interest rate:	75% of loan amount at 4.06% fixed, balance at 3.25% above three month LIBOR
Capital repayments:	£750 000 per quarter
Maturity date:	12 May 2016
Properties:	Bedford – Woodlands, Manton Lane Bristol – Temple Back Chatham – The Observatory, Brunel Croydon – St Anne House, Wellesley Road Dalkeith – 7/15 Buccleuch Street Edinburgh, Parliament Square Leeds, Park Place Newcastle – Centrallofts Plymouth – West Point and Centre Court, Ebrington Street

	Sparkhill – Haynesfield House, Stoney Lane
	Swindon – Delta 900, Delta Business Park
	Dundee, DSA
	Wigan – DSA
	York – Athena House, Kettlestring Lane, Clifton Moor
	Gillingham
	Newinton Causeway
	Uxbridge – DSA Kier Park
	Waterford – Exchange House
	Weymouth – Westurey House
	Aberdeen – West Tullos Industrial Centre
Security:	The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.
Material covenants:	Loan to value of no more than 55%; interest cover ratio at least 140%.
Hedging arrangements:	The facility is 75% hedged at rates specified above.

14. THE HAGUE FACILITY

Lender:	SNS Property Finance B.V.
Borrower:	Wichford Den Haag B.V.
Facility amount:	€22 000 000
Description/purpose:	To finance the acquisition of Haagse Veste 1, a single property located in the Hague, Netherlands.
Interest rate:	Margin of 2.30% (including 0.5% liquidity surcharge) plus swap rate of 4.885%
Capital repayments:	The Hague facility was non-reducing however the Wichford group has subsequently agreed that for the period from November 2009 to October 2011 this facility will become a reducing loan whereby 0.25% per annum of the initial outstanding balance will be repaid over that period in equal quarterly amounts.
Maturity date:	17 July 2014
Properties:	Haagse Veste 1
Security:	The Hague facility is secured against the property, which is let to the Royal Dutch Government. The property is held by Den Haag BV.
Material covenants:	None
Hedging arrangements:	The facility is fully hedged at rates specified above.

15. THE CORONATION FACILITY

Lender:	Coronation Group Investments Limited
Borrower:	RI PLC
Facility amount:	£20 000 000
Description/purpose:	The purpose of the facility is for general working capital purposes.
Interest rate:	6.00% per annum fixed
Commitment fee:	1.80% per annum on the amount of the available facility
Maturity date:	31 December 2013
Security:	The borrower has given certain warranties and undertakings to the finance parties and together with its subsidiary company, Redefine Cyprus Limited, granted to the security trustee a share charge over the 100 Ordinary Shares of €1 each in Redefine Australian Investments Limited and the shares issued by or in Cromwell, the legal and beneficial title to which is held from time to time, by Redefine Australian Investments Limited.
Material covenants:	The value of the Cromwell shares held by Redefine Australian Investments Limited may not be less than €60 million.

16. THE INVESTEC FACILITY

Lender:	Investec Bank (Australia) Limited
Borrower:	Redefine Australian Investments Limited
Facility amount:	AUD60 000 000
Description/purpose:	To assist with the funding of the investment in Cromwell Property Group and general corporate purposes of the Borrower.
Interest rate:	Margin of 4.00% plus swap rate of 3.30%
Maturity date:	4 March 2016

Security: Units of stapled marketable securities (comprising one share in Cromwell Corporation Limited ACN 001 056 980 and one unit in Cromwell Diversified Property Trust ARSN 102 982 598) subscribed for by the Borrower

Material covenants: Loan to value ration of no more than 40%.

17. THE VBG FACILITY

Lender: DG Hyp

Borrower: RI Menora Ludwigsburg GmbH & Co.KG
RI Menora Bergisch Gladbach GmbH & Co.KG
RI Menora Berlin GmbH & Co.KG
RI Menora Dresden GmbH & Co.KG

Facility amount: €57 000 000

Description/purpose: To assist with the funding of the properties secured by the facility

Interest rate: Margin of 1.72% plus swap rate of 0.915%

Maturity date: 28 September 2017

Properties: Markgrafenstrasse 17/18, 10969 Berlin, Germany
Wiener Platz, 01069 Dresden, Germany
Kolner Strasse 20, 51429 Bergisch Gladbach, Germany
Martin-Luther-Strasse 79, 71636 Ludwigsburg, Germany

Security: The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.

Material covenants: Interest cover ratio at least 130%.

18. THE ALTONA HAMBURG FACILITY

Lender: HSH Nordbank

Borrower: CMC Shopping Centre Altona GmbH

Facility amount: €56 000 000

Description/purpose: To assist with the funding of the property secured by the facility

Interest rate: Margin of 2.20% plus swap rate of 1.48%

Maturity date: 28 February 2020

Properties: Bahnhof Altona Shopping Centre, Hamburg

Security: The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.

Material covenants: Interest cover ratio at least 110% and Loan to value ration of not more than 80%, reducing to 75% after four years.

19. THE CITY ARKADEN INGOLSTADT FACILITY

Lender: Hypothekenbank

Borrower: City Arkaden GmbH & Co. KG

Facility amount: €13 422 928

Description/purpose: To assist with the funding of the property secured by the facility

Interest rate: Margin of 1.15% above three-month Euribor

Maturity date: 1 June 2016

Properties: City Arkaden Shopping Mall, Ingolstadt

Security: The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.

Material covenants: None

20. THE SSC BERLIN FACILITY

Lender:	HSH Nordbank
Borrower:	EKZ Berlin GmbH & Co. KG
Facility amount:	€72 000 000
Description/purpose:	To assist with the funding of the property secured by the facility.
Interest rate:	Margin of 2% plus swap rate of 0.94%
Maturity date:	30 August 2017
Properties:	Schloss-Strassen Shopping Centre, Berlin.
Security:	The borrower(s) have granted security in respect of all their assets and undertakings including (where applicable) a first legal mortgage over each property held by it. The shares in each subsidiary have also been granted as security in favour of the security trustee.
Material covenants:	Interest cover ratio at least 115% and Loan to value ration of not more than 80%, reducing to 75% after three years.

MATERIAL LOANS RECEIVABLE BY THE GROUP

There are no interest and/capital redemption payments in arrears.

No loans were made and no security was furnished by the group to or for the benefit of any director or any manager or any associate of any director or manager of the group.

Details of all loans advanced by the group as at the last practical date are set out in the table below:

Loans receivable from	Date on which loan was advanced	Names and addresses of directors where loans were made to companies	Period of loan plus repayment terms	Current fair value of loan receivable £'000	Nature of security held (if any)	Value of security (if applicable) and method of valuation	If unsecured, reason therefore	Interest rate (%)	Reason for loan being advanced
Corovest Mezzanine Capital Limited	23 Sep 07	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	23 289 990	Investment property	£9 150 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	06 Dec 06	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	1 264 158	Investment property	£1 325 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	06 Dec 06	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	832 597	Investment property	£875 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	27 Apr 07	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	12 230 000	Investment property	£21 550 000 RICS valuation standards ("Red book")	N/A	7.1	Loan to property owning entity
Corovest Mezzanine Capital Limited	13 Sep 10	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	4 968 251	Investment property	£37 000 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	01 Oct 08	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	1 216 171	Investment property	£9 525 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Pearl House Swansea Limited	31 Jul 06	Stephen Carlin, Peter Todd & Martyn Guess, Andrew Rowell (2nd Floor, 30 Charles II Street, London, SW1Y 4AE, England)	Repayable on demand, expectation more than 12 months	74 422	No security	N/A	Inter-company loan	0.0	Working capital financing
Corovest Mezzanine Capital Limited	12 Jul 10	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	1 590 850	Investment property	£14 270 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity

Loans receivable from	Date on which loan was advanced	Names and addresses of directors where loans were made to companies	Period of loan plus repayment terms	Current fair value of loan receivable £'000	Nature of security held (if any)	Value of security (if applicable) and method of valuation	If unsecured, reason therefore	Interest rate (%)	Reason for loan being advanced
Corovest Mezzanine Capital Limited	13 Sep 10	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	9 000 000	Investment property	£29 210 000 RICS valuation standards ("Red book")	N/A	12.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	13 Sep 10	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	1 000 000	Investment property	£17 070 000 RICS valuation standards ("Red book")	N/A	12.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	13 Sep 10	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	7 000 000	Investment property	£76 400 000 RICS valuation standards ("Red book")	N/A	6.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	30 Nov 10/ 01 Jun 11	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	36 561 053	Investment property	£150 200 000 RICS valuation standards ("Red book")	N/A	10.0	Loan to property owning entity
Corovest Mezzanine Capital Limited	27 Apr 11	Pat Mahon & Nicolaas Faure (2nd Floor, 31-33 The Triangle, Ranelagh, Dublin 6 Republic of Ireland)	Loan is rolled every 18 months	16 500 000	Investment property	£57 480 000 RICS valuation standards ("Red book")	N/A	12.5	Loan to property owning entity

SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

RI PLC has obtained SARB exchange control approval for the inward listing of its shares as contemplated in the pre-listing statement.

Set out below is a summary of the South African Exchange Control Regulations relating to the acquisition and holding of shares in RI PLC.

The following summary is intended as a guide only and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional advisor or authorised dealer:

1. SOUTH AFRICAN INDIVIDUALS

South African individuals may acquire shares of foreign entities that are listed on the JSE, such as RI PLC, without restriction. Such shares are on the South African register and are ZAR denominated. Consequently, an acquisition of RI PLC shares by a South African individual will not affect such individual's offshore investment allowance.

South African individuals need not take any administrative action and can instruct their broker to buy and sell RI PLC shares on their behalf as they would with any other listed security on the JSE.

2. SOUTH AFRICAN INSTITUTIONAL INVESTORS

As announced by the Minister of Finance in the 2011 Medium Term Budget Policy Statement, all inward listed shares on the JSE, traded and settled in Rand, are now classified as domestic for the purposes of exchange control. Accordingly, South African retirement funds, long-term insurers, collective investment scheme management companies and investment managers who have registered with the SARB Exchange Control Department as institutional investors for exchange control purposes and Authorised Dealers approved as such by the SARB, may invest in such shares without affecting their permissible foreign portfolio investment allowances or foreign exposure limits.

South African institutional investors may therefore acquire RI PLC shares on the JSE without affecting their foreign portfolio investment allowances or foreign exposure limits.

3. MEMBER BROKERS OF THE JSE

In terms of Section H(E) of the SARB Exchange Control Rulings, a special dispensation was provided to local brokers to facilitate the trading in shares of foreign companies. South African brokers are now allowed, as a book building exercise, to purchase RI PLC shares offshore and to transfer them to RI PLC's South African share register. This special dispensation is confined to shares of inward listed companies and brokers may warehouse such shares for a maximum period of 30 days only.

4. SOUTH AFRICAN CORPORATE ENTITIES, BANKS, TRUSTS AND PARTNERSHIPS

South African corporate entities, banks, trusts and partnerships may subscribe for RI PLC shares on the South African share register, *via* the JSE without restriction. A South African corporate entity or trust need not take any additional administrative actions and can instruct its broker to accept, buy, and sell RI PLC shares on its behalf as it would with any other listed security on the JSE.

5. NON-RESIDENTS OF THE COMMON MONETARY AREA

Non-residents of the common monetary area may acquire RI PLC shares on the JSE provided that payment is received in foreign currency from a SA non-resident account.

Non-residents of the common monetary area may sell RI PLC shares on the JSE and repatriate the proceeds without restriction.

However, former residents of the common monetary area who have emigrated may use blocked funds to acquire RI PLC shares.

6. MOVEMENT OF RI PLC SHARES BETWEEN REGISTERS

RI PLC shares are fully fungible and may be transferred between the South African and UK share registers. Eligible South African shareholders may only acquire RI PLC shares *via* the JSE, which are already on the South African share register maintained by the SA transfer secretaries. Member brokers of the JSE may acquire RI PLC shares on foreign exchanges and transfer them to the South African share register. Non-residents are not subject to the South African Exchange Control Regulations and may freely transfer RI PLC shares between registers.

CORPORATE GOVERNANCE STATEMENT

The UK Corporate Governance Code and King III

RI PLC is an Isle of Man public limited company, with a Premium Listing on the Main Market of the LSE.

As at the last practical date the main shareholder, RIN, held 61.8% of the share capital of RI PLC and is listed on the JSE.

The board had therefore resolved to comply with the provisions of the third King Report on Governance for South Africa 2009 (“**King III**”) and the group assessed the status of its corporate governance framework and processes against the principles of King III.

Assuming that the special resolution proposed in the notice of the RIN general meeting of RIN unitholders to be held on Friday, 18 October 2013 is passed, the JSE will accept that RI PLC will, post listing, primarily comply with the UK Corporate Governance Code (the “**Code**”) as opposed to King III.

Under the Code, the company, which is classified as a smaller company, has substantially complied with the UK corporate governance requirements. Areas of non-compliance for both the Code and King III are set out below.

The directors of RI PLC are wholly committed to high standards of corporate governance, which they consider critical for business performance and for maintaining investor confidence.

The board strives to be effective by maintaining strong leadership and by providing transparency and accountability to the company’s shareholders for the management and control of the company’s activities.

The board of directors and its committees

Board composition

The RI PLC board comprises nine members, of which the chairman and five other directors are considered to be independent.

All the non-executive directors are individuals of calibre and credibility with diverse and considerable experience and the necessary skills to bring judgment to bear on issues of strategy, risk, performance, resources, transformation, diversity and employment equity, standards of conduct and evaluation of performance.

Ita McArdle has been appointed by the board as the senior independent director and is available to shareholders if they have concerns which they have been unable to resolve through the chairman, or for which such contact is inappropriate.

Board independence

Each of the directors has been appraised against the independence criteria as defined in the Code:

Director independence

Greg Clarke (Chairman)	Independent	
Richard Melhuish	Independent	
Mark Taylor	Independent	
Ita McArdle	Independent	
Michael Farrow	Deemed independent	Cross directorship with Michael Watters in RIHL
Stewart Shaw-Taylor	Deemed independent	Resigned as a director of the Investment Adviser on 26th April 2012
Gavin Tipper	Non-independent	Director of RIN, a significant shareholder
Marc Wainer	Non-independent	Director of RIN, a significant shareholder
Michael Watters	Non-independent	Director of RIN, a significant shareholder. Director of RIFM, the investment adviser. Cross directorship with Michael Farrow in RIHL

The board is confident that both Michael Farrow and Stewart Shaw-Taylor can act in an independent manner, conduct independent decision making and will not be hindered by their cross or past directorships whilst performing their duties.

The composition of the board is therefore in compliance with the Code’s recommendations for smaller companies, as it has more than two independent non-executive directors, and the constitution also provides an appropriate balance of power and authority, such that no one individual or block of individuals can dominate the board’s majority decision making.

Board operation

The board is responsible for the continued success of the company and follows a formal schedule of matters covering strategy, risk, performance and ethics.

The company’s strategy, short- and long-term objectives are appraised annually and reviewed against key performance and risk areas.

The board meets at least quarterly and, prior to each meeting, the directors receive up-to-date financial and commercial information in respect of the activities, in particular, quarterly management accounts and schedules of income and outgoings (each with comparisons against budget), schedules of acquisitions and disposals and relevant appraisals (prior board approval being required for large transactions) and cash flow forecasts and details of funding availability.

Board approval is required from the majority of its members for all significant or strategic decisions including major acquisitions, disposals and financing transactions. Other matters are delegated to the committees of the board, which have been established in accordance with King III and the Code, to provide detailed attention to the board's responsibilities and which operate within defined, written terms of reference.

To assist the board in discharging its responsibilities, regular financial and operational reports are provided by the investment adviser. The company secretary advises on updates to regulatory rules and corporate governance matters and any concerns or developments regarding Health and Safety, Bribery and Whistleblowing are reported to the board each quarter and the policies reviewed annually.

The company maintains directors' and officers' liability insurance cover and provides the directors with indemnity. Any circumstances that might give rise to a claim are discussed at each board meeting and reported to the brokers, and the level of indemnity is reviewed before renewal.

Board attendance

The number of meetings of the RI PLC board and its committees held for the year ending 31 August 2012 and individual attendance by directors of RI PLC are set out below.

Director	Board meetings	Audit and Risk meetings	Nomination meetings	Investment meetings
Greg Clarke	5	–	–	–
Michael Watters	5	–	–	–
Ita McArdle	5	–	–	–
Richard Melhuish	5	–	2	–
Mark Taylor	4	2	2	–
Gavin Tipper	5	2	–	–
Michael Farrow	5	2	–	–
Stewart Shaw-Taylor	4	–	2	–
Marc Wainer	4	–	–	–
Philippe de Nicolay	–	–	–	–
Total meetings held	5	2	2	–

Board evaluation

Following the reverse acquisition in 2011, the board reviewed the strategy for the company and subsequently set a number of short-term objectives in order to achieve a stronger capital base from which the company could operate in the long term.

Many of the objectives have been met, significant progress has been made in dealing with the near term maturity of the company's legacy facilities, and the RI PLC capital raising, received strong support from existing shareholders, raising well in excess of the initial target of £100 million.

At the end of its first year, following the reverse acquisition, the board was keen to conduct a rigorous review of its performance and effectiveness and, following an appraisal of the evaluation process, it was proposed that an on-line service be used.

An evaluation was conducted post-year end using the on-line service and the performance of the chairman, the individual directors; the board and the investment adviser were assessed.

Leadership: Each of the directors evaluated the chairman's performance and the senior independent director discussed the results with the chairman. It was considered that the chairman provided clear leadership and set the right tone in meetings which encouraged debate

Strategy: Since his appointment, it was regarded that the chairman has led the board to set clear goals for the company. This is to be further enhanced through the development of a strategic map to ensure that a consistent and clear message is communicated to all shareholders and stakeholders.

Information: Directors requested that meetings become more frequent. The flow of information from the investment adviser is to be improved through the introduction of monthly video conference calls. Furthermore the board will be provided with additional expertise through the increased use of external specialists.

Effectiveness of the board: The chairman assessed each of the directors and discussed any development requirements with them. Subsequently, and with regard to the proposed management internalisation, the composition of the board is to be reviewed to ensure the correct balance of skills is utilised and thus enhance the effectiveness of the board.

Appointment and directors' service contracts

No RI PLC director has a service agreement with the company. Each non-executive director has a letter of appointment, the terms and conditions of which are available for inspection at the company's registered office.

It should be noted that directors are not appointed for a specified term but are appointed for a term which expires when either the director is (i) not re-appointed following retirement in accordance with the articles of association; (ii) removed or vacates office; (iii) resigns or does not offer himself for re-election; or (iv) terminates his/her appointment on three months' notice.

Induction and training

On their appointment to the board new directors are briefed on the ethical conduct expected, activities of the group and its key business and risks, given the latest financial information for the group, the terms of reference of the board and its committees and a list of matters reserved for the board.

The chairman regularly reviews the training and development for each director and encourages the directors to update their skills, knowledge and familiarity with the company to fulfil their roles on the board.

Retirement and re-election

All members of the board are subject to the following re-election provisions:

- The articles of association: which requires one third to offer themselves for re-election, with each director to be re-elected at least once every three years and, if appointed by the board during the first year of service, at the first general meeting after appointment.
- The Code: any member of the board who has served for more than nine years is subject to annual re-election.
- UK Listing Rule 15.2.13A requires that the directors of the investment adviser or directors within the same group, be re-elected annually.

Director's dealings

The company adheres to a strict share dealing code, as prescribed by the model code of the UK Listing Rules, which prohibits dealings in shares by directors, officers and connected persons for a designated period preceding the announcement of its annual and interim financial results, interim distributions or any other period considered price sensitive. Directors are advised of such periods, and dealings in shares by directors are strictly monitored with the necessary RNS announcements being made as required.

No dealing by directors in the company's shares took place during the financial period ending 31 August 2012. However, pursuant to the announcement of the RI PLC capital raising, all directors who were also shareholders irrevocably undertook to acquire their entitlements in respect of an aggregate of 3 184 642 ordinary shares in the company.

Committees

Audit and risk committee

The members of the audit and risk committee (the "committee") are:

Stewart Shaw-Taylor (chairman) – independent non-executive director

Gavin Tipper – non-executive director

Mark Taylor – independent non-executive director

Michael Farrow – independent non-executive director

The company has established an audit and risk committee with formally delegated duties and responsibilities. The board considers that the members of the committee as a whole have sufficient recent and relevant experience to carry out the functions of the committee and more specifically has identified Stewart Shaw-Taylor, Mark Taylor and Gavin Tipper as having such experience.

Stewart Shaw-Taylor replaced Gavin Tipper as chairman of the committee, after Mr Shaw-Taylor resigned from the investment adviser. He is therefore deemed independent, as the board is confident that he will act independently in the performance of his duties as chairman of the committee and will not be hindered by his past directorship.

The committee operates within Terms of Reference, a copy of which can be found on the company's website.

The committee's objective is to provide the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in the discharge of their duties relating to corporate accountability and the associated risk in terms of management, assurance and reporting. The committee is responsible for reviewing and assessing the integrity of the risk control systems and for ensuring that the risk policies and strategies are effectively managed.

The committee normally meets on a quarterly basis, or otherwise as required. Executives and advisers responsible for finance and the external auditors are in attendance. The committee is responsible for ensuring that the group's financial performance is properly monitored, controlled and reported. The committee also meets the auditors and reviews reports from the auditors relating to accounts and internal control systems. The committee will meet at least twice a year with the auditors.

The committee will provide an independent and objective review of the information presented by management on corporate accountability and associated risk, taking account of reports by advisers on financial, business and strategic risk. Risk includes strategic, financial, operational, legal and other risk.

The committee may authorise engaging for non-audit services with the appointed external auditors or any other practising firm of auditors, after consideration of the following:

- the essence of the work to be performed may not be of a nature that any reasonable and informed observer would construe as being detrimental to good corporate governance or in conflict with that normally undertaken by the accountancy profession;
- the nature of the work being performed will not affect the independence of the appointed external auditors in undertaking the normal audit assignments;
- the work being done may not conflict with any requirement of generally accepted accounting practice or principles of good corporate governance;

- the operational structure, internal standards and processes that were adopted by the audit firm in order to ensure that audit independence is maintained in the event that such audit firm is engaged to perform accounting or other non-audit services to its client base. Specifically:
 - the group may not appoint a firm of auditors to improve systems or processes where such firm of auditors will later be required to express a view as to the functionality or effectiveness of such systems or processes;
 - the group may not appoint a firm of auditors to provide services where such firm of auditors will later be required to express a view on the fair representation of information the result of these services to the company;
 - the total fee earned by an audit firm for non-audit services in any financial year of the company, expressed as a percentage of the total fee for audit services, may not exceed 35% without the approval of the board; and
 - a firm of auditors will not be engaged to perform any management functions (e.g. acting as curator) without the express prior approval of the board. A firm of auditors may be engaged to perform operational functions, including that of bookkeeping, when such firm of auditors are not the appointed external auditors of the company and work is being performed under management supervision.

The committee may delegate the approval of the appointment of a firm of auditors for non-audit services to advisers when the cumulative total budgeted cost for an assignment or assignments does not exceed £100,000 from the date of the last report-back on the use of the appointed external auditors or any other practising firm of auditors, to the committee. The investment adviser shall report back on the use of the appointed external auditors or any other practising firm of auditors at meetings of the audit and risk committee.

Information relating to the use of non-audit services from the appointed external auditors of RI PLC shall be disclosed in the notes to the annual financial statements. Separate disclosure of the amounts paid to the appointed external auditors for non-audit services as opposed to audit services, shall be made in the annual financial statements.

There were two RI PLC audit and risk committee meetings during the 2011/2012 financial year prior to the appointment of Stewart Shaw-Taylor as the chairman.

Investment committee

The members of the investment committee are:

Marc Wainer (chairman) – non-executive director

Richard Melhuish – independent non-executive director

Michael Farrow – independent non-executive director

All members of the investment committee have extensive experience and technical expertise in the commercial property industry.

The investment committee will meet when necessary to consider acquisitions, developments and sales of investment properties and acquisitions and disposals of listed property securities. It will review acquisitions, disposals and capital expenditure before recommending proposals to the board for final approval.

The investment committee operates within Terms of Reference, a copy of which can be found on the company's website.

There were no meetings of the investment committee during the year.

Nomination committee

Members of the nomination committee are:

Richard Melhuish (chairman) – independent non-executive director

Greg Clarke – independent non-executive director

Stewart Shaw-Taylor – independent non-executive director

The nomination committee operates within Terms of Reference, a copy of which can be found on the company's website.

During the year ending 31 August 2012 the main role of the nomination committee was the recruitment of a new chairman following the announcement that Philippe de Nicolay wished to retire.

Two meetings were held in order to discuss succession planning and select a new chairman.

Pursuant to the evaluation, the nomination committee will be considering the balance of skills, composition and required succession planning for the board members.

With regards to diversity of the board, members currently comprise eight men and one woman. The company is committed to having an appropriate level of diversity in the boardroom that reflects the nature of the company's operations and which best supports the achievement of the strategic objectives. The committee will consider diversity generally when making future appointments to the board, taking into account relevant skills, experience, knowledge, personality, ethnicity and gender. As vacancies arise the board will seek to extend the current 11% female membership, but its prime responsibility must always be the strength of the board and therefore selection of the best candidate must be its priority.

Remuneration committee

Michael Farrow (chairman) – independent non-executive director

Richard Melhuish – independent non-executive director

Stewart Shaw-Taylor – independent non-executive director

A framework for the remuneration of the company's executives will be required, and in anticipation a remuneration committee was established in January 2013 in order to determine a policy. The remuneration committee will operate within Terms of Reference, which are available on the company's website, and is authorised to obtain advice of independent remuneration consultants to assist it in the performance of its duties.

Shareholder relations

The investment adviser meets regularly with institutional investors to discuss performance and the future strategy of RI PLC.

Following the publication of half-yearly and annual financial statements presentations are made to institutional and major shareholders, brokers and the media. The presentations are also published on the company's website. Feedback from investors is conveyed to the board for consideration and, if appropriate, acted upon.

All shareholders are encouraged to attend the annual general meeting. Notices of meetings are sent to shareholders at least 20 working days in advance and shareholders are given an explanation of each proposed resolution. All directors attend the annual general meeting, where practicable, with the chairman and senior independent director, in particular, being accessible to all shareholders. Enquiries from individual shareholders on matters relating to the business of the company are welcomed and addressed. Proxy votes are disclosed after each resolution has been dealt with by means of a poll and the results of the meeting are announced to the market and published on the company's website.

Announcements are made in accordance with the UK Listing Rules and will be made in accordance with the JSE Listings Requirements. The company's website is regularly updated and contains the annual report, presentation copies and announcements – www.redefineinternational.com.

Financial reporting

The group's annual report includes a detailed review of the business, together with a detailed review of the financial results and financing positions. In this way, and as required by the Code and King III, the board seeks to present a balanced and understandable assessment of the group's position and prospects to all shareholders.

The group has established comprehensive management reporting disciplines which include the preparation of quarterly management accounts, detailed budgets and forecasts. Quarterly results, the financial position and cash flows of operating units are reported against approved budgets and compared to the prior period. Profit and cash flow forecasts are reviewed regularly and working capital levels are monitored on an on-going basis.

Internal control

The board recognises its ultimate responsibility for the group's system of internal control and has appointed an internal auditor. It has established procedures for identifying, evaluating and managing risks to which the group is exposed and has identified risk management controls in the key areas of strategic, financial, operational and legal as areas for review. These procedures have operated throughout the year and up to the date of approval of the annual report. It should, however, be understood that systems of internal control, no matter how carefully designed, operated and supervised, can only provide reasonable and not absolute assurance against material misstatement or loss.

Corporate governance gap summary, the Code and King III

The table below outlines the key areas where RI PLC does not currently comply with the Code or King III.

<p>Code: Non-executives directors should be appointed for specific terms subject to re-election and to statutory provisions relating to the removal of the director.</p>	<p>Directors are not appointed for a specified term but are appointed for a term which expires when either the director is:</p> <ul style="list-style-type: none"> i not re-appointed following retirement in accordance with the articles of association; ii removed or vacates office; iii resigns or does not offer himself for re-election; or iv terminates his appointment on three months' notice.
<p>Code: There should be a division of responsibilities between the chairman and the chief executive.</p> <p>King III: The CEO and director responsible for finance should be appointed to the board.</p>	<p>The board comprises solely non-executive directors.</p> <p>The company's assets are managed by its investment adviser, a director of which is a member of the board.</p>
<p>Code: The audit committee should comprise at least two independent non-executive directors.</p> <p>King III: The audit committee should consist of suitably skilled and experienced independent non-executive directors.</p>	<p>The committee comprises three independent members and one non-independent member. However, Gavin Tipper has considerable financial experience and his presence on the committee is thought to be beneficial to the company.</p>
<p>Code: The board as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place.</p>	<p>Shareholder relations are conducted by the investment adviser, RIPML and all shareholder feedback is reported to the board.</p> <p>2012 shareholder meetings were attended by the chairman, Greg Clarke.</p> <p>All directors attend the annual general meeting, where practicable, with the chairman and senior independent director, in particular, being accessible to all shareholders.</p>

TRADING HISTORY OF RI PLC SHARES ON THE LSE

Period	High (pence)	Low (pence)	Volume	Value (£million)
Quarterly				
2011				
September	53.342	37.851	76 390 000	14.43
December	42.897	35.882	27 300 000	11.05
2012				
March	39.365	36.437	17 860 000	6.71
June	38.355	27.252	29 020 000	9.8
September	35.556	25.385	49 410 000	14.08
December	37.250	29.500	46 260 000	14.98
2013				
March	37.000	33.250	41 800 000	14.79
June	43.263	34.500	42 900 000	16.73
Monthly				
2012				
September	35.556	29.523	13 820 000	4.23
October	32.500	29.500	18 520 000	5.5
November	35.500	31.250	17 480 000	5.93
December	37.250	33.500	10 270 000	3.56
2013				
January	35.500	34.080	17 670 000	6.18
February	37.000	33.250	8 900 000	3.18
March	36.500	34.750	15 230 000	5.43
April	37.250	34.500	8 900 000	3.18
May	43.263	36.250	27 010 000	10.73
June	43.263	39.250	6 980 000	2.82
July	42.500	39.250	16 790 000	6.77
August	45.750	41.500	14 843 615	6.50
Daily				
2013				
11 July	40.920	39.500	680 667	1.41
12 July	41.000	40.000	179 972	0.07
15 July	40.620	40.000	181 841	0.07
16 July	40.750	40.500	151 338	0.10
17 July	40.715	40.250	105 552	0.04
18 July	42.500	41.215	1 025 922	0.64
19 July	42.310	42.020	144 942	0.06
22 July	41.905	41.500	35 840	0.01
23 July	42.000	41.000	255 178	0.11
24 July	42.040	41.000	226 028	0.09
25 July	41.917	41.750	259 920	0.11
26 July	42.250	41.750	139 136	0.06
29 July	42.250	41.840	25 871	0.01
30 July	42.000	41.000	526 321	0.41
31 July	41.900	41.180	269 162	0.11
1 August	42.000	41.500	35 297	0.01
2 August	42.500	41.500	323 947	0.14
5 August	43.500	42.400	552 379	0.24
6 August	44.750	43.300	682 435	0.30
7 August	44.500	44.000	403 137	0.26

Period	High (pence)	Low (pence)	Volume	Value (£million)
Daily (continued)				
8 August	44.380	44.000	69 551	0.03
9 August	44.475	44.000	224 888	0.10
12 August	44.750	43.750	53 133	0.02
13 August	44.658	44.250	92 620	0.04
14 August	45.750	44.500	878 977	0.39
15 August	45.500	44.000	39 076	0.02
16 August	44.950	44.310	82 095	0.17
19 August	45.000	44.120	375 372	0.25
20 August	44.625	43.250	584 649	0.32
21 August	44.581	43.750	86 234	0.38
22 August	44.055	43.408	172 324	0.07
23 August	43.750	43.180	1 674 949	0.91
2 September	43.750	42.000	1 389 946	1.94
3 September	43.750	43.290	1 824 178	2.60
4 September	43.750	43.000	13 036 000	5.67
5 September	43.750	43.000	1 337 762	1.10
6 September	44.000	43.500	1 358 140	0.59
9 September	44.353	43.250	3 599 423	3.52
10 September	43.884	43.250	26 992	0.01
11 September	43.500	43.250	75 005	0.03
12 September	43.500	43.125	587 995	0.26
13 September	43.723	42.720	143 208	0.06