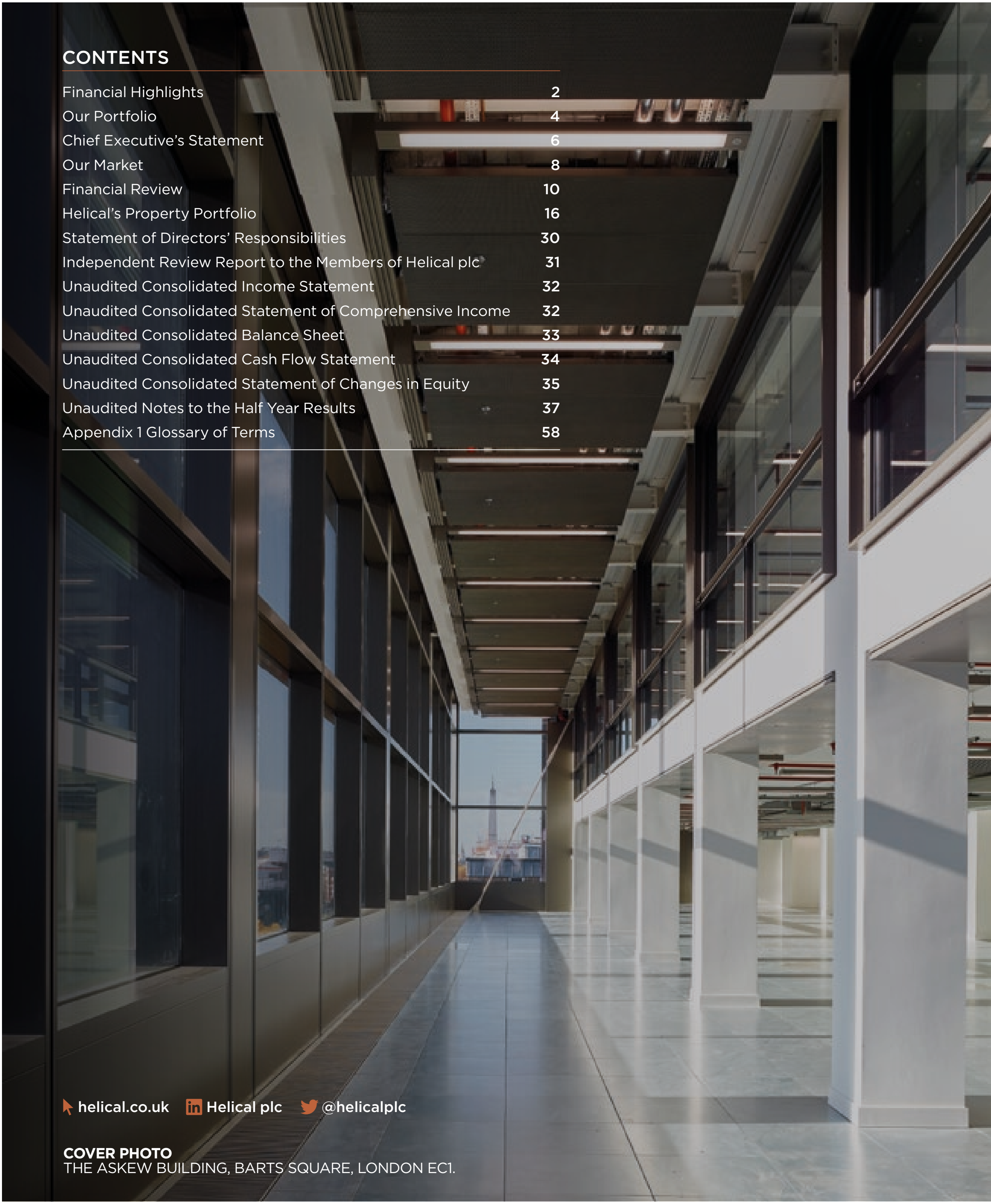
HELICAL

HELICAL PLC
HALF YEAR RESULTS

for the six months to 30 September 2018



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COVER PHOTO
THE ASKEW BUILDING, BARTS SQUARE, LONDON EC1.

Our portfolio is a select showcase for London and Manchester.

We create buildings for today's occupiers who demand more inspiring space with distinctive architectural detail, carefully curated public realm, market leading amenities, high quality management and our flexible approach to leasing.

Applying this philosophy we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity as we continue to drive the future vision of Helical.

POSITIONED FOR FURTHER GROWTH

The financial year to date has seen Helical make significant progress on three main fronts: development completions, letting activity and balance sheet strength.

Our transformed and more focused portfolio combined with low gearing provide the Company with capacity for new projects. As a consequence, Helical is well positioned for further growth through driving returns from our current portfolio and by sourcing new projects.

EPRA NET ASSET VALUE PER SHARE

471p

31 March 2018 468p

EPRA TRIPLE NET ASSET VALUE PER SHARE

460p

31 March 2018 448p

NET ASSET VALUE

£552.6m

31 March 2018 £533.9m

IFRS PROFIT BEFORE TAX

£29.1m

2017 £1.2m

IFRS BASIC EARNINGS PER SHARE

21.8p

2017 0.3p

INTERIM DIVIDEND DECLARED PER SHARE

2.60p

2017 2.50p

SEE-THROUGH TOTAL PROPERTY RETURN

£43.2m

2017 £15.4m

SEE-THROUGH PORTFOLIO VALUE[4]

£837.6m

31 March 2018 £909.6m

SEE-THROUGH LOAN TO VALUE[6]

41.4%

31 March 2018 39.9%

SEE-THROUGH INCOME STATEMENT[1]

	Half Year to 30 September 2018 £m	Half Year to 30 September 2017 £m	Year to 31 March 2018 £m
Net rental income	**11.7**	17.9	36.1
Development property losses	**(2.1)**	(8.2)	(8.0)
Gain on revaluation of Investment properties	**32.5**	4.5	27.2
Gain on sale of Investment properties	**1.1**	1.2	13.5
Total property return	**43.2**	15.4	68.8
IFRS Profit before tax	**29.1**	1.2	30.8
EPRA loss	**(5.5)**	(6.9)	(8.3)

EARNINGS PER SHARE AND DIVIDENDS

	Pence	Pence	Pence
Basic earnings per share[2]	**21.8**	0.3	22.3
Diluted earnings per share[2]	**21.6**	0.3	22.1
EPRA loss per share[2]	**(4.6)**	(5.9)	(7.0)
Dividends per share paid in period	**7.00**	6.20	8.70
Dividends per share declared for period	**2.60**	2.50	9.50

SEE-THROUGH BALANCE SHEET[3]

	Proforma[4] at 30 September 2018 £m	**At 30 September 2018 £m**	At 30 September 2017 £m	At 31 March 2018 £m
See-through property portfolio	**837.6**	**962.8**	1,210.8	909.6
See-through net borrowings	**247.6**	**398.6**	619.4	362.9
Net assets	**552.6**	**552.6**	510.2	533.9
EPRA net asset value per share[5]	**471p**	**471p**	465p	468p
See-through loan to value[6]	**29.6%**	**41.4%**	51.2%	39.9%
See-through net gearing[7]	**45%**	**72%**	121%	68%
Weighted average cost of debt	**4.3%**	**4.3%**	4.3%	4.3%
Weighted average debt maturity	**2.6 years**	**2.6 years**	3.0 years	3.0 years

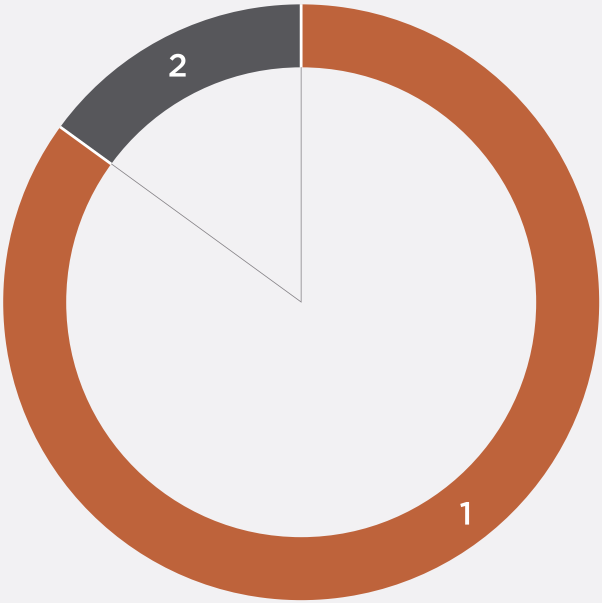
Notes

1. Includes Group's share of income and gains of its subsidiaries and joint ventures. See Note 25.
2. Calculated in accordance with IAS 33 and guidance issued by the European Public Real Estate Association ("EPRA"). EPRA loss per share excludes the net gain on sale and revaluation of the investment portfolio of £33.6m (2017: £5.7m) but includes development losses of £2.1m (2017: £8.2m). See Note 11.
3. Includes the Group's share of assets and liabilities of its subsidiaries and joint ventures. See Note 25.
4. Pro-forma reflects the Group's share of assets and liabilities at 30 September 2018, adjusted for £125.2m of sales completed in October 2018 and the receipt of £25.8m of deferred consideration from the sale of the retirement villages, received in November 2018. See Note 29.
5. The EPRA net asset value per share and EPRA triple net asset value per share have been calculated in accordance with guidance issued by the European Public Real Estate Association ("EPRA"). They exclude the surplus of trading and development properties above book value of £1.4m (31 March 2018: £2.3m) and the fair value surplus of derivative financial instruments and the Convertible Bond. See Note 23.
6. See-through loan to value is the ratio of see-through net borrowings to see-through property portfolio. See Note 26.
7. See-through net gearing is the ratio of see-through net borrowings to net assets. See Note 26.

Other terms used are defined in the Glossary of Terms at Appendix 1.

PORTFOLIO OVERVIEW

Helical divides its property activities into two core markets: London and Manchester offices. Following the sale of The Shepherds Building, the last three non-core investment assets and the acquisition of a new office building in Manchester, London represents 85% and Manchester 15% of the total property portfolio.



PORTFOLIO AT 30 SEPTEMBER 2018

1	LONDON	85%
2	MANCHESTER	15%

Excludes Investment Property Held for Sale.

KEY ACQUISITIONS

Fourways House, Manchester, a 59,067 sq ft Grade 2 listed office, was acquired for £16.5m.

KEY DISPOSALS

The Shepherds Building, London W14, was sold after the period end for £125.2m.

Three remaining non-core investment assets at Sevenoaks, Reading and Glasgow were sold for £28.5m.

SIGNIFICANT **PROGRESS MADE**

OVERVIEW

The financial year to date has seen Helical make significant progress on three main fronts: development completions, letting activity and balance sheet strength. First, we have achieved practical completion on two of our largest London developments at The Tower, EC1 and the first phase of the residential at Barts Square, EC1. We expect to complete construction works at the office scheme at One Bartholomew, EC1 by early December. This will leave just two major projects under construction, being the second, and final, phase of the residential at Barts Square, EC1 and the office development at Farringdon East, EC1, both due to complete by Q4 2019. Secondly, we have made good progress in letting space at our major projects with 226,090 sq ft of office space let in London since 1 April 2018 and 27,819 sq ft let in Manchester over the same period. Finally, sale proceeds of £155m from the disposal of investment properties have reduced the Group's net borrowings, significantly enhancing our firepower.

RESULTS FOR THE HALF YEAR

The profit before tax for the half year to 30 September 2018 was £29.1m (2017: £1.2m) with a Total Property Return of £43.2m (2017: £15.4m). The reduction in net rents to £11.7m (2017: £17.9m) reflects the sale of £276m of investment assets over the preceding 12 months. Developments contributed profits of £4.1m (2017: £3.3m) before provisions of £6.2m (2017: £11.5m). The gain on sale and revaluation of the investment portfolio contributed £33.6m (2017: £5.7m).

Total see-through finance costs were £8.4m (2017: £14.1m), offset by interest receivable of £1.0m (2017: £1.2m) to give net finance costs of £7.4m (2017: £12.9m). An increase in expected future interest rates led to a credit from the valuation of the Group's derivative financial instruments of £0.3m (2017: £2.9m). The valuation of the Group's Convertible Bond gave rise to a credit of £1.0m (2017: charge of £0.1m). Recurring administration costs were £5.6m (2017: £5.6m) and the provision for performance related remuneration, including associated NIC, was £2.3m (2017: £0.5m).

The sale of The Shepherds Building for £125.2m, which exchanged on 13 September and completed on 5 October, has crystallised the payment of a tax liability which had previously been provided for through deferred tax. As a consequence, a corporation tax charge of £11.2m (2017: £nil) has been recognised in the Half Year Results, offset by a reduction in the Group's deferred tax provision of £8.0m. A net tax charge of £3.2m (2017: £0.8m) has been provided for.

The profit for the period, after recognition of this tax charge, was £25.9m (2017: £0.4m) and this strong performance allows the Board to declare an Interim Dividend of 2.60p (2017: 2.50p), an increase of 4.0%.

FINANCE

Since the start of the financial year, the Group has sold £155m of investment properties (including the sale of The Shepherds Building) and £35m of development stock. These sales, net of investment in the portfolio of £89m, were used to reduce pro–forma net borrowings to £248m, and our see–through loan to value ratio from 39.9% at 31 March 2018, to a pro–forma 29.6%. Our see–through net gearing, the ratio of net borrowings to the net asset value of the Group, has fallen from 68% to a pro–forma 45%.

During the period under review, the average debt maturity reduced to 2.6 years (31 March 2018: 3.0 years) as two of our largest bank facilities, financing The Bower and Barts Square, approach their repayment dates in Q4 2019. Since the period end, the banks have agreed to extend these facilities by 20 months and 24 months respectively. Our £100m Convertible Bond is due for repayment in June 2019 and the Group has allocated funds to facilitate this repayment. The Group has a significant level of liquidity and, in addition to the £100m for the Convertible Bond, has £309m of cash and unutilised bank facilities (on a pro–forma basis), following the sale of The Shepherds Building and the receipt of the deferred consideration from the sale of the retirement village portfolio last year. The cash and bank facilities are available to fund capital works on the portfolio and future acquisitions.

COMPANY CULTURE

Helical has a small team of 30 employees and our culture is vitally important to us to ensure that we can attract, retain and motivate staff to achieve their personal and business goals. I am delighted that half the office, 15 people, successfully took on the challenge of climbing Mount Toubkal in Morocco, North Africa's highest peak at 4,187 metres, at the end of September, raising over £146,000 to be divided equally between two charities, LandAid and The Lord Mayor's Appeal.

BOARD APPOINTMENT

During the period we appointed Joe Lister as an independent Non–Executive Director of the Board and a member of the Audit and Risk, Nominations and Remuneration Committees. Joe is the Chief Financial Officer and an Executive Director of Unite Group plc and I welcome him to the Board.

OUTLOOK

In reporting on our half year results to 30 September 2018, we are doing so at a time of heightened uncertainty surrounding the terms of the UK's exit from the European Union and in the face of numerous potential headwinds in Europe and further afield. We believe that this uncertainty may provide opportunities for those with operational and financial capacity, as well as proven experience. Furthermore, and notwithstanding these potential headwinds, we believe that London will remain the best source of potential capital gains and development profits in the medium and long term, whilst we continue to view Manchester as the most dynamic regional city in the UK, with significant potential.
Our transformed and more focused portfolio combined with low gearing provide the Company with capacity for new projects. As a consequence, Helical is well positioned for further growth through driving returns from our current portfolio and by sourcing new projects.

GERALD KAYE
Chief Executive
21 November 2018

Helical's core business is developing and owning dynamic, well located office space in London and Manchester. With intelligent stock selection, we aim to maximise returns by development and refurbishment as well as through significant asset management initiatives.

LONDON

In our judgement, the London commercial property market continues to provide the best source of capital profits and we expect this to remain the case for the foreseeable future, notwithstanding the risks associated with the UK's exit from the European Union or other potential risks.

In order for Helical to generate capital profits, the Company needs to identify those areas where it believes tenant demand is, or will become, strong and to source opportunities in those areas at an appropriate entry price. Equally important, we need to provide a working environment suited to the needs of our customers, the tenants. Using the skills, knowledge and expertise gained over many years, the Helical team aims to deliver attractive and exciting office space in our identified locations. In a low growth environment, stock selection needs to reflect the granular characteristics that will attract our target market.

Helical has based its investment decisions in London on three continuing major developments in the office market. First, the growth of the London population; second, the continuing and rapid expansion of the creative industries (predominantly in technology and media); and third, the migration of occupiers across Central London to the City and East London. A fast-growing market in flexible leasing should be added to this.

London's population reached 8.8 million in 2017 and is forecast to continue growing towards 10 million by 2030. Whilst this growth will present challenges to London, particularly in terms of its infrastructure, the opening of the Elizabeth Line at the end of 2019 will assist in alleviating these problems. Our properties in the City and Tech Belt are all in locations that will benefit from this new rail link.

The UK is a global leader in the creative industries and we have targeted these industries with our portfolio. In London, companies involved in media, advertising and marketing, technology and other creative industries comprised 59% of our new lettings in the period (31 March 2018: 59%).

The third factor influencing our choice of location for our portfolio is the migration of occupiers across Central London to the City and East London. The desire to be part of creative hubs, surrounded by like-minded individuals, located a short travelling distance from home are common themes in discussing requirements with tenants. Most obviously, those hubs are in the Tech Belt from King's Cross to Whitechapel.

Finally, the growth of flexible leasing is having a profound effect on the commercial office letting market in London and is beginning to spread to regional cities. At Helical we seek early and continued engagement with tenants and look to develop long standing relationships with them. By offering flexible leases on our multi-let assets, which allow them to occupy space commensurate with their requirements, we target long-term retention of our customers.

In London, Helical has been building up a portfolio of multi-tenanted office buildings in the Tech Belt locations of Farringdon, the Old Street roundabout and Whitechapel, and also in West London. By owning these "clusters" or "villages" of office buildings the Company now has a portfolio of assets with multiple lease events leading to ongoing asset management opportunities with the potential to lock in rental growth.

The Company is also seeking to expand its portfolio by taking on additional schemes in Central London either on its own balance sheet, or in the case of larger projects, by co-investment or by forward selling/funding them, to allow for the generation of profit shares but with reduced balance sheet exposure.

MANCHESTER

We believe Manchester presents an attractive opportunity for us outside of London given its strong economic and employment growth record and future forecasts. High graduate retention rates demonstrate its appeal to Generation Y and it is rapidly becoming known as the second tech city behind London with more take-up from the TMT sector than any other.

Manchester has seen rapid growth and change over the past 20 years and this is forecast to continue. From 2002 to 2015, Manchester city centre experienced a population growth of 149%, the largest increase of any regional city. As the population has increased so has the growth of jobs, giving companies access to a deep and highly skilled talent pool in a cost-effective location for both the employer and the employee.

Annual office take-up is consistently in excess of 1m sq ft, with high profile new occupiers coming to the city on a frequent basis, and Manchester is now the leading UK creative location outside London by some margin. This has resulted in the city offering high quality office buildings and a diverse occupier base, leading to significant international and institutional investment over the past few years.

In Manchester we now have five assets, following the acquisition of Fourways House during the period. Our buildings, located across the city centre, have proven to be attractive to Manchester occupiers. Each building is specific in its offering, location, size and rental tone, with the opportunity for Helical to apply the skills, knowledge and property expertise gained over many years in London. Once complete, the portfolio of multi-tenanted office buildings will provide Helical with a resilient income stream outside of London.

LOOKING FORWARD

Our ambition is to have a balanced portfolio that generates sufficient net rental income to exceed all of our recurring costs and provide a surplus significantly greater than our annual dividend to Shareholders. We have an ERV on the portfolio, following the sale of The Shepherds Building, of £53.4m and expect to generate this surplus once all of our current development and asset management activities are complete. We are also seeking a pipeline of opportunities to grow the balance sheet through the creation of development profits and capital surpluses.

Helical aims to deliver market leading returns by investing in, and developing, real estate that best serves the needs of its tenants and maximises value for its Shareholders.

IFRS PERFORMANCE

PROFIT BEFORE TAX

£29.1m

(2017: £1.2m)

IFRS EPS

21.8p

(2017: 0.3p)

IFRS DILUTED NAV

459p

(31 March 2018: 445p)

EPRA PERFORMANCE

EPRA EPS

(4.6)p

(2017: loss of 5.9p)

EPRA NAV

471p

(31 March 2018: 468p)

EPRA TRIPLE NAV

460p

(31 March 2018: 448p)

TOTAL ACCOUNTING RETURN

The Total Accounting Return is the growth in the net asset value of the company plus dividends paid in the period, expressed as a percentage of the net asset value at the beginning of the period. The metric measures the growth in Shareholders' Funds each period and is expressed as an absolute measure.

	Half Year to 2019 %	Year to 2018 %	Year to 2017 %	Year to 2016 %	Year to 2015 %	Year to 2014 %
Total Accounting Return	**5.1**	5.3	8.3	22.5	21.1	36.8

TOTAL PROPERTY RETURN

We calculate our see-through Total Property Return to enable us to assess the aggregate of income and capital profits made each period from our property activities. Our business is primarily aimed at producing surpluses in the value of our assets through asset management and development, with the income side of the business seeking to cover our annual administration and finance costs.

	Half Year to 2019 £m	Year to 2018 £m	Year to 2017 £m	Year to 2016 £m	Year to 2015 £m	Year to 2014 £m
Total Property Return	**43.2**	68.8	79.9	164.6	155.3	140.1

EARNINGS PER SHARE

The IFRS earnings per share is based on the after tax earnings attributable to ordinary Shareholders divided by the weighted average number of shares in issue during the period. For the six months to 30 September 2018 IFRS earnings per share was 21.8p (2017: 0.3p). On the EPRA basis, which excludes gains on the sale and revaluation of properties, the loss per share was 4.6p (2017: 5.9p).

NET ASSET VALUE PER SHARE

IFRS diluted net asset value per share is a measure of Shareholders' Funds divided by the number of shares in issue at the period end, adjusted to allow for the effect of all dilutive share awards. At 30 September 2018 it was 459p (31 March 2018: 445p). On an EPRA basis, which adds back the fair value of financial instruments and the Convertible Bond, the property related deferred tax creditor, and reflects the fair value of trading and development properties, the net asset value per share increased by 0.6% to 471p (31 March 2018: 468p). EPRA triple net asset value per share increased by 2.7% to 460p (31 March 2018: 448p).

INCOME STATEMENT

RENTAL INCOME AND PROPERTY OVERHEADS

Gross rental income receivable by the Group in respect of wholly owned properties reduced by 33.2% to £13.5m (2017: £20.2m), reflecting the sale of £276m of investment assets, with contracted rents of £17.9m since 30 September 2017, offset by the partial capture of the portfolio's reversionary potential. In the joint ventures, gross rents increased from £nil to £0.4m. Property overheads decreased from £2.3m to £2.2m leaving the see-through net rents reduced by 34.6% to £11.7m (2017: £17.9m).

DEVELOPMENT PROFITS/LOSSES

Development profits in the half year include a £0.7m development management fee at Barts Square, London EC1, and a net promote fee of £3.3m from One Creechurch Place, London EC3, offset by provisions of £1.9m made against our retail development programme, contributing to a net development profit of £1.7m (2017: loss of £9.5m).

SHARE OF RESULTS OF JOINT VENTURES

In our joint ventures, we recognised a profit on the sale of the site at Hammersmith Town Hall of £2.2m and an investment valuation uplift of £1.1m. However, an assessment of the book value of our developments and future costs at Barts Square, London EC1 resulted in provisions of £4.3m and an accrual for future costs of £1.2m. Offsetting these losses against the profits, the joint ventures contributed a net loss of £3.9m (2017: profit of £3.4m).

GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES

During the six months we sold three non-core assets for a combined £28.5m. Net of costs, these sales contributed a profit of £1.1m (2017: £1.2m). Subsequent to the half year end we have sold our investment asset, The Shepherds Building, for £125.2m, a 12.3% premium to its 31 March 2018 book value. The revaluation surplus for the period, including the uplift on The Shepherds Building and related sales costs, net of leasing incentives was £31.4m (2017: £2.1m), with £31.0m from London offices and £0.4m from Manchester offices.

ADMINISTRATION COSTS

Administration costs, before performance-related awards, remained at £5.6m (2017: £5.6m). Including share awards and associated NIC of £2.3m (2017: £0.5m), total administration costs increased to £7.9m (2017: £6.1m).

FINANCE COSTS, FINANCE INCOME AND DERIVATIVE FINANCIAL INSTRUMENTS

Interest payable on secured bank loans on a see-through basis, but before capitalised interest was £8.7m (2017: £13.1m). Interest payable in respect of the unsecured bonds was £2.0m (2017: £4.4m). Capitalised interest reduced to £2.3m (2017: £3.4m). Total see-through finance costs were £8.4m (2017: £14.1m). Finance income earned was £1.0m (2017: £1.2m), reducing see-through net finance costs by 43% to £7.4m (2017: £12.9m). The movement in medium-term and long-term interest rate projections during the period contributed to a credit on the mark-to-market value of the Group's derivative financial instruments of £0.3m (2017: £2.9m).

TAXATION

Helical pays corporation tax on its net rental income, trading and development profits and realised chargeable gains, after offsetting administration, finance costs and any available tax losses.

As an unconditional contract for the sale of The Shepherds Building, London W14 was exchanged on 13 September 2018, the deemed disposal date for corporation tax purposes was in the half year to September 2018. As a consequence, the full corporation tax liability in respect of the chargeable gain arising on the sale has been recognised in the period. The deferred tax liability previously recognised in respect of unrealised gains on The Shepherds Building has been reversed in the period.

The deferred tax credit for the half year is principally derived from the unwinding of previously recognised revaluation surpluses on sold properties offset by the utilisation of previously recognised tax losses.

DIVIDENDS

The Board has approved the payment of an interim dividend of 2.60p per share (2017: 2.50p), an increase of 4.0%. This interim dividend will be paid on 31 December 2018 to Shareholders on the share register on 30 November 2018.

BALANCE SHEET

SHAREHOLDERS' FUNDS

Shareholders' Funds at 1 April 2018 were £533.9m. The Group's results for the six months added £25.9m, net of tax, representing the total comprehensive income for the period. Movements in reserves arising from the Group's share schemes increased funds by £1.1m. The Company paid dividends to Shareholders amounting to £8.3m leaving a net increase in Shareholders' Funds from the Group's activities during the half year of £18.7m to £552.6m.

INVESTMENT PORTFOLIO

	Wholly owned £000	In joint venture £000	See-through £000	Head leases capitalised £000	Lease incentives £000	Sales* fees £000	Book value £000
Valuation at 31 March 2018	802,134	22,623	824,757	2,189	(12,375)	–	814,571
Acquisitions	30,566	–	30,566	–	–	–	30,566
Capital expenditure	41,474	723	42,197	–	–	–	42,197
Disposals	(27,944)	–	(27,944)	–	1,475	–	(26,469)
Transfer to Investment property held for sale	(125,200)	–	(125,200)	–	–	–	(125,200)
Revaluation surplus							
Helical	33,470	1,081	34,551	–	(689)	(1,346)	32,516
Profit Share Partners	(250)	–	(250)	–	–	–	(250)
Valuation at 30 September 2018	**754,250**	**24,427**	**778,677**	**2,189**	**(11,589)**	**(1,346)**	**767,931**

* Sale fees accrued in connection with the sale of The Shepherds Building.

Disclosed as:							
Investment properties	744,850	24,427	769,277	–	–	–	769,277
In Trade and other receivables	–	–	–	–	11,589	–	11,589
In Trade and other payables	–	–	–	(2,189)	–	–	(2,189)
Total Investment properties	**744,850**	**24,427**	**769,277**	**(2,189)**	**11,589**	**–**	**778,677**
Investment property held for sale	125,200	–	125,200	–	–	–	125,200
See-through Investment portfolio	**870,050**	**24,427**	**894,477**	**(2,189)**	**11,589**	**–**	**903,877**

DEBT AND FINANCIAL RISK

See-through debt at 30 September 2018 of £484.3m (31 March 2018: £470.7m) had a weighted average maturity of 2.6 years (31 March 2018: 3.0 years) and a weighted average interest cost of 4.3% (31 March 2018: 4.3%).

Debt Profile at 30 September 2018 – Excluding the Effect of Arrangement Fees

	Total facility £000	Total utilised £000	Available facility £000	Net LTV %	Weighted average interest rate %	Weighted average interest rate fully utilised %	Average maturity Years
Investment facilities	474,000	325,288	148,712	–	4.2	3.5	3.3
Development facilities	50,400	11,692	38,708	–	8.8[1]	4.2	4.9
Total wholly owned	**524,400**	**336,980**	**187,420**	**–**	**4.4**	**3.6**	**3.3**
In joint ventures	58,035	46,980	11,055	–	3.9	3.9	1.2
Total secured debt	**582,435**	**383,960**	**198,475**	**–**	**4.4**	**3.6**	**3.1**
Convertible Bond	100,000	100,000	–	–	4.0	4.0	0.7
Working capital	10,000	–	10,000	–	–	–	–
Fair value of Convertible Bond	–	375	–	–	–	–	–
Total unsecured debt	**110,000**	**100,375**	**10,000**	**–**	**4.0**	**4.0**	**0.7**
Total see-through debt	**692,435**	**484,335**	**208,475**	**41%**	**4.3**	**3.7**	**2.6**

[1] This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 4.2%.

SECURED DEBT

The Group arranges its secured investment and development facilities to suit its business needs as follows:

Investment Facilities

We have £150m of revolving credit facilities which enable the Group to acquire, refurbish, reposition and hold significant parts of our investment portfolio. Our London investment assets are primarily secured in £324m of loan facilities. Of the total of £474m of investment facilities, we have £149m available to fund the remaining capital expenditure at The Tower, London EC1 and finance any new acquisitions. The average maturity of the Group's investment facilities at 30 September 2018 was 3.3 years with a weighted average interest rate of 4.2%.

Development Facilities

This facility finances the over-station development at the Farringdon East Elizabeth Line station. The maturity of the Group's development facility at 30 September 2018 was 4.9 years with a weighted average interest rate of 8.8%. Excluding the impact of commitment fees, the weighted average interest rate of this facility is 4.2%.

Joint Venture Facilities

We hold a number of investment and development properties in joint venture with third parties and include in our reported figures our share, in proportion to our economic interest, of the debt associated with each asset. The average maturity of the Group's share of bank facilities in joint ventures at 30 September 2018 was 1.2 years with a weighted average interest rate of 3.9%. Subsequent to the period end, the bank has agreed to extend the repayment date by 24 months, increasing the average maturity of the facilities from 1.2 years to 3.3 years.

UNSECURED DEBT

The Group's unsecured debt, now just reflecting the Convertible Bond at its mark-to-market valuation, is £100.4m (31 March 2018: £101.3m) as follows:

Convertible Bond

In June 2014, the Group raised £100m from the issue of a listed unsecured Convertible Bond with a 4.0% coupon, repayable in June 2019, or, subject to certain conditions, convertible at the option of the bond holders into ordinary shares, unless a cash settlement option is exercised by the Company. The initial conversion price has been set at £4.9694 per share, representing a 35% premium above the price on the day of the issue and a premium of 59% above the Company's EPRA net asset value per share at 31 March 2014. The value of the Bond at 30 September 2018, as determined by the listed market price, was £100.4m and this has been disclosed as a current liability.

Short-term Working Capital Facilities

These facilities provide access to additional working capital for the Group.

CASH AND CASH FLOW

At 30 September 2018, the Group had £289m (31 March 2018: £277m) of cash and agreed, undrawn, committed bank facilities including its share in joint ventures, as well as £49m (31 March 2018: £105m) of uncharged property on which it could borrow funds.

NET BORROWINGS AND GEARING

See-through gross borrowings of the Group have increased from £470.7m to £484.3m during the six months to 30 September 2018. After deducting cash balances of £80.7m and unamortised refinancing costs of £5.0m, net borrowings were £398.6m (31 March 2018: £362.9m). The see-through gearing of the Group was 72% (31 March 2018: 68%). Following the completion of the sale of The Shepherds Building for £125.2m, on 5 October 2018, and the receipt, on 13 November 2018, of the £25.8m of deferred consideration from the sale of the retirement village portfolio in November 2017, the pro-forma see-through net borrowings were £247.6m and the see-through net gearing was 45%.

	Pro-forma 30 September 2018	30 September 2018	31 March 2018
See-through gross borrowings	**£484.3m**	**£484.3m**	£470.7m
See-through cash balances	**£231.7m**	**£80.7m**	£103.7m
Unamortised refinancing costs	**£5.0m**	**£5.0m**	£4.1m
See-through net borrowings	**£247.6m**	**£398.6m**	£362.9m
Shareholders' Funds	**£552.6m**	**£552.6m**	£533.9m
See-through net gearing	**45%**	**72%**	68%

HEDGING

At 30 September 2018, the Group had £342.9m (31 March 2018: £366.6m) of fixed rate debt with an average effective rate of 4.0% (31 March 2018: 4.1%) and £94.4m (31 March 2018: £54.2m) of floating rate debt with an average effective rate, excluding commitment fees, of 3.9% (31 March 2018: 3.9%). In addition, the Group had £130m of interest rate caps at 1.75% and a further £15m at 0.75% (31 March 2018: £15m at 0.75%). In our joint ventures, the Group's share of fixed rate debt was £nil (31 March 2018: £nil) and £47.0m (31 March 2018: £49.9m) of floating rate debt with an effective rate of 3.9% (31 March 2018: 3.6%) with interest rate caps set at 1.5% plus margin on £11.2m and 0.5% plus margin on £2.2m.

	30 September 2018 £m	Effective interest rate %	31 March 2018 £m	Effective interest rate %
Fixed rate debt				
Secured borrowings	**242.5**	**3.9**	265.3	4.1
Convertible Bond	**100.0**	**4.0**	100.0	4.0
Fair value of Convertible Bond	**0.4**	**–**	1.3	–
Total fixed rate debt	**342.9**	**4.0**	366.6	4.1
Floating rate debt				
Secured	**94.4**	**5.61**	54.2	7.01
Total wholly owned	**437.3**	**4.3**	420.8	4.4
In joint ventures				
Floating rate	**47.0**	**3.9**	49.9	3.6
Total borrowings	**484.3**	**4.3**	470.7	4.3

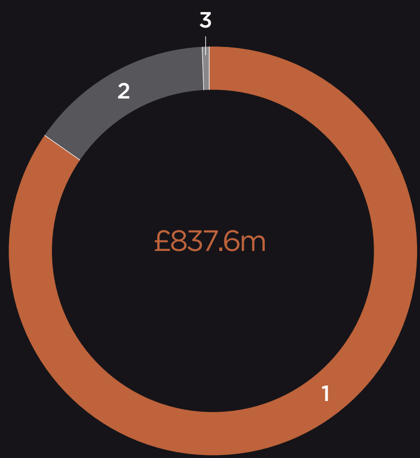
[1] This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 3.9% (31 March 2018: 3.9%).

TIM MURPHY
Finance Director
21 November 2018

PORTFOLIO OVERVIEW

Helical divides its property activities into two core markets: London and Manchester offices. Following the sale of the last three non-core investment assets and the acquisition of a new office building in Manchester, London represents 85% and Manchester 15% of the total property portfolio. Whilst there are structural differences in these markets, Helical has found that its business model can be applied successfully to each, driving capital growth, development profits and rental income.

TOTAL PORTFOLIO BY FAIR VALUE



1	LONDON	£711.0m
2	MANCHESTER	£122.0m
3	NON-CORE	£4.6m

SEE-THROUGH TOTAL PORTFOLIO BY FAIR VALUE

	Investment £m	%	Development £m	%	Total £m	%
London Offices						
Completed, let and available to let	599.0	76.9	14.1	23.9	613.1	73.2
Being redeveloped	57.5	7.4	–	–	57.5	6.9
Held for redevelopment	–	–	0.1	0.2	0.1	0.0
London Residential	–	–	40.3	68.4	40.3	4.8
Total London	**656.5**	**84.3**	**54.5**	**92.5**	**711.0**	**84.9**
Manchester Offices						
Completed, let and available to let	102.6	13.2	–	–	102.6	12.3
Being redeveloped	19.4	2.5	–	–	19.4	2.3
Total Manchester	**122.0**	**15.7**	**–**	**–**	**122.0**	**14.6**
Total Core Portfolio	**778.5**	**100.0**	**54.5**	**92.5**	**833.0**	**99.5**
Other	0.2	0.0	–	–	0.2	0.0
Regional Retail	–	–	1.7	3.0	1.7	0.2
Land	–	–	2.7	4.5	2.7	0.3
Total Non-Core Portfolio	**0.2**	**0.0**	**4.4**	**7.5**	**4.6**	**0.5**
Total	**778.7**	**100.0**	**58.9**	**100.0**	**837.6**	**100.0**

Excludes Investment Property Held for Sale.

SEE-THROUGH TRADING AND DEVELOPMENT PORTFOLIO

	Book value £m	Fair value £m	Surplus £m	Fair value %
London Offices	14.2	14.2	–	24.1
London Residential	39.5	40.3	0.8	68.4
Total Core Portfolio	**53.7**	**54.5**	**0.8**	**92.5**
Regional Retail	1.7	1.7	–	3.0
Land	2.1	2.7	0.6	4.5
Total Non-Core Portfolio	**3.8**	**4.4**	**0.6**	**7.5**
Total	**57.5**	**58.9**	**1.4**	**100.0**

THE LONDON PORTFOLIO

Our strategy is to continue to increase our London holdings, focusing on areas where we see strong tenant demand and growth potential, such as the "Tech Belt" that runs from King's Cross through Old Street and Shoreditch to Whitechapel. Our London portfolio comprises income-producing multi-let offices, office refurbishments and developments and a mixed use commercial/residential scheme.

1 **Power Road Studios** W4
2 **The Powerhouse** W4
3 **The Shepherds Building** W14

4 **25 Charterhouse Square** EC1
5 **Farringdon East** EC1
6 **Barts Square** EC1
7 **The Bower** EC1
8 **One Creechurch Place** EC3
9 **The Loom** E1

THE BOWER

OLD STREET EC1

The Bower is a landmark quarter immediately adjacent to the Old Street roundabout and features 312,575 sq ft of innovative, high quality office space along with 20,606 sq ft of restaurant and retail space.

THE WAREHOUSE AND THE STUDIO

The Warehouse comprises 122,858 sq ft of offices and The Studio 18,283 sq ft of offices with 10,298 sq ft of retail space at the two buildings. Works on The Warehouse entailed a complete refurbishment of the building whilst retaining its original 1960s characteristics. The Studio was a ground up development on the former car park site.

The works were completed in March 2015 and the offices were fully pre-let to CBS, Farfetch, Pivotal, Allegis and Stripe (The Warehouse) and John Brown Media (The Studio). The retail operators are Bone Daddies, Draft House, Enoteca da Luca, Honest Burger, Franze & Evans and Good To Go.

THE TOWER

The Tower, which completed in August 2018, offers 171,434 sq ft of office space with a contemporary façade and innovatively designed interconnecting floors, along with 10,308 sq ft of retail space across two units.

With 59,035 sq ft (34%) pre-let to WeWork before work started, we pre-let an additional three floors of 29,671 sq ft to an existing tenant, Farfetch, in the half year to 30 September 2018, and since the period end two floors comprising 19,576 sq ft have been let to Infosys. This takes the building to 63% let and there is good interest in the remaining space. In addition, 5,395 sq ft has been let to Albion & East for an urban bar.

BARTS SQUARE

EC1

In a joint venture with The Baupost Group LLC, Helical owns the freehold interest of Barts Square, a 3.2 acre site between St Paul's and Smithfield Market, situated a short walk from Farringdon East Crossrail station.

Barts Square will ultimately provide an entirely new quarter in the City consisting of 236 residential apartments, three office buildings of 214,033 sq ft, 24,013 sq ft and c.11,200 sq ft together with 21,824 sq ft of retail/A3 at ground floor as well as major public realm improvements.

PHASE ONE

Residential/Retail

Phase One of Barts Square comprises 144 residential units, 3,193 sq ft of retail space and extensive public realm improvements. The residential units are being handed over to purchasers as buildings are completed, with 120 unit sales (value £153.5m) completed as at September 2018. A further 14 unit sales (value £18.4m) are due to be completed and handed over before the end of November 2018. In total, contracts have been exchanged for the sale of 134 residential units for a total value of £172m at an average price of £1,558 psf, leaving just 10 apartments to sell. The retail space has been let to Stem & Glory since the period end.

90 Bartholomew Close – Office/ Restaurant

The 24,013 sq ft office building, with 6,414 sq ft of restaurant space, completed in March 2018. The ground and lower ground restaurant, Lino, is expected to open in November 2018.

PHASE TWO

One Bartholomew – Offices

One Bartholomew was sold to clients of Ashby Capital LLP ("Ashby") for £102.4m in August 2015. The demolition of the existing building and the construction of a new 12 storey Grade A office block of 214,033 sq ft commenced in January 2016 and is due to be completed in December 2018. Ashby's clients finance the development costs and, when the building is completed and successfully let, the joint venture will be entitled to receive a profit share payment. Helical is the development manager for delivery of the project. Following the letting of three floors to Trade Desk Inc. during the period (54,482 sq ft), the building is 25% pre-let.

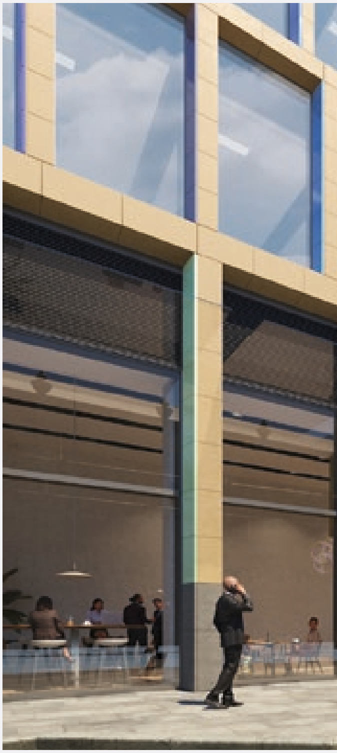
PHASE THREE

Residential/Retail

Construction works on Phase Three of Barts Square are well underway. This phase will comprise 92 apartments and 12,217 sq ft of retail space. Marketing of the units commenced in March 2018 and, during the period, contracts were exchanged on 14 units, taking the total number of units exchanged to 28, at a value of £45.2m and an average price of £1,819 psf.

54/58 Bartholomew Close – Offices

The refurbishment of 54/58 Bartholomew Close will provide c.11,200 sq ft of offices. Enabling works have commenced and completion is expected in Q3 2019.



ONE CREECHURCH PLACE

CITY OF LONDON EC3

One Creechurch Place is a landmark City office scheme in the heart of the insurance district in London. In May 2014, Helical signed a joint venture agreement with HOOPP (Healthcare of Ontario Pension Plan) to redevelop the site. Under the terms of the joint venture, HOOPP and Helical jointly funded the project on a 90:10 split, with Helical acting as development manager, for which it will receive a promote payment upon successful completion and letting of the scheme.

The new building, comprising 272,505 sq ft of offices and 786 sq ft of retail, achieved practical completion on 7 November 2016 and was 69% let at March 2018. During the period, 54,316 sq ft has been let to Hyperion (16,009 sq ft), Coverys (15,994 sq ft) and Softcat (15,994 sq ft) whilst Dell has expanded into the remaining space on the second floor (6,319 sq ft). Since the period end a further floor of 15,993 sq ft has been let to West of England P&I, taking the building to 94% let, with just one floor remaining.

25 CHARTERHOUSE SQUARE

SMITHFIELD EC1

In January 2016, Helical was granted a new 155 year leasehold interest in 25 Charterhouse Square from the Governors of Sutton's Hospital in Charterhouse for £16m. The building is a Grade A office adjacent to the new Farringdon East station on the Elizabeth Line (Crossrail) and overlooks the historic Charterhouse Square. Helical has carried out a major refurbishment of the existing building, which increased the previous 34,000 sq ft to 38,355 sq ft of offices with the addition of a new sixth floor, and 5,138 sq ft of retail space. The building achieved practical completion on 28 March 2017 and was fully let to Anomaly, Peakon, Hudson Sandler and Senator International by December 2017, less than two years after it was acquired.

THE LOOM

WHITECHAPEL E1

This 110,043 sq ft building is one of London's few remaining former Victorian wool warehouses and was acquired in 2013. Works to transform this asset completed in September 2016 and included a new entrance and reception onto Gowers Walk, a café, showers and a bike store. The Loom has won both a RIBA London and National Award as well as an Architects Journal Retrofit Award. Due to careful asset management, the building remained an average of 78% let throughout the refurbishment. Since 1 April 2018, we have let 6,400 sq ft to The Fairtrade Foundation, 3,619 sq ft to Vidsy Media and 15,907 sq ft to Hey Habito, (which expanded into newly refurbished space, increasing its occupancy from 7,504 sq ft). Since the period end, a further 11,157 sq ft has been let and the building is now fully occupied.

FARRINGDON EAST

SMITHFIELD EC1

The over-station development at the Farringdon East Elizabeth Line station will comprise a six storey 86,183 sq ft office building, with a 2,497 sq ft retail/restaurant unit on the ground floor. The building will sit immediately east of Smithfield Market with views over Charterhouse Square and towards St Paul's Cathedral. During the period a 150-year lease was granted and the site handed over by Transport for London. Development of the scheme commenced in August 2018 and completion is due in November 2019.

THE SHEPHERDS BUILDING

SHEPHERDS BUSH W14

During the period, after successfully completing new lettings on 12,375 sq ft, contracts were exchanged to sell this 150,072 sq ft multi-let office building to Workspace Group PLC for £125.2m, with completion of the sale on 5 October 2018. This price represented a net initial yield of 4.8% and a 12.3% premium to 31 March 2018 book value. The building had been acquired in 2000 for £12.8m and was fully refurbished with an extra floor added.

KING STREET

HAMMERSMITH W6

Hammersmith & Fulham Borough Council, who had been opposed to this regeneration project since the Council became Labour controlled, exercised their option to terminate the development agreement. During the period, the sale of the land held by the Company (which is a 50/50 joint venture with Grainger plc) completed, resulting in a profit to Helical of £2.2m.

THE POWERHOUSE

CHISWICK W4

Helical acquired this 24,288 sq ft office and recording studios by way of sale and leaseback in 2013. The Powerhouse is a listed building on Chiswick High Road and is fully let on a long lease to Metropolis Music Group.

DRURY LANE AND DRYDEN STREET

WC2

This is a 0.5 acre office and retail site which sits within the Covent Garden Conservation Area. The Group has agreed with Savills Investment Management to act as development manager to obtain a revised office planning consent. The Group will receive a fee for this which is dependent on the value of the property with the new consent.

POWER ROAD STUDIOS

CHISWICK W4

The site comprises 57,289 sq ft of offices across four buildings and is multi-let to a wide range of predominantly media tenants. In October 2017 we completed the refurbishment of Studio 1, a project comprising c.16,000 sq ft of Grade A space, refurbished common parts and added two new lift shafts to accommodate a consented future roof extension of 13,000 sq ft. In the period, we have let a further 2,594 sq ft at average rents of £40 psf. Preliminary works have been completed for a new 30,000 sq ft office building which secured planning consent in August 2017.

THE MANCHESTER PORTFOLIO

Manchester is a city with a diverse, thriving and growing economy that is widely regarded as England's second city and the centre of the "Northern Powerhouse". Helical has found that the approach it applies to development and asset management in London is equally well received by the tenants in Manchester.

1	**Trinity**
2	**31 Booth Street**
3	**Churchgate and Lee House**
4	**35 Dale Street**
5	**Fourways House**

CHURCHGATE AND LEE HOUSE

This asset comprises 243,518 sq ft of multi-let offices. The asset was 64% let when acquired in March 2014. Since its purchase, we have refurbished the reception and 76,382 sq ft of office space and have now completed 13 new lettings and two renewals. Currently, the building is 97% let with the remaining 3% undergoing refurbishment. We continue to actively manage the building with planning permission approved for a full refurbishment of the Lee House reception.

FOURWAYS HOUSE

This 59,067 sq ft brick built Grade 2 listed former packing warehouse was acquired in the period for £16.5m, representing a net initial yield of 5.3%. The building will undergo a rolling refurbishment programme as space becomes available, as well as updating the common areas.

31 BOOTH STREET

This 24,902 sq ft office located in the prime city core was acquired in January 2016 for £4.7m. The building has been fully refurbished and was launched to the market in March 2017.

During the period, 9,331 sq ft has been let to Hurley Partners (1,587 sq ft), Buro Four (2,273 sq ft), and The Appointment Group (5,471 sq ft). Since the period end, a further 6,990 sq ft has been let and the remaining space (4,418 sq ft) is under offer.

35 DALE STREET

35 Dale Street is a 53,212 sq ft office building situated in the Northern Quarter of Manchester, acquired in March 2015. The building underwent a comprehensive refurbishment which completed in June 2018. During the period, 3,234 sq ft was let with a further 6,000 sq ft let since the period end. The building is now fully occupied.

TRINITY

Trinity, purchased in May 2017 for £12.9m, is currently being redeveloped and is expected to complete in December 2018. The repositioned building will comprise 54,960 sq ft of new and refurbished office space and 4,090 sq ft of retail/restaurant space.

THE NON–CORE PORTFOLIO

Retail and Regional Office Investments

We sold our three remaining non–core investment assets at Sevenoaks (retail), Reading and Glasgow (both regional offices) during the period, for a total consideration of £28.5m, representing a 6.1% premium to book value and an aggregate net initial yield of 7.6%.

Retail Developments

We continue to progress our retail schemes at Truro, Kingswinford and East Ham. We have assigned our land option in Evesham, with a profit share dependent on the success of the scheme, which is due for completion in 2019.

ASSET MANAGEMENT

Asset management is a critical component in driving Helical's performance. Through having well considered business plans and maximising the combined skills of our management team, we are able to create value in our assets without relying on market movements.

See-through Investment portfolio	Fair value weighting %	Passing rent £m	%	Contracted rent £m	%	ERV £m	%	ERV change like-for-like %
London Offices								
Completed, let and available to let	76.9	15.5	77.3	25.4	81.1	36.1	67.5	0.8
Being redeveloped	7.4	–	–	–	–	7.6	14.3	13.6
Total London	**84.3**	**15.5**	**77.3**	**25.4**	**81.1**	**43.7**	**81.8**	**2.8**
Manchester Offices								
Completed, let and available to let	13.2	4.5	22.5	5.9	18.8	7.9	14.8	2.8
Being redeveloped	2.5	–	–	–	–	1.7	3.2	1.5
Total Manchester	**15.7**	**4.5**	**22.5**	**5.9**	**18.8**	**9.6**	**18.0**	**2.5**
Other	0.0	0.0	0.2	0.0	0.1	0.1	0.2	–
Total	**100.0**	**20.0**	**100.0**	**31.3**	**100.0**	**53.4**	**100.0**	**2.8**

Excludes Investment Property Held for Sale.

During the period, total contracted income reduced by £4.2m as a result of the sale of investment properties and losses from breaks and lease expiries, offset by the purchase of one investment property and rent from new lettings and rent reviews.

	See-through total portfolio contracted rent £m
Contracted rent reduced through sales of London offices[1]	(6.6)
Contracted rent reduced through sales of non-core assets	(2.3)
Contracted rent increased from purchases of Investment properties	0.7
Total contracted rental change from sales and purchases	**(8.2)**
Rent lost at break/expiry	(0.4)
Rent reviews and uplifts on lease renewals	0.1
New lettings	
London	3.7
Manchester	0.6
Total increase in the period from asset management activities	**4.0**
Net decrease in contracted rents in the period	**(4.2)**

[1] Includes the reduction in contracted rent from transfer of asset to Investment Property Held for Sale.

CAPITAL EXPENDITURE

We have a planned development and refurbishment programme.

Property	Capex budget (Helical share) £m	Remaining spend (Helical share) £m	Pre-redeveloped space Sq ft	New space Sq ft	Total completed space Sq ft	Completion date
Investment – committed						
The Tower, London EC1	107.3	10.2	114,000	67,742	181,742	December 2018
Farringdon East, London EC1	46.5	34.4	–	88,680	88,680	November 2019
Trinity, Manchester	6.4	2.5	47,443	11,607	59,050	December 2018
54–58 Bartholomew Close, London EC1	2.0	2.0	9,000	2,200	11,200	September 2019
Development – committed						
Barts Square, London EC1 – Phase One	63.3	3.0	–	126,772	126,772	November 2018
Barts Square, London EC1 – Phase Three	40.0	26.7	–	90,936	90,936	December 2019

INVESTMENT PORTFOLIO

PORTFOLIO YIELDS

	EPRA topped up NIY 30 September 2018 %	True equivalent yield 30 September 2018 %	Reversionary yield 30 September 2018 %	EPRA topped up NIY 31 March 2018 %	True equivalent yield 31 March 2018 %	Reversionary yield 31 March 2018 %
London Offices						
Completed, let and available to let	3.8	5.2	5.3	4.5	5.4	5.3
Being redeveloped	n/a	5.1	6.2	n/a	5.2	5.6
Total London	**3.8**	**5.2**	**5.4**	**4.5**	**5.3**	**5.4**
Manchester Offices						
Completed, let and available to let	5.2	6.2	6.4	5.3	6.4	6.5
Being redeveloped	n/a	6.0	6.6	n/a	6.2	7.0
Total Manchester	**5.2**	**6.2**	**6.5**	**5.3**	**6.4**	**6.7**
Total	**4.0**	**5.4**	**5.5**	**4.6**	**5.5**	**5.6**

Excludes Investment Property Held for Sale.

SEE-THROUGH CAPITAL VALUES, VACANCY RATES AND UNEXPIRED LEASE TERMS

	30 September 2018 Capital value psf £	30 September 2018 Vacancy rate %	30 September 2018 WAULT Years	31 March 2018 WAULT Years
London Offices				
Completed, let and available to let	1,029	22.7	8.4	5.8
Being redeveloped	588	n/a	n/a	n/a
Total London	**966**	**22.7**	**8.4**	**5.8**
Manchester Offices				
Completed, let and available to let	268	7.6	4.0	4.2
Being redeveloped	329	n/a	n/a	n/a
Total Manchester	**276**	**7.6**	**4.0**	**4.2**
Other	–	–	–	3.8
Total	**699**	**16.7**	**7.6**	**5.4**

Investment properties excluding assets in the course of redevelopment and Investment Property Held for Sale.

SEE-THROUGH VALUATION MOVEMENTS

	Val change inc sales & purchases %	Val change excl sales & purchases %	Investment portfolio weighting 30 September 2018 %	Investment portfolio weighting 31 March 2018 %
London Offices				
Completed, let and available to let	4.8	3.4	76.9	59.2
Being redeveloped	7.3	7.3	7.4	25.6
Total London	**4.9**	**3.5**	**84.3**	**84.8**
Manchester Offices				
Completed, let and available to let	0.1	1.4	13.2	10.1
Being redeveloped	3.3	3.3	2.5	1.8
Total Manchester	**0.5**	**1.7**	**15.7**	**11.9**
Total Core	**4.3**	**3.3**	**100.0**	**96.7**
Regional Offices/ Retail/ Other	–	–	0.0	3.3
Total	**4.1**	**3.3**	**100.0**	**100.0**

Excludes Investment Property Held for Sale

SEE-THROUGH LEASE EXPIRIES OR TENANT BREAK OPTIONS

	Year to 2019	Year to 2020	Year to 2021	Year to 2022	Year to 2023
% of rent roll	4.8	5.4	6.3	12.3	16.7
Number of leases	14	32	16	24	16
Average rent per lease (£)	108,424	52,939	122,808	160,841	327,038

Excludes Investment Property Held for Sale.

We have a strong rental income stream and a diverse tenant base. The top 10 tenants account for 52.6% of the total rent roll and the tenants come from a variety of industries.

Rank	Tenant	Tenant industry	Contracted Rent £m	Rent roll %
1	Farfetch	Online Retail	3.9	12.5
2	WeWork	Co-working	3.8	12.2
3	Pivotal	Technology	2.0	6.4
4	Anomaly	Marketing	1.4	4.5
5	CBS Interactive	Media	1.0	3.3
6	Allegis Group	Recruitment	1.0	3.2
7	Stripe Payments	Technology	0.8	2.7
8	The Growth Company	Community Development	0.8	2.6
9	Senator International	Furniture	0.8	2.6
10	John Brown	Media	0.8	2.6
Total			**16.3**	**52.6**

Excludes Investment Property Held for Sale

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

a) The condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';

b) The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events and their impact during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

c) The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

Balances with related parties at 30 September 2018, 30 September 2017 and 31 March 2018 are disclosed in Note 24.

A list of current Directors is maintained at 5 Hanover Square, London W1S 1HQ and at www.helical.co.uk.

The half year statement was approved by the Board on 21 November 2018 and is available from the Company's registered office at 5 Hanover Square, London W1S 1HQ and on the Company's website at www.helical.co.uk.

On behalf of the Board

TIM MURPHY
Finance Director
21 November 2018

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF HELICAL PLC

INTRODUCTION

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2018 which comprises the Unaudited Consolidated Income Statement, Unaudited Consolidated Statement of Comprehensive Income, Unaudited Consolidated Balance Sheet, Unaudited Consolidated Cash Flow Statement, Unaudited Consolidated Statement of Changes in Equity and related Notes 1 to 29. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

DIRECTORS' RESPONSIBILITIES

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in Note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the European Union.

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2018 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

DELOITTE LLP
Statutory Auditor
London, United Kingdom
21 November 2018

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the Half Year to 30 September 2018

	Notes	**Half Year to 30 September 2018 £000**	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Revenue	3	**19,076**	33,207	165,973
Net rental income	4	**11,747**	18,037	36,329
Development property profit/(loss)	5	**1,686**	(9,520)	(4,174)
Share of results of joint ventures	13	**(3,874)**	3,382	3,196
Other operating income		**4**	41	111
Gross profit before net gain on sale and revaluation of Investment properties		**9,563**	11,940	35,462
Net gain on sale and revaluation of Investment properties	6	**32,537**	3,370	37,415
Change in fair value of available-for-sale investments	16	**144**	1,423	1,385
Gross profit		**42,244**	16,733	74,262
Administrative expenses	7	**(7,861)**	(6,081)	(12,765)
Operating profit		**34,383**	10,652	61,497
Finance costs	8	**(7,616)**	(13,376)	(37,438)
Finance income		**1,033**	1,154	4,303
Change in fair value of derivative financial instruments		**325**	2,884	4,029
Change in fair value of Convertible Bond		**958**	(127)	(1,559)
Foreign exchange gain/(loss)		**65**	22	(10)
Profit before tax		**29,148**	1,209	30,822
Tax on profit on ordinary activities	9	**(3,224)**	(809)	(4,537)
Profit for the period		**25,924**	400	26,285
Earnings per share	11			
Basic		**21.8p**	0.3p	22.3p
Diluted		**21.6p**	0.3p	22.1p

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Half Year to 30 September 2018

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Profit for the period	**25,924**	400	26,285
Exchange difference on retranslation of net investments in foreign operations	**(47)**	(18)	(15)
Total comprehensive income for the period	**25,877**	382	26,270

The exchange differences on retranslation of net investments in foreign operations will be reclassified to the Income Statement on disposal.

UNAUDITED CONSOLIDATED BALANCE SHEET

At 30 September 2018

	Notes	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Non-current assets				
Investment properties	12	**744,850**	963,481	791,948
Owner occupied property, plant and equipment		**1,783**	2,013	1,825
Investment in joint ventures	13	**31,519**	23,264	27,809
Derivative financial instruments	21	**1,703**	–	123
		779,855	988,758	821,705
Current assets				
Land, developments and trading properties	14	**4,048**	95,476	6,042
Investment property held for sale	15	**125,200**	–	–
Corporation tax receivable		**–**	3,358	3,736
Trade and other receivables	17	**98,700**	60,322	100,757
Cash and cash equivalents	18	**63,093**	104,341	91,871
		291,041	263,497	202,406
Total assets		**1,070,896**	1,252,255	1,024,111
Current liabilities				
Trade and other payables	19	**(55,652)**	(57,650)	(51,378)
Corporation tax payable		**(6,874)**	–	–
Borrowings	20	**(100,375)**	(4,133)	–
		(162,901)	(61,783)	(51,378)
Non-current liabilities				
Borrowings	20	**(332,290)**	(657,410)	(416,992)
Derivative financial instruments	21	**(1,529)**	(10,095)	(2,874)
Long leasehold liability	12	**(2,189)**	–	(2,189)
Trade and other payables	19	**(10,815)**	–	–
Deferred tax liability	9	**(8,576)**	(12,734)	(16,784)
		(355,399)	(680,239)	(438,839)
Total liabilities		**(518,300)**	(742,022)	(490,217)
Net assets		**552,596**	510,233	533,894
Equity				
Called-up share capital	22	**1,459**	1,450	1,451
Share premium account		**101,304**	98,798	98,798
Revaluation reserve		**194,852**	182,183	162,753
Capital redemption reserve		**7,478**	7,478	7,478
Other reserves		**291**	291	291
Retained earnings		**247,212**	220,033	263,123
Total equity		**552,596**	510,233	533,894

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

For the Half Year to 30 September 2018

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Cash flows from operating activities			
Profit before tax	**29,148**	1,209	30,822
Adjustment for:			
Depreciation	**151**	151	291
Net revaluation gain on Investment properties	**(31,435)**	(2,145)	(23,848)
Gain on sale of Investment properties	**(1,102)**	(1,225)	(13,567)
(Profit)/loss on sale of plant and equipment	**(35)**	–	81
Net financing costs	**6,583**	12,222	33,135
Change in value of derivative financial instruments	**(325)**	(2,884)	(4,029)
Change in fair value of Convertible Bond	**(958)**	127	1,559
Share based payment charge	**898**	321	1,185
Share of results of joint ventures	**3,874**	(3,382)	(3,196)
Change in fair value of available-for-sale investment	**(144)**	(1,423)	(1,385)
Foreign exchange movement	**(47)**	(22)	(19)
Cash inflows from operations before changes in working capital	**6,608**	2,949	21,029
Change in trade and other receivables	**(6,463)**	14,339	(25,126)
Change in land, developments and trading properties	**1,994**	(6,734)	82,801
Change in trade and other payables	**2,660**	(841)	(6,917)
Cash inflows generated from operations	**4,799**	9,713	71,787
Finance costs	**(13,525)**	(16,407)	(45,537)
Finance income	**87**	56	162
Tax received	**–**	5	6
	(13,438)	(16,346)	(45,369)
Net cash (used by)/generated from operating activities	**(8,639)**	(6,633)	26,418
Cash flows from investing activities			
Additions to Investment property	**(58,959)**	(49,175)	(95,821)
Sale of Investment property	**29,036**	80,578	337,570
Investments in joint ventures and subsidiaries	**–**	–	(5,403)
Dividends from joint ventures	**416**	–	671
Receipts from available–for–sale asset	**144**	1,423	1,385
Sale of plant and equipment	**41**	–	–
Purchase of leasehold improvements, plant and equipment	**(114)**	(40)	(73)
Net cash (used by)/generated from investing activities	**(29,436)**	32,786	238,329
Cash flows from financing activities			
Borrowings drawn down	**25,132**	11,704	94,196
Borrowings repaid	**(7,540)**	(25,526)	(356,670)
Shares issued	**8**	3	4
Sale of own shares	**–**	–	521
Equity dividends paid	**(8,303)**	(7,261)	(10,195)
Net cash generated from/(used by) financing activities	**9,297**	(21,080)	(272,144)
Net (decrease)/increase in cash and cash equivalents	**(28,778)**	5,073	(7,397)
Exchange gains on cash and cash equivalents	**–**	6	6
Cash and cash equivalents at start of period	**91,871**	99,262	99,262
Cash and cash equivalents at end of period	**63,093**	104,341	91,871

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

At 30 September 2018

	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Own shares held £000	Total £000
At 31 March 2017	1,447	98,798	164,190	7,478	291	244,693	–	516,897
Total comprehensive income	–	–	–	–	–	26,270	–	26,270
Revaluation surplus	–	–	23,848	–	–	(23,848)	–	–
Realised on disposals	–	–	(25,285)	–	–	25,285	–	–
Issued share capital	4	–	–	–	–	–	–	4
Performance share plan	–	–	–	–	–	1,185	–	1,185
Performance share plan – deferred tax	–	–	–	–	–	(55)	–	(55)
Share settled bonus	–	–	–	–	–	(733)	–	(733)
Dividends paid	–	–	–	–	–	(10,195)	–	(10,195)
Sale of own shares	–	–	–	–	–	–	521	521
Own shares held reserve transfer	–	–	–	–	–	521	(521)	–
At 31 March 2018	1,451	98,798	162,753	7,478	291	263,123	–	533,894
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**25,877**	**–**	**25,877**
Revaluation surplus	**–**	**–**	**31,435**	**–**	**–**	**(31,435)**	**–**	**–**
Realised on disposals	**–**	**–**	**664**	**–**	**–**	**(664)**	**–**	**–**
Issued share capital	**8**	**2,506**	**–**	**–**	**–**	**–**	**–**	**2,514**
Performance share plan	**–**	**–**	**–**	**–**	**–**	**898**	**–**	**898**
Performance share plan – deferred tax	**–**	**–**	**–**	**–**	**–**	**230**	**–**	**230**
Share settled PSP awards	**–**	**–**	**–**	**–**	**–**	**(1,837)**	**–**	**(1,837)**
Share settled bonus awards	**–**	**–**	**–**	**–**	**–**	**(677)**	**–**	**(677)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(8,303)**	**–**	**(8,303)**
At 30 September 2018	**1,459**	**101,304**	**194,852**	**7,478**	**291**	**247,212**	**–**	**552,596**

For a breakdown of total comprehensive income see the Unaudited Consolidated Statement of Comprehensive Income.

The adjustment against retained earnings of £898,000 (31 March 2018: £1,185,000) adds back the share based payments charge in accordance with IFRS 2 'Share Based Payments'.

There were net transactions with owners of £7,175,000 (31 March 2018: £9,273,000) made up of the Performance Share Plan credit of £898,000 (31 March 2018: £1,185,000) and related deferred tax credit of £230,000 (31 March 2018: charge of £55,000), dividends paid of £8,303,000 (31 March 2018: £10,195,000), the issue of share capital of £8,000 (31 March 2018: £4,000) and corresponding share premium of £2,506,000 (31 March 2018: £nil), the transaction in own shares credit of £nil (31 March 2018: £521,000), share settled PSP awards charge of £1,837,000 (31 March 2018: £nil) and the share settled bonus awards charge of £677,000 (31 March 2018: £733,000).

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
CONTINUED

	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Own shares held £000	Total £000
At 31 March 2017	1,447	98,798	164,190	7,478	291	244,693	–	516,897
Total comprehensive income	–	–	–	–	–	382	–	382
Revaluation surplus	–	–	2,145	–	–	(2,145)	–	–
Realised on disposals	–	–	15,848	–	–	(15,848)	–	–
Issued share capital	3	–	–	–	–	–	–	3
Performance share plan	–	–	–	–	–	321	–	321
Performance share plan – deferred tax	–	–	–	–	–	(109)	–	(109)
Dividends paid	–	–	–	–	–	(7,261)	–	(7,261)
At 30 September 2017	1,450	98,798	182,183	7,478	291	220,033	–	510,233

The adjustment against retained earnings of £321,000 adds back the share based payments charge in accordance with IFRS 2 Share Based Payments.

There were net transactions with owners of £7,046,000 made up of the Performance Share Plan credit of £321,000 and related deferred tax debit of £109,000, dividends paid of £7,261,000 and the issue of share capital of £3,000.

1. FINANCIAL INFORMATION

The financial information contained in this statement does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The full accounts for the year ended 31 March 2018, which were prepared under International Financial Reporting Standards as adopted by the European Union and which received an unqualified report from the Auditors, and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006, have been filed with the Registrar of Companies.

These interim condensed unaudited consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2018.

These interim condensed unaudited consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

NEW STANDARDS ADOPTED DURING THE PERIOD

During the six months to 30 September 2018, the following accounting standards and interpretations have been adopted by the Group:

IFRS 15 'Revenue from contracts with customers'

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of IFRS 15 is that the Group should recognise revenue to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The standard sets out a five-step model:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligations within a contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations within the contract.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The standard is applicable to investment property disposals, development property disposals and property development management/advisory services but excludes rental income, which is within the scope of IAS 17 (until the adoption of IFRS 16 for accounting periods beginning on 1 January 2019).

IFRS 9 'Financial instruments'

This standard applies to classification and measurement of financial assets and financial liabilities, impairment provisioning and hedge accounting. The Group's assessment of IFRS 9 determined that the main area of potential impact was impairment provisioning on trade receivables, given the requirement to use a forward-looking expected credit loss model. However, the Group concluded that this has no material impact on its financial statements.

In addition, the following pronouncements had no significant impact on the condensed unaudited consolidated financial statements:

- IFRS 2 'Share-Based Payments' (amendment);
- IAS 28 'Investments in Associates' (amendment);
- IAS 40 'Investment Property' (amendment); and
- Amendments to IFRS (Annual improvements cycle 2014-2016).

STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

The following standards and interpretations, which have not been applied in these condensed unaudited financial statements, were in issue but not effective, and in some cases have not been adopted for use by the European Union:

IFRS 16 'Leases'

This standard does not affect the accounting for rental income earned by the Group as a lessor, but from the Group's initial assessment of its head office lease, it believes adoption will result in the recognition on the Consolidated and Company Balance Sheets of: a right of use asset of £5,600,000; a lease liability of £7,300,000; the reversal of lease incentive accrual of £1,300,000; and a net asset decrease of £400,000.

GOING CONCERN

The Directors have assessed the viability of the Group for a period of five years to March 2023, being the period for which the Board regularly reviews forecasts and which encompasses the lifetime of the Group's major development projects.

In making their assessment, the Board considers the principal risks and then assesses the potential impacts in severe, but plausible, downside scenarios together with the likely effectiveness of mitigating actions that the Group would have at its disposal.

Based on their assessment the Directors have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and have, therefore, used the going concern basis in preparing the condensed unaudited financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The responsibility for the governance of the Group's risk profile lies with the Board of Directors of Helical. The Board is responsible for setting the Group's risk strategy by assessing risks, determining its willingness to accept those risks and ensuring that the risks are monitored and that the Group is aware of and, if appropriate, reacts to changes in those risks. The Board is also responsible for allocating responsibility for risk within the Group's management structure.

The Group considers its principal risks to be:

Strategic Risks – external risks that could prevent the Group delivering its strategy. These risks principally impact our decision to purchase or exit from a property asset.

Financial Risks – risks that could prevent the Group from funding its chosen strategy, both in the long and short term.

Operational Risks – internal risks that could prevent the Group from delivering its strategy.

Reputational Risk – risks that could affect the Group in all aspects of its strategy.

There have been no significant changes to these risk areas in the period nor are there expected to be for the half year to 31 March 2019. A further analysis of these risks is included within the consolidated financial statements of the Group for the year ended 31 March 2018.

CRITICAL ACCOUNTING JUDGEMENTS

In addition to those noted in the 31 March 2018 Annual Report the Group has made the following judgements:

The adoption of IFRS 15 requires management to make judgements in relation to the performance obligations of its contracts, the allocation of the transaction price to the performance obligations and an assessment of satisfaction of the performance obligations.

The Group has entered into contracts to develop and let property for its customers. These are considered to be separate performance obligations under IFRS 15. Judgement is exercised in determining the stand–alone sales price of each performance obligation. The stand–alone sales price is then used to allocate the total consideration, on a pro–rata basis, to determine the allocated transaction price of each obligation. At each reporting period end, the stage of completion of a performance obligation must be assessed, which determines the proportion of the allocated transaction price to be recognised in any given reporting period.

KEY SOURCES OF ESTIMATION

In addition to those noted in the 31 March 2018 Annual Report, the Group has made the estimates noted below.

Estimates must be made as to the expected variable consideration under IFRS 15, which is dependent upon the rental values achieved and the quantum of construction costs incurred. At each reporting date the expected value approach is used to estimate the total variable consideration. A further estimation is then made to constrain the amount of variable consideration to the extent that it is highly probable that a significant reversal will not occur.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Development management services	**5,545**	2,032	17,309
Development property sales	**–**	10,930	21,660
Corporate sale – retirement village portfolio	**–**	–	86,709
Development property income	**5,545**	12,962	125,678
Other income	**4**	67	138
Total revenue from contracts with customers	**5,549**	13,029	125,816

The total revenue from contracts with customers is the revenue recognised in accordance with IFRS 15 Revenue from Contracts with Customers. This reflects the Development property income and Other revenue in Note 3 Segmental Information.

No impairment of contract assets was recognised in the half year to 30 September 2018 (half year to 30 September 2017: £nil: year to 31 March 2018: £nil).

3. SEGMENTAL INFORMATION

The Group identifies two discrete operating segments whose results are regularly reviewed by the Chief Operating Decision Maker (the Chief Executive) to allocate resources to these segments and to assess their performance. The segments are:

- investment properties, which are owned or leased by the Group for long-term income and for capital appreciation, and trading properties, which are owned or leased with the intention to sell; and
- development properties, which include sites, developments in the course of construction, completed developments available for sale, and pre-sold developments.

Revenue	**Investment and Trading Half Year to 30.09.18 £000**	**Developments Half Year to 30.09.18 £000**	**Total Half Year to 30.09.18 £000**	Investment and Trading Half Year to 30.09.17 £000	Developments Half Year to 30.09.17 £000	Total Half Year to 30.09.17 £000
Rental income	**13,527**	**–**	**13,527**	20,178	–	20,178
Development property income	**–**	**5,545**	**5,545**	–	12,962	12,962
Other revenue	**4**	**–**	**4**	67	–	67
Revenue	**13,531**	**5,545**	**19,076**	20,245	12,962	33,207

Revenue	Investment and Trading Year to 31.03.18 £000	Developments Year to 31.03.18 £000	Total Year to 31.03.18 £000
Rental income	40,157	–	40,157
Development property income	–	125,678	125,678
Other revenue	138	–	138
Revenue	40,295	125,678	165,973

3. SEGMENTAL INFORMATION CONTINUED

Profit before tax	Investment and Trading Half Year to 30.09.18 £000	Developments Half Year to 30.09.18 £000	Total Half Year to 30.09.18 £000	Investment and Trading Half Year to 30.09.17 £000	Developments Half Year to 30.09.17 £000	Total Half Year to 30.09.17 £000
Net rental income	11,769	(22)	11,747	18,034	3	18,037
Development property gain/(loss)	–	1,686	1,686	–	(9,520)	(9,520)
Share of results of joint ventures	1,252	(5,126)	(3,874)	2,419	963	3,382
Gain on sale and revaluation of investment properties	32,537	–	32,537	3,370	–	3,370
	45,558	(3,462)	42,096	23,823	(8,554)	15,269
Fair value movement of available-for-sale assets			144			1,423
Other operating income			4			41
Gross profit			42,244			16,733
Administrative expenses			(7,861)			(6,081)
Net finance costs			(5,300)			(9,465)
Foreign exchange gain			65			22
Profit before tax			29,148			1,209

Profit before tax	Investment and Trading Year to 31.03.18 £000	Developments Year to 31.03.18 £000	Total Year to 31.03.18 £000
Net rental income	36,329	–	36,329
Development property loss	–	(4,174)	(4,174)
Share of results of joint ventures	5,135	(1,939)	3,196
Gain on sale and revaluation of investment properties	37,415	–	37,415
	78,879	(6,113)	72,766
Fair value movement of available-for-sale assets			1,385
Other operating income			111
Gross profit			74,262
Administrative expenses			(12,765)
Net finance costs			(30,665)
Foreign exchange loss			(10)
Profit before tax			30,822

3. SEGMENTAL INFORMATION CONTINUED

Net Assets	Investment and Trading At 30.09.18 £000	Developments At 30.09.18 £000	Total At 30.09.18 £000	Investment and Trading At 30.09.17 £000	Developments At 30.09.17 £000	Total At 30.09.17 £000
Investment properties	**744,850**	**–**	**744,850**	963,481	–	963,481
Land, development and trading properties	**–**	**4,048**	**4,048**	28	95,448	95,476
Investment in joint ventures	**13,604**	**17,915**	**31,519**	4,233	19,031	23,264
	758,454	**21,963**	**780,417**	967,742	114,479	1,082,221
Other assets			**290,479**			170,034
Total assets			**1,070,896**			1,252,255
Liabilities			**(518,300)**			(742,022)
Net assets			**552,596**			510,233

Net assets	Investment and Trading At 31.03.18 £000	Developments At 31.03.18 £000	Total At 31.03.18 £000
Investment properties	791,948	–	791,948
Land, development and trading properties	28	6,014	6,042
Investment in joint ventures	12,352	15,457	27,809
	804,328	21,471	825,799
Other assets			198,312
Total assets			1,024,111
Liabilities			(490,217)
Net assets			533,894

4. NET RENTAL INCOME

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Gross rental income	**13,527**	20,178	40,157
Rents payable	**(180)**	(83)	(144)
Property overheads	**(1,739)**	(1,991)	(3,549)
Net rental income	**11,608**	18,104	36,464
Net rental expense/(income) attributable to profit share partner	**139**	(67)	(135)
Group share of net rental income	**11,747**	18,037	36,329

5. DEVELOPMENT PROPERTY PROFIT/(LOSS)

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Development property income	**5,545**	12,962	125,678
Cost of sales	**(1,980)**	(10,974)	(125,085)
Sales expenses	**–**	(53)	(2,554)
Provision against book values	**(1,879)**	(11,455)	(2,213)
Development property profit/(loss)	**1,686**	(9,520)	(4,174)

6. NET GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Net proceeds from the sale of Investment properties	**29,046**	81,489	341,911
Book value (Note 12)	**(26,469)**	(79,203)	(324,002)
Tenants' incentives on sold Investment properties	**(1,475)**	(1,061)	(4,342)
Gain on sale of Investment properties	**1,102**	1,225	13,567
Revaluation surplus on Investment properties	**31,435**	2,145	23,848
Net gain on sale and revaluation of Investment properties	**32,537**	3,370	37,415

7. ADMINISTRATIVE EXPENSES

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Administration costs	**(5,552)**	(5,606)	(11,023)
Performance related awards	**(2,033)**	(340)	(1,677)
National Insurance on performance related awards	**(276)**	(135)	(65)
Administrative expenses	**(7,861)**	(6,081)	(12,765)

8. FINANCE COSTS

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Interest payable on bank loans, bonds and overdrafts	**(8,263)**	(14,471)	(26,873)
Retail Bond redemption premium	**–**	–	(8,708)
Other interest payable and similar charges	**(1,618)**	(2,353)	(7,053)
Interest capitalised	**2,265**	3,448	5,196
Finance costs	**(7,616)**	(13,376)	(37,438)

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
The tax charge is based on the profit for the period and represents:			
United Kingdom corporation tax at 19%			
Group corporation tax	**(11,201)**	–	(831)
Adjustment in respect of prior periods	**–**	(10)	1,253
Current tax (charge)/credit	**(11,201)**	(10)	422
Deferred tax			
Capital allowances	**252**	403	709
Tax losses	**(1,498)**	1,158	(5,478)
Unrealised chargeable gains	**10,250**	(1,562)	2,525
Other temporary differences	**(1,027)**	(798)	(2,715)
Deferred tax credit/(charge)	**7,977**	(799)	(4,959)
Total tax charge for period	**(3,224)**	(809)	(4,537)

Deferred tax	**At 30 September 2018 £000**	At 30 September 2017 £000	At 31 March 2018 £000
Capital allowances	**(2,008)**	(2,566)	(2,260)
Tax losses	**1,198**	9,332	2,696
Unrealised chargeable gains	**(9,556)**	(23,893)	(19,806)
Other temporary differences	**1,790**	4,393	2,586
Deferred tax liability	**(8,576)**	(12,734)	(16,784)

Under IAS 12, deferred tax provisions are made for the tax that would potentially be payable on the realisation of investment properties and other assets at book value.

If upon sale of the investment properties the Group retained all the capital allowances, the deferred tax provision in respect of capital allowances of £2,008,000 (net) would be released and further capital allowances of £37,773,000 (gross) would be available to reduce future tax liabilities.

The net deferred tax asset in respect of other temporary differences arises from tax relief available to the Group on the mark-to-market valuation of financial instruments, the future vesting of share awards and other timing differences.

10. DIVIDENDS

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Attributable to equity share capital			
Ordinary			
Interim paid 2.50p per share	**–**	–	2,934
Prior period final paid 7.00p per share (2017: 6.20p)	**8,303**	7,261	7,261
	8,303	7,261	10,195

The interim dividend of 2.60p (30 September 2017: 2.50p per share) was approved by the Board on 21 November 2018 and will be paid on 31 December 2018 to Shareholders on the register on 30 November 2018. This interim dividend, amounting to £3,103,000 has not been included as a liability as at 30 September 2018.

11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary Shareholders divided by the weighted average number of shares in issue during the period. This is a different basis to the net asset per share calculations which are based on the number of shares at the period end.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends on the assumed exercise of all dilutive options.

The earnings per share is calculated in accordance with IAS 33 and the best practice recommendations of the European Public Real Estate Association ("EPRA").

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below:

	Half Year to 30 September 2018 000	Half Year to 30 September 2017 000	Year to 31 March 2018 000
Ordinary shares in issue	**119,363**	118,534	118,611
Weighting adjustment	**(613)**	(1,426)	(997)
Weighted average ordinary shares in issue for calculation of basic and EPRA earnings per share	**118,750**	117,108	117,614
Weighted average ordinary shares issued on share settled bonuses	**735**	840	920
Weighted average ordinary shares to be issued under Performance Share Plan	**326**	1,600	478
Weighted average ordinary shares in issue for calculation of diluted earnings per share	**119,811**	119,548	119,012

	£000	£000	£000
Earnings used for calculation of basic and diluted earnings per share	**25,924**	400	26,285
Basic earnings per share	**21.8p**	0.3p	22.3p
Diluted earnings per share	**21.6p**	0.3p	22.1p

11. EARNINGS PER SHARE CONTINUED

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Earnings used for calculation of basic and diluted earnings per share	**25,924**	400	26,285
Net gain on sale and revaluation of Investment properties			
Subsidiaries	**(32,537)**	(3,370)	(37,415)
Joint ventures	**(1,081)**	(2,331)	(3,317)
Tax on profit on disposal of Investment property held for sale	**13,641**	–	–
Tax on profit on disposal of Investment properties	**270**	659	3,931
Gain on movement in share of joint ventures	**–**	–	(1,693)
Fair value movement on derivative financial instruments			
Subsidiaries	**(325)**	(2,884)	(4,029)
Joint ventures	**22**	6	(7)
Fair value movement on Convertible Bond	**(958)**	127	1,559
Profit on cancellation of derivative financial instruments	**(72)**	–	(1,756)
Expense on cancellation of loans	**–**	–	2,296
Retail Bond redemption premium	**–**	–	8,708
Fair value movement of available-for-sale investment	**(144)**	(1,423)	(1,385)
Deferred tax on adjusting items	**(10,202)**	1,876	(1,431)
Loss used for calculations of EPRA earnings per share	**(5,462)**	(6,940)	(8,254)

EPRA loss per share	**(4.6)p**	(5.9)p	(7.0)p

The earnings used for the calculation of EPRA earnings per share includes net rental income and development property profits but excludes trading property gains.

12. INVESTMENT PROPERTIES

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Book value at 1 April	**791,948**	987,560	987,560
Additions at cost	**72,040**	50,559	101,042
Disposals	**(26,469)**	(79,203)	(324,002)
Transfer of Investment property held for sale	**(125,200)**	–	–
Revaluation surplus	**32,781***	2,145	23,848
Revaluation surplus attributable to profit share partners	**(250)**	2,420	3,500
As at period end	**744,850**	963,481	791,948

*Revaluation surplus is presented net of the transaction expenditure on The Shepherds Building, London W14 of £1,346,000 which has been accrued for at the period end.

All properties are stated at market value as at 30 September 2018, and are valued by professionally qualified external valuers (Cushman & Wakefield LLP) in accordance with the Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors. The fair value of the investment properties at 30 September 2018 is as follows:

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Book value	**744,850**	963,481	791,948
Lease incentives and costs included in trade and other receivables	**11,589**	16,065	12,375
Head leases capitalised	**(2,189)**	–	(2,189)
Fair value	**754,250**	979,546	802,134

Interest capitalised in respect of the refurbishment of investment properties at 30 September 2018 amounted to £11,322,000 (30 September 2017: £7,174,000; 31 March 2018: £9,057,000). Interest capitalised during the period in respect of the refurbishment of investment properties amounted to £2,265,000.

The historical cost of investment property is £635,488,000 (30 September 2017: £791,823,000; 31 March 2018: £622,226,000).

13. JOINT VENTURES

Share of results of joint ventures	**Half Year to 30 September 2018 £000**	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Gross rental income	**426**	5	189
Property overheads	**(466)**	(164)	(412)
Net rental expense	**(40)**	(159)	(223)
Net gain on revaluation of Investment properties	**1,081**	2,331	3,317
Development profit/(loss)	**500**	1,367	(1,939)
Provision against book values	**(4,288)**	–	(1,880)
Other operating income/(expense)	**31**	(63)	(31)
Gross (loss)/profit	**(2,716)**	3,476	(756)
Administrative expenses	**(161)**	(127)	(468)
Operating (loss)/profit	**(2,877)**	3,349	(1,224)
Finance costs	**(807)**	(709)	(2,036)
Finance income	**32**	5	16
Change in fair value of derivative financial instruments	**(22)**	(6)	7
(Loss)/profit before tax	**(3,674)**	2,639	(3,237)
Tax	**(967)**	(89)	1,255
(Loss)/profit after tax	**(4,641)**	2,550	(1,982)
Reversal of One Creechurch Place loss[1]	**767**	832	3,485
Uplift for Barts Square economic interest[2]	**–**	–	1,693
Share of results of joint ventures	**(3,874)**	3,382	3,196

[1] This is an adjustment that has been made to add back the Group's share of the loss incurred in one of its joint ventures arising from finance and other costs in the period to ensure that the Group's interest is shown at its recoverable amount.

[2] This is an adjustment to reflect the impact of the consolidation of a joint venture at its economic interest of 43.8% rather than its actual ownership interest of 33.3%.

13. JOINT VENTURES CONTINUED

Investment in joint ventures	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Summarised balance sheets			
Non-current assets			
Investment properties	**24,427**	19,995	22,623
Owner occupied property, plant and equipment	**26**	22	39
Deferred tax	**2,110**	1,761	3,071
Derivative financial instruments	**37**	51	59
	26,600	21,829	25,792
Current assets			
Land, development and trading properties	**53,466**	103,888	76,474
Trade and other receivables	**12,626**	6,522	6,109
Cash and cash equivalents	**17,629**	8,056	11,790
	83,721	118,466	94,373
Current liabilities			
Trade and other payables	**(18,559)**	(21,901)	(18,666)
	(18,559)	(21,901)	(18,666)
Non-current liabilities			
Trade and other payables	**(17,814)**	(25,680)	(27,652)
Borrowings	**(46,680)**	(70,282)	(49,523)
	(64,494)	(95,962)	(77,175)
Net assets pre-adjustment	**27,268**	22,432	24,324
Reversal of One Creechurch Place net liability position[1]	**4,251**	832	3,485
Investment in joint ventures	**31,519**	23,264	27,809

[1] This is an adjustment that has been made to add back the Group's share of the loss incurred in one of its joint ventures arising from finance and other costs in the period to ensure that the Group's interest is shown at its recoverable amount.

The Directors' valuation of trading and development stock shows a surplus of £800,000 (30 September 2017: £11,000,000; 31 March 2018: £1,700,000) above book value. This surplus has been included in the EPRA net asset value (Note 23).

14. LAND, DEVELOPMENTS AND TRADING PROPERTIES

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Development properties	**4,020**	95,448	6,014
Properties held as trading stock	**28**	28	28
	4,048	95,476	6,042

The Directors' valuation of trading and development stock shows a surplus of £628,000 (30 September 2017: £943,000; 31 March 2018: £628,000) above book value. This surplus has been included in the EPRA net asset value (Note 23).

Total interest to date in respect of the development of sites is included in stock to the extent of £nil (30 September 2017: £11,660,000; 31 March 2018: £nil). Interest capitalised during the period in respect of development sites amounted to £nil.

15. INVESTMENT PROPERTY HELD FOR SALE

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Transferred from Investment property	**123,734**	–	–
Outstanding lease incentives	**1,466**	–	–
	125,200	–	–

On 13 September 2018, the Group unconditionally exchanged contracts on the sale of The Shepherds Building, London W14, for £125.2m. Completion took place on 5 October 2018 and the property has been classified as a held for sale asset under IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'. The revaluation gain on transfer to Investment property held for sale of £13.3m has been recognised as a revaluation gain in the Unaudited Consolidated Income Statement.

16. AVAILABLE-FOR-SALE INVESTMENTS

The gain of £144,000 recognised in the period is the result of cash received in relation to a previously fully impaired asset.

17. TRADE AND OTHER RECEIVABLES

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Trade receivables	**38,059**	8,644	35,883
Other receivables	**20,899**	28,733	30,083
Prepayments	**4,502**	3,371	3,841
Accrued income	**35,240**	19,574	30,950
	98,700	60,322	100,757

18. CASH AND CASH EQUIVALENTS

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Cash held at managing agents	**4,118**	4,896	5,371
Restricted cash	**1,572**	71,167	2,713
Cash deposits	**57,403**	28,278	83,787
	63,093	104,341	91,871

Restricted cash is made up of cash held by solicitors and cash in blocked accounts.

19. TRADE AND OTHER PAYABLES

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Trade payables	**15,000**	14,704	11,175
Other payables	**8,731**	2,255	1,632
Accruals	**25,044**	31,619	32,735
Deferred income	**6,877**	9,072	5,836
Current trade and other payables	**55,652**	57,650	51,378
Trade payables	**10,815**	–	–
Non-current trade and other payables	**10,815**	–	–
Total trade and other payables	**66,467**	57,650	51,378

20. BORROWINGS

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Current borrowings	**100,375**	4,133	–
Borrowings repayable within:			
one to two years	**184,686**	104,067	272,501
two to three years	**–**	421,886	–
three to four years	**–**	1,036	–
four to five years	**24,887**	57,500	21,878
five to six years	**–**	1,110	–
six to ten years	**122,717**	71,811	122,613
Non-current borrowings	**332,290**	657,410	416,992
Total borrowings	**432,665**	661,543	416,992

Included within current borrowings is the Convertible Bond at its fair value of £100,375,000. It is a financial instrument classified as Level 1 under the IFRS 13 fair value hierarchy. At 30 September 2017 and 31 March 2018 the Convertible Bond was included within non-current borrowings due within one to two years at its fair value of £99,901,000 and £101,333,000 respectively.

20. BORROWINGS CONTINUED

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Total borrowings	**432,665**	661,543	416,992
Cash	**(63,093)**	(104,341)	(91,871)
Net borrowings	**369,572**	557,202	325,121

Net borrowings excludes the Group's share of borrowings in joint ventures of £46,680,000 (30 September 2017: £70,282,000; 31 March 2018: £49,523,000) and cash of £17,629,000 (30 September 2017: £8,056,000; 31 March 2018: £11,790,000). All borrowings in joint ventures are secured.

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Net assets	**552,596**	510,233	533,894
Gearing	**67%**	109%	61%

21. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Derivative financial instruments asset	**1,703**	–	123
Derivative financial instruments liability	**(1,529)**	(10,095)	(2,874)

The fair values of the Group's outstanding interest rate swaps and caps have been estimated by calculating the present values of future cash flows, using appropriate market discount rates, representing Level 2 fair value measurements as defined in IFRS 13 'Fair Value Measurement'.

22. SHARE CAPITAL

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Authorised	**39,577**	39,577	39,577

The authorised share capital of the Company is £39,576,626.60 divided into ordinary shares of 1p each and deferred shares of 1/8p each.

Allotted, called up and fully paid:			
119,363,349 (30 September 2017: 118,534,278; 31 March 2018: 118,610,741) ordinary shares of 1p each	**1,194**	1,185	1,186
212,145,300 deferred shares of 1/8p each	**265**	265	265
	1,459	1,450	1,451

23. NET ASSETS PER SHARE

	At 30 September 2018 £000	Number of shares 000s	At 30 September 2018 Pence per share
Net asset value	552,596	119,363	
Less: deferred shares	(265)		
Basic net asset value	552,331	119,363	463
Add: share settled bonus		735	
Add: dilutive effect of the Performance Share Plan		326	
Diluted net asset value	552,331	120,424	459
Adjustment for:			
fair value of financial instruments	1,735		
fair value surplus on Convertible Bond	375		
deferred tax	11,322		
Adjusted diluted net asset value	565,763	120,424	470
Adjustment for:			
fair value of trading and development properties	1,428		
EPRA net asset value	567,191	120,424	471
Adjustment for:			
fair value of financial instruments	(1,735)		
deferred tax	(11,322)		
EPRA triple net asset value	554,134	120,424	460

The adjustment for the fair value of trading and development properties represents the surplus as at 30 September 2018.

23. NET ASSETS PER SHARE CONTINUED

	At 31 March 2018 £000	Number of shares 000s	At 31 March 2018 Pence per share
Net asset value	533,894	118,611	
Less: deferred shares	(265)		
Basic net asset value	533,629	118,611	450
Add: share settled bonus		920	
Add: dilutive effect of the Performance Share Plan		478	
Diluted net asset value	533,629	120,009	445
Adjustment for:			
fair value of financial instruments	2,692		
fair value surplus on Convertible Bond	1,333		
deferred tax	21,662		
Adjusted diluted net asset value	559,316	120,009	466
Adjustment for:			
fair value of trading and development properties	2,328		
EPRA net asset value	561,644	120,009	468
Adjustment for:			
fair value of financial instruments	(2,692)		
deferred tax	(21,662)		
EPRA triple net asset value	537,290	120,009	448

The net asset values per share have been calculated in accordance with guidance issued by the European Public Real Estate Association ("EPRA").

The adjustments to the net asset value comprise the amounts relating to the Group and its share of joint ventures.

24. RELATED PARTY TRANSACTIONS

The following amounts were due from/(to) the Group's joint ventures:

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
King Street Developments (Hammersmith) Ltd	**309**	9,923	9,916
Shirley Advance LLP	**249**	509	249
Barts Square companies	**2,543**	1,113	2,205
Helical Sosnica Sp. zoo	**–**	1,104	–
Old Street Holdings LP	**3**	3	3
Creechurch Place Ltd	**37,890**	16,797	32,096

During the period, interest on bonds of £875,000 (30 September 2017: £771,000; 31 March 2018: £1,590,000) and a promote fee for development management services of £4,874,000 (30 September 2017: £nil; 31 March 2018: £14,008,000) were charged by the Group to Creechurch Place Limited. In addition, a development management fee of £670,000 (30 September 2017: £672,000; 31 March 2018: £1,924,000) was charged by the Group to the Barts Square companies.

25. SEE-THROUGH ANALYSIS

Helical holds a significant proportion of its property assets in joint ventures with partners that provide the majority of the equity required to purchase the assets, whilst relying on the Group to provide asset management or development expertise. Accounting convention requires Helical to account under IFRS for our share of the net results and net assets of joint ventures in limited detail in the Income Statement and Balance Sheet. Net asset value per share, a key performance measure used in the real estate industry, as reported in the financial statements under IFRS, does not provide Shareholders with the most relevant information on the fair value of assets and liabilities within an ongoing real estate company with a long term investment strategy.

This analysis incorporates the separate components of the results of the consolidated subsidiaries and Helical's share of its joint ventures' results into a 'see-through' analysis of our property portfolio, debt profile and the associated income streams and financing costs, to assist in providing a comprehensive overview of the Group's activities.

See-through Net Rental Income

Helical's share of the gross rental income, head rents payable and property overheads from property assets held in subsidiaries and in joint ventures is shown in the table below.

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Gross rental income			
Subsidiaries	**13,527**	20,178	40,157
Joint ventures	**426**	5	189
Total gross rental income	**13,953**	20,183	40,346
Rents payable			
Subsidiaries	**(180)**	(83)	(144)
Property overheads			
Subsidiaries	**(1,739)**	(1,991)	(3,549)
Joint ventures	**(466)**	(164)	(412)
Net rental expense/(income) attributable to profit share partner	**139**	(67)	(135)
See-through net rental income	**11,707**	17,878	36,106

See-Through Net Development (Losses)/Profits

Helical's share of development (losses)/profits from property assets held in subsidiaries and in joint ventures is shown in the table below.

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
In parent and subsidiaries	**3,565**	1,935	(1,961)
In joint ventures	**500**	1,367	(1,939)
Total gross development profit/(loss)	**4,065**	3,302	(3,900)
Provision against stock			
Subsidiaries	**(1,879)**	(11,455)	(2,213)
Joint ventures	**(4,288)**	–	(1,880)
See-through development losses	**(2,102)**	(8,153)	(7,993)

25. SEE–THROUGH ANALYSIS CONTINUED

See–through Net Gain on Sale and Revaluation of Investment Properties

Helical's share of the net gain on the sale and revaluation of investment properties held in subsidiaries and joint ventures is shown in the table below.

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Revaluation surplus on Investment properties			
Subsidiaries	**31,435**	2,145	23,848
Joint ventures	**1,081**	2,331	3,317
Total revaluation surplus	**32,516**	4,476	27,165
Net gain on sale of Investment properties			
Subsidiaries	**1,102**	1,225	13,567
Joint ventures	**–**	–	–
Total net gain on sale of Investment properties	**1,102**	1,225	13,567
See–through net gain on sale and revaluation of Investment properties	**33,618**	5,701	40,732

See–through Net Finance Costs

Helical's share of the interest payable, finance charges, capitalised interest and interest receivable on bank borrowings and cash deposits in subsidiaries and in joint ventures is shown in the table below.

	Half Year to 30 September 2018 £000	Half Year to 30 September 2017 £000	Year to 31 March 2018 £000
Interest payable on bank loans and overdrafts			
Subsidiaries	**8,263**	14,471	26,873
Joint ventures	**7**	709	24
Total interest payable on bank loans and overdrafts	**8,270**	15,180	26,897
Other interest payable and similar charges			
Subsidiaries	**1,618**	2,353	15,761
Joint ventures	**800**	–	2,012
Interest capitalised			
Subsidiaries	**(2,265)**	(3,448)	(5,196)
Total finance costs	**8,423**	14,085	39,474
Interest receivable and similar income			
Subsidiaries	**(1,033)**	(1,154)	(4,303)
Joint ventures	**(32)**	(5)	(16)
See–through net finance costs	**7,358**	12,926	35,155

25. SEE-THROUGH ANALYSIS CONTINUED

See-through Property Portfolio

Helical's share of the investment, trading and development property portfolio in subsidiaries and joint ventures is shown in the table below.

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2017 £000
Investment property fair value			
Subsidiaries	**754,250**	979,546	802,134
Joint ventures	**24,427**	19,995	22,623
Investment property held for sale			
Subsidiaries	**125,200**	–	–
Total investment property fair value	**903,877**	999,541	824,757
Trading and development stock			
Subsidiaries	**4,048**	95,476	6,042
Joint ventures	**53,466**	103,888	76,474
Total trading and development stock	**57,514**	199,364	82,516
Trading and development stock surplus			
Subsidiaries	**628**	943	628
Joint ventures	**800**	11,000	1,700
Total trading and development stock surpluses	**1,428**	11,943	2,328
Total trading and development stock at fair value	**58,942**	211,307	84,844
See-through property portfolio	**962,819**	1,210,848	909,601

See-through Net Borrowings

Helical's share of borrowings and cash deposits in parent and subsidiaries and joint ventures is shown in the table below.

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2017 £000
Gross borrowings less than one year			
Subsidiaries	**100,375**	4,133	–
Gross borrowings more than one year			
Subsidiaries	**332,290**	657,410	416,992
Total	**432,665**	661,543	416,992
Gross borrowings more than one year			
Joint ventures	**46,680**	70,282	49,523
Total	**46,680**	70,282	49,523
Cash and cash equivalents			
Subsidiaries	**(63,093)**	(104,341)	(91,871)
Joint ventures	**(17,629)**	(8,056)	(11,790)
See-through net borrowings	**398,623**	619,428	362,854

26. SEE–THROUGH GEARING AND LOAN TO VALUE

	At 30 September 2018 £000	At 30 September 2017 £000	At 31 March 2018 £000
Property portfolio	**962,819**	1,210,848	909,601
Net borrowings	**398,623**	619,428	362,854
Net assets	**552,596**	510,233	533,894
See–through net gearing	**72%**	121%	68%
See–through loan to value	**41.4%**	51.2%	39.9%

27. CAPITAL COMMITMENTS

The Group has a commitment of £78,746,000 (30 September 2017: £51,868,000; 31 March 2018: £63,143,000) in relation to construction contracts, which are due to be completed in the period to March 2020. Of the total, £47,100,000 relates to the Group's investment property portfolio and £29,675,000 is in relation to the Group's residential scheme at Barts Square.

28. POST BALANCE SHEET EVENTS

Since the period end, the Group has completed on the sale of The Shepherds Building, London W14, for £125.2m and received the £25.8m deferred consideration from the sale in November 2017 of the retirement villages portfolio.

29. PRO–FORMA ANALYSIS

Where a transaction or cash receipt occurs after the period end and whose impact is material to the understanding of the financial statements, the Group provides pro–forma analysis to reflect its effect on the period end position as this more appropriately represents the position of the Group going forward.

Exchange for the sale of The Shepherds Building occurred before the period end but the transaction completed on 5 October 2018. The deferred consideration from the retirement village sale was received on 13 November 2018. Had these occurred prior to the period end, the see–through analysis would have been as follows:

	Half Year to 30 September 2018 £000
See–through property portfolio	**962,819**
Less: sales proceeds on sale of The Shepherds Building	**(125,200)**
Pro–forma see–through property portfolio	**837,619**
See–through net borrowings	**398,623**
Less: sales proceeds on sale of The Shepherds Building	**(125,200)**
Less: receipt of retirement village deferred consideration	**(25,792)**
Pro–forma see–through net borrowings	**247,631**
Pro–forma see–through loan to value	**29.6%**
Pro–forma see–through net gearing	**45%**

APPENDIX 1 GLOSSARY OF TERMS

Capital value (psf)
The open market value of the property divided by the area of the property in square feet.

Company or Helical or Group
Helical plc and its subsidiary undertakings.

Diluted figures
Reported amounts adjusted to include the effects of potential shares issuable under the Director and employee remuneration schemes.

Earnings per share (EPS)
Profit after tax divided by the weighted average number of ordinary shares in issue.

EPRA
European Public Real Estate Association.

EPRA earnings per share
Earnings per share adjusted to exclude gains/losses on sale and revaluation of investment properties and their deferred tax adjustments, the tax on profit/loss on disposal of investment properties, trading property profits/losses, movement in fair value of available-for-sale assets and fair value movements on derivative financial instruments, on an undiluted basis. Details of the method of calculation of the EPRA earnings per share are available from EPRA (see Note 11).

EPRA net assets per share
Diluted net asset value per share adjusted to exclude fair value surplus of financial instruments and the Convertible Bond, and deferred tax on capital allowances and on investment properties revaluation, but including the fair value of trading and development properties in accordance with the best practice recommendations of EPRA (see Note 23).

EPRA topped-up NIY
The current annualised rent, net of costs, topped-up for contracted uplifts, expressed as a percentage of the fair value of the relevant property.

EPRA triple net asset value per share
EPRA net asset value per share adjusted to include fair value of financial instruments and deferred tax on capital allowances and on investment properties revaluation (see Note 23).

Estimated rental value (ERV)
The market rental value of lettable space as estimated by the Group's valuers at each balance sheet date.

Gearing
Group borrowings expressed as a percentage of net assets.

Initial yield
Annualised net passing rents on investment properties as a percentage of their open market value.

Like–for–like valuation change
This is the valuation gain/loss on those properties held at both the previous and current reporting period end, as a proportion of the fair value of those properties at the beginning of the reporting period.

Net asset value per share (NAV)
Net assets divided by the number of ordinary shares at the balance sheet date.

Net gearing
Total borrowings less short–term deposits and cash as a percentage of net assets.

Passing rent
The annual gross rental income being paid by the tenant.

Reversionary yield
The income/yield from the full estimated rental value of the property on the market value of the property grossed up to include purchaser's costs, capital expenditure and capitalised revenue expenditure.

See–through/Group share
The consolidated Group and the Group's share in its joint ventures (see Note 25).

See–through net gearing
The see–through net borrowings expressed as a percentage of net assets (see Note 26).

Total Accounting Return
The growth in the net asset value of the Company plus dividends paid in the year, expressed as a percentage of net asset value at the start of the year.

Total Property Return
The total of net rental income, trading and development profits and net gain on sale and revaluation of investment properties on a see–through basis.

Total Shareholder Return (TSR)
The growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the period expressed as a percentage of the share price at the beginning of the period.

True equivalent yield
The constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value. Assumes rent is received quarterly in advance.

Unleveraged returns
Total property gains and losses (both realised and unrealised) plus net rental income expressed as a percentage of the total value of the properties.

WAULT
The total contracted rent up to the first break, or lease expiry date, divided by the contracted annual rent.

NOTES

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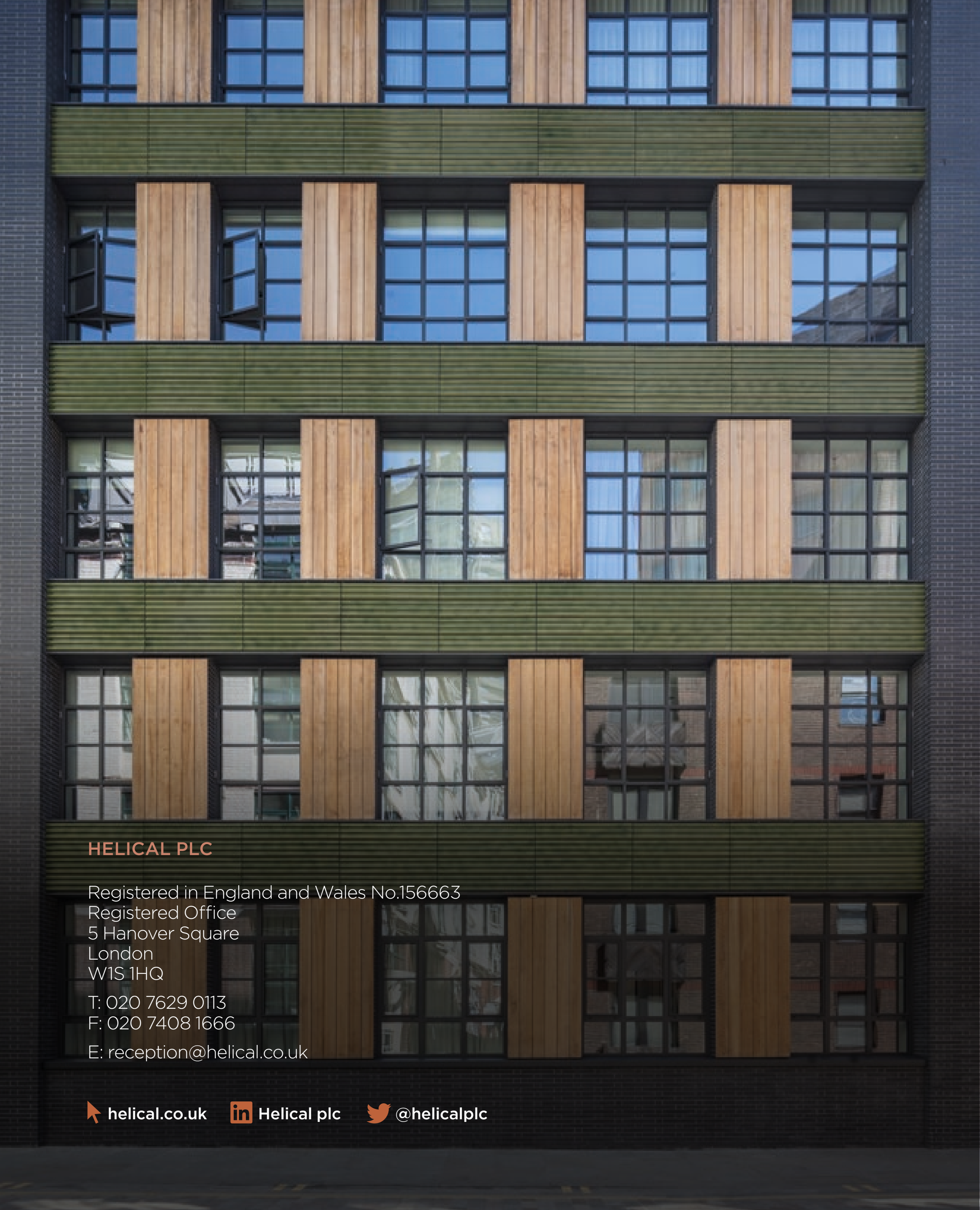

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