



HELICAL

HALF YEAR RESULTS
to 30 September 2016

AGENDA

One

Highlights

Gerald Kaye

Two

Financials

Tim Murphy

Three

Portfolio

Matthew Bonning-Snook and Duncan Walker

Four

Outlook

Gerald Kaye

Five

Q & A

Highlights

Gerald Kaye

RESULTS HIGHLIGHTS

<p>Profit Before Tax £31.1m (2015 - £85.9m)</p>	<p>EPRA NAV Per Share 471p Increase of 15p (3.3%) from 456p (adjusted)</p>	<p>Dividend Per Share 2.4p Increased 4.3% from 2.3p</p>
<p>Net Rental Income £24.6m - up 18.3%</p>	<p>Valuation Gain £28.6m (+4.0%)</p>	<p>Loan To Value 53% (pro-forma 49%)</p>



C Space

STRATEGY

- Continued focus - London offices, Manchester offices, Logistics
- Value enhancement by:
 - letting vacant space
 - asset management opportunities
- Bring forward new opportunities e.g. King Street, Hammersmith and Drury Lane
- Manage LTV to between 40 - 50%



The Bower

OPERATIONAL HIGHLIGHTS - LETTINGS TO DATE



London
The Tower,
The Bower
59,000 sq ft



London
The Loom
24,724 sq ft



London
C Space
15,387 sq ft

London Office: 102,246 sq ft

Regional Office: 26,129 sq ft

Logistics: 93,364 sq ft

Retail: 87,461 sq ft



Power Road Studios



Manchester, Churchgate and
Lee House



Burton-on-Trent



Cortonwood

TOTAL LETTINGS 309,200 SQ FT
95,669 sq ft pre 23rd June 213,531 sq ft post 23rd June

96,754 SQ FT LONDON POST 23rd JUNE

OPERATIONAL HIGHLIGHTS - SALES TO DATE

London Office: £34.5m



One King Street, Hammersmith

Logistics: £53.8m



Stevenage

Regional Office: £7.0m



Cheadle

Retail: £49.4m

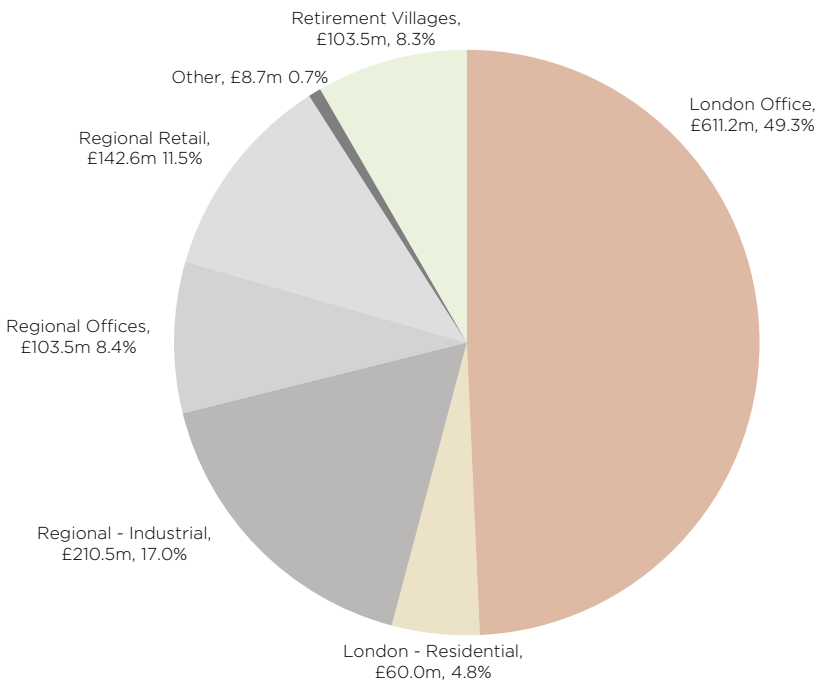


Huddersfield

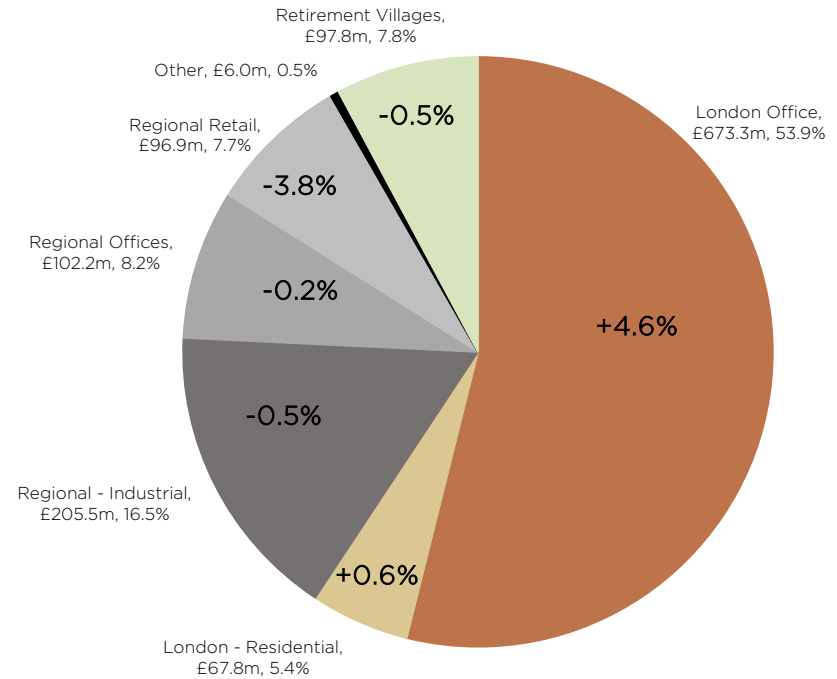
TOTAL SALES £145m

£18.6m pre 23rd June £126.4m post 23rd June

PORTFOLIO ALLOCATION

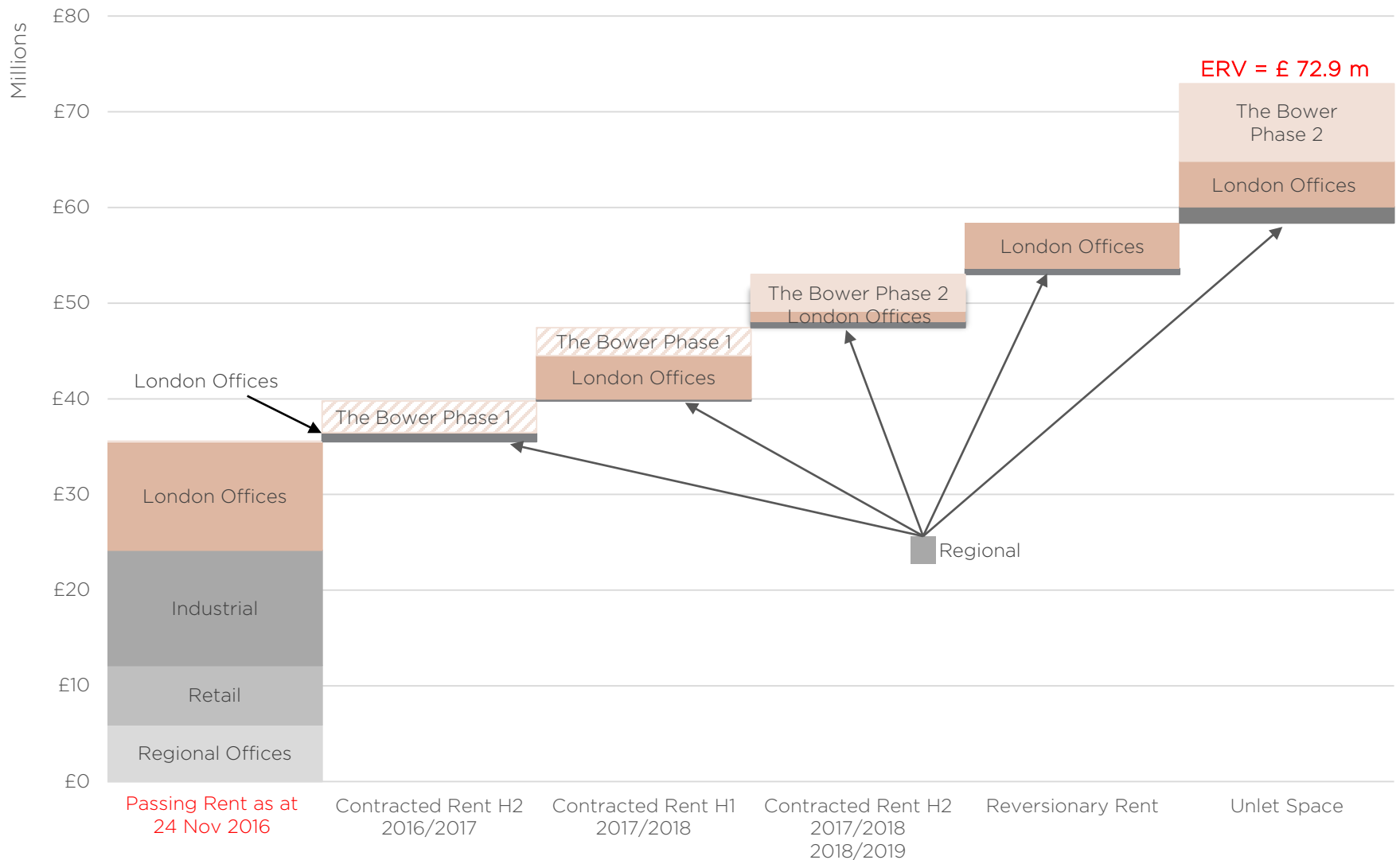


TOTAL VALUE MARCH 2016: £1.24bn

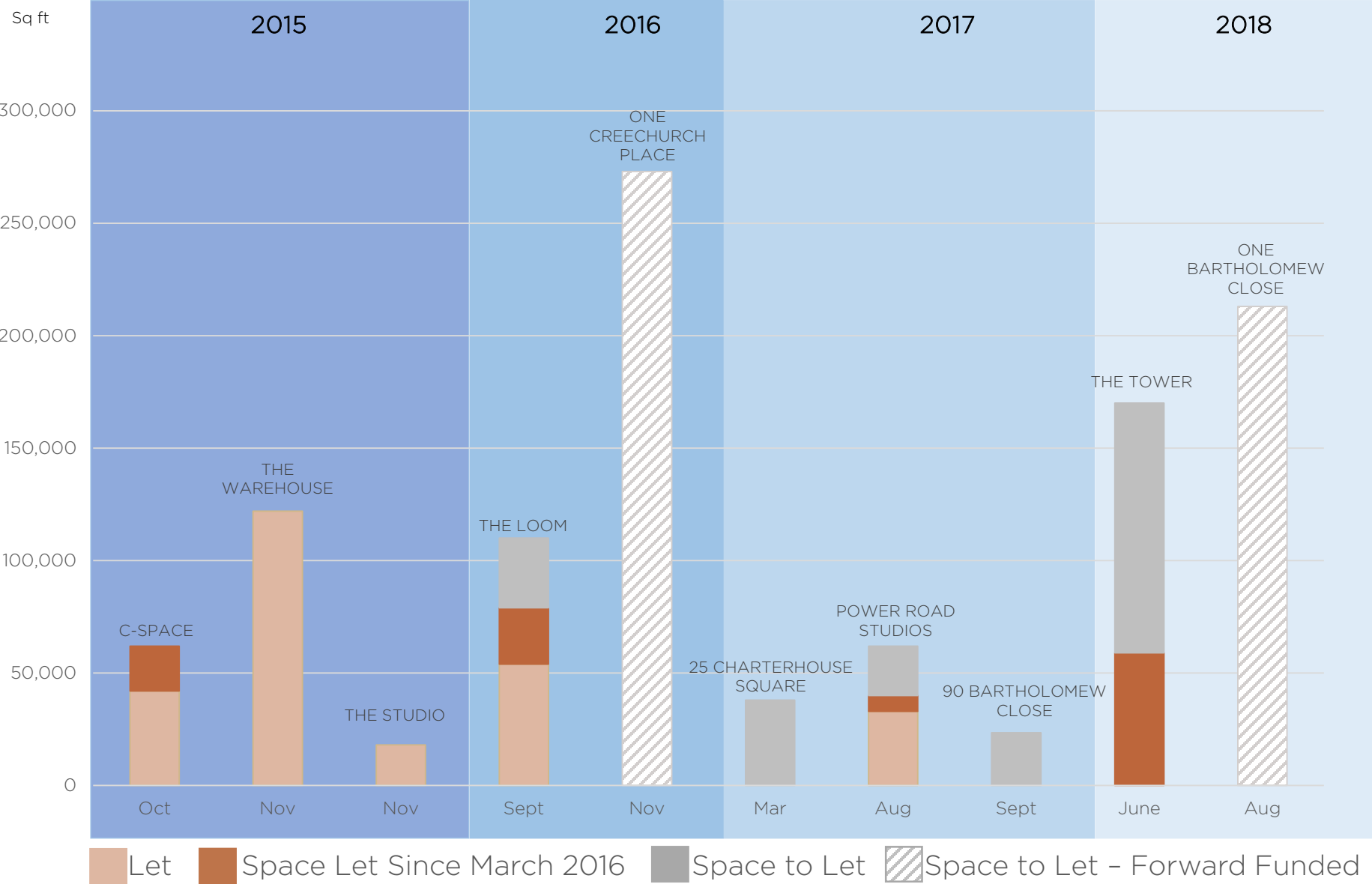


TOTAL VALUE SEPT 2016: £1.25bn

GROWING RENTAL STREAM INTO THE FUTURE

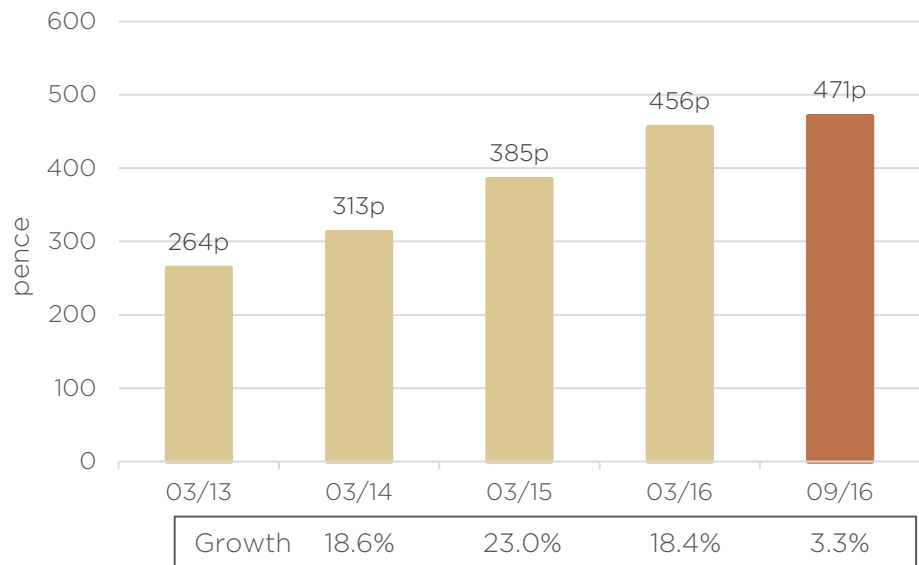


LONDON PROGRAMME COMPLETION DATES

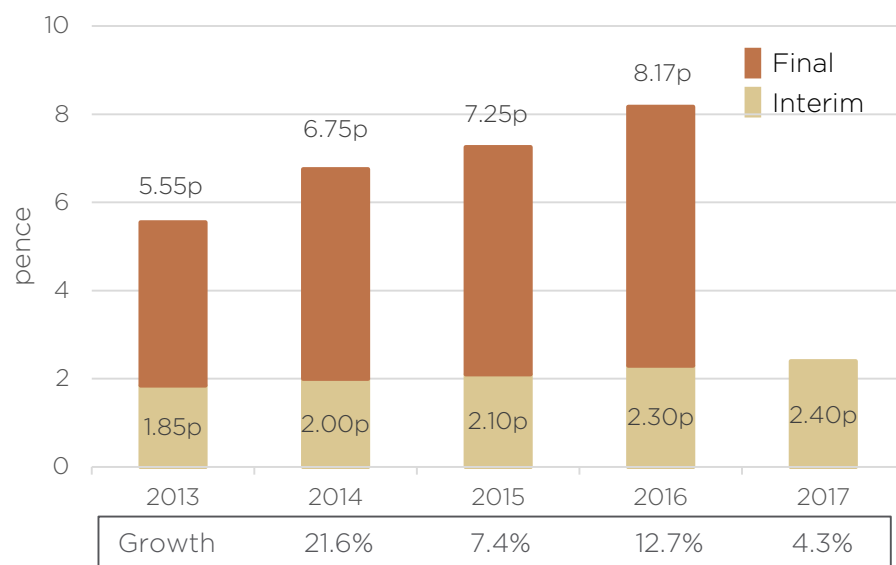


STRONG TRACK RECORD OF VALUE CREATION

EPRA net assets per share (pence)



Dividend per ordinary share (pence)



MARKET COMMENT

- Market slowed down pre-Brexit and during post-Brexit uncertainty
- Investment volumes down in Q2 and Q3. Anticipated to pick up in Q4
- Take up in City and Tech Belt below last three years and equivalent to 2012
- Total occupational demand above average. Decisions taking longer/delayed
- Availability increasing but not over supply – start of some schemes delayed
- Rents holding firm – rent free periods increasing by a few months in some cases

“We are committed to the UK and excited to continue our investment in our new King’s Cross campus.”

Sundar Pichai
Chief Executive at Google
16/11/2016

“London was the greatest city in the world before 23rd June and still is after 23rd June.”

Blake Hutchinson
President and CEO Oxford Properties
01/11/2016

SUMMARY

- Lettings - de-risking
- Sales
 - Continued focus
 - Recycle capital
 - Manage LTV
- Upside potential



One Creechurch Place

Financials

Tim Murphy

HEADLINE NUMBERS

SEE-THROUGH INCOME STATEMENT	Sep 2014	Sept 2015	Sept 2016	
Net rental income	£18.8m	£20.8m	£24.6m	+18%
Development profits / (losses)	£15.6m	£18.7m	(£2.6m)	
Gain on sale and revaluation of investment properties	£34.8m	£68.1m	£25.8m	
IFRS profit before tax	£42.9m	£85.9m	£31.1m	
EPRA earnings	£6.5m	£14.9m	£5.0m	
EPRA earnings per share	5.3p	13.0p	4.4p	
Interim dividend per share	2.1p	2.3p	2.4p	+4.3%

SEE-THROUGH BALANCE SHEET	Mar 2015	Mar 2016	Sept 2016	Pro-Forma ³
Total portfolio at fair value	£1,021m	£1,240m	£1,250m	£1,160m
EPRA net asset value per share	385p	456p	471p	471p
			+3.3%	
Net Debt	£532m	£682m	£664m	£569m
Loan to value ratio				
- Secured ²	34%	40%	39%	34%
- Overall	52%	55%	53%	49%

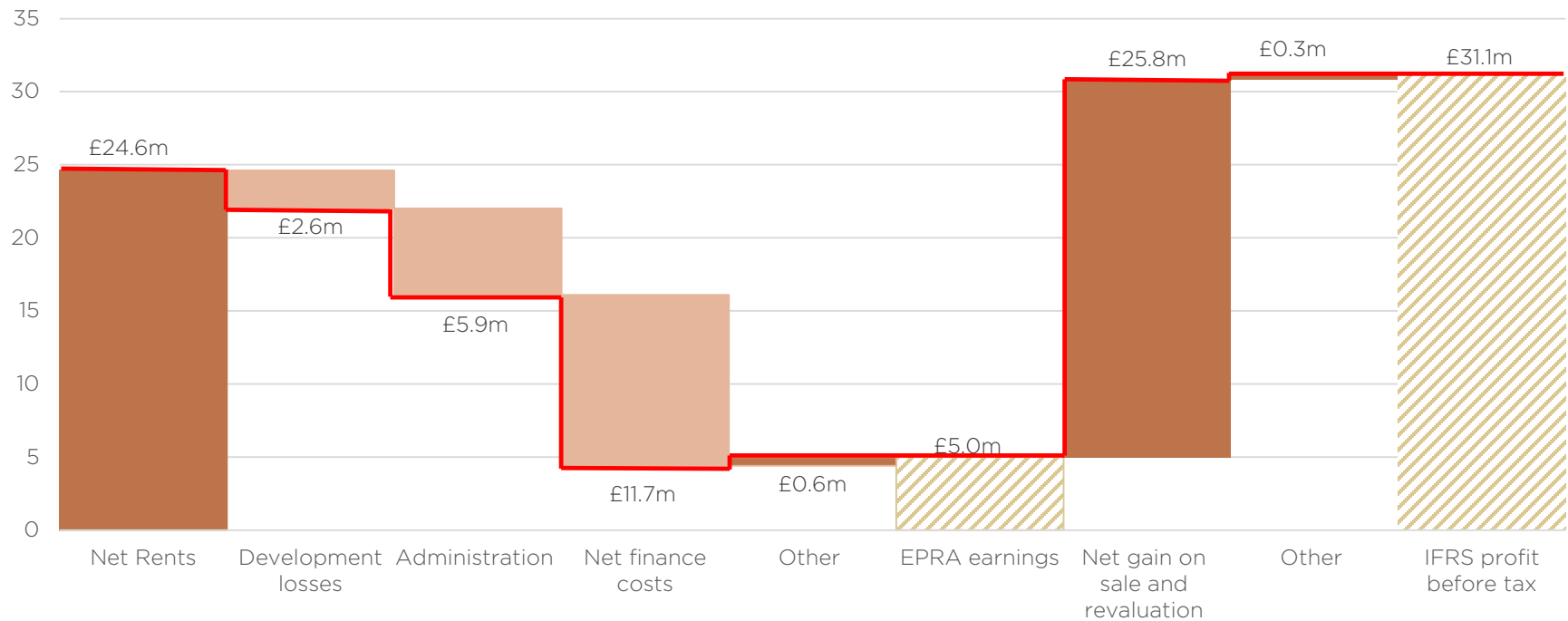
Notes:

1 All figures include share of joint ventures

2 Ratio of secured debt to total property portfolio

3 Adjusted for £91.5m of sales since the half year end

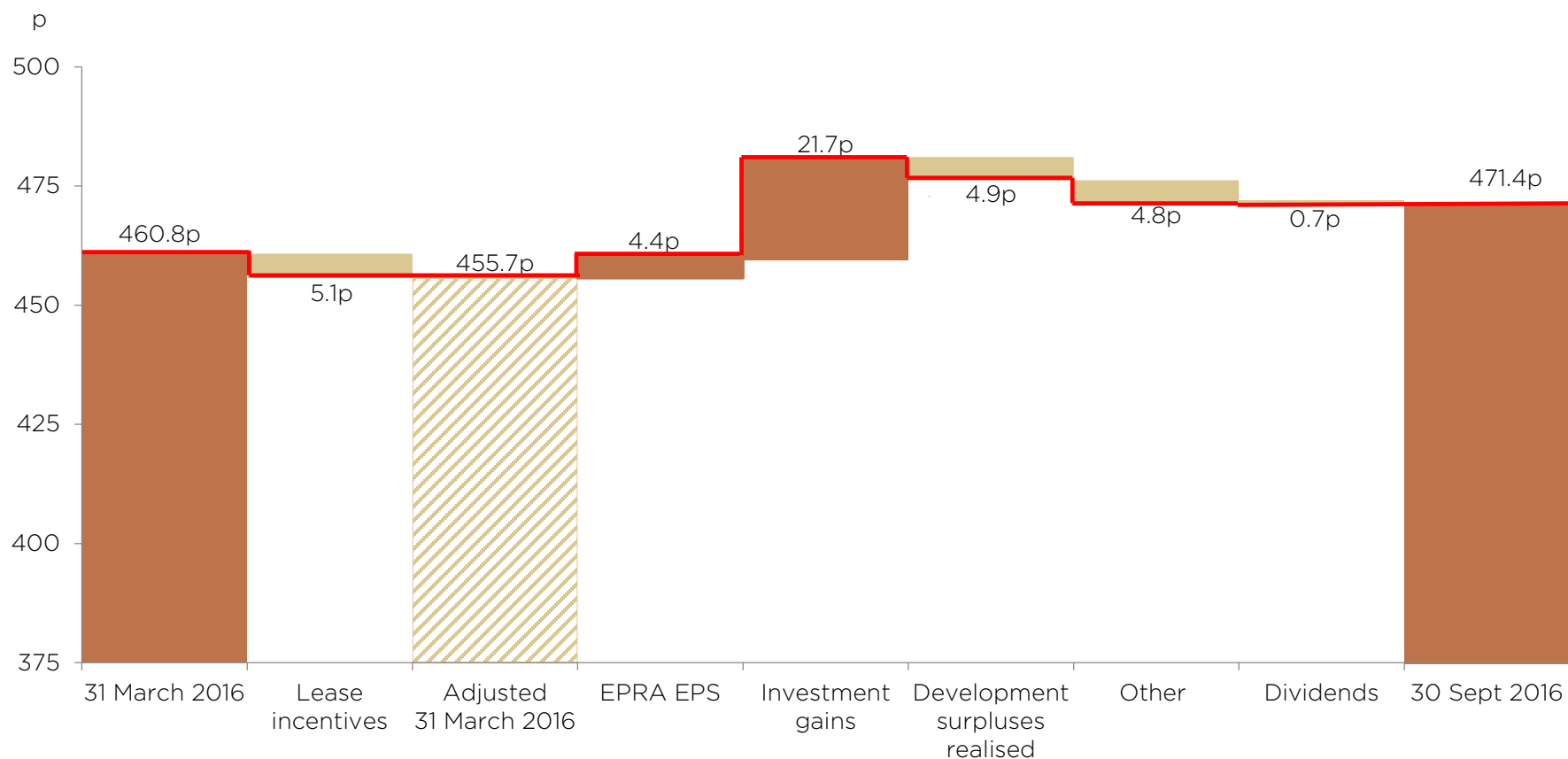
INCOME STATEMENT



- Net rents have increased by 18%
- Development profits of £4m were offset by stock provisions of £6.6m
- EPRA earnings of £5.0m equate to 4.4p per share
- Revaluation gains of £28.6m, primarily in London, were offset by losses on sale of £2.8m

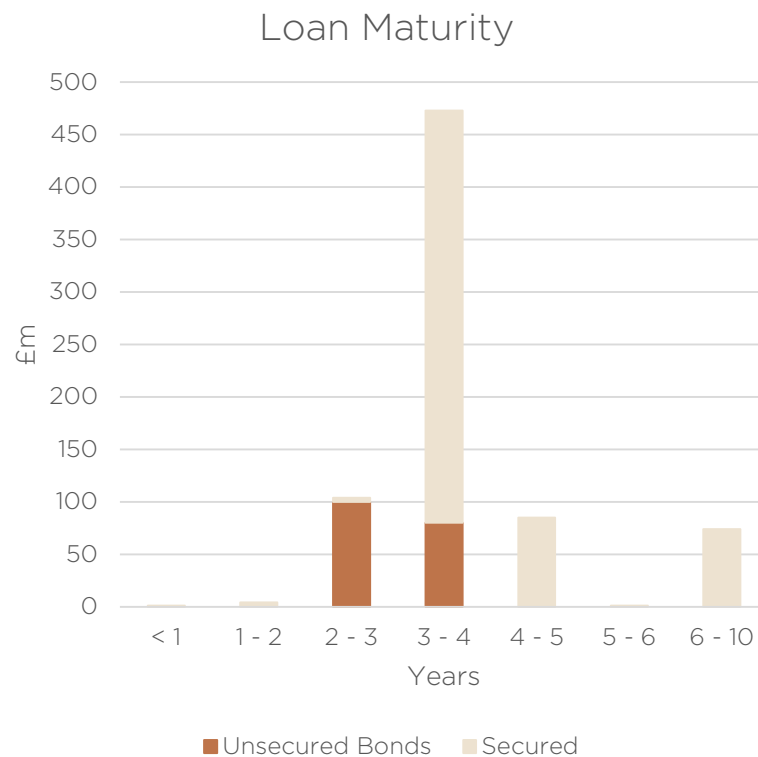
EPRA NET ASSETS PER SHARE

- Adjustment to opening NAV per share from full adoption of IAS 40 – Investment Property
- Development surpluses realised relate mainly to Cortonwood Retail Park and Retirement Villages



DEBT SUMMARY

	March 2016 £m	Sept 2016 £m
Total facilities	£881.7m	£897.6m
Gross debt	£775.1m	£742.2m
Unutilised facilities	£106.5m	£155.4m
Percentage of unsecured debt	23%	24%
Uncharged properties	£153m	£93m
Gearing:		
LTV ratio	55%	53%
NAV	456p	471p

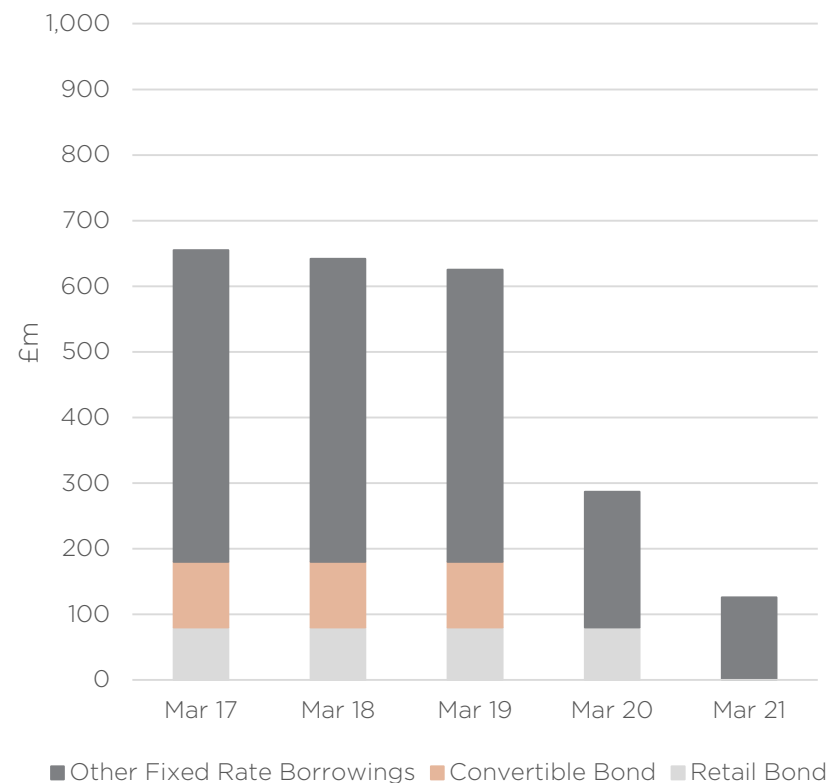


DEBT FACILITIES

	March 2016	Sept 2016
Average interest rate	4.16%	4.33%
Average interest rate (fully utilised)	3.75%	3.99%
Proportion of drawn down facilities at fixed rate or hedged	82%	88%
Average maturity of borrowings	4.5 yrs	4.0 yrs

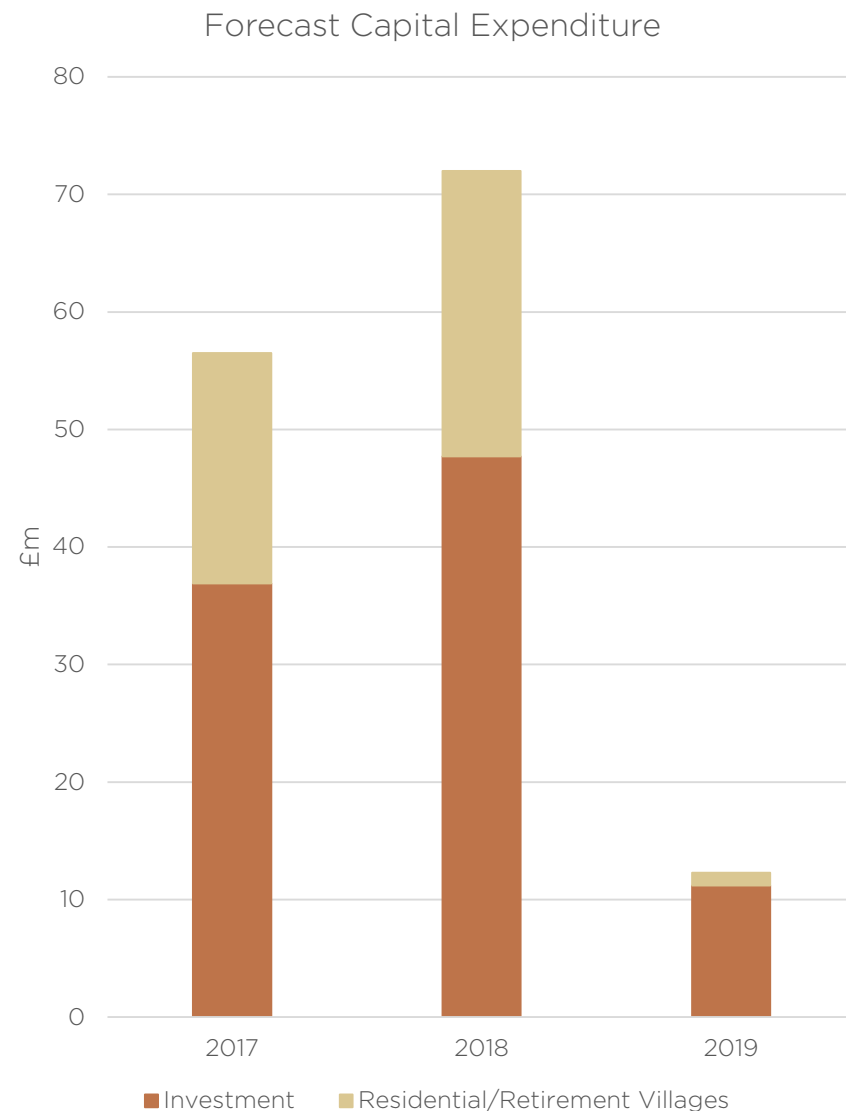
	March 2016 £m	Sept 2016 £m
Secured bank loans	595.1	562.2
Unsecured bonds (nominal value)	180.0	180.0
Total facilities drawn	775.1	742.2

Interest Rate Protection
(fixed rates)



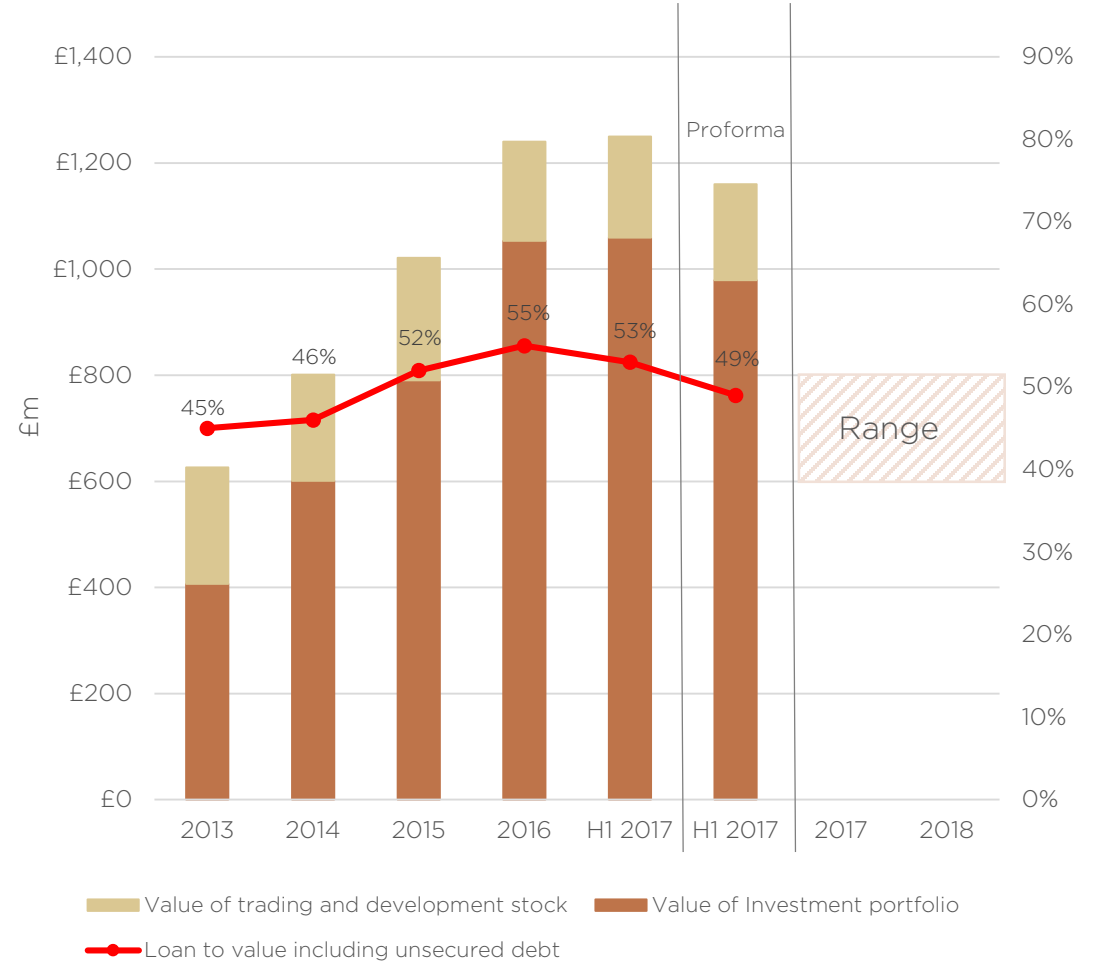
NET CASH FLOW MOVEMENTS

	March 2016 £m	Sept 2016 £m
Cash from operations	38.5	(7.4)
Acquisitions	(377.1)	-
Capex	(28.0)	(26.0)
Joint ventures	94.1	0.7
Disposal proceeds	121.8	54.9
Dividends paid	(14.4)	(0.8)
Other cash flow movements	(0.4)	(0.3)
Increase/reduction in net borrowing	138.1	(42.0)
Shares purchased	(18.9)	(0.9)
Net increase in cash	(46.3)	(21.8)
Cash at start of period	121.0	74.7
Cash at end of period	74.7	52.9



LOAN TO VALUE

- Current LTV 53% (proforma 49%)
- Capex programme will increase LTV
- Will seek to manage LTV to range between 40% - 50%



SUMMARY OF KEY FINANCIALS

- Growing income stream as the reversion on the investment portfolio is captured
- £10m+ of contracted rents start to flow by June 2017
- Finance costs contained with over 88% of debt hedged for almost 4 years
- Debt maturity of 4.0 years with no secured loans repayable before November 2019
- LTV will be managed between 40% and 50%



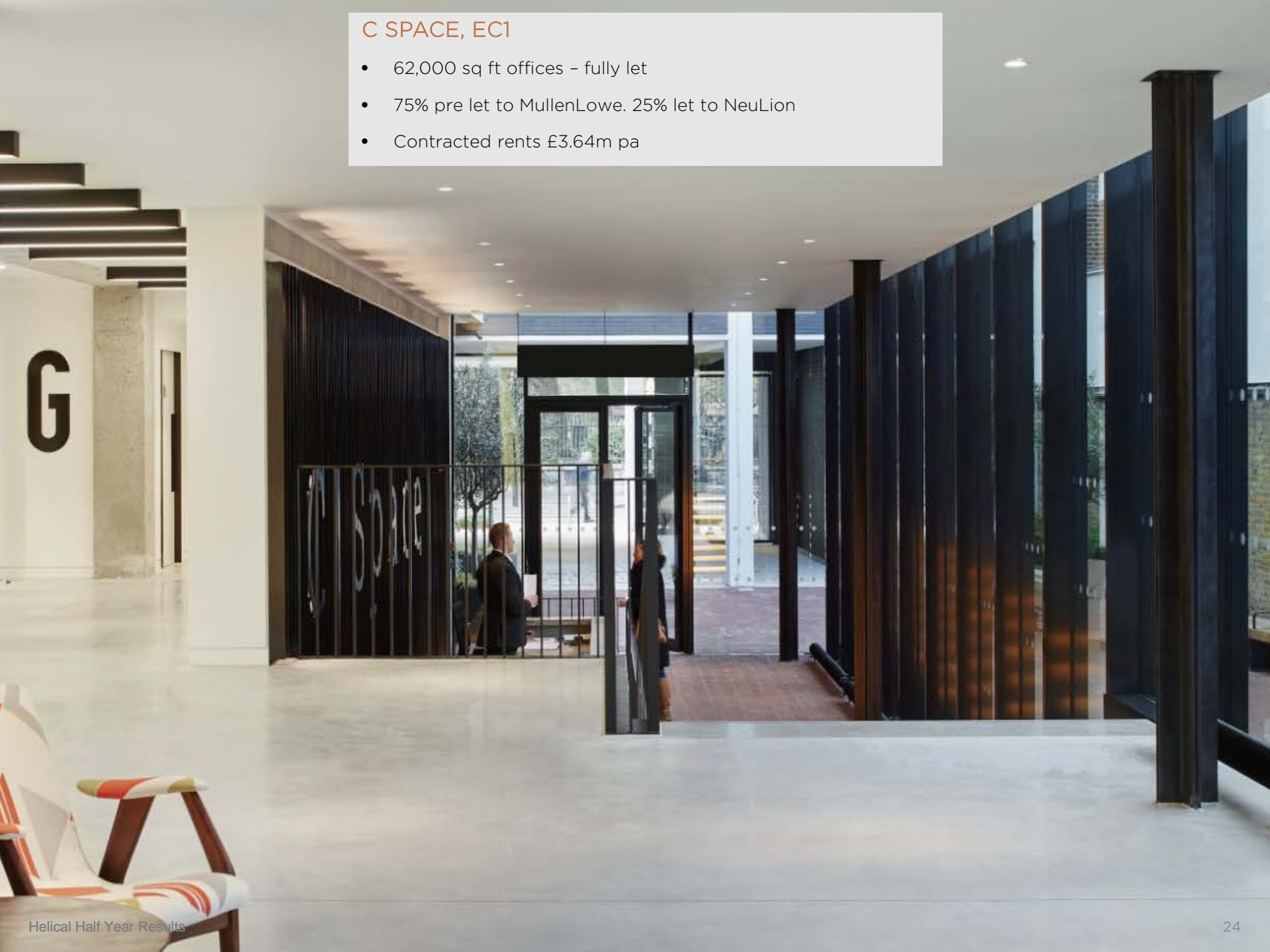
Power Road Studios

Portfolio

Matthew Bonning-Snook | Duncan Walker

C SPACE, EC1

- 62,000 sq ft offices – fully let
- 75% pre let to MullenLowe. 25% let to NeuLion
- Contracted rents £3.64m pa



THE WAREHOUSE & THE STUDIO, THE BOWER, EC1

Phase 1

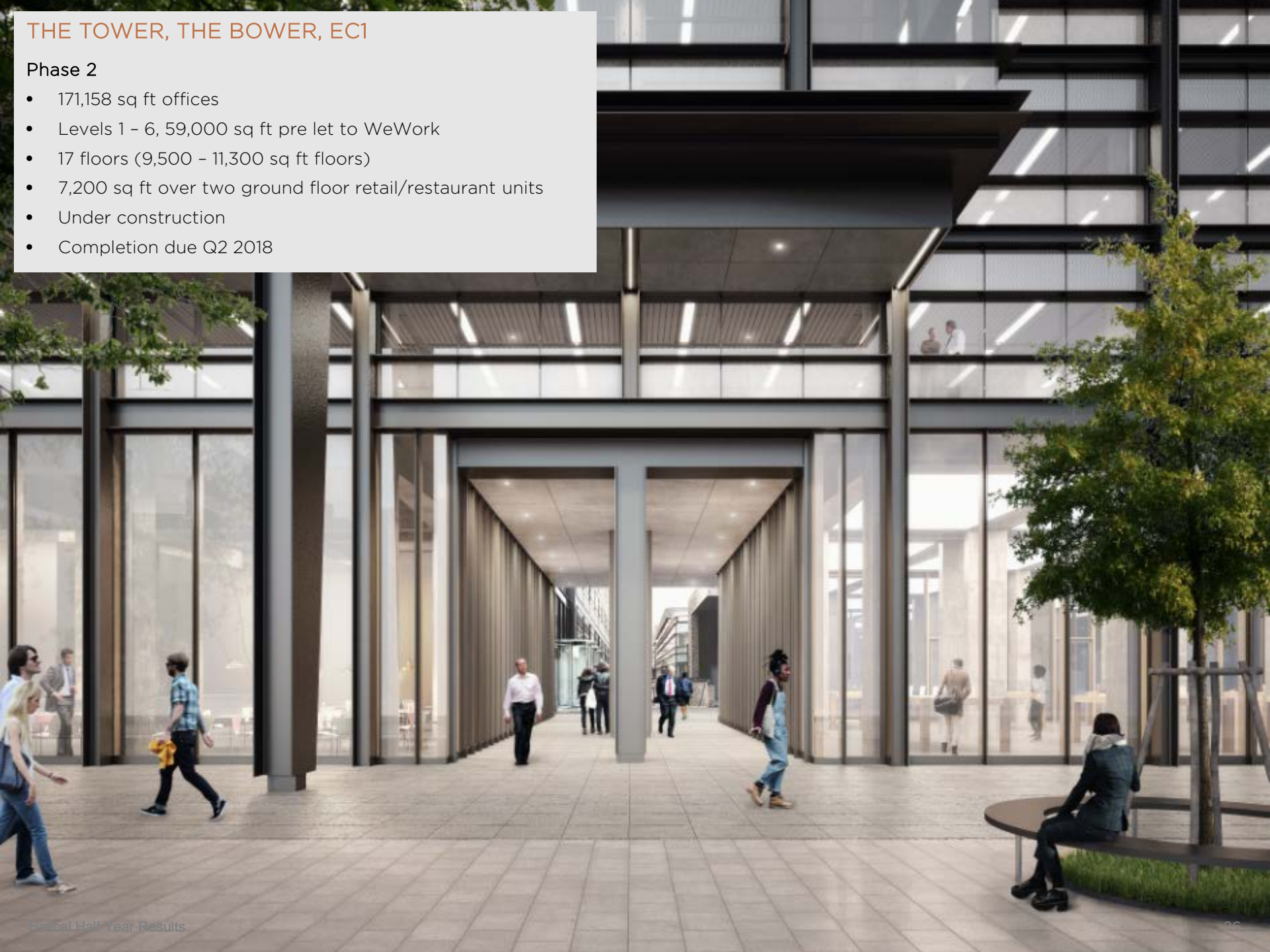
- The Studio - 18,363 sq ft fully let - £980,000 (one office tenant - £45psf)
- The Warehouse - 121,923 sq ft fully let - £8,050,000 (five office tenants £50.25 - £68psf)



THE TOWER, THE BOWER, EC1

Phase 2

- 171,158 sq ft offices
- Levels 1 - 6, 59,000 sq ft pre let to WeWork
- 17 floors (9,500 - 11,300 sq ft floors)
- 7,200 sq ft over two ground floor retail/restaurant units
- Under construction
- Completion due Q2 2018



ONE CREECHURCH PLACE, EC3

- 272,555 sq ft offices (17 floors)
- Completed November 2016
- City of London F/H. Funded development with HOOPP. Helical 10% ownership
- Assuming market incentives and letting within 12 months, profit share expectation:
 - £60 psf overall - £18m
 - £65 psf overall - £23m
 - £70 psf overall - £28m



BARTS SQUARE, EC1

Phase 1

- 123,579 sq ft residential (144 apartments), 3,101 sq ft retail. Under construction
- Sales:
 - 144 units launched with total value of £195m
 - Contracted sales: 108 units exchanged
 - Average sales price to date £1,578 psf
- Residents' concierge, bar and screening room. 26 car spaces and 176 bicycle spaces
- Building works to complete on sectional basis with the final building to be completed by Q3 2017

Phase 2

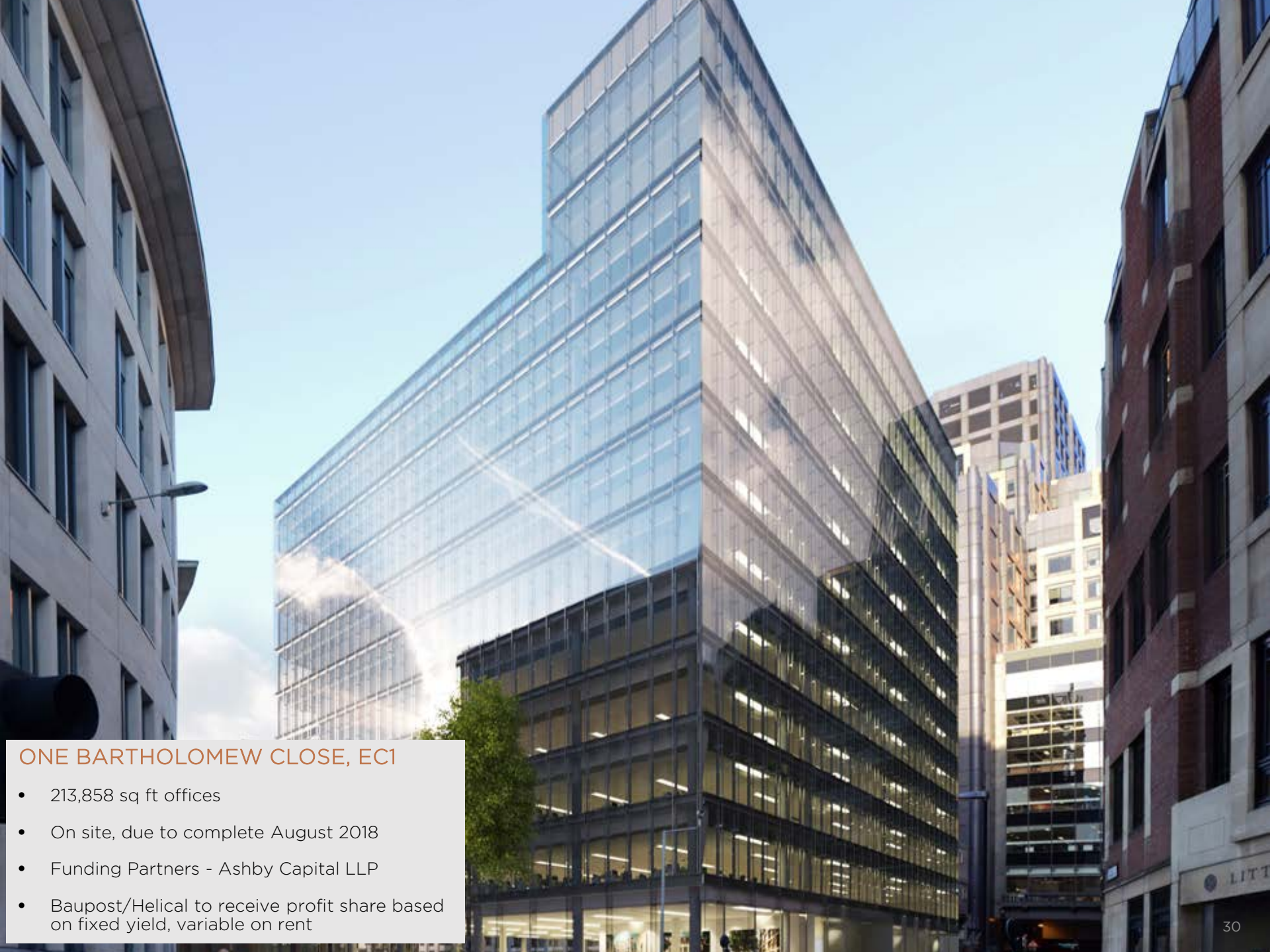
- 78,627 sq ft residential (92 apartments), 11,817 sq ft retail. Demolition commences November 2016
- Gross Development Value (excluding retail) £136m at an average of £1,766 psf
- Completion of construction in early 2019



90 BARTHOLOMEW CLOSE, EC1

- 23,508 sq ft offices over floors and 5,673 sq ft restaurant
- Completion September 2017
- Retained facades





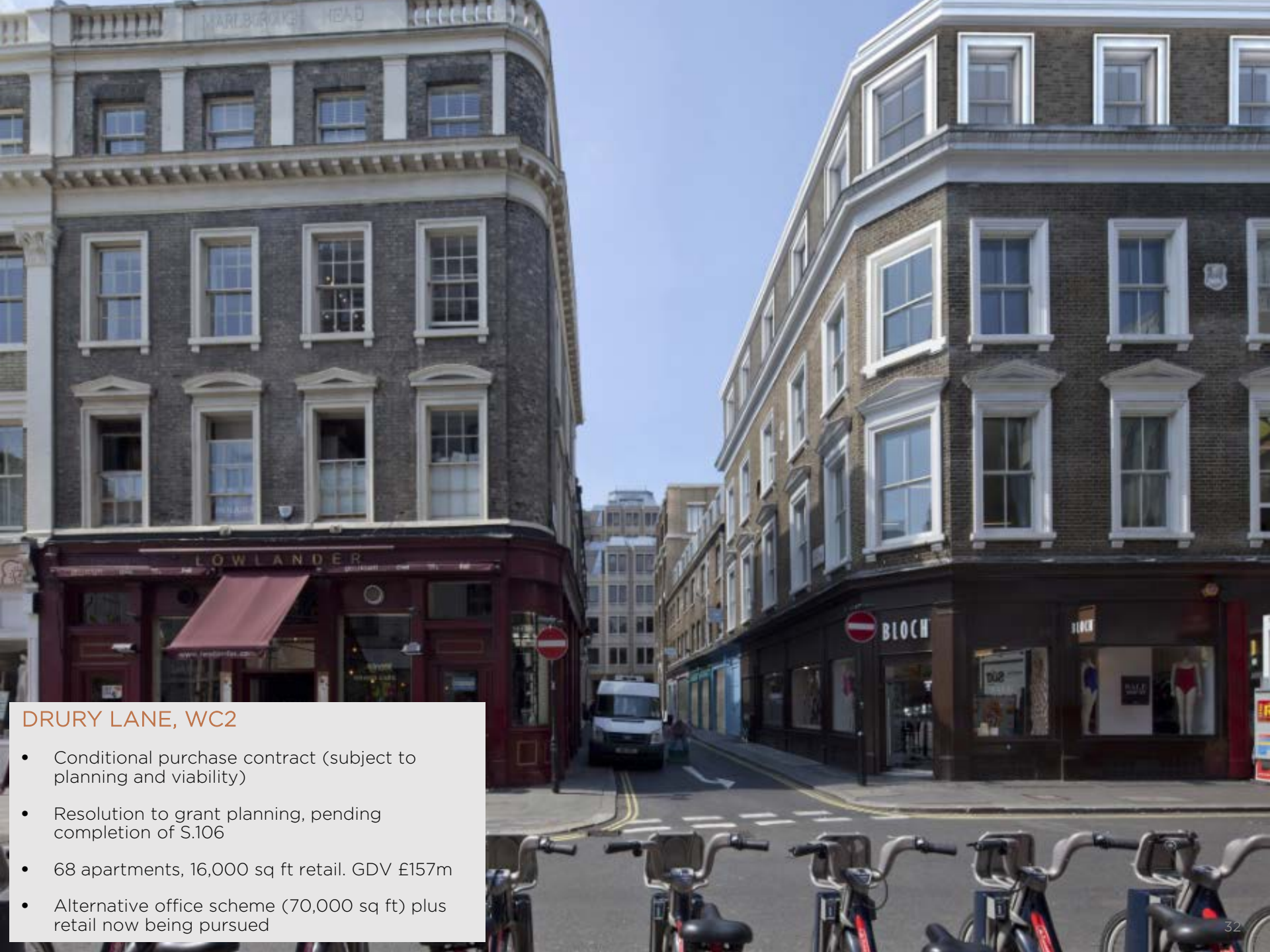
ONE BARTHOLOMEW CLOSE, EC1

- 213,858 sq ft offices
- On site, due to complete August 2018
- Funding Partners - Ashby Capital LLP
- Baupost/Helical to receive profit share based on fixed yield, variable on rent



25 CHARTERHOUSE SQUARE, EC1

- 38,500 sq ft offices, 5,100 sq ft retail/restaurant
- Under construction, due for completion – Mar 2017
- Profit share – Helical 15% priority return, thereafter 50/50 share with Charterhouse



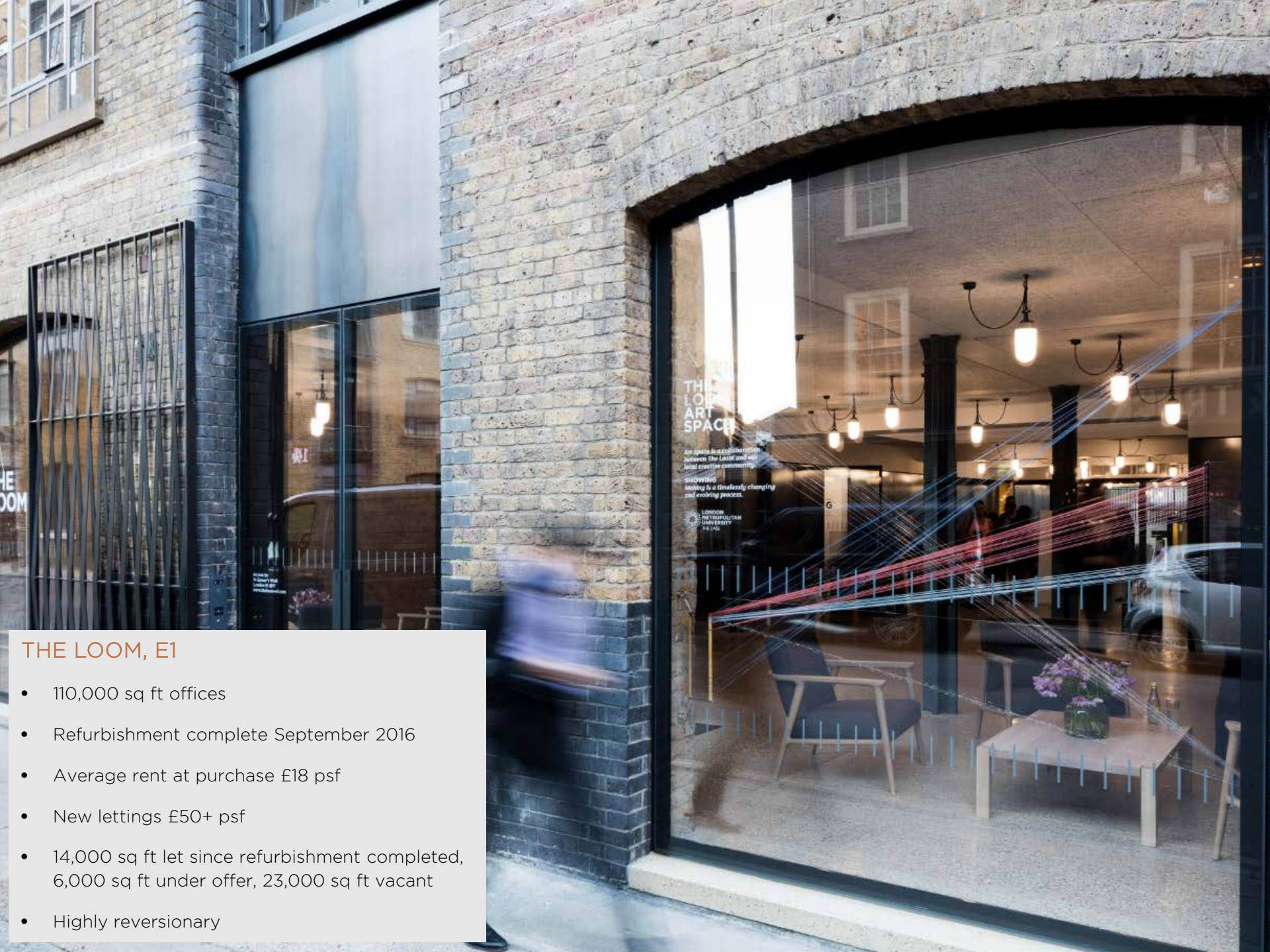
DRURY LANE, WC2

- Conditional purchase contract (subject to planning and viability)
- Resolution to grant planning, pending completion of S.106
- 68 apartments, 16,000 sq ft retail. GDV £157m
- Alternative office scheme (70,000 sq ft) plus retail now being pursued

HAMMERSMITH TOWN HALL, W6

- Dev Agreement with H&F BC in a 50/50 JV with Grainger
- S.73 planning amendment now consented
- 196 residential units, cinema, restaurants and council office. GDV £205m
- Phase 1 (152 units & office) out to tender with contractors





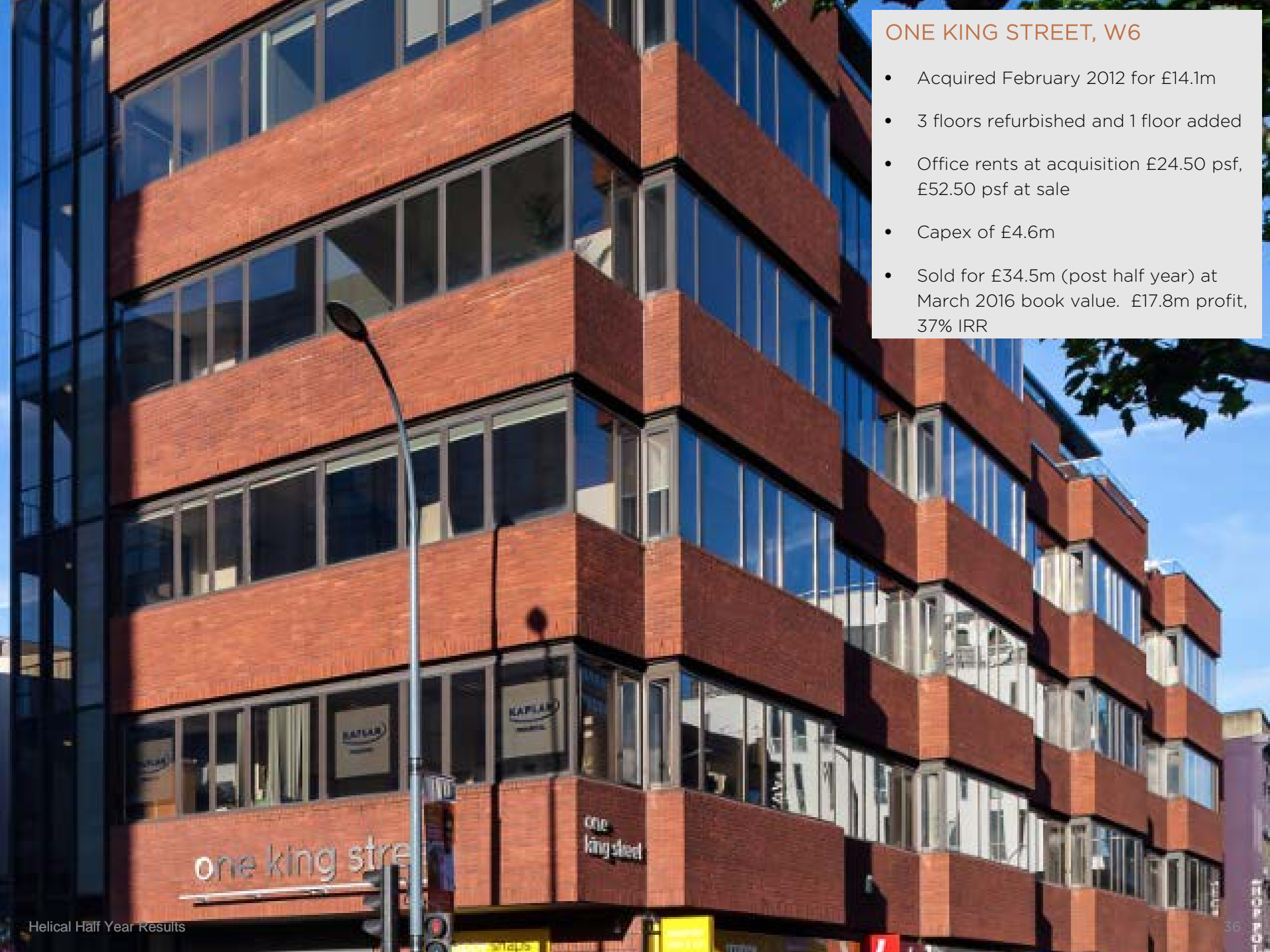
THE LOOM, E1

- 110,000 sq ft offices
- Refurbishment complete September 2016
- Average rent at purchase £18 psf
- New lettings £50+ psf
- 14,000 sq ft let since refurbishment completed, 6,000 sq ft under offer, 23,000 sq ft vacant
- Highly reversionary

THE SHEPHERDS BUILDING, W14

- 150,100 sq ft offices, fully let
- Contracted rent £6.3m
- Rent review agreed at £54 psf
- Average rents now £44 psf+
- Continued strong occupational demand



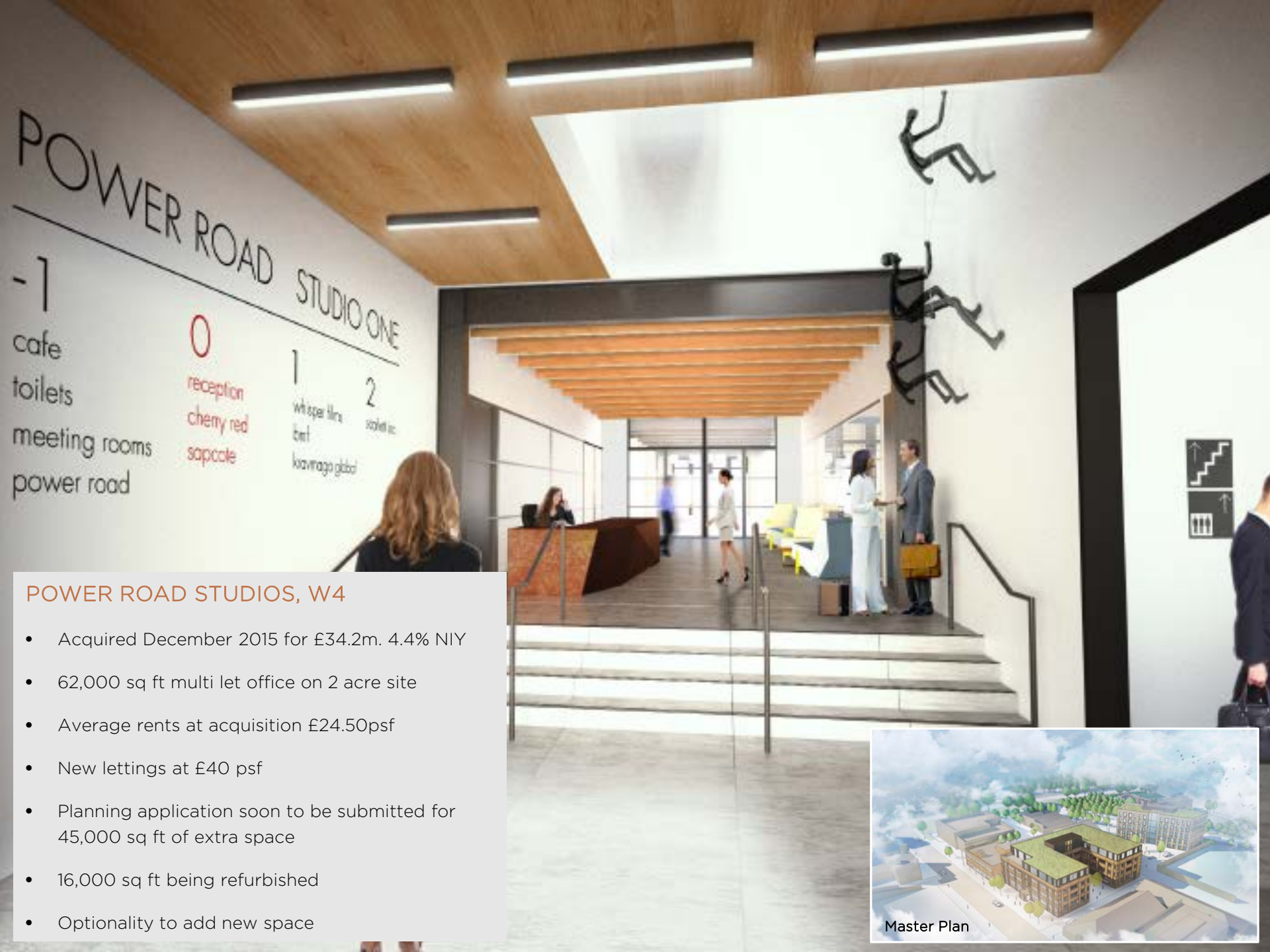


ONE KING STREET, W6

- Acquired February 2012 for £14.1m
- 3 floors refurbished and 1 floor added
- Office rents at acquisition £24.50 psf, £52.50 psf at sale
- Capex of £4.6m
- Sold for £34.5m (post half year) at March 2016 book value. £17.8m profit, 37% IRR

one king street

one king street



POWER ROAD STUDIOS, W4

- Acquired December 2015 for £34.2m. 4.4% NIY
- 62,000 sq ft multi let office on 2 acre site
- Average rents at acquisition £24.50psf
- New lettings at £40 psf
- Planning application soon to be submitted for 45,000 sq ft of extra space
- 16,000 sq ft being refurbished
- Optionality to add new space



Master Plan



THE REGIONS: LOGISTICS

- Strong occupational demand
- Strong cash on cash returns
- Little obsolescence
- 10 properties sold (£46.6m) at an 8.3% premium to March 2016 fair value

THE REGIONS: OFFICES

- Focus on Manchester. Good fundamentals
- Provide high quality, economic space to a “London” standard
- 23,000 sq ft let at Churchgate House since March with a further 12,000 sq ft under offer
- Booth Street and Dale House refurbishments progressing





THE REGIONS: RETAIL

- £49.2m of retail warehousing sold since March 2016
- Continued retail sales in next 6 months likely



Cardiff, The Hayes

RETIREMENT VILLAGES



- Dramatic improvement in performance post substantial reorganisation. Overheads reduced by 86%
- Sales rate tripled, prices increased
- 56 units sold since March 2016: £23m
- Care home land sold at Liphook £2.5m
- Substantial profit to come over 4 years



Durrants Village, Faygate



Millbrook Village, Exeter

RETIREMENT VILLAGES



Asset	No. Units	No. Built	No. Sold	No. Reserved	Status	Anticipated Completion	Profit to Come
Liphook	191	151	151	7	Phases 1-3 complete. Phase 4, 40 cottages underway	2018	£6.1m
Faygate	173	105	86	13	Phase 3 under construction	2019	£6.4m
Exeter	164	81	44	18	Construction ongoing	2018	£4.9m
Great Alne	164	0	0	6	Construction started. Delivery of first units January 2017. Sales launched	2020	£4.7m
TOTAL	692	337	281	44			£22.1m

Outlook

Gerald Kaye

@helicalplc

Q&A

Appendix

LONDON DEVELOPMENT SCHEME REVIEW

	Property	Partner	HB Share	Status	Completion	Potential Helical Profit to Come
Investment Portfolio	The Bower, Old Street London EC1		100%	Phase 1 - Completed	Completed	£20m
				Phase 2 - Under construction	Q2 2018	
	25 Charterhouse Square London EC1		100%	Under construction	Q1 2017	£6m
Residential	Barts Square London EC1	Baupost	43.8%	Phase 1 - Under construction	Phase 1 - Q2 2017	£10m
				Phase 3 - Planning consent	Phase 3 - Q1 2019	
Sold/3rd Party Funding	One Bartholomew Close London EC1	Ashby Capital	Profit Scheme	Under construction	Q3 2018	£5m - £10m
	One Creechurch Place London EC3	HOOPP	10% + profit share	Space to let	Completed	£20m
Future Development	King Street, Hammersmith London W6	Grainger	50%	Planning consent	Phase 1 - Q4 2019	£15m
					Phase 2 - Q4 2021	
	Drury Lane and Dryden Street Covent Garden WC2	Savills	Conditional Purchase contract	Resolution to grant planning obtained	Q2 2019	£15m

INVESTMENT PORTFOLIO – KEY STATISTICS

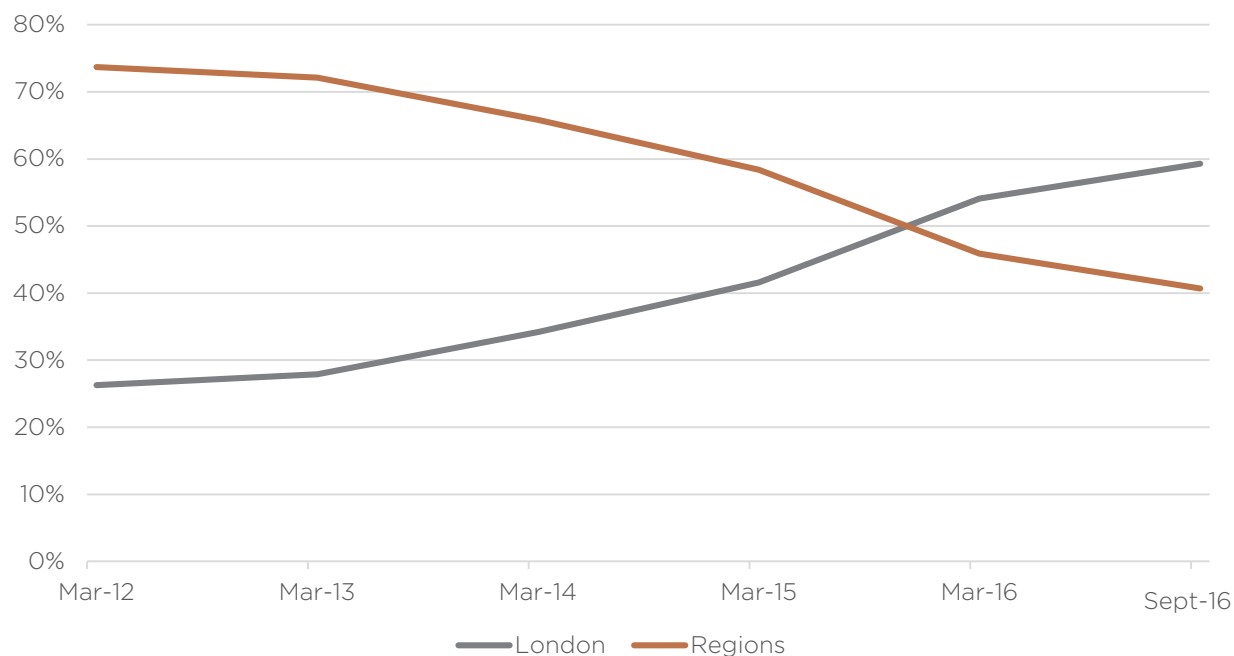
Valuation increase of 3.0% in half year to September, including capex, sales and purchase for assets held as investments

	% of Portfolio (HB Share)	Valuation Change	EPRA Topped Up Net Initial Yield	Reversionary Yield
London Offices	61.5%	5.3%	3.3%	5.7%
Retail	8.4%	-3.7%	6.2%	6.7%
Logistics	19.5%	0.9%	7.1%	7.1%
Regional Offices	9.5%	2.7%	6.3%	7.5%
Other	1.1%	-	-	-
TOTAL	100%	3.0%	4.6%	6.2%

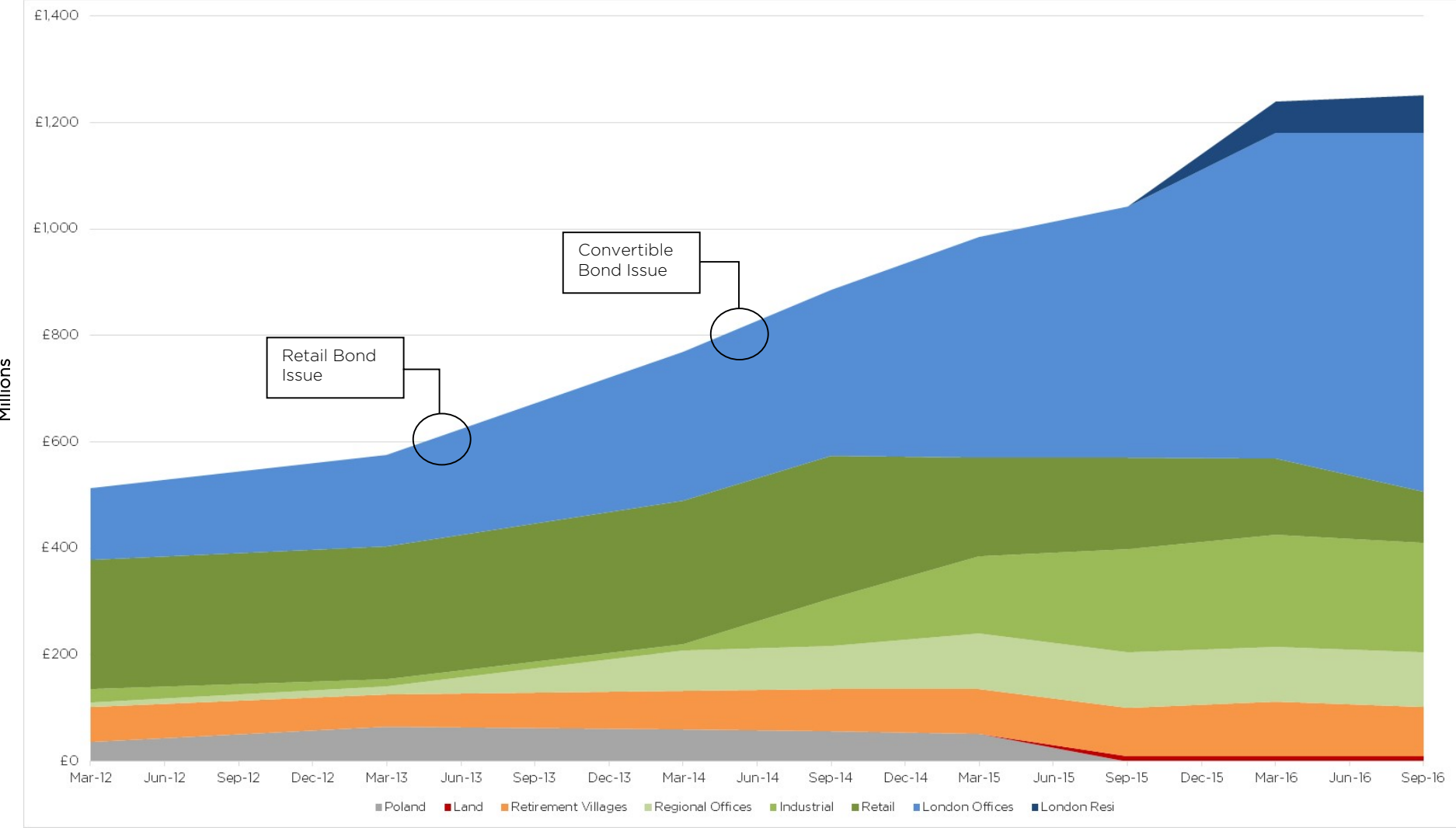
Note: Valuation movements include Barts Square (investment element)

HELICAL LONDON EXPOSURE - CHANGES OVER TIME (FAIR VALUE)

Total Portfolio	Mar 12	Mar 13	Mar 14	Mar 15	Mar 16	Sept 16	Change since Mar 16
London	26.3%	27.9%	34.2%	41.6%	54.1%	59.3%	5.2%
Regions	73.7%	72.1%	65.8%	58.4%	45.9%	40.7%	-5.2%
TOTAL	£572.7m	£626.4m	£801.7m	£1.02bn	£1.24bn	£1.25bn	



HELICAL'S PORTFOLIO - CHANGES TO FAIR VALUE



PROPERTY PORTFOLIO - HELICAL'S SHARE

	Fair Value	% Value
London Offices	£673.3m	53.9%
London Residential	£67.8m	5.4%
Regional Offices	£102.2m	8.2%
Logistics	£205.5m	16.5%
Retail	£96.9m	7.7%
Retirement Villages	£97.8m	7.8%
Land	£6.0m	0.5%
TOTAL	£1.25bn	100%

INVESTMENT PORTFOLIO

	Capital Value psf £	Vacancy Rate (floor area) %	WAULT Years
London Offices			
- Completed	868	9.5	6.7
- Being redeveloped/refurbished	575	n/a	-
- Held for future development/refurbishment	621	7.4	0.1
TOTAL LONDON	763	9.3	6.8
Regional Offices	204	10.9	5.5
Regional Logistics	57	3.5	4.7
Regional Retail	239	-	4.9
TOTAL REGIONAL	91	4.0	5.0
TOTAL	197	4.6	5.8

Note: Vacancy rates exclude assets held vacant for refurbishment / redevelopment

INVESTMENT PORTFOLIO: LEASE EXPIRIES

	Lease Expiries and Tenant Break Options				
	2017	2018	2019	2020	2021
Percentage of Rent Roll	8.5%	11.8%	14.4%	8.7%	6.9%
Number of Leases	72	109	73	41	21
Average Rent per Lease	£61,700	£56,500	£102,800	£110,300	£171,000

ASSET MANAGEMENT OVERVIEW

MARCH 2016 TO SEPTEMBER 2016

	Rent
Rent lost at break/expiry	-£1.0m
New lettings and uplifts at lease renewal	£1.7m
Rent reviews	£0.4m
Net Increase	£1.1m

TOP TENANTS

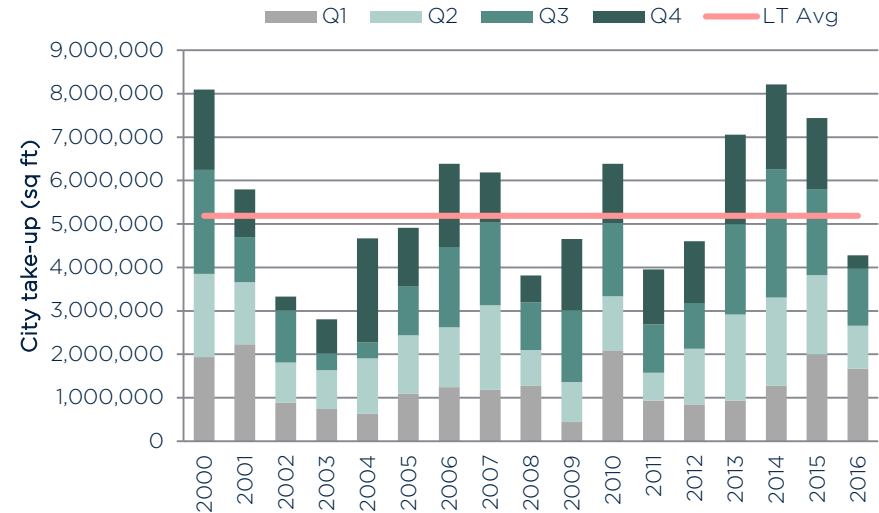
Rank	Tenant	Tenant Industry	Rent (Helical)	% Rent Roll
1	Endemol UK Limited	Media	£4.0m	7.5%
2	MullenLowe Limited	Media Marketing Communications	£2.6m	4.9%
3	Gopivotal (UK) Limited	Technology	£2.0m	3.8%
4	Farfetch UK Limited	Online Retail	£1.9m	3.5%
5	Sainsbury's Supermarkets Limited	Food Retail	£1.2m	2.3%
6	CBS Interactive Limited	Media	£1.0m	2.0%
7	DSG Retail Limited	Retail	£1.0m	2.0%
8	Allegis Group Limited	Recruitment	£1.0m	1.9%
9	Economic Solutions Limited	Employment and Skills Training	£1.0m	1.8%
10	Stripe Payments UK Limited	Technology	£0.8m	1.6%
	TOTAL		£16.5m	31.3%

Top 10 tenants account for 31.3% of the rent roll

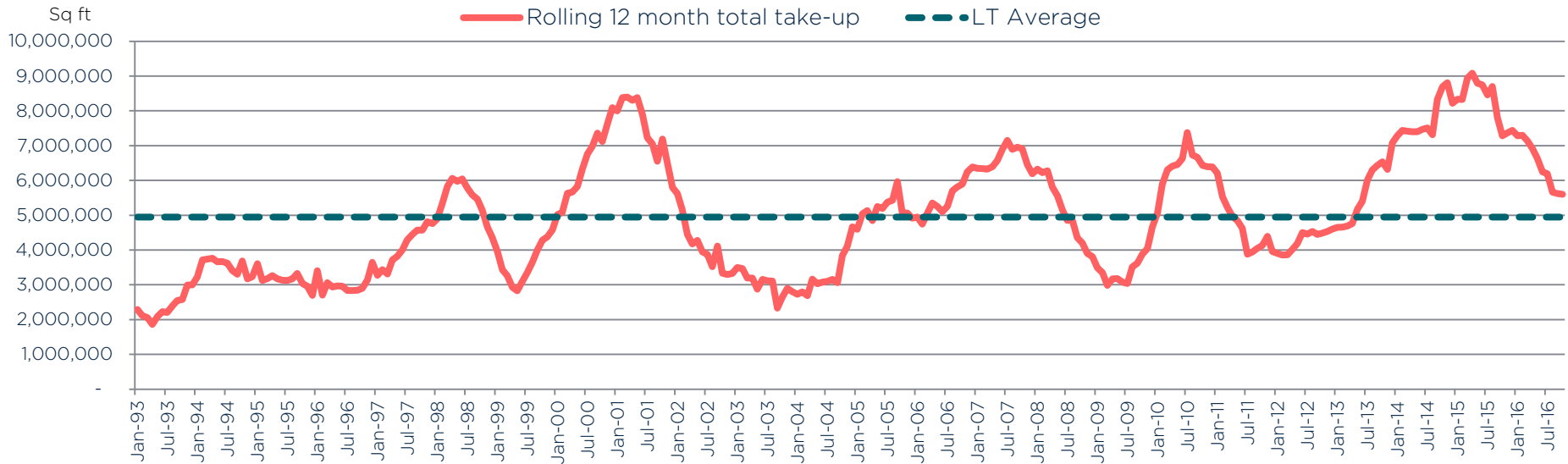
CITY AND TECH BELT TAKE-UP

SOURCE: SAVILLS - 31 OCT 2016

- There has been a steady churn of transactions following the referendum result, with 34 deals happening in October
- However, the average size of the transactions has gradually been decreasing
- October saw 188,608 sq ft going under-offer, which is 21% down on the annual average amount
- Yet, total demand remains above average at 10.2m sq ft for requirements for either City or Central London locations



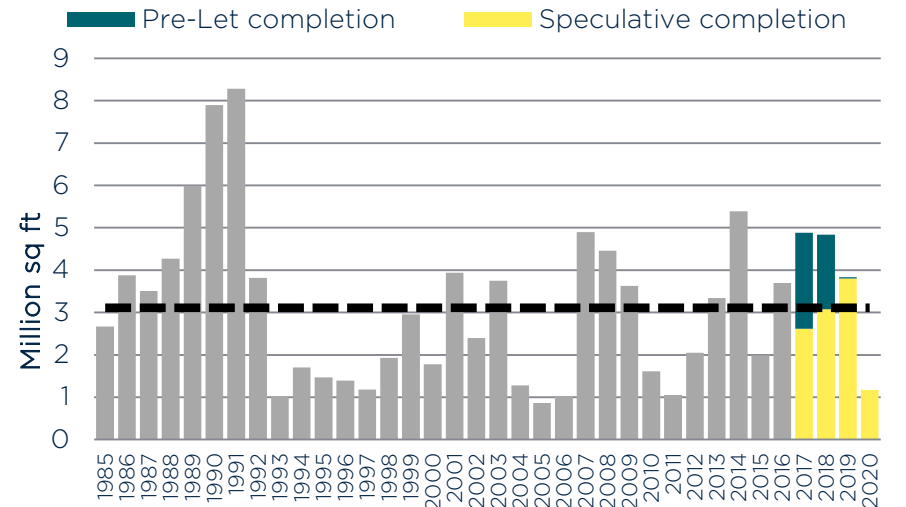
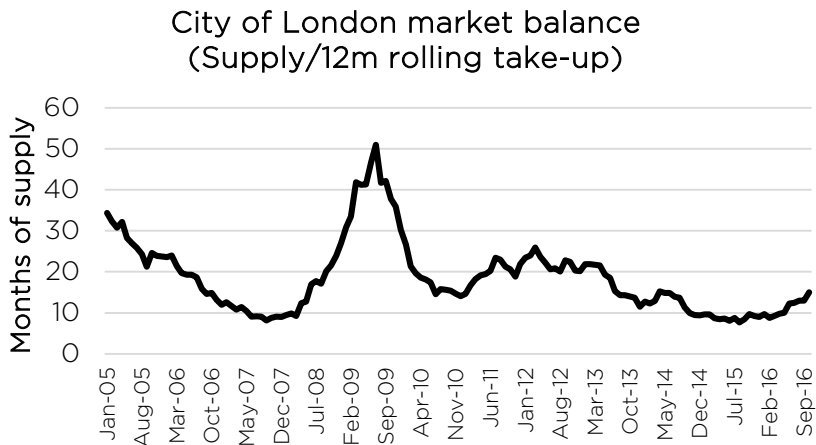
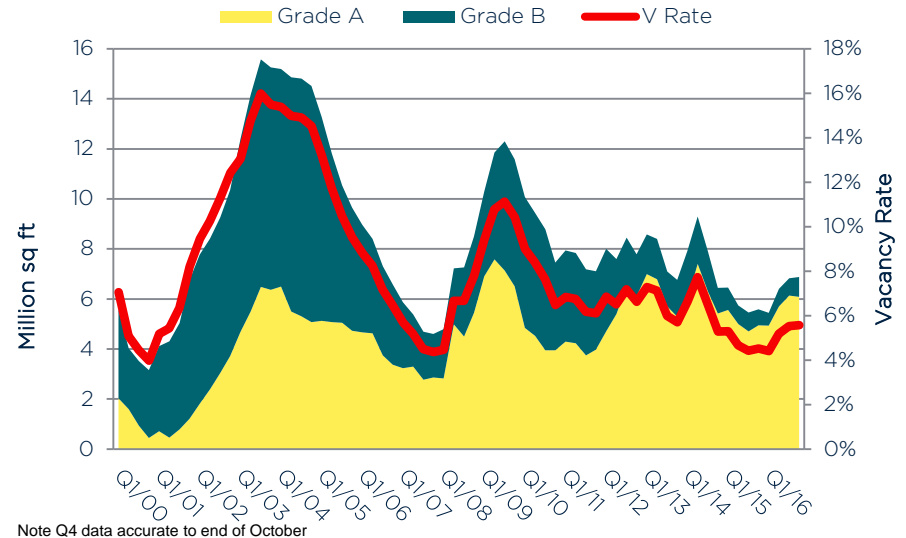
Note Q4 data accurate to end of October



CITY AND TECH BELT SUPPLY/AVAILABILITY

SOURCE: SAVILLS - 31 OCT 2016

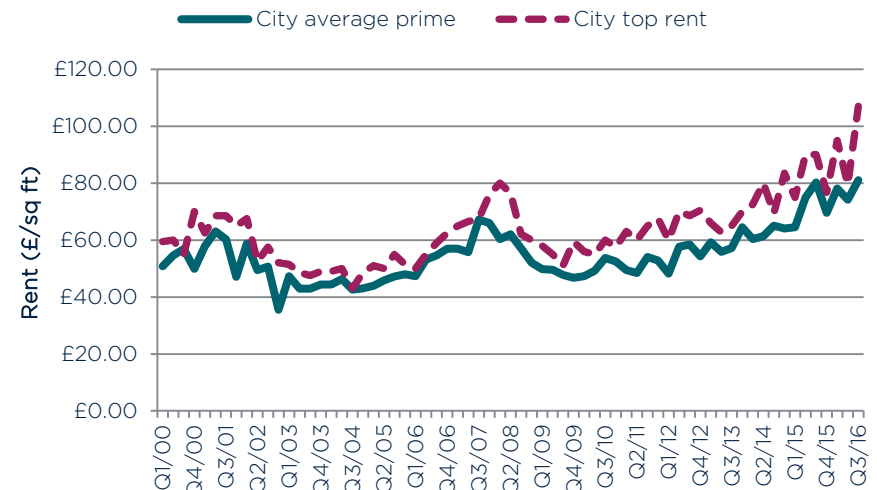
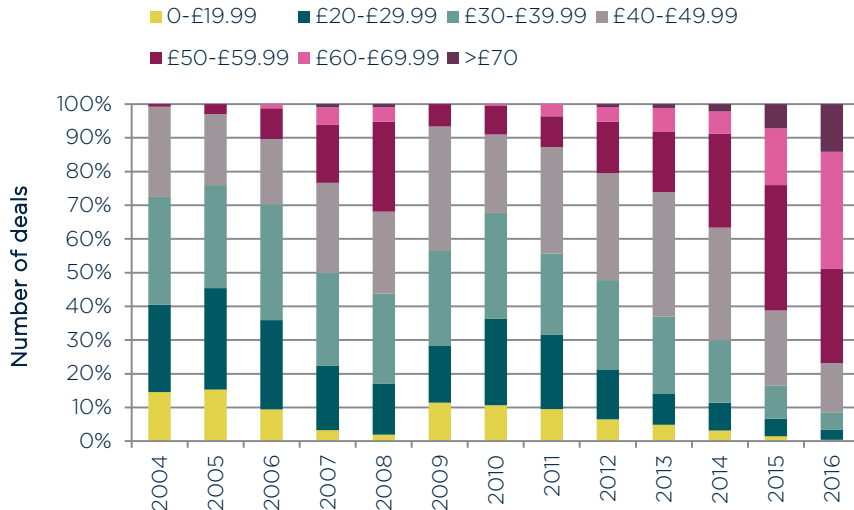
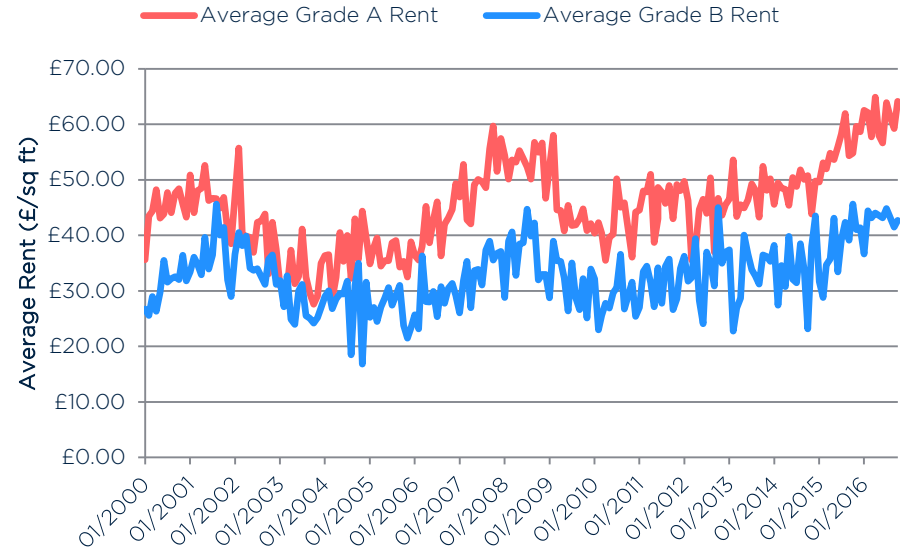
- The City and Tech Belt vacancy rate remains low, but has risen to 5.6% at the end of October 2016
- The supply/demand balance has risen to 15, and remains well below the 20+ level than is normally associated with rental falls
- 2017, 2018 and 2019 are expected to see above average levels of development and refurbishment completions, but 28% of the 2017-2020 pipeline is already pre-let
- Furthermore, we still expect some of the schemes anticipated for 2019 and beyond will be delayed and pushed back



CITY AND TECH BELT RENTAL TRENDS

SOURCE: SAVILLS - 31 OCT 2016

- Headline rents on Prime and Grade A property in the City and Tech Belt have continued to rise - the average grade A rent for October was £64.16/sq ft
- Nearly 50% of the lettings this year have been at rents in excess of £60/sq ft
- The average rent-free period on a 10 year lease shortened from 21 months in Q1 2016 to 17 months in Q2, and rose to 19 months for Q3
- October saw £90/sq ft achieved on the 35th floor of The Salesforce Tower



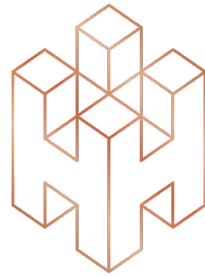
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