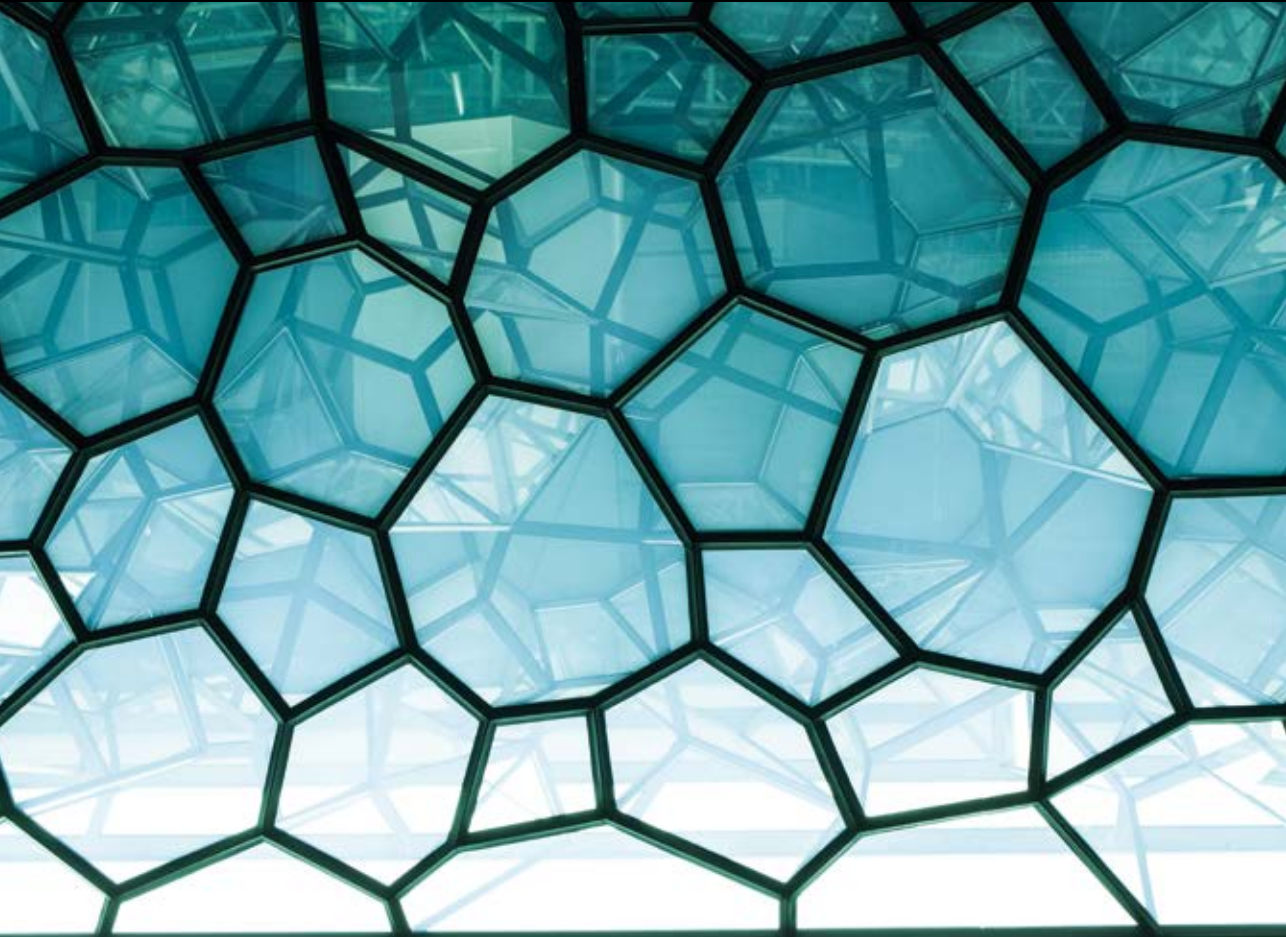




HELICAL



HELICAL PLC
HALF YEAR RESULTS
for the six months to 30 September 2017

HELICAL PLC IS A UK FOCUSED PROPERTY INVESTMENT AND DEVELOPMENT COMPANY

Helical invests in and develops high quality real estate which best serves the needs of our customers and maximises value. Through intelligent property selection, development and active asset management, we drive capital and rental income growth. Our portfolio is primarily targeted towards offices in London and Manchester with a diverse portfolio of logistics assets.



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25 CHARTERHOUSE SQUARE

London

EC1



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Strong base from which
to deliver future returns.

RESULTS

EPRA NET ASSET VALUE PER SHARE

465p

31 Mar 2017

473p

TOTAL PROPERTY RETURN

£15.4m

2016

£47.8m

IFRS BASIC EARNINGS PER SHARE

0.3p

2016

27.8p

EPRA LOSS PER SHARE

5.9p

2016

earnings 4.4p

IFRS PROFIT BEFORE TAX

£1.2m

2016

£31.1m

INTERIM DIVIDEND DECLARED
PER SHARE

2.50p

2016

2.40p

“With our portfolio of high quality London and Manchester offices and higher yielding logistics properties, we now look forward to increasing our income stream from the current contracted rents of £45m to the portfolio’s ERV of £65m as completed office space is made available to potential tenants in the next 12 months.”

SEE-THROUGH INCOME STATEMENT¹

	Half Year to 30 September 2017 £m	Half Year to 30 September 2016 £m	Year to 31 March 2017 £m
Net rental income	17.9	24.6	47.0
Development property losses	(8.2)	(2.6)	(5.7)
Gain on revaluation of investment properties	4.5	28.6	37.3
Gain/(loss) on sale of investment properties	1.2	(2.8)	1.3
Total property return	15.4	47.8	79.9
IFRS profit before tax	1.2	31.1	41.6
EPRA (loss)/earnings	(6.9)	5.0	0.5

EARNINGS PER SHARE AND DIVIDENDS

	Pence	Pence	Pence
Basic earnings per share ²	0.3	27.8	34.0
Diluted earnings per share ²	0.3	26.6	33.2
EPRA (loss)/earnings per share ²	(5.9)	4.4	0.5
Dividends per share paid in period	6.20	0.72	3.12
Dividends per share declared for period	2.50	2.40	8.60

SEE-THROUGH BALANCE SHEET³

	Proforma ⁴ at 30 September 2017 £m	At 30 September 2017 £m	At 30 September 2016 £m	At 31 March 2017 £m
See-through property portfolio	1,036.8	1,210.8	1,249.5	1,205.2
See-through net borrowings	445.4	619.4	664.3	620.0
Net assets	510.2	510.2	508.9	516.9

NET ASSETS PER SHARE AND BORROWINGS

EPRA Net Asset Value per share	465p	465p	471p	473p
See-through loan to value ⁵	43%	51%	53%	51%
See-through net gearing ⁶	87%	121%	131%	120%
Weighted average cost of debt	4.3%	4.3%	4.3%	4.3%
Weighted average debt maturity	3.0 years	3.0 years	4.0 years	3.6 years

Notes

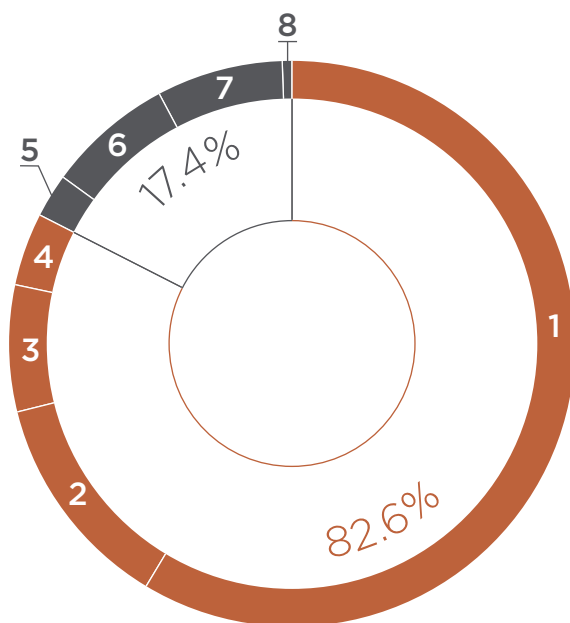
- Includes the Group's share of income and gains of its subsidiaries and joint ventures. See Note 25.
- Calculated in accordance with IAS 33 and guidance issued by the European Public Real Estate Association ("EPRA"). EPRA earnings per share exclude the net gain on sale and revaluation of the investment portfolio of £5.7m (2016: £25.8m) but include development losses of £8.2m (2016: £2.6m).
- Includes the Group's share of assets and liabilities of its subsidiaries and joint ventures. See Note 25.
- Reflects the Group's share of assets and liabilities at 30 September 2017, adjusted for £176m of sales since the half year end.
- See-through loan to value is the ratio of see-through net borrowings to see-through property portfolio. See Note 26.
- See-through net gearing is the ratio of see-through net borrowings to net assets. See Note 26.

PORTFOLIO OVERVIEW

The portfolio comprises London and Manchester offices, London residential and a logistics portfolio located throughout the UK.

TOTAL PORTFOLIO BY FAIR VALUE (30 SEPTEMBER 2017)

£1,210.8m



INVESTMENT PROPERTIES

£999.5m

1 London	58.8%	£711.6m
2 Logistics	12.5%	£150.8m
3 Manchester	7.2%	£87.6m
4 Non-Core	4.1%	£49.5m

DEVELOPMENT STOCK

£211.3m

5 London Offices & Land	2.6%	£31.8m
6 London Residential	7.2%	£87.1m
7 Retirement Villages	7.1%	£86.1m
8 Non-Core	0.5%	£6.3m

CHIEF
EXECUTIVE'S
STATEMENT



GERALD KAYE
CHIEF EXECUTIVE

“The financial year to date has seen Helical make encouraging progress in executing its strategy and meeting targets. Following the sale announced yesterday of our retirement village portfolio for £102m, a 13% discount to book value, we have now sold the majority of our non-core holdings, with those remaining accounting for just 4% of the total portfolio.”

OVERVIEW

The financial year to date has seen Helical make encouraging progress in executing its strategy and meeting targets. Following the sale announced yesterday of our retirement village portfolio for £102m, a 13% discount to book value, we have now sold the majority of our non-core holdings, with those remaining accounting for just 4% of the total portfolio. One Creechurch Place, London EC3 is 48% let, with a further 22% under offer and good interest in the remaining space. In addition, we have achieved record rents at a number of our London investment assets. With the second phase of The Bower, London EC1 and One Bartholomew Close, London EC1 due for completion in Q3 2018, we are confident of their letting prospects. Looking forward, we will continue to seek new refurbishment and development opportunities in undersupplied markets.

RESULTS FOR THE HALF YEAR

The profit before tax for the half year to 30 September 2017 was £1.2m (2016: £31.1m) with a Total Property Return of £15.4m (2016: £47.8m). The reduction in net rents to £17.9m (2016: £24.6m) reflects the sale of £186m of investment assets over the preceding 12 months. Developments contributed profits of £3.3m (2016: £4.0m) before provisions of £11.5m (2016: £6.6m). The gain on sale and revaluation of the investment portfolio contributed £5.7m (2016: £25.8m).

Total finance costs were £14.1m (2016: £14.1m), offset by interest receivable of £1.2m (2016: £2.3m) to give net finance costs of £12.9m (2016: £11.7m). An increase in expected future interest rates led to a credit from the valuation of the Group's derivative financial instruments of £2.9m (2016: charge of £5.9m). The valuation of the Group's Convertible Bond gave rise to a charge to the Income Statement of £0.1m (2016: credit of £7.7m). Recurring administration costs were £5.6m (2016: £5.8m) and the provision for performance related remuneration, including associated NIC, was £0.5m (2016: £0.1m).

These results allow the Board to declare an interim dividend of 2.50p (2016: 2.40p), an increase of 4.2%.

FINANCE

The Company uses gearing on a tactical basis throughout the property cycle, being raised to accentuate property performance when property returns are judged to materially outperform the cost of debt and lowered when seeking to reduce exposure to the property cycle.

We have sold over £315m of investment assets since 1 April 2016, including the sale this week of our London office investment at C-Space, London EC1, at prices in aggregate of 2.5% above book value. Net proceeds have funded our capital expenditure programme and, importantly, have reduced net borrowings by £236m, substantially reducing our loan to value from 55% at 31 March 2016 to today's pro-forma ratio of 43%.

OUTLOOK

With our portfolio of high quality London and Manchester offices and higher yielding logistics properties, we now look forward to increasing our income stream from the current contracted rents of £45m to the portfolio's ERV of £65m as completed office space is made available to potential tenants in the next 12 months.

GERALD KAYE

Chief Executive
15 November 2017

OUR MARKET

Helical's core business is the development of, and investment in, dynamic, well located office space in London and Manchester accompanied by a portfolio of logistics units along the motorway network of England and Wales. With intelligent stock selection, we aim to maximise returns by development and refurbishment as well as through significant asset management initiatives.

LONDON

In London, Helical is building up a portfolio of multi-tenanted offices in the Tech Belt locations of Farringdon, the Old Street roundabout and Whitechapel areas, as well as in West London from Chiswick to Shepherds Bush. By owning these "clusters" or "villages" of office buildings we have a portfolio of assets with multiple lease events leading to ongoing asset management opportunities.

The Company also seeks to grow by taking on additional schemes in Central London, often in joint venture or by forward selling/funding them, to allow for the generation of significant profit shares, reducing balance sheet exposure where appropriate.

MANCHESTER

In Manchester we have four assets with a potential capital value, after all refurbishment works and lettings are concluded, approaching £100m. In this city, the occupational and investment market continues to strengthen. It has high quality office stock and a diverse occupier base which has seen much international and institutional investment in recent years. Companies have access to a deep and highly skilled talent pool in a cost effective location both for the employer and employee. It is regarded as the leading UK creative location outside London and our buildings are designed to attract creative occupiers. Annual office take-up is consistently in excess of one million sq ft with high profile new occupiers coming to the city on a regular basis.

LOGISTICS

We have a portfolio of logistics units comprising 15% of our investment portfolio, but which contribute 23% of our current contracted rents. This sector is characterised by strong occupational demand and limited available supply. These properties tend to have little obsolescence and good prospects for rental growth.

LOOKING FORWARD

Our key focus remains on London, Manchester offices and logistics. We have made significant progress in reducing non-core holdings which, post the retirement village sales, constitute just 4% of the total portfolio. We will continue to sell the remaining assets as the opportunities to do so arise.

Our ambition is to have a balanced portfolio which 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, post recent sales, of £65m and expect to generate this surplus once all of our current asset management initiatives are completed. We also seek a pipeline of opportunities to grow the balance sheet of Helical through the creation of development profits and capital surpluses.





TIM MURPHY
FINANCE DIRECTOR

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

£1.2m

(2016: £31.1m)

IFRS EPS

0.3p

(2016: 27.8p)

IFRS DILUTED NAV

426p

(31 March 2017: 431p)

EPRA PERFORMANCE

EPRA EPS

5.9p loss

(2016: earnings of 4.4p)

EPRA NAV

465p

(31 March 2017: 473p)

EPRA TRIPLE NAV

436p

(31 March 2017: 442p)

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.

	1H 2018 %	2017 %	2016 %	2015 %	2014 %	2013 %
Total Accounting Return	0.1	8.3	22.5	21.1	36.8	2.4

TOTAL PROPERTY RETURN

We calculate our 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.

	1H 2018 %	2017 %	2016 %	2015 %	2014 %	2013 %
Total property return	15.4	79.9	164.6	155.3	140.1	35.9

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 2017 IFRS earnings per share was 0.3p (2016: 27.8p). On the EPRA basis, which excludes gains on the sale and revaluation of properties, the loss per share was 5.9p (2016: earnings 4.4p).

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, excluding those held by the Company's Employee Share Ownership Plan Trust, adjusted to allow for the effect of all dilutive share awards. At 30 September 2017 it was 426p (31 March 2017: 431p). 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 was 465p (31 March 2017: 473p).

INCOME STATEMENT

RENTAL INCOME AND PROPERTY OVERHEADS

Gross rental income receivable by the Group reduced by 23% to £20.2m (2016: £26.3m) reflecting the sale of £186m of investment assets with contracted rents of £11.8m since 30 September 2016, offset by the partial capture of the portfolio's reversionary potential. Property overheads increased from £1.7m to £2.3m, leaving the see-through net rents reduced by 27% to £17.9m (2016: £24.6m).

DEVELOPMENT PROFITS/LOSSES

Development profits in the half year include a £0.7m development management fee at Barts Square and a contribution of £1.9m from our retail development programme offset by a £1.2m loss on the sale of land at Cawston. The retirement village provision of £10.2m plus a loss on sales at the retirement villages of £0.8m contributed to a net development loss of £8.2m (2016: £2.6m).

SHARE OF RESULTS OF JOINT VENTURES

In our joint ventures we recognised an investment valuation uplift of £2.3m. Our retail development scheme at Shirley contributed to a development profit of £1.4m with the joint ventures contributing a total profit of £3.4m (2016: loss of £1.0m).

GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES

During the six months we sold three non-core retail assets for a combined £73.3m and an industrial unit to an owner-occupier for £9.3m. Net of costs these sales contributed a profit of £1.2m (2016: loss of £2.8m). Subsequent to the half year end we have sold our investment asset at C-Space, London EC1, for £74.0m, marginally above its 30 September 2017 book value.

ADMINISTRATION COSTS

Administration costs, before performance-related awards, reduced from £5.8m to £5.6m. Including share awards and associated NIC of £0.5m (2016: £0.1m), total administration costs increased to £6.1m (2016: £5.9m).

FINANCE COSTS, FINANCE INCOME AND DERIVATIVE FINANCIAL INSTRUMENTS

Interest payable on secured bank loans, including our share of loans on assets held in joint ventures but before capitalised interest, was £13.1m (2016: £13.1m). Interest payable in respect of the unsecured Retail and Convertible Bonds was £4.4m (2016: £4.4m). Capitalised interest marginally reduced to £3.4m (2016: £3.5m). Total finance costs, including in joint ventures, were £14.1m (2016: £14.1m). Finance income earned was £1.2m (2016: £2.3m). The movement in medium and long-term interest rate projections during the period, offset by the shortening maturity period of the Group's derivative financial instruments, contributed to a credit of £2.9m (2016: charge of £5.9m) on their mark-to-market valuation.

TAXATION

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

The deferred tax charge for the half year is principally derived from the revaluation surpluses recognised in the period offset by the recognition of the tax losses which the Group believes will be utilised against profits in the foreseeable future.

DIVIDENDS

The Board has approved the payment of an interim dividend of 2.50p per share (2016: 2.40p), an increase of 4.2%. This interim dividend will be paid on 22 December 2017 to Shareholders on the share register on 24 November 2017.

BALANCE SHEET

SHAREHOLDERS' FUNDS

Shareholders' funds at 1 April 2017 were £516.9m. The Group's results for the six months added £0.4m, net of tax, representing the total comprehensive income for the period. Movements in reserves arising from the Group's share schemes increased funds by £0.2m. The Company paid dividends to Shareholders amounting to £7.3m, leaving a net decrease in Shareholders' Funds from the Group's activities during the half year of £6.7m to £510.2m.

INVESTMENT PORTFOLIO

	Wholly owned £000	In joint venture £000	See-through £000	Lease incentives £000	Book value £000
Valuation at 31 March 2017	1,003,000	13,907	1,016,907	(15,440)	1,001,467
Acquisitions	13,785	-	13,785	-	13,785
Capital expenditure	36,774	3,757	40,531	-	40,531
Disposals	(79,353)	-	(79,353)	150	(79,203)
Revaluation surplus					
Helical	2,920	2,331	5,251	(775)	4,476
Profit share partners	2,420	-	2,420	-	2,420
Valuation at 30 September 2017	979,546	19,995	999,541	(16,065)	983,476

Disclosed as:

Investment properties	963,481	19,995	983,476	-	983,476
In trade and other receivables	-	-	-	16,065	16,065
	963,481	19,995	983,476	16,065	999,541

DEBT AND FINANCIAL RISK

Helical's outstanding debt at 30 September 2017 of £738m (31 March 2017: £737m) had a weighted average maturity of 3.0 years (31 March 2017: 3.6 years) and a weighted average interest cost of 4.3% (31 March 2017: 4.3%).

DEBT PROFILE AT 30 SEPTEMBER 2017 - 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	569,344	439,543	129,801	-	4.3	3.5	3.5
Development facilities	60,000	47,910	12,090	-	3.5	3.1	2.9
Total wholly owned	629,344	487,453	141,891	-	4.2	3.5	3.5
In joint ventures	72,270	70,795	1,475	-	3.4	3.4	2.2
Total secured debt	701,614	558,248	143,366	36	4.1	3.5	3.3
Retail Bond	80,000	80,000	-	-	6.0	6.0	2.7
Convertible Bond	100,000	100,000	-	-	4.0	4.0	1.7
Working capital	10,000	-	10,000	-	-	-	-
Fair value of Convertible Bond	-	(99)	-	-	-	-	-
Total unsecured debt	190,000	179,901	10,000	-	4.9	4.9	2.2
Total debt	891,614	738,149	153,366	51	4.3	3.8	3.0

FINANCIAL REVIEW CONTINUED

SECURED DEBT

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

Investment Facilities

We have £190m of revolving credit facilities which enable the Group to acquire, refurbish, reposition and hold significant parts of our investment portfolio. We have used these facilities mainly to finance our regional portfolio. Our London investment assets are primarily held in £379m of secured loan facilities which, where appropriate, allow us to finance projects, including the redevelopment of The Tower at The Bower, London EC1. Of the total of £569m of investment facilities we have £130m available to fund these works and finance any new acquisitions. The average maturity of the Group's investment facilities at 30 September 2017 was 3.5 years with a weighted average interest rate of 4.3%.

Development Facilities

These facilities finance the construction of the retirement villages at Durrants Village, Horsham; Maudslay Park, Great Alne; Phase IV at Bramshott Place, Liphook and Millbrook Village, Exeter. The average maturity of the Group's development facilities at 30 September 2017 was 2.9 years with a weighted average interest rate of 3.5%. These facilities were transferred to the purchaser of the retirement village portfolio in November 2017.

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 2017 was 2.2 years with a weighted average interest rate of 3.4%.

UNSECURED DEBT

The Group's unsecured debt, including the Convertible Bond at its mark-to-market valuation, is £180m as follows:

Retail Bond

In June 2013, the Group raised £80m from the issue of an unsecured Retail Bond with a 6.00% coupon. This bond is repayable in June 2020.

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 2017, as determined by the listed market price, was £99.9m.

Short-Term Working Capital Facilities

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

CASH AND CASH FLOW

At 30 September 2017, the Group had £266m (31 March 2017: £267m) of cash and agreed, undrawn, committed bank facilities including its share in joint ventures, as well as £22m (31 March 2017: £17m) of uncharged property on which it could borrow funds.

NET BORROWINGS AND GEARING

Total gross borrowings of the Group, including in joint ventures, have increased marginally from £736.6m to £738.1m during the six months to 30 September 2017. After deducting cash balances of £112.4m and unamortised refinancing costs of £6.3m, net borrowings were £619.4m (31 March 2017: £620.0m). The gearing of the Group, including in joint ventures, was 121% (31 March 2017: 120%).

	30 September 2017	31 March 2017
See-through gross borrowings	£738.1m	£736.6m
See-through cash balances	£112.4m	£109.0m
Unamortised refinancing costs	£6.3m	£7.6m
See-through net borrowings	£619.4m	£620.0m
Shareholders' funds	£510.2m	£516.9m
See-through net gearing	121%	120%

HEDGING

At 30 September 2017, the Group had £621.3m (31 March 2017: £651.4m) of fixed rate debt with an average effective rate of 4.2% (31 March 2017: 4.2%) and £46.0m (31 March 2017: £29.3m) of floating rate debt with an average effective rate, excluding commitment fees, of 3.0% (31 March 2017: 3.0%). In addition, the Group had £3.3m of interest rate caps at 0.75% (31 March 2017: £3.3m at 0.75%). In our joint ventures, the Group's share of fixed rate debt was £nil (31 March 2017: £nil) and £70.8m (31 March 2017: £55.9m) of floating rate debt with an effective rate of 3.4% (31 March 2017: 3.4%) with interest rate caps set at 1.5% plus margin on £158.9m and 0.5% plus margin on £164.7m.

	30 September 2017 £m	30 September 2017 %	31 March 2017 £m	31 March 2017 %
Fixed rate debt				
Secured borrowings	441.4	4.0	471.6	4.0
Retail Bond	80.0	6.0	80.0	6.0
Convertible Bond	100.0	4.0	100.0	4.0
Fair value of Convertible Bond	(0.1)	-	(0.2)	-
Total fixed rate debt	621.3	4.2	651.4	4.2
Floating rate debt				
Secured	46.0	6.8 ¹	29.3	8.9 ¹
Total wholly owned	667.3	4.4	680.7	4.4
In joint ventures				
Floating rate	70.8	3.4	55.9	3.4
Total borrowings	738.1	4.3	736.6	4.3

¹ This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 3.0% (31 March 2017: 3.0%).

INTEREST COVER

In assessing the results of the Group for each financial period, Helical considers its interest cover as a measure of its performance and ability to finance its annual interest payments from its net operating income, before revaluation gain or losses on the investment portfolio and net realisable provisions on the trading and development stock. In the half year to 30 September 2017 the interest cover was 1.7 times (2016: 2.2 times).

	30 September 2017	30 September 2016	31 March 2017
See-through net operating income	£22.4m	£25.8m	£55.4m
See-through net financing costs	£12.9m	£11.7m	£21.2m
Interest cover	1.7x	2.2x	2.6x

TIM MURPHY

Finance Director
15 November 2017

HELICAL'S PROPERTY PORTFOLIO

TOTAL PORTFOLIO BY FAIR VALUE

	Investment £m	%	Development £m	%	Total £m	%	Proforma ¹ £m	Proforma ¹ %
London Offices								
Completed, let and available to let	510.9	42.2	23.8	2.0	534.7	44.2	461.5	44.5
Being redeveloped	200.7	16.6	-	-	200.7	16.6	200.7	19.4
London Land and Options	-	-	8.0	0.6	8.0	0.6	8.0	0.8
London Residential	-	-	87.1	7.2	87.1	7.2	87.1	8.4
Total London	711.6	58.8	118.9	9.8	830.5	68.6	757.3	73.1
Manchester Offices	87.6	7.2	-	-	87.6	7.2	87.6	8.4
Logistics	150.8	12.5	-	-	150.8	12.5	150.8	14.5
Total Core Portfolio	950.0	78.5	118.9	9.8	1,068.9	88.3	995.7	96.0
Regional Offices	24.6	2.1	0.5	-	25.1	2.1	25.2	2.4
Retail	10.0	0.8	-	-	10.0	0.8	10.0	1.0
Retirement Villages	14.8	1.2	86.1	7.1	100.9	8.3	-	-
Land	0.1	-	5.8	0.5	5.9	0.5	5.9	0.6
Total Non-Core Portfolio	49.5	4.1	92.4	7.6	141.9	11.7	41.1	4.0
Total	999.5	82.6	211.3	17.4	1,210.8	100.0	1,036.8	100.0

¹ Proforma figures reflect the position at 30 September 2017, adjusted for the sales of C-Space, EC1 and the Retirement Village portfolio in November 2017.

TRADING AND DEVELOPMENT PORTFOLIO

	Book value £m	Fair value £m	Surplus £m	Fair value %	Proforma ¹ Fair value £m	Proforma ¹ Fair value %
London Offices	15.8	23.8	8.0	11.3	23.8	19.0
London Residential	84.1	87.1	3.0	41.2	87.1	69.6
London Land and Options	8.0	8.0	-	3.8	8.0	6.4
Total London	107.9	118.9	11.0	56.3	118.9	95
Manchester Offices	-	-	-	-	-	-
Logistics	-	-	-	-	-	-
Total Core Portfolio	107.9	118.9	11.0	56.3	118.9	95
Regional Offices	0.2	0.5	0.3	0.3	0.5	0.5
Retail	-	-	-	-	-	-
Retirement Villages	86.1	86.1	-	40.7	-	-
Land	5.2	5.8	0.6	2.7	5.8	4.5
Total Non-Core Portfolio	91.5	92.4	0.9	43.7	6.3	5.0
Total	199.4	211.3	11.9	100.0	125.2	100.0

1 Proforma figures reflect the position at 30 September 2017, adjusted for the sales of C-Space, EC1 and the Retirement Village portfolio in November 2017.

HELICAL'S PROPERTY PORTFOLIO CONTINUED

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 and in West London, in particular Shepherds Bush, Chiswick and Hammersmith. Our London portfolio comprises income producing multi-let offices, office refurbishments and developments, and residential development schemes.

CITY AND TECH BELT PORTFOLIO

ONE CREECHURCH PLACE CITY OF LONDON EC3

One Creechurch Place is a landmark City office scheme in the heart of the insurance sector 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 depending on the successful outcome of the scheme. The new building, comprising 272,505 sq ft NIA of offices and 786 sq ft of retail, achieved practical completion on 7 November 2016 and is currently being marketed for occupation. Since 30 September 2017, we have signed leases with Hyperion for 115,910 sq ft and Travelers for 15,969 sq ft, representing 48% of the building, and are under offer with another two tenants for 60,017 sq ft, which, if concluded, will result in the building being 70% let.



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. 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 added 5,138 sq ft of retail/restaurant space. The building achieved practical completion on 28 March 2017. The 5th and 6th floors have been let at £75 psf and in the period the 4th floor was let to Peakon, also at £75 psf on a 10 year lease with a five year break. Since the end of the period the ground and first floors have been let on five year leases at £77 psf for the first floor and an average £59 psf for the "shell" ground floor units. The second floor is also under offer and due to exchange shortly.

C-SPACE 37-45 CITY ROAD EC1

Helical acquired C-Space in June 2013. Planning consent was obtained for a complete refurbishment of the building which increased the previous 50,000 sq ft office building to 61,973 sq ft. The works, which were completed in October 2015, involved an additional floor and extensions to the third floor, a landscaped courtyard and entrance pavilion to the rear and full height glazing to the raised ground floor. 75% of the space was pre-let to the creative agency MullenLowe in June 2015, with the remaining space let to NeuLion in November 2016.

Contracts were exchanged on 10 November 2017 for the sale of the building at £74m, marginally above its 31 March 2017 book value, with completion in December 2017.

THE LOOM WHITECHAPEL E1

This 110,069 sq ft listed former wool warehouse was acquired in 2013. A major repositioning was completed in September 2016 to include a new entrance and reception onto Gowers Walk, café, showers and a bike store. Since 1 April 2017, we have completed five new lettings on 12,850 sq ft with newly refurbished space being let at between £52.50 psf and a record £55.00 psf. Two further units totalling 2,431 sq ft are under offer.



THE BOWER EC1 211 OLD STREET EC1

The development of Phase One, comprising The Warehouse, 128,262 sq ft, and The Studio, 23,177 sq ft, completed in November 2015.

Phase One is fully let to CBS, Farfetch, Pivotal, Allegis and Stripe (The Warehouse) and John Brown Media (The Studio), and all tenants are in occupation. The retail operators are Bone Daddies, Draft House, Enoteca da Luca, Honest Burger, Maki and Franze & Evans.

207 OLD STREET EC1

At The Tower, comprising 178,571 sq ft of offices with ground floor retail, the refurbishment and construction works are well underway, with practical completion scheduled for July 2018. We have pre-let six floors, comprising 58,904 sq ft (34%), to WeWork, the leading global provider of flexible collaborative co-working space, and recently launched the marketing of the remaining 119,667 sq ft of this building. A number of parties have inspected the building and we are encouraged by the interest being shown.

HELICAL'S PROPERTY PORTFOLIO CONTINUED

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 Pauls and Smithfield Market, situated a short walk from Farringdon East station on the Elizabeth Line (Crossrail) which is due to be operational at the end of 2018.

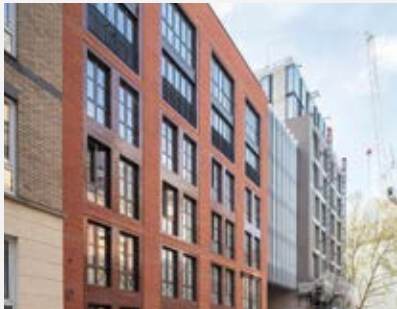
Barts Square will ultimately provide an entirely new quarter in the City consisting of 236 residential apartments, three office buildings of 213,125 sq ft, 24,031 sq ft and 10,200 sq ft, and 21,839 sq ft of retail/A3 at ground floor as well as major public realm improvements.

PHASE ONE Residential

Phase 1 of Barts Square comprises 144 residential units, 3,193 sq ft of retail and extensive public realm improvements. The residential units are being handed over to purchasers as buildings are completed, with the Underwood Building (13 sales) completed by October 2017 and six further buildings (115 sales) to be completed and handed over in the period to March 2018. In total, contracts have been exchanged for the sale of 128 residential units (12 in the period) for a total value of £162.1m at an average of £1,565 psf, with a further three units reserved, leaving just 13 apartments to sell.

90 Bartholomew Close – Offices

Construction of the 24,013 sq ft office building with 6,449 sq ft of restaurant use on the ground floor is expected to be completed in December 2017. Marketing of the offices will commence after practical completion of the building. The ground floor restaurant is under offer to a leading UK restaurateur who operates a small collection of restaurants, delis and bars.



PHASE TWO One Bartholomew Close – Offices

One Bartholomew Close 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 office block of 213,125 sq ft commenced in January 2016 and is due to be completed in Q3 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.

PHASE THREE Residential/retail/offices

Demolition work on Phase 3 of Barts Square is complete, with pre-construction works now underway. This phase will comprise 92 apartments and 12,197 sq ft of retail space. Completion is due in Q3 2019 and marketing of the units is expected to commence in Q2 2018. The refurbishment of 54/58 Bartholomew Close to provide 10,200 sq ft of offices is expected to start in 2018 for completion in 2019.

FARRINGDON EAST SMITHFIELD EC1

We have an exclusivity agreement with Farringdon East Ltd whereby we will acquire the company with the intention of constructing a new consented 89,000 sq ft office building over the Farringdon East Crossrail station with the benefit of a new 150 year lease from TfL. It is anticipated that the construction works will commence in Spring 2018 for completion by Q4 2019.

THE WEST LONDON PORTFOLIO

POWER ROAD STUDIOS CHISWICK W4

The site comprises 58,404 sq ft of offices across five buildings and is multi-let to a wide range of predominantly media tenants. In October we completed the refurbishment of Studio 1, a project comprising 16,000 sq ft of air conditioned Grade A space, refurbished common parts and two new lift shafts to accommodate a consented future roof extension of 13,000 sq ft. Of the newly refurbished space, we pre-let 2,425 sq ft at £43 psf and have recently completed the letting of a further 5,916 sq ft at £43 psf. Preliminary works have been completed on a consented new 30,000 sq ft office building.

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.



KING STREET HAMMERSMITH W6

Hammersmith & Fulham Borough Council, who have been opposed to this regeneration project since the Council became Labour controlled, have exercised their option to terminate the development agreement. With our partners Grainger plc we will now seek to maximise the value of the land held by the joint venture company and are in discussions with the Council with the aim of reaching agreement on this sale.

THE SHEPHERDS BUILDING SHEPHERDS BUSH W14

This 151,000 sq ft multi-let office building close to the Westfield London shopping centre maintains an occupancy approaching 100%, as it has for the past ten consecutive years. The average contracted rent for the building is £45 psf with a total contracted rent of £6.64m. During the period we have completed new lettings totalling 8,987 sq ft and 1,573 sq ft since the period end.

**HELICAL'S
PROPERTY PORTFOLIO
CONTINUED**

**MANCHESTER
OFFICES
PORTFOLIO**

Manchester is a city with a diverse, thriving and growing economy which is widely regarded as England's second city and the centre of the "Northern Powerhouse".



CHURCHGATE AND LEE HOUSE

This asset, comprising 249,233 sq ft of multi-let offices, was purchased in March 2014. Since purchase we have refurbished the reception and 75,254 sq ft of office space and the building is fully let. During the period we agreed a new ten year lease with Capita on 33,000 sq ft at £15.50 psf, an uplift of 7% on the previous rent. Looking forward, we will continue with asset management initiatives to drive further rental and capital growth.



35 DALE STREET

35 Dale Street is a 51,634 sq ft office building situated in the Northern Quarter of Manchester. We have completed the refurbishment of the third and fourth floor offices and agreed terms at £19 psf on that space. The refurbishment of the first and second floors will commence in December 2017 with delivery expected in March 2018. All the available space on the first floor is under offer. The ground and lower ground floor space has been pre-let to Vibe Gym and Idle Hands (coffee shop).

31 BOOTH STREET

This 25,441 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. The ground floor and basement have been let on an agreement to lease to Elevation, a luxury boutique cosmetic retailer, and good interest is being shown in the remaining office space.



TRINITY COURT

Trinity Court, purchased in May 2017 for £12.9m, is a 47,443 sq ft office building situated in the central business district of Manchester. The building is currently 100% let with secured income until January 2018 at a passing rent of £26.94 psf. The building will be vacated in 2018 and a full refurbishment and extension will be implemented, delivering 55,672 sq ft of new and refurbished office space to the market in early 2019.

LOGISTICS PORTFOLIO

Helical owns 23 distribution and logistics units located around major UK transport networks.

These units generally have few bespoke features, making them straightforward to re-let if vacancies occur, with low capital expenditure required. During the period, we sold our 189,349 sq ft warehouse at Hinckley, Leicestershire to an owner-occupier for its book value of £9.3m. We have completed a new ten year lease at the existing passing rent at Telford and have good interest from potential tenants in our remaining vacant asset in Doncaster.



NON-CORE PORTFOLIO

RETIREMENT VILLAGES

Our retirement village portfolio at 30 September 2017 consisted of four villages at Bramshott Place Liphook, Durrants Village Faygate, Millbrook Village Exeter and Maudslay Park Great Alne.

In November 2017, we sold our entire retirement village portfolio to L&G Capital for gross proceeds of £102m, with £26m deferred for 12 months.

RETAIL INVESTMENTS

During the period we sold our retail assets at Morgan Quarter, Cardiff, Great Yarmouth and Southend for a combined £73.3m, a premium to book value of 4.7%. At 30 September 2017, our single remaining retail investment is a 42,490 sq ft retail warehouse in Sevenoaks.

OTHER REGIONAL OFFICES

Our regional offices, outside Manchester, comprise three fully let buildings located in Crawley, Reading and Glasgow which generate contracted rental income of £2.3m and have a combined value of £24.6m.

RETAIL DEVELOPMENTS

During the period we completed our 79,750 sq ft retail park at Cortonwood Retail Park, which was 100% pre-let and forward funded with clients of Aberdeen Asset Management. We also progressed our retail schemes at Truro, Evesham, Kingswinford and East Ham.

HELICAL'S PROPERTY PORTFOLIO CONTINUED

ASSET MANAGEMENT

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

Investment portfolio	Fair value weighting %	Passing rent £m	Contracted ¹ rent £m	ERV £m	ERV change since March 2017 £m	ERV change since March 2017 %	ERV change like-for-like %
London Offices							
Completed, let and available to let	51.1	20.6	50.4	23.6	48.5	29.4	42.5
Being redeveloped	20.1	1.3	3.2	5.3	10.9	17.5	25.4
Total London	71.2	21.9	53.6	28.9	59.4	46.9	67.9
Manchester Offices							
Logistics	15.0	10.9	26.8	11.3	23.2	11.9	17.1
Total Core Portfolio	95.0	37.8	92.6	45.6	93.7	66.1	95.4
Regional Offices							
Retail	1.0	0.8	1.9	0.8	1.6	0.8	1.2
Retirement Villages	1.5	-	-	-	-	-	-
Total Non-Core Portfolio	5.0	3.1	7.4	3.1	6.3	3.2	4.6
Total	100.0	40.9	100.0	48.7	100.0	69.2	100.0

1 Contracted rent includes £3.8m pre-let to WeWork at The Bower.

During the period, total contracted income reduced by £3.5m as the result of the sale of £82.6m 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.

	Total portfolio contracted rent £m
Contracted rent reduced through sales of investment properties	(5.8)
Contracted rent increased from purchases of investment properties	1.3
Total contracted rental change from sales and purchases	(4.5)
Rent lost at break/expiry	(0.7)
Rent reviews and uplifts on lease renewals	0.1
New lettings	1.6
Total increase in the period from asset management activities	1.0
Net decrease in contracted rents in the period	(3.5)

CAPITAL EXPENDITURE

We have a planned development and refurbishment programme.

Property	Capex budget (Helical share) £m	Remaining spend (Helical share) £m	Pre-refurbished space Sq ft	New space Sq ft	Total completed space Sq ft	Completion date
Investment - committed						
207 Old Street, London EC1	97.2	49.2	114,000	65,000	179,000	July 2018
35 Dale Street, Manchester	4.7	1.1	56,000	-	56,000	May 2018
Trinity Court, Manchester	5.8	5.8	47,000	8,000	55,000	March 2019
Investment - planned						
Barts Square, London EC1	10.8	1.5	27,000	-	27,000	December 2017
Power Road Studios, London W4	20.1	20.1	59,000	43,000	102,000	September 2019
Development - committed						
Barts Square, London EC1 - Phase 1	81.1	15.4	-	129,000	129,000	March 2018
Barts Square, London EC1 - Phase 3	44.2	38.4	-	92,000	92,000	September 2019

INVESTMENT PORTFOLIO – AS AT 30 SEPTEMBER 2017

PORTFOLIO YIELDS

	EPRA topped up NIY %	Reversionary %
London Offices		
Completed, let and available to let	4.3	5.3
Being redeveloped	-	5.8
Manchester Offices	5.8	6.9
Logistics	7.0	7.1
Total Core Portfolio	5.0	5.9
Regional Offices	8.7	8.7
Retail	7.4	7.6
Total Non-Core Portfolio	8.3	8.3
Total	5.2	6.0

CAPITAL VALUES, VACANCY RATES AND UNEXPIRED LEASE TERMS

	Capital value psf £	Vacancy rate ¹ %	WAULT Years
London Offices			
Completed, let and available to let	943	9.5	6.4
Being redeveloped	653	-	-
Total London	838	9.5	6.4
Manchester Offices	226	18.6	2.9
Logistics	56	5.6	4.8
Total Core Portfolio	242	7.4	6.1
Regional Offices	174	-	6.6
Retail	235	-	6.9
Total Non-Core Portfolio	188	-	6.6
Total	239	7.1	6.1

¹ The vacancy rates exclude assets in the course of redevelopment.

VALUATION MOVEMENTS

	Val change inc capex, sales and purchases %	Val change inc capex, excl sales and purchases %	Investment portfolio weighting September 2017 %	Investment portfolio weighting March 2017 %
London Offices				
Completed, let and available to let	1.6	1.6	51.1	49.3
Being redeveloped	1.0	1.0	20.1	12.4
Held for future development	n/a	n/a	-	3.8
Total London	1.5	1.5	71.2	65.5
Manchester Offices	(0.1)	0.2	8.8	7.0
Logistics	2.2	2.3	15.0	15.4
Total Core Portfolio	1.4	1.5	95.0	87.9
Regional Offices	(0.9)	(0.9)	2.5	2.3
Retail	-	-	1.0	7.8
Retirement Villages	(25.6)	(25.6)	1.5	2.0
Total Non-Core Portfolio	(4.3)	(9.9)	5.0	12.1
Total	0.7	0.8	100.0	100.0

LEASE EXPIRIES OR TENANT BREAK OPTIONS

	Year to 2018	Year to 2019	Year to 2020	Year to 2021	Year to 2022
% of rent roll	11	11	7	7	18
Number of leases	86	52	38	11	32
Average rent per lease (£)	59,072	97,340	84,900	270,787	248,644

We have a strong rental income stream and a diverse tenant base, with the largest tenant in the portfolio accounting for only 8.7% of the rent roll. The top 10 tenants account for 36.7% of the total rent roll and the tenants come from a variety of industries.

Rank	Tenant	Tenant industry	Rent £m	Rent roll %
1	Endemol UK Limited	Media	3.9	8.7
2	MullenLowe Limited	Marketing Communications	2.6	5.8
3	Gopivotal (UK) Limited	Technology	2.0	4.5
4	Farfetch UK Limited	Online Retail	1.9	4.2
5	Sainsbury's Supermarkets Limited	Food Retail	1.3	2.8
6	Neulion Limited	Technology	1.0	2.3
7	CBS Interactive Limited	Media	1.0	2.3
8	Allegis Group Limited	Recruitment	1.0	2.2
9	Anomaly UK Limited	Marketing	0.9	2.0
10	Stripe Payments UK Limited	Technology	0.8	1.9
Total			16.4	36.7

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF HELICAL PLC

INTRODUCTION

We have reviewed the condensed set of financial statements in the half-yearly financial report of Helical plc for the six months ended 30 September 2017 which comprise the Unaudited Consolidated Income Statement, the Unaudited Consolidated Balance Sheet, the Unaudited Consolidated Cash Flow Statement, the Unaudited Consolidated Statement of Changes in Equity and the related unaudited notes. We have read the other information contained in the half yearly financial report: Financial Highlights, Chief Executive's Statement, Financial Review and Helical's Property Portfolio 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, as a body, 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'. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them 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 as a body, for our review work, for this report, or for the conclusion 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 International Financial Reporting Standards 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 a conclusion to the Company 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'. A review of interim financial information consists of making enquiries, 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 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

GRANT THORNTON UK LLP

Statutory Auditor, Chartered Accountants
London
15 November 2017

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the Half Year to 30 September 2017

	Notes	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Revenue	3	33,207	52,367	99,934
Net rental income	4	18,037	23,911	46,162
Development property (loss)/profit	5	(9,520)	(83)	843
Share of results of joint ventures	13	3,382	(1,044)	(6,528)
Other operating income/(expense)		41	(1)	982
Gross profit before net gain on sale and revaluation of investment properties		11,940	22,783	41,459
Net gain on sale and revaluation of investment properties	6	3,370	26,353	40,543
Change in fair value of available-for-sale investments	15	1,423	(1,179)	(3,352)
Gross profit		16,733	47,957	78,650
Administrative expenses	7	(6,081)	(5,871)	(18,372)
Operating profit		10,652	42,086	60,278
Finance costs	8	(13,376)	(13,949)	(25,598)
Finance income		1,154	1,199	3,156
Change in fair value of derivative financial instruments		2,884	(5,949)	789
Change in fair value of Convertible Bond		(127)	7,663	2,973
Foreign exchange gain		22	2	(3)
Profit before tax		1,209	31,052	41,595
Tax on profit on ordinary activities	9	(809)	672	(2,471)
Profit for the period		400	31,724	39,124
Earnings per share	11			
Basic		0.3p	27.8p	34.0p
Diluted		0.3p	26.6p	33.2p

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Half Year to 30 September 2017

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Profit for the period	400	31,724	39,124
Exchange difference on retranslation of net investments in foreign operations	(18)	21	48
Total comprehensive income for the period	382	31,745	39,172

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 2017

	Notes	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Non-current assets				
Investment properties	12	963,481	1,034,687	987,560
Owner-occupied property, plant and equipment		2,013	2,147	2,124
Investment in joint ventures	13	23,264	26,259	19,882
		988,758	1,063,093	1,009,566
Current assets				
Land, developments and trading properties	14	95,476	88,294	86,680
Available-for-sale investments	15	-	1,991	-
Corporate tax receivable		3,358	1,335	3,320
Trade and other receivables	16	60,322	77,485	73,925
Cash and cash equivalents	17	104,341	52,945	99,262
		263,497	222,050	263,187
Total assets		1,252,255	1,285,143	1,272,753
Current liabilities				
Trade and other payables	18	(57,650)	(62,408)	(56,349)
Borrowings	19	(4,133)	(901)	(2,517)
		(61,783)	(63,309)	(58,866)
Non-current liabilities				
Borrowings	19	(657,410)	(685,404)	(671,184)
Derivative financial instruments	20	(10,095)	(20,721)	(13,981)
Deferred tax liability	9	(12,734)	(6,800)	(11,825)
		(680,239)	(712,925)	(696,990)
Total liabilities		(742,022)	(776,234)	(755,856)
Net assets		510,233	508,909	516,897
Equity				
Called-up share capital	21	1,450	1,447	1,447
Share premium account		98,798	98,798	98,798
Revaluation reserve		182,183	171,600	164,190
Capital redemption reserve		7,478	7,478	7,478
Other reserves		291	291	291
Retained earnings		220,033	229,295	244,693
Equity attributable to equity holders of the parent		510,233	508,909	516,897
Non-controlling interests		-	-	-
Total equity		510,233	508,909	516,897

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

For the Half Year to 30 September 2017

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Cash flows from operating activities			
Profit before tax	1,209	31,052	41,595
Depreciation	151	204	391
Net revaluation gain on investment properties	(2,145)	(29,141)	(39,152)
(Gain)/loss on sale of investment properties	(1,225)	2,788	(1,391)
Profit on sale of plant and equipment	-	(13)	(56)
Net financing costs	12,222	12,750	22,442
Change in value of derivative financial instruments	(2,884)	5,949	(789)
Change in fair value of Convertible Bond	127	(7,663)	(2,973)
Share based payment charge	321	283	1,672
Share of results of joint ventures	(3,382)	1,044	6,528
Change in fair value of available-for-sale investment	(1,423)	1,179	3,352
Foreign exchange movement	(22)	32	6
Cash inflows from operations before changes in working capital	2,949	18,464	31,625
Change in trade and other receivables	14,339	(4,319)	876
Change in land, developments and trading properties	(6,734)	5,451	3,789
Change in trade and other payables	(841)	(7,625)	(9,338)
Cash inflows generated from operations	9,713	11,971	26,952
Finance costs	(16,407)	(17,028)	(33,041)
Finance income	56	627	1,413
Tax received/(paid)	5	(2,928)	(3,392)
	(16,346)	(19,329)	(35,020)
Cash flows from operating activities	(6,633)	(7,358)	(8,068)
Cash flows from investing activities			
Additions to investment property	(49,175)	(26,022)	(59,310)
Sale of investment property	80,578	54,919	156,254
Dividends from joint ventures	-	687	1,580
Receipts from/(purchases of) available for sale asset	1,423	(56)	(238)
Sale of plant and equipment	-	49	178
Purchase of leasehold improvements, plant and equipment	(40)	(193)	(442)
Net cash generated from investing activities	32,786	29,384	98,022
Cash flows from financing activities			
Borrowings drawn down	11,704	15,725	41,986
Borrowings repaid	(25,526)	(57,709)	(102,887)
Shares issued	3	-	-
Purchase of own shares	-	(944)	(944)
Equity dividends paid	(7,261)	(823)	(3,566)
Net cash used by financing activities	(21,080)	(43,751)	(65,411)
Net increase/(decrease) in cash and cash equivalents	5,073	(21,725)	24,543
Exchange gains on cash and cash equivalents	6	-	49
Cash and cash equivalents at start of period	99,262	74,670	74,670
Cash and cash equivalents at end of period	104,341	52,945	99,262

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

At 30 September 2017

	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 2016	1,447	98,798	143,699	7,478	291	229,008	-	480,721
Total comprehensive income	-	-	-	-	-	39,172	-	39,172
Revaluation surplus	-	-	39,152	-	-	(39,152)	-	-
Realised on disposals	-	-	(18,661)	-	-	18,661	-	-
Performance Share Plan	-	-	-	-	-	1,672	-	1,672
Performance Share Plan - deferred tax	-	-	-	-	-	(2,062)	-	(2,062)
Share settled bonus	-	-	-	-	-	1,904	-	1,904
Dividends paid	-	-	-	-	-	(3,566)	-	(3,566)
Purchase of own shares	-	-	-	-	-	-	(944)	(944)
Own shares held reserve transfer	-	-	-	-	-	(944)	944	-
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

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

The adjustment against retained earnings of £321,000 (31 March 2017: £1,672,000) 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 (31 March 2017: £2,996,000) made up of the Performance Share Plan credit of £321,000 (31 March 2017: £1,672,000) and related deferred tax debit of £109,000 (31 March 2017: £2,062,000), dividends paid of £7,261,000 (31 March 2017: £3,566,000), the issue of share capital of £3,000 (31 March 2017: £nil), the purchase of own shares of £nil (31 March 2017: £944,000) and the share settled bonus of £nil (31 March 2017: £1,904,000).

	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 2016	1,447	98,798	143,699	7,478	291	229,008	-	480,721
Total comprehensive income	-	-	-	-	-	31,745	-	31,745
Revaluation surplus	-	-	29,141	-	-	(29,141)	-	-
Realised on disposals	-	-	(1,240)	-	-	1,240	-	-
Performance Share Plan	-	-	-	-	-	283	-	283
Performance Share Plan - deferred tax	-	-	-	-	-	(1,748)	-	(1,748)
Share settled bonus	-	-	-	-	-	(325)	-	(325)
Dividends paid	-	-	-	-	-	(823)	-	(823)
Purchase of own shares	-	-	-	-	-	-	(944)	(944)
Own shares held reserve transfer	-	-	-	-	-	(944)	944	-
At 30 September 2016	1,447	98,798	171,600	7,478	291	229,295	-	508,909

The adjustment against retained earnings of £283,000 adds back the share based payments charge in accordance with IFRS 2 Share Based Payments.

There were net transactions with owners of £3,557,000 made up of the Performance Share Plan credit of £283,000 and related deferred tax debit of £1,748,000, dividends paid of £823,000, the purchase of own shares of £944,000 and the share settled bonus of £325,000.

UNAUDITED NOTES TO THE HALF YEAR RESULTS

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 2017, 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 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The principal accounting policies have remained unchanged from the prior financial period to 31 March 2017.

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 2017.

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 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 risk;
- financial risk;
- operational risk; and
- reputational risk.

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 2018. A further analysis of these risks is included within the consolidated financial statements of the Group for the year ended 31 March 2017.

Use of Estimates and Judgements

The estimates and judgements have remained unchanged from the prior financial year to 31 March 2017.

2. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Each of the Directors confirms that, to the best of his knowledge, the condensed set of unaudited consolidated financial statements, which has been prepared in accordance with IAS 34 as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole and that the interim management report herein includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R.

Balances with related parties at 30 September 2017, 30 September 2016 and 31 March 2017 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 15 November 2017 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
15 November 2017

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.

	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	Investment and Trading Half Year to 30.09.16 £000	Developments Half Year to 30.09.16 £000	Total Half Year to 30.09.16 £000
Revenue						
Rental income	20,178	-	20,178	25,531	-	25,531
Development property income	-	12,962	12,962	-	26,836	26,836
Other revenue	67	-	67	-	-	-
Revenue	20,245	12,962	33,207	25,531	26,836	52,367

	Investment and Trading Year to 31.03.17 £000	Developments Year to 31.03.17 £000	Total Year to 31.03.17 £000
Revenue			
Rental income	48,835	-	48,835
Development property income	-	49,994	49,994
Other revenue	1,105	-	1,105
Revenue	49,940	49,994	99,934

	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	Investment and Trading Half Year to 30.09.16 £000	Developments Half Year to 30.09.16 £000	Total Half Year to 30.09.16 £000
Profit before tax						
Net rental income	18,034	3	18,037	23,935	(24)	23,911
Development property loss	-	(9,520)	(9,520)	-	(83)	(83)
Share of results of joint ventures	2,419	963	3,382	(704)	(340)	(1,044)
Gain on sale and revaluation of investment properties	3,370	-	3,370	26,353	-	26,353
	23,823	(8,554)	15,269	49,584	(447)	49,137
Fair value movement of available for sale assets			1,423			(1,179)
Other operating income/(expense)			41			(1)
Gross profit			16,733			47,957
Administrative expenses			(6,081)			(5,871)
Net finance costs			(9,465)			(11,036)
Foreign exchange gain			22			2
Profit before tax			1,209			31,052

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS**
CONTINUED

3. SEGMENTAL INFORMATION CONTINUED

	Investment and trading Year to 31.03.17 £000	Developments Year to 31.03.17 £000	Total Year to 31.03.17 £000
Profit before tax			
Net rental income	46,213	(51)	46,162
Development property profit	-	843	843
Share of results of joint ventures	(2,049)	(4,479)	(6,528)
Gain on sale and revaluation of investment properties	40,543	-	40,543
	84,707	(3,687)	81,020
Fair value movement of available for sale assets			(3,352)
Other operating income			982
Gross profit			78,650
Administrative expenses			(18,372)
Net finance costs			(18,680)
Foreign exchange loss			(3)
Profit before tax			41,595

	Investment and Trading At 30.09.17 £000	Developments At 30.09.17 £000	Total At 30.09.17 £000	Investment and Trading At 30.09.16 £000	Developments At 30.09.16 £000	Total At 30.09.16 £000
Balance sheet						
Investment properties	963,481	-	963,481	1,034,687	-	1,034,687
Land, development and trading properties	28	95,448	95,476	28	88,266	88,294
Investment in joint ventures	4,233	19,031	23,264	3,192	23,067	26,259
	967,742	114,479	1,082,221	1,037,907	111,333	1,149,240
Other assets			170,034			135,903
Total assets			1,252,255			1,285,143
Liabilities			(742,022)			(776,234)
Net assets			510,233			508,909

	Investment and Trading At 31.03.17 £000	Developments At 31.03.17 £000	Total At 31.03.17 £000
Balance sheet			
Investment properties	987,560	-	987,560
Land, development and trading properties	28	86,652	86,680
Investment in joint ventures	1,814	18,068	19,882
	989,402	104,720	1,094,122
Other assets			178,631
Total assets			1,272,753
Liabilities			(755,856)
Net assets			516,897

4. NET RENTAL INCOME

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Gross rental income	20,178	25,531	48,835
Rents payable	(83)	(17)	(68)
Property overheads	(1,991)	(1,378)	(2,283)
Net rental income	18,104	24,136	46,484
Net rental income attributable to profit share partner	(67)	(225)	(322)
Group share of net rental income	18,037	23,911	46,162

5. DEVELOPMENT PROPERTY (LOSS)/PROFIT

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Development property income	12,962	26,836	49,994
Cost of sales	(10,974)	(18,938)	(37,576)
Sales expenses	(53)	(4,012)	(5,275)
Provision against book values	(11,455)	(3,969)	(6,300)
Development property (loss)/profit	(9,520)	(83)	843

6. NET GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Net proceeds from the sale of investment properties	81,489	54,919	156,939
Book value (Note 12)	(79,203)	(57,243)	(154,863)
Tenants incentives on sold investment properties	(1,061)	(464)	(685)
Gain/(loss) on sale of investment properties	1,225	(2,788)	1,391
Revaluation surplus on investment properties	2,145	29,141	39,152
Net gain on sale and revaluation of investment properties	3,370	26,353	40,543

7. ADMINISTRATIVE EXPENSES

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Administration costs	(5,606)	(5,801)	(10,799)
Performance related awards	(340)	(285)	(6,854)
National Insurance on performance related awards	(135)	215	(719)
Administrative expenses	(6,081)	(5,871)	(18,372)

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS**
CONTINUED

8. FINANCE COSTS

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Interest payable on bank loans, bonds and overdrafts	(14,471)	(14,923)	(28,586)
Other interest payable and similar charges	(2,353)	(2,520)	(4,913)
Interest capitalised	3,448	3,494	7,901
Finance costs	(13,376)	(13,949)	(25,598)

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
The tax (charge)/credit is based on the profit for the period and represents:			
United Kingdom corporation tax at 19%			
Group corporation tax	-	-	-
Adjustment in respect of prior periods	(10)	-	1,521
Overseas tax	-	2	2
Current tax (charge)/credit	(10)	2	1,523
Deferred tax			
Capital allowances	403	(847)	(1,023)
Tax losses	1,158	674	(4,347)
Unrealised chargeable gains	(1,562)	(164)	1,803
Other temporary differences	(798)	1,007	(427)
Deferred tax (charge)/credit	(799)	670	(3,994)
Total tax (charge)/credit for period	(809)	672	(2,471)

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Deferred tax			
Capital allowances	(2,566)	(2,793)	(2,969)
Tax losses	9,332	13,195	8,174
Unrealised chargeable gains	(23,893)	(24,298)	(22,331)
Other temporary differences	4,393	7,096	5,301
Deferred tax liability	(12,734)	(6,800)	(11,825)

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 £2,566,000 would be released and further capital allowances of £26,254,000 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 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Attributable to equity share capital			
Ordinary			
Interim paid 2.40p per share	-	-	2,743
Prior period final paid 6.20p per share (2016: 0.72p)	7,261	823	823
	7,261	823	3,566

The interim dividend of 2.50p (30 September 2016: 2.40p per share) was approved by the Board on 14 November 2017 and will be paid on 22 December 2017 to Shareholders on the register on 24 November 2017. This interim dividend, amounting to £2,934,000, has not been included as a liability as at 30 September 2017.

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 year end. Shares held by the Helical Employees' Share Ownership Plan Trust (the "ESOP"), which has waived its entitlement to receive dividends, are treated as cancelled for the purpose of this calculation.

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 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Ordinary shares in issue	118,534	118,184	118,196
Weighting adjustment	(1,426)	(3,901)	(3,110)
Weighted average ordinary shares in issue for calculation of basic and EPRA earnings per share	117,108	114,283	115,086
Weighted average ordinary shares issued on share settled bonuses	840	1,197	1,402
Weighted average ordinary shares to be issued under Performance Share Plan	1,600	3,700	1,403
Weighted average ordinary shares in issue for calculation of diluted earnings per share	119,548	119,180	117,891
	£000	£000	£000
Earnings used for calculation of basic and diluted earnings per share	400	31,724	39,124
Basic earnings per share	0.3p	27.8p	34.0p
Diluted earnings per share	0.3p	26.6p	33.2p

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS
CONTINUED**

11. EARNINGS PER SHARE CONTINUED

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Earnings used for calculation of basic and diluted earnings per share	400	31,724	39,124
Net gain on sale and revaluation of investment properties			
Subsidiaries	(3,370)	(26,353)	(40,543)
Joint ventures	(2,331)	518	1,929
Tax on profit/(loss) on disposal of investment properties	659	(308)	420
Fair value movement on derivative financial instruments			
Subsidiaries	(2,884)	5,949	(789)
Joint ventures	6	-	42
Fair value movement on Convertible Bond	127	(7,663)	(2,973)
Fair value movement of available-for-sale investment	(1,423)	1,179	3,352
Deferred tax on adjusting items	1,876	(66)	(37)
(Loss)/earnings used for calculations of EPRA earnings per share	(6,940)	4,980	525
EPRA (loss)/earnings per share	(5.9p)	4.4p	0.5p

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 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Book value at 1 April	987,560	1,035,033	1,035,033
Additions at cost	50,559	27,806	68,778
Disposals	(79,203)	(57,243)	(154,863)
Revaluation surplus	2,145	29,141	39,152
Revaluation surplus attributable to profit share partners	2,420	(50)	(540)
As at period end	963,481	1,034,687	987,560

All properties are stated at market value as at 30 September 2017 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 2017 is as follows:

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Book value	963,481	1,034,687	987,560
Lease incentives and costs included in trade and other receivables	16,065	11,323	15,440
Fair value	979,546	1,046,010	1,003,000

Interest capitalised in respect of the refurbishment of investment properties at 30 September 2017 amounted to £7,174,000 (30 September 2016: £8,355,000; 31 March 2017: £10,972,000). Interest capitalised during the period in respect of the refurbishment of investment properties amounted to £408,000.

The historical cost of investment property is £791,823,000 (30 September 2016: £861,338,000; 31 March 2017: £822,161,000).

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS
CONTINUED**

13. JOINT VENTURES

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Share of results of joint ventures			
Gross rental income	5	794	931
Property overheads	(164)	(90)	(100)
Net rental (expense)/income	(159)	704	831
Net gain/(loss) on revaluation of investment properties	2,331	(510)	(1,875)
Loss on sale of investment properties	-	(8)	(54)
Development profit/(loss)	1,367	116	(35)
Provision against book values	-	(2,668)	(6,524)
Other operating expense	(63)	-	(1,118)
Administrative expenses	(127)	(175)	(338)
Finance costs	(709)	(105)	(2)
Finance income	5	1,141	1,233
Change in fair value of derivative financial instruments	(6)	-	(42)
Profit/(loss) before tax	2,639	(1,505)	(7,924)
Tax	(89)	461	1,396
Profit/(loss) after tax	2,550	(1,044)	(6,528)
Accounting adjustment ¹	832	-	-
Share of results of joint ventures	3,382	(1,044)	(6,528)

¹ The adjustment in economic interest has been made for the Group's share of the loss incurred on one of its joint ventures in the period to ensure the Group's interest is shown at its recoverable amount.

13. JOINT VENTURES CONTINUED

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Investment in joint ventures			
Summarised balance sheets			
Non-current assets			
Investment properties	19,995	12,833	13,907
Owner occupied property, plant and equipment	22	88	30
Deferred tax	1,761	907	1,811
Derivative financial instruments	51	-	52
	21,829	13,828	15,800
Current assets			
Land, development and trading properties	103,888	88,831	89,115
Trade and other receivables	6,522	2,918	1,327
Cash and cash equivalents	8,056	11,690	9,745
	118,466	103,439	100,187
Current liabilities			
Trade and other payables	(21,901)	(17,184)	(17,699)
	(21,901)	(17,184)	(17,699)
Non-current liabilities			
Trade and other payables	(25,680)	(31,211)	(23,124)
Borrowings	(70,282)	(42,613)	(55,282)
	(95,962)	(73,824)	(78,406)
Net assets pre adjustment	22,432	26,259	19,882
Accounting adjustment ¹	832	-	-
Net assets	23,264	26,259	19,882

¹ The adjustment in economic interest has been made for the Group's share of the loss incurred on one of its joint ventures in the period to ensure the Group's interest is shown at its recoverable amount.

The Directors' valuation of trading and development stock shows a surplus of £11,000,000 (30 September 2016: £7,000,000; 31 March 2017: £7,500,000) above book value.

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS
CONTINUED**

14. LAND, DEVELOPMENTS AND TRADING PROPERTIES

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Development properties	95,448	88,266	86,652
Properties held as trading stock	28	28	28
	95,476	88,294	86,680

The Directors' valuation of trading and development stock shows a surplus of £943,000 (30 September 2016: £6,573,000; 31 March 2017: £5,014,000) above book value.

Total interest to date in respect of the development of sites is included in stock to the extent of £11,660,000 (30 September 2016: £11,441,000; 31 March 2017: £11,178,000). Interest capitalised during the period in respect of development sites amounted to £481,000.

15. AVAILABLE-FOR-SALE INVESTMENTS

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Fair value at 1 April	-	3,114	3,114
Additions	-	56	248
Fair value movement	1,423	(1,179)	(3,352)
Disposals	(1,423)	-	(10)
Fair value at period end	-	1,991	-

The fair values of the Group's available-for-sale investments have been determined by assessing the expected future consideration receivable from these investments, representing Level 3 fair value measurements as defined by IFRS 13 Fair Value Measurement as the value cannot be derived from observable market data. The fair value of the asset is sensitive only to potential sales proceeds. The gain of £1,423,000 recognised in the period is the result of cash received in relation to a previously fully impaired asset.

16. TRADE AND OTHER RECEIVABLES

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Trade receivables	8,644	13,974	12,836
Other receivables	28,733	36,022	27,462
Prepayments and accrued income	22,945	27,489	33,627
	60,322	77,485	73,925

17. CASH AND CASH EQUIVALENTS

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Rent deposits and cash held at managing agents	4,896	7,513	4,046
Restricted cash	71,167	9,176	12,111
Cash deposits	28,278	36,256	83,105
	104,341	52,945	99,262

Restricted cash is made up of cash held by solicitors and cash in blocked accounts. Of the blocked amount, £54,408,000 relates to the sale of a property in the period and is expected to be released in the near future upon the successful refinancing of an existing facility.

18. TRADE AND OTHER PAYABLES

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Trade payables	14,704	17,256	12,197
Other payables	2,255	3,494	3,022
Accruals and deferred income	40,691	41,658	41,130
	57,650	62,408	56,349

19. BORROWINGS

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Current borrowings	4,133	901	2,517
Borrowings repayable within:			
one to two years	104,067	4,133	4,150
two to three years	421,886	99,250	304,641
three to four years	1,036	424,077	215,667
four to five years	57,500	84,053	1,053
five to six years	1,110	1,072	73,353
six to ten years	71,811	72,819	72,320
Non-current borrowings	657,410	685,404	671,184
Total borrowings	661,543	686,305	673,701

Included within borrowings repayable within one to two years is the Convertible Bond at its fair value of £99,901,000. It is a financial instrument classified as Level 1 under the IFRS 13 fair value hierarchy.

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS
CONTINUED**

19. BORROWINGS CONTINUED

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Total borrowings	661,543	686,305	673,701
Cash	(104,341)	(52,945)	(99,262)
Net borrowings	557,202	633,360	574,439

Net borrowings excludes the Group's share of borrowings in joint ventures of £70,282,000 (30 September 2016: £42,613,000; 31 March 2017: £55,282,000) and cash of £8,056,000 (30 September 2016: £11,690,000; 31 March 2017: £9,745,000). All borrowings in joint ventures are secured.

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Net assets	510,233	508,909	516,897
Gearing	109%	124%	111%

20. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Derivative financial instruments asset	-	-	-
Derivative financial instruments liability	(10,095)	(20,721)	(13,981)

The fair values of the Group's outstanding interest rate swaps 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.

21. SHARE CAPITAL

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £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:

118,534,278 (31 March 2017: 118,196,215) ordinary shares of 1p each	1,185	1,182	1,182
212,145,300 deferred shares of 1/8p each	265	265	265
	1,450	1,447	1,447

22. OWN SHARES HELD

Following approval at the 1997 Annual General Meeting, the Company established the Helical Employees' Share Ownership Plan Trust (the "ESOP") to be used as part of the remuneration arrangements for employees. The purpose of the ESOP is to facilitate and encourage the ownership of shares by, or for the benefit of, employees by the acquisition and distribution of shares in the Company.

The ESOP purchases shares in the Company to satisfy the Company's obligations under its Share Option Scheme and Performance Share Plan.

At 30 September 2017 the ESOP held 1,262,000 ordinary shares in Helical plc (30 September 2016: 3,901,000; 31 March 2017: 1,262,000).

At 30 September 2017 options over nil (30 September 2016 and 31 March 2017: nil) ordinary shares in Helical plc had been granted through the ESOP. At 30 September 2017 awards over 3,735,000 (30 September 2016: 7,524,000 and 31 March 2017: 4,744,000) ordinary shares in Helical plc, made under the terms of the Performance Share Plan, were outstanding.

23. NET ASSETS PER SHARE

	At 30 September 2017 £000	Number of shares 000s	At 30 September 2017 Pence per share
Net asset value	510,233	118,534	
Less:			
own shares held by ESOP		(1,262)	
deferred shares	(265)		
Basic net asset value	509,968	117,272	435
Add: share settled bonus		840	
Add: dilutive effect of the Performance Share Plan		1,570	
Diluted net asset value	509,968	119,682	426
Adjustment for:			
fair value of financial instruments	10,043		
fair value movement on Convertible Bond	(99)		
deferred tax	24,999		
Adjusted diluted net asset value	544,911	119,682	455
Adjustment for:			
fair value of trading and development properties	11,943		
EPRA net asset value	556,854	119,682	465
Adjustment for:			
fair value of financial instruments	(10,043)		
deferred tax	(24,999)		
EPRA triple net asset value	521,812	119,682	436

UNAUDITED NOTES TO THE HALF YEAR RESULTS CONTINUED

23. NET ASSETS PER SHARE CONTINUED

The adjustment for the fair value of trading and development properties represents the surplus as at 30 September 2017.

	At 31 March 2017 £000	Number of shares 000s	At 31 March 2017 Pence per share
Net asset value	516,897	118,196	
Less:			
own shares held by ESOP		(1,262)	
deferred shares	(265)		
Basic net asset value	516,632	116,934	442
Add: share settled bonus		1,402	
Add: dilutive effect of the Performance Share Plan		1,410	
Diluted net asset value	516,632	119,746	431
Adjustment for:			
fair value of financial instruments	13,929		
fair value movement on Convertible Bond	(226)		
deferred tax	23,124		
Adjusted diluted net asset value	553,459	119,746	462
Adjustment for:			
fair value of trading and development properties	12,514		
EPRA net asset value	565,973	119,746	473
Adjustment for:			
fair value of financial instruments	(13,929)		
deferred tax	(23,124)		
EPRA triple net asset value	528,920	119,746	442

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

At 30 September 2017, 30 September 2016 and 31 March 2017 the following amounts were due from the Group's joint ventures.

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
King Street Developments (Hammersmith) Ltd	9,923	6,818	8,162
Shirley Advance LLP	509	11,688	503
Barts Square companies	(13)	-	(13)
Helical Sosnica Sp. zoo	1,104	1,112	1,126
Old Street Holdings LP	3	169	3
Creechurch Place Ltd	16,797	14,267	15,883

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 are shown in the table below.

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Gross rental income			
Subsidiaries	20,178	25,531	48,835
Joint ventures	5	794	931
Total gross rental income	20,183	26,325	49,766
Rents payable			
Subsidiaries	(83)	(17)	(68)
Property overheads			
Subsidiaries	(1,991)	(1,378)	(2,283)
Joint ventures	(164)	(90)	(100)
Net rental income attributable to profit share partner	(67)	(225)	(322)
See-through net rental income	17,878	24,615	46,993

See-Through Net Development (Losses)/Profits

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

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
In parent and subsidiaries	1,935	3,886	7,143
In joint ventures	1,367	116	(35)
Total gross development profit	3,302	4,002	7,108
Provision against stock			
Subsidiaries	(11,455)	(3,969)	(6,300)
Joint ventures	-	(2,668)	(6,524)
See-through development (losses)/profits	(8,153)	(2,635)	(5,716)

UNAUDITED NOTES TO THE HALF YEAR RESULTS CONTINUED

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 are shown in the table below.

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Revaluation surplus on investment properties			
Subsidiaries	2,145	29,141	39,152
Joint ventures	2,331	(510)	(1,875)
Total revaluation surplus	4,476	28,631	37,277
Net gain/(loss) on sale of investment properties			
Subsidiaries	1,225	(2,788)	1,391
Joint ventures	-	(8)	(54)
Total net gain/(loss) on sale of investment properties	1,225	(2,796)	1,337
See-through net gain on sale and revaluation of investment properties	5,701	25,835	38,614

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 are shown in the table below.

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Interest payable on bank loans and overdrafts			
Subsidiaries	14,471	14,923	28,586
Joint ventures	709	105	2
Total interest payable on bank loans and overdrafts	15,180	15,028	28,588
Other interest payable and similar charges			
Subsidiaries	2,353	2,520	4,913
Interest capitalised			
Subsidiaries	(3,448)	(3,494)	(7,901)
Total finance costs	14,085	14,054	25,600
Interest receivable and similar income			
Subsidiaries	(1,154)	(1,199)	(3,156)
Joint ventures	(5)	(1,141)	(1,233)
See-through net finance costs	12,926	11,714	21,211

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 are shown in the table below.

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Investment property			
Subsidiaries	979,546	1,046,010	1,003,000
Joint ventures	19,995	12,833	13,907
Total investment property	999,541	1,058,843	1,016,907
Trading and development stock			
Subsidiaries	95,476	88,294	86,680
Joint ventures	103,888	88,831	89,115
Total trading and development stock	199,364	177,125	175,795
Trading and development stock surplus			
Subsidiaries	943	6,573	5,014
Joint ventures	11,000	7,000	7,500
Total trading and development stock surpluses	11,943	13,573	12,514
Total trading and development stock at fair value	211,307	190,698	188,309
See-through property portfolio	1,210,848	1,249,541	1,205,216

See-Through Net Borrowings

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

	At 30 September 2017 £000	At 30 September 2016 £000	At 31 March 2017 £000
Gross borrowings less than one year			
Subsidiaries	4,133	901	2,517
Gross borrowings more than one year			
Subsidiaries	657,410	685,404	671,184
Total	661,543	686,305	673,701
Gross borrowings less than one year			
Joint ventures	-	-	-
Gross borrowings more than one year			
Joint ventures	70,282	42,613	55,282
Total	70,282	42,613	55,282
Cash and cash equivalents			
Subsidiaries	(104,341)	(52,945)	(99,262)
Joint ventures	(8,056)	(11,690)	(9,745)
See-through net borrowings	619,428	664,283	619,976

**UNAUDITED NOTES
TO THE HALF YEAR RESULTS
CONTINUED**

25. SEE-THROUGH ANALYSIS CONTINUED

See-Through Net Operating Income

	Half Year to 30 September 2017 £000	Half Year to 30 September 2016 £000	Year to 31 March 2017 £000
Net rental income	17,878	24,615	46,993
Development profits (before provisions)	3,302	4,002	7,108
Gain/(loss) on sale of investment properties	1,225	(2,796)	1,337
Net operating income	22,405	25,821	55,438

26. SEE-THROUGH INTEREST COVER, GEARING AND LOAN TO VALUE

	At 30 September 2017	At 30 September 2016	At 31 March 2017
Interest cover	1.7x	2.2x	2.6x
Gearing	121%	131%	120%
Loan to value	51%	53%	51%

27. CAPITAL COMMITMENTS

The Group has a commitment of £51,868,000 (30 September 2016: £131,085,000; 31 March 2017: £69,830,000) in relation to construction contracts, which are due to be completed in the period to March 2020. Of the total, £4,015,000 relates to the Group's investment property portfolio and £10,614,000 is in relation to the Group's residential scheme at Barts Square.

28. POST BALANCE SHEET EVENTS

Since the period end, the Group has sold an investment property, C-Space EC1, for £74.0m and its Retirement Village portfolio for £101.5m.



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