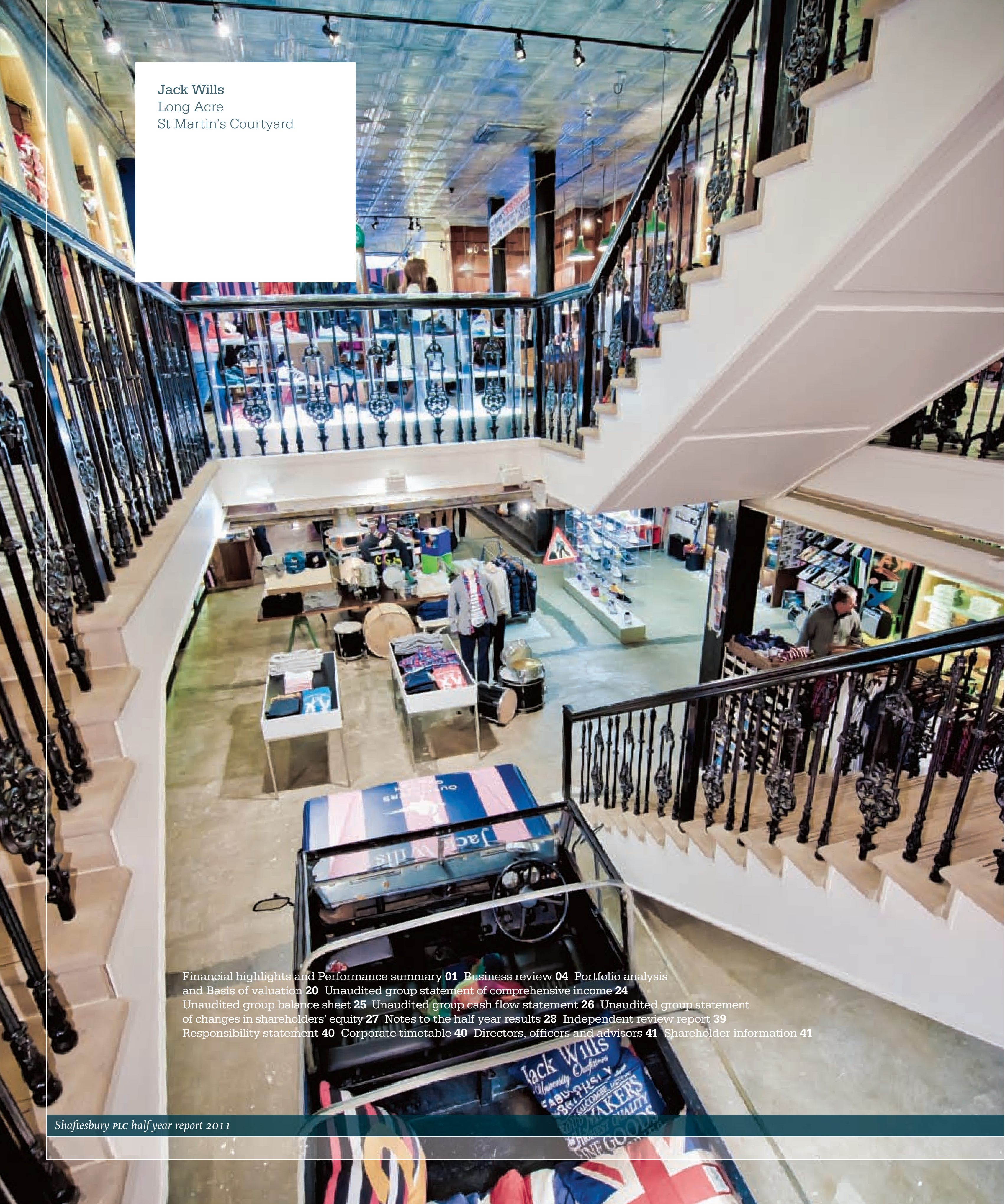
the inside story

Shaftesbury PLC
Half Year Report
2011



Jack Wills
Long Acre
St Martin's Courtyard

financial highlights

		Six months ended 31.3.2011	Six months ended 31.3.2010	Year ended 30.9.2010
Net property income	£m	**32.1**	28.1	57.6
EPRA adjusted profit before tax*	£m	**14.0**	11.1	22.3
EPRA adjusted diluted earnings per share*	pence	**6.0**	4.8	9.7
Profit before tax (including fair value movements in respect of investment properties and financial derivatives)	£m	**101.0**	122.8	171.9
Diluted earnings per share	pence	**43.1**	53.7	73.0
Interim dividend per share	pence	**5.5**	5.0	5.0
Final dividend per share	pence	**-**	-	5.25
Total distribution in respect of the financial period	£m	**13.7**	11.4	23.3
Property assets at book value	£m	**1,580.1**	1,351.3	1,480.7
EPRA adjusted net assets*	£m	**1,100.2**	875.7	948.4
EPRA adjusted diluted net asset value per share*	pence	**436**	383	414
Unadjusted net assets	£m	**1,052.1**	829.5	863.7
Unadjusted diluted net asset value per share	pence	**417**	363	378

*Adjusted in accordance with the European Public Real Estate Association ("EPRA") Best Practice Recommendations.

performance summary

six months ended 31 March 2011

	Shaftesbury Group	Benchmark
Capital value return (the valuation movement and realised surpluses or deficits arising on the Group's investment portfolio expressed as a percentage return on the valuation at the beginning of the period adjusted for acquisitions and capital expenditure)	**+3.2%**	IPD UK Monthly Index: Capital Growth* **+1.1%**
Six months ended 31.3.2010	*+9.0%*	*+11.6%*
Year ended 30.9.2010	*+14.2%*	*+14.2%*
Total return (a combination of the capital value return referred to above and the net property income from the portfolio for the period expressed as a percentage return on the valuation at the beginning of the period adjusted for acquisitions and capital expenditure)	**+5.3%**	IPD UK Monthly Index: Total Return* **+4.5%**
Six months ended 31.3.2010	*+11.3%*	*+15.7%*
Year ended 30.9.2010	*+18.5%*	*+22.6%*
Net asset value return (the change in diluted net asset value per Ordinary share plus dividends paid per Ordinary share expressed as a percentage of the diluted net asset value per share at the beginning of the period)		
Based on EPRA adjusted net assets	**+6.6%**	
Six months ended 31.3.2010	*+15.8%*	
Year ended 30.9.2010	*+26.5%*	
Based on unadjusted net assets	**+11.7%**	
Six months ended 31.3.2010	*+16.8%*	
Year ended 30.9.2010	*+23.1%*	
Total shareholder return (the change in the market price of an Ordinary share plus dividends reinvested expressed as a percentage of the share price at the beginning of the period (share price at 31.3.2011: £4.73)	**+10.6%**	FTSE 350 Real Estate Index: **+14.2%**
Six months ended 31.3.2010 (closing share price £3.86)	*+9.0%*	*+3.5%*
Year ended 30.9.2010 (closing share price £4.33)	*+24.4%*	*+2.1%*

*Source: Investment Property Databank Limited ©2011.
Shaftesbury Group data (other than Total Shareholder Return) derived from financial results.

Diesel
Neal Street
Seven Dials

Despite challenging trading conditions across much of the UK economy, visitor numbers and spending have remained buoyant in London's West End. Domestic and overseas visitors continue to be attracted by the unique concentration and richness of London's cultural heritage as well as London's reputation as the world's best city for shopping and its sheer variety of leisure attractions.

Our villages, located in the heart of the West End, continue to experience healthy demand for all uses. Rental income and values have continued to grow over the period and our vacant space remains at an historically low level. Our St Martin's Courtyard project, which is now virtually fully let, is beginning to make an important contribution to our income growth and profits.

We have acquired investments totalling £42.0 million in the period. In March 2011 we added to our financial resources with an equity issue which raised £99.8 million (net of expenses) which will allow us to pursue further acquisition opportunities.

Results

EPRA adjusted profit before tax for the six months ended 31 March 2011 amounted to £14.0 million, compared with £11.1 million in the same period last year.

Net property income rose to £32.1 million, an increase of £4.0 million compared with the first half of last year. Within the wholly owned portfolio we continue to crystallise our reversionary income potential through higher rents whilst maintaining a low level of vacancies. After eliminating the impact of acquisitions and disposals, there was a 6% increase in rents receivable compared with the first half of last year.

In the Longmartin Joint Venture, we have during the period secured and completed further lettings in the St Martin's Courtyard scheme which, by 31 March 2011, was substantially fully let. Whilst our share of Longmartin's net property income increased by £0.7 million in the first half, we anticipate a greater increase in the second half.

Provision for current tax on the EPRA adjusted profit for the period amounted to £0.1 million (31.3.2010: £0.1 million). No taxation liability arises in the wholly owned Group, as its activities are largely tax-exempt under Real Estate Investment Trust ("REIT") tax legislation. Our interest in the Longmartin Joint Venture remains outside our REIT group so its profits continue to be subject to corporation tax.

The EPRA adjusted profit after tax for the period amounted to £13.9 million (31.3.2010: £11.0 million).

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Profit before tax reported in the Group Statement of Comprehensive Income	**101.0**	122.8	171.9
Adjusted for:			
Profit on disposal of investment properties	**-**	(0.4)	(0.4)
Surplus arising on revaluation of investment properties	**(49.6)**	(111.3)	(183.6)
Movement in fair value of financial derivatives	**(37.4)**	-	34.4
EPRA adjusted profit before tax	**14.0**	11.1	22.3
Taxation charge reported in the Group Statement of Comprehensive Income	**0.9**	0.1	4.8
Adjusted for:			
Current tax in respect of REIT conversion charge in connection with company acquired during period	**-**	-	(0.6)
Deferred tax arising on the revaluation of investment properties	**(0.7)**	-	(4.0)
Deferred tax in respect on capital allowances	**(0.1)**	-	(0.1)
Adjusted taxation charge on EPRA adjusted profit before tax	**0.1**	0.1	0.1
EPRA adjusted profit after taxation	**13.9**	11.0	22.2
Net assets reported in the Group Balance Sheet	**1,052.1**	829.5	863.7
Adjusted for:			
Fair value adjustment in respect of financial derivatives	**43.1**	46.1	80.5
Deferred tax arising on the revaluation of investment properties	**4.6**	-	4.0
Deferred tax in respect of capital allowances	**0.4**	0.1	0.2
EPRA adjusted net assets	**1,100.2**	875.7	948.4
EPRA adjusted diluted net asset value per share	**£4.36**	£3.83	£4.14

EPRA adjusted net assets at 31 March 2011 totalled £1,100.2 million, equivalent to a diluted net asset value per share of £4.36. The increase in EPRA adjusted diluted net asset value per share over the six months ended 31 March 2011 was £0.22, an uplift of 5.3%. The increase in EPRA adjusted diluted net asset value per share over the period before the payment of the 2010 final dividend of 5.25p per share was £0.27, an uplift of 6.6%.

Interim dividend

Your Directors are pleased to declare an interim dividend of 5.5p per share, an increase of 10% on last year's interim dividend of 5.0p. This represents a distribution of £13.7 million on the enlarged share capital following our equity issue in March 2011 (31.3.2010: interim distribution of £11.4 million). The interim dividend will be paid entirely as a Property Income Distribution.

As a REIT, our dividends reflect the distribution obligations contained in legislation, which broadly require distribution of a minimum of 90% of net rental income (calculated by reference to tax rather than accounting rules). Future distributions will reflect the underlying growth in our net rental income and profits in both our REIT and non-REIT businesses.

Our portfolio

Our property portfolio has been valued at £1,582.2 million at 31 March 2011 resulting in a revaluation surplus for the six months of £49.6 million. Allowing for acquisitions and capital expenditure over the six months since 1 October 2010, there has been a 3.2% increase in the value of our properties. The IPD UK Monthly Index: Capital Values recorded an increase of 1.1% over the same period.

Although our assets are less cyclical than the wide range of properties which are components of the IPD indices, they continue to outperform. The valuation uplifts over the six months to 31 March 2011 have been substantially the result of increases in contracted rents, higher rental values evidenced by lettings and the impact of changes of use which we initiate.

The values of Carnaby and our wholly owned investments in Covent Garden have shown very similar increases of 3.7% and 3.8% respectively. The 2.0% increase in value of our Chinatown village reflected the absence of open market lettings as we have had very little space available to let and there have been few market comparables outside our holdings.

The equivalent yield attributed to our wholly owned portfolio at 31 March 2011 was 5.07%, a marginal improvement on the equivalent yield of 5.10% reported at 30 September 2010.

The value of properties in our Longmartin Joint Value increased by 4.0% over the period. This follows the substantial increase of 20.3% in the six months ended 30 September 2010 as St Martin's Courtyard neared completion. The equivalent yield attributed to Longmartin's portfolio at 31 March 2011 was 4.86% (30.9.2010: 4.98%).

Our valuers have estimated the rental value of the Group's portfolio at 31 March 2011 at £88.7 million compared with £83.9 million at 30 September 2010, an increase of £4.8 million. This contrasts with the Group's current passing income (which excludes pre-lettings and contracted rent free periods) of £73.5 million. Of the portfolio's reversion of £15.2 million, £10.7 million arises in our wholly owned portfolio and £4.5 million in Longmartin. The reduction in Longmartin's reversionary potential reflects the rising rental income we are now receiving from the St Martin's Courtyard scheme. 80% of Longmartin's reversion was already contracted at 31 March 2011.

Of the estimated rental value and the reversionary potential within our wholly owned portfolio, 71% is attributable to our shops and restaurants, where rental values continue to show steady growth. We are confident that as we have demonstrated in past years we shall, over time, realise this reversionary potential and, through our management initiatives, continue to produce rental growth.

Portfolio reversionary potential

	Valuers' estimates			Attributable to	
	Current gross income* £m	Estimated rental value £m	Reversionary potential £m	Wholly owned portfolio £m	Longmartin £m
At 30 September 2007	57.9	72.4	14.5	13.1	1.4
At 30 September 2008	60.4	80.2	19.8	13.9	5.9
At 30 September 2009	63.4	78.3	14.9	9.7	5.2
At 30 September 2010	68.3	83.9	15.6	10.5	5.1
At 31 March 2011	**73.5**	**88.7**	**15.2**	**10.7**	****4.5**

* Excludes pre-lettings and contracted rent free periods

** Of this amount £3.6 million (80%) was contracted at 31 March 2011

Bill's
St Martin's Courtyard


Bag of Bill's
Baked salmon
10.95
Butternut squash
& Parmesan 9.95

Strategy

Our strategy of concentrating all our investments in London's West End, in an area bounded by Regent Street to the West and Kingsway to the East, is quite deliberate.

It was twenty years ago at a time of recession that we decided only to invest in the liveliest areas within London's West End. We are now in another period of economic uncertainty in which we continue to benefit from central London's unique and enduring prosperity. London, the world's most visited city, has an exceptional choice of shops and restaurants. In addition it has a unique heritage, which includes galleries, theatres, music venues, historic buildings, royal parks and unrivalled pageantry, which are all within walking distance of our villages. Many of these attractions are still free for residents and tourists to visit and enjoy. London is also exceptionally multi-cultural as increasingly people from all parts of the world choose to work and live here.

The creation of business districts such as Canary Wharf and Paddington Central and the regeneration of Stratford and King's Cross are enormously important catalysts to London's prosperity. All are also within twenty minutes by tube of the attractions in London's West End. Crossrail will make our areas even more accessible to those who will work and live in these large urban clusters and should reduce the journey time from Canary Wharf to the West End to twelve minutes.

As a consequence of choosing such central and long established locations within London, all of our buildings are in Conservation Areas and many are listed for their historic and architectural interest. Whilst this presents challenges, it also offers us many opportunities to restore some of the traditional character to historic streets and introduce improvements and a variety of uses, which enhance the demand for and extend the economic life of our buildings.

Fundamental to our strategy and to the generation of rental growth over the long term is our choice of location and mix of uses in buildings across our villages. It is also important to achieve layouts, specifications and balance of uses appropriate for each village. We seek flexibility so that we can adapt to changing demand. As we indicated at our year end, we are giving priority in our current projects to satisfying the strong demand for larger shops, restaurants of all sizes and residential accommodation.

A key element of our strategy is close co-operation with Westminster City Council, The London Borough of Camden and English Heritage to achieve improvements to the public realm – the streets, pavements and public areas, which surround and link our villages.

Substantial public investment in Leicester Square, Piccadilly Circus and Oxford Circus and the up-grading of nearby underground stations are bringing significant improvements to a very congested West End. These improvements in turn, increase access to our villages.

The success of Westminster City Council's recently completed works of pedestrianisation around Carnaby, Chinatown and St Martin's Courtyard, which we have helped to design and to fund, has encouraged us to identify other such schemes in our areas. Our discussions with the local authority also include the Berwick Street Action Area, where improvements are acknowledged to be a priority.

Whilst our strategy can restrict our expansion, it has delivered sustained rental growth over many years and we expect it will continue to do so. This is clearly evident in the table on page 5 which shows current contracted and potential reversionary income across our portfolio.

Portfolio activity

In the six months ended 31 March 2011 we bought properties totalling £42.0 million, of which £21.3 million were in Covent Garden. The purchases, which extend to 50,000 sq. ft., include ten restaurants, four shops and two office buildings with potential for a change of use. The initial yield on current uses and passing rents is 5.0%. Of the current income 45% is generated from ten restaurant, cafe and leisure tenancies.

Since 31 March 2011 we have purchased a 7,000 sq. ft. investment in Chinatown for £4.8 million and we are investigating a number of potential acquisitions, particularly in and around Berwick Street.

Vacant commercial space at 31 March 2011 (wholly owned portfolio only)

	Shops	Restaurants and leisure	Offices	Total	Percentage of total commercial ERV
Held for or under refurbishment					
Estimated rental value - £m	1.2	-	0.7	**1.9**	**2.6%**
Area - '000 sq. ft.	17	-	15	**32**	
Number of units	9	-	7		
Available					
Estimated rental value - £m					
Ready to let	0.3	0.2	0.3	**0.8**	**1.1%**
Under offer	0.1	0.1	-	**0.2**	**0.3%**
	0.4	0.3	0.3	**1.0**	**1.4%**
Area - '000 sq. ft.	7	5	8	**20**	
Number of units	8	3	9		

Capital expenditure during the period amounted to £7.8 million, which included £2.0 million incurred in the Longmartin Joint Venture. This level of capital expenditure, which remains low in relation to the value of our portfolio, reflects the predominance of retail and restaurant uses in our portfolio, where we provide accommodation in shell form only.

Our vacant accommodation remains historically low. At 31 March 2011 the rental value of wholly owned vacant commercial accommodation held for or under refurbishment was £1.9 million (30.9.2010: £1.9 million), which represented 2.6% of the estimated rental value of our wholly owned commercial portfolio. Within this space 70% comprised the new shop and office development at 36/39 Carnaby Street. The estimated rental value of vacant accommodation ready to let or under offer was £1.0 million (30.9.2010: £1.1 million).

With the exception of two new shops under construction at 37/39 Carnaby Street, we still have no larger wholly owned shops to let. Of our eight other vacant shops (total area 7,000 sq. ft.), three are under offer. Vacancies in our smaller shops are currently exceptionally low but we expect them to increase later this year.

Two of the three vacant restaurants are under offer. The remaining one, which is in Chinatown, has just become available following completion of building work and is attracting considerable interest.

Of the 23,000 sq. ft. of vacant offices, 15,000 sq. ft. is under construction or refurbishment, of which almost 9,000 sq. ft. comprises the new space at 36 Carnaby Street, 6,000 sq. ft. is subject to change of use principally to residential accommodation and the balance of 8,000 sq. ft. is vacant and ready to let.

At 31 March 2011 we had 352 wholly owned and completed apartments of which 21 were vacant and ready to let following completion in March 2011 of two large projects. A further 15 units were under construction.

Construction of the St Martin's Courtyard scheme in our Longmartin Joint Venture with The Mercers' Company was completed in March 2011. Lettings have been good and at 31 March 2011 there were only four shops vacant of which two were under offer. Within Longmartin's portfolio 10,000 sq. ft. of offices are undergoing refurbishment. Of the total of 76 apartments, five of the recently completed units are currently to let (estimated rental value £0.3 million per annum).

Our wholly owned portfolio

At 31 March 2011 our wholly owned portfolio included 309 shops, extending to 397,000 sq. ft. They produce 37% of current income, with an average rent of £85,000 per annum and a weighted average unexpired lease term of four years. We continue to experience good demand for our retail accommodation and as a result, we are keen to accelerate changes in tenant mix which would allow us to introduce new retailers and concepts.

We now have 202 wholly owned restaurants, cafes, pubs, bars and clubs, which extend to 478,000 sq. ft. with an average rent of £120,000 per annum. Following further recent purchases this use forms an increasingly important part of our business and now provides 34% of current income in our wholly owned portfolio. Leases for this use are usually initially for 20 or 25 years and the average unexpired lease term is twelve years.

Shop and restaurant uses now represent 71% of our estimated rental value (shops account for 38% and restaurants 33%). Of our 50 largest tenants by rental income in our wholly owned portfolio, 22 are retailers and 23 are restaurateurs.

We have 421,000 sq. ft. of offices, most of which are let in small units (average letting 1,250 sq. ft.). Offices now represent 20% of our current income and our average rent is about £34 per sq. ft. The average unexpired lease term is two years.

As a result of conversions and extensions in recent years, principally from older and smaller offices, our residential portfolio now extends to 367 wholly owned apartments, of which fifteen are under construction. They produce 9% of our income and comprise principally studios, one or two bedroom apartments which we let on tenancies of up to three years. We review our residential portfolio regularly and, in exceptional circumstances, consider sales but only where a disposal would not detract from the value of our remaining long term investments.

Longmartin's vacant commercial space at 31 March 2011*

	Shops	Restaurants and leisure	Offices	Total	Percentage of total commercial ERV
Held for or under refurbishment					
Estimated rental value - £m	-	-	0.5	**0.5**	**3.6%**
Area - '000 sq. ft.	-	-	10	**10**	
Number of units	-	-	4		
Available					
Estimated rental value - £m					
Ready to let	0.2	-	-	**0.2**	**1.4%**
Under offer	0.2	-	-	**0.2**	**1.4%**
	0.4	-	-	**0.4**	**2.8%**
Area - '000 sq. ft.	9	-	-	**9**	
Number of units	4	-	-		

* Shaftesbury Group has a 50% interest in these figures

Camellia Tea House
Kingly Court
Carnaby

Twenty8Twelve
St Martin's Courtyard

Covent Garden (including Longmartin Joint Venture)

With the completion and letting of St Martin's Courtyard, which is part of our 50% Joint Venture with The Mercers' Company, our Covent Garden holdings are now our largest investment district representing 36% of our assets. Our combined investments here now include more shops than Carnaby village and more restaurants than Chinatown.

Covent Garden as a whole covers a large area between Charing Cross Road to the west and Kingsway to the east. Covent Garden retains an atmosphere which is different from other parts of the West End and where, in addition to the Piazza, there are many distinctive and historic quarters including Seven Dials, Opera Quarter, Coliseum and now St Martin's Courtyard.

With its narrow streets and courtyards, Covent Garden can be very congested at evenings and weekends and, as elsewhere, we work closely with the local authorities to increase and improve pedestrian access.

Across Covent Garden there is a long established and flourishing residential community. We have 153 wholly owned apartments here and 76 in our Longmartin Joint Venture which continue to let readily and at higher rents than elsewhere in our portfolio.

St Martin's Courtyard, the mixed use development in our Joint Venture, is now finished. All the offices, restaurants and 21 of the 23 shops have been let or are under offer. 30 of the 35 recently completed apartments have also been let. When the principal office tenants (Robert Walters plc, PZ Cussons Plc and Apple) have completed their fit-outs in the coming weeks, it is estimated that over 800 people will be working within the Courtyard.

Carnaby

Carnaby, which extends across twelve streets immediately to the east of Regent Street is the most internationally known of our villages. Currently it represents 34% of our portfolio. Of our 22 existing larger shops, sixteen are in Carnaby. With some of our more modern buildings, Carnaby also includes 56% of our offices.

Westminster City Council's pedestrianisation of Kingly Street, which is now closed to traffic between 11am and 8pm each day, has been a success in improving access and footfall. The scheme extends to Little Marlborough Street where much of the frontage on the south side is offices which we own and where there is the potential to introduce other uses. We are discussing with Westminster City Council further improvements during 2011 to Ganton Street, where we have a number of restaurants.

Carnaby currently offers us our most immediate opportunities to satisfy the current strong demand for larger shops. The two new shops at 37/39 Carnaby Street will be available in shell form this autumn and there is already strong demand to lease them. We are also about to market the 9,000 sq. ft. of new offices on the upper floors.

Subject to receiving planning consent, we intend to develop further projects in Foubert's Place and Kingly Street nearby and these will include a total of about 15,000 sq. ft. of retail and restaurant space, 10,000 sq. ft. of offices and twelve new apartments.

We are also exploring other opportunities to reconfigure and extend our restaurants, as the success of this village has increased demand for dining, which is under-represented in Carnaby. The recent improvements to Kingly Street have already given us opportunities to improve and extend restaurants there.

Chinatown

Chinatown represents 24% of our portfolio, where 64 restaurants and 61 shops provide 86% of the income. This was the first of our West End villages and has, over almost 25 years, delivered consistent growth in net rental income and out-performance in capital values. It is rare that we have any vacant accommodation and currently there is strong interest to rent the one restaurant which we have available in Lisle Street.

Chinatown is our most centrally located village and with its predominance of restaurants, long hours of trading and proximity to Piccadilly Circus, Leicester Square's premier cinemas and to Theatreland, it can become very crowded at peak times. Recent pedestrianisation of Wardour Street, south of Shaftesbury Avenue, and improvements to Lisle Street have improved access. This has also prompted us to encourage Westminster City Council to link these street improvements, via Leicester Street, direct to their major works of improvement in Leicester Square. We expect this work to start at the end of this year.

These contracted and planned major investments in the public realm, which we welcome, are now encouraging a number of innovative entrepreneurs with exciting new and complementary European concepts to approach us to rent space in and around Chinatown. The recently opened St. John Hotel and restaurant in Leicester Street is one such venture.

Soho

We started to invest in Berwick Street almost four years ago and this year have extended our purchases to other specific areas within Soho. Our investment, which includes 29 shops and restaurants, now totals £63.3 million.

Many properties in Berwick Street and the streets and public spaces immediately to the west are in very poor repair, having lacked investment over many years. As a result, the environment is un-welcoming, properties are empty and businesses are struggling.

We are currently discussing various options with public bodies which have adjacent ownerships to see whether we can, through our own investment and initiatives, stimulate much needed improvements which Westminster City Council has sought since designating the district an Action Area in 2007.

Results

The EPRA adjusted profit before taxation for the six months ended 31 March 2011, (adjusted as shown on page 4) amounted to £14.0 million, compared with £11.1 million in the first half of last year. The profit before tax reported in the Group Statement of Comprehensive Income of £101.0 million (31.3.2010: £122.8 million) included investment property revaluation surpluses of £49.6 million (31.3.2010: £111.3 million) and a reduction of £37.4 million in the non-cash fair value deficit attributable to our financial derivatives during the period (31.3.2010: value unchanged).

Our rental income has continued to rise, with rents receivable for the current period across the Group (adjusted for lease incentives) increasing to £36.6 million, compared with £32.4 million in the first half of last year. For the wholly owned Group, eliminating the impact of acquisitions and disposals, there was a 6% increase in rents receivable compared with the first half of last year.

Our share of Longmartin's rental income, which rose to £1.7 million in the first half, will increase further in the second half as recent lettings and pre-let space handed over to tenants in the St Martin's Courtyard scheme begin to generate income.

Property outgoings for the period totalled £4.5 million, compared with £4.3 million in the first half of last year. We do not capitalise property outgoings of a revenue nature incurred in advance of or during refurbishment schemes.

Group net rental income increased to £32.1 million, compared with £28.1 million in the first half last year. The contribution from Longmartin was £1.2 million (31.3.2010: £0.5 million).

Total administration expenses amounted to £4.1 million (31.3.2010: £3.6 million) and included £0.5 million (31.3.2010: £0.5 million) for employee annual bonuses and £0.8 million (31.3.2010: £0.5 million) in respect of equity settled remuneration. The accounting charge in respect of share options increased by £0.2 million to £0.5 million. The charge for employer's national insurance liability on share awards and share options increased by £0.1 million to £0.3 million, principally as a result of the rise in the Company's share price over the period.

Finance costs, including settlements under interest rate derivative contracts, amounted to £14.0 million (31.3.2010: £13.4 million). Currently the marginal interest cost of drawings under our bank facilities is less than 1.75% as short term interest rates have remained at unprecedented low levels. Net interest payable was covered 2.0 times by operating profit before investment property disposals and valuation movements (31.3.2010: 1.8 times).

Market expectation of a more rapid rise in interest rates has reduced the fair value deficit of our long term interest rate derivatives by £37.4 million to £43.1 million at 31 March 2011. This non-cash accounting provision, which is excluded in the calculation of our banking covenants, is gradually reversing as interest rates move closer to their long term historic averages. We can see no commercial benefit at present in terminating any of our interest rate hedging, which would involve crystallising this accounting provision. However we continue to monitor opportunities to restructure our swaps as market sentiment changes.

The tax charge on the EPRA adjusted profit for the year was £0.1 million (31.3.2010: £0.1 million). The tax charge for the current period arises in the Longmartin Joint Venture which is outside the Group's REIT election, so that our share of its profit continues to be subject to corporation tax.

EPRA adjusted diluted post-tax earnings per share for the current period amounted to 6.0p per share, compared with 4.8p in the first half of last year. The unadjusted diluted post-tax earnings per share shown in the Group Statement of Comprehensive Income for the current period amounted to 43.1p (31.3.2010: 53.7p).

The EPRA adjusted net asset value at 31 March 2011 (adjusted as set out on page 4) amounted to £1,100.2 million, an increase of £151.8 million over the period. Of this increase, the net proceeds of our equity issue in March 2011 accounted for £99.8 million, and property revaluation surpluses contributed £49.6 million. The EPRA adjusted diluted net asset value per share at 31 March 2011 was £4.36, an increase of £0.22 per share or 5.3% per share since 30 September 2010. The additional equity, issued at a price of £4.50 per share, accounted for approximately £0.01 of this increase.

Unadjusted shareholders' funds at 31 March 2011 totalled £1,052.1 million, an increase of £188.4 million since 30 September 2010. In addition to the movements in the EPRA adjusted net assets referred to above, the reduction in the fair value deficit of our financial derivatives added £37.4 million to the total unadjusted shareholders' funds over the period. Diluted net asset value at 31 March 2011 amounted to £4.17 per share, an increase since the last year end of £0.39 per share.

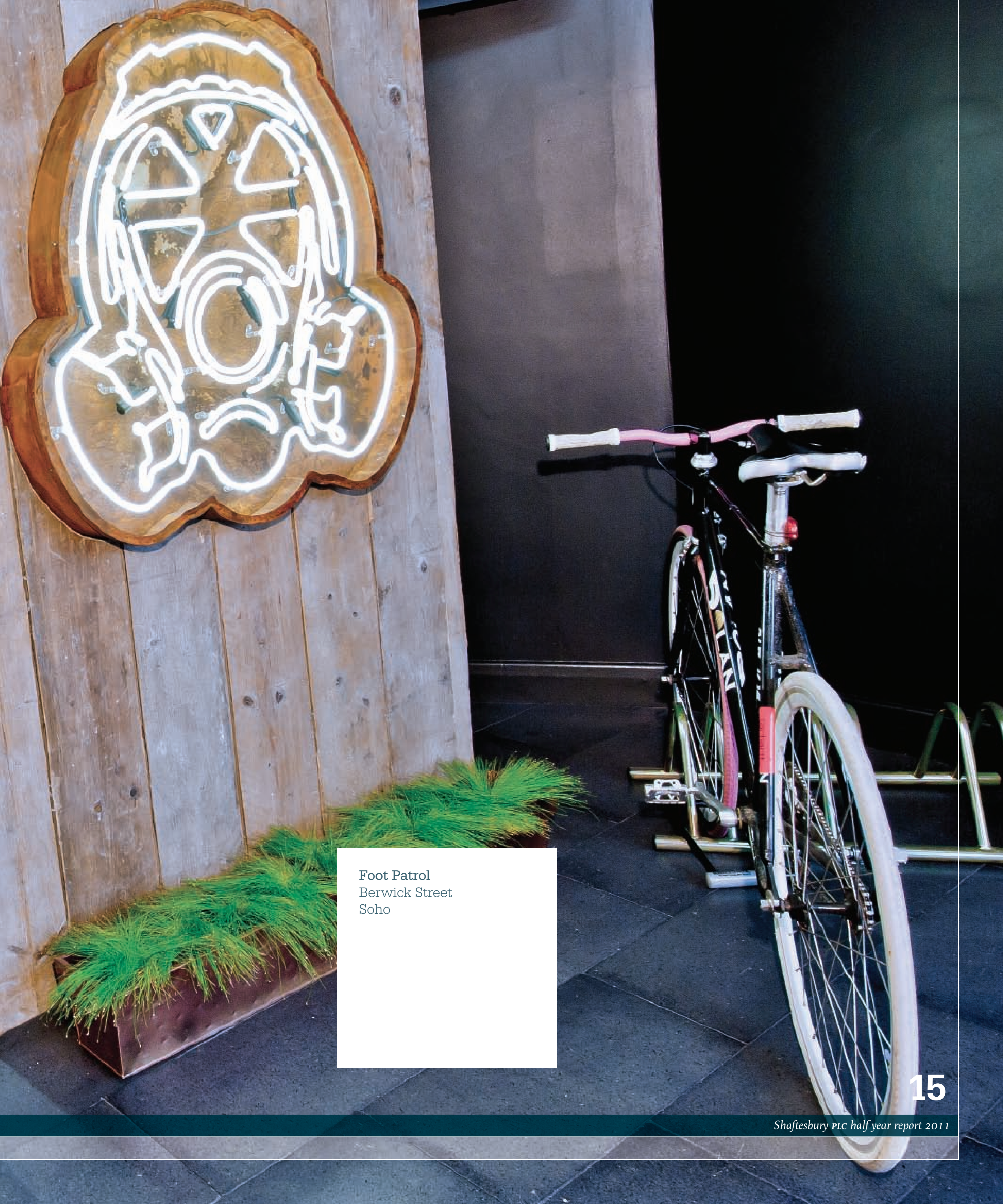
Finance

The Board keeps under review the Group's financial resources to ensure it maintains the appropriate levels of equity and debt finance, the maturity profile of loan facilities and interest rate exposure and hedging.

In early March 2011 we issued 22.7 million Ordinary shares, equivalent to approximately 9.9% of our issued share capital at that time, by way of a Placing. The shares were issued at a price of £4.50 each, representing a small premium to our adjusted net asset value at the date of issue, realising net proceeds after expenses of £99.8 million. This share issue has strengthened our equity base and will allow us to pursue further acquisition opportunities. We are investigating options for raising additional long term debt which will further add to our resources.

The nominal value of Debenture and bank borrowings at 31 March 2011 totalled £466.2 million, a net reduction of £50.5 million over the period. Net proceeds of £99.8 million from our equity issue were used in the short term to repay bank debt, which we will redraw as future acquisitions are secured. Cash outflows during the period on acquisitions of investment properties amounted to £40.0 million and expenditure on refurbishments totalled £7.8 million. Revenue operations after payments of interest and taxation produced a net cash surplus of £11.0 million.


BROOKLYN
STATEN ISLAND
BRONX



Foot Patrol
Berwick Street
Soho

Gearing at 31 March 2011, calculated by reference to our EPRA adjusted net assets referred to above and the nominal rather than book value of our Debenture and net bank debt, was 42% (30.9.2010: 55%). This compares with the maximum level of gearing of 175% permitted under our bank facilities. The ratio of the nominal value of Debenture and bank debt to the market value of the property assets available to secure that debt was 29% (30.9.2010: 35%). We are comfortably within the maximum ratio of 66.7% permitted under the terms of our bank facilities.

At 31 March 2011, our committed bank facilities, which are provided by five lenders, totalled £575.0 million with a weighted average maturity of 6.8 years. Facilities expire in 2016, 2020 and 2021. Committed unutilised facilities at 31 March 2011 totalled £169.8 million. The average margin over LIBOR paid on amounts drawn from our facilities at 31 March 2011 was 0.85%.

The overall weighted average cost of our Debenture and bank debt (including margin) at 31 March 2011 was 5.82% (30.9.2010: 5.13%). The proceeds of our equity issue in March 2011 have been used in the short term to repay a large portion of our unhedged floating rate debt, on which the effective rate of interest was approximately 1.5%, resulting in lower total debt but an increase in its weighted average cost.

At 31 March 2011, £421.0 million of borrowings, equivalent to 90% of our bank and Debenture debt was either at fixed rate or hedged at fixed rates, reflecting the short term repayment of floating rate debt in March 2011 referred to above. The weighted average fixed rate of our interest rate swaps (excluding margin) is currently 4.87% (30.9.2010: 4.87%), with a weighted average maturity of 22 years.

Performance and benchmarking

The table on page 1 summarises our performance for the period against our chosen benchmarks.

Over the period there was a small decrease in yields attributed to our portfolio and in the market generally. However the income and estimated rental value growth in our portfolio exceeded the wider market. As a result, we recorded a capital value return of 3.2% over the six months ended 31 March 2011 compared with 1.1% shown by our benchmark IPD Monthly Index. Similarly, our total return of 5.3% over the period exceeded the 4.5% shown by our benchmark IPD Monthly Index.

Having seen considerable out-performance in total shareholder return against the FTSE 350 Real Estate Index in the second half of the last financial year, over the six months ended 31 March 2011 we recorded a return of 10.6% against a 14.2% return shown by our benchmark index. Taking the year to 31 March 2011, our total shareholder return amounted to 26.2% compared with 12.6% shown by our benchmark index.

Management changes

On 30 November 2010 the Board announced that Jonathan Lane would retire from his role as Chief Executive during 2011. After an extensive search process conducted by an external consultant, the Board is pleased to announce that Brian Bickell, currently our Finance Director, will be appointed Chief Executive with effect from 1 October 2011 at which time Jonathan Lane will become Deputy Chaiman.

The process to recruit a new Finance Director will now commence.

Principal risks and uncertainties

The principal risks facing the Group for the remaining six months of the financial year, which are consistent with those outlined in the Annual Report for the year ended 30 September 2010, are summarised below:

- Reductions in value of the Group's portfolio and the consequent impact on the Group's asset value and its ability to continue to meet covenants in its Debenture and bank facilities;
- Threats to public safety, security and health, or of transport disruption which would discourage the large number of visitors who visit the West End and underpin the local economy generally and the prosperity of the Group's retail and restaurant tenants in particular;
- The concentration of the Group's properties within the jurisdictions of Westminster City Council and the London Borough of Camden, as changes to their policies, particularly those relating to planning and licensing, could have a significant impact on the Group's ability to maximise the long term potential of its assets;
- As a result of adverse conditions in the wider economy, a restriction in the availability of credit for consumers and businesses could lead to lower levels of consumer spending, a higher level of business failures and difficulties for new ventures in raising start-up capital; and
- Development and letting risks associated with refurbishments and developments carried out on a speculative basis.

Prospects

Long term success in commercial property investment has always depended on rental growth and low obsolescence. This is especially apparent in current market conditions when further general yield improvement to increase property values is less likely in the immediate future. Our results for the first half of this financial year reflect healthy rental growth of 6% in like-for-like rental income. We expect further growth in our rental income, particularly now that the St Martin's Courtyard scheme is virtually fully let. This success is the result of a disciplined investment strategy, careful positioning of uses and detailed local knowledge accumulated over two decades.

With the continuing and active support of our shareholders, we have substantial financial resources with which to buy further properties in this competitive market and to initiate potentially valuable new schemes.

Whilst the outlook for the national economy remains uncertain, the UK's traditions and heritage provide London with unrivalled attractions, which encourage large numbers of domestic and overseas visitors and support the West End economy. As we have experienced with the recent Royal Wedding, events such as The Olympics and the Queen's Diamond Jubilee celebrations in 2012 will bring more visitors to London. These global events attract the world's media and promote London as an attractive destination to millions of people around the world.

Our uniquely located investments and the long term impact of these forthcoming events give us great confidence that we shall maintain our record of out-performance in income, dividend and capital growth in the coming years.

Jonathan S Lane
Chief Executive

Brian Bickell
Finance Director

25 May 2011

Dehesa
Ganton Street
Carnaby

Kiehl's
Monmouth Street
Seven Dials

Pepe Jeans
Carnaby

portfolio analysis

at 31 March 2011

		Note	Carnaby	Covent Garden	Chinatown
Total portfolio	Market Value	1	£529.1m	£460.3m	£379.9m
	% of total Market Value		34%	29%	24%
	Current gross income	2	£25.7m	£22.1m	£18.7m
	Estimated rental value (ERV)	3	£31.3m	£25.2m	£19.7m
Shops	Number		119	105	61
	Area - sq. ft.		173,000	138,000	56,000
	% of current gross income	4	48%	38%	23%
	% of ERV	4	50%	39%	23%
	Vacancy rate by % of ERV	5	7%	5%	1%
	Average unexpired lease length - years	6	3	4	7
Restaurants and leisure	Number		39	77	64
	Area - sq. ft.		81,000	157,000	188,000
	% of current gross income	4	14%	32%	63%
	% of ERV	4	14%	32%	63%
	Vacancy rate by % of ERV	5	0%	1%	2%
	Average unexpired lease length - years	6	11	11	14
Offices	Number of tenancies		154	77	71
	Area - sq. ft.		235,000	109,000	44,000
	% of current gross income	4	33%	16%	7%
	% of ERV	4	30%	15%	7%
	Vacancy rate by % of ERV	5	11%	6%	6%
	Average unexpired lease length - years	6	3	2	3
Residential	Number		69	153	85
	Area - sq. ft.		46,000	110,000	60,000
	% of current passing rent		5%	14%	7%
	% of ERV	4	6%	14%	7%
	Vacancy rate by % of ERV	5	21%	7%	0%

*Shaftesbury Group's share

basis of valuation

at 31 March 2011

	Note	Carnaby	Covent Garden	Chinatown
Overall Initial Yield	8	4.52%	4.38%	4.59%
Initial Yield ignoring contractual rent free periods	9	4.74%	4.50%	4.63%
Overall Equivalent Yield	10	5.39%	4.90%	4.86%
Tone of retail equivalent yields	11	4.75 - 5.75%	4.50 - 6.00%	4.70 - 5.70%
Tone of retail estimated rental values - ITZA £ per sq. ft.	11	£100 - £400	£50 - £450	£150 - £290
Tone of restaurant equivalent yields	11	4.85 - 5.25%	4.35 - 5.50%	4.70 - 5.35%
Tone of restaurant estimated rental values - £ per sq. ft.	11	£62 - £100	£45 - £130	£135 - £338 ITZA
Tone of office equivalent yields	11	6.00 - 6.25%	5.00 - 6.00%	5.75 - 6.25%
Tone of office estimated rental values - £ per sq. ft.	11	£35 - £55	£27 - £42	£28 - £40
Tone of residential estimated rental values - £ per annum	11	£12,220 - £72,800	£9,250 - £53,000	£9,100 - £28,600

Soho	Charlotte Street	Wholly Owned Portfolio	Longmartin	Total Portfolio
£63.3m	£36.4m	£1,469.0m	*£113.2m	£1,582.2m
4%	2%	93%	7%	100%
£2.6m	£1.9m	£71.0m	*£2.5m	£73.5m
£3.5m	£2.0m	£81.7m	*£7.0m	£88.7m
20	4	309	23	
22,000	8,000	397,000	70,000	
23%	4%	37%	42%	
27%	5%	38%	37%	
23%	0%	6%	5%	
4	5	4	6	
9	13	202	8	
21,000	31,000	478,000	43,000	
35%	60%	34%	21%	
29%	58%	33%	16%	
5%	0%	1%	0%	
8	13	12	17	
26	8	336	15	
23,000	10,000	421,000	102,000	
23%	17%	20%	7%	
21%	18%	19%	33%	
3%	0%	8%	12%	
1	1	2	7	
35	25	367	76	
24,000	11,000	251,000	55,000	
19%	19%	9%	30%	
23%	19%	10%	14%	
29%	5%	11%	25%	

3.80%	4.67%	4.47%	1.61%
4.07%	4.86%	4.61%	4.37%
5.02%	4.99%	5.07%	4.86%
5.15 - 6.00%	5.25 - 6.00%		4.65 - 6.00%
£80 - £119	£80 - £115		£92 - £440
4.85 - 5.70%	4.75 - 5.25%		5.00 - 6.25%
£45 - £85	£62 - £80		£36 - £63
5.75 - 6.25%	6.00 - 7.00%		5.00 - 6.25%
£27 - £42	£27 - £35		£32 - £55
£14,300 - £54,600	£9,100 - £19,000		£16,600 - £85,800

Notes

1 The Market Values at 31 March 2011 (the "date of valuation") shown above in respect of the five villages are, in each case, the aggregate of the Market Values of several different property interests located within close proximity which, for the purpose of this analysis are combined to create each village. The different interests within each village were not valued as a single lot.

2 Current gross income includes total actual and 'estimated income' reserved by leases. No rent is attributed to leases which were subject to rent free periods at the date of valuation. Current gross income does not reflect any ground rents, head rents or rent charges and estimated irrecoverable outgoings at the date of valuation. 'Estimated income' refers to gross estimated rental values in respect of rent reviews outstanding at the date of valuation and, where appropriate estimated rental values in respect of lease renewals outstanding at the date of valuation where the Market Value reflects terms for a renewed lease.

3 Estimated rental value ("ERV") is the respective valuers' opinion of the rental value of the properties, or parts thereof, reflecting the terms of the relevant leases or, if appropriate, reflecting the fact that certain of the properties, or parts thereof, have been valued on the basis of vacant possession and the assumed grant of a new lease. Estimated rental value does not reflect any ground rents, head rents or rent charges and estimated irrecoverable outgoings.

4 The percentage of current gross income and the percentage of ERV in each of the use sectors are expressed as a percentage of total gross income and total ERV for each village.

5 The vacancy rate by percentage of ERV is the ERV of the vacant accommodation within each use sector, on a village-by-village basis, expressed as a percentage of total ERV of each use sector in each village. The vacancy rate includes accommodation which is awaiting or undergoing refurbishment and not available for occupation at the date of valuation.

6 Average unexpired lease length has been calculated by weighting the leases in terms of current rent reserved under the relevant leases and, where relevant, by reference to tenants' options to determine leases in advance of expiry through effluxion of time.

7 Where mixed uses occur within single leases, for the purpose of this analysis the majority use by rental value has been adopted.

8 The Initial Yield is the net initial income at the date of valuation expressed as a percentage of the gross valuation. Yields reflect net income after deduction of any ground rents, head rents and rent charges and estimated irrecoverable outgoings at the date of valuation.

9 The Initial Yield ignoring contractual rent free periods has been calculated as if the contracted rent is payable from the date of valuation. For Longmartin this includes 100% of income from tenants who are, or will be paying, 50% as an initial rent.

10 Equivalent Yield is the internal rate of return, being the discount rate which needs to be applied to the expected flow of income so that the total amount of income so discounted at this rate equals the capital outlay at values current at the date of valuation. The Equivalent Yield shown for each village has been calculated by merging together the cash flows and Market Values of each of the different interests within each village and represents the average Equivalent Yield attributable to each village from this approach.

11 The tone of rental values and yields is the range of rental values or yields attributed to the majority of the properties.

12 All commercial floor areas are net lettable. All residential floor areas are gross internal.

13 For presentation purposes percentages have been rounded to the nearest integer.

Adee Phelan
Shorts Gardens
Covent Garden

unaudited group statement of comprehensive income

for the six months ended 31 March 2011

	Note	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Continuing operations				
Revenue from properties	2	**39.9**	35.6	71.2
Property charges	3	**(7.8)**	(7.5)	(13.6)
Net property income	4	**32.1**	28.1	57.6
Administration expenses		**(3.3)**	(3.1)	(6.5)
Charge in respect of equity settled remuneration	5	**(0.8)**	(0.5)	(1.7)
Total administration expenses		**(4.1)**	(3.6)	(8.2)
Operating profit before investment property disposals and valuation movements		**28.0**	24.5	49.4
Profit on disposal of investment properties		**-**	0.4	0.4
Investment property valuation movements	10	**49.6**	111.3	183.6
Operating profit		**77.6**	136.2	233.4
Finance income		**-**	-	0.1
Finance costs	6	**(14.0)**	(13.4)	(27.2)
Change in fair value of financial derivatives	15	**37.4**	-	(34.4)
Total finance income/(costs)		**23.4**	(13.4)	(61.5)
Profit before tax		**101.0**	122.8	171.9
Current tax		**(0.1)**	(0.1)	(0.7)
Deferred tax		**(0.8)**	-	(4.1)
Tax charge for the period	7	**(0.9)**	(0.1)	(4.8)
Profit after tax		**100.1**	122.7	167.1
Other comprehensive income		**-**	-	-
Total comprehensive income for the period		**100.1**	122.7	167.1
Earnings per share:	8			
Basic		**43.5p**	54.1p	73.6p
Diluted		**43.1p**	53.7p	73.0p
EPRA adjusted diluted		**6.0p**	4.8p	9.7p

The notes on pages 28 to 38 form an integral part of this Group financial information.

unaudited group balance sheet

as at 31 March 2011

	Note	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Non-current assets				
Investment properties	10	**1,580.1**	1,351.3	1,480.7
Office assets and vehicles		**0.5**	0.4	0.5
		1,580.6	1,351.7	1,481.2
Current assets				
Trade and other receivables	11	**19.9**	16.6	18.7
Cash and cash equivalents	12	**1.5**	1.7	1.9
Total assets		**1,602.0**	1,370.0	1,501.8
Current liabilities				
Trade and other payables	13	**30.6**	35.0	31.2
Non-current liabilities				
Borrowings	14	**471.2**	459.3	522.2
Financial derivatives	15	**43.1**	46.1	80.5
Deferred tax liabilities	16	**5.0**	0.1	4.2
Total liabilities		**549.9**	540.5	638.1
Net assets		**1,052.1**	829.5	863.7
Equity				
Ordinary shares	17	**62.5**	56.8	56.8
Other reserves		**124.9**	123.6	124.8
Retained earnings		**864.7**	649.1	682.1
Total equity		**1,052.1**	829.5	863.7
Net asset value per share:	18			
Basic		**£4.21**	£3.65	£3.80
Diluted		**£4.17**	£3.63	£3.78
EPRA adjusted diluted		**£4.36**	£3.83	£4.14

The notes on pages 28 to 38 form an integral part of this Group financial information.

	Note	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Operating activities				
Cash generated from operating activities	19	**29.3**	26.9	53.0
Interest received		**-**	-	0.1
Interest paid		**(13.9)**	(13.3)	(26.7)
Tax payments in respect of operating activities		**(4.4)**	(3.7)	(7.4)
Cash inflows from operating activities		**11.0**	9.9	19.0
Investing activities				
Property acquisitions		**(40.0)**	(22.8)	(70.2)
Capital expenditure on properties		**(7.8)**	(11.2)	(22.7)
Proceeds from sales of properties		**-**	1.0	1.0
Capital receipts from disposal of interests in properties		**-**	0.1	0.1
Net purchase of office assets and vehicles		**(0.2)**	(0.2)	(0.3)
Cash outflows from investing activities		**(48.0)**	(33.1)	(92.1)
Financing activities				
Issue of shares for cash	17	**99.8**	-	0.2
(Decrease)/increase in borrowings	14	**(50.5)**	31.8	94.5
Facility arrangement costs	14	**(0.6)**	(0.1)	(0.1)
Payment of finance lease liabilities		**(0.1)**	(0.1)	(0.3)
Equity dividends paid	9	**(12.0)**	(9.6)	(22.2)
Cash inflows from financing activities		**36.6**	22.0	72.1
Net change in cash and cash equivalents		**(0.4)**	(1.2)	(1.0)

The notes on pages 28 to 38 form an integral part of this Group financial information.

unaudited group statement of changes in shareholders' equity

for the six months ended 31 March 2011

	Share capital £m	Merger reserve £m	Share premium £m	Share based payments £m	Retained earnings £m	Total £m
At 1 October 2010	**56.8**	**-**	**122.1**	**2.7**	**682.1**	**863.7**
Total comprehensive income:						
Profit for the period ended 31 March 2011	**-**	**-**	**-**	**-**	**100.1**	**100.1**
Transactions with owners:						
Dividend paid during the period	**-**	**-**	**-**	**-**	**(12.0)**	**(12.0)**
Shares issued	**5.7**	**94.1**	**-**	**-**	**-**	**99.8**
Transfer to retained earnings	**-**	**(94.1)**	**-**	**-**	**94.1**	**-**
Fair value of share based payments	**-**	**-**	**-**	**0.5**	**-**	**0.5**
Transfer in respect of options exercised	**-**	**-**	**-**	**(0.4)**	**0.4**	**-**
At 31 March 2011	**62.5**	**-**	**122.1**	**2.8**	**864.7**	**1,052.1**
At 1 October 2009	56.7	-	122.0	2.0	536.6	717.3
Total comprehensive income:						
Profit for the period ended 31 March 2010	-	-	-	-	122.7	122.7
Transactions with owners:						
Dividend paid during the period	-	-	-	-	(10.8)	(10.8)
Shares issued	0.1	-	(0.1)	-	-	-
Fair value of share based payments	-	-	-	0.3	-	0.3
Transfer in respect of options exercised	-	-	-	(0.6)	0.6	-
At 31 March 2010	56.8	-	121.9	1.7	649.1	829.5
At 1 October 2009	56.7	-	122.0	2.0	536.6	717.3
Total comprehensive income:						
Profit for the year ended 30 September 2010	-	-	-	-	167.1	167.1
Transactions with owners:						
Dividends paid during the year	-	-	-	-	(22.2)	(22.2)
Shares issued	0.1	-	0.1	-	-	0.2
Fair value of share based payments	-	-	-	1.3	-	1.3
Transfer in respect of options exercised	-	-	-	(0.6)	0.6	-
At 30 September 2010	56.8	-	122.1	2.7	682.1	863.7

The notes on pages 28 to 38 form an integral part of this Group financial information.

1. Basis of preparation

The condensed consolidated half year financial information for the six months ended 31 March 2011 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union.

The condensed consolidated half year information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 September 2010 were approved by the Board of Directors on 30 November 2010 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. The condensed half year information has been reviewed, not audited.

The condensed consolidated half year financial information should be read in conjunction with the annual financial statements for the year ended 30 September 2010, which have been prepared in accordance with IFRSs as adopted by the European Union.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30 September 2010, as described in those annual financial statements.

a) *The following amendment to a standard is mandatory for the first time for the financial year beginning 1 October 2010:*

- IFRS 2 (amended) Share-based payments. The amendments are effective from 1 January 2010. The amendments provide a clear basis to determine the classification of share based payment awards in both consolidated and separate financial statements. The amendments incorporate IFRIC 8 and IFRIC 11 into the standard and expand on the guidance given in IFRIC 11 to address plans that were not considered in the interpretation.

Overall no material changes to accounting policies arose as a result of this new amendment.

b) *Interpretations and amendments to standards becoming effective in the year ending 30 September 2011 but not relevant to the Group*

Standard or interpretation	Content	Applicable for financial years beginning on or after
IFRS 1	Additional exemptions for first time adopters	1 July 2010
IFRS 1	Limited exemption from comparative IFRS 7 disclosures for first time adopters	1 January 2010
IAS 32	Classification of rights issues	1 February 2010
IFRIC 15	Arrangements for constructions of real estates	1 January 2010
IFRIC 19	Extinguishing financial liabilities with equity instruments	1 July 2010

c) *Standards, amendments and interpretations that are not yet effective and not expected to have significant impact on the Group's financial statements:*

Standard or interpretation	Content	Applicable for financial years beginning on or after
IFRS 9*	Financial instruments: Classification and measurement	1 January 2013
Amendment: IAS 24	Related party disclosures	1 January 2011
Amendment: IFRIC14*	Pre-payments of a Minimum Funding Requirement	1 January 2011

* These standards are not expected to be relevant to the Group.

Significant judgements, assumptions and estimates

The preparation of financial statements requires management to make judgements, assumptions and estimates that affect the application of accounting policies and amounts reported in the Statement of Comprehensive Income and Balance Sheet. Such decisions are made at the time the financial statements are prepared and adopted based on the best information available at the time. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

The measurement of fair value constitutes the principal area of judgement exercised by the Board in the preparation of these financial statements. The fair valuations of investment properties, financial derivatives and share based payments are carried out by external advisors whom the Board considers to be suitably qualified to carry out such valuations.

Certain statements in this Half Year Report are forward looking. Although the Group believes that the expectations reflected in these forward looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward looking statements.

The Group undertakes no obligation to update any forward looking statements whether as a result of new information, future events or otherwise.

2. Revenue from properties and segmental information

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Rents receivable (adjusted for lease incentives):			
Wholly owned Group	**34.9**	31.5	63.5
Group's share of Longmartin Joint Venture (note 20)	**1.7**	0.9	2.2
Rents receivable	**36.6**	32.4	65.7
Recoverable property expenses	**3.3**	3.2	5.5
	39.9	35.6	71.2

Rents receivable include lease incentives recognised of £0.9 million (31.3.2010: £0.4 million; 30.9.2010: £1.1 million).

The chief operating decision maker has been identified as the Board, which is responsible for reviewing the Group's internal reporting in order to assess performance and the allocation of resources.

The Group's properties, which are all located in London's West End, are managed as a single portfolio. Its properties, which are of similar type, are combined into villages. All of the villages are geographically close to each other and have similar economic features and risks.

For the purposes of IFRS 8, each village is considered to be a separate operating segment. However, in view of the similar characteristics of each village, and the reporting of all investment, income and expenditure to the Board at an overall Group level, the aggregation criteria set out in IFRS 8 have been applied to give one reportable operating segment.

The Board assesses the performance of the reportable operating segment using measures of net property income and investment property valuation. All financial information provided to the Board is prepared on a basis consistent with these half year financial statements and, as the Group has only one reportable segment, the reconciliation of the measures used in assessing the business to the reported results are set out in the Group Statement of Comprehensive Income.

3. Property charges

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Property operating costs	**1.8**	1.9	3.7
Fees payable to managing agents	**0.8**	0.8	1.5
Letting, rent review and lease renewal costs	**1.4**	1.1	2.0
Village promotion costs	**0.5**	0.5	0.9
Property outgoings	**4.5**	4.3	8.1
Recoverable property expenses	**3.3**	3.2	5.5
	7.8	7.5	13.6

4. Net property income

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Wholly owned Group	**30.9**	27.6	56.0
Group's share of Longmartin Joint Venture (note 20)	**1.2**	0.5	1.6
	32.1	28.1	57.6

5. Charge in respect of equity settled remuneration

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Charge in respect of share based remuneration	**0.5**	0.3	1.3
Employer's national insurance in respect of share awards and share options vested or expected to vest	**0.3**	0.2	0.4
	0.8	0.5	1.7

6. Finance costs

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Debenture stock interest and amortisation	**2.5**	2.5	5.1
Bank and other interest	**4.0**	3.2	6.7
Amounts payable under financial derivative contracts	**7.4**	7.6	15.1
Amounts payable under finance leases	**0.1**	0.1	0.3
	14.0	13.4	27.2

7. Taxation

	Six months ended 31.3.2011 £m	Six months ended 31.3.2010 £m	Year ended 30.9.2010 £m
Current tax			
UK Corporation tax at 28% (2010: 28%)	**0.1**	0.1	0.1
REIT conversion charge in respect of company acquired during the period	**-**	-	0.6
	0.1	0.1	0.7
Deferred tax (note 16)	**0.8**	-	4.1
Tax charge for the period	**0.9**	0.1	4.8
Factors affecting the tax charge:			
Profit before tax	**101.0**	122.8	171.9
UK Corporation tax at 28% (2010: 28%)	**28.3**	34.4	48.1
Taxable profit for the period not liable to UK Corporation tax due to REIT status	**(3.9)**	(3.2)	(6.5)
Deferred tax not provided in respect of property and financial derivative valuation movements and capital allowances due to REIT status	**(24.2)**	(31.2)	(33.6)
Current year property valuation movements in relation to non-REIT business for which no deferred tax has been previously recognised	**0.7**	-	(3.8)
Expenses and provisions not deductible for Corporation tax purposes and other timing differences	**-**	0.1	-
REIT conversion charge in respect of company acquired during the period	**-**	-	0.6
Tax charge for the period	**0.9**	0.1	4.8

8. Earnings per share

In October 2010, the European Public Real Estate Association (EPRA) issued updated performance measures as part of their Best Practice Recommendations. The aim is to improve comparability between European property companies by providing a universal measure of underlying business performance.

The prior year adjusted amounts have been recalculated to include deferred tax in respect of capital allowances in the Longmartin Joint Venture which are not expected to crystallise. There is no material difference to the figures previously disclosed.

The calculations below are in accordance with EPRA's Best Practice Recommendations:

	Six months ended		Year ended
	31.3.2011	31.3.2010	30.9.2010
	£m	£m	£m
Profit after tax used for calculation of basic earnings per share	**100.1**	122.7	167.1
Adjusted for:			
Gain on sale of investment properties	**-**	(0.4)	(0.4)
Investment property valuation movements	**(49.6)**	(111.3)	(183.6)
Movement in fair value of financial derivatives	**(37.4)**	-	34.4
Current tax in respect of:			
REIT conversion charge in respect of company acquired during the year	**-**	-	0.6
Deferred tax in respect of investment property revaluation gain	**0.7**	-	4.0
Deferred tax in respect of capital allowances	**0.1**	-	0.1
EPRA adjusted profit after tax	**13.9**	11.0	22.2
Weighted average number of shares in issue – million	**230.1**	227.0	227.0
Weighted average number of shares in issue for calculation of diluted earnings per share – million	**232.1**	228.3	228.8
Earnings per share:	**Pence**	Pence	Pence
Basic	**43.5**	54.1	73.6
Diluted	**43.1**	53.7	73.0
EPRA adjusted basic	**6.0**	4.8	9.8
EPRA adjusted diluted	**6.0**	4.8	9.7

The difference between the weighted average and diluted average number of Ordinary shares arises from the potentially dilutive effect of outstanding options granted over Ordinary shares.

9. Dividends paid

	Six months ended		Year ended
	31.3.2011	31.3.2010	30.9.2010
	£m	£m	£m
Final dividend paid in respect of:			
Year ended 30 September 2010 at 5.25p per share	**12.0**	-	-
Year ended 30 September 2009 at 4.75p per share	**-**	10.8	10.8
Interim dividend paid in respect of:			
Six months ended 31 March 2010 at 5.00p per share	**-**	-	11.4
	12.0	10.8	22.2

An interim dividend in respect of the six months ended 31 March 2011 of 5.5p per Ordinary share amounting to approximately £13.7 million was declared by the Board on 25 May 2011. The interim dividend will be paid entirely as a Property Income Distribution on 1 July 2011 to shareholders on the register at 10 June 2011. The dividend will be accounted for as an appropriation of revenue reserves in the six months ending 30 September 2011.

10. Investment properties

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
At beginning of period	**1,475.3**	1,204.5	1,204.5
Acquisitions	**42.0**	19.1	35.8
Acquisition on purchase of subsidiary undertaking	**-**	-	29.5
Refurbishment and other capital expenditure	**7.8**	11.6	22.5
Disposals	**-**	(0.6)	(0.6)
Net surplus on revaluation	**49.6**	111.3	183.6
	1,574.7	1,345.9	1,475.3
Add: Head lease liabilities grossed up	**5.4**	5.4	5.4
Book value at end of period	**1,580.1**	1,351.3	1,480.7
Market value at end of period			
Properties valued by DTZ Debenham Tie Leung Limited	**1,469.0**	1,264.6	1,375.0
Properties valued by Knight Frank LLP	**113.2**	87.2	106.9
	1,582.2	1,351.8	1,481.9
Add: Head lease liabilities grossed up	**5.4**	5.4	5.4
Less: Lease incentives recognised to date	**(7.5)**	(5.9)	(6.6)
Book value at end of period	**1,580.1**	1,351.3	1,480.7

Investment properties were subject to external valuation as at 31 March 2011 by qualified professional valuers, being members of the Royal Institution of Chartered Surveyors, either working for DTZ Debenham Tie Leung Limited, Chartered Surveyors (in respect of the Group's wholly owned portfolio) or Knight Frank LLP, Chartered Surveyors (in respect of properties owned by Longmartin Properties Limited), both firms acting in the capacity of External Valuers. All such properties were valued on the basis of Market Value in accordance with the RICS Valuation Standards (Sixth Edition) issued by the Royal Institution of Chartered Surveyors.

Investment properties include freehold properties valued at £1,378.3 million, leasehold properties with an unexpired term of over 50 years valued at £123.1 million and a notional apportionment of value in respect of part freehold/part leasehold properties, where the apportionment in respect of the leasehold element with over 50 years unexpired is £80.8 million.

Capital commitments	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Wholly owned Group:			
Authorised and contracted	**4.0**	4.8	3.2
Authorised but not contracted	**0.4**	13.8	4.0
Group's share of Longmartin Joint Venture:			
Authorised and contracted	**4.4**	6.9	3.9
Authorised but not contracted	**1.7**	0.3	0.3

11. Trade and other receivables

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Amounts due from tenants	**9.7**	8.0	9.3
Provision for doubtful debts	**(0.3)**	(0.2)	(0.3)
	9.4	7.8	9.0
Lease incentives recognised in the Group Statement of Comprehensive Income	**7.5**	5.9	6.6
Other receivables and prepayments	**3.0**	2.9	3.1
	19.9	16.6	18.7

At 31 March 2011, cash deposits totalling £10.1 million were held against tenants' rent payment obligations (31.3.2010: £9.0 million; 30.9.2010: £9.1 million).

12. Cash

Cash balances at 31 March 2011 include £1.2 million (31.3.2010: £1.2 million; 30.9.2010: £1.2 million) being the Group's share of a deposit made by the Longmartin Joint Venture in respect of payment obligations under a building contract. The deposit will be released on completion of the building contract.

13. Trade and other payables

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Rents and service charges invoiced in advance	**16.3**	14.3	15.4
Corporation tax payable	**0.1**	0.1	0.7
REIT conversion charge payable	**-**	7.5	3.8
Due in respect of property acquisitions	**2.0**	1.2	-
Trade payables in respect of accrued capital expenditure	**2.0**	2.4	2.1
Other trade payables and accruals	**10.2**	9.5	9.2
	30.6	35.0	31.2

14. Borrowings

	Nominal value £m	Unamortised premium and issue costs £m	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
8.5% First Mortgage Debenture Stock 2024	**61.0**	**2.8**	**63.8**	63.9	63.9
Secured bank loans	**405.2**	**(3.2)**	**402.0**	390.0	452.9
Debenture and bank borrowings	**466.2**	**(0.4)**	**465.8**	453.9	516.8
Finance lease obligations	**5.4**	**-**	**5.4**	5.4	5.4
	471.6	**(0.4)**	**471.2**	459.3	522.2

Availability and maturity of Debenture and bank borrowings at 31 March 2011

	Facilities Committed £m	Facilities Undrawn £m
Repayable between 10 and 15 years:		
8.5% First Mortgage Debenture Stock 2024	**61.0**	**-**
Repayable between 5 and 10 years:		
Bank facilities	**575.0**	**169.8**
	636.0	**169.8**
Finance lease obligations – leases expiring in 169 years	**5.4**	**-**
At 31 March 2011	**641.4**	**169.8**
At 31 March 2010	641.4	182.0
At 30 September 2010	641.4	119.3

Movement in borrowings during the period

	1.10.2010 £m	Cash flows £m	Non-cash items £m	31.3.2011 £m
8.5% First Mortgage Debenture Stock 2024	**(63.9)**	**-**	**0.1**	**(63.8)**
Secured bank loans	**(455.7)**	**50.5**	**-**	**(405.2)**
Facility arrangement costs	**2.8**	**0.6**	**(0.2)**	**3.2**
Finance lease obligations	**(5.4)**	**-**	**-**	**(5.4)**
	(522.2)	**51.1**	**(0.1)**	**(471.2)**
Six months ended 31 March 2010	(427.5)	(31.7)	(0.1)	(459.3)
Year ended 30 September 2010	(427.5)	(94.4)	(0.3)	(522.2)

Interest rate profile of interest bearing borrowings

	31.3.2011		31.3.2010		30.9.2010	
	Debt £m	**Weighted average interest rate %**	Debt £m	Weighted average interest rate %	Debt £m	Weighted average interest rate %
Floating rate borrowings LIBOR-linked loans – interest rates fixed until June 2011 at latest (including margin)	**45.2**	**1.52**	33.0	1.38	95.7	1.39
Hedged borrowings Interest rate swaps (including margin)	**360.0**	**5.72**	360.0	5.67	360.0	5.63
Bank borrowings	**405.2**	**5.25**	393.0	5.31	455.7	4.74
Fixed rate borrowing 8.5% First Mortgage Debenture Stock (interest rate fixed for 13 years until 31 March 2024)		**7.93**		7.93		7.93
Weighted average cost of borrowings		**5.82**		5.68		5.13

15. Fair value of financial derivatives

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Interest rate swaps			
At beginning of period – Deficit	**(80.5)**	(46.1)	(46.1)
Fair value movement credited/(charged) in the Group Statement of Comprehensive Income	**37.4**	-	(34.4)
At end of period – Deficit	**(43.1)**	(46.1)	(80.5)

Changes in the fair value of the Group's financial derivatives, which are not held for speculative purposes, are reflected in the Group Statement of Comprehensive Income. They have been valued by J. C. Rathbone Associates Limited by reference to the mid-point of the yield curve at the balance sheet date.

Interest rate hedging in place at 31 March 2011

At 31 March 2011, the Group had in place fixed rate interest swaps on a notional principal of £360 million, at a weighted average rate of 4.87%, with a weighted average maturity of 22 years. The swaps are settled against three month LIBOR.

8.5% Mortgage Debenture Stock 2024

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Fair value deficit not recognised in the reported results for the period	**(9.4)**	(8.2)	(13.6)

16. Deferred tax liabilities

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
At beginning of period	**4.2**	0.1	0.1
Provided in the Group Statement of Comprehensive Income	**0.8**	-	4.1
At end of period	**5.0**	0.1	4.2
Comprising:			
Provision in respect of accelerated capital allowances	**0.4**	0.1	0.2
Provision in respect of investment property revaluation gains	**4.6**	-	4.0
	5.0	0.1	4.2

17. Called up share capital

During the period 22,700,000 Ordinary 25p shares were issued at £4.50 per share raising £102.2 million. Transaction costs incurred in connection with the issue, which amounted to £2.4 million, have been charged against retained earnings in accordance with the Companies Act 2006.

Also in the period, 181,275 Ordinary 25p shares were issued in connection with the exercise of nil cost options granted under the 2006 Long Term Incentive Plan.

18. Net assets per share

EPRA net assets per share and EPRA triple net assets per share are calculated in accordance with EPRA's Best Practice Recommendations.

The prior year adjusted amounts have been recalculated to include deferred tax in respect of capital allowances in Longmartin Properties Limited which are not expected to crystallise. There is no material difference to the figures previously disclosed.

	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Net assets used for calculation of basic net assets per share	**1,052.1**	829.5	863.7
Cumulative fair value adjustment in respect of financial derivatives	**43.1**	46.1	80.5
Deferred tax provided in respect of investment property valuations	**4.6**	-	4.0
Deferred tax in respect of capital allowances	**0.4**	0.1	0.2
EPRA adjusted net assets	**1,100.2**	875.7	948.4
Additional equity if all vested share options exercised	**2.9**	3.0	2.8
EPRA adjusted diluted net assets	**1,103.1**	878.7	951.2
Net assets used for calculation of basic net assets per share	**1,052.1**	829.5	863.7
Cumulative fair value deficit in respect of 8.5% Mortgage Debenture Stock 2024	**(9.4)**	(8.2)	(13.6)
	1,042.7	821.3	850.1
Additional equity if all vested share options exercised	**2.9**	3.0	2.8
EPRA diluted triple net assets	**1,045.6**	824.3	852.9
Ordinary shares in issue - million	**250.0**	227.0	227.1
Diluted Ordinary shares - million	**252.8**	229.2	229.7
Net assets per share:			
Basic	**£4.21**	£3.65	£3.80
Diluted	**£4.17**	£3.63	£3.78
EPRA adjusted basic	**£4.40**	£3.86	£4.18
EPRA adjusted diluted	**£4.36**	£3.83	£4.14
EPRA adjusted diluted triple net	**£4.14**	£3.60	£3.71

The calculations of diluted net asset value per share show the potentially dilutive effect of options granted over Ordinary shares outstanding at the balance sheet date and includes the increase in shareholders' equity which would arise on the exercise of those options.

19. Cash generated from operating activities

	Six months ended		Year ended
	31.3.2011 £m	31.3.2010 £m	30.9.2010 £m
Operating activities			
Operating profit	**77.6**	136.2	233.4
Adjustment for non-cash items:			
Lease incentives recognised	**(0.9)**	(0.4)	(1.1)
Charge in respect of share based remuneration	**0.5**	0.3	1.3
Depreciation and losses on disposals	**0.1**	0.1	0.1
Profit on sale of investment properties	**-**	(0.4)	(0.4)
Investment property valuation movements	**(49.6)**	(111.3)	(183.6)
Cash flows from operations before changes in working capital	**27.7**	24.5	49.7
Change in trade and other receivables	**(0.3)**	1.0	(0.4)
Change in trade and other payables	**1.9**	1.4	3.7
Cash generated from operating activities	**29.3**	26.9	53.0

20. Results of Joint Venture

The Shaftesbury Group's 50% share of the results, assets and liabilities of Longmartin Properties Limited included in the Group results for the period were as follows:

Statement of Comprehensive Income	Six months ended		Year ended
	31.3.2011	31.3.2010	30.9.2010
	£m	£m	£m
Rents receivable (adjusted for lease incentives)	**1.7**	0.8	2.2
Recoverable property expenses	**0.1**	-	-
Revenue from properties	**1.8**	0.8	2.2
Property expenses	**(0.5)**	(0.3)	(0.6)
Recoverable property expenses	**(0.1)**	-	-
Property charges	**(0.6)**	(0.3)	(0.6)
Net property income	**1.2**	0.5	1.6
Administration expenses	**(0.2)**	(0.2)	(0.4)
Operating profit before investment property valuation movements	**1.0**	0.3	1.2
Investment property valuation movements	**3.6**	15.0	29.4
Operating profit	**4.6**	15.3	30.6
Total finance costs	**(0.3)**	(0.1)	(0.4)
Profit before tax	**4.3**	15.2	30.2
Tax charge for the period	**(0.9)**	(0.1)	(4.2)
Comprehensive income for the period	**3.4**	15.1	26.0
Transactions with owners:			
Dividends paid in period	**(0.4)**	(0.1)	(0.3)
Movement in retained earnings	**3.0**	15.0	25.7

Balance Sheet	**31.3.2011**	31.3.2010	30.9.2010
	£m	£m	£m
Non-current assets			
Investment properties at market value	**113.2**	87.2	106.9
Lease incentives recognised	**(1.8)**	(0.5)	(1.1)
Head lease liability grossed up	**5.4**	5.4	5.4
	116.8	92.1	111.2
Current assets			
Trade and other receivables	**3.0**	1.2	2.0
Cash and cash equivalents	**1.4**	1.7	1.9
Total assets	**121.2**	95.0	115.1
Current liabilities			
Trade and other payables	**2.1**	2.3	1.7
Amount due to shareholders (note 21)	**14.8**	7.0	13.0
Non-current liabilities			
Deferred tax liabilities	**5.1**	0.1	4.2
Head lease liability	**5.4**	5.4	5.4
Total liabilities	**27.4**	14.8	24.3
Net assets attributable to the Shaftesbury Group	**93.8**	80.2	90.8

21. Related party transactions

During the period Shaftesbury PLC (the "Company") received from Longmartin Properties Limited, a 50% owned joint venture, administration fees totalling £0.4 million (31.3.2010: £0.4 million; 30.9.2010: £0.7 million) and received interest in respect of a loan to that Company totalling £0.1 million (31.3.2010: £Nil million; 30.9.2010: £0.1 million). The amount owing to the Company by Longmartin Properties Limited at 31 March 2011 was £14.8 million (31.3.2010: £7.0 million; 30.9.2010: £13.0 million).

independent review report to Shaftesbury PLC

for the six months ended 31 March 2011

Introduction

We have been engaged by the Company to review the condensed consolidated interim financial information in the half-yearly financial report for the six months ended 31 March 2011, which comprises the Unaudited Group Statement of Comprehensive Income, Unaudited Group Balance Sheet, Unaudited Group Statement of Changes in Shareholders' Equity, Unaudited Group Cash Flow Statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial information.

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 interim financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

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

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed consolidated interim financial information in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. 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 Ireland) 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 consolidated interim financial information in the half-yearly financial report for the six months ended 31 March 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
1 Embankment Place
London
WC2N 6RH

25 May 2011

Notes:

a) The maintenance and integrity of the Shaftesbury PLC website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

responsibility statement

The Directors confirm that this condensed consolidated half year financial information has been prepared in accordance with IAS 34 as adopted by the European Union and that the half year management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last annual report.

The Directors of Shaftesbury PLC are listed in its Annual Report for the year ended 30 September 2010.

A list of current Directors is maintained on the Shaftesbury PLC website: www.shaftesbury.co.uk.

On behalf of the Board
Jonathan S Lane
Chief Executive

Brian Bickell
Finance Director

25 May 2011

corporate timetable

Results

Half Year results announced	25 May 2011
Interim Management Statement (second half)	August 2011
Annual results to be announced (provisional)	30 November 2011

Dividends and debenture interest

2011 interim dividend	
Ex dividend	8 June 2011
Record date	10 June 2011
Payment date	1 July 2011
Debenture stock interest payment date	30 September 2011

directors, officers and advisors

Directors

P John Manser, CBE, DL, FCA
Chairman and non-executive Director

Jonathan S Lane, MA, FRICS
Chief Executive

Brian Bickell, FCA
Finance Director

Simon J Quayle, BSc, MRICS
Director

Thomas J C Welton, MRICS
Director

W Gordon McQueen, BSc, CA, FCIBS
Senior Independent Director

John R K Emly, FCIS
Non-executive Director

Jill C Little
Non-executive Director

Oliver J D Marriott
Non-executive Director

Hilary S Riva, OBE
Non-executive Director

Secretary and Registered Office
Penny Thomas, LLB (Hons), FCIS
Pegasus House,
37/43 Sackville Street,
London W1S 3DL

Tel: 020 7333 8118
Fax: 020 7333 0660

email: shaftesbury@shaftesbury.co.uk
Registered Number - 1999238

Stockbrokers
J P Morgan Cazenove
Bank of America Merrill Lynch
Espirito Santo Investment Bank

Principal Bankers
Bank of Scotland
Clydesdale Bank PLC
GE Real Estate Finance Limited
Lloyds TSB Bank plc
Nationwide Building Society

Debenture Stock Trustee
Prudential Trustee Company Limited

Registered Auditors
PricewaterhouseCoopers LLP

Solicitors
Hogan Lovells International LLP
Eversheds LLP
Forsters LLP

Valuers
DTZ Debenham Tie Leung Limited
(wholly owned portfolio)
Knight Frank LLP
(Longmartin Joint Venture)

Web sites
Corporate: **www.shaftesbury.co.uk**
Includes Annual and Half Year Reports Library from 2002 and recent corporate announcements.

News alert service allows registered users to receive e-mail alerts of new announcements.

Villages
www.carnaby.co.uk
www.sevendials.co.uk
www.operaquarter.co.uk
www.stmartinscourtyard.com
www.chinatownlondon.org

Shareholder information

Equiniti Limited maintains the Group's Register of Members.

They may be contacted at:
Equiniti Limited, Aspect House,
Spencer Road, Lancing,
West Sussex BN99 6DA

Telephone 0871 384 2294
(International +44 121 415 7047)

Calls to this number are charged at 8p per minute from a BT landline. Other telephone providers' costs may vary.

Shareholder accounts may be accessed online through www.shareview.co.uk. This gives secure access to account information and permits shareholders to amend address information and payment instructions. There is also a Shareview dealing service which is a simple and convenient way to buy or sell shares in the Group.

Impact of REIT status on payment of dividends

As a REIT, certain categories of shareholder may be able to receive their dividends gross without deduction of withholding tax. Categories which may claim this exemption include: UK companies, chanties, local authorities. UK pension schemes and managers of PEPs, ISAs and Child Trust Funds. For further information and the forms for completion to apply for dividends to be paid gross, please see the Group's website or contact the Group's Registrar.

The deadline for completed forms to be with the Group's Registrar for payment of the interim dividend is 10 June 2011.

Sharegift

The Orr Mackintosh Foundation operates a voluntary charity share donation scheme for retail shareholders who wish to dispose of small numbers of shares whose value makes it uneconomical to sell them. Details are available from www.sharegift.org or the Group's Registrars.

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design: **sg design** - sg-design.co.uk photographer: **simon harvey** - blitzimages.co.uk print: **beacon press**

Shaftesbury PLC
Pegasus House
37/43 Sackville Street
London W1S 3DL

Tel 020 7333 8118
Fax 020 7333 0660

shaftesbury.co.uk