SHAFTESBURY 2015 HALF YEAR RESULTS

EXTENSIVE ASSET MANAGEMENT ACTIVITY DELIVERS GROWING INCOME AND FURTHER VALUE CREATION

Shaftesbury PLC ("Shaftesbury") today announces its results for the six months ended 31 March 2015.

Growth in income, earnings, dividend and NAV

- Net property income[1] up £2.3 million (6.3%) to £38.7 million (six months ended 31.3.2014: £36.4 million).
- EPRA earnings increased by 11.2% to £17.9 million (six months ended 31.3.2014: £16.1 million). EPRA earnings per share increased by 1.6% to 6.4p (six months ended 31.3.2014: 6.3p).
- Interim dividend per share of 6.825p (six months ended 31.3.2014: 6.5p), an increase of 5.0%.
- EPRA NAV increased by 8.7% over six months to £7.75 per share, after a reduction of 10p per share for the cost of terminating swaps. Increase for 12 months to 31.3.2015: 30.0%.
- Net asset value return for six months ended 31.3.2015: 9.6%; increase for 12 months to 31.3.2015: 32.2%.

Growth in rental and capital values[2]

- Portfolio valued at £2.86 billion, like-for-like capital value return: +8.0% (6 months) and +24.0% (12 months).
- Total portfolio ERV increased by £5.0 million to £123.6 million at 31.3.2015 (30.9.2014: £118.6 million). Like-for-like ERV growth over six months: +3.4%; increase for 12 months to 31.3.2015: +7.4%.
- Portfolio reversion has grown by £2.7 million to £27.8 million, 29.0% above current income.
- Equivalent yield compression of 16 basis points to 3.84% in the wholly-owned portfolio and 24 basis points to 3.86% in the Longmartin joint venture.

Strong demand across all villages and for all uses

- EPRA vacancy[2] at 31.3.2015: 2.6% of ERV, of which 1.9% was under offer.
- Commercial lettings, lease renewals and rent reviews (rental value: £8.9 million) concluded in the wholly-owned portfolio at an average 2.8% above 30 September 2014 ERV and 10.0% above ERV at 31 March 2014.

Continued investment in our portfolio

- Acquisitions totalling £25.8 million in the period in Carnaby, Covent Garden, Soho and Charlotte Street.
- Redevelopment and refurbishment schemes in the six months to 31 March 2015 across 121,000 sq. ft. (6.9% of wholly-owned floor space). Capital expenditure in the period[1]: £14.3 million (31.3.2014: £10.0 million).
- Our major scheme fronting Foubert's Place and Kingly Street, Carnaby, has recently completed. All the 24,500 sq. ft. of commercial space is let or under offer. Marketing of the twelve apartments has commenced.
- Planning application submitted for the reconfiguration of our substantial holding fronting Charing Cross Road, Newport Court and Newport Place, at the eastern boundary of Chinatown. Proposed scheme provides 32,000 sq. ft. of retail and 13,500 sq. ft. of restaurant space.

- Plans for a 32,900 sq. ft. mixed-use scheme at 57-59 Broadwick Street, Carnaby, are progressing. Planning application expected to be submitted shortly.

- We continue to identify further schemes and asset management initiatives to unlock value.

Refinancing to extend weighted average maturity and reduce weighted average cost of debt

- New £130 million fifteen-year term loan arranged at a fixed interest rate of 3.2% p.a.

- £100 million revolving credit facility, due to mature in 2016, repaid and cancelled.

- Interest rate swaps on a notional principal of £70 million terminated at a cost of £28.1 million.

- Weighted average maturity of debt[2]: 8.7 years (30.9.2014: 7.1 years).

- Weighted average cost of debt[2]: 4.63% (30.9.2014: 5.11%)

- Committed unutilised facilities: £99.6 million.

- Conservative gearing (loan-to-value ratio[2]: 24.0%).

1 Wholly-owned portfolio. Comparative figures re-stated to take into account the change in accounting policy on the implementation of IFRS 11 "Joint Ventures". See page 8 for further information.
2 Includes 50% of the Longmartin joint venture.

Brian Bickell, Chief Executive, commented:

"This has been another period of good progress for Shaftesbury with extensive asset management activity across our portfolio delivering growth in earnings, dividends and value. Our combined portfolio is now valued at £2.86 billion.

Across our unique portfolio, located in the heart of the West End, the buoyant local economy is reflected in continuing strong demand for space in our carefully-curated locations, high occupancy levels and sustained growth in current and prospective rental income.

We continue to identify schemes and opportunities throughout our ownerships to improve the configuration, and income and capital value potential, of the space we offer. In particular, we are making good progress with our major schemes in Chinatown and Carnaby, which, are not only valuable in themselves but will bring, as with many of our other initiatives, long-term compound benefits to our nearby holdings.

Against this background, and with our experienced, enthusiastic and entrepreneurial management team, we are confident that our portfolio will continue to deliver good returns for shareholders through our proven strategy for this unique business."

21 May 2015

For further information:

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There will be a presentation to equity analysts at 9.30 am on Thursday 21 May 2015, at The London Stock Exchange, 10 Paternoster Square, London EC4M 7LS.

There is a dial-in facility for the presentation. Analysts and investors are welcome to participate. The facility can be accessed by calling +44 (0)203 139 4830. The PIN code is 33620190#. The presentation document is available on the Group's website www.shaftesbury.co.uk. A recording of the conference call will be available on the Group's website www.shaftesbury.co.uk following the meeting.

About Shaftesbury

Shaftesbury PLC is a Real Estate Investment Trust, which owns a unique real estate portfolio extending to 14 acres in the heart of London's West End – a highly popular, sought-after and prosperous destination for visitors and businesses. Our holdings are concentrated in Carnaby, Covent Garden, Chinatown, Soho and Charlotte Street.

Our objective is to deliver long-term outperformance in growth in rental income, capital values and shareholder returns.

We focus on retail, restaurants and leisure in the liveliest parts of the West End. Our portfolio now comprises 583 shops, restaurants, cafés and pubs, extending to 1 million sq. ft., which account for 72% of our current income. In our locations these uses have a long record of occupier demand exceeding their availability. It also includes 422,000 sq. ft. of offices and 509 apartments for rent, which provide 16% and 12%, respectively, of our current income.

In addition, we have a 50% interest in the Longmartin joint venture with The Mercers' Company, which has a long leasehold interest in St Martin's Courtyard in Covent Garden. Extending to 1.9 acres, it includes 22 shops, eleven restaurants and cafés, 102,000 sq. ft. of offices and 75 apartments.

Our proven management strategy is to create and foster distinctive, attractive and prosperous locations. Its implementation is supported by an experienced management team with an innovative approach to long-term, sustainable income and value creation and a focus on shareholder returns. We have a strong balance sheet with modest leverage.

Forward-looking statements

This document may contain certain 'forward-looking' statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements.

Any forward-looking statements made by, or on behalf of, Shaftesbury PLC speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Shaftesbury PLC does not undertake to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Information contained in this document relating to Shaftesbury PLC or its share price, or the yield on its shares, should not be relied upon as an indicator of future performance.

Ends.

Highlights

		Six months ended		Year ended
		31.3.2015	31.3.2014	30.9.2014
Net property income[1]	£m	**38.7**	36.4	74.1
Property assets at fair value				
- Wholly-owned	£m	**2,658.9**	2,112.3	2,434.6
- Total including 50% share of the Longmartin joint venture	£m	**2,857.6**	2,268.8	2,612.5
Loan-to-value[2]	%	**24.0%**	26.3%[3]	23.6%
EPRA results[4]				
Earnings	£m	**17.9**	16.1	32.6
Earnings per share	Pence	**6.4**	6.3	12.2
Net assets	£m	**2,164.1**	1,662.4	1,987.7
Net asset value per share	£	**7.75**	5.96	7.13
Dividends				
Interim dividend per share	Pence	**6.825**	6.5	6.5
Final dividend per share	Pence	**-**	-	6.6
Total distribution declared in respect of the financial period	£m	**19.0**	18.0	36.5
Reported results				
Profit after tax	£m	**180.2**	118.3	440.4
Diluted earnings per share	Pence	**64.6**	46.2	164.6
Net assets	£m	**2,056.1**	1,587.7	1,893.2
Diluted net asset value per share	£	**7.36**	5.70	6.79
KPIs				
Portfolio ERV growth[2,5]	%	**3.4%**	2.4%	6.6%
Average time to let	Months	**0.9**	1.0	1.0
Available to let vacancy[2]	%	**0.7%**	1.1%	0.6%
Performance[6]				
Total shareholder return	%	**+22.9%**	+9.5%	+17.8%
Capital value return[2,7]	%	**+8.0%**	+5.4%	+21.0%
Total property return[2,7]	%	**+9.5%**	+7.2%	+24.8%
Net asset value return	%	**+9.6%**	+6.2%	+28.0%

1 Comparative figures re-stated to take into account the change in accounting policy on the implementation of IFRS 11 “Joint Ventures”. See page 8 for further information.
2 Including 50% share of the Longmartin joint venture.
3 Pro-forma LTV at 31.3.2014 to reflect refinancing transactions completed after the Balance Sheet date and the completion of property acquisitions exchanged before 31.3.2014.
4 Adjusted in accordance with EPRA Best Practice Recommendations.
5 Like-for-like, measured against previous year end ERV.
6 Shaftesbury Group data (other than total shareholder return) derived from financial results.
7 Like-for-like.

Half-year results

INTRODUCTION

This has been another period of good progress for Shaftesbury with extensive asset management activity across our portfolio delivering growth in earnings, dividends and value. Our combined portfolio is now valued at £2.86 billion.

The status and enduring popularity of London's West End as a world-class visitor destination, a premier location for a wide range of domestic and international businesses, and a place to live, supports its dynamic and flourishing economy.

Across our unique portfolio, located in the heart of the West End, the buoyant local economy is reflected in continuing strong demand for space in our carefully-curated locations, high occupancy levels and sustained growth in current and prospective rental income.

OUR BUSINESS

We own an unrivalled real estate portfolio, extending to 14 acres in the heart of London's West End, clustered in villages in the iconic areas of Carnaby, Covent Garden, Chinatown, Soho and Charlotte Street.

Our 583 shops, restaurants, cafés, pubs and leisure uses, across 1 million sq. ft. on the lower floors of our buildings, together provide 72% of current income, whilst the upper floors generally comprise offices or apartments, or a mix of both.

Our objective is to deliver long-term outperformance in growth in rental income, capital values and shareholder returns. With the concentration of our ownerships, we are able to implement a comprehensive, long-term management strategy to improve our buildings and locations. We curate and foster lively destinations which bring footfall and prosperity for our tenants, supporting sustained growth in rental income and adding value to our assets.

The key aspects of our management strategy are:

- ensuring our locations respond to ever-changing tastes and expectations through our leasing strategies and tenant-mix policies to encourage new retail, restaurant and leisure formats and operators;

- improving and reconfiguring our buildings to provide more efficient accommodation for occupiers and, where possible, maximise valuable retail, restaurant and leisure space; and

- improving the public realm in and around our areas to increase pedestrian capacity and raise the quality of local streetscapes.

LEASING ACTIVITY

We concluded transactions in the wholly-owned portfolio with a rental value of £11.2 million during the six months ended 31 March 2015, of which commercial transactions totalled £8.9 million and residential lettings and renewals were £2.3 million. Rents for commercial uses were, on average, 2.8% above ERV at 30 September 2014 and 10.0% ahead of ERV twelve months ago. Our share of letting activity in the Longmartin joint venture was £0.3 million over the half year.

Available to let vacancy has remained below 1% throughout the period, and where space has become available it has, on average, been let within one month.

RETAIL – 36% OF CURRENT INCOME (WHOLLY-OWNED PORTFOLIO)

	Wholly-owned	Longmartin
Number	328	22
Area (sq. ft.)	464,000	67,000

Tenant demand continues to be strong both from domestic and international retailers. International demand has been mainly from North American and European brands and we are seeing strong interest from UK brands opening new concept stores or flagships. In addition, it is pleasing to note that we have seen a number of existing tenants who have expanded, relocated, or taken second sites, particularly in Carnaby, our largest retail area. The breadth of demand from retailers seeking a presence in our locations allows us to introduce new brands and concepts to maintain a fresh and interesting retail mix.

During the six months to 31 March 2015, we completed seventeen new shop lettings, renewed ten leases and concluded five rent reviews in the wholly-owned portfolio, with a combined rental value of £3.6 million.

RESTAURANTS, CAFÉS, PUBS AND LEISURE – 36% OF CURRENT INCOME (WHOLLY-OWNED PORTFOLIO)

	Wholly-owned	Longmartin
Number	255	11
Area (sq. ft.)	557,000	45,000

With resilient visitor numbers in our villages, and the growing popularity for eating out, restaurants, cafés and leisure choices in the West End are increasingly becoming a destination and footfall driver in their own right. Occupier demand remains at historically high levels. We are currently seeing particularly strong interest from the independent sector, including established street-food concepts, start-ups seeking their first site and existing small restaurant groups with new ideas and creative partners. Such operators are of particular interest and relevance to our villages, broadening their dining and leisure offer with innovative concepts, which bring both customer and social media interest.

The availability of space to satisfy this demand remains low, the result of long-term restrictive planning policies and the reluctance of operators to relinquish sites other than for significant premiums.

We continue to identify opportunities to secure possession of restaurants within our portfolio which had in the past been let on long leases, providing tenants with security of tenure at the end of the term. This is allowing us to improve the configuration of space on the lower floors, attract new operators on more beneficial terms, including turnover-related rent increments, as well as releasing valuable upper floors for other uses. In our sought-after locations we regularly receive numerous competitive offers for available units and our restaurant space is often pre-let in advance of completion of works.

During the period, we completed leasing transactions with a rental value of £3.9 million in the wholly-owned portfolio, including ten new concepts, four renewals and eight rent reviews.

OFFICES – 16% OF CURRENT INCOME (WHOLLY-OWNED PORTFOLIO)

	Wholly-owned	Longmartin
Area (sq. ft.)	422,000	102,000

Strong demand for smaller office accommodation, coupled with constrained supply of this type of space in the West End generally, and our locations in particular, is continuing to drive rental growth and a reduction in tenant incentives. We have seen a number of tenants expanding within our estate, or renewing their leases. When space does become available, pre-letting is commonplace. The mix of office occupiers in our locations is broadening with more financial businesses seeking space away from their traditional areas, coupled with new media, creative and IT companies of all sizes.

During the period, we concluded twelve lettings, eight renewals and three rent reviews in the wholly-owned portfolio, extending to 25,000 sq.ft. of space, with a rental value of £1.4 million.

RESIDENTIAL – 12% OF CURRENT INCOME (WHOLLY-OWNED PORTFOLIO)

	Wholly-owned	Longmartin
Number	509	75
Area (sq. ft.)	299,000	55,000

The West End is a popular place to live, with its wide variety of attractions and lively atmosphere. Demand to rent our modestly-priced apartments continues to be strong and they let quickly whenever they become available. Of our 509 apartments, 23 were under construction and 37 were being upgraded at 31 March 2015.

During the six months ended 31 March 2015, we completed lettings and renewals totalling £2.3 million in the wholly-owned portfolio.

IMPROVING OUR BUILDINGS

A high level of refurbishment activity continues across our portfolio, with schemes undertaken in the period extending to 121,000 sq.ft. (6.9% of floor space in the wholly-owned portfolio). Capital expenditure totalled £14.3 million.

Our major scheme in Carnaby, fronting Foubert's Place and Kingly Street, has just completed. It comprises 7,500 sq. ft. of retail space, a 6,500 sq. ft. restaurant, 10,500 sq. ft. of office accommodation and twelve apartments. The total scheme cost £14.8 million and the ERV at 31 March 2015 was £2.2 million, £1.8 million above pre-scheme levels. Since 31 March 2015, the restaurant and 3,500 sq. ft. of office space has been let. All of the retail accommodation and the remaining office space is under offer. Marketing of the new apartments has just commenced.

Other larger projects underway, or completed, in the period included further improvements to Kingly Court, reconfigurations of retail, restaurant and pub space, office refurbishments, and numerous residential conversions and refurbishments.

FUTURE SCHEMES

Charing Cross Road/Newport Place, Chinatown

In April 2015 we submitted a planning application to reconfigure and refurbish our substantial mixed-use retail, restaurant and bar ownership on the eastern boundary of Chinatown, which has extensive frontages to Charing Cross Road, Newport Court and Newport Place.

Our proposals involve the reconfiguration of space to provide approximately 32,000 sq. ft. of retail space, on Charing Cross Road, together with. The refurbishment of the block will bring significant benefits to Chinatown as a whole and will create much-improved quality of space for occupiers. Already recognised as one of the busiest parts of London's West End, Chinatown and Charing Cross Road are expected to see even greater footfall when Crossrail opens in late 2018.

As well as providing a contiguous retail frontage on Charing Cross Road of some 330 ft., the scheme will materially enhance Newport Court, creating an attractive gateway into Chinatown. The relocation of restaurant space to Newport Place, where Westminster City Council are progressing plans to create a traffic-free public square, will create an enhanced dining destination within Chinatown.

Subject to planning and other consents, we anticipate commencing works early in 2016, with completion in mid-2017. We currently estimate the cost of the scheme to be in the region of £10 million.

57-59 Broadwick Street

We are advancing our plans for this prominent building on the eastern boundary of Carnaby. Broadwick Street, already an important pedestrian route through Soho, linking Carnaby and Berwick Street, is expected to benefit from the opening of Tottenham Court Road Crossrail station's western ticket hall on Dean Street, currently under construction.

Since its acquisition in March 2014, we have investigated options to reconfigure and extend the building. Our proposals now provide for the creation of large retail units over the lower floors, extension and refurbishment of the remaining office space and the creation of new apartments. These plans will add c. 8,000 sq. ft. to the existing floor space of 24,900 sq. ft. We have completed the pre-application consultation process and expect to submit a formal planning application shortly.

Subject to planning consent, we expect to commence works in early 2016 and, in the interim, we have extended the existing occupational leases to January 2016. Currently, we expect the cost of our enhanced plans to be in the region of £14 million.

INVESTING IN, AND IMPROVING, THE PUBLIC REALM

Investment in the public realm in and around our villages is an important catalyst for improving footfall.

We are providing financial support for Westminster City Council's scheme to upgrade streetscapes along Upper St Martin's Lane, adjacent to St Martin's Courtyard, which will improve the southern gateway to Seven Dials, and also for their scheme to improve Wellington and Russell Streets in the Opera Quarter. Discussions for improvements to Rupert Street, south of Shaftesbury Avenue, are continuing.

Completion of the resurfacing of Carnaby Street is expected in June 2015. Later this year we expect to fund an upgrade of Foubert's Place, the busiest entrance from Regent Street into Carnaby.

We are continuing to explore, with Camden Council, improvements to Earlham Street, which connects to Cambridge Circus, and which, we believe, will bring benefits to this important western gateway into Seven Dials.

A public consultation began in April on major improvements to Cambridge Circus, an important and busy junction, to relieve pedestrian congestion and improve connectivity between Soho and Seven Dials. Subject to the consultation, we understand works could commence by the end of 2015.

VACANCY AT 31 MARCH 2015

	Shops	Restaurants, cafés and leisure	Offices	Residential	Longmartin	Total	% of total ERV
Held for or under refurbishment							
ERV - £million							
Foubert's Place/Kingly Street scheme	0.5	0.5	0.8	0.4	-	**2.2**	**1.8%**
Other schemes	0.7	0.5	1.3	1.5	-	**4.0**	**3.2%**
Total held for or under refurbishment	**1.2**	**1.0**	**2.1**	**1.9**	**-**	**6.2**	**5.0%**
Area - '000 sq.ft.	15	17	36	35			
Number of units	10	6		60			
Available							
ERV - £million							
Under offer	1.4	0.3	0.5	0.2	-	**2.4**	**1.9%**
Available to let	0.7	-	0.1	0.1	-	**0.9**	**0.7%**
EPRA vacancy	**2.1**	**0.3**	**0.6**	**0.3**	**-**	**3.3**	**2.6%**
Area - '000 sq.ft.	16	4	9	8			
Number of units	15	4		13			

Our mixed-use scheme on Foubert's Place and Kingly Street, Carnaby, completed in early May. All the commercial space (ERV £1.8 million) is already let, or is under offer.

Other space held for, or under refurbishment, at 31 March 2015 (ERV £4.0 million) comprised nine shops, five restaurants/cafés and 26,000 sq. ft. of offices. Two of the restaurants (ERV: £0.4 million) are part of our Charing Cross Road/Newport Place project, where we have secured possession in anticipation of our major refurbishment, expected to commence in 2016. In addition, 48 apartments were under construction or being upgraded.

EPRA vacancy at 31 March 2015 was £3.3 million (2.6% of ERV), of which £2.4 million (1.9% of ERV) was under offer. The ERV of available-to-let vacancy, which totalled £0.9 million (0.7% of ERV), comprised two large shops (ERV: £0.6 million), three small shops (ERV: £0.1 million), 1,700 sq. ft. of office space (ERV: £0.1 million) and six apartments (ERV: £0.1 million).

ACQUISITIONS

During the six months to 31 March 2015, we acquired seven properties at a total cost of £25.8 million, in Soho, Charlotte Street, Covent Garden and Carnaby. These useful additions to our portfolio comprised two shops, two restaurants, two cafés, a vacant pub, 4,950 sq. ft. of office space and eight apartments.

These acquisitions, which produced an average net initial yield of 2.0%, complement our existing, extensive ownerships and offer the potential for good rental and capital growth opportunities through a combination of asset management and refurbishment schemes.

We continue to seek new acquisitions, concentrating on buildings in and around our villages which have a predominance of, or potential for, retail, restaurant and leisure uses and which provide potential for future rental growth, either individually or through combination with our existing ownerships. As ever, supply of buildings which fit these strict investment criteria remains limited, with existing owners reluctant to sell assets in these exceptionally prosperous and resilient areas.

PORTFOLIO VALUATION

Our portfolio, including our 50% share of the Longmartin joint venture, has been valued at 31 March 2015 at £2.86 billion, producing a surplus on revaluation of £203.9 million. The ungeared like-for-like capital value return for the six months ended 31 March 2015 was 8.0%, bringing the increase in capital values over the past year to 24.0%.

	Fair value £m	% of portfolio	Current income £m	ERV £m	Capital value growth[1] %	Topped up Initial Yield %	Equivalent Yield %
Wholly-owned portfolio							
Carnaby	994.2	35%	30.7	44.0	8.6%	3.07%	3.94%
Covent Garden	748.4	26%	24.8	31.5	6.6%	3.26%	3.69%
Chinatown	632.7	22%	22.6	27.0	7.8%	3.30%	3.85%
Soho	199.2	7%	7.1	8.6	6.3%	3.25%	3.84%
Charlotte Street	84.4	3%	2.9	3.5	11.7%	3.39%	3.91%
	2,658.9	93%	88.1	114.6	7.7%	3.21%	3.84%
Longmartin JV[2]	198.7	7%	7.7	9.0	11.4%	3.32%	3.86%
Total portfolio	**2,857.6**	**100%**	**95.8**	**123.6**	**8.0%**		

1 Like-for-like
2 Group's 50% share

The growth in the valuation of our property assets over the period reflects growth in actual and prospective rents, together with yield compression of sixteen basis points in the wholly-owned portfolio and 24 basis points in the Longmartin joint venture.

Sustained growth in both actual and potential income is the key to the long-term growth in property values. Over the six months ended 31 March 2015, our annualised current income has increased by £2.3 million from £93.5 million to £95.8 million, to which acquisitions contributed £0.5 million.

Our valuers' estimate of the rental value of our portfolio ("ERV") increased by £5.0 million over the period and now stands at £123.6 million (30.9.2014: £118.6 million). Excluding the impact of acquisitions, which contributed £0.9 million to the total, the like-for-like increase was £4.1 million (3.4%), bringing the total over the past twelve months to 7.4%.

Our valuers have included £3.0 million in respect of potential income from future schemes, principally our large proposed schemes at Charing Cross Road/Newport Place and 57-59 Broadwick Street. This estimate of income is largely based on the existing space and does not take fully into account additional income which could be generated by schemes which have yet to receive planning consent.

The total reversion across the wholly-owned portfolio and our interest in Longmartin now stands at £27.8 million, 29% higher than the annualised current rent. Of this, £6.2 million of the reversion is contracted and will be realised as rent-free periods expire. Vacant property at 31 March 2015, including schemes in hand, accounts for £9.5 million, which will be realised as schemes complete and become income-producing.

£9.1 million of our reversionary potential should be realised through the normal cycle of rent reviews, lease renewals and lettings. Shops, restaurants, cafés, pubs and leisure uses account for 66% of this uncontracted reversion. These uses have, in our locations, demonstrated a long history of sustained demand and restricted supply, underpinning their growth prospects. We remain confident that through our proven long-term management strategy, we shall not only realise this potential additional income, but also deliver further additional long-term sustained rental growth. Where possible, we seek to accelerate the realisation of this potential income through securing vacant possession of under-rented space.

The yield reduction we have seen in this, and recent periods, reflects strong investor appetite for real estate assets which offer both security and growth prospects, coupled with growing sources of finance at historically low rates. In our locations, the limited availability of properties to acquire, and the prospects for long-term income growth in the West End's dynamic and diverse local economy, underpin the increase in values reported by our valuers.

A key aspect of our long-term strategy is to improve the quality of the accommodation we offer, through reconfiguring buildings and converting space to create better, more efficient trading space, and implementing changes to introduce more valuable uses where possible. Over the longer-term, this, combined with our proven management strategy to create and foster distinctive and popular destinations, improves the value of our portfolio.

DTZ, independent valuers of our wholly-owned portfolio, note that our portfolio has:

- an unusual concentration of holdings in sought-after West End locations; and
- a predominance of retail, restaurant, café and leisure uses, for which occupier demand has a long history, and continuing prospect, of exceeding availability in the West End.

They also comment on the extent to which, under RICS Valuation Professional Standards, they are permitted to combine or "lot" parts of our portfolio. They continue to advise us that, in their view, some prospective purchasers may consider a wider combination of some parts of the portfolio, or the entire wholly-owned portfolio itself, to have a greater value than currently reflected in their valuation, prepared in accordance with RICS valuation standards.

RESULTS

We have made further good progress over the first half of this year with growth in NAV, earnings and dividends.

Change of accounting policy for the Longmartin joint venture

The group is adopting IFRS 11 'Joint Arrangements' for the first time this year. This standard removes the proportionate consolidation option that was previously available under IAS 31 'Interests in Joint Ventures' and instead requires us to account for the joint venture using the equity method. The consequence is that we now include the Group's net equity interest in Longmartin as a single line item in both the consolidated balance sheet and consolidated income statement, rather than proportionally consolidating the Group's share of assets, liabilities, income and expenses on a line-by-line basis. Loans, interest and management fees between the Group and Longmartin are no longer eliminated on consolidation.

Whilst this change in accounting policy does not affect the net asset position nor profit after tax, it does alter the line-by-line analysis in the primary statements and, as such, the prior year comparatives have been restated accordingly. The following financial commentary is based on the IFRS position.

Growth in EPRA earnings

Profit after tax for the six months ended 31 March 2015 was £180.2 million (31.3.2014: £118.3 million). Over the same period, EPRA earnings increased by 11.2% to £17.9 million (31.3.2014: £16.1 million) and EPRA EPS was 6.4p (31.3.2014: 6.3p). The smaller relative increase in EPRA EPS, compared with that for EPRA earnings, reflects the increased weighted average number of shares in issue this year, following our share placing in March 2014.

	Six months ended		Year ended
		As re-stated[1]	As re-stated[1]
	31.3.2015	31.3.2014	30.9.2014
EPRA earnings	**£m**	£m	£m
IFRS profit after tax	**180.2**	118.3	440.4
Adjusted for:			
- Change in value of investment properties	**(183.2)**	(91.0)	(394.0)
- Change in fair value of financial instruments	**37.5**	(3.3)	12.0
Adjustments in respect of the Longmartin joint venture:			
- Change in value of investment properties	**(20.7)**	(10.0)	(32.4)
- Deferred tax	**4.1**	2.1	6.6
EPRA earnings	**17.9**	16.1	32.6
EPRA EPS	**6.4p**	6.3p	12.2p

1. Re-stated for the change in accounting policy detailed above

During the period, rental income increased by £3.0 million to £44.8 million (31.3.2014: £41.8 million). The like-for-like increase was 3.6%, as we continue to crystallise the reversionary potential of our portfolio. Acquisitions contributed £1.5 million to the increase.

Irrecoverable property charges were £6.1 million (31.3.2014: £5.4 million), representing 13.6% of rents receivable (31.3.2014: 12.9%). The increase is largely due to the high level of irrecoverable costs at our ownership fronting Charing Cross Road/Newport Court/Newport Place, where there are only short-term inclusive leases and licences in place, ahead of our planned development. On a like-for-like basis, excluding this property, irrecoverable costs were 12.0% of rents receivable (31.3.2014: 12.9%).

Net property income was £38.7 million, up 6.3% on the same period last year (31.3.2014: £36.4 million).

Administrative expenses, excluding the charge for equity-settled remuneration, totalled £5.0 million (31.3.2014: £4.5 million). The increase was largely due to staff costs and higher office occupation costs in the period, following our relocation in February 2014. A provision has been included for annual bonuses of £0.7 million (31.3.2014: £0.6 million). The charge for equity-settled remuneration was £1.5 million (31.3.2014: £1.7 million). This included a non-cash accounting provision of £1.1 million (31.3.2014: £1.4 million) and a charge for employer's National Insurance of £0.4 million (31.3.2014: £0.3 million).

The wholly-owned portfolio's valuation surplus was £183.2 million (31.3.2014: £91.0 million), principally driven by like-for-like ERV growth of 3.3% and yield compression of sixteen basis points.

Net finance costs (excluding the change in fair value of our interest rate swaps) increased by £0.4 million to £15.2 million (31.3.2014: £14.8 million) and includes an accelerated write-off of unamortised deferred loan issue costs totalling £0.2 million.

Excluding interest rate swaps which were cancelled in the period at a cost of £28.1 million, the like-for-like fair value deficit on our interest rate swaps increased by £37.5 million to £88.2 million, following a sharp fall in long-dated interest rates in the period.

Our share of post-tax profit from the Longmartin joint venture increased by £8.9 million to £17.5 million (31.3.2014: £8.6 million) largely due to:

- an increase in net property income of 11.5% to £2.9 million (31.3.2014: £2.6 million).
- a revaluation surplus of £20.7 million (31.3.2014: £10.0 million) with like-for-like ERV growth of 4.8% and yield compression of 24 basis points.
- an increase in the tax charge of £2.1 million to £4.3 million (31.3.2014: £2.2 million), principally the result of a deferred tax charge on the revaluation surplus.

As a REIT, the Group's activities are largely exempt from corporation tax and, as a result, there is no tax charge in the period (31.3.2014: £Nil).

Increased EPRA net asset value

EPRA NAV per share increased by 62p (8.7%) to £7.75 over the period (30.9.2014: £7.13). This increase included contributions of 66p per share and 7p per share from the revaluations of the wholly-owned portfolio and the Longmartin joint venture property respectively. The cost of terminating interest rate swaps in March 2015 reduced NAV by 10p per share. EPRA profits of 6.4p per share were offset by the final dividend (6.6p per share).

EPRA NAV	**31.3.2015** £m	As re-stated[1] 31.3.2014 £m	As re-stated[1] 30.9.2014 £m
IFRS net assets	**2,056.1**	1,587.7	1,893.2
Effect of exercise of options	**0.4**	0.2	0.4
Diluted net assets	**2,056.5**	1,587.9	1,893.6
Adjusted for:			
- Fair value of financial instruments	**88.2**	63.5[2]	78.8
Adjustments in respect of the Longmartin joint venture:			
- Deferred tax	**19.8**	11.2	15.7
EPRA NAV	**2,164.5**	1,662.6	1,988.1
EPRA NAV per share	**£7.75**	£5.96	£7.13

1. re-stated for the change in accounting policy detailed above
2. pro-forma, net of £29 million cost of terminating swaps in April 2014

Cash flows and net debt

Net debt increased by £66.5 million to £618.0 million over the period (30.9.2014: £551.5 million). The major cash flows were:

- Acquisitions and capital expenditure (£38.0 million)
- Interest rate swap termination costs (£28.1 million)
- Operating cash inflow (£20.4 million)
- Dividend payment (£20.5 million)

The surplus funds raised by our debt refinancing in March 2015 were used to fund the swap termination costs and facility arrangement costs.

INTERIM DIVIDEND

Your directors are pleased to declare an interim dividend of 6.825p per share, an increase of 5.0% on last year's interim dividend of 6.5p. The interim dividend, which will be paid on 3 July 2015, will be paid entirely as an Ordinary Dividend.

We aim to maintain steady growth in dividends, reflecting the long-term trend in our income and cash earnings. In determining the level of the interim dividend, the Board has taken into account the non-cash accounting charge in the period for equity-settled remuneration of £1.1 million, which reduced the reported profit and the accelerated write-off of unamortised deferred issue costs, totalling £0.2 million, following the refinancing in March 2015.

FINANCE

In March we arranged a new £130.0 million fifteen-year secured term loan with Aviva Commercial Finance at a fixed interest rate of 3.2% p.a. throughout the term. The loan is repayable in full at maturity in March 2030.

On drawing the loan from Aviva, we cancelled a £100.0 million revolving credit facility, which was due to expire in September 2016. Additionally, we terminated £70.0 million of interest rate swaps at a cost of £28.1 million.

We are investigating options to refinance the remaining £50.0 million debt facility maturing in 2016, which is currently undrawn. This will provide an opportunity to increase our committed facilities. Our weighted average debt maturity at 31 March 2015 was 8.7 years (30.9.2014: 7.1 years).

At 31 March 2015, our loan-to-value ratio stood at 24.0% (30.9.2014: 23.6%) and we had £99.6 million of committed undrawn facilities (30.9.2014: £139.4 million). The weighted average cost of debt was 4.63%, 48 basis points lower than at 30 September 2014. The marginal cost of drawings under our committed facilities is around 1.7% (30.9.2014: 1.55%), and so, as further drawings are made, the average cost of debt will reduce further. If our facilities had been fully drawn at 31 March 2015, the weighted average cost of debt would have been 4.26%. Following the cancellation of the £100 million revolving credit facility, the average margin on our drawn variable-rate bank facilities has increased to 1.31% (30.9.2014: 1.11%) and this would rise further to 1.38% if all facilities were fully drawn (30.9.2014: 1.24%).

	31.3.2015			30.9.2014		
	IFRS	**Longmartin[2]**	**Proportionate consolidation**	IFRS	Longmartin[2]	Proportionate consolidation
	£m	**£m**	**£m**	£m	£m	£m
Fixed rate debt[1]	**325.8**	**60.0**	**385.8**	195.8	60.0	255.8
Bank debt hedged by swaps	**180.0**	**-**	**180.0**	250.0	-	250.0
Total fixed debt[1]	**505.8**	**60.0**	**565.8**	445.8	60.0	505.8
Drawn unhedged bank debt	**120.4**	**-**	**120.4**	110.6	-	110.6
Total debt[1]	**626.2**	**60.0**	**686.2**	556.4	60.0	616.4
Undrawn facilities (floating rate)	**99.6**	**-**	**99.6**	139.4	-	139.4
Committed facilities	**725.8**	**60.0**	**785.8**	695.8	60.0	755.8
Loan-to-value[1]	**23.6%**	**30.2%**	**24.0%**	22.9%	33.7%	23.6%
Gearing[3]	**30.9%**	**43.5%**	**31.7%**	29.7%	51.2%	31.0%
Interest cover	**2.1x**	**1.9x**	**2.1x**	2.0x	2.0x	2.0x
% debt fixed	**80.8%**	**100.0%**	**82.5%**	80.1%	100.0%	82.1%
Weighted average cost of debt[4]	**4.65%**	**4.43%**	**4.63%**	5.18%	4.43%	5.11%
Weighted average debt maturity	**8.4 years**	**11.7 years**	**8.7 years**	6.7 years	12.2 years	7.1 years

1. Based on nominal value of debt
2. Shaftesbury Group's 50% share
3. Based on EPRA net assets
4. Including non-utilisation fees on undrawn bank facilities

LOOKING FORWARD

London's widely-acknowledged status as a leading global destination brings great prosperity and long-term prospects. Within the West End, trading conditions continue to be buoyant, and the regeneration being stimulated by major projects such as Crossrail will continue to attract businesses and visitors. In our locations, the strength of demand is evident across all uses, allowing us to introduce new retail, restaurant and leisure concepts and operators to our villages and establish new rental tones.

Although occupancy levels are high, we continue to identify schemes and opportunities throughout our ownerships to improve the configuration, and income and capital value potential, of the space we offer. In particular, we are making good progress with our major schemes in Chinatown and Carnaby, which, are not only valuable in themselves but will bring, as with many of our other initiatives, long-term compound benefits to our nearby holdings.

Against this background, and with our experienced, enthusiastic and entrepreneurial management team, we are confident that our portfolio will continue to deliver good returns for shareholders through our proven strategy for this unique business.

Brian Bickell
Chief Executive

Christopher Ward
Finance Director

21 May 2015

PORTFOLIO ANALYSIS

At 31 March 2015		Note	Carnaby	Covent Garden	Chinatown	Soho	Charlotte Street	Wholly owned portfolio	Longmartin	Total portfolio
Portfolio	Fair value	**1**	**£994.2m**	**£748.4m**	**£632.7m**	**£199.2m**	**£84.4m**	**£2,658.9m**	**£198.7m**[1]	**£2,857.6m**
	% of total fair value		**35%**	**26%**	**22%**	**7%**	**3%**	**93%**	**7%**	**100%**
	Current income	**2**	**£30.7m**	**£24.8m**	**£22.6m**	**£7.1m**	**£2.9m**	**£88.1m**	**£7.7m**[1]	**£95.8m**
	ERV	**3**	**£44.0m**	**£31.5m**	**£27.0m**	**£8.6m**	**£3.5m**	**£114.6m**	**£9.0m**[1]	**£123.6m**
Shops	Number		**108**	**109**	**69**	**37**	**5**	**328**	**22**	
	Area – sq. ft.		**185,000**	**139,000**	**91,000**	**40,000**	**9,000**	**464,000**	**67,000**	
	% of current income	**4**	**49%**	**33%**	**27%**	**26%**	**11%**	**36%**	**38%**	
	% of ERV	**4**	**47%**	**33%**	**28%**	**25%**	**11%**	**36%**	**38%**	
	Average unexpired lease length – years	**5**	**4**	**4**	**5**	**4**	**2**	**4**	**4**	
Restaurants, cafés and leisure	Number		**48**	**86**	**71**	**30**	**20**	**255**	**11**	
	Area – sq. ft.		**94,000**	**165,000**	**201,000**	**55,000**	**42,000**	**557,000**	**45,000**	
	% of current income	**4**	**16%**	**36%**	**59%**	**38%**	**54%**	**36%**	**16%**	
	% of ERV	**4**	**15%**	**34%**	**56%**	**37%**	**55%**	**33%**	**15%**	
	Average unexpired lease length – years	**5**	**11**	**10**	**12**	**9**	**10**	**11**	**15**	
Offices	Area – sq. ft.		**253,000**	**86,000**	**37,000**	**36,000**	**10,000**	**422,000**	**102,000**	
	% of current income	**4**	**29%**	**11%**	**5%**	**15%**	**8%**	**16%**	**31%**	
	% of ERV	**4**	**32%**	**14%**	**5%**	**18%**	**10%**	**19%**	**34%**	
	Average unexpired lease length – years	**5**	**4**	**3**	**2**	**2**	**4**	**3**	**4**	
Residential	Number		**90**	**203**	**105**	**69**	**42**	**509**	**75**	
	Area – sq. ft.		**53,000**	**122,000**	**68,000**	**37,000**	**19,000**	**299,000**	**55,000**	
	% of current passing rent	**4**	**6%**	**20%**	**9%**	**21%**	**27%**	**12%**	**15%**	
	% of ERV	**4**	**6%**	**19%**	**11%**	**20%**	**24%**	**12%**	**13%**	

1 **Shaftesbury Group's 50% share**

BASIS OF VALUATION

At 31 March 2015	Note	Carnaby	Covent Garden	Chinatown	Soho	Charlotte Street	Wholly owned portfolio	Longmartin
Overall initial yield	**7**	**2.76%**	**2.97%**	**3.20%**	**3.17%**	**3.28%**	**2.97%**	**3.16%**
Initial yield ignoring contractual rent-free periods	**8**	**3.07%**	**3.26%**	**3.30%**	**3.25%**	**3.39%**	**3.21%**	**3.32%**
Overall equivalent yield	**9**	**3.94%**	**3.69%**	**3.85%**	**3.84%**	**3.91%**	**3.84%**	**3.86%**
Tone of retail equivalent yields	**10**	**3.60-4.75%**	**3.85-5.25%**	**3.75-4.75%**	**4.15-5.00%**	**4.25-5.00%**		**3.25 – 4.25%**
Tone of retail ERVs - ITZA £ per sq. ft.	**10**	**£120 - £485**	**£75 - £475**	**£140- £340**	**£120 - £250**	**£90 - £150**		**£78 - £608**
Tone of restaurant equivalent yields	**10**	**4.00 - 5.25%**	**3.65 - 4.50%**	**3.75-4.00%**	**3.90 – 4.15%**	**3.85-4.40%**		**4.00 – 4.50%**
Tone of restaurant ERVs - £ per sq. ft.	**10**	**£105 - £125**	**£55 - £179**	**£200 - £380 ITZA**	**£82 - £103 (£240 ITZA)**	**£70 - £90**		**£75 - £113**
Tone of office equivalent yields	**10**	**4.50%-4.75%**	**4.25-4.35%**	**4.50-4.75%**	**4.65 - 5.00%**	**4.85-5.00%**		**4.35 – 4.50%**
Tone of office ERVs - £ per sq. ft.	**10**	**£48 - £78**	**£45 - £63**	**£43 - £53**	**£43 - £55**	**£40 - £53**		**£43 - £65**
Average residential ERVs - £ per sq. ft. per annum	**10**	**£47.00**	**£48.50**	**£42.00**	**£47.00**	**£45.0**		**£44.00**

Notes

1. The fair values at 31 March 2015 (the "valuation date") shown in respect of the individual villages are, in each case, the aggregate of the fair 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 income includes total annual actual and 'estimated income' reserved by leases. No rent is attributed to leases which were subject to rent-free periods at the valuation date. Current income does not reflect any ground rents, head rents nor rent charges and estimated irrecoverable outgoings at the valuation date. 'Estimated income' refers to gross estimated rental values in respect of rent reviews outstanding at the valuation date and, where appropriate, ERV in respect of lease renewals outstanding at the valuation date where the fair value reflects terms for a renewed lease.
3. 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. Where appropriate, ERV assumes completion of developments which are reflected in the valuations. ERV does not reflect any ground rents, head rents nor rent charges and estimated irrecoverable outgoings.
4. The percentage of current income and the percentage of ERV in each of the use sectors are expressed as a percentage of total income and total ERV for each village.
5. 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.
6. Where mixed uses occur within single leases, for the purpose of this analysis, the majority use by rental value has been adopted.
7. The initial yield is the net initial income at the valuation date 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 valuation date.
8. The initial yield ignoring contractual rent free periods has been calculated as if the contracted rent is payable from the valuation date and as if any future stepped rental uplifts under leases had occurred.
9. 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 valuation date. The equivalent yield shown for each village has been calculated by merging together the cash flows and fair values of each of the different interests within each village and represents the average equivalent yield attributable to each village from this approach.
10. The tone of rental values and yields is the range of rental values or yields attributed to the majority of the properties.
11. All commercial floor areas are net lettable. All residential floor areas are gross internal.
12. For presentation purposes some percentages have been rounded to the nearest integer.
13. The analysis includes accommodation which is awaiting or undergoing refurbishment or development and is not available for occupation at the date of valuation.

Unaudited Group Statement of Comprehensive Income

for the six months ended 31 March 2015

	Note	**Six months ended 31.3.2015 £m**	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Revenue	3	**48.4**	45.1	91.2
Property charges	4	**(9.7)**	(8.7)	(17.1)
Net property income		**38.7**	36.4	74.1
Administrative expenses		**(5.0)**	(4.5)	(10.6)
Charge in respect of equity settled remuneration	5	**(1.5)**	(1.7)	(3.2)
Total administrative expenses		**(6.5)**	(6.2)	(13.8)
Operating profit before investment property valuation movements		**32.2**	30.2	60.3
Investment property valuation movements	10	**183.2**	91.0	394.0
Operating profit		**215.4**	121.2	454.3
Finance income		**0.1**	0.1	0.1
Finance costs	6	**(15.3)**	(14.9)	(29.6)
Change in fair value of derivative financial instruments	17	**(37.5)**	3.3	(12.0)
Net finance costs		**(52.7)**	(11.5)	(41.5)
Share of post-tax profit from joint venture	12	**17.5**	8.6	27.6
Profit before tax		**180.2**	118.3	440.4
Tax charge for the period	7	**-**	-	-
Profit and total comprehensive income for the period		**180.2**	118.3	440.4
Earnings per share:	8			
Basic		**64.8p**	46.3p	165.2p
Diluted		**64.6p**	46.2p	164.6p
EPRA		**6.4p**	6.3p	12.2p

Unaudited Group Balance Sheet
as at 31 March 2015

	Note	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Non-current assets				
Investment properties	10	**2,648.8**	2,103.8	2,425.5
Accrued income	11	**8.2**	7.6	7.5
Investment in joint venture	12	**118.2**	84.7	101.5
Property, plant and equipment		**1.6**	1.7	1.6
		2,776.8	2,197.8	2,536.1
Current assets				
Trade and other receivables	13	**18.0**	17.3	21.4
Cash and cash equivalents	14	**8.2**	0.9	4.9
Total assets		**2,803.0**	2,216.0	2,562.4
Current liabilities				
Trade and other payables	15	**36.6**	63.9	36.7
Non-current liabilities				
Borrowings	16	**622.1**	471.9	553.7
Derivative financial instruments	17	**88.2**	92.5	78.8
Total liabilities		**746.9**	628.3	669.2
Net assets		**2,056.1**	1,587.7	1,893.2
Equity				
Share capital	18	**69.6**	69.5	69.5
Share premium		**124.6**	124.2	124.6
Share based payments reserve		**2.9**	2.7	4.0
Retained earnings		**1,859.0**	1,391.3	1,695.1
Total equity		**2,056.1**	1,587.7	1,893.2
Net asset value per share:	19			
Basic		**£7.39**	£5.72	£6.81
Diluted		**£7.36**	£5.70	£6.79
EPRA		**£7.75**	£5.96	£7.13

Unaudited Group Cash Flow Statement

for the six months ended 31 March 2015

	Note	**Six months ended 31.3.2015 £m**	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Cash flows from operating activities				
Cash generated from operating activities	20	**34.8**	34.5	64.6
Interest received		**0.1**	-	0.1
Interest paid		**(14.5)**	(14.8)	(27.5)
Net cash generated from operating activities		**20.4**	19.7	37.2
Cash flows from investing activities				
Investment property acquisitions		**(23.8)**	(69.3)	(105.8)
Capital expenditure on investment properties		**(14.2)**	(9.3)	(23.8)
Purchase of property, plant and equipment		**(0.2)**	(1.3)	(1.4)
Dividends received from joint venture		**0.8**	0.5	2.7
Net cash used in investing activities		**(37.4)**	(79.4)	(128.3)
Cash flows from financing activities				
Net proceeds from share placing		**-**	153.2	153.2
Repayment of borrowings	16	**(60.2)**	(72.1)	(123.6)
Proceeds from secured term loan	16	**130.0**	-	134.8
Facility arrangement costs	16	**(1.4)**	(2.1)	(4.2)
Termination of derivative instruments	17	**(28.1)**	-	(29.0)
Equity dividends paid	9	**(20.5)**	(16.7)	(33.8)
Decrease/(increase) in loans to joint venture	21	**0.5**	(2.2)	(1.9)
Net cash from financing activities		**20.3**	60.1	95.5
Net change in cash and cash equivalents		**3.3**	0.4	4.4
Cash and cash equivalents at the beginning of the period	14	**4.9**	0.5	0.5
Cash and cash equivalents at the end of the period	14	**8.2**	0.9	4.9

Unaudited Group Statement of Changes in Equity

for the six months ended 31 March 2015

	Note	Ordinary shares £m	Merger reserve £m	Share premium £m	Share based payments reserve £m	Retained earnings £m	Total £m
At 1 October 2014		**69.5**	**-**	**124.6**	**4.0**	**1,695.1**	**1,893.2**
Profit and total comprehensive income for the period ended 31 March 2015		**-**	**-**	**-**	**-**	**180.2**	**180.2**
Transactions with owners:							
Dividend paid during the period	9	**-**	**-**	**-**	**-**	**(18.5)**	**(18.5)**
Shares issued in connection with the exercise of share options	18	**0.1**	**-**	**-**	**-**	**-**	**0.1**
Fair value of share based payments	5	**-**	**-**	**-**	**1.1**	**-**	**1.1**
Transfer in respect of options exercised		**-**	**-**	**-**	**(2.2)**	**2.2**	**-**
At 31 March 2015		**69.6**	**-**	**124.6**	**2.9**	**1,859.0**	**2,056.1**
At 1 October 2013		63.1	-	124.3	3.0	1,140.3	1,330.7
Profit and total comprehensive income for the period ended 31 March 2014		-	-	-	-	118.3	118.3
Transactions with owners:							
Dividend paid during the period	9	-	-	-	-	(15.9)	(15.9)
Shares issued in connection with share placing		6.3	150.3	-	-	-	156.6
Transfer to retained earnings		-	(150.3)	-	-	150.3	-
Transactions costs associated with share placing		-	-	-	-	(3.4)	(3.4)
Shares issued in connection with the exercise of share options		0.1	-	(0.1)	-	-	-
Fair value of share based payments	5	-	-	-	1.4	-	1.4
Transfer in respect of options exercised		-	-	-	(1.7)	1.7	-
At 31 March 2014		69.5	-	124.2	2.7	1,391.3	1,587.7
At 1 October 2013		63.1	-	124.3	3.0	1,140.3	1,330.7
Profit and total comprehensive income for the year ended 30 September 2014		-	-	-	-	440.4	440.4
Transactions with owners:							
Dividends paid during the year	9	-	-	-	-	(33.9)	(33.9)
Shares issued in connection with share placing		6.3	150.3	-	-	-	156.6
Transfer to retained earnings		-	(150.3)	-	-	150.3	-
Transactions costs associated with share placing		-	-	-	-	(3.4)	(3.4)
Shares issued in connection with the exercise of share options		0.1	-	0.3	-	(0.3)	0.1
Fair value of share based payments	5	-	-	-	2.7	-	2.7
Transfer in respect of options exercised		-	-	-	(1.7)	1.7	-
At 30 September 2014		69.5	-	124.6	4.0	1,695.1	1,893.2

Notes to the half year results

for the six months ended 31 March 2015

1. GENERAL INFORMATION

The condensed consolidated half year financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 September 2014 were approved by the Board of directors on 27 November 2014 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 financial statements have been reviewed, not audited.

BASIS OF PREPARATION

These half year financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, Interim Financial Reporting, as adopted by the European Union. They should be read in conjunction with the annual financial statements for the year ended 30 September 2014, which have been prepared in accordance with IFRSs as adopted by the European Union.

GOING CONCERN

The directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the condensed half year financial statements.

CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

The preparation of these half year financial statements requires the Board to make judgements, assumptions and estimates that affect 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. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

The directors consider the valuation of investment property to be critical because of the level of complexity, judgement or estimation involved and its impact on the financial statements. The Group uses the valuations performed by its external valuers, DTZ Debenham Tie Leung Limited, as the basis for the fair value of its investment properties. Knight Frank LLP value the investment properties owned by the Longmartin joint venture.

The valuation of the Group's property portfolio is inherently subjective due to, amongst other factors, the individual nature of each property, its location and the expected future rental income. As a result, the valuations the Group places on its property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial property market. The investment property valuations contain a number of assumptions upon which DTZ Debenham Tie Leung Limited and Knight Frank LLP make a number of assumptions in forming their opinion on the valuation of our investment properties, which are detailed in the basis of valuation on page 13. These assumptions are in accordance with the RICS Valuation Standards. However, if any assumptions made by the external valuers prove to be incorrect, this may mean that the value of the Group's properties differs from their valuation reported in the financial statements, which could have a material effect on the Group's financial position.

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. ACCOUNTING POLICIES

CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except as described below:

IFRS 11 Joint arrangements - IAS 31, Interests in Joint Ventures has been replaced by IFRS 11 Joint arrangements. The Group has joint control over Longmartin Properties Limited by virtue of its 50% share in the equity shares of the company and requirement for unanimous consent by both parties over decisions related to the relevant activities of the arrangement. As a result the Group has assessed Longmartin Properties to be a joint venture under IFRS 11.

Under IAS 31 the Group accounted for its share of its joint venture's results and balance sheet using proportional consolidation. IFRS 11 precludes the use of proportional consolidation, with equity accounting being the only permitted option. The Group's net interest in its joint venture is now disclosed as a single line item on both the Group Statement of Comprehensive Income and Group Balance Sheet. Accompanied by this the Group Cash Flow Statement excludes cash flows generated by the joint venture but now includes loans received/(advanced) and dividends received in separate line items.

The impact on the Group Statement of Comprehensive Income and the Group Balance Sheet is purely presentational and does not affect the Group's reported net assets nor profit after tax. The cash and cash equivalents number in the Group Cash Flow Statement is reduced by the Group's share of cash held in the joint venture.

As the impact of the transition to IFRS 11 has a material impact on the presentation of the Group's financial statements the prior period figures have been restated. The tables below show the impact of the change in accounting policy on the Group Statement of Comprehensive Income, the Group Balance Sheet and Group Cash Flow Statement.

Impact on Group Statement of Comprehensive Income

	As previously stated Six months ended 31.3.2014 £m	IFRS 11 Adjustments £m	**As restated Six months ended 31.3.2014 £m**	As previously stated Year ended 30.9.2014 £m	IFRS 11 Adjustments £m	**As restated Year ended 30.9.2014 £m**
Revenue	48.5	(3.4)	**45.1**	98.2	(7.0)	**91.2**
Property charges	(9.5)	0.8	**(8.7)**	(18.5)	1.4	**(17.1)**
Net property income	39.0	(2.6)	**36.4**	79.7	(5.6)	**74.1**
Administrative expenses	(4.6)	0.1	**(4.5)**	(10.8)	0.2	**(10.6)**
Charge in respect of equity settled remuneration	(1.7)	-	**(1.7)**	(3.2)	-	**(3.2)**
Total administrative expenses	(6.3)	0.1	**(6.2)**	(14.0)	0.2	**(13.8)**
Operating profit before investment property valuation movements	32.7	(2.5)	**30.2**	65.7	(5.4)	**60.3**
Investment property valuation movements	101.0	(10.0)	**91.0**	426.4	(32.4)	**394.0**
Operating profit	133.7	(12.5)	**121.2**	492.1	(37.8)	**454.3**
Finance income	-	0.1	**0.1**	-	0.1	**0.1**
Finance costs	(16.5)	1.6	**(14.9)**	(32.8)	3.2	**(29.6)**
Change in fair value of derivative financial instruments	3.3	-	**3.3**	(12.0)	-	**(12.0)**
Net finance costs	(13.2)	1.7	**(11.5)**	(44.8)	3.3	**(41.5)**
Share of post-tax profit from joint venture	-	8.6	**8.6**	-	27.6	**27.6**
Profit before tax	120.5	(2.2)	**118.3**	447.3	(6.9)	**440.4**
Tax charge for the period	(2.2)	2.2	**-**	(6.9)	6.9	**-**
Profit and total comprehensive income	118.3	-	**118.3**	440.4	-	**440.4**

Impact on Group Balance Sheet

	As previously stated 31.3.2014 £m	IFRS 11 Adjustments £m	**As restated 31.3.2014 £m**	As previously stated 30.9.2014 £m	IFRS 11 Adjustments £m	**As restated 30.9.2014 £m**
Non-current assets						
Investment properties	2,261.7	(157.9)	**2,103.8**	2,605.1	(179.6)	**2,425.5**
Accrued income	10.6	(3.0)	**7.6**	10.3	(2.8)	**7.5**
Investment in joint venture	-	84.7	**84.7**	-	101.5	**101.5**
Property, plant and equipment	1.7	-	**1.7**	1.6	-	**1.6**
	2,274.0	(76.2)	**2,197.8**	2,617.0	(80.9)	**2,536.1**
Current assets						
Trade and other receivables	17.0	0.3	**17.3**	21.2	0.2	**21.4**
Cash and cash equivalents	6.4	(5.5)	**0.9**	7.7	(2.8)	**4.9**
Total assets	2,297.4	(81.4)	**2,216.0**	2,645.9	(83.5)	**2,562.4**
Current liabilities						
Trade and other payables	69.3	(5.4)	**63.9**	39.8	(3.1)	**36.7**
Non-current liabilities						
Borrowings	536.7	(64.8)	**471.9**	618.4	(64.7)	**553.7**
Derivative financial instruments	92.5	-	**92.5**	78.8	-	**78.8**
Deferred tax liabilities	11.2	(11.2)	**-**	15.7	(15.7)	**-**
Total liabilities	709.7	(81.4)	**628.3**	752.7	(83.5)	**669.2**
Net assets	1,587.7	-	**1,587.7**	1,893.2	-	**1,893.2**

Impact on Group Cash Flow Statement

	As previously stated Six months ended 31.3.2014 £m	IFRS 11 Adjustments £m	**As restated Six months ended 31.3.2014 £m**	As previously stated Year ended 30.9.2014 £m	IFRS 11 Adjustments £m	**As restated Year ended 30.9.2014 £m**
Cash flows from operating activities						
Cash generated from operating activities	38.1	(3.6)	**34.5**	71.4	(6.8)	**64.6**
Interest received	-	-	**-**	-	0.1	**0.1**
Interest paid	(16.5)	1.7	**(14.8)**	(30.3)	2.8	**(27.5)**
Corporation tax	(0.1)	0.1	**-**	(0.3)	0.3	**-**
Net cash generated from operating activities	21.5	(1.8)	**19.7**	40.8	(3.6)	**37.2**
Cash flows from investing activities						
Investment property acquisitions	(71.5)	2.2	**(69.3)**	(108.0)	2.2	**(105.8)**
Capital expenditure on investment properties	(10.1)	0.8	**(9.3)**	(26.3)	2.5	**(23.8)**
Purchase of property, plant and equipment	(1.3)	-	**(1.3)**	(1.4)	-	**(1.4)**
Dividends received from joint venture	-	0.5	**0.5**	-	2.7	**2.7**
Net cash used in investing activities	(82.9)	3.5	**(79.4)**	(135.7)	7.4	**(128.3)**
Cash flows from financing activities						
Net proceeds from share placing	153.2	-	**153.2**	153.2	-	**153.2**
Repayment of borrowings	(72.1)	-	**(72.1)**	(123.6)	-	**(123.6)**
Proceeds from secured term loan	-	-	**-**	134.8	-	**134.8**
Facility arrangement costs	(2.1)	-	**(2.1)**	(4.2)	-	**(4.2)**
Termination of derivative instruments	-	-	**-**	(29.0)	-	**(29.0)**
Payment of head lease liabilities	(0.2)	0.2	**-**	(0.5)	0.5	**-**
Equity dividends paid	(16.7)	-	**(16.7)**	(33.8)	-	**(33.8)**
Increase in loans to joint venture	-	(2.2)	**(2.2)**	-	(1.9)	**(1.9)**
Net cash from financing activities	62.1	(2.0)	**60.1**	96.9	(1.4)	**95.5**
Net change in cash and cash equivalents	0.7	(0.3)	**0.4**	2.0	2.4	**4.4**
Cash and cash equivalents at the beginning of the period	5.7	(5.2)	**0.5**	5.7	(5.2)	**0.5**
Cash and cash equivalents at the end of the period	6.4	(5.5)	**0.9**	7.7	(2.8)	**4.9**

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

a) The following interpretations and amendments to standards are mandatory for the first time for the financial year beginning 1 October 2014:

Standard or Interpretation	Applicable for financial years beginning on or after
IFRS 10 Consolidated financial statements	1 January 2014
IFRS 11 Joint arrangements	1 January 2014
IFRS 12 Disclosure of interests in other entities	1 January 2014
IAS 27 (revised 2011) Separate financial statements	1 January 2014
IAS 28 (revised 2011) Associates and joint ventures	1 January 2014
IAS 32 Financial instruments asset and liability offsetting	1 January 2014
IAS 36 Impairment of assets	1 January 2014
IAS 39 Financial instruments - recognition and measurement	1 January 2014

b) The following Annual Improvements are relevant to the Group and are not yet effective in the year ending 30 September 2015 and not expected to have a significant impact on the Group's financial statements:

Standard or Interpretation	Applicable for financial years beginning on or after
Annual Improvements 2011-2013	1 January 2015

3. REVENUE AND SEGMENTAL INFORMATION

	Six months ended 31.3.2015 £m	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Rents receivable	**44.8**	41.8	85.3
Recoverable property expenses	**3.6**	3.3	5.9
	48.4	45.1	91.2

Rents receivable include lease incentives recognised of £1.0 million (31.3.2014 as restated £1.0 million; 30.9.2014 as restated £1.6 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 segment.

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

4. PROPERTY CHARGES

	Six months ended 31.3.2015 £m	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Property operating costs	**2.7**	2.5	4.8
Fees payable to managing agents	**1.1**	0.9	1.9
Letting, rent review, and lease renewal costs	**1.4**	1.4	3.1
Village promotion costs	**0.9**	0.6	1.4
Property outgoings	**6.1**	5.4	11.2
Recoverable property expenses	**3.6**	3.3	5.9
	9.7	8.7	17.1

5. CHARGE IN RESPECT OF EQUITY SETTLED REMUNERATION

	Six months ended 31.3.2015 £m	Six months ended 31.3.2014 £m	Year ended 30.9.2014 £m
Charge for equity settled remuneration	**1.1**	1.4	2.7
Employer's national insurance in respect of share awards and share options vested or expected to vest	**0.4**	0.3	0.5
	1.5	1.7	3.2

6. FINANCE COSTS

	Six months ended 31.3.2015 £m	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Debenture stock interest and amortisation	**2.5**	2.5	5.0
Bank and other interest	**6.6**	4.2	11.2
Facility arrangement cost amortisation	**0.4**	0.4	0.8
Facility arrangement costs written-off on refinancing	**0.2**	-	0.3
Amounts payable under derivative financial instruments	**5.6**	7.8	12.3
	15.3	14.9	29.6

7. TAXATION

The wholly-owned Group is subject to taxation as a REIT; its property rental business (both income and capital gains) is exempt from taxation.

8. EARNINGS PER SHARE

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

	31.3.2015		As restated 31.3.2014		As restated 30.9.2014	
	Profit after tax £m	**EPS pence**	Profit after tax £m	EPS pence	Profit after tax £m	EPS pence
Basic	**180.2**	**64.8**	118.3	46.3	440.4	165.2
EPRA adjustments:						
Investment property valuation movements – wholly-owned portfolio	**(183.2)**	**(66.0)**	(91.0)	(35.6)	(394.0)	(147.8)
Investment property valuation movements – joint venture	**(20.7)**	**(7.4)**	(10.0)	(3.9)	(32.4)	(12.2)
Movement in fair value of derivative financial instruments	**37.5**	**13.5**	(3.3)	(1.3)	12.0	4.5
Deferred tax on property valuations and capital allowances – joint venture	**4.1**	**1.5**	2.1	0.8	6.6	2.5
EPRA	**17.9**	**6.4**	16.1	6.3	32.6	12.2
Diluted	**180.2**	**64.6**	118.3	46.2	440.4	164.6
Weighted average number of ordinary shares in issue (million)		**278.0**		255.3		266.6
Weighted average number of ordinary shares in issue for the calculation of diluted earnings per share (million)		**279.0**		256.1		267.6

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
	31.3.2015 £m	31.3.2014 £m	30.9.2014 £m
Final dividend paid in respect of:			
Year ended 30 September 2014 at 6.60p per share	**18.5**	-	-
Year ended 30 September 2013 at 6.25p per share	**-**	15.9	15.9
Interim dividend paid in respect of:			
Six months ended 31 March 2014 at 6.50p per share	**-**	-	18.0
Dividends for the period	**18.5**	15.9	33.9
Timing difference on payment of withholding tax	**2.0**	0.8	(0.1)
Dividends cash paid	**20.5**	16.7	33.8

An interim dividend in respect of the six months ended 31 March 2015 of 6.825p per ordinary share was declared by the Board on 21 May 2015. The interim dividend will be paid on 3 July 2015 to shareholders on the register at 12 June 2015. The dividend will be accounted for as an appropriation of revenue reserves in the year ending 30 September 2015.

10. INVESTMENT PROPERTIES

	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
At beginning of period	**2,425.5**	1,901.4	1,901.4
Acquisitions	**25.8**	101.4	105.7
Refurbishment and other capital expenditure	**14.3**	10.0	24.4
Net gain on revaluation	**183.2**	91.0	394.0
Book value at end of period	**2,648.8**	2,103.8	2,425.5
Fair value at end of period:			
Properties valued by DTZ Debenham Tie Leung Limited	**2,658.9**	2,112.3	2,434.6
Less: Lease incentives recognised to date (note 11)	**(10.1)**	(8.5)	(9.1)
Book value at end of period	**2,648.8**	2,103.8	2,425.5

Investment properties were subject to external valuation as at 31 March 2015 by a qualified professional valuers, being members of the Royal Institution of Chartered Surveyors, working for DTZ Debenham Tie Leung Limited, Chartered Surveyors, acting in the capacity of external valuers.

All properties were valued on the basis of fair value and highest and best use in accordance with the RICS Valuation - Professional Standards 2014 and IFRS 13. When considering the highest and best use a valuer considers its actual and potential uses which are legally and financially viable. Where the highest and best use differs from the existing use, the valuer considers the use a market participant would have in mind when formulating the price it would bid and reflects the cost and likelihood of achieving that use.

Investment properties include freehold properties valued at £2,450.9 million, leasehold properties with an unexpired term of over 50 years valued at £60.3 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 £147.7 million.

The Group's investment properties are reported under IFRS 13 'Fair value measurement' which uses the following hierarchy to determine the valuation basis of assets or liabilities:

Hierarchy	Description
Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). Discounted cash flows are used to determine fair values of these instruments.

The fair value of the Group's investment properties has primarily been determined using an income capitalisation method. There are a number of assumptions that are made in deriving the fair value, including equivalent yields and ERVs. Equivalent yields are based on current market expectations, depending on the location and use of the property. ERVs are calculated using a number of factors which include current rental income, market comparatives, occupancy and timing of rent reviews. Whilst there is market evidence for these inputs, and recent transaction prices for similar properties, there is still a significant element of estimation and judgement. As a result of adjustments made to market observable data, these significant inputs are deemed unobservable.

The Group considers all of its investment properties to fall within Level 3. The Group's policy is to recognise transfers between fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer. There have been no transfers during the period.

The key assumptions made by the valuers are set out in the basis of valuation on page 13.

As noted in the critical judgements, assumptions and estimates section of note 1 on page 19, the valuation of the Group's property portfolio is inherently subjective. As a result, the valuation the Group places on its property portfolio is inherently subjective. As a result, the valuation the Group places on its property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial property market.

These key unobservable inputs are inter-dependent. All other factors being equal, a higher equivalent yield would lead to a decrease in the valuation of a property, and an increase in the ERV would increase the capital value, and vice versa.

Capital commitments

	31.3.2015 £m	31.3.2014 £m	30.9.2014 £m
Authorised and contracted	**9.7**	18.9	15.0
Authorised but not contracted	**24.3**	-	22.2

11. ACCRUED INCOME

	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Accrued income in respect of lease incentives recognised to date	**10.1**	8.5	9.1
Less: included in trade and other receivables (note 13)	**(1.9)**	(0.9)	(1.6)
	8.2	7.6	7.5

The unamortised amount of lease incentives is allocated between amounts to be charged against rental income within one year of the Balance Sheet date and amounts which will be charged against rental income in subsequent periods.

12. INVESTMENT IN JOINT VENTURE

	31.3.2015 £m	31.3.2014 £m	30.9.2014 £m
At beginning of period	**101.5**	76.6	76.6
Share of profits	**17.5**	8.6	27.6
Dividends received	**(0.8)**	(0.5)	(2.7)
Book value at end of period	**118.2**	84.7	101.5

The Group's share of the results of its joint venture for the period and its assets and liabilities at that date are set out below:

	Six months ended		Year ended
	31.3.2015	31.3.2014	30.9.2014
	£m	£m	£m
Statement of Comprehensive Income			
Rents receivable (adjusted for lease incentives)	**3.3**	3.0	6.3
Recoverable property expenses	**0.4**	0.4	0.7
Revenue	**3.7**	3.4	7.0
Property outgoings	**(0.4)**	(0.4)	(0.7)
Recoverable property expenses	**(0.4)**	(0.4)	(0.7)
Property charges	**(0.8)**	(0.8)	(1.4)
Net property income	**2.9**	2.6	5.6
Administrative expenses	**(0.2)**	(0.2)	(0.3)
Operating profit before investment property valuation movements	**2.7**	2.4	5.3
Investment property valuation movements	**20.7**	10.0	32.4
Operating profit	**23.4**	12.4	37.7
Net finance costs	**(1.6)**	(1.6)	(3.2)
Profit before tax	**21.8**	10.8	34.5
Tax charge for the period	**(4.3)**	(2.2)	(6.9)
Profit and total comprehensive income	**17.5**	8.6	27.6

	31.3.2015	31.3.2014	30.9.2014
	£m	£m	£m
Balance Sheet			
Non-current assets			
Investment properties at book value	**200.8**	157.9	179.6
Lease incentives	**2.4**	3.0	2.8
	203.2	160.9	182.4
Current assets	**4.3**	7.4	4.5
Total assets	**207.5**	168.3	186.9
Current liabilities	**4.6**	7.6	5.0
Non-current liabilities			
Secured term loan	**60.0**	60.0	60.0
Other non-current liabilities	**24.7**	16.0	20.4
Total liabilities	**89.3**	83.6	85.4
Net assets attributable to the Shaftesbury Group	**118.2**	84.7	101.5

13. TRADE AND OTHER RECEIVABLES

	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Amounts due from tenants	**8.3**	9.0	11.5
Provision for doubtful debts	**(0.4)**	(0.5)	(0.4)
	7.9	8.5	11.1
Accrued income in respect of lease incentives	**1.9**	0.9	1.6
Amounts due from joint venture (note 21)	**1.4**	2.2	1.9
Other receivables and prepayments	**6.8**	5.7	6.8
	18.0	17.3	21.4

At 31 March 2015, cash deposits totalling £15.5 million were held against tenants' rent payment obligations (31.3.2014 as restated £12.9 million; 30.9.2014 as restated £15.1 million).

14. CASH AND CASH EQUIVALENTS

Cash balances at 31 March 2015 included £2.5 million (31.3.2014 as restated £Nil; 30.9.2014 as restated £1.5 million) held in accounts or on deposit that have certain conditions which restrict their use. Holding cash in restricted accounts does not prevent the Group from earning returns by placing these monies in interest bearing accounts or on deposit.

15. TRADE AND OTHER PAYABLES

	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Rents and service charges invoiced in advance	**19.4**	17.5	18.9
Amounts due in respect of property acquisitions	**2.0**	32.2	-
Trade payables and accruals in respect of capital expenditure	**2.4**	2.3	2.3
Other payables and accruals	**12.8**	11.9	15.5
	36.6	63.9	36.7

16. BORROWINGS

	Nominal value £m	Unamortised premium and issue costs £m	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Debenture stock	**61.0**	**2.2**	**63.2**	63.4	63.3
Secured bank loans	**300.4**	**(2.6)**	**297.8**	408.5	357.4
Secured term loans	**264.8**	**(3.7)**	**261.1**	-	133.0
Total borrowings	**626.2**	**(4.1)**	**622.1**	471.9	553.7

NET DEBT

	31.3.2015 £m	As restated 31.3.2014 £m	As restated 30.9.2014 £m
Nominal value of drawn borrowings	**633.2**	478.7	565.5
Cash balances set-off against certain borrowings	**(7.0)**	(5.6)	(9.1)
	626.2	473.1	556.4
Cash and cash equivalents (note 14)	**(8.2)**	(0.9)	(4.9)
	618.0	472.2	551.5

AVAILABILITY AND MATURITY OF BORROWINGS

The expected maturity and availability of the Group's borrowings, based on nominal values are as follows:

	Facilities	
	Committed £m	**Undrawn £m**
Repayable between 1 and 2 years	**50.0**	**50.0**
Repayable between 2 and 5 years	**150.0**	**38.0**
Repayable between 5 and 10 years	**261.0**	**11.6**
Repayable between 10 and 15 years	**264.8**	**-**
At 31 March 2015	**725.8**	**99.6**
At 31 March 2014 - as restated	636.0	162.9
At 30 September 2014 - as restated	695.8	139.4

MOVEMENT IN BORROWINGS

	As restated 1.10.2014 £m	**Cash flows £m**	**Non-cash items £m**	**31.3.2015 £m**
Debenture Stock	**(63.3)**	**-**	**0.1**	**(63.2)**
Secured bank loans	**(360.6)**	**60.2**	**-**	**(300.4)**
Secured term loans	**(134.8)**	**(130.0)**	**-**	**(264.8)**
Facility arrangement costs	**5.0**	**1.4**	**(0.1)**	**6.3**
Six months ended 31 March 2015	**(553.7)**	**(68.4)**	**-**	**(622.1)**
Six months ended 31 March 2014 - as restated	(545.7)	74.2	(0.4)	(471.9)
Year ended 30 September 2014 - as restated	(545.7)	(7.0)	(1.0)	(553.7)

INTEREST RATE PROFILE OF INTEREST BEARING BORROWINGS

	31.3.2015 Debt £m	**31.3.2015** Weighted average interest rate	As restated 31.3.2014 Debt £m	As restated 31.3.2014 Weighted average interest rate	As restated 30.9.2014 Debt £m	As restated 30.9.2014 Weighted average interest rate
Floating-rate borrowings						
LIBOR-linked loans (interest rates fixed until June 2015 at latest, including margin)	**120.4**	**1.88%**	52.1	1.53%	110.6	1.66%
Hedged borrowings						
Interest rate swaps (including margin)	**180.0**	**6.16%**	360.0	5.92%	250.0	6.06%
Total bank borrowings	**300.4**	**4.44%**	412.1	5.36%	360.6	4.71%
Fixed rate borrowings						
Secured term loans (interest rate fixed until December 2026 and March 2030)	**264.8**	**3.85%**	-	-	134.8	4.47%
Debenture (interest rate fixed until March 2024)	**63.2**	**7.93%**	63.4	7.93%	63.3	7.93%
Weighted average cost of drawn borrowings		**4.54%**		5.71%		5.02%

The Group also incurs non-utilisation fees on undrawn facilities. At 31 March 2015, the weighted average charge on undrawn facilities of £99.6 million (31.3.2014: £162.9 million; 30.9.2014: £139.4 million) was 0.55% (31.3.2014: 0.60%; 30.9.2014: 0.46%).

17. FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

	31.3.2015 £m	31.3.2014 £m	30.9.2014 £m
Interest rate swaps			
At beginning of period	**(78.8)**	(95.8)	(95.8)
Swap contracts terminated	**28.1**	-	29.0
Fair value movement (charged)/credited in the Group Statement of Comprehensive Income	**(37.5)**	3.3	(12.0)
At end of period	**(88.2)**	(92.5)	(78.8)

Interest rate hedging in place at 31 March 2015

The Group has in place interest rate swaps to hedge £180.0 million of floating rate bank debt, at fixed rates in the range of 4.64% to 5.16%, with a weighted average rate of 4.85%. The swaps, which settle against three month LIBOR, expire between August 2028 and November 2038. If mutual break or early termination options were exercised the weighted average term would be 4.6 years (30.9.2014: 4.9 years).

Changes in the fair value of the Group's interest rate swaps, which are not held for speculative purposes, are reflected in the Statement of Comprehensive Income as the Group has chosen not to adopt hedge accounting under the provisions of IAS 39 (Financial Instruments: Recognition and Measurement).

The fair value of the Group's interest rate swaps has been estimated using the mid-point of the relevant yield curve prevailing at the reporting date, and represents the net present value of the differences between the contractual rate and the valuation rate through to the contracted expiry date of the swap contract. The valuation technique falls within Level 2 of the fair value hierarchy (see note 10 for definition). The swaps are valued by J.C Rathbone Associates Limited.

Interest rate swaps are the only financial instruments which are held at fair value. There have been no transfers between hierarchy levels during the period.

8.5% Mortgage Debenture Stock 2024 and secured term loans
The 8.5% Mortgage Debenture Stock 2024 and the Group's secured term loans are held at amortised cost in the Balance Sheet. The fair value of the liability in excess of book value which is not recognised in the reported results for the period is £40.8 million (31.3.2014 as restated £12.3 million; 30.9.2014 as restated £22.3 million). The fair values have been calculated based on a discounted cash flow model using the relevant reference gilt and appropriate market spread.

Other financial instruments
The fair values of the Group's cash and cash equivalents, trade and other receivables, interest bearing borrowings (other than the 8.5% Mortgage Debenture Stock 2024 and its secured term loans), and trade and other payables are not materially different from the values at which they are carried in the financial statements.

18. ORDINARY SHARES
During the period, 291,827 ordinary 25p shares were issued in connection with the exercise of nil cost options granted under the 2006 LTIP.

19. NET ASSET VALUE PER SHARE

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

	31.3.2015 Net assets		As restated 31.3.2014 Net assets		As restated 30.9.2014 Net assets	
	£m	**Per share £**	£m	Per share £	£m	Per share £
Basic	**2,056.1**	**7.39**	1,587.7	5.72	1,893.2	6.81
Additional equity if all vested share options are exercised	**0.4**		0.2		0.4	
Diluted	**2,056.5**	**7.36**	1,587.9	5.70	1,893.6	6.79
Fair value deficit in respect of Debenture and secured term loans	**(40.8)**	**(0.15)**	(12.3)	(0.04)	(22.3)	(0.08)
EPRA triple net	**2,015.7**	**7.21**	1,575.6	5.66	1,871.3	6.71
Fair value deficit in respect of Debenture and secured term loans	**40.8**	**0.15**	12.3	0.04	22.3	0.08
Fair value of derivative financial instruments	**88.2**	**0.32**	92.5	0.32	78.8	0.28
Derivative financial instrument termination costs	**-**	**-**	(29.0)	(0.10)	-	-
Deferred tax on property valuations and capital allowances - joint venture	**19.8**	**0.07**	11.2	0.04	15.7	0.06
EPRA	**2,164.5**	**7.75**	1,662.6	5.96	1,988.1	7.13
Ordinary shares in issue (million)		**278.2**		277.8		277.9
Diluted ordinary shares in issue (million)		**279.3**		278.8		279.0

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 include the increase in shareholders' equity which would arise on the exercise of those options.

20. CASH FLOWS FROM OPERATING ACTIVITIES

	Six months ended 31.3.2015 £m	As restated Six months ended 31.3.2014 £m	As restated Year ended 30.9.2014 £m
Operating activities			
Profit before tax	**180.2**	118.3	440.4
Adjusted for:			
Lease incentives recognised	**(1.0)**	(1.0)	(1.6)
Charge for equity settled remuneration (note 5)	**1.1**	1.4	2.7
Depreciation and losses on disposals	**0.2**	0.2	0.4
Investment property valuation movements (note 10)	**(183.2)**	(91.0)	(394.0)
Net finance costs	**52.7**	11.5	41.5
Share of profit from joint venture	**(17.5)**	(8.6)	(27.6)
Cash flows from operations before changes in working capital	**32.5**	30.8	61.8
Changes in working capital:			
Change in trade and other receivables	**3.3**	1.9	(1.8)
Change in trade and other payables	**(1.0)**	1.8	4.6
Cash generated from operating activities	**34.8**	34.5	64.6

21. RELATED PARTY TRANSACTIONS

Transactions between Shaftesbury PLC (the “Company”) and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions and balances between the Company and its joint venture, which have not been eliminated on consolidation are summarised below:

	31.3.2015 £m	31.3.2014 £m	30.9.2014 £m
Transactions with joint venture:			
Administrative fees receivable	**0.2**	0.2	0.4
Dividends receivable	**0.8**	0.5	2.7
Interest receivable	**-**	-	0.1
Amount due from joint venture	**1.4**	2.2	1.9

Principal Risks and Uncertainties

The principal strategic risks are those which might prevent the Group from achieving its goal of long-term sustainable growth in rental income. The risks facing the Group for the remaining six months of the financial year are summarised below. These risks are consistent with those set out in the Annual Report for the year ended 30 September 2014, where we also detail relevant mitigating factors.

Risk of a sustained fall in visitor numbers and/or spending affecting the West End and/or our villages.

- Events which discourage visitors, eg threats to security or public safety due to terrorism, health concerns (eg pandemics), or disruption to the public transport network on which the area depends. A sustained and significant fall in visitors could lead to reduced occupier demand.
- Competition from other locations could result in long-term decline in footfall and consequently rents and values.
- Failure to maintain the special character and/or tenant mix in our villages which is key to attracting visitors and potential occupiers. A sustained consequential decrease in footfall could result in downward pressure on rents.

Regulatory risk

Increasing regulation and its unforeseen consequences causes uncertainty. Changes in national and local policies and regulation could increase costs, adversely limit our ability to optimise revenues and affect our values.

- All of the Group's properties are located within the jurisdictions of Westminster City Council and the London Borough of Camden. 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.
- Legislation which is intended to bring about improvements to the environmental standards of buildings may restrict the future use of older buildings by making them subject to standards which cannot be met because the changes required would be inconsistent with existing legislation for listed buildings and conservation areas.

Economic risk

- Periods of economic uncertainty and deteriorating confidence may reduce consumer spending, tenant profitability and occupier demand.
- Changing political and economic conditions could lead to a decline in the UK real estate market, eg the global political landscape, currency fluctuations, interest rate expectations, bond yields, availability and cost of finance and the relative attractiveness of property against other asset classes. This could result in declining valuations, decreasing net asset value, amplified by the effect of gearing, and possible loan covenant defaults.

Responsibility Statement

The directors confirm that the condensed consolidated half year financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' 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 half year financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year;
- material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report; and
- The maintenance and integrity of the Shaftesbury website is the responsibility of the Directors. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

The directors of Shaftesbury PLC are listed in its Annual Report for the year ended 30 September 2014.

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

On behalf of the Board

Brian Bickell
Chief Executive

Chris Ward
Finance Director

21 May 2015

Independent review report to Shaftesbury PLC

Report on the condensed consolidated half year financial statements

Our conclusion

We have reviewed the condensed consolidated half year financial statements, defined below, in the half year results of Shaftesbury PLC for the six months ended 31 March 2015. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half year financial statements are 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 Conduct Authority.

This conclusion is to be read in the context of what we say in the remainder of this report.

What we have reviewed

The condensed consolidated half year financial statements, which are prepared by Shaftesbury PLC, comprise:

- the Unaudited Group Balance Sheet as at 31 March 2015;
- the Unaudited Group Statement of Comprehensive Income for the period then ended;
- the Unaudited Group Cash Flow Statement for the period then ended;
- the Unaudited Group Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the condensed consolidated half year financial statements.

As disclosed in note 1, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed consolidated half year financial statements included in the half year results have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What a review of condensed consolidated financial statements involves

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.

We have read the other information contained in the half year results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated half year financial statements.

Responsibilities for the condensed consolidated half year financial statements and the review

Our responsibilities and those of the directors

The half year results, including the condensed consolidated half year financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half year results in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express to the company a conclusion on the condensed consolidated half year financial statements in the half year results based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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.

PricewaterhouseCoopers LLP
Chartered Accountants
London
21 May 2015

Shareholder Information

Registrar

Equiniti Limited maintains the Group's Register or 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 plus network extras. Lines open 8.30am to 5.30pm, Monday to Friday.

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

Effect of REIT status on payment of dividends

As a REIT, we do not pay UK corporation tax in respect of rental profits and chargeable gains relating to our property rental business. However, we are required to distribute at least 90% of the qualifying income (broadly calculated using the UK tax rules) as a PID.

Certain categories of shareholder may be able to receive the PID element of their dividends gross, without deduction of withholding tax. Categories which may claim this exemption include: UK companies, charities, local authorities, UK pension schemes and managers of PEPs, ISAs and Child Trust Funds.

Further information and the forms for completion to apply for PIDs to be paid gross are available on the Group's website or from the registrar. The deadline for completed forms to be with the registrar for payment of the 2015 interim dividend is 12 June 2015.

Where the Group pays an ordinary dividend, in addition to the PID, this will be treated in the same way as dividends from non-REIT companies.

Corporate Timetable

Financial Calendar

Interim Management Statement (second half)	September 2015
Annual Results	November 2015
Annual General Meeting	February 2016

Dividends and Debenture interest

Proposed 2015 interim dividend:

Ex-dividend	11 June 2015
Record date	12 June 2015
Payment date	3 July 2015
Debenture stock interest	30 September 2015

Glossary of terms

Capital value return
The valuation movement and realised surpluses or deficits arising from 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.

Compound Annual Growth Rate (CAGR)
The year-on-year growth rate of an investment over a specified period of time.

Conservation area
A conservation area is an area of special architectural interest, the character or appearance of which it is desirable to preserve or enhance. In dealing with development in conservation areas, the general aim of authorities is to ensure that the quality of townscape is preserved or enhanced, though legislation gives protection to individual buildings considered to be of particular heritage, significance and value to an area.

EPRA adjustments
Standard adjustments to calculate EPS and NAV as set out by EPRA in its Best Practice and Policy Recommendations.

EPRA EPS
EPRA EPS is the level of recurring income arising from core operational activities. It excludes all items which are not relevant to the underlying and recurring portfolio performance.

EPRA NAV
EPRA NAV aims to provide a consistent long-term performance measure, by adjusting reported net assets for items that are not expected to crystallise in normal circumstances, such as the fair value of derivative financial instruments and deferred tax on property valuation surpluses. EPRA NAV includes the potentially dilutive effect of outstanding options granted over ordinary shares.

EPRA net assets
Net assets used in the EPRA NAV calculation, excluding additional equity if all vested share options were exercised.

EPRA triple net asset value
EPRA NAV incorporating the fair value of debt which is not included in the reported net assets.

EPRA vacancy
The rental value of vacant property available expressed as a percentage of ERV of the total portfolio.

Equivalent yield
Equivalent yield is the internal rate of return from an investment property, based on the gross outlays for the purchase of a property (including purchase costs), reflecting reversions to current market rent, and such items as voids and non-recoverable expenditure but disregarding potential changes in market rents.

European Public Real Estate Association (EPRA)
EPRA develops policies for standards of reporting disclosure, ethics and industry practices.

Estimated rental value (ERV)
ERV is the market rental value of properties owned by the Group, estimated by the Group's valuers

Fair value
The amount at which an asset or liability could be exchanged between two knowledgeable willing unconnected parties in an arm's length transaction at the valuation date.

Gearing
Nominal value of Group borrowings expressed as a percentage of EPRA net assets.

Initial yield
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, rent charges and estimated irrecoverable outgoings.

Interest cover
The interest cover is a measure of the number of times the Group can make interest payments with its operating profit before investment property disposals and valuation movements.

Like-for-like portfolio
The like-for-like portfolio includes all properties that have been held throughout the accounting period.

Loan-to-value
Nominal value of borrowings expressed as a percentage of the fair value of property assets.

Long Term Incentive Plan (LTIP)
An arrangement under which an employee is awarded options in the Company at nil cost, subject to a period of continued employment and the attainment of NAV and TSR targets over a three-year vesting period.

Net asset value (NAV)
Equity shareholders' funds divided by the number of ordinary shares at the balance sheet date.

Net asset value return
The change in EPRA NAV per ordinary share plus dividends paid per ordinary share expressed as a percentage of the EPRA NAV per share at the beginning of the period.

Property Income Distribution (PID)
A PID is a distribution by a REIT to its shareholders paid out of qualifying profits. A REIT is required to distribute at least 90% of its qualifying profits as a PID to its shareholders.

Real Estate Investment Trust (REIT)
A REIT is a tax designation for an entity or group investing in real estate that reduces or eliminates corporation tax on rental profits and chargeable gains relating to the rental business, providing certain criteria obligations set out in tax legislation are met.

Topped up initial yield
An adjusted initial yield which assumes rent free periods or other unexpired lease incentives, such as discounted rent periods and step ups, have expired.

Total property return
Net property income and the valuation movement and realised surpluses or deficits arising from the portfolio for the year expressed as percentage return on the valuation at the beginning of the period adjusted for acquisitions and capital expenditure.

Total Shareholder Return (TSR)
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.