HELICAL

HELICAL PLC
HALF YEAR RESULTS

for the six months to 30 September 2020

From the big ideas to the smallest details...

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... we create distinctive destinations.

FINANCIAL HIGHLIGHTS

Helical recycles equity to

redevelop, refurbish & reposition

Financial Highlights

Net assets (£m)	31 March 2020: 599
579	

EPRA net tangible asset value per share[1] (p)	31 March 2020: 524
505	

Loss before tax (£m)	2019: profit of 13.1
12.7	

Interim dividend declared per share (p)	2019: 2.70
2.70	

IFRS loss per share (p)	2019: earnings of 11.7
8.9	

EPRA loss per share[1] (p)	2019: earnings of 5.4
1.0	

Total Property Return[1] (£m)	2019: 28.6
6.9	

See-through loan to value[1] (%)	31 March 2020: 31.4
32.2	

1 See Glossary of Terms for definition.

Inspiring Spaces

INVESTMENT CASE

Investing with Helical

We create buildings for today's occupiers who demand more inspiring and flexible space, market leading amenities, high quality management and with wellness and sustainability at their core.

Applying this philosophy we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

1
Strong track record

Each of the Executive Directors has over 25 years of experience at Helical, and, supported by a dynamic and collaborative team, have developed award-winning buildings that appeal to the most demanding of occupiers.

2
Focused portfolio

The Group has built a high quality portfolio, located in areas of London and Manchester which are growing, have excellent transport links and are culturally rich. The buildings are occupied by a diverse range of tenants, but with a clear focus on the fast-growing creative sectors.

3
A customer focused approach

Helical develops buildings which appeal to occupiers looking for design led, sustainable and amenity rich workplaces, and that support talent attraction and retention. Whether the properties are built from the ground up, or are rejuvenated existing assets, they aim to be the best in class, respecting the culture of the area. Once complete and let, Helical applies the same philosophy of excellence to its ongoing asset management, ensuring the occupiers receive the best service.

4
Market knowledge and relationships

With 35 years' experience as a property company, through multiple property cycles, Helical has developed a comprehensive knowledge of the market and built an extensive network from which it can source new development opportunities and access to capital.

5
Robust financial position

The Group uses gearing on a tactical basis, increasing it to accentuate returns in a rising market, or reducing debt to prepare for more challenging times whilst retaining firepower to take advantage of opportunities that arise.

6
Sustainable business model

Sustainability is at the core of all activities at Helical. We recognise the impact the buildings we develop have on the environment and are focused on reducing our carbon footprint throughout the property's lifecycle.

Total Portfolio by Fair Value

£918m

CHIEF EXECUTIVE'S STATEMENT

Well positioned with a high quality portfolio and a robust balance sheet

GERALD KAYE
CHIEF EXECUTIVE

OVERVIEW

We announce these half year results eight months into the Covid-19 pandemic and during a period of lockdown as we await greater clarity on the relaxation of current restrictions prior to Christmas. Whether the Government has struck the right balance between the urgent need for a re-opening of the economy, particularly in London, and the continued protection of the health of the nation is not yet clear. However, the renewed optimism that this crisis will eventually end on the rollout of a number of recently announced and anticipated vaccines and the return to some semblance of normality in 2021 is welcome.

In the context of the challenges presented by the pandemic, the Company has performed well, collecting c.93% of rents from its tenants and reducing its finance and administration costs. Subsequent to the half year, it has strengthened its Balance Sheet by selling assets above book value and, in the process, reducing its gearing levels to the lowest for over 30 years.

We have also made good progress in meeting our sustainability targets during the period, issuing our new Sustainability Strategy and improving our performance against industry benchmarks.

"In the context of the challenges presented by the pandemic, the Company has performed well, collecting c.93% of rents from its tenants and reducing its finance and administration costs."

RESULTS FOR THE HALF YEAR

The loss before tax for the half year to 30 September 2020 was £12.7m (2019: profit of £13.1m) with a see-through Total Property Return of £6.9m (2019: £28.6m). Net rental income of £11.9m (2019: £13.0m) was earned over the period. Developments contributed a small loss of £0.2m (2019: profit of £6.9m) before provisions of £0.3m (2019: £1.2m). The loss on sale and revaluation of the investment portfolio was £4.5m (2019: gain of £9.9m).

Total see-through finance costs decreased to £7.9m (2019: £8.9m), offset by interest receivable of £nil (2019: £1.3m) to give net finance costs of £7.9m (2019: £7.6m). A reduction in expected future interest rates led to a charge from the valuation of the Group's derivative financial instruments of £5.3m (2019: £5.0m). Recurring administration costs were 10% lower at £4.8m (2019: £5.3m), with £0.3m (2019: £0.3m) in our joint ventures. The provision for performance related remuneration, including associated NIC, was £0.4m (2019: £1.7m).

A corporation tax charge of £nil (2019: £1.2m) has been recognised in the Half Year Results. With a reduction in the Group's deferred tax provision of £2.0m, a net tax credit of £2.0m (2019: £0.9m) has been recognised.

The loss for the period, after recognition of this tax credit, was £10.8m (2019: profit of £14.0m). There was an IFRS basic loss per share of 8.9p (2019: earnings of 11.7p) and an EPRA loss per share of 1.0p (2019: earnings of 5.4p).

On a like-for-like basis, the Investment portfolio decreased in value by 0.5% (0.6% including purchases and gains/losses on sales). The see-through total portfolio value reduced to £918.2m (31 March 2020: £949.3m).

The portfolio was 81% let at 30 September 2020, generating contracted rents of £36.7m (31 March 2020: £37.6m), at an average of £42.18 psf, growing to £47.4m on the letting of currently vacant space, towards an ERV of £59.3m (31 March 2020: £60.0m). The Group's contracted rent at 30 September 2020 had a Weighted Average Unexpired Lease Term ("WAULT") of 6.2 years in London and 4.3 years in Manchester.

The Total Accounting Return ("TAR"), being the growth in the net asset value of the Group plus dividends paid in the period, was -2.0% (2019: 2.7%). Based on EPRA net tangible assets the TAR was -2.5% (2019: 2.7%). EPRA net tangible asset value per share was reduced by 3.6% to 505p (31 March 2020: 524p), with EPRA net disposal value per share down 3.1% to 465p (31 March 2020: 480p).

EPRA EARNINGS AND DIVIDENDS

Helical is a capital growth stock, seeking to maximise value by successfully letting redeveloped and refurbished property. Once stabilised, these assets are either retained for their long term income and reversionary potential or sold to recycle equity into new schemes.

This recycling leads to fluctuations in our EPRA earnings per share, as the calculation of these earnings excludes capital profits generated from the sale and revaluation of assets. As such, both rental income and realised capital profits are considered when determining the payment of dividends.

For this half year, we have declared an unchanged interim dividend of 2.70p (2019: 2.70p).

CHIEF EXECUTIVE'S STATEMENT
CONTINUED

OUR BALANCE SHEET STRENGTH AND LIQUIDITY
The Company uses gearing on a tactical basis, dependant on market fluctuations, being increased to accentuate performance when property returns are judged to materially outperform the cost of debt and lowered when seeking to reduce exposure to the property market.

During the half year to 30 September 2020, on a see-through basis, the Group invested £8.4m in its Investment portfolio and incurred development expenditure of £4.6m in its residential scheme at Barts Square, London EC1. Offsetting this expenditure, the Group generated £19.7m of investment sales and £22.8m from the sale of development stock, reducing net borrowings to £295.3m (31 March 2020: £298.5m).

At 30 September 2020, we had £43.8m of cash deposits available to deploy without restrictions and a further £27.6m of rent and sales receipts collected in bank accounts available to service payments under loan agreements, cash held at managing agents and cash held in joint venture. Furthermore, the Group has £251.4m of loan facilities available to draw on plus £25.3m of currently uncharged investment assets.

With no secured borrowings repayable before December 2021, the weighted average maturity of its secured borrowings is 3.7 years, increasing to 5.1 years on exercise of options to extend the current facilities and on a fully utilised basis. The Group's weighted average cost of debt is 3.5%. The marginal cost of fully utilising the undrawn RCF is 1.6%.

The see-through loan to value ratio ("LTV") increased marginally to 32.2% at the half year end (31 March 2020: 31.4%). Our see-through net gearing, the ratio of net borrowings to the net asset value of the Group, increased from 49.9% as at 31 March 2020 to 51.0%. Following the sale of three assets in Manchester, after the half year end, our pro forma LTV and gearing fell to 22.4% and 31.2%, respectively.

SUSTAINABILITY
During the period we announced our new Sustainability Strategy, "Built for the Future", which sets out our long-term vision, together with the governance structure to help us achieve our objectives and targets. As part of our commitment to sustainability reporting we measure our performance against industry-wide benchmarks, and I am pleased to be able to report positive progress against these measures during the period.

In July, we achieved the UK's first BREEAM 2018 New Construction "Outstanding" rating for the design stage of 33 Charterhouse Street, London EC1, a significant milestone for the Company. We are also pleased to have achieved the EPRA Sustainability Best Practice Recommendation "Silver" award, an improvement on the "Bronze" award of previous years. Finally, we have improved our GRESB score from a 2* to a 3* Green rating, increasing our score from 63 to 76.

OUTLOOK

We believe that the enforced "working from home" experiment in 2020 will result in more flexibility being offered to some office workers going forward. However, we also believe that the disadvantages of working at home with its inadequate ergonomics, lack of divide between work and home life, potential mental health issues caused by isolation from colleagues and, for many, its ever decreasing productivity as collaboration and creativity diminish, will provide the impetus for a return to the office as the place of work.

Our experience of the pandemic has reinforced our view that our investment in multi-let offices in well-located and accessible Grade A buildings, incorporating the latest in sustainable building design, offering state of the art technology with occupier health and well-being at their core, provides the most resilient defence against adversity and the best opportunity for continued growth. This has been borne out by our strong rent collection figures and robust portfolio valuation.

We see a divergence between these Grade A buildings and the rest from both a capital value and rental growth perspective; this pattern will accelerate as tenants seek to leave buildings which are not fit for purpose in the search for working environments that match the expectations of their employees.

Our near term focus remains on letting the available space across the portfolio. At the same time, having sold a portfolio of three properties in Manchester since the half year end and reduced the Group's gearing levels to an historic low, our efforts are also centred around using our considerable firepower to obtain new projects. These will be a combination of properties acquired for redevelopment and the refurbishment and repositioning of existing buildings, delivering the highest quality, fit for purpose office space, suitable for the post-Covid world.

GERALD KAYE
Chief Executive
25 November 2020

HELICAL'S PROPERTY PORTFOLIO

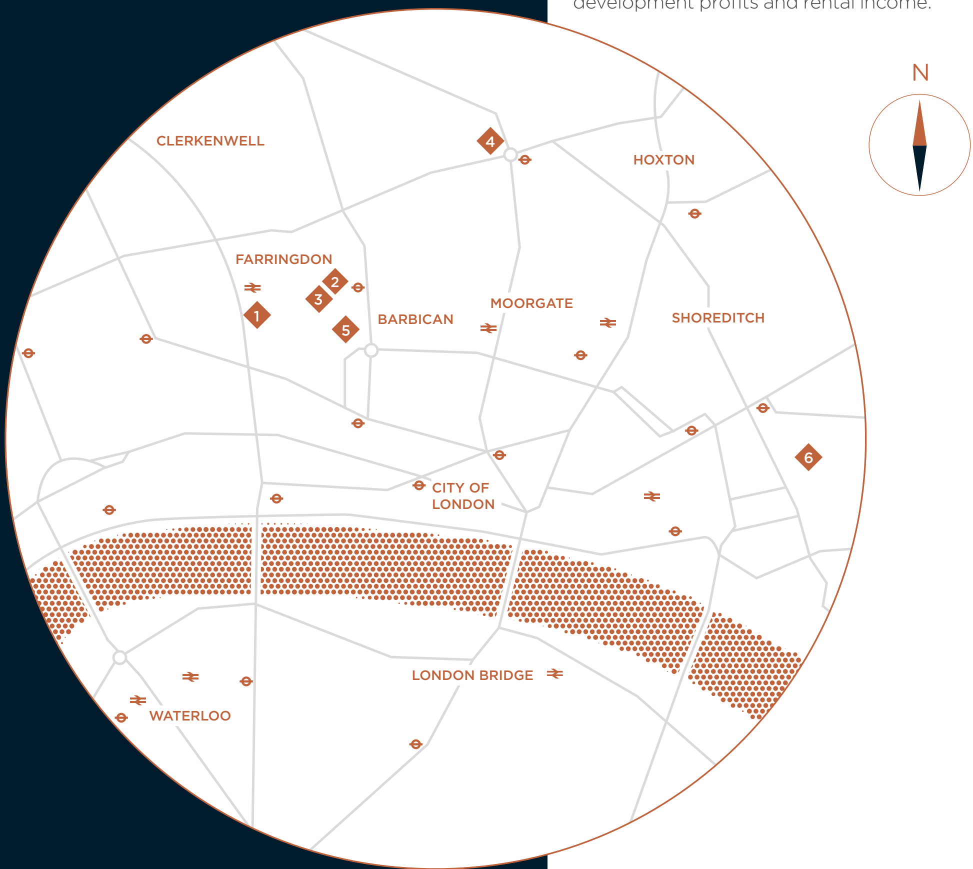
London Portfolio

1 — 33 Charterhouse Street, EC1
2 — 25 Charterhouse Square, EC1
3 — Kaleidoscope, EC1
4 — The Bower, EC1
5 — Barts Square, EC1
6 — The Loom, E1

PROPERTY OVERVIEW

For Helical to generate capital profits, the Group needs to identify those areas where it believes tenant demand is, or will become, strong and to source opportunities in those areas at an appropriate entry price. Equally important, we need to provide inspiring working environments suited to the needs of our customers. Using the skills, knowledge and expertise gained over many years, the Helical team aims to deliver attractive and exciting office space in our identified locations.

Helical divides its property activities into two markets: London and Manchester offices. At 30 September 2020, London represented 84.6% and Manchester 15.4% of the Investment property portfolio. Whilst there are structural differences in these markets, Helical has found that its business model can be applied successfully to each, driving capital growth, development profits and rental income.



LONDON

MARKET CONTEXT

In our judgement, the London commercial property market continues to provide the best source of capital profits. Whilst Covid-19 has created significant headwinds, we consider that the London market is robust and will deliver strong long term growth. By applying the three "Rs" – redeveloping, refurbishing and repositioning, combined with our ability to effectively engage with occupiers and evolve our offering, we believe we are well positioned to take advantage of opportunities that are presented by the challenging economic backdrop.

From an occupational perspective, we expect strong medium to long term demand. Whilst take up of office space has been suppressed across all markets in 2020, we anticipate a return in demand for high quality commercial office space. The supply of new prime office space is constrained and this shortage has been further exacerbated by Covid-19, with the delayed commencement and completion of development projects. CBRE has reported that, of the 14m sq ft of development identified as under construction in London at the end of Q3 2020, 44% was already let or under offer.

Whilst Covid-19 has necessitated increased remote working, the office remains central to the successful operation of a business, providing a vital location for collaboration, learning and the development and maintenance of corporate culture. The increasing emphasis occupiers are placing on employee wellbeing and sustainability will drive them towards best in class flexible space. Providing amenity rich buildings is at the heart of Helical's approach, with all our buildings already including generous cycle provision and changing facilities.

The rapid integration of technology into the workplace continues, expedited by the increase in remote working and contactless technologies, with the best buildings providing innovative solutions to enhance occupier efficiency. We have responded to these trends and our London portfolio places an emphasis on quality, modernity and wellbeing, helping to differentiate it from the increasing amount of vacant, second hand "grey" space available.

As occupiers review the usage of their space, it is increasingly important to engage with our customers and maintain strong relationships. By offering flexible leases on our multi-let assets and allowing them to occupy space commensurate with their changing requirements, we target their long-term retention.

We have also continued to evolve our fitted "Plug & Play" flexible solution which we offer at appropriate buildings, typically on smaller floorplates.

The volume of investment transactions has been subdued due to concerns over Covid-19 but there remains significant capital available for deployment into the office market, particularly in developed markets such as London, and as restrictions have been lifted we have seen an increase in office transactions.

Knight Frank has highlighted an increased focus from investors on cities which embrace growth in new sectors, including technology and life sciences. In its analysis, London is seen as the leading global city for innovation. As with occupational demand, sustainability criteria feature highly and London is also considered to be leading the way in promoting green initiatives.

When compared against similar global cities, London remains liquid and competitively priced, with prime yields in Central London remaining above previous cyclical lows, helped by the prime yield to gilt spread remaining at a 10 year high.

We remain confident that London will continue to provide the best source of capital profits for the foreseeable future and that our flexible, best in class portfolio is well positioned to take advantage of the demands of an evolving market.

LONDON RENT COLLECTION

Despite the impact of Covid-19, rent collection for the March, June and September quarters has remained high across the London portfolio.

	March quarter %	June quarter %	September quarter %
Rent collected to date	95.0	91.8	85.8
Rent to be collected by way of payment plan	–	–	7.4
Rent under discussion	3.3	4.2	3.4
Rent concessions	1.7	4.0	3.4

In London, we completed two lettings in the period, representing 2,841 sq ft. These lettings generated contracted rent of £0.2m (Helical's share £0.1m) at a 13.0% premium to 31 March 2020 ERV.

Four units, representing 9,390 sq ft and contracted rent of £0.4m, became vacant in the period as a result of a lease expiry or breaks.

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

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

33 Charterhouse Street/EC1

In May 2019 we acquired 33 Charterhouse Street, a major development site located in Farringdon, in a 50:50 joint venture with AshbyCapital. The site is situated on the corner of Charterhouse Street and Farringdon Road, just 100m from Farringdon Station and immediately opposite Smithfield General Market where work is now underway to transform the site into the future Museum of London.

In July, we exercised the option under the Development Agreement with the City of London to secure a new 150 year lease and, following this, appointed Mace as principal contractor. Work is progressing on site, with the basement raft and core substantially completed. The 205,369 sq ft office development remains on track for completion in September 2022.

As part of Helical's new sustainability strategy "Built for the Future", 33 Charterhouse Street has been awarded the UK's first BREEAM 2018 New Construction "Outstanding" rating for the design stage.

The Bower/ EC1

The Bower is a landmark estate immediately adjacent to the Old Street roundabout and featuring 312,575 sq ft of innovative, high quality office space, along with 21,059 sq ft of restaurant and retail space.

THE WAREHOUSE AND THE STUDIO

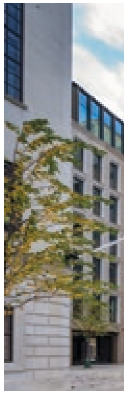
The Warehouse comprises 122,858 sq ft of offices and The Studio 18,283 sq ft of offices, with 10,298 sq ft of restaurant space across the two buildings. The offices are fully let and the rent reviews for the office tenants have commenced, enabling Helical to capture their reversionary potential.

THE TOWER

The Tower, completed in August 2018, offers 171,434 sq ft of office space with a contemporary façade and innovatively designed interconnecting floors, along with 10,761 sq ft of restaurant space, across two units.

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

Barts Square/ EC1



In a joint venture with The Baupost Group LLC, Helical acquired the freehold interest of Barts Square, a 3.2 acre site between St Paul's and Smithfield Market, in 2011. A redevelopment comprising 236 residential apartments, three office buildings of 214,434 sq ft, 24,013 sq ft and 10,976 sq ft together with 21,185 sq ft of retail/restaurant space at ground floor as well as major public realm improvements has now been completed.

RESIDENTIAL/RETAIL

In Phase One of our residential scheme at Barts Square, we completed the sale of four apartments and have exchanged contracts on one further apartment, which has subsequently completed. In total, 143 apartments have been sold in the first phase, leaving just one apartment available for sale.

In Phase Two, we completed the sale of 26 apartments during the period, six of which exchanged since 1 April, and the freehold sale of the former marketing suite at 56 West Smithfield. In total, 58 apartments have been sold in the second phase, leaving 33 apartments remaining to sell, of which three have been put under offer since the end of the period.

The retail space in Phase One is fully let and one of the Phase Two units has been let since the end of the period. The remaining five retail units are being marketed with two of these units under offer. The landscaping of the new square has been completed offering extensive public amenity.

90 BARTHOLOMEW CLOSE – OFFICE/ RESTAURANT

In April 2020, we completed the sale of 90 Bartholomew Close, Barts Square, EC1, to La Francaise Real Estate Partners International, a pan-European investment business acting on behalf of a French collective real estate investment vehicle. The disposal price of £48.5m reflected a net initial yield of 3.92% (£1,594 psf capital value).

55 BARTHOLOMEW – OFFICE

At 55 Bartholomew, EC1, the fifth floor is let to Shadowfall and, during the period, Clevertouch agreed a five year lease for the 2,564 sq ft ground floor at a headline rent of £75.00 psf, a 15% premium to 31 March 2020 ERV.

Four floors, including the fitted second floor, remain available in this recently refurbished 10,976 sq ft office.

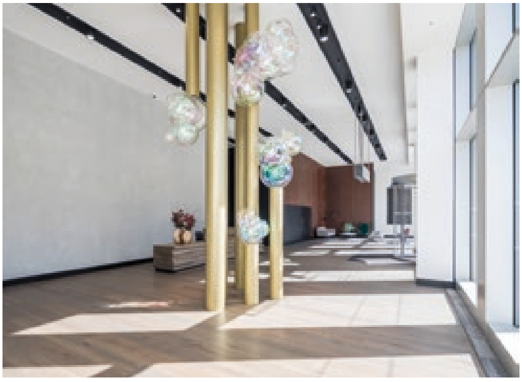
The Loom/ E1

At this 108,635 sq ft former Victorian wool warehouse, we have undertaken further asset management opportunities to reconfigure units to offer larger floorplates to complement the existing mix. 15,268 sq ft is currently available across six units, of which one unit, representing 1,358 sq ft, is currently under offer.

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

Kaleidoscope/EC1

Practical completion of this new office development above the Farringdon East Elizabeth Line station was achieved in December 2019. The 88,581 sq ft development, spread over five office floors, alongside two ground floor units, is currently under offer from a letting perspective.



25 Charterhouse Square/EC1

25 Charterhouse Square comprises 43,343 sq ft of offices adjacent to the new Farringdon East Elizabeth Line station and overlooks the historic Charterhouse Square. The building was extensively refurbished upon acquisition.

Following the exercise of a break option, the 11,570 sq ft ground floor and first floor, which are currently used as showroom space, will be available to let as office accommodation from January 2021.

The Powerhouse/W4

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

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

Manchester Portfolio

1 — Trinity
2 — The Tootal Buildings
3 — 35 Dale Street
4 — Fourways

Our Manchester portfolio comprises four offices where we offer vibrant, modern space to a diverse group of tenants.

MARKET CONTEXT

Manchester, the centre of the "Northern Powerhouse", is a city with a diverse and growing economy and a commercial office market that has expanded significantly in recent years. As with the London market, supply remains constrained with Grade A office supply currently only sufficient to cover two years of demand based on average take-up rate. The number of Tech, Media and Telecoms occupiers has increased significantly in recent years as they have sought to grow the tech cluster, and these businesses are anticipated to underpin demand in the commercial market in the future.

Whilst the volume of investment transactions has declined due to the impact of Covid-19, it is anticipated that volumes will increase once the current turbulence passes, with an increasing pool of investors seeking to deploy capital into the market.

MANCHESTER RENT COLLECTION

As with London, the rent collection for the March, June and September quarters has remained high.

In Manchester, we have completed one letting in the period, representing 2,690 sq ft. This letting generated contracted rent of £0.1m (Helical's share £0.1m) at a 10.9% premium to 31 March 2020 ERV.

One unit was vacated in the period which resulted in a reduction in contracted rent of less than £0.1m.

	March quarter %	June quarter %	September quarter %
Rent collected to date	94.0	91.3	91.5
Rent to be collected by way of payment plan	–	–	4.8
Rent under discussion	0.7	1.7	2.1
Rent concessions	5.3	7.0	1.6

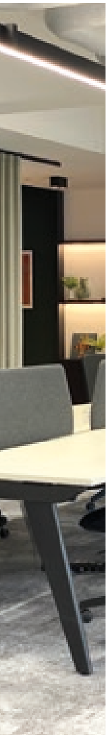
The Tootal Buildings

This 245,907 sq ft multi-let office remains fully let. We have continued our asset management programme which included refurbishment of the Broadhurst and Lee reception areas and a rebranding of the two properties as The Tootal Buildings, reflecting its heritage. Contracts were exchanged for the sale of this property after the period end.

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

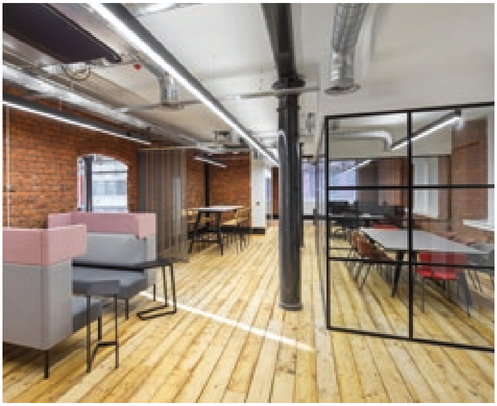
Trinity

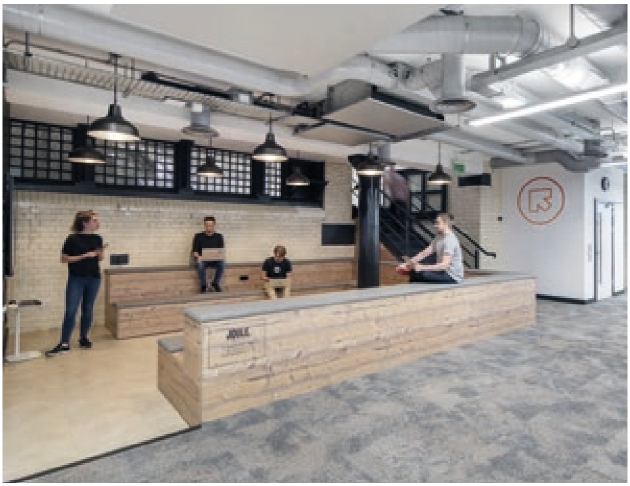
Following completion of the full redevelopment in January 2019, the building comprises 54,651 sq ft of office space and 4,300 sq ft of retail/restaurant space. During the period, we have let 2,690 sq ft at a 10.9% premium to ERV. Of the remaining space, three office units (20,002 sq ft) and two retail units (4,300 sq ft) are under offer.



Fourways

We applied our asset management skills to this 60,009 sq ft Grade II listed former packing warehouse, reconfiguring the existing space to create a greater range of unit sizes. We also completed the full refurbishment of the atrium and common parts. Contracts were exchanged for the sale of this property after the period end.





35 Dale Street

35 Dale Street is a 56,209 sq ft office building situated in the Northern Quarter of Manchester which underwent a comprehensive refurbishment that was completed in June 2018. Contracts were exchanged for the sale of this property after the period end.

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

PORTFOLIO ANALYTICS

SEE-THROUGH TOTAL PORTFOLIO BY FAIR VALUE

	Investment £m	%	Development £m	%	Total £m	%
London Offices						
- Completed, let and available to let	707.3	78.7	–	–	707.3	77.0
- Being redeveloped	53.0	5.9	–	–	53.0	5.8
London Residential	–	–	19.2	96.8	19.2	2.1
Total London	**760.3**	**84.6**	**19.2**	**96.8**	**779.5**	**84.9**
Manchester Offices						
- Completed, let and available to let	138.0	15.4	–	–	138.0	15.0
Total Manchester	**138.0**	**15.4**	**–**	**–**	**138.0**	**15.0**
Other	0.1	–	0.6	3.2	0.7	0.1
Total	**898.4**	**100.0**	**19.8**	**100.0**	**918.2**	**100.0**

SEE-THROUGH LAND AND DEVELOPMENT PORTFOLIO

	Book value £m	Fair value £m	Surplus £m	Fair value %
London Residential	19.2	19.2	0.0	96.8
Land	0.0	0.6	0.6	3.2
Total	**19.2**	**19.8**	**0.6**	**100.0**

CAPITAL EXPENDITURE

We have a committed and planned development and refurbishment programme.

Property	Capex budget (Helical share) £m	Remaining spend (Helical share) £m	Pre-redeveloped space sq ft	New space sq ft	Total completed space sq ft	Completion date
Investment – committed						
- The Tower, London EC1	110.0	4.0	114,000	68,195	182,195	Completed
- Kaleidoscope, London EC1	62.2	4.2	-	88,581	88,581	Completed
- 33 Charterhouse Street, London EC1	65.8	55.6	-	205,369	205,369	September 2022
- 55 Bartholomew, London EC1	2.7	0.1	9,000	1,976	10,976	Completed
Development – committed						
- Barts Square, London EC1 – Phase One	65.4	0.2	-	127,364	127,364	Completed
- Barts Square, London EC1 – Phase Three	41.3	1.0	-	89,353	89,353	Completed

ASSET MANAGEMENT

Asset management is a critical component in driving Helical's performance. Through having well considered business plans and maximising the combined skills of our management team, we are able to create value in our assets.

See-through Investment portfolio	Fair value weighting %	Passing rent £m	%	Contracted rent £m	%	ERV £m	%	ERV change like-for-like %
London Offices								
- Completed, let and available to let	78.7	25.0	80.9	29.9	81.5	41.3	69.6	0.2
- Being redeveloped	5.9	-	-	-	-	8.6	14.6	1.2
Total London	**84.6**	**25.0**	**80.9**	**29.9**	**81.5**	**49.9**	**84.2**	**0.3**
Manchester Offices								
- Completed, let and available to let	15.4	5.9	19.1	6.8	18.5	9.3	15.7	0.0
Total Manchester	**15.4**	**5.9**	**19.1**	**6.8**	**18.5**	**9.3**	**15.7**	**0.0**
Other	-	-	-	-	-	0.1	0.1	0.0
Total	**100.0**	**30.9**	**100.0**	**36.7**	**100.0**	**59.3**	**100.0**	**0.3**

During the period, total contracted income decreased by £0.9m as a result of the disposal of 90 Bartholomew Close, London EC1.

	See-through total portfolio contracted rent £m
Rent lost at break/expiry	(0.4)
Rent reviews and uplifts on lease renewals	0.2
New lettings	
- London	0.1
- Manchester	0.1
Total movement in the period from asset management activities	**0.0**
Contracted rent reduced through disposals of London Offices	(0.9)
Net decrease in contracted rents in the period	**(0.9)**

HELICAL'S PROPERTY PORTFOLIO
CONTINUED

SEE-THROUGH VALUATION MOVEMENTS

	Valuation change inc purchases & gains/losses on sales %	Valuation change excl purchases & gains/losses on sales %	Investment portfolio weighting 30 September 2020 %	Investment portfolio weighting 31 March 2020 %
London Offices				
- Completed, let and available to let	(0.9)	(0.8)	78.7	80.1
- Being redeveloped	3.4	3.4	5.9	4.9
Total London	**(0.6)**	**(0.5)**	**84.6**	**85.0**
Manchester Offices				
- Completed, let and available to let	(0.4)	(0.4)	15.4	15.0
Total Manchester	**(0.4)**	**(0.4)**	**15.4**	**15.0**
Total	**(0.6)**	**(0.5)**	**100.0**	**100.0**

PORTFOLIO YIELDS

	EPRA topped up NIY 30 September 2020 %	EPRA topped up NIY 31 March 2020 %	Reversionary yield 30 September 2020 %	Reversionary yield 31 March 2020 %	True equivalent yield 30 September 2020 %	True equivalent yield 31 March 2020 %
London Offices						
- Completed, let and available to let	3.8	3.9	5.3	5.2	5.1	5.0
- Being redeveloped	n/a	n/a	5.7	5.5	4.9	4.9
Total London	**3.8**	**3.9**	**5.4**	**5.3**	**5.0**	**5.0**
Manchester Offices						
- Completed, let and available to let	4.6	4.4	6.3	6.2	6.0	6.0
Total Manchester	**4.6**	**4.4**	**6.3**	**6.2**	**6.0**	**6.0**
Total	**4.0**	**4.0**	**5.5**	**5.4**	**5.1**	**5.1**

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

	30 September 2020 Capital value psf £	30 September 2020 Vacancy rate %	30 September 2020 WAULT Years	31 March 2020 WAULT Years
London Offices				
- Completed, let and available to let	1,157	19.7	6.2	6.6
- Being redeveloped	516	n/a	n/a	n/a
Total London	**998**	**19.7**	**6.2**	**6.6**
Manchester Offices				
- Completed, let and available to let	328	17.7	4.3	3.9
Total Manchester	**328**	**17.7**	**4.3**	**3.9**
Total	**753**	**18.9**	**5.8**	**6.1**

SEE-THROUGH LEASE EXPIRIES OR TENANT BREAK OPTIONS

	Half Year to 2021	Year to 2022	Year to 2023	Year to 2024	Year to 2025	2025 Onward
% of rent roll	4.6	16.2	14.0	11.5	7.3	46.4
Number of leases	14	33	22	22	13	44
Average rent per lease (£)	120,246	180,835	233,431	191,791	206,359	383,915

TOP 10 TENANTS

We have a strong rental income stream and a diverse tenant base. The top 10 tenants account for 54.3% of the total rent roll and the tenants come from a variety of industries.

Rank	Tenant	Tenant Industry	Contracted rent £m	Rent roll %
1	Farfetch	Online retail	3.9	10.7
2	WeWork	Flexible offices	3.8	10.4
3	Brilliant Basics	Technology	3.2	8.6
4	Pivotal	Technology	2.0	5.5
5	Capita	Business services	1.8	4.9
6	Anomaly	Marketing	1.4	3.8
7	CBS	Media	1.0	2.8
8	Allegis	Recruitment	1.0	2.7
9	Incubeta	Marketing	0.9	2.5
10	OpenPayd	Financial Services	0.9	2.4
Total			**19.9**	**54.3**

LETTING ACTIVITY

	Area sq ft	Contracted rent (Helical's Share) £	Rent £ psf	% Above 31 March 2020 ERV %
Investment Properties				
London Offices				
- 55 Bartholomew, EC1	2,564	90,000	75.00	15.4
London Retail				
- The Warehouse, EC1	277	18,000	64.98	(7.2)
Total London	**2,841**	**108,000**	**74.02**	**13.0**
Manchester Offices				
- Trinity	2,690	89,000	33.00	10.9
Total Manchester	**2,690**	**89,000**	**33.00**	**10.9**
Total	**5,531**	**197,000**	**54.07**	**12.4**

FINANCIAL REVIEW

TIM MURPHY
FINANCE DIRECTOR

Half year performance
Financial highlights

OVERVIEW

The quality of the Group's portfolio and tenant mix has underpinned strong rent collection figures during the period. However, it has not been immune to the challenges presented by Covid-19. Rent holidays were offered to those tenants who were hardest hit, primarily food and beverage operators, and we experienced some tenant failures, leading to a fall in net rental income.

This reduction in rent was reflected in the valuation of the Group's investment properties, where increased vacancy and void costs resulted in a small net revaluation deficit. Against this, good progress in the development of 33 Charterhouse Street, London EC1, including securing the long lease of the site, resulted in a net gain on revaluation from our joint ventures.

The Group continues to maintain its robust financial position with £323m of cash and undrawn facilities and a see-through LTV of 32%.

IFRS PERFORMANCE

LOSS BEFORE TAX

£12.7m

(2019: profit of £13.1m)

EPS

Loss of **8.9p**

(2019: earnings of 11.7p)

DILUTED NAV PER SHARE

474p

(31 March 2020: 489p)

TOTAL ACCOUNTING RETURN

–2.0%

(2019: 2.7%)

EPRA PERFORMANCE

EPRA EARNINGS

Loss of **£1.2m**

(2019: earnings of £6.5m)

EPRA EPS

Loss of **1.0p**

(2019: earnings of 5.4p)

EPRA NTA PER SHARE

505p

(31 March 2020: 524p)

TOTAL ACCOUNTING RETURN ON EPRA NTA

–2.5%

(2019: 2.7%)

RESULTS FOR THE HALF YEAR

The see-through results for the half year to 30 September 2020 include net rental income of £11.9m, a net loss on sale and revaluation of the investment portfolio of £4.5m and development losses of £0.5m, leading to a Total Property Return of £6.9m (2019: £28.6m). Total administration costs of £5.5m (2019: £7.4m), net finance costs of £7.9m (2019: £8.9m) and the mark-to-market valuation of derivative financial instruments of £5.3m (2019: £5.0m) contributed to a pre-tax loss of £12.7m (2019: profit of £13.1m). EPRA net tangible assets per share decreased by 3.6% to 505p (31 March 2020: 524p).

The interim dividend, payable on 31 December 2020, will be 2.70p per share (2019: 2.70p).

The Group's real estate portfolio, including its share of assets held in joint ventures, decreased to £918.2m (31 March 2020: £949.3m) primarily as a result of the sale of 90 Bartholomew Close and the residential apartments at Barts Square, London EC1, but offset by capital expenditure at 33 Charterhouse Street, London EC1.

The Group's see-through loan to value increased marginally to 32.2% (31 March 2020: 31.4%). The weighted average cost of debt is 3.5% (31 March 2020: 3.5%) with a weighted average debt maturity of 3.7 years (31 March 2020: 4.0 years). The average maturity of the facilities would increase to 5.1 years on exercise of the two one-year extension options on the Revolving Credit Facility and the one-year extension on the 33 Charterhouse Square, London EC1 facility, on a fully utilised basis.

At 30 September 2020, the Group had unutilised bank facilities of £251.4m and £71.4m of cash on a see-through basis. These are primarily available to fund the development of 33 Charterhouse Street, London EC1 and future property acquisitions.

TOTAL PROPERTY RETURN

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

	Half Year to 2020 £m	Half Year to 2019 £m
Total Property Return	**6.9**	28.6

TOTAL ACCOUNTING RETURN

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

	Half Year to 2020 %	Half Year to 2019 %
Total Accounting Return on IFRS net assets	**(2.0)**	2.7

Total Accounting Return on EPRA net assets is the growth in the EPRA net tangible asset value of the Group plus dividends paid in the period, expressed as a percentage of EPRA net tangible asset value at the beginning of the period.

	Half Year to 2020 %	Half Year to 2019 %
Total Accounting Return on EPRA net tangible assets	**(2.5)**	2.7

EARNINGS PER SHARE

The IFRS earnings per share decreased from 11.7p to a loss of 8.9p and are based on the after tax earnings attributable to ordinary Shareholders, divided by the weighted average number of shares in issue during the period.

On an EPRA basis, the earnings per share of 5.4p in 2019 decreased to a loss per share of 1.0p, reflecting the Group's share of net rental income of £11.9m (2019: £13.0m) and development losses of £0.5m (2019: profits of £5.7m), but excluding losses on the sale and revaluation of Investment properties of £4.5m (2019: profits of £9.9m).

NET ASSET VALUE

IFRS diluted net asset value per share decreased from 489p to 474p and is a measure of Shareholders' Funds divided by the number of shares in issue at the period end, adjusted to allow for the effect of all dilutive share awards.

EPRA has introduced three new asset value measures which are applicable to Helical's Half Year Results to 30 September 2020. The new measures replace the existing EPRA net asset value and triple net asset value metrics. Helical considers the EPRA net tangible asset measure to be the most relevant for its business. EPRA net tangible asset per share decreased by 3.6% from 524p to 505p per share (EPRA net asset value fell from 511p to 500p). This movement arose principally from a total comprehensive loss of £10.8m (2019: profit of £14.1m) and £7.3m of dividends (2019: £9.0m).

FINANCIAL REVIEW
CONTINUED

INCOME STATEMENT

RENTAL INCOME AND PROPERTY OVERHEADS
Gross rental income for the Group in respect of wholly owned properties decreased to £13.4m (2019: £14.5m) as a result of concessions offered to food and beverage operators and some tenant failures. In the joint ventures, gross rents fell to £0.1m (2019: £0.4m). Property overheads in respect of wholly owned assets and in respect of those assets in joint ventures decreased in line with gross rental income to £1.6m (2019: £1.9m). Overall, see-through net rents decreased by 8.7% to £11.9m (2019: £13.0m).

DEVELOPMENT PROFITS
Through our role as development manager at 33 Charterhouse Street, London EC3, we recognised £0.4m of fees in the period. Ongoing costs of closing out our legacy retail development programme of £0.3m offset these to give a net development profit in the main Group of £0.1m (2019: £1.4m).

SHARE OF RESULTS OF JOINT VENTURES
The revaluation of our investment assets held in joint ventures generated a surplus of £2.0m (2019: £0.5m). A loss of £0.5m was recognised in respect of our Barts Square, London EC1 residential development as a result of marketing and void costs. Transaction costs on the sale of 90 Bartholomew Close, London EC1 resulted in a net loss of £0.6m (year to 31 March 2020: £4.7m valuation surplus).

Finance, administration, taxation and other sundry items added a further £1.1m of costs. An adjustment to reflect our economic interest in the Barts Square, London EC1 development to its recoverable amount generated a loss of £0.8m, leaving a net loss from our joint ventures of £1.0m (2019: profit of £8.0m).

LOSS/GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES
The valuation of our London Investment portfolio, on a see-through basis, generated a valuation deficit of 0.6% (including purchases and gains/losses on sales) and 0.5% on a like-for-like basis. Manchester generated a valuation deficit of 0.4% (including purchases and gains/losses on sales) and 0.4% on a like-for-like basis. In total, the see-through investment portfolio showed a valuation deficit of 0.6% (including purchases and gains/losses on sales), or 0.5% on a like-for-like basis.

The total impact on our results of the loss on sale and revaluation of our investment portfolio, including in joint ventures, was £4.5m (2019: gain of £9.9m).

ADMINISTRATIVE EXPENSES
Administration costs in the Group, before performance related awards, reduced by 9.8% from £5.3m to £4.8m as a result of the Group's cost saving measures taken in response to Covid-19.

Performance related share awards and bonus payments, including National Insurance costs, were £0.4m (2019: £1.7m). Of this amount, £0.3m (2019: £0.9m), being the charge for share awards under the Performance Share Plan, is expensed through the Income Statement but added back to Shareholders' Funds through the Statement of Changes in Equity.

	2020 £000	2019 £000
Administrative expenses (excluding performance related rewards)	**4,803**	5,324
Performance related awards, including NIC	**412**	1,730
Group	**5,215**	7,054
In joint ventures	**292**	335
Total	**5,507**	7,389

FINANCE COSTS, FINANCE INCOME AND DERIVATIVE FINANCIAL INSTRUMENTS
Total finance costs, including in joint ventures, fell during the period to £7.9m (2019: £8.9m), reflecting a fall in interest rates and the lower level of borrowings following the repayment of the Convertible Bond in June 2019, offset by a reduction in capitalised interest.

		2020 £000	2019 £000
Interest payable on bank loans and overdrafts	- subsidiaries	**5,489**	5,900
	- joint ventures	**547**	267
Interest payable on unsecured bonds		**–**	855
Amortisation of refinancing costs		**555**	1,623
Sundry interest and bank charges	- subsidiaries	**1,192**	1,064
	- joint ventures	**94**	328
Interest capitalised		**–**	(1,127)
Total		**7,877**	8,910

Finance income earned, including in joint ventures, was £nil (2019: £1.4m). The movement downwards in medium and long-term interest rate projections during the period contributed to a charge of £5.3m (2019: £5.0m) on the mark-to-market valuation of the derivative financial instruments.

TAXATION

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

The current tax charge for the period decreased from £1.2m to £nil.

DIVIDENDS

The Board has declared an interim dividend for the period of 2.70p, unchanged from the prior period.

BALANCE SHEET

SHAREHOLDERS' FUNDS

Shareholders' Funds at 1 April 2020 were £598.7m. The total comprehensive expense for the period was £10.8m (2019: income of £14.1m). Movements in reserves arising from the Group's share schemes decreased funds by £1.4m. The Company paid dividends to Shareholders amounting to £7.3m leaving a net decrease in Shareholders' Funds from Group activities during the period of £19.5m to £579.2m.

INVESTMENT PORTFOLIO

		Wholly owned £000	In joint venture £000	See-through £000	Head leases capitalised £000	Lease incentives £000	Book value £000
Valuation at 31 March 2020		836,875	76,809	913,684	2,161	(20,131)	895,714
Acquisitions	- wholly owned	–	–	–	–	–	–
	- joint ventures	–	–	–	4,308	–	4,308
Capital expenditure	- wholly owned	2,137	–	2,137	(7)	–	2,130
	- joint ventures	–	6,278	6,278	–	–	6,278
Letting costs amortised	- wholly owned	(4)	–	(4)	–	–	(4)
Disposals	- joint ventures	–	(20,210)	(20,210)	–	606	(19,604)
Economic interest adjustment	- joint ventures	–	1,080	1,080	–	(6)	1,074
Revaluation (deficit)/surplus	- wholly owned	(6,608)	–	(6,608)	–	589	(6,019)
	- joint ventures	–	2,051	2,051	–	(19)	2,032
Valuation at 30 September 2020		**832,400**	**66,008**	**898,408**	**6,462**	**(18,961)**	**885,909**

The Group spent £8.4m on capital works across the Investment portfolio, mainly at 33 Charterhouse Street, London EC1 (£6.2m), Fourways, Manchester (£1.1m), The Tootal Buildings, Manchester (£0.5m) and Trinity, Manchester (£0.5m). 90 Bartholomew Close, London EC1 was sold in the period with a book value of £20.2m.

The net deficit on revaluation of £4.6m reduced the see-through value of the portfolio, before lease incentives, to £898.4m (31 March 2020: £913.7m). The accounting for head leases and lease incentives resulted in a book value of the see-through investment portfolio of £885.9m (31 March 2020: £895.7m).

FINANCIAL REVIEW
CONTINUED

DEBT AND FINANCIAL RISK
Helical's outstanding debt at 30 September 2020 of £373.3m (31 March 2020: £386.9m) had a weighted interest cost of 3.5% (31 March 2020: 3.5%) and a weighted average debt maturity of 3.7 years (31 March 2020: 4.0 years). The average maturity of the facilities would increase to 5.1 years following exercise of the two one-year extensions of the Group's £400m Revolving Credit Facility and the one-year extension of the 33 Charterhouse Street, London EC1 development facility, on a fully utilised basis.

DEBT PROFILE AT 30 SEPTEMBER 2020 – INCLUDING COMMITMENT FEES BUT EXCLUDING THE AMORTISATION OF ARRANGEMENT FEES

	Total facility £000	Total utilised £000	Available facility £000	Weighted average interest rate %	Average maturity Years	Extended* average maturity Years
Investment facilities	480,750	310,750	170,000	3.4	3.9	5.5
Development facilities	50,400	48,876	1,524	2.9	2.9	2.9
Total wholly owned	**531,150**	**359,626**	**171,524**	**3.4**	**3.8**	**5.2**
In joint ventures	83,606	13,706	69,900	7.7	1.3	4.2
Total secured debt	**614,756**	**373,332**	**241,424**	**3.5**	**3.7**	**5.1**
Working capital	10,000	–	10,000	–	–	1.0
Total unsecured debt	**10,000**	**–**	**10,000**	**–**	**–**	**1.0**
Total debt	**624,756**	**373,332**	**251,424**	**3.5**	**3.7**	**5.1**

* Calculated on a fully utilised basis with the two one-year extensions of the Revolving Credit Facility and the one-year extension of the 33 Charterhouse Street, London EC1 facility included.

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

INVESTMENT FACILITIES
We have a £400m Revolving Credit Facility that enables the Group to acquire, refurbish, reposition and hold significant parts of our investment portfolio with the remaining investment assets held in an £81m term loan secured facility. The value of the Group's properties secured in these facilities at 30 September 2020 was £703m (31 March 2020: £709m) with a corresponding loan to value of 44.2% (31 March 2020: 43.8%). The average maturity of the Group's investment facilities at 30 September 2020 was 3.9 years (31 March 2020: 4.4 years), increasing to 5.5 years on a fully utilised basis and following the two one-year extensions of the Revolving Credit Facility. The weighted average interest rate was 3.4% (31 March 2020: 3.3%). The marginal cost of fully utilising the undrawn Revolving Credit Facility was 1.6% (31 March 2020: 2.2%).

DEVELOPMENT FACILITIES
This facility finances the over-station development at Kaleidoscope, London EC1. The maturity of this facility at 30 September 2020 was 2.9 years (31 March 2020: 3.4 years) with a weighted average interest rate of 2.9% (31 March 2020: 3.8%).

JOINT VENTURE FACILITIES
We hold a number of investment and development properties in joint venture with third parties and include in our reported figures our share, in proportion to our economic interest, of the debt associated with each asset. The average maturity of the Group's share of drawn bank facilities in joint ventures at 30 September 2020 was 1.3 years (31 March 2020: 1.8 years) with a weighted average interest rate of 7.7% (31 March 2020: 4.2%). The average interest rate will fall as the 33 Charterhouse Street, London EC1 development facility is drawn down and would be 4.2% on a fully utilised basis.

UNSECURED DEBT
The Group's unsecured debt, following the repayment of the £5m working capital facility in July 2020, is £nil (31 March 2020: £5m).

CASH AND CASH FLOW

At 30 September 2020, the Group had £323m (31 March 2020: £279m) of cash and agreed, undrawn, committed bank facilities including its share in joint ventures, as well as £25m (31 March 2020: £70m) of uncharged property upon which it could borrow funds.

NET BORROWINGS AND GEARING

Total gross borrowings of the Group, including in joint ventures, have decreased from £386.9m to £373.3m during the period to 30 September 2020. After deducting cash balances of £71.4m (31 March 2020: £83.0m) and unamortised refinancing costs of £6.6m (31 March 2020: £6.0m), net borrowings decreased from £298.5m to £295.3m. The see-through gearing of the Group, including in joint ventures, increased from 49.9% to 51.0%.

	30 September 2020	31 March 2020
See-through gross borrowings	**£373.3m**	£386.9m
See-through cash balances	**£71.4m**	£83.0m
Unamortised refinancing costs	**£6.6m**	£6.0m
See-through net borrowings	**£295.3m**	£298.5m
Shareholders' Funds	**£579.2m**	£598.7m
See-through gearing – IFRS net asset value	**51.0%**	49.9%

HEDGING

At 30 September 2020, the Group had £280.8m (31 March 2020: £285.8m) of fixed rate debt with an average effective interest rate of 3.1% (31 March 2020: 3.0%) and £78.8m (31 March 2020: £68.0m) of floating rate debt with an average effective interest rate of 4.1% (31 March 2020: 4.9%). In addition, the Group had £240m of interest rate caps at an average of 1.75% (31 March 2020: £240m at 1.75%). In our joint ventures, the Group's share of fixed rate debt was £nil (31 March 2020: £nil) and £13.7m (31 March 2020: £33.1m) of floating rate debt with an effective rate of 7.7% (31 March 2020: 4.2%), with interest rate caps set at 1.5% plus margin on £35.3m (31 March 2020: £32.3m at 1.5%).

	30 September 2020 £m	Effective interest rate %	31 March 2020 £m	Effective interest rate %
Fixed rate debt				
- Secured borrowings	**280.8**	**3.1**	280.8	3.0
- Unsecured borrowings	**–**	**–**	5.0	3.3
Total	**280.8**	**3.1**	285.8	3.0
Floating rate debt				
- Secured	**78.8**	**4.1**[1]	68.0	4.9[1]
Total	**359.6**	**3.4**	353.8	3.4
In joint ventures				
- Floating rate	**13.7**	**7.7**[2]	33.1	4.2[2]
Total borrowings	**373.3**	**3.5**	386.9	3.5

1 This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 2.5% (31 March 2020: 3.0%).
2 This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 3.2% (31 March 2020: 3.8%).

The fair value of the interest rate caps and swaps resulted in a net derivative financial instrument liability of £15.7m (31 March 2020: £10.4m). The £81m term loan secured facility has a fixed interest rate and is not shown at its fair value, adjusting to its fair value would increase the loan liability by £12.2m (31 March 2020: £12.5m).

TIM MURPHY
Finance Director
25 November 2020

Focus on Sustainability

"It is imperative that sustainability is at the core of all activities at Helical. As owners and creators of exciting design-led buildings we acknowledge that our activities have a direct and an indirect environmental, social and economic impact. As we move towards a net zero carbon world we are in a position where we can enact change in the way buildings are built, managed and operated. By creating measurable carbon targets, and adopting low carbon technologies and green energy contracts, Helical is well placed to become a net zero carbon business in the future."

MATTHEW BONNING-SNOOK
Property Director & Chair of the Sustainability Committee

SUSTAINABILITY REPORTS
We have published our Sustainability Strategy "Built for the Future" and our Sustainability Performance Report. Please refer to our Company website to view these reports.

Key priorities

Environment

TRANSITION TO A LOW CARBON BUSINESS
As a business we believe by reducing our operational and embodied carbon we are responding to the climate change crisis in the most effective way we can. Our business model is to acquire existing buildings for refurbishment or sites for development. Undertaking refurbishments will save significant embodied carbon from using the existing structure and for our new developments, we believe the key to delivering lower carbon buildings is through a rigorous design process and the use of new technologies.

Communities

BRING SOCIAL, ECONOMIC AND ENVIRONMENTAL BENEFITS TO THE AREAS IN WHICH WE OPERATE
As part of our operations we not only develop and manage buildings, we also create and shape new and existing communities. We understand that repurposing an existing building or developing a new site has wide reaching impacts on local residents, schools and those that work in the area. We want to understand how we can best bring social, economic and environmental benefits to these communities.

People

ATTRACT AND RETAIN THE BEST PEOPLE
The success and performance of the business is dependent on our employees being motivated and highly skilled. We believe having an open, diverse and inclusive culture creates a collaborative and focused approach to achieving the Group's aims and aspirations. This is underpinned by our core values; integrity, excellence, collaboration, creative, dynamic and sustainable.

Key highlights

BUY, USE AND RE-USE RESOURCES EFFICIENTLY

We have a responsibility to ensure that we are smart with what we buy, consume and re-use. For our managed portfolio we will look to implement green energy contracts and engage with our tenants on how they can reduce the resources they are using. At our development sites we will look at options for using recycled materials such as aluminium, steel and any materials that can be recycled from demolition and promote the use of new low carbon materials.

BREEAM CERTIFICATION

- Achieved UK's first BREEAM 2018 New Construction "Outstanding" rating for the design stage for 33 Charterhouse Street, London EC1
- Kaleidoscope, London EC1 awarded "Excellent" for final BREEAM certificate

DESIGN AND OPERATE OUR BUILDINGS TO SUPPORT HEALTH AND WELLBEING

Creating spaces with health and wellbeing in mind has been proven to increase productivity as well as overall happiness. We want to explore the link between space and wellbeing and look at what design features can be incorporated into our buildings that will promote healthy lifestyles, wellness and happiness.

LANDAID FUND RAISING

- 13 members of the Helical team took park in LandAid's QuaranTEN, where participants could run or cycle 10 miles or 10 kilometres or walk 10,000 steps, raising £1,500 for the charity

MAINTAIN STRONG RELATIONSHIPS WITH OUR BUSINESS PARTNERS

Creating strong relationships with our business partners, suppliers and contractors enables us to ensure our sustainability strategy is implemented throughout all operations of our business. Health and Safety will always be of the upmost important to the way we operate and manage our sites. Through the creation of these strong relationships we are best placed to ensure our approach to Health and Safety is enshrined at every stage of our business model.

OUR PEOPLE

- Updated our diversity and inclusion policy reinforcing Helical's dedication to promoting and celebrating the positive effect that diversity has in the workplace
- Supported staff while they worked from home, ensuring they had the appropriate technology, encouraging staff to stay connected and highlighting the potential adverse impacts to mental health and wellbeing

REPORTING BENCHMARKS

GRESB 2020

76/100

FTSE4Good

ESG Rating

3.9/5

Percentile Rank

95

CDP DISCLOSURE INSIGHT ACTION

2020 score

B

EPRA sBPR SILVER

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

a) The condensed unaudited consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*;

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

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

Balances with related parties at 30 September 2020, 30 September 2019 and 31 March 2020 are disclosed in Note 23.

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

The half year statement was approved by the Board on 25 November 2020 and is available from the Company's registered office at 5 Hanover Square, London, W1S 1HQ and on the Company's website at www.helical.co.uk.

On behalf of the Board

TIM MURPHY
Finance Director
25 November 2020

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF HELICAL PLC

INTRODUCTION

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2020 which comprises the Unaudited Consolidated Income Statement, Unaudited Consolidated Statement of Comprehensive Income, Unaudited Consolidated Balance Sheet, Unaudited Consolidated Cash Flow Statement and Unaudited Consolidated Statement of Changes in Equity, and related Notes 1 to 29. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

DIRECTORS' RESPONSIBILITIES

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

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

OUR RESPONSIBILITY

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

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2020 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

USE OF OUR REPORT

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

DELOITTE LLP
Statutory Auditor
London, United Kingdom
25 November 2020

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the Half Year to 30 September 2020

	Notes	**Half Year to 30 September 2020 £000**	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Revenue	3	**19,320**	22,055	44,361
Net rental income	4	**11,950**	12,811	27,838
Development property profit	5	**52**	1,441	3,274
Share of results of joint ventures	13	**(959)**	7,982	13,396
Other operating income		**–**	44	88
Gross profit before net (loss)/gain on sale and revaluation of Investment properties		**11,043**	22,278	44,596
Loss on sale of Investment properties	6	**(4)**	(28)	(1,272)
Revaluation of Investment properties	12	**(6,019)**	9,442	38,351
Gross profit		**5,020**	31,692	81,675
Administrative expenses	7	**(5,215)**	(7,054)	(16,715)
Operating (loss)/profit		**(195)**	24,638	64,960
Finance costs	8	**(7,236)**	(8,315)	(16,100)
Finance income		**20**	1,311	1,345
Change in fair value of derivative financial instruments	20	**(5,333)**	(4,980)	(7,651)
Change in fair value of Convertible Bond		**–**	468	468
Foreign exchange gain		**–**	9	8
(Loss)/profit before tax		**(12,744)**	13,131	43,030
Tax on (loss)/profit on ordinary activities	9	**1,983**	898	(4,313)
(Loss)/profit for the period		**(10,761)**	14,029	38,717

(Loss)/earnings per share	11			
Basic		**(8.9)p**	11.7p	32.3p
Diluted		**(8.9)p**	11.6p	31.7p

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Half Year to 30 September 2020

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
(Loss)/profit for the period	**(10,761)**	14,029	38,717
Exchange difference on retranslation of net investments in foreign operations	**–**	55	68
Total comprehensive (expense)/income for the period	**(10,761)**	14,084	38,785

UNAUDITED CONSOLIDATED BALANCE SHEET

At 30 September 2020

	Notes	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Non-current assets				
Investment properties	12	**815,680**	820,138	819,573
Owner occupied property, plant and equipment		**5,724**	6,394	6,007
Investment in joint ventures	13	**69,607**	78,073	80,818
Derivative financial instruments	20	**58**	319	86
		891,069	904,924	906,484
Current assets				
Land and developments	14	**52**	1,035	852
Corporation tax receivable		**1,452**	–	1,417
Trade and other receivables	15	**45,447**	36,539	40,382
Cash and cash equivalents	16	**62,284**	47,726	74,586
		109,235	85,300	117,237
Total assets		**1,000,304**	990,224	1,023,721
Current liabilities				
Trade and other payables	17	**(32,808)**	(52,539)	(45,771)
Lease liability	18	**(622)**	(599)	(611)
Corporation tax payable		**–**	(280)	–
Borrowings	19	**–**	–	(5,000)
		(33,430)	(53,418)	(51,382)
Non-current liabilities				
Borrowings	19	**(354,545)**	(340,603)	(343,184)
Derivative financial instruments	20	**(15,760)**	(8,017)	(10,455)
Lease liability	18	**(7,250)**	(7,872)	(7,563)
Trade and other payables	17	**–**	(590)	(590)
Deferred tax liability	9	**(10,087)**	(6,066)	(11,858)
		(387,642)	(363,148)	(373,650)
Total liabilities		**(421,072)**	(416,566)	(425,032)
Net assets		**579,232**	573,658	598,689
Equity				
Called-up share capital	21	**1,478**	1,465	1,465
Share premium account		**107,990**	103,462	103,522
Revaluation reserve		**165,445**	140,492	171,464
Capital redemption reserve		**7,478**	7,478	7,478
Own shares held		**(1,542)**	–	–
Other reserves		**291**	291	291
Retained earnings		**298,092**	320,470	314,469
Total equity		**579,232**	573,658	598,689

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

For the Half Year to 30 September 2020

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Cash flows from operating activities			
(Loss)/profit before tax	**(12,744)**	13,131	43,030
Adjustment for:			
Depreciation	**400**	409	807
Revaluation deficit/(surplus) on Investment properties	**6,019**	(9,442)	(38,351)
Letting cost amortisation	**4**	–	–
Loss on sale of Investment properties	**4**	28	1,272
Profit on sale of plant and equipment	**(14)**	(11)	(11)
Net financing costs	**7,216**	7,004	14,755
Change in value of derivative financial instruments	**5,333**	4,980	7,651
Change in fair value of Convertible Bond	**–**	(468)	(468)
Share based payment charge	**314**	920	2,814
Share settled bonus	**–**	–	1,485
Share of results of joint ventures	**959**	(7,982)	(13,396)
Foreign exchange movement	**–**	55	67
Cash inflows from operations before changes in working capital	**7,491**	8,624	19,655
Change in trade and other receivables	**1,935**	16,394	12,499
Change in land, developments and trading properties	**800**	1,276	1,459
Change in trade and other payables	**(2,837)**	3,231	(3,890)
Cash inflows generated from operations	**7,389**	29,525	29,723
Finance costs	**(6,609)**	(12,525)	(19,630)
Finance income	**20**	6,680	6,717
Tax paid	**(35)**	(3,482)	(4,467)
	(6,624)	(9,327)	(17,380)
Net cash generated from operating activities	**765**	20,198	12,343
Cash flows from investing activities			
Additions to Investment property	**(12,945)**	(32,423)	(44,159)
Net (costs)/proceeds from sale of Investment property	**(4)**	(28)	40,260
Investments in joint ventures and subsidiaries	**(7,014)**	(46,748)	(50,749)
Proceeds from disposal of joint ventures	**–**	1,334	1,334
Dividends from joint ventures	**10,267**	–	6,670
Sale of plant and equipment	**23**	26	27
Purchase of leasehold improvements, plant and equipment	**(125)**	(7)	(18)
Net cash used by investing activities	**(9,798)**	(77,846)	(46,635)
Cash flows from financing activities			
Borrowings drawn down	**10,815**	213,747	254,038
Borrowings repaid	**(5,000)**	(296,679)	(329,929)
Finance lease repayments	**(301)**	(290)	(588)
Shares issued	**13**	6	6
Purchase of own shares	**(1,542)**	–	–
Equity dividends paid	**(7,254)**	(8,980)	(12,219)
Net cash used by financing activities	**(3,269)**	(92,196)	(88,692)
Net decrease in cash and cash equivalents	**(12,302)**	(149,844)	(122,984)
Cash and cash equivalents at start of period	**74,586**	197,570	197,570
Cash and cash equivalents at end of period	**62,284**	47,726	74,586

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

At 30 September 2020

	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Own shares held £000	Other reserves £000	Retained earnings £000	Total £000
At 31 March 2019	1,459	101,304	131,050	7,478	–	291	325,843	567,425
Balances at 1 April 2019, as previously reported	1,459	101,304	131,050	7,478	–	291	325,843	567,425
Impact of transition to IFRS 16	–	–	–	–	–	–	(548)	(548)
Adjusted balances at 1 April 2019	1,459	101,304	131,050	7,478	–	291	325,295	566,877
Total comprehensive income	–	–	–	–	–	–	38,785	38,785
Revaluation surplus	–	–	38,351	–	–	–	(38,351)	–
Realised on disposals	–	–	2,063	–	–	–	(2,063)	–
Issued share capital	6	2,218	–	–	–	–	–	2,224
Performance Share Plan	–	–	–	–	–	–	2,814	2,814
Performance Share Plan – deferred tax	–	–	–	–	–	–	483	483
Share settled Performance Share Plan	–	–	–	–	–	–	(1,349)	(1,349)
Share settled bonus	–	–	–	–	–	–	1,074	1,074
Dividends paid	–	–	–	–	–	–	(12,219)	(12,219)
At 31 March 2020	1,465	103,522	171,464	7,478	–	291	314,469	598,689
Total comprehensive expense	**–**	**–**	**–**	**–**	**–**	**–**	**(10,761)**	**(10,761)**
Revaluation deficit	**–**	**–**	**(6,019)**	**–**	**–**	**–**	**6,019**	**–**
Issued share capital	**13**	**4,468**	**–**	**–**	**–**	**–**	**–**	**4,481**
Performance Share Plan	**–**	**–**	**–**	**–**	**–**	**–**	**314**	**314**
Performance Share Plan – deferred tax	**–**	**–**	**–**	**–**	**–**	**–**	**(214)**	**(214)**
Purchase of own shares	**–**	**–**	**–**	**–**	**(1,542)**	**–**	**–**	**(1,542)**
Share settled Performance Share Plan	**–**	**–**	**–**	**–**	**–**	**–**	**(3,335)**	**(3,335)**
Share settled bonus	**–**	**–**	**–**	**–**	**–**	**–**	**(1,146)**	**(1,146)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**–**	**(7,254)**	**(7,254)**
At 30 September 2020	**1,478**	**107,990**	**165,445**	**7,478**	**(1,542)**	**291**	**298,092**	**579,232**

For a breakdown of Total comprehensive (expense)/income see the Unaudited Consolidated Statement of Comprehensive Income.

The adjustment to retained earnings of £314,000 (31 March 2020: £2,814,000) adds back the share based payments charge recognised in the Unaudited Consolidated Income Statement, in accordance with IFRS 2 *Share Based Payments*.

There were net transactions with owners of £8,696,000 (31 March 2020: £6,973,000) made up of the Performance Share Plan credit of £314,000 (31 March 2020: £2,814,000) and related deferred tax charge of £214,000 (31 March 2020: credit of £483,000), dividends paid of £7,254,000 (31 March 2020: £12,219,000), the issued share capital of £13,000 (31 March 2020: £6,000) and corresponding share premium of £4,468,000 (31 March 2020: £2,218,000), purchase of own shares of £1,542,000 (31 March 2020: £nil), share settled Performance Share Plan awards charge of £3,335,000 (31 March 2020: £1,349,000) and the share settled bonus awards charge of £1,146,000 (31 March 2020: credit of £1,074,000).

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
CONTINUED

	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Total £000
At 31 March 2019	1,459	101,304	131,050	7,478	291	325,843	567,425
Balances at 1 April 2019, as previously reported	1,459	101,304	131,050	7,478	291	325,843	567,425
Impact of transition to IFRS 16	–	–	–	–	–	(548)	(548)
Adjusted balances at 1 April 2019	1,459	101,304	131,050	7,478	291	325,295	566,877
Total comprehensive income	–	–	–	–	–	14,084	14,084
Revaluation surplus	–	–	9,442	–	–	(9,442)	–
Issued share capital	6	2,158	–	–	–	–	2,164
Performance Share Plan	–	–	–	–	–	920	920
Performance Share Plan – deferred tax	–	–	–	–	–	355	355
Share settled Performance Share Plan	–	–	–	–	–	(1,349)	(1,349)
Share settled bonus	–	–	–	–	–	(413)	(413)
Dividends paid	–	–	–	–	–	(8,980)	(8,980)
At 30 September 2019	1,465	103,462	140,492	7,478	291	320,470	573,658

The credit adjustment to retained earnings of £920,000 adds back the share based payments charge recognised in the Unaudited Consolidated Income Statement, in accordance with IFRS 2 *Share Based Payments*.

There were net transactions with owners of £7,303,000 made up of the Performance Share Plan credit of £920,000 and related deferred tax credit of £355,000, share settled Performance Share Plan charge of £1,349,000, share settled bonus awards charge of £413,000, dividends paid of £8,980,000, the issued share capital of £6,000 and corresponding share premium of £2,158,000.

UNAUDITED NOTES TO THE HALF YEAR RESULTS

1. FINANCIAL INFORMATION

The financial information contained in this statement does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The full accounts for the year ended 31 March 2020, which were prepared under International Financial Reporting Standards as adopted by the European Union and which received an unqualified report from the Auditors, and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006, have been filed with the Registrar of Companies.

These interim condensed unaudited consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2020.

These interim condensed unaudited consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. The same accounting policies and methods of computation are followed in the 30 September 2020 interim condensed unaudited consolidated financial statements as in the most recent annual financial statements.

GOING CONCERN

The Directors have considered the appropriateness of adopting a going concern basis in preparing the condensed unaudited financial statements. Their assessment is based on forecasts for the next 12-month period, with the potential impact of Covid-19 being an area of focus and including severe but plausible downside scenarios on the principal risks and uncertainties.

The key assumptions used in the review are summarised below:

- The Group's rental income receipts were modelled for each tenant on an individual basis;
- Existing loan facilities remain available, but no new financing is arranged; and
- Free cash is utilised to repay debt/cure bank facility covenants.

The results of this review demonstrated the following:

- The Group has £323m of cash and undrawn bank facilities, including in joint ventures, at 30 September 2020 and there is no debt repayable within the forecast period;
- The Group could withstand receiving no rental income during the going concern period (excluding the impact on income covenants);
- The forecasts show that all bank facility financial covenants will be met throughout the review period, with headroom to withstand a 31% fall in rental income;
- Whilst the Group has a WAULT of 5.8 years, in a downside scenario whereby all tenants with lease expiries or break options in the going concern period exercise their breaks or do not renew at the end of their lease, and with no vacant space let or re-let, the rental income covenants would be met throughout the review period;
- Property values could fall by 44% before loan to value covenants come under pressure; and
- Asset sales could be utilised to generate additional cash to repay debt, materially increasing covenant headroom.

Based on this analysis, the Directors have adopted a going concern basis in preparing the condensed unaudited financial statements for the period ended 30 September 2020.

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

1. FINANCIAL INFORMATION CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES

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

The Group considers its principal risks to be:

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

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

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

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

There have been no significant changes to these risks and further analysis is included within the Group's Annual Report and Accounts 2020. The risks associated with Covid-19 and disclosed in this Annual Report have been collated into a new Strategic Risk, "Risk of pandemic outbreak".

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Development property income	**1,251**	3,080	3,849
Service charge income	**4,649**	4,422	8,790
Other revenue	**–**	47	91
Total revenue from contracts with customers	**5,900**	7,549	12,730

The total revenue from contracts with customers is the revenue recognised in accordance with IFRS 15 *Revenue from Contracts with Customers*.

No impairment of contract assets was recognised in the half year to 30 September 2020 (half year to 30 September 2019: £nil, year to 31 March 2020: £nil).

3. SEGMENTAL INFORMATION

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

- Investment properties, which are owned or leased by the Group for long-term income and for capital appreciation; and
- Development properties, which include sites, developments in the course of construction, completed developments available for sale, and pre-sold developments.

Revenue	Investments Half Year to 30.09.20 £000	Developments Half Year to 30.09.20 £000	Total Half Year to 30.09.20 £000	Investments Half Year to 30.09.19 £000	Developments Half Year to 30.09.19 £000	Total Half Year to 30.09.19 £000
Rental income	**13,420**	**–**	**13,420**	14,506	–	14,506
Service charge income	**4,649**	**–**	**4,649**	4,422	–	4,422
Development property income	**–**	**1,251**	**1,251**	–	3,080	3,080
Other revenue	**–**	**–**	**–**	47	–	47
Revenue	**18,069**	**1,251**	**19,320**	18,975	3,080	22,055

Revenue	Investments Year to 31.03.20 £000	Developments Year to 31.03.20 £000	Total Year to 31.03.20 £000
Rental income	31,631	–	31,631
Service charge income	8,790	–	8,790
Development property income	–	3,849	3,849
Other revenue	91	–	91
Revenue	40,512	3,849	44,361

(Loss)/profit before tax	Investments Half Year to 30.09.20 £000	Developments Half Year to 30.09.20 £000	Total Half Year to 30.09.20 £000	Investments Half Year to 30.09.19 £000	Developments Half Year to 30.09.19 £000	Total Half Year to 30.09.19 £000
Net rental income	**11,950**	**–**	**11,950**	12,811	–	12,811
Development property profit	**–**	**52**	**52**	–	1,441	1,441
Share of results of joint ventures	**615**	**(1,574)**	**(959)**	6,514	1,468	7,982
(Loss)/gain on sale and revaluation of Investment properties	**(6,023)**	**–**	**(6,023)**	9,414	–	9,414
	6,542	**(1,522)**	**5,020**	28,739	2,909	31,648
Other operating income			**–**			44
Gross profit			**5,020**			31,692
Administrative expenses			**(5,215)**			(7,054)
Net finance costs			**(7,216)**			(7,004)
Change in fair value of derivative financial instruments			**(5,333)**			(4,980)
Change in fair value of Convertible Bond			**–**			468
Foreign exchange gain			**–**			9
(Loss)/profit before tax			**(12,744)**			13,131

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

3. SEGMENTAL INFORMATION CONTINUED

Profit before tax	Investments Year to 31.03.20 £000	Developments Year to 31.03.20 £000	Total Year to 31.03.20 £000
Net rental income	27,838	–	27,838
Development property profit	–	3,274	3,274
Share of results of joint ventures	11,880	1,516	13,396
Gain on sale and revaluation of Investment properties	37,079	–	37,079
	76,797	4,790	81,587
Other operating income			88
Gross profit			81,675
Administrative expenses			(16,715)
Net finance costs			(14,755)
Change in fair value of derivative financial instruments			(7,651)
Change in fair value of Convertible Bond			468
Foreign exchange gain			8
Profit before tax			43,030

Net assets	**Investments at 30.09.20 £000**	**Developments at 30.09.20 £000**	**Total at 30.09.20 £000**	Investments at 30.09.19 £000	Developments at 30.09.19 £000	Total at 30.09.19 £000
Investment properties	**815,680**	**–**	**815,680**	820,138	–	820,138
Land and developments	**–**	**52**	**52**	–	1,035	1,035
Investment in joint ventures	**63,390**	**6,217**	**69,607**	31,739	46,334	78,073
	879,070	**6,269**	**885,339**	851,877	47,369	899,246
Other assets			**114,965**			90,978
Total assets			**1,000,304**			990,224
Liabilities			**(421,072)**			(416,566)
Net assets			**579,232**			573,658

Net assets	Investments at 31.03.20 £000	Developments at 31.03.20 £000	Total at 31.03.20 £000
Investment properties	819,573	–	819,573
Land and developments	–	852	852
Investment in joint ventures	73,643	7,175	80,818
	893,216	8,027	901,243
Other assets			122,478
Total assets			1,023,721
Liabilities			(425,032)
Net assets			598,689

4. NET RENTAL INCOME

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Gross rental income	**13,420**	14,506	31,631
Rents payable	**(122)**	42	(178)
Property overheads	**(1,348)**	(1,737)	(3,615)
Net rental income	**11,950**	12,811	27,838

5. DEVELOPMENT PROPERTY PROFIT

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Development property income	**1,251**	3,080	2,754
Cost of sales	**(917)**	(1,493)	(649)
Sales expenses	**(1)**	(20)	(29)
(Provision)/reversal of provision	**(281)**	(126)	1,198
Development property profit	**52**	1,441	3,274

6. LOSS ON SALE OF INVESTMENT PROPERTIES

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Net (costs)/proceeds from the sale of Investment properties	**(4)**	(28)	40,260
Book value (Note 12)	**–**	–	(41,481)
Tenants' incentives on sold Investment properties	**–**	–	(51)
Loss on sale of Investment properties	**(4)**	(28)	(1,272)

7. ADMINISTRATIVE EXPENSES

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Administration costs	**(4,803)**	(5,324)	(10,524)
Performance related awards	**(314)**	(1,366)	(5,279)
National Insurance on performance related awards	**(98)**	(364)	(912)
Administrative expenses	**(5,215)**	(7,054)	(16,715)

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

8. FINANCE COSTS

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Interest payable on bank loans, bonds and overdrafts	**(5,489)**	(6,756)	(12,147)
Other interest payable and similar charges	**(1,747)**	(2,686)	(5,698)
Interest capitalised	**–**	1,127	1,745
Finance costs	**(7,236)**	(8,315)	(16,100)

9. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
The tax charge is based on the (loss)/profit for the period and represents:			
United Kingdom corporation tax at 19%			
– Group corporation tax	**–**	(1,201)	(470)
– Adjustment in respect of prior periods	**(1)**	–	(19)
Current tax charge	**(1)**	(1,201)	(489)
Deferred tax			
– Capital allowances	**(720)**	(576)	(879)
– Tax losses	**1,442**	147	(201)
– Unrealised chargeable gains	**1,132**	2,029	(4,691)
– Other temporary differences	**130**	499	1,947
Deferred tax credit/(charge)	**1,984**	2,099	(3,824)
Total tax credit/(charge) for period	**1,983**	898	(4,313)

Deferred tax	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Capital allowances	**(4,862)**	(3,839)	(4,142)
Tax losses	**3,260**	2,167	1,818
Unrealised chargeable gains	**(12,718)**	(7,131)	(13,850)
Other temporary differences	**4,233**	2,737	4,316
Deferred tax liability	**(10,087)**	(6,066)	(11,858)

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

If upon sale of the Investment properties the Group retained all the capital allowances, the deferred tax provision in respect of capital allowances of £4,862,000 (net) would be released and further capital allowances of £83,483,000 (gross) would be available to reduce future tax liabilities.

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

10. DIVIDENDS

	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Attributable to equity share capital			
Ordinary			
– Interim paid 2.70p per share	**–**	–	3,239
– Prior period final paid 6.00p per share (2019: 7.50p)	**7,254**	8,980	8,980
	7,254	8,980	12,219

The interim dividend of 2.70p (30 September 2019: 2.70p per share) was approved by the Board on 25 November 2020 and will be paid on 31 December 2020 to Shareholders on the register on 4 December 2020. This interim dividend, amounting to £3,274,000, has not been included as a liability as at 30 September 2020.

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

11. EARNINGS PER SHARE

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

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

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

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

	Half Year to 30 September 2020 000	Half Year to 30 September 2019 000	Year to 31 March 2020 000
Ordinary shares in issue	**121,266**	119,957	119,978
Own shares held	**(259)**	–	–
Weighting adjustment	**(563)**	(237)	(133)
Weighted average ordinary shares in issue for calculation of basic and EPRA earnings per share	**120,444**	119,720	119,845
Weighted average ordinary shares issued on share settled bonuses	**–**	636	973
Weighted average ordinary shares to be issued under Performance Share Plan	**–**	868	1,385
Weighted average ordinary shares in issue for calculation of diluted earnings per share	**120,444**	121,224	122,203

	£000	£000	£000
(Loss)/earnings used for calculation of basic and diluted earnings per share	**(10,761)**	14,029	38,717
Basic (loss)/earnings per share	**(8.9)p**	11.7p	32.3p
Diluted (loss)/earnings per share	**(8.9)p**	11.6p	31.7p

		£000	£000	£000
(Loss)/earnings used for calculation of basic and diluted earnings per share		**(10,761)**	14,029	38,717
Net loss/(gain) on sale and revaluation of Investment properties				
	– subsidiaries	**6,023**	(9,414)	(37,079)
	– joint ventures	**(1,480)**	(472)	(8,451)
Tax on profit on disposal of Investment properties		**–**	–	599
Tax on gain on settlement of derivative component of Convertible Bond		**–**	1,556	1,555
Loss/(gain) on movement in share of joint ventures		**768**	(2,404)	(275)
Fair value movement on derivative financial instruments	– subsidiaries	**5,333**	4,980	7,651
	– joint ventures	**–**	34	39
Fair value movement on Convertible Bond		**–**	(468)	(468)
Profit on cancellation of derivative financial instruments		**–**	(218)	(233)
Expense on cancellation of loans		**–**	1,131	2,939
Deferred tax on adjusting items		**(1,071)**	(2,270)	4,088
(Loss)/earnings used for calculations of EPRA earnings per share		**(1,188)**	6,484	9,082
EPRA (loss)/earnings per share		**(1.0)p**	5.4p	7.6p

The earnings/losses used for the calculation of EPRA earnings per share include net rental income and development property profits but exclude Investment and trading property gains.

12. INVESTMENT PROPERTIES

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Book value at 1 April	**819,573**	778,752	778,752
Additions at cost	**2,130**	31,944	43,951
Disposals	**–**	–	(41,481)
Letting cost amortisation	**(4)**	–	–
Revaluation (deficit)/surplus	**(6,019)**	9,442	38,351
As at period end	**815,680**	820,138	819,573

All properties are stated at market value as at 30 September 2020 and are valued by professionally qualified external valuers (Cushman & Wakefield LLP) in accordance with the Valuation - Professional Standards, published by the Royal Institution of Chartered Surveyors. The fair value of the Investment properties at 30 September 2020 is as follows:

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Book value	**815,680**	820,138	819,573
Lease incentives and costs included in trade and other receivables	**18,874**	17,130	19,463
Head leases capitalised	**(2,154)**	(2,168)	(2,161)
Fair value	**832,400**	835,100	836,875

Interest capitalised in respect of the refurbishment of Investment properties at 30 September 2020 amounted to £13,102,000 (30 September 2019: £12,484,000, 31 March 2020: £13,102,000). Interest capitalised during the period in respect of the refurbishment of Investment properties amounted to £nil (30 September 2019: £1,127,000, 31 March 2020: £1,745,000).

The historical cost of Investment property is £648,053,000 (30 September 2019: £676,356,000, 31 March 2020: £645,927,000).

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

13. JOINT VENTURES

Share of results of joint ventures	Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Revenue	**23,252**	6,746	32,162
Gross rental income	**87**	392	898
Property overheads	**(125)**	(162)	(298)
Net rental (expense)/income	**(38)**	230	600
Gain on revaluation of Investment properties	**2,032**	472	8,451
Loss on sale of Investment properties	**(552)**	–	–
Development property (loss)/profit	**(504)**	5,355	8,124
Provision against stock	**–**	(1,083)	(1,481)
Other operating expense	**–**	–	(21)
Gross profit	**938**	4,974	15,673
Administrative expenses	**(292)**	(335)	(596)
Operating profit	**646**	4,639	15,077
Finance costs	**(641)**	(595)	(871)
Finance income	**4**	41	54
Change in fair value of derivative financial instruments	**–**	(34)	(39)
Profit before tax	**9**	4,051	14,221
Tax	**(200)**	(31)	(2,658)
(Loss)/profit after tax	**(191)**	4,020	11,563
Reversal of One Creechurch Place loss[1]	**–**	224	224
Profit on sale of interest in One Creechurch Place	**–**	1,334	1,334
Adjustment for Barts Square economic interest[2]	**(768)**	2,404	275
Share of results of joint ventures	**(959)**	7,982	13,396

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

2 This adjustment reflects the impact of the consolidation of a joint venture at its economic interest of 47.0% (30 September 2019: 43.8%, 31 March 2020: 43.0%) rather than its actual ownership interest of 33.3%, following a return of equity during the period.

Investment in joint ventures	**At 30 September 2020 £000**	At 30 September 2019 £000	At 31 March 2020 £000
Summarised balance sheets			
Non-current assets			
Investment properties	**70,228**	65,572	76,141
Owner occupied property, plant and equipment	**24**	111	41
Deferred tax	**–**	1,687	–
Derivative financial instruments	**–**	6	–
	70,252	67,376	76,182
Current assets			
Land and developments	**19,184**	53,188	34,164
Trade and other receivables	**1,805**	14,605	3,780
Cash and cash equivalents	**9,163**	3,551	7,821
	30,152	71,344	45,765
Current liabilities			
Trade and other payables	**(13,105)**	(12,376)	(7,162)
	(13,105)	(12,376)	(7,162)
Non-current liabilities			
Trade and other payables	**(4,414)**	(323)	(316)
Borrowings	**(12,241)**	(48,026)	(32,754)
Deferred tax	**(1,130)**	–	(976)
	(17,785)	(48,349)	(34,046)
Net assets pre-adjustment	**69,514**	77,995	80,739
Acquisition costs	**93**	78	79
Investment in joint ventures	**69,607**	78,073	80,818

14. LAND AND DEVELOPMENTS

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Development properties	**52**	1,035	852

The Directors' valuation of development stock shows a surplus of £578,000 (30 September 2019: £578,000, 31 March 2020: £578,000) above book value. This surplus has been included in the EPRA net asset value (Note 22).

No interest has been capitalised or included in land and developments.

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

15. TRADE AND OTHER RECEIVABLES

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Trade receivables	**14,437**	10,588	11,698
Other receivables	**7,382**	1,656	3,265
Prepayments	**4,071**	4,210	3,986
Accrued income	**19,557**	20,085	21,433
	45,447	36,539	40,382

Included in accrued income are lease incentives of £18,874,000 (30 September 2019: £17,130,000, 31 March 2020: 19,463,000).

16. CASH AND CASH EQUIVALENTS

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Cash held at managing agents	**5,545**	4,900	3,563
Restricted cash	**12,909**	8,330	7,177
Cash deposits	**43,830**	34,496	63,846
	62,284	47,726	74,586

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

17. TRADE AND OTHER PAYABLES

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Trade payables	**13,477**	20,200	28,378
Other payables	**3,539**	1,559	2,060
Accruals	**8,393**	24,355	9,277
Deferred income	**7,399**	6,425	6,056
Current trade and other payables	**32,808**	52,539	45,771
Accruals	**–**	590	590
Non-current trade and other payables	**–**	590	590
Total trade and other payables	**32,808**	53,129	46,361

18. LEASE LIABILITY

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Current lease liability	**622**	599	611
Non-current lease liability	**7,250**	7,872	7,563

Included within the lease liability are £622,000 (30 September 2019: £599,000, 31 March 2020: £611,000) of current and £5,060,000 (30 September 2019: £5,683,000, 31 March 2020: £5,374,000) of non-current lease liabilities which relate to the long leasehold of the Group's head office.

19. BORROWINGS

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Current borrowings	**–**	–	5,000
Borrowings repayable within:			
– one to two years	**–**	–	–
– two to three years	**48,085**	–	–
– three to four years	**226,361**	31,930	37,190
– four to five years	**80,099**	216,591	305,994
– five to six years	**–**	92,082	–
Non-current borrowings	**354,545**	340,603	343,184
Total borrowings	**354,545**	340,603	348,184

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Total borrowings	**354,545**	340,603	348,184
Cash	**(62,284)**	(47,726)	(74,586)
Net borrowings	**292,261**	292,877	273,598

Net borrowings excludes the Group's share of borrowings in joint ventures of £12,241,000 (30 September 2019: £48,026,000, 31 March 2020: £32,754,000) and cash of £9,163,000 (30 September 2019: £3,551,000, 31 March 2020: £7,821,000). All borrowings in joint ventures are secured.

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Net assets	**579,232**	573,658	598,689
Gearing	**51%**	51%	46%

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

20. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Derivative financial instruments asset	**58**	319	86
Derivative financial instruments liability	**(15,760)**	(8,017)	(10,455)

A loss on the change in fair value of £5,333,000 has been recognised in the Unaudited Consolidated Income Statement (30 September 2019: £4,980,000, 31 March 2020: £7,651,000).

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

21. SHARE CAPITAL

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Authorised	**39,577**	39,577	39,577

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

Allotted, called up and fully paid:			
– 121,265,710 (30 September 2019: 119,956,767, 31 March 2020: 119,977,581) ordinary shares of 1p each	**1,213**	1,200	1,200
– 212,145,300 deferred shares of 1/8p each	**265**	265	265
	1,478	1,465	1,465

22. NET ASSETS PER SHARE

	At 30 September 2020 £000	Number of shares 000	p	At 31 March 2020 £000	Number of shares 000	p
IFRS net assets	**579,232**	**121,266**		598,689	119,978	
Adjustments:						
– deferred shares	**(265)**			(265)		
– own shares held		**(437)**			–	
Basic net asset value	**578,967**	**120,829**	**479**	598,424	119,978	499
– share settled bonus		**719**			973	
– dilutive effect of Performance Share Plan		**537**			1,306	
Diluted net asset value	**578,967**	**122,085**	**474**	598,424	122,257	489
Adjustments:						
– fair value of financial instruments	**15,702**			10,368		
– deferred tax	**15,381**			15,668		
– fair value of land and developments	**578**			578		
– real estate transfer tax	**60,867**			61,607		
EPRA net reinstatement value	**671,495**	**122,085**	**550**	686,645	122,257	562
– real estate transfer tax	**(48,011)**			(46,221)		
– deferred tax	**(6,475)**			–		
EPRA net tangible asset value	**617,009**	**122,085**	**505**	640,424	122,257	524
– real estate transfer tax	**(12,856)**			(15,386)		
– deferred tax	**6,475**			–		
EPRA net asset value	**610,628**	**122,085**	**500**	625,038	122,257	511

	At 30 September 2020 £000	Number of shares 000	p	At 31 March 2020 £000	Number of shares 000	p
Diluted net assets	**578,967**	**122,085**	**474**	598,424	122,257	489
Adjustments:						
– surplus on fair value of stock	**578**			578		
– fair value of fixed rate loan	**(12,150)**			(12,481)		
EPRA net disposal value/EPRA triple net asset value	**567,395**	**122,085**	**465**	586,521	122,257	480

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

22. NET ASSETS PER SHARE CONTINUED

	At 30 September 2019 £000	Number of shares 000	p
IFRS net assets	573,658	119,957	
Adjustments:			
– deferred shares	(265)		
Basic net asset value	573,393	119,957	478
– share settled bonus		636	
– dilutive effect of Performance Share Plan		926	
Diluted net asset value	573,393	121,519	472
Adjustments:			
– fair value of financial instruments	7,689		
– deferred tax	9,309		
– fair value of land and developments	578		
– real estate transfer tax	60,727		
EPRA net reinstatement value	651,696	121,519	536
– real estate transfer tax	(47,153)		
EPRA net tangible asset value	604,543	121,519	497
– real estate transfer tax	(13,574)		
EPRA net asset value	590,969	121,519	486

	At 30 September 2019 £000	Number of shares 000	p
Diluted net assets	573,393	121,519	472
Adjustments:			
– surplus on fair value of stock	578		
– fair value of fixed rate loan	(7,282)		
EPRA net disposal value/EPRA triple net asset value	566,689	121,519	466

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

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

The calculation of EPRA net disposal value and triple net asset value per share reflects the fair value of all the assets and liabilities of the Group at 30 September 2020. One of the loans held by the Group is at a fixed rate and therefore not at fair value. The adjustment of £12,150,000 (30 September 2019: £7,282,000, 31 March 2020: 12,481,000) is the increase from book to fair value.

23. RELATED PARTY TRANSACTIONS

The following amounts were due from the Group's joint ventures:

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Charterhouse Place Ltd	**7,000**	9	–
Charterhouse Street Ltd (formerly ARE 1 Farringdon SARL)	**–**	370	200
Barts Square companies	**86**	31	61
King Street Developments (Hammersmith) Ltd	**–**	71	71
Old Street Holdings LP	**3**	3	3
Shirley Advance LLP	**7**	14	7

During the period, interest on bonds of £nil (30 September 2019: £745,000, 31 March 2020: £745,000) and a promote fee for development management services of £nil (30 September 2019: £305,000, 31 March 2020: £305,000) were charged by the Group to Creechurch Place Limited. A development management, accounting and corporate services fee of £25,000 (30 September 2019: £945,000, 31 March 2020: £1,119,000) was charged by the Group to the Barts Square companies. In addition, a development management, accounting and corporate services fee of £426,000 (30 September 2019: £19,000, 31 March 2020: £243,000) was charged by the Group to the Charterhouse Place Limited Group.

24. SEE-THROUGH ANALYSIS

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

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

SEE-THROUGH NET RENTAL INCOME

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

		Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Gross rental income	– subsidiaries	**13,420**	14,506	31,631
	– joint ventures	**87**	392	898
Total gross rental income		**13,507**	14,898	32,529
Rents payable	– subsidiaries	**(122)**	42	(178)
Property overheads	– subsidiaries	**(1,348)**	(1,737)	(3,615)
	– joint ventures	**(125)**	(162)	(298)
See-through net rental income		**11,912**	13,041	28,438

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

24. SEE-THROUGH ANALYSIS CONTINUED

SEE-THROUGH NET DEVELOPMENT (LOSSES)/PROFITS

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

		Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
In parent and subsidiaries		**333**	1,567	2,076
In joint ventures		**(504)**	5,355	8,124
Total gross development (loss)/profit		**(171)**	6,922	10,200
(Provision)/reversal of provision against stock	– subsidiaries	**(281)**	(126)	1,198
	– joint ventures	**–**	(1,083)	(1,481)
See-through development (losses)/profits		**(452)**	5,713	9,917

SEE-THROUGH NET (LOSS)/GAIN ON SALE AND REVALUATION OF INVESTMENT PROPERTIES

Helical's share of the net (loss)/gain on the sale and revaluation of Investment properties held in subsidiaries and joint ventures is shown in the table below.

		Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Revaluation (deficit)/surplus on Investment properties	– subsidiaries	**(6,019)**	9,442	38,351
	– joint ventures	**2,032**	472	8,451
Total revaluation (deficit)/surplus		**(3,987)**	9,914	46,802
Net loss on sale of Investment properties	– subsidiaries	**(4)**	(28)	(1,272)
	– joint ventures	**(552)**	–	–
Total net loss on sale of Investment properties		**(556)**	(28)	(1,272)
See-through net (loss)/gain on sale and revaluation of Investment properties		**(4,543)**	9,886	45,530

SEE-THROUGH NET FINANCE COSTS

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

		Half Year to 30 September 2020 £000	Half Year to 30 September 2019 £000	Year to 31 March 2020 £000
Interest payable on bank loans and overdrafts	– subsidiaries	**5,489**	6,756	12,147
	– joint ventures	**547**	267	543
Total interest payable on bank loans and overdrafts		**6,036**	7,023	12,690
Other interest payable and similar charges	– subsidiaries	**1,747**	2,686	5,698
	– joint ventures	**94**	328	328
Interest capitalised	– subsidiaries	**–**	(1,127)	(1,745)
Total finance costs		**7,877**	8,910	16,971
Interest receivable and similar income	– subsidiaries	**(20)**	(1,311)	(1,345)
	– joint ventures	**(4)**	(41)	(54)
See-through net finance costs		**7,853**	7,558	15,572

SEE-THROUGH PROPERTY PORTFOLIO

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

		At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Investment property fair value	– subsidiaries	**832,400**	835,100	836,875
	– joint ventures	**66,008**	65,870	76,809
Total Investment property fair value		**898,408**	900,970	913,684
Land and development stock	– subsidiaries	**52**	1,035	852
	– joint ventures	**19,184**	53,188	34,164
Total land and development stock		**19,236**	54,223	35,016
Land and development stock surplus	– subsidiaries	**578**	578	578
	– joint ventures	**–**	–	–
Total land and development stock surpluses		**578**	578	578
Total land and development stock at fair value		**19,814**	54,801	35,594
See-through property portfolio		**918,222**	955,771	949,278

SEE-THROUGH NET BORROWINGS

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

		At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Gross borrowings less than one year	– subsidiaries	**–**	–	5,000
Gross borrowings more than one year	– subsidiaries	**354,545**	340,603	343,184
Total		**354,545**	340,603	348,184
Gross borrowings more than one year	– joint ventures	**12,241**	48,026	32,754
Total		**12,241**	48,026	32,754
Cash and cash equivalents	– subsidiaries	**(62,284)**	(47,726)	(74,586)
	– joint ventures	**(9,163)**	(3,551)	(7,821)
See-through net borrowings		**295,339**	337,352	298,531

UNAUDITED NOTES TO THE HALF YEAR RESULTS
CONTINUED

25. SEE-THROUGH GEARING AND LOAN TO VALUE

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Property portfolio	**918,222**	955,771	949,278
Net borrowings	**295,339**	337,352	298,531
Net assets	**579,232**	573,658	598,689
See-through net gearing	**51.0%**	58.8%	49.9%
See-through loan to value	**32.2%**	35.3%	31.4%

26. TOTAL ACCOUNTING RETURN

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Brought forward IFRS net assets	**598,689**	567,425	567,425
Carried forward IFRS net assets	**579,232**	573,658	598,689
(Decrease)/increase in IFRS net assets	**(19,457)**	6,233	31,264
Dividends paid	**7,254**	8,980	12,219
Total accounting return	**(12,203)**	15,213	43,483
Total accounting return percentage	**(2.0)%**	2.7%	7.7%

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
Brought forward EPRA net tangible assets	**640,424**	597,321	597,321
Carried forward EPRA net tangible assets	**617,009**	604,543	640,424
(Decrease)/increase in EPRA net tangible assets	**(23,415)**	7,222	43,103
Dividends paid	**7,254**	8,980	12,219
Total EPRA accounting return	**(16,161)**	16,202	55,322
Total EPRA accounting return percentage	**(2.5)%**	2.7%	9.3%

27. TOTAL PROPERTY RETURN

	At 30 September 2020 £000	At 30 September 2019 £000	At 31 March 2020 £000
See-through net rental income	**11,912**	13,041	28,438
See-through development (losses)/profits	**(452)**	5,731	9,917
See-through revaluation (deficit)/surplus	**(3,987)**	9,914	46,802
See-through net loss on sale of investment properties	**(556)**	(28)	(1,272)
Total property return	**6,917**	28,658	83,885

28. CAPITAL COMMITMENTS

The Group has a commitment of £65,134,000 (30 September 2019: £27,188,000, 31 March 2020: £19,600,000) in relation to construction contracts which are due to be completed in the period to March 2023. Of the total, £8,242,000 relates to the Group's Investment property portfolio, £55,640,000 relates to developing 33 Charterhouse Street, London EC1 and £1,171,000 is in relation to the Group's residential scheme at Barts Square with a further £81,000 committed to the completion of 55 Bartholomew, London EC1.

29. POST BALANCE SHEET EVENTS

On 19 November 2020 the Group exchanged contracts for the sale of three Manchester properties, The Tootal Buildings, 35 Dale Street and Fourways, for a net sale price of £114,800,000, marginally above 30 September 2020 and 31 March 2020 book values.

GLOSSARY OF TERMS

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

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

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

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

EPRA
European Public Real Estate Association.

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

EPRA net assets per share
Diluted net asset value per share adjusted to exclude fair value surplus of financial instruments and the Convertible Bond, and deferred tax on capital allowances and on Investment properties revaluation, but including the fair value of trading and development properties in accordance with the best practice recommendations of EPRA (see Note 22).

EPRA net disposal value per share (effective from 1 January 2020)
Represent the Shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax (see Note 22).

EPRA net reinstatement value per share (effective from 1 January 2020)
Net asset value adjusted to reflect the value required to rebuild the entity and assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded (see Note 22).

EPRA net tangible assets per share (effective from 1 January 2020)
Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax, but excludes assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded (see Note 22).

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

EPRA triple net asset value per share
EPRA net asset value per share adjusted to include fair value of financial instruments and deferred tax on capital allowances and on Investment properties revaluation (see Note 22).

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

Gearing
Group borrowings expressed as a percentage of net assets.

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

Like-for-like valuation change
The valuation gain/loss, net of capital expenditure, on those properties held at both the previous and current reporting period end, as a proportion of the fair value of those properties at the beginning of the reporting period plus net capital expenditure.

MSCI IPD
MSCI produces independent benchmarks of property returns using its Investment Property Databank (IPD).

Net asset value per share (NAV)
Net assets divided by the number of ordinary shares at the Balance Sheet date (see Note 22).

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

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

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

See-through/Group's share
The consolidated Group and the Group's share in its joint ventures (see Note 24).

See-through net gearing
The see-through net borrowings expressed as a percentage of net assets (see Note 25).

Total Accounting Return
The growth in the net asset value of the Company plus dividends paid in the period, expressed as a percentage of net asset value at the start of the period (see Note 26).

Total Property Return
The total of net rental income, trading and development profits and net gain on sale and revaluation of Investment properties on a see-through basis (see Note 27).

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

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

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

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

NOTES

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