Half-year Report

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Sirius Real Estate Limited
28 November 2016

Sirius Real Estate Limited

("Sirius", the "Group" or the "Company")

Half Year Results for the six months ended 30 September 2016

Demand for flexible and conventional workspace drives earnings growth in H1 2016

Net Rental Income and Recurring Profits* up by 35.3 per cent and 87.2 per cent, Funds from Operations by 72.7 per cent**

- Total income increased by 25.9 per cent to €32.6 million (2015: €25.9 million
- Like for like annualised rental income increased by 2.4 per cent to €64.5 million (31 March 2016 €63.0 million***)
- Current annualised rental income is €69.1 million****
- Recurring profit before tax increased by 87.2 per cent to €16.1 million (2015: €8.6 million)
- Funds from Operations ("FFO") increased by 72.7 per cent to €17.1 million (2015: €9.9 million)
- FFO was 2.13c per share and Adjusted earnings per share ("EPS") 2.01c per share (2015: 1.41c per share and 1.25c per share respectivel
- Interim dividend declared of 1.39c per share, an increase of 51.1 per cent (2015: 0.92c)

**Reported profit before tax adjusted for property revaluation, change in fair value of derivative financial instruments and non-recurring items including expenses relating to the Long Term Incentive Plan.*

***Recurring profit before tax adjusted for depreciation, amortisation of financing fees and current tax receivable/incurred.*

**** Including the initial annualised rental income of the Markgröningen and Krefeld acquisitions which both completed in May 2016.*

***** Including the initial annualised rental income of the Wiesbaden acquisition which completed on 31 October 2016.*

€30 million equity raise and accretive new acquisitions

- Completed a €30.0 million private placement in June 2016 at €0.53 per share
- Three acquisitions completed in the period and one post period end for a total of €68.5 million adding €7.2 million to annualised rental income and €6.0 million of Net Operating Income ("NOI") representing an EPRA net initial yield of 8.8 per cent
- Average occupancy of acquisition sites is 69 per cent giving significant scope to drive income and capital growth
- Valuation uplift from assets acquired in period of €4.1 million as at 30 September 2016

Further long-term, low interest rate financing

- As at period end, average cost of debt down to 2.2 per cent (31 March 2016: 3.0 per cent) and debt maturity at 5.8 years (2015: 5 years)
- Completion of new €70 million BerlinHyp financing post period end at 1.48 per cent interest rate and 7 year term:
  - reduces average cost of debt to below 2.0 per cent post period end, and
  - extends debt maturity to 6.2 years
- Loan to Value ("LTV") at 41.7 per cent as at 30 September 2016 increasing to 44.6 per cent after the completion of the Wiesbaden acquisition and the new BerlinHyp financing deal. Board confirms a target of 40.0 per cent by no later than 31 March 2018

Valuation uplift driven by new income and positive yield shift

- Portfolio valued at €770.9 million including asset held for sale (31 March 2016: €687.5 million)
  - Following completion of the Wiesbaden acquisition post period end, portfolio increased to €797.2 million
- Like for like portfolio valuation increased by €29.5 million or 4.2 per cent to €724.7 million reflecting annualised rental income increases and 17 bps of yield compression
- Adjusted net asset value ("NAV") per share increased by 4.3 per cent to 55.62c (31 March 2016: 53.35c)

Strong demand for conventional and flexible workspace

- Like for like occupancy at record high of 81 per cent (31 March 2016: 80 per cent)
- Rate per square metre of the portfolio increased to €5.10 with like for like rate per square metre increasing to €5.07 (31 March 2016: €5.02)
- New lettings of 70,626 square metres in the period at an average rate of €5.89 per square metre (2015: 70,201 square metres at €5.10 per square metre)

Expanded capex programme continues to deliver above target returns

- Conversion of sub-optimal areas into high-quality conventional and flexible workspace continues to deliver strong returns
- Transformed a further 30,824 square metres of space and produced an additional €1.1 million of annualised rental income in the period
- A further 67,073 square metres is in progress or has been identified for conversion. The total programme requires a further €9.7 million of investment to produce an estimated €3.9 million of annualised rental income

Andrew Coombs, Chief Executive Officer of Sirius Real Estate, said:

"The strength of our trading performance reflects well on our ability to extract value from our existing portfolio and our ability to acquire business parks which are both earnings accretive from acquisition as well as offering additional income and capital growth potential. There remains significant scope for further organic growth within our current portfolio and we continue to see real opportunity within our acquisition pipeline.

Over 99 per cent of German enterprises are SMEs and 34 per cent of these are enterprises with fewer than 10 employees. This is the market which is seeking flexible leases to meet ever evolving space requirements and Sirius is well placed to take advantage of these market dynamics with our flexible multi-tenanted workspaces.

We are encouraged by the results we are achieving to continue transforming our portfolio of assets under our investment programmes. Now that we have reduced our average cost of debt to below 2.0 per cent and the average debt expiry to more than six years we are well placed to continue to execute our strategy in a sustainable manner over the medium to long term.

As part of supporting our ambitions for the business we are making good progress towards moving up to the main markets of both the London and Johannesburg Stock Exchanges."

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Background to Sirius Real Estate:

Established in February 2007, Sirius Real Estate is a leading operator of branded business parks providing conventional space and flexible workspace in Germany. The Group owns and operates a portfolio of 43 business parks which together include over 400 buildings offering over 1.4 million square metres of gross lettable space comprising mainly offices, production areas and storage facilities. Sirius operates out of its head office in Berlin and employs around 200 people in Germany. In December 2014, Sirius was the first company to gain a secondary listing on the AltX of the Johannesburg Stock Exchange under its fast track process, in addition to its existing primary listing on the AIM market of the London Stock Exchange.

For more information, please visit: www.sirius-real-estate.com

Interview with CEO Andrew Combs with BRR Media, to view: www.sirius-real-estate.com

Images of the Sirius property portfolio are available from: https://www.flickr.com/photos/sirius_re/

Business Update

Introduction

The six month period to 30 September 2016 has been good for Sirius and saw the Group continue to deliver strong trading results with acquisitions and organic growth driving an increase in recurring profit to €16.1 million, up 87.2 per cent on the same period last year. Indicative of the organic performance was an increase in the like for like occupancy to 81.0 per cent (31 March 2016: 80.0 per cent), a record for the Group, as well as the increase in the like for like rate per square metre to €5.07 (31 March 2016 €5.02).

Acquisition activity was underpinned by a successful €30.0 million equity raise in June 2016 along with the refinancing of two banking facilities on significantly better terms. Three acquisitions were completed in the period with a further acquisition completing shortly after. All four were immediately earnings enhancing and provide real opportunity for future income and capital growth. The new banking deals that were completed to finance these purchases have again been at attractive long-term fixed interest rates reducing our weighted average cost of debt to below 2.0 per cent and extending our average debt expiry to 6.2 years. This has prolonged the Group's exposure to the current low interest rate environment and the higher returns to shareholders that come from this. Whilst taking advantage of this refinancing opportunity has increased the LTV temporarily, we are on track and committed to lowering LTV to 40 per cent by 31 March 2018.

The Group's NAV per share and Adjusted NAV per share were boosted by further uplifts in the values of our properties. During the period, the like for like portfolio, excluding acquisitions made since the start of the period, increased in value to €724.7 million as at 30 September 2016 (31 March 2016: €695.2 million) and the acquisitions which completed in the period were valued at €54.9 million representing a small uplift from the total acquisition costs of €50.8 million. The revaluation uplift is both income driven as well as reflective of approximately 17 bps of yield compression on the core portfolio. The effect of the continuing capex investment programme in refurbishing sub-optimal space was a key factor in the valuation gain for which €7.2 million was invested in total capex in the period. Following the completion of the Wiesbaden asset purchase which happened shortly after the reporting period end, the value of the total portfolio increased to €797.2 million*.

** The Wiesbaden asset is included at cost.*

Company strategy

Our focus is on generating carefully managed risk adjusted total returns for shareholders through a mix of organic and acquisition led growth. Organically the portfolio, which now consists of 43 business parks offering more than 1.4 million square metres of gross lettable space, still has substantial scope for further increases in income and capital value primarily through developing sub-optimal space. Central to this is the Group's capex investment programme which is focused on transforming this space into market-ready, flexible and conventional workspace and is currently achieving high returns.

A differentiating factor for Sirius with regards to realising these returns from investment is the strength of our in-house sales and marketing teams, which generate and develop more than 95 per cent of our leads. The Group's marketing platform has produced an average of 1,049 new leads each month over the last six months and the dedicated call centre and on-site sales force has converted approximately 11.3 per cent of these leads into new sales. Unlike many of our peers, we do not outsource this key business requirement and we believe our in-house capability is a major driver of the Group's high customer enquiry conversion and retention rates and the ability to achieve high rental rates per square metre particularly on our flexible solutions.

The expansion of the portfolio has been through the acquisition of new business parks, which have almost all been acquired with EPRA net initial yields of more than 8 per cent. This, when combined with our ability to access long term debt on attractive terms, makes for a compelling proposition and an excellent starting point for our asset management teams to apply their expertise in introducing higher yielding flexible solutions to vacant and under-utilised spaces.

Significant opportunities remain for the Group to acquire new assets with these same characteristics and the Group actively reviews its portfolio to consider whether there are mature assets with limited income or capital growth opportunity that might be better sold and the capital reinvested in new assets with a higher return profile. The Group has also identified certain non-core assets which it is marketing for sale.

The Group always aims to manage risk across the business. Central to this is the progression towards the Group's LTV target of 40.0 per cent. In addition, we have been extending the term of existing banking facilities whilst switching to very low fixed interest rates for the full term of the new facilities. This has had the effect of not only substantially reducing our cost of debt and extending the average debt expiry as mentioned above, but also significantly improving the interest and debt service cover that we generate from our net operating income. When combined with the value-add capex investment programme, we feel that our strategy is well balanced between risk and return, as we continue to review ways in which we might extend and improve our exposure to the current low interest rate cycle.

Trading performance

For the half year under review, total income was €32.6 million (2015: €25.9 million) with profit before tax of €37.5 million (2015: €28.3 million), which includes €25.4 million of gains from property revaluations (2015: €27.0 million). The recurring profit before tax for the period was up 87.2 per cent to €16.1 million (2015: €8.6 million) with FFO increasing by 72.7 per cent to €17.1 million (2015: €9.9 million). FFO per share was 2.13c (2015: 1.41c) and adjusted EPS was 2.01c (2015: 1.25c). The significant increase in recurring profit has come predominantly from organic growth, acquisitions and the new lower interest banking deals that the Group has been securing. Organic growth was driven by like for like annualised rental income increasing by €1.5 million to €64.5 million in the period representing an increase of 2.4 per cent from the position at the previous year end. Annualised rental income, including the Wiesbaden acquisition completed on 31 October 2016, is €69.1 million.

Portfolio valuations

The portfolio, including acquisitions completed in the period, was independently valued at €779.6 million by Cushman & Wakefield LLP (31 March 2016: €695.2 million) which converts to a book value of €770.9 million after directors' impairments of non-core asset valuations and the provision for tenant incentives. In accordance with our stated intention to dispose of non-core assets, the sale of a retail asset located in Merseburg was notarised for €5.9 million in the period resulting in this asset being categorised as held for sale at 30 September 2016. This is expected to complete by the end of the financial year. The book value of investment property excluding this asset held for sale is €765.0 million.

The like for like valuations have increased by €29.5 million or 4.2 per cent over the six month period and the valuations of the sites acquired in the period were €54.9 million or 8.1 per cent higher than the acquisition costs. This continues to demonstrate the long-term capital return potential of the Sirius portfolio and the fact that we have purchased well in the period. We have seen approximately 17 bps of yield compression in the period on the core portfolio along with rental income improvements. We continue to see returns from both an income and valuation perspective through the investment into our capex investment programme and from purchasing assets at discounted prices.

The portfolio as at 30 September 2016 comprised 42 assets and has a book value of €770.9 million which can be reconciled to the Cushman & Wakefield LLP valuation as follows:

Valuation Reconciliation to Book Value	30 Sep 2016 €m	31 Mar 2016 €m
Investment properties at market value*	779.6	695.2
Adjustment in respect of lease incentives	-2.8	-2.4
Directors' impairment of non-core asset valuations	-5.9	-5.3

Balance as at period end	**770.9**	**687.5**

**Includes assets held for sale*

The 30 September 2016 book valuation of the core portfolio that was held at 31 March 2016 is €687.2 million (31 March 2016: €657.6 million). This represents an average gross yield of 8.5 per cent (31 March 2016: 8.7 per cent) and a net yield of 7.7 per cent (31 March 2016: 7.9 per cent) which highlights the 17 bps of yield compression we have seen in the period. The average capital value per square metre of the core portfolio is €620 (31 March 2016: €594). The valuation metrics of our portfolio split between the core portfolio and non-core portfolio (including the Merseburg asset notarised for sale) can be seen in the following table:

	Book Value €m	Annualised Rental Income €m	Annualised NOI €m	Gross Yield %	Net Yield %	Capital Value Per sq. m €	Occupancy %	Rate Per sq. m €	Vacant Space sq. m (000)
Core	454.1	40.6	35.1	8.8	7.7	572.2	80.1	5.43	154.0
Core Mature	288.0	23.1	22.6	8.3	7.8	645.3	92.6	5.04	30.7
Non-Core	28.8	3.5	2.0	12.3	6.9	148.0	51.1	3.17	89.1
Other			-1.4						
Total	**770.9**	**67.2**	**58.3**	**8.7**	**7.6**	**537.4**	**80.0**	**5.10**	**273.8**

The valuation improvement in the period is reconciled as follows:

	30 Sep 2016 €m	31 Mar 2016 €m
Total investment properties at market value as per valuer's report as at the beginning of the period	695.2	550.0
Additions	50.8	82.7
Subsequent expenditure	7.2	15.0
Disposals	-	-
Surplus on revaluation above capex	26.4	47.5
Total investment properties at market value as per valuer's report as at the end of the period	**779.6**	**695.2**

The Adjusted NAV per share, which excludes the provisions for deferred tax and derivative financial instruments, was 55.62c as at 30 September 2016, an increase of 4.3 per cent over the 53.35c as at 31 March 2016. Total Shareholder Return (based on Adjusted NAV), including the 1.30c per share final dividend paid in July, was 6.7 per cent for the period (30 September 2015: 7.3 per cent).

Dividend

The Company's dividend policy continues to pay shareholders 65 per cent of FFO, with the dividend paid semi-annually. As in previous periods, the Company is offering shareholders the ability to receive dividends in scrip rather than cash.

In accordance with this policy, the Board has declared an interim dividend of 1.39c per share for the six month period ended 30 September 2016. The ex-dividend date will be 13 December 2016 for shareholders on the South African register and 15 December 2016 for shareholders on the UK register. The record date will be 15 December 2016 for shareholders on the South African register and 16 December for shareholders on the UK register and the dividend will be paid on 20 January 2017 for shareholders on both registers. A detailed dividend announcement will be made in due course.

Acquisitions

Four acquisitions totalling €68.5 million have been completed since the last financial year end, namely Krefeld and Markgröningen which completed in May 2016, Dresden which completed in September 2016 and Wiesbaden which completed in October 2016, shortly after the interim period end.

In June 2016, the Company completed a successful equity fundraising via a private placement which was enlarged from €20 million to €30 million in response to investor demand. This, along with the refinancing of our existing facilities with BerlinHyp and Deutsche Pfandbriefbank provided funds for the Dresden and Wiesbaden acquisitions and a further €10 million remains from the equity raise, most of which the Group has already earmarked for three new smaller transactions which have been notarised and should complete by the end of the financial year. These assets have high vacancy and present an opportunity for significant value-add, whilst also lowering LTV as we do not currently intend to finance them with bank debt. The Group is actively seeking smaller ungeared assets such as these which can be injected into existing debt portfolios as and when we need to refinance in the future.

There was no benefit from the Dresden or Wiesbaden acquisitions in the results for the first half of this financial year but they are both expected to have a positive effect in the second half. The pipeline for further accretive acquisitions is strong and we are confident we can deploy the funds remaining from the June private placement as well as those resulting from the sale of the Merseburg asset and a land sale expected to be completed before the end of the financial year.

The acquisitions that have completed so far this financial year have been immediately earnings enhancing providing a good balance of stable, high-quality income and value added opportunity as shown in the following table:

Site	Total Investment €	Cost Per sq.m €	Annualised Acquisition Rental Income €	Annualised Acquisition NOI €	NOI Yield %	Occupancy %
Krefeld I	13,475,000	1,176	1,218,603	1,138,290	8.4%	94%
Markgröningen	8,720,000	154	1,321,964	904,872	10.4%	67%
Dresden	28,600,275	538	2,781,105	2,376,284	8.3%	65%
Wiesbaden*	17,658,382	901	1,877,793	1,598,203	9.1%	65%
Total	**68,453,657**	**486**	**7,199,465**	**6,017,649**	**8.8%**	**69%**

**Completed post period end*

Of the 13 assets that we have acquired since we began the current acquisitions programme in 2015, we have owned seven of these for more than twelve months up to 30 September 2016. We continue to make solid progress on transforming all these acquired assets and the table below shows the progress made so far on these seven assets by comparing the annualised rental income at 30 September 2016 to that at acquisition and the amount of capex we have invested:

Site	Total Acquisition Cost	Market Value (rounded)	Market Value Increase	Annualised Acquisition Rental Income	Annualised Rental Income for Sep 2016	Annualised Rental Income Increase
	€	€	%	€	€	%
Mahsldorf	19,573,781	22,700,000	16%	1,786,063	1,953,766	9%
Potsdam	29,352,527	34,200,000	17%	2,346,622	2,638,213	12%
Bonn II	3,316,230	6,900,000	108%	530,601	924,020	74%
Aachen I	18,692,656	22,000,000	18%	1,751,112	2,073,241	18%
Ludwigsburg	7,442,986	9,520,000	28%	969,305	1,098,520	13%
Weilimdorf	5,699,271	5,910,000	4%	510,835	510,835	0%
Heidenheim	18,319,585	20,700,000	13%	1,845,715	1,820,450	-1%
Total	**102,397,036**	**121,930,000**	**19%**	**9,740,253**	**11,019,045**	**13%**

Site	Acquisition Occupancy	Sep 2016 Occupancy	Occupancy Increase	Capex Since Acquisition to Sep 2016
	%	%	%	€
Mahsldorf	85%	90%	5%	524,163
Potsdam	85%	96%	11%	235,413
Bonn II	76%	93%	17%	78,510
Aachen I	75%	87%	12%	352,337
Ludwigsburg	68%	74%	6%	331,282
Weilimdorf	100%	100%	0%	0
Heidenheim	83%	85%	2%	60,031
Total	**80%**	**87%**	**7%**	**1,581,736**

We believe there is further progress to be made on these acquisitions as well as on others completed more recently.

Organic rental income growth

Demand for both flexible and conventional workspace continues to be strong from the Group's core German SME customers with new lettings of 70,626 square metres at an average rate of €5.89 per square metre being achieved during the period (2015: 70,201 square metres at €5.10 per square metre). Comparing this with the total move-outs in the period of 64,422 square metre at an average rate of €5.38 per square metre (2015: 90,470 square metre at €3.78 per square metre) provides an indication of why like for like occupancy increased to 81 per cent (31 March 2016: 80 per cent) and like for like average rate per square metre rose to €5.07 (31 March 2016: €5.02). Accordingly we saw a 2.4 per cent increase in the like for like annualised rental income in the period up to €64.5 million from €63.0 million*. Annualised rental income including the Wiesbaden acquisition completed after period end is €69.1 million.

** Including the initial annualised rental income of the Markgröningen and Krefeld acquisitions which both completed in May 2016*

One of the main drivers of the rental income improvements is the Group's capex investment programme which is continuing to see positive results. As at 30 September 2016, almost three years into the programme, we had completed the transformation of 139,900 square metres of the circa 207,000 square metres identified for investment and investing €11.7 million into this space has generated €7.6 million per annum of additional annualised rental income so far at around 78 per cent occupancy.

More detail on the programme to date is provided in the following table:

Capex Investment Programme Progress	Sq. m	Investment Budgeted	Actual Spend	Annualised Rental Income Increase Budgeted	Annualised Rental Income Increase Achieved to Sep 2016	Occupancy Budgeted	Occupancy Achieved to Sep 2016	Rate Per sq. m Budgeted	Rate Per sq. m Achieved to Sep 2016
		€	€	€	€	%	%	€	€
Completed	139,900	14,025,713	10,823,356	8,411,428	7,627,219	86%	78%	5.81	5.82
In Progress	22,765	5,066,699	788,590	1,318,799	-	83%	-	5.89	-
To Commence in Next Financial Year	44,308	4,924,176	86,771	1,764,025	-	74%	-	4.48	-
Total	**206,974**	**24,016,588**	**11,698,717**	**11,494,252**	**7,627,219**	**83%**	**53%**	**5.51**	**5.82**

There still remains significant potential to increase rents and values from this programme with around 67,073 square metres of space still to be converted. The total programme requires a further €9.7 million of investment to produce an estimated €3.9 million of annualised rental income. In addition to this is the 35 per cent vacancy that has come with both the Dresden and Wiesbaden acquisitions as well another circa 13,000 square metres of recently vacated space and low end Flexilager storage space which we are planning on transforming. The results that are achievable from our investments are indicative of the value-add business model that we run and we look forward to further successes with this over the coming years.

Smartspace

One of the most significant elements of our capex investment initiatives is the transformation of sub-optimal space into our Smartspace products. In the period we have created a further 2,025 square metres of Smartspace Office, 2,008 square metres of Smartspace Workbox and 4,363 square metres of Smartspace Storage from this sub-optimal space which includes space that was being used as our lower end Flexilager storage space. We have further increased the occupancy of Smartspace products to 66 per cent (31 March 2016: 62 per cent) and increased the rate per square metre achieved to €6.51 (31 March 2016: €6.33). The rental rates we achieve on Smartspace Offices and Smartspace Storage remain particularly encouraging. The table below gives more detail on the Smartspace offerings across the whole portfolio:

Smartspace Product Type	Total sq. m	Occupied sq. m	Occupancy	Annualised Rental Income (excl Service Charge)	% Total Annualised Rental Income	Rate Per sq. m (excl Service Charge)
			%	€		€
Smartspace Office	30,544	23,811	78%	2,180,702	52%	7.63
Smartspace Workbox	5,526	3,723	67%	280,786	7%	6.28
Smartspace Storage	23,699	17,083	72%	1,133,028	27%	5.53
Subtotal*	**59,769**	**44,618**	**75%**	**3,594,515**	**86%**	**6.71**
Smartspace Flexilager**	20,668	8,563	41%	561,850	14%	5.47
Smartspace Total	**80,438**	**53,181**	**66%**	**4,156,365**	**100%**	**6.51**

* *adjusted for common areas*

*** not adjusted for common areas*

Whilst Smartspace contributes around 6 per cent of the annualised rental income of Sirius, the intention is for it to be at around 10 per cent by the end of the capex investment programme.

Portfolio tenant mix

We have continued to maintain the balance of our tenant mix between the high-yielding flexible Smartspace products and the solid core of anchor tenants. The latter provide our banks with the comfort and stability that they require in order for them to offer us the most competitive interest rates and term lengths whereas the flexible tenants contribute significantly to the high returns we can achieve for our shareholders. The table below illustrates the tenant mix across our portfolio at the end of the reporting period:

Type of Tenant	No. of Tenants	Occupied sq. m	Annualised Rental Income	% of Total Annualised Rental Income	Rate Per sq. m
			€	%	€
Top 50 anchor Tenants	50	539,431	32,283,912	48%	4.99
Smartspace SME Tenants	1,675	53,181	4,156,365	6%	6.51
Other SME Tenants	1,953	504,911	30,782,128	46%	5.08
Total	**3,678**	**1,097,523**	**67,222,405**	**100%**	**5.10**

Finance

The Group continues to reduce the average cost of its borrowings and since the last financial year end completed two refinancing deals which were used to replace existing more expensive facilities as well as part fund the completed acquisitions.

In April 2016 the Group concluded a new seven year €137.0 million facility with Berlin and Deutsche Pfandbriefbank to refinance an existing loan with the same syndicate which had an outstanding balance of €110.4 million and an average interest rate of 3.61 per cent. The new facility was split in two tranches with Tranche 1, totalling €94.5 million charged at a fixed interest rate of 1.66 per cent for the full term of the loan and Tranche 2, totalling €42.5 million charged with a floating rate of 1.25 per cent over three month EURIBOR (not less than 0 per cent) for the first year of the loan and a requirement to fix the interest rate on this Tranche thereafter.

After the period end in October 2016 a new seven year €70.0 million facility was completed with BerlinHyp with an all-in fixed interest rate of 1.48 per cent for the full term of the loan to replace an existing €39.2 million facility which was incurring an all-in fixed interest rate of 2.68 per cent.

These new deals have further reduced the Group's weighted average cost of debt to below 2.0 per cent and increased the weighted average debt expiry to 6.2 years, which further reflects the confidence our lenders have in our asset management platform. This is particularly encouraging when considering the large spread between our recent acquisition yields and the interest rates available to us and highlights the opportunity currently available to the Group. We believe further opportunities exist to take advantage of this yield spread whilst being mindful of maintaining a sensible and sustainable LTV.

The Group's overall LTV reduced to 41.7 per cent as at 30 September 2016 (31 March 2016: 42.8 per cent). After the Wiesbaden acquisition and associated BerlinHyp refinancing the Group's LTV temporarily increased to 44.6 per cent but this is expected to reduce again by the financial year end through amortisation payments and the continuing effect of our investment programme. The Group is committed to achieving a target LTV of 40.0 per cent by no later than 31 March 2018.

Main Market listings

As previously announced, the Company has been considering making applications (the "Applications") to transfer the admission of the Ordinary Shares from AIM to the premium segment of the Official List and to trading on the main market of the London Stock Exchange ("LSE") (the "UK Admission") and from trading on AltX to trading on the Johannesburg Stock Exchange's ("JSE") main board for listed securities (the "JSE Transfer"). Following consultations with the Company's major shareholders and advisers, this process is now underway. The Company has already submitted an application to the JSE and hopes to submit an application to the LSE before the end of

2016 with each of UK Admission and JSE Transfer expected to occur in the early part of 2017. Once finalised, an expected timetable will be notified to shareholders through an appropriate announcement. The Board of Directors believe that the transition will facilitate the longer term ambitions of the Company, increase its appeal to a broader range of international investors and potentially allow the Company to benefit from inclusion in certain indices. Total costs of this process are expected to be in the region of €1.6 million.

Board

Neil Sachdev was appointed as a non-executive director in July 2016 and was elected by the Board as Chairman in September 2016, replacing Robert Sinclair who had chaired the Board since 2011. Robert remains as a non-executive director. The Board is seeking at least one additional appointment in connection with its proposed move to the main markets of the LSE and JSE.

Outlook

Sirius's focus is on delivering risk adjusted returns by growing recurring income and capital values through asset management activity, acquiring new sites with the appropriate mix of stability and opportunity and leveraging long-term fixed low interest rate facilities, whilst maintaining LTV at sensible and sustainable levels. Our confidence in achieving this stems from having a balanced portfolio of assets and a deep market understanding which we have developed by managing in detail almost every aspect of our properties over the last 10 years. It is this unique insight and connectivity into our marketplace which gives Sirius a competitive advantage and makes a strong contribution to the returns we generate.

Post Brexit, Germany has fast become the market of choice for many property investors as they seek a safe haven outside of more volatile markets and Sirius is set to benefit from the changing sentiment of managing properties, particularly office and storage space, with flexible solutions. In Q3 of 2016 investment volumes across Europe, as reported by JLL, show Berlin, Munich and Frankfurt as three of the top five cities in terms of investment volume in Europe. This bodes well for Sirius which has 53 per cent of its total portfolio value in and around these three major investment hotspots.

Sirius is also pleased to note the changing sentiment towards the flexible office and storage markets. There is no doubt that we must retain our balance in combining the stability of our conventional space alongside our flexible space, however, we expect to be a beneficiary of the technology driven structural changes occurring, as more people choose to work for smaller firms and seek flexible workspace. These trends work well for Sirius and help to underpin our growth strategies.

Going into the second half of this financial year, the Group is well placed to continue to deliver strong returns to shareholders. Underpinning our confidence is the continuation of our capex investment programme, the on-going application of our asset management techniques to existing and future acquisitions and the potential to crystallise profits on disposing of mature and non-core assets in favour of higher yielding opportunities.

We therefore look forward to an exciting and positive second half of the year.

Unaudited consolidated statement of comprehensive income

	Notes	**(Unaudited) six months ended 30 September 2016 €000**	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Rental income	4	**32,636**	25,869	55,790
Direct costs	5	**(8,900)**	(8,329)	(15,832)
Net rental income		**23,736**	17,540	39,958
Surplus on revaluation of investment properties	12	**25,370**	27,027	44,168
(Loss)/gain on disposal of properties		**-**	(68)	-
Administrative expenses	5	**(5,041)**	(1,651)	(5,603)
Other operating expenses	5	**(1,301)**	(1,008)	(2,199)
Operating profit		**42,764**	41,840	76,324
Finance income	8	**18**	29	45
Finance expense	8	**(5,147)**	(13,866)	(18,817)
Change in fair value of derivative financial instruments		**(126)**	271	(476)
Profit before tax		**37,509**	28,274	57,076
Taxation	9	**(4,632)**	(185)	(2,388)
Profit for the period		**32,877**	28,089	54,688
Profit attributable to:				
Owners of the Company		**32,862**	28,079	54,671
Non-controlling interests		**15**	10	17
Total comprehensive income for the period		**32,877**	28,089	54,688
Earnings per share				
Basic comprehensive income for the period attributable to ordinary equity holders of the Company	10	**4.09c**	3.97c	7.51c
Diluted comprehensive income for the period attributable to ordinary equity holders of the Company	10	**3.97c**	3.87c	7.13c

Unaudited consolidated statement of financial position

	Notes	**(Unaudited) 30 September 2016 €000**	(Unaudited) 30 September 2015 € 000	31 March 2016 €000
Non-current assets				
Investment properties	12	**764,990**	610,120	687,453
Plant and equipment		**1,928**	1,764	1,943
Goodwill	14	**3,738**	3,738	3,738
Deferred tax assets	9	**267**	-	183
Total non-current assets		**770,923**	615,622	693,317
Current assets				
Trade and other receivables	15	**8,576**	27,370	11,936
Derivative financial instruments		**-**	66	19
Cash and cash equivalents	16	**24,747**	14,114	19,874
Investment properties held for sale	13	**5,870**	-	-
Total current assets		**39,193**	41,550	31,829
Total assets		**810,116**	657,172	725,146

Current liabilities				
Trade and other payables	17	**(27,763)**	(26,584)	(29,541)
Interest-bearing loans and borrowings	18	**(6,204)**	(4,347)	(5,642)
Current tax liabilities		**(144)**	-	(170)
Derivative financial instruments		**(12)**	(540)	(715)
Total current liabilities		**(34,123)**	(31,471)	(36,068)
Non-current liabilities				
Interest-bearing loans and borrowings	18	**(308,017)**	(251,915)	(288,348)
Derivative financial instruments		**(587)**	(1,350)	(1,875)
Deferred tax liabilities	9	**(16,485)**	(9,461)	(11,747)
Total non-current liabilities		**(325,089)**	(262,726)	(301,970)
Total liabilities		**(359,212)**	(294,197)	(338,038)
Net assets		**450,904**	362,975	387,108
Equity				
Issued share capital	20	**-**	-	-
Other distributable reserve		**460,013**	431,560	429,094
Retained earnings		**(9,180)**	(68,634)	(42,042)
Total equity attributable to the equity holders of the Company		**450,833**	362,926	387,052
Non-controlling interests		**71**	49	56
Total equity		**450,904**	362,975	387,108

Unaudited consolidated statement of changes in equity

	Issued share capital €000	Other distributable reserve €000	Retained earnings €000	Total equity attributable to the equity holders of the Company €000	Non-controlling interests €000	Total equity €000
As at 31 March 2015	-	384,937	(96,713)	288,224	39	288,263
Shares issued, net of costs	-	48,423	-	48,423	-	48,423
Share-based payment transactions	-	1,625	-	1,625	-	1,625
Dividends paid	-	(3,425)	-	(3,425)	-	(3,425)
Total comprehensive income for the year	-	-	28,079	28,079	10	28,089
As at 30 September 2015	-	431,560	(68,634)	362,926	49	362,975
Shares issued, net of costs	-	(48)	-	(48)	-	(48)
Share-based payment transactions	-	1,502	-	1,502	-	1,502
Dividends paid	-	(3,920)	-	(3,920)	-	(3,920)
Total comprehensive income for the year	-	-	26,592	26,592	7	26,599
As at 31 March 2016	-	429,094	(42,042)	387,052	56	387,108
Shares issued, net of costs	-	29,117	-	29,117	-	29,117
Share-based payment transactions	-	2,305	-	2,305	-	2,305
Conversion of shareholder loan	-	5,000	-	5,000	-	5,000
Dividends paid	-	(5,503)	-	(5,503)	-	(5,503)
Total comprehensive income for the period	-	-	32,862	32,862	15	32,877
As at 30 September 2016	**-**	**460,013**	**(9,180)**	**450,833**	**71**	**450,904**

Unaudited consolidated statement of cash flow

	Notes	**(Unaudited) six months ended 30 September 2016 €000**	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Operating activities				
Profit after tax		**32,862**	28,079	54,671
Taxation		**4,632**	185	2,388
Non-controlling interests		**15**	10	17
Loss/(gain) on sale of properties		**-**	68	-
Share-based payments		**2,305**	-	1,538
Surplus on revaluation of investment properties	12	**(25,370)**	(27,027)	(44,168)
Change in fair value of derivative financial instruments		**126**	(271)	476
Depreciation	5	**416**	293	634
Finance income	8	**(18)**	(29)	(45)
Finance expense		**5,132**	6,271	12,888
Exit fees/prepayment penalties		**15**	5,929	5,929
Cash flows from operations before changes in working capital		**20,115**	13,508	34,328
Changes in working capital				
Decrease/(increase) in trade and other receivables		**3,738**	(707)	(356)
(Decrease)/increase in trade and other payables		**(2,206)**	721	3,707
Taxation received/(paid)		**118**	(42)	168
Cash flows from operating activities		**21,765**	13,480	37,847
Investing activities				
Purchase of investment properties		**(50,801)**	(31,365)	(82,716)
Prepayments relating to new acquisitions		**(378)**	(18,114)	(2,147)
Capital expenditure		**(7,955)**	(4,363)	(14,391)
Purchase of plant and equipment		**(410)**	(380)	(821)
Net proceeds on disposal of properties		**-**	(68)	-
Interest received		**18**	29	45
Cash flows used in investing activities		**(59,526)**	(54,261)	(100,030)
Financing activities				
Issue of shares		**29,117**	48,899	48,873
Dividends paid		**(5,503)**	(3,425)	(7,345)
Proceeds from loans		**141,500**	59,000	99,088
Repayment of loans		**(116,426)**	(58,324)	(60,383)
Exit fees/prepayment penalties		**(15)**	(5,929)	(5,929)

Finance charges paid		**(6,039)**	(5,463)	(12,384)
Cash flows from financing activities		**42,634**	34,758	61,920
Increase/(decrease) in cash and cash equivalents		**4,873**	(6,023)	(263)
Cash and cash equivalents at the beginning of the period		**19,874**	20,137	20,137
Cash and cash equivalents at the end of the period	16	**24,747**	14,114	19,874

Notes forming part of the financial statements

1. General information

The Company is a company incorporated in Guernsey and resident in the United Kingdom, whose shares are publicly traded on AIM of the LSE (primary listing) and the AltX of the JSE (secondary listing).

The unaudited interim condensed set of consolidated financial statements of Sirius Real Estate Limited comprises that of the Company and its subsidiaries (together referred to as the "Group").

The principal activity of the Group is the investment in and operation and development of commercial property to provide conventional and flexible workspace in Germany.

The audited consolidated financial statements of the Group for the year ended 31 March 2016 are available upon request from the Company's registered office at PO Box 119, Martello Court, Admiral Park, St. Peter Port, Guernsey GY1 3HB, Channel Islands or at www.sirius-real-estate.com.

2. Significant accounting policies

(a) Basis of preparation

The unaudited interim condensed set of consolidated financial statements have been prepared on a historical cost basis, except for investment properties, investment properties held for sale and derivative financial instruments which have been measured at fair value. The unaudited interim condensed set of consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€000) except where otherwise indicated.

(b) Statement of compliance

The audited consolidated financial statements of the Group for the year ended 31 March 2016 have been prepared in accordance with IFRSs adopted for use in the EU ("Adopted IFRSs") and the Companies (Guernsey) Law, 2008. The unaudited interim set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's audited consolidated financial statements for the year ended 31 March 2016. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016.

(c) Going concern

Having reviewed the Group's current trading and cash flow forecasts, together with sensitivities and mitigating factors and the available facilities, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Board continued to adopt the going concern basis in preparing these financial statements.

(d) Basis of consolidation

The unaudited interim condensed set of consolidated financial statements comprises the financial statements of the Group as at 30 September 2016. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity.

(e) Significant accounting policies

The accounting policies applied by the Group in this unaudited interim condensed set of consolidated financial statements are the same as those applied by the Group in its audited consolidated financial statements as at and for the year ended 31 March 2016.

3. Operating segments

The Directors are of the opinion that the Group is engaged in a single segment of business, being property investment, and in one geographical area, Germany. All rental income is derived from operations in Germany. There is no one tenant that represents more than 10 per cent of Group revenues. The chief operating decision maker is considered to be the Board of Directors, which is provided with consolidated IFRS information on a quarterly basis.

4. Revenue

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Rental and other income from investment properties	**32,636**	25,869	55,790

Other income relates primarily to income associated with conferencing and catering.

5. Operating profit

The following items have been (credited)/charged in arriving at operating profit:

Direct costs

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Service charge income	**(18,184)**	(15,962)	(36,729)
Property and overhead costs	**27,084**	24,291	52,561
Irrecoverable property costs and overheads	**8,900**	8,329	15,832
Property management fee	**-**	-	-
	8,900	8,329	15,832

Administrative expenses

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Audit fee	**213**	288	535
Legal and professional fees	**779**	740	1,661
Other administration costs	**1,093**	681	1,491
LTIP	**2,152**	-	1,452
Non-recurring items	**804**	(58)	464
Administrative expenses	**5,041**	1,651	5,603

Non-recurring items relate primarily to costs associated with scrip dividends, aborted acquisitions and other non-recurring events or transactions. In the six months to 30

September 2016 an amount of €711,000 was accrued for in respect of services relating to market listing activity. It is expected that total costs relating to market listing activity will be in the region of €1,600,000.

Other operating expenses

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Directors' fees	**94**	85	170
Depreciation	**416**	293	634
Bank fees	**70**	62	113
Marketing and other expenses	**721**	568	1,282
Other operating expenses	**1,301**	1,008	2,199

6. Employee costs and numbers

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Wages and salaries	**6,921**	4,789	11,301
Social security costs	**1,286**	943	2,146
Other employment costs	**48**	29	58
	8,255	5,761	13,505

The costs for the period ended 30 September 2016 include those relating to Executive Directors and an accrual of €2,152,000 (31 March 2016: €1,452,000) relating to the granting or award of shares under LTIPs (see note 7).

All employees are employed directly by one of the following Group subsidiary companies: Sirius Facilities GmbH, Sirius Facilities (UK) Limited, Curris Facilities & Utilities Management GmbH, SFG NOVA GmbH and Sirius Corporate Services B.V. The average number of people employed by the Group during the period was 201 (30 September 2015: 188; 31 March 2016: 182) expressed in full-time equivalents. In addition, the Board of Directors consists of four Non-executive Directors and two Executive Directors as at 30 September 2016.

7. Employee schemes

Equity settled share based payments

A new LTIP for the benefit of the Executive Directors and the Senior Management Team was approved in October 2015. The fair value determined at the grant date is expensed on a straight-line basis over the vesting and holding period, based on the Company's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions. Under the LTIP, the awards are granted in the form of whole shares at no cost to the participants. Shares vest after the three year performance period followed by a holding period. The performance conditions used to determine the vesting of the award are based on net asset value and total shareholder return allowing vesting of zero per cent to a maximum of 125 per cent. As a result, a maximum of 25,150,000 shares were granted, subject to performance criteria, under the scheme in December 2015 and an expense of €1,452,000 was recognised in the consolidated statement of comprehensive income to 31 March 2016.

A total of 1,300,000 shares were forfeited in the six month period to 30 September 2016. An expense of €2,152,000 was recognised in the statement of comprehensive income to 30 September 2016.

Movements in the number of shares outstanding and their weighted average exercise prices are as follows:

	(Unaudited) six months ended 30 September 2016		Year ended 31 March 2016	
	Number of shares	**Weighted average exercise price €000**	Number of shares	Weighted average exercise price €000
Balance outstanding as at the beginning of the period (nil exercisable)	**25,150,000**	**-**	-	-
Maximum granted during the period	**-**	**-**	25,150,000	-
Forfeited during the period	**(1,300,000)**	**-**	-	-
Exercised during the period	**-**	**-**	-	-
Balance outstanding as at the end of the period (nil exercisable)	**23,850,000**	**-**	25,150,000	**-**

The fair value per share was determined using the Monte-Carlo model, with the following assumptions used in the calculation as at grant date:

	31 March 2016
Weighted average share price - €	0.52
Weighted average exercise price - €	-
Expected volatility - %	20
Expected life - years	2.48
Risk-free rate based on European treasury bonds' rate of return - %	(0.11)
Expected dividend yield - %	3.41

Assumptions considered in the model include: expected volatility of the Company's share price, as determined by calculating the historical volatility of the Company's share price over the historic period immediately prior to the date of grant and commensurate with the expected life of the awards; dividend yield based on the actual dividend yield as a percentage of share price at the date of grant; expected life of the awards; risk-free rates; and correlation between comparators.

Employee benefit scheme

The original LTIP for the benefit of the Executive Directors and the Senior Management Team expired at the end of March 2015. As a result, a total of 3,471,200 Ordinary Shares were issued during the financial year to 31 March 2016.

During the period 313,608 shares were issued to the Company's management through its MSP and Ordinary Shares taken in lieu of bonus (31 March 2016: 134,918 shares).

A reconciliation of share-based payments and employee benefit schemes and their impact on the consolidated statement of changes in equity is as follows:

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Charge relating to original LTIP	**-**	1,625	1,625
Charge relating to MSP	**153**	-	50
Charge relating to new LTIP	**2,152**	-	1,452

Share-based payment transactions as per consolidated statement of changes in equity	**2,305**	1,625	3,127

8. Finance income and expense

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Bank interest income	**18**	29	45
Finance income	**18**	29	45
Bank loan interest expense	**(3,642)**	(5,462)	(9,945)
Amortisation of capitalised finance costs	**(583)**	(809)	(1,277)
Refinancing costs	**(922)**	(7,595)	(7,595)
Finance expense	**(5,147)**	(13,866)	(18,817)
Net finance expense	**(5,129)**	(13,837)	(18,772)

The refinancing costs on derecognition of the loans for the six months ended 30 September 2016 relate to the costs associated with the refinancing of the Berlin-Hannoversche Hypothekenbank AG/Deutsche Pfandbriefbank AG facility with the new €137 million loan facility. The refinancing costs for derecognition of the loans in the year ended 31 March 2016 relate to the costs associated with the refinancing of the Macquarie loan facilities with the new €59 million SEB AG loan facility.

9. Taxation

Consolidated statement of comprehensive income

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Current income tax			
Current income tax (charge)/credit	**(59)**	256	156
Adjustment in respect of prior periods	**81**	-	-
	22	256	156
Deferred tax			
Relating to origination and reversal of temporary differences	**(4,738)**	(441)	(2,727)
Relating to LTIP charge for the period	**84**	-	183
Income tax charge reported in the statement of comprehensive income	**(4,632)**	(185)	(2,388)

Deferred income tax liability

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Opening balance	**11,747**	9,020	9,020
Taxes on the revaluation of investment properties and derivative financial instruments*	**4,738**	441	2,727
Balance as at period end	**16,485**	9,461	11,747

* Movement refers to the revaluation of investment properties to fair value, the recognition of derivatives and adjustments for lease incentives (e.g. rent-free periods).

Deferred income tax asset

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Opening balance	**(183)**	-	-
Relating to LTIP charge for the year	**(84)**	-	(183)
Balance as at period end	**(267)**	-	(183)

The Group has tax losses of €252,002,000, (31 March 2016: €235,682,000) that are available for offset against future profits of its subsidiaries in which the losses arose under the restrictions of the minimum taxation. Deferred tax assets have not been recognised in respect of the revaluation losses on investment properties and interest rate swaps as they may not be used to offset taxable profits elsewhere in the Group as realisation is not assured. Deferred tax assets have been recognised in respect of the valuation of the Company LTIP.

10. Earnings per share

The calculation of the basic, diluted, headline and adjusted earnings per share is based on the following data:

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Earnings			
Basic earnings	**32,862**	28,079	54,671
Diluted earnings	**32,862**	28,204	54,921
Headline earnings	**12,270**	1,785	13,582
Diluted headline earnings	**12,270**	1,910	13,832
Adjusted			
Basic earnings after tax	**32,862**	28,079	54,671
Deduct revaluation surplus, net of related tax	**(20,592)**	(26,362)	(41,089)
Add loss/deduct gain on sale of properties, net of related tax	**-**	68	-
Headline earnings after tax	**12,270**	1,785	13,582
Add/deduct change in fair value of derivative financial instrument, net of related tax	**86**	(495)	124
Add non-recurring items, net of related tax	**3,794**	7,537	9,329
Adjusted earnings after tax	**16,150**	8,827	23,035
Number of shares			
Weighted average number of Ordinary Shares for the purpose of basic and headline earnings per share	**803,512,009**	707,075,634	728,152,740
Weighted average number of Ordinary Shares for the purpose of diluted earnings and diluted headline earnings per share	**827,362,009**	727,908,968	770,534,539
Weighted average number of Ordinary Shares for the purpose of adjusted earnings per share	**803,512,009**	707,075,634	728,152,740
Basic earnings per share	**4.09c**	3.97c	7.51c
Diluted earnings per share	**3.97c**	3.87c	7.13c
Headline earnings per share	**1.53c**	0.25c	1.87c
Diluted headline earnings per share	**1.48c**	0.26c	1.80c
Adjusted earnings per share	**2.01c**	1.25c	3.16c

Adjusted diluted earnings per share	**1.95c**	1.21c	2.99c

Non-recurring items as stated within earnings per share can be reconciled with those stated within administrative expenses in note 5 as follows:

	(Unaudited) six months ended 30 September 2016 €000	(Unaudited) six months ended 30 September 2015 €000	Year ended 31 March 2016 €000
Non-recurring items as per note 5	**804**	(58)	464
Finance restructuring costs	**922**	7,595	7,595
LTIP	**2,152**	-	1,452
Change in deferred tax assets	**(84)**	-	(183)
Non-recurring items as per note 10	**3,794**	7,537	9,328

The number of shares has been reduced by 1,062,058 shares (30 September 2015: 1,471,875 shares; 31 March 2016: 1,375,666 shares), that are held by the Company as Treasury Shares at 30 September 2016, for the calculation of basic, headline, adjusted and diluted earnings per share.

The weighted average number of shares for the purpose of adjusted earnings per share is calculated as follows:

	(Unaudited) 30 September 2016 Number of shares	(Unaudited) 30 September 2015 Number of shares	31 March 2016 Number of shares
Weighted average number of Ordinary Shares for the purpose of basic and headline earnings per share	**803,512,009**	707,075,634	728,152,740
Effect of conversion of convertible shareholder loan	**-**	20,833,334	22,261,799
Effect of grant of LTIP shares	**23,850,000**	-	20,120,000
Weighted average number of Ordinary Shares for the purpose of diluted earnings and diluted headline earnings per share	**827,362,009**	727,908,968	770,534,539

The Directors have chosen to disclose adjusted earnings per share in order to provide a better indication of the Group's underlying business performance; accordingly, it excludes the effect of non-recurring items, gains/losses on sale of properties, deferred tax and the revaluation deficits/surpluses on the investment properties and derivative financial instruments.

11. Net assets per share

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Net assets			
Net assets for the purpose of assets per share (assets attributable to the equity holders of the Company)	**450,833**	362,926	387,052
Deferred tax arising on revaluation of properties and LTIP valuation	**16,218**	9,461	11,564
Derivative financial instruments	**599**	1,824	2,571
Adjusted net assets attributable to equity holders of the Company	**467,650**	374,211	401,187
Number of shares			
Number of Ordinary Shares for the purpose of net assets per share	**840,769,233**	746,410,666	751,984,887
Net assets per share	**53.62c**	48.62c	51.47c
Adjusted net assets per share	**55.62c**	50.13c	53.35c

The number of shares has been reduced by 1,062,058 shares (31 March 2016: 1,375,666 shares) that are held by the Company as Treasury Shares at 30 September 2016, for the calculation of net assets and adjusted net assets per share.

12. Investment properties

Most of the Group's properties are pledged as security for loans obtained by the Group. See note 18 for details.

A reconciliation of the valuation carried out by the external valuer to the carrying values shown in the statement of financial position is as follows:

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Investment properties at market value	**779,590**	615,240	695,190
Adjustment in respect of lease incentives	**(2,820)**	(2,020)	(2,427)
Directors' impairment of non-core assets	**(5,910)**	(3,100)	(5,310)
Reclassified as investment properties held for sale	**(5,870)**	-	-
Balance as at period end	**764,990**	610,120	687,453

The fair value (market value) of the Group's investment properties at 30 September 2016 has been arrived at on the basis of a valuation carried out at that date by Cushman & Wakefield LLP (2015: Cushman & Wakefield LLP), an independent valuer. The adjustment in respect of lease incentives excludes those relating to assets that have been written down.

The valuation is based upon assumptions including future rental income, anticipated maintenance costs and an appropriate discount rate. The properties are valued on the basis of a ten year discounted cash flow model supported by comparable evidence. The discounted cash flow calculation is a valuation of rental income considering non-recoverable costs and applying a discount rate for the current income risk over a ten year period. After ten years a determining residual value (exit scenario) is calculated. A capitalisation rate is applied to the more uncertain future income, discounted to a present value.

The Directors also perform a review of the valuation and they have decided to reduce the value of 3 of the 42 properties from the Cushman & Wakefield LLP valuation.

The weighted average lease expiry remaining across the whole portfolio at 30 September 2016 was 2.6 years.

The movement on the valuation of the investment properties at market value as set out in the valuer's report is as follows:

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Total investment properties at market value as per valuer's report as at the beginning of the period	**695,190**	550,030	550,030
Additions	**50,801**	31,365	82,716
Subsequent expenditure	**7,236**	6,102	14,943
Disposals	**-**	-	-
Surplus on revaluation above capex	**26,363**	27,743	47,501
Reclassified as other fixed assets	**-**	-	-
Total investment properties at market value as per valuer's report as at the end of the period	**779,590**	615,240	695,190

The reconciliation of surplus on revaluation above capex as per the statement of comprehensive income is as follows:

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Surplus on revaluation above capex	**26,363**	27,743	47,501

Adjustment in respect of lease incentives	**(393)**	(16)	(423)
Changes in Directors' impairment of non-core asset valuations	**(600)**	(700)	(2,910)
Surplus on revaluation of investment properties reported in the statement of comprehensive income	**25,370**	27,027	44,168

13. Investment properties held for sale

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Merseburg	**5,870**	-	-
Bremen Doetlingerstr. partial site	**-**	-	-
Bonn Siemensstr. land	**-**	-	-
Cottbus site	**-**	-	-
Balance as at period end	**5,870**	-	-

Investment properties held for sale at 30 September 2016 is €5.9 million (31 March 2016: €nil) representing a non-core asset that was notarised for sale in the period. A loss of €1.1 million was recognised in the surplus on revaluation of investment properties within the consolidated statement of comprehensive income in the period. See note 24 for details of a disposal of a non-income producing piece of land that was notarised post period end which has not been recognised as an investment property held for sale.

14. Goodwill

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Opening balance	**3,738**	3,738	3,738
Additions	**-**	-	-
Impairment	**-**	-	-
Closing balance	**3,738**	3,738	3,738

On 30 January 2012 a transaction was completed to internalise the Asset Management Agreement which was previously held by a company external to the Group and, as a result of the consideration given exceeding the net assets acquired, goodwill of €3,738,000 was recognised. The impairment review methodology for goodwill is unchanged from that described in the 2016 Annual Report and Group Financial Statements. Current business plans indicate that the balance is unimpaired.

15. Trade and other receivables

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Trade receivables	**1,808**	1,857	3,069
Other receivables	**5,265**	6,206	6,368
Prepayments	**1,503**	19,307	2,499
Related party receivable	**-**	-	-
Balance as at period end	**8,576**	27,370	11,936

16. Cash and cash equivalents

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Cash at bank and in hand	**24,747**	14,114	19,874
Balance as at period end	**24,747**	14,114	19,874

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash as at 30 September 2016 is €24,747,000 (31 March 2016: €19,874,000).

As at 30 September 2016 €11,462,000 (31 March 2016: €10,858,000) of cash is held in blocked accounts. Included in blocked accounts is deposits received from tenants, cash held in escrow as requested by a supplier, restricted accounts for office rent deposits, amounts reserved for future bank loan interest and amortisation payments, pursuant to certain of the Group's banking facilities, and an amount reserved for future capital expenditure.

17. Trade and other payables

	(Unaudited) 30 September 2016 €000	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Trade payables	**4,483**	7,359	6,960
Accrued expenses	**9,568**	8,236	9,305
Accrued interest	**1,564**	1,614	530
Other payables	**12,148**	9,375	12,746
Balance as at period end	**27,763**	26,584	29,541

18. Interest-bearing loans and borrowings

	Effective Interest rate %	Maturity	**(Unaudited) 30 September 2016 €000**	(Unaudited) 30 September 2015 €000	31 March 2016 €000
Current					
Deutsche Genossenschafts-Hypothekenbank AG					
- fixed rate facility	1.59	31 March 2021	**320**	-	320
Bayerische Landesbank					
- hedged floating rate facility	Hedged[1]	19 October 2020	**508**	-	508
SEB AG					
- fixed rate facility	1.84	1 September 2022	**1,180**	1,180	1,180
Berlin-Hannoversche Hypothekenbank AG/Deutsche Pfandbriefbank AG					
- floating rate facility	Floating[2]	27 April 2023	**1,063**	1,150	1,437
- fixed rate facility	1.66	27 April 2023	**2,394**	1,150	1,437
Berlin-Hannoversche Hypothekenbank AG					
- fixed rate facility	2.85	31 December 2019	**828**	720	756
- fixed rate facility	1.32	31 December 2019	**112**	-	-
K-Bonds I					
- fixed rate facility	6.00	31 July 2020	**1,000**	1,000	1,000
Capitalised finance charges on all loans			**(1,201)**	(853)	(996)
			6,204	4,347	5,642

Non-current

Deutsche Genossenschafts-Hypothekenbank AG					
- fixed rate facility	1.59	31 March 2021	**14,520**	-	14,680
Bayerische Landesbank					
- hedged floating rate facility	Hedged[1]	19 October 2020	**24,367**	-	24,621
SEB AG					
- fixed rate facility	1.84	1 September 2022	**56,640**	57,820	57,230
Berlin-Hannoversche Hypothekenbank AG/Deutsche Pfandbriefbank AG					
- floating rate facility	Floating[2]	27 April 2023	**40,906**	54,625	53,763
- fixed rate facility	1.66	27 April 2023	**91,138**	54,625	53,763
Berlin-Hannoversche Hypothekenbank AG					
- fixed rate facility	2.85	31 December 2019	**33,912**	34,740	34,344
- fixed rate facility	1.32	31 December 2019	**4,341**	-	-
K-Bonds I					
- fixed rate facility	4.00	31 July 2023	**45,000**	45,000	45,000
- fixed rate facility	6.00	31 July 2020	**3,000**	4,000	4,000
Convertible fixed rate facility	5.00	21 March 2018	**-**	5,000	5,000
Capitalised finance charges on all loans			**(5,807)**	(3,895)	(4,053)
			308,017	251,915	288,348
Total			**314,221**	256,262	293,990

1 This facility is hedged with a swap charged at a rate of 1.66 per cent.

2 Tranche 2 of this facility is charged with a floating rate of 1.57 per cent over three month EURIBOR (not less than 0 per cent) for the full term of the loan.

The Group has pledged 36 (31 March 2016: 33) investment properties to secure related interest-bearing debt facilities granted to the Group. The 36 (31 March 2016: 33) properties had a combined valuation of €696,302,000 as at 30 September 2016 (31 March 2016: €635,413,000).

Deutsche Genossenschafts-Hypothekenbank AG

On 24 March 2016, the Group agreed to a facility agreement with Deutsche Genossenschafts-Hypothekenbank AG for €16 million. As at 31 March 2016 tranche 1 had been drawn down in full totalling €15 million. The loan terminates on 31 March 2021. Amortisation is 2 per cent per annum with the remainder of the loan due in the fifth year. The facility is charged a fixed interest rate of 1.59 per cent. The facility is secured over one property asset and is subject to various covenants with which the Group has complied.

Bayerische Landesbank

On 20 October 2015, the Group agreed to a facility agreement with Bayerische Landesbank for €25.4 million. The loan terminates on 19 October 2020. Amortisation is 2 per cent per annum with the remainder due in the fourth year. The full facility has been hedged at a rate of 1.66 per cent until 19 October 2020 by way of an interest rate swap. The facility is secured over four property assets and is subject to various covenants with which the Group has complied.

SEB AG

On 2 September 2015, the Group agreed to a facility agreement with SEB AG for €59 million to refinance the two existing Macquarie facilities. The loan terminates on 1 September 2022. Amortisation is 2 per cent per annum with the remainder due in the seventh year. The facility is charged a fixed interest rate of 1.84 per cent. This facility is secured over 12 of the 14 property assets previously financed through the Macquarie facilities, thereby two non-core assets were unencumbered in the refinancing process. The facility is subject to various covenants with which the Group has complied.

Berlin-Hannoversche Hypothekenbank AG/Deutsche Pfandbriefbank AG

On 31 March 2014, the Group agreed to a facility agreement with Berlin-Hannoversche Hypothekenbank AG and Deutsche Pfandbriefbank AG for €115 million. The loan terminates on 31 March 2019. Amortisation is 2 per cent per annum for the first two years, 2.5 per cent for the third year and 3 per cent thereafter, with the remainder due in the fifth year. Half of the facility (€55.2 million) is charged interest at 3.2 per cent plus three months' EURIBOR and is capped at 4.5 per cent, and the other half (€55.2 million) has been hedged at a rate of 4.265 per cent until 31 March 2019. This facility is secured over nine property assets and is subject to various covenants with which the Group has complied.

On 28 April 2016, the Group agreed to a facility agreement with Berlin-Hannoversche Hypothekenbank AG/Deutsche Pfandbriefbank AG to refinance its existing loan that had an outstanding balance of €110.4 million at 31 March 2016. The new facility is split in two tranches totalling €137 million and terminates on 27 April 2023. Tranche 1, totalling €94.5 million is charged at a fixed interest rate of 1.66 per cent for the full term of the loan. Tranche 2, totalling €42.5 million is charged with a floating rate of 1.57 per cent over three month EURIBOR (not less than 0 per cent.) for the full term of the loan. Amortisation is set at 2.5 per cent across the full facility with the remainder due in one instalment on the final maturity date. The facility is secured over 11 property assets and is subject to various covenants with which the Group has complied.

Berlin-Hannoversche Hypothekenbank AG

On 15 December 2014, the Group agreed to a facility agreement with Berlin-Hannoversche Hypothekenbank AG for €36 million. The loan terminates on 31 December 2019. Amortisation is 2 per cent per annum for the first two years, 2.4 per cent. for the third year and 2.8 per cent thereafter, with the remainder due in the fifth year. The facility is charged a fixed interest rate of 2.85 per cent. This facility is secured over three property assets and is subject to various covenants with which the Group has complied.

On 28 April 2016, the Group agreed to a facility agreement with Berlin-Hannoversche Hypothekenbank AG to add an additional tranche to the existing loan that had an outstanding balance of €35.1 million at 31 March 2016. The additional tranche of €4.5 million brings the total loan to €39.6 million. The maturity of the additional loan tranche is coterminous with the existing loan at 31 December 2019. Amortisation is 2.5 per cent per annum, with the remainder due at maturity. The additional loan tranche is charged with a fixed interest rate of 1.32 per cent for the full term of the loan. The original facility agreement has been amended to include one previously unencumbered property asset located in Würselen. The terms of the original loan are unchanged and the loan continues to be subject to various covenants with which the Group has complied.

K-Bonds

On 1 August 2013, the Group agreed to a facility agreement with K-Bonds for €52 million. The loan consists of a senior tranche of €45 million and a junior tranche of €7 million. The senior tranche has a fixed interest rate of 4 per cent per annum and is due in one sum on 31 July 2023. The junior tranche has a fixed interest rate of 6 per cent and terminates on 31 July 2020. The junior tranche is amortised at €1 million per annum over a seven year period. This facility is secured over four properties and is subject to various covenants with which the Group has complied.

Convertible shareholder loan

On 22 March 2013, the Company issued €5.0 million convertible loan notes due in 2018 (the "Loan Notes"). The entire issue of €5.0 million has been taken up by the Karoo Investment Fund S.C.A. SICAV-SIF and Karoo Investment Fund II S.C.A. SICAV-SIF. The Loan Notes were issued at par and carry a coupon rate of 5 per cent per annum The Loan Notes are convertible into Ordinary Shares of the Company at an original conversion price of 0.24c and can now be converted at any time. The conversion price is subject to dividend protection and, when considering the dividends that the Group has paid to date, the current conversion price is 0.225c as at 31 March 2016. The majority of the proceeds from the issue of the Loan Notes were used to reduce debt levels.

On 23 June 2016, the Company announced that the Karoo Investment Fund S.C.A. SICAV-SIF served notice to convert its €5,000,000 convertible loan notes due in 2018 in full into, in aggregate, 22,814,731 new Ordinary Shares at the conversion price of €0.22 per Ordinary share. Following the conversion on 23 June 2016 and the subsequent admission of the shares to AIM on 28 June 2016, the overall issued share capital was 832,779,058 Ordinary Shares of which 1,062,058 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 831,717,000.

19. Financial instruments

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements:

	(Unaudited) 30 September 2016		(Unaudited) 30 September 2015		31 March 2016	
	Carrying amount €000	**Fair value €000**	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
Financial assets						
Cash	**24,747**	**24,747**	14,114	14,114	19,874	19,874
Trade receivables	**1,808**	**1,808**	1,857	1,857	3,069	3,069
Derivative financial instruments	**-**	**-**	66	66	19	19
Financial liabilities						
Trade payables	**4,483**	**4,483**	7,359	7,359	6,960	6,960
Derivative financial instruments	**599**	**599**	1,890	1,890	2,590	2,590
Interest-bearing loans and borrowings:						
Floating rate borrowings	**41,969**	**41,969**	-	-	-	-
Floating rate borrowings - hedged*	**24,875**	**24,875**	55,775	55,775	80,329	80,329
Floating rate borrowings - capped*	**-**	**-**	55,775	55,775	55,200	55,200
Fixed rate borrowings	**254,385**	**256,458**	149,460	149,969	163,510	166,570

* The Group holds interest rate swap contracts designed to manage the interest rate and liquidity risks of expected cash flows of its borrowings with the variable rate facility with Bayerische Landesbank. Please refer to note 18 for details of swap and cap contracts.

20. Issued share capital

Authorised	Number of shares	Share capital €
Ordinary Shares of no par value	Unlimited	-
As at 30 September 2016	**Unlimited**	**-**

Issued and fully paid	Number of shares	Share capital €
Ordinary Shares of no par value		
As at 31 March 2013	317,578,176	-
Issued Ordinary Shares	197,619,038	-
Issued Treasury Shares	3,703,093	-
As at 31 March 2014	518,900,307	-
Issued Ordinary Shares	109,901,495	-
Issued Treasury Shares	1,536,947	-
As at 31 March 2015	630,338,749	-
Issued Ordinary Shares	118,040,020	-
Issued Treasury Shares	3,606,118	-
As at 31 March 2016	751,984,887	-
Issued Ordinary Shares	88,470,738	-
Issued Treasury Shares	313,608	-
As at 30 September 2016	**840,769,233**	**-**

Holders of the Ordinary Shares are entitled to receive dividends and other distributions and to attend and vote at any general meeting.

The following changes to the issued share capital of the Company have taken place since 30 September 2015:

On 26 November 2015, the Company issued 62,500 Ordinary Shares out of treasury to one of the Company's Executive Directors pursuant to the Company's MSP incentive scheme. This resulted in the Company's overall issued share capital being 747,882,541 Ordinary Shares of which 1,471,875 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 746,473,166.

Pursuant to an issue of bonus shares on 26 November 2015, the Company issued 33,709 Ordinary Shares out of treasury to one of the Company's Executive Directors and some of the Group's senior management team. This resulted in the Company's overall issued share capital being 747,882,541 Ordinary Shares of which 1,357,666 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 746,506,875.

Pursuant to a scrip dividend offering on 20 January 2016, the Company issued 5,478,012 Ordinary Shares at an issue price of €0.5178, resulting in the Company's overall issued share capital being 753,360,553 Ordinary Shares of which 1,375,666 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 751,984,887.

On 26 May 2016, the Company issued 313,608 Ordinary Shares out of treasury to the Company's two Executive Directors and some of the Group's senior management team pursuant to the Company's MSP incentive scheme. This resulted in the Company's overall issued share capital being 753,360,553 Ordinary Shares of which 1,062,058 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 752,298,495.

Pursuant to an equity raise of €30 million on 21 June 2016, the Company issued 56,603,774 Ordinary Shares at an issue price of €0.53, resulting in the Company's overall issued share capital being 809,964,327 Ordinary Shares of which 1,062,058 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 808,902,269.

On 23 June 2016, the Company announced that the Karoo Investment Fund S.C.A. SICAV-SIF served notice to convert its €5,000,000 convertible loan notes due in 2018 in full into, in aggregate, 22,814,731 new Ordinary Shares at the conversion price of €0.22 per ordinary share. Following the conversion on 23 June 2016 and the subsequent admission of the shares to AIM on 28 June 2016, the overall issued share capital was 832,779,058 Ordinary Shares of which 1,062,058 were held in treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 831,717,000.

Pursuant to a scrip dividend offering on 15 July 2016, the Company issued 9,052,233 Ordinary Shares at an issue price of €0.4822, resulting in the Company's overall issued share capital being 841,831,291 Ordinary Shares of which 1,062,058 were held in Treasury. The total number of Ordinary Shares with voting rights in the Company at this date was 840,769,233.

The Company holds 1,062,058 of its own shares, which are held in treasury (31 March 2016: 1,375,666). During the period 313,608 shares were issued from treasury.

New shares under the Scrip Dividend Alternative rank pari passu in all respects with previously existing issued shares of the Company including the right to receive all dividends and other distributions declared after admission and the right to vote at any general meeting.

No shares were bought back in the period.

21. Dividends

In November 2015, the Company announced a dividend of 0.92c per share with a record date of 18 December 2015 and payable on 20 January 2016. On the record date, 747,882,541 shares were in issue, of which 1,375,666 were held in treasury and 746,506,875 were entitled to participate in the dividend. Holders of 311,075,606 shares elected to receive the dividend in ordinary shares under the Scrip Dividend Alternative, representing a dividend of €2,862,000, while holders of 435,431,269 shares opted for a cash dividend with a value of €3,920,000. The total dividend was €6,782,000.

In May 2016 the Company announced a dividend of 1.30c per share with a record date of 17 June 2016 and payable on 15 July 2016. On the record date, 753,360,553 shares were in issue, of which 1,062,058 were held in treasury and 752,298,495 were entitled to participate in the dividend. Holders of 334,125,185 shares elected to receive the dividend in ordinary shares under the Scrip Dividend Alternative, representing a dividend of €4,344,000 while holders of 418,173,310 shares opted for a cash dividend with a value of €5,503,000. The total dividend was €9,847,000.

The Group's profit attributable to the equity holders of the Company for the period was €32.9 million (30 September 2015: €28.1 million). The Board has declared an interim dividend of 1.39c per share for the period ended 30 September 2016. The interim dividend will be paid on 20 January 2017 with the ex-dividend dates being 13 December 2016 for shareholders on the South African register and 15 December 2016 for shareholders on the UK register. The interim dividend represents 65 per cent of Funds from Operations* for the period ended 30 September 2016. It is intended that dividends will continue to be paid on a semi-annual basis and offered to shareholders in cash or scrip form.

The dividend paid per the statement of changes in equity is the value of the cash dividend.

* Recurring profit before tax adjusted for depreciation, amortisation of financing fees and current tax receivable/incurred

The dividend per share was calculated as follows:

	(Unaudited) 30 September 2016 € million	(Unaudited) 30 September 2015 € million	31 March 2016 € million
Reported profit before tax	**37.5**	28.3	57.1
Adjustments for:			
Surplus on revaluation	**(25.4)**	(27.0)	(44.2)
Gain of disposals	**-**	-	-
Non-recurring items	**3.9**	7.5	9.5
Change in fair value of financial derivatives	**0.1**	(0.2)	0.5
Recurring profit before tax	**16.1**	8.6	22.9
Adjustments for:			
Depreciation	**0.4**	0.3	0.6
Amortisation of financing fees	**0.6**	0.8	1.3
Impact of disposal assets	**-**	-	-
Surrender premium	**-**	-	-
Current taxes receivable (see note 9)	**-**	0.2	0.2
Funds from Operations, year ended 31 March	**n/a**	n/a	25.0
Funds from Operations, six months ended 30 September	**17.1**	9.9	9.9
Funds from Operations, six months ended 31 March	**n/a**	n/a	15.0
Dividend pool, six months ended 30 September	**11.7**[1]	6.9[1]	6.9[1]
Dividend pool, six months ended 31 March	**n/a**	n/a	9.8[1]
DPS, six months ended 30 September	**1.39c**	0.92c	0.92c
DPS, six months ended 31 March	**n/a**	n/a	1.30c

1 Calculated as 65 per cent of Funds from Operations of 2.13c per share (30 September 2015: 1.41c per share; 31 March 2016: 2.01c per share) based on average number of shares outstanding of 803,512,009 (30 September 2015: 707,075,634; 31 March 2016: 749,229,846).

22. Capital and other commitments

As at 30 September 2016, the Group had contracted capital expenditure on existing properties of €5,504,000 (31 March 2016: €4,636,000) and commitments of €2,922,000 (31 March 2016: €3,162,000) derived from office rental contracts.

These commitments have not yet been provided for in the financial statements.

23. Post balance sheet events

On 19 October 2016 the Group notarised the disposal of a piece of non-income producing land at the CöllnParc site for €1.5 million representing an increase on the book value of 41 per cent.

On 20 October 2016, the Group concluded an agreement with Berlin-Hannoversche Hypothekenbank AG to refinance and extend its existing loan, which had an outstanding balance of €39.2 million at 30 September 2016. The new facility totals €70.0 million and terminates on 29 October 2023. Amortisation is 2.5 per cent per annum with the remainder due at maturity. The facility is charged with an all-in fixed interest rate of 1.48 per cent for the full term of the loan. The facility is secured over five property assets including those located in Dresden and Wiesbaden. Non-recurring costs associated with this refinancing, including early redemption fees and breakage costs on the existing facility are expected to be around €1.4 million. Of this amount €0.8 million is expected to impact upon net asset value immediately, while the remainder, representing arrangement fees on the new facility, will be amortised over the seven year term.

On 25 October 2016, the Group notarised the purchase of an asset located in Krefeld. The property is a single let business park totalling 6,335 square metres of office and warehouse space. The property is 100 per cent occupied, producing annual income of €0.4 million with a weighted average remaining lease term of 0.9 years.

With effect from 31 October 2016, the Group acquired a property located in Wiesbaden for a total acquisition cost of €17.7 million using proceeds from the June 2016 equity raise as described in note 20. This property is a multi-let office building totalling 19,602 square metres. The property is 65 per cent occupied and let to three tenants, producing annual income of €1.9 million and having a weighted average remaining lease term of 2.7 years.

On 3 November 2016, the Group notarised the purchase of an asset located in Dreieich. The property is a multi-let business park comprising office, warehouse and service space totalling 12,905 square metres. The property is 29.4 per cent occupied, producing annual income of €0.29 million with a weighted average remaining lease term of 1.7 years.

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