SIRIUS REAL ESTATE LIMITED
(Incorporated in Guernsey)
Company Number: 46442
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ISIN Code: ISIN GG00B1W3VF54
("Sirius", "the Group" or "the Company")

Condensed consolidated financial results* for the twelve months ended 31 March 2019

Strong Organic Rental Growth and Total Shareholder Accounting Return

Sirius Real Estate, the leading operator of branded business parks providing conventional space and flexible workspace in Germany, today announces condensed consolidated financial results for the twelve months ended 31 March 2019.

HIGHLIGHTS

- Profit before tax increased by 61.5% to EUR144.7 million (2018: EUR89.6 million) including revaluation gains of EUR99.9 million net of capex and adjustments in respect of lease incentives
- Strong like-for-like annualised rent roll increase of 7.1% (2018: 6.2%) - total annualised rent roll increased to EUR87.8 million (2018: EUR79.5 million**)
- Funds from operations ("FFO") grew by 26% to EUR48.4 million (2018: EUR38.4 million)
- Like-for-like book value increase of 13.3% or EUR128.2 million (2018:11.6%) - total portfolio book value increased to EUR1,132.5 million (2018: EUR931.2 million)
- NAV per share increased 12.6% to 71.01c (2018: 63.09c)
- EPRA NAV per share increased 16.6% to 74.82c (2018: 64.18c)
- Further progress with Asset Recycling programme - three non-core assets located in Bremen sold generating EUR25.6 million, acquired six new assets for EUR101.2 million** and notarised two acquisitions totalling EUR15.2 million
- Established new venture with AXA Investment Managers - Real Assets ("AXA IM - Real Assets") - sale of 65% of five subsidiary companies*** with implied property value of EUR168.0 million (30 September 2018: EUR141.1 million)
- Total shareholder accounting return based on adjusted NAV and dividends paid of 19.3% (2018: 17.0%)
- Final dividend of 1.73c per share declared giving total dividend for year of 3.36c (based on 70% of FFO payout) an increase of 6.3% on the 3.16c total dividend for the year ended 31 March 2018 (based on 75% of FFO payout)

* referred to as preliminary consolidated financial results for the purpose of the JSE Listing Requirements
** including two assets totalling EUR36.1 million that were prepaid at 31 March 2018
*** transaction expected to complete in July 2019

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

"This has been a particularly successful year for the business on many fronts. As well as generating a strong total shareholder accounting return of 19.3% and high like-for-like annualised rent roll growth of 7.1%, we've significantly reshaped the portfolio to focus on our seven key cities. We also agreed an exciting new venture with AXA IM - Real Assets which will enable us to consider larger assets and portfolios of assets with a wider range of return profiles than we could previously. These achievements are testimony to the quality of our in-house platform and the strength of the team.

Having successfully achieved the previously stated goal of increasing the company's gross assets to in excess of EUR1 billion our focus will now shift to FFO growth. We are confident that the resilience of the varied sectors of the Germany economy within which we operate and the strength of our business model will continue to help us achieve strong returns for our shareholders well into the future."

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NOTES TO EDITORS

About Sirius Real Estate Limited

Sirius Real Estate is a property company listed on the Main Market and premium segment of the London Stock Exchange and the Main Board of the JSE Limited. It is a leading operator of branded business parks providing conventional space and flexible workspace in Germany. The Company's core strategy is the acquisition of business parks at attractive yields, the integration of these business parks into its network of sites under the Company's own name as well as offering a range of branded products within those sites, and the reconfiguration and upgrade of existing and vacant space to appeal to the local market, through intensive asset management and investment. The Company's strategy aims to deliver attractive returns for shareholders by increasing rental income and improving cost recoveries and capital values, as well as by enhancing those returns through financing its assets on favourable terms. Once sites are mature and net income and values have been optimised, the Company may take the opportunity to refinance the sites to release capital for investment in new sites or consider the disposal of sites in order to recycle equity into assets which present greater opportunity for the asset management skills of the Company's team.

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

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Chairman's statement

Disciplined execution

- Sirius' core objective is to deliver attractive risk-adjusted returns from industrial, warehouse and office property investments in Germany through a mix of dividend yield and capital value appreciation across different market conditions
- The year under review saw Sirius achieve high organic rental growth and hence significant improvements in the value of its portfolio
- Sirius continued its capital recycling programme by disposing of three assets in challenging locations whilst acquiring a total of six and notarising two new assets providing greater scope for income and capital growth
- The establishment of a new venture with AXA IM - Real Assets in the period has created another channel for significant future growth in the future

Introduction

It is with great pleasure that my first report as Chairman of the Company relates to a period of operational and strategic success for the business. Prior to my appointment as Chairman in September 2018, James Peggie, Senior Independent Director, held the role of Acting Chairman for nine months. We are most grateful for his stewardship during that interim period.

Sirius' core objective remains to deliver attractive risk-adjusted returns through a mix of dividend yield and capital value appreciation. We continue to focus on industrial, warehouse and secondary offices throughout Germany but mainly in and around the seven largest cities. We are achieving our returns expectations by maximising the opportunities across our portfolio which now consists of 57 owned and managed assets throughout Germany. Key to this is the internal operating platform which remains one of the main differentiators of Sirius from other companies that own and manage industrial business parks in Germany. The year under review saw the Company make a number of acquisitions and disposals. The benefits of leveraging our in-house platform, as well as active management activities associated with our highly accretive capex investment programme contributed to the Company increasing rental and other income from investment properties to EUR84.4 million up from EUR71.8 million. In addition, the Company posted a record 7.1% increase in like-for-like annualised rent roll and a 13.3% increase in like-for-like portfolio book value, which combined have contributed to a total shareholder accounting return of 19.3%, the fourth consecutive year of returns in excess of 15%.

FY18/19 highlights

Strong trading performance

It is pleasing to be able to report on an excellent twelve months of trading for Sirius, during which the Company recorded a profit before tax of EUR144.7 million, up 61.5% on the prior year whilst funds from operations ("FFO") increased by 26.0% to EUR48.4 million despite the investment into acquisitions from the March 2018 equity raise taking longer than expected. The impact of the acquisitions timing was more than offset by the Company's highest ever like-for-like increase in annualised rent roll.

Additionally, the Company has seen its net asset value per share increase by 12.6% to 71.01c and EPRA net asset value per share increase by 16.6% to 74.82c mainly due to valuation gains (net of capex and adjustments in respect of lease incentives) of EUR99.9 million. This strong performance highlights how the Company's operating platform drives organic rental and valuation growth as well as the appeal of the Company's conventional and flexible workspace solutions within the German Mittelstand (SME) market which continues to perform well.

Shareholder returns

Consistent outperformance of targets

The Company's stated policy is to pay out 65% of the Group's FFO to shareholders as dividends but as indicated previously, the Board does consider temporary increases in the pay-out ratio in order to maintain the positive dividend growth that would have been achieved had it not been for the asset recycling and equity raising activities. Accordingly, the Board has declared a final dividend of 1.73c per share representing 70% of FFO, an increase of 8.1% on the final dividend last year (which represented 75% of FFO). The total dividend for the year is 3.36c, an increase of 6.3% on the 3.16c total dividend for the year ended 31 March 2018. The progression of the Company's dividend growth of 51.4% since the financial year ending 31 March 2016 can be seen in the table below.

Financial year	Pay-out ratio	Dividend per share (cents)	Cumulative Dividend Growth (%)
2015-2016	65%	2.22	
2016-2017	65%	2.92	31.5%
2017-2018	75%	3.16	42.3%
2018-2019	70%	3.36	51.4%

The Sirius business model continues to deliver not only progressive income returns but also attractive capital growth as measured by adjusted net asset value(1) ("adjusted NAV") per share. Combining the growth in adjusted NAV and dividends paid, the Company has delivered an annual total shareholder accounting return in excess of 15% for each of the last four years with a return of 19.3% recorded for the year to 31 March 2019. While dividend distributions typically contribute approximately 30% and adjusted NAV growth 70% of total shareholder accounting returns, it is pleasing to note that the valuation movement of our investment properties is derived predominantly from organic increases in income rather than yield movement. This focus on growing income at property level positions the Company well for the future.

(1) Excludes the provisions for deferred tax and derivative financial instruments

Financial year	Total shareholder accounting return(1)	% of return derived from adjusted NAV growth	% of return derived from dividends paid
2015-2016	16.0%	76.8%	23.2%
2016-2017	15.3%	67.0%	33.0%
2017-2018	17.0%	69.1%	30.9%
2018-2019	19.3%	74.5%	25.5%

(1) Calculated as change in adjusted NAV per share plus dividends paid.

Governance and culture

Integration of leadership and risk management

The Board is fully committed to compliance with the UK Corporate Governance Code (the "UK Code") as published in June 2016 by the Financial Reporting Council and will comply with all those provisions of the King IV Report on GovernanceTM.for South Africa 2016 that are not included in the UK Code. I am pleased to report that we are compliant with all principles of the UK Code. The JSE has granted the Company dispensation not to report on its application of the King IV Code, provided that Sirius continues to comply with the mandatory corporate governance provisions pursuant to paragraph 3.84 of the JSE Listing Requirements. For the next financial year, the Company will be working towards full compliance with the new UK Corporate Governance Code which has replaced the UK Code for reporting periods beginning after 1 January 2019.

As previously communicated the Board considered that in light of new regulation regarding the rotation of auditors, in line with best practice and due to the length of time KPMG had acted as audit firm to the Company, a formal audit tender process would be undertaken during the reporting period. Following the completion of the audit tender process Ernst & Young LLP were duly appointed and latterly re-appointed as auditors from the date of the AGM in September 2018.

Thank you and outlook

Effective collaboration

On behalf of the Board I would like to thank all those connected to Sirius for their efforts and hard work that together allowed the Company to record such an impressive year. We feel that the outlook for Sirius continues to be positive with its strategy focused on delivering organic growth in rental income in its existing assets and selective asset recycling activity and a long-term strategic partnership with AXA IM - Real Assets to look forward to. This positions the Company well for further growth and shareholder returns into the new financial year and beyond.

Danny Kitchen
Chairman
31 May 2019

Asset management review

Increased portfolio quality and potential

EUR25.6m
proceeds from the sale of three assets

EUR116.4m
of new asset acquisitions completed or notarised in the period

EUR87.8m
total annualised rent roll

EUR5.78
average rate per sqm

Introduction

The Sirius internal asset and property management platform continues to be a significant driver of value and key to the Company's ability to deliver attractive returns to shareholders. The operating platform has been developed over many years and there has been major investment into systems and processes as well as the development of people. As a result, the Company is now benefiting from the specialist knowledge and skills that it has built across multiple functions including acquisitions, disposals, financing, capital investment and development, lettings, service charge recovery, supplier management, debt collection, lease management and financial reporting. The year under review has seen further improvements across these disciplines and the Company has continued to grow profits and add value to the portfolio.

Asset recycling, acquisitions and disposals

During the year to 31 March 2019 Sirius has continued to execute its strategy of selective asset acquisition and recycling. Funds were generated to invest into new acquisitions from the following sources:

- EUR39.0 million from the equity raise that completed in March 2018;
- EUR25.6 million from the disposal of three assets in Bremen; and
- EUR22.1 million from a new banking facility with PBB Deutsche Pfandbriefbank.

To date Sirius has invested or plans to invest these funds into the following acquisitions:

- four assets totalling EUR65.1 million located in Friedrichsdorf (near Frankfurt), Fellbach (near Stuttgart), Mannheim and Bochum which all completed in the financial year.
- two assets totalling EUR15.2 million located near Hamburg and Freiburg completed shortly after the financial year end.
- Strong pipeline, expecting to acquire another asset for approximately EUR35.0 million that will be part financed by PBB Deutsche Pfandbriefbank.

In addition to this the Company announced a new venture with AXA IM - Real Assets whereby it has agreed to sell 65% of its interest in five assets, whilst retaining the other 35% as Sirius' initial share in the venture. The transaction is expected to generate around EUR70.0 million of new equity for the Company to invest which, when combined with new lending provides the funds for a further EUR120.0 million of acquisitions. The Company has developed a promising pipeline of potential opportunities for this, as well as new opportunities for the venture itself.

The disposals that occurred in the period included the non-core Bremen Hag and Bremen Brinkmann assets which had been targeted for sale as well as the smaller mixed-use Bremen Dotlinger asset. The disposal of the Bremen assets represents a successful exit from a challenging market. In addition to local market conditions, these assets were unable to make the returns that the Company achieves on other assets due to the significant amount of vacant space they had which was considered unsuitable for worthwhile investment. The three sites were sold at an EPRA net initial yield of 3.5% and generated equity of EUR25.6 million, which can now be reinvested in opportunities with greater scope for income and valuation growth. In addition to the site disposals referred to above, the Company sold a non-income producing piece of land and a residential building, generating proceeds of EUR1.8 million which will be re-invested into the Company's capex investment programmes.

A summary of the disposal activity in the year to 31 March 2019 is included in the table below:

Site	Total proceeds EUR000	sqm	Annualised acquisition rent roll* EUR000	Annualised acquisition NOI EUR000	EPRA net initial yield*(1) %	Occupancy %
Bremen Brinkmann	15,500	121,501	1,846	864	5.2	56
Bremen Hag	3,800	59,153	478	(252)	(6.2)	18
Bremen Doetlinger	6,300	10,273	479	346	5.1	82
Rostock land	1,200	-	-	(8)	n/a	n/a
Markgroningen Residential Building	625	1,331	-	-	n/a	n/a
Total	27,425	192,258	2,803	950	3.2	n/a

(1) Includes estimated purchaser costs.
* See glossary section of the Annual Report and Accounts 2019.

The year to 31 March 2019 was another year that featured significant acquisition activity. A summary of the acquisition activity in the year, which includes the two assets located in Saarbrucken and Dusseldorf that were prepaid in the prior financial year, are detailed in the table below:

	Total investment (incl. acquisition costs) EUR000	Total acquisition sqm	Acquisition occupancy %	Acquisition vacant sqm	Annualised acquisition rent roll* EUR000	Acquisition non-recoverable service charge costs EUR000	Acquisition maintenance costs EUR000	Annualised acquisition NOI* EUR	EPRA net initial yield*(1) %
Completed									
Saarbrucken	28,065	47,350	65	16,744	3,057	(491)	(43)	2,524	9.0
Dusseldorf II	8,084	8,672	80	1,704	627	(83)	(8)	536	6.6
Friedrichsdorf	17,707	17,306	92	1,426	1,357	(87)	(10)	1,260	7.1
Fellbach	12,070	25,420	79	5,329	1,043	(139)	(23)	881	7.3
Mannheim	9,616	15,052	69	4,688	801	(207)	(18)	576	6.0
Bochum	25,705	55,650	95	2,676	2,591	(260)	(50)	2,282	8.9
Subtotal	101,247	169,450	81	32,567	9,476	(1,267)	(152)	8,059	8.0
Notarised									
Buxtehude	8,690	28,532	-	28,532	-	(426)	(51)	(479)	(5.5)
Teningen	6,497	20,062	88	2,486	806	(244)	(20)	542	8.3
Subtotal	15,187	48,594	36	31,018	806	(670)	(71)	63	0.4
Total	116,434	218,044	71	63,585	10,282	(1,937)	(223)	8,122	7.0

(1) Includes estimated purchaser costs.
* See glossary section of the Annual Report and Accounts 2019.

The Company's acquisition strategy has continued to focus on acquiring assets in the areas outlying Germany's "big seven" cities where it has been establishing critical mass. Of the eight assets completed or notarised in the period five of them are located within the Hamburg, Dusseldorf or Frankfurt markets where the Company has strong knowledge and will benefit from operational synergies.

The Saarbrucken asset was acquired for total acquisition costs of EUR28.1 million representing an attractive EPRA net initial yield of 9.0%, which is partially reflective of the planned move out of the major tenant and a further 16,744 sqm of vacant space, providing excellent value add potential. The major move out is scheduled for September 2019 and relates to over 8,000 sqm on which the tenant is paying a rate of EUR7.26 per sqm. To date the Company has re-let 7,640 sqm at a rate of EUR7.23 per sqm. As a result, we expect this acquisition to generate an attractive return on equity particularly when taking into consideration it is financed with a seven year EUR18.0 million loan facility from the local Saarbrucken Sparkasse charged with an all-in fixed interest rate of 1.53%.

The two assets acquired or notarised for completion in the year that are not considered to be in the big seven cities are located in Teningen near Freiburg and Bochum which are regarded as well-established and desirable industrial areas that fit well into the Sirius business model. The investment case for Bochum is similar to that of Saarbrucken in that it was acquired with an EPRA net initial yield of 8.9% due, in part, to the expected move out of the anchor tenant from 25,898 sqm in June 2019. Having secured two replacement tenants paying a higher rate for all of the vacated space the Company is well positioned to generate attractive income and valuation increases from this asset. The remaining acquisitions that completed in the period are in locations the Company has excellent market knowledge due to existing operations and provide the Company with a combination of high-quality, stable income alongside opportunity to utilise its operating platform to grow income and extract significant value.

The acquisition assets that actually completed in the year under review were purchased on a blended EPRA net initial yield of 8.0% which is significantly higher than general market evidence in this sector. In addition, with the opportunity to replace existing tenants at higher rates and in excess of 32,000sqm of space to let, we are confident about the prospects for the new acquisitions.

Market conditions continue to make it more challenging to acquire properties which fit the Company's investment returns profile. Within the financial year the Company reviewed more than 1,000 investment opportunities in order to acquire or notarise the eight assets described above. This demonstrates the extent of work required to find investments and the discipline of our approach in ensuring we continue to acquire the right assets. By analysing these many opportunities, a wealth of market information is built up that allows us to assess where the market is trading- and how it is developing and track the history of assets that may come back on the market in the future. Our focus for value generation is on assets that other owners find a challenge and where there is less competition allowing us to dictate the acquisitions process. Despite increased pricing expectations from sellers the Company does not intend to alter its investment approach and is confident of being able to continue to source attractive opportunities.

Rental growth and new lettings

The year under review was an excellent one for rental growth with the Company delivering rental and other income from investment properties of EUR84.4 million up from EUR71.8 million from last year. The Company also delivered a record 7.1% increase in like-for-like annualised rent roll, building on a strong 6.2% increase in the prior period. Two thirds of the increase in like-for-like organic growth was achieved as a result of increases in rate whilst occupancy contributed one third. This year's result was even more pleasing when considering the impact of the expected move-out in the first half of the financial year of three large tenants contributing EUR1.1 million of annualised rent roll on assets that had been recently acquired. The new financial year is expected to be similarly impacted by some expected move outs in the first half of the financial year however progress on the re-letting of this space has been promising. Total annualised rent roll grew from EUR79.5 million(1) at the start of the period to EUR87.8 million at year end. The increase in annualised rent roll of EUR8.3 million is explained as follows:

- EUR3.0 million lost from disposals;
- EUR5.8 million gained from acquisitions; and
- EUR5.5 million increase from organic growth on the existing portfolio

(1) Includes EUR3.7 million of annualised rent roll relating to the Saarbrucken and Dusseldorf II assets that were prepaid at 31 March 2018 and completed on 1 April 2019

Whilst like-for-like occupancy increased to 85.8% from 83.7%, total occupancy which includes the impact of acquisitions and the disposal of three sites with a total of 98,000 sqm of vacant space increased from 79.2% to 86.1%. Similarly, whilst the average rate per sqm for the like-for-like portfolio increased by 4.4% to EUR5.88 per sqm (31 March 2018: EUR5.63), the total portfolio average rate increased by 5.9% to EUR5.78 per sqm (31 March 2018: EUR5.46) reflective of both higher rates being achieved on acquisition sites and the lower rates in disposal sites. Both the strong rate increases and the reduction of vacancy reflect the Company's ability to deliver uplifts and let space through active asset management as well as the positive impact of asset recycling.

Tenant move-ins of 171,000 sqm were at an average rate of EUR7.25 per sqm compared to move-outs of 141,000sqm at an average rate of EUR6.86 per sqm. Contractual rent increases and uplifts upon renewal contributed a further EUR2.2*million of annualised rent roll in the period. These contractual escalations and renewal increases represent a 2.9% elevation on the rents at the start of the financial year. One of the main drivers behind the strong lettings performance has been the generation of over 14,000 enquiries in the year of which 80% came from the Company's internally developed websites and a large number of online portals through which Sirius advertises. Improving the quality of leads is a continuing focus for the internal sales and marketing platform and in the period Sirius delivered an enquiry to sales conversion ratio of 14% which resulted in approximately 2,000 new deals being signed in the year. Sirius has further developed its external broker channels to focus mainly on larger lettings and is pleased to report that a number of attractive long-term deals were secured through this channel in the period including Land Berlin at Berlin Tempelhof, a well-known Stuttgart based German sports car manufacturer at Weilimdorf and FOM, an educational body at Neuss.

* Uplifts include investment rents

Capex investment programmes

The Group's ability to generate high returns from its capex investment programmes continues to be a key differentiator of Sirius from its competitors and an important driver of income and valuation growth for the Company. The investments the Company undertakes are specifically designed to unlock income and value through the transformation of vacant and sub-optimal space into both higher quality conventional space and flexible workspace that fit the Company's innovative range of Smartspace products. This provides the Company with optionality for space configuration, particularly the difficult space on industrial and modern business parks that most other operators leave as structural vacancy. This is one of the primary drivers behind some of the exceptional asset level IRRs that have historically been achieved. Examples of these can be found in the case study section within this report.

The original capex investment programme commenced in January 2014 and was focused on just over 200,000 sqm of sub-optimal space in need of transformation. We are pleased to report that as at 31 March 2019 this programme is substantially complete with a total of 195,415sqm of this space completely refurbished and the remaining 9,493 sqm either in the process of being refurbished or awaiting permissions to proceed. A total of EUR23.7 million has been invested into the transformed space and, at 83% occupancy, it is generating EUR12.6 million of annualised rent roll representing an income return on investment of 53.2%. This return does not include the additional benefit of improved cost recovery from letting this space nor the valuation increase estimated at more than EUR100.0 million that has been generated from the upgrading of the space and incremental income realised.

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

Original capex investment programme progress	Sqm	Investment budgeted EURm	Actual spend EURm	Annualised rental roll* increase budgeted EURm	Annualised rental roll* increase achieved to March 2019 EURm	Occupancy Budgeted %	Occupancy achieved to March 2019 %	Rate per sqm budgeted EUR	Rate per sqm achieved to March 2019 EUR
Completed	195,415	25.2	23.7	10.8	12.6	81	83	5.70	6.50
In progress	6,630	1.4	0.5	0.4	0.1	88	-	5.39	-
To commence in next financial year	2,863	0.5	-	0.1	-	84	-	5.13	-
Total	204,908	27.1	24.2	11.3	12.7	81	-	5.68	-

* See glossary section of the Annual Report and Accounts 2019.

Although the majority of income has already been realised from the original capex investment programme, some further potential for increasing rents and values remains mainly from completing the investment into the remaining 9,493 sqm of space that has not been fully renovated. In order to complete this a further EUR1.8 million of investment is required to generate EUR0.5 million of extra annualised rent roll. Furthermore, it can be seen that the original investment programme will be delivered well below budget and the income achieved is far greater than first forecast. This is a reflection of the Company's increased operational efficiency and effectiveness in delivering and realising a wide range of investment projects across multiple locations.

In April 2016 the Company commenced the new acquisitions capex investment programme on assets acquired after that date. The Company identified 122,168sqm of sub-optimal space across 21 new assets in need of investment. Sirius has executed a clear strategy to acquire assets with high levels of difficult vacancy which it has full confidence in transforming. The incremental income realised from the continual investment into such space has played a key role in allowing the Company to achieve its targets and deliver consistent returns. Due to the nature of the underlying space the development and refurbishment work within the new acquisitions capex investment programme is more capital intensive and expected to generate lower income returns than the original capex investment programme, but the potential for increase in valuation is greater given the extent of the space upgrade being undertaken. A total investment of EUR31.0 million is expected to generate EUR9.4 million of incremental annualised rent roll on a blended occupancy of 85%. The details of this programme including progress to date is highlighted below:

New acquisitions capex investment programme progress	Sqm	Investment budgeted EURm	Actual spend EURm	Annualised rent roll* increase budgeted EURm	Annualised Rent roll* increase achieved to March 2019 EURm	Occupancy Budgeted %	Occupancy achieved to March 2019 %	Rate per sqm budgeted EUR	Rate per sqm achieved to March 2019 EUR
Completed	53,148	10.7	9.7	4.2	2.6	84	54	7.91	7.48
In progress	26,716	12.5	2.3	2.4	0.8	91	-	8.07	-
To commence in next financial year	42,304	7.8	-	2.8	-	82	-	6.63	-
Total	122,168	31.0	12.0	9.4	3.4	85	-	7.52	-

* See glossary section of the Annual Report and Accounts 2019.

With continuing strong occupier demand for both conventional and flexible workspace the speed at which this space can be transformed is important. As at 31 March 2019 a total of 53,148sqm was fully converted with an investment of EUR9.7 million generating incremental annualised rent roll of EUR2.6 million on occupancy of 54%.

What remains in this programme is a further investment of EUR18.0 million into 69,021 sqm of space which is expected to complete over the next two financial years. In total the programme is expected to generate a further EUR6.0 million of annualised rent roll over the next two years. It is difficult to say exactly what impact on valuations this investment will have but, as mentioned above, given the high upgrade of the space it is expected to very positive. As a result, we are targeting total returns at the asset level being similar to those achieved by the original capex investment programme.

Improving and well diversified portfolio

Whilst the Company has successfully executed a strategy of recycling equity out of mature and non-core assets and into assets with greater opportunity, the well diversified characteristic of the Company's rental income has remained consistent. The stable income which comes from the top 50 anchor tenants which are predominantly multinational corporations account for approximately 44% of total annualised rent roll whilst the more flexible, higher rate income from the Company's Smartspace products accounts for approximately 6% of the annualised rent roll. The remaining 50% of Sirius' annualised rent roll is contracted to over 2,400 SME tenants which is Sirius' key target market group and which it is able to attract in significant volumes through its in-house marketing and lettings platform. The capability to let large quantities of existing vacancy and newly created space by utilising its in house resources is a key competitive advantage for Sirius and results in a significantly de-risked real estate portfolio than would typically be associated with the asset class and a 2.8 year weighted average lease expiry. As a result, the Company benefits from the high yields and value-add opportunities associated with industrial property whilst mitigating risk to a far greater extent than its competition.

The table below illustrates the tenant mix across our portfolio at the end of the reporting period:

Type of tenant	No. of tenants as at 31 March 2019	Occupied sqm	Annualised rent roll* EURm	% of total annualised rent roll* %	Rate per sqm EUR
Top 50 anchor tenants(1)	50	584,299	38.3	44	5.47
Smartspace SME tenants(2)	2,310	59,576	5.5	6	7.70
Other SME tenants(3)	2,458	621,883	44.0	50	5.89
Total	4,818	1,265,758	87.8	100	5.78

(1) Mainly large national/international private and public tenants.
(2) Mainly small and medium-sized private and public tenants.
(3) Mainly small and medium-sized private and retail tenants.
* See glossary section of the Annual Report and Accounts 2019.

Opportunity within vacancy

Unlike many other property companies, the vacancy within Sirius' portfolio is viewed as a major opportunity rather than a burden. The Company is actively looking to acquire assets with vacancy, particularly that which it can acquire on a discounted basis due to the extent of work and investment required to bring the space into lettable condition. As such the headline vacancy number that the Company reports is significantly different than the vacancy that is available to let due to the large amount of space that is the subject to ongoing investment. Additionally, the Company has historically held substantial structural vacancy within its non-core sites but following the disposal of the non-core assets in the period, structural vacancy has reduced to 2% which is low for a large portfolio of industrial assets and reflective of the manner in which the Company invests and unlocks value in spaces that other operators would disregard. The analysis below details sub-optimal space and vacancy at 31 March 2019 and highlights the opportunity from developing this space as well as the impact of selling the non-core sites.

Vacancy analysis - March 2019	
Total space (sqm)	1,469,675
Occupied space (sqm)	1,265,758
Vacant space (sqm)	203,917
Occupancy	86%

	% of total space %	sqm	Capex investment EUR	ERV* (post investment) EUR
Subject to original capex investment programme	1	9,493	1,839,985	459,891
Subject to acquisition capex investment programme	5	69,021	18,031,044	5,950,963
FlexiLager vacancy	-	4,607	-	282,841
Total sub-optimal space	6	83,121	19,871,029	6,693,695
Structural vacancy core sites	2	29,033	-	-

Smartspace	1	16,817	-	1,295,668
Other vacancy	5	74,946	3,927,737	5,152,934
Total lettable space	6	91,763	-	-
Total sub-optimal space/vacancy	14	203,917	23,798,766	13,142,297

* See glossary section of the Annual Report and Accounts 2019.

As illustrated in the table above, the total sub-optimal space and vacancy of 14% can be reduced to 6% when taking out the space that requires investment and the 2% structural vacancy. The Company has consistently been able to run the portfolio with 6% vacancy levels based on space that is available to let. Therefore, upon completion of the capex investment programmes an occupancy level of 92% could be reached. However, it is unlikely that the Company will reach this position because it is continually looking to re-fuel the new acquisitions capex investment programme by acquiring assets with significant amounts of vacant space. Based on current market conditions this strategy is considered to be the most accretive way of growing the business and improving shareholder returns.

In order to highlight how developing the sub-optimal space and vacancy may impact the valuation of the Company's portfolio, it is useful to separate the mature portfolio from the value-add portfolio. The table below illustrates this based on the 31 March 2019 valuation.

	Annualised rent roll* EURm	Book value* EURm	NOI* EURm	Capital value* psqm EUR	Gross yield* %	Net yield* %	Vacant space sqm	Rate* psqm EUR	Occupancy* %
Core value-add	46.3	574.5	39.6	637	8.1	6.9	170,993	5.98	79.0
Core mature	41.5	558.0	38.9	823	7.4	7.0	32,923	5.58	95.0
Other	-	-	(1.7)	-	-	-	-	-	-
Total	87.8	1,132.5	76.7	717	7.8	6.8	203,917	5.78	86.1

* See glossary section of the Annual Report and Accounts 2019.

The mature portfolio now represents 49% of the total portfolio and typically includes assets that have occupancy levels in excess of 90% and hence reduced differentials between gross and net yields due to higher cost recovery. The remaining organic opportunity within the mature portfolio is through letting the remaining vacancy and exploiting the reversion in the existing rents, particularly from the upgrading of space vacated by existing tenants. In spite of the valuation increase already experienced in this segment of the portfolio, the gross yield of 7.4% remains higher than general market evidence of recently traded assets and portfolios.

The value add portfolio however has a higher gross yield and differential with net yield indicating the significant opportunity within the 170,993 sqm of vacant space that these assets contain. Of this space 77,570 sqm is subject to ongoing specific capex investment programmes which, as detailed in this report, have been generating excellent returns from both an income and valuation perspective. These programmes are expected to add an additional EUR4.7 million of annualised rent roll from a further investment of EUR19.3 million. When the occupancy of the value add portfolio increases due to the completion and let up of space related to the capex investment programmes our expectation is for gross yields to move towards that of the core mature portfolio and higher cost recovery to reduce the differential between net and gross yields.

Smartspace and First Choice

Smartspace continues to be a successful operation for Sirius and is particularly popular with tenants seeking flexible workspace solutions. The four Smartspace products and the newly developed First Choice Business Centre concept are specifically designed to create high-quality workspace from sub-optimal space that, when let with a fixed price, provide the flexible offering that small businesses increasingly desire.

The annualised rent roll generated from Smartspace products and First Choice increased from EUR5.2 million to EUR5.5 million in the year under review. Smartspace occupancy increased to 74% (31 March 2018: 70%) but even more pleasing was the 7.1% increase in average rate seen in the year which increased to EUR7.70 per sqm and followed an increase of 8.1% in the prior period. Such movements in rate reflect not just the benefit to pricing of continued high demand for Smartspace products but also how the Company captures reversionary value through contractual uplifts and increases on renewal.

From an investment point of view, the returns that are achieved from Sirius' assets are significantly enhanced by Smartspace conversion as it is created primarily through the transformation of sub-optimal or vacant space which is acquired for low cost into high-quality offices, storage space and workboxes. During the period a further 1,817sqm of Smartspace Office and 1,894sqm of Smartspace storage was created.

In the year to 31 March 2019 the Company continued to build on the success of its First Choice Business Centre that opened in October 2017 in Wiesbaden (and which at year end had occupancy of 90%), by opening a new centre in November 2018 located in Neuss. The premium office specification of the First Choice Business Centres clearly distinguishes the brand as a five-star office space product from the three-star Smartspace offices, and we are hopeful that the concept can be developed successfully in other

Sirius locations. The table below provides further detail on the Smartspace and First Choice products:

Smartspace Product Type	Total sqm	Occupied sqm	Occupancy %	Annualised rent roll* (excl. service charge) EUR'000	% of total Smartspace annualised rent roll* %	Rate per sqm (excl. Service charge) EUR
First Choice Office	2,795	1,358	49	329	6	20.20
SMSP Office	33,331	26,320	79	2,749	50	8.70
SMSP Workbox	5,964	5,567	93	342	6	5.12
SMSP Storage	30,702	22,777	74	1,823	33	6.67
SMSP Subtotal	72,792	56,022	78	5,243	95	7.80
SMSP FlexiLager	8,162	3,554	44	263	5	6.17
SMSP TOTAL	80,953	59,576	74	5,506	100	7.70

* See glossary section of the Annual Report and Accounts 2019.

Financial review

These condensed consolidated financial results for the twelve months ended 31 March 2019 are themselves not audited but are extracted from audited information. The audited Group annual financial statements were audited by Ernst & Young LLP, who expressed an unmodified opinion thereon. The audited Group annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office. The directors take full responsibility for the preparation of the condensed consolidated financial results and that the financial information has been correctly extracted from the underlying audit Group annual financial statements.

Consistent shareholder accounting returns and further future potential

Strong organic growth and future potential through new venture

The Company delivered another strong financial performance in the year ended 31 March 2019 despite the impact to earnings of new acquisitions completing later than expected. The earnings shortfall due to the timing of acquisitions was however more than offset by the performance of the existing portfolio which contributed to an increase in rental and other income from investment properties to EUR84.4 million from EUR71.8 million. The Company recorded a 7.1% increase in like-for-like annualised rent roll which contributed to a 13.3% like-for-like increase in the portfolio book value in the period. Part of the valuation increases has derived from further yield compression since March, but the larger part has encouragingly come from income improvements which have positively impacted net asset value. The corresponding increase in adjusted net asset value per share combined with total dividends paid in the period of 3.23c per share has resulted in a total shareholder accounting return of 19.3%, the fourth consecutive year of returns in excess of 15%.

As described in the asset management review section of this report, the year under review was another one of high transactional volume with a total of three asset disposals, eight asset acquisitions (six completing and two notarised in the period) and a new loan facility completed with PBB Deutsche Pfandbriefbank. In addition, the Company announced the establishment of a new venture with AXA IM - Real Assets in March 2019 through the agreement to sell 65% of the Company's interests in five existing entities which is expected to complete in July 2019. With an implied property purchase price of EUR168.0 million compared to the last reported book value of EUR141.1 million at 30 September 2018 the venture will realise excellent value for the Company, provides further acquisition firepower through the equity released from the transaction, opens up investment opportunities previously not open to Sirius and creates an attractive income stream from Sirius' ongoing management of the assets.

Trading performance and earnings

The Company reported a profit before tax in the year ended 31 March 2019 of EUR144.7 million (31 March 2018: EUR89.6 million) representing a 61.5% increase from the prior year, including EUR99.9 million (31 March 2018: EUR63.5 million) of gains from property revaluations net of capex and adjustments in respect of lease incentives invested.

Funds from operations(1) increased by 26.0% to EUR48.4 million (31 March 2018: EUR38.4 million) of which approximately half has come from the strong organic growth within the existing portfolio and the other half has come from the impact of asset recycling activity being realised. The capex investment programme, contracted escalations, uplifts on renewals and other asset management initiatives have all contributed to the strong organic rental income growth, all of which are described in more detail in the asset management review section of this report.

(1) Refer to note 25 in the Annual Report.

On a per share basis, basic and diluted EPS, which includes the portfolio valuation gains described in the next section, showed a 43.8% increase to 12.78c per share whilst adjusted EPS increased by 16.1% to 4.58c per share. The differential between adjusted

EPS and basic EPRA EPS and diluted EPRA EPS was significantly less than that at 31 March 2018 due to the impact of non-recurring items including restructuring costs and costs relating to share awards that impacted the prior year. The contribution of acquisitions acquired from the proceeds of the March 2018 equity raise and the disposals in the period was lower than expected due to the timing of completions which is reflective of how the Company is being more selective in its investing and how it is prioritising quality rather than speed to ensure that returns are not compromised. As a result, it was pleasing to see the strong organic performance compensate for the delay in timing of acquisitions.

	Earnings EUR000	No. of shares	31 March 2019 cents per share	Earnings EUR000	No. of shares	31 March 2018 cents per share	Change %
Basic EPS	128,657	1,006,966,788	12.78	81,272	914,479,339	8.89	43.8
Diluted EPS	128,657	1,011,666,788	12.72	81,272	939,394,339	8.65	47.1
Adjusted EPS	46,096	1,006,966,788	4.58	36,041	914,479,339	3.94	16.1
Basic EPRA EPS	44,995	1,006,966,788	4.47	27,783	914,479,339	3.04	47.2
Diluted EPRA EPS	44,995	1,011,666,788	4.45	27,783	939,394,339	2.96	50.5

Total revenue which comprises both rental and other income from investment properties and service charge income increased from EUR123.7 million to EUR140.1 million in the period. Total annualised rent roll at the end of the period increased by 10.4% from EUR79.5* million to EUR87.8 million of which 70% came from like-for-like organic growth and 30% from asset recycling. The movement in annualised rent roll is described in more detail in the asset management review within this report.

*Including two assets prepaid as at 31 March 2019 that completed on 1 April 2019.

With a starting rent roll for the new year of EUR87.8 million, existing resources to acquire more assets, the continuation of the Company's capex investment programmes and the significant contribution expected from acquisitions funded by proceeds from the new venture with AXA IM - Real Assets, the Company is well positioned to grow rent roll and FFO into the new financial year and beyond. In the new financial year, the Company expects the profile of annualised rent roll growth to mirror that of the financial year under review where strong growth in the second half of the financial year follows a first half impacted by some large expected move outs from recently acquired assets.

In addition to the like-for-like annualised rent roll increases seen over the last few years there have also been improvements in service charge recovery where leakage in recently acquired sites in particular has decreased materially as higher occupancy and specific allocation and recovery techniques have begun to have a positive effect.

Portfolio valuation and net asset value

The portfolio, including assets held for sale, was independently valued at EUR1,136.2 million by Cushman & Wakefield LLP at 31 March 2019 (31 March 2018: EUR969.8(1) million) which converts to a book value of EUR1,132.5 million after the provision for tenant incentives. The increase in book value of the portfolio of EUR165.2 million in the period is illustrated in the following table.

	31 March 2019 EUR000
Total investment properties at book value as at 31 March 2018(1)	967,317
Additions	65,514
Capex Investment	27,127
Disposals	(27,357)
Surplus on revaluation above capex investment	100,092
Adjustment in respect of lease incentives	(205)
Total investment properties at book value as at 31 March 2019	1,132,488

(1) Including assets prepaid at 31 March 2018 that completed on April 1 2018

The portfolio that was owned for the full period increased in book value by EUR128.2 million or 13.3% whilst the assets acquired in the year under review had a book value of EUR3.6 million above purchase price, offsetting most of the acquisition costs of EUR4.8 million. The increase in value of the newly acquired sites in the period shows that despite increased pricing pressure and competition for assets in the German market, the Company is maintaining its selective approach and discipline in its investment decisions.

The valuation increase within the existing portfolio is driven 55% by income growth and 45% from approximately 38 bps of gross yield compression seen in the period. Despite yields tightening the average gross yield of the portfolio of 7.8% remains in our view reasonably defensive when compared to large transactions reported in the market at yields well below this level. Whilst like-for-like valuation increases have averaged close to 10% year on year, like-for-like increases in annualised rent roll have averaged close to 6% demonstrating the extent to which organic growth has contributed to the capital value of the portfolio. The development of our portfolio valuations over the last five years can be seen in the table below:

	March 2015	March 2016	March 2017	March 2018	March 2019

Portfolio book valuation (EURm)	545.6	687.4	823.3	967.3(1)	1,132.5
Annualised rent roll* (EURm)	50.0	60.5	71	79.5	87.8
Gross yield* (%)	9.2	8.8	8.6	8.2	7.8
Like-for-like annualised rent roll increase* (%)	5.2	5.9	5.1	6.2	7.1
Like-for-like valuation increase (%)	6.4	10.9	8.5	11.6	13.3
Occupancy* (%)	79.0	80.0	80.5	79.2	86.1
Rate* (EURsqm)	4.75	5.06	5.27	5.46	5.78

(1) Including assets prepaid at 31 March 2018 that completed on April 1 2018 at cost
* See glossary section of the Annual Report and Accounts 2019.

The portfolio as at 31 March 2019 comprised 55 assets with a book value of EUR1,132.5 million and can be reconciled to the Cushman & Wakefield market valuation as follows:

	31 March 2019 EURm	31 March 2018 EURm
Investment properties at market value	1,136.2	933.7
Uplift in respect of assets held for sale	-	1.0
Adjustment in respect of lease incentives	(3.7)	(3.5)
Balance as at period end	1,132.5	931.2

As illustrated above, the 31 March 2019 book value of EUR1,132.5 million represents an average gross yield of 7.8% (31 March 2018: 8.1%) which translates to a net yield of 6.8% (31 March 2018: 7.2%) and an EPRA net yield (including purchaser costs) of 6.3% (31 March 2018: 6.8%). The average capital value per sqm of the like-for-like portfolio of EUR717 (31 March 2018: EUR642) remains well below replacement cost and allows the Company to upgrade space and offer its products at lower prices than its competitors and still make higher returns. This is a significant competitive advantage for Sirius and one of the main reasons that its business model is able to produce higher returns with lower risk than the typical operator of light industrial and office business parks in Germany.

The valuation increases along with profit retention has meant the net asset value per share increased to 71.01c at 31 March 2019, an increase of 12.6% from 63.09c as at 31 March 2018. Similarly, the adjusted net asset value (1) per share increased to 75.17c at 31 March 2019, an increase of 14.4% from 65.71c as at 31 March 2018. In addition, the Company has paid out 3.23c per share of dividends during the financial year, which equates to around 72% of FFO, giving a total shareholder accounting return (adjusted

(1) Excludes the provisions for deferred tax and derivative financial instruments.

NAV growth plus dividends paid) of 19.3% (31 March 2018: 17.0%). The movement in adjusted NAV per share is explained in the following table:

	cents per share
NAV per share as at 31 March 2018	63.09
Recurring profit before tax	4.52
Surplus on revaluation	9.77
Current and deferred tax charge	(1.56)
Scrip and cash dividend paid	(3.10)
Share awards and non-recurring items	(1.71)
NAV per share at 31 March 2019	71.01
Deferred tax and derivatives	4.16
Adjusted NAV per share at 31 March 2019	75.17
EPRA adjustments(1)	(0.35)
EPRA NAV per share at 31 March 2019	74.82

(1) Grant of 2018 LTIP shares

The EPRA net asset value ("EPRA NAV") per share, which excludes the provisions for deferred tax and derivative financial instruments but includes the potential impact of shares issued in relation to the Company's long-term incentive programmes, was 74.82c (31 March 2018: 64.18c).

Financing

The Company continues to seek to optimise its lending and in addition to secured debt has continued to consider alternatives including unsecured borrowings such as corporate bonds, convertible bonds and Schuldschein agreements. During the year to 31 March 2019 the Company completed a new five-year facility with Deutsche Pfandbriefbank AG for EUR56.0 million which includes a margin of 1.20% and amortisation of 2.0% per annum. The facility has been fixed by way of a five year swap. The fact that the Company is able to secure such attractive financing terms on industrial properties, warehouses and secondary offices reflects the confidence of lenders in Sirius' asset and property management platform and the way in which it can enhance cash flows and values whilst mitigating risk. The unsecured debt market offers interesting potential for financing flexibility and we continue to explore opportunities for that as and when we have new assets to finance or some of our portfolios' financing begins to expire.

The Group's total cost of borrowings currently stands at 2.0% (31 March 2018: 2.0%) whilst the weighted average debt expiry was 4.3 years (31 March 2018: 5.2 years). Total debt at the period end was EUR386.1 million (31 March 2018: EUR373.1 million) an increase of EUR13.0 million from last year, which was made up of EUR22.1 million of new borrowings drawn down in the period and EUR9.1 million of scheduled amortisation.

The Group's gross loan to value ("gross LTV") ratio reduced to 34.1% (31 March 2018: 40.8%), well within the Company target of 40% whilst net loan to value ratio which includes unrestricted cash balances was 32.4% (31 March 2018: 31.9%).

Dividend

The Board communicated in the Annual Report two years ago that it would consider temporarily increasing the Company's dividend pay-out ratio above the 65% of FFO policy when material asset recycling and equity raise activity occurs in order to offset the impact from the time lag to invest or reinvest. In the financial year to 31 March 2018 the Board decided to increase the pay-out ratio to 75% of FFO due to the asset recycling relating to the disposal of EUR103.0 million of assets. For the year to 31 March 2019 the Board has decided to pay-out 70% of FFO in order to offset the timing impact of investing the capital raised in March 2018 and reinvesting the proceeds generated from disposals in the period. The Company is pleased to report that it expects to have fully invested these proceeds in the first half of the new financial year, although it then expects to receive the proceeds of the AXA IM - Real Assets transaction in July 2019. The team is already reviewing acquisition opportunities for the EUR120.0m of firepower that this transaction will deliver. The Board has declared a final dividend of 1.73c per share for the six-month period ended 31 March 2019 (based on 70% of FFO), which is an increase of 8.1% on the 1.60c dividend relating to the same period last year (based on 75% of FFO). The total dividend for the year is 3.36c per share, an increase of 6.3% on the 3.16c total dividend for the year ended 31 March 2018. The table below shows the dividends paid and pay-out ratios over the last five years.

	Interim dividend per share (cents)	Final dividend per share (cents)	Total dividend per share (cents)	Pay-out ratio (% of FFO)
Year ending March 2015	0.77	1.61	2.38	65%
Year ending March 2016	0.92	1.30	2.22	65%
Year ending March 2017	1.39	1.53	2.92	65%
Year ending March 2018	1.56	1.60	3.16	75%
Year ending March 2019	1.63	1.73	3.36	70%

It is expected that for the period's final dividend, the ex-dividend date will be 10 July 2019 for shareholders on the South African register and 11 July 2019 for shareholders on the UK register. It is further expected that for shareholders on both registers the record date will be 12 July 2019 and the dividend will be paid on 22 August 2019. A detailed dividend announcement will be made in due course, including details of a scrip dividend alternative (which is subject to the receipt of SARB approval).

Outlook

The year to 31 March 2019 was another successful one boosted by excellent organic growth and progress on asset acquisitions and recycling despite an increasingly challenging market in which to find assets that meet the Company's return expectations. The record like-for-like annualised rent roll increase was supported by the continued upgrading of space as a result of the capex investment programmes, which combined have contributed to strong valuation gains. The agreement of a new venture with AXA IM - Real Assets will realise value for Sirius whilst significantly increasing the opportunity to drive shareholder returns into the future.

Some commentators are alluding to a possible slowdown in the Germany economy; however, Sirius is well positioned to continue generating growth due to the wide range of products offered, well diversified tenant base and very significant value-add potential that remains within its portfolio based on a combination of the continued roll out of our capex investment programmes and yield at which the portfolio is currently valued. The Company continues to maintain discipline in its investing and has increased the number of opportunities it analyses in order to identify acquisition opportunities which can generate attractive returns.

The Company's focus remains on delivering attractive and consistent risk adjusted returns by way of active asset management throughout the property cycle. With acquisition firepower available, significant vacancy to develop, good reversion potential within the existing portfolio and the new venture to look forward to the Company is well positioned for the new financial year and beyond.

Alistair Marks
Chief Financial Officer
31 May 2019

Consolidated statement of comprehensive income
for the year ended 31 March 2019

	Notes	Year ended 31 March 2019 EUR000	(Re-presented*) Year ended 31 March 2018 EUR000
Revenue	5	140,063	123,650
Direct costs	6	(64,299)	(60,578)
Net operating income		75,764	63,072
Gain on revaluation of investment properties	13	99,887	63,452
Gain/(loss) on disposal of properties	6	611	(2,502)
Administrative expenses	6	(20,931)	(24,184)
Operating profit		155,331	99,838
Finance income	9	75	13
Finance expense	9	(9,199)	(10,246)
Change in fair value of derivative financial instruments	9	(1,495)	43
Net finance costs		(10,619)	(10,190)
Profit before tax		144,712	89,648
Taxation	10	(15,990)	(8,285)
Profit and total comprehensive income for the year after tax		128,722	81,363
Profit and total comprehensive income attributable to:			
Owners of the Company		128,657	81,272
Non-controlling interest		65	91
Total comprehensive income for the year after tax		128,722	81,363
Earnings per share			
Basic earnings per share	11	12.78c	8.89c
Diluted earnings per share	11	12.72c	8.65c
Basic EPRA earnings per share	11	4.47c	3.04c
Diluted EPRA earnings per share	11	4.45c	2.96c
Headline earnings per share	11	4.33c	3.04c
Diluted headline earnings per share	11	4.31c	2.95c

* See note 2(b).

All operations of the Group have been classified as continuing.

Consolidated statement of financial position
as at 31 March 2019

	Notes	31 March 2019 EUR000	(Re-presented*) 31 March 2018 EUR000
Non-current assets			
Investment properties	13	972,868	913,843
Plant and equipment	15	3,438	3,126
Goodwill	16	3,738	3,738
Other non-current assets	2(b)	1,813	1,750
Deferred tax assets	10	-	811
Total non-current assets		981,857	923,268
Current assets			
Trade and other receivables	17	10,828	43,313
Derivative financial instruments		250	-
Cash and cash equivalents	18	36,342	79,605
Total current assets		47,420	122,918
Assets held for sale	14	164,635	17,325
Total assets		1,193,912	1,063,511
Current liabilities			
Trade and other payables	19	(40,755)	(40,972)
Interest-bearing loans and borrowings	20	(7,408)	(7,844)
Current tax liabilities		(579)	(3,045)
Derivative financial instruments		(346)	(6)
Total current liabilities		(49,088)	(51,867)
Non-current liabilities			
Interest-bearing loans and borrowings	20	(324,053)	(359,234)
Derivative financial instruments		(806)	(292)
Deferred tax liabilities	10	(30,878)	(26,485)

Total non-current liabilities		(355,737)	(386,011)
Liabilities directly associated with assets held for sale	14	(63,042)	-
Total liabilities		(467,867)	(437,878)
Net assets		726,045	625,633
Equity			
Issued share capital	23	-	-
Other distributable reserve	24	491,010	519,320
Retained earnings		234,798	106,141
Total equity attributable to the owners of the Company		725,808	625,461
Non-controlling interest		237	172
Total equity		726,045	625,633

* See note 2(b).

The financial statements were approved by the Board of Directors on 31 May 2019 and were signed on its behalf by:

Danny Kitchen
Chairman

Company number: 46442

Consolidated statement of changes in equity
for the year ended 31 March 2019

	Notes	Issued share capital EUR000	Other distributable reserve EUR000	Retained earnings EUR000	Total equity attributable to the owners of the Company EUR000	Non-controlling interest EUR000	Total equity EUR000
As at 31 March 2017		-	470,318	24,869	495,187	81	495,268
Shares issued, net of costs		-	63,352	-	63,352	-	63,352
Share-based payment transactions	8	-	3,674	-	3,674	-	3,674
Dividends paid		-	(18,024)	-	(18,024)	-	(18,024)
Total comprehensive income for the year		-	-	81,272	81,272	91	81,363
As at 31 March 2018		-	519,320	106,141	625,461	172	625,633
Shares issued		-	-	-	-	-	-
Transaction costs relating to share issues		-	(30)	-	(30)	-	(30)
Share-based payment transactions	8	-	(4,516)	-	(4,516)	-	(4,516)
Dividends paid	25	-	(23,764)	-	(23,764)	-	(23,764)
Total comprehensive income for the year		-	-	128,657	128,657	65	128,722
As at 31 March 2019		-	491,010	234,798	725,808	237	726,045

Consolidated statement of cash flows
for the year ended 31 March 2019

	Notes	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Operating activities			
Profit for the year after tax		128,722	81,363
Taxation	10	15,990	8,285
(Gain)/loss on sale of properties	6	(611)	2,502
Share-based payments	6	232	4,310
Gain on revaluation of investment properties	13	(99,887)	(63,452)
Change in fair value of derivative financial instruments		1,495	(43)
Depreciation	6	1,373	1,086
Finance income	9	(75)	(13)
Finance expense	9	9,199	8,898
Exit fees/prepayment of financing penalties	9	-	1,348
Changes in working capital			
Increase in trade and other receivables		(3,791)	(2,730)
Increase in trade and other payables		2,260	2,271
Taxation paid		(1,806)	(756)

Cash flows from operating activities		53,101	43,069
Investing activities			
Purchase of investment properties		(67,078)	(121,252)
Prepayments relating to new acquisitions	17	(410)	(34,585)
Capital expenditure		(26,130)	(19,104)
Purchase of plant and equipment		(1,690)	(1,649)
Proceeds on disposal of properties (including held for sale)*		27,425	102,510
Interest received	9	75	13
Cash flows used in investing activities		(67,808)	(74,067)
Financing activities			
Issue of shares net of costs		(30)	63,352
Payment relating to exercise of share options	6	(4,748)	-
Dividends paid	25	(23,764)	(18,024)
Proceeds from loans	20	22,114	78,930
Repayment of loans		(9,062)	(53,551)
Exit fees/prepayment of financing penalties		-	(1,348)
Finance charges paid		(9,126)	(7,451)
Cash flows (used in)/from financing activities		(24,616)	61,908
(Decrease)/increase in cash and cash equivalents		(39,323)	30,910
Cash and cash equivalents at the beginning of the year		79,605	48,695
Cash and cash equivalents at the end of the year	18	40,282	79,605

* Includes EUR17,325,000 (2018: EUR96,000,000) proceeds from sale of assets held for sale.

Notes to the financial statements
for the year ended 31 March 2019

1. General information

Sirius Real Estate Limited (the "Company") is a company incorporated in Guernsey and resident in the United Kingdom, whose shares are publicly traded on the Main Markets of the London Stock Exchange ("LSE") (primary listing) and the Main Board of the Johannesburg Stock Exchange ("JSE").

The consolidated financial information of the Company comprises that of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 March 2019.

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

2. Significant accounting policies

(a) Basis of preparation

The 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 consolidated financial information is presented in euros and all values are rounded to the nearest thousand (EUR000), except where otherwise indicated.

The Company has chosen to prepare its annual consolidated financial statements in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS") as a result of the primary listing on the JSE. The Company previously prepared consolidated financial information in accordance with IFRS as adopted by the EU ("IFRS EU"). Accordingly, the consolidated financial information as at 31 March 2019 and the comparative period have been prepared in accordance with IFRS as issued by the IASB. There were no noted differences between IFRS as issued by the IASB and IFRS as adopted by the EU that are relevant to the Group. Therefore, no changes to previously reported financial information were made as a result of this change in the basis of preparation of financial statements.

As at 31 March 2019 the Group's consolidated financial statements reflect consistent accounting policies and methods of computation used in previous financial year except for the changes in the application of accounting policies as described in note 2(b).

(b) Changes in accounting policies and other re-presentations

For the period beginning on 1 April 2018 the Group had to adopt IFRS 9 "Financial Instruments" (IFRS 9) and IFRS 15 "Revenue from Contracts with Customers" (IFRS 15) for the first time. The adoption of these new standards and other amendments to existing standards and interpretations effective from 1 April 2018 did not materially impact the set of consolidated financial statements for the year ended 31 March 2019 and no retrospective adjustments were made.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 replaced the existing regulations for the recognition of revenue in accordance with IAS 18 "Revenue" and IAS 11 "Construction Contracts". Consequently, revenues are recognised when the customer obtains control over the agreed distinct goods and services and can derive benefits from these. IFRS 15 does not apply to rental income, which makes up approximately 60% of total revenue of the Group, but does apply to other revenue streams, namely service charge income and proceeds on disposal of investment property. The first-time application of the standard using modified retrospective approach has not had a material impact neither on the consolidated statement of comprehensive income nor on the consolidated statement of financial position or required disclosures using modified retrospective approach. Please refer to note 2(h) for the revised accounting policies and note 3 for details on judgements.

IFRS 9 "Financial Instruments"

IFRS 9 provides a standardised approach for classification, measurement and derecognition of financial assets and liabilities, and introduces new rules for hedge accounting and a new impairment model for financial assets. The Group applied IFRS 9 retrospectively and did not elect to restate the comparative information. The adoption of IFRS 9 has changed the Group`s accounting policy for impairment losses for financial assets by replacing IAS 39`s incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and for contract assets. There were no material changes identified from adoption of the standard. Please refer to note 2(q), 2(u), 2(v) and 2(y) for the revised policies.

As part of the Group's review of the impact of adopting the amendments to IFRS the Group has taken the opportunity to revisit its accounting policies. As a result, the following adjustments were recorded to represent the financial statements:

Revenue and direct costs

The Group had previously a) incorrectly netted service charge income received from tenants against the direct costs to which the income relates and b) incorrectly netted rental and other income from managed properties against costs relating to managed properties. The Group has reassessed these treatments and concluded that it operates as a principal in both cases and that the amounts should be recognised gross. The impact of this re-presentation is to increase revenue and direct costs by EUR51,511,000 in the year to 31 March 2018.

There is no impact on basic, diluted, headline or adjusted earnings per share. There was no impact on 31 March 2018 and 1 April 2017 in regard to the balance sheet, net assets and net profits. Accordingly, a third balance sheet is not presented.

Assets held for sale

The Group had previously presented assets held for sale within current assets. In accordance with IFRS 5 and industry practice, this has been re-presented separately from other assets in the statement of financial position. The impact of this re-presentation is to decrease current assets by EUR17,325,000 at 31 March 2018 (1 April 2017: EUR96,000,000).

There is no impact on basic, diluted, headline or adjusted earnings per share. There was no impact on 31 March 2018 and 1 April 2017 in regard to net assets and net profits, accordingly a third balance sheet is not presented.

Other non-current assets

The Group has reallocated non-current guarantees/deposits amounting to EUR1,750,000 at 31 March 2018 from other receivables to other non-current assets which were previously incorrectly accounted for within current assets (1 April 2017: EUR25,000).

There is no impact on basic, diluted, headline or adjusted earnings per share. There was no impact on 31 March 2018 and 1 April 2017 in regard to net assets and net profits, accordingly a third balance sheet is not presented.

(c) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the listing requirements of the JSE Limited, IFRS and Companies (Guernsey) Law. The consolidated financial statements have been prepared on the same basis of the accounting policies set out in the Group's annual financial statements for the year ended 31 March 2018 except for the changes in accounting policies as shown in note 2(b). The Group's annual financial statements refer to new standards and interpretations, none of which had a material impact on the financial statements (see note 2(a)). All forward-looking information is the responsibility of the board of directors and has not been reviewed or reported on by the group's auditors.

(d) Going concern

Having reviewed the Group's current and future trading, cash flow and covenant 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 at least twelve months from the date these consolidated financial statements are approved. At 31 March 2019, the value of current liabilities exceeded the current assets by EUR1.7m. Due to the availability of undrawn bank facilities, which more than exceeds the net current liability position and the ownership of unencumbered assets there is no impact on our ability to continue as a going concern. Accordingly, the Board continued to adopt the going concern basis in preparing the historical financial information.

(e) Basis of consolidation

The consolidated financial information comprises the financial information of the Group as at 31 March 2019. The financial information of the subsidiaries is 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.

(f) Acquisitions

Investment property acquisitions that are not accounted for as business combinations under IFRS 3 "Business Combinations" are treated with as acquisitions of investment property assets. Every transaction is assessed as either an asset acquisition or a business combination. During the period it was assessed that all investment properties purchased in the period should be accounted for as asset acquisitions due to the fact that the Group implements its own internal process and the key elements of the infrastructure of the business were not purchased.

(g) Foreign currency translation

The consolidated financial information is presented in euros, which is the functional and presentational currency of all members of the Group.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

(h) Revenue recognition

Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished. Fixed or determinable rental increases, which can take the form of actual amounts or agreed percentages, are recognised on a straight-line basis over the term of material leases. If the increases are related to a price index to cover inflationary cost increases then the policy is not to spread the amount but to recognise them when the increase takes place.

The value of rent free periods and all similar lease incentives is spread on a straight-line basis over the term of material leases only. Where there is a reasonable expectation that the tenant will exercise break options, the value of rent free periods and all similar lease incentives is booked up to the break date.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group mainly generates revenue from contracts with customers for services rendered to tenants including management charges and other expenses recoverable from tenants ('service charge income'). These services are specified in the lease agreements and separately invoiced.

The individual activities vary significantly throughout the day and from day to day however, the nature of the overall promise of providing property management service remains the same each day. Accordingly, the service performed each day is distinct and substantially the same. These services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The actual service provided during each reporting period is determined using cost incurred as the input method.

Transaction price are regularly updated and are estimated at the beginning of each year based on previous costs and estimated spend. Service charge budgets are prepared carefully to make sure that they are realistic and reasonable. Variable consideration is only included in the transaction price to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The variable consideration is allocated to each distinct period of service (i.e., each day) as it meets the variable consideration allocation exception criteria.

The Group acts as a principal in relation to these services, and records revenue on a gross basis, as it typically controls the specified goods or services before transferring them to tenants.

Where amounts invoiced to tenants are greater than the revenue recognised at the period end date, the difference is recognised as unearned revenue when the group has unconditional right to consideration, even if the payments are non-refundable. Where amounts invoiced are less than the revenue recognised at the period end date, the difference is recognised as contract assets or, when the group has a present right to payment, as receivables albeit unbilled.

Rental and other income from managed properties

As the Group derives income and incurs expenses relating to properties it manages but does not own, such income and expense is disclosed separately within revenue and direct costs. Income relating to managed properties is accounted for according to revenue recognitions accounting policies set out above.

Interest income

Interest income is recognised as it accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument).

(i) Leases

Group as lessor

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.

(j) Income tax

Current income tax

Current income tax assets and liabilities are measured at the reporting date at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Certain subsidiaries may be subject to foreign taxes in respect of foreign sources of income. Sirius Real Estate Limited is UK resident for tax purposes.

Deferred income tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred tax assets are only recognised to the extent that it is foreseeable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the year when the related asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(k) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(l) Investment properties

Investment properties are properties owned by the Group which are held for long-term rental income, capital appreciation or both.

Investment properties are initially recognised at cost, including transaction costs when the control of the property is transferred. Where recognition criteria are met the carrying amount includes subsequent costs to add to or replace part of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date.

Investment properties are derecognised when control of the asset is transferred to a third party.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the statement of comprehensive income in the period in which they arise.

The fair value of the Group's investment properties at 31 March 2019 has been arrived at on the basis of a valuation carried out at that date by Cushman & Wakefield LLP (2018: Cushman & Wakefield LLP), an independent valuer on the basis of highest and best use. The valuations are in accordance with standards complying with the Royal Institute of Chartered Surveyors' ("RICS's") approval and the conceptual framework that has been set by the International Valuation Standards Committee.

The valuation is based upon assumptions including future rental income, anticipated non-recoverable and maintenance costs, expected capital expenditure and an appropriate discount rate. The properties are valued on the basis of a discounted cash flow model using a range of 10-14 years 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 the measurement period. At the end of the period in which the cash flow is modelled, a determining residual value (exit scenario) is calculated. A capitalisation rate is applied to the more uncertain future income, discounted to present value. Each property is visited by the external valuer at least once every two years.

In the prior year, the directors made discretionary impairment (devaluation) of non-core assets due to strong evidence existing to support an adjustment. In such circumstances the Audit Committee performed a review and satisfied itself the impairment could be fully substantiated and appropriately supported before a write-down was recognised in the Company's books and records. No such adjustment has been recorded in the current year.

(m) Disposals of investment property

Investment property disposals are recognised when control of the property transfers to the buyer, which typically occurs on the date of completion. Profit or loss arising on disposal of investment properties is calculated by reference to the most recent carrying value of the asset adjusted for subsequent capital expenditure.

(n) Assets held for sale and disposal groups

(i) Investment properties held for sale

Investment properties held for sale are separately disclosed at the asset's fair value. In order for an investment property held for sale to be recognised, the following conditions must be met:

- the asset must be available for immediate sale in its present condition and location;
- the asset is being actively marketed;
- the asset's sale is expected to be completed within twelve months of classification as held for sale;
- there must be no expectation that the plan for selling the asset will be withdrawn or changed significantly; and
- the successful sale of the asset must be highly probable.

(ii) Disposal groups

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of a disposal group, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

Additional disclosures are provided in note 14.

(o) Plant and equipment

Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Depreciation is charged in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of the fixed assets. The estimated useful lives are as follows:

Plant and equipment	four to ten years
Fixtures and fittings	four years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(p) Intangible assets

The Group recognises only acquired intangible assets. These intangibles are valued at cost.

Intangible assets with a definite useful life are amortized on a straight-line basis over their respective useful lives. Their useful lives are between three and five years. Any amortization of these assets is recognized as such under administrative expenses in the consolidated statement of comprehensive income.

Intangible assets with an indefinite useful life, particularly goodwill, are not amortized.

Goodwill arising on consolidation represents the excess of the cost of the purchase consideration over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment, or more frequently when there is an indication that the business to which the goodwill applies may be impaired.

(q) Trade and other receivables

Rent and service charge receivables and any contract assets do not contain significant financing component and are measured at the transaction price. Other receivables are initially measured at fair value plus transaction costs, using the expected credit loss model according to IFRS 9. The Group applies the simplified impairment model of IFRS 9 in order to determine expected credit losses in trade and other receivables, including lease incentives.

The Group assesses on a forward-looking basis the expected credit losses associated with its trade and other receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses the Group takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvencies and market expectations and trends in the wider macro-economic environment in which our customers operate.

Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended.

(r) Treasury Shares

Own equity instruments which are reacquired ("Treasury Shares") are deducted from equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's equity instruments.

(s) Share-based payments

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

(t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(u) Bank borrowings

Interest-bearing bank loans and borrowings are initially recorded at fair value net of directly attributable transaction costs.

Subsequent to initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

When debt refinancing exercises are carried out, existing liabilities will be treated as being extinguished when the new liability is substantially different from the existing liability. In making this assessment, the Group will consider the transaction as a whole, taking into account both qualitative and quantitative characteristics in order to make the assessment.

(v) Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

(w) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(x) Dividends

Dividend distributions to the Company's shareholders are recognised as a liability in the consolidated financial information in the period in which the dividends are approved by the Company's Board. The final dividend relating to the year ended 31 March 2019 will be approved and recognised in the financial year ending 31 March 2020.

(y) Impairment excluding investment properties

(i) Financial assets

A financial asset (excluding financial assets at fair value through profit and loss) is assessed at each reporting date to determine whether there is any impairment. The Group recognises an allowance for expected credit losses (ECLs) for all receivables and contract assets held by the Group. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For rent and other trade receivables and any contract assets, the Group applies a simplified approach in calculating ECLs. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). In determining the ECLs the Group takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements and market expectations and trends in the wider macro-economic environment in which our customers operate.

Impairment losses are recognised in profit or loss of the statement of comprehensive income. Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss of the statement of comprehensive income. Impairment losses recognised in profit or loss in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis.

(z) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification, except for deferred tax assets and liabilities which are classified as non-current assets and liabilities. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

(aa) Standards and interpretations in issue and not yet effective

IFRS 16

IFRS 16 replaces existing leases guidance, including IAS 17 "Leases", IFRIC 4 "Determining Whether an Arrangement Contains a Lease", SIC-15" Operating Leases - Incentives" and SIC-27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease".

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 at or before the date of initial application of IFRS 16.

IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases.

The most significant impact identified is that the Group will recognise new assets and liabilities for its operating leases of office buildings and leases for space relating to operating management contracts.

As at 31 March 2019, the Group's future minimum lease payments under non-cancellable operating leases are disclosed under note 27.

In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

As a lessee, the Group can either apply the standard using a:

- retrospective approach; or
- modified retrospective approach with optional practical expedients.

The Group plans to apply IFRS 16 initially on 1 April 2019, using the modified retrospective approach, and will apply the election consistently to all of its leases.

The Group has completed its assessment of the potential impact on its consolidated financial statements. The expected impact of the first-time adoption of IFRS 16 as of 1 April 2019 is approximately EUR24,000,000 which will be shown as a right of use of assets and a corresponding lease liability.

In addition, the IASB has published "Annual Improvements to IFRS Standards 2015-2017 Cycle" in December 2017 and has issued IFRIC 23 in June 2017, which will be applicable to financial years after 1 January 2019. Amendments to IFRS 3 has been published in October 2018 which will be applicable to financial years after 1 January 2020. The Group is not expecting material impact on its reporting methodology coming from those changes.

(ab) Non-IFRS measures

The Directors have chosen to disclose EPRA earnings, which are widely used alternative metrics to their IFRS equivalents (further details on EPRA best practice recommendations can be found at www.epra.com). Note 11 to the financial statements includes a reconciliation of basic and diluted earnings to EPRA earnings.

The Directors are required, as part of the JSE Listing Requirements, to disclose headline earnings; accordingly, headline earnings are calculated using basic earnings adjusted for revaluation gain net of related tax and gain/loss on sale of properties net of related tax. Note 11 to the financial statements includes a reconciliation between IFRS and headline earnings.

The Directors have chosen to disclose adjusted earnings in order to provide an alternative indication of the Group's underlying business performance; accordingly, it excludes the effect of adjusting items net of related tax. Note 11 to the financial statements includes a reconciliation of adjusting items included within adjusted earnings, with those adjusting items stated within administrative expenses in note 6.

The Directors have chosen to disclose adjusted profit before tax and funds from operations in order to provide an alternative indication of the Group's underlying business performance and to facilitate the calculation of its dividend pool; a reconciliation between profit before tax and funds from operations is included within note 25 to the financial statements. Within adjusted profit before tax are adjusting items as described above gross of related tax.

Further details on non-IFRS measures can be found in the business analysis section of this document.

3. Significant accounting judgements, estimates and assumptions

Judgements

In the process of applying the Group's accounting policies, which are described in note 2, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial information:

Operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties and therefore accounts for them as operating leases.

Acquisition and disposal of properties

Property transactions can be complex in nature and material to the financial statements. To determine when an acquisition or disposal should be recognised, management consider whether the Group assumes or relinquishes control of the property, and the point at which this is obtained or relinquished. Consideration is given to the terms of the acquisition or disposal contracts and any conditions that must be satisfied before the contract is fulfilled. In the case of an acquisition, management must also consider whether the transaction represents an asset acquisition or business combination.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Valuation of investment properties (including those recognized within assets held for sale or a disposal group)
The fair value of the Group's investment properties was determined by Cushman & Wakefield LLP (2018: Cushman & Wakefield LLP), an independent valuer. After adjusting investment properties for lease incentive accounting, the book value of investment properties is shown as EUR972.9 million (31 March 2018: EUR913.8 million) as disclosed in note 13.

The Cushman & Wakefield LLP 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 to fourteen 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 to fourteen year period. After ten to fourteen 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.

As a result of the level of judgement used in arriving at the market valuations, the amounts which may ultimately be realised in respect of any given property may differ from the valuations shown on the statement of financial position.

Assessment of uncertain tax positions

In the ordinary course of business, management make judgements and estimates in relation to the tax treatment of certain transactions in advance of the ultimate tax determination being certain. Where the amount of tax payable or recoverable is uncertain management use judgement in recording a corresponding payable or receivable.

Service charge

Service charge expenses are based on actual costs incurred and invoiced together with an estimate of costs to be invoiced in future periods. The estimates are based on expected consumption rates, historical trends and take into account market conditions at the time of recording.

Service charge income is based on service charge expense and takes into account recovery rates which are largely derived from estimated occupancy levels.

4. 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% of Group revenues. The chief operating decision maker is considered to be the Senior Management Team, which is provided with consolidated IFRS information on a monthly basis.

5. Revenue

	Year ended 31 March 2019 EUR000	(Re-presented*) Year ended 31 March 2018 EUR000
Rental and other income from investment properties	84,414	71,782
Service charge income	44,216	41,561
Rental, service charge and other income from managed properties	11,433	10,307
Total revenue	140,063	123,650

*   See note 2(b).

Other income relates primarily to income associated with conferencing and catering of EUR1,730,000 (2018: EUR1,571,000).

6. Operating profit

The following items have been charged in arriving at operating profit:

Direct costs

		(Re-presented*)
	Year ended	Year ended

	31 March 2019	31 March 2018
	EUR000	EUR000
Service charge costs	51,250	48,729
Costs relating to managed properties	10,779	9,950
Non-recoverable maintenance	2,270	1,899
Direct costs	64,299	60,578
Gain on disposal of properties		

Included within gain on disposal of properties of EUR611,000 (2018: loss of EUR2,502,000) are total proceeds of EUR27,425,000 (2018: EUR102,510,000) and property and professional costs of EUR26,814,000 (2018: EUR106,404,000).

Administrative expenses

	Year ended 31 March 2019	Year ended 31 March 2018
	EUR000	EUR000
Audit fee	389	350
Legal and professional fees	3,373	2,431
Other administration costs	1,881	1,278
LTIP and SIP	232	4,310
Employee costs	11,167	11,069
Director fees and expenses	447	350
Depreciation	1,373	1,086
Marketing	1,860	1,745
Selling costs relating to assets held for sale	-	52
Non-recurring items	209	1,513
Administrative expenses	20,931	24,184

The following services have been provided by the Group`s auditor:

	Year ended 31 March 2019	Year ended 31 March 2018
	EUR000	EUR000
Audit fees:		
Audit of consolidated financial statements	273	266
Audit of subsidiary undertakings	58	50
Non-audit fees:		
Other assurance services	58	34
Total fees	389	350

Non-recurring items relate primarily to costs associated with the new venture with AXA IM - Real Assets which is explained in more detail in note 14 (2018: potential legal claim and additional Main Market listing costs).

Employee costs as stated above relate to costs which are not recovered through service charge.

7. Employee costs and numbers

	Year ended 31 March 2019	Year ended 31 March 2018
	EUR000	EUR000
Wages and salaries	13,986	16,355
Social security costs	2,543	2,927
Pension	234	204
Other employment costs	51	95
	16,814	19,581

The wages and salaries costs for the year ended 31 March 2019 include expenses of EUR232,000 (31 March 2018: EUR3,541,000) relating to the granting or award of shares under LTIPs (see note 8) and nil costs for the year ended 31 March 2019 relating to the previous LTIP award. The costs for all periods include those relating to Executive Directors.

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, Sirius Finance (Guernsey) Limited and Sirius Corporate Services B.V. The average number of people employed by the Group during the year was 241 (31 March 2018: 232), expressed in full-time equivalents. In addition, the Board of Directors consists of four Non-executive Directors (31 March 2018: four) and two Executive Directors (31 March 2018: two) as at 31 March 2019.

8. Employee schemes

Equity-settled share-based payments

2015 LTIP

The 2015 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 was expensed on a straight-line basis over the vesting and holding period, based on the Company's estimate of the shares that would eventually vest and adjusted for the effect of non-market-based vesting conditions. Under the LTIP, the awards were granted in the form of whole shares at no cost to the participants. Shares vested after the three year performance period and include a holding period of twelve months after vesting. The performance conditions used to determine the vesting of the award were based on net asset value and total shareholder return allowing vesting of 0% to a maximum of 125%. As a result, a maximum of 25,150,000 share awards were granted, subject to performance criteria, under the scheme in December 2015. A total of 1,300,000 shares were forfeited during the performance period by a participant who left the Group.

The 2015 LTIP vested on 2 July 2018 based on performance conditions assessed over the three years to 31 March 2018, and a separate assessment based on total shareholder return assessed up to the 20th business day after the announcement of the results for the year ended 31 March 2018. Vesting was at the maximum level for all participants resulting in the exercising of 17,356,106 shares in the year including 432,106 that were surrendered by the scheme participants and re-allocated to employees of the Group to make them shareholders, and the forfeiting of 6,493,894 relating to partial settlement of certain participants' tax liabilities arising in respect of the vesting.

As the fair value determined at the grant date was expensed on a straight-line basis over the vesting period an expense of EURnil (31 March 2018: EUR3,541,000) was recognised in the statement of comprehensive income to 31 March 2019.

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

	Year ended 31 March 2019		Year ended 31 March 2018	
	Number of shares	Weighted average exercise price EUR	Number of shares	Weighted average exercise price EUR
Balance outstanding as at the beginning of the year (nil exercisable)	23,850,000	-	23,850,000	-
Maximum granted during the year	-	-	-	-
Shares surrendered to cover employee tax obligations	(6,493,894)	-	-	-
Exercised during the year	(17,356,106)	-	-	-
Balance outstanding as at the end of the year	-	-	23,850,000	-

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

Weighted average share price - EUR	0.52
Weighted average exercise price - EUR	-
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 included: expected volatility of the Company's share price, as determined by calculating the historical volatility of the Company's share price over the historical 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 the share price at the date of grant; expected life of the awards; risk free rates; and correlation between comparators.

2018 LTIP

A new LTIP for the benefit of the Executive Directors and the Senior Management Team was approved on 5 December 2018. Awards granted under the 2018 LTIP are in the form of nil cost options which vest after the three year performance period followed by a holding period of two years. Awards are split between ordinary and outperformance awards. Ordinary awards carry both adjusted net asset value per share ("TNR") (two-thirds of award) and relative total shareholder return ("TSR") (one-third of award) performance conditions and outperformance awards carry a sole TNR performance condition.

4,000,000 ordinary share awards and 700,000 outperformance share awards were granted under the scheme on 15 January 2019 with a total charge for the awards of EUR2,463,000 over three years. Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Company in respect of the awards.

An expense of EUR232,000 was recognised in the consolidated statement of comprehensive income to 31 March 2019.

The fair value per share for the TNR and TSR elements of the award was determined using Black-Scholes and Monte-Carlo models respectively with the following assumptions used in the calculation:

	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award/ outperformance award	1/3 ordinary award
Share price at grant date - EUR	0.66	0.66
Exercise price - EUR	nil	nil
Expected volatility - %	23.3	23.3
Performance projection period - years	2.21	2.08
Expected dividend yield - %	4.86	4.86
Risk free rate based on European treasury bonds rate of return - %	(0.63) p.a.	(0.63) p.a.
Expected outcome of performance conditions - %	100/67	44.7
Fair value per share - EUR	0.66	0.295

The weighted average fair value of a share granted under the ordinary award in the year was EUR0.54.

Assumptions considered in this 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 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 the share price at the date of grant; performance projection period; risk free rate; and correlation between comparators.

2017 SIP

A share incentive plan ("SIP") for the benefit of senior employees of the Company was approved in May 2017. The fair value was based on the Company's estimate of the shares that will eventually vest. Under the SIP, the awards were granted in the form of whole shares at no cost to the participants. Shares vested after a one year performance period followed by a holding period of twelve months. The performance conditions used to determine the vesting of the award were based on the adjusted net asset value including dividends paid and allowed vesting of 100% or 0%. As a result, under the scheme in June 2017 a maximum of 1,065,000 shares were granted, subject to performance criteria, and an expense including related costs of EURnil (31 March 2018: EUR769,000) was recognised in the consolidated statement of comprehensive income to 31 March 2019.

Employee benefit scheme

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

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Charge relating to MSP	-	326
Charge relating to 2015 LTIP	-	2,617
Charge relating to 2018 LTIP	232	-
Charge relating to SIP	-	731
Value of shares withheld to settle employee tax obligations	(4,748)	-
Share-based payment transactions as per consolidated statement of changes in equity	(4,516)	3,674

9. Finance income, finance expense and change in fair value of derivative financial instruments

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Bank interest income	75	13
Finance income	75	13
Bank loan interest expense	(7,643)	(6,721)
Bank charges	(185)	(145)
Amortisation of capitalised finance costs	(1,371)	(1,173)

Refinancing costs, exit fees and prepayment penalties	-	(2,207)
Finance expense	(9,199)	(10,246)
Change in fair value of derivative financial instruments	(1,495)	43
Net finance expense	(10,619)	(10,190)

The refinancing costs on derecognition of loans for the year ended 31 March 2018 of EUR2,207,000 related to the costs associated with the part repayment of tranche 1 of the Berlin Hyp AG/Deutsche Pfandbriefbank AG facility and full repayment of tranche 2 of the Berlin Hyp AG/Deutsche Pfandbriefbank AG facility following the sales of the Dusseldorf and Munich Rupert Mayer Strasse assets. No derecognition of loans has occurred in the current financial year.

The change in fair value of derivative financial instruments in amount of EUR1,495,000 (2018: EUR43,000) reflects the change in the mark to market valuation of these financial instruments.

10. Taxation

Consolidated statement of comprehensive income

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Current income tax		
Current income tax charge	(523)	(604)
Current income tax charge relating to disposals of investment properties	(170)	(1,921)
Accrual relating to tax treatment of swap break	151	(839)
Adjustments in respect of prior periods	501	-
Total current income tax	(41)	(3,364)
Deferred tax		
Relating to origination and reversal of temporary differences	(15,138)	(5,492)
Relating to LTIP charge for the year	(811)	571
Total deferred tax	(15,949)	(4,921)
Income tax charge reported in the statement of comprehensive income	(15,990)	(8,285)

The current income tax charge of EUR41,000 (31 March 2018: EUR3,364,000) reflects a release of tax accruals for prior years as well as the tax charge for the year. The effective income tax rate for the period differs from the standard rate of corporation tax in Germany of 15.825% (2018: 15.825%). The differences are explained below:

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Profit before tax	144,712	89,648
Profit before tax multiplied by the rate of corporation tax in Germany of 15.825% (2018: 15.825%)	22,901	14,187
Effects of:		
Deductible interest on internal financing	(6,197)	(5,573)
Non-deductible expenses	(1,728)	835
Tax losses utilised	(882)	(4,726)
Property valuation movements due to differences in accounting treatments	1,796	3,270
Adjustments in respect of prior periods	(652)	839
Other	752	(547)
Total income tax charge in the statement of comprehensive income	15,990	8,285

Deferred income tax liability

	31 March 2019 EUR000	31 March 2018 EUR000
Opening balance	(26,485)	(20,993)
Release due to disposals	261	4,883
Taxes on the revaluation of investment properties	(15,399)	(10,375)
Transferred to liabilities directly associated with assets held for sale	10,745	-
Balance as at year end	(30,878)	(26,485)

Deferred income tax asset

	31 March 2019 EUR000	31 March 2018 EUR000

Opening balance	811	240
Relating to LTIP charge for the year	(811)	571
Balance as at year end	-	811

The Group is mainly subject to taxation in Germany with the income from the Germany-located rental business with a tax rate of 15.825%. It has tax losses of EUR333,078,000 (2018: EUR261,763,000) that are available for offset against future profits of its subsidiaries in which the losses arose under the restrictions of the minimum taxation rule.

11. Earnings per share

The calculations of the basic, EPRA, diluted, headline and adjusted earnings per share are based on the following data:

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Earnings attributable to the owners of the Company		
Basic earnings	128,657	81,272
Diluted earnings	128,657	81,272
EPRA earnings	44,995	27,783
Diluted EPRA earnings	44,995	27,783
Headline earnings	43,554	27,755
Diluted headline earnings	43,554	27,755
Adjusted		
Basic earnings	128,657	81,272
Deduct revaluation surplus	(99,887)	(63,452)
Add loss/deduct gain on sale of properties	(611)	2,502
Tax in relation to the above	15,362	7,433
NCI relating to revaluation, net of related tax	32	-
NCI relating to gain on sale of properties, net of related tax	1	-
Headline earnings after tax	43,554	27,755
Add/(deduct) change in fair value of derivative financial instruments, net of related tax and NCI	1,441	(63)
Add adjusting items, net of related tax and NCI (1)	1,101	8,349
Adjusted earnings after tax	46,096	36,041
Number of shares		
Weighted average number of ordinary shares for the purpose of basic, headline, adjusted and basic EPRA earnings per share	1,006,966,788	914,479,339
Weighted average number of ordinary shares for the purpose of diluted earnings, diluted headline earnings, diluted adjusted earnings and diluted EPRA earnings per share	1,011,666,788	939,394,339
Basic earnings per share	12.78c	8.89c
Diluted earnings per share	12.72c	8.65c
Basic EPRA earnings per share	4.47c	3.04c
Diluted EPRA earnings per share	4.45c	2.96c
Headline earnings per share	4.33c	3.04c
Diluted headline earnings per share	4.31c	2.95c
Adjusted earnings per share	4.58c	3.94c
Adjusted diluted earnings per share	4.56c	3.84c

(1) See reconciliation between adjusting items as stated within earnings per share and those stated within administrative expenses in note 6 below.

	Notes	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Non-recurring items	6	209	1,513
Finance restructuring costs	9	-	2,207
Selling costs relating to assets held for sale	6	-	52
LTIP and SIP	6	232	4,310
Change in deferred tax assets	10	811	(571)
Accrual relating to tax treatment of swap break	10	(151)	839
Adjusting items as per note 11		1,101	8,349

EPRA earnings

	Year ended 31 March 2019	Year ended 31 March 2018

	EUR000	EUR000
Basic and diluted earnings attributable to owners of the Company	128,657	81,272
Gain on revaluation of investment properties	(99,887)	(63,452)
(Gain)/loss on disposal of properties (including tax)	(441)	4,423
Change in fair value of derivative financial instruments	1,495	(43)
Deferred tax in respect of EPRA adjustments	15,138	5,492
NCI in respect of the above	33	91
EPRA earnings	44,995	27,783

For more information on EPRA earnings refer to Annex 1.

For the calculation of basic, headline, adjusted and diluted earnings per share the number of shares has been reduced by nil shares (2018: 574,892 shares), which are held by the Company as Treasury Shares at 31 March 2019.

The weighted average number of shares for the purpose of diluted, EPRA diluted, headline diluted and adjusted diluted earnings per share is calculated as follows:

	2019	2018
Weighted average number of ordinary shares for the purpose of basic, basic EPRA, headline and adjusted earnings per share	1,006,966,788	914,479,339
Effect of grant of SIP shares	-	1,065,000
Effect of grant of LTIP shares	4,700,000	23,850,000
Weighted average number of ordinary shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share	1,011,666,788	939,394,339

The Company has chosen to report EPRA earnings per share ("EPRA EPS"). EPRA EPS is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for property revaluation, changes in fair value of derivative financial instruments, profits and losses on disposals and deferred tax in respect of EPRA adjustments.

12. Net asset value per share

	2019	2018
	EUR000	EUR000
Net asset value		
Net asset value for the purpose of assets per share (assets attributable to the owners of the Company)	725,808	625,461
Deferred tax arising on revaluation gain, derivative financial instruments and LTIP valuation	41,623	25,674
Derivative financial instruments	902	298
Adjusted net asset value attributable to owners of the Company	768,333	651,433
Number of shares		
Number of ordinary shares for the purpose of net asset value per share	1,022,140,875	991,329,614
Number of ordinary shares for the purpose of EPRA net asset value per share	1,026,840,875	1,016,244,614
Net asset value per share	71.01c	63.09c
Adjusted net asset value per share	75.17c	65.71c
EPRA net asset value per share	74.82c	64.18c
Net asset value at the end of the year (basic)	725,808	625,461
Derivative financial instruments at fair value	902	298
Deferred tax in respect of EPRA adjustments	41,623	26,485
EPRA net asset value	768,333	652,244

For more information on adjusted net asset value and EPRA net asset value refer to Annex 1.

The number of ordinary shares for the purpose of EPRA net asset value per share is calculated as follows:

	2019	2018
Number of ordinary shares for the purpose of net asset value per share	1,022,140,875	991,329,614
Effect of grant of SIP shares	-	1,065,000
Effect of grant of LTIP shares	4,700,000	23,850,000
Number of ordinary shares for the purpose of EPRA net asset value per share	1,026,840,875 1	1,016,244,614

The number of shares has been reduced by nil shares (2018: 574,892 shares), which are held by the Company as Treasury Shares at 31 March 2019 for the calculation of net asset value and adjusted net asset value per share.

13. Investment properties

The movement in the book value of investment properties is as follows:

	2019 EUR000	2018 EUR000
Total investment properties at book value as at 1 April	913,843	727,295
Additions	101,663	127,799
Capital expenditure	27,127	20,662
Disposals	(10,032)	(8,040)
Reclassified as assets held for sale (note 14)	(159,620)	(17,325)
Gain on revaluation above capex	100,092	58,971
Adjustment in respect of lease incentives	(205)	(487)
Movement in Directors' impairment of non-core assets	-	4,968
Total investment properties at book value as at 31 March(1)	972,868	913,843

In the prior financial year the Group released a write down of an asset in amount of EUR4,968,000 which was made as of 31 March 2017 based on challenging market conditions.

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

	2019 EUR000	2018 EUR000
Investment properties at market value per valuer's report(1)	975,991	917,340
Adjustment in respect of lease incentives	(3,122)	(3,497)
Total investment properties at book value as at 31 March(1)	972,868	913,843

(1) Excluding assets held for sale.

The fair value (market value) of the Group's investment properties at 31 March 2019 has been arrived at on the basis of a valuation carried out at that date by Cushman & Wakefield LLP (2018: Cushman & Wakefield LLP), an independent valuer accredited in terms of the RICS.

The value of each of the properties has been assessed in accordance with the RICS valuation standards on the basis of market value. See note 2(l) for further details.

The weighted average lease expiry remaining across the whole portfolio at 31 March 2019 was 2.8 years (2018: 2.6 years).

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

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Gain on revaluation above capex	100,092	58,971
Adjustment in respect of lease incentives	(205)	(487)
Movement in Directors' impairment of non-core assets	-	4,968
Gain on revaluation of investment properties reported in the statement of comprehensive income	99,887	63,452

Included in the gain on revaluation of investment properties reported in the statement of comprehensive income are gross gains of EUR105.0 million and gross losses of EUR5.1 million (31 March 2018: gross gains of EUR72.9 million and gross losses of EUR9.4 million).

Other than the capital commitments disclosed in note 27, the Group is under no contractual obligation to purchase, construct or develop any investment property. The Group is responsible for routine maintenance to the investment properties.

All investment properties are categorised as Level 3 fair values as they use significant unobservable inputs. There have not been any transfers between levels during the year. Investment properties have been classed according to their asset type. Information on these significant unobservable inputs per class of investment property is disclosed below:

As at 31 March 2019

Sector	Market value (EUR)	Technique	Significant assumption	Range
Traditional business park	593,620,000	Discounted cash flow	Current rental income	EUR315k-EUR6,197k
			Market rental income	EUR424k-EUR6,094k
			Gross initial yield	4.7%-10.0%
			Discount factor	4.4%-8.0%

			Void period (months)	12-24
			Estimated capital value per sqm	EUR301-EUR1,141
Modern business park	217,790,000	Discounted cash flow	Current rental income	EUR463k-EUR3,169k
			Market rental income	EUR478k-EUR3,574k
			Gross initial yield	5.4%-8.3%
			Discount factor	4.4%-7.3%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR588-EUR1,568
Office	164,580,000	Discounted cash flow	Current rental income	EUR69k-EUR3,149k
			Market rental income	EUR512k-EUR3,509k
			Gross initial yield	0.8%-9.0%
			Discount factor	5.0%-7.8%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR581-EUR1,349

As at 31 March 2018

Sector	Market value (EUR)	Technique	Significant assumption	Range
Traditional business park	580,110,000	Discounted cash flow	Current rental income	EUR190k-EUR5,858k
			Market rental income	EUR424k-EUR5,800k
			Gross initial yield	0.7%-14.9%
			Discount factor	5.8%-12.0%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR67-EUR967
Modern business park	216,400,000	Discounted cash flow	Current rental income	EUR455k-EUR3,020k
			Market rental income	EUR478k-EUR3,469k
			Gross initial yield	4.2%-8.9%
			Discount factor	6.1%-8.5%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR522-EUR1,426
Office	120,830,000	Discounted cash flow	Current rental income	EUR0k-EUR2,045k
			Market rental income	EUR537k-EUR2,135k
			Gross initial yield	0.0%-10.1%
			Discount factor	6.3%-8.1%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR575-EUR1,290

The valuation for the full portfolio including those assets disclosed within the disposal group is performed on a lease-by-lease basis due to the mixed-use nature of the sites. This gives rise to large ranges in the inputs.

For example, an increase in market rental values of 5% would lead to an increase in the fair value of the investment properties of EUR57,580,000 and a decrease in market rental values of 5% would lead to a decrease in the fair value of the investment properties of EUR57,660,000. Similarly, an increase in the discount rates of 0.25% would lead to a decrease in the fair value of the investment properties of EUR23,480,000 and a decrease in the discount rates of 0.25% would lead to an increase in the fair value of the investment properties of EUR24,050,000.

Most of the Group's properties are pledged as security for loans obtained by the Group. See note 20 for details.

14. Assets held for sale

	31 March 2019	31 March 2018
	EUR000	EUR000
Bremen Brinkman	-	15,500
Rostock land	-	1,200
Markgroningen residential	-	625
Balance as at year end	-	17,325

Disposal group

In March 2019, the Group entered into a contract to dispose of a 65% interest in certain subsidiaries controlled by the Group holding investments in five investment properties to AXA IM - Real Assets. As at 31 March 2019, a disposal has not been recognized as certain conditions of the sale have not been met. The transaction is expected to be complete in July 2019 at which point the Group will cease to control the subsidiaries. The remaining 35% interest will be accounted for as an Investment in associate. Accordingly, the assets and liabilities of the disposal group have been separately presented on the face of the balance sheet as required by IFRS 5.

The proceeds from the disposal group is expected to exceed the carrying value of the related net assets and accordingly no impairment losses have been recognised on the classification of the disposal group as held for sale.

The major classes of the assets and liabilities comprising the disposal group classified as held for sale at 31 March 2019 are as follows:

	31 March 2019 EUR000
Assets	
Investment properties	159,620
Trade and other receivables	1,075
Cash and cash equivalents	3,940
Assets held for sale	164,635
Current liabilities	
Trade and other payables	(3,659)
Interest-bearing loans and borrowings*	(917)
Current tax liabilities	(15)
Total current liabilities	(4,591)
Non-current liabilities	
Interest-bearing loans and borrowings**	(47,706)
Deferred tax liabilities	(10,745)
Total non-current liabilities	(58,451)
Liabilities directly associated with assets held for sale	(63,042)
Net assets of the disposal group	101,593

(*) Including capitalised finance charges in amount of EUR260,000.
(*) Including capitalised finance charges in amount of EUR681.000.

The reconciliation of the valuation of investment properties within the disposal group carried out by the external valuer to the carrying values shown in the statement of financial position is as follows:

	31 March 2019 EUR000
Investment properties at market value per valuer's report	160,200
Adjustment in respect of lease incentives	(580)
Total investment properties at book value as at 31 March	159,620

All investment properties are categorised as Level 3 fair values as they use significant unobservable inputs. There have not been any transfers between levels during the year. Investment properties have been classed according to their asset type. Information on these significant unobservable inputs per class of investment property is disclosed below:

Sector	Market value (EUR)	Technique	Significant assumption	Range
Traditional business park	125,300,000	Discounted cash flow	Current rental income	EUR1,405k-EUR3,244k
			Market rental income	EUR1,372k-EUR3,485k
			Gross initial yield	5.6%-6.8%
			Discount factor	4.4%-4.8%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR629-EUR1,094
Modern business park	34,900,000	Discounted cash flow	Current rental income	EUR2,581k-EUR2,581k
			Market rental income	EUR2,434k-EUR2,434k
			Gross initial yield	7.2%-7.2%
			Discount factor	4.8%-4.8%
			Void period (months)	12-24
			Estimated capital value per sqm	EUR1,250-EUR1,250

15. Plant and equipment

	Plant and equipment EUR000	Fixtures and fittings EUR000	Total EUR000
Cost			
As at 31 March 2018	6,894	3,545	10,439
Additions in year	1,061	628	1,689
Disposals in year	(17)	(16)	(33)
As at 31 March 2019	7,938	4,157	12,095
Depreciation			

As at 31 March 2018	(5,286)	(2,027)	(7,313)
Charge for year	(770)	(603)	(1,373)
Disposals in year	14	15	29
As at 31 March 2019	(6,042)	(2,615)	(8,657)
Net book value as at 31 March 2019	1,896	1,542	3,438
Cost			
As at 31 March 2017	6,013	2,826	8,839
Additions in year	896	753	1,649
Disposals in year	(15)	(34)	(49)
As at 31 March 2018	6,894	3,545	10,439
Depreciation			
As at 31 March 2017	(4,520)	(1,755)	(6,275)
Charge for year	(780)	(306)	(1,086)
Disposals in year			
	14	34	48
As at 31 March 2018	(5,286)	(2,027)	(7,313)
Net book value as at 31 March 2018	1,608	1,518	3,126

16. Goodwill

	2019	2018
	EUR000	EUR000
Opening balance	3,738	3,738
Closing balance	3,738	3,738

On 30 January 2012, a transaction was completed to internalise the Asset Management Agreement and, as a result of the consideration given exceeding the net assets acquired, goodwill of EUR3,738,000 was recognised. Current business plans indicate that the balance is unimpaired.

Goodwill is tested at least annually for impairment and whenever there are indications that goodwill might be impaired. The recoverable amount of a cash-generating unit is based on its value in use. Value in use is the present value of the projected cash flows of the cash-generating unit. The key assumptions regarding the value in use calculations were budgeted growth in revenue and the discount rate applied. Budgeted profit margins were estimated based on actual performance over the past two financial years and expected market changes. The discount rate used is a pre-tax rate and reflects the risks specific to the real estate industry. The Group prepares cash flow forecasts based on the most recent financial budget approved by management, which covers a one year period. Cash flows beyond this period are extrapolated to a period of five years using a revenue growth rate of 2.0% (2018: 2.0%), which is consistent with the long-term average growth rate for the real estate sector. A discount rate of 7.24% (2018: 7.05%) and terminal value of 5.24% (2018: 5.05%) was applied in the impairment review. A discount rate of 8.80% (2018: 8.30%) would be required for the carrying value of goodwill to be greater than the fair value. A negative revenue growth rate of 0.47% (2018: 0.77%) would be required for the carrying value of goodwill to be greater than the fair value.

17. Trade and other receivables

	2019	Re-presented(*) Year ended 31 March 2018
	EUR000	EUR000
Trade receivables	4,747	3,899
Other receivables	4,678	3,773
Prepayments	1,403	35,641
Balance as at year end	10,828	43,313

(*) See note 2(b)

Other receivables include lease incentives of EUR3,122,000 (2018: EUR3,497,000).

Prepayments include amounts totalling EUR410,000 (2018: EUR34,585,000) relating to the acquisition of an asset that completed post year end (see note 30).

18. Cash and cash equivalents

	2019	2018
	EUR000	EUR000
Cash at bank	15,954	64,414
Restricted cash	20,388	15,191

Balance as at year end	36,342	79,605

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash as at 31 March 2019 is EUR36,342,000 (2018: EUR79,605,000).

As at 31 March 2019 EUR20,388,000 (2018: EUR15,191,000) of cash is held in restricted accounts. EUR9,227,000 (2018: EUR8,256,000) relates to deposits received from tenants. An amount of EURnil (2018: EUR16,000) is cash held in escrow as requested by a supplier and EUR131,000 (2018: EUR131,000) is held in restricted accounts for office rent deposits. An amount of EUR2,227,000 (2018: EUR3,344,000) relates to amounts reserved for future bank loan interest and amortisation payments, pursuant to certain of the Group's banking facilities. An amount of EUR1,520,000 (2018: EUR3,268,000) relates to amounts reserved for future capital expenditure. An amount of EUR983,000 (2018: EUR176,000) relates to amounts reserved for future debt servicing, pursuant to certain of the Group`s banking facilities and an amount of EUR6,300,000 (2018: EURnil) relates to disposal proceeds retained as security.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 March 2019:

	2019 EUR000	2018 EUR000
Cash at bank	15,954	64,414
Restricted cash	20,388	15,191
Cash at bank and restricted cash attributable to the disposal group	3,940	-
Balance as at year end	40,282	79,605

19. Trade and other payables

	2019 EUR000	2018 EUR000
Trade payables	4,903	6,381
Accrued expenses	15,510	14,453
Interest and amortisation payable	1,913	2,031
Tenant deposits	9,227	8,737
Unearned revenue	3,682	3,475
Other payables	5,520	5,895
Balance as at year end	40,755	40,972

Accrued expenses include costs totalling EUR5,465,000 (2018: EUR5,626,000) relating to service charge costs that have not been invoiced to the Group.

Unearned revenue include service charge amounts. All unearned revenue of the prior year was recognised as revenue in the current year.

20. Interest-bearing loans and borrowings

	Interest rate %	Loan maturity date	2019 EUR000	2018 EUR000
Current				
Deutsche Genossenschafts-Hypothekenbank AG				
- fixed rate facility*	1.59	31 March 2021	-	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
- hedged floating rate facility	Hedged(2)	30 October 2024	459	229
- capped floating rate facility	Capped(3)	25 March 2025	760	760
Berlin Hyp AG/Deutsche Pfandbriefbank AG				
- fixed rate facility*	1.66	27 April 2023	2,278	2,551
Berlin Hyp AG				
- fixed rate facility*	1.48	29 October 2023	1,826	1,799
K-Bonds I				
- fixed rate facility*	6.00	31 July 2020	460	1,000
Saarbrucken Sparkasse				
- fixed rate facility	1.53	28 February 2025	737	726
Deutsche Pfandbriefbank AG				
- hedged floating rate facility	Hedged(4)	31 December 2023	432	-
- floating rate facility	Floating(5)	31 December 2023	10	-
Capitalised finance charges on all loans			(1,242)	(1,229)

			7,408	7,844
Non-current				
Deutsche Genossenschafts-Hypothekenbank AG				
- fixed rate facility*	1.59	31 March 2021	-	14,040
Bayerische Landesbank				
- hedged floating rate facility	Hedged(1)	19 October 2020	23,098	23,606
SEB AG				
- fixed rate facility	1.84	1 September 2022	53,690	54,870
- hedged floating rate facility	Hedged(2)	30 October 2024	22,242	22,701
- capped floating rate facility	Capped(3)	25 March 2025	36,480	37,240
Berlin Hyp AG/Deutsche Pfandbriefbank AG				
- fixed rate facility*	1.66	27 April 2023	69,149	81,554
Berlin Hyp AG				
- fixed rate facility	1.48	29 October 2023	63,871	65,697
K-Bonds I				
- fixed rate facility*	4.00	31 July 2023	20,685	45,000
- fixed rate facility*	6.00	31 July 2020	460	2,000
Saarbrucken Sparkasse				
- fixed rate facility	1.53	28 February 2025	16,537	17,274
Deutsche Pfandbriefbank AG				
- hedged floating rate facility	Hedged(4)	31 December 2023	21,178	-
- floating rate facility	Floating(5)	31 December 2023	494	-
Capitalised finance charges on all loans			(3,831)	(4,748)
			324,053	359,234
Total			331,461	367,078

(1) This facility is hedged with a swap charged at a rate of 1.66%.
(2) Tranche 1 of this facility is fully hedged with a swap charged at a rate of 2.58%; tranche 2 of this facility is fully hedged with a swap charged at a rate of 2.56%.
(3) This facility is hedged with a cap rate at 0.75% and charged with a floating rate of 1.58% over six month EURIBOR (not less than 0%) for the full term of the loan.
(4) Tranche 1 of this facility is fully hedged with a swap charged at a rate of 1.40%.
(5) Tranche 3 of this facility is charged with a floating rate of 1.2% over three month EURIBOR (not less than 0%) for the full term of the loan.
* This facility has been removed or partially removed into the disposal group (see note 14).

The borrowings are repayable as follows:

	2019	2018
	EUR000	EUR000
On demand or within one year	8,650	9,073
In the second year	31,310	9,383
In the third to tenth years inclusive	296,574	354,599
Total	336,534	373,055

The Group has pledged 48 (2018: 44) investment properties (including those investment properties disclosed within the disposal group) to secure several separate interest-bearing debt facilities granted to the Group. The 48 (2018: 44) properties had a combined valuation of EUR1,080,819,000 as at 31 March 2019 (2018: EUR872,408,000).

Deutsche Genossenschafts-Hypothekenbank AG

On 24 March 2016, the Group agreed to a facility agreement with Deutsche Genossenschafts-Hypothekenbank AG for EUR16.0 million. As at 31 March 2017 tranche 1 had been drawn down totalling EUR15.0 million. The loan terminates on 31 March 2021.

Amortisation is 2% per annum with the remainder of the loan due in the fifth year. The facility is charged at a fixed interest rate of 1.59%. The facility is secured over one property asset and is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019.

This loan, amounting to EUR14.0 million is included within the disposal group detailed in note 14 and included within liabilities directly associated with assets held for sale in the consolidated statement of financial position.

Bayerische Landesbank

On 20 October 2015, the Group agreed to a facility agreement with Bayerische Landesbank for EUR25.4 million. The loan terminates on 19 October 2020. Amortisation is 2% per annum with the remainder due in the fifth year. The full facility has been hedged at a rate of 1.66% 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. No changes have occurred during the twelve month period ended 31 March 2019.

SEB AG

On 2 September 2015, the Group agreed to a facility agreement with SEB AG for EUR59.0 million to refinance the two existing Macquarie loan facilities. The loan terminates on 1 September 2022. Amortisation is 2% per annum with the remainder due in the seventh year. The loan facility is charged at a fixed interest rate of 1.84%. This facility is secured over eleven of the fourteen property assets previously financed through the Macquarie loan facilities. The facility is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019. On 30 October 2017, the Group agreed to a second facility agreement with SEB AG for EUR22.9 million. Tranche 1, totalling EUR20.0 million, has been hedged at a rate of 2.58% until 30 October 2024 by way of an interest rate swap. Tranche 2, totalling EUR2.9 million, has been hedged at a rate of 2.56% until 30 October 2024 by way of an interest rate swap. The loan terminates on 30 October 2024. Amortisation is 2.0% per annum across the full facility with the remainder due in one instalment on the final maturity date. The facility is secured over three property assets and is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019.

On 26 March 2018, the Group agreed to a third facility agreement with SEB AG for EUR38.0 million. The loan terminates on 25 March 2025. Amortisation is 2% per annum with the remainder due in one instalment on the final maturity date. The loan facility is charged with a floating rate of 1.58% over six month EURIBOR (not less than 0%) for the full term of the loan. In accordance with the requirements of the loan facility the Group hedged its exposure to floating interest rates by purchasing a cap in June 2018 which limits the Group's interest rate exposure on the facility to 2.33%. The facility is secured over six property assets and is subject to various covenants with which the Group has complied.

Berlin Hyp AG/Deutsche Pfandbriefbank AG

On 31 March 2014, the Group agreed to a facility agreement with Berlin Hyp AG and Deutsche Pfandbriefbank AG for EUR115.0 million. The loan was due to terminate on 31 March 2019. Amortisation was 2% p.a. for the first two years, 2.5% for the third year and 3.0% thereafter, with the remainder due in the fifth year. Half of the facility (EUR55.2 million) was charged interest at 3% plus three month EURIBOR and is capped at 4.5%, and the other half (EUR55.2 million) was hedged at a rate of 4.265% until 31 March 2019. This facility was secured over nine property assets and was subject to various covenants with which the Group complied. On 28 April 2016, the Group agreed to refinance this facility which had an outstanding balance of EUR110.4 million at 31 March 2016. The new facility was split in two tranches totalling EUR137.0 million and is due to terminate on 27 April 2023. Tranche 1, totalling EUR94.5 million, is charged at a fixed interest rate of 1.66% for the full term of the loan. Tranche 2, totalling EUR42.5 million, was charged with a floating rate of 1.57% over three month EURIBOR (not less than 0%) for the full term of the loan. Amortisation is set at 2.5% across the full facility with the remainder due in one instalment on the final maturity date. The facility was secured over eleven property assets and is subject to various covenants with which the Group has complied.

On 30 June 2017, the Group repaid a total of EUR5.8 million from Tranche 1 following the disposal of the Dusseldorf asset. On 30 September 2017, the Group repaid tranche 2 of the loan in full amounting to EUR40.9 million following the disposal of the Munich Rupert Mayer Strasse asset. The facility comprising only tranche 1 is now secured over nine property assets. No changes have occurred during the twelve month period ended 31 March 2019.

A total of EUR10.1 million of this loan is included within the disposal group detailed in note 14 and included within liabilities directly associated with assets held for sale in the consolidated statement of financial position.

Berlin Hyp AG

On 15 December 2014, the Group agreed to a facility agreement with Berlin Hyp AG for EUR36.0 million. The loan was due to terminate on 31 December 2019. Amortisation was 2% per annum for the first two years, 2.4% for the third year and 2.8% thereafter, with the remainder due in the fifth year. The facility was charged at a fixed interest rate of 2.85%. This facility was secured over three property assets and was subject to various covenants with which the Group complied. On 28 April 2016, the Group agreed to add an additional tranche to this facility which had an outstanding balance of EUR35.1 million at 31 March 2016. The additional tranche of EUR4.5 million brought the total loan to EUR39.6 million. The maturity of the additional loan tranche was coterminous with the existing loan at 31 December 2019. Amortisation was 2.5% per annum, with the remainder due at maturity. The additional loan tranche was charged with a fixed interest rate of 1.32% for the full term of the loan. The original facility agreement was amended to include one previously unencumbered property asset located in Wurselen. The loan was subject to various covenants with which the Group complied.

On 20 October 2016, the Group concluded an agreement with Berlin Hyp AG to refinance and extend this facility which had an outstanding balance of EUR39.2 million at 30 September 2016. The new facility totals EUR70.0 million and terminates on 29 October 2023. Amortisation is 2.5% per annum with the remainder due at maturity. The facility is charged with an all-in fixed interest rate of 1.48% for the full term of the loan. The facility is secured over six property assets. The loan is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019.

K-Bonds

On 1 August 2013, the Group agreed to a facility agreement with K-Bonds for EUR52.0 million. The loan consists of a senior tranche of EUR45.0 million and a junior tranche of EUR7.0 million. The senior tranche has a fixed interest rate of 4% per annum and is due in one sum on 31 July 2023. The junior tranche has a fixed interest rate of 6% and terminates on 31 July 2020. The junior tranche is amortised at EUR1.0 million per annum over a seven year period. This facility is secured over three properties and is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019.

A total of EUR25.4 million of the loan is included within the disposal group detailed in note 14 and included within liabilities directly associated with assets held for sale in the consolidated statement of financial position.

Saarbrucken Sparkasse

On 28 March 2018, the Group agreed to a facility agreement with Saarbrucken Sparkasse for EUR18.0 million. The loan terminates on 28 February 2025. Amortisation is 4.0% per annum with the remainder due in one instalment on the final maturity date. The facility is charged with an all-in fixed interest rate of 1.53% for the full term of the loan. The facility is secured over one property asset and is subject to various covenants with which the Group has complied. No changes have occurred during the twelve month period ended 31 March 2019.

Deutsche Pfandbriefbank AG

On 19 January 2019, the Group agreed to a facility agreement with Deutsche Pfandbriefbank AG for EUR56.0 million. Tranche 1, totalling EUR21.6 million, has been hedged at a rate of 1.40% until 31 December 2023 by way of an interest rate swap. A first draw down of tranche 3 totalling EUR0.5 million is charged with a floating rate of 1.20% over three month EURIBOR (not less than 0%) until 31 December 2023 and requires a hedging instrument to be put in place in order to fix the rate before the end of 30 June 2019. The loan terminates on 31 December 2023. Amortisation is 2% per annum with the remainder due in one instalment on the final maturity date. This facility is secured over four property assets and is subject to various covenants with which the Group has complied.

A summary of the Group's debt covenants including those disclosed in the disposal group is set out below:

	Outstanding at 31 March 2019 EUR000	Property values at 31 March 2019 EUR000	Loan to value ratio at 31 March 2019(1)	Required loan to value covenant at 31 March 2019	Interest cover ratio at 31 March 2019 (2)	Debt service cover ratio at 31 March 2019(2)	Debt yield ratio at 31 March 2019(2)	Cover ratio covenant at 31 March 2019
Deutsche Genossenschafts-Hypothekenbank AG	14,040	34,861	40.3%	68.0%	n/a	2.03	n/a	1.25
Bayerische Landesbank	23,606	74,196	31.8%	65.0%	n/a	4.73	n/a	2.50
SEB AG	54,870	142,612	38.5%	55.0%	7.52	n/a	n/a	5.90
SEB AG II	22,701	47,461	47.8%	61.5%	n/a	n/a	8.0%	1.90
SEB AG III	37,240	80,277	46.4%	60.0%	n/a	n/a	11.5%	7.50
Berlin Hyp AG/Deutsche Pfandbriefbank AG	81,554	307,936	26.5%	62.5%	n/a	3.46	n/a	1.50
Berlin Hyp AG	65,697	173,485	37.9%	65.0%	n/a	3.59	n/a	1.40
K-Bonds I	47,000	126,723	37.1%	n/a	4.98	n/a	n/a	2.50
Saarbrucken Sparkasse	17,274	29,100	59.4%	n/a	n/a	2.52	n/a	2.00
Deutsche Pfandbriefbank AG	22,114	64,168	34.5%	60%	n/a	n/a	10.15	6.50
Unencumbered properties	-	51,669	n/a					
Total	386,096	1,132,488	34.1%					

(1) Based on Cushman & Wakefield LLP valuations adjusted in respect of lease incentives.
(2) Based on contractual calculations which are often less representative of actual trading performance.

Reconciliation of movements of liabilities arising from financing activities:

	Liabilities		Derivatives held to hedge long-term borrowings	
	Loans and borrowings	Other liabilities	Interest rate swap used for hedging liabilities	Total

As at 31 March 2017	341,792	509	341	342,642
Changes from financing cash flow				
Proceeds from loans and borrowings	78,930	-	-	78,930
Repayment of loans	(53,551)	-	-	(53,551)
Transaction cost related to loans and borrowings	-	-	-	-
Exit fees/prepayment penalties	-	(1,348)	-	(1,348)
Interest paid	-	(7,451)	-	(7,451)
Total cash movements	25,379	(8,799)	-	16,580
Changes in fair value	-	-	(43)	(43)
Accrued amortisation and interest	(903)	10,322	-	9,419
Transaction cost related to loans and borrowings	810	-	-	810
Reclassified as part of disposal group	-	-	-	-
Total non-cash movements	(93)	10,322	(43)	10,186
As at 31 March 2018	367,078	2,032	298	369,408
Changes from financing cash flow				
Proceeds from loans and borrowings	22,114	-	-	22,114
Repayment of loans	(8,135)	(927)	-	(9,062)
Transaction cost related to loans and borrowings	(1,406)	-	-	(1,406)
Exit fees/prepayment penalties	-	-	-	-
Interest paid	-	(7,411)	-	(7,411)
Total cash movements	12,573	(8,338)	-	4,235
Changes in fair value	-	-	854	854
Accrued amortisation and interest	(856)	8,025	-	7,169
Transaction cost related to loans and borrowings	1,369	-	-	1,369
Reclassified as part of disposal group	(48,703)	(382)	-	(49,085)
Total non-cash movements	(48,190)	7,643	854	(39,693)
As at 31 March 2019	331,461	1,337	1,152	333,950

21. Financial risk management objectives and policies

The Group's principal financial liabilities comprise bank loans, derivative financial instruments and trade payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets, such as trade receivables and cash, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, market risk and interest rate risk.

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The risk management policies employed by the Group to manage these risks are discussed below. In the event of a default by an occupational tenant, the Group will suffer a rental shortfall and incur additional costs, including expenses incurred to try and recover the defaulted amounts and legal expenses in maintaining, insuring and marketing the property until it is re-let. During the year, the Group monitored the tenants in order to anticipate and minimise the impact of defaults by occupational tenants, as well as to ensure that the Group has a diversified tenant base.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2019	2018
	EUR000	EUR000
Trade receivables	4,747	3,899
Other receivables	3,368	2,026
Derivative financial instruments	250	-
Cash and cash equivalents	36,342	79,605
	44,707	85,530

The ageing of trade receivables at the statement of financial position date was:

	Gross 2019	Impairment 2019	Gross 2018	Impairment 2018
	EUR000	EUR000	EUR000	EUR000
0-30 days	5,521	(1,467)	5,238	(1,984)
31-120 days (past due)	513	(327)	437	(298)
More than 120 days	2,235	(1,728)	2,702	(2,196)

	8,269	(3,522)	8,377	(4,478)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2019	2018
	EUR000	EUR000
Balance at 1 April	(4,478)	(4,142)
Impairment loss released/(recognised)	956	(336)
Balance at 31 March	(3,522)	(4,478)

The allowance account for trade receivables is used to record impairment losses unless the Group believes that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables directly.

Most trade receivables are generally due one month in advance. The exception is service charge balancing billing, which is due ten days after it has been invoiced. Included in the Group's trade receivables are debtors with carrying amounts of EUR4,747,000 (2018: EUR3,899,000) that are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable.

No impairment has been recognised relating to non-current receivables in the period.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has procedures with the objective of minimising such losses, such as maintaining sufficient cash and other highly liquid current assets and having available an adequate amount of committed credit facilities. The Group prepares cash flow forecasts and continually monitors its ongoing commitments compared to available cash. Cash and cash equivalents are placed with financial institutions on a short-term basis which allows immediate access. This reflects the Group's desire to maintain a high level of liquidity in order to meet any unexpected liabilities that may arise due to the current financial position. Similarly, accounts receivable are due either in advance (e.g. rents and recharges) or within ten days (e.g. service charge reconciliations), further bolstering the Group's liquidity level.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 March 2019, based on contractual undiscounted payments:

	Bank and shareholder loans	Derivative financial instruments	Trade and other payables	Total
Year ended 31 March 2019	EUR000	EUR000	EUR000	EUR000
Undiscounted amounts payable in:				
Six months or less	(7,641)	(157)	(19,241)	(27,039)
Six months to one year	(7,157)	(156)	-	(7,313)
One to two years	(37,117)	(239)	-	(37,356)
Two to five years	(241,852)	(451)	-	(242,303)
Five to ten years	(68,339)	(84)	-	(68,423)
	(362,106)	(1,087)	(19,241)	(382,434)
Interest	25,572	1,087	-	26,659
	(336,534)	-	(19,241)	(355,775)

	Bank and shareholder loans	Derivative financial instruments	Trade and other payables	Total
Year ended 31 March 2018	EUR000	EUR000	EUR000	EUR000
Undiscounted amounts payable in:				
Six months or less	(8,659)	(165)	(40,972)	(49,796)
Six months to one year	(7,851)	(163)	-	(8,014)
One to two years	(16,627)	(323)	-	(16,950)
Two to five years	(129,888)	(549)	-	(130,437)
Five to ten years	(246,970)	(231)	-	(247,201)
	(409,995)	(1,431)	(40,972)	(452,398)
Interest	36,940	1,431	-	38,371
	(373,055)	-	(40,972)	(414,027)

Currency risk

There is no significant foreign currency risk as most of the assets and liabilities of the Group are maintained in euros. Small amounts of UK sterling and South African rand are held to ensure payments made in UK sterling and South African rand can be achieved at an effective rate.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to the Group's long-term floating rate debt obligations. The Group's policy is to mitigate interest rate risk by ensuring that a minimum of 80% of its total borrowing is at fixed or capped interest rates by taking out fixed rate loans or derivative financial instruments to hedge interest rate exposure, or interest rate caps.

A change in interest will only have an impact on the floating loans capped due to the fact that the other loans have a general fixed interest rate or they are effectively fixed by a swap. An increase in 100bps in interest rate would result in a decreased post tax profit in the consolidated statement of comprehensive income of EUR290,000 (excluding the movement on derivative financial instruments) and a decrease in 100bps in interest rate would result in an increased post tax profit in the consolidated statement of comprehensive income of EUR290,000 (excluding the movement on derivative financial instruments).

Market risk

The Group's activities are within the real estate market, exposing it to very specific industry risks.

The yields available from investments in real estate depend primarily on the amount of revenue earned and capital appreciation generated by the relevant properties, as well as expenses incurred. If properties do not generate sufficient revenues to meet operating expenses, including debt service and capital expenditure, the Group's revenue will be adversely affected.

Revenues from properties may be adversely affected by: the general economic climate; local conditions, such as an oversupply of properties, or a reduction in demand for properties, in the market in which the Group operates; the attractiveness of the properties to the tenants; the quality of the management; competition from other available properties; and increased operating costs.

In addition, the Group's revenue would be adversely affected if a significant number of tenants were unable to pay rent or its properties could not be rented on favourable terms. Certain significant expenditures associated with each equity investment in real estate (such as external financing costs, real estate taxes and maintenance costs) are generally not reduced when circumstances cause a reduction in revenue from properties. By diversifying in product, risk categories and tenants, the Group expects to lower the risk profile of the portfolio.

Capital management

The Group seeks to enhance shareholder value both by investing in the business so as to improve the return on investment and by managing the capital structure.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue shares or undertake transactions such as those that occurred with the internalisation of the Asset Management Agreement.

The Company holds none of its own shares as Treasury Shares. During the year to 31 March 2019 574,892 shares were issued from treasury and no shares were bought back.

The Group monitors capital using a gross debt to property assets ratio, which was 34.1% including investment properties held for sale and corresponding interest-bearing loans and borrowings as at 31 March 2019 (2018: 40.1%).

The Group is not subject to externally imposed capital requirements other than those related to the covenants of the bank loan facilities.

22. 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 (excluding assets held for sale and liabilities directly associated with assets held for sale):

	Fair value hierarchy level	2019		2018	
		Carrying amount EUR000	Fair value EUR000	Carrying amount EUR000	Fair value EUR000
Financial assets					
Cash	1	36,342	36,342	79,605	79,605

Trade and other receivables	2	8,115	8,115	5,925	5,925
Derivative financial instruments	2	250	250	-	-
Financial liabilities					
Trade and other payables	2	19,241	19,241	19,803	19,803
Derivative financial instruments					
Interest-bearing loans and borrowings(1):	2	1,152	1,152	298	298
Floating rate borrowings	2	504	504	38,000	38,000
Floating rate borrowings - hedged(2)	2	67,917	67,917	47,044	47,044
Floating rate borrowings - capped(2)	2	37,240	37,240	-	-
Fixed rate borrowings	2	230,873	232,515	288,011	293,547

(1) Excludes loan issue costs.
(2) The Group holds interest rate swap contracts and a cap contract designed to manage the interest rate and liquidity risks of expected cash flows of its borrowings with the variable rate facilities with Bayerische Landesbank, SEB AG and Deutsche Pfandbriefbank AG. Please refer to note 20 for details of swap and cap contracts.

Fair value hierarchy

For financial assets or liabilities measured at amortised cost and whose carrying value is a reasonable approximation to fair value there is no requirement to analyse their value in the fair value hierarchy.

The table below analyses financial instruments measured at fair value into a fair value hierarchy based on the valuation technique used to determine fair value:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The interest rate swap contract is reset on a quarterly basis. The Company will settle the difference between the fixed and floating interest rates on a net basis. The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. The average interest rate is based on the outstanding balances at the end of the reporting period. The interest rate swap is measured at fair value with changes recognised in profit or loss.

Interest rate risk

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

	Within 1 year	1-2 years	2-3 years	3-4 years	4+ years	Total
2019	EUR000	EUR000	EUR000	EUR000	EUR000	EUR000
SEB AG	(760)	(760)	(760)	(760)	(34,200)	(37,240)
Deutsche Pfandbriefbank AG	(10)	(10)	(10)	(10)	(464)	(504)

	Within 1 year	1-2 years	2-3 years	3-4 years	4+ years	Total
2018	EUR000	EUR000	EUR000	EUR000	EUR000	EUR000
SEB AG	(760)	(760)	(760)	(760)	(34,960)	(38,000)

The other financial instruments of the Group that are not included in the above tables are non-interest bearing or have fixed interest rates and are therefore not subject to interest rate risk.

23. Issued share capital

	Number	Share capital
Authorised	of shares	EUR
Ordinary shares of no par value	Unlimited	-
As at 31 March 2019 and 31 March 2018	Unlimited	-

The number of ordinary shares of no par value as at 31 March 2019 was unlimited.

Share

Issued and fully paid	Number of shares	capital EUR
As at 31 March 2017	877,786,535	-
Issued ordinary shares	113,055,913	-
Issued Treasury Shares	487,166	-
As at 31 March 2018	991,329,614	-
Issued ordinary shares	30,236,369	-
Issued Treasury Shares	574,892	-
As at 31 March 2019	1,022,140,875	-

Holders of the ordinary shares are entitled to receive dividends and other distributions and to attend and vote at any general meeting. Shares held in treasury are not entitled to receive dividends or to vote at general meetings.

On 9 July 2018, the Company issued 14,804,000 ordinary shares to the Company's two Executive Directors and some of the Group's Senior Management Team, pursuant to the Company's LTIP. This resulted in the Company's overall issued share capital being 1,006,708,506 ordinary shares, of which 574,892 were held in treasury. The total number of ordinary shares with voting rights in the Company at this date was 1,006,133,614.

Pursuant to a scrip dividend offering on 17 August 2018, the Company issued 3,288,212 ordinary shares at an issue price of GBP0.6499 resulting in the Company's overall issued share capital being 1,009,996,718 ordinary shares, of which 574,892 were held in treasury. The total number of ordinary shares with voting rights in the Company at this date was 1,009,421,826.

On 7 January 2019, the Company issued 1,545,108 ordinary shares to one of the Company's Executive Directors, pursuant to the Company's LTIP. The 574,892 shares that were held in treasury were used to supplement this issue and are no longer held by the company. This resulted in the Company's overall issued share capital being 1,011,541,826 ordinary shares. The total number of ordinary shares with voting rights in the Company at this date was 1,011,541,826.

Pursuant to a scrip dividend offering on 18 January 2019, the Company issued 9,537,983 ordinary shares at an issue price of GBP0.6585 resulting in the Company's overall issued share capital being 1,021,079,809 ordinary shares. There are no shares held in treasury. The total number of ordinary shares with voting rights in the Company at this date was 1,021,079,809.

On 11 March 2019, the Company issued 1,061,066 ordinary shares to 106 participants, pursuant to the Company's LTIP and SIP. This resulted in the Company's overall issued share capital being 1,022,140,875. The total number of ordinary shares with voting rights in the Company at this date was 1,022,140,875.

The Company holds none of its own shares in treasury (2018: 574,892). During the year 574,892 shares were issued from treasury (2018: 487,166).

All shares issued in the period were issued under general authority. No shares were bought back in the year.

24. Other reserves

Other distributable reserve

The other distributable reserve was created for the payment of dividends, share-based payment transactions and the buyback of shares and is EUR491,016,000 in total at 31 March 2019 (2018: EUR519,320,000).

25. Dividends

On 4 June 2018, the Company announced a dividend of 1.60c per share, with a record date of 13 July 2018 for UK and South African shareholders and payable on 17 August 2018. On the record date, 1,006,708,506 shares were in issue, of which 574,892 were held in treasury and 1,006,133,614 were entitled to participate in the dividend. Holders of 150,721,277 shares elected to receive the dividend in ordinary shares under the Scrip Dividend Alternative, representing a dividend of EUR2,412,000, while holders of 854,937,248 shares opted for a cash dividend with a value of EUR13,587,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to EUR13,579,000. The total dividend was EUR15,991,000.

On 19 November 2018, the Company announced a dividend of 1.63c per share, with a record date of 14 December 2018 for UK and South African shareholders and payable on 18 January 2019. On the record date, 1,011,541,826 shares were in issue. Since there were no shares held in treasury, 1,011,541,826 shares were entitled to participate in the dividend. Holders of 385,359,335 shares elected to receive the dividend in ordinary shares under the Scrip Dividend Alternative, representing a dividend of EUR6,281,000 while holders of 626,182,491 shares opted for a cash dividend with a value of EUR10,207,000. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to EUR10,185,000. The total dividend was EUR16,466,000.

The Group's profit attributable to the equity holders of the Company for the year was EUR128.7 million (2018: EUR81.3 million). The Board has declared a final dividend of 1.73c per share for the year ended 31 March 2019 representing a pay-out ratio of 70% of

FFO(1). It is expected that for the period's final dividend the ex-dividend date will be on 10 July 2019 for shareholders on the South African register and 11 July 2019 for shareholders on the UK register. It is further expected that the record date will be on 12 July 2019 for shareholders on the South African and UK registers and the dividend will be paid on 22 August 2019 for shareholders on both registers.

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

(1) Adjusted profit before tax adjusted for depreciation, amortisation of financing fees and current tax receivable/incurred and tax relating to disposals.

The dividend per share was calculated as follows:

	31 March 2019 EURm	31 March 2018 EURm
Reported profit before tax	144.7	89.6
Adjustments for:		
Gain on revaluation of investment properties	(99.9)	(63.5)
(Gain)/loss of disposal of properties	(0.6)	2.5
Other adjusting items(1)	0.4	8.1
Change in fair value of financial derivatives	1.5	-
Adjusted profit before tax	46.1	36.7
Adjustments for:		
Depreciation	1.4	1.1
Amortisation of financing fees	1.4	1.2
Current taxes incurred (see note 10)	-	(3.4)
Add back current tax relating to disposals and prior year adjustments	(0.5)	2.8
Funds from operations, year ended 31 March	48.4	38.4
Funds from operations, six months ended 30 September	23.3	18.5
Funds from operations, six months ended 31 March	25.1	19.9
Dividend pool, six months ended 30 September	16.5	14.4
Dividend pool, six months ended 31 March (2)	17.7	15.9
Dividend per share, six months ended 30 September	1.63c	1.56c
Dividend per share, six months ended 31 March	1.73c	1.60c

(1) Includes the net effect of management LTIP awards and expected costs associated with the disposal group. See note 11 for details.
(2) Calculated as 70% of FFO of 2.47c per share (31 March 2018: 2.13c per share using 75% of FFO) based on average number of shares outstanding of 1,014,348,392 (31 March 2018: 930,142,690).

For more information on adjusted profit before tax and funds from operations refer to Annex 1.

26. Related parties

Key management personnel compensation

Fees paid to people or entities considered to be key management personnel of the Group during the year include:

	2019 EUR000	2018 EUR000
Directors' fees	309	336
Salary and employee benefits	3,151	3,034
Share-based payments	232	3,550
Total	3,692	6,920

The share-based payments relating to key management personnel for the year ended 31 March 2019 include an expense of EUR232,000 (2018: EUR3,550,000) for the granting of shares under the LTIP (see note 8).

Information on Directors' emoluments is given in the Remuneration report.

27. Capital and other commitments

The Group's operating lease commitments derived from office rental contracts are as follows:

	2019 EUR000	2018 EUR000
Less than one year	7,244	6,984

Between one and five years	15,801	21,909
More than five years	262	529
	23,306	29,422

As at 31 March 2019, the Group had contracted capital expenditure for development and enhancements on existing properties of EUR8,041,000 (2018: EUR8,745,000). In addition, the Group had commitments of EUR6,995,000 (31 March 2018: EUR7,053,000) for leasehold obligations.

These were committed but not yet provided for in the financial statements.

28. Operating lease arrangements

Group as lessor

All properties leased by the Group are under operating leases and the future minimum lease payments receivable under non-cancellable leases are as follows:

	2019	2018*
	EUR000	EUR000
Less than one year	74,809	66,355
Between one and five years	135,476	112,125
More than five years	29,996	23,827
	240,281	202,307

* The comparative year has been restated on the basis of sub leases as per the current year.

The Group leases out its investment properties under operating leases. Most operating leases are for terms of one to ten years.

Group as lessee

During the year the Group has expensed lease payments in amount of EUR6,291,000 (2018: 6,078,000).

29. List of subsidiary undertakings

The Group consists of 89 subsidiary companies. All subsidiaries are consolidated in full in accordance with IFRS.

Company name	Country of incorporation	Ownership at 31 March 2019 %	Ownership at 31 March 2018 %
Curris Facilities & Utilities Management GmbH	Germany	100.00	100.00
DDS Aspen B.V.	Netherlands	100.00	100.00
DDS Bagnut B.V.	Netherlands	100.00	100.00
DDS Business Centers B.V.	Netherlands	100.00	100.00
DDS Conferencing & Catering GmbH	Germany	100.00	100.00
DDS Edelweiss B.V.	Netherlands	100.00	100.00
DDS Elm B.V.	Netherlands	100.00	100.00
DDS Fir B.V.	Netherlands	100.00	100.00
DDS Hawthorn B.V.	Netherlands	100.00	100.00
DDS Hazel B.V.	Netherlands	100.00	100.00
DDS Hyacinth B.V.	Netherlands	100.00	100.00
DDS Lark B.V.	Netherlands	100.00	100.00
DDS Lime B.V.	Netherlands	100.00	100.00
DDS Maple B.V.	Netherlands	100.00	100.00
DDS Mulberry B.V.	Netherlands	100.00	100.00
DDS Rose B.V.	Netherlands	100.00	100.00
DDS Walnut B.V.	Netherlands	100.00	100.00
DDS Yew B.V.	Netherlands	100.00	100.00
LB(2) Catering and Services GmbH	Germany	100.00	100.00
Marba Daffodil B.V.	Netherlands	100.00	100.00
Marba Holland B.V.	Netherlands	100.00	100.00
Marba Lavender B.V.	Netherlands	100.00	100.00
Marba Olive B.V.	Netherlands	100.00	100.00
Marba Violin B.V.	Netherlands	100.00	100.00
Marba Willstatt B.V.	Netherlands	100.00	100.00
SFG NOVA Construction and Services GmbH	Germany	100.00	100.00

Sirius Acerola GmbH & Co. KG	Germany	100.00	100.00
Sirius Alder B.V.	Netherlands	100.00	100.00
Sirius Aloe GmbH & Co. KG	Germany	100.00	100.00
Sirius Ash B.V.	Netherlands	100.00	100.00
Sirius Aster GmbH & Co. KG K	Germany	100.00	100.00
Sirius Beech B.V.	Netherlands	100.00	100.00
Sirius Birch GmbH & Co. KG	Germany	100.00	n/a
Sirius Cooperatief U.A.	Netherlands	100.00	100.00
Sirius Corporate Services B.V.	Netherlands	100.00	100.00
Sirius Dahlia GmbH & Co. KG	Germany	100.00	n/a
Sirius Facilities (UK) Limited	UK	100.00	100.00
Sirius Facilities GmbH	Germany	100.00	100.00
Sirius Finance (Guernsey) Ltd.	Guernsey	100.00	100.00
Sirius Four B.V.	Netherlands	100.00	100.00
Sirius Frankfurt Erste GmbH & Co. KG	Germany	100.00	100.00
Sirius Gum B.V.	Netherlands	100.00	100.00
Sirius Ivy B.V.	Netherlands	100.00	100.00
Sirius Juniper B.V.	Netherlands	100.00	100.00
Sirius Krefeld Erste GmbH & Co. KG	Germany	100.00	100.00
Sirius Laburnum B.V.	Netherlands	100.00	100.00
Sirius Lily B.V.	Netherlands	100.00	100.00
Sirius Management One GmbH	Germany	100.00	100.00
Sirius Management Two GmbH	Germany	100.00	100.00
Sirius Management Three GmbH	Germany	100.00	100.00
Sirius Management Four GmbH	Germany	100.00	100.00
Sirius Management Five GmbH	Germany	100.00	100.00
Sirius Management Six GmbH	Germany	100.00	100.00
Sirius Mannheim B.V.	Netherlands	100.00	100.00
Sirius Oak B.V.	Netherlands	100.00	100.00
Sirius One B.V.	Netherlands	100.00	100.00
Sirius Orange B.V.	Netherlands	100.00	100.00
Sirius Orchid B.V.	Netherlands	100.00	100.00
Sirius Pine B.V.	Netherlands	100.00	100.00
Sirius Tamarack B.V.	Netherlands	100.00	100.00
Sirius Three B.V.	Netherlands	100.00	100.00
Sirius Tulip B.V.	Netherlands	100.00	100.00
Sirius Two B.V.	Netherlands	100.00	100.00
Sirius Willow B.V.	Netherlands	100.00	100.00
Marba Bonn B.V.	Netherlands	99.73	99.73
Marba Bremen B.V.	Netherlands	99.73	99.73
Marba Brinkmann B.V.	Netherlands	99.73	99.73
Marba Catalpa B.V.	Netherlands	99.73	99.73
Marba Cedarwood B.V.	Netherlands	99.73	99.73
Marba Chestnut B.V.	Netherlands	99.73	99.73
Marba Dandelion B.V.	Netherlands	99.73	99.73
Marba Dutch Holdings B.V.	Netherlands	99.73	99.73
Marba Foxglove B.V.	Netherlands	99.73	99.73
Marba HAG B.V.	Netherlands	99.73	99.73
Marba Hornbeam B.V.	Netherlands	99.73	99.73
Marba Konigswinter B.V.	Netherlands	99.73	99.73
Marba Maintal B.V.	Netherlands	99.73	99.73
Marba Marigold B.V.	Netherlands	99.73	99.73
Marba Merseburg B.V.	Netherlands	99.73	99.73
Marba Mimosa B.V.	Netherlands	99.73	99.73
Marba Regensburg B.V.	Netherlands	99.73	99.73
Marba Saffron B.V.	Netherlands	99.73	99.73
Marba Troisdorf B.V.	Netherlands	99.73	99.73
Sirius Almond GmbH & Co. KG	Germany	99.73	99.73
Sirius Bluebell GmbH & Co. KG	Germany	99.73	99.73
Sirius Cypress GmbH & Co. KG	Germany	99.73	n/a
Sirius Administration One GmbH & Co KG	Germany	94.80	94.80
Sirius Administration Two GmbH & Co KG	Germany	94.80	94.80
Verwaltungsgesellschaft Gewerbepark Bilderstockchen GmbH	Germany	94.15	94.15

30. Post balance sheet events

On 10 May 2019, the Group completed the acquisition of a business park located in Buxtehude, near Hamburg. Total acquisition costs are expected to be EUR8.7 million. The property is a mixed-use business park and has a net lettable area of 28,532 sqm. The property is 100% vacant.

On 31 May 2019, the Group completed the acquisition of a business park located in Teningen, near Freiburg. Total acquisition costs are expected to be EUR6.5 million. The property is a mixed-use business park and has a net lettable area of 20,062 sqm. The property is 88% occupied and let to seven tenants, producing an annual income of EUR0.8 million and having a remaining weighted average lease term of 1.6 years.

Business analysis (Unaudited Information)

Non-IFRS measures

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
Total comprehensive income for the year attributable to the owners of the Company	128,657	81,272
Gain on revaluation of investment properties	(99,887)	(63,452)
(Gain)/loss on disposal of properties (net of related tax)	(441)	4,423
Change in fair value of derivative financial instruments	1,495	(43)
Deferred tax in respect of EPRA adjustments	15,138	5,492
NCI in respect of the above	33	91
EPRA earnings	44,995	27,783
Add change in deferred tax relating to derivative financial instruments	54	20
Add change in fair value of derivative financial instruments	(1,495)	43
NCI in respect of the above	-	(91)
Headline earnings after tax	43,554	27,755
Add/deduct change in fair value of derivative financial instruments net of related tax	1,441	(63)
Add adjusting items(1), net of related tax	1,101	8,349
Adjusted earnings after tax	46,096	36,041

(1) See note 11 to the financial statements.

	Year ended 31 March 2019 EUR000	Year ended 31 March 2018 EUR000
EPRA earnings	44,995	27,783
Weighted average number of ordinary shares	1,006,966,788	914,479,339
EPRA earnings per share (cents)	4.47	3.04
Headline earnings after tax	43,554	27,755
Weighted average number of ordinary shares	1,006,966,788	914,479,339
Headline earnings per share (cents)	4.33	3.04
Adjusted earnings after tax	46,096	36,041
Weighted average number of ordinary shares	1,006,966,788	914,479,339
Adjusted earnings per share (cents)	4.58	3.94

Geographical property analysis

March 2019	No. of owned properties	Total sqm 000	Occupancy	Rate psqm EUR	Annualised rent roll EURm	% of portfolio by annualised rent roll	Value EURm(1)	Gross yield	WALE rent	WALE sqm
Frankfurt	14	320	87.4%	5.99	20.1	23%	258.8	7.8%	2.3	2.2
Berlin	6	204	93.7%	5.86	13.5	15%	190.8	7.1%	3.4	3.6
Stuttgart	7	258	89.6%	4.70	13.0	15%	154.4	8.4%	2.6	2.6
Cologne	7	127	90.4%	7.16	9.9	11%	125.8	7.9%	2.3	2.3
Munich	2	105	81.6%	6.72	6.9	8%	115.2	6.0%	3.7	4.1
Dusseldorf	9	160	85.2%	5.15	8.4	10%	104.9	8.0%	2.5	2.1
Hamburg	2	51	60.0%	4.43	1.6	2%	25.8	6.3%	1.7	1.7
Other	8	245	80.2%	6.10	14.4	16%	156.8	9.2%	3.1	3.0
Total	55	1,470	86.1%	5.78	87.8	100%	1,132.5	7.8%	2.8	2.8

(1) Including investment properties within the disposal group.

Usage analysis

Usage	Total sqm	% of total sqm	Occupied sqm	% of occupied sqm	Annualised rent roll EURm	% of Annualised rent roll	Vacant sqm	Rate psqm EUR
Office	459,735	31.3%	379,085	29.9%	33.5	38.1%	80,650	7.37
Storage	472,550	32.2%	399,124	31.5%	20.6	23.5%	73,426	4.31
Production	339,885	23.1%	327,486	25.9%	16.8	19.1%	12,399	4.26
Smartspace	86,997	5.9%	64,135	5.1%	5.7	6.5%	22,862	7.36
Other(1)	110,508	7.5%	95,928	7.6%	11.2	12.8%	14,580	9.74
Total	1,469,675	100.0%	1,265,758	100.0%	87.8	100.0%	203,917	5.78

(1) Other includes: catering, other usage, residential, retail, technical space, land and car parking.

Lease expiry profile of future minimum lease payments receivable under non-cancellable leases by income:

	Office EUR'000	Production EUR'000	Storage EUR'000	Smartspace EUR'000	Other EUR'000	Adjustments in relation to lease incentives EUR'000	Total EUR'000
Less than 1 year	29,525	15,798	17,836	2,468	9,533	(350)	74,809
Between 1 and 5 years	53,133	32,653	32,134	635	16,971	(51)	135,476
More than 5 years	13,075	6,448	5,700	-	4,779	(5)	29,996
Total	95,733	54,899	55,669	3,103	31,283	(406)	240,281

Lease expiry profile by future minimum lease payments receivable under non-cancellable leases by sqm:

	Office sqm	Production sqm	Storage sqm	Smartspace sqm	Other sqm	Total sqm
Less than 1 year	103,560	54,338	134,595	55,913	23,421	371,827
Between 1 and 5 years	213,174	195,868	214,750	8,222	53,229	685,243
More than 5 years	62,351	77,280	49,779	-	19,278	208,688
Total	379,085	327,486	399,124	64,135	95,928	1,265,758

Escalation profile per usage

The Group's primary source of revenue relates to leasing contracts with tenants. To the extent to which these contracts contain currently agreed uplifts the average increase by usage over the coming 12 months is detailed as follows:

Usage	Increase in %
Office	3.2%
Storage	3.7%
Production	1.2%
Smartspace	7.0%
Other(1)	3.9%
Total	2.9%

(1) Other includes: catering, other usage, residential, retail, technical space, land and car parking.

Property profile March 2019

Property and location	Total sqm	Office sqm	Storage sqm	Production sqm	Other sqm	Rate psqm EUR
Mahlsdorf	29,261	11,639	10,848	1,870	4,904	6.91
Mahlsdorf II	12,804	5,824	1,305	1,906	3,769	6.53
Gartenfeld	25,729	5,165	11,025	3,351	6,188	6.66
Berlin Borsigwerke I	77,175	15,929	13,444	44,276	3,526	3.84
Berlin Tempelhof	23,673	7,571	6,209	4,531	5,362	7.75
Potsdam	35,718	12,372	12,531	4,956	5,859	6.95
Bonn	10,590	4,531	3,088	477	2,494	7.33
Bonn - Dransdorf	19,152	5,453	6,736	1,657	5,306	5.95
Aachen I	24,180	12,119	2,364	5,510	4,187	8.55
Aachen II	9,766	1,594	6,360	1,601	211	4.87

Cologne	28,988	2,591	12,177	2,210	12,010	4.74
Colln Parc	13,686	6,506	3,596	2,850	734	9.63
Koln Porz	21,059	15,639	2,901	279	2,240	8.94
Neuss	17,863	14,408	1,220	153	2,082	10.02
Wuppertal	14,608	857	6,411	3,613	3,727	3.59
Solingen	13,332	2,475	4,409	4,924	1,524	2.56
Dusseldorf - Sud	21,255	2,627	13,054	1,970	3,604	4.51
Krefeld III	9,667	4,835	3,302	1,023	507	8.25
Dusseldorf II	9,838	4,433	4,949	-	456	7.36
Krefeld II	6,102	3,303	325	2,171	303	5.71
Krefeld	11,382	7,514	2,549	592	727	8.22
Bochum	55,639	12,721	35,842	3,964	3,112	4.11
Mannheim II	15,119	6,659	4,660	586	3,214	5.57
Neu-Isenburg	8,322	5,763	1,195	-	1,364	10.60
Mannheim	68,760	12,981	22,332	27,807	5,640	4.60
Maintal	37,320	7,363	15,020	8,914	6,023	5.34
Maintal Mitte	11,023	462	4,523	5,685	353	3.51
Offenbach I	15,103	3,122	3,163	3,047	5,771	5.72
Pfungstadt	33,063	6,707	10,431	11,027	4,898	4.50
Offenbach Carl Legien-Strasse	45,637	8,890	9,672	17,625	9,450	4.77
Frankfurt Rontgenstraße	5,488	3,721	576	205	986	8.98
Friedrichsdorf	17,558	6,740	5,235	2,763	2,820	6.67
Mainz	26,691	13,201	9,065	2,177	2,248	8.35
Dreieich	13,001	7,418	3,081	-	2,502	7.37
Frankfurt	4,325	1,947	443	68	1,867	8.90
Wiesbaden	18,294	13,596	1,912	-	2,786	13.31
Schenefeld	40,326	10,396	23,809	1,960	4,161	4.32
Hamburg Lademannbogen	10,350	8,190	1,197	-	963	10.03
Munich - Neuaubing	91,214	16,429	34,935	29,600	10,250	6.54
Grassbrunn	14,188	9,546	3,156	-	1,486	9.83
Rostock	18,649	8,245	1,569	6,606	2,229	5.74
Hanover	23,279	9,210	3,591	7,932	2,546	5.11
Magdeburg	30,378	11,589	9,638	4,487	4,664	6.07
Dresden	58,159	26,410	17,677	11,072	3,000	6.48
Kassel	8,144	3,315	682	3,875	272	5.05
Saarbrucken	48,221	31,255	10,693	820	5,453	8.16
Nurnberg	34,976	9,229	10,635	11,399	3,713	4.98
Bayreuth	22,736	2,186	3,352	15,286	1,912	5.37
Ludwigsburg	28,237	7,453	10,332	3,799	6,653	5.84
Stuttgart-Weilimdorf	6,765	4,970	574	144	1,077	8.54
Heidenheim	46,909	8,158	16,624	13,412	8,715	4.13
Stuttgart - Kirchheim	63,124	21,637	13,306	21,065	7,116	5.99
Markgroningen	57,732	4,580	30,721	20,335	2,096	2.93
Fellbach	27,146	1,720	18,447	235	6,744	4.15
Frickenhausen	27,974	6,542	5,661	14,070	1,701	4.68
Total	1,469,675	459,735	472,550	339,885	197,505	5.78

Annex 1 - Non-IFRS Measures

Basis of Preparation

The directors of Sirius Real Estate Limited ("Sirius") ("Directors") have chosen to disclose additional non-IFRS measures, these include EPRA earnings, adjusted net asset value, EPRA net asset value, adjusted profit before tax and funds from operations (collectively "Non-IFRS Financial Information").

The Directors have chosen to disclose:

- EPRA earnings in order to assist in comparisons with similar businesses in the real estate sector. EPRA earnings is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for property revaluation, changes in fair value of derivative financial instruments, profits and losses on disposals (collectively the "EPRA earnings adjustments") and deferred tax in respect of these EPRA earnings adjustments. The reconciliation between basic and diluted earnings and EPRA earnings is detailed in table A below;
- adjusted net asset value in order to assist in comparisons with similar businesses. Adjusted net asset value represents net asset value after adjusting for derivative financial instruments and deferred tax relating to valuation movements and derivatives. The reconciliation for adjusted net asset value is detailed in table B below;

- EPRA net asset value in order to assist in comparisons with similar businesses in the real estate sector. EPRA net asset value is a definition of net asset value as set out by the European Public Real Estate Association. EPRA net asset value represents net asset value after adjusting for derivative financial instruments and deferred tax relating to valuation movements and derivatives (collectively the "EPRA net asset value adjustments"). The reconciliation for EPRA net asset value is detailed in table C below;
- adjusted profit before tax in order to provide an alternative indication of Sirius Real Estate Limited and its subsidiaries' (the "Group") underlying business performance. Accordingly, it excludes the effect of the surplus on revaluation, adjusting items, gains/losses on sale of properties and change in fair value of financial derivatives. The reconciliation for adjusted profit before tax is detailed in table D below; and
- funds from operations in order to assist in comparisons with similar businesses and to facilitate the Group's dividend policy which is derived from funds from operations. Accordingly, it excludes depreciation, amortisation of financing fees and current tax excluding prior year adjustments and tax on disposals. The reconciliation for funds from operations is detailed in table D below.

The Non-IFRS Financial Information has not been prepared using the accounting policies of Sirius and does not comply with IFRS. The Non-IFRS Financial Information is presented in accordance with the JSE Listing Requirements. The Non-IFRS Financial Information is the responsibility of the Directors and has been presented for illustrative purposes and, due to its nature, may not fairly present the Group's financial position or, result of operations.

Ernst & Young Inc have issued a reporting accountants' report on the Non-IFRS Financial Information which is available for inspection at the Group's registered office. The Non-IFRS Financial Information has been extracted from the Group's consolidated financial statements for the year ended 31 March 2019 ("consolidated financial statements").

Table A - EPRA earnings

	31 March 2019 EUR000	31 March 2018 EUR000
Basic and diluted earnings attributable to owners of the Company(1)	128,657	81,272
Gain on revaluation of investment properties (2)	(99,887)	(63,452)
(Gain)/loss on disposal of properties (including tax)(3)	(441)	4,423
Change in fair value of derivative financial instruments(4)	1,495	(43)
Deferred tax in respect of EPRA earnings adjustments(5)	15,138	5,492
NCI in respect of the above(6)	33	91
EPRA earnings(7)	44,995	27,783

Notes:

(1) Row 1 presents the profit and total comprehensive income attributable to owners of the Companyhich has been extracted from the consolidated statement of comprehensive income within the consolidated financial statements.
(2) Row 2 presents the gain on revaluation of investment properties reported in the statement of comprehensive income which has been extracted from note 13 within the consolidated financial statements.
(3) Row 3 presents the gain or loss on disposal of properties (including tax) which has been extracted from note 6 of the consolidated financial statements adjusted for current income tax of EUR170,000.
(4) Row 4 presents the change in fair value of derivative financial instruments which has been extracted from the consolidated statement of comprehensive income within the consolidated financial statements.
(5) Row 5 presents deferred tax relating to origination and reversal of temporary differences which has been extracted from note 10 of the consolidated financial statements.
(6) Row 6 presents the non-controlling interest relating to gain on revaluation and gain on sale of properties net of related tax which has been extracted from note 11 of the consolidated financial statements.
(7) Row 7 presents the EPRA Earnings for the year ended 31 March 2019.

Table B - Adjusted net asset value

	2019 EUR000	2018 EUR000
Net asset value		
Net asset value for the purpose of assets per share (assets attributable to the owners of the Company)(1)	725,808	625,461
Deferred tax arising on revaluation gain, financial derivatives instruments and LTIP valuation(2)	41,623	25,674
Derivative financial instruments(3)	902	298
Adjusted net asset value attributable to owners of the Company(4)	768,333	651,433

Notes:

(1) Row 1 presents net asset value for the purpose of assets per share (assets attributable to the owners of the Company) which has been extracted from the consolidated financial statements.

(2) Row 2 presents deferred tax expense of EUR41,696,000 arising on revaluation gains and a credit of EUR73,000 arising on derivative financial instruments which has been extracted from note 12 of the consolidated financial statements.
(3) Row 3 presents current derivative financial instruments assets of EUR250,000 less current derivative financial instruments liabilities of EUR346,000 less non-current derivative financial instruments liabilities of EUR806,000 as extracted from the consolidated statement of financial position from the consolidate financial statements.
(4) Row 4 presents the adjusted net asset value as at 31 March 2019.

Table C - EPRA net asset value

	2019	2018
	EUR000	EUR000
Net asset value at the end of the year (basic)(1)	725,808	625,461
Derivative financial instruments at fair value(2)	902	298
Deferred tax in respect of EPRA net asset value adjustments(3)	41,623	26,485
EPRA net asset value(4)	768,333	652,244

Notes:
(1) Row 1 presents net asset value extracted from note 12 of the consolidated financial statements.
(2) Row 2 presents current derivative financial instruments assets of EUR250,000 less current derivative financial instruments liabilities of EUR346,000 less non-current derivative financial instruments liabilities of EUR806,000 as extracted from the consolidated statement of financial position from the consolidated financial statements.
(3) Row 3 presents deferred tax expense of EUR41,696,000 arising on revaluation gains and a credit of EUR73,000 arising on derivative financial instruments extracted from note 12 of the consolidated financial statements.
(4) Row 4 presents the EPRA net asset value as at 31 March 2019.

Table D - Adjusted profit before tax and funds from operations

	31 March 2019	31 March 2018
	EURm	EURm
Reported profit before tax(1)	144.7	89.6
Adjustments for:		
Gain on revaluation of investment properties(2)	(99.9)	(63.5)
(Gain)/loss of disposals of properties(3)	(0.6)	2.5
Other adjusting items(4)1	0.4	8.1
Change in fair value of financial derivatives(5)	1.5	-
Adjusted profit before tax(6)	46.1	36.7
Adjustments for:		
Depreciation(7)	1.4	1.1
Amortisation of financing fees(8)	1.4	1.2
Current taxes incurred(9)	-	(3.4)
Add back current tax relating to disposals and prior year adjustments(10)	(0.5)	2.8
Funds from operations, year ended 31 March(11)	48.4	38.4

1 Includes the net effect of management LTIP awards and expected costs associated with the disposal group. See note 11 for details.

Notes:
(1) Row 1 presents profit before tax which has been extracted from the consolidated financial statements.
(2) Row 2 presents the gain on revaluation of investment properties reported in the statement of comprehensive income which has been extracted from note 13 within the consolidated financial statements.
(3) Row 3 presents the gain or loss on disposal of properties which has been extracted from note 6 of the consolidated financial statements.
(4) Row 4 presents other adjusting items of EUR0.2 million relating to LTIP and SIP expense and EUR0.2 million relating to non-recurring items primarily relating to the new venture with AXA IM - Real Assets which has been extracted from note 6 of the consolidated financial statements.
(5) Row 5 presents the change in fair value of derivative financial instruments which has been extracted from the consolidated statement of comprehensive income within the consolidated financial statements.
(6) Row 6 presents the adjusted profit before tax for the year ended 31 March 2019.
(7) Row 7 presents depreciation as extracted from note 6 of the consolidated financial statements.
(8) Row 8 presents amortisation of capitalised finance costs which has been extracted from note 9 of the consolidated financial statements.
(9) Row 9 presents the total current income tax which has been extracted from note 10 of the consolidated financial statements.
(10) Row 10 presents the add back of current tax relating to disposals and prior year adjustments extracted from note 10 of the consolidated financial statements.
(11) Row 11 presents the funds from operations for the year ended 31 March 2019.

Glossary of terms

Adjusted earnings	is the earnings attributable to the owners of the Company excluding the effect of adjusting items net of related tax, gains/losses on sale of properties net of related tax, the revaluation deficits/surpluses on the investment properties net of related tax and derivative financial instruments net of related tax
Adjusted net asset value	is the assets attributable to the equity owners of the Company adjusted for deferred tax and derivative financial instruments
Adjusted profit before tax	is the reported profit before tax adjusted for property revaluation, changes in fair value of derivative financial instruments and other adjusting items
Annualised acquisition net operating income	is the income generated by a property less directly attributable costs at the date of acquisition expressed in annual terms. Please see "annualised rent roll" definition below for further explanatory information
Annualised acquisition rent roll	is the contracted rental income of a property at the date of acquisition expressed in annual terms. Please see "annualised rent roll" definition below for further explanatory information
Annualised rent roll	is the contracted rental income of a property at a specific reporting date expressed in annual terms. Unless stated otherwise the reporting date is 31 March 2019. Annualised rent roll should not be interpreted or used as a forecast or estimate. Annualised rent roll differs from rental income described in note 5 of the Annual Report and reported within revenue in the consolidated statement of comprehensive income for reasons including: - Annualised rent roll represents contracted rental income at a specific point in time expressed in annual terms - Rental income as reported within revenue represents rental income recognised in the period under review - Rental income as reported within revenue includes accounting adjustments including those relating to lease incentives
Capital value	is the market value of a property divided by the total sqm of a property
Cumulative total return	is the return calculated by combining the movement in investment property value net of capex with the total net operating income less bank interest over a specified period of time
EPRA earnings	is earnings after adjusting for property revaluation, changes in fair value of derivative financial instruments, profits and losses on disposals and deferred tax in respect of these items
EPRA net asset value	is the net asset value after adjusting for derivative financial instruments and deferred tax relating to valuation movements and derivatives
EPRA net initial yield	is the annualised rent roll based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs
EPRA net yield	is the net operating income generated by a property expressed as a percentage of its value plus purchase costs
Funds from operations	is reported profit before tax adjusted for property revaluation, gain/loss on disposals, change in the fair value of derivative financial instruments, adjusting items, depreciation, amortisation of financing fees and current tax receivable/incurred
Geared IRR	is an estimate of the rate of return taking into consideration debt
Gross loan to value ratio	is the ratio of principal value of total debt to the aggregated value of investment property
Gross yield	is the annualised rent roll generated by a property expressed as a percentage of its value
Like for like	refers to the manner in which metrics are subject to adjustment in order to make them directly comparable. Like-for-like adjustments are made in relation to annualised rent roll, rate and occupancy and eliminate the effect of asset acquisitions and disposals that occur in the reporting period

Net loan to value ratio	is the ratio of principal value of total debt less cash, excluding that which is restricted, to the aggregate value of investment property
Net operating income	is the rental and other income from investment properties generated by a property less directly attributable costs
Net yield	is the net operating income generated by a property expressed as a percentage of its value
Occupancy	is the percentage of total lettable space occupied as at reporting date
Operating cash flow on investment (geared)	is an estimate of the rate of return based on operating cash flows and taking into consideration debt
Operating cash flow on investment (ungeared)	is an estimate of the rate of return based on operating cash flows
Rate	is rental income per sqm expressed on a monthly basis as at a specific reporting date
Total debt	is the aggregate amount of the Company's interest-bearing loans and borrowings
Total shareholder accounting return	is the return obtained by a shareholder calculated by combining both movements in adjusted NAV per share plus dividends paid
Total return	is the return for a set period of time combining valuation movement and income generated
Ungeared IRR	is an estimate of the rate of return
Weighted average cost of debt	is the weighted effective rate of interest of loan facilities expressed as a percentage
Weighted average debt expiry	is the weighted average time to repayment of loan facilities expressed in years

Announcement date: 3 June 2019

Corporate directory

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