

HALF YEARLY FINANCIAL REPORT
For the six months ended 30 September 2021

18 November 2021

Hibernia REIT plc ("Hibernia", the "Company" or the "Group") today announces results for the six months ended 30 September 2021 (the "period"). Highlights include:

Good progress with strategic priorities of asset clustering and ESG excellence

- Completion of 2 Cumberland Place and 50 City Quay schemes, delivering 62,500 sq. ft. of new office space
- Sale of Dockland Central, one of our less energy efficient properties, for €152.3m in Oct-21 (post period end), with the proceeds expected to be recycled into the delivery of the Clanwilliam Quarter and Harcourt Square
- In advanced discussions regarding a substantial pre-let to KPMG of the 337,000 sq. ft. Harcourt Square development
- Neil Menzies promoted to Director of Sustainability and Net Zero Carbon Pathway published in Jun-21
- Four stars achieved in the 2021 GRESB assessment (2020: four stars)

Continued high rent collection rates and increased contracted rent in the period from letting activity

- 99% of rent due for the six months ended Sep-21 received or on agreed payment terms
- Similar rates observed for the quarter ended Dec-21
- Annual contracted rent of €68.2m at Sep-21, up 1.5% (+€1.1m) since Mar-21, and office WAULT of 5.5yrs, down 3.9%
 - New lettings plus uplift in residential rents added €0.7m, net of expiries, breaks and surrenders
 - Acquisitions added €0.4m of new rent
- Factoring in activity since period end proforma contracted rent would be €60.8m, down 9.4% since Mar-21
- Office vacancy rate increased 4pp since Mar-21 to 11%, following completion of developments: this is expected to reduce in the near-term

Robust financial position and performance: interim dividend maintained at FY21 level

As at	30 September 2021	31 March 2021	Movement
Portfolio value	€1,450.4m	€1,427.4m	+0.4% ¹
Net debt ²	€291.7m	€278.8m	4.6%
Group LTV ²	20.1%	19.5%	+0.6pp
IFRS NAVPS ²	173.5c	173.6c	(0.1)%
EPRA NTAPS ²	172.5c	172.7c	(0.1)%
Financial period ended	30 September 2021	30 September 2020	Movement
Net rental income	€31.4m	€32.0m	(2.1)%
Profit/(loss) after tax	€21.2m	(€34.2m)	+161.9%
EPRA earnings ²	€20.9m	€22.4m	(6.8)%
Diluted IFRS EPS	3.2c	(5.0c)	+163.9%
EPRA EPS ²	3.2c	3.3c	(3.7)%
Interim DPS ²	2.0c	2.0c	-

- Periodic valuer rotation undertaken: Savills appointed, with first valuation of portfolio at Sep-21
- Portfolio value increased €23.0m in the period or 0.4%¹ to €1.45bn (Sep-20: -3.8%¹)
 - Our prime offices and future developments outperformed our older offices, residential and industrial/other assets
 - €4.1m in development expenditure, including completion of 2 Cumberland and 50 City Quay (Sep-20: €8.4m)
 - €18.4m invested in two bolt-on property acquisitions (Sep-20: €3.8m)
- Modest decrease in net rental income due to planned lease expiries at Clanwilliam Court and Marine House
- Six-month Total Property Return³ of 2.2% vs MSCI Ireland Property All Assets Index (excl. Hibernia) of 2.4% (Sep-20: -1.7% vs Index excl. Hibernia -1.6%)

Balance sheet strength further increased by debt issuance and sale of Dockland Central

- Issue of €125m of 10- and 12-year US private placement notes in Jul-21 resulted in weighted average debt maturity of 4.8 years at Sep-21 (Mar-21: 3.4 years)
- Net debt at Sep-21 of €141.3m and LTV² of 10.9%, factoring in the Dockland Central sale
- Cash and undrawn facilities net of development and acquisition commitments of €214m, or €365m pro-forma sale of Dockland Central (Mar-21: €110m)

1. Like-for-like change (incl. finance costs) on Investment Property and excluding assets acquired and disposed of during the period
2. An alternative performance measure ("APM"). The Group uses a number of such financial measures, which are not defined under IFRS. In particular, measures defined by EPRA are a way for investors to compare real estate companies. Please see Supplementary Information at the back of this release for further details.
3. Total Property Return is the return of the property portfolio (capital and income) as calculated by MSCI

Kevin Nowlan, Chief Executive Officer of Hibernia, said:

"We are making good progress with our strategic priorities of asset clustering and ESG excellence, with the key achievements since March 2021 being the completion of the 2 Cumberland Place and 50 City Quay developments and the sale of Dockland Central. We are also in advanced discussions with KPMG regarding a significant pre-let at Harcourt Square."

"Our business continues to perform well, with strong rent collection, a stable portfolio valuation and new lettings agreed supporting an interim dividend of 2.0 cent per share, the same as last year."

"It has been pleasing to see the pick-up in activity in the Dublin office market since we reported in May, with particular interest in prime, ESG-efficient, city centre space. While the Government's decision this week to advise a temporary return to working from home is likely to impact activity in the near-term, with our clear strategy, an exciting development pipeline ready to start in 2022 and the team and funding in place to deliver it, we remain optimistic about our longer-term prospects."

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About Hibernia REIT plc

Hibernia REIT plc is an Irish Real Estate Investment Trust ("REIT"), listed on Euronext Dublin and the London Stock Exchange. Hibernia owns and develops property and specialises in Dublin city centre offices.

Results presentation details

There will be a results presentation at 10.00 a.m. Dublin time, today, 18 November 2021. If you think you will want to ask a question at the end, please register for the phone call as you will not be able to do this from the webcast.

Webcast URL: <https://www.investis-live.com/hibernia-reit/618000441bc06e0d000d02b8/hrird>

Participants – Call pre-registration

To pre-register for this call, please go to the following link:

Log-in instructions <https://www.incommglobalevents.com/registration/client/9196/hibernia-reit-2021-interim-results/>

You will receive your access details via email.

During the presentation

Your line will be muted as you join the call.

What to expect You will have the opportunity to ask a question. To register, press *1 on your telephone keypad. To remove the question, press *2. The operator will prompt you when to speak.

Disclaimer

This announcement contains forward-looking statements, which are subject to risks and uncertainties because they relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group or the industry in which it operates to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements speak only as at the date of this announcement. The Group will not undertake any obligation to release publicly any revision or updates to these forward-looking statements to reflect future events, circumstances, unanticipated events, new information or otherwise except as required by law or by any appropriate regulatory authority.

MARKET REVIEW

General economy

Despite Ireland having had some of the most stringent pandemic restrictions in the world (source: Oxford Coronavirus Government Response Tracker), the Irish economy has performed remarkably strongly throughout. In 2020, Irish GDP grew 5.9%, helped by the contribution of the multinational-dominated sectors such as technology and pharmaceuticals. Since the phased easing of restrictions was announced in April 2021, economic momentum has accelerated and Irish GDP is currently projected to grow by 15.6% in 2021 and by 5.0% in 2022 (source: Department of Finance "DoF"). Modified Gross National Income, a more appropriate gauge of the domestic economy that strips out distortions caused by the multinational sector, is projected to grow by 4.7% in 2021 and 5.2% in 2022 (2020: -3.5%), primarily driven by a rebound in Modified Domestic Demand (source: DoF).

Significant improvements in Irish labour market metrics are also being seen: the standard measure of monthly unemployment was 5.2% in October 2021 (compared to 7.9% in March 2021 and 5.0% in March 2020), while the COVID-19 adjusted measure of unemployment was 7.9%, if all claimants of the Pandemic Unemployment Payment were classified as unemployed, compared to 25.6% at March 2021. The number of persons in employment in Ireland is expected to return to pre-pandemic levels by the end of 2022 (source: Davy), helped by continued job creation from foreign direct investment ("FDI"): in the ten months to October 10,900 new jobs have been created by FDI, more than double the same period in prior year and up 26% on the same period in 2019. The recovery of the Irish economy has been supported by a highly successful vaccine rollout. Ireland has the highest rate of full vaccination amongst persons aged 18+ in the EU at 92.5% (source: European Centre for Disease Prevention and Control), though this week the Irish Government started to reimpose some restrictions following a rise in COVID cases.

While Ireland is expected to benefit from the global rebound in economic activity, it faces a number of potential risks. According to the Central Bank of Ireland (the "CBI"), "the persistence of supply bottlenecks, higher input costs and insufficient labour supply could drive a wider gap between real and nominal growth...resulting in higher inflation than currently anticipated". There is a risk of central bank policy error: i.e. that interest rate rises are not implemented in an appropriate manner, leading to economic volatility. The news of the Irish government signing up to the OECD agreement on international corporate tax changes, which included a commitment to a 15% global minimum corporate tax rate, is encouraging, though important details of the agreement still need to be finalised and the deal must be approved by various countries. Nonetheless, it is better than might have been feared given calls from various commentators for higher rates. It is expected that the new regime will come into play in 2023 at the earliest (source: Goodbody). In addition, there is a risk of economic impact if further health restrictions have to be imposed in Ireland in the coming months.

Irish property market overview

The Irish property market has shown more resilience during the pandemic than in previous downturns, helped by greater institutional ownership, significantly less debt, relatively controlled levels of speculative development and lower vacancy rates than in previous cycles. Emerging trends, which have also been seen elsewhere, include a bifurcation in the performance of prime and secondary assets and an increasing focus by both occupiers and investors on ESG credentials. CBRE notes that September and October 2021 have been busy months in the Irish property market although negotiations have been protracted and thus the extent of current activity is probably not fully apparent at present.

Irish property investment market

Investment volumes in the first nine months of 2021 were €3.6bn, approximately double the volumes in the same period in 2020 (€1.8bn) and comparing favourably to the first nine months of 2019 (€3.0bn). The private residential sector ("PRS") and office sector remained dominant, together accounting for 78% of transaction volumes (9mth 2020: 82%). Irish investors (excluding Irish REITs) accounted for 35% of purchases in the nine-month period (9mth 2020: 17%) and there was also continued interest from European investors (30%) and American investors (23%) despite restrictions on mobility and international travel during the first half of 2021 (source: Knight Frank). There are several investment transactions active at present, with 2021 total investment volumes expected to reach €4.5bn, a marked increase on the 2020 outturn of €3.0bn.

Top 5 office investment transactions (9 months to September 2021)

Building	Price	Capital value	Buyer	Buyer nationality
Project Tolka Portfolio, D2/4	€290m	€994psf	Blackstone	American
70 Sir John Rogerson's Quay, D2	€164m	€1,225psf	Deka Immobilien	German
76 Sir John Rogerson's Quay, D2	€95m	€1,026psf	AM Alpha	German
Block 1, Ballsbridge Park, D4	€32m	€865psf	Core Capital	Irish
Blocks A&B, Parkgate Business Centre, D8	€24m	€590psf	Union Investments	German
Top 5 total	€605m			

Source: Knight Frank

The main agents consider that prime Dublin office yields are stable at 4.00% (March 2021: 4.00%). Knight Frank reports that a significant weight of capital is chasing opportunities in Dublin, with new properties with strong covenant and ESG credentials in the best locations particularly sought after and potentially commanding yields tighter than 4.00%. However, yields on secondary assets have softened leading to the bifurcation in values of prime and secondary assets identified

earlier: at 30 September 2020 yields on secondary office assets in prime locations were 4.75% and this yield had increased by 50bps at 30 September 2021 to 5.25% (source: Knight Frank).

In the first nine months of 2021, the PRS comprised 54% of overall investment (9mth 2020: 35%) (source: Knight Frank). In its Autumn 2021 yield matrix, Cushman & Wakefield reported that PRS yields for prime Dublin properties are 3.65%-4.25%, compressing by 10bps at the lower end of the range compared to their Spring 2021 matrix. CBRE notes that investors are taking time to interpret the consequences of recent regulatory changes in the residential market, including measures to limit residential rental growth in rental pressure zones to the lesser of 2% or inflation rather than the previous cap of 4% per annum.

Top 5 PRS (residential) investment transactions (9 months to September 2021)

Building	Price	Price per unit	Buyer	Buyer nationality
Confidential Portfolio, Dublin/Kildare	€450m	Confidential	Ardstone	Irish
8 th Lock, Royal Canal Park, D15	€200m	€460k	Union Investments	German
Dwyer Nolan Portfolio, North Dublin	€181m	€451k	Ardstone	Irish
Griffith Wood, Drumcondra, D9	€177m	€518k	Greystar	American
Clay Farm, Leopardstown, D18	€127m	€431k	BlackRock	American
Top 5 total	€1,135m			

Source: Knight Frank

In the six months to 30 September 2021, the MSCI Ireland Property All Assets Index (the “Index”) delivered a total return of 2.4%, excluding Hibernia (September 2020: -1.6%). Over this period the Industrial sector was the top performer in the Index with a total return of 13.5%, followed by the Office sector at 2.4% (September 2020: 2.6% and 0.5%, respectively). Hibernia’s total property return over the same period was 2.2% (September 2020: -1.7%), underperforming the Index (and the Index excluding Hibernia) by 0.2 percentage points.

Dublin office occupational market

Following very limited take-up in the second half of 2020 and first quarter of 2021, momentum is building again in the Dublin office letting market. In the nine months to September 2021 take-up of 0.6m sq. ft. was recorded, with 0.03m sq. ft. in Q1, 0.17m sq. ft. in Q2 and 0.44m sq. ft. in Q3. Whilst take-up in the first nine months remained approximately 30% of the corresponding take-up in 2019, it is encouraging to note that take-up for the most recent two quarters (Q2 and Q3 2021) was 58% higher than for the preceding two quarters (Q4 2020 and Q1 2021) (source: Knight Frank) and CBRE notes that the level of leasing activity in Q3 2021 was broadly on par with the volume of transactions recorded in Dublin in Q3 2019. No single sector dominated letting volumes in the first nine months of the year, with TMT accounting for 28% of take-up, professional services 21% and finance 17%. This is a change from recent years, with TMT accounting for 53% of take-up since Q1 2017 (source: Knight Frank). The city centre continues to be occupiers’ preferred location. Knight Frank expects take-up to trend stronger again in Q4 2021 and estimates that annual take-up for 2021 is likely to reach 1.5m sq. ft. in total.

Top 10 office lettings (9 months to September 2021)

Occupier	Industry	Building	Area (sq. ft.)	Total take-up
BNP Paribas	Finance	Termini, 3 Arkle Road, D18	44K	7%
Accenture	Professional services	Building 10, Cherrywood Business Park, D18	37K	6%
DLA Piper	Professional services	40 Molesworth Street, D2	30k	5%
Bord Bia	State	140 Pembroke Road, D4	28k	4%
OPW	State	6-13 Pembroke Row, D2	28k	4%
Market Star	TMT	Block G, One Central Park, D18	26k	4%
2K	TMT	One Park Place, D2	26k	4%
Wix	TMT	The Reflector, D2	23k	4%
ResMed	Medical	Termini, 3 Arkle Road, D18	22k	3%
Philip Lee Solicitors	Professional Services	Connaught House, D4	19k	3%
Top 10 total			283k	44%

Source: Knight Frank

In March 2021 we reported that the first signs of a recovery in active demand were beginning to emerge following a c.30% fall between February 2020 and December 2020. Our active demand tracker, run in conjunction with Cushman & Wakefield, stood at 2.7m sq. ft. at the end of March 2021. Since then, active demand has risen as restrictions eased, reaching 3.5m sq. ft. at the end of August 2021. At the end of September 2021, active demand had fallen back to 3.0m sq. ft., mainly due to a number of larger requirements being satisfied. 79% of active demand is focused on the city centre, which is broadly comparable to demand patterns immediately before the pandemic (source: Cushman & Wakefield). Although the intensity of requirements (i.e. how soon the occupiers want the space) remains relatively low, it is encouraging to note that CBRE and Knight Frank are reporting approximately 1.1m sq. ft. of reserved office space at the end of September 2021, which bodes well for take-up in coming quarters.

The overall Dublin office vacancy rate (which includes “shadow” or “grey” space that is available for immediate use) increased to 10.5% at the end of September 2021, up from 9.9% in March 2021 and 8.9% in September 2020. Notably, the September 2021 vacancy rate was 10 basis points below the vacancy rate recorded in June 2021, marking the first quarterly reduction since the onset of the pandemic. The Grade A vacancy rate in the city centre, where all of Hibernia’s office portfolio is located, was 11.1%, up from 9.8% in March 2021 and 9.1% in September 2020 (source: Knight Frank). Of the 10.5% overall Dublin office vacancy at 30 September 2021, 4.4pp related to un-let new buildings and 3.7pp related to grey space.

The main agents marked down their headline prime Dublin office rent assumptions by 7-10% in 2020 and also suggested increased occupier incentives in some cases. There have been no further declines reported since the end of 2020 and prime office rents in Dublin currently stand at around €57.50psf. The gap between rents for prime and secondary buildings continues to widen, as occupiers increasingly favour more modern and sustainable buildings over secondary alternatives.

Office development pipeline

We currently expect 7.3m sq. ft. of gross new space to be delivered between 2021 and 2024 for the whole of Dublin (0.7m sq. ft. already completed), of which 82% will be in the city centre. 42% of office stock under construction in Dublin has been pre-let or reserved (43% in the city centre), meaning there is 3.1m sq. ft. under construction but not yet let (2.6m sq. ft. in the city centre) (source: Knight Frank/Hibernia). Since we last reported in May 2021, the expected supply between 2021 and 2024 is broadly flat in the city centre and for the whole of Dublin.

Year	Dublin city centre supply	All Dublin supply
2021f	1.4m sq. ft. (86% pre-let)	1.5m sq. ft. (77% pre-let)
2022f	1.6m sq. ft. (45% pre-let)	2.0m sq. ft. (48% pre-let)
2023f	1.8m sq. ft. (25% pre-let)	2.0m sq. ft. (22% pre-let)
2024f	1.3m sq. ft. (22% pre-let)	1.8m sq. ft. (16% pre-let)
Total 2021-24	6.1m sq. ft. (43% pre-let)	7.3m sq. ft. (39% pre-let)

Source: Knight Frank/Hibernia

*Note: City centre office completions in 2021 YTD are 0.6m sq. ft. and in all Dublin they are 0.7m sq. ft.

Residential sector

There were approximately 13,500 new home completions in Ireland in the first nine months of 2021, up 3% on the same period in 2020 but down 8% on 2019 levels, with the Greater Dublin Area accounting for just under half of delivery (source: CSO). Housing commencements in the past 12 months reached 30,500, up 40% year-on-year (source: Department of Housing). The apartment share of housing output stood at 22% in the 12 months to September 2021, the highest in the available 10-year data series for Ireland, and in Dublin apartments accounted for 55% of delivery (source: CSO, Goodbody). Goodbody expects over 21,000 units to be completed in 2021, c. 27,000 in 2022 and over 30,000 in 2023. While expected completions are increasing, these are still behind the estimated natural demographic demand for at least 34,000 units per annum (source: CBI). In September 2021, the Irish Government announced its “Housing for All” policy which sets out how it intends to increase supply to 300,000 units over the next nine years. The plan outlines that this will be achieved through a combination of incentives for home ownership, policies to mobilise the use of land for residential development and a significant increase in the scale of public investment in housing (source: Goodbody). Knight Frank estimates that there is €3.5bn of capital looking to deploy into the PRS sector in Ireland (March 2021: €3.0bn), with several new entrants amongst the many European investors already focussing on investing in the Irish PRS market at present. This is likely to keep prime yields in the sector stable at 3.65-4.25% for the foreseeable future.

The latest data from the Residential Tenancies Board for Q2 2021 show that nationally rents grew by 7.0% year-on-year and that the standardised average rent stood at €1,352 per month. Rents grew faster outside of Dublin than within: Dublin rents grew by 4.4% year-on-year while the Greater Dublin Area (“GDA”) excluding Dublin grew by 8.7% and other regions outside the GDA grew by 10.8% year-on-year.

BUSINESS REVIEW

Progress against strategic objectives for FY22

We are making good progress with the strategic objectives set out in the 2021 Annual Report, as summarised in the table below.

Strategic objective	Key targets	Progress in six months to September 2021
1. Maintain a balanced portfolio with clusters of assets	<ul style="list-style-type: none"> • Make acquisitions to enhance the future value of the portfolio • Dispose of assets which do not meet our risk-adjusted forward returns expectations • Complete our developments at 2 Cumberland Place and 50 City Quay • De-risk future development pipeline by securing pre-lets • Enhance and progress possible future development schemes within the portfolio 	<ul style="list-style-type: none"> • €18.4m invested in two bolt-on acquisitions • Dockland Central sold for €152.3m (slightly ahead of carrying value) in Oct-21 • 2 Cumberland Place and 50 City Quay completed • In advanced discussions regarding a substantial pre-let at Harcourt Square • Planning application submitted for future redevelopment scheme at Hardwicke House & Montague House
2. Grow recurring income over time	<ul style="list-style-type: none"> • Reduce in-place office (excluding Clanwilliam Court and Marine House) vacancy rate from 7% at 31 March 2021 • Let remaining space in 2 Cumberland Place and 50 City Quay • Extend income through lease renewals and regears • Secure pre-lets for future development schemes 	<ul style="list-style-type: none"> • Contracted rent +1.5% to €68.2m at Sep-21 • In-place office vacancy of 11%, up from 7% at Mar-21 due to completion of 2 Cumberland Place and 50 City Quay • Of remaining 38,500 sq. ft. available in 2 Cumberland and 50 City Quay at Mar-21, 5,500 sq. ft. was let in period and a further 10,000 sq. ft. was let since period end • Office WAULT decreased 3.9% to 5.5 years • In advanced discussions regarding a substantial pre-let at Harcourt Square
3. Operate and develop our buildings responsibly	<ul style="list-style-type: none"> • Publish pathway to achieve our net zero carbon target by 2030 • Set internal carbon pricing model • Achieve reductions in energy intensity and greenhouse gas ("GHG") emissions per unit area vs 2019 baseline • Achieve LEED Platinum in 2 Cumberland Place 	<ul style="list-style-type: none"> • Net zero carbon pathway published (see website for further details) • Internal price of carbon set at €75 per tonne for embodied carbon and proceeds will be used to fund Carbon Reduction Fund • Assessments being undertaken to set carbon reduction plans for individual buildings • LEED Platinum expected to be achieved in 2 Cumberland Place
4. Maintain a strong, flexible funding structure	<ul style="list-style-type: none"> • Maintain sufficient financial capacity for investment opportunities (including developments) • Maintain substantial headroom against all financial covenants • Explore 'green' funding opportunities 	<ul style="list-style-type: none"> • At Sep-21 cash and undrawn facilities were €214m net of committed expenditure and this increased to €365m following sale of Dockland Central in Oct-21 • The Group has significant headroom on all its financial covenants (please see Financial Review for further details) • Have commenced initial discussions with lenders regarding future green facilities
5. Attract, motivate, develop and retain a talented team	<ul style="list-style-type: none"> • Conduct next employee survey • Hold team social events including an away day (health restrictions permitting) • Continue to support employees working from home • Ensure greater inclusion of ESG objectives/measures in remuneration schemes 	<ul style="list-style-type: none"> • Employee surveys on returning to the office conducted • All-staff events are not yet permitted • We continue to support staff both in home and office working and follow prevailing Government guidance • ESG objectives included in all staff objectives. An ESG measure is expected to be included in the 2022 LTIP targets when set

Disposals and acquisitions

We made no disposals in the period (September 2020: none) and invested €18.4m in two acquisitions, both of which are adjacent to existing Hibernia assets and are “bolt-on” in nature (September 2020: €3.8m). In early October 2021, we exchanged contracts and simultaneously completed the sale of Dockland Central for €152.3m, a price marginally ahead of the property’s March 2021 carrying value, equating to a net initial yield of c. 4.75% and a capital value of €1,032 per sq. ft. for the office accommodation. We expect to reinvest the proceeds in our substantial near-term development pipeline (see developments and refurbishments section below for more details). We continue to review both acquisition and disposal opportunities.

Portfolio overview

At 30 September 2021, the investment property portfolio consisted of 40 assets valued at €1,450.4m (March 2021: 39 assets valued at €1,427.4m) which can be categorised as follows:

	Value as at 30 September 2021 (all assets)	% of portfolio	Equivalent yield ¹	Passing rent	Contracted rent	ERV
1. Dublin CBD offices						
Traditional Core	€492m	34%	4.6% ²	€22.5m	€24.3m	€25.4m
IFSC ³	€181m	13%	4.8% ⁴	€8.5m	€8.5m	€10.7m
South Docks ⁵	€552m	38%	4.3%	€26.9m	€26.8m	€26.9m
Total Dublin CBD offices	€1,225m	85%	4.5%^{2,4}	€57.9m	€59.6m	€62.9m
2. Dublin CBD office developments⁶						
-	-	-	-	-	-	-
3. Dublin residential⁷	€178m	12%	3.8%⁸	€6.8m⁸	€6.8m⁸	€7.1m⁸
4. Industrial/ other	€48m	3%	4.3%	€1.5m	€1.7m	€2.4m
Total	€1,450m	100%	4.4%^{2,4,8}	€66.2m⁸	€68.2m⁸	€72.4m⁸

1. Yields as per Savills’ valuation report, on unsmoothed values and excluding the adjustment for 1WML owner-occupied space
2. Harcourt Square, Clanwilliam Court and Marine House yields are calculated as the passing rent over the total value (after costs) which includes residual land value. Excludes Iconic Offices in Clanwilliam Court
3. Includes Dockland Central as this property was still in the portfolio at 30 Sep-21
4. The equivalent yield reported by Savills for the IFSC does not take into account the cost of potential future capex on The Forum. If this capex is taken into account, the equivalent yields for the IFSC, Dublin CBD Offices and Total Investment Portfolio would reduce modestly
5. Excludes the value of space occupied by Hibernia in 1WML
6. 2 Cumberland Place and 50 City Quay reached practical completion during the period. These properties have been transferred to the Traditional Core and South Docks categories respectively
7. Includes 1WML residential element (Hanover Mills)
8. Residential income on net basis assuming Hibernia cost where asset is stabilised and 80% net-to-gross otherwise

Note: differences in summation of totals in above table are due to rounding

The key statistics of our office portfolio, which comprised 84% of our overall property portfolio by value at 30 September 2021 and 88% by contracted rent (March 2021: 84% and 89%, respectively), are set out below. The WAULT to break/expiry of our completed office developments (the majority of our office income) is 7.8 years. Our acquired office assets have a WAULT to break or expiry of just under three years, with those assets in our near-term development pipeline (Marine House, Clanwilliam Court and Harcourt Square) having a WAULT of less than one year: this is to facilitate future redevelopment activity.

At 30 September 2021	Contracted rent	ERV	WAULT to review ¹	WAULT to break/expiry	% of rent upwards only	% of next rent review cap & collar	% of rent MTM ² at next lease event
1. Acquired in-place office portfolio	€26.5m (€48psf)	€26.0m (€47psf)	1.7yrs	2.7yrs	8%	–	92%
<i>Near-term development pipeline assets³</i>	€9.5m (€42psf)	€9.5m (€42psf)	0.9yrs	0.9yrs	–	–	100%
<i>Investment assets</i>	€17.0m (€52psf)	€16.5m (€50psf)	2.2yrs	3.8yrs	13%	–	87%
2. Completed office developments ⁴	€33.2m (€55psf)	€31.4m (€52psf)	1.8yrs	7.8yrs	–	27%	73%
Whole in-place office portfolio	€59.6m (€51psf)	€57.4m (€49psf)	1.8yrs	5.5yrs	4%	15%	81%
3. Committed office-let ⁵	–	–	–	–	–	–	–
Total office portfolio	€59.6m (€51psf)	€57.4m (€49psf)	1.8yrs	5.5yrs	4%	15%	81%
4. Vacant in-place office	–	€5.5m ⁶ (€49psf)	–	–	–	–	–
5. Committed office-unlet ⁵	–	–	–	–	–	–	–
Whole in-place office portfolio (after vacancy)	–	€62.9m (€49psf)	–	–	–	–	–

1. To earlier of review or expiry

2. Mark-to-market

3. Hibernia assumption that ERV of near-term development pipeline is equal to current contracted rent

4. 1 Cumberland Place, 2 Cumberland Place, SOBO Works, Dockland Central, 1WML, 2WML, 1SJRQ, 50 City Quay

5. 2 Cumberland Place and 50 City Quay were moved to the *Completed office development* segment following both reaching practical completion

6. Includes parking and retail in office buildings

Since 31 March 2021, Group contracted rent has increased by 1.5% to €68.2m, with the main drivers being a new lease agreed in 2 Cumberland Place, an increase in income from our residential assets and acquisitions, which outweighed the loss of income from the expiry of some leases in Clanwilliam Court. The rental impact of the three rent reviews completed and two lease variations was net neutral. The vacancy rate of the in-place office portfolio, which was 7% by lettable area in March 2021, increased to 11% at 30 September 2021, primarily as a result of the completion of 2 Cumberland Place and 50 City Quay, both of which have space available. For further details, please refer to the asset management section below.

At 30 September 2021, our 10 largest occupiers, all of which are large, multinational companies or state entities, accounted for 54% of our Group contracted rent of €68.2m. By sector, technology and state entities accounted for 58% of contracted rent (please see the selected portfolio information below). Factoring in the sale of Dockland Central post period end, our 10 largest occupiers represented 54% of our Group contracted rent of €60.2m and technology and state entities accounted for 56% of contracted rent, with the contribution of our largest occupier, HubSpot, reducing from 16% to 11%.

Portfolio performance

In the six months ended 30 September 2021 the portfolio value increased 0.4% on a like-for-like basis. In the prior financial year ended 31 March 2021, the portfolio value decreased 4.4% on a like-for-like basis, with the first six months seeing a 3.8% decline on a like-for-like basis. Please see details of the performance of our portfolio in the period by segment in the table below:

	Value at March 2021	Capex	Acquis- itions ¹	Transfer ⁴	H1 Revaluation	Value at September 2021	Like-for-like change
<i>Traditional Core</i>	€415m	€3.8m	–	€59.0m	€13.8m	€492m	€14m 2.9%
<i>IFSC²</i>	€178m	€0.2m	–	–	€2.5m	€181m	€3m 1.4%
<i>South Docks³</i>	€546m	€0.3m	–	€3.0m	€3.2m	€552	€3m 0.6%
1. Total Dublin CBD offices	€1,139m	€4.3m	–	€62.0m	€19.5m	€1,225m	€20m 1.6%
2. Dublin CBD office developments				(€62.0m)	–	–	–
3. Dublin residential	€168m	–	€18.4m	–	(€7.9m)	€178m	(€2m) (1.3%)
4. Industrial/other	€59m	€0.2m	–	–	(€11.5m)	€48m	(€11m) (19.4%)
Total	€1,427m	€4.5m	€18.4m	–	€0.1m	€1,450m	€6m 0.4%

1. Including acquisition costs

2. Includes Dockland Central as this property was still in the portfolio as at 30 Sep-21

3. Excludes the value of space occupied by Hibernia in 1WML

4. At Mar-21 2 Cumberland Place and 50 City Quay were within the *CBD Office Development* segment. At Sep-21 both properties had reached practical completion – 2 Cumberland Place was moved to the *Traditional Core* segment and 50 City Quay was moved to the *South Docks* segment

Note: differences in summation of totals in above table are due to rounding

The table below shows the performance in the period of the office portfolio by building type, rather than building location:

	Value at March 2021	Capex	Acquis- itions ¹	Transfer ⁴	H1 Revaluation	Value at September 2021	Like-for-like change
<i>Acquired income-producing offices</i>	€319m	€0.7m	–		(€10.4m)	€309m	(€10m) (3.2%)
<i>Completed office developments^{2,3}</i>	€655m	€1.1m	–	€62.0m	€18.8m	€737m	€19m 2.6%
<i>Near-term development pipeline</i>	€165m	€2.5m	–		€11.2m	€178m	€11m 6.7%
Total Dublin CBD offices	€1,139m	€4.3m	–	€62.0m	€19.5m	€1,225m	€20m 1.6%

Note: Footnotes as per table above

The portfolio valuation remained broadly flat in both quarters of the financial period, with the key movements being:

- **CBD offices:** 1.6% increase in value, largely due to positive valuation movements in our prime office portfolio, where Savills assumed tighter yields at Sep-21 than Cushman & Wakefield at Mar-21, although this was offset by Savills assuming lower ERVs than Cushman & Wakefield. Achieving practical completion and positive letting progress on our office developments at 2 Cumberland Place and 50 City Quay delivered a positive valuation movement of c.12% on these assets. Beyond our prime office assets, Savills assumed lower ERVs / longer void periods than Cushman & Wakefield at Mar-21, but valuation losses in this segment were moderated as Savills assumed slightly tighter yields on these assets. The value of our near-term office developments increased in the period, with Harcourt Square delivering the majority of the gain. Value gains were moderated by increased projected costs to deliver these development projects given inflationary pressures.
- **Residential:** 1.3% decrease in value, mainly due to Savills taking a more conservative approach than Cushman & Wakefield at Mar-21 on ERVs, yields and the natural vacancy rate on our main residential assets at Wyckham Point, Dundrum View and Cannon Place.
- **Industrial/other:** 19.4% decrease in value, primarily due to lower values per acre applied to our land at Newlands. However, the industrial portfolio of buildings located in Dublin Industrial Estate and Malahide Road Industrial Estate increased in value by 7.2% due to asset management initiatives and lower yields/higher market rents applied by Savills compared to Cushman & Wakefield at Mar-21.

Developments and refurbishments

Capital expenditure on developments in the period was €4.1m (September 2020: €8.4m) and related to work at 2 Cumberland Place and 50 City Quay, both of which completed in the period, as well as work on preparing our pipeline of future development projects. At present we have no active schemes and our focus is on our substantial near-term pipeline, comprising the Clanwilliam Quarter (Clanwilliam Court and Marine House), which we can start in early 2022, and Harcourt Square, which we can start in early 2023.

Completed development schemes

2 Cumberland Place and 50 City Quay were completed in July, delivering 62,500 sq. ft. of office space, 51% of which was let at 30 September 2021 and 63% of which is let at the date of this half year report. The eventual completion dates were delayed by COVID-19 restrictions, most notably the closure of construction sites in Ireland from early January to early May 2021, but both schemes were delivered within budget, achieving an aggregate profit on cost of over 85% and an expected yield on cost of c. 9.5% once fully let. 50 City Quay forms part of our Windmill Quarter cluster which totals c. 400,000 sq. ft. of offices and 2 Cumberland Place brings the office accommodation on the Cumberland Place site to c. 190,000 sq. ft.: both properties are highly energy efficient, with BERs of B2 and A3 expected, and will improve the average performance of our portfolio. In addition, 2 Cumberland Place is expected to achieve LEED Platinum certification.

Please see further details on the schemes below:

	Total area post completion (sq. ft.)	Full purchase price	Capex	Total cost (incl. land)	ERV ¹	Office ERV ¹	Practical completion ("PC" date)	Expected yield on cost ¹
2 Cumberland Place, D2	58k office 1k retail/café	€0m ²	€35m	€598psf ³	€3.4m	€57.89psf	Jul-21	9.9%
50 City Quay, D2	4.5k	€3m	€1m	€924psf	€0.3m	€53.95psf	Jul-21	5.8%
Total	62.5k office 1k retail/café	€3m²	€36m	€622psf	€3.6m	€57.60psf		9.5%

1. Per Savills headline office ERV at Sep-21

2. Including acquisition costs. The site forms part of Cumberland Place and at the time of acquisition of Cumberland House no value was ascribed to it

3. Office demise only

Development pipeline

Based on current planning approvals, the near-term development pipeline, comprising Clanwilliam Quarter (Clanwilliam Court and Marine House) and Harcourt Square, can deliver 539,000 sq. ft. of Grade A office space in Dublin's Traditional Core, a net increase of 283,000 sq. ft. and a 23% increase in the size of our current in-place office portfolio. The valuations of the properties at 30 September 2021 (which include the present value of the income remaining on the leases) equated to aggregate capital values of €331¹ per buildable sq. ft. and the estimated capital expenditure required to deliver the schemes was €584 per buildable sq. ft., an all-in cost of €915² per buildable sq. ft.: both schemes should be profitable under most market conditions. The leases of all occupiers in the Clanwilliam Quarter expire by early 2022, enabling a redevelopment to commence from then on. At Harcourt Square, we are in advanced discussions with KPMG regarding a pre-let of the majority of the 337,000 sq. ft. scheme, which would substantially de-risk the project. We expect to commence work on site once the existing occupier vacates the property upon expiry of its lease in December 2022.

We also continue to assess the longer-term redevelopment potential of certain other assets within the portfolio and in October 2021 we submitted a planning application for an extensive refurbishment and expansion of Hardwicke House and Montague House, which we have now added to our longer-term pipeline. We also continue to hold 155.2 acres of land with potential for mixed-use development schemes in the longer term: re-zoning will be necessary and consequently the timing of any future developments is uncertain at present.

1. Existing income within this figure represents €14 per buildable square foot

2. To calculate the net development value standard purchasers' costs used are 9.96%

Office	Sector	Current area (sq. ft.)	Area post completion (sq. ft.)	Full purchase price ¹	Comments
Marine House (Clanwilliam Quarter)	Office	41k	50k	€30m	Remaining leases expire during Dec-21 Full planning for refurbishment and extension of Marine House in place
Clanwilliam Court (Clanwilliam Quarter)	Office	93k	141k office 11k ancillary	€56m ²	Final leases expire in Jan-22 Planning in place for redevelopment
Harcourt Square	Office	122k	337k office	€78m	Leased to OPW until Dec-22 Planning in place for 337k sq. ft. of offices In advanced discussions with KPMG regarding a substantial pre-let
Total near-term office & ancillary		256k	539k	€164m	
Hardwicke & Montague	Office	88k	140k	€65m	
Total office & ancillary		344k	679k	€229m	
Mixed-use	Sector	Current area (sq. ft.)	Area post completion (sq. ft.)	Full purchase price ¹	Comments
Newlands (Gateway)	Industrial/other	143.7 acres	n/a	€48m ³	Strategic transport location Potential for future mixed-use redevelopment subject to re-zoning
Dublin Industrial Estate	Industrial	128k on 7.7 acres	n/a	€12m	Strategic transport location Potential for future mixed-use development subject to re-zoning
Malahide Road Industrial Park	Industrial	66k warehouse & 17k office on 3.8 acres	n/a	€8m	Potential for future mixed-use development subject to re-zoning
Total mixed-use		155.2 acres	n/a	€68m	

1. Including transaction costs and capex spent to date

2. Clanwilliam Court Blocks 1,2 and 5 only

3. Initial consideration

Asset management

Net capital expenditure on maintenance in the period amounted to €0.4m (September 2020: €0.6m or €0.4m net of refunds).

Contracted rent increased by 1.5% to €68.2m at 30 September 2021 (March 2021: €67.1m) as a result of:

- New lettings in our commercial portfolio, together with improved performance by our residential properties, adding €1.2m;
- Acquisitions adding €0.4m;
- Lease expiries, breaks, surrenders and adjustments reducing contracted rent by €0.5m; and
- Commercial rent reviews concluded and lease variations agreed were net neutral for contracted rent.

Factoring in activity since period end, proforma contracted rent at 30 September 2021 was €60.8m, a decrease of 9.4% since 31 March 2021. The main contributors since period end were:

- Three further lettings adding €0.6m; and
- The sale of Dockland Central reducing contracted rent by €8.0m.

Some other key statistics at 30 September 2021:

- The office portfolio amounted to 1.2m sq. ft., an increase of 62,500 sq. ft. (or 5.5%) following the completion of 2 Cumberland and 50 City Quay. Since period end this has reduced to 1.1m sq. ft. with the sale of Dockland Central;
- The vacancy rate of the in-place office portfolio was 11% based on lettable area (March 2021: 7%) and this available space had an ERV of €5.0m, excluding retail and parking (March 2021: €3.1m);
- Average rent across the in-place office portfolio was €51psf (March 2021: €51psf) and the ERV, per Savills, was €49psf (March 2021: €51psf, per C&W);
- Five office rent reviews were active over 158,000 sq. ft. of office space, with no material change in contracted rent expected (March 2021: three rent reviews active over 60,000 sq. ft. with a <€1m uplift expected); and
- Please see the Financial Review for rent collection statistics, which remain strong.

Summary of letting activity in the period

Office:

- Two new office leases agreed over 8,500 sq. ft., adding €0.4m per annum of gross new rent. Net of expiries, breaks, surrenders and adjustments on let space, the total incremental new rent was €0.1m per annum. The term certain of the new leases is 4.1 years.
- Three rent reviews were concluded over 60,000 sq. ft. and two lease variations agreed over 17,000 sq. ft., extending their term certain by 10 years: overall contracted rent remained unchanged.

Industrial:

- One new lease agreed over 25,500 sq. ft., adding €0.2m per annum to contracted rent. The term certain is 3.9 years.

Residential:

- The number of units in the portfolio at 30 September 2021 was 367 (March 2021: 334).
- As a result of the units added and due to a 5pp decrease in the vacancy rate on our residential units to 3%, net contracted rent increased by €0.9m per annum.
- All let units are subject to the rental cap regulations.

Summary of lease activity since period end

Office:

- Three new leases agreed over 10,000 sq. ft., adding €0.6m per annum of gross new rent. The term certain of the leases is 9.4 years.
- The sale of Dockland Central in October 2021 reduced contracted rent by €8.0m

Key asset management transactions by property

- Blackwater Road, Dublin Industrial Estate: In August 2021, we leased the entire 25,500 sq. ft. to Begley's on a <5-year lease adding c.€0.2m to contracted rent.
- Central Quay, South Docks: In July 2021, we executed two deeds of variation on 17,000 sq. ft., removing a break option to extend the term certain by 10 years and resulting in a reduction in contracted rent of €0.3m per annum.
- Marine House & Clanwilliam Court, Traditional Core: Some leases expired during the period with the loss of €0.2m per annum of contracted rent. The 134,000 sq. ft. of office accommodation is currently 75% occupied, producing contracted rent of €3.4m per annum (plus some further income from the Brickhouse joint arrangement). All leases expire before the end of January 2022 to enable the redevelopment of the site.
- 2 Cumberland Place, Traditional Core: The 58,000 sq. ft. office development completed in July 2021 and 3M Digital Science Community Ltd's long lease on 24,000 sq. ft. commenced shortly thereafter. In August 2021 we leased 5,500 sq. ft. to Invesco, which is moving from Central Quay, on a 10-year lease. In November 2021, we leased 9,000 sq. ft. to Electroroute on a 15-year lease. The property now has contracted rent of €2.3m per annum and there is 20,000 sq. ft. of remaining available space, in which we are seeing good interest from potential occupiers.
- Dockland Central, IFSC: In May and June 2021, three rent reviews over 60,000 sq. ft. were agreed, adding €0.2m to contracted rent. In early October 2021, the property was sold marginally ahead of March 2021 carrying value.
- Harcourt Square, Traditional Core: We are in advanced discussions with KPMG regarding a pre-let of the majority of the 337,000 sq. ft. development scheme.

Key in-place office properties with vacancy at period end

As noted above, the in-place office portfolio vacancy rate at 30 September 2021 rose to 11% (March 2021: 7%), largely as a result of the completion of 2 Cumberland Place and 50 City Quay. The main office investment assets with vacancy were:

- Central Quay, South Docks: 11,000 sq. ft. of office accommodation available to lease;
- 2 Cumberland Place, Traditional Core: 29,000 sq. ft. of office accommodation available to lease;
- The Forum, IFSC: all 47,000 sq. ft. of office accommodation and 50 car parking spaces are available to lease; and
- Other: 16,000 sq. ft. of available space.

Current occupier utilisation of office space

With the phased return to the workplace permitted in Ireland from 20 September 2021, we have seen a gradual increase in the utilisation of our leased offices to its current level of around 20% of pre-pandemic levels. There are substantial variations between different occupiers, with professional services firms tending to have increased their utilisation more quickly than technology occupiers, a number of which are not planning to return until 2022. Following the news this week that the Irish Government has requested a temporary return to working from home we are likely to see this utilisation rate reduce in the near-term.

Future rent reviews, break options and lease expiries

The table below summarises upcoming rent reviews and lease expiries by financial year, as well as setting out the ERVs for this space, at 30 September 2021. As noted in the footnote below, only a relatively small amount of income, €3.4m, is subject to break options over the next four years.

FY	Current income				ERV @ Sep-21		
	Expiries for near-term development	All other lease expiries	Rent review		Expiries for near-term development	All other lease expiries	Rent review
Mar-22	€3.5m	€0.8m	€11.6m		€3.5m	€0.7m	€11.3m
Mar-23	€6.0m	€0.9m	€7.6m		€6.0m	€0.6m	€7.2m
Mar-24	-	€3.3m	€4.8m		-	€3.1m	€4.7m
Mar-25	-	€4.6m	€11.4m		-	€4.5m	€10.7m
Total	€9.5m	€9.6m	€35.4m¹		€9.5m	€8.9m	€33.9m¹

Note: The table above shows upcoming rent reviews and expiries: break options amount to an additional €3.4m over the period to Mar-25 as follows :€0.3m in FY22, €1.6m in FY23, €1.3m in FY24 and €0.2m in FY25

1. €9.0m of this income is capped & collared at next review and a further €1.3m is subject to upward only rent review provisions.

SUSTAINABILITY/ESG

In June 2021, we promoted Neil Menzies to the position of Director of Sustainability and published our Net Zero Carbon Pathway (www.hiberniareit.com/sustainability), which provides detail on the measures we are taking to meet our commitment to become a net zero carbon business by 2030. We are developing individual building carbon reduction plans to help ensure we meet our net zero carbon target. We are also undertaking a quantitative and qualitative climate change scenario analysis as part of our work to fully align our business strategy and disclosures with the recommendations of the TCFD by the end of 2022. In October 2021 we received a four-star rating for our 2021 GRESB submission, the second year we have received a four-star rating and with an improved overall score from 2020.

Shown in the table below is a comparison of the Building Energy Ratings ("BERs") of Hibernia's office portfolio (by value) versus all Irish office properties (by number) at 30 September 2021. Unfortunately, BER data on the Dublin office market is not yet available. While data for Dublin offices alone might be expected to show higher average BERs than for the whole of Ireland, with our relatively new portfolio, much of which we have delivered ourselves, we would expect our portfolio to be above average. It is also worth noting that much of our stock with BERs of C or lower at September 2021 is expected to be redeveloped in the near-term (i.e. Clanwilliam Quarter and Harcourt Square) or has since been sold (i.e. Dockland Central, which has a C1 rating).

BER grade at Sep-21	Hibernia office buildings	Irish office buildings
A1-A3	37%	2%
B1-B3	12%	10%
C1-C3	31%	29%
D1-D2	8%	24%
E1-E2	12%	13%
F	-	8%
G	-	14%
Total	100%	100%

Source: Company data, CSO

FINANCIAL REVIEW

As at	30 September 2021	31 March 2021	Movement
Portfolio value	€1,450.4m	€1,427.4m	+0.4% ¹
Net debt ²	€291.7m	€278.8m	+4.6%
Group LTV ²	20.1%	19.5%	+0.6pp
IFRS NAVPS ²	173.5c	173.6c	(0.1)%
EPRA NTAPS ²	172.5c	172.7c	(0.1)%
Financial period ended	30 September 2021	30 September 2020	Movement
Net rental income	€31.4m	€32.0m	(2.1)%
Profit/(loss) after tax	€21.2m	(€34.2m)	+161.9%
EPRA earnings ²	€20.9m	€22.4m	(6.8)%
Diluted IFRS EPS	3.2c	(5.0c)	+163.9%
EPRA EPS ²	3.2c	3.3c	(3.7)%
Interim DPS ²	2.0c	2.0c	-

- Like-for-like change (incl. finance costs) on Investment Property and excluding assets acquired and disposed of during the period
- An alternative performance measure ("APM"). The Group uses a number of such financial measures to describe its performance, which are not defined under IFRS and which are therefore considered APMs. In particular, measures defined by EPRA are a way for investors to compare similar real estate companies. For further information see Supplementary Information at the end of this report

EPRA NTA per share was broadly flat in the six months to 30 September 2021, reflecting the stable portfolio valuation. The key underlying movements in NTA per share were a 3.2 cent per share increase from EPRA earnings and the payment of the FY21 final dividend which reduced NTA by 3.4 cent per share.

EPRA earnings were €20.9m, down €1.5m (6.8%) compared with the first six months of the prior financial year, mainly on account of a €1.3m increase in costs due to a larger drawn debt position increasing finance costs (+€0.4m), higher

professional fees resulting from the issuance of €125m of new private placement notes in the period (+€0.2m), greater letting and maintenance costs (+€0.4m), and an increase in remuneration expense (+€0.3m), the prior period remuneration expense being impacted by the reduction in investment property values in H1 FY21 due to the onset of the pandemic.

The Group recorded an after-tax profit of €21.2m in the financial period, an increase of 161.9% over the loss after tax of €34.2m in the same period last year. The profit in the period was due to rental profits, with the investment property portfolio valuation moving just €0.1m (2020: revaluation loss of €56.9m).

Funding position

Group leverage target: our through-cycle target remains a loan to value ratio of 20-30%.

The Group's debt is fully unsecured and comprises a revolving credit facility ("RCF") and private placement notes. In July 2021, the Group issued €125m of new private placement notes to five institutional investors. The new notes will help finance the Group's development pipeline and provide long-term, low-cost funding. The weighted average maturity of the Group's debt funding at 30 September 2021 was 4.8 years (March 2021: 3.4 years), with no repayments due before December 2023.

Funding	Quantum	Maturity	Interest cost	Security
Revolving credit facility (five year)	€320m	December 2023	2.0% over EURIBOR on drawn funds 0.8% undrawn commitment fee (fixed)	Unsecured
Private placement notes (seven year)	€37.5m	January 2026	2.36% coupon (fixed)	Unsecured
Private placement notes (ten year)	€37.5m	January 2029	2.69% coupon (fixed)	Unsecured
Total at 31 March 2021	€395m	3.4 years		
Private placement notes (ten year)	€62.5m	July 2031	1.88% coupon (fixed)	Unsecured
Private placement notes (twelve year)	€62.5m	July 2033	1.92% coupon (fixed)	Unsecured
Total at 30 September 2021	€520m	4.8 years		

At 30 September 2021, net debt was €291.7m (March 2021: €278.8m), equating to an LTV of 20.1% (March 2021: 19.5%). The main capital expenditure items driving the increase in net debt in the period were expenditure on investment properties (including development) of €4.1m and acquisition expenditure of €8.8m. Cash and undrawn facilities at 31 September 2021 amounted to €228m or €214m net of committed expenditure (March 2021: €116m and €110m, respectively). In early October 2021, the Group disposed of Dockland Central. Taking into account this disposal, proforma cash and undrawn facilities at 30 September 2021 would have amounted to €379m or €365m, net of committed expenditure, and the LTV of the Group would have been 10.9%.

The Group has significant headroom on the financial covenants on its borrowings: the table below outlines the principal financial covenants and the headroom above each at 30 September 2021.

Key covenant	Calculation	Requirement	At 30 September 21	Headroom to covenant limit
Loan to value	Gross debt/(portfolio value + cash)	<50%	21.8% ¹	Portfolio value would have to fall 56% before breach (March 2021: 59%)
Interest cover ratio	Underlying EBIT/total finance costs	>1.5x	6.7x ²	Underlying EBIT would have to fall 78% before breach (March 2021: 77%)
Net worth	Net Asset Value	>€400m	€1,148m	Net Asset Value would have to fall 65% before breach (March 2021: 69%)

1. Reported LTV is calculated as net debt/portfolio value, giving a ratio of 20.1%

2. Based on 12-month historic interest cover at 30 September 2021

Interest rate hedging

Group hedging policy: to ensure the majority of the interest rate risk on drawn debt balances is fixed or hedged.

At 30 September 2021, the Group had €200m of fixed coupon private placement notes (March 2021: €75m) and the interest rate risk on the RCF drawings of €115m (March 2021: €227m) was mitigated by hedging instruments covering €325m of notional exposure. Hedging instruments on €125m of notional debt are expected to expire in December 2021. Please see the table below for further details on the Group's hedging instruments.

Instrument	Notional	Strike rate	Exercise date	Effective date	Termination date
Cap	€125m	0.75%	n/a	February 2019	December 2021
Swaption	€125m	0.75%	December 2021	December 2021	December 2023
Cap	€200m	0.25%	n/a	December 2020	December 2025

At 30 September 2021, 283% of the interest rate risk on the RCF drawings was hedged (March 2021: 143%) and 167% of the Group's overall interest rate risk on its debt was fixed or hedged (March 2021: 132%). Since the instruments used are interest rate caps, the "over-hedged" position at 30 September 2021 results in no additional financial risk to the Group. In October 2021, the disposal proceeds from the sale of Dockland Central were used to temporarily repay the outstanding balance on the RCF. The current over-hedging is likely to be eliminated in due course as the revolving credit facility is redrawn to fund the delivery of the Clanwilliam Quarter and Harcourt Square.

Rent collection

Our rent collection rates in the current financial year have averaged 99% across our commercial and residential properties (FY21: 99%, HY21: 99%).

Commercial occupiers¹

As shown in the table below, our commercial rent collection has remained strong since the start of the pandemic.

Commercial rent	Quarter ending Dec-21 (Q3 FY22)	Six months ending Sep-21 (H1 FY22)	FY21
Rent received			
Within seven days	89%	87%	89%
Within 14 days	93%	93%	91%
Within 30 days	97%	95%	94%
Within 60 days	98%	99%	99%
Rent received at 16 November 2021	98%	99%	99%
Rent on payment plans			
Monthly rent not yet due	1.5%	-	-
Rent deferred	-	<0.5%	<0.5%
Rent on payment plans at 16 November 2021	1.5%	<0.5%	<0.5%
Rent unpaid			
Rent due	0.5%	<0.5%	<0.5%
Rent waived	-	<0.5%	0.5%
Rent unpaid at 16 November 2021	0.5%	<1%	<1%

Residential occupiers²

At close of business on 16 November 2021, 95% of the rent due for the month of November had been received and the occupancy rate in our residential units was over 99%. At the same point in October, 96% of that month's contracted rent had been received and the occupancy rate was over 99%. We have now received 99% of the October rent due. Across the six months to 30 September 2021, we have now received over 99% of rent due and the occupancy rate of our residential units averaged 97%.

Dividend

Group dividend policy: to distribute 85-90% of rental profits via dividends each financial year, in compliance with the requirement of the Irish REIT legislation to distribute at least 85%. The interim dividend in a financial year will usually be 30-50% of the total ordinary dividends paid in respect of the prior financial year.

The Board has declared an interim dividend of 2.0 cent per share, unchanged from the prior year, representing 62.5% of EPRA EPS for the period and 37% of the total dividend paid in respect of the prior financial year of 5.4 cent per share. The interim dividend will be a Property Income Distribution in respect of the Group's property rental business, as defined under the Irish REIT legislation, and will be paid on 27 January 2022 to shareholders on the register on 7 January 2022.

1. 90% of Group contracted rent
2. 10% of Group contracted rent

SELECTED PORTFOLIO INFORMATION

1. Summary EPRA measures

EPRA performance measure	Unit	Six months ended 30 September 2021	Six months ended 30 September 2020
EPRA earnings	€'000	20,911	22,439
EPRA EPS	cent	3.2	3.3
Diluted EPRA EPS	cent	3.1	3.3
EPRA cost ratio - including direct vacancy costs	%	24.0%	21.3%
EPRA cost ratio - excluding direct vacancy costs	%	22.5%	19.9%
EPRA performance measure	Unit	As at 30 September 2021	As at 31 March 2021
EPRA Net Initial Yield ("NIY")	%	4.1%	4.4%
EPRA "topped-up" NIY	%	4.2%	4.4%
IFRS NAV	€'000	1,148,003	1,148,638
IFRS NAV per share	cent	173.5	173.6
EPRA Net Reinstatement Value ("EPRA NRV")	cent	193.0	192.7
EPRA Net Tangible Assets ("EPRA NTA")	cent	172.5	172.7
EPRA Net Disposal Value ("EPRA NDV")	cent	164.0	171.2
EPRA vacancy rate	%	9.9%	8.5%
Adjusted EPRA vacancy rate	%	8.8%	7.3%

Note: These EPRA measures are APMs. Please see Supplementary Information at the end of this report for further details.

2. Top 10 occupiers by contracted rent and percentage of contracted rent roll¹

Top 10 occupiers	€m	%	Sector
1 HubSpot Ireland Limited ²	10.6	16%	Technology
2 OPW	6.0	9%	State entity
3 Twitter International Company	5.1	7%	Technology
4 Zalando	2.9	4%	Technology
5 Autodesk Ireland Operations	2.8	4%	Technology
6 Informatica Ireland EMEA	2.1	3%	Technology
7 Riot Games	2.0	3%	Technology
8 Travelport Digital Limited	1.8	3%	Technology
9 BNY Mellon Fund Services	1.8	3%	Banking and capital markets
10 Deloitte	1.7	2%	Professional services
Top 10 occupiers	36.7	54%	
Remaining occupiers	31.4	46%	
Whole portfolio	68.2	100%	

1. Includes net residential rents and excludes income from joint arrangement with Iconic Offices in Clanwilliam Court

2. Excluding Dockland Central, HubSpot proportion of contracted rent would be 11%

3. Contracted rent by occupier type

Sector	€m	%
Technology	29.1	43%
State entities	9.9	15%
Insurance & investment management	7.7	11%
Professional services	4.0	6%
Other	2.3	3%
Media & telecommunications	2.3	3%
Banking & capital markets	1.6	2%
Aviation	0.9	1%
Retail & Leisure	0.6	1%
Car Parking	0.6	1%
Serviced offices	0.5	1%
Energy	0.1	<1%
Industrial assets	1.7	2%
Residential assets	6.8	10%
Total	68.2	100%

4. In-place office contracted rent and WAULT progression

	Sep-20	Movement to Mar-21	Mar-21	Movement to Sep-21	Sep-21
All office contracted rent ^{1,5}	€58.2m	+3%	€59.7m	-0.1%	€59.6m
In-place office contracted rent ^{1,5}	€56.7m	+3%	€58.2m	+2%	€59.6m
In-place office WAULT ^{2,5}	6.1yrs	-8%	5.6yrs	-2%	5.5yrs
In-place office vacancy ³	7%	-	7% ⁴	+4pp	11% ⁴

1. Excl. arrangement with Iconic Offices at Block 1, Clanwilliam Court.

2. To earlier of break or expiry.

3. By net lettable office area. Office area only (i.e. excl. retail, basement, gym, Townhall etc.)

4. Excluding vacancy in near-term development properties – i.e. Marine House and Clanwilliam Court. Including these the vacancy rate would also be 11%

5. Including Dockland Central which was sold post period end with contracted rent of €8.0m. Excluding Dockland Central contracted rent would be €51.7m and WAULT to break would be 5.3yrs

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of risks and uncertainties which could have a significant impact on the Group's performance and may cause actual results to differ materially from expected results. These risks are reviewed and updated regularly and mitigated through a combination of internal controls, risk management and insurance cover. The Group's risk management framework is described on pages 40 to 46 of its 2021 Annual Report while the principal risks and uncertainties for the Group are set out on pages 47 to 53. These are largely unchanged since the publication of the 2021 Annual Report and the Group does not expect any significant changes for the remaining six months of this financial year. These risks and uncertainties are summarised, together with a short update where relevant, below.

Failure to anticipate or react to market trends resulting in inappropriate business strategy

Our view, as expressed in the 2021 Annual Report, is that the COVID-19 pandemic has accelerated pre-existing changes in working patterns, such as more remote working, a greater focus on collaborative workspace within offices and increased importance being placed on employee wellness and buildings' sustainability credentials. We continue to be positive about the long-term prospects for well-configured, prime offices in Dublin's city centre and our strategy remains centred on the delivery and ownership of such offices, especially in clusters. We consider strategic risks to be in line with those at March 2021 and do not expect any change in the second half of this financial year.

Uncertain recovery from the COVID-19 pandemic

While Ireland has enjoyed a rapid economic recovery from the pandemic so far in 2021, following a successful vaccine rollout, there is no certainty this will continue, and new strains of the virus or increases in infection rates could result in further disruption and a slowing or reversal of recovery. In the week commencing 15 November 2021, the Irish Government started to reimpose some restrictions in response to an increase in COVID-19 cases and the risk of further restrictions that materially impact on economic activity has increased.

Ireland's attractiveness is negatively impacted

Ireland's economy is highly dependent on international trade and foreign direct investment. Regulatory or tax changes, either domestic or international (e.g. BEPS, US tax developments), could result in Ireland becoming less attractive versus other jurisdictions. This in turn could reduce demand for Dublin offices from occupiers and investors. While there are still details to be finalised over the coming months, the fact that the OECD global minimum tax rate has been agreed at 15%, and Ireland has committed to increasing its minimum tax rate to 15% for large multinationals, appears to be a reasonable outcome for Ireland compared to what was initially feared, and a relatively modest step up from Ireland's existing 12.5% tax rate for impacted companies. Domestically, Budget 2022, released in October 2021, introduced few tax changes and the risks, primarily politically-driven, are likely to remain unchanged for this financial year.

Failure to respond appropriately and sufficiently to climate change

These risks are unchanged and are expected to remain so for the rest of this financial year. As expected, in October 2021 the Government announced an increase in carbon taxes in Budget 2022. Improving the Group's sustainability performance is one of our key strategic priorities and we have made good progress in the period to 30 September 2021.

Risk of occupier default

Our rent collection statistics remain strong and, as noted on page 15, the economic recovery in Ireland and internationally continues: as such the risk of occupier default has probably marginally reduced since March 2021. In addition, with the sale of Dockland Central in early October 2021, our largest occupier has reduced from being 15.2% of our contracted rent roll to 10.9% (March 2021: 15.4%) and our top 10 occupiers have marginally increased from 52.7% of our contracted rent roll to 52.9% (March 2021: 53.4%).

Poor or mistimed execution of development projects

At 30 September 2021 we had no active schemes, following the completion of 2 Cumberland Place and 50 City Quay during the summer (March 2021: two committed schemes, totalling 62,500 sq. ft. of offices of which 24,000 sq. ft. was pre-let). The Group's development pipeline is flexible and plans for individual properties can be changed to reflect prevailing economic circumstances. We expect to commence the development of the Clanwilliam Quarter (over 200,000 sq. ft. of offices) in 2022, so this risk is likely to increase in the near term, particularly given inflationary pressures and potential shortage of skilled labourers.

Failure to motivate and retain team resulting in failure to execute the Group's business plan

With employee incentive structures consistent with prior years and with only one team member leaving during the period, this risk remains largely unchanged.

Disruption from external threat/event, cyber-attack or fraud

No significant incidents have occurred since the start of the period and no material change in these risks is expected for the rest of this financial year. Cyber security continues to be a major focus given continued remote working and the increased incidents of cyber-attacks generally during the COVID-19 pandemic.

Inappropriate capital structure or lack of funds for investment

The Group has modest borrowings and significant financial capacity. At 30 September 2021 the LTV was 20.1% (March 2021: 19.5%) and the Group had available cash and undrawn facilities totalling €214m net of committed expenditure, following the issue of €125m of 10- and 12-year unsecured US private placement notes in July 2021 (March 2021: cash and undrawn facilities net of committed expenditure of €110m). In early October 2021 we sold Dockland Central for €152.3m: had this taken place prior to the period end the LTV at 30 September 2021 would have been 10.9% and the Group would have had cash and undrawn facilities net of committed expenditure of €365m. The Group's weighted average debt maturity at 30 September 2021 was 4.8 years (March 2021: 3.4 years) and the Group has no debt maturities until December 2023. We expect to deploy some of the Group's significant financial capacity in the development of the Clanwilliam Quarter and Harcourt Square office clusters in the next few financial years.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with International Accounting Standard 34 ("IAS 34") Interim Financial Reporting as issued by the IASB and adopted by the European Union ("EU"); the Transparency (Directive 2004/109/EC) Regulations 2007 and the Central Bank (Investment Market Conduct) Rules 2019.

Each of the Directors, whose names appear on page 56 of this Half Yearly Financial Report, confirms that, to the best of his/her knowledge, the condensed consolidated financial statements in the Half Yearly Financial Report have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the half yearly management report herein contains a fair review of the information required by:

- Regulation 8(2) of the Transparency Directive (Directive 2004/109/EC) Regulations 2007, being an indication of important events that have occurred during the period from 1 April 2021 to 30 September 2021 and their impact on the Half Yearly Financial Report, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Regulation 8(3) of the Transparency Directive (Directive 2004/109/EC) Regulations 2007 being:
 - A fair review of related party transactions that have taken place during the period from 1 April 2021 to 30 September 2021 and that have materially affected the financial position or performance during the period; and
 - any changes in the related party transactions described in the 2021 Annual Report that could have a material impact on the financial position or performance of the Group in the first six months of the financial year.

Signed on behalf of the Board

Kevin Nowlan
Chief Executive Officer
17 November 2021

Thomas Edwards-Moss
Chief Financial Officer

INDEPENDENT REVIEW REPORT TO HIBERNIA REIT PLC

We have been engaged by Hibernia plc ("the company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 which comprises the condensed consolidated statement of financial position as at 30 September 2021 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows, and the related notes for the six-month period then ended ("interim financial information"). We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with International Accounting Standard 34 as adopted by the European Union, the Transparency (Directive 2004/109/EC) Regulations 2007 and the Central Bank (Investment Market Conduct) Rules 2019.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

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

Scope of review

We conducted our review pursuant to ISRE 2410. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union, the Transparency (Directive 2004/109/EC) Regulations 2007 and the Central Bank (Investment Market Conduct) Rules 2019.

Christian MacManus

For and on behalf of Deloitte Ireland LLP

Chartered Accountants and Statutory Audit Firm

Deloitte & Touche House, Earlsfort Terrace, Dublin 2

17 November 2021

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2021

	Notes	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Revenue	5	36,601	36,672	72,712
Rental income	5	32,988	33,263	66,487
Property operating expenses	5	(1,637)	(1,243)	(3,181)
Net rental and related income	5	31,351	32,020	63,306
<i>Operating expenses</i>				
Administrative expenses	7	(6,248)	(5,671)	(13,062)
Expected credit losses on financial assets		(91)	(213)	(423)
Total operating expenses		(6,339)	(5,884)	(13,485)
Operating profit before gains and losses		25,012	26,136	49,821
Gains/(losses) on investment property	10	116	(56,891)	(67,581)
Other gains		14	15	81
Operating profit/(loss)		25,142	(30,740)	(17,679)
Finance income		-	-	1
Finance expense		(4,115)	(3,712)	(7,723)
Profit/(loss) before income tax		21,027	(34,452)	(25,401)
Income tax credit		165	208	188
Profit/(loss) for the period attributable to owners of the Parent		21,192	(34,244)	(25,213)
 EPRA earnings for the period	8	20,911	22,439	42,223
<i>Earnings per share</i>				
Basic earnings per share	8	3.2c	(5.0)c	(3.7)c
Diluted earnings per share	8	3.2c	(5.0)c	(3.7)c
EPRA earnings per share	8	3.2c	3.3c	6.3c
Diluted EPRA earnings per share	8	3.1c	3.3c	6.2c

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2021

		Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Profit/(loss) for the period attributable to owners of the Parent		21,192	(34,244)	(25,213)
Other comprehensive income, net of income tax				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Gain/(loss) on revaluation of land and buildings		163	(307)	(304)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net fair value (loss)/gain on hedging instruments entered into for cashflow hedges		(62)	47	676
Total other comprehensive income		101	(260)	372
Total comprehensive income for the period attributable to owners of the Parent		21,293	(34,504)	(24,841)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	Notes	30 September 2021 unaudited	31 March 2021 audited
		€'000	€'000
Assets			
<i>Non-current assets</i>			
Investment property	10	1,450,437	1,427,413
Property, plant and equipment		7,777	7,858
Derivatives at fair value		854	972
Trade and other receivables		9,600	9,210
Total non-current assets		1,468,668	1,445,453
<i>Current assets</i>			
Trade and other receivables		2,455	3,970
Cash and cash equivalents		30,976	31,634
Total current assets		33,431	35,604
Total assets		1,502,099	1,481,057
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital	11	66,181	66,166
Share premium	11	580,639	580,444
Capital redemption reserve fund	11	4,070	4,070
Other reserves		7,043	6,638
Retained earnings	12	490,070	491,320
Total equity		1,148,003	1,148,638
<i>Non-current liabilities</i>			
Financial liabilities	13	312,918	299,956
Deferred tax liabilities		41	206
Total non-current liabilities		312,959	300,162
<i>Current liabilities</i>			
Financial liabilities	13	919	485
Trade and other payables	14	36,810	27,997
Contract liabilities		3,408	3,775
Total current liabilities		41,137	32,257
Total equity and liabilities		1,502,099	1,481,057
IFRS NAV per share	9	173.5c	173.6c
Diluted IFRS NAV per share	9	172.6c	172.7c
EPRA NTA per share	9	172.5c	172.7c

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2021

	Notes	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
<i>Cash flows from operating activities</i>				
Rents received		32,948	31,390	70,775
Other property income		2,135	2,881	7,160
Property expenses paid		(2,618)	(4,550)	(9,291)
Cash paid to and on behalf of employees		(4,415)	(4,389)	(6,554)
Other administrative expenses paid		(2,595)	(1,910)	(3,818)
Interest received		-	-	1
Other income		14	19	13
Income tax refund		-	1	-
Net cash from operating activities		25,469	23,442	58,286
<i>Cash flows from investing activities</i>				
Purchase of investment property	15	(8,796)	(4,621)	(7,978)
Cash expenditure on investment property	15	(4,105)	(10,492)	(20,316)
Cash received from sales of investment property		-	-	136
Purchase of property, plant and equipment		(4)	(53)	(61)
Net cash (absorbed) by investing activities		(12,905)	(15,166)	(28,219)
<i>Cash flow from financing activities</i>				
Dividends paid	12	(22,502)	(20,544)	(33,777)
Cash expended on share buy-back		-	(8,978)	(25,035)
Borrowings drawn		130,000	25,600	42,100
Borrowings repaid		(117,000)	-	(2,500)
Finance expenses paid		(3,720)	(3,453)	(7,100)
Purchase of derivative hedges		-	-	(561)
Share issue costs		-	(14)	(14)
Net cash (outflow) from financing activities		(13,222)	(7,389)	(26,887)
Net (decrease)/increase in cash and cash equivalents		(658)	887	3,180
Cash and cash equivalents start of period		31,634	28,454	28,454
(Decrease)/increase in cash and cash equivalents		(658)	887	3,180
Cash and cash equivalents at end of period		30,976	29,341	31,634

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2021

	Share capital €'000	Share premium €'000	Capital redemption fund €'000	Property revaluation reserve €'000	Cashflow hedge reserve €'000	Share-based payment reserve €'000	Retained earnings €'000	Total €'000
Balance at 1 April 2020	68,466	630,276	1,757	3,547	(234)	2,066	525,271	1,231,149
Loss for the period	-	-	-	-	-	-	(34,244)	(34,244)
Other comprehensive income for the period	-	-	-	(307)	47	-	-	(260)
Balance before transactions with shareholders	68,466	630,276	1,757	3,240	(187)	2,066	491,027	1,196,645
Capital reorganisation	-	(50,000)	-	-	-	-	50,000	-
Issue of share capital	13	168	-	-	-	(181)	(14)	(14)
Own shares acquired and cancelled in the period	(811)	-	811	-	-	-	(8,978)	(8,978)
Dividends paid	-	-	-	-	-	-	(20,544)	(20,544)
Share-based payments	-	-	-	-	-	(137)	89	(48)
Balance at 30 September 2020 (unaudited)	67,668	580,444	2,568	3,240	(187)	1,748	511,580	1,167,061
Profit for the period	-	-	-	-	-	-	9,031	9,031
Other comprehensive income for the period	-	-	-	3	629	-	-	632
Balance before transactions with shareholders	67,668	580,444	2,568	3,243	442	1,748	520,611	1,176,724
Own shares acquired and cancelled in the period	(1,502)	-	1,502	-	-	-	(16,057)	(16,057)
Dividends paid	-	-	-	-	-	-	(13,233)	(13,233)
Share-based payments	-	-	-	-	-	1,205	(1)	1,204
Balance at 31 March 2021 (audited)	66,166	580,444	4,070	3,243	442	2,953	491,320	1,148,638
Profit for the period	-	-	-	-	-	-	21,192	21,192
Other comprehensive income for the period	-	-	-	163	(62)	-	-	101
Balance before transactions with shareholders	66,166	580,444	4,070	3,406	380	2,953	512,512	1,169,931
Issue of share capital	15	195	-	-	-	(210)	-	-
Dividends paid	-	-	-	-	-	-	(22,502)	(22,502)
Share-based payments	-	-	-	-	-	514	60	574
Balance at 30 September 2021 (unaudited)	66,181	580,639	4,070	3,406	380	3,257	490,070	1,148,003

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Section 1 – General

The accounting conventions and accounting policies employed in the preparation of these condensed consolidated financial statements are consistent with those employed in the preparation of the most recent annual consolidated financial statements in respect of the year ended 31 March 2021 as described in the 2021 Annual Report and referenced in this document as appropriate.

1. General Information

Hibernia REIT plc (the “Company”), registered number 531267, together with its subsidiaries and associated undertakings (the “Group”), is engaged in property investment and development (primarily office) in the Dublin market with a view to maximising its shareholders’ returns.

The Company is a public limited company and is incorporated and domiciled in Ireland. The address of the Company’s registered office is 1WML, Windmill Lane, Dublin, D02 F206, Ireland.

The ordinary shares of the Company are listed on the primary listing segment of the Official List of Euronext Dublin (formerly the Irish Stock Exchange) (the “Irish Official List”) and the premium listing segment of the Official List of the UK Listing Authority (the “UK Official List” and, together with the Irish Official List, the “Official Lists”) and are traded on the regulated markets for listed securities of Euronext Dublin and the London Stock Exchange plc.

2. Basis of preparation

2.a Statement of compliance and basis of preparation

The consolidated annual financial statements of the Hibernia REIT plc have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU and with IFRS as issued by the International Accounting Standards Board (“IASB”). IFRS as adopted by the EU differ in certain respects from IFRS as issued by the IASB. These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the EU, the Transparency (Directive 2004/109/EC) Regulations 2007, and the Central Bank (Investment Market Conduct) Rules 2019.

The interim figures for the six months ended 30 September 2021 are unaudited but have been reviewed by the independent auditor, Deloitte Ireland LLP , whose report is set out on page 19 of this Half Yearly Financial Report. The summary financial statements for the year ended 31 March 2021 that are presented in the condensed consolidated financial statements represent an abbreviated version of the full financial statements for that year on which the independent auditor, Deloitte Ireland LLP, issued an unqualified audit report which did not include a reference to any matters to which they drew attention by way of emphasis without qualifying the report. The half yearly financial statements herein are non-statutory financial statements for the purposes of the Companies Act 2014.

IASB amendments have been adopted but with no material impact on the Group’s accounting policies as presented in the 2021 Annual Report nor has the Group early adopted any forthcoming IASB standards (note 3).

The consolidated financial statements of the Group for the year ended 31 March 2021 (“the 2021 Annual Report”) are available upon request from the Company Secretary or from www.hiberniareit.com. The financial statements for the financial year ended 31 March 2021 have been filed in the Companies Registration Office.

These condensed consolidated financial statements were approved for issue by the Board of Directors on 17 November 2021.

2.b Alternative performance measures

The Group uses alternative performance measures to assist in the presentation of certain aspects of its performance. These are explained and, where appropriate, reconciled to equivalent IFRS measures in the ‘Supplementary Information section (unaudited)’ at the end of this document. The main APMS used are those issued by the European Public Real Estate Association (“EPRA”), which is the representative body of the listed European real estate industry. EPRA issues guidelines and benchmarks for reporting both financial and sustainability measures. These allow investors to compare and measure the performance of real estate companies across Europe on a consistent basis. EPRA earnings and EPRA Net Tangible Assets (“NTA”) are presented within the condensed consolidated financial statements and are fully reconciled to IFRS as these two measures are among the key performance indicators for the Group’s business.

2.c Functional and presentation currency

These condensed consolidated financial statements are presented in euro, which is the Company’s functional currency and the Group’s presentation currency.

2.d Basis of consolidation

These condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The accounting policies of all consolidated entities are consistent with the Group's accounting policies. The financial statements of subsidiaries are included in the condensed consolidated financial statements from the date on which control commences until the date on which control ceases. The Group controls an entity when it has power over the entity or exposure, or rights, to variable returns from its involvement with the entity, and the ability to use its power over the entity to affect the returns. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.e Assessment of going concern

These condensed consolidated financial statements have been prepared on a going concern basis.

The Board has assessed going concern over a three and a half-year period to March 2025. It is satisfied that a forward-looking assessment of the Group for this period is sufficient to enable it to opine on the appropriateness of the going concern basis of preparation of the financial statements. This assessment considers the Group's current position and the principal and emerging risks that it faces (see pages 17 and 18 and pages 48 to 53 of the 2021 Annual Report for further detail). All of these risks are considered to be material in the assessment of going concern and viability.

An analysis of revenue and a disaggregation of income is outlined in notes 4, 5 and 6. Due to the nature of rental collections, a significant portion of revenue is collected in advance of its due date and 89% of commercial rent for the quarter ended 31 December 2021 had been collected within seven days of the gale date rising to 98% as at 16 November 2021. 95% of the residential rent due for the month of November 2021 had been collected by the date of this Half Yearly Financial Report. Information on the Group's financial assets and approach to credit risk is contained in note 16 of these condensed consolidated financial statements and in the 2021 Annual Report: Section IV: introduction, note 20 and note 29.d. Sustainability is of increasing importance to investors and this is discussed on page 13.

Detail on the financial performance and financial position of the Group is provided in the condensed consolidated financial statements. In particular, note 16 includes details on the Group's financial risk management and exposures.

At 30 September 2021, the balance sheet shows net current liabilities of €8m (March 2021: net current assets of €3m). The increase in trade payables of €8m for this period over March 2021 arises from the purchase of investment property which had not been settled at the period end but has since done so. As described below the Group has significant resources of funds available to cover such temporary deficits.

The Group has a cash balance as at 30 September 2021 of €31m (March 2021: €32m), is generating positive operating cash flows and, as discussed in note 13, has in place debt facilities with average maturity of 4.8 years, no debt maturities until December 2023, and an undrawn balance of €205m at 30 September 2021 (March 2021: €93m). In addition, the Group sold Dockland Central for €152m on 5 October 2021. The Group's capital commitments at 30 September 2021 were €1m (March 2021: €3m). These commitments relate to the developments recently completed and do not include the pipeline of developments which are discussed on pages 10 and 11 as these projects have not yet been committed to. Funding for these developments is managed over the period of the projects. As at 30 September 2021, the Group's low leverage (LTV 20.1% or 10.9% proforma the sale of Dockland Central) means it could withstand a 56% decline in its portfolio value and a 78% decline in earnings before interest and tax (59% decline in rental income) without breaching debt covenants at that date. The weighted average unexpired lease term ("WAULT") is 5.5 years (March 2021: 5.8 years) for the office portfolio. There are no reasons to expect that the Group will not be able to meet its liabilities as they fall due for the foreseeable future.

Therefore, the Directors have concluded that the going concern assumption remains appropriate.

2.f Significant judgements

These are judgements apart from estimates with the most significant effect on the amounts in the financial statements.

Not all of the Group's accounting policies require the Directors to make difficult, subjective or complex judgements. Any judgements made are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following are the most significant judgements used in preparing these consolidated financial statements:

Net asset value of the Group

The Company's shares are trading at a significant discount to the net asset value per share reported in these condensed consolidated financial statements. At 30 September 2021, the closing share price was €1.168 and the discount to both the IFRS NAV per share and EPRA NTA per share at 30 September 2021 was 33%. As at close of business on 16 November 2021, being the last day before the approval of the Half Yearly Report, the share price was €1.286 and the discount to both was 26%. The Group's main assets are its investment properties, which comprise 97% of total assets or 126% of net asset value.

These are independently valued at the period end and are measured at fair value in line with IFRS 13. More information on the valuation of the Group's investment properties can be found below and in note 10 to these condensed consolidated financial statements. The Group's property, plant and equipment is mainly its head office in 1WML, which is also carried at fair value and independently valued at 30 September 2021. The balance of assets, mainly financial in nature, are assessed for impairment under a simplified expected credit loss model. The Group carries no intangible assets or goodwill. As outlined above, the Group has sufficient headroom above its debt covenants to ensure that its financing remains in place. It is therefore the opinion of the Directors that no impairment on the net asset value of the Group is indicated, despite the discount to NAV/NTA at which its shares currently trade.

Valuation of investment property

Valuer rotation

In accordance with the Group's policy of rotating its independent Valuer every four years or sooner, the Directors undertook a tender process and appointed Savills Advisory Services (Ireland) Ltd ("Savills", the "Valuer") as independent Valuer. Savills replaces Cushman & Wakefield ("C&W") which has come to the end of its term. Savills' first valuation of the Group's property portfolio was as at 30 September 2021. Savills has made some changes in the valuation approach to individual buildings or categories, but the valuation techniques as described in note 10 remain the same. The Directors have reviewed the valuations at the period end, the approach to individual properties and the results of Savills' estimations, as well as the differences in approach between Savills and C&W. They have determined that none of the changes in approach that Savills has implemented result in a material impact on valuations, rather they reflect the subjectivity of real estate valuations and differing expert approaches.

The independent Valuer is appointed to perform valuations of the Group's property portfolio, including the owner occupied property, and report to the Directors on its opinion as to the fair value of these properties. The valuation of the Group's property portfolio is a key element of the Group's net asset value as well as impacting executive and employee variable remuneration. However, the nature of the valuation process is inherently subjective and values are derived using comparable market transactions and the Valuer's assessment of market sentiment. The valuations therefore represent a significant judgement. Details on the approach and methodologies adopted in completing these valuations can be found in note 10.

The Directors have reviewed the valuation process undertaken, changes in market conditions, recent transactions in the market, valuation movements on individual buildings and the Valuer's opinion in relation to estimated rental values ("ERVs") and yields. With the continued market uncertainty as a result of the pandemic and other international developments, the Directors have also considered the extent to which this has been impacting the property investment and occupational markets in relation to both liquidity and activity. The Directors have concluded that the valuation is suitable for inclusion in the Group's consolidated financial statements at 30 September 2021, unadjusted save for the amendment for income spreading as discussed in note 2.g.

Valuation basis of investment property

The valuation approach for each property, while generally similar, differs based on the physical and investment and/or development attributes of the property. A judgement must be made to decide on the valuation premise appropriate for each asset to give its 'highest and best use'. This judgement impacts on the valuation technique that is appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the property. All valuations are at Level 3 in the fair value hierarchy.

'Highest and best use'

All investment properties in the Group's portfolio are valued in accordance with their current use, which is also the highest and best use except for:

- **Harcourt Square, Marine House and Clanwilliam Court Blocks 1, 2 and 5** where, in accordance with IFRS 13:27, the valuations take into account the redevelopment potential upon expiry of the current leases, which reflects the highest and best use. It is the Directors' intention to pursue the redevelopment of these properties when the leases expire. Planning permission is in place for these developments. These properties are valued on a combination of an investment basis until the end of the leases and on a residual basis thereafter. The Valuers also take account of comparable land sales when assessing the value of these properties.
- **Newlands (excluding Gateway)** has been valued on a price per acre basis as early stage plans are in place to redevelop this property in future and this approach reflects the highest and best use of this property.
- **A disused building** which is valued as a potential site.

2.g Analysis of sources of estimation uncertainty

Valuation of investment property

Although valuations are based on the Directors' best knowledge of the amounts, events or actions, actual results may differ from those estimates. The Group's investment properties are held at fair value and were valued at 30 September 2021 by the Valuer on the basis described in 2.f above. Further information on the valuations and the sensitivities around the inputs used is given in note 10.

The Board conducts a detailed review of each property valuation to ensure that appropriate assumptions have been applied. The most significant estimates affecting the valuation include yields and estimated rental values ("ERVs"). For development projects, other assumptions including costs to complete and risk premium assumptions are also factored into the valuation. In accordance with the Group's policy on revenue recognition from leases, the valuation provided by Savills has been adjusted only by the fair value of the income accruals ensuing from the recognition of lease incentives and the deferral of lease costs. The total reduction in the Valuer's investment property valuation in respect of these adjustments was €8.5m (September 2020: €9.1m; March 2021: €8.7m).

Apart from the estimates used in arriving at the fair value of investment property, there are no other sources of estimation uncertainty that could lead to a material change in assets or liabilities in the next 6 months.

3. Application of new and revised International Financial Reporting Standards ("IFRS")

Changes in accounting standards

As set out below, a limited number of changes to IFRS became effective for periods commencing on or after 1 January 2021. Although these changes do not amend the disclosure requirements of IAS 34, they may impact the underlying accounting applied during the period.

Having assessed the amendments below, none had, nor is expected to have, a material impact on the Group's accounting.

	IASB mandatory effective date (periods commencing on or after)	EU endorsed mandatory effective date (periods commencing on or after)
Newly applied IFRS		
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2	1 January 2021	1 January 2021
Amendments to IFRS 4: Insurance Contracts deferral of IFRS19	1 January 2021	1 January 2021
New amended IFRS which are not yet applied		
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 April 2021	1 April 2021
Annual improvements cycle 2018-2020	1 January 2022	TBC
Amendments to IFRS 3: Reference to the conceptual framework	1 January 2022	TBC
Amendments to IAS 16: Property, plant and equipment - proceeds before intended use	1 January 2022	TBC
Amendments to IAS 37: Onerous contracts - cost of fulfilling a contract	1 January 2022	TBC
Amendment to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date	1 January 2023	TBC
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023	TBC
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023	TBC
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023	TBC
IFRS 17: Insurance contracts	1 January 2023	TBC
Amendments to IFRS 17	1 January 2023	TBC

Section 2 – Performance

This section includes notes relating to the performance of the Group for the period, including segmental reporting, earnings per share and net assets per share as well as specific elements of the condensed consolidated statement of income.

4. Operating segments

4.a Basis for segmentation

The Group is organised into five business segments, against which the Group reports its segmental information, representing different investment property classes. The Group has divided its business in this manner as the various asset

segments differ in their character and risk/return profiles depending on market conditions and reflect the strategic objectives that the Group has targeted. There were no amendments to the segments used during the period and a full description together with further information can be found on page 148 of the 2021 Annual Report.

4.b Information about reportable segments

The Group's key measure of underlying performance of a segment is total income after revaluation gains and losses, which comprises revenue (rental and service charge income), property outgoings, revaluation of investment properties and other gains and losses. Total income after revaluation gains and losses includes rental income, which is used as the basis to report measures such as EPRA Net Initial Yield ("NIY") and EPRA "topped-up" NIY. These alternative performance measures ("APMs") (detailed on pages 206 to 207 of the 2021 Annual Report and in the supplementary section on pages 49 to 55 of this Half Yearly Financial Report) measure the cash passing rent returns on market value of investment properties before and after an adjustment for the expiry of a rent-free period or other lease incentives, respectively.

Two developments, 2 Cumberland Place and 50 City Quay, completed during the period and moved from the office development assets to office assets segment.

An overview of the reportable segments is set out below:

For the six months ended 30 September 2021 (unaudited)

	Office assets €'000	Office development assets €'000	Residential assets €'000	Industrial/ other assets €'000	Central assets and costs €'000	Total position €'000
Total revenue	32,043	-	3,802	756	-	36,601
Rental income	28,430	-	3,802	756	-	32,988
Property operating expenses	(790)	-	(695)	(152)	-	(1,637)
Net rental and related income	27,640	-	3,107	604	-	31,351
<i>Operating expenses</i>						
Administration expenses	-	-	-	-	(6,001)	(6,001)
Expected credit losses on financial assets	(93)	-	-	2	-	(91)
Depreciation	-	-	-	-	(247)	(247)
Total operating expenses	(93)	-	-	2	(6,248)	(6,339)
Operating profit/(loss) before gains and losses	27,547	-	3,107	606	(6,248)	25,012
Gains and (losses) on investment property	18,888	655	(7,947)	(11,480)	-	116
Other gains	-	-	-	14	-	14
Operating profit/(loss)	46,435	655	(4,840)	(10,860)	(6,248)	25,142
Finance expense	-	-	-	-	(4,115)	(4,115)
Profit/(loss) before income tax	46,435	655	(4,840)	(10,860)	(10,363)	21,027
Income tax	-	-	-	165	-	165
Profit/(loss) for the period attributable to owners of the parent	46,435	655	(4,840)	(10,695)	(10,363)	21,192
Total segment assets	1,237,474	-	178,537	48,137	37,951	1,502,099
Investment property	1,224,696	-	178,180	47,561	-	1,450,437

For the six months ended 30 September 2020 (unaudited)

	Office assets €'000	Office development assets €'000	Residential assets €'000	Industrial/other assets €'000	Other assets €'000	Central assets and costs €'000	Total position €'000
Total revenue	32,197	-	3,596	879	-	-	36,672
Rental income	28,788	-	3,596	879	-	-	33,263
Property operating expenses	(615)	-	(592)	(36)	-	-	(1,243)
Net rental and related income	28,173	-	3,004	843	-	-	32,020
<i>Operating expenses</i>							
Administrative expenses	-	-	-	-	-	(5,416)	(5,416)
Net impairment losses on financial and contract assets	(210)	-	-	(3)	-	-	(213)
Depreciation	-	-	-	-	-	(255)	(255)
Total operating expenses	(210)	-	-	(3)	-	(5,671)	(5,884)
Operating profit/(loss) before gains and losses	27,963	-	3,004	840	-	(5,671)	26,136
Gains and (losses) on investment property	(53,119)	(2,796)	4,122	(5,098)	-	-	(56,891)
Other gains	-	-	-	-	15	-	15
Operating profit/(loss)	(25,156)	(2,796)	7,126	(4,258)	15	(5,671)	(30,740)
Finance expense	(1,370)	-	-	-	-	(2,342)	(3,712)
Profit/(loss) before income tax	(26,526)	(2,796)	7,126	(4,258)	15	(8,013)	(34,452)
Income tax	-	-	-	208	-	-	208
Profit/(loss) for the period attributable to owners of the parent	(26,526)	(2,796)	7,126	(4,050)	15	(8,013)	(34,244)
Total segment assets	1,159,412	56,134	165,161	55,702	534	37,909	1,474,852
Investment property	1,145,019	56,106	164,059	55,702	-	-	1,420,886

4.c Geographic information

All of the Group's assets, revenue and costs are based in the Greater Dublin Area and mainly in central Dublin.

4.d Major customers

The Group uses information on its top 10 occupiers to monitor its major customers. There is one occupier that accounted for more than 10% of the Group's income in the period (March 2021: one).

5. Revenue and net rental and related income

Accounting policy

See note 5 of the 2021 Annual Report.

Revenue can be analysed as follows:

	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Gross rental income	33,557	32,555	66,157
Rental incentives and surrender fees	(569)	708	330
Rental income	32,988	33,263	66,487
Revenue from contracts with customers ¹	3,613	3,409	6,225
Total revenue	36,601	36,672	72,712

1. Revenue from contracts with customers is service charge income

Net rental and related income

	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Total revenue	36,601	36,672	72,712
Cost of goods and services¹	(3,381)	(3,242)	(6,150)
Property expenses	(1,869)	(1,410)	(3,256)
Net rental and related income	31,351	32,020	63,306

1. Costs of goods and services are service charge expenses

Further information on the sources and characteristics of revenue and rental income is provided in note 6.

Included in property expenses is an amount of €0.5m (September 2020: €0.4m) relating to void costs on office properties, i.e. costs relating to office properties which were not occupied and income-generating during the financial period. Increases in property costs over September 2020 relate mainly to agency and letting fees.

Property operating expenses

	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Service charge income	3,613	3,409	6,225
Service charge expenses	(3,381)	(3,242)	(6,150)
Property expenses	(1,869)	(1,410)	(3,256)
Property operating expenses	(1,637)	(1,243)	(3,181)

6. Disaggregation of revenue and rental income

A full description of the basis of the disaggregation of the Group's income can be found in note 6 of the 2021 Annual Report.

Total revenue by duration of lease contract (based on next break date or expiry)

Service charge income is included within the one year or less segment as these arrangements, while provided for under the lease contracts, are negotiated on an annual basis.

Six months ended 30 September 2021 (unaudited)

Lease contracts:	One year or less €'000	Between one and five years €'000	Greater than five years €'000	Total €'000
Office assets	5,436	9,831	16,776	32,043
Office development assets	-	-	-	-
Residential assets	3,588	214	-	3,802
Industrial/other assets	541	215	-	756
Total segmented revenue	9,565	10,260	16,776	36,601

Six months ended 30 September 2020 (unaudited)

Lease contracts:	One year or less €'000	Between one and five years €'000	Greater than five years €'000	Total €'000
Office assets	5,360	10,719	16,117	32,196
Office development assets	-	-	-	-
Residential assets	3,457	139	-	3,596
Industrial/other assets	619	48	213	880
Total segmented revenue	9,436	10,906	16,330	36,672

Rental income by occupier industry sector

	Six months ended 30 September 2021		Six months ended 30 September 2020		Financial year ended 31 March 2021	
	unaudited		unaudited		audited	
	€'000	%	€'000	%	€'000	%
Technology	14,197	43.1	14,372	43.2	28,588	43.1
State entities	4,411	13.5	5,027	15.1	9,797	14.8
Insurance and investment management	3,903	11.8	3,323	10.0	6,748	10.1
Residential	3,802	11.5	3,596	10.8	7,164	10.8
Professional services	2,045	6.2	2,036	6.1	4,473	6.7
Media	1,125	3.4	1,018	3.1	2,203	3.3
Banking and capital markets	696	2.1	677	2.0	829	1.2
Industrial assets	665	2.0	825	2.5	1,680	2.5
Aviation	542	1.6	629	1.9	1,189	1.8
Serviced offices	329	1.0	702	2.1	1,342	2.0
Real estate	303	0.9	327	1.0	1,049	1.6
Car parking	297	0.9	340	1.0	680	1.0
Retail	243	0.7	255	0.8	555	0.8
Other	430	1.3	136	0.4	190	0.3
Total	32,988	100.0	33,263	100.0	66,487	100.0

7. Administrative expenses

Accounting policy

Administration expenses are recognised on an accruals basis in the consolidated income statement.

Operating profit for the period has been stated after charging:

	Six months ended 30 September 2021		Six months ended 30 September 2020		Financial year ended 31 March 2021	
	unaudited		unaudited		audited	
	€'000	%	€'000	%	€'000	%
Non-Executive Directors' costs	208		318		612	
Staff costs	3,428		3,049		7,325	
Professional fees – property	421		423		688	
Professional fees – corporate	1,072		483		2,073	
Independent Valuer's fees	159		152		346	
Depository fees	118		157		283	
Depreciation	247		255		510	
Other administration expenses	595		834		1,225	
Administration expenses	6,248		5,671		13,062	

8. Earnings per share

There are no convertible instruments, options or warrants on ordinary shares in issue as at 30 September 2021 other than those arrangements relating to share-based payments. The Company has established a reserve of €3.3m (September 2020: €1.7m, March 2021: €3.0m) which is mainly for the issue of ordinary shares relating to the Group's bonus schemes. It is estimated that a maximum of approximately 3.5m ordinary shares (September 2020: 2.2m; March 2021: 3.4m shares) may be issued under the share-based performance award schemes, 2.6m (September 2020: 1.3m; March 2021: 2.3m) of which are provided for at 30 September 2021 and a further 0.9m (September 2020: 0.9m; March 2021: 1.1m) of which may be recognised over the next three years, depending on performance and various service conditions. The dilutive effect of these shares is disclosed below.

The calculations are as follows:

	Notes	Six months ended 30 September 2021 unaudited '000	Six months ended 30 September 2020 unaudited '000	Financial year ended 31 March 2021 audited '000
Issued share capital at beginning of the period		661,657	684,657	684,657
Shares cancelled during the period		-	(8,106)	(23,125)
Shares issued during the period		154	125	125
Shares in issue at the period end	11	661,811	676,676	661,657
Weighted average number of shares		661,792	683,737	673,618
Number of shares to be issued under share-based schemes		3,475	2,168	3,372
Diluted number of shares		665,267	685,905	676,990

	Six months ended 30 September 2021 unaudited '000	Six months ended 30 September 2020 unaudited '000	Financial year ended 31 March 2021 audited '000
Number of shares due to issue under share-based schemes recognised at period end	2,583	1,306	2,298
Number of shares due to issue under share-based schemes not recognised at period end¹	892	862	1,074
Number of shares to be issued under share-based schemes	3,475	2,168	3,372

1. Included here are all amounts from share-based payments which are granted but which have not been recognised at the period end but will be recognised over the next two to three years

	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000	Financial year ended 31 March 2021 audited €'000
Profit/(loss) for the period attributable to the owners of the Parent	21,192 '000	(34,244) '000	(25,213) '000
Weighted average number of ordinary shares (basic)	661,792	683,737	673,618
Weighted average number of ordinary shares (diluted)	665,267	685,905	676,910
Basic earnings per share	3.2c	(5.0)c	(3.7)c
Diluted earnings per share	3.2c	(5.0)c	(3.7)c

EPRA earnings and EPRA earnings per share, alternative performance measures, are presented below as they illustrate for investors the extent to which dividends are supported by recurring income and quantify the Group's income from its REIT property activities. As a REIT, the Company is required to distribute at least 85% of this property income and so these measures are helpful for investors and are key performance indicators for the Group.

EPRA earnings	Note	Six months ended 30 September 2021 unaudited	Six months ended 30 September 2020 unaudited	Financial year ended 31 March 2021 audited
		€'000	€'000	€'000
Profit/(loss) for the period		21,192	(34,244)	(25,213)
<i>Less:</i>				
Losses and (gains) on investment property	10	(116)	56,891	67,581
Profit or loss on disposals of other assets		-	-	(69)
Deferred tax in respect of EPRA adjustments		(165)	(208)	(188)
Changes in fair value of financial instruments and associated close-out costs		-	-	112
EPRA earnings		20,911	22,439	42,223
EPRA earnings per share and diluted EPRA earnings per share				
		'000	'000	'000
Weighted average number of ordinary shares (basic)		661,792	683,737	673,618
Weighted average number of ordinary shares (diluted)		665,267	685,905	676,990
EPRA earnings per share (cent)		3.2c	3.3c	6.3c
Diluted EPRA earnings per share (cent)		3.1c	3.3c	6.2c

9. NAV per share, EPRA NTA per share and Total Accounting Return ("TAR")

The IFRS NAV is calculated as the value of the Group's assets less the value of its liabilities based on IFRS measures.

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
IFRS net assets at end of period (€'000)	1,148,003	1,148,638
Ordinary shares in issue ('000)	661,811	661,657
IFRS NAV per share	173.5c	173.6c
	'000	'000
Ordinary shares in issue	661,811	661,657
Number of shares to be issued under share-based schemes (see note 8)	3,475	3,372
Diluted number of shares	665,286	665,029
Diluted IFRS NAV per share	172.6c	172.7c

EPRA NAV measures (which are APMs) are calculated in accordance with the European Public Real Estate Association ("EPRA") Best Practice Recommendations: October 2019 and are set out on pages 49 to 55 of this Half Yearly Financial Report.

Total accounting return ("TAR")

Total Accounting Return, a key performance indicator and alternative performance measure, is calculated as the increase in EPRA Net Tangible Assets ("NTA") per share for the period over the previous period-end EPRA NTA per share and adding back dividends per share paid during the period, expressed as a percentage of opening EPRA NTA per share.

EPRA NTA	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
IFRS NAV	1,148,003	1,148,638
<i>Include:</i>		
Revaluation of other non-current investments	-	-
Diluted NAV at fair value	1,148,003	1,148,638
<i>Exclude:</i>		
Fair value of financial instruments	(380)	(442)
EPRA NTA	1,147,623	1,148,196
Diluted number of shares at period end	665,286	665,029
EPRA NTA per share at period end	172.5c	172.7c

TAR	As at 30 September 2021		As at 31 March 2021
	unaudited €'000	audited €'000	
Opening EPRA NTA per share	172.7c		179.2c
Closing EPRA NTA per share	172.5c		172.7c
(Decrease) in EPRA NTA per share	(0.2)c		(6.5)c
Dividends per share paid in period	3.4c		5.0c
Total return per share	3.2c		(1.5)c
Total accounting return ("TAR")	1.9%		(0.9)%

Section 3 – Tangible assets

This section contains information on the Group's investment properties and other tangible assets. All investment properties are fully owned by the Group. The Group's investment properties are carried at fair value and its other tangible assets at depreciated cost except for land and buildings which are adjusted to fair value.

10. Investment property

Accounting policy

See note 16 of the 2021 Annual Report.

In accordance with the Group's policy on revenue recognition from leases, the valuation provided by the Valuer has been adjusted only by the fair value of the income accruals ensuing from the recognition of lease incentives and the deferral of lease costs. The total reduction in the Valuer's investment property valuation in respect of these adjustments was €8.5m (March 2021: €8.7m).

At 30 September 2021 (unaudited)

Segment Fair value category	Office assets Level 3 €'000	Office development assets Level 3 €'000	Residential assets Level 3 €'000	Industrial/other assets Level 3 €'000	Total Level 3 €'000
Carrying value at start of period	1,138,819	62,006	167,710	58,878	1,427,413
Additions:					
Property purchases	-	-	18,417	-	18,417
Development and refurbishment expenditure	3,582 ¹	746	-	163	4,491
Transferred between segments ²	63,407	(63,407)	-	-	-
Revaluations included in income statement	18,888	655	(7,947)	(11,480)	116
Carrying value at end of period	1,224,696	-	178,180	47,561³	1,450,437

1. This includes capital expenditure on previously completed developments after their transfer to the office segment
2. 50 City Quay and Cumberland Phase 2 completed during the period and were transferred to the office assets segment
3. On 9 November 2018 the Group agreed to acquire 92.5 acres adjacent to its holdings in Newlands from the Irish Rugby Football Union (the "IRFU") for an initial consideration of €27m. If rezoning is achieved before November 2028 the IRFU will be due additional consideration equating to 44% of the value of Hibernia's total land interests of 143.7 acres in the Newlands site at rezoning, less the initial consideration

At 31 March 2021 (audited)

Segment Fair value category	Office assets Level 3 €'000	Office development assets Level 3 €'000	Residential assets Level 3 €'000	Industrial/other assets Level 3 €'000	Total Level 3 €'000
Carrying value at 1 April 2020	1,196,925	47,999	159,459	60,800	1,465,183
Additions:					
Property purchases	6,900	-	366	3,833	11,099
Development and refurbishment expenditure	2,933 ¹	14,973	203	-	18,109
Transferred between segments ²	(2,500)	2,500	-	-	-
Transferred from other assets ³	-	-	550	53	603
Revaluations included in income statement	(65,439)	(3,466)	7,132	(5,808)	(67,581)
Carrying value at 31 March 2021	1,138,819	62,006	167,710	58,878 ⁴	1,427,413

1. This includes capital expenditure on previously completed developments after their transfer to the office segment
2. 50 City Quay is undergoing redevelopment and was recognised as a development property from 30 September 2020
3. Three assets remaining from a historical portfolio purchase were recognised at fair value as investment property at 31 March 2021
4. On 9 November 2018 the Group agreed to acquire 92.5 acres adjacent to its holdings in Newlands from the Irish Rugby Football Union (the “IRFU”) for an initial consideration of €27m. If rezoning is achieved before November 2028 the IRFU will be due additional consideration equating to 44% of the value of Hibernia’s total land interests of 143.7 acres in the Newlands site at rezoning, less the initial consideration

There were no transfers between fair value levels during the period. Approximately €0.1m of financing costs were capitalised at an effective interest rate of 2.1% in relation to the Group’s developments and major refurbishments (March 2021: €0.3m). No other operating expenses were capitalised during the period.

Valuations as at 30 September 2021

The valuations used to determine fair value for the investment properties in the condensed consolidated financial statements are determined by the Group’s Valuer and are in accordance with the provisions of IFRS 13. Savills has agreed to the use of its valuations for this purpose. As discussed in notes 2.f and 2.g, property valuations are inherently subjective as they are made on the basis of assumptions made by the Valuer and therefore are classified as Level 3.

Valuations are completed on the Group’s investment property portfolio on at least a half-yearly basis and, in accordance with the appropriate sections of the Professional Standards, the Valuation Technical and Performance Standards (“VPS”) and the Valuation Practice Applications (“VPGA”) contained within the RICS Valuation – Global Standards 2019 (“the Red Book”). It follows that the valuations are compliant with the International Valuation Standards. Fair value under IFRS 13 is “the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date”. The Red Book confirms that the references in IFRS 13 to market participants and a sale make it clear that for most practical purposes fair value is consistent with market value.

The method that is applied for fair value measurements categorised within Level 3 of the fair value hierarchy is the yield methodology using market rental values capitalised with a market capitalisation rate or yield or other applicable valuation technique. Using this approach for the Group’s investment properties, values of investment properties are arrived at by discounting forecasted net cash flows at market derived capitalisation rates. This approach includes future estimated costs associated with refurbishment or development, together with the impact of rental incentives granted to occupiers. Thus development properties are assessed using a residual method in which the completed development property is valued using income and yield assumptions and deductions are made for the estimated costs to complete, including finance costs and developers’ profit, to arrive at the current valuation estimate. In effect, this values the development as a proportion of the completed property.

In the period ended 30 September 2021, for most properties the highest and best use is the current use except as discussed in note 2.f. In these instances, the Group may need to achieve vacant possession before redevelopment or refurbishment may take place and the valuation of the property takes account of any remaining occupancy period on existing leases. The table below summarises the approach for each investment property segment.

Valuation methodology

The following table illustrates the fair value methods applied to each segment:

Description of investment property asset class	Fair value of the investment property €'m	Narrative description of the techniques used	Changes in the fair value technique during the period
Office assets	1,225	<p>Yield methodology using market rental values capitalised with a market capitalisation rate.</p> <p>Exceptions to this:</p> <ul style="list-style-type: none"> • Harcourt Square is valued on an investment basis until the end of the current lease (2022) and on a residual basis thereafter. • Marine House and Clanwilliam Court Blocks 1, 2 and 5 are valued on an investment basis until the end of the current leases (which expire over the period 2021 to early 2022) and on a residual basis thereafter. • The Forum: the valuation methodology uses an investment basis with future capital expenditure recognised within the valuation. 	No change in valuation technique.
Office development assets	Nil	<p>Residual method, i.e. Gross Development Value less Total Development Cost less Profit equals Fair Value</p> <ul style="list-style-type: none"> • Gross Development Value (“GDV”): the fair value of the completed proposed development (arrived at by capitalising the market rent or estimated rental value (“ERV”) with an appropriate yield, allowances for purchasers’ costs, assumptions for voids and/or rent free periods). The appropriate yield is based on the Valuer’s opinion of the most likely occupier covenant achievable for the property and the most likely lease terms. • Total Development Cost (“TDC”): this includes, but is not limited to, construction costs, land acquisition costs, professional fees, levies, marketing costs and finance costs. • Developer’s profit which is measured as a percentage of the TDC (including the site value). It also takes account of development and letting risk. <p>For developments close to completion the investment yield methodology with outstanding capital expenditure recognised is usually applied.</p>	No change in valuation technique.
Residential assets	178	Discounted cashflow or yield methodology using rental values adjusted for operating costs, vacancy and bad debts, capitalised with a market capitalisation rate. Alternatively, the comparable sales method of valuation is used to value some residential assets.	No change in valuation technique.
Industrial/other assets	48	<p>Yield methodology using market rental values capitalised with a market capitalisation rate.</p> <ul style="list-style-type: none"> • The Newlands site, excluding the Gateway industrial park, is valued as an early stage development site on a price per acre basis. • A disused building is valued as a potential site. 	No change in valuation technique.

Reconciliation of the independent Valuer's valuation report amount to the carrying value of investment property in the consolidated statement of financial position:

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Valuation per Valuer's certificate	1,465,660	1,442,788
Owner-occupied	(6,741)	(6,647)
Income recognition adjustment ¹	(8,482)	(8,728)
Investment property balance at end of period	1,450,437	1,427,413

1. Income recognition adjustment: this relates to the difference in valuation that arises as a result of property valuations using a cash flow based approach while income recognition for accounting purposes spreads the costs of occupier incentives and lease set up over the lease term

Key unobservable inputs used in the valuation of the Group's investment property

30 September 2021 (unaudited)

	Market value €'000	Estimated rental value		Equivalent yield	
	Low	High	Low	High	
Office	1,224,696	€30.00psf	€65.00psf	3.92%	8.00%
Office development	-	-	-	-	-
Residential ¹	178,180	€21,000pa	€32,400pa	3.65%	4.50%
Industrial/land	47,561	€4.40psf	€8.50psf	6.73%	8.58%

1. For residential assets, the estimated rental value is contracted rent based on a two-bedroom apartment. with no deduction for operating expenses. Residential yields are based on the expected income after deducting operating expenses and an allowance for vacancy/bad debt

31 March 2021 (audited)

	Market value €'000	Estimated rental value		Equivalent yield	
	Low	High	Low	High	
Office	1,138,819	€25.00psf	€62.50psf	3.99%	7.17%
Office development	62,006	€40.00psf	€60.75psf	4.46%	5.60%
Residential ¹	167,710	€13,896pa	€31,200pa	3.55%	5.19%
Industrial/land	58,578	€5.25psf	€9.00psf	6.27%	8.38%

1. Average ERV based on a two-bedroom apartment. with no deduction for operating expenses. Residential yields are based on the contracted income after deducting operating expenses

Sensitivity data

The sensitivity tables below illustrate the impact of movements in key unobservable inputs on the fair value of investment properties. These are ERV at reversion equivalent yields and development construction costs (relevant in residual appraisals). To calculate these impacts only the movement in one unobservable input is changed as if there is no impact on the other. In reality there may be some impact on yields from an ERV shift and vice versa. However, this gives an assessment of the maximum impact of shifts in each variable. The tables illustrate the impacts from a 5% or 10% ERV and a 25bp or 50bp shift in equivalent yield on the valuations as included in the condensed consolidated financial statements at 30 September 2021 and 31 March 2021.

ERV and equivalent yields

30 September 2021 (unaudited)

Sensitivities	Impact on market value of a 5% change in the estimated rental value		Impact on market value of a 10% change in the estimated rental value		Impact on market value of a 25bp change in the equivalent yield		Impact on market value of a 50bp change in the equivalent yield	
	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m
Office	65.9	(65.9)	131.7	(131.7)	(81.6)	91.7	(155.0)	195.4
Office development	-	-	-	-	-	-	-	-
Residential	8.7	(8.7)	17.4	(17.4)	(10.9)	12.4	(20.4)	26.8
Industrial/other	0.8	(0.8)	1.5	(1.5)	(0.6)	0.7	(1.1)	1.2
Total	75.4	(75.4)	150.6	(150.6)	(93.1)	104.8	(176.5)	223.4

31 March 2021 (audited)

Sensitivities	Impact on market value of a 5% change in the estimated rental value		Impact on market value of a 10% change in the estimated rental value		Impact on market value of a 25bp change in the equivalent yield		Impact on market value of a 50bp change in the equivalent yield	
	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m	Increase €'m	Decrease €'m
Office	52.4	(52.4)	104.6	(104.6)	(72.8)	81.6	(138.1)	173.4
Office development	2.6	(2.6)	5.1	(5.1)	(3.6)	3.9	(6.7)	8.3
Residential	8.3	(8.3)	16.4	(16.4)	(10.6)	12.3	(19.8)	26.3
Industrial/other	0.6	(0.6)	1.4	(1.4)	(0.7)	0.7	(1.4)	1.5
Total	63.9	(63.9)	127.5	(127.5)	(87.7)	98.5	(166.0)	209.5

Development construction costs

A 5% decrease or increase in construction costs would result in a decrease or increase in the total value of the portfolio of €11m as at 30 September 2021 (March 2021: €10m). Development construction costs are an unobservable input to residual appraisals which are used in valuing those properties that are pipeline development assets.

Section 4 – Financing including equity and working capital

This part focuses on the financing of the Group's activities, including the equity capital, bank borrowings and working capital. It also covers financial risk management.

The Group's accounting policies with respect to these items can be found in Section IV of the 2021 Annual Report.

11. Issued share capital and share premium

Accounting policy

See note 21 of the 2021 Annual Report.

At 30 September 2021 (unaudited)

	No. of shares in issue '000	Share capital €'000	Share premium reserve €'000	Capital redemption reserve fund €'000	Total Company capital €'000
Balance at beginning of period	661,657	66,166	580,444	4,070	650,680
Shares issued during the period	154	15	195	-	210
Balance at end of period	661,811	66,181	580,639	4,070	650,890

At 31 March 2021 (audited)

	No. of shares in issue '000	Share capital €'000	Share premium reserve €'000	Capital redemption reserve fund €'000	Total Company capital €'000
Balance at beginning of financial year	684,657	68,466	630,276	1,757	700,499
Shares cancelled during financial year	(23,125)	(2,313)	-	2,313	-
Capital reorganisation (note 12)	-	-	(50,000)	-	(50,000)
Shares issued during the financial year	125	13	168	-	181
Balance at end of financial year	661,657	66,166	580,444	4,070	650,680

Shares issued during the period

154k ordinary shares with a nominal value of €0.10 were issued on 22 April 2021 in settlement of share-based payments relating to remuneration (see further details below).

Shares cancelled during the prior period - share buyback programme

On 7 August 2020, the Company commenced a €25m share buyback programme which completed on 16 November 2020: in total 23.1m shares were acquired and cancelled at an average price of €1.08 per share. This €25m share buyback was accretive to net asset value per share and earnings per share.

Share-based payments

The Group's remuneration scheme includes awards which are made in shares or nil-cost share options and which are payable to employees only after fulfilling service and/or performance conditions. Amounts provided for at 30 September

2021 were 2.6m shares and a maximum of a further 0.9m shares remain to be accrued as at the period end. Amounts due at 31 March 2021 were 2.3m shares and a further 1.1m shares remain to be accrued as at the period end (note 8).

On 27 July 2021 conditional awards of the Company's ordinary shares of €0.10 cent each ("LTIP Shares") under the LTIP were granted to Executive Directors and other key management personnel totalling 2.3m shares. These vest after three years subject to performance and service conditions.

Details on the Group's remuneration scheme can be found in the Remuneration Committee Report on pages 96 to 126 of the 2021 Annual Report or on the Group's website.

Share capital

Ordinary shares of €0.10 each:

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Authorised	1,000,000	1,000,000
Allotted, called up and fully paid	661,811	661,657
In issue at end of period	661,811	661,657

12. Retained earnings and dividends

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Balance at beginning of period	491,320	525,271
Profit/(Loss) for the period	21,192	(25,213)
Share issuance costs	-	(14)
Capital reorganisation	-	50,000 ¹
Share buyback	-	(25,035)
Other	60	88
Dividends paid	(22,502)	(33,777)
Balance at end of period	490,070	491,320

1. On 9 April 2020 €50m in share premium was converted to distributable reserves as a result of a capital reorganisation which commenced during the financial year ended 31 March 2020

Distributable reserves – Company only

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Retained earnings at end of period (Company only)	404,642	409,724
Deduct: unrealised gains and losses ¹	(353,048)	(348,927)
Distributable reserves	51,594	60,797

1. Unrealised inter-company profits arising on the transfer of investment properties to subsidiaries have been eliminated for the purposes of the above calculation

	Six months ended 30 September 2021 unaudited €'000	Six months ended 30 September 2020 unaudited €'000
Interim dividend declared for the period ended 30 September 2021 of 2.0 cent per share (September 2020: 2.0 cent per share)	13,236	13,233
Final dividend paid for the financial year ended 31 March 2021 of 3.4 cent per share (March 2020: 3.0 cent per share)	22,502	20,544

At the end of July 2021 a dividend of 3.4 cent per share (€22.5m) was paid to the holders of fully paid ordinary shares. An interim dividend for the period of 2.0 cent per share (c. €13.2m) has been declared and will be paid on 27 January 2022. The Directors confirm that the Company continues to comply with the distribution obligations contained within the Irish REIT legislation.

13. Financial liabilities

Accounting policy

See note 24 of the 2021 Annual Report.

13.a Borrowings

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Non-current		
Unsecured bank borrowings	113,622	225,317
Unsecured private placement notes	199,296	74,639
Total non-current borrowings	312,918	299,956
Current		
Unsecured bank borrowings	100	132
Unsecured private placement notes	819	353
Total current borrowings	919	485
Total borrowings	313,837	300,441

The maturity of non-current borrowings is as follows:

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Less than one year	919	485
Between one and two years	-	-
Between two and five years	151,122	262,637
Over five years	161,796	37,319
Total	313,837	300,441

Movements in borrowings during the period:

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Balance at beginning of period	300,441	260,208
Bank finance drawn	130,000	42,100
Bank finance repaid	(117,000)	(2,500)
Interest payable	396	633
Balance at end of period	313,837	300,441

The Group has a stated policy of not incurring debt above 40% of the market value of its property assets and has a through-cycle leverage target of 20-30% loan to value ("LTV"). Under the Irish REIT rules the LTV ratio must remain under 50%.

The Group has an unsecured revolving credit facility ("RCF") of €320m provided by Bank of Ireland, Wells Fargo, Barclays Bank Ireland and Allied Irish Banks. This facility, which expires in December 2023, is denominated in euro and is subject to a margin of 2.0% over EURIBOR. The Group has entered into derivative instruments so EURIBOR exposure on €200m of notional debt is capped at 0.25% until December 2025. The exposure of a further €125m of notional debt is capped at EURIBOR 0.75%, although this hedging is expected to expire in December 2021.

The Group also has €200m of unsecured private placement notes with an average maturity of 9.0 years at 30 September 2021 (March 2021: 6.3 years). The average coupons of 2.134% (March 2021: 2.525%) are fixed so long as the Group's credit rating remains investment grade. €125m of this fixed debt was issued in July 2021 in 10- and 12-year senior private placement notes.

Where debt is drawn to finance material refurbishments and developments that take a substantial period of time to take into use, the interest cost of debt which finances the capital expenditure is capitalised. Approximately €118k of financing costs were capitalised at an effective interest rate of 2.1% in relation to the Group's developments and major refurbishments during the period (September 2020: €129k; March 2021: €252k).

All costs related to financing arrangements are amortised using the effective interest rate. The Directors confirm that all covenants have been complied with and are kept under review. There is significant headroom on the financial covenants (note 2.e).

13.b Net debt reconciliation and LTV

Net debt and LTV are key financing metrics used by the Group and are also APMs. Net debt is the redemption value of borrowings as adjusted by cash available for use. LTV or “loan to value” is the ratio of net debt to investment property value at the measurement date.

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Cash and cash equivalents	30,976	31,634
Cash reserved¹	(7,675)	(8,442)
Gross debt – fixed interest rate	(200,000)	(75,000)
Gross debt – variable interest rate	(114,990)	(226,990)
Net debt at period end	(291,689)	(278,798)
Investment property at period end	1,450,437	1,427,413
Loan to value ratio	20.1%	19.5%

1. Cash is reduced by the amounts held in relation to rent deposits, sinking funds and similar arrangements as these balances are not viewed as available funds for the purposes of the above calculation

Net debt and LTV at 30 September 2021 pro forma the sale of Dockland Central on 5 October 2021 (note 20.a):

	As at 30 September 2021 unaudited €'000
Cash and cash equivalents	66,377
Cash reserved	(7,675)
Gross debt – fixed interest rates	(200,000)
Gross debt – variable interest rate	-
Net debt at period end	(141,298)
Investment property at period end	1,299,716
Loan to value ratio	10.9%

Reconciliation of opening to closing net debt:

	Assets	Liabilities		Total
	Cash and cash equivalents €'000	Unsecured borrowings €'000	Unsecured PP notes €'000	
Net debt as at 1 April 2020	20,997	(187,390)	(75,000)	(241,393)
Borrowings drawn	-	(42,100)	-	(42,100)
Borrowings repaid	-	2,500	-	2,500
Increase in cash and cash equivalents	3,180	-	-	3,180
Movement in cash reserved ¹	(985)	-	-	(985)
Net debt as at 31 March 2021 (audited)	23,192	(226,990)	(75,000)	(278,798)
Borrowings drawn	-	(5,000)	(125,000)	(130,000)
Borrowings repaid	-	117,000	-	117,000
(Decrease in cash and cash equivalents	(658)	-	-	(658)
Movement in cash reserved¹	767	-	-	767
Net debt as at 30 September 2021 (unaudited)	23,301	(114,990)	(200,000)	(291,689)

1. Cash is reduced by the amounts held in relation to rent deposits, sinking funds and similar arrangements as these balances are not viewed as available funds for the purposes of the above calculation

14. Trade and other payables

Accounting policy

See note 26 of the 2021 Annual Report.

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Current		
Purchase of investment property	12,742	3,121
Investment property payable	2,216	1,830
Rent prepaid	12,969	12,850
Rent deposits and other amounts due to occupiers	3,096	3,438
Sinking funds	2,246	2,091
Trade and other payables	3,341	4,464
PAYE/PRSI payable	200	203
Balance at end of period	36,810	27,997
Of which are classified as financial instruments	14,556	5,220

Purchase of investment property relates to acquisitions not completed at the period end. Investment property payable is capital expenditure which has been incurred but not paid by the period end.

Cash is held against balances due for service charges prepaid and sinking fund contributions, €5.3m (March 2021: €5.8m), and rental deposits from occupiers, €2.4m (March 2021: €2.7m). Sinking funds are monies put aside from annual service charges collected from occupiers as contributions towards expenditure on larger maintenance items that occur at irregular intervals. Trade and other payables are interest free and have settlement dates within one year. The Directors consider that the carrying value of the trade and other payables approximates to their fair value.

15. Cash flow information

Purchase of investment property

	Note	30 September 2021 unaudited €'000	31 March 2021 audited €'000
Investment property purchases	10	18,417	11,099
(Increase) in payable for purchase of investment property		(9,621)	(3,121)
Purchase of investment property		8,796	(7,978)

Cash expenditure on investment property

	Note	30 September 2021 unaudited €'000	31 March 2021 audited €'000
Development and refurbishment expenditure	10	4,491	18,109
(Increase)/decrease in investment property payable		(386)	2,207
Cash expenditure on investment property		4,105	20,316

16. Financial instruments and risk management

16.a Financial risk management objectives and policy

The Group takes calculated risks to realise its strategic goals and this exposes the Group to a variety of financial risks. These include, but are not limited to, market risk (including interest and price risk), liquidity risk and credit risk. These financial risks are managed in an overall risk framework by the Board, in particular by the Chief Financial Officer, and are monitored and reported on by the Risk and Compliance Officer. The Group monitors market conditions with a view to minimising the volatility of the funding costs of the Group. The Group uses derivative financial instruments such as interest rate caps and swaptions to manage some of the financial risks associated with the underlying business activities of the Group.

16.b Financial assets and financial liabilities

The following table shows the Group's financial assets and liabilities and the methods used to calculate fair value.

Asset/Liability	Carrying value	Level	Fair value calculation	Assumptions technique
Trade and other receivables	Amortised cost	3	Discounted cash flow	Most trade receivables are very short-term, the majority less than one month, and therefore face value approximated fair value on a discounted basis.
Derivative financial instruments	Fair value	2	Calculated fair value price	The fair value of derivative financial instruments is calculated using pricing based on observable inputs from financial markets.
Cash and cash equivalents	Amortised cost	1	Calculated as amortised cost	Due to their short-term nature, the carrying amounts approximate the fair value of cash and cash equivalents
Borrowings	Amortised cost	3	Discounted cash flow	The fair value of financial liabilities held at amortised cost have been calculated by discounting the expected cash flows at prevailing interest rates.
Trade and other payables	Amortised cost	3	Discounted cash flow	All trade and other payables that could be classified as financial instruments are very short-term, the majority less than one month, and therefore face value approximated fair value on a discounted basis
Contract liabilities	Amortised cost	3	Discounted cash flow	All contract liabilities classified as financial instruments are very short-term, the majority less than one month, and therefore face value approximated fair value on a discounted basis

The carrying value of non-interest-bearing financial assets and financial liabilities approximates to their fair values, largely due to their short-term maturities.

16.c Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2: valuation techniques for which the lowest level of inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level of inputs that have a significant effect on the recorded fair value are not based on observable market data.

The following tables present the classification of financial assets and liabilities within the fair value hierarchy and the changes in fair values measurements at Level 3 estimated for the purposes of making the above disclosure.

As at 30 September 2021 (unaudited)

	Level	Carrying amount €'000	Of which are assessed as financial instruments €'000	Measured at fair value €'000	Measured at amortised cost €'000	Total financial instruments €'000	Fair value financial instruments €'000
Trade and other receivables	3	12,055	1,100	-	1,100	1,100	1,100
Derivatives at fair value	2	854	854	854	-	854	854
Cash and cash equivalents	1	30,976	30,976	-	30,976	30,976	30,976
Borrowings	3	(313,837)	(313,837)	-	(313,837)	(313,837)	(317,010)
Trade and other payables	3	(36,810)	(14,556)	-	(14,556)	(14,556)	(14,556)
Contract liabilities	3	(3,408)	(3,408)	-	(3,408)	(3,408)	(3,408)
		(310,170)	(298,871)	854	(299,725)	(298,871)	(302,044)

As at 31 March 2021 (audited)

	Level	Carrying amount €'000	Of which are assessed as financial instruments €'000	Measured at fair value €'000	Measured at amortised cost €'000	Total financial instruments €'000	Fair value financial instruments €'000
Trade and other receivables	3	13,180	1,265	-	1,265	1,265	1,265
Derivatives at fair value	2	972	972	972	-	972	972
Cash and cash equivalents	1	31,634	31,634	-	31,634	31,634	31,634
Borrowings	3	(300,441)	(300,441)	-	(300,441)	(300,441)	(310,341)
Trade and other payables	3	(27,997)	(5,220)	-	(5,220)	(5,220)	(5,220)
Contract liabilities	3	(3,775)	(3,775)	-	(3,775)	(3,775)	(3,775)
		(286,427)	(275,565)	972	(276,537)	(275,565)	(285,465)

Movements of Level 3 fair values

This reconciliation includes only investment property as the only asset or liability held at Level 3 and fair value. Measurement of these assets is described in note 10 (Investment property) and in the table at the start of this note.

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Balance at beginning of period	1,427,413	1,465,183
Purchases, sales, issues and settlement		
Purchases ¹	22,908	29,208
Transfer from other assets	-	603
Fair value movement	116	(67,581)
Balance at end of period	1,450,437	1,427,413

1. Includes development, refurbishment and maintenance expenditure

16.d Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Derivative products and fixed rate debt issuance
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments	Ageing analysis, credit ratings where applicable	Cash investment policy with minimum ratings; diversification of deposits where merited; expected credit loss matrix for trade debtors
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts are completed as part of budgeting process	Availability of borrowing facilities and a diversified source of lenders

The policies for managing each of these and the principal effects of these policies on the results for the period are summarised below:

i. Risk management framework

The Group's Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit Committee is responsible for developing and monitoring the Group's risk management policies. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. All of these policies are regularly reviewed in order to reflect changes in the market conditions and the Group's activities. The Audit Committee is assisted in its work by internal audit, conducted by PwC Ireland, which undertakes periodic reviews of different elements of risk management controls and procedures.

ii. Market risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks. The Group has no financial assets or liabilities denominated in foreign currencies. The Group's financial assets mainly comprise trade receivables. Financial liabilities comprise short-term payables, private placement notes and bank borrowings. Therefore the primary market risk is interest rate risk.

The Group has both fixed and variable rate borrowings. Variable rate borrowings consist of an unsecured revolving credit facility and the Group has hedged against increasing rates by entering into interest rate caps and swaptions to restrict EURIBOR costs to a maximum rate of 0.25% or 0.75%.

The following therefore illustrates the potential impact on profit or loss for the period of a 1% or 2% increase in EURIBOR:

As at 30 September 2021 (six months) (unaudited)	Impact on profit +1% EURIBOR Increase		Impact on profit +2% EURIBOR Increase
	€'000	€'000	€'000
Amount drawn	(114,990)	(575)	(1,150)
<i>Hedging (caps)</i>			
€200m cap expires December 2025: strike 0.25%	200,000	431	1,006
€125m cap expires December 2021: strike 0.75% ¹	125,000	-	-
Impact on profit after hedging	(144)	(144)	

1. This calculation uses the more advantageous hedge first and therefore shows the best-case scenario

As at 31 March 2021 (year)
(audited)

		Impact on profit +1% EURIBOR Increase €'000	Impact on profit +2% EURIBOR Increase €'000
Amount drawn	(226,990)	(2,270)	(4,540)
<i>Hedging (caps)</i>			
€200m cap expires December 2025: strike 0.25%	200,000	1,500	3,500
€125m cap expires December 2021: strike 0.75% ¹	125,000	67	337
Impact on profit after hedging		(703)	(703)

1. This calculation uses the more advantageous hedge first and therefore shows the best-case scenario

Exposure to interest rates is limited to the exposure of the Group's costs from borrowings. Variable rate borrowings were €115m (March 2021: €227m) and gross debt (note 13.b) was €315m in total of which €200m was fixed rate private placement notes (March 2021: €302m of which €75m was fixed). The Group's interest cost under its RCF was based on assumed EURIBOR of 0% throughout the period, together with the 2% margin.

iii. Credit risk

Credit risk is the risk of loss of principal or loss of a financial reward stemming from a counterparty's failure to repay a loan or otherwise meet a contractual obligation. Credit risk is therefore, for the Group and Company, the risk that the counterparties underlying its assets default.

The Group has the following types of financial assets and cash that are subject to credit risk:

Cash and cash equivalents: These are held with major Irish and European institutions. The Board has established a cash management policy for these funds which it monitors regularly. This policy includes ratings restrictions, BB or better, and related investment thresholds, maximum balances of €25-50m with individual institutions dependent on rating, to avoid concentration risks with any one counterparty. The Group has also engaged the services of a Depository to ensure the security of the cash assets.

Trade and other receivables: Rents are generally received in advance from occupiers and therefore there tends to be a low level of credit risk associated with this asset class. A credit rating system for occupiers is used, together with an analysis of past loss patterns and future expectations of economic impacts, to create a matrix for the calculation of an allowance for expected credit losses. Included in non-current trade receivables is a net amount of €0.5m relating to expenditure on fit-outs that is recoverable from occupiers over the duration of the lease (March 2021: €0.7m). This amount is monitored closely in the current economic environment due to its long-term nature. Trade receivables are mainly rents and related amounts due from occupiers and rent collection is closely monitored. Please see page 15 of this Half Yearly Financial Report for rent collection information.

Trade receivables are managed under a "held to collect" business model as described in note 20 to the 2021 Annual Report. The Expected Credit Losses ("ECL") on financial and contract assets recognised during the period were €91k (March 2021: €213k). Details on the Group's policy on providing ECL can be found in the introduction to Section IV of consolidated financial statements in the 2021 Annual Report. The Group has a diverse range of occupiers, many of which are large multinational companies. 56% of the Group's contracted rent (gross of residential property costs and turnover rents) is from the technology and state entity sectors (March 2021: 58%).

The maximum amount of credit exposure is therefore:

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Derivatives at fair value	854	972
Trade and other receivables	12,055	13,180
Cash and cash equivalents	30,976	31,634
Balance at end of period	43,885	45,786

iv. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The nature of the Group's activities means that the management of cash is particularly important and is managed over a four-year period, which encompasses the near-term development pipeline. The budget and forecasting process includes cash forecasting,

capital and operational expenditure projections, cash inflows and dividend payments on a quarterly basis over the four-year horizon. This allows the Group to monitor the adequacy of its financial arrangements.

The Group ensures that it has sufficient available funds to meet obligations as they fall due. At the period end, the Group had a net current liabilities position. However, this was a short term position. The nature of the Group's business means that substantial funds are received in advance, and hence shown as current liabilities. €18m (March 2021: €18m) of trade and other payables resulted from these items. The completion of the sale of Dockland Central that was in progress but not complete at period end, (note 20.a), resulted in the receipt of €152m on 5 October 2021. The Group also had access as at 30 September 2021 to €205m (March 2021: €93m) in undrawn amounts under its revolving credit facility (note 13.a), which matures in December 2023.

	As at 30 September 2021 unaudited €'000	As at 31 March 2021 audited €'000
Net current (liabilities)/assets at the period end	(7,706)	3,347

Exposure to liquidity risk

Listed below are the contractual cash flows of the Group's financial liabilities. This includes contractual maturity in relation to borrowings which is also the earliest maturity of the facilities assuming that covenants are not breached. Covenants are reviewed quarterly and scenario analyses performed as to the circumstances under which these covenants could be breached in order to monitor going concern and viability (see also note 2.e). Only trade and other payables relating to cash expenditure are included; the balance relates either to non-cash items or deferred income. These include interest margins payable and contracted repayments. EURIBOR is assumed at 0% throughout the period.

As at 30 September 2021 (unaudited)

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	>5 years
Non-derivatives							
Borrowings	313,837	355,183	3,284	3,284	6,569	163,359	178,687
Trade payables	36,810	36,810	36,810	-	-	-	-
Contract liabilities	3,408	3,408	3,408	-	-	-	-
Total	354,055	395,401	43,502	3,284	6,569	163,359	178,687

At 31 March 2021 (audited)

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	>5 years
Non-derivatives							
Borrowings	300,441	324,473	3,217	3,217	6,434	271,247	40,358
Trade payables	27,997	27,997	27,997	-	-	-	-
Contract liabilities	3,775	3,775	3,775	-	-	-	-
Total	332,213	356,245	34,989	3,217	6,434	271,247	40,358

v. Capital management

The Group's objectives when managing capital are to:

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- Maintain an optimal capital structure to minimise the cost of capital

In order to maintain or adjust capital, the Group may adjust the amount of dividends paid to shareholders (whilst ensuring it maintains compliance with the dividend distribution requirements of the Irish REIT regime), return capital to shareholders, issue new shares or sell assets to reduce debt. The Group is obliged to distribute at least 85% of its property rental income relating to each financial year via dividends under the REIT regime regulations.

Capital comprises share capital, retained earnings and other reserves as disclosed in the consolidated statement of changes in equity. At 30 September 2021 the total capital of the Group was €1,148m (March 2021: €1,149m).

The Group seeks to leverage its equity capital in order to enhance returns (note 13.a). The loan to value ratio ("LTV") is expressed as net debt (note 13.b) divided by total investment property value (as shown in the balance sheet). The Group's policy is to maintain an LTV ratio of 20-30% on a through cycle basis and not to incur debt above an LTV ratio of 40% (see note 13.b).

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following key financial covenants:

- The LTV ratio must not exceed 50%;
- Interest cover must be greater than 1.5 times on both a 12-month historical and forward basis; and
- The net worth (Net Asset Value) of the Group must exceed €400m at all times.

The Group has complied with these key covenants throughout the reporting period and has considerable headroom to each of them.

Other

In addition, the LTV ratio must remain under 50% under the rules of the Irish REIT regime.

The Company's share capital is publicly traded on Euronext Dublin and the London Stock Exchange.

As the Company is authorised under the Alternative Investment Fund regulations it is required to maintain a minimum of 25% of its annual fixed overheads as capital. This is managed through the Company's risk management process. The limit was monitored throughout the period and no breaches occurred.

Section 5 – Other

This section contains notes that do not belong in any of the previous categories.

17. Capital commitments

The Group enters into development contracts to develop buildings in its portfolio. The total capital expenditure commitment in relation to these over the next one to two years is estimated at €1m (March 2021: €3m).

18. Contingent liabilities

Accounting policy

[See note 32 of the 2021 Annual Report.](#)

The Group has not identified any contingent liabilities which are required to be disclosed in the condensed consolidated financial statements.

19. Related parties

19.a Subsidiaries

All transactions between the Company and its subsidiaries are eliminated on consolidation. See note 33.a of the 2021 Annual Report for a list of major subsidiaries.

19.b Other related party transactions

Thomas Edwards-Moss (CFO) rents an apartment from the Group at market rent and paid €14k in rent during the period (March 2021: €33k).

20. Events after the reporting period

20.a Sale of Dockland Central

On 6 October 2021 the Group announced the exchange of contracts and simultaneous completion of the sale of Dockland Central for €152.3m. The price was marginally ahead of the March 2021 carrying value and reflected a net initial yield of circa 4.75% and a capital value of €1,032 per sq. ft. for the office accommodation. The net sales proceeds are expected to be reinvested in Hibernia's substantial near term development pipeline over the next two years but meanwhile have been used to paydown the Group's RCF.

20.b Interim dividend

On 17 November 2021 the Directors approved the interim dividend of 2.0 cent per share (€13.2m) which will be paid on 27 January 2022 to shareholders on the register on 7 January 2022.

Supplementary Information (unaudited)

I. Alternative Performance Measures

The Group has applied the European Securities and Markets Authority (ESMA) "Guidelines on Alternative Performance Measures" in this Half Yearly Financial Report. An Alternative Performance Measure ("APM") is a measure of financial or future performance, position or cash flows of the Group which is not a measure defined by International Financial Reporting Standards ("IFRS").

The APMs used in this Half Yearly Financial Report are described in detail on pages 201 to 203 of the 2021 Annual Report.

II. European Public Real Estate Association ("EPRA") Performance Measures (unaudited)

EPRA Performance Measures are calculated according to the EPRA Best Practices Recommendations October 2019. EPRA performance measures are used in order to enhance transparency and comparability with other public real estate companies in Europe. EPRA earnings and EPRA NTA measures are also included within the financial statements, in which they are audited annually, as they are key performance indicators for variable remuneration. All measures are presented on a consolidated basis only and, where relevant, are reconciled to IFRS figures as presented in the consolidated financial statements.

EPRA performance measure	Unit	Six months ended 30 September 2021	Six months ended 30 September 2020
EPRA earnings	€'000	20,911	22,439
EPRA EPS	cent	3.2	3.3
Diluted EPRA EPS	cent	3.1	3.3
EPRA cost ratio - including direct vacancy costs		24.0%	21.3%
EPRA cost ratio - excluding direct vacancy costs		22.5%	19.9%
EPRA performance measure	Unit	As at 30 September 2021	As at 31 March 2021
EPRA net initial yield ("NIY")		4.1%	4.4%
EPRA "topped-up" NIY		4.2%	4.4%
IFRS NAV	€'000	1,148,003	1,148,638
IFRS NAV per share	cent	173.5	173.6
EPRA Net Reinstatement Value ("EPRA NRV")	cent	193.0	192.7
EPRA Net Tangible Assets ("EPRA NTA")	cent	172.5	172.7
EPRA Net Disposal Value ("EPRA NDV")	cent	164.0	171.2
EPRA vacancy rate		9.9%	8.5%
Adjusted EPRA vacancy rate		8.8%	7.3%

II.a EPRA earnings

EPRA earnings, earnings from operational activities, are presented as they are a key measure of the Group's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings. Unrealised changes in valuation, gains or losses on disposals of properties and certain other items are excluded as they are not considered to be part of the core activity of an investment property company.

EPRA earnings	Note	Six months ended	Six months ended	Financial year ended
		30 September 2021 €'000	30 September 2020 €'000	31 March 2021 €'000
(Loss)/profit for the period		21,192	(34,244)	(25,213)
<i>Less:</i>				
Losses and (gains) on investment property	10	(116)	56,891	67,581
Profit or loss on disposals of other assets		-	-	(69)
Deferred tax in respect of EPRA adjustments		(165)	(208)	(188)
Changes in fair value of financial instruments and associated close-out costs		-	-	112
EPRA earnings		20,911	22,439	42,223
EPRA earnings per share and diluted EPRA earnings per share				
		'000	'000	'000
Weighted average number of ordinary shares (basic)		661,792	683,737	673,618
Weighted average number of ordinary shares (diluted)		665,267	685,905	676,990
EPRA earnings per share (cent)		3.2c	3.3c	6.3c
Diluted EPRA earnings per share (cent)		3.1c	3.3c	6.2c

II.b EPRA cost ratio

A key measure to enable meaningful measurement and comparison of the changes in a company's operating costs.

	Six months ended	Six months ended	Financial year ended
	30 September 2021 €'000	30 September 2020 €'000	31 March 2021 €'000
Total operating expenses under IFRS	6,339	5,884	13,485
Property expenses	1,787	1,369	3,174
Net service charge costs/fees	(232)	(167)	(75)
EPRA costs including direct vacancy costs	7,894	7,086	16,584
Direct vacancy costs	(500)	(478)	(984)
EPRA costs excluding direct vacancy costs	7,394	6,608	15,600
Gross rental income ¹	32,906	33,222	66,405
EPRA cost ratio including direct vacancy costs	24.0%	21.3%	25.0%
EPRA cost ratio excluding direct vacancy costs	22.5%	19.9%	23.5%

Adjusted for costs recovered through rents and, under IFRS, accounted for on a gross basis

Property expenses are reduced by the costs which are reimbursed through rental receipts.

No capital expenditure is included in these figures: all such expenditure is charged to the investment property account. The Group has not capitalised any overhead or operating expenses in the current period or the prior financial year. Operating expenses are only capitalised if they are directly attributable to the enhancement, development or refurbishment of a property. Most development and refurbishment activities are provided by third party service providers.

II.c EPRA vacancy rate

This provides comparable and consistent vacancy data for investors based on the Valuer's assessment of gross ERV. The EPRA vacancy rate measures the ERV of vacant space expressed as a percentage of the total ERV of the completed portfolio.

EPRA vacancy rate: Calculated as recommended excluding current developments/refurbishments projects underway:
30 September 2021: None; 31 March 2021: 2 Cumberland Place and 50 City Quay.

	Six months ended	Financial year ended
	30 September 2021 €'000	31 March 2021 €'000
Annualised ERV vacant units	7,522	6,143
Annualised ERV completed portfolio	75,893	72,348
EPRA vacancy rate	9.9%	8.5%

Adjusted EPRA vacancy rate: Calculated as above but also excluding the Clanwilliam Court properties (Clanwilliam Blocks 1,2 and 5 and Marine House) which are scheduled to move to the development portfolio segment in the next 3-6 months and therefore will be unavailable to rent when the current leases expire:

	Six months ended 30 September 2021 €'000	Financial year ended 31 March 2021 €'000
Annualised ERV vacant units	6,159	4,895
Annualised ERV completed portfolio	70,125	67,311
Adjusted EPRA vacancy rate	8.8%	7.3%

II.e EPRA Net Initial Yield (“EPRA NIY”) and EPRA “topped-up” Net Initial Yield

This measures the inherent yield of the portfolio according to set guidelines to allow investors to compare real estate investment companies across Europe on a consistent basis, using current cash passing rent. EPRA ‘topped-up’ NIY measures the yield based on rents adjusted for the expiration of lease incentives, i.e. on a contracted rent basis. EPRA NIY is calculated using the fair value of investment property per the Valuer’s Certificate excluding owner occupied property.

As at 30 September 2021

	Office €'m	Residential €'m	Industrial/ other €'m	Total €'m	Development €'m	Total €'m
Investment property at fair value	1,224	178	48	1,450	-	1,450
Less: Development/refurbishment	-	-	(19) ¹	(19)	-	(19)
Completed property portfolio	1,225	178	29	1,431	-	1,431
Allowance for purchasers' costs ²	124	8	5	136		
Gross up of completed property portfolio (A)	1,348	186	34	1,568		
Annualised cash passing rental income ³	57	8	2	67		
Property outgoings	(1)	(2)	-	(3)		
Annualised net rents (B)	56	6	2	64		
Expiry of lease incentives and fixed uplifts ⁴	2	-	-	2		
‘Topped-up’ annualised net rent (C)	58	6	2	66		
EPRA NIY (B/A)	4.2%	3.4%	6.7%	4.1%		
EPRA ‘Topped-up’ NIY (C/A)	4.3%	3.4%	6.7%	4.2%		

1. Lands at Newlands are excluded as held for future development and were undeveloped at 30 September 2021 and at 31 March 2022.
2. The allowance for purchasers' costs represents the difference between the net value of investment property per the Valuer's certificate, which is the fair value under IFRS, and the gross value which includes the total costs to a purchaser. Purchasers costs are generally stamp duty and are estimated 9.96% of the net value for commercial property and 4.46% for residential
3. Cash passing rent includes residential rents gross as property outgoings are included separately
4. Lease incentives and fixed uplifts expire mainly within one year

As at 31 March 2021

	Office €'m	Residential €'m	Industrial /other €'m	Total €'m	Development €'m	Total €'m
Investment property at fair value	1,139	168	58	1,365	62	1,427
Less: Development/refurbishment	-	-	(30) ¹	(30)	(62)	(92)
Completed property portfolio	1,139	168	28	1,335	-	1,335
Allowance for purchasers' costs ²	113	7	3	123		
Gross up of completed property portfolio (A)	1,252	175	31	1,458		
Annualised cash passing rental income ³	58	7	2	67		
Property outgoings	(1)	(1)	(1)	(3)		
Annualised net rents (B)	57	6	1	64		
Expiry of lease incentives and fixed uplifts ⁴	-	-	-	-		
‘Topped-up’ annualised net rent (C)	57	6	1	64		
EPRA NIY (B/A)	4.5%	3.3%	4.6%	4.4%		
EPRA ‘Topped-up’ NIY (C/A)	4.5%	3.3%	4.6%	4.4%		

See notes 1 to 4 on 30 September 2021 table

II.f EPRA NAV measures

Net Asset Value ("NAV") is a key performance measure for real estate companies. EPRA has introduced a number of measures to enhance investors' understanding. EPRA has defined three measures in the 2019 Guidelines as below.

EPRA Net Reinstatement Value ("NRV") highlights the value of net assets on a long-term basis. This assumes that entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets ("NTA") assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

EPRA Net Disposal Value ("NDV") represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

	Period ended 30 September 2021		
	EPRA NRV	EPRA NTA ¹	EPRA NDV ^{2,5}
	€'000	€'000	€'000
IFRS NAV	1,148,003	1,148,003	1,148,003
<i>Include:</i>			
Revaluation of other non-current investments	-	-	-
Diluted NAV at fair value³	1,148,003	1,148,003	1,148,003
<i>Exclude:</i>			
Deferred tax in relation to unrealised gains on investment property	41	-	-
Fair value of financial instruments	(380)	(380)	-
<i>Include:</i>			
Fair value of fixed interest rate debt	-	-	(56,657) ⁶
Real estate transfer tax ⁴	136,461	-	-
NAV performance measure	1,284,125	1,147,623	1,091,345
Diluted number of shares at period end	665,286	665,286	665,286
NAV per share at period end (cent)	193.0c	172.5c	164.0c

- Following changes to the Irish REIT legislation introduced in October 2019, if a REIT disposes of an asset of its property rental business and does not (i) distribute the gross disposal proceeds to shareholders by way of dividend; (ii) reinvest them into other assets of its property rental business (whether by acquisition or capital expenditure) within a three-year window (being one year before the sale and two years after it); or (iii) use them to repay debt used to acquire, enhance or develop assets of the property rental business (and in certain circumstances, debt on other property rental business assets), then the REIT will be liable to tax at a rate of 25% on 85% of the gross disposal proceeds, subject to having sufficient distributable reserves. For the purposes of EPRA NTA we have assumed any such sales proceeds are reinvested within the required three-year window.
- Deferred tax is assumed as per the IFRS balance sheet. To the extent that an orderly sale of the Group's assets was undertaken over a period of several years, during which time (i) the Group remained a REIT; (ii) no new assets were acquired or sales proceeds reinvested; (iii) any developments completed were held for three years from completion; and (iv) those assets sold were sold at 30 September 2021 valuations, 85% of the sales proceeds (less certain relevant debt) would need to be distributed to shareholders by way of dividend within the required timeframe or else a tax liability amounting to up to 25% of distributable reserves plus current unrealised revaluation gains could arise for the Group.
- The Group uses the fair value option under IAS 40 and has no hybrid instruments or occupier leases held as finance leases.
- The Group has no goodwill or intangibles. This is the purchasers' costs amount as provided in the valuation certificate. Purchasers' costs consist of items such as stamp duty on legal transfer and other purchase fees that may be incurred, and which are deducted from the gross value in arriving at the fair value of investment and owner- occupied property for IFRS purposes. Purchasers' costs are in general estimated at 9.96% for commercial and 4.46% for residential.
- Following changes to the Irish REIT legislation introduced in October 2019, if the Group ceases to be a REIT, as defined under Irish legislation, within 15 years of it originally becoming a REIT then a potential tax liability could arise for the Group.
- The Company's fixed rate debt consists of €200m in unsecured US PP notes. In the event of early termination, in most circumstances the Company would be obliged to pay the net present value of all outstanding interest to maturity, plus the principal outstanding, as well as paying or receiving the cost or benefit of breaking the cross currency swap(s) in place. Therefore the fair value of fixed rate debt for this adjustment is deemed to be the "make whole" amount.

	Financial year ended 31 March 2021		
	EPRA NRV	EPRA NTA ¹	EPRA NDV ^{2,5}
	€'000	€'000	€'000
IFRS NAV	1,148,638	1,148,638	1,148,638
<i>Include:</i>			
Revaluation of other non-current investments	-	-	-
Diluted NAV at fair value³	1,148,638	1,148,638	1,148,638
<i>Exclude:</i>			
Deferred tax in relation to unrealised gains on investment property	206	-	-
Fair value of financial instruments	(442)	(442)	-
<i>Include:</i>			
Fair value of fixed interest rate debt	-	-	(9,900)
Real estate transfer tax ⁴	132,997	-	-
NAV performance measure	1,281,399	1,148,196	1,138,738
Diluted number of shares at financial year end	665,029	665,029	665,029
NAV per share at financial year end (cent)	192.7	172.7	171.2

1-5 See notes 1-5 in 30 September 2021 table above

II.g EPRA capital expenditure

The following tables analyse capital expenditure (“CapEx”) according to EPRA guidelines.

Explanatory notes to the tables:

Acquisitions: this is the “Property purchases” amount per the investment property note in the condensed consolidated financial statements (note 10). It represents amounts spent for the purchase of investment properties including purchase costs that have been capitalised

Development and refurbishment expenditure in the investment property note in the condensed consolidated financial statements (note 10) are further analysed here into the following categories where applicable:

- **Development:** amounts spent on investment properties under construction or major refurbishment and related project costs capitalised, including internal costs allocated
- “*In-place*” **Investment properties:** amounts spent on the completed operational portfolio including:
 - Incremental lettable area: amounts spent to add additional lettable space to ‘in-place’ investment property
 - No incremental lettable space: amounts spent to enhance the property without increasing lettable areas
 - Occupier incentives: any amounts spent on the investment property as incentive for occupiers
 - **Capitalised interest:** capitalised finance costs which are added to the carrying value of investment properties

The Group has no joint ventures; all of its properties are located in the Dublin area. The Group has divided its business into investment property classes which differ in their character and risk/return profiles depending on market conditions and reflect the strategic objectives that the Group has targeted. CapEx is therefore analysed into these classes in the tables. A full overview of the business segments can be found on page 148 of the 2021 Annual Report.

As at 30 September 2021 (unaudited)

	Office assets €'000	Office development assets €'000	Residential assets €'000	Industrial/other assets €'000	Total €'000
Acquisitions	-	-	18,417	-	18,417
Development properties¹	100	628	-	-	728
‘In-place’ investment properties					
Incremental lettable space	-	-	-	-	-
No incremental lettable space	347	-	-	-	347
Occupier incentives	-	-	-	-	-
Expenditure on properties due for re-development/refurbishment ²	3,135	-	-	163	3,298
Other material non-allocated types of expenditure	-	-	-	-	-
Total CapEx	3,582	628	18,417	163	22,790
Capitalised interest	-	118	-	-	118
Total CapEx	3,582	746	18,417	163	22,908
Conversion from accrual to cash basis	(386)	-	(9,621)	-	(10,007)
Total CapEx on a cash basis	3,196	746	8,796	163	12,901

1. Capex relating to mainly development/refurbishment of 2 Cumberland Place and 50 City Quay, but also includes some small amounts in relation to previously completed developments and public realm contributions received

2. Expenditure on properties in the development pipeline (see incremental lettable space table below for the list of properties concerned)

As at 31 March 2021 (audited)

	Office assets €'000	Office development assets €'000	Residential assets €'000	Industrial /other assets €'000	Total €'000
Acquisitions	6,900	-	366	3,833	11,099
Development ¹	1,808	14,721	-	-	16,529
<i>'In-place' investment properties</i>					
Incremental lettable space	-	-	-	-	-
No incremental lettable space ²	98	-	203	-	301
Occupier incentives	-	-	-	-	-
Expenditure on properties due for re-development/refurbishment	1,027	-	-	-	1,027
Other material non-allocated types of expenditure	-	-	-	-	-
Total CapEx	9,833	14,721	569	3,833	28,956
Capitalised interest	-	252	-	-	252
Total capex	9,833	14,973	569	3,833	29,208
Conversion from accrual to cash basis	(1,844)	821	113	(4)	(914)
Total capex on cash basis	7,989	15,794	682	3,829	28,294

1. Capex relating to mainly development/refurbishment of 2 Cumberland Place and 50 City Quay, but also includes some small amounts in relation to previously completed developments.

2. Amounts are stated after taking account of dilapidation payments received from vacating occupiers.

Incremental lettable space

Development and refurbishment expenditure takes place over a period of time, often spanning more than one accounting period. It is therefore difficult to associate CapEx with specific incremental letting area. This table shows the projects either active or planned during the period commencing 1 April 2020 and the relevant incremental lettable space based on current planning submissions.

	Project type	Pre-project area sq. ft.	Area post completion sq. ft.	Incremental lettable space sq. ft.
Completed projects in period				
2 Cumberland Place	Development Major refurbishment	-	59k	59k
50 City Quay		5k	5k	-
		5k	64k	59k
Development pipeline projects				
Clanwilliam Quarter	Development	134k	202k	68k
Harcourt Square	Development	122k	337k	215k
Hardwick and Montague House		88k	140k	52k
		256k	539k	335k
Overall total		261k	603k	394k

DIRECTORS AND OTHER INFORMATION

Directors	Daniel Kitchen (Chair) Colm Barrington (Senior independent Director until leaving Board on 27 July 2021) Roisin Brennan (Senior Independent Director from 27 July 2021) Thomas Edwards-Moss (CFO) Margaret Fleming Stewart Harrington Grainne Hollywood Kevin Nowlan (CEO) Terence O'Rourke
Company Secretary	Sean O'Dwyer
Assistant Secretary	Blackglen Corporate Governance Solutions Limited t/a Corporate Governance Solutions 169 Bracken Hill Sandyford Dublin D18 R22W Ireland
Registered office	1WML Windmill Lane Dublin D02 F206 Ireland
Company number	531267
Independent auditor	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House 29 Earlsfort Terrace Dublin D02 AY28
Tax adviser	KPMG 1 Stokes Place St. Stephen's Green Dublin D02 DE03 Ireland
Independent Valuer	Savills Advisory Services (Ireland) Ltd 33 Molesworth Street Dublin D02 CP04 Ireland
Valuer at March 2021: Cushman & Wakefield 164 Shelbourne Road Ballsbridge Dublin D04 HH60 Ireland	

Principal banker	Bank of Ireland 2 Burlington Plaza Burlington Road Dublin D04 X738 Ireland
Depository	BNP Paribas Securities Services, Dublin Branch Trinity Point 10-11 Leinster Street South Dublin D02 EF85 Ireland
Registrar	Link Registrars Limited t/a Link Asset Services 2 Grand Canal Square Dublin D02 A342 Ireland
Principal legal adviser	A&L Goodbody 25/28 North Wall Quay IFSC Dublin D01 H104 Ireland
Corporate brokers	Goodbody Stockbrokers Ballsbridge Park Ballsbridge D04 YW83 Ireland Credit Suisse International One Cabot Square London E14 40J United Kingdom

GLOSSARY

AGM is Annual General Meeting.

Alternative Investment Fund Managers Directive ("AIFMD") is a European Union (EU) regulation that applies to **Alternative Investment Funds ("AIF")**.

APM is an alternative performance measure.

BEPS is base erosion and profit shifting. It refers to corporate tax planning strategies used by multinationals to shift profits from higher tax jurisdictions to low tax jurisdictions.

Brexit is the UK exit from the EU.

Cash passing rent is the gross property rent receivable on a cash basis as at the reporting date. It includes sundry items such as car parks rent and estimates of rents in respect of unsettled rent reviews.

CBD is Central Business District.

CBI is the Central Bank of Ireland.

CDP is a not-for-profit organisation that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Central securities depository ("CSD") is an entity which provides a central point for depositing financial instruments ("securities"), for example bonds and shares.

Contracted rent is the annualised rent adjusted for the inclusion of rent that is subject to a rental incentive such as a rent free period or reduced rent year.

COVID-19 refers to the coronavirus, SARS-CoV-2, first identified in 2019 and more generally to the resulting world pandemic.

CSO is the Central Statistics Office.

Developer's profit is the profit on cost estimated by valuers which is typically a percentage of developer's costs, usually between 10% and 25%.

Development construction cost is the total costs of construction to completion, excluding site and financing costs. Finance costs are usually assumed at a notional 7% per annum by the Valuer.

DoF is the Department of Finance.

DPS is dividend per share.

EBIT is earnings before interest and tax.

Environmental, Social and Governance ("ESG") or sustainability. Investors and occupiers are increasingly applying these non-financial factors as part of their analysis process to identify material risks and growth opportunities.

EPRA is the European Public Real Estate Association, which is the industry body for European property companies. It produces guidelines for a number of standardised performance measures (e.g. EPRA earnings).

EPRA Best Practices Recommendations Guidelines ("EPRA BPR") and EPRA Sustainability Best Practices Recommendations Guidelines ("EPRA sBPR") are guidelines produced by EPRA to make financial statements and disclosures of public real estate entities more comparable across Europe.

EPRA cost ratio (excluding direct vacancy costs) is the same as below except it excludes direct vacancy costs.

EPRA cost ratio (including direct vacancy costs) is the ratio of net overheads and operating expenses against gross rental income. Net overheads and operating expenses relate to all administrative and operating expenses net of any service fees, recharges or other income which is specifically intended to cover overhead and property expenses.

EPRA earnings is the profit after tax excluding revaluations and gains and losses on disposals and associated taxation (if any).

EPRA EPS is EPRA earnings on a per share basis (diluted).

EPRA NAV is defined as the IFRS assets excluding the mark to market on effective cash flow hedges and related debt instruments and deferred taxation on revaluations.

EPRA NAV per share is the EPRA NAV divided by the diluted number of shares at the period end. This measure has now been superseded by EPRA NRV, NTA and NDV.

EPRA Net Disposal Value ("NDV") represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

EPRA Net Initial Yield ("NIY") is the passing rent generated by the investment portfolio at the balance sheet date, less estimated recurring irrecoverable property costs, expressed as a percentage of the portfolio valuation as

adjusted. The portfolio valuation is adjusted by the exclusion of development properties and those under refurbishment.

EPRA Net Reinstatement Value ("NRV") is NAV calculated on a basis that assumes entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets ("NTA") assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

EPRA 'topped-up' net initial yield is calculated as the EPRA NIY but adjusting the passing rent for contractually agreed uplifts, where these are not in lieu of rental growth.

EPRA vacancy rate is the Estimated Rental Value ("ERV") of vacant space divided by the ERV of the whole portfolio, excluding developments and residential property. This is the inverse of the occupancy rate.

EPS or earnings per share is the profit after taxation divided by the weighted average number of shares in issue during the period.

Equivalent yield is the weighted average of the initial yield and reversionary yield and represents the return that a property will produce based on the occupancy data of the occupier leases.

ERV or estimated rental value is the Valuer's opinion as to what the open market rental value of the property is on the valuation date, and which could reasonably be expected to be the rent obtainable on a new letting on that property on the valuation date.

ESMA is the European Securities and Markets Authority

ESRI is the Economic and Social Research Institute.

EU is the European Union.

EU-UK Trade and Cooperation Agreement ("TCA"), which provisionally applied on 1 January 2021 and came into force on 1 May 2021, set out preferential treatment between the EU and UK on trade and other matters post-Brexit.

Expected lifetime credit loss ("ECL") are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

Fair value movement is the accounting adjustment to change the book value of the asset or liability to its market value.

FDI is Foreign Direct Investment.

Gale date is the date on which rent is due.

GDA is the Greater Dublin Area.

GDV is gross development value.

Greenhouse gases (GHG) emissions are the most significant contributor to climate change. Measurement of these allows Hibernia to measure the success or otherwise of measures taken in managing its emissions

GRESB is a sustainability benchmark for property assets.

Grey or shadow space is surplus space offered by occupiers for letting by sub-occupiers.

Gross rental income is the accounting-based rental income under IFRS. When the Group provides incentives to its occupiers the incentives are recognised over the lease term on a straight-line basis in accordance with IFRS. Gross rental income is therefore the passing rent as adjusted for the spreading of these incentives.

Gross Value Added ("GVA") is conceptually the same as Gross Domestic Product (GDP). The difference between the two concepts is that GDP is measured after including product taxes (e.g. excise duties, non-deductible VAT, etc.) and deducting product subsidies while GVA is measured prior to adding product taxes but includes product subsidies (source: CSO).

Hibernia is Hibernia REIT plc, the Company or the Group.

IFRS are International Financial Reporting Standards.

'In-place' portfolio is the portfolio of completed properties, i.e. excluding active development and refurbishment projects and land.

The Irish Corporate Governance Annex (the 'Irish Annex') is addressed to companies with a primary equity listing on Euronext Dublin and includes the provisions of the UK Code as well as additional recommendations on governance in Euronext Dublin's listing rules.

Key performance indicators ("KPIs") are the main metrics used in running the business and assessing its performance. They also help determine variable remuneration.

Lease incentive is any consideration or expense, borne by the Group, in order to secure a lease.

LEED ("Leadership in Energy and Environmental Design") is a Green Building

Certification System developed by the US Green Building Council. Its aim is to be an objective measure of building sustainability.

Like-for-like ("LfL") is used when comparing the portfolio year on year, using assets in place for the full comparison period, i.e. ignoring purchases and sales during the period.

Loan to value ("LTV") is the ratio of the Group's net debt to the value of its investment properties.

Long-term incentive plan ("LTIP") aims to encourage senior management retention and align their interests with those of the Group through the payment of rewards based on the Group's long-term performance through shares in the Company that vest after a future period of service.

Market Abuse Regulation ("MAR") consists of the EU Market Abuse Regulation and the Market Abuse Directive as transcribed into Irish Law by way of the European Union (Market Abuse) Regulations 2016. These can be accessed at:

<https://www.centralbank.ie/regulation/industry-market-sectors/securities-markets/market-abuse-regulation>

MSCI Ireland Property All Assets Index ("MSCI Ireland Index" or the "Index") is the index produced by MSCI which measures the return of the property market in Ireland for all asset classes and which is calculated by MSCI both including and excluding Hibernia assets and is used to calculate our KPI 'Total property return' or TPR.

NAVPS is the NAV in cent per share.

Net development value ("NDV") is the external Valuer's view on the end value of a development property when the building is fully completed and let.

Net equivalent yield is the weighted average income return (after allowing for notional purchaser's costs) a property will produce based on the timing of the income received. As is normal practice, the equivalent yields (as determined by the external Valuer) assumes rent is received annually in arrears.

Net lettable or net internal area ("NIA") is the usable area within a building measured to the internal face of the perimeter walls at each floor level.

Net reversionary yield is the expected yield after the rent reverts to the ERV.

NTAPS is the NTA in cent per share.

Occupancy rate is the estimated rental value of let units as a percentage of the total estimated rental value of the portfolio, excluding development properties.

Occupier or lease incentives are incentives offered to occupiers on entering into a new lease and may include a rent free or reduced rent period, or a cash contribution to fit-out. Under accounting rules, the value of these incentives is amortised through the rental income on a straight-line basis over the term of the lease or the period to the next break point.

OECD is the Organisation for Economic Co-operation and Development.

Over rented is used to describe when the contracted rent is higher than the ERV.

Passing rent is the annualised gross property rent receivable on a cash basis as at the reporting date. It includes sundry items such as car parks rent and estimates of rents in respect of unsettled rent reviews.

PC is practical completion.

PRS is the private rental sector (residential).

Savills or Savills Advisory Services (Ireland) Ltd or the Valuer are the Group's external independent Valuer.

RCF or revolving credit facility is the Group's variable rate unsecured borrowing facility.

RTB is the Residential Tenancies Board.

Standards, RICS Valuation Technical and Performance Standards and the RICS Valuation Practice Guidance Applications are applications contained within the RICS Valuation – Global Standards 2019 (the "Red Book") issued by the Royal Institution of Chartered Surveyors which provide the standards for preparing valuations on property.

Shadow space is surplus space offered by occupiers for letting by sub-occupiers.

Sq. ft. is square feet.

TCFD is the Task Force on Climate-related Financial Disclosures created by the Financial Stability Board which has produced recommendations to improve and increase reporting of climate-related financial information.

Term certain is the lease period to the next break or expiry.

TMT sector is the technology, media and telecommunications sector.

Total Accounting Return ("TAR") measures the absolute growth in the Group's EPRA NAV per share plus any ordinary dividends paid.

Total Property Return ("TPR") is the return for the period of the property portfolio (capital and income) as calculated by MSCI, the producers of the MSCI Ireland Property All Assets Index.

Total Shareholder Return ("TSR") is the growth in share value over a period assuming dividends are reinvested to purchase additional units of stock.

Transparency regulations are the Transparency (Directive 2004/109/EC) Regulations 2007, as amended and establish minimum requirements in relation to the disclosure of

periodic and ongoing information by issuers and on the disclosure of major shareholdings and voting rights. These can be accessed at <https://www.centralbank.ie/regulation/industry-market-sectors/securities-markets/transparency-regulation/>

Under rented is the term used to describe where contracted rents are lower than ERV. This implies a positive reversion after expiry of the current lease contract terms.

UN Sustainable Development Goals ("UN SDGs") are 17 goals with 169 targets that all UN Member States have agreed to work towards achieving by the year 2030.

UK Corporate Governance Code 2018 (the "UK Code") is published by the Financial Reporting Council in the UK and contains recommendation

on governance standards to be followed by organisations. Irish listed companies are also subject to this on a comply or explain basis under the Euronext Dublin listing rules.

USPP is US private placement notes.

Valuer is the independent valuer appointed by the Group to value the Group's investment properties at the date of the consolidated financial statements. From September 2021 the Group has used Savills Advisory Services (Ireland) Ltd. Previously the Group has used CBRE (until September 2017) and Cushman and Wakefield (2017-2021).

WAULT is weighted average unexpired lease term and is variously calculated to break, expiry or next review date.