INTERIM RESULTS

For the six month period to 30 September 2015

12 November 2015

Hibernia REIT plc ("Hibernia", the "Company" or the "Group") today announces its interim results for the six months to 30 September 2015. Highlights for the period:

Strong financial performance

- EPRA NAV per share of 122.1 cent up 9.2% since 31 March 2015
- EPRA profit of €10.1m (Sep 2014: €3.0m), helped by €4.9m of one-off gains
- Profit before tax of €73.7m (Sep 2014: €31.9m) including revaluation surplus and gains on disposals
- Interim dividend declared of 0.7 cent per share (Sep 2014: 0.3 cent per share)

Significant letting activity adding to contracted rent roll with more to come

- Major pre-let of c. 85,000 sq. ft. of Cumberland House to Twitter for annual rent of €4.6m (€50psf)
- Pre-let 27,500 sq. ft. currently under refurbishment in One Dockland Central, IFSC, to HubSpot for annual rent of €1.3m (€45psf)
- 213 units in Block 3, Wyckham Point fully let by period end adding net annual rent of c. €3.7m
- One further pre-let and one rent review securing €0.5m of additional rental income
- Contracted rent roll now €34.4m, up 52% on 31 March 2015[1]
- Income-producing "in-place"[2] CBD office portfolio has average rents of €32psf (vs ERV at 30 September of €40psf) and an average period to earlier of rent review or expiry of 2.2 years

Good progress made on development pipeline

- Block 3, Wyckham Point completed ahead of schedule delivering profit on cost of more than 30%
- Windmill Lane and 1-6 Sir John Rogerson's Quay on track for late 2017 and mid-2018 completions, respectively
- Refurbishment of Cumberland House commenced following Twitter pre-let
- Planning granted for Phase 1 of redevelopment of Harcourt Square and application made for Phase 2 (out of 2)

Select further investment activity

- Off-market acquisition of Dundrum View, an 80 unit apartment complex in Dundrum for c. €28m
- Two small acquisitions made totalling €3.1m, enhancing our positions on existing assets
- 50:50 JV (the "Windmill Lane Partnership") formed with an affiliate of Starwood Capital Group Global LP ("Starwood") on Windmill Lane development

Substantial financial capacity in place

- €115m of net cash at 30 September 2015 (31 March 2015: €139m)
- New five year €400m revolving credit facility entered, replacing existing €100m facility

Broadening universe of potential investors

- Inclusion in EPRA Index in September quarterly review[3]
- Internalisation of management team completed in early November following shareholder approval
- Kevin Nowlan and Tom Edwards-Moss have joined the Board of Directors

[1] Includes pre-let refurbishments, residential income net

[2] Excludes refurbishment and development projects

[3] FTSE EPRA/NAREIT Global Real Estate Index Series

Kevin Nowlan, Chief Executive Officer of Hibernia, said:

"*We are pleased with the performance for the first half of the year: we have made significant progress on our development portfolio and signed two major pre-lets. Hibernia's strategy and skillset - allowing us to access off-market deals, loan portfolio opportunities and to take on major development and refurbishment projects - is clearly delivering.*

"The Dublin property market is well supported by the economic growth Ireland is enjoying and with new, flexible funding in place allowing us to act quickly as opportunities arise we are optimistic for the future."

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About Hibernia REIT plc
Hibernia REIT plc is an Irish Real Estate Investment Trust ("REIT") listed on the Irish and London Stock Exchanges. The principal activity of the Company is to acquire and hold investments in Irish property (primarily commercial property) with a view to maximising shareholder returns.

Business Review

Acquisitions and disposals

The acquisition of Dundrum View, an 80 unit apartment complex in Dundrum, South Dublin for c. €28m was announced and completed in June 2015. The Group also completed the acquisitions of 11 Lime Street and 35-37 Lower Camden Street for total consideration of €3.1m: both of these transactions were made to enhance the value of our existing portfolio. These transactions bring the total invested in acquisitions since the Company's IPO in December 2013 to €600m (€602m net of disposals and capex). Post 30 September, 39 Harcourt Street was acquired for €1.8m to improve our position for the future redevelopment of Harcourt Square.

During the period Starwood exercised their option to buy back into the Windmill Lane development as a 50:50 joint venture partner at purchase price plus an annual return of 7% (Hibernia acquired the site in 2014 from Starwood for €7.5m), leading to the formation of the Windmill Lane Partnership ("WLP"). The transaction, which is recognised in the accounts as at 30 September as a joint operation, resulted in a small increase to the Group's NAV as at 31 March 2015. All future income and expenditure will be shared equally between Hibernia and Starwood, with Hibernia acting as asset manager and development manager to WLP.

On 23 October 2015 the Group served notice to exercise a call option to acquire Hardwicke House and Montague House for €43m. This will result in the Group having direct ownership of both buildings: currently the Group's interest is held through secured loans. Both properties are recognised fully as investment properties in accordance with the Group's accounting policy.

Portfolio overview

As at 30 September 2015 the property portfolio consisted of 21 investment properties valued at €739m, which can be categorised as follows:

	Value as at Sep 15 (all assets)	% of portfolio	% uplift since Mar 15 excl. new acquisition (1)	% uplift since Mar 15 incl. new acquisition (1)	% uplift since acquisition (all assets) incl. costs(1)	Equivalent Yield on value (%)	Passing rent (2) (€m)
1. Dublin CBD Offices							
Traditional Core	€179m	24%	8.2%	8.0%	17.9%	5.1%(3)	€7.5m
IFSC	€217m	29%	6.2%	6.2%	23.0%	5.2%	€9.3m
South Docks	€114m	15%	5.9%	5.9%	39.3%	5.2%	€3.8m
Total Dublin CBD Offices	**€509m**	**69%**	**6.8%**	**6.8%**	**24.0%**	**5.2%(3)**	**€20.7m**
2. Dublin CBD Office Development/Refurbishment	€109m	15%	26.2%	26.2%	43.0%	–	–
3. Dublin Residential	€110m	15%	7.4%	3.9%	18.0%	4.7%	€5.4m
4. Industrial	€11m	1%	3.3%	3.3%	3.0%	7.3%	€0.5m
Total Investment Properties	**€739m**	**100%**	**9.4%**	**8.7%**	**25.0%**	**5.1%(3)(4)**	**€26.6m**

1. Includes capex in acquisition costs
2. Passing rent is pre full ownership of Hardwicke
3. Excludes Harcourt Square as this is valued by CBRE on a residual/ development appraisal basis
4. Excludes all Dublin CBD Office Development/Refurbishment

The “in-place” CBD office element of our portfolio had the following statistics at 30 September 2015:

- Average contracted rent €32psf (vs ERV of €40psf)
- Weighted average period to earlier of rent review or lease expiry: c. 2.2 years
- WAULT to earlier of expiry or break: 4.0 years
- WAULT to expiry: 6.6 years
- Occupancy level: 99%

Developments and refurbishments

The Group has committed and near term development projects at five properties and a further two properties in the longer term development pipeline. Following a substantial pre-let to Twitter during the period (see further details below), work commenced on the refurbishment of Cumberland House, moving it from the development pipeline to committed and near term projects.

Completed projects

The fit-out of the 213 residential units in Block 3, Wyckham Point was completed in July 2015, well ahead of our original guidance that completion would occur by the end of 2015. The project was delivered within the budget of €25m, generating a profit on cost of greater than 30% and an unlevered IRR of greater than 25%. As at the end of September, all the units had been let, producing net annual rent of c.€3.7m, a yield on cost in excess of 6%.

Summary of committed & near term developments and refurbishments

	Sector	NIA post completion (sq ft)	Full purchase cost	Est. capex	Est. total cost (incl. land) € psf	ERV[1]	Office ERV psf[1]	Expected PC Date	Comments
Refurbishment									
Cumberland House	Office	112k	€51m	€27m	€665psf	€6.4m	€50.00psf	Q4 2016	• Refurbishment has commenced following the pre-let of 85,000 sq. ft. to Twitter • c.30k sq. ft. (top two floors) to let
One Dockland Central	Office	73.5k[5]	€47m[2]	€10m[3]	€740psf[2]	€3.5m[2]	€44.00psf[7]	Q1 2016	• Contractors on site • Net lettable area to increase by c.2,200 sq. ft. to 73,500 sq. ft. • Terms agreed with HubSpot for a lease of c.27,500 sq. ft. at €45psf/€1.3m • Marketing remaining space
Observatory Live/work SOBO Lofts	Office	9.7k office 2k retail	€2m	€1.5m	€280psf	€0.4m	€32.50psf	Q1 2016	• Contractors on site • Entire of office and retail pre-let at €0.4m p.a. • Offices let on stepped rent (€32psf rising to €36psf in yr 5)
Development									
Windmill Lane (50% interest)	Office	60.5k office 3.3k retail 7.5 resi. Units	€4m	€26m	€425psf[4]	€2.8m[4]	€43.50psf	late 2017	• Demolition completed and basement dug • Starwood 50:50 JV partner • Marketing campaign commenced at >€50psf
1-6 SJRQ	Office	119k office[6] 6.2k retail	€18m	€50m	€550psf	€5.7m	€47.50psf	mid 2018	• Revised planning for a new and improved building has been conditionally approved • Demolition in progress
		375k office 11.5k retail 7.5 units	€122m	€114.5m		€18.8m			

1. Per CBRE valuation at 30 Sep 2015
2. For entire
3. €7.9m net of dilapidation charge received
4. Commercial only
5. 55k sq. ft. of 73.5k sq. ft. being refurbished plus all common areas
6. 9k sq. ft. in basement
7. €45.00psf on refurbished space i.e. 56k sq. ft. and €41 on non-refurbished first floor of 16k sq. ft.

Summary of longer term development pipeline

Name	Sector	Current NIA (sq.ft.)	NIA post completion	Full purchase cost	Comments
Gateway	Logistics	178k on 14.1 acres	c.245k[1]sq.ft.	€10m	• Outline planning permission for new road configuration to be submitted shortly
Harcourt Square	Office	117k on 1.9 acres	c.285k sq. ft.	€72m	• The 1.9 acre site lies within 700m of St. Stephen's Green • Phase 1 planning successful and final grant in early October 2015 • Phase 2 planning submitted early November 2015
Total		**295k on 16 acres**	**c.530k sq. ft.** [1]	**€82m**	

1. Planned new offices of c.115k sq. ft. plus potential to add a further c.130k sq. ft of offices

Asset management report

The team has been highly active in the half with new leases and rent reviews agreed adding a total of €10.4m per annum to contracted rents and asset management initiatives under way at a number of buildings in the portfolio. Summary of letting activity:

- Office: three new leases signed and one rent review on c. 128,000sq.ft. generating €6.4m of incremental new annual rent.
- Residential: 310 units now let, generating €6.4m of annual rent (€5.4m net of costs) and includes the 80 Dundrum View apartments acquired in June 2015; Letting activity generated incremental new annual rent of €4.0m during the period.
- Industrial: restructuring of tenant leases at Gateway to maintain current passing rent and give landlord ability to gain vacant position upon 12 months' notice for any future redevelopment

Key highlights in the period include:

<u>Cumberland House, Dublin 2</u>
A pre-let to Twitter was signed in September, with the tenant agreeing to take c. 85,000 sq. ft. (out of c. 112,000 sq. ft.) on a 20 year lease with break in year 12. Twitter will pay initial rent of c. €4.6m per annum (€50psf) from expected lease commencement in H2 2016. Ahead of this, Hibernia has agreed to refurbish the entire building at a cost of up to €27m. Marketing of the remaining space is expected to begin in Q1 2016.

<u>One Dockland Central (formerly Commerzbank House), IFSC</u>
Vacant possession of four of the property's five floors (55,000 sq. ft. out of 71,600 sq. ft.) was secured in late 2014 following an early lease surrender. A full refurbishment of the vacant space and all common areas in the building is under way and on track for full completion in Q1 2016. Planning was granted for the elimination of a number of recessed balconies which has resulted in an increase in the building's net lettable area of c.2,200 sq. ft. As part of the refurbishment, the building has been renamed "One Dockland Central".

Two floors (27,500 sq. ft.) and 14 car parking spaces were pre-let to HubSpot in November 2015 on a 20 year lease with a break in 10.5 years: the tenant will pay rent of c.€1.3m per annum (€45psf) after receiving six months rent free from lease commencement (expected mid-December 2015). The marketing of the remaining space will be formally launched in November 2015 and is attracting interest from a number of potential tenants.

<u>Guild House, IFSC</u>
In July agreement was reached with FBD plc regarding the early surrender of their leasehold interest for a total payment to Hibernia of €8.8m, covering surrender premiums, rental top-ups and dilapidations. The property is fully occupied and the Group has now a direct landlord-tenant relationship with all nine previous sub-tenants of FBD. All of these leases, with the exception of Bank of New York Mellon who occupy the entire first floor, have lease expiration dates prior to the end of Q1 2017. The Group is considering its options and formulating a strategy for the maximisation of the value of this property, which adjoins One Dockland Central.

<u>The Observatory Building, South Docks</u>
A rent review effective from November 2014 in respect of c. 6,000 sq. ft. let to Morgan Stanley was agreed during the period. The rent achieved at review of c. €41psf represents an uplift of 40% over the passing rent. An upgrade of the entrance for the main office element of the property, which comprises c. 85,000 sq. ft., is under way and scheduled to complete in December 2015.

The "live/work" units at the rear of the property (which total c. 11,000 sq. ft.) are being converted to offices following a grant of planning permission and works are due to complete in Q1 2016. A pre-let of all the space (c. 9,700sq.ft. of office and c. 2,000sq.ft of retail) to a serviced office provider at an annual rent of €0.4m has been agreed and the units are being rebranded "SOBO Lofts".

<u>Chancery Building, Dublin 8</u>
During the period Webzen, the tenant of two of the property's six floors (totalling c. 11,500 sq. ft.) has, as a

consequence of a corporate restructuring, served notice of their intention to exercise a break option effective in March 2016. Webzen is currently paying rent of c. €0.3m per annum and a three month penalty will be due upon exercise of the break option. The Group has appointed agents and commenced marketing the space.

Block 3, Wyckham Point, Dundrum

The phased fit-out works completed in July, well ahead of schedule. All 213 units were let by the end of September producing net annual rent of c. €3.7m, in line with expectations and a yield on cost of over 6%.

Dundrum View

Dundrum View was acquired in June and consists of 80 residential units. Upon acquisition the Group appointed specialist letting and block managers. Since acquisition 43 of the leases have expired and have been re-let or renewed at an average rent uplift of 6%. A programme of improvement works is planned for the common areas.

Cannon Place

All 16 units have been refurbished in the last six months at a cost of €0.4m and are now let. Gross rental income is c. €0.4m per annum, an increase of c.30% over the pre-refurbishment rents.

Other completed assets

The other completed properties in the portfolio are close to full occupation with the average period to rent review or lease expiry for the "in-place" office portfolio of 2.2 years: the team is assessing options to maximise returns from the up-coming lease events and continues to carefully monitor the letting markets.

Sale of non-core assets

The status of the disposal process of the remaining non-core assets as at 30 September 2015 was as follows:

Sold or contracted in period	Units	Carrying Value €'000	Sales Price €'000	Profit €'000
Residential assets	18	4,362	5,083	721
Commercial assets	1	310	300	(10)
	19	**4,672**	**5,383**	**711**

Sale agreed or committed at period end	Units	Carrying Value €'000	Price Agreed €'000	Expected Profit €'000
Residential assets	25	7,228	7,760	532
	25	**7,228**	**7,760**	**532**

Remainder of Non-Core Assets	Units	Carrying Value €'000
Residential assets	19	4,559
Commercial assets	2	2,040
	21	**6,599**

Since the period end three of the units which were sale agreed above have been contracted. In addition the sale of a further four units was agreed with an aggregate sales value of €0.8m.

Financial results and position

As at	30 September 2015	31 March 2015	Movement
IFRS NAV - cent per share	**123.1**	**112.4**	+ 9.5%
EPRA NAV - cent per share	**122.1**	**111.8**	**+ 9.2%**
Net cash and cash equivalents	€114.8m	€139.0 m	- 17.5%
Group LTV	n/a	n/a	
Six months ended	**30 September 2015**	**30 September 2014**	**Movement**
Profit/(loss) for the period	€73.7 m	€31.9 m	+ 130.8%
Basic EPS	11.0 cent	8.3 cent	+ 32.6%
Diluted EPS	10.9 cent	8.3 cent	+ 31.4%
Interim dividend / DPS*	€4.8m / 0.7 cent	€2.0m /0.3 cent	+ 133.3%
*based on diluted number of shares post internalisation			

The key drivers of the increase in EPRA NAV per share of 10.3 cent from 31 March 2015 were:

- 9.4 cent from the revaluation of the property portfolio, including 3.9 cent in relation to development properties
- 1.5 cent from EPRA earnings for the period
- Payment of the final dividend decreased NAV by 0.5 cent per share
- Other movements decreased NAV by 0.1 cent per share

EPRA profits for the period were €10.1m, up 227% over 30 September 2014. The key driver of the increase was the 196% increase in rental income excluding surrender premia due to further acquisitions made in the past 12 months, full periods of ownership for a number of assets and new lettings made (e.g. Block 3, Wyckham Point). In addition, property income in the period to 30 September 2015 was positively impacted by the surrender premium from FBD in relation to their lease in Guild House: this amounted to a one-off gain to property income of €4.9m.

Net profit for the period was €73.7m, an increase of 131% over the same period last year. In addition to the increase in property income, revaluation gains and losses to 30 September 2015 amounted to €63.6m, considerably higher than the prior period figure of €28.9m and assisted, in particular, by the valuation uplift in Cumberland House following the pre-let of the majority of the building to Twitter.

Financing

As at 30 September 2015, the Group had cash of €115m and the €100m revolving credit facility with Bank of Ireland was undrawn. In November, the Group entered a new five year €400m revolving credit facility at a margin of 205bp with Bank of Ireland, Barclays and Ulster Bank, which replaced the existing revolving credit facility and will provide flexible funding for the development pipeline and future acquisitions. This would have resulted in an LTV of 31% if in place and fully drawn at the period end. Given the nature of our portfolio and the development exposure within it, we expect the through-cycle loan to value to be in the range of 20-30%.

Internalisation of management team

The Group completed the internalisation of its management team on 5 November 2015. This transaction was a related party transaction and was approved by shareholders at an Extraordinary General Meeting on 27 October 2015. The transaction was effected through the acquisition of the Investment Manager and its parent company, Nowlan Property Limited ("NPL"), on terms representing no anticipated material additional cost to the Group when compared to the estimated costs of retaining the external structure until the expiry of the initial term of the Investment Management Agreement in November 2018.

Initial consideration paid of €21.1m comprised €14.2m in respect of base management fees and €6.9m in respect of the net assets of the Investment Manager and NPL (which were principally the performance fee payable to the Investment Manager for the year to March 2015 and cash). The initial consideration was settled through the payment of €8.3m of cash and the issue of 10.9m of new ordinary shares. Following completion the Directors and senior management hold c. 2% of the issued share capital of the Company and the free float is c. 98%. The total number of issued shares is now 681,251,285.

Upon completion Kevin Nowlan (CEO) and Thomas Edwards-Moss (CFO) joined the Board of Directors, which continues to have a majority of independent non-executive directors and remains in compliance with the relevant requirements and procedures set out in the Irish, UK and AIC Corporate Governance Codes. Further information can be found in Note 23.4 of the Half Yearly Financial Report.

Dividend

The Board has declared an interim dividend of 0.7 cent per share (2014: 0.3 cent) which will be paid in January 2016. All of this interim dividend will be a PID dividend. This represents 90% of the total dividends paid in relation to the financial year ended 31 March 2015 and over 85% of the recurring rental income received in the period. As the portfolio income stabilises, we intend that the interim dividend declared will usually be in the region of 30-50% of the regular dividends paid in respect of the prior financial year.

The Dividend Reinvestment Plan ("DRIP") which commenced with last year's final dividend remains in place: this allows shareholders to instruct Capita, the Company's registrar, to reinvest dividend payments by the purchase of shares in the Company. The terms and conditions of the DRIP and information on how to apply are available on the Group's website.

Looking ahead

We expect the Irish economic backdrop and dynamics in Dublin occupational markets to remain favourable, and there to be further rental growth, particularly in the Dublin CBD office sector. In the investment market, we expect the volume of transactions in Dublin to remain at elevated levels in the near term and we are tracking a number of potential acquisitions, both large and small. These facts, together with the exciting opportunities we are exploiting within our existing portfolio, make us optimistic for the future.

Market update

General economy

Ireland was the fastest growing euro area economy in 2014 and is expected to continue to be so for some time: the Department of Finance is forecasting GDP growth of 6.2% and 4.3% in 2015 & 2016, respectively, comparing favourably to the IMF's global growth forecasts of 3.1% and 3.6% in 2015 and 2016.

The Irish economy has entered a phase of broad based expansion: domestic demand is an increasing contributor, driven by a recovery in personal consumption, the largest component of domestic demand, which rose by 2.8% y-o-y. Investment (another component of domestic demand) remains strong despite construction output being at an all-time low as a percentage of GNP. Goodbody is forecasting investment, domestic demand and exports to be up 15.4%, 6.2% and 11.9%, respectively, in 2015.

The increase in personal consumption is being helped by earnings growth, tax cuts, low oil prices and growing employment. Unemployment is now below 10% vs a peak of over 15%. Employment growth is expanding across a greater number of sectors and full time rather than part time employment is leading the way: despite this capacity remains in the labour market at present.

Irish property investment market

According to MSCI (formerly IPD), total property returns for Ireland for the year to Q3 2015 were 28.5%. The corresponding year to date figures for Q1 2015 and Q4 2014 were 36.3% and 40.1% respectively. After a period of exceptional growth the market is naturally moving into a more stabilised, albeit still high, growth phase.

Prime office yields are stabilising and are now at 4.65% vs 4.75% at the end of Q1 2015 (according to CBRE). While prime Dublin office capital values have increase c. 26% y-o-y, they remain over 30% below peak levels. Further capital growth is likely to be driven more by rental growth than additional yield compression.

Over €4.5bn of direct real estate and €20.8bn of real estate related loans traded in 2014. CBRE expect direct real estate transactions will total c. €3bn for 2015. €2.2bn of direct property transactions occurred in the first nine months of 2015 with €1.2bn of this invested in Dublin CBD offices. In Q4 2015, Project Jewel, which comprised debt secured on a number of retail assets including Dundrum Town Centre, was sold to a joint venture of UK REIT Hammerson and Allianz for €1.85bn.

Office occupational market

The Dublin office market remains characterised by strong demand for space and a shortage of Grade A stock in the CBD. More than 1.8m sq. ft. of lettings completed in the first nine months of 2015 (CBRE) and the total figure for 2015 is expected to be in line with the 2.4m sq. ft. achieved in 2014, well above the 20 year average of 1.7m sq. ft. As is usual in the Dublin market, the vast majority of deals (year to date) were for space less than 50,000 sq. ft. We remain optimistic that the strong take up levels achieved in 2014 and (to date in) 2015 will continue for the near term due to high active demand (c.2.7m sq. ft. according to CBRE and c.3.3m sq. ft. according to Savills).

As a result of strong take up and lack of new stock coming to the market, the Dublin overall vacancy rate fell below 10% of the first time in 15 years in Q3 2015. The CBD Grade A vacancy rate is currently 3.8% and is significantly lower in the core IFSC and Dublin 2/4 markets at 2.1% and 1.2%, respectively (CBRE).

Prime Dublin office rents are now at €52.50psf (up 17% since the beginning of 2015) and expected to rise to c.€55psf by year end. CBRE is forecasting that rents will reach €69psf by year end 2017 and then pull back to €61psf in 2018. The letting of the entire of 65 St. Stephen's Green (61,500 sq. ft.) to Aercap at €60psf remains the highest rent achieved to date in this cycle.

As the supply of new Grade A stock is some time off being delivered, occupiers are willing to pay for well-located refurbishments available within the next 12 months; The Group's letting of 85,000 sq.ft. at Cumberland House to Twitter at a rent of €50psf and the 27,000 sq.ft. let to HubSpot at One Dockland Central at €45psf were at levels similar to the rental levels being achieved at other CBD refurbishments.

Office development pipeline

No new office stock has been delivered to the Dublin office market since 2010. Hibernia has carried out extensive research on the potential development pipeline in the Dublin office market. Combining market intelligence with data from CBRE and Savills, management's expectation is that a maximum of c.5m sq. ft. of office space will be delivered in Dublin by the end of 2018. c.2.3m sq. ft. is currently under construction in Dublin with c. 1.4m sq. ft. of this already pre-let. Due to space being removed from the market in order to undertake refurbishments and developments, we expect the net new space added to be c.4m sq. ft. by the end of 2018.

There remain constraints to the delivery of new space: funding for speculative development continues to be difficult to obtain at reasonable rates and there are also concerns regarding the capacity of the construction sector. As a result many projects are being delayed beyond previously anticipated commencement dates.

Residential

As with the Dublin office sector, the Irish housing market remains characterised by strong demand and extremely constrained supply. The Dublin sales market has moved into a more stabilised stage with the Residential Property Price Index for Dublin rising by a yearly rate of 6.5% to September 2015, a slower rate of y-o-y expansion than recorded in any of the past 24 months. However, in the Dublin rental market, price increases continued apace, with Dublin apartments recording an annual increase in rent of 9.4% to Q2 2015 according to the Private Residential Tenancy Board Ireland.

Principal Risks and Uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. A description of these risks and the steps which the Group has taken to manage these risks is set out below.

Risks	Description of exposure	Measures to manage risks	Movement in the period
Macro-economic	A weakening of the economic recovery both in Ireland and / or globally could lead to a reduction in rental levels for commercial and residential properties in Dublin and negatively impact capital values.	The Group uses its access to market knowledge through its contacts and advisers to ensure that it has the best possible knowledge of the current macro-economic environment. The Group proactively manages its strategy and exposure using this knowledge and the combined expertise of its Board.	STABLE: The Irish economy is growing strongly. However, risk of macro-economic shock remains and 2016 will see a general election in Ireland which may bring additional uncertainty to the economic environment.
Dublin property market	Underperformance by Dublin property market compared to other Irish property sectors: all the Group's investments to date have been within Dublin.	The Group reviews the execution of its strategy regularly. The Group intends to maintain relatively low levels of leverage across the property cycle and a stated policy that its loan to value ratio at incurrence will not exceed 40%.	STABLE: To date the economic recovery in Ireland has been strongest in Dublin, where a significant proportion of the country's overall economic activity and wealth resides. The Group's €400m revolving credit facility is undrawn.
Investment	Competition may limit the ability of the management team to source investment opportunities that meet the Group's target returns. Poorly judged investment decisions (whether buying or selling) may impact on returns.	The management team actively seeks out opportunities that may meet its return criteria using its extensive contacts in the Irish property market. The management team regularly assesses the property cycle through a range of lead indicators in making its investment proposals to the Board.	STABLE: While competition for assets remains strong, the Group has successfully invested the majority of the funds raised through equity issuance in the last year. Capital values for Dublin property have risen, supported by increasing rental levels.
	Concentration of investment in single assets, tenants, locations or sectors may increase risk and reduce liquidity.	The management team reports regular risk metrics to the Board and monitors limits on sector and other relevant benchmarks.	STABLE: The Group has built a balanced portfolio in the past months. As at 30 September 2015 the largest single asset represented 10% of the portfolio by value.
	All the risks and liabilities at the point of entering transactions may not be identified leading to losses.	The Group uses appropriate experts where necessary and solicitors in order to manage this risk.	STABLE: The Group continues to look for investment opportunities. All investments made to date have been the subject of extensive due diligence.

Risks	Description of exposure	Measures to manage risks	Movement in the period
Development	Lower than expected returns on the Group's development projects through factors including but not limited to: poor project management, cost and timing overruns, poor site choice, unattractive building design, bad reading of the property cycle.	Management has regular update meetings dedicated to development management and the Board monitors periodically. The Group has set a maximum exposure to active speculative development at 15% of reported net asset value. The Group intends to use joint arrangement structures and / or pre-leases where appropriate to mitigate and manage the Group's development risk.	INCREASED:The Group has a number of development assets in its portfolio. Work has commenced on the Windmill Lane, now under a joint arrangement, and Sir John Rogerson's Quay sites. Work has also commenced on the refurbishment of Cumberland House (pre-let) and refurbishment work continues at One Dockland Central (formerly Commerzbank House). The fit-out of Block 3, Wyckham Point finished during the period.
Asset Management	Poor management of the Group's assets and tenants may lead to a failure to maximise potential income returns from the portfolio.	A property industry portfolio management system (PMS) has been installed and populated which manages all the key aspects of the Group's assets and tenants' obligations. All receivables due under leases and licences are fully integrated from the PMS into the Group's financial and accounting systems. The PMS also facilitates the proactive management of all significant cyclical and ad-hoc leasehold events such as, inter alia, break notices, rent reviews and lease terminations. Regular building inspection and tenant meeting regimes have been established to ensure that the management team keeps fully abreast of the condition and management of the Group's assets and the occupational requirements of its tenants	STABLE: During the period the Group has made progress in managing and monitoring systems and developing risk metrics to montor the risks associated with its investment portfolio. Identifying risks and close management thereof is key to ensuring that this risk is reduced.
Financial	The Group can use leverage to increase available funds for investment and enhance returns for shareholders. This exposes the Group to debt covenant compliance risks in the event of interest rate rises or falls in property values.	The Group has set a limit of incurring debt up to a maximum of 40% of total assets, well below the maximum permitted under Irish REIT legislation and its debt covenants. Compliance with covenants is actively monitored. In the event of significant debt drawings the Group intends to put in place interest rate hedging over a large proportion of such debt to limit its interest rate exposure.	INCREASE: The Group has put in place a new €400m revolving credit facility, replacing the previous €100m revolving credit facility. It is undrawn at the date of the report. The Group continues to monitor capital requirements to ensure that future requirements are anticipated and met within the limits of its leverage targets.

Risks	Description of exposure	Measures to manage risks	Movement in the period
	The Group's ability to execute its plans or hit its target returns may be hindered by being unable to get loan funding as required.	Cash flows and future funding requirements are frequently assessed to ensure the Group has sufficient undrawn facilities in place to execute its plans.	STABLE: The Group's revolving credit facility remains undrawn. Debt funding terms and availability in Ireland have improved.
People	The Group fails to attract, motivate and retain sufficient skilled employees to maintain professional standards.	The Group has a team of directly employed staff through the internalisation of the Investment Manager, with a remuneration system that is linked closely to individual and Group performance. The Group is introducing a long-term incentive plan (funded through the existing performance fee arrangements) as part of performance remuneration this year in order to encourage retention of employees.	DECREASED: With the completion of the internalisation of the Investment Manager in November 2015 this risk has decreased due to the Group's enhanced ability to retain and attract staff.
Regulatory	Change in regulations including EU directives, tax, planning and environmental legislation could increase the Group's cost base.	The management team and the Board spends substantial time, and retains external experts as necessary, to ensure compliance with current and possible future regulatory requirements.	STABLE: Our strategy in managing this risk together with a relatively unchanged regulatory environment has meant the risk has remained relatively stable over the last six months.

Directors' Responsibilities Statement

Each of the Directors, whose names appear on page 47 of this report confirm to the best of their knowledge that the interim condensed consolidated financial statements in the Half Yearly Financial Report have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union ("EU") and the interim management report[4] herein contains a fair review of the information required by Disclosure and Transparency Rules of the Central Bank of Ireland, namely:

- 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 2015 to 30 September 2015 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 related party transactions that have taken place during the period from 1 April 2015 to 30 September 2015 and that have materially affected the financial position or performance during the period.

Signed on behalf of the Board

Kevin Nowlan	Thomas Edwards-Moss
Chief Executive Officer	Chief Financial Officer

11 November 2015

[4] Comprising the Business Review and Principal Risks and Uncertainties

INDEPENDENT REVIEW REPORT TO HIBERNIA REIT PLC

We have been engaged by the Company to review the group condensed set of financial statements in the Interim Report for the six months ended 30 September 2015 which comprise the Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows, and related notes 1 to 24. We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the group condensed set of financial statements.

This report is made solely to the Company, in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board, the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended) and the Transparency Rules of the Central Bank of Ireland. 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 Interim Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Interim Report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended) and the Transparency Rules of the Central Bank of Ireland.

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 group 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 group condensed set of financial statements in the Half Yearly Financial Report based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the group condensed set of financial statements in the Interim Report for the six months ended 30 September 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34 – Interim Financial Reporting) as adopted by the European Union, the Transparency (Directive 2004/109/ EC) Regulations 2007 (as amended) and the Transparency Rules of the Central Bank of Ireland.

Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin
Date 11 November 2015

Group Condensed Consolidated Statement of Comprehensive Income

For the six month period 1 April 2015 to 30 September 2015

	Notes	Six months ended 30 September 2015 Unaudited €'000	Six months ended 30 September 2014 Unaudited €'000
Income			
Revenue	6	18,405	5,758
Direct property costs	7	(968)	(137)
Total property income		**17,437**	**5,621**
Revaluation of investment properties	11	63,618	18,810
Other gains and losses	8	887	10,059
Total income after revaluation gains and losses		81,942	34,490
Expense			
Investment manager fee - base	23	(3,373)	(1,861)
Performance fee	23	(1,500)	-
Administration expenses		(2,233)	(717)
Total operating expenses		(7,106)	(2,578)
Operating profit		**74,836**	**31,912**
Finance income	9	112	238
Finance expense	9	(1,205)	(203)
Profit before tax		73,743	31,947
Income tax expense		-	-
Profit for the period		73,743	31,947
Other comprehensive income		-	-
Total comprehensive income		**73,743**	**31,947**
Basic earnings per share (cent)	10	11.00	8.30
Diluted earnings per share (cent)	10	10.91	8.30

Group Condensed Consolidated Statement of Financial Position

As at 30 September 2015

	Notes	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Assets			
Non-current assets			
Investment Property	11	739,147	641,296
Loans and receivables		152	152
Trade and other receivables	13	2,196	-
		741,495	641,448
Current assets			
Trade and other receivables	13	12,735	9,046
Cash and cash equivalents		114,753	139,048
Non-current assets classified as held for sale	14	13,827	18,499
Total current assets		141,315	166,593
Total assets		**882,810**	**808,041**
Equity and liabilities			
Capital and reserves			
Issued capital and share premium	15	657,987	657,987
Retained earnings		159,766	89,375
Other reserves	16	7,272	5,772
Total equity		825,025	753,134
Current liabilities			
Trade and other payables	18	15,088	12,210
Payable due for investment property	19	42,697	42,697
Total current liabilities		57,785	54,907
Total equity and liabilities		**882,810**	**808,041**
IFRS NAV per share (cents)	20	**123.1**	**112.4**
Diluted IFRS NAV per share (cents)	20	**122.0**	**111.6**
EPRA NAV per share (cents)	20	**122.1**	**111.8**

Condensed consolidated Statement of Changes in Equity

For the period from 1 April 2014 to 30 September 2015

		Share Capital €'000	Share Premium €'000	Retained earnings €'000	Other reserves €'000	Total €'000
Balance at 1 April 2014		**38,500**	**333,312**	**(846)**	**-**	**370,966**
Total comprehensive income for the period ended 30 September 2014						
Profit for the period		-	-	31,947	-	31,947
Total other comprehensive income		-	-	-	-	-
		38,500	333,312	31,101	-	402,913
Transactions with owners of the Company, recognised directly in equity						
Issue of ordinary shares for cash		-	-	-	-	-
Share issue costs		-	-	-	-	-
Balance at 30 September 2014		38,500	333,312	31,101	-	402,913
Total comprehensive income for the period ended 31 March 2015						
Profit for the period		-	-	60,285	-	60,285
Total other comprehensive income		-	-	-	-	-
		38,500	333,312	91,386	-	463,198
Transactions with owners of the Company, recognised directly in equity						
Dividends		-	-	(2,011)	-	(2,011)
Issue of ordinary shares for cash		28,532	271,052	-	-	299,584
Share issue costs		-	(13,409)	-	-	(13,409)
Share based payments	16	-	-	-	5,772	5,772
Balance at 31 March 2015		**67,032**	**590,955**	**89,375**	**5,772**	**753,134**
Total comprehensive income for the period ended 30 September 2015						
Profit for the period		-	-	73,743	-	73,743
Total other comprehensive income		-	-	-	-	-
		67,032	590,955	163,118	5,772	826,877
Transactions with owners of the Company, recognised directly in equity						
Dividends		-	-	(3,352)	-	(3,352)
Issue of ordinary shares for cash		-	-	-	-	-
Share issue costs		-	-	-	-	-
Share issuance reserve	16				1,500	1,500
Balance at 30 September 2015		**67,032**	**590,955**	**159,766**	**7,272**	**825,025**

Group Condensed Consolidated Statement of Cash flows

For the six month period 1 April 2015 to 30 September 2015

	Six months ended 30 September 2015	Six months ended 30 September 2014
	Unaudited	Unaudited
Cash flows from operating activities	**€'000**	**€'000**
Profit/(loss) for the period	73,743	31,947
Adjusted for:		
Revaluation of investment properties	(63,618)	(18,810)
Other gains and losses	(887)	(10,059)
Performance fee	1,500	0
Rental income paid in advance/(accrued)	645	144
Interest income accrued	-	(1,193)
Finance (income)/expense	1,093	(35)
	12,476	1,994
(Increase) in trade and other receivables	(3,483)	(1,990)
Increase in trade and other payables	5,352	4,069
Net cash flow from operating activities	**14,345**	**4,073**
Cash flows from investing activities		
Purchase of investment property[5]	(32,495)	(279,208)
Development and Refurbishment Expenditure	(12,155)	-
Purchase of loans and receivables	-	(39,300)
Proceeds from loan repayments	3,520	708
Proceeds from the sale of other assets held for sale	6,850	-
Finance income	112	298
Finance expense	(1,120)	(203)
Net cash used in investing activities	**(35,288)**	**(317,705)**
Cash flow from financing activities		
Dividends paid	(3,352)	-
Arrangement fee paid re bank facility	-	(500)
Increase in loans and advances from banks	-	25,000
Net cash (outflow)/inflow from financing activities	**(3,352)**	**24,500**
Net (decrease)/Increase in cash and cash equivalents	**(24,295)**	**(289,132)**
Cash and cash equivalents period start	139,048	291,690
(Decrease)/increase in cash and cash equivalents	(24,295)	(289,132)
Net cash and cash equivalents at period end	**114,753**	**2,558**

5 Cash purchases include c. €687,000 payable from 31 March 2015

Notes Forming Part of the Half Yearly Financial Report

1. General Information

The Company together with its subsidiary and associated undertakings as detailed in Note 22 (the "Group"), is engaged in property investment (primarily commercial) in the Irish 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 South Dock House, Hanover Quay, Dublin D02 XW94, Ireland. The Company was incorporated on 13 August 2013 and re-registered as a public limited company on 8 November 2013. The registered number of the Company is 531267.

The Ordinary Shares of the Company are listed on the primary listing segment of the Official List of 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 the Irish Stock Exchange and the London Stock Exchange plc (the ''London Stock Exchange'').

2. Basis of preparation

a. Statement of compliance

The annual financial statements of Hibernia REIT plc have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, which comprise standards and interpretations approved by the International Accounting Standards Board (IASB). IFRS as adopted by the EU differ in certain respects from IFRS as issued by the IASB. This interim financial report has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the EU.

The Group has not early adopted any forthcoming IASB standards. The half yearly financial statements are non-statutory financial statements for the purposes of the Companies Act 2014 and in compliance with Section 340(4) of that Act. The statutory accounts for the year ended 31 March 2015 were approved by the Board of Directors on 29 May 2015, contained an unqualified audit report and were filed with the Companies Registration Office on 7 July 2015.

b. Functional and presentation currency

These condensed consolidated financial statements are presented in Euro, which is the Group's functional currency and the Group's presentation currency.

c. Basis of accounting

The condensed consolidated financial statements have been prepared on a going concern basis, in accordance with IFRS and the IFRS Interpretations Committee (IFRIC) interpretations as adopted by the European Union and the Companies Act 2014. The Group financial statements therefore comply with Article 4 of the EU IAS Regulation.

The Group's performance is not subject to seasonal fluctuations.

The condensed consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of investment properties and financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

d. Assessment of going concern

The half yearly financial report has been prepared on a going concern basis. The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the half yearly financial report for the six months ended 30 September 2015 is a period of twelve months from the date of approval of this half yearly financial report.

In making this assessment, the Directors considered the Group's business, profitability projections, funding and capital plans under various scenarios. The Directors also considered the impact of external factors such as the outlook for the Irish economy and the Dublin property market.

The Group has a positive cash balance as at 30 September 2015 of €115m (31 March 2015: €139m), is generating positive cash flows and, as discussed in Note 17, has in place a revolving credit facility with an undrawn balance of €100m at 30 September 2015.

On the basis of the above, the Directors consider it is appropriate to prepare the half yearly financial statements on a going concern basis. There are no material uncertainties that the Group will not be able to meet its liabilities as they fall over the period of assessment.

e. Basis of consolidation

The financial statements incorporate the condensed consolidated financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is assessed based on the Company's:

- power over the investee
- exposure to variable return from its involvement with the investee; and
- ability to use its powers to affect returns.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The results of subsidiaries and joint ventures acquired or disposed of during the year are included from the effective date of acquisition or to the effective date of disposal. The accounting policies of all consolidated entities are consistent with the Group's accounting policies.

3. Accounting policies

These condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's Annual Report in respect of the year ended 31 March 2015. The accounting policies and methods of computation employed in the preparation of the 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 2015, except as identified below.

a) Joint arrangements (new accounting policy)

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is established when no one entity has control of the arrangement on its own; all of the entities involved in the arrangement control it collectively. The Group enters into such arrangements to facilitate joint development of properties in its portfolio of investment properties. The arrangements are bound by contractual agreements and may be accounted for as either a joint venture or joint operation. These arrangements are reviewed at each accounting period to ensure that control continues to be joint and that, where entities are involved, reclassification into subsidiary or associate companies is not required.

A joint arrangement is classified as a joint venture when the Group has rights to the net assets of the arrangement rather than to the individual assets and liabilities, revenues and expenses. Otherwise the joint arrangement is classified as a joint operation. This classification is based upon an assessment of the structure and legal form of the arrangement.

The Group accounts for joint ventures using the equity method, the Groups share of the joint venture is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The Group's share of profit or loss includes its share of the investee's profit or loss and the Group's other comprehensive income includes its share of the investee's other comprehensive income.

Where the joint arrangement is recognised as a joint operation, the Group recognises its share of assets and liabilities held jointly as well as its share of revenues and expenses according to the IFRS applicable to the items being recognised.

4. Application of new and revised International Accounting Standards (IFRS)

The Group has not adopted any new or amended accounting pronouncements which have impacted on the half yearly report.

5. Operating segments

The Group is organised into five business segments, against which the Group reports its segmental information, being Office Assets, Industrial Assets, Residential Assets, Development Assets and Other Assets (loans and other assets that do not fall into the preceding classifications). All of the Group's operations are in the Republic of Ireland. Operating segments are reported in a manner consistent with the reporting to the Board of Directors of the Company which is the chief operating decision maker of the Group.

Unallocated income and expenses are those that occur centrally, e.g. investment management fees and other administration expenses. Unallocated assets include cash and cash equivalents, tax refundable and administration expenses paid in advance. In addition, cash received in advance in relation to rental receipts on properties and rental income accrued have been allocated from receivables and cash and cash equivalents to the appropriate segment.

The Group's key measure of underlying performance of a segment is total income after revaluation gains and losses which comprises revenue (rental and interest 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 key measures such as EPRA Net Initial Yield ("NIY") and EPRA "Topped- Up" NIY, which measure the cash passing rent returns on market value of investment properties before and after an adjustment for the expiration of rent free period or other lease incentives respectively. All interest income relates to Other Assets whilst the revenue for all other segments represents rental income.

Group Consolidated Segment Analysis

For the period 1 April 2015 to 30 September 2015

	Office Assets €'000	Industrial Assets €'000	Residential Assets €'000	Office Development Assets €'000	Other Assets €'000	Unallocated €'000	Group Consolidated Position €'000
Rental income	16,416	262	1,607	120	-	-	18,405
Interest income	-	-	-	-	-	-	-
Revenue	16,416	262	1,607	120	-	-	18,405
Property outgoings	(283)	(31)	(385)	(194)	-	(75)	(968)
Total Property Income	**16,133**	**231**	**1,222**	**(74)**	**-**	**(75)**	**17,437**
Revaluation of investment properties	32,270	325	4,471	26,552	-	-	63,618
Other gains and losses	-	-	-	176	711	-	887
Total Income	**48,403**	**556**	**5,693**	**26,654**	**711**	**(75)**	**81,942**
Investment manager fee - base	-	-	-	-	-	(3,373)	(3,373)
Performance fee	-	-	-	-	-	(1,500)	(1,500)
Administration expenses	-	-	-	-	-	(2,233)	(2,233)
Total operating expenses	**-**	**-**	**-**	**-**	**-**	**(7,106)**	**(7,106)**
Operating profit/(loss)	**48,403**	**556**	**5,693**	**26,654**	**711**	**(7,181)**	**74,836**
Net finance cost	(613)	-	-	-	-	(480)	(1,093)
Profit/(loss) before tax	**47,790**	**556**	**5,693**	**26,654**	**711**	**(7,661)**	**73,743**
Total Segment Assets	**516,720**	**10,730**	**110,092**	**115,160**	**14,072**	**116,036**	**882,810**
Investment Properties	**509,467**	**10,730**	**109,700**	**109,250**	**-**	**-**	**739,147**

Group Consolidated Segment Analysis

For period 1 April 2014 to 30 September 2014

	Office Assets €'000	Industrial Assets €'000	Residential Assets €'000	Office Development Assets €'000	Other Assets €'000	Unallocated €'000	Group Consolidated Position €'000
Rental income	4,213	216	91	-	45	-	4,565
Interest income	-	-	-	-	1,193	-	1,193
Revenue	4,213	216	91	-	1,238	-	5,758
Property outgoings	-	-	-	-	-	(137)	(137)
Total Property Income	**4,213**	**216**	**91**	**-**	**1,238**	**(137)**	**5,621**
Revaluation of investment properties	19,260	(228)	(946)	724	-	-	18,810
Other gains and losses	-	-	10,059	-	-	-	10,059
Total Income	**23,473**	**(12)**	**9,204**	**724**	**1,238**	**(137)**	**34,490**
Investment manager fee - base	-	-	-	-	-	(1,861)	(1,861)
Performance fee	-	-	-	-	-	-	-
Administration expenses	-	-	-	-	-	(717)	(717)
Total operating expenses	**-**	**-**	**-**	**-**	**-**	**(2,578)**	**(2,578)**
Operating profit/(loss)	**23,473**	**(12)**	**9,204**	**724**	**1,238**	**(2,715)**	**31,912**
Net finance cost	-	-	-	-	-	35	35
Profit/(loss) before tax	**23,473**	**(12)**	**9,204**	**724**	**1,238**	**(2,680)**	**31,947**
Total Segment Assets	**355,480**	**10,120**	**46,350**	**26,700**	**68,450**	**5,643**	**512,743**
Investment Properties	**354,910**	**10,100**	**46,350**	**26,700**	**-**	**-**	**438,060**

6. Revenue

	Group Six months ended 30 September 2015 Unaudited €'000	Group Six months ended 30 September 2014 Unaudited €'000
Rent receivable	13,505	4,565
Surrender premia	4,900	-
Gross rental and related income	**18,405**	**4,565**
Interest Income from loans and receivables	-	1,193
Revenue	**18,405**	**5,758**

Rental income arises from the Group's investment properties. Rental income includes a €1.1m uplift in relation to the spreading of lease incentives (30 September 2014:€nil). Surrender premia relate to the surrender of the FBD lease in Guild House for a total payment of €8.8m. €4.9m is included in surrender premia as above. €2.3m related to top-up amounts for sub-leases and will be released to profit and loss over the term of the relevant sub-leases. The remaining €1.6m related to dilapidations payable on Guild House and is included as part of the development and refurbishment expenditure in Note 11.

7. Direct property costs

Direct property costs arise from costs associated with the Group's investment properties such as residential costs and void costs on vacant properties and those under development. These expenses are analysed segmentally in Note 5.

8. Other gains and losses

	Group	
	Six months ended 30 September 2015 Unaudited €'000	Six months ended 30 September 2014 Unaudited €'000
Gains on recognition of investment property	-	10,059
Gain on asset sale	176	-
Gains on sales of other non-core assets held for sale	711	-
Other gains and losses	**887**	**10,059**

9. Finance income and expense

	Group	
	Six months ended 30 September 2015 Unaudited €'000	Six months ended 30 September 2014 Unaudited €'000
Interest income on cash and cash equivalents	112	238
Finance expense on borrowings	(592)	(203)
Finance expense on payable due for investment property	(613)	-
Net finance income/(expense)	**(1,093)**	**35**

As disclosed in Note 19, the Group has recognised a payable due for investment property in relation to the Hardwicke House and Montague House acquisition. The Group has therefore accounted for the related finance charge using the effective interest method.

The effective interest expense on borrowings arises as a result of the recognition of interest expense, commitment fees and arrangement fee on the Group's undrawn revolving credit facility (Note 17).

10. Earnings per Share

Weighted average number of shares	Group 30 September 2015 '000 Unaudited	30 September 2014 '000 Unaudited
Shares in issue during the period	670,317	385,000
Weighted average number of shares	670,317	385,000
Estimated additional shares due for issue	5,814	-
Diluted number of shares	676,131	385,000

Basic and diluted earnings per share	30 September 2015 Unaudited €'000	30 September 2014 Unaudited €'000
Profit/(loss) for the period attributable to the owners of the Company	73,743	31,947
	'000	'000
Weighted average number of ordinary shares (basic)	670,317	385,000
Weighted average number of ordinary shares (diluted)	676,131	385,000
Basic earnings per share (cents)	11.00	8.30
Diluted earnings per share (cents)	10.91	8.30

11. Investment Properties

	Six months ended 30 September 2015			
	Office and Residential Level 3 Group €'000	Development Level 3 Group €'000	Industrial Level 3 Group €'000	Total Level 3 Group €'000
Carrying Value at start of period	542,377	88,600	10,319	641,296
Additions:				
Property Purchases	31,808	-	-	31,808
Development and Refurbishment Expenditure (Note 1)	8,291	3,778	86	12,155
Revaluations included in income statement	36,691	26,602	325	63,618
Disposals:				
Property sale (Note 2)	-	(9,730)	-	(9,730)
Carrying Value at period end	**619,167**	**109,250**	**10,730**	**739,147**

	Year ended 31 March 2015			
	Office and Residential Level 3 Group €'000	Development Level 3 Group €'000	Industrial Level 3 Group €'000	Total Level 3 Group €'000
Carrying Value at start of period	-	-	-	-
Additions:				
Property Purchases	412,714	76,578	10,338	499,630
Investment properties recognised on de-recognition of loans	48,684	-	-	48,684
Development and Refurbishment Expenditure	11,678	510	(15)	12,173
Revaluations included in income statement	69,301	11,512	(4)	80,809
Carrying Value at period end	**542,377**	**88,600**	**10,319**	**641,296**

Note 1: The Group received €1.5m in relation to a dilapidation costs payment due to a tenant surrender of their lease on Guild House. This has been applied to the development and refurbishment costs on this property and therefore reduces the cost of this property.

Note 2: The vendor of the Windmill Lane site was granted an option when the Group purchased the site to buy into 50% of the future development project at the original purchase price plus 50% of any development costs spent to the date of purchase. This option has been exercised resulting in the disposal of 50% of the Group's stake in the Windmill Lane site.

The valuations used in order to determine fair value for the investment properties in the condensed consolidated financial statements are determined by CBRE, the Group's independent valuers, and are in accordance with the provisions of IFRS 13. CBRE has agreed to the use of their valuations for this purpose. Some of the inputs to the valuations are defined as "unobservable" by IFRS 13. Property valuations are inherently subjective as they are made on the basis of assumptions made by the valuer. For these reasons, and consistent with EPRA's guidance, the Group has classified the valuations of its property portfolio as Level 3 as defined by IFRS 13. The methods that are 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. A reduction of €1.2m (31 March 2015: €1.2m) has been made to the valuation of the Forum building to reflect the maximum value of a potential payment to the vendor in relation to the acquisition of the car park. In addition, a reduction of €1.4m (31 March 2015: €1.4m) has been recognised in the portfolio valuation as the effect of the recognition policy on rental incentives. There were no transfers between levels during the year. There was no capitalised interest included in investment properties during the year.

Information about fair value measurements using unobservable inputs (Level 3).

The valuation techniques used in determining the fair value for each of the categories of assets is market value as defined by VPS4 of the Red Book 2014, being the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, and is in accordance with IFRS 13. Included in the inputs for the valuations above are future development costs where applicable. The tables below show a summary of the quantitative inputs for the fair value determination as at 30 September 2015 and 31 March 2015 and sensitivity information for each category.

Quantitative Information

The following information has been used in calculating the fair value of Investment Properties at 30 September 2015.

	Fair value at 30 September 2015	Inputs	Lowest in range		Highest in range	
	€m					
Office assets	509,467	Annual rent € per sq. ft.	€	15.87	€	51.98
		ERV € per sq ft	€	28.00	€	50.00
		Equivalent Yield		4.95%		5.68%
Industrial assets	10,730	Annual rent € per sq. ft.	€	4.23	€	5.04
		ERV € per sq ft	€	2.75	€	5.20
		Equivalent Yield		7.32%		7.32%
Residential assets	109,700	Equivalent Yield		4.50%		4.70%
Development assets	109,250	Equivalent Yield		5.25%		6.50%

Information on fair value inputs as at 31 March 2015

	Fair value at 31 March 2015 €m	Inputs	Lowest in range	Highest in range
Office assets	475	Annual rent € per sq. ft.	€ 14.45	€ 45.50
		ERV € per sq ft	€ 22.50	€ 48.00
		Equivalent Yield	5.00%	6.13%
Industrial assets	10	Annual rent € per sq. ft.	€ 4.22	€ 5.12
		ERV € per sq ft	€ 2.75	€ 5.20
		Equivalent Yield	7.63%	7.63%
Residential assets	67	Equivalent Yield	4.50%	4.75%
Development assets	89	Equivalent Yield	5.40%	6.50%

Sensitivity Analysis

Estimated rental values and market observed yields are key inputs into the valuation models used. For example, completed properties are valued mainly using a term and reversion model, i.e. the present values of future cash flows from expected rental receipts are calculated. For the existing rental contract or “term” this is the expected rents from tenants over the period to the next lease break option or expiry. After this period, the “reversion”, estimated rental values are used to calculate cash flows based on expectations from current market conditions. Thus a decrease in the estimated rental value will decrease the fair value. Similarly, an increase in the yield will decrease the fair value. There are interrelationships between these rates as they are determined by market rate conditions. Most of the Group’s properties are valued on this or a basis using similar assumptions.

Across the entire portfolio of investment properties, a 1% increase in yield would have the impact of a €154m (31 March 2015: €139m) reduction in fair value whilst a 1% decrease in yield would result in a fair value increase of €234m (31 March 2015: €201m).

This is further analysed by property class, as follows:

	30 September 2015	
Property Class	Change in fair value +1% Yield	Change in fair value -1% Yield
	€'000's	€'000's
Office assets*	(96,225)	143,331
Development assets	(36,453)	53,064
Residential assets	(20,044)	36,339
Industrial assets	(1,145)	1,692

*Harcourt Square is an office investment with development potential and is subject to current planning permission. It is valued on this basis and included within office investments for sensitivity analysis in line with its current segmental position.

	31 March 2015	
Property Class	Change in fair value +1% Yield	Change in fair value -1% Yield
	€'000's	€'000's
Office assets	(88,200)	128,783
Development assets	(36,290)	52,820
Residential assets	(13,660)	18,400
Industrial assets	(1,058)	1,370

12. Joint arrangements

The Group enters into joint arrangements in order to manage its development risk exposures. During the period, the Group entered into its first such arrangement as described below.

Windmill Lane Partnership

Nature of activity: Development of the Windmill Lane site

Principal place of business: South Dock House, Hannover Quay, Dublin D02 XW94

During the period Starwood Capital Group LP exercised their written call option to buy into the development of the Windmill Lane site as a 50:50 joint arrangement partner at purchase price, leading to the formation of the Windmill Lane Partnership ("WLP"). Development work has commenced and WK Nowlan REIT Management Limited is acting as asset manager and development manager to WLP.

The transaction, is recognised in the half yearly financial report as a joint operation and as such the Group recognises its share of assets and liabilities held jointly as well as its share of revenues and expenses according to the IFRS applicable to the items being recognised.

13. Trade and other receivables

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Due in one year		
Due from sale of other non-current assets held for sale	-	1,467
Loan repayments from collateral sales	93	3,613
Amounts due from joint arrangements partner	5,910	-
Arrangement fee	309	394
Property income receivables	4,579	1,911
Prepayments	1,198	266
VAT refundable	646	1,395
Current trade and other receivables at end of period	**12,735**	**9,046**
Due greater than one year and less than two		
Property income receivables	2,196	-
Total trade and other receivables at end of period	**14,931**	**9,046**

There are no amounts past due. The Directors consider that the carrying value of trade and other receivables approximates to their fair value. The amount due from the joint arrangements partner relates to the sale of the 50% holding of the Windmill development site into a joint arrangement at original cost. Title does not pass until conveyancing is complete and therefore this amount is secured on the site. A further €4.4m (€2.4m net of a related creditor) is due from one counterparty in relation to a lease surrender. Apart from these, there is no concentration of credit risk with respect to trade receivables as most of the remaining balances relate to prepayments and refunds due on taxes.

14. Non-current assets classified as held for sale

	Group	
	30 September 2015 Unaudited '000	31 March 2015 Audited '000
Balance at start of period	18,499	-
Recognised during the period	-	22,993
Acquisition costs	-	541
Sold during the period	(4,672)	(5,035)
Balance at end of period	**13,827**	**18,499**

The Group purchased two portfolios of loans which included as collateral some assets the Group retained for its investment portfolio and other assets which the Group intends to dispose of as soon as possible. Those assets not intended for the investment portfolio and not disposed by February 2015 were legally acquired by the Company and recognised as non-current assets classified as held for sale in accordance with the Group's accounting policy. Plans for the disposal of these assets are well advanced. A sales agent has been appointed and a sales plan agreed. In order to ensure that the best prices are achieved, these assets are being released to the market in a phased basis. It is expected that disposal of these assets will be completed at the latest within 12 months from their acquisition by the Company.

Non-current assets classified held for sale are measured at the lower of carrying amount and fair value less costs to sell. The Directors have assessed the fair value of these assets by reviewing the sales prices achieved on similar assets and the expected sales price as determined by the selling agent in preparing their disposal plans. The majority of assets sold since acquisition have achieved at least their acquisition price on an individual basis and in total a profit of approximately €3.4m before tax and after costs has been achieved, €0.7m in the six month period to 30 September 2015. The Directors have therefore concluded that the fair value of these assets is at least their carrying value.

15. Issued capital and share premium

	30 September 2015			31 March 2015		
	Share Capital €'000	Share Premium €'000	Total €'000	Share Capital €'000	Share Premium €'000	Total €'000
At start of period	67,032	590,955	657,987	38,500	333,312	371,812
Shares issued during the period	-	-	-	28,532	271,052	299,584
Costs associated with the issue	-	-	-	-	(13,409)	(13,409)
At end of period	67,032	590,955	657,987	67,032	590,955	657,987

Authorised share capital

	No of shares '000	No of shares '000
Authorised	1,000,000	1,000,000
Allotted, called up and fully paid		
Issued for cash	670,317	670,317
In issue at period end	**670,317**	**670,317**

16. Share based payments

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Balance at start of period	5,772	-
Provision for the period	1,500	5,772
Balance at end of period	7,272	5,772

Other reserves comprise amounts reserved for the issue of shares in respect of the performance fees due to the Investment Manager as at 30 September 2015 of €7.3m (31 March 2015: 5.8m). In order to estimate the level of performance fee that should be attributed to the period ended 30 September 2015, the Directors have considered the performance of the Group to date, their expectations of the real estate market for the second half of the financial year and the expected return within Hibernia REIT plc for the financial year 2016 in total and the amount of performance fee that might be due for the full year. The provision for this period has then been made by estimating the fair value of the amount attributable to the half year. Further details of this are set out in Note 23.2.

17. Loans and advances from banks

On 12 August 2014, the Company and its subsidiary, Hibernia REIT Finance Limited, signed a €100m three-year floating rate revolving credit facility with Bank of Ireland. An arrangement fee of €500,000 was paid in relation to this facility and is accounted for as part of the effective interest on the loan. A commitment fee of 1% is payable on the undrawn balance.

First-ranking security for the Revolving Credit Facility is given by way of floating charges granted by the Company and its subsidiary, Hibernia REIT Finance Limited, over all of the Group's assets and also by way of a fixed charge granted by the Company over the shares in each of its substantial subsidiaries as may from time to time exist.

There was no balance drawn on this facility at either 30 September 2015 or 31 March 2015. The Directors confirm that all covenants have been complied with and are kept under review.

18. Trade and Other Payables

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Accrued investment property costs	-	687
Fair value of written call option	-	5,100
Rent deposits and early payments	5,233	1,920
Investment management fee payable -base	3,373	1,625
Trade and other payables	5,757	2,153
PAYE/PRSI payable	36	36
Tax payable	689	689
Balance at end of period	**15,088**	**12,210**

The written call option related to the Windmill joint arrangement and was exercised during the period leading to the set-up of a joint operation on the development of the site. Trade and other payables are interest free and have settlement dates within one year. The Directors consider that the carrying value of trade and other payables approximates to their fair value.

19. Payable due for investment properties

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Payable due for investment property	42,697	42,697

On 16 May 2014 the Group entered into an arrangement to acquire two Grade A office buildings, Hardwicke House and Montague House in Dublin's Central Business District in a partially deferred transaction for a total consideration of approximately €61.3m (including costs). This transaction was structured as a loan transaction with the Group paying an initial sum of €18.25m. Under the terms of a call option and put option agreement, the Group has the right to take ownership (or can be required to take ownership) of the buildings on payment of the agreed balance and the vendor has the right to sell the property to the Group after 1 January 2016 if the Group has not already acquired it. This option was exercised by the Group on 23 October 2015. The Group is most likely to complete the acquisition in December 2015 to comply with existing REIT rules. The finance charge relating to this payable is recognised for the period as a finance expense (Note 9).

20. IFRS and EPRA Net Asset Value per Share

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
IFRS net assets at period end	825,025	753,134
Ordinary shares in issue ('000)	670,317	670,317
IFRS NAV per share (cents)	123.1	112.4
	'000 shares	'000 shares
Ordinary shares in issue	670,317	670,317
Estimated additional shares due for issue from performance reserve	5,814	4,664
Diluted number of shares	676,131	674,981
Diluted IFRS NAV per share (cents)	122.0	111.6

	30 September 2015 Unaudited € '000	31 March 2015 Audited € '000
IFRS net assets at period end	825,025	753,134
Revaluation of other non-current assets held for sale	734	1,445
EPRA NAV	825,759	754,579
Diluted number of shares	676,131	674,981
EPRA NAV per share (cents)	122.1	111.8

The issue of the performance related shares for the year ended 31 March 2015 should have been completed in April 2015. However, due to the internalisation of the Investment Manager (Note 24.1) this was delayed until November 2015 when these shares were issued in settling the internalisation transaction.

21. Financial Instruments and risk management

The Group has identified exposure to the following risks:

Market risk

Credit risk

Liquidity risk

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

a) 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's financial assets currently principally comprise short term bank deposits and trade receivables. The Group currently has no financial liabilities other than trade payables which do not give rise to any significant market risk.

Exposure to interest rates is limited to the exposure of its earnings from uninvested funds, €115m at the period end (31 March 2015: €139m). Interest rates are at historic lows and therefore the impact of a change in the rate of 10% during the period would be approximately €11,000 (31 March 2015: c. €40,000).

b) 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, the risk that the counterparties underlying its' assets default.

The Group's main financial asset is cash and cash equivalents. Cash and cash equivalents 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, €25-50m with individual institutions dependent on rating, to avoid concentration risks with any one counterparty. The Company has also engaged the services of a Depository to ensure the security of the cash assets.

Concentration of risk in receivables: At the period end, €5.9m was receivable from a joint arrangement partner in respect of the sale of a 50% interest in the Windmill site. All amounts due from this counterparty are secured on the site. Also included in trade receivables was an amount of €4.4m due in relation to a lease surrender, 50% of which is due in more than one year. €2m was held in trade payables as deferred income from the same source. The balance of trade and other receivables has no concentration of credit risk as it comprises mainly prepayments and tax refunds due.

The maximum amount of credit exposure is therefore:

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Trade and other receivables	14,931	9,046
Cash and cash equivalents	114,753	139,048
Balance at end of period	**129,684**	**148,094**

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group ensures that it has sufficient available funds to meet obligations as they fall due. The Investment manager is responsible for this activity and the Board monitors its performance.

Net current assets at the period end were:

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Net current assets at the period end	83,530	111,686

The following tables show total liabilities due as compared with funds available. No account is taken of trade and other receivables due, rent income due under operating leases, or other cash in-flows. Only trade payables relating to cash expenditure are included, the balances relate either to non-cash items or deferred income.

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Liabilities due in less than one year:		
Trade and other payables	9,855	5,190
Payable for investment property	42,697	42,697
Total liabilities due in less than one year	**52,552**	**47,887**

	Group	
	30 September 2015 Unaudited €'000	31 March 2015 Audited €'000
Funds available:		
Cash and cash equivalents	114,753	139,048
Revolving credit facility undrawn	100,000	100,000
Total funds available - less than one year	**214,753**	**239,048**
Net funds available	**162,201**	**191,161**

All financial liabilities for the Group fall due within one year.

d) Capital management

The Group manages capital in order to ensure its continuance as a going concern.

As the Group grows it is planned to finance up to 40% of the market value of the Group's assets out of borrowings in order to enhance the return on equity for its shareholders. This percentage may increase to 50% under the REIT regime and so the Group may modify this leverage from time to time taking into account current prevailing economic and market conditions. Any alteration in this leverage ratio would be an amendment to the investment policy and therefore require a shareholder vote. This leverage ratio will be monitored in the regular financial reporting and prior to entering into any borrowing arrangements in order to ensure this policy is maintained.

Capital comprises share capital, reserves and retained earnings as disclosed in the Condensed consolidated statement of changes in equity. At 30 September 2015 the capital of the Company was €825m (31 March 2015: €753m).

There are no external capital requirements on the Group.

Under the Irish REIT regime, the Group must distribute at least 85% of its property income by way of a Property Income Distribution ("PID"). Therefore, capital available for business growth will not be augmented by dividend policy. To grow the business, the Group must therefore consider the need to seek further capital in the market given both the inability to grow reserves and the restriction on its borrowings as a source of increasing its portfolio size as discussed above

The Company's share capital is publicly traded on the London and Irish stock exchanges. In order to ensure the proper management of the share register, the Group employs the services of a share registrar, Capita Registrars (Ireland) Limited t/a Capita Asset Services.

e) Fair values of financial assets and financial liabilities

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

Asset/ Liability	Carrying value	Level	Method	Assumptions
Loan and receivables	Amortised cost	3	Assessed in relation to collateral value	Valuation of collateral is subjective based on agents guide sales prices and market observation of similar property sales were available. Most of the loans have now been realised with only €0.15m remaining to be recovered (31 March 2015: €0.15m)
Trade and other receivables	Amortised cost	2	Cash value	Most of these are receivables in relation to amounts due from surrender agreements, the sale of properties and prepayments and therefore there is no objective information of any loss and they are expected to be fully recoverable in the short term. No discounting is therefore applied
Trade and other payables	Amortised cost	2	Cash value	These are mainly accruals and deferred income and in the case of accruals will settle in the short term based on their cash value and therefore no discounting is applied. Deferred income, with the exception of €5m (31 March 2015: €2m), has already been received in cash.

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

At 30 September 2015 the Group's liability, payable due for investment property is held at fair value based on the net present value discounted at a market interest rate. Other than this, the Group had no financial assets or liabilities held at fair value. At 31 March 2015 the Group's liability, payable due for investment property was held at fair value based on the net present value discounted at a market interest rate. In addition, the written call option on the Windmill Lane site was held at fair value. 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.

	30 September 2015 Carrying value Unaudited Group €'000	Level 1 Group €'000	Level 2 Group €'000	Level 3 Group €'000	31 March 2015 Carrying value Audited Group €'000	Level 1 Group €'000	Level 2 Group €'000	Level 3 Group €'000
Financial assets								
Loans and receivables	152	-	-	152	152	-	-	152
Trade and other receivables	14,931	-	14,931	-	9,046	-	9,046	-
Cash and Cash equivalents	114,753	114,753	-	-	139,048	139,048	-	-
	129,836	114,753	14,931	152	148,246	139,048	9,046	152
Financial liabilities								
Trade and other payables	15,088	-	15,088	-	12,210	-	7,110	5,100
Payable due for investment property	42,697	-	42,697	-	42,697	-	42,697	-
	57,785	-	57,785	-	54,907	-	49,807	5,100

Fair value movements at level 3

	30 September 2015 Group €'000 Unaudited	31 March 2015 Group €'000 Audited
Balance at start of period	636,348	68,563
Transfers into level 3	-	-
Transfers out of level 3	-	(22,993)
Purchases, sales, issues and settlement		
Purchases	43,963	550,603
Sales	(9,730)	-
Option exercise	5,100	-
Repayments	-	(47,092)
Fair value recognition	63,618	85,768
Amortisation	-	1,499
Balance at end of period	739,299	636,348

22. Investment in subsidiary and associate undertakings

The Company has the following interests in ordinary shares in the following subsidiary undertakings at 30 September 2015. These subsidiaries, except for Windmill Lane Development Company Limited are fully owned and consolidated within the Group. Windmill Lane Development Company, established on 20 August 2015, will be 50% owned by the Group once the legal documents are completed. This company is the development management company in the Windmill Lane joint arrangement.

Name	Registered address/ Country of Incorporation	Shareholding/ Number of shares held	Directors	Company Secretary	Nature of business
Hibernia REIT Finance Limited	South Dock House, Hanover Quay, Dublin D02 XW94, Ireland	100%/ 10	Daniel Kitchen, Colm Barrington, Stewart Harrington, Terence O'Rourke, William Nowlan	Castlewood Corporate Services Limited	Financing activities
Hibernia REIT Holding Company Limited	South Dock House, Hanover Quay, Dublin D02 XW94, Ireland	100%/ 10	Richard Ball, Kevin Nowlan, Frank O'Neill	Castlewood Corporate Services Limited	Holding property interests
Mayor House Basement Management Limited	South Dock House, Hanover Quay, Dublin D02 XW94, Ireland	100%/2	Richard Ball, Kevin Nowlan, Frank O'Neill	Castlewood Corporate Services Limited	Property management
Dockland Central Limited (previously Lamourette Limited)	South Dock House, Hanover Quay, Dublin D02 XW94, Ireland	100%/2	Richard Ball, Kevin Nowlan, Frank O'Neill	Castlewood Corporate Services Limited	Property management
Windmill Lane Development Company Limited*	South Dock House, Hanover Quay, Dublin D02 XW94, Ireland	100% (held through Hibernia REIT Holding Company Limited)/1	Richard Ball, Kevin Nowlan	Castlewood Corporate Services Limited	Property development

*The Windmill Lane Development Company is the development management company for the Windmill Lane Partnership. This company will be jointly owned when the legal documents are complete.

The Group has no interests in unconsolidated subsidiaries.

23. Related Parties

23.1 Subsidiaries

All transactions between the Company and its subsidiaries are eliminated on consolidation.

23.2 Investment Manager

As at 30 September 2015, the Group, pursuant to the Investment Management Agreement entered into on 27 November 2013, was managed by WK Nowlan REIT Management Limited ("The Investment Manager") which was wholly owned and controlled by Nowlan Property Limited and Mr. Frank Kenny. William Nowlan was the investment director of the Investment Manager. Frank J. Kenny was the development director of the Investment Manager. Both the Investment Manager and Nowlan Property Limited are considered to be related parties of the Company. The following were the key management of the Investment Manager:

Kevin Nowlan	Chief Executive Officer
Richard Ball	Chief Investment Officer
Tom Edwards-Moss	Chief Financial Officer
William Nowlan	Investment Director
Frank Kenny	Development Director
Sean O' Dwyer	Risk and Compliance Officer
Frank O'Neill	Chief Operations Officer

As at 30 September 2015, all of this team, with the exception of Sean O' Dwyer, were Directors of the Investment Manager. The investment management fee covers the services of this management team, save regulatory costs which are borne by the Company.

At 30 September 2015, the Directors of the Investment Manager held an aggregate of 2,086,836 shares in the Company, of which 600,000 are held by William Nowlan and 148,058 are held by Kevin Nowlan.

(31 March: 2015:2,059,854).

The Investment Management Agreement governs the provision of investment management and related services to the Company by the Investment Manager. It has an initial term of five years and will automatically continue for three consecutive year periods, unless terminated by the Company or the Investment Manager.

Investment Manager's fees

Base Fee

The base fee for each quarter is payable quarterly in arrears and is calculated by reference to the following table. The fee is based on the EPRA Net Asset Value (NAV) and is the sum of the following amounts:

EPRA NAV:

EPRA NAV	EPRA NAV	Base Fee
From	To	%
€'000,000	€'000,000	
0	<=450	0.250
>450	<=600	0.200
>600		0.150
Uninvested net proceeds		0.125

The total base fee earned by the Investment Manager in the period amounted to €3.4m (30 September 2015: €1.9m) (excluding VAT). The Company did not pay the Investment Manager during the period in relation to the base fee and at the period end the Company owed the Investment Manager €3.4m (31 March 2015:€1.6m).

Performance fee

A performance fee may also paid to the Investment Manager subject to the Group achieving certain returns criteria. The Performance Fee is calculated annually on a per Ordinary Share basis as to 50% by reference to the return to shareholders (via the calculation of REIT IMA Shareholder Return) and as to 50% by reference to outperformance of the Reference Index the "SCSI/IPD Ireland Quarterly Property Index—All Property Quarterly Index" (via the calculation of the Relative Performance Fee). The Half Year Financial Statements include a performance fee provision of €1.5m being the Directors' best estimate of that portion of the performance fee which should be accrued as at 30 September 2015 (30 September 2014:€nil). The actual performance fee due for the year to 31 March 2016 will be determined in accordance with the provisions of the Investment Management Agreement, on the basis of the year end EPRA NAV. Performance fees due on 31 March 2015 were €5.8m. A reserve has been created for these amounts (Note 16).

The dilutive effect of the Investment Manager performance fee at 30 September 2015 has been included in the number of ordinary shares in issue (diluted). It is based on the number of shares that would be issuable had the performance fee for the year ended 31 March 2015 been settled in line with the terms of the Investment Management Agreement. For the portion provided in relation to the half year to 30 September 2015 the dilutive effect is calculated by reference to the NAV on 30 September 2015, based on the average share price for 20 days before that date.

23.3 Key management personnel

As at 30 September 2015, the non-executive directors were the only key management personnel of the Group. The management functions were delegated to the Investment Manager under the Investment Management Agreement. Details on the investment management fees which compensate the Investment Manager for these functions are disclosed above.

23.4 Internalisation of the Investment Manager

As described in Note 24.1, on 5 November 2015, the Company completed the internalisation of the Investment Manager. Under the Irish and UK Listing Rules, the internalisation transaction is classified as a related party transaction (a ''Related Party Transaction'') by virtue of (i) the relationship between the Company and the Investment Manager; (ii) the relationship between the Company, the Investment Manager and William Nowlan (a Director of the Company, a director of the Investment Manager and the holder of 25 per cent. of the issued share capital of Nowlan Property Limited); and (iii) the fact that William Nowlan, Kevin Nowlan, Frank O'Neill and Frank Kenny may, for the purposes of this particular transaction, be regarded as being persons exercising significant influence over the Company by virtue of such persons constituting the majority of the directors of the Investment Manager, and each of William Nowlan, Kevin Nowlan, Frank O'Neill and Frank Kenny also being vendors in respect of the transaction. Consequently, the transaction required the approval of the Shareholders at an Extraordinary General Meeting, which was held on 27 October 2015. In addition to Shareholder approval, the transaction was also conditional upon, amongst other things, the conditions to completion set out in the Share Purchase Agreement having been satisfied (or, if capable of being waived, waived by the Company) and the relevant regulatory approvals from the Central Bank of Ireland having been obtained.

23.5 Other related party transactions

WK Nowlan Property Limited was an 80% owned subsidiary of Nowlan Property Limited until 5 August 2015 when it was transferred at its net asset value to a company owned and controlled by the Shareholders of Nowlan Property Limited. During the period it was engaged on an arm's length basis to carry out asset management and project management services in relation to other non-current assets held for sale and investment properties. The fees paid for these services were benchmarked on normal commercial terms. These fees totaled €0.6m to 30 September 2015 (30 September 2014: €0.3m). A balance of €0.1m was due to WK Nowlan Property Limited at the period end (31 March 2014: €nil). William Nowlan is Chairman of WK Nowlan Property Limited and Frank O'Neill is a non-executive director; both are shareholders in WK Nowlan Property Limited along with Kevin Nowlan.

The Group acquired Dundrum View, an apartment block in Dundrum, Dublin 14 at a contracted price of €28.05m during the period. Frank Kenny held a 1.9% holding in this asset while other family members held a further 1.1%.

There were no further related party transactions for the period.

24. Subsequent Events

24.1 Internalisation of the Investment Manager

On 8 May 2015, the Group announced the proposed internalisation of the investment manager. The internalisation occurred by the acquisition of the entire issued share capital of the parent company of the investment manager, Nowlan Property Limited, together with the acquisition of the 25% of the shares in the investment manager held otherwise than by the parent company. The effective date for the acquisition is 1 April 2015. The internalisation of the investment manager was approved by an Extraordinary General Meeting of the Company on 27 October 2015, and completed on 5 November 2015. 10.9m shares in the Company were issued on 10 November 2015 in part payment for this transaction.

On acquisition, the Group recognised goodwill of €14.2m being the difference between the consideration paid for the Investment Manager and the value of the tangible net assets and liabilities. The difference is due to the valuation of the Investment Management Agreement.

As a result of the internalisation, the following directors of the Investment Manager became Directors of the Company on 5 November 2015.

Mr. Kevin Nowlan	Chief Executive Officer
Mr. Thomas Edwards-Moss	Chief Financial Officer

The effect of the internalisation on the group consolidated financial statement as at 30 September 2015 is illustrated in the table below. Further information on the transaction, including details on the consideration payable, can be obtained from the Shareholder Circular published on the Group's website on 23 September 2015.

30 September 2015 – Impact of the internalisation of the Investment Manager			
	Pre internalisation	Post internalisation	Impact
	€'000	€'000	
	Unaudited	Unaudited	
Investment Property	739,147	736,771	
Tangible fixed assets	-	2,618	
Goodwill	-	14,207	
Cash	114,753	107,887	
Other assets	28,911	28,997	
Total Assets	882,810	890,480	0.9%
Liabilities*	(57,785)	(56,236)	
Net asset Value	**825,025**	**834,244**	1.1%
Shareholders' funds			
Issued capital and share premium	657,987	670,846	
Retained earnings	159,766	161,899	
Other reserves	7,272	1,500	
	825,025	**834,244**	
	'000 shares	'000 shares	
Ordinary shares in issue	670,317	670,317	
Shares issued during internalisation	-	10,934	
Ordinary shares in issue post internalisation	670,317	681,251	
Estimated additional shares due for issue from performance reserve	5,814	1,150	
Diluted number of shares	676,131	682,401	
IFRS NAV per share (cents)	123.1	122.5	-0.5%
Diluted IFRS NAV per share (cents)	122.0	122.3	0.2%
EPRA NAV per share (cents)	122.1	122.4	0.2%

24.2 Dividend

An interim dividend of of 0.7 cent per share (2014: 0.3 cent) was declared on 11 November 2015. All of the dividend is a PIB dividend.

24.3 Hardwicke and Montague House

On 23 October 2015 the Group served notice to exercise a call option to acquire Hardwicke House and Montague House. This will result in the legal completion of this purchase. Both properties have been recognised fully as investment properties in accordance with the Groups accounting policy on investment properties.

24.4 Purchase of 39 Harcourt Street

On 6 October the Group exchanged contracts to purchase 39 Harcourt Street at a purchase cost of €1.8m.

24.5 Bank facility

On 11 November 2015, the Company entered into an €400m revolving credit facility at a margin of 205bp which replaces the Company's €100m revolving credit facility which was in place at the period end.

Directors and Other Information

Directors	Daniel Kitchen (Chairman) Colm Barrington (Senior Independent Director) Stewart Harrington William Nowlan Terence O'Rourke Kevin Nowlan (Chief Executive Officer – appointed 5 November 2015) Thomas Edwards-Moss (Chief Financial Officer-appointed 5 November 2015)
Secretary	Castlewood Corporate Services Limited (Trading as Chartered Corporate Services) Taney Hall Eglinton Terrace Dundrum Dublin 14 Ireland
Registered Office	South Dock House Hannover Quay Dublin D02 XW94 Ireland
Company Number	531267
Independent Auditor	Deloitte Chartered Accountants and Statutory Audit Firm Hardwicke House Hatch Street Dublin 2 Ireland
Investment Manager	WK Nowlan REIT Management Limited South Dock House Hannover Quay Dublin D02 XW94 Ireland
Independent Valuer	CBRE Dublin 3rd Floor, Connaught House 1 Burlington Road Dublin 4 Ireland

Hibernia REIT plc

Principal Bankers	Bank of Ireland 50-55 Baggot Street Lower Dublin 2 Ireland
Depository	BNP Paribas Securities Services (formerly Credit Suisse International, Dublin Branch) Trinity Point 10-11 Leinster Street South Dublin 2 Ireland
Registrar	Capita Registrars (Ireland) Limited t/a Capita Asset Services 2 Grand Canal Square Dublin 2 Ireland
Principal Legal Advisers	A&L Goodbody 25/28 North Wall Quay IFSC Dublin 1 Ireland
Corporate Brokers	Goodbody Stockbrokers Ballsbridge Park Ballsbridge Dublin 4 Ireland
	Credit Suisse International One Cabot Square London E14 40J United Kingdom

Glossary

AIF is an Alternative Investment fund

AIFM is an Alternative Investment Fund Manager

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.

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

Developer's profit is the profit on cost estimated by valuers which is typically a percentage of developer's costs, usually 20%.

Development construction cost is the total costs of construction to completion, excluding site and financing costs. Finance costs are assumed at a notional 6% per annum by the valuers.

EPRA is the European Public Real Estate Association, which is the industry body for European REITs

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

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

EPRA NAV per share is the EPRA NAV divided by the diluted number of shares at the period end.

EPRA net assets (EPRA NAV) are 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 therefore equals IFRS NAV in this instance.

EPRA Net Initial Yield (NIY) is the cash passing rent generated by the investment portfolio, 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 and residential properties and the addition of purchaser's costs where applicable.

EPRA NNNAV is the EPRA NAV adjusted to reflect the fair value of debt and derivatives and to include deferred taxation on revaluations.

EPRA Topped-up Net Initial Yield is calculated as the EPRA NIY but adjusting the cash 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 tenant leases.

Estimated Rental Value (ERV) or market rental value is the external valuers' 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.

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

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

IPO is the Initial public offering, i.e. the first equity raising of the Company.

IPD is the Investment Property Databank Limited which is part of the MSCI Group and produces as independent benchmark of property returns and which provides the Group with the performance information required in calculating the performance based management fee.

Like for like rental income growth is the growth in net rental income on properties owned through the current and previous periods under review. This growth rate includes revenue recognition and lease accounting adjustments but excludes properties held for development in either period or properties with guaranteed rental reviews. The Group does not present this statistic in this period as this is the first period in which the Group has held investment properties.

Net development value is the external valuers 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 base on the timing of the income received. As is normal practice, the equivalent yields (as determined by the external valuers) assumes rent is received annually in arrears.

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

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.

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

Property Income Distributions (PIDs) are dividends distributed by a REIT that are subject to taxation in the hands of the shareholders. Normal withholding tax still applies in most cases.

REIT is a Real Estate Investment Trust as set out under section 705 E of the Finance Act 2013.

Reversion is the rent uplift where the ERV is higher than the contracted rent.

Tenant 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.

Total shareholder return is the growth in share value over a period assuming dividends are reinvested to purchase additional units of stock.

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.

VPS4 is the RICS Red Book Valuation Standard VPS4.

Hibernia REIT plc

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