ediston

Property Investment Company PLC

Securing income

INTERIM REPORT AND CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS TO 31 MARCH 2019

Ediston Property Investment Company

is a UK-listed Real Estate Investment Trust (REIT) investing in commercial property throughout the UK. Our objective is to deliver to our shareholders an attractive level of income, coupled with the prospect of income and capital growth.

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www.ediston-reit.com

Key points for the six months to 31 March 2019

Completed six letting deals across four retail warehouse parks.

Secured £842,000 of income per annum through executing asset management initiatives.

Property portfolio decreased in value, on a like-for-like basis by 1.5%.

Net asset value decreased 2.7% to 112.2 pence (30 September 2018: 115.3 pence).

Dividend cover of 117.5%.

Annualised dividend yield of 5.6% based on 31 March 2019 closing share price of 103.5 pence.

EPRA NAV per share

112.21p

2017	109.67p
2018	112.48p
2019	112.21p

NAV total return

-0.2%

2017	5.0%
2018	3.6%
2019	-0.2%

Share price total return

-2.4%

2017	7.9%
2018	5.0%
2019	-2.4%

Dividend per share (pence)

2.88p

2017	2.75p
2018	2.81p
2019	2.88p

Average Premium (discount) of share price to NAV

-9.4%

2017	-1.3%
2018	-0.6%
2019	-9.4%

EPRA vacancy rate

3.1%

2017	3.9%
2018	3.1%
2019	3.1%

All figures are for the six months ended, or as at, 31 March in each year.

Securing income and dealing with vacancy

We own a portfolio of commercial properties throughout the UK. We invest in office, retail warehouse, leisure and industrial assets without regard to any benchmark. In constructing our portfolio we have avoided the herd mentality of many investors and selected assets we believe are right for our strategy and managerial strengths.

Number of properties

At 31 March 2019

17

Portfolio value

At 31 March 2019

£328.8m

Contracted rent

At 31 March 2019

£21.7m

Office
Retail warehouse parks
Leisure

Office

Good quality offices, let to strong covenants with potential for rental growth.

Number of properties

4

Value

£78.5m

Total contracted rent

£4.5m

Sector weighted average unexpired lease term

6.4 years

Retail warehouse

A focus on well-let retail warehouse parks with solid income streams offering asset management opportunities.

Number of properties

10*

Value

£240.6m

Total contracted rent

£16.3m

Sector weighted average unexpired lease term

6.4 years

Leisure

Three bingo halls let to a national operator. Good income, with alternative use options.

Number of properties

3

Value

£9.7m

Total contracted rent

£0.9m

Sector weighted average unexpired lease term

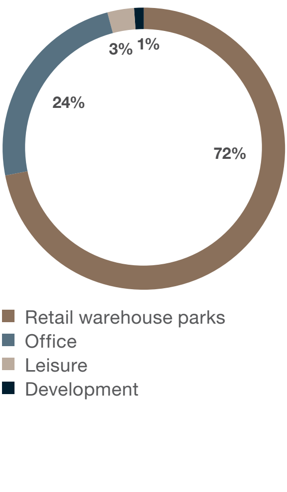
3.5 years

*Includes a seven-acre retail warehouse development site in Haddington.

PORTFOLIO COMPOSITION

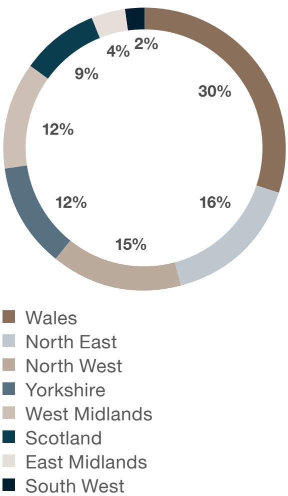
Sector exposure

at 31 March 2019



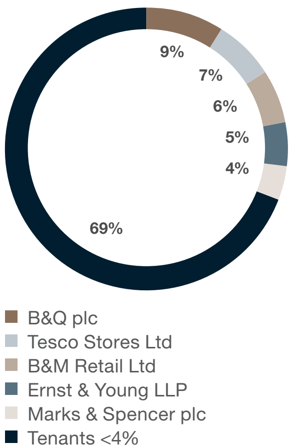
Regional exposure

at 31 March 2019



Tenant exposure

at 31 March 2019



A focus on income

INTRODUCTION

The first half of this financial year has seen the completion of a number of important asset management initiatives. These made a positive contribution to the income line and helped maintain the EPRA vacancy rate at a modest 3.1%. They also provided support for the Company's Net Asset Value (NAV) during a period when investment values have been under pressure from the significant negative shift in sentiment towards the retail sector. Dividends were comfortably covered at 117.5%.

Nevertheless, it has been a difficult six months with the Company's NAV declining by 2.7% and the share price falling from 109.0 pence to 103.5 pence at the period end.

INVESTMENT AND SHARE PRICE PERFORMANCE

The Company's investment portfolio was valued at £328.8 million at 31 March 2019 (30 September 2018: £333.9 million). The reduction in value reflects the more challenging environment in which the Company now operates and the extremely negative sentiment across the entire retail sector, from which the Company was not immune.

An increase in Land and Buildings Transaction Tax (LBTT) on Scottish properties, the impact of gearing and capital expenditure of £1.6 million (to improve assets and facilitate lettings) contributed to the decline in NAV, as did negative valuation movements on some of the assets in the portfolio.

Over the period, the EPRA NAV per share fell from 115.3 pence to 112.2 pence, a decrease of 2.7%. The NAV total return for the period was -0.2%.

The Company is not benchmark correlated but it is worth noting that over the six months to the period end, the retail warehouse subsector of the MSCI UK Quarterly Property Index has fallen 6.9% on a capital basis.

The share price capital return was -5.0% and the average discount over the period was 9.4%, having increased from a discount of 0.6% for the same period last year. Taking into account dividends paid in the period, the total return per share based on NAV movement was -0.2%. The total return on a share price basis was -2.4%.

INVESTMENT STRATEGY

The conviction call made by the Investment Manager 18 months ago to significantly increase the retail warehouse content of the portfolio was based on a belief that there was fundamental value in the sector relative to other parts of the market, as well as the ability to exploit mispricing within the sector itself. The Board remains very supportive of this strategy and is willing to consider reinforcing the position if suitable opportunities arise.

The sector knowledge and expertise of the Investment Manager, which has driven the asset management activity in the first half of the year, provides the Board with considerable confidence behind this strategy. Retailing is going through a major restructure but is not ending as an economic activity. The winning retailers want to be located on well managed retail parks that provide efficient retail space let off affordable rents. Unlike town centres and shopping centres this space is not over-supplied and failed retailers are capable of being replaced, as demonstrated by our recent successes.

No sales or acquisitions were undertaken during the period, but the portfolio composition is reviewed at regular intervals. There may be some transactional activity undertaken in the second half of the year, where appropriate.

PORTFOLIO ACTIVITY

Leasing activity in the period has taken place at Sunderland, Barnsley, Prestatyn and Hull. In addition, good progress has been made at Gateside, Haddington where a planning application has been submitted for a four-unit retail scheme, 'drive-thru' restaurant and a petrol filling station. The majority of the accommodation is under offer and the expectation is the development will start in the autumn for completion in summer 2020. The asset management activity is discussed in more detail within the Investment Manager's Review.

A feature of the retail market has been the way that certain retailers have used the Company Voluntary Arrangement (CVA) process to benefit their shareholders at the expense of shareholders owning the real estate they operate from. Landlords do not want businesses to fail and are generally supportive in helping their tenants overcome difficult times. However, the CVA leaves the landlord with no upside for releasing the tenant of its contractual obligations, in stark contrast to the creditors and shareholders that benefit from lower rents. It is a fundamentally unfair process. It is therefore very pleasing that, at the scheme in Barnsley we were able to quickly re-let the unit vacated by Carpetright under the CVA to an expanding retailer, with no rent-free incentives.

The EPRA vacancy rate had risen in the first quarter of the year to 6.3% but following the lettings in the second quarter remained unchanged from that at the previous half year end at 3.1%. The weighted average unexpired lease term was 6.3 years.

Further asset management initiatives are well advanced and, if successfully executed, should help increase income and support asset value in the second half of the year.

CAPITAL STRUCTURE AND POTENTIAL GROWTH

The Company's total debt is unchanged at £111.1 million at a blended 'all-in' fixed rate of 2.86%. Gearing at 31 March 2019 was 31.5% of total assets, a small increase due to the fall in NAV but well within investment policy limits. As at 31 March 2019, the Company held £22.6 million of cash on its balance sheet, including £10.8 million drawn under the debt facility. The latter was included within debtors at the period end and is available for investment.

The Company has total assets of £352.3 million and net assets of £237.1 million, as at 31 March 2019. The Company is almost fully invested with identified uses for existing cash. There are sufficient cash resources to fund the construction of Haddington as well as to undertake a number of asset management initiatives.

The Board continues to believe that expanding the size of the Company and widening the breadth of ownership of the Company's shares, is in the long-term interest of all shareholders. The Investment Manager continues to look for potential opportunities that could provide medium-term accretion to income and capital and grow the Company and its equity base. We believe the Company has demonstrated a track record that could generate equity support for the right type of deal.

DIVIDENDS

The Company has paid monthly dividend payments at the annual rate of 5.75 pence per share since January 2018. Dividend cover for the half year was 117.5%. Paying a progressive and sustainable monthly dividend, which is fully covered, remains a key objective for the Company.

MARKETING COMMITTEE

I am delighted that Jamie Skinner has taken on the role of chairman of our Marketing Committee.

The focus of the Committee has been on raising the visibility of the Company to the retail investment community and through the various share platforms. The Board believes it is in the interest of all shareholders to increase the percentage of the share register from retail investors as it will help drive liquidity and reduce the volatility of the share price. This has been of concern to the Board. One initiative has been to upgrade the quantum and type of material on the website which will be of use to all shareholders.

The work of the Marketing Committee will be reviewed in full in the Annual Report and Accounts.

GOVERNANCE

The Board balances the governance requirements of the Company against having a balanced board structure which works well on the challenges of a growing company in a specialist sector. The Board also takes into account changes to FRC and AIC Codes as well as best practice on governance generally, which is why having an external review of the effectiveness of the Board was considered both timely and compliant with direction in Code guidance.

This review should help the Board's thinking in marshalling its resources, skills and experiences, on succession planning and in handling diversity of membership over succeeding periods. In the meantime, I would commend my colleagues for their commitment to the Company and in helping meet its challenges since launch more than four years ago. The Board remains open to the view of investors and encourages engagement with shareholders, large and small, on all issues connected with the Company, not just governance.

OUTLOOK

Last year I commented on the problems of the retail sector but expressed confidence in the Company's decision to add considerably to its retail warehouse exposure. I commented that in the properties the Company owned there were few signs of the travails of the high street and shopping centre markets that were awash with surplus space and struggling with unsustainable levels of rent. Looking back, I think it is fair to say that retail warehouse tenant failures and CVAs were more than anticipated and this has had a negative impact on the sector and values. However, in most cases these were struggling retailers who failed to respond to the changes in retail format and/or in the products they sold. It was not a failing of the retail warehouse format. This has been demonstrated by the ability of the Investment Manager to undertake a steady stream of asset management initiatives across the portfolio and for the vacancy rate to remain unaltered compared with that 12 months ago.

The capital markets have not been able to price retail for some time and I suspect that will continue to be the case for a while longer as the structural change continues to run its course and some 'old economy' retailers continue with their 'death throes'. The Company's NAV may continue to edge down further before investors start to respond to the value in the sector. There are of course other risks to the NAV and these would include those to the economy arising from Brexit and political instability. With an attractive yield, strong dividend cover, conservative gearing, adequate cash resources and retail parks that are attracting tenants, the Company is well placed to show considerable levels of resilience to any headwinds.

William Hill
Chairman
21 May 2019

Navigating the shifts in shopping

The retail market endured a challenging year in 2018 and there is no doubt that it continued to struggle during the first quarter of 2019.

This has translated into lower market valuations across the sector, but the decline is not equal across the board. Over-rented assets or those blighted in any way have been hardest hit and some retail properties, particularly secondary or tertiary shopping centres, do not have a future in retailing and need to be repurposed.

The retail sector is evolving, but it is not in terminal decline. There will be further tenant casualties and it will be those that do not adapt, evolve or change who will fail. Tenants who do not embrace the internet and get their digitisation strategies working with their physical store portfolio will also struggle, but the internet is not the end for retail. Physical stores will continue to play a vital part for retailers, especially in supporting their click and collect models. The out-of-town market is best placed to meet these demands given its accessibility, flexibility and more affordable rents.

Our retail warehouse portfolio, whilst not immune to the negative sentiment surrounding retail, has proved to be resilient. We have been working with our tenants to ensure that their property portfolios are 'right-sized' and suitable for their needs.

During the period we have completed six letting deals across four retail parks, securing £842,000 of income per annum for the Company. The success extends to rent reviews too. During the period we completed a rent review with Next, at Prestatyn Shopping Park, negotiating a 53% increase in the annual rent. This follows the completion of rent reviews on the park in quarter three 2018, when increases of 24% and 18% were negotiated with River Island and Card Factory respectively.

ASSET MANAGEMENT ACTIVITY

This activity has ensured the EPRA vacancy rate reduced to 3.1% over the period. However, it did increase to 6.3% at 31 December 2018 as a result of units being vacated because of CVAs. If vacant units covered by rental guarantees are considered, the vacancy rate falls further, to 2.3%. This reduction was achieved by completing lettings on 53,804 sq. ft. of retail warehouse space.

At Barnsley East Retail Park we let unit B, which extends to 10,000 sq. ft., to B&M Retail Limited. The unit was previously occupied by Carpetright, who completed a CVA in 2018. Under the terms of the CVA the Company was able to secure vacant possession of the unit to facilitate the new letting.

B&M who also occupy unit A, which extends to 25,000 sq. ft., has signed a lease on unit B and will now trade both units as a single store. The leases will expire in September 2027.

The rent payable will be £330,062 per annum. The new lease was granted before any lengthy void periods and without any rent free or other incentives being paid. Further, under this agreement, the lease expiry date on unit B was extended from September 2019 to September 2027.

At Prestatyn Shopping Park, we restructured the lease terms with New Look on their 7,623 sq. ft. store.

At Kingston Retail Park in Hull, we have let three vacant units (5a, 5b and 5c) to two new tenants. The units extend to a total of 18,868 sq. ft. Iceland Foods Limited has signed a ten-year lease, without break, on units 5b and 5c which have a total area of 13,672 sq. ft. Iceland will trade the store as a 'Food Warehouse'. Sue Ryder has signed a ten-year lease with a five-year tenant break option on unit 5a, which extends to 5,196 sq. ft. If Sue Ryder were to exercise its break clause, it would be required to pay the Company a penalty equivalent to six-months rent. Both tenants were granted a short rent-free period of only three months.

The retail park was acquired in December 2017. Units 5a, 5b and 5c were vacant, but benefited from a rental guarantee from the previous owner, which was due to expire in December 2019. The Company has paid for the reconfiguration of the units to facilitate the lettings and has made a capital contribution to the tenants. Allowing for an offset from the guarantee account, the net capital cost to the Company was c. £484,000.

These transactions have secured £262,736 of income per annum beyond the expiry of the rental guarantee period and follows on from the letting to B&M last year which saw it increase its representation on the park from 10,271 sq. ft. to 24,225 sq. ft.

At Pallion Retail Park in Sunderland we have completed two lease transactions. In December 2018 the Wallpaper Warehouse renewed their lease on unit 4, which extends to 5,968 sq. ft. The tenant has signed a new ten-year lease with a five-year break option at an annual rent of £86,536, which is ahead of the previous passing rent.

Number of letting deals

6

Rent per annum

£842,000

We also completed the lease to GO Outdoors during the period. GO Outdoors signed an Agreement for Lease (AFL) on unit 2, which comprises 11,345 sq. ft., in June 2018. The AFL was conditional on the Company carrying out various repairs to the property. These repairs were required following the Company securing early possession of the unit from B&M following its relocation to larger premises on the park. The works have now been undertaken and a new ten-year lease with a five-year break clause has been completed. The rent passing of £187,192 per annum is 20% higher than the rent paid by the previous tenant.

Both tenants received 12 months rent-free, but will pay a penalty of six-months rent if they break their respective leases.

There has also been progress with our planning applications. During the period, at Plas Coch Retail Park in Wrexham, unconditional planning consent was received for the construction of a Costa Coffee Drive-Thru unit. Construction of the unit commenced in January 2019 and is expected to be complete by the end of July 2019.

Costa has signed an Agreement for Lease for a 1,800 sq. ft. unit. On completion of the unit they will enter into a 15-year lease, without break, at a rent of £63,000 per annum. A rent free period of 12 months has been granted. The rent will be reviewed five-yearly in accordance with RPI, compounded annually but applied five-yearly, with a collar and cap of 1% and 3% per annum respectively. The anticipated yield on cost is c. 9%.

A planning application was submitted for the development of a 48,000 sq. ft. retail park and petrol filling station at our site in Haddington, East Lothian. Discussions are underway with a number of national retailers who would like representation in the town, and we expect to have the development significantly pre-let prior to construction starting on site.

Area let

53,804 sq. ft.

Number of units let

7

This activity shows that there is still occupational demand for the right assets in good locations, if they are let off affordable rents. The challenges in the retail market will create uncertainty, but also opportunity and we have again shown it can be exploited to the Company's advantage.

We continue to have and welcome dialogue with our shareholders to help explain progress against a difficult market background, particularly for retail.

PORTFOLIO VALUATION

The Company's property portfolio is valued by Knight Frank on a quarterly basis throughout the year. As at 31 March 2019 it was valued at £328.8 million, compared to £333.9 million at end September 2018, a like-for-like decrease of 1.5%, principally driven by a drop in value of the retail warehouse portfolio.

FULLY COVERED DIVIDEND

Our dividend remains fully covered and we aim to ensure this is the case going forward. The dividend cover for the six months to 31 March 2019 was 117.5%.

INVESTMENT MARKET

The investment market finished 2018 strongly which resulted in total volumes for the year being ahead of both 2017 volumes and the forecasts made by many at the start of the year. Whilst the headline figure suggests a strong market, the overall deal volume was heavily influenced by several large transactions. Investment demand remained polarised and there was a definite flight to quality with long-leased, index-linked buildings let to strong covenants in demand.

The UK remains an attractive location for overseas investors who view it as a safe haven, but also a market where they can secure better yields when compared to the rest of Europe and the world. However, 2019 has started slowly, more so than in the first quarter of 2018. This lack of activity has been caused by investors adopting a 'wait-and-see' approach to deploying their capital, principally due to Brexit. This uncertainty is also delaying potential sellers from offering properties to the market for sale as there is concern that best value will not be obtained.

Sellers are worried that sales might be viewed as 'distressed' and any offers will reflect this belief, whether it is true or not.

A prolonged period of inertia will be unhelpful for the property market. Clarity on Brexit is required, whether that is in or out of Europe, or a hard or soft Brexit. A clear view will allow investors to assess what the decision means for the market and they can then decide on the appropriate strategy with more confidence.

This uncertainty will create opportunities as investors will have different interpretations of the potential outcomes of the decision and will take alternative stances on the key issues. We are aware of a lot of capital with an appetite for UK real estate waiting in the wings, ready to be deployed at the appropriate moment.

OUTLOOK

A slow investment market hindered by uncertainty means the focus will remain on maximising the potential of the existing property portfolio. Our style of asset management has always been intensive and hands-on. As the market has evolved, we have not had to adapt our approach to suit the changing conditions. We are doing what we have always done; 'getting under the skin' of our properties, understanding the needs of the tenants and delivering solutions for their occupational requirements, whilst securing and growing income for our investors.

Calum Bruce
Investment Manager
21 May 2019

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The risks, and the way in which they are managed, are described in more detail under the heading 'Principal risks and risk management' within the Strategic Report in the Group's Annual Report and Accounts for the year ended 30 September 2018. The Group's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remainder of the Group's financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE INTERIM REPORT

We confirm that to the best of our knowledge:

- the condensed set of consolidated financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union and gives a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Chairman's Statement and Investment Manager's Review (together constituting the Interim Management Report) include a fair review of the information required by the Disclosure and Transparency Rules (DTR) 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of consolidated financial statements;
- the Statement of Principal Risks and Uncertainties above is a fair review of the information required by DTR 4.2.7R; and
- the Chairman's Statement and Investment Manager's Review, together with the condensed set of consolidated financial statements, include a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during the period, and any changes in the related party transactions described in the last Annual Report that could do so.

On behalf of the Board

William Hill
Chairman
21 May 2019

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 March 2019

	Notes	Six months ended 31 March 2019 (unaudited) Revenue £'000	Six months ended 31 March 2019 (unaudited) Capital £'000	Six months ended 31 March 2019 (unaudited) Total £'000	Six months ended 31 March 2018 (unaudited) Total £'000	Year ended 30 September 2018 (audited) Total £'000
Revenue						
Rental income		**10,525**	**–**	**10,525**	8,780	19,391
Total revenue		**10,525**	**–**	**10,525**	8,780	19,391
Unrealised (loss)/gain on revaluation of investment properties	5	**–**	**(7,600)**	**(7,600)**	2,393	7,286
Total income		**10,525**	**(7,600)**	**2,925**	11,173	26,677
Expenditure						
Investment management fee	2	**(1,134)**	**–**	**(1,134)**	(959)	(2,112)
Direct property expenses		**(161)**	**–**	**(161)**	(193)	(423)
Other expenses		**(520)**	**–**	**(520)**	(487)	(967)
Total expenditure		**(1,815)**	**–**	**(1,815)**	(1,639)	(3,502)
Profit/(Loss) before finance costs and taxation		**8,710**	**(7,600)**	**1,110**	9,534	23,175
Net finance costs						
Interest receivable		**55**	**–**	**55**	7	23
Interest payable		**(1,628)**	**–**	**(1,628)**	(1,368)	(3,005)
Profit/(Loss) before taxation		**7,137**	**(7,600)**	**(463)**	8,173	20,193
Taxation		**–**	**–**	**–**	–	–
Profit/(Loss) and total comprehensive income for the period		**7,137**	**(7,600)**	**(463)**	8,173	20,193
Basic earnings per share	3	**3.38p**	**(3.60)p**	**(0.22)p**	4.54p	10.32p

The total column of this statement represents the Condensed Consolidated Statement of Comprehensive Income, prepared in accordance with IFRS. The supplementary revenue return and capital return columns are prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in the above statement are derived from continuing operations.

No operations were acquired or discontinued in the period.

The accompanying notes are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position
As at 31 March 2019

	Notes	As at 31 March 2019 (unaudited) £'000	As at 31 March 2018 (unaudited) £'000	As at 30 September 2018 (audited) £'000
Non-current assets				
Investment properties	5	**324,858**	323,299	330,825
		324,858	323,299	330,825
Current assets				
Trade and other receivables		**15,592**	15,180	14,078
Cash and cash equivalents		**11,838**	9,950	11,735
		27,430	25,130	25,813
Total assets		**352,288**	348,429	356,638
Non-current liabilities				
Loans	6	**(109,863)**	(109,700)	(109,780)
		(109,863)	(109,700)	(109,780)
Current liabilities				
Trade and other payables		**(5,294)**	(2,140)	(3,188)
Total liabilities		**(115,157)**	(111,840)	(112,968)
Net assets		**237,131**	236,589	243,670
Equity and reserves				
Called-up equity share capital	7	**2,113**	2,103	2,113
Share premium		**125,559**	124,446	125,559
Capital reserve – investments held		**10,549**	13,256	18,149
Capital reserve – investments sold		**2,685**	2,685	2,685
Special distributable reserve		**83,887**	84,409	84,158
Revenue reserve		**12,338**	9,690	11,006
Equity shareholders' funds		**237,131**	236,589	243,670
Net asset value per ordinary share	8	**112.21p**	112.48p	115.30p

The condensed set of consolidated financial statements on pages 12 to 22 were approved by the Board of Directors and authorised for issue on 21 May 2019 and were signed on its behalf by:

William Hill
Chairman

Registered number: 09090446

The accompanying notes are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 March 2019 (unaudited)

	Share capital account £'000	Share premium £'000	Capital reserve – investments held £'000	Capital reserve – investments sold £'000	Special distributable reserve £'000	Revenue reserve £'000	Total equity £'000
As at 30 September 2018	**2,113**	**125,559**	**18,149**	**2,685**	**84,158**	**11,006**	**243,670**
(Loss)/Profit and total comprehensive income for the period	–	–	(7,600)	–	–	7,137	(463)
Transactions with owners recognised in equity:							
Dividends paid	–	–	–	–	–	(6,076)	(6,076)
Transfer from special reserve	–	–	–	–	(271)	271	–
As at 31 March 2019	**2,113**	**125,559**	**10,549**	**2,685**	**83,887**	**12,338**	**237,131**

For the six months ended 31 March 2018 (unaudited)

	Share capital account £'000	Share premium £'000	Capital reserve – investments held £'000	Capital reserve – investments sold £'000	Special distributable reserve £'000	Revenue reserve £'000	Total equity £'000
As at 30 September 2017	1,310	37,858	10,863	2,685	84,668	8,432	145,816
Profit and total comprehensive income for the period	–	–	2,393	–	–	5,780	8,173
Transactions with owners recognised in equity:							
Ordinary Shares issued	793	86,588	–	–	–	–	87,381
Dividends paid	–	–	–	–	–	(4,781)	(4,781)
Transfer from special reserve	–	–	–	–	(259)	259	–
As at 31 March 2018	2,103	124,446	13,256	2,685	84,409	9,690	236,589

The accompanying notes are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the year ended 30 September 2018 (audited)

	Share capital account £'000	Share premium £'000	Capital reserve – investments held £'000	Capital reserve – investments sold £'000	Special distributable reserve £'000	Revenue reserve £'000	Total equity £'000
As at 30 September 2017	1,310	37,858	10,863	2,685	84,668	8,432	145,816
Profit and total comprehensive income for the year	–	–	7,286	–	–	12,907	20,193
Transactions with owners recognised in equity:							
Ordinary Shares issued	803	87,701	–	–	–	–	88,504
Dividends paid	–	–	–	–	–	(10,843)	(10,843)
Transfer from special reserve	–	–	–	–	(510)	510	–
As at 30 September 2018	2,113	125,559	18,149	2,685	84,158	11,006	243,670

The accompanying notes are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Cash Flow Statement
For the six months ended 31 March 2019

	Notes	**Six months ended 31 March 2019 (unaudited) £'000**	Six months ended 31 March 2018 (unaudited) £'000	Year ended 30 September 2018 (audited) £'000
Cash flows from operating activities				
(Loss)/Profit before tax		**(463)**	8,173	20,193
Adjustments for:				
Interest receivable		**(55)**	(7)	(23)
Interest payable		**1,628**	1,368	3,005
Unrealised revaluation loss/(gain) on property portfolio		**7,600**	(2,393)	(7,286)
Operating cash flows before working capital changes		**8,710**	7,141	15,889
Increase in trade and other receivables		**(1,223)**	(7,884)	(6,511)
Increase in trade and other payables		**2,214**	329	1,266
Net cash inflow/(outflow) from operating activities		**9,701**	(414)	10,644
Cash flows from investing activities				
Purchase of investment properties		**–**	(146,750)	(146,750)
Capital expenditure		**(2,005)**	(2,442)	(5,264)
Net cash outflow from investing activities		**(2,005)**	(149,192)	(152,014)
Cash flows from financing activities				
Issue of Ordinary Share capital, net of costs	7	**–**	87,381	88,504
Loan drawn down, net of costs		**–**	53,384	53,382
Dividends paid		**(6,077)**	(4,742)	(10,809)
Interest received		**55**	8	23
Interest paid		**(1,571)**	(1,126)	(2,646)
Net cash (outflow)/inflow from financing activities		**(7,593)**	134,905	128,454
Net increase/(decrease) in cash		**103**	(14,701)	(12,916)
Opening cash and cash equivalents		**11,735**	24,651	24,651
Closing cash and cash equivalents		**11,838**	9,950	11,735

The accompanying notes are an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

1. INTERIM RESULTS

The condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 'Interim Financial Reporting' as adopted by the European Union and the accounting policies set out in the statutory accounts of the Group for the year ended 30 September 2018. The condensed consolidated financial statements do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the financial statements of the Group for the year ended 30 September 2018, which were prepared under IFRS as adopted by the European Union. There have been no significant changes to management judgements and estimates.

The condensed consolidated financial statements have been prepared on the going concern basis. In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. After making enquiries, and bearing in mind the nature of the Group's business and assets, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing these financial statements.

2. INVESTMENT MANAGEMENT FEE

	Six months ended 31 March 2019 £'000	Six months ended 31 March 2018 £'000	Year ended 30 September 2018 £'000
Investment management fee	**1,134**	959	2,112
Total	**1,134**	959	2,112

Ediston Investment Services Limited has been appointed as the Company's Alternative Investment Manager (AIFM) and Investment Manager, with the property management arrangements of the Group being delegated to Ediston Properties Limited. The Investment Manager is entitled to a fee calculated as 0.95% per annum of the net assets of the Group up to £250,000,000 and 0.75% per annum of the net assets of the Group over £250,000,000. The management fee on any cash available for investment (being all cash held by the Group except cash required for working capital and capital expenditure) is reduced to 0.475% per annum while such cash remains uninvested.

The Investment Management Agreement may be terminated by either party by giving not less than 12 months' notice. The agreement may be terminated earlier by the Group provided that a payment in lieu of notice, equivalent to the amount the Investment Manager would otherwise have received during the notice period, is made. The Investment Management Agreement may be terminated immediately without compensation if the Investment Manager: is in material breach of the agreement; is guilty of negligence, wilful default or fraud; is the subject of insolvency proceedings; or if there occurs a change of key managers to which the Board has not given its prior consent.

Notes to the Condensed Consolidated Financial Statements continued

3. EARNINGS PER SHARE

	Six months ended 31 March 2019		Six months ended 31 March 2018		Year ended 30 September 2018	
	£'000	**Pence per share**	£'000	Pence per share	£'000	Pence per share
Revenue earnings	**7,137**	**3.38**	5,780	3.21	12,907	6.60
Capital earnings	**(7,600)**	**(3.60)**	2,393	1.33	7,286	3.72
Total earnings	**(463)**	**(0.22)**	8,173	4.54	20,193	10.32
Average number of shares in issue		**211,333,737**		180,254,360		195,592,787

Earnings for the period to 31 March 2019 should not be taken as a guide to the results for the year to 30 September 2019.

4. DIVIDENDS

Dividends paid as distributions to equity shareholders during the period were:

	Six months ended 31 March 2019 £'000	Six months ended 31 March 2018 £'000	Year ended 30 September 2018 £'000
In respect of the prior year:			
Twelfth interim dividend	**1,012**	601	601
In respect of the current year:			
First interim dividend	**1,012**	600	600
Second interim dividend	**1,013**	600	600
Third interim dividend	**1,013**	964	964
Fourth interim dividend	**1,013**	1,008	1,008
Fifth interim dividend	**1,013**	1,008	1,008
Sixth interim dividend	**–**	–	1,008
Seventh interim dividend	**–**	–	1,008
Eighth interim dividend	**–**	–	1,008
Ninth interim dividend	**–**	–	1,012
Tenth interim dividend	**–**	–	1,013
Eleventh interim dividend	**–**	–	1,013
Total	**6,076**	4,781	10,843

Interim dividends for the year ending 30 September 2019 were paid at the rate of 0.4792 pence per share. A sixth interim dividend for the year ending 30 September 2019, of 0.4792 pence per share, was paid on 30 April 2019 to shareholders on the register on 12 April 2019. A seventh interim dividend for the year ending 30 September 2019, of 0.4792 pence per share, will be paid on 31 May 2019 to shareholders on the register on 10 May 2019.

Further details on dividends paid, including a split between Property Income Distributions (PID) and Non-PIDs, is contained on page 24.

5. INVESTMENT PROPERTIES

	As at 31 March 2019 £'000	As at 31 March 2018 £'000	As at 30 September 2018 £'000
Opening book cost	**312,676**	160,876	160,876
Opening unrealised appreciation	**18,149**	10,863	10,863
Opening fair value	**330,825**	171,739	171,739
Movement for the period			
Purchases	**–**	146,750	146,750
Capital expenditure	**1,633**	2,417	5,050
Movement in book cost	**1,633**	149,167	151,800
Unrealised gains on investment properties	**1,036**	4,609	9,689
Unrealised losses on investment properties	**(8,636)**	(2,216)	(2,403)
Movement in fair value	**(5,967)**	151,560	159,086
Closing book cost	**314,309**	310,043	312,676
Closing unrealised appreciation	**10,549**	13,256	18,149
Closing fair value	**324,858**	323,299	330,825

The fair value of the investment properties reconciled to the appraised market value as follows:

	Six months ended 31 March 2019 £'000	Six months ended 31 March 2018 £'000	Year ended 30 September 2018 £'000
Closing fair value	**324,858**	323,299	330,825
Lease incentives held as debtors	**3,957**	2,101	3,025
Appraised market value per Knight Frank	**328,815**	325,400	333,850

Changes in the valuation of investment properties

	Six months ended 31 March 2019 £'000	Six months ended 31 March 2018 £'000	Year ended 30 September 2018 £'000
Unrealised gains on investment properties	**1,036**	4,609	9,689
Unrealised losses on investment properties	**(8,636)**	(2,216)	(2,403)
Total (loss)/gain on revaluation of investment properties	**(7,600)**	2,393	7,286

Notes to the Condensed Consolidated Financial Statements continued

5. INVESTMENT PROPERTIES CONTINUED

The loss on revaluation of £7,600,000 above consists of capital expenditure of £1,633,000, the increase in lease incentives of £932,000 and the movement in appraised market value of investment properties of £5,035,000 over the period 30 September 2018 to 31 March 2019.

At 31 March 2019, the properties were valued at £328,815,000 (31 March 2018: £325,400,000, 30 September 2018: £333,850,000) by Knight Frank LLP (Knight Frank), in their capacity as external valuers. The valuation report was undertaken in accordance with the RICS Valuation – Professional Standards VPS4 (7.1) Fair Value and VPGA1 Valuations for Inclusion in Financial Statements, which adopt the definition of Fair Value adopted by the International Accounting Standards Board.

Fair value is based on an open market valuation (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), provided by Knight Frank on a quarterly basis, using recognised valuation techniques as set out in the accounting policies and Note 9 of the consolidated financial statements of the Group for the year ended 30 September 2018. There were no significant changes to the valuation process, assumptions or techniques used during the period.

6. LOANS

	As at 31 March 2019 £'000	As at 31 March 2018 £'000	As at 30 September 2018 £'000
Principal amount outstanding	**111,076**	111,076	111,076
Set-up costs	**(1,612)**	(1,610)	(1,612)
Amortisation of loan set-up costs	**399**	234	316
Total	**109,863**	109,700	109,780

The Group's loan arrangements are with Aviva Commercial Finance Limited.

The Group has loans totalling £56,920,000 which carry a fixed interest rate of 2.99% and mature in May 2025. These loans are secured over EPIC (No.1) Limited's property portfolio. The Group also has loans totalling £54,156,000 which carry a fixed interest rate of 2.73% and mature in December 2027. These loans are secured over EPIC (No.2) Limited's property portfolio.

The Group's blended fixed interest rate at 31 March 2019 was 2.86% (31 March 2018: 2.86%, 30 September 2018: 2.86%).

The fair value of the loans based on a marked-to-market basis, being the yield on the Treasury 5% 2025 and Treasury 4.25% 2027 plus the appropriate margin, was £114,075,000 at 31 March 2019 (31 March 2018: £111,664,000, 30 September 2018: £110,786,000). This includes the principal borrowed of £111,076,000 (31 March 2018: £111,076,000, 30 September 2018: £111,076,000).

Under the terms of early repayment relating to the loans, the costs of repaying the loans would have been approximately £121,928,000 at 31 March 2019 (31 March 2018: £120,287,000, 30 September 2018: £118,860,000), based on the yield on the relevant treasury plus a margin of 0.5%, including repayment of the principal borrowed.

7. CALLED-UP EQUITY SHARE CAPITAL

The Company had 211,333,737 Ordinary Shares of 1 pence par value in issue at 31 March 2019 (31 March 2018: 210,333,737, 30 September 2018: 211,333,737).

During the period to 31 March 2019, the Company did not issue any Ordinary Shares (six months ended 31 March 2018: issued 79,339,806 Ordinary Shares, raising net proceeds of £87,381,000; year ended 30 September 2018: issued 80,339,806 Ordinary Shares, raising net proceeds of £88,504,000). The Company did not buyback or resell from treasury any Ordinary Shares during the period or during either comparative period.

The Company did not hold any shares in treasury at 31 March 2019 (31 March 2018: nil, 30 September 2018: nil).

8. NET ASSET VALUE

The Group's net asset value per Ordinary Share of 112.21 pence (31 March 2018: 112.48 pence, 30 September 2018: 115.30 pence) is based on equity shareholders' funds of £237,131,000 (31 March 2018: £236,589,000, 30 September 2018: £243,670,000) and on 211,333,737 (31 March 2018: 210,333,737, 30 September 2018: 211,333,737) Ordinary Shares, being the number of shares in issue at the period end.

The net asset value calculated under IFRS is the same as the EPRA net asset value as at 31 March 2019 and both comparative periods.

9. INVESTMENT IN SUBSIDIARIES

The Group's results consolidate those of EPIC (No.1) Limited, a wholly owned subsidiary of Ediston Property Investment Company plc, incorporated in England & Wales on 27 June 2014 (Company Number: 09106328) and EPIC (No.2) Limited, a wholly owned subsidiary of Ediston Property Investment Company plc, incorporated in England & Wales on 23 September 2017 (Company Number: 10978359). The subsidiaries hold all the investment properties owned by the Group and are also the parties which hold the Group's borrowings (see Note 6).

10. RELATED PARTY TRANSACTIONS

The Directors are considered to be related parties. No Director has an interest in any transactions which are, or were, unusual in their nature or significant to the nature of the Group. There are no other key management personnel, as the Group has no employees except for the Directors.

The Directors of the Group receive fees for their services. Total fees for the six months ended 31 March 2019 were £87,000 (six months ended 31 March 2018: £109,000, year ended 30 September 2018: £196,000) of which £nil (31 March 2018: £nil, 30 September 2018: £nil) remained payable at the period end.

Notes to the Condensed Consolidated Financial Statements continued

10. RELATED PARTY TRANSACTIONS CONTINUED

Ediston Investment Services Limited has received £1,134,000 in relation to the six months ended 31 March 2019 (six months ended 31 March 2018: £959,000, year ended 30 September 2018: £2,112,000) of which £562,000 (31 March 2018: £560,000, 30 September 2018: £580,000) remained payable at the period end.

11. COMMITMENTS

The Group had contractual commitments totalling £956,000 in relation to capital works at St Philips Point, Birmingham, and Plas Coch Retail Park, Wrexham, as at 31 March 2019 (31 March 2018: £215,000, 30 September 2018: £nil). The Group did not have any other contractual commitments to refurbish, construct or develop any investment property, or for repair, maintenance or enhancements, as at 31 March 2019.

12. CONTINGENT ASSETS AND LIABILITIES

The Group acquired the units in a Jersey Property Unit Trust on 7 November 2014. Prior to the sale of the units to the Group, the seller transferred a property to another group entity by way of a distribution in specie for nil consideration. The Group has indemnified the seller should any Stamp Duty Land Tax (SDLT) arise as a result of that property transfer. Both the seller's and the Group's tax advice is that there is a low probability of an SDLT liability on the transaction.

13. FAIR VALUE MEASUREMENTS

The fair value measurements for assets and liabilities are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. These different levels have been defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2 – inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability. Value is the Directors' best estimate, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and on assumptions as to what inputs other market participants would apply in pricing the same or similar instrument. All investment properties are included in Level 3.

There were no transfers between levels of the fair value hierarchy during the six months ended 31 March 2019.

14. INTERIM REPORT STATEMENT

The Company's auditor, Grant Thornton UK LLP, has not audited or reviewed the Interim Report to 31 March 2019 pursuant to the Auditing Practices Board guidance on 'Review of Interim Financial Information'. These are not full statutory accounts in terms of Section 434 of the Companies Act 2006 and are unaudited. Statutory accounts for the year ended 30 September 2018, which received an unqualified audit report and which did not contain a statement under Section 498 of the Companies Act 2006, have been lodged with the Registrar of Companies. No full statutory accounts in respect of any period after 30 September 2018 have been reported on by the Company's auditor or delivered to the Registrar of Companies.

CORPORATE SUMMARY

Ediston Property Investment Company plc (the Company) is a closed-ended property investment company which began trading in October 2014. The Company has a single class of Ordinary Shares in issue, which are listed on the premium segment of the Official List and traded on the London Stock Exchange's Main Market. The Company has two, wholly owned subsidiary undertakings, EPIC (No.1) Limited and EPIC (No.2) Limited (the Subsidiaries). The Company and the Subsidiaries are referred to collectively throughout this document as 'the Group', although references to the Company may also encompass matters relevant to the Subsidiaries.

The Group has entered the Real Estate Investment Trust (REIT) regime for the purposes of UK taxation. Further information for shareholders on the tax structure and UK taxation of the Group's distributions is provided in the Annual Report for the year ended 30 September 2018.

INVESTMENT OBJECTIVE

The Company's investment objective is to provide shareholders with an attractive level of income together with the prospect of income and capital growth.

INVESTMENT POLICY

The Company's full investment policy is contained in the Directors' Report in the Annual Report and Accounts for the year ended 30 September 2018.

ALTERNATIVE INVESTMENT FUND MANAGER (AIFM)

Ediston Investment Services Limited has been appointed by the Company to be its Alternative Investment Fund Manager (AIFM) under which it is responsible for overall portfolio management and compliance with the Company's investment policy, ensuring compliance with the requirements of the AIFMD that apply to the Company, and undertaking all risk management. Ediston Investment Services Limited has delegated the day-to-day management of the Company to Ediston Properties Limited. Ediston Properties Limited advises the Company on the acquisition of its investment portfolio and on the development, management and disposal of UK commercial assets in its portfolio.

DISTRIBUTIONS

Distributions to shareholders are likely to consist of a mixture of Property Income Distributions (PID) and Non-PID Dividends as calculated in accordance with specific attribution rules. The Company provides shareholders with a certificate setting out how much, if any, of their dividends is a PID and how much is a Non-PID dividend. A breakdown of the dividends paid to date in relation to the year ended 30 September 2018 and year ending 30 September 2019 is set out below:

Distribution	Ex-dividend date	Payment date	PID (per share)	Non-PID (per share)	Total
In relation to the year ended 30 September 2018					
First interim dividend	09/11/17	30/11/17	0.4583p	–	0.4583p
Second interim dividend	14/12/17	29/12/17	0.4583p	–	0.4583p
Third interim dividend	18/01/18	31/01/18	0.4583p	–	0.4583p
Fourth interim dividend	08/02/18	28/02/18	0.4792p	–	0.4792p
Fifth interim dividend	08/03/18	29/03/18	0.4792p	–	0.4792p
Sixth interim dividend	19/04/18	30/04/18	0.4792p	–	0.4792p
Seventh interim dividend	10/05/18	31/05/18	0.4792p	–	0.4792p
Eighth interim dividend	14/06/18	29/06/18	0.4792p	–	0.4792p
Ninth interim dividend	19/07/18	31/07/18	0.4792p	–	0.4792p
Tenth interim dividend	09/08/18	31/08/18	0.4792p	–	0.4792p
Eleventh interim dividend	13/09/18	28/09/18	0.4792p	–	0.4792p
Twelfth interim dividend	18/10/18	31/10/18	0.4792p	–	0.4792p
Total			**5.6877p**	**–**	**5.6877p**
In relation to the year ending 30 September 2019					
First interim dividend	08/11/18	30/11/18	0.4792p	–	0.4792p
Second interim dividend	13/12/18	31/12/18	0.4792p	–	0.4792p
Third interim dividend	17/01/19	31/01/19	0.4792p	–	0.4792p
Fourth interim dividend	07/02/19	28/02/19	0.4792p	–	0.4792p
Fifth interim dividend	07/03/19	29/03/19	0.4792p	–	0.4792p
Sixth interim dividend	11/04/19	30/04/19	0.4792p	–	0.4792p
Seventh interim dividend	09/05/19	31/05/19	0.4792p	–	0.4792p

INVESTOR RELATIONS
Information on Ediston Property Investment Company plc, including the latest share price:
www.ediston-reit.com

REGISTRAR
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

T: 0370 707 1079
E: www.investorcentre.co.uk/contactus

Enquiries about the following administrative matters should be addressed to the Company's registrar:
- Change of address notification.
- Lost share certificates.
- Dividend payment enquiries.
- Dividend mandate instructions. Shareholders may have their dividends paid directly into their bank or building society accounts by completing a dividend mandate form. Tax vouchers, where applicable, are sent directly to shareholders' registered addresses.
- Amalgamation of shareholdings. Shareholders who receive more than one copy of the Annual/Interim Report are invited to amalgamate their accounts on the share register.

Shareholders can view and manage their shareholdings online at www.investorcentre.co.uk, including updating address records, making dividend payment enquiries, updating dividend mandates and viewing the latest share price. Shareholders will need their Shareholder Reference Number (SRN), which can be found on their share certificate or a recent dividend tax voucher, to access this site. Once signed up to Investor Centre, an activation code will be sent to the shareholder's registered address to enable the shareholder to manage their holding.

ANTICIPATED FINANCIAL CALENDAR 2019/20

May 2019	Publication of Half Yearly Report for the six months to 31 March 2019
July 2019	Announcement of Net Asset Value as at 30 June 2019
October 2019	Announcement of Net Asset Value as at 30 September 2019
December 2019	Publication of Annual Report for the year to 30 September 2019
January 2020	Announcement of Net Asset Value as at 31 December 2019
February 2020	Annual General Meeting

Glossary and Alternative Performance Measures

The Company uses Alternative Performance Measures (APMs). APMs do not have a standard meaning prescribed by accounting standards and therefore may not be comparable to similar measures presented by other entities. The APMs used by the Company are included below. A full glossary was included in the Annual Report 2018 to assist investors in their understanding of the other technical terms that the Company may use in reporting its results.

Contracted Rent	The annualised rent adjusting for the inclusion of rent subject to rent-free periods and rental guarantees.
Covenant Strength	This refers to the quality of a tenant's financial status and its ability to perform the covenants in the Lease.
Discount (or Premium) of Share Price to Net Asset Value	If the share price is less than the Net Asset Value per share, the shares are trading at a discount. If the share price is greater than the Net Asset Value per share, the shares are trading at a premium. The discount (or premium) is calculated by reporting the difference between the Net Asset Value per share and the Share Price as a percentage of the Net Asset Value per share.
Dividend Cover	Revenue profit for the period, excluding exceptional items, divided by dividends paid during the period.
Dividend Yield	Calculated using the annual dividend as a percentage of the share price at the period end.
EPRA NAV	NAV adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model. Makes adjustments to the IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy. At 31 March 2019, 30 September 2018 and 31 March 2018, the EPRA NAV was the same as the IFRS NAV.
EPRA Net Asset Value (NAV) per Share	EPRA NAV at the period end divided by the number of Ordinary Shares in issue at that date.
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space expressed as a percentage of the ERV of the whole portfolio. The vacancy rate excludes those properties which are under development or major refurbishment.
Gearing	Unlike open-ended investment companies, Closed-end Investment Companies have the ability to borrow to invest. This term is used to describe the level of borrowings that an Investment Company has undertaken. The higher the level of borrowings, the higher the gearing ratio. This is expressed as a percentage of the principal value of borrowings against total assets.
Increase/Decrease in NAV	The movement in NAV in the period, shown in total and as a movement per share. Expressed in whole numbers and as a percentage.

Like-for-like Movement	The like-for-like increase (or decrease) in the property portfolio is calculated as the movement in the fair value of the property portfolio excluding any properties bought or sold in the period.
Loan to Value (LTV)	Debt outstanding and drawn at the period end, net of any cash held in the Lender deposit account, expressed as a percentage of the market value of all property assets.
NAV per Ordinary Share (or IFRS NAV)	This is calculated as the net assets of the Group calculated under its accounting policies as set out on pages 51 to 55 of the Annual Report 2018 divided by the number of shares in issue, excluding those shares held in treasury. This is the number disclosed at the foot of the Consolidated Statement of Financial Position on page 13. At 31 March 2019 and 30 September 2018, the IFRS NAV was the same as the EPRA NAV.
NAV Total Return	The growth in NAV plus dividends reinvested, and this can be expressed as a percentage of NAV per share at the start of the period.
Share Price Total Return	The percentage change in the Share Price assuming dividends are reinvested to purchase additional Ordinary Shares at the prevailing share price.
WAULT (Weighted Average Unexpired Lease Term)	The average lease term remaining to first break, or expiry, across the portfolio weighted by contracted rental income (including rent-frees). The calculation excludes properties allocated as developments.

* Capitalised terms above are as defined in the glossary included in the Annual Report 2018.

HOW TO INVEST

Shares in Ediston Property Investment Company plc are listed on the main market of the London Stock Exchange (LSE: EPIC).

As with any publicly quoted company, the shares can be bought and sold on the stock market. This can be done directly through a platform provider or through a wealth manager, financial adviser or stock broker.

Another option is to use one of the platform providers who offer an 'execution only' service. Links to such providers are available on the Company's website at www.ediston-reit.com. Potential investors should note that by clicking on any of the links contained thereon, you will leave the Company's website and go to an external website. The Company is not responsible for the content or accuracy of these external websites.

KEY INFORMATION DOCUMENT

Investors should be aware that the Packaged Retail and Insurance-based Investment Products Regulation (PRIIPs) Regulation requires the AIFM, as the PRIIP manufacturer, to prepare a key information document (KID) in respect of the Company. This KID must be made available by the Investment Manager to retail investors prior to them making any investment decision and is available on the Company's website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns are prescribed by the law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed.

IMPORTANT INFORMATION

Past performance is not necessarily a guide to future performance. The value of investments and income from them may go down as well as up and are not guaranteed. NAV performance is not linked to share price performance and shareholders may realise returns that are lower or higher in performance.

Certain statements in this report are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. Forward-looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Accordingly, undue reliance should not be placed on forward-looking statements.

WARNING TO SHAREHOLDERS – BEWARE OF SHARE FRAUD

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment.

If you are approached by fraudsters please tell the Financial Conduct Authority (FCA) by using the share fraud reporting form at www.fca.org.uk/consumers where you can find out more about investment scams. You can also call the FCA Consumer Helpline on 0800 111 6768. If you have already paid money to share fraudsters you should contact Action Fraud on 0300 123 2040.

CORPORATE INFORMATION

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Mr Robin Archibald
Mr Robert Dick
Mr Jamie Skinner

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