RNS Number : 5048A
Empiric Student Property PLC
15 August 2024

Empiric Student Property plc

("**Empiric**" or the "**Company**" or, together with its subsidiaries, the "**Group**")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

Continued confidence in outlook as strategic priority shifts to growth

Empiric Student Property plc (ticker: ESP), the owner and operator of premium, studio-led student accommodation across the UK, is pleased to report its interim results for the six months ended 30 June 2024.

Duncan Garrood, Chief Executive Officer of Empiric Student Property plc, said:
"It has been an active first half of the year with good progress made across the board, including the growth of our portfolio through acquisitions, the submission of planning applications and our successful refurbishments programme. We continue to experience strong demand for our high-quality, well-located accommodation, with the booking cycle for the forthcoming 2024/25 academic year providing confidence in the delivery of strong occupancy and rental growth that surpasses inflation.

Operationally, the business continues to perform very well with our net promoter score and customer satisfaction rate advancing year-on-year, underpinning improved re-booker rates, which are on track to be our best ever."

Financial highlights

	30 June 2023	**30 June 2024**	Change
Income statement			
Revenue (£m)	41.3	**42.4**	+2.7%
Like-for-like rental growth (%)	5.2	**10.5**	+5.3% pts
EPRA earnings (£m)	14.1	**13.6**	-3.5%
EPRA earnings per share (p)	2.3	**2.3**	
Company adjusted earnings (£m)	14.1	**14.5**	+2.8%
Company adjusted earnings per share (p)	2.3	**2.4**	
Gross margin (%)	71.7	**72.2**	+0.5% pts
Dividends paid/declared per share (p)	1.625	**1.75**	+7.7%

	31 December 2023	**30 June 2024**	Change
Balance sheet			
EPRA NTA per share (p)	120.7	**122.8**	+1.7%
Portfolio valuation (£m)	1,097.9	**1,134.9**	+1.3%[1]
Cash and undrawn committed facilities (£m)	82.5	**44.7**	-45.8%
EPRA loan-to-value (%)	30.6	**33.8**	+3.2% pts

[1] Calculated on a like-for-like basis. Increasing to 3.8% when adjusting for the removal of Multiple Dwellings Relief.

Strong performance delivers 10.5% like-for-like rental growth

- Revenue increased 2.7% to £42.4m (30 June 2023: £41.3m), up 10.5% on a like-for-like basis
- Gross Margin improved by 0.5% points to 72.2% at 30 June 2023 (30 June 2023: 71.7%); expected to moderate in line with guidance of 70% across the full year, with finance and administrative costs also in line with guidance
- EPRA earnings 2.3p per share (30 June 2023: 2.3p per share), 2.8% ahead on a company adjusted basis in spite of inflationary cost pressures
- Portfolio valuation increased to £1,134.9m reflecting a 1.3% net like-for-like increase, inclusive of the removal of Multiple Dwellings Relief
- Net initial yield of 5.4% (31 December 2023: 5.5%)
- EPRA NTA per share increased 1.7% to 122.8p (31 December 2023: 120.7p)
- First half dividends paid and payable of 1.75p, 7.7% ahead of the first half of 2023 and in line with target
- Total accounting return of 3.2% (30 June 2023: 3.1%)

On track for best ever re-booker campaign, with continued strong demand for academic year 2024/25

- Revenue occupancy for academic year 2024/25 currently at 92% with continued expectation of exceeding 97%
- Like-for-like growth in average weekly rents to exceed 6% for academic year 2024/25
- Re-booker rate set to exceed the 22% achieved in the prior year

Growing and actively managing the property portfolio

- Two acquisitions completed in key top-tier cities, growing existing clusters in Bristol and Glasgow and presenting opportunity to drive total return
- Full refurbishment of Brunswick Apartments, Southampton, to deliver 173 newly refurbished rooms and amenity on track for September reopening, with strong rental growth secured
- Planning application submitted to facilitate a 200+ bed extension of Victoria Point, Manchester
- Continued consolidation of operational presence with the disposal of a further five non-core properties achieving two further city exits, one post period end. Disposals to date remain ahead of book values in aggregate

Robust balance sheet

- EPRA loan-to-value at 33.8%, ahead of long-term target of 35%
- Refinancing of 2024 & 2025 variable debt maturities completed with material refinancing risk removed until 2028
- Weighted average cost of debt at 4.6%, in line with guidance (31 December 2023: 4.3%), 95% with interest rate protection
- Cash and undrawn committed facilities of £44.7m

Hello Student operating platform delivers market leading service

- Continued improvement in Global Student Living Index Net Promoter Score from 32 to 37, which compares favourably against PBSA average of 14 and University Halls average of 6
- Highest ever customer satisfaction score of 87% versus PBSA average of 79%

Business and market outlook remains positive for second half of 2024

- Revenue occupancy for academic year 2024/25 underpins confidence that our portfolio will again be effectively full for a third consecutive year
- Targeting a minimum dividend for the year to 31 December 2024 of 3.5 pence per share
- Increased investment market activity with continued strength in underlying fundamentals presenting compelling opportunities for growth

Results presentation at 09.00 (BST) today

To access the live webcast, please register in advance here:

https://stream.brrmedia.co.uk/broadcast/66867e127e85fac36a5f4acc

For further information on the Company, please contact:

Empiric Student Property plc Duncan Garrood (Chief Executive Officer) Donald Grant (Chief Financial & Sustainability Officer)	(via FTI Consulting below)
Jefferies International Limited Tom Yeadon Andrew Morris	020 7029 8000
Peel Hunt LLP Capel Irwin Henry Nicholls	020 7418 8900
FTI Consulting Dido Laurimore Eve Kirmatzis	020 3727 1000 empiric@fticonsulting.com

The Company's LEI is 213800FPF38IBPRFPU87.

Further information on Empiric can be found on the Company's website at www.empiric.co.uk.

Notes:

Empiric Student Property plc is a leading provider and operator of modern, predominantly direct-let, premium student accommodation serving key UK universities. Investing in both operating and development assets in a multi building cluster operational model, Empiric is a fully integrated operational student property business focused on premium studio-led accommodation managed through its Hello Student operating platform, that is attractive to affluent growing student segments.

The Company, an internally managed real estate investment trust ("REIT") incorporated in England and Wales, listed under the Equity Shares segment of the Official List of the Financial Conduct Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in June 2014. The Company is classified as a commercial company listed under the UK Listing Rules and as such is not an alternative investment fund ("AIF") for the purposes of the Alternative Investment Fund Managers Directive ("AIFMD") and is not required to provide investors with a Key information Document ("KID") in accordance with the Packaged Retail and Insurance-based Investment Products ("PRIIPs") regulations.

Disclaimer

Operating Review

It has been an active first half of 2024. Student demand for high-quality accommodation aligned to the UK's best universities has remained strong, with further rental growth captured for the 2024/25 lettings cycle across our portfolio. As our operational platform matures, so has the consistency of our customer service, driving an improving net promoter score and record rate of customer satisfaction. With the non-core disposal programme now materially complete, along with our ongoing refurbishment programme, we have been actively seeking to grow the portfolio. We were pleased to have secured two great opportunities during this first half of 2024 and have continued to progress potential joint venture negotiations to accelerate the roll out of our post graduate product. We have also completed the refinancing of all near term debt maturities, with no material refinancing now required until 2028.

In July we saw a change in Government in the UK, with the Labour Party's manifesto indicating a desire to make higher education more accessible to UK students. There are no immediate intentions to revise the UK tuition fee cap nor is there expected to be any significant change in migration rules following the recent report by the Migration Advisory Committee. There is a desire to support high performing research institutions and a recognition that current university funding structures are unsustainable and are, therefore, likely to be reviewed. Further, no rent controls are anticipated and we expect to see positive changes in the planning process, not just with respect to capacity, but helpfully also in the speed of processing.

Revenue occupancy for academic year 2024/25 is currently at 92 per cent and we continue to expect to deliver like-for-like rental growth above six per cent, in line with guidance. We have been encouraged by another strong re-booker performance which has already surpassed the 22 per cent achieved in 2023. This is a great achievement, not only insofar as re-bookers remove the cost of new customer acquisition and the related expense of room turnaround, but they also reflect the growing satisfaction level of our customers and our value for money proposition.

Our programme of capital recycling continues to improve gross margin. With more capital aligned to those top-tier cities where we have the benefit of scale and can drive operational performance and improved returns through clustering. This was reflected in a further 0.5 per cent gross margin improvement in this first half compared to the first half of 2023.

UK PBSA Market Continues to Demonstrate Strong Fundamentals

Student accommodation continues to be highly sought after by both existing and new investors, with UK PBSA specifically attracting interest from global capital interest. Relative to 2023, investment in PBSA has bounced back in the first half of the year, with CBRE reporting £2.1bn of investment into the sector in 2024 to date, three times higher than the same period in 2023. Investment volumes in the first half of 2024 have been boosted by Mapletree's £1bn buyout of an 8,200-bed portfolio located in the UK and Germany along with two large UK portfolio deals. Project Aqua, 711 beds in Exeter and Glasgow, was bought by LGIM for £122m reflecting an initial yield of 5.3 per cent and Project Jade, a 4,335-bed regional portfolio, was acquired by PGIM from Unite for £184m, reflecting a 6.25 per cent initial yield. Single assets transactions include Pavilion Court, a 699-bed asset in Wembley, sold for £125.0m to Apollo, reflecting 4.65 per cent initial and Capital House in Southampton purchased by Greystar for £44m, 5.0 per cent initial. The abolition of Multiple Dwellings Relief ("**MDR**") came into effect on 1 June 2024 and has resulted in pricing for some assets being impacted by up to 4.0 per cent by virtue of increased stamp duty charges. This will likely impact pricing of transactions into the second half of 2024.

The supply of new beds is forecast to increase in 2024, with best estimates indicating the delivery of circa 12,500 beds on average over the next four years. In the medium term, new supply remains heavily constrained with construction cost viability remaining challenging in all but the strongest markets, impacted by land value, planning, enhanced building safety standards and higher debt costs. The constrained supply is also being compounded by the falling number of Houses of Multiple Occupation ("**HMOs**") with a range of factors forcing private landlords from the market. Since 2016, the stock of private rental properties has decreased by almost ten per cent, with the UK's HMO supply decreasing by 146,000 beds over the past four years.

Demand for UK higher education is normalising post pandemic but remains very strong. UCAS, which represents around 90 per cent of total applications, recently published application data to June 2024 in respect of the 2024/25 academic year. Applications for higher tariff institutions, to which we are primarily aligned, have continued to grow, increasing 0.4 per cent year-on-year. Lower tariff institutions have experienced a further decline in applications, dropping 3.7 per cent, further demonstrating a continued flight to quality.

International applicants have fallen by 1.9 per cent, with the largest declines seen in applicants from Nigeria and India, a large constituent of this decline arising from dependant applications. This follows a tightening of rules for dependant family visas for masters students, a change which has not impacted us due to the single occupancy nature of the majority of our sites. Applications from China, the USA, Canada and the UAE continued to report modest increases. Non-EU international applicants remain 40 per cent higher than their pre-pandemic level.

Domestically, applications have reduced by 1.6 per cent compared to 2023, driven by a 4.9 per cent decline in mature student applications. Applications from 18-year-olds are up 0.6 per cent and are forecast to continue growing until 2030 due to the increasing size of the qualifying cohort.

The UK remains within the top four most-favoured international destinations for students originating from the USA, China and India and continues to perform well on relative affordability when compared with many other sought-after international destinations for higher education. Demographically, to date, we have experienced an increase in demand from international students which does demonstrate the resilience of the UK's international student market.

These strong trends contributed to sector wide rental growth of eight per cent for the 2023/24 academic year, with Glasgow experiencing the strongest rental growth of all the major markets at 19 per cent. For the 2024/25 academic year, expectations for continued rental growth, in addition to anticipated cuts to the base rate of interest, have held prime regional yields stable across the sector during the first half of 2024.

Portfolio overview

A summary of the Group's property portfolio is set out below, segmented in line with our valuer's view of quality. Almost 95 per cent of the portfolio is invested in Prime or Super Prime locations.

Since 31 December 2023, the portfolio has grown in value by 1.3 per cent, like-for-like. This is a result of continued income growth achieved for the 2024/25 academic year. Although underlying yields have remained stable in the first half, the income growth captured resulted in the portfolio's overall net initial yield improving by ten basis points to 5.4 per cent.

On 6 March 2024, the UK Government announced the abolition of Multiple Dwellings Relief. The removal of MDR has increased purchaser cost assumptions applied to the valuations of our properties located in England and Wales (the latter by virtue of the Welsh governments on-going consultation). This has resulted in a £26.5 million reduction in the portfolio valuation. Adjusting for the impact of this legislative change, the underlying change in the portfolio's like-for-like valuation was 3.8 per cent increase.

Valuers quality segmentation	**Properties**	**Operational beds**	**Market value** (£m)	**Market value** (%)
Super prime regional	22	2,322	513.3	45.2
Prime regional	46	4,425	542.7	47.8
London	1	79	19.9	1.8
	69	6,826	1,075.9	94.8
Secondary	9	1,025	59.0	5.2
Total	**78**	**7,851**	**1,134.9**	**100.0**

Strategic segmentation	**Market value** (£m)	**NIY** (%)
Operational portfolio	1,112.0	5.4

Commercial portfolio	16.3	8.0
Development portfolio	7.0	
Total	**1,134.9**	

Portfolio management

During the six months to 30 June 2024, we have completed on the disposal of a further four non-core properties, collectively generating £12.8 million. These sales represent 151 non-studio operational beds. In August, post period end, we exchanged contracts for the disposal of a further 120 bed non-core property in Stoke, which when taken collectively, has reduced the number of cities in which we operate by two.

Since March 2021, including the above, the Company has generated a total of £115.5 million from the disposal of non-core assets, marginally above book values in aggregate.

In February 2024 we acquired a small development opportunity, College House in Bristol for £5.6 million. This former office building is located adjacent to our existing College Green building. A planning application has been submitted to facilitate a change of use to student accommodation and the delivery of over 50 new PBSA beds into this strong operational cluster. The property benefits from three commercial units at street level, one of which was vacant at acquisition and has subsequently been let to a local bakery.

A planning application was submitted in May 2024 to facilitate an extension and full refurbishment of our existing operational site at Victoria Point, Manchester. If successful, the redeveloped scheme would deliver over 200 new PBSA beds into this acutely undersupplied city.

In June 2024, contracts were exchanged to acquire a 94-bed operational asset in the west end of Glasgow for £9.7 million. The property, which is in close proximity to our Willowbank hub site, increases our bed count in this significantly undersupplied city to 534, and now our second largest city. The property was acquired almost entirely let for the forthcoming academic year reflecting an effective net initial yield in excess of 7.5 per cent for academic year 2024/25. The property can be refurbished to align with our brand standard which, together with the operational efficiencies of clustering, unlocks attractive returns through an enhanced rental tone and, across the city, improved operational margins.

We are in active discussions in respect of high-quality, well-located opportunities in two further UK cities where we have a strong existing operational presence. With cost of capital in sharper focus, we expect to prioritise operational opportunities in top-tier cities where value can be unlocked through future refurbishment and operational efficiencies.

Refurbishment & development

In 2022, we took the decision to close one of our larger sites, Brunswick Apartments in Southampton, for the duration of the 2023/24 academic year. The decision was taken to facilitate a full room and amenity refurbishment alongside fire safety and decarbonisation works. This extensive refurbishment programme has progressed both on-plan and on-budget and the site will reopen to students in September 2024. The 173-bed scheme has sold extremely well, and to date has delivered an increase in average weekly rents of over 50 per cent when compared to the property's pre refurbishment year of operation. Notwithstanding market rental growth now captured, this performance has surpassed expectations.

Refurbishments target IRRs of between 9-11 per cent, with properties typically considered for sale if these returns are not deemed achievable. Our annual programme of refurbishment targets the delivery of between 250 and 350 beds annually.

At 30 June 2024, there remained a further ten properties, representing eight per cent of the portfolio by value, that were allocated for refurbishment in order to become on-brand. This includes the recently acquired Claremont House in Glasgow which, although acquired fully operational, is expected to deliver enhanced returns through refurbishment.

	Properties	Cities	Top tier cities	Beds	Market value (£m)	NIY (%)
Refurbishment & Development	10	9	7	760	95.6	6.1

Post-Grad proposition

Our Post-Grad proposition is designed to provide a quieter, more mature living environment through the provision of well-located studio apartments, which are typically larger allowing greater use separation and fully self-contained reducing the need of onsite communal amenity space. Configured for dual occupancy, these Post-Grad exclusive buildings appeal to the shifting priorities of the more discerning post graduate customer, who still values the reassurance of a brand, the ability to make advanced bookings and the certainty of an all-in, fixed cost package whilst living with like-minded people who are at a profoundly different stage of life than a typical undergraduate customer.

The post graduate market comprises over 25 per cent of all UK university students and has grown at a compound annual growth rate of nine per cent since academic year 2017/18. For the current 2023/24 academic year, 39 per cent of our customers were post graduates. In September 2023, we opened our second Post-Grad exclusive site at Talbot Studio's in Nottingham. This followed the success of our Post-Grad pilot which opened in Edinburgh in November 2022 and has been sold out for both subsequent academic years.

Representing 17 per cent of the portfolio by value, below is a summary of those properties which are currently operating as, or earmarked for conversion to, Post-Grad exclusive sites.

	Properties	Cities	Top Tier cities	Beds	Market value (£m)	NIY (%)
Post-Grad	18	15	13	1,298	189.7	5.5

During 2023, we began to explore opportunities that would accelerate the rollout of our post graduate product across 15 identified cities demonstrating strong and growing post graduate fundamentals and operational alignment.

Conversations with selected interested parties commenced in late 2023 with the objective of establishing the depth of appetite to form a joint venture. Discussions have continued to progress and we are now at a pivotal point in single candidate negotiations.

Commercial portfolio

We continue to actively manage the 34 unit directly leased commercial portfolio which generally sits below our student accommodation.

During the first half, we have completed a ten-year lease at Market Quarter in Bristol to a fast-growing Asian supermarket operator. A complementary offering to our students at Market Quarter, this lease eliminates a vacant unit which had been in place since our acquisition of the property in early 2022. Opening in early August, the deal also facilitates the development of new gym amenity space to the rear of the unit and with it, the opportunity to consolidate our gym offer across the city.

across the city.

Also in Bristol, a new ten-year lease has been signed for a vacant unit at our newly acquired College House site. The tenant, an established bakery in the South West of England, opened for business in July.

Capital expenditure programme

Our five-year programme of refurbishment, fire safety works and green initiatives continues. A summary of the position at 30 June 2024 is set out below.

	Refurbishment (£m)	Fire safety works (£m)	Green initiatives (£m)
Five year plan (2021 - 2025)	**36.1**	**46.0**	**12.0**
Invested to 31 December 2023	21.4	17.2	1.7
Invested during H1 2024	8.1	8.5	2.0
Forecast investment for H2 2024	**2.7**	**5.1**	**2.5**

In addition to the above, ongoing capital life cycling works require around £4.0 million per annum.

In respect of our programme of external fire safety works, all properties have been surveyed with the portfolio certification rate now at 70 per cent. The residual cost of fire safety works is fully reflected within the portfolio's market value and therefore future investment is expected to be valuation neutral.

Delivering high-quality, consistent customer service

Our key performance indicator for the delivery of this strategic priority is Global Student Living's Net Promoter Score ("**NPS**").

In the first of two surveys to be conducted during 2024, our operating brand, Hello Student, achieved an NPS score of 37, our highest score achieved to date (H1 2023: 32). This significantly outperformed the benchmark All Private Halls score of 14 and University Halls' NPS of six. Of all respondents, 87 per cent rated their level of satisfaction as either good or very good, comparing favourably to the All Private Halls average of 79 per cent. Pleasingly, 79 per cent of our customers responded that their accommodation had a positive impact on their sense of well-being; up from 71 per cent in the prior year.

The delivery of high-quality service requires a high performing and engaged team. As a business we monitor employee engagement and retention rates as a key indicator of performance in this regard. As 2024 marks ten years since the Company's establishment, the executive team hosted a series of engagement days around the country. Whilst celebrating this milestone and setting the vision for the future, it also provided all team members with the opportunity to engage with the executives on a one-to-one basis.

Hello Student is a proud finalist for Best Customer Service (UK & Ireland), Best Private Housing, Best Student Wellbeing, Best Customer Service and Best Booking Experience at this year's Global Student Living awards, which will be held in October 2024, a record number of finalist nominations for the Company.

Creating a sustainable business

During the first half of 2024, we have further improved the portfolio's overall EPC ratings, with 62 per cent of the portfolio now rated EPC B or better. We have installed over 2,000 smart heating controls and completed the decarbonisation of one of our larger sites, taking the decarbonised portfolio to 24.7 per cent by area. We have held the first of two energy awareness weeks and are collating data to measure the impact of our training on behaviour in light of greater awareness.

As part of our commitment to achieving Net Zero by 2033, we put our interim targets for the next two years to a shareholder vote at our Annual General Meeting in May 2024. Although the resolution was passed and was advisory, the result was somewhat disappointing, with 25 per cent of responding shareholders voting against the resolution. In order to better understand the result, and inform future decision making, we have sought engagement with shareholders. Although not yet completed, it appears in part that shareholders would prefer to see a clearer articulation between cost and returns that can be expected for each of the targets set. We will provide a further update on this in March 2025 alongside our annual results.

Financial review

Overview

With the non-core disposal programme now materially complete, the first half of 2024 saw a greater focus on investment and growth. The Group acquired an existing operational site at Claremont House in Glasgow and a development opportunity at College House in Bristol for £16.0 million in aggregate, inclusive of purchaser costs.

Revenue increased £1.1 million or 2.7 per cent when compared to the first half of 2023. When adjusted for disposals and rooms held vacant to accommodate refurbishment works, underlying like-for-like rental growth of 10.5 per cent was achieved. Our gross margin was 72 per cent, up 0.5 per cent when compared to the same period last year, albeit this is expected to moderate toward 70 per cent in the second half of the year following the annual summer turnaround period.

Administrative costs increased by £0.6 million to £7.1 million, in line with guidance at £15.0 million for the year. This was the result of investment in people to support the Group's growth agenda and the inflationary environment experienced in 2023 which is now fully impacting across the period.

Notwithstanding the abolition of Multiple Dwellings Relief, the portfolio's valuation increased by £13.7 million relative to 31 December 2023, reflecting the ongoing demand supply imbalance in the PBSA sector continuing to drive rental growth.

EPRA earnings were £13.6 million for the period. A company adjusted earnings figure has been presented to normalise the impact of accelerated debt arrangement fees and other refinancing related costs of £0.9 million, which will not be recurring. Company adjusted earnings were £14.5 million, or 2.4 pence per share, 2.8% ahead of the prior year. IFRS profit was £24.8 million (H1 2023: £24.6 million).

A £124.9 million seven year refinancing was completed during the first half of 2024, consolidating four small facilities which were scheduled to mature in 2024 and 2025. Excluding £0.9 million of additional costs directly related to the refinancing, net finance costs were in line with the first half of the prior year, with the increased weighted average cost of debt offset by lower average debt drawn. The weighted average cost of debt now stands at 4.6 per cent, an increase of 30 bps from 31 December 2023 and in line with guidance provided. EPRA LTV increased to 33.8 per cent following reinvestment activity and the good progress made on the Groups capex programme.

EPRA net tangible asset value per share increased by 1.7 per cent to 122.8 pence per share. This was primarily due to a 1.3 per cent like-for-like increase in the portfolio valuation.

Total dividends paid during the first half of 2024 were 1.8 pence per share. Combined with the growth in EPRA net tangible assets, this resulted in a total accounting return of 3.2 per cent for the six months to 30 June 2024.

Income statement

	30 June	30 June

	2024 £m	2023 £m
Revenue	42.4	41.3
Property expenses	(11.8)	(11.7)
Gross profit	30.6	29.6
Gross margin	72.2%	72%
Administrative expenses	(7.1)	(6.5)
Operating profit	23.4	23.1
Net finance costs	(9.9)	(9.0)
EPRA earnings	13.6	14.1
Revaluation	13.7	10.3
Loss on disposal	(1.9)	(0.6)
Derivative mark to market (loss)/gain	(0.6)	0.8
IFRS Profit	24.8	24.6
Weighted average ordinary shares (m)	603.4	603.3
IFRS EPS (pence)	4.0	4.1
EPRA EPS (pence)	2.3	2.3
EPRA earnings	13.6	14.1
Add back accelerated arrangement fees and other costs related to refinancing	0.9	-
Company adjusted earnings	14.5	14.1
Company adjusted EPS (pence)	2.4	2.3

The evolution of revenue across the period is set out below.

	£m
Revenue for the six months to 30 June 2023	41.3
Rental growth (10.5% like-for-like)	4.4
Rooms temporarily unavailable due to capital works	(1.3)
Disposals	(2.0)
Revenue for the six months to 30 June 2024	42.4

Gross margin has improved by a further 0.5 percentage points. We expect this to moderate to around 70 per cent across the full year, marginally above that achieved in 2023. With our historic fixed price utility contract maturing in September this year, we face an approximate £2.0 million annualised increase in utility costs, impacting from the fourth quarter of this financial year. This will moderate the rate of improvement in gross margin across the next 18 months whilst this material operating cost is rebased, following which we expect to see gradual improvement in gross margin into 2026 and beyond.

Administrative costs have increased primarily as a result of investment in people to support the Group's growth agenda and the inflationary environment experienced in 2023 which is now fully impacting across the period. Full year overhead costs are expected to remain in line with guidance at circa £15.0 million, which across the two financial years of 2023 and 2024, would represent an increase in administrative costs of around 12 per cent.

Net finance costs have remained in line with the prior year, when adjusted for non-recurring refinancing related costs of £0.9 million. The increase in overall weighted average cost of debt being offset by lower drawn debt and commitment fees, relative to the first half of 2023.

The Group recorded a £1.9 million loss on disposal of a portfolio of four small assets for £12.8 million which completed in May 2024.

Balance sheet

	30 June 2024 £m	30 June 2023 £m
Property (market value)	**1,134.9**	1,097.9
Bank borrowings drawn	**(402.1)**	(360.3)
Cash on hand	**44.7**	40.5
Net debt	**(357.4)**	(319.8)
Other net liabilities	**(29.1)**	(43.9)
Net assets	**748.4**	734.2
Diluted number of shares	**608.7**	608.0
EPRA NTA per share (pence)	**122.8**	120.7

EPRA NTA increased by 1.7 per cent, primarily due to the revaluation uplift of £13.7 million, with earnings largely offset by dividends.

Evolution of net asset value	£m
31 December 2023	**734.2**
EPRA earnings	13.6
Revaluation gains, like-for-like	14.1
Dividends	(10.9)
Loss on disposal	(1.9)
Other	(0.7)
30 June 2024	**748.4**

Portfolio valuation

Excluding acquisitions and disposals, on a like-for-like basis, the portfolio increased in value by 1.3 per cent as set out below.

	30 June 2024	31 Dec 2023	Gain[1]	Change
	£m	£m	£m	%
Like-for-like property portfolio	**1,119.0**	1,083.7	14.1	1.3
Acquisitions	**15.9**	-	(0.4)	(0.7)
Disposals	**-**	14.2	-	-
Portfolio valuation	**1,134.9**	1,097.9	13.7	

[1] Net of capital expenditure and head lease amortisation

The overall portfolio increase was driven by rental growth from those cities with the strongest demand supply imbalance, in particular Bristol, Glasgow and Edinburgh, with underlying yields largely unchanged. At 30 June 2024, our portfolio net initial yield was 5.4 per cent, relative to 5.5 per cent at 31 December 2023.

The valuation at 30 June 2024 incorporates the impact of the abolition of Multiple Dwellings Relief. This has materially increased purchaser cost assumptions inherent in our valuations for our English and Welsh properties.

For comparability, the below sets out the like-for-like increase as though the adjustment to Multiple Dwellings Relief had been in place at 31 December 2023.

	30 June 2024	31 Dec 2023	Gain[1]	Change
	£m	£m	£m	%
Like-for-like property portfolio	**1,119.0**	1,057.2	40.6	3.8
Acquisitions	**15.9**	-	(0.4)	(0.7)
Disposals	**-**	14.2	-	-
Portfolio valuation	**1,134.9**	1,071.4	40.2	

Debt

In March 2024, we refinanced four small near dated maturing facilities into one consolidated seven year £124.9 million facility. This refinancing, together with £20.0 million drawn on a committed undrawn facility to bolster liquidity during our typically weaker summer period, has increased drawn debt by £41.8 million. The weighted average cost of debt increased from 4.3 per cent to 4.6 per cent, in line with guidance. The weighted term to maturity has been now been extended from 3.9 years at 31 December 2023 to 5.1 years. The next material debt maturity is not now due until 2028.

Cashflow

	30 June 2024 £m	30 June 2023 £m
Operating cash flow	**0.9**	3.1
Property acquisitions and capital expenditure	**(29.0)**	(10.1)
Property disposals	**12.4**	33.9
Finance income	**0.3**	-
Net cash flows from investing activities	**(16.3)**	23.8
Dividends paid	**(9.9)**	(10.2)
Net borrowings drawn/(repaid)	**41.8**	(23.9)
Derivative premium paid	**(1.7)**	(0.3)
Finance related costs	**(10.6)**	(7.7)
Financing cash flows	**19.6**	(42.1)
Net cash flow	**4.2**	(15.2)

Operating cash flows in the first half of the financial year are typically weaker than the second half, the result of the non-cyclical nature of our cashflows which see the majority of our annual cashflows receipted in August & September.

The capital expenditure programme has progressed well this first half, with £8.1 million invested in refurbishment, primarily at Brunswick House in Southampton and Summit House in Cardiff. £8.5 million was applied toward fire safety primarily at Brunswick House in Southampton and Summit House in Cardiff. £8.5 million was applied toward fire safety works with 70 per cent of portfolio now EWS1 certified. Including purchasers costs, £5.9 million was invested for the acquisition of College House, Bristol acquired in February 2024. The acquisition of Claremont House in Glasgow, although unconditional at 30 June 2024, only completed in early July and therefore not reflected in the cashflows presented above.

Disposal activity generated £12.4 million net of costs, through the disposal of a portfolio of four non-core assets.

Dividends of £9.9 million were paid during the period, with a further £1.0 million in withholding taxes settled post period end.

Net borrowings drawn of £41.8 million followed refinancing related activity together with investment in the Group's capital expenditure programme and acquisition of property.

Outlook

We continue to remain confident in the outlook for the business and the wider purpose built student accommodation sector throughout the remainder of 2024 and beyond. Having sold over 90 per cent of our rooms, confidence exists that we will secure occupancy rates in excess of 97 per cent for the forthcoming academic year, with like-for-like rental growth anticipated to exceed initial guidance of six per cent.

We secured an energy hedge contract almost five years ago which is due to expire in September 2024. In anticipation, we have been selectively securing energy price fixing beyond 2024. Although pricing has stabilised following the significant volatility experienced in 2022, price inflation captured is expected to result in an annualised increase in operating expense of £2.0 million.

With refinancing risk removed for the medium term, we have greater certainty in respect to our cost of debt. With 95 per cent of drawn debt either fixed or capped, whilst the downside is protected, we can expect to benefit marginally from any further reduction in interest rates.

Focus remains on our growth strategy, progressing capex plans, the roll out of our Post-Grad product and selectively acquiring opportunities in key top-tier cities to grow beds under management.

The Board remains comfortable with earlier guidance in respect to dividend and continues to expect to pay a minimum dividend of 3.5 pence per share for 2024. As usual, this will be revisited in the fourth quarter, following the start of the new 2024/25 academic year.

Going concern

The Board continues to place particular focus on the appropriateness of adopting the going concern assumption when preparing the Group's consolidated financial statements.

At 30 June 2024, the Group had £44.7 million in cash. Within the going concern period to 31 December 2025, the Group no longer has any debt maturities falling due, with the next material refinancing not until 2028.

In light of the Group's liquidity position, its modest level of gearing and capital commitments, the Directors have concluded that, in reasonably possible adverse scenarios, adequate resources and mitigants remain available to continue to operate for the period to 31 December 2025. The Directors therefore concluded that it remains appropriate to adopt the going concern basis of preparation when compiling the interim report and accounts for the six months ended 30 June 2024.

Attention is drawn to note 1.3 of the condensed consolidated interim financial statements for further details surrounding the conclusion reached.

Principal risks

Attention is drawn to the principal risks and uncertainties faced by the Group which are set out in full on pages 32 to 36 of the Annual Report & Accounts 2023.

An interim review of the risk environment has been completed, and the Board has concluded that there has been no significant change in the Group's principal risks or uncertainties.

Dividend

An interim dividend of 0.8725 pence per share has been declared for the second quarter of 2024, bringing total dividends paid and payable in respect of the first half of 2024 to 1.75 pence per share. This is in line with our full year target dividend of 3.5 pence per share announced alongside our full year results in March 2024.

The dividend will be paid as a Property Income Distribution on 20 September 2024 to shareholders on the register at 6 September 2024.

Donald Grant

14 August 2024

Statement of Directors' responsibilities

Responsibility Statement of the Directors in Respect of the Interim Report and Accounts
The Directors confirm that to the best of their knowledge this unaudited condensed set of financial statements has been prepared in accordance with UK adopted International Accounting Standard 34 and that the operating and financial review herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority, namely:

- an indication of important events that have occurred during the first six months of the financial period and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial period; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors of Empiric Student Property plc are listed in the Empiric Student Property plc Annual Report & Accounts for the year ended 31 December 2023. A list of current Directors is also maintained on the Empiric Student Property plc website: www.empiric.co.uk

By order of the Board

Donald Grant
Director
14 August 2024

Independent Review Report to Empiric Student Property plc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and related notes.

Basis for conclusion

We conducted our review in accordance with Revised International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410 (Revised)"). 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 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.

As disclosed in note 1.2, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the Directors have inappropriately adopted the going concern basis of accounting or that the Directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the Group to cease to continue as a going concern.

Responsibilities of Directors

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP
Chartered Accountants
London. UK

14 August 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Condensed Consolidated Statement of Comprehensive Income (unaudited)

	Notes	Six months to 30 June 2024 (Unaudited) £ m	Six months to 30 June 2023 (Unaudited) £ m	Full year to 31 December 2023 (Audited) £ m
Continuing operations				
Revenue		**42.4**	41.3	80.5
Property expenses		**(11.8)**	(11.7)	(25.2)
Gross profit		**30.6**	**29.6**	**55.3**
Administrative expenses		**(7.1)**	(6.5)	(14.0)
Change in fair value of investment property	7,8	**13.7**	10.3	30.1
Operating profit		**37.2**	**33.4**	**71.4**
Finance costs	2	**(10.2)**	(9.0)	(17.4)
Finance income	2	**0.3**	-	0.2
Derivative fair value movement		**(0.6)**	0.8	(0.2)
Loss on disposal of investment property		**(1.9)**	(0.6)	(0.6)
Profit before tax		**24.8**	**24.6**	**53.4**
Corporation tax	3	-	-	-
Profit for the period and total comprehensive income		**24.8**	**24.6**	**53.4**
Earnings per share expressed as pence per share				
Basic	4	**4.1**	4.1	8.8
Diluted	4	**4.1**	4.0	8.8

Condensed Consolidated Statement of Financial Position (unaudited)

	Notes	30 June 2024 (Unaudited) £ m	30 June 2023 (Unaudited) £ m	31 December 2023 (Audited) £ m
Non-current assets				
Investment property - Operational Assets	7	**1,110.9**	1,022.7	1,072.7
Investment property - Development Assets	7	**8.2**	3.3	3.0
Property, plant and equipment		**1.0**	0.9	0.8
Intangible assets		**4.3**	2.7	3.1
Right of use asset		**1.1**	1.3	1.2
Derivative fair value		**1.2**	1.1	-
		1,126.7	**1,032.0**	**1,080.8**
Current assets				
Trade and other receivables		**4.2**	2.6	6.5
Assets classified as held for sale	8	**16.5**	38.3	22.4
Cash and cash equivalents		**44.7**	40.6	40.5
Derivative fair value		-	-	0.1
		65.4	**81.5**	**69.5**
Total assets		**1,192.1**	**1,113.5**	**1,150.3**
Current liabilities				
Trade and other payables		**32.7**	21.8	23.4
Borrowings	9	-	13.7	56.5
Lease liability		**0.1**	0.1	0.1
Deferred rental income		**12.3**	11.8	34.9
		45.1	**47.4**	**114.9**
Non-current liabilities				

Borrowings	9	**397.7**	349.4	300.2
Lease liability		**0.9**	1.1	1.0
		398.6	**350.5**	**301.2**
Total liabilities		**443.7**	**397.9**	**416.1**
Net assets		**748.4**	**715.6**	**734.2**
Called-up share capital		**6.0**	6.0	6.0
Share premium		**0.3**	0.3	0.3
Capital reduction reserve		**413.2**	434.7	424.1
Retained earnings		**328.9**	274.6	303.8
Total equity		**748.4**	**715.6**	**734.2**
NAV per share basic (pence)	5	**124.0**	118.6	121.7
NAV per share diluted (pence)	5	**122.9**	117.5	120.8
EPRA NTA per share (pence)	5	**122.8**	117.3	120.7

Condensed Consolidated Statement of Changes in Equity (unaudited)

Six months ended 30 June 2024 (unaudited)

	Called up share capital £m	Share premium £m	Capital reduction reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2024	**6.0**	**0.3**	**424.1**	**303.8**	**734.2**
Profit for the period	-	-	-	24.8	24.8
Total comprehensive income for the period	**-**	**-**	**-**	**24.8**	**24.8**
Share-based payment	-	-	-	0.3	0.3
Dividends	-	-	(10.9)	-	(10.9)
Amounts recognised directly in equity	**-**	**-**	**(10.9)**	**0.3**	**(10.6)**
Balance at 30 June 2024	**6.0**	**0.3**	**413.2**	**328.9**	**748.4**

Six months ended 30 June 2023 (unaudited)

	Called up share capital **£m**	Share premium **£m**	Capital reduction reserve **£m**	Retained earnings **£m**	Total equity **£m**
Balance at 1 January 2023	**6.0**	**0.3**	**444.7**	**249.8**	**700.8**
Profit for the period	-	-	-	24.6	24.6
Total comprehensive income for the period	**-**	**-**	**-**	**24.6**	**24.6**
Share-based payment	-	-	-	0.4	0.4
Reserves transfer	-	-	0.2	(0.2)	-
Dividends	-	-	(10.2)	-	(10.2)
Amounts recognised directly in equity	**-**	**-**	**(10.0)**	**0.2**	**(9.8)**
Balance at 30 June 2023	**6.0**	**0.3**	**434.7**	**274.6**	**715.6**

Full year ended 31 December 2023 (audited)

	Called up share capital £m	Share premium £m	Capital reduction reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2023	**6.0**	**0.3**	**444.7**	**249.8**	**700.8**
Profit for the year	-	-	-	53.4	53.4
Total comprehensive income for the period	**-**	**-**	**-**	**53.4**	**53.4**
Share-based payment	-	-	-	0.7	0.7
Reserves transfer	-	-	0.1	(0.1)	-
Dividends	-	-	(20.7)	-	(20.7)
Amounts recognised directly in equity	**-**	**-**	**(20.6)**	**0.6**	**(20.0)**
Balance at 31 December 2023	**6.0**	**0.3**	**424.1**	**303.8**	**734.2**

Condensed Consolidated Statement of Cash Flows (unaudited)

	Six months to 30 June 2024 (Unaudited)	Six months to 30 June 2023 (Unaudited)	Full year to 31 December 2023 (Audited)
	£ m	£ m	£ m
Cash flows from operating activities			
Profit before income tax	**24.8**	24.6	53.4
Share-based payments	**0.4**	0.4	0.9
Depreciation charge	**0.1**	0.4	0.8
Finance costs	**10.2**	9.0	17.4
Finance income	**(0.3)**	-	(0.2)
Loss on disposal of investment property	**1.9**	0.6	0.6
Change in fair value of derivative	**0.6**	(0.8)	0.2
Change in fair value of investment property	**(13.7)**	(10.3)	(30.1)
	24.0	**23.9**	**43.0**
Decrease in trade and other receivables	**1.0**	3.1	0.3
Decrease in trade and other payables	**(1.5)**	(2.6)	(2.0)
(Decrease)/increase in deferred rental income	**(22.6)**	(21.3)	2.4
	(23.1)	**(20.8)**	**0.7**
Net cash flows generated from operations	**0.9**	**3.1**	**43.7**
Cash flows from investing activities			
Purchase of tangible fixed assets	-	(0.1)	-
Purchase of intangible assets	**(1.4)**	(0.9)	(1.6)
Purchase and development of investment property	**(27.6)**	(9.1)	(32.4)
Proceeds on disposal of asset held for sale, net of selling costs	**3.3**	13.6	13.6
Proceeds on disposal of investment property, net of selling costs	**9.1**	20.3	29.0
Finance income	**0.3**	-	0.2
Net cash flows (used in)/generated from investing activities	**(16.3)**	**23.8**	**8.8**
Cash flows from financing activities			
Dividends paid	**(9.9)**	(10.2)	(20.2)
Bank borrowings drawn	**164.9**	-	-
Repayment of bank borrowings	**(123.1)**	(23.9)	(30.9)
Loan arrangement fee paid	**(2.2)**	-	(0.1)
Derivative premium paid	**(1.7)**	(0.3)	(0.3)
Interest rate cap termination	**0.1**	-	-
Finance costs	**(8.4)**	(7.6)	(16.0)
Lease liability repaid	**(0.1)**	(0.1)	(0.3)
Net cash generated from/(used in) financing activities	**19.6**	**(42.1)**	**(67.8)**
Increase/(decrease) in cash and cash equivalents	**4.2**	**(15.2)**	**(15.3)**
Cash and cash equivalents at beginning of period	**40.5**	**55.8**	**55.8**
Cash and cash equivalents at end of period	**44.7**	**40.6**	**40.5**

Unaudited notes to the Financial Statements

1. Accounting Policies

1.1 Period of Account

The reporting period of the unaudited condensed consolidated interim financial statements of the Group is the six month period from 1 January 2024 to 30 June 2024.

1.2 Basis of Preparation

This unaudited condensed consolidated interim financial report for the six month reporting period ended 30 June 2024 ("Interim Report") has been prepared in accordance with the UK adopted International Accounting Standard 34, "Interim Financial Reporting" and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The Interim Report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this Report is to be read in conjunction with the Annual Report for the year ended 31 December 2023, which has been prepared in accordance with the UK-adopted international accounting standards.

The comparative financial information for the year ended 31 December 2023 in this Interim Report does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved by the Board of Directors on 13 March 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These financial statements have been reviewed, not audited.

The Group's financial statements have been prepared on a historical cost basis, except for investment property and derivative financial instruments which have been measured at fair value. The Interim Report is presented in Sterling, which is also the Group's functional currency.

The accounting policies adopted in this Report are consistent with those applied in the Group's statutory accounts for the year ended 31 December 2023 and are expected to be consistently applied during the year ending 31 December 2024.

1.3 Going concern

At 30 June 2024, the Group's cash was £44.7 million and its capital commitments were £6.6 million.

Occupancy is a key driver of profitability and cash flows, and at 14 August 2024, based on forward reservations for the upcoming 2024/25 academic year, 92 per cent had been secured which provides sufficient comfort in respect of forward reservations for the forthcoming academic year.

No facilities fall due for repayment during the going concern period to 31 December 2025. Good relationships are maintained with all lenders and indications suggest that a favorable lender appetite remains in respect to the sector.

In March 2024, an interest rate cap was acquired in respect to a £124.9 million refinancing, which capped SONIA at 4.5 per cent. At the time of approval of this Interim Report, the Group had £20.0 million, representing five per cent of drawn debt, without interest rate protection.

As part of the Group's going concern review, certain scenarios are considered to model the impact on available liquidity. All of the Group's covenants are currently compliant and we envisage compliance to continue to be achieved in a reasonably severe downside scenario, or that sufficient mitigants are available where there is a risk to covenant headroom. The Group's portfolio could currently withstand a 23 per cent decline in property valuations before the first breach in a loan-to-value covenant is triggered.

The Group's average interest cover covenant across all facilities is 1.9 times, whereas gross profit is currently three times total finance costs, providing a good degree of comfort.

Bank borrowings would be renegotiated in advance of any potential covenant breaches, insofar as factors are within the control of the Group. Facility agreements typically contain cure provisions providing for prepayment, cash deposits or security enhancement as may be required to mitigate any potential breach. The Group currently has access to over £100.0 million in unencumbered properties that could be used to enhance lender security. Borrowings remain appropriately spread across a range of lenders and maturities so as to minimise any potential concentration of risk.

The Directors have reassessed the Group's principal risks and severe but plausible downside scenarios in assessing the Group's going concern for the period to 31 December 2025. The Directors have considered, in particular:

- a reduction in revenue, both in terms of occupancy and growth rate;
- an increase in unhedged utility costs assumptions by 1.5 times current market expectations;
- an immediate valuation shock of minus 15 per cent in property valuations.

In addition, the Directors considered potential mitigants to the downside scenario which include, but are not limited to, further asset disposals and temporary reduction in dividends. Further consideration was given toward a £20.0 million facility falling due in February 2026, immediately after the going concern period and lender appetite to take action to refinance suitably ahead of the facility's scheduled maturity date and pledging as security, the Group's unencumbered asset pool.

Having made enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 31 December 2025. In addition, having reassessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing these 2024 interim results.

1.4 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates

In the process of applying the Group's accounting policies, management has made the following estimates, which have the most significant effect on the amounts recognised in the Interim Report:

Fair valuation of investment property and assets classified as held for sale

The market value of investment property is determined, by an independent real estate valuation expert, to be the estimated amount for which a property should exchange on the date of the valuation in an arm's length transaction. Properties have been valued on an individual basis. The valuation experts use recognised valuation techniques and the principles of IFRS 13.

The valuations have been prepared in accordance with the RICS Valuation - Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the "Red Book"). Factors reflected include current market conditions, net underlying operational income, periodic rentals, lease lengths and location as well as estimated costs to be incurred as part of the Group's EWS programme. The significant methods and assumptions used by valuers in estimating the fair value of investment property are set out in Note 7.

For properties under development, the fair value is calculated by estimating the fair value of the completed property using the income capitalisation technique less estimated costs to completion and an appropriate developer's margin.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Interim Report:

Operating lease contracts - the Group as lessor

The Group has investment properties which have various categories of leases in place with tenants. The judgements by lease type are detailed below:

Student leases: As these leases all have a term of less than one year, the Group retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

Commercial leases: The Group has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the lease terms, insurance requirements and minimum lease payments, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

1.5 Segmental Information

The Directors are of the opinion that the Group is engaged in a single segment business, being the investment in student and associated commercial lettings, within the United Kingdom.

2. Finance Costs

	Six months to 30 June 2024	Six months to 30 June 2023	Full year to 31 December 2023

	(unaudited)	(unaudited)	(audited)
	£ m	£ m	£ m
Finance costs			
Interest expense on bank borrowings	**8.9**	8.5	16.2
Amortisation of loan transaction costs:			
Ongoing	**0.4**	0.5	1.2
Accelerated charges on refinancing	**0.9**	-	-
	10.2	**9.0**	**17.4**
Finance income			
Interest received on bank deposits	**0.3**	-	**0.2**
Net finance costs	**9.9**	**9.0**	**17.2**

3. Corporation Tax

Taxation on the profit or loss for the period not exempt under UK REIT regulations comprises current and deferred tax. Taxation is recognised within the Group Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movement in equity, in which case it is also recognised as a direct movement in equity.

Current tax represents tax payable on any non-REIT taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

4. Earnings Per Share

The number of ordinary shares is based on the time-weighted average number of shares throughout the period.

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

EPRA EPS, reported on the basis recommended for real estate companies by EPRA, is a key measure of the Group's operating results.

The calculation of each of the measures is set out below:

	Calculation of basic EPS	**Calculation of diluted EPS**	**Calculation of EPRA basic EPS**	**Calculation of EPRA diluted EPS**
Six months to 30 June 2024 (unaudited)	£ m	£ m	£ m	£ m
Earnings	24.8	24.8	24.8	24.8
Changes in fair value of investment property (Note 7)	-	-	(13.7)	(13.7)
Derivative fair value movement	-	-	0.6	0.6
Loss on disposal of investment property	-	-	1.9	1.9
Earnings/adjusted earnings	24.8	24.8	13.6	13.6
Weighted average number of shares (m)	603.4	603.4	603.4	603.4
Adjustment for employee share options (m)	-	5.3	-	5.3
Total number of shares (m)	**603.4**	**608.7**	**603.4**	**608.7**
Per-share amount (pence)	**4.1**	**4.1**	**2.3**	**2.2**

	Calculation of basic EPS	**Calculation of diluted EPS**	**Calculation of EPRA basic EPS**	**Calculation of EPRA diluted EPS**
Six months to 30 June 2023 (unaudited)	£ m	£ m	£ m	£ m
Earnings	24.6	24.6	24.6	24.6
Changes in fair value of investment property (Note 7)	-	-	(10.3)	(10.3)
Derivative fair value movement	-	-	(0.8)	(0.8)
Loss on disposal of investment property	-	-	0.6	0.6
Earnings/adjusted earnings	**24.6**	**24.6**	**14.1**	**14.1**
Weighted average number of shares (m)	603.3	603.3	603.3	603.3
Adjustment for employee share options (m)	-	5.6	-	5.6
Total number of shares (m)	**603.3**	**608.9**	**603.3**	**608.9**
Per-share amount (pence)	**4.1**	**4.0**	**2.3**	**2.3**

	Calculation of basic EPS	**Calculation of diluted EPS**	**Calculation of EPRA basic EPS**	**Calculation of EPRA diluted EPS**
Full year to 31 December 2023 (audited)	£ m	£ m	£ m	£ m
Earnings	53.4	53.4	53.4	53.4
Changes in fair value of investment property (Note 7)	-	-	(30.1)	(30.1)
Loss on disposal of investment property			0.6	0.6

Derivative fair value movement	-	-	0.2	0.2
Earnings/adjusted earnings	**53.4**	**53.4**	**24.1**	**24.1**
Weighted average number of shares (m)	603.4	603.4	603.4	603.4
Adjustment for employee share options (m)	-	4.6	-	4.6
Total number of shares (m)	**603.4**	**608.0**	**603.4**	**608.0**
Per-share amount (pence)	**8.8**	**8.8**	**4.0**	**4.0**

5. NAV Per Share

The principles of the three measures per EPRA are below:

EPRA Net Reinstatement Value: Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets: Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. As the Group is a REIT, no adjustment is made for deferred tax.

EPRA Net Disposal Value: Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. As the Group is a REIT, no adjustment is made for deferred tax.

The Group considers EPRA Net Tangible Assets to be the most relevant measure and we consider this to be our primary NAV measure.

A reconciliation of the three EPRA NAV metrics from IFRS NAV is shown in the table below.

	NAV	**EPRA NAV measures**		
	IFRS	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
Six months to 30 June 2024 (unaudited)	£ m	£ m	£ m	£ m
Net assets per Statement of Financial Position	748.4	748.4	748.4	748.4
Adjustments				
Fair value of fixed rate debt	-	-	-	10.6
Derivative fair value	-	(1.2)	(1.2)	-
Purchaser's costs[1]	-	67.0	-	-
Net assets used in per share calculation	**748.4**	**814.2**	**747.2**	**759.0**
Number of shares in issue				
Issued share capital (m)	603.4	603.4	603.4	603.4
Issued share capital plus employee options (m)	608.7	608.7	608.7	608.7
Net asset value per share (pence)				
Basic Net Asset Value per share (pence)	**124.0**			
Diluted Net Asset Value per share (pence)	**122.9**	**133.8**	**122.8**	**124.7**

	NAV	**EPRA NAV measures**		
	IFRS	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
Six months to 30 June 2023 (unaudited)	£ m	£ m	£ m	£ m
Net assets per Statement of Financial Position	715.6	715.6	715.6	715.6
Adjustments				
Fair value of fixed rate debt	-	-	-	17.4
Derivative fair value	-	-	(1.1)	-
Purchaser's costs[1]	-	35.7	-	-
Net assets used in per share calculation	**715.6**	**751.3**	**714.5**	**733.0**
Number of shares in issue				
Issued share capital (m)	603.3	603.3	603.3	603.3
Issued share capital plus employee options (m)	608.9	608.9	608.9	608.9
Net asset value per share (pence)				
Basic Net Asset Value per share (pence)	**118.6**			
Diluted Net Asset Value per share (pence)	**117.5**	**123.4**	**117.3**	**120.4**

	NAV	**EPRA NAV measures**		
	IFRS	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
Year ended 31 December 2023 (audited)	£ m	£ m	£ m	£ m
Net assets per Statement of Financial Position	734.2	734.2	734.2	734.2
Adjustments				

Fair value of fixed rate debt	-	-	-	10.5
Derivative fair value	-	(0.1)	(0.1)	-
Purchaser's costs[1]	-	37.1	-	-
Net assets used in per share calculation	**734.2**	**771.2**	**734.1**	**744.7**
Number of shares in issue				
Issued share capital (m)	603.4	603.4	603.4	603.4
Issued share capital plus employee options (m)	608.0	608.0	608.0	608.0
Net asset value per share	**£**	**£**	**£**	**£**
Basic Net Asset Value per share (pence)	121.7			
Diluted Net Asset Value per share (pence)	120.8	126.8	120.7	122.5

[1] EPRA NTA and EPRA NDV reflect IFRS values which are net of purchaser's costs. Any purchaser's costs deducted from the market value are added back when calculating EPRA NRV.

6. Dividends Paid

	Six months to 30 June 2024 (unaudited)	Six months to 30 June 2023 (unaudited)	Full year to 31 December 2023 (audited)
	£ m	£ m	£ m
Interim dividend of 0.875 pence per ordinary share in respect of the quarter ended 31 December 2022			5.3
Interim dividend of 0.8125 pence per ordinary share in respect of the quarter ended 31 March 2023			4.9
Interim dividend of 0.8125 pence per ordinary share in respect of the quarter ended 30 June 2023			4.9
Interim dividend of 0.9375 pence per ordinary share in respect of the quarter ended 30 September 2023			5.6
Interim dividend of 0.875 pence per ordinary share in respect of the quarter ended 31 December 2022		5.3	
Interim dividend of 0.8125 pence per ordinary share in respect of the quarter ended 31 March 2023		4.9	
Interim dividend of 0.9375 pence per ordinary share in respect of the quarter ended 31 December 2023	**5.6**		
Interim dividend of 0.875 pence per ordinary share in respect of the quarter ended 31 March 2024	**5.3**		
	10.9	**10.2**	**20.7**

7. Investment Property

	Investment properties freehold	Investment properties long leasehold	Total operational assets	Properties under development	Total Investment property
	£ m	£ m	£ m	£ m	£ m
As at 1 January 2024	940.0	132.7	1,072.7	3.0	1,075.7
Capital expenditure	18.0	3.1	21.1	0.3	21.4
Property acquisitions	10.5	-	10.5	5.9	16.4
Sale of investment property	(10.4)	-	(10.4)	-	(10.4)
Change in fair value during the period	13.0	4.0	17.0	(1.0)	16.0
As at 30 June 2024 (unaudited)	**971.1**	**139.8**	**1,110.9**	**8.2**	**1,119.1**
As at 1 January 2023	920.4	142.0	1,062.4	3.3	1,065.7
Capital expenditure	8.2	0.9	9.1	-	9.1
Sale of investment property	(2.8)	(18.0)	(20.8)	-	(20.8)
Change in fair value during the period	7.7	2.6	10.3	-	10.3
Transfer to held for sale	(38.3)	-	(38.3)	-	(38.3)
As at 30 June 2023 (unaudited)	**895.2**	**127.5**	**1,022.7**	**3.3**	**1,026.0**
As at 1 January 2023	920.4	142.0	1,062.4	3.3	1,065.7
Capital expenditure	29.7	2.8	32.5	-	32.5
Sale of investment property	(12.0)	(18.2)	(30.2)		(30.2)

Sale of investment property	(12.0)	(18.2)	(30.2)	-	(30.2)
Transfer to held for sale asset	(22.4)	-	(22.4)	-	(22.4)
Change in fair value during the year	24.3	6.1	30.4	(0.3)	30.1
As at 31 December 2023 (audited)	**940.0**	**132.7**	**1,072.7**	**3.0**	**1,075.7**

During the period £21.3 million (30 June 2023: £9.1 million) of additions related to capital expenditure were recognised in the carrying value of the operational portfolio.

In accordance with IAS 40, the carrying value of investment property is its fair value as determined by independent external valuers. This valuation has been conducted by CBRE Limited, as external valuer, and has been prepared as at 30 June 2024, in accordance with the Appraisal and Valuation Standards of the RICS, on the basis of market value. This value has been incorporated into the financial statements.

The valuation of all property assets uses market evidence and includes assumptions regarding income expectations and yields that investors would expect to achieve on those assets over time. Many external economic and market factors, such as interest rate expectations, bond yields, the availability and cost of finance and the relative attraction of property against other asset classes, could lead to a reappraisal of the assumptions used to arrive at current valuations. In adverse conditions, this reappraisal can lead to a reduction in property values and a loss in net asset value.

The abolition of Multiple Dwellings Relief ("MDR"), which impacts stamp duty incurred, came into effect on 1 June 2024 and has impacted the pricing for some of the Group's assets by up to 4.0 per cent. This has resulted in a £26.5 million reduction in the overall portfolio valuation.

The table below reconciles between the fair value of the investment property as per the Consolidated Group Statement of Financial Position and the market value of the investment property as per the independent valuation performed in respect of each period end.

	Six months to 30 June 2024 (unaudited)	**Six months to 30 June 2023 (unaudited)**	**Full year to 31 December 2023 (audited)**
	£m	£m	£m
Value per independent valuation report	**1,134.9**	1,064.0	1,097.9
Plus: Head lease	**0.7**	0.3	0.2
Deduct: Assets classified as held for sale	**(16.5)**	(38.3)	(22.4)
Fair value per Group Statement of Financial Position	**1,119.1**	**1,026.0**	**1,075.7**

The following descriptions and definitions relate to valuation techniques and key unobservable inputs made in determining fair values. The valuation techniques for student properties use a discounted cash flow with the following inputs:

a) Unobservable input: Rental values

The rent at which space could be let in the market conditions prevailing at the date of valuation. The rent ranges per week are as follows:

30 June 2024	**30 June 2023**	**31 December 2023**
£88-£542 per week (weighted average rent of £229 per week)	£88-493 per week (weighted average rent of £211 per week)	£96-£493 per week (weighted average rent of £219 per week)

b) Unobservable input: Rental growth

The estimated average annual increase in rent based on both market estimations and contractual arrangements. The assumed rental growth is as follows:

30 June 2024	**30 June 2023**	**31 December 2023**
4.7%	5.39%	6.2%

c) Unobservable input: Net initial yield

The net initial yield is defined as the initial net income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase. The ranges in net initial yields are as follows:

30 June 2024	**30 June 2023**	**31 December 2023**
4.6%-8.8% (weighted average of 5.4%)	4.75%-8.90% (weighted average of 5.3%)	4.5%-8.9% (weighted average of 5.5%)

d) Unobservable input: Physical condition of the property

CBRE's assumption at 30 June 2024 is that £29.6 million of cost in relation to fire safety works should be reflected as a deduction within its valuation (31 December 2023: £33.0 million).

e) Unobservable input: Planning consent

The development site at FISC, Canterbury is pending Phase 2 planning consent. CBRE have determined the fair value as the sales price for a development in progress including a profit margin, discount and associated risk factors to complete the development.

College House in Bristol is a vacant office building with occupied commercial units on the ground floor. The asset has the benefit of permitted development conversion to residential. Subject to planning permission, the asset is intended to be converted to PBSA. Accordingly, the asset has been fair valued based on the existing scheme.

f) Sensitivities of measurement of significant unobservable inputs

The Group's portfolio valuation is subject to judgement and is inherently subjective by nature. As a result, the following sensitivity analysis for the student properties has been prepared by the valuer. For the purposes of the sensitivity analysis, the Group considers its property portfolio to be one homogeneous group of properties.

	15% increase in cost of EWS works	-3% change in rental income	+3% change in rental income	-0.25% change in yield	+0.25% change in yield
	£ m	£ m	£ m	£ m	£ m
(Decrease)/increase in the fair value of investment property					
As at 30 June 2024	(4.4)	(45.5)	45.5	55.9	(50.9)
As at 30 June 2023	(5.1)	(44.3)	44.2	53.9	(49.1)
As at 31 December 2023	(4.9)	(45.1)	45.0	55.5	(50.5)

8. Assets classified as held for sale

Management considers that two properties (December 2023: three properties) meet the conditions relating to assets held for sale under IFRS 5: Non-current Assets Held for Sale. The combined fair value in these financial statements is £16.5 million (December 2023: £22.4 million). With the assets being actively marketed, management expects the sales to be completed in 2024.

	Investment properties freehold
	£ m
As at 1 January 2024	22.4
Property disposals	(3.9)
Additions: subsequent expenditure	0.3
Change in fair value of assets classified as held for sale	(2.3)
As at 30 June 2024 (unaudited)	**16.5**

9. Borrowings

The existing facilities are secured by charges over individual investment properties held by certain asset-holding subsidiaries. These assets have a fair value of £1,029.5 million at 30 June 2024. In some cases, the lenders also hold charges over the shares of the subsidiaries and the intermediary holding companies of those subsidiaries.

A summary of the drawn and undrawn bank borrowings in the period is shown below:

	Bank borrowings drawn	Bank borrowings undrawn	Total
	£ m	£ m	£ m
At 1 January 2024 (audited)	**360.3**	**42.0**	**402.3**
Part cancellation of revolving credit facility	-	(2.0)	(2.0)
Facilities repaid and cancelled in the period	(123.1)	-	(123.1)
Bank borrowings drawn in the period	40.0	(40.0)	-
New facility drawn	124.9	-	124.9
At 30 June 2024 (unaudited)	**402.1**	-	**402.1**
At 1 January 2023 (audited)	**391.2**	**20.0**	**411.2**
Part cancellation of revolving credit facility	-	(22.6)	(22.6)
Facilities repaid in the period	(23.9)	17.6	(6.3)
Bank borrowings drawn in the period	-	-	-
Unsecured facility refinanced	-	20.0	20.0
At 30 June 2023 (unaudited)	**367.3**	**35.0**	**402.3**
At 1 January 2023 (audited)	**391.2**	**20.0**	**411.2**
Bank borrowings repaid	(30.9)	24.6	(6.3)
Part cancellation of revolving credit facility	-	(22.6)	(22.6)
Unsecured facility refinanced	-	20.0	20.0
At 31 December 2023 (audited)	**360.3**	**42.0**	**402.3**

Any associated fees in arranging the bank borrowings unamortised as at the period end are offset against amounts drawn on the facilities as shown in the table below:

	30 June 2024 (unaudited)	30 June 2023 (unaudited)	31 December 2023 (audited)
Current borrowings	**£ m**	£ m	£ m
Balance brought forward	**57.7**	-	-
Bank borrowings becoming current in the period	-	13.7	57.7
Less: Bank borrowings becoming non-current during the period	-	-	-
Less: Bank borrowings repaid during the period	(57.7)	-	-

Bank borrowings: due in less than one year	**-**	**13.7**	**57.7**
Less: Unamortised costs	-	-	(1.2)
Current liabilities: Bank borrowings	**-**	**13.7**	56.5

Non-current borrowings	**30 June 2024 (unaudited) £ m**	**30 June 2023 (unaudited)** £ m	**31 December 2023 (audited)** £ m
Balance brought forward	302.6	391.2	391.2
Total bank borrowings in the period	164.9	-	-
Bank borrowings becoming non-current during the period	-	-	-
Less: Bank borrowings becoming current during the period	-	(13.7)	(57.7)
Less: Bank borrowings repaid during the period	(65.4)	(23.9)	(30.9)
Bank borrowings: due in more than one year	**402.1**	**353.6**	**302.6**
Less: Unamortised costs	(4.4)	(4.2)	(2.4)
Non-current liabilities: bank borrowings	**397.7**	**349.4**	**300.2**

Maturity of bank borrowings	**30 June 2024 (unaudited) £ m**	**30 June 2023 (unaudited)** £ m	**31 December 2023 (audited)** £ m
Repayable in less than one year	-	13.7	57.7
Repayable between one and two years	20.0	44.0	45.4
Repayable between two and five years	206.1	172.4	206.1
Repayable in over five years	176.0	137.2	51.1
Bank borrowings	**402.1**	**367.3**	**360.3**

10. Contingent liabilities

There were no contingent liabilities at 30 June 2024 (31 December 2023: £nil).

11. Capital Commitments

As at 30 June 2024, the Group had total capital commitments of £6.6 million (31 December 2023: £1.7 million) for the future development and enhancement of investment property.

12. Related Party Disclosures

Key Management Personnel

Key management personnel are considered to comprise the Board of Directors.

Share-Based Payments

On 12 April 2024, the Company granted Duncan Garrood, Chief Executive Officer, nil-cost options over 136,476 ordinary shares, and Donald Grant, Chief Financial & Sustainability Officer, nil-cost options over 96,532 ordinary shares in the Company ("ordinary shares") relating to the deferred shares element of the annual bonus award for the financial year to 31 December 2023.

Also on 12 April 2024, Duncan Garrood was granted nil-cost options over 728,294 ordinary shares, and Donald Grant, Chief Financial & Sustainability Officer, was granted nil-cost options over 515,135 ordinary shares pursuant to the Empiric Long Term Incentive Plan for the 2024 financial year.

13. Subsequent Events

On 2 July 2024 the Group completed on the acquisition of a property in Glasgow, Scotland for total consideration of £9.8 million. As the acquisition had unconditionally exchange on 28 June 2024 it has been included in investment property in the Statement of Financial Position as at 30 June 2024.

On 8 August 2024, the Group exchanged contracts for the sale of Caledonia Mills, Stoke for £1.5 million. Completion will occur in September 2024.

Glossary

Basic EPS- The earnings attributed to ordinary shareholders divided by the weighted average number of ordinary shares outstanding during the period.

Company - Empiric Student Property plc.

EPRA - European Public Real Estate Association.

EPRA EPS - EPRA Earnings divided by the weighted average number of ordinary shares outstanding during the period.

EPRA Net Disposal Value ("NDV") - Represents the shareholders' value under a disposal scenario, The value of the company assuming assets are sold, and the liabilities are settled and not held to maturity.

EPRA Net Reinvestment Value ("NRV")- The value of the assets on a long-term basis, assets and liabilities are not expected to crystallise under normal circumstances.

EPRA Net Tangible Assets ("NTA") - Assumes the underlying value of the company assuming it buys and sells assets

EPRA Net Tangible Assets ("NTA") - Assumes the underlying value of the company assuming it buys and sells assets.

Gross margin - Gross profit expressed as a percentage of revenue.

Group - Empiric Student Property plc and its subsidiaries.

Hello Student - Our customer-facing brand and operating platform.

IFRS - International Financial Reporting Standards.

Like-for-like rental growth - Compares the growth in rental income for operational assets throughout both the current and comparative period, excluding acquisitions, developments and disposals.

Like-for-like valuation - Compares the change in capital values of the Group's portfolio at the balance sheet dates, compared to the prior balance sheet date. The calculation excludes acquisitions, developments, disposals and adjusts for capital expenditure.

Net Asset Value or NAV - Net Asset Value is the net assets in the Statement of Financial Position.

PBSA - Purpose Built Student Accommodation.

Post-Grad - Post graduate students who have successfully completed an undergraduate course and are undertaking further studies within higher education.

Re-booker rate - A KPI and non-IFRS measure - Calculated as the percentage of students staying with us in the previous year who chose to stay living with us for another academic year.

REIT - Real estate investment trust.

Revenue Occupancy - A KPI and non-IFRS measure - Calculated as the percentage of our gross annualised revenue we have achieved for an academic year.

RICS - Royal Institution of Chartered Surveyors.

SONIA - Sterling Over Night Index Average is the effective reference for overnight indexed swaps for unsecured transactions in the Sterling market. The SONIA itself is a risk-free rate.

Total Accounting Return - The growth in EPRA NTA over the period plus dividends paid in the period expressed as a percentage of opening EPRA NTA.

Weighted average cost of debt - The weighted rate of interest applied to all drawn debt balances at the balance sheet date.

Weighted average debt maturity - The weighted average term remaining until expiry of our drawn debt facilities at the balance sheet date.

Company Information and Corporate Advisers

Directors and Advisers

Directors
Mark Pain (Chairman)
Duncan Garrood (Chief Executive Officer)
Donald Grant (Chief Financial & Sustainability Officer)
Alice Avis (Non-Executive Director, Senior Independent Director)
Martin Ratchford (Non-Executive Director)
Clair Preston-Beer (Non-Executive Director)

Broker and Joint Financial Adviser
Jefferies International Ltd
100 Bishopsgate
London, EC2N 4JL

Broker and Joint Financial Adviser
Peel Hunt LLP
7th Floor
100 Liverpool Street
London EC2M 2AT

Legal Adviser to the Company
Gowling WLG (UK) LLP
4 More London Riverside
London, SE1 2AU

Communications Adviser
FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London, EC1A 4HD

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

External Auditor
BDO LLP
55 Baker Street
London, W1U 7EU

Valuer
CBRE Limited
Henrietta House
Henrietta Place
London, W1G 0NB

Tax Adviser
KPMG
15 Canada Square
London, E14 5GL

Company Secretary
Lisa Hibberd

Company Registration Number: 08886906
Incorporated in the UK (Registered in England)

Empiric Student Property plc is a public company limited by shares

Registered Office
1st Floor Hop Yard Studios
72 Borough High Street
London, SE1 1XF

END

IR EAXPLFAXLEFA