COUNTRYSIDE PROPERTIES PLC
Unaudited results for the half year ended 31 March 2016

Strong operational growth and increased Partnerships potential

Countryside, a leading UK home builder and regeneration partner, today announces its unaudited results for the six months ended 31 March 2016.

Results highlights

	HY 2016	HY 2015	Change
Completions	**1,095**	949	+15%
Adjusted revenue[1]	**£312.8m**	£252.2m	+24%
Adjusted operating profit[2]	**£50.8m**	£35.3m	+44%
Adjusted operating margin[3]	**16.2%**	14.0%	+220bps
Adjusted basic earnings per share[4]	**5.0p**	1.8p	+178%
Return on capital employed[5]	**23.1%**	16.5%	+660bps
Reported revenue	**£286.2m**	£223.0m	+28%
Reported operating profit	**£34.8m**	£26.9m	+29%
Net debt[6]	**£8.7m**	£135.9m	
Basic earnings per share	**3.1p**	1.7p	+82%

Group operational highlights

- Firmly on track to deliver 2016 expectations and medium-term targets
- Significant growth in Partnerships opportunities with excellent win rate
- New revolving credit facility of £300m, expiring May 2021
- Sales rate of 0.79 (HY 2015: 0.81) from 37 sales outlets (HY 2015: 27 sales outlets)
- Private Average Selling Price of £505,000, up 46% (HY 2015: £345,000)
- Group private forward order book of £205.3m, up 4% (HY 2015: £196.7m)

Housebuilding highlights

- Completions: 292 units (HY15: 233) up 25%
- Adjusted operating profit: £27.7m (HY15: £19.0m) up 46%
- Adjusted operating margin: 15.9% (HY15: 15.1%) up 80bps
- ROCE: 16.3% (HY15: 11.4%) up 490bps
- Land bank: 18,273 plots (HY15: 18,705) of which 87% has been strategically sourced

Partnerships highlights

- Completions: 803 units (HY15: 716) up 12%
- Adjusted operating profit: £23.1m (HY15: £16.3m) up 42%
- Adjusted operating margin: 16.6% (HY15: 12.9%) up 370bps
- ROCE: 50.6% (HY15: 42.2%) up 840bps
- Land bank: 7,727 plots (HY15: 7,194) plus 7,188 plots at preferred bidder (HY15: 3,111)

Outlook and current trading

The Group saw solid growth across the board in the first half driven by an increase in completions and an improved mix sharply increasing private average selling prices. We have seen strong demand for our homes particularly in outer London and the wider South East. Visitor levels and reservation rates have all been maintained with no adverse impact from the tax changes or the EU Referendum debate. The number of open sales outlets has continued to grow giving us confidence in delivering our current year targets. The pipeline of work continues to expand for the Partnerships division and we are maintaining our strategic land bank in the Housebuilding division, giving us clear visibility. We remain on track to deliver medium-term plans of 3,600 completions, 17% adjusted operating margin and 28% return on capital employed by 2018.

Commenting on the results, David Howell, Chairman, said:

"We are delighted to be able to report excellent financial results for the first six months of the year, with progress made across the business. We are delivering on what we set out at IPO in February 2016 and are particularly encouraged by the new wins within the Partnerships division and continued strong demand for our new homes. We are well placed to deliver 2016 full year expectations across all areas of the Group."

There will be an analyst and investor meeting at 9.00am BST today at Numis Securities, The London Stock Exchange Building, 10 Paternoster Square, London, EC4M 7LT hosted by Group Chief Executive Ian Sutcliffe. The presentation will also be available via a live webcast through the Countryside corporate website.

http://investors.countryside-properties.com/

A playback facility will be provided shortly after the presentation has finished.

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Notes to editors:

Countryside is a leading UK home builder specialising in place making and urban regeneration. Our business is centred around two complementary divisions, Housebuilding and Partnerships. The Housebuilding division, operating under Countryside and Millgate brands, develops sites that provide private and affordable housing, on land owned or controlled by the Group. Our Partnerships division specialises in urban regeneration of public sector land, delivering private and affordable homes by partnering with local authorities and housing associations. Countryside was founded in 1958. It operates in locations across outer London, the South East and the North West of England.

For further information, please visit the Group's website: www.countryside-properties.com.

Cautionary statement regarding forward-looking statements

Some of the information in this document may contain projections or other forward-looking statements regarding future events or the future financial performance of Countryside Properties PLC and its subsidiaries (the Group). You can identify forward-looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could", "may" or "might", the negative of such terms or other similar expressions. Countryside Properties PLC (the Company) wishes to caution you that these statements are only predictions and that actual events or results may differ materially. The Company does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of the Group, including among others, general economic conditions, the competitive environment as well as many other risks specifically related to the Group and its operations. Past performance of the Group cannot be relied on as a guide to future performance.

"Countryside" or the "Group" refers to Countryside Properties PLC and its subsidiary companies.

[1] Adjusted revenue includes the Group's share of revenue of joint ventures and associate.
[2] Adjusted operating profit is defined as Group operating profit plus share of operating profit from joint ventures and associate excluding non-underlying items.
[3] Adjusted operating margin is defined as adjusted operating profit divided by adjusted revenue.
[4] Adjusted basic earnings per share is defined as adjusted profit attributable to ordinary shareholders, net of attributable taxation, divided by the weighted average number of shares in issue from the date of the IPO to 31 March 2016.
[5] Return on capital employed is defined as adjusted operating profit divided by average tangible net operating asset value. Tangible net operating asset value is calculated as net assets plus net debt less intangible assets. In prior periods, loans from the Group's principal shareholder and accrued loan interest were added back to tangible net operating asset value.
[6] Net debt is defined as bank borrowings less unrestricted cash. Unamortised debt arrangement fees are not included in net debt.

Chief Executive's Operating Statement

We have delivered an excellent set of results for the first half of the year in both our business divisions and are firmly on track to deliver our 2016 and medium-term targets.

We have grown the adjusted revenue of the business by 24% to £312.8m by a combination of 15% growth in total completions and 46% growth in private average selling price ("ASP"), which has been driven by an improved product and geographic mix. On a statutory basis, revenue increased 28% to £286.2m. This top line growth has been enhanced by greater efficiencies of process and scale that has improved adjusted operating margin by 220 bps to 16.2% which, in turn, has delivered a 44% growth in adjusted operating profit to £50.8m. We have maintained our capital discipline and asset turn at 1.5 times (HY 2015: 1.4 times) which has, when combined with our improved earnings, increased our ROCE by 660bps to 23.1%.

Group

Our strong growth trajectory continued into 2016, with total completions of 1,095 units (HY 2015: 949 units), an increase of 15%.

Private unit completions increased by 6% to 444 units (HY 2015: 419 units). There was a significant increase in private ASP, up 46% to £505,000 (HY 2015: £345,000), driven by an increase in the proportion of Housebuilding sales in the first half compared to last year, and a greater proportion of sales by our premium Millgate brand. As well as these mix changes, underlying house price inflation was approximately 12% on an annualised basis in the half year period.

Affordable completions including Private Rental Sector ("PRS") were up 43% in the period to 611 units (HY 2015: 427 units) due to the increase of PRS units in the North. Affordable ASPs decreased by 6% to £109,000 (HY 2015: £116,000), reflecting a greater proportion of completions in our Northern Partnerships division. Design & Build completions were down 61% to 40 units in the period (HY 2015: 103 units) reflecting the planned run off of our legacy contracts.

As a result, total adjusted revenue increased by 24% to £312.8m (HY 2015: £252.2m). Adjusted operating profit increased by 44% to £50.8m (HY 2015: £35.3m), reflecting strong performance in the South in both divisions and lower contributions from commercial and land activity in the half reflecting the decision taken to retain land for development rather than sell on to a third party. On a reported basis, revenue increased by 28% to £286.2m (HY 2015: £223.0m) and operating profit increased by 29% to £34.8m (HY 2015: £26.9m). The difference between adjusted and reported reflects non-underlying items relating to the Group's IPO and legacy management incentive plan, partially offset by the reversal of a receivable impairment.

Forward sales were up 4% to a record £205.3m (HY 2015: £196.7m). The relatively modest growth in forward sales is partly the result of increased forward-selling last year ahead of the General Election in May 2015 and the increased impact of Help to Buy reservations, which may only be recognised a maximum of six months ahead of the sale completing.

Our sales rate per open outlet remained steady at 0.79 (HY 2015: 0.81) despite the increased number of sales outlets at 37 (HY 2015: 27). Given our relatively low exposure to the Buy to Let market, we did not see any significant sales impact as a result of the recent tax changes. There was a modest acceleration in sales rates in Q2 as the impact of the increase in Help to Buy in London took effect, which has mitigated other changes.

Housebuilding

Our Housebuilding division continued to grow well in the first half, underpinned by the continuing strong customer demand for quality homes, particularly in the Home Counties and outer London Boroughs. Total completions were up 25% at 292 units (HY 2015: 233 units) in line with expectations. Our premium brand, Millgate, delivered significant growth of over 60% in the half with 52 completions (HY 2015: 32 completions) which, along with an improvement in product mix, contributed to a 18% increase in private ASP to £779,000 (HY 2015: £662,000). Total private completions of 193 units were up 53% (HY 2015: 126 units). Adjusted revenue was £174.0m (HY 2015: £126.0m), up 38%. We continue to see particularly strong sales in the price segments below £600,000, which represented more than half of the Housebuilding division's sales in the half year period. Whilst the premium offering has held firm to date, we are mindful of any potential impact from macro-economic changes.

Affordable completions were slightly lower as a proportion of overall completions in the period at 99 units (HY 2015: 102 units) as a result of the mix of sites in the period. Affordable ASP increased by 8% to £148,000 (HY 2015: £137,000).

Adjusted operating profit of £27.7m was up 46% (HY 2015: £19.0m) reflecting the strength of growth in the Housebuilding division, offset by a lower contribution from the commercial activities and land sales. The adjusted operating margin of 15.9% was up 80bps on the prior year (HY 2015: 15.1%) as the benefit of economies of scale reduced administrative expenses as a proportion of sales.

We were delighted that our approach to place making was recognised in the half year period, with our development at St Irvynes in Horsham, West Sussex winning both Development of the Year at the Sunday Times British Homes Awards 2015 and Best Landscape Design silver award at the What House? Awards 2015.

Since the period end, we have completed the buyout of our JV partner, Land Securities, at our development in Springhead, Ebbsfleet. To date we have developed almost 300 homes at the site with plans for a further 500 homes to be built over the next eight years.

Partnerships

Our Partnerships division has had a strong start to the first half, with total completions up 12% to 803 units (HY 2015: 716 units) and adjusted revenue up 10% to £138.8m (HY 2015: £126.2m). An improved sales mix and underlying house price inflation in the period resulted in an increase in private ASP of 40% to £295,000 (HY 2015: £210,000).

Private completions of 251 units were down 14% on the prior period (HY 2015: 293 units) with Affordable completions up strongly at 512 units (HY 2015: 325 units). This reflects the mix of sites in the period and we would expect the growth rate in private units to pick up in 2017 as schemes such as St Paul's Square and East City Point deliver a full year of production. Average Affordable ASP was £102,000, down 6% (HY 2015: £109,000) reflecting an increased proportion of Affordable completions in the North compared with the South.

Adjusted operating profit of £23.1m was up 42% in the period (HY 2015: £16.3m), with our operations in the South performing particularly well. The adjusted operating margin increased by 360bps to 16.6% (HY 2015: 13.0%).

Demand for our product has remained strong, particularly at lower price points and in London following the introduction of the Government's 40% Help to Buy scheme from February 2016, which has improved affordability of housing for first time buyers.

Our ongoing partnership with Sigma in the North West remains strong with 309 completions of PRS homes (HY 2015: 53) and we are exploring opportunities to expand this relationship in the West Midlands, where we are working with Sigma to identify suitable sites for development. We plan to open an office in Wolverhampton by the end of the year and expect only modest initial set-up costs for this new region in the short-term, leveraging our presence in the North West to develop these opportunities.

Strong land bank and pipeline

The Group's land bank has been maintained at 26,000 plots (HY 2015: 25,899) which continues to give us excellent visibility of our future plans. During the first half, we added a further 234 plots over six sites in the Housebuilding division. This includes four smaller sites at excellent locations in our

Millgate business west of London and two sites in North Essex. 87% of these plots have been strategically sourced, in line with our historical run rate.

In the Partnerships division, as well as adding 999 plots to our land bank in the first half, we were named as preferred bidder at eight sites, which has added 4,703 units to our pipeline of work, including Beam Park in Dagenham, London (2,781 plots) and Rochester Riverside in Kent (1,262 plots). Including these wins, our overall preferred bidder pipeline in the Partnerships division now stands at 7,188 units (HY 2015: 3,111 units). These projects were awarded to Countryside as a result of our proven track record in delivering complex, multi-phase schemes alongside design excellence. Our pipeline of new opportunities where we are actively bidding or see future bid opportunities currently stands at over 30,000 units.

The planning environment has been relatively positive in the first half of 2016. We have achieved planning consent on 800 plots (HY 2015: 1,018 plots) taking our overall consented land bank to 14,652 plots (HY 2015: 12,753 plots).

Maintaining our capital discipline

As we maintained our focus on build efficiency during the first half, the increase in turnover improved ROCE by 660bps at 23.1% (HY 2015: 16.5%) and asset turn held steady at 1.5 times (HY 2015: 1.4 times).

The Group completed a successful IPO in February 2016, raising £114m of primary proceeds after deducting the costs of the transaction. These proceeds were used to reduce the Group's revolving credit facility and are being used to accelerate the development of key sites. As a result, the Group's net debt at 31 March was £8.7m (HY 2015: £135.9m). This resulted in gearing[1] of 1.6% (HY 2015: 38.9%) and adjusted gearing[2] (including the impact of land creditors) of 11.4% (HY 2015: 75.0%). Utilising the funds raised at the IPO, we are preparing to start at Hazel End, Bishop's Stortford and have started to accelerate the developments at Acton, London, with the launch of phases 5 & 6, and Beaulieu Park in Chelmsford, where we have recently commenced work on a third phase including the new neighbourhood centre.

Following the IPO, we have successfully refinanced the business, signing a new £300m revolving credit facility expiring in May 2021. The Group will benefit from both a lower cost of borrowing and greater flexibility in the new facility. The facility has the potential to be extended by a further year on each of the first and second anniversaries of signing with the banks' consent.

Net finance costs

Net finance costs were £20.9m (HY 2015: £19.8m). The Group had the benefit of six weeks during which shareholder loans from the previous principal shareholder were repaid in full as a result of the IPO. Interest on bank debt decreased by £0.1m to £2.8m (HY 2015: £2.9m). We expect finance costs in the second half to be lower than the first half, reflecting lower debt levels following the IPO.

Taxation

The effective tax rate applied for the period was 22% (HY 2015: 38%). This reflects the anticipated full year effective rate and is higher than the statutory rate of 20% mainly due to some exceptional costs not allowable for tax purposes and transfer pricing adjustments on historical loans. We expect the Group's tax rate to trend towards the statutory rate in future years.

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[1] Gearing is defined as net debt divided by net assets. In the prior period, gearing is defined as net debt divided by net assets excluding shareholder loans and accrued shareholder loan interest.
[2] Adjusted gearing is defined as above, except that net debt includes land creditors.

Earnings per share

The Board considers that the most appropriate measure of earnings per share excludes non-underlying items and is based on the number of shares in issue following the IPO in February 2016[1]. On this basis, adjusted basic earnings per share were 5.0 pence (HY 2015:1.8 pence).

Dividend

As outlined at the time of our IPO, the directors intend to adopt a dividend policy with a target pay out ratio of 30% of earnings. The Group expects its first dividend as a public company to be a final dividend to be paid in February 2017, reflecting the six-month period from 31 March 2016 to the 2016 financial year end.

Broker Appointment

Following completion of the Company's listing on the London Stock Exchange, the Company has appointed Barclays Bank PLC and Numis Securities Limited as Joint Brokers.

Ian Sutcliffe
Group Chief Executive
18 May 2016

[1] Refer to Note 8 to the condensed consolidated financial information.

Principal risks and uncertainties

The Group is subject to a number of risks and uncertainties as part of its day to day operations. The Board regularly considers these and seeks to ensure that appropriate processes are in place to manage, monitor and mitigate these risks.

The principal risks and uncertainties set out at the time of the prospectus (issued in February 2016) remain valid at the date of this report and, based on the current outlook, will continue to remain valid for the remainder of the financial year. In summary these include, inter alia, macro-economic conditions, the strength of the Group's reputation with key stakeholders including suppliers and local government partners, customer satisfaction, the availability of suitable land for development and development execution risk.

In addition to these risks and uncertainties, following the Group's listing on the Main Market of the London Stock Exchange in February 2016, the Group is now subject to increased corporate regulation, such as the Listing Rules, and failure to comply with these rules could lead to regulatory censure and potential penalties. To address this risk, the Group employs an experienced Company Secretary (and external consultants when required) to ensure continued compliance with the Listing Rules.

The Group is required to value acquired intangible assets and share-based payments and apply judgement to the valuation of shared equity receivables and land held for development, housing work in progress and deferred tax. A more detailed description of these estimation uncertainties is included in the prospectus which can be obtained from the Group's registered office or at www.countryside-properties.com.

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;

- the interim results report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, 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 financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, 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 entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The directors of Countryside Properties PLC during the period were:

Hackwood Directors Limited	Appointed 18 November 2015, Resigned 19 November 2015
Alan Newcombe	Appointed 18 November 2015, Resigned 19 November 2015
Ian Sutcliffe	Appointed 19 November 2015
Rebecca Worthington	Appointed 19 November 2015
David Howell (Chairman)	Appointed 14 December 2015
Richard Adam	Appointed 17 December 2015
Amanda Burton	Appointed 17 December 2015
Federico Canciani	Appointed 17 December 2015
Baroness Sally Morgan	Appointed 17 December 2015
James van Steenkiste	Appointed 17 December 2015

For and on behalf of the Board

Gary Whitaker
Company Secretary
18 May 2016

COUNTRYSIDE PROPERTIES PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 March 2016 (unaudited)

	Notes	**Six months ended 31 March 2016 Unaudited £'000**	Six months ended 31 March 2015 Unaudited £'000	Year ended 30 September 2015 Audited £'000
Revenue	4	**286,173**	223,025	547,486
Cost of sales		**(222,514)**	(177,067)	(431,690)
Gross profit		**63,659**	45,958	115,796
Administrative expenses		**(28,849)**	(19,098)	(47,870)
Group operating profit	5	**34,810**	26,860	67,926
Analysed as :				
Adjusted group operating profit		**50,793**	35,348	91,166
Less: Share of associate and joint venture's operating profit		**(6,795)**	(7,969)	(16,685)
Less: Non-underlying items	5	**(9,188)**	(519)	(6,555)
Group operating profit		**34,810**	26,860	67,926
Finance costs	6	**(22,343)**	(20,151)	(52,294)
Finance income		**1,489**	400	1,803
Share of profit from associate and joint ventures	10	**4,149**	4,958	10,584
Profit before income tax		**18,105**	12,067	28,019
Income tax expense	7	**(3,892)**	(4,569)	(8,186)
Profit for the period		**14,213**	7,498	19,833
Profit is attributable to:				
Owners of the parent		**13,772**	7,498	19,623
Non-controlling interests		**441**	-	210
		14,213	7,498	19,833
Other comprehensive income				
Items that may be reclassified to profit and loss				
Changes in the fair value of available-for-sale financial assets		**(26)**	**-**	443
Total comprehensive income for the period		**14,187**	7,498	20,276
Total comprehensive income for the period attributable to:				
Owners of the parent		**13,746**	7,498	20,066
Non-controlling interest		**441**	-	210
		14,187	7,498	20,276
Earnings per share (expressed in pence per share):				
Basic earnings per share	8	**3.1**	1.7	4.4
Diluted earnings per share	8	**3.1**	1.7	4.4

COUNTRYSIDE PROPERTIES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2016 (unaudited)

	Notes	**As at 31 March 2016**	As at 31 March 2015	As at 30 September 2015
		£'000	£'000	£'000
Assets				
Non-current assets				
Intangible assets		**58,852**	60,048	59,453
Property, plant and equipment		**2,597**	1,559	2,406
Investment in joint ventures		**50,196**	47,571	50,097
Investment in associate		**3,989**	8,155	4,164
Available for sale financial assets	11	**10,262**	10,683	10,535
Derivative financial instruments		**-**	68	6
Deferred tax assets		**4,727**	5,457	5,606
Trade and other receivables		**11,980**	13,290	15,349
		142,603	146,831	147,616
Current assets				
Inventories	12	**485,533**	503,634	439,542
Trade and other receivables		**134,179**	109,530	105,450
Cash and cash equivalents		**100**	519	354
		619,812	613,683	545,346
Total assets		**762,415**	760,514	692,962
Liabilities				
Current liabilities				
Trade and other payables		**(141,930)**	(159,667)	(181,140)
Current income tax liabilities		**(2,323)**	(6,473)	(4,043)
Provisions		**(901)**	(1,298)	(1,144)
		(145,154)	(167,438)	(186,327)
Non-current liabilities				
Borrowings	13	**(5,325)**	(419,277)	(343,361)
Trade and other payables		**(64,866)**	(171,790)	(148,930)
Provisions		**(912)**	(2,545)	(1,110)
		(71,103)	(593,612)	(493,401)
Total liabilities		**(216,257)**	(761,050)	(679,728)
Net assets/(liabilities)		**546,158**	(536)	13,234
Equity				
Share capital		**4,500**	19	19
Share premium		**-**	874	1,075
Reserves		**540,984**	(1,452)	11,907
Equity attributable to owners of the parent		**545,484**	(559)	13,001
Equity attributable to non-controlling interest		**674**	23	233
Total equity/(deficit)		**546,158**	(536)	13,234

COUNTRYSIDE PROPERTIES PLC
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months 31 March 2016 (unaudited)

	Notes	Share capital	Share premium	Retained earnings	Available for sale financial assets (Note 11)	Equity attributable to shareholders	Non-controlling interest	Total Equity
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 October 2014		**18**	**870**	**(10,591)**	**1,122**	**(8,581)**	**23**	**(8,558)**
Comprehensive income								
Profit for the period		-	-	7,498	-	7,498	-	7,498
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income		-	-	7,498	-	7,498	-	7,498
Transactions with owners								
Share based payment		-	-	519	-	519	-	519
Proceeds from share issue		1	4	-	-	5	-	5
Total transactions with owners		1	4	519	-	524	-	524
At 31 March 2015		19	874	(2,574)	1,122	(559)	23	(536)
At 1 October 2015		**19**	**1,075**	**10,342**	**1,565**	**13,001**	**233**	**13,234**
Comprehensive income								
Profit for the period		-	-	13,772	-	13,772	441	14,213
Other comprehensive income		-	-	-	(26)	(26)	-	(26)
Total comprehensive income		-	-	13,772	(26)	13,746	-	14,187
Transactions with owners								
Share based payment		-	-	2,075	-	2,075	-	2,075
Group reorganisation		4,481	(1,075)	513,256	-	516,662	-	516,662
Total transactions with owners		4,481	(1,075)	515,331	-	518,737	-	518,737
At 31 March 2016		4,500	-	539,445	1,539	545,484	674	546,158
At 1 October 2014		**18**	**870**	**(10,591)**	**1,122**	**(8,581)**	**23**	**(8,558)**
Comprehensive income								
Profit for the period		-	-	19,623	-	19,623	210	19,833
Other comprehensive income		-	-	-	443	443	-	443
Total comprehensive income		-	-	19,623	443	20,066	210	20,276
Transactions with owners								
Share based payment		-	-	1,310	-	1,310	-	1,310
Proceeds from issue of shares		1	205	-	-	206	-	206
Total transactions with owners		1	205	1,310	-	1,516	-	1,516
At 30 September 2015		**19**	**1,075**	**10,342**	**1,565**	**13,001**	**233**	**13,234**

COUNTRYSIDE PROPERTIES PLC
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
For the six months ended 31 March 2016 (unaudited)

	Note	**Six months ended 31 March 2016**	Six months ended 31 March 2015	Full year ended 30 September 2015
		£'000	£'000	£'000
Cash (used in)/generated from operations	14	**(44,465)**	6,756	29,819
Interest paid		**(3,831)**	(5,648)	(5,648)
Tax paid		**(4,906)**	(1,847)	(8,035)
Net cash (outflow)/inflow from operating activities		**(53,202)**	(739)	16,136
Cash flows from investing activities				
Purchase of property, plant and equipment		**(476)**	(446)	(1,514)
Proceeds from disposal of available for sale financial assets		**1,234**	967	2,511
Increase in loans to associate and joint ventures		**(27,967)**	(50,838)	1,480
Interest received		**780**	408	824
Dividends received from joint venture investments		**4,832**	742	6,682
Net cash (outflow)/inflow from investing activities		**(21,597)**	(49,167)	9,983
Cash flows from financing activities				
Net proceeds from issue of ordinary shares		**130,000**	5	206
Transactional costs of shares issued		**(4,610)**	-	-
(Repayment of) / increase in borrowings		**(50,845)**	50,248	(26,143)
Net cash inflow/(outflow) from financing activities		**74,545**	50,253	(25,937)
Net (decrease)/increase in cash and cash equivalents		**(254)**	347	182
Cash and cash equivalents at beginning of the period		**354**	172	172
Cash and cash equivalents at the end of the period		**100**	519	354

1. BASIS OF PREPARATION

Countryside Properties PLC (the 'Company') is a public company incorporated and domiciled in the United Kingdom, whose shares are publicly traded on the London Stock Exchange. The Company's registered office is Countryside House, The Drive, Brentwood, Essex CM13 3AT.

The financial information in these condensed consolidated interim financial statements for the six months to 31 March 2016 is that of the Company and all of its subsidiaries (together the "Group"). It has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and International Accounting Standard 34, Interim Financial Reporting, as endorsed by the European Union.

The financial information for the six months ended 31 March 2016 and 31 March 2015 is unaudited, but has been subject to a review in accordance with the International Standard on Review Engagements 2410, Review of Interim Financial Information, performed by the Independent Auditor of the Entity, issued by the Auditing Practices Board.

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of OCM Luxembourg Coppice Midco S.à r.l. for the year ended 30 September 2015, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The comparative financial information presented herein for the year ended 30 September 2015 does not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006. Those accounts have been reported on by the company's auditors and are available on the Company's website in the Prospectus produced for the initial public offering (see note 1(b)). The report of the auditors was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. Except as described in note 2, the accounting policies applied are consistent with those of the annual financial statements of OCM Luxembourg Coppice Midco S.à r.l. for the year ended 30 September 2015.

The condensed consolidated interim financial information was authorised for issue by the directors on 17 May 2016.

(a) Initial Public Offering "IPO"

The Company listed its shares on the London Stock Exchange on 17 February 2016.

These are the first set of condensed consolidated financial statements of Countryside Properties PLC, which is the new ultimate holding company of OCM Luxembourg Coppice Midco S.à r.l., following the reorganisation of the Group to facilitate the Initial Public Offering. The reorganisation is described in note 1(b).

The consolidated financial statements have been prepared under the merger method of accounting because the transaction under which the Company became the holding company of OCM Luxembourg Coppice Midco S.à r.l. was a group reconstruction with no changes in the ultimate ownership of the group. All the shareholdings in OCM Luxembourg Coppice Midco S.à r.l. were exchanged via a share for share transfer on 11 February 2016. The Company did not actively trade at the time.

The result of the application of the merger method of accounting is to present the financial statements as if the Company has always owned the Group - the financial statements, including comparatives, have been presented as a continuation of OCM Luxembourg Coppice Midco S.à.r.l..

(b) Group Reorganisation

The principal steps of the Group reorganisation were as follows:

The Company was incorporated on 18 November 2015 as a public company limited by shares in the United Kingdom, with share capital of £1, consisting of 1 ordinary share with a £1 nominal value. On 19 November 2015, the Company issued a further 9 ordinary shares and 50,000 redeemable preference shares, each of £1.

The Company became the ultimate holding company of the Group and OCM Luxembourg Coppice Midco S.à r.l becoming the Company's direct subsidiary on 11 February 2016 by way of a share for share exchange. The insertion of the Company as a new holding company constitutes a group reorganisation and the transaction is accounted for using merger accounting principles in accordance with section 612 of the Companies Act 2006.

The balance of the mandatory redeemable preference shares as of 30 September 2015 of £287 million and the associated accrued return of £111 million as of 16 February 2016 was transferred from the holders (being OCM Luxembourg Coppice Topco S.à r.l., an entity controlled by Oaktree Capital Management L.P., and certain members of the Group's management) to the Company in exchange for 392 million ordinary shares in the Company, each of £1.

1. BASIS OF PREPARATION (continued)
(b) Group Reorganisation (continued)

Under merger accounting the shares issued on this transaction were recorded in the consolidated statement of financial position at the nominal value of the shares issued plus the fair value of any additional consideration, which was recorded as a merger reserve in the Group financial statements. The assets and liabilities of the subsidiaries are consolidated at book value in the Group financial statements and the consolidated reserves of the Group are adjusted to reflect the statutory share capital, share premium and merger reserve of the Company as if it had always existed.

On 17 February 2016 the Company issued 57,777,778 additional shares, each of £1, for consideration of £130 million, the balance being recorded as share premium, in an IPO. In accordance with s610(2b) of the Companies Act 2006, £4.6 million of the IPO costs have been charged to the share premium account. The mandatory redeemable preference shares were redeemed on IPO.

On 9 March 2016, the Company undertook a court approved capital reduction, in which the nominal value of the ordinary shares were reduced to £0.01p each which had the effect of cancelling the merger reserve and share premium arising on IPO.

(c) Going Concern
The Group maintains a mixture of committed credit facilities and cash reserves, which together are designed to ensure that the Group has sufficient available funds to finance its operations. The Directors review forecasts of the Group's liquidity requirements based on a range of scenarios to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants in its borrowing facilities.

The Directors have reviewed the cash flow forecasts of the Group and consider that the Group has adequate resources to continue in operational existence for at least 12 months from the date of this historical financial information. The Directors therefore consider it is appropriate to adopt the going concern basis of accounting in preparing these condensed consolidated interim financial statements.

2. ACCOUNTING POLICIES

The policies applied in the condensed consolidated interim financial information are consistent with those applied by OCM Luxembourg Coppice Midco S.à.r.l for the year ended 30 September 2015 as set out in the Group's Prospectus, other than as set out below. The impact of new and amended International Financial Reporting Standards on the Group is also disclosed in the Prospectus. There have been no developments in the first half of the year which change our assessment of the impact these will have on the Group.

(a) Income taxes
Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected annual earnings.

(b) Earnings per share
The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted EPS, the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares.

As explained in note 1(a), the Group's financial statements reflect the continuation of the pre-existing group headed by OCM Luxembourg Coppice Midco S.à r.l. The 2016 weighted average number of shares has been stated as the weighted average number of shares in the period from the date of the IPO to the balance sheet date. The 2015 weighted average number of shares has been stated as if the IPO had occurred at the beginning of the comparative period.

A reconciliation of the adjusted measure to the statutory measure required by IFRS is given in note 5.

3. SEASONALITY

In common with the rest of the UK housebuilding industry, activity occurs throughout the year, with peaks in sales completions in spring and autumn. This creates a degree of seasonality in the Group's trading results and working capital.

4. SEGMENTAL REPORTING

Segmental reporting is presented in respect of the Group's business segments reflecting the Group's management and internal reporting structure and is on the basis on which strategic operating decisions are made by the Group's Chief Operating Decision Maker ("CODM"). The Group's two business segments are Housebuilding and Partnerships.

The Housebuilding division develops medium and larger-scale sites, providing private and affordable housing on land owned or controlled by the Group, primarily around London and in the South East of England operating under both the Countryside and Millgate brands.

The Partnerships division specialises in medium to large scale housing regeneration schemes delivering private and affordable homes in partnership with public sector land owners and operates primarily in and around London and in the North West of England.

(a) Segmental income statement

Segmental adjusted operating profit and segmental operating profit include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Central head office costs have been allocated between the segments using a percentage of revenue basis. Items below Group operating profit have not been allocated.

Segmental net assets and tangible net operating asset value include items directly attributable to a segment as well as those that can be allocated on a reasonable basis with the exception of intangible assets and net bank debt (which includes accrued interest and excludes unamortised arrangement fees). In prior periods, mandatory redeemable preference shares, including the outstanding return, were also excluded.

	Housebuilding	Partnerships	Group Items	Total
		£'000		
Six months ended 31 March 2016				
Group revenue: including share of associate and joint ventures' revenue	174,000	138,799	-	312,799
Share of associate and joint ventures' revenue	(19,886)	(6,740)	-	(26,626)
Revenue	**154,114**	**132,059**	**-**	**286,173**
Segment result:				
Total operating profit including share of operating profit from associate and joint ventures	27,694	23,099	-	50,793
Less: Share of operating profit from associate and joint ventures	(5,606)	(1,189)	-	(6,795)
Non-underlying items	-	2,188	(11,376)	(9,188)
Group operating profit	**22,088**	**24,098**	**(11,376)**	**34,810**
Net finance costs	-	-	(20,854)	(20,854)
Share of post-tax profit from associate and joint ventures	3,688	461	-	4,149
Profit / (loss) before taxation	**25,776**	**24,559**	**(32,230)**	**18,105**
Income tax expense	(1,954)	(1,938)	-	(3,892)
Profit / (loss) after taxation	**23,822**	**22,621**	**(32,230)**	**14,213**

4. SEGMENTAL REPORTING (continued)

Six months ended 31 March 2015

	Housebuilding	**Partnerships**	**Group Items**	**Total**
		£'000		
Group revenue: including share of associate and joint ventures' revenue	125,970	126,190	-	252,160
Share of associate and joint ventures' revenue	(28,107)	(1,028)	-	(29,135)
Revenue	**97,863**	**125,162**	**-**	**223,025**
Segment result:				
Total operating profit including share of operating profit from associate and joint ventures	18,986	16,362	-	35,348
Less: Share of operating (profit)/loss from associate and joint ventures	(8,071)	102	-	(7,969)
Non-underlying items	-	-	(519)	(519)
Group operating profit	**10,915**	**16,464**	**(519)**	**26,860**
Net finance costs	-	-	(19,751)	(19,751)
Share of post-tax profit/(loss) from associate and joint ventures	5,207	(249)	-	4,958
Profit / (loss) before taxation	**16,122**	**16,215**	**(20,270)**	**12,067**
Income tax expense	(1,798)	(2,771)	-	(4,569)
Profit / (loss) after taxation	**14,324**	**13,444**	**(20,270)**	**7,498**

Year ended 30 September 2015

	Housebuilding	**Partnerships**	**Group Items**	**Total**
		£'000		
Group revenue: including share of associate and joint ventures' revenue	334,492	285,139	-	619,631
Share of associate and joint ventures' revenue	(55,749)	(16,396)	-	(72,145)
Revenue	**278,743**	**268,743**	**-**	**547,486**
Segment result:				
Total operating profit including share of operating profit from associate and joint ventures	51,562	39,604	-	91,166
Less: Share of operating profit from associate and joint ventures	(13,565)	(3,120)	-	(16,685)
Non-underlying items	-	(2,677)	(3,878)	(6,555)
Group operating profit	**37,997**	**33,807**	**(3,878)**	**67,926**
Net finance costs	-	-	(50,491)	(50,491)
Share of post-tax profit from associate and joint ventures	-	-	10,584	10,584
Profit / (loss) before taxation	**37,997**	**33,807**	**(43,785)**	**28,019**
Income tax expense	-	-	(8,186)	(8,186)
Profit / (loss) after taxation	**37,997**	**33,807**	**(51,971)**	**19,833**

4. SEGMENTAL REPORTING

(b) Segmental capital employed

	Housebuilding	Partnerships	Group Items	Total
		£'000		
As at 31 March 2016				
Net assets/(liabilities)[4]	378,802	117,178	50,178	546,158
TNOAV[5]	378,802	117,178	-	495,980
As at 31 March 2015				
Net assets/(liabilities)	359,085	66,065	(425,686)	(536)
TNOAV	359,085	66,065	-	425,150
As at 30 September 2015				
Net assets/(liabilities)	334,321	54,180	(375,267)	13,234
TNOAV	334,321	54,180	-	388,501

(c) Segmental other items

	Housebuilding	Partnerships	Group Items	Total
		£'000		
Six months ended 31 March 2016				
Investment in associate	3,989	-	-	3,989
Investment in joint ventures	49,611	585	-	50,196
Capital expenditure – property, plant & equipment	275	201	-	476
Depreciation and amortisation	514	375	-	889
Share based payments	95	70	1,910	2,075
Six months ended 31 March 2015				
Investment in associate	8,155	-	-	8,155
Investment in joint ventures	47,571	-	-	47,571
Capital expenditure – property, plant & equipment	225	221	-	446
Depreciation and amortisation	371	366	-	737
Share based payments	-	-	519	519
Year ended 30 September 2015				
Investment in associate	4,164	-	-	4,164
Investment in joint ventures	48,016	2,081	-	50,097
Capital expenditure – property, plant & equipment	813	701	-	1,514
Depreciation and amortisation	1,105	448	-	1,553
Share based payments	-	-	1,310	1,310

[4] Group items include intangible assets of £58,852,000 (HY 2015: £60,048,000), mandatory redeemable preference shares of £nil (HY 2015: £287,329,000), outstanding return in respect of the mandatory redeemable preference shares of £nil (HY 2015: £62,495,000) and net debt of £8,674,000 (HY 2015: £135,910,000).

[5] Tangible net operating asset value is calculated as net assets plus net debt less intangible assets.

5. NON-UNDERLYING ITEMS

Group operating profit includes the following non-underlying items:

	Six months ended 31 March 2016	Six months ended 31 March 2015	Year ended 30 September 2015
	£'000	£'000	£'000
Non-underlying items:			
Advisory fees	**(9,466)**	-	(1,698)
Receivable (impairment)/reversal of impairment	**2,188**	-	(2,677)
Share based payments in respect of the pre-listing management incentive plan	**(1,910)**	(519)	(1,310)
Change of Board Director	**-**	-	(870)
Total non-underlying items	**(9,188)**	(519)	(6,555)

Advisory fees
During the period, the Group engaged in corporate activity in relation to the listing of its ordinary shares on the London Stock Exchange. Advisory costs of £9,466,000 (2015: £nil) were incurred in relation to this activity. These costs primarily relate to the fees of professional advisors.

Impairment of non-trade receivable
The non-recurring charge of £2,677,000 in the year to 30 September 2015 related to the non-cash impairment of a receivable which management believed to be irrecoverable. Subsequent to the year end, part of this amount was received in cash by the Group, resulting in a reversal of the impairment of £2,188,000.

Share based payments
In the year ended 30 September 2013, a management incentive plan ("Plan") was approved by the Board in which certain senior employees of Countryside Properties (UK) Limited, a subsidiary company, were invited to acquire shares issued by the OCM Luxembourg Coppice Holdco S.à r.l.. Further shares were issued under the Plan during the years ended 30 September 2014 and 2015.

£1,910,000 was charged to the income statement in the six months ended 31 March 2016 (HY 2015: £519,000) in respect of non-cash accounting charges related to the Plan, including £955,000 (HY 2015: £nil) which arose as a result of the IPO.

Change of Board Director
During the year ended 30 September 2015, £870,000 of costs were incurred in relation to the resignation and appointment of Chief Financial Officers. This amount includes compensation for loss of office of £750,000 and £120,000 of recruitment costs.

A total tax credit of £443,000 (HY 2015: £nil) in relation to all of the above non-underlying items was included within the taxation in the income statement.

Reconciliation of adjusted operating profit to group operating profit

	Six months ended 31 March 2016	Six months ended 31 March 2015	Year ended 30 September 2015
	£'000	£'000	£'000
Adjusted group operating profit	**50,793**	35,348	91,166
Less: Share of associate and joint ventures' operating profit	**(6,795)**	(7,969)	(16,685)
Less: Non-underlying items	**(9,188)**	(519)	(6,555)
Group operating profit	**34,810**	26,860	67,926

6. FINANCE COSTS

	Six months ended 31 March 2016	Six months ended 31 March 2015	Year ended 30 September 2015
	£'000	£'000	£'000
Finance cost			
Bank loans and overdrafts	**2,778**	2,936	6,195
Interest on mandatory redeemable preferred shares	**16,495**	15,586	40,961
Other loans	**-**	65	117
Fair value losses on financial instruments	**-**	344	406
Unwind of imputed interest	**2,660**	731	3,502
Amortisation of debt finance costs	**410**	489	1,113
Total finance cost	**22,343**	20,151	52,294

The mandatory redeemable preferred shares accrue interest annually. As described in note 1(b), as part of the reorganisation and prior to admission, the balance of the mandatory redeemable preference shares of £287 million and the associated accrued return of £111 million as of 16 February 2016 was transferred from the current holders to the Company in exchange for 392 million ordinary shares in the Company.

7. TAXATION

The effective tax rate applied for the period was 21.5% (HY 2015: 38%). This reflects the anticipated full year effective rate and is higher than the statutory rate of 20% mainly due to some exceptional costs not allowable for tax purposes and transfer pricing adjustments on historical loans. We expect the Group's tax rate to trend towards the statutory rate in future years.

8. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue from the date of the IPO to 31 March 2016. The weighted average number of shares for both the current and preceding years has been stated as if the Group reorganisation had occurred at the beginning of the comparative year.

When calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. These represent share options granted to employees under the Group's Save as you Earn Plan (0.2 million dilutive options).

(a) Basic earnings per share

	Six months ended 31 March 2016	Six months ended 31 March 2015	Year ended 30 September 2015
Profit from continuing operations attributable to equity holders of the parent (£'000)	**13,772**	7,498	19,623
Basic weighted average number of shares (millions)	**450.0**	450.0	450.0
Basic earnings per share (pence per share)	**3.1**	1.7	4.4
Diluted weighted average number of shares (millions)	**450.2**	450.2	450.2
Diluted earnings per share (pence per share)	**3.1**	1.7	4.4

8. EARNINGS PER SHARE (continued)

(b) Adjusted earnings per share disclosure

	Six months ended 31 March 2016	Six months ended 31 March 2015	Year ended 30 September 2015
Profit from continuing operations attributable to equity holders of the parent (£'000)	**13,772**	7,498	19,623
Add: Non-underlying items, net of tax	**8,744**	519	5,136
Adjusted profit from continuing operations attributable to equity holders of the parent (£'000)	**22,516**	8,017	24,759
Basic weighted average number of shares (millions)	**450.0**	450.0	450.0
Adjusted basic earnings per share (pence per share)	**5.0**	1.8	5.5
Diluted weighted average number of shares (millions)	**450.2**	450.2	450.2
Adjusted diluted earnings per share (pence per share)	**5.0**	1.8	5.5

9. DIVIDEND

The Directors do not recommend payment of a dividend (HY 2015: £nil).

10. INVESTMENT IN JOINT VENTURES AND ASSOCIATE

	Six months ended 31 March 2016 £000	Six months ended 31 March 2015 £000	Year ended 30 September 2015 £000
Revenue	**26,626**	29,135	72,145
Cost of sales	**(19,423)**	(20,935)	(54,870)
Gross Profit	**7,203**	8,200	17,275
Administrative expenses	**(408)**	(231)	(590)
Operating profit	**6,795**	7,969	16,685
Finance cost	**(1,713)**	(1,336)	(3,761)
Income tax expense	**(933)**	(1,675)	(2,340)
Share of post-tax profit	**4,149**	4,958	10,584
Dividends	**(4,832)**	(740)	(11,925)
	(683)	4,218	(1,341)

11. AVAILABLE FOR SALE FINANCIAL ASSETS

	Six months ended 31 March 2016	Six months ended 31 March 2015	Full year ended 30 September 2015
	£'000	£'000	£'000
Opening	**10,535**	10,862	10,862
Unwind of discount	**296**	150	515
Redemptions, net of changes in fair value	**(569)**	(329)	(842)
Closing	**10,262**	10,683	10,535

Changes in the fair value of available for sale assets are recorded in the statement of comprehensive income.

The available for sale financial assets comprise loans advanced to home buyers to assist in the purchase of their property under shared equity schemes. The loans are secured by either a first or second legal charge over the property and are either interest-free or have interest chargeable from the fifth year onwards or tenth year onwards, dependent upon the scheme under which the loans were issued.

If UK house price inflation had been 1% higher or lower, with all other variables held constant and excluding any effect of current or deferred tax, the value of shared equity would increase or decrease by £78,000, respectively, whilst if the discount rate used had been 1% higher or lower, the value of these financial instruments would decrease or increase by £488,000 and £530,000, respectively. Changes in economic conditions will change the estimates made, therefore impacting the fair value of these loans.

The inputs used, are by nature estimated and the resultant fair value has been classified as Level 3 under the fair value hierarchy.

12. INVENTORIES

	Six months ended 31 March 2016	Six months ended 31 March 2015	For the year ended 30 September 2015
	£'000	£'000	£'000
Development land and work in progress	**473,177**	480,599	408,700
Completed properties unlet, unsold or awaiting sale	**12,356**	23,035	30,842
	485,533	503,634	439,542

13. BORROWINGS

	Six months ended 31 March 2016	Six months ended 31 March 2015	For the year ended 30 September 2015
	£'000	£'000	£'000
Bank loans	**50,000**	180,000	140,000
Cash and cash equivalents available for offset	**(41,326)**	(44,090)	(80,481)
Net debt	**8,674**	135,910	59,519
Bank loan and arrangement fees	**(3,349)**	(3,962)	(3,487)
Mandatory redeemable preference shares	**-**	287,329	287,329
Total borrowings	**5,325**	419,277	343,361

Bank Loans
At 31 March 2016, the Group had committed bank loan facility of £265,000,000 made available by Lloyds Banking Group, Barclays Bank and Santander. This facility was originally £200,000,000 but was extended in November 2015. The facility expires 3 June 2019. Interest is charged at UK LIBOR plus a variable margin. This facility is subject to both financial and non-financial covenants and is secured by fixed charges over the Group's property interests and fixed assets and a floating charge over all other assets.

The carrying value of the loans drawn under the facility is equal to their fair value. As the impact of discounting is not significant, the fair values are based on discounted cash flows and are within Level 2 of the fair value hierarchy.

Bank loan arrangement fees are amortised over the term of the facility. £410,000 was amortised in the six months ended 31 March 2016 (HY 2015: £489,000), leaving a remaining balance of £3,349,000 (HY 2015: £3,962,000). The Group has the following undrawn facilities:

	Six months ended 31 March 2016	Six months ended 31 March 2015	For the year ended 30 September 2015
	£'000	£'000	£'000
Floating rate:			
Expiring after more than one year	**215,000**	20,000	75,000

Mandatory redeemable preference shares
Mandatory redeemable preference shares were issued as follows:

- 16 April 2013 - £207,404,865 to OCM Luxembourg Coppice Topco S.á r.l. and £19,944,135 to Management
- 3 February 2014 - £54,546,493 to OCM Luxembourg Coppice Topco S.á.r.l. and £3,230,558 to Management
- 3 November 2014 - £2,203,321 to Management

The characteristics of these instruments have determined that they are classed as financial liabilities rather than equity.

These shares were redeemable on a date to be determined by the issuer or upon liquidation of the Operating Company or on the tenth anniversary of the date of issue, the mandatory redemption date. Interest on the shares issued on 16 April 2013 accrues annually at 14.5% for the first twelve months from issue, then 12.0% thereon which is payable on a date determined by the issuer or on the mandatory redemption date. Interest on the shares issued on 3 February 2014 accrues annually at 15% for the first twelve months from issue, then 12.0% thereon which is payable on a date determined by the issuer or on the mandatory redemption date.

Redemption of MRPs
As described in note 1b, as part of the reorganisation and prior to admission, the balance of the mandatory redeemable preference shares of £287 million and the associated accrued return of £111 million as of 16 February 2016 was transferred from the current holders to the Company in exchange for 392 million ordinary shares in the Company. The fair value of the financial liability was not considered to be materially different from its current value, as the impact of the discount is not significant. The fair values were based on discounted cash flows and are within Level 3 of the fair value hierarchy.

14. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of operating profit to cash generated from operations

	Six months ended 31 March 2016	Six months ended 31 March 2015	Full year ended 30 September 2015
	£'000	£'000	£'000
Cash flows from operating activities			
Profit before taxation	**18,105**	12,067	28,019
Adjustments for:			
Depreciation charge	**288**	130	352
Amortisation charge	**601**	606	1,201
Fair value gains on available for sale financial assets	**84**	-	-
Non-cash items	**(1,862)**	252	(977)
Share of post-tax profit from joint ventures and associates	**(4,149)**	(4,958)	(10,584)
Share based payment	**2,075**	519	1,310
Finance costs	**22,343**	20,151	52,294
Finance income	**(1,489)**	(400)	(1,803)
Changes in working capital:			
(Increase)/Decrease in inventories	**(8,513)**	(10,132)	2,648
(Increase)/Decrease in trade and other receivables	**(16)**	5,770	(5,589)
Decrease in trade and other payables	**(71,477)**	(15,297)	(35,574)
Decrease in provisions	**(455)**	(1,952)	(1,478)
Cash generated from operations	**(44,465)**	6,756	29,819

15. RELATED PARTY TRANSACTIONS

Transactions with Group joint ventures and associate

	Joint ventures			**Associate**		
	As at 31 March 2016	As at 31 March 2015	As at 30 September 2015	**As at 31 March 2016**	As at 31 March 2015	As at 30 September 2015
	£'000	£'000	£'000	**£'000**	£'000	£'000
Sales during the year	**12,564**	9,483	20,648	**-**	315	1,522
At 1 October	**62,117**	45,442	45,442	**-**	-	-
Net advances (repayments) during the period	**27,361**	27,861	16,675	**-**	-	-
At 30 September	**89,478**	73,303	62,117	**-**	-	-

Sales of goods to related parties were made at the Group's commercial terms. No purchases were made by the Group from its joint ventures or associate. The amounts outstanding ordinarily bear no interest and will be settled in cash.

Transactions with Key Management Personnel
In 2016 properties were sold by the Group to senior management or parties' related to senior management. A property was sold to a company of which GS Cherry is a director and shareholder, for a consideration of £355,000. A property was also sold to N Jackson for a consideration of £1.755 million.

In 2015, a close family member of IC Sutcliffe was employed by a subsidiary of the Group. In addition during the half year to 31 March 2016 a close family member of GS Cherry was employed by a subsidiary of the Group. Both individuals were recruited through the normal interview process and are employed at salaries commensurate with someone of their experience performing those roles. The combined annual salary and benefits of these individuals is less than £100,000.

In 2014, properties were sold by the Group at market value, to parties related to senior management. A property was sold to a company of which GS Cherry is a Director and Shareholder, for a consideration of £345,000. This property was leased back to the Group, resulting in payments of £10,500 (HY 2015: £10,500) during six months to 31 March 2016. A property was also sold to close family member of IC Sutcliffe for a consideration of £339,500. This property was leased back to the Group, resulting in payments of £8,760 (HY 2015: £8,760) during six months to 31 March 2016.

16. SHARE PLANS

During the period, the Group launched three employee incentive schemes: An all-employee Save as you Earn (SAYE) plan and two discretionary plans - the Long Term Incentive Plan and the Deferred Bonus Plan (DBP).

On 18 February 2016, the Group granted nil-cost options under the Group's Long Term Incentive Plan (LTIP) to Executive Directors and 80 senior managers. The maximum number of shares which could vest under the Plan is 3.87 million. On 16 March 2016, 2.67 million options were granted under the SAYE plan to those employees who had elected to participate. As at 31 March 2016, no awards had been made under the DBP. At 31 March 2016, £0.2m had been charged to the income statement in respect of these schemes (HY 2015: £nil).

Further details of the Group's remuneration policy and share schemes are set out in the Group's Prospectus dated 17 February 2016 which is available on the Group's website at www.countryside-properties.com/ipo.

17. POST BALANCE SHEET EVENTS

On 11 May 2016, the Group signed a new £300m Revolving Credit Facility Agreement. The agreement has a variable interest rate based on LIBOR and expires in May 2021, although the Group has the opportunity to extend the term of the facility by a further two years. As a result of the signing of the new Facility Agreement, the unamortised arrangement fee for the previous facility of £3,487,000 will be expensed to the income statement as a non-underlying finance cost in the second half of the year.

On 10 April 2016, the Group purchased a further 50% interest in its joint venture Countryside Land Securities (Springhead) Limited from Land Securities PLC, as a result of which the company is now wholly owned by the Group. Consideration for the shares purchased and further parcels of land adjacent to the site in Ebbsfleet, Kent was £9.1m.

COUNTRYSIDE PROPERTIES PLC
INDEPENDENT AUDIT REPORT
For the six months ended 31 March 2016

Independent review report to Countryside Properties PLC

Report on the condensed consolidated interim financial statements

Our conclusion
We have reviewed Countryside Properties PLC's condensed consolidated interim financial statements (the "interim financial statements") in the half year results announcement of Countryside Properties PLC for the 6 month period ended 31 March 2016. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What we have reviewed
The interim financial statements comprise:

- the consolidated statement of financial position as at 31 March 2016;
- the consolidated statement of comprehensive income for the period then ended;
- the condensed consolidated cashflow statement for the period then ended;
- the condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half year results announcement have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors
The half year results announcement , including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half year results announcement in accordance with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the half year results announcement based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the half year results announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
London

17 May 2016

a) The maintenance and integrity of the Countryside Properties PLC website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim financial statements since they were initially presented on the website.
b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.