UNITE STUDENTS

Resilient growth

Interim results

Six months ended 30 June 2022

27 July 2022

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1

Performance highlights

Richard Smith, Chief Executive

Continued momentum

Earnings and dividends ahead of their pre-pandemic peak

- Adjusted EPS up 32% to 24.0p
- Dividend up 69% to 11.0p
- EPRA NTA of 940p, up 7% in H1
- Total accounting return of 8.3% in H1

Strong student demand for 2022/23

- Reservations ahead of pre-pandemic levels
- Confident in delivering 97% occupancy and 3.5-4.0% rental growth

Inflation protection

- Annual re-pricing of rents
- Cost hedging, platform efficiencies and growing fee income

Growth underpinned by development pipeline

- £1bn secured pipeline at 6.0% yield on cost
- 2022/23 completions fully let

	H1 2022	H1 2021	FY 2021
Adjusted earnings[1]	**£96.0m**	£72.6m	£110.1m
Adjusted EPS[1]	**24.0p**	18.2p	27.6p
Dividend per share	**11.0p**	6.5p	22.1p
EPRA NTA per share	**940p**	837p	882p
Total accounting return	**8.3%**[2]	3.9%[2]	10.2%[3]
Loan to value[4]	**30%**	30%	29%
Reservations[5]	**92%**	83%	67%

1. Excluding LSAV performance fee and non-recurring abortive transaction costs
2. 6 months
3. 12 months
4. Excludes leased asset and corresponding lease liability recognised in respect of leased properties under IFRS 16
5. Reservations as at 24 July 2022, 24 July 2021 and 23 February 2022 respectively

Strong student demand for 2022/23

UCAS applications 7% ahead of pre-pandemic levels

- Record 44% application rate for school leavers
- 9% YoY growth in non-EU students
- EU student numbers beginning to stabilise

Unwind of grade inflation means a more normal distribution of students for 2022/23

- Universities being more selective in their offer-making
- Greater availability of places in Clearing

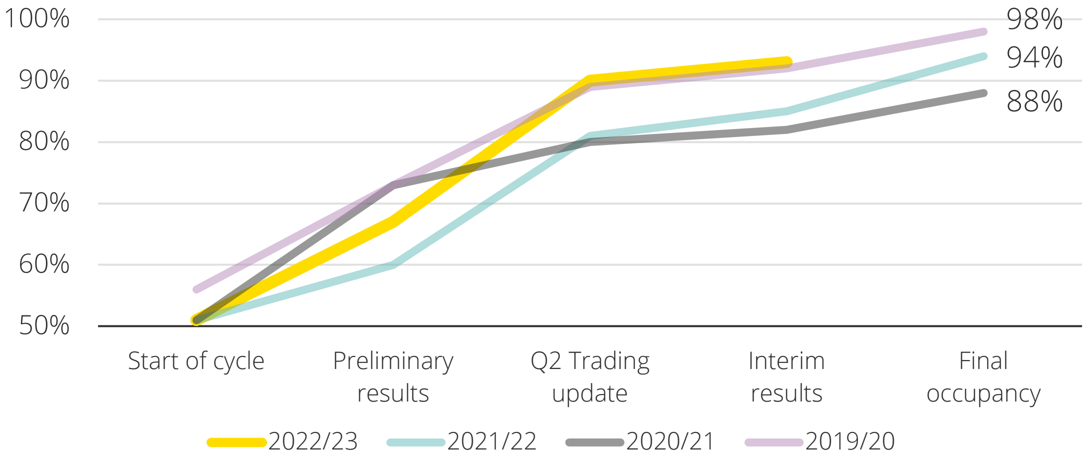
International students able to travel to UK

- Universities focused on face-to-face teaching

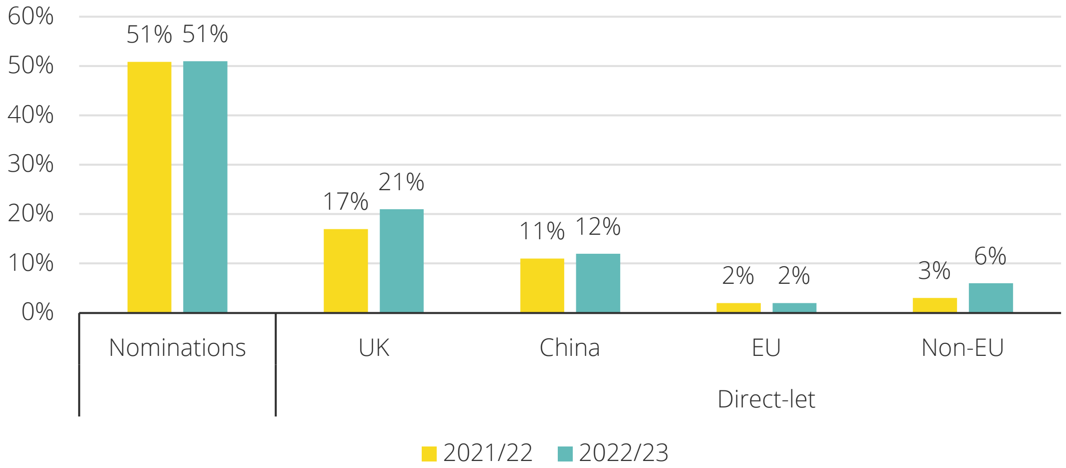
Confident in achieving 97% occupancy

- Reservations ahead of pre-pandemic levels at 92%
- Nominations for 51% of beds
- Increased international reservations

Reservation progress by academic year



Breakdown of reservations by type[1]



1. Shown as % of total beds

Growing demand for Higher Education

Positive long-term outlook for student numbers

- Significant demographic growth
- Record participation rates for school leavers
- Growing international student numbers
- Potential for 1 million applicants by 2026 (+50%)[1]

Higher Education resilient across economic cycles

- Demand typically increases as the economy slows

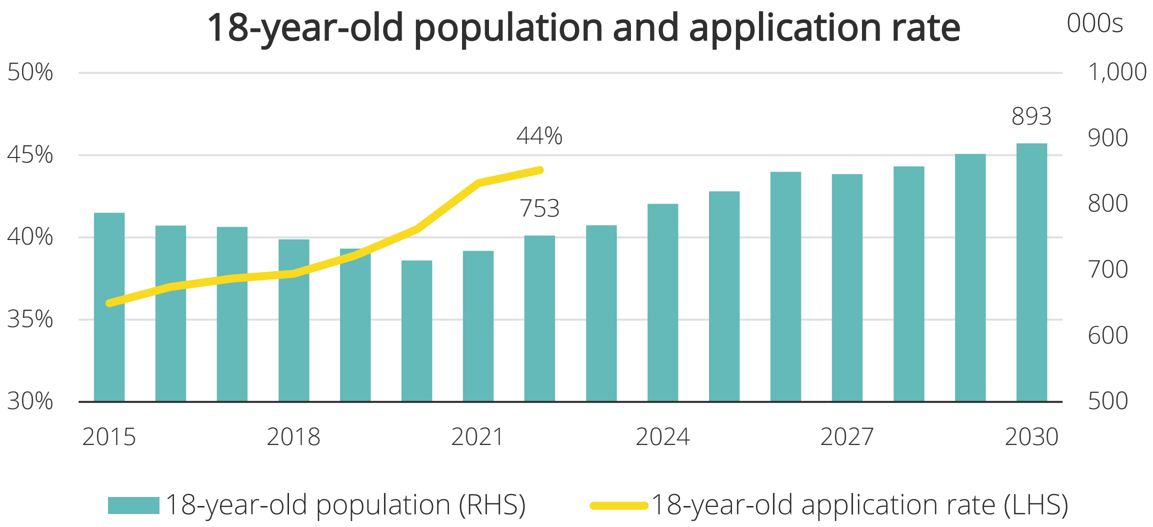
Tuition fees frozen for UK students

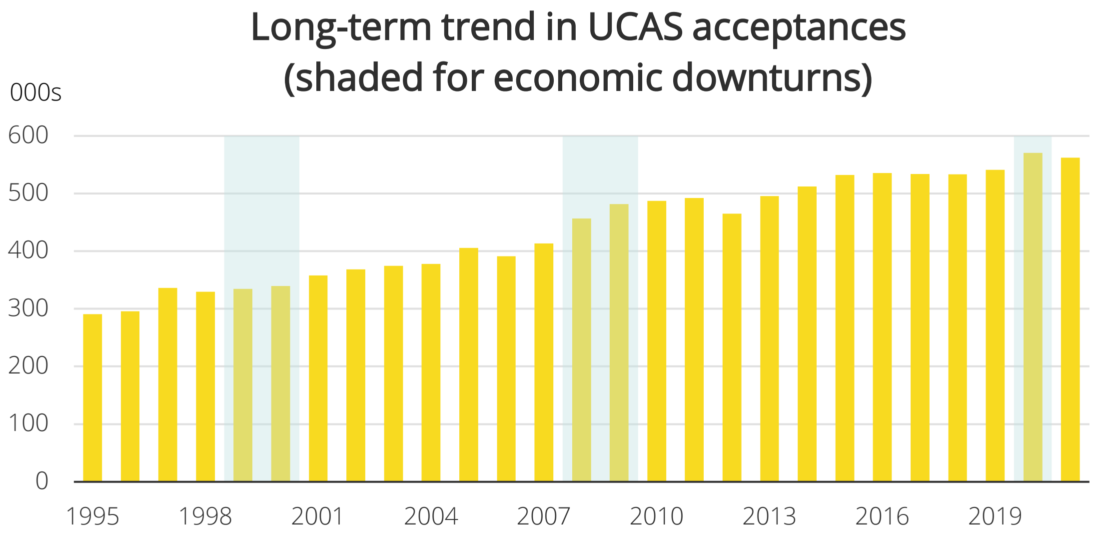
- Fixed at £9,250 until 2025/26

Universities targeting overseas recruitment and outsourcing to mitigate cost pressures

Expect limited change to HE policy in short term

- Ongoing OfS consultation on student outcomes
- Aligns with our positioning to the strongest universities





1. UCAS

Improving rental growth

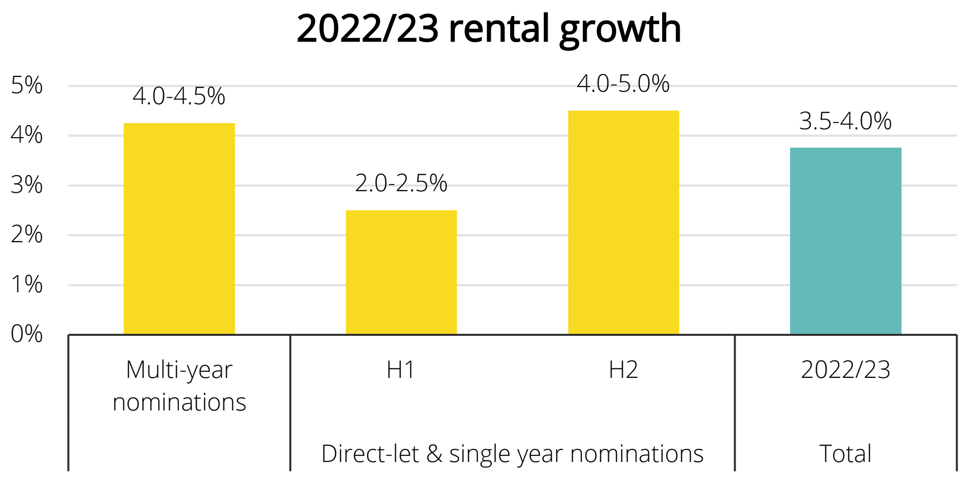
Multi-year nomination agreements growing at 4.0-4.5%
- 35% of total beds
- 70% RPI-linked, 20% CPI-linked and 10% fixed
- Caps typically at 4-5% for RPI/CPI-linked agreements

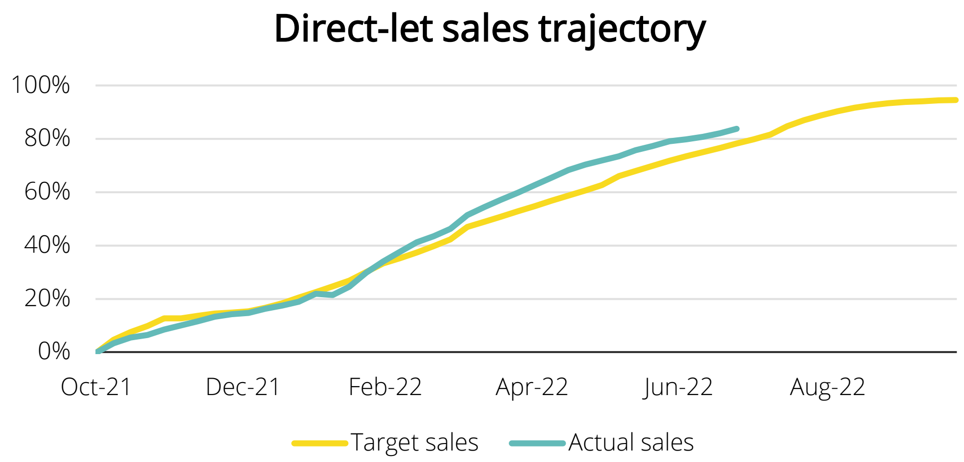
Improving pricing for 2022/23 direct-let sales
- Initial focus on occupancy due to risks posed by Omicron
- >4% growth later in cycle, reflecting strength of reservations

Return to full summer programme in 2022

Supports rental growth at 3.5-4.0% for 2022/23

Targeting full occupancy and 4-5% rental growth for 2023/24
- Pass through of utility cost increases rents by c.1%





High quality, affordable accommodation

Value for money is central to our customer offer

- All-inclusive pricing
- Added services for a hassle-free experience
- Help on hand, including 24/7 support

Unite is comparable in cost or cheaper than HMO on all-inclusive basis

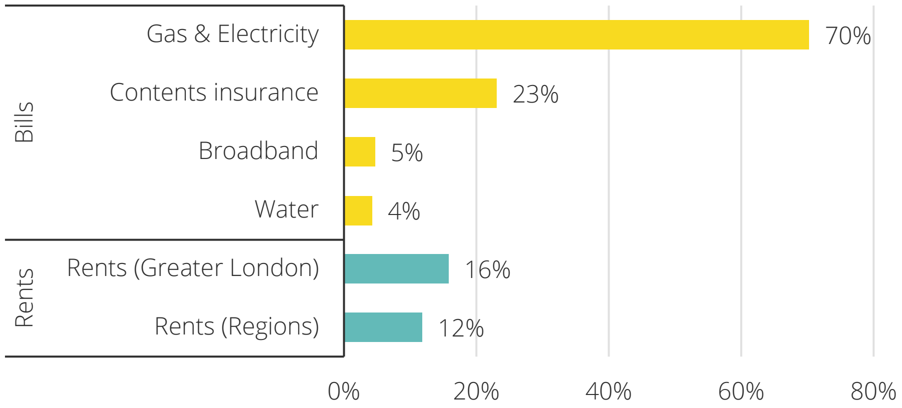
- Before allowing for additional services and support
- >£100m investment in our estate and customer offer over the past year

HMO rents seeing double-digit annual increases

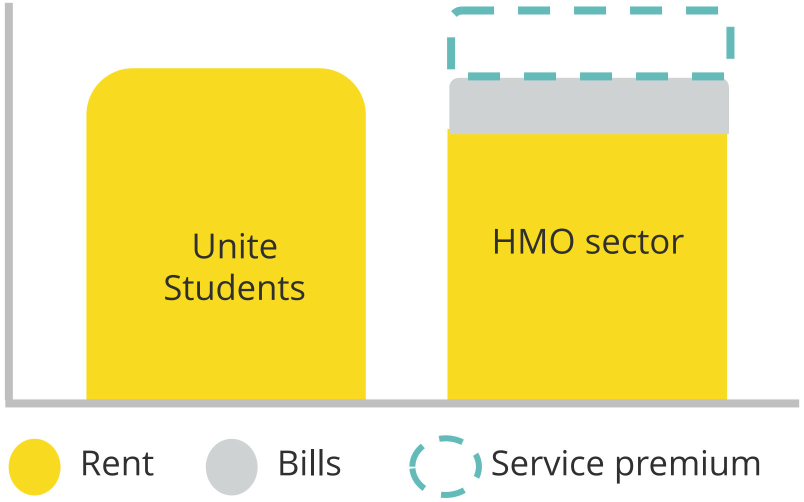
Utility costs set to increase by £220 per student in HMO[1]

- Clear appeal in our simple, fixed-price all-inclusive offer

Annual increases in HMO living costs[2,3]



Average weekly accommodation cost



1. Based on forecast annual increase in the energy price cap for October 2022, net of £400 upfront discounts for bills (Source: Cornwall Insight)
2. Bills based on price increases of CPI components in the year to June 2022 (Source: ONS)
3. Annual increase in asking rents for residential property as at Q2 2022 (Source: Rightmove)

Delivering our sustainability strategy

Increasing investment into energy efficiency projects

- Run-rate of £10m p.a. (Unite share £5-6m)
- Strong business case through utility cost savings
- 1,600 beds upgraded to EPC B through refurbs

Positive changes to EPC regulations for PBSA

- More closely aligned to energy and carbon intensity
- Offers clear path to compliance

Commitment to invest 1% of profits in social initiatives

- 100 new Unite Foundation scholarships for 2022/23
- Re-launch of Leapskills programme for school leavers in partnership with UCAS

2

Financial review

Joe Lister, Chief Financial Officer

Strong financial performance

	% change	H1 2022	H1 2021	FY 2021
Income statement	**YoY**			
Adjusted earnings	32%	£96.0m	£72.6m	£110.1m
Adjusted EPS	32%	24.0p	18.2p	27.6p
Dividend per share	69%	11.0p	6.5p	22.1p
Balance sheet	**6 months**			
EPRA NTA per share	7%	940p	837p	882p
Loan to value	1%	30%	30%	29%
Cash flow	**YoY**			
Operations cash flow	25%	£100m	£80m	£108m
Other financial KPIs				
Total accounting return		8.3%[1]	3.9%[1]	10.2%[2]
Adjusted EPS yield[3]		2.7%[1]	2.2%[1]	3.4%[2]

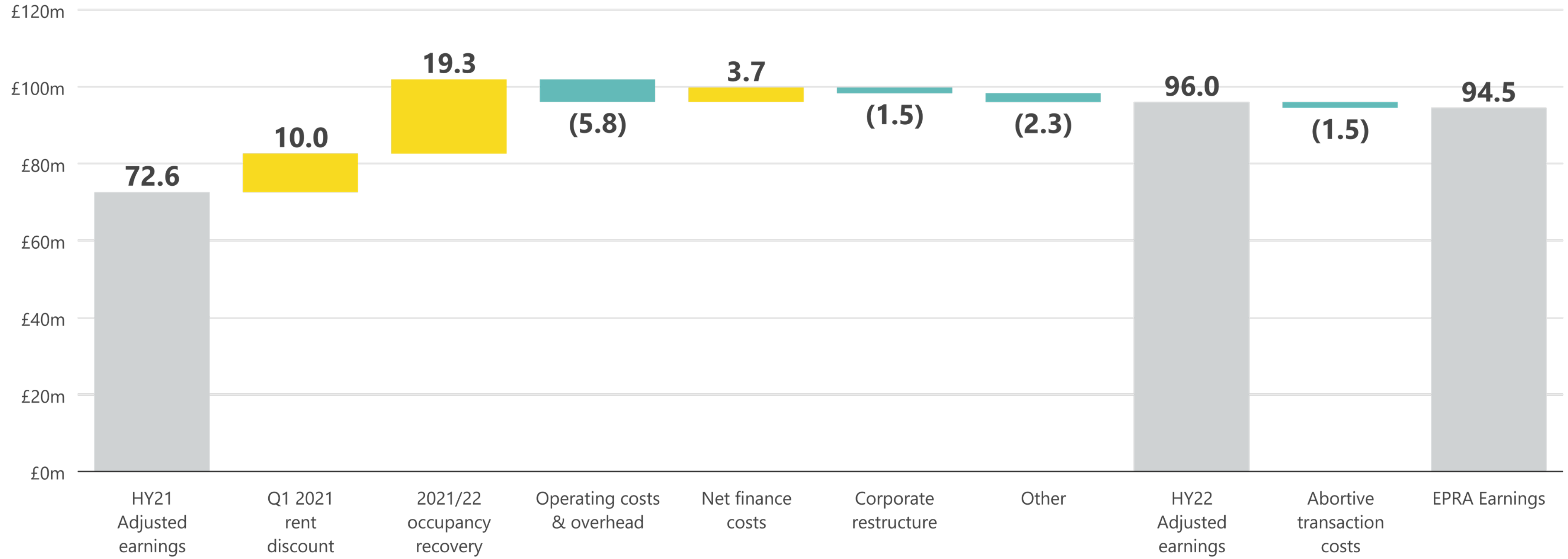
1. 6 months
2. 12 months
3. Calculated as adjusted EPS divided by opening EPRA NTA per share

Earnings above pre-pandemic peak

£m	H1 2022	H1 2021	FY 2021
Rental income	177.4	152.9	282.7
Property operating expenses	(45.5)	(41.8)	(90.9)
Net operating income (NOI)	**131.9**	**111.1**	**191.8**
NOI margin	*74.4%*	*72.7%*	*67.8%*
Management fees	9.2	8.2	15.9
Overheads	(13.7)	(13.0)	(31.5)
Finance costs	(28.9)	(32.6)	(63.3)
Development and other costs	(2.5)	(1.1)	(2.8)
Adjusted earnings	**96.0**	**72.6**	**110.1**
Abortive acquisition costs	(1.5)	-	-
LSAV performance fee	-	15.7	41.9
EPRA earnings	**94.5**	**88.3**	**152.0**
Adjusted EPS	**24.0p**	**18.2p**	**27.6p**
EPRA EPS	**23.6p**	**22.2p**	**38.1p**
EBIT margin	*71.8%*	*69.5%*	*62.3%*

Earnings growth

- Adjusted earnings increased 32% YoY, reflecting higher occupancy and rent discounts in H1 2021
- Lower net debt more than offsetting increased funding cost in H1
- £3m of non-recurring items for abortive acquisition costs and implementation of operating model review
- 3ppt year-on-year EBIT margin improvement, excluding non-recurring items



Improving operating margins

Protection from inflation

- Rental growth realised through annual re-pricing
- Largest costs fixed or directly controllable

Control over staff costs

- Delivered 3% pay award for 2022
- c.£2m annualised benefit from restructuring
- One-off implementation costs of £1.5m in H1

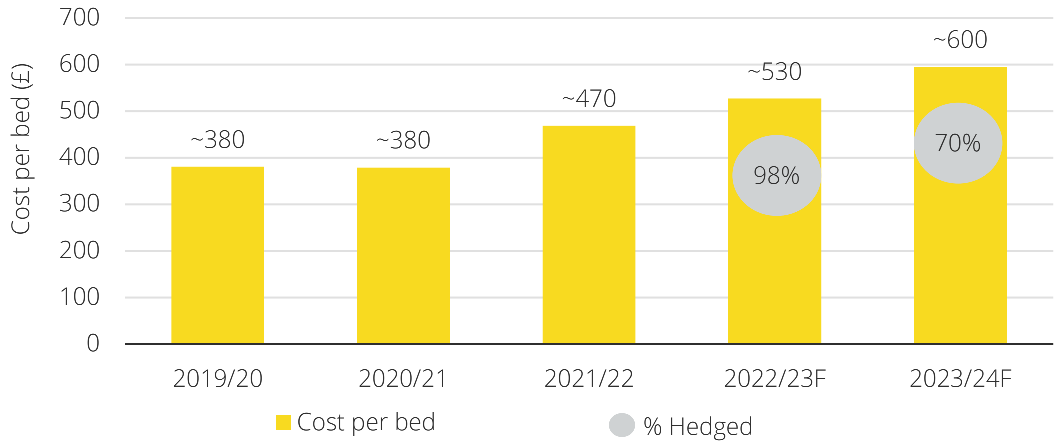
Fully hedged for utility costs through 2023

- High visibility over costs when setting 2023/24 rents
- Students benefit from all-inclusive, fixed pricing

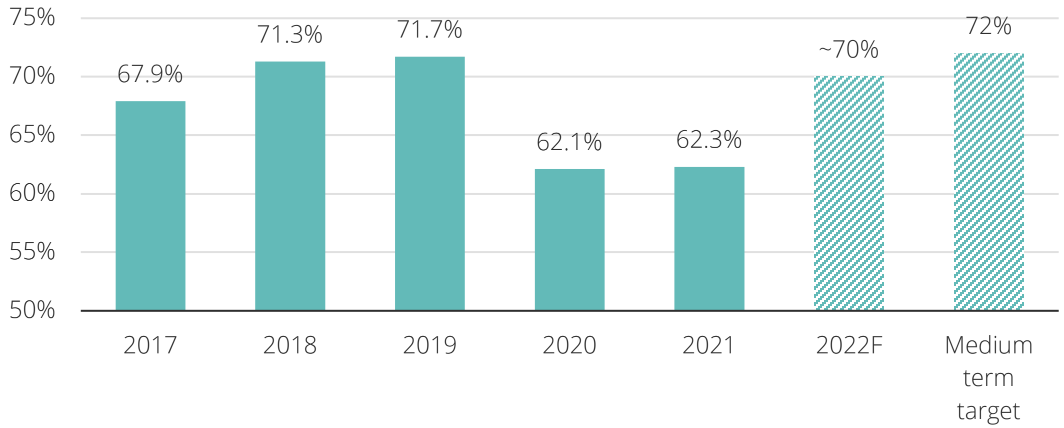
Targeting 72% EBIT margin by end of 2024

- Return to full occupancy
- Stronger rental growth
- Cost control through hedging and platform efficiencies

Utility costs and hedging



EBIT margin progression



Growth outlook for 2022 earnings

- Guidance for 40-41p of adjusted EPS for FY2022 (previously 41-43p)
- Strong rental growth offset by higher interest rates (2p)
- Dividend payout of 80% of adjusted EPS for 2022

£m	FY2021	FY2022	Comment
Occupancy:			
2021/22	88%	-	
2022/23	94%	94%	
2023/24	-	97%	
Term 2 and 3	175	195	Higher occupancy and impact of £10m of rental discounts in 2021
Summer	3	10	Increase in Summer activity
Term 1	105	120-125	Higher occupancy, expectation of 3.5-4.0% rental growth
Rental income	283	325-330	
Property operating expenses	(91)		Inflationary pressures offset by utilities hedging and staff restructure
Overheads net of fees	(16)		Underlying costs broadly flat versus 2021, £1.5m relating to staff restructure
EBIT	176	230-235	
EBIT margin	*62%*	*~70%*	
Finance costs	(63)		Forecast average cost of debt of 3.4% in 2022 (2021: 3.0%)
Other	(3)		£3m one-off tax credit in 2021
Adjusted profit	110	160-164	
Adjusted EPS	27.6p	40-41p	

Ongoing capital discipline

Robust balance sheet with significant investment capacity

- LTV of 30% (Dec-2021: 29%)

Limited near-term debt maturities

- Well-laddered maturity profile

75% of debt fixed with further 10% capped

- 5.5 year maturity for current hedges
- Further £300m pre-hedged at attractive rates

Good progress with refinancing activity

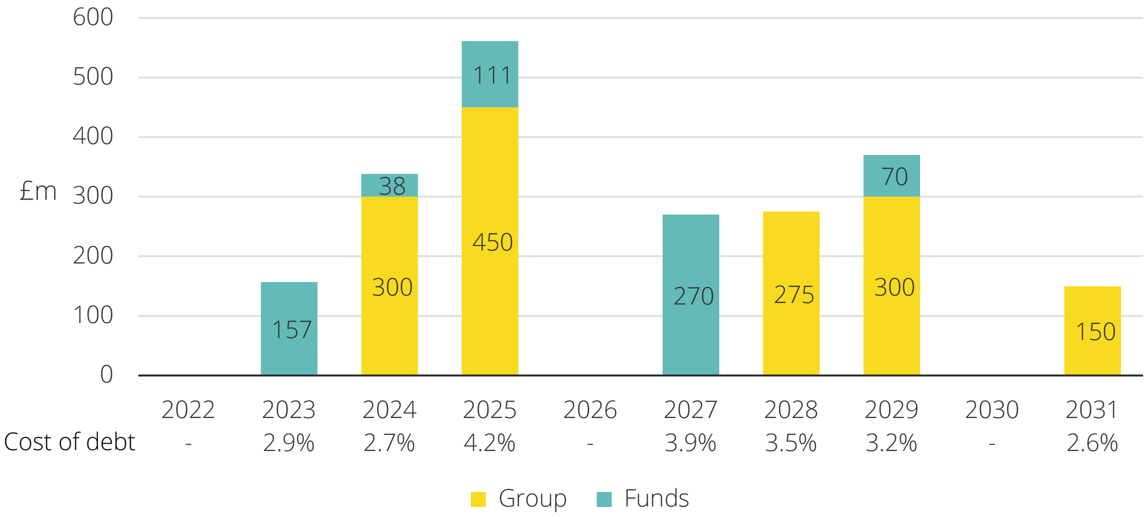
- £400m LSAV refinancing in H1
- Variety of funding options for future maturities

Investment yields remain significantly ahead of funding costs

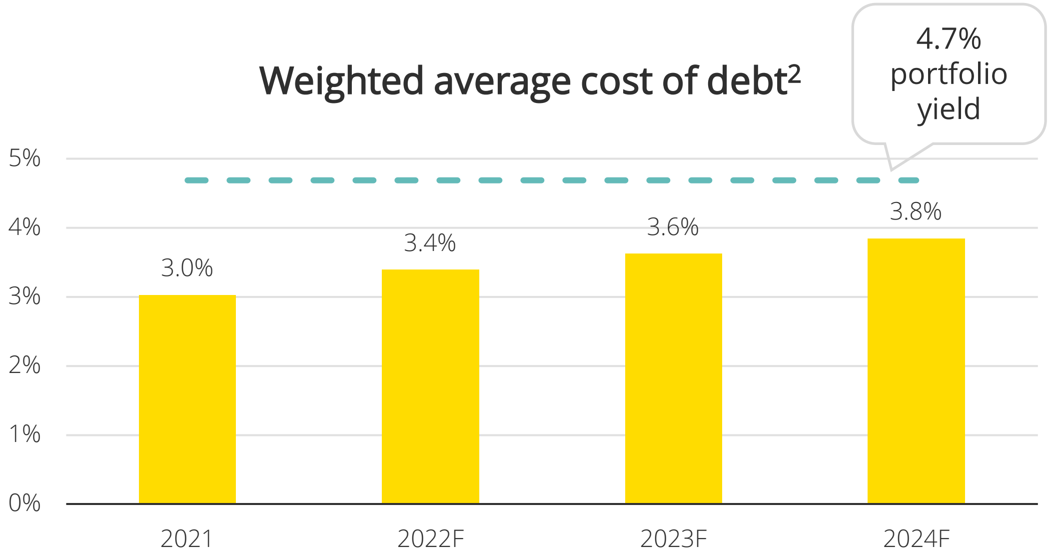
- Cost of debt expected to rise to 3.8% by 2024

20bps on cost of debt = 1% rental growth

Debt maturity schedule[2]



Weighted average cost of debt[2]



1. Reflects 10-year £300m pre-hedge at 0.9% and refinancing of maturing debt at 5.0%
2. Unite share

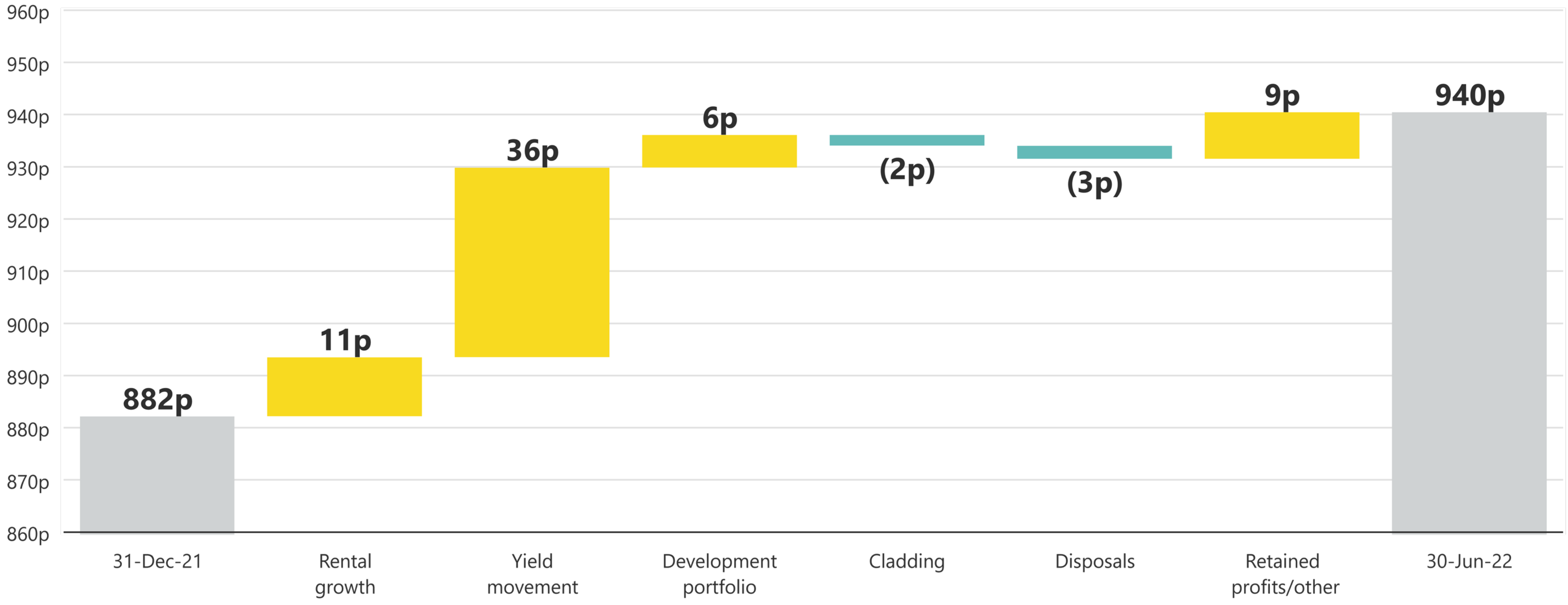
2023 earnings outlook

- Return to ~97% occupancy for FY2023
- Confident in increased rental growth and cost control, protecting margin
- Higher average cost of debt due rising rates and planned refinancing activity

£m	FY2022	FY2023	Comment
Occupancy:			
2021/22	94%	-	
2022/23	~97%	~97%	Normalisation of A-Level grading and no teaching restrictions
2023/24	-	~97%	
Rental growth	3.5-4.0%	4.0-5.0%	Impact of price increases and growing summer income
EBIT margin	~70%	~70-71%	Occupancy and rental increases offsetting cost pressures
Cost of debt	3.4%	3.6%	Impact of rising rates and refinancing, assuming current market pricing

NAV growth

- 7% increase in NTA in H1
- Rental growth driven by progress with 2022/23 reservations
- Yield compression of 15bps reflecting strengthening investment market



Delivering attractive returns

- Anticipate total accounting returns of 8.5-9.0% for 2022, excluding yield movements
- Reflects growing recurring earnings, rental growth and key development milestones
- Development surplus in-year reduced by delay to Paddington planning

	H1	2022	Comment
EPS yield	2.7%	~4.5%	EPRA EPS guidance of 40-41p
Rental growth	2.2%	4.0-4.5%	Underlying rental growth of 3.5-4.0%, lower LTV
Development surplus	0.7%	~2.0%	Subject to planning consents
Protective capex	(1.1)%	~(2.0)%	Lifecycle, sustainability and fire safety
Other	(0.3)%	~(1.0)%	Non-recurring transaction costs, tax and refinancings
Total accounting return excl. yield movement	**4.2%**	**~8.5-9.0%**	
Yield movement	4.1%		+/-10bps yield movement = -/+ 2.5% in NTA
Total accounting return	**8.3%**		

3

Property review

Nick Hayes, Group Property Director

Hayloft Point, London

Strong investment appetite

PBSA continues to attract significant volumes of capital

- Reflects sector fundamentals and optimism over future rental growth outlook
- Increasing focus on operating platforms to drive further consolidation

Student Roost, 23,000-bed portfolio, sold to GIC and Greystar in May 2022 for £3.3bn

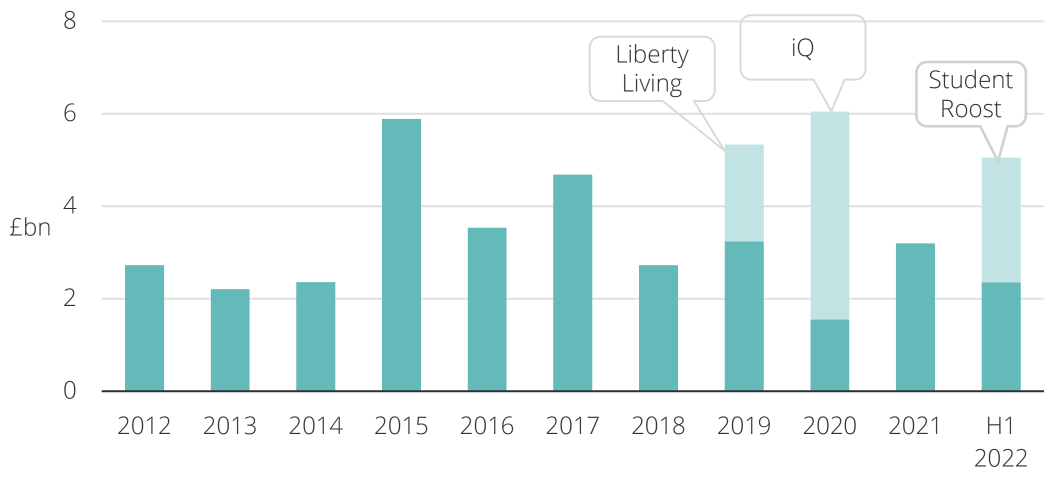
- Premium for operating platform and pipeline
- Positive impact on Q2 valuations

5.0% like-for-like increase in property values in H1

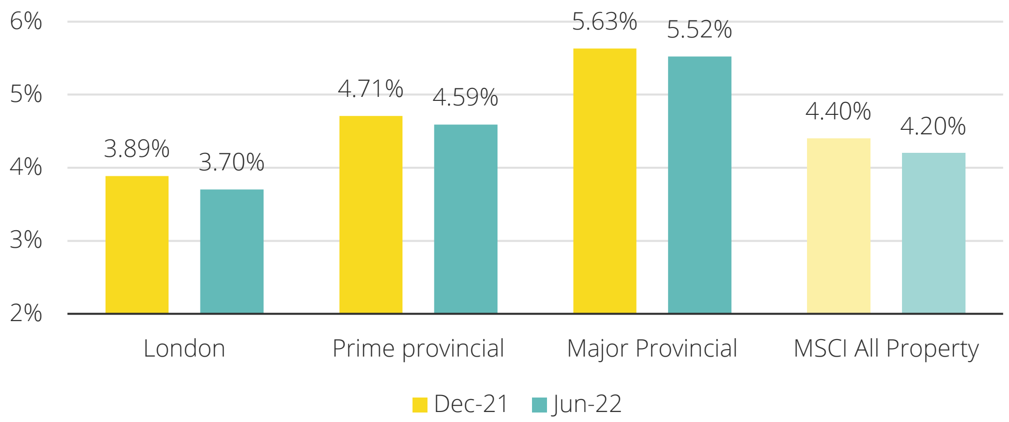
- Yield reduced by 15bps to 4.7% (Unite share)
- Rental growth driven by reservations progress

Valuations will reflect future rental growth and operating cost increases

UK PBSA investment volumes



NOI yields by region



Enhancing our portfolio

£306m of disposals exchanged in H1 (Unite share: £236m)

- 5.7% yield and in-line with book value
- Increases alignment to the strongest markets

Disposal programme now largely complete

- Run-rate to reduce to c.£100-150m p.a.

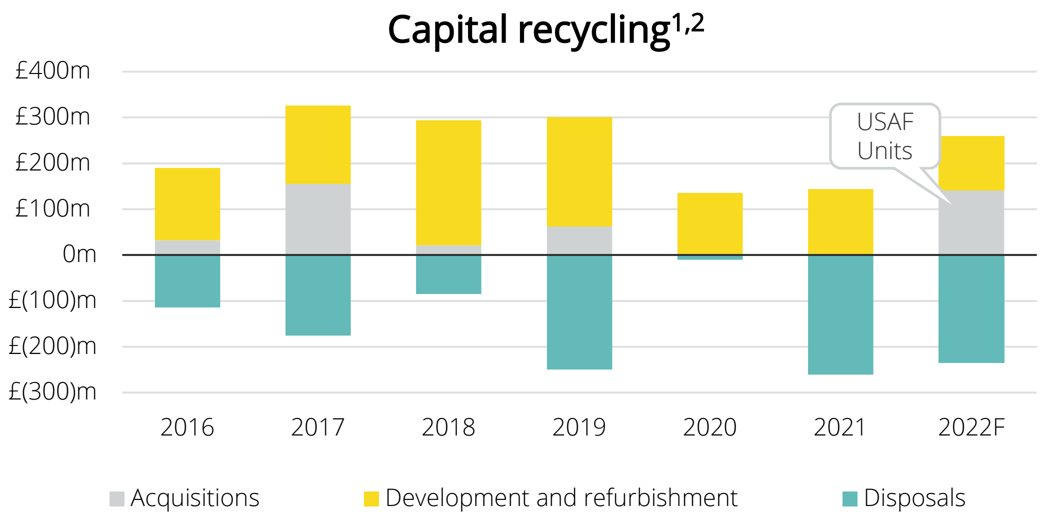
Considering selective acquisitions which meet our quality and return requirements

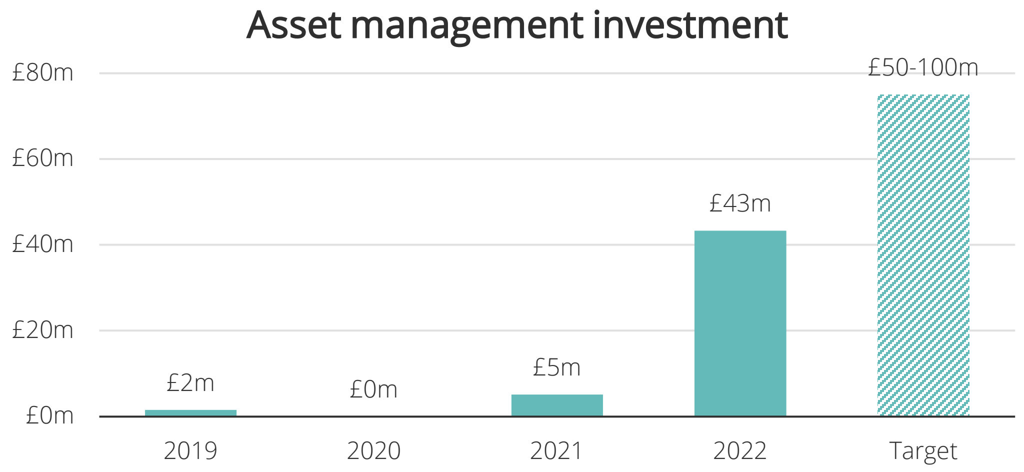
Three Manchester properties fully refurbished for 2022/23

- £42m total capex delivering 7% yield on cost
- Fully let for 2022/23

Targeting increase in refurbishments to £50-100m p.a.

- Improving customer experience through enhanced product and segmentation
- Yield on cost of 7-8%
- Low planning and construction risk





1. Excludes acquisition of Liberty Living in 2019
2. Unite share

Increasing our investment in USAF

Acquisition of £141m of USAF units in H1, through secondary market purchases and injection of new equity

- Substantially redeploys proceeds of recent disposals
- Increases Unite's stake to 28.2% (Dec-2021: 22.0%)
- See-through GAV rises by £181m

Priced at a blended 3% discount to June 2022 NAV

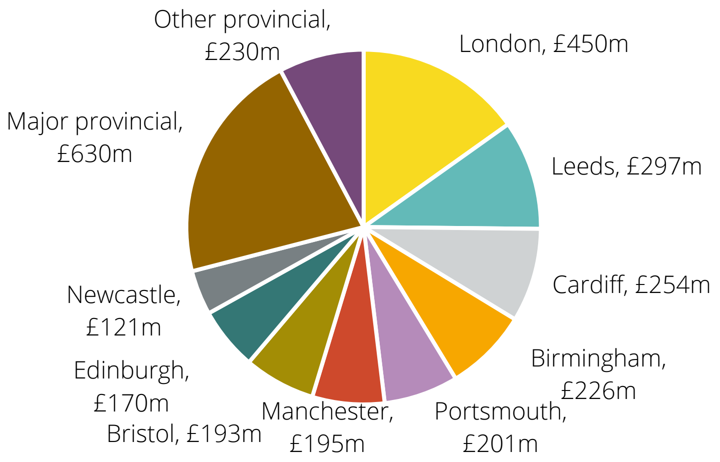
- Effective yield to Unite of 5.1%

Increases exposure to a high-quality portfolio in strong regional markets

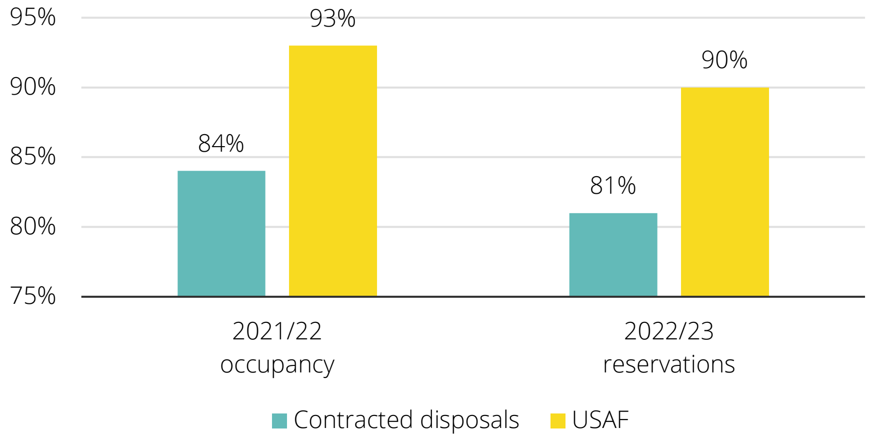
- 90% reserved for 2022/23
- Significant value-add potential through asset management projects and energy initiatives
- Strong existing knowledge of the assets
- NAV accretive in-year given low purchaser's costs

Will monitor opportunities to further increase our stake at attractive valuations

Top 10 USAF cities by value



Recycling capital into stronger assets[1]



1. Assets completing 31 August 2022

Development progress

Secured pipeline of 6,200 beds for delivery by 2026

- £1bn TDC at 6.0% yield on cost
- London represents c.70% by value
- Reflects updated view of costs and programme

1,351 beds completing on time and budget for 2022/23

- Fully-let on completion, delivering 6.0% yield on cost
- 78% beds nominated for an average term of 9 years

Three new schemes secured in H1, adding 1,674 beds

- Focus on the strongest markets
- New schemes in East London, Bristol and Nottingham

Two new planning consents in H1

- East London and Feeder Road, Bristol

Submitting revised scheme for Travis Perkins site in Paddington, targeting 2025/26 delivery

	Target delivery	Beds	Completed value (£m)	TDC (£m)	Yield on cost
Direct-let development					
Derby Road, Nottingham	2023	705	88	58	8.1%
Lower Parliament St, Nottingham	2024	268	48	35	7.3%
Abbey Lane, Edinburgh[2]	2026	298	47	29	8.8%
Direct-let development		**1,271**	**183**	**122**	**8.1%**
University partnerships					
Hayloft Point, London	2022	920	304	187	6.0%
Campbell House, Bristol[3]	2022	431	64	44	6.2%
Feeder Road, Bristol	2024	596	94	80	5.8%
Meridian Square, London[1]	2025	943	240	181	5.7%
Freestone Island, Bristol[1]	2025	690	103	76	6.0%
TP Paddington, London[1]	2025	625	208	157	5.5%
East London, London[4]	2026	716	246	185	5.4%
Total university partnerships		**4,921**	**1,259**	**910**	**5.7%**
Total (Unite share)		**6,192**	**1,442**	**1,032**	**6.0%**

1. Subject to planning 2. Additional 66 BTR units 3. Additional 74 BTR units 4. Student element development cost £136m, forecast 6.0% yield on cost

Development timing and returns

Increasing share of deliveries for 2025 and 2026

- 64% of pipeline beds consented
- Planning timelines extended for three remaining unconsented schemes

Total development costs up c.10% over past 6 months

- Reflecting supply chain issues and input cost inflation
- Costs fixed for 2022/2023 schemes, in line with budget

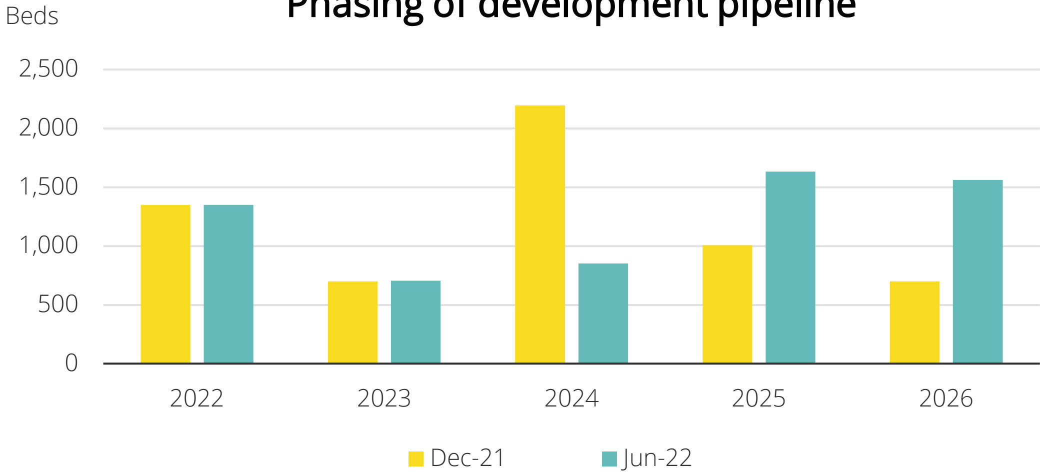
Impact mitigated through design and rental increases

- c.20bps impact on yield on cost for future schemes

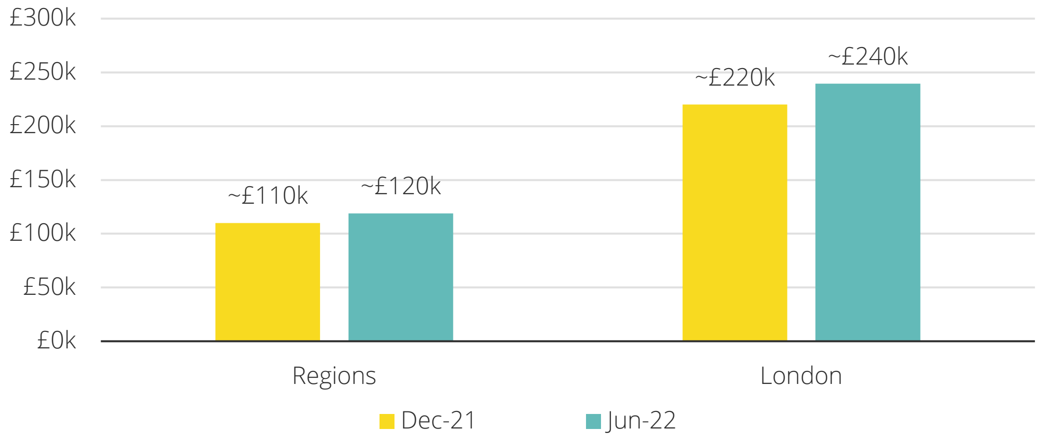
Opportunities for new development and university partnerships at attractive returns

- Discipline over new capital commitments
- New supply slowing
- Land pricing adjusting for higher costs

Phasing of development pipeline



Illustrative development costs per bed



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Outlook

Richard Smith, Chief Executive

Positive outlook

Resilient growth in an uncertain environment

- Growing demand for HE
- Alignment to the strongest universities
- Inflation protection through annual rental growth
- Cost efficiencies through our operating platform
- Clear value-for-money proposition
- Enhancements to our portfolio, service and environmental performance

Disciplined approach to growth opportunities

- High-quality developments
- Targeted acquisitions (PBSA and young professional)
- University partnerships
- Market share gains from HMO

Focus on delivering sustainable rental growth and attractive total accounting returns of 8.5-10% p.a.

Appendices

Home for Success

All-inclusive pricing

- All utilities, insurance and services
- High-speed WiFi (200 Mbps)
- MyUnite app
- Maintenance teams on hand

Help when it's needed

- 24/7 customer support centre
- Customer service teams trained in active listening
- Peer support from 190+ Resident Ambassadors

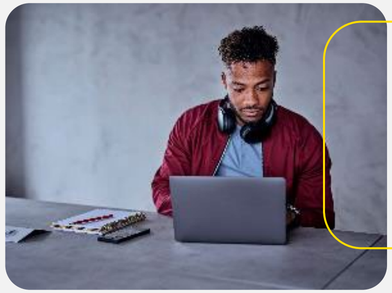
City centre locations with range of price points

- Close to university campuses
- Shared living and studios
- Good transport links

Direct-let and university contracts

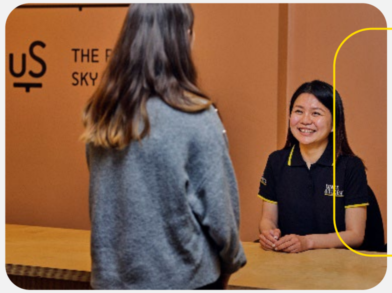
- Strong relationships with Universities
- Direct sales through customer website
- Unique online, mobile-optimised booking system

86% of customers using MyUnite app



79% of customers used online check-in

>1,000 staff trained in student welfare



87% of maintenance fixes by the end of the working day

Student accommodation landscape

- Unite Students affordable, mainstream offer has broad appeal
- Well placed to support universities' growth plans through nomination agreements
- Significant opportunity to capture market share from the HMO sector

Houses of Multiple Occupancy ~950k beds	University Halls ~310k beds	Budget ~50k beds	Mainstream ~310k beds	Premium ~30k beds
- Variable quality	- Typically on-campus - Ageing stock	- Non-ensuite - No amenity space	- En-suite - Range of room types - Amenity spaces	- Extensive social spaces - Boutique hotel feel - Studio-led
Competitors - Highly fragmented	Competitors - Universities - UPP - Uliving	Competitors - Sanctuary Students - Mansion Students	Competitors - iQ - Student Roost - Fresh Student Living	Competitors - Vita - Chapter - Scape
Core customers - UK 2nd/3rd years - UK Postgrads	Core customers - UK 1st year - Internationals	Core customers - Universities (Noms) - UK 2nd/3rd years - Value Internationals	Core customers - Universities (Noms) - UK 2nd/3rd years - Internationals - Postgrads	Core customers - Internationals - Postgrads

Sustainability achievements to date

Accelerating our environmental strategy

Publication of net zero carbon pathway with targets validated by the SBTi

>£30m of energy initiatives delivered to date with c.£10m planned in 2022 (Unite share: £5-7m)

EPC improvement projects for 5% of floorspace in 2022

100% of electricity from renewable sources

First Power Purchase Agreement completed for 20% of electricity supply with Scottish windfarm

GRESB rating improved to 85 / 4-star (2020: 81)

Commitment to responsible investment

Over £100m of financial support for students during the pandemic

Commitment to invest 1% of profits in social initiatives

Long-term commitment to the Unite Foundation, which celebrates its tenth anniversary in 2022

Enhanced student welfare services during Covid-19

Peer-to-peer student support through recruitment of over 190 Resident Ambassadors

Proactive approach to improvements in fire safety through removal of ACM and HPL cladding

Regular research providing student and parent insight

RE 100 · Unite Foundation · GRESB Real Estate · Investors in People Gold · British Safety Council Five Star Occupational Health and Safety Audit · Living Wage Employer

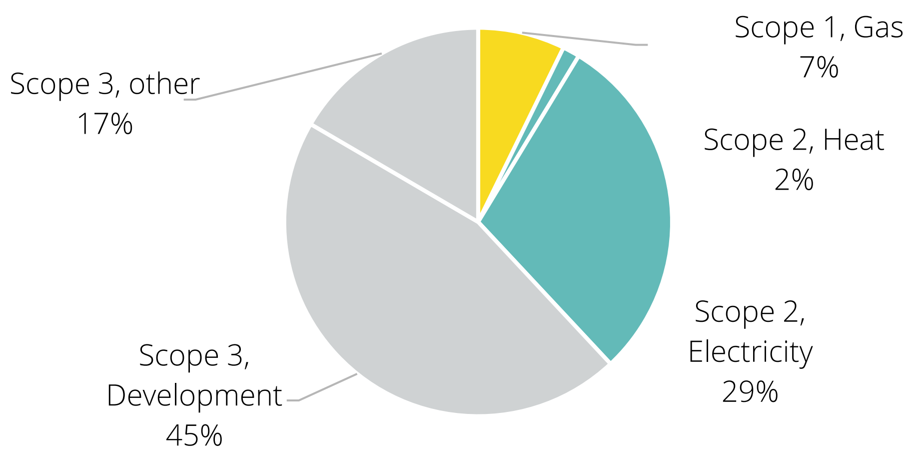
Net zero carbon

- 2030 net zero commitment for operations and development
- Net zero pathway published in late 2021 including targets validated by the SBTi
- Unite emissions include students' energy use

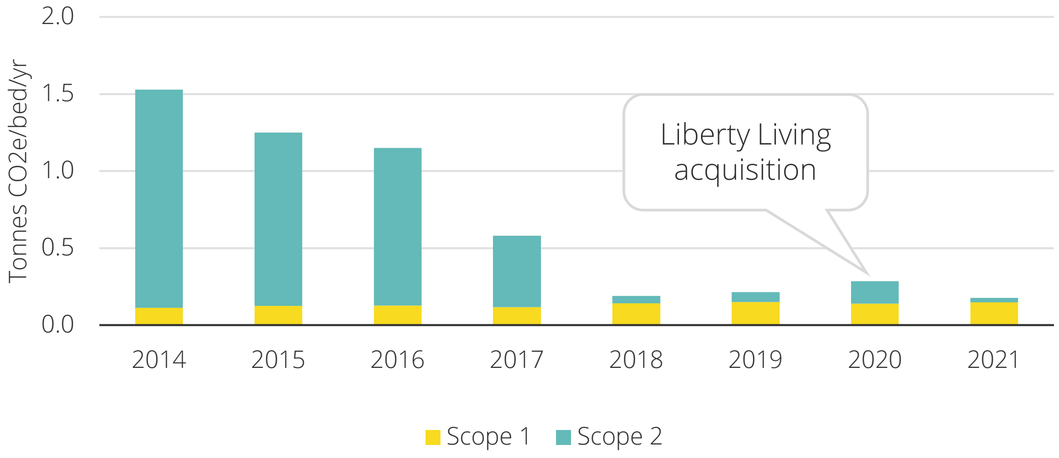
How we'll get there:

- 28% reduction in operational energy intensity
- 100% sourcing of renewable energy
- 48% reduction in embodied carbon

GHG emissions by source (2019 baseline)



Scope 1 + 2 (market based) emissions intensity



Making our buildings net zero carbon

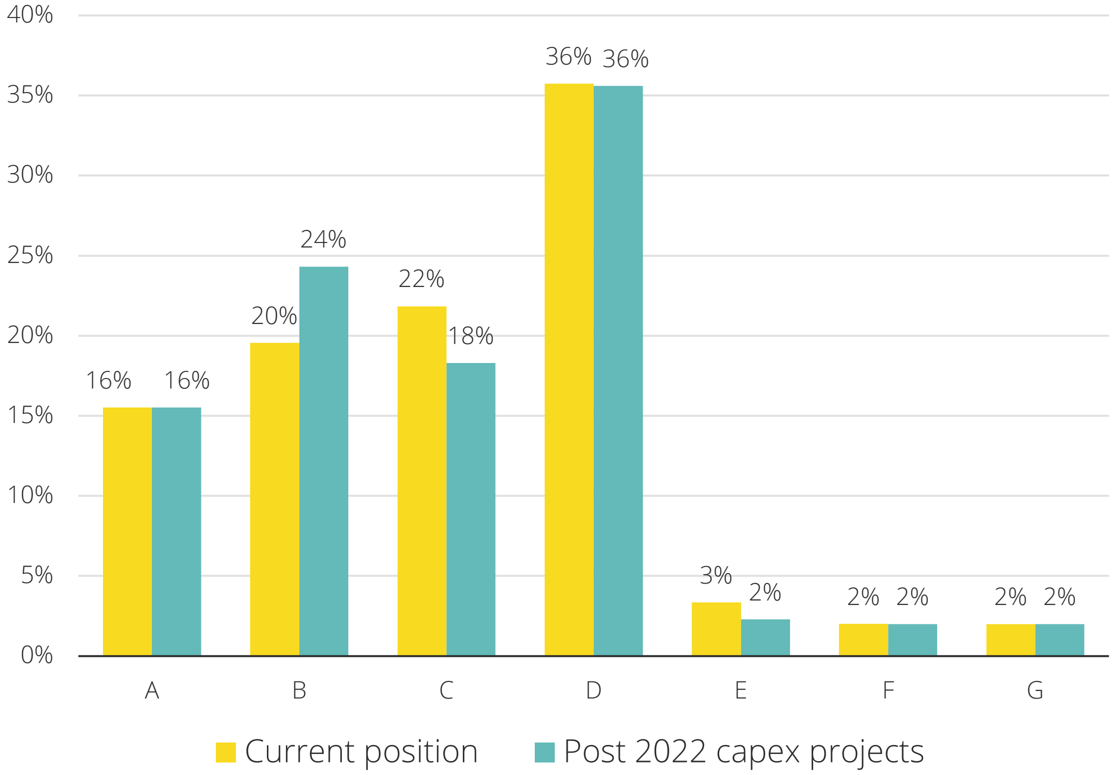
Link to video

part of our new build specification

EPC ratings

- 57% of portfolio is currently A-C rated
  - Fully compliant with current regulations
  - Improvement projects for a further 5% of floorspace in 2022
  - Developments targeting 'A' rating
- Positive changes to EPC regulations for PBSA
  - More closely aligned to energy and carbon intensity
  - Offers clear path to compliance
- Variety of improvement measures
  - LED lighting
  - Heating controls
  - Air-source heat pumps
- Compliance costs part of £1,000/bed p.a. protective capex

EPC ratings by floorspace[1]



1. F and G rated properties located in Scotland and compliant with Section 63 Regulations

APPENDIX

Leading in fire safety

Fire safety is a critical part of our strategy

- Linked to our Home for Success purpose
- One of the first companies to remove ACM cladding
- Replacement of HPL is fully provided for and now underway
- All buildings remain operational and 'safe to occupy'

Further investment required

- Façade assessments on remainder of estate
- New and emerging regulation

Claims ongoing with contractors

- Successful with claims on 4 buildings to date

Fire safety capex

Spent to date	£28m[1]
Provision, Jun-2022	£49m[1]

Further investment

Part of £1,000/bed p.a. protective capex

Claim recovery

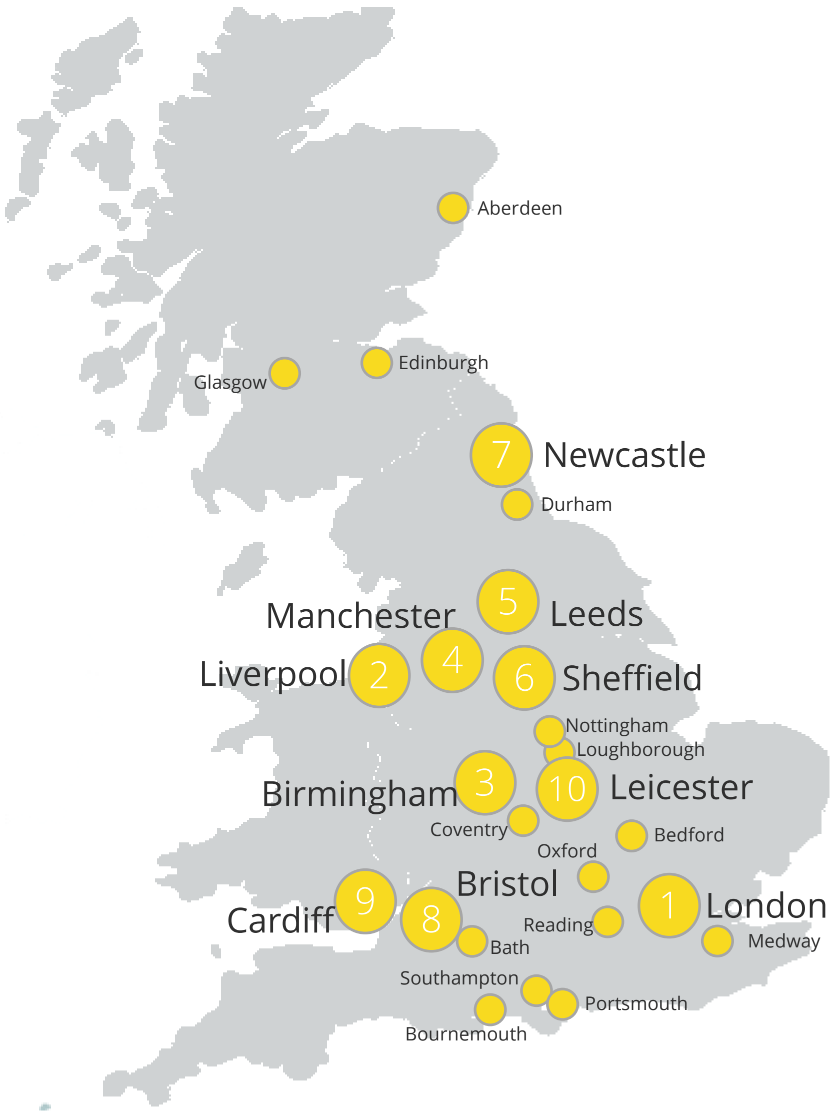
Recovered to date	£10m[2]
Estimated claims	50-75% of cost

1. Unite share
2. Total value of claims

Portfolio overview

Geographical breakdown of portfolio

2022 rank	City	Completed beds (22/23)	Full-time student numbers (20/21)
1	London	12,574	381,575
2	Liverpool	6,365	55,140
3	Birmingham	5,919	76,855
4	Manchester	5,639	71,450
5	Leeds	5,533	65,215
6	Sheffield	4,179	54,640
7	Bristol	4,085	55,570
8	Newcastle	3,763	52,910
9	Cardiff	3,481	38,465
10	Leicester	3,251	38,530
	Top 10	**54,789**	**890,350**
	Total	**74,683**	

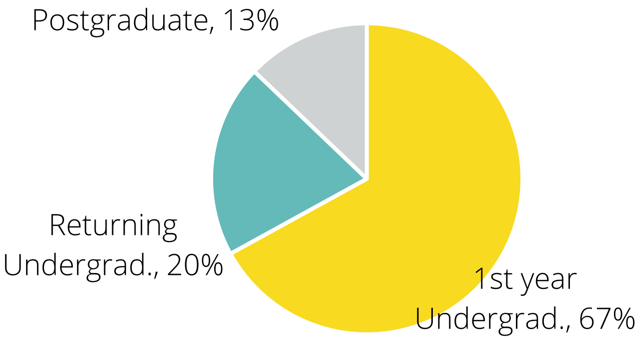


Portfolio and customer breakdown

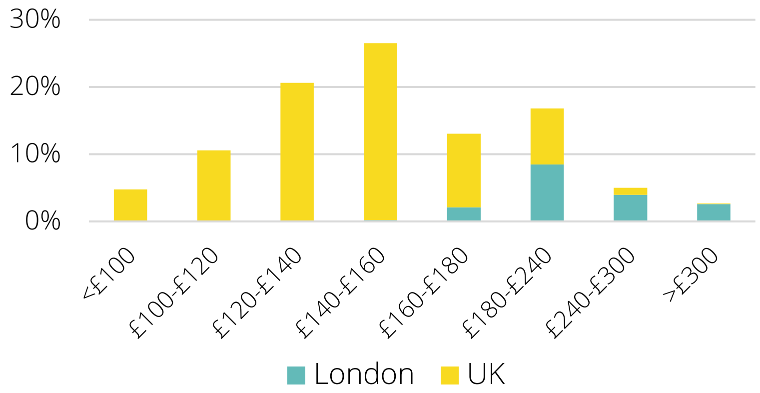
Customers by domicile

	2021/22	2020/21	2019/20
UK	70%	66%	60%
Non-EU	25%	25%	30%
Other EU	5%	9%	10%

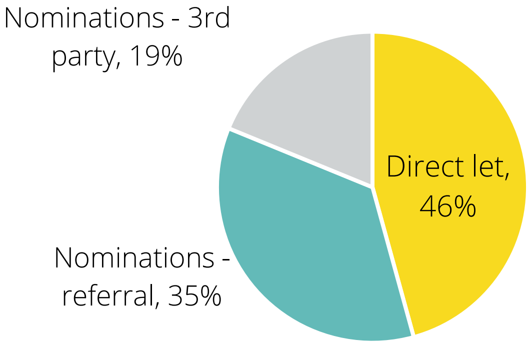
Customers by year of study



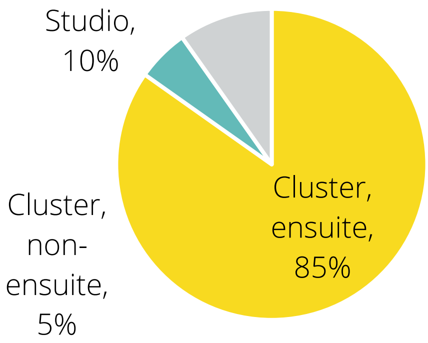
Distribution of beds by weekly price



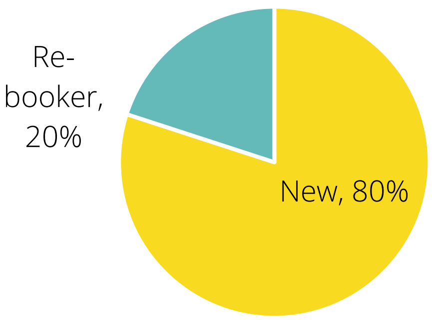
Bookings by type



Room types



Split of direct-let customers



Nominations referral: Agreements where the university refers students to Unite, who then pay Unite directly. Nominations – 3rd party: Agreements where the university pays Unite directly

Rental portfolio analysis

		30 June 2022					
		Wholly owned	USAF	LSAV	Lease	Total	Unite share
London	Value (£m)	906	450	1,667	16	**3,039**	**1,882**
	Beds	3,802	1,863	6,649	260	**12,574**	***35%***
	Properties	11	6	14	1	**32**	
Prime regional	Value (£m)	1,047	736	-	23	**1,806**	**1,278**
	Beds	7,982	5,351	-	618	**13,951**	***24%***
	Properties	17	17	-	2	**36**	
Major regional	Value (£m)	1,286	1,550	275	27	**3,138**	**1,886**
	Beds	17,721	19,007	3,067	753	**40,548**	***35%***
	Properties	36	45	1	2	**84**	
Provincial	Value (£m)	204	230	-	27	**461**	**296**
	Beds	3,730	2,821	-	1,059	**7,610**	***6%***
	Properties	8	6	-	3	**17**	
Total	**Value (£m)**	**3,443**	**2,966**	**1,942**	**93**	**8,444**	**5,342**
	Beds	33,235	29,042	9,716	2,690	**74,683**	***100%***
	Properties	72	74	15	8	**169**	
Unite ownership share		**100%**	**28%**	**50%**	**100%**		
	Value (£m)	**3,443**	**835**	**971**	**93**	**5,342**	

APPENDIX

Summary EPRA balance sheet and earnings statement

£m	Wholly owned	USAF (Unite share)	LSAV (Unite share)	Unite Group Jun 2022	Unite Group Dec 2021
Balance sheet					
Rental properties	3,443	835	971	5,249	4,865
Leased properties	93	-	-	93	98
Properties under development	429	-	-	429	324
Total property portfolio/GAV	**3,965**	**835**	**971**	**5,771**	**5,287**
Net debt	(1,208)	(203)	(316)	(1,727)	(1,522)
Lease liability	(93)	-	-	(93)	(94)
Other assets/(liabilities)	(138)	(33)	(9)	(180)	(139)
EPRA NTA	**2,526**	**599**	**646**	**3,771**	**3,532**
LTV[1]	**31%**	**24%**	**33%**	**30%**	**29%**
Earnings statement				**H1 2022**	**H1 2021**
Net operating income	93.4	17.3]	21.2	131.9	111.1
Overheads less management fees	(1.8)	(2.3)	(0.4)	(4.5)	(4.8)
Finance costs	(19.5)	(3.5)	(5.9)	(28.9)	(32.6)
Development/other	(3.8)	(0.1)	(0.1)	(4.0)	14.6
EPRA earnings	**68.3**	**11.4**	**14.8**	**94.5**	**88.3**
LSAV performance fee	-	-	-	-	(15.7)
Non-recurring abortive transaction costs	1.5	-	-	1.5	-
Adjusted earnings	**69.8**	**11.4**	**14.8**	**96.0**	**72.6**

1. Excludes leased asset and corresponding lease liability recognised in respect of leased properties under IFRS 16

Operations result

	H1 2022			H1 2021			Change	
£m	Wholly owned	Share of Fund/JV	Total	Wholly owned	Share of Fund/JV	Total	£m	%
Rental income								
Like-for-like properties	127.7	46.0	173.7	105.0	35.8	140.8	32.8	23.4%
New properties[1]	-	-	-	-	-	-	-	
Sold properties (to third party)	-	0.2	0.2	2.1	0.6	2.7	(2.5)	
Sold properties (to Fund/JV)	-	3.5	3.5	7.1	-	7.1	(3.6)	
Properties closed for refurbishment	-	-	-	2.3	-	2.3	(2.3)	
Total rental income	**127.7**	**49.7**	**177.4**	**116.5**	**36.4**	**152.9**	**24.5**	**16.0%**
Property operating expenses								
Like-for-like properties	(34.3)	(10.2)	(44.5)	(28.4)	(10.3)	(38.7)	(5.8)	15.0%
New properties[1]	-	-	-	-	-	-	-	
Sold properties (to third party)	-	-	-	(1.0)	(0.2)	(1.2)	1.2	
Sold properties (to Fund/JV)	-	(1.0)	(1.0)	(1.3)	-	(1.3)	0.3	
Properties closed for refurbishment	-	-	-	(0.6)	-	(0.6)	0.6	
Total property operating expenses	**(34.3)**	**(11.2)**	**(45.5)**	**(31.3)**	**(10.5)**	**(41.8)**	**(3.7)**	**8.9%**
Net operating income								
Like-for-like properties	93.4	35.8	129.2	76.6	25.5	101.1	27.1	26.5%
New properties[1]	-	-	-	-	-	-	-	
Sold properties (to third party)	-	2.7	2.7	6.9	0.4	7.3	(4.6)	
Sold properties (to Fund/JV)								
Properties closed for refurbishment	-	-	-	1.7	-	1.7	(1.7)	
Total net operating income	**93.4**	**38.5**	**131.9**	**85.2**	**25.9**	**111.1**	**20.8**	**18.7%**

1. Includes both development completions and acquisitions

LTV reconciliation

Group maintains 30-35% LTV target on see-through basis

EPRA LTV includes net payables reflecting:

- Debt interest accruals (£18m)
- Trade creditors (£47m)
- Fire safety provisions (£49m)

30 June 2022	Net debt	GAV	LTV
See-through LTV	**(1,727)**	**5,678**	**30%**
Net payables	(164)	-	
Intangibles	-	15	
EPRA LTV	**(1,891)**	**5,693**	**33%**

Debt facilities

On-balance sheet

	Facility £m	Drawn £m	Maturity
Unsecured			
Unsecured bond (LL 2024)	300	300	2024
Sustainable RCF (HSBC/RBC/RBS)	450	250	2025
Unsecured bond (Unite)	275	275	2028
Unsecured bond (LL 2029)	300	300	2029
Unsecured PP (Pricoa)	150	150	2031
Total	**1,475**	**1,275**	

Co-investment vehicles

	Facility £m	Drawn £m	Maturity
USAF			
Secured bond (2023)	380	380	2023
Secured bond (2025)	395	395	2025
RCF (Wells Fargo)	150	135	2024
Total	**925**	**910**	
LSAV			
Term loan (L&G)	100	100	2023
Term loan (Teachers RE)	140	140	2027
Term loan (Bank of America)	400	400	2027
Term loan (Barings)	140	140	2029
Total	**780**	**780**	

Secured development and partnerships pipeline

	Target delivery	Secured beds	Total completed value (£m)	Total development costs (£m)	Capex in period (£m)	Capex remaining (£m)	Forecast NAV remaining (£m)	Forecast yield on cost
Direct-let development								
Derby Road, Nottingham	2023	705	88	58	7	38	20	8.1%
Lower Parliament St, Nottingham	2024	268	48	35	7	28	13	7.3%
Abbey Lane, Edinburgh[2]	2026	298	47	29	8	19	16	8.8%
Direct-let development		**1,271**	**183**	**122**	**22**	**85**	**49**	**8.1%**
University partnerships								
Hayloft Point, London	2022	920	304	187	21	12	15	6.0%
Campbell House, Bristol[3]	2022	431	64	44	6	1	10	6.2%
Feeder Road, Bristol	2024	596	94	80	16	62	13	5.8%
Meridian Square, London[1]	2025	943	240	181	1	178	59	5.7%
Freestone Island, Bristol[1]	2025	690	103	76	0	76	27	6.0%
TP Paddington, London[1]	2025	625	208	157	1	152	51	5.5%
East London, London[4]	2026	716	246	185	1	184	61	5.4%
Total university partnerships		**4,921**	**1,259**	**910**	**46**	**665**	**236**	**5.7%**
Total developments		**6,192**	**1,442**	**1,032**	**68**	**750**	**285**	**6.0%**
Major refurbishments (Unite share)[5]		1,629	n/m	24	7	13	9	6.9%

1. Subject to planning 2. Additional 66 BTR units 3. Additional 74 BTR units 4. Student element development cost £136m, forecast 6.0% yield on cost 5. Creating 138 additional beds