F&C Commercial Property Trust Limited

Interim Report for the six months ended 30 June 2017

F&C Investments

Company Summary

Objective

The investment objective of F&C Commercial Property Trust Limited ('the Company') is to provide ordinary shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified UK commercial property portfolio.

The Company

The Company is an Authorised Closed-Ended Guernsey incorporated investment company. Its shares have a premium listing on the Official List of the UK Listing Authority and are traded on the Main Market of the London Stock Exchange. Stock Code : FCPT.

The Interim Report of the Company also consolidates the results of its subsidiary undertakings, which collectively are referred to throughout this document as 'the Group', details of which are contained in note 9 to the accounts.

At 30 June 2017 Group total assets less current liabilities were £1,424 million and Group shareholders' funds were £1,115 million.

Management

The Board has appointed F&C Investment Business Limited (referred to throughout this document as 'FCIB' or 'the Investment Managers') as the Company's investment managers and BMO REP Asset Management plc (referred to throughout this document as 'BMO REP' or 'the Property Managers') as the Company's property managers. FCIB and BMO REP are both part of the F&C Asset Management plc group ('F&C') and, collectively, are referred to in this document as 'the Managers'.

F&C is wholly owned by Bank of Montreal ('BMO') and is part of the BMO Global Asset Management group of companies.

Capital Structure

The Company's equity capital structure consists of ordinary shares ('Ordinary Shares'). Subject to the solvency test provided for in The Companies (Guernsey) Law, 2008, (as amended), being satisfied, ordinary shareholders are entitled to all dividends declared by the Company and to all of the Company's assets after repayment of its borrowings and ordinary creditors.

Guernsey Regulatory Status

The Company is an Authorised Closed-Ended Investment Scheme domiciled in Guernsey and was granted an authorisation declaration by the Guernsey Financial Services Commission in accordance with Section 8 of The Protection of Investors (Bailiwick of Guernsey) Law, 1987, (as amended) and rule 6.02 of the Authorised Closed-Ended Investment Schemes Rules 2008, on 9 June 2009.

How to Invest

The Investment Managers operate a number of investment plans which facilitate investment in the shares of the Company. Details are contained on page 25. You may also invest through your usual stockbroker.

Alternative Performance Measures ('APM')

The Company uses a number of alternative performance measures in the discussion of its business performance and financial position. Further information is provided on page 26.

Visit our website at: **fccpt.co.uk**

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The Association of Investment Companies

PREMIUM MAIN MARKET
LONDON STOCK EXCHANGE

Moneywise Investment Trust awards 2016
WINNER
PROPERTY DIRECT UK
F&C Commercial Property Trust

Financial Highlights

Diversified UK Commercial Property Portfolio to deliver attractive returns

8.8
per cent

Share price total return*

Share price total return of 8.8 per cent for the 6 months.

5.1
per cent

Net asset value total return*

Based on net assets calculated under International Financial Reporting Standards. Net asset value total return is calculated assuming dividends are re-invested.

4.1
per cent

Annualised dividend yield*

Maintained annualised dividend at 6.0 pence per share giving a yield of 4.1% on the period end share price.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

*See Alternative Performance Measures on page 26.

Performance Summary

Total Returns for the period*	Half year ended 30 June 2017
Net asset value per share	5.1%
Ordinary Share price	8.8%
Portfolio return	5.0%
MSCI Investment Property Databank ('IPD') All Quarterly and Monthly Valued Funds Benchmark	4.6%
FTSE All-Share Index	5.5%

Capital Values	Half year ended 30 June 2017	Year ended 31 December 2016	% change
Total assets less current liabilities (£'000)	1,424,150	1,393,072	2.2
Net asset value per share	139.4p	135.5p	2.9
Ordinary Share price	145.3p	136.4p	6.5
FTSE All-Share Index	4,002.18	3,873.22	3.3
Premium to net asset value per share*	4.2%	0.7%	
Net Gearing*	17.4%	17.2%	

Earnings and Dividends	Half year ended 30 June 2017	Half year ended 30 June 2016
Earnings per Ordinary Share	6.9p	2.0p
Dividends per Ordinary Share	3.0p	3.0p
Annualised dividend yield*	4.1%	5.3%

Sources: F&C Investment Business, MSCI Investment Property Databank ('IPD') and Thomson Reuters Eikom.

* See Alternative Performance Measures on page 26.

Chairman's Statement

Chris Russell, Chairman

For the Six Months Ended 30 June 2017

Perfomance for the Period

The Company's net asset value ('NAV') total return for the six month period ended 30 June 2017 was 5.1 per cent and the ungeared total return from the property portfolio was 5.0 per cent. This compares with a total return of 4.6 per cent from the MSCI Investment Property Databank ('IPD') All Quarterly and Monthly Valued Funds.

The market has readjusted, following the disruption surrounding the referendum result in June 2016, to deliver positive total returns. Capital values are now above pre-referendum levels, and both capital and rental growth were positive throughout the period at the all-property level. The market was supported by strong levels of overseas buying, especially in London, and by local authority purchases. The retail property funds have now all re-opened and institutional net selling has moderated compared with the previous six-month period. The UK general election result appears to have had little effect on sentiment towards commercial property.

Although the worst fears of investors following the referendum have not been realised, investors are cautious and focused on securing long-term stable income streams. The property market has benefited from continued economic growth, albeit at modest rates, and in a regime of very low interest rates. Initial yields edged in slightly over the six month period but income was a major driver of performance. The industrial and distribution sector and alternative assets out-performed the all-property average, while secondary offices and retail have remained challenged.

The share price total return for the period was 8.8 per cent. As at 30 June 2017, the share price was 145.3p per share, a premium of 4.2 per cent on the June NAV. This compared to a premium at the 2016 year-end of 0.7 per cent.

The Company's relative outperformance of the IPD benchmark was primarily driven by both the completion of successful asset management initiatives and further yield compression in the Industrial and Logistics sector. St. Christopher's Place Estate also provided a significant contribution to performance as a result of leasing activity, the completion of rent reviews and the completion and letting of the development on Wigmore Street, London.

There were no purchases or sales during the period and the focus has continued to be on driving income and value-creating asset management within the existing portfolio. Further detail on the various property management activities undertaken during the period and a breakdown of the performance are shown in the Managers' Review.

The following table provides an analysis of the movement in the NAV per share for the period:

	Pence
NAV per share as at 31 December 2016	135.5
Unrealised increase in valuation of direct property portfolio	4.5
Movement in interest rate swap valuation	-
Other net revenue	2.4
Dividends paid	(3.0)
NAV per share as at 30 June 2017	**139.4**

Dividends

Monthly dividends of 0.5p per share were paid during the period, maintaining the annual dividend rate of 6.0p per share. The annualised dividend yield at the end of the period was 4.1 per cent on a closing share price of 145.3p per share. Barring unforeseen circumstances, it is the Board's intention that the dividend will continue to be paid monthly at the same rate.

Dividend cover for the period (excluding capital appreciation on properties) was 80.6 per cent, compared with the cover achieved for the last financial year of 87.0 per cent. The main contributors to the fall in the level of cover were as follows:

- There was a reduced level of rental income following the strategic sale of the office building in Great Pulteney Street in December 2016, at a very attractive level, reducing exposure to the West End office market. The level of rents will increase once the proceeds of this sale have been reinvested in

Chairman's Statement (continued)

property. There was also an anticipated void at Thames Valley One, Reading.

- The cover has been further impacted by an increase in the base management fee negotiated at the start of the year following the removal of the performance fee. The base fee rate is higher than the effective rate of total fees earned in 2016, when the Manager did not maximise the performance fee, but lower than the effective rate of fees earned in the previous years. The ad valorem fee rate remains the lowest of the Company's peer group.
- The level of tax payable in the current year is projected to increase as taxable losses are utilised.

Borrowings

The Group's borrowings comprise a £260 million term loan with Legal & General Pensions Limited, maturing on 31 December 2024, and both a £50 million term loan facility and an undrawn £50 million revolving credit facility with Barclays. The Group's drawn down borrowings currently total £310 million. The Group's total loan to value, net of cash, was 17.4 per cent at the end of the period. The weighted average interest rate on the Group's total current borrowings is 3.3 per cent.

Board Composition

Paul Marcuse, formerly Head of Global Real Estate for UBS Global Asset Management, was appointed to the Board as a Non-Executive Director on 12 January 2017. Paul brings 35 years of experience in both the real estate and finance sectors.

Peter Niven, who has been a Non-Executive Director of the Company since its launch in 2005, and was a former Chairman, retired from the Board at the Annual General Meeting on 31 May 2017 bringing the number of non-executive directors back to six. I recorded in the annual report, published in April this year, our appreciation for the time, experience and effort Peter has given to the Company over the years since it began. Peter is the last of the Company's founding directors to retire in favour of fresh appointments.

Outlook

There remains considerable uncertainty surrounding the Brexit negotiations, the exit terms and the timeline for departure, and the general election result may have further complicated matters. Developments overseas, and the UK's relationships with EU member states and the wider world, particularly the US and China, will be critical to the UK's future economic success.

The rapid changes taking place with regard to technology, infrastructure, working practices and shopping patterns will also affect relativities within property, presenting both opportunities and challenges. The markets have benefited from a prolonged period of low interest rates and although it is expected that changes to official rates will be well flagged and gradual, this could now start to become a greater factor in investment decisions.

The outlook for London offices after Brexit is still highly uncertain and the issues affecting much of the town centre retail market and secondary retail and offices seem likely to persist. With uncertainty in the political, economic and property spheres, it is anticipated that investors will remain focused on securing a long-term income stream. Given pricing in other asset classes and the prospect of securing a relatively favourable long-term contractual income stream from property, the asset class is expected to remain in favour with investors.

While property valuations remain high, and competition from both domestic and foreign investors continues to be strong, the Company will maintain its primary focus on adding value to the existing portfolio through asset management initiatives.

Chris Russell
Chairman
29 August 2017

Managers' Review

Richard Kirby, Fund Manager

Richard Kirby, Fund Manager joined the predecessor to the F&C Asset Management plc group ('F&C') in 1990. He has been a fund manager since 1995 and has experience of managing commercial property portfolios across all sectors for open-ended, closed-ended and life fund clients. He sits on both the Executive Committee and Investment Committee of BMO REP Asset Management plc ('BMO REP'). He is a Chartered Surveyor and a member of the Investment Property Forum, the British Council of Offices and the British Council for Shopping Centres.

Property Market Review

The market total return for the six months to 30 June 2017, as measured by the MSCI Investment Property Databank ('IPD') Quarterly and Monthly Valued Funds ('the benchmark') was 4.6 per cent.

The period saw the property market moving towards normalisation following the initial shock of the referendum result and a downgrade to capital values. Initial fears of an imminent economic recession and a flight of capital proved misplaced, and although investors remain cautious, transaction levels have seen a recovery. Investment in January-June 2017 totalled £27.4 billion compared with £26.9 billion in the like period of 2016. Overseas investors, in part attracted by the depreciation of sterling, were particularly active, with a focus on Central London offices. Local authorities have also been investing in property, taking advantage of low interest rates on offer from the Public Works Loan Board. There was a polarisation in investment activity compared with a year earlier, with increases for Central London offices, industrials and alternatives contrasting with falls for town centre retail and provincial offices.

Article 50 was triggered in March 2017 and the Brexit negotiation process commenced towards the end of the review period but June's general election result added further uncertainty. The economy continued to deliver positive growth but the pace has slowed. The March budget was overtaken by events and the programme of fiscal austerity may be modified. The Bank of England kept interest rates and monetary policy unchanged during this period having eased policy in the wake of the referendum result. The June meeting saw a minority of Monetary Policy Committee members voting for a rise in interest rates. Bank lending to commercial property remains subdued with outstanding debt on standing investments broadly unchanged. Gilt yields drifted lower during much of the half-year but spiked at the very end of the period to finish the period broadly unchanged from the start of the year position.

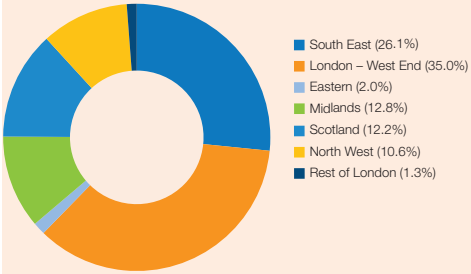
IPD market data showed some further modest inward movement for initial yields, largely focused on industrials and alternatives. The yield gap against ten-year gilts has remained attractive by historic standards.

Benchmark capital values rose by 2.3 per cent in the six-month period. Performance was supported by the income return, which was also 2.3 per cent for the half-year at the benchmark level.

IPD data for standing investments shows rental growth of 0.9 per cent over the review period, which represents some deceleration from the like period of 2016. Rental growth was flat or slightly positive across most of the market segments, with much of the rental growth focused on industrial property and Central London shops, where it registered 2.4 per cent and 2.3 per cent respectively. Gross rent passing rose by 1.2 per cent during the period at the all-property level, representing an improvement on the like period a year earlier. Generally, prime property out-performed secondary stock on this measure. This was especially true of retail property.

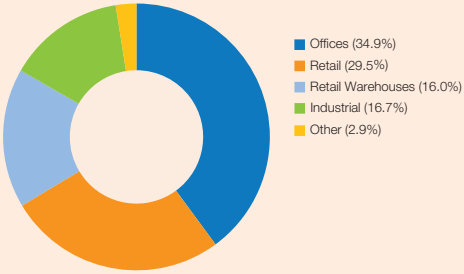
Managers' Review (continued)

Geographical Analysis
as at 30 June 2017, % of total property portfolio



Source: BMO REP Asset Management plc

Sector Analysis
as at 30 June 2017, % of total property portfolio



Source: BMO REP Asset Management plc

At the segment level, industrial property was a major driver of performance, delivering an 8.1 per cent benchmark total return, with the South East out-performing the regions. Alternative assets also did well, recording a total return of 5.7 per cent. In the office market, London, the South East and Rest of UK offices performed broadly in tandem at the benchmark level, eliminating the gap between the capital and the regions seen in recent times. In retail, most segments of the market under-performed the all-property average, with shopping centres particularly out of favour. Central London shops had an uncharacteristically weak start to the period, possibly affected by concerns over the upcoming rates revaluation but out-performed in the second half of the review period to deliver total returns broadly in line with the all-property average.

The property market has seen a re-balancing following the shock of the referendum result, and all-property capital values are now above pre-referendum levels. This has been helped by overseas buying of London offices and a regime of low interest rates. However, investors are still cautious given the macro-economic and political backdrop and are prioritising long-term contracted income streams. The UK market remains attractive as a large, mature, transparent and relatively liquid option for property investors, with the advantage of an annual income return exceeding 4 per cent.

Property Portfolio

The Company invests in a diversified UK commercial real estate portfolio of 36 properties.

CBRE are external valuers to the Company and they independently valued the portfolio at £1,363.33 million as at 30 June 2017.

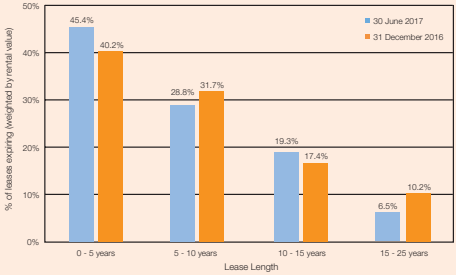
The total return from the portfolio over the period was 5.0* per cent (44th percentile) outperforming the 4.6 per cent return recorded by the benchmark. The portfolio has delivered a strong track record of longer term performance: second quartile over three years and top quartile over five and ten years.

Headline Returns by Sector

(Six months to 30 June 2017)

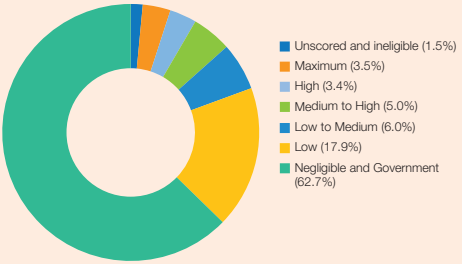
	Total Return	
	Portfolio* (%)	**Benchmark (%)**
All Retails	5.0	3.3
All Offices	3.0	3.7
All Industrials	9.3	8.1
Other Commercial	5.9	5.7
All Sectors	**5.0**	**4.6**

Lease Expiry Profile
At 30 June 2017 the weighted average lease length for the portolio, assuming all break options are exercised, was 7.1 years



Source: BMO REP Asset Management plc

Covenant Strength
as at 30 June 2017, % of income by risk band



Source: IRIS Report, MSCI Inc

Headline Returns by Segment

(Six months to 30 June 2017)

	Total Return	
	Portfolio* (%)	**Benchmark (%)**
St Retails - South East**	6.4	4.2
St Retails - Rest of UK#	1.0	3.5
Retail Warehouses	2.9	3.2
Offices - City	(4.1)	3.9
Offices - West End	8.5	3.7
Offices - South East	1.5	3.8
Offices - Rest of UK	0.9	3.7
Industrials - South East	5.3	9.4
Industrials - Rest of UK	10.6	6.0
Other Commercial	5.9	5.7
All Sectors	**5.0**	**4.6**

** Includes West End Retail

Asda Supermarket, Rochdale

Source: MSCI Investment Property Databank

Retail

The overall total return from the Company's retail properties during the period was 5.0* per cent compared with the benchmark return of 3.3 per cent.

St. Christopher's Place Estate performed strongly over the period producing a total return of 7.7 per cent. There have been a number of new lettings on the Estate and overall the estimated rental value has increased by 5.4 per cent. The redevelopment of 71-77 Wigmore Street completed and the restaurant unit has been let to Hoppers, part of the JSK Group, on a 15 year lease at a rent in line with proforma ERV's. The tenant is currently fitting out and the retail unit is also under offer whilst the residential element comprising six flats and two penthouse duplexes have all let.

Offices

The Company's office portfolio produced a total return of 3.0* per cent compared with the benchmark return of 3.7 per cent.

Offices located in the West End, London outperformed due to the completion of some notable asset management initiatives. The major event was the completion of a lease event with Artemis at Cassini House, London SW1. Artemis have committed to lease five floors for an unbroken term of 15 years. The property will be fully refurbished with expected capital expenditure of £6.5 million. This asset management initiative increases the rent passing from the building, secures the major tenant for a further 15 years and

Managers' Review (continued)

de-risks lease expiries and exposure to short term leases. The Company's City of London exposure underperformed but the exposure is to only one property with a value of less than £20 million.

In the South East the priority is to address voids at Watchmoor Park, Camberley and Thames Valley Park, Reading. Given the increased appetite from developers to consider the conversion of out of town offices to residential uses, planning applications are being prepared to seek consent for the change of use to residential. If the planning applications are successful, these properties may be sold to residential developers. The performance of the rest of the UK Offices was affected by the external valuers moving out the capitalisation rate on the Company's Aberdeen properties, where values fell by 3.7 per cent. At Edinburgh Business Park, Edinburgh the tenant HSBC did not renew their lease and have vacated the property. The offices comprises 42,360 sq. ft. and this event has led to the void rate increasing over the period. A full refurbishment of the offices is being worked up as the availability of good quality out of town offices is currently restricted.

Industrial and Logistics

The Company's industrial and logistics portfolio delivered a total return of 9.3* per cent compared with a benchmark return of 8.1 per cent.

During the period, the lease renewal to Mothercare at Plot E4, DIRFT Daventry, completed which resulted in a new 10 year lease, a 5 per cent increase with current rent and the external valuation increasing by 20 per cent over the first quarter of 2017. All the short-term lease events in the Company's logistics sector have now been actioned and completed and the Company has benefitted from strong performance over the last couple of years.

We have previously reported on progress at the former Ozalid Works in Colchester where outline consent for a residential development was secured. We expect to exchange contracts before the year-end with a national house builder for the sale of the site, conditional upon securing a revised planning consent for additional residential units. A revised planning application will be submitted shortly.

The Alternative Property Sector

The student accommodation block in Winchester benefitted from its annual RPI linked rental increase.

Purchases and Disposals

There were no sales or acquisitions over the period.

Property Management

The void rate over the period has increased to 8.8 per cent as a result of HSBC vacating Edinburgh Park and the completion of the development at Wigmore Street, London which has been substantially let since the period-end. There are a number of initiatives progressing and it is hoped this void rate will be substantially reduced by year-end.

The provision for overdue debt (90 days) is 0.3 per cent of gross annualised rent.

Due to the disastrous fire and tragic loss of life at Grenfell Tower and specifically the concerns associated with fire risk from existing building cladding systems, we are progressing a review to determine risk within the Company's portfolio. We are viewing risk on two levels, initially in terms of risk to life and property and secondly, in respect of liquidity of individual assets. The exercise is backed by advice from the Government and our own longstanding fire Consultancy partner. Each asset is being reviewed; prioritising any asset with a residential element, presence of composite panels and an overall building height in excess of 18 metres. The Company owns one property of such "priority" and our review has established the cladding systems used, in limited areas on the exterior of the building, is not the same as the material used in Grenfell Tower and is classified as low flammability. The construction method, materials specified and used and fire strategy employed on site, leads us to believe this is a low risk property. We continue to work through the portfolio to establish a database of the cladding systems and materials used

in the construction of the Company's properties and will continue to closely monitor the situation.

Outlook

The outlook for property continues to be strongly influenced by the Brexit negotiations and we would expect investors to remain cautious and risk averse, and for this to favour core/core plus properties in established locations. The current era of very low interest rates may be drawing to a close, but any increases in official rates are likely to be small and gradual. The timing of this is unknown but expectations of the change could lead to greater focus by investors on yield, the scope to add value to an asset and the resilience and flexibility of the asset over time.

Industrials, distribution and alternative assets may all provide investment opportunities but are very expensive and we remain cautious about Central London offices until the Brexit negotiations are further advanced. The structural problems affecting much of the town centre regional retail market seem likely to persist. Assuming that the economy performs in line with consensus forecasts, and there are no major shocks, we are looking towards a period of positive total returns, supported by the income return.

Richard Kirby

Fund Manager

BMO REP Asset Management plc

29 August 2017

*See Alternative Performance Measures on page 26.

Property Portfolio

as at 30 June 2017

	Sector
Properties valued in excess of £200 million	
London W1, St. Christopher's Place Estate (notes 2 and 3)	Retail*
Properties valued between £70 million and £100 million	
Newbury, Newbury Retail Park	Retail Warehouse
London SW1, Cassini House, St James's Street	Office
Properties valued between £50 million and £70 million	
Solihull, Sears Retail Park	Retail Warehouse
London SW19, Wimbledon Broadway	Retail
Properties valued between £40 million and £50 million	
Crawley, The Leonardo Building, Manor Royal	Office
Properties valued between £30 million and £40 million	
Uxbridge, 3 The Square, Stockley Park	Office
Aberdeen, Unit 1 Prime Four Business Park, Kingswells	Office
Aberdeen, Unit 2 Prime Four Business Park, Kingswells	Office
Rochdale, Dane Street	Retail Warehouse
Glasgow, Alhambra House, Wellington Street	Office
Winchester, Burma Road	Other
Chorley, Units 6 & 8 Revolution Park	Industrial
Daventry, Site E4, Daventry International Rail Freight Terminal	Industrial
Manchester, 82 King Street	Office
Properties valued between £20 million and £30 million	
Aberdeen, Unit 3 Prime Four Business Park, Kingswells	Office
Birmingham, Unit 8 Hams Hall Distribution Park	Industrial
Liverpool, Unit 1, G. Park, Portal Way	Industrial
East Kilbride, Mavor Avenue	Retail Warehouse
Birmingham, Unit 10a Hams Hall Distribution Park	Industrial
London SW1, 2/4 King Street	Office
London W1, 17a Curzon Street	Office
Properties valued between £10 million and £20 million	
Reading, Thames Valley One, Thames Valley Park	Office
London W1, 16 Conduit Street (note 1)	Retail
Camberley, Watchmoor Park	Office
Reading, Thames Valley Two, Thames Valley Park	Office
Colchester, The Cowdray Centre, Cowdray Avenue	Industrial
London EC3, 7 Birchin Lane	Office
Liverpool, Unit 1 The Hive, Estuary Business Park (note 1)	Industrial
Birmingham, Unit 6a Hams Hall Distribution Park	Industrial
Southampton, Upper Northam Road, Hedge End	Industrial
Colchester, Ozalid Works, Cowdray Avenue	Industrial
Properties valued under £10 million	
Camberley, Affinity Point, Glebeland Road	Industrial
Edinburgh, Nevis/Ness Houses, 11/12 Lochside Place	Office
Solihull, Oakenham Road	Retail Warehouse
Aberdeen, Unit 4 Prime Four Business Park, Kingswells	Office

Notes:

1 Leasehold property.

2 Mixed freehold/leasehold property.

3 St. Christopher's Place Estate is treated as more than one property.

* Mixed use property of retail, office and residential space.

Statement of Principal Risks and Uncertainties

The Company's assets comprise mainly direct investments in UK commercial property. Its principal risks are therefore related to the commercial property market in general. Other risks faced by the Company include investment and strategic, regulatory, environmental, management and control, operational, and financial risks. The Company is also exposed to risks in relation to its financial instruments. These risks, and the way in which they are managed, are described in more detail under the heading 'Principal Risks and Risk Management' within the Business Model and Strategy in the Company's Annual Report for the year ended 31 December 2016. On 23 June 2016 the UK electorate voted to leave the European Union, and Article 50 was triggered by the Prime Minister on 29 March 2017. This commences a process that is likely to take a minimum of 2 years to complete, and during this time the UK remains a member of the European Union. There will be a resulting period of uncertainty for the UK economy and real estate markets, with increased volatility expected in financial markets. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remainder of the Company's financial year.

Statement of Directors' Responsibilities in Respect of the Interim Report

We confirm that to the best of our knowledge:

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

On behalf of the Board

C Russell
Director

29 August 2017

Independent Review Report

Independent Review Report to the Directors' of F&C Commercial Property Trust Limited

Introduction

We have been engaged by F&C Commercial Property Trust Limited ("the Company") to review the condensed unaudited set of financial statements in the half-yearly financial report for the six months ended 30 June 2017, which comprises the unaudited condensed consolidated statement of comprehensive income, the unaudited condensed consolidated balance sheet, the unaudited condensed consolidated statement of changes in equity, the unaudited condensed consolidated statement of cash flows, and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in producing this report, 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands

29 August 2017

Condensed Consolidated Statement of Comprehensive Income

(unaudited) for six months ended 30 June 2017

Notes		Six months to 30 June 2017 £'000	Six months to 30 June 2016 £'000	Year to 31 December 2016* £'000
	Revenue			
	Rental Income	**31,697**	32,242	64,628
	Total revenue	**31,697**	32,242	64,628
	Gains/(losses) on investment properties			
5	Unrealised gains/(losses) on revaluation of investment properties	**35,502**	(4,324)	9,507
5	(Loss)/gains on sale of investment properties realised	**(5)**	–	215
	Total income	**67,194**	27,918	74,350
	Expenditure			
	Investment management fee	**(3,750)**	(2,594)	(6,406)
3	Other expenses	**(2,699)**	(2,499)	(5,056)
	Total expenditure	**(6,449)**	(5,093)	(11,462)
	Operating profit before finance costs and taxation	**60,745**	22,825	62,888
	Net finance costs			
	Interest receivable	**-**	63	69
	Finance costs	**(5,445)**	(5,801)	(11,269)
6	Loss on redemption of interest rate swap	**-**	(1,283)	(1,283)
		(5,445)	(7,021)	(12,483)
	Profit before taxation	**55,300**	15,804	50,405
	Taxation	**(465)**	(129)	(251)
	Profit for the period	**54,835**	15,675	50,154
	Other comprehensive income			
	Items that are or may be reclassified subsequently to profit or loss			
	Net change in fair value of swap reclassified to profit and loss	**-**	1,546	1,546
	Movement in fair value of effective interest rate swaps	**285**	(1,374)	(717)
	Total comprehensive income for the period	**55,120**	15,847	50,983
4	**Basic and diluted earnings per share**	**6.9p**	2.0p	6.3p

All of the profit and total comprehensive income for the period is attributable to the owners of the Group.

All items in the above statement derive from continuing operations.

* these figures are audited.

The accompanying notes on pages 20 to 23 are an integral part of the above statement.

Condensed Consolidated Balance Sheet

(unaudited) as at 30 June 2017

Notes		30 June 2017 £'000	**Restated 30 June 2016 £'000	31 December 2016* £'000
	Non-current assets			
5	Investment properties	**1,344,519**	1,339,691	1,306,002
	Trade and other receivables	**18,716**	17,450	17,827
		1,363,235	1,357,141	1,323,829
	Current assets			
	Trade and other receivables	**3,466**	3,056	3,093
	Cash and cash equivalents	**74,995**	43,506	85,021
		78,461	46,562	88,114
	Total assets	**1,441,696**	1,403,703	1,411,943
	Current liabilities			
	Trade and other payables	**(16,959)**	(20,739)	(18,631)
	Taxation payable	**(587)**	(188)	(240)
		(17,546)	(20,927)	(18,871)
	Non-current liabilities			
	Trade and other payables	**(1,624)**	(1,951)	(1,565)
	Interest-bearing loans	**(307,510)**	(307,161)	(307,345)
	Interest rate swaps	**(432)**	(1,374)	(717)
		(309,566)	(310,486)	(309,627)
	Total liabilities	**(327,112)**	(331,413)	(328,498)
	Net assets	**1,114,584**	1,072,290	1,083,445
	Represented by:			
6	Share capital	**7,994**	7,994	7,994
	Share premium	**127,612**	127,612	127,612
	Other reserves	**465,039**	469,323	461,981
	Capital reserves	**398,151**	348,608	362,654
	Hedging reserve	**(432)**	(1,374)	(717)
	Revenue reserve	**116,220**	120,127	123,921
	Equity shareholders' funds	**1,114,584**	1,072,290	1,083,445
7	**Net asset value per share**	**139.4p**	134.1p	135.5p

* these figures are audited.

** See Note 1.

The accompanying notes on pages 20 to 23 are an integral part of the above statement.

Condensed Consolidated Statement of Changes in Equity

(unaudited) for six months ended 30 June 2017

Notes		Share Capital £'000	Share Premium £'000	Other Reserves £'000	Capital Reserves £'000	Hedging Reserve £'000	Revenue Reserve £'000	Total £'000
	At 1 January 2017	7,994	127,612	461,981	362,654	(717)	123,921	1,083,445
	Total comprehensive income for the period							
	Profit for the period	–	–	–	–	–	54,835	54,835
	Movement in fair value of interest rate swap	–	–	–	–	285	–	285
5	Transfer in respect of unrealised gains on Investment properties	–	–	–	35,502	–	(35,502)	–
	Loss on sale of investment properties realised	–	–	–	(5)	–	5	–
	Transfer from other reserve	–	–	3,058	–	–	(3,058)	–
	Total comprehensive income for the period	**–**	**–**	**3,058**	**35,497**	**285**	**16,280**	**55,120**
	Transactions with owners of the Company recognised directly in equity							
2	Dividends paid	–	–	–	–	–	(23,981)	(23,981)
	At 30 June 2017	**7,994**	**127,612**	**465,039**	**398,151**	**(432)**	**116,220**	**1,114,584**

(unaudited) for six months ended 30 June 2016

Notes		Share Capital £'000	Share Premium £'000	Other Reserves £'000	Capital Reserves £'000	Hedging Reserve £'000	Revenue Reserve £'000	Total £'000
	At 1 January 2016	7,994	127,612	475,360	352,932	(1,546)	118,072	1,080,424
	Total comprehensive income for the period							
	Profit for the period	–	–	–	–	–	15,675	15,675
5	Movement in fair value of interest rate swap	–	–	–	–	172	–	172
	Transfer in respect of unrealised losses on investment properties	–	–	–	(4,324)	–	4,324	–
	Transfer from other reserve	–	–	(6,037)	–	–	6,037	–
	Total comprehensive income for the period	**–**	**–**	**(6,037)**	**(4,324)**	**172**	**26,036**	**15,847**
	Transactions with owners of the Company recognised directly in equity							
2	Dividends paid	–	–	–	–	–	(23,981)	(23,981)
	At 30 June 2016	**7,994**	**127,612**	**469,323**	**348,608**	**(1,374)**	**120,127**	**1,072,290**

The accompanying notes on pages 20 to 23 are an integral part of the above statement.

Condensed Consolidated Statement of Changes in Equity

(audited) for the year to 31 December 2016

Notes		Share Capital £'000	Share Premium £'000	Other Reserves £'000	Capital Reserves £'000	Hedging Reserve £'000	Revenue Reserve £'000	Total £'000
	At 1 January 2016	7,994	127,612	475,360	352,932	(1,546)	118,072	1,080,424
	Total comprehensive income for the year							
	Profit for the year	–	–	–	–	–	50,154	50,154
	Movement in fair value of interest rate swap	–	–	–	–	829	–	829
5	Transfer in respect of unrealised gains on investment properties	–	–	–	9,507	–	(9,507)	–
5	Gains on sale of investment properties realised	–	–	–	215	–	(215)	–
	Transfer from other reserve	–	–	(13,379)	–	–	13,379	–
	Total comprehensive income for the year	**–**	**–**	**(13,379)**	**9,722**	**829**	**53,811**	**50,983**
	Transactions with owners of the Company recognised directly in equity							
2	Dividends paid	–	–	–	–	–	(47,962)	(47,962)
	At 31 December 2016	**7,994**	**127,612**	**461,981**	**362,654**	**(717)**	**123,921**	**1,083,445**

The accompanying notes on pages 20 to 23 are an integral part of the above statement.

Condensed Consolidated Statement of Cash Flows

(unaudited) for six months ended 30 June 2017

Notes		Six months to 30 June 2017 £'000	Six months to 30 June 2016 £'000	Year to 31 December 2016* £'000
	Cash flows from operating activities			
	Profit for the period before taxation	**55,300**	15,804	50,405
	Adjustments for:			
	Finance costs	**5,445**	5,801	11,269
	Interest receivable	**–**	(63)	(69)
5	Unrealised (gains)/losses on revaluation of investment properties	**(35,502)**	4,324	(9,507)
	Loss/(gains) on sale of investment properties realised	**5**	–	(215)
	Loss on redemption of interest rate swap	**–**	1,283	1,283
	Increase in operating trade and other receivables	**(1,313)**	(445)	(888)
	Decrease in operating trade and other payables	**(1,613)**	(3,274)	(5,746)
		22,322	23,430	46,532
	Interest received	**-**	63	69
	Interest and bank fees paid	**(5,229)**	(5,549)	(10,778)
	Tax paid	**(118)**	(2)	(71)
		(5,347)	(5,488)	(10,780)
	Net cash inflow from operating activities	**16,975**	17,942	35,752
	Cash flows from investing activities			
5	Purchase/development of investment properties	**(1,640)**	(1,527)	(4,099)
5	Sale of investment properties	**–**	–	54,291
5	Capital expenditure	**(1,380)**	(2,427)	(6,411)
	Net cash (outflow)/inflow from investing activities	**(3,020)**	(3,954)	43,781
	Cash flows from financing activities			
2	Dividends paid	**(23,981)**	(23,981)	(47,962)
	Drawdown of Bank Loan, net of costs	**–**	49,513	49,489
	Revolving credit facility arrangement costs	**–**	(486)	(511)
	Repayment of Bank Loan	**–**	(50,000)	(50,000)
	Swap breakage costs	**–**	(1,283)	(1,283)
	Net cash outflow from financing activities	**(23,981)**	(26,237)	(50,267)
	Net (decrease)/increase in cash and cash equivalents	**(10,026)**	(12,249)	29,266
	Opening cash and cash equivalents	**85,021**	55,755	55,755
	Closing cash and cash equivalents	**74,995**	43,506	85,021

* these figures are audited.

The accompanying notes on pages 20 to 23 are an integral part of the above statement.

Unaudited Notes on the Condensed Accounts

1 General information and basis of preparation

The condensed consolidated financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority and IAS 34 'Interim Financial Reporting'. The condensed consolidated financial statements do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016, which were prepared under full IFRS requirements. The accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those of the consolidated financial statements of the Group for the year ended 31 December 2016. These condensed interim financial statements have been reviewed, not audited.

In the previously issued interim financial statements of the Company for the period ended 30 June 2016, lease incentives of £16,059,000 and cash deposits held for tenants of £2,478,000 were classified as current assets. In the comparative figures of the current year financial statements, £15,499,000 for lease incentives and £1,951,000 for tenant deposits have been reclassified to non-current assets. The directors have considered the impact on the previously issued financial statements of the Company and have noted that no adjustment is required to the previously reported total assets, liabilities or equity of the Company. On this basis, the Directors do not consider the above reclassification between current and non-current assets to be material to the users of the financial statements.

After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue in operational existence for the next twelve months. In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. They have considered the current cash position of the Group, forecast rental income and other forecast cash flows. The Group has agreements relating to its borrowing facilities with which it has complied during the period. Based on the information the Directors believe that the Group has the ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. For this reason they continue to adopt the going concern basis in preparing the accounts.

These condensed interim financial statements were approved for issue on 29 August 2017.

2. Dividends

	Six months to 30 June 2017 £'000	Six months to 30 June 2016 £'000	Year to 31 December 2016 £'000
In respect of the previous period:			
Ninth interim dividend (0.5p per share)	**3,997**	3,997	3,997
Tenth interim dividend (0.5p per share)	**3,997**	3,997	3,997
Eleventh interim dividend (0.5p per share)	**3,996**	3,996	3,996
Twelfth interim dividend (0.5p per share)	**3,997**	3,997	3,997
In respect of the period under review:			
First interim dividend (0.5p per share)	**3,997**	3,997	3,997
Second interim dividend (0.5p per share)	**3,997**	3,997	3,997
Third interim dividend (0.5p per share)	**–**	–	3,996
Fourth interim dividend (0.5p per share)	**–**	–	3,997
Fifth interim dividend (0.5p per share)	**–**	–	3,997
Sixth interim dividend (0.5p per share)	**–**	–	3,997
Seventh interim dividend (0.5p per share)	**–**	–	3,997
Eighth interim dividend (0.5p per share)	**–**	–	3,997
	23,981	23,981	47,962

A third interim dividend for the year to 31 December 2017, of 0.5 pence per share totalling £3,997,000, was paid on 31 July 2017. A fourth interim dividend of 0.5 pence per share will be paid on 31 August 2017 to shareholders on the register on 11 August 2017. A fifth interim dividend of 0.5 pence per share will be paid on 29 September 2017 to shareholders on the register on 8 September 2017. Although these payments relate to the period ended 30 June 2017, under IFRS they will be accounted for in the period during which they are paid.

It is the Directors' intention that the Company will continue to pay dividends monthly.

3. Other expenses

	Six months to 30 June 2017 £'000	Six months to 30 June 2016 £'000	Year to 31 December 2016 £'000
Direct operating expenses of UK rental property	**1,973**	1,798	3,607
Valuation and other professional fees	**213**	193	393
Directors' fees	**157**	147	277
Administration fee	**73**	75	148
Depositary fee	**82**	80	168
Other	**201**	206	463
	2,699	2,499	5,056

The basis of payment for the Directors' and investment management fees are detailed within the consolidated financial statements of the Group for the year ended 31 December 2016.

4. Earnings per share

The Group's basic and diluted earnings per Ordinary Share are based on the profit for the period of £54,835,000 (period to 30 June 2016: £15,675,000; 31 December 2016: £50,154,000) and on 799,366,108 (period to 30 June 2016: 799,366,108; 31 December 2016: 799,366,108) Ordinary Shares, being the weighted average number of shares in issue during the period. Earnings for the six months to 30 June 2017 should not be taken as guide to the results for the year to 31 December 2017.

5. Investment properties

	Six months to 30 June 2017 £'000	Six months to 30 June 2016 £'000	Year to 31 December 2016 £'000
Freehold and leasehold properties			
Opening book cost	**950,416**	965,721	965,721
Opening unrealised appreciation	**355,586**	374,340	374,340
Opening fair value	**1,306,002**	1,340,061	1,340,061
Purchases/development	**1,640**	1,527	4,099
Sales – proceeds	**–**	–	(54,291)
– gain on sale	**–**	–	28,476
Capital expenditure	**1,380**	2,427	6,411
Unrealised losses realised during the period	**(5)**	–	(28,261)
Unrealised gains on investment properties	**45,667**	17,573	48,079
Unrealised losses on investment properties	**(10,165)**	(21,897)	(38,572)
	1,344,519	1,339,691	1,306,002
Closing book cost	**953,431**	969,675	950,416
Closing unrealised appreciation	**391,088**	370,016	355,586
Closing fair value	**1,344,519**	1,339,691	1,306,002

There were no properties held for sale at 30 June 2017 (2016: none).

All the Group's investment properties were valued as at 30 June 2017 by RICS Registered Valuers working for the company of CBRE Limited ('CBRE'), commercial real estate advisors, acting in the capacity of a valuation adviser to the AIFM. All such valuers are Chartered Surveyors, being members of the Royal Institution of Chartered Surveyors ('RICS').

5. Investment properties (continued)

CBRE completed the valuation of the Group's investment properties at 30 June 2017 on a fair value basis and in accordance with The RICS Valuation – Professional Standards (December 2014). The fair value of these investment properties per the Valuation Report amounted to £1,363,335,000 (30 June 2016: £1,355,750,000; 31 December 2016: £1,322,455,000). The difference between the Valuation Report and the closing fair value of investment properties disclosed above of £1,344,519,000 (30 June 2016: £1,339,691,000; 31 December 2016: £1,306,002,000) consists of capital incentives paid to tenants totalling £4,373,000 and accrued income relating to the pre-payment for rent free periods recognised over the life of the lease totalling £14,443,000, which are both separately recorded in the accounts within 'trade and other receivables'.

There were no significant changes to the valuation process, assumptions and techniques used during the period, further details on which were included in note 9 of the consolidated financial statements of the Group for the year ended 31 December 2016.

As at 30 June 2017, all of the Group's properties are Level 3 in the fair value hierarchy as it involves the use of significant inputs and there were no transfers between levels during the period. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to Level 1 (inputs from quoted prices) and Level 2 (observable inputs either directly i.e. as priced, or indirectly, i.e. derived from prices).

6. Share capital

	£'000
Allotted, called-up and fully paid	
799,366,108 Ordinary Shares of 1p each in issue at 30 June 2017	**7,994**

Under the Company's Articles of Incorporation, the Company may issue an unlimited number of Ordinary Shares. The Company issued nil Ordinary Shares during the period (2016: nil) raising net proceeds of £nil (2016: £nil).

The Company did not repurchase any Ordinary Shares during the period.

7. Net asset value per share

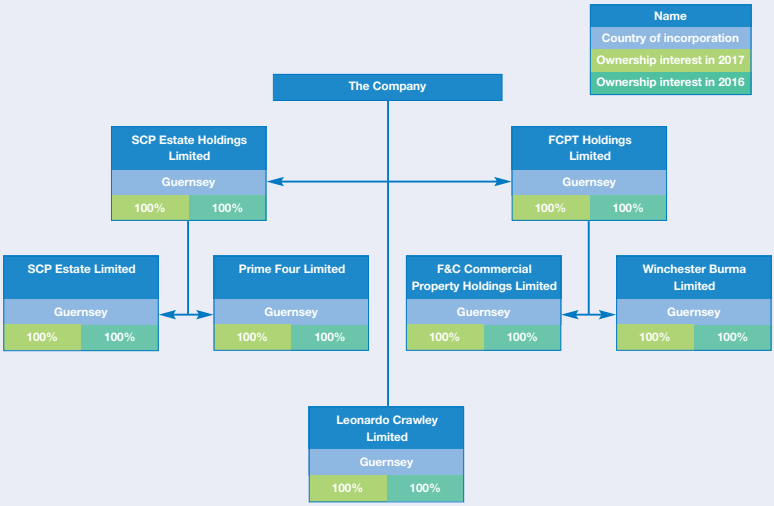
The Group's net asset value per Ordinary Share of 139.4p (30 June 2016: 134.1p; 31 December 2016: 135.5p) is based on equity shareholders' funds of £1,114,584,000 (30 June 2016: £1,072,290,000; 31 December 2016: £1,083,445,000) and on 799,366,108 (30 June 2016: 799,366,108; 31 December 2016: 799,366,108) Ordinary Shares, being the number of shares in issue at the period end.

8. Capital commitments

The Group had capital commitments totalling £1,625,000 as at 30 June 2017 (30 June 2016: £6,857,000; 31 December 2016: £4,271,000). These commitments related mainly to contracted development works at the Group's properties at St. Christopher's Place Estate, London W1.

9. List of Subsidiaries

Set out below is a list of subsidiaries of the Group.



10. Subsequent events

There are no material subsequent events that need to be disclosed.

11. Forward looking statements

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

Shareholder Information

Dividends

Ordinary dividends are paid monthly. Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for the purpose. Mandates may be obtained from Computershare Investor Services (Guernsey) Limited, c/o Hilgrove Street, St. Helier, Jersey JE1 1ES on request. Where dividends are paid directly to shareholders' bank accounts, dividend tax vouchers are sent to shareholders' registered addresses.

Share Price

The Company's Ordinary Shares are listed on the Main Market of the London Stock Exchange. Prices are given daily in the Financial Times under "Investment Companies" and in other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to Computershare Investor Services (Guernsey) Limited, c/o Hilgrove Street, St. Helier, Jersey JE1 1ES under the signature of the registered holder.

Shareholder Enquiries

Contact Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands GY1 3QL. Additional information regarding the Company may also be found on its website which is: **fccpt.co.uk**

Financial Calendar 2017/2018	
October 2017	Q3 Net Asset Value announcement
January 2018	Q4 Net Asset Value announcement
April 2018	Announcement of annual results
	Posting of Annual Report
June 2018	Annual General Meeting

Warning to Shareholders – Beware of Share Fraud

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

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

How to Invest

One of the most convenient ways to invest in F&C Commercial Property Trust Limited is through one of the savings plans run by F&C Management Limited ('F&C').

F&C Investment Trust ISA

You can use your ISA allowance to make an annual tax-efficient investment of up to £20,000 for the 2017/18 tax year with a lump sum from £500 or regular savings from £50 a month per Trust. You can also transfer any existing ISAs to us whilst maintaining the tax benefits

F&C Junior ISA (JISA)*

You can invest up to £4,128 for the tax year 2017/18 from £500 lump sum or £30 a month per Trust, or a combination of both. Please note, if your child already has a Child Trust Fund (CTF), then you cannot open a separate JISA, however you can transfer the existing CTF (held either with F&C or another provider) to an F&C JISA

F&C Child Trust Fund (CTF)*

If your child has a CTF you can invest up to £4,128 for the 2017/18 tax year, from £100 lump sum or £25 a month per Trust, or a combination of both. You can also transfer a CTF from another provider to an F&C CTF. Please note, the CTF has been replaced by the JISA and is only available to investors who already hold a CTF.

F&C Private Investor Plan (PIP)

This is a flexible way to invest in our range of Investment Trusts. There are no maximum contributions, and investments can be made from £500 lump sum or £50 a month per Trust. You can also make additional lump sum top-ups at any time from £250 per Trust.

F&C Children's Investment Plan (CIP)

This is a flexible way to save for a child in our range of Investment Trusts. There are no maximum contributions, and the plan can easily be set up under bare trust (where the child is noted as the beneficial owner) or kept in your name if you wish to retain control over the investment. Investments can be made from a £250 lump sum or £25 a month per Trust. You can also make additional lump sum top-ups at any time from £100 per Trust.

*The CTF and JISA accounts are opened in the child's name and they can have access to the account at age 18.

**Calls may be recorded or monitored for training and quality purposes.

BMO | A part of BMO Financial Group

Charges

Annual management charges and other charges apply according to the type of plan.

Annual account charge

ISA: £60+VAT
PIP: £40+VAT
JISA/CIP/CTF: £25+VAT
You can pay the annual charge from your account, or by direct debit (in addition to any annual subscription limits)

Dealing charges

ISA: 0.2%
JISA/CIP/PIP: postal instructions £12, online instructions £8 per Trust
Dealing charges apply when shares are bought or sold but not on the reinvestment of dividends or the investment of monthly direct debits for the PIP, CIP and JISA.

There are no dealing charges on a CTF but a switching charge of £25 applies if more than two switches are carried out in one year.

Government stamp duty of 0.5% also applies on the purchase of shares (where applicable).

There may be additional charges made if you transfer a plan to another provider or transfer the shares from your plan.

For full details of our savings plans and charges, please read the Key Features and Terms and Conditions of the plan – available on our website fandc.co.uk.

HOW TO INVEST

To open a new F&C savings plan, apply online at fandc.com/apply

Note, this is not available if you are transferring an existing plan with another provider to F&C, or if you are applying for a new plan in more than one name.

New Customers:
Call: **0800 136 420***
(8:30am – 5:30pm, weekdays.)
Email: **info@fandc.com**

Existing Plan Holders:
Call: **0345 600 3030***
(9:00am – 5:00pm, weekdays)
Email: **investor.enquiries@fandc.com**
By post: F&C Plan Administration Centre
PO Box 11114
Chelmsford CM99 2DG

You can also invest in the trust through online dealing platforms for private investors that offer share dealing and ISAs. Companies include: Alliance Trust Savings, Barclays Stockbrokers, Halifax, Hargreaves Lansdown, HSBC, Interactive Investor, LLoyds Bank, Selftrade, TD Direct Investing, The Share Centre.

The value of investments can go down as well as up and you may not get back your original investment. Tax benefits depend on your individual circumstances and tax allowances and rules may change. Please read our Key Features Document before you invest and this can be found on our website fandc.co.uk. F&C cannot give advice on the suitability of investing in our investment trust or savings plans. If you have any doubt as to the suitability of an investment, please contact a professional financial adviser.

Alternative Performance Measures

The Company uses the following Alternative Performance Measures ('APMs'). APMs do not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities.

Discount or Premium – the share price of an Investment Company is derived from buyers and sellers trading their shares on the stock market. If the share price is lower than the NAV per share, the shares are trading at a discount. This usually indicates that there are more sellers than buyers. Shares trading at a price above the NAV per share, are said to be at a premium.

Dividend Cover – The percentage by which Profits for the period (less Gains/losses on investment properties and loss on redemption on interest rate swaps) cover the dividend paid.

A reconciliation of dividend cover is shown below:

		30 June 2017 £'000	30 June 2016 £'000
Profit for the period		**54,835**	15,675
Add back:	Unrealised (gains)/losses	**(35,502)**	4,324
	Realised losses	**5**	–
	Loss on redemption of swap	**–**	1,283
Profit before investment gains and losses		**19,338**	21,282
Dividends		**23,981**	23,981
Dividend Cover percentage		**80.6**	88.7

Dividend Yield – The annualised dividend divided by the share price at the year end. An analysis of dividends is contained in note 2 to the accounts.

Net Gearing – Borrowings less cash divided by total assets (less current liabilities and cash)

Portfolio (Property) Capital Return – The change in property value during the period after taking account of property purchases and sales and capital expenditure, calculated on a quarterly time-weighted basis.

Portfolio (Property) Income Return – The income derived from a property during the period as a percentage of the property value, taking account of direct property expenditure, calculated on a quarterly time-weighted basis.

Portfolio (Property) Total Return – Combining the Portfolio Capital Return and Portfolio Income Return over the period, calculated on a quarterly time-weighted basis.

Total Return – The return to shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the Share Price or NAV. The dividends are assumed to have been reinvested in the form of Ordinary Shares or Net Assets, respectively, on the date on which they were quoted ex-dividend.

Corporate Information

Directors (all non-executive)
Chris Russell (Chairman) *
Trudi Clark #
Martin Moore ‡
Peter Niven (retired 31 May 2017)
Peter Cornell
David Preston †
Paul Marcuse (appointed 12 January 2017)

Secretary
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Property Valuers
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Depositary
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* Chairman of the Nomination Committee
† Chairman of the Management Engagement Committee
\# Chairman of the Audit Committee
‡ Senior Independent Director

Website
fccpt.co.uk

F&C Commercial Property Trust Limited

INTERIM REPORT 2017

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F&C Investments