TARGET HEALTHCARE REIT LIMITED

INTERIM REPORT AND FINANCIAL STATEMENTS

For the six months ended 31 December 2017

About Us

Target Healthcare REIT Limited and its subsidiaries ('the Group') is a leading UK care home Real Estate Investment Trust. The Group aims to provide investors with attractive quarterly dividend income from specialist investment in modern, purpose-built care homes which are best-in-class properties in their local market.

The Group's portfolio is designed to deliver predictable and stable returns, with potential for income and capital growth. Assets are let to a diversified group of tenants on long-duration, inflation-linked leases with rents set at sustainable rental levels.

The investment manager's rigorous investment appraisal process seeks to create strong asset/tenant combinations to provide the targeted portfolio returns. Well-designed homes in locations with favourable supply/demand characteristics and population demographics are matched with tenants who offer high quality care to residents supported by strong operational capabilities.

Corporate Summary

Target Healthcare REIT Limited ('the Company' or 'Target Healthcare') is a Jersey-registered closed-ended property investment company which was launched in March 2013. The Company has a single class of ordinary shares in issue, which have a premium listing on the Official List of the UK Listing Authority and which are traded on the main market of the London Stock Exchange. The Company has entered the REIT regime for the purposes of UK taxation.

Investment Objective

The Group's investment objective is to provide shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified portfolio of freehold and long leasehold care homes that are let to care home operators; and other healthcare assets in the UK.

Contents **Page no.**

Key Performance Indicators
For the six months ended 31 December 2017

Highlights

The Group has added further quality assets to its portfolio of care homes, which has continued to generate long-term, secure rental income allowing for the payment of a progressive dividend

Strategic objective	Key Performance Indicators (KPIs) for the period
1. Dividend – To pay a progressive dividend fully covered when the Group is fully invested	• Dividends declared increased by 2.7% to 3.225 pence in respect of the period (2016: 3.14 pence) • EPRA Earnings, a measure of underlying/operational profit, of £7.4 million being EPRA EPS of 2.92 pence (2016: £5.8 million and 2.30 pence) • Dividends in respect of the period 91% covered by underlying earnings (2016: 74%), 95% excluding the effect of performance fee (2016: 78%). • Historically, at times when the Group has been operating in a fully invested position, dividends have been fully covered by EPRA earnings.
2. Total returns – To maximise total returns to shareholders by complementing dividends with capital appreciation	• 2.5% increase in EPRA NAV per share to 104.4 pence (2017: 101.9 pence) • EPRA NAV total return of 5.7% (2016: 4.5%) • Share price total return of (1.8%) (2016: +6.1%) • Portfolio like-for-like valuation gain in period of 3.3% (2016: 2.7%)
3. Funding – To fund the business through shareholder equity enhanced by modest leverage within predetermined risk thresholds	• Group loan-to-value (LTV) of 24.2% (excluding effect of cash held) (2017: 14.2%) • Cash and cash equivalents held at the period end of £14.8 million (2017: £10.4 million) • New debt facilities, with a £40 million five-year facility entered into during the period and a further £40 million three-year revolving credit facility secured post period end.
4. Long-term secure rental income – To have high quality care providers with secure, sustainable rental income giving long-term growth	• Passing rent increase of 15.0% to £23.4 million (2017: £20.3 million) • Like-for-like increase in portfolio passing rent of 1.3% (2016: 0.4%). The assets which were subject to rent review in the period provided an average increase of 3.5% (2016: 2.2%) • Addition of 3 new tenants in the period, increasing the diversity of portfolio income to 19 tenants • Weighted Average Unexpired Lease Term ('WAULT') of 28.9 years (2017: 29.5 years)
5. Grow portfolio – To acquire a diversified portfolio of high quality modern care homes providing excellent accommodation standards for residents	• 50 properties with total value of £335 million (2017: 45 properties, £282 million) • 4 acquisitions plus 1 development asset completed during the period for total commitment of £47.6 million (including costs)

Unless otherwise stated in the above table, references to 2016 mean the comparative six month period to 31 December 2016 and references to 2017 mean 30 June 2017, being the start of the period under review.

The Group uses Alternative Performance Measure ('APMs'). These are defined on page 21.

Chairman's Statement

In the first half of the year we have continued to manage our care home assets and have completed further investment of shareholders' funds. Each of these activities contributes to our objective to construct a diversified portfolio of scale, consisting wholly of modern, purpose-built assets, let to skilled operators. We believe the portfolio is well placed to deliver the benefits from diversity of both asset and tenant, providing the stable long-term returns of our investment objective.

Group performance

Underlying profits, measured by EPRA earnings, have increased by 28% to £7.4 million (2016: £5.8 million), being 2.92 pence (2016: 2.30 pence) on an Earnings per Share basis. EPRA NAV per share has increased by 2.5% to 104.4 pence (2017: 101.9 pence per share), contributing to a total accounting return of 5.7% (2016: 4.5%) over the six month period.

Capital

Share price total return for the period has been (1.8)% with a current dividend yield of 6.4% based on the 22 March 2018 price. Whilst the Company, along with many property companies targeting longer-term income, exhibited share price weakness late in 2017, the Board was pleased and encouraged by the support from both existing shareholders and new investors to the equity issuance we announced and completed early in 2018. The £94 million of gross proceeds provides capital to take advantage of the variety of investment opportunities currently being assessed.

A new £40 million fixed-term debt facility was arranged to fund acquisitions in the period, with a further £40 million revolving credit facility arranged subsequent to the period end. £60 million of the Group's total available debt facilities of £130 million are revolving credit facilities, providing flexible capital to allocate to investment requirements and allowing management of the Group's gearing levels.

Group gross LTV[1] at the period end had increased to 24.2% (2017: 14.2%) as debt was drawn in advance of equity being available to fund acquisitions. As of the date of this report, this stands at 19.5% following repayment of revolving facilities from equity proceeds.

Dividend

We have increased quarterly dividends by 2.7% to a quarterly 1.6125 pence per share, with the first interim dividend for the year having been paid in November 2017, in respect of the quarter to 30 September 2017. Dividend cover for the six months was 91% (95% if the effect of performance fee accruals is excluded from earnings), an improvement on 2016's 74% as cash drag from capital awaiting investment reduced.

Portfolio

We have added four new properties and one pre-let development asset during the period for a commitment of £47.6 million (inclusive of costs). These deals, sourced in the market by our specialist fund manager, have added three new tenants to the Group, bringing total tenant numbers to nineteen, supporting our objective for long-term, secure rental income from diverse sources.

The existing portfolio has returned a like-for-like (excluding the effects of acquisitions) valuation uplift of 3.3% (2016: 2.7%). Passing rent has increased by 15.0% to £23.4 million (2017: £20.3 million) with a like-for-like portfolio increase from our upwards-only rent reviews of 1.3% and the balance from acquisitions and asset management activities.

[1] Gross debt drawn over gross portfolio value, excluding effects of capital cash held.

Chairman’s Statement (continued)

Outlook

The capital currently available provides a sound and flexible financial basis for growing the portfolio through completion of the potential asset acquisitions we have recently outlined to shareholders. Through our specialist fund manager, we continue to assess these and other opportunities.

We remain cognisant that we are providing capital investment to a sector in critical need of a modern estate to facilitate quality care provision to its residents, as well as our focus on providing shareholders with secure and stable returns.

Malcolm Naish
Chairman
23 March 2018

Investment Manager's Report

Portfolio

As at 31 December 2017, the Group's portfolio comprised 49 modern, purpose-built care homes, and a further home under development, with a total market value of £334.9 million (June 2017: £282.0 million). This follows five acquisitions in the prior six months. The majority of the trading homes were constructed since 2010 and each home meets our high specification criteria with generously proportioned bedrooms and large areas of communal space. All 3,415 bedrooms within the portfolio have en-suite facilities, the vast majority with wet rooms, and many of the homes also include additional on-site facilities such as hairdressing salons, libraries, cinemas and spa facilities.

The portfolio is fully let to 19 separate tenant groups with three new tenants added in the period, further enhancing the diversification of the Group's income source. Additionally, since 31 December 2017 the Group has successfully completed the transfer of an existing home's tenancy to a new operator, increasing the tenant spread to 20.

All leases are long-term Full Repairing and Insuring leases and include upwards-only annual rental reviews, either linked to RPI or through fixed-rate uplifts. The portfolio includes two assets which are let on variable rental agreements wherein the Group receives a fixed base rent plus a variable figure dependant on home performance.

The 31 December 2017 annual rent roll was £23.4m (June 2017: £20.3m) which represents an increase of 15.0% during the period: acquisitions have added 12.4%, like-for-like rent review increases 1.3% and increases from further contributions to standing assets added 1.3% (deferred consideration, rentalised capital expenditure and a lease re-gear). The weighted average unexpired lease term across the portfolio remains the longest amongst listed care home funds in the sector at 28.9 years (June 2017: 29.5 years).

Additions

In the six months to 31 December 2017, five new assets were acquired; one development asset and four operating care homes for a total commitment of £47.6m (including costs). These assets are located in Leicestershire, Hertfordshire, Yorkshire and two in Merseyside. Since 31 December 2017, the Company has acquired three further development assets in Leicestershire, Lancashire and Shropshire for a total commitment of £21.9 million, including costs.

In addition to suitable standing assets, we continue to work with our tenants and other market participants to acquire assets through forward commitments, forward funding agreements, or refurbishment programmes for secondary stock to enhance such assets to the Group's high specification standards in line with the Group's investment policy. Strong relationships held with our tenants and others are key in identifying and successfully delivering these types of transactions.

Continuing the Group's investment ethos of being an actively engaged landlord, we undertake, at minimum, bi-annual inspections of each of the care homes on behalf of the Group. The experience of the investment management team in the elderly care sector, in relation to funding and in the direct provision of care services, is invaluable during this process.

Valuation

The property portfolio was externally valued as at 31 December 2017 at £334.9m. This valuation represents a total increase of 18.8% during the reporting period. The like-for-like increase was 3.3%, with additions, across both new asset acquisitions and further capital contributions to existing assets, accounting for 15.5%. The like-for-like valuation uplift is largely due to three factors: contracted annual rental uplifts, general market yield shift and yield movements at individual assets for specific factors. The external valuation was performed by Colliers International Healthcare Property Consultants Limited.

Investment Manager’s Report (continued)

Geographic Split by Property Valuation

The Group continues to diversify the portfolio in terms of geographic spread, with the East Midlands region now representing the largest share of the portfolio by capital value.

IPD region	% of portfolio as at 31 December 2017
East Midlands	15.6%
North West	15.0%
South East	14.5%
Yorkshire & The Humber	13.8%
Eastern	12.0%
Scotland	8.8%
Northern Ireland	6.9%
West Midlands	5.1%
South West	4.4%
North East	3.9%

UK Healthcare Investment Market

As the UK population ages, increasing numbers of people can expect to need care and support on a more regular basis than has been the case historically. Residential care homes average occupancy rates are at a 10 year high of 91 per cent, whilst 79 per cent of all existing care homes in the UK were built prior to January 2000. As a result, much of the existing UK stock is comprised of older purpose built and converted properties that are increasingly viewed as unfit for purpose or financially unviable. Subsequent to the 2017 general election where social care was a major point of contention, the Government announced that the Green Paper on social care is to be published in summer 2018. The sector awaits the publication with anticipation, however, given the underlying demographics, it is clear that there will be increasing demand for care, particularly needs based end of life and special care such as dementia. The choice of care homes for such families will be driven by quality as well as financial considerations and therefore higher quality homes offering suitable accommodation for the needs of its residents will attract those willing to pay correspondingly higher fees.

The Investment Manager believes that the Company’s strategy of owning high quality, modern, purpose built care homes that provide excellent standards of care and accommodation, in suitable areas with growing demand, should ensure the best prospects of achieving a sustainable income return and capital growth.

Pipeline

We continue to draw on our well-established relationships with regional and national operators and agents alike to source a variety of care home investment opportunities for the Group. As disclosed in the recent Prospectus, these have contributed to a good pipeline of additional investment opportunities consisting of single and multi-asset acquisitions located across the UK.

Target Fund Managers Limited
Investment Manager

23 March 2018

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2017

		Six months ended 31 December 2017 (unaudited)			Six months ended 31 December 2016 (unaudited)		
	Notes	**Revenue £'000**	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Revenue							
Rental income		**10,682**	**3,200**	**13,882**	8,231	2,420	10,651
Other income		**-**	**-**	**-**	195	-	195
Total revenue		**10,682**	**3,200**	**13,882**	8,426	2,420	10,846
Gains on revaluation of investment properties	6	-	**4,261**	**4,261**	-	3,985	3,985
Cost of corporate acquisitions	7	-	**(432)**	**(432)**	-	(582)	(582)
Total income		**10,682**	**7,029**	**17,711**	8,426	5,823	14,249
Expenditure							
Investment management fee	2	**(1,427)**	**-**	**(1,427)**	(1,351)	-	(1,351)
Performance fee	2	**(396)**	**-**	**(396)**	(345)	-	(345)
Other expenses		**(749)**	**-**	**(749)**	(568)	-	(568)
Total expenditure		**(2,572)**	**-**	**(2,572)**	(2,264)	-	(2,264)
Profit before finance costs and taxation		**8,110**	**7,029**	**15,139**	6,162	5,823	11,985
Net finance costs							
Interest receivable		**34**	**-**	**34**	98	-	98
Interest payable and similar charges		**(781)**	**-**	**(781)**	(447)	-	(447)
Profit before taxation		**7,363**	**7,029**	**14,392**	5,813	5,823	11,636
Taxation	3	**(1)**	**(1)**	**(2)**	(1)	(532)	(533)
Profit for the period		**7,362**	**7,028**	**14,390**	5,812	5,291	11,103
Other comprehensive income:							
Items that are or may be reclassified subsequently to profit or loss							
Movement in valuation of interest rate swaps		-	**75**	**75**	-	223	223
Total comprehensive income for the period		**7,362**	**7,103**	**14,465**	5,812	5,514	11,326
Earnings per share (pence)	4	**2.92**	**2.79**	**5.71**	2.30	2.10	4.40

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

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

No operations were discontinued in the period.

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

Condensed Consolidated Statement of Financial Position
As at 31 December 2017

	Notes	**As at 31 December 2017 (unaudited) £'000**	As at 30 June 2017 (audited) £'000
Non-current assets			
Investment properties	6	**315,439**	266,219
Interest rate swaps	8	**66**	-
Trade and other receivables		**4,010**	3,988
		319,515	270,207
Current assets			
Trade and other receivables		**19,707**	25,629
Cash and cash equivalents		**14,848**	10,410
		34,555	36,039
Total assets		**354,070**	306,246
Non-current liabilities			
Bank loans	8	**(79,658)**	(39,331)
Interest rate swaps	8	**-**	(9)
Trade and other payables		**(4,010)**	(3,988)
		(83,668)	(43,328)
Current liabilities			
Trade and other payables		**(7,026)**	(5,981)
Total liabilities		**(90,694)**	(49,309)
Net assets		**263,376**	256,937
Stated capital and reserves			
Stated capital account	9	**240,895**	241,664
Hedging reserve		**66**	(9)
Capital reserve		**18,644**	11,616
Revenue reserve		**3,771**	3,666
Equity shareholders' funds		**263,376**	256,937
Net asset value per ordinary share (pence)	4	**104.4**	101.9

The condensed consolidated financial statements on pages 6 to 18 were approved by the Board of Directors on 23 March 2018 and were signed on its behalf by:

M Naish, Chairman

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

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2017 (unaudited)

	Note	Stated capital account £'000	Hedging Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
As at 30 June 2017		**241,664**	**(9)**	**11,616**	**3,666**	**256,937**
Total comprehensive income for the period:		**-**	**75**	**7,028**	**7,362**	**14,465**
Transactions with owners recognised in equity:						
Dividends paid	5	**(769)**	**-**	**-**	**(7,257)**	**(8,026)**
As at 31 December 2017		**240,895**	**66**	**18,644**	**3,771**	**263,376**

For the six months ended 31 December 2016 (unaudited)

	Note	Stated capital account £'000	Hedging Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
As at 30 June 2016		246,533	(316)	4,698	2,367	253,282
Total comprehensive income for the period:		-	223	5,291	5,812	11,326
Transactions with owners recognised in equity:						
Dividends paid	5	(2,916)	-	-	(4,939)	(7,855)
As at 31 December 2016		243,617	(93)	9,989	3,240	256,753

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

Condensed Consolidated Cash Flow Statement
For the six months ended 31 December 2017

	Notes	**Six months ended 31 December 2017 (unaudited) £'000**	Six months ended 31 December 2016 (unaudited) £'000
Cash flows from operating activities			
Profit before tax		**14,392**	11,636
Adjustments for:			
Interest receivable		**(34)**	(98)
Interest payable		**781**	447
Revaluation gains on property portfolio and movements in lease incentives, net of acquisition costs written off	6	**(7,461)**	(6,405)
Cost of corporate acquisitions		**432**	582
Decrease/(increase) in trade and other receivables		**8,809**	(931)
Increase in trade and other payables		**1,252**	19
		18,171	5,250
Interest paid		**(463)**	(236)
Interest received		**34**	98
Tax paid		**(201)**	(25)
		(630)	(163)
Net cash inflow from operating activities		**17,541**	5,087
Cash flows from investing activities			
Purchase of investment properties, including acquisition costs	6	**(24,959)**	(10,149)
Acquisition of subsidiaries including acquisition costs, net of cash acquired		**(20,432)**	(25,508)
Net cash outflow from investing activities		**(45,391)**	(35,657)
Cash flows from financing activities			
Bank loans drawn down	8	**41,000**	-
Costs of arranging bank loan facility	8	**(810)**	(260)
Dividends paid		**(7,902)**	(7,596)
Net cash inflow/(outflow) from financing activities		**32,288**	(7,856)
Net increase/(decrease) in cash and cash equivalents		**4,438**	(38,426)
Opening cash and cash equivalents		**10,410**	65,107
Closing cash and cash equivalents		**14,848**	26,681

Transactions which do not require the use of cash		
Movement in fixed or guaranteed rent reviews and lease incentives	**3,769**	2,723

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

Notes to the Condensed Consolidated Financial Statements

1. **Basis of Preparation**

The condensed consolidated financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and the accounting policies set out in the statutory financial statements of the Group for the year ended 30 June 2017. 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 30 June 2017, which were prepared under full IFRS requirements.

Going concern

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

2. **Investment Management Fee**

	For the six month period ended 31 December 2017 £’000	For the six month period ended 31 December 2016 £’000
Base management fee	**1,427**	1,351
Performance fee	**396**	345
Total	**1,823**	1,696

All amounts are inclusive of irrecoverable VAT.

The Group’s Investment Manager and Alternative Investment Fund Manager (‘AIFM’) was Target Advisers LLP. With effect from 2 November 2017, the Investment Management Agreement was novated to Target Fund Managers Limited (the ‘Investment Manager’ or ‘Target’) reflecting a transfer in the Investment Manager’s fund management business from a limited liability partnership to a newly-incorporated limited company. The key contractual arrangements set out below remain unchanged.

Target is entitled to an annual base management fee of 0.90 per cent. of the net assets of the Group and an annual performance fee calculated by reference to 10 per cent. of the outperformance of the Group’s portfolio total return relative to the IPD UK Annual Healthcare Index (‘the Index’). The maximum amount of total fees payable by the Group to the Investment Manager is limited to 1.25 per cent. of the average net assets of the Group over a financial year.

Performance fee periods are annually to 31 December, in line with the Index. Portfolio performance is measured over three cumulative rolling performance periods, whereby any performance fees paid to the Investment Manager are subject to clawback if cumulative performance underperforms the index.

At 30 June 2017 a performance fee of £396,000 (inclusive of estimated irrecoverable VAT) had been accrued based on the Group’s portfolio performance and available Index data. An additional £396,000 was accrued for the six month period ended 31 December 2017 (2016: £345,000) resulting in a total accrual for the performance period for the year ended 31 December 2017 of £792,000 (2016: accrual of £690,000). The final performance fee payable for the year ended 31 December 2016 was £946,000. The final performance fee for the year ended 31 December 2017 will be calculated and subject to review and approval once the Index figures for the year ended 31 December 2017 are available.

2. Investment Management Fee (continued)

The Investment Management Agreement can be terminated by either party on twelve months' written notice provided that such notice shall not expire earlier than 30 September 2019. Should the Company terminate the Investment Management Agreement earlier than 30 September 2019 then compensation in lieu of notice will be payable to the Investment Manager. The Investment Management Agreement may be terminated immediately without compensation if: the Investment Manager is in material breach of the agreement; guilty of negligence, wilful default or fraud; is the subject of insolvency proceedings; or there occurs a change of Key Managers to which the Board has not given its prior consent.

Both the base management fee and the performance fee are charged to revenue.

3. Taxation

The Directors intend to conduct the Company's affairs such that management and control is exercised in the United Kingdom and so that the Company carries on any trade in the United Kingdom.

The Company has entered the REIT regime for the purposes of UK taxation. Subject to continuing relevant UK-REIT criteria being met, the profits from the Group's property rental business, arising from both income and capital gains, are exempt from corporation tax.

4. Earnings per share and Net Asset Value per share

The European Public Real Estate Association ('EPRA') is an industry body which issues best practice reporting guidelines and the Group reports an EPRA NAV quarterly. EPRA has issued best practice recommendations for the calculation of certain figures which are included on the following page.

Earnings per share

		For the six month period ended 31 December 2017		For the six month period ended 31 December 2016
	£'000	**Pence per share**	£'000	Pence per share
Revenue earnings	**7,362**	**2.92**	5,812	2.30
Capital earnings	**7,028**	**2.79**	5,291	2.10
Total earnings	**14,390**	**5.71**	11,103	4.40
Average number of shares in issue		**252,180,851**		252,180,851

4. **Earnings per share and Net Asset Value per share (continued)**

The EPRA earnings are arrived at by adjusting the revaluation movements on investment properties and other items of a capital nature and represents the revenue earned by the Group. The Group's specific adjusted EPRA earnings adjusts the EPRA earnings for the performance fee.

The reconciliations are provided in the table below:

	For the six month period ended 31 December 2017 £'000	For the six month period ended 31 December 2016 £'000
Earnings per IFRS Consolidated Statement of Comprehensive Income	**14,390**	11,103
Adjusted for rental income arising from recognising guaranteed rent review uplifts and lease incentives	**(3,200)**	(2,420)
Adjusted for revaluations of investment properties	**(4,261)**	(3,985)
Adjusted for cost of corporate acquisitions	**432**	582
Taxation of a capital nature	**1**	532
EPRA earnings	**7,362**	5,812
Adjusted for performance fee	**396**	345
Group specific adjusted EPRA earnings	**7,758**	6,157
Earnings per share ('EPS') pence per share		
EPS per IFRS Consolidated Statement of Comprehensive Income	**5.71**	4.40
EPRA EPS	**2.92**	2.30
Group specific adjusted EPRA EPS	**3.08**	2.44

Earnings for the period ended 31 December 2017 should not be taken as a guide to the results for the year to 30 June 2018.

Net Asset Value per share

The Group's net asset value per ordinary share of 104.4 pence (30 June 2017: 101.9 pence) is based on equity shareholders' funds of £263,376,000 (30 June 2017: £256,937,000) and on 252,180,851 (30 June 2017: 252,180,851) ordinary shares, being the number of shares in issue at the period end.

The EPRA Net Asset Value ('EPRA NAV') per share is arrived at by adjusting the net asset value ('NAV') calculated under International Financial Reporting Standards ('IFRS'). The EPRA NAV provides a measure of the fair value of a company on a long-term basis. The only adjustments required to the NAV is that the EPRA NAV excludes the fair value of the Group's interest rate swaps which are, in aggregate, recognised as an asset of £66,000 under IFRS as at 31 December 2017 (30 June 2017: liability of £9,000).

	As at 31 December 2017 Pence per share	As at 30 June 2017 Pence per share
NAV per financial statements (pence per share)	**104.4**	101.9
Valuation of interest rate swaps	**-**	-
EPRA NAV (pence per share)	**104.4**	101.9

5. Dividends

Dividends paid as distributions to equity shareholders during the period.

	For the six month period ended 31 December 2017		For the six month period ended 31 December 2016	
	Pence	**£'000**	Pence	£'000
Fourth interim dividend for prior year	**1.5700**	**3,959**	1.545	3,896
First interim dividend	**1.6125**	**4,067**	1.570	3,959
Total	**3.1825**	**8,026**	3.115	7,855

A second interim dividend for the year to 30 June 2018, of 1.6125 pence per share, was paid on 23 February 2018 to shareholders on the register on 2 February 2018.

The Company is able to pay a dividend out of the Stated Capital Account in accordance with the requirements of the Companies (Jersey) Law 1991.

6. Investments

Freehold and Leasehold Properties	**As at 31 December 2017 £'000**	As at 30 June 2017 £'000
Opening market value	**281,951**	210,666
Opening fixed or guaranteed rent reviews and lease incentives	**(15,732)**	(9,946)
Opening carrying value	**266,219**	200,720
Purchases	**23,507**	35,622
Purchase of property through a business combination	**20,000**	25,590
Acquisition costs capitalised	**1,452**	2,076
Acquisition costs written off	**(1,452)**	(2,076)
Revaluation movement - gains	**12,647**	11,660
Revaluation movement - losses	**(3,165)**	(1,587)
Movement in market value	**52,989**	71,285
Movement in fixed or guaranteed rent reviews and lease incentives	**(3,769)**	(5,786)
Movement in carrying value	**49,220**	65,499
Closing market value	**334,940**	281,951
Closing fixed or guaranteed rent reviews and lease incentives	**(19,501)**	(15,732)
Closing carrying value	**315,439**	266,219

Changes in the carrying value of investment properties

	For the six month period ended 31 December 2017 £'000	For the six month period ended 31 December 2016 £'000
Revaluation movement	**9,482**	7,253
Acquisition costs written off	**(1,452)**	(545)
Movement in lease incentives	**(569)**	(303)
	7,461	6,405
Movement in fixed or guaranteed rent reviews	**(3,200)**	(2,420)
Gains on revaluation of investment properties	**4,261**	3,985

6. Investments (continued)

The properties were valued at £334,940,000 (30 June 2017: £281,951,000) by Colliers International Healthcare Property Consultants Limited ('Colliers'), in their capacity as external valuers. The valuation was undertaken in accordance with the RICS Valuation - Professional Standards, incorporating the International Valuation Standards, June 2017 ('the Red Book') issued by the Royal Institution of Chartered Surveyors ('RICS') on the basis of Market Value, supported by reference to market evidence of transaction prices for similar properties. Market Value represents the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of the properties after adjusting for the movement in the fixed or guaranteed rent reviews and lease incentives was £315,439,000 (30 June 2017: £266,219,000). The adjustment consisted of £18,047,000 (30 June 2017: £14,847,000) relating to fixed or guaranteed rent reviews and £1,454,000 (30 June 2017: £885,000) of accrued income relating to the recognition of rental income over rent free periods subsequently amortised over the life of the lease, which are both separately recorded in the financial statements as current assets within 'trade and other receivables'.

The Group is required to classify fair value measurements of its investment properties using a fair value hierarchy, in accordance with IFRS 13 'Fair Value Measurement'. This hierarchy reflects the subjectivity of the inputs used, and has the following levels:

— Level 1: unadjusted quoted prices in active markets;
— Level 2: observable inputs other than quoted prices included within level 1;
— Level 3: unobservable inputs.

The Group's investment properties are valued by Colliers on a quarterly basis. The valuation methodology used is the yield model, which is a consistent basis for the valuation of investment properties within the healthcare industry. This model has regard to the current investment market and evidence of investor interest in properties with income streams secured on healthcare businesses. On an asset-specific basis, the valuer makes an assessment of: the quality of the asset; recent and current performance of the asset; and the financial position and performance of the tenant operator. This asset specific information is used alongside a review of comparable transactions in the market and an investment yield is applied to the asset which, along with the contracted rental level, is used to derive a market value.

In determining what level of the fair value hierarchy to classify the Group's investments within, the Directors have considered the content and conclusion of the position paper on IFRS 13 prepared by the European Public Real Estate Association ('EPRA'), the representative body of the publicly listed real estate industry in Europe. This paper concludes that, even in the most transparent and liquid markets, it is likely that valuers of investment property will use one or more significant unobservable inputs or make at least one significant adjustment to an observable input, resulting in the vast majority of investment properties being classified as level 3.

Observable market data is considered to be that which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. In arriving at the valuation Colliers will have to make adjustments to observable data of similar properties and transactions to determine the fair value of a property and this will involve the use of considerable judgement.

Considering the Group's specific valuation process, industry guidance, and the level of judgement required in the valuation process, the Directors believe it appropriate to classify the Group's assets within level 3 of the fair value hierarchy.

The Group's investment properties, which are all care homes, are considered to be a single class of assets. The weighted average net initial yield ('NIY') on these assets, as measured by the EPRA NIY, is 6.6%. The yield on the majority of the individual assets ranges from 6.0 per cent to 8.0 per cent. There have been no changes to the valuation technique used through the period, nor have there been any transfers between levels.

6. Investments (continued)

The key unobservable inputs made in determining the fair values are:
— Estimated rental value ('ERV'): The rent at which space could be let in the market conditions prevailing at the date of valuation; and
— Yield: The equivalent yield is defined as the internal rate of return of the cash flow from the property, assuming a rise to ERV at the next review, but with no further rental growth.

A decrease in the ERV applied to an asset will decrease the fair value of the asset, and consequently decrease the Group's reported income from unrealised gains on investments. An increase in the ERV will increase the fair value of an asset and increase the Group's income. A decrease in the equivalent yield applied to the portfolio by 0.25 per cent will increase the fair value of the portfolio by £11.5 million (30 June 2017: £10.8 million), and consequently increase the Group's reported income from unrealised gains on investments. An increase in yield by 0.25 per cent will decrease the fair value of the portfolio by £10.6 million (30 June 2017: £10.1 million) and reduce the Group's income.

7. Investment in subsidiary undertakings

Acquisition of THR Number 17 Limited ('THR17') and THR Number 17 (Holdings) Limited ('THR17 Holdings')
On 22 November 2017, the Company acquired 100 per cent of the voting shares of THR17 Holdings which in turn owned 100 per cent of the voting shares of THR17, both being companies registered in England and Wales.

Fair value recognised on acquisition
The fair values of the identifiable assets and liabilities of the THR17 group acquired by the Company during the period ended 31 December 2017 were:

	THR17 Holdings £'000
Investment property	20,000
Cash and cash equivalents	-
Trade and other receivables	-
Total assets	**20,000**
Trade and other payables	-
Total liabilities	**-**
Total identified net assets at fair value	**20,000**
Purchase consideration transferred and net cash flow on acquisition	**20,000**
Cost of corporate acquisitions	**432**

The Company sought independent valuations by Colliers of the investment property held within THR17 at the time of acquisition. From the date of acquisition, the profit and total comprehensive income included within the Consolidated Statement of Comprehensive Income for the six months ended 31 December 2017 was as follows:

	THR17 £'000
Revenue	114
Capital	-
Total	**114**

In addition, the Group acquired two newly established companies during the period ended 31 December 2017: THR Number 16 Limited and THR Number 18 Limited. As they were newly established, there were no identifiable assets or liabilities recognised on the acquisition of these companies, nor was there any comprehensive income from these companies included with the Consolidated Statement of Comprehensive Income for the period ended 31 December 2017. As there is not a formal valuation prepared by Colliers as at 30 June 2017 for the property acquired, it is not practicable to show the results of the Group as though the acquisition of the subsidiaries acquired had occurred at the beginning of the reporting period.

As disclosed in note 14, the Group acquired a further newly established company, THR Number 15 plc, subsequent to the period end.

8. Bank Loans

	As at 31 December 2017 £'000	As at 30 June 2017 £'000
Principal amounts outstanding	**81,000**	40,000
Set-up costs	**(1,910)**	(1,100)
Amortisation of set-up costs	**568**	431
Total	**79,658**	39,331

The Group has a £50.0 million committed term loan and revolving credit facility with the Royal Bank of Scotland plc ('RBS') which is repayable on 1 September 2021, with the option of two further one year extensions thereafter subject to the consent of RBS. Interest accrues on the bank loan at a variable rate, based on 3 month LIBOR plus margin and mandatory lending costs, and is payable quarterly. The margin is 1.5 per cent. per annum for the duration of the loan. A non-utilisation fee of 0.75 per cent per annum is payable on any undrawn element of the facility. As at 31 December 2017, the Group had drawn £50.0 million under this facility (30 June 2017: £40.0 million).

On 30 August 2017, the Group entered into a new five year £40 million committed term loan facility with First Commercial Bank, Limited ('FCB'). Interest accrues on the bank loan at a variable rate, based on 3 month LIBOR plus margin and mandatory lending costs, and is payable quarterly. The margin is 1.75 per cent. per annum for the duration of the loan. The undrawn element of the facility does not incur a non-utilisation fee. As at 31 December 2017, the Group had drawn £31.0 million under this facility.

The Group has entered into the following interest rate swaps:

Notional Value	Starting Date	Ending Date	Interest paid	Interest received
21,000,000	07 July 2016	23 June 2019	0.85%	3-month LIBOR
21,000,000	24 June 2019	1 September 2021	0.70%	3-month LIBOR
9,000,000	7 April 2017	1 September 2021	0.86%	3-month LIBOR

Inclusive of all three interest rate swaps, the interest rate on £30.0 million of the Group's borrowings is fixed at an all-in rate of 2.36 per cent per annum until 23 June 2019 and 2.25 per cent per annum from 24 June 2019 to 1 September 2021. The remaining £51.0m of debt carries interest at a variable rate equal to three month LIBOR plus a weighted average lending margin of 1.65 per cent per annum.

The fair value of the interest rate swaps at 31 December 2017 was an aggregate asset of £66,000 (30 June 2017: liability of £9,000).

The RBS loan is secured by way of a fixed and floating charge over the majority of the assets of the THR Number One plc Group ('THR1 Group') which consists of THR1 and its three subsidiaries: THR Number Two Limited, THR Number 3 Limited and THR Number 9 Limited. The FCB loan is secured by way of a fixed and floating charge over the majority of the assets of the THR Number 12 plc Group ('THR12 Group') which consists of THR12 and its three subsidiaries: THR Number 5 Limited, THR Number 6 Limited and THR Number 7 Limited.

Under the bank covenants related to the loans, the Group is to ensure that:

- the loan to value percentage for THR1 Group does not exceed 50 per cent;
- the loan to value percentage for THR12 Group does not exceed 60 per cent; and
- the interest cover for each of THR 1 Group and THR 12 Group is greater than 300 per cent on any calculation date.

All bank loan covenants have been complied with during the period.

9. Stated Capital Movements

Allotted, called-up and fully paid ordinary shares of no par value	**Number of shares**	**£'000**
Opening balance	**252,180,851**	**241,664**
Dividend allocated to capital		**(769)**
Balance as at 31 December 2017	**252,180,851**	**240,895**

During the period to 31 December 2017, the Company did not issue, buyback or resell any ordinary shares (period to 31 December 2016: nil). Details of shares issued after the period end are disclosed in note 14.

At 31 December 2017, the Company did not hold any shares in treasury (30 June 2017: nil).

10. Commitments

At 31 December 2017, the Group had capital commitments totalling £7.15 million (30 June 2017: £nil). This consisted primarily of the forward funding of a home in Birkdale, Merseyside, with a total development price of around £8.2 million including costs, of which £2.3 million had been paid at 31 December 2017. In addition to this forward funding opportunity, the Group was committed to refurbishment costs and retention payments of £1.25 million in relation to its existing property portfolio.

The Group was also expecting, but was not contractually obliged, to pay further refurbishment costs in relation to the existing property portfolio of £1.0 million.

11. Contingent Assets and Liabilities

Four properties within the portfolio are subject to deferred consideration clauses if certain performance conditions are met. The performance, as reported to the Group by the tenant, requires formal verification prior to any payment being made. The Group will receive an increase in the rental income from the relevant property commencing from the date at which any deferred payment is made. All other things being equal, this would be expected to result in an uplift of the market value of the relevant property approximately equal to the value of the deferred payment made.

The maximum deferred consideration which may be payable in relation to these four properties is, in aggregate, £4.9 million.

12. Related Party Transactions

The Directors are considered to be related parties to the Company. No Director has an interest in any transactions which are, or were, unusual in their nature or significant to the nature of the Company.

Ian Webster, who retired as a Director of the Company with effect from 22 January 2018, was an employee of the Company Secretary, R&H Fund Services (Jersey) Limited. Craig Stewart, who was appointed as a Director of the Company with effect from 22 January 2018, and Hilary Jones are directors of the Company Secretary, R&H Fund Services (Jersey) Limited. Secretarial fees for the period were £3,000 (six months ended 31 December 2016: £3,000).

The Directors of the Company received fees for their services. Total fees for the period were £83,000 (six months ended 31 December 2016: £83,000) of which £18,000 (31 December 2016: £18,000) remained payable at the period end.

The Investment Manager received £1,823,000 (six months ended 31 December 2016: £1,696,000) during the period of which £396,000 related to the performance fee (six months ended 31 December 2016: £345,000). Of these amounts £1,509,000 (inclusive of estimated irrecoverable VAT) remained payable at the period end (31 December 2016: £1,346,000).

13. Operating Segments

The Board has considered the requirements of IFRS 8 ‘Operating Segments’. The Board is of the view that the Group is engaged in a single segment of business, being property investment, and in one geographical area, the United Kingdom, and that therefore the Group has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Group. The key measure of performance used by the Board is the EPRA NAV. The reconciliation between the NAV, as calculated under IFRS, and the EPRA NAV is detailed in note 4.

The view that the Group is engaged in a single segment of business is based on the following considerations:

- One of the key financial indicators received and reviewed by the Board is the total return from the property portfolio taken as a whole;
- There is no active allocation of resources to particular types or groups of properties in order to try to match the asset allocation of the benchmark; and
- The management of the portfolio is ultimately delegated to a single property manager, Target.

14. Post Balance Sheet Events

On 29 January 2018, the Company entered into a contract to acquire and forward fund a new care home in Earl Shilton, Leicestershire, for a total cost of c. £6.3 million. The completed care home will be let to part of the Care Concern Group on a 35-year RPI-linked lease subject to a cap and collar. Consistent with previous forward funding opportunities, the Group will earn interest through the construction phase. The home is expected to open in early 2019.

During March 2018, the Group entered into contracts to acquire and forward fund two new care homes located near Shrewsbury, Shropshire and in Preston, Lancashire, for a cost of approximately £15.6 million. The completed care homes will be let to Rotherwood Healthcare and L&M Healthcare respectively. The developments are to be undertaken on the basis of fixed price contracts with the developers, and the completed homes will be let on long-term (30+ years), RPI-linked leases subject to caps and collars. Consistent with previous forward funding opportunities, the Group will earn interest through the construction phase.

On 29 January 2018, the Company secured a £40 million revolving credit facility (the ‘HSBC facility’) from HSBC Bank plc. The HSBC facility carries a margin of 170 basis points over 3 month LIBOR which, at the time of entering into the facility, was equivalent to a total interest cost of 2.23% per annum and an all-in cost (inclusive of arrangement costs) of 2.81% per annum. The RCF has an initial three year term and also provides an option of two one-year extensions thereafter, subject to the consent of HSBC. The facility agreement contains a typical security package including loan to value and interest cover ratio covenants which are broadly in-line with the Group's existing debt arrangements. The HBSC facility is secured by way of a fixed and floating charge over the majority of the assets of the THR Number 15 plc Group which consists of a newly incorporated subsidiary, THR Number 15 plc, and its four direct/ indirect subsidiaries: THR Number 8 Limited, THR Number 10 Limited, THR Number 17 (Holdings) Limited and THR Number 17 Limited.

Subsequent to 31 December 2017, the Group drew a further £5 million of the FCB facility and, after entering into the HSBC facility detailed above, the Group also drew £5 million of that facility. Following the equity raise detailed below, the Group repaid £20 million of the RBS facility and £5 million of the HSBC facility, leaving the Group with drawn debt of £66 million at 23 March 2018. The amounts repaid are available to be redrawn over the duration of the facilities.

On 27 February 2018, the Company issued a total of 87,037,038 Ordinary Shares under an Offer for Subscription, Open Offer and Initial Placing, as detailed in the Company’s prospectus dated 1 February 2018. The Ordinary Shares were issued at a price of 108.0 pence per share, raising gross proceeds of £94,000,000.

The Company has the authority, until 31 January 2019, to issue up to a further 62,962,962 Ordinary Shares under the Placing Programme, as detailed in the Company’s prospectus dated 1 February 2018. Shares will only be issued under the Placing Programme at a premium to the prevailing NAV per share at the time of issue.

Directors' Statement of Principal Risks and Uncertainties
The risks, and the way in which they are managed, are described in more detail in the Strategic Report within the Annual Report and Financial Statements for the year to 30 June 2017. The Group's principal risks and uncertainties have not changed materially since the date of the report and are not expected to change materially for the remainder of the Group's financial year.

Statement of Directors' Responsibilities in Respect of the Interim Report

We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' and gives a true and fair view of the assets, liabilities, financial position and profit of the Group;

• the Chairman's Statement and Investment Manager's Report (together constituting the Interim Management Report) include a fair review of the information required by the Disclosure Guidance and Transparency Rules ('DTR') 4.2.7R, being an indication of important events that have occurred during the period and their impact on the financial statements;

• the Statement of Principal Risks and Uncertainties referred to above is a fair review of the information required by DTR 4.2.7R; and

• the condensed set of financial statements includes a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the period and that have materially affected the financial position or performance of the Group during the period.

On behalf of the Board

M Naish
Chairman
23 March 2018

Independent Review Report to Target Healthcare REIT Limited

Introduction

We have been engaged by the Target Healthcare REIT Limited ('the Group') to review the condensed consolidated financial statements in the Interim Report and Financial Statements for the six months ended 31 December 2017 which comprises the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Cash Flow Statement and the related explanatory notes to the Condensed Consolidated Financial Statements. We have read the other information contained in the Interim Report and Financial Statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated financial statements.

This report is made solely to the Group in accordance with guidance contained in International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The Interim Report and Financial Statements are the responsibility of, and have been approved by, the Directors. The Directors are responsible for preparing the Interim Report and Financial Statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual consolidated financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed consolidated financial statements included in this Interim Report and Financial Statements 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 Group a conclusion on the condensed set of consolidated financial statements in the Interim Report and Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and 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 set of condensed consolidated financial statements in the Interim Report and Financial Statements for the six months ended 31 December 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Ernst & Young LLP,
Edinburgh
23 March 2018

Alternative Performance Measures

The Company uses 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. The APMs used by the Company are highlighted below.

Discount/ Premium	The amount by which the market price per share of Closed-end Investment Company is lower or higher than the net asset value per share. The discount or premium is expressed as a percentage of the net asset value per share.
Dividend Cover	EPRA Earnings per Share divided by Dividends per share expressed as a ratio.
Dividend Yield	The annual Dividend expressed as a percentage of the share price at the date of calculation.
EPRA Earnings per Share	Recurring earnings from core operational activities. A key measure of a company's underlying operating results from its property rental business and an indication of the extent to which current dividend payments are supported by earnings. A reconciliation of the earnings per IFRS and the EPRA earnings is contained in note 4.
EPRA NAV	Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model. Makes adjustments to the IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy. A reconciliation of the NAV per IFRS and the EPRA NAV is contained in note 4.
Loan-to-Value ('LTV')	A measure of the Group's Gearing level. This is calculated as total gross debt as a proportion of gross property value. As the Group expects to invest the majority of its current cash balance in new care homes, cash is excluded from the calculation.
Passing Rent	The annual rental income currently receivable on a property as at the balance sheet date, excluding rental income where a rent free period is in operation. The gross rent payable by a tenant at a point in time.
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.
WAULT	Weighted average unexpired lease term. The average lease term remaining to expiry across the portfolio weighted by contracted rental income.

Important Information

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

If you have sold or otherwise transferred all of your ordinary shares in Target Healthcare REIT Limited, please forward this document as soon as possible to the purchaser or transferee, or to the stockholder, bank or other agent through whom the sale or transfer was, or is being, effected, for delivery to the purchaser or transferee.

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 event to differ materially from those expressed or implied by those statements. 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.

Corporate Information

Directors	Malcolm Naish (Chairman) June Andrews OBE Gordon C Coull * Thomas J Hutchison III ** Hilary Jones Craig Stewart (appointed 22 January 2018)
Registered office	Ordnance House, 31 Pier Road, St. Helier, Jersey JE4 8PW
Investment Manager	Target Fund Managers Limited Laurel House Laurelhill Business Park Stirling FK7 9JQ
Company Secretary	R&H Fund Services (Jersey) Limited Ordnance House, 31 Pier Road, St. Helier, Jersey JE4 8PW
Administrator	Maitland Administration Services (Scotland) Limited 20 Forth Street Edinburgh EH1 3LH
UK Legal Adviser	Dickson Minto W.S. Broadgate Tower, 20 Primrose Street London EC2A 2EW
Broker	Stifel Nicolaus Europe Limited 150 Cheapside London EC2V 6ET
Jersey Legal Adviser	Ogier 44 Esplanade, St Helier Jersey JE4 9WG
Valuers	Colliers International Healthcare Property Consultants Limited 50 George Street London W1U 7GA
Auditors	Ernst & Young LLP Atria One, 144 Morrison Street Edinburgh, EH3 8EX
Tax Adviser	Deloitte LLP Athene Place, 66 Shoe Lane London EC4A 3BQ
Depositary	Augentius Depositary Limited Two London Bridge London SE1 9RA
Registrars	Computershare Investor Services (Jersey) Limited Queensway House, Hilgrove Street St. Helier, Jersey JE1 1ES
Website	www.targethealthcarereit.co.uk

* Chairman of Audit Committee
** Senior Independent Director