Primary Health Properties

FY15 results update

Operational gearing delivers dividend cover

Real estate

Cost and funding efficiencies combined with continued asset growth have delivered strong earnings growth in 2015 for PHP. By the year end the progressive dividend was again fully covered (107% in H215 and 98% for the year). There is political and financial support for NHS planning that should soon see an acceleration of new development spending, with good prospects for long-term growth. Property yields have contracted but funding conditions remain strong, maintaining a healthy spread and opportunity for ongoing accretive growth. Meanwhile, PHP is making a limited entry into the Irish market where it can acquire at higher debt-adjusted yields.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	Yield (%)	EPRA NAV/ share (p)
12/14	60.0	36.9	4.1	4.9	4.8	79.7
12/15	63.1	56.0	4.9	5.0	4.9	87.7
12/16e	66.2	34.3	5.2	5.1	5.0	90.3
12/17e	71.0	40.9	5.4	5.3	5.2	94.3

Note: *PBT and EPS are on an underlying EPRA basis, excluding valuation movements and other exceptional items. Historical per share items are adjusted to reflect the 4:1 sub-division undertaken in November 2015.

Operational gearing

On the back of a 5% increase in rental income, EPRA earnings per share increased by 19.5%. The operational gearing reflects the renegotiation of the management fee in May 2014, which helped limit the growth in administrative costs to less than 1%, as well as debt cost efficiencies resulting from active liability management. IFRS earnings grew by 52%, additionally benefitting from further significant revaluation gains, which also saw NAV per share grow despite the high payout of underlying earnings. Our 2016 estimates are slightly increased and point to further growth in dividend cover in the current year.

Ireland complements UK growth potential

PHP's core UK market remains attractive with good growth prospects. Tenant quality is excellent, with long leases and upwards-only rent revisions. Revenues are largely government backed. We believe the medium- to long-term growth outlook remains strong, driven by an ageing population with growing healthcare needs, an underinvested primary healthcare estate and a general acceptance of the need for more integrated primary care services in the community. Ireland is a smaller market but with similar economic and demographic drivers. Contractual terms differ from those in the UK but debt-adjusted yields appear attractive. Both the UK and Ireland require modern, purpose-built, flexible premises of the type in which PHP invests.

Valuation: Secure and growing dividends

PHP's progressive dividend is attractive and secure, supported by predictable long-term cash flows from mainly government-backed revenues. Healthcare property values (and PHP NAV) are also benefiting from yield compression, but historical performance has shown much less volatility than the broad commercial sector.

23 February 2016

Price	**102.00p**
Market cap	**£456m**

Net debt (£m) as at 31 December 2015	694.9
Shares in issue	446.6m
Free float	96%
Code	PHP
Primary exchange	LSE
Secondary exchange	N/A

Share price performance

%	1m	3m	12m
Abs	(8.3)	(4.6)	13.9
Rel (local)	(3.8)	(2.4)	20.0
52-week high/low		440.0p	350.0p

Business description

Primary Health Properties is a long-term investor in primary healthcare property in the UK, principally let long term to GPs and NHS organisations backed by the UK government. The tenant profile and long average lease duration provide an exceptionally secure rental outlook.

Next event

Half-year end	30 June 2016

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Full dividend cover achieved in H215

Full-year results were strong and very slightly ahead of our forecasts on an underlying EPRA basis. Statutory IFRS earnings were noticeably ahead of our forecasts due to stronger revaluation gains on the back of a further second-half compression in valuation yields that we had explicitly not assumed. The numbers per share quoted in the results release and below reflect the four-for-one sub-division undertaken in November 2015. One of the key features of the full-year results is the return to full dividend cover in H2. The second-half underlying earnings covered dividends 107% (98% for the year versus 84% for 2014), slightly better than our forecast due to the earnings beat. The other significant development is the news that PHP has made its first steps to invest in the primary care market in Ireland (see page 4). We have made relatively small changes to our numbers (EPRA 2016e EPS 5.2p vs 5.4) with lower rental income than previously, following cautious asset growth, partly offset by lower financial expense.

Highlights of the FY15 results

- The group held a total of 273 property assets as at 31 December 2015; 267 of these were completed and rent producing while six were on site and under construction. The total portfolio, including development properties, was externally valued by Lambert Smith Hampton at £1,122.4m compared with £1,037.5m at 31 December 2014. Excluding £21.8m of contracted cost to complete development commitments, the total completed and committed portfolio in the balance sheet was £1,100.6m (£1,026.3m). Eight new healthcare properties were added during the year (seven in H1 and one in H2), representing a commitment of £44.0m. Two of these are completed and immediately income-producing assets, five are properties whose development is being funded by PHP, and one property that will be acquired by PHP on completion. Revaluation gains were £39.8m (representing underlying like-for-like valuation increase of 3.9%) after allowing for acquisition costs, the costs to complete development properties, and the capital invested in asset management projects.
- The portfolio is 99.7% let, effectively full occupancy being a feature of the business model with no speculative development and long, secure lease commitments. The weighted average unexpired lease term (including commitments) was 14.7 years (15.3 years at 31 December 2014) and the total contracted rent roll, including development properties, increased to £63.7m from £60.9m. 91% of rental income comes directly or indirectly (through GP reimbursement) from the UK government with a further 8% from co-located pharmacies.
- Rental income increased by 5.1% to £62.3m in the year, mainly reflecting portfolio growth as well as continued modest rental growth. Average rental growth of 0.9% was secured on rent reviews that closed during year (2014: 1.8%). The decline largely reflects a reduction in the rate of inflation applied to RPI-linked leases and continuing low levels of open-market rent increases (77% of the portfolio). Open-market rent growth is expected to benefit from the expected uptick in NHS development approvals. These should help to establish a new rental level that reflects the increase that has occurred in building and land costs.
- Administrative costs were unchanged in the year and included a full year benefit from the revised management agreement implemented in May 2014 that reduced fees as a percentage of assets under management, particularly as assets continue to grow. The EPRA basis cost ratio fell from 12.0% in 2014 to 11.5% in 2015 and is the lowest in the sector.
- Statutory IFRS profit before tax increased by 51.9% to £56.0m, and underlying PBT on an EPRA basis (which excludes the property valuation gains amongst other adjustments) by 19.2% to £21.7m. EPRA earnings per share increased by a similar amount to 4.9p (2014 4.1p).
- Basic NAV per share increased by 11.1% to 77.4p at the end of 2015 from 69.5p at the end of 2014 while the underlying EPRA NAV per share increased 10.0% to 87.7p (79.7p). Total NAV

return (the change in NAV per share plus dividends paid) was 16.3% during the year, and shareholder return (the share price movement plus dividends) was 23.5%.

- Dividends paid during the year rose by 2.6%. Reflecting the share sub-division this was 5.0p per share versus 4.875p in 2014. This marks 19 years of uninterrupted dividend growth since PHP's formation. On 4 January 2016 the board declared, for the first time, a quarterly dividend of 1.28125p per share in regard to the 2015 reporting year, payable on 26 February 2016. Returning to full cover has been a priority for the board, while at the same time maintaining a progressive dividend policy; this was achieved in H215.
- 2015 was more a year of refinement to the group debt structure after a period of active refinancing in 2014. In July PHP extended the maturity of its £50m revolving debt facility with HSBC for a new five-year term. All other terms on the loan were unchanged. Shortly after the year end, the £100m loan facility provided by Barclays was increased by £15m with a new five-year term and additional capital provided by AIB. Changes to the swap portfolio, which provides protection against increasing interest rates, took advantage of market conditions to terminate expensive current protection and replace it with cheaper protection starting in 2018 and 2019. The termination costs totalled £3.2m, but the saving in interest costs in H215 was £1.7m with a similar saving expected in the current year. This reduced the average cost of debt to 4.67%. More than 80% of the total debt is protected against interest-rate increases through to 2020. The weighted average maturity is 5.9 years (2014: 6.2 years). Available borrowing headroom of £91.6m (after development commitments) on £802.7m of debt facilities remained at FY15 year end to fund further growth. The group loan-to-value ratio fell to 62.7% in FY15 from 64.1% at the end of 2014.

Portfolio developments: Limited entry into the Irish market

Of the eight new healthcare properties added to the portfolio during the year, representing an aggregate commitment of £44m, seven were in H1 and one in H2. The H2 property added was a forward-funding commitment to a new health centre in Swindon at a cost of £10.4m; it is expected to be completed in February 2017 and will be let to NHS Property Services on a 20-year lease. Full-year commitments were a little behind our full-year estimate of £55m.

Exhibit 1: Portfolio acquisitions

Asset	Acquisition basis	Cost	Target completion/completed date
Colwyn Bay Primary Care Centre, North Wales	Development asset	£4.6m	Jan-16
Dinas Powys, South Wales	Development asset	£3.4m	Jan-16
Two Rivers Medical Centre, Ipswich	Development asset	£6.7m	Dec-15
Kimmerfields, Swindon	Development asset	£10.4m	Feb-17
NHS Trust Building, Macclesfield	Forward commitment	£2.5m	Oct-15
Jubilee Medical Centre, Croxteth	Forward commitment	£1.2m	Dec-15
White Horse Medical Centre, Westbury	Completed assets	£7.7m	Income producing
Thornaby Health Centre, North Yorkshire	Completed assets	£7.5m	Income producing

Source: Company data

Including asset management initiatives and a £39.8m net revaluation gain during the year, the total completed and committed portfolio grew to just over £1.1bn as shown in Exhibit 2

Exhibit 2: Portfolio overview at 31 December 2015

Number of completed investment properties	267
Number of properties in development	6
Total number of properties at completion	273
Carried value of investment properties (£m)	1,091.9
Carried value of development properties (£m)	8.7
Total carried value of properties (£m)	1,100.6
Balance to complete committed investments (£m)	21.8
Total committed portfolio (£m)	1,122.4

Source: Company data

The compression in valuation yields is reflective of the strength of investor demand in the attractive, secure yields provided by primary healthcare property. New supply remains limited although the medium- to longer-term growth outlook remains very strong (see below). In this environment, PHP's management says it has remained highly disciplined and selective in its acquisitions, seeking properties with the potential to meet longer-term healthcare needs and add value, not simply near-term yield. NHS development commissioning is expected to show a pick up over the next 12 to 18 months. Additionally, like certain peers, PHP has decided to make a limited commitment to the Irish market, where healthcare property demand is being driven by similar economic and demographic drivers to the UK market, but where debt adjusted yields are materially (c 150-200bp) higher. In the UK, PHP has a pipeline of £28m of transactions agreed and in solicitors' hands with a further £70m of transactions under offer and progressing. In the Republic of Ireland there are €14m of transactions agreed and in solicitors' hands, with €40m under offer.

Republic of Ireland: Similar drivers but different covenant

Ireland has similar demographic trends to the United Kingdom in several respects: the population is expected to continue to grow while living longer and living with medical conditions requiring treatment for longer. To prepare for the future needs of the population (and as part of a post-financial crisis stimulus package) the Irish government has embarked on a major restructuring of the health system. One of the main objectives has been to establish a single-tier system where primary care will become freely and universally available.

As part of this process, the Department of Health strategy seeks to deliver a number of new primary care centres (PCCs); nine were delivered in 2015 and 28 are planned for 2016 and the first half of 2017. When the targets were published at the end of 2014, there were around 30 centres under construction with a further 50 planned. The planned facilities are relatively large (1,500 to 5,000sqm) and host care and affiliated providers.

Unlike in the UK, Irish GP rents and rates are not reimbursed by the government. This has inhibited private investment in healthcare facilities. The new strategy put the Health Service Executive (HSE, or the Irish equivalent of the NHS) in the position of anchor tenant in the planned new facilities, accounting for 60-75% of the tenanted space on 25-year leases. The HSE will provide a range of services including community and public health nursing teams, home helps, mental health services, social workers, dental care and other services such as speech therapy. It is planned that the remaining space will be tenanted by GPs and pharmacies or other private tenants.

While the tenant covenant will not be as strong as in the UK (91% of rents received from government directly or indirectly, and 8% from co-located pharmacies), the above tenant mix should provide a good quality income stream. We see the main differences as 1) HSE rents are subject to five-year rent reviews but may in theory go down as well as up, subject to a minimum base of the initial rent (the UK is effectively upwards only); and 2) unlike the UK with effectively full occupancy, there may be more variability in non-HSE occupancy. We do not feel that foreign exchange movements between sterling and the euro pose a material threat as much of the risk can be mitigated by matching euro assets with euro borrowings.

PHP management indicates that Irish assets may come to represent c 10% of the portfolio over time. This seems reasonable as the market is much smaller than the UK. PHP expects to structure its investments in a way that remittances to the UK as well as Irish profits will be free from tax.

UK growth prospects remain strong

For the core, and much larger UK market, we believe the medium- to long-term growth outlook for PHP remains strong in a market driven by an ageing population with growing healthcare needs, an underinvested primary healthcare estate and a general acceptance of the need for more integrated primary care services in the community.

The NHS's Five Year Forward View has been endorsed by government. An additional £10bn pa in funding for the NHS has been committed and £6bn of this has been brought forward to 2016-17. In addition to increased funding, the NHS will need to deliver significant operational efficiencies, estimated at £22bn pa and as part of the plan to achieve this, the NHS plans significant changes to the way it operates. Additional and more integrated services are to be delivered within the primary care sector, in the community, with extended opening hours to improve access. The anticipated changes in healthcare delivery require modern, purpose-built, flexible premises (of the type in which PHP invests), in contrast to a significant proportion of the existing estate that is comprised of ageing, converted, residential properties.

Clinical Commissioning Groups (CCGs) are putting their strategies in place for their primary care estates, aimed at ensuring the healthcare infrastructure is fit for purpose and able to support changing health care needs. As these are completed in the coming months it anticipated that the pace of commissioning of needed new developments will finally start to increase.

50% of primary care premises are more than 30 years old and many of these are converted residential premises (source: Savilles/EC Harris). In a recent survey by the BMA, 70% of GPs stated their premises are too small to be able to deliver enhanced and additional services, 52% said their premises had seen no investment or refurbishment in the past 10 years, and the majority said that their premises are too small to be able to deliver training and education.

Even allowing for ongoing consolidation of smaller GP practices into larger groups, the implied future demand for investment in modern, purpose-built premises is very significant. However, if the NHS commitment is restricted to rent reimbursement, this would be a much more manageable 5-6% of the capital investment required.

Valuation

Attractive and secure yield

The return to a fully covered dividend in H215 marks the achievement of a longstanding goal for management. The high distribution ratio of the REIT and the growing dividend are supported by long-term cash flows underpinned by long leases to the UK government, via the NHS, being the underlying tenant of 90% of the UK portfolio. We expect PHP to pay out 5.125p per share in dividends in 2016, a 2.5% increase on 2015, a yield of 4.8% at the current share price. This remains an attractive (FTSE 100 c 5.3% at the time of writing) but also very secure yield.

We forecast dividend cover of 102% for the 2016 year as a whole, driven by continued asset growth at yields higher than the cost of debt (helped at the margin by investments in Ireland) and a management fee structure that ensures relatively lower costs as the portfolio grows. PHP's EPRA cost ratio remains the lowest of its peer group by some way at 11.5% and we expect it to further reduce with continued asset growth.

Revaluation gains eroding NAV premium

Net asset value per share rose to 77.4p on an IFRS basis and 87.7p on an EPRA basis in 2015, against 69.5p and 79.7p respectively at the end of 2014. EPRA adjusts for the fair value liability of interest rate swaps and changes in the fair value of the convertible bond. At the current share price of 106.25p the EPRA P/NAV ratio is 1.20x.

As discussed above, the net valuation yield on the portfolio continued to contract during the year, from 5.52% at the end of 2014 to 5.39% at mid-year and 5.32% at the 2015 year-end. This compression is driven by investor interest in the attractive yields and secure income streams offered by the sector, particularly compared with gilt yields of c 1.5%. We have not forecast a further tightening in valuation yields and the revaluation gains included in the 2016 and 2017 forecasts simply reflect the impact of anticipated rental growth. However, further compression is entirely possible and we estimate that a 10bp tightening in the net valuation yield (to 5.22%) when applied to the 2015 year-end portfolio would add c 5p to EPRA NAV per share, while a movement in the yield to 5.0% would add c 16p.

During 2015 PHP generated a total return on its property assets (net rental income plus valuation movements) of 9.7% (2014 9.2%) and with the benefit of gearing the NAV total return was 16.3% (2014 12.8%).

Exhibit 3 compares the total property returns for various periods to 31 December 2015 for PHP and for the overall commercial property sector.

Exhibit 3: Performance versus IPD All Property Index (total return)

To 31 December 2015	One year	Three years	Five years
PHP (NAV) total return)	9.7%	8.2%	7.7%
IPD All Property Index	15.6%	12.1%	10.1%

Source: PHP, IPD

Net rental income is a significant element of commercial (and healthcare) property returns over time. However, because healthcare property is less economically sensitive, displays consistently high levels of occupancy and is less susceptible to speculative development, returns tend to show much less volatility than the commercial sector as a whole. The broad sector saw values decline by c 42% from the pre-financial crisis peak to the trough in March 2009, and has seen a significant upswing since. As expected, healthcare property values were much more defensive in the downturn and have therefore lagged the broader sector in the current upswing.

Financial summary and estimate revisions

On an underlying basis the strong 2015 results were slightly better than we had forecast, in terms of revenues, EBITDA, and dividend cover (98% for the year but 107% in H2). EPRA NAV per share also exceeded our forecasts, having benefitted from higher than expected revaluation gains, driven by a further compression in yields, explicitly not allowed for.

In an environment of increasing competition for attractive properties, PHP's selectiveness meant that 2015 property acquisitions were lower than we had forecast and this will have an impact on 2016 rental income and EBITDA. However, lower acquisitions also mean lower debt and lower funding costs, even though through H216 and 2017 additional swap protection against a rise in interest rates comes into effect resulting in expected increases in swap costs. Our underlying, EPRA PBT and EPS forecasts are slightly lower than before and we have introduced 2017 estimates for the first time.

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Exhibit 4: Estimate revisions

	Revenue (£m)			EBITDA (£m)			EPRA EPS (p)			DPS (p)			Dividend cover			EPRA NAVPS (p)		
	Old	New	% diff	Old	New	% diff	Old	New	% diff	Old	New	% diff	Old	New	% diff	Old	New	% diff
12/15	62.7	63.1	1%	55.1	55.5	1%	4.8	4.9	2%	5.000	5.000	0%	95%	98%	N/M	85.3	87.7	3%
12/16e	67.6	66.2	-2%	59.5	58.2	-2%	5.4	5.2	-3%	5.125	5.125	0%	105%	102%	N/M	89.3	90.3	1%
12/17	N/M	71.1	N/M	N/M	62.6	N/M	N/M	5.4	N/M	N/M	5.250	N/M	N/M	103%	N/M	N/M	94.3	N/M

Source: Company data, Edison Investment Research

In 2015 PHP committed c £44m to property acquisitions compared with the £55m that we had forecast. We have also reduced our 2016 forecast for new commitments to £65m (was £95m) and forecast £95m in 2017. Within this we have allowed for £30m of commitments a year in Ireland at a 200bp higher debt adjusted yield. This would take the Irish share of the portfolio to c 5% compared with management's intention to lift it towards 10%.

We have allowed for average rent increases of 1.0% in 2016 and 1.5% in 2017. The 2017 increase reflects the expectation of accelerated NHS development, also evident in our forecast commitments. Our forecast revaluation gains only capture rent increases and we do not factor in further possible valuation yield contraction.

Our forecast property acquisitions imply an increase in net debt to £852.9m in 2017 from £694.9m at the end of 2015. This represents 66% of the projected investment portfolio value in 2017, which is approaching the upper limit of management's gearing range (70%). If property acquisitions were to be materially ahead of the level we forecast, we would expect PHP to seek additional equity funding, not included in our estimates.

The weighted average maturity of PHP's debt is 5.9 years and the interest cost on over 70% of the debt is fixed or hedged out to 2020. PHP maintains a wide range of funding sources and 23% of debt is unsecured (the retail and convertible bonds), which provides room to keep LTVs on the secured facilities lower than they would be otherwise, and provides PHP with more flexibility in acquisition funding.

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Exhibit 5: Financial summary

£'000s	2013	2014	2015e	2016e	2017e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue	41,982	59,985	63,115	66,247	71,088
Cost of Sales	(398)	(723)	(852)	(894)	(960)
Gross Profit	41,584	59,262	62,263	65,353	70,128
Administrative expenses	(-6,080)	(-6,782)	(-6,807)	(-7,166)	(-7,561)
EBITDA	35,504	52,480	55,456	58,187	62,567
Other income and expenses	638	0	0	0	0
Non-recurring items	(2,702)	(2,426)	0	0	0
Net valuation gain on property portfolio	2,313	29,204	39,767	11,034	16,737
Operating profit before financing costs	35,753	79,258	95,223	69,221	79,305
Net Interest	(26,016)	(34,275)	(33,727)	(34,900)	(38,376)
Non-recurring finance income/expense	0	0	0	0	0
Early loan repayment fees	(950)	(1,187)	0	0	0
Fair value gain/(loss) on interest rate derivatives and convertible bond, and swap amortisation	11,432	(6,916)	(5,464)	0	0
Profit Before Tax	20,219	36,880	56,032	34,321	40,929
Tax	1	0	0	0	0
Profit After Tax (FRS 3)	20,220	36,880	56,032	34,321	40,929
Adjusted for the following:					
Net gain/(loss) on revaluation	(2,313)	(29,204)	(39,767)	(11,034)	(16,737)
Fair value gain/(loss) on derivatives & convertible bond	(11,432)	6,916	5,464	0	0
Profit on termination of finance lease	(638)	0	0	0	0
Early loan repayment fees	950	1,187	0	0	0
Issue costs of convertible bond	0	2,426	0	0	0
EPRA basic earnings	6,787	18,205	21,729	23,287	24,192
Period end number of shares (m)	441.9	445.1	446.3	447.4	448.5
Average Number of Shares Outstanding (m)	356.5	444.2	445.5	446.8	447.9
Fully diluted average number of shares outstanding (m)	356.5	496.6	530.2	531.4	532.5
EPS - fully diluted (p)	5.7	7.9	11.2	6.8	8.0
EPRA EPS (p)	1.9	4.1	4.9	5.2	5.4
Dividend per share (p)	4.750	4.875	5.000	5.125	5.250
Dividend cover	41%	84%	98%	102%	103%
BALANCE SHEET					
Fixed Assets	942,020	1,026,232	1,100,621	1,175,655	1,291,392
Investment properties	941,548	1,026,207	1,100,612	1,175,646	1,291,383
Net investment in finance leases	0	0	0	0	0
Derivative interest rate swaps	472	25	9	9	9
Current Assets	14,052	17,740	7,034	278	-10,451
Trade & other receivables	4,764	5,668	4,153	4,335	4,699
Net investment in finance leases	0	0	0	0	0
Cash & equivalents	9,288	12,072	2,881	-4,057	-15,151
Current Liabilities	(39,635)	(33,065)	(34,864)	(35,569)	(36,982)
Term loans	(3,843)	(711)	(862)	(862)	(862)
Trade & other payables	(16,269)	(14,244)	(16,099)	(16,804)	(18,217)
Derivative interest rate swaps	(7,566)	(5,802)	(4,734)	(4,734)	(4,734)
Deferred rental income	(11,934)	(12,308)	(13,169)	(13,169)	(13,169)
Other	(23)	0	0	0	0
Long Term Liabilities	(614,052)	(701,777)	(727,431)	(782,431)	(867,431)
Term loans	(460,185)	(437,022)	(460,550)	(515,550)	(600,550)
Bonds	(132,408)	(229,543)	(236,328)	(236,328)	(236,328)
Derivative interest rate swaps	(21,459)	(35,212)	(30,553)	(30,553)	(30,553)
Net Assets	302,385	309,130	345,360	357,932	376,528
Derivative interest rate swaps	28,553	40,989	35,278	35,278	35,278
Change in fair value of convertible bond	0	4,462	10,931	10,931	10,931
EPRA net assets	330,938	354,581	391,569	404,141	422,737
IFRS NAV per share (p)	68.4	69.5	77.4	80.0	84.0
EPRA NAV per share (p)	74.9	79.7	87.7	90.3	94.3
CASH FLOW					
Operating Cash Flow	36,682	49,020	57,145	58,710	63,616
Net Interest & other financing charges	(30,430)	(49,633)	(32,337)	(34,900)	(38,376)
Tax	0	(23)	0	0	0
Acquisitions/disposals	(54,731)	(54,396)	(29,477)	(64,000)	(99,000)
Net proceeds from issue of shares	65,232	17	(139)	0	0
Equity dividends paid (net of scrip)	(16,130)	(20,688)	(21,083)	(21,748)	(22,334)
Other (including debt assumed on acquisition)	(211,273)	7,647	(13,764)	0	0
Net Cash Flow	(210,650)	(68,056)	(39,655)	(61,938)	(96,093)
Opening net (debt)/cash	(376,498)	(587,148)	(655,204)	(694,859)	(756,797)
Closing net (debt)/cash	(587,148)	(655,204)	(694,859)	(756,797)	(852,891)

Source: Company accounts, Edison Investment Research

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