



PINEWOOD

Pinewood Group Limited

Report as at and for

3 months to

30 June 2018

First Quarter highlights

Operational and industry highlights

Demand for production space continues to exceed capacity at Pinewood and Shepperton thereby supporting the need for expansion.

- Stage occupancy of 95% in Q1 2018/19 at our UK studios.
- Draft BFI statistics show total spend on film production in the UK in the 12 months to 30 June 2018 was £1,858 million (versus £1,888 million at 30 June 2017).
- Draft BFI statistics show total spend on high end television production in the UK in the 12 months to 30 June 2018 was £1,146 million (versus £981 million at 30 June 2017).
- Combined spend therefore increased by £135 million year on year.

Strategic highlights

The Group continues to invest in the business in accordance with the set strategy to (i) focus on the core of the business, (ii) expand at home, and (iii) expand internationally. Three key initiatives are of focus:

- Development of Pinewood East Phase 2: In September 2017, the Group obtained full consent from the local planning authorities for the development of c.200,000 sq. ft of additional studio space in what would be the second phase of construction at Pinewood East. Sir Robert McAlpine, the contractor, started work on site in August 2018 and completion of the scheme is expected in H2 FY20.
- Shepperton masterplan: In August 2018, the Group submitted a planning application for the expansion of Shepperton Studios to increase the amount of stage space by 465,000 sq ft plus associated facilities. A decision is expected by the local authority in December 2018.
- Real estate optimisation: A programme to improve the existing studios by redeveloping and / or refurbishing certain assets to enhance yield. Twenty five projects have been identified at Pinewood West, of which one project has been completed, two are under construction and a further five are being procured / designed. The Group will continue to assess feasibility and implement projects in phases over the coming months.

Financial highlights

The table below provides an overview of key performance indicators for the period:

	3 month period ended 30 Jun 2018	3 month period ended 30 Jun 2017	Year ended 31 March 2018 £'000	Year ended 31 March 2017 £'000
Stage occupancy	95%	95%	93%	81%
Turnover	22,567	20,330	79,690	76,082
Adjusted EBITDA	12,040	10,994	42,338	34,062
Adjusted EBITDA margins	53.4%	54.1%	53.1%	44.8%
Cash generated from operations	19,528	4,125	23,624	34,971
Capital expenditure	2,754	3,338	6,482	31,632
Adjusted net debt	(196,216)	(75,286)	(207,681)	(73,040)

Turnover

Turnover attributable to the Media Services of £22.6 million in Q1 FY19 compares to £20.3 million in Q1 FY18 an increase of 11%. The year on year increase is principally due to production facility rate card increases, production scheduling resulting in higher other production accommodation revenues, resell fee revenue following the resale of certain contracted bookings and a high volume of projects in Creative Services during Q1 FY19.

Adjusted EBITDA

Adjusted EBITDA increased to £12.0 million in Q1 FY19 from £11.0 million in Q1 FY18 principally due to (i) the increase in revenue commented above, coupled with (ii) an improvement in gross margins resulting from the cessation of a number of non-core, loss making activities, (iii) a decrease in administrative expenses attributable to reduced staff costs and ceased activities, offset by (iv) reduced activity in Atlanta.

Reconciliation of profit on ordinary activities after taxation / profit after tax to adjusted EBITDA

	3 month period ended 30 Jun 2018	3 month period ended 30 Jun 2017	Year ended 31 March 2018 £'000	Year ended 31 March 2017 £'000
Profit on ordinary activities	6,383	6,204	24,358	13,607
Other interest receivable and similar income	(1,393)	(73)	(3,773)	(344)
Interest payable and similar expenses	3,171	462	6,067	5,294
Tax charge on profit on ordinary activities	1,595	1,341	5,905	1,436
Depreciation of property, plant and equipment	2,147	2,194	8,811	8,111
Amortisation of goodwill	140	140	560	560
Amortisation of long-term assets	0	0	0	166
Exceptional items	0	544	(549)	3,170
Operating loss attributable to Media Investment (ceased)	0	183	905	2,014
Loss on disposal of property, plant and equipment	(3)	0	54	48
Adjusted EBITDA	12,040	10,994	42,338	34,062

Cash flow and capital expenditure

Cash generated from operations increased to £19.5 million in Q1 FY19 from £4.1 million in Q1 FY18. This is principally driven by changes in working capital, as a consequence of the timing of receipts from some of our leases around the financial year end dates.

Adjusted Net Debt and liquidity

On 13 December 2017, a refinancing of the Group was completed. At this date, the Group's existing drawn senior facilities, which were £97.5 million, were repaid in full and £250 million of new 3.75% Senior Secured Notes due 1 December 2023 were issued. Pinewood Group Limited advanced a £127.5 million loan on to its Parent.

On 13 December 2017, the Group completed a super senior revolving credit facility of £50m which is available to draw down until 1 May 2023 with Barclays Bank plc, Credit Suisse AG London Branch, HSBC Bank plc and Lloyds Bank plc. The Group terminated its existing £35 million multi-currency revolving credit facility and its £5m overdraft facility.

Interest-bearing loans and borrowings are stated net of accrued interest and unamortised issue costs using the effective interest rate method.

Paul Golding, Chairman and acting CEO, commented

Pinewood and Shepperton Studios in the UK remain in high demand, resulting in 95% occupancy in Q1 2018/19.

We remain confident in the outlook and will continue to invest in the business in line with our strategy.

Construction of an additional 200,000 square feet (including 90,000 square feet of sound stages) at Pinewood has begun and the development is expected to be completed in the second half of the financial year 2020.

The Company announced on 21 August 2018 that it had submitted a planning application to Spelthorne Borough Council to expand and redevelop elements of Shepperton Studios to create a world-leading facility. If approved, the project will deliver around an extra 465,000 square feet of sound stages. Whilst the planning process may be protracted, the local authority is expected to reach its decision in December 2018.

General information

Pinewood is the leading independent provider of the real estate that is required for the production of film and television content. Founded in 1936 and headquartered in the United Kingdom, Pinewood owns premium, large-scale facilities also known as studios, for hosting film, television and other media productions. Our freehold studios are located in prime locations near London and make Pinewood a preferred choice for major film production companies, including Disney, Universal Studios and Warner Bros. Pinewood branded studios have hosted over 2,000 films, among them at least 145 Oscar winners, 201 BAFTA winners and numerous blockbuster film productions with budgets of over \$100.0 million.

Presentation of financial information

Unless otherwise indicated, the financial information presented in this interim report is the historical consolidated financial information of the Group.

This interim report includes or derives information from the following financial sources:

- The unaudited consolidated financial information of the Group as of and for the 3 months ended 30 June 2018 (“First Quarter 2018/19”, “Q1 FY19”, “Q1 2018/19”, or “the Quarter”), and the comparative period as of and for the 3 months ended 30 June 2017 (“First Quarter 2017/18”, “Q1 2017/18”, or “Q1 FY18”), prepared in accordance with FRS 102.
- The audited consolidated financial information of the Group as of and for the year ended 31 March 2018 (“FY 2017/18”) and the comparative period as of and for the year ended 31 March 2017 (“FY 2016/17”) prepared in accordance with FRS 102. The financial year for the Group runs from 1 April following the previous financial year end to 31 March each calendar year.

Further information for the noteholders

This interim report was prepared in accordance with the indenture dated 13 December 2017 among Pinewood Finco PLC, as issuer, the guarantors named therein, Deutsche Trustee Company Limited, as Trustee, and Deutsche Bank AG London Branch, as security agent and as paying agent.

This interim report may include forward-looking statements. All statements other than statements of historical fact included in this interim report, including those regarding the Group’s financial position, business and acquisition strategy, plans and objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Many factors could cause the Group’s actual results, performance or achievements to differ materially from those in the forward-looking statements. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this interim report. The Group expressly disclaims any obligations or undertaking, except as required by applicable law and regulations to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

The financial results presented in this presentation are preliminary and may change. This financial information includes calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent chartered accounting firm. There can be no assurance that the Group’s actual results for the period presented herein will not differ from the preliminary financial data presented herein and such changes could be material. This preliminary financial data should not be viewed as a substitute for full financial statements prepared in accordance with FRS 102 and is not necessarily indicative of the results to be achieved for any future periods. This preliminary financial information, and previously reported amounts, could be impacted by the effects of further review by the Board of Directors.

Use of non-FRS 102 financial information

This interim report contains certain non-UK GAAP and non-IFRS financial measures and ratios, including, Adjusted EBITDA, Adjusted EBITDA margin, cash conversion, and certain other measures (collectively, “**Non-GAAP Measures**”) that are not required by, or presented in accordance with UK GAAP, IFRS or the accounting measures of any other jurisdiction.

In this interim report, “Adjusted EBITDA” is calculated as profit on ordinary activities before interest receivable and similar income, interest payable and similar charges, tax (credit)/charge on profit on ordinary activities, depreciation of property, plant and equipment, depreciation of investment property, impairment of long-term assets, amortisation of goodwill, amortisation of long-term assets, exceptional items, operating loss attributable to Media Investment (ceased) and (gain)/loss on disposal of property, plant and equipment.

In this interim report, “Adjusted EBITDA margin” is calculated as Adjusted EBITDA (which includes the impact of income from participating interests and based on financial statements prepared in accordance with UK GAAP) divided by turnover (excluding Media Investment (ceased)) (which does not include the impact of income from participating interests).

In this interim report, “Adjusted net debt” is calculated as net debt less the loan to parent and unamortised loan issue costs.

Results of operation

First Quarter 2018/19 compared with First Quarter 2017/18

Turnover

£ thousands	Q1 2018/19	Q1 2017/18	% Change
Media Services	22,567	20,330	11%
Media Investment	-	803	-
Group Turnover	22,567	21,133	7%

Turnover attributable to the Media Services of £22.6 million in Q1 2018/19 compares to £20.3 million in Q1 2017/18 an increase of 11%. The year on year increase is principally due to production facility rate card increases, production scheduling resulting in higher other production accommodation revenues, resell fee revenue following the resell of certain contracted bookings and a high volume of projects in Creative Services during Q1 2018/19.

Group Turnover increased by £1.4 million (7%) to £22.6 million in Q1 2018/19 from £21.1 million in Q1 2017/18 due to the factors set out above with an offset by the cessation of Media Investment activity.

Cost of sales

Cost of sales expenses decreased by £1.1 million (10.4%) to £9.8 million in Q1 2018/19 from £11.0 million in Q1 2017/18. The cessation of Media Investment and other non-core loss making activities was the primary cause of this decrease.

Gross Profit

Gross profit increased from £10.1 million in Q1 2017/18 to £12.7 million in Q1 2018/19 for the reasons set out above. Gross margin increased from 48.0% in Q1 2017/18 to 56.4% in Q1 2018/19 reflecting increased turnover and the impact of ceased activities.

Selling and distribution costs

Selling and distribution costs were relatively stable at £0.6 million in Q1 2017/18 and £0.5 million in Q1 2018/19.

Administrative expenses

Administrative expenses decreased 38.1% to £1.7 million in Q1 2018/19 from £2.8 million in Q1 2017/18 which we primarily attribute to i) a movement in exceptional items of £0.5 million arising from fees incurred in Q1 2017/18 relating to a strategic review of the Group, ii) a decrease of £0.5 million attributable to ceased activities and reduced professional fees.

Income from Participating Interests

Income from participating interests in Q1 2018/19 was a loss of £0.7 million compared to a profit £1.2 million in Q1 2017/18. This is due to reduced activity in Atlanta.

Interest receivable and similar income

Interest receivable and similar income increased from £0.1 million in Q1 2017/18 to £1.4 million in Q1 2018/19 reflecting receipts on loan notes related to Pinewood MBS and interest on the Group's loan to its parent.

Interest payable and similar charges

Interest payable and similar charges increased from £0.5 million in Q1 2017/18 to £3.2 million in Q1 2018/19 which we primarily attribute to the Group's refinancing.

Tax charge on profit on ordinary activities

The tax charge on profit on ordinary activities increased from £1.3 million in Q1 2017/18 to £1.6 million in Q1 2018/19 primarily attributable to increased UK based taxable profit offset by the reduction in taxable profit from participating interests.

Liquidity and capital resources

Cash flow

The cash balance at Q1 2018/19 was £54.3 million compared to a balance of £23.5 million at Q1 2017/18.

The cash inflow of £11.3 million in Q1 FY19 increased from an outflow of £4.9 million in Q1 2017/18 principally reflecting an increase in the cash inflow from operating activities driven by increased profit before tax, as set out above, and the timing of cash receipts from customers in relation to their lease commitments.

Net cash inflow from operating activities

Net cash inflow from operating activities increased to £19.5 million in Q1 2018/19 from £4.1 million in Q1 2017/18. This was due to increased profit before tax and the movements in working capital described above.

Net cash outflow from investing activities

Net cash outflow from investing activities decreased to £2.8 million in Q1 2018/19 from £3.3 million in Q1 2017/18 due to the timing of expenditure in relation to strategic initiatives offset by increased investment in Atlanta.

Net cash inflow/outflow from financing

Net cash outflow from financing decreased to £0.9 million in Q1 2018/19 from £4.3 million in Q1 2017/18 principally due to the refinancing and reduced dividends.

Pinewood Group Limited

Interim condensed consolidated financial statements

Period ended 30 June 2018

Company Registration Number: 03889552

Pinewood Group Limited

Condensed Group Statement of Comprehensive Income
for the three months to 30 June 2018

	Notes	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31-Mar-18 £'000
Turnover	1	22,567	21,133	81,663
Cost of Sales		(9,842)	(10,989)	(42,933)
Gross profit		<u>12,725</u>	<u>10,144</u>	<u>38,730</u>
Selling and distribution costs		(510)	(576)	(2,118)
Administrative expenses				
Recurring activities		(1,728)	(2,246)	(7,668)
Exceptional items		-	(544)	549
Total administrative expenses		<u>(1,728)</u>	<u>(2,790)</u>	<u>(7,119)</u>
Operating profit		<u>10,487</u>	<u>6,778</u>	<u>29,493</u>
Comprising:				
Operating profit/(loss) from:				
Media Services activities before exceptional items		10,487	7,505	29,849
Media Investment - film production companies		-	(133)	(257)
Media Investment - other activities		-	(50)	(648)
Exceptional items		-	(544)	549
		<u>10,487</u>	<u>6,778</u>	<u>29,493</u>
Income from participating interests		(731)	1,156	3,064
Other interest receivable and similar income	2	1,393	73	3,773
Interest payable and similar expenses	3	(3,171)	(462)	(6,067)
Profit on ordinary activities before taxation		<u>7,978</u>	<u>7,545</u>	<u>30,263</u>
Tax on profit on ordinary activities		(1,595)	(1,341)	(5,905)
Profit on ordinary activities after taxation		<u>6,383</u>	<u>6,204</u>	<u>24,358</u>
Other comprehensive income				
Exchange differences on translation of foreign operations on consolidation		728	387	(554)
Total comprehensive income for the year		<u>7,111</u>	<u>6,591</u>	<u>23,804</u>

Pinewood Group Limited

Condensed Group Statement of Financial Position
as at 30 June 2018

	Notes	30-Jun-18 £'000	30-Jun-17 £'000	31-Mar-18 £'000
Assets				
Non current assets				
Intangible assets		3,781	4,342	3,924
Property, plant and equipment	4	233,691	237,521	233,441
Interests in joint ventures		11,879	10,210	10,971
Other investments		1,680	1,220	1,680
		<u>251,031</u>	<u>253,293</u>	<u>250,016</u>
Current assets				
Inventories		67	54	61
Trade and other receivables:				
Due within one year	5	17,750	20,657	26,599
Due after more than one year	5	130,357	-	129,045
Cash and cash equivalents	6	54,320	23,525	43,043
		<u>202,494</u>	<u>44,236</u>	<u>198,748</u>
Total assets		<u>453,525</u>	<u>297,529</u>	<u>448,764</u>
Equity and liabilities				
Share capital	7	5,741	5,741	5,741
Share premium		76,696	76,696	76,696
Capital redemption reserve		135	135	135
Merger reserve		348	348	348
Translation reserve		1,514	1,727	786
Retained earnings		71,660	57,440	65,277
Total equity		<u>156,094</u>	<u>142,087</u>	<u>148,983</u>
Non-current liabilities				
Interest-bearing loans and borrowings	8	244,150	98,386	246,123
Derivative financial instruments		1,879	3,073	1,781
Deferred tax liabilities		3,993	3,163	3,115
		<u>250,022</u>	<u>104,622</u>	<u>251,019</u>
Current liabilities				
Trade and other payables	9	47,409	50,820	48,762
		<u>47,409</u>	<u>50,820</u>	<u>48,762</u>
Total liabilities		<u>297,431</u>	<u>155,442</u>	<u>299,781</u>
Total equity and liabilities		<u>453,525</u>	<u>297,529</u>	<u>448,764</u>

Pinewood Group Limited

Condensed Group Statement of Cash Flows

for the period ended 30 June 2018

	Notes	30-Jun-18 £'000	30-Jun-17 £'000	31-Mar-18 £'000
Cash flow from operating activities:				
Profit on ordinary activities before taxation		7,978	7,545	30,263
<i>Adjustments to reconcile profit on ordinary activities before taxation to net cash flows:</i>				
Depreciation, impairment and amortisation		2,287	2,333	9,371
Loss on disposal of property, plant and equipment		(3)	-	54
Fair value adjustment on PMBS Holdings		-	-	(460)
Income from participating interests		731	(1,156)	(3,064)
Interest receivable and similar income	2	(1,393)	(73)	(3,773)
Interest payable and similar charges	3	3,171	462	6,067
Cash flow from operating activities before changes in working capital		12,771	9,111	38,458
Decrease/(increase) in trade and other receivables		9,818	(2,454)	(8,156)
Decrease/(increase) in inventories		6	(1)	(8)
(Decrease)/increase in trade and other payables		(3,067)	(2,531)	(6,670)
Cash generated from operations		19,528	4,125	23,624
Interest paid		(4,665)	(995)	(2,587)
Interest received		29	-	56
Corporation tax received in respect of FPC activity		847	-	-
Corporation tax paid		(790)	(405)	(2,809)
Net cash flow from operating activities		14,949	2,725	18,284
Cash flow used in investing activities:				
Purchase of property, plant and equipment		(1,738)	(4,414)	(7,736)
Investment in joint ventures		(1,016)	1,076	(196)
Repayment from joint ventures		-	-	1,533
Loans made to parent undertakings		-	-	(127,474)
Net cash flow used in investing activities		(2,754)	(3,338)	(133,873)
Cash flow from financing activities:				
Dividends paid		-	(1,633)	(11,950)
Proceeds from issue of loan notes		-	-	250,000
Repayment of asset financing obligations		(188)	(193)	(870)
Repayment of bank borrowings		-	(2,500)	(100,000)
Payment of loan issue fees		(730)	-	(7,012)
Net cash flow from financing activities		(918)	(4,326)	130,168
Net increase in cash and cash equivalents		11,277	(4,939)	14,579
Cash and cash equivalents at the start of the year		43,043	28,464	28,464
Cash and cash equivalents at the end of the year	6	54,320	23,525	43,043

Pinewood Group Limited

Condensed Reconciliation of Movement in Net Debt

for the three months to 30 June 2018	30-Jun-18 £'000	30-Jun-17 £'000	31-Mar-18 £'000
Increase in cash and cash equivalents	11,277	(4,939)	14,579
Repayments of bank borrowings	-	2,500	100,000
Payment of interest on loan notes	4,375	-	-
Proceeds from bank borrowings	-	-	-
Proceeds from issue of loan notes	-	-	(250,000)
Repayments of asset financing obligations	188	193	780
Loan issue costs	-	-	7,643
Amortisation of loan issue costs	(383)	(13)	(438)
Interest accrued on loan notes	(2,207)	-	(3,042)
Movement in net debt	<u>13,250</u>	<u>(2,259)</u>	<u>(130,478)</u>
Net debt at the start of the year	(203,080)	(72,602)	(72,602)
Net debt at the end of the year	<u>(189,830)</u>	<u>(74,861)</u>	<u>(203,080)</u>
Net debt at end of year excluding restricted cash	<u>(191,076)</u>	<u>(75,879)</u>	<u>(203,470)</u>

Condensed Group Statement of Changes in Equity

for the period ended 30 June 2018

	Share capital £'000	Share premium £'000	Translation reserve £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
At 01 April 2017	5,741	76,696	1,340	483	52,869	137,129
Profit for the year	-	-	-	-	24,358	24,358
Translation reserve movement	-	-	(554)	-	-	(554)
Total comprehensive income for the year	-	-	(554)	-	24,358	23,804
Equity Dividends	-	-	-	-	(11,950)	(11,950)
At 31 March 2018	5,741	76,696	786	483	65,277	148,983
At 01 April 2018	5,741	76,696	786	483	65,277	148,983
Profit for the year	-	-	-	-	6,383	6,383
Translation reserve movement	-	-	728	-	-	728
Total comprehensive income for the year	-	-	728	-	6,383	7,111
Equity dividends	-	-	-	-	-	-
At 30 June 2018	5,741	76,696	1,514	483	71,660	156,094
At 01 April 2016	5,741	76,696	-	483	42,876	125,796
Profit for the year	-	-	-	-	13,607	13,607
Translation reserve movement	-	-	1,340	-	-	1,340
Total comprehensive income for the year	-	-	1,340	-	13,607	14,947
Equity Dividends	-	-	-	-	(3,614)	(3,614)
At 31 March 2017	5,741	76,696	1,340	483	52,869	137,129
At 01 April 2017	5,741	76,696	1,340	483	52,869	137,129
Profit for the year	-	-	-	-	6,204	6,204
Translation reserve movement	-	-	387	-	-	387
Total comprehensive income for the year	-	-	387	-	6,204	6,591
Equity dividends	-	-	-	-	(1,633)	(1,633)
At 30 June 2017	5,741	76,696	1,727	483	57,440	142,087

Pinewood Group Limited

Notes to the Condensed Consolidated Financial Statements (continued)

for the period ended 30 June 2018

1 Turnover and segment information

Turnover by operating segment

The Group identifies its operating segments based on a combination of factors, including the nature and type of service provided and differences in regulatory environment. Operating segments are aggregated where there is a high degree of consistency across these factors, and the segments have similar economic characteristics. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group has determined it has two reportable segments, Media Services, which provides studio and related services to the film, television and wider creative industries, and Media Investment, which provides content investment and production services, principally to the film industry.

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Turnover by segment			
Media services	22,567	20,476	79,979
Media investment	-	803	1,973
Total segmental turnover	<u>22,567</u>	<u>21,279</u>	<u>81,952</u>
Intersegment elimination	-	(146)	(289)
Group turnover	<u>22,567</u>	<u>21,133</u>	<u>81,663</u>

2 Interest receivable and similar income

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
<i>On financial assets measured at amortised cost:</i>			
Interest receivable from joint ventures	-	56	30
Loan interest receivable	1,364	-	1,781
Bank interest receivable	29	17	56
	<u>1,393</u>	<u>73</u>	<u>1,867</u>
<i>On financial assets measured at fair value:</i>			
Fair value movements of derivative financial instruments	-	-	1,906
	<u>1,393</u>	<u>73</u>	<u>3,773</u>

3 Interest payable and similar charges

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
<i>On financial instruments measured at amortised cost:</i>			
Bank loan and overdraft interest	-	724	1,683
Loan interest payable	2,505	-	3,042
Finance fee amortisation	381	109	438
	<u>2,886</u>	<u>833</u>	<u>5,163</u>
<i>On financial instruments measured at fair value:</i>			
Interest rate hedging	168	212	813
Fair value movements of derivative financial instruments	99	(613)	-
	<u>267</u>	<u>(401)</u>	<u>813</u>
<i>Not on financial instruments:</i>			
Finance lease interest	17	25	90
Other interest paid	1	5	1
	<u>18</u>	<u>30</u>	<u>91</u>
	<u>3,171</u>	<u>462</u>	<u>6,067</u>

Pinewood Group Limited

Notes to the Condensed Consolidated Financial Statements (continued)
for the period ended 30 June 2018

4 Property, plant and equipment

	Freehold land and buildings £'000	Lease-hold improve-ments £'000	Fixtures, fittings and equipment £'000	Assets under constructi on £'000	Total £'000
Cost					
At 31 March 2017	251,389	179	42,718	8,787	303,073
Additions	3,303	12	977	(597)	3,695
Reclassification	3,923	-	-	(3,923)	-
Disposals	-	-	-	-	-
At 30 June 2017	258,615	191	43,695	4,267	306,768
Additions	(51)	-	875	1,769	2,593
Reclassification	4,565	-	166	(4,733)	(2)
Revaluations	-	-	-	-	-
Disposals	(160)	(12)	95	-	(77)
At 31 March 2018	262,969	179	44,831	1,303	309,282
Additions	1,229	-	453	715	2,397
At 30 June 2018	264,198	179	45,284	2,018	311,679
Depreciation					
At 31 March 2017	38,597	20	28,436	-	67,053
Provided during the period	1,535	3	656	-	2,194
Disposals	-	-	-	-	-
At 30 June 2017	40,132	23	29,092	-	69,247
Provided during the period	4,609	7	2,001	-	6,617
Disposals	(11)	(4)	(8)	-	(23)
At 31 March 2018	44,730	26	31,085	-	75,841
Provided during the period	1,521	2	624	-	2,147
At 30 June 2018	46,251	28	31,709	-	77,988
Net book value					
At 30 June 2018	217,947	151	13,575	2,018	233,691
At 31 March 2018	218,239	153	13,746	1,303	233,441
At 30 June 2017	218,483	168	14,603	4,267	237,521
At 31 March 2017	212,792	159	14,282	8,787	236,020

5 Trade and other receivables

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Amount falling due within one year:			
Trade receivables - Media services	10,690	7,575	21,118
Trade receivables - Film production companies	34	327	105
Prepayments and other receivables	4,438	10,224	2,638
Loan notes receivable	2,588	2,531	2,738
Corporation tax receivable	-	-	-
	17,750	20,657	26,599
Amount falling due after more than one year:			
Loans due from parent undertakings	130,357	-	129,045
	130,357	-	129,045
	148,107	20,657	155,644

Pinewood Group Limited

Notes to the Condensed Consolidated Financial Statements (continued)

for the period ended 30 June 2018

6 Cash and cash equivalents

Included within the cash and cash equivalents balance per the statement of financial position at the reporting date are amounts unavailable for general use. These amounts relate to funds reserved solely for use in the production of specific Media Investment Film production company operations.

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Cash available for general use	53,074	22,507	42,653
Restricted cash and cash equivalents	1,246	1,018	390
Net cash and cash equivalents	<u>54,320</u>	<u>23,525</u>	<u>43,043</u>

7 Share capital

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Issued, called up and fully paid			
57,409,926 Ordinary shares of 10p each	<u>5,741</u>	<u>5,741</u>	<u>5,741</u>

The Ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

8 Interest bearing loans and borrowings

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Current Borrowings			
Bank overdraft	-	-	-
Non-Current Borrowings			
Term loan facility	-	97,500	-
Revolving credit facility	-	-	-
Asset financing	549	1,311	724
Loan notes	244,883	-	246,681
Non-current drawn loan facilities	245,432	98,811	247,405
Secured bank loan arrangement costs	(1,282)	(425)	(1,282)
	<u>244,150</u>	<u>98,386</u>	<u>246,123</u>
Total current and non-current interest-bearing loans and borrowings	<u>244,150</u>	<u>98,386</u>	<u>246,123</u>

9 Trade and other payables

	3 month period ended 30 June 2018 £'000	3 month period ended 30 June 2017 £'000	Year ended 31 March 2018 £'000
Trade payables - Media services	2,776	2,989	3,345
Trade payables - Film production companies	1,746	4,877	1,753
Corporation tax payable	1,568	297	794
Value added tax	996	857	2,902
Other payables	1,635	3,824	942
Accruals	3,705	12,455	4,842
Amounts due to parent company	3,080	2,043	3,124
Capital expenditure related payables	5,194	5,453	4,536
Deferred royalty	668	835	685
Deferred income - Media services	26,004	16,629	25,802
Deferred income - Film production companies	37	561	37
	<u>47,409</u>	<u>50,820</u>	<u>48,762</u>

10 Subsequent events

No significant events have occurred after the balance sheet date

11 Principal risks and uncertainties

There are no changes to the assessment and considerations of the principal risks as disclosed in the Group's Annual Report for the year ending 31 March 2018.