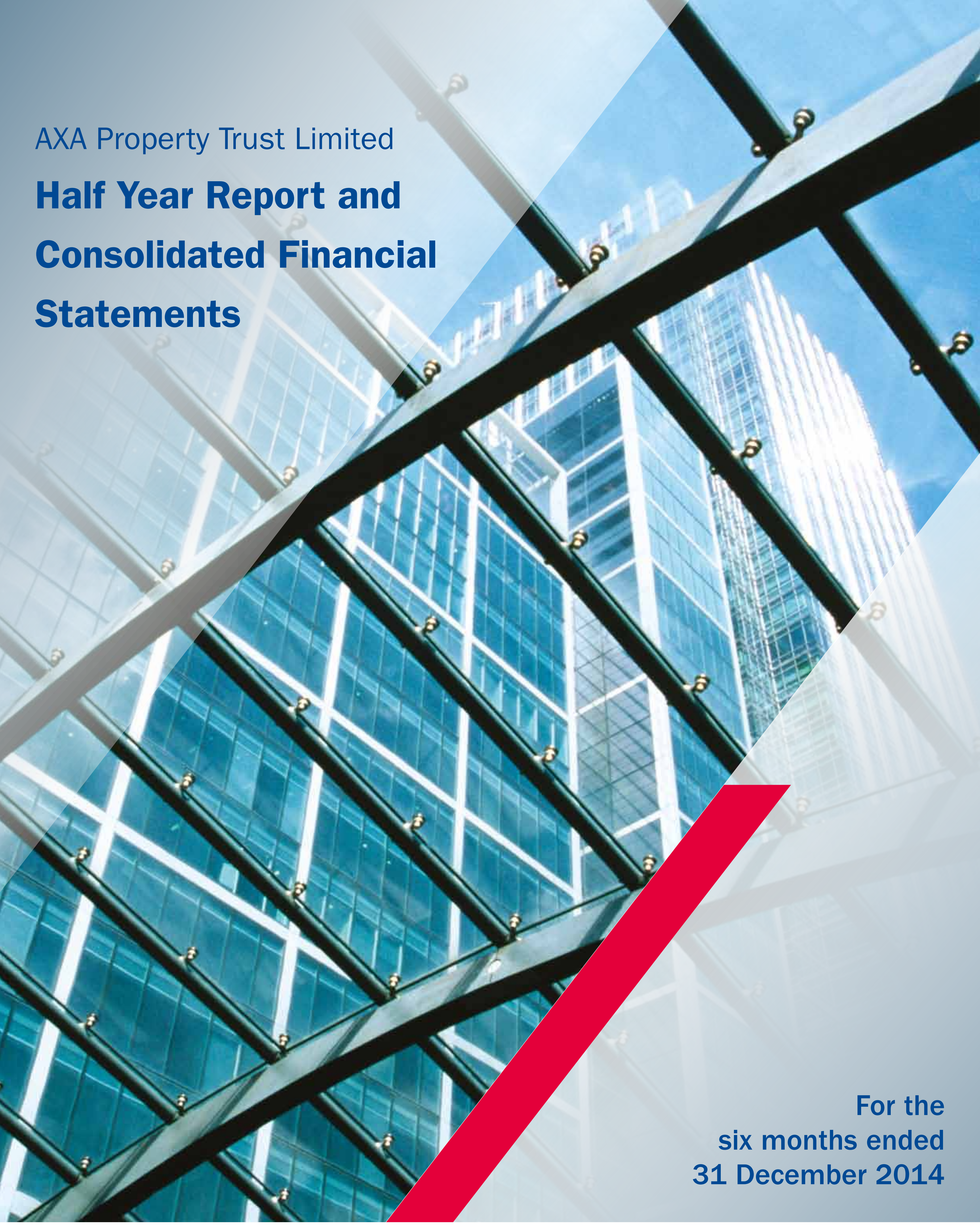
AXA Property Trust Limited

Half Year Report and Consolidated Financial Statements



For the six months ended 31 December 2014

AXA Investment Managers

redefining / investment solutions

retail.axa-im.co.uk/axa-property-trust

Investment Objective
The Company will be managed with the intention of realising all remaining assets in the Portfolio, in a manner consistent with the principles of prudent investment management and spread of investment risk, with a view to returning capital invested to the Shareholders in an orderly manner.

Investment Policy
The managed wind-down will be effected with a view to the Company realising its investments by December 2015 in a manner that achieves a balance between maximising the value from the Company's investments and making timely returns of capital to Shareholders.

The Company will cease to make any new investments or undertake capital expenditure except where necessary in the reasonable opinion of the Manager and the Board to protect or enhance the value of any existing investments or to facilitate orderly disposals.

Any cash received by the Company as part of the realisation process, following repayment of the allocated loan amounts and any additional payments required under the loan facilities but prior to its distribution to Shareholders, will be held by the Company as cash on deposit and/or as cash equivalents. The Company will not undertake new borrowing other than for short-term working capital purposes. Shareholders should expect that, under the terms of the managed wind-down, the Board and the Manager will be committed to distributing as much of the available cash as soon as reasonably practicable having regard to cost efficiency and working capital requirements. Accordingly, in order to minimise the administrative burden, Shareholders should expect that returns of cash will be made regularly but not necessarily as soon as cash becomes available.

Contents

Phõnix Center, Fürth, Germany

Key Financial Information

For the six months ended 31 December 2014

- Total return on Net Asset Value ("NAV") was 3.62% after the Sterling currency NAV increased to £52.25 million on a pro-forma basis before deduction of share redemptions paid
- Euro currency NAV decreased by 1.13% to €67.33 million
- Profits were 3.42 pence per share
- No dividends were paid during the period
- During the period, shares were redeemed for a total consideration of £2 million

As at 31 December 2014

- NAV per share was 56.55 pence (30 June 2014: 54.5 pence)
- Share price[1] was 42.63 pence per share (30 June 2014: 41.50 pence)
- Gearing[2] was 37.3% (gross) and 30.9% (net) (30 June 2014: 39.2% and 34.6%)

Performance Summary

	Six months ended 31 December 2014	Year ended 30 June 2014	% change
Net Asset Value (“NAV”) (£000s)	50,254	50,428	(0.35%)
NAV per share	56.55p	54.50p	3.76%
Profit/(losses) per share	3.42p	(2.44p)	n/a
Share redemptions paid	£2.0m	£4.1m	n/a
Share price[1]	42.63p	41.50p	2.72%
Share price discount to NAV	24.6%	23.9%	n/a
Gearing (gross)[2]	37.3%	39.2%	n/a
Total assets less current liabilities (£000s)[3]	71,755	82,438	(12.96%)

The December 2014 NAV is presented after deduction of £2.0m of redemption payments. If these are added back, the movement compared to June 2014 would be an increase of 3.62%.

Total return	Six months ended 31 December 2014	Six months ended 31 December 2013
NAV Total Return[4]	3.62%	(7.3%)
Share price Total Return		
- AXA Property Trust	4.23%	1.7%
- FTSE All Share Index	(0.40%)	11.3%
- FTSE Real Estate Investment Trust Index	12.26%	12.4%

Source: AXA Investment Managers UK Limited and Datastream

[1] Mid market share price (source: Datastream).
[2] Gearing is calculated as overall debt, either gross or net of cash held by the Group over property portfolio at fair value.
[3] Includes bank debt classified as a current liability.
[4] On a pro-forma basis which includes adjustments to add back any prior NAV deductions from share redemptions.

Past performance is not a guide to future performance. The value of investments can go down as well as up. You may not get back the original amount invested.

Chairman's Statement

Charles Hunter, Chairman

During the six months to 31 December 2014, AXA Property Trust Limited (the "Company") sold two holdings at Würzburg and Köthen and returned to Shareholders proceeds of £2 million (in addition to the £4.1m redeemed in March and April 2014). Progress has also been made in enhancing the value of the remaining properties, and the Investment Manager's report details some of these. Sale negotiations are well advanced on two further assets. However, conclusion of transactions in both the occupational markets and the investor markets continues to take time.

Results

The Company and its subsidiaries (together the "Group") made a total net profit after tax of £3.04 million for the six months to 31 December 2014. Excluding the £1.82m revaluation profit on investment properties, the Group made a profit of £1.22 million. The Net Asset Value ("NAV") of the Company at 31 December 2014 was £50.25 million (30 June 2014: £50.43 million), a decrease of £0.18 million (0.35%) since 30 June 2014. On a pro forma basis and before the deduction of share redemptions paid of £2 million, the NAV increased by £1.83 million (3.6%).

The Company's net property yield on current market valuation (after acquisition and operating costs) as at 31 December 2014 was 8.02% (30 June 2014: 7.53%). A detailed yield analysis is included in the Investment Manager's Report.

The mid-market price of the Company's shares on the London Stock Exchange on 31 December 2014 was 42.63 pence (30 June 2014: 41.50 pence), representing a discount of 24.6% to the Company's NAV at 31 December 2014 (30 June 2014: 23.9%). At the date of the report, the mid-market price of the Company's shares on the London Stock Exchange had increased by 0.3% to 42.75 pence.

Return of Capital to Shareholders

Following Shareholders' agreement to the Board's proposal of the Compulsory Redemption mechanism at the EGM on 27 February 2014, amounts representing the unallocated cash of the Company were distributed to Shareholders in return for the redemption of shares on a pro-rata basis. No dividends were declared during the period and the dividend policy remains unchanged. The Company returned £2.0m to Shareholders by means of a capital redemption on 30 October 2014.

Bank Finance and Deleveraging

The Group continues to comply with the 60% loan-to-value ("LTV") covenant of the main loan facility with Crédit Agricole and Credit Foncier. Further repayments are made as assets are sold under the disposal programme. At 31 December 2014 the total bank debt stood at £29.42 million (€37.91 million) (before capitalised debt issue costs) with an LTV of 43.3%. The loan is due to mature on 1 July 2016.

Prospects

Commercial property markets in Europe are beginning to improve gradually, but there remain well recognised macro uncertainties. With two more property sales close to agreement, subject to successful closure, a further capital distribution should be possible by early Summer. The Manager is bringing to a head significant value enhancements at the two larger holdings in Bavaria and full marketing for sale (already prepared) is expected to commence, in late Spring. The two holdings in Italy are also likely to be brought to the market within the second quarter of the year. While the Manager and Board are fairly confident of a good outcome in the sales of the German assets, those of the Italian assets and of the small warehouse in the Netherlands, are less certain.

Charles Hunter
Chairman
27 February 2015

> "A further capital distribution should be possible by early Summer."

Investment Manager’s Report

Investment Manager

AXA Investment Managers UK Limited (the “Investment Manager”, “AXA IM”) is the UK subsidiary of AXA Investment Managers, a dedicated asset manager within the AXA Group. AXA Investment Managers is an innovative and fast-growing multi-expertise investment manager with €607 billion of assets under management and over 2,300 employees, operating in 21 countries as at 30 September 2014.

AXA Real Estate Investment Managers UK Limited (the “Real Estate Adviser”) is part of the real estate management arm of AXA Investment Managers S.A. (“AXA Real Estate”). AXA Real Estate is a specialist in European real estate investment management with approximately €53 billion of real estate assets under management and over 500 staff, operating in 23 countries as at 31 December 2014.

Source: AXA Investment Managers UK Limited

Fund Manager

Martin McGuire has headed the AXA Property Trust Fund Management team since December 2007. He is a Chartered Surveyor and Senior European Fund Manager at AXA Real Estate. He has over 30 years’ experience in commercial property with a significant proportion of this in Continental European property. Mr McGuire lived for five years in Brussels where he worked for Jones Lang Wootton. In 1985 he joined Standard Life and led their expansion into the Continental European markets where he managed the investment and development programme over many years taking the exposure to in excess of €1.5 billion and was Fund Manager of the Standard Life Investments’ €800 million European Property Growth Fund. Latterly he was Investment Director at Standard Life Investments and managed the £2 billion Unit Linked Life Fund. He holds a degree in Land Economy from the University of Aberdeen and also an Investment Management Certificate. He is resident in the United Kingdom.

Market Outlook

Italian Industrial

The Industrial segment in the last quarter of the year has been once again characterised by renegotiations of existing contracts, with most letting activity concentrated in the regions of Lombardy and Emilia Romagna. Activity in Q4 2014 lost a bit of momentum, recording a lower take up compared to the previous quarter, at 35,000 sqm vs. 45,000 sqm in Q3 2014. Although weak in Q4, strong portfolio deals earlier in 2014 helped boost the year-end logistics investment volume to €341m, significantly higher than in 2013 (€112m). Re-pricing strategies remain commonplace, with landlords more flexible in considering lower headline rents on the back of longer leases. With Grade ‘A’ space most sought after, availability in northern Italy has been decreasing over the year, particularly in light of the scarcity of new speculative developments in the pipeline. Leasing out lower quality space remains challenging, nevertheless, in the longer term – provided that current credit conditions improve – Grade ‘B’ and ‘C’ space is expected to attract demand from owner occupiers who can benefit from the good availability of space and the decreasing property values.

Netherlands Logistics

In the Netherlands, the industrial market is continuing to benefit from the country's economic recovery, due to its central location along the European logistics corridor. The Central and East Brabant and Limburg regions, which are focused on European distribution and high-tech sectors, continue to benefit from cheaper rents and good accessibility to the rest of Europe. Occupiers are actively looking to relocate to more modern facilities with good accessibility, but overall demand growth looks set to remain weak over the next few quarters, given the current uncertainty in the Eurozone. While prime rents along the European corridor have recorded strong increases in 2014 (up 7.1% in Rotterdam), this has not been the case in markets focused on national distribution where net effective rents for modern space are currently under downward pressure. The Dutch industrial investment market has recorded a 32% increase in 2014 to €1.2bn. Anticipated improving demand and stronger rental value growth prospects compared to other European markets are expected to lead to further yield falls in 2015.

Edeka supermarket, Fürth, Germany

German Retail

Retail sales in Germany have been increasing in recent months, culminating in retail sales in December 2014 climbing 4% year-on-year. One of the main reasons behind the rise in retail sales in December was the positive effect of falling oil prices, leading to spending on other items. As this is likely to remain the case over coming months, there could be further strength from the German consumer. In 2014, almost €9.2bn was invested in German retail property, €500m or 6%, more than in the previous year. Compared to 2013, investors have significantly increased their investment into retail warehouses and retail parks located in secondary locations, a reflection of their higher risk tolerance. Prime rents have been flat over the last quarter, with the exception of Munich, which saw a €10/sqm/month increase to €390/sqm/month.

Asset Management Update

The sale of the remaining assets is progressing. The asset in Altenstadt-Lindheim, Germany has been actively marketed following the agreement with the tenant Tegut to a lease extension to 2028. This is now under formal offer at €4.2m.

At Kraichtal, also in Germany, a significant upgrade to the unit together with an extension of floor space has been agreed with the principal tenant REWE, with an accompanying increase in rent and lease term, thereby improving the sale prospects of this asset for which marketing is ongoing.

At Agnadello, in Italy, notice was not given to operate the tenant break option at 30 June 2015. The next break option is 30 June 2018 on twelve months notice and payment of a penalty. This allows the disposal process to commence.

Two assets in Germany, Würzburg and Köthen, had been brought to market. The sale of Würzburg completed at the end of August for £4.3 million (€5.4 million), while the sale of the asset at Köthen completed on 31 October for a sale price of €2.2m.

Investment Manager's Report

Property Portfolio at 31 December 2014

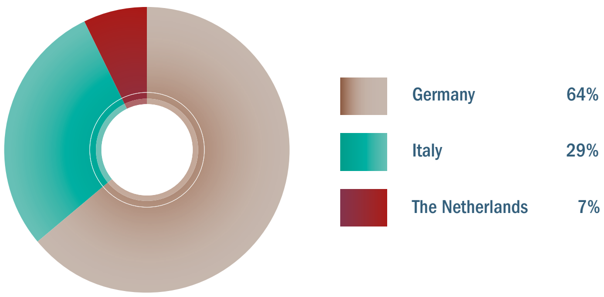
Investment name	Country	Sector	Net yield on valuation [1,2]	% of total assets
Phönix Center, Fürth	Germany	Retail	6.6%	26.7%
Rothenburg ob der Tauber	Germany	Retail	8.4%	18.9%
Curno, Bergamo	Italy	Leisure	7.6%	16.0%
Bergamina, Agnadello	Italy	Industrial	8.5%	12.6%
Smakterweg, Venray	The Netherlands	Industrial	10.2%	7.5%
Am Birkfeld, Dasing	Germany	Industrial	8.1%	8.5%
Eppinger Strasse, Kraichtal	Germany	Retail	5.8%	5.6%
Die Weidenbach, Lindheim – Altenstadt	Germany	Retail	7.1%	4.2%
Total property portfolio			**8.0%**	**100.00%**

[1] Net yield on valuation is based on the current market valuation after deduction of property-specific acquisition costs and operating costs.
[2] Source - external independent valuers to the Company, Knight Frank LLP.

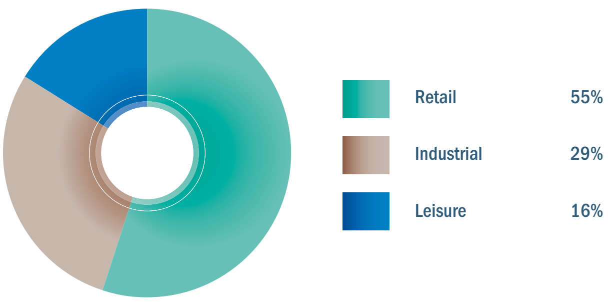
Details of all properties in the portfolio are available on the Company's website **http://retail.axa-im.co.uk/axa-property-trust** under - *Portfolio - Our Presence.*

Source: AXA Real Estate Investment Managers UK Limited

Geographical Analysis at 31 December 2014 by Market Value



Sector Analysis at 31 December 2014 by Market Value



Source: AXA Real Estate Investment Managers UK Limited

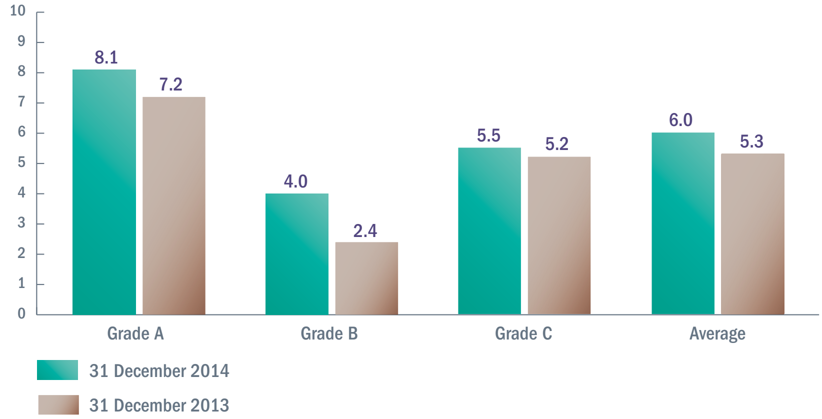
Covenant Strength Analysis at 31 December 2014

(based on rental income)

Grade A	35.6%	Creditreform:<199; D&B:A 1
Grade B	26.6%	Creditreform:200-249; D&B:B,C,D 1,2
Grade C	37.4%	Creditreform:>250; D&B: D + 3,4
Vacant	0.4%	

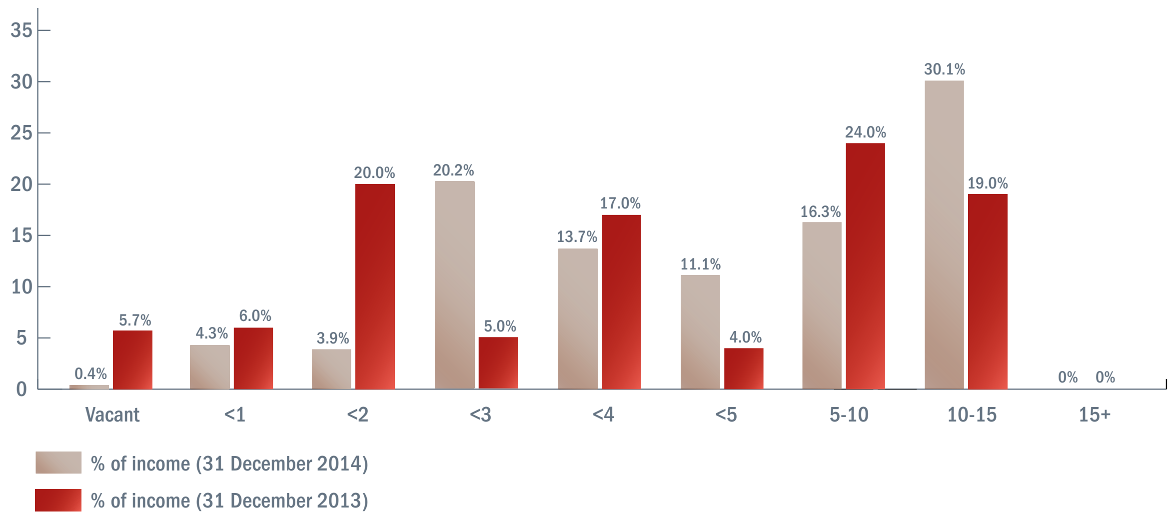
The Company's tenant covenant profile is strong, with 35.6% of tenants rated Grade A, indicating a high credit rating score. Rental income from Grade A covenants has a weighted unexpired lease length of 8.1 years. The average rent-weighted unexpired lease length for the investment portfolio as at 31 December 2014 was 6.0 years. Vacant space in the portfolio on 31 December 2014, measured using estimated market rent, represented 0.4% of the total gross rental income.

Average unexpired lease length profile weighted by rental income



Source: AXA Real Estate Investment Managers UK Limited

Lease expiry profile weighted by rental income



Source: AXA Real Estate Investment Managers UK Limited

Financing and Hedging Arrangements

At 31 December 2014 the Group held £29.42 million (€37.91 million) of debt (before capitalised debt issue costs) relating to the main facility which was 99.76% hedged by interest rate swaps at 2.795% plus a margin of 2.4%.

Fund Gearing[1]	31 December 2014	30 June 2014
Property portfolio (£ million)	77.77	82.64
Borrowings (£ million)	28.99	32.39
Total gross gearing	37.3%	39.2%
Total net gearing	30.9%	34.6%

[1] Fund gearing is included to provide an indication of the overall indebtedness of the Group and does not relate to any covenant terms in the Group's loan facilities. Gross gearing is calculated as debt over property portfolio at fair value including the JV asset at Agnadello. Net gearing is calculated as debt less cash over property portfolio at fair value including the JV asset at Agnadello.

Gross LTV Covenants[2]	31 December 2014	30 June 2014	Maximum
Main loan facility	43.3%	45.1%	60.0%

[2] Gross LTV is calculated as debt over property portfolio at fair value.

The Group has remained in compliance with the loan covenants on both facilities. As assets are sold the related allocated loan amounts will be repaid, as required under the main loan facility agreement. There are no other scheduled repayments prior to maturity under the agreement.

Portfolio Outlook

The implementation of the orderly wind down of the portfolio agreed by Shareholders at the EGM in April 2013 is progressing.

The preparation for sale of the remaining assets continues, particularly in Germany, with lease re-gears and extensions being negotiated with existing tenants where possible and new lettings secured, all to improve the level of income and marketability of individual assets. Following the lease extensions that were secured at Altenstadt-Lindheim and at Kraichtal both assets were brought to the market. Exclusivity has been granted to a prospective purchaser for the property at Altenstadt-Lindheim, while the marketing for the asset at Kraichtal is ongoing and has also commenced for the property at Dasing. Savills has been appointed for the marketing of Fürth and Rothenburg.

A disposal strategy is being prepared for the Italian properties at Agnadello and Curno.

The Manager continues to work closely with the Board on all aspects of the strategy for the portfolio in order to ensure a timely return of capital to Shareholders.

Board of Directors

Charles Hunter (Chairman)

has over 30 years of experience in property investment, principally in UK commercial property. He was Head of Property Investment of Insight Investment (formerly Clerical Medical Investment Group) for some nine years and before that Property Director of the investment management subsidiaries of The National Mutual of Australasia group in the United Kingdom. He is currently a director of Care South and he was on the Supervisory Board of Schroder Exempt Property Unit Trust until its conversion to a PAIF in 2012. Mr Hunter is a Fellow of the Royal Institution of Chartered Surveyors and a member of the Investment Property Forum. He is resident in the United Kingdom.

Stuart Lawson

is a Fellow of the Association of Chartered Certified Accountants. He joined Northern Trust in 1988 working in Fund Administration and Trust client accounting before being appointed Head of Finance for the office in 1996 where he established a Risk Management Department. In 2005 he was appointed Chief Administration Officer for Guernsey with local responsibility for finance, risk, compliance, corporate services and communication, and in 2007 he assumed responsibility for Real Estate and Infrastructure Fund Administration services for the EMEA region. He is currently head of Regulatory and Market Change in Guernsey, is a Director of a number of client entities and Chairman of Northern Trust (Guernsey) Limited. He has 30 years of experience in the Financial Services Industry and is resident in Guernsey.

Stéphane Monier

has over 20 years of investment experience (including asset allocation, fixed income and foreign exchange). Mr Monier is currently Chief Investment Officer at Lombard Odier Europe SA. He is responsible for the investment process and the performance for private clients' portfolios in Europe. Mr Monier joined the Lombard Odier group in 2009 on the institutional side (Lombard Odier Investment Managers or LOIM). He was initially Global Head of Fixed Income and Currencies for LOIM and then promoted to Deputy Global Chief Investment Officer. Prior to joining LOIM, Mr Monier was Global Head of Fixed Income and Currencies at Fortis Investments from 2006 to 2009 and he also occupied the very same position at the Abu Dhabi Investment Authority from 1998 to 2006. Prior to Abu Dhabi, Mr Monier spent seven years in JP Morgan Investment Management as a Fixed Income Manager both in London and Paris from 1991 to 1998. Mr Monier has a Masters Degree in Science from Agrotech (Paris) and a Masters Degree in International Finance from HEC Graduate School of Business (Jouy-en-Josas) (France). He is also a CFA charterholder. He is resident in the United Kingdom.

Alphons Spaninks

joined AXA Real Estate in 2005 and currently holds the position as Local Head of Transactions & Asset Management, based in Amsterdam. Mr Spaninks was promoted to Regional Head Benelux and Nordics in 2008, responsible for Assets under Management of over €2bn and managing a team of professionals in Stockholm and Brussels. After a full integration of the AXA Belgium real estate platform into AXA Real Estate, his focus is on the Dutch market again since mid 2014. He has over 20 years of experience in commercial functions within various real estate companies. Prior to joining AXA Real Estate, Mr Spaninks worked for AZL Vastgoed as Director of Asset Management. Prior to that, he was Regional Director at MOG, a Dutch Property Management company where he began his career as a Property Manager. Mr Spaninks holds a Masters of Science Degree in Building from the Technical University of Eindhoven and a Masters Degree in Real Estate from ASRE (Amsterdam) and is a member of Royal Institution of Chartered Surveyors. He is resident in the Netherlands.

Gavin Farrell

is qualified as a Solicitor of the Supreme Court of England and Wales, a French Avocat and an Advocate of the Royal Court of Guernsey. He is a Partner at Mourant Ozannes, Advocates & Notaries Public in Guernsey, having worked previously at Simmons and Simmons, both in Paris and London, and specialises in international and structured finance and collective investment schemes. Mr Farrell holds a number of directorships in investment and captive insurance companies. He is resident in Guernsey.

Directors' Responsibility Statement

We confirm that to the best of our knowledge:

- the Condensed Half Year Consolidated Financial Statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting; and

- this Half Year Report provides a fair review of the information required by:

  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the Condensed Half Year Consolidated Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could materially affect the financial position or performance of the entity.

By order of the Board

Charles Hunter
Chairman
27 February 2015

Stuart Lawson
Director
27 February 2015

Condensed Half Year Consolidated Income Statement
(unaudited)

For the six months ended 31 December 2014

	Notes	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Gross rental income	3	2,737	4,176
Service charge income		270	445
Property operating expenses		(810)	(1,100)
Net rental and related income		**2,197**	**3,521**
Valuation profit/(loss) on investment properties	6	1,823	(3,293)
Loss on disposal of a subsidiary and investment properties		-	(359)
General and administrative expenses	4	(970)	(1,544)
Operating profit/(loss)		**3,050**	**(1,675)**
Net foreign exchange loss		(277)	(191)
Net gain/(loss) on financial instruments	12	394	(622)
Share in profit/(loss) of a joint venture	8	1,356	(141)
Net finance cost		(1,117)	(1,464)
Profit/(loss) before tax		**3,406**	**(4,093)**
Income tax expense		(366)	(63)
Profit/(loss) for the period		**3,040**	**(4,156)**
Basic and diluted loss per ordinary share (pence)		3.42	(4.16)

The accompanying notes on pages 20 to 26 form an integral part of these condensed half year financial statements.

Condensed Half Year Consolidated Statement of Profit or Loss and Other Comprehensive Income
(unaudited)

For the six months ended 31 December 2014

	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Profit/(loss) for the period	**3,040**	**(4,156)**
Other comprehensive income		
Items that will be reclassified subsequently to profit and loss:		
Effective portion of changes in fair value of cashflow hedges	132	1,134
Foreign exchange translation loss	(1,345)	(1,280)
Total items that may or may not be reclassified subsequently to profit or loss	**(1,213)**	**(146)**
Total comprehensive income/(loss) for the period	**1,827**	**(4,302)**

The accompanying notes on pages 20 to 26 form an integral part of these condensed half year financial statements.

Condensed Half Year Consolidated Statement of Changes in Equity

(unaudited)

For the six months ended 31 December 2014

	Revaluation reserve £000s	Hedging reserve £000s	Revenue reserve £000s	Distributable reserve £000s	Foreign currency reserve £000s	Total £000s
Balance at 1 July 2014	**(50,641)**	**(4,618)**	**4,576**	**88,848**	**12,263**	**50,428**
Share redemption			-	(2,000)	-	(2,000)
Net profit for the period	3,573	-	(533)	-	-	3,040
Other comprehensive income/(loss)	-	132	-	-	(1,346)	(1,214)
Total comprehensive income/(loss) for the period	3,573	132	(534)	-	(1,345)	1,826
Balance at 31 December 2014	**(47,068)**	**(4,486)**	**4,042**	**86,848**	**10,918**	**50,254**

For the six months ended 31 December 2013

	Revaluation reserve £000s	Hedging reserve £000s	Revenue reserve £000s	Distributable reserve £000s	Foreign currency reserve £000s	Total £000s
Balance at 1 July 2013	**(48,267)**	**(5,622)**	**4,592**	**92,948**	**15,570**	**59,221**
Net loss for the period	(4,056)	-	(100)	-	-	(4,156)
Other comprehensive income/(loss)	-	1,134	-	-	(1,280)	(146)
Total comprehensive loss for the period	(4,056)	1,134	(100)	-	(1,280)	(4,302)
Balance at 31 December 2013	**(52,323)**	**(4,488)**	**4,492**	**92,948**	**14,290**	**54,919**

The accompanying notes on pages 20 to 26 form an integral part of these condensed half year financial statements.

Condensed Half Year Consolidated Statement of Financial Position
(unaudited)

As at 31 December 2014

	Notes	31 December 2014 £000s	30 June 2014 £000s
Non-current assets			
Investment properties	6	47,908	67,351
Investment in joint venture	8	10,034	9,543
Deferred tax assets		116	26
Current assets			
Cash and cash equivalents		4,691	3,008
Trade and other receivables	9	1,434	1,870
Investment properties held for sale	6/7	19,419	6,326
Total assets		**83,602**	**88,124**
Current liabilities			
Trade and other payables	10	1,725	2,100
Current portion of long-term loans	11	10,122	3,586
Non-current liabilities			
Deferred tax liability		169	269
Provisions		1,156	1,156
Long-term loans	11	18,864	28,802
Derivative financial instruments	12	1,312	1,783
Total liabilities		**33,348**	**37,696**
Net assets		**50,254**	**50,428**
Share capital		-	-
Reserves		50,254	50,428
Total equity		**50,254**	**50,428**
Number of ordinary shares		88,865,954	92,534,848
Net asset value per ordinary share (pence)		**56.55**	**54.50**

The accompanying notes on pages 20 to 26 form an integral part of these condensed half year financial statements.

By order of the Board

Charles Hunter
Chairman
27 February 2015

Stuart Lawson
Director
27 February 2015

Condensed Half Year Consolidated Statement of Cash Flows

(unaudited)

For the six months ended 31 December 2014

	Notes	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Operating activities			
Profit/(loss) before tax		3,405	(4,093)
Adjustments for:			
Profit/(loss) on valuation and disposals of a subsidiary and investment properties	6	(1,823)	3,297
Shares in profits/(losses) of joint venture	8	(1,356)	141
(Gain)/loss on financial instruments	12	(394)	622
Increase/(decrease) in trade and other receivables		441	(200)
Increase in provisions		-	(22)
Increase in trade and other payables		(552)	(538)
Net finance cost		1,117	1,464
Net foreign exchange loss		277	191
Net cash generated from operations		**1,115**	**862**
Interest income received		81	161
Interest paid		(486)	(1,285)
Tax paid		68	(99)
Net cash inflow/(ouflow) from operating activities		**778**	**(361)**
Investing activities			
Capital expenditure on completed investment properties	6	(20)	(8)
Proceeds from disposal of a subsidiary and investment properties		5,820	9,757
Net cash inflow from investing activities		**5,800**	**9,749**
Financing activities			
Redemption of shares	5	(2,000)	-
Finance costs		-	-
Crédit Agricole loan facility repaid	11	(2,781)	(10,114)
Net cash outflow from financing activities		**(4,781)**	**(10,114)**
Effect of exchange rate fluctuations		(114)	428
Increase/(decrease) in cash and cash equivalents		**1,683**	**(298)**
Cash and cash equivalents at start of the period		3,008	3,694
Cash and cash equivalents at the period end		**4,691**	**3,396**

The accompanying notes on pages 20 to 26 form an integral part of these condensed half year financial statements.

Notes to the Condensed Half Year Consolidated Financial Statements

1. Operations

AXA Property Trust Limited (the "Company") is a limited liability, closed-ended investment company incorporated in Guernsey. The Company invests in commercial properties in Europe which are held through its subsidiaries. The Condensed Half Year Consolidated Financial Statements of the Company for the six month period ended 31 December 2014 comprise the financial statements of the Company and its subsidiaries (together referred to as the "Group").

2. Significant accounting policies

(a) Statement of compliance

The Condensed Half Year Consolidated Financial Statements have been prepared in accordance with the Disclosure Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim Financial Reporting'. They do not include all the information required for the full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2014, which were prepared under full International Financial Reporting Standard ("IFRS") requirements as issued by the International Accounting Standards Board.

(b) Basis of preparation

The same accounting policies and methods of computation have been applied to the Condensed Half Year Consolidated Financial Statements as in the Annual Report and Consolidated Financial Statements for the year ended 30 June 2014. The presentation of the Condensed Half Year Consolidated Financial Statements is consistent with the Annual Report and Consolidated Financial Statements.

(c) Determination and presentation of operating segments

The Board has considered the requirements of IFRS 8, 'Operating Segments'. The Board is of the view that the Company is engaged in a single segment of business, being investment in properties in Europe. Geographic and Sector analyses of the segment are included in the Investment Manager's Report on page 10. The conclusion remains unchanged from the consolidated financial statements for the year ended 30 June 2014.

(d) Going concern

The discount control provisions established when the Company was launched required a continuation vote to be proposed to Shareholders at the Company's Annual General Meeting in 2015. As a result of the large discount to Net Asset Value at which shares were trading there was little chance of raising new capital. The costs of running the Group have become a disproportionate charge on distributable income.

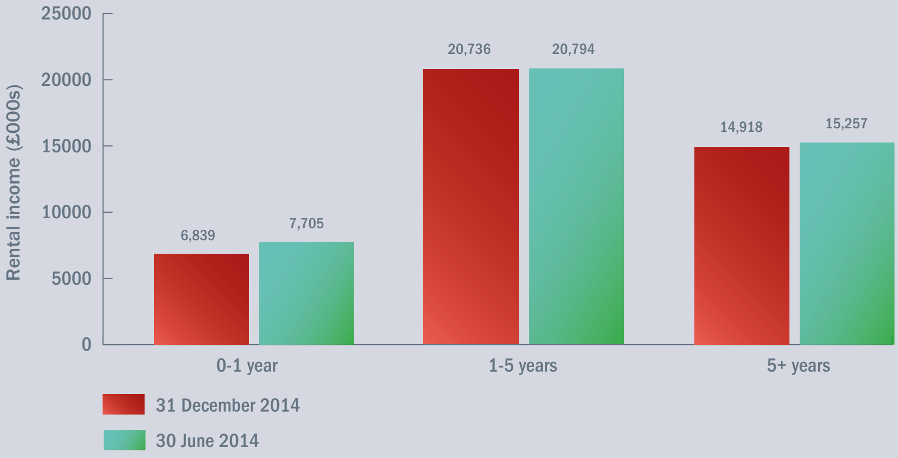
After extensive shareholder consultation, the Board resolved not to seek continuation of the Company in 2015 and proposed to Shareholders that the Company enter into a managed wind-down. This proposal was approved at an EGM held on 26 April 2013.

The condensed half year Consolidated Financial Statements have been prepared on a non-going concern basis reflecting the orderly wind-down of the Group. Accordingly, the going concern basis of accounting is not considered appropriate. All assets and liabilities continue to be measured in accordance with IFRS. The Board recognises that the timely disposal of properties is uncertain and continues to keep under review the most appropriate course of action with regard to these assets over the coming months with the aim of maximising shareholder return whilst taking account of the target exit date of December 2015. The Directors estimate that the wind-down costs will be approximately £253,208 (€316,216). The Board believes that the Group has sufficient funds available to meet its wind-down costs, day-to-day running costs and amounts due in terms of its loan facilities.

3. Gross rental income

Gross rental income for the six months ended 31 December 2014 amounted to £2.74 million (2013: £4.18 million). The Group leases out all of its investment property under operating leases.

Minimum Lease Payments (based on leases in place at 31 December 2014)



4. General and administrative expenses

	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Administration fees	(153)	(214)
General expenses	(320)	(654)
Audit fees	(98)	(108)
Legal and professional fees	(95)	(219)
Directors' fees	(46)	(47)
Insurance fees	(19)	(19)
Liquidation costs	-	(21)
Sponsor's fees	(13)	(18)
Investment management fees	(226)	(259)
Performance fee	-	15
Total	**(970)**	**(1,544)**

5. Share capital redemptions

The Company returned £1,999,547 (30 June: £4,099,860).On 30 October 2014 to Shareholders by means of a capital redemption. The number of ordinary shares was reduced by 3,668,894 to 88,865,954 (30 June 2014: 92,534,848).

6. Investment properties

	31 December 2014 £000s	30 June 2014 £000s
Fair value of investment properties at beginning of period/year	**67,351**	**78,130**
Capital expenditure during the period/year	20	611
Disposals during the period/year	(5,956)	-
Fair value adjustments	1,823	(2,242)
Foreign exchange translation	(1,070)	(2,822)
Investment properties transferred to held for sale	(14,260)	(6,326)
Fair value of investment properties at the end of the period/year	**47,908**	**67,351**
Investment properties classified held for sale	19,419	6,326
Total investment properties	**67,327**	**73,677**

All investment properties are carried at fair value.

Notes to the Condensed Half Year Consolidated Financial Statements

7. Investment properties held for sale

As at 31 December 2014, the Group held four investment properties (2014: one investment property) for sale. These are Dasing, Altenstadt-Lindheim and Kraichtal in Germany and Smakterweg in the Netherlands.

8. Investment in joint venture

The Group holds a 50% joint venture interest in the equity of the Italian joint venture Property Trust Agnadello S.r.l. which holds a logistics warehouse in Agnadello, Italy. The remaining 50% equity interest is held by European Added Value Fund S.à.r.l., a subsidiary of European Added Value Fund Limited.

The Group's interest in Property Trust Agnadello S.r.l. is accounted for using the equity method in the consolidated financial statements.

The following table summarises the financial information of Property Trust Agnadello S.r.l. which also reconciles the summarised financial information to the carrying amount of the Group's interest in the joint venture:

Summarised Consolidated Statement of Financial Position

	31 December 2014 £000s	30 June 2014 £000s
Non-current assets	19,556	17,937
Current assets	685	1,635
Non-current liabilities	(7,343)	(8,473)
Current liabilities	(9,005)	(9,829)
Net assets (100%)	**3,893**	**1,270**
Group's share of net assets (50%)	50%	50%
Group's share of net assets	1,947	635
Loan balances due to joint venture partners	8,087	8,908
Carrying amount of interest in joint venture	**10,034**	**9,543**

Summarised Consolidated Income Statement

	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Net rental and related income	782	1,022
Valuation profits/(losses) on investment property	2,216	(678)
Total administrative and other expenses	(93)	(154)
Other income	2	6
Financial expenses	(308)	(418)
Profit/(loss) before tax	**2,599**	**(222)**
Income tax expense	113	(60)
Profit/(loss) for the year	2,712	(282)
Group's share of profit/(loss) for the period	**1,356**	**(141)**

Summarised Consolidated Statement of Comprehensive Income

	Six months ended 31 December 2014 £000s	Six monts ended 31 December 2013 £000s
Profit for the period	2,712	(282)
Total comprehensive income for the period	**2,712**	**(282)**
Group's share of comprehensive income for the period	**1,356**	**(141)**

9. Trade and other receivables

	31 December 2014 £000s	30 June 2014 £000s
Tax receivable (witholding, corporate and income)	593	588
Investment property sold receivable	14	14
Other receivables	106	234
VAT receivable	172	330
Rent receivable	252	37
Accrued income	231	611
Prepayments	66	56
Total	**1,434**	**1,870**

The carrying values of trade and other receivables are considered to be approximately equal to their fair value.
Rent receivable is non-interest bearing and typically due within 30 days.

10. Trade and other payables

	31 December 2014 £000s	30 June 2014 £000s
Investment Manager's fee	145	215
Property Manager's fee	26	43
Other	376	633
Tax payable (income, transfer, capital and other)	575	416
Interest payable on loan facility	248	224
Legal and professional fees	64	108
VAT payable	20	-
Audit fee	83	156
Administration and Company Secretarial fees	136	123
Rent prepaid	45	166
Directors' fees	7	10
Sponsor's fees	-	6
Total	**1,725**	**2,100**

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.
The carrying values of trade and other payables are considered to be approximately equal to their fair value.

Notes to the Condensed Half Year Consolidated Financial Statements

11. Long-term loans

The main loan facility is with Crédit Agricole Corporate and Investment Bank ("Crédit Agricole") and Crédit Foncier de France ("Crédit Foncier").

The outstanding balance of the main loan (including current portion) as at 31 December 2014 was €37.91 million (£29.42 million) (30 June 2014: €41.49 million (£33.22 million)) before capitalised debt issue costs. The decrease was the result of the partial loan repayments following the asset disposals during the period.

Four assets were classified in current assets as held for sale as at 31 December 2014, and the related bank loans totalling £10.12 million (€13.04million) have been classified as a current liability.

12. Financial risk management

The table below summarises the amounts recognised in the Consolidated Income Statement in relation to derivative financial instruments.

	Six months ended 31 December 2014 £000s	Six months ended 31 December 2013 £000s
Hedging reserve recycled to consolidated income statement	132	(247)
Current year fair value movement of ineffective hedges	262	(375)
Total	**394**	**(622)**

The Group is exposed to various types of risk that are associated with financial instruments. The Group's financial instruments comprise bank deposits, cash, derivative financial instruments, receivables, loans and payables that arise directly from its operations. The carrying value of financial assets and liabilities approximate the fair value.

The main risks arising from the Group's financial instruments are market risk, credit risk, liquidity risk, interest risk and currency risk. The Board review and agree policies for managing its risk exposure. These policies are summarised below and have remained unchanged for the period under review.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit-ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-ratings agencies.

Cash and cash equivalents and trade and other receivables presented in the Consolidated Statement of Financial Position are subject to credit risk with maturities within one year.

Liquidity risk
The Group may encounter liquidity risk when realising assets or otherwise raising funds to meet financial commitments. Investments in property are relatively illiquid, however, the Group seeks to mitigate this risk by investing in desirable properties in strong locations.

The Group regularly prepares forecasts which enable operating cash flow requirements to be anticipated to ensure that sufficient liquidity is available to meet foreseeable needs, while maintaining sufficient working capital and planning returns of capital to shareholders in the short to medium term.

Interest rate risk
Floating rate financial assets comprise the cash balances which bear interest at rates based on bank base rates.
The Group is exposed to cash flow risk as the Group borrows funds under the loan facility with Crédit Agricole and Crédit Foncier at floating interest rates. The Group manages this risk by using interest rate swaps and caps denominated in Euro. At 31 December 2014, the Group had interest rate swaps with a notional contract amount of £29.35 million (€37.82 million) (30 June 2014: £32.43 million (€40.50 million)).

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the loan period.

The Group has entered into interest rate swaps and caps for the period of the main loan facility, effective from 1 July 2011 to 1 July 2016, to eliminate floating interest rate risk. Details of the hedging contracts are below:

	Counterparty	Contract Rate	Notional Amount
Interest Rate Swaps	Crédit Agricole	2.795%	€37.82 million

Foreign currency risk
The Company's subsidiaries invest in properties using currencies other than Sterling, the Company's functional and presentational currency, and the Consolidated Statement of Financial Position may be significantly affected by movements in the exchange rates of such currencies against Sterling. The Group will review and manage currency exposure in accordance with its risk management strategy.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within Level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 December 2014	Level 1 £000s	Level 2 £000s	Level 3 £000s
Liabilities measured at fair value			
Interest rate swaps and caps	-	1,312	-
Total	**-**	**1,312**	**-**

30 June 2014	Level 1 £000s	Level 2 £000s	Level 3 £000s
Liabilities measured at fair value			
Interest rate swaps and caps	-	1,783	-
Total	**-**	**1,783**	**-**

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at cost which is also deemed to be fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the Consolidated Statement of Financial Position date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

Notes to the Condensed Half Year Consolidated Financial Statements

13. Related party transactions

The Directors are responsible for the determination of the Company's investment objective and policy and have overall responsibility for the Group's activities including the review of investment activity and performance.

Mr Hunter, Chairman of the Company and Mr Spaninks, a Director of the Company, formed the majority of the Directors of its subsidiaries, Property Trust Luxembourg 1 S.à r.l., Property Trust Luxembourg 2 S.à r.l. and Property Trust Luxembourg 3 S.à r.l. and were able to control the investment policy of the Luxembourg subsidiaries to ensure they conform with the investment policy of the Company until Mr Spaninks's resignation from the Boards of Property Trust Luxembourg 1 S.à r.l., Property Trust Luxembourg 2 S.à r.l. and Property Trust Luxembourg 3 S.à r.l. on 11 October 2013.

Mr Farrell, a Director of the Company, is also a Partner in Mourant Ozannes, the Guernsey legal advisers to the Company. The total charge to the Consolidated Income Statement during the period in respect of Mourant Ozannes legal fees was £ nil (2013: nil).

Mr Lawson, a Director of the Company, was a Director of the Administrator and Secretary, Northern Trust International Fund Administration Services (Guernsey) Limited until 13 December 2013, when Mr Lawson became a Director of Northern Trust (Guernsey) Limited, the Company's bankers and member of the same group as the Administrator and Secretary. The total charge to the Consolidated Income Statement during the period in respect of Northern Trust administration fees was £72,500 (2013: £102,500) of which £36,250 (2013: £51,250) remained payable at the period end.

Under the Investment Management Agreement, fees are payable to the Investment Manager, Real Estate Adviser and other entities within the AXA Group. These entities are involved in the planning and direction of the Company and Group, as well as controlling aspects of their day to day activity, subject to the overall supervision of the Directors. During the period, fees of £0.23 million (2013: £0.26 million) were expensed to the Consolidated Income Statement. Following the various asset disposals, transaction fees of 35 bps were paid on the gross sales price; totalling £0.03 million on all sales during the period (2013: nil).

All the above transactions were undertaken at arm's-length.

14. Commitments

Guarantees
The Company has provided mortgages over the properties in favour of the lenders, Crédit Agricole and Crédit Foncier, as security for the main loan facility.

Property Trust Luxembourg 1 S.à.r.l and Property Trust Luxembourg 2 S.à.r.l, the direct parent companies of Keyser Center N.V., have provided a guarantee in respect of the payment of rent by Chiquita Fruit Bar Belgium BVBA should this tenant become insolvent for with a maximum liability of €0.05 million per annum until 1 July 2015. The obligations of the two companies in respect of both the warranties and the guarantee are split in the proportions 0.05% and 99.95% respectively.

15. Subsequent events

These financial statements were approved for issuance by the Board on 27 February 2015. Subsequent events have been evaluated until this date.

There are no subsequent events to note.

Directors (All non-executive)
C. J. Hunter (Chairman)
G. J. Farrell
S. C. Monier
S. J. Lawson
A. Spaninks

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