Doric Nimrod Air One Limited

Half Yearly Financial Report

From 1 April 2017 to
30 September 2017

CONTENTS

DORIC NIMROD AIR ONE LIMITED (the "Company")

SUMMARY INFORMATION

Listing	Specialist Fund Segment of the London Stock Exchange’s Main Market
Ticker	DNA
Share Price	114.5p (as at 30 September 2017) 102.50p (as at 11 December 2017)
Market Capitalisation	GBP 48.6 million (as at 30 September 2017)
Aircraft Registration Number	A6-EDC
Current/Future Anticipated Dividend	Current dividends are 2.25p per quarter per share (9p per annum) and it is anticipated this will continue until the aircraft lease terminates in 2022.
Dividend Payment Dates	April, July, October, January
Currency	Sterling
Launch Date/Price	13 December 2010 / 100p
Incorporation and Domicile	Guernsey
Asset Manager	Doric GmbH
Corporate & Shareholder Advisor	Nimrod Capital LLP
Administrator	JTC Fund Solutions (Guernsey) Limited
Auditor	Deloitte LLP
Market Makers	Canaccord Genuity Limited Jefferies International Limited Numis Securities Limited Shore Capital Limited Winterflood Securities Limited
SEDOL, ISIN	B4MF389, GG00B4MF3899
Year End	31 March
Stocks & Shares ISA	Eligible
Website	www.dnairone.com

DORIC NIMROD AIR ONE LIMITED (the "Company")

COMPANY OVERVIEW

Doric Nimrod Air One Limited

Doric Nimrod Air One Limited (LSE Ticker: DNA) ("**DNA**" or the "**Company**") is a Guernsey company incorporated on 8 October 2010. Its shares were admitted to trading on the Specialist Fund Segment ("**SFS**") of the London Stock Exchange's Main Market ("**LSE**") on 13 December 2010.

The Company's total issued share capital currently consists of 42,450,000 Ordinary Preference Shares (the "**Shares**"). As at 11 December 2017, the latest practicable date prior to publication of this report, the Shares are trading at 102.50 pence per Share.

Investment Objectives and Policy

The Company's investment objective is to obtain income returns and a capital return for its shareholders (the "**Shareholders**") by acquiring, leasing and then selling a single aircraft. The Company purchased one Airbus A380-861 aircraft, manufacturers' serial number 016 (the "**Asset**" or the "**Aircraft**") in December 2010 for USD 179m, which it leased (the "**Lease**") for twelve years to Emirates Airline ("**Emirates**"), the national carrier owned by The Investment Corporation of Dubai based in Dubai, United Arab Emirates.

Distribution Policy

The Company aims to provide its Shareholders with an attractive total return comprising income, from distributions through the period of the Company's ownership of the Asset, and capital, upon the sale of the Asset.

The Company receives income from the lease rentals paid by Emirates pursuant to the Lease. It is anticipated that income distributions will be made quarterly, subject to compliance with applicable laws and regulations. The Company currently targets a distribution of 2.25 pence per Share per quarter. Emirates bears all costs (including maintenance, repair and insurance) relating to the Aircraft during the lifetime of the Lease.

There is no guarantee that dividends will be paid to Shareholders, nor is there a guarantee of the timing or amount of any such dividend. There is also no guarantee that the Company will, at all times, satisfy the solvency test required by section 304 of the Law enabling the Directors to effect the payment of dividends.

Performance Overview

All payments by Emirates, have to date been made in accordance with the terms of the Lease.

During the period under review (the "**Period**") and in accordance with the Distribution Policy the Company declared two interim dividends of 2.25 pence per Share. One interim dividend of 2.25 pence per Share was declared after the reporting period. Further details of these dividend payments can be found on page 24.

COMPANY OVERVIEW (continued)

Return of Capital

If and when the Company is wound up (pursuant to a shareholder resolution, including the liquidation resolution) the Company intends to return to Shareholders the net capital proceeds upon the eventual sale of the Asset subject to compliance with the Company's Articles of Incorporation (the "**Articles**") and the applicable laws (including any applicable requirements of the solvency test contained therein).

Liquidation Resolution

Although the Company does not have a fixed life, the Articles require that the Directors convene a General Meeting of the Company six months before the end of the term of the Lease where an ordinary resolution will be proposed that the Company proceed to an orderly wind-up at the end of the term of the Lease and the Directors will consider (and if necessary, propose to Shareholders) alternatives for the future of the Company, including re-leasing the Asset, or selling the Asset and reinvesting the capital received from the sale of the Asset in another aircraft.

DORIC NIMROD AIR ONE LIMITED (the "Company")

CHAIRMAN'S STATEMENT

I am very pleased to present Shareholders with the Company's half-yearly financial report, covering the period from 1 April 2017 until 30 September 2017 ("**the Period").**

I am happy to report that during the Period the Company has performed as anticipated and has declared and paid quarterly dividends of 2.25p per share, as expected, representing 9p per share annually.

The Company owns one Airbus A380, leased to Emirates. The lease payments received by the Company from Emirates cover repayment of the debt as well as income to pay operating expenses and dividends to Shareholders. Emirates bears all costs (including maintenance, repair and insurance) relating to the aircraft during the lifetime of the lease.

The Company's Asset Manager, Doric GmbH, continues to monitor the Lease and to report regularly to the Board. Nimrod Capital LLP-, the Company's Corporate and Shareholder Advisor, continues to liaise between the Board and Shareholders, and to distribute quarterly fact sheets.

According to the International Air Transport Association ("**IATA**"), 2017 is on course to be another year of strong traffic growth with data for the month of August (measured in total revenue passenger kilometers or RPKs) showing demand climbed 7.9% during the year to date while the load factor climbed 1.1 percentage points to 81.7%. During the first half of 2017, premium passenger demand growth was stronger than economy seat demand in a number of markets, particularly across the Pacific and within Asia. This is consistent with the recent pick-up in global trade conditions, which tends to correlate well with premium travel demand. By contrast, premium demand lagged behind its economy counterpart in a number of cases, notably between Europe and the Middle East.

Over the past year Middle Eastern carriers have faced a multitude of challenges, including geo-political turbulence in various parts of the world, heightened concern about immigration on an international scale and enhanced security procedures impacting operations to the US. Fortunately, in the latter case, some of these headwinds are starting to ease during the period with the US laptop ban being lifted fully during July.

In July, Emirates announced that it is entering a broad partnership with low-cost operator Flydubai, which will include a codeshare and optimisation of the airlines' networks. Both carriers are government-owned, and the move aims to reduce unnecessary competition, enabling Emirates to benefit from Flydubai's single-aisle operations. Between them, the airlines operate routes to 216 cities with networks that overlap to an extent. However, they expect to be serving 240 destinations as a combined operation by 2022, with a total fleet of 380 aircraft.

The Board took note of a number of A380-related information and events, which became available or took place after September 30, 2017. This includes the return of the first A380, previously operated by Singapore Airlines, to its lessor. The aircraft is temporarily stored in Southern France, with the four engines leased to manufacturer Rolls-Royce. Furthermore, it was noted that Emirates did not commit to purchase additional A380 aircraft so far. It was widely expected that Emirates would sign a corresponding agreement at the Dubai Air Show in November this year. The Board and its Asset Manager continue to monitor these developments carefully.In economic reality, the Company has also performed well. Two interim dividends were declared in the half-year and future dividends are targeted to be declared and paid on a quarterly basis. However, as required by International Financial Reporting Standards ("**IFRS**"), the financial statements do not in the Board's view properly convey the economic reality due to the accounting treatment for foreign exchange, rental income and finance costs.

IFRS require that transactions denominated in US Dollars (including, most importantly, the cost of the aircraft) are translated into Sterling at the exchange rate ruling at the date of the transaction whilst monetary items (principally the outstanding borrowings) are translated at the rate prevailing on the reporting date. The result is that the figures sometimes show very large mismatches which are reported as unrealised foreign exchange differences. When the lease matures and the debt is repaid these foreign exchange differences will disappear.

On an on-going basis and assuming the lease and loan payments are made as anticipated, such exchange differences do not reflect the commercial substance of the situation in the sense that the key transactions denominated in US Dollars are in fact closely matched. Rental income received in US Dollars is used to pay loan repayments due which are likewise denominated in US Dollars. US Dollar lease rentals and loan repayments are furthermore fixed at the outset of the Company's life and are very similar in amount and timing.

In addition to this, rental income receivable is credited evenly to the Statement of Comprehensive Income over the planned life of the Company. Conversely, the methodology for accounting for interest cost means that the proportion of the loan repayments which is treated as interest, and is debited to the Statement of Comprehensive Income, varies over the course of the loan with a higher proportion of interest expense recognised in earlier periods, so that the differential between rental income and interest cost (as reported in the Statement of Comprehensive Income) reduces over the course of 12 years. In reality however, the amount of rental income is fixed so as to closely match the interest and principal components of each loan repayment instalment and allow for payments of operating costs and dividends.

The Company produces a fact sheet on a quarterly basis which is available on its website and which I encourage all shareholders to view. On behalf of the Board, I would like to thank our service providers for all their help and all shareholders for their continuing support of the Company.

Charles Wilkinson

Chairman

DORIC NIMROD AIR ONE LIMITED (the "Company")

ASSET MANAGER'S REPORT
At the request of the Directors of the Company, this commentary has been provided by the Asset Manager of the Company.

1. The Doric Nimrod Air One Airbus A380

The Airbus A380 is registered in the United Arab Emirates under the registration mark A6-EDC. For the period from original delivery of the aircraft to Emirates in November 2008 until the end of September 2017, a total of 4,685 flight cycles were logged. Total flight hours were 39,184. This equates to an average flight duration of eight hours and 22 minutes. The A380 owned by the Company visited Auckland, Dubai, Kuala Lumpur, Melbourne, Milan, Moscow, Munich, and New York JFK during the first half of the 2017/18 financial year.

Maintenance Status

Emirates maintains its A380 aircraft fleet based on a maintenance programme according to which minor maintenance checks are performed every 1,500 flight hours, and more significant maintenance checks (C checks) at 24 months or 12,000 flight hour intervals, whichever occurs first.

Emirates bears all costs (including for maintenance, repairs and insurance) relating to the aircraft during the lifetime of the lease.

Inspections

Doric, the asset manager, undertook a records audit in March 2017. The lessee was again very helpful in the responses given to the asset manager's technical staff, and the technical documentation was found to be in good order.

2. Market Overview

In the first seven months of 2017, global revenue passenger kilometres (RPKs) grew by 7.7% compared to the same period in the previous year. The robust end to 2016 provided for a favourable start for RPK growth rates in 2017. However, IATA notes that the upward trend in seasonally-adjusted (SA) passenger traffic has slowed since the end of 2016. While industry-wide RPKs were growing at an annualized rate of more than 12% coming into 2017, that growth has begun to slow to around 6% over the past three months. This annualized growth rate is between its five-year and ten-year averages (6.4% and 5.5%, respectively).

During the first seven months of this year, industry-wide available seat kilometres (ASKs) increased by 6.1%. As ASKs and RPKs have trended upward at similar rates, the global passenger load factor (PLF) rose by 1.2 percentage points in the first seven months of 2017, resulting in a PLF of 81.3%. All regions, except for the Middle East, recorded increases in PLF in the first seven months of 2017 compared to the same period in 2016. PLF in the Middle East decreased by 0.2 percentage points to 74.7% during this period.

International RPKs flown by Middle Eastern airlines have grown by 7.0% in the first seven months of 2017, compared with the five-year average of 11.2%. Adjusting for the later timing of Eid (the Muslim holiday at end of Ramadan)this year, which could have led to a jump in July on a month-on-month basis, SA traffic volumes are still level with where they started this year. In particular, the Middle East to North America market continues to feel the effects of a combination of factors, including the (recently-lifted) ban on personal electronic devices (PED) as well as the proposed travel bans to the US. Traffic growth on the segment was already slowing in early-2017, in line with the slowing growth rate of non-stop services flown by the largest Middle Eastern airlines. However, in June, RPKs on these routes between the Middle East and North America fell for the fourth consecutive month in year-on-year terms (-6.8%).

With an RPK growth of 10.2% until July 2017 Asia/Pacific-based operators outperformed the overall market demand this year. Europe ranked second with 8.6% and Africa third with 7.7%, ahead of Latin America (6.8%). With a combined domestic and international RPK growth of 6.7% the Middle East reached the second-last place, with North America achieving 3.9%.
For 2017, IATA forecasts that the airlines fuel bill will rise to USD 129 billion and represent 18.8% of average operating costs. As jet fuel prices have begun to rise with oil prices, IATA expects an average price of USD 64 per barrel of jet fuel during 2017.

3. Lessee – Emirates Key Financials

In the 2016/17 financial year ending on 31 March 2017, Emirates recorded the 29th consecutive year of profit with a net result of USD 340 million (AED 1,250 million), down 82% compared to the previous financial year. The net profit margin was 1.5%, down by 7 percentage points. Revenue for the period remained unchanged at USD 23.2 billion (AED 85.1 billion). However, lower results were to be expected as Emirates' president Tim Clark hinted earlier in March 2017 that the increased volatility in the market had affected Emirates' performance. His Highness Sheikh Ahmed bin Saeed Al Maktoum, Chairman and Chief Executive of Emirates, listed a number of destabilizing events, which impacted travel demand during the year: the Brexit vote, Europe's immigration challenges and terror attacks, new policies impacting air travel into the US, and currency devaluation. He deemed the past fiscal year as “one of our most challenging years to date”.

In the face of these challenges, Emirates increased its passenger numbers, RPKs and cargo carried during the 2016/17 financial year. Emirates carried a record 56.1 million passengers (8.1% more than in the previous fiscal year), increased capacity for passengers (measured in ASK) by 10.3% and increased RPKs by 8.4%. As a result, the passenger seat factor dropped by 1.4 percentage points to 75.1%. In the 2016/17 annual report it was noted that seat factor on the Emirates' A380 fleet was high – and a testament of the customer preference for this aircraft. The share of passengers carried by Emirates A380 aircraft increased by 5 percentage points to 37%.

The costs resulting from the ongoing efforts to expand capacity contributed to a 7.7% increase in operating costs. While fuel prices fell by 2%, an 8% uplift in line with the capacity increase led the airline's fuel bill to increase 6%. Fuel costs as a percentage of operating costs only slightly decreased from 25.7% to 25.4% during the reporting period, remaining the biggest cost component for the airline, followed by personnel costs. The overall increase in operating costs is marginally higher than the capacity growth of 7.2%.

As of 31 March 2017, the balance sheet totalled USD 33.1 billion (AED 121.6 billion), an increase of 2% compared to the previous financial year. Total equity increased by 8.3% to USD 9.6 billion (AED 35.1 billion) with an equity ratio of nearly 29%. The carrier had a cash balance of USD 4.3 billion (AED 15.7 billion) at the end of the period, down by USD 1.2 billion (AED 4.3 billion) compared to the previous financial year. This included the repayment in the amount of USD 1.1 billion. The current ratio stood at 0.73, meaning the airline would be able to meet nearly three-quarters of its current liabilities by liquidating all its current assets. Significant items on the liabilities' side of the balance sheet included current and non-current borrowings and lease liabilities in the amount of USD 13.9 billion – an increase of 1.8% against the previous financial year.

In line with its strategy to increase capacity through a young and efficient fleet, Emirates received a record number of 35 wide-body aircraft, consisting of 19 Airbus A380 and 16 Boeing 777-300ER, during the 2016/2017 financial year. At the same time, the airline also retired 27 older aircraft, bringing the average fleet age of six years two months down to five years three months, which is well below the industry average of nearly 12 years. To fund its fleet growth, Emirates raised USD 7.9 billion (AED 29.1 billion) during the financial year through finance and operating leases as well as term loans. Over the last ten years, the operator raised more than USD 47.3 billion (AED 173.7 billion) for aircraft financing.

In the 2016/17 financial year, Emirates launched services to six new passenger points (Yinchuan and Zhengzhou in China, Yangon in Myanmar, Hanoi in Vietnam, Fort Lauderdale and Newark in the US). These new destinations add to Emirates' well-balanced regional distribution, whereby no region represents more than 30 percent of overall revenues. In line with increased demand, the operator added frequencies and increased capacity to several existing destinations of its global route network, which spanned 156 destinations in 83 countries by fiscal year end.

In June, the airline won the World's Best Inflight Entertainment award for a record 13th year at this year's Skytrax World Airline Awards, which are considered a global benchmark of airline excellence. Nearly 20 million passengers reviewed over 320 airlines.

In July, Emirates announced that it is entering a broad partnership with low-cost operator Flydubai, which will include a codeshare and optimization of the airlines' networks. Both carriers are government-owned, and the move aims to reduce unnecessary competition, enabling Emirates to benefit from Flydubai's single-aisle operations. Between them, the airlines operate routes to 216 cities with networks that overlap to an extent. However, they expect to be serving 240 destinations as a combined operation by 2022, with a total fleet of 380 aircraft.

Source: ch-aviation, CNN, Emirates, FlightGlobal

4. Aircraft – A380

By mid-September 2017, Emirates operated a fleet of 97 A380s, which currently serve 47 destinations within its global network via its hub in Dubai. A380 destinations include: Amsterdam, Auckland, Bangkok, Barcelona, Beijing, Birmingham, Brisbane, Casablanca, Christchurch, Copenhagen, Doha, Dusseldorf, Frankfurt, Guangzhou, Hong Kong, Johannesburg, Kuala Lumpur, Kuwait, London Gatwick, London Heathrow, Los Angeles, Madrid, Manchester, Mauritius, Melbourne, Milan, Moscow, Mumbai, Munich, New York JFK, Nice, Paris, Perth, Prague, Rome, San Francisco, Sao Paulo, Seoul, Shanghai, Singapore, Sydney, Taipei, Tokyo, Toronto, Vienna, Washington, and Zurich.

As of mid-September 2017, the global A380 fleet consisted of 215 commercially operated planes in service. The 13 operators are Emirates (97), Singapore Airlines (19), Deutsche Lufthansa (14), Qantas (12), British Airways (12), Air France (ten), Korean Air Lines (ten), Etihad Airways (ten) Malaysia Airlines (six), Qatar Airways (eight), Thai Airways (six), China Southern Airlines (five), and Asiana Airlines (six). The number of undelivered A380 orders stood at 102.

Singapore Airlines are taking delivery of five new A380s, three by March 2018 and two during the remainder of 2018. However, Singapore Airlines confirmed that it will phase out four of its oldest A380 superjumbo jets by the end of March 2018. These aircraft, which were leased for a period of ten years, will be one of the first to test the second hand market for this type.

Qantas is planning on moving two A380s onto Asian routes in the next year, once its Boeing 787-9s take over the services between Melbourne and London in March 2018. The chief executive officer of Qantas International, Gareth Evans, stated that the carrier plans on using the additional capacity from the A380s during periods of higher demand on its Asian network. The nominated destinations, with high peak periods, include Singapore and Hong Kong. At the sidelines of the Paris Air Show, Malaysia Airlines (MAS) provided an update regarding the charter business with religious pilgrimage flights which MAS intends to run in a subsidiary with a separate Malaysian air operator certificate: “We’ve already signed contracts in the last couple of weeks with operators to do a significant amount of work”, said Peter Bellew, the then CEO of MAS. Furthermore, he was very positive about the future of the A380 in general. “The airframes are spotless. I think these A380s are going to be flying still in forty years’ time, a bit like the 707s that are still flying in America, nearly 55-60 years later. I think the A380 will end up being like that.” An aircraft like the A380 makes “incredible financial sense” from his point of view, “because the fuel is not going to be the blocker in the utilization of these aircraft”.

Emirates expects the delivery of its 100th A380 later this year. The increasing number of superjumbos allows the airline to increase the number of A380 destinations as well as frequency on existing routes: From March 2018, the carrier will add a fourth daily A380 service from Dubai to Sydney, which will increase the capacity for Emirates’ Australian services by more than 7%. Also from March 2018, the carrier will upgrade its third daily flight between Dubai and Melbourne from a Boeing 777-300ER to an A380. From October this year, Emirates will make its second daily flight to Moscow an A380 service. On 29 October 2017, Emirates launched a second daily A380 service between Dubai and Birmingham. The decision was based on the high demand from passengers wanting to travel with the iconic aircraft. A total of 300,000 passengers have already flown on the aircraft between the two cities since 27 March 2016. Additionally, due to the high customer demand, Emirates replaced the current Boeing 777-300ER operations with two more superjumbos to Beijing and Shanghai on 1 July 2017. This move increased the capacity and opportunity for passengers heading to either destination. In August 2017, Emirates commenced Hajj services. The airline operated 45 additional flights to Jeddah and 12 additional flights to Medina between 17 August 2017 and 11 September 2017, in addition to its regular three time daily Jeddah and twice daily Medina frequencies. The A380 was used to support the increased demand to Medina during this time. Emirates anticipated a total of 2 million pilgrims traveling to Mecca, 20,000 of which would fly with Emirates from destinations such as Yangon, Manchester, Mauritius, Jakarta, Karachi, Lagos and Nairobi.

Speaking during the Aviation Festival event in London on 7 September, Emirates president Tim Clark stated that the airline will capitalize on its flexibility in order to compete with long-haul, low-cost operators. Clark noted that Emirates’ fleet of 97 A380s would enable the airline to "compartmentalise" by offering "three or four economy classes" on the main deck alone. This would allow Emirates to match long-haul, low-cost operators in their base price while still being to offer additional enhancements.

This summer, Airbus presented a development study for an enhanced A380, called “A380plus”.

It includes aerodynamic improvements like large winglets. An optimised cabin layout would allow up to 80 additional seats.

As a result of weak sales, Airbus announced that it will cut A380 deliveries in 2019 to eight aircraft. The production rate for 2018 remains at 12 aircraft. Airbus is expecting only a relatively small impact from the cut in production rate, as a result of its continuing effort to bring down fixed costs associated with the programme.

Source: Ascend, Aviation Week, Bloomberg, CAPA, Emirates, FlightGlobal, iflyA380, MarketWatch, Reuters

Directors

Charles Edmund Wilkinson - Chairman (Age 74)

Charles Wilkinson is a solicitor who retired from Lawrence Graham LLP in March 2005. While at Lawrence Graham he specialised in corporate finance and commercial law, latterly concentrating on investment trust and fund work.

Charles is currently Chairman of Doric Nimrod Air Three Limited, Chairman of the Audit Committee of Doric Nimrod Air Two Limited, and a Director of Landore Resources Ltd, a Guernsey based mining exploration company. He is resident in Guernsey.

Norbert Bannon (Age 68)

Norbert Bannon is chairman of a large UK DB pension fund, a major Irish DC pension scheme and is a Director of and advisor to a number of other financial companies. He is Chairman of Doric Nimrod Air Two Limited and Chairman of the Audit Committee of Doric Nimrod Air Three Limited. He has extensive experience in international finance having been CEO of banks in Singapore and New York. He was CEO of Ireland’s largest venture capital company and was Finance Director and Chief Risk Officer at a leading investment bank in Ireland. He has worked as a consultant on risk issues internationally.

He earned a degree in economics from Queen’s University, studied at Stanford Graduate School of Business and is a Chartered Accountant.

Geoffrey Alan Hall (Age 69)

Geoffrey Hall has extensive experience in investment management, having previously been Chief Investment Officer of Allianz Insurance plc, a major UK general insurance company and an investment manager at HSBC Asset Management, County Investment Management, and British Railways Pension Funds. Geoffrey is also currently a Director of Doric Nimrod Air Two Limited and Doric Nimrod Air Three Limited.

Geoffrey earned his masters degree in Geography at the University of London. He is an associate of the CFA Society of the UK.

John Le Prevost (Age 66)

John Le Prevost is the Chief Executive Officer of Anson Group Limited and Chairman of Anson Registrars Limited (the Company’s Registrar). He has spent over 30 years working in offshore trusts and investment business during which time he was Managing Director of County NatWest Investment Management (Channel Islands) Limited, Royal Bank of Canada’s mutual fund company in Guernsey and Republic National Bank of New York’s international trust company. John is a Director of Guaranteed Investment Products I PCC Limited, Guernsey’s largest protected cell company. He is a Director of a number of other companies associated with Anson Group’s business as well as being a trustee of the Guernsey Sailing Trust. John is also currently a Director of Doric Nimrod Air Two Limited, Doric Nimrod Air Three Limited and Amedeo Air Four Plus Limited. He is resident in Guernsey.

INTERIM MANAGEMENT REPORT

A description of important events which have occurred during the Period, their impact on the performance of the Company as shown in the financial statements and a description of the principal risks and uncertainties facing the Company are given in the Chairman's Statement, Asset Manager's Report, and the Notes to the financial statements contained on pages 18 to 34 and are incorporated here by reference.

There were no material related party transactions which took place in the Period, other than those disclosed at Note 20 of the Notes to the financial statements.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company are unchanged from those disclosed in the Company's annual financial report for the year ended 31 March 2017.

Going Concern

The Company's principal activities are set out within the Company Overview on page 2. The financial position of the Company is set out on pages 14 to 34. In addition, Note 17 to the financial statements includes the Company's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk. The loan interest rate has been fixed and the fixed rental income under the Lease means that the rent should be sufficient to repay the Loan and provide surplus income to pay for the Company's expenses and permit payment of dividends.

After making reasonable enquiries, and as described above the Directors have a reasonable expectation that the Company has adequate resources to continue in its operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing these financial statements.

DORIC NIMROD AIR ONE LIMITED (the "Company")

Responsibility Statement

The Directors jointly and severally confirm that to the best of their knowledge:

(a) The financial statements, prepared in accordance with IFRS give a fair, balanced and understandable view of the assets, liabilities, financial position and profits of the Company and performance of the Company;

(b) This Interim Management Report includes or incorporates by reference:

a. an indication of important events that have occurred during the Period, and their impact on the financial statements;

b. a description of the principal risks and uncertainties for the remaining six months of the financial year; and

c. confirmation that there were no related party transactions in the Period that have materially affected the financial position or the performance of the Company during that period.

Signed on behalf of the Board of Directors of the Company on 13 December 2017

John Le Prevost
Director

DORIC NIMROD AIR ONE LIMITED (the "Company")

STATEMENT OF COMPREHENSIVE INCOME
For the period from 01 April 2017 to 30 September 2017

	Notes	1 Apr 2017 to 30 Sep 2017 GBP	1 Apr 2016 to 30 Sep 2016 GBP
INCOME			
A rent income	4	5,215,075	4,942,607
B rent income	4	2,260,370	2,260,370
Bank interest received		-	-
		7,475,445	7,202,977
EXPENSES			
Operating expenses	5	(308,782)	(298,891)
Depreciation of Asset	9	(1,040,691)	(2,033,265)
		(1,349,473)	(2,332,156)
Net profit for the period before finance costs and foreign exchange gains/ (losses)		6,125,972	4,870,821
Finance costs	10	(1,239,898)	(1,483,899)
Net profit for the period after finance costs before foreign exchange gains/ (losses)		4,886,074	3,386,922
Unrealised foreign exchange gains/ (losses)	17b	3,383,896	(5,609,317)
Profit /(Loss) for the period		8,269,970	(2,222,395)
Other Comprehensive Income		-	-
Total Comprehensive Income /(Loss) for the period		8,269,970	(2,222,395)
		Pence	**Pence**
Earnings /(Loss) per Share for the period - Basic and Diluted	8	19.48	(5.24)

In arriving at the results for the financial period, all amounts above relate to continuing operations.The notes on pages 18 to 34 form an integral part of these financial statements.

DORIC NIMROD AIR ONE LIMITED (the "Company")

STATEMENT OF FINANCIAL POSITION
As at 30 September 2017

	Notes	30 Sep 2017 GBP	31 Mar 2017 GBP
NON-CURRENT ASSETS			
Aircraft	9	91,146,504	92,187,195
CURRENT ASSETS			
Cash and cash equivalents		4,123,572	4,376,502
Accrued income		380,911	281,357
Receivables	12	6,583	12,684
		4,511,066	4,670,543
TOTAL ASSETS		95,657,570	96,857,738
CURRENT LIABILITIES			
Borrowings	14	9,492,655	9,856,765
Deferred income		10,894,680	10,973,695
Payables - due within one year	13	54,373	57,604
		20,441,708	20,887,866
NON-CURRENT LIABILITIES			
Borrowings	14	29,432,028	36,545,758
		29,432,028	36,545,758
TOTAL LIABILITIES		49,873,736	57,433,624
TOTAL NET ASSETS		45,783,834	39,424,114
EQUITY			
Share capital	15	39,016,728	39,016,728
Retained earnings		6,767,106	407,386
		45,783,834	39,424,114
		Pence	**Pence**
Net asset value per Ordinary Preference Share based on 42,450,000 (Mar 2017: 42,450,000) shares in issue		107.85	92.87

The financial statements were approved by the Board of Directors and authorised for issue on 13 December 2017 and are signed on its behalf by:

John Le Prevost

Director

The notes on pages 18 to 34 form an integral part of these financial statements.

DORIC NIMROD AIR ONE LIMITED (the "Company")

STATEMENT OF CASH FLOWS
For the period from 01 April 2017 to 30 September 2017

	Notes	1 Apr 2017 to 30 Sep 2017 GBP	1 Apr 2016 to 30 Sep 2016 GBP
OPERATING ACTIVITIES			
Profit / (loss) for the period		8,269,970	(2,222,395)
Movement in deferred income		525,201	1,436,73
Depreciation of Asset	9	1,040,691	2,033,265
Loan interest	10	1,209,538	1,453,539
Decrease in payables		(3,033)	(2,412)
Decrease in receivables		6,101	6,733
Amortisation of debt arrangement costs	10	30,360	30,360
Foreign exchange movement	17b	(3,383,896)	5,609,317
NET CASH FROM OPERATING ACTIVITIES		7,694,932	8,345,138
FINANCING ACTIVITIES			
Dividends paid	7	(1,910,250)	(1,910,250)
Repayments of capital on borrowings		(4,641,785)	(4,250,166)
Repayments of interest on borrowings		(1,206,906)	(1,406,110)
NET CASH USED IN FINANCING ACTIVITIES		(7,758,941)	(7,566,526)
CASH AND CASH EQUIVALENTS AT OF PERIOD		4,376,502	4,213,957
Increase in cash and cash equivalents		(64,009)	778,612
Effects of foreign exchange rates		(188,921)	(609,572)
CASH AND CASH EQUIVALENTS AT END PERIOD		4,123,572	4,382,997

The notes on pages 18 to 34 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the period from 01 April 2017 to 30 September 2017

	Notes	Share Capital GBP	Retained Earnings GBP	Total GBP
Balance as at 1 April 2017		39,016,728	407,386	39,424,114
Total Comprehensive Income for the period		-	8,269,970	8,269,970
Dividends paid	7	-	(1,910,250)	(1,910,250)
Balance as at 30 September 2017		39,016,728	6,767,106	45,783,834

	Notes	Share Capital GBP	Retained Earnings GBP	Total GBP
Balance as at 1 April 2016		39,016,728	2,043,428	41,060,156
Total Comprehensive Income for the period		-	4,152,779	4,152,779
Dividends paid	7	-	(1,910,250)	(1,910,250)
Balance as at 30 September 2016		39,016,728	4,285,957	43,302,685

The notes on pages 18 to 34 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 01 April 2017 to 30 September 2017

1 GENERAL INFORMATION

Doric Nimrod Air One Limited (the "Company") was incorporated in Guernsey on 8 October 2010 with registered number 52484. Its share capital consists of one class of Ordinary Preference Shares and one class of Subordinated Administrative Shares. The Company's Ordinary Preference Shares have been admitted to trading on the SFS of the LSE. The Company delisted from Channel Islands Securities Exchange ("CISEA") on the 5 September 2014.

The Company's investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling a single aircraft.

2 ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are as follows:

(a) Basis of Preparation

The financial statements have been prepared in conformity with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union, and applicable Guernsey law. The financial statements have been prepared on a historical cost basis.

This report is to be read in conjunction with the annual report for the year ended 31 March 2017 which is prepared in accordance with the International Financial Reporting Standards adopted by the European Union and any public announcements made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below:

Changes in accounting policies and disclosure

The following Standards or Interpretations have been adopted in the current period. Their adoption has not had any impact on the amounts reported in these financial statements and is not expected to have any impact on future financial periods:

IAS 7 Statement of Cash Flows - amendments resulting from the disclosure initiative effective for annual periods beginning on or after 1 January 2017 (and was endorsement by the EU in November 2017). The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). On initial application of the amendment, entities are not required to provide comparative information for preceding periods. The Group is not required to provide additional disclosures in its consolidated half yearly financial statements, but will disclose additional information in its annual consolidated financial statements for the year ended 31 March 2018.

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2 ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

The following Standards or Interpretations, which are expected to affect the Company, have been issued but not yet adopted by the Company. Other Standards or Interpretations issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Standards Interpretations Committee ("IFRIC") are not expected to affect the Company.

IFRS 9 Financial Instruments - finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition. There is no mandatory effective date, however the IASB has tentatively proposed that this will be effective for accounting periods commencing on or after 1 January 2018 (EU endorsement is outstanding).

IFRS 15 Revenue from contracts with customers - deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts', related interpretations and is endorsed by the EU. The standard is effective for a period beginning on or after 1 January 2018.

IFRS 16 Leases - specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17 (EU endorsement is outstanding) and is effective for annual periods beginning on or after 1 January 2019.

IFRIC 22 'Foreign currency transactions and advance consideration’ - this IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice and is effective for annual periods beginning on or after 1 January 2018 (EU endorsement is outstanding).

The Directors have considered the above and are of the opinion that the above Standards and Interpretations are not expected to have an impact on the Company's financial statements except for the presentation of additional disclosures and changes to the presentation of components of the financial statements. These items will be applied in the first financial period for which they are required.

(b) Taxation
The Company has been assessed for tax at the Guernsey standard rate of 0%.

(c) Share Capital
Ordinary Preference Shares (the "Shares") are classified as equity. Incremental costs directly attributable to the issue of Shares are recognised as a deduction from equity.

(d) Expenses
All expenses are accounted for on an accruals basis.

(e) Interest Income
Interest income is accounted for on an accruals basis.

2 ACCOUNTING POLICIES (continued)

(f) Foreign Currency Translation

The currency of the primary economic environment in which the Company operates (the functional currency) is Great British Pounds ("GBP" or "£") which is also the presentation currency.

Transactions denominated in foreign currencies are translated into GBP at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

(g) Cash and Cash Equivalents

Cash at bank and short term deposits which are held to maturity are carried at cost. Cash and cash equivalents are defined as call deposits, short term deposits with a term of no more than 3 months from the start of the deposit and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(h) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being acquiring, leasing and selling of one Airbus A380-861 aircraft (the "Asset").

(i) Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors believe the Company is well placed to manage its business risks successfully despite the current economic climate as the interest on the Company's loan has been fixed and the fixed rental income under the operating lease means that the rents should be sufficient to repay the loan and provide surplus income to pay for the Company's expenses and permit payment of dividends. Accordingly, the Directors have adopted the going concern basis in preparing the financial information. The Board is not aware of any material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

(j) Leasing and Rental Income

The lease relating to the Asset has been classified as an operating lease as the terms of the lease do not transfer substantially all the risks and rewards of ownership to the lessee. The Asset is shown as a non-current asset in the Statement of Financial Position. Further details of the lease are given in Note 11.

Rental income and advance lease payments from the operating lease are recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised in profit or loss on a straight-line basis over the lease term.

(k) Property, Plant and Equipment - Aircraft

In line with IAS 16 Property Plant and Equipment, the Asset is initially recorded at the fair value of the consideration paid. The cost of the Asset is made up of the purchase price of the Asset plus any costs directly attributable to bringing it into working condition for its intended use. Costs incurred by the lessee in maintaining, repairing or enhancing the aircraft are not recognised as they do not form part of the costs to the Company. Accumulated depreciation and any recognised impairment loss are deducted from cost to calculate the carrying amount of the Asset.

2 ACCOUNTING POLICIES (continued)

(k) Property, Plant and Equipment - Aircraft (continued)

Depreciation is recognised so as to write off the cost of the Asset less the estimated residual value of £80.4 million over the estimated useful life of the Asset of 12 years, using the straight-line method. Residual values have been arrived at by taking into account disposition fees. The depreciation method reflects the pattern of benefit consumption. The residual value is reviewed annually and is the amount the Company would receive currently if the asset were already of the age and condition expected at the end of its useful life. Useful life is also reviewed annually and, for the purposes of the financial statements, represents the likely period of the Company's ownership of the Asset. Depreciation starts when the Asset is available for use.

At each audited statement of financial position date, the Company reviews the carrying amounts of the Asset to determine whether there is any indication that the Asset has suffered any impairment loss. If any such indication exists, the recoverable amount of the Asset is estimated to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the Asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the Asset is estimated to be less than its carrying amount, the carrying amount of the Asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the Asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the Asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(l) Financial Liabilities

Financial liabilities consist of payables and borrowings. The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All financial liabilities are initially measured at fair value, net of transaction costs. All financial liabilities are recorded on the date on which the Company becomes party to the contractual requirements of the financial liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of the financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Residual Value and Useful Life of the Asset

As described in Note 2 (k), the Company depreciates the Asset on a straight line basis over the estimated useful life of the Asset and taking into consideration the estimated residual value. IAS 16 Property, Plant and Equipment requires residual value to be determined as an estimate of the amount that the Company would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, if the Asset were of the age and condition expected at the end of its useful life. However, there are currently no aircraft of a similar type of sufficient age for the Directors to make a direct market comparison in making this estimation. After consulting with the Asset Manager, the Directors have concluded that a forecast market value for the aircraft at the end of its useful life (including inflationary effects) best approximates residual value In estimating residual value, the Directors have made reference to forecast market values for the aircraft obtained from 3 independent expert aircraft valuers and determined that the residual value of the asset was USD 104 million at the 2017 year end (2016: USD 110 million, as determined per the initial appraisal at inception).

If the estimate of residual value had been decreased by 20% with effect from the beginning of this period, the net profit for the period and closing shareholders' equity would have decreased by approximately £1.2 million. An increase in residual value by 20% would have an equal but opposite effect. This reflects the range of estimates of residual value that the Directors believe would be reasonable at this time. The useful life of each Asset, for the purpose of depreciation of the asset under IAS 16, is estimated based on the expected period for which the Group will own and lease the Aircraft. The Board of directors expects that the Aircraft will have a working life far in excess of this period.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Operating Lease Commitments - Company as Lessor

The Company has entered into a lease on the Asset. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of this asset and accounts for the contract as an operating lease.

The Company has determined that the operating lease on the Asset is for 12 years without an extension option.

Impairment

As described in Note 2 (k), impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The Directors review the carrying amounts of its Assets at each audited Consolidated Statement of Financial Position date and monitor the Assets for any indications of impairment as required by IAS 16 Property, Plant and Equipment and IAS 36 Impairment of Assets.

At the 31 March 2017 year end the Directors reviewed the carrying value of the Asset and concluded that there was no indication of an impairment.

4 RENTAL INCOME

	1 Apr 2017 to 30 Sep 2017 GBP	1 Apr 2016 to 30 Sep 2016 GBP
A rent income	5,839,830	6,478,892
Revenue received but not yet earned	(624,755)	(1,536,285)
	5,215,075	4,942,607
B rent income	2,160,816	2,160,816
Revenue earned but not yet received	99,554	99,554
	2,260,370	2,260,370
Total rental income	7,475,445	7,202,977

Rental income is derived from the leasing of the Asset. Rent is split into A rent, which is received in US Dollars ("USD" or "$") and B rent, which is received in GBP. Rental income received in USD is translated into the functional currency (GBP) at the date of the transaction.

A and B rental income receivable will decrease / increase respectively, 10 years from the start of the lease. An adjustment has been made to spread the actual total income receivable evenly over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 01 April 2017 to 30 September 2017

5 OPERATING EXPENSES

	1 Apr 2017 to 30 Sep 2017 GBP	1 Apr 2016 to 30 Sep 2016 GBP
Corporate shareholder and adviser fee	57,142	55,884
Asset management fee	148,403	145,115
Administration fees	30,650	30,426
Accountancy fees	5,465	5,345
Registrars fee	4,907	4,909
Audit fee	10,500	10,050
Directors' remuneration	34,000	34,000
Directors' and Officers' insurance	4,037	4,020
Legal & professional expenses	1,200	238
Annual fees	3,514	2,707
Sundry costs	8,964	6,197
	308,782	298,891

6 DIRECTORS' REMUNERATION

Under their terms of appointment, each Director is paid a fee of £15,000 per annum by the Company, except for the Chairman, who receives £20,000 per annum. The Chairman of the audit committee also receives an extra £3,000 per annum.

7 DIVIDENDS IN RESPECT OF EQUITY SHARES

	01 Apr 2017 to 30 Sep 2017 GBP	Pence per share
First interim dividend	955,125	2.25
Second interim dividend	955,125	2.25
	1,910,250	4.50

	01 Apr 2016 to 30 Sep 2016 GBP	Pence per share
First interim dividend	955,125	2.25
Second interim dividend	955,125	2.25
	1,910,250	4.50

8 EARNINGS / (LOSS) PER SHARE

Earnings / (Loss) per Share ('EPS' / 'LPS') is based on the net profit for the period attributable to Shareholders of £8,269,970 (30 Sep 2016: net loss for the period of £2,222,395) and 42,450,000 Shares (30 Sep 2016: 42,450,000) being the weighted average number of Shares in issue during the period. There are no dilutive instruments and therefore basic and diluted (loss) / earnings per Share are identical.

9 PROPERTY, PLANT AND EQUIPMENT - AIRCRAFT

	Aircraft GBP
COST	
As at 1 Apr 2017	114,532,547
As at 30 Sep 2017	114,532,547
ACCUMULATED DEPRECIATION	
As at 1 Apr 2017	22,345,352
Charge for the period	1,040,691
As at 30 Sep 2017	23,386,043
CARRYING AMOUNT	
As at 31 Mar 2017	92,187,195
As at 30 Sep 2017	91,146,504

The cost in USD and the exchange rates at acquisition for the aircraft was as follows:

Cost in USD	178,549,805
GBP/USD exchange rate	1.5502

Following review of the aircraft's projected residual value, using the valuers and methodology set out in Note 3, whilst the underlying USD residual value of the aircraft has stayed at a similar level, the GBP value converted at the 2017 year end GBP exchange rate increased by £13,272,539. The directors already adjusted the residual value for this movement at the 2017 year end. The adjusted residual value has resulted in a decrease of £992,574 in the depreciation charge at 30 September 2017 from the comparative period as shown in the Statement of Comprehensive Income.

The Company cannot sell the Asset during the term of the Lease without terminating the Lease or Special Termination Events (as defined by the Lease) occurring. If at the end of the Lease the Company makes the choice to sell the Asset rather than leasing it out again, Emirates will be given first refusal to purchase the Asset at an independently appraised market value.

Under IAS 17 Leases the direct costs attributed in negotiating and arranging the Lease have been added to the carrying amount of the Asset and therefore will be recognised as an expense over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 01 April 2017 to 30 September 2017

10 FINANCE COSTS

	1 Apr 2017 to 30 Sep 2017 GBP	1 Apr 2016 to 30 Sep 2016 GBP
Amortisation of debt arrangement costs	30,360	30,360
Loan interest	1,209,538	1,453,539
	1,239,898	1,483,899

11 OPERATING LEASES

The amounts of minimum future lease receipts at the reporting date under non cancellable operating leases are detailed below:

30 September 2017	Next 12 months GBP	1 to 5 years GBP	After 5 years GBP	Total GBP
Aircraft - A rental payments	11,394,269	30,554,160	-	41,948,429
Aircraft - B rental payments	4,321,632	19,564,656	-	23,886,288
	15,715,901	50,118,816	-	65,834,717

31 March 2017	Next 12 months GBP	1 to 5 years GBP	After 5 years GBP	Total GBP
Aircraft- A rental payments	12,164,199	36,628,190	2,072,583	50,864,972
Aircraft - B rental payments	4,321,632	18,995,195	2,730,348	26,047,104
	16,485,831	55,623,314	4,802,931	76,912,076

The operating lease is for an Airbus A380-861 aircraft. The term of the lease is for 12 years ending December 2022 with reduced rental payments in the last two years and no extension option.

At the end of the lease term the lessee has the right to exercise an option to purchase the Asset if the Company chooses to sell the Asset. If a purchase option event occurs the Company and the lessee will be required to arrange for a current market value appraisal of the Asset to be carried out by three independent appraisers. The purchase price will be equal to the average valuation of those three appraisals.

12 RECEIVABLES

	30 Sep 2017	31 Mar 2017
	GBP	GBP
Prepayments	6,572	12,673
Sundry debtors	11	11
	6,583	12,684

The above carrying value of receivables is equivalent to its fair value.

13 PAYABLES (amounts falling due within one year)

	30 Sep 2017	31 Mar 2017
	GBP	GBP
Accrued administration fees	6,027	5,918
Accrued audit fee	11,100	13,700
Accrued corporate shareholder and adviser fees	28,571	28,571
Other accrued expenses	8,675	9,217
	54,373	57,406

The above carrying value of payables is equivalent to its fair value.

14 BORROWINGS

	TOTAL	TOTAL
	30 Sep 2017	31 Mar 2017
	GBP	GBP
Bank loan	39,239,896	46,748,096
Transaction costs	(315,213)	(345,573)
	38,924,683	46,402,523
Current portion	9,492,655	9,856,765
Non-current portion	29,432,028	36,545,758

Notwithstanding the fact that £4.6 million capital has been repaid during the period, as per the Statement of Cash Flow, the value of the borrowings has decreased by circa £7.5 million due to the 6% increase in the GBP/USD exchange rate from 1 April 2017 to 30 September 2017.

The amounts below detail the future contractual undiscounted cashflows in respect of the loan, including both the principal and interest payments, and will not agree directly to the amounts recognised in the Statement of Financial Position:

Amount due for settlement within 12 months	11,462,837	10,694,523
Amount due for settlement after 12 months	32,539,280	46,401,805

14 BORROWINGS (continued)

The loan was arranged with Westpac Banking Corporation ("Westpac") for USD 122,000,000, runs for 12 years until December 2022, and has an effective interest rate of 5.4950%, which is the same as the contractual fixed interest rate. The loan is secured on the Asset. No breaches or defaults occurred in the Period. Transaction costs of arranging the loan have been deducted from the carrying amount of the loan and will be amortised over its life.

In the Directors' opinion, the above carrying value of the bank loan is approximate to its fair value.

15 SHARE CAPITAL

The Share Capital of the Company is represented by an unlimited number of shares of no par value being issued or reclassified by the Company as Ordinary Preference Shares ("Shares") or Subordinated Administrative Shares.

Issued	**Subordinated Administrative Shares**	**Ordinary Preference Shares**
Shares issued at incorporation	-	1
Shares issued 11 October 2010	-	4,000,000
Shares issued 1 December 2010	-	1,000,000
Shares redeemed 1 December 2010	-	(2,175,001)
Shares issued 6 December 2010	2	-
Shares issued in Placing	-	39,625,000
Issued shares as at 30 September 2017 & 31 March 2017	2	42,450,000

	GBP
Ordinary Preference Shares	
1,825,000 Shares issued prior to Placing - Fair value	91,260
1,000,000 Shares issued prior to Placing - Fair value	250,010
39,625,000 Shares issued in Placing	39,625,000
Share issue costs	(949,544)
Issued Share Capital as at 30 September 2017 & 31 March 2017	39,016,726
Subordinated Administrative Shares	
Shares issued 6 December 2010	2
Total Share Capital as at 30 September 2017 & 31 March 2017	39,016,728

Members holding Ordinary Preference Shares are entitled to receive, and participate in, any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, members are entitled to the surplus assets remaining after payment of all the creditors of the Company. Members have the right to receive notice of and to attend, speak and vote at general meetings of the Company.

15 SHARE CAPITAL (continued)

The holders of Subordinated Administrative Shares are not entitled to receive, and participate in, any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, holders are entitled to a return of capital paid up on them after the Ordinary Preference Shares have received a return of their capital paid up but ahead of the return of all additional capital to the holders of Ordinary Preference Shares. Holders of Subordinated Administrative Shares shall not have the right to receive notice of and shall have no right to attend, speak and vote at general meetings of the Company, except for the Liquidation Proposal Meeting (general meeting convened six months before the end term of the Lease where the Liquidation Resolution will be proposed) or if there are no Ordinary Preference Shares in existence.

The Ordinary Preference Shares are not puttable instruments as the holder does not have the right to put the Shares back to the Company for cash or another financial instrument.

16 FINANCIAL INSTRUMENTS

The Company’s main financial instruments comprise:

(a) Cash and cash equivalents that arise directly from the Company's operations; and

(b) Loan secured on non-current asset.

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling a single aircraft.

The following table details the categories of financial assets and liabilities held by the Company at the reporting date:

	30 Sep 2017	31 Mar 2017
	GBP	GBP
Financial assets		
Cash and cash equivalents	4,213,572	4,376,502
Receivables (excluding prepayments)	11	11
Financial assets at amortised cost	4,213,583	4,376,513
Financial liabilities		
Payables	54,372	57,406
Loans payable	38,924,682	46,402,523
Financial liabilities measured at amortised cost	38,979,054	46,459,929

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The main risks arising from the Company’s financial instruments are capital management risk, foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board regularly reviews and agrees policies for managing each of these risks and these are summarised below:

(a) Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents and equity attributable to equity holders, comprising issued capital and retained earnings.

The Company's Board of Directors reviews the capital structure on a bi-annual basis.

Equity includes all capital and reserves of the Company that are managed as capital.

(b) Foreign Currency Risk

The Company's accounting policy under IFRS requires the use of a GBP historic cost of the Asset and the value of the USD loan as translated at the spot exchange rate on every statement of financial position date. In addition, USD operating lease receivables are not immediately recognised in the Statement of Financial Position and are accrued over the period of the Lease. The Directors consider that this introduces artificial variance due to the movement over time of foreign exchange rates. In actuality, the USD operating lease receivables should offset the USD payables on amortising loans. The foreign exchange exposure in relation to the loan is thus largely naturally hedged.

Lease rentals (as detailed in Notes 4 and 11) are received in USD and GBP. Those lease rentals received in USD are used to pay the loan repayments due, also in USD. Both USD lease rentals and loan repayments are fixed and are for similar sums and similar timings. The matching of lease rentals to settle loan repayments therefore mitigates risks caused by foreign exchange fluctuations.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	30 Sep 2017	31 Mar 2017
	GBP	GBP
Bank loan (USD) - liabilities	(39,239,895)	(46,748,096)
Cash and cash equivalents (USD) - assets	2,385,555	2,583,362

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Foreign Currency Risk (continued)

The following table details the Company's sensitivity to a 25 per cent (31 March 2017: 25 per cent) appreciation of GBP against USD 25 per cent (31 March 2017: 25 per cent) represents the Directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 25 per cent (31 March 2017: 25 per cent) change in foreign currency rates. A positive number below indicates an increase in profit and equity where GBP strengthens 25 per cent (31 March 2017: 25 per cent) against USD. For a 25 per cent (31 March 2017: 25 per cent) weakening of GBP against USD, there would be a comparable but opposite impact on the profit and equity.

	30 September 2017 USD impact GBP	31 March 2017 USD impact GBP
Profit or loss	7,370,868	8,832,947
Assets	(477,111)	(516,672)
Liabilities	7,847,979	9,349,619

On the eventual sale of the Asset, the Company may be subject to foreign currency risk if the sale was made in a currency other than GBP. Transactions in similar assets are typically priced in USD.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The credit risk on cash transactions are mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

The Company's financial assets exposed to credit risk are as follows:

	30 Sep 2017 GBP	31 Mar 2017 GBP
Receivables (excluding prepayments)	11	11
Cash and cash equivalents	4,213,572	4,376,502
	4,213,583	4,376,513

Surplus cash is held in accounts with Barclays and Westpac Banking Corporation, which have credit ratings given by Moody's of A1 (negative) and Aa2 (negative) respectively. The banks are shown as having negative rating, as the ratings are currently under review by Moody’s with the near term possibility of a downgrade.

There is a contractual credit risk arising from the possibility that the lessee may default on the lease payments. This risk is mitigated, as under the terms of the lease agreements between the lessee and the Company, any non-payment of the lease rentals constitutes a Special Termination Event, under which the lease terminates and the Company may either choose to sell the Asset or lease it to another party.

At the inception of the Lease, the Company selected a lessee with a strong balance sheet and financial outlook. The financial strength of Emirates is regularly reviewed by the Board and the Asset Manager.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 01 April 2017 to 30 September 2017

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The Company's main financial commitments are its ongoing operating expenses and loan repayments to Westpac.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which established an appropriate liquidity management framework at the incorporation of the Company, through the timings of lease rentals and loan repayments. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by monitoring forecast and actual cash flows, and by matching profiles of financial assets and liabilities.

The table below details the residual contractual maturities of financial liabilities, including estimated interest payments. The amounts below are contractual undiscounted cash flows, including both principal and interest payments, and will not agree directly to the amounts recognised in the Statement of Financial Position.

30 Sep 2017	**1-3 months**	**3-12 months**	**1-2 years**	**2-5 years**	**over 5 years**
	GBP	**GBP**	**GBP**	**GBP**	**GBP**
Financial liabilities					
Payables - due within one year	53,620	-	-	-	-
Loans payable	2,959,819	8,879,457	11,839,276	29,251,933	4,355,936
	3,013,439	8,879,457	11,839,276	29,251,933	4,355,936

31 Mar 2017	**1-3 months**	**3-12 months**	**1-2 years**	**2-5 years**	**over 5 years**
	GBP	**GBP**	**GBP**	**GBP**	**GBP**
Financial liabilities					
Payables - due within one year	56,032	-	-	-	-
Loans payable	2,673,731	8,021,192	10,694,923	30,198,019	5,508,863
	2,729,763	8,021,192	10,694,923	30,198,019	5,508,863

(e) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows. It is the risk that fluctuations in market interest rates will result in a reduction in deposit interest earned on bank deposits held by the Company.

The Company mitigates interest rate risk by fixing the interest rate on the loan and the lease rentals.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 01 April 2017 to 30 September 2017

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest Rate Risk (continued)

The following table details the Company's exposure to interest rate risks, by interest rate refinancing period:

30 September 2017	Variable interest GBP	Fixed interest GBP	Non-interest Bearing GBP	Total GBP
Financial assets				
Receivables	-	-	6,583	6,583
Cash and cash equivalents	4,123,572	-	-	4,123,572
Total financial assets	4,123,572	-	6,583	4,123,572
Financial liabilities				
Payables	-	-	54,372	54,372
Loans payable	-	39,239,895	-	39,239,895
Total financial liabilities	-	39,239,895	54,372	39,294,267
Total interest sensitivity gap	4,123,572	39,239,895		

31 March 2017	Variable interest GBP	Fixed interest GBP	Non-interest Bearing GBP	Total GBP
Financial assets				
Receivables	-	-	12,684	12,684
Cash and cash equivalents	4,376,502	-	-	4,376,502
Total financial assets	4,376,502	-	12,684	4,389,186
Financial liabilities				
Payables	-	-	57 ,406	57 ,406
Loans payable	-	46,748,096	-	46,748,096
Total financial liabilities	-	46,748,096	57 ,406	46,805,502
Total interest sensitivity gap	4,376,502	46,748,096		

If interest rates had been 50 basis points higher throughout the period and all other variables were held constant, the Company's profit for the period and net assets attributable to Shareholders as at 30 September 2017 would have been £10,309 (31 March 2017: £21,883) greater due to an increase in the amount of interest receivable on the bank balances.

If interest rates had been 50 basis points lower and all other variables were held constant, the Company's profit for the period and net assets attributable to Shareholders as at 30 September 2017 would have been £10,309 (31 March 2017: £21,883) lower due to an decrease in the amount of interest receivable on the bank balances.

18 ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, the Company has no ultimate controlling party.

19 SUBSEQUENT EVENTS

On 12 October 2017, a further dividend of 2.25 pence per Ordinary Preference Share was declared and this was paid on 28 October 2017.

20 RELATED PARTIES

Nimrod Capital LLP ("**Nimrod**") is the Company's Corporate and Shareholder Advisory Agent. The Company pays to Nimrod for its services as Corporate and Shareholder Advisor a fee of £100,000 per annum (adjusted annually for inflation from 2012 onwards at 2.25 per cent. per annum) payable quarterly in arrears.

During the Period, the Company incurred £57,142 (30 September 2016: £55,884) of expenses with Nimrod, of which £28,571 (31 March 2017: £28,571) was outstanding to this related party at 30 September 2017.

Doric GmbH ("Doric") is the Company's Asset Manager. The Company pays Doric a management and advisory fee of £250,000 per annum (adjusted annually for inflation from 2012 onwards, at 2.25 per cent. per annum), payable quarterly in arrears. Doric will also receive a fee for its sales and remarketing services upon disposition of the Asset and subsequent winding up of the Company ("the Disposition Fee"). This will be payable by the Company out of the proceeds of sale and will follow an incentivised structure. Doric will not be entitled to the Disposition Fee (but for the avoidance of doubt will be entitled to reimbursement for properly incurred costs and expenses) if Shareholders do not recover 100 pence per Share net of all costs, fees and expenses upon the winding up of the Company. If Shareholders receive between 100 pence per Share and 150 pence per Share (inclusive) (in each case net of all cost, fees and expense) upon the winding up of the Company, Doric should receive a Disposition Fee of 2 per cent of the realised value of the Asset. If Shareholders receive more than 150 pence per Share (net of all costs, fees and expenses) Doric should receive 3 per cent of the realised value of the Asset.

During the Period, the Company incurred £148,515 (30 September 2016: £140,079) of expenses with Doric, of which £nil (31 March 2017: £242) was outstanding to this related party at 30 September 2017.

John Le Prevost is a director of Anson Registrars Limited ("ARL"), the Company's registrar, transfer agent and paying agent. During the period £4,907 (30 September 2016: £4,909) of costs were incurred with ARL, of which £609 (31 March 2017: £560) was outstanding as at 30 September 2017.

DORIC NIMROD AIR ONE LIMITED (the "Company")

ADVISORS AND CONTACT INFORMATION

KEY INFORMATION

Exchange	Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker	DNA
Listing Date	13 December 2010
Fiscal Year End	31 March
Base Currency	GBP
ISIN	GG00B4MF3899
SEDOL	B4MF389
Country of Incorporation	Guernsey – Registration number 52484

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