

10. ADJUSTED PROFIT BEFORE TAX AND ADJUSTED EBITDA

| | 2012 £000 | 2011 £000 |
|--|-----------------|--------------|
| (Loss)/profit before tax | (35,551) | 6,901 |
| Loss/(gain) on revaluation of investment properties – wholly owned | 51,381 | 16,039 |
| – in associate | 480 | (2,241) |
| Change in fair value of interest rate derivatives – Group | 7,965 | (197) |
| – in associate | (135) | (191) |
| Gains on surplus land – wholly owned | (497) | (71) |
| – in associate | – | (33) |
| Adjusted profit before tax | 23,643 | 20,207 |
| Net bank and other interest | 10,049 | 10,089 |
| Depreciation | 550 | 611 |
| Adjusted EBITDA | 34,242 | 30,907 |

Adjusted profit before tax which excludes gains and losses on the revaluation of investment properties, changes in fair value of interest rate derivatives, net gains and losses on surplus land, and non-recurring items of income and expenditure have been disclosed to give a clearer understanding of the Group's underlying trading performance. The adjusted profit before tax of £23,643,000 (2011: £20,207,000) equates to EPRA earnings, as there is no tax charge in the year.

11. DIVIDENDS

| | 2012 £000 | 2011 £000 |
|--|---------------|--------------|
| Amounts recognised as distributions to equity holders in the year: | | |
| Final dividend for the year ended 31 March 2011 of 5p (2010: 4p) per share. | 6,460 | 5,163 |
| Interim dividend for the year ended 31 March 2012 of 4.5p (2011: 4p) per share. | 5,763 | 5,165 |
| | 12,223 | 10,328 |
| Proposed final dividend for the year ended 31 March 2012 of 5.5p (2011: 5p) per share. | 7,057 | 6,460 |

Subject to approval by shareholders at the Annual General Meeting to be held on 10 July 2012, the final dividend will be paid on 20 July 2012 to shareholders on the Register on 8 June 2012.

The Property Income Dividend ("PID") payable for the current year is 9 pence per share.

12. (LOSS)/EARNINGS AND NET ASSETS PER SHARE

(Loss)/earnings per ordinary share

| | Year ended 31 March 2012 | | | Year ended 31 March 2011 | | |
|---|--------------------------|-------------------|--------------------|--------------------------|-------------------|--------------------|
| | Earnings £m | Shares million | Pence per share | Earnings £m | Shares million | Pence per share |
| Basic | (35.55) | 128.44 | (27.68) | 6.90 | 129.11 | 5.34 |
| Dilutive share options | – | 1.29 | 0.28 | – | 1.38 | (0.05) |
| Diluted | (35.55) | 129.73 | (27.40) | 6.90 | 130.49 | 5.29 |
| <i>Adjustments:</i> | | | | | | |
| Loss on revaluation of investment properties | 51.38 | – | 39.61 | 16.04 | – | 12.29 |
| Change in fair value of interest rate derivatives | 7.97 | – | 6.14 | (0.20) | – | (0.15) |
| Gains on surplus land | (0.50) | – | (0.39) | (0.07) | – | (0.05) |
| Share of associate non-recurring losses/(gains) | 0.34 | – | 0.26 | (2.46) | – | (1.89) |
| EPRA – diluted | 23.64 | 129.73 | 18.22 | 20.21 | 130.49 | 15.49 |
| EPRA – basic | 23.64 | 128.44 | 18.41 | 20.21 | 129.11 | 15.65 |

The calculation of basic (loss)/earnings is based on (loss)/profit after tax for the year. The weighted average number of shares used to calculate diluted (loss)/earnings per share has been adjusted for the conversion of share options.

EPRA earnings and earnings per ordinary share before non-recurring items, movements on revaluation of investment properties, gains and losses on surplus land, the change in fair value of interest rate swaps, and share of associate non-recurring gains have been disclosed to give a clearer understanding of the Group's underlying trading performance.