

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.

Notes to the Financial Statements (continued)

Year ended 31 March 2012

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

The European Public Real Estate Association ("EPRA") has issued recommended bases for the calculation of net assets per share information and this is shown in the table below:

	As at 31 March 2012 £000	As at 31 March 2011 £000
Basic net asset value	494,500	544,949
Exercise of share options	746	603
EPRA NNNAV	495,246	545,552
Adjustments:		
Fair value of derivatives	15,748	7,783
Fair value of derivatives – share of associate	443	579
EPRA NAV	511,437	553,914
Basic net assets per share (pence)	386.1	421.9
EPRA NNNAV per share (pence)	378.9	415.0
EPRA NAV per share (pence)	391.3	421.3
EPRA NAV (as above) (£000)	511,437	553,914
Valuation methodology assumption (see note 14) (£000)	35,514	37,483
Capital goods scheme adjustment – group (£000)	12,282	–
Capital goods scheme adjustment – share of associate (£000)	1,765	–
Adjusted net asset value (£000)	560,998	591,397
Adjusted net assets per share (pence)	429.2	449.8
	No. of shares	No. of shares
Shares in issue	131,393,041	131,060,522
Own shares held in treasury	(1,418,750)	–
Own shares held in EBT	(1,885,117)	(1,905,000)
Basic shares in issue used for calculation	128,089,174	129,155,522
Exercise of share options	2,623,172	2,312,475
Diluted shares used for calculation	130,712,346	131,467,997

Net assets per share are shareholders' funds divided by the number of shares at the year end. The shares currently held in the Group's Employee Benefit Trust and in treasury are excluded from both net assets and the number of shares.

Adjusted net assets per share include the effect of those shares issuable under employee share option schemes and the effect of alternative valuation methodology assumptions [see note 14]. It has also been adjusted for the Group's estimate of capital goods scheme repayments due to it following the proposed introduction of VAT on self storage from 1 October 2012. As described in note 14, the investment property valuations have been adjusted to reflect the impact of VAT being introduced, and the Board considers it appropriate to reflect the estimated amounts due back to the Group from HMRC following the introduction of VAT in the calculation of adjusted net assets per share. This amount, which is subject to agreement with HMRC, cannot be recognised as an asset at the balance sheet date as the legislation to introduce VAT had not been substantially enacted at 31 March 2012.