

## Notes to the Half Year Report (continued)

### 4. FINANCE COSTS

	Six months ended 30 September 2012 (unaudited) £000	Six months ended 30 September 2011 (unaudited) £000	Year ended 31 March 2012 (audited) £000
Interest on bank borrowings	5,553	5,492	11,097
Capitalised interest	(161)	(449)	(1,035)
Other interest payable	–	7	7
Interest on finance lease obligations	549	541	1,130
<b>Total interest payable</b>	<b>5,941</b>	5,591	11,199
Change in fair value of interest rate derivatives	–	9,499	7,965
<b>Total finance costs</b>	<b>5,941</b>	15,090	19,164

### 5. TAX

There is no tax charge in the residual business in the period due to tax relief in relation to the restructuring of interest rate derivatives in prior periods.

### 6. ADJUSTED PROFIT BEFORE TAX

	Six months ended 30 September 2012 (unaudited) £000	Six months ended 30 September 2011 (unaudited) £000	Year ended 31 March 2012 (audited) £000
Profit/(loss) before tax	27,242	6,437	(35,551)
(Gain)/loss on revaluation of investment properties – Group	(11,521)	(2,631)	51,381
Share of (gain)/loss on revaluation of investment properties – associate	(1,594)	(1,725)	480
Change in fair value of interest rate swaps – Group	(2)	9,499	7,965
Share of change in fair value of interest rate swaps – associate	(156)	40	(135)
VAT implementation costs	136	–	–
(Gains)/losses on surplus land	(183)	1	(497)
Adjusted profit before tax	13,922	11,621	23,643
Net bank and other interest	5,378	5,045	10,049
Depreciation	295	280	550
Adjusted EBITDA	19,595	16,946	34,242

Adjusted profit before tax which excludes the revaluation of investment properties, changes in fair value of interest rate derivatives, net gains and losses on surplus land, and any non-recurring items of income and expenditure, has been disclosed to give a clearer understanding of the Group's underlying trading performance.