



5. TAXATION

The Group converted to a REIT in January 2007. As a result, the Group does not pay UK corporation tax on the profits and gains from its qualifying rental business in the UK if it meets certain conditions. Non-qualifying profits and gains of the Group are subject to corporation tax as normal. The Group monitors its compliance with the REIT conditions. There have been no breaches of the conditions to date.

	Six months ended 30 September 2017 (unaudited) £000	Six months ended 30 September 2016 (unaudited) £000	Year ended 31 March 2017 (audited) £000
Current tax:			
– Current year	315	325	417
– Prior year	(13)	–	(145)
	302	325	272

6. ADJUSTED PROFIT BEFORE TAX

	Six months ended 30 September 2017 (unaudited) £000	Six months ended 30 September 2016 (unaudited) £000	Year ended 31 March 2017 (audited) £000
Profit before tax	78,663	57,748	99,783
Gain on revaluation of investment properties – Group	(47,464)	(31,577)	(43,706)
– associates (net of deferred tax)	(716)	(267)	(756)
Change in fair value of interest rate derivatives – Group	(842)	971	(719)
– associates	(36)	54	8
Gain on part disposal of investment property	(650)	–	–
Acquisition costs written off	–	296	296
Prior period VAT recovery	–	(328)	(328)
Share of associate acquisition costs written off	73	61	63
Refinancing costs	1,526	–	–
Adjusted profit before tax	30,554	26,958	54,641
Tax	(302)	(325)	(272)
Adjusted profit after tax (EPRA earnings)	30,252	26,633	54,369

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

7. DIVIDENDS

	Six months ended 30 September 2017 (unaudited) £000	Six months ended 30 September 2016 (unaudited) £000
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 March 2017 of 14.1p (2016: 12.8p) per share	22,107	20,003
Proposed interim dividend for the year ending 31 March 2018 of 15.3p (2017: 13.5p) per share	24,076	21,155

The proposed interim dividend of 15.3 pence per ordinary share will be paid to shareholders on 5 January 2018. The ex-div date is 7 December 2017 and the record date is 8 December 2017. The interim dividend is all Property Income Dividend.