

EPRA MEASURES



EPRA PERFORMANCE MEASURES (EPM)

The European Public Real Estate Association's (EPRA) mission is to promote, develop and represent the European public real estate sector. As an EPRA member, Picton fully supports the EPRA Best Practices Recommendations which recognise the six key performance measures, as detailed above. Further disclosures and supporting calculations, including sustainability measures, can be found on pages 97 to 103. We have also highlighted other specific EPRA metrics throughout the Report.

EPRA EARNINGS:

A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.

EPRA NAV:

Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with long-term investment strategy.

EPRA NNNAV:

Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all the assets and liabilities within a real estate company.

EPRA COST RATIOS:

A ratio to enable meaningful measurement of the changes in a company's operating costs as a percentage of rental income.

EPRA NET INITIAL YIELD AND 'TOPPED-UP' NET INITIAL YIELD:

A comparable measure for portfolio valuations. This measure should make it easier for investors to judge for themselves how the valuation of a portfolio compares with others. The EPRA NIY is based on the passing rents at the balance sheet date, the EPRA 'topped-up' NIY also includes rents where there are unexpired lease incentives at the balance sheet date.

EPRA VACANCY RATE:

A "pure" (%) measure of investment property space that is vacant, based on ERV.

ALTERNATIVE PERFORMANCE MEASURES

We use a number of alternative performance measures ('APMs') when reporting on the performance of the business and its financial position. These do not always have a standard meaning and may not be comparable to those used by other entities. However, we will use industry standard measures and terminology where possible.

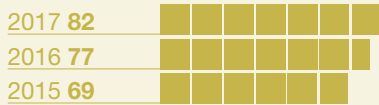
In common with many other listed property investment companies we report the EPRA performance measures, as stated above. We have reported these for a number of years in order to provide a consistent comparison with similar companies. In the Other Information section we provide more detailed information and reconciliations to IFRS where appropriate.

Our key performance indicators include three of the key EPRA measures but also total return, total property return, property income return, total shareholder return, loan to value ratio and ongoing charges. The definition of these measures, and the rationale for their use, is set out in the Key Performance Indicators section.

Other APMs are set out in the Supplementary Disclosures section of the Report.

EPRA NAV per Share (p)

82p



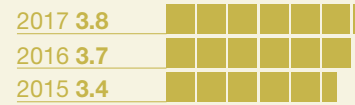
EPRA Earnings (£m)

£20.6m



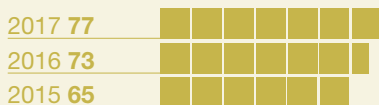
EPRA Earnings per Share (p)

3.8p



EPRA NNAV per Share (p)

77p



EPRA Cost Ratio¹ (%)

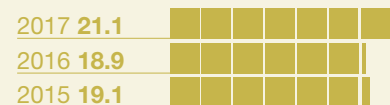
26.1%



1. Including direct vacancy costs

EPRA Cost Ratio² (%)

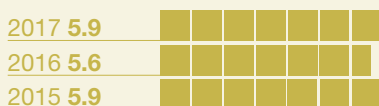
21.1%



2. Excluding direct vacancy costs

EPRA Net Initial Yield (%)

5.9%



EPRA 'topped-up' Net Initial Yield (%)

6.3%



EPRA Vacancy Rate (%)

5.8%

