

## Notes to the Financial Statements (continued)

Year ended 31 March 2016

### 12. EARNINGS AND NET ASSETS PER SHARE

#### Earnings per ordinary share

	Year ended 31 March 2016			Year ended 31 March 2015		
	Earnings £m	Shares million	Pence per share	Earnings £m	Shares million	Pence per share
Basic	<b>112.0</b>	<b>155.8</b>	<b>71.9</b>	105.6	145.7	72.5
Dilutive share options	–	<b>0.7</b>	<b>(0.3)</b>	–	1.2	(0.6)
Diluted	<b>112.0</b>	<b>156.5</b>	<b>71.6</b>	105.6	146.9	71.9
<b>Adjustments:</b>						
Gain on revaluation of investment properties	<b>(58.0)</b>	–	<b>(37.1)</b>	(64.5)	–	(43.9)
Change in fair value of interest rate derivatives	–	–	–	2.3	–	1.6
Profit on disposal of surplus land	<b>(4.8)</b>	–	<b>(3.1)</b>	(1.3)	–	(0.9)
Share of associate non-recurring gains	<b>(0.5)</b>	–	<b>(0.3)</b>	(2.3)	–	(1.6)
EPRA – diluted	<b>48.7</b>	<b>156.5</b>	<b>31.1</b>	39.8	146.9	27.1
EPRA – basic	<b>48.7</b>	<b>155.8</b>	<b>31.3</b>	39.8	145.7	27.3

The calculation of basic earnings is based on profit after tax for the year. The weighted average number of shares used to calculate diluted 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 on surplus land, the change in fair value of interest rate derivatives, and share of associate non-recurring gains and losses (including deferred tax on revaluation surpluses) have been disclosed to give a clearer understanding of the Group's underlying trading performance.

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:

	31 March 2016 £000	31 March 2015 £000
Basic net asset value	<b>829,387</b>	750,914
Exercise of share options	<b>700</b>	452
EPRA NNNNAV	<b>830,087</b>	751,366
<b>Adjustments:</b>		
Fair value of derivatives	<b>3,683</b>	3,679
Fair value of derivatives – share of associate	<b>69</b>	46
Share of deferred tax in associates	<b>573</b>	425
EPRA NAV	<b>834,412</b>	755,516
Basic net assets per share (pence)	<b>530.8</b>	484.0
EPRA NNNNAV per share (pence)	<b>525.5</b>	478.5
EPRA NAV per share (pence)	<b>528.3</b>	481.1
EPRA NAV (as above) (£000)	<b>834,412</b>	755,516
Valuation methodology assumption (see note 14) (£000)	<b>64,560</b>	45,927
Adjusted net asset value (£000)	<b>898,972</b>	801,443
Adjusted net assets per share (pence)	<b>569.1</b>	510.4

	No. of shares	No. of shares
Shares in issue	<b>157,369,287</b>	158,055,735
Own shares held in treasury	–	(1,418,750)
Own shares held in EBT	<b>(1,122,907)</b>	(1,500,000)
Basic shares in issue used for calculation	<b>156,246,380</b>	155,136,985
Exercise of share options	<b>1,707,743</b>	1,896,437
Diluted shares used for calculation	<b>157,954,123</b>	157,033,422

Net assets per share are equity shareholders' funds divided by the number of shares at the year end. The shares currently held in the Group's Employee Benefit Trust 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).

The shares held in treasury were cancelled during the year.