

Glossary of EPRA performance indicators

Name	Definition	Purpose
EPRA Earnings	Current result from strategic operational activities	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 Diluted Earnings	Current result from strategic operational activities, taking into account the potential dilution from financial instruments that are 'in-the-money' at the closing date.	A key measure of a company's underlying operating results, taking into account the potential dilution from financial instruments that are 'in-the-money' at the closing date, and an indication of the extent to which current dividend payments are supported by earnings.
EPRA NAV	Net Asset Value (NAV) adjusted to include the investment properties at their fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.	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 a long-term investment strategy.
EPRA NNNAV	EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debt and (iii) deferred taxes.	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 Net Initial Yield (NIY)	Annualised gross rental income based on the passing rents at the closing date, less property charges, divided by the market value of the portfolio, increased with estimated transaction costs resulting from the hypothetical disposal of investment properties.	A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.
EPRA 'topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods and other incentives.	This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.
EPRA Vacancy Rate	Estimated Rental Value (ERV) of vacant space divided by the ERV of the total portfolio	A "pure" (%) measure of investment property space that is vacant, based on ERV.
EPRA Cost Ratios (including costs of direct vacancy)	Administrative/operational expenses per IFRS income statement, including the direct costs of vacant buildings, divided by the gross rental income, less ground rent costs.	A key measure to enable meaningful measurement of the changes in a company's operating costs.
EPRA Cost Ratios (excluding costs of direct vacancy)	Administrative/operational expenses per IFRS income statement, less the direct costs of vacant buildings, divided by the gross rental income, less ground rent costs.	A key measure to enable meaningful measurement of the changes in a company's operating costs.