Notes to the condensed consolidated financial statements continued

for the year ended 30 September 2018

9. Earnings per share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding. Treasury shares are excluded from the weighted average number of ordinary shares outstanding. Vested share appreciation rights ('SARS') issued to employees at award prices lower than the current share price, results in a potential dilutive impact on the weighted average number of issued ordinary shares and have been included in the calculation of dilutive weighted average number of issued ordinary shares. Vested SARS issued to employees at award prices higher than the current share price, were excluded from the calculation of diluted weighted average number of issued ordinary shares because their effect would have been anti-dilutive. Vested but unissued conditional awards ('LTIP') have been included in the calculation of dilutive weighted average number of issued ordinary shares. The average market value of the Company's shares for the purposes of calculating the potential dilutive effect of SARS was based on quoted market prices for the year during which the options were outstanding.

	2018	2017
Profit for the year attributable to ordinary shareholders (US$'000)	48 433	57 601
Weighted average number of issued ordinary shares for basic earnings per share ('000)	260 329	257 393
Weighted average number of issued ordinary shares for diluted earnings per share ('000)	264 531	257 393
Earnings per share		
Basic (US$ cents)	19	22
Diluted (US$ cents)	18	22

Headline and diluted headline earnings per share

The calculation of basic and diluted headline earnings per share has been based on the following profit attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding. Treasury shares are excluded from the weighted average number of ordinary shares outstanding. Vested SARS issued to employees at award prices lower than the current share price, results in a potential dilutive impact on the weighted average number of issued ordinary shares and have been included in the calculation of dilutive weighted average number of issued ordinary shares. Vested SARS issued to employees at award prices higher than the current share price, were excluded from the calculation of diluted weighted average number of issued ordinary shares because their effect would have been anti-dilutive. Vested but unissued LTIP have been included in the calculation of dilutive weighted average number of issued ordinary shares.

	2018	2017
Headline earnings for the year attributable to ordinary shareholders (US$'000)	49 134	57 799
Weighted average number of issued ordinary shares for basic headline earnings per share ('000)	260 329	257 393
Weighted average number of issued ordinary shares for diluted headline earnings per share ('000)	264 531	257 393
Headline earnings per share		
Basic (US$ cents)	19	22
Diluted (US$ cents)	19	22

	2018				2017
	Gross US$'000	Tax US$'000	Non-controlling interest US$'000	Net US$'000	Net US$'000
Reconciliation of profit to headline earnings					
Profit attributable to ordinary shareholders				48 433	57 601
Adjustments:					
Gain on bargain purchase	(1 884)	–	490	(1 394)	–
Impairment of property, plant and equipment	3 897	(1 091)	(730)	2 076	–
Impairment losses on goodwill	–		–	–	57
Loss on disposal of property, plant and equipment	36	(10)	(7)	19	141
Headline earnings				49 134	57 799