



AN POST FINANCIAL RESULTS 2017

FINANCIAL YEAR 2017

2017 – RETURN TO PROFIT

One off items will provide the resources for investment in Strategy and Transformation

FINANCIAL SUMMARY	2017 €m	2016 €m
Revenue	840.0	825.2
Profit/(loss) – operating activity	8.4	(12.4)
One off Items		
Disposal of Asset	36.8	0.4
PLI Equity Dividend	9.0	–
Profit/(loss) before pension interest and taxation	54.2	(12.0)

FINANCIAL YEAR 2017

ASSET DISPOSAL

In early 2017 a site at Cardiff Lane in Dublin was disposed of and simultaneously a replacement facility was provided to ensure the uninterrupted service for the city centre mail.

The after tax cash proceeds from the transaction of €24m will be applied by the Group in implementing its future strategy.

PREMIER LOTTERIES IRELAND

An Post along with Ontario Teachers Pension Plan and the An Post Pension Plan are the investors in Premier Lotteries Ireland.

In 2014 the company was chosen as the operator of the National Lottery licence for a period of 20 years. The company is meeting the targets set and in 2017 an equity dividend of €9m was received.

FINANCIAL YEAR 2017

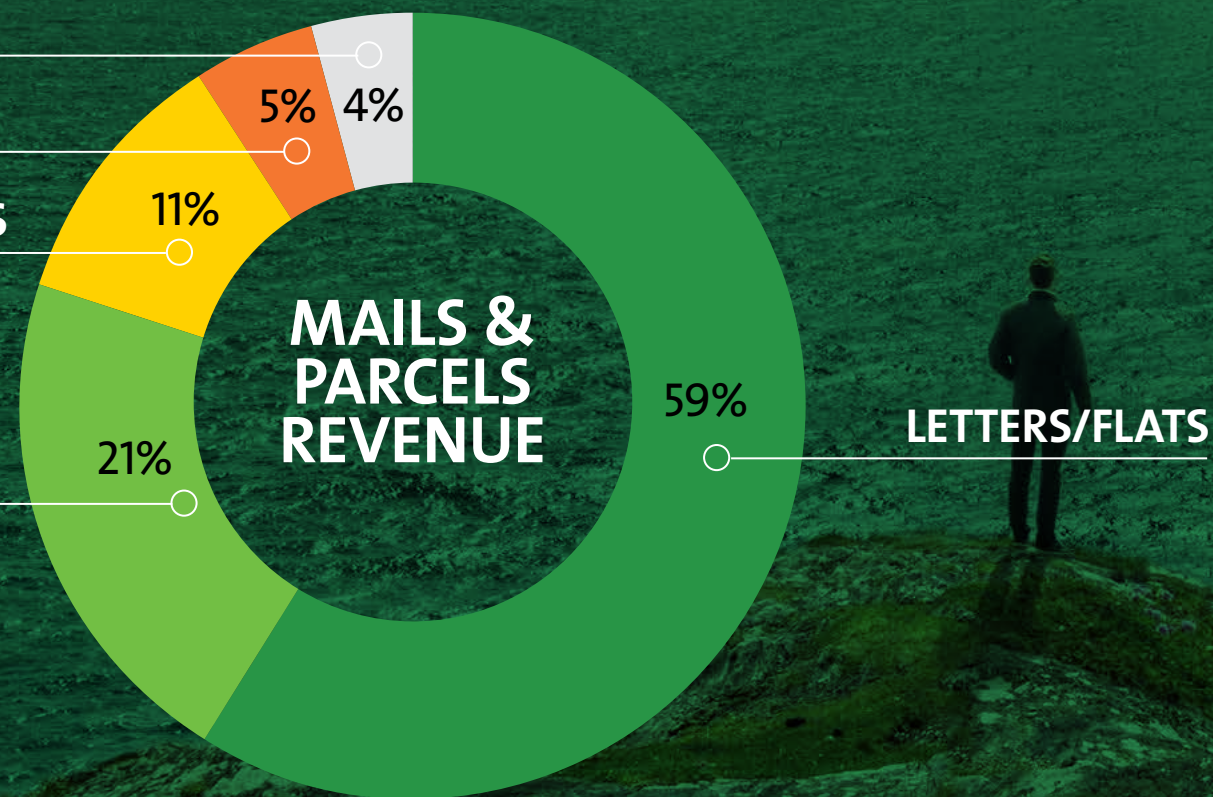
MAILS AND PARCELS REVENUE

OTHER

DIRECT MAIL

ADDED VALUE SERVICES

PARCELS & PACKETS



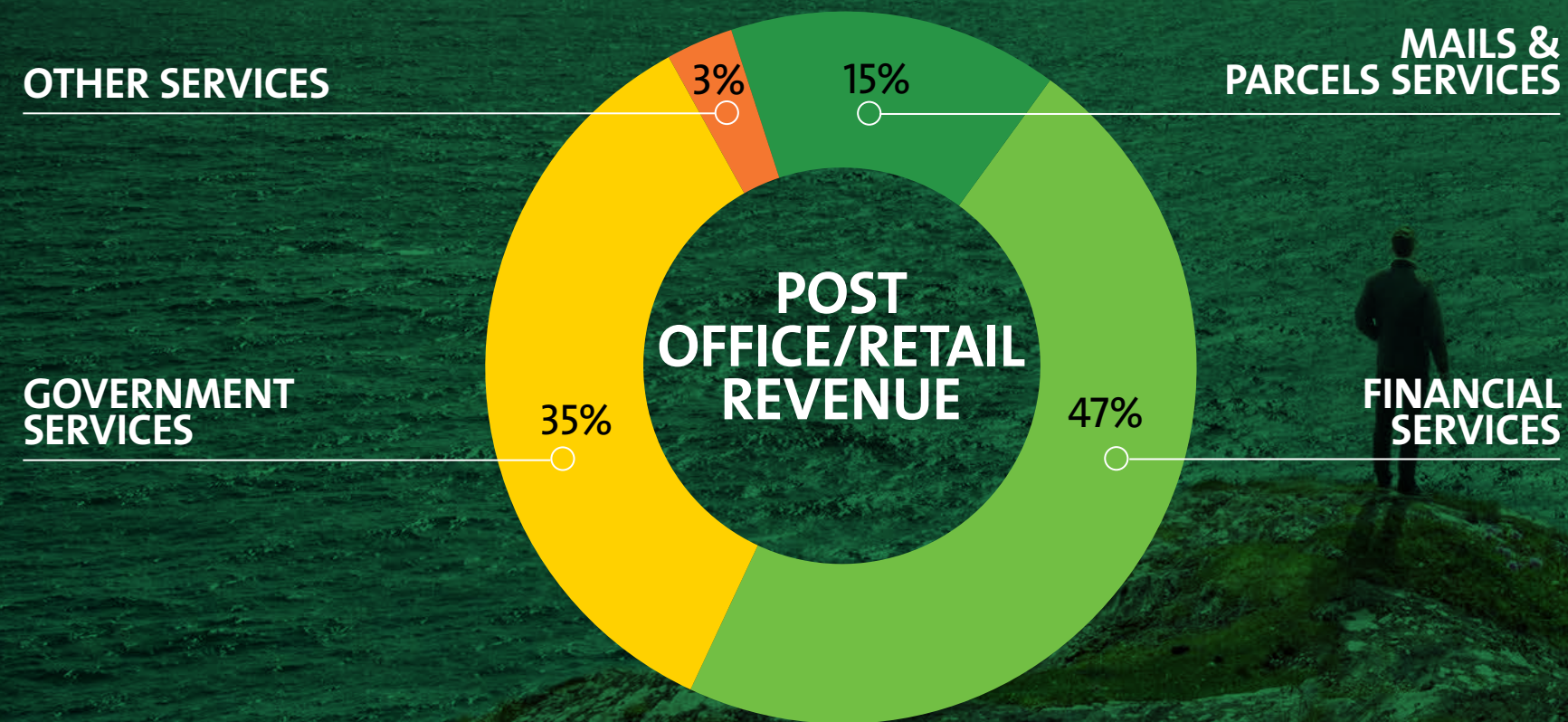
> Parcels growth of 30%

> Move to added value mail services

> April 2017 price increase gave significant revenue boost

FINANCIAL YEAR 2017

POST OFFICE / RETAIL REVENUE



- › State Savings products reached a combined value of over €20bn
- › Growth in financial services offering
 - FX
 - Banking Services
 - Smart Account
- › eCommerce and other products
 - Parcel Growth
 - Gift Cards

FINANCIAL YEAR 2017

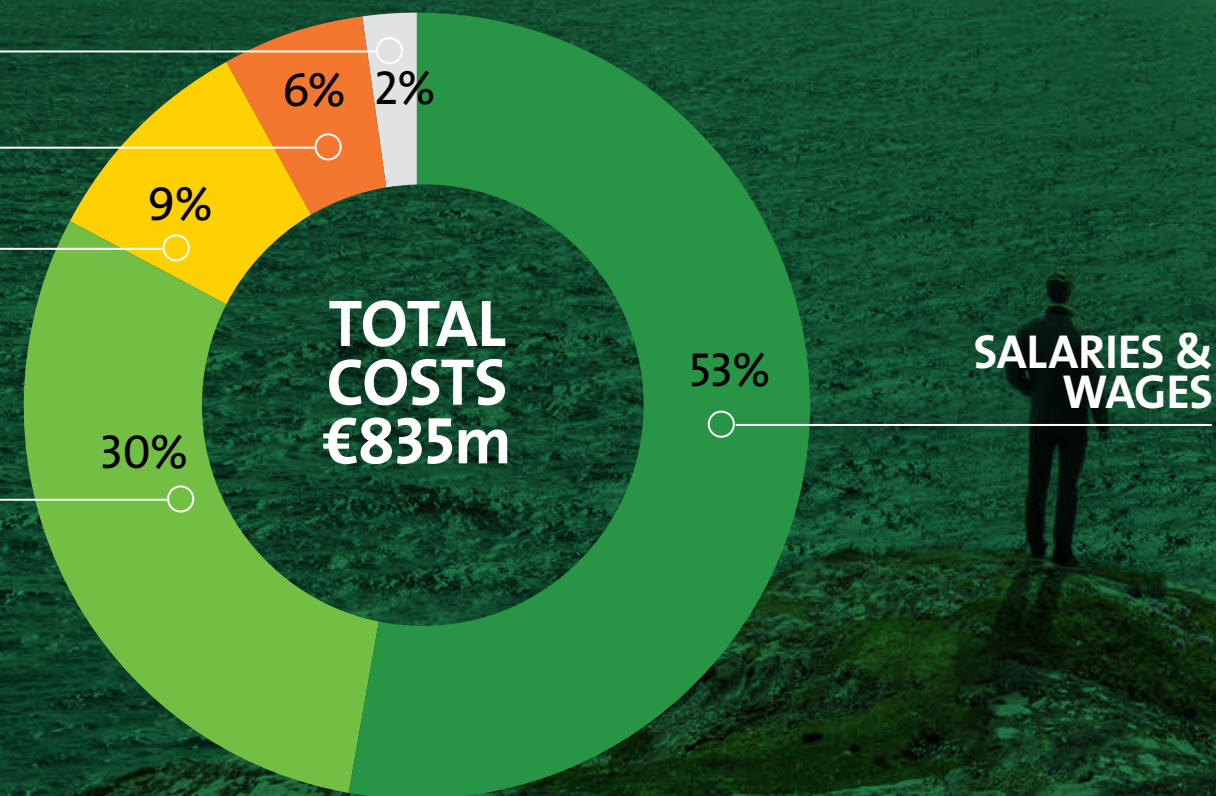
GROUP OPERATING COSTS

DEPRECIATION

PENSION COSTS

POSTMASTER COSTS

NON PAY COSTS



› Mix of Operating Costs is in line with postal sector norms.

› Reduction in both labour and non pay costs achieved in 2017.

FINANCIAL YEAR 2017

2017 was a year of positive cash generation. The next few years will require investment in new business and transformation.

	2017 €m	2016 €m
GROUP CASH FLOW		
Cash From Operations	8.9	0.2
Asset Disposal	24.1	0.4
Transformation Costs	(5.4)	(5.4)
Capital Expenditure	(13.8)	(14.1)
PLI Investments	14.2	–
Government Loan	30.0	–
Net Cash Flow	58.0	(18.9)
Opening Cash	25.9	44.8
Closing Cash	83.9	25.9

FINANCIAL YEAR 2017

Balance sheet is in a positive position which underpins the strength required to continue with the implementation of the strategy in the coming years

GROUP BALANCE SHEET	2017 €m	2016 €m
Total fixed assets (incl Financial Assets and Goodwill)	284	293
Current assets		
Trade and other receivables	128	105
Cash at bank and in hand	410	265
Restricted cash	155	138
Total current assets	693	509
Total assets	978	801
Equity and reserves		
Called up share capital	(68)	(68)
Other reserves	0	(0)
Retained earnings	(106)	163
Non-controlling interests	(2)	2
Total equity	(175)	96
Non-current liabilities		
Deferred income – capital grants	(9)	(10)
Leases and borrowings	(44)	(19)
Provision for liabilities and charges	(10)	(29)
Employee retirement benefits	(55)	(283)
Total non-current liabilities	(118)	(340)
Current liabilities		
Trade and other payables	(173)	(163)
Leases and borrowings	(5)	(10)
Amounts held in trust	(481)	(374)
Provisions	(25)	(11)
Total current liabilities	(684)	(557)
Total liabilities	(803)	(898)
Total equity and liabilities	(978)	(801)

FINANCIAL YEAR 2017

FINANCIAL STRUCTURE

€30M GOVERNMENT LOAN

Government provided €30m by way of a loan in December 2017 to provide financial stability to support the Group strategy.

The funding is a 5 year term loan at 1% with the option to extend by a further 2 years

NO OTHER DEBT

Balance sheet has no other external debt.

Asset value in property and investments in subsidiary is significant.

FINANCIAL YEAR 2017

PENSIONS

- Pension is 99% funded
- Amendments to the Scheme by adjusting members benefits and the contribution of investment returns has proven successful

	2017 €m	2016 €m
PENSION LIABILITY		
Assets	3,116	2,969
Liabilities	3,171	3,252
Deficit	55	283
ASSUMPTIONS	2017	2016
Discount rate	2.0%	1.8%
Inflation Rate	1.75%	1.75%
Relevant Wage Inflation	1.5%	1.25%
Increase to pensions in payment	1.5%	1.25%
Pensionable salary increases	1.5%	1.25%