Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

NewERA
ANNUAL FINANCIAL REVIEW 2018/19

About Us

NewERA provides financial and commercial advice to Government Ministers and Departments in relation to their ownership interests in 15 State companies across the energy, water, postal, forestry, transport and health sectors. A number of these companies are designated to NewERA under its legislation whilst NewERA provides advice to the relevant Government Ministers and Departments on the other companies by agreement - these companies are collectively referred to as the Portfolio or the Portfolio Companies. NewERA's approach is to facilitate an enhanced level of active ownership by the State as shareholder in the Portfolio Companies.

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NewERA Advisory Functions

- **Financial performance, return on capital and dividend policy**
- **Effective and efficient use of capital**
- **Corporate strategy**
- **Capital and investment plans**
- **Acquisitions, disposals, reorganisations, restructurings**
- **Board appointments (Chairperson, Directors, CEO) and remuneration**

Portfolio

Designated Companies

- An Post
- Bord na Móna (BnM)
- Coillte
- EirGrid
- Ervia
- Electricity Supply Board (ESB)
- Irish Water (IW)

Other Companies

- Coras Iompair Éireann (CIÉ)
- daa
- Dublin Port Company (DPC)
- Irish Aviation Authority (IAA)
- Port of Cork Company (PoCC)
- Shannon Foynes Port Company (SFPC)
- Shannon Group
- Voluntary Health Insurance Board (Vhi)*

** Vhi has been included for the first time in the Annual Financial Review*

Introduction

An expectation of State owned companies is that they act as leaders in terms of responsible and sustainable business practice. A key area of focus for the State as shareholder in this regard is the Government's roadmap to deliver a dramatic, but necessary, step-change in Ireland's emissions performance. In this report, as well as reviewing the financial performance of the Portfolio Companies and considering the opportunities and challenges they each face, NewERA also looks in more detail at the role they are playing, and will continue to play, as part of Ireland's transition to a low carbon energy future.

This report is used to highlight the areas or themes which NewERA believes are of particular relevance from a shareholder perspective in the current market environment and in the context of its review of the strategic and rolling five-year business and financial plans of the Portfolio Companies. Whilst the issues raised last year, namely the potential impact of Brexit and the delivery of key investment priorities as part of the National Development Plan 2018-2027 ("NDP"), remain relevant, the report this year returns to the sustainability agenda and specifically the area of climate action. Given that the State should adhere to good corporate social responsibility ("CSR") practices in its own operations, it follows that the State, as owner or majority owner of the Portfolio Companies, would expect that these companies act as leaders in terms of responsible and sustainable business practice. That message is borne out in the Climate Action Plan 2019 with the clear expectation of climate action leadership by the public sector, and by extension, the commercial State sector.

The climate action agenda will, in NewERA's view, remain an important area of focus for the boards of all of the Portfolio Companies over the period to 2030 and beyond. It is recognised that the transition to a low carbon energy future affects some of the companies more than others, with the impact being considerable for those operating in the energy sector given the relative nature and scale of the climate-related risks and opportunities they face. For example, the transition to a low carbon energy future is driving a significant restructuring of Bord na Móna's traditional business model with an exit from its legacy peat-based operations underway. The delivery of this step change also requires significant capital investment over a long period, which is particularly material for the ESB – it expects to continue investing in the order of €1bn annually, on average, over the period to 2030, in the national electricity network infrastructure and decarbonising its own power generation portfolio. NewERA looks forward to engaging with both Government and the Portfolio Companies in contributing to the achievement of the objectives of the Climate Action Plan 2019.

Given the sectors the Portfolio Companies operate in and the challenges faced by some of the underlying businesses in 2018/19, NewERA considers the financial performance of the Portfolio and the level of return on invested capital to be satisfactory overall. The issue of Brexit however remains a key risk given the extent of the bilateral trade and investment that the Portfolio has with the UK, along with the types of sectors in which certain Portfolio Companies operate.

When considering the financial performance of the Portfolio, it is important to recognise that the activities of a number of the Portfolio Companies are subject to regulatory control, with the regulated energy and water network asset investment programmes, in particular, being significant drivers of the level of aggregate capital investment by the Portfolio Companies. An ongoing challenge for these entities is the efficient financing and delivery of their respective capital programmes in the context of those regulatory controls and delivering on financial and operating performance targets set by the regulatory authorities. Additionally, some activities of a number of the Portfolio Companies are undertaken in accordance with a public, or universal service obligation. These obligations generate a public or social benefit, the returns from which cannot always be measured solely in financial terms and the nature of these obligations needs to be considered when assessing the financial performance of these entities.

Key Financial Highlights

In respect of their latest financial year ends (which collectively span 2018 and 2019)[1], the key financial highlights for the Portfolio on a combined basis are set out below.

Operating Profit

€1,395m

2017/18: €1,342m

€1,395m of operating profit generated by the Portfolio in 2018/19 with an operating profit margin of 12.3% (2017/18: 12.4%)

Invested Capital

€22,528m

2017/18: €22,013m

€22,528m in capital invested in the Portfolio with a return on invested capital ("ROIC") of 5.6% in 2018/19 (2017/18: 5.5%)

Dividends

€267m

2017/18: €332m

€267m of total dividends paid by the Portfolio in 2018/19, €261m of that to the Exchequer. Over the past five years €1.83bn of combined dividends have been paid by the Portfolio, €1.77bn of that to the Exchequer

Gross Capital Expenditure

€2,238m

2017/18: €2,073m

€2,238m of capital investment spend in 2018/19, 76% of which relates to the energy sector companies and IW, reflecting the scale of their individual regulated asset capital investment programmes

1 Please refer to the Important Notice in Appendix A.

The Portfolio at a Glance

The Portfolio consists of 15 State companies which operate across the energy, water, postal, forestry, transport and health sectors and play a critical role in the Irish economy, supported by a workforce of over 39,000 employees.

Key Portfolio Assets and Activities

Energy

Regulated Electricity Networks
229,000km
of electricity lines including the interconnector to the UK

Regulated Gas Networks
14,000km
of gas pipelines including the interconnectors to the UK

Installed Generation Capacity
6,000 MW
18% of which comprises renewable generation (wind, biomass, landfill gas)

Water

Regulated Water Networks
88,000km
of water and wastewater pipelines

Other Water Infrastructure
7,000
water and wastewater assets including treatment plants, pumping stations and reservoirs

Natural Resources

Forests and Peatlands
520,000ha
of forests and peatland, equivalent to c.7.5% of the land cover of Ireland

Transport

Passenger Journeys
313m
passenger journeys facilitated across bus, rail, plane, ferry and cruise transport

Flights Handled
1.15m
flights handled by air traffic controllers in Ireland

Ports

Port Throughput
59m tonnes
of throughput handled in Ireland's Tier 1 ports

Postal

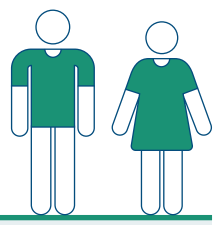
Mail Volumes
c.600m
items of mail collected, delivered and forwarded annually in Ireland

Health

Health Insurance
1.1m
private health insurance members

A selection of some of the key activities undertaken by the Portfolio during 2018/19:

Decarbonisation efforts	▶ Facilitated renewable connections of 536MW to the electricity grid, bringing the total renewable connections to 5.6GW on the island of Ireland. ▶ Increased the limit of renewable generation that the electricity transmission grid can reliably accommodate to 65%, being the first grid in the world to have achieved this level. ▶ Around 14% of the total installed wind generation capacity in the State at the end of 2018 (3.7GW) has been delivered by the Portfolio. ▶ Commissioned Ireland's first publicly accessible high capacity fast fill Compressed Natural Gas ("CNG") station in Dublin Port.
Biodiversity objectives	▶ Completed a project to map over 90,000 hectares, or one fifth, of the national forestry estate as biodiversity lands, which will be managed with nature conservation and biodiversity as the primary objective.
Addressing the deficits in Ireland's public water infrastructure	▶ Continued delivery of a significant capital investment programme focused on improving the quality of water and wastewater services. ▶ The first national leakage management system went live, which will standardise leakage monitoring and reporting across the country.
Continued implementation of the strategic plan to drive a sustainable future for our national postal services and retail network	▶ Agreement reached on a new contract with the Irish Postmasters' Union to facilitate the development and renewal of the post office network and the expansion of new services.
Enhancing Ireland's transport connectivity	▶ Sustained high levels of throughput handled by Ireland's Tier 1 ports with infrastructure investment programmes ongoing. ▶ Growth in passenger numbers for Ireland's three largest airports. ▶ A record number of public transport passenger journeys provided nationwide (275 million), the highest level since 2008.



Gender Balance

ratio of male to female on a combined Portfolio basis in respect of the boards, Chairperson, CEO/MD and the executive management teams of the Portfolio Companies

Board Members	Chairperson	CEO/MD	Executive Management (excl. CEO/MD)
71%:29%	64%:36%	86%:14%	78%:22%

Shareholder Considerations

Shareholder Considerations

Overview

NewERA's approach is to facilitate an enhanced level of active ownership by the State as shareholder in the Portfolio Companies. One way to facilitate this is via the Shareholder Expectations Framework (the "Framework") which communicates the Government's expectations, as shareholder, to the Chairperson and Board of each of the Designated Companies by way of annual/biennial letters ("Framework Letters") from the relevant Government Ministers. This approach is now applied more widely across the commercial State sector with the Framework and the use of Framework Letters having been included in the 2016 Code of Practice for the Governance of State Bodies (the "Code") which states that: *"Clear accountability underpins effective relations between Government Departments and the State Bodies under their aegis"* and sets out that *"For commercial State bodies the oversight agreement is the Shareholder Letter of Expectation"*. The link between the Framework and the strategic, business and financial planning process of the individual State entities is depicted below:

Oireachtas	**Relevant Government Ministers[2], supported by NewERA and relevant Departments**	**Board of Directors[3]**	**Relevant Government Ministers and Departments, NewERA, Board of Directors, Company Management**
▶ **Core Mandate**	**Shareholder Expectations Framework:** ▶ Strategic priorities* ▶ Sectoral policy objectives ▶ Financial performance requirements* ▶ Reporting requirements* ** NewERA input*	▶ **Strategic Plan** ▶ **Rolling five-year business and financial plan**	▶ **Ongoing Dialogue*** ** NewERA input*
The functions and powers of the individual entities as generally set out in their governing legislation or constitution, as applicable.	The purpose of the Framework is to provide formal clarity and guidance to the Chairperson and Board of the commercial State body in relation to the Government's expectations, as shareholder, in respect of strategic priorities, policy objectives, financial performance and reporting requirements.	The Code sets out that the preparation and adoption of a strategic plan and rolling five-year business and financial plan is the primary responsibility of the Board of a State Body. Plans should reflect shareholders' objectives, as appropriate, and the strategic and legal mandate of the State body.	Through ongoing dialogue, the State monitors compliance by entities with their core mandate and Shareholder expectations as provided for in the Framework Letters.

In the context of the Shareholder Expectations Framework, the report returns this year to the sustainability agenda but with a specific focus on climate action, given the publication of the Government's Climate Action Plan in June 2019, and the role of the Portfolio in that context. This is a key area of focus for the State as shareholder with the significant ambition to deliver a step change in Ireland's emissions performance clearly signalled in that Plan.

2 On behalf of the State as owner. The shareholdings/stockholdings of the relevant Government Ministers in the Portfolio Companies are set out in Appendix C.
3 Further information regarding board composition is set out in Appendix D.

The Sustainability Agenda

The sustainability agenda is shaped by a number of international guidelines such as the United Nations ("UN") Global Compact, the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises and ISO 26000 Guidance Standard on Social Responsibility. Since 2015, there has been an increased impetus behind the implementation of sustainable development practices across society with the adoption, by 193 countries, of the UN 2030 Agenda for Sustainable Development (the "2030 Agenda"). This is a common global agenda for both developed and developing countries and consists of 17 sustainable development goals ("SDGs") which define global priorities for 2030 covering the three dimensions of sustainable development:

i. economic growth;

ii. social inclusion; and

iii. environmental protection.

Each of the 193 countries, including Ireland, has agreed to implement the SDGs and is expected to develop a national framework setting out how this will be achieved. In April 2018, the Department of Communications, Climate Action and Environment launched *'The Sustainable Development Goals National Implementation Plan 2018-2020'*, the first of a series of implementation plans in the period to 2030. In terms of the role of business, the 2030 Agenda explicitly calls for companies, especially large and multinational companies, to be encouraged to adopt sustainable practices and to integrate sustainability information into their reporting cycle (Goal 12.6). The SDGs National Implementation Plan assigns responsibility for this goal to the Department for Business, Enterprise and Innovation and links the delivery of this goal with the *'National Plan on Corporate Social Responsibility 2017-2020'*.

A key objective of our national CSR policy is that Ireland will be recognised as a centre of excellence for responsible and sustainable business practices through the adoption and implementation of best practice in CSR in enterprises and organisations. The CSR framework contained in the current national CSR Plan is centred on four core pillars[4] and identifies 17 actions across these areas, which are linked to the SDGs:

The Environment

Reducing, reusing or recycling resources to minimise negative environmental impacts

- Environmental Protection
- Climate Change Mitigation
- Respect for Biodiversity
- Resource Efficiency

The Community

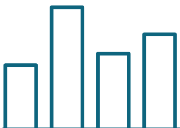
Your interaction with your local community partners and organisations

- Employment Creation and Skills Development
- Community Engagement
- Social Inclusion
- Employee Involvement
- Philanthropy and Sponsorship
- Social Enterprise and Entrepreneurship

The Workplace

Supporting and engaging with your employees

- Conditions of Employment
- Equality and Diversity
- Work Life Balance
- Employee Health and Wellbeing
- Consultation and Communication



The Marketplace

The responsible commercial decisions your company makes in dealing with suppliers and customers

- Customer Relations
- Fair Operating Practices
- Sustainable Supply Chains
- Product Quality and Information

4 Adapted from the National Plan on CSR 2017-2020 and the CSR hub of the Department of Business, Enterprise and Innovation.

Although CSR is an enterprise-led, voluntary concept, the State has a number of important responsibilities beyond its relevant regulatory roles, namely: (i) endorsing and supporting the concept of CSR in enterprises and (ii) adhering to good CSR practices in its own operations. It therefore follows that the State, as owner or majority owner of the Portfolio Companies, would expect that these companies would also act in an exemplary fashion or as role models in terms of responsible and sustainable business practice.

Shareholder Expectations Framework – Responsible and Sustainable Business Practice

The State should continue to encourage Portfolio Companies to be exemplars in terms of responsible and sustainable business practice with the expectation that entities should be:

- working to comply with international guidelines;
- integrating sustainability perspectives into their strategy and business operations;
- formulating strategic targets for sustainable business;
- reporting on CSR and sustainability practices and outcomes in a transparent manner; and
- engaging with external stakeholders in the promotion of sustainable business.

A focus on the role of the Portfolio in the Climate Action Plan

Every generation wants to leave the world in a better place than they found it for their children. We have a short window of opportunity to act. We must act now and leave a better, healthier, more sustainable Ireland for future generations. This Plan provides our way forward.

RICHARD BRUTON, T.D., Minister for Communications, Climate Action and Environment

In June 2019, the Government launched its Climate Action Plan (the "Plan") which seeks to underpin the ambition to deliver a step-change in Ireland's emissions performance over the coming decade to 2030 and to position the State in meeting its 2050 decarbonisation ambitions. It builds upon the policy framework, measures and actions set out in the National Mitigation Plan, Project Ireland 2040 and the draft National Energy and Climate Plan.

The need to transition to a low carbon and climate resilient society is a key area of focus and the Plan seeks a pathway to 2030 which would be consistent with a net zero emissions target by 2050.

The Plan emphasises that the challenge of closing the gap to our 2030 non-Emissions Trading System[5] emissions target, coupled with the broader policy objective of long-term decarbonisation across all sectors of the economy, requires both public and private investment and large societal shifts in technology, attitudes and behaviour, at an unprecedented pace. Specifically, it states that Ireland requires a change in its overall emissions trajectory of the order of a 2% decline each year from 2021 to 2030 with a much steeper decline of 7% per annum based on achieving a minimum 80% emissions reduction by 2050, relative to 1990.

The Plan maps out 183 individual actions with a particular focus on the sectors that contribute most to Ireland's greenhouse gas ("GHG") emissions, namely agriculture, transport, electricity, built environment and industry. In September 2019, NewERA hosted an event with Minister Bruton, the CEO's and other representatives of participating commercial State companies and officials from relevant Government departments in respect of the role of the Portfolio in the delivery of the Plan. The Plan is Government-led and governed but Portfolio Companies are directly referenced across 28 of the 183 individual actions and will have a role in enabling the successful completion of many others.

5 The EU split emissions into two categories, Emissions Trading System ("ETS") and non-ETS. ETS emissions are dealt with at EU level, under a cap and trade system for greenhouse gases, and cover electricity generation and large industry with 2020 and 2030 targets in place. Non-ETS emissions are dealt with by Member States, through legally binding targets for emissions reduction, and cover agriculture, transport, the built environment, and small industry.

Taking part in the panel discussion at the NewERA Event on the Climate Action Plan 2019 were (L-R) Mark Foley (CEO, EirGrid), Cathal Marley (Acting CEO, Ervia), Pat O'Doherty (CEO, ESB), Tom Donnellan (MD, BnM), David McRedmond (CEO, An Post) and Gerard Britchfield (Acting CEO, Coillte)

Some aspects of the Plan are of particular relevance given the opportunities and challenges they present for certain Portfolio Companies:

- **Complete phase out of coal and peat-fired power generation:** The commitment to an early and complete phase out of coal and peat-fired generation noting that the Plan emphasises exploring initiatives which facilitate a just transition in regions such as the Midlands.
- **Renewables and complementary technologies:** Harnessing renewable energy with a particular focus on unlocking the potential of the offshore wind sector. The Plan references a target of at least 3.5GW from offshore wind, the development of 1.5GW of grid scale solar energy and an increase in onshore wind capacity of up to 8.2GW with 15% of electricity demand being met by corporate power purchase agreements. This raises the need to look at potential complementary technologies to help mitigate intermittancy (e.g. carbon capture and storage ("CCS")).
- **Incentivisation of electricity storage and interconnection:** The Plan will seek to strengthen the policy framework to incentivise electricity storage and interconnection. Increased levels of storage and interconnection will be critical to absorbing high levels of renewable generation on to the system; as intermittent sources of power generation, renewables require back-up from quick response plant, storage or interconnection.
- **Long term demand for gas:** Actions to reduce emissions from the housing sector through the retrofitting of buildings with heat pumps has implications for the long term demand for gas from domestic and commercial dwellings. The Plan has an action to set a target for the level of energy to be supplied by biomethane injection by 2030.
- **Increasing carbon taxes:** Implementation of a carbon tax rate of at least €80 per tonne by 2030 (from €20 per tonne at the time the Plan was launched) with a trajectory of increases over successive annual Budgets. This has implications for conventional power generation and the legacy public transport fleet but also offers upside potential (e.g. take-up of electric vehicles, electrification of home heating etc.).
- **Funding for climate-related initiatives:** The Climate Action Fund, which was one of four funds established under the NDP as part of Project Ireland 2040, is committed to funding initiatives that make a positive contribution to the achievement of Ireland's climate targets. It has an allocation of at least €500m over the period to 2027. The Portfolio Companies also have a role to play in mobilising non-Exchequer sources of finance for climate measures.
- **Wide range of transport measures:** These cross a variety of sectors and include the use of renewable electricity and gas to power vehicles, biofuels, electric vehicle charging networks, low emission buses and hybrid trains.
- **Land use efficiency:** the Plan targets a range of measures to ensure that carbon abatement from land use is delivered. The Portfolio's forest and peatland assets, which are equivalent to c.7.5% of the land cover of Ireland, will have a key role to play here. These lands also offer opportunities for renewable energy production.

The direct role the Portfolio Companies will play in the Climate Action Plan is summarised on the following pages by sector along with a selection of case studies which demonstrate ways in which these companies are supporting and contributing to the climate action agenda.

Climate Action Plan 2019 - Electricity

Key Sectoral Aims

- Increase reliance on renewables from 30% to 70% adding 12GW of renewable energy capacity (with peat and coal plants closing) with some of this delivered by private contracts
- Put in place a coherent support scheme for micro-generation with a price for selling power to the grid
- Open up opportunity for community participation in renewable generation as well as community gain arrangements
- Streamline the consent system, the connection arrangements, and the funding supports for the new technologies on and off shore

Role of the Portfolio Companies

EirGrid

- Grid planning, development and operation
- Renewable energy grid connections
- Facilitating large demand connections (e.g. data centres) to minimise grid reinforcements
- RESS implementation

ESB Networks

- Facilitation of private networks/direct lines
- Facilitate the development of offshore wind (transitional measures, route to market, grid connection)
- Micro-generation (grid connection policy, assessment of implications for distribution network, delivery of smart metering and related services)

Ervia – GNI

- Examining feasibility of utilisation of CCS

CASE STUDY

Delivering a smart electricity network to facilitate Ireland's transition to a low carbon future

As part of its efforts to deliver a smart electricity network, ESB Networks launched the Dingle Project in 2018. This innovative pilot project involves the deployment of a range of technologies to future proof the electricity network for the benefit of over 4,700 homes, farms and businesses on the Dingle Peninsula. ESB Networks will be working with local communities and businesses to explore energy efficiency measures and installing smart devices on the electricity network to help monitor and predict network events better thus ensuring less outages and more system resilience. The technologies being tested will help ESB understand how evolving technologies will interact on the smart electricity network of the future and how best it can facilitate new demands on the national network over the coming decade.

CASE STUDY

Leading efforts to increase the level of renewable penetration on the electricity network

Since 2017 EirGrid has been leading a consortium of energy companies, known as EU-SysFlex, in researching the deployment of increasing levels of renewable energy on national electricity networks. By 2030 it is expected that the pan-European electricity network should be capable of integrating at least 50% of renewable energy sources. EirGrid is an exemplar in this regard having increased the amount of renewable energy that Ireland's grid can safely accommodate at any given time to 65%. The research being undertaken by EU-SysFlex has been awarded over €20 million in funding from the EU noting that the delivery of these ambitious targets underpins plans for a greener and more decarbonised Europe.

Climate Action Plan 2019 - Built Environment	
Key Sectoral Aims	**Role of the Portfolio Companies**
▶ Introduce stricter requirements for new buildings and substantial refurbishments ▶ Design policy to get circa 500,000 existing homes to upgrade to B2 Building Energy Rating and 400,000 to install heat pumps ▶ Build a supply chain and a model for aggregation where home retrofits are grouped together to allow this level of activity to be funded and delivered ▶ Deliver two new district heating systems, and implement a roadmap for delivering District Heating potential ▶ Increase attention to Energy and Carbon ratings in all aspects of managing property assets	**ESB Networks** ▶ Roll-out of smart metering services **Ervia – GNI** ▶ Research into Anaerobic Digestion technologies suited for biogas ▶ Development of system of certification for renewable gas use in the national grid

Climate Action Plan 2019 - Transport	
Key Sectoral Aims	**Role of the Portfolio Companies**
▶ Accelerate the take up of Electric Vehicles ("EV") cars and vans so that we reach 100% of all new cars and vans being EVs by 2030. This will enable achieving our target of 950,000 EVs on the road by 2030. This means approximately one third of all vehicles sold during the decade will be Battery Electric Vehicle or Plug-in Hybrid Electric Vehicle ▶ Make growth less transport intensive through better planning, remote and home-working and modal shift to public transport ▶ Increase the renewable biofuel content of motor fuels ▶ Set targets for the conversion of public transport fleets to zero carbon alternatives	**ESB Networks** ▶ Commence the ESB EV High Power Charging Infrastructure Development Project (supported by the Climate Action Fund) **Ervia – GNI** ▶ Commence the Green Renewable Agricultural Zero Emissions ("GRAZE") gas project (supported by the Climate Action Fund) ▶ Complete the rollout of 14 public CNG fuelling stations as part of the Causeway Project **An Post** ▶ Electrification of the delivery fleet of An Post ▶ Plan to install a commercial network of EV charging points at post offices with a pilot project in 2019 **CIÉ** ▶ Support the completion of the rail fleet technology assessment, the adoption of a rail fleet strategy and the initiation of a tender process for bi-mode/electric fleet ▶ Support the publication of an updated strategic rail review paper

CASE STUDY

Support from the Climate Action Fund for innovative transport related projects being progressed by Portfolio Companies

The Climate Action Fund is one of four funds established under the NDP as part of Project Ireland 2040. The fund will support initiatives that contribute to the achievement of Ireland's climate and energy targets in a cost effective manner and offers the potential for innovative interventions which, in the absence of support from the Fund, may not otherwise have been developed. Three Portfolio Companies qualified for funding in November 2018 under the first call from this fund (which spanned seven projects and combined funding of up to €77 million).

- **ESB eCars:** Up to €10 million is being provided to develop a nationwide, state-of-the-art EV charging network capable of facilitating large-scale EV uptake over the next decade.
- **GNI GRAZE Project:** Up to €8.5 million is being provided to support the installation of the first transmission connected Central Grid Injection facility for renewable gas and a grant scheme to support circa 74 CNG vehicles.
- **Irish Rail - Hybrid Drive for Inter City Railcar fleet:** Up to €15 million is being invested to design new hybrid power-packs for intercity railcars to reduce diesel use and GHG emissions. Following the proof of concept in one three-car train, the hybrid power-packs will be implemented across the wider fleet.

CASE STUDY

Developing a CNG transport network to reduce Ireland's commercial haulage emissions

Ian O'Flynn (GNI), Denis O'Sullivan (Managing Director GNI), Gordon Lawlor (Managing Director Circle K) and Aidan Doody (Harris Transport) at the launch of Dublin Port's new CNG refuelling station.

GNI is progressing the Causeway Project which seeks to deliver a pilot network of 14 CNG refuelling stations, a renewable gas injection facility and a fund to support the purchase of CNG vehicles. The Causeway initiatives are estimated to cost c.€25m and the project has received approval for €6.5m co-financing from the EU's Connecting Europe Facility.

The Causeway Project achieved some key milestones in 2019. In August, GNI and Circle K launched Ireland's first publicly-accessible, fast-fill CNG station at Dublin Port. Also in August, locally produced renewable gas was injected into Ireland's gas network for the first time via the recently completed Cush renewable gas injection facility in Co. Kildare.

The Causeway Project will also enable the study of CNG deployment mechanisms and system operation, with the aim of sharing learnings to facilitate further integration of CNG for transport across Europe.

CASE STUDY

An Post deliveries in Dublin city centre will be zero emission by the end of 2019

Source: Adapted from the Climate Action Plan

On 20 February 2019, Minister Richard Bruton T.D., Minister for Communications, Climate Action and Environment, announced that all An Post deliveries between the canals will be zero emission by the end of this year, as part of the company's 'Post Eco' plan to eliminate carbon emissions by 2050. Under the Post Eco Plan, An Post will deliver:

- Zero emission postal deliveries in Dublin City Centre by year-end 2019;
- Zero emission postal deliveries in Cork, Galway, Kilkenny, Limerick and Waterford by the end of 2020;
- 750 EVs to replace the urban fleet by 2022, 200 of which will be on the streets in 2019;
- A number of trials – including public charging points for EVs and installing solar panels on buildings; and
- Eco-Driving training for all drivers to ensure best practice driving.

CASE STUDY

Taking steps to reduce carbon emissions at Dublin Airport

daa is currently installing Fixed Electrical Ground Power ("FEGP") at aircraft parking stands. FEGP is a ground power system that allows aircrafts to plug directly into a fixed, electricity powered energy source while parked on the airfield instead of connecting to a diesel-powered generator (reducing CO_2 emissions by c.44% in relation to ground power). Dublin Airport completed Phase I of the project in summer 2019 and has 46 FEGP units in operation. By 2024 daa plans to have installed FEGP on all contact stands.

In 2018 daa committed to a new LEV policy to achieve improvements in local air quality and a reduction in noise, carbon emissions and energy consumption. The policy includes the following targets:

- By 2020 the use of LEVs will be specified in procurement processes for relevant daa service providers and, by 2022, this will be mandated for airside operators;
- Dublin Airport will commit to converting its bus operations to a LEV fleet by 2022 and will convert its light commercial fleet by 2024; and
- daa will also seek to influence public transport and taxis to convert to LEV at Dublin Airport.

The project is ongoing and it is anticipated that 22% of Dublin Airport's light commercial fleet will be LEV by the end of 2019.

Climate Action Plan 2019 - Agriculture, Forestry and Land Use

Key Sectoral Aims	Role of the Portfolio Companies
▶ Deliver substantial verifiable GHG abatement through adoption of a specified range of improvements in farming practice in line with recommendations from Teagasc ▶ Deliver expansion of forestry planting and soil management to ensure that carbon abatement from land-use is delivered over the period 2021 to 2030 and in the years beyond ▶ Support diversification within Agriculture and land use to develop sustainable and circular value chains and business models for lower carbon intensity farming, including, organic production, protection and enhancement of biodiversity and water quality, and the production of bio-based products and bioenergy through the Common Agricultural Policy and implementation of the National Policy Statement on the Bioeconomy	**Coillte** ▶ Under their six regional strategic plans for 2016-2020, Coillte is committed to replanting or restocking a total of 34,770ha ▶ Explore opportunities to encourage increased public access in woodlands **Bord na Móna** ▶ Assess and implement mitigation options on rewetted organic soils ▶ Assess and implement mitigation options on post-production, peat extraction sites **Ervia – GNI** ▶ Collaborate with stakeholders to set a target for the level of energy to be supplied by biomethane injection by 2030 ▶ Development of a system of certification for renewable gas use in the national grid (Note: also a deliverable under Built Environment)

CASE STUDY

Conversion of commercial forests to focus on biodiversity and recreation

In 2019, Coillte established a new not-for-profit entity, Coillte Nature, which will focus on the environment and recreational forests. It will target the delivery of new woodlands facilitating species diversity, biodiversity and carbon sequestration as part of the Government's National Forestry Programme and will also seek to convert certain commercial Coillte forests to recreational forests.

The inaugural project in this regard is the Dublin Mountains Conversion plan which will seek to gradually convert, over the next 30 to 40 years, the commercial forests of the Dublin Mountains to native and mixed woodlands. Work with the relevant local authorities and stakeholders to promote recreation in the Dublin uplands over the past ten years via the Dublin Mountains Partnership has seen visitor numbers climb to over 600,000 per year, making these forests some of the most visited outdoor attractions in the region. Coillte has taken the decision to convert nine of the most visited commercial forests in the region to forests with a primary purpose of recreation and biodiversity.

Conversion from commercial forests to recreational forests will involve a mixture of conventional tree felling and replanting with native tree species, continuous cover forestry and long term retention of other tree species. The project is being jointly funded by Coillte and three Dublin local authorities with grants for native woodland conversion being provided by the Department of Agriculture, Food and the Marine.

CASE STUDY

Supporting the bioeconomy agenda by providing a national solution for farm plastic waste

Minister for Communications, Climate Action and Environment, Richard Bruton T.D.; Sabrina CEO, Sherman Ma; Chinese Ambassador, He Xiangdong; and BnM MD, Tom Donnellan, at the launch of the Plastics Recycling Facility, Littleton.

The Irish Farm Film Producers Group currently collects 30,000 tonnes of farm plastics waste each year at 235 bring-centres. All this waste was previously exported to European facilities due to a lack of domestic infrastructure.

A joint venture ("JV") between AES Bord na Móna and Sabrina Integrated Services has invested €5 million in developing a plastics factory at the old peat briquette factory in Littleton. This facility will be capable of recycling over 20,000 tonnes of farm plastics waste annually and will be the only plant in the country capable of producing a pellet that provides a building block for new plastic products.

The establishment of this facility is providing a convenient and cost-effective solution for farm plastics waste collected in Ireland particularly at a time when the cost of supplying European facilities has recently increased following the decision by China to cease importing plastics waste at the start of 2018.

Engaged and empowered public bodies can achieve more than just reduce their own emissions, they can stimulate and inspire action across wider society.

CLIMATE ACTION PLAN 2019

The Climate Action Plan 2019 outlines the Government's view that the leadership role public bodies can play in taking early action on climate is fundamental to achieving Ireland's decarbonisation goals and, furthermore, the expectation that such bodies would act as exemplars of best practice in tackling climate action across all sectors and using their capacities to lead a wider transition. In the commercial semi-State sector, a framework is to be developed to address the role of each company in advancing climate action objectives, including encouraging the board of each company to take advantage of opportunities to reduce GHG emissions, within the scope of their commercial mandate.

Shareholder Expectations Framework – Climate Action Plan

One of the key roles of NewERA under the Climate Action Plan will be to work with the relevant Government Departments in developing the above framework over the coming months, which will include examining whether the Shareholder Letter of Expectation can be used for the purpose of framing the mandate for each of the commercial State companies. NewERA will also seek to support the relevant Departments in the monitoring and reporting of progress being made by the relevant Portfolio Companies in the delivery of the Climate Action Plan objectives.

The Climate Action Plan emphasises that, with leadership from top management, it is expected that public bodies will be engaged and empowered to be innovative, not just in leading the way by reducing their own emissions, but also by stimulating and inspiring action across society. Government has indicated that it intends to implement a number of initiatives to demonstrate the leadership role of the public sector in tackling climate action. This includes setting more ambitious targets for energy efficiency and emissions reduction, mandating climate action in all public bodies, committing to greater transparency on emissions and to more comprehensive sustainability reporting, catalysing markets through green procurement, working with the financial sector to drive investment and innovation towards low carbon practices and services, and supporting Local Authority leadership. Two particular initiatives to consider in the context of the Portfolio are: (i) Sustainability Reporting and (ii) Public Sector Energy Efficiency Performance.

i. Sustainability Reporting

It was highlighted in last year's report that there was significant impetus for comprehensive sustainability reporting, with more and more companies measuring and disclosing their sustainability strategy and activities in order to meet the demand by customers, employees, investors and other stakeholders for transparency. The Shareholder Expectations Framework will be used as a means of bringing into focus the measurement, monitoring and reporting of the impact of sustainability initiatives by the Portfolio Companies and enhanced sustainability reporting by the Portfolio Companies will continue to be encouraged.

In terms of reporting on environmental matters, it is noted that, in June 2019, the European Commission published a supplement to the general guidelines on non-financial reporting specifically relating to the reporting of climate-related information. This supplement is based on proposals from the Commission's Technical Expert Group on Sustainable Finance, integrates the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures and provides guidance that is consistent with those recommendations and also the EU Non-Financial Reporting Directive, which Ireland implemented by way of the EU (Disclosure of Non-Financial and Diversity Information) Regulations 2017.

These guidelines provide a useful framework which might assist the Portfolio Companies in developing and enhancing their climate-related disclosures within their wider sustainability reporting. In addition to a range of recommended disclosures, the supplement also includes a suite of recommended indicators in order to facilitate greater comparability of disclosures of non-financial information across companies noting that not all of the indicators may be applicable in any individual case. In summary terms, these include:

- Direct and indirect GHG emissions and absolute GHG emissions target;
- Energy consumption and/or production from renewable and non-renewable sources;
- Energy efficiency target;
- Renewable energy consumption and/or production target;
- Assets in regions likely to become more exposed to physical climate risks;
- % of turnover and/or capital investment and/or operating expenditures in the reporting year which contributes to climate mitigation or adaptation; and
- Green bonds outstanding as a % of total bonds outstanding and/or total amount of all green debt instruments outstanding as a % of all debt outstanding.

Shareholder Expectations Framework – Sustainability Reporting

Whilst acknowledging that the approach to sustainability reporting varies between the Portfolio Companies for a number of reasons (e.g. the sectoral involvement of individual companies and the relative nature and scale of climate-related risks and opportunities), the State should continue to encourage the development and enhancement of sustainability reporting by these entities in the context of evolving best practice in this area. NewERA will be taking a closer look at the different approaches being taken by the Portfolio Companies in terms of sustainability reporting over the coming year.

ii. Public Sector Energy Efficiency Performance

The 2020 target is for public sector energy efficiency improvements of 33%, as set out in the National Energy Efficiency Action Plan (published in April 2017). The Climate Action Plan sets a target of 50% by 2030. The 2018 Annual Report on Public Sector Energy Efficiency Performance[6] shows that, at the end of 2017, commercial State bodies had delivered 980GWh of primary energy savings. This:

- represents a collective improvement of 23% relative to their historical baseline position[7];
- equates to 198,000 tonnes of CO_2 savings; and
- accounts for just under a third of the total primary energy consumption of the commercial State body sector in 2017.

At the individual level, all Portfolio Companies have delivered energy efficiency savings relative to their baseline position but some will be required to take additional action to be in a position to meet the 2020 target.

Portfolio Companies - Energy Savings since Baseline			
More efficient than baseline and on track for 2020 target		**More efficient than baseline, but not yet on the path for 2020 target**	
BnM	60.4%	An Post	9.4%
CIÉ – Iarnród Éireann	33.8%	CIÉ – Bus Éireann	1.7%
daa plc	44.1%	CIÉ – Bus Átha Cliath	14.1%
Cork Airport (part of daa plc)	44.1%	Coillte	13.1%
DPC	24.3%	Ervia – IW[8]	22.4%
EirGrid	34.0%	Ervia – shared services	6.8%
Ervia – GNI	42.6%	Shannon Group - Shannon Airport	22.5%
ESB	31.6%		
IAA	26.7%		
PoCC	29.8%		
SFPC	32.2%		
Shannon Group – Commercial Properties	50.5%		
Vhi	39.0%		

Source: SEAI Annual Report 2018 on Public Sector Energy Efficiency Performance

Shareholder Expectations Framework – Public Sector Energy Efficiency

The State should continue to maintain its focus on the efforts being made by the Portfolio Companies, as part of the wider public sector, to deliver on the public sector energy efficiency 2020 targets. Where it has been identified that certain entities need to take additional steps to achieve those targets, this should be addressed as part of the ongoing dialogue between the relevant Departments and the companies.

6 Prepared by the Sustainable Energy Authority of Ireland ("SEAI") on behalf of the Department of Communications, Climate Action and Environment. https://www.seai.ie/publications/Public-Sector-Annual-Report-2018.pdf

7 The progress made by an organisation in meeting its 2020 target is measured by the SEAI against a historical baseline. Organisations have a choice of baseline period as follows: 2001-2005 (averaged); 2006-2008 (averaged); and 2009 (single year), noting that 2009 is the default baseline for public bodies.

8 Per the SEAI report, Irish Water's energy performance is calculated on the basis of the water services assets' performance since 2009. These assets were owned and operated by local authorities up to the end of 2013, during which time the water services sector had improved its performance by 6.9%. The savings figure may be revised in future years as the local authorities, Irish Water and SEAI continue to work together to improve the quality and quantity of energy data, including historical data.

Portfolio Financial Performance

Portfolio Financial Performance

The Portfolio comprises 15 companies which are involved across a range of sectors with the main activities as follows:

Airports
Ownership and operation of the three largest airports in Ireland – Dublin, Cork and Shannon – and national and international airport retailing. Provision of air traffic control and air navigation services in Irish-controlled airspace and around the main State airports.

Energy
Ownership and operation of the electricity and gas networks on the island of Ireland including interconnection with other markets, the operation of the Single Electricity Market ("SEM"), conventional and renewable power generation and the supply of electricity and gas in both the SEM and Britain.

Health
Provision of private medical insurance products along with a medical health and well-being service offering.

Natural Resources
Management of Ireland's forestry estate (over 440,000 hectares) and peatlands (80,000 hectares) along with associated activities.

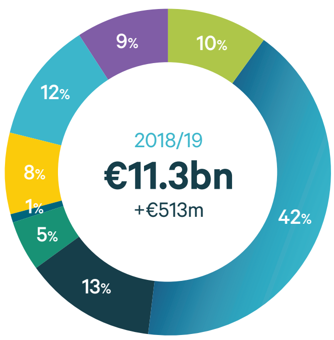
Postal and Retail
Operation of Ireland's national postal services and responsibility for the national retail network of post offices.

Ports
Ownership of the three largest ports in Ireland – Dublin, Cork and Shannon Foynes.

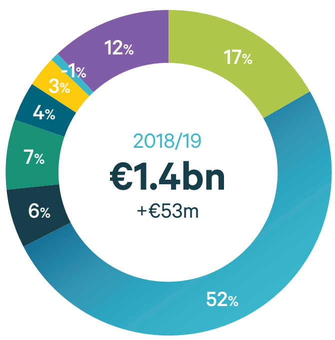
Rail and Bus Transport
Operation of rail and bus public transport and rail freight services throughout Ireland.

Water
Delivery of public water and wastewater services to households and businesses in Ireland.

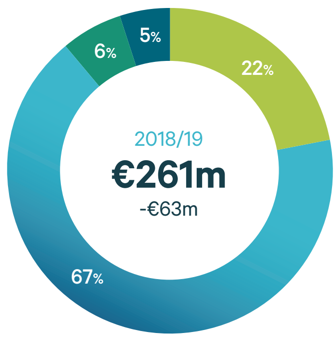
Turnover



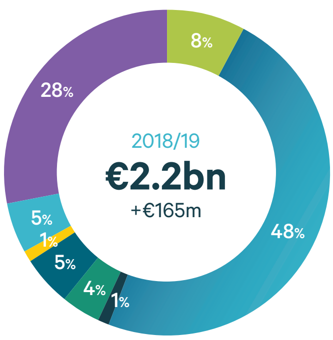
Operating Profit
(EBIT adjusted)



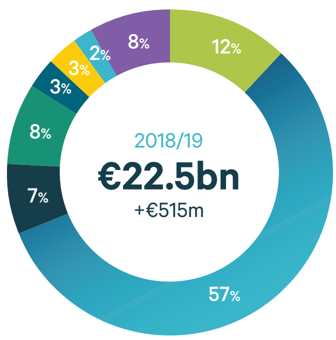
Exchequer Dividends
(incl. share of special dividends)



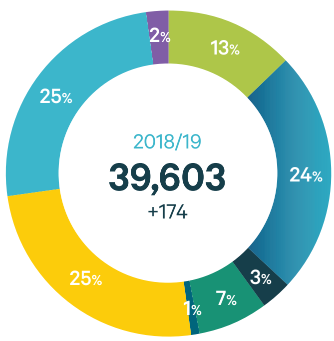
Gross Capital Expenditure
(cash basis)



Invested Capital



Employee Numbers



AIRPORTS ENERGY HEALTH NATURAL RESOURCES PORTS POSTAL & RETAIL RAIL & BUSES WATER

NewERA considers the financial performance of the Portfolio and the level of return on invested capital to be satisfactory overall given the sectors they operate in and the challenges faced by some of the underlying businesses in 2018/19

FINANCIAL PERFORMANCE OVERVIEW 2018/19

Key Financial Information				
Income Statement (€'m)	**Avg 5Y**	**2018/19**	**2017/18**	**yoy Δ**
Turnover	10,704	11,337	10,824	+513
EBITDA (adjusted)	2,508	2,618	2,636	-18
EBIT (adjusted)	1,293	1,395	1,342	+53
PAT (adjusted)	788	949	852	+97
PAT (reported)	650	791	612	+179
Balance Sheet (€'m)				
Tangible Fixed Assets	22,586	23,722	22,458	+1,264
Gross Debt	(8,864)	(8,776)	(8,693)	+83
Net Debt	(7,193)	(6,981)	(6,862)	+119
Pension Liabilities	(1,926)	(1,411)	(1,744)	-333
Employee Related Liabilities	(176)	(129)	(137)	-8
Net Assets	9,083	10,698	9,576	+1,122
Invested Capital	21,342	22,528	22,013	+515
Cashflows (€'m)				
Net Cashflow from Operations	1,879	2,156	2,105	+51
Gross Capital Expenditure	(2,041)	(2,238)	(2,073)	+165
Net (Acquisitions)/Disposals Spend	180	7	31	-24
Dividends Paid (normal)	(170)	(165)	(232)	-67
Dividends Paid (total)	(366)	(267)	(332)	-65
Employees				
Employee Numbers	38,391	39,603	39,429	+174

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018/19**	**2017/18**	**yoy Δ**
Operating Margin (EBIT adjusted)	12.1%	12.3%	12.4%	-0.1%
Return on Invested Capital (ROIC)	5.5%	5.6%	5.5%	+0.1%
Liquidity				
Current Ratio (times)	1.0x	0.9x	1.0x	-0.1x
Acid Test Ratio (times)	0.9x	0.9x	1.0x	-0.1x
Leverage				
Net Gearing (see note iii)	44%	39%	42%	-3%
Net Gearing (see note iv)	51%	44%	48%	-4%
Net Debt/EBITDA (times)	2.9x	2.7x	2.6x	+0.1%
EBITDA Interest Cover (times)	7.1x	8.6x	8.4x	+0.2%
Shareholder Returns				
Dividend Payout (normal dividends)	24%	19%	27%	-8%
Earnings (adjusted) growth	10%	11%	1%	+10%

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Net gearing excluding pension and employee related liabilities.

iv. Net gearing including pension and employee related liabilities.

v. Vhi has been included in the aggregate historical financial information for the first time in this year's Annual Financial Review.

Combined turnover of €11.3bn generated in 2018/19, an increase of €513m on the prior period (+4.7%) with just under a third (32%) derived from regulated activities

- The regulated activities of the Portfolio comprise the regulated electricity, gas and water networks, the operation of the SEM and certain aeronautical revenues.
- The increase in combined turnover in 2018/19 was driven mainly by higher regulated income in the energy sector.
- The majority of combined turnover continues to be generated in Ireland (86%) with the balance derived from the UK (11%) and international markets (3%).
- In interpreting the financial performance of the Portfolio, it should be noted that IW and CIÉ are in receipt of State funding (73% and just under 40% respectively of revenue in 2018) which accounts for c.11% of the combined turnover of the Portfolio.

Energy related activities contribute over half (52%) of combined operating profit for 2018 (2017: 52%). The level of operating profit translates to a margin of 12.3% which, although slightly reduced on prior year (12.4%), is ahead of the five-year average (12.1%)

- Operating profit increased to €1.39bn in 2018/19 (2017/18: €1.34bn) with higher overall earnings reported across most sectors, particularly the following:
  - **Natural Resources:** higher revenues for Coillte reflecting improved product prices and demand in the UK market notwithstanding continued uncertainty around Brexit.
  - **Postal:** declining core mail volumes for An Post were offset by mail product price increases, growth in parcel volumes and additional income earned from services provided in relation to the presidential election and constitutional referenda during the year.
  - **Energy:** lower reported earnings in both ESB and Ervia were offset by a higher level of operating profit at EirGrid, although noting that this includes an over-recovery of regulatory income which will be returned in future tariff periods.

Higher reported levels of profit after tax year-on-year reflect increased operating profitability but also a lower level of exceptional costs in 2018/19 than prior period

- Exceptional costs of €257m were incurred in 2018/19, with the main elements being:
  - Power generation asset impairment charges of €140m for ESB (2017/18: €276m); and
  - Exceptional costs of €91m incurred by BnM in the context of the implementation of its new decarbonisation strategy.
- These exceptional costs were partly offset by net exceptional income for Coillte of €86m arising from the disposal of a number of wind farm shareholdings in 2018 (gain of €93m).

The Portfolio Companies are undertaking capital investment across a number of strategic investment priority areas as set out in the NDP with a sustained high level of combined annual capital investment

Combined capital investment has been in the region of €2bn annually over the past five years with regulated energy and water network asset investment programmes being significant drivers

- The Portfolio undertakes significant annual capital investment with €2.2bn spent in 2018/19, most of that in the State. To give some context, the gross capital expenditure in Government Departments in 2018 was €5.9bn[9].
- Over 75% of total spend in 2018/19 relates to the energy sector companies (48%, predominantly ESB and Ervia) and IW (28%) reflecting the scale of their individual regulated asset capital investment programmes.
- The total level of gross spend increased by €165m with the main movements being higher levels of investment in the water (+€135m) and energy (+€92m) sectors, partly offset by lower spend in rail and buses (-€40m) and airports (-€29m).

The large scale nature of energy and water infrastructure assets means that a high proportion of the Portfolio's net debt is concentrated in those sectors

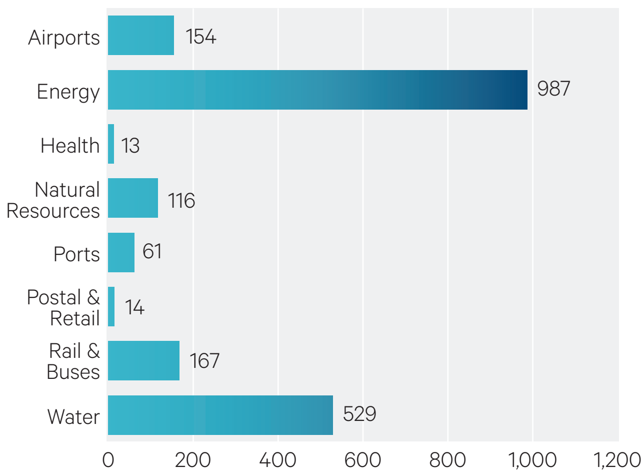
- Increased net debt position in 2018/19 but a lower overall level of gearing (2018/19: 39%, 2017/18: 42%) due to the increased net asset position of the Portfolio.
- Net assets increased by €1.1bn in 2018/19 mainly reflecting the sustained high levels of annual capital investment, particularly for ESB and IW, and the lower overall combined net pension liability.
- The reduction of €333m in the combined net pension liability is mainly due to a material reduction in CIÉ's net liability arising from actuarial gains in 2018/19.

Two thirds of the Portfolio Companies made dividend payments in 2018/19 totalling €267m (€261m to the Exchequer)

- Over the past five years, c.€1.77bn in dividend payments have been made to the Exchequer, with ESB and Ervia being the largest individual contributors (€754m and €744m respectively).
- This includes the Exchequer share of special dividends arising from the State asset disposal programme, which was pursued as a commitment under the EU/IMF Programme and comprised the sale by Ervia (formerly Bord Gáis Éireann) of the Bord Gáis Energy business in 2014 and the disposal by ESB of certain non-strategic power generation capacity over the period 2013-2014.
- The reduced dividend payout rate in 2018/19 reflects the lower level of normal dividend payments relative to the prior period (2018/19: €165m, 2017/18: €232m) which mainly arises due to reduced net profit for ESB.

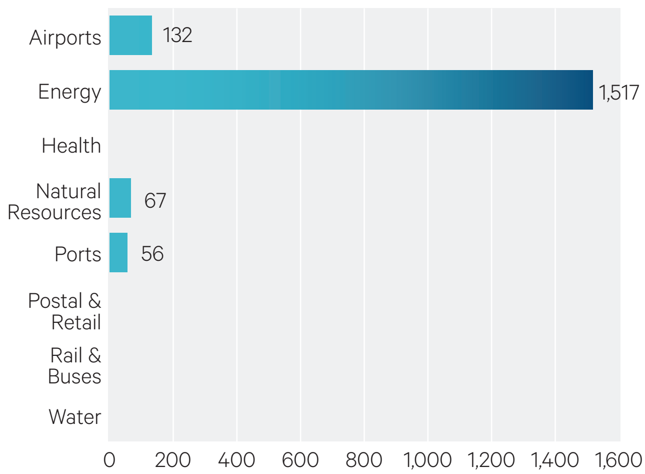
Average annual capex over past five years (EURm)

Gross capital investment, cash basis



Exchequer dividends paid over past five years (EURm)

Includes Exchequer share of special dividend payments



9 Public Expenditure Databank (DPER), August 2019

Company Overviews

an post

Key Activities

- **Mails and Parcels:** An Post is responsible for the operation of Ireland's national postal services. This includes the universal postal service, which involves the provision of an every working day mail service to every household/premises in the State.
- **Post Offices:** Responsible for the national retail network of post offices.
- **Other:** Also manages a number of commercial enterprises and has an investment in the National Lottery Operator, Premier Lotteries Ireland.

State Ownership: 100%

Board Composition (as at November 2019)

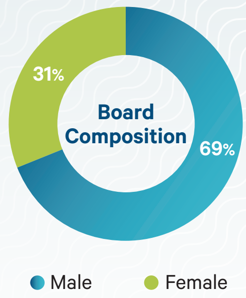
Chairperson: Dermot Divilly

CEO: David McRedmond

Non-Executive Directors: Carol Bolger, Deirdre Burns, Peter Coyne, Mary O'Donovan, James Wrynn

Employee Directors: Noel Adamson, Thomas Devlin, William Mooney, Martina O'Connell, Niall Phelan

Postmaster Director: Padraig McNamara



Financial Performance

Key Financial Information				
Year ended 31 December		IFRS	IFRS	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	841	897	840	+57
EBITDA (adjusted)	31	61	25	+36
EBIT (adjusted)	7	38	5	+33
PAT (adjusted)	3	39	2	+37
PAT (reported)	8	25	37	-12
Balance Sheet (€'m)				
Tangible Fixed Assets	237	224	231	-7
Gross Debt	(33)	(45)	(49)	-4
Net (Debt)/Cash	34	70	35	+35
Pension Liabilities	(199)	(48)	(55)	-7
Net Assets	15	204	175	+29
Invested Capital	395	586	384	+202
Cashflows (€'m)				
Net Cashflow from Operations	13	53	(2)	+55
Gross Capital Expenditure	(14)	(17)	(14)	+3
Dividends Paid (total)	(0)	(2)	-	+2
Employees				
Employee Numbers	9,888	9,723	9,905	-182

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	0.8%	4.2%	0.6%	+3.6%
Return on Invested Capital (ROIC)	4.2%	9.1%	4.3%	+4.8%
Liquidity				
Current Ratio (times)	1.0x	1.2x	1.2x	-0.0x
Acid Test Ratio (times)	1.0x	1.2x	1.2x	+0.0x
Leverage				
Net Gearing (see note iii)	-	-	-	-
Net Gearing (see note iv)	-	-	-	-
Shareholder Returns				
Dividend Payout (normal dividends)	-	-	-	-

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

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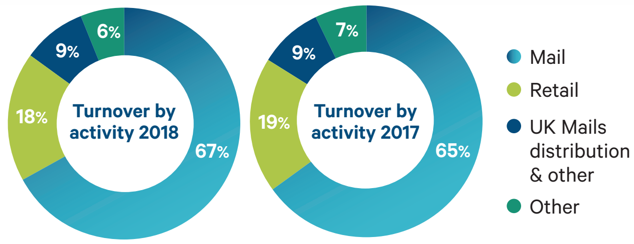


Despite further decline in core mail volumes, An Post delivered an improved trading performance in 2018 and an increased ROIC with the company continuing to implement its strategic plan for the medium to long-term future of the company.

Reflecting international sectoral trends, An Post reported a further decline in traditional mail volumes in 2018 (-7.6%). Despite this, the company delivered an improved trading performance with turnover increasing by €57m to €897m (2017: €840m) and an operating profit (EBIT adjusted) of €38m up from €5m in 2017. This is reflected in a higher ROIC and an increased operating profit margin.

An Post report that the decline in core mail volumes in 2018 would have led to a €31m reduction in revenue year-on-year. This was more than offset however by the impact of mail and other product price increases implemented in 2017 and 2018 along with significant growth in parcel volumes and income earned from services provided in relation to the presidential election and constitutional referenda during the year.

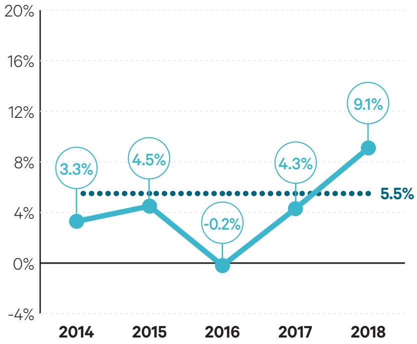
At adjusted operating profit level, the growth in turnover (+€57m) was partly offset by higher Group operating costs, which increased due to higher payroll and postmaster costs of €7m and additional non-payroll costs of €17m. Reported PAT for 2018 was €12m lower than the prior year (2018: €25m, 2017: €37m). This reduction reflects the once-off transformation costs of €14m that were incurred by An Post in 2018 in relation to changes made to the Post Office network coupled with the exceptional gains recorded in 2017 (sale of the Cardiff Lane property and equity dividend received from PLI).

Gross debt reduced to €45m at the end of 2018 noting that borrowings include a €30m loan which was provided by the Minister for Finance in December 2017. The company's net cash position at year end doubled relative to 2017 (2018: €70m, 2017: €35m) reflecting the improved trading performance.

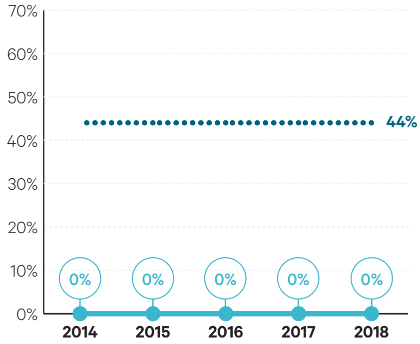
Dividends of €2m represent dividends paid to shareholders of the Gift Voucher Shop (in which An Post was the majority shareholder), noting that this subsidiary was held for sale at the end of 2018.

Selection of Key Financial Metrics

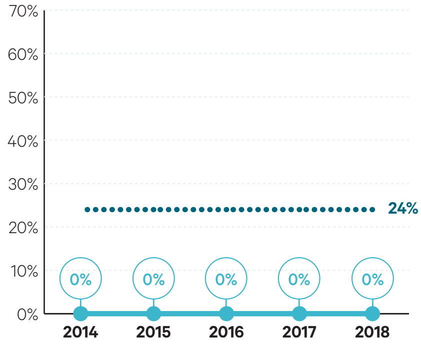
PROFITABILITY
ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE
Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS
Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Mail and Parcels – price increases and volume growth	▶ Introduced price increases across a number of mail product services in 2018 noting that the price of a standard stamp remained at €1, having been last increased in April 2017 following the repeal of the price cap mechanism for mail services. ▶ Greater than expected growth in the parcels business in 2018 (volumes +40% year-on-year). ▶ Consolidation of previously dispersed rural delivery operations during 2018 via the opening of several new delivery units along with a new Dublin Parcel Hub in late 2018. Also initiated a parcel automation programme which is expected to increase future processing capabilities.
Transformation of the retail network	▶ Reached agreement in May 2018 with the Irish Postmasters' Union on a new contract to facilitate the development and renewal of the post office network and the expansion of new services offered by An Post. The retail network consists of over 950 post offices and 1,600 PostPoint outlets noting some consolidation in 2018 through the voluntary closure of a number of smaller post offices.
Asset disposals	▶ Commenced a process to dispose of certain non-core subsidiaries in line with its strategic plan. This included the sale of the Gift Voucher Shop subsidiary company (completed in January 2019) and the sale of a relatively smaller division, Precision Marketing Information Limited (completed in March 2019).
Sustainability of the delivery fleet	▶ Commitment made to reduce carbon emissions and switch the delivery fleet to electric vehicles. From the end of 2019 An Post is planning to have carbon free deliveries in Dublin city centre and in all Irish cities from the end of 2020. It is targeting a reduction in carbon emissions of 50% by 2030, and completely by 2050.

KEY CHALLENGES AND OPPORTUNITIES	
Continuing decline of core mail volumes	▶ Core mail volumes are expected to continue to decline due to increasing utilisation of digital alternatives. This poses a serious challenge to An Post and hence the continued implementation of its strategic plan together with maintaining the pressure to improve its core economics is required to ensure that there is a solid foundation for the future of the national postal service.
Growth in parcel services	▶ The continued growth in parcel services, largely driven by on-line shopping, presents an opportunity for An Post. The programme to automate core parcel operations is underway, which will increase processing capabilities and act as a key enabler to allow An Post to capitalise on this opportunity.
Transformation of the retail network	▶ The strategy to drive sustainability of the network is against a backdrop of core business decline, reduced footfall and usage of services. The challenge is to deliver new products and services to drive postmaster income and new footfall into post offices, while also better serving customers online and digitally. Products such as the launch of An Post Money and An Post Commerce brands and an expansion of the financial services product offering provides scope for future growth.

BORD NA MÓNA

Key Activities

- **Energy:** Newly created division which consolidates the operations of the Group's former Peat, Bioenergy, Horticulture, Fuels and Powergen Operations divisions.
- **Powergen Development:** Newly established division that develops the Group's portfolio of renewable energy assets.
- **Resource Recovery:** Provides domestic and commercial non-hazardous waste collection and disposal services and operates BnM's landfill facility at Drehid in Kildare.
- **New Business and Land Development:** Seeking commercial opportunities for the company's assets in non-peat sectors.

State Ownership: 95%

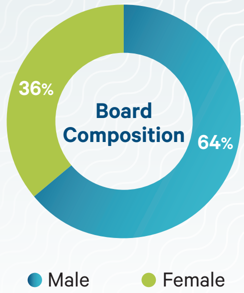
Board Composition (as at November 2019)

Chairperson: Geoff Meagher

Managing Director: Tom Donnellan

Non-Executive Directors: Mary Rose Burke, Denise Cronin, Gerard O'Donoghue, Margot Slattery, Elaine Treacy, Barry Walsh

Worker Directors: Philip Casey, Eddie Tynan, Paddy Rowland



Financial Performance

Key Financial Information				
Year ended March		IFRS	IFRS	
Income Statement (€'m)	**Avg 5Y**	**2019**	**2018**	**yoy Δ**
Turnover	404	380	395	-15
EBITDA (adjusted)	87	78	74	+4
EBIT (adjusted)	49	41	33	+8
PAT (adjusted)	32	35	28	+7
PAT (reported)	1	(50)	(8)	-42
Balance Sheet (€'m)				
Tangible Fixed Assets	288	235	268	-33
Gross Debt	(186)	(77)	(120)	-43
Net (Debt)/Cash	(124)	(23)	(75)	-52
Pension Liabilities	(29)	(14)	(13)	+1
Net Assets	208	161	218	-57
Invested Capital	486	365	445	-80
Cashflows (€'m)				
Net Cashflow from Operations	62	71	61	+10
Gross Capital Expenditure	(57)	(28)	(33)	-5
Net (Acquisitions)/Disposals Spend	7	10	40	-30
Dividends Paid (total)	(6)	-	(2)	-2
Employees				
Employee Numbers	1,955	1,863	1,980	-117

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2019**	**2018**	**yoy Δ**
Operating Margin (EBIT adjusted)	12.0%	10.9%	8.4%	+2.5%
Return on Invested Capital (ROIC)	8.5%	9.1%	4.9%	+4.2%
Liquidity				
Current Ratio (times)	1.4x	1.0x	1.3x	-0.3x
Acid Test Ratio (times)	0.9x	0.7x	0.8x	-0.1x
Leverage				
Net Gearing (see note iii)	34%	12%	26%	-14%
Net Gearing (see note iv)	39%	19%	29%	-10%
Net Debt/EBITDA (times)	1.4x	0.3x	1.0x	-0.7x
EBITDA Interest Cover (times)	8.8x	12.7x	8.5x	+4.2x
Shareholder Returns				
Dividend Payout (normal dividends)	16%	-	12%	-12%
Earnings (adjusted) growth	6%	22%	37%	-15%

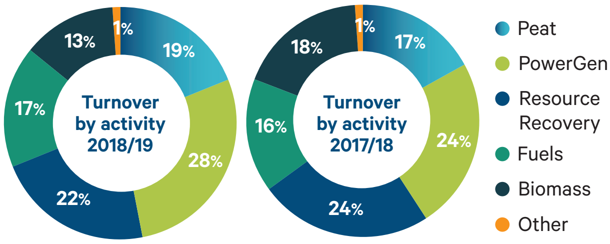
NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Net gearing excluding pension and employee related liabilities.

iv. Net gearing including pension and employee related liabilities.



A challenging year for BnM. Notwithstanding signs of improvement in its underlying operating performance and an increased ROIC, the impact of BnM's restructuring programme including asset impairments was significant with a net after tax loss for the year.

Turnover decreased by €15m from €395m in 2017/18 to €380m in 2018/19 driven primarily by reduced licenced tonnage volumes at BnM's Drehid landfill facility and the full-year impact of the Group's decision to exit the coal business.

Exceptional costs of €91m (2017/18: €39m) were reported by the Group in 2018/19 in the context of the implementation of its new decarbonisation strategy, which will see the Group transition from its legacy peat based operations to focus on renewable energy, resource recovery and other sustainable businesses. These comprised €45m in cash costs and €46m of asset write downs.

Despite reduced revenues and the extensive restructuring programme noted above, underlying trading showed signs of improvement with an increase in adjusted operating profit (EBIT adjusted) (2018/19: €41m, 2017/18: €33m). This is reflected in the improved operating margin (+2.5%) and ROIC (+4.2%) noting that the latter metric has also increased based on the lower level of invested capital. Notwithstanding the improvement in underlying operating performance, the impact of the restructuring programme on reported PAT was significant with a loss of €50m for the period (2017/18: -€8m).

The impact is also evident from a balance sheet perspective with an overall diminution of 26% in the carrying value of the Group's net assets (2018/19: €161m, 2017/18: €218m). Net debt did reduce however by €52m to €23m reflecting scheduled repayments on BnM's private placement debt during the year along with positive operating cash flows and the prioritisation of certain capital expenditures, noting however that these positive cashflows exclude the latent cash impact of the Group's restructuring programme which is likely to crystallise throughout 2019/20.

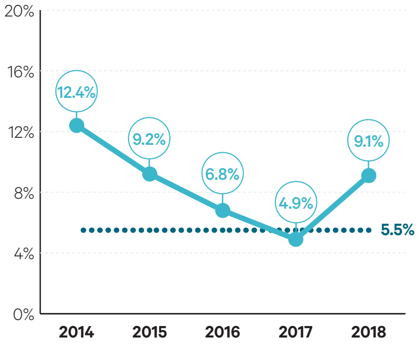
No dividend payments were made during the period reflecting the challenging years in 2017/18 and 2018/19.

Selection of Key Financial Metrics

PROFITABILITY

ROIC %

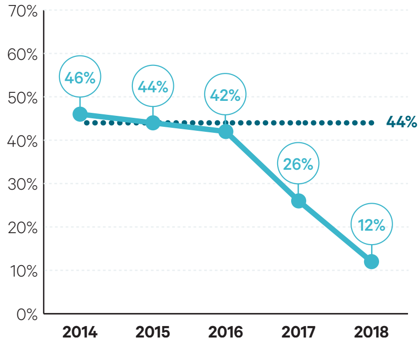
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities

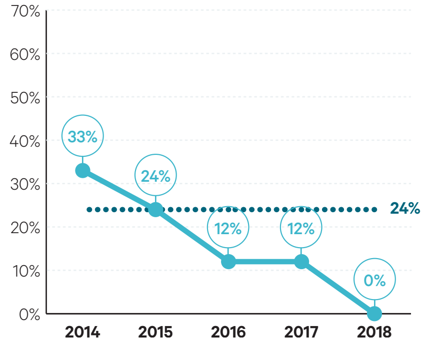
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends

Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018/19	
New decarbonisation strategy	▶ Announced a new 'Brown to Green' decarbonisation strategy which provides for the Group's accelerated exit from its legacy peat-based activities to focus on renewable energy, resource recovery and other sustainable businesses. ▶ Began to implement an extensive restructuring programme comprising a rationalisation of the existing business divisions and the introduction of a voluntary redundancy scheme for employees impacted by the restructuring with overall headcount projected to fall by approximately 400 from this particular restructuring programme.
Progressing renewable energy asset delivery	▶ Commenced development of the €180m joint venture wind farm with ESB at Oweninny, Co Mayo following financial close in 2018. This project entered into commercial operations in Q4 2019. ▶ Commenced the procurement phase for the 21 turbine Cloncreen wind farm in Offaly. ▶ Submitted a planning application in respect of the 96MW Derryadd wind farm in Longford.
Tyre recycling facility	▶ Launched a tyre recycling facility at Donore in Louth. The facility can handle 30k tonnes annually yielding 100 tonnes of crumb rubber. Market share increased to 35% from 30%.

KEY CHALLENGES AND OPPORTUNITIES	
Changing regulatory environment	▶ The changing regulatory environment continues to present significant challenges for BnM. Among these changes are the expiration of the public service obligation ("PSO") on the two ESB peat fuelled plants and their proposed closure in 2020, the potential for increased carbon taxes, the trend towards peat dilution in retail horticultural products in the UK and the impact on power generation assets following the implementation of the Integrated Single Electricity Market ("I-SEM") in October 2018. A series of just transition measures were announced by Government during the year in response to the potential impact of the aforementioned regulatory changes on BnM and the wider Midlands region. ▶ Further consideration will be necessary over the short to medium term of the implications of the recent Court Judgment on the Peat Extraction Regulations on BnM activities.
Leveraging land assets for sustainable growth	▶ BnM holds approximately 80,000 hectares of peatlands, c. 19% of which have been rehabilitated and are now available for non-peat commercial opportunities. For example, using these land assets, the Group is seeking to leverage Ireland's established reputation as a source of quality food produce and, with assistance from Bord Iascaigh Mhara, Goatsbridge, University College Cork and Bord Bia, is currently trialling an inland aquaculture programme (known as AquaMóna) on rehabilitated bogs in Co. Offaly. The trial, which involves the responsible farming of fish, is powered by renewable energy and uses an innovative, natural filtration system that is the first of its kind to be located on peatland. ▶ A second initiative currently being pursued by BnM is the cultivation of plants and herbs for the herbal medicine and food markets. Eleven indigenous herb varieties are being cultivated in Co. Offaly together with the harvesting of plants that grow naturally in the area. The pilot phase of this initiative is anticipated to be completed by 2021. ▶ In July 2019, BnM also announced the conversion of the former Littleton briquette factory into a plastic recycling facility, providing an outlet for used plastics that were otherwise exported or sent to landfill with the recycled material being converted into plastic pellets for reuse.

Key Activities

Transport Services:

- CIÉ is the main provider of bus and rail public transport services and rail freight services in Ireland through its operating subsidiaries: Bus Átha Cliath ("BÁC"), Bus Éireann ("BÉ") and Iarnród Éireann ("IÉ").
- This includes both commercial services and services which are subvented by the State via PSO payments and the operation of a schools transport service which it administers for the Department of Education and Skills.
- CIÉ also owns CIÉ Tours International ("CIÉ Tours") which promotes and sells coach tour holidays.

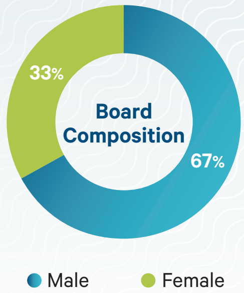
State Ownership: 100%

Board Composition (as at November 2019)

Chairperson: Fiona Ross

Non-Executive Directors: Frank Allen, Brian Fitzpatrick, Ultan Courtney, Aidan Murphy, Niamh O'Regan, Liam O'Rourke, Fiona Sweeney

Worker Directors: Denise Guinan, Stephen Hannan, Tom O'Connor, Tommy Wynne



Financial Performance

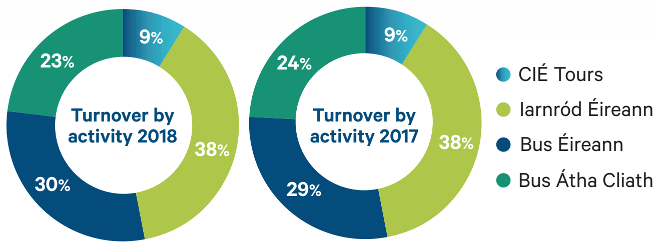
Key Financial Information				
Year ended 31 December		FRS 102	FRS 102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	1,209	1,315	1,238	+77
EBITDA (adjusted)	49	29	29	+0
EBIT (adjusted)	(3)	(14)	(20)	+6
PAT (adjusted)	(19)	(29)	(38)	+9
PAT (reported)	(16)	(35)	(43)	+8
Balance Sheet (€'m)				
Tangible Fixed Assets	2,966	2,765	2,862	-97
Gross Debt	(44)	(29)	(28)	+1
Net (Debt)/Cash	75	193	121	+72
Pension Liabilities	(610)	(547)	(784)	-237
Employee Related Liabilities	(9)	(5)	(14)	-9
Net Assets / (Liabilities)	(491)	(410)	(636)	-226
Invested Capital	413	412	416	-4
Cashflows (€'m)				
Net Cashflow from Operations	79	91	65	+26
Gross Capital Expenditure	(167)	(120)	(161)	-41
Dividends Paid (total)	-	-	-	-
Employees				
Employee Numbers	9,929	10,046	10,098	-52

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	(0.2%)	(1.1%)	(1.6%)	+0.5%
Liquidity				
Current Ratio (times)	1.0x	1.1x	1.0x	+0.1x
Acid Test Ratio (times)	0.7x	0.9x	0.8x	+0.1x
Shareholder Returns				
Dividend Payout (normal dividends)	-	-	-	-

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.



Increased revenue supported by growth in passenger demand enabled the group to provide more services, reduce its infrastructure maintenance deficit and its operational funding requirement from the Exchequer resulting in a constant level of EBITDA year-on-year. Reduced loss after tax with lower depreciation and exceptional costs. Remains in a net liability position.

CIÉ group turnover increased by 6.2% over the prior period (2018: €1,315m, 2017: €1,238m) due to higher passenger demand across each of the operating subsidiaries combined with National Transport Authority ("NTA") sanctioned fare increases. There was also an increase in Exchequer and grant income which was partly offset by a reduction in PSO income; in 2018 just under 40% of group revenue was Exchequer funded.

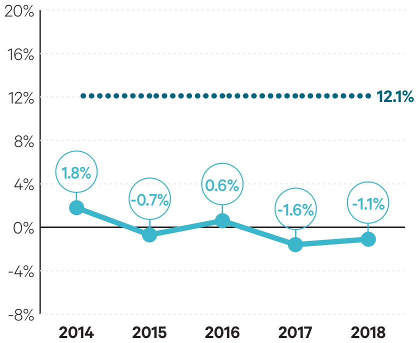
EBITDA was stable year-on-year with the increase in turnover offset by volume related increases in maintenance and school contractor costs along with higher payroll costs, reflecting the full year impact of wage increases negotiated in IÉ and BÁC. With the limited movement in EBITDA, the positive change in PAT in 2018 (2018: -€35m, 2017: -€43m) resulted from lower depreciation charges and reduced exceptional costs partly offset by a lower level of profit arising on the disposal of tangible assets. Exceptional costs in 2018 of €8m comprised business restructuring costs of €1m across the operating subsidiaries which were significantly lower than prior period (2017: €20m) and a €7m repayment to the Department of Education and Skills.

Borrowings increased marginally in 2018, noting that the group is in an increased net cash position at year end (2018: €193m, 2017: €121m). The overall net liability position of the group reduced significantly (2018: €410m, 2017: €636m) driven mainly by a reduction in the group's pension deficit arising from an increase in the discount rate applied to calculate the present value of the scheme liabilities and a reduction in inflation rate assumptions.

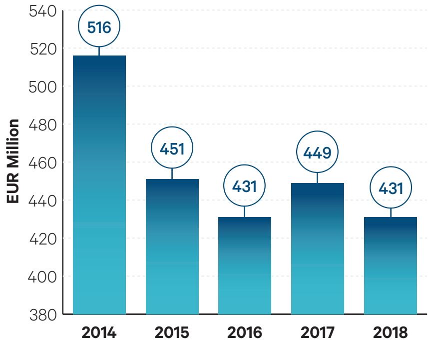
The Group incurred a lower level of gross capital expenditure in 2018 (2018: €120m, 2017: €161m). Responsibility for the acquisition of buses for PSO services has transferred to the NTA, which leases fleet to the bus companies thereby reducing their capex spend. Total funding provided by the State (PSO funding and Exchequer, revenue and capital grants) during 2018 was €431m (2017: €449m).

Selection of Key Financial Metrics

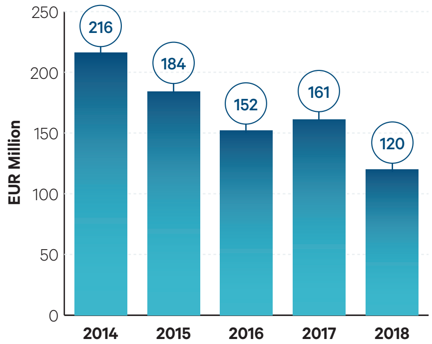
PROFITABILITY
EBIT %
Historical 5yr. Portfolio avg. denoted by dotted blue line



FUNDING
Total PSO income and other Exchequer grants



CAPITAL INVESTMENT
Gross Capital Expenditure (cash basis)



KEY BUSINESS DEVELOPMENTS 2018

Continued growth in passenger demand

- Passenger journeys increased by 4.4% in the year to reach a level of 275m, their highest level since 2008 noting that public transport demand is highly correlated with general economic activity levels.

Increased competition in services

- Introduction of market competition in bus services in the Outer Dublin Metropolitan Area. BÁC worked closely with the NTA to transition certain services to a new operator.
- BÉ introduced expanded bus services in Waterford following its success in winning the tender for services in Waterford.

Direct Contract Awards for 2019

- In November 2018 the NTA proposed to:
  - Directly award a new 100% contract for the provision of public bus services currently operated by BÁC in the Dublin Area from December 2019 to BÁC for a period of five years; and
  - Directly award a new contract for the provision of public bus services outside the Dublin Area to BÉ for a period of five years, with the exception of a selection of services, approximately 5%, where the direct award contract shall be for a period of no longer than two years, expiring in 2021.
- The NTA is proposing to directly award a public service contract to IÉ for the provision of public passenger transport services by rail with a commencement date of 1 December 2019, following the expiry of the current direct award contract on 30 November 2019. It is envisaged that the direct award contract will be for ten years.

KEY CHALLENGES AND OPPORTUNITIES

Prevailing economic conditions

- Ireland's recent strong economic performance has brought with it:
  - increases in demand for the public transport services of BÁC, BÉ and IÉ. Given the high correlation between employment and passenger journeys, a downturn in the Irish economy could lead to a significant decrease in the financial performance of CIÉ; and
  - the challenges of traffic congestion and achieving sustainable mobility for a growing population. Each of the CIÉ operating companies recognises its responsibility to offer a credible alternative to private transport for large numbers of passengers. CIÉ reported in 2018 that each public transport operator within the Group continued their strong focus on the delivery of a safe and efficient network of services for all customers.
- Economic recovery has also brought pressures on CIÉ's cost base. Given that payroll represents almost half of CIÉ's operating costs, CIÉ could face a challenge to adapt its financial position if there is a downturn in the economy.

Pension Deficit

- Although CIÉ Group's liquidity position has improved over the last five years, its solvency position still remains challenging as deficits have been reported in eight of the last ten years, with the movement in the pension liability a large contributor to this.
- Existing pension funding proposals, which were approved in 2013 and were designed to return the schemes to solvency by December 2023, were certified as being "off track" in 2016 and this remained the case at the end of 2018. A revised funding proposal to the Pensions Authority from the Trustees of the two CIÉ pension schemes is required to address the existing deficit to meet minimum funding standard requirements.

Supporting the climate action agenda

- Meeting the emission targets, set out in the Climate Action Plan 2019, with strong passenger growth over the next few years will pose a significant challenge and will require continuing investment in low carbon fleet.

COILLTE
GROW · TRANSFORM · SUSTAIN

Key Activities

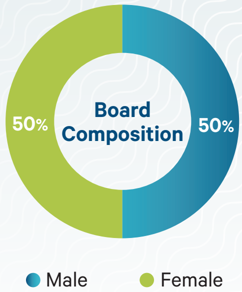
- **Coillte Forest:** Manages the core forestry business including planting, growing, protecting and harvesting of forests, the provision of a range of wood products and recreational amenities including 12 forest parks, nearly 300 recreation sites and over 3,000km of hiking trails.
- **Medite SmartPly:** Manufactures Medium Density Fibreboard and Oriented Strand Board sustainable timber construction panels, exporting to over 30 other countries worldwide.
- **Land Solutions:** Provides commercial land solutions which protect the core productive forest estate and support the delivery of Government policies in areas such as renewable energy and infrastructure. Also includes Coillte Nature, which will focus on not-for-profit activities relating to the environment and recreation forests.

State Ownership: 100%

Board Composition (as at November 2019)

Chairperson: Bernie Gray

Non-Executive Directors: Gerry Gray, Jerry Houlihan, Patrick Eamon King, Julie Murphy-O'Connor, Eleanor O'Neill



Financial Performance

Key Financial Information				
Year ended 31 December		FRS102	FRS102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	297	330	299	+31
EBITDA (adjusted)	92	106	83	+23
EBIT (adjusted)	65	77	49	+28
PAT (adjusted)	51	70	43	+27
PAT (reported)	65	156	43	+113
Balance Sheet (€'m)				
Tangible Fixed Assets (see note iii)	1,412	1,441	1,421	+20
Gross Debt	(157)	(89)	(162)	-73
Net (Debt)/Cash	(133)	(14)	(154)	-140
Pension Liabilities	(92)	(55)	(76)	-21
Net Assets	1,112	1,297	1,139	+158
Invested Capital	1,376	1,455	1,392	+63
Cashflows (€'m)				
Net Cashflow from Operations	46	76	67	+9
Gross Capital Expenditure	(59)	(57)	(57)	+0
Net (Acquisitions)/Disposals Spend	37	117	-	+117
Dividends Paid (total)	(8)	(15)	(8)	+7
Employees				
Employee Numbers	860	806	827	-21

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	21.8%	23.2%	16.3%	+6.9%
Return on Invested Capital (ROIC)	4.2%	4.7%	3.1%	+1.6%
Liquidity				
Current Ratio (times)	2.2x	3.0x	2.0x	+1.0x
Acid Test Ratio (times)	1.8x	2.6x	1.6x	+1.0x
Leverage				
Net Gearing (see note iv)	11%	1%	12%	-11%
Net Gearing (see note v)	17%	5%	17%	-12%
Net Debt/EBITDA (times)	1.5x	0.1x	1.9x	-1.8x
EBITDA Interest Cover (times)	21.9x	39.8x	34.4x	+5.4x
Shareholder Returns				
Dividend Payout (normal dividends)	20%	35%	16%	+19%
Earnings (adjusted) growth	26%	62%	(12%)	+74%

NOTES:

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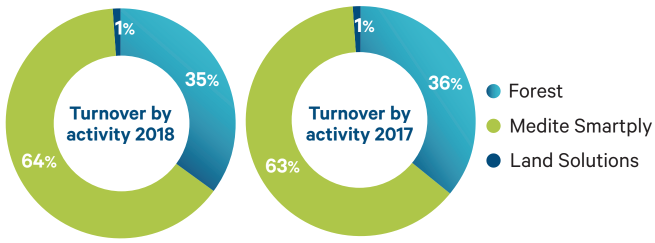
ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Includes biological assets.

iv. Net gearing excluding pension and employee related liabilities.

v. Net gearing including pension and employee related liabilities.



Strong trading performance in 2018 with revenue growth, increased underlying operating profit and improved operating cashflows, noting Coillte's underlying strategic focus on growing cashflow from recurring operations. This is reflected in an increased ROIC. Significant deleveraging also took place in 2018 following the disposal of equity stakes in a number of wind farm investments.

Turnover increased by 10% year-on-year (2018: €330m, 2017: €299m) reflecting, in particular, improved prices and demand for sawnwood and panel products in the UK construction market despite the ongoing uncertainty around Brexit.

The increase in operating profit (EBIT adjusted) from €49m in 2017 to €77m in 2018 due to growth in revenue along with revaluation gains on investment properties (mostly comprising land rented to wind-farm operators under long-term lease agreements). This is reflected in the higher operating profit margin (2018: 23.2%, 2017: 16.3%) and increased ROIC (2018: 4.7%, 2017: 3.1%). Reported PAT more than tripled in 2018 (2018: €156m, 2017: €43m) which, in addition to the improved operating profit, also included net exceptional income of €86m. The main component of this was €93m of profit from the disposal of a number of wind farm shareholdings during the year.

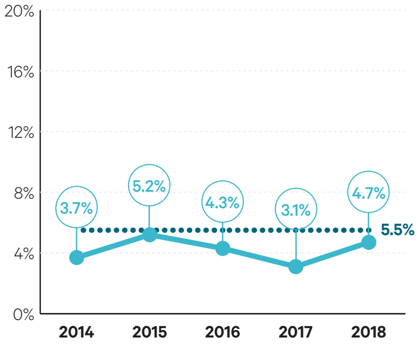
Arising from the strong trading performance and asset sales, the net debt of the Group reduced from €154m at the end of 2017 to €14m at the end of 2018. This is reflected in the significantly reduced net gearing levels (2018: 1%, 2017: 12%) and lower net debt/EBITDA (2018: 0.1x, 2017: 1.9x).

Growth in net cashflow from operations, which increased by 13% on prior year (2018: €76m, 2017: €67m). Capital expenditure was broadly similar year-on-year at €57m, around half of which related to forestry replanting.

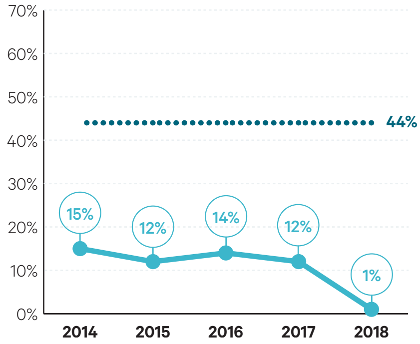
Coillte paid dividends of €15m in 2018, equating to 35% of prior year adjusted PAT, which was a substantial increase relative to the prior period (2017: €8m paid representing a payout rate of 16%).

Selection of Key Financial Metrics

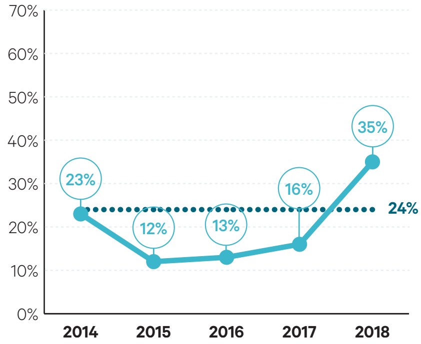
PROFITABILITY
ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE
Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS
Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018

Forestry estate management, carbon sequestration and biodiversity

- New Forestry Management System fully implemented by April 2018.
- Planted in excess of 20 million trees across 8,125 hectares, the largest reforestation planting programme in more than ten years.
- Working with the Department of Agriculture, Food and the Marine to develop and progress a sustainable afforestation plan to increase Ireland's forestry cover.
- Completed a project to map over 90,000 hectares of biodiversity lands, equating to one fifth of the estate, which will be managed with nature conservation and biodiversity as the primary objective.

Delivering increased panel manufacturing capabilities

- Continued to develop the world's first Tricoya wood chip manufacturing plant in the UK in collaboration with Coillte's global partners.

Land Solutions

- Completed the disposal of Coillte's 50% equity stakes in the Raheenleagh, Cloosh Valley and Castlepook wind farms and a 12.5% equity stake in Sliabh Bawn.
- Planning for the Cullenagh and Bunkimalta wind farms were successfully challenged by third parties during 2018.
- First consented site for a residential development in Moycullen in Galway brought to market.

Public Recreation

- Received planning approval for the redevelopment of Avondale Forest Park. Capital funding for the €8m investment will be jointly provided by Coillte and Fáilte Ireland.
- Continued to invest in the delivery of mountain bike trails with the construction of the first phases of two new national mountain bike trail centres (located in the Slieve Bloom mountains and Sligo).

Funding

- Revolving credit facility fully repaid in December 2018 and €30m in undrawn amounts available under those facilities were cancelled in October 2018 to eliminate excess headroom. Coillte's Export Credit Agency facility of €23.5m was also fully repaid during December 2018.

KEY CHALLENGES AND OPPORTUNITIES

Prevailing economic conditions in key markets

- Brexit remains a key uncertainty for Coillte given its bilateral trade with the UK (export sales generated 58% of Coillte's turnover in 2018, 75% of which related to the UK). The potential future trading impacts remain difficult to quantify and will depend on the nature of Britain's exit from Europe.
- In addition to foreign exchange rate hedging and active participation in Brexit related forums, Coillte rented additional warehouse space for 2019 to mitigate inventory risks for UK based sales.

Review of strategic direction

- Having completed the final phase of business restructuring in 2017, Coillte has been undertaking a comprehensive review of its strategic direction. This includes a review of, inter alia, a number of large scale capital investment opportunities in forestry and Medite SmartPly, the next phase of the renewable energy pipeline and afforestation initiatives. The delivery of the next strategic phase will be a key challenge for the company over the coming years, particularly against the backdrop of Brexit and the climate action agenda.

Supporting the climate action agenda

- In July 2019, Coillte announced the establishment of Coillte Nature, which will focus on not-for-profit projects to increase the national forest estate with a strong emphasis on carbon sequestration, species diversification and biodiversity. Coillte has indicated that it will collaborate with other organisations via joint ventures and other arrangements to deliver forestry and recreation projects.

daa

Key Activities

Airports

- daa's principal activities are airport development, operation and management, international airport retailing and international airport investment.
- daa owns and operates the two largest airports in Ireland, Dublin and Cork, and has airport retail activities in Ireland and 11 international locations.
- daa also has investments in three European airports and operates an airport terminal in Saudi Arabia.

State Ownership: 100%

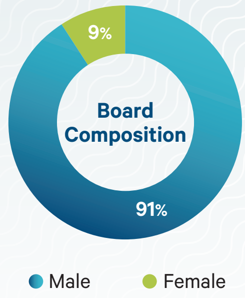
Board Composition (as at November 2019)

Chairperson: Basil Geoghegan

CEO: Dalton Philips

Non-Executive Directors: Niall Greene, Patricia King, Colm McCarthy, Risteard Sheridan, Gerry Walsh

Worker Directors: Barry Nevin, Eric Nolan, Paul Mehlhorn, Denis Smyth



Financial Performance

Key Financial Information				
Year ended 31 December		FRS102	FRS102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	758	897	855	+42
EBITDA (adjusted)	239	289	271	+18
EBIT (adjusted)	154	182	187	-5
PAT (adjusted)	93	132	125	+7
PAT (reported)	93	140	130	+10
Balance Sheet (€'m)				
Tangible Fixed Assets	1,662	1,708	1,717	-9
Gross Debt	(1,064)	(802)	(1,136)	-334
Net (Debt)/Cash	(554)	(441)	(541)	-100
Pension Liabilities	(10)	(4)	(6)	-2
Employee Related Liabilities	(27)	(8)	(9)	-1
Net Assets	1,215	1,398	1,293	+105
Invested Capital	2,353	2,315	2,532	-217
Cashflows (€'m)				
Net Cashflow from Operations	167	251	209	+42
Gross Capital Expenditure	(120)	(135)	(171)	-36
Net (Acquisitions)/Disposals Spend	(10)	1	(5)	-6
Dividends Paid (total)	(20)	(39)	(32)	+7
Dividends Paid (total - State)	(17)	(37)	(29)	+8
Employees				
Employee Numbers	3,521	4,039	3,855	+184

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	20.1%	20.3%	21.9%	-1.6%
Return on Invested Capital (ROIC)	5.7%	6.6%	6.7%	-0.1%
Liquidity				
Current Ratio (times)	2.7x	2.2x	1.4x	+0.8x
Acid Test Ratio (times)	2.6x	1.9x	1.3x	+0.6x
Leverage				
Net Gearing (see note iii)	31%	24%	29%	-5%
Net Gearing (see note iv)	33%	24%	30%	-6%
Net Debt/EBITDA (times)	2.4x	1.5x	2.0x	-0.5x
EBITDA Interest Cover (times)	6.1x	10.1x	7.1x	+3.0x
Shareholder Returns				
Dividend Payout (normal dividends)	18%	30%	28%	+2%
Earnings (adjusted) growth	38%	6%	18%	-12%

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Net gearing excluding pension and employee related liabilities.

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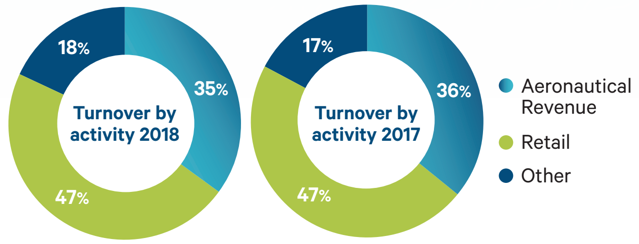


Strong financial performance in 2018 supported by continued passenger growth at Dublin Airport although reduced income from the overseas operations of Aer Rianta International ("ARI") resulted in a slightly lower level of operating profit and ROIC.

daa reported a 5% increase in turnover in 2018 (2018: €897m, 2017: €855m) with €641m of turnover generated from its Irish activities (+5% compared to 2017) and €256m from its international activities (+4% compared to 2017).

Adjusted operating profit (EBIT adjusted) decreased slightly (2018: €182m, 2017: €187m) mainly due to a reduction in the share of profits from associate/joint venture international retail operations and airport investments (2018: €17m, 2017: €30m). This was mainly due to the re-pricing of certain material international retail concession contracts in 2018 following competitive tenders and is reflected in the lower operating profit margin (2018: 20.3%, 2017: 21.9%) and lower level of ROIC (2018: 6.6%, 2017: 6.7%).

A reduction in interest costs resulting from a redemption of outstanding loan notes offset the decrease in share of profits and is reflected in a higher level of adjusted PAT for the year (2018: €132m, 2017: €125m). Dublin Airport contributed €123m of daa's adjusted PAT in 2018.

Capital expenditure on a cash basis was €135m in 2018, which is a reduction on 2017 (€171m).

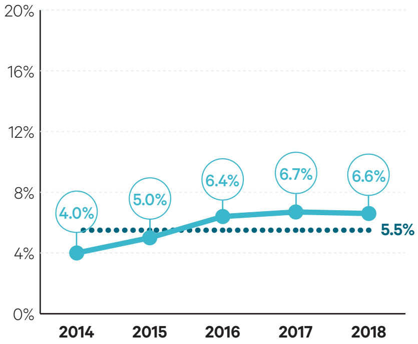
Net debt decreased by €100m (2018: €441m, 2017: €541m) with a €334m reduction in borrowings (mainly a scheduled redemption of a eurobond) partially offset by lower cash balances. Net debt/EBITDA improved to 1.5x in 2018, compared to the five year average of 2.4x.

In 2018, dividends of €37m (2017: €29m) were paid by daa to the State and dividends of €1m were paid to non-controlling interests by ARI, daa's travel retail subsidiary. Dividends paid to the State in 2018 (€37m) equate to 30% of prior year adjusted PAT (€125m). A dividend of €40m was recommended by the daa Board for payment in 2019.

Selection of Key Financial Metrics

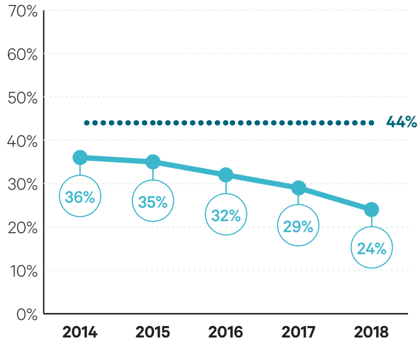
PROFITABILITY

ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



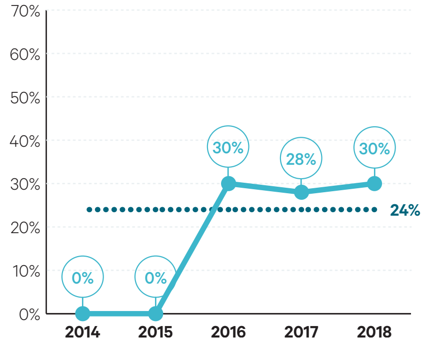
CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Continued growth in passenger numbers	▶ Together, Dublin and Cork Airports accounted for 92% of passengers through Irish airports in 2018. ▶ Eighth consecutive year of passenger growth at Dublin Airport with 31.5m passengers in 2018 (2017: 29.6m) noting capacity increases on 22 existing services (additional frequency, larger aircraft) along with 16 new routes (including the first direct flight to China) and 6 new airlines welcomed during the year. UK passenger traffic was up 1% to 10.1m passengers – a small decline on regional British routes was offset by growth in the London routes. Transatlantic flights continue to be the fastest growth market segment for Dublin Airport. ▶ 2.4m passengers at Cork Airport in 2018 (2017: 2.3m) reflecting the impact of three new routes (Paris, Lisbon, London) and the expansion of 14 different services. UK passenger traffic remained flat year-on-year at 1.3m passengers.
Progressing delivery of the capital investment programme	▶ 2018 works included the completion of a runway overlay (€70m), Terminal 2 transfer facility (€10m), works to update the Terminal 2 retail offerings (€6m) and the commencement of construction of two new office buildings for Dublin Airport Central. ▶ Awarded the main construction contract for the new North Runway in October 2018 and commenced initial works. Also advanced plans for a new terminal-linked hotel adjacent to Terminal 2.
Aer Rianta International (ARI)	▶ Repriced certain material retail concession contracts in 2018 following competitive tenders. ▶ Restructured ARI's Cypriot operations and commenced a new 10 year concession license with a JV partner at Muscat Airport in the Middle East following the opening of a new international terminal. ▶ Acquired a 50% stake in a retail operation in Terminal 3 of Jakarta's international airport.
Funding	▶ Scheduled repayment of the outstanding balance of daa's 2008 Eurobond of €290m in July 2018. ▶ The weighted average interest rate applicable to daa borrowings was 2.6% in 2018 (2017: 3.2%). ▶ Liquidity of €661m at year-end, consisting of €361m cash and a €300m revolving credit facility. ▶ Credit rating of 'A-' ('positive' outlook) from Standard and Poor's at year end (outlook revised down to 'stable' in July 2019).

KEY CHALLENGES AND OPPORTUNITIES	
Capital Investment Programme	▶ daa has proposed an ambitious capital investment programme for Dublin Airport, which entails investment of over €2bn over 2020-24 to deliver an annual capacity of 40m passengers. The scale of this capital programme is unprecedented at the airport and the efficient financing and delivery of this investment, in the context of a new regulatory period (see below), will be a key challenge for daa to manage over the coming years.
New Regulatory Period 2020-2024	▶ Dublin Airport enters a new regulatory period in 2020, with the Commission for Aviation Regulation ("CAR") setting an average price cap of €7.87 per passenger over the period 2020-24 in its final determination, which compares to CAR's published base price cap of €8.81 in 2019 and daa's proposition of holding charges broadly flat at 2018 levels. ▶ In the context of this regulatory determination, the delivery of daa's strategic plans for Dublin Airport, including funding of its significant capital investment programme and delivery of returns to the State as shareholder, will be a key challenge.
North Runway planning conditions	▶ daa has commenced construction of the new North Runway at Dublin Airport at an estimated cost of c.€320m. daa has noted that the impact of two conditions attached to the planning permission for the new runway would be to reduce capacity at key times of the day across the entire runway system at Dublin Airport. ▶ Legislation to establish a new independent aircraft noise regulator for Dublin Airport was enacted in May 2019. It will be up to daa to make its case to the new noise regulator regarding these two planning conditions and its views on appropriate noise restrictions at the airport.

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DUBLIN PORT COMPANY

Key Activities

Port Services

- Dublin Port is the largest freight and passenger port in Ireland. As a landlord port, all cargo handling activities are carried out by private sector companies operating in competitive markets within the Port.
- Dublin Port is classified as a Tier 1 port by the National Ports Policy 2013 and is categorised as a core/comprehensive port in the EU Trans-European Transport Network ("TEN-T").
- Key revenue generating functions are the setting and collection of port dues and the leasing of port lands and infrastructure to private sector operators.

State Ownership: 100%

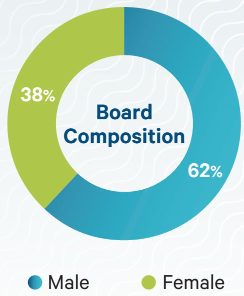
Board Composition (as at November 2019)

Chairperson: Lucy McCaffrey

CEO: Eamonn O'Reilly

Non-Executive Directors: Michael Brophy, Helen Collins, Geoffrey Darling, Michael Hand, Lesley Williams

Worker Director: Keith Nolan



Financial Performance

Key Financial Information				
Year ended 31 December		**FRS102**	**FRS102**	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	81	90	85	+5
EBITDA (adjusted)	51	56	54	+2
EBIT (adjusted)	43	47	46	+1
PAT (adjusted)	37	42	40	+2
PAT (reported)	38	42	41	+1
Balance Sheet (€'m)				
Tangible Fixed Assets	364	496	418	+78
Gross Debt	(60)	(135)	(60)	+75
Net (Debt)/Cash	(15)	(92)	(38)	+54
Pension (Liabilities) / Assets	23	53	51	+2
Net Assets	362	440	409	+31
Invested Capital	394	487	417	+70
Cashflows (€'m)				
Net Cashflow from Operations	41	48	47	+1
Gross Capital Expenditure	(48)	(89)	(78)	+11
Dividends Paid (total)	(10)	(12)	(12)	+0
Employees				
Employee Numbers	147	163	148	+15

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	53.1%	52.4%	54.0%	-1.6%
Return on Invested Capital (ROIC)	10.1%	9.2%	10.2%	-1.0%
Liquidity				
Current Ratio (times)	5.6x	5.3x	3.1x	+2.2x
Acid Test Ratio (times)	5.5x	5.2x	3.0x	+2.2x
Leverage				
Net Gearing (see note iii)	5%	17%	9%	+8%
Net Gearing (see note iv)	5%	17%	9%	+8%
Net Debt/EBITDA (times)	0.5x	1.6x	0.7x	+0.9x
EBITDA Interest Cover (times)	72.5x	126.3x	53.1x	+73.2x
Shareholder Returns				
Dividend Payout (normal dividends)	30%	30%	30%	+0%
Earnings (adjusted) growth	9%	3%	3%	+0%

NOTES:

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iii. Net gearing excluding pension and employee related liabilities.

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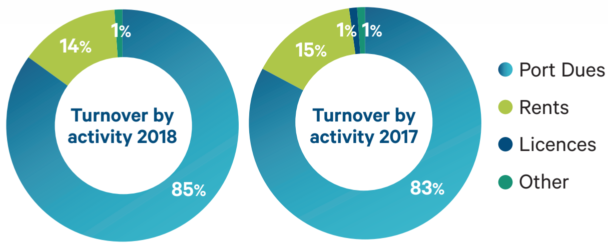


Satisfactory financial performance in 2018 with continued throughput growth at the Port driving slightly higher turnover and operating profit. The ROIC and operating profit margins, although high, did contract slightly reflecting the long term payback versus immediate cost implications of delivering port infrastructure development projects.

2018 was another strong year for throughput at Dublin Port with volumes reaching 38m tonnes and turnover increasing by 6% (2018: €90m, 2017: €85m).

Adjusted Operating Profit (EBIT adjusted) increased by 3% to €47m (2017: €46m) however operating margins contracted slightly (-1.6%) due to the impact of increased depreciation costs, payroll expenses and professional fees incurred in relation to the Port's key capital projects. ROIC reduced year-on-year (2018: 9.2%, 2017: 10.2%) reflecting the long term payback versus immediate cost implications of port infrastructure development projects.

Tangible fixed assets increased during the period (2018: €496m, 2017: €418m) primarily due to the ongoing Alexandra Basin Redevelopment Project works. This investment was in part funded by borrowings with net debt increasing by €54m in the period (2018: €92m, 2017: €38m).

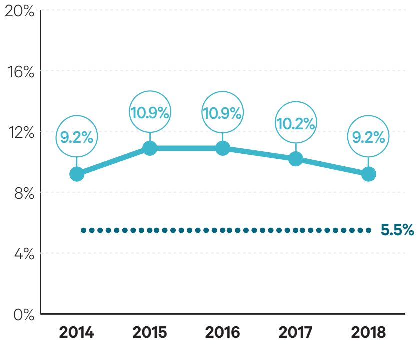
Gearing remains low at 17% (2017: 9%) but is anticipated to increase as further development works progress at the Port. An increased cash position at the end of 2018 is reflected in the improved liquidity metrics year-on-year.

Dublin Port made dividend payments of €12m in 2018 equating to 30% of prior year adjusted PAT, which was at the same level as 2017.

Selection of Key Financial Metrics

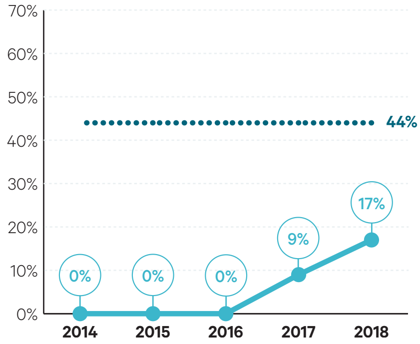
PROFITABILITY

ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



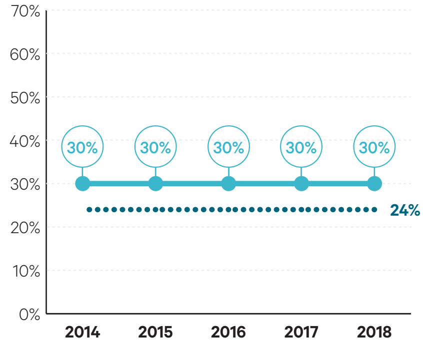
CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Continued capacity growth	▶ Total throughput at the port increased by 4.3% from 36.4m tonnes in 2017 to 38.0m tonnes in 2018. Growth reported across all cargo modes with the exception of passenger numbers and tourist cars, which declined marginally (-1% and -1.2% respectively). ▶ Cargo at the port continues to be dominated by unitised modes, which accounted for 81% of all port traffic in 2018. ▶ Trade vehicle volumes increased by 4%, a strong performance given the 3% decline in new vehicle registrations during the year. ▶ Further increases in cruise traffic with the number of calls up 18% to 150 (2017:127), carrying in excess of 275,000 passengers and crew (2017: 210,050).
Review of DPC's long-term development plan	▶ Launched an updated long-term development plan ("Masterplan 2040 Reviewed 2018") in July 2018, following an 18-month review period. This review was supported by a public consultation process and the completion of environmental studies, including a Strategic Transportation Study and a Strategic Environmental Assessment. ▶ The long-term development plan for the Port now includes increased annual throughput growth assumptions over the period to 2040 (3.3% p.a. vs. 2.5%) with the delivery of increased capacity to be achieved without further infill into Dublin Bay and subject to a maximum level of deepening at the Port of 10 metres (12 metres originally envisaged).
Brexit preparedness	▶ Continued to work with State Agencies such as Revenue, the Department of Agriculture, Food and the Marine and the Office of Public Works to ensure that essential border control and primary and secondary inspection facilities will be in place.

KEY CHALLENGES AND OPPORTUNITIES	
Prevailing economic conditions	▶ Growth at DPC will continue to be strongly influenced by the prospects and outlook for the Irish economy. A strong correlation exists between gross domestic product ("GDP") and throughput volumes at DPC, as previously evidenced by the sharp trading declines experienced at the Port in 2008 and 2009. Throughput at the Port has increased by 36% over the past 6 years with trade now exceeding the previous 2007 peak by 23%. ▶ Brexit remains a key risk in this context and a "hard" Brexit, in particular, brings with it practical implications for the Port in the form of physical controls requiring the Port to allocate already scarce land resources to facilitate customs and other State agencies.
Delivering port infrastructure to support capacity growth	▶ The assumed average annual growth rate of 3.3% per annum proposed under the revised Masterplan requires the Port to deliver capacity of 77m tonnes per annum by 2040 (originally envisaged to be 60m tonnes). DPC has identified the delivery of this capacity as a key risk and challenge for the future. ▶ The associated investment requirement is significant with forecast capital investment of €1bn over the next decade to deliver the revised capacity requirement. Key projects identified by DPC include the completion of the Alexandra Basin Redevelopment Project; the development of the 44ha Dublin Inland Port located 14km from Dublin Port and the MP1 (road upgrades, reconfiguration of port lands for unified cargo handling etc.) and MP2 (delivery of capacity on the north side of the Port for RoRo and LoLo services to the UK and Continental Europe) projects. ▶ National Ports Policy requires the Port to be self-financing. In this regard, the Port's ability to deliver the capacity requirements identified in the updated Masterplan will be largely contingent on future trading performance at the Port and the availability of debt funding.

EIRGRID GROUP

Key Activities

- **EirGrid TSO:** Develops, manages and operates the high voltage electricity transmission grid in Ireland and is regulated by the Commission for the Regulation of Utilities in Ireland ("CRU").
- **SONI:** Develops, manages and operates the high voltage electricity transmission grid in Northern Ireland and is regulated by the Utility Regulator Northern Ireland ("URegNI").
- **SEMO:** Operates the SEM across Ireland and Northern Ireland and is regulated by the SEM Committee.
- **EWIC:** Owns and operates the high voltage electricity link between Ireland and Wales, selling capacity through auctions.
- **Other Activities:** Working to help deliver on 2020 renewable electricity targets through the programme for Delivering A Secure and Sustainable Electricity System (known as DS3).

State Ownership: 100%

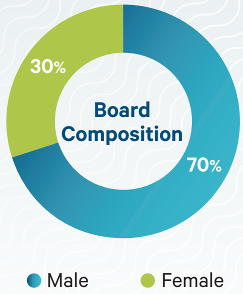
Board Composition (as at November 2019)

Chairperson: Brendan Tuohy

CEO: Mark Foley

Non-Executive Directors:
Tom Coughlan, Lynne Crowther, Dr. Theresa Donaldson, Michael Hand, Eileen Maher, Liam O'Halloran, John Trethowan

Employee Representative:
Shane Brennan



Financial Performance

Key Financial Information				
Year ended 30 September		**IFRS**	**IFRS**	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	677	758	579	+179
EBITDA (adjusted)	81	105	50	+55
EBIT (adjusted)	51	83	22	+61
PAT (adjusted)	28	57	2	+55
PAT (reported)	28	57	2	+55
Balance Sheet (€'m)				
Tangible Fixed Assets	585	539	605	-66
Gross Debt	(354)	(324)	(339)	-15
Net (Debt)/Cash	(194)	(128)	(200)	-72
Pension Liabilities	(31)	(32)	(24)	+8
Net Assets	189	259	203	+56
Invested Capital	672	720	619	+101
Cashflows (€'m)				
Net Cashflow from Operations	67	115	(21)	+136
Gross Capital Expenditure	(32)	(40)	(48)	-8
Dividends Paid (normal)	(3)	(4)	(4)	-
Dividends Paid (special)	(1)	-	-	-
Dividends Paid (total)	(4)	(4)	(4)	-
Employees				
Employee Numbers	481	511	472	+39

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	7.3%	10.9%	3.8%	+7.1%
Return on Invested Capital (ROIC)	6.8%	11.0%	3.1%	+7.9%
Liquidity				
Current Ratio (times)	1.4x	1.4x	1.4x	+0.0x
Acid Test Ratio (times)	1.4x	1.4x	1.4x	+0.0x
Leverage				
Net Gearing (see note iii)	51%	33%	50%	-17%
Net Gearing (see note iv)	54%	38%	52%	-14%
Net Debt/EBITDA (times)	2.6x	1.2x	4.0x	-2.8x
EBITDA Interest Cover (times)	4.4x	6.4x	2.8x	+3.6x
Shareholder Returns				
Dividend Payout (normal dividends)	53%	202%	46%	+156%

NOTES:

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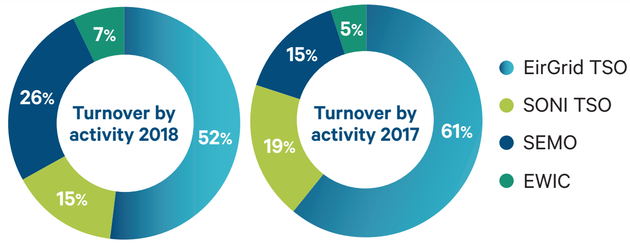


Excluding the impact of regulatory income adjustments, EirGrid delivered an improved financial performance in 2018 with management indicating an increased level of underlying profit before tax.

EirGrid's activities are predominantly regulated and its reported profits and returns can vary from year to year due to over and under-recoveries of regulatory income. In accordance with normal regulatory practice, these over and under-recoveries are corrected for in future tariffs. A significant element of its turnover is also pass-through in nature as it comprises regulatory tariffs which it collects on behalf of the transmission asset owners. These two factors make it difficult to fully assess the underlying operating performance of the entity.

A financial measure which is more useful to use in reviewing its financial performance is management's estimate for underlying profit before tax (this estimate excludes regulatory income adjustments). Management's reported estimate for underlying profit before tax was €18.7m for 2018 (2017: €16m) indicating an improved financial performance for 2018.

Net debt was €128m at year end, a decrease of €72m on prior year (2017: €200m) due to the ongoing scheduled repayment of EWIC-related borrowings and higher unrestricted cash balances (EirGrid's total cash position includes restricted cash balances relating to the SEM collateral reserve accounts and amounts held for EWIC and TUoS collateral which are excluded for the purposes of calculating net debt).

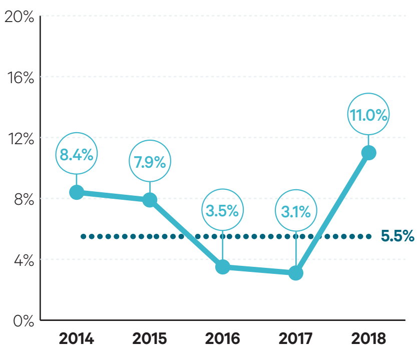
EirGrid has proposed a dividend to the Exchequer of €4m in respect of 2018, which was paid in 2019. This dividend is at the same level as the prior period. The dividend payout rate increased significantly in 2018 reflecting the year-on-year reduction in reported PAT in the prior period (2017: €2m, 2016: €9m), which includes regulatory movements. This ratio would reduce to 27% if based on prior year underlying profit after tax (€15m).

Selection of Key Financial Metrics

PROFITABILITY

ROIC %

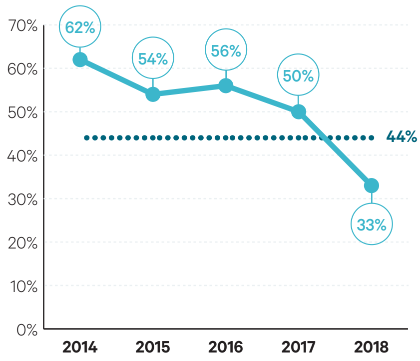
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities

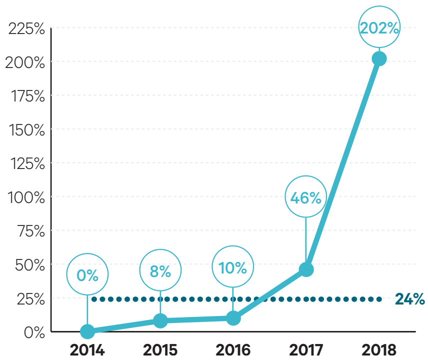
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends

Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
European electricity market integration	▶ Successfully completed the I-SEM project with the new SEM going live on the island of Ireland on 30 September 2018 meaning Ireland is now part of the pan-European internal energy market.
Progressing further market interconnection	▶ Planning approval received for the northern section of the North-South Interconnector in January 2018. ▶ Further marine assessments, onshore assessments and public consultations undertaken in relation to the Celtic Interconnector Project (being the project to link the electricity grids in Ireland and France). Investment request was submitted to the respective national regulators relating to the cross border cost allocation for the project and inclusion of the project in each country's tariffs.
Ensuring a sustainable power system	▶ Record breaking 3.7GW of wind power generated in the SEM in March 2018. ▶ Increased the limit of renewable generation that the grid can reliably carry to 65% during the year, with the SEM being the first in the world to achieve this level. ▶ A number of initiatives were undertaken in 2018/19 in relation to demand side management: — Partnered with the ESB on a pilot 'Power Off & Save' programme which sought to encourage energy conservation by domestic electricity customers. — Partnered on a project which installed 550 small-scale thermal energy storage units with trials undertaken to demonstrate the capability to deliver DS3 System Services. — Continued to provide operation certification to aggregated generation units/demand side units.
New approach to grid development	▶ Rolled out the new six-step grid development approach which incorporates long range scenario planning that analyses electricity grid needs out to 2040. Inaugural scenario development cycle for Ireland was completed in 2018, following public consultation.

KEY CHALLENGES AND OPPORTUNITIES	
Interconnection	▶ Both the North South Interconnector and the Celtic Interconnector are designated as EU Projects of Common Interest, meaning that their successful deployment is considered an essential step towards EU goals of affordable, secure and sustainable energy. ▶ The importance of a link between the Irish and mainland European grid has also increased in the context of Brexit but noting that, should it be decided to progress the Celtic Interconnector, it would not go live until 2025/2026. The complexity and scale of this project will present challenges from a financial and operational perspective and necessitates effective risk management at all stages of the project. In October 2019, the European Commission announced the allocation of a €530.7m grant for the project from the Connecting Europe Facility.
Supporting the climate action agenda	▶ The Climate Action Plan identifies a significant number of individual actions on the part of EirGrid relating to the regulatory streamlining of renewables and grid development, the route to market for renewable electricity generation, offshore renewables and microgeneration. This emphasises the opportunity EirGrid will have to play a key role in supporting Ireland's contribution to the challenging global climate action agenda.

ervia Gas Networks Ireland

Key Activities

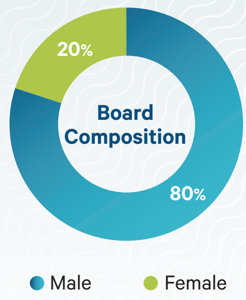
- **Ervia:** parent company of GNI and IW (IW financials are not consolidated with Ervia Group financials and therefore are shown separately in this report). Provides certain group central and support services to GNI and IW.
- **GNI:** Ownership, operation and maintenance of the natural gas transmission and distribution network in Ireland. Regulated by the CRU.
- **GNI (UK):** Operation and part-ownership of the gas interconnector pipelines between Ireland and Scotland and ownership and operation of two gas transmission pipelines in Northern Ireland. Regulated by the CRU, URegNI and the Office of Gas and Electricity Markets ("Ofgem").
- **Aurora Telecom:** Ownership and operation of a dark fibre telecoms network.

State Ownership: 100%

Board Composition (as at November 2019)

Chairperson (Ervia): Tony Keohane

Non-Executive Directors (Ervia):
Chris Banks, Fred Barry, Peter Cross, Celine Fitzgerald, Keith Harris, Sean Hogan, Mari Hurley, Finbarr Kennelly, Joe O'Flynn



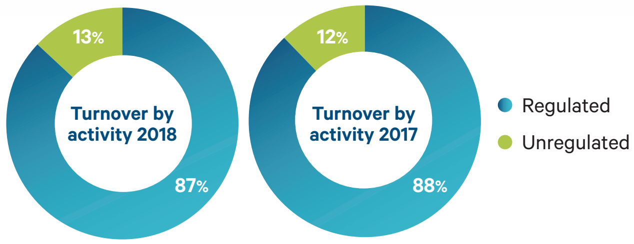
Financial Performance

Key Financial Information				
Year ended 31 December		IFRS	IFRS	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	491	487	473	+14
EBITDA (adjusted)	312	295	300	-5
EBIT (adjusted)	182	164	167	-3
PAT (adjusted)	119	121	120	+1
PAT (reported)	114	122	127	-5
Balance Sheet (€'m)				
Tangible Fixed Assets	2,520	2,517	2,514	+3
Gross Debt	(1,173)	(1,192)	(1,186)	+6
Net (Debt)/Cash	(1,038)	(1,036)	(1,094)	-58
Pension Liabilities	(98)	(98)	(128)	-30
Employee Related Liabilities	(2)	(0)	(0)	+0
Net Assets	1,072	1,040	1,028	+12
Invested Capital	2,471	2,494	2,436	+58
Cashflows (€'m)				
Net Cashflow from Operations	248	302	224	+78
Gross Capital Expenditure	(120)	(127)	(144)	-17
Net (Acquisitions)/Disposals Spend	191	20	(2)	+22
Dividends Paid (normal)	(41)	(49)	(48)	+1
Dividends Paid (special)	(108)	(90)	(100)	-10
Dividends Paid (total)	(149)	(139)	(148)	-9
Employees				
Employee Numbers	927	981	927	+54

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	37.1%	33.6%	35.2%	-1.6%
Return on Invested Capital (ROIC)	6.5%	5.8%	6.0%	-0.2%
Liquidity				
Current Ratio (times)	0.7x	0.4x	0.9x	-0.5x
Acid Test Ratio (times)	0.7x	0.4x	0.9x	-0.5x
Leverage				
Net Gearing (see note iii)	49%	50%	52%	-2%
Net Gearing (see note iv)	51%	52%	54%	-2%
Net Debt/EBITDA (times)	3.3x	3.5x	3.6x	-0.1x
EBITDA Interest Cover (times)	9.3x	13.4x	11.9x	+1.5x
Shareholder Returns				
Dividend Payout (normal dividends)	34%	41%	38%	+3%
Earnings (adjusted) growth	(0%)	0%	(6%)	+6%

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.
ii. Detailed combined five-year historical financial information is provided in Appendix F.
iii. Net gearing excluding pension and employee related liabilities.
iv. Net gearing including pension and employee related liabilities.



Solid financial performance in the first full year of GNI's current regulatory price control, with the slight reduction in the operating profit margin and the lower level of ROIC mainly reflecting increased operating costs.

Ervia's turnover is largely derived from GNI regulated activities (87% in 2018). Ervia's results can therefore vary from year to year due to over and under-recoveries in respect of GNI's allowable regulatory income. Turnover in 2018 increased by €14m to €487m, primarily due to the cold weather experienced in early 2018.

Despite increased turnover, Ervia's operating profit (EBIT adjusted) fell by 2% in 2018 (2018: €164m, 2017: €167m), as operating costs were higher, mainly due to increased network maintenance programmes. The impact of lower operating profit in 2018 is reflected in a lower operating profit margin and ROIC for the year.

Adjusted PAT was broadly in line with prior year (2018: €121m, 2017: €120m), with lower finance and tax costs offsetting the lower adjusted operating profit.

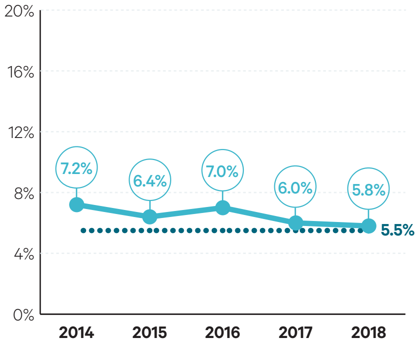
Higher cash in 2018, coupled with gross debt being largely stable year-on-year, led to a reduction in net debt from €1,094m in 2017 to €1,036m in 2018. Net pension liabilities reduced by €30m to €98m in 2018 (2017: €128m) due mainly to an increase in the discount rate applied to calculate the present value of the scheme liabilities and a reduction in inflation rate assumptions.

Capital expenditure on a cash basis was €127m in 2018, a decrease from a spend of €144m in 2017, however this was still above the historical five-year average of €120m.

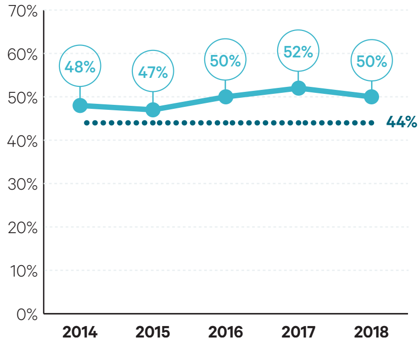
Ervia paid dividends to the Exchequer of €139m in 2018, comprising a further instalment of the sale proceeds of Bord Gáis Energy of €90m and a €49m ordinary dividend (€5m below the declared ordinary dividend level due to an agreed withholding until 2023). Ervia calculates the declared dividend payout for 2018 and 2017 to be 45% of prior year adjusted profits, noting that NewERA's standardised dividend payout metric, which is applied across the Portfolio Companies, is calculated on a different basis.

Selection of Key Financial Metrics

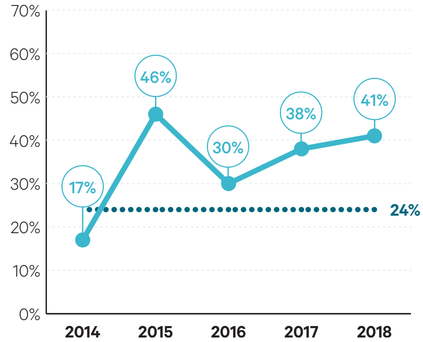
PROFITABILITY
ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE
Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS
Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Gas Networks	▶ 74,440 GWh of gas transported through the network for Ireland, Northern Ireland and the Isle of Man, an increase of 0.8% on 2017. ▶ Gas requirements for Ireland in 2018 supplied by the Corrib gas field (56%), UK imports via the interconnectors (39%) and Kinsale (5%). ▶ 11,839 new customers connected to the gas network.
Delivery of network infrastructure	▶ Completed a 50km twinning pipeline in Scotland, improving security of gas supply to Ireland. ▶ Constructed a 40km feeder main bringing natural gas to Kerry Ingredients and Listowel. ▶ Constructed a 28km feeder main bringing natural gas to Center Parcs and Ballymahon, Co. Longford. ▶ Commenced work on the final phase of Aurora Telecom's second Dublin to Cork fibre optic link.
Funding	▶ Executed a €100m financing facility with the European Investment Bank ("EIB"). ▶ Received approval for €11.6m of EU funding (from the Connecting Europe Facility for Transport) for the 'Green Connect project' (to fund further development of CNG fuelling points and renewable gas injection facilities). ▶ Credit rating agencies maintained GNI's existing investment grade credit ratings (Standard & Poor's: A, Moody's: A3).
Decarbonisation initiatives	▶ Commissioned Ireland's first publicly accessible high capacity fast fill CNG station in Dublin Port. ▶ Completed site acceptance testing of Ireland's first biogas injection facility in Cush, Co Kildare. ▶ Announced a feasibility study into utilising the depleted Kinsale gas field for carbon storage.

KEY CHALLENGES AND OPPORTUNITIES	
Future Separation of IW	▶ In July 2018, the Government decided that IW would be separated from the Ervia Group by 2023 to become a standalone publicly owned, commercial, regulated utility. Ervia therefore is challenged with preparing IW for this transition in addition to ensuring that separation plans do not divert focus from IW's significant capital investment and transformation programmes over the coming years. ▶ Developing a vision for the future role of Ervia, following IW's separation, will also be on the agenda.
Decarbonisation	▶ Managing the risks of investment in gas related infrastructure, in the context of the long term move to a low carbon energy system, will be a key challenge for Ervia/GNI in the coming years. To address this risk, Ervia/GNI aims to decarbonise the gas network by 2050 and, to this end, is progressing a range of climate mitigation technologies including CNG for transport and renewable gas and is also exploring the feasibility of CCS. These initiatives all feature in Government's Climate Action Plan, illustrating the role that Ervia/GNI can play to assist in meeting Government's objectives in this area.

Key Activities

- **Water Services:** Ireland's national water utility with responsibility for the delivery of all public water services to households and businesses including the supply of drinking water and the collection, treatment and disposal of waste water.
- The CRU provides independent economic oversight of IW and it is also subject to the requirements of the Environmental Protection Agency.

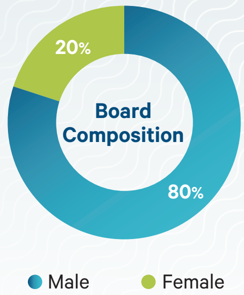
Note: Irish Water is a subsidiary of Ervia under the Companies Act 2014 but, due to its share ownership structure, it is not a subsidiary of Ervia for accounting purposes. From a governance perspective, the Ervia Board and Executive Team are responsible for the performance of Irish Water. Ervia/GNI and IW are financed separately from each other, as IW is subject to the annual Exchequer budgetary process.

State Ownership: 100%

Board Composition (as at November 2019)

Chairperson (Ervia): Tony Keohane

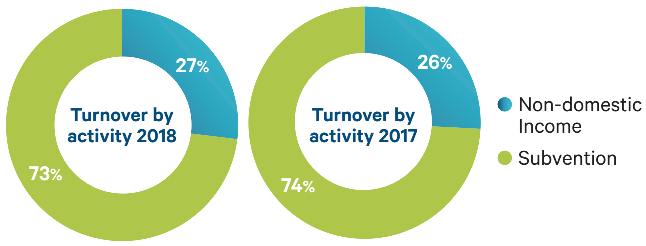
Non-Executive Directors (Ervia):
Chris Banks, Fred Barry, Peter Cross, Celine Fitzgerald, Keith Harris, Sean Hogan, Mari Hurley, Finbarr Kennelly, Joe O'Flynn



Financial Performance

Key Financial Information				
Year ended 31 December		**IFRS**	**IFRS**	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	888	982	1,013	-31
EBITDA (adjusted)	127	248	290	-42
EBIT (adjusted)	71	166	221	-55
PAT (adjusted)	53	136	196	-60
PAT (reported)	53	136	196	-60
Balance Sheet (€'m)				
Tangible Fixed Assets	1,666	2,647	2,072	+575
Gross Debt	(798)	(885)	(825)	+60
Net (Debt)/Cash	(753)	(823)	(809)	+14
Pension Liabilities	(29)	(27)	(29)	-2
Net Assets	632	1,477	958	+519
Invested Capital	1,070	1,761	1,400	+361
Cashflows (€'m)				
Net Cashflow from Operations	123	231	328	-97
Gross Capital Expenditure	(529)	(624)	(489)	+135
Net (Acquisitions)/Disposals Spend	(12)	1	1	+0
Dividends Paid (total)	-	-	-	-
Employees				
Employee Numbers	593	836	752	+84

NOTES:
i. Key financial metrics are not presented for IW given its funding model.
ii. Detailed combined five-year historical financial information is provided in Appendix F.



IW's turnover and profit in 2018 reflect the regulated utility model, which allows IW to generate a return on its capital investment incurred to date which can be applied to fund further capital investment. Given IW's stage of development and funding model, any net surplus generated is reinvested in water and wastewater infrastructure, noting that there was a significant increase in capital investment in the period.

IW's revenue allowance, through State subvention and from customers, is determined by the CRU following a review of IW's operating and capital funding requirements. A substantial portion of IW's operating and capital funding requirements are provided by the State (73% of revenue in 2018) and are also therefore subject to the annual Exchequer budgetary process. IW received €1.1bn of Exchequer funding in 2018 (€720m revenue subvention, €380m capital contribution).

In 2018, IW reported turnover of €982m, a decrease of €31m compared to 2017 (€1,013m) due mainly to lower Government subvention income, which is being provided to meet normal usage requirements for domestic water customers. Turnover from non-domestic customers (€203m in 2018) also decreased but this was offset by increased turnover from new connections (€59m in 2018). Operating costs increased by €12m in 2018 (€734m), with ongoing efficiencies offset by additional activity and costs arising from severe weather events that occurred in 2018. IW's operating profit in 2018 was €166m.

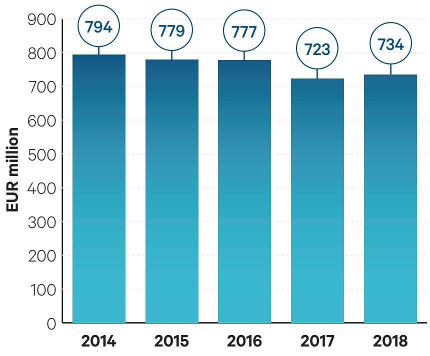
Gross capital expenditure in 2018 was €624m on a cash basis, which is a substantial increase on 2017 (€489m), and in line with the NDP. This was primarily funded from the capital contribution of €380m from the State and from operating cashflows generated from IW's regulated revenue allowance.

IW's tangible fixed assets increased by €575m (2018: €2.6bn, 2017: €2.1bn) reflecting IW's ongoing capital investment in water infrastructure. An increase in borrowings in 2018 resulted in a higher net debt position (2018: €823m, 2017: €809m). The substantial increase in net assets from €958m in 2017 to €1,477m in 2018 reflects the shareholder capital contribution of €380m from the State to fund capital investment and IW's increased level of retained profits.

Selection of Key Financial Metrics

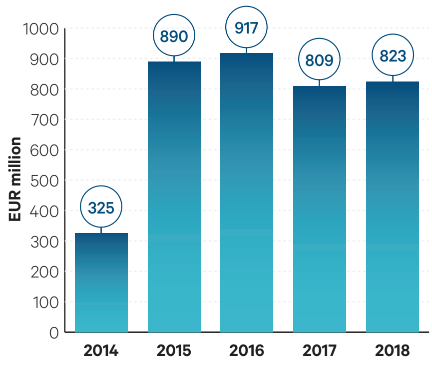
OPERATING COSTS

Operating costs, excluding D&A



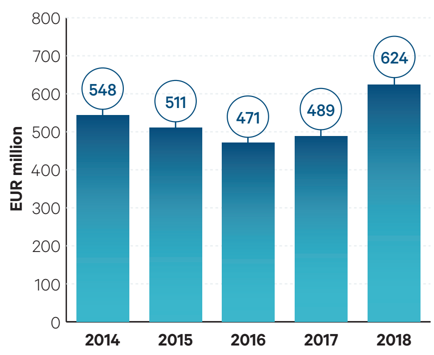
CAPITAL STRUCTURE

Net debt levels



CAPITAL INVESTMENT

Gross Capital Expenditure (cash basis)



KEY BUSINESS DEVELOPMENTS 2018	
First Strategic Funding Plan	▶ IW's first Strategic Funding Plan was approved and published in November 2018. The plan outlines IW's expected expenditures and receipts over the period 2019-2024 in order to implement the Water Services Policy Statement 2018-2025.
Separation from the Ervia Group	▶ In July 2018 the Government decided that IW should separate from the Ervia Group during 2023 to become a stand-alone, publicly owned, commercial, regulated utility.
Delivery of water infrastructure	▶ Continued to deliver a significant capital investment programme, focused on improving the quality of water and wastewater services with: — over 39,000 leak investigations and over 22,500 leak repairs; — 10 water treatment plants upgraded or built; — 11 wastewater plants upgraded or built; — removal of 22 public water supplies from the EPA's Remedial Action List in 2018; — 416km of watermains laid or rehabilitated; — 15,026 customers removed from boil water notices; and — 12,477 lead services connections removed and replaced. ▶ First national leakage management system went live in 2018, the system will standardise leakage monitoring and reporting across the country.

KEY CHALLENGES AND OPPORTUNITIES	
Delivery of Capital Investment Plan	▶ The NDP provides for the delivery of €8.5bn of capital investment by IW over the period 2018-2027 in order to address historical infrastructural underinvestment. Under IW's funding plan, the majority of this capital investment will be funded by the State (on behalf of domestic water users). ▶ IW's Strategic Funding Plan sets out its estimated funding requirements over the period from 2019 to 2024, subject to future regulatory and budgetary decisions, including €6.1bn of capital investment to help meet the overall target in the NDP. This is a very substantial capital programme and a key challenge for IW will be delivering it in an efficient manner, while adapting to any changes in policy objectives or infrastructure needs as required. ▶ In particular, IW's capital investment plan includes two major projects (Water Supply Project (Eastern and Midlands Region) and Greater Dublin Drainage) and it will be critical that IW has the necessary resources, capabilities and governance oversight to ensure these projects are successfully delivered.
Transformation Plan	▶ Between its establishment and the end of 2018, IW achieved €0.39bn in cumulative operating expense efficiencies. IW's Strategic Funding Plan sets out a target of €1.74bn of cumulative operating expense efficiencies by 2024 with €310m in annualised operating expense efficiencies in that year. In order to meet this challenge and to continue to manage its cost base in the face of demand growth and increased compliance requirements, IW will need to continue to engage with relevant stakeholders to progress its organisational transformation to a single public utility.
Regulatory Price Control	▶ In 2020, IW will be entering into its first five-year regulatory price control period. The decision paper recently published by the CRU has set challenging operating cost efficiency targets for IW, in excess of those envisaged in the Strategic Funding Plan, and provides for a further CRU review during 2020 of part of IW's proposed capital investment plans over 2021-24 before deciding whether to approve these capital costs.
Future Separation from Ervia	▶ IW must continue to mature as a utility and develop, with Ervia's support, the capabilities to become a high-performing and standalone public utility.

Energy for generations

Key Activities

- **Networks**: Owner of the transmission network and owner and operator of the distribution network on the island of Ireland.
- **Generation and Trading ("GT"):** Owner and operator of installed power generation capacity of 5.6GW across the SEM and Great Britain, of which 816MW is renewable generation (15%).
- **Customer Solutions:** Supplier of electricity and gas throughout the island of Ireland (Electric Ireland) and to domestic customers in GB (ESB Energy). Other customer activities include Smart Energy Services, eCars and Telecoms.
- **Other:** Provision of engineering and international consultancy services, SIRO fibre to the building joint venture, Novus Modus investments and development of pre-commercial products.

State Ownership: c. 95%

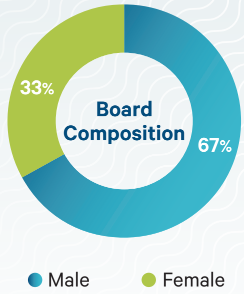
Board Composition (as at November 2019)

Chairperson: Ellvena Graham OBE

CEO: Pat O'Doherty

Non-Executive Directors: Anne Butler, Andrew Hastings, Paul Lynam, Noreen O'Kelly, Alf Smiddy, Noreen Wright

Employee Representatives: Dave Byrne, Stephen Carrig, Sean Kelly, Tony Merriman



Financial Performance

Key Financial Information				
Year ended 31 December		**IFRS**	**IFRS**	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	3,293	3,432	3,229	+203
EBITDA (adjusted)	1,286	1,176	1,276	-100
EBIT (adjusted)	546	455	490	-35
PAT (adjusted)	284	207	213	-6
PAT (reported)	143	60	(32)	+92
Balance Sheet (€'m)				
Tangible Fixed Assets	10,558	10,755	10,005	+750
Gross Debt	(4,936)	(5,144)	(4,758)	+386
Net (Debt)/Cash	(4,686)	(4,915)	(4,377)	+538
Pension Liabilities	(685)	(506)	(537)	-31
Employee Related Liabilities	(135)	(108)	(112)	-4
Net Assets	3,806	3,644	3,713	-69
Invested Capital	9,738	9,641	9,822	-181
Cashflows (€'m)				
Net Cashflow from Operations	919	841	917	-76
Gross Capital Expenditure	(835)	(907)	(791)	+116
Net (Acquisitions)/Disposals Spend	(28)	(141)	-	+141
Dividends Paid (normal)	(74)	(35)	(116)	-81
Dividends Paid (special)	(84)	-	-	-
Dividends Paid (total)	(159)	(35)	(116)	-81
Employees				
Employee Numbers	7,543	7,874	7,790	+84

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	16.6%	13.3%	15.2%	-1.9%
Return on Invested Capital (ROIC)	5.0%	4.2%	4.4%	-0.2%
Liquidity				
Current Ratio (times)	1.0x	1.0x	1.1x	-0.1x
Acid Test Ratio (times)	0.9x	0.9x	1.0x	-0.1x
Leverage				
Net Gearing (see note iii)	55%	57%	54%	+3%
Net Gearing (see note iv)	59%	60%	58%	+2%
Net Debt/EBITDA (times)	3.7x	4.2x	3.4x	+0.8x
EBITDA Interest Cover (times)	5.8x	5.6x	6.3x	-0.7x
Shareholder Returns				
Dividend Payout (normal dividends)	22%	16%	33%	-17%
Earnings (adjusted) growth	(10%)	(3%)	(40%)	+37%

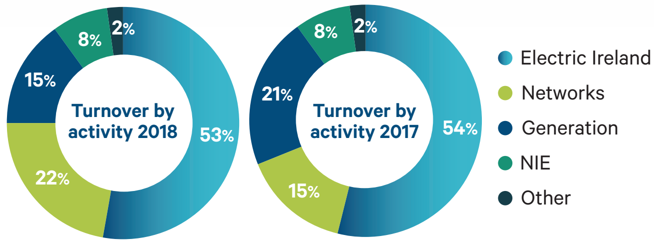
NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Net gearing excluding pension and employee related liabilities.

iv. Net gearing including pension and employee related liabilities.



Reduced operating profit margin and a lower level of ROIC but overall a satisfactory financial performance in 2018 in the context of particularly challenging conditions for ESB's power generation activities. Sustained high levels of capital investment by Networks and GT reflect the wider energy transition.

Operating profit reduced by €35m year-on-year (2018: €455m, 2017: €490m) as a result of the downward pressure on energy margins and lower plant availability due to an extended outage at Moneypoint but partly offset by reduced depreciation charges as a result of asset impairments taken in 2017. The reduction in operating profitability is reflected in a lower adjusted operating margin (13.3% vs. 15.2%) and ROIC (4.2% vs. 4.4%).

Although operating profits were lower year-on-year, profit after tax (post exceptional items) for 2018 was a positive €60m compared with a negative €32m in 2017, mainly reflecting the lower level of exceptional generation asset impairment charges in 2018 of €140m relative to prior year (2017: €276m). Impairments were recognised in 2018 arising from the weaker outlook for wholesale electricity margins in the new I-SEM market and other energy margin pressures. Excluding these exceptional items, trading performance was satisfactory in the context of challenging market conditions.

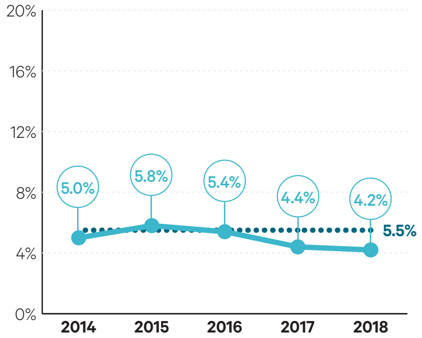
Net debt increased by €538m (2018: €4,915m, 2017: €4,377m) due to higher borrowings and a reduced cash position giving rise to a moderate increase in net gearing year-on-year (2018: 57%, 2017: 54%). Net debt will continue to grow as ESB partly funds its capital investment programmes with borrowings and, reflecting the wider energy transition, its networks and generation businesses are in a sustained period of significant capital investment.

Dividends of €35m were paid in 2018 comprising a €5m final dividend for 2017 and a €30m interim dividend in relation to 2018. A final dividend of €5m was recommended by the Board of ESB in respect of 2018 and was paid in 2019. ESB has a dividend policy framework in place which targets a dividend payout rate of 40% noting that NewERA's standardised dividend payout metric (2018: 16%, 2017: 33%) is calculated on a different basis.

Selection of Key Financial Metrics

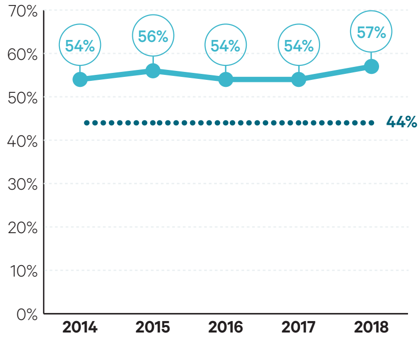
PROFITABILITY

ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



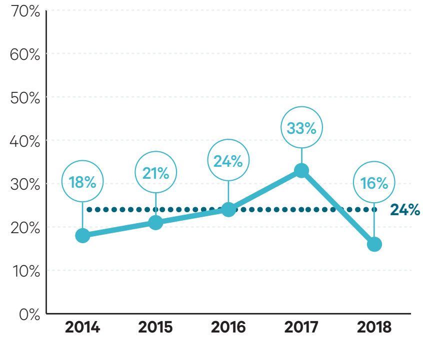
CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Networks	▶ Increased level of customer minutes lost for ESB Networks (2018: 149, 2017: 141), reflecting extreme weather events during 2018. ▶ Successfully implemented a significant IT upgrade, which is the first of six key milestones for the Smart Metering Project. ▶ Facilitated renewable connections of 336MW and 200MW in Ireland and NI respectively, bringing total renewable connections in Ireland at the end of 2018 to over 4GW and to 1.65GW in NI.
Power Generation	▶ All-island market share of 38% for power generation (2017: 42%). ▶ Significant change in operating environment for GT with introduction of the new wholesale electricity market arrangements (I-SEM) at the end of September 2018. ESB secured capacity contracts for 3,186MW of its plant in the second T-1 auction in December 2018 at a market price of €40.65/kw/p.a. (December 2017 auction: 3,280MW of plant at €41.80/Kw/p.a.). ▶ Delivered an additional 78MW of wind capacity in FY18 including investment in offshore wind (acquisition of a 12.5% stake in the Galloper project in GB) and the Castlepook JV project with Coillte (ESB acquired Coillte's 50% in Dec-18).
Customer Solutions	▶ Reduction in all-island market share for electricity supply (2018: 33%, 2017: 34%) with losses in the industrial and commercial market sectors. By the end of 2018 ESB Energy had acquired over 36,000 domestic customers in Great Britain following its launch in 2017. ▶ Launched a new discounted tariff for customers moving into new all electric homes in 2018. Also launched a smarter home offering which allows customers control over appliances, heating and hot water from their smartphone or tablet.
Funding	▶ Maintained a credit rating of A- or equivalent with S&P and Moody's (stable outlook) (BBB+ on a standalone basis). ▶ Issued a 7-year £350m bond in September 2018 at a coupon of 2.5% and a 15-year €500m bond in October 2018 at a coupon of 2.125%. Additional bilateral debt was also raised during the year including funding from the EIB for 50% of the €160m joint venture Oweninny wind farm project. ▶ The weighted average interest rate on Group borrowings was 3.4% at the end of 2018 (2017: 3.9%).
Organisation Effectiveness Review	▶ Review resulted in the introduction of a new organisational structure in October 2018. A key change is that all customer facing brands (e.g. Electric Ireland, Smart Energy Services, eCars and Telecoms) are now consolidated into a single business unit called Customer Solutions.

KEY CHALLENGES AND OPPORTUNITIES	
Regulatory environment and margin pressure	▶ Significant downward pressure on revenues, in particular capacity income for its generation plant in Ireland and NI, is expected which will be partly offset by the potential for additional income from the provision of system services for the grid. ESB has commenced a project to address business model and cost base changes required in response to the impact of the expected loss of revenues.
Supporting the climate action agenda	▶ The long-term, progressive decarbonisation of the energy system is at the core of European and respective national energy policies and is driving transformational change across the European power utilities sector. The pace at which the delivery of this transformational change is needed, whilst fundamentally necessary, is challenging and this has been reflected in the performance of many integrated European utilities in recent years with earnings decline and rating downgrades, compounded by weak power market fundamentals. ▶ To deliver the significant transformation in its traditional business model, ESB is projecting a sustained high level of capital investment, averaging €1bn per annum to 2030, in smart networks, low carbon and renewable generation and customer offerings focused on distributed energy and digital technologies. The significant role it will play in the decarbonisation agenda is also evident in the Government's Climate Action Plan.

IAA

Key Activities

Aviation Services:

- IAA is the sole provider of air traffic control and air navigation services in Irish-controlled airspace and around the main State airports (Dublin, Cork & Shannon). It provides air traffic management to flights passing through Irish-controlled airspace (known as En-Route flights) and to flights landing at or departing from Irish airports (known as Terminal flights).
- It is also the sole provider of voice communication to aircraft flying over the north-eastern Atlantic Ocean.
- IAA's Safety Regulation Division is responsible for the regulatory and safety oversight of civil aviation in Ireland.

State Ownership: 100%

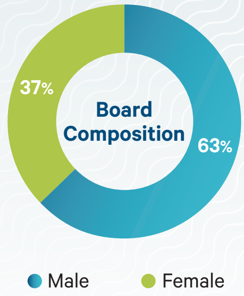
Board Composition (as at November 2019)

Chairperson: Michael McGrail

CEO: Peter Kearney

Non-Executive Directors: Cian Blackwell, Marie Bradley, Gerry Lumsden, Joan McGrath, Eimer O'Rourke

Employee Nominee: Ernie Donnelly



Financial Performance

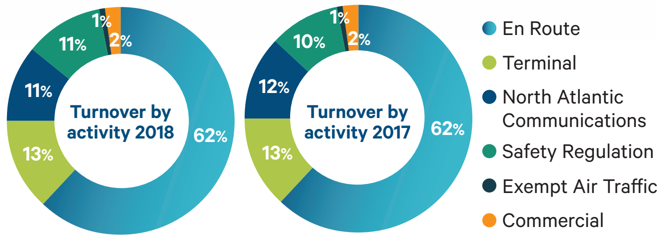
Key Financial Information				
Year ended 31 December		FRS 102	FRS 102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	189	199	193	+6
EBITDA (adjusted)	48	47	48	-1
EBIT (adjusted)	34	32	34	-2
PAT (adjusted)	26	27	26	+1
PAT (reported)	45	31	26	+5
Balance Sheet (€'m)				
Tangible Fixed Assets	83	99	77	+22
Net (Debt)/Cash	178	220	220	-
Pension Liabilities	(121)	(77)	(87)	-10
Net Assets	158	236	212	+24
Invested Capital	283	287	301	-14
Cashflows (€'m)				
Net Cashflow from Operations	53	52	68	-16
Gross Capital Expenditure	(16)	(33)	(13)	+20
Net (Acquisitions)/Disposals Spend	(5)	-	(3)	-3
Dividends Paid (normal)	(7)	(7)	(9)	-2
Dividends Paid (special)	(2)	(12)	-	+12
Dividends Paid (total)	(10)	(19)	(9)	+10
Employees				
Employee Numbers	661	685	666	+19

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	17.7%	15.9%	17.3%	-1.4%
Return on Invested Capital (ROIC)	10.9%	9.9%	10.3%	-0.4%
Liquidity				
Current Ratio (times)	13.0x	13.0x	19.8x	-6.8x
Acid Test Ratio (times)	13.0x	13.0x	19.8x	-6.8x
Shareholder Returns				
Dividend Payout (normal dividends)	30%	28%	29%	-1%
Earnings (adjusted) growth	13%	3%	(18%)	+21%

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.



Slight reduction in operating profitability and a lower ROIC but overall a satisfactory financial performance in 2018, particularly noting the strength of the company's liquidity position. A special dividend was paid in 2018 in recognition of recent financial performance and the liquidity position.

The charges for En-Route and Terminal air navigation services across Europe are regulated through the EU Single European Sky charging and performance schemes. These activities represented 75% of IAA revenue in 2018 (2017: 75%) with IAA reporting that it handled more than 1.15 million flights, the highest on record travelling through Irish airspace.

IAA reported a reduction in operating profitability (EBIT adjusted) for 2018 (2018: €32m, 2017: €34m) due to increased levels of operating expenditure which exceeded the increase in turnover (+€6m/+2.8%). This resulted in a marginal reduction in the ROIC (2018: 9.9%, 2017: 10.3%).

The increase in operating costs in 2018 was mainly driven by increased administration and payroll costs. Higher staff costs were due to an increased headcount (average 2018: 685, 2017: 666) and general pay increases pursuant to a five-year collective agreement with staff representatives covering the period 2015-2019.

There was an increased level of capital investment in 2018 (2018: €33m, 2017: €13m), mainly due to the new air traffic control tower at Dublin Airport. This, along with a dividend of €19m, was almost fully funded from operational cashflows. IAA has no external debt funding and cash balances remain high (2018: €220m, 2017: €220m) which is reflected in the high liquidity ratios. These ratios reduced year-on-year due to increased current liabilities but remain high as a result of cash levels.

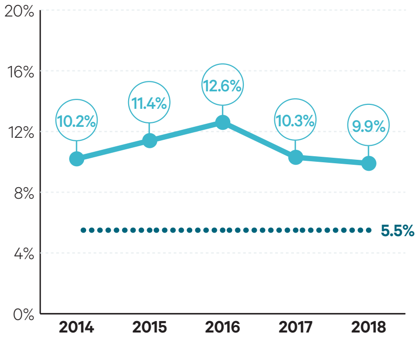
Dividends of €19m were paid during 2018, up from €9m in 2017. The 2018 dividend included a special €12m dividend, in recognition of the company's strong financial performance over the years and the strength of its liquidity position.

Selection of Key Financial Metrics

PROFITABILITY

ROIC %

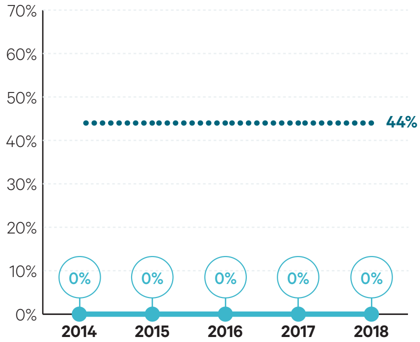
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities

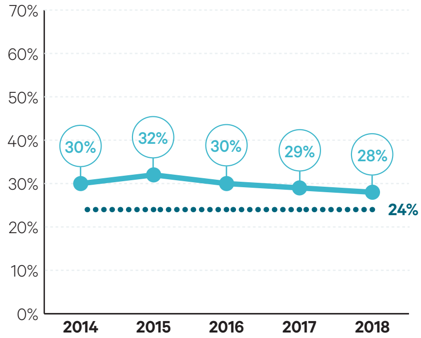
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends

Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Infrastructure Investment	▶ In 2018, IAA progressed the construction of a new air traffic control tower at Dublin Airport, which is required to facilitate parallel runway operations by 2021 (when the Northern parallel runway is planned to be introduced at Dublin Airport).
Record level of flights handled	▶ IAA handled more than 1.15m flights in 2018, representing a 1.4% increase in Irish air traffic year-on-year and the highest number of flights on record travelling through Irish airspace.
Regulatory Framework Changes	▶ In September 2018, the EU updated the Basic Regulation (Regulation (EU) 2018/1139) for aviation safety which will extend, over time, the safety oversight obligations of IAA to include areas such as ground handling activities, unmanned aircraft systems and cyber security.

KEY CHALLENGES AND OPPORTUNITIES	
Reorganisation of IAA	▶ In 2017, the Minister for Transport, Tourism and Sport announced his intention to separate the regulatory and service provision functions of IAA. The regulatory functions are to be merged with the Commission for Aviation Regulation to create a single independent aviation regulator. The air navigation service provider will be a separate, regulated, State owned commercial entity. ▶ This is a significant project and work is ongoing between the Department of Transport, Tourism and Sport ("DTTAS"), IAA and the Commission for Aviation Regulation to implement the planned separation. Draft legislation to implement this reorganisation was published by DTTAS in June 2019.
Regulatory Framework	▶ The third reference period (RP3) for the European Commission's Single European Sky performance and charging schemes will cover the years 2020-2024. This regulates the level of air traffic control charges and will set binding targets to deliver performance-driven air navigation services. Given IAA's high proportion of regulated income, achieving agreement on a sustainable performance plan will be a key priority for the company.

PORT of CORK
DEEPWATER MULTI-MODAL PORT

Key Activities

Port Services:

- The Port of Cork is the second largest multi-modal port in Ireland by volume throughput, accepting all principal traffic modes.
- Cork Port is classified as a Tier 1 port by the National Ports Policy 2013 and is also categorised as a core/comprehensive port in the EU TEN-T.
- Key revenue generating functions are the setting and collection of port dues, leasing of port land, infrastructure and superstructure to private sector operators.
- Also generates income from stevedoring service charges, rents on warehouse space, vessel towage charges, storage charges and other miscellaneous activities.

State Ownership: 100%

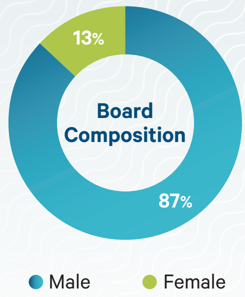
Board Composition (as at November 2019)

Chairperson: John Mullins

CEO: Brendan Keating

Non-Executive Directors: Helen Boyle, Noel Cregan, Dominic McEvoy, Philip Smith, Barry Synnott

Worker Director: David Browne



Financial Performance

Key Financial Information				
Year ended 31 December		FRS102	FRS102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	30.5	35.4	31.5	+3.9
EBITDA (adjusted)	8.8	9.3	10.0	-0.7
EBIT (adjusted)	4.9	5.5	6.2	-0.7
PAT (adjusted)	4.0	4.3	5.0	-0.7
PAT (reported)	3.9	4.4	5.0	-0.6
Balance Sheet (€'m)				
Tangible Fixed Assets	98.2	109.8	101.1	+8.7
Gross Debt	(9.0)	(21.3)	(4.2)	+17.1
Net (Debt)/Cash	8.0	0.4	7.7	-7.3
Pension Liabilities	(10.0)	(8.7)	(9.1)	-0.4
Employee Related Liabilities	(2.0)	(2.1)	(2.1)	-
Net Assets	74.8	81.9	78.6	+3.3
Invested Capital	95.8	114.2	94.1	+20.1
Cashflows (€'m)				
Net Cashflow from Operations	7.4	6.6	8.2	-1.6
Gross Capital Expenditure	(8.7)	(13.3)	(8.7)	+4.6
Dividends Paid (total)	(0.6)	(0.7)	(0.7)	+0.0
Employees				
Employee Numbers	129	144	134	+10

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	16.1%	15.4%	19.6%	-4.2%
Return on Invested Capital (ROIC)	4.6%	4.6%	5.8%	-1.2%
Liquidity				
Current Ratio (times)	3.8x	4.5x	2.7x	+1.8x
Acid Test Ratio (times)	3.7x	4.4x	2.6x	+1.8x
Shareholder Returns				
Dividend Payout (normal dividends)	21%	14%	19%	-5%
Earnings (adjusted) growth	28%	(13%)	36%	-49%

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.
ii. Detailed combined five-year historical financial information is provided in Appendix F.
iii. Net gearing excluding pension and employee related liabilities.
iv. Net gearing including pension and employee related liabilities.
v. A breakdown of the components of turnover is not disclosed in the annual report.

Satisfactory financial performance in 2018 with continued throughput growth at the Port driving increased turnover. Reduced operating profit margin and ROIC reflecting the long term payback versus immediate cost implications of delivering port infrastructure development projects.

Turnover increased by 13% over the prior period (2018: €35.4m, 2017: €31.5m) mainly reflecting increased throughput volumes at the port.

Operating profits (EBIT adjusted) decreased by €0.7m year-on-year as operating cost growth of 19% exceeded the level of turnover growth, driven mainly by Ringaskiddy redevelopment project related expenses and wage cost inflation. This is reflected in the reduced operating profit margin (2018: 15.4%, 2017: 19.6%) and lower ROIC (2018: 4.6%, 2017: 5.8%). Reported PAT decreased in line with lower EBIT.

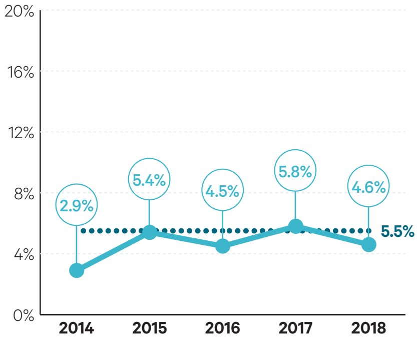
Gross debt increased by €17.1m from €4.2m in 2017 to €21.3m in 2018 reflecting the drawdown of debt to fund the Ringaskiddy development project. PoCC remained in a net cash position at year end however (2018: €0.4m, 2017: €7.7m) with a higher cash balance (2018: €21.7m, 2017: €11.9m) including drawn but unutilised Ringaskiddy related debt funding. This is the main reason for the year-on-year increase in the underlying liquidity metrics.

Capital investment levels increased by €4.6m year-on-year (2018: €13.3m, 2017: €8.7m) as PoCC embarked on the redevelopment at Ringaskiddy, incurring €11.6m in relation to the project in 2018.

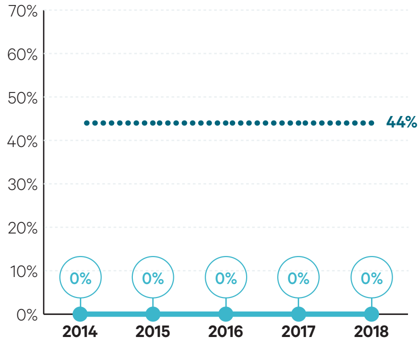
Dividend payments of €714k in 2018 represent an increase of 3% on prior year (€2017: €690k) and equates to 14% of prior year adjusted PAT (€5.0m).

Selection of Key Financial Metrics

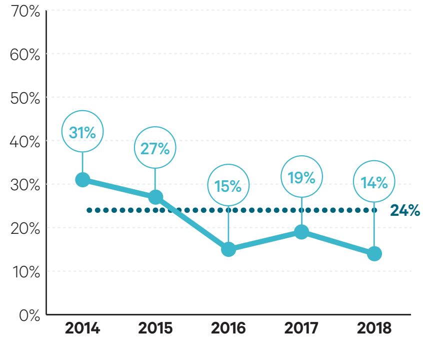
PROFITABILITY
ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE
Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS
Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Continued throughput growth	▶ Total throughput at the port increased by 3.9% from 10.3m tonnes in 2017 to 10.7m tonnes in 2018 mainly reflecting increased container traffic and agri product trade. ▶ Passenger traffic increased in 2018 (Brittany Ferries commenced a new direct route from Cork to Spain at the start of the year) as did cruise ship calls at the port (2018: 93 calls, 2017: 66 calls).
Ringaskiddy Redevelopment Project	▶ Officially launched the first phase of the Ringaskiddy project in June 2018. The first phase of the project is scheduled to be fully operational by Q2 2020 and will enable the port to relocate its container business from the current city centre location at Tivoli to a new deep water facility at Ringaskiddy. ▶ The total cost associated with the first phase of the project is €86m which is being funded via debt facilities with the EIB (€30m), AIB (€30m) and the Ireland Strategic Investment Fund (€18m) along with the balance of the total cost funded by grant support under the European Commission's Connecting Europe TEN-T Facility and internal resources.
Port Estate	▶ Cork Port progressed the sale agreement relating to the Custom House property and sold a 15 acre portion of the Marino Point facility. Both divestments are subject to obtaining planning permission on the sites. ▶ Completed the purchase of 4.78 acres adjacent to the Ringaskiddy Deepwater berth to provide additional port facilities.

KEY CHALLENGES AND OPPORTUNITIES	
Prevailing economic conditions	▶ A strong correlation exists between GDP and throughput volumes at PoCC. However, Brexit remains a key risk in this context, given the UK and Northern Ireland account for a large amount of trade passing through Cork Harbour. Sustaining port activity in the face of such headwinds will be a challenge though the characteristics of Cork Harbour (e.g. location, deep water berth) may present opportunities to investigate new customers or trade routes with the EU.
Delivering port infrastructure to support capacity growth	▶ PoCC is currently delivering a significant capital project in redeveloping its existing port facilities at Ringaskiddy that will facilitate a large proportion of its operations transferring from Tivoli (Upper Harbour) to an expanded facility at Ringaskiddy (Lower Harbour). ▶ By delivering the expansion, PoCC is seeking to maintain its competitiveness and its ability to accommodate projected growth in traffic and larger vessels as well as optimising land usage for the port's logistical operations. ▶ The relocation of these operations will also facilitate other developments and/or divestments being pursued at Marino Point, Tivoli, City Quays and Custom House. ▶ It will remain a key challenge for PoCC to deliver the Ringaskiddy redevelopment project efficiently with minimal interruption to its operational, trading and/or financial performance.

Shannon Foynes
PORT COMPANY

Key Activities

Port Services:

- SFPC is classified as a Tier 1 port by the National Ports Policy 2013 and is also categorised as a core/comprehensive port in the EU TEN-T network.
- Revenues are generated from activity at its directly-owned terminals at Foynes, Limerick Docks and Shannon and from activity at three privately-owned terminals on the Shannon Estuary: (i) ESB's Moneypoint power station, (ii) the Aughinish Alumina plant and (iii) Tarbert, which hosts a power plant owned by Scottish and Southern Energy and a National Oil Reserves Agency storage facility.
- SFPC also has a wholly-owned and fully consolidated subsidiary, Limerick Cargo Handling DAC, which carries out stevedoring activities.

State Ownership: 100%

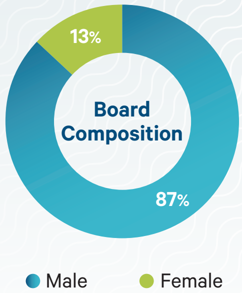
Board Composition (as at November 2019)

Chairperson: David McGarry

CEO: Pat Keating

Non-Executive Directors: John Coleman, Michael Finucane, Conal Henry, Edmund Jennings, Judith Spring

Worker Director: Tom Treacy



Financial Performance

Key Financial Information				
Year ended 31 December		FRS102	FRS102	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Turnover	13.0	14.7	14.0	+0.7
EBITDA (adjusted)	6.0	6.8	6.6	+0.2
EBIT (adjusted)	4.3	4.8	4.8	-0.0
PAT (adjusted)	3.4	3.9	3.9	+0.0
PAT (reported)	3.5	3.9	3.9	+0.0
Balance Sheet (€'m)				
Tangible Fixed Assets	55.3	58.3	59.0	-0.7
Gross Debt	(13.1)	(10.7)	(12.7)	-2.0
Net (Debt)/Cash	(7.6)	(6.1)	(9.0)	-2.9
Pension Liabilities	(10.6)	(9.0)	(9.3)	-0.3
Net Assets	33.6	40.8	37.6	+3.2
Invested Capital	57.7	61.2	60.2	+1.0
Cashflows (€'m)				
Net Cashflow from Operations	4.5	5.2	4.5	+0.7
Gross Capital Expenditure	(4.8)	(2.5)	(6.5)	-4.0
Dividends Paid (total)	(0.2)	(0.3)	(0.3)	-
Employees				
Employee Numbers	40	43	40	+3

Key Metrics				
Profitability & Efficiency	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	32.9%	32.5%	34.3%	-1.8%
Return on Invested Capital (ROIC)	6.6%	6.9%	7.1%	-0.2%
Liquidity				
Current Ratio (times)	2.6x	2.8x	2.0x	+0.8x
Acid Test Ratio (times)	2.6x	2.8x	2.0x	+0.8x
Leverage				
Net Gearing (see note iii)	19%	13%	19%	-6%
Net Gearing (see note iv)	35%	27%	33%	-6%
Net Debt/EBITDA (times)	1.3x	0.9x	1.4x	-0.5x
EBITDA Interest Cover (times)	19.0x	24.4x	19.3x	+5.1x
Shareholder Returns				
Dividend Payout (normal dividends)	5%	8%	6%	+2%
Earnings (adjusted) growth	8%	0%	1%	-1%

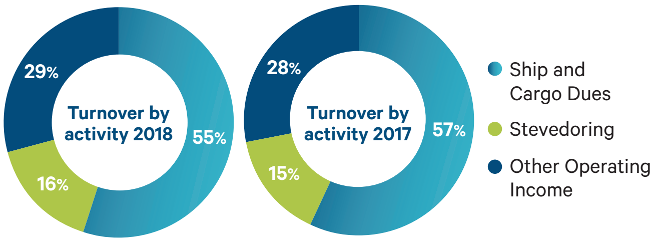
NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA's standardised performance measures are set out in Appendix E.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

iii. Net gearing excluding pension and employee related liabilities.

iv. Net gearing including pension and employee related liabilities.



Satisfactory trading performance in 2018 with profit levels remaining relatively static year-on-year in the context of an overall decline in throughput at the port.

Turnover increased by €0.7m in 2018, an increase of 4.9% on 2017, mainly reflecting throughput growth at the company's directly managed terminals along with cargo handling rate increases and despite a reduction in overall throughput at the port due to reduced activity at privately owned terminals (Moneypoint was offline for the majority of the year due to unplanned maintenance).

Adjusted operating profit (EBIT adjusted) remained relatively static versus 2017 with increased dredging and wages related operating costs and higher depreciation charges offsetting turnover growth. The operating result combined with increases in turnover results in a lower operating profit margin (2018: 32.5%, 2017: 34.3%) and ROIC levels (2018: 6.9%, 2017: 7.0%) versus prior year.

Gross debt reduced by €2m over the year to €10.7m due to scheduled bank loan and finance lease payments and the full repayment of overdraft facilities. Cash increased by €0.9m in 2018 with operating cashflows used to fund capital investment and servicing of finance commitments. The combined impact results in a €2.9m reduction in net debt.

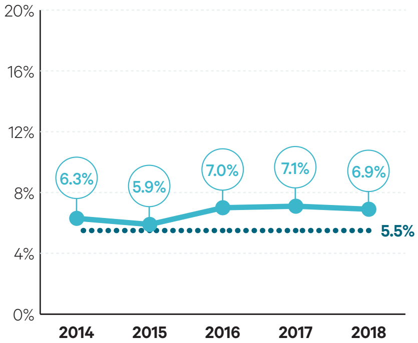
There was a lower level of capital investment by SFPC in 2018 following historically large amounts of capital expenditure incurred in 2017 (2018: €2.5m, 2017: €6.5m).

Dividend payments increased by 20% to €300k in 2018 reflecting a dividend payout ratio of 8% of prior year adjusted PAT.

Selection of Key Financial Metrics

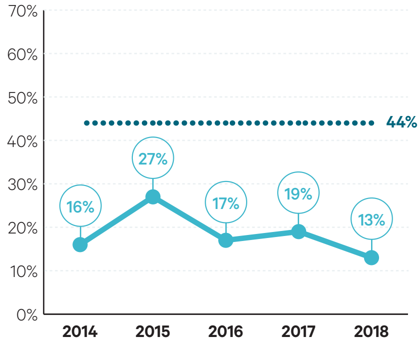
PROFITABILITY

ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



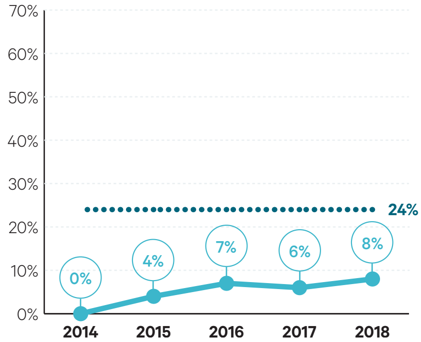
CAPITAL STRUCTURE

Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS

Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018	
Overall throughput volumes impacted by Moneypoint	▶ Improved throughput levels at SFPC's directly managed general cargo terminals with 11.7% annual growth reported in 2018 but a decline of 5.5% in overall throughput at the port in 2018 (2018: 10.7m tonnes, 2017: 10.1m tonnes) mainly due to reduced volumes at privately managed terminals.
Planning received for capacity extension project	▶ Received planning consent from An Bord Pleanála in December 2018 for the next phase of the port development programme, being a capacity extension project which involves the construction of a new quay to join the east and west jetties at the port, quay infilling and initial site works at the planned port related industrial park. This project has been approved for funding under the Connecting Europe TEN-T facility for up to 20% of qualifying expenditures.
Limerick Framework Development Strategy Project	▶ Launched the Limerick Framework Development Strategy project in March 2018, which aims to support current operations at the port at Ted Russel Docks with the balance of the port estate being promoted as the Limerick Docklands Economic Park. ▶ Completed design, survey and site investigation works relating to the reinstatement of the 40km rail line between Limerick and Foynes at the end of 2018.
Enhanced trade network classification	▶ Port now classified as a core corridor port by the European Commission following the passing of a proposal in June 2018 to extend the North Sea-Mediterranean corridor of the TEN-T core network to include SFPC.

KEY CHALLENGES AND OPPORTUNITIES	
Prevailing economic conditions	▶ Port throughput volumes and financial performance are intrinsically linked to general economic activity and growth will continue to be strongly influenced by the prospects and outlook for the Irish economy. ▶ Shannon Foynes Port Company has the opportunity to capitalise on increases in trading activity, with growth above current capacity levels facilitated by the port's expansion projects. ▶ Any future adverse economic, trading or other conditions that arise will need to be managed including those related to Brexit, abandoned projects (e.g. biomass projects), reductions in trade of key customers and the port's road/rail connectivity.
Delivery of port infrastructure	▶ The company is pursuing large scale capital projects at the Foynes and Limerick terminals. These provide significant opportunities for future capacity growth, though the delivery and funding of same will need to be efficiently managed to minimise adverse operational/financial impacts.

shannon GROUP

Key Activities

- **Shannon Airport Authority:** Provision of air transport and aviation services at Shannon Airport and the development of the aerospace industry in Shannon via the International Aviation Services Centre (“IASC”).
- **Shannon Commercial Properties:** Owns and operates a range of business and industrial parks in the Shannon/Limerick area and across the mid-west of Ireland with the flagship park being the Shannon Free Zone.
- **Shannon Heritage:** Development and operation of a range of heritage tourism attractions in mid-west Ireland and the Dublin area.

State Ownership: 100%

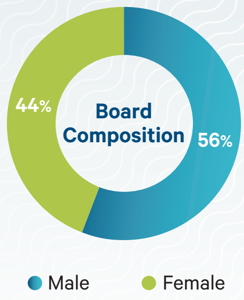
Board Composition (as at November 2019)

Chairperson: Rose Hynes

CEO: Mary Considine

Non-Executive Directors: Tom Kelly, Ambrose Loughlin, Kathryn O’Leary-Higgins, Stephen Rae, Liam O’Shea

Employee Representatives: Kevin McCarthy, Linda Tynne



Financial Performance

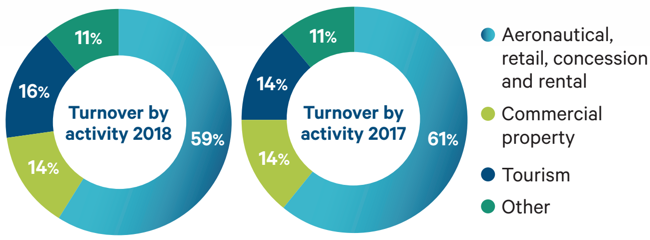
Key Financial Information Year ended 31 December	Avg 4Y	IFRS 2018	IFRS 2017	yoy Δ
Income Statement (€’m)	**Avg 4Y**	**2018**	**2017**	**yoy Δ**
Turnover	70.7	77.8	72.2	+5.6
EBITDA (adjusted)	9.1	12.7	9.3	+3.4
EBIT (adjusted)	12.0	22.1	9.7	+12.4
PAT (adjusted)	11.7	20.9	9.9	+11.0
PAT (reported)	9.6	15.1	9.2	+5.9
Balance Sheet (€’m)				
Tangible Fixed Assets	56.4	64.0	63.0	+1.0
Investment properties	79.1	109.7	82.0	+27.7
Gross Debt	(9.1)	(21.6)	(14.4)	+7.2
Net (Debt)/Cash	13.7	(5.6)	4.4	+10.0
Pension Liabilities	(0.8)	(0.6)	(0.8)	-0.2
Employee Related Liabilities	(1.8)	(5.7)	(0.3)	+5.4
Net Assets	133.6	151.3	136.1	+15.2
Invested Capital	147.5	179.0	154.7	+24.3
Cashflows (€’m)				
Net Cashflow from Operations	6.7	9.0	7.5	+1.5
Gross Capital Expenditure	(20.6)	(21.9)	(34.2)	-12.3
Proceeds from the sale of assets	5.4	2.7	5.4	-2.7
Dividends Paid (total)	-	-	-	-
Employees				
Employee Numbers	497	499	509	-10

Key Metrics				
Profitability & Efficiency	**Avg 4Y**	**2018**	**2017**	**yoy Δ**
Operating Margin (EBIT adjusted)	16.6%	28.3%	13.5%	+14.8%
Return on Invested Capital (ROIC)	2.8%	3.5%	2.5%	+1.0%
Liquidity				
Current Ratio (times)	1.7x	1.1x	1.5x	-0.4x
Acid Test Ratio (times)	1.6x	1.1x	1.4x	-0.3x
Shareholder Returns				
Dividend Payout (normal dividends)		-	-	-

NOTES:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ. Definitions of NewERA’s standardised performance measures are set out in Appendix E.

ii. Detailed combined four-year historical financial information is provided in Appendix F.



Improved financial performance in 2018, with growth reported in all business areas (driven by continued growth in passenger and visitor volumes along with new tenancies) noting the increased, albeit relatively low, level of ROIC.

Turnover increased by €5.6m (2018: €77.8m, 2017: €72.2m) due to growth in passenger numbers (+6.5% year-on-year) and heritage site visitor numbers (+4.3% year-on-year) along with increased occupancy at commercial properties (2018: 94%, 2017: 90%).

Operating profit (EBIT adjusted) increased by €12.4m (2018: €22.1m, 2017: €9.7m) mainly driven by a net increase in revaluation gains and gains on disposal of assets of €10m. Excluding these items, EBIT increased by €2.6m in 2018. The operating result is reflected in a higher operating profit margin (2018: 28.3%, 2017: 13.5%) although this margin does not reflect the underlying profitability of the business due to the revaluation gains that were recognised in 2018 (excluding revaluations, operating profit margin would have been 8% in 2018 (2017: 5%)). ROIC was at a slightly higher level year-on-year (2018: 3.5%, 2017: 2.5%).

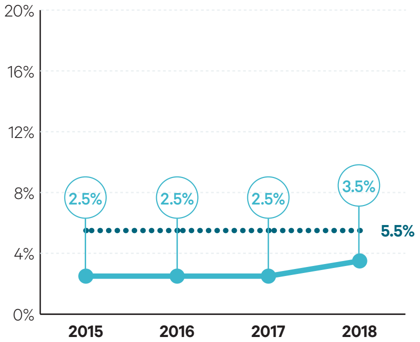
Reported PAT increased by €5.9m in 2018 (2018: €15.1m, 2017: €9.2m) reflecting the operating result together with a higher level of revaluation gains, partially offset by an exceptional charge. Shannon Group incurred a charge of €5.8m (2017: €0.6m) in respect of the group-wide voluntary severance scheme which was launched in 2016.

The value of tangible fixed assets was largely static, although the value of investment properties increased by €27.7m reflecting ongoing capital investment and revaluation gains. In 2018, the group invested €21.9m in capital projects (2017: €34.2m) relating primarily to the development of a number of commercial properties. This investment was funded by a combination of cash, operating cashflows, asset disposal proceeds and new borrowings.

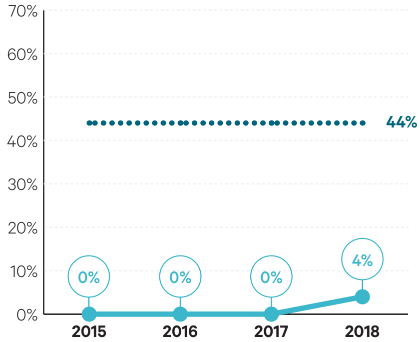
Shannon Group was in a net debt position of €5.6m at the end of 2018, a reduction of €10m from the prior year end (2017: net cash of €4.4m) and the first time it has recorded a year end net debt position. This was due to ongoing capital expenditure.

Selection of Key Financial Metrics

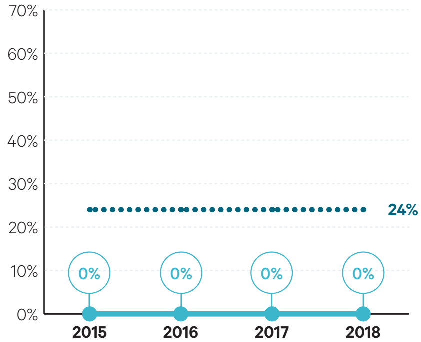
PROFITABILITY
ROIC %
Historical 5yr. Portfolio avg. denoted by dotted blue line



CAPITAL STRUCTURE
Net gearing %, excl. pension & employee related liabilities
Historical 5yr. Portfolio avg. denoted by dotted blue line



DIVIDENDS
Dividend payout %, excl. special dividends
Historical 5yr. Portfolio avg. denoted by dotted blue line



KEY BUSINESS DEVELOPMENTS 2018

Continued growth in passenger numbers

- Shannon Airport's traffic grew by 6.5% to 1.86m passengers in 2018 (2017: 1.75m), its sixth consecutive year of growth.
- Commencement of a number of new routes including to Toronto with Air Canada and Barcelona, Bristol and Liverpool with Ryanair along with increased frequency on their Manchester service.

Development and expansion of the Shannon Free Zone

- Completed the first phase of the investment programme at the Shannon Free Zone delivering an additional 150,000 sq.ft. office space which includes a 33,000 sq.ft. advance technology engineering unit which has been leased to Jaguar Land Rover. This programme commenced in 2015 and over €40m has been invested to date with the delivery of over 650,000 sq. ft. of new or upgraded office, manufacturing and warehouse facilities.
- Commenced the construction of a new €18m wide-body paint hangar at Shannon Airport, its largest construction project to date and the first new wide-body hangar to be constructed at an Irish airport in over 20 years.
- Growth in the cluster of aerospace companies located at the IASC from almost 60 at the end of 2017 to over 80 at the end of 2018.

Increased tourist visitor numbers and an expanded offering

- Experienced a 4.3% increase in visitor numbers with almost 925,000 visitors across its portfolio of heritage tourism sites during 2018 (2017: 887,300).
- Secured the contract to operate Newbridge House and Farm at Donabate in Co. Dublin.

KEY CHALLENGES AND OPPORTUNITIES

Aviation Market Challenges

- Since its separation from daa, Shannon Airport has grown its passenger numbers and profitability, with 2018 in particular showing an improved performance. However, Shannon Airport is experiencing a challenging 2019 due to a number of issues such as the grounding of Boeing 737 MAX aircraft and subsequent withdrawal of Norwegian Air from Irish transatlantic routes and the cessation of stopovers by Kuwait Airways. As a result, passenger numbers in the airport decreased in the first half of 2019.
- Given the large market share held by Dublin Airport, it is a significant challenge for Shannon Airport to sustainably grow services at the airport and maintain and grow connectivity for the mid-west region.

Delivery of an ambitious capital plan

- Shannon Group has an ambitious capital investment plan to regenerate the Shannon Free Zone, enhance the visitor experience at key tourism attractions such as Bunratty Castle and Folk Park and maintain and develop Shannon Airport, with the intention being to grow its business and stimulate economic growth in the region.
- Given its size and market position, it is a key challenge for Shannon Group to sustainably fund this investment and improve its cost competitiveness.

Key Activities

Vhi is a statutory body which was established pursuant to the Voluntary Health Insurance Acts, 1957-2008 (as amended). Key activities include:

- **Insurance:** underwriting of private medical insurance ("PMI").
- **Healthcare:** distribution of PMI policies and other insurance policies underwritten by third parties.
- **Health and Wellbeing:** development and provision of medical, health and wellbeing services for Vhi group customers. This includes: corporate occupational health services and employee assistance programmes; management of minor injury clinics (Vhi SwiftCare); provision of home care services (Hospital@Home); and medical screening services.

State Ownership: 100%

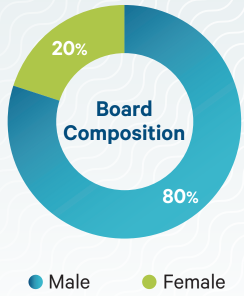
Board Composition (as at November 2019)

Chairperson: Liam Downey

CEO: John O'Dwyer

Executive Directors: Declan Moran, Brian Walsh

Non- Executive Directors: Joyce Brennan, Celine Fitzgerald, Dean Holden, Finbar Lennon, Paul O'Faherty, Greg Sparks



Financial Performance

Key Financial Information				
Year ended 31 December		FRS	FRS	
Income Statement (€'m)	**Avg 5Y**	**2018**	**2017**	**yoy Δ**
Gross written premium	1,443	1,401	1,497	-96
Total earned premium (net)	1,006	1,414	1,036	+378
Gross claims paid	(1,327)	(1,328)	(1,329)	-1
Total claims incurred (net)	(933)	(1,314)	(950)	+364
Net operating expenses	(124)	(165)	(117)	+48
Surplus on ordinary activities after tax	63	82	75	+7
Balance Sheet (€'m)				
Tangible Fixed Assets	38	65	45	+20
Investments	1,167	1,192	1,184	+8
Gross Debt	(28)	-	-	-
Net (Debt)/Cash	1	18	46	-28
Pension Liabilities	(23)	(36)	(35)	+1
Employee Related Liabilities	-	-	-	-
Technical Provisions	1,040	972	1,053	-81
Net Assets	567	676	611	+65
Cashflows (€'m)				
Net Cashflow from Operations	44	6	122	-116
Gross Capital Expenditure	(13)	(23)	(24)	-1
Dividends Paid (total)	-	-	-	-
Employees				
Employee Numbers	1,227	1,390	1,326	+64

NOTES:

i. Vhi's financial statements are prepared in accordance with FRS102 and FRS103 Insurance Contracts with the equivalent of its income statement being presented in a different format to the other Portfolio Companies. The standardised NewERA performance measures are therefore not currently presented for Vhi.

ii. Detailed combined five-year historical financial information is provided in Appendix F.

Satisfactory financial performance in 2018 generating a surplus after tax of €82m.

Premium income receivable from Vhi members in respect of policies commencing during 2018 (represented by gross written premium) decreased by €96m year-on-year, primarily driven by price reductions applied in the period across Vhi's insurance product offering although noting an overall increase in its membership base (2018: 1.106 million, 2018: 1.075 million).

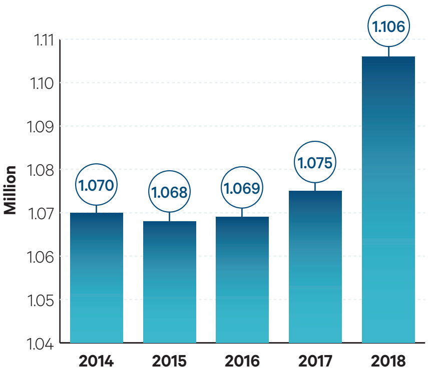
Vhi's reinsurance contract expired at the end of 2017 and is currently being run down which is reflected in the higher total net earned premium in the period (2018: €1,414m, 2017: €1,036m) but also in the increased level of total net claims incurred (2018: €1,314m, 2017: €950m) noting that the level of gross claims paid remained broadly similar year-on-year. Taken together with higher other income, increased operating costs and other expenses, Vhi generated a surplus of €82m on ordinary activities after tax for 2018, an increase of €7m relative to 2017. Any surplus generated by Vhi is reinvested directly back into the business for the benefit of Vhi's customers. Vhi report that this is achieved through product innovation, benefit development and enhancing customer engagement platforms.

Vhi's net assets increased by €65m in 2018 with a reduction in cash balances, an increased level of technical provisions (covering unearned premium, unexpired risks and claims outstanding) and reduced net working capital offset by a reduction in the level of funds withheld from the reinsurer, which reflects the run-down of that contract, and increased tangible fixed assets.

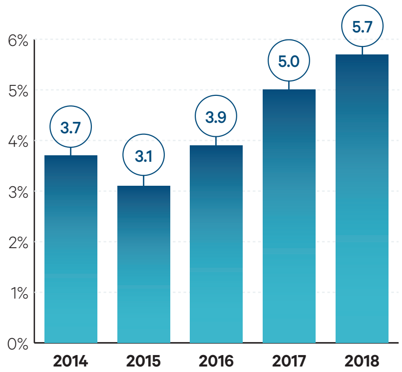
The reduction in the cash balances in 2018 (2018: €18m, 2017: €46m) is due mainly to a lower level of net cashflow from operating activities (2018: €6m, 2017: €122m). This arises from negative working capital movements which principally relate to a reduction in provisions for outstanding claims and unearned premiums year-on-year.

Selection of Key Financial Metrics

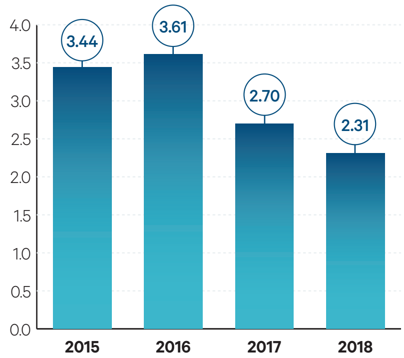
PMI MEMBERSHIP NUMBERS
Private medical insurance membership



SURPLUS MARGIN
Ratio of adjusted surplus after tax to income



SOLVENCY CAPITAL REQUIREMENT RATIO
Pursuant to the Solvency II Framework



KEY BUSINESS DEVELOPMENTS 2018	
Market Share maintained	▶ Private medical insurance membership increased to just over 1.1 million (the fourth consecutive year of growth and representing year-on-year growth of 2.9%) with management highlighting continued growth in sales, particularly its corporate business. ▶ Vhi maintained its 50% share of the private medical insurance market according to the latest figures available from the Health Insurance Authority. Prior to this, Vhi's market share had been on a downward trajectory since 2001 (at which time its market share was 85%).
New Products and Services	▶ New services were added to Vhi's product offering during the year during the year, including a consultant-led paediatric clinic at the Vhi SwiftCare Clinic in Dundrum, genetic testing services, fertility services and gender re-assignment benefits. ▶ The opening of a Vhi medical centre in Galway in August 2018 expanded Vhi's service offering into the west of Ireland. ▶ Expanded its life insurance product offering with the introduction of mortgage protection.
Digital Solutions	▶ Launched the "Online Advantage" programme, recruiting and rewarding customers doing business with Vhi online adding to the suite of technical solutions available for customers in managing their policies. Vhi report that the proportion of customers opting for digital interactions increased from 32% in 2017 to 58% in 2018.
Pricing	▶ Price reductions of 5.5% on average were applied to almost 90% of customer plans in March 2018 following price reductions applied in November 2017. ▶ Vhi also concluded a three-year agreement with consultants which will assist in providing visibility and certainty on professional fee costs for its duration.

KEY CHALLENGES AND OPPORTUNITIES	
Removing private activity in public hospitals	▶ Published in August 2019 as part of the Sláintecare vision, a report by an independent review group investigated, among other topics, the impact on private health insurance of removing private activity from public hospitals. ▶ The report concludes that, while difficult to predict accurately the full impact, some possible consequences include a significant decrease in the size of the private health insurance market which would impact Vhi.
Increasing healthcare demands	▶ High projected growth and ageing of the Irish population has led the Economic and Social Research Institute ("ESRI") to forecast[10] that demand for healthcare will increase substantially by 2030 when compared to 2015 levels (an increase of up to 41% in the number of public and private beds available is estimated to be required by 2030). ▶ Vhi, along with other market players, face the challenge of meeting future healthcare requirements given the expected pressure on existing private and public healthcare systems.

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Appendices

Appendix A – Important Notice

This report (the "**Report**") has been prepared by the New Economy and Recovery Authority ("**NewERA**") for the purposes of providing an overview of the combined financial performance of the portfolio of Designated Bodies (as defined in the National Treasury Management Agency (Amendment) Act 2014 (the "**NTMA Act**") and listed individually below and collectively referred to as the Designated Bodies or the "**Designated Companies**") for their latest respective reported financial year (the "**Relevant Financial Year**").

The Relevant Financial Year for each of the Designated Companies for the purpose of this Report is the year ended on the following dates:

▶ An Post	31 December 2018;
▶ Bord na Móna plc ("**BnM**")	28 March 2019;
▶ Coillte Cuideachta Ghníomhaíochta Ainmnithe ("**Coillte**")	31 December 2018;
▶ EirGrid plc ("**EirGrid**")	30 September 2018;
▶ Ervia	31 December 2018;
▶ Irish Water ("**IW**")	31 December 2018; and
▶ The Electricity Supply Board ("**ESB**")	31 December 2018.

Financial information is also presented for a number of other commercial State-owned companies, which are not Designated Companies for the purposes of the NTMA Act but for which NewERA is providing financial and commercial advisory services to the Minister for Tourism, Transport and Sport and the Minister for Health pursuant to individually agreed terms of reference. These are listed individually below (collectively referred to as the "**Non-Designated Companies**") along with the Relevant Financial Year, in each case:

▶ Coras Iompair Éireann ("**CIÉ**")	31 December 2018;
▶ daa plc ("**daa**")	31 December 2018;
▶ Dublin Port Company ("**DPC**")	31 December 2018;
▶ Irish Aviation Authority ("**IAA**")	31 December 2018;
▶ Port of Cork Company ("**PoCC**")	31 December 2018;
▶ Shannon Foynes Port Company ("**SFPC**")	31 December 2018;
▶ Shannon Group plc ("**Shannon Group**")	31 December 2018; and
▶ Voluntary Health Insurance Board ("**Vhi**")	31 December 2018.

The Designated Companies and the Non-Designated Companies are referred to on a combined basis as the "**Portfolio**" or the "**Portfolio Companies**" for the purposes of the Report. As many of the Portfolio Companies report on a consolidated basis, reference to them in this Report includes the relevant subsidiaries.

It should also be noted that certain of the Portfolio Companies are statutory bodies rather than companies but, for ease of reference, are referred to in this Report as companies. For the purposes of the Report, the Relevant Financial Year for the Portfolio Companies is collectively referred to as "**2018/19**" but, for individual Portfolio Companies with a year end on or before 31 December 2018, the Relevant Financial Year is referred to as "**2018**".

This Report is issued by NewERA for information purposes only. The contents of this Report do not constitute investment, legal, business or tax advice and should not be read as such. This Report has been prepared by NewERA on the basis of publicly available information relating to the Portfolio Companies including, without limitation, their respective most recently published annual reports. With respect to each of the Portfolio Companies, this Report does not include any financial information relating to periods after, or, save as expressly stated otherwise in this Report, take account of any developments subsequent to, the last day of the Relevant Financial Year of each of the relevant Portfolio Companies. Financial performance measures utilised by NewERA and presented in this Report (see Appendix E) have been applied by NewERA on a standardised basis across each of the Portfolio Companies; the financial performance measures applied by each of the Portfolio Companies for their own purposes and how these are calculated may differ.

This Report also includes some general and non-exhaustive observations by NewERA arising out of its work with the Portfolio Companies which may be of relevance to the historical and future performance of the Portfolio Companies. These observations are made from a financial/commercial perspective only; any legal, regulatory and/or policy implications which may also be relevant to these observations are not addressed in this Report.

The accuracy and completeness of the information on which this Report is based has not been independently audited, tested or verified by NewERA and no undertaking, representation or warranty (express or implied) is given as to, and no responsibility or liability, whether in negligence or otherwise howsoever, is accepted by NewERA in respect of the fairness, reasonableness, adequacy, accuracy, completeness, fitness for use or use of the contents of this Report. Furthermore, NewERA makes no representation that use of this Report or any of its content would not infringe other proprietary rights.

Appendix B – Glossary of Terms

ARI	Aer Rianta International
BÁC	Bus Átha Cliath
BÉ	Bus Éireann
BnM	Bord na Móna plc
CAR	Commission for Aviation Regulation
CCS	Carbon Capture and Storage
CIÉ	Coras Iompair Éireann
CNG	Compressed Natural Gas
Coillte	Coillte Cuideachta Ghníomhaíochta Ainmnithe
CRU	Commission for the Regulation of Utilities in Ireland
CSR	Corporate Social Responsibility
daa	daa plc
DPC	Dublin Port Company
DTTAS	Department of Transport, Tourism and Sport
EBIT	Earnings before Interest and Tax
EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted for exceptional items and certain fair value movements
EIB	European Investment Bank
EirGrid	EirGrid plc
EirGrid TSO	EirGrid Transmission System Operator
ESB	Electricity Supply Board
ESOP	Employee Share Ownership Plan
ESOT	Employee Share Ownership Trust
ESRI	Economic and Social Research Institute
ETS	Emissions Trading System
EV	Electric Vehicle
EWIC	East-West Interconnector
FEGP	Fixed Electrical Ground Power
GDP	Gross Domestic Product
GRAZE	Green Renewable Agricultural Zero Emissions

IAA	Irish Aviation Authority
IASC	International Aviation Services Centre
IÉ	Iarnród Éireann
I-SEM	Integrated Single Electricity Market
IW	Irish Water
JV	Joint Venture
LEV	Low Emission Vehicle
NDP	National Development Plan
NTA	National Transport Authority
OECD	Organisation for Economic Co-operation and Development
Ofgem	Office of Gas and Electricity Markets
PAT	Profit After Tax
PMI	Private Medical Insurance
PoCC	Port of Cork Company
PSO	Public Service Obligation
ROIC	Return on Invested Capital
SDGs	Sustainable Development Goals
SEAI	Sustainable Energy Authority of Ireland
SEM	Single Electricity Market
SEMO	Single Electricity Market Operator
SFPC	Shannon Foynes Port Company
SG	Shannon Group plc
SONI	System Operator for Northern Ireland
TEN-T	Trans-European Transport Network
URegNI	Utility Regulator Northern Ireland
UN	United Nations
Vhi	Voluntary Health Insurance Board

Appendix C – Shareholdings/Stockholdings of the Portfolio Companies

Shareholdings/stockholdings in the Portfolio Companies (excluding IW) as at the Relevant Financial Year End

Portfolio Company	Entity Type	Units in Issue	Portion held by or for						% held by ESOT
			MPER (Note 1)	MHPLG	MCCAE	MTTAS	MAFM	MH	
An Post	Designated Activity Company	54,590,946 ordinary shares	One share	n/a	c.100%	n/a	n/a	n/a	n/a
BnM	Public Limited Company	65,212,639 ordinary shares	c.95%	n/a	One share	n/a	n/a	n/a	5%
Coillte	Designated Activity Company	631,000,000 ordinary shares	c.100%	n/a	n/a	n/a	One share	n/a	n/a
CIÉ	Statutory Body	n/a Note 2	n/a	n/a	n/a	n/a Note 2	n/a	n/a	n/a
daa	Public Limited Company	186,336,813 ordinary shares	100%	n/a	n/a	n/a	n/a	n/a	n/a
DPC	Designated Activity Company	11,571,000 ordinary shares	One share	n/a	n/a	c.100%	n/a	n/a	n/a
EirGrid	Public Limited Company	30,000 ordinary shares	c.100%	n/a	One share	n/a	n/a	n/a	n/a
Ervia	Statutory Body	Note 3	Note 3	Note 3	Note 3	n/a	n/a	n/a	Note 3
ESB	Statutory Body	1,970,781,852 units capital stock	c. 85.4%	n/a	c.10%	n/a	n/a	n/a	c.4.6%
IAA	Designated Activity Company	17,858,000 ordinary shares	c.100%	n/a	n/a	One share	n/a	n/a	n/a
Port of Cork	Designated Activity Company	18,014,977 ordinary shares	One share	n/a	n/a	c.100%	n/a	n/a	n/a
SFPC	Designated Activity Company	17,749,900 ordinary shares	One share	n/a	n/a	c.100%	n/a	n/a	n/a
Shannon Group	Public Limited Company	38,107 ordinary shares	100%	n/a	n/a	n/a	n/a	n/a	n/a
Vhi	Statutory Body	n/a Note 4	n/a *Note 4*	n/a	n/a	n/a	n/a	Note 4	n/a

Source: NewERA Analysis, Portfolio Companies.

Abbreviated Terms: Minister for Public Expenditure and Reform ("MPER"), Minister for Housing, Planning and Local Government ("MHPLG"), Minister for Communications, Climate Action and Environment ("MCCAE"), Minister for Transport, Tourism and Sport ("MTTAS"), Minister for Agriculture, Food and the Marine ("MAFM"), Minister for Finance ("MFIN"), Minister for Health ("MH"), Employee Share Ownership Trust ("ESOT").

Note 1: *The Ministers and Secretaries (Amendment) Act 2011 had the effect of transferring ownership of either the stock or shares previously held by the Minister for Finance to the MPER.*

Note 2: *CIÉ is a statutory body without share capital. It is wholly owned by the Government of Ireland and reports to the MTTAS.*

Note 3: *In March 2014, an agreement was signed regarding the buy-out of the 3.27% capital stockholding in Ervia held by the Employee Share Ownership Plan ("ESOP") Trustee on behalf of ESOP beneficiaries. The agreement provided for the appropriation and cancellation of the entire capital stock issued to the ESOP, in exchange for promissory notes to be issued by Ervia and redeemed over the period 2014 to 2018. Ervia's 2018 Annual Report notes that Ervia is 100% beneficially owned by the State. Pursuant to the Gas Act 1976 (as amended by the Gas Regulation Act 2013), the MHPLG acts as the majority shareholding Minister for Ervia.*

Note 4: *Vhi is a statutory body without share capital. It is wholly owned by the Government of Ireland and reports to the MH.*

Shareholdings in IW as at the Relevant Financial Year end

Portfolio Company	Entity Type	Units in Issue	Units held by or on behalf of			Units held by the ESOP Trustee
			Ervia	MHPLG	MFIN	
Irish Water	Designated Activity Company	1 ordinary A share[1] 650 ordinary B shares[2]	1 ordinary A share[1] (100% voting rights)	325 ordinary B shares[2] (50% economic rights)	325 ordinary B shares[2] (50% economic rights)	n/a

Source: NewERA Analysis

1 Ordinary A share is a voting share but with no economic rights attaching

2 Ordinary B shares are non-voting shares but with economic rights attaching

Appendix D – Board Composition and Gender Balance

Board Composition as at November 2019

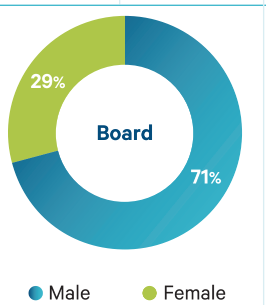
Portfolio Company	Maximum Number of Directors	Actual Number of Directors	Actual Number of Directors by Position			
			Chairperson	Chief Executive Officer/ Managing Director	Non-Executive Director	Other (see note)
An Post	15	13	1	1	5	6
BnM	12	11	1	1	6	3
CIÉ	12	12	1	-	7	4
Coillte	9	6	1	-	5	-
daa	13	11	1	1	5	4
DPC	8	8	1	1	5	1
EirGrid	10	10	1	1	7	1
Ervia	11	10	1	-	9	-
ESB	12	12	1	1	6	4
IAA	9	8	1	1	5	1
PoCC	8	8	1	1	5	1
SFPC	8	8	1	1	5	1
Shannon Group	10	9	1	1	5	2
Vhi	12	11	1	1	7	2
Total	**149**	**137**	**14**	**11**	**82**	**30**

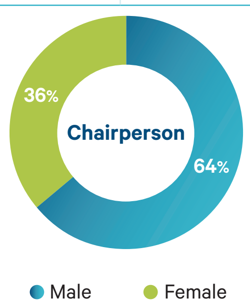
Source: NewERA Analysis, www.stateboards.ie, Portfolio Companies.
Note: The 'Other' category includes Worker Directors, Employee Representatives/Nominees and ESOP Representatives (as applicable).

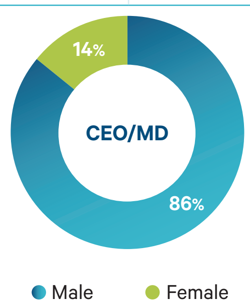
Gender Balance Statistics as at November 2019

Portfolio Company	Board		Chairperson		CEO/MD		Executive Management Team *(excluding the CEO/MD)*	
	Male	Female	Male	Female	Male	Female	Male	Female
An Post	69%	31%	•		•		50%	50%
BnM	64%	36%	•		•		88%	12%
CIÉ	67%	33%		•	•		75%	25%
Coillte	50%	50%		•		•	83%	17%
daa	91%	9%	•		•		67%	33%
DPC	62%	38%		•	•		89%	11%
EirGrid	70%	30%	•		•		67%	33%
Ervia	80%	20%	•		•		70%	30%
ESB	67%	33%		•	•		70%	30%
IAA	63%	37%	•		•		78%	22%
PoCC	87%	13%	•		•		100%	0%
SFPC	87%	13%	•		•		100%	0%
Shannon Group	56%	44%		•		•	75%	25%
Vhi	80%	20%	•		•		78%	22%

Total







Source: NewERA Analysis, www.stateboards.ie, Portfolio Companies.

Appendix E – Financial Performance Measures

Term	Definition
Acid Test Ratio	Aggregate of closing balance for trade and other receivables, cash and current tax assets *divided by* aggregate of closing balance for trade and other payables, current borrowings and current tax liabilities
Adjusted EBIT	Earnings before interest and tax, adjusted for exceptional items and certain fair value movements. Also referred to in this report as operating profit
Adjusted EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted for exceptional items and certain fair value movements
Adjusted PAT	Net profit after tax, adjusted for exceptional items and certain fair value movements
Average Employee Costs	Employee costs *divided by* average number of employees where employee costs: 1. Include capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any) 2. Include capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs Note: where an entity does not disclose the average number of employees in the notes to its financial statements, the employee numbers as at the end of the financial year are used.
Current Ratio	Aggregate of closing balance for inventories, trade and other receivables, cash and current tax assets *divided by* aggregate of closing balance for trade and other payables, current borrowings and current tax liabilities
Dividends Paid	Dividends paid during the financial year per the cashflow statement (including or excluding special dividends depending on the individual metric)
Dividend Payout Rate	Dividends Paid (excluding special dividends) *divided by* prior year Adjusted PAT
Earnings (adjusted) Growth	Year-on-year growth in Adjusted PAT
EBITDA Margin	Adjusted EBITDA *divided by* reported turnover
EBIT Margin/Operating Margin	Adjusted EBIT *divided by* reported turnover
EBITDA Interest Cover	Adjusted EBITDA *divided by* Interest paid
Equity	Total shareholder(s) equity taken from the balance sheet
Fair Value Movements	Includes unrealised fair value gains/losses on derivatives or all fair value gains/losses on derivatives where the entity does not separately identify unrealised items
Invested Capital	Adjusted total debt *plus* adjusted total equity (per NewERA methodology)
Net Debt/EBITDA	Net debt *divided by* Adjusted EBITDA
Net Gearing	i. Net debt *divided by* net debt plus equity ii. Net debt *divided by* net debt *plus* pension liabilities *plus* employee related liabilities *plus* equity
PAT Margin	Adjusted PAT divided by turnover
Return on Invested Capital (ROIC)	Net operating profit after tax (NOPAT) *divided by* average invested capital
Total Shareholder Return	(Equity value at the end of the year *less* equity value at the beginning of the year *plus* equity injected plus dividends paid) *divided by* equity value at the beginning of the year
Turnover Growth	Year-on-year growth in reported turnover

Appendix F – Portfolio Financial Information

PORTFOLIO COMPANIES

KEY FINANCIAL INFORMATION		5yr avg.	2018/19	2017/18	2016/17	2015/16	2014/15
INCOME STATEMENT (€'m)							
Turnover		10,704	11,337	10,824	10,662	10,588	10,109
EBITDA (adjusted)		2,508	2,618	2,636	2,552	2,474	2,262
EBIT (adjusted)		1,293	1,395	1,342	1,333	1,324	1,073
PAT (adjusted)		788	949	852	846	780	511
PAT (reported)		650	791	612	638	694	513
BALANCE SHEET (€'m)							
Tangible Fixed Assets		22,586	23,722	22,458	22,351	22,443	21,955
Gross Debt		(8,864)	(8,776)	(8,693)	(9,096)	(9,363)	(8,390)
Net (Debt)/Cash		(7,193)	(6,981)	(6,862)	(7,304)	(7,844)	(6,973)
Pension Liabilities		(1,926)	(1,411)	(1,744)	(2,249)	(1,615)	(2,612)
Employee Related Liabilities		(176)	(129)	(137)	(168)	(168)	(277)
Net Assets		9,083	10,698	9,576	8,694	8,800	7,646
Invested Capital		21,342	22,528	22,013	21,452	20,737	19,980
CASHFLOWS (€'m)							
Net Cashflow from Operations		1,879	2,156	2,105	2,044	1,507	1,585
Gross Capital Expenditure		(2,041)	(2,238)	(2,073)	(1,875)	(1,950)	(2,067)
Net (Acquisitions)/Disposals Spend		180	7	31	(21)	7	878
Dividends Paid (normal)		(170)	(165)	(232)	(175)	(147)	(133)
Dividends Paid (special)		(195)	(102)	(100)	(100)	(314)	(362)
Dividends Paid (total)		(366)	(267)	(332)	(275)	(461)	(494)
EMPLOYEES							
Employee Numbers		38,391	39,603	39,429	38,630	37,638	36,653
Avg. Cost per Employee (see note iii)	€'000	66	69	67	65	65	63
Avg. Cost per Employee (see note iv)	€'000	55	57	56	55	54	53

KEY METRICS	5yr avg.	2018/19	2017/18	2016/17	2015/16	2014/15
PROFITABILITY & EFFICIENCY						
Turnover Growth	8.1%	4.7%	1.5%	0.7%	4.7%	28.8%
EBITDA Margin	23.4%	23.1%	24.4%	23.9%	23.4%	22.4%
Operating Margin (EBIT adjusted)	12.1%	12.3%	12.4%	12.5%	12.5%	10.6%
PAT Margin	7.3%	8.4%	7.9%	7.9%	7.4%	5.1%
Return on Invested Capital (ROIC)	5.5%	5.6%	5.5%	5.6%	5.8%	4.9%
LIQUIDITY						
Current Ratio (times)	1.0x	0.9x	1.0x	1.0x	1.0x	1.1x
Acid Test Ratio (times)	0.9x	0.9x	1.0x	0.9x	0.9x	1.1x
LEVERAGE						
Net Gearing (see note v)	44%	39%	42%	46%	47%	48%
Net Gearing (see note vi)	51%	44%	48%	53%	52%	56%
Net Debt/EBITDA (times)	2.9x	2.7x	2.6x	2.9x	3.2x	3.1x
EBITDA Interest Cover (times)	7.1x	8.6x	8.4x	7.2x	6.0x	5.5x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	24%	19%	27%	22%	29%	20%
Earnings (adjusted) growth	10%	11%	1%	8%	53%	(22%)

Notes:

i. The above measures are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each entity and how they are calculated may differ from the above.

ii. See Appendix E for NewERA's standardised performance measures.

iii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

v. Net gearing excluding pensions and employee related liabilities.

vi. Net gearing including pensions and employee related liabilities.

vii. Vhi has been included in the aggregate historical financial information for the first time in this year's Annual Financial Review.

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KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		841	897	840	825	826	815
EBITDA (adjusted)		31	61	25	16	27	26
EBIT (adjusted)		7	38	5	(14)	5	2
PAT (adjusted)		3	39	2	(17)	(2)	(5)
PAT (reported)		8	25	37	(17)	(2)	(5)
BALANCE SHEET (€'m)							
Tangible Fixed Assets		237	224	231	238	244	247
Gross Debt		(33)	(45)	(49)	(28)	(23)	(22)
Net (Debt)/Cash		34	70	35	2	27	33
Pension Liabilities		(199)	(48)	(55)	(283)	(169)	(440)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		15	204	175	(96)	35	(245)
Invested Capital		395	586	384	322	341	344
CASHFLOWS (€'m)							
Net Cashflow from Operations		13	53	(2)	(1)	8	5
Gross Capital Expenditure		(14)	(17)	(14)	(14)	(17)	(10)
Dividends Paid (normal)		(0)	(2)	-	-	-	-
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(0)	(2)	-	-	-	-
EMPLOYEES							
Employee Numbers		9,888	9,723	9,905	9,928	9,862	10,024
Avg. Cost per Employee (see note ii)	€'000	49	51	50	49	49	48
Avg. Cost per Employee (see note iii)	€'000	41	43	41	41	40	40

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	0.8%	4.2%	0.6%	(1.7%)	0.6%	0.3%
Return on Invested Capital (ROIC)	4.2%	9.1%	4.3%	(0.2%)	4.5%	3.3%
LIQUIDITY						
Current Ratio (times)	1.0x	1.2x	1.2x	0.8x	0.9x	0.9x
Acid Test Ratio (times)	1.0x	1.2x	1.2x	0.8x	0.9x	0.9x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	-	-	-	-	-	-

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

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KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended March		5yr avg.	2019	2018	2017	2016	2015
INCOME STATEMENT (€'m)							
Turnover		404	380	395	406	433	407
EBITDA (adjusted)		87	78	74	82	100	101
EBIT (adjusted)		49	41	33	40	59	70
PAT (adjusted)		32	35	28	21	36	43
PAT (reported)		1	(50)	(8)	5	16	43
BALANCE SHEET (€'m)							
Tangible Fixed Assets		288	235	268	292	301	342
Gross Debt		(186)	(77)	(120)	(187)	(271)	(274)
Net (Debt)/Cash		(124)	(23)	(75)	(171)	(173)	(178)
Pension Liabilities		(29)	(14)	(13)	(16)	(34)	(67)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		208	161	218	231	221	208
Invested Capital		486	365	445	489	567	562
CASHFLOWS (€'m)							
Net Cashflow from Operations		62	71	61	49	69	62
Gross Capital Expenditure		(57)	(28)	(33)	(36)	(72)	(115)
Net (Acquisitions)/Disposals Spend		7	10	40	(13)	-	-
Dividends Paid (normal)		(6)	-	(2)	(4)	(10)	(11)
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(6)	-	(2)	(4)	(10)	(11)
EMPLOYEES							
Employee Numbers		1,955	1,863	1,980	1,998	1,937	1,999
Avg. Cost per Employee (see note ii)	€'000	54	55	52	50	55	56
Avg. Cost per Employee (see note iii)	€'000	47	48	45	44	48	49

KEY METRICS	5yr avg.	2019	2018	2017	2016	2015
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	12.0%	10.9%	8.4%	9.9%	13.5%	17.1%
Return on Invested Capital (ROIC)	8.5%	9.1%	4.9%	6.8%	9.2%	12.4%
LIQUIDITY						
Current Ratio (times)	1.4x	1.0x	1.3x	1.4x	1.3x	2.1x
Acid Test Ratio (times)	0.9x	0.7x	0.8x	0.7x	0.8x	1.3x
LEVERAGE						
Net Gearing (see note iv)	34%	12%	26%	42%	44%	46%
Net Gearing (see note v)	39%	19%	29%	45%	48%	54%
Net Debt/EBITDA (times)	1.4x	0.3x	1.0x	2.1x	1.7x	1.8x
EBITDA Interest Cover (times)	8.8x	12.7x	8.5x	7.4x	8.0x	7.5x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	16%	-	12%	12%	24%	33%
Earnings (adjusted) growth	6%	22%	37%	(43%)	(15%)	27%

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

KEY FINANCIAL INFORMATION			FRS 102	FRS 102	FRS 102	FRS 102	FRS 102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		1,209	1,315	1,238	1,218	1,153	1,120
EBITDA (adjusted)		49	29	29	58	48	81
EBIT (adjusted)		(3)	(14)	(20)	8	(8)	20
PAT (adjusted)		(19)	(29)	(38)	0	(25)	(1)
PAT (reported)		(16)	(35)	(43)	28	(26)	(3)
BALANCE SHEET (€'m)							
Tangible Fixed Assets		2,966	2,765	2,862	2,954	3,064	3,184
Gross Debt		(44)	(29)	(28)	(41)	(54)	(69)
Net (Debt)/Cash		75	193	121	73	5	(19)
Pension Liabilities		(610)	(547)	(784)	(730)	(288)	(702)
Employee Related Liabilities		(9)	(5)	(14)	(8)	(7)	(9)
Net Assets		(491)	(410)	(636)	(585)	(206)	(616)
Invested Capital		413	412	416	426	395	415
CASHFLOWS (€'m)							
Net Cashflow from Operations		79	91	65	99	62	79
Gross Capital Expenditure		(167)	(120)	(161)	(152)	(184)	(216)
Net (Acquisitions)/Disposals Spend		-	-	-	-	-	-
Dividends Paid (normal)		-	-	-	-	-	-
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		-	-	-	-	-	-
EMPLOYEES							
Employee Numbers		9,929	10,046	10,098	10,017	9,837	9,648
Avg. Cost per Employee (see note ii)	€'000	60	64	62	59	59	58
Avg. Cost per Employee (see note iii)	€'000	49	51	50	49	48	49

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	(0.2%)	(1.1%)	(1.6%)	0.6%	(0.7%)	1.8%
LIQUIDITY						
Current Ratio (times)	1.0x	1.1x	1.0x	1.0x	0.9x	0.9x
Acid Test Ratio (times)	0.7x	0.9x	0.8x	0.7x	0.6x	0.6x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	-	-	-	-	-	-

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

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KEY FINANCIAL INFORMATION			FRS102	FRS102	FRS102	FRS102	FRS102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		297	330	299	288	283	286
EBITDA (adjusted)		92	106	83	98	90	81
EBIT (adjusted)		65	77	49	66	79	54
PAT (adjusted)		51	70	43	49	56	34
PAT (reported)		65	156	43	48	48	29
BALANCE SHEET (€'m)							
Tangible Fixed Assets (see note ii)		1,412	1,441	1,421	1,415	1,391	1,393
Gross Debt		(157)	(89)	(162)	(170)	(188)	(176)
Net (Debt)/Cash		(133)	(14)	(154)	(168)	(154)	(176)
Pension Liabilities		(92)	(55)	(76)	(108)	(78)	(142)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		1,112	1,297	1,139	1,068	1,078	979
Invested Capital		1,376	1,455	1,392	1,366	1,358	1,307
CASHFLOWS (€'m)							
Net Cashflow from Operations		46	76	67	26	23	36
Gross Capital Expenditure		(59)	(57)	(57)	(53)	(79)	(49)
Net (Acquisitions)/Disposals Spend		37	117	-	-	67	-
Dividends Paid (normal)		(8)	(15)	(8)	(7)	(4)	(6)
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(8)	(15)	(8)	(7)	(4)	(6)
EMPLOYEES							
Employee Numbers		860	806	827	862	897	907
Avg. Cost per Employee (see note iii)	€'000	73	76	74	72	74	71
Avg. Cost per Employee (see note iv)	€'000	60	62	59	59	60	58

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	21.8%	23.2%	16.3%	22.9%	27.9%	18.8%
Return on Invested Capital (ROIC)	4.2%	4.7%	3.1%	4.3%	5.2%	3.7%
LIQUIDITY						
Current Ratio (times)	2.2x	3.0x	2.0x	1.9x	2.2x	1.7x
Acid Test Ratio (times)	1.8x	2.6x	1.6x	1.5x	1.8x	1.4x
LEVERAGE						
Net Gearing (see note v)	11%	1%	12%	14%	12%	15%
Net Gearing (see note vi)	17%	5%	17%	21%	18%	25%
Net Debt/EBITDA (times)	1.5x	0.1x	1.9x	1.7x	1.7x	2.2x
EBITDA Interest Cover (times)	21.9x	39.8x	34.4x	15.2x	11.9x	8.2x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	20%	35%	16%	13%	12%	23%
Earnings (adjusted) growth	26%	62%	(12%)	(12%)	66%	27%

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes biological assets.

iii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

v. Net gearing excluding pensions and employee related liabilities.

vi. Net gearing including pensions and employee related liabilities.

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KEY FINANCIAL INFORMATION			FRS102	FRS102	FRS102	FRS102	FRS102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		758	897	855	793	680	564
EBITDA (adjusted)		239	289	271	247	206	181
EBIT (adjusted)		154	182	187	169	130	101
PAT (adjusted)		93	132	125	105	61	42
PAT (reported)		93	140	130	79	83	31
BALANCE SHEET (€'m)							
Tangible Fixed Assets		1,662	1,708	1,717	1,642	1,621	1,625
Gross Debt		(1,064)	(802)	(1,136)	(1,178)	(1,081)	(1,124)
Net (Debt)/Cash		(554)	(441)	(541)	(572)	(616)	(600)
Pension Liabilities		(10)	(4)	(6)	(10)	(9)	(21)
Employee Related Liabilities		(27)	(8)	(9)	(12)	(11)	(97)
Net Assets		1,215	1,398	1,293	1,200	1,135	1,047
Invested Capital		2,353	2,315	2,532	2,371	2,239	2,308
CASHFLOWS (€'m)							
Net Cashflow from Operations		167	251	209	191	75	108
Gross Capital Expenditure		(120)	(135)	(171)	(118)	(112)	(65)
Net (Acquisitions)/Disposals Spend		(10)	1	(5)	-	-	(48)
Dividends Paid (normal)		(20)	(39)	(32)	(20)	(4)	(5)
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(20)	(39)	(32)	(20)	(4)	(5)
Dividends Paid (total - State)		(17)	(37)	(29)	(18)	-	-
EMPLOYEES							
Employee Numbers		3,521	4,039	3,855	3,598	3,300	2,813
Avg. Cost per Employee (see note ii)	€'000	59	61	61	59	57	57
Avg. Cost per Employee (see note iii)	€'000	52	53	53	51	50	50

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	20.1%	20.3%	21.9%	21.3%	19.1%	18.0%
Return on Invested Capital (ROIC)	5.7%	6.6%	6.7%	6.4%	5.0%	4.0%
LIQUIDITY						
Current Ratio (times)	2.7x	2.2x	1.4x	3.6x	2.9x	3.7x
Acid Test Ratio (times)	2.6x	1.9x	1.3x	3.4x	2.7x	3.5x
LEVERAGE						
Net Gearing (see note iv)	31%	24%	29%	32%	35%	36%
Net Gearing (see note v)	33%	24%	30%	33%	36%	41%
Net Debt/EBITDA (times)	2.4x	1.5x	2.0x	2.3x	3.0x	3.3x
EBITDA Interest Cover (times)	6.1x	10.1x	7.1x	5.7x	4.0x	3.6x
SHAREHOLDER RETURNS						
Dividend Payout (total - State)	18%	30%	28%	30%	-	-
Earnings (adjusted) growth	38%	6%	18%	73%	45%	49%

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

COMHLACHT CHALAFORT ÁTHA CLIATH
DUBLIN PORT COMPANY

KEY FINANCIAL INFORMATION			FRS102	FRS102	FRS102	FRS102	FRS102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		81	90	85	82	78	72
EBITDA (adjusted)		51	56	54	54	49	43
EBIT (adjusted)		43	47	46	46	43	34
PAT (adjusted)		37	42	40	39	36	29
PAT (reported)		38	42	41	39	36	31
BALANCE SHEET (€'m)							
Tangible Fixed Assets		364	496	418	329	294	285
Gross Debt		(60)	(135)	(60)	(35)	(35)	(35)
Net (Debt)/Cash		(15)	(92)	(38)	3	35	17
Pension (Liabilities)/Assets		23	53	51	11	11	(13)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		362	440	409	350	328	284
Invested Capital		394	487	417	375	356	335
CASHFLOWS (€'m)							
Net Cashflow from Operations		41	48	47	38	41	32
Gross Capital Expenditure		(48)	(89)	(78)	(45)	(16)	(9)
Net (Acquisitions)/Disposals Spend		0	-	-	-	-	2
Dividends Paid (normal)		(10)	(12)	(12)	(11)	(9)	(8)
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(10)	(12)	(12)	(11)	(9)	(8)
EMPLOYEES							
Employee Numbers		147	163	148	146	140	136
Avg. Cost per Employee (see note ii)	€'000	87	94	98	74	90	80
Avg. Cost per Employee (see note iii)	€'000	72	75	75	70	71	70

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	53.1%	52.4%	54.0%	56.0%	55.3%	47.7%
Return on Invested Capital (ROIC)	10.1%	9.2%	10.2%	10.9%	10.9%	9.2%
LIQUIDITY						
Current Ratio (times)	5.6x	5.3x	3.1x	1.3x	8.9x	9.4x
Acid Test Ratio (times)	5.5x	5.2x	3.0x	1.3x	8.8x	9.3x
LEVERAGE						
Net Gearing (see note iv)	5%	17%	9%	-	-	-
Net Gearing (see note v)	5%	17%	9%	-	-	-
Net Debt/EBITDA (times)	0.5x	1.6x	0.7x	-	-	-
EBITDA Interest Cover (times)	72.5x	126.3x	53.1x	52.1x	59.2x	72.1x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	30%	30%	30%	30%	30%	30%
Earnings (adjusted) growth	9%	3%	3%	7%	25%	8%

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

EIRGRID GROUP

KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended 30 September		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		677	758	579	673	706	668
EBITDA (adjusted)		81	105	50	61	96	92
EBIT (adjusted)		51	83	22	26	60	64
PAT (adjusted)		28	57	2	9	34	39
PAT (reported)		28	57	2	9	34	39
BALANCE SHEET (€'m)							
Tangible Fixed Assets		585	539	605	590	591	598
Gross Debt		(354)	(324)	(339)	(354)	(367)	(384)
Net (Debt)/Cash		(194)	(128)	(200)	(182)	(207)	(253)
Pension Liabilities		(31)	(32)	(24)	(54)	(27)	(18)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		189	259	203	146	179	159
Invested Capital		672	720	619	667	682	673
CASHFLOWS (€'m)							
Net Cashflow from Operations		67	115	(21)	62	136	43
Gross Capital Expenditure		(32)	(40)	(48)	(32)	(23)	(17)
Net (Acquisitions)/Disposals Spend		(0)	(0)	-	-	-	-
Dividends Paid (normal)		(3)	(4)	(4)	(4)	(3)	-
Dividends Paid (special)		(1)	-	-	-	-	(4)
Dividends Paid (total)		(4)	(4)	(4)	(4)	(3)	(4)
EMPLOYEES							
Employee Numbers		481	511	472	480	480	460
Avg. Cost per Employee (see note ii)	€'000	102	97	109	102	101	102
Avg. Cost per Employee (see note iii)	€'000	76	74	76	74	77	78

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	7.3%	10.9%	3.8%	3.9%	8.5%	9.6%
Return on Invested Capital (ROIC)	6.8%	11.0%	3.1%	3.5%	7.9%	8.4%
LIQUIDITY						
Current Ratio (times)	1.4x	1.4x	1.4x	1.4x	1.4x	1.4x
Acid Test Ratio (times)	1.4x	1.4x	1.4x	1.4x	1.4x	1.4x
LEVERAGE						
Net Gearing (see note iv)	51%	33%	50%	56%	54%	62%
Net Gearing (see note v)	54%	38%	52%	62%	57%	63%
Net Debt/EBITDA (times)	2.6x	1.2x	4.0x	3.0x	2.2x	2.8x
EBITDA Interest Cover (times)	4.4x	6.4x	2.8x	3.3x	5.0x	4.6x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	53%	202%	46%	10%	8%	-
Earnings (adjusted) growth	521%	2,798%	(77%)	(74%)	(12%)	(27%)

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

ervia Gas Networks Ireland

KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended 31 December		**5yr avg.**	**2018**	**2017**	**2016**	**2015**	**2014**
INCOME STATEMENT (€'m)							
Turnover		491	487	473	498	491	506
EBITDA (adjusted)		312	295	300	323	307	337
EBIT (adjusted)		182	164	167	195	182	204
PAT (adjusted)		119	121	120	129	116	111
PAT (reported)		114	122	127	103	117	103
BALANCE SHEET (€'m)							
Tangible Fixed Assets		2,520	2,517	2,514	2,502	2,528	2,537
Gross Debt		(1,173)	(1,192)	(1,186)	(1,172)	(1,176)	(1,142)
Net (Debt)/Cash		(1,038)	(1,036)	(1,094)	(1,028)	(1,022)	(1,010)
Pension Liabilities		(98)	(98)	(128)	(129)	(51)	(85)
Employee Related Liabilities		(2)	(0)	(0)	(3)	(3)	(3)
Net Assets		1,072	1,040	1,028	1,043	1,139	1,109
Invested Capital		2,471	2,494	2,436	2,438	2,475	2,512
CASHFLOWS (€'m)							
Net Cashflow from Operations		248	302	224	278	263	175
Gross Capital Expenditure		(120)	(127)	(144)	(135)	(100)	(94)
Net (Acquisitions)/Disposals Spend		191	20	(2)	1	2	934
Dividends Paid (normal)		(41)	(49)	(48)	(35)	(51)	(21)
Dividends Paid (special)		(108)	(90)	(100)	(100)	(100)	(150)
Dividends Paid (total)		(149)	(139)	(148)	(135)	(151)	(171)
EMPLOYEES							
Employee Numbers		927	981	927	904	909	914
Avg. Cost per Employee (see note ii)	€'000	96	103	100	93	94	87
Avg. Cost per Employee (see note iii)	€'000	73	77	75	73	71	70

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	37.1%	33.6%	35.2%	39.3%	37.1%	40.3%
Return on Invested Capital (ROIC)	6.5%	5.8%	6.0%	7.0%	6.4%	7.2%
LIQUIDITY						
Current Ratio (times)	0.7x	0.4x	0.9x	0.9x	0.6x	0.9x
Acid Test Ratio (times)	0.7x	0.4x	0.9x	0.9x	0.6x	0.9x
LEVERAGE						
Net Gearing (see note iv)	49%	50%	52%	50%	47%	48%
Net Gearing (see note v)	51%	52%	54%	53%	49%	50%
Net Debt/EBITDA (times)	3.3x	3.5x	3.6x	3.2x	3.3x	3.0x
EBITDA Interest Cover (times)	9.3x	13.4x	11.9x	7.6x	8.2x	5.3x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	34%	41%	38%	30%	46%	17%
Earnings (adjusted) growth	(0%)	0%	(6%)	11%	5%	(10%)

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		888	982	1,013	906	851	687
EBITDA (adjusted)		127	248	290	129	72	(107)
EBIT (adjusted)		71	166	221	69	29	(130)
PAT (adjusted)		53	136	196	54	17	(139)
PAT (reported)		53	136	196	54	17	(139)
BALANCE SHEET (€'m)							
Tangible Fixed Assets		1,666	2,647	2,072	1,638	1,235	737
Gross Debt		(798)	(885)	(825)	(974)	(945)	(362)
Net (Debt)/Cash		(753)	(823)	(809)	(917)	(890)	(325)
Pension Liabilities		(29)	(27)	(29)	(26)	(27)	(33)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		632	1,477	958	493	156	76
Invested Capital		1,070	1,761	1,400	1,094	773	320
CASHFLOWS (€'m)							
Net Cashflow from Operations		123	231	328	168	(56)	(59)
Gross Capital Expenditure		(529)	(624)	(489)	(471)	(511)	(548)
Net (Acquisitions)/Disposals Spend		(12)	1	1	(2)	(60)	-
Dividends Paid (normal)		-	-	-	-	-	-
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		-	-	-	-	-	-
EMPLOYEES							
Employee Numbers		593	836	752	592	495	289
Avg. Cost per Employee (see note ii)	€'000	77	88	84	73	73	67
Avg. Cost per Employee (see note iii)	€'000	64	71	66	62	62	60

Notes:

i. Key financial metrics are not presented for IW given its funding model.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

Energy for generations

KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS	IFRS
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		3,293	3,432	3,229	3,212	3,335	3,258
EBITDA (adjusted)		1,286	1,176	1,276	1,330	1,348	1,301
EBIT (adjusted)		546	455	490	597	635	552
PAT (adjusted)		284	207	213	353	366	280
PAT (reported)		143	60	(32)	186	286	215
BALANCE SHEET (€'m)							
Tangible Fixed Assets		10,558	10,755	10,005	10,439	10,873	10,717
Gross Debt		(4,936)	(5,144)	(4,758)	(4,887)	(5,109)	(4,783)
Net (Debt)/Cash		(4,686)	(4,915)	(4,377)	(4,524)	(4,975)	(4,639)
Pension Liabilities		(685)	(506)	(537)	(695)	(790)	(895)
Employee Related Liabilities		(135)	(108)	(112)	(143)	(145)	(166)
Net Assets		3,806	3,644	3,713	3,924	3,859	3,889
Invested Capital		9,738	9,641	9,822	9,977	9,681	9,567
CASHFLOWS (€'m)							
Net Cashflow from Operations		919	841	917	1,011	889	938
Gross Capital Expenditure		(835)	(907)	(791)	(771)	(786)	(920)
Net (Acquisitions)/Disposals Spend		(28)	(141)	-	-	-	-
Dividends Paid (normal)		(74)	(35)	(116)	(86)	(59)	(76)
Dividends Paid (special)		(84)	-	-	-	(214)	(208)
Dividends Paid (total)		(159)	(35)	(116)	(86)	(273)	(284)
EMPLOYEES							
Employee Numbers		7,543	7,874	7,790	7,597	7,305	7,149
Avg. Cost per Employee (see note ii)	€'000	87	89	90	88	86	85
Avg. Cost per Employee (see note iii)	€'000	75	76	77	76	74	72

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	16.6%	13.3%	15.2%	18.6%	19.0%	16.9%
Return on Invested Capital (ROIC)	5.0%	4.2%	4.4%	5.4%	5.8%	5.0%
LIQUIDITY						
Current Ratio (times)	1.0x	1.0x	1.1x	0.9x	0.9x	1.0x
Acid Test Ratio (times)	0.9x	0.9x	1.0x	0.9x	0.8x	0.9x
LEVERAGE						
Net Gearing (see note iv)	55%	57%	54%	54%	56%	54%
Net Gearing (see note v)	59%	60%	58%	58%	61%	59%
Net Debt/EBITDA (times)	3.7x	4.2x	3.4x	3.4x	3.7x	3.6x
EBITDA Interest Cover (times)	5.8x	5.6x	6.3x	6.3x	5.3x	5.6x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	22%	16%	33%	24%	21%	18%
Earnings (adjusted) growth	(10%)	(3%)	(40%)	(4%)	31%	(35%)

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

KEY FINANCIAL INFORMATION			FRS 102	FRS 102	FRS 102	FRS 102	FRS102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		189	199	193	192	183	177
EBITDA (adjusted)		48	47	48	54	47	45
EBIT (adjusted)		34	32	34	39	33	30
PAT (adjusted)		26	27	26	32	25	20
PAT (reported)		45	31	26	32	25	110
BALANCE SHEET (€'m)							
Tangible Fixed Assets		83	99	77	80	79	79
Gross Debt		-	-	-	-	-	-
Net (Debt)/Cash		178	220	220	177	146	126
Pension Liabilities		(121)	(77)	(87)	(161)	(126)	(152)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		158	236	212	129	131	84
Invested Capital		283	287	301	298	274	257
CASHFLOWS (€'m)							
Net Cashflow from Operations		53	52	68	60	42	42
Gross Capital Expenditure		(16)	(33)	(13)	(14)	(14)	(7)
Net (Acquisitions)/Disposals Spend		(5)	-	(3)	(8)	(3)	(11)
Dividends Paid (normal)		(7)	(7)	(9)	(7)	(7)	(5)
Dividends Paid (special)		(2)	(12)	-	-	-	-
Dividends Paid (total)		(10)	(19)	(9)	(7)	(7)	(5)
EMPLOYEES							
Employee Numbers		661	685	666	652	655	649
Avg. Cost per Employee (see note ii)	€'000	133	136	135	133	131	131
Avg. Cost per Employee (see note iii)	€'000	94	98	97	94	92	91

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	17.7%	15.9%	17.3%	20.6%	18.2%	16.7%
Return on Invested Capital (ROIC)	10.9%	9.9%	10.3%	12.6%	11.4%	10.2%
LIQUIDITY						
Current Ratio (times)	13.0x	13.0x	19.8x	12.1x	12.8x	7.3x
Acid Test Ratio (times)	13.0x	13.0x	19.8x	12.1x	12.8x	7.3x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	30%	28%	29%	30%	32%	30%
Earnings (adjusted) growth	13%	3%	(18%)	30%	21%	28%

Notes:

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ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

PORT of CORK
DEEPWATER MULTI-MODAL PORT

KEY FINANCIAL INFORMATION			FRS102	FRS102	FRS102	FRS102	FRS102
Year ended 31 December		**5yr avg.**	**2018**	**2017**	**2016**	**2015**	**2014**
INCOME STATEMENT (€'m)							
Turnover		30.5	35.4	31.5	29.6	29.8	26.4
EBITDA (adjusted)		8.8	9.3	10.0	8.5	9.3	6.8
EBIT (adjusted)		4.9	5.5	6.2	4.7	5.5	2.9
PAT (adjusted)		4.0	4.3	5.0	3.7	4.5	2.4
PAT (reported)		3.9	4.4	5.0	3.3	4.5	2.4
BALANCE SHEET (€'m)							
Tangible Fixed Assets		98.2	109.8	101.1	97.2	92.1	90.9
Gross Debt		(9.0)	(21.3)	(4.2)	(5.3)	(6.5)	(7.6)
Net (Debt)/Cash		8.0	0.4	7.7	12.1	12.9	7.0
Pension Liabilities		(10.0)	(8.7)	(9.1)	(11.0)	(7.5)	(13.5)
Employee Related Liabilities		(2.0)	(2.1)	(2.1)	(2.1)	(1.9)	(1.9)
Net Assets		74.8	81.9	78.6	73.2	74.4	65.7
Invested Capital		95.8	114.2	94.1	91.5	90.4	88.7
CASHFLOWS (€'m)							
Net Cashflow from Operations		7.4	6.6	8.2	6.2	10.1	6.1
Gross Capital Expenditure		(8.7)	(13.3)	(8.7)	(10.4)	(6.1)	(4.9)
Net (Acquisitions)/Disposals Spend		0.3	-	(0.0)	-	-	1.4
Dividends Paid (normal)		(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.5)
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.5)
EMPLOYEES							
Employee Numbers		129	144	134	128	121	116
Avg. Cost per Employee (see note ii)	€'000	82	90	81	81	82	79
Avg. Cost per Employee (see note iii)	€'000	68	73	66	68	67	66

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	16.1%	15.4%	19.6%	15.9%	18.5%	10.9%
Return on Invested Capital (ROIC)	4.6%	4.6%	5.8%	4.5%	5.4%	2.9%
LIQUIDITY						
Current Ratio (times)	3.8x	4.5x	2.7x	3.6x	3.7x	4.3x
Acid Test Ratio (times)	3.7x	4.4x	2.6x	3.5x	3.7x	4.2x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	21%	14%	19%	15%	27%	31%
Earnings (adjusted) growth	28%	(13%)	36%	(18%)	86%	49%

Notes:

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ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

Shannon Foynes
PORT COMPANY

KEY FINANCIAL INFORMATION			FRS102	FRS102	FRS102	FRS102	FRS102
Year ended 31 December		5yr avg.	2018	2017	2016	2015	2014
INCOME STATEMENT (€'m)							
Turnover		13.0	14.7	14.0	13.2	11.9	11.2
EBITDA (adjusted)		6.0	6.8	6.6	6.4	5.3	5.1
EBIT (adjusted)		4.3	4.8	4.8	4.7	3.7	3.6
PAT (adjusted)		3.4	3.9	3.9	3.9	2.9	2.6
PAT (reported)		3.5	3.9	3.9	3.9	2.9	2.7
BALANCE SHEET (€'m)							
Tangible Fixed Assets		55.3	58.3	59.0	55.9	56.6	46.7
Gross Debt		(13.1)	(10.7)	(12.7)	(14.3)	(16.3)	(11.3)
Net (Debt)/Cash		(7.6)	(6.1)	(9.0)	(6.9)	(11.0)	(5.2)
Pension Liabilities		(10.6)	(9.0)	(9.3)	(11.0)	(11.6)	(12.1)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		33.6	40.8	37.6	33.1	29.5	26.9
Invested Capital		57.7	61.2	60.2	58.8	57.8	50.4
CASHFLOWS (€'m)							
Net Cashflow from Operations		4.5	5.2	4.5	4.9	4.3	3.8
Gross Capital Expenditure		(4.8)	(2.5)	(6.5)	(1.7)	(11.3)	(1.8)
Net (Acquisitions)/Disposals Spend		-	-	-	-	-	-
Dividends Paid (normal)		(0.2)	(0.3)	(0.3)	(0.2)	(0.1)	-
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		(0.2)	(0.3)	(0.3)	(0.2)	(0.1)	-
EMPLOYEES							
Employee Numbers		40	43	40	37	40	40
Avg. Cost per Employee (see note ii)	€'000	87	88	89	95	83	78
Avg. Cost per Employee (see note iii)	€'000	68	69	69	74	66	62

KEY METRICS	5yr avg.	2018	2017	2016	2015	2014
PROFITABILITY & EFFICIENCY						
Operating Margin (EBIT adjusted)	32.9%	32.5%	34.3%	35.3%	31.0%	31.6%
Return on Invested Capital (ROIC)	6.6%	6.9%	7.1%	7.0%	5.9%	6.3%
LIQUIDITY						
Current Ratio (times)	2.6x	2.8x	2.0x	2.7x	2.2x	3.3x
Acid Test Ratio (times)	2.6x	2.8x	2.0x	2.7x	2.2x	3.3x
LEVERAGE						
Net Gearing (see note iv)	19%	13%	19%	17%	27%	16%
Net Gearing (see note v)	35%	27%	33%	35%	43%	39%
Net Debt/EBITDA (times)	1.3x	0.9x	1.4x	1.1x	2.1x	1.0x
EBITDA Interest Cover (times)	19.0x	24.4x	19.3x	15.7x	18.7x	17.0x
SHAREHOLDER RETURNS						
Dividend Payout (normal dividends)	5%	8%	6%	7%	4%	-
Earnings (adjusted) growth	8%	0%	1%	34%	9%	(7%)

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Net gearing excluding pensions and employee related liabilities.

v. Net gearing including pensions and employee related liabilities.

shannon GROUP

KEY FINANCIAL INFORMATION			IFRS	IFRS	IFRS	IFRS
Year ended 31 December		4yr avg.	2018	2017	2016	2015
INCOME STATEMENT (€'m)						
Turnover		70.7	77.8	72.2	67.2	65.6
EBITDA (adjusted)		9.1	12.7	9.3	7.6	6.9
EBIT (adjusted)		12.0	22.1	9.7	8.4	8.0
PAT (adjusted)		11.7	20.9	9.9	8.0	8.2
PAT (reported)		9.6	15.1	9.2	6.6	7.3
BALANCE SHEET (€'m)						
Tangible Fixed Assets		56.4	64.0	63.0	51.3	47.3
Investment properties		79.1	109.7	82.0	66.2	58.5
Gross Debt		(9.1)	(21.6)	(14.4)	(0.1)	(0.2)
Net (Debt)/Cash		13.7	(5.6)	4.4	25.7	30.2
Pension Liabilities		(0.8)	(0.6)	(0.8)	(1.1)	(0.7)
Employee Related Liabilities		(1.8)	(5.7)	(0.3)	(1.3)	-
Net Assets		133.6	151.3	136.1	126.7	120.2
Invested Capital		147.5	179.0	154.7	133.2	123.2
CASHFLOWS (€'m)						
Net Cashflow from Operations		6.7	9.0	7.5	7.9	2.2
Gross Capital Expenditure		(20.6)	(21.9)	(34.2)	(14.8)	(11.5)
Proceeds from the sale of assets		5.4	2.7	5.4	2.0	11.6
Net (Acquisitions)/Disposals Spend		-	-	-	-	-
Dividends Paid (normal)		-	-	-	-	-
Dividends Paid (special)		-	-	-	-	-
Dividends Paid (total)		-	-	-	-	-
EMPLOYEES						
Employee Numbers		497	499	509	499	481
Avg. Cost per Employee (see note iii)	€'000	58	59	58	56	58
Avg. Cost per Employee (see note iv)	€'000	50	50	50	48	50

KEY METRICS	4yr avg.	2018	2017	2016	2015
PROFITABILITY & EFFICIENCY					
Operating Margin (EBIT adjusted)	16.6%	28.3%	13.5%	12.5%	12.1%
Return on Invested Capital (ROIC)	2.8%	3.5%	2.5%	2.5%	2.5%
LIQUIDITY					
Current Ratio (times)	1.7x	1.1x	1.5x	2.0x	2.2x
Acid Test Ratio (times)	1.6x	1.1x	1.4x	1.8x	2.1x
SHAREHOLDER RETURNS					
Dividend Payout (normal dividends)	-	-	-	-	-

Notes:

i. Definitions of key financial metrics are set out in Appendix E. The financial metrics presented are applied by NewERA on a standardised basis across each of the Portfolio Companies. It is recognised by NewERA that the financial measures used by each Portfolio Entity and how they are calculated may differ. For example, each Portfolio Entity may have a formal dividend policy framework which provides for the calculation of the dividend payout metric on a different basis.

ii. A four-year average is presented above as 2014 was not a full 12-month period (the company was incorporated on 29 August 2014).

iii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iv. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

HEALTHCARE

KEY FINANCIAL INFORMATION			FRS	FRS	FRS	FRS	FRS
Year ended 31 December		**5yr avg.**	**2018**	**2017**	**2016**	**2015**	**2014**
INCOME STATEMENT							
Gross written premium		1,443	1,401	1,497	1,448	1,427	1,445
Total earned premium (net)		1,006	1,414	1,036	1,000	998	583
Gross claims paid		(1,327)	(1,328)	(1,329)	(1,353)	(1,378)	(1,248)
Total claims incurred (net)		(933)	(1,314)	(950)	(933)	(936)	(531)
Net operating expenses		(124)	(165)	(117)	(105)	(116)	(118)
Surplus on ordinary activities after tax		63	82	75	56	45	55
BALANCE SHEET							
Tangible Fixed Assets		38	65	45	28	26	28
Gross Debt		(28)	-	-	(51)	(90)	-
Net (Debt)/Cash		1	18	46	(29)	(52)	21
Pension Liabilities		(23)	(36)	(35)	(24)	(6)	(17)
Employee Related Liabilities		-	-	-	-	-	-
Net Assets		567	676	611	558	522	466
Invested Capital		1,397	1,649	1,541	1,345	1,325	1,123
CASHFLOWS							
Net Cashflow from Operations		44	6	122	45	(61)	111
Gross Capital Expenditure		(13)	(23)	(24)	(7)	(6)	(6)
Net (Acquisitions)/Disposals Spend		-	-	-	-	-	-
Dividends Paid (normal)		-	-	-	-	-	-
Dividends Paid (special)		-	-	-	-	-	-
Dividends Paid (total)		-	-	-	-	-	-
EMPLOYEES							
Employee Numbers		1,227	1,390	1,326	1,192	1,179	1,048
Avg. Cost per Employee (see note ii)	€'000	68	76	70	67	62	62
Avg. Cost per Employee (see note iii)	€'000	56	63	60	56	51	49

Notes:

i. Vhi's financial statements are prepared in accordance with FRS102 and FRS103 Insurance Contracts with the equivalent of its income statement being presented in a different format to the other Portfolio Companies. The standardised NewERA performance measures are therefore not currently presented for Vhi.

ii. Includes capitalised payroll, pension costs and social welfare costs and excludes exceptional costs (if any). Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

iii. Includes capitalised payroll and excludes exceptional costs (if any), social welfare costs and pension costs. Capitalised payroll included on a gross basis as breakdown is not available per published accounts.

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