

Results for Q2 2022

Dublin, 30 August 2022



Solid results in line with expectations.

Our strategy to build Ireland's best fibre and mobile networks continues to deliver, with fibre broadband up 2%, postpay mobile up 10% and multi-play bundling up 3pp year on year.

eir today announced its results for the second quarter 2022, which were in line with expectations. The total eir fibre broadband base increased by 2% year on year to 835,000 customers, and the eir postpay mobile base increased by 10% to 935,000 customers. Multi-play bundling accounted for 41% of eir fixed households, up 3 points year on year.

Underlying revenue¹ decreased by 3% in the quarter, while adjusted EBITDA declined by 12%, with continued streamlining of the cost base offset by additional costs as a result of the earlier acquisition of Evros.

Latest business updates ²



Customer Care: ComReg's most recent Consumer Line Statistics Report shows that complaints from mobile customers have fallen by over 91% since Q3 2020, while those from fixed-line service customers fell by over 88%, during the same period.



2.0 million premises passed by Ireland's largest fibre network, or **87%** of premises in Ireland.³ **864,000** premises now passed with FTTH across Ireland, up **28%** or **189,000**.



835,000 fibre broadband connections, up **2%** or **16,000**; now totalling **87%** of total broadband base. **41%** of customers on triple or quad-play bundles, up **3pp**.



5G network rollout continues to expand, with ultrafast data speeds in **485** towns and cities across Ireland.

Q2-22 trading snapshot ²



Broadband

▶ **958,000** broadband customers, down 1% or 12,000 YoY driven by retail.



Mobile

- ▶ **1.260m** total mobile customers, up **6%** or **68,000**.
- ▶ **935,000** postpay customers, up **10%** or **85,000**.
- ▶ **74%** of the mobile base is on postpay, up **3pp**.



eir TV

▶ **80,000** eir TV customers, down **4%** or **3,000**.⁴



Household bundling:

▶ **84%** of fixed consumer households are on bundles with two or more products, up **1pp**.

¹ Underlying revenues exclude Tetra sold March 2022, one-off strategic project revenues as well as the impact of IFRS 15 and IFRS 16 adjustments.

² Movements year on year unless otherwise stated.

³ Total premises in Ireland is based on an estimated total address points figure of 2.3 million, sourced from GeoDirectory.

⁴ eir TV base includes eir Vision subscribers.

Q2-22 financial snapshot ^{5,6}

- ▶ **Underlying Revenue**⁷: €296 million, down 3% or €12m
- ▶ **Underlying EBITDA**⁷: €141 million, down 12% or €19m
- ▶ **Operating costs**: €97 million, up 3% or €3m ⁸
- ▶ **Cash on balance sheet**: €37 million

Oliver Loomes, eir CEO, commented:

“At eir, we are committed to providing our customers with access to world leading technologies and the highest-quality connectivity. In recent years, spurred on by the pandemic, Ireland has been propelled through a digital transformation, with working, learning, and connecting all changed irrevocably. I am proud to say that eir is the largest investor of any telecoms company in this country, investing €250 million a year in upgrading our fixed and mobile networks. Through the expansion of 5G and fibre-to-the-home (FTTH) technologies, eir’s service offering has the capability to transform the lives of those who connect via our networks, ensuring greater accessibility, and the ability to work, live and connect anywhere in Ireland.

“We continue to make tangible and significant investments to improve the standard of care we provide for our customers. We have made huge progress and continue to transform eir’s care offering, we are consistently hiring and growing our customer care team, opening a fourth customer care hub in Waterford in recent months. We now provide more ways for customers to get the care they need through the implementation of dedicated customer care lines including one for those over 65 years of age, alongside improved benefits and additional training for care agents. Substantial improvements have been achieved thanks to the dedication of all our customer care teams and our commitment to improvement right across the business. The fruits of this work are visible in the most recent ComReg Consumer Line Statistics Report, which shows that the volume of complaints from mobile customers have fallen by over 91% since their height in Q3 2020, while those from fixed-line service customers fell by over 88%, during the same period. The journey is not over and, despite huge progress, we can and will go further. Our ambition is to ensure all eir customers enjoy a seamless customer care experience, where issues are resolved quickly and comprehensively.

“I must also commend the dedication of eir’s field force: dedicated and proud eir employees working tirelessly all across this country laying the ducts, pole, and cabling that are forming the veins of connectivity under Ireland. Bringing us together faster, allowing us to communicate, study, work, play, and shop with confidence through reliable speeds and lower latency. As of today, eir’s engineers have passed 864,000 of a targeted 1.9 million premises as part of our FTTH fibre rollout programme. Our rollout, combined with the National Broadband Plan, will make Ireland one of the most fibre-connected countries in the world. This will open this country to further innovation in how and where we live and work.

“Similarly, advancements of 5G mobile broadband remain a priority for the business. We now cover 485 towns and cities across Ireland. I am proud of the advancements eir has made in building Ireland’s most extensive 5G network. In addition to building the largest 5G network in the country, we have included 5G data in all bill pay plans and expanded 5G roaming to over 34 countries, including the UK. Whether travelling in Ireland or abroad, eir is doing more than anyone else to keep customers connected to superfast 5G connectivity.

“Investment and expansion across all foundational stones of our core business gives us the platform to achieve further success in the market. With unrivalled investment in the quality and coverage of both our mobile and FTTH broadband networks, coupled with our improved customer care experience, and the superb value offered by our product bundles, our offering to customers has never been more compelling or our outlook more promising.”

⁵ Movements year on year unless otherwise stated.

⁶ Financials in this document exclude the impact of IFRS 15 and IFRS 16 adjustments.

⁷ Underlying excludes Tetra sold March 2022 and one off strategic projects.

⁸ Operating costs exclude amortisation, depreciation, non-cash pension charge, management charge and exceptional items.



Stephen Tighe, eir CFO, commented:

“Our performance in the second quarter of 2022, to the end of 30 June 2022, was in line with expectations. We saw growth across the eir fibre broadband base and in total mobile customers, including the eir postpay mobile base, with a further increase seen in the multi-play bundling of eir fixed households.

“We have continued rolling out our fibre-to-the-home (FTTH) and 5G technologies as part of our €1 billion capital investment programme. Both our fibre rollout and our 5G networks continue to expand and continue at pace.

“With 1.9 premises expected to be passed with FTTH broadband by 2026, together with our rapid expansion in 5G network coverage, through this large-scale investment, we are well-positioned to expand our customer base through the offering of high quality, high value products over the coming years.”

Q2-22 trading performance

- ▶ Underlying Revenue⁹ of €296m for the second quarter to 30 June 2022 decreased by 3% or €12m year on year. Revenue growth in postpay, NBP access and bundling, as well as the addition of revenues from Evros was offset by a reduction in traditional access, traffic, content, roaming and build to suit network revenues as well as the sale of Tetra joint venture.
- ▶ Underlying EBITDA⁹ of €141m decreased by 12% or €19m year on year.
- ▶ Operating costs¹⁰ of €97m increased by 3% or €3m year on year. Non-pay costs increased by 10% or €5m, while pay costs decreased by 4% or €2m
- ▶ The Group broadband base totalled 958,000 customers at quarter end, decreasing by 1% or 12,000 year on year driven by a decline in retail customers of 3% or 11,000.
- ▶ Customers using fibre broadband services totalled 835,000 at quarter end, representing an increase of 2% or 16,000 customers year on year. 87% of the Group’s broadband base is now connected to eir’s fibre network, which represents a 42% penetration of total premises passed with eir fibre broadband.
- ▶ The Group mobile base stood at 1.260m customers at quarter end, an increase of 6% or 68,000 year on year. The Group’s postpay base increased by 10% or 85,000 subscribers year on year. Postpay subscribers now represent 74% of the total mobile base, an increase of 3 points year on year.

In summary, the Group has delivered solid financial and operational results for the second quarter to 30 June 2022, in line with expectations.

ENDS

⁹ Underlying Revenue and EBITDA are before IFRS 15 and 16 adjustments and excludes Tetra sold March 2022 and one off strategic projects.

¹⁰ Operating costs are before IFRS 15 and 16 adjustments as well as non-cash pension charges, fair value lease credits and management charge



For more information on our results visit:

eir.ie/investorrelations

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About eir

eir is the largest provider of fixed line telecommunications services in Ireland, offering broadband, voice, TV, and data services to residential, small business, enterprise and government segments.

eir is the third largest mobile operator in Ireland in terms of revenue and customers. The company operates the eir mobile and GoMo services.

eir's wholesale division, open eir, is the largest wholesale telecommunications operator in Ireland, providing products and services to national and international wholesale customers across a range of regulated and unregulated markets.

The Group generated reported revenue of €1.264 billion and adjusted EBITDA of €632 million in 2021.¹¹

¹¹ Excludes the impact of IFRS 15 and IFRS 16 adjustments.