



# Results for Q3 2022

Dublin, 15 November 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 2pp year on year.

eir today announced its results for the third quarter 2022, which were in line with expectations. The total eir fibre broadband base increased by 2% year on year to 840,000 customers, and the eir postpay mobile base increased by 10% to 960,000 customers. Multi-play bundling accounted for 43% of eir fixed households, up 4 points year on year.

Underlying revenue<sup>1</sup> decreased by 1% in the quarter, while adjusted EBITDA was flat YoY with continued streamlining of the cost base offset by additional costs as a result of the earlier acquisition of Evros.

## Latest business updates <sup>2</sup>



**Customer Care:** ComReg complaints have decreased by 40% in the last 12 months and are currently the lowest on record for eir since reporting began in 2015.



**2.0 million** premises passed by Ireland's largest fibre network, or **88%** of premises in Ireland.<sup>3</sup> **925,000** premises now passed with FTTH across Ireland, up **29%** or **210,000**.



**840,000** fibre broadband connections, up **2%** or **17,000**; now totalling **88%** of total broadband base. **43%** of customers on triple or quad-play bundles, up **2pp**.



**5G network rollout continues to expand**, with ultrafast data speeds in **510** towns and cities across Ireland.

## Q3-22 trading snapshot <sup>2</sup>



### Broadband

▶ **957,000** broadband customers, down 1% or 10,000 YoY driven by wholesale.



### Mobile

- ▶ **1.295m** total mobile customers, up **7%** or **89,000**.
- ▶ **960,000** postpay customers, up **10%** or **91,000**.
- ▶ **74%** of the mobile base is on postpay, up **2pp**.



### eir TV

▶ **82,000** eir TV customers, down **2%** or **1,000**.<sup>4</sup>



### Household bundling:

▶ **85%** of fixed consumer households are on bundles with two or more products, up **2pp**.

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

<sup>2</sup> Movements year on year unless otherwise stated.

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

<sup>4</sup> eir TV base includes eir Vision subscribers.



### Q3-22 financial snapshot <sup>5,6</sup>

- ▶ **Underlying Revenue**<sup>7</sup>: €293 million, down 1% or €4m
- ▶ **Underlying EBITDA**<sup>7</sup>: €139 million, flat QoQ
- ▶ **Operating costs**: €100 million, down 2% or €2m <sup>8</sup>
- ▶ **Cash on balance sheet**: €659 million

### Oliver Loomes, eir CEO, commented:

“2022 continued to be a solid year for eir as we build on our strategy to provide Ireland with world-class future-proofed connectivity infrastructure. There are now more than 2 million premises passed by Ireland’s largest fibre network and more than 925,000 passed by the rollout of eir’s fibre-to-the-home (FTTH) network. This means more homes and businesses across Ireland have access to high-speed broadband connections than ever before, powering endless possibilities for a truly connected Ireland. The Covid-19 pandemic has so fundamentally changed how we live and work and enabling our customers to stay connected wherever they choose to live, work, learn and entertain is our number one priority.

The pace of our FTTH network roll-out is something we are really proud of and we look forward to hitting the major one million milestone early next year. None of this would be possible without the tireless work of our fibre build team, working every day to connect for a better Ireland.

We are committed to continuing to invest in our people to ensure we have the best talent in place to continue building and maintaining Ireland’s largest fibre network into the future. As well as investment to support our technicians and field teams, eir has continued to invest heavily in our customer care throughout 2022 and I’m pleased to see ComReg’s most recent Consumer Line Statistics Report showing a significant improvement in our customer service. We will continue to build on this progress into 2023 with the aim of ensuring all eir customers enjoy a seamless customer care experience, where issues are resolved quickly and comprehensively.

eir has and will continue to make significant investments in our infrastructure, we invest €250m annually to ensure we have world-class technologies and the highest-quality connectivity available to our customers. Enhanced technologies like eir’s 5G network is now available in 510 towns and cities across Ireland and the roll out of our 5G network will continue bringing ultrafast data speeds to even more homes and businesses.

Our future focus also includes a dedicated programme to install a nationwide network of electric vehicle chargers in partnership with EasyGo. To date we have committed to delivering more than 70 installs through partnerships with eight county councils, which benefit not only the local communities, but also those travelling through these areas. The rapid EV charging units are replacing unused eir payphone kiosks and are an excellent example of the extent to which eir has evolved, and continues to transform to meet the changing needs of our society.”

<sup>5</sup> Movements year on year unless otherwise stated.

<sup>6</sup> Financials in this document exclude the impact of IFRS 15 and IFRS 16 adjustments.

<sup>7</sup> Underlying excludes Tetra sold March 2022 and one off strategic projects.

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



### Stephen Tighe, eir CFO, commented:

“Our performance in the third quarter of 2022, to the end of 30 September 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 1.9m premises expected to be passed with FTTH broadband by end of 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.”

### Q3-22 trading performance

- ▶ Underlying Revenue<sup>9</sup> of €293m for the third quarter to 30 September 2022 decreased by 1% or €4m 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, and other mobile revenue.
- ▶ Underlying EBITDA<sup>9</sup> of €139m was flat year on year.
- ▶ Operating costs<sup>10</sup> of €100m decreased by 2% or €2m year on year. Non-pay costs decreased by 9% or €5m, while pay costs increased by 7% or €3m
- ▶ The Group broadband base totalled 957,000 customers at quarter end, decreasing by 1% or 10,000 year on year driven by a decline in wholesale customers of 1% or 6,000.
- ▶ Customers using fibre broadband services totalled 840,000 at quarter end, representing an increase of 2% or 17,000 customers year on year. 88% of the Group’s broadband base is now connected to eir’s fibre network, which represents a 41% penetration of total premises passed with eir fibre broadband.
- ▶ The Group mobile base stood at 1.295m customers at quarter end, an increase of 7% or 89,000 year on year. The Group’s postpay base increased by 10% or 91,000 subscribers year on year. Postpay subscribers now represent 74% of the total mobile base, an increase of 2 points year on year.

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

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

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



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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.<sup>11</sup>

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<sup>11</sup> Excludes the impact of IFRS 15 and IFRS 16 adjustments.