

**AN POST
SUMMARY
REGULATORY
FINANCIAL
STATEMENTS 2016**

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These Summary Regulatory Financial Statements are an extract from the 2016 Regulatory Financial Statements.

REGULATORY ACCOUNTS SUMMARY

Income Statement for Universal Service Mails and Business Segment

	USO		Non USO		Total Mails	
	2016 '000	2015 '000	2016 '000	2015 '000	2016 '000	2015 '000
Volumes	331,759	349,492	235,347	230,763	567,106	580,255
	2016 €'000	2015 €'000	2016 €'000	2015 €'000	2016 €'000	2015 €'000
Revenue	328,383	336,821	218,599	203,218	546,982	540,039
Total Expenditure	(369,721)	(369,112)	(209,571)	(196,188)	(579,292)	(565,300)
Profit/(Loss)	(41,338)	(32,291)	9,028	7,030	(32,310)	(25,261)

USO Performance

An Post is designated in the Postal legislation as the National Postal Universal Service provider. This involves the fulfilment of an every working day mail service to every household in the country.

There are significant costs associated with the provision of the USO, many of which are fixed in nature. In 2016 the USO loss recorded is €41.3m. This is funded by revenue from other income streams. Arising from structural changes in the postal industry, led mainly by reduced volume and e-substitution, there is a decline in mail volumes and the financial consequence is a loss arising from the provision of the Universal Service.

National Governments have a variety of funding structures to adapt to this reality. The An Post Company is working with stakeholders to address the medium term funding requirements for the company arising from its obligations as the National Universal Service postal provider. In March 2017 legislation was changed to allow An Post move tariffs to better reflect the cost of providing the USO.

USO Volumes and Revenues

Domestic and International Outbound stamped and metered volumes are derived from revenue based on a Sampling Plan. This plan was designed by PricewaterhouseCoopers in accordance with the relevant standard (IS:EN 13850:2012).

Mails revenue in 2016 is 1.3% higher than 2015, mainly due to income from elections in 2016, offset by the continued decline in traditional mail volumes. The decline experienced by An Post in 2016 is further evidence of the continuing global decline in traditional mail volumes.

Price

In July of 2016, prices in the Universal Services area were increased in line with the Price Cap Mechanism as detailed at Section 30 of the Communications Regulation (Postal Services) Act 2011 and ComReg Document 14/59. The increases implemented moved the first price point on the domestic letter service from 70c to 72c, still well below the European average. Prices in the Mails Non USO area were also increased in July 2016. On 13 April 2017, the first price point on the domestic letter service was moved from 72c to €1 to better reflect the cost of providing the USO.

UNIVERSAL SERVICE

The Communications Regulation (Postal Services) Act 2011 ('the Act') was enacted in August 2011.

Requirements of the Universal Service Obligation ('USO')

Under Section 17 of the Act, An Post is designated as the Universal Postal Service Provider for a period of 12 years until August 2023.

Under Section 16 of the Act, "Universal Postal Service" means that on every working day, except in such circumstances or geographical conditions deemed exceptional by ComReg, there is at least:

- (i) one clearance, and
- (ii) one delivery to the home or premises of every person in the State or, as ComReg considers appropriate, under such conditions as it may determine from time to time, to appropriate installations.

The following services are provided:

- (a) the clearance, sorting, transport and distribution of postal packets up to 2kg in weight;
- (b) the clearance, sorting, transport and distribution of postal parcels to a weight limit to be specified by order of ComReg (or in the absence of this 20kg). ComReg has decided not to use its power to change the maximum weight limit of 20kg but will keep this under review;
- (c) the sorting, transportation and distribution of parcels from other Member States of the European Union up to 20kg in weight;
- (d) a registered items service;
- (e) an insured items service within the State and to and from all countries which, as signatories to the Universal Postal Convention of the Universal Postal Union, declare their willingness to admit such items whether reciprocally or in one direction only; and
- (f) postal services free of charge to blind and partially sighted persons.

As required by Section 16(9) of the Act, in July 2012 ComReg made regulations specifying the services to be provided by An Post relating to the provision of the universal postal service. The Communication Regulation (Universal Postal Services) Regulations, S.I. 280 of 2012 which sets out these services is available on www.irishstatutebook.ie or www.comreg.ie.

The terms and conditions of Universal Services are available on www.anpost.ie

Access to Universal Services

An Post provides access to its services through its network of 50 Company post offices and 1,075 Contract post offices. In addition, some 957 retail premises are licensed to sell postage stamps, as active licensed agents. To facilitate physical access to the service, approximately 5,700 post boxes, including Meter Post Boxes and those located in Delivery Service Units, are distributed widely throughout the State. There are 43 designated acceptance points for bulk mail services.

Tariffs

The following is a summary of the prices for standard services weighing up to 100g which were applicable since 13 April 2017.

	Ireland & NI	
	Standard Post	Registered Post*
Letters (up to C5)	€1.00 90c if item bears a franking impression	€7.00
Large Envelopes	€1.65 €1.55 if item bears a franking impression	€7.00
Packets	€3.30 €3.10 if item bears a franking impression	€7.00
Parcels	€8.00	€12.00

*The fee payable for the basic registered service covers compensation up to a maximum of €320. Further compensation (non Universal Service) up to a limit of €1,500 is available for €4.50 and up to a limit of €2,000 for €5.50 based on declared value at time of posting.

	International Destinations	
	Standard Post	Registered Post*
Letters (up to C5)	€1.35	€7.50
Large Envelopes	€2.50	€8.50
Packets	€4.50	€10.75
Parcels		
Great Britain	€22.50	€30.00
Rest of World	€28.00	€36.00

*Availability of service dependent on postal administration in destination country. Compensation up to €320 in GB; €150 in Europe; €100 for parcels and €35 for letters outside Europe. A full list of current USO tariffs is available in the Guide to Postal Rates (see www.anpost.ie).

Note: The Communications Regulation (Postal Services) (Amendment) Act 2017¹ was passed by the Houses of the Oireachtas on 15 March 2017, this legislation repeals the price cap mechanism set out under Section 30 of the 2011 Act.

¹www.irishstatutebook.ie/eli/2017/act/3/enacted/en/print.html

Quality of Service

International

The quality performance standard for the delivery of intra-Community cross-border mail was laid down in the Postal Directives (97/67/EC as amended) and is included in Schedule 3 of the Act. The quality standard for postal items of the fastest standard category is as follows:

D+3: 85% of items; D+5: 97% of items, where D refers to the day of posting.

Domestic

The Act requires ComReg to set quality-of-service standards for domestic universal service mail which must be compatible with those for intra-Community cross-border services. ComReg have set a quality-of-service target for domestic single piece priority mail as follows:

D+1: 94% D+3: 99.5%, where D refers to the day of posting.

Customer Complaints

An Post is required to maintain records of customer complaints taking into account the relevant European standard IS: EN 14012:2003. The table provides, in relation to mail, a breakdown of written complaints received from customers during 2016. The total continues to represent a minute fraction of the entire mail traffic handled during the year.

Written complaints received from customers	2016	2015
Items lost or substantially delayed	17,127	18,891
Items damaged	1,390	1,441
Items arriving late	508	401
Mail collection or delivery:		
Time of delivery	-	-
Failure to make daily delivery to home or premises	36	33
Collection times/Collection failures	1	1
Misdelivery	599	470
Access to customer service information	8	8
Underpaid mail	15	40
Tariffs for single piece mail/discount schemes and conditions	-	-
Change of address (Redirections)	584	464
Behaviour and competence of postal personnel	22	21
How complaints are treated	1	8
Other (not included in above)	2,050	1,391
Total	22,341	23,169

Included in the total figure are complaints about registered items, which number 5,278, (2015: 4,962).

In 2016, there were 616,718 telephone calls, (2015: 524,154) made to An Post Customer Services. Most of these were routine or general enquiries rather than complaints.

ComReg has issued Guidelines for Postal Service Providers on Complaints and Redress Procedures (see ComReg document 14/06 on www.comreg.ie). An Post Complaint and Dispute Resolution Procedures are set out in 'Getting it Sorted', which is available on our website, in retail outlets, and from our Customer Services Centre.

We also have a Customer Charter, containing specific pledges to customers regarding our services, which is also available on our website; www.anpost.ie.

Further Information

Additional information in relation to services provided by An Post is available by phoning An Post Customer Services on CallSave 1850 57 58 59, by email at customer.services@anpost.ie, by visiting www.anpost.ie, or by calling into any post office.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of An Post is responsible for the preparation of Regulatory Financial Statements as required by the Communications Regulation (Postal Services) Act, 2011 ('the Act') and the Accounting Direction issued by ComReg ('the Direction'). These Regulatory Financial Statements have been prepared in accordance with the Regulatory Accounting Principles and Basis of Preparation set out on pages 7 to 8.

The Directors confirm that, in preparing the Regulatory Financial Statements:

- The Regulatory Financial Statements have been prepared using accounting systems operating on the basis of objectively justifiable cost accounting principles that assign cost and revenue data to products
- Costs and revenues have been directly allocated to products as far as practicable. Common operational costs that cannot be directly assigned are attributed to products using appropriate cost drivers as required in the Direction. In line with the activity based costing approaches, estimates are required and have been applied. Where there is no obvious driver to assign overhead costs to products, a general allocator is used to assign the costs
- The Regulatory Financial Statements, in all material respects, fairly present the profits and losses attributable to the individual services in accordance with the Regulatory Accounting Principles and Basis of Preparation set out on pages 7 to 8, and have been properly prepared in accordance with the Regulatory Accounting Principles and Basis of Preparation.
- The Regulatory Financial Statements are based on the financial records of the business and have been reconciled to the audited An Post Statutory Accounts

In addition, the Directors are responsible for the design and implementation of procedures and processes appropriate to enable them to prepare Regulatory Financial Statements in accordance with the Regulatory Accounting Principles and Basis of Preparation, which have been designed to meet the requirements of the Act and the Direction. These procedures and processes have been documented in the Accounting Manual.

Signed on behalf of the Board of An Post

Dermot Divilly, Director
David McRedmond, Director

27 April 2017

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY REGULATORY FINANCIAL STATEMENTS TO THE DIRECTORS OF AN POST AND COMREG

Independent Auditor's report to the Directors of An Post ('the Company') and the Commission for Communications Regulation ('ComReg', 'the Regulator') on the Summary Regulatory Financial Statements

Opinion

The summary financial statements for the year ended 31 December 2016, which comprise the regulatory income statements, the regulatory balance sheet and the related notes are derived from the audited Regulatory Financial Statements of An Post for the year ended 31 December 2016.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with those Regulatory Financial Statements, on the basis described on page 7.

Summary Financial Statements

The Summary Financial Statements do not contain all the disclosures required by the Communications Regulation (Postal Services) Act, 2011 ('the Act') and the 2006 Accounting Direction issued by ComReg (the 'Direction'). Reading the Summary Financial Statements, therefore, is not a substitute for reading the audited Regulatory Financial Statements of An Post. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to that date of our report on the audited financial statements.

Our opinion is provided solely for the purpose of reporting to the Directors and Regulator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our work, for this statement, or for the opinions we have formed.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited regulatory financial statements in our report dated 27 April 2017.

Directors' Responsibility for the Summary Financial Statements

The Directors' responsibilities for preparing the Regulatory Financial Statements in accordance with the Regulations and the Direction are set out in the Statement of Responsibilities on page 5. The Directors are responsible for the preparation of a summary of the audited financial statements on the basis described on page 7.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."

Our opinion on the Regulatory Financial Statements is separate from our opinion on the statutory accounts of the Company on which we expressed an unqualified audit opinion on 27 April 2017, which are prepared for a different purpose. Our audit report in relation to the statutory

accounts of the Company (our statutory audit) was made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our statutory audit work was undertaken so that we might state to the Company's members those matters we are required to state to them in a statutory auditor's report and for no other purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Company and the Company's members as a body, for our statutory audit work, for our statutory audit report, or for the opinions we have formed in respect of that statutory audit.



KPMG

Chartered Accountants, Statutory Audit Firm

1 Stokes Place
St. Stephen's Green
Dublin 2

27 April 2017

REGULATORY ACCOUNTING PRINCIPLES AND BASIS OF PREPARATION

Obligation to produce the Regulatory Financial Statements

The legal background to the accounting requirements placed on An Post as a Universal Services Provider is contained in the following two documents:

- Section 31 of the Communications Regulation (Postal Services) Act, 2011 ('the Act')
- Direction on the Accounting systems of An Post issued by ComReg on 8 December 2006 (the 'Direction')

General

The Regulatory Financial Statements are based on the financial records of the business and are reconciled to the operating profit and the Balance Sheet as reported in the An Post Statutory Accounts on which the Auditors have expressed an unqualified opinion. The Regulatory Financial Statements have been prepared in accordance with the accounting policies as set out on pages 22 to 28 of the An Post Statutory Accounts 2016 unless otherwise stated.

The Regulatory Accounts have been prepared adopting the following principles:

- Policies as documented in the Accounting Manual, which reflects the requirements of the Direction
- Accounting Policies for the Income statements are consistent with EU IFRS as applied in the An Post Statutory Accounts.

In cases of conflict the principles as documented in the Accounting Manual prevail.

Basis of Preparation of Summary Regulatory Financial Statements

The Summary Regulatory Financial Statements are an extract from the 2016 Regulatory Financial Statements. They have been prepared for publication in line with Section 31 of the Communications Regulation (Postal Services) Act 2011 ('the Act'). The form and content of these Summary Regulatory Financial Statements have been agreed with ComReg and include:

- Income Statement for Universal Service and Mails Business Segment
- Income Statement for each Business Segment
- Summary Income Statement for Mails Business Segment
- Summary Income Statement for each Universal Service
- Notes to Summary Regulatory Financial Statements

Accounting Manual

An Post prepares and submits an Accounting Manual to ComReg on an annual basis in line with the requirements set down by ComReg in the Direction.

Under the Direction, An Post is required to:

- document in an Accounting Manual the procedures and policies being used in the preparation of its Regulatory Financial Statements
- document in the Accounting Manual the procedures undertaken to establish the processes used to identify revenues and mail volumes, by service

- review the Accounting Manual annually
- make the Accounting Manual subject to review by a competent body as and when required by ComReg

Accounting Records

Processes have been developed and estimates have been applied in determining the assignment of costs and revenues to products. The records are not those that would exist if each of the Services was carried on by a separate business.

This is consistent with the records supporting the production of previous Regulatory Financial Statements.

General Principles

Income Statements by product have been prepared by applying activity based costing methods and principles to the financial records of the business to assign costs. The resulting statements present the fully allocated costs of products.

Costs have been directly assigned to products as far as practicable. Common operational costs that cannot be directly assigned are attributed to products using appropriate cost drivers in line with the Direction. Where no appropriate driver is identified, costs are allocated to products using a general allocator. As with any activity based costing methodology, estimates and judgements are required and have been applied in order to comply with the requirements of the Direction.

The Regulatory Financial Statements have been prepared on a consistent basis from year to year.

Income Statements

Revenue is made up of external income plus internally recognised income for core services (supplied within the Company). Revenue is assigned directly to the appropriate product, with the exception of stamp and meter revenue. Stamp and meter revenue is assigned to An Post products by applying a statistical analysis of mail stream characteristics. The revenue from value added products is calculated from the volumes recorded by the Track and Trace system.

Postage income is recognised as sales are made, with an adjustment for stamps sold and unused, and balances in postage meter machines unused at the year end.

Volumes

Volumes are a key driver in the allocation of costs.

Revenue derived traffic methodology, based on reported revenues and sampling, have been used as the basis for measuring domestic and outbound international stamped and metered traffic volumes. The Sampling Plan is designed to meet the requirements of the Accounting Direction.

Non stamped and metered traffic (namely account traffic volumes) are primarily sourced from billing or track and trace systems.

REGULATORY ACCOUNTING PRINCIPLES AND BASIS OF PREPARATION CONTINUED

Inbound international traffic volumes are determined by applying a statistically derived items per kilo (IPK) to the weight of mail received from international destinations.

Operating costs

For the purposes of the Regulatory Financial Statements, pay and non pay costs are separately identified and within each heading are further categorised between Revenue Collection, Collection, Outward Sorting, Transport, Inward Sorting and Preparation and Delivery.

Activity analysis

The hours worked by operational staff in performing their daily duties are recorded by work activity in a database that reconciles to the payroll system. This facilitates Pay costs to be assigned to activities based on the time spent by staff on specific activities. Other costs have been assigned to activities by the use of appropriate drivers.

Internal Trading and Transfer Charging

An Post operates in different businesses and internal trading occurs where one business makes use of another's services. Transfer charges are raised for internal trading and eliminated on consolidation. Charges made for core services provided by the Mails business to other parts of the Company are accounted for within revenue, whilst charges incurred by An Post Mails business for other services are accounted for within other operating charges.

Disposal of property, plant and equipment

Profits and losses on the sale of properties have been assigned to non-letters services (i.e. excluded from the Regulatory Financial Statements total).

Excluded items

Items below (Operating profit/loss – continuing operations) are excluded from the Regulatory Financial Statements. These items include:

- Exceptional items as noted in the Statutory Accounts
- Other Finance Income (net)
- Taxation

In addition, items included in the Operating profit/loss – continuing operations in the An Post Statutory Accounts are excluded from the Regulatory Accounts if they are not relevant to the accounting period. Where items relating to the immediately preceding year are excluded from the current year, the prior year comparatives will not be restated.

Other items may be excluded, following a case by case review, in order to ensure that the Regulatory Financial Statements are in compliance with the Direction. These items will be explained in the Notes to the Accounts.

Comparatives

The restatement of comparative figures is only required in the event of a material error or a material change in

accounting policy, as is the case with the Statutory Financial Statements.

Regulatory Accounts by their nature make use of estimation and sampling techniques. Improvements continue to be made in these areas resulting in more robust financial data. Comparatives are not restated as a result of changes in these techniques, except in the case of a material error.

Reconciliation to Statutory Accounts

As certain items are excluded from the Regulatory Financial Statements, a reconciliation of both Revenue and Profit/Loss to the Statutory Accounts is prepared.

Statement of Net Assets

Assets and Liabilities specifically related to one Business Segment are recorded in the Statement of Net Assets of that Business Segment. Assets and Liabilities not wholly and exclusively related to one particular Business Segment are divided between Business Segments based on usage.

Inter company debtors and creditors, netted off in preparing the Statutory Accounts are shown gross in the Statement of Net Assets.

Certain items are not divided between Business Segments, but rather, are shown as reconciling items between the Statement of Net Assets and the Balance Sheet included in the Statutory Accounts. The excluded items are goodwill, investment in joint venture, cash, provision for charges, the pension liability (IAS 19) and other items specifically excluded from the Regulatory Financial Statements. Similarly, the inter company debtors and creditors shown gross in the Statement of Net Assets are excluded to reconcile to the Statutory Accounts.

Cash Flow Statement

A Cash Flow Statement is not included with these Accounts as there is no requirement to do so within the Direction.

INCOME STATEMENT FOR UNIVERSAL SERVICE AND MAILS BUSINESS SEGMENT

	Year Ended 31 December 2016			Year Ended 31 December 2015		
	USO	Non USO	Total	USO	Non USO	Total Mails
Volumes ('000s)	331,759	235,347	567,106	349,492	230,763	580,255
Revenue	€'000	€'000	€'000	€'000	€'000	€'000
Payroll Costs	328,383	218,599	546,982	336,821	203,218	540,039
Non Payroll Costs	268,906	148,163	417,069	266,039	141,164	407,203
Total Expenditure	100,815	61,408	162,223	103,073	55,024	158,097
Total Operating Profit/(Loss)	369,721	209,571	579,292	369,112	196,188	565,300
	(41,338)	9,028	(32,310)	(32,291)	7,030	(25,261)

Note – Volumes stated refer to addressed volumes.

INCOME STATEMENT FOR EACH BUSINESS SEGMENT

	Notes	Mails		Retail		Subsidiaries & Other Activities		Inter-Segment Transactions		Adjustments between Regulatory & Statutory Financial Accounts		Group Operating Results – continuing operations (as per An Post's Statutory Financial Accounts)	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue													
External Revenue	1	526,440	523,291	161,657	164,131	136,155	135,047	–	–	1,400	3,600	825,652	826,069
Inter-segment revenue		20,542	16,748	30,414	33,576	106,153	96,869	(157,109)	(147,193)	–	–	–	–
Segment Revenue		546,982	540,039	192,071	197,707	242,308	231,916	–	–	–	–	–	–
Expenditure													
Operating Costs:													
External costs	2	475,810	468,241	142,211	145,248	215,227	208,518	–	–	6,100	(1,100)	839,348	820,907
Inter-segment costs		95,597	89,387	36,452	35,917	14,891	11,824	(146,940)	(137,128)	–	–	–	–
Corporate Overheads		7,885	7,672	2,284	2,393	–	–	(10,169)	(10,065)	–	–	–	–
Total Expenditure		579,292	565,300	180,947	183,558	230,118	220,342	–	–	–	–	–	–
Net Segment Operating Profit/(Loss)	3	(32,310)	(25,261)	11,124	14,149	12,190	11,574	–	–	(4,700)	4,700	(13,696)	5,162

BALANCE SHEET FOR EACH BUSINESS SEGMENT

	Notes	Mails		Other and Excluded Items		Consolidation Adjustments		Group Balance Sheet (as per An Post's Statutory Financial Accounts)	
		2016	2015	2016	2015	2016	2015	2016	2015
Statement of Net Assets		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Non-current assets	4	197,169	213,565	95,357	80,768	–	–	292,526	294,333
Trade and other receivables	5	28,314	31,799	156,214	155,558	(79,568)	(74,757)	104,960	112,600
Cash		–	–	403,833	481,424	–	–	403,833	481,424
Creditors (<1 year)	6	(81,582)	(85,973)	(555,242)	(615,882)	79,568	74,757	(557,256)	(627,098)
Net Current (Liabilities)/Assets		(53,268)	(54,174)	4,805	21,100	–	–	(48,463)	(33,074)
Creditors (>1 year)	7	(21,302)	(16,216)	(6,892)	(7,185)	–	–	(28,194)	(23,401)
Provisions for Charges		–	–	(28,810)	(33,524)	–	–	(28,810)	(33,524)
Pension Liability		–	–	(283,381)	(169,203)	–	–	(283,381)	(169,203)
Net Assets		122,599	143,175	(218,921)	(108,044)	–	–	(96,322)	35,131
Reconciliation to Equity and Reserves									
Called-up share capital		–	–	68,239	68,239	–	–	68,239	68,239
Other capital reserves		–	–	474	2,031	–	–	474	2,031
Retained earnings & Non-controlling interests		–	–	(165,035)	(35,139)	–	–	(165,035)	(35,139)
Total Equity		–	–	(96,322)	35,131	–	–	(96,322)	35,131

SUMMARY INCOME STATEMENT FOR MAILS BUSINESS SEGMENT – USO

All Geographical Segments	Universal Services										Note 1 – Other USO Services		Total USO	
	Letters		Flats		Packets		Parcels		Registered		2016	2015	2016	2015
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	€'000	€'000	€'000	€'000
Volume ('000s)	278,979	293,903	30,137	30,953	13,745	16,242	1,536	1,397	7,362	6,997	–	–	331,759	349,492
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	42,642	45,513	8,400	8,389	19,406	19,306	16,863	15,548	26,145	24,668	3,696	3,933	117,152	117,357
Allocated using Sampling	134,653	135,614	33,256	33,570	31,730	40,463	–	–	9,972	8,086	–	–	209,611	217,733
Total Segment Revenue	177,295	181,127	41,656	41,959	51,136	59,769	16,863	15,548	36,117	32,754	3,696	3,933	326,763	335,090
Inter-segment revenue	229	229	–	–	–	–	–	–	1,387	1,498	4	4	1,620	1,731
Service Revenue	177,524	181,356	41,656	41,959	51,136	59,769	16,863	15,548	37,504	34,252	3,700	3,937	328,383	336,821
Total Direct Costs	23,541	22,830	4,792	4,889	8,916	9,032	2,824	3,771	16,116	19,133	1,095	1,312	57,284	60,967
Total Indirect Costs	129,796	127,521	24,251	23,641	29,063	32,867	8,403	8,153	16,200	14,734	30	29	207,743	206,945
Total Common Costs	62,856	59,474	11,095	10,468	13,923	14,786	4,153	4,038	12,330	12,130	337	304	104,694	101,200
Service Expenditure	216,193	209,825	40,138	38,998	51,902	56,685	15,380	15,962	44,646	45,997	1,462	1,645	369,721	369,112
Net Segment Profit/(Loss)	(38,669)	(28,469)	1,518	2,961	(766)	3,084	1,483	(414)	(7,142)	(11,745)	2,238	2,292	(41,338)	(32,291)

Note 1 – Other Services include Redirections, MailMinder & PO Boxes.

SUMMARY INCOME STATEMENT FOR MAILS BUSINESS SEGMENT CONTINUED – NON USO

All Geographical Segments	Total Non USO		Mails Results	
	2016	2015	2016	2015
Volume ('000s)	235,347	230,763	567,106	580,255
Revenue	€'000	€'000	€'000	€'000
Directly Attributable	199,677	188,201	316,829	305,558
Allocated using Sampling	–	–	209,611	217,733
Total Segment Revenue	199,677	188,201	526,440	523,291
Inter-segment revenue	18,922	15,017	20,542	16,748
Service Revenue	218,599	203,218	546,982	540,039
Total Direct Costs	32,749	24,977	90,033	85,944
Total Indirect Costs	111,048	111,490	318,791	318,435
Total Common Costs	65,774	59,721	170,468	160,921
Service Expenditure	209,571	196,188	579,292	565,300
Net Segment Profit/(Loss)	9,028	7,030	(32,310)	(25,261)

SUMMARY INCOME STATEMENT FOR MAELS BUSINESS SEGMENT CONTINUED – USO

All Geographical Segments	Domestic		International Inbound		International Outbound		Total
	2016	2015	2016	2015	2016	2015	
Volume ('000s)	243,921	255,561	62,431	66,304	25,407	27,627	331,759
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	75,991	78,893	4,403	3,690	36,758	34,774	117,152
Allocated using Sampling	128,591	132,627	59,364	59,046	21,656	26,060	209,611
Total Segment Revenue	204,582	211,520	63,767	62,736	58,414	60,834	336,090
Inter-segment revenue	1,620	1,731	–	–	–	–	1,620
Service Revenue	206,202	213,251	63,767	62,736	58,414	60,834	336,821
Total Direct Costs	19,815	21,763	6,953	6,170	30,516	33,034	57,284
Total Indirect Costs	142,296	140,821	49,083	48,001	16,364	18,123	207,743
Total Common Costs	66,336	63,791	23,382	21,768	14,976	15,641	104,694
Service Expenditure	228,447	226,375	79,418	75,939	61,856	66,798	369,112
Net Segment Profit/(Loss)	(22,245)	(13,124)	(15,651)	(13,203)	(3,442)	(5,964)	(41,338)

SUMMARY INCOME STATEMENT FOR MAELS BUSINESS SEGMENT CONTINUED – USO

Domestic segment	Universal Services						Other USO Services (Note 2)		Total USO	
	Letters	Flats	Packets	Parcels	Registered	2016	2015	2016		2015
Volume ('000s)	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	39,771	42,778	4,591	4,604	6,987	6,989	4,467	4,335	3,696	3,933
Allocated using Sampling	101,093	100,533	19,777	20,475	7,721	11,619	–	–	–	–
Total Segment Revenue	140,864	143,311	24,368	25,079	14,708	18,608	4,467	4,335	3,696	3,933
Inter-segment revenue	229	229	–	–	–	–	–	–	4	4
Service Revenue	141,093	143,540	24,368	25,079	14,708	18,608	4,467	4,335	3,700	3,937
Total Direct Costs	9,725	9,113	1,515	1,603	153	138	155	145	1,095	1,312
Total Indirect Costs	107,349	104,349	15,177	15,021	10,146	12,024	2,021	2,049	30	29
Total Common Costs	49,071	45,965	6,446	6,176	3,942	4,475	898	852	337	304
Service Expenditure	166,145	159,427	23,138	22,800	14,241	16,637	3,074	3,046	1,462	1,645
Net Segment Profit/(Loss)	(25,052)	(15,887)	1,230	2,279	467	1,971	1,393	1,289	2,238	2,292

Note 1 – Free postal service for blind and partially sighted persons, Sending books abroad etc. are included under the appropriate category (i.e. letter, flats, packets) above.
 Note 2 – Other Services include Redirections, MailMinder & PO Boxes.

SUMMARY INCOME STATEMENT FOR MAILS BUSINESS SEGMENT CONTINUED – NON USO

International (Inbound) segment	Total Non USO		Total International (Inbound) Segment	
	2016	2015	2016	2015
Volume ('000s)	115	105	62,546	66,409
Revenue	€'000	€'000	€'000	€'000
Directly Attributable	1,374	1,169	5,777	4,859
Allocated using Sampling	–	–	59,364	59,046
Total Segment Revenue	1,374	1,169	65,141	63,905
Inter-segment revenue	–	–	–	–
Service Revenue	1,374	1,169	65,141	63,905
Total Direct Costs	288	222	7,241	6,392
Total Indirect Costs	389	340	49,472	48,341
Total Common Costs	280	222	23,662	21,990
Service Expenditure	957	784	80,375	76,723
Net Segment Profit/(Loss)	417	385	(15,234)	(12,818)

SUMMARY INCOME STATEMENT FOR MAILS BUSINESS SEGMENT CONTINUED – USO

International (Outbound) segment	Universal Services						Total USO	
	Letters		Flats		Packets		Registered	
Volume ('000s)	2016	2015	2016	2015	2016	2015	2016	2015
	Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	18,749	20,352	2,962	3,082	2,578	3,071	915	935
Allocated using Sampling	2,871	2,735	3,809	3,785	12,419	12,317	9,666	8,414
Total Segment Revenue	17,977	18,421	6,405	6,579	16,553	19,897	9,666	8,414
Inter-segment revenue	–	–	–	–	–	–	–	–
Service Revenue	17,977	18,421	6,405	6,579	16,553	19,897	9,666	8,414
Total Direct Costs	12,555	12,551	2,452	2,482	8,670	8,989	4,243	5,435
Total Indirect Costs	4,181	4,507	1,563	1,606	5,649	6,821	1,347	1,428
Total Common Costs	5,369	5,268	1,287	1,261	4,596	4,882	1,793	2,119
Service Expenditure	22,105	22,326	5,302	5,349	18,915	20,692	7,383	8,982
Net Segment Profit/(Loss)	(4,308)	(3,905)	1,103	1,230	(2,362)	(795)	2,283	(568)

Note – Free postal service for blind and partially sighted persons, sending books abroad etc. are included under the appropriate category (i.e. letter, flats, packets) above.

SUMMARY INCOME STATEMENT FOR MAELS BUSINESS SEGMENT CONTINUED – NON USO

International (Outbound) segment	Total Non USO		Total International (Outbound) Segment	
	2016	2015	2016	2015
Volume ('000s)	3,716	4,171	29,123	31,798
	€'000	€'000	€'000	€'000
Revenue				
Directly Attributable	17,507	17,328	54,265	52,102
Allocated using Sampling	–	–	21,656	26,060
Total Segment Revenue	17,507	17,328	75,921	78,162
Inter-segment revenue	–	–	–	–
Service Revenue	17,507	17,328	75,921	78,162
Total Direct Costs	10,036	6,222	40,552	39,256
Total Indirect Costs	6,086	7,019	22,450	25,142
Total Common Costs	5,034	3,912	20,010	19,553
Service Expenditure	21,156	17,153	83,012	83,951
Net Segment Profit/(Loss)	(3,649)	175	(7,091)	(5,789)

Note 1 – Bulk Mail including IBMS Extra and IBMS DSA

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE – USO

Domestic Letter Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Freepost/Business Reply Mail		Total – Fully Paid	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	76,144	71,343	99	102	68,541	75,767	6,891	7,154	151,675	154,366
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue										
Directly Attributable	–	–	70	70	–	–	4,726	4,817	4,796	4,887
Allocated using Sampling	54,810	49,940	–	–	46,283	50,593	–	–	101,093	100,533
Total Segment Revenue	54,810	49,940	70	70	46,283	50,593	4,726	4,817	105,889	105,420
Inter-segment revenue	–	–	–	–	30	19	199	210	229	229
Service Revenue	54,810	49,940	70	70	46,313	50,612	4,925	5,027	106,118	105,649
Total Direct Costs	5,242	4,726	6	6	3,078	3,051	408	412	8,734	8,195
Total Indirect Costs	44,525	39,696	57	55	33,082	34,363	3,242	3,143	80,906	77,257
Total Common Costs	19,965	17,125	25	24	15,202	15,171	1,533	1,440	36,725	33,760
Service Expenditure	69,732	61,547	88	85	51,362	52,585	5,183	4,995	126,365	119,212
Net Service Profit/(Loss)	(14,922)	(11,607)	(18)	(15)	(5,049)	(1,973)	(258)	32	(20,247)	(13,563)

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

Domestic Letter Services continued	Deferred before noon >85% auto (Disc 6)		Pre-sort before 5:30pm (Disc 9)		Total USO Domestic Letter Services	
	2016	2015	2016	2015	2016	2015
Volume ('000s)	67,004	74,184	903	783	219,582	229,333
	€'000	€'000	€'000	€'000	€'000	€'000
Revenue						
Directly Attributable	34,470	37,469	505	422	39,771	42,778
Allocated using Sampling	–	–	–	–	101,093	100,533
Total Segment Revenue	34,470	37,469	505	422	140,864	143,311
Inter-segment revenue	–	–	–	–	229	229
Service Revenue	34,470	37,469	505	422	141,093	143,540
Total Direct Costs	989	916	2	2	9,725	9,113
Total Indirect Costs	26,278	26,978	165	114	107,349	104,349
Total Common Costs	12,274	12,157	72	48	49,071	45,965
Service Expenditure	39,541	40,051	239	164	166,145	159,427
Net Service Profit/(Loss)	(5,071)	(2,582)	266	258	(25,052)	(15,887)

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

Domestic Flats Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Freepost/Business Reply Mail		Total – Fully Paid	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	4,679	4,286	1,259	1,280	8,804	9,983	686	604	15,428	16,153
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	–	–	2,131	2,094	–	–	897	835	3,028	2,929
Directly Attributable	–	–	–	–	–	–	–	–	–	–
Allocated using Sampling	7,075	6,323	–	–	12,702	14,152	–	–	19,777	20,475
Total Segment Revenue	7,075	6,323	2,131	2,094	12,702	14,152	897	835	22,805	23,404
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–
Service Revenue	7,075	6,323	2,131	2,094	12,702	14,152	897	835	22,805	23,404
Total Direct Costs	494	464	116	121	735	835	71	67	1,416	1,487
Total Indirect Costs	5,006	4,403	1,385	1,345	7,514	8,077	534	439	14,439	14,264
Total Common Costs	2,071	1,758	565	530	3,220	3,345	241	193	6,097	5,826
Service Expenditure	7,571	6,625	2,066	1,996	11,469	12,257	846	699	21,952	21,577
Net Service Profit/(Loss)	(496)	(302)	65	98	1,233	1,895	51	136	853	1,827

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

Domestic Flats Services continued	Deferred before noon >85% auto (Disc 6)		Pre-sort before 5.30pm (Disc 9)		Total USO Domestic Flats Services	
	2016	2015	2016	2015	2016	2015
Volume ('000s)	1,151	1,286	35	40	16,614	17,479
	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	–	–	–	–	–	–
Directly Attributable	–	–	–	–	–	–
Allocated using Sampling	1,520	1,626	43	49	4,591	4,604
Total Segment Revenue	1,520	1,626	43	49	24,368	25,079
Inter-segment revenue	–	–	–	–	–	–
Service Revenue	1,520	1,626	43	49	24,368	25,079
Total Direct Costs	99	116	–	–	1,515	1,603
Total Indirect Costs	720	734	18	23	15,177	15,021
Total Common Costs	340	340	9	10	6,446	6,176
Service Expenditure	1,159	1,190	27	33	23,138	22,800
Net Service Profit/(Loss)	361	436	16	16	1,230	2,279

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

Domestic Packet Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Freepost/Business Reply Mail		Total – Fully Paid	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	1,220	2,019	1,322	1,307	1,385	1,604	169	194	4,096	5,124
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	–	–	6,330	6,227	–	–	657	762	6,987	6,989
Allocated using Sampling	2,744	5,277	–	–	4,977	6,342	–	–	7,721	11,619
Total Segment Revenue	2,744	5,277	6,330	6,227	4,977	6,342	657	762	14,708	18,608
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–
Service Revenue	2,744	5,277	6,330	6,227	4,977	6,342	657	762	14,708	18,608
Total Direct Costs	60	84	48	30	38	18	7	6	153	138
Total Indirect Costs	2,947	4,753	3,680	3,464	3,158	3,428	361	379	10,146	12,024
Total Common Costs	1,155	1,777	1,401	1,262	1,241	1,289	145	147	3,942	4,475
Service Expenditure	4,162	6,614	5,129	4,756	4,437	4,735	513	532	14,241	16,637
Net Service Profit/(Loss)	(1,418)	(1,337)	1,201	1,471	540	1,607	144	230	467	1,971

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

International (Outbound) Letter Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Total Fully Paid		IBMS Standard		Total USO Letters	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	10,550	11,296	71	73	4,122	4,850	14,743	16,219	4,006	4,133	18,749	20,352
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	–	–	72	70	–	–	72	70	2,799	2,665	2,871	2,735
Allocated using Sampling	10,875	11,301	–	–	4,051	4,385	14,926	15,686	–	–	14,926	15,686
Total Segment Revenue	10,875	11,301	72	70	4,051	4,385	14,998	15,756	2,799	2,665	17,797	18,421
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–	–	–
Service Revenue	10,875	11,301	72	70	4,051	4,385	14,998	15,756	2,799	2,665	17,797	18,421
Total Direct Costs	7,589	7,000	37	36	2,838	3,382	10,464	10,418	2,091	2,133	12,555	12,551
Total Indirect Costs	3,123	3,317	21	21	727	833	3,871	4,171	310	336	4,181	4,507
Total Common Costs	3,437	3,185	19	18	1,143	1,302	4,599	4,505	770	763	5,369	5,268
Service Expenditure	14,149	13,502	77	75	4,708	5,517	18,934	19,094	3,171	3,232	22,105	22,326
Net Service Profit/(Loss)	(3,274)	(2,201)	(5)	(5)	(657)	(1,132)	(3,936)	(3,338)	(372)	(567)	(4,308)	(3,905)

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

International (Outbound) Flats Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Total Fully Paid		IBMS Standard		Total USO Flats	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	370	301	721	741	710	819	1,801	1,861	1,161	1,221	2,962	3,082
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	–	–	2,255	2,237	–	–	2,255	2,237	1,554	1,548	3,809	3,785
Directly Attributable	904	727	–	–	1,692	2,067	2,596	2,794	–	–	2,596	2,794
Allocated using Sampling	904	727	2,255	2,237	1,692	2,067	4,851	5,031	1,554	1,548	6,405	6,579
Total Segment Revenue	904	727	2,255	2,237	1,692	2,067	4,851	5,031	1,554	1,548	6,405	6,579
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–	–	–
Service Revenue	904	727	2,255	2,237	1,692	2,067	4,851	5,031	1,554	1,548	6,405	6,579
Total Direct Costs	529	425	602	593	738	858	1,869	1,876	583	606	2,452	2,482
Total Indirect Costs	311	251	667	679	365	439	1,343	1,369	220	237	1,563	1,606
Total Common Costs	269	209	407	392	354	400	1,030	1,001	257	260	1,287	1,261
Service Expenditure	1,109	885	1,676	1,664	1,457	1,697	4,242	4,246	1,060	1,103	5,302	5,349
Net Service Profit/(Loss)	(205)	(158)	579	573	235	370	609	785	494	445	1,103	1,230

SUMMARY INCOME STATEMENT FOR EACH UNIVERSAL SERVICE CONTINUED – USO

International (Outbound) Packets Services	Fully Paid – Stamped		Fully Paid – Labels		Fully Paid – Metered		Total Fully Paid		IBMS Standard		Total USO Packets	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Volume ('000s)	540	1,033	1,341	1,359	330	332	2,211	2,724	367	347	2,578	3,071
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	–	–	11,204	11,219	–	–	11,204	11,219	1,215	1,098	12,419	12,317
Directly Attributable	2,354	5,611	–	–	1,780	1,969	4,134	7,580	–	–	4,134	7,580
Allocated using Sampling	2,354	5,611	11,204	11,219	1,780	1,969	15,338	18,799	1,215	1,098	16,553	19,897
Total Segment Revenue	2,354	5,611	11,204	11,219	1,780	1,969	15,338	18,799	1,215	1,098	16,553	19,897
Inter-segment revenue	–	–	–	–	–	–	–	–	–	–	–	–
Service Revenue	2,354	5,611	11,204	11,219	1,780	1,969	15,338	18,799	1,215	1,098	16,553	19,897
Total Direct Costs	1,880	3,018	4,565	4,069	1,196	1,042	7,641	8,129	1,029	860	8,670	8,989
Total Indirect Costs	1,123	2,291	3,562	3,579	584	582	5,269	6,452	380	369	5,649	6,821
Total Common Costs	964	1,640	2,608	2,362	571	501	4,143	4,503	453	379	4,596	4,882
Service Expenditure	3,967	6,949	10,735	10,010	2,351	2,125	17,053	19,084	1,862	1,608	18,915	20,692
Net Service Profit/(Loss)	(1,613)	(1,338)	469	1,209	(571)	(156)	(1,715)	(285)	(647)	(510)	(2,362)	(795)

NOTES TO THE SUMMARY REGULATORY FINANCIAL STATEMENTS

1. Reconciliation of Revenue to the Statutory Accounts

	2016 €m	2015 €m
Mails USO	328.4	336.8
Mails Non USO	218.6	203.2
Consolidation Adjustments	(20.5)	(16.7)
Regulatory Accounts Adjustments*	1.4	3.6
Postage: Letters & Parcels	527.9	526.9
Retail	161.7	164.1
Interest Income & Other Services	136.1	135.1
Revenue Per Statutory Accounts	825.7	826.1
*Regulatory Accounts Adjustments		
Stamp Retailing Commission etc.	(1.0)	(1.1)
Terminal Dues	2.4	4.7
	1.4	3.6

2. Reconciliation of Operating Costs to the Statutory Accounts

	2016 €m	2015 €m
Mails USO Per Regulatory Accounts	369.7	369.1
Mails Non USO	209.6	196.2
Regulatory Accounts Adjustments*	6.1	(1.1)
Retail	142.2	145.2
Corporate/Subsidiaries etc.	111.7	111.5
Operating Costs Per Statutory Accounts	839.3	820.9
*Regulatory Accounts Adjustments		
Stamp Retailing Commission etc.	(1.0)	(1.1)
Impairment Charge - Sorting Equipment	7.1	-
	6.1	(1.1)

NOTES TO THE SUMMARY REGULATORY FINANCIAL STATEMENTS CONTINUED

3. Reconciliation of Profit/(Loss) to the Statutory Accounts

	2016 €m	2015 €m
Mails USO Per Regulatory Accounts	(41.3)	(32.3)
Mails Non USO	9.0	7.0
Retail	11.1	14.2
Regulatory Accounts Adjustments*	(4.7)	4.7
Corporate/Subsidiaries etc.	12.2	11.6
Operating Profit/(Loss) – Continuing Operations	(13.7)	5.2
*Regulatory Accounts Adjustments		
Revenue	(1.4)	(3.6)
Expenditure	6.1	(1.1)
	4.7	(4.7)

4. Non Current Assets

	Land & Buildings €m	Motor Vehicles €m	Computer & Other Equipment €m	Total €m
Net Book Values as at 31/12/2015	179.1	-	34.5	213.6
Additions/Disposals/Other	(7.7)	11.2	(3.6)	(0.1)
Depreciation	(6.1)	(1.7)	(8.5)	(16.3)
Net Book Values as at 31/12/2016	165.3	9.5	22.4	197.2

5. Trade and other receivables

	2016 €m	2015 €m
Trade Debtors	26.1	23.7
Inter Group Debtors	0.3	0.4
Prepayments & Accrued Income	1.9	7.7
	28.3	31.8

6. Creditors (Amounts falling due within 1 year)

	2016 €m	2015 €m
Trade Creditors	14.5	22.4
Inter Group & Other Creditors	7.7	3.9
Taxation and Social Welfare	11.1	9.1
Accruals	32.1	36.0
Finance Lease – Short Term	5.2	2.8
Deferred Income – Capital Grants	0.1	0.1
Deferred Postage Income	10.9	11.7
	81.6	86.0

7. Creditors (Amounts falling due after 1 year)

	2016 €m	2015 €m
Finance Lease – Long Term	18.3	13.2
Deferred Income – Capital Grants	2.9	3.0
	21.2	16.2

SUPPLEMENTARY INFORMATION – VOLUMES (UNAUDITED)

	Total	
	2016 m	2015 m
Operational Volume Total	546.4	584.2
Revenue Derived Volume Total	544.5	559.0
Difference	1.9	25.2

Note: Excludes Parcels and Courier, Express Post, Publicity Post, Passport Express, Registered & IBMS

Differences between Revenue Derived and Operational Volumes occur for a number of reasons:

- The Revenue Derived and Operational Volumes are derived from fundamentally different systems and processes
- Real Mail Study (RMS) Sampling is undertaken to an accuracy of +/- 1%
- Estimation is required in operational volume counting, typically by the use of “Standard fill” assumptions

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