daa plc (formerly Dublin Airport Authority plc)
Financial Review and Extract from Regulated Entity Accounts

Year Ended 31 December 2014

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Statement of directors' responsibilities for the Financial Review and Extract from Regulated Entity Accounts

The Commission for Aviation Regulation ("CAR") is the statutory body established to regulate, inter alia, certain aspects of the aviation sector in Ireland. Pursuant to the Aviation Regulation Act of 2001 ("the Act"), the Commission is required to make determinations ("Regulatory Determinations") governing the maximum levels of airport charges that can be levied at Dublin Airport by daa plc (formerly Dublin Airport Authority plc) ("the Company" or "daa") as the airport authority.

The Commission has requested that daa prepare accounts ("Regulated Entity Accounts") showing its regulated activities, including a profit and loss account, separate from its other activities, made up to a year-end date of 31 December, the corresponding date to which the statutory accounts of the Company are made up. At the discretion of the Commission, extracts from these Regulated Entity Accounts may be published. The directors of daa are responsible for preparing both the full Regulated Entity Accounts and these extracts from the Regulated Entity Accounts.

These accounts represent an extract from the Regulated Entity Accounts of accounting policies, profit and loss account and associated notes as they pertain to Dublin Airport and are consistent with the full Regulated Entity Accounts which have been provided to the Commission. The full Regulated Entity Accounts are based on the statutory financial statements for the year ending 31 December 2014 of the relevant legal entities comprising the Regulated Entity as set out under the Basis of Preparation on page 6. They have been prepared solely to present fairly for the Regulated Entity results and cashflows for that year, and the financial position as at the year end. They have been prepared in accordance with the Statement of Accounting Policies on pages 6 to 11 to present fairly the profit and loss account, balance sheet and cashflows of the Regulated Entity as set out in accordance with the Basis of Preparation as described on page 6.

In preparing the statutory financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the entity will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of that company, from which the Regulated Entity Accounts are based, and to enable them to ensure that the statutory accounts of those entities making up the Regulated Entity Accounts comply with the Companies Acts, 1963 to 2013. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of those entities and to prevent and detect fraud and other irregularities.

The directors are responsible for establishing and maintaining the system of internal control throughout the parent Company including controls to enable the Company to comply with Regulatory Determinations as these affect maximum airport charges. The system of internal control comprises the ongoing processes for identifying and evaluating and managing significant risks faced by daa Group in pursuing its business objectives. Such a system is designed to manage rather than eliminate the risk of failure and therefore can only provide reasonable and not absolute assurance that daa Group will achieve those objectives or that daa Group would not suffer material misstatement or loss.

On behalf of the Board

Pádraig Ó Ríordáin Chairman	Gerry Walsh Director	20 March 2015

Financial review of the outturn performance of the regulated entity compared to the CAR Determination Forecast

for the year ended 31 December 2014

The financial results for Dublin Airport show a profit after taxation before exceptional items and related tax for the year of €30.1 million (2013: €9.7 million). Exceptional items for the year amounted to €20.7 million (2013: €1.2 million), with an impact on taxation reducing the tax charge by €2.6 million (2013: €0.2 million). Dublin Airport showed a profit after taxation and exceptional items of €12 million (2013: profit of €8.7 million).

This financial review compares Dublin Airport results and attributable financials with CAR forecasts. All references to forecasts by CAR refer to the forecasts contained in the 2009 'Determinations on the Maximum Level of Airport Charges at Dublin Airport' (4 December 2009) as amended by 'Decision of the Commission further to Referral by the 2010 Aviation Appeal Panel' (30 July 2010). The forecasts have been inflated in line with the percentage change in the Consumer Price Index between October 2009 and October 2014 which was 5.08%.

Passengers and aeronautical revenue

Passengers in Dublin Airport for 2014 were 21.7 million (2013: 20.2 million), which is 0.7 million or 3% below the CAR passenger forecast of 22.4 million (2013: 21.3 million) reflecting the substantial fall in Irish Gross Domestic Product post 2008. This gave rise to a reduction in aeronautical revenue by virtue of the passenger variance against the CAR forecast of some €7 million (2013: €12.1 million) evaluated at the price cap of €10.68 (2013: €10.65).

Commercial revenue

Commercial revenue in Dublin Airport for 2014 was €152 million (2013: €135.3 million), which was €14.1 million or 10% higher than the commercial revenue forecast of €138 million (2013: €133.1 million) set by CAR.

The commercial revenue per passenger of €7.0 (2013: €6.71) achieved was 14% higher than the forecast of €6.17 set by CAR. The main reasons for the increase are improved car park yields, commercial concessions revenue, improved facilities including US Customs and Border Protection in T2 and investments outside the Regulatory Asset Base ("RAB"). This improvement of €18.1 million in the price variance mitigates the negative commercial revenue volume variance of €4.1 million (0.67 million passengers at €6.17 per passenger).

Operating expenses

Operating expenses excluding exceptional items in Dublin Airport for 2014 were €197.9 million (2013: €191.6 million), which was €26.3 million or 12% below the cost forecast of €224.2 million (2013: €220.4 million) set by CAR.

Payroll costs, at €116.4 million (2013: €112.4 million), were €10.4 million or 8% below the CAR forecast. Some €7 million of this was in the existing facilities (i.e. pre Terminal 2) due to the successful implementation of the Cost Recovery Programme that daa has undertaken in the period since the end of 2009. The saving against the CAR forecast of €10.4 million was a reduction of €2 million on the 2013 saving primarily due to increased passenger growth.

Non-payroll costs, at €81.5 million (2013: €79.1 million), were €15.9 million or 16% below the CAR forecast, reflecting continued tight management of costs at the airport.

Financial review of the outturn performance of the regulated entity compared to the CAR Determination Forecast (continued)
for the year ended 31 December 2014

EBITDA

Dublin Airport's Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA), excluding exceptionals, was €173.6 million (2013: €152.3 million), up €20.9 million on the implicit CAR forecast figure of €152.7 million (2013: €139.6 million). This improvement was achieved despite a €11.1 million negative volume variance in gross profit level due to lower passengers.

Capital expenditure

Capital expenditure in 2014 at Dublin Airport was €55.9 million (2013: €47.1 million). Capital expenditure for 2014 as per the CAR allowance was €39.7 million, based upon a straight-line profile of €189 million allowance in 2009 prices, adjusted for CPI over five years.

Funds from operations: net debt

The funds from operations: net debt ratio for Dublin Airport was 14.5% (2013: 11.1%) based on an FFO for the year of €124 million (2013: €100.6 million) and adjusted net debt attributable to the regulated activities at the balance sheet date of €852.6 million (2013: €909.2 million).

Funds from operations (FFO) is calculated in line with Standard and Poor's methodology and is defined as EBITDA before costs of fundamental restructuring less net interest and taxes paid with operating lease costs and payments made in respect of post retirement benefits added back. Adjusted net debt for these purposes compares closing net debt position including pension obligations and the capital value of operating lease commitments allocated to Dublin Airport.

	€000
FFO	
EBITDA	**173,557**
Interest paid	**(48,646)**
Operating lease payments	**824**
Post retirement benefit payments	**(1,723)**
Funds from operations (FFO)	**124,012**
Adjusted net debt	
Closing net debt	**838,230**
Capital value of operating leases	**236**
Net pension liability	**14,167**
Adjusted net debt	**852,633**
FFO : net debt	**14.5%**

Financial review of the outturn performance of the regulated entity compared to the CAR Determination Forecast (continued)

for the year ended 31 December 2014

Return on capital

The return on the Dublin Airport RAB for the year was 5.2% (2013: 4.1%). Earnings before interest and tax (EBIT) and exceptional items were €85.3 million (2013: €65.7 million) and the average RAB for the year based upon the CAR Determination Forecast is €1,632 million (2013: €1,617 million).

This return is significantly below the 7% cost of capital afforded to Dublin Airport per the CAR Determination Forecast, primarily due to the deferral of remuneration resulting from CAR's unitised approach to Terminal 2 revenues, and a further €29 million (2013: €47.5 million) of EBIT would be required to achieve such a return.

Pádraig Ó Ríordáin Chairman	Gerry Walsh Director	20 March 2015

Deloitte.

Deloitte & Touche
Chartered Accountants &
Registered Auditors

Independent Auditors' Report to the Directors of daa plc (formerly Dublin Airport Authority plc) on the Extract from the Regulated Entity Accounts

The accompanying Extract from the Regulated Entity Accounts, which comprise the summary profit and loss account of Dublin Airport for the year ended 31 December 2014 and related notes 1 to 6, are derived from the audited Regulated Entity Accounts of daa plc ("the Company") for the year ended 31 December 2014 prepared by the Company for submission to the Commission for Aviation Regulation ("CAR") as required by the Aviation Regulation Act of 2001. We expressed an unmodified audit opinion on those accounts in our report dated 20 March 2015.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for this report, or for the opinions we have formed.

The Extract from the Regulated Entity Accounts does not contain all the disclosures required by Accounting Standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland applied in the preparation of the audited financial statements of the Company. Reading the Extract from the Regulated Entity Accounts, is not a substitute for reading the audited Regulated Entity Accounts.

Directors' responsibility for the Extract from the Regulated Entity Accounts

As described on page 1, the directors of the Company are responsible for the preparation of the Extract from the Regulated Entity Accounts in accordance with the criteria agreed by the Company with CAR.

Auditors' responsibility

Our responsibility is to express an opinion on the Extract from the Regulated Entity Accounts based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the Extract from the Regulated Entity Accounts derived from the audited Regulated Entity Accounts of the Company for the year ended 31 December 2014 is consistent, in all material respects, with those accounts in accordance with the criteria agreed by the Company with CAR.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin

Date 20/3/15

Members of
Deloitte Touche Tohmatsu

Statement of accounting policies

for year ended 31 December 2014

The financial statements have been prepared in accordance with the following accounting policies, which have been applied consistently with the prior year.

Basis of Preparation

The Directors consider that the obligation to meet the requirements of Section 28(1) of the Aviation Regulation Act 2001 is met by these Regulated Entity Accounts. The format and content of the Regulated Entity Accounts was determined following consultation with the Commission on the form of accounts required from daa per Commission Note 1/2011 issued on 16 November 2011.

For the purpose of preparing these accounts, the Regulated Entity Accounts includes the financial statements of daa plc (the Company) and four of its subsidiaries, ASC Airport Services Consolidated Limited, DAA Airport Services Limited, DAA Finance plc and DAA Operations Limited ("the Regulated Entity"). The financial activities of other subsidiary undertakings of daa plc are not consolidated for the purpose of these accounts due to insufficient nexus to the operating activities of Dublin Airport.

These Regulated Entity Accounts have been prepared by consolidating the audited single company accounts of the Company and the accounts of the four subsidiaries set out above for the year ended 31 December 2014.

The Regulated Entity Accounts are derived from the financial statements of the companies noted above, which are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Financial Reporting Council, as promulgated by Chartered Accountants Ireland, except in respect of certain presentation and disclosure requirements of those standards.

Profit and Loss Accounts

The results for Dublin Airport are shown separately from the results of those attributable to all Other Activities that have an insufficient nexus to the operating activities of Dublin Airport and hence do not form part of the regulatory or single till. Cork Airport is included in the Regulated Entity Accounts but is outside the regulatory till. International investments and other international activities (Aer Rianta International cpt) and property related joint ventures and associated undertakings fall outside the regulatory till and are not included in the Regulated Entity Accounts. Costs associated with operations without sufficient nexus to the regulated asset, such as the proposed development of Dublin Airport City and Car Parks International, in line with daa's response to Commission Paper 6/2008 and correspondence with the Commission, have also been excluded from the results of Dublin Airport and included under Other Activities. All costs (and where appropriate, revenues) of the Regulated Entity have been allocated to the airports (Dublin and Cork) as set out below:

- Shared and head office activities

  All costs (and where appropriate, revenues) of shared and head office activities are allocated between Dublin and other activities. Where direct attribution is not possible the revenue and cost is apportioned between each airport on a basis that reflects the causality of the cost with allocations as appropriate. Cost causality implies that costs are attributed to businesses in accordance with the activities which cause the costs to be incurred.

Statement of accounting policies *(continued)*

for the year ended 31 December 2014

- Exceptional items

  The exceptional item in 2014 relating to pension costs has been allocated to Dublin and other activities based on the element of the charge attributable to employees at each location. The exceptional item in 2013 relating to the cost of fundamental restructuring of the Company under the Cost Recovery Program ("CRP") has been allocated to the airports based on the number of applicants from each airport and the associated costs.

- Interest

  Regulated Entity interest payable has been allocated to the airports on the basis of intra-group borrowings attributable to these airports and interest receivable has been allocated on the basis of deemed cash balances. Interest on borrowings and deposits attributable to subsidiary undertakings not forming part of the Regulated Entity or otherwise relating to the cost of fundamental restructuring arising from activities or investments outside of the single or regulatory till have been excluded from the airport allocation. Such interest is included within Other Activities in the profit and loss account.

- Taxation

  The tax charge attributable to the airports, comprising corporation tax and deferred tax, has been allocated by pro-rating the current year tax charge/credit (excluding tax on exceptional items) by reference to the profit/loss before exceptional items and tax of the individual airports. Tax on exceptional items is specifically allocated to the airport where the exceptional items arise.

Turnover

Turnover represents the fair value of goods and services, net of discounts, delivered to external customers in the accounting period excluding value added tax.

Aeronautical revenue comprises passenger charges which are recognised on their departure, runway movement charges (landing and take-off) levied according to aircraft's maximum take-off weight, aircraft parking charges based on a combination of time parked and area of use, and other charges which are recognised when services are rendered. The Commission for Aviation Regulation regulates the level of revenues that the Company may collect in airport charges levied on users of Dublin Airport. The Commission achieves this by setting a maximum level of airport charges per passenger that can be collected at Dublin Airport.

Direct retailing and retail/catering concessions comprise direct retail revenue which is recognised when the customer takes delivery of the goods and concession fee income which, in general, is a percentage of turnover which may be subject to certain minimum contracted amounts.

Other commercial activities include property letting, which is recognised on a straight-line basis over the term of the rental period, usage charges for the operational systems (e.g. check-in desks), which are recognised as each service is provided and car park income, which is recognised at the time of exiting the car park.

Statement of accounting policies *(continued)*
for the year ended 31 December 2014

Financial Assets

Income from financial assets is recognised on a receivable basis in the profit and loss account. Investments in entities (subsidiaries, joint ventures and associates) not forming part of the Regulated Entity are shown in the balance sheet as financial fixed assets and are stated at cost less provisions for impairment in value with income from such assets included under other activities. Other financial fixed assets are also carried in the balance sheet on the same basis.

Foreign Currency

Transactions arising in foreign currencies are translated into euro at the rates of exchange ruling at the date of the transactions or at contracted rates. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the contracted rates or at year-end rates of exchange. The resulting profits or losses are dealt with in the profit and loss account.

Operating Leases

Expenditure on operating leases is charged to the profit and loss account on a basis representative of the benefit derived from the asset, normally on a straight-line basis over the lease period.

Capital Grants

Capital grants are treated as deferred income and amortised over the expected lives of the related fixed assets.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on invoice price on an average basis for all stock categories. Net realisable value is calculated as estimated selling price less estimated selling costs.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write off the cost of tangible fixed assets, other than land and assets in the course of construction, on a straight-line basis over the estimated useful lives as follows:

Terminal complexes	10 - 50 years
Airfields	10 - 50 years
Plant and equipment	2 - 20 years
Other property	2 - 50 years

Assets in the course of construction are transferred to completed assets when substantially all the activities necessary to get the asset ready for use are complete.

Where a tangible fixed asset is to be withdrawn from use, the depreciation charge for that asset is accelerated to reflect the asset's remaining useful life based on the period between the date of the decision to withdraw the asset and the forecast date when withdrawal will take place.

Statement of accounting policies *(continued)*
for the year ended 31 December 2014

On an annual basis, the Company estimates the recoverable amount of its tangible fixed assets based on the higher of their net realisable values or their value in use, consisting of the present values of future cash flows expected to result from their use. For the purposes of this review, Dublin and Cork airports combined are considered to form one income-generating unit based on the statutory mandate to operate critical national infrastructure, the interdependence of the airports' cash flows and the functional organisational structure by which the airports are managed. Where the recoverable amount is less than the carrying amount of the assets the Company recognises an impairment loss in the financial statements.

In estimating the present values of future cash flows, the discount rate used is the pre-tax discount rate that reflects the time value of money and the risk specific to the income generating unit.

The cash flows are taken from the Company's ten-year business plan. The main components of the business plan are:

- Earnings projections based on expected passenger numbers, revenues and costs;
- Capital investment and working capital projections

Added to these cash flows is a terminal value including an estimate of the full remuneration for all regulated assets, some of which has been deferred due to the regulatory profiling of future revenues.

The main assumptions that affect the estimation of the value in use are continuation of the current regulatory regime without material change, the passenger growth rate and the discount rate.

Capitalisation of Interest

Interest incurred from commencement of activities on separately identifiable major capital projects up to the time that such capital projects are ready for service is capitalised as part of the cost of the assets.

Taxation

Corporation tax is provided at current rates and is calculated on the basis of the results for the year adjusted for taxation purposes.

Full provision without discounting is made for all timing differences at the balance sheet date in accordance with Financial Reporting Standard 19 (FRS 19) "Deferred Tax". Provision is made at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax assets are recognised to the extent that they are regarded as recoverable based on the likelihood of there being suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Statement of accounting policies *(continued)*
for the year ended 31 December 2014

Pension and Other Post-Retirement Obligations

The Company operates contributory pension schemes, covering the majority of its employees. The schemes are administered by Trustees and are independent of the Company.

For schemes accounted for as defined contribution, contributions are accrued and recognised in operating profit in the period in which they are earned by the relevant employees.

For the schemes accounted for as defined benefit schemes:

- The difference between the market value of the schemes' assets and actuarially assessed present value of the schemes' liabilities, calculated using the projected unit credit method, is disclosed as an asset/liability on the balance sheet net of deferred tax (to the extent that it is recoverable).
- The amount charged to operating profit is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.
- The expected return on the pension schemes' assets during the year and the increase in the schemes' liabilities due to the unwinding of the discount during the year are shown in finance costs/income in the profit and loss account.
- Any differences between the expected return on assets and that actually achieved and any changes to the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the statement of total recognised gains and losses.
- Tax in relation to service costs, interest costs, expected return on plan assets, past service costs or gains and losses on curtailments and settlements is recorded in the profit and loss account. Tax on actuarial gains and losses is recorded in the statement of total recognised gains and losses.

The Company has certain unfunded retirement benefit liabilities which are accounted for as defined benefit arrangements.

Derivative Financial Instruments

The principal objective of using derivative financial instruments, including forward exchange contracts, forward rate agreements and interest rate swaps, is to hedge the Company's interest rate and currency exposures. Where these derivative financial instruments hedge an asset, liability or interest cost reflected in the financial statements, the cost of the hedging instrument is included in the carrying amount together with the income and expenses relating to the asset and liability. Where the derivative is a hedge of future cash flow, the gains and losses on the hedging instruments are not recognised until the hedged future transaction occurs.

Cash and Liquid Resources

Within the cash flow statement, cash is defined as cash, deposits repayable on demand and overdrafts. Other deposits with maturity or notice periods of over one working day, but less than one year, are classified as liquid resources.

Debt and Finance Costs

Debt is initially stated at the amount of the net proceeds after deduction of finance and issue costs. Finance and issue costs are charged to the profit and loss account over the term of the debt at a constant rate on the carrying amount.

Statement of accounting policies *(continued)*

for the year ended 31 December 2014

Exceptional Items

Exceptional items are material items of income and expense that, because of the unusual nature and expected infrequency of the events giving rise to them, merit separate presentation to allow an understanding of the Company's financial performance. Such events may include gains or losses on disposal of assets and costs of a fundamental reorganisation or restructuring.

Profit and loss account – Dublin Airport
for the year ended 31 December 2014

	Note	2014 €000	2013 €000
Turnover	*1*	**409,027**	379,947
Operating costs			
Cost of sales		**(37,567)**	(36,118)
Payroll and related costs	*2*	**(116,409)**	(112,442)
Exceptional item – pension	*5*	**(20,724)**	-
Materials and services	*3*	**(81,493)**	(79,119)
Depreciation and amortisation	*4*	**(88,274)**	(86,612)
		(344,467)	(314,291)
Operating profit – continuing operations		**64,560**	65,656
Costs of fundamental restructuring	*5*	**-**	(1,220)
Profit before interest and tax		**64,560**	64,436
Net interest payable		**(51,235)**	(52,861)
Profit on ordinary activities before tax		**13,325**	11,575
Tax charge on profit on ordinary activities		**(1,355)**	(2,896)
Profit on ordinary activities after tax		**11,970**	8,679

On behalf of the Board

Pádraig Ó Ríordáin
Chairman

Gerry Walsh
Director

20 March 2015

Notes on and forming part of the Regulated Entity Accounts

for the year ended 31 December 2014

1 Turnover

	2014	2013
	€000	€000
Airport charges	**219,842**	208,950
Property and concessions	**46,269**	40,044
Direct retailing and retail/catering concessions	**97,523**	91,311
Car parking	**26,850**	25,181
Other activities	**13,741**	12,105
Proposed till exit revenue – assets in RAB	**2,079**	1,757
Proposed till exit revenue – assets not in RAB	**2,723**	599
	409,027	379,947

Airport charges

Airport charges are charges levied in respect of the landing, parking or taking off of an aircraft including the supply of airbridges, charges levied in respect of the arrival at or departure from an airport by air of passengers, or charges levied in respect of the transportation by air of cargo to or from an airport.

	2014	2013
	€000	€000
Runway	**93,208**	87,922
Aircraft parking	**15,355**	14,906
Airbridge	**1,877**	1,762
Passenger charges	**127,634**	119,052
Traffic / route incentive schemes	**(17,033)**	(10,623)
Airport charges levied	**221,041**	213,019
Provision for incentive schemes	**(1,199)**	(4,069)
	219,842	208,950

Notes (continued)
for the year ended 31 December 2014

1 Turnover (continued)

Price cap outturn

The Commission for Aviation Regulation regulates the level of revenues that the Company may collect in airport charges levied on users of Dublin Airport. The Commission achieves this by setting a maximum level of airport charges per passenger that can be collected at Dublin Airport.

	2014 Dublin Airport	**2013 Dublin Airport**
Airport charges levied	**€221,040,557**	€213,019,307
Passenger numbers	**21,711,967**	20,166,783
Average airport charge per passenger	**€10.18**	€10.56
Commission per passenger cap on airport charges	**€10.68**	€10.65
Under recovery of airport charges	**€0.50**	€0.09

The average airport charge per passenger in 2014 was €10.18 (2013: €10.56). The passenger numbers through Dublin Airport for the year were 21,711,967 (2013: 20,166,783). The price cap set by the Commission for the year was €10.68 (2013: €10.65).

Persons with reduced mobility ("PRM")
Dublin Airport PRM charges of €5.2 million (2013: €5 million) are included in passenger charges within airport charges as they form part of the price cap pursuant to CP 4/2009 (Determination on Maximum Levels of Airport Charges at Dublin Airport).

Cargo services charges
No separate charges in respect of cargo were levied during the year other than charges generally applicable to the landing, parking or taking off of cargo aircraft (including the supply of airbridges), which are disclosed as airport charges.

Access to installations ("ATI")
Pursuant to S.I. No. 505/1998 - Regulations Entitled European Communities (Access To The Groundhandling Market At Community Airports) Regulations, 1998, daa plc is required to seek approval from the Commission for changes to ATI fees. Dublin Airport ATI fees comprise fees for check-in desks. Included in property and concessions turnover are ATI fees for check-in desks of €2.3 million (2013: €2.2 million).

Notes (continued)

for the year ended 31 December 2014

2 Payroll and related costs

	2014	2013
	€000	€000
Wages and salaries	**104,784**	101,213
Social welfare costs	**10,296**	9,540
Pension costs	**4,764**	4,121
Other staff costs	**1,837**	2,278
	121,681	117,152
Staff costs capitalised into fixed assets	**(5,272)**	(4,710)
Net staff costs	**116,409**	112,442

3 Materials and services

	2014	2013
	€000	€000
Repairs and maintenance costs	**10,999**	10,805
Rents and rates	**14,460**	14,957
Energy costs	**6,329**	6,391
Technology operating costs	**7,712**	7,895
Insurance	**3,411**	2,918
Cleaning contracts & materials	**3,646**	3,406
CUTE operating lease costs	**1,156**	846
Fees and professional services	**9,891**	7,882
Marketing & promotional costs	**3,972**	5,894
Aviation customer support	**3,137**	547
Telephone print and stationery	**856**	616
Employee related overheads	**3,230**	3,868
Other overheads	**1,485**	2,252
PRM service provider	**4,523**	4,373
Travel & subsistence	**1,197**	897
Car park direct overheads	**3,776**	3,700
CAR costs	**1,713**	1,872
	81,493	79,119

Notes (continued)

for the year ended 31 December 2014

4 Depreciation and amortisation

	2014	2013
	€000	€000
Depreciation and loss on retirements and disposals of fixed assets	**88,998**	87,426
Amortisation of capital grants	**(724)**	(814)
	88,274	86,612

5 Exceptional items

a) Pension

A once-off pension contribution of €72.2 million arises for the daa Group in connection with the restructuring of the IAS Scheme in addition to which provision has been made for costs of €2.5 million. Provision of €31.5 million had been made in respect of earlier pension proposals which have been superseded following the restructuring of the IAS Scheme, giving rise to a charge in the year of €43.2 million. A curtailment gain of €16.1 million arises in respect of unfunded pension obligations upon the restructuring of the IAS Scheme. The net impact on taxation was to recognise a deferred tax credit of €3.4 million. This gives rise to a pension charge before tax allocated to Dublin Airport of €20.7 million.

b) Cost Recovery Programme (“CRP”)

In previous years a CRP was developed following consultation with staff and staff representatives, to address fundamental changes to the cost base. €4.2 million was charged to the CRP (exceptional items) in 2013. The impact on the tax charge in 2013 was to reduce the tax charge by €0.5 million.

The CRP includes a voluntary severance scheme and changes to work practices and conditions.

c) The Restructuring costs

Costs associated with the separation of Shannon Airport and consequent renaming of daa plc amounting to €5.1 million were charged to exceptional items in 2012. The impact on taxation was to reduce the tax charge by €0.6 million. Due to the costs of the Restructuring being lower than estimated in 2013 the full exceptional provision recognised in 2012 was not required. This resulted in a release of €2.8 million from the provision in 2013. The impact on taxation was to increase the tax charge by €0.3 million.

6 Approval of Regulated Entity Accounts

The Regulated Entity Accounts were approved by the Board on 20 March 2015.

Appendix 1 – Passenger numbers

	2014	2013
Embarking	**10,857,250**	10,080,376
Disembarking	**10,850,079**	10,078,651
Transit	**4,638**	7,756
	21,711,967	20,166,783

Appendix 2 - Employee numbers

	2014	2013
Average Full-time Equivalents	**2,065**	1,987

Appendix 3 – Rolling incentives

Pursuant to the rolling incentives introduced for some categories of payroll operating costs, as outlined in paragraphs 6.82 to 6.84 of CP4/2009, the following information is disclosed:

	2014	2013
	€000	€000
Dublin Airport payroll costs include:		
Airfield services	**2,906**	2,694
Car parking	**2,293**	2,328
Property and other commercial activities	**1,941**	3,349
Support services (Dublin)	**1,853**	1,599
Total payroll costs include:		
Shared costs	**15,040**	16,628
Total daa payroll costs above	**24,033**	26,598
Total payroll costs per CAR (inflated)	**26,987**	26,907
Outperformance	**(2,954)**	(309)

Appendix 4 – Excluded information

The following information which has been included in the full Regulated Entity Accounts that have been submitted to the Commission has been excluded from these extracted Regulated Entity Accounts, on the grounds of relevance to the regulated business.

"Other Activities" column in the profit and loss account which relates to the non regulated activities
Statement of total recognised gains and losses
Reconciliation of movement in shareholders' funds
Balance sheet
Cash flow statement
"Other Activities" column in the profit and loss account notes 1, 2, 3 and 4
Note 6 Interest
Note 7 Tax on profit/loss on ordinary activities
Note 8 Tangible fixed assets
Note 9 Fixed assets – financial
Note 10 Subsidiary undertakings
Note 11 Debtors
Note 12 Creditors: amounts falling due within one year
Note 13 Creditors: amounts falling due after more than one year
Note 14 Capital grants
Note 15 Financial liabilities
Note 16 Provisions for liabilities
Note 17 Deferred tax liability/(asset)
Note 18 Reconciliation of net assets
Note 19 Called up share capital
Note 20 Reconciliation of operating profit to net cash inflow from operating activities
Note 21 Reconciliation of net cashflow to movement in net debt
Note 22 Analysis of net debt
Note 23 Pensions