

Supplementary Information

for the financial year ended 31 December 2018

Alternative Performance Measures (APMs)

The Group reports certain alternative performance measures (“APMs”) that are not required under IFRS, which is the framework under which the consolidated financial statements are prepared. The Group believes that these metrics assist investors in evaluating the performance of the underlying business and provides a more meaningful understanding of how senior management review and monitor the business on an ongoing basis.

These performance measures are referred to throughout our strategy and business model update and the discussion of our reported financial performance and position. These performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures made by other companies.

The principal APMs used by the Group are defined as follows:

1 Gross margin

	Financial statements reference	2018 €'000	2017 €'000
Gross profit	Statement of profit or loss	15,292	524
Revenue	Note 10	84,179	1,425
Gross margin		18.2%	36.8%

2 EBITDA pre-exceptional items

An APM representing earnings pre exceptional items and before interest, tax, depreciation and amortisation that Group management considers to be the most appropriate measure for assessing the profitability of the Group in a given financial period. It is calculated by adding back non-cash depreciation and amortisation charges to the Group’s operating profit or loss for a period.

	Financial statements reference	2018 €'000	2017 €'000
Depreciation - recorded in inventory		524	15
Depreciation - recognised in profit or loss		121	60
Total depreciation	Note 17	645	75

		2018 €'000	2017 €'000
Operating loss	Statement of profit or loss	(2,555)	(51,728)
Exceptional items	Note 11	409	48,065
Depreciation – recognised in profit or loss	As above	121	60
Amortisation	Note 18	61	-
EBITDA		(1,964)	(3,603)

Supplementary Information

for the financial year ended 31 December 2018 (continued)

3 ROCE

An APM representing return on capital employed that Group management believes is the best measure of the Group's ability to generate profits from its asset base in a capital efficient manner to create sustainable shareholder value. ROCE is calculated as operating profit divided by average capital employed, where operating profit is earnings before interest and tax and where capital employed is calculated as (i) net assets plus (ii) financial indebtedness, less (iii) cash and intangible assets.

4 Net Development Value (NDV)

An APM representing an estimate of the development value of land held in inventory. NDV is calculated by multiplying the number of units the Group expects to sell on a given site by the estimated sales price of each unit (excluding VAT).



Glenveagh
Properties PLC

Glenveagh Properties PLC

15 Merrion Square North
Dublin 2
D02YN15
Ireland
T: +353 (0)1 556 5600
E: enquiries@glenveagh.ie

Block B, Maynooth Business Campus
Maynooth,
Co. Kildare
W23 W5X7
Ireland
T: +353 (0)1 610 6546

glenveagh.ie