

COUNTRY BY COUNTRY REPORTING

FOR THE YEAR ENDED 31 DECEMBER 2017

Permanent TSB Group Holdings plc Country by Country Reporting

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Permanent TSB Group Holdings plc

Country by Country Reporting

For the year ended 31 December 2017

Basis of Preparation

Country by Country Reporting (CBCR) requirements are a key component of Capital Requirements Directive (CRD IV). CBCR requirements have been transposed into Irish legislation as Regulation 77 of Statutory Instrument 158 of 2014.

Regulation 77 requires each credit institution to disclose annually, specifically by Member state and by third country in which it has an establishment, the following information on a consolidated basis for the financial year:

- a) Name, nature of activities and geographical location;
- b) Turnover;
- c) Number of employees on a full time equivalent basis (FTE);
- d) Profit or loss before tax;
- e) Tax on profit or loss; and
- f) Public subsidies received.

Permanent TSB Group Holdings plc (PTSBGH) is the holding company of Permanent TSB plc (PTSB). PTSBGH is required to comply with Regulation 77.

PTSBGH prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

The CBCR disclosures are prepared under International Financial Reporting Standards as adopted by the European Union (EU) except as regards the scope of consolidation which is on a prudential basis.

The principal difference between the statutory consolidated financial statements and prudential basis of consolidation relates to the Group's wholly owned life insurer, Irish Permanent Property Company DAC (Captive) which is fully consolidated in the statutory financial statements but treated as an investment in the prudential consolidation.

In the disclosures that follow:

1. Country of establishment is defined as the geographical location of the business unit booking the transaction.
2. Turnover includes net interest income, net fees and commission income, net trading income and net operating income.
3. The tax paid figure disclosed refers to corporation tax only. The tax paid figure may not directly relate to the accounting profits earned in that year as differences can arise between accounting profit and taxable profit as a result of applying local tax legislation.
4. The tax charge figure includes current tax expenses but does not include deferred taxes or any provisions for uncertain tax liabilities.
5. The number of employees on a full time equivalent basis is reported as the average during the year.
6. Public subsidies are defined to be direct support by the government. It does not include any central bank operations that are designed for financial stability purposes or operations that aim to facilitate the functioning of the monetary policy transmission mechanism. General tax incentives or schemes in line with the European Commission's guidance on State Aid do not fall within the definition of public subsidy for the purposes of CBCR.

Principal Subsidiaries*:

Name	Nature of activities	Country of establishment
Permanent TSB plc	Retail banking and mortgage lending	Ireland

*Principal subsidiaries are defined on page 197 of the 2017 Annual Report.

Turnover, Profit/Loss before tax, Taxation and Average FTEs:

Country	Turnover €m	Profit/Loss before tax €m	Tax paid/ (refunded) on Profit/Loss €m	Tax charge on Profit/Loss €m	Average FTEs
Ireland	442	53	0.3	(0.2)	2,437
United Kingdom	-	-	(3.3)	0.0	-
Isle of Man	1	(1)	0.0	0.0	10
Total	443	52	(3.0)	(0.2)	2,447

Public Subsidies

The Group has not received any public subsidies during the year ended 31 December 2017.

*The information above is audited in accordance with Directive 2006/43/EC.



Private and confidential

Independent Auditors' Report to the Board of Directors ('the directors') of Permanent TSB Group Holdings plc in connection with the Country by Country Reporting Schedule for the year ended 31 December 2017

We have audited the accompanying financial information of Permanent TSB Group Holdings plc ("PTSB") for the year ended 31 December 2017, which comprises the Country by Country Reporting Schedule including the Basis of Preparation for the year ended 31 December 2017. The Country by Country Reporting Schedule for the year ended 31 December 2017 has been prepared by management of PTSB in accordance with management's basis of preparation (the "Basis of Preparation").

Directors' responsibility for the Country by Country Reporting Schedule

The directors are responsible for the preparation of the Country by Country Reporting Schedule, for the appropriateness of the basis of preparation and for such internal control as management determines is necessary to enable the preparation of the Country by Country Reporting Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the Country by Country Reporting Schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Country by Country Reporting Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Country by Country Reporting Schedule. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Country by Country Reporting Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to PTSB's preparation of the Country by Country Reporting Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PTSB's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Country by Country Reporting Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information as included in the Country by Country Reporting Schedule for the year ended 31 December 2017 is prepared, in all material respects, in accordance with the Basis of Preparation.

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Chartered Accountants



Basis of Preparation and Restriction on Distribution

Without modifying our opinion, we draw attention to the Basis of Preparation. The schedule is prepared to assist the directors to meet the requirements of Regulation 77 of Statutory Instrument 158 of 2014. As a result, the schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers
Chartered Accountants
Dublin

24 May 2018