Your Journey Our Focus

Iarnród Éireann Annual Report
Financial Year Ended 31 December 2025

Our Year in Numbers

Operating Surplus
before Interest, Tax Depreciation & Amortisation (EBITDA)

€19.0m
€9.6m in 2024

Passenger journeys

55.03m
50.66m in 2024

Number of Employees

5,242
5,022 in 2024

Contents

€1,211m
Exchequer funding

€968m
in 2024

Over
245,000
freight units through Rosslare Europort

147th
station opens in Woodbrook

100
more DART carriages ordered 285 in total

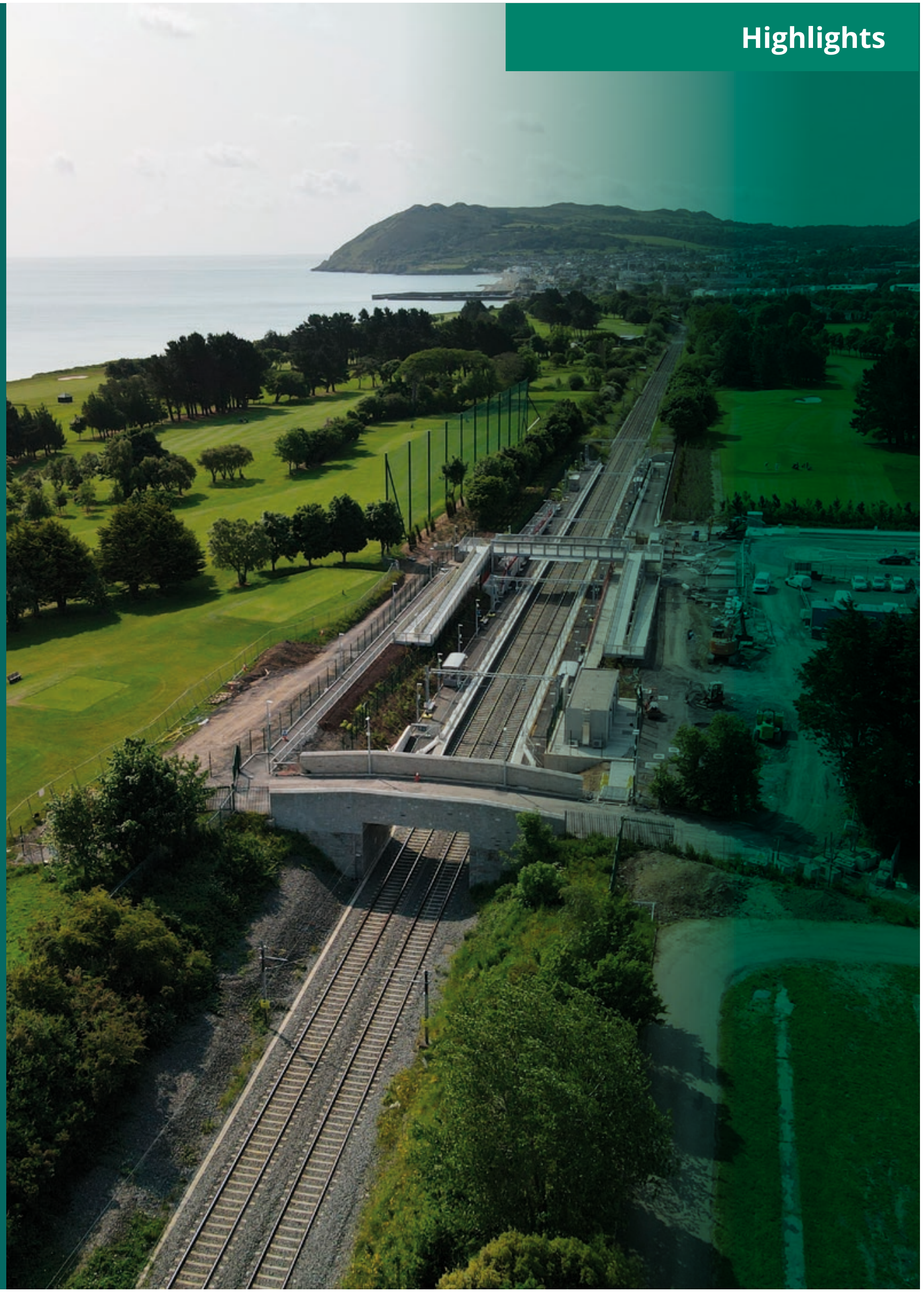
Offshore Renewable Energy planning application for
Rosslare

65,832
accessibility assistance requests

Third **DART+**
Railway Order granted

57%
waste recycled up 3%

Over
40,000
metres DART overhead line renewed



Chairperson's Statement

Iarnród Éireann's vision is to be the backbone of Ireland's sustainable transport network, a vision that is supported by policy and strategy at national and local government level and facilitated by the National Transport Authority and Department of Transport.

Iarnród Éireann's vision is to be the backbone of Ireland's sustainable transport network, a vision that is supported by policy and strategy at national and local government level and facilitated by the National Transport Authority and Department of Transport.

As the Iarnród Éireann team works to realise that vision, the continuing focus on today's service is also critical. More customers than ever are travelling by rail, higher volumes than ever pass through Rosslare Europort, for which we are Port Authority. Meeting their needs, ensuring the safety of customers, employees and third parties, and providing the best possible service is our day-to-day commitment.

The record-setting demand for Iarnród Éireann rail services brings with it short-term challenges. Capacity is at a premium on commuter routes in Dublin, Cork and Galway at our busiest times. This is why, as well as our current investment programme which will begin to deliver much needed new trains and capacity from 2027, the pipeline of projects for the future must be identified, developed and funded.

Not only is this to serve our existing communities, but – along with energy and water – public transport will be the key to unlocking housing supply, perhaps the most critical pressure point in Irish society today. That is why Iarnród Éireann inputted to and welcomes the priorities of the Government's Accelerating Infrastructure and Delivering Homes, Building Communities strategies published towards the end of 2025. It is incumbent on all of us to help realise these ambitions and remove the roadblocks to delivering public transport infrastructure.

Within the Transport Sectoral Plan 2026 to 2030, under the current National Development Plan, funding for projects in all of our major cities and for regional development is provided. We welcome the Minister for Transport's ambition to continue to seek opportunities for DART+ South West to be incorporated within that timeline. The delivery of capacity and electrification works on the Heuston to Hazelhatch line will boost Greater Dublin Area commuter capacity, and provide more capacity for Intercity expansion, for true national benefit. As Delivering Homes, Building Communities identifies, it is also key to and supportive of significant housing developments along this corridor.

Longer-term, the Rail Project Prioritisation Strategy published by the Department of Transport in Ireland and Department for Infrastructure in Northern Ireland in December

2025 creates that pipeline of projects from the All-Island Strategic Rail Review (AISRR). It will help us to realise both short-term measures to quickly allow us to operate more passenger and freight services, as well as the strategic investments to develop the rail network nationally and regionally to support a sustainable future. This is complemented by our design development for Four North's four-tracking north of Connolly Station, and CONNECT's electrification and decarbonisation programme for the national rail network, supported by the EU's Connecting Europe Facility.

As mentioned, the strategic focus on safe, punctual, customer-focused services remains a key priority for the Board and I. We will work to support Chief Executive Mary Considine and the entire Iarnród Éireann team to build on today's success and realise the full potential of our rail network, recognised once again as a critical infrastructural asset for the State.

As Port Authority for Rosslare Europort, Iarnród Éireann has already responded to the post-Brexit era by dramatically expanding continental European services. The next era in the Port's development will address the country's sustainable energy independence ambitions, with the opportunity for Rosslare to be the primary onshore hub for the Offshore Renewable Energy industry in the Irish and Celtic Seas.

Sustainability also encompasses issues such as climate action and climate resilience. The storms of the past winter directly impacted the rail network, highlighting the importance of the ongoing East Coast Rail Infrastructure Protection Projects (ECRIPP), the central element of our programme to mitigate against the effects of climate change. Its inclusion in the Sectoral Transport Plan demonstrates the understanding at public policy level of the imperative we face.

In reporting on 2025, I want to thank my predecessor Steve Murphy, Chairperson of Iarnród Éireann up to February 2026, for his contribution to Iarnród Éireann over the past three years on the Board and as Chairperson.

I am grateful to the Minister for Transport Darragh O'Brien TD for appointing me, and I am honoured to succeed Steve, at such a key moment in the history of this company, and in the development of transport in Ireland. I also thank Minister O'Brien and Ministers of State at the Department of Transport Sean Canney TD and Jerry Buttimer TD, and their departmental officials for their ongoing support.

At the National Transport Authority, I thank Chief Executive Anne Shaw – and Hugh Creegan who had been Acting Chief Executive prior to Anne's appointment in 2025 – and the leadership team at the Authority for their support, from our capital investment programme to service delivery.

We look forward to working in partnership with them, and with all stakeholders, in ensuring our vision of a step change in the role of rail across the State is realised.

I also want to thank Chief Executive Mary Considine and the Iarnród Éireann team for their commitment to delivering the best service today and developing the best network for the future. Our people are our greatest asset, and we are fortunate to be served by a skilled and diverse workforce.

I congratulate Mary on her appointment in 2025 and wish her and the team well throughout her tenure. I also thank the outgoing Chief Executive Jim Meade who retired in October 2025 for a career of dedication to and delivery for Iarnród Éireann, culminating in his time as Chief Executive, and we wish him well in his post-Iarnród Éireann career.

Ultan Courtney
Chairperson

Chief Executive's Report

I was honoured to join Iarnród Éireann as Chief Executive in September 2025, at such a significant time in the company's history and development, poised as it is to play a far greater role in the sustainable transport solutions for our country. I thank the former Chairperson Steve Murphy, Chairperson Ultan Courtney, the Board and our team of over 5,200 colleagues for the support given to the management team and I as we work to deliver safe, customer-focused services across our rail network and at Rosslare Europort today, while we develop the network and services of the future. I also want to acknowledge the significant contribution made by the previous CEO Jim Meade who retired in October: the work of Jim and his team firmly positioned rail to become the backbone of Ireland's sustainable transport system.

The past 12 months saw our record passenger journey totals from 2024 surpassed by almost 9%, reaching 55.03 million journeys, meaning the delivery of our portfolio of capital investment projects will be crucial as we work to expand services in the coming years.

As we see demand increase, our first priority remains safety, for our customers, our colleagues and the wider community with whom we interact. The detailed and dedicated work to continue to strengthen our strategic approach to safety included initiatives in 2025 such as developing a new overarching safety management system; implementation of the Risk Management Maturity Model across our own businesses and with contractors; and deepening our adoption and understanding of Human Factors and Just Culture in the management of safety.

Significant growth in all passenger markets was recorded. The full-year benefit of expanded Intercity services introduced in late 2024 saw double-digit growth on a number of routes, with the hourly Enterprise service seeing year-on-year growth of almost 40%, and DART and Commuter services are also seeing accelerating demand.

With this growth comes short-term pressure on capacity. However, with a further 100 DART carriages now on order from Alstom, bringing the total to 285, their entry into service from 2027 onwards will expand capacity across the network, freeing up Intercity and Commuter trains currently used in the Greater Dublin Area for other routes nationwide.

The past 12 months saw our record passenger journey totals from 2024 surpassed by almost 9%, reaching 55.03 million journeys, meaning the delivery of our portfolio of capital investment projects will be crucial as we work to expand services in the coming years.

The DART+ Programme will enable us to build to "turn-up-and-go" frequency of up to every five minutes on the inner core of the Dublin rail network, and higher capacity and electrification to Drogheda, Kilcock/M3 Parkway and Hazelhatch, as well as battery-electric operation to Wicklow. The granting of a third Railway Order for DART+ Coastal North in 2025, joining previous approvals for DART+ West and DART+ South West, was a key milestone.

One of the most significant factors of our current and planned investment programmes is the true national benefit being delivered, with projects in place to enhance our service in all our major cities.

In 2025, progress with these projects included:

- Cork Area Commuter Rail programme saw the new platform for additional capacity at Kent Station completed, and twin-tracking to Midleton will be delivered in 2026.
- Planning permission was received for Moyross Station in Co Limerick, and with the Limerick to Foynes Freight line set for completion in 2026, approval was given for the development of a temporary platform at Adare for passenger services for the 2027 Ryder Cup.
- Major works commenced at Oranmore for a second platform and passing loop section of second track, to allow more frequent services to/from Galway. In Galway city, the new Ceannt Station works continued to progress to schedule, opening in 2026.
- Woodbrook DART Station opened on schedule in August, an exemplar in public transport provision to support the development of housing and bringing to 147 the number of stations on our network.
- A preferred supplier for the new Enterprise fleet was selected, with the contract being signed in February 2026 with Stadler of Switzerland for a new sustainable fleet to deliver high-quality hourly Dublin/Belfast services.

Integral to our investment programme is ensuring accessibility for all, and as well as new fleet and infrastructure seeing accessibility improvements, we delivered modern footbridges featuring lifts, enhanced platform safety features, and station-wide improvements at Rathmore, Athy, Rathdrum and Maynooth in 2025. The upgrades were co-designed with input from our Disability Users Group.

As we work to accelerate the delivery of IÉ's development strategy and the recommendations of the All-Island Strategic Rail Review, projects including Four North, CONNECT and Galway Line Capacity Improvements continued to work through early development. In addition, we are readying the Navan line project for consultation on the Emerging Preferred Route option in 2026, and the Wicklow Capacity Enhancement project is now moving forward with procurement processes underway.

Alongside our capital programme, investment in the maintenance of track and structural assets is crucial, funded under the Infrastructure Manager Multi Annual Contract (IMMAC) with the Department of Transport. This is the core work that ensures the safe provision of our infrastructural assets for the operation of our services. The work associated with IMMAC has been crucial in providing improvements in the safety and reliability of our infrastructure for the benefit of our customers. Key works this year included track renewal on Connolly to Pearse, the busiest section of the rail network; key track works on Dublin/Cork, Dublin/Belfast and Dublin/Galway; renewal and upgrades to bridges; and renewal of overhead line equipment on the DART network.

Chief Executive's Report

Our Infrastructure Manager is also on the frontline of climate change and climate mitigation efforts, with the East Coast Railway Infrastructure Protection Projects (ECRIPP) being delivered to provide improved coastal protection to the existing rail corridor between Dublin and Wicklow. Following public consultation in 2025, the project team are preparing consent applications for submission in Autumn 2026 to An Coimisiún Pleanála.

Rosslare Europort's continued development saw the new T7 facility completed, and major strides delivered under the Port Masterplan and Digitalisation projects. This supports the port in handling an unprecedented number of freight units, which surpassed 245,000 in 2025, marking a 5% year on year increase and a record high for the port in a calendar year. The next phase of the port's transformation is the development of the onshore hub for the Offshore Renewable Energy programmes in the Celtic and Irish Seas, and a planning application for this crucial national investment for sustainable energy and energy independence was submitted in late 2025.

Our wider sustainability goals are supported by the investment programme, and the move to battery-electric and electric trains as part of the DART+ Programme is critical for decarbonisation. However, sustainability encompasses so much more, and Iarnród Éireann has become a leader in sustainable procurement; has delivered significant improvements in water management; is developing a pioneering health and wellbeing programme for shift workers and night workers; and is working with local communities through arts and mental health programmes; as well as ongoing partnerships with organisations including Focus Ireland and the Irish Red Cross.

Underpinning delivery of our services today and the development of tomorrow's railway and port are our people, and a new pay agreement providing certainty and stability up to 2031 was agreed towards the end of 2025. Developed with our trade unions and without recourse to the industrial relations machinery of the State, this supports our ambitions as a company and represents the cooperative and consultative workplace we are committed to develop. Accreditation with People Development Partner status (PDP) from the Chartered Institute of Personnel and Development (CIPD), achieved in 2025, formally recognises Iarnród Éireann's commitment to the professionalisation and development of our Human Resources and Learning and Development functions.

I thank again all our people whose professionalism, energy, drive and loyalty will ensure we can deliver today's service and tomorrow's vision in this transformative era for Iarnród Éireann.

Mary Considine
Chief Executive


Iarnród Éireann
Irish Rail
Proudly Supporting
LET'S TALK
ABOUT THE
ELEPHANT
IN THE ROOM

Safety Performance 2025

Safety is our foremost priority at Iarnród Éireann, and we maintain robust and effective systems to protect the safety of our customers, employees, contractors, and all those impacted by our operations, and we safeguard and promote the health and wellbeing of our staff.

Most safety indicators in 2025 are proportionate with or lower than increased passenger numbers and activity, with a marked reduction in employee lost time accidents and level crossing incidents achieved.

Signals Passed at Danger (SPAD)

	2021	2022	2023	2024	2025
SPADs	8	12	11	11	15

There was an increase of 36% in SPADs. Investigations are ongoing to identify underlying causes, and the individuals involved have conducted learning reviews to reinforce non-technical skills and error prevention techniques.

Employee Lost Time Accidents (LTAs), Reportable (Excluding Psychological Stress)

	2021	2022	2023	2024	2025
Lost Time Accidents (Reportable)	43	39	35	51	36
per 1,000 employees	10.13	8.74	7.47	10.33	7.05

Incidents decreased by 29% in 2025. Slips, trips, and falls, along with manual handling incidents, continued to account for the majority of LTAs.

Employee Lost Time Accidents (LTAs), Reportable Psychological Stress

	2020	2021	2022	2023	2024	2025
Lost Time Accidents (Reportable)	8	9	8	21	18	9
per 1,000 employees	1.93	2.12	1.79	4.48	3.58	1.76

The company Critical Incident Steering group have taken steps to minimise the number of people required to attend following self-harm incidents, training on intervening with vulnerable people, policy updates and post event debriefing. The number of incidents (persons struck by train) reduced in 2025 with the number of interventions by staff to assist vulnerable persons increasing.

Category 1 Level Crossing Near Misses

	2021	2022	2023	2024	2025
Cat 1 Near Miss	12	13	15	14	10
per Million Passenger Journeys	0.6897	0.3627	0.3254	0.2761	0.1817

Reduced by 28% in 2025. Continued rollout of Decision Support System technology at level crossings; trials of enhanced visibility of warning systems on public roads; and education programmes with level crossing users.

Bridge Strikes

	2021	2022	2023	2024	2025
Bridge Strike	99	92	95	80	103
per Million Passenger Journeys	5.690	2.567	2.061	1.578	1.871

With an increase of 29%, the number of bridge strikes has been driven by significant increase in road activity. While the number of strikes has increased, thankfully the number of serious or potentially serious incidents has decreased.

Customer and Third-Party Accidents					
	2021	**2022**	**2023**	**2024**	**2025**
Customer and Third Party Accidents	182	319	362	410	444
per Million Passenger Journeys	10.460	8.901	7.852	8.087	8.067

An increase of 8% is with growth in total passenger journey numbers. Passenger Train Interface (PTI) incidents increased 15%, and a detailed risk review of locations with high passenger footfall through stations during peak times was undertaken to establish additional mitigations to address PTI & customer injuries.

Anti-Social Behaviour					
	2021	**2022**	**2023**	**2024**	**2025**
Anti-Social Behaviour	548	645	1023	1520	1602
per Million Passenger Journeys	31.15	18.01	21.5	29.98	29.10

While the number of incidents has increased by 5.3%, the majority of these incidents are on the low end of the scale and are in the context of increased level of passenger journeys in 2025. Additional security resources are being deployed in early 2026 with funding from the NTA.

Our Finances

The overall result for the year is a net profit after taxation of €9.2m (2024: loss €0.4m) with Net Assets of €62.9m (2024: €53.7m). The profit is primarily due to funding received and accounted for in 2025 relating to the accelerated maintenance spend in 2024, reasonable profit under the NTA Public Service Obligation contract and net positive result across commercial activities.

IÉ continue to operate under a gross contract with the NTA. IÉ receive PSO revenue for delivery of services under the terms of the contract. This contractual revenue is recognised in the income statement of IÉ. This amounted to €424.1m in 2025.

Total revenue from operations amounted to €76.2m (2024: €77.7m) in the year. Rail Freight revenue at €2.5m (2024: €3.7m) reduced by €1.2m due to works commencing in Dublin Port resulting in a reduction in services operated. Rosslare Europort revenues at €17.8m (2024: €15.9m) increased year on year by €1.9m, due to the continued growth in passenger and freight traffic. Other revenues reduced €2.2m in the year at €55.9m (2024: €58.1m). The reduction is due to lower third-party income of €3.1m from works on behalf of county councils and €0.8m relating to Navigator income as a result of lower demand in the year. This is offset by an increase in property income of €1.7m.

Payroll expenditure of €363.8m (2024: €336.0m) increased by €27.8m year on year. The increase is primarily due to the impact of the final year of current pay deal put in place in 2022 and an increase in average headcount to 5,098 (2024: 4,814). The increases were throughout the organisation to deliver increased passenger services, new capital projects and maintenance works across the network. Other operating costs of €392.1m (2024: €322.1m) increased by €70.0m on prior year, primarily due to increased related price fuel and DART electricity costs €2.4m, maintenance and operating activities €67.6m.

Total exchequer funding of €1,211.9m (2024: €967.6m) increased €244.3m year on year. Infrastructure Multi Annual Contract funding received from the Department of Transport was €380.0m in 2025 (2024: €291.9m). The National Transport Authority provided Public Service Obligation funding of €420.8m (2024: €389.4m) for the operation of passenger services. Public Service Obligation funding for capital works on rolling stock heavy maintenance and operation of passenger services in the year amounted to €54.8m (2024: €43.7m). A further €1.4m was received in the year for Cybersecurity from Public Service Obligation funding. The National Transport Authority provided €324.5m (2024: €236.1m) for capital projects.

Other Exchequer funding totalling €30.4m was received in the year of which €11.0m was received under Connect Europe Facility for coastal defence and Berth upgrades in Rosslare Europort. A further €2.8m was received from the Department of Transport for coastal defence. The Urban Renewal Development Fund contributed €10.2m for stations developments in Galway. Funding of €5.3m was received for capital investments for all island rail services in the year. Council levies received in the year amounted to €0.5m with a further €0.7m funding received for passenger services.

Cash used (excluding intercompany financing) for the year was €23.6m (2024: €2.8m). The cash variance arises from a net surplus, offset by increased capital expenditure and higher working capital requirements and depreciation costs. The balance sheet remains vulnerable to an economic downturn or a reduction in exchequer funding.

In 2025, IÉ made a tax adjusted trading profit of €7.5m (2024: tax adjusted loss €1.0m). Trading losses from prior years can be used to offset trading profits in the current year.

Rental profit in the year was €8.3m (2024: €7.7m). Gross interest income of €0.6m (2024: €1.0m) was received in the year. A tax charge of €2.2m has been recorded in the profit & loss account for the year.

Consultancy costs

In line with the 2016 Code of Practice for Governance of State Bodies, consultancy costs incurred in 2025 by the company included in Operating and other costs (see Note 6) are set out in the table below. The increase in maintenance and capital works costs relate primarily to capital projects.

	2025 €000	2024 €000
Maintenance & Capital works	51,093	24,946
Operational & Other	1.125	914
Strategy & Organisation Design	350	913
Gross Consultancy costs	**52,568**	**26,773**
Capitalised costs	(50,819)	(24,824)
Net Consultancy costs	**1,749**	**1,949**

Capital Investments

In 2025, a range of key Capital Investment projects in our extensive portfolio progressed, the delivery of which will transform services for our customers and encourage a greater modal shift to public transport, ensuring rail is the backbone of Ireland's sustainable transport network.

DART+ Programme

The DART+ Programme will deliver electrification and turn up and go services across the Greater Dublin Area, doubling capacity of the rail network in the GDA.

<table>
<tr><th>Project</th><th>Status update</th><th>Next steps</th></tr>
<tr><td>DART+ Fleet</td><td>Testing continuing,
four trains delivered.
Third order signed,
285 carriages now on order.</td><td>Regulatory approval application,
in service from Q2 2027</td></tr>
<tr><td>DART+ West</td><td rowspan="2">Procurement pre-qualification
completed in 2025</td><td rowspan="2">Invitation to Tender 2026
(SW subject to funding)</td></tr>
<tr><td>DART+ South West</td></tr>
<tr><td>DART+ Coastal North</td><td>Railway Order August 2025</td><td>Civil works contracts progressing</td></tr>
<tr><td>DART+ Coastal South</td><td>Public consultation on
option selection in 2025</td><td>Planning to proceed 2026</td></tr>
</table>

Other projects supporting the DART+ Fleet include:

- Refurbishment of Wagon Shop at Inchicore Works to act as testing and commissioning facility for fleet completed in August.
- Construction commenced on a new building at Inchicore to house driver training simulators and classroom facilities completed in early 2026.
- Infrastructural installation works were completed in Drogheda to prepare for the battery electric trains going into operational service.

Enterprise Fleet

Stadler have been selected jointly by Iarnród Éireann and Translink to provide eight new multi-mode Intercity trains for the Dublin Belfast Enterprises Intercity service, with the contract signed in February 2026.

National Train Control Centre

The National Train Control Centre (NTCC) located at Heuston Station will replace the current traffic control centre at Connolly Station. The new facility will provide for the safe and efficient management of rail traffic in a single location and accommodate future service expansion.

The NTCC building has been constructed and currently houses co-located third-party facilities for An Garda Síochána, with further facilities planned for Dublin City Council's Traffic section.

Train control of a section of the Sligo Line in the Clonsilla area and the electrical control of the DART traction power infrastructure (substations and overhead lines) were migrated from Connolly Station Central Traffic Control (CTC) facility into the NTCC facility during 2025.

The software development of the NTCC Traffic Management System (TMS) (i.e. the system which will manage all rail traffic when NTCC is commissioned) continued during 2025. The TMS project has encountered significant challenges, and the Iarnród Éireann project team has continued to engage with the contractor Indra, in consultation with the NTA, to address issues which have arisen. However, the company informed by the test results to date, does not have confidence that the asset in its current state can be deployed into use on the network and consequently has written down the carrying value of the asset. In light of this the company is considering how best to deliver the TMS project. See note 27 to the financial statements.

Cork Area Commuter Rail

The Kent Station Through Platform project, the first of the EU Recovery and Resilience Facility (EURRF)-funded projects, was completed in March 2025 and is now fully operational. Glounthaune – Midleton Twin Tracking is well advanced for delivery in 2026, and the Signalling & Communications Upgrade project to be completed in 2027.

Preliminary design and public consultation for the development of Phase 2 of the CACR Programme, including eight new stations, a new fleet depot, electrification of the CACR network, and a new electric train fleet, has made good progress. The project team have submitted planning applications for Kilbarry and Dunkettle Stations in early 2026 and are aiming to submit a Railway Order application for the wider CACR Programme Phase 2 during the second half of 2026.

Galway Ceannt Station Redevelopment

The project will transform the passenger experience and will integrate the station with the proposed new development to the south, improve integration between bus and rail, and facilitate future capacity increases. The construction works continued through 2025, with the new Platform 5 and an extended Platform 1 coming into operation at end of October. The project remains on programme for completion in Q4 2026.

Train Projection System – Drogheda to Greystones

The Train Protection System (TPS) Drogheda to Greystones project is being delivered as a European Train Control System (ETCS) Level 1 solution. The installation and testing of ETCS trackside infrastructure is completed, including the additional trackside infrastructure required for additional system functionality related to the new DART+ BEMU fleet (i.e. automated raising and lowering of the pantograph).

The project is on target for achieving regulatory safety approval in Q1 2026, which supports the programme for the testing and entry into service of the new DART+ BEMU fleet.

Woodbrook Station

Woodbrook DART station (located between Shankill and Bray) opened to passenger services in August 2025, becoming the 147th station on the Iarnród Éireann network.

Navan Line

Work on the development of the Navan Line commenced in 2024 and has progressed well in 2025. Developmental work to identify possible route corridors, along with environmental and traffic modelling, has continued throughout the year. Public consultation on the Emerging Preferred Option will take place during 2026.

Limerick to Foynes Freight Line

Track and civil engineering works are substantially complete. Works in 2026 to bring the line into service include: installation, testing and commissioning of the thirteen public road level crossings and the new signalling system; the construction of eight overbridges and underpasses; refurbishment of the Foynes Station building. The line remains on target to reopen to rail traffic in Q4 2026.

In parallel with the Foynes Freight Line project, preparations are on-going for the Ryder Cup event in September 2027. In collaboration with NTA and Limerick City and County Council transport plans are being developed for the event and a temporary platform at Adare Station will be in place by end of 2026.

Rail Freight Wagons

An order was placed in December for a further 68 new freight wagons with WH Davis UK, which will support our Infrastructure maintenance operations bringing to 218 the total number of wagons on order. Design work is progressing well for the initial order of 150 intermodal freight wagons for our freight operations business, and the first batch will be delivered for testing in 2026.

Our Customers

Customers are at the heart of our business, and we continue to strive to provide better, more frequent and more sustainable services to existing and new communities right across our network.

Passenger Services

The highest ever passenger journey numbers were recorded in 2025 with growth across Intercity, DART and Commuter networks recorded. The total number, 55.0M was 8.5% up on 2024.

Journeys (Millions)	2024	2025	% Increase
Intercity	14.1	16.1	14.2%
DART	21.3	22.6	6.1%
Commuter	15.3	16.3	6.5%
Total	**50.7**	**55.0**	**8.5%**

There was strong performance across all networks. Routes such as Galway, Waterford & Belfast saw customers responding to the timetable improvements in August 2024 and saw volume growth of 9%, 11%, and 37% respectively. Overall, Intercity demand is now 23% above Pre-Covid levels.

Passenger growth on the DART and Commuter network continued the momentum from the second half of 2024. There is evidence that the return to the office trend is continuing and while Tuesdays, Wednesdays and Thursday remain our peak days Monday and Fridays are seeing heavier peak traffic. Demand is being driven by higher employment, renewed commuting habits and pricing effects of the expansion of the Leap Zone. In April 2025, eight stations in the Greater Dublin area were brought into the Leap Zone by the NTA, and customers from these stations are now benefiting from these lower fares.

Accessibility 2025

Disability Awareness Training

Feedback has been overwhelmingly positive from colleagues for this training through the Vision Ireland Centre at the Wayfinding Centre, with over 530 staff trained in 2025.

Sensory Packs

Following positive feedback from our customers 1,500 Sensory Packs were distributed last year. In total, 6,000 packs have been distributed to date, and a further order for 3,000 sensory packs is currently being processed.

Assistance Requests

27% Increase of customers with disabilities receiving assistance on our services.

	2023	2024	2025
Assistance requests	45,853	51,992	65,832

Rosslare Europort

2025 saw the completion of the T7 and Port Masterplan works at Rosslare Europort. The project, which was the second largest civil construction programme of works in the country over the past three years, was delivered on budget and on time. Delivered in conjunction with the OPW and John Paul Construction this project established new passenger and freight facilities, increased storage areas, new Border Control, Customs, An Garda Síochána, Agriculture and Health facilities along with new access roads, welfare facilities and the digitisation of the first port in Europe.

The port handled an unprecedented number of freight units, surpassing 245,000, marking a 5% year on year increase. While total passenger volumes declined in 2025 compared with 2024, this was reflective of a broader tourism industry wide slowdown in European travel to Ireland, with the continental market down 16%. Against this backdrop, the GB market performed strongly, recording growth of 3% year on year. The port achieved a new revenue record in 2025, 11% increase on the previous record set in 2024.

Throughout 2025, Rosslare Europort experienced several vessel/route changes across its network. While Stena Line concluded its Rosslare to Cherbourg service, this capacity was swiftly replaced by Brittany Ferries, which moved quickly to reestablish the Rosslare to Cherbourg route, ensuring continued connectivity to the French and EU markets.

Importantly, both Irish Ferries and Stena Line maintained unchanged schedules on the GB routes, providing consistent frequency and reliability for customers. This stability directly supported performance in the GB market, which delivered year on year growth of 3% in volume and a strong 15% increase in revenue.

Building on the future the port received the largest ever MAC (Marine Area Consent) issued by the state which facilitated the lodgement of the planning application in December 2025 for the build out of Ireland's largest ORE (Offshore Renewable Energy) port facility that will support the planned construction and build out of windfarms planned for the Irish and Celtic Seas. This key project is essential to support Ireland's ambitions to meet its climate targets and to ensure green energy independence in the decades ahead for the citizens of the state and the wider European Union.

Rail Freight and Navigator

Iarnród Éireann continued to advance its long-term vision for enhancing rail freight infrastructure linked to major ports and inland hubs to strengthen trade connectivity.

The Rail Freight Development Project Strategy, which was co-financed by the European Union was completed in 2025 with specialist assistance from AECOM. The final report has identified several opportunities and challenges to be reviewed and evaluated in 2026 in collaboration with industry and other key stakeholders and focus on future expansion opportunities for rail freight services at key strategic locations throughout the country.

Despite the continuous challenging environment our Navigator Business continued to grow steadily and delivered superb and continuous service to customers with an overall performance of 99.39% deliveries made on time in 2025 across the island of Ireland.

Our Network

Investment in network maintenance is funded under the Infrastructure Manager Multi annual contract (IMMAC) with the Department of Transport and is the core work that ensures the safe provision of our infrastructural assets for the operation of our services. Key works in 2025 included:

- Track upgrades on Dublin/Cork, Dublin/Belfast and Dublin/Galway.
- Renewal and upgrades to bridges
- Elimination of eight user worked level crossings, the enhancement of a further fourteen with technological solutions, which improve safety through an advanced warning system
- Improvements and upgrades to our station building infrastructure across the network, including our carparks, lifts, escalators and associated assets
- Overhead Line Equipment (OHLE) renewal on the DART network, totalling 40,000 metres of cable in 2025
- Contract awarded in 2025 for future-proofed Computer Based Interlocking (CBI) signalling system to Siemens.
- Replacement of telecoms transmission systems continuing.
- DART Level Crossing CCTV renewals were completed at Merrion, Bray, Lansdowne Road, Serpentine and Sandymount
- Telecommunications Fibre renewals continued in 2025 on the Kerry line and Waterford to Wexford.

Some challenges encountered can be attributed to climate change and major weather events, with major storm events in particular having significant impact on our infrastructure during the year.

Examples of this includes repairs to culverts following flooding events, remediation of embankments to alleviate risk of slippage and subsidence and the introduction of scour protection measures at our bridges. In response to the changing environment, asset resilience is a key focus for us and our various renewal programmes across our asset bases are being undertaken with the longer term view of adding resilience to our renewals such that they will operate longer and more efficiently into the future.

The East Coast Railway Infrastructure Protection Projects (ECRIPP) are a suite of five projects being delivered by Iarnród Éireann to provide improved coastal protection to the existing rail corridor between Dublin and Wicklow. To date the projects have completed feasibility studies, option selection works and preliminary designs. Currently the projects are preparing consent applications for submission in Autumn 2026 to An Coimisiún Pleanála. Subject to consent durations and funding it is expected that works will commence on site in 2029.

Our Sustainability

Iarnród Éireann's Sustainability Strategy, "Sustainability in Motion," encompasses Environmental, Economic, Social and Governance (EESG) commitments. Reflecting the importance of Sustainability to the organisation, in 2025 Sustainability in Motion has been adopted as one of the company's six core values.

The company's Climate Action Plan has been revised to take account of the current status of major decarbonisation plans and initiatives. We have also developed strategies covering Health & Wellbeing, Equality, Diversity and Inclusion (EDI) and we have initiated work on a Social Investment Strategy.

Overall Energy and Decarbonisation

The overall energy consumption for 2025 increased by **6.2%** vs. 2024. This energy increase is primarily driven (>90%) by increased Traction Diesel resulting from capacity additions on Intercity and Commuter routes and increased service frequency on the Dublin-Belfast Enterprise. This is in line with projections under the company's Climate Action Plan, which envisages an increase in energy usage due to additional services and passenger km numbers (up by 13%). Gas consumption has stabilised, but electricity has increased by 3.3% as a result of increased operational, maintenance and commissioning activities arising from new rolling stock.

The total 2025 CO_2 emissions vs. 2024 has increased by 6.1%. (Note that biofuels have a zero-carbon emission factor).

Energy (kWh)	2023	2024	2025	% Variance
Thermal energy (Natural gas)	8,677,722	10,822,721	10,739,928	-0.8%
Rail Transport Marked Diesel	444,860,141	468,800,937	506,921,386	8.1%
Rail Transport Biofuels	20,954,432	28,632,041	22,611,454	-21.0%
Rail Transport DART Electricity	26,102,797	26,589,377	27,468,443	3.3%
Road Diesel	13,704,290	11,841,572	13,944,209	17.8%
Road Petrol	1,568,829	1,919,207	2,261,187	17.8%
Fixed Assets Electricity imports	33,477,799	35,679,888	36,856,297	3.3%
Offsite charging of EVs	–	53,817	50,480	-6.2%
Total Energy	549,346,010	584,339,560	620,853,804	6.2%
Passenger M km	2,235	2,486	2,809	13.0%
Total Energy MWh per 10k Passenger km	2.46	2.35	2.21	-6.0%
Train M km	18.76	19.41	19.67	1.3%
Total Energy use MWh per 100 Train km	2.93	3.01	3.16	4.8%

CO_2 emissions ($kgCO_2$)	2023	2024	2025	% Variance
Thermal energy (Natural gas)	1,776,685	2,215,856	2,198,905	-0.8%
Rail Transport Diesel	117,384,356	123,701,566	133,760,332	8.1%
Rail Transport DART Electricity	7,217,162	6,796,131	6,214,954	-8.6%
Rail Transport biofuels	–	–	–	0%
Road Petrol	395,119	483,364	535,414	10.8%
Road diesel (net fossil component of biofuel)	3,616,124	3,124,612	3,297,297	5.5%
Fixed Assets Electricity imports	9,256,277	9,119,627	8,339,044	-8.6%
Offsite charging of EVs	–	13,755	11,422	-17.0%
Total Emissions kg CO_2	139,645,723	145,454,911	154,357,377	6.1%

Traction Diesel (B0 and B7):

Rail Diesel (fossil) consumption is up 8.1% but the Biofuel total has reduced by 20% compared to 2024, due to a product quality issue early in the year, which was subsequently addressed through the use of HVO type biofuel.

There was a further increase in Train km of **1.3%** resulting from increased service frequency on various routes and the deployment of new rolling stock.

DART

DART traction electricity consumption continues to increase and 2025 has seen an increase of **3.3%** from the 2024 figure resulting from increased passenger kilometres (**6%**)

Electricity

Electricity consumption for fixed assets increased by 3.3% vs. 2024. The quantity of electrical connections is growing every year through factors such as automation of Level Crossings, new stations & capital projects, and maintenance depots are expanding to meet increased service demands and increased staffing levels.

Gas

Gas usage decreased by **0.8%** on 2024 because of improvements in NTCC, upgrades in maintenance depots and a milder 2025 which softened heating demand.

Decarbonisation: Developments in 2025

- **DART+:** The Testing & Commissioning programme for the new fleet is progressing, with battery-electric trains entering service from early 2027.
- **ICR/DMU Repower:** 22000 Intercity Railcar (retrofit transmission or stage V Engine or full hybrid) and 29000 Commuter DMU fleets (Transmission and Genset). The business case is due to issue to the NTA in Q1 2026.
- **Hybrid components and battery packs:** Conversion of ICR trainset 63 to hybrid drive and testing successfully completed in 2025. Approval process for traction battery to enter service is underway.
- **Solar PV Rooftop:** A framework contractor has been appointed for three Solar PV rooftop projects. Material is on order for the Portlaoise depot and ESB application process is underway.
- **Biofuel:** IÉ commenced the introduction of HVO based biofuel in September 2025 at a blend rate of 29.5%.
- **HVO Trial:** Enabling works commenced at Cork Depot for an in-service trial on the 2600 fleet based in Cork. Trial results due for Q2 2026 & will feed into the ongoing HVO strategy across the entire fleet.
- **Hydrogen:** Engine components were delivered in preparation for an 071 loco single cylinder test on the load bank in Q1 2026.
- **Rolling Stock Fluorescent to LED Conversion:** An energy efficiency improvement project is underway to replace the existing lamps in the train carriages for lower wattage LEDs fixtures. The energy reduction per light fixture is in the order of 50% and the lighting upgrade will be rolled across all IÉ passenger fleets.

Environmental Protection and Enhancement

Initiatives continued across all businesses, with ISO14001 for Environmental Management Systems recertified in 2025 for Train Maintenance and Infrastructure Maintenance, and Operations certification being sought in 2026. Initiatives include:

- **Biodiversity:** continued roll out of pollinator-friendly planting and wildlife habitat improvement measures, such as bug hotels and bird boxes at four stations and other Iarnród Éireann locations across the network; installation of Kestrel Nest Boxes was completed with monitoring to commence; planting of hedgerow and native tree species in the main lawn of Inchicore Works.
- **Tree and Vegetation:** Risk assessment and management have been advanced in 2025 to balance operational railway safety and biodiversity enhancement.
- **Waste and Circular Economy:** In 2025, the company recycled 57% of its general waste in 2025, a 3% improvement from 2024, and in line with 2030 target of 70%. This was accomplished through expansion of programmes such as bin wrapping on platforms, in house component repair shop, White Rabbit Upcycling Projects, and donations to organisations including Frontline Bikes and Misneach Ukraine.
- **Water Management:** Completed projects include upgrades at Enniscorthy station and rationalisation of pipework at Limerick Junction. Additional water leaks were found and addressed, allowing us to achieve an estimated 14% reduction in water consumption.
- **Noise Emissions:** Iarnród Éireann seeks to control noise and minimise emissions through ensuring our trains and infrastructure are well maintained to a high quality (i.e. reduce emissions at source). Iarnród Éireann's Operations Department received five noise complaints this year, three less than in 2024. These issues were immediately addressed and were associated with changes in our expanded services and new DART infrastructure. In the Infrastructure Department, we recorded 91 noise complaints in 2025, compared to 71 in 2024. While this represents an increase, it aligns with the significant expansion of track improvement works aimed at enhancing the network's reliability and performance.

Advancing Sustainable Procurement

In 2025, Iarnród Éireann's Procurement Department continued to make significant progress in the development of its sustainable procurement strategy. Our team has made significant strides in reducing the environmental impact of its procurement activities, aligning with the principles of ISO 20400 Sustainable Procurement. A key achievement in 2025 has been the systematic integration of measurable sustainability considerations into procurement processes. This ambition was recognised externally at the National Procurement Awards 2025 when the Procurement team won the Sustainable Procurement Team of the Year category.

As a founding member of the Supply Chain Sustainability School, Iarnród Éireann is actively supporting the upskilling of supply chain partners, particularly those operating in the built environment. Through financial sponsorship, Iarnród Éireann ensures that contractors and vendors can access sustainability training at no cost. The training covers a wide range of critical sustainability topics, including climate change, circular economy principles, business ethics, supplier diversity, and biodiversity.

Capital Investments Environmental

CASE STUDY:
Cork Area Commuter Rail (CACR) – Measurable Carbon and Circular outcomes

The CACR project team had substantial success in 2025 with the implementation of their sustainability strategy for phase 1 including the following deliverables.

- A Sustainability KPI tracker was successfully implemented for CACR Phase 1 work packages (Platform 6 throughput enhancements, track & signalling, and Glounthaune–Midleton twin tracking). The tracker enabled systematic measurement of carbon, materials, and waste footprints from design through construction.
- The Glounthaune–Midleton Twin Tracking project optimised a major retaining structure by replacing an originally proposed steel sheet-pile wall (10,633 tonnes steel; 40,573 tCO_2e embodied) with a modular pre-cast concrete "Lego block" system.
- Circularity: >16,000 tonnes of demolished concrete from the Cork Grainstore were reused as fill, demonstrating effective collaboration between the CACR project team and delivery contractors.

Inclusive access delivered

The Capital Investments accessibility programme delivered modern footbridge featuring lifts, enhanced platform safety features, and station-wide improvements at Rathmore, Athy, Rathdrum and Maynooth in 2025. The upgrades were co-designed with input from the Disability Users Group and funded by the Department of Transport via the NTA.

Economic Sustainability

Rail 2050

Iarnród Éireann continued to work with the Department of Transport, National Transport Authority, European Investment Bank and others in preparing for implementation of All-Island Strategic Rail Review (AISRR) priority interventions. This led to the publication of a Rail Project Prioritisation Strategy by the Department of Transport, Ireland, and Department for Infrastructure, Northern Ireland, in December 2025 with this planning for implementation of a range of Early Interventions and Major Projects, the latter focused on main InterCity routes to increase their capacity, reduce journey times and decarbonise through electrification.

CONNECT

In parallel Iarnród Éireann has been progressing detailed plans for ambitious enhancements across the network, through the CONNECT project.

The CONNECT project, launched by Iarnród Éireann in 2025, is a major national programme to modernise Ireland's intercity rail network, with investment initially focused on the Dublin–Cork and Dublin–Limerick corridors.

Funded through the EU's Connecting Europe Facility and Ireland's National Development Plan, 2025 saw the completion of the project's implementation strategy and decarbonisation roadmap, alongside early findings showing potential to significantly reduce journey times on both routes through targeted infrastructure upgrades and future electrification.

With ambitions to more than double intercity passengers by 2050 and significantly cut emissions, CONNECT made strong early progress in 2025, establishing the technical and strategic foundations for what will become a transformative step in Ireland's low carbon transport future.

Future Track Innovation Programme

Future Track innovation programme is all about startup-led innovation, instilling a startup mindset in Iarnród Éireann. Delivered by Dogpatch Labs with teams of Iarnród Éireann colleagues, project areas from Future Track 2025 included advanced technology for training, enhancing customer information, improving customer and staff safety, intelligent document management systems and enhancing the tourist experience.

Social Sustainability

Our People

Chartered Institute of Personnel & Development People Development Partner: In December, Iarnród Éireann was awarded "People Development Partner" status (PDP) from the Chartered Institute of Personnel & Development (CIPD). Achieving CIPD PDP status formally recognises Iarnród Éireann's commitment to the professionalisation and development of our Human Resources and Learning and Development functions.

Equality, Diversity and Inclusion

In 2025, Iarnród Éireann was reaccredited Silver under the Irish Centre for Diversity Investors in Diversity programme and won the Advancing Gender Equality Award at the 2025 National Diversity Awards.

We became an AsIAm employment partner to support those with neuro diversity, worked with BelongTo on making our services more welcoming to LGBTQ+ people, and collaborated with the Open Doors Initiative on Break into Transport, an event demystifying the recruitment process for migrants, asylum seekers, refugees and other underrepresented groups.

We launched a network-wide Dignity and Respect at Work workshop series and continued our work with schools as part of the World of Work, Towards Your Future and PTECH programmes. We also launched our first booklet, "Equality, Diversity, Inclusion and You", helping our colleagues better understand the ED&I programme at Iarnród Éireann.

Health and Wellbeing

The Well on Track online platform continues to feature at briefings, events, workshops in our H&W handbook and newsletter to ensure increased awareness. The Night Worker and Shift worker programme continued to be rolled out to more locations.

In 2025, Iarnród Éireann promoted and supported the roll out of Tracksafe online, a suicide awareness training session with over 500 employees completing this training to date. A Menopause guidance booklet was published for managers and staff accompanied by a number of workshops. Iarnród Éireann was also awarded Best Large Organisation at the Menopause Hub Awards 2025.

In 2025, there were 659 free staff health checks conducted in 22 locations. A Financial Wellbeing programme was implemented with over 500 employees attending workshops in locations around the country.

The IÉ Executive Group participated in Mental Health First Aid Training to show full understanding and support for progressing Mental Health within the workplace. The Iarnród Éireann H&W team also won the 2025 HR and Leadership Award for Health and Wellbeing.

Employee Relations

In 2025, the Company advanced its transition from Industrial Relations to Employee Relations, strengthening collaboration, early engagement, and partnership-focused problem-solving.

The Growing Together pay deal was accepted by a 53.9% majority, providing stability from January 2027 to June 2031, including structured pay progression and annual adjustments.

New Joint Resolution and Disciplinary Policies were implemented in January 2025, supported by training for 180 managers. Drug and alcohol testing obligations under the Railway Safety Act were exceeded.

Referrals to the Joint Industrial Council and the WRC declined, demonstrating strengthened internal processes.

Our Community

In 2025, Iarnród Éireann continued to support the communities that we serve across the country. Our commitment to mental health awareness continued with a new partnership with the Elephant in the Room movement and we continued our support of Mental Health Ireland's "Hello, How are you" day in May, Samaritans Ireland's awareness day in July and Green Ribbon month in September.

Iarnród Éireann continued to be deeply involved with the arts community throughout 2025 with major projects being completed at Kilcoole, Co. Wicklow, Courtney Place in Dublin's northeast inner city, Kent Station, Cork and Castleconnell Co. Limerick. We also supported the North East Inner City Expo, Poetry Day Ireland, Rough Magic Theatre Company and the Five Lamps Arts Festival in Dublin.

We undertook significant public consultation on infrastructure projects including DART+, proposed new stations at Cabra and Kylemore, Rosslare ORE and Cork Area Commuter Rail, engaging with the communities that will benefit from these enhancements, which has contributed valuable feedback on emerging designs.

We held Stakeholder events in Dublin, Cork, Limerick and Galway to engage with local stakeholders on our expansion plans. Ongoing Oireachtas engagement, which included a 21.3% increase in Parliamentary Question and representations to 1,048 through our dedicated Oireachtas Liaison function, featured an Oireachtas Open Day in June affording elected representatives the opportunity to engage with Iarnród Éireann senior executives and project leads.

Our Christmas campaign with Focus Ireland continued in 2025. The fundraising campaign included station fundraising days, an online donation facility for customers and sponsorship of An Turas Abhaile – The Journey Home evening at Christchurch Cathedral.

An ongoing partnership with Irish Red Cross supports the organisation's activities in addressing the Ukraine and Gaza crises, through an online donation facility for customers year-round.

Oifig na Gaeilge

Implementation of the obligations and duties of An Scéim Teanga for Iarnród Éireann continued, not limited to advising on and ensuring compliance with the requirements of Official Languages Act, 2003 and all associated regulations.

Advertising: 23% of advertising content was bilingual or as Gaeilge, and a 5% spend on Gaeilge media was achieved in accordance with Section 6 of the Official Languages (Amendment) Act, 2021.

A total of 871 Gaeilge correspondences were received through the Customer relations management system.

Ranganna Gaeilge: 49 members of staff across the country have registered for weekly classes from January 2026 to March 2026 from A1 to B2 levels.

Development of online libraries of reference material: Bilingual social media content, standard temporary signage, out of office messages, replies and updates to legislation have been formatted and published for staff use.

Translations: The number of English – Gaeilge translations requests processed was 534 for the calendar year, including 288 bilingual/Gaeilge X posts.

Irish language Initiatives: 'Fáinne' initiative launched in partnership with Conradh na Gaeilge, which encourages passengers and staff alike to use whatever Irish they have onboard our services and in our stations.

A public survey on attitudes to Irish language on our services generated 7195 responses, indicating strong public engagement and engagement on initiatives to improve service provision.

Directors and Other Information

Directors

Mr. U. Courtney *(Chairperson)*
Ms. S. Byrne
Ms. S. Roarty
Mr. T. Wynne
Mr. P. O'Donoghue
Ms. G. Cazenave
Ms. T. Pedersen
Mr. J. McDonnell
Mr. B. Young

Chief Executive

Ms. M. Considine

Secretary

Mr. D. McCabe

Registered Office

Connolly Station, Amiens Street, Dublin 1
Telephone: +353 1 836 3333
Facsimile: +353 1 836 4760

Website

www.irishrail.ie

Registered Number

119571

Auditors

Forvis Mazars,
Chartered Accountants
and Statutory Auditors

Ultan Courtney

Ultan was appointed as an Iarnród Éireann Director on 11th February 2026. Ultan is an experienced business leader and HR specialist with a long record of senior roles across Ireland's public and private sectors. He currently serves as Chairperson of Iarnród Éireann and a Board Member of CIÉ, alongside his membership of the Senior Posts Remuneration Committee and his ongoing role as Chairperson of the Low Pay Commission.

From 2014 to 2021, Ultan was Chairperson of Dublin Bus and a Non Executive Director of the CIÉ Holding Company, guiding major organisational and governance developments across the transport sector. He is also the Managing Director of Courtney HR which he founded in 2008, advising organisations on Management and HR strategy, industrial relations, leadership development, and organisational change.

Earlier in his career, Ultan held senior HR leadership roles including Group HR Director at C&C Group plc, Head of Employee Relations and Training at Superquinn, and General Manager HR in the Consumer Products Division of Waterford Foods. He began his HR and Industrial relations career in IBEC where he held multiple roles.

Ultan's wider public service includes membership of the Public Sector Pay Commission, the Central Bank Disputes Resolution Tribunal, and several committees within the Law Society of Ireland, Equality Authority, and Irish Management Institute. He is also an accredited mediator, an expert witness in employment procedures, and a Labour Court–appointed facilitator.

He holds multiple postgraduate qualifications in law, governance, arbitration, employment law, and executive coaching from institutions including the Law Society of Ireland, University College Dublin, Trinity College Dublin, and the Dublin Institute of Technology.

Suzy Byrne

Suzy Byrne has worked on equality and disability issues for over 35 years at national and international levels. She is a regional manager for the National Advocacy Service for People with Disabilities which provides professional independent representative advocacy for disabled individuals who may need support in decision making. She is a former board member and chairperson of the Irish Council of Civil Liberties and regularly acts as an advisor on governance, equality and rights issues and projects with statutory and non-statutory bodies.

Sarah Roarty

Sarah Roarty joined the Board in April 2019. With a degree in Chemistry, Sarah has extensive experience in science, medtech and pharmaceutical sectors at senior management level gained in world class industries across Europe. Her current role is Enterprise Development Manager with Action Tuam. Sarah served as Vice President of the Board and Chairperson of Audit and Risk for St Jarlaths Credit Union. She currently serves as a member of the Audit committee for Galway County Council. Sarah is founder and chairperson of registered charity Angelman Syndrome Ireland, which promotes equal opportunity, empowerment, and accessibility for those living with Angelman Syndrome and their families.

Tommy Wynne

Tommy Wynne was reappointed to the Board of CIÉ in December 2021 under the Worker Participation (State Enterprises) Acts, 1977 to 2001. He joined Iarnród Éireann as a depot man in 1991 and worked in various roles before becoming a train driver in 1994. Tommy holds a Higher Diploma in International Railway Management from Glasgow Caledonia University. He recently qualified as a Mediator and is registered with Mediators Institute of Ireland (MII). He was President of SIPTU TEAC Division for 12 years and is currently Chairperson of SIPTU Transport Sector. He has recently been elected to SIPTU National Executive Council (NEC).

Patrick O'Donoghue

Patrick O'Donoghue was appointed to the Board in September 2022. He has a degree in civil engineering obtained in 1974. During the period from 1997 to 2017 Patrick had a major involvement in the development of the Luas system in Dublin as an employee of CIE and subsequently the Railway Procurement Agency where he was Director of Design, and Construction This covered all aspects from the initial design, statutory approval, procurement, funding, construction, commissioning, and operations leading to system that currently exists. From 1981 to 1992 he was employed by CIE/ Iarnród Éireann in Cork and Limerick Junction. This work mainly involved infrastructure maintenance and renewal including the track renewal (replacement of jointed track) and resignalling of the line between Limerick Junction and Cork including Cork Station. In the period 1978 to 1981 Patrick worked with a consulting engineer mainly on the delivery of a major water supply scheme to Cork city and an industrial area to the south. From 1974 to 1978 he worked in the permanent way department of CIE in Cork and Limerick. Patrick has completed consultancy work in Ireland and abroad since his retirement in 2017 related to construction contracts.

Gwendoline Cazenave

Gwendoline was appointed to the Board in September 2022. After 20 years of experience in the SNCF Group, where she held key positions in Business, Operations, Strategy and Finance, she was a partner at Olivier Wyman, a strategy consulting firm, between 2020 and 2022. She also has significant expertise in corporate governance, through her non-exec roles at the Union Financière de France and Tallano Technologies. Gwendoline has also led a number of initiatives within gender equality and social and environmental responsibility. Her experience and energy will be used to build and develop the new "Eurostar Group" offering a unique travel experience in Europe with Thalys and Eurostar.

Thilde Pedersen

Thilde Restofte Pedersen was appointed as an Iarnród Éireann Board of Director on 21st September 2023 and contributes with extensive experience and expertise in managing large, complex programmes and organisations in the rail and transport industries.

She is currently the CEO and owner of Nordic Signals, a consultancy firm advising several clients in both North America and Europe on the implementation of new, digital signalling systems and programme management.

Previously, she served as Programme Director in Banedanmark (the Danish infrastructure manager) for the implementation of new digital signalling systems on both the nationwide rail network (ERTMS) and the Copenhagen S-bane (CBTC). The deliverables of the Danish Signalling Programme include both track side implementation, rolling stock fitment of more than 350 trains and an advanced traffic management system.

Prior roles in Banedanmark also include tenures as Head of Planning and Head of Programme Management Office in the Signalling Programme. Thilde is also a former lead auditor with Rigsrevisionen (the Danish State Audit Office).

Brian Young

Brian was nominated and elected as a Worker Director by the NBRU and its members in October 2025 and is a Director and also a Board member of CIÉ. Brian became a bus driver in 1986 and stayed in Clontarf until transferred to Summerhill Garage in 1988, where he has remained since. Brian got elected as an NBRU representative in 2008, elected citywide as the NBRU Branch Secretary in 2014 and as a NBRU National Executive for Summerhill in 2018. Brian has a wide experience in industrial relations, dealing with the WRC, and the Labour Court as well as being involved in Pay discussions and Central Industrial Relations within Dublin Bus.

John McDonnell

John McDonnell was appointed to the board in June 2025. John is a highly experienced Independent Non-Executive Director and is a member of the Council of the Institute of Directors Ireland and sits on its Finance and Governance Committee. His extensive Independent Non-Executive Director roles include: Senior Independent Director of Coras Iompair Éireann where he is also Chairperson of the Remuneration Committee and member of the Audit and Risk Committee; Director and Chairperson of the Audit Committee of Collen Construction Group and of the Gate Theatre; Chairperson of the Audit Committee of the Office of the Director of Public Prosecutions; member of the Audit and Risk Committee of the Dublin Institute for Advanced Studies; and advisor to the Risk and Audit Committee of Bord na Móna.

John is a retired PwC partner and an audit, accounting, risk, regulatory and corporate governance expert. He was the lead audit partner on PwC Ireland's largest and most complex global audits across both financial services and non-financial services. He also provided the full range of consulting services to these clients. His PwC leadership roles included Chairperson of the Irish Firm, FS Risk and Regulatory Leader, Global Accounting Consultancy Services Leader for Ireland and Chairperson of the Global Banking Industry Group.

The directors present their annual report in accordance with their obligations under the Irish Companies Act 2014 and the Transport (Re-organisation of Córas Iompair Éireann) Act 1986 for the financial year ended 31st December 2025.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the Company Financial Statements and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify the standards in question, and note the effect and the reasons for any material departures from those standards.
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 102; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

The Irish economy continues to perform well reflecting the strong demand for passenger services across the network. The directors gave detailed consideration to the nature of the uncertainties facing the company when considering whether it remained appropriate to adopt the going concern basis in preparing the financial statements for 2025. The principal uncertainties facing Iarnród Éireann can be summarised as follows:

Global Economic Uncertainties

The continuing geopolitical uncertainty, outbreak of war in the Middle East and ongoing tariffs is impacting on supply chain, rising fuel costs in addition to general business risks. Inflation had moderated across the EU in line with their target level, however recent events have raised the risk of increased inflation with EU's economic outlook uncertain.

Commercial Businesses

The businesses are projected to deliver a surplus in 2026 and 2027. The directors, having considered projections, are satisfied that there is not a going concern issue for the company.

PSO Services

Iarnród Éireann migrated to a gross cost PSO contract from 1st January 2023 where the NTA will reimburse the company for the gross costs of delivering the contractual services.

Following engagement with management the directors considered the quantum of funding likely to be required for 2026 and 2027. This included consideration of management engagement with key stakeholders, Exchequer Budget 2026, as well as all relevant publicly available information. The directors are satisfied that it remains the intention of the NTA that the company will be funded in line with the requested PSO services.

Consideration of the assumption that appropriate levels of PSO funding could be provided was an essential element in the director's assessment of the financial position of the company. The directors are satisfied that:

- it remains the intention of the NTA to fund Iarnród Éireann, to allow the company to continue to operate PSO Services in 2026 in line with the level of PSO services requested by the NTA.
- planning has enabled reasonable assessments of the level of funding likely to be required for 2026 and 2027.
- the Exchequer Budget included adequate provision for the continuation of PSO Services in 2026.
- the NTA will receive sufficient funding from the Exchequer to fund the provision of the services requested.

The directors would like to acknowledge the exchequer funding support received from the NTA and the Exchequer for the continued operation of essential public transport services.

The Group operates a pooled treasury system and Iarnród Éireann relies on the Group's banking facilities to enable it to manage its operations in accordance with its approved business plan.

The ongoing support of CIÉ Group for Iarnród Éireann is evidenced in the Letter of Support from CIÉ to Iarnród Éireann dated 15th May 2026.

Further details are set out in Note 2 to the financial statements.

Principal Activities and Financial Review

The principal activities of the Company are the provision of Intercity and Commuter Rail passenger services, freight services and the management of Rosslare Europort.

Córas Iompair Éireann (CIÉ), a statutory body wholly owned by the Government of Ireland and reporting to the Minister for Transport, holds 100% of the issued share capital of the Company.

The Company continues to regularly monitor its performance through a range of key operating and financial performance indicators. These reviews by management and the directors include the strong focus on cost management and improved the quality and efficiency of its services for all customers. The 2025 results show the revenue generated from operations of €76.2m (2024: €77.7m), a decrease of €1.5m in the year.

Total exchequer funding increased to €1,211.9m (2024: €967.6m) in the year. The amount of Public Service Obligation ("PSO") subvention received in 2025 was €477.0m (2024: €433.2m) which is an increase of €43.8m year on year. Other exchequer funding received in the year of €734.9m (2024: €534.4m) is an increase of €200.5m in the year.

The operating costs, before exceptional costs increased by €97.9m year on year, €756.0m (2024: €658.1m), due to an increase in payroll costs of €27.9m, fuel and energy costs of €2.4m and costs associated with passenger services and increased maintenance activities of €67.6m.

The Company recorded a net surplus before taxation of €11.4m (2024: €1.7m).

The directors are pleased to report that the targets agreed annually between the Company and the National Transport Authority ("NTA") were met in full for the year ended 31st December 2025.

There were no dividends paid or declared in 2025 or 2024.

Principal Risks and Uncertainties

The Company is committed to managing risk in a systematic and disciplined manner. Through the risk management framework, the principal risks facing the Company are identified and action plans to mitigate the risks are developed. The principal risks together with the risk mitigation are presented to the board on a quarterly basis. An external audit of the risk management system and processes is carried out on an annual basis.

Financial Risk Management

The Company's operations expose it to a variety of financial risks that include liquidity risk, price risk and credit risk. The CIÉ Group, of which the Company is a member, has financial risk management processes and procedures in place to manage these financial exposures of the Company and other CIÉ Group financial risks.

In order to ensure stability of cash outflows and manage financial risk, CIÉ, the parent entity, uses derivative financial instruments in accordance with the specification to the Financial Transactions of Certain Companies Act 1992 which authorises CIÉ's use of financial instruments including commodity swap contracts.

The CIÉ Group's Treasury Policy, which documents the CIÉ Group's policies with regard to financial risk management, is approved by CIÉ Board and implemented by the CIÉ Group Treasury department.

Price Risk

The Company is exposed to commodity price risk as a result of its operations, in particular the price of oil. CIÉ enters into commodity swap contracts to mitigate the CIÉ Group's exposure to oil price movements. The Company is not a party to these contracts.

Foreign Exchange Risk

The CIÉ Group, and the Company, are exposed to foreign exchange risk in the normal course of business, in particular purchases and sales denominated in sterling and US dollars. The CIÉ Group uses a combination of intra group netting of cash flows, which are denominated in foreign currencies, and forward exchange contracts to mitigate the CIÉ Group and the Company's exposure to exchange rate movements. CIÉ enters into foreign currency forward contracts to mitigate the risk that exists when material financial transactions are denominated in a currency other than Euros. The Company is not a party to these contracts.

Liquidity Risk

The CIÉ Group, actively maintains a mix of long-term and short-term debt finance that is designed to ensure the Group, including the Company, has sufficient available funds for day-to-day operations.

The Board

The Company is controlled through its board of directors. The board's main roles are to approve the Company's strategic objectives and to review the operation of the Company against a series of key performance indicators. The board, which meets at least seven times each year, has a schedule of matters reserved for its approval.

Senior Management Team

The Senior Management Team of the company is responsible for the day-to-day management of the company's activities as delegated by the Board. The Senior Management Team are governed by an organisation structure designed to suit the needs of the organisation in areas including Railway Undertaking, Infrastructure Manager Finance, Commercial, Risk Management, Human Resources, Information Technology, 'Safety and Corporate Communications. The senior management team are also responsible for co-ordinating the activities from a reporting and governance perspective in relation to the company.

Code of Practice for the Governance of State Bodies

Maintaining high standards of corporate governance continues to be a priority of the directors of Iarnród Éireann. The board has developed its corporate governance policy so as to give effect to the Code of Practice for the Governance of State Bodies issued by the Department of Finance.

Details of the Group policies and procedures implemented by the Company following publication of the Code of Practice for the Governance of State Bodies (2016) are set out in the annual report of the Córas Iompair Éireann Group. This can be found on the CIÉ website at www.CIE.ie.

Railway Infrastructure Costs

In accordance with EU Council Directive 91/440 Iarnród Éireann-Irish Rail is required to ensure that the accounts of the business of transport services and those for the business of management of railway infrastructure are kept separate. The infrastructure costs are determined in accordance with Annex 1.A. to EU Regulation No. 2598/70.

Statement on Internal Control

Scope of Responsibility

Iarnród Éireann (IÉ) acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in IÉ for the year ended 31 December 2025 and up to the date of approval of the financial statements.

IÉ has an Audit and Risk Committee (ARC), the Charter and Terms of Reference of the ARC provides for three Board members to be appointed to the committee, one of whom is the Chair. The ARC met four times in 2025.

CIÉ has an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC.

The board has a Capital Investment Advisory Group to monitor infrastructure renewal, project manage large infrastructure, signalling, electrical and telecoms projects and performance. The Service Delivery Advisory Group assists the board in matters relating to customer experience and perception, commercial strategies, train engineering, regulatory changes, and business risks. The Board Safety Committee advises the Board on mattes of safety across the business.

Capacity to Handle Risk

IÉ has put in place a Risk Management Framework which provides for all resources, governance, and assurance systems necessary to ensure that all risks with the potential to affect the company achieving its objectives are identified, managed, and reported in accordance with the company's risk appetite. This Framework has been approved by the IÉ Executive Management Team and the IÉ Board.

Risk and Control Framework

The approved framework sets out IÉ's objectives, risk appetite, and criteria for the evaluation of risks, which have been established by the Executive. IÉ's risk appetite is expressed as a graduated management and reporting policy for different types of risks.

Responsibility for the identification of risk lies with the individual members of the Executive relying upon the resources of their respective departments. Each member of the Executive is responsible for ensuring that risk identification is fully incorporated into the day-to-day activities of those working within their areas of responsibility, to the extent that all risks originating within, or impacting upon, these areas are identified. A single individual is then assigned as Risk Owner for each identified risk. It is this individual who is responsible for the further analysis, evaluation, treatment, and reporting of the risk in question, in accordance with the Framework.

For the purpose of recording the day-to-day activities undertaken as part of this process IÉ have put in place a Risk Management Information System. This software system has been designed in line with the principles set out in ISO 31000, with the effect that Risk Owners, and other actors, are required to adopt a consistent, robust approach at every stage of the risk management process.

Ongoing Monitoring and Review

The members of the Executive are responsible for using the Risk Management Information System to monitor and review the performance of the entire risk management process on a day-to-day basis.

To coordinate the risk management process, to manage areas of overlapping responsibility, and to ensure that the Principal Risks facing the company have been identified, the IÉ Chief Executive includes a review of risk management at each monthly meeting of the Executive. A list of the Principal Risks facing IÉ, which includes all risks that could threaten the company's business model, future performance, solvency, or liquidity, is agreed and peer reviewed at each monthly meeting.

On a quarterly basis the IÉ Chief Risk Officer furnishes the IÉ Audit and Risk Committee and IÉ Board with a report setting out all information necessary to clearly establish the nature and extent of these Principal Risks, the likelihood of their materialising, and the extent to which they are to be managed or mitigated. Principal Risks are also reported to the relevant IÉ Board Advisory Group in the form of individual Risk Details Reports, which set out all information recorded on the Risk Management Information System relevant to the risk in question.

To provide further assurance that all foreseeable risks with the potential to affect IÉ achieving its objectives are identified and managed, and that the IÉ Board are adequately appraised of the Principal Risks facing the company, on an annual basis IÉ engage the services of a Risk Assurance Body to undertake a review of the company's risk management processes. This body is required to undertake an assessment of the adequacy and effectiveness of the processes by which risks are identified, prioritised, managed, and reported. The findings of this assessment are documented in a report which is submitted to the IÉ Audit and Risk Committee and IÉ Board.

Procurement

It is company policy to adhere to public procurement legislation. The company had no reportable non-compliance in the year.

Review of Effectiveness

The Code of Practice for the Governance of State Bodies 2016 published by the Department of Public Expenditure and Reform requires an external review of effectiveness of risk management framework of each State Body be completed "on a periodic basis". BDO were engaged to perform a review of the Company's Risk Management Framework in October 2025.

IÉ was found to be compliant with the Code.

Furthermore, IÉ confirms that it has procedures to monitor the effectiveness of its risk management and control procedures. IÉ's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within IÉ responsible for the development and maintenance of the internal financial control framework.

IÉ confirms that the Board continually reviewed the effectiveness of the internal controls for 2025.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2025 that require disclosure in the financial statements.

Information

Regular reports and papers are circulated to the directors in a timely manner in preparation for board and committee meetings. These papers are supplemented by information specifically requested by the directors from time to time.

The non-executive directors receive periodic management accounts and regular management reports and information which enable them to scrutinise the Company’s and management’s performance against agreed objectives.

Accounting Records

The measures taken by the directors to secure compliance with the Company’s obligation to keep adequate accounting records are the use of appropriate systems and procedures and the employment of suitably qualified personnel. The accounting records are kept at the Company’s head office at Connolly Station, Amiens Street, Dublin 1.

Events Since the End of the Financial Year

The directors have evaluated events since the end of the financial year and concluded that no events occurred that would require recognition or disclosure in the Company financial statements.

Health and Safety

The Company is fully committed to complying with the provisions of the Safety, Health, and Welfare at Work Act 2005 and all other national and EU Regulations. The Safety Management System is kept under review and is updated on an ongoing basis.

Railway Safety Act 2005

Iarnród Éireann continues to operate in compliance with the Railway Safety Act 2005.

Late Payment in Commercial Transactions Regulations 2013

The directors acknowledge their responsibility for ensuring compliance, in all material respects, with the provisions of the EC (Late Payment in Commercial Transactions) Amendment Regulations 2013. Procedures have been implemented to identify the dates upon which all invoices fall due for payment and to ensure that payments are made by such dates. Such procedures provide reasonable assurance against material non-compliance with the regulations. During 2025, a total of €13,169 (2024: €13,000) was paid to third party suppliers under the regulations.

Directors

The directors of the Company are appointed by the Minister for Transport. The names of persons who were directors during the year ended 31 December 2025 or who have since been appointed are set out below. Except where indicated they served as directors for the entire year.

Ultan Courtney	*appointed as Chairperson 11th February 2026*
Steve Murphy	*ceased as Chairperson on 8th February 2026*
Suzy Byrne	
Sarah Roarty	
Thomas Wynne	
James Doran	*retired as Director 30th November 2025*
Patrick O’Donoghue	
Gwendoline Cazenave	
Thilde Pedersen	
John McDonnell	*appointed as Director 6th June 2025*
Brian Young	*appointed as Director 1st December 2025*

Listed Below is the board director's attendance at board meetings during 2025:

	Attendance
Steve Murphy	8/8
Suzy Byrne	7/8
Sarah Roarty	7/8
Tommy Wynne	7/8
James Doran	7/8
Patrick O'Donoghue	8/8
Gwendoline Casenave	4/8
Thilde Pedersen	8/8
John McDonnell	4/4
Brian Young	1/1

None of the directors or secretary held any interest or any shares or debentures of the Company, its Holding Company, or its fellow subsidiaries at any time during the year. There were no material contracts or arrangements entered into during the year in which a director was interested in relation to the Company's business.

Gender Balance in the Board Membership

As at 31 December 2025, the Board had four (44%) female and five (56%) male members.

The Board therefore exceeds the Government target of a minimum of 40% representation of each gender in the membership of State Boards.

The following measures are planned to maintain and support gender balance on this Board:

- The Minister will be advised upon vacancies of any potential implication for gender balance arising from the vacancy(ies) to be filled.

Iarnród Éireann Advisory Groups

The following committees and advisory groups have been set up within Iarnród Éireann to advise the board on strategic and technical matters and to provide a peer review of management proposals. Details of the advisory groups to the Iarnród Éireann board and their non-executive members are as follows.

Board Safety Committee (BSC)

The Iarnród Éireann board BSC was established to advise the Iarnród Éireann board and executive on issues relating to safety of passengers, workers, contractors, neighbours, and the public more generally. The Group is comprised of:

		Attendance
James Doran	Iarnród Éireann Director	5/5
Tommy Wynne	Worker Director	5/5

Audit and Risk Committee (ARC)

The Iarnród Éireann ARC provides an avenue of communication between Internal Audit, the external auditors, and the Iarnród Éireann board and to review, report on and make recommendations to the Iarnród Éireann board on annual financial statements, internal controls, risk management, and governance processes within Iarnród Éireann. It also considers major findings of internal investigations, reports of the internal auditors and management's response. The Group is comprised of:

		Attendance
Gwendaline Cazenave	Iarnród Éireann Director	4/4
Sarah Roarty	Iarnród Éireann Director	4/4

Board Remuneration Committee (BRC)

The Iarnród Éireann BRC is mandated on behalf of the Iarnród Éireann board to ensure implementation of Government policy with regard to the remuneration of Directors and the Chief Executive. It is also mandated to approve the remuneration package and the appointment of the CEO and all senior managers who report directly to the CEO. The Committee comprises:

		Attendance
Sarah Roarty (Chair)	Iarnród Éireann Director	1/1
Steve Murphy	Iarnród Éireann Chairperson	1/1
Pat O'Donoghue	Iarnród Éireann Director	1/1

Capital Investment Advisory Group (CIAG')

CIAG was established in 2021 to monitor capital investment programmes and projects, assess applications to the Board and provide an independent view to the Board on the outputs from such monitoring and assessments. It is intended that the Advisory Group will assist the Board to provide an appropriate level of challenge to project management before key decisions are made in relation to design & construction, contract structure, procurement, control of budget and programme, and claims management. The Group is comprised of:

		Attendance
Patrick O'Donoghue (Chair)	Iarnród Éireann Director	7/7
Thilde Pedersen	Iarnród Éireann Director	7/7
Colm Lynch	Independent Advisor	7/7

Service Delivery Advisory Group ('SDAG')

SDAG was established in 2021 to provide a non-executive forum for the discussion of Iarnród Éireann service delivery, with advice to the executive where appropriate. The Group is comprised of:

		Attendance
Philip O'Neill (Chair)	Independent Advisor	4/4
Suzy Byrne	Iarnród Éireann Director	4/4

Directors' Compliance Statement

As required by Section 225 of the Companies Act 2014, the directors acknowledge that the directors are responsible for securing the company's compliance with its relevant obligations; and

The directors confirm that the directors completed the following three procedures in order to comply with the directors' obligations during the financial year:

(a) the drawing up of a "compliance policy statement" setting out the company's policies that, in the directors' opinion, are appropriate to the company, and respecting compliance by the company with its relevant obligations.

(b) the putting in place of appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations; and

(c) the conducting of a review during the financial year of any arrangements or structures that have been put in place.

Company Secretary

The Company Secretary is responsible for advising the board, through the Chairperson, on all governance matters. All directors have access to the advice and services of the Company Secretary. The Company's Constitution provides that the appointment and removal of the Company Secretary is a matter for the directors.

Disclosure of information to auditors

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved: So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The statutory auditors, Forvis Mazars, will continue in office and operate in accordance with with Section 383(2) of the Companies Act 2014

On behalf of the board

Ultan Courtney
Chairperson

John McDonnell
Director

Date: 18 May 2026.

To the Members of Iarnród Éireann

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Iarnród Éireann ('the Company'), for the year ended 31 December 2025, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, and notes to the Company financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council ("FRS 102").

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2025, and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors’ report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors’ report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors’ remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Under the Code of Practice for the Governance of State Bodies (August 2016) (the “Code of Practice”), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement in the Directors’ Report does not reflect the companies compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements.

We have nothing to report in this respect.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors’ responsibilities statement set out on page 29, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority’s website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor’s report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company’s members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. 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 audit work, for this report, or for the opinions we have formed.

Tommy Doherty
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Date: 18 May 2026

Statement of Comprehensive Income

For the Financial Year Ended 31 December 2025

	Notes	2025 €'000	2024 €'000
Revenue from operations		76,217	77,688
Receipts from Public Service Obligation contracts		424,057	392,705
Other exchequer funding		274,703	197,242
Total revenue	3	**774,977**	**667,635**
Costs			
Payroll and related costs	5	(363,842)	(335,975)
Materials and services costs	6	(392,136)	(322,085)
Total costs		**(755,978)**	**(658,060)**
EBITDA		**18,999**	**9,575**
Exceptional items	7	(259)	(687)
Depreciation net of capital grants amortised	8	(7,681)	(7,954)
Profit on disposal of tangible assets		34	256
Surplus before interest and taxation		**11,093**	**1,190**
Interest received and similar charges	9	336	548
Surplus for the year on ordinary activities before taxation		**11,429**	**1,738**
Taxation on ordinary activities	10	(2,219)	(2,121)
Surplus/(Loss) for the financial year		**9,210**	**(383)**

Balance Sheet
As at 31 December 2025

	Notes	2025 €'000	2024 €'000
Fixed assets			
Intangible assets	*12*	14,529	13,836
Tangible assets	*13*	2,375,712	2,148,778
		2,390,241	**2,162,614**
Current assets			
Stocks	*14*	107,726	103,092
Debtors	*15*	399,061	354,120
Cash at bank and in hand		16,543	11,178
		523,330	**468,390**
Creditors (amounts falling due within one year)	*16*	**(647,115)**	**(582,254)**
Net current liabilities		**(123,785)**	**(113,864)**
Total assets less current liabilities		**2,266,456**	**2,048,750**
Deferred income	*18*	(2,153,708)	(1,940,601)
Provisions for liabilities	*19*	(49,853)	(54,464)
		62,895	**53,685**
Capital and reserves			
Called up share capital	*20*	194,270	194,270
Profit and loss account – deficit		(131,375)	(140,585)
Total Equity		**62,895**	**53,685**

On behalf of the board

Ultan Courtney
Chairperson

John McDonnell
Director

Date: 18 May 2026.

Statement of Changes in Equity

Financial Year Ended 31 December 2025

	Called up Share Capital €'000	Profit & Loss €'000	Total Equity €'000
Balance at 1 January 2024	**194,270**	**(140,202)**	**54,068**
Loss for the financial year	–	(383)	(383)
Other comprehensive income for the financial year	–	–	–
Total comprehensive loss for the financial year	–	(383)	(383)
Balance at 31 December 2024	**194,270**	**(140,585)**	**53,685**
Surplus for the financial year	–	9,210	9,210
Other comprehensive income for the financial year	–	–	–
Total comprehensive loss for the financial year	–	9,210	9,210
Balance at 31 December 2025	**194,270**	**(131,375)**	**62,895**

Statement of Cash Flow
Financial Year Ended 31 December 2025

	Notes	2025 €'000	2024 €'000
Net cash (used)/generated from operating activities	*21*	**(16,294)**	**1,679**
Cash flow from investing activities			
Purchase of tangible fixed assets		(469,806)	(344,541)
Purchase of intangible fixed assets		(3,849)	(4,179)
Proceeds from disposal of tangible fixed assets		34	256
Proceeds from state and EU funding		466,027	343,444
Net cash used in investing activities		**(7,594)**	**(5,020)**
Cash flow from financing activities			
Interest received		336	548
Intercompany financing		28,917	4,556
Total cash from financing activities		**29,253**	**5,104**
Net increase in cash and cash equivalents		**5,365**	**1,763**
Cash and cash equivalents at 1 January		11,178	9,415
Cash and cash equivalents at 31 December		**16,543**	**11,178**
Cash and cash equivalents consist of:			
Cash at bank and in hand		341	342
Bank		571	482
Bank held on behalf of National Transport Authority		15,631	10,354
		16,543	**11,178**

Notes to the Financial Statements

1. Statement of compliance, activities, and ownership

(a) Statement of Compliance

The financial statements of Iarnród Éireann, registered number 119571, Connolly Station, Amiens Street, Dublin 1, have been prepared on a going concern basis in accordance with Financial Reporting Standard 102 (Accounting standards issued by the Financial Reporting Council of the UK) and the Financial Reporting Standards applicable in the United Kingdom and the Republic of Ireland.

(b) Activities and ownership

Córas Iompair Éireann (CIÉ), of which Iarnród Éireann is a subsidiary, is Ireland's national statutory authority providing land public transport within Ireland. CIÉ is wholly owned by the Government of Ireland and reports to the Minister for Transport.

Iarnród Éireann is Ireland's leading provider of rail transport.

The financial statements of the Company relate solely to the activities of Iarnród Éireann.

Summary of significant accounting policies

The significant accounting policies and estimation techniques adopted in the preparation of these financial statements are set out on the following pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

As permitted by the Companies Act 2014, the directors have adapted the prescribed format of the profit and loss account in a manner appropriate to the nature of the Company's business.

Córas Iompair Éireann owns 100% of the equity share capital of Iarnród Éireann ('IÉ').

Córas Iompair Éireann prepare group financial statements, of which Iarnród Éireann is a member. Copies of the Córas Iompair Éireann group financial statements are available from the Company Secretary at Córas Iompair Éireann, Heuston Station, Dublin 8.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, refer to Note 2 in the Financial Statements for further details.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out at (v) below.

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of exemption for disclosing related party transactions with other subsidiaries within the CIÉ Group.

(b) Revenue

Revenue comprises the gross value of services provided. Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered.

Iarnród Éireann recognises revenue in the period in which the service is provided.

Rail Operations receives funding from the NTA for the delivery of services under the PSO direct award contract. Contractual PSO funding for the provision of services under the terms of the contract is recognised as income in the profit and loss in line with FRS102.

Freight revenue is recognised in the period in which the service is provided.

Rosslare Europort revenue is recognised in the period in which the service is provided.

Revenue from advertising and other sundry activities is recognised over the period of the relevant contract. Revenue from advertising is earned from bi-monthly and quarterly contracts with the associated revenue receipt received in arrears.

Income from commissions is recognised when the service is provided to the customer.

Other third-party revenues are recognised as they are earned, or at the point of service, to the extent that relevant expenses have been recognised that are recoverable against this revenue in the period.

(c) Materials and services costs

Materials and services costs, constitute all costs associated with the day to day running of the operations of Iarnród Éireann, excluding depreciation and amortisation and payroll costs which are disclosed separately in the profit and loss account, and are disclosed separately in the notes to the financial statements.

(d) Exceptional costs

Iarnród Éireann's profit and loss account separately identifies operational results before specific items. Specific items are those that in the directors' judgement need to be disclosed separately by virtue of their size, nature, or incidence. The Company believes that this presentation provides additional analysis as it highlights exceptional costs. Such costs include significant business restructuring costs.

In this regard the determination of 'significant,' uses qualitative and quantitative judgement by the directors' in assessing the costs, which by virtue of their scale and nature, are disclosed in the profit and loss account and related notes as exceptional costs.

(e) Foreign currency

(i) Functional and presentation currency

The functional currency and presentation currency of the Company is the Euro, denominated by the symbol "€" and unless otherwise stated, the financial statements have been presented in thousands (€ '000).

(ii) Transactions and balances

Transactions denominated in the foreign currency are translated into the functional currency using the spot exchange rates at the date of the transactions.

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar charges' as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within material and service costs.

(f) European Union and state funding

Iarnród Éireann recognises government funding in accordance with the accruals model under FRS 102.

(i) Funding for capital expenditure

Funding for capital expenditure is credited to deferred income as they become receivable. They are amortised to the profit and loss account and recognised in income over the useful economic life of the related assets.

(ii) Revenue funding

Revenue funding is recognised as income in the profit and loss account in the period in which the related costs for which the revenue is intended to compensate are incurred.

(iii) Infrastructure Manager Multi Annual Contract funding

Infrastructure Manager Multi Annual Contract (MAC) funding is recognised as deferred income or immediately as income in the profit and loss account, by reference to the underlining activity for which the grant is intended to compensate. MAC capital funding credited to deferred income in the balance sheet are amortised over the useful economic life of the related assets.

(g) Segmental reporting note

Operating segments are reported in a manner consistent with the internal management structure of Iarnród Éireann and the internal financial information provided to the company's Chief Operating Decision Makers (the executive directors) who are responsible for making strategic decisions, allocating resources, monitoring, and assessing the performance of each segment. The operating result reported internally by segment is the key measure utilised in assessing the performance of operating segments within the company.

Iarnród Éireann has determined it has five reportable segments: Railway Undertaking, Railway Infrastructure Manager, Rail Freight, Rosslare Europort and Central and Other Activities. The Railway Undertaking segment operates the passenger business under the Public Service Obligation contract awarded by the National Transport Authority. The Railway Infrastructure Manager segment manages, maintains, and renews the infrastructure asset which is funded by the Multi Annual Contract and Access charges. The Rail Freight segment provides transport services for the movement of goods by rail. The Rosslare Europort segment operates the second busiest port in the state for ship movements of tourist traffic and unitised freight. The Central and Other Activities segment provide shared services to the organisation and contains the Navigator business which provides road transport facilities for the motor industry primarily.

(h) Employee benefits

The Company provides a number of employee benefits to staff depending on their grade, seniority, and statutory obligations. Benefits include the payment of salary or wages and the payment of premia for additional work undertaken. In addition, employer contributions in respect of pension are made for eligible staff to the respective pension schemes.

Post-employment benefits

The CIÉ Group operates two defined benefit plans (the CIÉ Pension Scheme for Regular Wages Staff and CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000 defined benefit plan) for employees of the CIÉ group.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a post-employment benefit other than a defined contribution plan.

These schemes have been accounted for in the CIÉ Group financial statements. The defined benefit pension scheme assets are measured at fair value. Defined benefit pension schemes liabilities are measured on an actuarial basis using the projected unit credit method. The excess of scheme assets over scheme liabilities is presented on the balance sheet of CIÉ as an asset. Where there is an excess of scheme liabilities over scheme assets, the scheme liabilities are presented on the balance sheet of CIÉ as a liability.

All the subsidiaries, as well as CIÉ itself, participate in the CIÉ Pension Scheme for Regular Wages Staff and CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000 defined benefit plan. The scheme rules do not specify how any surplus or deficit should be allocated among participating employers and there is no contractual agreement or stated policy for allocating the net defined benefit cost to the individual group entities. Accordingly, the net defined benefit cost for the schemes as a whole is recognised in the separate financial statements of CIÉ, as in the absence of a formal contractual arrangement the directors believe that this is the entity that is legally responsible for the schemes. The other participating entities, including Iarnród Éireann recognise a cost equal to their contribution for the period. Further details of these schemes are set out in note 23.

(i) Interest

(i) Interest receivable

Interest earned is credited to the profit and loss account in the period in which it was earned.

(ii) Interest payable

Borrowing costs are charged to the profit and loss account in the period in which they are incurred.

(j) Related parties

Iarnród Éireann is a subsidiary of CIÉ Group. Iarnród Éireann do not disclose transactions of an immaterial nature with related parties which are not wholly owned within the group (see Note 25). The Company is exempt from disclosing transactions with members of the same group that are wholly owned.

(k) Taxation

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year. Where tax adjusted trading profits are calculated, tax losses are carried forward and utilised to offset against these profits.

(ii) Deferred tax

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

(l) EBITDA

EBITDA is company earnings before adjustment for interest and taxation charged, depreciation of fixed assets and amortisation of capital grants received.

(m) Intangible fixed assets

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three to five years, on a straight-line basis. Software is not considered to have a residual value. Where factors, such as technological advancement or changes in market prices, indicate that the software's useful life has changed, the useful life is amended prospectively to reflect the new circumstances. Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

(n) Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use and applicable dismantling, removal, and restoration costs.

(i) Railway lines and works

Railway lines and works comprise a network of systems.

Notes to the Financial Statements *(continued)*

Expenditure on the network, which increases its capacity or enhances its operating capability is treated as an addition to tangible fixed assets, is capitalised and depreciated over its estimated economic useful life.

Tangible fixed assets include capitalised employee and other costs that are directly attributable to the asset.

Expenditure on the existing network, which maintains the operating capability in accordance with defined standards of service is treated as maintenance and expensed to the profit and loss account. Any related grant is treated similarly and presented in the profit and loss account.

(ii) Railway rolling stock

Locomotives, railcars, coaching stock, and wagons other than those fully depreciated or acquired at no cost are depreciated on the basis of their historical cost spread over their estimated economic useful lives using the straight-line method.

(iii) Road freight vehicles

These assets are depreciated on the basis of historical cost spread over their estimated economic useful lives using the straight-line method.

(iv) Docks, harbours, and wharves; plant and machinery

These assets are depreciated based on the historical cost spread over their estimated economic useful lives using the straight-line method.

(v) Land and buildings

Land is not depreciated. Buildings are depreciated, on the based on the historical cost spread over their estimated economic useful lives using the straight-line method.

(vi) Depreciation and residual values

Depreciation on assets except land is calculated, using the depreciation methods, and estimated useful lives, as follows:

Railway lines and works	straight-line method	10-40 years
Railway rolling stock	straight-line method	4-20 years
Plant and machinery	straight-line method	3-30 years
Signalling	straight-line method	10 years
Docks, harbours, and wharves	straight-line method	50 years
Catering equipment	straight-line method	5-10 years
Freehold buildings	straight-line method	50 years
Bridges	straight-line method	120 years
Road freight vehicles	straight-line method	1-10 years

The range of years is designed to indicate the different economic lives of components within a class of assets. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(vii) Subsequent additions and major components

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is recognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs and maintenance are expensed as incurred to the profit and loss account.

(viii) Derecognition

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised as profit or loss.

(o) Heritage assets

Iarnród Éireann has a number of heritage assets, mainly former fleet vehicles, plates, crests, and various artefacts. The assets are maintained "purely for their contribution to knowledge and culture" and the assets comprise mainly former operational assets.

Given the nature of the assets held and the lack of comparable market values, the cost of obtaining a valuation of Iarnród Éireann heritage assets is such that it would not be commensurate with the benefits provided to users of the financial statements.

(p) Stocks

Stocks consist of maintenance materials, spare parts, fuel, and other sundry stock items. Fuel stock is valued at the lower of weighted average cost and net realisable value. Nonfuel stocks are valued at the lower of cost and net realisable value. Cost comprises the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

At the end of each financial year, stocks are assessed for impairment, and a provision is made for stocks considered to be impaired.

Civil Engineering (CCE) and Signalling (SET) stock is categorised into moving and unmoving stock. A provision is applied to unmoving stock, based on the length of time since the stock last moved. An excess provision is applied to the excess portion of "moving stock" depending on the level of stock with excess of 2 years usage on hand.

Mechanical Engineering (CME) stock is categorised as strategic, program and consumable stocks. A provision is applied to each category depending on the age of the stock.

Stand by equipment or specialised major spare parts which are held for replacement purposes and are expected to be used during more than one period are held as tangible fixed assets in accordance with FRS 102.

(q) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

Cash and cash equivalents include funds received on behalf of and for remittance to the NTA in relation to rail passenger ticket sales and station car parking as operated under gross PSO contract.

(r) Financial instruments

(i) Financial assets

The Company has chosen to adopt the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

The Company has a number of basic financial assets which include trade and other debtors, amounts owed from group companies and cash and cash equivalents, and which are recorded in current assets as due in less than one year.

Basic financial assets are initially recognised at transaction price (including transaction costs) unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Notes to the Financial Statements *(continued)*

Trade and other debtors, cash and cash equivalents, and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases, and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Similarly, the Company has a number of basic financial liabilities, including trade and other creditors, bank loans and overdrafts, and loans from fellow group companies, which are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the financial liability is measured at the present value of the future payments discounted at a market rate of interest of a similar debt instrument.

Trade and other creditors, bank loans and overdrafts, loans from fellow group companies and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

(s) Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefit will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Restructuring provisions are recognised when the Company has a legal or constructive obligation at the end of the financial year to conduct the restructuring. The Company has a constructive obligation to carry out a restructuring when there is a detailed, formal plan for the restructuring and the Company has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected.

Provision is made for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to the Company.

Other provisions consist of provisions related to the operation of rail services, pay related provisions, legal claims, and pension related provisions.

Provision is not made for future operating losses.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the Company will be required to transfer economic benefits in settlement of the obligation, or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(iii) Third party and employer liability claims provision and related recoveries

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims IBNR to the company.

The company takes all reasonable steps to ensure that it has appropriate information regarding its claim's exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

Further details are set out in Note 19 to the financial statements.

(t) Leased assets

(i) Finance leases

Finance leases transfer substantially all the risks and rewards incidental to ownership to the lessor. At the commencement of the finance lease term, the Company recognises its right of use and obligation under a finance lease as an asset and a liability at the amount equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments calculated using the interest rate implicit in the lease. The capital cost of such assets is included in tangible assets and depreciated over the shorter of the lease term or the estimated useful life of the asset. The capital element of the outstanding lease obligations is included within creditors. Finance charges are charged to the profit and loss account over the primary period of the lease.

(ii) Operating leases

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the period of the lease. Rental payments under operating leases are charged to the profit and loss account as they accrue.

(u) Equity

The Company's equity shares are wholly owned by CIÉ. Ordinary called up share capital and revenue reserves are classified as equity and set out in the notes to the financial statements.

(v) Impairment of non-financial assets

At the end of each financial year, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

Notes to the Financial Statements *(continued)*

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value-in-use, pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account.

(w) Critical accounting estimates and assumptions

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas involving a higher degree of judgement and complexity and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible and intangible fixed assets

The annual amortisation charge for intangible fixed assets and the depreciation charge for tangible fixed assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. Where the asset is impaired, the relevant charge is reflected in the profit and loss account as an accelerated depreciation charge. The useful economic lives for each class of intangible fixed and tangible fixed assets are set out above. The carrying amount of tangible and intangible fixed assets for each class of assets is set out in notes 12 and 13.

(ii) Defined benefit pension scheme

The CIÉ group, of which the Company is a member, has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including assumptions in respect of; life expectancy, salary increases, and the discount rate on corporate bonds. Further details are set out in note 23.

(iii) Third party and employer liability claim provisions

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims IBNR to the Company.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its claim's exposures. However, given the uncertainty in establishing claims provisions, it is likely that the outcome will prove to be different from the original liability established.

Further details are set out in note 19 to the financial statements.

2. Going concern

Financial position

The 2025 Iarnród Éireann financial statements have been prepared on a going concern basis. This assumes that the Company will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements.

The directors have given very careful consideration to the going concern basis of preparation at this time and are satisfied that it is appropriate for the 2025 financial statements to be prepared on this basis.

The key factors considered in arriving at this determination include:

Financial Position as at 31 December 2025

At 31 December 2025 Iarnród Éireann had net assets of €62.9m (2024: €53.7m) and net current liabilities of €123.8m (2024: €113.9m).

Net current liabilities include non-cash items of €480.5m (2024: €436.0m) relating to deferred income in respect of capital grants. Therefore, excluding these non-cash items the Company had net current assets of €356.7m (2024: net current assets €322.1m).

Global Economic Uncertainties

The continuing geopolitical uncertainty, outbreak of war in the Middle East and ongoing tariffs is impacting on supply chain, rising fuel costs in addition to general business risks. Inflation had moderated across the EU in line with their target level, however recent events have raised the risk of increased inflation with EU's economic outlook uncertain.

Domestic Economy

The Irish economy continues to perform well reflected by the strong demand for passenger services. The principal uncertainties facing Iarnród Éireann can be summarised as follows:

- From 1st January 2023 Iarnród Éireann has operated under a gross Public Service Obligation ("PSO") contract.
- CIÉ being unable to provide a Letter of Support to IÉ.
- Reduction in Exchequer funding below the required levels to enable IÉ meet PSO and IMMAC contractual obligations.

Direct Award Contracts

During 2019 the National Transport Authority ("NTA") awarded a ten-year direct award contract to Iarnród Éireann. The contract converted to a gross cost contract from 1 January 2023. Under the gross cost contract revenue responsibility transfers to the NTA. NTA will meet the gross costs of delivering the contractual services. Contractual PSO funding for the provision of services under the terms of the contract is recognised as income in the profit and loss in line with FRS102.

2025 Financial Year

Iarnród Éireann continues to operate PSO services in line with the Direct Award Contract under which the NTA will provide PSO funding to the company to meet the cost of operating PSO services including essential but uneconomic services. Revenue from fare box is retained by the NTA. Budget 2026 was prepared on the basis that funding will be provided to meet the cost of operating PSO services. The NTA and the Department of Transport ("DoT") have indicated that the required funding would be made available in order to ensure the continuation of these vital public services.

In 2025 the company operated under a gross cost PSO contract. In discussions with IÉ, the NTA have indicated that they will continue to fund IÉ, subject to a quarterly review between both parties.

Notes to the Financial Statements (continued)

Consideration of the assumption that appropriate levels of PSO funding will be provided in 2026 is an essential element in the director's assessment of the financial position of the company. The directors are satisfied that:

- it remains the intention of the NTA to fund Iarnród Éireann to operate its requested PSO Services.
- the NTA will receive sufficient funding from the Exchequer in order to fund the Iarnród Éireann PSO Contract.

The directors considered all relevant information in forming a view as to the reasonableness of their conclusions in relation to the provision of such funding. This included consideration of management engagement with key stakeholders, as well as all relevant publicly available information.

Commercial activities

The business is expected to deliver a surplus in 2025 and 2026 and the directors, are satisfied that there is not a going concern issue for the company.

On-going Management Actions

Iarnród Éireann management are continuing to take a number of actions, including:

- continuous engagement with the NTA on appropriate funding in support of the continued operation of the PSO Direct Award Contract.
- close monitoring of all issues impacting on Commercial Services.
- close monitoring by management of the daily, weekly, and monthly cash position across the company.
- continued implementation and rigorous monitoring of cost saving initiatives.
- detailed assessments of all Capital Expenditure proposals and their impact on liquidity.
- continuous review of risks and opportunities affecting the company's operations.

CIÉ Group

The Group operates a pooled treasury system and Iarnród Éireann relies on the Group's banking facilities to enable it to manage its operations in accordance with its approved business plan. The ongoing support of the Group for Iarnród Éireann is evidenced in the Letter of Support from CIÉ to Iarnród Éireann dated 15th May 2026. The letter states "It remains CIÉ policy that the Company is at all times in a position to meet its liabilities. CIÉ shall continue to exercise its shareholder rights and statutory obligations with a view to ensuring that the Company manages its operations, in accordance with its approved business plans, and in a manner which will enable it to meet all its obligations in a timely manner. CIÉ will provide the liquidity support necessary to permit the Company to continue operating and liquidating its liabilities in the normal course of business for at least a period of twelve months after the date of signing the financial statements."

Consolidated CIÉ Group Budget

The CIÉ Board approved a consolidated group budget for 2026 in December 2025. Based on the continued operation of the direct award contracts on the agreed basis, the consolidated Group budget for 2026 shows that the Group has sufficient resources to absorb the losses which are forecast to occur in the period of at least twelve months from the date of approval of these financial statements.

Conclusion

The directors of Iarnród Éireann, having regard to the factors outlined above, have a reasonable expectation that the company will have adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements and consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

3. Divisional analysis of profit and loss account

Iarnród Éireann has determined it has five reportable segments: Railway Undertaking, Railway Infrastructure Manager, Rail Freight, Rosslare Europort and Central and Other Activities. The Railway Undertaking segment operates the passenger business under the Public Service Obligation contract awarded by the National Transport Authority. The Railway Infrastructure Manager segment manages, maintains, and renews the infrastructure asset which is funded by the Multi Annual Contract and Access charges. The Rail Freight segment provides transport services for the movement of goods by rail. The Rosslare Europort segment operates the second busiest port in the state for ship movements of tourist traffic and unitised freight. The Central and Other Activities segment provide shared services to the organisation and contains the navigator business which provides road transport facilities, primarily for the motor industry.

(A) Railway undertaking

	2025 €'000	2024 €'000
Sources of revenue		
Revenue	483	492
Public Service Obligation	424,057	392,705
Other exchequer funding	412	539
Total revenue	**424,952**	**393,736**
Operating costs		
Payroll and related costs	(177,279)	(165,360)
Materials and services	(114,835)	(97,759)
Fuel	(53,421)	(50,753)
Operating costs	**(345,535)**	**(313,872)**
Operating surplus before track access charges	**79,417**	**79,864**
Track access charge	(75,397)	(75,000)
EBITDA	**4,020**	**4,864**

	2025 €'000	2024 €'000
Exceptional items	(176)	(116)
Depreciation and amortisation, net of capital grants amortised	(1,264)	(1,505)
Loss on sale of tangible assets	(17)	(22)
Surplus before interest and taxation	**2,563**	**3,221**
Interest receivable and similar charges	59	64
Surplus for the year on ordinary activities before taxation	**2,622**	**3,285**
Taxation on ordinary activities	–	–
Surplus for the year on ordinary activities after taxation	**2,622**	**3,285**

Notes to the Financial Statements *(continued)*

(B) Railway infrastructure manager

In compliance with EU Council Directive 91/440 the costs of the Railway Infrastructure Division have been computed as follows:

	2025 €'000	2024 €'000
Sources of revenue		
Multi Annual Contract	269,528	193,532
Track access charges	75,723	75,412
Other Exchequer Grants	4,420	2,805
Third party revenue	50,519	51,813
Total revenue	**400,191**	**323,562**
Operating costs revenue		
Payroll and related costs	(153,100)	(140,442)
Materials and services	(237,160)	(181,682)
Fuel	(60)	(121)
Operating costs	**(390,320)**	**(322,245)**
EBITDA	**9,871**	**1,317**
Exceptional items	(82)	(571)
Depreciation and amortisation, net of capital grants amortised	(3,480)	(3,657)
Loss on sale of tangible fixed assets	–	(4)
Surplus/(Deficit) before interest and taxation	**6,309**	**(2,915)**
Interest (payable) and similar charges	(21)	(40)
Surplus/(Deficit) for the year on ordinary activities before taxation	**6,288**	**(2,955)**
Taxation on ordinary activities	(2,222)	(1,922)
Surplus/(Deficit) for the year on ordinary activities after taxation	**4,066**	**(4,877)**

(C) Rail freight division

	2025 €'000	2024 €'000
Revenue	2,482	3,653
Total revenue	**2,482**	**3,653**
Operating costs		
Payroll and related costs	(743)	(681)
Materials and services	(1,619)	(1,494)
Fuel	(442)	(638)
Operating costs	**(2,804)**	**(2,813)**
Operating deficit for the financial year before track access charges	**(322)**	**840**
Track access charges	(316)	(412)
EBITDA	**(638)**	**428**
Depreciation	(37)	(40)
Profit on sale of Tangible Assets	51	283
(Deficit)/Surplus before interest and taxation	**(624)**	**671**
Interest received and similar charges	32	53
(Deficit)/Surplus for the year on ordinary activities before taxation	**(592)**	**724**
Taxation on ordinary activities	–	–
(Deficit)/Surplus for the year on ordinary activities after taxation	**(592)**	**724**

(D) Rosslare Europort division

	2025 €'000	2024 €'000
Revenue	17,785	15,946
Total revenue	**17,785**	**15,946**
Operating costs		
Payroll and related costs	(7,307)	(7,100)
Materials and services	(7,801)	(8,161)
Total operating costs	**(15,108)**	**(15,261)**
EBITDA	2,677	685
Depreciation net of capital grants amortised	(1,198)	(1,189)
Surplus/(Deficit) before interest and taxation	**1,479**	**(504)**
Interest payable and similar charges	125	336
Surplus/(Deficit) for the year on ordinary activities before taxation	**1,604**	**(168)**
Taxation on ordinary activities	–	–
Surplus/(Deficit) for the year on ordinary activities after taxation	**1,604**	**(168)**

(E) Central and other activities

	2025 €'000	2024 €'000
Sources of revenue		
Third party revenue	4,947	5,784
Other exchequer funding	342	366
Total revenue	**5,289**	**6,150**
Operating costs		
Payroll and related costs	(25,412)	(22,391)
Materials and services	23,191	18,522
Operating costs	**(2,221)**	**(3,869)**
EBITDA and exceptional items	**3,068**	**2,281**
Depreciation net of capital grants amortised	(1,702)	(1,563)
(Loss) on sale of tangible assets	–	(2)
Surplus before interest and taxation	**1,366**	**716**
Interest receivable	141	136
Surplus for the year on ordinary activities before taxation	**1,507**	**852**
Taxation on ordinary activities	3	(199)
Surplus for the year on ordinary activities after taxation	**1,510**	**653**

Notes to the Financial Statements (continued)

(F) State and EU Funding

Public Service Obligation (PSO)

Each year funding is provided for socially necessary but financially unviable public transport services in Ireland, known as PSO services, under contract to the National Transport Authority ("NTA," "the Authority").

The new direct award to IÉ was awarded for ten years to Dec 2029. Under the terms of the contract, the NTA and IÉ will review and agree performance standards on an annual basis. An audit of IÉ shall be carried out on behalf of the NTA each year, following the submission of IÉ's audited accounts.

The contents of the contracts and the basis for maintaining them may be reviewed at any time by the NTA in consultation with the relevant Company, however, a full review of the contract must occur at the end of each five- or ten-year period (as appropriate).

The contracts meet the current criteria set down in EU law, setting strict standards of operational performance and customer service and contain penalties for non-performance. The contractual requirement is for performance to be self-reported on a periodic basis. The NTA monitors the contracted performance of each PSO operator on a quarterly basis.

Multi Annual Contract (MAC)

Iarnród Éireann's management of infrastructure is funded under EU regulation by a five-year, Multi-Annual Contract from the Department of Transport and track and station access charges from passenger and freight rail services.

The 2020-2024 MAC contract was extended for one year to 31st December 2025 was agreed between the company and the Department of Transport on 17th December 2024. A new MAC contract commenced on 1 January 2026 and is of five-year duration up to 31 December 2030.

This contract between Iarnród Éireann and the Minister is pursuant to Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012, Directive 2001/14/EC of the European Parliament and of the Council of 26 February 2001, Section 45 of the Public Transport Regulation Act 2009, and the European Communities (Railway Infrastructure) Regulations (SI No. 55 of 2010).

Charges in connection with the provision of the railway infrastructure by the Infrastructure Manager are payable by the Minister to the Infrastructure Manager in advance on a monthly basis.

Details of funding received in the year is set out below.

Allocated in the profit and loss account to:	PSO 2025	MAC 2025	Other 2025	Total 2025
Rail Operations	424,057	–	412	424,469
Infrastructure	–	269,528	4,421	273,949
Other activities	–	–	342	342
	424,057	**269,528**	**5,175**	**698,760**
Sources				
State grants – PSO	424,057	–	–	424,057
State grants – multi annual contract	–	269,528	–	269,528
State grants – other	–	–	5,175	5,175
	424,057	**269,528**	**5,175**	**698,760**

Allocated in the profit and loss account to:	PSO 2024	MAC 2024	Other 2024	Total 2024
Rail Operations	392,705	–	539	393,244
Infrastructure	–	193,532	2,805	196,337
Other activities	–	–	366	366
	392,705	**193,532**	**3,710**	**589,947**
Sources				
State grants – PSO	392,705	–	–	392,705
State grants – multi annual contract	–	193,532	–	193,532
State grants – other	–	–	3,710	3,710
	392,705	**193,532**	**3,710**	**589,947**

(G) Net surplus/(deficit) by activity before tax

	Railway Under-taking €'000	Infra-structure Manager €'000	Rail Freight €'000	Other Comm. Activities €'000	Total €'000
2025					
Revenue	483	126,243	2,482	22,732	151,940
Receipts from PSO	424,057	–	–	–	424,057
Other exchequer	412	273,949	–	342	274,703
Costs	(422,330)	(393,904)	(3,074)	(19,963)	(839,271)
Surplus/(deficit) for the year	**2,622**	**6,288**	**(592)**	**3,111**	**11,429**
2024					
Revenue	492	127,225	3,653	21,730	153,100
Receipts from PSO	392,705	–	–	–	392,705
Other exchequer	539	196,337	–	366	197,242
Costs	(390,451)	(326,517)	(2,929)	(21,412)	(741,309)
Surplus/(deficit) for the year	**3,285**	**(2,955)**	**724**	**684**	**1,738**

Notes to the Financial Statements (continued)

4. Balance sheet by business

The following sets out the balance sheet of each division as at 31st December 2025. The Intra IÉ business balances represent the amounts payable and receivable between each division. The intercompany balance with the CIÉ holding company is reported in the debtors' balance in the Central and other activities balance sheet.

(A) Railway undertaking

	2025 €'000	2024 €'000
Fixed Assets		
Intangible assets	6,313	5,097
Tangible assets	451,929	454,615
	458,242	**459,712**
Current Assets		
Stocks	62,505	53,677
Debtors	308,599	266,946
Intra IÉ business	7,915	8,400
Cash at bank and in hand	571	428
	379,590	**329,451**
Creditors (amounts falling due within one year)		
Deferred income	(88,660)	(84,032)
Other creditors	(356,849)	(308,341)
	(445,509)	**(392,373)**
Net Current Liabilities	**(65,919)**	**(62,922)**
Total Assets less Current Liabilities	**392,323**	**396,790**
Provisions for liabilities and charges	(21,201)	(19,969)
Deferred income	(363,661)	(371,982)
Net Assets	**7,461**	**4,839**
Reserves		
Profit and loss account	7,461	4,839
Total reserves	**7,461**	**4,839**

(B) Railway infrastructure manager

	2025 €'000	2024 €'000
Fixed Assets		
Intangible assets	326	484
Tangible assets	1,870,134	1,654,748
	1,870,460	**1,655,232**
Current Assets		
Stocks	45,200	49,394
Debtors	44,370	29,196
	89,570	**78,590**
Creditors (amounts falling due within one year)		
Intra IÉ business	(19,357)	(18,652)
Deferred income	(65,612)	(64,952)
Other creditors	(106,472)	(105,316)
	(191,441)	**(188,920)**
Net Current Liabilities	**(101,871)**	**(110,330)**
Total Assets less Current Liabilities	**1,768,589**	**1,544,902**
Provisions for liabilities and charges	(18,071)	(18,776)
Deferred Income	(1,780,113)	(1,559,787)
Net Liabilities	**(29,595)**	**(33,661)**
Reserves		
Profit and loss account	(29,595)	(33,661)
Total reserves	**(29,595)**	**(33,661)**

(C) Rail freight division

	2025 €'000	2024 €'000
Fixed Assets		
Tangible assets	4,079	2,127
	4,079	**2,127**
Current Assets	17,180	885
Debtors	**17,180**	**885**
Creditors (amounts falling due within one year)		
Intra IÉ business	(34,410)	(15,910)
Other creditors	(171)	(132)
	(34,581)	**(16,042)**
Net Current Liabilities	(17,401)	(15,157)
Total Assets less Current Liabilities	(13,322)	(13,030)
Provisions for liabilities and charges	–	–
Deferred income	(1,466)	(1,166)
Net Liabilities	**(14,788)**	**(14,196)**
Reserves		
Profit and loss account	(14,788)	(14,196)
Total reserves	**(14,788)**	**(14,196)**

Notes to the Financial Statements (continued)

(D) Rosslare Europort division

	2025 €'000	2024 €'000
Fixed Assets		
Intangible assets	2,895	2,255
Tangible assets	49,103	36,352
	51,998	**38,607**
Current Assets		
Debtors	4,885	3,769
Intra IÉ business	55,631	58,676
	60,516	**62,445**
Creditors (amounts falling due within one year)		
Deferred income	(310)	(311)
Other creditors	(11,593)	(2,433)
	(11,903)	**(2,744)**
Net Current Assets	**48,613**	**59,701**
Total Assets less Current Liabilities	**100,611**	**98,308**
Provisions for liabilities and charges	(1,257)	(1,101)
Deferred income	(8,207)	(7,665)
Net Assets	**91,147**	**89,542**
Reserves		
Profit and loss account	91,147	89,542
Total reserves	**91,147**	**89,542**

(E) Central and other activities

	2025 €'000	2024 €'000
Fixed Assets		
Intangible assets	4,994	5,999
Tangible assets	467	936
	5,461	**6,935**
Current Assets		
Stocks	21	21
Debtors	24,028	53,324
Cash at bank and in hand	15,972	10,750
	40,021	**64,095**
Creditors (amounts falling due within one year)		
Intra IÉ business	(9,780)	(32,515)
Deferred income	–	–
Other creditors	(17,446)	(16,736)
	(27,226)	**(49,251)**
Net Current Assets	**12,795**	**14,844**
Total Assets less Current Liabilities	**18,256**	**21,779**
Creditors: (amounts falling due after more than one year)		
Provisions for liabilities and charges	(9,323)	(14,618)
Deferred income	(262)	–
Net Assets	**8,671**	**7,161**
Capital and Reserves		
Called up share capital	194,270	194,270
Profit and loss account	(185,599)	(187,109)
Total equity	**8,671**	**7,161**

5. Payroll and related costs

(i) Employees

	2025 €'000	2024 €'000
Staff costs (excluding restructuring costs)		
Wages and salaries	302,735	278,736
Allowances	18,834	16,160
Overtime	11,667	9,407
Social insurance costs	34,616	31,324
Other retirement benefit costs	41,395	39,599
Gross Staff costs	**409,247**	**375,226**
Less: own work capitalised	(45,588)	(39,424)
Net Staff costs	**363,659**	**335,802**

(ii) Directors' emoluments

	2025 €'000	2024 €'000
– for services as director	101	93
– for executive services	82	80
	183	**173**
Total payroll and related costs	**363,842**	**335,975**

Of the total staff costs €45.6m (2024: €39.4m) has been capitalised into tangible fixed assets and €363.7m (2024: €335.8m) has been treated as an expense in the profit and loss account.

There are retirement benefits accruing to one director under a defined benefit scheme and the charge for the year in respect of the Company's contributions was €8,249 (2024: €7,959).

Chief Executive Officer (CEO)

Ms. Mary Considine commenced the role of CEO on 15 September 2025. Remuneration for the year comprised, gross salary €88,635, other taxable benefits €652 and pension contribution of €22,200.

Mr Jim Meade retired from his position on 17 October 2025. Remuneration for the year comprised, gross salary €179,347, (2024 : €225,000), other taxable benefits €8,406 (2024: €1,325) with entitlements under the 1951 Superannuation Pension in both years.

The directors' fees paid and payable for services as directors were as follows:

	2025 €	2024 €
Mr. S. Murphy	21,600	21,470
Ms. S. Byrne	12,600	12,600
Ms. S. Roarty	12,600	12,600
Mr. P. O'Donoghue	12,600	12,600
Ms. G. Cazenave	12,600	12,600
Ms. T. Pedersen	12,600	12,600
Mr. J. McDonnell	–	–
Mr. B. Young	–	–
Total	**84,600**	**84,470**

Notes to the Financial Statements (continued)

The directors were paid the following expenses:

	2025 €	2024 €
Foreign Travel	12,585	7,029
Subsistence and Accommodation	3,784	1,260
Other	442	–
Total	**16,811**	**8,289**

(iii) Key Management compensation

Key management includes the directors and members of senior management. The compensation paid and payable to key management for employee services is shown below:

	2025 €'000	2024 €'000
Salaries and other short-term benefits	2,772	2,485
Post-employment benefits	1,129	617
Total key management compensation	**3,901**	**3,102**

(iv) Staff members

The average number of persons employed during the year and at the year-end by activity, were as follows:

	Staff Numbers		Staff Numbers	
	2025 Average	**2024 Average**	**As at 31 Dec 2025**	**As at 31 Dec 2024**
Railway Operations	2,474	2,369	2,520	2,446
Infrastructure	2,223	2,081	2,312	2,195
Central Services	275	241	285	255
Rail Freight	4	4	4	4
Rosslare Europort	122	119	121	122
Total	**5,098**	**4,814**	**5,242**	**5,022**

(v) Termination and severance payments

	2025 €'000	2024 €'000
Amounts paid and payable to employees	52	108

Costs in relation to voluntary severance are disclosed in Note 7.

(vi) Employee payroll

The amounts paid to persons employed during the year is analysed into payroll bands of €25,000 and the number of employees in each band, were as follows:

	2025	2024
<€50,000	1,407	1,501
€50,001 to €75,000	2,451	2,421
€75,001 to €100,000	1,264	1,058
€100,001 to €125,000	212	147
€125,001 to €150,000	38	30
€150,001 to €175,000	11	9
€175,001 to €200,000	9	7
€200,001 to 225,000	3	4
€ 225,001 to €250,000	1	1
Total	**5,396**	**5,178**

6. Materials and services costs

	2025 €'000	2024 €'000
Operating and other costs	324,750	267,519
Fuel and electricity	53,923	51,512
Third party and employer's liability claims	4,042	349
Rates	1,718	(3,877)
Operating lease rentals	7,703	6,582
Total materials and services	**392,136**	**322,085**

Operating and other costs includes expenditure on travel, subsistence, and hospitality, analysed below.

	2025 €'000	2024 €'000
National Travel and Subsistence		
– Board	–	7
– Employees	1,418	1,142
International Travel and Subsistence		
– Board	–	4
– Employees	230	227
Hospitality	7	5
Total	**1,655**	**1,385**

Travel and subsistence charged directly to capital projects in the year was €0.6m (2024: €0.8m).

Notes to the Financial Statements (continued)

7. Exceptional items – restructuring

	2025 €'000	2024 €'000
Amounts relating to employees	259	687

The exceptional costs comprise of amounts paid and payable to employees arising from restructuring initiatives during the current and previous financial year.

Costs in relation to voluntary severance amounted to €0.1m in 2025 (2024: €0.3m). The number of employees to whom these costs relate was 1 in 2025 (2024: 5 employees).

8. Depreciation and amortisation

	2025 €'000	2024 €'000
Amortisation of intangible fixed assets	3,156	4,186
Depreciation of tangible fixed assets	159,108	159,718
Accelerated depreciation of impaired asset	50,029	–
Amortisation of capital grants relating to impaired asset	(50,029)	–
Amortisation of capital grants	(154,583)	(155,950)
Total net depreciation and amortisation	**7,681**	**7,954**

The depreciation of tangible fixed assets and amortisation of capital grants includes €50.0m (2024: €Nil) relating to the impairment of the Train Management System.

9. Interest payable and similar charges

	2025 €'000	2024 €'000
Net Interest receivable	336	548
	336	**548**
Interest apportioned:		
Railway undertaking	59	64
Railway infrastructure costs	(21)	(40)
Rail freight	32	53
Commercial operations	266	471
Total	**336**	**548**

10. Taxation on ordinary activities

(a) Tax expense included in profit or loss

	2025 €'000	2024 €'000
Current tax:		
Irish corporation tax on profit for the financial year	2,219	2,042
Adjustments in respect of prior financial years	–	79
Current tax expense for the financial year	**2,219**	**2,121**
Deferred tax:		
Origination and reversal of timing differences	–	–
Deferred tax expense for the financial year	–	–
Tax on surplus on ordinary activities	**2,219**	**2,121**

(b) Reconciliation of tax expense

Tax assessed for the financial year differs than that determined by applying the standard rate of corporation tax in the Republic of Ireland for the financial year ended 31 December 2025 of 12.5% (2024: 12.5%) to the surplus for the year. The differences are explained below:

	2025 €'000	2024 €'000
Surplus on ordinary activities before taxation	11,429	1,738
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2024: 12.5%)	1,429	217
Effects of:		
– Income not subject to tax	(19,327)	(19,526)
– Income subject to higher rate of tax	1,109	1,081
– Expenses not deductible for tax purposes	100	134
– Depreciation in excess of capital allowances	19,848	20,136
– Tax losses utilised	(941)	–
– Other differences	–	79
Tax on surplus on ordinary activities	**2,219**	**2,121**

Deferred taxation

A potential deferred tax asset of €277.5m (2024: €278.5m) has not been recognised as the future recovery against taxable profits is uncertain.

11. Exchequer funding and revenue

The exchequer funding and revenue payable to the Company through Córas Iompair Éireann, are in accordance with the relevant EU Regulations governing State aid to transport undertakings.

The National Transport Authority provided a total of €477.0m funding to the Railway Undertaking in 2025. Profit and loss compensation amounted to €420.8m in the year with €54.8m utilised for capital related heavy maintenance. The remaining €1.4m received relates to funding for investment in cybersecurity.

Particulars of Exchequer funding of €1,211.9m (including the €420.8m above) received in 2025 are given in the following table, including the relevant provision of EU regulations. Grants received in respect of buildings of €64.9m were transferred to the CIÉ Holding Company in 2025.

Amounts disclosed under Regulation Number 1370/2007 analyse the Public Service Obligation recognised in the year in the profit and loss account. Public passenger transport service by rail and road regulation defines the conditions in which the competent authorities can intervene in the area of public passenger transport to guarantee the provision of service of general economic interest and guarantee safe, efficient, attractive, and high-quality passenger transport.

Notes to the Financial Statements *(continued)*

	€'000	€'000	2025 Total €'000
Total Public Service Obligation			420,802
State Grant for Infrastructure and Capital Investment			791,147
Total Exchequer funding received			**1,211,949**
The total funding received was applied as follows:			
Profit and loss account			
– Public Service Obligation			**420,802**
– Infrastructure Manager Multi-Annual Contract (Revenue)	269,528		
– Other Exchequer funding	3,323		
		272,851	
Balance Sheet			
Infrastructure Manager Multi-Annual Contract (Capital)	110,472		
Deferred Capital Grants	260,098		
CEF Funding EU	11,042		
Public Service Obligation – Deferred funding NTA creditor	1,396		
Public Service Obligation – Heavy Maintenance	54,761		
Other Exchequer Funding	15,607		
Transferred to CIÉ	64,920	518,296	
State funding for Infrastructure and Capital Investment			**791,147**
Total Exchequer funding received			**1,211,949**

There are no unfulfilled conditions and other contingencies attached to grants recognised as income.

The reporting requirements under Circular 13/14 issued by the Department of Public Expenditure and Reform are included in this note.

Name of grantor

National Transport Authority, sponsored by the Department of Transport; Department of Transport; Department of Further and Higher Education, Research, Innovation and Science; Department of Housing, Local Government & Heritage.

Name of grant

The following grants were received in 2025

- Sub-Head B4 of Vote 31 of Dáil Éireann – Public Service Provision Payment
- Sub-Head B5 of Vote 31 of Dáil Éireann – Infrastructure Manager Multi-Annual Contract
- Sub-Head B.5 of Vote 31 of Dáil Éireann – DoT Projects
- Sub-Head B5 of Vote 31 of Dáil Éireann – Heavy Rail Safety & Development
- Sub-Head B5 of Vote 31 of Dáil Éireann – Public Transport Infrastructure
- Sub-Head B5 of Vote 31 of Dáil Éireann – Accessibility Retrofit Programme
- Sub-Head A3 of Vote 31 of Dáil Éireann – Active Travel Investment
- Sub-Head B5 of Vote 31 of Dáil Éireann – East Coastal Railway Infrastructure Protection Programme (ECRIPP)
- Vote 25 of Dáil Éireann – Urban Regeneration and Development Fund
- Sub-Head A.5 of Vote 45 of Dáil Éireann – Apprenticeship Incentivisation Scheme
- Sub-Head B.5 of Vote 31 of Dáil Éireann – Enterprise Fleet Replacement Programme

Purpose of grant

With reference to Section 3, paragraph 11 above, the purpose for which the funds are applied under the following headings:

- Pay and general administration.
- Service provision/charitable activity; and
- Specified others, including such expenditure as advertising, consultancy.

Project Name	Pay & General Admin €'000	Service Provision €'000	Const-ruction €'000	Total €'000
Heavy Rail Capital Investment	53,714	–	256,535	310,249
Accessibility Retrofit Programme	1,844	–	10,445	12,289
Infrastructure Manager Multi-Annual	–	380,000	–	380,000
East Coastal Railway Infrastructure	433	–	2,375	2,808
DoT Heavy Rail Projects	1,160	–	3,284	4,444
Public Transport Infrastructure	323	–	1,993	2,316
Public Service Provision Payment	–	476,959	–	476,959
Active Travel Investment	61	–	139	200
Urban Regeneration and Development Fund (URDF)	1,456	–	8,756	10,212
Apprenticeship Incentivisation Scheme	16	–	–	16
Enterprise Fleet Replacement Programme	360	–	561	921

Accounting for grants

The amount of the grants awarded are listed below.

- Sub-Head B4 of Vote 31 of Dáil Éireann – Public Service Provision Payment €476.9M
- Sub-Head B5 of Vote 31 of Dáil Éireann – Infrastructure Manager Multi-Annual Contract €380M
- Sub-Head B.5 of Vote 31 of Dáil Éireann – DoT Projects €4.4M
- Sub-Head B5 of Vote 31 of Dáil Éireann – Heavy Rail Safety & Development €310.2M
- Sub-Head B5 of Vote 31 of Dáil Éireann – Public Transport Infrastructure €2.3M
- Sub-Head B5 of Vote 31 of Dáil Éireann – Accessibility Retrofit Programme €12.2M
- Sub-Head A3 of Vote 31 of Dáil Éireann – Active Travel Investment €199.9K
- Sub-Head B5 of Vote 31 of Dáil Éireann – East Coastal Railway Infrastructure Protection Programme (ECRIPP) €2.8M
- Vote 25 of Dáil Éireann – Urban Regeneration and Development Fund €10.2M
- Sub-Head A.5 of Vote 45 of Dáil Éireann – Apprenticeship Incentivisation Scheme €15.9K
- Sub-Head B.5 of Vote 31 of Dáil Éireann – Enterprise Fleet Replacement Programme €920K

(i) The amount of the grant taken to income in the current financial statements is set out below.

(ii) Where (i) above differs from the cash received in the relevant financial period, a table showing:

a) the grant taken to income in the period;

b) the cash received in the period; and

c) any grant amounts deferred or due at period end.

Notes to the Financial Statements (continued)

The table below includes an analysis of cash received in the year.

Programme Name	Cash Received €'000	P&L Account €'000	Capital €'000	2025 c/f €'000
Heavy Rail Capital Investment	310,249	–	310,249	–
Accessibility Retrofit Programme	12,289	–	12,289	–
Infrastructure Manager Multi-Annual	380,000	269,527	109,065	1,408
East Coastal Railway Infrastructure	2,808	2,808	–	–
DoT Heavy Rail Projects	4,444	–	4,444	–
Public Transport Infrastructure	2,316	296	2,020	–
Public Service Provision Payment	476,959	420,802	54,761	1,396
Active Travel Investment	200	–	200	–
Urban Regeneration and Development Fund (URDF)	10,212	–	10,212	–
Apprenticeship Incentivisation Scheme	16	16	–	–
Enterprise Fleet Replacement Programme	921	–	921	–

Capital grants

The amount of money provided, and the conditions/milestones being used in relation to current and future instalments. Grantees should also provide an undertaking that the State's investment is protected and will not be used as security for any other activity without prior consultation with the parent Department and sanction of DPER.

	€'000
Heavy Rail Capital Investment	310,249
Accessibility Retrofit Programme	12,290
Infrastructure Manager Multi-Annual	109,065
DoT Heavy Rail Projects	4,444
Public Transport Infrastructure	2,020
Public Service Provision Payment	54,761
Active Travel Investment	200
Urban Regeneration and Development Fund (URDF)	10,212
Enterprise Fleet Replacement Programme	921

Iarnród Éireann undertakes to protect the State's investment and will not use said investment as security for any other activity without prior consultation with the Department of Transport, the Department of Housing, Planning and Local Government, the Department of Further and Higher Education, Research, Innovation and Science, and sanction of Department of Public Expenditure, NDP Delivery and Reform.

Employees

In a table accompanying the report, the number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €25,000 from €50,000 upwards and an overall figure for total employer pension contributions. (This applies even if salaries are not being funded by the Exchequer).

Commercial semi state bodies report in line with the Code of Practice for State Bodies 2016.

Restrictions

Whether and how the use of the grant is restricted (i.e. is it for a particular project, or for the delivery of a service).

Grants received relate to the Multi Annual Contract (MAC), Capital Enhancement, Accessibility, Public Transport Infrastructure, Urban Regeneration and Development Fund, Active Travel Investment, and Public Service Provision Payment.

Within the MAC, no specific programmes were identified. Within the Public Service Provision Payment, the identified programme is:

- Annual Heavy Maintenance Charge

Tax clearance

Whether compliant with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

Iarnród Éireann is compliant with the relevant circulars including Circular 44/2006. IÉ has a Tax Clearance Cert which is able to be verified online (point 6 of circular 44/2006).

12. Intangible fixed assets

Cost	**1 Jan 2025 €'000**	**Write-down €'000**	**Additions €'000**	**31 Dec 2025 €'000**
Computer software	21,080	(1,638)	3,849	23,291
Amortisation				
Computer software	7,244	(1,638)	3,156	8,762
Net Book Value at 31 December 2025				**14,529**
Net Book Value at 31 December 2024				**13,836**

13. Tangible fixed assets

Cost	**1 Jan 2025 €'000**	**Reclassi-fications €'000**	**Addition €'000**	**Scrapping/ Disposal €'000**	**31 Dec 2025 €'000**
Railway lines and works	1,364,870	–	150,960	(44,488)	1,471,342
Railway rolling stock	1,050,796	(39,982)	130,250	(141,106)	999,958
Plant and machinery	577,142	(3,038)	135,597	(6,913)	702,786
Signalling	582,093	–	49,869	(1,495)	630,467
Catering equipment	747	–	–	–	747
Docks, harbours, and wharves	57,279	–	302	–	57,581
Land and Buildings	8,605	–	12,114	(122)	20,597
Total	**3,641,532**	**(43,020)**	**479,092**	**(194,124)**	**3,883,478**

Notes to the Financial Statements *(continued)*

Depreciation	1 Jan 2025 €'000	Reclassi-fications €'000	Profit & Loss €'000	Scrapping/ Disposal €'000	31 Dec 2025 €'000
Railway lines and works	427,223	–	42,050	(44,488)	424,785
Railway rolling stock	674,513	–	78,481	(141,106)	611,888
Plant and machinery	37,644	–	15,772	(6,913)	46,503
Signalling	318,905	50,029	21,334	(1,495)	388,773
Catering equipment	374	–	75	–	449
Docks, harbours, and wharves	33,211	–	1,264	–	34,475
Land and Buildings	884	–	132	(122)	894
Total	**1,492,754**	50,029	**159,108**	**(194,124)**	**1,507,767**

Net Book Amounts	31 Dec 2025 €'000	31 Dec 2024 €'000
Railway lines and works	1,046,557	937,648
Railway rolling stock	388,070	376,283
Plant and machinery	656,282	539,497
Signalling	291,724	263,188
Catering equipment	299	374
Docks, harbours, and wharves	23,105	24,067
Land and Buildings	19,704	7,721
Total	**2,425,741**	**2,148,778**

Of the total staff costs €45.6m (2024: €39.4m) has been capitalised into tangible fixed assets. Scrapping / Disposal relates to fully depreciated assets and are updated in the asset register during the year. The depreciation of tangible fixed assets and amortisation of capital grants includes €50.0m (2024: €Nil) relating to the impairment of the Train Management System.

14. Stocks

	2025 €'000	2024 €'000
Rolling stock, spare parts and maintenance materials	48,535	40,141
Infrastructure stocks	45,167	49,332
Fuel, lubricants, and other sundry stocks	14,024	13,619
Total	**107,726**	**103,092**
Stocks utilised in the reporting period		
Materials	115,487	75,403
Fuel	46,166	45,113
Total	**161,653**	**120,516**

Amounts included in stocks include parts and components necessarily held to meet long-term operational requirements. There is no significant difference between the replacement cost of stock and their carrying amounts.

An impairment charge of €723,000 (charge in 2024: €975,000) has been recognised in profit and loss in relation to obsolete and damaged stocks.

15. Debtors

	2025 €'000	2024 €'000
Trade debtors	9,547	8,014
Amounts owed by parent undertaking	21,061	49,979
Corporation tax	–	146
Prepayments and accrued income	368,453	295,981
Total	**399,061**	**354,120**

The amounts owed by the parent undertaking are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Within prepayments and accrued income are amounts totalling €315,844 (2024: €272,485) that are due in a period greater than twelve months from the balance sheet reporting date.

16. Creditors amounts falling due within one year

	2025 €'000	2024 €'000
Trade creditors	25,718	19,169
Income tax deducted under PAYE	4,603	4,226
Pay related social insurance	3,893	3,510
Universal social charge	749	805
Value added tax	14,582	7,116
Withholding tax	4,141	2,391
Deferred revenue	325,921	286,706
Other creditors	19,939	27,975
Corporation Tax	16	–
Accruals	92,970	81,061
Deferred income *(note 18)*	154,583	149,295
Total	**647,115**	**582,254**

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms. Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation. Creditors include amounts relating to NTA PSO overcompensation of €2.2m in 2025.

17. Lease obligations

Future minimum lease payments under non-cancellable operating leases at the end of the financial year were:

	2025 €'000	2024 €'000
Within one year	5,180	5,243
Between one and five years	5,783	8,381
Total	**10,963**	**13,624**

Notes to the Financial Statements (continued)

18. Deferred income

This account, comprising non-repayable State, EU grants and other deferred income which will be credited to the profit and loss account on the same basis as the related tangible fixed assets are depreciated (accounting policy M), includes the following:

Capital Grants	1 Jan 2025 €'000	Transfers & Disposals €'000	Received & Receivable €'000	Profit & Loss Impair. €'000	Profit & Loss Amortise. €'000	31 Dec 2025 €'000
Land and buildings	260	–	–	–	(8)	252
Railway lines and works	931,427	–	175,976	–	(41,517)	1,065,886
Railway rolling stock	386,575	(39,982)	127,142	–	(77,693)	396,042
Plant and machinery	516,298	(3,039)	116,739		(16,074)	613,924
Signalling	249,156	–	46,041	(50,029)	(18,981)	226,187
Docks, harbours, and wharves	6,182	–	129	–	(310)	6,001
Total	**2,089,898**	**(43,021)**	**466,027**	**(50,029)**	**(154,583)**	**2,308,292**

Capital Grants	1 Jan 2024 €'000	Transfers & Disposals €'000	Received & Receivable €'000	Profit & Loss Impair. €'000	Profit & Loss Amortise. €'000	31 Dec 2024 €'000
Land and buildings	292	(13)	–	–	(19)	260
Railway lines and works	826,863	42,866	104,670	–	(42,972)	931,427
Railway rolling stock	407,943	(4,206)	60,999	–	(78,161)	386,575
Plant and machinery	397,368	(1)	134,374	–	(15,443)	516,298
Signalling	224,800	–	43,401	–	(19,045)	249,156
Docks, harbours, and wharves	6,492	–	–	–	(310)	6,182
Total	**1,863,758**	**38,646**	**343,444**	**–**	**(155,950)**	**2,089,898**

	2025 €'000	2024 €'000
Deferred Income		
– amounts falling due within one year	154,583	149,295
– amounts falling due after more than one year	2,153,708	1,940,601
	2,308,292	**2,089,896**

19. Provisions for liabilities

	Third-Party & Employer's Claims €'000	Legal Related €'000	Other Provisions €'000	Total €'000
Balance at 1 January 2025	36,741	7,229	10,494	54,464
Utilised during the financial year	(2,481)	(3,724)	(2,397)	(8,602)
Profit and loss account	4,309	(1,127)	809	3,991
Balance at 31 December 2025	**38,569**	**2,378**	**8,906**	**49,853**
Balance at 1 January 2024	39,105	2,289	11,184	52,578
Utilised during the financial year	(2,847)	(337)	–	(3,184)
Profit and loss account	483	5,277	(690)	5,070
Balance at 31 December 2024	**36,741**	**7,229**	**10,494**	**54,464**

Restructuring provision

The restructuring provision relates to the implementation of continuing cost saving initiatives.

Other provision

On 31 December 2025 there was €8.9m (2024: €10.5m) of other provisions, €2.5m (2024: €2.8m) related to unresolved third-party disputes €7.3m (2024: €7.7m) related to post-retirement benefit costs.

Third party and employer's liability claims and related recoveries

Any losses not covered by external insurance are charged to the profit and loss account, and unsettled amounts are included in provisions for liabilities and charges. The provisions that have been recorded represent the directors' best estimate of the expenditure required to settle the obligations, with the benefit of legal advice.

The nature of these claims means that there is some uncertainty with regard to the value that they will be settled at. If the outcomes of the claims are different to the assumptions underpinning the directors' best estimates, then a further liability may arise.

CIÉ as a self-regulated body operates a self-insurance model whereby the Operating Company's bear the financial risk associated with the costs of claims, subject to any-one incident and annual insurance caps in the case of Third-Party claims. Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims IBNR to the Company.

The estimated cost of claims includes expenses to be incurred in settling claims. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claim's exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

Notes to the Financial Statements (continued)

In calculating the estimated cost of unpaid claims, the Company uses a variety of estimation techniques, including statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may cause distortion in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including, for example, changes in Company processes which might accelerate or slow down the development and/or recording of paid or incurred claims, changes in the legal environment, the effect of inflation, changes in mix of claims and the impact of large losses.

In estimating the cost of claims notified but outstanding, the Company has regard to the accident circumstances as established by investigations, any information available from legal or other experts and information on court precedents on liabilities with similar characteristics in previous periods. Exceptionally serious accidents are assessed separately from the averages indicated by actuarial modelling.

The estimation of IBNR claims is subject to a greater degree of uncertainty than the estimated liability for claims already notified to the Company, because of the lack of any information about the claim event except in those cases where investigators have been called to the scenes of accidents. Claim types which have a longer development tail and where the IBNR proportion of the total reserve is, therefore, high will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these reserves.

Provisions for claims are calculated gross of any reinsurance recoveries. Reinsurance recoveries are recognised where such recoveries can be reasonably estimated. Reinsurance recoveries in respect of estimated IBNR claims are assumed to be consistent with the historical pattern of such recoveries, adjusted to reflect changes in the nature and extent of the Company's reinsurance programme over time.

An assessment is also made of the recoverability of reinsurance having regard to notification from the Company's brokers of any re-insurers in run off.

20. Share capital and reserves

	2025 €'000	2024 €'000
Authorised:		
153,000,000 Ordinary shares of €1.27 each	194,270	194,270
Allotted, called up and fully paid – presented as equity		
At 1 January and 31 December, 153,000,000 Ordinary shares of €1.27 each	194,270	194,270

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

21. Notes to the statement of cash flow

	2025 €'000	2024 €'000
Surplus before interest and taxation	11,093	1,190
Profit on disposal of tangible fixed assets	(34)	(256)
Depreciation on tangible fixed assets	159,108	159,718
Accelerated depreciation of impaired asset	50,029	–
Amortisation for intangible fixed assets	3,156	4,186
Amortisation of capital grants relating to impaired asset	(50,029)	–
Amortisation of capital grants	(154,583)	(155,948)
(Increase) in stocks	(4,633)	(9,694)
Decrease in debtors	(73,858)	29,853
(Decrease) in creditors and provisions	45,676	(25,249)
Taxation charge	(2,219)	(2,121)
Net cash (used)/ generated from operating activities	**(16,294)**	**1,679**

22. Capital commitments

	2025 €'000	2024 €'000
At 31 December, the Company has the following capital commitments:		
Contractual commitments for the acquisition of tangible fixed assets	241,016	303,071
Capital expenditure on tangible fixed assets authorised by the directors but not contracted for	1,033,129	687,966

A significant element of the capital commitments listed above are subject to state funding being made available.

23. Post-employment benefits

The CIÉ Group operates two defined benefit plans (the CIÉ Pension Scheme for Regular Wages Staff and CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000 defined benefit plan) for employees of the CIÉ group. The employees of Iarnród Éireann are members of Córas Iompair Éireann Group pension schemes. The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method.

The rules of the schemes do not specify how any surplus or deficit should be allocated among participating employers and there is no contractual agreement or stated policy for allocating the net defined benefit cost to the individual group entities. Accordingly, the net defined benefit cost for the schemes as a whole is recognised in the separate financial statements of CIÉ as in the absence of a formal contractual arrangement the directors believe that this is the entity that is legally responsible for the schemes. The other participating entities, including Iarnród Éireann recognise a cost equal to their contribution for the period.

During 2025, the CIÉ Group agreed pension reform measures with its staff, including the staff of Iarnród Éireann, and the CIÉ Group is currently engaging with the Department of Transport to secure the necessary Ministerial consents to implement these changes.

The valuations of the schemes under FRS 102 as at 31 December 2025 showed a surplus of` €157.0m, (2024: deficit €361.0m). The disclosures required under FRS 102 in respect of the group's defined benefit schemes, in which the Company participates, are set out in the financial statements of CIÉ for the year ended 31 December 2025 which are publicly available from CIÉ, Heuston Station, Dublin 8.

The Company's pension cost for the year under the defined benefit schemes was €41.3m (2024: €39.6m) and these costs are included in note 5. The Company cost comprises of contribution payable for the year.

24. Guarantees and contingent liabilities

Pending litigation

The Company, from time to time, is party to various legal proceedings relating to commercial matters which are being handled and defended in the ordinary course of business. The status of pending or threatened proceedings is reviewed with CIÉ's group legal counsel on a regular basis. It is the opinion of the directors that losses, if any, arising in connection with these matters will not be materially in excess of provisions made in the financial statements.

Notes to the Financial Statements (continued)

25. Related party transactions

In the ordinary course of business, the Company purchases goods and services from entities controlled by the Irish Government, the principle of these being An Post and the National Transport Authority (NTA). The directors are of the opinion that the quantum of these purchases is not material in relation to the Company's business. See Note 11 for analysis of grant funding received from the NTA and the Department of Transport.

The Company has transactions in relation to goods and services with other companies within the CIÉ Group.

The Company is exempt from the disclosure requirements of paragraph 33.9 in relation to transactions with those entities that are a related party by virtue of the fact that the same state has control, joint control, or significant influence over both the reporting entity and the other entity.

26. Membership of Córas Iompair Éireann Group

Iarnród Éireann (Irish Rail) is a member of the Córas Iompair Éireann Group of Companies (the Group) and the financial statements reflect the effects of Group membership.

Some group wide functions such as Treasury, Legal, Property and Pensions are carried out by the Holding Company on a shared services basis. Copies of the CIÉ consolidated financial statements can be obtained from the Company Secretary at Heuston Station, Dublin 8, Ireland.

27. Events since the end of the financial year

The software development of the NTCC Traffic Management System (TMS) (i.e. the system which will manage all rail traffic when NTCC is commissioned) continued during 2025. The TMS project has encountered significant challenges, and the Iarnród Éireann project team has continued to engage with the contractor Indra, in consultation with the NTA, to address issues which have arisen. However, the company informed by the test results to date, does not have confidence that the asset in its current state can be deployed into use on the network, and as a consequence has written down the carrying value of the asset by €50.0m to €35.4m. The value of the impairment includes VAT €7.4m. This charge to the profit and loss is matched by a credit of €50.0m to the profit and loss for an increase in the amortisation of associated capital grants. See notes 8,13 and 18 to the financial statements

28. Approval of financial statements

The directors approved the financial statements on 18 May 2026.

Connolly Station
Amiens Street
Dublin
D01 V6V6

www.irishrail.ie