

Registered Number 03229377

Royal Mail Investments Limited
Annual Report and Financial Statements
For the 52 weeks ended 26 March 2017

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Royal Mail Investments Limited

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Royal Mail Investments Limited

Strategic report

Principal activities

The principal activity of Royal Mail Investments Limited (the Company) is to act as a holding company for overseas subsidiaries of the Royal Mail Group.

Results and dividends

The profit after tax for the period was £64 million (2015-16: £119 million). On the recommendation of the Directors, an interim dividend of £21 million was paid to Royal Mail Group Limited on 27 July 2016 with a further interim dividend of £38 million paid to Royal Mail Group Limited on 13 December 2016.

Review of the business and future developments

The Company acts as a holding company for distribution businesses in overseas markets and the Group's insurance subsidiary and expects to continue this activity for the foreseeable future.

On 27 July 2016 the Company received an interim dividend of €25 million from General Logistics Systems B.V. (GLS) paid in cash. Subsequently, on the same date, an interim dividend of £21 million was paid by the Company to Royal Mail Group Limited (the Company's immediate parent company).

On 27 September 2016, Royal Mail Group Limited was allotted one Ordinary Share of £1.00 in the capital of the Company, bringing its total shareholding to 5,000,002 Ordinary Shares of £1.00 each. The consideration paid for the share was £71,258,667.25, being the equivalent of US\$100,000,000 (as determined at the GBP / USD exchange rate notified by Royal Mail Treasury to the Company). This cash was used to subscribe for 100,000 redeemable preference shares in RMF Operations Designated Activity Company (registered in Ireland) and contribute further to capital on the existing Euro denominated ordinary shares in General Logistics Systems BV that were held by the Company.

On 13 December 2016, the Company received an interim dividend of €45 million from General Logistics Systems B.V. (GLS) paid in cash. Subsequently, on the same date, an interim dividend of £38 million was paid by the Company to Royal Mail Group Limited.

Key Performance Indicators (KPIs)

As the Company operates as a holding company, the Directors do not consider it necessary to disclose KPIs.

Principal risks and uncertainties

Historically, there has been a correlation between economic conditions in the UK and Europe and the level of parcel volumes. There is a risk that flat or adverse economic conditions could lead to reduced parcel volumes or encourage customers to adopt cheaper service options for sending parcels. This in turn may impact investment income and subsequently the ability to stay profitable.

The Company is exposed to foreign currency transaction risk as a result of entering into a loan agreement with Royal Mail Group Limited to borrow €487 million. This exposure offsets the Company's exposure arising from its net investment in its GLS overseas subsidiary.

Risk arising from UK exit from the European Union (EU)

It is too early to assess the impact, if any, on the Company arising from the UK exit from the EU. The Company will continue to trade as now while new arrangements are negotiated and implemented, and continue to monitor and evaluate any risk that arises.

Corporate responsibility

The Company is committed to carrying out its activities in a socially responsible manner in respect of the environment, customers and local communities. The Board of the ultimate parent company, Royal Mail plc, publishes details of its activities in its Annual Report and Financial Statements.

By Order of the Board



Michael Jeavons

Director

Royal Mail Investments Limited

Registered Number: 03229377

Registered Office: 100 Victoria Embankment, London EC4Y 0HQ

15 August 2017

Royal Mail Investments Limited

Directors' report

The Directors present the Annual Report and Financial Statements for the Company. These financial statements relate to the 52 weeks ended 26 March 2017 (2015-16: 52 weeks ended 27 March 2016).

Directors and their interests

The following have served as Directors of the Company during the period ended 26 March 2017 and up to the date of approval of these financial statements, unless otherwise stated:

Michael Jeavons

Stuart Simpson

No Director has a beneficial interest in the share capital of the Company.

Research and development

Expenditure in the period amounted to £nil (2015-16: £nil).

Political donations

There were no political donations during the period (2015-16: £nil).

Audit information

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware and that each Director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Indemnity of Directors

To the extent permitted by the Companies Act 2006, the Company may indemnify any Director or former Director of the Company or any associated company against any liability. The ultimate parent undertaking, Royal Mail plc, holds a Directors' and Officers' liability insurance policy covering the Directors and Officers or former Directors of its subsidiary undertakings against any liability.

Cautionary statement regarding forward-looking information

Where this review contains forward-looking statements, these are made by the Directors in good faith based on the information available to them at the time of their approval of this report. These statements should be treated with caution due to the inherent risks and uncertainties underlying any such forward-looking information. A number of important factors, including those in this document, could cause actual results to differ materially from those contained in any forward-looking statement.

Going concern

The Company has net assets of £530 million at 26 March 2017 (2015-16: £450 million). After analysis of all factors, including those stated above, the Directors of the Company consider it appropriate to prepare the financial statements on a going concern basis.

Auditor

KPMG LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

In accordance with s414c(ii) of the Companies Act, the Company has set out certain information in its Strategic report that is otherwise required to be disclosed in the Directors' report. This includes information regarding results and activities, dividends and a description of the principal risks and uncertainties facing the Company.

Royal Mail Investments Limited

Directors' report (continued)

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure 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 state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

By Order of the Board



Michael Jeavons

Director

Royal Mail Investments Limited

Registered Number: 03229377

Registered Office: 100 Victoria Embankment, London, EC4Y 0HQ

15 August 2017

Independent Auditor's Report to the members of Royal Mail Investments Limited

We have audited the financial statements of Royal Mail Investments Limited for the period ended 26 March 2017 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 26 March 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial period is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;



Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

17 August 2017

Royal Mail Investments Limited

Income statement

for the 52 weeks ended 26 March 2017 and 52 weeks ended 27 March 2016

	Notes	52 weeks 2017 £m	52 weeks 2016 £m
Continuing operations			
Operating costs	2	-	1
Earnings before interest and tax		-	1
Finance income		9	10
Finance costs		(4)	(5)
Income from investments	3	59	113
Profit before tax		64	119
Tax charge	7(a)	-	-
Profit for the period		64	119

Statement of comprehensive income

for the 52 weeks ended 26 March 2017 and 52 weeks ended 27 March 2016

	Notes	52 weeks 2017 £m	52 weeks 2016 £m
Profit for the period		64	119
Foreign exchange translation difference		4	4
Total comprehensive income for the period		68	123

Statement of changes in equity

for the 52 weeks ended 26 March 2017 and 52 weeks ended 27 March 2016

	Notes	Share capital £m	Share premium £m	Foreign currency translation reserve £m	Retained earnings £m	Total equity £m
Balance at 29 March 2015		5	-	-	396	401
Profit for the period		-	-	-	119	119
Foreign exchange translation difference		-	-	4	-	4
Dividend paid	9	-	-	-	(74)	(74)
Balance at 27 March 2016		5	-	4	441	450
Profit for the period		-	-	-	64	64
Foreign exchange translation difference		-	-	4	-	4
Allotment of new shares		-	71	-	-	71
Dividend paid	9	-	-	-	(59)	(59)
Balance at 26 March 2017		5	71	8	446	530

Royal Mail Investments Limited

Balance sheet

at 26 March 2017 and 27 March 2016

	Notes	At 26 March 2017 £m	At 27 March 2016 £m
Non-current assets			
Investments in subsidiaries	8	548	435
Investment in associate		1	1
		549	436
Current assets			
Amounts due from Group entities		497	443
Current liabilities			
Amounts due to Group entities		(516)	(429)
Net assets		530	450
Equity			
Share capital	10	5	5
Share premium		71	-
Foreign currency translation reserve		8	4
Retained earnings		446	441
Total equity		530	450

The financial statements on pages 6 to 14 were approved by the Board of Directors on 15 August 2017 and signed on its behalf by:



Michael Jeavons

Director

Royal Mail Investments Limited

Registered Number: 03229377

Registered Office: 100 Victoria Embankment, London EC4Y 0HQ

15 August 2017

Royal Mail Investments Limited

Notes to the financial statements

1. Accounting policies

The following accounting policies apply throughout the Company:

Financial period

The financial period ends on the last Sunday in March and accordingly, these financial statements are made up to the 52 weeks ended 26 March 2017 (2015-16: 52 weeks ended 27 March 2016).

Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of the Company for the period ended 26 March 2017 were authorised for issue by the board of Directors on 15 August 2017. The Company is incorporated and domiciled in England and Wales.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) and in accordance with applicable accounting standards. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Royal Mail plc. The consolidated financial statements of Royal Mail plc are available from 100 Victoria Embankment, London, EC4Y 0HQ.

Basis of preparation

The accounting policies which follow, set out those policies which apply in preparing the financial statements for the reporting period ended 26 March 2017.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures*¹;
- (b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement* (disclosure of valuation techniques and inputs used for fair value measurements of assets and liabilities)¹;
- (c) the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding);
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B-D, 40A-D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (e) the requirements of IAS 7 *Statement of Cash Flows*;
- (f) the requirements of paragraph 17 and 18(a) of IAS 24 *Related Party Disclosures* (key management compensation and related party transaction amounts); and
- (g) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

¹ Exemption taken as equivalent disclosures are included in the consolidated financial statements of Royal Mail plc.

Accounting standards issued but not yet applied

No new UK Accounting Standards, which affect the presentation of these financial statements, have been issued.

Changes in accounting policy

The accounting policies are consistent with those of the previous financial period.

Key sources of estimation uncertainty and critical accounting judgements

Due to the relatively straightforward nature of the Company and its operations, there are not believed to be any significant estimates or accounting judgements applied in the preparation of these financial statements.

Intercompany transactions

The parent company operates through business units that make use of the services of other companies within the Group in order to take advantage of Group synergies, having regard to the mutual dependencies that exist.

Royal Mail Investments Limited

1. Accounting policies (continued)

Investments in subsidiaries and associate

Investments in subsidiaries and associate within the Company's financial statements are stated at cost less any accumulated impairment losses. Where Euro denominated investments are hedged through a Euro denominated loan, both the Euro loan and the investment are revalued to closing spot rate at the balance sheet date and the resultant gains and losses are taken to the income statement. Where Euro denominated investments are not hedged, net cumulative gains are treated as unrealised and net cumulative losses are treated as realised.

Deferred tax

Deferred tax is generally provided in full on timing differences at the balance sheet date, at rates expected to apply when the tax liability (or asset) crystallises based on substantively enacted tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax is not recognised in the following instances:

- on gains on disposal of fixed assets where, on the basis of available evidence, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when there is a commitment to dispose of those replacement assets; and
- on unremitted earnings of subsidiaries and associates where there is no commitment to remit those earnings.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are not discounted.

Foreign currencies

The functional and presentational currency of the Company is £ Sterling.

Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date.

Financial Instruments

Financial assets within the scope of IAS 39 'Financial instruments: Recognition and Measurement' are classified as held to maturity investments, loans and receivables. Financial liabilities within the scope of IAS 39 are classified as financial liabilities measured at amortised cost.

The Company determines the classification of its financial instruments at initial recognition and re-evaluates this designation at each reporting date. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial instruments not at 'fair value through the profit and loss account', any directly attributable transactional costs.

The subsequent measurement of financial instruments depends on their classification as follows:

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted on an active market, do not qualify as trading assets and have not been designated as either 'fair value through the profit and loss account' or available for sale. Such assets are carried at amortised cost using the effective interest rate method if the time value of money is significant. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Royal Mail Investments Limited

1. Accounting policies (continued)

Financial liabilities measured at amortised cost

All non-derivative financial liabilities are classified as financial liabilities measured at amortised cost. Non-derivative financial liabilities are initially recognised at the fair value of the consideration received, less directly attributable issue costs. After initial recognition, non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the liabilities are derecognised or impaired, as well as through the amortisation process.

The Company has designated certain Euro denominated loans from Royal Mail Group Limited as a fair value hedge of its Euro denominated investment in GLS. Both the Euro loans and the investment in GLS are revalued to closing spot rate at the balance sheet date and the resultant gains and losses are taken to the income statement. Currently hedge accounting is not claimed for any other monetary assets and liabilities. The majority of other revaluation differences are therefore taken to the income statement. Where balances are not expected to be settled in the foreseeable future, net cumulative gains are treated as unrealised and net cumulative losses are treated as realised.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Since 29 July 2014, the Euro denominated investment in GLS is revalued to closing spot rate at the balance sheet date and the resultant gains and losses are taken to the income statement.

Fair value measurement of financial instruments

The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and discounted cash flow analysis and pricing models.

2. Operating costs

EBITDA from continuing operations is stated after charging the following operating costs:

	52 weeks 2017 £m	52 weeks 2016 £m
Gain on hedge of GLS dividend receipt	-	1
Loss on revaluation of intercompany loans from RMG	(38)	(25)
Gain on revaluation of investment in RMF Operations Designated Activity Company	1	-
Gain on revaluation of investment in General Logistics Systems B.V. (GLS)	37	25
Total operating costs	-	1

3. Income from investments

Investment income relates to dividend income of £59 million (2015-16: £112 million) from General Logistics Systems B.V. and £nil million (2015-16: £1 million) from PostCap Guernsey Limited.

4. People costs and numbers

The Company has no employees (2015-16: no employees).

5. Auditor's remuneration

Auditor's remuneration amounted to £7,000 (2015-16: £7,000) for the audit of the statutory financial statements and was met by the immediate parent company, Royal Mail Group Limited. The auditor did not provide any non-audit services for the periods ended 26 March 2017 and 27 March 2016.

6. Directors' remuneration

The Directors are employees of other undertakings within the Royal Mail Group and did not perform substantive services for the Company during the period, therefore the Directors did not receive any remuneration from the Company during the period (2015-16: £nil).

There are no pension contributions for Directors in respect of qualifying services.

Royal Mail Investments Limited

7. Taxation

(a) Tax gains/losses recognised in the period

	52 weeks 2017 £m	52 weeks 2016 £m
Tax charged in the income statement		
Current income tax:		
Current UK income tax charge	-	-
Deferred income tax:		
Deferred tax charge	-	-
Total tax charge	-	-

(b) Reconciliation of the total tax charge

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 20% (2015-16: 20%). The differences are explained below:

	52 weeks 2017 £m	52 weeks 2016 £m
Profit on ordinary activities before tax	64	119
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015-16: 20%)	(13)	(24)
Exempt income from investments	12	23
Utilisation of unrecognised tax losses	1	1
Tax charge in the income statement	-	-

(c) Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 20 per cent to 19 per cent (effective from 1 April 2017) and to 17 per cent (effective 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. In future, this will reduce the Company's current tax charge accordingly. In accordance with accounting standards, the effect of these rate reductions on deferred tax balances has been reflected in these financial statements, dependent upon when temporary differences are expected to reverse.

(d) Deferred tax

At 26 March 2017, the Company had an unrecognised deferred tax asset of £3 million (2015-16: £4 million) relating to tax losses of £18 million (2015-16: £22 million), that are available for offset against future tax profits. The Company has not recognised this deferred tax asset on the basis that it is not sufficiently certain of its capacity to utilise it in the future.

8. Investments in subsidiaries

	Total £m
Cost	
At 28 March 2016	435
Additions	71
Revaluation of investment in GLS	37
Revaluation of investment in RM Financing Operations Limited	4
Revaluation of investment in RMF Operations Designated Activity Company	1
At 26 March 2017	548
Impairment	
At 28 March 2016	-
At 26 March 2017	-
Net book value	
At 26 March 2017	548
At 27 March 2016	435

Royal Mail Investments Limited

9. Dividends

	52 weeks 2017	52 weeks 2016	52 weeks 2017	52 weeks 2016
Dividends on ordinary shares	pence per share	pence per share	£m	£m
Interim dividends paid 16 April 2015	-	720	-	36
Interim dividends paid 22 July 2015	-	760	-	38
Interim dividends paid 27 July 2016	420	-	21	-
Interim dividends paid 13 December 2016	760	-	38	-
Total dividends paid	1,180	1,480	59	74

10. Issued share capital

	At 26 March 2017	At 27 March 2016
	£	£
Allotted and fully paid		
5,000,002 ordinary shares of £1 each (2015-16: 5,000,001 ordinary shares of £1 each)	5,000,002	5,000,001
Total	5,000,002	5,000,001

Reserves included in the consolidated statement of changes in equity

Share premium

The share premium account is used to record the excess over par value paid for newly allotted shares.

Foreign currency translation reserve

The 'Foreign currency translation reserve' is used to record unrealised cumulative gains on balances not expected to be settled in the foreseeable future.

11. Related party information

Royal Mail Group Limited is the Company's immediate parent company and Royal Mail plc is the Company's ultimate parent company.

Related party transactions

The Company has taken advantage of two of the exemptions conferred by FRS 101.8, whereby certain details regarding transactions with 100% owned subsidiaries within the same Group do not have to be disclosed where Group financial statements are publicly available; and disclosures relating to key management personnel compensation are not required.

Principal subsidiaries

The principal subsidiary of the Company is General Logistics Systems B.V. - a holding company incorporated in the Netherlands which has investments in other operational companies based in Europe.

A full list of the Company's direct and indirect subsidiary undertakings is included in Note 14.

12. Events after the reporting period

Dividends

On 25 July 2017, the Company received an interim dividend of €25 million from GLS, and subsequently, on the same day, the Company paid an interim dividend of £22 million to Royal Mail Group Limited (the Company's parent company).

13. Immediate and ultimate parent company

The Company's immediate parent company is Royal Mail Group Limited and Royal Mail plc is the ultimate parent company. The results of the Company are included in the Royal Mail plc Annual Report and Financial Statements, which are available from the Company Secretary, 100 Victoria Embankment, London, EC4Y 0HQ or at www.royalmailgroup.com.

Royal Mail Investments Limited

14. Related undertakings of Royal Mail Investments Limited

In accordance with Section 409 of the Companies Act 2006 a full list of related undertakings, the country of incorporation and the effective percentage of equity owned, as at 26 March 2017 is disclosed below. Unless otherwise stated, the share capital disclosed comprises ordinary or common shares which are held directly by the Company or its subsidiaries.

Subsidiary undertakings

Company Name	Share Class	% held by Group
Austria		
Traunuferstrasse 105A, A-4052 Ansfelden, Austria		
General Logistics Systems Austria GmbH	€1,090,092.51 Ordinary shares	100.000
Belgium		
Humaniteitslaan 233, 1620 Drogenbos, Belgium		
General Logistics Systems Belgium N.V.	€100.00 Ordinary shares	100.000
GLS Belgium Distribution S.A/N.V.	€4.27 Ordinary shares	100.000
Croatia		
10360 Popovec, Varazdinska ulica 116, Croatia		
General Logistics Systems Croatia D.O.O	HRK760,000.00 Ordinary shares	100.000
Czech Republic		
Prumyslova 5619/1, 58601 Jihlava, Czech Republic		
General Logistics Systems Czech Republic S.R.O	CZK2,970,000.00 Ordinary shares	100.000
	CZK30,000.00 Ordinary shares	100.000
Denmark		
Kokmose 3, 6000 Kolding, Denmark		
General Logistics Systems Denmark A/S	DKK100.00 Ordinary shares	100.000
General Logistics Systems Express A/S	DKK1,000.00 Ordinary shares	100.000
Finland		
Rydöntie 22, 20360 Turku, Finland		
General Logistics Systems Finland Oy	€50.00 Ordinary shares	100.000
France		
14 Rue Michel Labrousse, CS 93730, 31037 Toulouse Cedex 01, France		
General Logistics Systems France S.A.S	€50.00 Ordinary shares	100.000
GLS Invest France S.A.S	€21.00 Ordinary shares	100.000
Germany		
Doerrwiese 2, 36286 Neuenstein, Germany		
Der Kurier Beteiligungsgesellschaft mbH	€25,000.00 Ordinary shares	100.000
Der Kurier GmbH & Co. KG	€2,561,572.32 Cash Contribution	100.000
GLS Germany-Straße 1-7, 36286 Neuenstein, Germany		
GLS Beteiligungs GmbH	€7,720,507.41 Ordinary shares	100.000
GLS IT Services GmbH	€127,822.97 Ordinary shares	100.000
General Logistics Systems Germany GmbH & Co. OHG	€178,249,643.37 Cash Contribution	100.000
GLS Verwaltungs- und Service GmbH	€153,387.56 Ordinary shares	100.000
Pinkertweg 49, 22113 Hamburg, Germany		
Overnight Services GmbH Vermittlung Ueberregionaler Kurierdienste	€25,564.59 Ordinary shares	100.000
Guernsey		
PO BOX 160, Dixcart House, St Peter Port, GY1 4EY, Guernsey		
Postcap (Guernsey) Limited	£1.00 Ordinary shares	100.000
Hungary		
GLS Europa utca 2, 2351 Alsonemedi, Hungary		
GLS General Logistics Systems Hungary Kft.	HUF30,000,000.00 Ordinary shares	100.000
Ireland		
Unit 1 Stadium Business Park, Ballycoolin Road, Ballycoolin, Dublin, D11 DK24, Ireland		
General Logistics Systems Ireland Limited	€1.2697 Ordinary shares	100.000
RM Financing Operations Limited	€1.00 Ordinary shares	100.000
	€1.00 Redeemable Preference shares	100.000
RMF Operations Designated Activity Company	US\$1.00 Ordinary shares	100.000
	US\$1.00 Redeemable Preference shares	100.000
Williames Cargo Systems Limited ¹	€1.2697 Ordinary shares	100.000
Italy		
Via Basento No. 19, 20098 San Giuliano Milanese, Italy		
Agone S.R.L.	€10,000.00 Ordinary shares	100.000
General Logistics Systems Enterprise S.R.L.	€1,011,000.00 Ordinary shares	100.000
General Logistics Systems Italy S.P.A.	€0.52 Ordinary shares	100.000
Gruppo Executive Societa Consortile a.R.L.	€255.00 Ordinary shares	81.667

Royal Mail Investments Limited

Company Name	Share Class	% held by Group
Luxembourg		
Avenue de Luxembourg, 2 a 4950 Bascharage		
General Logistics Systems Belgium S.A. Succursale de Luxembourg ²	-	-
Netherlands		
Breguetlaan 28-30, 1438 BC Oude Meer, Netherlands		
General Logistics Systems B.V.	€100.00 Ordinary shares	100.000
Proostwetering 40, 3543 AG Utrecht, Netherlands		
General Logistics Systems Netherlands B.V.	€50.00 Ordinary shares	100.000
GLS Netherlands Holding B.V.	€0.50 Ordinary shares	100.000
GLS Netherlands Services B.V.	€50.00 Ordinary shares	100.000
Poland		
UL Teczowa 10, Gluchowo, 62-052 Komorniki, Poland		
General Logistics Systems Poland Spolka Z.O.O.	PLN1.721 Ordinary shares	100.000
Portugal		
Rua Ramalho Ortigao 17, 3, 1070-228 Lisboa, Portugal		
ASM Transporte Urgente Portugal Unipessoal LDA	€50.000 Share capital	100.000
Rua da Bica, No. 10, 2669-608 Venda do Pinheiro, Portugal		
General Logistics Systems Portugal Lda	€199.900.00 Ordinary shares	100.000
	€100.00 00 Ordinary shares	100.000
Romania		
106, Str. Dorobantilor, 550231 Sibiu, Romania		
GLS General Logistics Systems Romania Srl	RON4.000.00 Ordinary shares	100.000
Slovakia		
Lieskovska cesta 13, 96221 Lieskovec, Slovakia		
GLS General Logistics Systems Slovakia S.R.O.	€98,604.00 Ordinary shares	100.000
	€996.00 Ordinary shares	100.000
Slovenia		
Cesta v Prod 84, 1000 Ljubljana, Slovenia		
General Logistics Systems D.O.O.	€751,127.00 Ordinary shares	100.000
Spain		
Avenida Fuentemmar 18, 28823 Coslada, Madrid, Spain		
Agencia Servicios Mensajería, S.A.U.	€9,758.136.00 Share capital	100.000
ASM Transporte Urgente Andalucía, S.A.U.	€120,600.00 Share capital	100.000
Calle Polma 8, Poligono Industrial Can Valero, 07011 Palma de Mallorca, Spain		
ASM Supply Chain Solutions, S.L.U.	€10.302.00 Share capital	100.000
C/Lacus No 12, CIM Valles, 08130 Santa Perpetua de Mogoda-Barcelona, Spain		
General Logistics Systems Spain S.L.	€20.00 Ordinary shares	100.000
USA		
1679 S. Dupont Highway, Suite 100, Dover, Delaware 19901, USA		
GLS U.S. Holdings Inc.	1,000 Shares Common Stock, USD 0.001 par value per share	100.000
GSO Delivery Inc.	1,000 Shares Common Stock, USD 0.001 par value per share	100.000
7901 Stoneridge Drive, Suite 400, Pleasanton, CA 94588, USA		
Golden State Overnight Delivery Services, Inc.	1,000 Shares Common Stock	100.000

¹ In liquidation

² Branch of GLS Belgium. No shares are issued or held.

Associate and joint venture undertakings

Company Name	Share Class	% held by Group
Associate		
Australia		
Level 1, 60 Toorak Road, South Yarra, VIC 3141		
Market Engine Global Pty Limited	AUD1.00 Preference shares	34.474
Joint venture		
Germany		
Stresemannstr. 23, 22769 Hamburg, Germany		
ParcelLock GmbH	€50,000.00 Ordinary shares	33.333