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Sunday Independent

SUNDAY BUSINESS

4 June 2017

Edited by Samantha McCaughren



Boylesports chief executive John Boyle aims to establish the firm in Britain. Photo: David Conachy

Boylesports founder to retire as ceo

Gavin McLoughlin

BOYLESPORTS chief executive John Boyle plans to retire from the role this year, the *Sunday Independent* can reveal.

It's understood Boyle (61) will remain on as chairman at the bookmaking firm he founded.

"I've been ceo now since 2012, and that's not my gig. My gig was retail and going out and finding stores. But I've gone in and I've enjoyed it for five years. I'm ready this year to step back from the frontline of being ceo," Boyle told the *Sunday Independent*.

He said the next chief executive would

probably be someone who already works at the business.

The company has embarked on an aggressive acquisition spree, expanding its retail presence in Ireland by more than 10pc in the last six months.

It has also been seeking to establish a presence on the ground in Britain, having failed in its effort to acquire around 360 shops that came to market on foot of the Ladbrokes-Coral merger.

It is now focused on acquiring smaller, regional players.

"How close are we? In the last month we have been doing due diligence with a company, and we're very close. I would

say in 2017 we will be operating in the retail market in the UK," Boyle told the *Sunday Independent*.

"Now, it'll be at a smaller level because the bigger level of taking over 300-400 stores at this time isn't available to us. I would hope within the next 12 months that we would set our sights at having at least 100 shops in the UK," he added.

The company is also casting the net further afield. It has employed a firm of consultants to bring it a monthly update on potential acquisitions worldwide.

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AIB will pay no tax for 30 years after IPO, brokers told

Crash losses mean deferred tax asset advantage may extend until 2047

Samantha McCaughren

AIB will pay no tax on profits for up to 30 years due to the huge losses it racked up over the course of the financial crisis, stockbrokers and market analysts have been told.

In presentations given in recent days, the bank described how its deferred tax asset (DTA) of €3bn gives it advantages over many other listed banks. The DTA accounting practice allows companies to offset previous losses against future tax bills.

At one stage, there was cap on the amount of deferred assets which could be used by the bank. A cap introduced in 2009 applied to banks which had transferred assets into Nama and restricted their use

of deferred tax assets to just 50pc of their corporation tax bill every year.

However, in Budget 2014, Finance Minister Michael Noonan scrapped the cap.

It was speculated at the time that AIB may not have to pay corporation tax for 20 years but in recent days, the bank's representatives have told the investment community in pre-IPO presentations that the use of the DTA may extend out as far as 2047.

Last week, Noonan launched the long-awaited €3bn sale of shares in AIB, which will see the bank return to the stock exchange almost seven years after it was nationalised.

The listing will result in the Government selling 25pc

of the bank, which is almost entirely state-owned. The remaining shares, worth around €9bn, are expected to be sold off over time.

Institutional interest in the listing is expected to be strong but some market sources said they believed interest from retail investors may be weaker than they originally expected.

One broker said that he was adjusting his view of the 'scaleback'.

This relates to level at which a listing is oversubscribed. For example, if a float is three times oversubscribed, investors signing up for shares worth €300,000 would only receive shares worth €100,000. Brokers usually have a sense of this ahead of the listing to ensure clients

get close to the amount they actually wish to buy.

In a note to private clients Barclays outlined why it believed that AIB has advantages over Bank of Ireland stock. It described AIB as a cheaper way to invest in the Irish economic recovery and any upside it delivers.

"AIB is a purer play on the Irish economy," said a note, which claimed that Bank of Ireland's current valuation looks "very full" with an expectation that its stock would see downside "as investors educate themselves on a cheaper play on the Celtic Tiger".

The AIB prospectus and price range are expected to be published in mid-June.

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Retail parks on the up but problems remain

Samantha McCaughren

RETAIL parks and shopping centres around the country have generally enjoyed an improved performance over the past two years, but tenants in many centres continue to struggle, according to new research.

Two national surveys of both retail parks and shopping centres by Retail Excellence Ireland (REI) found improvements for both categories of retail complexes but also that many retailers still had issues with specific locations.

REI carries out the research every two years, surveying over 220 shopping centre tenants with over 650 shopping centre stores and 80 retail park tenants with over 240 retail park stores.

Lorraine Higgins of REI said that while the general trend indicates that profitability at retail parks has improved marginally since 2015 "we cannot ignore the

fact that 13 retail parks are deemed unprofitable".

The Retail Park Review 2017 records Castlebar Retail Park as being the least profitable.

However, a spokesman for management at Castlebar, questioned the veracity of the survey and said that two retailers at the park want to double their footprint.

The best overall retail park was deemed to be Mahon Point in Cork.

In the research covering shopping centres, two were deemed 'healthy' in 2017 – in the 2015 review no shopping centre received a healthy score.

Dundrum Town Centre is the highest-performing shopping centre in Ireland. Higgins said: "This is a consequence of many leases being close to the market rent and thus at sustainable levels and a good retail mix enhancing footfall."

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Air traffic staff attack Varadkar strike-ban call

Fearghal O'Connor

TAOISEACH-IN-WAITING Leo Varadkar may be celebrating but his victorious campaign has drawn an angry rebuke from air traffic controllers.

Comments made by the new Fine Gael leader during the leadership campaign were "reprehensible in the extreme", said a letter fired off to Varadkar last week.

Varadkar singled out air traffic controllers as a group he would like to see barred from strike action. But Helen Sheridan, general secretary of Impact's ATC branch, said that the union "will vociferously defend its rights under the Lisbon Treaty to engage in industrial action, including the freedom to strike".

"Indeed, we would defend the rights of all Irish workers to organise and to legally engage in industrial action where warranted," it said.

Unlike their French counterparts, Irish controllers

have not shut the country's airspace. But a recent airline industry report showed the potential cost of ATC strikes, with repeated French actions costing the European economy €12bn since 2010.

Nevertheless, Varadkar's moves to single out "a responsible employee grouping ... with a history of engaging with the industrial relations mechanisms of the State are reprehensible in the extreme", she wrote.

"They also show a degree of ignorance of industrial relations in this country," she said, pointing out that a disputes resolutions board at the Irish Aviation Authority was now seen as a model for other European air navigation service providers.

"I would also remind you that strong unions who engage positively with employers are good for employment stability and growth – this is the policy you should be advocating, not seeking to undermine workers' rights."



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