



IRISH CONTINENTAL GROUP

# Irish Continental Group plc

## Half Year to 30 June 2013





# ICG Business Units

## 1. Ferries Division

Irish Ferries, the leading ferry company operating between UK/Continent and the Republic of Ireland.

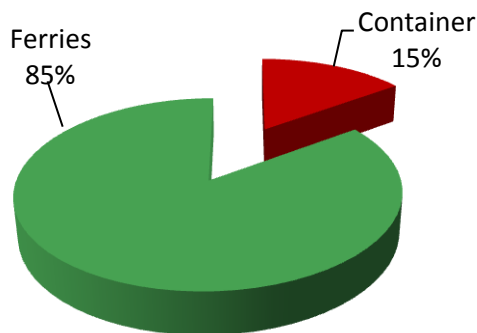
## 2. Container Division

Eucon, leading Container shipping operator between Ireland and the N.W. Continent with its own container terminals in Dublin & Belfast.

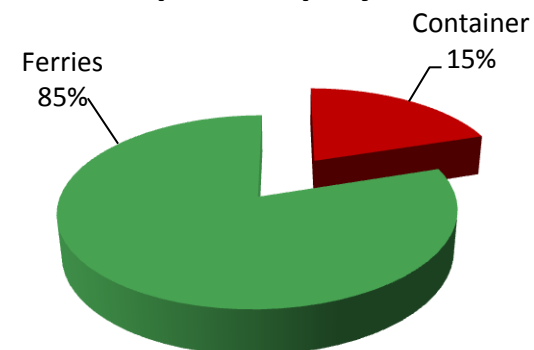
Turnover



Operating Profit

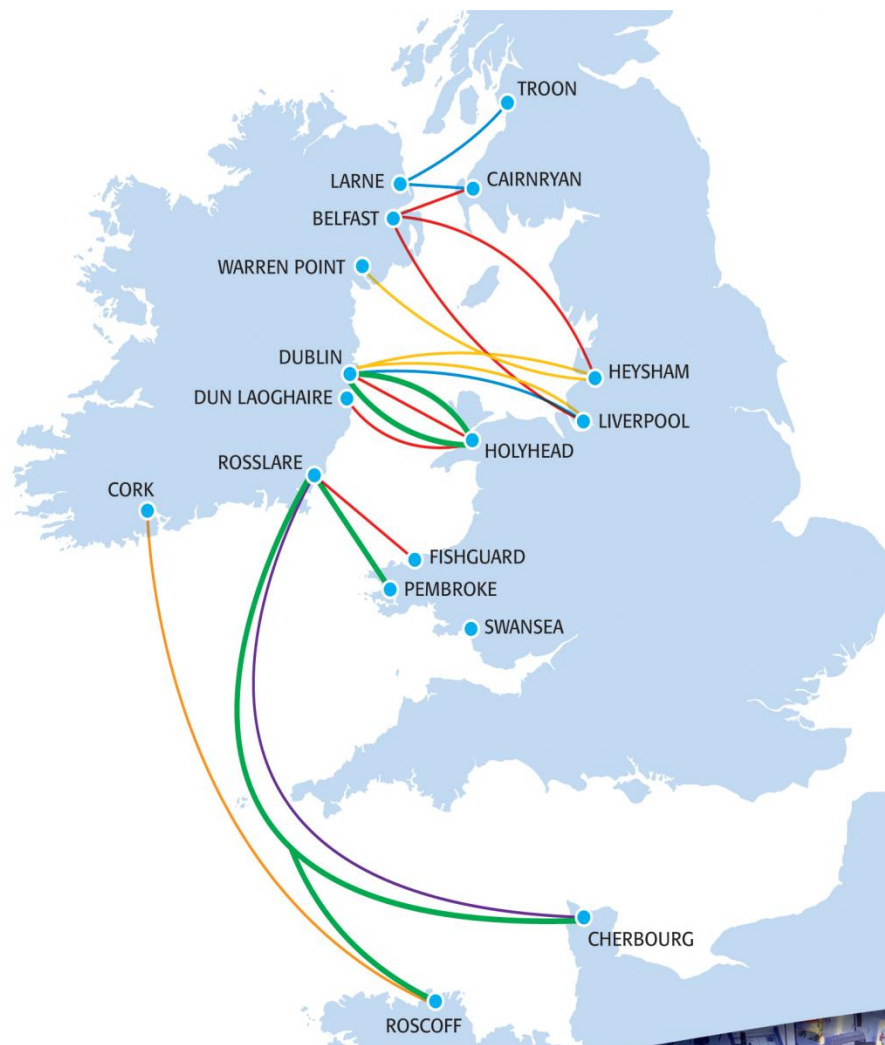


Capital Employed





# Irish Sea Routes



- IRISH FERRIES —
- STENA —
- P&O —
- SEATRUCK —
- BRITTANY FERRIES —
- CELTIC LINK —

## Ulysses Daily Sailing Schedule

### Freight Demand

Ex Dublin	dep 20.55	arr 00.20
Ex Holyhead	dep 02.40	arr 05.55

### Tourism Demand

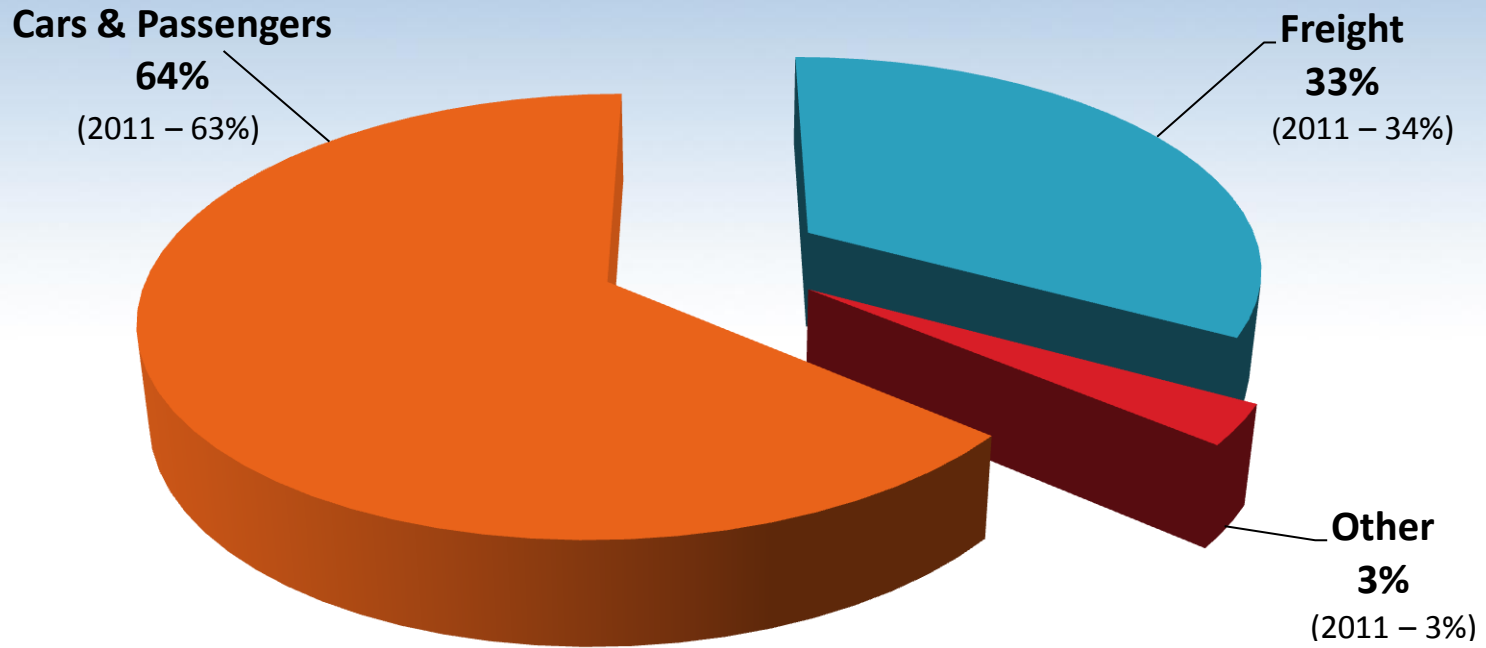
Ex Dublin	dep 08.05	arr 11.30
Ex Holyhead	dep 14.10	arr 17.25



# Ferries Revenues 2012



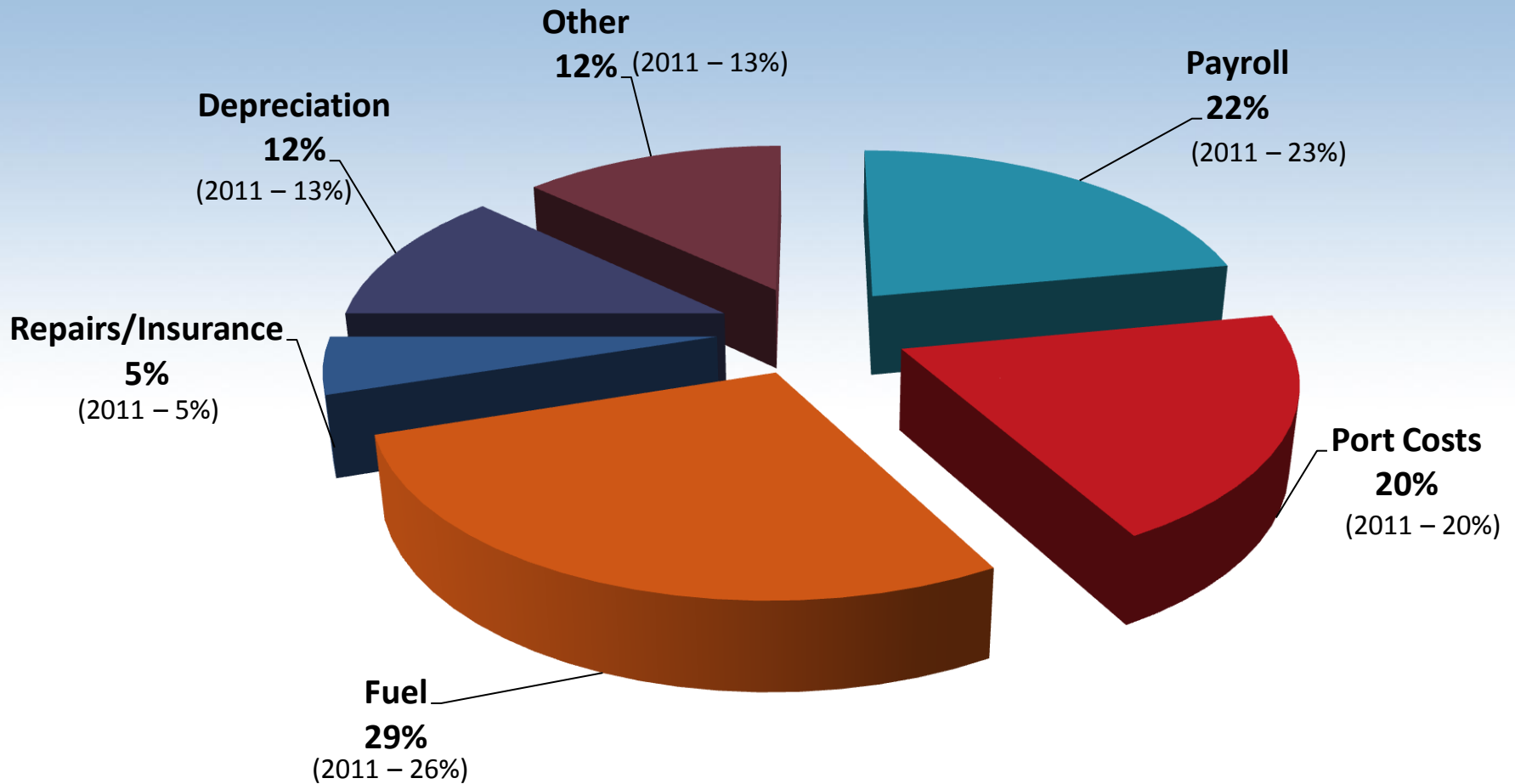
IRISH CONTINENTAL GROUP



# Ferries Costs 2012



IRISH CONTINENTAL GROUP





# Ferries Division

- Brand: Irish Ferries
- 3 Conventional combined Car / RoRo ferries
- 1 fast car carrying ferry, light freight
- 4100 sailings - UK (Holyhead 2650 Pembroke 1450)
  - Sailing Time - Holyhead Cruise Ferry 3¼ hours
  - Holyhead Fast Ferry 2 hours
  - Pembroke Cruise Ferry 4 hours
- 275 sailings - France
  - Sailing Time - Cruise Ferry 16½ hours
- 1 ferry on charter to P&O to June 2013 – New charter commenced on 1<sup>st</sup> July 2013 to KiwiRail for an initial period of 4 years

Irishferries.com™



# Distribution

## Car Bookings

On-Line	80%
Telephone	14%
Ports	<u>6%</u>
	100%

## irishferries.com - 2012

- ✓ 4.5m visits
- ✓ 191,000 Bookings
- ✓ €60m revenue



The screenshot shows the Irish Ferries website homepage. At the top, there's a navigation bar with 'Manage Your Booking', 'Agent Online', 'News', 'Contact Us', 'Help', and 'English'. Below this is a search bar. The main content area features a 'Book Your Trip' form on the left with fields for 'Ferry Booking', 'Select Outward Route', departure time, and passenger details. To the right, there are navigation tabs for 'To Ireland from Britain', 'To Britain from Ireland', 'To France from Ireland', and 'To Ireland from France'. Below these are buttons for 'Home', 'Routes & Times', 'Special Offers', 'Our Ships', and 'Holidays & Breaks'. A large promotional banner reads 'EVERYONE'S WELCOME FROM JUST €89 ONE WAY' with a 'Find Out More' link. Below the banner is a 'Routes & Times' section with a map of Ireland and text: 'We offer up to 12 daily ferry crossings from Ireland to Britain.' Specific routes mentioned are 'Dublin - Holyhead from 1hr 49mins' and 'Rosslare - Pembroke Port-to-Port in 4 Hours'. At the bottom of the screenshot is a large advertisement for a 'SALE TO BRITAIN' with '30% OFF' and a price of '€89 one way'.



The advertisement features a smiling couple on a ferry deck. The main headline is 'SALE TO BRITAIN' in large white letters on a green background, followed by 'BOOK NOW FOR UP TO 30% OFF' in yellow. Below this, text reads: 'See more of Britain when you bring your car and all the luggage you like with Irish Ferries. And now a car and driver can sail from just €89. That's up to 30% off if you book right now at irishferries.com'. To the right, a map of Ireland highlights the 'Dublin - Holyhead' and 'Rosslare - Pembroke' routes. A price tag says 'Britain from €89 one way'. At the bottom, there are icons for 'UNLIMITED LUGGAGE', 'CLUB CLASS €18', and 'FREE WIFI'. The footer includes 'Book now at irishferries.com or call 0818 300 400' and the 'Irishferries.com' logo. A small 'Available on the App Store' logo is also present.

€89 online fare for you and your car is available for travel up to 18 Dec and is valid for midweek travel (Tues & Wed) on night cruise ferry departures on Dublin & Rosslare services. Must be booked min. 27 days in advance of travel date. New bookings only.



# Passenger Market

## CAGR

	YTD 2013	H1 2013	1 Year 2012	3 Year 2009 - 2012	5 Year 2007 - 2012
Irish Ferries	4%	0%	+1%	+3%	0%
Republic of Ireland		-3%	-4%	-1%	-3%
All Ireland		-2%	-3%	-2%	-3%

IrishFerries.com™







# Car Market

## CAGR

	YTD 2013	H1 2013	1 Year 2012	3 Year 2009 - 2012	5 Year 2007 - 2012
Irish Ferries	0%	-4%	0%	-2%	-3%
Republic of Ireland		-4%	-7%	-4%	-3%
All Ireland		-3%	-6%	-3%	-3%

IrishFerries.com™





# RoRo Market

## CAGR

	YTD 2013	H1 2013	1 Year 2012	3 Year 2009 – 2012	5 Year 2007 - 2012
Irish Ferries	+9%	+8%	-6%	-2%	-7%
Republic of Ireland		+3%	-2%	+3%	-2%
All Ireland		+2%	-2%	+2%	-2%

	2012	2011	2010	2009	1992 -2007
Irish Ferries	-6%	+9%	-9%	-19%	+12%
Republic of Ireland	-2%	0%	+11%	-12%	+10%
All Ireland	-2%	0%	+6%	-10%	+6%

Irishferries.com™





# Ferries Division

	H1 2013 €m	H1 2012 €m	Change	FY 2012 €m
Turnover	69.4	69.5	-0.1%	160.0
Operating Costs	<u>(57.3)</u>	<u>(58.5)</u>	-2.1%	<u>(121.0)</u>
EBITDA	12.1	11.0	+10.0%	39.0
Depreciation/Amortisation	<u>(8.1)</u>	<u>(7.8)</u>	+3.8%	<u>(16.6)</u>
Operating Profit	4.0	3.2	+25.0%	22.4

- Passenger, Car & On Board revenue down 3% at €40.0m
- RoRo Freight revenue up 4% at €27.2m
- Fuel costs €17.2m, down €1.3m (7.0%)
- Other operating costs flat



# Container & Terminal Division

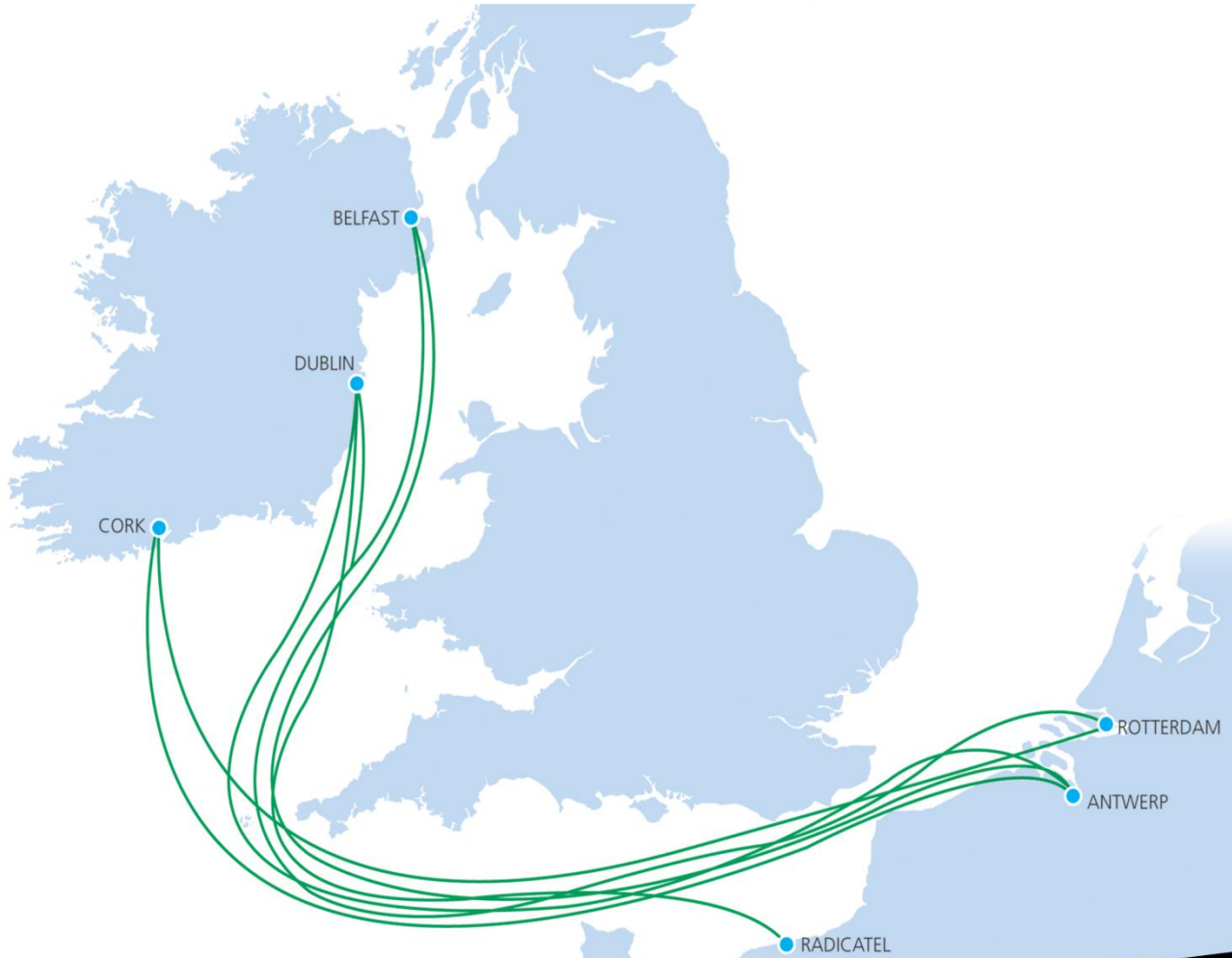


IRISH CONTINENTAL GROUP

- 5 chartered vessels
- 2,900 owned and leased containers, 5,500 teu (20ft, 40ft, 45ft, reefers, flats, curtain siders)
- 6 ports served (2 owned terminals)
- Door to Door (55%) Transport plus Quay to Quay (45%) (feeder)
- DFT Terminal in Dublin - Principal terminal in ROI
- BCT Terminal in Belfast



# Eucon Container Routes - Market Share 23%



EUCON 



# Terminals



IRISH CONTINENTAL GROUP

2 strategically located container handling terminals at Dublin and Belfast.



- Annual throughput of 142,000 lifts (2012)
- Design Capacity of 260,000 lifts
- 3 Gantry Cranes and 8 Rubber Tyre Gantry's (RTG's)
- Largest and most modern container terminal in Ireland
- Market Share 2012, 34% Republic of Ireland (2011, 35%)



- Annual throughput of 43,000 lifts (2012)
- Design Capacity at BCT 50,000 lifts
- 1 Harbour mobile crane and 3 straddle carriers
- Market Share 2012, 32% Northern Ireland (2011, 30%)

DFT and BCT have a combined market share of 34% (2011, 33%) of all containers handled in Container Terminals on the island.



# Container & Terminal Division

Continuing Operations	H1 2013 €m	H1 2012 €m	Change	FY 2012
Turnover	51.5	47.5	+8.4%	96.1
Operating Costs	<u>(47.8)</u>	<u>(44.4)</u>	+7.7%	<u>(89.3)</u>
EBITDA	3.7	3.1	+19.4%	6.8
Depreciation/Amortisation	<u>(1.3)</u>	<u>(1.4)</u>	-7.1%	<u>(2.7)</u>
Operating Profit	2.4	1.7	+41.2%	4.1

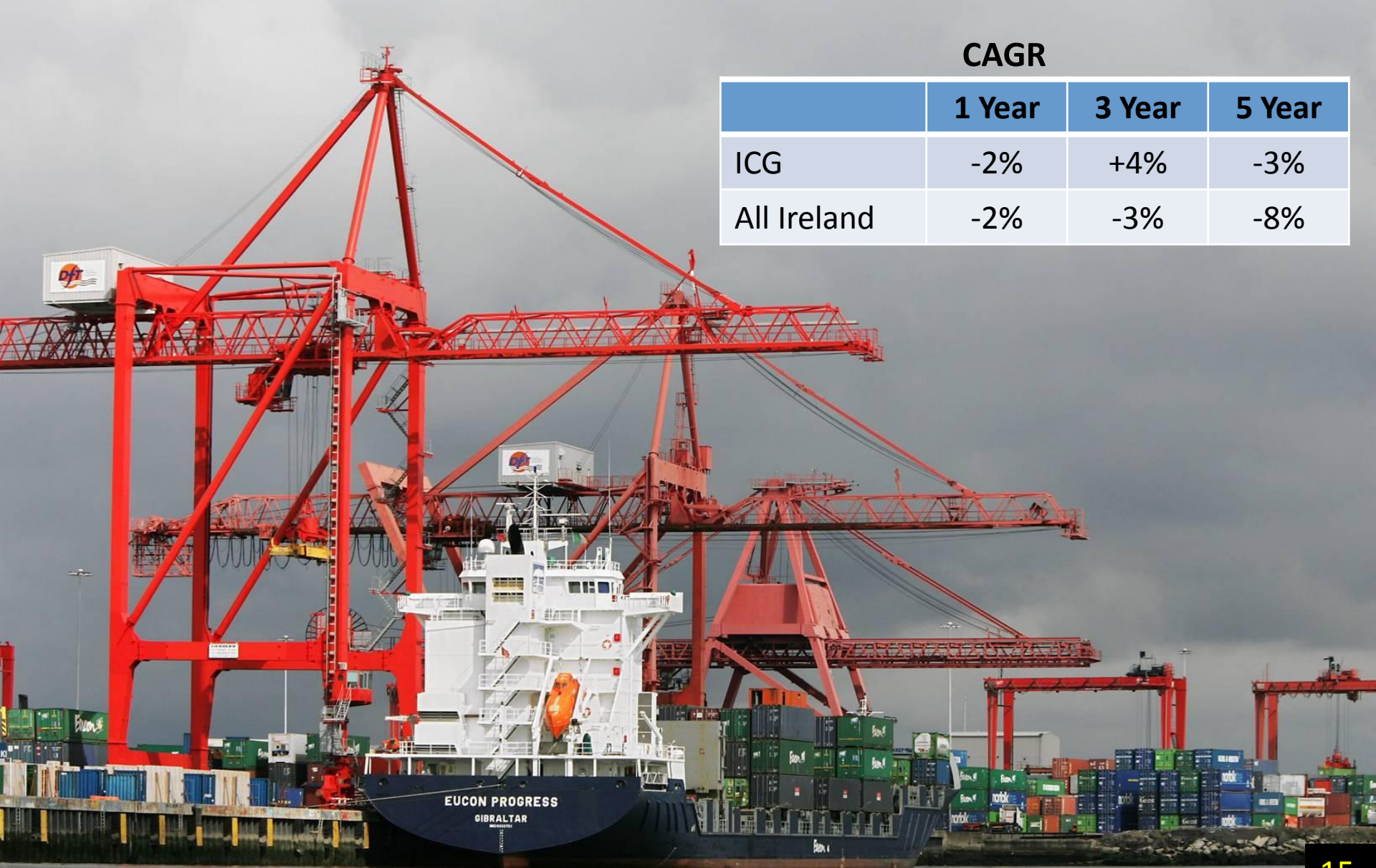
- Container volumes up 11.3% at 140,600 teu
- Terminal volumes down 3.5% at 86,400 lifts
- Fuel costs €6.7m, down €0.5m (6.9%)
- Other costs up 10.5% (volume related)



# Container Handling Irl.



IRISH CONTINENTAL GROUP



## CAGR

	1 Year	3 Year	5 Year
ICG	-2%	+4%	-3%
All Ireland	-2%	-3%	-8%





# ICG - Group Results

	H1 2013	H1 2012	Change	FY 2012
Turnover*	€120.9m	€117.0m	+3.3%	€256.1m
Operating Costs (exc. Dep)*	€105.1m	€102.9m	+2.1%	€210.3m
EBITDA*	€15.8m	€14.1m	+12.1%	€45.8m
Operating Profit*	€6.4m	€4.9m	+30.6%	€26.5m
Finance Costs	€(3.1)m	€(1.2)m	+158.3%	
PBT	€3.3m	€3.7m	-10.8%	
Profit on Sale of Subsidiary/Other	-	€0.2m		€19.8m
Basic EPS	16.4c	14.5c	+13.1%	183.2c
Adjusted EPS	21.8c	17.7c	+23.2%	108.5c
Dividend	33c	33c	-	100c
Net Debt	€105.4m			€116.0m

\* Continuing operations





# Results By Division

Continuing Operations	H1 2013 €m	H1 2012 €m	%
<b>Ferries</b>	€m	€m	
Revenue	69.4	69.5	-0.1%
Costs exc. fuel	(48.2)	(47.8)	+0.8%
Fuel	<u>(17.2)</u>	<u>(18.5)</u>	-7.0%
EBIT	<u>4.0</u>	<u>3.2</u>	+25.0%
<b>Container</b>			
Revenue	51.5	47.5	+8.4%
Costs exc. fuel	(42.4)	(38.6)	+9.8%
Fuel	<u>(6.7)</u>	<u>(7.2)</u>	-6.9%
EBIT	<u>2.4</u>	<u>1.7</u>	+41.2%





# ICG Fuel Costs

Continuing Operations	H1 2013	H1 2012	FY 2012
<b>Consumption (000 tons)</b>			
Heavy Fuel Oil	37.9	37.5	78.0
Marine Diesel	<u>6.6</u>	<u>6.1</u>	<u>14.2</u>
	<b>44.5</b>	<b>43.6</b>	<b>92.2</b>
<b>Price (€ per ton)</b>			
Heavy Fuel Oil	€491	€551	€536
Marine Diesel	€716	€740	€720
<i>Brent Crude (guide)</i>	\$107.95/€82.16	\$113.58/€87.46	\$111.60/€86.85
Total Cost (inc. lubs)	€23.9m	€25.7m	€53.2m
% of Operating Costs (exc. Dep)	23%	25%	25%



# ICG Cash Flow



IRISH CONTINENTAL GROUP

	H1 2013	H1 2012	FY 2012
<b>EBITDA</b>	<b>15.8</b>	<b>14.3</b>	<b>46.5</b>
Working Capital Movement	9.8	6.5	(2.6)
Pension Payments	(2.4)	(3.0)	(5.4)
Other	<u>(0.1)</u>	<u>(0.2)</u>	<u>(0.3)</u>
<b>Cash Generated from Operations</b>	<b>23.1</b>	<b>17.6</b>	<b>38.2</b>
Interest	(2.1)	(0.4)	(1.8)
Tax	(0.1)	(0.2)	(0.4)
Capex	<u>(6.6)</u>	<u>(5.1)</u>	<u>(8.5)</u>
<b>Free Cash Flow</b>	<b>14.3</b>	<b>11.9</b>	<b>27.5</b>
Asset Sales	6.9	0.4	19.1
Payments received on finance lease receivable	1.4	1.3	2.7
Accelerated MNOPF Payment	-	-	(9.0)
Dividends	(12.3)	(16.7)	(24.7)
Share Issues/Buybacks (net)	<u>0.1</u>	<u>(9.8)</u>	<u>(123.6)</u>
<b>Net Flows</b>	<b>10.4</b>	<b>(12.9)</b>	<b>(108.0)</b>
Opening Debt	(116.0)	(7.8)	(7.8)
Translation/Other	<u>0.2</u>	<u>(0.1)</u>	<u>(0.2)</u>
<b>Closing Debt</b>	<b>(105.4)</b>	<b>(20.8)</b>	<b>(116.0)</b>



# Dividend / Share Buybacks

## Cash Returned to Shareholders 2008 - 2013

		Dividend/ Redemption	€m	Buyback/ Tender Offer
2008	Paid	100c	24.5m	
2009	Paid	100c	24.6m	
2010	Paid	100c	25.0m	
2011	Paid	100c	25.1m	4.0m
		33c	8.2m	
2012	Paid	67c	16.7m	10.1m
	Paid	33c	8.0m	111.5m
2013	Paid	67c	12.3m	
	Proposed	33c	<u>6.1m</u>	
			<u>150.5m</u>	<u>125.6m</u>
<b>Total</b>			<b>276.1m</b>	





# Group Pension Funds

Company Sponsored Funds	June 2013 €m	Dec 2012 €m	Dec 2011 €m	Dec 2010 €m	Dec 2009 €m
Assets	218.8	213.5	193.5	200.3	191.9
Liabilities	<u>270.1</u>	<u>268.1</u>	<u>215.2</u>	<u>206.5</u>	<u>207.6</u>
Surplus/(Deficit)	(51.3)	(54.6)	(21.7)	(6.2)	(15.7)
Discount Rate € / £	3.8% / 4.6%	3.8% / 4.4%	5.3% / 4.9%	5.5% / 5.5%	5.6% / 5.7%

- Company in negotiation with Trustees on extended recovery plan

Merchant Navy Officer Pension Fund (MNOPF)	June 2013 €m	Dec 2012 €m	Dec 2011 €m	Dec 2010 €m	Dec 2009 €m
ICG allocated share of deficit	(2.4)	(0.0)	(10.8)	(11.3)	(11.5)

- Multi employer scheme with 400 employers, joint and several liability for employers





# Current Trading / Outlook

## Background

- Current fuel prices are lower than in 2012

## Tourism

- Passenger numbers up 4% YTD (up 9% July/August)
- Car numbers flat but up 6% July/August
- Weaker sterling impacting yields

## Freight

- RoRo volumes up 9% YTD
- LoLo volumes up 12% YTD (partly due to vessel sharing arrangements)
- Terminal volumes down 4% YTD (also due to vessel sharing arrangements)





# Disclaimer

This presentation may contain certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this presentation. These Forward-looking statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.







## APPENDIX FLEET





# Ferries - Fleet

Ulysses



Year Built	2001
Cost	€106m
GT	50,900 tons
PAX	1875
Cars	1342
Lane Meters	4.1km
Speed	22 knots

Jonathan Swift



Year Built	1999
Cost	€38m
GT	6,000 tons
PAX	800
Cars	200
Speed	39 knots





# Ferries - Fleet

## Isle of Inishmore



Year Built	1997
Cost	€81m
GT	34,000 tons
PAX	2200
Cars	855
Lane Meters	2.1km
Speed	21.5 knots

## Oscar Wilde



Year Built	1987
Purchased in 2007 - plus upgrade	€51m
GT	32,000 tons
PAX	1458
Beds	1376
Cars	580
Lane Meters	1.2km
Speed	21.5 knots



# Ferries - Fleet



<b>Year Built</b>	<b>1995</b>
<b>Cost</b>	<b>€62m</b>
<b>GT</b>	<b>22,300 tons</b>
<b>PAX</b>	<b>1650</b>
<b>Beds</b>	<b>274</b>
<b>Cars</b>	<b>600</b>
<b>Lane Meters</b>	<b>1.7km</b>
<b>Speed</b>	<b>19 knots</b>

