



# IRISH CONTINENTAL GROUP

## INTERIM MANAGEMENT STATEMENT

Irish Continental Group plc (ICG) issues this Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations 2007. The statement covers the period from 1 January 2009 to date.

It should be noted that ICG's business is significantly weighted towards the second half of the year when normally a higher proportion of the Group's operating profit is generated than in the first six months.

### **Current Trading**

#### **Financial**

In the first four months of the year Group revenue was €76.2 million, a 25% decrease compared with the same period last year. This has been partially offset by a 24% decrease in operating costs, before depreciation, to €68.2 million due to lower payroll, fuel, vessel time charter costs and volume related port charges resulting in earnings before interest tax and depreciation (EBITDA) of €8.0 million compared with underlying EBITDA of €12.2 million in the same period in 2008.

#### **Ferries Division**

##### **Passenger**

In the period up to 9 May 2009, we carried 98,000 cars, a 5% reduction on the same period last year. Our total passenger numbers, including lower yielding foot and coach passengers were 391,000 down 10% on the same period in 2008. In the important Easter period however our car carryings were up 28% compared with the previous Easter reflecting extremely competitive fare offerings which we have introduced to the marketplace. The travel consumer is becoming more and more price conscious and there is also a continuing trend towards later booking.

##### **Freight**

In the Roll on Roll off market, Irish Ferries carried 71,000 units compared with 92,800 in the same period in 2008 a reduction of 23%. This has been adversely influenced by additional capacity from competitors on both the Dublin to Holyhead and Dublin to Liverpool routes in a period when freight market demand is down because of the broader economic environment.

##### **Chartering**

Two vessels within the Group remained on charter to P&O Ferries during the period.

## **Container & Terminal**

Overall container volumes shipped fell by 29% to 133,000 teu (twenty foot equivalent units) in the period to 9 May 2009 compared with the same period last year. Given our flexible fleet of time chartered vessels we have been successful in managing down our capacity and have reduced our operational costs by 32%. Units handled at our terminals in Dublin and Belfast decreased by 28% over the same period.

## **Share Redemption**

The Board has decided to redeem one Redeemable Share per ICG Unit for a cash consideration of 100 cent per Redeemable Share. Payment will be made on 29 May 2009 to Shareholders on the register at the close of business on 15 May 2009.

## **Annual General Meeting**

The Annual General Meeting of shareholders is scheduled to take place on June 24<sup>th</sup> 2009. The Notice of Meeting will be sent to shareholders in due course.

## **Finance**

Current net debt, prior to the redemption of redeemable shares, referred to above, is approximately €38 million, down from €48.7 million at 31 December 2008. Liquidity remains strong with gross cash balances of €28 million.

## **Outlook**

Notwithstanding the major restructuring of our cost base which we implemented well in advance of the current downturn, we are continuing to actively manage our cost base, with significant payroll cost reductions (including a pay freeze) to leave us in a strong position to benefit when the markets in which we operate recover.

**Dublin**  
**14 May 2009**

## **Enquiries**

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