Preliminary Statement of Results for the year ended 31 December 2013

FINANCIAL HIGHLIGHTS	2013	2012	Change %
Revenue	€264.7m	€256.1m	+3.4%
EBITDA	€49.2m	€45.8m	+7.4%
Operating profit	€30.0m	€26.5m	+13.2%
Gain on disposal of subsidiary	€3.5m	€21.0m	-83.3%
EPS			
EPS Basic	145.9c	183.2c	-20.4%
EPS Adjusted	137.8c	108.5c	+27.0%
EPS – continuing operations			
EPS Basic	126.9c	88.6c	+43.2%
EPS Adjusted	137.8c	104.6c	+31.7%
Net Debt	€93.4m	€116.0m	-19.5%

Carryings

	2013	2012	
	'000	'000	Change %
Passengers	1,568.3	1,543.7	+1.6%
Cars	350.9	353.8	-0.8%
RoRo Freight	205.3	183.7	+11.8%
Container Freight (teu*)	279.2	252.9	+10.4%
Port Lifts	177.3	182.3	-2.7%

*teu = twenty foot equivalent units

Commenting on the results Chairman John B McGuckian said,

Key Financial Highlights:

- EBITDA +7.4%, adjusted EPS +27.0%
- Dividend of 100c maintained, Net Debt -19.5%
- Passenger volume +1.6%, Strong freight growth (RoRo +11.8%, LoLo +10.4%)

"2013 was a successful year for the Group with a solid financial and operational performance in a competitive passenger and freight market place. The improving economic outlook in Ireland has encouraged us in our recently announced investment in the charter of an additional vessel, the Epsilon, which has been trading since mid December. RoRo freight volumes are up 18% year on year, to date, despite adverse weather conditions which have led to cancelled sailings."

Irish Continental Group (ICG) is a leading Irish based maritime transport group. ICG carries passengers and cars, Roll on Roll off (RoRo) freight and container Lift on Lift off (LoLo) freight, on routes between Ireland, the United Kingdom and Continental Europe.

PRELIMINARY STATEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

ICG produced a solid financial performance in 2013. The Group achieved strong growth across its RoRo and LoLo freight businesses, outperforming the market, while the passenger side of the business was broadly in line with the market's performance. With improvements across its underlying performance measures and strong cash generation the Group is well placed to benefit from better economic conditions.

Revenue for the year was up 3.4% at €264.7 million while EBITDA rose 7.4%, to €49.2 million, due mainly to higher freight volumes in both RoRo and LoLo and lower fuel costs (down €4.4 million to €48.8 million). Earnings before interest and taxation (EBIT) were up 13.2% at €30.0 million. The net finance charge was €6.3 million (2012: €3.4 million). The taxation charge was €0.4 million compared with €0.5 million in 2012. Following the receipt of all deferred consideration, there was a further profit from the sale of our former subsidiary Feederlink of €3.5 million (2012: €21.0 million). Basic EPS (including the profit on sale of Feederlink) was 145.9 cent (2012: 183.2 cent), while adjusted EPS was 137.8 cent (2012: 108.5 cent), up 27.0%, partially as a result of the lower number of shares in issue following the tender offer in 2012.

OPERATING REVIEW

FERRIES DIVISION

The Ferries division employs five owned multipurpose ferries, four of which are operating on routes to and from the Republic of Ireland and one chartered out and operating in New Zealand. In addition to the owned fleet the Division also charters in one further vessel as part of its operations. In 2013, 4,381 sailings were operated by Irish Ferries, carrying passengers, passenger vehicles and RoRo freight.

Revenue in the division was 1.1% higher than the previous year at €161.7 million while operating profit (before non-trading items) was €24.9 million compared with €22.4 million in 2012. The increase in profit was due principally to increased freight revenue and lower bunker (fuel) costs partially offset by reduced passenger revenue. Fuel cost in the division was down €3.5 million (8.9%) to €35.8 million. Revenue in the first half of the year was flat at €69.4 million (2012: €69.5 million), while the second half saw an increase of 2.0%, to €92.3 million (2012: €90.5 million).

Passenger

Given the weak economic backdrop in our main markets, which affects consumers' propensity to travel, Irish Ferries' car carryings remained resilient during the year, at 350,900 cars, (2012: 353,800), down slightly (0.8%) on the previous year. This is broadly in line with the overall market performance into and out of the Republic of Ireland, which we estimate to have been flat year on year. Irish Ferries' passenger numbers carried were up 1.6% at 1.568 million (2012: 1.544 million). In the first half of the year, our passenger volumes were up by 0.3% and car volumes were down by 4.2%. In the second half of the year, which is seasonally more significant, the growth in passenger numbers was 2.6% while cars carried were up by 1.6% compared with the same period last year. During 2013 sterling was weaker than in the previous year which provided a headwind in our passenger segment.

Our business benefited from the start of a recovery in demand in the British market for Ireland's Tourism product where overall visitor numbers grew slightly following four years of serious decline. Britain continues to provide the largest proportion of passenger traffic for Irish Ferries amongst all of the countries where we source income and the continuation of Ireland's attractiveness in that market is critical to our future growth.

Freight
The Republic of Ireland's RoRo market returned to growth with a 3% increase in overall market carryings during the first half of the year followed by a 6% increase in the second half, to provide full year growth of 4%. This is a welcome sign of Ireland's return to improved economic health.

Irish Ferries' carryings, at 205,300 freight units (2012: 183,700), were up 11.8% in the year reflecting a strong performance by Irish Ferries relative to the market (volumes were up 7.9% in the first half and 15.7% in the second half).

The improvement in the RoRo markets informed our decision in the final quarter of 2013 to augment our capacity on the Dublin / Holyhead route whilst also commencing a new service between Dublin and Cherbourg. The chartered vessel Epsilon will provide a major improvement in our frequency on Dublin / Holyhead which we believe will restore some lost competitive advantage. With the vessel's superior freight deck and the number of cabins on board (70), we will also provide a once weekly service to France which will provide additional capacity to our customers throughout the year – much of which we are unable to provide because of the freight deck limitations of the cruise ferry Oscar Wilde (which is a more passenger-oriented vessel). It will also broaden our tourist offering by providing an economy style service to France complementing the Oscar Wilde.

This investment in both the Dublin / Holyhead and Dublin / Cherbourg routes will increase the Ferries' Division cost base but the initiative is targeted to become profitable within a short number of years

Charter
The MV Kaitaki remained on charter during the year, trading in New Zealand. The charter to P&O terminated on 30 June 2013 following which a new charter commenced, on 1 July 2013, to KiwiRail. The new charter is for a period of 4 years with an option for the charterer to extend the agreement by a further 3 years, out to 2020. The Princess Anastasia (formerly 'Bilbao') remained on bareboat hire purchase charter to St. Peter Line. Under the terms of the charter party, (forming part of the hire purchase sale agreement), title to the vessel will transfer to the charterers, on payment of the remaining instalments due under the agreement.

CONTAINER AND TERMINAL DIVISION
The Container and Terminal Division includes the intermodal shipping line Eucon as well as the division's strategically located container terminals in Dublin (DFT) and in Belfast (BCT). Eucon is the market leader in the sector, operating a fleet of chartered container vessels ranging in size from 400 – 1,000 teu capacity (teu = twenty foot equivalent unit, the standard measure in the container industry), connecting the Irish ports of Dublin, Cork and Belfast with the Continental ports of Rotterdam, Antwerp and Le Havre (Radicatel). Eucon deploys 2,900 owned and leased containers (equivalent to 5,600 teu) of varying types thereby allowing the Line to offer the full range of services from palletised, project and temperature controlled cargo to Irish and European importers and exporters.

Revenue in the division increased to €104.3 million (2012: €97.4 million). The revenue is derived from container handling and related ancillary revenues on our terminals and in Eucon from a mix of domestic door-to-door, quay-to-quay and feeder services with 70% (2012: 68%) of revenue generated from imports into Ireland. With a flexible chartered fleet and slot charter arrangements Eucon was able to adjust capacity and thereby continue to meet the requirements of customers in a cost effective and efficient manner. Operating profit in the division was up 24.4% at €5.1 million (2012: €4.1 million) due mainly to; (1) increased volumes in Eucon, and; (2) fuel costs down 6.5% to €13.0 million (2012: €13.9 million), offset by reduced average yields and higher charter costs. Overall container volumes shipped were up 10.4% compared with the previous year at 279,200 teu (2012: 252,900 teu).

Containers handled at the Group's terminals in DFT and BCT were down 2.7% at 177,300 lifts (2012: 182,300 lifts). DFT's volumes were up 2.8%, while BCT's lifts were down 20.5%. The reduction in volume in BCT was due to a change in a third party's vessel schedule to Belfast which was offset by an increase in shipping volumes via Eucon sourced from the same third party. The strategic location of our container terminals, and the capital invested, place the terminals in a good position to benefit from any upturn in volumes. It is the intention of Belfast Harbour Commissioners to consolidate the two existing container terminals in Belfast into one location at Victoria Terminal 3. In response to an invitation from Belfast Harbour Commissioners, we have submitted an outline proposal to operate the consolidated terminal. We expect a final decision on the tender process to be made before the end of the year.

We estimate the overall LoLo market into the island of Ireland was up an estimated 3% in 2013 and we are hopeful of a continuation of this growth into 2014. We aim to maintain and expand our share of this growing market through continued attention to customer service. A further challenge will be to educate the marketplace regarding the effects of the EU Sulphur Directive which will come into effect for all of Eucon's operations from 1 January 2015. The effect will substantially increase the cost of bunker fuel and will result in increased fuel surcharges. This increased cost will have to be borne by the end customers. This action will be necessary in order to maintain a viable freight network for the benefit of Ireland's exporters and importers.

FINANCE

EBITDA for the year was €49.2 million (2012: €45.8 million). There was a net outflow of working capital of €2.8 million, due principally to a decrease in payables of €1.3 million and an increase in receivables of €1.5 million. The Group made on going payments to the Group's pension funds of €5.6 million. With other movements of €0.5 million, this resulted in cash generated from operations amounting to €40.3 million (2012: €29.2 million).

Net interest paid was €4.3 million (2012: €1.8 million) while taxation paid was €0.2 million (2012: €0.4 million).

Capital expenditure was €8.7 million (2012: €8.5 million) which primarily included the annual refits of vessels and new containers to enhance the Eucon fleet of equipment.

Free cash flow, before receipt of deferred proceeds from asset sales (Feederlink) and the finance lease receivable (Princess Anastasia) amounted to €27.1 million, up from €26.8 million in 2012.

During the year we received, in three stages, all of the €9.0 million deferred contingent consideration on the 2012 sale of Feederlink, as all of the necessary conditions had been satisfied. As we had recognised only €5.9 million in respect of the deferred contingent consideration in our 2012 results (due to the conditions attached to receipt of the deferred consideration), this resulted in an additional non-trading profit of €3.5 million in 2013, when the incremental consideration, and a related working capital inflow, were recognised. We also received, as scheduled, €2.9 million in respect of the finance lease on the Princess Anastasia. Total cash inflow, after investing activities, amounted to €39.8 million from which we paid dividends of €18.4 million.

Net debt at year end was €93.4 million (2012: €116.0 million) which represents less than 2 times EBITDA.

DIVIDEND

During the year the Group paid the final dividend for 2012 of 67 cent and the interim dividend for 2013 of 33 cent, a total of 100 cent per ICG Unit, in line with the previous year. The Board is proposing a final dividend of 67 cent, payable in June 2014, making a total dividend for the year of 100 cent per ICG Unit. Subject to shareholder approval at the Annual General Meeting, the final dividend will be paid on 20 June 2014 to shareholders on the register at close of business on 6 June 2014. Irish dividend withholding tax will be deducted where appropriate.

BOARD

In January 2013 the Group appointed Brian O'Kelly to the Board. Brian is Managing Director of Goodbody Corporate Finance, a leading corporate finance house. In October 2013, the Group appointed John Sheehan to the Board. John is currently a senior executive in the Ardagh Group, an international provider of packaging solutions, and also has many years' experience in stockbroking and transportation. Both Brian and John bring a wealth of relevant commercial experience and expertise to the Board and the Board is pleased to welcome their expected contribution in the coming years.

During the year both Peter Crowley and Bernard Somers retired from the Board, each having served over 9 years. I would like to pay tribute to both Peter and Bernard for their contribution to the Board during a period in which the Group has successfully faced varying challenges. I wish them both well in their future endeavours.

CURRENT TRADING & OUTLOOK

In the year to date the unprecedented adverse weather has resulted in a significant number of cancelled sailings (16% of budgeted sailings) which has resulted in some loss of discretionary passenger business and a disruption to freight business. However the additional capacity provided by the Epsilon has helped to counter the effect of the lost sailings. Car carryings, year to date, are flat, while RoRo freight volumes are up approximately 18%. Total passengers carried are down 4%. On the Ireland / France route a new competitor has entered the market with effect from January 2014, with a once weekly sailing. Container freight volumes are flat year to date, while container throughput at our terminals is up 2.5%.

The improved economic backdrop which we have experienced over the last 12 months looks likely to continue through 2014. However the impact on our business during 2013 has been mixed with the sea passenger market remaining flat while there has been a return to growth in the freight market. We would expect the continued improving outlook to have a positive impact on both strands of our business, passenger and freight, and, with our additional vessel capacity in place, we are well positioned to capitalise on this improved economic environment.

John B. McGuckian
Chairman

Enquiries:

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Consolidated Income Statement for the year ended 31 December 2013

	Notes	2013	2012*
		€m	€m
Revenue		264.7	256.1
Depreciation and amortisation		(19.2)	(19.3)
Employee benefits expense		(17.8)	(17.4)
Other operating expenses		(197.7)	(192.9)
		30.0	26.5
Non-trading items	4	-	(2.1)
Operating profit		**30.0**	**24.4**
Investment revenue		0.2	0.1
Finance costs		(6.5)	(3.5)
Profit before tax		**23.7**	**21.0**
Income tax expense	3	(0.4)	(0.5)
Profit from continuing operations		**23.3**	**20.5**
Discontinued operations			
Profit from discontinued operations		-	0.9
Non-trading items	4	3.5	21.0
Total discontinued operations		3.5	21.9
Profit for the year: all attributable to equity holders of the parent		**26.8**	**42.4**
Earnings per share – expressed in € cent per share			
Basic	5	145.9c	183.2c
Diluted	5	145.2c	182.8c
From continuing operations:			
Basic	5	126.9c	88.6c
Diluted	5	126.2c	88.4c

**As restated to reflect the effect of the adoption of revised IAS 19 (refer to note 1)*

Consolidated Statement of Comprehensive Income for the year ended 31 December 2013

	2013 €m	2012* €m
Profit for the year	26.8	42.4
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges:		
- Fair value movements arising during the year	0.2	(0.6)
-Transfer to Consolidated Income Statement – net settlement of cash flow hedge	0.4	-
Exchange differences on translation of foreign operations	-	3.1
Deferred tax movements	-	(0.1)
Exchange difference on defined benefit schemes	(0.2)	(0.2)
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gain / (loss) on retirement benefit obligations	14.3	(34.7)
Deferred tax movements	(0.1)	0.4
Other comprehensive income / (expense) for the year	14.6	(32.1)
Total comprehensive income for the year: all attributable to equity holders of the parent	**41.4**	**10.3**

**As restated to reflect the effect of the adoption of revised IAS 1 (refer to note 1)*

Consolidated Statement of Financial Position as at 31 December 2013

	Notes	2013	2012*
		€m	€m
Assets			
Non-current assets			
Property, plant and equipment		163.5	174.2
Intangible assets		0.8	0.8
Finance lease receivable		14.7	17.5
Retirement benefit surplus	8	4.7	3.7
		183.7	**196.2**
Current assets			
Inventories		2.7	2.7
Trade and other receivables		33.0	37.5
Cash and bank balances	6	18.5	22.3
		54.2	**62.5**
Total assets		**237.9**	**258.7**
Equity and liabilities			
Equity			
Share capital		12.0	11.9
Share premium		8.5	7.5
Other reserves		(9.3)	(9.6)
Retained earnings		31.0	8.2
Equity attributable to equity			
holders of the parent		**42.2**	**18.0**
Non-current liabilities			
Borrowings	6	95.2	123.2
Trade and other payables		0.6	0.7
Deferred tax liabilities		3.9	4.0
Provisions		0.4	0.4
Deferred grant		0.6	0.7
Retirement benefit obligation	8	41.4	58.3
		142.1	**187.3**
Current liabilities			
Borrowings	6	16.7	15.1
Trade and other payables		35.9	37.1
Derivative financial instruments		-	0.6
Current income tax liabilities		0.5	0.1
Provisions		0.4	0.4
Deferred grant		0.1	0.1
		53.6	**53.4**
Total liabilities		**195.7**	**240.7**
Total equity and liabilities		**237.9**	**258.7**

**As restated (refer to note 1)*

Consolidated Statement of Changes in Equity for the year ended 31 December 2013

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2013	**11.9**	**7.5**	**(9.6)**	**8.2**	**18.0**
Profit for the year	-	-	-	26.8	26.8
Other comprehensive income	-	-	0.6	14.0	14.6
Total comprehensive income for the year	**-**	**-**	**0.6**	**40.8**	**41.4**
Employee share-based payment expense	-	-	0.1	-	0.1
Share issue	0.1	1.0	-	-	1.1
Dividends	-	-	-	(18.4)	(18.4)
Transferred to retained earnings on exercise of share options	-	-	(0.4)	0.4	-
	0.1	**1.0**	**0.3**	**22.8**	**24.2**
Balance at 31 December 2013	**12.0**	**8.5**	**(9.3)**	**31.0**	**42.2**
Analysed as follows:					
Share capital					12.0
Share premium					8.5
Other reserves					(9.3)
Retained earnings					31.0
					42.2

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2013	**7.3**	**3.4**	**(0.6)**	**(19.7)**	**(9.6)**
Total comprehensive income	**-**	**-**	**0.6**	**-**	**0.6**
Employee share-based payment expense	-	0.1	-	-	0.1
Transferred to retained earnings on exercise of share options	-	(0.4)	-	-	(0.4)
	-	**(0.3)**	**0.6**	**-**	**0.3**
Balance at 31 December 2013	**7.3**	**3.1**	**-**	**(19.7)**	**(9.3)**

Consolidated Statement of Changes in Equity for the year ended 31 December 2012

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2012	**16.7**	**52.7**	**(18.9)**	**101.1**	**151.6**
Profit for the year	-	-	-	42.4	42.4
Other comprehensive income / (expense)	-	-	2.5	(34.6)	(32.1)
Total comprehensive income for the year	**-**	**-**	**2.5**	**7.8**	**10.3**
Employee share-based payment expense	-	-	2.3	-	2.3
Share issue	0.1	1.5	-	-	1.6
Share buyback	(4.3)	-	4.3	(121.6)	(121.6)
Share buyback expenses	-	-	-	(1.5)	(1.5)
Cancel treasury shares	(0.6)	-	0.6	-	-
Capital reduction	-	(46.7)	-	46.7	-
Dividends	-	-	-	(24.7)	(24.7)
Transferred to retained earnings on exercise of share options	-	-	(0.4)	0.4	-
	(4.8)	**(45.2)**	**9.3**	**(92.9)**	**(133.6)**
Balance at 31 December 2012	**11.9**	**7.5**	**(9.6)**	**8.2**	**18.0**
Analysed as follows:					
Share capital					11.9
Share premium					7.5
Other reserves					(9.6)
Retained earnings					8.2
					18.0

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2012	**2.4**	**1.5**	**-**	**(22.8)**	**(18.9)**
Total comprehensive (expense) / income	**-**	**-**	**(0.6)**	**3.1**	**2.5**
Employee share-based payment expense	-	2.3	-	-	2.3
Share buyback	4.3	-	-	-	4.3
Cancel treasury shares	0.6	-	-	-	0.6
Transferred to retained earnings on exercise of share options	-	(0.4)	-	-	(0.4)
	4.9	**1.9**	**(0.6)**	**3.1**	**9.3**
Balance at 31 December 2012	**7.3**	**3.4**	**(0.6)**	**(19.7)**	**(9.6)**

Consolidated Statement of Cash Flows for the year ended 31 December 2013

	Notes	2013 €m	2012 €m
Net cash inflow from operating activities	7	**35.6**	**26.9**
Cash flow from investing activities			
Interest received		0.2	0.1
Proceeds on disposal of property, plant and equipment		0.4	0.8
Net proceeds received on disposal of subsidiary		9.4	18.3
Payment received on finance lease receivable		2.9	2.7
Purchases of property, plant and equipment		(8.4)	(8.1)
Purchases of intangible assets		(0.3)	(0.4)
Net cash inflow from investing activities		**4.2**	**13.4**
Cash flow from financing activities			
Dividends paid to equity holders of the Company		(18.4)	(24.7)
Repayments of borrowings		(31.9)	(12.8)
Repayments of obligations under finance leases		(0.7)	(0.7)
Proceeds on issue of ordinary share capital		1.1	1.6
Share buyback		-	(123.1)
Non-trading item: Financing and related fees		-	(2.1)
New bank loans raised		5.0	133.0
Inception of new finance lease		1.2	1.4
Net cash used in financing activities		**(43.7)**	**(27.4)**
Net (decrease) / increase in cash and cash equivalents		**(3.9)**	**12.9**
Cash and cash equivalents at the beginning of the year		22.3	9.5
Effect of foreign exchange rate changes		0.1	(0.1)
Cash and cash equivalents at the end of the year	**6**	**18.5**	**22.3**

Notes to the Preliminary Statement for the year ended 31 December 2013

1. Accounting policies

The Group did not adopt any new International Financial Reporting Standards (IFRS) or Interpretations in the year that had a material impact on the Group's Financial Statements. The following standards and interpretations have been adopted since the last Annual Report and did not have an impact on the Financial Statements except for in relation to certain disclosures:

IAS 19 Employee Benefits (2011) (''IAS 19R'') came into effect for the Group from 1 January 2013. The main impact of the adoption of IAS 19R on the financial results of the Group is in the calculation of finance income and charges in respect of defined benefit pension schemes. The previous practice of recognising the expected return on plan assets (presented within finance income) and of calculating the interest expense on the defined benefit obligation (presented within finance expense) is now replaced by the calculation of a net interest amount calculated on the net defined benefit liability (or asset) using the discount rate measured at the beginning of the period. As the expected return on assets at 1 January 2012 after allowing for the effect of the Irish pensions levy approximated the discount rate at the same date, the adoption of IAS 19R has no material impact on the previously reported profit before taxation at 31 December 2012.

The Investment revenue and Finance costs captions in the Consolidated Income Statement have been restated as follows:

Consolidated Income Statement 2012	**As reported €m**	**Adjustment €m**	**As restated €m**
Investment revenue			
Expected return on defined benefit pension scheme assets	10.0	(10.0)	-
Finance costs			
Interest on defined benefit pension scheme liabilities	(11.6)	11.6	-
Net interest cost on defined benefit pension schemes	-	(1.6)	(1.6)
Profit before taxation	(1.6)	-	(1.6)

IAS 1 Presentation of Financial Statements came into effect for the Group from 1 January 2013. The main impact of the adoption has been to revise the layout of the Consolidated Statement of Comprehensive Income but has no impact on the results or financial position of the Group.

IFRS 13 Fair Value Measurement came into effect for the Group from 1 January 2013. The standard provides comprehensive guidance on how to calculate the fair value of financial and non-financial assets. The adoption of IFRS 13 did not have a material financial impact on the results or financial position of the Group.

Reclassification between trade and other payables and current tax liabilities:
The comparative information has been re-presented to include payroll taxes, pay related social insurance and value added tax within trade and other payables, which were previously disclosed under current tax liabilities.

2. Segmental information

The Board is deemed the chief operating decision maker within the Group. For management purposes, the Group is currently organised into two operating segments – Ferries and Container & Terminal.

	Revenue		Profit Before Tax		Net Assets (equity attributable to equity holders)	
Analysis by class of business	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
	€m	**€m**	**€m**	**€m**	**€m**	**€m**
Ferries	161.7	160.0	24.9	22.4	110.3	107.3
Container and Terminal	104.3	97.4	5.1	4.1	25.3	26.7
Intersegment Revenue	(1.3)	(1.3)	-	-	-	-
Continuing operations	264.7	256.1	30.0	26.5	135.6	134.0
Discontinued operations	-	19.6	-	0.7	-	-
Total	264.7	275.7	30.0	27.2	135.6	134.0
Non-trading items	-	-	3.5	18.9	-	-
Net interest / debt	-	-	(6.3)	(3.4)	(93.4)	(116.0)
Other liabilities	-	-	-	-	-	-
	264.7	**275.7**	**27.2**	**42.7**	**42.2**	**18.0**
Analysis by origin	**2013**	**2012**				
	€m	**€m**				
Ireland	131.0	124.4				
United Kingdom	46.1	51.6				
Netherlands	45.9	41.3				
Belgium	25.0	22.2				
France	7.4	7.0				
Other	9.3	9.6				
Continuing operations	264.7	256.1				
Discontinued operations	-	19.6				
Total	**264.7**	**275.7**				

3. Income tax expense

	2013	2012
	€m	€m
Current tax	0.6	0.4
Deferred tax	(0.2)	(0.1)
Income tax expense for the year	**0.4**	**0.3**
Relating to continuing operations	0.4	0.5
Relating to discontinued operations	-	(0.2)
	0.4	0.3

The Company and its Irish tax resident subsidiaries have elected to be taxed under the Irish tonnage tax method. Under the tonnage tax method, taxable profit on eligible activities is calculated on a specified notional profit per day related to the tonnage of the ships utilised.

In accordance with the IFRIC guidance on *IAS 12 Income Taxes*, the tonnage tax charge is not considered an income tax expense and has been included in other operating expenses in the Consolidated Income Statement.

Domestic income tax is calculated at 12.5% of the estimated assessable profit for the year for all activities which do not fall to be taxed under the tonnage tax system. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions and range between 23% and 24% (2012: 24% and 26%).

The total expense for the year is reconciled to the accounting profit as follows:

	2013	2012
	€m	€m
Profit before tax from:		
- continuing operations	23.7	21.0
- discontinued operations	-	0.7
Gain on disposal of discontinued operations	3.5	21.0
	27.2	42.7
Tax at the domestic income tax rate of 12.5% (2012: 12.5%)	3.4	5.3
Effect of tonnage relief	(1.8)	(2.1)
Tax exempted earnings	(0.4)	(2.6)
Net utilisation of tax losses	(0.2)	(0.4)
Difference in effective tax rates	0.1	0.1
Other items	(0.7)	-
Income tax expense recognised in the Consolidated Income Statement	**0.4**	**0.3**

4. Non-trading items

	2013	2012
	€m	€m
Continuing operations		
Financing and related fees	-	(2.1)
Discontinued operations		
Gain on the disposal of discontinued operations	3.5	21.0
Total non-trading items	3.5	18.9

During the prior financial year, in December 2012, the Group completed the sale of its Dutch container shipping subsidiary Feederlink Shipping & Trading b.v. ("Feederlink") to Danish logistic company Unifeeder A/S realising a gain on disposal of €21.0 million (note 10) in the year of disposal. In 2013 an additional gain on disposal of €3.5 million was recognised, following the receipt of all deferred contingent consideration due under the Sale Agreement, which had been dependent upon the achievement of certain conditions. In addition there was a settlement for working capital less further costs of disposal which were incurred.

In October 2012 the Group successfully completed a bank refinancing. The costs associated with this transaction, totalling €2.1 million, are included within non-trading items.

5. Earnings per share

	2013	2012
Number of shares	**'000**	**'000**
Weighted average number of ordinary shares for the purposes of		
basic earnings per share	18,365	23,139
Effect of dilutive potential ordinary shares: Share options	97	59
Weighted average number of ordinary shares for the purposes of		
diluted adjusted earnings per share	18,462	23,198

The denominator for the purposes of calculating both basic and diluted earnings per share has been adjusted to reflect shares issued during the year and excludes treasury shares.

The earnings used in both the adjusted basic and diluted earnings per share have been adjusted to take into account the non-trading items and the net interest on defined pension schemes.

5. Earnings per share - continued

Profit attributable to ordinary shareholders

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

	2013	2012
Earnings	**€m**	**€m**
Earnings for the purposes of basic earnings per share -		
Profit for the year attributable to equity holders of the parent	26.8	42.4
Earnings for the purposes of diluted earnings per share	26.8	42.4
Earnings for the purposes of basic earnings per share -		
Profit for the year attributable to equity holders of the parent	26.8	42.4
Effect of non-trading items	(3.5)	(18.9)
Net interest cost on defined benefit pension schemes	2.0	1.6
Earnings for the purposes of adjusted earnings per share	25.3	25.1

	2013	2012
	Cent	**cent**
Basic earnings per share	145.9	183.2
Diluted earnings per share	145.2	182.8
Adjusted basic earnings per share	137.8	108.5
Adjusted diluted earnings per share	137.0	108.2

Continuing operations

	2013	2012
Earnings	**€m**	**€m**
Earnings for the purposes of basic earnings per share -		
Profit from continuing operations	23.3	20.5
Earnings for the purposes of diluted earnings per share	23.3	20.5
Earnings for the purposes of basic earnings per share -		
Profit from continuing operations	23.3	20.5
Effect of non-trading items	-	2.1
Net interest cost on defined benefit pension schemes	2.0	1.6
Earnings for the purposes of adjusted earnings per share	25.3	24.2

	2013	2012
	cent	**cent**
Basic earnings per share	126.9	88.6
Diluted earnings per share	126.2	88.4
Adjusted basic earnings per share	137.8	104.6
Adjusted diluted earnings per share	137.0	104.3

5. Earnings per share - continued

Discontinued operations

	2013	2012
Earnings	**€m**	**€m**
Earnings for the purposes of basic earnings per share -		
Profit from discontinued operations	3.5	21.9
Earnings for the purposes of diluted earnings per share	3.5	21.9
Earnings for the purposes of basic earnings per share -		
Profit from discontinued operations	3.5	21.9
Effect of non-trading items	(3.5)	(21.0)
Earnings for the purposes of adjusted earnings per share	**-**	**0.9**

	2013	2012
	cent	**cent**
Basic earnings per share	19.1	94.6
Diluted earnings per share	19.0	94.4
Adjusted basic earnings per share	-	3.9
Adjusted diluted earnings per share	-	3.9

6. Net debt

	Cash	Loans	Leases	Total
	€m	**€m**	**€m**	**€m**
At 1 January 2013				
Current assets	22.3	-	-	22.3
Creditors due within one year	-	(14.5)	(0.6)	(15.1)
Creditors due after one year	-	(120.7)	(2.5)	(123.2)
	22.3	**(135.2)**	**(3.1)**	**(116.0)**
Cash flow	(3.8)	-	-	(3.8)
Drawdown	-	(5.0)	(1.2)	(6.2)
Repayment	-	31.9	0.7	32.6
	(3.8)	**26.9**	**(0.5)**	**22.6**
At 31 December 2013				
Current assets	18.5	-	-	18.5
Creditors due within one year	-	(16.0)	(0.7)	(16.7)
Creditors due after one year	-	(92.3)	(2.9)	(95.2)
	18.5	**(108.3)**	**(3.6)**	**(93.4)**

The loan drawdown and repayments have been made under the Group's loan facilities.

7. Net cash from operating activities

	2013	2012
	€m	**€m**
Operating activities		
Profit for the year	26.8	42.4
Adjustments for:		
Finance costs (net)	6.3	3.4
Income tax expense	0.4	0.3
Retirement benefit obligations – current service cost	1.9	1.3
Retirement benefit obligations – payments	(5.6)	(14.7)
Retirement benefit obligations – past service credit	(2.1)	(1.0)
Depreciation of property, plant and equipment	19.0	19.0
Amortisation of intangible assets	0.3	0.4
Amortisation of deferred income	(0.1)	(0.1)
Share-based payment expense	0.1	0.1
Non-trading item: Gain on disposal of subsidiary	(3.5)	(21.0)
Non-trading item: Financing and related fees	-	2.1
Gain on disposal of property, plant and equipment	(0.4)	(0.6)
Increase in other provisions	-	0.2
Operating cash flows before movements in working capital	**43.1**	**31.8**
Increase in inventories	-	(0.1)
(Increase) / decrease in receivables	(1.5)	1.2
Decrease in payables	(1.3)	(3.7)
Cash generated from operations	**40.3**	**29.2**
Income taxes paid	(0.2)	(0.4)
Interest paid	(4.5)	(1.9)
Net cash generated from operating activities	**35.6**	**26.9**

8. Retirement benefit schemes

The principal assumptions used at 31 December 2013 for the purpose of the actuarial valuations were as follows:

	STERLING LIABILITIES		EURO LIABILITIES	
	2013	**2012**	**2013**	**2012**
Discount rate	**4.35%**	4.40%	**3.60%**	3.80%
Inflation rate	**3.55%**	2.90%	**2.00%**	2.00%
Rate of increase of pensions in payment	**3.20%**	2.65%	**1.80% - 2.00%**	1.80%- 2.00%
Rate of general salary increases	**4.05%**	3.90%	**3.00%**	3.00%

The average life expectancy used in all schemes at age 60 is as follows:

	2013		2012	
	Male	**Female**	**Male**	**Female**
Current retirees	24.3 years	27.2 years	24.1 years	27.1 years
Future retirees	27.3 years	29.6 years	27.6 years	30.3 years

The amount recognised in the balance sheet in respect of the Group's defined benefit schemes, is as follows:

	SCHEMES WITH LIABILITIES IN STERLING		SCHEMES WITH LIABILITIES IN EURO	
	2013	**2012**	**2013**	**2012**
	€m	**€m**	**€m**	**€m**
Equities	8.4	7.1	121.6	103.5
Bonds	13.9	15.0	73.3	70.4
Property	0.3	0.3	11.4	10.5
Other	1.0	0.4	0.6	6.3
Market value of scheme assets	23.6	22.8	206.9	190.7
Present value of scheme liabilities	(22.0)	(19.6)	(245.2)	(248.5)
Surplus / (deficit) in schemes	1.6	3.2	(38.3)	(57.8)

8. Retirement benefit schemes – continued

The movement during the year is reconciled as follows:

	2013	2012
	€m	€m
Opening deficit	(54.6)	(32.5)
Current service cost	(1.9)	(1.3)
Employer contributions paid	5.6	14.7
Past service credit	2.1	1.0
Net interest cost	(2.0)	(1.6)
Actuarial gain / (loss)	14.3	(34.7)
Other	(0.2)	(0.2)
Net deficit	**(36.7)**	**(54.6)**
Schemes in surplus	4.7	3.7
Schemes in deficit	(41.4)	(58.3)
Net deficit	**(36.7)**	**(54.6)**

9. Related party transactions

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation.

During the year ended 31 December 2013 the material transactions between Irish Continental Group plc and its key management personnel, were; the remuneration of employees and Directors, the participation in Group dividends on the same terms available to shareholders generally, and the provision of professional services at arm's length basis.

10. General information

The financial information in this preliminary announcement does not constitute full statutory financial statements, a copy of which is required to be annexed to the annual return to the Companies Registration Office. A copy of the financial statements in respect of the financial year ended 31 December 2013 will be annexed to the annual return for 2014. The auditors have made a report, without any qualification on their audit, of the consolidated financial statements in respect of the financial year ended 31 December 2013 and the Directors approved the consolidated financial statements in respect of the financial year ended 31 December 2013 on 5 March 2014. A copy of the consolidated financial statements in respect of the year ended 31 December 2012 has been annexed to the annual return for 2013 filed at the Companies Registration Office.

The consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and therefore the Group's financial statements comply with Article 4 of the IAS Regulations. The consolidated financial statements have also been prepared in accordance with the Companies Acts, 1963 to 2013, and the Listing Rules of the Irish Stock Exchange and the UK Listing Authority.

The consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments.

11. Subsequent events

The Board is proposing a final dividend of 67 cent per ICG unit in respect of the results for the year ended 31 December 2013.

There have been no other significant events, outside the ordinary course of business, affecting the Group since 31 December 2013.

12. Board Approval

This preliminary announcement was approved by the Board of Directors of Irish Continental Group plc. on 5 March 2014.

13. Annual Report and Annual General Meeting

The Group's Annual Report and notice of Annual General Meeting, which will be held on Thursday 22 May 2014, will be notified to shareholders in April 2014.