



IRISH CONTINENTAL GROUP

TRADING UPDATE

Volumes (Year to date, 13 May 2017)

	2017	2016	Change
Cars	103,200	103,900	-0.7%
RoRo Freight	100,300	102,000	-1.7%
Container Freight (teu)	119,500	114,400	+4.5%
Terminal Lifts	107,600	107,450	+0.1%

Irish Continental Group (ICG) issues this trading update which covers carryings for the year to date to 13 May 2017 and financial information for the first four months of 2017, i.e. 1 January to 30 April with comparisons against the corresponding period in 2016. All figures are unaudited.

Consolidated Group revenue in the period was €95.1 million, an increase of 4.0% compared with last year. Net debt at the end of April was €24.5 million compared with €37.9 million at 31 December 2016.

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

Ferries Division

Total revenues recorded in the period to 30 April amounted to €53.6 million (including intra-division charter income), a 3.9% increase on the prior year.

For the year to 13 May, in this seasonally less significant period for tourism, Irish Ferries carried 103,200 cars, a decrease of 0.7% on the previous year, while freight carryings were 100,300 RoRo units, a decrease of 1.7% compared with 2016. The decline this year reflects the tougher comparisons due to the outperformance in the same period in 2016 and is primarily related to drydocking schedules.

The passenger ferry MV Kaitaki remained on charter, operating in New Zealand, while the four container ships were fully deployed in the period.

In 2016 the charterer of the HSC "Westpac Express", exercised their option to extend the charter for a further period of up to 12 months to October 2017. The charter is subject to usual US government procurement regulations and the charterer has further options to extend the charter up to mid-2021.

In relation to the construction of a new cruise ferry announced on 31 May 2016 Flensburger Schiffbau-Gesellschaft MBH & CO. ("FSG") have informed us that the ship remains on schedule for delivery in June 2018.

Container and Terminal Division

Total revenues recorded in the period to 30 April amounted to €44.1 million, a 4.3% increase on the prior year.

For the year to 13 May container freight volumes shipped were up 4.5% on the previous year at 119,500 teu (twenty foot equivalent units), while units handled at our terminals in Dublin and Belfast increased 0.1% year on year to 107,600 lifts.

Sale of Kaitaki (Ex Isle of Innisfree)

ICG announces that it has entered into a Memorandum of Agreement ("MOA") for the sale of the passenger ferry Kaitaki to the New Zealand ferry operator KiwiRail.

The agreed consideration of €45.0 million is payable in cash comprising an initial 10% deposit with the balance payable on delivery which under the MOA shall be completed by 8 June 2017.

The Kaitaki which was commissioned by and delivered to ICG in 1995 became surplus to ICG's operational requirements following delivery of our cruise ferry Ulysses in 2001. Kaitaki has been on charter outside the Group since 2002, most recently to the buyers KiwiRail who operate the vessel in New Zealand. Delivery will take place in New Zealand.

In the last financial year ended 31 December 2016 the charter of the vessel generated operating profits of €2.1 million and had a year-end net book value of €16.1 million. The vessel will remain on charter up to the date of delivery.

The proceeds will be used for general corporate purposes.

Dublin

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