



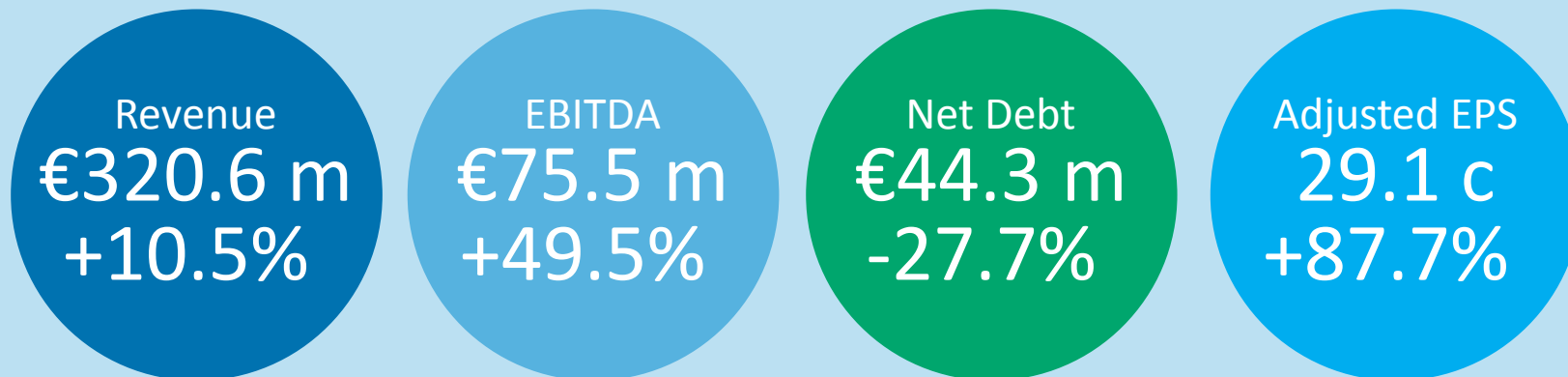
IRISH CONTINENTAL GROUP

## 2015 Results Presentation

7th March 2016



# Full Year 2015 Performance Summary



- Revenue for the year grew 10.5% to €320.6 million (2014: €290.1 million). In the Ferries division revenue\* increased by 10.5% to €203.6 million (2014: €184.3 million) while in the Container and Terminal division revenue\* increased by 10.6% to €117.0 million (2014: €105.8 million)
- EBITDA for the year grew by 49.5% to €75.5 million (2014: €50.5 million). EBITDA in the Ferries Division increased by 47.8% to €63.7 million (2014: €43.1 million). The EBITDA in the Container and Terminal division increased by 59.5% to €11.8 million (2014: €7.4 million)
- Net debt decreased by 27.7% to €44.3 million from €66.3 million in 2014.
- Adjusted EPS increased by 87.7% to 29.1 cent from 15.5 cent in 2014.
- The Group's ROACE also increased significantly to 36.7% in 2015 (2014: 20.5%).

*\*Exclusive of Inter-segment Revenue*



# ICG Business Units



## Ferries Division

Irish Ferries, the leading ferry company operating between the UK/Continent and the Republic of Ireland. The division is also engaged in ship chartering activities with vessels chartered within the Group and to third parties.

**ROACE: 37.6%**

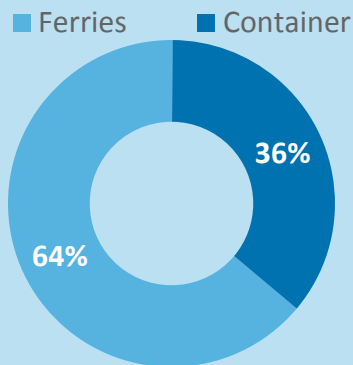


## Container & Terminal Division

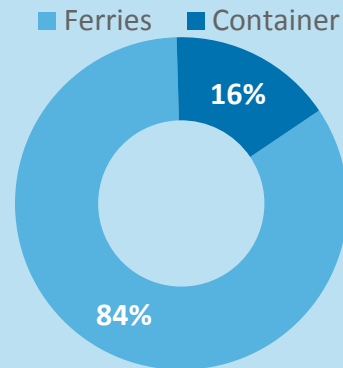
Eucon, the leading container shipping operator between Ireland and the Continent. Dublin Ferryport Terminals (DFT) and Belfast Container Terminal (BCT) strategically located container terminals in Dublin and Belfast.

**ROACE: 32.7%**

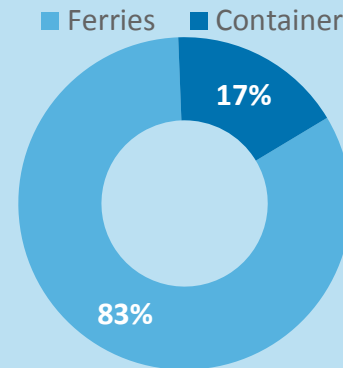
### Revenue



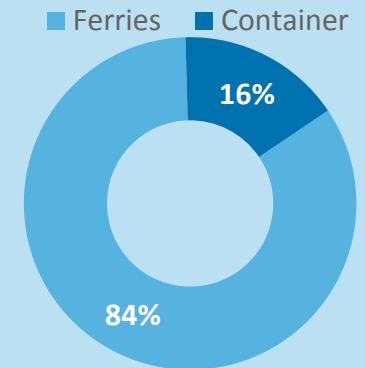
### Operating Profit



### Capital Employed



### EBITDA

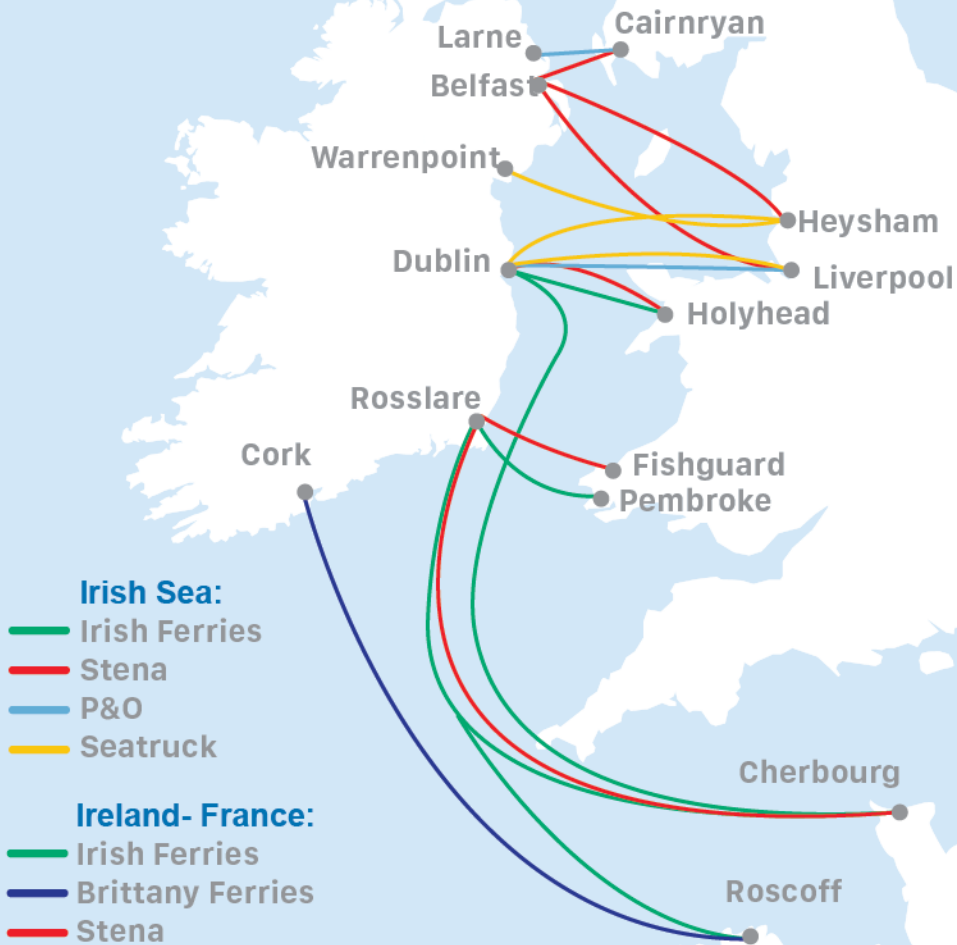




# Ferries Division



# Ferries Division - Routes

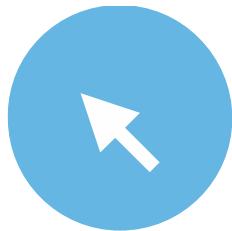
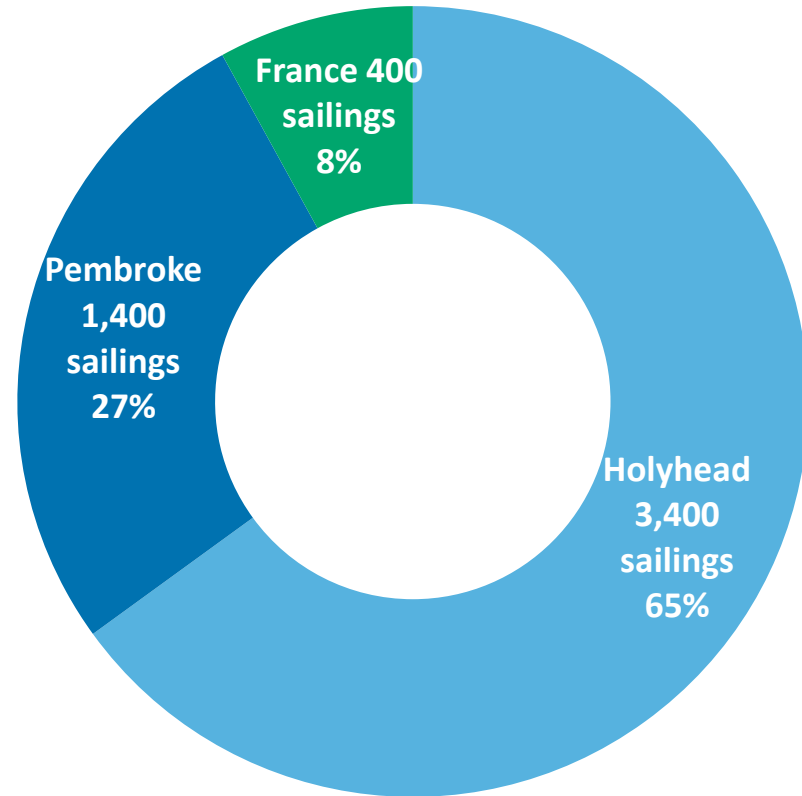


Weekly Sailings	
<b>Dublin - Holyhead</b>	
Ulysses	28
Jonathan Swift	28
Epsilon	18
	<b>74</b>
<b>Rosslare - Pembroke</b>	
Isle of Inishmore	28
Total Ireland - UK	<b>102</b>
<b>Ireland - France</b>	
Oscar Wilde	7
Epsilon	2
	<b>9</b>
Total	<b>111</b>



# Ferries Division

- Brand: Irish Ferries
- 4 Conventional combined Car/RoRo ferries
- 1 fast car carrying ferry
- 1 ferry on charter to Kiwi Rail (New Zealand) to June 2017
- 4 container ships on Charter



## Always On [irishferries.com](http://irishferries.com)

Our passenger booking website [irishferries.com](http://irishferries.com) received almost 6 million visits in 2015 delivering over 80% of the car and passenger bookings transacted last year.



## Power

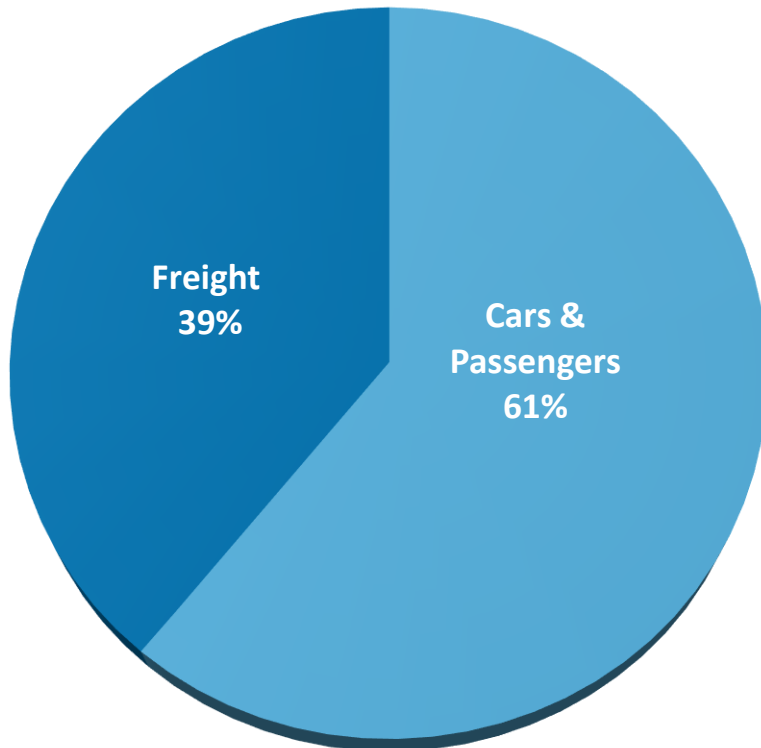
'Jonathan Swift', which can travel up to speeds of 80kph, propels itself across the Irish Sea with 4 large water jets which pump 60 tonnes of sea water per second.



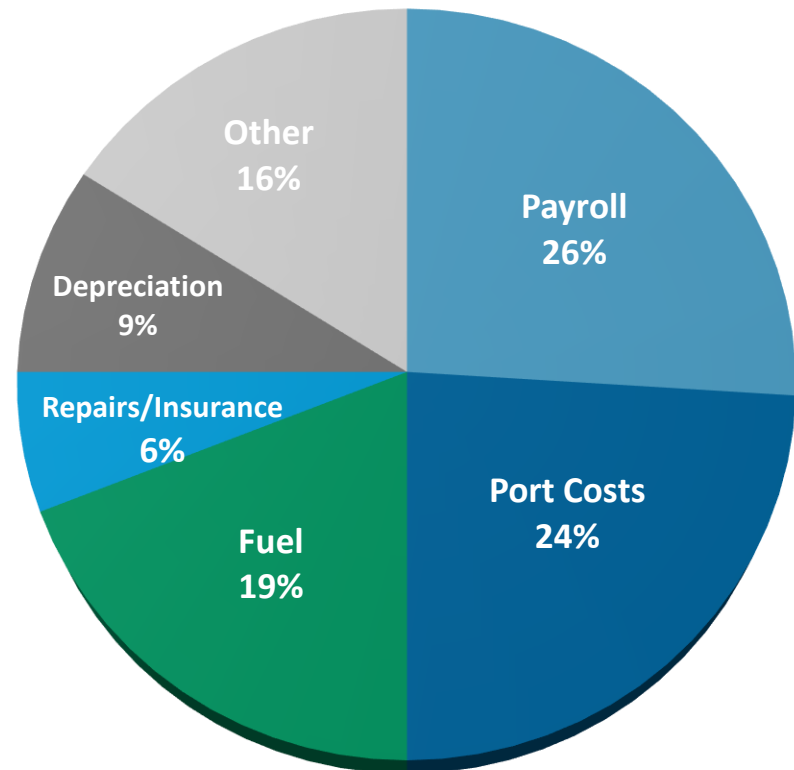
# Ferries Division



**Revenue 2015** (Exclusive of Chartering activities)



**Costs 2015** (Exclusive of Chartering activities)



# Ferries Division - Car Market



## CAGR (Volumes)

	1 Year 2015	H2 2015	H1 2015	3 Year 2012 – 2015	7 Year 2008 – 2015	15 Years 1992 - 2007
Irish Ferries	+5%	+3%	+7%	+5%	+1%	+4%
Republic of Ireland	+1%	+1%	+1%	+1%	-1%	+2%
All Ireland	0%	0%	-1%	+1%	-1%	+2%





# Ferries Division - RoRo Market



## CAGR (Volumes)

	1 Year 2015	H2 2015	H1 2015	3 Year 2012 – 2015	7 Year 2008 – 2015	15 Years 1992 - 2007
Irish Ferries	+10%	+8%	+12%	+14%	+2%	+12%
Republic of Ireland	+6%	+6%	+6%	+6%	0%	+10%
All Ireland	+4%	+4%	+4%	+3%	0%	+6%



## Ferries Division -Ship Chartering activities

- Revenue from ship chartering activities amounted to €4.3 million in 2015.
- The '*Kaitaki*' (22,365 GT) delivered in 1995 which has a capacity of 1.7km (lane metres) has remained on charter to KiwiRail during the year, operating in New Zealand. The charter is for a period of 4 years to 30 June 2017 with an option for the charterer to extend the agreement by a further 3 years out to 2020.
- In an extension of the division's chartering activities, four LoLo container vessels were purchased in late 2015 for a combined cost of €24.2 million. The vessels are the MV Elbfeeder (built 2008), MV Elbtrader (built 2008) and MV Elbcarrier (built 2007), each which have a capacity of 980 teu (twenty foot equivalent) and a gross tonnage of 8,246 tons together with the MV Ranger (built 2005) which has a capacity for 803 teu and a gross tonnage of 7,852 tons. The three Elb vessels are currently on year-long charters to the Group's container shipping subsidiary Eucon on routes between Ireland and the Continent whilst the Ranger is on charter to a third party.



# Ferries Division



	2015 €m	2014 €m	Change
Revenue*	203.9	184.3	10.6%
Operating Costs	<u>(140.2)</u>	<u>(141.2)</u>	-0.7%
EBITDA	63.7	43.1	47.8%
Depreciation/Amortisation	<u>(15.6)</u>	<u>(15.1)</u>	3.3%
Operating Profit	48.1	28.0	71.8%

- Passenger, Car & On Board revenue up 12.2% to €122.7 million.
- RoRo Freight revenue up 8.4% to €76.9 million.
- Ship chartering revenue amounted to €4.3 million.
- Other operating costs decreased by 0.7% to €140.2 million.

\*Inclusive of Inter-segment Revenue





# Container & Terminal Division



# Container & Terminal Division

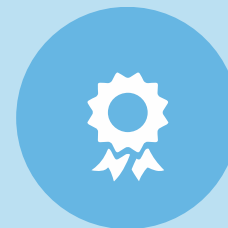


- 5 chartered vessels
- 3,200 owned and leased containers, 6,200 teu (20ft, 40ft, 45ft, reefers, flats, curtain sidings)
- Operating between the Ports of Dublin, Cork and Belfast to Rotterdam and Antwerp
- Door to Door (54%) Transport plus Quay to Quay (46%) (feeder)
- DFT Terminal in Dublin
- BCT in Belfast operating the Victoria Terminal 3 (VT3)
- On a combined basis our terminals are handling 45% of all LoLo container movements. (All-Ireland)



## Connected Container Shipping

Eucon transported 286,500 teu in 2015 while providing shipping services to 20 countries throughout Europe.

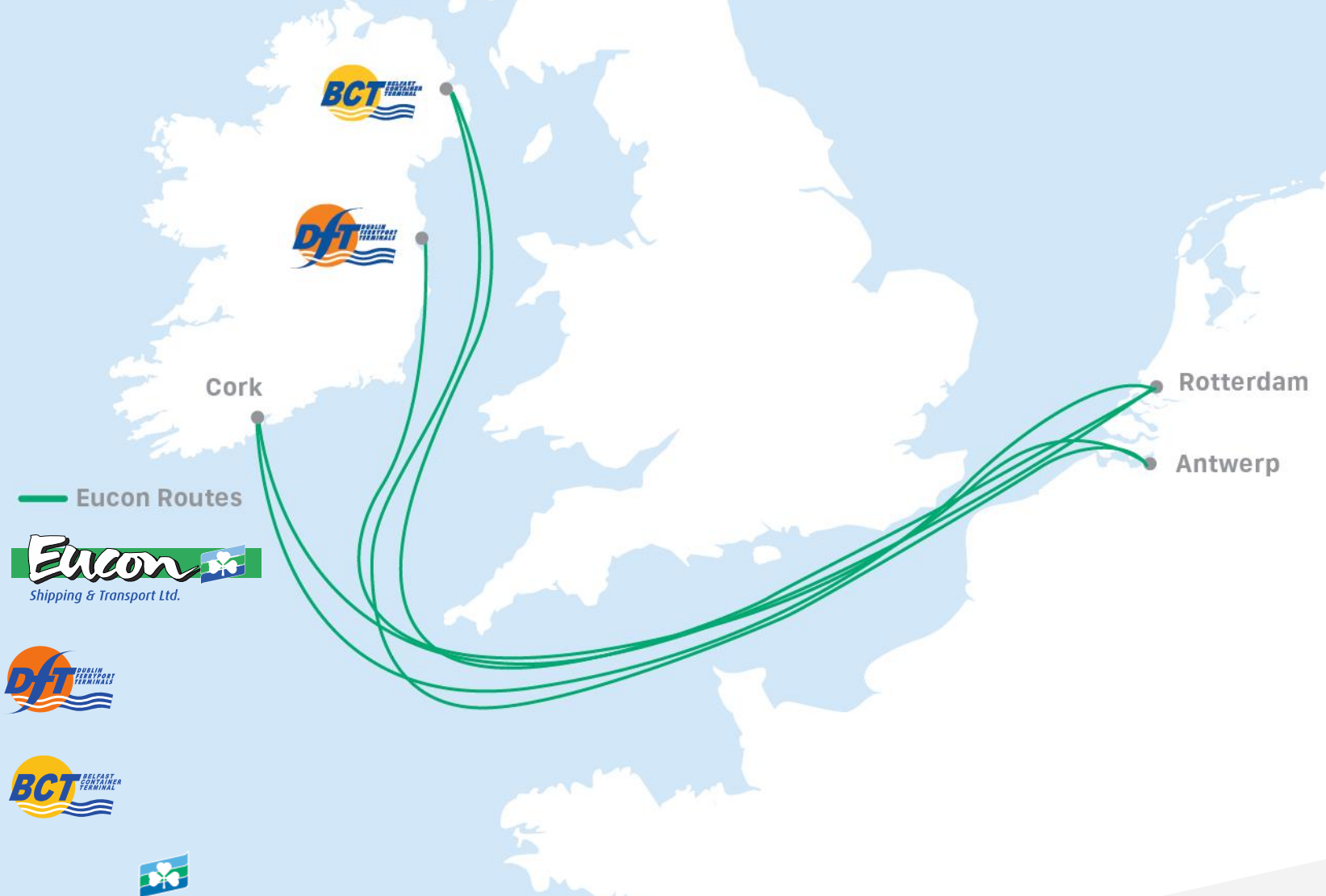


## Strategic Terminal Locations

Our strategically located terminals in Dublin and Belfast handled 248,500 containers over our terminals, with up to 1,000 truck moves per day handled at our Dublin terminal alone.



# Container & Terminal Division



# Container & Terminal Division - Terminals



2 strategically located container handling terminals at Dublin (DFT) and Belfast (BCT).



- 150 year lease in Dublin from 1972
- Annual throughput of 162,000 lifts (2014: 151,900 lifts)
- Design Capacity of 220,000 lifts
- 3 Gantry Cranes and 8 Rubber Tyre Gantries (RTG's)
- Largest container terminal in Ireland
- Motorway connected



- Concession from Belfast Harbour Commissioners (BHC) for 5 years from June 2015 (option with BHC to extend for 3 years)
- Throughput of 86,500 lifts in 2015 (2014: 35,100), VT3 from 1 June 2015.
- Design Capacity of VT3 145,000 lifts
- 3 Gantry Cranes, 3 Rail Mounted Gantries, 3 Straddle Carriers.
- Motorway connected



# Container & Terminal Division - Container Handling Irl.



## CAGR (Volumes)

	1 Year	3 Year	5 Year
ICG	33%	10%	8%
ICG*Excl. Belfast	7%	5%	5%
All Ireland (Estimate)	8%	6%	2%





# Container & Terminal Division



	2015 €m	2014 €m	Change
Revenue*	118.2	107.0	+10.5%
Operating Costs	<u>(106.4)</u>	<u>(99.6)</u>	+6.8%
EBITDA	11.8	7.4	+59.5%
Depreciation/Amortisation	<u>(2.7)</u>	<u>(2.7)</u>	0%
Operating Profit	9.1	4.7	+93.6%

- Container volumes up 3.4% at 286,500 teu.
- Terminal volumes up 32.9% at 248,500 lifts (DFT up 6.6%, BCT up 146.4%)
- Other operating costs increased by 6.8% to €106.4 million.

\* Inclusive of Inter-segment Revenue



# Group

- Results
- Operating Profit Bridge
- Fuel Costs
- Dividends/Share Buybacks
- Outlook/Current Trading



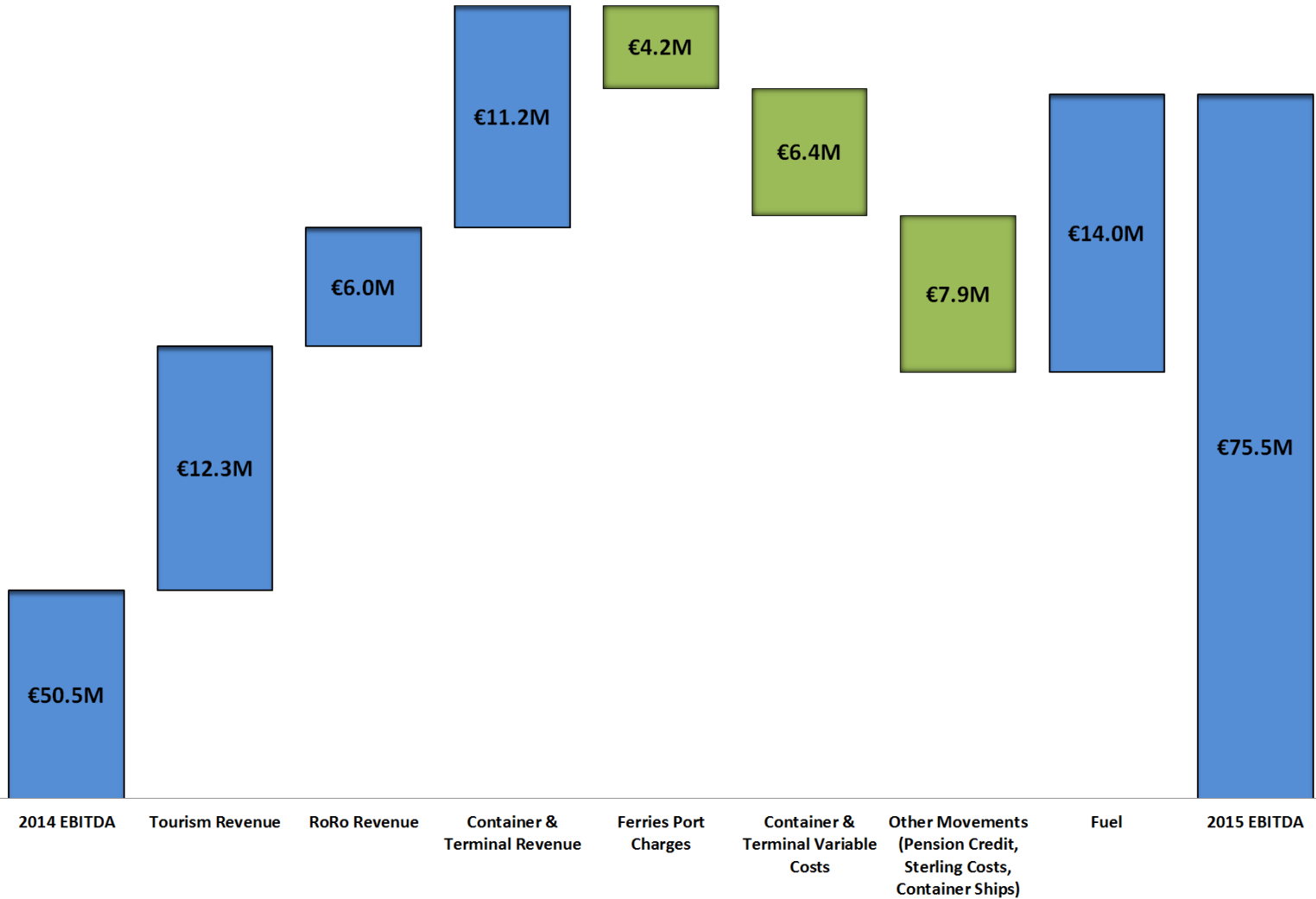
# Group - Results

	2015	2014	Change
Revenue	€320.6m	€290.1m	+10.5%
Operating Costs (exc. Dep)	€245.1m	€239.6m	+2.3%
EBITDA	€75.5m	€50.5m	+49.5%
Operating Profit	€57.2m	€32.7m	+74.9%
Non – Trading Items (Pension curtailment gain)	-	€28.7m	-100%
Basic EPS	28.9c	30.4c	-4.9%
Adjusted EPS	29.1c	15.5c	+87.7%
Dividend Per Share*	11.025c	10.5c	+5.0%
Net Debt	€44.3m	€61.3m	-27.7%

\*Including proposed final dividend



# Group - 2015 EBITDA Profit Bridge



## Group - Fuel Costs

	FY 2015	FY 2014	Change 2015 v's 2014
<b>Consumption (000 tons)</b>			
Heavy Fuel Oil	69.2	92.3	-25.0%
Marine Diesel	<u>38.5</u>	<u>15.1</u>	+155.0%
	<b>107.7</b>	<b>107.4</b>	<b>+0.3%</b>
<b>Average Price (€ per ton)</b>			
Heavy Fuel Oil	€288	€452	-36.3%
Marine Diesel	€468	€665	-29.6%
<i>Brent Crude (guide)</i>	\$53.6/€48.3	\$99.6/€74.9	-35.5%
Total Cost (inc. lubs)	€39.0m	€53.0m	-26.4%
% of Operating Costs (exc. Dep)	16%	22%	



# Group - Cash Flow

	FY 2015	FY 2014
<b>EBITDA</b>	<b>75.5</b>	<b>50.5</b>
Working Capital Movement	(1.6)	(2.2)
Pension Payments	(2.7)	(3.9)
Other	<u>0.6</u>	-
<b>Cash Generated from Operations</b>	<b>71.8</b>	<b>44.4</b>
Interest paid	(2.8)	(3.6)
Tax	(0.8)	(1.1)
Capex (inclusive of €24.2m container vessels)	<u>(35.0)</u>	<u>(8.0)</u>
<b>Free Cash Flow</b>	<b>33.2</b>	<b>31.7</b>
Asset Sales	0.1	0.1
Payments received on Finance Lease Receivable	-	17.8
Dividends	(19.9)	(18.8)
Share Issues/Buybacks (net)	3.5	1.2
Interest Received	<u>0.1</u>	<u>0.1</u>
<b>Net Flows</b>	<b>17.0</b>	<b>32.1</b>
Opening Net Debt	(61.3)	(93.4)
Translation/Other	-	-
<b>Closing Net Debt</b>	<b>(44.3)</b>	<b>(61.3)</b>



# Group - Dividend / Share Buybacks

## Cash Returned to Shareholders 2007 - 2015

Year	Interim (Cent)	Final (Cent)	Total (Cent)	€m	Buyback/ Tender Offer €m
2007	Nil	10.0c	10.0c	24.5	
2008	Nil	10.0c	10.0c	24.6	
2009	Nil	10.0c	10.0c	25.0	
2010	Nil	10.0c	10.0c	25.1	
2011	3.3c	6.7c	10.0c	24.9	4.0
2012	3.3c	6.7c	10.0c	20.3	10.1 111.5
2013	3.3c	6.7c	10.0c	18.4	
2014	3.465c	7.035c	10.5c	19.4	
2015	3.638c	7.387c	11.025	<u>20.6</u>	
				<u>202.8</u>	<u>125.6</u>
<b>Total</b>				<b>328.4</b>	



# Group - Current Trading

## General

- Irish and UK economies growing. Continued efforts to stimulate Eurozone economy.
- Irish GDP growth forecast to exceed all other Eurozone countries. Consensus Irish GDP growth of 4.7% in 2016, consensus UK GDP of 2.2% in 2016. Eurozone GDP growth forecast of 1.7% in 2016.
- Continued fuel tailwind (although freight surcharges will partially offset this)
- Irish unemployment rate now 8.8%, down from 15.1% in early 2012
- Long term opportunities / threats of a potential Brexit are difficult to evaluate at this time

## Tourism YTD

- Passenger numbers +1% YTD
- Car numbers +4% YTD

## Freight YTD

- RoRo volumes +14% YTD (YTD volumes have benefited from a number of once off exceptionals)
- LoLo volumes +12% YTD
- Terminal volumes +53% YTD, including the recently acquired operations in Belfast (DFT +8% YTD)
- Continued positive market reaction to additional ship on Dublin/Holyhead and Dublin/Cherbourg





# Appendix Fleet



# Appendix – Fleet



## Ulysses

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



## Isle of Inishmore

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



## Appendix – Fleet



### Jonathan Swift

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



### 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
Route	Rosslare/France



# Appendix – Fleet



## Epsilon

Year Built	2011
GT	26,375 tons
PAX	500
Beds	272
Lane Meters	2.8km
Speed	23 knots
Route	Dublin/Holyhead, Dublin/France



## Kaitaki

Year Built	1995
Cost	€62m
GT	22,300 tons
PAX	1650
Beds	274
Cars	600
Lane Meters	1.7km
Speed	19 knots
Route	Chartered Out



# Appendix – Fleet



## Ranger

IMO	9322542
Built	2005
LOA	140.59
Breadth	21.8
GT	7,852
Dead Weight	9,300
Size TEU	803
TEU @ 14tns	518



## Elbfeeder

IMO	9388522
Built	2008
LOA	139.60
Breadth	22
GT	8,246
Dead Weight	11,157
Size TEU	974
TEU @ 14tns	580



# Appendix – Fleet



## Elbtrader

IMO	9388534
Built	2008
LOA	139.60
Breadth	22
GT	8,246
Dead Weight	11,153
Size TEU	974
TEU @ 14tns	580



## Elbcarrier

IMO	9388510
Built	2007
LOA	139.60
Breadth	22
GT	8,246
Dead Weight	11,166
Size TEU	974
TEU @ 14tns	580



# 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.

