IRISH CONTINENTAL GROUP

HALF YEARLY FINANCIAL REPORT

FOR THE HALF YEAR ENDED 30 JUNE 2015

- Revenue up 9.5% to €143.1 million
- EBITDA up €11.5 million
- RoRo freight volumes up 11.5%
- Cars carried up 7.1% in the period
- Net Debt down to €33.7 million from €61.3 million at 31 December 2014
- Interim dividend 3.638 cent, up 5.0%

Financial Highlights	**Six months to 30 June**		**Change %**	**Financial Year**
	2015	**2014**		**2014**
Revenue	€143.1m	€130.7m	+9.5%	€290.1m
EBITDA	€25.5m	€14.0m	+82.1%	€50.5m
Operating profit	€16.4m	€5.2m	+215.4%	€32.7m
Non-trading items	-	-	-	€28.7m
Profit before tax	€14.9m	€2.7m	+451.9%	€56.7m
Basic EPS	7.8c	1.3c	+500.0%	30.4c
Adjusted EPS	7.9c	1.7c	+364.7%	15.5c
Dividend	3.638c	3.465c	+5.0%	10.5c

Operational Highlights	**Six months to 30 June**		
	2015	**2014**	**Change %**
Volumes	**000**	**000**	
Cars	161.6	150.9	+7.1%
Passengers	701.6	683.8	+2.6%
RoRo Freight	131.7	118.1	+11.5%
Container Freight (teu.*)	142.2	142.7	-0.4%
Port Lifts	103.7	92.7	+11.9%

*teu.: twenty foot equivalent units

Comment

In a comment John B. McGuckian Chairman stated;

‘‘I am pleased to report a strong performance in the first six months of the financial year. EBITDA increased by €11.5 million driven primarily by increased RoRo freight volumes, car volumes, lower fuel cost and the relative strength of sterling in comparison to H1 2014. This trading momentum has continued over the key summer period and the Group is well placed to benefit should these market trends continue for the remainder of the year.’’

27 August 2015

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INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2015

RESULTS

The Board of Irish Continental Group plc (ICG) reports that, in the seasonally less profitable first half of the year, the Group recorded revenue of €143.1 million compared with €130.7 million in the same period in 2014, an increase of 9.5%. Earnings before interest, tax, depreciation and amortisation (EBITDA) were €25.5 million compared with €14.0 million in the same period in 2014. Operating profit was €16.4 million compared with €5.2 million in 2014. Group fuel costs were down €5.6 million (21.2%) to €20.8 million. There was a net finance charge of €1.5 million (2014: €2.5 million) which includes a net pension interest cost of €0.2 million (2014: €0.7 million) and net bank interest payable of €1.3 million (2014: €1.8 million). Profit before tax was €14.9 million compared with €2.7 million in the first half of 2014. The tax charge amounted to €0.4 million (2014: €0.3 million). Basic EPS was 7.8c compared with 1.3c in the first half of 2014. Adjusted EPS (before non-trading items and net pension interest cost) amounted to 7.9c (2014: 1.7c).

The Group has benefited from the continued improvement in the economies in our sphere of operations and lower global fuel prices. Sterling strength was a positive for the Group's sterling originating revenues both in terms of average yields and increasing the attractiveness of Ireland as a tourism destination though this is partially offset by Sterling denominated costs. The benefit of lower fuel costs for the Group has been partially offset by a strong dollar versus the Euro and the amendment of EU environmental regulations requiring the Group to consume more expensive fuel grades.

DIVIDEND

The Board has declared an interim dividend of 3.638 cent per ICG Unit payable on 2 October to shareholders on the register at 18 September 2015.

OPERATIONAL REVIEW

Ferries Division

The division comprises Irish Ferries, a leading provider of passenger and freight ferry services between Ireland and both the UK and Continental Europe, and the bareboat chartering of multipurpose ferries to third parties. Irish Ferries operated over 2,500 sailings in the period.

Revenue in the division was €86.5 million (2014: €77.7 million) while EBITDA was €20.0 million (2014: €10.3 million). Operating profit increased to €12.3 million (2014: €2.8 million).

In the first half of 2015 passengers carried were up 2.6% at 701,600 while total cars carried were 161,600, up 7.1% on the same period in the previous year. In RoRo freight, Irish Ferries' volumes were up 11.5% to 131,700 units, when compared with the first half of 2014.

The MV Kaitaki remained on its 4 year charter to KiwiRail during the period, trading in New Zealand.

OPERATIONAL REVIEW - continued

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 and in Belfast.

Revenue in the division was up 6.5% to €57.2 million (2014: €53.7 million), EBITDA increased to €5.5 million (2014: €3.7 million) while operating profit rose to €4.1 million (2014: €2.4 million).

Total containers shipped were at similar levels to the prior year at 142,200 teu (2014: 142,700 teu) due to changes in customer route configurations. Units lifted at the division's port facilities in Dublin and Belfast rose 11.9% to 103,700 lifts (2014: 92,700 lifts) helped by the additional operations at Victoria Terminal 3 (VT3).

Following the award of the Services Concession for the operation of a combined container terminal at VT3 in Belfast Harbour, the process of consolidating our existing terminal volumes at Belfast Container Terminal into one location at VT3 is underway. We expect the process to be completed by the end of the autumn.

FINANCIAL POSITION

EBITDA for the period was €25.5 million compared with €14.0 million in the same period in 2014. Cash flow generated from operations was €46.9 million versus €24.5 million in 2014. Due to the seasonality of the business there is a positive working capital movement within payables as deferred revenue is at a higher level at the end of June when compared to December, ahead of the peak summer trading.

Capital expenditure in the period was €7.4 million (2014: €6.7 million) while pension payments in excess of service costs amounted to €1.4 million (2014: €1.0 million). Free cash flow (net cash from operating activities after capital expenditure) was €37.8 million compared with €15.1 million in the previous half year. During the period the final dividend for 2014, amounting to €13.1 million was paid.

Net debt at the end of the period amounted to €33.7 million and this compares with €61.3 million at 31 December 2014.

Shareholders' equity increased to €89.4 million from €61.3 million at 31 December 2014. The main reasons for the increase were primarily due to profit for the period of €14.5 million, an actuarial gain arising on retirement benefit pension schemes of €23.6 million partially offset by the dividend paid of €13.1 million.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group has a risk management structure in place which is designed to identify, manage and mitigate the threats to the business on an ongoing basis. The Board considers the principle risks and uncertainties as set out in detail on pages 22 and 23 of the 2014 Annual Report to remain applicable for the second half of 2015. These risks are as follows:

- Safety and business continuity
- Information security
- Commercial and market risk
- Commodity price risk
- Financial risks
- Retirement benefit schemes

FUEL AND THE EU SULPHUR DIRECTIVE

Group fuel costs in the first half of 2015 amounted to €20.8 million (2014: €26.4 million). The reduction in fuel cost was due to the fall in global US Dollar oil prices, offset by a stronger US Dollar versus Euro and consumption of more expensive fuel oils to comply with environmental regulations.

In the reporting period the Group had not engaged in financial derivative trading to hedge its fuel costs. The Group has in place a transparent fuel surcharge mechanism linked to the spot market for fuel oils. In line with the reduced cost of fuel, surcharge revenues were lower.

As set out in the 2014 Annual Report, the EU Sulphur Directive came into force from 1 January 2015 in many parts of Northern Europe, including the North Sea and the English Channel, but not the Irish Sea. For the Group this mainly affects Eucon’s container service to / from Continental Europe while for Irish Ferries the impact is limited to the section of the Ireland – France route which falls in the English Channel. The Group is in compliance with the Directive and has imposed a separate fuel surcharge on the services affected to recoup the extra costs resulting from this Directive.

RELATED PARTY TRANSACTIONS

There were no related party transactions in the half year that have materially affected the financial position or performance of the Group in the period. In addition, there were no changes in related party transactions from the last annual report that could have a material effect on the financial position or performance of the Group in the first six months.

EVENTS AFTER THE REPORTING PERIOD

The Board has declared an interim dividend of 3.638 cent per ICG Unit in respect 2015.

There have been no other material events affecting the Group to report since 30 June 2015.

GOING CONCERN

After making enquiries and taking into account the Group’s committed banking facilities which extend to September 2017, the Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future. In forming this view the Directors have considered the future cash requirements of the Group’s business in the context of the economic environment over the next 12 months, the principal risks and uncertainties facing the Group, the Group’s budget plan and the medium term strategy of the Group, including capital investment plans. The future cash requirements have been compared to bank facilities which the Directors have negotiated. For this reason, they continue to adopt the going concern basis in preparing this half yearly financial report.

AUDITOR REVIEW

This half yearly financial report has not been audited or reviewed by the auditors of the Group pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2015

CURRENT TRADING & OUTLOOK

Trading in the peak summer season has been strong. In the period from 1 July 2015 to 22 August 2015 total passengers carried were up 1%, while cars carried were up 4%. Roll on Roll off freight volumes remained strong, up 8% during the period. In the Container and Terminal division container carryings were up 8% during this period, while port lifts were up 48% compared to the same period last year. When volumes from our new terminal operation in Belfast (VT3) are excluded the port lifts increase was 8%.

Cumulatively in the period from 1 January 2015 to 22 August 2015, Irish Ferries carried 1,151,100 passengers, up 2%, while the number of cars carried rose 6% to 267,900 compared with the same period last year. In the Roll on Roll off freight market, Irish Ferries carried 170,500 units, an increase of 11% compared with the same period in 2014. Container freight volumes shipped were up 1% at 183,800 teu compared with the same period last year, while port lifts rose by 20% to 144,000 lifts year on year. Underlying port lifts are up 5% at 126,200 lifts (i.e. excluding VT3 volumes in 2015).

In the absence of unforeseen circumstances, the outlook for the remainder of the year is for a continuation of business momentum seen to date but with some easing in both car and RoRo freight volume growth rates due to the more established patterns of *'Epsilon'* carryings in the second half of last year.

FORWARD-LOOKING STATEMENTS

This report contains 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 report. 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.

This report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Irish Continental Group plc and its subsidiaries when viewed as a whole.

WEBSITE

This half yearly financial report and Interim Management Report are available on the Group's website www.icg.ie.

John B. McGuckian
Chairman
26 August 2015

RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended), the related Transparency Rules of the Central Bank of Ireland and IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

The Directors confirm that, to the best of their knowledge:

- the Group Condensed Financial Statements for the half year ended 30 June 2015 have been prepared in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34 Interim Financial Reporting) adopted pursuant to the procedure provided for under Article 6 of the Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002;
- the Interim Management Report includes a fair review of the important events that have occurred during the first six months of the financial year, their impact on the Group Condensed Financial Statements for the half year ended 30 June 2015, and a description of the principal risks and uncertainties for the remaining six months; and
- the Interim Management Report includes a fair review of related party transactions that have occurred during the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period, and any changes in the related parties transactions described in the last Annual Report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

On behalf of the Board

Eamonn Rothwell	Chief Executive Officer
John Sheehan	Non-executive Director
26 August 2015	

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2015

	Notes	Half year ended 30 Jun 2015 €m	Half year ended 30 Jun 2014 €m	Year ended 31 Dec 2014 €m
Revenue	3	143.1	130.7	290.1
Depreciation and amortisation		(9.1)	(8.8)	(17.8)
Employee benefits expense		(9.1)	(8.4)	(18.9)
Other operating expenses		(108.5)	(108.3)	(220.7)
		16.4	5.2	32.7
Non-trading items		-	-	28.7
Operating profit		**16.4**	**5.2**	**61.4**
Investment revenue		0.1	0.1	0.1
Finance costs		(1.6)	(2.6)	(4.8)
Profit before taxation		**14.9**	**2.7**	**56.7**
Income tax expense		(0.4)	(0.3)	(0.7)
Profit for the period: all attributable to equity holders of the parent		**14.5**	**2.4**	**56.0**
Earnings per ordinary share – expressed in € cent per share				
Basic	5	7.8c	1.3c	30.4c
Diluted	5	7.7c	1.3c	30.1c

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2015

	Notes	Half year ended 30 Jun 2015 €m	Half year ended 30 Jun 2014 €m	Year ended 31 Dec 2014 €m
Profit for the period		**14.5**	**2.4**	**56.0**
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges:				
- Fair value losses arising during the period		(0.1)	(0.7)	(1.0)
- Transfer to Consolidated Income Statement net settlement of cash flow hedge		0.2	0.1	0.3
Exchange differences on translation of foreign operations		0.4	0.2	0.3
Deferred tax movements		-	(0.1)	-
Exchange difference on defined benefit pension schemes		-	0.1	0.1
Items that will not be reclassified subsequently to profit or loss:				
Actuarial gain / (loss) on defined benefit pension schemes	12	23.6	(8.2)	(21.2)
Deferred tax movements		(0.2)	0.1	-
Other comprehensive income / (expense) for the period		**23.9**	**(8.5)**	**(21.5)**
Total comprehensive income / (expense) for the period: all attributable to equity holders of the parent		**38.4**	**(6.1)**	**34.5**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Notes	30 Jun 2015 €m	30 Jun 2014 €m	31 Dec 2014 €m
Assets				
Non-current assets				
Property, plant and equipment	6	152.4	161.5	154.0
Intangible assets	7	0.8	0.8	0.7
Retirement benefit surplus	12	6.1	4.7	5.4
		159.3	**167.0**	**160.1**
Current assets				
Inventories		2.4	3.1	2.0
Trade and other receivables		40.1	41.0	34.7
Cash and bank balances	9	33.5	11.3	22.7
		76.0	**55.4**	**59.4**
Total assets		**235.3**	**222.4**	**219.5**
Equity and liabilities				
Equity				
Share capital		12.1	12.0	12.0
Share premium		12.4	9.4	9.7
Other reserves		(8.6)	(9.6)	(8.0)
Retained earnings		73.5	12.9	47.6
Equity attributable to equity holders		**89.4**	**24.7**	**61.3**
Non-current liabilities				
Borrowings	9	52.3	67.6	66.7
Deferred tax liabilities		4.0	3.8	3.8
Provisions		0.5	0.4	0.5
Deferred grant		0.4	0.5	0.5
Retirement benefit obligation	12	5.4	49.2	29.5
		62.6	**121.5**	**101.0**
Current liabilities				
Borrowings	9	14.9	15.6	17.3
Trade and other payables		66.9	59.4	38.4
Derivative financial instruments		0.6	0.6	0.7
Current income tax liabilities		0.3	0.1	0.2
Provisions		0.5	0.4	0.5
Deferred grant		0.1	0.1	0.1
		83.3	**76.2**	**57.2**
Total liabilities		**145.9**	**197.7**	**158.2**
Total equity and liabilities		**235.3**	**222.4**	**219.5**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2015

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2015	**12.0**	**9.7**	**(8.0)**	**47.6**	**61.3**
Profit for the period	-	-	-	14.5	14.5
Other comprehensive income	-	-	0.5	23.4	23.9
Total comprehensive income for the period	**-**	**-**	**0.5**	**37.9**	**38.4**
Employee share-based payments expense	-	-	0.1	-	0.1
Share issue	0.1	2.7	-	-	2.8
Dividends (note 4)	-	-	-	(13.1)	(13.1)
Transferred to retained earnings on exercise of share options	-	-	(1.2)	1.2	-
Settlement of equity plans through market purchase of shares	-	-	-	(0.1)	(0.1)
	0.1	**2.7**	**(0.6)**	**25.9**	**28.1**
Balance at 30 June 2015	**12.1**	**12.4**	**(8.6)**	**73.5**	**89.4**

Analysed as follows:	
Share capital	12.1
Share premium	12.4
Other reserves	(8.6)
Retained earnings	73.5
	89.4

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2015	**7.3**	**4.8**	**(0.7)**	**(19.4)**	**(8.0)**
Other comprehensive income	-	-	0.1	0.4	0.5
Employee share-based payments expense	-	0.1	-	-	0.1
Transferred to retained earnings on exercise of share options	-	(1.2)	-	-	(1.2)
	-	**(1.1)**	**0.1**	**0.4**	**(0.6)**
Balance at 30 June 2015	**7.3**	**3.7**	**(0.6)**	**(19.0)**	**(8.6)**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2014

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2014	**12.0**	**8.5**	**(9.3)**	**31.0**	**42.2**
Profit for the period	-	-	-	2.4	2.4
Other comprehensive expense	-	-	(0.4)	(8.1)	(8.5)
Total comprehensive expense for the period	**-**	**-**	**(0.4)**	**(5.7)**	**(6.1)**
Employee share-based payments expense	-	-	0.1	-	0.1
Share issue	-	0.9	-	-	0.9
Dividends (note 4)	-	-	-	(12.4)	(12.4)
	-	**0.9**	**(0.3)**	**(18.1)**	**(17.5)**
Balance at 30 June 2014	**12.0**	**9.4**	**(9.6)**	**12.9**	**24.7**

Analysed as follows:	
Share capital	12.0
Share premium	9.4
Other reserves	(9.6)
Retained earnings	12.9
	24.7

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2014	**7.3**	**3.1**	**-**	**(19.7)**	**(9.3)**
Other comprehensive (expense) / income	-	-	(0.6)	0.2	(0.4)
Employee share-based payments expense	-	0.1	-	-	0.1
	-	**0.1**	**(0.6)**	**0.2**	**(0.3)**
Balance at 30 June 2014	**7.3**	**3.2**	**(0.6)**	**(19.5)**	**(9.6)**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2014	**12.0**	**8.5**	**(9.3)**	**31.0**	**42.2**
Profit for the year	-	-	-	56.0	56.0
Other comprehensive expense	-	-	(0.4)	(21.1)	(21.5)
Total comprehensive (expense) / income for the year	**-**	**-**	**(0.4)**	**34.9**	**34.5**
Employee share-based payments expense	-	-	2.2	-	2.2
Share Issue	-	1.2	-	-	1.2
Dividends (note 4)	-	-	-	(18.8)	(18.8)
Transferred to retained earnings on exercise of share options	-	-	(0.5)	0.5	-
	-	**1.2**	**1.3**	**16.6**	**19.1**
Balance at 31 December 2014	**12.0**	**9.7**	**(8.0)**	**47.6**	**61.3**

Analysed as follows:

Share capital	12.0
Share premium	9.7
Other reserves	(8.0)
Retained earnings	47.6
	61.3

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2014	**7.3**	**3.1**	**-**	**(19.7)**	**(9.3)**
Other comprehensive (expense) / income	-	-	(0.7)	0.3	(0.4)
Employee share-based payments expense	-	2.2	-	-	2.2
Transferred to retained earnings on exercise of share options	-	(0.5)	-	-	(0.5)
	-	**1.7**	**(0.7)**	**0.3**	**1.3**
Balance at 31 December 2014	**7.3**	**4.8**	**(0.7)**	**(19.4)**	**(8.0)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2015

	Notes	30 Jun 2015 €m	30 Jun 2014 €m	31 Dec 2014 €m
Net cash inflow from operating activities	13	**45.2**	**21.8**	**39.7**
Cash flow from investing activities				
Interest received		0.1	0.1	0.1
Proceeds on disposal of property, plant and equipment		-	-	0.1
Payment received on finance lease receivable	8	-	17.8	17.8
Purchases of property, plant and equipment		(7.1)	(6.5)	(7.7)
Purchase of intangible assets		(0.3)	(0.2)	(0.3)
Net cash (outflow) / inflow from investing activities		**(7.3)**	**11.2**	**10.0**
Cash flow from financing activities				
Dividends paid to equity holders of the Company		(13.1)	(12.4)	(18.8)
Repayments of bank borrowings		(16.5)	(30.6)	(39.6)
Repayments of obligations under finance leases		(0.5)	(0.4)	(0.8)
Proceeds on issue of ordinary share capital		2.8	0.9	1.2
Settlement of equity plans through market purchase of shares		(0.1)	-	-
New bank loans raised		2.5	-	7.5
Proceeds from sale and leaseback		-	0.4	1.6
Net cash outflow from financing activities		**(24.9)**	**(42.1)**	**(48.9)**
Net increase / (decrease) in cash and cash equivalents		13.0	(9.1)	0.8
Cash and cash equivalents at the beginning of the period		**19.4**	**18.5**	**18.5**
Effect of foreign exchange rate changes		0.2	0.1	0.1
Cash and cash equivalents at the end of the period	9	**32.6**	**9.5**	**19.4**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

1. General information

These condensed financial statements for the six months ended 30 June 2015 are not full financial statements as defined in the Companies Act 2014 and were neither audited nor reviewed by the auditors. The figures disclosed relating to 31 December 2014 have been derived from the consolidated financial statements which were audited, received an unqualified audit report and have been filed with the Registrar of Companies. The interim figures included in the condensed financial statements for the six months ended 30 June 2015 and the comparative amounts for the six months ended 30 June 2014 are unaudited.

Irish Continental Group plc uses alternative performance measures as key financial indicators to assess the underlying performance of the Group. These include EBITDA, operating profit, net debt, adjusted earnings per share and free cash flow. These measures have been explained and defined in the 2014 Annual Report.

2. Accounting policies

The Group Condensed Financial Statements for the six months ended 30 June 2015 have been prepared in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended), the related Transparency Rules of the Central Bank of Ireland and with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The accounting policies and methods of computation applied in preparing these condensed financial statements are consistent with those set out in the Group Annual Report for the financial year ended 31 December 2014, which is available at www.icg.ie.

The Group did not adopt any new International Financial Reporting Standards (IFRS) or Interpretations in the period that had a material impact on the Group Condensed Financial Statements for the half year.

At 30 June 2015, the following Standards and Interpretations have become effective since our last Annual Report but had no material impact on the results or financial position of the Group:

Title	**Effective date – periods beginning on or after**
IFRS 1 (amendment) First-time adoption of International Financial Reporting Standards	1 July 2014
IFRS 2 (amendment) Share-based payment	1 July 2014
IFRS 3 (amendments) Business Combinations	1 July 2014
IFRS 8 (amendment) Operating Segments	1 July 2014
IFRS 13 (amendments) Fair Value Measurement	1 July 2014
IAS 16 (amendment) Property, Plant and Equipment	1 July 2014
IAS 19 (amendment) Employee Benefits	1 July 2014
IAS 24 (amendment) Related Party Disclosures	1 July 2014
IAS 38 (amendment) Intangible Assets	1 July 2014
IAS 40 (amendment) Investment Property	1 July 2014

There have been no material changes in estimates in these interim accounts based on the estimates that have previously been made in the prior year interim accounts to 30 June 2014 and the prior year financial statements to 31 December 2014.

3. Segmental information: Analysis by class of business

Under IFRS 8: Operating Segments, the Group has determined that the operating segments are (i) Ferries and (ii) Container and Terminal.

	Half year ended				Year ended	
	30 Jun 2015		30 Jun 2014		31 Dec 2014	
	External Revenue €m	Profit €m	External Revenue €m	Profit €m	External Revenue €m	Profit €m
Ferries	86.5	12.3	77.7	2.8	184.3	28.0
Container and Terminal	57.2	4.1	53.7	2.4	107.0	4.7
Inter-segment Revenue	(0.6)	-	(0.7)	-	(1.2)	-
Operating profit	**-**	**16.4**	**-**	**5.2**	**-**	**32.7**
Net Interest - Ferries	-	(1.4)	-	(2.4)	-	(4.5)
Net interest - Container and Terminal	-	(0.1)	-	(0.1)	-	(0.2)
Non-trading items	-	-	-	-	-	28.7
Total	**143.1**	**14.9**	**130.7**	**2.7**	**290.1**	**56.7**

Revenue in the Group's Ferries Division is weighted towards the second half of the year due to patterns of passenger demand.

There has been no material change in the share of total assets / liabilities between segments from the share disclosed in the prior year financial statements to 31 December 2014.

4. Dividend

	Half year ended 30 Jun 2015 €m	Half year ended 30 Jun 2014 €m	Year ended 31 Dec 2014 €m
Interim dividend	-	-	6.4
Final dividend	13.1	12.4	12.4
	13.1	**12.4**	**18.8**

In June 2015 a final dividend of 7.035 cent per ICG Unit was paid for the year ended 31 December 2014. In June 2014 a final dividend of 6.7 cent per ICG Unit was paid for the year ended 31 December 2013. In September 2014 an interim dividend of 3.465 cent per ICG Unit was paid for the year ended 31 December 2014.

5. Earnings per share

Number of shares	Half year ended 30 Jun 2015 '000	Half year ended 30 Jun 2014 '000	Year ended 31 Dec 2014 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	185,275	184,221	184,357
Effect of dilutive potential ordinary shares: Share options	2,739	1,488	1,438
Weighted average number of ordinary shares for the purpose of diluted adjusted earnings per share	**188,014**	**185,709**	**185,795**

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

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

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:

Earnings	Half year Ended 30 Jun 2015 €m	Half year ended 30 Jun 2014 €m	Year ended 31 Dec 2014 €m
Earnings for the purpose of basic and diluted earnings per share - Profit for the period attributable to equity holders of the parent	**14.5**	**2.4**	**56.0**
Earnings for the purpose of adjusted earnings per share - Profit for the period attributable to equity holders of the parent	14.5	2.4	56.0
Effect of non-trading items	-	-	(28.7)
Effect of net interest expense on defined benefit pension schemes	0.2	0.7	1.2
Earnings for the purpose of adjusted earnings per share	**14.7**	**3.1**	**28.5**
	Cent	**Cent**	**Cent**
Basic earnings per share	7.8	1.3	30.4
Diluted earnings per share	7.7	1.3	30.1
Adjusted basic earnings per share	7.9	1.7	15.5
Adjusted diluted earnings per share	7.8	1.7	15.3

6. Property, plant and equipment

	Passenger ships	Plant and equipment	Vehicles	Land and buildings	Total
	€m	€m	€m	€m	€m
Cost					
At 1 January 2015	302.3	54.9	1.4	25.1	383.7
Additions	6.0	1.0	-	0.1	7.1
Disposals	-	(0.3)	(0.2)	-	(0.5)
Exchange differences	-	0.5	-	-	0.5
At 30 June 2015	**308.3**	**56.1**	**1.2**	**25.2**	**390.8**
Accumulated depreciation					
At 1 January 2015	183.5	37.2	0.9	8.1	229.7
Charge for period	7.1	1.6	0.1	0.2	9.0
Disposals	-	(0.3)	(0.2)	-	(0.5)
Exchange differences	-	0.2	-	-	0.2
At 30 June 2015	**190.6**	**38.7**	**0.8**	**8.3**	**238.4**
Carrying amount					
At 1 January 2015	118.8	17.7	0.5	17.0	154.0
At 30 June 2015	**117.7**	**17.4**	**0.4**	**16.9**	**152.4**
At 30 June 2014	125.7	18.1	0.5	17.2	161.5

At 30 June 2015 the Group has entered into commitments to the value of €2.3 million (2014: €1.5 million) for the purchase of fixed assets.

7. Intangible assets

	Software
	€m
Cost	
At 1 January 2015	9.6
Additions	0.3
At 30 June 2015	**9.9**
Amortisation	
At 1 January 2015	8.9
Charge for the period	0.2
At 30 June 2015	**9.1**
Carrying amount	
At 1 January 2015	0.7
At 30 June 2015	**0.8**
At 30 June 2014	0.8

8. Finance lease receivable

	30 Jun 2015 €m	30 Jun 2014 €m	31 Dec 2014 €m
Opening balance	-	17.8	17.8
Amounts received	-	(17.8)	(17.8)
	-	**-**	**-**

In April 2014, on the early termination of the Bareboat Hire Purchase Agreement relating to the sale of the vessel 'Bilbao', the Group received, in full settlement, all amounts due under the terms of the Agreement.

9. Net debt and cash

	Cash €m	Overdrafts €m	Loans €m	Leases €m	Total €m
At 1 January 2015					
Current assets	22.7	-	-	-	22.7
Creditors due within one year	-	(3.3)	(13.0)	(1.0)	(17.3)
Creditors due after one year	-	-	(63.2)	(3.5)	(66.7)
	22.7	**(3.3)**	**(76.2)**	**(4.5)**	**(61.3)**
Cash flow	10.8	-	-	-	10.8
Foreign exchange rate changes	-	-	-	(0.1)	(0.1)
Drawdown	-	-	(2.5)	-	(2.5)
Repayment	-	2.4	16.5	0.5	19.4
	10.8	**2.4**	**14.0**	**0.4**	**27.6**
At 30 June 2015					
Current assets	33.5	-	-	-	33.5
Creditors due within one year	-	(0.9)	(13.0)	(1.0)	(14.9)
Creditors due after one year	-	-	(49.2)	(3.1)	(52.3)
	33.5	**(0.9)**	**(62.2)**	**(4.1)**	**(33.7)**
At 30 June 2014					
Current assets	11.3	-	-	-	11.3
Creditors due within one year	-	(1.8)	(13.0)	(0.8)	(15.6)
Creditors due after one year	-	-	(64.7)	(2.9)	(67.6)
	11.3	**(1.8)**	**(77.7)**	**(3.7)**	**(71.9)**

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

9. Net debt and cash - continued

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled as follows:

	30 Jun 2015 €m	30 Jun 2014 €m	31 Dec 2014 €m
Cash and bank balances	33.5	11.3	22.7
Bank overdraft	(0.9)	(1.8)	(3.3)
Cash and cash equivalents	**32.6**	**9.5**	**19.4**

10. Tax

Corporation tax for the interim period is estimated based on the best estimates of the weighted average annual corporation tax rate expected to apply to each taxable entity for the full financial year.

The Company and subsidiaries that are within the EU approved Tonnage Tax jurisdictions have elected to be taxed under the tonnage tax scheme. Under the tonnage tax scheme, taxable profit on eligible activities is calculated on a specified notional profit per day related to the tonnage of the ships utilised.

11. Financial instruments and risk management

The Groups activities expose it to a variety of financial risks including interest rate risk, foreign currency risk, liquidity risk and credit risk. The Group’s funding, liquidity and exposure to interest and foreign exchange rate risks are managed by the Group’s treasury and accounting departments. A combination of derivative financial instruments and treasury management techniques are used to manage these underlying risks. These interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2014 Annual Report. There have been no changes to the risk management procedures or policies since the 2014 year end.

Fair value hierarchy

The Group has adopted the following fair value measurement hierarchy for financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The fair value of financial assets and financial liabilities that are carried in the Statement of Financial Position at fair value are classified within Level 2 of the fair value hierarchy as market observable inputs (forward rates and yield curves) are used in arriving at fair values. There have been no movement between levels in the current period.

11. Financial instruments and risk management - continued

Fair value of financial assets and financial liabilities measured at amortised cost

At 30 June 2015 the fair value of borrowings was €65.1 million (31 December 2014: €82.4 million)

The fair value of the following financial assets and financial liabilities approximate their carrying value:

- Trade and other receivables
- Cash and bank balances
- Trade and other payables

Fair value of derivative financial instruments

Derivative financial instruments are measured in the Statement of Financial Position at fair value. The fair values of derivative financial instruments are based on market price calculations using financial models.

The fair value of derivative financial instruments was a liability of €0.6 million as at 30 June 2015 (31 December 2014: €0.7 million) which consisted of interest rate swaps. All cash flow hedges were effective and fair value losses of €0.1 million (31 December 2014: losses of €1.0 million) were recorded in other comprehensive income and net settlements amounted to €0.2 million (31 December 2014: €0.3 million).

The Group utilised interest rate swaps during the period ended 30 June 2015 and year ended 31 December 2014 whereby it swapped its entire EURIBOR floating interest rate exposure under the amortising term loan facility for fixed interest rates. The notional capital amount outstanding of this contract at 30 June 2015 was €57.2 million (31 December 2014: €63.7 million) and the notional amounts for all future periods match the amortising schedule of the loan agreement. The estimated fair value has been accumulated in equity and will be subsequently recognised in the Consolidated Income Statement in the same period as the hedge expense.

The Group utilises currency derivatives to hedge future cash flows in the management of its exchange rate exposures. At 30 June 2015 and 31 December 2014 there were no material outstanding forward foreign exchange contracts.

12. Retirement benefit schemes

Retirement benefit scheme valuations have been updated at the half year. Scheme assets have been valued as per investment managers valuations at 30 June 2015. In consultation with the actuary to the principal group defined benefit pension schemes, the discount rate used in relation to the pension scheme liabilities is 2.4% for Euro liabilities (31 December 2014: 2.00%) and 3.65% for Sterling liabilities (31 December 2014: 3.65%).

At 30 June 2015 the Groups total obligation in respect of defined benefit schemes totals €272.4 million (31 December 2014: €280.6 million). The schemes held assets of €273.1 million (31 December 2014: €256.5 million), giving a net pension surplus of €0.7 million (31 December 2014: €24.1 million).

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Half year ended 30 Jun 2015		Half year ended 30 Jun 2014		Year ended 31 Dec 2014	
	Sterling	Euro	Sterling	Euro	Sterling	Euro
Discount rate	3.65%	2.40%	4.20%	2.90%	3.65%	2.00%
Inflation rate	3.30%	1.75%	3.40%	1.80%	3.10%	1.50%
Rate of increase of pensions in payment	3.00%	0.80% - 0.90%	3.10%	1.60% - 1.80%	2.90%	0.60% - 0.70%
Rate of pensionable salary increases	1.52%	1.10%	3.90%	2.80%	1.44%	1.00%

	Half year ended 30 Jun 2015 €m	Half year ended 30 Jun 2014 €m	Year ended 31 Dec 2014 €m
Opening deficit	(24.1)	(36.7)	(36.7)
Current service cost	(1.0)	(1.0)	(1.9)
Employer contributions paid	2.2	1.2	4.0
Past service credit	0.2	0.8	1.8
Curtailment gain	-	-	31.0
Net interest cost	(0.2)	(0.7)	(1.2)
Actuarial gain / (loss)	23.6	(8.2)	(21.2)
Other	-	0.1	0.1
Net surplus / (deficit)	**0.7**	**(44.5)**	**(24.1)**
Schemes in surplus	6.1	4.7	5.4
Schemes in deficit	(5.4)	(49.2)	(29.5)
Net surplus / (deficit)	**0.7**	**(44.5)**	**(24.1)**

13. Net cash from operating activities

	30 Jun 2015 €m	30 Jun 2014 €m	31 Dec 2014 €m
Operating activities			
Profit for the year	14.5	2.4	56.0
Adjustments for:			
Finance costs (net)	1.5	2.5	4.7
Income tax expense	0.4	0.3	0.7
Retirement benefit obligation – current service cost	1.0	1.0	1.9
Retirement benefit obligation – payments	(2.2)	(1.2)	(4.0)
Retirement benefit obligation – past service credit	(0.2)	(0.8)	(1.8)
Depreciation of property, plant and equipment	9.0	8.7	17.5
Amortisation of intangible assets	0.2	0.2	0.4
Amortisation of deferred grant	(0.1)	(0.1)	(0.1)
Share-based payment expense	0.1	0.1	0.2
Non-trading item: Net gain on pension deficit agreement	-	-	(28.7)
Non-trading item: Fees related to pension deficit agreement	-	-	(0.3)
Gain on disposal of property, plant and equipment	-	-	(0.1)
Increase in other provisions	-	-	0.2
Operating cash flow before movements in working capital	**24.2**	**13.1**	**46.6**
(Increase) / decrease in inventories	(0.4)	(0.4)	0.7
Increase in receivables	(5.4)	(11.1)	(4.8)
Increase in payables	28.5	22.9	1.9
Cash generated from operations	**46.9**	**24.5**	**44.4**
Income taxes paid	(0.3)	(0.8)	(1.1)
Interest paid	(1.4)	(1.9)	(3.6)
Net cash generated from operating activities	**45.2**	**21.8**	**39.7**

At 30 June 2015 and 2014 the increase in payables is due to the seasonality of the business, giving rise to an increase in deferred revenue, as at 30 June 2015 and 2014.

14. Related party transactions

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

During the six months ended 30 June 2015 there were no material changes to, or material transactions between Irish Continental Group plc and its key management personnel or members of their close family, other than in respect of remuneration and dividends.

15. Contingent assets / liabilities

There have been no material changes in contingent assets or liabilities as reported in the Group's financial statement for the year ended 31 December 2014.

16. Impairment

Under IFRS, goodwill and other indefinite-lived intangible assets are required to be tested at least annually for impairment. As the Group does not have these assets no impairment review is required.

In relation to assets other than those listed above, the Group assessed those assets to determine if there were any indications of impairment. No internal or external indications of impairment were identified and consequently no impairment review was performed.

17. Composition of the entity

There have been no changes in the composition of the entity during the period ended 30 June 2015.

18. Events after the reporting period

The Board has declared an interim dividend of 3.638 cent per ICG Unit in respect of 2015.

There have been no other material events affecting the Group to report since 30 June 2015.

19. Board approval

This interim report was approved by the Board of Directors of Irish Continental Group plc on 26 August 2015.