



IRISH CONTINENTAL GROUP

2019 Results Presentation

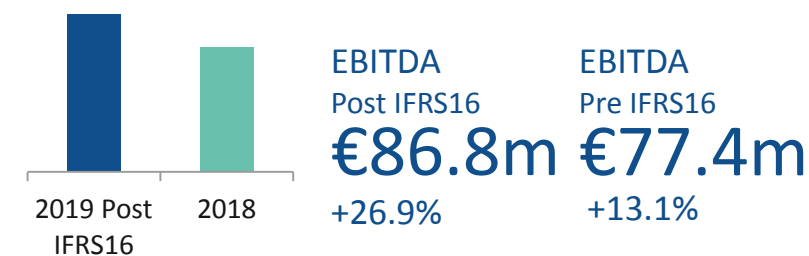
5th March 2020



Full Year 2019 Performance Summary



Revenue
€357.4m
+8.2%

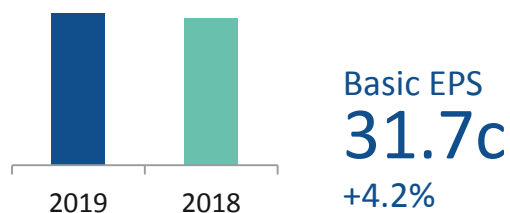


EBITDA
Post IFRS16
€86.8m
+26.9%

EBITDA
Pre IFRS16
€77.4m
+13.1%

Net Debt
Post IFRS16
€129.0m

Net Debt
Pre IFRS16
€93.5m



Basic EPS
31.7c
+4.2%

- Revenue for the year increased by 8.2% to €357.4 million (2018: €330.2 million). In the Ferries division revenue* increased by 8.3% to €212.4 million (2018: €196.2 million) while in the Container and Terminal division revenue* increased by 7.7% to €154.4 million (2018: €143.3 million).
- EBITDA for the year increased by 26.9% to €86.8 million (Pre IFRS16 increased by 13.1% to €77.4 million). EBITDA in the Ferries division increased by 25.3% to €67.2 million (Pre IFRS16 increased by 14.3% to €61.3 million). The EBITDA in the Container and Terminal division increased by 32.4% to €19.6 million (Pre IFRS16 increased by 8.7% to €16.1 million).
- Net debt of €129.0 million (€93.5 pre IFRS16) at 31 December 2019 (Net debt of €80.3 million in 2018).
- Basic EPS increased by 4.2% to 31.7 cent from 30.4 cent in 2018
Adjusted EPS increased by 3.0% to 23.8 cent from 23.1 cent in 2018.
- IAS 19 accounting surplus on retirement benefit schemes of €8.8m (31 December 2018 – deficit of €1.7m).
- Disposal of Oscar Wilde to a bareboat hire purchase agreement for a total consideration of €28.9m, giving a gain on disposal (after tax) of €14.9m.

**Inclusive of Inter-segment Revenue €9.4m (2018: €9.3m)*



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: 17.6%

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.

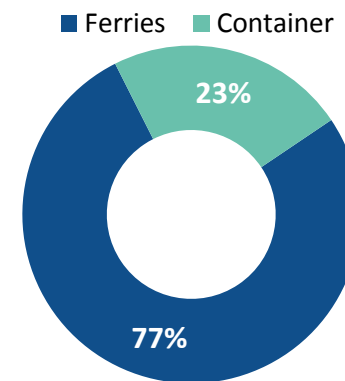
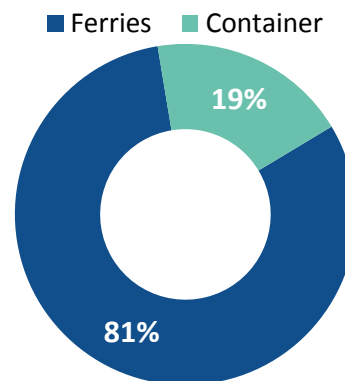
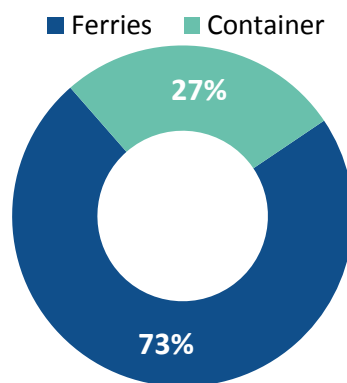
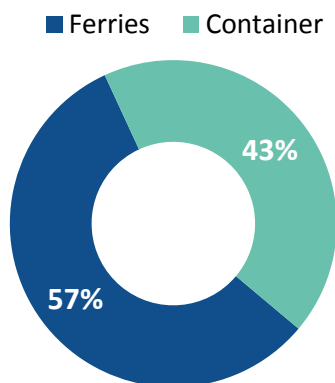
ROACE: 28.6%

Revenue

Operating Profit

Capital Employed

EBITDA





Ferries Division



Ferries Division - Routes



Weekly Sailings	2018	2019
Dublin - Holyhead		
Ulysses	28	28
Dublin Swift	28	28*
Epsilon / W.B. Yeats	18	26/28
	74	82/84
Rosslare - Pembroke		
Isle of Inishmore	28	28
Total Ireland - UK	102	110/112
Ireland - France		
Oscar Wilde	7	-
Epsilon / W.B. Yeats	2	6/7
Total Ireland-France	9	6/7
Total	111	116/119

* March - September only



Brand: Irish Ferries

Owned:

- 3 cruise ferries
- 1 fast ferry
- 6 container ships

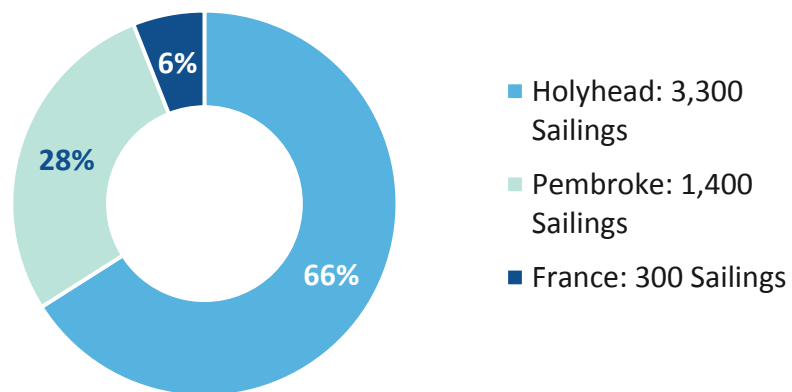
On order: - 1 cruise ferry

Charter in: - 1 ropax ferry

[Always On irishferries.com](https://www.irishferries.com)

Our passenger booking website irishferries.com received over 6.4 million visits in 2019 delivering over 85% of bookings transacted last year.

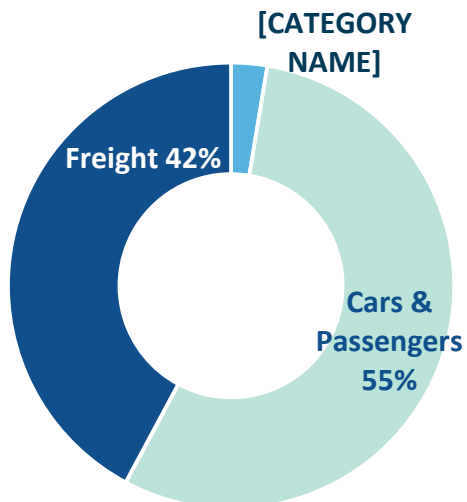
Sailings 2018



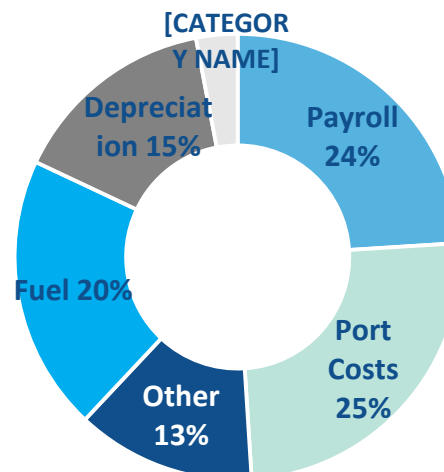
Strategic routes

Strategic short sea RoRo routes operated by Irish Ferries providing a seamless connection from Ireland to the UK and Continental motorway network for the 313,200 RoRo units carried in 2019.

Revenue 2019



Costs 2019 - Pre IFRS16



Car Market CAGR (Volumes)

	1 Year 2019	3 Years 2016 – 2019	5 Years 2014 - 2019	10 Years 2009 - 2019	27 Years 1992 - 2019
Irish Ferries	+2%	-1%	+1%	+1%	+2%
Republic of Ireland	-1%	-1%	0%	-1%	+1%
All Ireland	0%	0%	0%	-1%	+1%

RoRo Market CAGR (Volumes)

	1 Year 2019	3 Years 2016 – 2019	5 Years 2014 - 2019	10 Years 2009 - 2019	27 Years 1992 - 2019
Irish Ferries	+10%	+3%	+5%	+5%	+6%
Republic of Ireland	+2%	+3%	+5%	+3%	+6%
All Ireland	+1%	+2%	+3%	+2%	+4%



Ship Chartering Revenue	FY 2019 €m	FY 2018 €m
External	5.3	2.1
Internal	<u>8.2</u>	<u>8.1</u>
Total	13.5	10.2

- External charter revenues up €5.3 million following the purchase during the year of the MV Thetis, CT Rotterdam and the sale of the MV Oscar Wilde.
- Charter fleet at December 2019 comprised of 6 LoLo vessels. The MV Thetis was purchased in April 2019 for €12.4 million. The CT Rotterdam was purchased in November 2019 for €8.2 million. The MV Thetis is currently on external charter. The CT Rotterdam is currently providing Drydock cover to the Eucon fleet, but will be deployed on external charter later in the year.
- In April 2019, the Group entered into a bareboat hire purchase agreement for the sale of the Oscar Wilde to MSC Mediterranean Shipping Company SA over a term of six years. The total gross consideration for the sale was €28.9 million. This resulted in a profit in the year of €14.9 million.
- In the prior year, the Group completed the sale of the vessel, Jonathan Swift, generating a profit of €13.7 million.



General

- Two new cruise ferries contracted with German yard FSG for intended deployment on Irish Ferries services.
- Total contract value €314 million.
- W.B. Yeats construction was completed in 2018 and the ship was delivered to Irish Ferries in December 2018 and entered service in January 2019.
- The investments will allow greater vessel route configurations and improve service continuity and reliability especially during the winter and drydock season.
- Vessels include emissions scrubber technology to deliver optimal fuel consumption.
- Vessels adhere to ICE class specification which will allow for a wide geographic area of operation.
- Upgraded passenger facilities on Dublin Swift fastcraft and installation of additional car deck circa total investment €7 million.

Progress of ship construction

W.B. Yeats

- Contracted May 2016 for expected delivery in advance of Summer season 2018 at a cost of €149 million (including Scrubber).
- Due to extraordinary circumstances beyond the Group's control, the delivery of the W.B. Yeats was delayed by FSG. The vessel was delivered to Irish Ferries in December 2018 and began sailings on the 22nd January 2019.
- The W.B. Yeats operated on the Dublin/Cherbourg route in the Summer, and Dublin – Holyhead route in the Winter.

Hull 777

- Contracted January 2018 for contracted delivery late 2020 at a cost of €165 million (including Scrubber).
- To be deployed on Dublin/Holyhead route to increase freight capacity replacing the chartered vessel Epsilon which will be returned to owners.
- 20% deposit (€33 million) paid. 80% balance due on delivery.

New Cruise Ferry, W.B. Yeats, ordered by ICG from Flensburger (FSG) delivered in late 2018



Cruise Ferry Details	
Cost	€144 million (excl Scrubber)
Deck Capacity (Maximum)	165 Trucks or 1,216 Cars
Deck Capacity (Mix)	165 Trucks <u>and</u> 300 Cars
Passenger/Crew Capacity	1,885
Passenger Cabins	440
Engine output (4 engines)	33,600kw
Speed	22.5 knots
Gross Tonnage	54,975 tons

The W.B. Yeats sailed on the Dublin/Cherbourg route in the Summer and the Dublin/Holyhead route in the Winter, swapping with the Epsilon.

New Cruise Ferry, Hull 777, ordered by ICG from Flensburger (FSG) for Dublin – Holyhead route (contracted for delivery late 2020)



	New Build 2 (Hull 777)	MV Ulysses
Effective Peak Freight Capacity	300	200
Passenger/Crew Capacity	1,800	1,850
Cars	1,500	1,342
Engine output (4 engines)	33,600kw	31,200kw
Speed	23.0 knots	22.0 knots
Gross Tonnage	67,300t	50,938t



	2019		2018	Change	
	POST IFRS16	PRE IFRS16		POST IFRS16	PRE IFRS16
Revenue*	€212.4m	€212.4m	€196.2m	+8.3%	+8.3%
Operating Costs	(€145.2m)	151.1m	(€142.6m)	+1.8%	+6.0%
EBITDA	€67.2m	€61.3m	€53.6m	+25.3%	+14.3%
Non-trading item	€14.9m	€14.9m	€13.7m	+8.8%	+8.8%
Depreciation/Amortisation	(€30.8m)	(€25.1m)	(€19.4m)	+58.8	+29.4%
Operating Profit	€51.3m	€51.1m	€47.9m	+7.1%	+6.6%

- Passenger, Car & On Board revenue up 3.2% to €112.7 million.
- RoRo Freight revenue up 12.2% to €86.2 million.
- Ship chartering revenue amounted to €13.5 million.
- Other operating costs increased by 1.8% to €145.2 million.

*Inclusive of Inter-segment Revenue



Container & Terminal Division



- 6 chartered vessels
- 3,800 owned and leased containers, 7,400 teu (20ft, 40ft, 45ft, reefers, flats, curtain sidings)
- Operating between the Ports of Dublin, Cork and Belfast to Rotterdam and Antwerp
- Door to Door (52%) Transport plus Quay to Quay (48%) (feeder)
- DFT Terminal in Dublin
- BCT in Belfast operating the Victoria Terminal 3 (VT3)
- On a combined basis our terminals are handling 47% of all LoLo container movements. (All-Ireland)



Connected Container Shipping

Eucon transported 343,400 teu in 2019 while providing shipping services to 20 countries throughout Europe.



Strategic Terminal Locations

Our strategically located terminals in Dublin and Belfast handled 321,000 containers over our terminals, with up to 1,000 truck moves per day handled at our Dublin terminal alone.



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



- 150 year lease in Dublin from 1972
- Annual throughput of 190,600 lifts (2018: 182,500 lifts)
- Design Capacity of 220,000 lifts
- 3 Gantry Cranes and 10 Rubber Tyre Gantries (RTG's)
- Largest container terminal in Ireland
- Motorway connected



- Concession from Belfast Harbour Commissioners (BHC) extended for 6 years to 2026 (option with BHC to extend for a further 3 years) 130,200 lifts in 2019 (2018: 127,500)
- Concession from BHC first obtained in June 2015
- £40 million investment programme being undertaken by BHC
- Design Capacity of BCT 145,000 lifts
- 3 Gantry Cranes, 3 Rail Mounted Gantries, 3 Straddle Carriers
- Motorway connected

CAGR (Volumes)

	1 Year 2019	3 Year 2016-19	5 Year 2014-19
ICG	3%	4%	11%
ICG*Excl. Belfast	4%	5%	5%
All Ireland	4%	4%	4%





	2019		2018	Change	
	POST IFRS16	PRE IFRS16		POST IFRS16	PRE IFRS16
Revenue*	€154.4m	€154.4m	€143.3m	7.7%	7.7%
Operating Costs	<u>(€134.8m)</u>	<u>(€138.3m)</u>	<u>(€128.5m)</u>	<u>4.9%</u>	7.6%
EBITDA	€19.6m	€16.1m	€14.8m	32.4%	8.7%
Depreciation/Amortisation	<u>(€6.0m)</u>	<u>(€3.1m)</u>	<u>(€2.7m)</u>	<u>122%</u>	14.8%
Operating Profit	€13.6m	€13.0m	€12.1m	12.4%	7.4%

- Container volumes up 4.8% at 343,400 teu.
- Terminal volumes up 3.5% at 320,800 lifts (DFT up 4.4%, BCT up 2.1%)
- Other operating costs increased by 4.9% to €134.8 million.

* Inclusive of Inter-segment Revenue



Group

- Results
- Fuel Costs
- Cash Flow
- Share Performance/Dividends/Share Buybacks
- Current Trading/Outlook
- Refinancing of Group Debt





	2019		2018	Change	
	POST IFRS16	PRE IFRS16		POST IFRS16	PRE IFRS16
Revenue	€357.4m	€357.4m	€330.2m	8.2%	8.2%
Operating Costs (exc. Dep)	€270.6m	€280m	€261.8m	3.4%	7.0%
EBITDA	€86.8m	€77.4m	€68.4m	26.9%	13.1%
Non-trading items	€14.9m	€14.9m	€13.7m	8.8%	8.8%
Operating Profit	€64.9m	€64.1m	€60.0m	8.2%	6.8%
Basic EPS	31.7c	31.8c	30.4c	4.2%	4.6%
Adjusted EPS	23.7c	23.8c	23.1c	2.6%	3.1%
Dividend Per Share	8.99c	8.99c	8.56c	5%	5%
Net (Debt) / Cash	(€129.0m)	(€93.5m)	(€80.3m)	-	-



	2019	2018	Change
Consumption (000 tons)			
Heavy Fuel Oil	88.3	69.6	26.9%
Marine Diesel	<u>31.7</u>	<u>39.0</u>	(18.8%)
	120.0	108.6	10.5%
Average Price (€ per ton)			
Heavy Fuel Oil	€363	€376	(3.4%)
Marine Diesel	€523	€543	(3.6%)
<i>Brent Crude (guide)</i>	\$64/€57	\$72/€61	(10.8%)/(5.9%)
Total Cost (inc. lubs)	€49.3m	€48.2m	2.3%
% of Operating Costs (exc. Dep)	18%	18%	-

Group - Cash Flow



	2019 €m	2018 €m
EBITDA	86.8	68.4
Working Capital Movement	2.0	(3.8)
Pension Payments	(1.3)	(1.6)
Other	2.0	1.7
Cash Generated from Operations	89.5	64.7
Interest	(3.5)	(1.0)
Tax	(1.2)	(2.2)
Purchases of property, plant and equipment & intangible asset before new vessel investments	<u>(11.6)</u>	<u>(15.6)</u>
Free Cash Flow before strategic capex	73.2	45.9
Strategic capex (new vessel investments)	<u>(42.5)</u>	<u>(160.5)</u>
Free Cash Flow after strategic capex	30.7	(114.6)
Proceeds on disposal of property, plant and equipment	1.8	17.4
Dividends paid to equity holders of the Company	(24.7)	(23.5)
Proceeds on issue of ordinary share capital	-	0.6
Share buyback	<u>(12.9)</u>	<u>-</u>
Net Cash Flows	(5.0)	(120.1)
Opening (Debt) / Net Cash	(80.3)	39.6
Lease liability non-cash movements (IFRS16)	(43.5)	-
Translation/ Other	<u>(0.2)</u>	<u>0.2</u>
Closing Net (Debt) / Cash Post IFRS16	(129.0)	(80.3)
Closing Net (Debt) / Cash Pre IFRS16	(93.5)	(80.3)

Group – Share Performance/Dividends/Share Buy Backs



ICG shares: Total return CAGR last 10 years to 31/12/19 **17.3%**
 Total return CAGR since flotation on 14/04/88 **17.3%**

Cash Returned to Shareholders 2008 - 2018

Year	Interim (Cent)	Final (Cent)	Total (Cent)	€m	Buyback/ Tender Offer €m
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	11.025c	20.6	
2016	3.820c	7.760c	11.780c	21.7	
2017	4.010c	8.150c	12.160c	23.1	
2018	4.210c	8.560c	12.770c	<u>23.5</u>	
2019	4.420c (declared)	8.990c	13.41c	<u>24.7</u>	<u>12.9</u>
				<u>271.3</u>	<u>138.5</u>
Total				409.8	



General

- There is uncertainty at the moment over the manner of the proposed exit of the United Kingdom from the European Union.
- There is uncertainty in relation to the impact of COVID-19 on ferry passenger movement and economic growth.
- The previous virus outbreaks like Sars (2002-03), Avian Flu(2003-09), Swine Flu (2009-10), Mers (2012-20), Bird Flu (2013-17), Ebola (2014-16) had very limited, if any, impact on ferry traffic. In 2001, the outbreak of Foot & Mouth in the British Isles (when people were discouraged from travelling unless it was necessary) was an external shock to the ferry sector. In that year car volumes fell 8% (down 9.4% on the Irish Sea) but RoRo volumes grew 6.4% (7% on the Irish Sea).
- A second new cruise ferry is contracted for delivery in late 2020.
- Irish construction/housing continues to grow. Housing completions, construction employment all point to growth in this sector. This is positive for RoRo volumes given the import requirement for both building materials and fit-out.

Car volumes YTD (1st Jan to 29th Feb 2020)

- Car volumes –8.5% YTD and reduced tourism capacity. Volumes were materially affected by particularly bad storm force weather with 3.3% less sailings than the prior year and reduced tourism capacity due to the planned extended drydocking of the MV Ulysses.

Freight Volumes YTD (1st Jan to 29th Feb 2020)

- RoRo volumes +11.2% YTD despite the bad weather and lost sailings.

Container and Terminal volumes YTD (1st Jan to 29th Feb 2020)

- Overall container volumes shipped were down 9.8% and terminal volumes were down 11.6% reflecting the impact of exceptional adverse weather conditions over the last three weeks of February and stronger volumes in the prior year due to the impending exit of the UK from the EU at the time which resulted in some increased demand.
- Overall capacity was down 12.5% over the same period, due to a combination of reduced capacity and sailings as a result of storms.



Appendix Fleet



Ulysses

Year Built	2001
Cost	€106m
GT	50,938 tons
PAX	1875
Cars	1342
Lane Meters	4.1km
Speed	22 knots
Route	Dublin/ Holyhead





Isle of Inishmore

Year Built	1997
Cost	€81m
GT	34,031 tons
PAX	2200
Cars	855
Lane Meters	2.1km
Speed	21.5 knots
Route	Rosslare/ Pembroke





Dublin Swift (formerly Westpac Express)

Year Built	2001 (refurbished 2018)
Cost	\$13.25m
GT	8,403 tons
PAX	817
Cars	250
Speed	35 knots
Route	Dublin/ Holyhead from March-September





W.B. Yeats

Delivery	2018
Cost (incl. Scrubber)	€151m
GT	50,000 tons
PAX	1,885
Beds	1,706
Cars (Max)	1,216
Lane Meters (excl Car Deck)	2.8km
Speed	22.5 knots
Route	Dublin/ Holyhead, Dublin/ France





New Build for Dublin - Holyhead Hull 777 (contracted delivery 2020)

Contracted Delivery	2020
Cost (incl. Scrubber)	€165.2m
GT	67,300 tons
Passenger and Crew Capacity	1,800
Cars (Max)	1,526
Lane Meters	5,610km
Speed	23 knots



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	22.0
GT	8,246
Dead Weight	11,157
Size TEU	974
TEU @ 14tns	580



Elbtrader

IMO	9388534
Built	2008
LOA	139.60
Breadth	22.0
GT	8,246
Dead Weight	11,153
Size TEU	974
TEU @ 14tns	580



Elbcarrier

IMO	9388510
Built	2007
LOA	139.60
Breadth	22.0
GT	8,246
Dead Weight	11,166
Size TEU	974
TEU @ 14tns	580



CT Rotterdam

IMO	9395575
Built	2009
LOA	139.60
Breadth	22
GT	8,273
Dead Weight	11,157
Size TEU	974
TEU @ 14tns	580



Thetis D

IMO	9372274
Built	2009
LOA	168.11
Breadth	26.8
GT	17,488
Dead Weight	17,861
Size TEU	1,421
TEU @ 14tns	1,039



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.