



Investor Presentation

Financial Results for the Year Ended 31 December 2006

The Offer



IRISH CONTINENTAL GROUP

- **Cash offer by management team**
 - €18.50 per unit (share)
- **Fully diluted equity value of €471.8 million**
 - 10.2x 2006 EV/ EBITDA
 - 17.1x 2006 PE
- **Represents a premium of**
 - 18.6% to the closing share price on 7 March 2007
 - 33.1% to the share price on 1 January 2007, compared to a fall in the ISEQ index of 1.1% and a fall in the FTSE 350 index of 0.9% over the same period
 - 35.8% to the average share price over the six months preceding 8 March 2007 of €13.62
 - 72.9% to the share price on 8 September 2006, six months prior to the announcement
- **Partial loan note alternative to the cash offer – 19% rolled up coupon, minimum two years before redemption**
- **Redeemable preference share offer – to enable management to rollover their shares**

Funding the Offer



IRISH CONTINENTAL GROUP

- **AIB providing the debt**
 - €499 million in debt from AIB, including a facility of €45 million for the acquisition of Kronprins Harald)
 - Strip guarantee of €17.9 million
 - A further €20 million working capital facility from AIB
 - Total Debt/ 2006 EBITDA of 9.0x

- **€90 million loan notes, underwritten by AIB, of which €45 million is being made available to ICG shareholders in the Loan Note Alternative to the cash offer**

- **Management rolling over their shares and options – ca €50 million value**
 - Management own 14.1% of the fully diluted share capital

Background to the Offer



IRISH CONTINENTAL GROUP

- **Recent strong share price performance**
- **Limited further upside to the share price**
- **Offer represents a liquidity event for shareholders at a substantial premium**

Scheme of Arrangement



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- Offer to be effected via a scheme of arrangement
- Court approval required
- The implementation of the Scheme is conditional, upon, the approval by a majority in number representing three-fourths or more in value of the holders of ICG shares, present and voting either in person or by proxy, at the Court meeting
 - EGM also required – held on the same day as Court meeting
- Timetable set by the Court
 - Scheme document to be posted in coming two weeks
 - Lodge papers and file petition in Court in coming days – Court will set a date for Court meeting
 - Ca 4 weeks for Court meeting and EGM at earliest (ca mid April)
 - Payment of cash consideration ca 5 weeks thereafter at earliest (ca mid May)

ICG Profile



IRISH CONTINENTAL GROUP

1. Irish Ferries

Capital
Employed

Leading ferry company operating between UK / Continent and Republic of Ireland.

67%

2. Ship Chartering Division

22%

3. Container Division

- Container stevedoring terminals in Dublin & Belfast
- Leading container operator between Ireland and the Continent

11%

ICG - Group Performance



IRISH CONTINENTAL GROUP

	2006	2005*
Turnover	€312.1m	€298.5m
EBITDA*	€59.7m	€45.8m
Profit from operations*	€32.2m	€18.1m
Non recurring items (net)	€0.7m	€(31.6)m
Adjusted EPS**	108.5c	54.1c
Basic EPS	137.4c	(67.8)c
Equity	€178.3m	€140.4m
Net debt	€113.8m	€105.9m

* Restated

** Before non recurring items and net expected return on defined benefit pension assets less liabilities

Container Division



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	2006	2005
	€m	€m
Turnover	142.1	136.0
EBITDA	7.7	8.0
Depreciation/Amortisation	<u>(3.3)</u>	<u>(3.8)</u>
Operating Profit	<u>4.4</u>	<u>4.2</u>
Start up costs Belfast	<u>(0.8)</u>	
	<u>3.6</u>	



Operations & Key Issues

■ Container Routes

- Ireland / Continent - Door to Door plus Quay to Quay
- UK / Continent - Quay to Quay container movement

■ Port Ownership

- Container Terminal in Dublin, €30m expansion, 2008
- Development in Belfast commenced October 2006, start-up costs €0.8m

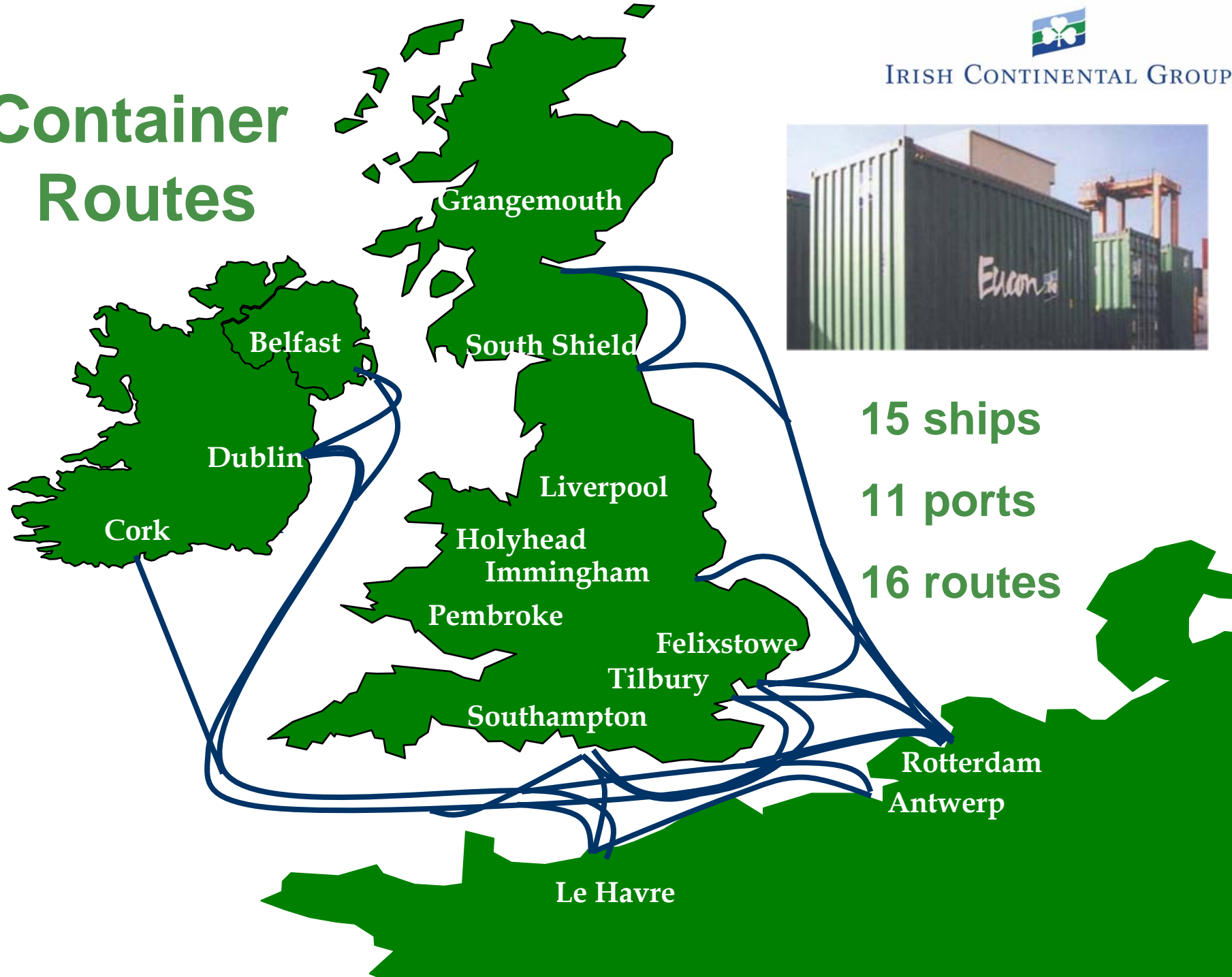
■ Key Issues

- Higher fuel costs
- Higher charter costs
- Dublin Port Tunnel – opened late 2006



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Container Routes



15 ships

11 ports

16 routes

Market Share – LoLo 2006



IRISH CONTINENTAL GROUP

	All Ireland (UK & Continent) %
Peel Holdings	30
ICG	22
Samskip	16
DFDS	9
C2C	8
Others	<u>15</u>
Total	100

Container Terminal Market

1.3 Million Teu in 2006

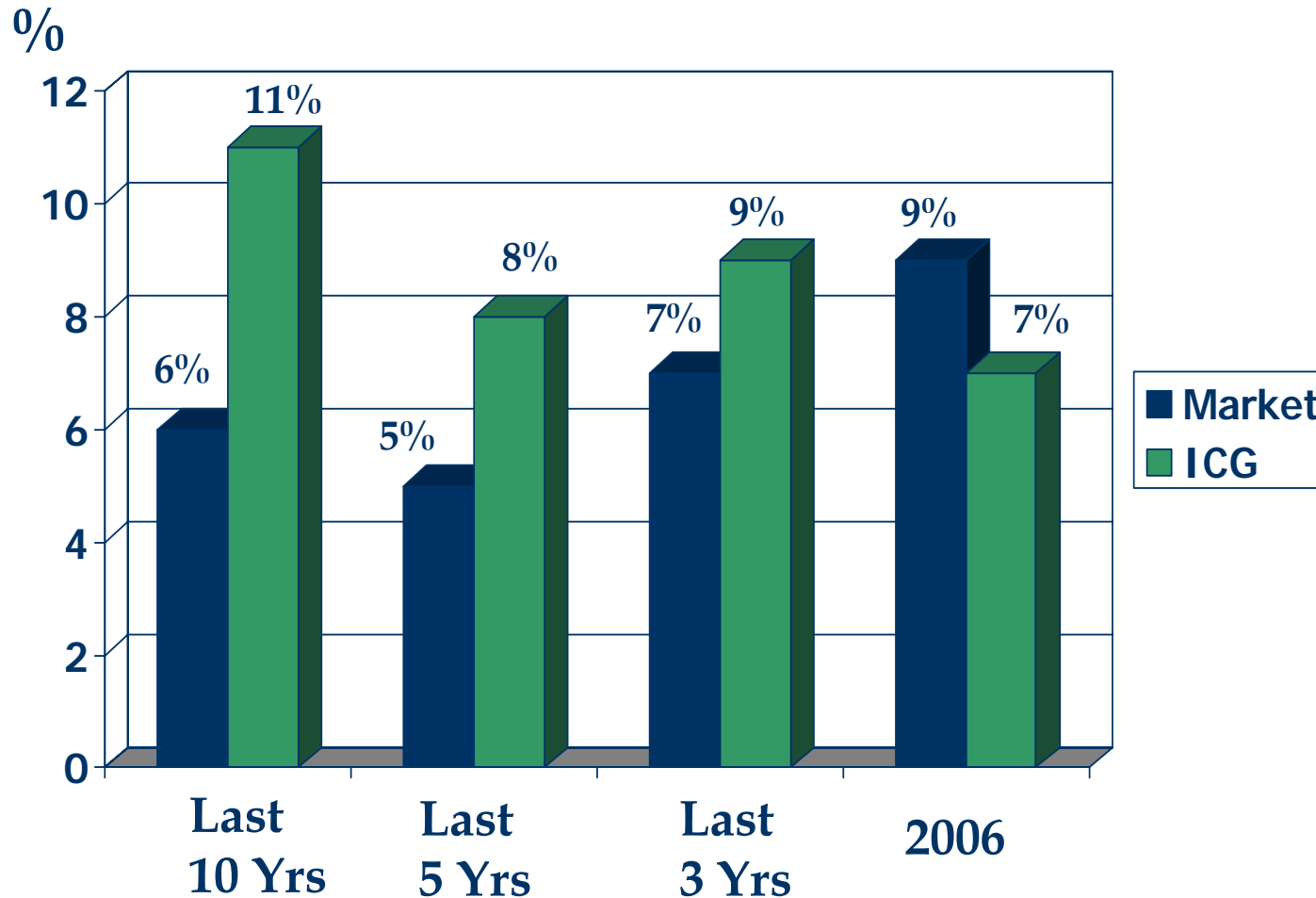


Container handling in Ireland Market Share 22% 2006



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CAGR Volume %





Ferries & Ship Chartering

	2006 €m	2005 €m
Turnover	170.0	162.5*
EBITDA	52.8	37.9*
Depreciation/Amortisation	<u>(24.2)</u>	<u>(24.0)</u>
Operating Profit/Loss	<u>28.6</u>	<u>13.9</u>

* Strike in 2005

- **Ship Chartering**

- **2 ferries on charter to P&O firm to 2010**

- **Irish Ferries**

- **4000 departures to and from UK**
- **250 departures to and from France**

Ship Chartering Division



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Pride of Bilbao



Night Ferry; 2400
beds, 580 cars,
built 1986

Day Ferry; 600 cars
or 108 trucks built
1995



Challenger

Ship Chartering Division



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- Both vessels on charter to 2010.

- Charter Income

2006	€10.8m
2007	€10.1m*
2008	€ 8.6m
2009	€ 8.6m

***Excludes short term charter to Color Line**

Irish Ferries - Ships



IRISH CONTINENTAL GROUP



Irish Ferries - Ships



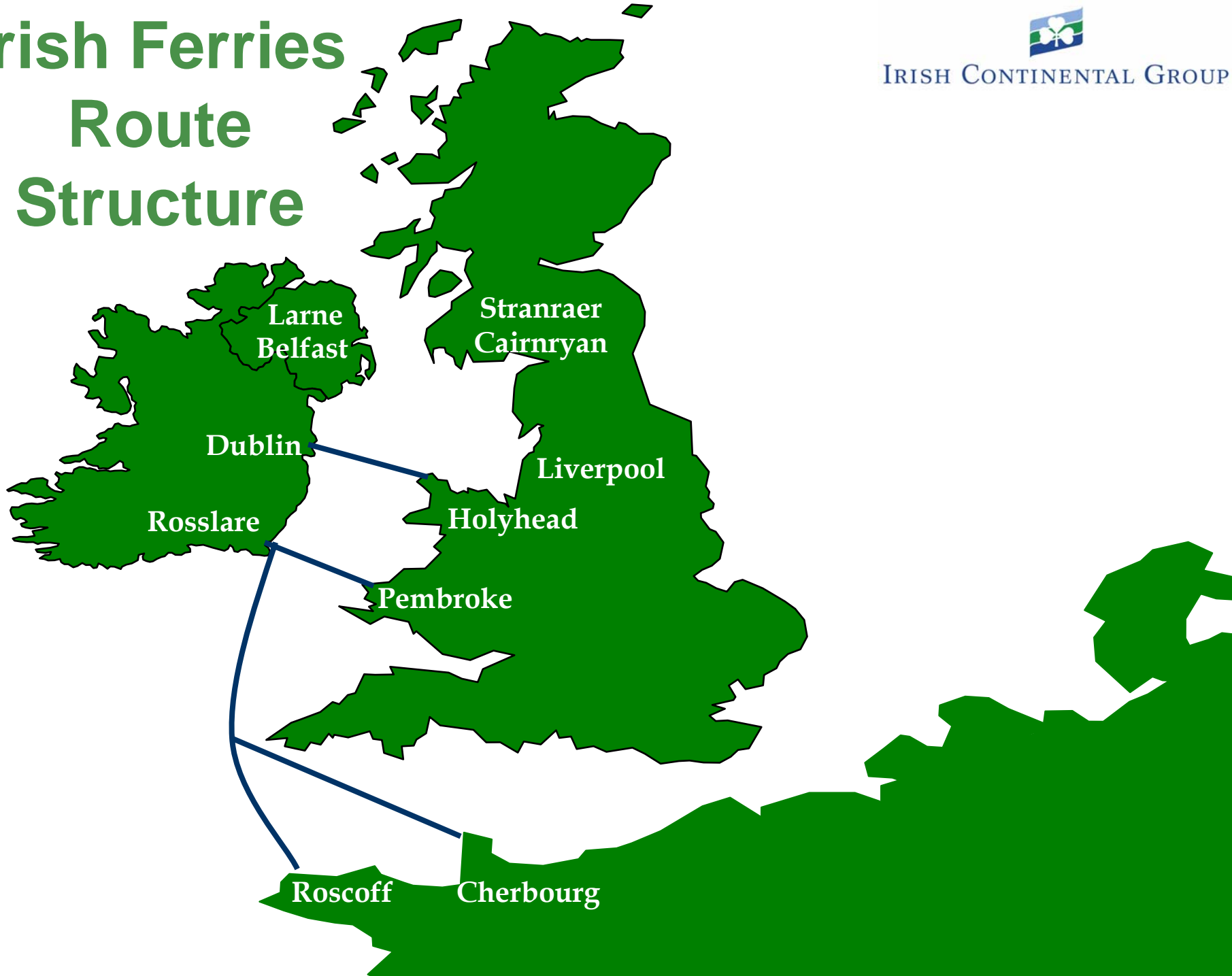
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Irish Ferries Route Structure



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Total Passenger Market 2003 - 2006

	Cumulative			
	Last 3 Years	2006	2005	2004
Irish Ferries	-19%	-6%	-7%	-7%
Republic of Ireland	-15%	-4%	-6%	-5%
All Ireland	-15%	-3%	-6%	-5%

Car Market 2003 - 2006



IRISH CONTINENTAL GROUP

	Cumulative			
	Last 3 Years	2006	2005	2004
Irish Ferries	-13%	-3%	-4%	-4%
Republic of Ireland	-13%	-3%	-5%	-5%
All Ireland	-12%	-2%	-5%	-4%



Market Share – Cars 2006 v 2005

Republic of Ireland – UK Only

	2006	2005
	%	%
Irish Ferries	41	41
Stena Line	51	50
P&O Irish Sea	2	2
Irish Sea Express	0	2
Swansea Cork	4	4
Norfolkline	2	1
Total	100	100



Replacement Vessel Ireland France



- Replacement capex to upgrade product standard
- Cost €45 million
- Initial charter 8 months
- Additional annual depreciation and interest €5.5 million
- EPS negative in 2007

Distribution



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Car Booking Report 2006 All Markets

	2006 %	2005 %
Call Centres	21	25
At our Ports	11	10
Internet	<u>50</u>	<u>43</u>
Direct	82	78
Travel Trade	<u>18</u>	<u>22</u>
Total	100	100

IRISH FERRIES
How good are we?
Ask any of our passengers

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Most Modern Fleet
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Our Ads
Listen to Terry Wogan, Britain's most popular Irishman, talk about Irish Ferries

RoRo Market 2003 - 2006



IRISH CONTINENTAL GROUP

	Cumulative			
	Last 3 Years	2006	2005	2004
Irish Ferries	18%	13%*	8%	6%
Republic of Ireland	20%	8%	6%	6%
All Ireland	18%	7%	5%	5%

*** Strike in 2005 flatters 2006 figures**



Market Share – RoRo 2006 V 2005

Rep. of Ireland - UK

	2006	2005
	%	%
Irish Ferries	27	26
Stena Line	27	28
Norfolkline	24	26
P&O Irish Sea	19	19
Celtic Link	2	0
Swansea Cork	1	1
Total	100	100



RoRo Freight Traffic Key Slots

Dublin - Holyhead		Holyhead - Dublin	
Dep	Arr	Dep	Arr
08.05	11.20	14.10	17.25
20.55	00.10	02.40	05.55

Rosslare - Pembroke		Pembroke - Rosslare	
Dep	Arr	Dep	Arr
08.45	12.30	14.30	18.15
21.00	00.45	02.45	06.30

RoRo Market Analysis

Greater integration between Ireland & UK/Continent



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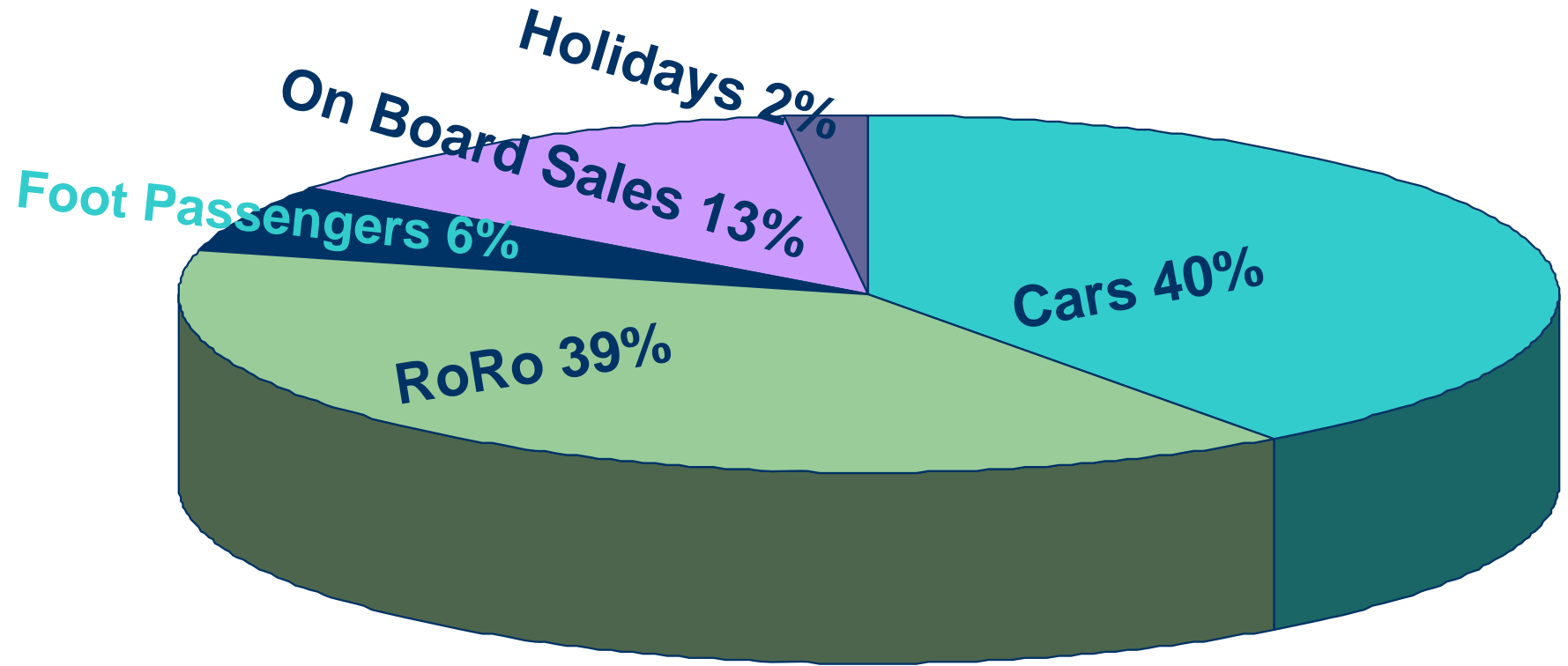
	1992 %	2006*(e) %	CAGR
Value of Imports & Exports	€45.1bn	€264.2bn	13.5%
GDP	€40.0bn	€177.9bn	11.2%
Imports & Exports as % of GDP	113%	150%	

*ESRI Estimate 2006

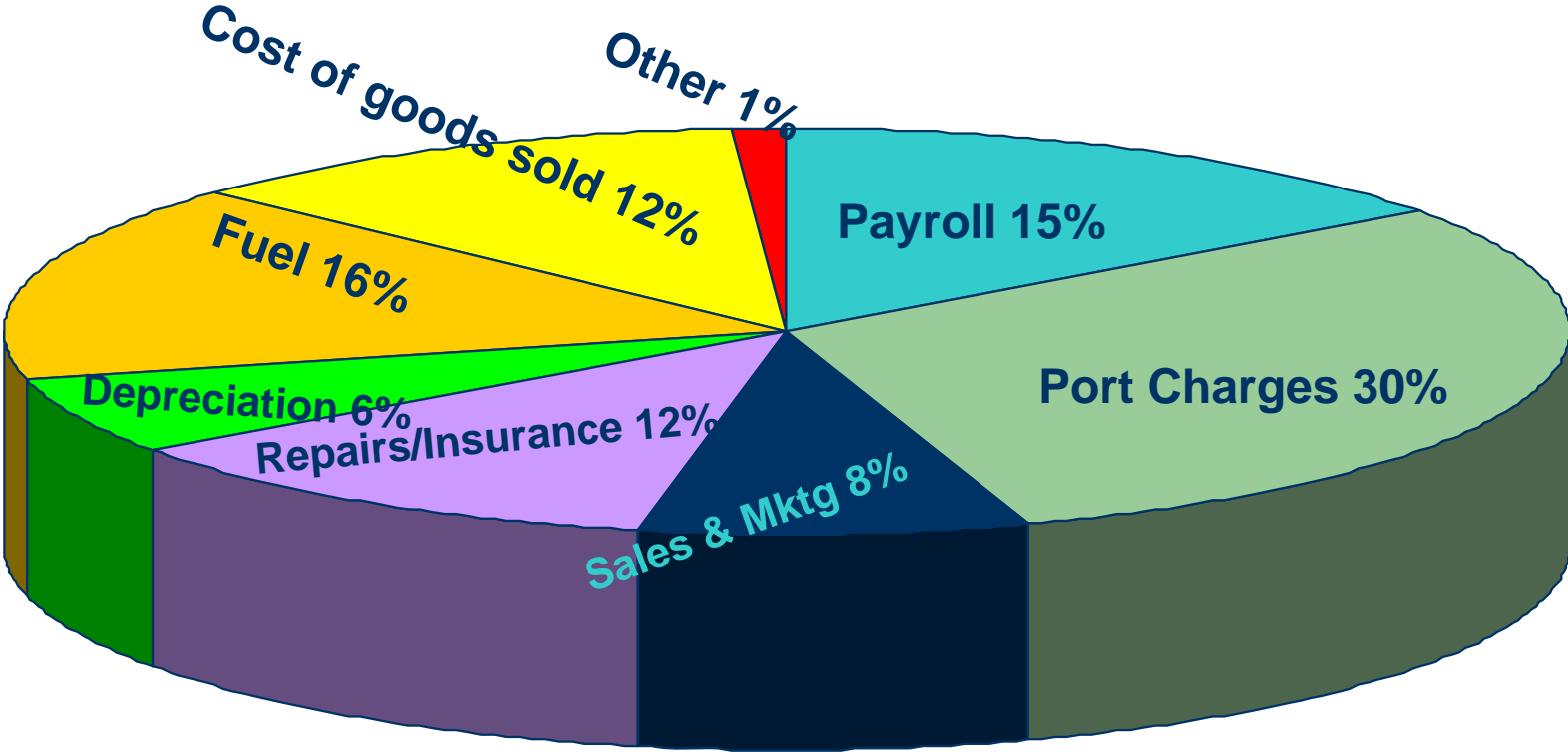
Irish Ferries Revenue Mix 2006



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Irish Ferries Cost Analysis 2006



Fuel Costs



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	2006	2005	2004
Consumption (000 tons)			
Heavy Fuel Oil	96.7	96.6	96.2
Marine Diesel	<u>15.1</u>	<u>20.9</u>	<u>19.4</u>
	111.8	117.5	115.6
Price (€per ton)			
Heavy Fuel Oil	€258	€216	€144
Marine Diesel	€454	€384	€298
Cost (2006 V's 2005) +14%	€33m	€29m	€20m
(2006 V's 2004) +65%			

Employment



IRISH CONTINENTAL GROUP

	Dec	Dec	Dec
	2006	2005	2004
Irish Ferries	291	863	1013
Container & Terminal & Group	188	192	206
Total	479	1055	1219



Pensions

	2004	2005	2006
■ Employee Benefit Expense			
➤ Service Cost ICG Schemes	5.4	5.2	3.1
➤ MNOPF Charge	<u>0.4</u>	<u>5.0</u>	<u>0.1</u>
	<u>5.8</u>	<u>10.2</u>	<u>3.2</u>
■ Finance Credit			
➤ Expected return on scheme assets	(13.0)	(13.1)	(17.8)
➤ Interest on scheme Liabilities	<u>10.1</u>	<u>9.9</u>	<u>11.7</u>
➤ Net Credit to interest	<u>(2.9)</u>	<u>(3.2)</u>	<u>(6.1)</u>
■ Balance Sheet			
➤ Surpluses	2.3	8.0	29.9
➤ Deficits	(4.2)	(4.9)	(10.1)



Cash Flow

	Year 2006 €m	Year 2005 €m
Operating Profit before restructuring	32.2	18.1
Depreciation	<u>27.5</u>	<u>27.7</u>
EBITDA (before restructuring)	59.7	45.8
Working Capital Movement	<u>(6.1)</u>	<u>(0.4)</u>
Operating Cash Flow	53.6	45.4
Interest (net)	(5.7)	(4.9)
Tax	(1.7)	(1.7)
Capex	(11.8)	(12.9)
Restructuring Payments	<u>(35.4)</u>	<u>(5.9)</u>
Free Cash Flow	(1.0)	20.0
Dividends/Redemptions	<u>(7.2)</u>	<u>(6.3)</u>
Net Flow	(8.2)	13.7
Opening Debt	(105.9)	(117.9)
Translation / Other	<u>0.3</u>	<u>(1.7)</u>
Closing Debt	<u>(113.8)</u>	<u>(105.9)</u>