IRISH CONTINENTAL GROUP

Wednesday 31 August 2016

Interim Management Report for the half year ended 30 June 2016

Irish Continental Group (ICG) the leading Irish-based maritime transport group, reports a solid financial performance for the half year ended 30 June 2016.

Highlights

- Revenue up 5.2% to €150.5 million (2015: €143.1 million)
- EBITDA up 19.6% to €30.5 million (2015: €25.5 million)
- Basic EPS up 32.1% to 10.3c (2015: 7.8c)
- RoRo freight volumes up 5.6% to 139,100 units (2015: 131,700 units)
- Cars carried up 5.5% in the period to 170,500 units (2015: 161,600 units)
- Container volumes shipped in the period up 7.4% to 152,700 teu (2015: 142,200 teu)
- Port lifts handled in the period up 39.6% to 144,800 lifts (2015: 103,700 lifts)
- MV Kaitaki to remain on charter to June 2020
- Net Debt down 57.3% to €18.9 million from €44.3 million at 31 December 2015
- IAS 19 accounting deficit on retirement benefit schemes has increased from €5.1 million at 31 December 2015 to €32.8 million at 30 June 2016
- Interim dividend 3.820 cent, up 5.0% (2015: 3.638 cent)

Commenting on the results of Irish Continental Group, Chairman John B. McGuckian said; ''I am pleased to report a strong performance for the first six months of the financial year underpinned by increased car and freight volumes, lower fuel prices and increased charter revenues. In the second half of the year the uncertainty caused by the outcome of the UK Referendum on European Union membership held on 23 June 2016 had an initial negative impact on tourism bookings which have since recovered. Tourism carryings over the key summer months were broadly in line with expectation though the continuing Sterling weakness since the end of June has resulted in lower Euro equivalent tourism yields. The UK Referendum result has, to date, had very little impact on RoRo freight volumes which remain strong. Notwithstanding the impact of weaker Sterling ICG is well placed to benefit from the underlying growth trends in both car and freight volumes.''

30 August 2016

For further information please contact:

Eamonn Rothwell, Chief Executive Officer	Tel: +353 1 607 5628
David Ledwidge, Chief Financial Officer	Tel: +353 1 607 5628
Email:	info@icg.ie
Website:	www.icg.ie

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

RESULTS

Financial Highlights	Six months to 30 June 2016	2015	Change %	Full Year 2015
Revenue	€150.5m	€143.1m	+5.2%	€320.6m
EBITDA	€30.5m	€25.5m	+19.6%	€75.5m
EBIT	€20.8m	€16.4m	+26.8%	€57.2m

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 €150.5 million compared with €143.1 million in the same period in 2015, an increase of 5.2%. Earnings before interest, tax, depreciation and amortisation (EBITDA) were €30.5 million compared with €25.5 million in the same period in 2015. Earnings before interest and tax (EBIT) were €20.8 million compared with €16.4 million in 2015. Group fuel costs were down €7.5 million (36.1%) to €13.3 million. Profit before tax was €19.7 million compared with €14.9 million in the first half of 2015. The tax charge amounted to €0.5 million (2015: €0.4 million).

There was a net finance charge of €1.1 million (2015: €1.5 million) which includes net bank interest payable of €1.1 million (2015: €1.3 million) and a net pension interest cost of €nil (2015: €0.2 million). Basic EPS was 10.3c compared with 7.8c in the first half of 2015. Adjusted EPS (before non-trading items and net pension interest cost) amounted to 10.3c (2015: 7.9c).

The continued recovery in the Irish economy and lower global fuel prices has been positive for the Group with increased carryings across all business areas. These positive benefits have been partially offset through reduced fuel surcharges to customers and increased exchange rate volatility. The Group is a net receiver of Sterling which means a weaker Sterling exchange rate has had a negative effect on year on year comparisons.

OPERATIONAL REVIEW

Ferries Division

Financial Highlights	Six months to 30 June 2016	2015	Change %	Full Year 2015
Revenue*	€91.5m	€86.5m	+5.8%	€203.9m
EBITDA	€23.9m	€20.0m	+19.5%	€63.7m
EBIT	€15.4m	€12.3m	+25.2%	€48.1m

**Includes intersegment revenue of €3.2 million (30 June 2015: €nil)*

Operational Highlights	Six months to 30 June 2016	2015	Change %	Full Year 2015
Volumes	**'000**	**'000**		**'000**
Cars	170.5	161.6	+5.5%	400.9
Passengers	688.6	701.6	-1.9%	1,675.8
RoRo freight	139.1	131.7	+5.6%	272.5

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 chartering of vessels to third parties. Irish Ferries operated over 2,500 sailings in the period.

Revenue in the division was €91.5 million (2015: €86.5 million) while EBITDA was €23.9 million (2015: €20.0 million). EBIT increased to €15.4 million (2015: €12.3 million).

OPERATIONAL REVIEW – continued

Ferries Division - continued

In the first half of 2016 total cars carried were 170,500, up 5.5% on the same period in the previous year. Total passenger carryings decreased by 1.9% to 688,600 in the period, primarily due to foot passenger carryings being significantly lower than the previous year. RoRo freight volumes were up 5.6% to 139,100 units, when compared with the first half of 2015.

The MV Kaitaki remained on charter to KiwiRail during the period, trading in New Zealand. The container vessel MV Ranger remains on time charter to a third party and is currently trading in North West Europe while the MV Elbtrader, MV Elbcarrier and MV Elbfeeder remain on time charter to the Group's container shipping subsidiary Eucon. The HSC Westpac Express which was delivered to the Group on 1 June 2016 was immediately chartered to a third party and is operating in Asia.

Container and Terminal Division

Financial Highlights	**Six months to 30 June**		**Change %**	**Full Year**
	2016	**2015**		**2015**
Revenue*	€62.8m	€57.2m	+9.8%	€118.2m
EBITDA	€6.6m	€5.5m	+20.0%	€11.8m
EBIT	€5.4m	€4.1m	+31.7%	€9.1m

**Includes intersegment revenue of €0.6 million (30 June 2015: €0.6 million)*

Operational Highlights	**Six months to 30 June**		**Change %**	**Full Year**
	2016	**2015**		**2015**
Volumes	**'000**	**'000**		**'000**
Container freight (teu*)	152.7	142.2	+7.4%	286.5
Port lifts	144.8	103.7	+39.6%	248.5

*teu: twenty foot equivalent units

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 9.8% to €62.8 million (2015: €57.2 million), EBITDA increased to €6.6 million (2015: €5.5 million) while EBIT rose to €5.4 million (2015: €4.1 million).

Total containers shipped were up 7.4% at 152,700 teu (2015: 142,200 teu). Containers handled at the Group's terminals in Dublin Ferryport Terminals (DFT) and Belfast Container Terminal (BCT) were up 39.6% to 144,800 lifts (2015: 103,700 lifts). DFT's volumes were up 5.0%, while BCT's lifts were up 149.3%. The increase in Belfast arises from the commencement in June 2015 of the Services Concession to BCT for the operation of a combined container terminal at Victoria Terminal 3 (VT3).

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

GROUP FINANCIAL POSITION

A summary cash flow as at 30 June 2016 is presented below:

Cash Flow	Six months to 30 June 2016 €m	2015 €m	Full Year 2015 €m
Operating profit (EBIT)*	20.8	16.4	57.2
Depreciation	9.7	9.1	18.3
EBITDA*	**30.5**	**25.5**	**75.5**
Working capital movements	27.0	22.7	(1.6)
Pension payments in excess of service costs	(1.1)	(1.4)	(2.7)
Other	0.1	0.1	0.6
Cash generated from operations	**56.5**	**46.9**	**71.8**
Interest paid	(1.2)	(1.4)	(2.8)
Tax paid	(0.2)	(0.3)	(0.8)
Capex	(17.5)	(7.4)	(35.0)
Free cash flow*	**37.6**	**37.8**	**33.2**
Asset sales	-	-	0.1
Dividends	(13.8)	(13.1)	(19.9)
Share issue	2.6	2.8	3.5
Interest received	0.1	0.1	0.1
Net flows	**26.5**	**27.6**	**17.0**
Opening net debt	(44.3)	(61.3)	(61.3)
Translation/other	(1.1)	-	-
Closing net debt*	**(18.9)**	**(33.7)**	**(44.3)**

**Additional information in relation to these Alternative Performance Measures ("APMs") is disclosed on page 17.*

EBITDA for the period was €30.5 million compared with €25.5 million in the same period in 2015. Cash flow generated from operations was €56.5 million versus €46.9 million in 2015. 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 tourism trading.

Capital expenditure in the period was €17.5 million (30 June 2015: €7.4 million) including €9.2 million on the acquisition of HSC Westpac Express. Pension payments in excess of service costs amounted to €1.1 million (30 June 2015: €1.4 million). Free cash flow (net cash from operating activities after capital expenditure) was €37.6 million compared with €37.8 million in the previous half year. During the period the final dividend for 2015, amounting to €13.8 million was paid (31 December 2015: €19.9 million).

Net debt at the end of the period amounted to €18.9 million and this compares with €44.3 million at 31 December 2015. Total borrowings have reduced by €3.5 million primarily reflecting €6.5 million term loan repayment and utilisation of short term overdraft facilities.

GROUP FINANCIAL POSITION - continued

A summary balance sheet as at 30 June 2016 is presented below:

Balance Sheet	Six months to 30 June 2016 €m	2015 €m	Full Year 2015 €m
Property, plant & equipment and intangible assets	180.1	153.2	170.9
Retirement benefit surplus	2.9	6.1	5.6
Other current assets	42.9	42.5	42.9
Cash and bank balances	46.9	33.5	25.0
Total assets	**272.8**	**235.3**	**244.4**
Non-current borrowings	48.2	52.3	55.3
Retirement benefit obligation	35.7	5.4	10.7
Other non-current liabilities	3.7	4.9	4.7
Current borrowings	17.6	14.9	14.0
Other current liabilities	74.1	68.4	44.2
Total liabilities	**179.3**	**145.9**	**128.9**
Total equity	**93.5**	**89.4**	**115.5**
Total equity and liabilities	**272.8**	**235.3**	**244.4**

The principal reason for the movement in the property, plant and equipment and intangible assets in the period relates to the acquisition of HSC Westpac Express together with scheduled replacement expenditure and is offset by depreciation and disposals in the period.

The total net deficit of all defined benefit pension schemes at 30 June 2016 was €32.8 million in comparison to €5.1 million at 31 December 2015. The deficit increase reflects an actuarial loss of €28.5 million primarily related to a decrease in high quality corporate bond yields, which drives the discount rate used to value scheme liabilities.

Shareholders' equity decreased to €93.5 million from €115.5 million at 31 December 2015. The main reasons for the movement were primarily due to dividends paid of €13.8 million and an actuarial loss arising on retirement benefit schemes of €28.5 million offset by profit for the financial period of €19.2 million.

DIVIDEND

The Board has declared an interim dividend of 3.820 cent per ICG Unit payable on 7 October to shareholders on the register at 23 September 2016.

FUEL

	Six months to 30 June 2016	2015	Change %	Full Year 2015
Fuel costs	€13.3m	€20.8m	-36.1%	€39.0

Group fuel costs in the first half of 2016 amounted to €13.3 million (2015: €20.8 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.

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.

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

FLEET CHANGES

On 15 April 2016, ICG announced that it had entered into an agreement for the purchase of the High Speed Craft 'Westpac Express' for $13.25 million. The vessel was delivered to the Group on 1 June 2016 and is currently on charter to a third party.

On 31 May 2016, ICG announced that it had entered into an agreement with the German company Flensburger Schiffbau-Gesselschaft & Co.KG ("FSG") whereby FSG has agreed to build a cruise ferry for ICG at a contract price of €144 million. This is scheduled for delivery during 2018 and will be financed through a combination of cash resources and loan facilities. This new vessel investment will support the longer term objectives of our business. It is likely that this new cruise ferry will be introduced on routes served by the chartered ship MV Epsilon. The cruise ferry will be designed to best meet the seasonality of our business. This flexibility in design includes the ability to service all of Irish Ferries existing routes, and will provide even greater route management options. The charter-in of the MV Epsilon has been extended for a further period of two years. The charter will now expire in November 2018.

KiwiRail, the charterer of MV Kaitaki, has exercised its option to extend the charter commencing on the expiry of the current term for a further term of three years ending June 2020.

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.

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 principal risks and uncertainties as set out in detail on pages 26 and 27 of the 2015 Annual Report to remain applicable for the second half of 2016. These risks are as follows:

- Safety and business continuity
- IT systems, information security and cyber threats
- Commercial and market risk
- Commodity price risk
- Financial risks
- Retirement benefit schemes

The Group notes the result of the UK Referendum on the European Union membership. The structural effect of a UK exit on the economies in our sphere of operations will only be clearer once the exit terms are negotiated. In the second half of 2016 the Group expects greater volatility in its main non-operating currencies, Sterling and U.S Dollar, affecting revenues, costs and demand for travel services to Ireland. These risks will be managed within the Group's risk management process.

EVENTS AFTER THE REPORTING PERIOD

The Board has declared an interim dividend of 3.820 cent per ICG Unit in respect 2016.

There have been no other material events affecting the Group to report since 30 June 2016.

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

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.

CURRENT TRADING & OUTLOOK

The uncertainty arising from the result of the UK Referendum on European Union membership held on 23 June 2016 had an initial negative impact on UK consumer demand. The demand situation seems to have settled now as the initial shock of the Referendum result has waned although the negative Sterling impact on yields remains.

The UK Referendum result has had little impact on RoRo freight volumes to date and it is too early to assess its future impact.

The rate of increase in tourism carryings in the peak summer season has been lower than in the first six months. In the period from 1 July 2016 to 27 August 2016 117,400 cars were carried on our services which is an increase of 2% on the same period in 2015. Foot passengers carried, which are of lesser significance to our tourism performance, were down 15%, resulting in a reduction in total passengers of 3%.

RoRo freight carryings in the period from 1 July 2016 to 27 August 2016 have remained strong and are exhibiting continued growth. Total units carried amounting to 44,200 represented an increase of 4% over the corresponding period last year.

Cumulatively in the period from 1 January 2016 to 27 August 2016, Irish Ferries carried 287,900 cars up 4% while the number of passengers carried declined to 1,162,100 passengers, down 2%, compared with the same period last year. In the Roll on Roll off freight market, Irish Ferries carried 183,300 units, an increase of 5% compared with the same period in 2015.

In the period from 1 July 2016 to 27 August 2016, the Container and Terminal division container carryings were 47,300, an increase of 1% on the corresponding period last year. Port lifts were 44,800, an increase of 2% compared to the same period last year.

Cumulatively in the period from 1 January 2016 to 27 August 2016, container freight volumes shipped were up 6% at 200,000 teu compared with the same period last year. Port lifts rose by 28% to 189,600 lifts year on year, helped by the additional operations at Belfast in the first half of 2016.

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

In the absence of unforeseen circumstances, the outlook for the remainder of the year is for a continuation of the overall business momentum seen to date with some easing in our tourism revenues, growth in our RoRo and LoLo revenues and increased contribution from our external ship chartering activities.

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
30 August 2016

INTERIM MANAGEMENT REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2016

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 2016 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 2016, 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
David Ledwidge Chief Financial Officer
30 August 2016

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Notes	Half year ended 30 Jun 2016 €m	Half year ended 30 Jun 2015 €m	Year ended 31 Dec 2015 €m
Revenue	3	150.5	143.1	320.6
Depreciation and amortisation		(9.7)	(9.1)	(18.3)
Employee benefits expense		(9.2)	(9.1)	(21.4)
Other operating expenses		(110.8)	(108.5)	(223.7)
Operating profit		**20.8**	**16.4**	**57.2**
Investment revenue		0.1	0.1	0.1
Finance costs		(1.2)	(1.6)	(3.2)
Profit before taxation		**19.7**	**14.9**	**54.1**
Income tax expense		(0.5)	(0.4)	(0.4)
Profit for the financial period: all attributable to equity holders of the parent		**19.2**	**14.5**	**53.7**

Earnings per ordinary share – expressed in € cent per share

	Notes	Half year ended 30 Jun 2016	Half year ended 30 Jun 2015	Year ended 31 Dec 2015
Basic	5	10.3c	7.8c	28.9c
Diluted	5	10.2c	7.7c	28.5c

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Notes	Half year ended 30 Jun 2016 €m	Half year ended 30 Jun 2015 €m	Year ended 31 Dec 2015 €m
Profit for the financial period		**19.2**	**14.5**	**53.7**
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges:				
- Fair value losses arising during the financial period		(0.2)	(0.1)	(0.2)
- Transfer to Consolidated Income Statement net settlement of cash flow hedge		0.2	0.2	0.4
Exchange differences on translation of foreign operations		(1.7)	0.4	0.3
Exchange difference on defined benefit pension schemes		(0.3)	-	0.2
Items that will not be reclassified subsequently to profit or loss:				
Actuarial (loss) / gain on defined benefit pension schemes	11	(28.5)	23.6	16.5
Deferred tax on defined benefit pension schemes		0.8	(0.2)	(0.3)
Other comprehensive (expense) / income for the financial period		**(29.7)**	**23.9**	**16.9**
Total comprehensive (expense) / income for the financial period: all attributable to equity holders of the parent		**(10.5)**	**38.4**	**70.6**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	30 Jun 2016 €m	30 Jun 2015 €m	31 Dec 2015 €m
Assets				
Non-current assets				
Property, plant and equipment	6	179.3	152.4	170.0
Intangible assets	7	0.8	0.8	0.9
Retirement benefit surplus	11	2.9	6.1	5.6
		183.0	**159.3**	**176.5**
Current assets				
Inventories		2.1	2.4	1.9
Trade and other receivables		40.8	40.1	41.0
Cash and bank balances	8	46.9	33.5	25.0
		89.8	**76.0**	**67.9**
Total assets		**272.8**	**235.3**	**244.4**
Equity and liabilities				
Equity				
Share capital		12.2	12.1	12.1
Share premium		15.6	12.4	13.1
Other reserves		(11.7)	(8.6)	(9.0)
Retained earnings		77.4	73.5	99.3
Equity attributable to equity holders		**93.5**	**89.4**	**115.5**
Non-current liabilities				
Borrowings	8	48.2	52.3	55.3
Deferred tax liabilities		3.0	4.0	3.8
Provisions		0.4	0.5	0.5
Deferred grant		0.3	0.4	0.4
Retirement benefit obligation	11	35.7	5.4	10.7
		87.6	**62.6**	**70.7**
Current liabilities				
Borrowings	8	17.6	14.9	14.0
Trade and other payables		72.5	66.9	43.0
Derivative financial instruments		0.5	0.6	0.5
Current income tax liabilities		0.4	0.3	0.1
Provisions		0.6	0.5	0.5
Deferred grant		0.1	0.1	0.1
		91.7	**83.3**	**58.2**
Total liabilities		**179.3**	**145.9**	**128.9**
Total equity and liabilities		**272.8**	**235.3**	**244.4**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Share Capital €m	Share Premium €m	Other Reserves €m	Retained Earnings €m	Total €m
Balance at 1 January 2016	**12.1**	**13.1**	**(9.0)**	**99.3**	**115.5**
Profit for the financial period	-	-	-	19.2	19.2
Other comprehensive expense	-	-	(1.7)	(28.0)	(29.7)
Total comprehensive expense for the financial period	**-**	**-**	**(1.7)**	**(8.8)**	**(10.5)**
Employee share-based payments expense	-	-	0.1	-	0.1
Share issue	0.1	2.5	-	-	2.6
Dividends (note 4)	-	-	-	(13.8)	(13.8)
Transferred to retained earnings on exercise of share options	-	-	(1.1)	1.1	-
Settlement of equity plans through market purchase of shares	-	-	-	(0.4)	(0.4)
	0.1	**2.5**	**(2.7)**	**(21.9)**	**(22.0)**
Balance at 30 June 2016	**12.2**	**15.6**	**(11.7)**	**77.4**	**93.5**

Analysed as follows:	
Share capital	12.2
Share premium	15.6
Other reserves	(11.7)
Retained earnings	77.4
	93.5

Other Reserves comprise the following:

	Capital Reserve €m	Share Options Reserve €m	Hedging Reserve €m	Translation Reserve €m	Total €m
Balance at 1 January 2016	**7.3**	**3.3**	**(0.5)**	**(19.1)**	**(9.0)**
Other comprehensive expense	-	-	-	(1.7)	(1.7)
Employee share-based payments expense	-	0.1	-	-	0.1
Transferred to retained earnings on exercise of share options	-	(1.1)	-	-	(1.1)
	-	**(1.0)**	**-**	**(1.7)**	**(2.7)**
Balance at 30 June 2016	**7.3**	**2.3**	**(0.5)**	**(20.8)**	**(11.7)**

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 financial period	-	-	-	14.5	14.5
Other comprehensive income	-	-	0.5	23.4	23.9
Total comprehensive income for the financial 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 YEAR FINANCIAL ENDED 31 DECEMBER 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 financial year	-	-	-	53.7	53.7
Other comprehensive income	-	-	0.5	16.4	16.9
Total comprehensive income for the financial year	**-**	**-**	**0.5**	**70.1**	**70.6**
Employee share-based payments expense	-	-	0.1	-	0.1
Share issue	0.1	3.4	-	-	3.5
Dividends (note 4)	-	-	-	(19.9)	(19.9)
Settlement of equity plans through market purchase of shares	-	-	-	(0.1)	(0.1)
Transferred to retained earnings on exercise of share options	-	-	(1.6)	1.6	-
	0.1	**3.4**	**(1.0)**	**51.7**	**54.2**
Balance at 31 December 2015	**12.1**	**13.1**	**(9.0)**	**99.3**	**115.5**

Analysed as follows:

Share capital	12.1
Share premium	13.1
Other reserves	(9.0)
Retained earnings	99.3
	115.5

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	-	-	0.2	0.3	0.5
Employee share-based payments expense	-	0.1	-	-	0.1
Transferred to retained earnings on exercise of share options	-	(1.6)	-	-	(1.6)
	-	**(1.5)**	**0.2**	**0.3**	**(1.0)**
Balance at 31 December 2015	**7.3**	**3.3**	**(0.5)**	**(19.1)**	**(9.0)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Notes	30 Jun 2016 €m	30 Jun 2015 €m	31 Dec 2015 €m
Net cash inflow from operating activities	12	**55.1**	**45.2**	**68.2**
Cash flow from investing activities				
Interest received		0.1	0.1	0.1
Proceeds on disposal of property, plant and equipment		-	-	0.1
Purchases of property, plant and equipment		(17.4)	(7.1)	(34.4)
Purchase of intangible assets		(0.1)	(0.3)	(0.6)
Net cash outflow from investing activities		**(17.4)**	**(7.3)**	**(34.8)**
Cash flow from financing activities				
Dividends paid to equity holders of the Company		(13.8)	(13.1)	(19.9)
Repayments of bank borrowings		(6.5)	(16.5)	(28.0)
Repayments of obligations under finance leases		(0.5)	(0.5)	(1.0)
Proceeds on issue of ordinary share capital		2.6	2.8	3.5
Settlement of equity plans through market purchase of shares		(0.4)	(0.1)	(0.1)
New bank loans raised		-	2.5	17.5
Net cash outflow from financing activities		**(18.6)**	**(24.9)**	**(28.0)**
Net increase in cash and cash equivalents		19.1	13.0	5.4
Cash and cash equivalents at the beginning of the period		**25.0**	**19.4**	**19.4**
Effect of foreign exchange rate changes		(0.8)	0.2	0.2
Cash and cash equivalents at the end of the period	8	**43.3**	**32.6**	**25.0**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2016

1. General information

The condensed interim financial statements are considered non-statutory financial statements for the purposes of the Companies Act 2014 and in compliance with section 340(4) of that Act we state that:

- the condensed interim financial statements for the half year to 30 June 2016 have been prepared to meet our obligation to do so under the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended);
- the condensed interim financial statements for the half year to 30 June 2016 do not constitute the statutory financial statements of the Group;
- The figures disclosed relating to 31 December 2015 have been derived from the statutory financial statements for the financial year ended 31 December 2015 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 2016 and the comparative amounts for the six months ended 30 June 2015 are unaudited and a statutory report under S391 of the Companies Act 2014 has not been issued by the statutory auditor.

Certain financial measures set out in our Half Yearly Report to 30 June 2016 are not defined under International Financial Reporting Standards (IFRS). Presentation of these Alternative Performance Measures ("APMs") provides useful supplementary information which, when viewed in conjunction with the Company's IFRS financial information, allows for a more meaningful understanding of the underlying financial and operating performance of the Group. These non-IFRS measures should not be considered as an alternative to financial measures as defined under IFRS. Descriptions of the APMs included in this report are disclosed below.

APM	Description	Benefit of APM
EBITDA	EBITDA represents earnings before non-trading items, interest, tax, depreciation and amortisation.	Eliminates the effects of financing and accounting decisions to allow assessment of the profitability and performance of the Group.
EBIT	EBIT represents earnings before non-trading items, interest and tax.	Measures the Group's earnings from ongoing operations.
Free cash flow	Free cash flow comprises operating cash flow less capital expenditure.	Assesses the availability to the Group of funds for reinvestment or for return to shareholders.
Net debt	Net debt comprises total borrowings less cash and cash equivalents.	Measures the Group's ability to repay its debts if they were to fall due immediately.

*Non-trading items are material non-recurring items that derive from events or transactions that fall outside the ordinary activities of the Group and which individually, or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

2. Accounting policies

The Group Condensed Financial Statements for the six months ended 30 June 2016 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 2015, which is available at www.icg.ie.

2. Accounting policies - continued

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 2016, 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 5 (Amendment) Non-current Assets Held for Sale and Discontinued Operations	1 January 2016
IFRS 7 (Amendment) Financial Instruments: Disclosures	1 January 2016
IFRS 10 (Amendments) Consolidated Financial Statements	1 January 2016
IFRS 11 (Amendment) Joint Arrangements	1 January 2016
IFRS 12 (Amendment) Disclosure of Interests in Other Entities	1 January 2016
IFRS 14 Regulatory Deferral Accounts	1 January 2016
IAS 1 (Amendment) Presentation of Financial Statements	1 January 2016
IAS 16 (Amendments) Property, Plant and Equipment	1 January 2016
IAS 19 (Amendment) Employee Benefits	1 January 2016
IAS 27 (Amendment) Consolidated and Separate Financial Statements	1 January 2016
IAS 28 (Amendments) Investments in Associates	1 January 2016
IAS 34 (Amendment) Interim Financial Reporting	1 January 2016
IAS 38 (Amendment) Intangible Assets	1 January 2016
IAS 41 (Amendment) Agriculture	1 January 2016

There have been no material changes in estimates in these half yearly financial information based on the estimates that have previously been made in the prior year financial statements to 31 December 2015. The net deficit in retirement benefit schemes has increased by €27.7 million since 31 December 2015, primarily related to a decrease in high quality corporate bond yields, which drives the discount rate used to value scheme liabilities. Other than the item noted above there has been no other material change in estimates.

3. Segmental information: Analysis by class of business

The Board is deemed the chief operating decision maker within the Group. For management purposes, the Group is currently organised into two operating segments; Ferries and Container & Terminal. These segments are the basis on which the Group reports internally and are the only two revenue generating segments of the Group. The principal activities of the Ferries segment are the operation of combined RoRo passenger ferries and chartering of vessels. The principal activities of the Container & Terminal segment are the provision of door-to-door and feeder LoLo freight services, stevedoring and other related terminal services. There has been no change in the basis of segmentation or in the basis measurement of segment profit or loss in the period. 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 2016		30 Jun 2015		31 Dec 2015	
	External Revenue	Profit before tax	External Revenue	Profit before tax	External Revenue	Profit before tax
	€m	€m	€m	€m	€m	€m
Ferries	91.5	15.4	86.5	12.3	203.9	48.1
Container and Terminal	62.8	5.4	57.2	4.1	118.2	9.1
Inter-segment Revenue	(3.8)	-	(0.6)	-	(1.5)	-
Operating profit	**-**	**20.8**	**-**	**16.4**	**-**	**57.2**
Net Interest - Ferries	-	(1.0)	-	(1.4)	-	(2.9)
Net interest - Container and Terminal	-	(0.1)	-	(0.1)	-	(0.2)
Total	**150.5**	**19.7**	**143.1**	**14.9**	**320.6**	**54.1**

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 2015.

4. Dividend

	Half year ended 30 Jun 2016	Half year ended 30 Jun 2015	Year ended 31 Dec 2015
	€m	€m	€m
Interim dividend	-	-	6.8
Final dividend	13.8	13.1	13.1
	13.8	**13.1**	**19.9**

In June 2016 a final dividend of 7.387 cent per ICG Unit was declared and paid for the financial year ended 31 December 2015. In June 2015 a final dividend of 7.035 cent per ICG Unit was paid for the year ended 31 December 2014. In September 2015 an interim dividend of 3.638 cent per ICG Unit was paid for the year ended 31 December 2015.

5. Earnings per share

Number of shares	Half year ended 30 Jun 2016 '000	Half year ended 30 Jun 2015 '000	Year ended 31 Dec 2015 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	186,803	185,275	185,776
Effect of dilutive potential ordinary shares: Share options	1,811	2,739	2,806
Weighted average number of ordinary shares for the purpose of diluted adjusted earnings per share	**188,614**	**188,014**	**188,582**

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 2016 €m	Half year ended 30 Jun 2015 €m	Year ended 31 Dec 2015 €m
Earnings for the purpose of basic and diluted earnings per share - Profit for the financial period attributable to equity holders of the parent	**19.2**	**14.5**	**53.7**
Earnings for the purpose of adjusted earnings per share – Profit for the financial period attributable to equity holders of the parent	19.2	14.5	53.7
Effect of net interest expense on defined benefit pension schemes	-	0.2	0.4
Earnings for the purpose of adjusted earnings per share	**19.2**	**14.7**	**54.1**
	Cent	**Cent**	**Cent**
Basic earnings per share	10.3	7.8	28.9
Diluted earnings per share	10.2	7.7	28.5
Adjusted basic earnings per share	10.3	7.9	29.1
Adjusted diluted earnings per share	10.2	7.8	28.7

6. Property, plant and equipment

	Vessels	Plant and equipment	Vehicles	Land and buildings	Total
	€m	€m	€m	€m	€m
Cost					
At 1 January 2016	327.7	57.5	1.1	25.2	411.5
Additions	19.4	0.3	0.2	-	19.9
Disposals	(6.0)	(0.1)	(0.2)	-	(6.3)
Exchange differences	(0.7)	(0.6)	-	-	(1.3)
At 30 June 2016	**340.4**	**57.1**	**1.1**	**25.2**	**423.8**
Accumulated depreciation					
At 1 January 2016	192.0	40.2	0.8	8.5	241.5
Charge for period	7.9	1.5	0.1	0.1	9.6
Disposals	(6.0)	(0.1)	(0.2)	-	(6.3)
Exchange differences	-	(0.3)	-	-	(0.3)
At 30 June 2016	**193.9**	**41.3**	**0.7**	**8.6**	**244.5**
Carrying amount					
At 1 January 2016	135.7	17.3	0.3	16.7	170.0
At 30 June 2016	**146.5**	**15.8**	**0.4**	**16.6**	**179.3**
At 30 June 2015	117.7	17.4	0.4	16.9	152.4

At 30 June 2016 the Group has entered into commitments to the value of €147.1 million (2015: €2.3 million) for the purchase of fixed assets.

7. Intangible assets

	Software
	€m
Cost	
At 1 January 2016	10.2
Additions	0.1
At 30 June 2016	**10.3**
Amortisation	
At 1 January 2016	9.3
Charge for the period	0.2
At 30 June 2016	**9.5**
Carrying amount	
At 1 January 2016	0.9
At 30 June 2016	**0.8**
At 30 June 2015	0.8

8. Net debt and cash

	Cash €m	Overdrafts €m	Loans €m	Leases €m	Total €m
At 1 January 2016					
Current assets	25.0	-	-	-	25.0
Creditors due within one year	-	-	(13.0)	(1.0)	(14.0)
Creditors due after one year	-	-	(52.7)	(2.6)	(55.3)
	25.0	**-**	**(65.7)**	**(3.6)**	**(44.3)**
Cash flow	23.2	-	-	-	23.2
Foreign exchange rate changes	(1.3)	-	-	0.1	(1.2)
Drawdown	-	(3.6)	-	-	(3.6)
Repayment	-	-	6.5	0.5	7.0
	21.9	**(3.6)**	**6.5**	**0.6**	**25.4**
At 30 June 2016					
Current assets	46.9	-	-	-	46.9
Creditors due within one year	-	(3.6)	(13.0)	(1.0)	(17.6)
Creditors due after one year	-	-	(46.2)	(2.0)	(48.2)
	46.9	**(3.6)**	**(59.2)**	**(3.0)**	**(18.9)**
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)**

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

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 2016 €m	30 Jun 2015 €m	31 Dec 2015 €m
Cash and bank balances	46.9	33.5	25.0
Bank overdraft	(3.6)	(0.9)	-
Cash and cash equivalents	**43.3**	**32.6**	**25.0**

9. 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.

10. 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 2015 Annual Report. There have been no changes to the risk management procedures or policies since the 2015 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.

10. Financial instruments and risk management - continued

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

At 30 June 2016 the carrying value and fair value of borrowings was €65.8 million and €66.3 million respectively (31 December 2015: €69.3 million and €66.3 million respectively), which consists of the bank overdraft, loans and leases in Note 8.

The fair value of borrowings at 30 June 2016 was higher than the carrying value reflecting a reduction in the estimated discount rate of the Group's own credit risk.

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 based on market observable rates.

The fair value of derivative financial instruments was a liability of €0.5 million as at 30 June 2016 (31 December 2015: a liability of €0.5 million) which consisted of interest rate swaps. All cash flow hedges were effective and fair value losses of €0.2 million (31 December 2015: losses of €0.2 million) were recorded in other comprehensive income and net settlements amounted to €0.2 million (31 December 2015: €0.4 million).

The Group utilised interest rate swaps during the period ended 30 June 2016 and year ended 31 December 2015 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 2016 was €44.2 million (31 December 2015: €50.7 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 hedged expense.

The Group utilises currency derivatives to hedge future cash flows in the management of its exchange rate exposures. At 30 June 2016 and 31 December 2015 there were no material outstanding forward foreign exchange contracts.

11. 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 2016. 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 1.40% for Euro liabilities (31 December 2015: 2.20%) and 2.70% for Sterling liabilities (31 December 2015: 3.75%).

At 30 June 2016 the Groups total obligation in respect of defined benefit schemes totals €299.0 million (31 December 2015: €268.8 million). The schemes held assets of €266.2 million (31 December 2015: €263.7 million), giving a net pension deficit of €32.8 million (31 December 2015: €5.1 million).

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

	Half year ended				Year ended	
	30 Jun 2016		30 Jun 2015		31 Dec 2015	
	Sterling	**Euro**	**Sterling**	**Euro**	**Sterling**	**Euro**
Discount rate	2.70%	1.40%	3.65%	2.40%	3.75%	2.20%
Inflation rate	2.90%	1.40%	3.30%	1.75%	3.10%	1.50%
Rate of increase of pensions in payment	2.75%	0.50% - 0.60%	3.00%	0.80% - 0.90%	2.90%	0.60% - 0.70%
Rate of pensionable salary increases	1.36%	0.00% - 1.00%	1.52%	1.10%	1.44%	0.00% - 1.00%

The deficit increase reflects an actuarial loss of €28.5 million primarily related to a decrease in high quality corporate bond yields, which drives the discount rate used to value scheme liabilities. The reduction in the inflation assumptions reflects the change in the differential between yields between fixed interest and index linked Government bonds. This also reduces the assumption used for pension and salary increases.

Movement in retirement benefit schemes net deficit	**Half year ended 30 Jun 2016 €m**	**Half year ended 30 Jun 2015 €m**	**Year ended 31 Dec 2015 €m**
Opening deficit	(5.1)	(24.1)	(24.1)
Current service cost	(0.9)	(1.0)	(1.9)
Employer contributions paid	2.0	2.2	4.3
Past service credit	-	0.2	0.3
Net interest cost	-	(0.2)	(0.4)
Actuarial (loss) / gain	(28.5)	23.6	16.5
Other	(0.3)	-	0.2
Net (deficit) / surplus	**(32.8)**	**0.7**	**(5.1)**
Schemes in surplus	2.9	6.1	5.6
Schemes in deficit	(35.7)	(5.4)	(10.7)
Net (deficit) / surplus	**(32.8)**	**0.7**	**(5.1)**

12. Net cash from operating activities

	30 Jun 2016 €m	30 Jun 2015 €m	31 Dec 2015 €m
Operating activities			
Profit for the financial year	19.2	14.5	53.7
Adjustments for:			
Finance costs (net)	1.1	1.5	3.1
Income tax expense	0.5	0.4	0.4
Retirement benefit schemes – current service cost	0.9	1.0	1.9
Retirement benefit schemes – payments	(2.0)	(2.2)	(4.3)
Retirement benefit schemes – past service credit	-	(0.2)	(0.3)
Depreciation of property, plant and equipment	9.6	9.0	18.0
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	0.1
Gain on disposal of property, plant and equipment	-	-	(0.1)
Impairment	-	-	0.6
Operating cash flow before movements in working capital	**29.5**	**24.2**	**73.4**
(Increase) / decrease in inventories	(0.2)	(0.4)	0.1
Decrease / (increase) in receivables	0.2	(5.4)	(6.3)
Increase in payables	27.0	28.5	4.6
Cash generated from operations	**56.5**	**46.9**	**71.8**
Income taxes paid	(0.2)	(0.3)	(0.8)
Interest paid	(1.2)	(1.4)	(2.8)
Net cash generated from operating activities	**55.1**	**45.2**	**68.2**

At 30 June 2016 and 30 June 2015 the increase in payables is due to the seasonality of the business, giving rise to an increase in deferred revenue, as at 30 June 2016 and 2015.

13. 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 2016 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.

14. 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 2015.

15. 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.

16. Composition of the entity

There have been no changes in the composition of the entity during the period ended 30 June 2016.

17. Commitments

	30 Jun 2016 €m	30 Jun 2015 €m	31 Dec 2015 €m
Commitments for the acquisition of property, plant and equipment – approved and contract for	147.1	2.3	10.1

18. Events after the reporting period

The Board has declared an interim dividend of 3.820 cent per ICG Unit in respect of 2016.

There have been no other material events affecting the Group to report since 30 June 2016.

19. Board approval

This interim report was approved by the Board of Directors of Irish Continental Group plc on 30 August 2016.