



IRISH CONTINENTAL GROUP

2018

November Trading Update

TRADING UPDATE 29 NOVEMBER 2018

Volumes (Year to date, 24 November 2018)

Financial summary

	2018	2017	Change
Cars	365,400	393,800	-7.2%
RoRo Freight	257,000	259,200	-0.8%
Container Freight (teu*)	299,800	293,300	+2.2%
Terminal Lifts	283,200	269,500	+5.1%

*teu: twenty foot equivalent units

Irish Continental Group (ICG) issues this trading update which covers carryings for the year to date to 24 November 2018 and financial information for the first ten months of 2018, i.e. 1 January to 31 October with comparisons against the corresponding period in 2017. All figures are unaudited.

Consolidated Group revenue in the period was €285.3 million, a decrease of €3.6 million or 1.3% compared with last year. The revenue decrease is attributable to sailing disruptions and schedule changes in the Ferries Division offset by revenue growth in the Container and Terminal Division. External charter revenues were also €4.9 million lower following the sale of the Kaitaki in May 2017 and Jonathan Swift in April of this year.

For the year to date Group fuel costs continued to be impacted by higher average fuel prices compared to the prior year.

Net cash at the end of October was €33.9 million which includes cash generated from trading to date net of the 20% deposit payment on the second new vessel and proceeds from the sale of the Jonathan Swift.

There is heightened uncertainty at the moment over the manner of the proposed exit of the United Kingdom from the European Union. This is bound to be affecting the timing of corporate investment decisions and continued uncertainty may have a negative impact on consumer sentiment.

Ferries Division

Total revenues recorded in the period to 31 October amounted to €172.1 million (including intra-division charter income), a €12.3 million or a 6.7% decrease on the prior year. €4.9 million of the decrease is attributable to lower external vessel charter earnings following the disposal of the Kaitaki in May 2017 and the Jonathan Swift in April 2018.

For the year to 24 November, Irish Ferries carried 365,400 cars, a decrease of 7.2% on the previous year, on the back of a 7.3% loss in sailings (including planned reduced fast craft sailings of 20% due principally to a decision not to operate the Swift in the Winter). In the period since 30 June car carryings decreased by 11.2% compared with the same period last year.

Freight carryings for the year to 24 November were 257,000 RoRo units, a decrease of 0.8% compared with 2017, on the back of a 4.1% loss in cruise ferry sailings (i.e. excluding fastcraft sailings). In the period since 30 June carryings decreased by 5.6%.

Carryings in the period July to date compared to the prior year were adversely affected by significant disruptions to the schedules on the Dublin Holyhead route due to technical difficulties affecting the flagship vessel Ulysses. While Irish Ferries adjusted its fleet allocations to reduce the effect of these disruptions there remained a significant reduction in capacity.

The Jonathan Swift was sold in April 2018 generating a profit after tax of €13.7 million. The container vessel Ranger remains on time charter to a third party while the “Elb” vessels remain on time charter to the Group's container shipping subsidiary Eucon.

The W.B. Yeats, currently under construction by Flensburger Schiffbau-Gesellschaft & Co. KG (“FSG”) completed its sea-trials in early November and is undergoing final delivery adjustments. FSG have advised ICG that the W.B. Yeats will be ready for delivery during early December. ICG would like to apologise once again for any disruption caused to our tourism and freight customers due to the delay in FSG delivering the ship, a delay that was an extraordinary event totally outside the control of ICG. FSG are contracted to deliver a second new vessel during 2020.

Container and Terminal Division

Total revenues recorded in the period to 31 October amounted to €120.1 million, an 8.0% increase on the prior year.

For the year to 24 November container freight volumes shipped were up 2.2% on the previous year at 299,800 teu, with the rate of growth of 3.8% in the period since 30 June.

Units handled at our terminals in Dublin and Belfast increased 5.1% year on year to 283,200 lifts. In the period since 30 June terminal throughput increased by 5.0%.

Dublin

29 November 2018

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