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DUBLIN PORT COMPANY

Growing with Dublin & Ireland

Dublin Port Company **Annual Report 2015**

The Alexandra Basin Redevelopment project given the go-ahead

Consistent with the commitments set out in the Masterplan 2012-2040 we commenced implementation of the first major project envisaged within the Masterplan – The Alexandra Basin Redevelopment (ABR) Project.

In March 2014 Dublin Port lodged a planning application for this development with An Bord Pleanála. Following a hearing in October 2014, planning permission for the project was granted on 8 July 2015.

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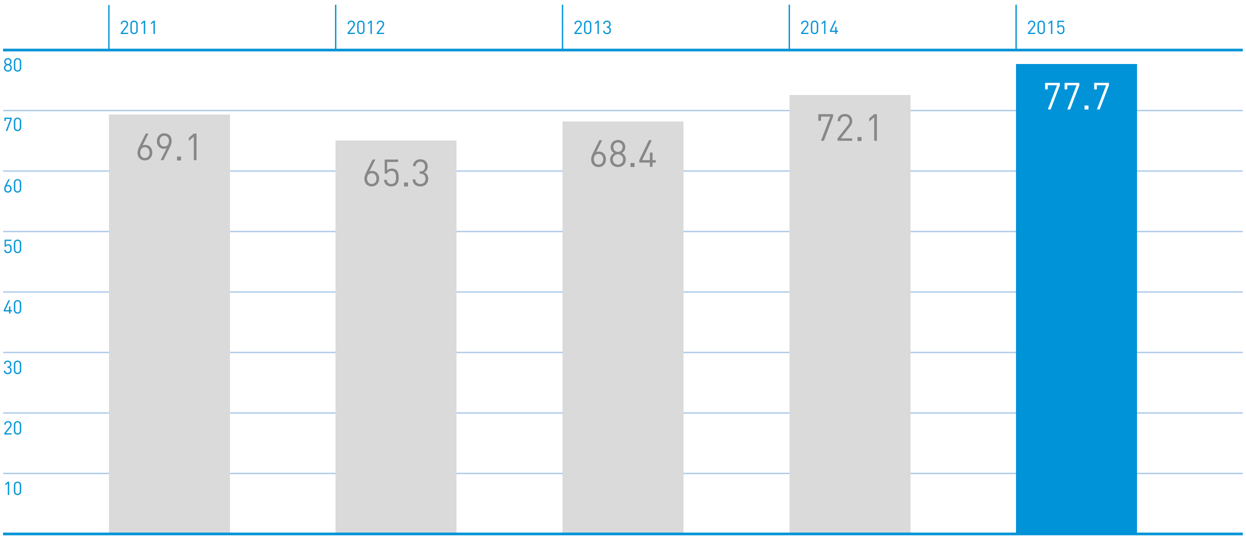
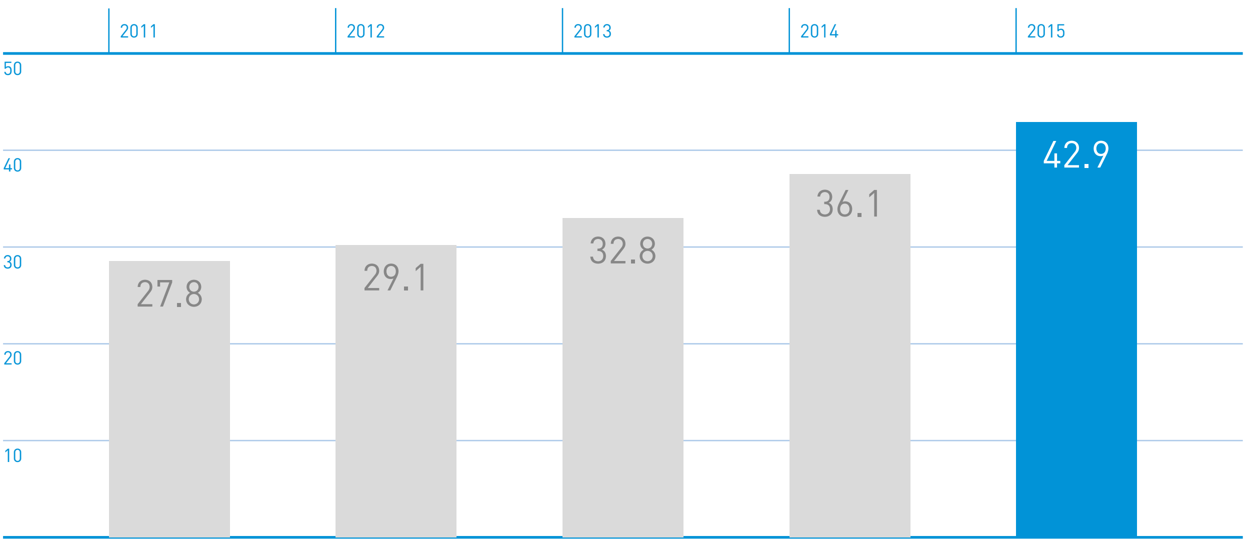
Financial Highlights

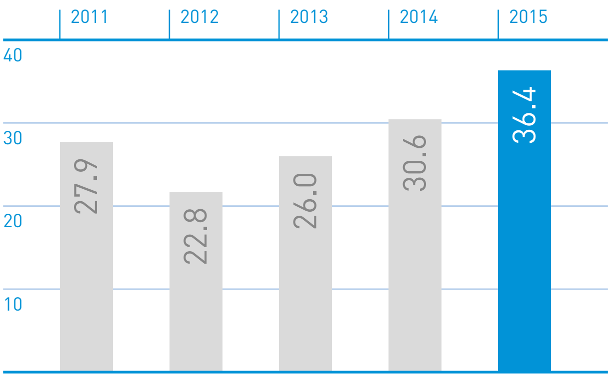
Turnover (€m)



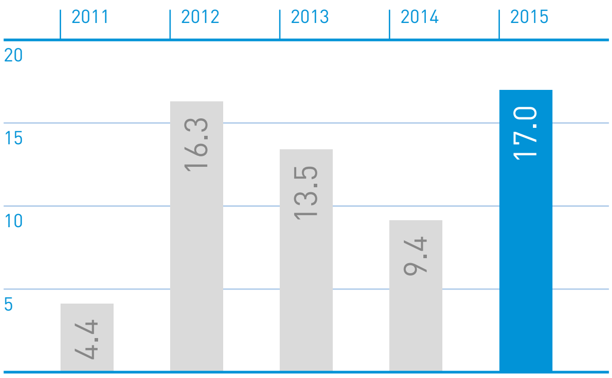
Operating profit (€m)



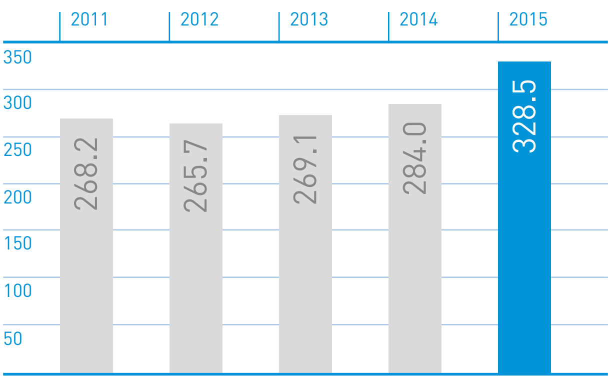
Profit after tax (€m)



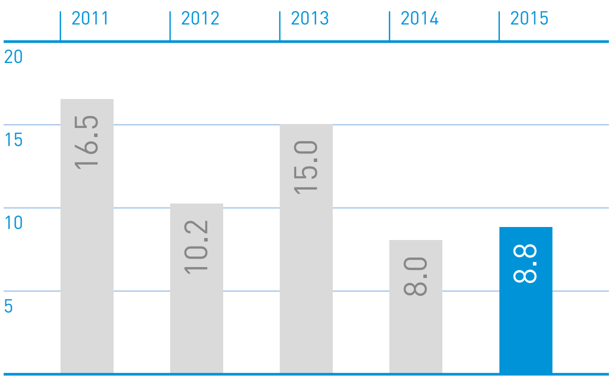
Capital expenditure (€m)



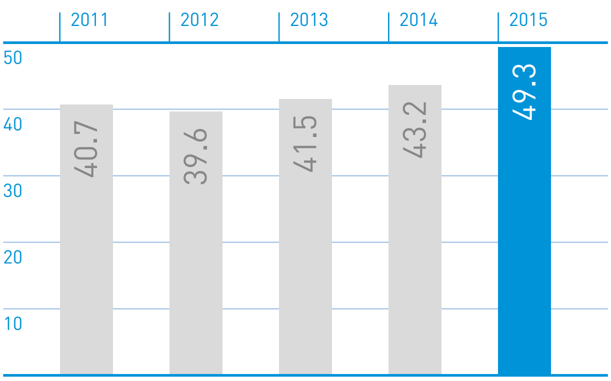
Total Equity (€m)



Dividends(€m)



EBITDA (€m)



Key Financial Performance Indicators

	2015 €'000	2014 €'000
Revenue	77,674	72,089
Operating Profit	42,941	36,141
Operating Margin (%)	55.3%	50.1%
EBITDA	49,306	43,243
EBIT	42,941	36,141
Net Interest Charges	833	1,037
Interest cover		
- EBITDA basis (times)	59.2	41.7
- EBIT basis (times)	51.5	34.9
Net Cash / (Debt)	35,074	16,887
Net Cash / (Debt) as a percentage of total equity (%)	10.7%	5.9%
Net Cash / (Debt) as a percentage of fixed assets (%)	11.9%	5.9%
Return on Capital Employed (ROCE) (%)	14.4%	12.3%

EBIT – earnings before finance costs and tax
EBITDA – earnings before finance costs, tax, depreciation, amortisation, exceptional items and non-exceptional income on revaluation of investment property
Interest cover – the ratio of EBITDA or EBIT to net interest charges
ROCE – the ratio of operating profit to average capital employed

	2015 €'000	2014 €'000
EBIT	**42,941**	**36,141**
Depreciation	7,654	10,113
Amortisation	-489	-491
Other Income	-800	-775
Exceptional Items		-1,745
EBITDA	**49,306**	**43,243**

Directors and Other Information

Lucy McCaffrey
CHAIRPERSON

In a career spanning thirty years, Lucy McCaffrey has worked as a business consultant with public and private sector organisations in Ireland and leading multinationals in Europe, the United States and Africa. In 1992, following a number of years with Boston-based innovation consultancy Synectics Inc. she founded Latitude, a consultancy that specialises in supporting strategic organisational change. Latitude's private sector assignments have spanned the financial services, manufacturing, professional and service sectors. Public sector work has included the facilitation of significant change programmes within a wide range of organisations and initiatives to foster inter-organisation effectiveness and collaboration.

Lucy was first appointed Chairperson of Dublin Port Company by the Minister for Transport in December 2009 and was re-appointed in 2014. She serves as a Director of The Dublin Docklands Development Authority, was a Director of Dublin Port Company between 1997 and 2002 and served on the board of the Project Arts Centre for a five year term (1988-1993).

Eamonn O'Reilly
CHIEF EXECUTIVE

Eamonn O'Reilly was appointed Chief Executive of Dublin Port Company in August 2010 having previously held the position of Chief Executive at Portroe Stevedores, the Dublin Port based cargo handling business, since 2005. Eamonn also held the role of group development manager of Portroe's parent company, Doyle Shipping Group, during that time.

Prior to joining the Doyle Shipping Group, Eamonn was Project Manager for Securicor Ireland and has also worked as a management consultant with KPMG. He served as Chief Executive of Marine Terminals Limited between 1992 and 1996.

Eamonn is a chartered engineer having graduated from University College Dublin and holds an MBA from Trinity College Dublin. Eamonn is a member of Engineers Ireland.

Paul Bates
DIRECTOR

Paul was appointed to the Board in September 2013 by the Minister for Transport, Tourism and Sport. In a Civil Service career spanning 44 years, Paul served in a range of Government Departments, including 18 years on the Tourism portfolio and 4 years as Commercial Counsellor at the Irish Permanent Representation to the EU in Brussels. Before retiring in March, 2013, Paul served as Assistant Secretary General and Head of the Tourism Division in the Department of Transport, Tourism and Sport.

Paul's experience includes strategic policy development and analysis, programme design and management, effecting the restructuring of State agencies, governance of State bodies and drafting legislation.

Paul studied economics at UCD and has completed the Assistant Secretary Leadership Challenge Programme at Harvard University.

He previously was appointed by the Government as a member of the Irish Film Board, as a Director of the Shannon Free Airport Development Company Limited and as a Director of Overseas Tourism Marketing Initiative Limited.

Directors and Other Information

Helen Collins
DIRECTOR

Helen joined the Board in August 2012. She is a solicitor by profession and until 2010 was a partner in McCann FitzGerald. Her experience in commercial litigation included 10 years as Head of Department and involved high profile and complex cases with a particular focus on company, banking, insurance, regulatory, EU, Constitutional and administrative law. Helen's career in McCann FitzGerald also involved extensive management and mentoring experience.

Helen is also a member of the Panel of the Irish Financial Services Appeals Tribunal, an accredited CEDR mediator and a member of the Irish Commercial Mediators Association.

Geoffrey Darling
DIRECTOR

Geoff was appointed to the Board by the Minister for Transport, Tourism and Sport in July 2014. A shipping consultant and investor in ships, Geoff has more than 40 years' experience within the shipping industry, both at sea and ashore.

Geoff is an advisor to and a founding member of a privately held investment group in the shipping industry. The company co-invests in or builds ships in various shipping market segments.

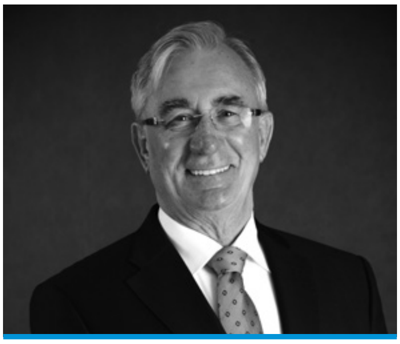
As a consultant he advises various clients on commercial and operational aspects within the shipping industry.

Previously (1992 to 2005) Geoff was a founding shareholder/director of an independent reefer ship chartering and operations company serving various ship owning and investor clients. The company developed into one of the foremost Specialised Reefer Operators and Pool Managers. As a Chief Operations Officer and Director he was involved in all aspects of the company's activities. He has a great deal of experience working with ports worldwide as a customer.

His experience ashore (1989 to 1992) also includes periods as Operations Manager for a ship owner, and a Container Planner (1985) for a consortium of shipping lines.

Geoff is a qualified Class 1 Master Mariner whose sea experience encompasses more than 15 years (1972 to 1989), in ranks from Cadet to Captain, on a variety of ship types trading worldwide.

Prior to embarking on a career at sea Geoff worked for Bank of Ireland.



Pat Magner
DIRECTOR

Pat Magner joined the Board of Dublin Port Company in July 2007 following his appointment by the Minister for Transport, Noel Dempsey TD. Pat is a former Senator having been nominated by An Taoiseach Garrett FitzGerald TD to the 15th and 17th sessions of Seanad Eireann. He was also the nominee of Taoiseach Albert Reynolds TD to the 20th session of the Senate between 1993 and 1997. A former member of the National Executive Committee of the Labour Party, Pat worked as the party's Director of Operations for a number of years and served as advisor to the Tánaiste during various periods in Government. Pat is currently a Public Affairs Consultant and has also served as a Council Member of the Dublin Docklands Development Authority and as Chairman of the Grand and Royal Canals Task Force.

John Moore
DIRECTOR

John Moore joined the Dublin Port and Docks Board in 1977 and has served in a number of senior roles in the organisation including Head of Procurement and Head of Internal Audit. His current role in the organisation is in the Maintenance and Services Department. He joined the Board in 2007 and was re-appointed in 2012.

He is the focal point for ports in Ireland involved in the United Nations Port Training Programme which is aimed at strengthening training capacities and developing human resources of port communities in developing countries.

John completed the Chartered Director programme of the Institute of Chartered Directors. He holds a B.A. in Management and a Masters in Economic Policy Studies from Trinity College Dublin. He is a Graduate Member of the Marketing Institute of Ireland and a member of the Chartered Institute of Internal Auditors.

John is a member of SIPTU and currently serves on the executive committee of the National Worker Directors Group in Ireland.

Michael Sheary
COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Michael Sheary joined the Company in 1982 and served in a number of senior roles including Assistant Financial Controller until his appointment as Company Secretary and Chief Financial Officer in 2001. Since then Michael has overseen the financial, legal and administrative functions of the Company.

Michael qualified as a Chartered Certified Accountant in 1988 and was admitted as a Fellow of the Association of Chartered Certified Accountants in 1996. Michael is a Director of Ringsend Bridge DAC having previously represented Dublin Port Company as a Director of East Link Limited. Michael also acts as a Trustee of Dublin Port Company's Defined Benefit pension scheme.

SECRETARY & REGISTERED OFFICE

Michael Sheary
Port Centre
Alexandra Road
Dublin 1

Registered Number: 262367

PRINCIPAL BANKERS

Bank of Ireland
2 Burlington Plaza
Burlington Road
Dublin 4

AUDITORS

PricewaterhouseCoopers
Chartered Accountants & Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

SOLICITORS

Beauchamps Solicitors
Riverside Two
Sir John Rogerson's Quay
Dublin 2

Eversheds
One Earlsfort Centre
Earlsfort Terrace
Dublin 2

Mason Hayes & Curran
South Bank House
Barrow Street
Dublin 4

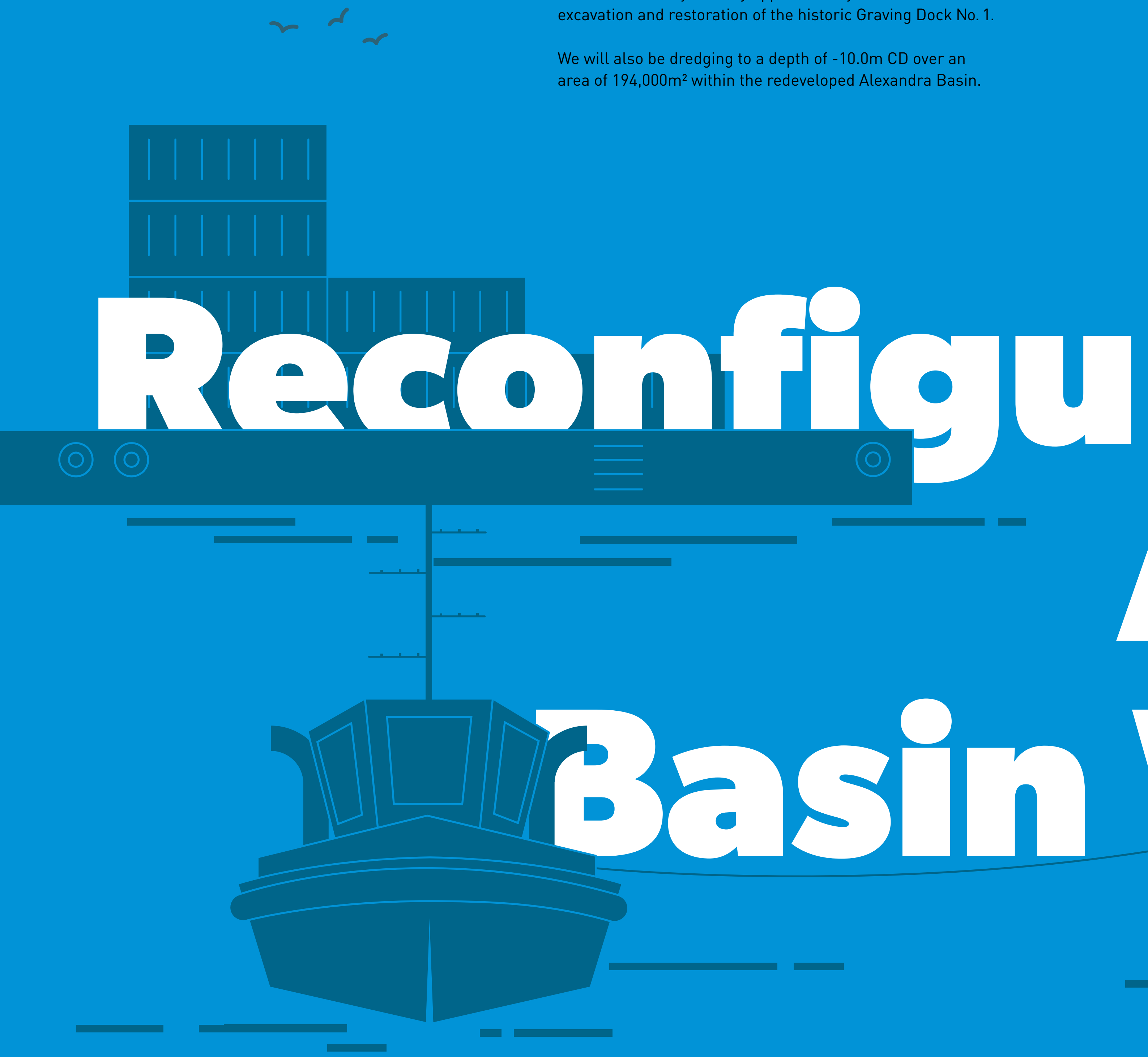
ACTUARIES

Mercer
Charlotte House
Charlemont Street
Dublin 2

Deepening and reconfiguring Alexandra Basin West to cater for larger vessels

The works we will conduct at the Alexandra Basin West include, amongst others, the deepening and rebuilding of quay walls approximately 800m in length, the extension of Alexandra Quay West by approximately 130m and the excavation and restoration of the historic Graving Dock No. 1.

We will also be dredging to a depth of -10.0m CD over an area of 194,000m² within the redeveloped Alexandra Basin.



ring Alexandra West

Chairperson's Statement

INTRODUCTION

Dublin Port Company is responsible under statute for the efficient management of Dublin Port, Ireland's largest and most important hub for international trade. The Company provides the infrastructure and facilities to ensure that the country's imports and exports flow freely into and out of what is one of the most open economies in the E.U.

In the context of our role as a trade facilitator and recognising the over-riding importance of ensuring that we have modern efficient infrastructure in place to meet the needs of the growing economy, the Company has set out its vision for the future delivery of capacity at the Port through the Masterplan 2012-2040.

The Masterplan presents a vision for future operations at the Port and critically examines how the existing land use at Dublin Port can be optimised. In this regard, the Masterplan contains an over-riding commitment that Dublin Port Company will develop the Port within its current footprint to the greatest extent possible before any significant reclamation works might be considered.

In addition to infrastructure, the Masterplan also recognises the strong historical links between the Port and the City and seeks to ensure that whatever we do by way of developing port infrastructure contributes to the reintegration of the Port with the City.

The Government has endorsed the core principles underpinning the Company's Masterplan 2012-2040 and confirmed that the continued commercial development of Dublin Port Company is a key strategic objective of National Ports Policy.

The importance of having a robust planning framework in place is further highlighted following what I am pleased to report has been another very successful year for the Company.

TRADE AND FINANCIAL PERFORMANCE

Volumes through the Port grew for the third year in a row, ensuring that a record throughput of 32.8m tonnes was handled in 2015, representing a 6.4% increase on the previous year.

The growth achieved was shared across both imports and exports. Imports grew by 6.5% from 18.3m tonnes to 19.5m tonnes while exports increased by 6.4% from 12.5m tonnes to 13.3m tonnes. In particular we continued to see strong growth in the unitised sector where volumes increased by 7.3% to 27.2m tonnes, while volumes in the non-unitised sector grew by 2.5% to 5.7m tonnes.

The growth in throughput volumes has contributed to another strong financial performance in 2015 whereby

- Turnover increased by 7.8% from €72.1m to €77.7m
- Operating Profit increased by 18.8% from €36.1m to €42.9m
- Profit for the Financial Year increased by 19.0% from €30.6m to €36.4m
- Earnings before interest, tax, depreciation, and amortisation (EBITDA) increased by 14.0% from €43.2m to €49.3m
- The net cash position increased from €16.9m to €35.1m.

ALEXANDRA BASIN REDEVELOPMENT PROJECT

Against the backdrop of three years of strong volume growth such that throughput is now 6.2% higher than at the previous peak in 2007, and consistent with the commitments set out in the Masterplan 2012-2040 the Company has commenced implementation of the first major project envisaged within the Masterplan – The Alexandra Basin Redevelopment (ABR) Project.

In March 2014 the Company lodged a planning application for this development with An Bord Pleanála as required under the Strategic Infrastructure legislation. In preparing the design aspects of the application and in particular in undertaking the extensive body of work required to prepare the accompanying Environmental Impact Statement and Appropriate Assessment we consulted with a broad range of stakeholders and were particularly encouraged by the level of support and goodwill which we received for the project. An Bord Pleanála conducted an Oral Hearing in respect of the application in October 2014 and granted planning permission for the project on 8 July 2015 under Section 37G of the Planning and Development Act 2000.

Following on from the grant of planning, additional consents are currently being pursued in respect of the required Foreshore Licence, Dumping at Sea Licence and Industrial Emissions Directive Licence while enabling works in respect of the project commenced at the western end of Alexandra Basin in March 2016.

We consider that implementation of this project will result in the most significant redevelopment of the Ports infrastructure in decades, providing additional cargo handling capacity and future proofing the Port in terms of being able to facilitate larger sized vessels into the future (in terms of both length and draft).

The development will include:

- Deepening and reconfiguration of quay walls at North Wall Quay Extension approximately 1,000m in total length
- Provision of a turning circle for ships
- Provision of a new 250m RoRo jetty together with two new RoRo berths within the inner basin

Chairperson's Statement
(continued)

- Deepening and rebuilding of quay walls at Alexandra Basin West approximately 800m in length
- Extension of Alexandra Quay West by approximately 130m
- Infill of the basin at berths 52/53 and the construction of a new 300m river berth
- Dredging of the navigational channel to a depth of 10m below Chart Datum to facilitate larger vessels.

The estimated cost to deliver this project over the next 5 years is in the region of €227m. In this regard I am very pleased to report that we have been successful in securing E.U. funding and European Investment Bank support for the project.

The E.U. commission has approved grant aid totalling €22.8m in respect of the project under the Connecting Europe Facility. We look forward to working with the Innovation and Networks Executive Agency who will oversee the processes and procedures in relation to this grant drawdown.

In December 2015 we signed a Finance Contract with the European Investment Bank in respect of a €100m project finance facility. This 20 year facility provides long term finance matching the long term nature of the infrastructural investment. It also provides certainty of funding on competitive terms and allows us to finance the project conservatively, consistent with our Strategic objectives.

The ABR Project is the first major project to be brought forward under the Company's Masterplan 2012-2040 and will make a significant contribution to the overall objective of the Masterplan to cater for a doubling of throughput to 60.0m tonnes by 2040.

The project will also provide for the relocation of cruise vessels to the newly constructed multi-purpose berths at North Wall Quay Extension bringing them closer to the City centre and delivering on our vision of reintegrating the Port with the City.

CONCLUSION

As we finalise this Annual Report for 2015, the growth we have seen over the last three years has continued into the first quarter of 2016. The Board recognises the critical role that the Port plays in delivering the infrastructure required to facilitate our trading economy and have agreed that the need to stay ahead of capacity requirements in the years ahead should be a key guiding principle for Dublin Port Company to follow.

This year will be an important year from a planning perspective and as we continue to develop our plans for the development of the Port we will liaise closely with all our stakeholders to ensure that port capacity is delivered in a sustainable way. In particular we will engage with Dublin City Council in relation to the forthcoming redrafting of the City Development Plan and proposals for land utilisation on the Poolbeg Peninsula.

In conclusion, I would like to thank my colleagues on the Board for their work over the past year.

I would also like to thank the management team and all the staff of Dublin Port Company for their continued commitment to the well-being of the Port. In particular I acknowledge the leadership of the Chief Executive, Eamonn O'Reilly, particularly for the professional manner in which he steered the Company through the planning process for the Alexandra Basin Redevelopment Project, culminating in the positive decision from An Bord Pleanála.

In addition to thanking our customers for their continued business I would like to thank all our stakeholders for their help and support over the course of the year.

Finally, I would like to thank the Minister and his team at the Department of Transport, Tourism and Sport for their continued support and active engagement with us over the course of 2015.

Lucy McCaffrey
Chairperson

31st March 2016

The ABR development will include:

1. **Deepening and reconfiguration of quay walls at North Wall Quay Extension approximately 1,000m in total length**
2. **Provision of a turning circle for ships**
3. **Provision of a new 250m RoRo jetty together with two new RoRo berths within the inner basin**
4. **Deepening and rebuilding of quay walls at Alexandra Basin West approximately 800m in length**
5. **Extension of Alexandra Quay West by approximately 130m**
6. **Infill of the basin at berths 52/53 and the construction of a new 300m river berth**
7. **Dredging of the navigational channel to a depth of 10m below Chart Datum to facilitate larger vessels**

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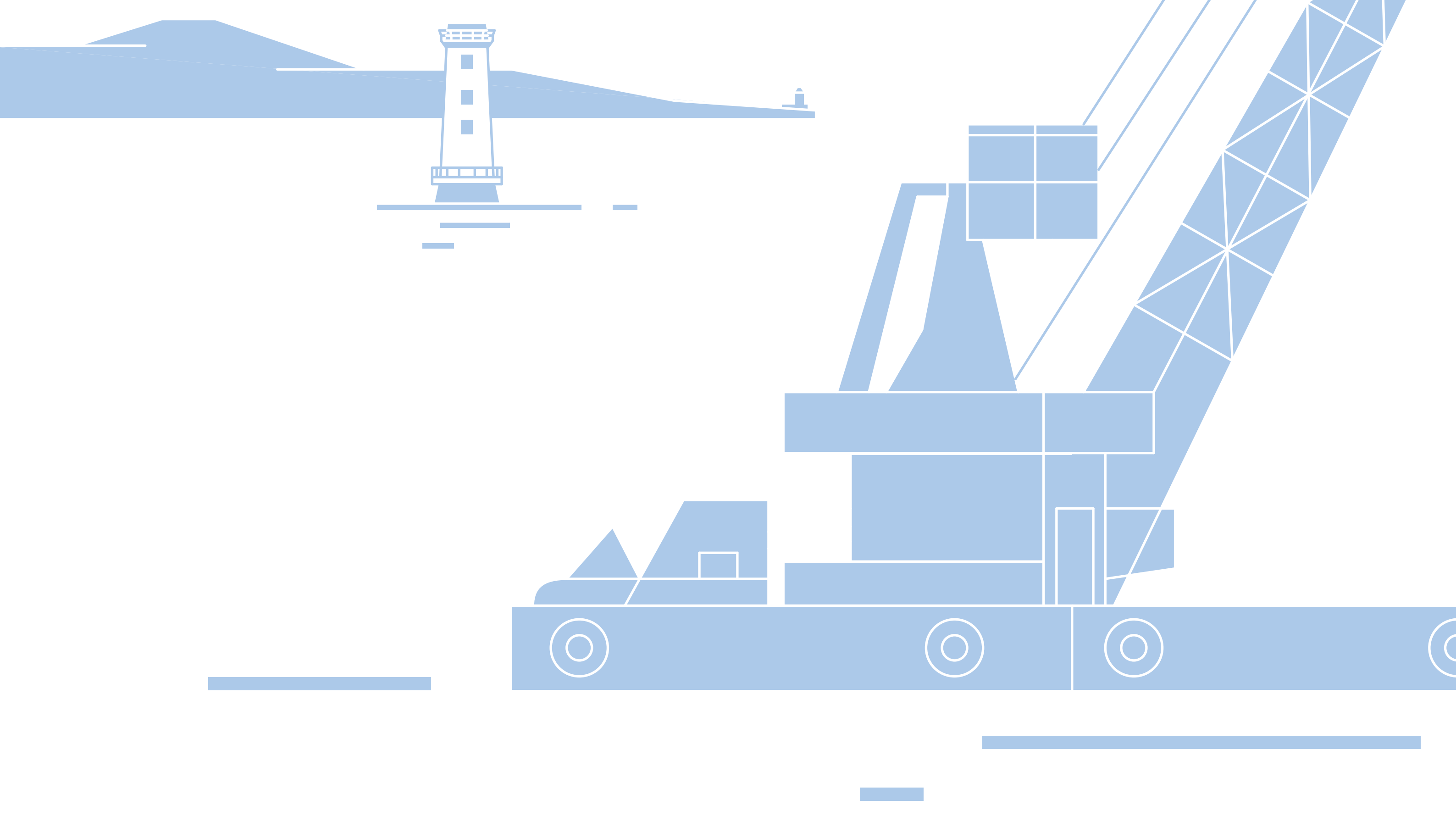

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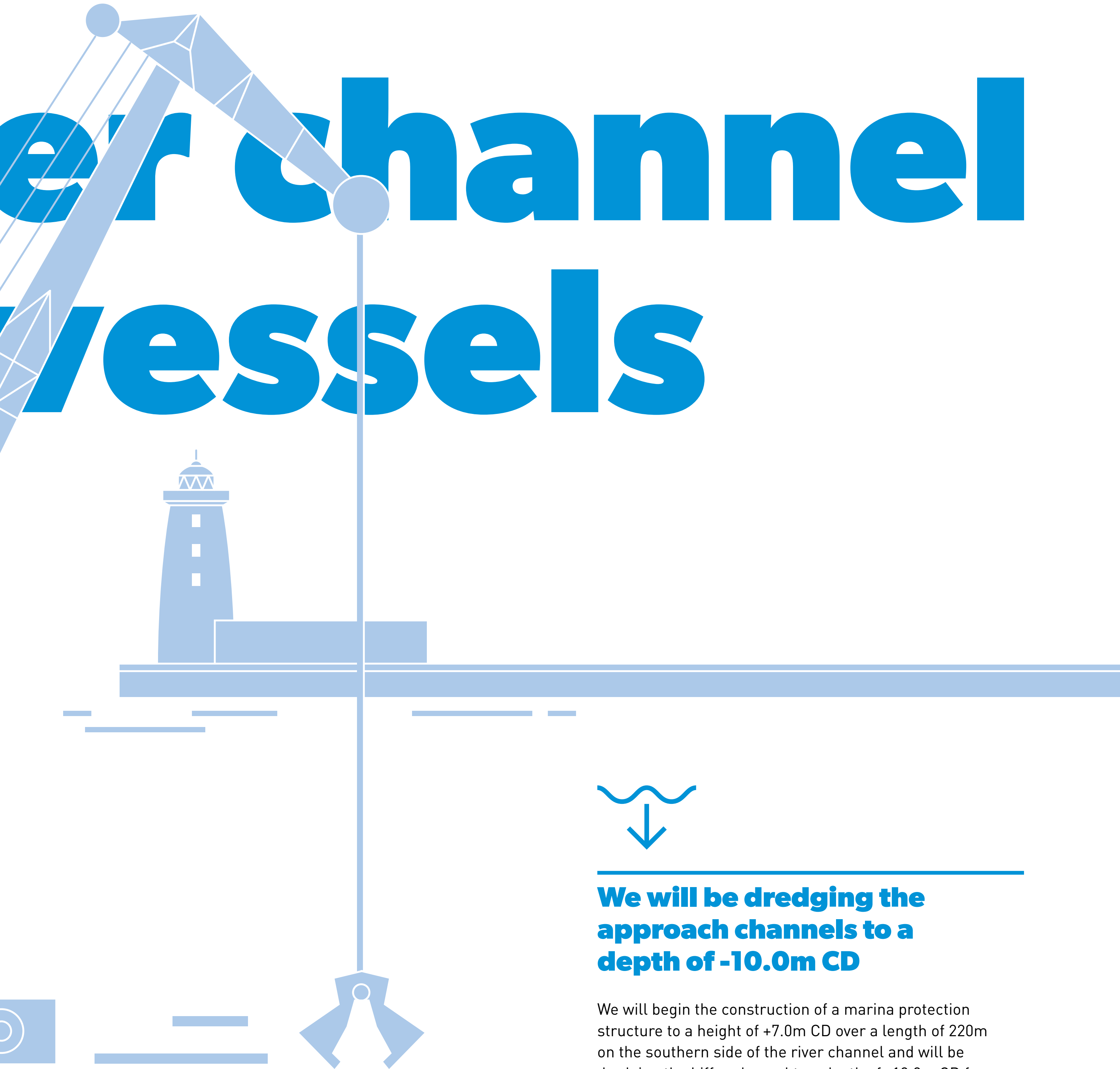


We will be dredging the approach channels to a depth of -10.0m CD

We will begin the construction of a marina protection structure to a height of +7.0m CD over a length of 220m on the southern side of the river channel and will be dredging the Liffey channel to a depth of -10.0m CD from a point circa 55m to the east of the East Link Bridge to a location in the vicinity of Dublin Bay Buoy in Dublin Bay over a distance of 10,320m.

Chief Executive's Review

DUBLIN PORT TRADE REVIEW

2015 was a very strong year with growth in our gross tonnage of 6.4% and we ended the year with a record throughput of 32.8m gross tonnes. This was 6.2% higher than the previous peak of 30.9m tonnes in 2007.

Growth was strong on both the import and export sides reflecting the generally positive performance of the economy during the year.

'000 gross tonnes	2015	2014	% change
Imports	19,549	18,358	6.5%
Exports	13,289	12,491	6.4%
Total	**32,838**	**30,849**	**6.4%**

The combined unitised gross tonnage (Ro-Ro and Lo-Lo) increased by 7.3% during 2015.

Our business is increasingly dominated by the unitised modes which together account for 82.7%. A decade ago, they represented 76.9% of total gross tonnage.

'000 gross tonnes	2015	2014	% change
Ro-Ro	21,191	19,796	7.1%
Lo-Lo	5,960	5,507	8.2%
Bulk Liquid	3,857	3,624	6.4%
Bulk Solid	1,780	1,885	(5.6%)
Break Bulk	50	37	35.1%
Total	**32,838**	**30,849**	**6.4%**
Unitised	27,151	25,303	7.3%
Non-unitised	5,687	5,546	2.5%

Ro-Ro units for the year increased by 6.8% to 877,826 while Lo-Lo TEU grew by 8.6% to 614,226. Dublin is both Ireland's

largest and fastest growing Port for unitised cargo and our share of all Ireland total volumes increased to 49.3% in the case of Ro-Ro and to 54.9% for Lo-Lo.

	2015	2014	% change
Ro-Ro units	877,826	821,876	6.8%
Lo-Lo TEU	614,226	565,698	8.6%

As another indicator of the improving domestic economy, Trade Vehicle volumes were strong during 2015 at 102,149, up 25.8% on 2014.

In the smaller bulk modes (liquids, solids and break bulk), growth was lower than in the unitised modes at 2.5%.

Within this, Bulk Liquid (which is virtually all petroleum products) increased surprisingly strongly by 6.4% to 3.9m tonnes which is only 5.4% behind our highest annual volume in 2008. This puts us very close to the peak annual volume of 4.0m tonnes which we projected in our Masterplan to 2040.

Bulk Solid fell by 5.6% to 1.8m tonnes driven mainly by weak animal feed imports.

The tourism side of our business was also strong with ferry passengers up 5.1% at 1.8m and tourist vehicles ahead 8.3% at 0.5m. This growth has been driven by the cessation of passenger ferry services in Dun Laoghaire in 2014 and by subsequent investment by our major ferry customers in additional ships and new services.

Cruise tourism also grew strongly in 2015 with 93 cruise calls during the year representing an 8.1% increase on the previous year. The most significant feature during the year was the increase in aggregate gross tonnage of 11.4% as a result of being able to facilitate a bigger number of large cruise ships in excess of 300m in length.

	2015	2014	% change
Cruise calls	93	86	8.1%
Passengers and crew	148,891	140,579	5.9%
GT	4,352,753	3,908,702	11.4%

FINANCIAL PERFORMANCE IN 2015

Dublin Port Company is an infrastructure provider with relatively little involvement in operational activities. As such, we have high operating leverage and expect to see volume increases directly driving revenue and profit levels.

During 2015, our 6.4% volume increase drove our revenues up by 7.8% to €77.7m.

Operating Costs for the year decreased by 4.9% to €36.6m mainly as a result of a reduction in the depreciation charge for the year as the 2014 figures had included accelerated depreciation on assets.

Other operating income of €1.0m arises in 2015 relating to EU grant aid received under the trans-European transport network (TEN-T) programme in respect of studies related to the Alexandra Basin Redevelopment (ABR) Project. In addition, other operating income arises in both years at €0.8m reflecting the increase in valuation of the Company's investment property P5 located in the Eastpoint Business Park, while the profit on disposal of assets arising in 2014 relates to the disposal of the Company's interest in Greenore Port.

Chief Executive's Review
(continued)

Against this background, Operating Profit rose by 18.8% to €42.9m and Profit before Tax rose 20.3% to €41.9m.

€'000	2015	2014	% change
Turnover	77,674	72,089	7.8%
EBITDA	49,306	43,243	14.0%
Operating Profit	42,941	36,141	18.8%
PBT	41,924	34,859	20.3%
PAT	36,372	30,555	19.0%

As an infrastructure provider with large imminent capital expenditure requirements, cash generation, Return on Capital Employed and net debt are key measures of our business strength.

During 2015, EBITDA increased by 14.0% to €49.3m as shown below.

€'000	2015	2014
Operating Profit	42,941	36,141
Depreciation	7,654	10,113
Amortisation	(489)	(491)
Other income	(800)	(775)
Exceptional Items – profit on disposal of assets	-	(1,745)
EBITDA	**49,306**	**43,243**

Beyond this, our Return on Capital Employed (ROCE) increased from 12.3% in 2014 to 14.4% in 2015.

Since corporatisation in 1997, our average annual capital expenditure has been €18m. While our capital expenditure in recent years has been significantly less than this, it began to ramp up during 2015 as we begin a multi-annual investment programme under our Masterplan 2012 to 2040.

During 2015, capital expenditure was €17m compared to €9.4m in 2014.

At year end our net cash position was €35.1m compared to €16.9m at the end of 2014.

€m	2015	2014
Cash (including short term deposits)	€70.1m	€51.9m
Borrowings	(€35.0m)	(€35.0m)
Net Cash	**€35.1m**	**€16.9m**

Our rising ROCE, our growing cash reserves and the €100m EIB long-term debt facility agreed towards the end of the year put us in a strong position for the continuing programme of essential capital investment in 2016 and beyond.

EVENTS DURING THE YEAR

The most significant event during 2015 was the granting by An Bord Pleanála of planning permission for the ABR Project. This will be the largest single construction project in the Port's long history and will decisively give the Port deep water, additional Ro-Ro freight capacity and the ability to handle the largest cruise ships in the world, all essential for the future growth of our business and of the national economy.

In addition to receiving planning permission, we also concluded a long-term €100m loan facility agreement with the EIB and received a €23m grant commitment from the EU under its Connecting Europe Facility. The combination of these along with our strong cash flow will allow us to implement the major programme of capital works over the next decade with low risk to the Company's financial stability.

On the operational side, there was a major breakthrough by our finding the means to safely bring cruise ships longer than 300m (and, therefore, unable to turn within the river) into the Port. This led directly to the large increase in our cruise business during the year and transformed cruise into a valuable contributor to the Company's revenues.

We made significant progress in completing projects which will help to re-integrate the Port with the City (a commitment in our Masterplan) by opening the reconfigured Diving Bell on Sir John Rogerson's Quay.

Finally, 2015 was the last year in which we shared in the profits of the East Link Bridge operation. During the year, we received €1.4m bringing the total values of our agreement in respect of the East Link Bridge to €26.8m.

OUTLOOK FOR 2016

In the three years to end 2015, our volume has grown by 17.3% driven by Ireland's economic recovery. This suggests that the past strong correlation between economic activity and Port volumes remains intact and, that being the case, we can look forward to further substantial growth in port volumes in the years ahead as and when the Irish economy grows.

During 2016, therefore, we need to continue to provide capacity for future growth. In particular, we intend to develop an external port logistics zone to allow, firstly, for the relocation of port-related but non-core services from port lands close to the quay walls and, secondly, to provide additional transit storage capacity for slower moving cargoes.

On the trade side, we expect to see continued increases in unitised volumes and also the continued growth of biomass fuels for power generation.

2016 will also see another large upward step in cruise traffic confirming Dublin as Ireland's cruise capital and transforming our cruise business into a substantial contributor to the Company's revenues.

Against a background of restructuring within the petroleum sector, we will continue to seek opportunities to consolidate the Port's petroleum storage facilities onto a smaller footprint and, in doing this, free up land for the transit storage of other cargo types.

Finally, we will see a continuation of our efforts to reintegrate the Port with the City through a range of initiatives of different types including the commissioning of the Starboard Home music project, the opening of a new high quality Seafarers' Centre and the commencement of a project to open Port Centre onto East Wall Road. This last project will transform how the Port estate presents itself to the rapidly developing Docklands.

LONG-TERM PLANNING

Beyond the outlook for 2016, we will also review our long-term development plans based on the events of last year and the trends these events have confirmed.

On the one hand, I am increasingly of the view that our Masterplan's assumed long-term average annual growth rate to 2040 of 2.5% needs to be revised upwards. At 2.5%, the projected volume in 2040 was 60m gross tonnes. It is likely during 2016 that we will increase this key planning figure to 3.3%. The major implications of this are that we will need to plan to handle 60m gross tonnes as early as 2031 and be able to cater for 77m gross tonnes by 2040.

On the other hand, we believe that we will be able to provide sufficient capacity within the Port's existing footprint by a combination of three things:

- Implementation of the Franchise Policy 2014 in respect of the displacement of non-core activities from the Port
- Development of a large motorway-connected external port logistics zone close to the Port.
- Development of port lands on the Poolbeg Peninsula commencing five years from now.

If we can do these things, I believe that we can push out any consideration of expansion by further infill into Dublin Bay until 2030. This will be a significant endorsement of the important commitment we made in the Masterplan to maximise the utilisation of existing lands before contemplating any further expansion into the bay.

Eamonn O'Reilly
Chief Executive

31st March 2016

Berths 52 and 53 will be infilled to increase landward storage

The proposed redevelopment consists of the demolition and removal of the existing Berths 52 and 53, the jetty at Berth 52 and the concrete dolphin at Berth 53.

We'll also begin the construction of a new 300m long river berth at the location, a new 40m long mooring jetty to extend existing Berth 49 and the infilling of Terminal 5 Ro-Ro Basin (an area of 45,650m²). The project also includes raising existing ground levels in the vicinity by c. 1.4m over an area of 95,000m² and dredging of a new river berth to -10.0m CD.

e
pace &
river berth

Directors' Report

The Directors present their Annual Report together with the audited financial statements of the Company for the financial year ended 31 December 2015.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law.

Irish law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for the financial year. Under that law the Directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard (FRS) 102, the financial reporting standard applicable in the UK and the Republic of Ireland and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

LEGAL STATUS

Dublin Port Company is a limited liability Company established pursuant to the Harbours Act, 1996. On 3 March 1997 the Company became the successor entity to Dublin Port & Docks Board, the former statutory entity with responsibility for the Port of Dublin. On that date Dublin Port Company took over the functions and acquired the assets and liabilities of the predecessor organisation at valuations agreed with the then Minister for Communications, Marine and Natural Resources. In consideration for the assets and liabilities, the Company issued share capital in the amount of €7.648m to the then Minister for Communications, Marine and Natural Resources.

With effect from 26 July 1997 the Company became the pilotage authority for Dublin Bay.

Responsibility for the Commercial Port Sector was transferred from the Minister for Communications, Marine and Natural Resources to the Minister for Transport with effect from 1 January 2006.

On 12 July 2011 the Minister for Transport transferred the assets and liabilities of Dundalk Port Company to Dublin Port Company under SI No. 361 of 2011.

PRINCIPAL ACTIVITIES

The business purpose of Dublin Port Company is to facilitate the movement of goods and passengers, and attendant information flows through the Port.

The Company provides the infrastructure, facilities, services and hard standing to meet the needs of customers for the efficient transfer of goods and passengers between land and sea transport modes.

Revenue in connection with the provision of these facilities is generated from vessel dues, goods dues, rent and key services provided, such as towage and pilotage.

ACCOUNTING RECORDS

The measures taken by the Directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the Company's registered office, Port Centre, Alexandra Road, Dublin 1.

BUSINESS REVIEW

Details of the profit for the year, together with comparative figures for 2014, are set out in the Profit and Loss Account and the related notes. The Key Financial Performance Indicators of the business are set out below and in the Chief Executive's Review.

Throughput was ahead of 2014 by 6.4% at 32.8 million tonnes (2014: 30.9 million tonnes). Exports grew by 6.4% in the year to 13.3 million tonnes (2014: 12.5 million tonnes) while imports grew by 6.5% to 19.5 million tonnes (2014: 18.4 million tonnes).

Turnover for the year amounted to €77.7m, an increase of 7.8% on the previous year (2014: €72.1m).

Total Operating Costs decreased to €36.6m in 2015 from €38.5m in 2014. This movement mainly arises from lower depreciation charge as a result of accelerated depreciation on assets in 2014. This reduction is partly offset by higher pension costs charged to Operating Profit as a result of a lower past service benefit arising from the pension levy.

Operating Profit increased to €42.9m in 2015 from €36.1 in 2014 resulting in an Operating Margin of 55% (2014: 50%).

Net financing costs were €1.0m (2014: €1.3m). Financing costs on the pension fund deficit decreased from €245k to €184k arising from the increase in the discount rate assumption.

Net Interest charges were €0.8m (2014: €1.0m) and the Company's interest cover is 51 times (2014: 34 times) based on Profit before Interest and Taxation over net interest charges. Net Cash increased from €16.9m in 2014 to €35.1m in 2015 and the Company is fully compliant with all covenants in respect of its borrowing facilities.

Profit for the financial year was €36.4m (2014: €30.6m).

The Profit and Loss Reserve increased from €268.7m at 31 December 2014 to €313.2m and Shareholders' Funds increased from €284.0m to €328.5m during the same period.

The Company has a target throughput of 34.4 million tonnes for 2016. Throughput of 32.8 million tonnes was achieved in 2015, which was 1.2% ahead of its target of 32.4 million tonnes.

PRINCIPAL RISKS AND UNCERTAINTIES

One of the principal uncertainties identified in previous reports related to the Company's ability to deliver capacity to the market. The Company undertook an extensive Master Planning process over the course of 2011 which incorporated formal consultation with all stakeholders culminating in the launch of the Masterplan 2012 to 2040 in February 2012. The Masterplan sets out a roadmap for future development which will ensure that the Port continues to fulfil its primary role of facilitating trade while addressing environmental matters and setting out how the Port will integrate with the City and its neighbours in the years ahead.

In March 2014 the Company lodged a planning application with an Bord Pleanála under the Strategic Infrastructure legislation. The application seeks to implement the first major element of the Master Plan involving the significant redevelopment of Alexandra Basin. This project will involve the provision of new multi-purpose berthing facilities at North Quay Extension, the enhancement of existing berthage at Alexandra Basin and the provision of additional handling capacity for both bulks and unitised trades. The project also seeks to deepen the existing navigation channel

Directors' Report
(continued)

to -10 chart datum. This historically significant project will contribute to the future proofing of the Port in terms of its ability to cater for larger and deeper drafted vessels. An Bord Pleanála granted planning permission for the project in July 2015. The Company is currently engaged in obtaining additional consents required in respect of Foreshore Licence, Dumping at Sea Licence and Industrial Emissions Directive Licence.

As evidenced by the fall in trade in the latter half of 2008 and continuing into 2009 the Company is exposed, through the normal course of its operations, to the impact of an economic slowdown on Port activities. Throughput growth through Dublin Port over the past three years has been in excess of 17% ensuring that trade levels are now 6.2% higher than at the previous peak in 2007. It is clear that the prospects for the Irish economy in general will continue to impact on the Company's growth prospects into the future.

The Company is also exposed to the impact of an economic slowdown on its non-core port activities. This has been evidenced by the diminution in value of the Company's investment property located in the Eastpoint Business Park from €10.9m in 2001 to €4.4m at the end of 2013. The property was again valued by our property advisors at the end of 2015 resulting in an increased valuation of €0.8m to €5.9m. The cumulative diminution in value now stands at €5.0m.

The Company is committed to successfully managing its exposure to risk and to minimising its impact on the achievement of business objectives. During 2012 the Audit Committee was reconstituted as the Audit and Risk Committee. The Committee's terms of reference were amended by the Board to reflect the Committee's role in supporting the Board in managing the Company's exposure to risk. The Risk Register will be updated in 2016 and a Risk Management Policy will be redesigned to reflect the updated Register.

The Company has put in place a Risk Management Framework comprising of the following components;

- Processes for identifying, prioritising and categorising risks,
- On-going assessment and measurement of risks,
- Monitoring and reporting of risks to the Audit and Risk Committee as a sub-committee of the Board.

In addition overall business performance risk is managed through the following measures;

- The preparation of an Annual Budget and Five Year Financial Plans,
- Monthly Reporting and Variance Analysis,
- Financial Controls,
- Key Performance Indicators and
- Detailed Policies, Standards and Guidelines to support the control and mitigation of risks.

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks that include foreign exchange risk, interest rate risk, credit risk and liquidity and cash flow risk. Policies to protect the Company from financial risks are kept under regular review. The Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The Policies are set out by the Board of Directors and are implemented by the Company's Finance Department.

Liquidity and Cash Flow Risk:
The Company maintains a mix of short and medium term debt finance to ensure sufficient funds are available for planned capital investment. At the end of 2015 the Company had in place un-drawn committed facilities of €15 million. The Company put in place a borrowing facility during 2012 to replace and extend the Company's debt. This facility is due for repayment in April 2017.

In December 2015 the Company entered into a Finance Contract with the European Investment Bank in respect of a €100m project finance facility. This facility is for a 20 year term and is undrawn at year end.

The Company's policy is to maximise investment return by placing surplus cash balances on low risk cash deposit on a short term basis. The Company has treasury mandates in place with a number of financial institutions for this purpose.

Credit Risk:
The Company is exposed to credit risk in the course of trading and to manage this risk it carries out appropriate credit checks on potential customers and trades only with recognised creditworthy third parties.

Interest Rate Risk:
In order to manage the Company's exposure to significant adverse interest rate movements, the Company has a policy of maintaining a minimum of 60 per cent (2014: 60 per cent) of its debt at fixed interest rates. In order to achieve this objective, the Company has put in place interest rate swap agreements.

Foreign Exchange Risk:
The Company transacts the majority of its business in Euro and therefore has limited exposure to foreign currency movement. The Company also borrows directly in Euro.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the Board.

FUTURE DEVELOPMENTS

The Company has a budgeted Capital Investment Programme of €87.7m for 2016. The planned Capital Investment Programme for 2016 includes €35.5m in respect of the Alexandra Basin Redevelopment project ("ABR").

RESULTS AND DIVIDENDS

The Company's profit for the financial year amounted to €36.4m. The Directors' allocations and recommendations in respect of this amount were as follows:

	2015 €'000	2014 €'000
Interim Dividend of €0.76 (2014: €0.69) per ordinary share paid	8,800	8,000
Increase in Profit Retained	27,572	22,555
Profit for the Financial Year	**36,372**	**30,555**

The Directors do not propose to declare a final dividend.

DIRECTORS' AND SECRETARY'S INTERESTS

The Directors and Secretary had no interest in the share capital of the Company at 31 December 2015 and 2014.

PROMPT PAYMENTS ACT

It is Company policy to pay suppliers in accordance with the terms of the European Communities (Late Payments in Commercial Transactions) Regulations, 2002 and the Prompt Payments of Accounts Act, 1997.

To this end, the Company's payment routines are designed to provide reasonable assurance against material non-compliance with the terms of the Regulations. The standard credit period is 30 days unless otherwise specified in contractual arrangements. Substantially all payments by number and value were made within the appropriate credit period as required. Consequently, the Directors are satisfied that the Company has complied with the requirements of the Act.

DIRECTORS

The names of the persons who were Directors at any time during the year ended 31 December 2015 are set out below.

L McCaffrey
E O'Reilly
P Bates
H Collins
E Finnan
G Darling
P Magner
J Moore

RELATIONS WITH SHAREHOLDERS

The Chairperson, Chief Executive and management maintain an on-going dialogue with the Company's shareholders on trading performance, future plans and strategic issues. Certain specified matters require the approval of the Minister for Transport and/or the Minister for Finance and on-going communication with the relevant Minister is maintained through their respective departments. The Chairperson reports to the Minister for Transport as required under Section 28 of the Harbours Act, 1996 and as required under the Code of Practice for the Governance of State Bodies.

Directors' Report
(continued)

CORPORATE GOVERNANCE

Dublin Port Company is committed to maintaining the highest standards of corporate governance and has adopted the principles of corporate governance and the Code of Practice for the Governance of State Bodies issued by the Department of Finance in May 2009. The Company also complies with its obligations under the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001.

The majority of Directors are non-executive and are appointed by the Minister. The Board meets formally on a monthly basis and has a formal schedule of matters specifically reserved to it for decision. The Board is responsible for exercising all the powers of the Company, other than those reserved to Shareholders, and has collective responsibility for all the operations of the Company. The Board may delegate such of its powers as it sees fit, to either a Board Committee or the Chief Executive, subject to whatever restrictions or regulation it imposes with such delegation. Subject to ministerial consent in certain cases, the Board has formally approved the reservation of decisions in relation to certain functions in the areas of Governance, Finance, Procurement, Operations, and Appointments in Human Resources. The Board has access to the advice and services of the Company Secretary and can take independent professional advice as and when deemed necessary.

The Board established an Audit Committee in 1997 under formal terms of reference. This Committee was reconstituted in 2012 as the Audit and Risk Committee. The terms of reference set out the purpose, authority and membership of the Committee and its responsibilities in the areas of external financial reporting, external audit, corporate governance and internal audit. The members of the Committee during the year were Ms Emer Finnan (Chairperson), Ms Helen Collins and Mr Pat Magner. The Audit and Risk Committee met four times during the year.

The Board also established a Remuneration Committee in 1999. The members of the committee during the year were Ms Lucy McCaffrey (Chairperson), Mr Pat Magner and Mr Geoffrey Darling. The Committee operates under formal terms of reference and met once during the year. In March 2015 the Board established the Policy Environment Committee to assist it in reviewing and reporting to Board on the general policy environment affecting the activities and operations of the company across a number of areas including EU and domestic legislation, transport policy at EU and national levels and competition policy. The members of the committee during the year were Mr Paul Bates (Chairperson), Ms Lucy McCaffrey, Mr John Moore and Mr Eamonn O'Reilly.

ATTENDANCE AT MEETINGS

There were 12 General Board Meetings during the year ended 31 December 2015.

The attendance of Directors at meetings of the Board was as follows:

Board	Attended	Eligible to Attend
L McCaffrey	9	12
E O'Reilly	12	12
P Bates	12	12
H Collins	12	12
E Finnan	11	12
G Darling	12	12
P Magner	9	12
J Moore	12	12
Audit and Risk Committee		
E Finnan	4	4
H Collins	4	4
P Magner	2	4
Remuneration Committee		
L McCaffrey	1	1
G Darling	1	1
P Magner	1	1
Policy Environment Committee		
P Bates	1	1
L McCaffrey	1	1
E O'Reilly	1	1
J Moore	1	1

DIRECTORS' EXPENSES

Expenses in the amount of €2,094 have been paid to the Board during the year in respect of other expenses.

INTERNAL CONTROLS

The Board has overall responsibility for the Company's systems of internal control. These systems which are maintained by the Company can only provide reasonable but not absolute assurance that transactions are executed in accordance with management's authorisation that assets are safeguarded, that fraud is prevented and that proper financial records are maintained. The Board confirms that it has reviewed the effectiveness of the system of internal control.

To ensure the effective application of the Company's internal controls, the services of qualified personnel have been secured and duties properly allocated among them.

The systems of internal control include the following:

- The process of identifying business risks and the evaluation of their financial implications is carried out through regular reviews of the Company's Strategic Plan. The Company's Risk Management Framework process has been outlined above under the heading of "Principal Risks and Uncertainties". The latest Strategic Plan for the period 2012 to 2016 was formally adopted by the Board in January 2012;
- An annual budget approved by the Board and monthly consideration of actual results compared with budget forecasts;
- An Audit and Risk Committee which has been established to review and discuss, with the internal and external auditors, the Company's internal accounting controls, Internal Audit function, choice of accounting policies, internal and external audit plans, statutory auditors' report, financial reporting and other related matters;
- An Internal Audit function which reviews key business processes and controls;
- Formal codes of conduct for Directors and employees;
- Procurement policies and procedures. These ensure, firstly, that procurement activities are carried out so as to provide value for money in terms of overall lifecycle costs and, secondly, that all relevant State Guidelines and EU Directives applicable to Public Utilities are complied with.

The Board, through the Audit and Risk Committee, has reviewed the effectiveness of the system of internal control up to the date of approval of the financial statements.

A review of the effectiveness of the system of internal financial control was undertaken by the Internal Auditor and no significant control weaknesses which pose a significant risk of financial loss or operational disruption, that requires immediate attention at Board level, were revealed.

POLITICAL DONATIONS

The Board made no political donations during the year.

STATUTORY AUDITORS

The Auditor, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

On Behalf of the Board

Lucy McCaffrey
Eamonn O'Reilly

31st March 2016

New RoRo jetty

As part of the Alexandra Basin West redevelopment, we will provide a new 250m RoRo jetty together with two new RoRo berths

y 250m
y &
two new
Ro berths

Independent Auditors' Report

to the members of Dublin Port Company

REPORT ON THE FINANCIAL STATEMENTS

In our opinion, Dublin Port Company's financial statements (the "financial statements"):

- give a true and fair view of the Company's assets, liabilities and financial position as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

WHAT WE HAVE AUDITED

The financial statements comprise:

- the Balance Sheet as at 31 December 2015;
- the Profit and Loss account for the year then ended;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Cash Flow Statement for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland".

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES ACT 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Directors' remuneration and transactions
Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Code of Practice for the Governance of State Bodies
Under the Code of Practice for the Governance of State Bodies ("the Code") we are required to report to you if the statement regarding the system of internal financial control required under the Code as included in the Corporate Governance Statement on page 26 does not reflect the Company's compliance with paragraph 13.1 (iii) of the Code or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the Directors
As explained more fully in the Directors' Responsibilities Statement set out on page 22, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Enda McDonagh
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

31st March 2016

Accounting Policies

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The company has adopted FRS 102 for the first time in these entity financial statements. Details of the transition to FRS 102 are disclosed in note 32.

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of Investment Property and the measurement of certain financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 3.

GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing arrangement, the fair value of the consideration is measured at the present value if all future receipts using the imputed rate of interest.

The Company recognises revenue when the amount of revenue and costs can be measured reliably; it is probable that future benefits will flow to the entity and when the specific criteria relating to each of the Company's sale channels have been met, as described below.

Port Dues:
Port Dues revenue arises from charges to port users and comprises of goods dues, vessel dues and other key services provided such as towage and pilotage. Goods Dues are charged by reference to a schedule of charges based on Standard International Trade Classifications. Vessel Dues are charged in respect of the arrival of a vessel and rates are based and chargeable on the greater of the net tonnage or half the gross tonnage of a vessel. Towage and Pilotage Services are charged based on usage.

Port Dues revenue is recognised by reference to the date of arrival of the vessel in the Port.

Rents:
Rental income arises mainly from port related rental properties and is recognised by reference to the period to which the rent relates. Rent is charged in accordance with the terms of the rental agreement.

Other Revenue:
Other revenue included in Turnover comprises East Link income, Licence Fees and income from the Company's integrated Service Station and Truck Park. Revenue is recognised by reference to the period to which the income relates.

Other Income
The Company also earns interest income and grant income. Each of these revenue streams are accounted for as set out below:

Interest Income:
Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable' in the Profit and Loss account.

Grant Income:
The Company applies the accruals model in the recognition of grant income.

Grants relating to revenue are recognised on a systematic basis over the periods in which the Company recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses already incurred with no future related costs is recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred it is recognised as deferred income and not deducted from the carrying amount of the asset.

Grants are not recognised until there is reasonable certainty that:

(a) the Company will comply with the conditions attaching to them; and
(b) the grants will be received.

Where a grant becomes repayable it is recognised as a liability when the repayment meets the definition of a liability.

TANGIBLE FIXED ASSETS

(i) Cost

Tangible fixed assets are stated at cost at the date of transition to FRS 102, less accumulated depreciation and accumulated impairment losses, except for the Company's Investment Property which is stated at fair value. Please refer to separate policy on investment property below.

Cost includes the original purchase price, costs directly attributable to bringing the asset to its working location and condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Infrastructure assets are those assets characterised by having virtually infinite useful lives and which, in general, were constructed many years ago but are unlikely to be constructed in their existing format today. They include assets such as the North Bull Wall and Great South Wall. Infrastructure assets are carried at a nil valuation and the cost of their upkeep is charged to the Profit and Loss Account.

(ii) Depreciation and residual values

Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual values over the estimated useful lives as follows:

Buildings, quays, roads and terminals	50 years
Dock structures, dry docks and quays	30 - 50 years
Capital dredging	30 years
Floating craft	up to 30 years
Cranes	up to 30 years
Plant and machinery	2 - 30 years
Routine dredging	2 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

(iii) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(iv) Assets in the course of construction

Assets in the course of construction are carried at cost. These assets are not depreciated until they are available for use.

(v) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in "Profit on disposal of assets".

Accounting Policies
(continued)

DREDGING

Capital dredging, which enhances Port access or infrastructure, is capitalised as part of the related fixed asset and depreciated over its estimated useful life.

INVESTMENT PROPERTIES

The Company measures investment property at its cost on initial recognition. The cost of a purchased investment property comprises its purchase price and any directly attributable costs, such as professional fees for legal services, property transfer taxes and other transaction costs. Costs incurred in undertaking market studies before the purchase of a property are expensed as incurred.

Investment properties whose fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

The Company engaged independent valuation specialists to determine fair value at 31 December 2015. The key assumptions used to determine the fair value of investment property are further explained in note 14.

Although the Companies Acts would normally require the systematic annual depreciation of fixed assets, the Directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of the investment property, and changes to its value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount, which might otherwise have been included, cannot be separately identified or quantified.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each Balance Sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is estimated.

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Profit and Loss account, unless the asset has been re-valued when the amount is recognised in other Comprehensive Income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Profit and Loss account, unless the asset is carried at a revalued amount.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. Bank deposits which have original maturity dates of more than three months are not cash and cash equivalents and are presented as current asset investments.

INVENTORIES

Inventories are stated at cost. Inventories are consumable items and are recognised as an expense in the period in which they are used.

Cost includes cost of purchase, and where appropriate, import duties and transportation costs.

At the end of each reporting period, inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the Profit and Loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the Profit and Loss account.

FOREIGN CURRENCIES

(i) Functional and presentation currency
The Company's functional and presentation currency is the euro, denominated by the symbol "€" and unless otherwise stated, the financial statements have been presented in thousands ('000).

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss account within 'interest payable/receivable'. All other foreign exchange gains and losses are presented in the Profit and Loss account within 'administration expenses'.

EMPLOYEE BENEFITS

The Company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits such as defined benefit and defined contribution pension plans and annual bonus arrangements, for certain employees.

(i) Short term benefits
Short term benefits, including wages and salaries, holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Company operates an annual bonus plan for certain employees. An expense is recognised in the Profit and Loss account when the Company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits
Defined contribution plan
The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Accounting Policies
(continued)

Defined benefit pension plan
The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Euro and that have terms approximating the estimated period of the future payments (discount rate).

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. For most plan assets this is the quoted price in an active market. Where quoted prices are not available appropriate valuation techniques are used to estimate the fair value.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

(a) the increase in pension benefit liability arising from employee service during the period; and
(b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'other finance cost'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other Comprehensive Income. These amounts together with the return on plan assets, less amounts included in net interest, are presented as 'remeasurement of net defined benefit liability' in other Comprehensive Income.

TAXATION

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Profit and Loss account, except to the extent that it relates to items recognised in other Comprehensive Income or directly in equity. In this case tax is also recognised in other Comprehensive Income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax
Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax
Deferred tax arises from timing differences that are differences between taxable profits and total Comprehensive Income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

EXCEPTIONAL COSTS

The Company's income statement separately identifies exceptional items. Exceptional items are those that in our judgement need to be disclosed separately by virtue of their size, nature or incidence. The Company believes that this presentation provides additional analysis as it highlights exceptional items. Such items include gains on disposal of assets and significant business restructuring costs.

In this regard the determination of 'significant' as included in our definition uses qualitative and quantitative factors. Judgement is used by the Company in assessing the particular items, which by virtue of their scale and nature, are disclosed in the Company income statement and related notes as exceptional items.

FINANCIAL INSTRUMENTS

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets
Basic financial assets, including trade and other receivables, cash and bank balances and short term deposits, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities
Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

These liabilities are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Accounting Policies
(continued)

(iii) Derivatives
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate or foreign exchange derivatives.

(iv) Offsetting
Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

PROVISIONS AND CONTINGENCIES

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

DISTRIBUTIONS TO EQUITY HOLDERS

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

SHARE CAPITAL

Ordinary shares are classified as equity and are recognised at the proceeds received. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Profit and Loss Account

For the Financial Year ended 31 December 2015

	Notes	2015 €'000	2014 €'000
Turnover	5	77,674	72,089
Cost of sales		(23,321)	(26,725)
Gross Profit		**54,353**	**45,364**
Administrative expenses		(13,246)	(11,743)
Other operating income	6	1,834	775
Exceptional Items - profit on disposal of assets	8	-	1,745
Operating Profit	10	**42,941**	**36,141**
Interest receivable	9	207	490
Interest payable	9	(1,040)	(1,527)
Other finance cost	30	(184)	(245)
Net Interest Expense		**(1,017)**	**(1,282)**
Profit on Ordinary Activities Before Taxation		**41,924**	**34,859**
Tax on profit on ordinary activities	12	(5,552)	(4,304)
Profit for the Financial Year		**36,372**	**30,555**

Turnover and Operating Profit arose solely from continuing activities.

Statement of Comprehensive Income

For the Financial Year ended 31 December 2015

	Notes	2015 €'000	2014 €'000
Profit for the Financial Year		**36,372**	**30,555**
Remeasurement gain/(loss) recognised on defined benefit obligations	30	19,347	(8,318)
Deferred tax related to remeasurement (gain)/loss on defined benefit obligations	12	(2,418)	1,039
Other Comprehensive Income for the financial year, net of tax		**16,929**	**(7,279)**
Total Comprehensive Income for the financial year		**53,301**	**23,276**

Balance Sheet
As at 31 December 2015

	Notes	2015 €'000	2014 €'000
Fixed assets			
Tangible assets	13	**294,710**	**284,612**
		294,710	**284,612**
Current assets			
Development land	14	1,246	1,246
Inventories	15	508	525
Debtors and prepayments	16	13,798	16,599
Cash at bank and in hand		5,882	3,689
Investments (including €13,248,000 (2014: €Nil) due after more than one year)	17	77,440	48,198
		98,874	**70,257**
Creditors – Amounts falling due within one year	18	**(9,638)**	**(7,342)**
Net current assets		**89,236**	**62,915**
Total assets less current liabilities		**383,946**	**347,527**
Creditors – Amounts falling due after one year	19	(46,718)	(46,069)
Provisions for liabilities			
Provision for post-employment benefit obligation	30	(1,784)	(12,626)
Other provisions for liabilities	22	(6,954)	(4,843)
Net Assets		**328,490**	**283,989**
Capital and Reserves			
Called up share capital presented as equity	23	14,464	14,464
Capital conversion reserve fund	23	119	119
Profit and loss account	23	313,189	268,688
Capital contribution	23	718	718
Total equity		**328,490**	**283,989**

The financial statements on 32 to 67 were authorised for issue by the Board of Directors on 31st March 2016 and signed on its behalf.

On Behalf of the Board

Lucy McCaffrey
Eamonn O'Reilly

31st March 2016

Statement of Changes in Equity

For the Financial Year ended 31 December 2015

	Note	Called up share capital	Capital conversion reserve fund	Capital contribution	Profit and loss account	Total
Balance at 1st January 2014	23	**14,464**	**119**	**718**	**253,412**	**268,713**
Profit for the year		-	-	-	30,555	30,555
Other Comprehensive Income for the year		-	-	-	(7,279)	(7,279)
Total Comprehensive Income for the year		-	-	-	23,276	23,276
Dividends	11	-	-	-	(8,000)	(8,000)
Balance as at 31st December 2014	23	**14,464**	**119**	**718**	**268,688**	**283,989**
Balance at 1st January 2015	23	**14,464**	**119**	**718**	**268,688**	**283,989**
Profit for the year		-	-	-	36,372	36,372
Other Comprehensive Income		-	-	-	16,929	16,929
Total Comprehensive Income for the year		-	-	-	53,301	53,301
Dividends (€0.76 per ordinary share	11	-	-	-	(8,800)	(8,800)
Balance as at 31st December 2015	23	**14,464**	**119**	**718**	**313,189**	**328,490**

Statement of Cash Flows

For the Financial Year ended 31 December 2015

	Notes	2015 €'000	2014 €'000
Net cash from operating activities	24	46,409	35,570
Taxation (paid)/received		(3,837)	(2,962)
Net cash generated from operating activities		**42,572**	**32,608**
Cash flows from investing activities			
Proceeds from sale of investment in joint venture		-	2,439
Purchase of tangible assets		(15,924)	(9,382)
Grants received		1,127	-
Proceeds from disposal of tangible assets		47	112
Interest received		242	490
Movement in short term investments	17	(17,962)	262
Net cash used in investing activities		**(32,470)**	**(6,079)**
Cash flow from financing activities			
Dividends paid	11	(8,800)	(8,000)
Interest paid and similar charges		(1,077)	(1,090)
Net cash used in financing activities		**(9,877)**	**(9,090)**
Net increase in cash at bank and in hand		**225**	**17,439**
Cash and cash equivalents at the beginning of the year		**34,734**	**17,295**
Cash and cash equivalents at the end of the year		**34,959**	**34,734**
Cash and cash equivalents consists of:			
Cash at bank and in hand		5,882	3,689
Short term investments (included in current asset investments)		29,077	31,045
Cash and cash equivalents		**34,959**	**34,734**

Notes to the Financial Statements

1. GENERAL INFORMATION

Dublin Port Ltd ('the Company') is primarily an infrastructure provider whereby it receives fees for allowing port usage and providing other services. Such charges include port dues, vessel dues and other services provided such as towage and pilotage.

The Company is incorporated and domiciled in the Republic of Ireland. The address of its registered office is Port Centre, Alexandra Road, Dublin 1.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014). The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2014.

3. CRITICAL JUDGMENTS AND ESTIMATES IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually and amended where necessary. See note 13 for the carrying amount of the Company's tangible assets and the Accounting Policies for the useful economic lives for each class of assets.

(ii) Impairment of debtors
The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

(iii) Defined benefit pension scheme
The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Balance Sheet. The assumptions reflect historical experience and current trends. See note 30 for the disclosures relating to the defined benefit pension scheme.

4. ASSETS AND LIABILITIES ACQUIRED ON VESTING DAY

Under the provisions of the Harbours Act, 1996, the Company took over the functions carried on by the former Dublin Port and Docks Board on 3 March 1997 ("Vesting Day").

The cost to the Company of the assets acquired on Vesting Day was determined by the then Minister for Communications, Marine and Natural Resources. Liabilities (including pensions and capital grants) were taken over at their actual or determined amounts. Pension liabilities (see note 30) include those in respect of pre-Vesting Day pension entitlements of the Company's employees and the current and deferred pensioners of its predecessor entity, Dublin Port and Docks Board.

The assets and functions of the Pilotage Committee, established under the Pilotage Act 1913, were transferred by operation of law to Dublin Port Company in July 1997, under the Harbours Act, 1996 (Commencement) (No. 3) Order 1997.

4. ASSETS AND LIABILITIES ACQUIRED ON VESTING DAY (CONTINUED)

The consideration for the net assets transferred to the Company was satisfied by the creation and issue of 6.023 million ordinary shares of IR£1 (€1.27) each fully paid. One ordinary share is held by the Minister for Finance and the remainder are held by the Minister for Transport at 31 December 2015.

5. TURNOVER

	2015 €'000	2014 €'000
By class of business (all within Republic of Ireland)		
Port dues	62,407	57,895
Rents	12,915	11,985
East link (see note 7)	1,386	1,105
Licences	558	729
Other	408	375
	77,674	**72,089**

6. OTHER OPERATING INCOME

	2015 €'000	2014 €'000
Revaluation of investment property	800	775
Grant income	1,034	-
	1,834	**775**

7. EAST LINK

Under agreements dated the 16 March 1983 and 24 November 1983, the latter being in consideration for the loss of limited berthage and the disposal of certain lands, the Board acquired the right to participate in the future profits of the Toll Scheme for a period of 25 years from the date on which the building costs were finally discharged or until 31 December 2015, whichever date first occurs. The appropriate date, therefore, is 31 December 2015.

8. PROFIT ON DISPOSAL OF ASSETS

	2015 €'000	2014 €'000
Profit on disposal of joint venture	-	1,689
Profit on disposal of fixed asset (see note 13)	-	56
	-	**1,745**

Notes to the Financial Statements

(continued)

9. NET INTEREST EXPENSE

	2015 €'000	2014 €'000
(a) Interest payable and similar charges:		
- Interest on borrowings wholly repayable within five years	(1,129)	(1,142)
- net finance costs-pension schemes (see note 30)	(184)	(245)
- derivative financial liability (see note 26)	89	(385)
	(1,224)	(1,772)
(b) Interest receivable and similar income:		
- Interest receivable	207	490
(c) Net interest expense	**(1,017)**	**(1,282)**

10. OPERATING PROFIT

	2015 €'000	2014 €'000
Operating Profit has been arrived at after charging/(crediting):		
Depreciation (see note 13)	7,654	10,113
Redundancy payments	-	215
Amortisation of capital grants (see note 21)	(489)	(491)
Surplus on revaluation of investment properties	(800)	(775)
Impairment loss on trade receivables	(121)	56
Profit on disposal of tangible assets (see note 8)	-	56
Inventories recognised as an expense in year (see note 15)	66	197
Foreign exchange (gains)/losses	(1)	2
Auditors remuneration:		
Remuneration (including expenses) for the statutory audit and other services carried out by the Company's auditors is as follows:		
Audit of entity financial statements	46	45
Other assurance services	39	28
Other non-audit services	23	-
Tax advisory services	39	49
	147	**122**

11. DIVIDEND PAID

	2015 €'000	2014 €'000
Interim dividend paid of €0.76 per share (2014: €0.69 per share)	(8,800)	(8,000)

12. TAXATION

	2015 €'000	2014 €'000
(a) Tax expense included in Profit and Loss		
Current tax:		
Based on Port activity profits for the year: Corporation Tax at an effective rate of 12.5% (2014:12.5%)	(3,864)	(2,773)
Based on non-Port activity profits Corporation Tax at an effective rate of 25% (2014:25%)	(426)	(429)
	(4,290)	**(3,202)**
Adjustments in respect of prior periods	8	12
Total current tax	**(4,282)**	**(3,190)**
Deferred tax:		
Timing differences between pension contributions paid and pensions charged	(593)	(542)
Timing differences on accelerated Capital Allowances	(681)	(511)
Origination and reversal of other timing differences	(3)	(125)
Over provision in prior year	7	64
Total deferred tax	**(1,270)**	**(1,114)**
Total tax charge	**(5,552)**	**(4,304)**
(b) Tax (expense)/income included in other Comprehensive Income		
Current tax	-	-
Deferred tax - Deferred tax related to defined benefit pension remeasurement (gains)/losses	(2,418)	1,039
Total tax (expense)/income included in other Comprehensive Income	**(2,418)**	**1,039**

Notes to the Financial Statements
(continued)

12. TAXATION (CONTINUED)

(c) Reconciliation of tax charge

The total Corporation Tax charge for the financial year is higher (2014: lower) than the total tax charge that would result from applying the standard rate of Irish Corporation Tax to profit on ordinary activities. The differences are explained below:

	2015 €'000	2014 €'000
Profit on Ordinary Activities Before Tax	**41,924**	**34,859**
Profit on ordinary activities multiplied by the average rate of Irish Corporation Tax for the year of 12.5% (2014:12.5%)	(5,240)	(4,356)
Effects of:		
Disallowable expenses	(214)	(124)
Non-taxable income	100	96
Profit on disposal of assets	-	218
Passive income liable to tax at 25%	(213)	(214)
Adjustment to tax charge in respect of prior year	15	76
Total tax charge for the year	**(5,552)**	**(4,304)**

13. TANGIBLE ASSETS

	Land and Buildings €'000	Terminals €'000	Dock Structures, Dry Docks and Quays €'000	Floating Craft €'000	Cranes €'000	Plant and Machinery €'000	Investment Property €'000	Total €'000
Cost or valuation								
At 1 January 2014	75,394	210,337	70,638	16,498	3,800	24,473	4,375	405,515
Additions during year	3,649	64	4,340	-	-	1,329	-	9,382
Revaluation of Investment Property	-	-	-	-	-	-	775	775
Write-offs	(957)	-	-	(81)	-	(277)	-	(1,315)
Disposals	(50)	-	-	-	-	(20)	-	(70)
At 31 December 2014	**78,036**	**210,401**	**74,978**	**16,417**	**3,800**	**25,505**	**5,150**	**414,287**
Accumulated Depreciation								
At 1 January 2014	12,099	70,949	20,965	2,454	3,295	10,870	-	120,632
Charge for year	1,380	4,300	1,106	546	496	2,285	-	10,113
Write-offs	(741)	-	-	(38)	-	(277)	-	(1,056)
Disposals	(2)	-	-	-	-	(12)	-	(14)
At 31 December 2014	**12,736**	**75,249**	**22,071**	**2,962**	**3,791**	**12,866**	**-**	**129,675**
Net Book Amounts								
At 1 January 2014	63,295	139,388	49,673	14,044	505	13,603	4,375	284,883
At 31 December 2014	**65,300**	**135,152**	**52,907**	**13,455**	**9**	**12,639**	**5,150**	**284,612**

Notes to the Financial Statements

(continued)

13. TANGIBLE ASSETS (CONTINUED)

	Land and Buildings €'000	Terminals €'000	Dock Structures, Dry Docks and Quays €'000	Floating Craft €'000	Cranes €'000	Plant and Machinery €'000	Investment Property €'000	CIP €'000	Total €'000
Cost or valuation									
At 1 January 2015	77,483	210,401	64,171	16,417	3,800	25,505	5,150	11,360	414,287
Additions during year	712	70	995	6	-	1,388	-	13,782	16,953
Revaluation of Investment Property	-	-	-	-	-	-	800	-	800
Transfer from CIP	-	-	10,807					(10,807)	-
At 31 December 2015	**78,195**	**210,471**	**75,973**	**16,423**	**3,800**	**26,893**	**5,950**	**14,335**	**432,040**
Accumulated Depreciation									
At 1 January 2015	12,736	75,249	22,071	2,962	3,791	12,866	-	-	129,675
Charge for year	1,412	2,992	1,328	546	3	1,373	-	-	7,654
At 31 December 2015	**14,148**	**78,242**	**23,399**	**3,508**	**3,794**	**14,239**	**0**	**0**	**137,330**
Net Book Amounts									
At 1 January 2015	64,747	135,152	42,102	13,455	9	12,639	5,150	11,360	284,612
At 31 December 2015	**64,047**	**132,229**	**52,574**	**12,915**	**6**	**12,654**	**5,950**	**14,335**	**294,710**

The cost to the Company of assets acquired on Vesting Day, 3 March 1997, under the Harbours Act, 1996 was determined by the then Minister for Communications, Marine and Natural Resources in consideration for shares issued.

There were no disposals of tangible fixed assets during the period. In 2014 €56,000 profit on disposal of tangible assets was recognised (note 8).

The investment property represents a 50% interest in freehold property and has been independently valued by Savills as at 31 December 2015 on an open market valuation basis. The valuation represented the valuer's opinion of market value at 31 December 2015 and has been prepared in accordance with the RICS Valuation – Professional Standards (incorporating the International Valuation Standards) published March 2012 by the Royal Institution of Chartered Surveyors. The valuer noted that values are subject to changes on account of market adjustments and other factors, and that values in the future may therefore be higher or lower than at the valuation date. The revaluation surplus of €0.8m million (2014: €0.775 million surplus) arising on this revaluation has been credited to the other operating income line of the Profit and Loss account.

14. DEVELOPMENT LAND

The Company entered into a Development Agreement dated 6th July 1999 with Earlsfort East Point and Eastpoint (Development) Two Ltd. ("the Developer"), for a development comprising approximately 14 acres of land adjoining the East Point Business Park Development Phase I.

At 31 December 2015, a receivable of €1.246m remains outstanding relating to the final three sites of land (comprising approximately 6 acres of land) which are subject to this arrangement. However, while these lands have now been fully developed, in accordance with the terms of the contract between the Company and the Developer, the final sale of the land to the Developer is pending the ultimate disposal of the developed land, the timing of which is currently uncertain and is in part dependent on market conditions for commercial property in Dublin. The Directors are satisfied that the carrying value of this land is fully recoverable at 31 December 2015.

In addition to consideration for the land sold, the Company is entitled to share in the net profits realised on the sale of the developed properties by Eastpoint (Development) Two Ltd. These profits will be recognised in the financial statements when they are realised by Dublin Port Company. There was no profit distribution received during the year (2014: NIL).

15. INVENTORIES

	2015 €'000	2014 €'000
Consumable items	**508**	**525**

Inventory comprises consumable items, spare parts and stores used in the maintenance of plant. There was no material difference between the replacement cost of inventory and the above book amount.

Inventories are stated after provisions for impairment of €Nil (2014: €145,000).

16. DEBTORS

Amounts falling due within one year

	2015 €'000	2014 €'000
Trade debtors	11,758	13,053
VAT	213	63
Corporation tax	-	166
Deferred tax (see note 22)	-	1,578
Contributions receivable from pension scheme	957	876
Other receivables	870	863
	13,798	**16,599**

Trade debtors are stated after provisions for impairment of €0.1m (2014: €0.2m).

Notes to the Financial Statements
(continued)

17. INVESTMENTS

	2015 €'000	2014 €'000
Defined benefit pension asset (see note 30)	13,248	-
Short term deposits	64,192	48,198
	77,440	**48,198**

Investments in short term deposits have an original maturity of 6 months or less. At the Balance Sheet date the average maturity of the deposits was 1 months (2014: 2 months). The average interest rate was 0.4% (2014: 1.0%).

In accordance with FRS102 short term deposits of €29.077m (2014: €31.045m) with contractual maturities of three months or less are included as cash equivalents in the Statement of Cash Flows.

18. CREDITORS

Amounts falling due within one year

	2015 €'000	2014 €'000
Trade creditors	2,364	1,399
Accruals	5,898	4,876
Deferred income – grants (see note 21)	491	490
Professional Services Withholding Tax/Relevant Contracts Tax	104	71
Corporation Tax	279	-
Income tax deducted under PAYE	370	404
Pay related social insurance	132	102
	9,638	**7,342**
Creditors for taxation and social welfare included above	**885**	**577**

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

19. CREDITORS

Amounts falling due after one year

	2015 €'000	2014 €'000
Deferred income – grants (see note 21)	11,399	10,713
Bank Loans (see note 20)	34,934	34,882
Derivative financial liability (see note 26)	385	474
	46,718	**46,069**

20. BANK LOANS

	2015 €'000	2014 €'000
Bank Loans	34,934	34,882
	34,934	**34,882**
These loans are repayable in the following periods after the year end:		
Within one year	-	-
Between one and two years	34,934	
Between two and five years	-	34,882
	34,934	**34,882**

Bank Loans are shown net of capitalised debt issue costs of €66k (2014: €118k) which are being amortised over the term of the debt.

The Company has a borrowing facility with Bank of Ireland, which amounts to €50m, consisting of a €35m term loan facility and a €15m revolving credit facility. This facility is for a five year term and is due for repayment in full in April 2017. €35m of the facility was drawn down at the year end.

The rate of interest on the loan is variable based on EURIBOR and the applicable margin. There is no tangible security held by BOI on this facility.

In December 2015 the Company entered into a Finance Contract with the European Investment Bank in respect of a €100m project finance facility. This facility is for a 20 year term and is undrawn at year end.

21. DEFERRED INCOME

	2015 €'000	2014 €'000
Grants and contributions to fixed assets		
Opening Balance	11,203	11,694
Received during the year	1,176	-
Amortised to Profit and Loss Account during the year	(489)	(491)
Closing Balance	**11,890**	**11,203**
Creditors – amounts falling due within one year (see note 18)	491	490
Deferred Income	11,399	10,713
	11,890	**11,203**

Notes to the Financial Statements
(continued)

21. DEFERRED INCOME (CONTINUED)

In addition €0.9m in grant aid was received in respect of the ABR construction project under the Connecting Europe Facility (total grant aid approved €22.8m).

Other capital grants received from various authorities in respect of capital expenditure incurred are recorded as deferred income and released to the Profit and Loss Account over the expected useful lives of the relevant assets.

In addition during the year €1.232m was received under the trans-European transport network (TEN-T) programme in respect of the studies related to the ABR project. €1.0m is recognised in Other Operating Income (see note 6) in respect of ABR costs charged to the Profit and Loss Account in prior years and the balance is recorded as deferred income.

22. PROVISIONS FOR LIABILITIES

The Company had the following deferred tax assets/(liabilities) during the year:

	2015 €'000	2014 €'000
At 1 January	(3,265)	(3,190)
Additions dealt with in profit and loss	(1,278)	(1,178)
Additions dealt with in other comprehensive income	(2,418)	1,039
Unused amounts reversed to the profit and loss	7	64
At 31 December	**(6,954)**	**(3,265)**

	2015 €'000	2014 €'000
Presented as:		
Deferred tax assets within debtors	-	**1,578**
Deferred tax liabilities within provisions for liabilities	**(6,954)**	**(4,843)**

The provision for deferred tax consists of the following deferred tax assets/(liabilities):

	2015 €'000	2014 €'000
Defined Benefit pension scheme	(1,433)	1,578
Derivative financial liabilities	48	59
Other timing differences	49	42
Accelerated capital allowances	(5,618)	(4,944)
	(6,954)	**(3,265)**

Deferred tax assets of €0.3m (2014: €0.3m) was not recognised in respect of capital losses on the basis that there is no likelihood of recovering the benefit from these tax losses.

23. SHARE CAPITAL AND RESERVES

	2015 €'000	2014 €'000
Authorised		
96.5m ordinary shares of €1.25 each	**120,625**	**120,625**
Allotted, called up and fully paid – presented as equity		
11.571m ordinary shares of €1.25 each	**14,464**	**14,464**

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank dividends to the extent to which the total amount on each share is paid up.

Reserves
The opening balance, closing balance and movements in each reserve are outlined in the Statement of Changes in Equity. A description of each reserve is outlined below.

Called-up share capital
The authorised share capital of the Company comprises ordinary shares.

Capital conversion reserve fund
The ordinary shares of the Company were re-nominalised from €1.269738 each to €1.25 each in 2001 and the amount by which the issued share capital of the Company was reduced was transferred to a fund known as the Capital Conversion Reserve Fund.

Capital contribution
On 12 July 2011, as permitted by the Harbours Acts, 1996 to 2009, the Minister for Transport, Tourism and Sport ordered that the functions of Dundalk Port Company be transferred to the Company. The assets and liabilities taken on by the Company as a result of this Ministerial Order have been recorded at their fair values at that date. A corresponding amount has been recognised as a Capital Contribution in Shareholders' Funds reflecting that the assets received and liabilities assumed are considered to be a contribution from the Company's principal shareholder.

Notes to the Financial Statements
(continued)

24. NOTE TO THE STATEMENT OF CASH FLOW

	Notes	2015 €'000	2014 €'000
Profit for the financial year		**36,372**	**30,555**
Tax on profit on ordinary activities	12	5,552	4,304
Net interest expense	9	1,017	1,282
Operating Profit		**42,941**	**36,141**
Amortisation of capital grants	21	(489)	(491)
Depreciation of tangible assets	13	7,654	10,113
Revaluation of investment property	13	(800)	(775)
Profit on disposal of assets	8	-	(1,750)
Write-off of fixed assets	13	-	259
Decrease in inventories		17	178
Decrease/(increase) in debtors		1,025	(1,858)
Increase/(decrease) in creditors		988	(179)
Change in relation to pension provision		(4,927)	(6,068)
Net cash inflow from operating activities		**46,409**	**35,570**

25. COMMITMENTS

At 31 December, the Company had the following capital commitments:

	2015 €'000	2014 €'000
Future capital expenditure not provided for		
Contracted for	6,403	1,286
Authorised by the Directors but not contracted for	-	1,082
	6,403	**2,368**

26. FINANCIAL INSTRUMENTS

The Company has the following financial instruments:

	2015 €'000	2014 €'000
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	11,758	13,053
Other debtors	870	863
Investments (included in current assets)	64,192	48,198
	76,820	**62,114**
Cash at bank and in hand	**5,882**	**3,689**
Financial liabilities measured at fair value through profit or loss:		
Derivative financial instruments	**385**	**474**
Financial liabilities measured at amortised cost:		
Bank loans	34,934	34,882
Trade creditors	2,364	1,399
Other creditors	5,898	4,876
	43,196	**41,157**

Derivative financial instruments - Interest rate swaps
The Company enters into interest rate swap contracts to mitigate the interest rate exposure on the Company's borrowings. At 31 December 2015, the contracts all mature within 15 months (2014: 27 months) of the year end.

The interest rate swap contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The fair value takes into account the fixed, floating and market rates prevailing at the year end. As interest rate swaps are marked to market at the year end, their carrying value is equal to their fair value.

27. DIRECTORS' REMUNERATION

	2015 €'000	2014 €'000
Emoluments	412	405
Contributions to retirement benefit schemes		
- Defined contribution	-	-
- Defined benefit	117	107
	529	**512**

Retirement benefits are accruing to two Directors (2014: two Directors) under defined benefit schemes.

Notes to the Financial Statements
(continued)

27. DIRECTORS' REMUNERATION (CONTINUED)

Included in the above is the remuneration package of the Chief Executive made up as follows:

	2015 €'000	2014 €'000
Director's Fees	13	13
Salary	185	185
Other Benefits including Pension Costs and Taxable Benefits	95	95
	293	**293**

Directors' Fees

	2015 €	2014 €
L McCaffrey	21,600	21,600
E O'Reilly	12,600	12,600
P Bates	12,600	12,600
H Collins	12,600	12,600
E Finnan	12,600	12,600
J Frater – resigned 31 January 2014	-	1,050
G Darling – appointed 17 July 2014	12,600	5,799
P Magner	12,600	12,600
J Moore*	12,600	12,600
	109,800	**104,049**

*In Addition to the Directors' fees, Mr Moore was paid as an employee of Dublin Port Company.

Key management compensation
The compensation paid or payable to key management is shown below:

	2015 €'000	2014 €'000
Salaries and other short term benefits	1,463	1,165
Post-employment benefits	306	221
Total key management compensation	**1,769**	**1,386**

The key management compensation amounts disclosed represents compensation to those people having the authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel include Board Members and members of the executive management team.

28. EMPLOYEES

	2015 €'000	2014 €'000
Staff costs comprise:		
Wages and salaries	9,946	9,462
Social insurance costs	889	840
Other pension costs – Defined Benefit Schemes (see note 30)	1,524	353
Other pension costs – Defined Contribution Scheme (see note 30)	209	248
	12,568	**10,903**

The average number of persons employed by the Company during the year was 140 (2014: 136).

Total staff costs have been included as an expense in the Profit and Loss account.

29. RELATED PARTY TRANSACTIONS

In accordance with FRS102 the Company is exempt from disclosure of transactions with other state owned entities.

As noted in note 1, one ordinary share is held by the Minister for Finance and the remainder are held by the Minister for Transport at 31 December 2015.

No Board member, who would be regarded as a related party, or members of key management staff have undertaken any material transactions with the Company during the year.

As noted in note 16, there is €1.0m due to the Company from the pension funds (2014: €0.9m).

30. POST-EMPLOYMENT BENEFITS

The Company operates four defined benefit pension schemes and a defined contribution pension scheme. On 1 January 2005 the defined benefit schemes were closed to new entrants.

Defined Contribution Scheme
Employees joining the Company after 1 January 2005 are members of the defined contribution scheme. Contributions are paid by the members and by the Company at fixed rates. During the year the Company contributed €209k (2014: €248k) to the defined contribution scheme and this amount was charged to the Profit and Loss account. Irish Pensions Trust Limited, an independent professional trustee Company, is the sole trustee of the defined contribution scheme.

Defined Benefit Schemes
a) The Company operates four defined benefit pension schemes based on final pensionable salaries for eligible employees, including employees and former employees of Dundalk Port Company and the Company's predecessor entity, Dublin Port & Docks Board.

Under the provisions of the Harbours Act, 1996 the Company is responsible for funding the payment of pension entitlements (including the entitlements relating to pre-Vesting Day service with Dublin Port & Docks Board) of:

i. all eligible current employees of the Company;
ii. all eligible current and deferred pensioners of Dublin Port & Docks Board;
iii. former eligible employees of the Company who since Vesting Day have or may become current or deferred pensioners of the Company;
iv. eligible spouses and children of eligible employees or former employees.

Notes to the Financial Statements
(continued)

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

Separate trustee administered schemes have been established for this purpose and these schemes are "The Dublin Port Superannuation Fund 1996" and "The Dublin Port Company Pilots Superannuation Fund". In 2012 a formal scheme was established in respect of the Chief Executive and the name of this scheme is "The Dublin Port Company Chief Executive Retirement Benefits Scheme".

A formal trustee administered scheme was established during 2013 in respect of eligible former employees of Dundalk Port Company and the name of this scheme is "The Dublin Port Company Pension Scheme for Former Employees of Dundalk Port Company".

Irish Pensions Trust Limited, an independent professional trustee Company, is the sole trustee of the Pilots Superannuation Fund, the Dublin Port Company Chief Executive Retirement Benefits Scheme and the Dublin Port Company Pension Scheme for Former Employees of Dundalk Port Company.

The Company and scheme members appoint the trustees of the Dublin Port Superannuation Fund 1996. The most recent member trustee election for the Dublin Port Superannuation fund 1996 was held on 25 November 2011 and the appointment of four candidates was ratified by the Board at its meeting on 15 December 2011. In addition to the four member trustees, the Company also appointed a further four trustees.

There are no unfunded schemes in place as at 31 December 2015.

b) Actuarial Valuation
The funding position of the main defined benefit schemes is assessed in accordance with the advice of independent actuaries. The funding position is formally assessed at three yearly intervals. The most recent applicable actuarial valuation reports were prepared at 1 January 2015 and were completed by Mercer, who are neither officers nor employees of the Company. The valuation reports at 1 January 2015 are available for inspection by scheme members but not for public inspection.

The Company intends to make regular contributions to the schemes in accordance with the recommendations set out by the actuaries in their reports at 1 January 2015. The next valuation reports are due to be prepared as at 1 January 2018.

Minimum Funding Standard valuation basis (unaudited information):
The funded schemes are required to meet the Minimum Funding Standard (MFS) in accordance with Section 44 of the Pensions Act, 1990 (as amended). The MFS, in general terms, measures whether accumulated assets cover liabilities accrued to members, assuming the schemes were wound up at the valuation date. The assumptions on which the MFS liability is determined are prescribed in legislation and actuarial guidance. The most recently completed actuarial funding certificates, where applicable, were submitted to the Pensions Authority with an effective date of 31 December 2014 and confirmed that the schemes satisfied the MFS at that date.

Following an interim actuarial review at 1 January 2016, it was found that the applicable schemes would have met the MFS as at 1 January 2016. Overall assets of the schemes were €258.0m and overall liabilities under the MFS were €202.2m, resulting in an aggregate surplus of €55.8m on the MFS basis.

Long-term valuation basis (unaudited information):
The Company's intention is to continue to provide funding in accordance with the actuary's recommendation to ensure that the schemes continue to operate and provide for pension payments in the long term future.

The valuation at 1 January 2015 for such funding purposes was prepared using an actuarial valuation method known as the "attained age" method. The principal actuarial assumptions adopted in the valuation were that the annual rate of return on investments before retirement would be 2.25% per annum for the Main Fund and 1.35% per annum for the Pilot, CEO and Dundalk Funds, the annual rate of return on investments after retirement would be 1.35% per annum for all funds, the increase in salaries would be nil for 2015, 1.8% in 2016, 2% for 2017-2019 and 3.0% per annum thereafter. The increase in pensions in payment would be nil for 2015, 1.8% in 2016, 2% for 2017-2019 and 2.5% thereafter. Under this valuation

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

method at 1 January 2015, overall assets were €257.2m and overall accrued liabilities were €293.9m. This resulted in an aggregate deficit of €36.7m and a funding ratio (assets: liabilities) as at 1 January 2015 of 88%. This valuation was carried out in respect of the Dublin Port Superannuation Fund 1996, the Dublin Port Company Pilots Superannuation Fund and the Dublin Port Company Chief Executive Retirement Benefits Scheme.

Following an interim actuarial review at 1 January 2016 overall assets were €258.0m and overall liabilities measured under this valuation method were €291.5m resulting in an aggregate deficit of €33.5m and a funding ratio (assets:liabilities) as at 1 January 2016 of 89%.

The next formal valuation will be prepared at 1 January 2018.

c) FRS 102 – Section 28 – "Employee Benefits"

The defined benefit obligations of the Company have been valued by independent actuaries for the purposes of section 28 of FRS 102 based on data provided for an actuarial valuation of the schemes as at 31 December 2015. As required by section 28 of FRS 102 the valuation was prepared using an actuarial valuation method known as the "projected unit credit" method. As the schemes are closed to new entrants, the schemes have an age profile that is rising and therefore under the projected unit method the current service cost will increase as members of the scheme approach retirement.

Financial Assumptions:

The main financial assumptions to calculate the benefit obligations (liabilities) under section 28 of FRS 102 at the Balance Sheet date were:

	31 December 2015	31 December 2014
Rate of interest applied to discount benefit obligations	2.50%	2.00%
Projected rate of increase of salaries	1.8% in 2016, 2% for 2017-2019, 3% thereafter	Nil for 2015, 1.8% in 2016, 2% for 2017-2019, 3% thereafter
Projected rate of increase of pensions in payment	1.8% in 2016, 2% for 2017-2019, 2.5% thereafter	Nil for 2015, 1.8% in 2016, 2% for 2017-2019, 2.5% thereafter
Rate of increase of pensions in deferment	1.8% in 2016, 2% for 2017-2019, 2.5% thereafter	Nil for 2015, 1.8% in 2016, 2% for 2017-2019, 2.5% thereafter
CPI Inflation	1.75%	1.75%

The discount rate used in the calculation of the pension liability is determined by reference to market yields at the Balance Sheet date on high quality corporate bonds. The currency and term of the corporate bonds is consistent with the currency and estimated term of the benefit obligations. Having regard to the duration of the scheme benefit obligations, a discount rate of 2.5% was adopted at 31 December 2015.

Demographic Assumptions:

The assumptions relating to the life expectancy at retirement for members is set out below:

	2015		2014	
	Male Years	Female Years	Male Years	Female Years
Current members age 40 (life expectancy at age 65)	25.7	27.8	25.6	27.7
Current pensioners age 65 (life expectancy at age 65)	22.9	24.9	22.8	24.8

Notes to the Financial Statements

(continued)

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

Scheme Assets:

The investment allocations of assets at the Balance Sheet date were:

Asset Class	Proportion of Scheme assets at 31 December 2015	Proportion of Scheme assets at 31 December 2014
Equities	16.50%	19.60%
Bonds	82.50%	78.70%
Property	1.00%	1.70%
Other	0.00%	0.00%
	100.0%	**100.0%**

Under FRS102, the expected return on assets is set equal to the discount rate.

The fair value of the assets in the pension schemes at the Balance Sheet date were:

	Fair value at 31 December 2015 €'000	Fair value at 31 December 2014 €'000
Equities	42,650	50,406
Bonds	212,996	202,397
Property	2,965	4,372
Other	(571)	-
Total Fair value of Assets	**258,040**	**257,175**

The amounts recognised in the statement of financial position are as follows:

	31 December 2015 €'000	31 December 2014 €'000
Fair value of scheme assets	258,040	257,175
Defined benefit obligation	(246,576)	(269,801)
	11,464	**(12,626)**
Presented in financial statements as follows:		
Investments – surplus on funded schemes (see note 17)	13,248	-
Provision for post-employment benefit obligation – unfunded schemes	(1,784)	(12,626)
Net defined benefit asset/(liability)	**11,464**	**(12,626)**

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

Analysis of the amounts included in the Profit and Loss Account:

	2015 €'000	2014 €'000
Cost (excluding interest)		
Current service cost	(1,740)	(1,529)
Past service credit	216	1,176
	(1,524)	**(353)**
Net interest cost		
Interest income on scheme assets	5,116	8,435
Interest on pension scheme benefit obligations	(5,300)	(8,680)
Net interest cost	**(184)**	**(245)**
	(1,708)	**(598)**

The Profit and Loss charge includes the following credit due to changes in plan provisions:

Past Service Cost: A negative past service cost arises in respect of the permanent reduction in pensioner members' pensions due to the pension levies for the years 2015 and 2014. The reduction in benefits was agreed, as for prior years 2011, 2012, 2013 and 2014 by the trustees. The gain is the present value of the reduction in pension benefits and calculated as at 31 December 2015 and 2014 using financial assumptions appropriate at that date.

Analysis of the remeasurements amounts recognised in other Comprehensive Income:

	2015 €'000	2014 €'000
Return on plan assets (excluding interest income)	(1,537)	19,177
Effect of experience adjustments	(30)	4,696
Effect of changes in assumptions	20,914	(32,191)
Total remeasurements included in other Comprehensive Income	**19,347**	**(8,318)**

Notes to the Financial Statements
(continued)

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

Movement in scheme assets and benefit obligations

	Assets €'000	Benefit obligations €'000	Net (deficit)/ surplus €'000
At 31 December 2013	232,639	(242,702)	(10,063)
Current service cost	-	(1,529)	(1,529)
Past service cost	-	1,176	1,176
Interest on scheme benefit obligations	-	(8,680)	(8,680)
Interest income on scheme assets	8,435	-	8,435
Return on scheme assets (excluding interest income)	19,177	-	19,177
Remeasurement due to experience adjustments	-	4,696	4,696
Remeasurement due to change in assumptions	-	(32,191)	(32,191)
Members' contributions	361	(361)	-
Benefits paid from scheme	(9,790)	9,790	-
Employer contributions	6,353	-	6,353
As at 31 December 2014	**257,175**	**(269,801)**	**(12,626)**

Movement in scheme assets and benefit obligations

	Assets €'000	Benefit obligations €'000	Net (deficit)/ surplus €'000
At 31 December 2014	257,175	(269,801)	(12,626)
Current service cost	-	(1,740)	(1,740)
Past service cost	-	216	216
Interest on scheme benefit obligations	-	(5,300)	(5,300)
Interest income on scheme assets	5,116	-	5,116
Return on scheme assets (excluding interest income)	(1,537)	-	(1,537)
Remeasurement due to experience adjustments	-	(30)	(30)
Remeasurement due to change in assumptions	-	20,914	20,914
Members' contributions	396	(396)	-
Benefits paid from scheme	(9,561)	9,561	-
Employer contributions	6,451	-	6,451
As at 31 December 2015	**258,040**	**(246,576)**	**11,464**

The employer expects to contribute €6.5 million to the pension schemes in 2016.

30. POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity Analysis of Scheme Benefit obligations:
The sensitivity of the defined benefit obligation to changes in the mortality assumptions is set out below:

	2015 Existing Assumption	2015 -1 Year	2015 +1 Year
Current Male Member age 40 (Life Expectancy at age 65)	25.7 years	24.7 years	26.7 years
Current Male Pensioner age 65 (Life Expectancy at age 65)	22.9 years	21.9 years	23.9 years
Benefit obligations (€'000)	246,576	238,076	255,174
Change in benefit obligations (€'000)		8,500	(8,598)
% Change (as % of original)		3.4%	(3.5%)

The sensitivity of the defined benefit obligation to changes in the discount rate is set out below:

	2015 Existing Assumption	2015 -0.25%	2015 +0.25%
Discount Rate	2.50%	2.25%	2.75%
Benefit obligations (€'000)	246,576	256,673	237,102
Change in benefit obligations (€'000)		(10,097)	9,474
% Change (as % of original)		(4.1%)	3.8%

31. EVENTS AFTER THE REPORTING DATE

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.

32. TRANSITION TO FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements under Irish GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between Irish GAAP as previously reported and FRS 102.

Equity Reconciliation

	Notes	At 1 January 2014 €'000	At 31 December 2014 €'000
Equity shareholders' funds Irish GAAP - as previously reported		**269,053**	**284,694**
Holiday pay accrual	A	(300)	(332)
Complex financial instruments	B	(89)	(474)
Deferred tax impact of adjustments	E		
– Holiday pay accrual	E(i)	38	41
– Complex financial instruments	E(ii)	11	59
Equity shareholders' funds – FRS 102		**268,713**	**283,989**

Notes to the Financial Statements
(continued)

32. TRANSITION TO FRS 102 (CONTINUED)

Reconciliation of profit for the year

	Notes	Year ended 31 December 2014 €'000
Irish GAAP as previously reported		**28,904**
Holiday pay accrual	A	(32)
Complex financial instruments	B	(385)
Defined benefit pension scheme	C	1,418
Investment Property	D	775
Total adjustments to profit before tax for the financial year		**1,776**
Deferred tax impact of adjustments		
Holiday pay accrual	E(i)	4
Complex financial instruments	E(ii)	48
Defined benefit pension scheme	E(iii)	(177)
Profit for the financial year – FRS 102		**30,555**

Reconciliation of other Comprehensive Income

	Notes	Year ended 31 December 2014 €'000
Comprehensive loss for the financial year Irish GAAP - as previously reported		**(5,263)**
Defined benefit pension scheme	C	(1,418)
Investment Property		(775)
Deferred tax impact of adjustments	E(iii)	
Defined benefit pension scheme		177
Comprehensive loss for the financial year – FRS 102		**(7,279)**

The following notes are applicable to the reconciliations set out above and reflect changes in accounting policies arising from the transition to FRS 102.

A) Holiday Pay Accrual
FRS 102 requires short term employee benefits to be charged to the Profit and Loss account as the employee service is received. This has resulted in the Company recognising a liability for holiday pay of €300,000 on transition to FRS 102 (1 Jan 2014). Previously holiday pay accruals were not recognised and were charged to the Profit and Loss account as they were paid. The holiday pay accrual at 31 December 2014 was estimated at €331,720 resulting in a net charge of €31,720 recorded in the Profit and Loss account during the year ended 31 December 2014.

B) Complex financial instruments
FRS 102 requires derivative financial instruments to be recognised at fair value. Previously under Irish GAAP the Company did not recognise derivative financial instruments in the financial statements. On transition to FRS 102 the Company has

32. TRANSITION TO FRS 102 (CONTINUED)

recognised the fair value of its interest rate swaps and interest rate cap contracts on the Balance Sheet but has opted not to adopt cash flow hedge accounting and consequently all fair value movements on these derivatives are recorded in Profit and Loss. The interest rate swaps and caps will mature in 2017.

Accordingly at transition on 1 January 2014 non-current liabilities of €89,000 were recognised and a pre-tax loss of €385,000 was recognised in the Profit and Loss account for the year ended 31 December 2014. Non-current liabilities of €474,000 were recognised at 31 December 2014 in respect of derivative instruments.

C) Pension

Under previous Irish GAAP the Company recognised an expected return on defined benefit plan assets in the Profit and Loss account. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in the Profit and Loss account. There has been no change in the defined benefit liability at either 1 January 2014 or 31 December 2014. The effect of the change has been to reduce the debit to the Profit and Loss account in the year to 31 December 2014 by €1,418,000 and increase the credit in other Comprehensive Income by an equivalent amount.

D) Investment Property

FRS 102 requires changes in fair value of investment properties to be recognised in profit or loss; whereas previously equivalent gains and losses were recorded in the statement of total recognised gains and losses ('STRGL'), unless a deficit was expected to be permanent. Cumulative investment property valuation losses of €1,070,000 have been transferred from the investment property revaluation reserve to retained earnings at 1 January 2014. Revaluation gains of €775,000 recorded in the revaluation reserve during the year ended 31 December 2014 under previous Irish GAAP has been recorded in the Profit and Loss account for the same period under FRS 102. Cumulative investment property valuation losses of €295,000 have been transferred from the investment property revaluation reserve to retained earnings at 31 December 2014.

E) Deferred tax

(i) Holiday pay accrual – Deferred tax asset of €37,500 has been recognised at 12.5% of the holiday pay accrual of €300,000 on transition at 1 January 2014. In the year ended 31 December 2014 the Company has recognised an additional deferred tax credit of €3,965 in the Profit and Loss account in respect of the increase in the holiday pay accrual resulting in a deferred tax asset of €41,465 at 31 December 2014.

(ii) Complex financial instruments – The recognition of derivative liabilities gives rises to a temporary timing difference and an associated deferred tax asset of €11,000 at 1 January 2014 and €59,000 at 31 December 2014. The additional deferred tax asset arising in the year ended 31 December 2014 has been recorded in the Profit and Loss account.

(iii) Defined benefit pension scheme – deferred tax credit relating to the return on plan assets of €177,000 was previously recognised in Profit or Loss under Irish GAAP. This credit is now recognised in other Comprehensive Income, consistent with the treatment of return on plan assets in FRS 102, as noted in [c] above. This had no net impact on the deferred tax balance at either 1 January 2014 or 31 December 2014.

(iv) Investment property – A deferred tax asset has not been recorded in respect of the temporary timing differences arising on investment property as this unrealised capital tax loss can only offset against chargeable capital gains. The Company has not recognised deferred tax liabilities in respect of unrealised chargeable capital gains and consequently a deferred tax asset has not been recognised.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The Directors approved the financial statements on 31st March 2016.

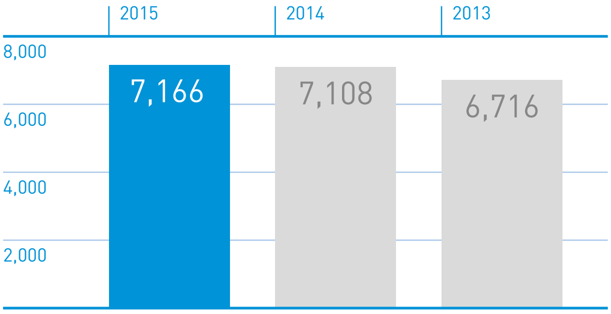
Port Statistics

(un-audited)

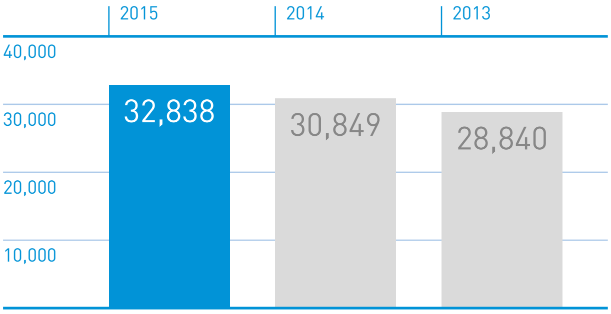
The financial statements cover the year ended 31 December 2015 together with comparative figures for 2014.

For comparison purposes, the un-audited statistics reproduced below cover trade for Dublin Port Company for the calendar years 2013 – 2015.

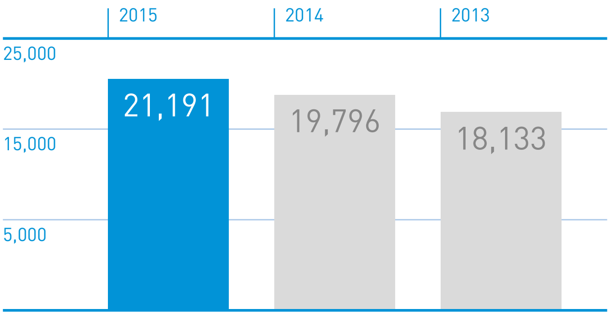
Vessels – Total Arrivals



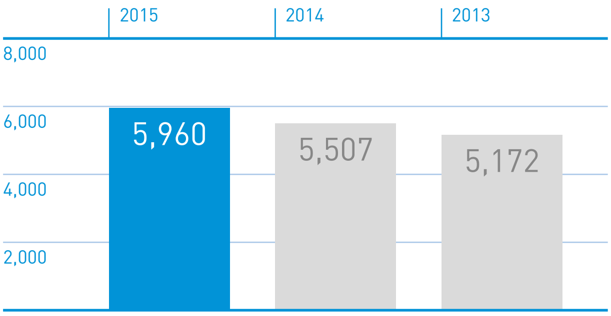
Total Throughput ('000 tonnes)



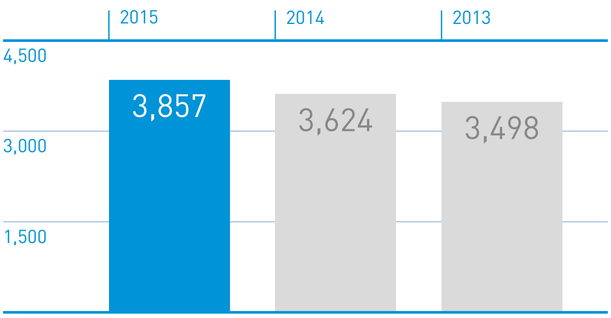
Throughput: Ro-Ro ('000 tonnes)



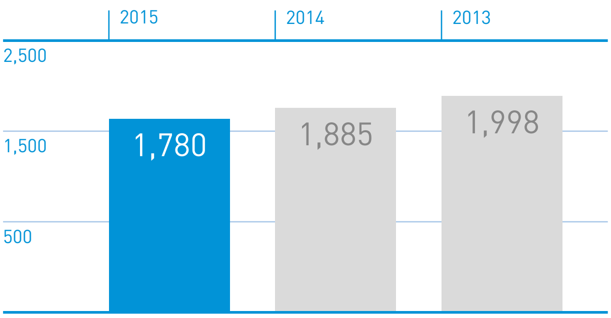
Throughput: Lo-Lo ('000 tonnes)



Throughput: Bulk Liquid ('000 tonnes)

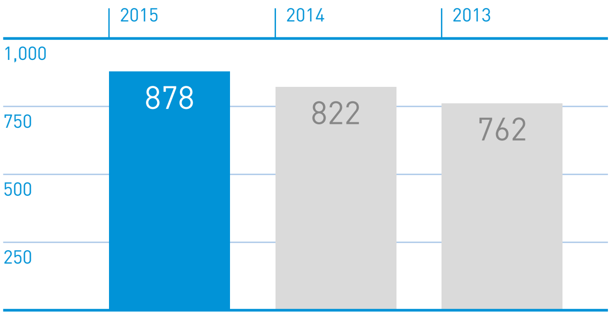


Throughput: Bulk Solid ('000 tonnes)

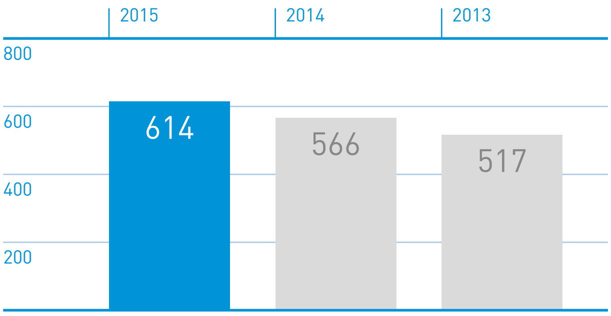


	2015	2014	2013
Vessels – Total Arrivals	**7,166**	**7,108**	**6,716**
Throughput ('000 tonnes)			
Ro-Ro	21,191	19,796	18,133
Lo-Lo	5,960	5,507	5,172
Bulk Liquid	3,857	3,624	3,498
Bulk Solid	1,780	1,885	1,998
Break Bulk	50	37	39
	32,838	**30,849**	**28,840**
Ro-Ro units ('000)	**878**	**822**	**762**
Lo-Lo TEU's ('000)	**614**	**566**	**517**
Passenger Numbers (millions)	**1.8**	**1.7**	**1.6**

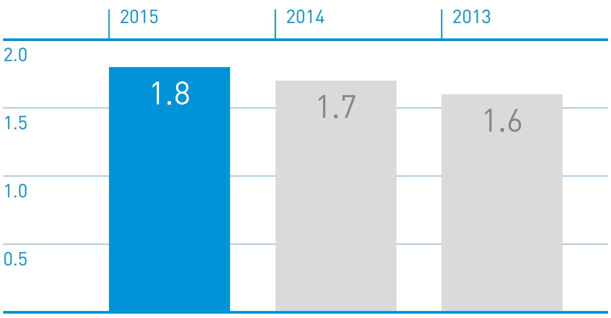
Ro-Ro units ('000)



Lo-Lo TEU's ('000)



Passenger Numbers (millions)



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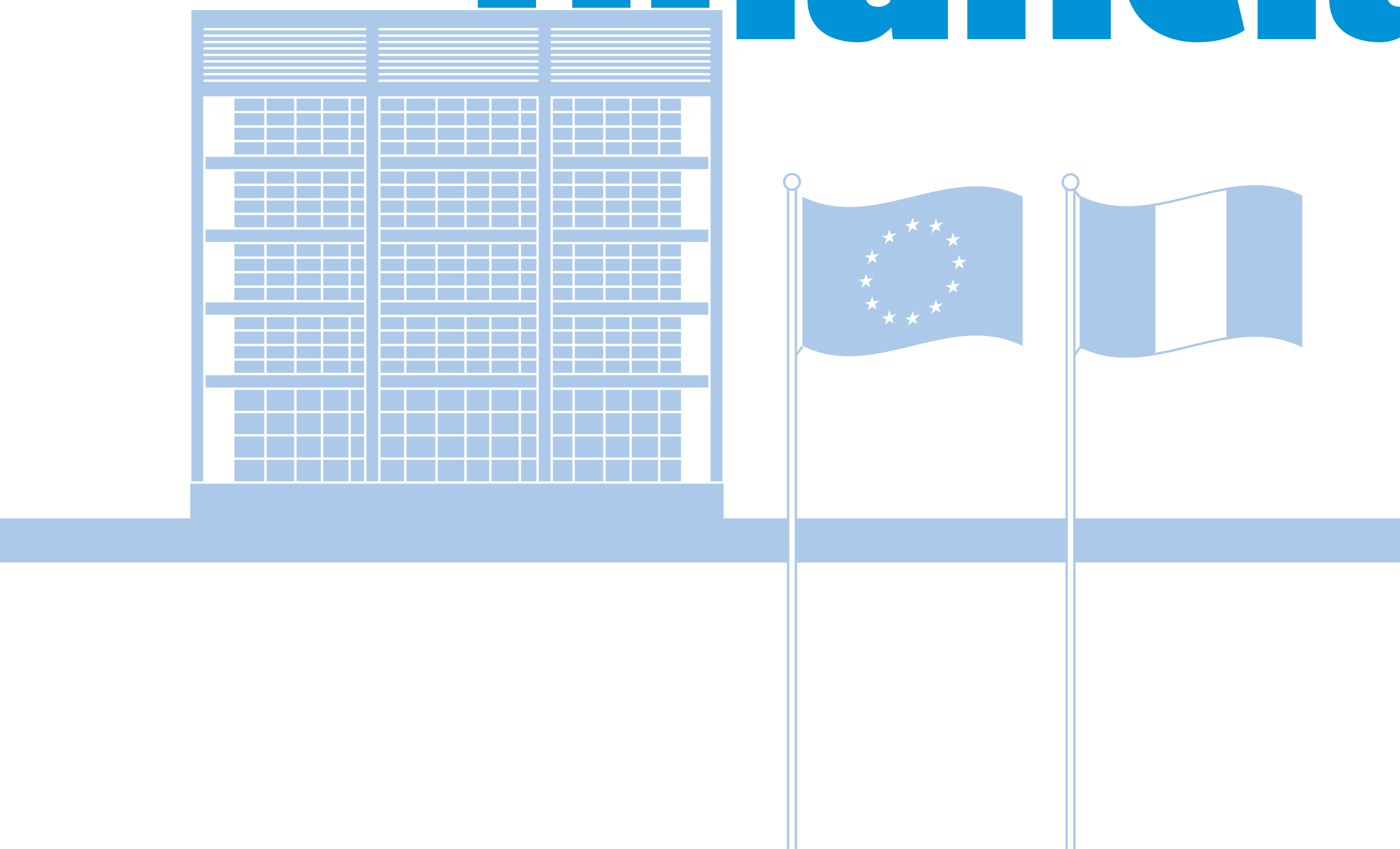

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We concluded a long-term €100m loan facility agreement with the EIB and received a €23m grant commitment from the EU under its Connecting Europe Facility.

The combination of these along with our strong cash flow will allow us to implement the major programme of capital works over the next decade with low risk to the Company's financial stability.

Co-financed by the European Union
Connecting Europe Facility

Notes

www.sourcedesign.ie

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