COMHLACHT CHALAFORT
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DUBLIN PORT COMPANY

EDITION ANNUAL

TYPE REPORT

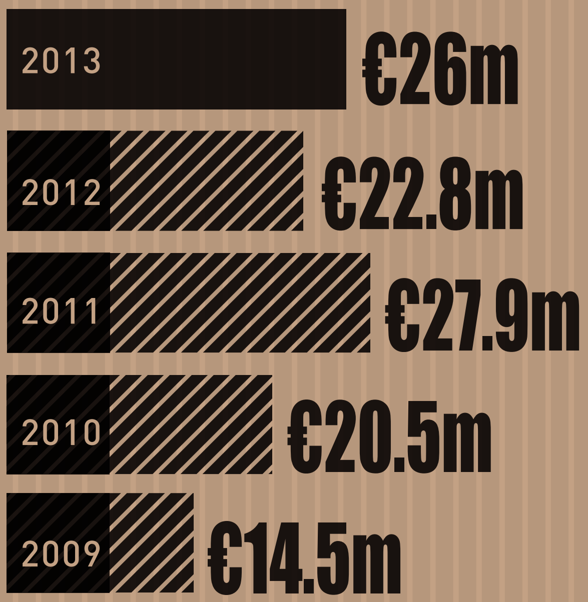
YEAR 2013

FINANCIAL HIGHLIGHTS

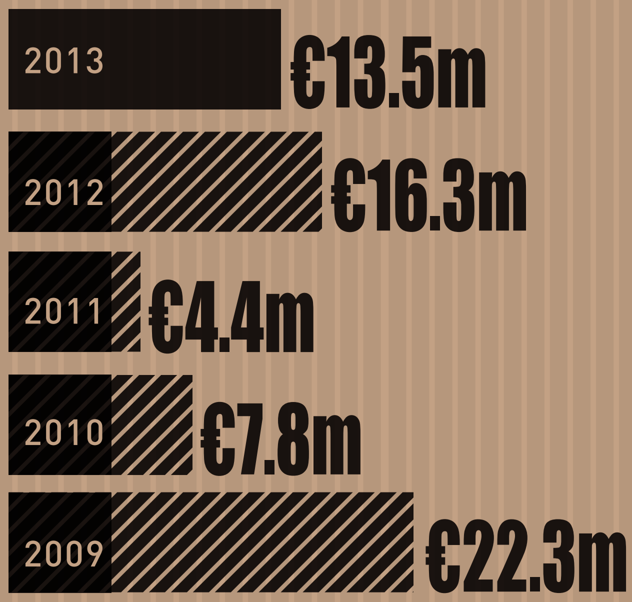
TURNOVER

OPERATING PROFIT

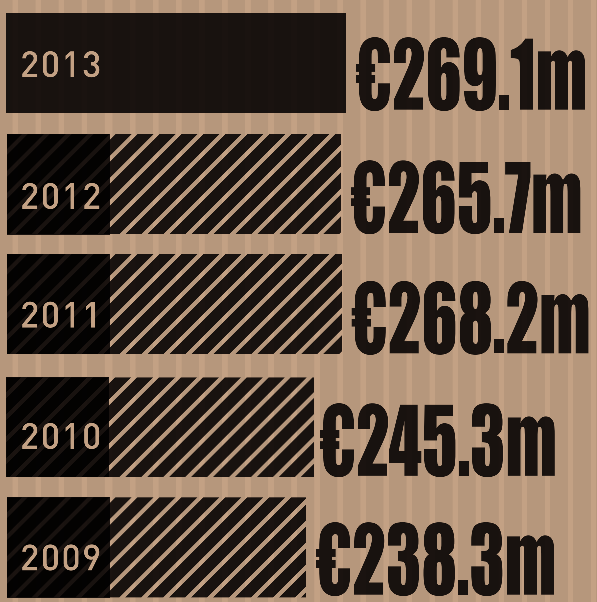
PROFIT AFTER TAX



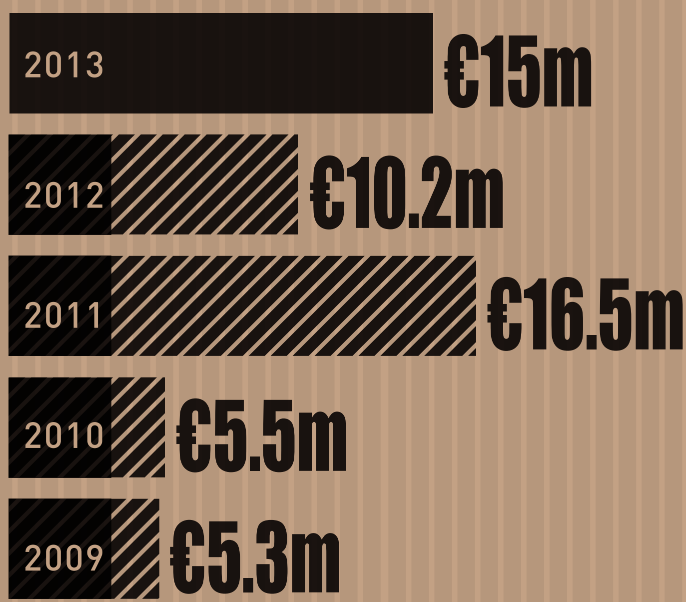
CAPITAL EXPENDITURE



SHAREHOLDERS' FUNDS



DIVIDENDS



KEY FINANCIAL PERFORMANCE INDICATORS

	2013 €'000	2012 €'000
Revenue	**68,375**	65,318
Operating Profit	**32,818**	29,107
Operating Margin (%)	**48.0%**	44.6%
EBITDA	**41,497**	39,618
EBIT	**32,818**	29,201
Net Interest Charges	**446**	146
Interest cover		
- EBITDA basis (times)	**93.0**	271.4
- EBIT basis (times)	**73.6**	200.0
Net Debt	**290**	4,351
Net Debt as a percentage of total equity (%)	**0.1%**	1.6%
Net Debt as a percentage of fixed assets (%)	**0.1%**	1.6%
Return on Capital Employed (ROCE) (%)	**11.3%**	10.1%

EBIT - earnings before finance costs and tax
EBITDA - earnings before finance costs, tax, depreciation, amortisation, impairment of JV investment and exceptional items
Interest cover - the ratio of EBITDA or EBIT to net interest charges
ROCE - the ratio of operating profit to average capital employed

	2013 €'000	2012 €'000
EBIT	**32,818**	29,201
Depreciation	8,365	8,557
Amortisation	-501	-501
JV impairment	-	-
Exceptional Items	815	2,361
EBITDA	**41,497**	**39,618**

DIRECTORS & OTHER INFORMATION

BOARD OF DIRECTORS

LUCY MCCAFFREY (CHAIRPERSON)
EAMONN O'REILLY (CHIEF EXECUTIVE)
PAUL BATES
HELEN COLLINS
EMER FINNAN
JAMIE FRATER
PAT MAGNER
JOHN MOORE

OTHER INFORMATION

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 & Registered Auditors
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

THROUGHPUT INCREASED BY 3.1% FROM 28.0M TONNES TO 28.8M TONNES

BOARD OF DIRECTORS

Lucy McCaffrey
Chairperson

In a career spanning thirty years, Lucy McCaffrey has worked with public and private sector organisations in Ireland and leading multinationals in Europe, the United States and Africa as a business consultant in the financial services, manufacturing and service sectors. She founded Latitude, a consultancy specialising in supporting strategic organisational change in 1992 following a number of years with Boston-based innovation consultancy Synectics Inc.

Lucy was appointed Chairperson of Dublin Port Company by the Minister for Transport in December 2009. She serves as a Director on the boards of The Dublin Docklands Development Authority, The National College of Art and Design, Eastlink Limited and Renore Limited. She was as 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.

Eamonn is also a Director of the Joint Venture Company, Renore Limited, which owns the Greenore Port group of Companies.

Helen Collins
Director

Helen joined the Board in August 2012, on appointment by the Minister for Transport, Tourism and Sport. Helen is a solicitor by profession and until 2010 was a commercial litigation partner in McCann FitzGerald. Her experience in commercial litigation included 10 years as Head of Department and involved significant high profile and complex cases with a particular focus on handling disputes and trials in 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 the Deputy Chair of the Adoption Authority of Ireland. The Authority is the statutory body charged with responsibility for all aspects of domestic and inter-country adoption along with the accreditation, regulation and supervision of all agencies dealing with adoption in the country.

Helen is an accredited CEDR mediator and a member of the Irish Commercial Mediators Association.

Emer Finnan
Director

Emer Finnan was appointed to the Board of Dublin Port Company in February 2011 by the Minister for Transport. Emer is a finance professional with over 20 year's experience and is currently Managing Director of Kildare Partner's (a private equity fund) Irish operations, since September 2013. Prior to taking up this position, Emer headed up NCB's financial institutions Group between September 2012 and September 2013. From January to September 2012 Emer worked as an independent consultant. Emer held the role of Finance Director with EBS Building Society from February 2010 to December 2011 and held strategic roles in EBS between 2005 and 2010, in addition to fulfilling the role of Company Secretary during much of that period. Prior to joining EBS, Emer worked as a Director with NCB Corporate Finance Limited and advised on a large number of transactions in the Irish market. Before that Emer worked with ABN AMRO Bank N.V. and Citibank in corporate finance in London. Emer trained as a Chartered Accountant with KPMG.

Emer is a graduate of University College Dublin and a Fellow of the Institute of Chartered Accountants in Ireland. Emer served on the Board of the RTÉ Authority from 2005 to 2010 and is a Director of Children's Fund for Health Limited, the charity associated with the Temple St. Children's Hospital.

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.

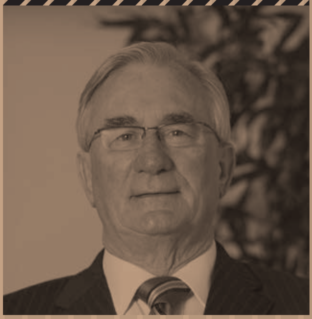
John Moore
Director

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.



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.

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 and also has responsibility for the Estate and Facilities Management operations.

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 East Link Limited, Company Secretary for Renore Limited and acts as a Trustee of Dublin Port Company's Defined Benefit pension scheme.

TURNOVER INCREASED BY 4.7% TO €68.4M IN 2013

CHAIRPERSON'S STATEMENT

INTRODUCTION

I am pleased to report that 2013 saw a return to growth at Dublin Port following two years where trade had remained static. In overall terms, throughput increased by 3.1% from 28.0m tonnes to 28.8m tonnes - following a 4.4% increase in imports (from 16.6m tonnes to 17.3m tonnes) and a 1.2% increase in exports (from 11.4m tonnes to 11.5m tonnes).

The increase in throughput levels achieved in 2013 is reflected in a strong financial performance. In this regard;

- Turnover increased by 4.7% from €65.3m to €68.4m,
- Operating Profit increased by 12.7% from €29.1m to €32.8m,
- Profit for the Financial Year increased by 13.9% from €22.8m to €26.0m,
- Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 4.7% from €39.6m to €41.5m.

The robust performance over the period 2010 to 2013 confirms the need for us to have a well-structured planning regime in place to ensure that Dublin Port Company continues to deliver on its core mandate to facilitate trade.

This planning regime is founded on the Company's Masterplan 2012 to 2040.

Masterplan 2012-2040

The Masterplan was prepared in order to:

- Plan for future sustainable growth,
- Provide an overall context for future investment decisions,
- Reflect and provide for current national and regional policies, local guidelines and initiatives,
- Ensure there is harmony and synergy between the plans for the Port and those for the Dublin Docklands Area, Dublin City and neighbouring counties within the Dublin Region,
- Give some certainty to customers about how the Port will develop in the future to meet their requirements.

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.

National Ports Policy

In April 2013 the Minister for Transport, Tourism and Sport published the Government's National Ports Policy which introduced the categorisation of the country's ports into Ports of National Significance (Tier 1), Ports of National Significance (Tier 2) and Ports of Regional Significance.

Ports of National Significance (Tier 1) are defined as ports that are responsible for 15% to 20% of overall tonnage through Irish ports, and have clear potential to lead the development of future port capacity in the medium and long term, when and as required.

The policy categorises Dublin Port as Tier 1 and recognises it as the State's largest port, handling approximately 43% of all seaborne trade. The policy goes on to confirm that Dublin Port's importance is even more pronounced in the higher value unitised sectors, handling approximately 70% of all Lo-Lo and 85% of all Ro-Ro trade in the State.

In particular, I welcome the fact that the Government has endorsed the core principles underpinning the Company's Masterplan 2012 to 2040 and that the continued commercial development of Dublin Port Company is a key strategic objective of National Ports Policy.

Alexandra Basin Redevelopment Project

Within the context of both the Company's Masterplan and National Ports Policy, extensive work was undertaken throughout 2013 in bringing forward the Alexandra Basin Redevelopment (ABR) Project to the planning stage.

The project was designated by An Bord Pleanála as Strategic Infrastructure, and as such is required to be submitted directly to An Bord Pleanála for assessment. 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.

The work undertaken culminated in the lodgement of the planning application with An Bord Pleanála on 6th March 2014.

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 Ro-Ro jetty together with two new Ro-Ro berths within the inner basin,
- 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 Company has the financial resources needed to deliver a project of this scale which it is estimated will cost in the region of €200m and we are continuing to investigate the opportunities that are available for EU funding and European Investment Bank support through long-term project finance.

The ABR Project is the first major project to be brought forward under the Company's Masterplan 2012 to 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.

Franchise Review

The Competition Authority published its report on "Competition in the Irish Ports Sector" on 29th November 2013.

Dublin Port Company considers that the Competition Authority has realistically assessed the competitive position of Dublin Port and that it correctly highlights the need to ensure that there is a strong level of intra-port competition in Dublin. The Competition Authority made specific recommendations relating to the length of duration of certain lease and licence arrangements and in relation to the number of general stevedoring licences that it considers should be issued by Dublin Port Company.

We identified in our Strategic Plan an objective to maximise the utilisation of our existing capacity. Consistent with this objective we sought to address the very issues which the Competition Authority has made recommendations on and identified that we would carry out a public Franchise Review.

We commenced the Franchise Review in June 2012 at the same time as the Competition Authority announced it was to commence its study. Our approach was to hold a period of public consultation followed by our issuing a consultation document (which we put on hold pending the completion by the Competition Authority of its study).

Our Franchise Review now provides the ready means for us to address the Competition Authority's recommendations and, in this regard, we published the Consultation Document on 3rd February 2014 and wrote to over 80 port users, inviting submissions by the closing date of the consultation period on Friday 28th February 2014. Based on the response to the public consultation we intend to bring our Franchise Review to completion before the summer.

Conclusion

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

In September 2013 we welcomed Paul Bates to the Board. Paul has extensive experience in a range of Government Departments and, in particular, played a pivotal role heading up the Tourism Division of the Department of Transport, Tourism and Sport with responsibility for the formulation and review of the policy framework for the Irish tourism sector.

In January 2014 Jamie Frater resigned as a Director in order to concentrate on his new appointment as Senior Asset Manager at London Container Terminal based in Tilbury. I would like to thank Jamie for his valuable contribution and active participation over the previous two years and wish him every success in his challenging new role.

I would like to thank the Chief Executive Eamonn O'Reilly, the management team and all the staff of Dublin Port Company for their work over the last year. Eamonn, in particular has steered the process around our planning application for the ABR project with great energy and professionalism.

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 colleagues in the Department of Transport, Tourism and Sport for their help and assistance throughout 2013.

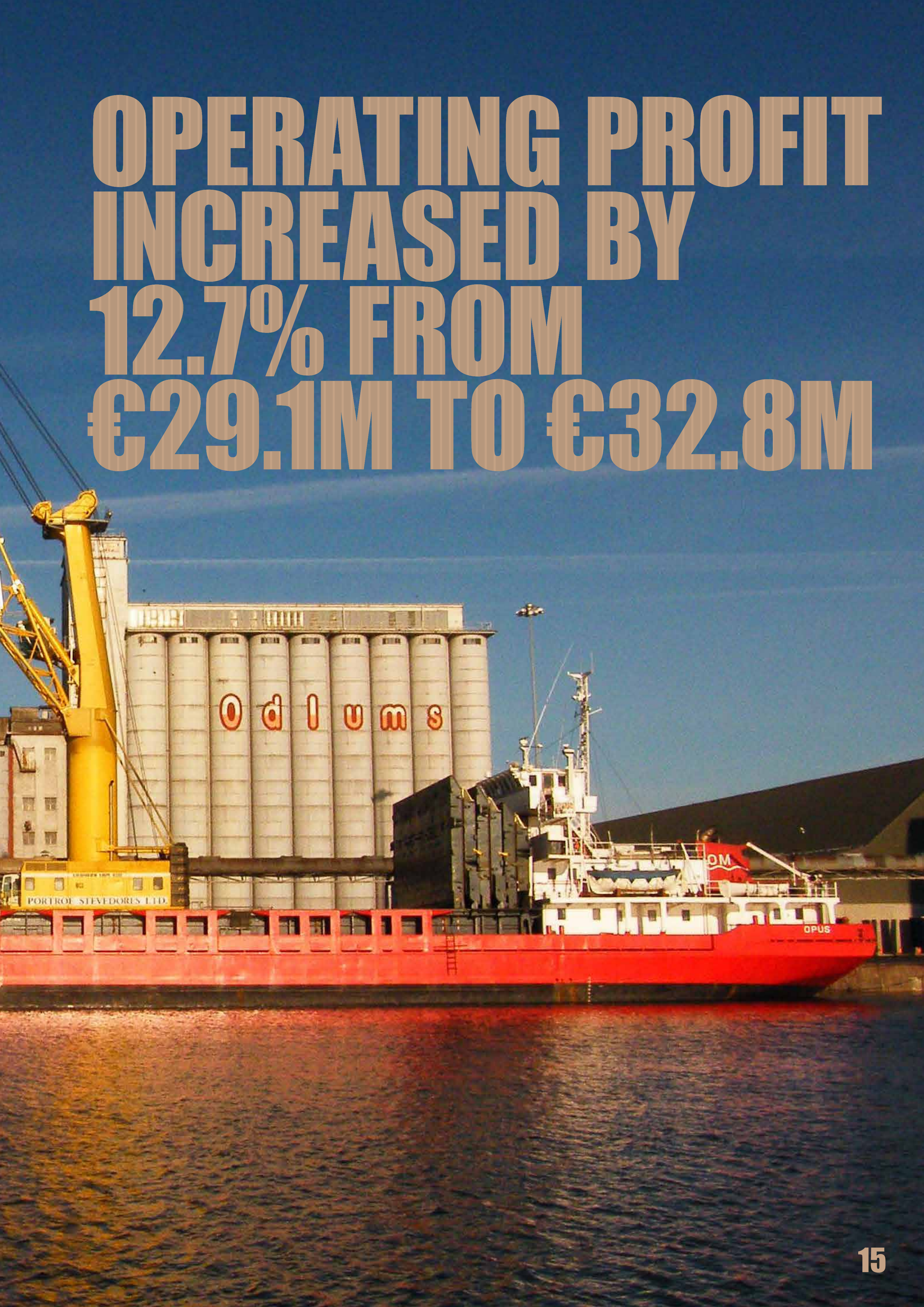
Lucy McCaffrey

Lucy McCaffrey
Chairperson

27 March 2014


OPUS

OPERATING PROFIT INCREASED BY 12.7% FROM €29.1M TO €32.8M



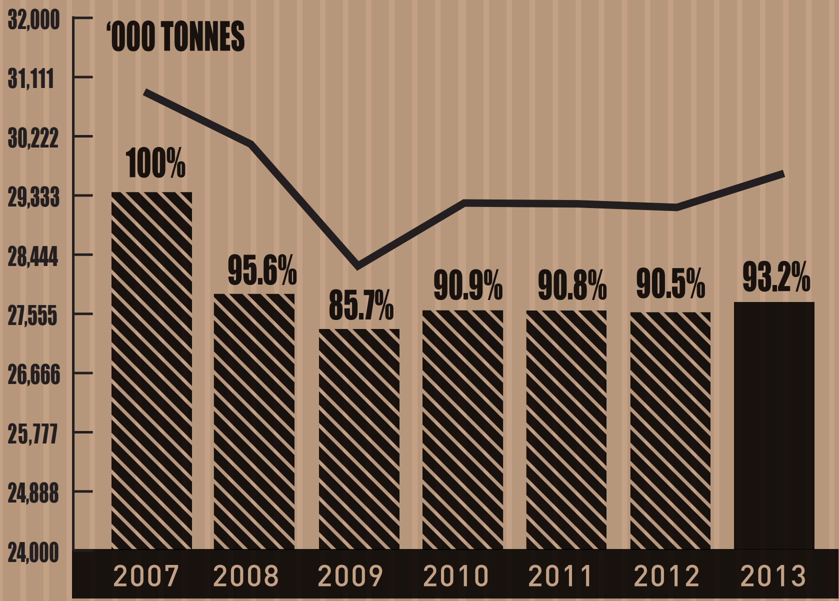
CHIEF EXECUTIVE'S REVIEW

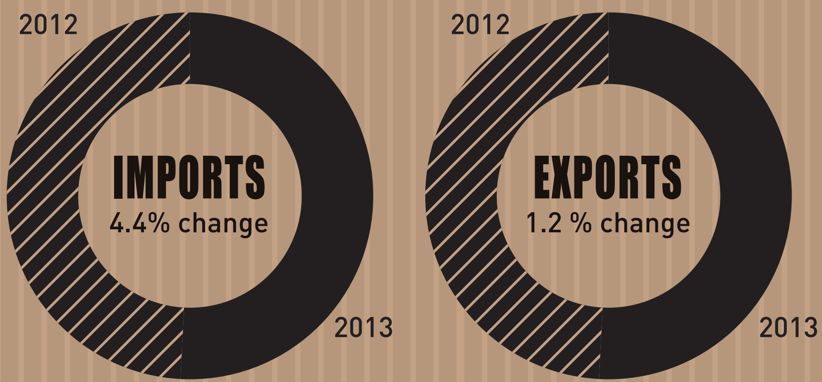
Dublin Port Trade Review

We entered 2013 believing we might see a small increase in our volumes over the course of the year. By the end of the first quarter even this seemed overoptimistic when our volume had reduced by 2.5% on 2012. However, thereafter, our volumes began to increase and by year end we had achieved a growth of 3.1%.

At this stage, much of the volume loss after our record year of 2007 has been regained and we are now only 6.8% behind our highest volume (30.9m tonnes).

In the long run, Dublin Port's volumes tend to increase (or decrease) at a level of 1.36 times the change in GDP. The large increase in imports we saw during 2013 (4.4%) would suggest that the domestic economy is at last recovering and this would give us optimism for continued growth in the Port's volumes during 2014 and beyond.





'000 gross tonnes	2013	2012	% change
Imports	17,302	16,578	4.4%
Exports	11,545	11,409	1.2%
Total	28,847	27,987	3.1%

The overall 3.1% growth during 2013 was achieved by a 2.7% increase in our unitised volumes and by a 4.4% increase in our non-unitised volumes.

'000 gross tonnes	2013	2012	% change
Ro-Ro	**18,122**	17,322	4.6%
Lo-Lo	**5,171**	5,348	(3.3%)
Bulk Liquid	**3,531**	3,444	2.5%
Bulk Solid	**1,985**	1,814	9.4%
Break Bulk	**38**	59	(34.7%)
Total	**28,847**	27,987	3.1%
Unitised	**23,293**	22,670	2.7%
Non-unitised	**5,554**	5,317	4.4%

Within the unitised modes, we saw Ro-Ro increase by 4.6% in tonnage terms and Lo-Lo decrease by 3.3%. In terms of units, there were 761,651 Ro-Ro units and 517,086 TEU of Lo-Lo through the Port in 2013. These figures are respectively 6.0% up and 2.1% down on 2012.

In the non-unitised modes, Bulk Liquid (which is virtually all petroleum products) increased by 2.5% to 3.5m tonnes which we estimate to be two-thirds of the consumption in the country during the year.

Bulk Solid rose by 9.4% to 2.0m tonnes driven primarily by increased animal feed imports but with clear signs of increasing volumes of biomass fuels.

Trade Vehicle volumes were strong during 2013 at 60,905, up 15.4% on 2012. Notwithstanding the large increase in the year, our trade vehicle volume in 2013 was still less than a half of our highest volume (141,301 in 2007).

On the tourism side of our business, our ferry passenger volume was virtually unchanged at 1.6m (+0.3% on 2012) while tourist vehicles were up 3.5% at 0.4m.

2013 was a record year in terms of the number of Cruise Vessels visiting the Port with a total of 100 calls bringing over 150,000 passengers and crew to the City.

2013 in context

We have seen very large volume increases during past cycles of economic growth and during 2013, even before there is evidence of any substantial economic recovery, we have already seen volumes increase by 3.1%. In all likelihood, therefore, we will see continued growth during 2014 and beyond.

Comparing our 2013 outturn with 2007 shows that even with a 2.1m tonne overall decline, we are still ahead by 1.0m tonnes in Ro-Ro.

'000 tonnes	Change 2007 to 2013	% change 2007 to 2013
Ro-Ro	985	5.7%
Lo-Lo	(1,980)	(27.7%)
Bulk Liquid	(544)	(13.4%)
Bulk Solid	(518)	(20.7%)
Break Bulk	(31)	(45.0%)
Total	**(2,088)**	**(6.8%)**

Economic recovery would be expected to increase imports from the Far East which would translate into increased Lo-Lo tonnage.

The 0.5m tonne decline in Bulk Liquid volumes has begun to reverse and as the economy picks up we would expect imports of petroleum products to increase accordingly.

Finally, the outturn for 2013 suggests that the 0.5m tonne decline in Bulk Solid will rapidly reverse. In particular, if 2013's growth rate were to continue, the decline since 2007 could be completely reversed by 2016.

The foreseeable return to the high volumes of 2007 underpins the challenge for us to continue to expand the capacity of the Port. In particular, it requires us to progress with the development of new infrastructure such as that planned in the Alexandra Basin Redevelopment (ABR) Project.

CHIEF EXECUTIVE'S REVIEW CONTINUED

Financial Performance in 2013

The strong volume performance during 2013 translated directly into a strong financial performance.

Turnover increased by 4.7% to €68.4m in 2013, consistent with our throughput growth. Operating Costs, excluding Exceptional Operating Items, increased by 2.9% to €34.7m. Within this figure:

- payroll costs were €0.6m (4.9%) lower at €10.6m
- pension costs were €1.3m higher at €0.9m
- non-payroll costs were €0.2m (1%) higher at €23.2m.

The reduction in payroll costs has been achieved following implementation of the Company's Staff Choices programme launched in 2012 and completed in 2013. Under this programme 16 staff left the Company and, entering 2014, we have 134 employees. The programme will deliver total savings of over €1m per annum.

Our employment number today compares to 157 at the start of 2010 and reflects our commitment to achieve the strategic objective for Dublin Port Company to *employ the correct number of staff, with the required skills and paid at market rate*. Achieving this objective requires us not only to reduce the numbers employed; it also requires us to train and up-skill our staff and, at times, to employ new people into the Company with particular skills and expertise.

The increase in pension costs arises as a result of a €1.3m increase in the pension charge to the Profit and Loss Account. This increase is primarily as a result of a larger credit of €1.7m to Operating Profit in 2012 in respect of the permanent reduction in pensioner members' pensions to fund the pension levy compared to an equivalent credit of €0.9m in 2013. In addition, the current service cost arising is €0.5m higher in 2013. (However, this latter increase is offset by a €0.4m reduction in the Finance Costs relating to the pension schemes reported as part of the finance charge for the year below the Operating Profit line).

Our Profit Before Tax rose 14.2% to €30.1m.

€'000	2013	2012	% change
Turnover	**68,375**	65,318	4.7%
Operating Profit before Exceptional operating items	**33,633**	31,562	6.6%
Operating Profit	**32,818**	29,107	12.7%
PBT	**30,139**	26,385	14.2%
PAT	**26,000**	22,823	13.9%

Looking towards the cash side of our financial performance, EBITDA in 2013 was €41.5m, up 4.7% on the previous year. EBITDA is stated before deduction of Exceptional Operating Items and is calculated as follows:

€'000	2013	2012
Operating Profit	**32,818**	29,107
Depreciation	**8,365**	8,557
Amortisation	**(501)**	(501)
Exceptional Operating Items	**815**	2,455
EBITDA	**41,497**	**39,618**

Our profit targets relate primarily to generating an adequate and appropriate return on capital employed and I am pleased to report that we achieved an ROCE of 11.3% in 2013 compared with 10.1% the previous year.

Since corporatisation in 1997, our average annual capital expenditure has been €19m. Our capital expenditure in the last three years has been significantly less than this and, in 2013, was €13.5m.

Our dividend target is to pay 30% of our previous year's PAT. However, against a background of reduced capital expenditure in 2013 and in previous years, we paid a dividend of €15.0m in 2013 which comprised a "standard" dividend of €7.0m plus an additional dividend of €8.0m.

At year end, our net debt position of €0.3m compared with €4.4m the previous year.

€'000	2013	2012
Borrowings	**€35.0m**	€35.0m
Cash	**€34.7m**	€30.6m
Net Debt	**€0.3m**	**€4.4m**

At this level the ratio of net debt to EBIDTA is less than 1%, leaving the Company in a very strong position to embark on its capital investment programme which, over the next five years, is expected to cost in excess of €150m.

Capital Expenditure

The €13.5m invested in capital expenditure during the year was mostly on three projects;

- The third and final phase of the Alexandra Quay East redevelopment project which will give the Port an additional 80,000 TEU of Lo-Lo capacity,
- Construction of a new firewater main in the Port to provide additional capacity to safeguard the Port's petroleum storage facilities and also to facilitate future developments,
- Development of a 4.4 hectare dedicated trade vehicle storage facility.

We expect all three projects to be completed during 2014.

UNCTAD

During 2013, the Company renewed its support of the United Nations Conference on Trade and Development programme (UNCTAD) which supports port communities in their objective to achieve economic development through the provision of efficient and competitive port services. Under this programme which is supported by Irish Aid, Dublin Port Company in conjunction with our colleagues in Cork and Belfast ports will over a three year period provide expertise to assist in the delivery of the programme. Dublin Port Company has been supporting this initiative for the past six years.

Developments at EU level

Outside the Port, there were developments at EU level which will likely impact in future years. Most notably is the Concessions Directive which will likely be transposed into national law by early 2016. Beyond this the European Commission published a proposed EU Port Services Regulation which, likewise, could impact on our business in the years ahead.

Outlook for 2014

Having entered 2013 with low expectations of significant growth, our view of the prospects for 2014 is considerably more optimistic. This optimism is supported by the actions of our customers such as Irish Ferries' decision to introduce a second large ship to provide additional sailings on the Dublin to Holyhead route with a weekend round trip to France.

This positive view of the year ahead accentuates the need for us to progress with the capacity-increasing infrastructure developments outlined in our Masterplan 2012 to 2040. The immediate priority is to try to secure all necessary consents (planning and others) to allow the ABR Project to proceed either within 2014 or shortly thereafter. We lodged a planning application for this project with An Bord Pleanála on 6th March 2014.

In parallel with this, we will continue to develop smaller projects from within the Masterplan to work towards the overall objective of doubling the Port's capacity by 2040.

We will also progress with identifying opportunities to take control back on Port lands used for non-core purposes.

Eamonn O'Reilly
Chief Executive

27 March 2014

2013 WAS A RECORD YEAR IN TERMS OF CRUISE VESSELS WITH A TOTAL OF 100 CALLS

CORPORATE SOCIAL RESPONSIBILITY

DUBLIN PORT COMPANY'S COMMITMENT TO ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) PROGRAMME IS UNDERPINNED BY THE POLICY SET OUT IN THE COMPANY'S STRATEGIC PLAN 2012 TO 2016.

Within the Strategic Plan, CSR is defined as the commitment of the Port to contribute to sustainable economic development – working with employees, the local community and society at large to improve the quality of life, in ways that are both good for the business of the Port and good for Dublin City, its citizens and visitors.

The CSR policy approved by the Board sets a target for the Company's cash contribution to CSR activities at 1% of Profit Before Tax.

In keeping with this commitment, Dublin Port Company is keenly aware of the strong connection with local communities which has been established over many years.

Dublin Port Company's CSR programme comprised in the main three areas of support as follows:

- Education
- Community
- Sport

Below is a description of some of the main activities supported under our CSR programme during 2013.

Education

NCI Early Learning Initiative

Dublin Port Company (DPC) is proud to support The Early Learning Initiative (ELI) at the National College of Ireland (NCI). The programme engages with parents, educators and the community as a whole in encouraging childrens' learning journey at pre-school level and preparing them for later success in school.

The ELI mission is working in partnership with local communities to support educational journeys and achievements. The long-term vision is that ELI will lead the way in providing first class educational support programmes within local communities, thereby enabling children, young people and their families to develop the dispositions, skills and knowledge needed to achieve their educational, career and life goals.

During 2013, more than 3,400 children, parents and professionals in the Docklands took part in one of ELI's programmes with satisfaction rates averaging 98% across all programmes. Assessments indicate that children's oral language, literacy and numeracy skills have improved and that young people have high aspirations for the future.

Scholarships Programme 2013

Since the commencement of the DPC Scholarships Programme in 2001, over 600 students have received financial support for their third level educational choices.

Last year, 34 successful applicants were awarded scholarships ranging up to four years in duration. All applicants were required to attend for interview and all applications were objectively assessed by an interview panel.

In total Dublin Port Company currently supports over 100 local students in furthering their education at third level.

Community

Ringsend & District Response to Drugs (RDRD)

Dublin Port Company has been the main supporter of RDRD since 2001. In 2013, the project provided support services to 228 families in the local community. The previous year the project worked with a total of 178 families, showing a significant increase in those seeking support during the year 2013.

The project team work with families that are experiencing tragic and traumatic circumstances ranging from serious illnesses, suicide, poverty, drug addiction, alcoholism, domestic violence and homelessness. RDRD provides knowledge and support through the form of rehabilitation and education. One of the most important programmes the project continues to provide is the six week drug awareness programme.

A graduation ceremony is held every year to celebrate the participants who achieve drug free status. To date, 89 people have successfully maintained their drug free status with the project.

Sport

Dublin Port is a vibrant area for water sports activity and we recognise the value of these activities to the local communities. We continued to provide support to the two local rowing clubs (St. Patrick's and Stella Maris) annual regattas, the Dublin Currach race held in the Tolka estuary, the Poolbeg Yacht and Boat Club's sailing regatta and the annual Liffey Swim.

In addition the Company provided support to the Clan na Gael GAA club in Ringsend. This support goes beyond the realm of sport as the club is deeply rooted in local community activities. The club provides its facilities to various local community groups including Special Olympics, local resident groups, local charities, Ringsend and Irishtown Response to Drugs and the Ringsend and Irishtown community centre.

The club also plays an active role in education and the has set up a partnership programme with Trinity College whereby, in exchange for the use of club facilities, Trinity College students provide grinds to local Junior and Leaving Certificate students.

Over the course of 2013, the CSR Advisory Group, established by the Company in 2012, commenced the process of assessing the effectiveness of the Company's CSR spend through presentations and site visits to assess the use and benefits of the support provided.

The CSR Advisory Group intends to complete this process in 2014 with a view to bringing forward recommendations to the Board as to the appropriate level of expenditure on CSR activities and, in particular, the split of expenditure across the three main categories of spend outlined above.

OVER 600 STUDENTS HAVE RECEIVED FINANCIAL SUPPORT FOR THEIR THIRD LEVEL EDUCATIONAL CHOICES

ENVIRONMENTAL MATTERS

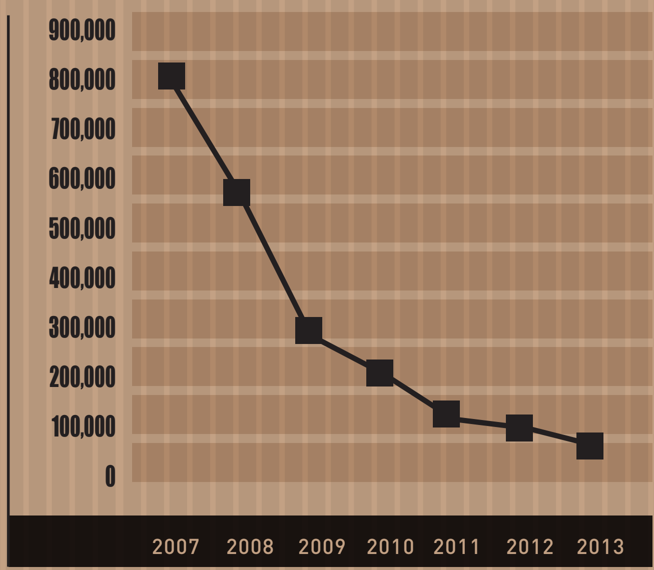
DUBLIN PORT COMPANY (DPC) IS COMMITTED TO OPERATING TO THE HIGHEST FEASIBLE ENVIRONMENTAL STANDARDS AND IS ACCREDITED TO ISO 14001, THE INTERNATIONALLY RECOGNISED ENVIRONMENTAL MANAGEMENT SYSTEM STANDARD. DPC IS EXTERNALLY AUDITED BY BUREAU VERITAS BI-ANNUALLY AND, DURING 2013, BUREAU VERITAS COMPLETED SURVEILLANCE AUDITS IN APRIL AND OCTOBER. BEYOND THIS, A FULL RE-CERTIFICATION AUDIT IS SCHEDULED FOR OCTOBER 2014.

DPC also implements the Port Environmental and Review System (PERS). This is the only port-sector specific environmental management standard and is independently verified by Lloyd's Register.

The commitment to both ISO 14001 and PERS requires us to continually strive to make port operations as sustainable as possible. We take our lead in this regard from best practice in European ports and most particularly from our active involvement in the European Sea Ports Organisation (ESPO).

As well as taking our lead from best practice elsewhere, DPC also aspires to lead best practice by, for example, our industry-leading water consumption reduction programme over recent years. This programme achieved a 95% reduction in water consumption by the systematic elimination of leakage in our 260 hectare estate.

ANNUAL WATER CONSUMPTION (M³)



In the area of surface drainage, we carry out monthly monitoring of surface outflows from interceptors throughout the Port estate to enable us to proactively manage our surface water outflows.

The possibility of pollution due to chemical or oil spills is a risk and we carry out annual pollution prevention training and exercises to prove our emergency and response procedures for both land based and marine incidents.

During 2014, we will prepare an ***Energy Action Plan*** to provide a framework for the continuation and expansion of our many energy reduction initiatives including;

- The installation of a modern combined heat and power unit in Port Centre which during its first full year of operation in 2013 generated an energy saving of 200,000kWh,
- The installation of new lighting systems in Ro-Ro Terminal 2 which will save an additional 45,000kWh per annum,
- The planned installation of more efficient lighting systems in Port Centre during 2014 (to achieve energy annual reduction of 35,000kWh),
- The commencement during 2014 of a trial of new LED street lighting which, if successful, would lead to upgrading street lights throughout the port estate over time,
- Trialling of gas fuelling of one of our pilot boats,
- The generation of 20,000kWh in 2013 by the 11kW wind turbine we installed in 2012.

Waste management remains a high priority and, during 2013, we achieved a recycling rate of 96%.

As well as monitoring and managing our own activities, we also work proactively with our customers within the Port estate to help them to improve their environmental standards and performances based on ESPO's 5 E's approach (Exemplifying, Enabling, Encouraging, Engaging, Enforcing).

Our commitment to environmental management is also central to our plans for the future development of the Port and as part of the proposed ABR Project, we envisage remediating 0.5 million m3 of material in Alexandra basin West contaminated as a result of past Port activities including ship building.

Finally, our commitment to achieving the highest feasible environmental standards requires us to better understand the environment within which we operate, particularly the natural habitats within and adjacent to the Port. 2013 was the first full year of our multi-annual co-operation with BirdWatch Ireland in the Dublin Bay Birds project.

Dublin Bay is among the top-ten most important wetlands in Ireland for migratory wintering waterbirds and the Dublin Bay Birds project is beginning to increase greatly the understanding of the habitats within the Bay and the movements of birds in the Bay throughout the year. Highlights of the project work during 2013 include;

- Catching and ringing of 118 Oystercatchers February and July 2013,
- Commencement of bi-monthly waterbird counts of the entire Dublin Bay area July 2013,
- Additional surveys of the Port area (between the two sea walls) including All-day Surveys, Gull Roost surveys, Nocturnal observations, Tern Foraging movements and Spring low tide observations.

Also during 2014, we will place a floating platform in the Tolka Estuary as a nesting site for terns to help us to develop the knowledge and skills to relocate tern colonies elsewhere in the Port in the future should that be necessary to facilitate new infrastructure.

Our commitment to the Dublin Bay Birds project is intended to help us to make more informed and better decisions as we plan the expansion of the Port in future years.

Finally, in recognition of the growing and central position of environmental concerns within our business strategy, we appointed an Environmental, Health & Safety Specialist in March 2013, a first for DPC.

We are delighted to have continued to make improvements in our environmental management during 2013 and we are committed to further improvements in the years ahead.

DURING 2013, WE ACHIEVED A RECYCLING RATE OF 96%

DIRECTORS' REPORT

The Directors submit their Annual Report together with the audited financial statements of the Company for the year ended 31 December 2013.

Directors' Responsibility for Financial Statements

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

Irish law requires the Directors to prepare financial statements for each financial year giving a true and fair view of the state of the Company's affairs at the end of the financial year and of its profit or loss for the financial year. Under that law the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements are prepared in accordance with the requirements of the Harbours Act, 1996 and the Companies Acts, 1963 to 2013. They 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 also required to include in the Annual Report a statement on the system of internal financial control in accordance with the requirements of the Code of Practice for the Governance of State Bodies.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of 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.

Going Concern

The Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future. For this reason, the financial statements are prepared on the going concern basis.

Books of Account

The Directors have taken measures to ensure compliance with the Company's obligations under S.202 of the Companies Act 1990 with regard to keeping proper books of account. The measures taken are the use of appropriate systems and procedures and the employment of competent accounting personnel. The books of account 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 2012, 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 2012 by 3.1% at 28.8 million tonnes (2012: 28.0 million tonnes). Exports grew by 1.2% in the year to 11.5 million tonnes (2012: 11.4m tonnes) while imports grew by 4.4% to 17.3 million tonnes (2012: 16.6 million tonnes).

Turnover for the year amounted to €68.4m, an increase of 4.7% on the previous year (2012: €65.3m).

Total Operating Costs, before Exceptional Operating Items, increased to €34.7m in 2013 from €33.8m in 2012. This movement mainly arises from the lower negative Past Service cost of €0.9m arising from a permanent reduction in pensioner members' benefits due to the pensions levy for the year 2013. In 2012 this cost was €1.7m arising from the reduction in benefits agreed in 2012 in respect of the two years 2011 and 2012.

Operating Profit increased to €32.8m in 2013 from €29.1m in 2012 resulting in an Operating Margin of 48.0% (2012: 44.6%). The underlying Operating Profit Margin, before Exceptional Operating Items, for 2013 was 49.2% (2012: 48.3%).

Exceptional Operating Items reflect a charge of €0.8m in respect of a Company-wide restructuring programme and redundancy payments which commenced in 2012 and was completed in 2013. In 2012 this programme cost €2.5m, the total programme costing €3.3m over the two year period.

There were no Exceptional Items in 2013. In 2012 a charge of €0.5m arose relating to a further permanent diminution in value of an Investment Property held by the Company. In 2012 the Company also benefited from profits on the sale of assets amounting to €0.6m.

Net financing costs were €2.7m (2012: €2.8m). Financing costs on the pension fund deficit decreased from €2.7m to €2.2m arising from lower interest on pension scheme liabilities arising from the increase in discount rate assumption. Net Interest charges were €0.4m (2012: €0.1m) and the Company's interest cover is 74 times (2012: 200 times) based on Profit Before Interest and Taxation over net interest charges. Net Debt decreased to €0.3m from €4.4m in 2012 and the Company is fully compliant with all covenants in respect of its borrowing facilities.

Profit for the financial year was €26.0m (2012: €22.8m).

The Profit and Loss Reserve increased from €251.7m at 31 December 2012 to €254.8m and Shareholders' Funds increased from €265.8m to €269.1m during the same period.

The Company has a target throughput of 29.7 million tonnes for 2014. Throughput of 28.8 million tonnes was achieved in 2013, which was 2.0% ahead of its target of 28.3 million tonnes.

Environmental Matters

Dublin Port Company is committed to the highest standards in environmental performance and is accredited under ISO 14001 and to EcoPorts through PERS certification. Environmental Matters are reported under separate disclosure within the Annual Report.

Employee Matters

In relation to staffing levels, the objective as set out in our Strategic Plan is that 'Dublin Port Company should aim to employ the correct number of staff, with the required skills and paid at market rates'. The Company-wide restructuring which was launched in late 2012 was completed in 2013 and saw a reduction in overall headcount of 10%.

Those employed prior to 2005 in the main are members of the Company's Defined Benefit Schemes. These Schemes also pay pensions to 417 former employees. No increases have been applied to the Defined Benefit Scheme during 2013 and none are budgeted for in 2014. The schemes continue to meet Minimum Funding Standard requirements specified in the Pensions Acts.

Those employees post 2005 are members of the Company's Defined Contribution (DC) Scheme. This Scheme has seen a steady increase in membership over the preceding years with 18% of current employees active members. A Working Group of staff and management which was set up to educate all DC Scheme members on how the scheme works and to provide briefing sessions and information / advice to members continued its work in 2013.

Building on the Company-wide survey which was conducted in 2012, the Company established a Survey Working Group, made up of management and staff. The objective was to identify and build upon and support the effective progression of work completed by the Working Group and work towards long-term solutions in the areas of communications generally and other related issues.

During the course of the year all our apprentices successfully completed their apprenticeships. These were previous redundant apprentices and Dublin Port Company assisted them in completing their apprenticeships and qualifying in their craft of choice. We intend on expanding this programme to 2014.

We continue to have a number of staff members from across all sections within the Company actively engaged in the Health & Safety Committee.

Principal Risks and Uncertainties

Capacity Constraints:

One of the principal uncertainties identified in previous reports related to the Company's ability to deliver capacity to the market. Following the refusal by An Bord Pleanála to grant planning permission for a proposed expansion of the Port (the Dublin Gateway Project) the Company undertook an extensive Master Planning process over the course of 2011. This process 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 to minus ten metres. 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.

DIRECTORS' REPORT
continued

Economic slowdown:
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. In 2010 the Company experienced a return to growth to the extent that throughput levels in the year were in excess of 90% of the record levels achieved in 2007. Trade in 2011 and 2012 showed reductions of 0.1% and 0.4% respectively. The Port returned to growth in 2013 with total throughput of 28.8 million tonnes reflecting a 3.1% increase on the previous year. 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 €4.2m at the end of 2012. The property was again valued by our property advisors at the end of 2013 resulting in an increase in valuation of €0.2m to €4.4m. The cumulative diminution in value amounts to €6.6m.

Joint Venture Investment:
Similarly, the Company has reviewed the carrying value of its investment in Renore, a Joint Venture Company which owns and operates the Greenore port group of companies. The trading conditions experienced by Renore reflect the difficult and challenging economic environment in Ireland. In reviewing the carrying value of the investment the Directors were particularly cognisant of the decline in throughput volumes and the lack of any significant growth potential over the coming years. The carrying value of the investment was reduced to €0.75m in 2011 and we are satisfied there has been no material change in valuation in 2012 or 2013.

Operational Risks:
The nature of the business of Dublin Port means that the Company is exposed to operational risks in the event of a major incident occurring in relation to, for example, a major oil spill or a blockage of the channel. These land-based and marine-based risks are managed through the Company's Emergency Management Planning procedures and the Risk Management Framework which was updated and approved by the Board in 2013. The Emergency Plan procedures are tested on a regular basis through exercises involving Dublin Port Company personnel and external emergency services personnel including the Health and Safety Authority, Dublin Fire Brigade and the Gardaí.

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 Committees role in supporting the Board in managing the Company's exposure to risk.

The Company's Risk Management Framework comprises 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.

The Risk Register approved by the Board as part of the Risk Management Framework focusses on four specific high-level risk areas as follows;

- Major incidents (as identified in the Company's Emergency Management Plan),
- Operational risks (with a specific focus on matters covered by Health and Safety Policies and Procedures),
- Business continuity (in the specific areas of Ro-Ro ramps, IT and loss of use of a critical building),
- Financial (particularly fraud whether internal or external).

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.

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.

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 (2012: 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.

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.

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 2013 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.

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.

Post Balance Sheet Events

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 €16m for 2014. The planned Capital Investment Programme includes:

- Alexandra Quay East Redevelopment;
- Trade Car Facility;
- Coal Quay Refurbishment.

Results and Dividends

The Company's profit for the financial year amounted to €26.0m. The Directors' allocations and recommendations in respect of this amount were as follows:

	2013 €'000	2012 €'000
Interim Dividend of €1.30 (2012: €0.88) per share paid	15,000	10,200
Increase in Profit Retained	11,000	12,623
Profit for the Financial Year	**26,000**	**22,823**

The Directors do not propose to declare a final dividend.

Directors' and Secretary's Interests

The Directors and Secretary and their families had no beneficial interest in the share capital of the Company at 31 December 2013 and 2012.

There were no contracts or arrangements of any significance in relation to the Company's business or that of its related Company in which the Directors and Secretary of the Company or their families had any interest, as defined in the Companies Act, 1990.

Joint Venture

Details of our interest in a Joint Venture are set out in note 11 to the financial statements.

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 2013 are set out below. Unless otherwise indicated they served as Directors for the entire year.

L McCaffrey	
E O'Reilly	
P Bates	(appointed 19 September 2013)
H Collins	
E Finnan	
J Frater	
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.

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

DIRECTORS' REPORT
continued

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 five times during the year.

The Board also established a Remuneration Committee in 1999. The Committee operates under formal terms of reference and met once during the year. The members of the Committee during the year were Ms Lucy McCaffrey (Chairperson), Mr Jamie Frater and Mr Pat Magner. The Remuneration Committee met once during the year.

Attendance at Meetings

There were 10 General Board Meetings during the year ended 31 December 2013.

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

	Attended	Eligible to Attend
L McCaffrey	10	10
E O'Reilly	9	10
P Bates	2	2
H Collins	10	10
E Finnan	9	10
J Frater	9	10
P Magner	7	10
J Moore	10	10
Audit and Risk Committee		
E Finnan	5	5
H Collins	4	5
P Magner	4	5
Remuneration Committee		
L McCaffrey	1	1
J Frater	1	1
P Magner	1	1

Directors' Expenses

Expenses in the amount of €303 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.

Auditors

The auditors, PricewaterhouseCoopers, will be re-appointed in accordance with section 160(2) of the Companies Act, 1963.

On Behalf of the Board

Lucy McCaffrey
Eamonn O'Reilly

27 March 2014

INDEPENDENT AUDITORS' REPORT
to the members of Dublin Port Company

We have audited the financial statements of Dublin Port Company for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation 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).

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements giving 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 193 of the Companies Act, 1990 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.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Directors' 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the Company's affairs as at 31 December 2013 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the Company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.
- The net assets of the Company, as stated in the Balance Sheet, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2013 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the Company.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Acts 1963 to 2013 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by law are not made.

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 Directors' Report 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.

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

27 March 2014

ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

The Directors have concluded having made due enquiries that it is appropriate to prepare the financial statements on a going concern basis.

Preparation of the financial statements requires the Directors to make certain estimates and assumptions that affect the reported amounts of assets and liabilities. These include but are not limited to revenue recognition, impairment of assets, depreciation and retirement benefits. Actual results could differ from those estimates.

Historical Cost Convention

The financial statements are prepared under the historical cost convention, modified by the valuation of an Investment Property.

Turnover

Turnover comprises the value of all services provided to third parties exclusive of value added tax and is expressed by class of business in note 2 to the Financial Statements.

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:

Other income 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.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation, except for the Company's Investment Property which is stated at open market value. Freehold land is not depreciated.

Depreciation is calculated in order to write off the cost of tangible fixed assets, other than freehold land, the Investment Property and infrastructure assets, over their estimated useful lives by equal annual instalments.

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.

The estimated useful lives of tangible fixed assets by reference to which depreciation has been calculated are 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 Company does not adopt a policy of revaluing tangible fixed assets other than its Investment Property, which is stated at Open Market Value.

Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount of an asset is determined by either its net realisable value or its value-in-use, whichever amount is higher. An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount and the asset is written down to this amount. The recoverable amount is based on value-in-use calculations.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Investment Properties

The Company's investment property is re-valued annually in accordance with SSAP 19 and the surplus or deficit on revaluation is transferred to the Investment Property Revaluation Reserve, unless a deficit below original cost, or its reversal, is expected to be permanent, in which case it is recognised in the Profit and Loss Account for the year.

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.

Capital Grants and Contributions to Fixed Assets' Cost

Capital grants and contributions to fixed assets' costs are treated as deferred credits, which are amortised to the Profit and Loss Account on the same basis as the related tangible fixed assets are depreciated.

Grants are recognised, by inclusion in the financial statements, when their ultimate cash realisation can be established with reasonable certainty.

Development Land

Development land comprises land which is not held for long-term business usage, but which is held for development or re-sale purposes and is carried at the lower of cost or market value.

Cash and Current Asset Investments

Cash at bank and in hand includes all cash balances and deposits which are repayable on demand. Term deposits with maturity dates of up to six months are classified as current asset investments.

Stocks

Stocks are stated at the lower of cost and net realisable value.

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

Net realisable value is determined as cost less provision for damaged, deteriorated, obsolete and unusable items.

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the Balance Sheet date and revenues, costs and non-monetary assets at the exchange rate ruling at the date of the transaction.

Profits and losses arising from foreign currency translation and on settlement of amounts receivable and payable in foreign currency are dealt with in the Profit and Loss Account.

Monetary assets are money held, and amounts to be received in money, all other assets are non-monetary assets.

Retirement Benefits

The Company has both defined benefit and defined contribution arrangements. Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit actuarial cost method. The excess of pension scheme liabilities over pension scheme assets is presented on the Balance Sheet as a liability net of related deferred tax. The defined benefit pension charge to Operating Profit comprises the current service cost and past service costs. The excess of the interest cost on the scheme liabilities over the expected return on scheme assets is presented in the Profit and Loss Account under "Other finance cost".

Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur.

The contributions payable by the Company under the defined contribution schemes are charged to the Profit and Loss Account in the period in which they become payable.

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.

Taxation

Corporation tax is provided, where applicable, at current rates.

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different years for taxation purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is not discounted.

Interest-bearing loans and borrowings

All borrowings are initially stated at the fair value of the consideration received after deduction of issue costs. Issue costs, together with finance costs, are charged to the Profit and Loss Account over the term of the borrowings and represent a constant proportion of the balance of capital repayments outstanding.

Interest Rate Risk Management

Interest rate swaps/caps are used to hedge the Company's exposure to interest rate movements. The amount payable or receivable on such hedging instruments is accrued in the same way as interest arising on borrowings.

Dividends

Dividends are recognised in the financial statements when they have been appropriately approved or authorised by the shareholders and are no longer at the discretion of the Company. Interim dividends declared by the Directors are recognised when paid.

Investment in Joint Venture

The investment in Joint Venture is stated at cost less amounts written off as impaired.

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Turnover	2	68,375	65,318
Cost of sales		(22,595)	(22,503)
Gross Profit		**45,780**	**42,815**
Administration and general expenditure		(12,147)	(11,253)
		33,633	31,562
Exceptional operating items	4	(815)	(2,455)
Operating Profit		**32,818**	**29,107**
Exceptional items	5	-	94
Profit on Ordinary Activities Before Interest and Taxation		**32,818**	**29,201**
Interest receivable		845	1,659
Interest payable	6	(1,291)	(1,805)
Other finance cost	32	(2,233)	(2,670)
Profit on Ordinary Activities Before Taxation	7	**30,139**	**26,385**
Taxation	8	(4,139)	(3,562)
Profit for the Financial Year	22	**26,000**	**22,823**

Turnover and Operating Profit arose solely from continuing activities.

On behalf of the Board

Lucy McCaffrey
Eamonn O'Reilly

27 March 2014

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Profit for the Financial Year		26,000	22,823
Actuarial loss recognised on defined benefit obligations	32	(9,003)	(17,246)
Deferred tax related to actuarial loss on defined benefit obligations	19	1,125	2,156
Transfer from Investment Property Revaluation Reserve	23	180	-
Total Recognised Gains and Losses		**18,302**	**7,733**

BALANCE SHEET
As at 31 December 2013

	Notes	2013 €'000	2012 €'000
Fixed Assets			
Tangible assets	10	284,883	279,577
Investments			
Joint Venture	11	750	750
Current Assets			
Development land	12	1,246	1,246
Stocks	13	703	750
Debtors and prepayments	14	13,389	15,124
Cash at bank and in hand	27	1,177	438
Investments	27	33,533	30,211
		50,048	47,769
Creditors – Amounts falling due within one year	15	(7,293)	(8,200)
Net Current Assets		42,755	39,569
Total Assets less Current Liabilities		328,388	319,896
Creditors – Amounts falling due after one year	16	(34,829)	(34,777)
Deferred Income	18	(11,204)	(11,694)
Provisions for Liabilities	19	(4,497)	(3,751)
Net Assets excluding Defined Benefit Pension Liability		277,858	269,674
Defined Benefit Pension Liability	32	(8,805)	(3,923)
Net Assets including Defined Benefit Pension Liability		269,053	265,751
Capital and Reserves			
Called up Share Capital	20	14,464	14,464
Capital Conversion Reserve Fund	21	119	119
Profit and Loss Account	22	254,822	251,700
Investment Property Revaluation Reserve	23	(1,070)	(1,250)
Capital Contribution	24	718	718
Shareholders' Funds	25	269,053	265,751

On behalf of the Board

Lucy McCaffrey
Eamonn O'Reilly

27 March 2014

CASH FLOW STATEMENT

For the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities			
Operating Profit		32,818	29,107
Amortisation of capital grants	18	(501)	(501)
Depreciation charges	10	8,365	8,583
Profit on Disposal of Tangible Assets		(17)	-
Write-off of fixed assets	10	-	216
Decrease in stocks		47	170
Decrease in debtors		2,011	1,877
(Decrease)/Increase in creditors		(1,503)	1,123
Change in relation to pension provision		(5,657)	(7,016)
Net cash inflow from operating activities		**35,563**	**33,559**

	Notes	2013 €'000	2012 €'000
Cash Flow Statement			
Net cash inflow from operating activities		35,563	33,559
Returns on investments and servicing of finance	26	(336)	55
Taxation		(3,269)	(3,187)
Capital Expenditure and financial investment	26	(12,897)	(13,777)
		19,061	16,650
Equity Dividends paid		(15,000)	(10,200)
		4,061	6,450
Management of liquid resources	27	(3,322)	(1,983)
Financing	26	-	(5,000)
Increase/(Decrease) in cash and cash equivalents		**739**	**(533)**

	Notes	2013 €'000	2012 €'000
Reconciliation of Net Cash Flow to Movement in Net Debt			
Increase/(Decrease) in cash and cash equivalents in the year	27	739	(533)
Cash used to increase liquid resources	27	3,322	1,983
Cash flow from Decrease in debt	27	-	5,000
Change in net debt		4,061	6,450
Opening net debt	27	(4,351)	(10,801)
Closing net debt	27	**(290)**	**(4,351)**

NOTES TO THE FINANCIAL STATEMENTS

1. 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 32) 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.

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 2013.

2. Turnover

	2013 €'000	2012 €'000
By class of business		
Port dues	54,387	51,983
Rents	11,786	11,285
East Link (see note 3)	1,088	1,128
Licences	753	619
Other	361	303
	68,375	**65,318**

3. 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.

4. Exceptional Operating Items

	2013 €'000	2012 €'000
Redundancy Costs	815	2,455
	815	**2,455**

The above redundancy costs would have been classified in the Profit and Loss Account under the heading Administration and general expenditure if it had not been classified as Exceptional Operating Items by virtue of size or incidence under FRS 3 – "Reporting Financial Performance". These costs arose in respect of a Company-wide restructuring programme which commenced in 2012 and was completed in 2013. The total cost of this programme was €3.3m.

5. Exceptional Items

	2013 €'000	2012 €'000
Investment Property – Permanent diminution in value (see note 10)	-	(505)
Profit on Disposal of Fixed Assets	-	599
	-	**94**

The Company's Investment Property has been valued at open market value by an independent valuer in accordance with Statement of Standard Accounting Practice (SSAP) 19 – "Accounting for Investment Properties". The valuation placed an open market value of €4.4m (2012: €4.2m) on the property at 31 December 2013 compared to its original cost of €10.9m resulting in an increase in value which has been transferred from the Investment Property Revaluation Reserve (see note 23).

In 2012 the valuation resulted in a reduction in value of €0.5m which was deemed to be permanent and was charged to the Profit and Loss Account as an Exceptional Item. On a cumulative basis €5.5m of the reduction of €6.57m in value has been deemed to be permanent and has been charged to the Profit and Loss Account. The remaining €1.07m of the reduction in value is deemed to be temporary in nature and has been recognised in the Investment Property Revaluation Reserve (see note 23).

6. Interest Payable

	2013 €'000	2012 €'000
Bank overdraft and Loans		
- borrowings wholly repayable within five years	(1,291)	(1,805)

NOTES TO THE FINANCIAL STATEMENTS
continued

7. Profit on Ordinary Activities Before Taxation

	2013 €'000	2012 €'000
Profit on Ordinary Activities Before Taxation has been arrived at after charging/(crediting):		
Staff costs		
- wages and salaries	9,777	10,300
- social welfare costs (PRSI)	863	891
	10,640	**11,191**
- other pension costs Defined Benefit Schemes (see note 32)	696	(574)
- other pension costs Defined Contribution Scheme (see note 32)	168	131
	11,504	**10,748**
Depreciation (see note 10)	8,365	8,557
Redundancy payments (see note 4)	815	2,455
Amortisation of capital grants (see note 18)	(501)	(501)

Auditors remuneration:
Remuneration for the statutory audit and other services carried out by the Company's auditors is as follows:

	2013 €'000	2012 €'000
Audit of financial statements	43	42
Other assurance services	13	31
Tax advisory services	63	85
	119	**158**

8. Taxation

	2013 €'000	2012 €'000
Current tax charge:		
Based on Port activity profits for the year:		
Corporation Tax at an effective rate of 12.5% (2012:12.5%)	(2,471)	(2,357)
Based on non-Port activity profits		
Corporation Tax at an effective rate of 25% (2012:25%)	(495)	(692)
Capital Gains Tax at an effective rate of 25%	-	-
	(2,966)	**(3,049)**
Overprovision in prior year – Corporation Tax	1	261
Current tax charge for the year	**(2,965)**	**(2,788)**
Deferred Tax charge:		
Timing differences on accelerated Capital Allowances	(746)	(230)
Timing differences between pension contributions paid and pensions charged	(428)	(543)
Deferred tax charge for the year	(1,174)	(773)
Under provision in prior year	-	(1)
	(1,174)	**(774)**
Total tax charge	**(4,139)**	**(3,562)**

The current Corporation Tax charge for the year is lower (2012: lower) than the current tax charge that would result from applying the standard rate of Irish Corporation Tax to profit on ordinary activities. The differences are explained below:

	2013 €'000	2012 €'000
Profit on Ordinary Activities Before Tax	30,139	26,385
Profit on ordinary activities multiplied by the average rate of Irish Corporation Tax for the year of 12.5% (2012:12.5%)	(3,767)	(3,298)
Effects of:		
Disallowable expenses	(128)	(190)
Investment Property diminution in value not deductible for tax	-	(63)
Profit on disposal of assets	2	75
Difference between depreciation and capital allowances	746	230
Pension contributions in excess of pensions charge	428	543
Passive income liable to tax at 25%	(247)	(346)
Adjustment to tax charge in respect of prior year	1	261
Current tax charge for the year	**(2,965)**	**(2,788)**

NOTES TO THE FINANCIAL STATEMENTS
continued

9. Dividend Paid

	2013 €'000	2012 €'000
Interim dividend paid of €1.30 per share (2012: €0.88 per share)	(15,000)	(10,200)

10. 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 2013	73,990	210,192	64,113	16,559	3,800	19,028	4,195	391,877
Additions during year	1,404	145	6,525	-	-	5,445	-	13,519
Revaluation of Investment Property	-	-	-	-	-	-	180	180
Disposals	-	-	-	(61)	-	-	-	(61)
At 31 December 2013	**75,394**	**210,337**	**70,638**	**16,498**	**3,800**	**24,473**	**4,375**	**405,515**
Accumulated Depreciation								
At 1 January 2013	10,843	67,449	19,071	1,937	3,194	9,806	-	112,300
Charge for year	1,256	3,500	1,894	550	101	1,064	-	8,365
Disposals				(33)				(33)
At 31 December 2013	**12,099**	**70,949**	**20,965**	**2,454**	**3,295**	**10,870**	**-**	**120,632**
Net Book Amounts								
At 1 January 2013	63,147	142,743	45,042	14,622	606	9,222	4,195	279,577
At 31 December 2013	**63,295**	**139,388**	**49,673**	**14,044**	**505**	**13,603**	**4,375**	**284,883**

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.

The original cost of the Investment Property was €10.95m.

The Company's investment property was independently valued by Savills as at 31 December 2013, at its open market value of €4.4m. The valuation represented the valuer's opinion of market value at 31 December 2013 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.

10. Tangible Assets (continued)

In determining the extent to which the diminution in value to €4.4m may be considered to be of a permanent/temporary nature, the Company was cognisant of the location of the property, the long term nature of the asset involved, the absence of any requirement to sell the property in the short term and the long term performance of property over the previous 25 years. On this basis, the investment is considered to have a "core" value of €5.4m and it is expected that the investment will recover to this level over time. Accordingly, the diminution below this amount of €1.07m is considered to be temporary in nature and remains in the Investment Property Revaluation Reserve. The balance of €5.5m is considered to be permanent and has been charged to the Profit and Loss Account.

In accordance with SSAP 19 no depreciation is provided in respect of the investment property. This departure from the requirements of the Companies Acts 1963 to 2013, for all properties to be depreciated, is, in the opinion of the Directors, necessary for the financial statements to give a true and fair view in accordance with applicable accounting standards, as the investment property is included in the financial statements at its open market value.

The effect of depreciation is already reflected annually in the valuation of the property, and the amount attributed to this factor by the valuers cannot reasonably be separately identified or quantified. Had the provisions of the Acts been followed, net assets would not have been affected but revenue profits would have been reduced for this.

11. Investment in Joint Venture

During 2002, the Company established a Joint Venture Company, Renore Ltd., on a 50/50 basis with One51 plc. The registered office of Renore Ltd. is located at Port Centre, Alexandra Road, Dublin 1. This Joint Venture was established in order to purchase the Greenore Port group of Companies, the nature of its business being port operations. This purchase was completed in April 2002. The class of shares held by the Company are ordinary shares. The carrying value of the investment is as follows:

	2013	2012
	€'000	€'000
Investment in Joint Venture	**8,800**	**8,800**
Amounts written off as impaired	(8,050)	(8,050)
Carrying value at 31 December 2013	**750**	**750**

Included in the original investment of €8.8m are shareholder loans to the value of €1.55m. These loans were written off by the Company during 2013. As the Company's investment had already been written down from €8.8m to €0.75m this write-off had no further accounting implications for the Company.

This impairment was charged to the Profit an d Loss Account in 2010 and 2011 as an Exceptional Operating Item.

The recoverable amount of the investment in the Renore JV was based on value-in-use calculations. The cash flow forecasts for the purposes of these calculations were based on a five year cash flow model with an appropriately calculated terminal value. The cash flow forecasts used were derived from a combination of internal and external factors based on historical experience and take into account the likely outlook for throughput for Greenore Port. A long term growth rate of 1% was then applied in calculating the terminal value. The cash flows, including terminal value estimations, were discounted using a discount rate of 9.75% reflecting the risk associated with the future cash flows and the risk free rate consistent with appropriate external indices. There is no significant growth potential in Greenore Port over the coming years.

These calculations require the use of estimates which are inherently judgemental and susceptible to change from period to period because they require the Company to make assumptions about the future including future throughput levels, rental income, likely cost experience as well as an appropriate discount rate.

In 2013, in accordance with FRS 11 the Company carried out a "look-back" review of the impairment calculations used which did not indicate any further impairment based on the forecasts made at that time.

In accordance with FRS 9 "Associates and Joint Ventures", the following disclosure presents, on a pro-forma basis, the Company's share of amounts included in the draft un-audited financial statements of Renore Limited for the year ended 31 December 2013.

NOTES TO THE FINANCIAL STATEMENTS
continued

11. Investment in Joint Venture (continued):

		Pro-forma information	
	Company	Joint Venture (Unaudited) €'000	Total €'000
Turnover	**68,375**	**1,959**	**70,334**
Cost of Sales	(22,595)		
Gross Profit	**45,780**		
Administration and general expenditure	(12,147)		
	33,633		
Exceptional Operating Items	(815)		
Operating Profit	**32,818**	**165**	**32,983**
Profit on Ordinary Activities Before Interest and Taxation	**32,818**	**165**	**32,983**
Net financing expense	(2,679)	(7)	(2,686)
Profit on Ordinary Activities Before Taxation	**30,139**	**158**	**30,297**
Taxation	(4,139)	(14)	(4,153)
Profit for the Financial Year	**26,000**	**144**	**26,144**

11. Investment in Joint Venture (continued):

	Company €'000	Proforma information Company including joint venture (unaudited) €'000
Fixed Assets		
Tangible Assets	**284,883**	**284,883**
Investments:		
Company:	750	
Joint Venture:		
Share of gross assets	-	6,133
Share of gross liabilities	-	(1,967)
	285,633	**289,049**
Current Assets		
Development land	1,246	1,246
Stocks	703	703
Debtors and prepayments	13,389	13,389
Cash at bank and in hand	1,177	1,177
Investments	33,533	33,533
	50,048	**50,048**
Creditors – Amounts falling due within one year	**(7,293)**	**(7,293)**
Net Current Assets	**42,755**	**42,755**
Total Assets less Current Liabilities	**328,388**	**331,804**
Creditors – Amounts falling due after one year	**(34,829)**	**(34,829)**
Deferred Income	**(11,204)**	**(11,204)**
Provision for Liabilities	**(4,497)**	**(4,497)**
Net Assets excluding Defined Benefit Pension Liability	**277,858**	**281,274**
Funded Defined Benefit Pension Liability	**(8,805)**	**(8,805)**
Net Assets including Defined Benefit Pension Liability	**269,053**	**272,469**
Capital and Reserves		
Called up share capital	14,464	
Capital conversion Reserve Fund	119	
Profit and Loss Account	254,822	
Investment Property Revaluation Reserve	(1,070)	
Capital Contribution	718	
Shareholders' Funds	**269,053**	

NOTES TO THE FINANCIAL STATEMENTS
continued

12. 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 2013, €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 given market conditions for commercial property in Dublin. The Directors are satisfied that the carrying value of this land is fully recoverable at 31 December 2013.

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 (2012: NIL).

13. Stocks

	2013 €'000	2012 €'000
	703	750

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

14. Debtors – Amounts falling due within one year

	2013 €'000	2012 €'000
Trade Debtors	10,749	13,083
VAT	248	121
Corporation Tax	392	88
Overpayment of contributions receivable from pension scheme	1,350	980
Other	650	852
	13,389	**15,124**

15. Creditors – Amounts falling due within one year

	2013 €'000	2012 €'000
Trade creditors and accruals	6,346	7,291
Deferred income (see note 18)	490	501
Professional Services Withholding Tax/Relevant Contracts Tax	35	19
Income tax deducted under PAYE	334	302
Pay related social insurance	88	87
	7,293	**8,200**
Creditors for taxation and social welfare included above	**457**	**408**

16. Creditors – Amounts falling due after one year

	2013 €'000	2012 €'000
Bank Loans (see note 17)	34,829	34,777

17. Bank Loans

	2013 €'000	2012 €'000
Bank Loans	34,829	34,777
	34,829	**34,777**

These loans are repayable in the following periods after the year end:

Within one year	-	-
Between one and two years	-	-
Between two and five years	34,829	34,777
	34,829	34,777
	34,829	**34,777**

Bank Loans are shown net of capitalised debt issue costs of €171k (2012: €223k) 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 April 2017. €35m of the facility was drawn down at the year end.

NOTES TO THE FINANCIAL STATEMENTS
continued

18. Deferred Income

	2013 €'000	2012 €'000
Capital grants and contributions to fixed assets		
Opening Balance	12,195	13,357
Amortised to Profit and Loss Account during the year	(501)	(501)
Write-off	-	(661)
Closing Balance	**11,694**	**12,195**
Creditors – amounts falling due within one year (see note 15)	490	501
Deferred Income	11,204	11,694
	11,694	**12,195**

19. Provisions for Liabilities

Deferred Tax Assets and Liabilities

	2013 €'000	2012 €'000
Deferred Tax on accelerated Capital Allowances	(4,497)	(3,751)
Deferred Tax Liability excluding that relating to pension scheme liability	**(4,497)**	**(3,751)**
Deferred tax on pension scheme liability (see below)	1,258	561
Total provision for deferred tax	**(3,239)**	**(3,190)**

Movement in Deferred Tax Assets and Liabilities

	€'000	2013 €'000
Opening Balance		(3,751)
Transfer to Profit and Loss (see note 8)		
In respect of accelerated Capital Allowances	(746)	
Under provision in prior year	-	(746)
Closing Balance		**(4,497)**

Deferred Tax Asset on Pension scheme Liability (see note 32)	2013 €'000	2012 €'000
Opening Balance	**561**	**(1,052)**
Transfer to Profit and Loss (see note 8)	(428)	(543)
Transfer to the Statement of Total Recognised Gains and Losses	1,125	2,156
Closing Balance	**1,258**	**561**

The above Deferred Tax Asset is included in the Pension Liability Balance on the Balance Sheet.

20. Share Capital

	No. ('000)	€'000
Authorised – 96.5m ordinary shares of €1.25 each at 31 December 2013 and 2012	**96,500**	**120,625**
Allotted and fully paid at 31 December 2013 and 2012	**11,571**	**14,464**

21. 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.

22. Profit and Loss Reserve

	2013	2012
	€'000	€'000
Opening Balance	**251,700**	**254,167**
Profit for the Financial Year	26,000	22,823
Actuarial Loss Recognised on Pension Schemes	(9,003)	(17,246)
Deferred Tax Related to Actuarial Loss	1,125	2,156
Dividends Paid (see note 9)	(15,000)	(10,200)
Increase/(Decrease) in Profit and Loss account for the year	3,122	(2,467)
Closing Balance	**254,822**	**251,700**

23. Investment Property Revaluation Reserve

	2013	2012
	€'000	€'000
Opening Balance	**(1,250)**	**(1,250)**
Revaluation of Investment Property (see note 10)	180	(505)
Revaluation deemed to be permanent (see note 5)	-	505
Total transferred to the Statement of Total Recognised Gains and Losses	180	-
Closing Balance	(1,070)	(1,250)

The Investment Property has been re-valued in accordance with SSAP 19 and the surplus on revaluation has been transferred from the Investment Property Revaluation Reserve. In 2012 the valuation resulted in a reduction in value of €0.5m which was deemed to be permanent and was recognised in the Profit and Loss Account.

NOTES TO THE FINANCIAL STATEMENTS
continued

24. 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.

25. Reconciliation of Movements in Shareholders' Funds

	2013 €'000	2012 €'000
Profit for the financial year	**26,000**	**22,823**
Dividend Paid (see note 9)	(15,000)	(10,200)
Actuarial loss recognised on pension schemes	(9,003)	(17,246)
Deferred Tax related to actuarial loss	1,125	2,156
Revaluation of Investment Property	180	-
Net increase/(decrease) in Shareholders' Funds	3,302	(2,467)
Opening Shareholders' Funds	265,751	268,218
Closing Shareholders' Funds	**269,053**	**265,751**

26. Gross Cash Flows

	2013 €'000	2012 €'000
Return on investments and servicing of finance		
Interest received	872	1,738
Interest and similar charges paid	(1,208)	(1,683)
Net cash (outflow)/inflow from return on investments and servicing of finance	**(336)**	**55**
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(12,943)	(16,336)
Receipts from sales of tangible fixed assets	46	2,559
Net cash outflow from capital expenditure	**(12,897)**	**(13,777)**
Management of liquid resources		
Increase in cash on deposit	**3,322**	**1,983**
Financing		
Receipts from medium term borrowings	15,000	70,000
Repayment of amounts borrowed	(15,000)	(75,000)
	-	**(5,000)**

27. Analysis of changes in net debt

	1 January 2013 €'000	Cash Flows €'000	Non Cash Changes €'000	31 December 2013 €'000
Net cash at bank and in hand	438	739	-	1,177
Debt due within one year	-	-	-	
Debt due after one year	(35,000)	-	-	(35,000)
Current asset investments	30,211	3,322	-	33,533
Total	(4,351)	4,061	-	(290)

NOTES TO THE FINANCIAL STATEMENTS
continued

28. Commitments

	2013 €'000	2012 €'000
Future capital expenditure not provided for		
Contracted for	5,283	13,475
Authorised by the Directors but not contracted for	-	1,950
	5,283	**15,425**

Derivative financial instruments
In accordance with the Company's policy on hedging, the interest rate exposure on the Company's borrowings for the next five years is mitigated by entering into interest SWAP and interest CAP contracts. The principal amount of such contracts at 31 December 2013 and 2012 was as follows:

	2013 €'000	2012 €'000
Nominal amount	30,000	30,000

The fair value of the above SWAP contract at 31 December 2013 was (€0.1m) (2012: (€0.3m)) as a result of expected market rates to the expiry of the agreement in March 2017.

29. Directors' Remuneration

	2013 €'000	2012 €'000
Remuneration		
- fees for services as Directors	110	99
- emoluments for other services	301	377
- pension contributions	107	118
	518	**594**

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

	2013 €'000	2012 €'000
Director's Fees	13	15
Salary	185	185
Other Benefits including Pension Costs and Taxable Benefits	95	85
	293	**285**

29. Directors' Remuneration (continued)

Directors' Fees	2013 €'000	2012 €'000
L McCaffrey	21,600	21,600
E O'Reilly	12,600	14,654
P Bates (appointed 19 September 2013)	3,590	-
H Collins (appointed 27 July 2012)	12,600	5,454
E Finnan	12,600	12,600
J Frater (appointed 27 July 2012)	18,054	-
B W Kerr (term of office expired 12 June 2012)	-	5,646
J Kiersey (term of office expired 12 June 2012)	-	5,646
P Magner	12,600	11,167
J Moore *	16,138	11,116
C Rochfort * (term of office expired 18 September 2012)	-	11,116
	109,782	**98,999**

*In Addition to the Directors' fees, Mr Moore and Mr Rochfort were paid as employees of Dublin Port Company.

30. Employees

The average number of persons employed by the Company during the year was 140 (2012: 145).

31. Related Party Transactions

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 2013.

In common with many other entities, Dublin Port Company deals in the normal course of business with Government entities and other state owned companies on normal commercial terms, none of which are considered to be individually material for disclosure.

The Company had deposits with Allied Irish Bank at various times during the year and earned €0.4m in interest. At year end there was deposit balances outstanding amounting to €13.3m with AIB. The Company also had deposits with EBS at various times during the year and earned €0.3m in interest. At year end there was deposit balances outstanding amounting to €6.1m with EBS. Allied Irish Bank and EBS became related parties subsequent to being taken into State ownership.

Bank of Ireland is considered to be a related party due to the Bank's participation in the Government Guarantee scheme and the investment by the National Pensions Reserve Fund Commission in the 2009 preference stock of the Bank. The Company had borrowings with Bank of Ireland amounting to €35.0m at year end. The Company also had deposits with Bank of Ireland at various times during the year and earned €0.1m in interest. At year end the Company had deposit balances amounting to €8.0m.

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 14, the Company's pension funds owe the Company €1.4m (2012: €1.0m) due to the overpayment of contributions in the current year.

NOTES TO THE FINANCIAL STATEMENTS
continued

32. Pensions

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 €168k (2012:€131k) 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.

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 2013.

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 2012 and were completed by Mercer, who are neither officers nor employees of the Company. The valuation reports at 1 January 2012 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 2012. The next valuation reports are due to be prepared for all four schemes as at 1 January 2015.

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 Board with an effective date of 31 December 2011 and confirmed that the schemes satisfied the MFS at that date.

32. Pensions (continued)

Defined Benefit Schemes (continued)

b) Actuarial Valuation

Following an interim actuarial review at 1 January 2014, it was found that the applicable schemes would have met the MFS as at 1 January 2014. Overall assets of the schemes were €232.6m and overall liabilities under the MFS were €190.3m, resulting in an aggregate surplus of €42.3m 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 2012 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 4.5% per annum, the annual rate of return on investments after retirement would be 3.0% per annum, the increase in salaries would be nil for the next 3 years and increase by 3.5% thereafter per annum and the increase in pensions in payment would be nil for the next 3 years and increase at 3% thereafter per annum. Under this valuation method at 1 January 2012, overall assets were €214.7m and overall accrued liabilities were €259.8m. This resulted in an aggregate deficit of €45.1m and a funding ratio (assets: liabilities) as at 1 January 2012 of 83%. This valuation was carried out in respect of the Dublin Port Superannuation Fund 1996 and the Dublin Port Company Pilots Superannuation Fund.

Following an interim actuarial review at 1 January 2014 in respect of all four schemes overall assets were €232.6m and overall liabilities measured under this valuation method were €261.4m resulting in an aggregate deficit of €28.8m and a funding ratio (assets:liabilites) as at 1 January 2014 of 89%. The next formal valuation will be prepared at 1 January 2015.

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

The defined benefit obligations of the Company have been valued by independent actuaries for the purposes of FRS 17 based on data provided for an actuarial valuation of the schemes as at 31 December 2013.

As required by FRS 17 the valuation was prepared using an actuarial valuation method known as the "projected unit cost 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 liabilities under FRS 17 at the Balance Sheet date were:

	31 December 2013	31 December 2012
Rate of interest applied to discount liabilities	3.65%	3.5%
Projected rate of increase of salaries	Nil for 2014 and 3.5% thereafter	Nil for 2 years and 3.5% thereafter
Projected rate of increase of pensions in payment	Nil for 2014 and 3% thereafter	Nil for 2 years and 3% thereafter
Rate of increase of pensions in deferment	Nil for 2014 & 3% thereafter	Nil for 2 years and 3% thereafter
Inflation assumption	2.00%	2.00%

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 liabilities. Having regard to the duration of the scheme liabilities, a discount rate of 3.65% was adopted at 31 December 2013.

Demographic Assumptions:

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

		2013		2012
	Male Years	**Female Years**	Male Years	Female Years
Current members age 40 (life expectancy at age 65)	26.4	27.4	26.3	27.3
Current pensioners age 65 (life expectancy at age 65)	23.3	24.8	23.2	24.6

NOTES TO THE FINANCIAL STATEMENTS
continued

32. Pensions (continued)

Defined Benefit Schemes (continued)

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

Scheme Assets:

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

Asset Class	Proportion of Scheme assets at 31 December 2013	Proportion of Scheme assets at 31 December 2012
Equities	19.42%	22.76%
Bonds	76.13%	72.85%
Property	1.90%	1.93%
Other	2.55%	2.46%
	100%	**100%**

To develop the expected long term rate of return on assets assumption, the Company considered the current level of expected returns on least risk investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested, and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

This resulted in the selection of the gross expected return on assets assumptions of 3.79%. During 2011, legislation was passed by the Government which establishes an annual levy of 0.6% of pension scheme assets payable for the four year period 2011-2014. A further levy of 0.15% for 2014 was announced in October 2013. The overall expected return at 31 December 2013 therefore incorporates a reduction of 0.75% to allow for the impact of the pension levy and is therefore 3.04% (2012: 2.63%)

The fair value of the assets in the pension schemes and the expected rate of return at the Balance Sheet date were:

	Rate of Return Expected at 31 December 2013	Fair value at 31 December 2013	Rate of Return Expected at 31 December 2012	Fair value at 31 December 2012
		€'000		€'000
Equities	6.25%	45,167	5.70%	55,732
Bonds	2.25%	177,199	1.70%	178,246
Property	4.75%	4,422	4.20%	4,715
Other	0.75%	5,851	0.40%	6,223
Total Fair value of Assets	**3.04%**	**232,639**	**2.63%**	**244,916**

Scheme assets do not include any amounts invested in the Company's own financial instruments or any amounts invested in property occupied by the Company.

32. Pensions (continued)

Defined Benefit Schemes (continued)

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

The amounts recognised in the Balance Sheet are as follows:

	31 December 2013 €'000	31 December 2012 €'000
Assets	232,639	244,916
Liabilities	(242,702)	(247,780)
Net deficit in funded pension schemes	**(10,063)**	**(2,864)**
Liabilities on unfunded schemes	**-**	**(1,620)**
Net deficit in pension schemes	**(10,063)**	**(4,484)**
Related deferred tax asset	1,258	561
Net Pension liability	**(8,805)**	**(3,923)**

	2013 €'000	2012 €'000
Funded Defined Benefit Pension Liability	(8,805)	(2,506)
Unfunded Defined Benefit Pension Liability	-	(1,417)
Net Pension liability	**(8,805)**	**(3,923)**

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

	2013 €'000	2012 €'000
(Charged)/Credited to Operating Profit		
Current service cost	(1,575)	(1,095)
Past service cost	879	1,669
	(696)	**574**
(Charged)/Credited to other finance cost		
Expected return on pension scheme assets	6,384	7,160
Interest on pension scheme liabilities	(8,617)	(9,830)
Net financing cost	**(2,233)**	**(2,670)**
Total Charge in the Profit and Loss Account	**(2,929)**	**(2,096)**

NOTES TO THE FINANCIAL STATEMENTS
continued

32. Pensions (continued)

Defined Benefit Schemes (continued)

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

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

Past Service Cost: The negative past service cost arises in respect of the permanent reduction in members benefits due to the pension levy for the year 2013. The reduction in benefits was agreed, as for prior years 2011 and 2012, by the trustees during 2012. The gain is the present actuarial value of the reduction in pension benefits.

Analysis of amount recognised in Statement of Total Recognised Gains and Losses (STRGL):

	2013 €'000	2012 €'000
Actual less expected return on scheme assets	(15,074)	26,437
Experience gains arising on scheme liabilities	421	1,117
Changes in assumptions underlying the present value of the scheme liabilities	5,650	(44,800)
Actuarial loss recognised in the STRGL	**(9,003)**	**(17,246)**

The cumulative actuarial loss recognised in the statement of total recognised gains and losses up to and including the financial year ended 31 December 2013 is €102m (2012: €93m).

	2013 €'000	2012 €'000
Actual return on scheme assets	**(8,690)**	**33,597**

Movement in scheme assets and liabilities

	Pension Assets €'000	Pension Liabilities €'000	Pension Deficit €'000
At 31 December 2011	214,716	(206,300)	8,416
Current service cost	-	(1,095)	(1,095)
Past service cost	-	1,669	1,669
Interest on scheme liabilities	-	(9,830)	(9,830)
Expected return on scheme assets	7,160	-	7,160
Actual less expected return on scheme assets	26,437	-	26,437
Experience gain on scheme liabilities	-	1,117	1,117
Actuarial gain on scheme liabilities	-	(44,800)	(44,800)
Members' contributions	415	(415)	-
Benefits paid from scheme	(10,254)	10,254	-
Employer contributions	6,442	-	6,442
As at 31 December 2012	**244,916**	**(249,400)**	**(4,484)**

32. Pensions (continued)

Defined Benefit Schemes (continued)

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

Movement in scheme assets and liabilities

	Pension Assets €'000	Pension Liabilities €'000	Pension Deficit €'000
At 31 December 2012	244,916	(249,400)	(4,484)
Current service cost	-	(1,575)	(1,575)
Past service cost	-	879	879
Interest on scheme liabilities	-	(8,617)	(8,617)
Expected return on scheme assets	6,384	-	6,384
Actual less expected return on scheme assets	(15,074)	-	(15,074)
Experience gain on scheme liabilities		421	421
Actuarial gain/(loss) on scheme liabilities	-	5,650	5,650
Members' contributions	415	(415)	-
Benefits paid from scheme	(10,355)	10,355	-
Employer contributions	6,353	-	6,353
As at 31 December 2013	**232,639**	**(242,702)**	**(10,063)**

The employer expects to contribute €6.4 million to the pension schemes in 2014.

History of defined benefit obligations, assets and experience gains and losses for years end 31 December:

	2013 €'000	2012 €'000	2011 €'000	2010 €'000	2009 €'000
Liabilities	(242,702)	(249,400)	(206,300)	(217,500)	(205,000)
Assets	232,639	244,916	214,716	211,474	203,919
Net (Deficit)/Surplus	(10,063)	(4,484)	8,416	(6,026)	(1,081)

Experience gains and losses on scheme assets:

Amount (€m)	(15,074)	26,437	(2,511)	1,514	10,337
Percentage of scheme assets	(6.5%)	10.8%	(1.2%)	0.7%	5.1%

Experience gains and losses on scheme liabilities:

Amount (€m)	421	1,117	(8,695)	4,884	(1,365)
Percentage of the present value of the scheme liabilities:	0.2%	0.4%	(4.0%)	2.2%	(0.7%)

NOTES TO THE FINANCIAL STATEMENTS
continued

32. Pensions (continued)

Defined Benefit Schemes (continued)

c) Financial Reporting Standard 17 (FRS 17) "Retirement Benefits"

Sensitivity Analysis of Scheme Liabilities:

The sensitivity of the defined benefit obligation to changes in the mortality assumptions is set out below:

	2013 Existing Assumption	2013 -1 Year	2013 +1 Year
Current Male Member age 40 (Life Expectancy at age 65)	26.4 years	25.4 years	27.4 years
Current Male Pensioner age 65 (Life Expectancy at age 65)	23.3 years	22.3 years	24.3 years
Liabilities (€'000)	242,702	235,033	250,470
Change in liabilities (€'000)		7,669	(7,768)
% Change (as % of original)		3.2%	(3.2%)

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

	2013 Existing Assumption	2013 -0.25%	2013 +0.25%
Discount Rate	3.65%	3.4%	3.9%
Liabilities (€'000)	242,702	252,186	233,555
Change in liabilities (€'000		(9,484)	9,147
% Change (as % of original)		(3.9%)	3.8%

33. Post Balance Sheet Events

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.

34. Approval of the Financial Statements

The Directors approved the financial statements on 27 March 2014.

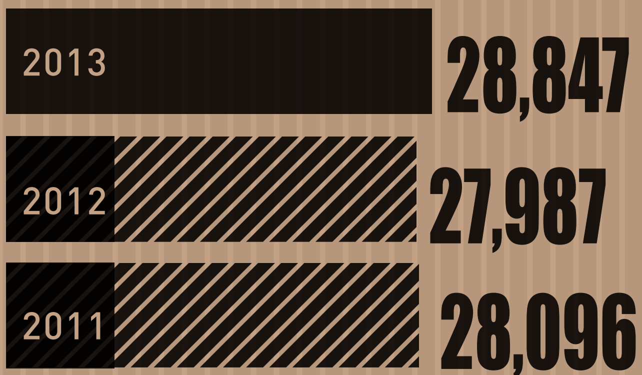

IMO - 9177882
RMS VOERDE
ST. JOHN'S

PORT STATISTICS (UN-AUDITED)

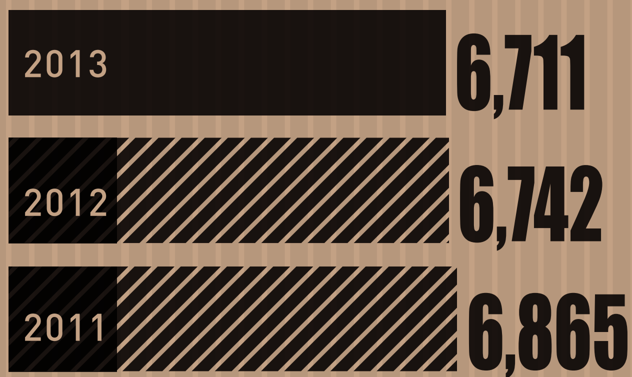
The financial statements cover the year ended 31 December 2013 together with comparative figures for 2012.

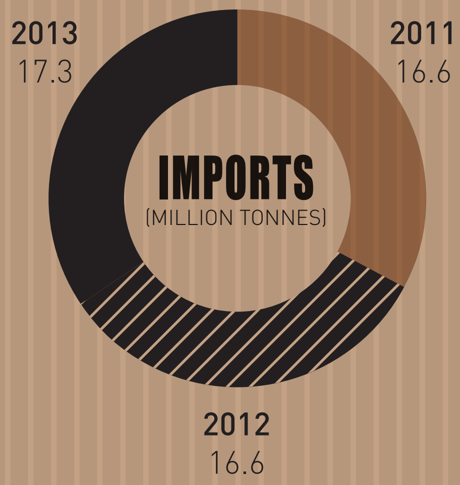
For comparison purposes, the un-audited statistics reproduced below cover trade for Dublin Port Company for the calendar years 2011 – 2013.

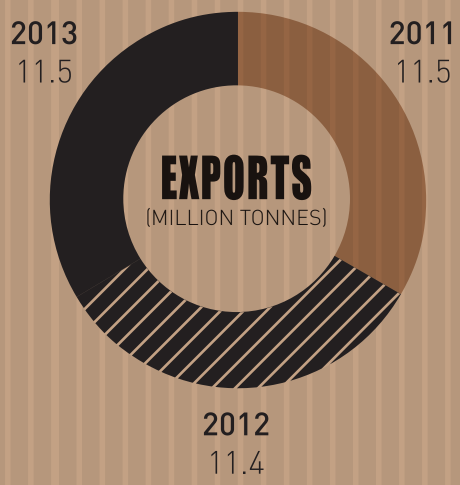
Total Throughput ('000 tonnes)



Vessels – Total Arrivals



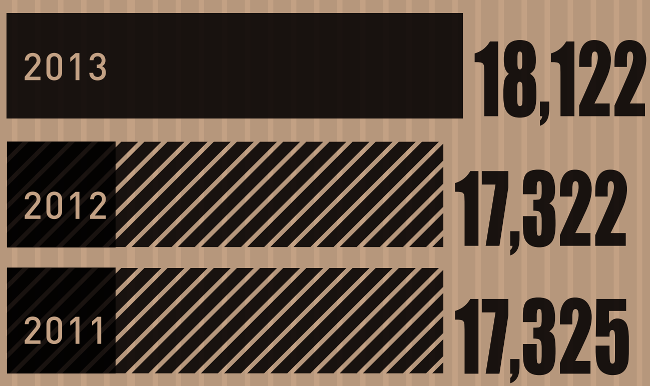




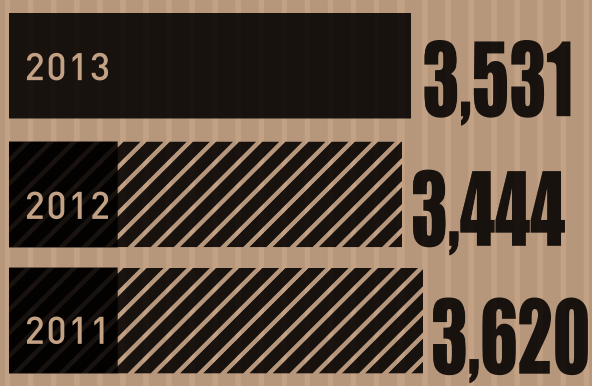
Ro-Ro units ('000)

Lo-Lo TEU's ('000)

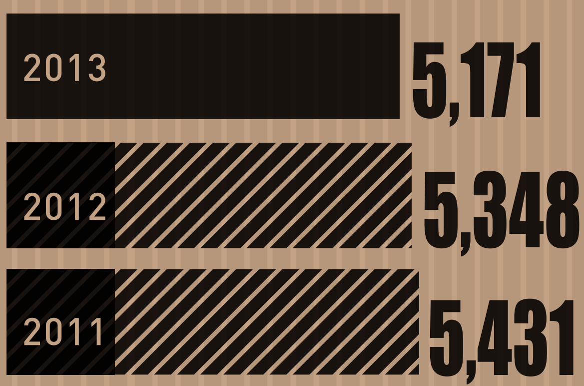
Ro-Ro Throughput ('000 tonnes)



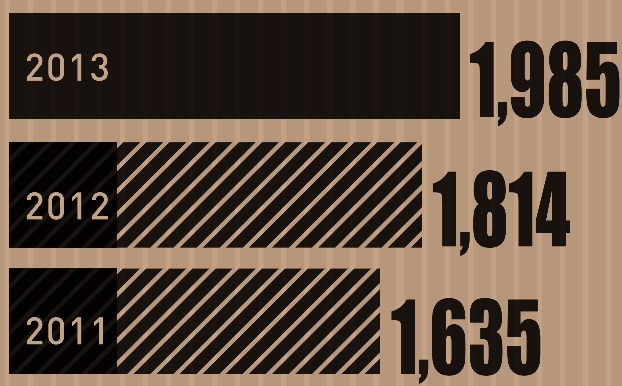
Bulk Liquid Throughput ('000 tonnes)



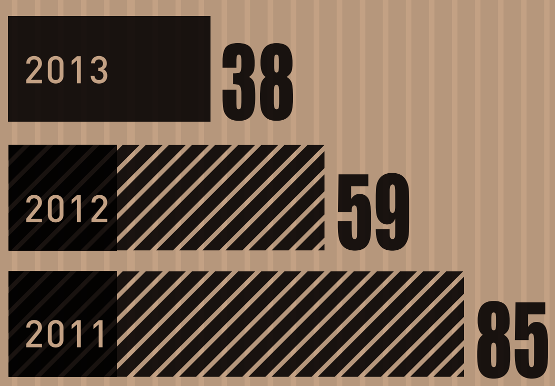
Lo-Lo Throughput ('000 tonnes)



Bulk Solid Throughput ('000 tonnes)



Break Bulk Throughput ('000 tonnes)



Passenger Numbers (millions)

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ÁTHA CLIATH
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