IRISH association

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# TOP 250 EXPORTERS 2014

AN ANALYSIS OF THE LEADING EXPORTERS BY TURNOVER ON THE ISLAND OF IRELAND

Data provided by

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This report is published by the Irish Exporters Association. For further information and queries, you can contact us on:

Phone Number: 00353 (0)1 661 2182
Fax Number: 00353 (0)1 661 2315
Website: www.irishexporters.ie

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#### **MEMBERSHIP SERVICES**

#### **Caoimhe Delany**

Membership Development Manager Email: caoimhedelany@irishexporters.ie

Tel: 00353 (0)1 662 9069

#### **VISA & LEGISLATION**

#### Niamh Devlin

Visa & Legislation

Email: niamhdevlin@irishexporters.ie

Tel: 00353 (0)1 642 4177

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Welcome to the 2014 edition of the *Top 250 Exporters* publication.

This essential guide to Ireland's top exporting companies identifies and reviews the leading exporters from Ireland, including an analysis of the Top 50 Northern Ireland Exporters and Top 50 IFSC companies.

This publication is an important reference document for all exporters and a key resource for sub-suppliers and service providers within the exporting sector. All the key sectors of the export industry are reviewed, with input from private sector as well as the State promotional agencies.

The Irish Exporters Association (IEA) recognises the comprehensive analysis provided by Investec, sponsor of this publication.

Similar to last year, we have included reviews for the following sectors: food and drink, life sciences, ICT, the IFSC, and Northern Ireland exporters.

We are grateful to Martin Shanahan, CEO of IDA Ireland; Julie Sinnamon, CEO of Enterprise Ireland; Aidan Cotter, CEO of Bord Bia; and Dr Vicky Kell, Invest Northern Ireland, Director of Trade for their commentaries. In particular, Philip Ahearne, Corporate Treasury Solutions at Investec has been a major driver in producing this report along with his colleagues Aisling Dodgson, Head of Treasury; Paul Callan, Investec Wealth & Investment; David Gilligan, Investec Specialised Finance; Alan Harrison, Investec Corporate Institutional Treasury; Equity Analyst Ian Hunter; Jonathan Simmons, Director, Investec Corporate Finance; and Philip O'Sullivan, Chief Economist.

#### INTRODUCTION

In response to the growing concerns of our members, Investec has provided a number of independent reviews on issues that are of vital importance to Ireland's export sector: corporate funding; risk and low interest rate; and currency and commodity risk.

Access to finance and competitiveness are of considerable importance to the continued growth of the export sector and are key issues on the IEA policy agenda.

Finally, I'd like to thank James Treacy, Managing Director, StubbsGazette for providing the primary data for this publication and our sponsor Investec for its valuable support and endorsement.

We welcome any feedback and hope you find this publication a useful resource.

Simon McKeever

Chief Executive, IEA



For the past four years Investec has supported the *Top 250 Exporters* report, an established and insightful ranking of Ireland's and Northern Ireland's exporting companies.

The report provides an interesting insight into the Irish indigenous companies, regions and sectors that are performing strongly.

Exporting is vital to the success of most Irish companies because Ireland has a relatively small domestic market compared to the UK, Europe and the wider world. Irish companies and their products have performed exceptionally overseas. Fortunately Ireland has a fantastic reputation for quality products and fair dealings and Irish companies are pushing at a pretty open door when it comes to foreign trade

The Irish Exporters Association and its involvement with Government have been instrumental in leading the way for Irish companies abroad.

Investec has always supported entrepreneurs and their companies, many of which are exporters in all stages of their life cycle – from needing venture capital finance, treasury and banking services to engaging in corporate finance and capital markets activity. Our Wealth and Investment division supports entrepreneurs in their personal capacity.

As more and more Irish exporting companies expand abroad, they are seeking to work closely with specialist treasury partners who understand both their business and the challenges they face in actively managing their treasury requirements.

Investec's treasury business has grown significantly in the past five years, providing specialist treasury solutions to some of the strongest performing sectors including food and drink, IT, chemicals and medical devices and aviation.

We have a unique specialist team in the Irish market offering services including foreign exchange, cash management, interest rate and commodity hedging and structuring.

Clients are serviced by both a dedicated relationship manager and a trading manager who in turn are supported by an experienced back office support team. This support is vital in ensuring accuracy in both the execution and delivery of payments whilst our online support system enables clients confirm and track their trades accurately.

Investec was delighted to be voted best banking provider by Irish exporting companies last year and we thank you all for your business and support and look forward to an exciting future together.

**Aisling Dodgson** 

Head of Treasury, Investec Ireland

Aslig lalgion



### **STUBBS**GAZETTE<sup>®</sup>

MD of StubbsGazette James Treacy has compiled the data for the Top 250 exporting companies in the Republic of Ireland, Top 50 companies in Northern Ireland and Top 50 IFSC companies using the latest accounts filed.

StubbsGazette compile the data for the Top 250 from numerous different sources including the primary source which is the audited accounts of each company. In many cases the turnover figure is 100% export sales but in others we verify export sales with the company itself and validate against their accounts and other sources such as the CSO. Some corporations have a number of operations in Ireland and file separate accounts for each one. In these cases we amalgamate all operations under one entry. (an example is Johnson & Johnson in Ireland which owns Janssen, Depuy and Vistakon).

StubbsGazette has been around since 1828. The 21st century StubbsGazette is a vastly expanded operation and a market leader in business information, credit referencing and debt collection in Ireland and chosen international markets.

It supports a range of clients, from local SMEs, financial institutions, county councils and major multinationals in the credit management cycle. Credit management is an ongoing process that requires constant attention and the integration of three critical interlocking activities – risk analysis, credit management and debt recovery, according to StubbsGazette. The company has invested heavily to place itself at the forefront of credit related software developments for an extensive client base that includes many household names.

For example, its S-CAS is an advanced software application that supports each stage of the credit management lifecycle, with monitoring and controlling of the full complete database of credit applicants, customers and bad debtors within a single system.

**James Treacy** 

Managing Director, StubbsGazette, 5 Schoolhouse Lane, Dublin 2, tel: +353 1 672 5939, email: james.treacy@stubbsgazette.ie, website: www.stubbsgazette.ie

#### FOREIGN DIRECT INVESTMENT



### Overseas investment is stronger than ever

Economic recovery is now picking up pace and confidence in Ireland is growing rapidly, particularly among external investors. While significant challenges remain, there is little doubt 2014 will be another year of strong economic progress. Our reputation took a big knock in the period from 2008 to 2010, but gradually that reputation has been repaired.

At IDA, we constantly listen to the pulse of sentiment towards Ireland among leading companies and I am happy to report that major corporates are encouraged by Ireland's recovery, particularly since the country exited from the IMF-EU bailout. The most impactful vote of confidence these companies can make is when they invest directly in Ireland. Investment for first half of 2014 has grown at its strongest pace yet with over 100 investments secured in the first six months of 2014, compared to 70 at the same time last year.

Significant investments this year include Intel, Regeneron, Tyco, IBM, PayPal, Airbnb, Workday, Yelp, Alexion, Hewlett Packard, Biomarin, Johnson & Johnson, Survey Monkey, Ericsson, SmartBear, Hollister, SAP, HedgeServ, AdRoll and Zendesk.

At the end of 2013 there were 161,112 people employed by IDA client companies, a new record for the foreign direct investment (FDI) sector in Ireland. Since late last year, IDA has also taken on responsibility for 55 companies in the Shannon region, bringing total employment at IDA client companies to 166,184 people. There were 13,376 gross jobs created in 2013 and in the past three years we have seen a total of more than 18,000 net new jobs created in multinational companies.

Ireland continues to rank highly as an attractive location for FDI, described by *Forbes* as 'the best country in the world to do business' and *Site Selection* magazine as 'the best place to invest in Western Europe'. The *IMD World Competitiveness Yearbook 2014* puts Ireland at No 15 in overall global competiveness rankings (moving up nine places in overall competitiveness over the past four years and first

for the availability of skilled labour in the world).

We need to ensure we continue this trend and remain a competitive location for FDI. Ireland's unique set of attributes for overseas investors – a young educated workforce, one of the best productivity performances in the EU, a strong export performance, a critical mass of companies and a competitive corporate tax rate are just some of the reasons why companies choose to invest in Ireland.

Property is a huge focus for IDA and available property solutions are vital to continue growing Ireland's portfolio of companies. Demand for prime office space in Dublin in particular remains intense and IDA welcomes recent news that An Bord Pleanála has approved a planning scheme for the Dublin Docklands Strategic Development Zone, providing capacity for the city in future years.

FDI is contributing to the recovery of the construction industry. In April this year, Intel celebrated its 25-year anniversary, investing US\$5 billion to date – the largest ever private investment in the history of the Irish State. There are currently over 5,000 construction workers working on site. Other investments from the likes of Tyco, Hewlett Packard, Regeneron and Alexion, Jazz, Ethicon will generate significant construction activity at various sites throughout Ireland. IDA itself is providing property solutions in regional locations such as Waterford, Athlone and Letterkenny.

A new direct air route between Dublin and San Francisco is set to boost Ireland's profile and visibility as a business location in the Silicon Valley region. Around 40% of FDI from the US comes from the Silicon Valley area. Overall, the trading and export part of the economy is in good health. Some however will point to a so-called 'twin track' economy, with the domestic economy yet to fully recover as the export and trading sector grows further.

But economies don't work in isolation and ultimately the stronger the export sector performs the stronger the secondary impacts will be for the indigenous economy. For example IDA estimates that for every 10 jobs created by international investment, at least another seven are created in the domestic economy

Martin Shanahan

No 2 862

CEO, IDA Ireland

#### INDIGENOUS EXPORTERS



## Growth in exports sustaining jobs

Irish companies are really stepping up to the plate in the delivery of exports and job creation.

In 2013 Enterprise Ireland backed companies achieved their highest level ever of exports from Ireland, reaching €17.1 billion, an increase of 6.2% on what was the previously highest level ever achieved in 2012. This significant rise in exports, up from €15.2 billion just two years earlier is a tremendous achievement for indigenous Irish companies and a strong testament to their ability to compete and win market share against stiff international competition.

The growth in exports from Ireland creates and sustains a huge number of direct and indirect jobs in our country. Over recent years we have seen an increased number of Irish companies become leaner and stronger than ever, through their continued commitment to investment in research and innovation, lean business processes, skills development and a continued sales and marketing drive into an increasing spread of markets.

Last year Enterprise Ireland backed clients created 18,033 new jobs, resulting in a net increase of 5,442 in the numbers of people they directly employ in Ireland. That was the highest gain for a decade and primarily driven by their strong performance in export markets. Enterprise Ireland backed companies now employ over 176,000 directly and sustain more than 300,000 jobs both directly and indirectly – this represents 16% of Ireland's total workforce.

#### **Ambitious plans for 2014**

This year Irish exporters are well positioned and are continuing to further capitalise on their strong momentum in driving export and employment growth. They have demonstrated a tremendous ability to adapt, innovate and win sales against strong competition across international markets.

Our focus is to support these companies achieve increased global success, exports and associated job creation and we are strongly supported in this by Government, which has clearly put the provision of increased support for exporters at the heart of its 2014 Action Plan for Jobs.

Against a very challenging background Enterprise Ireland clients have successfully grown export sales to record levels, and we confidently expect this upward trajectory to continue during 2014. Our network of 31 international offices around the globe is critical to supporting Irish companies extend their sales operations and success into new export markets.

The Government recently approved the placement of 20 additional Enterprise Ireland staff in the high growth markets of China, United Arab Emirates, Qatar, South Africa, Nigeria, Turkey, Singapore, South Korea, Canada and Western Australia.

Enterprise Ireland has also during 2013 introduced a major new Market Access Grant Scheme to help companies enter new markets. This new scheme provides grant support of up to €150,000 to investigate and develop new markets with strong growth potential.

In 2013 the agency also intensified the programme of Ministerial-led international trade missions to help Irish companies establish and build their business networks and alliances. In addition, two further new overseas offices were opened in Istanbul, Turkey and Austin, Texas, in the US.

This year over 1,000 Enterprise Ireland client companies will take part in more than 118 international trade events, with 18 ministerial-led international trade missions also being undertaken to major export markets in North America, Europe, Asia Pacific, the Middle East, Africa and Latin America. The export performance of Irish companies in 2013 and in the first half of 2014 has been very strong and is forecasted to continue for the remainder of 2014 and into 2015.

Julie Sinnamon

CEO, Enterprise Ireland

#### **FOOD AND DRINK**



# A sector of continuing resilience and growth

The resilience of the Irish food and drink industry has been highlighted clearly in recent years, when despite the global economic pressures, the value of exports delivered year on year growth in the past four years.

In 2013, the value of exports was some 40% or €2.8 billion higher than 2009 levels. Total merchandise exports increased by less than 2% over the period.

The role played by the sector in the Irish economy is highlighted by the following key figures:

- It accounts for 12.3% of total merchandise exports
- It represents 8.8% of total employment with 167,000 employed directly
- It is responsible for 25% of manufacturing industry turnover and 23% of gross output

The value of our exports in 2013 approached €10 billion for the first time. The strongest performers were dairy, meat and livestock and prepared foods. A competitive market environment led to slower beverage exports, although whiskey continued to perform very strongly.

This impressive performance continued in the first half of 2014 with exports showing a single digit increase as dairy, prepared foods and seafood offset slower meat and beverage exports.

Favourable economic headwinds have undoubtedly underwritten this remarkably assured performance, the single most important being the buoyancy of key commodity prices, largely as a result of growing demand for high quality foodstuffs in the world's developing economies.

Credit for the strong performance also lies within the industry itself. Higher outputs in key sectors provided a platform for a strengthened export performance in areas such as dairy, meat and livestock, while a number of significant industry-wide developments collectively served to underpin the sector's determination to continue on its sustainable growth path.

The UK market remains the single biggest destination for exports, absorbing 42% of the total in 2013. This was 8% ahead of the 2012 figure and brought exports to an impressive €4.2 billion to that market. Favourable euro exchange rates helped provide a solid basis for trade with stronger beef, dairy and prepared foods shipments recorded.

Following a difficult trade in 2012 due to slow economic demand and more favourable trade elsewhere, exports of food and drink to Continental EU markets rebounded impressively in 2013. Exports increased by 11% to reach around €3.2 billion, which represents over 32% of total exports.

Shipments of Irish food and drink products outside of Europe built on the impressive performance of the previous two years with growth of 6% recorded to exceed €2.6bn. The region accounted for 26% of exports.

Looking to the future, while challenges remain, the underlying trend for Irish food and drink exports remains strongly positive and the sector is well positioned to meet the targets set in Food Harvest 2020.

**Aidan Cotter** CEO. Bord Bia

## The Top 20 export companies in the Republic of Ireland

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
1. GOOGLE IRELAND LTD	17,001.00	2,071	Dublin	01 4361000	www.google.ie	Search engine
2. MICROSOFT IRELAND LTD	15,001.00	1,200	Dublin	01 2953826	www.microsoft.com	Software manufacturers and designers
3. JOHNSON & JOHNSON	10,500.00	2,500	Dublin	01 6202300	www.janssen.ie	Pharmaceutical preparations
4. DELL PRODUCTS	8,658.00	2,300	Limerick	061 486036	www.dell.ie	PC manufacturers
5. SMURFIT KAPPA GROUP	7,335.00	39,096	Dublin	01 2027000	www.smurfit.com	Packaging and paper
6. ORACLE EMEA LTD	7,246.32	1,098	Dublin	01 8031000	www.oracle.com	Pre-packaged software
7. INTEL IRELAND LTD	5,500.00	4,500	Leixlip	01 6067000	www.intel.ie	Microchip manufacturers
8. KERRY GROUP PLC	5,200.00	36,000	Tralee	066 7182000	www.kerrygroup.com	Food Ingredients
9. PFIZER	5,000.00	4,500	Cork	021 4510200	www.pfizer.com	Pharmaceutical preparations
10.APPLE COMPUTER LTD	4,000.00	3,500	Cork	021 4284000	www.apple.com	% and iPod manufacturers
11. BSC International Holding LTD	3,571.47	3,000	Galway	091 756300	www.bostonscientific.ie	Surgical and medical instruments
12. SANDISK International LTD	2,571.47	41	Dublin	01 8136073	www.sandisk.com	Data storage
13. IBM IRELAND LTD	2,500.00	3,000	Dublin	01 8154000	www.ibm.com/ie	Computing and consulting
14. GILEAD SCIENCES	2,243.25	217	Cork	021 4825500	www.gilead.com	Bio-pharmaceutial
15. THE IRISH DAIRY BOARD CO-OPERATIVE LTD	2,100.00	3,100	Dublin	01 6619599	www.idb.ie	Dairy products sales
16. GLEN DIMPLEX	2,000.00	8,500	Drogheda	041 6851700	www.glendimplex. com	Household equipment
17. GLANBIA PLC	2,000.00	3,560	Kilkenny	056 7772200	www.glanbia.com	Food preparations
18. ABP FOOD GROUP	2,000.00	7,500	Ardee	041 6850200	www.aibp.ie	Meats and meat products
19. WARNER CHILCOTT PLC	1,967.73	2,117	Dublin	01 8972000	www.wcrx.com	Pharmaceuticals
20. FACEBOOK IRELAND LIMITED	1,789.35	382	Dublin	NA	www.facebook.com	Social networking

Source: The Top 250 Exporters in Ireland was compiled by James Treacy, MD, StubbsGazette



Google Ireland Ltd opened its EMEA headquarters in Dublin in 2003, initially employing 100 people. In 2005 and 2006, Google's Ireland operation continued to grow and the company announced expansion projects creating over 1,100 new jobs and also expanding its premises in Dublin. The Irish operation is now the internet giant's largest outside of the US with 2,071 employees. The search engine Google was founded in 1998 by Stanford University PhD students Larry Page and Sergey Brin with the mission of organising the world's information and making it universally accessible and useful. It quickly went on to become the top web property in all major global markets. Its targeted advertising programme AdWords is the largest and fastest growing in the industry, providing businesses of all sizes with measurable results, while enhancing the overall web experience for users. Headquartered in Silicon Valley, California, Google has offices throughout North America, Europe, Asia, Canada, Japan, Mexico, South Korea, Turkey, Australia, Brazil, India and the UK. The investments in Ireland allowed Google to meet the increasingly diverse needs of its customers in over 35 countries across the EMEA region. With an estimated worth of US\$159 billion, Google overtook Apple to become the world's most valuable brand in the 2014 BrandZ Top 100 Most Valuable Global Brand ranking.

Microsoft Ireland Ltd has been operating in Ireland since 1985. It has

increased its international mandate by encompassing three divisions at its campus in Sandyford, Dublin, which employs 1,200, including contractors. In addition, Microsoft officially opened its Windows Live EMEA Data centre in 2009 at Grangecastle, Dublin. The EMEA Operations Centre (EOC) established in 1985 provides key support for the company's sales and customer support activities to over 120 countries around Europe Middle East and Africa. Focused on engineering excellence, the Microsoft European Development Centre conducts the full lifecycle of software development from R&D, to engineering and localisation across many of Microsoft's different business groups. Microsoft Ireland (Sales, Marketing and Services Group) was established in 1991 and services customers throughout Ireland. In 2009, Microsoft opened the doors of its 303,000sq ft Windows Live EMEA Data Centre in Grangecastle, Dublin with an investment of US\$500 million to host and deliver Microsoft cloud computing products and services for markets in EMEA.

The data centre has been officially recognised by the European Commission's Sustainable Energy Europe Campaign as a 'best practice' in environmental sustainability through its innovative design, which has made it 50% more energy efficient than traditional data centres built three years ago.

## Johnson Johnson

Johnson & Johnson has been operating for more than 70 years in Ireland and employs around 2,500 people in total here. Johnson & Johnson is made up of three business segments: consumer, medical devices and diagnostics, and pharmaceuticals. Most recently, one of its companies, Ethicon Biosurgery Ireland, announced plans in April 2014 to develop an €80 million state-of-the-art manufacturing facility providing about 270 jobs at the National Technology Park, Plassey, Co Limerick. Another of its companies in Ireland is medical devices manufacturer Depuy, which employs 575 people in Co Cork, having first established there in 1997. In early 2008 DePuy announced its intention to develop next generation orthopaedic products and processes for a global market at its Irish operation with the establishment of an innovation centre. The world's most comprehensive and broadly based manufacturer of healthcare products and related services, Johnson & Johnson owns more than 275 operating companies in more than 60 countries, employing around 128,000.

**Dell Products** is a global hub for services, sales, operations, software, finance and marketing, employing 2,300 people in Dublin, Limerick and Cork. Headquartered in Round Rock, Texas in the US, Dell's Irish-based operations continue to play a vital role in the company's success as it continues on its evolution from a PC company to a solutions and services organisation. Dell has a strong services presence in Ireland with more than half of the total number of Irish based employees working with the services group. The facility in Cherrywood in Dublin is one of the largest customer centres of its kind in Ireland, employing 1,200 people from 60 different nationalities. Dell started operations in Raheen, Co Limerick during 1990, and is now home to one of 12 global solution centres. The company's acquisition of Quest Software in 2012 has added an extra site to the Irish operations

with 200 people now based in Cork. Established since 1984, Dell employs a total of around 100,000 people worldwide.

## Smurfit Kappa

Famurfit Kappa Group is headquartered in Ireland and is one of the leading producers of paper-based packaging in the world, with 39,096 employees in around 350 production sites across 32 countries and with sales revenue of €7.9 billion in 2013. The four main areas it focuses on are packaging, paper production, recycling and forestry. It is an integrated producer, with its packaging plants sourcing the major part of its raw material requirements from its own paper mills. In turn the sourcing of recovered fibre and wood for the mills is managed through a combination of its reclamation and forestry operations and purchases from third parties. Its chief executive officer Gary McGann was named 2014 European CEO of the Year by global forest products industry information provider RISI.



Oracle EMEA Ltd is now the largest software-as-a-service (SaaS) company in the world, according to its CEO Larry Ellisson. Oracle's EMEA centre is based at East Point Business Park in Dublin, employing around 1,000 people. Headquartered in Redwood, California in the US, Oracle Corporation was incorporated in 2005 as a developer and provider of enterprise software and computer hardware products and services. In 2013 it reported revenues of US\$37.2 billion and has 400,000 customers in 145 countries and employs more than 120,000 people in total. The Irish operation makes up about a quarter of the group's total revenues.

Intel Ireland Ltd started out in Ireland in 1989 and the chip maker now employs 4,500 people on its Leixlip campus in Co Kildare and is involved in state-of-theart advanced manufacturing. In addition, more than 850 construction workers have been employed on this site for the past two years. Intel Shannon, the European arm of Intel's embedded communications group, employs a further 200 people. Intel Belfast (formerly Aepona) employs over 200 people in Belfast and Wicklow. McAfee, a wholly-owned subsidiary of Intel, employs a further 300 people in Cork, and Havok, another wholly-owned subsidiary, employs 40 people primarily in Dublin.

Intel announced in March it had spent US\$5 billion over the past three years updating its Leixlip plant. Worldwide, Intel employs 94,000 people and includes wafer fabrication facilities in Ireland, Arizona, Oregon, New Mexico, California, Massachusetts as well as a Chinese operation.



Kerry Group PLC is headquartered in Tralee, Co Kerry and the food ingredients and flavours company employs over 36,000 people throughout its manufacturing, sales, technology and application centres across Europe, North America, South America, Australia, New Zealand and Asian markets. As announced in 2012, Kerry Group is investing €100 million in a global technology and innovation centre in Naas, Co Kildare, which will create 800 jobs directly, as well as 400 immediate construction jobs. Reporting total revenue of €5.8 billion for 2013, Kerry Group has 140 production facilities in 24 countries and sales offices in 20 countries around the world. It supplies over 15,000 food, food ingredients and flavour products to customers in more than 140 countries worldwide. In May 2014 it opened a new regional development and application centre in Durban, South Africa to serve its growing customer base in sub-Saharan Africa, as around €1 billion of its revenue is now derived from emerging markets. Launched as a public company in 1986, Kerry Group's is listed on the Dublin and London Stock Exchanges and its market capitalisation currently stands at around €11 billion.



Pfizer is Ireland's largest pharmaceutical investor, having invested over US\$7 billion to date. It produces human and animal medicines and consumer healthcare products and was one of the first pharmaceutical companies to locate here in 1969. Since its acquisition of Wyeth, the business in Ireland employs 4,500 people across eight locations based in Cork, Dublin, Kildare and Limerick. The Irish operations manufacture some of Pfizer's best selling and newest medicines, including Lipitor (cardiovascular), Viagra (urology), Sutent (oncology), Enbrel (rheumatology) and Prevenar (vaccines). Ireland is a leading manufacturing base for Pfizer globally exporting to global markets. In September 2011, it announced it was making a US\$200 million investment at its Grange Castle biotechnology facility in

Clondalkin, Co Dublin. It officially opened its US\$30 million new product technology laboratory at its Ringaskiddy site in Cork last May and reported a 5% increase in half year revenues for the overall group to US\$24.1 billion in July 2014.



Apple Computer Ltd established here in 1980 and the creator of the iPod and iPhone now employs 3,500 people in Hollyhill, Co Cork, representing a quarter of the total number it employs in Europe. Apple estimates it supports a further 2,500 jobs in Cork indirectly by providing services such as facilities, catering and security. Founded by Steve Jobs in 1976 as a maker of personal computers, Apple is now the world's second largest information technology company by revenue after Samsung Electronics and the world's third largest mobile phone maker after Samsung and Nokia. Aside from the iPhone and iPod, its best known brands are the Mac line of computers and the iPad tablet computer, as well as software such as the iOS operating system. Apple's revenue for the quarter ended 28 June 2014 amounted to US\$37.4 billion while its net profit for the quarter was US\$7.7 billion. Worldwide annual revenue in 2013 totalled US\$170 billion for the company and in May of last year, Apple entered the top 10 of the Fortune 500 list of companies for the first time, rising 11 places above its 2012 ranking to take the sixth position. This year, it climbed a further notch in the ranking to reach number five.

## Scientific

**1 1 BSC International Holding Ltd** first established in Ireland in 1994, with the support of IDA Ireland, and has grown to be the largest medical device employer in Ireland, employing around 3,000 people. Through its four Irish sites – located in Clonmel, Cork, Galway and Donegal – the company exports around 10 million medical devices worldwide each year, including stents, balloons, platinum coils, catheters, inflation devices and pacemakers. The Irish manufacturing operation is an integral part of the corporation's manufacturing strategy and capability. Founded in 1979 and headquartered in Massachusetts in the US, Boston Scientific employs 25,000 people and is a global leader in the development of less invasive medical devices. It is committed to continued investment in research, development and innovation, investing US\$1 billion annually in new products and technologies and employs a total of around 24,000 people.

## SanDisk®

**SanDisk International Ltd** was founded in 1988 by memory technology experts Dr Eli Harari and Sanjay Mehrotra. The company is an American multinational that designs, develops and manufactures data storage solutions in a range of form factors using the flash memory, controller and firmware technologies. In 2013 it reported a 22% increase in revenue to reach a record US\$6.2 billion. The company is headquartered in California, with offices or manufacturing facilities in 10 locations in Asia, six in Europe (including the UK, Ireland and Spain) and three in Israel. Its most recent investment in Ireland was in 2006 when it transferred its EMEA headquarters to Dublin from Holland, creating more than 50 jobs here.



| IBM Ireland Ltd has been operating in Ireland since 1956 and is today made up of a diverse workforce of 3,000 employees across a broad range of businesses, which include research, software development, supply chain management, pan European telesales and telemarketing, financial shared services, and technical support. The focal point for IBM's investments in Ireland is the IBM Technology Campus, established in 1996 on a 100-acre site in Mulhuddart, Dublin. The campus has evolved into a research, development and services centre with new knowledge-based, highly skilled investments. IBM has also located an innovation centre, data centre, cloud computing centre and international treasury centre in Dublin. In November 2011, IBM Research – Ireland lab was established to concentrate research on creating analytics, optimisations and high performance systems that will enable intelligent urban and environmental systems the worlds needs. It is home to the only Smarter Cities Technology Centre in IBM. The lab conducts research in collaboration with IBM Research worldwide, top international universities, cities and commercial partners for intelligent urban and environmental systems such as transport, communication, water and energy.



1 4 Gilead Sciences is headquartered in California in the US and is a research-based biopharmaceutical company that discovers, develops and commercialises medicines. Gilead's primary areas of focus include human immunodeficiency virus HIV/Aids, liver diseases such as hepatitis B and C, and cardiovascular/metabolic and respiratory conditions. Based in Carrigtohill, Co Cork,

Gilead's Ireland operations are responsible for manufacturing, quality control, packaging, and the release and distribution of the company's products in the EU and other international locations such as the countries supported by the Gilead Access Program. Around 217 people are employed at the site. In July, the company reported that its total revenues for the first half of 2014 more than doubled to reach US\$11.5 billion compared to the same period last year. With operations in North America, Europe and Asia Pacific, its products include Atripla, Truvada and Tamiful and it employs a total of 4,500 people in offices around the world.



The Irish Dairy Board Co-Operative Ltd (IDB) has over the past 50 years played a leading role in establishing routes to market for Irish dairy produce to the point where it is now exporting to over 90 markets globally – a role that will become come even more crucial following the abolition of milk quotas in 2015. Currently responsible for in excess of 60% of pure dairy exports out of Ireland, IDB has grown exports in single digits each year over the past number of years. Employing 110 people, the German IDB operation is the only one outside Ireland that exports its output as a finished consumer product. The butter is shipped in bulk from Ireland, then blended and packed in Germany to supply it and neighbouring markets. In June of this year IDB announced it was opening a US\$12m cheese manufacturing facility in Wisconsin in the US, which it said would increase its US food ingredient production capacity by 40%.

**16 Glen Dimplex** was founded in 1973 in Co Down and is now a leading international group, with annual revenues in excess of €2 billion and 8,500 employees across four continents. Employing 900 people, Glen Dimplex Ireland is responsible for the design, manufacture and international sales of heating products that are developed in Ireland and the United Kingdom. The company has three manufacturing plants in Ireland, including Glen Electric in Newry, Seagoe Technologies in Portadown and Glen Dimpex Ireland in Dunleer. Last December, Glen Dimplex opened a new R&D facility for space and water heating technologies in Dunleer, Co Louth, as part of a €40 million investment programme by the company in renewable technologies at Irish operations. Over the past 10 years or so Glen Dimplex has grown rapidly to become the largest Irish company operating

on the ground in Japan with annual turnover of €70 million, seven offices, five distribution centres and 120 employees.



PGlanbia PLC is Irish-owned and has evolved to become a leading global performance nutrition and ingredients group, employing more than 3,560 people across 29 countries worldwide. In December 2013, it announced it was making two new investments in Ireland, which would create 90 jobs in Monaghan and Dublin. Glanbia Consumer Products, owner of the Avonmore and Premier brands, is building a new ultra-heat-treated facility in Monaghan to produce longlife liquid milk and cream suitable for export to emerging markets such as China, Europe and the Middle East. The other investment is at €700 million business Glanbia Global Performance Nutrition, which is locating its Europe Middle East and Africa (EMEA) head office in Dublin to support the international growth of its sports nutrition brand family. Glanbia reported a 10.5% increase in group revenues to €3.2 billion for 2013 last March. This growth trajectory continued in the first half of this year, with the company reporting a 10.7% rise in group revenues to reach €1.79 billion compared to the same period last year.

**18** ABP Food Group is based in Ardee, Co Louth. The beef processing company works with a network of over 35,000 farmers and contributes an estimated €1.3 billion each year into the rural economies in which it operates through its acquisition of cattle and employment of staff in its facilities in Ireland and the UK. Its core business – ABP Beef – is supported by its renewable, pet food and protein divisions, which combine to ensure the value of by-products is maximised and the environmental impact of its business and customers is minimised. ABP has doubled the size of its business in the past 10 years, and continues to seek additional growth opportunities through organic initiatives and potential acquisitions. The company currently employs 7,500 people across the UK and Ireland. It recently agreed an exclusive deal with Carrefour Italia to supply its Irish Hereford prime beef range of products. The deal will see ABP provide beef to more than 160 Carrefour stores, following a trail period earlier this year in 40 stores.



Warner Chilcott PLC is headquartered in Dundalk, Co Louth and is a global specialty pharmaceutical company currently focused on the gastroenterology, women's healthcare, dermatology and urology segments of the North American and Western European pharmaceuticals markets. On 1 October 2013, Dublin-headquartered Actavis announced the completion of its acquisition of Warner Chilcott plc, creating an US\$11 billion leading specialty pharmaceutical company with over US\$3 billion in pro forma sales. Warner Chilcott has 2,117 employees in 12 countries in North America and Western Europe and its manufacturing facilities are located in Puerto Rico, Northern Ireland and Germany.

## facebook

Facebook Ireland Limited established its international headquarters in Hanover Quay in 2009 and the social media giant doubled its office space last November, moving to a new office space in Grand Canal Square in Dublin's Silicon Docks. Its largest operation outside of the group headquarters in Menlo Park, California, the Dublin office will allow Facebook to further expand its operations in Ireland from the existing base of server support, policy and database engineering. The new 120,000 sq ft office space has the capacity for 1,000 employees, which gives Facebook room to grow twice the size it was last year in Ireland.

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
21. VMWARE International LTD	1,747.26	540	Cork	021 4660000	www.vmware.com	Software
22. SYMANTEC LTD	1,612.91	852	Blanchardstown	01 8035400	www.symantec.com	Computer software manufacturers
23. MAXIM INTEGRATED PRODUCTS INTERNATIONAL LIMITED	1,608.93	70	Dublin	01 2235500	www.maxim-ic.com	Semiconductors
24. ADOBE SYSTEMS SOFTWARE IRELAND	1,594.97	2,526	Dublin	01 4336700	www.adobe.com	Publishing software
25. KINGSTON TECHNOLOGY INTERNATIONAL LTD	1,570.30	188	Dublin	01 8128888	www.kingston.com	Computing memory products
26. FOREST LABORATORIES HOLDINGS LTD	1,549.40	333	Dublin	01 8670477	www.forest-labs.ie	Pharmaceuticals
27. KELLOGG European trading	1,360.24	212	Dublin	01 626066	www.kellogg.ie	Food company
28. GENZYME IRELAND LTD	1,281.80	477	Waterford	051 594100	www.genzyme.ie	Pharmaceutical preparations
29. MEDTRONIC Vascular	1,178.83	1,882	Galway	091 708000	www.medtronic.com	Medical equipment
30. BENEX LTD	1,149.83	3	Kilrush	061 472920	www.benex-corp.com	X-ray apparatus and related irradiation equipmnent
31. ICON PLC	1,106.70	9,088	Dublin	01 2941500	www.iconclinical.com	Clinical and biological R&D
32. KINGSPAN GROUP PLC	1,100.00	5,800	Kingscourt	042 9698500	www.kingspan.com	Building materials
33. MSD	1,088.77	1,100	Dublin	01 299 8700	www.msd-ireland. com	Pharmaceuticals
34. DAWN MEATS EXPORTS	1,000.00	2,700	Waterford	051 309200	www.dawnmeats. com	Meat exporters
35. INGERSOLL RAND IRELAND	1,000.00	250	Dublin	01 8707000	www.irco.com	Diversified industrial company
36. PERRIGO (FORMERLY ELAN PHARMACEUTICALS)	970.00	8,800	Athlone	NA	www.perrigo.com	Pharmaceuticals
37. DIAGEO	900.00	1,500	Dublin	01 4536700	www.guinness.com	Drinks manufacturers and distributors
38. DOOSAN HOLDINGS EUROPE LIMITED	891.23	2,318	Dublin	01 6502000	www.doosan.com	Construction equipment

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
39. BARD SHANNON LTD	834.21	3,018	Galway	091 752730	www.crbard.com	Pharmaceuticals
40. BUSINESS OBJECTS SOFTWARE LTD (SAP)	822.68	244	Dublin	01 6756000	www.sap.com	Software solutions
41. AVAYA International Sales LTD	820.49	391	Bray	01 2042000	www.avaya.com	Telephone and telegraph apparatus
42. PEPSI-COLA Manufacturing (Ireland)	800.00	600	Cork	021 4353921	www.pepsi.com	Flavouring extracts and syrups
43. KEPAK GROUP	800.00	2,000	Clonee	01 8015000	www.kepak.com	Meat processors
44. AMDOCS SOFTWARE SYSTEMS LTD	754.40	115	Dublin	01 4393600	www.amdocs.com	Software
45. NETGEAR International LTD	746.21	33	Cork	021 2333200	www.netgear.ie	Computer networking hardware
46. SHIRE Pharmaceuticals Ireland	746.21	119	Dublin	01 429 7700	www.shireireland. com	Pharmaceuticals
47. SYNCREON HOLDINGS	722.53	11,561	Limerick	NA	www.syncreon.com	Manufacturing/ logistics
48. EMC IRELAND	700.00	2,500	Cork	021 4281500	www.ireland.emc.com	Technology
49. MICROCHIP TECHNOLOGY IRELAND	696.54	14	Dublin	01 8831100	www.microchip.com	Microchip manufacturers
50. SCHNEIDER ELECTRIC IT LOGISTICS	694.56	224	Galway	091 702000	www.schneider- electric.ie	Electrics
51. SYNOPSYS IRELAND LTD	651.44	2,448	Dublin	01 4368800	www.synopsys.com	Semi-conductors software
52. GLAXOSMITHKLINE	600.00	1,600	Dublin	01 4069600	www.gsk.com	Pharmaceutical preparations
53. TOTAL PRODUCE PLC	600.00	3,811	Dundalk	NA	www.totalproduce. com	Fruit producers
54. CHIQUITAFYFFES	600.00	2,000	Dublin	01 8872700	www.fyffes.com	Fruit producers
55. P.C.H International LTD	600.00	1,146	Cork	021 7334400	www.%hintl.com	Electronics
56. BOSE PRODUCTS BV	577.73	1,302	Carrickmacross	042 9661988	www.bose.com	Household audio and video equipment
57. FOURNIER Laboratories Ireland Ltd	561.72	134	Carrigtwohill	021 4881400	www. fournierpharma.com	Pharmaceutiacl Preparations

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
58. SERVIER (IRELAND) INDUSTRIES LTD	553.58	429	Arklow	0402 20800	www.servier.com	Medicinal chemicals and botanical
59. MERCURY Engineering	530.00	2,500	Dublin	01 2163000	www.mercury.ie	Construction and engineering services
60. ALTERA EUROPEAN TRADING CO LTD	506.16	27	Cork	021 4547500	www.altera.com	Semiconductors
61. DAIRYGOLD	500.00	1,100	Mitchelstown	025 24411	www.dairygold.ie	Dairy processing
62. GREENCORE GROUP PLC	500.00	9,726	Dublin	01 6051000	www.greencore.ie	Food preparations
63. ARDAGH GLASS SALES LTD	453.97	20,000	Dublin	01 6052400	www.ardaghglass. com	Glass manufacturer
64. STRYKER IRELAND LTD	442.70	747	Limerick	061 498500	www.stryker.com	Medical equipment
65. JAZZ PHARMACEUTICALS PLC	440.69	552	Dublin	01 6344183	www.jazzpharma. com	Pharmaceuticals
66. LIMERICK ALUMINA REFINING LIMITED	431.27	450	Askeaton	061 604000	www.aughinish.com	Alumina extracts
67. COOK IRELAND LTD	430.72	775	Limerick	061 334440	www.cookgroup.com	Medical equipment
68. XILINX IRELAND	417.00	214	Saggart	01 4640311	www.xilinx.com	Electronic components
69. PHARDIAG LIMITED	413.81	27	Shannon	061 714044		Chemicals
70. ALLERGAN IRELAND	400.00	1,000	Westport	098 25222	www.allergan.com	Ophthalmic goods
71. IRISH DISTILLERS LTD	400.00	500	Dublin	01 8725567	www.irishdistillers.ie	Distillers
72. MCKESSON IRELAND LTD	400.00	90	Cork	021 4548200	www.mckesson.com	Healthcare information
73. LAKELAND DAIRIES CO-OPERATIVE SOCIETY LTD	400.00	576	Cavan	049 4364200	www.lakeland.ie	Fluid milk
74. TEVA PHARMACEUTICALS	400.00	500	Waterford	051 331331	www.teva.ie	Pharmaceuticals
75. MCAFEE IRELAND LTD	390.26	338	Cork	021 4672000	www.mcafee.com	Anti-virus software
76.GARTNER IRELAND LIMITED	382.75	12	Dublin	01 6696600	www.gartner.com	It research and advisory
77. ZYNGA GAME IRELAND LIMITED	376.51	57	Dublin	NA	www.zynga.com	Gaming software
78. MENTOR GRAPHICS IRELAND	353.79	2,000	Shannon	061 716202	www.mentor.com	Software

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
79. ELI LILLY	350.00	800	Kinsale	021 4772699	www.lilly.ie	Pharmaceutical preparations
80. CADENCE DESIGN SYSTEMS (IRELAND) LTD	341.09	45	Dublin	01 805 4300	www.cadence.com	Software
81. TELEFLEX MEDICAL EUROPE LIMITED	326.16	252	Athlone	0906 460800	www.teleflex.com	Medical devices
82. AVENTAS GROUP	300.00	2,625	Cavan	NA	www.aventas.com	Construction materials
83. ANALOG DEVICES	300.00	1,200	Limerick	061 229011	www.analog.com	Analog device
84. MONAGHAN MUSHROOMS	300.00	2,750	Monaghan	047 38200	www.monaghan- mushrooms.ie	Mushroom growers and distributors
85. SANDLEFORD LTD	294.25	1,537	Waterford		www.sandleford.com	Bicyle components
86. SKILLSOFT PLC	283.02	1,455	Dublin	01 2830077	www.skillsoft.com	Software design
87. KCI MEDICAL RESOURCES	276.44	NA	Athlone	1800 333377	www.kci-medical.ie	Medical technology
88. PROJECT MANAGEMENT HOLDINGS	276.00	1,070	Dublin	01 4040700	www.pmg.ie	Software consultants
89. COILLTE TEO	262.16	960	Wicklow	052 21166	www.coillte.ie	Builders materials
90. KOSTAL IRELAND GMBH	260.00	800	Limerick	068 31444	www.kostal.com	Electronics and electrics
91. TRI SUPPLY LTD	259.16	NA	Cork	021 4825500	www.gilead.com	Pharmaceuticals
92. XEROX IRELAND	250.00	700	Dublin	01 6086000	www.xerox.com	Computing
93. BAUSCH & LOMB IRELAND	250.00	1,500	Waterford	051 355001	www.bausch.com	Optical instruments and lenses
94. C&C GROUP PLC	250.00	1,006	Dublin	01 6161100	www.candcgroupplc.ie	Bottled and canned soft drinks and water
95. ROSDERRA IRISH MEATS	250.00	NA	Offaly	046 9733600	www.rosderra.ie	Pigmeat exporters
96. SLANEY FOODS INTERNATIONAL	250.00	350	Bunclody	053 9377155	www.slaney.com	Beef processors
97. EQUANT NETWORK SERVICES INTERNATIONAL	249.40	75	Dublin	01 4025900	NA	Electronics
98. LUFTHANSA TECHNIK AIRMOTIVE IRELAND LTD	243.67	1,147	Rathcoole	01 4011111	www.lufthansatechnikair motiveireland.com	Aerospace manufacturers
99. IAC SEARCH & MEDIA EUROPE LTD	242.11	9	Dublin	01 6877800	www.iac.com	Search engine
100. ALKERMES PHARMA IRL	239.35	462	Dublin	01 7728000	ww.alkermes.com	Pharmaceuticals

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
101. RED HAT LIMITED	236.85	72	Cork	021 2303445	www.redhat.com	Open source software
102. PAYZONE IRELAND LTD	222.19	71	Dublin	01 2076000	www.payzone.ie	Electronic payment solutions
103. ELEMENT SIX LTD	216.22	323	Shannon	061 471655	www.e6.com	Industrial diamonds
104. LIBERTY MEDICAL SERVICES LIMITED	214.40	NA	Ballina	096 22066	www.hollister.com	Medical products
105. HEWLETT PACKARD	211.80	4,000	Leixlip	01 6150000	www.hp.com	Business equipment
106. LIEBHERR CONTAINER CRANES LTD	209.90	606	Kerry	064 70200	www.liebherr.com	Container cranes
107. L M ERICSSON LTD	207.67	1,291	Dublin	01 2837222	www.ericsson.com	Software design
108. LISHEEN MILLING LTD	206.53	74	Thurles	0504 45600	www.lisheenmine.ie	Zinc mining
109. QLGC LTD	204.34	29	Dublin	01 8857577	www.qlogic.com	Computing
110. ASTELLAS IRELAND	200.00	350	Dublin	01 8030800	www.astellas.com	Pharmaceutical preparations
111. BULGARI	200.00	85	Dublin	01 8750499	www.bulgari.com	Jewellery
112. BAXTER HEALTHCARE	200.00	1,200	Castlebar	094 9022244	www.baxter.com	Medical equipment
113. THERMO KING IRELAND LTD	200.00	550	Galway	091 751231	www.thermoking.com	Refrigeration equipment and supplies
114. SMARTPLY EUROPE LTD	200.00	NA	Waterford	051 851233	www.smartply.com	Timber
115. LIFFEY MEATS	200.00	400	Ballyjamesduff	049 8545300	www.liffeymeats.ie	Sausages and other prepared meat
116. AURIVO	200.00	731	Tubbercurry	071 9186500	www.aurivo.ie	Dairy products sales
117. NOVELL IRELAND SOFTWARE LTD	198.63	97	Dublin	01 6058000	www.novell.com/ ireland	Pre-packaged software
118. TARA MINES HOLDINGS LTD	194.58	717	Meath	046 9082000	www.boliden.com	Mining
119. SENSORMATIC EUROPEAN DISTRIBUTION	189.06	4	Cork	021 4801000	www.sensormatic. com	Electronics
120. GREEN ISLE FOODS LTD	180.00	800	Naas	045 8484000	www.northern-foods. co.uk	Food manufacturers
121. KENMARE RESOURCES PLC	177.30	1,017	Dublin	01 6710411	www. kenmareresources. com	Mining

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
122. ZIMMER ORTHOPEDICS MANUFACTURING LIMITED	175.09	216	Shannon	061 447700	www.zimmer.com	Medical devices
123. HELSINN BIREX PHARMACEUTICALS LTD	174.48	172	Dublin	01 8225404	www.helsinn.com	Pharmaceuticals
124. BENTLEY Software International LTD	174.33	122	Dublin	01 4364600	www.bentley.com	Software
125. UCB Manufacturing Ireland Limited	107.80	122	Shannon	061 714100	www.ucb.com	Pharmaceuticals
126. TREND MICRO (EMEA) LTD	166.93	546	Cork	021 7307300	www.trendmicro.com	IT security
127. TERADATA IRELAND LIMITED	165.42	50	Dublin	01 8930800	www.teradataireland. com	Software
128. RECORDATI IRELAND LTD	165.19	50	Cork	021 4379400	www.recordati.com	Pharmaceuticals and chemicals
129. STORIT LIMITED	164.39	182	Mayo	094 9374000	www.cmsperipherals. com	Computer peripherals
130. HONEYWELL MEASUREX (IRL) LTD	163.33	100	Waterford	051 376411	www.honeywell.com	Engineering services
131. NOVARTIS RINGASKIDDY LTD	162.62	527	Cork	021 4862000	www.ie.novartis.com	Pharmaceutical preparations
132. BIONICHE PHARMA HOLDINGS	160.00	200	Galway	NA	www.bioniche.com	Pharmaceuticals
133. VETPHARM INTERNATIONAL	150.59	552	Dublin	NA	www.bimeda.com	Vetinary pharmaceuticals
134. BRISTOL MYERS SQUIBB	150.00	275	Swords	01 8139000	www.bmsireland.ie	Pharmaceutical preparations
135. BALLINA BEVERAGES (COCA-COLA)	150.00	500	Ballina	096 74200	www.cocacola.ie	Soft drink concentrates
136. TRANSITIONS OPTICAL LTD	150.00	221	Galway	NA	www.transitions.com	Photochromic plastic lenses
137. CADBURY IRELAND LTD	150.00	1,200	Dublin	01 8480000	www. cadburyschweppes.com	Confectionery
138. DANONE BABY NUTRITION	150.00	350	Macroom	1850 200300	www.danone.com	Baby milk manufacturers
139. WELLMAN INTERNATIONAL LTD	145.95	384	Kells	046 9240358	www.wellman-intl.com	Manmade organic fibres
140. BIMEDA HOLDINGS	142.82	550	Dublin	01 4515011	www.bimeda.com	Pharmaceutical preparations
141. COMMSCOPE EMEA	140.74	154	Bray	01 2042000	www.systimax.com	Telecommunications

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
142. GE HEALTHCARE	140.00	450	Carrigtwohill	NA	www.gehealthcare. com	Pharmaceutical preparations
143. BASF IRELAND LTD	140.00	100	Cork	021 4354277	www.basf.com	Chemicals and chemical preparation
144. C&F TOOLING LTD	138.56	1,343	Athenry	091 790868	www.cftooling.ie	Machine tool
145. MICROS FIDELIO (IRELAND) LTD	126.41	133	Dublin	01 4693718	www.micros-fidelio. com	Software and hardware
146. CARBERY MILK PRODUCTS LTD	125.00	500	Ballineen	023 22200	www.carbery.com	Food processing
147. VCE TECHNOLOGY SOLUTIONS LTD	122.25	NA	Cork	1800 946417	www.vce.com	Cloud computing
148. FAIR OAK FOODS (INTERNATIONAL) LTD	120.00	NA	Clonmel	052 21811	www.fairoakfoods.ie	Meat processors
149. CREGANNA TACTX MEDICAL	120.00	750	Galway	091 757801	www.cregannatactx. com	Medical devices
150. STIEFEL Laboratories (Ireland) LTD	120.00	300	Sligo	071 9161626	www.stiefel.com	Pharmaceutical preparations
151. COMBILIFT LTD	120.00	235	Clontibrit	047 80500	www.combilift.com	Forklift manufacturer
152. CONNAUGHT ELECTRONICS LIMITED	118.76	542	Tuam	093 23100	www.valeo.com	Electronics
153. SIEMENS HEALTHCARE	117.56	295	Swords	01 8132222	www.siemens.com	Medical equipment
154. TAKEDA IRELAND LTD	114.98	342	Bray	01 2050600	www.takeda.ie/	Pharmaceutical preparations
155. GLOBOFORCE LTD	114.53	185	Dublin	01 4098325	www.globoforce.ie	Gift voucher service
156. MCDERMOTT LABORATORIES LTD	114.22	546	Dublin	01 8393788	www.mylan.com	Pharmaceutical preparations
157. DONEGAL MEAT PROCESSORS	111.83	222	Donegal	074 9140228	www.foylefoodgroup. com	Meat packing plants
158. H J HEINZ MANUFACTURING IRL	108.48	257	Dundalk	042 9385200	www.heinz.com	Food manufacturers
159. PARAMETRIC TECHNOLOGY	107.44	NA	Dublin	NA	www.ptc.com	Software
160. STRATUS TECHNOLOGIES IRELAND LIMITED	106.79	17	Dublin	01 8976000	www.stratus.com	Software solutions
161. LEANORT LTD	105.58	263	Navan	046 9066000	www.xtratherm.com	Insulation products
162. DORNAN Engineering Limited	104.57	345	Cork	021 2330900	www.dornan.ie	Instrumentation Services

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
163. EXTREME NETWORKS IRE LTD	104.36	71	Shannon	061 472022	www.enterasys.com	Telecommunications
164. PAYPAL EUROPE SERVICES	102.27	1,564	Dublin	01 8243350	www.paypal.ie	Internet purchasing
165. CAMERON IRELAND LTD	100.30	230	Longford	043 50600	www.camerondiv.com	Valves and pipe fittings
166. FURLONG INVESTMENTS LTD	100.18	399	Dublin	01 4505520	www.furlongflooringltd. co.uk	Home furnishings
167. FMC International	100.00	250	Cork	021 4354133	www.fmcinternational. co.uk	Pharmaceutical preparations
168. LEO Pharmaceutical Products LTD	100.00	NA	Dublin	01 4908924	www.leo.ie	Pharmaceuticals
169. EI ELECTRONICS	100.00	500	Shannon	061 471271	www.eicompany.com	Electronic components
170. OPENET TELECOM LIMITED	97.96	618	Dublin	01 6204600	www.opennet.com	Software
171. RENISHAW (IRELAND) LIMITED	95.00	70	Swords	01 8131111	www.renishaw.com	Medical devices
172. PROCTER & GAMBLE (MANUFACTURING) IRELAND LTD	92.18	648	Nenagh	067 50100	www.pg.com	Perfumes, cosmetics and other toiletries
173. LARGO FOODS	90.00	800	Ashbourne	01 8350611	www.tayto.ie	Food preparations
174. MICROMUSE Software Ireland Ltd	90.00	NA	Dublin	NA	www.micromuse.com	Software
175. KN NETWORK SERVICES	88.59	326	Dublin	01 4575000	www. knnetworkservices.com	Network services
176. ROCHE PRODUCTS IRELAND LTD	85.72	71	Dublin	01 4690700	www.roche.ie	Pharmaceutical preparations
177. ZEUS PACKAGING GROUP LIMITED	85.41	207	Dublin	01 4018900	www. zeuspackaginggroup. com	Packaging
178. MIRROR CONTROLS INTERNATIONAL	82.80	168	Dublin	NA	www.mirrorcontrols. com	Automobile components
179. ABBOTT Laboratories Ireland	82.76	115	Dublin	01 8468700	www.abbott.com	Pharmaceutical preparations
180. MAGNA DONNELLY	80.00	NA	Naas	045 897101	www.magnadon.com	Electronics
181. ALL-TECHNOLOGY (IRELAND) LTD	79.72	99	Dunboyne	01 8252245	www.alltech.com	Bio-tech researchers
182. PALM GLOBAL OPERATIONS LTD	79.68	7	Dublin	01 4396700	NA	Handheld computers, smartphones

COMPANY NAME	€M	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
	EXPORTS					
183. CG POWER SYSTEMS IRELAND LTD	77.73	507	Cavan	049 4331588	www.cglobal.com	Electronic components
184. ABB LTD	75.00	150	Dublin	01 4057300	www.abb.com	Engineering manufacturers
185. BECTON DICKINSON & COMPANY LTD	74.11	49	Dun Laoghaire	01 2854800	www.bd.com	Surgical and medical instruments
186. NATIONAL INSTRUMENTS IRELAND	70.95	34	Dublin	01 8674374	http://ireland.ni.com/	Software
187. LAKE REGION MEDICAL	70.28	770	New Ross	051 440500	www.www.lakergn. com	Medical equipment
188. GE SECURITY IRELAND	70.00	NA	Dublin	01 4699600	www.geindustrial. com	Security products
189. M&J GLEESON (INVESTMENTS) LTD	70.00	650	Dublin	01 6269787	www.tipperary- water.ie	Drinks manufacturers and distributors
190. ARVATO DIGITAL SERVICES	70.00	NA	Balbriggan	01 8409000	www.arvato.ie	Cd manufacturers
191. PINEWOOD Laboratories LTD	67.19	339	Waterford	052 36253	www.pinewood.ie	Pharmaceutical preparations
192. SULZER PUMP SOLUTIONS IRELAND LIMITED	67.16	258	Wexford	NA	www.sulzerpumps. com	Pump manufacturer
193. THE HAMMOND LANE METAL COMPANY, LTD	66.20	63	Dublin	01 6675335	NA	Metal and steel
194. SERCOM SOLUTIONS LIMITED	65.00	50	Dublin	NA	www.sercomsolution. com	Outsourcing services
195. ROTTAPHARM LTD	64.22	132	Dubin	01 8852700	www.rottapharm.ie	Pharmaceuticals
196. MOLEX IRELAND LTD	63.05	374	Kilrush	061 702400	www.molex.com	Electrical machinery
197. TRINITY BIOTECH PLC	60.41	385	Bray	01 2769800	www.trinitybiotech.com	Drugs, proprietaries and sundries
198. ELECTRICAL & PUMP SERVICES LTD	60.01	256	Cork	022 31200	www.epsireland.com	Pumps and pumping equipment
199. TIPPERARY CO- OPERATIVE CREAMERY LTD	60.00	170	Tipperary	062 33111	www.tipperary- coop.ie	Fluid milk
200. FLEXTRONICS INTERNATIONAL CORK	60.00	240	Cork	NA	www.flextronics.com	Electronics
201. CELESTICA IRELAND LTD	59.84	375	Galway	091 705000	www.celestica.com	Automated manufacturing services

#### SECTION ONE: THE TOP 250 EXPORT COMPANIES IN IRELAND

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
202. SANOFI AVENTIS	58.30	73	Dublin	01 4035600	www.sanofi-aventis.com	Pharmaceutical preparations
203. SCIENTIFIC GAMES WORLDWIDE LTD	58.29	34	Longford	0906 432666	www.scientificgames. com	Gaming
204. AVOCENT INTERNATIONAL LTD	57.77	99	Kilrush	061 471877	www.avocent.com	Computer peripheral equipment
205. BIO-MEDICAL RESEARCH LTD	57.28	203	Galway	091 774300	www.bmr.com	Bio-med researchers
206. FERRERO IRELAND LTD	54.79	242	Cork	021 4917600	www.ferrero.com	Chocolate and cocoa products
207. GE SENSING EMEA	53.55	146	Shannon	01 4699600	www.geindustrial.com	Security products
208. TECH GROUP EUROPE LTD	52.82	197	Dublin	01-8859701	www.techgroup.com	Plastic injection moulding
209. VOLEX EUROPE LTD	50.04	12	Castlebar	094 23444	www.volex.com	Telecommunications
210. TOWN OF MONAGHAN CO-OP	50.00	NA	Monaghan	047 81400	www.tmc.ie	Dairy products
211. INDEPENDENT NEWS & MEDIA	50.00	2,600	Dublin	01 4663200	www.independent.ie	Publishing
212. BORD NA MONA	50.00	2,044	Newbridge	045 439000	www.bordnamona.ie	Energy
213. CARTON GROUP	50.00	600	Clonee	01 8014142	www.chicken.ie	Poultry processors
214. AMAYA	50.00	345	Dublin	01 6641683	www.amayagaming. com	Internet gaming software
215. ALCAN PACKAGING DUBLIN LTD	50.00	NA	Dublin	01 8081000	http://www.alcan.com	Packing and crating
216. SENNHEISER CONSUMER ELECTRONICS	50.00	200	Offaly	01 4294400	www.sennheiserireland. com	Consumer electronics
217. MODUS MEDIA International Dublin	50.00	211	Kildare	045 527400	www.moduslink.com	Software
218. MASONITE	50.00	150	Carrick On Shannon	071 9659500	www.masonite.com	Door manufacturers
219. ATHLONE EXTRUSIONS	49.65	134	Westmeath	0906 492679	www. athloneextrusions.ie	Plastic products
220. BARCLAY CHEMICALS (HOLDINGS) LTD	49.06	54	Dublin	01 8912900	www.barclay.ie	Agrochemicals
221. FUJITSU IRELAND	48.91	213	Dublin	01 8136000	www.s.fujitsu.com/ie	Technology solutions
222. ALPS ELECTRIC (IRELAND) LTD	48.76	396	Cork	NA	www.alps.com	Electronic parts manufacturer

#### SECTION ONE: THE TOP 250 EXPORT COMPANIES IN IRELAND

COMPANY NAME	€M	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
COMPANT NAME	EXPORTS	LIVII LOTELS	LOCATION	CONTACT	WEDIAGE	LINE OF DOSINESS
223. RICHARD KEENAN HOLDINGS LTD	48.42	260	Carlow	059 9771200	www.keenansystems. com	Farm machinery and equipment
224. MISYS IRELAND LTD	47.95	59	Dublin	01 7753900	www.sophis.co	Software
225. CLONMEL HEALTHCARE LTD	46.76	50	Clonmel	052 77777	www.clonmel- health.ie	Pharmaceutical preparations
226. EBAY EUROPE SERVICES LTD	46.35	589	Blanchardstown	NA	www.ebay.ie	Internet purchasing
227. CREATIVE LABS (IRELAND) LTD	46.07	27	Dublin	01 8206444	www.uk.europe. creative.com	Computer peripheral equipment
228. PRAMERICA SYSTEMS IRELAND LTD	46.00	888	Letterkenny	074 9167600	www.pramerica.ie	Software design
229. YAHOO EMEA	43.72	165	Dublin	NA	www.yahoo.ie	Internet search engine
230. COVIDIEN IRELAND	42.50	459	Dublin	01 4381700	www.covidien.com	Medical devices
231. OLYMPUS IRELAND	40.00	NA	Dublin	01 4260100	www.olympus- europa.com	Medical devices
232. KAYMED	40.00	NA	Dublin	01 4509055	www.kamedworld. com	Polyeruthane foam
233. MERIT MEDICAL IRELAND LTD	38.87	388	Galway	091 703700	www.merit.com	Medical devices
234. AMT-SYBEX GROUP LTD	37.59	256	Foxrock	01 2958988	www.amt-sybex.com	Computer peripheral equipment
235. ALCON Laboratories Ireland LTD	36.59	384	Cork	021 4865100	www.alcon.com	Medical devices
236. DIALOGIC DISTRIBUTION LTD	35.57	19	Saggart	01 6309000	www.dialogic.com	Software
237. ALSTOM IRELAND LTD	35.40	134	Dublin	01 4614920	www.alstom.com	Electrical equipment
238. CLONDALKIN Pharma & Healthcare	35.20	232	Dublin	01 8062200	www. clondalkingroup.com	Packaging
239. PREMIER PERICLASE LTD	35.11	113	Drogheda	041-9870707	www. premierpericlase.ie	Chemical
240. QUINTILES LTD	34.96	370	Dublin	01 8195100	www.quintiles.com	Clinical data management
241. PENN ENGINEERING FASTENING	34.89	152	Galway	091 751714	www.penet.com	Manufacturers
242. LOTUS Automation (IRL)	34.50	321	Sligo	071 9169783	www.lotusautomation. com	Industrial automation

#### SECTION ONE: THE TOP 250 EXPORT COMPANIES IN IRELAND

COMPANY NAME	€M EXPORTS	EMPLOYEES	LOCATION	CONTACT	WEBPAGE	LINE OF BUSINESS
243. VWR International LTD	30.82	94	Dublin	01 8822222	www.vwr.com	Scientific and laboratory equipment
244. VALEO FOODS	30.00	350	Dublin	01 4051500	www.valeofoods.ie	Food manufacturers
245. FREEFOAM PLASTICS LTD	30.00	191	Cork	021 4966311	www.freefoam.ie	Plastics manufacturing
246. GE ENERGY (IRELAND) LTD	28.72	61	Dublin	NA	www.ge.com/ie	Wind turbines
247. BOXMORE PLASTICS LTD	27.35	160	Cavan	049 9526219	NA	Plastics manufacturing
248. INTEC BILLING LTD	26.13	114	Galway	091 526611	www.intecbilling. com	Billing solutions
249. PHILIPS ELECTRONICS IRL	25.57	67	Dublin	NA	www.philips.ie	Electronics
250. TORNIER ORTHOPEDICS IRELAND	24.87	104	Macroom	026 21800	www.tornier.com	Medical devices

Source: The Top 250 Exporters in Ireland was compiled by James Treacy, MD, StubbsGazette

#### SECTION TWO: ANALYSIS OF FOOD AND DRINK SECTOR



# Food and drink buoyancy

The food and beverage companies listed on the ISEQ now account for 30.5% of the total Irish market with four of the top 10 companies in the index coming from the sector.

Combined, they generated over €13.6 billion in revenue in 2013. In terms of share performance, the sector was up 33% in 2013 and is up 14.1% for the year to date, outperforming the ISEQ in 2014 to date by 10.5 percentage points.

This buoyancy is being driven by the earnings reliability in the sector and the balance sheet strength to continue to complement organic growth with significant acquisitions.

The top performer in the sector over the past 12 months within the larger cap companies has been Greencore (+84.6%), followed by Aryzta (+52.9%).

#### **IRISH PUBLIC COMPANIES - FOOD SECTOR**

COMPANY	Market cap (€M)	Sales (€M)	EBITDA (€M)	12m price move (%)
Kerry Group	9,987	5,836.70	723.00	25.6%
Aryzta	6,649	4,503.70	576.30	52.9%
Glanbia	3,470	2,382.10	214.90	15.0%
<b>C&amp;C</b>	1,544	620.20	150.70	5.6%
Greencore	1,403	1,425.00	120.60	84.6%
Origin Enterprises	1,059	1,418.20	75.90	48.0%
Total Produce	361	3,174.80	61.50	58.4%
Fyffes	330	835.70	37.30	69.2%
Donegal Investment Group	65	86.80	4.00	35.6%

Source: Bloomberg

#### IRISH FOOD COMPANIES HAVE A GLOBAL FOOTPRINT

Although Irish in origin and domicile, all 'Irish' quoted food companies are truly international in their business footprint. Combined, the top six generate 30.7% of revenue in the UK, 27% in Europe, 21.4% in the US, 16.3% in Ireland and 5.8% in the rest of the world.

That said, the majority of products sold in those jurisdictions are also manufactured there rather than exported from Ireland. The larger companies in the sector have not only expanded geographically over the years but also broadened their product offerings, looking to become market leaders in niche sectors. Kerry is market leader in the food and flavour systems market, Aryzta is the leading global frozen-for-bakeoff company and Glanbia has grown to become one of the leading sports nutrition companies in the world.

#### ABOLITION OF MILK OUOTAS WILL PROVIDE OPPORTUNITIES

One issue foremost in Irish food producers' minds in 2014 has been the rapidly approaching abolition of the EU-imposed Common Agricultural Policy milk quota at the beginning of April 2015. This has the potential to drive a large increase in food exports from Ireland if it is managed properly across Europe.

Ireland is one of the best placed countries to benefit as it has a low cost grass-based production system compared to other countries (mainly in Southern Europe) that have to rely on grain feed to boost supply.

Currently, all milk production in Europe is capped by the EU but with the abolition of the quota system, it is anticipated that production in the main dairy areas across Europe, including Ireland, will increase markedly.

In Ireland, Glanbia is constructing a UHT treatment plant to cater for variations in supply and its dairy ingredients spin-off, GIIL, is building a milk processing plant to add to its capacity to produce milk powder, butter and cheese as well as whey and milk protein. Most of this will be for export.

Producer of the iconic Kerrygold brand Irish Dairy Board (IDB) is also gearing up to deal with increased demand for its butter as it expands into new markets. With turnover up 5% in 2013 to €2.12 billion, IDB is responsible for exporting about 60% of Ireland's dairy products to more than 100 countries.

It has pre-packing and blending facilities in Germany, the UK, the US and the Middle East to help it promote and expand Irish dairy exports.

To manage both the anticipated increase in milk production in Ireland with the abolition of the milk quota and the forecast increase in demand for dairy products from countries such as China, IDB is investing €30 million in a new 50,000 tonnecapacity butter production and packing facility and a Kerrygold innovation centre in Mitchelstown, Co Cork.

#### KERRY - A LEADER IN FOOD INGREDIENTS AND FLAVOURS

Kerry has long since moved away from a purely food producing company to one that focuses on the provision of flavour solutions to a global client base, now generating almost three quarters of its revenue and almost 80% of profits from its Ingredients and Flavours division. Its Consumer Foods division is still a leading player in the UK and Irish chilled foods market but now only accounts for 20% of the company's profits.

Kerry is expanding its innovative ingredients and flavourings offerings to global clients. This is currently being enhanced by the ongoing construction of a €100 million global technology and innovation centre in Naas, Co Kildare. Located on a 28-acre site, there are already over 200 people working in interim facilities while construction is completed. When fully commissioned at the end of 2014, the facility will house 800 workers, expanding to 900 by the end of 2016. This adds to the food product innovation capacity the company has at its first centre in Beloit, Wisconsin in the US.

**TOP 10 IRISH FOOD EXPORTING COMPANIES** 

COMPANY NAME	€M EXPORTS	EMPLOYEES	BASE
1. Kerry Group	5,200	36,000	Tralee
2. Irish Dairy Board	2,100	3,100	Dublin
3. Glanbia	2,000	3,560	Kilkenny
4. ABP Food Group	2,000	7,500	Ardee
5. Kellogg European Trading	1,360	212	Dublin
6. Dawn Meats	1,000	2,700	Waterford
7. Diageo	900	1,500	Dublin
8. Pepsi-Cola Ireland	800	600	Cork
9. Kepak Group	800	2,000	Clonee
10. Total Produce	600	3,811	Dundalk

Source: StubbsGazette

#### ARYZTA - A GLOBAL FROZEN-FOR-BAKE-OFF PLAYER

In the global bakery market that is forecast to grow by low single digits over the coming three to five years, Aryzta continues to outperform both organically, through exposure to one of the fastest growing sub-sector (frozen-for-bake-off), and through acquisitions.

Following the acquisition of a leading German bakery (Klemme) last year for €280 million, it picked up Chicago-based Cloverhill Bakery and the Canadian bakery Pineridge for €730 million, combined, in March 2014. Pineridge adds to Aryzta's growing international frozen bakery production facilities while Cloverhill provides diversification into single-pack convenience bakery product manufacturing, a growing convenience foods sector.

#### GLANRIA - ONE OF THE LARGEST IN PERFORMANCE NUTRITION

Glanbia has successfully repositioned itself over the past two years away from the lower margin, more volatile, liquid milk and milk products market into the higher margin performance nutrition market.

From its origins as a dairy and dairy products company, Glanbia has evolved into a global player in the manufacture and sale of performance nutrition and supplemental nutrition products. Not only are these products higher margin than Glanbia's traditional product mix but also the market for them is growing faster.

The company's move into the nutrition market was a logical progression up the value chain. As the largest producer of cheddar cheese in the US (own production combined with production from its JV with Southwest Cheese), the company was already generating the raw ingredient (whey) for performance nutrition products. It is now processing ingredients, formulating a packing products and selling to retailers.

#### C&C - THE TOP CIDER IN IRELAND AND TOP LAGER IN SCOTLAND

C&C has continued to expand from its Clonmel, Co Tipperary origins into a company that now enjoys the number one position in both the Irish cider market and the Scottish lager market. The company has two must-stock brands in Bulmers cider in Ireland and Tennent's lager in Scotland. With both markets showing little signs of growth over the past few years and a dominant market share making it difficult to gain share in a static market, C&C has been actively diversifying its business offering. Through the purchase of Irish distributor Gleeson and Scottish distributor Wallaces Express in Scotland, C&C now has a multi-product offering in both territories.

#### **lan Hunter**

Equity Analyst, Investec Bank



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#### SECTION THREE: ANALYSIS OF LIFE SCIENCES SECTOR



### A core contributor to Irish exports

Over the past 14 years the life sciences sector has developed into one of the core contributors to the Irish economy.

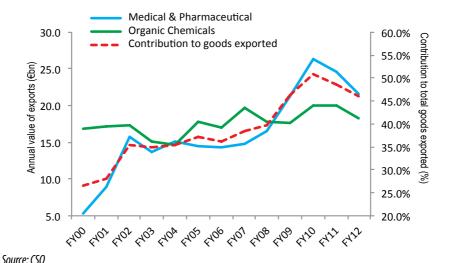
The sector can be broken down into a number of sub-sectors, characterised by different end products and different technologies but with different regulatory regimes that have to be adhered to and different economic dynamics.

The two main divisions are pharmaceuticals and medical devices. The former encompasses a wide range of medicinal products ingested, inhaled, administered topically, and so on, the latter a wide category ranging from regulated guidewires and catheters used in internal surgical procedures to defibrillators and walking frames.

In 2013, chemical and related products accounted for 58% of total goods exported (ie  $\le$ 50.42 billion out of  $\le$ 86.89 billion). The overall sector has seen exports slip 8.4% from the  $\le$ 56.03 billion exported in 2010, when it also accounted for 60% of total goods.

In export terms, the pharmaceutical sector is split into two categories, organic chemicals (SITC code 51) and medical and pharmaceutical products (SITC code 54). The former broadly consists of active pharmaceutical ingredients or bulk chemicals while the latter is tableted or bottled pharmaceuticals for final use.

Within sub-categories across all exports, the main changes in 2013 compared to 2012 were in medical and pharmaceutical products, which decreased by 12% from €24.55 billion to €21.62 billion and organic chemicals, which decreased 9% from €20.05 billion to €18.29 billion



The pharmaceutical industry has been a stellar contributor to the growth in goods exported from Ireland this century. Having started the century generating €22.21 billion in exports and accounting for 26.5% of total goods exported, the sector

peaked in 2010 at €46.36 billion and a 50.8% contribution to goods exported. The subsequent two years have seen consecutive declines.

Over the past 20 years, Ireland has become a centre for drug manufacture. Large US corporations were attracted to the country as it was within the EU with an English-speaking, well-educated population and attractive business conditions. As such, by 2005, eight of the ten top selling drugs were manufactured in Ireland.

In 2011, Ireland was home to nine out of the top 10 pharma/biotech companies in the world. Ireland's pharmaceutical sector accounted for 7.8% of the world pharmaceutical market in 2005. Although this slipped to 7.2% in 2012, Ireland is still the fifth largest exporter of pharmaceuticals in the world.

Notably, over the past 12 years Ireland's pharmaceutical industry has moved up the value chain. Where the export of bulk ingredients has remained relatively stable, the export of finished product grew from  $\leq$ 5.31 billion in 2000 to  $\leq$ 26.39 billion in 2010.

#### DRUGS COMING OFF-PATENT DENTING EXPORT GROWTH

Blockbuster drugs started to go off-patent in 2002 with Augmentin showing that generic substitution can dramatically impact sales within a three-month period. Price sensitive patients, particularly in the US, quickly substituted an expensive branded drug with a cheap generic.

The 'patent cliff' has seen a range of blockbuster drugs go generic over the first decade of the 21st century. The biggest wave of drug patent expiries started in 2010 and is continuing through to 2015.

Some of the biggest blockbuster drugs in history lost patent protection in 2011, 2012 and 2013 including Lipitor, Plavix and Oxycodone. Nexium, Cymbalta and Symbicort are the three biggest drugs coming off patent in 2014. In 2011, Ireland manufactured in part or full, six of the top 10 blockbuster drugs coming off patent between 2011 and 2016.

#### NOT A LARGE SOURCE OF EMPLOYMENT

Despite being such a large contributor to Ireland's exports, the pharmaceutical industry is not a large source of employment. Direct employment in the broad pharmaceutical manufacturing sector is considerably lower than its share in exports. Quarterly national household survey data showed an average of 36,800 employees in the sector in early 2013.

Despite the above discussed slippage in export values and the threat over the past decade from patent-loss in blockbuster drugs manufactured in Ireland, both absolute numbers and share of those employed has remained relatively stable. The industry currently only accounts for around 2% of economy-wide employment.

#### **MOVING UP THE VALUE CHAIN**

The Irish pharmaceutical industry remains strongly manufacturing-focused. Multinationals have established production bases in the country with little to no R&D capability. Traditionally they have invested very little in drug discovery in Ireland

The situation has improved over the past three years with significant input from companies such as Wyeth (acquired by Pfizer) into biotech research facilities.

Although the ongoing loss of patents is a concern, there is the potential for Ireland to broaden its pharmaceutical offering into drug discovery. It has the educated population to fuel such development and with a growing reputation as multinationals gain traction in the field in Ireland, this could prove an area of opportunity going forward.

Although drugs coming off patent could prove a short-term threat to the value of exports, not only are the pharma companies developing new drugs to replace those lost to generic competition but Ireland's move up the value chain (a greater proportion of exports in completed products and increased R&D spend) augurs well for the continued health of the sector.

#### MEDICAL DEVICES SECTOR CONTINUES TO GROW

The other success story in the Irish life sciences industry has been the growth of the medical devices sector. As with their pharmaceutical counterparts, the large US medical device companies were attracted to Ireland as a manufacturing base because of its educated, English-speaking workforce, its position within the EU and an advantageous business environment.

To a greater extent than the pharmaceutical industry, however, this provided the stimulus for home-grown businesses to develop, with currently 250 indigenous med-tech companies in existence. That said, multinationals dominate the business, accounting for 80% of companies operating in Ireland. 97% of those employed in the medical devices industry also work for non-Irish businesses, according to Forfás.

Ireland currently hosts a leading med-tech cluster in Europe with nine of the top 10 global med-tech companies having set up a significant manufacturing base in the country.

The sector has developed over the past 20 years into one employing the highest per capita number of medical technology personnel (25,000) in Europe.

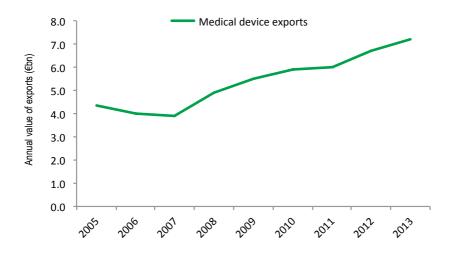
Currently, it exported goods to the value of €7.2 billion in 2013, which represents

8.3% of Ireland's total merchandise exports. Again, unlike the pharmaceutical industry, over half of med-tech companies have a dedicated R&D function.

As an example of successful innovation, the world's market leading drug-eluting stent was developed and commercialised in Ireland. In other fields, 50% of ventilators used in acute hospitals worldwide are manufactured in Ireland and 33% of contact lenses used globally are made in Ireland.

Medical device exports have proven to be robust over the past six years in the face of the global economic crisis. In some way this reflects the essential nature of the products being produced and the defensive nature of the sector. Health, along with food described elsewhere in this booklet, remains a priority whatever the prevailing economic conditions.

After experiencing a 10% decline in export value between 2005 and 2007, medical devices exports have increased at a compound annual growth rate of 14.1% over the subsequent six years, from  $\in$  3.9 billion to  $\in$  7.2 billion. Indeed, where the pharmaceutical sector experienced a dip in export value in 2011 and 2012, the medical devices sector has continued to grow though the two years and out into 2013.



Source: IDA Ireland

Both sectors, combined, remain major contributors to Ireland's export profile and will continue to do so in the years to come. Where the loss of patents may be a short-term threat to Irish pharmaceutical exports, the industry's continuous efforts to replace old drugs with new more effective treatments, Ireland's move up the value chain and a strong medical devices sector augur well for the future.

**TOP 10 PHARMA AND MED-TECH EXPORTERS** 

COMPANY NAME	€M EXPORTS	EMPLOYEES	BASE
Johnson & Johnson	10,500.00	2,500	Dublin
Pfizer	5,000.00	4,500	Cork
BSC International Holding	3,517.47	3,000	Galway
Gilead Sciences	2,243.25	217	Cork
Warner Chilcott	1,967.73	2,117	Dublin
Forest Laboratories	1,594.40	333	Dublin
Genzyme Ireland Ltd	1,281.80	477	Waterford
Medtronic Vascular	1,178.83	1,882	Galway
Benex	1,149.83	3	Dublin
Icon plc	1,106.70	9,088	Dublin

Source: Stubbs Gazette

#### **Ian Hunter**

Equity Analyst, Investec Bank

#### SECTION FOUR: INFORMATION COMMUNICATIONS AND TELECOMS (ICT) SECTOR



## Investment as a catalyst for growth

The ICT sector is of strategic importance to Ireland, representing over €50 billion in exports in 2012, with €1 billion coming from indigenous software companies alone. Its prominence has increased in the past number of years, particularly with respect to compensating for the decline in domestic demand and the reduced output from the manufacturing sector.

Recent Government policies (ICT Skills Action Plan 2014–2018), greater funding initiatives, significant research resulting in technology spin-outs from universities, along with foreign interest from debt providers in technical capability have combined to create a catalyst for growth in the ICT cluster.

Between 2007 and 2013, total investment of €3.5 billion has been made in the technology sector. This maturing cycle of investment, along with the other structural changes, further detailed below, will present a number of opportunities for companies providing advice and financial services to the sector.

ICT is one of the largest industries in Ireland, accounting for about 22% of exports by value. Nine of the top 10 global software companies and 10 of the top global internet companies (all with strategic operations) have a presence in Ireland. The sector is one of the country's most prevalent employers, employing over 36,000 people.

Twenty years ago Ireland became one of the major European centres of computer hardware production, accounting for 5% of global exports, or €30.2 billion, and about a third of all personal computers sold in Europe.

In contrast, software developed in Ireland represented €10 billion in the same period. However, as production was relocated eastwards towards China and Eastern Europe as a result of cheap labour, the sector experienced a sharp decline in hardware exports.

#### SECTION FOUR: INFORMATION COMMUNICATIONS AND TELECOMS (ICT) SECTOR

While Ireland lost ground in both computer and electronic components, it gained significant market share in software development, which has become the cornerstone for the strategy behind Ireland's future growth plans. In 2012, ICT exports from Ireland were around €50 billion, now consisting of €10 billion from hardware and €40 billion of software.

Private and Government funding managed by both Enterprise Ireland and the associate seed and expansion funds are working closely with research and incubation centres to encourage and facilitate commercialisation of ideas and technologies by supporting their development. This is a key value driver and feedstock for growth and competitiveness in the ICT sector.

The Irish Venture Capital Association estimates that the capital required to fund innovative Irish technology SMEs is €1.5 billion or €300 million per annum over the next five years. This demand will create significant investment and exit opportunities. The number of new start-up companies is growing year-on-year and the presence of innovative, international publicly quoted companies with an entrepreneurial emphasis has proven to be a source of a number of entrepreneurs and new innovation.

In addition, Ireland's export scope has widened beyond the traditional regions of the UK, US and Europe. Irish technology companies in particular are exporting to more than 40 countries worldwide and over the past number of years have made significant inroads into India and Brazil, a market greater than all of the countries in Europe combined. Over 18 Irish companies have established a strong presence in Brazil.

The growing maturity of Irish venture funds and the impact of their investments in technology companies will play a role in the size of spillover effects and upstream value to auxiliary business activity.

In a large and highly competitive market, firms providing services such as legal, tax and financial advisory which have developed relationships in the sector and can display clear ICT market intelligence and product knowledge are likely to have a competitive edge.

#### **ECONOMIC IMPACT**

The impact of the technology sector on the Irish economy is manifested in three key ways – employment, foreign direct investment (FDI) and exports. Efforts to reposition the economy on a more sustainable export-led path have yielded some positive returns, with 'information and communication' having one of the highest changes in employment levels since the peak of the Irish jobs market in Q1 2008, as shown below:

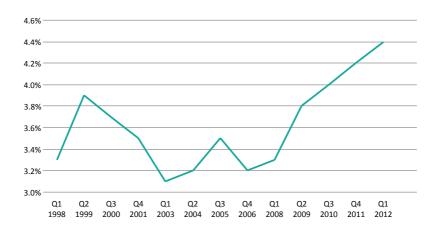
#### **CHANGE IN EMPLOYMENT FROM PEAK LEVELS**

SECTOR	Q1 2008 '000	Q1 2013 '000	CHANGE '000	CHANGE %
Human health and social work activities	111.40	244.30	132.90	119%
Financial, insurance and real estate activities	59.80	97.80	38.00	64%
Information and communication	49.50	80.70	31.20	63%
Education	95.30	150.30	55.00	58%
Administrative and support service activities	39.80	62.50	22.70	57%
Accommodation and food service activities	93.70	133.80	40.10	43%
Other NACE activities	70.60	98.60	28.00	40%
Public administration and defence, compulsory social security	71.40	96.40	25.00	35%
Transportation and storage	66.90	89.50	22.60	34%
Wholesale and retail trade, repair of motor vehicles and motorcycles	208.10	268.20	60.10	29%
Industry	296.00	237.00	-59.00	-20%
Agriculture, forestry and fishing	134.00	110.50	-23.50	-18%
Construction	118.10	102.30	-15.80	-13%

Source: CSO

As a result of this increase, the latest seasonally adjusted CSO data show that close to one in 20 people in employment are now directly employed in the 'information and communication' sector.

#### ICT SHARE OF EMPLOYMENT IS GROWING



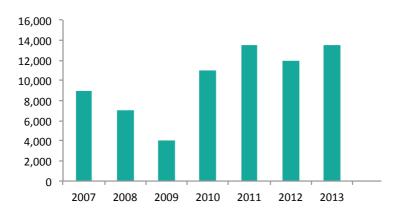
Source: (SO

IDA Ireland reported its most successful year for net job creation in a decade in 2013, with 13,367 jobs delivered by client companies. When job losses are taken into account, the net increase in employment was 7,071, the highest level of job creation in over a decade. The number of investments was especially strong in 2013, with 164 projects won for Ireland. Of these, 78 came from companies investing in Ireland for the first time (a rise of 18% on the previous year), with 59 expansions and 27 research, development and innovation (RD&I) projects.

Among the leading investments secured during the year were Deutsche Bank, Twitter, EMC, eBay, Salesforce, Novartis, Vistakon, Facebook, Zurich, Symantec, De Puy, Yahoo, Sanofi and Indeed.com. First time investments were secured from corporations across the portfolio including from Qualcomm, Airbnb, Tripadvisor, Regeneron, Huawei, FireEye, Grifols, Alexion and Acorn Direct Marketing.

#### SECTION FOUR: INFORMATION COMMUNICATIONS AND TELECOMS (ICT) SECTOR

#### **JOBS CREATED BY IDA FIRMS**



Source: IDA Ireland

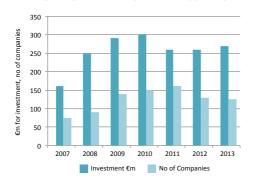
#### **VENTURE CAPITAL IN IRELAND - GENERAL OVERVIEW**

Venture capital has been prevalent in Ireland since 1994 after the launch of the first Irish venture fund valued at €68 million. In 2000, Enterprise Ireland launched a second fund making €98 million available for investment in Irish SMEs.

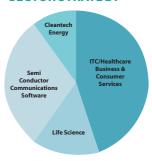
Like the current fund (2007–2012 Venture Capital Scheme) valued at €175 million, most commitments of those funds have been directed towards Irish technology companies. The increase in size of the local funds being made available along with strong interest from international funds and banks which specialise in providing debt to Irish technology firms is a clear statement of confidence in Ireland's ability to develop worldclass technology companies.

Below is a graphical overview of the overall venture capital universe in Ireland.

#### **VENTURE CAPITAL ACTIVITY 2007–2011**



#### SECTOR STRATEGY



For many years, the source of finance in Ireland for early stage technology companies consisted of angel, seed and growth funds. However, when compared to other economies, the quantum of available capital was modest and the focus of investment was fragmented.

More recently, additional funding of over €1.5 billion was made available to over 600 Irish technology companies since 2007. The investment in these early stage technology companies clearly contributed to their ability to be providers of cutting edge solutions and license technology into global markets.

Over €3 billion has been invested by venture capital funds in Ireland in the past 10 years. About 50% (€1.5 billion) of these funds were provided directly by Irish VCs, with the balance raised from US, UK and Pan European based VC funds. These international VCs were primarily brought in as investors by the Irish VC funds, as international investors tend only to invest side by side with a strong local investor, and preferably where the local VC has been an active investor who has local relationships with corporate advisors with technical attributes.

Venture funds are the main provider of capital for young technology companies. Since 2007, Irish technology companies have secured over €485 million from the seventh EU framework programme (FP7) and the European Space Agency (ESA).

#### SECTION FOUR: INFORMATION COMMUNICATIONS AND TELECOMS (ICT) SECTOR

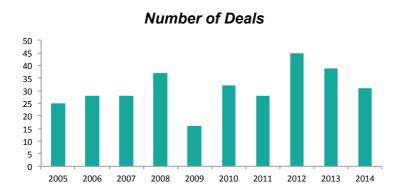
High technology companies accounted for 92% of all investments by Irish venture funds in recent years. This is the highest proportion of investment in technology companies in Europe, where the average is 31%. In February 2012, the Development Capital Fund was announced as a central recommendation in the Government's action plan for jobs, in order to assist in increasing the availability of risk capital and closing the 'equity gap' experienced by SMEs seeking risk capital in excess of €2 million.

With the exception of some of the companies, small organically grown Irish technology companies with proven technology value and intellectual property (IP) have found it difficult to scale to a level whereby they can pursue independent options for raising significant capital, for example via an initial public offering. As a consequence they tend to be acquired earlier by trade or private equity buyers.

#### M&A ACTIVITY

IT and telecoms merger and acquisition (M&A) activity has increased in importance in Ireland over the past few years. This is particularly in light of the fact, as shown in the chart below, that when looking at inbound and outbound M&A, it has sustained deal volume levels with those that were achieved in 2006 and 2007 and surpassed this in 2013 with 39 deals.

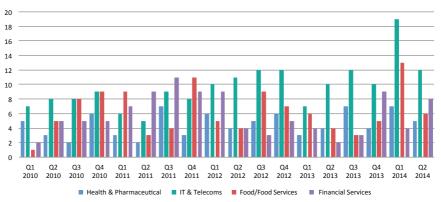
#### **VOLUME OF IT/TELECOMS DEALS SINCE 2005**



#### SECTION FOUR: INFORMATION COMMUNICATIONS AND TELECOMS (ICT) SECTOR

The chart below also illustrates that these volumes compare favourably against other active sectors, such as food and healthcare, which, while performing well, did not in general perform as strongly as IT and telecoms.

# DEALS EACH QUARTER, BY VOLUME, FOR THE MOST ACTIVE SECTORS 2009–2012\*\*



<sup>\*\*</sup> Excludes construction due to the significant amount of activity related just to CRH. Includes both inbound and outbound M&A

The table on page 58 shows total deal value for IT and telecoms in 2013 was around €1.72 billion, representing 11% of the total across sectors. However, this should be seen in the context of a significant weighting towards the health and pharmaceutical sector, which was affected by two large one-off deals that alone accounted for 50.5% of the total deal value in 2013.

A greater weighting should be attached to deal volume as opposed to value as a measure of overall M&A activity as it is more likely to indicate activity across several sectors, different types of transactions and a greater willingness of companies and their management teams to confidently make the strategic decisions and choices that corporate transactions typically involve. Therefore with this in mind we can see that the IT and telecoms sector was the dominant one in terms of deal volume representing 20% of the total deals completed in 2013.

**TABLE 2: M&A ACTIVITY IN 2012** 

SECTOR	Values (€m) '000	Volume	% of total Volume	% of total Value
Health and pharmaceutical	9,924.30	18	61.28%	9.33%
Financial services	2,064.00	18	12.74%	9.33%
IT and telecoms	1,721.52	39	10.63%	20.21%
Building, construction and property	1,019.32	33	6.29%	17.10%
Industrial	731.00	20	4.51%	10.36%
Professional and technical	492.75	25	3.04%	12.95%
Leisure and travel	156.00	8	0.96%	4.15%
Food/food services	60.50	18	0.37%	9.33%
Retail	13.00	2	0.08%	1.04%
Print and paper	8.85	2	0.05%	1.04%
Media and publishing	5.00	10	0.03%	5.18%
Support services	-	0	0.00%	0.00%
Total	16,196.24	193		

The overall ecosystem provides a vibrant market for corporate advisers, entrepreneurs and venture funds. Most exits in Ireland are through trade sales from overseas companies and multinationals seeking value from the intellectual property developed from indigenous technology companies, thus further reinforcing the importance of the Irish ICT sector, not only to the economy and the multinational industry in Ireland, but to many others, including companies servicing the sector.

#### Jonathan Simmons

Director, Investec Corporate Finance

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#### **SECTION FIVE: REVIEW OF THE IFSC**



## A growing international hub for financial services

In the more than 25 years since its establishment, the IFSC has grown to become synonymous with the wide range of economic activities involving the exporting of internationally traded financial services.

It encompasses sectors as diverse as fund and asset management, banking, insurance, aircraft leasing, securitisation, payments and money transmission, and corporate treasury.

The sector comprises more than 500 firms that directly employ 32,700 people (with indigenous firms accounting for almost a fifth of this total) dotted throughout more than 20 different counties in Ireland, according to IFSC Ireland.

This is around 10% of total multinational employment in the State. The sector accounts for about 7% of Irish GDP and contributes roughly €2.1 billion in taxes to the Exchequer.

Its impact is felt far beyond these shores – the IFSC accounts for 5% of all EU cross-border financial services activity, which for reference is well above the country's 1.3% share of EU GDP.

The best known cross-border financial services activities provided by IFSC firms are aircraft leasing, debt listing, payment services and fund administration.

All of the world's 10 largest aircraft lessors operate in Ireland. Data compiled by the IDA show that about half of the global fleet of commercial aircraft are managed from here, and much of the skills base that helps meet that requirement has its roots in GPA, established by Tony Ryan at Shannon in 1975.

Speaking of track records, the Irish Stock Exchange (ISE) is Europe's third largest exchange for debt listings, behind the Luxembourg Stock Exchange and Deutsche Boerse AG.

The Main Securities Market has about 22,000 debt securities from over 50 jurisdictions listed on it, including medium-term notes, corporate bonds, ABS, covered bonds, credit-linked notes, certificates, warrants and commercial paper. Indeed, the ISE's Listed Securities Report runs to 179 pages and features household names such as Microsoft, Coca-Cola and Debenhams

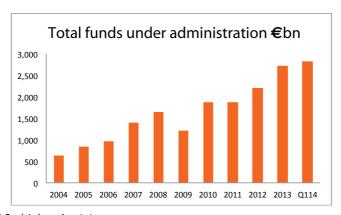
Turning to the payment services industry, PayPal's recently announced plans to increase its total Irish workforce to 2,900 by 2018 (from about 1,500 today) serves as a reminder of the potential for a sector that already employs 5,000 people in Ireland.

But growth in this area will not only come from international firms. Indigenous players such as Realex, Fexco and Monex are already processing billions of transactions annually.

#### IMPORTANT LOCATION FOR FUNDS ADMINISTRATION

Data compiled by the Irish Funds Industry Association shows that in Q1 2014 there was €2.8 trillion (equivalent to about 16 times Irish GDP) of funds under administration in Ireland, split reasonably evenly between domiciled and non-domiciled.

This represents an increase of 3.8% since the end of 2013 and compares to €636 billion of funds under administration in 2004. Of the Irish domiciled funds, 32% of these were fixed income related, 25% equities, 7% hedge fund, 22% money market, 9% mixed and 5% other.



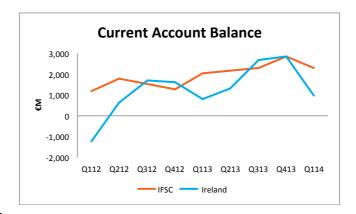
Source: Irish Funds Industry Association

Irish Balance of Payments data have recently been subjected to revisions going back to 1998, due to the Central Statistic Office's adoption of the IMF's BPM6 approach. One change that has had a noticeable impact is the new classification of non-produced, nonfinancial assets, or 'patents and copyrights'. Under BPM6 these move from the capital to the current account, which reduces the current account balance.

The 2013 current account surplus is now estimated at €7.6 billion (2012: €2.7 billion) or 4.4% of GDP (the 2013 surplus was previously estimated, under the former methodology and on the basis of less complete data, at 6.6% of GDP).

CSO data show that the IFSC contributed €66 billion to the credit side and €56.6 billion to the debit side of the current account last year, producing an 'IFSC current account' surplus of €9.4 billion (2012: €5.8 billion).

This is an important point as Ireland's transition from current account deficit to surplus has been one of the key highlights of the economic rebalancing that has taken place in recent years (note, however, that this performance has been flattered by distortions arising from the tax domicile of foreign companies operating in Ireland), with the IFSC playing a material role in achieving this outcome – indeed, were it not for the IFSC Ireland would still be running a current account deficit.



Source: CSO

#### **M&A ACTIVITY ON THE RISE**

In last year's edition we noted that there had been a 'series of votes of confidence' in the international financial services sector in Ireland in the form of mergers and acquisition (M&A) activity. This trend has continued in the past 15 months or so, according to data on transactions compiled by MergerMarket.

In the banking sector, start-up Dilosk recently acquired the ICS distribution platform from Bank of Ireland, along with €250 million (gross) of performing variable and fixed rate mortgages, paying 'a minimum of par' for these assets. Recent press reports say that Dilosk will target the buy-to-let segment in seeking out new business opportunities.

Elsewhere, Permanent TSB acquired Newbridge Credit Union in late 2013, with the deal structured in a capital neutral way.

The insurance sector in Ireland has seen a half-dozen deals in recent times. In May GreyCastle Holdings agreed to acquire XL Life Reinsurance for a cash consideration of US\$570 million. Liberty Mutual bought out the 49% of Liberty Insurance that it didn't already own from the Special Liquidators of IBRC for a reported €100 million. Lloyd's of London underwriter Canopius, which has operations in Ireland, was sold by Bregal Capital to Sompo Japan for £594 million.

In another sizeable transaction, Guardian Financial Services recently completed the acquisition of AlB's Ark Life business in a deal reportedly worth €350 million. Late last year Achmea agreed to sell AIL (Achmea Insurance Ireland Limited) to New Zealand's CBL. Finally, Les Mutuelles du Mans Assurances increased its stake in Medical Insurance Company to give it majority ownership of the business.

In the leasing space, Mitsubishi agreed to buy Engine Lease Finance Corporation (headquartered in Shannon) and Beacon Intermodal Leasing for a combined US\$392 million. LCI Helicopters sold a minority stake to KKR, to help finance future growth opportunities, while Everyday Asset Management bought CIT's vendor finance business.

Turning to the funds sector, Clearstream bought Citco Global Securities Services Ltd, for a price reportedly in 'the mid two digit million euro range'; US Bancorp bought the fund administration company Quintillion and Mitsubishi acquired Butterfield Fulcrum, an administrator for hedge funds and the alternative asset management industry.

Last, but by no means least, the investment segment also saw a fair smattering of deals, with Davy buying Prescient, KKR buying Avoca Capital, AcomeA buying Unipol Fondi and Kendrick, a vehicle controlled by businessman Denis O'Brien, buying Resource Property Investment Fund plc (the real estate partner of Topaz Energy).

#### **INCREASED EMPLOYMENT EXPECTED**

Another sign of confidence in the IFSC can be seen in the job creation announcements from firms supported by IDA Ireland. In its recent half-year update the agency noted publicly disclosed commitments from PayPal and HedgServ, which followed a series of 'wins' from the likes of Deutsche Bank and Zurich during 2013.

The CSO's Q1 2014 Quarterly National Household Survey shows that total employment across the 'financial, insurance and real estate' sector rose 1.4% q/q to 98,500 (5.2% of all those in employment during the quarter). While CSO data show that the total number of people at work in the sector is 10% below peak levels, we would be optimistic of increased employment in this area in the months and years ahead as the economic recovery gathers momentum.

As noted above, we believe that the IFSC is well placed to benefit from the improving global economic backdrop. Partly driven by this, financial markets in general have made a very strong recovery from the lows that were hit in March 2009 – the S&P 500 closed at 1973.63 on 21 July, bringing it to within 1% of its record all-time high and some 192%

above the March 2009 trough close of 676.53.

It is a similar story for the FTSE 100 (on 21 July it closed 92% above its trough of 3512.09), EuroStoxx 600 (114% above its trough of 157.97) and Ireland's ISEQ Index (144% above its trough of 1916.38). These moves can only benefit the wider financial services community.

Ireland has become a major international hub for a number of segments of the financial services sector, such as aircraft leasing, insurance/reinsurance, fund administration and payments. In the years ahead it is very likely that we will see additional segments join this roll-call. Outside of current initiatives in areas such as the 'Green IFSC' and Islamic finance (one estimate suggests that the IFSC is home to 5% of global Sharia-compliant funds), one area that is primed for further growth is property.

#### **FOCUS ON PROPERTY ASSETS**

An acronym that has become synonymous with property in Ireland is Nama, which has steadily – and successfully – reduced its 'core' loans and receivables from a peak of  $\in$ 28 billion in Q1 2011 to  $\in$ 18 billion in Q1 2014. The agency expects to offload the bulk of its remaining assets by the end of 2016. Outside of Nama, many financial institutions (both domestic-headquartered and overseas-headquartered) have also been offloading property loans along with the underlying collateral.

A by-product of these sales is the expertise that is being built up in Ireland in managing large scale property related assets. Harnessing this expertise to establish an enduring industry which can export services to other geographies would provide another string to the IFSC's bow.

An example of the successful establishment of a new era of professional property investment in Ireland is the launch of a new REIT regime in Ireland during 2013, which has to date spawned three IPOs (Green REIT, Hibernia REIT and IRES REIT). These companies have raised total equity of €1.3 billion (which can be augmented with debt) to invest in the property sector.

We would not be surprised if other property vehicles were to emerge in Ireland in time. As noted above, such companies would not have to confine their activities to within our borders – indeed, we note that the recent IBRC loans sales process involved the

#### **SECTION FIVE: REVIEW OF THE IFSC**

marketing to prospective buyers of collateral based in 22 different jurisdictions across three continents.

Data compiled by *StubbsGazette* on the largest companies from the ranks of the IFSC show that the largest players are, for the most part, to be found in traditional areas such as banking and insurance/reinsurance.

#### **TOP 10 IFSC COMPANIES BY TURNOVER**

Rank Name	Segment
1. Deutsche Bank AG	Banking
2. Bankinter SA	Banking
3. Hannover Life reassurance (IRL)	Reinsurance
4. Depfa Bank plc	Banking
5. Aareal Bank AG	Banking
6. Citibank Europe PLC	Fund management
7. Unicredit Bank Ireland Plc	Banking
8. De Lage Landen Irelnad	Insurance
9. Monte Paschi Ireland Ltd	Treasury services
10. Canada Life International Re	Reinsurance

Source: StubbsGazette

As the financial services industry fragments into more specialised areas we would expect to see some new names included in this by the time next year's report comes along and, hopefully, some indigenous firms will feature among the 'top 10' before this decade is out.

#### Philip O'Sullivan

Chief Economist, Investec Ireland

# The IFSC Top 50 companies

COMPANY NAME	€M SALES	€M PBT	WEB	LINE OF BUSINESS	SECTOR
1. Deutsche Bank AG	26,404.00	326.00	www.tss.db.com	Banking	Financial services
2. Bankinter SA	2,318.11	346.00		Banking	Financial services
3. Hannover Re (Ireland)	1,994.58	77.30	www. hannoverlifere. com	Reinsurance	Financial services
4. Depfa Bank	1,636.00	68.00	www.depfa.com	Banking	Financial services
5. Aareal Bank AG	1,408.00	198.00	www.aareal- bank.com	Banking	Financial services
6. Citibank Europe PLC	1,343.77	593.75	www.citi.com	Fund Management	Financial services
7. UniCredit Bank Ireland PLC	686.39	53.87	www.unicredito.ie	Banking	Financial services
8. De Lage Landen Ireland	564.53	87.51	www. delagelanden. com	Insurance	Financial services
9. Monte Paschi Ireland Ltd	555.08	43.54	NA	Treasury Services	Financial services
10. Canada Life International Re	548.00	77.00	www. canadalifere.com	Reinsurance	Financial services
11. Aegon Ireland Plc	515.93	5.66	www.aegon.ie	Investment Services	Financial services
12. CIT Aerospace International	457.52	16.92	www.cit.com	Finance & Leasing	Financial services
13. Intesa SanPaolo Bank Ireland	370.63	60.33	www. intesasanpaolo. com	Banking	Financial services
14. EAA Covered Bond Bank	352.15	35.04	NA	Banking	Financial services
15. Atradius Reinsurance Ltd	342.21	48.14	www.atradius. com	Reinsurance	Financial services
16. Allianz RE Dublin	292.64	114.21	www.allianz.com	Reinsurance	Financial services

Source: StubbsGazette

COMPANY NAME	€M SALES	€M PBT	WEB	LINE OF BUSINESS	SECTOR
17. Wells Fargo Bank International	233.34	118.77	www.wellsfargo. com	Asset Management	Financial Services
18. Belfius Ireland	202.45	-27.33	www.belfius.com	Banking	Financial Services
19. Scor International Reinsurance Ireland	197.65	131.64	www.scor.com	Reinsurance	Financial Services
20. BNY Mellon Securities Services (Irl)	182.28	41.14	www.bnymellon. com	Banking	Financial Services
21. Cattolica Life Ltd	162.07	1.82	www.cattolicalife. ie	Insurance	Financial Services
22. Susquehanna International Group Ltd	137.67	81.72	www.sig.com	Financial Trading	Financial Services
23. Titan Series Holdings Ltd	136.04	0.06	NA	Mortgage Finance	Financial Services
24. Scotiabank (Ireland) Ltd	129.47	81.58	www.scotiabank. com	Banking	Financial Services
25. Baring International Fund Managers	128.80	2.05	www.barings.com	Fund Management	Financial Services
26. Bank of Montreal Ireland	120.15	46.21	www.bmocm. com	Banking	Financial Services
27. Helaba Asset Services	117.47	11.73	www.helaba.ie	Banking	Financial Services
28. Citco Bank Nederland	111.20	-9.60	www.citco.com	Banking	Financial Services
29. Inora Life Ltd	99.40	-2.46	NA	Insurance	Financial Services
30. Prime Edge Capital PLC	90.59	0.00	NA	Fund Management	Financial Services
31. Iberdrola Finance Ireland Ltd	89.25	0.72	NA	Banking	Financial Services
32. Porsche International Financing PLC	85.31	1.19	www.porsche.de	Treasury Services	Financial Services
33. Veneto Ireland Financial Services	83.10	57.02	NA	Banking	Financial Services
34. Goldman Sachs Ireland Group	78.08	158.09	www. goldmansachs. com	Banking	Financial Services

COMPANY NAME	€M SALES	€M PBT	WEB	LINE OF BUSINESS	SECTOR
35. J P Morgan Bank (Ireland) PLC	78.02	8.66	www.jpmorgan. com	Banking	Financial Services
36. ALD RE Ltd	69.45	7.02	www. aldautomotive. com	Reinsurance	Financial Services
37. Mitsui Sumitomo Finance Dubln	69.30	1.38	NA	Banking	Financial Services
38. Espirito Santo PLC	64.82	24.14	www. esinvestment.com	Investment Bank	Financial Services
39. WGZ Bank Ireland Plc	55.60	31.14	www.wgzbank.ie	Banking	Financial Services
40. ABN AMRO Retained Custodial Services	53.34	51.53	www.abamro.ie	Banking	Financial Services
41. BBVA Ireland PLC	50.98	8.64	NA	Banking	Financial Services
42. Abbey International Finance	50.88	13.90	NA	Finance & Leasing	Financial Services
43. Securitas Treasury Ireland	46.29	41.89	NA	Treasury Services	Financial Services
44. BNY Mellon Investment Servicing	37.98	-4.85	www.bnymellon. com	Banking	Financial Services
45. DZ Bank Ireland PLC	36.74	-4.20	www.dzbank.ie	Banking	Financial Services
46. Chartis Excess Ltd	27.38	46.74	www.chartis.com	Insurance	Financial Services
47. BPV Finance (international) PLC	27.37	34.59	NA	Financial Trading	Financial Services
48. Mitsui Sumitomo Reinsurance	24.84	0.63	www.msre.ie	Reinsurance	Financial Services
49. Rayo Finance Ireland	20.27	0.00	NA	Banking	Financial Services
50. Dexia Crediop Ireland	16.93	2.31	www.rbcdexia. com	Investor Services	Financial Services

Source: The Top 50 IFSC companies was compiled by James Treacy, MD, StubbsGazette

#### **DESCRIPTION OF TOP 10 IFSC COMPANIES**

Deutsche Bank



Deutsche Bank AG was founded in Berlin in 1870 to support the internationalisation of business and to promote and facilitate trade relations between Germany, other European countries, and overseas markets. It has developed into a leading global provider of financial services. With around 100,000 staff in more than 70 countries worldwide, Deutsche Bank is present in Ireland since 1991 and employs over 310 people across two offices in Dublin – in the IFSC and the Irish Life Centre on Abbey St.

## bankinter.

**Bankinter SA** was founded in 1965 as a joint venture between what is now Grupo Santander and Bank of America. It is among the top six banks in Spain and offers a variety of consumer and business banking services through branches, agents, telephone services and the internet. A provider of mutual and pension funds, mortgages, leasing and securities brokerage, Bankinter pioneered internet stock trading in Span and currently employs around 4,300 people.



Hannover Re (Ireland) was set up in 1999 in Dublin 1. With a gross premium of around €14 billion, its parent company Hannover Re is the third largest reinsurer in the world, transacting in all lines of non-life and life and health reinsurance. Present on all continents, it employs around 2,400 staff in total. Hannover Re, with a gross premium of around €14 billion, is the third largest reinsurer in the world. The rating agencies most relevant to the insurance industry have awarded Hannover Re very strong insurer financial strength ratings (Standard & Poor's AA – 'very strong' and AM Best A+ 'superior').



**Depfa Bank** is a subsidiary of bailed out lender from Germany Hypo Real Estate Holding. It is a Dublin-based bank incorporated under Irish law that grew a network of international subsidiaries and branch offices. In May of 2014 Germany's government abandoned plans to sell it, choosing instead to wind it down.



**— Aareal Bank AG** is headquartered in Wiesbaden, Germany, and is one of the leading international property specialists in the world. With employees from more than 30 countries, it has local offices on three continents – in Europe, North America and Asia. The parent company of the group is the MDAX-listed Aareal Bank AG, combining all subsidiaries within the two segments structured property financing and consulting/ services.



Citibank Europe PLC is one of the largest employers in the IFSC with around 2,000 staff based at its North Wall headquarters. Citibank Europe plc provides various financial products and services to individuals, corporations and small and medium-sized enterprises worldwide. It offers current and savings accounts, term deposits, money market funds, mutual funds, bonds and structured investment products, and wealth management services.



UniCredit Bank Ireland PLC is a wholly owned subsidiary of Italian banking group UniCredit SpA, which has a total of over 130,000 employees and more than 7,000 branches internationally. The Dublin operation's principal business areas are credit and structured finance (loans, bonds, securitisations, other forms of asset financing), treasury activities (money market, repos, eonia and other interest rate swaps, foreign exchange, futures), issue of certificates of deposit and structured notes.

# **de lage landen (4)**

De Lage Landen Ireland is a fully owned subsidiary of the Rabobank Group and is part of the international network of the company that provides leasing, business and consumer finance solutions, including vendor finance and factoring. The company is present in more than 35 countries in Europe, North America, South America, Asia and Australia and employs around 5,000 people in total.



Monti Paschi Ireland Ltd was formerly known as 121 Financial Services Limited and was incorporated in 1998. It operates as a subsidiary of Banca Monte dei Paschi di Siena, considered to be the oldest bank in the world, having been founded in 1472. The Montepaschi Group is present all over Italy and in the major international financial centres. With some 31,000 employees and over 2,600 branches, the Montepaschi Group offers its services to more than six million customers.



Canada Life International Re is a division of The Canada Life Assurance Company and certain of its subsidiaries and affiliates. The Canada Life Assurance Company is a subsidiary of international financial services holding company Great-West Lifeco Inc and a member of the Power Financial Corporation group of companies. The owner of Irish Life, Great-West Lifeco and its companies have US\$718.4 billion in consolidated assets under administration and US\$18.9 billion in capital and surplus.





# Lock in your profit — protect euro/pound sterling from rising above 0.80p

Positive news this year in the currency markets for Irish exporters as we have seen the euro-pound sterling exchange rate finally breaking below £0.80p in the second quarter of 2014. This represents a significant move lower over the last year for companies exporting to the UK. The UK remains Ireland's single biggest export destination with the value of Irish food and drink exports rising above €10 billion for the first time in 2013.

#### STERLING - BACKGROUND TO RECENT MOVES, WHAT TO EXPECT NEXT

It's just over 12 months since Mark Carney took his seat as Governor of the Bank of England and what a year it has been. The UK recovery is now fully fledged, sustained though slightly London centric, with all the important economic metrics such as employment, inflation and growth projections pointing to similar continuity.

The pound's reaction to this period of positivity has been equally as impressive. The euro now sits at a 23 month low in or around £0.79, which is close to a 12% downswing in the past 12 months. This is very positive news for exporters to the UK and for sterling sellers.

The pound has been boosted in recent weeks by more hawkish rhetoric emanating from the Bank of England as it prepares the market for an interest rate increase this year. The UK is now looking likely to be the first major economy to hike interest rates.

However, there are some potential speed bumps ahead for the economy and the pound in general with the Scottish independence referendum scheduled for September 2014 and the General Election in May 2015. Investec still sees political uncertainty setting the trend for the pound looking ahead. Our end-2014 forecast remains at £0.81 against the euro.

#### **HOW INVESTEC CAN HELP**

At Investec we talk to a substantial number of importers and exporters about their currency exposure and provide them with sufficient credit limits to manage this risk.

The most regular question we get asked is 'where is X/Y currency pair going next?'. We

#### **SECTION SIX: INVESTEC REVIEW**

don't claim to have a crystal ball here on our FX desk. At Investec, our treasury team make it their business to understand your situation and have the solutions to protect the budget rates you set for your company that offer the ability to benefit from market moves in your favour. Our treasury team provides the expertise to help you decipher the latest issuances from central bankers, and also watch the market for reaction to every development. Our dedicated economics team publish a large quantity of top quality research and well considered reaction pieces on all major releases. This allows us, and you, to keep track of the latest economic announcements and to forecast the next step.

If you are concerned about your currency exposure, and want to discuss how the next move from central banks might impact your business, talk to Investec today. We love to learn more about the companies we deal with, and share our own research and expertise with current and prospective clients.

#### **INVESTEC - OIL TO TEST US\$115/BARREL IN TO 2015**

With swings of over 15% in oil and metal prices over the last year, can you afford not to hedge? The question being asked by many of our clients is whether Brent crude oil will trade back over US\$120/barrel.

Geo-political risks such as escalating violence in Gaza, Russia's annexation of Crimea, the downing of the Malaysian airline in the Ukraine and the ISIS insurgency in Iraq are having a significant impact on oil markets this year. Iraq has the fifth largest proven crude oil reserves in the world and is the second largest producer of crude oil in OPEC. With recent US air strikes to prevent the ISIS insurgency towards the rich oil fields in the south, Investec see risks to the upside for the remainder of the year.

Large swings in commodity prices can have a significant impact on the bottom line if left unchecked. Investec has solutions to help consumers manage and even benefit from price volatility.

Swaps provide a way for commodity consumers to lock in the price of oil or metals. By looking out for trends and momentum in the price, consumers can look out for significant dips in prices to enter into hedges to lock in some of their price exposures. When prices are trending, higher consumers can avoid further hedges and wait for the markets to turn. Technical indicators such as moving averages can help to identify such moves. This approach enables consumers to smooth out volatility in commodity prices and may help them achieve pricing below the market average over time.

# ARE COMMODITY PRICES HAVING A NEGATIVE IMPACT ON YOUR BOTTOM LINE?

Whether your business is involved in shipping, aviation, energy, distribution, manufacturing or the pharmaceutical sector, rising commodity prices can have a direct or indirect impact on the overall cost base of your business.

From our experience at Investec, we see our corporate clients hedging and protecting the majority of the risk within their business by attempting to forecast and protect specific budget levels set by their business model.

Commodity prices have a tendency to spike aggressively. If these costs impact your business and are left unhedged they have the potential to have a negative impact on your balance sheet.

Investec Bank can provide corporate clients with tailored hedging strategies to manage commodity exposures while allowing you to take advantage of favourable market moves.

### **INVESTEC'S COMMODITY BUSINESS**

With our South African origins, and as a result of our financing activities in both the mining and aviation sectors, Investec has built strong relationships with a wide variety of commodity producers and a very good understanding of commodity markets.

Investec is focused on innovation and tailoring solutions to meet client needs. We can offer a wide range of oil related products as well as other commodities

#### **OIL PRODUCTS TRADED INCLUDE:**

Heavy Fuel Oil

### **BASE METALS TRADED INCLUDE:**

Tin

Crude	Copper
Gasoline	Aluminium
Diesel	Zinc
Gasoil	Nickel
Jet Fuel	Lead

#### Alan Harrison

**Investec Corporate Institutional Treasury** 



# The world of Financial Repression

#### LOW INTEREST RATES THAT FAIL TO MATCH INFLATION AND RISK TAKING

Higher short term interest rates will remain elusive. For the first time ever a major Central Bank has introduced negative interest rates. Mario Draghi and his colleagues on the governing council of the European Central Bank (ECB) cut the deposit rate for the region's banks to minus 0.1% from zero. Therefore, banks which deposit with the ECB will receive less back than they pay in.

Negative interest rates are a levy on banks. Banks depositing with the ECB will now see their money shrink rather than grow. The fact that we live in times of extraordinarily low interest rates is dramatically revealed by interest rates levels in most European Government bond markets. For example, yields on Dutch 10 year Sovereign Bonds recently traded at all-time, multi-century lows. The data series started in 1517, almost 500 years ago, the year Martin Luther posted his 95 Theses!

Six years on from the Great Financial Crash, interest rates remain at exceptionally low levels. Aggregate debt levels are well in excess of those reached after World War II. Harvard Professor Carmen Reinhart has written that in the aftermath of that period, Governments engaged in outright 'Financial Repression'. One of the main goals of Financial Repression is to keep nominal interest rates lower than would otherwise prevail, and to keep interest rates at levels that fail to match inflation. We fear that interest rates will lag inflation for years to come.

For the US and the UK, in the years after World War II through to 1980, the estimated annual liquidation of debt via negative real interest rates amounted to an incredible 3% to 4% of GDP every year.

When Financial Repression produces interest rates that lag inflation, this liquidates the real value of existing debts. In effect, wealth transfers from creditors (savers) to debtors (borrowers).

High debt levels, unacceptable numbers of unemployed, disappointing economic growth and troublingly low inflation are conditions that suggest Europe will have low interest rates for years to come. For practical reasons, the ECB is unlikely to target much lower negative interest rates, yet economies need more monetary support. Other forms of supportive monetary policies are in operation.

The ECB is actively considering emulating other large central banks, expanding unconventional polices like quantitative easing. Central banks in the US, UK and Japan already have engaged in quantitative easing. In order to stimulate the economy, central banks purchase assets, pushing up prices and lowering longer-term interest rates. Indeed, the Federal Reserve made no secret of its desire to push up some asset prices. Brian Sack of the New York Fed wrote in December of 2009: "...the purchases bid up the price of the asset .... these effects would be expected to spill over into other assets that are similar in nature". The balance sheets of some consumers and financial institutions are boosted by these actions, while savers have to endure very low interest rates.

Higher short term interest rates will remain elusive.

#### THE DANGERS OF HUNTING FOR YIELD

It is estimated that less than 20% of the fixed income market now yields over 4%. Yield-hungry investors are being forced to assume more risk to bolster returns. This behaviour can lead to investors becoming fixated on securities with relatively high yields, without factoring in the risks attached to those yields.

Banks have recently seen strong demand for their issuances of Contingent Convertibles (CoCos). These instruments have been politely described as 'quirky', and have been popular with banks and regulators because they can convert into equity. From an investor's viewpoint, the attraction of interest payments in the range of 6%-8% is clear. But these securities are far more risky than ordinary bonds - the risk can mimic that of equity. In some versions, the entire capital value can be written off.

We also see the reappearance of PIK (Payment-in-kind) bonds, mainly issued by the promoters of leveraged buyouts. In exchange for higher interest payments, the buyer of these securities runs the risk of receiving more debt in lieu of cash payments - very inconvenient. The message from CoCos and PIKs strongly suggests that some investors may be taking more and more risk as they scramble for yield and perhaps underestimate the risks they are taking.

Interest rates will stay low globally for an extended period. Cash and bonds will likely deliver negative real returns. Within the bond market, the popularity of securities such as CoCos and PIKs most likely signals that some lower-quality assets have become relatively expensive. Equities and other real assets are still priced to give better returns than cash and bonds.

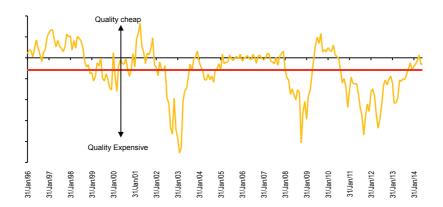
We don't believe that equity valuations are too excessive, as the chart below highlights:



Source: Morgan Stanley

Cash alone is not the correct solution for savers seeking to protect purchasing power. Selective risk assets are still the most attractively priced assets for the medium to longterm. Higher-quality equities have become much better relative value recently. The attached graph shows that the earnings yield foregone to own 'quality' is just 28bps versus an 18 year average of 59bps.

A 'quality' earning yield of 6.3% compares very favourably with deposit rates and bond yields.



Source: UBS, Quant and European Strategy team

Investec Wealth & Investment (IW&I) advise on over €50 billion of assets on behalf of private clients, charities, pensions, family offices and corporates. Our scale, financial strength, international reach, depth of investment resources and local presence are key differentiators for our clients.

Our goal is to protect and grow our clients' capital, in that order. We understand that in the vast majority of cases, our clients view their investments as 'irreplaceable capital'. We seek to avoid any permanent loss of this capital.

**SECTION SIX: INVESTEC REVIEW** 

If you are overexposed to cash, you should start making plans to take on a suitable level of investment risk. Thankfully, it is now a little easier and cheaper to construct a portfolio with better-quality equity assets.

As always, the correct course of action will be different for each investor according to their circumstances. If you would like to discuss what the correct 'next step' might be for you, please don't hesitate to contact us.

To discuss any of the issues raised in this article, please contact Paul directly on 01 4210000 or paul.callan@investec.ie.

Paul Callan
Investec Wealth & Investment



# Corporate funding — the state of the market

Investec is a financial institution with an entrepreneurial background and culture that facilitates the creation and management of wealth. It is under that theme that we built our platform in Ireland so that we can support leaders who have that entrepreneurial spirit with the capital to grow organically and by acquisition.

We have put a corporate lending team on the ground in Dublin and are keen to grow our corporate lending book in Ireland where we can be relevant. Investec has had a private client lending business in Dublin for over 15 years and we are pleased to now offer corporate funding to our clients.

We view the Irish corporate funding environment as distinctly different depending on what size your business is. For large Irish corporates it is extremely strong with capital available from both the debt capital markets and traditional banking sources. The bank finance available is diversified across both Irish and international banking syndicates with terms and spreads remaining extremely competitive. We can arrange this finance for clients and participate in these transactions.

As you move into the mid-market segment, where we are largely focused on deploying our own balance sheet, access to funding is certainly now available from traditional banking sources and the newer alternative sources of finance for the better credit opportunities. Indeed it is guite a competitive space on leverage levels, covenants and margins.

The debt capital markets are starting to become an option for growing mid-size Irish corporates and this is a space in which Investec Debt Capital Markets raises finance for our Irish clients in the capital markets.

This is an interesting option for corporates. Access to growth funding is a challenge for businesses that overleveraged in the past and are seeking a re-finance out of debt funds who have acquired their facilities or banks which are openly in wind down mode. Bank finance is available but it takes longer to secure and the absence of equity in some

#### **SECTION SIX: INVESTEC REVIEW**

cases remains a challenge. We would like to assist in these situations where we can and are flexible in how we look at these opportunities. The SME sector continues to find access to credit difficult. In some cases taking on external equity is an option but in other cases addressing their debt funding in a different way is required.

Our general funding advice to Irish CEOs and CFOs now is to ensure that they have the right capital structure. Too many companies continue to carry too much leverage and this is acting as a major drag on driving the equity value of businesses by prohibiting capex, working capital investment to drive organic growth or indeed acquisitions.

There are now lots of sources of capital available for strong management teams to fund growth. In that context, they should take the opportunity to internationalise their businesses and diversify earnings away from the risk of domestic demand pressures. Both investors and finance providers are drawn to corporates that have a significant international element to their business. Corporates should also continue to diversify their funding base and establish relationships with a number of finance providers well ahead of re-finance dates as banks are becoming more likely to share debt packages than hold large exposures on their own balance sheets.

Our advice 12 months ago would have been to lock down term finance as a matter of high importance as the banking market was much more uncertain at that point with the IBRC and other de-leveraging processes either ongoing or about to commence. There is far more clarity on these processes now.

Over the past 15 years in Ireland, and under Michael Cullen's leadership, Investec has built strong client networks, sustained and grown the business and built a strong local franchise for the group. Investec is keen to capitalise on its wider corporate relationships by opening its balance sheet to suitable opportunities. This should also have a positive effect on our corporate finance advisory services and our competitive offering in foreign exchange, interest rate, commodities and deposit taking markets.

We started our corporate lending business from scratch a few years ago in London and now have corporate loan assets of over £2 billion. In South Africa we are a systemic bank with an enviable private equity and loan portfolio. That expertise, experience and network is available to the Dublin corporate lending desk.

We are concentrating on building a loan book that balances risk and reward and supports strong management teams, entrepreneurs and private equity houses. Our offering provides finance through the capital structure: senior debt, asset based finance, uni-tranche facilities, high yield bonds and co-invest equity.

We are looking for strong corporates in the mid-market sector to provide capital to support their growth and expansion. We are sector agnostic but do target cashgenerative businesses with strong management teams and structure facilities around cash flows and asset acquisitions as necessary.

We've said the corporate banking market is extremely competitive again in the Irish mid-market corporate space but we differentiate by our flexibility of capital offering and making decisions as quickly as is feasible. We work closely with our corporate treasury and corporate finance teams to provide a full service offering to transactions encompassing capital, treasury exposure management and advice. While we are largely event driven in our specialities we are also keen to support our clients bespoke financial needs.

We also welcome the increase in non-bank finance and believe it provides the opportunity to structure capital in the appropriate layers to optimise the funding requirements of corporates. It also permits risk sharing between the finance providers to suit their respective credit appetites.

The presence of equity funds and the level of due diligence and experience they are bringing to transactions are of huge benefit to banks as information required to make credit assessments is available in better form and detail than in the past. We are very comfortable partnering with these funds.

On the transactions services side, the more diverse the sources of finance the better clients' needs can be met by corporate financiers. Treasury functions benefit from the presence of non-banking sources of finance which may not have the ability to provide treasury services and products. It is therefore important to develop relationships with banks even if a corporate's source of finance is from a non-banking source. Corporate funding in Ireland is competitive again; we will assist where we can. Contact me at 01 4210433.

David Gilligan

**Investec Specialised Finance** 

#### SECTION SEVEN: NORTHERN IRELAND EXPORTERS – OVERVIEW





# Increased emphasis on internationalisation

Internationalisation is one of the pillars of Invest Northern Ireland's response to the Northern Ireland Executive's focus on driving faster economic growth within the Programme for Government (PfG) 2011–15.

The Northern Ireland Economic Strategy for the period puts forward a series of measures and targets to improve the competitiveness of the local economy and a Vision for 2030 of 'an economy characterised by a sustainable and growing private sector, where a greater number of firms compete in global markets and there is growing employment and prosperity for all'.

The overall objective of the strategy is to rebalance the economy by growing the private sector through increasing innovation, improving skills and strengthening Northern Ireland's ability to compete more effectively in the global economy.

Challenging targets set within this focus include a 20% overall growth in manufacturing exports, including a 60% increase in sales to emerging markets, by 2014/15. Trade, an integral part of Invest NI's international division, is aligned to those areas that drive sales outside Northern Ireland and international company development which tends to be export driven.

Inevitably, the economic problems experienced in Europe over the past five years have had an impact on our business abroad. However, the latest trade statistics from HMRC for the year ended March 2014 indicate a return to growth in exports to established markets in Europe, especially the Republic of Ireland, as well as the US, Northern Ireland's two most important international markets.

We have sought to address the challenges in Europe by increasing our marketing activities in emerging markets, as well as maintaining our focus on key established

markets, with considerable success.

We've combined this approach with a continuing commitment to European markets especially the Baltics, Poland, Hungary and the Czech Republic. We now have in-market consultants in these markets. Our aim is to help our companies to position themselves for Europe's eventual economic recovery.

These support activities have ranged from workshops to increase awareness by providing market intelligence and information on business procedures, to trade missions and participation in major sectoral exhibitions such as the Bauma materials handling equipment shows in Shanghai and Johannesburg as well as Expomin in Santiago and ConExpo in Las Vegas, Hospitalaar, Sao Paulo for healthcare, Mobile World Congress for ICT in Barcelona, and Hotel and Hospitality for Food and Drink in Shanghai.

We've sought to support the growth of aerospace by taking part in air shows in Dubai and Singapore, the latter in a joint venture with our colleagues in the UK and Republic of Ireland.

Aerospace is one of our priorities because of its alignment to advanced technologies and manufacturing, areas of expertise in Northern Ireland. The Northern Ireland industry is now a major supplier to all the main civilian aircraft manufacturers for programmes such as the Boeing 787 Dreamliner, the Airbus for the 350 and 380 aeroplanes and, of course, the Bombardier range that depends on aero structures, including composite wings, designed and manufactured in Belfast. In addition, B/E Aerospace in Kilkeel designed and produces around 30% of the world's commercial aircraft seating.

Recovery in established markets, such as the Republic of Ireland, during 2013/14 led to exports increasing by 6.3% to a record £6bn after a 5% decline in 2012/13 on the year before.

The upturn saw significant progress in our biggest markets such as the Republic of Ireland (+9%), the US (+12.6%), France (+19.6%) and Germany (+29.9%). Total exports to EU markets increased overall by 10.4% and to the rest of the world by a smaller 0.1%.

The Republic of Ireland's importance to the Northern Ireland economy strengthened, increasing from 36.5% to 37.3% over the year ending March 2014.

The statistics show that traditional sectors continue to dominate our exports. These are machinery and transport equipment (+2.5% and overall 39.4% of exports), food and live animals (+17.1% and 19% of exports), chemicals and related products (+18.4% and 13.2% of exports), and manufactured goods (+7.8% and 9.0% of exports).

Exports rose in virtually all divisions, the largest contributors being meat and meat preparations (+21.9%) and dairy products (+13.8%). We recognise the importance of food exports and are working on initiatives within a new strategic approach to maximise the industry's export potential.

Export successes in food include Dale Farm, our biggest dairy business, which secured significant orders in China and Russia, Antrim Hills Spring Water, Ballyclare supplying artesian spring water to foodservice organisations in Shanghai, and Fane Valley, Armagh signing export deals in markets such as Saudi Arabia, Venezuela and Algeria. White's in Tandragee has succeeded in selling its porridge oats and oat snacks to China, Russia, Malaysia and Singapore.

Indeed our food and drink industry is currently experiencing unprecedented growth in the Middle East, especially in the United Arab Emirates involving smaller companies such as Kettyle Irish Foods, Lisnaskea, Mash Direct, Comber, Heavenly Tasty Organics, Omagh, Kestrel Foods, Portadown, and Free-ist, Belfast. Irwin's Bakery in Portadown has also secured substantial business with LuLu supermarket group in Abu Dhabi for speciality breads.

Other sectoral successes by companies using our trade support schemes include Wrightbus, now one of the UK's leading bus builders, developing in India, Singapore and Malaysia; CRL, Portadown securing business associated with FIFA World Cup stadia in Brazil; Anaconda Equipment International providing materials handling machinery to Chile, India and Russia; CDE Global, Omagh also in Brazil; Texthelp, Antrim, a developer of literacy software, winning new customers in Brazil, South Africa and the Middle East; and Londonderry's Flite Software also in China.

Our work is in line with the findings of a recent House of Commons report 'Exporting out of Recession', which states: "For companies, investing and selling overseas tends

to improve productivity, innovation and financial performance. Selling overseas helps businesses achieve economies of scale and levels of growth and revenue not otherwise possible; reduce their dependence on a single or small number of markets; and increase the commercial life span of their products or services, with raised returns on investment. These companies are more likely to have capital to invest in innovation and product development in the UK, and to maintain or create jobs."

Exports have a key role in driving productivity improvements in the economy alongside innovation. Structural transformation to a more dynamic private sector and an exportled economy will lead to greater competitiveness and growth.

Among the challenges that we continue to address is a lower proportion of our business base engaged in exports than is the case in some other UK regions. We also continue to have a high concentration of exports coming from relatively few companies especially in traditional sectors such as engineering, chemicals, and food and drink. Other sectors, including internationally traded services, ICT and life sciences, are showing encouraging growth.

Significant growth in exports in the short term will come inevitably from those mostly larger enterprises already doing business abroad. Our work, in the medium to longer terms, is to diversify and deepen the export base by increasing the overall number of companies embracing internationalisation.

## **Dr Vicky Kell**

Director of Trade, Invest Northern Ireland

## SECTION SEVEN: NORTHERN IRELAND EXPORTERS - OVERVIEW

# The Top 50 export companies in Northern Ireland

Company Name	£M Exports '000	Location	Telephone	NIRL Manager	Line of Business
1. GLEN ELECTRIC LTD	812.67	Newry	028 30264621	Martin Naughton	Domestic heating appliances
2. CATERPILLAR (NI) LTD	795.84	Larne	028 28261000	Robert Kennedy	Manufacturers of diesel engines
3. MOY PARK LTD	700.00	Craigavon	028 38352233	Kenneth James Baird	Chicken farms
4. DUNBIA	600.00	Dungannon	028 87724777	Jim Dobson	Meat processors
5. AVENTAS MANUFACTURING GROUP	576.01	Enniskillen	028 67748866	Paul O Brien	Holding company
6. SHORT BROTHERS PLC /BOMBARDIER	545.40	Belfast	028 90458444	Michael Ryan	Aircraft engines and engine parts
7. W&R BARNETT	499.72	Belfast	028 90325465	Robert Barnett	Agri business
8. ALMAC GROUP	325.33	Craigavon	028 383332200	Alan Armstrong	Pharmaceuticals
9. MICHELIN TYRE PLC	300.00	Ballymena	028 25663600	Wilton Crawford	Tyre manufacturers
10. B/E AEROSPACE	290.00	Kilkeel	028 41762471	Neil Cairns	Aircraft seating manufacturers
11. TEREX GB LTD	286.97	Dungannon	028 87740701	Kieran Hegarty	Materials handling equipment
12. AVX LTD	278.43	Coleraine	028 70342188	Martin McGuigan	Electronic components
13. JOHN THOMPSON & SONS LTD	260.22	Belfast	028 90351321	Declan Billington	Agri business
14. FOYLE FOOD GROUP	259.92	Londonderry	028 71860691	Terry Acheson	Meat processors
15. LINDEN FOODS	207.28	Dungannon	028 87724777	Gerry Maguire	Meat processors
16. SHS GROUP LTD	200.00	Newtownabbey	028 90868031	Richard Michael Howard	Food distributors
17. NACCO MATERIALS HANDLING	200.00	Craigavon	028 25663600	Alan Little	Forklift manufacturers
18. DALE FARM LTD	200.00	Belfast	028 90372237	David Dobbon	Dairy products

# SECTION SEVEN: NORTHERN IRELAND EXPORTERS - OVERVIEW

Company Name	£M Exports '000	Location	Telephone	NIRL Manager	Line of Business
19. NORBROOK LABORATORIES	180.65	Newry	028 30264435	Lord Ballyedmond	Pharmaceuticals
20. SCHRADER ELECTRONICS	172.63	Antrim	028 9446 1300	Stephen McClelland	Electronic components
21. WRIGHTBUS LTD	168.07	Ballymena	028 25641212	Mark Nodder	Truck and bus bodies
22. ROTARY GROUP	150.00	Newtownabbey	028 90831200	Phil Laidlaw	Building services engineers
23. NORTHSTONE NI	150.00	Belfast	028 90551200	Eamonn Sweeney	Builders materials
24. SEAGATE TECHNOLOGY	148.39	Derry	028 71274000	Brian Burns	Computer hardware
25. TMC DAIRIES	131.54	Artigarvan	028 71382275	Tommy Thompson	Dairy products
26. CLEARWAY HOLDINGS	121.70	Portadown	028 38337333	Paul Murphy	Metal recyclers
27. BRETT MARTIN LTD	116.11	Newtownabbey	028 90849999	Laurence Martin	Plastic building products mfrs
28. RETLAN MANUFACTURING	113.74	Antrim	028 79650765	John Donnelly	Truck trailers manufacturers
29. HUMAX ELECTRONICS CO. LTD	95.27	Newtownards	028 91824950	Jang Yong Kim	Electronic components
30. DEVENISH NI LTD	95.09	Belfast	028 90755566	Peter McLaughlin	Agri business
31. MONTUPET (U K) LTD	93.92	Belfast	028 90301049	Jim Burke	Aluminium die- castings
32. SDC TRAILERS	92.43	Toomebridge	028 79650765	Mark Cuskeran	Trailer manufacturers
33. RANDOX HOLDINGS LTD	90.92	Belfast	028 94422413	Dr Peter Fitzgerald	Medical supplies
34. COONEN BY DESIGN LTD	89.44	Fivemiletown	028 89521401	Eugene Greene	Textiles
35. HILTON MEATS INTERNATIONAL	78.15	Cookstown	028 86762106	Nigel Majewski	Beef processors for international retailers
36. ALLSTATE NI LTD	77.10	Belfast	028 90346500	Arthur McFerran	Outsourced it
37. DIAGEO GLOBAL Supply	69.87	Belfast	028 90682021	Sally Moore	Drinks manufacturers
38. FANE VALLEY FEEDS	69.86	Armagh	NA	Trevor Lockhart	Agri business

#### SECTION SEVEN: NORTHERN IRELAND EXPORTERS – OVERVIEW

Company Name	£M Exports '000	Location	Telephone	NIRL Manager	Line of Business
39. HOWDEN UK LTD	69.14	Belfast	028 90457251	David McMinn	Industrial and commercial fans and equipment
40. THALES AIR DEFENCE LTD	68.61	Belfast	028 90465200	David Beatty	Guided missile and space vehicle
41. WARNER CHILCOTT UK LTD	60.69	Larne	028 28267222	Claire Gilligan	Pharmaceuticals
42. SEVERFIELD NI LTD	59.60	Enniskillen	028 66388521	lan Lawson	Steel manufacturers
43. THE OLD BUSHMILLS DISTILLERY	59.58	Bushmills	028 20733218	NA	Drinks manufacturers
44. KINGSPAN ENVIRONMENTAL	56.77	Portadown	028 38364413	Gene Murtagh	Builders materials
45. RYOBI ALUMINIUM	54.91	Carrickfergus	028 93351043	Hiroshi Urakami	Aluminium casting
46. ANDOR TECHNOLOGY LTD	54.56	Belfast	028 90237126	Colin Walsh	Digital camera manufacturers
47. ULSTER CARPET MILLS (HOLDINGS) LTD	54.04	Craigavon	028 38334433	Nick Coburn	Carpet manufacturers
48. W D MEATS	52.58	Coleraine	028 70356111	Francis Dillon	Livestock processing
49. VAUGHAN ENGINEERING GROUP LTD	51.27	Newtownabbey	028 90837441	Gavin Vaughan	Electrical engineering
50. COONEN DEFENSE LTD	51.07	Fivemiletown	028 89521401	Eugene Greene	Textiles

Source: StubbsGazette

# Description of the Top 10 export companies in Northern Ireland



**1 Glen Electric Ltd** is the Northern Ireland division of the Glen Dimplex Group, one of the world's largest manufacturers of domestic heating appliances. Its products are distributed in North America, Europe, Asia and Australia. Brands include Glen, EWT, Eletromode, Pelgrium and Unidare. Operating from purpose built, state-of-the-art distribution facilities and offices, Glen Dimplex Northern Ireland opened in 2008 in Craigavon and is estimated to account for around half of Glen Dimplex's overall business.

# **CATERPILLAR®**

**Caterpillar (NI) Ltd** is based in Larne, and is Europe's largest manufacturer of diesel and gas generator sets and provider of power generating solutions. Formerly FG Wilson (Engineering), the company changed its name in 2013, creating a more visible link with its parent group. FG Wilson was acquired by Caterpillar in 1999 and is now an integral part of Caterpillar's Electric Power Division. In addition to major manufacturing operations, Caterpillar (NI) Limited is also home to a number of other business functions such as sales and marketing, legal services and shared services. Employing around 2,900 people, it created 200 administrative jobs at its Springvale site in 2013.

Moy Park Ltd is part of Brazilian company Marfrig and the poultry company is headquartered in Craigavon, but has activities throughout the UK and Ireland, with a subsidiary in France. In June this year Moy Park announced a £170 million expansion that will create 628 new jobs over four years across three sites in Dungannon, Craigavon and Ballymena. Having started out as a small farming company in 1943, Moy Park has grown into a top UK business with a £1.5 billion turnover and a total of around 12,000 employees across Europe. It was one of the sponsors at this year's Fifa World Cup in Brazil.



**Dunbia** is headquartered in Dungannon and is a supplier of top quality red meat products for the local, national and international retail, commercial and foodservice markets. It operates from across 10 sites in the UK and Ireland and from sales offices throughout Europe, supplying beef, lamb and pork products. Dunbia employs around 3,000 people across a range of hi-tech and multi-skilled disciplines – 1,170 are employed in Northern Ireland.



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active in areas, including container glass, radiator, plastics and real estate. Further to Quinn being declared bankrupt in the Republic of Ireland in 2012, the group was renamed to Aventas in November last year. In January 2014, Aventas announced plans to invest €16 million in the Quinn Cement plant in Co Cavan. The investment is part of an overall spend of between €30 million and €50 million, which the group plans to make in upgrading and maintaining the facility over the next five years.



Short Brothers PLC/Bombardier specialises in major aircraft structures, including Ofuselages, wings and flight control surfaces. Short Brothers is an aerospace company, usually referred to as Shorts, now based at Belfast, Northern Ireland. Founded in 1908 in London, it was the first company in the world to make production aircraft. In 1989, Shorts was bought by Bombardier forming the largest manufacturing concern in Northern Ireland, employing around 5,000 people. Highly committed to continued research and development, Bombardier opened the Northern Ireland Advanced Composites and Engineering centre (NIACE) in 2013.



ALMAC

**W&R Barnett** is Northern Ireland's biggest manufacturer of animal feeds with annual turnover £500m and is the holding company of a diversified group of international commodity trading and agribusiness companies. The group has grown from its origins in 1896 as a grain merchant and expanded its operations to include a wide variety of enterprises including dry bulk commodities, derivatives, molasses, oils, feed mills, laboratory testing and storage. A fourth generation family business, it is committed to growing and investing in successful operating businesses and their employees. Many of its businesses are jointly owned with Origin Enterprises PLC with which it has had a long partnership. Economist John Simpson has described it as "one of the most profitable and successful family-controlled businesses" in Northern Ireland.

Almac Group is a pharmaceutical business that announced in August 2014 igotimes it would create 348 high quality jobs over the next five years in a £54 million expansion. It operates in the pharmaceutical and biotechnology sectors providing services including drug discovery, diagnostics, research and development, manufacture of active pharmaceutical ingredients, formulation development and clinical trials. It employs more than 2,100 staff at its headquarters in Craigavon, with an additional 1,380 staff located in facilities throughout the rest of the UK, the US and Asia. Over 600 companies worldwide use its services.



Michelin Tyre PLC is engaged in the design, manufacture and marketing of tyres for cars, buses, trucks, agricultural equipment, and industrial and earthmoving equipment. It primarily exports its products to North America, as well as supplies to vehicle manufacturers and replacement markets in the UK and Ireland through its sales forces and distributors. The Ballymena factory produced its first tyre in 1969 and currently employs around 1,100 people on a site that covers 45 hectares. It's the only truck tyre manufacturer on the island of Ireland.



**10** B/E Aerospace a worldwide manufacturer of aircraft passenger cabin interior products for the commercial and business jet aircraft markets, and is also the leading global distributor of aerospace fasteners. Headquartered in Florida in the US, BE Aerospace has leading worldwide market shares in all of its major product lines and serves virtually all of the world's airlines, aircraft manufacturers and leasing companies through its direct global sales and customer support organisations. More than 800 people work at the B/E Aerospace factory in Kilkeel in Northern Ireland, which manufactures a large proportion of the world's first class and business class aircraft seats.





# Appendix 1: Investec

Investec is delighted to sponsor the Irish Exporters Association (IEA) publication 2014 *Top 250 Exporters*. We have sponsored this report for the past four years and we are delighted to be associated with the IEA once again. As members of the IEA we appreciate the valuable work it does on behalf of the export sector.

As an international financial services company, Investec has extensive experience in dealing in overseas markets. With 250 employees and a presence going back more than 20 years in Ireland, we understand the local challenges that our clients face. We combine our international and local experience to provide our clients with a proactive approach to the management of currency, interest rate management, corporate cash management and commodity exposures.

2014 has been a positive year for Investec in Ireland. We have completed the integration of the NCB business we acquired in 2012 and now offer our clients a broader range of services covering treasury, corporate finance, wealth and investment, debt finance, venture funding and institutional equity services. At a group level we have built a solid international platform with diversified revenue streams and geographic diversity. We have focussed on maintaining a strong balance sheet and sound capital and liquidity principles.

The Irish economy continues on the road to recovery, building on the progress made in 2013. The labour market, retail sales and Exchequer returns data all reflect the improving health of the domestic market. The economy has added jobs in each of the past six quarters. Consumer confidence is at a seven-year high, while retail sales have had a strong start in 2014. The public finances are running a combined €800 million ahead of target.

It is broadly acknowledged that international trade will remain a key part of our continuing economic recovery. Pleasingly, it would appear that the worst of the

impact of the 'patent cliff' on merchandise exports has passed. Industrial production and import data point to an upturn for the pharmaceutical sector. Prospects in our key export markets are more positive and favourable currency moves are providing a tailwind for exporters.

It is also evident that businesses in Ireland are bolstering sales through growth in overseas markets. The IEA's Export Ireland Survey 2013 indicated that 62% of Irish firms grew exports in 2013 with 80% of companies expecting exports to increase further in 2014.

It would also appear, looking at recent statistics, that whilst the majority of our trading activity is centred on the UK, Europe and the US, new markets are opening to Irish exporters further afield.

Indeed if we look at the food and drink sector alone, the top six companies in Ireland generate over 94% of their revenue from the established markets of the UK, Europe, US and Ireland whilst less than 6% of revenue is generated from sales in the rest of the world. This would certainly seem to suggest that there are opportunities beyond the traditional markets. The Asia Trade Forum and The Latin America Trade Forum, two initiatives recently launched by the IEA, have attracted attention from Irish companies and entrepreneurs who are looking to avail of opportunities in these markets.

New markets bring new challenges for companies, not least amongst them being currency management. Investec Treasury works with clients across a broad spectrum of sectors, including ICT, life sciences, and food and drink, which operate around the globe providing treasury management in foreign exchange, commodity hedging, cash services and interest rate management.

We are an Irish-based treasury team that covers the island of Ireland from our head office at Harcourt St in Dublin 2. We have dedicated and experienced Relationship and Trading Managers working regionally to provide services to clients throughout Ireland. We assist our clients in managing their treasury exposures as efficiently as possible. As a specialist treasury team that is able to leverage off the resources of an international financial institution we offer clients a proactive and competitive service in a secure manner.

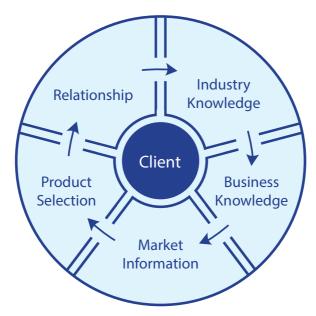
We place the client at the centre of all our relationships. Each of our clients has a unique

treasury need and we believe it is critical for us to understand the individual exposures and risks that our clients face in dealing with these. In that way, we believe we are best placed to assist our clients in managing their exposures as efficiently as possible.

We use both our domestic and international resources and experiences to their fullest in providing solutions for our clients. There are many different approaches and tools that can be used by clients and we try to make our clients aware of these and assist them in choosing the approach and tools that best suit their particular requirement.

With regard to currency, exchange rates have a significant impact on the competitiveness of Irish exporters. With margins remaining under pressure, management of currency exposures remains as critical now as it ever has been. We encourage our clients to establish a realistic budget rate for their currency exposures and to focus on at least matching that rate as a base case. We are focussed on the ultimate objective of helping our clients manage the risk that dealing in foreign currencies exposes them to.

By placing the client at the centre of the relationship and focusing on understanding the client's business and exposures we play a central role in helping them to meet their financial objectives. This allows us add real value for our clients. We are very keen to meet people and to tell them in more detail how we can help them and their business.



We have been members of the IEA for many years. Through our membership and our participation in the many events it hosts, we have a real appreciation of the challenges faced by the export sector.

Through our work with the IEA we can see the focus that is developing on exploring new markets and, aided by Investec's global footprint, we believe that we are well placed to help Irish businesses to take advantage of the opportunities in emerging economies.

We remain confident that the export sector will be a key driver in the continuing recovery of the economy. The IEA has an important role to play in supporting the sector and representing exporters.

In summary, there certainly has been progress within the economy over the past 18 months. While the domestic economy has been a particular driver of this, as noted above exports remain an integral part of the overall growth story.

There are, of course, still some challenges ahead for Ireland not least in terms of unemployment and the need for further deleveraging in some areas. Investec looks forward to the challenges and opportunities that the recovering global economy presents and aims to help firms in Ireland to successfully negotiate these. We look forward to working with the IEA and its members over the coming year.

## **Philip Ahearne**

Corporate Treasury Solutions, Investec Ireland

# Appendix 2: Companies Top 250 ROI sorted alphabetically

COMPANY NAME	€M EXPORTS	RANK
ABB LTD	75.00	184
ABBOTT LABORATORIES IRELAND	82.76	179
ABP FOOD GROUP	2,000.00	18
ADOBE SYSTEMS SOFTWARE IRELAND	1,594.97	24
ALCAN PACKAGING DUBLIN LTD	50.00	215
ALCON LABORATORIES IRELAND LTD	36.59	235
ALKERMES PHARMA IRL	239.35	100
ALL-TECHNOLOGY (IRELAND) LTD	79.72	181
ALLERGAN IRELAND	400.00	70
ALPS ELECTRIC (IRELAND) LTD	48.76	222
ALSTOM IRELAND LTD	35.40	237
ALTERA EUROPEAN TRADING CO LTD	506.16	60
AMAYA	50.00	214
AMDOCS SOFTWARE SYSTEMS LTD	754.40	44
AMT-SYBEX GROUP LTD	37.59	234
ANALOG DEVICES	300.00	83
APPLE COMPUTER LTD	4,000.00	10
ARDAGH GLASS SALES LTD	453.97	63
ARVATO DIGITAL SERVICES	70.00	190
ASTELLAS IRELAND	200.00	110
ATHLONE EXTRUSIONS	49.65	219
AURIVO	200.00	116
AVAYA INTERNATIONAL SALES LTD	820.49	41
AVENTAS GROUP	300.00	82
AVOCENT INTERNATIONAL LTD	57.77	204
BALLINA BEVERAGES (COCA-COLA)	150.00	135
BARCLAY CHEMICALS (HOLDINGS) LTD	49.06	220
BARD SHANNON LTD	834.21	39
BASF IRELAND LTD	140.00	143
BAUSCH & LOMB IRELAND	250.00	93

COMPANY NAME	€M EXPORTS	RANK
BAXTER HEALTHCARE	200.00	112
BECTON DICKINSON & COMPANY LTD	74.11	185
BENEX LTD	1,149.83	30
BENTLEY SOFTWARE INTERNATIONAL LTD	174.33	124
BIMEDA HOLDINGS	142.82	140
BIO-MEDICAL RESEARCH LTD	57.28	205
BIONICHE PHARMA HOLDINGS	160.00	132
BORD NA MONA	50.00	212
BOSE PRODUCTS BV	577.73	56
BOXMORE PLASTICS LTD	27.35	247
BRISTOL MYERS SQUIBB	150.00	134
BSC INTERNATIONAL HOLDING LTD	3,571.47	11
BULGARI	200.00	111
BUSINESS OBJECTS SOFTWARE LTD (SAP)	822.68	40
CADBURY IRELAND LTD	150.00	137
CADENCE DESIGN SYSTEMS (IRELAND) LTD	341.09	80
CAMERON IRELAND LTD	100.30	165
C&C GROUP PLC	250.00	94
C&F TOOLING LTD	138.56	144
CARBERY MILK PRODUCTS LTD	125.00	146
CARTON GROUP	50.00	213
CELESTICA IRELAND LTD	59.84	201
CG POWER SYSTEMS IRELAND LTD	77.73	183
CHIQUITAFYFFES	600.00	54
CLONDALKIN PHARMA & HEALTHCARE	35.20	238
CLONMEL HEALTHCARE LTD	46.76	225
COILLTE TEO	262.16	89
COMBILIFT LTD	120.00	151
COMMSCOPE EMEA	140.74	141
CONNAUGHT ELECTRONICS LIMITED	118.76	152
COOK IRELAND LTD	430.72	67
COVIDIEN IRELAND	42.50	230
CREATIVE LABS (IRELAND) LTD	46.07	227

COMPANY NAME	€M EXPORTS	RANK
CREGANNA TACTX MEDICAL	120.00	149
DAIRYGOLD	500.00	61
DANONE BABY NUTRITION	150.00	138
DAWN MEATS EXPORTS	1,000.00	34
DELL PRODUCTS	8,658.00	4
DIAGEO	900.00	37
DIALOGIC DISTRIBUTION LTD	35.57	236
DONEGAL MEAT PROCESSORS	111.83	157
DOOSAN HOLDINGS EUROPE LIMITED	891.23	38
DORNAN ENGINEERING LIMITED	104.57	162
EBAY EUROPE SERVICES LTD	46.35	226
EI ELECTRONICS	100.00	169
ELECTRICAL & PUMP SERVICES LTD	60.01	198
ELEMENT SIX LTD	216.22	103
ELILILLY	350.00	79
EMC IRELAND	700.00	48
EQUANT NETWORK SERVICES INTERNATIONAL	249.40	97
EXTREME NETWORKS IRE LTD	104.36	163
FACEBOOK IRELAND LIMITED	1,789.35	20
FAIR OAK FOODS (INTERNATIONAL) LTD	120.00	148
FERRERO IRELAND LTD	54.79	206
FLEXTRONICS INTERNATIONAL CORK	60.00	200
FMC INTERNATIONAL	100.00	167
FOREST LABORATORIES HOLDINGS LTD	1,549.40	26
FOURNIER LABORATORIES IRELAND LTD	561.72	57
FREEFOAM PLASTICS LTD	30.00	245
FUJITSU IRELAND	48.91	221
FURLONG INVESTMENTS LTD	100.18	166
GARTNER IRELAND LIMITED	382.75	76
GE ENERGY (IRELAND) LTD	28.72	246
GE HEALTHCARE	140.00	142
GE SECURITY IRELAND	70.00	188
GE SENSING EMEA	53.55	207

COMPANY NAME	€M EXPORTS	RANK
GENZYME IRELAND LTD	1,281.80	28
GILEAD SCIENCES	2,243.25	14
GLANBIA PLC	2,000.00	17
GLAXOSMITHKLINE	600.00	52
GLEN DIMPLEX	2,000.00	16
GLOBOFORCE LTD	114.53	155
GOOGLE IRELAND LTD	17,001.00	1
GREEN ISLE FOODS LTD	180.00	120
GREENCORE GROUP PLC	500.00	62
H J HEINZ MANUFACTURING IRL	108.48	158
HELSINN BIREX PHARMACEUTICALS LTD	174.48	123
HEWLETT PACKARD	211.80	105
HONEYWELL MEASUREX (IRL) LTD	163.33	130
I B M IRELAND LTD	2,500.00	13
IAC SEARCH & MEDIA EUROPE LTD	242.11	99
ICON PLC	1,106.70	31
INDEPENDENT NEWS & MEDIA	50.00	211
INGERSOLL RAND IRELAND	1,000.00	35
INTEC BILLING LTD	26.13	248
INTEL IRELAND LTD	5,500.00	7
IRISH DISTILLERS LTD	400.00	71
JAZZ PHARMACEUTICALS PLC	440.69	65
JOHNSON & JOHNSON	10,500.00	3
KAYMED	40.00	232
KCI MEDICAL RESOURCES	276.44	87
KELLOGG EUROPEAN TRADING	1,360.24	27
KENMARE RESOURCES PLC	177.30	121
KEPAK GROUP	800.00	43
KERRY GROUP PLC	5,200.00	8
KINGSPAN GROUP PLC	1,100.00	32
KINGSTON TECHNOLOGY INTERNATIONAL LTD	1,570.30	25
KN NETWORK SERVICES	88.59	175
KOSTAL IRELAND GMBH	260.00	90

COMPANY NAME	€M EXPORTS	RANK
L M ERICSSON LTD	207.67	107
LAKE REGION MEDICAL	70.28	187
LAKELAND DAIRIES CO-OPERATIVE SOCIETY LTD	400.00	73
LARGO FOODS	90.00	173
LEANORT LTD	105.58	161
LEO PHARMACEUTICAL PRODUCTS LTD	100.00	168
LIBERTY MEDICAL SERVICES LIMITED	214.40	104
LIEBHERR CONTAINER CRANES LTD	209.90	106
LIFFEY MEATS	200.00	115
LIMERICK ALUMINA REFINING LIMITED	431.27	66
LISHEEN MILLING LTD	206.53	108
LOTUS AUTOMATION (IRL)	34.50	242
LUFTHANSA TECHNIK AIRMOTIVE IRELAND LTD	243.67	98
M&J GLEESON (INVESTMENTS) LTD	70.00	189
MAGNA DONNELLY	80.00	180
MASONITE	50.00	218
MAXIM INTEGRATED PRODUCTS INTERNATIONAL LIMITED	1,608.93	23
MCAFEE IRELAND LTD	390.26	75
MCDERMOTT LABORATORIES LTD	114.22	156
MCKESSON IRELAND LTD	400.00	72
MEDTRONIC VASCULAR	1,178.83	29
MENTOR GRAPHICS IRELAND	353.79	78
MERCURY ENGINEERING	530.00	59
MERIT MEDICAL IRELAND LTD	38.87	233
MICROCHIP TECHNOLOGY IRELAND	696.54	49
MICROMUSE SOFTWARE IRELAND LTD	90.00	174
MICROS FIDELIO (IRELAND) LTD	126.41	145
MICROSOFT IRELAND LTD	15,001.00	2
MIRROR CONTROLS INTERNATIONAL	82.80	178
MISYS IRELAND LTD	47.95	224
MODUS MEDIA INTERNATIONAL DUBLIN	50.00	217
MOLEX IRELAND LTD	63.05	196

COMPANY NAME	€M EXPORTS	RANK
MONAGHAN MUSHROOMS	300.00	84
MSD	1,088.77	33
NATIONAL INSTRUMENTS IRELAND	70.95	186
NETGEAR INTERNATIONAL LTD	746.21	45
NOVARTIS RINGASKIDDY LTD	162.62	131
NOVELL IRELAND SOFTWARE LTD	198.63	117
OLYMPUS IRELAND	40.00	231
OPENET TELECOM LIMITED	97.96	170
ORACLE EMEA LTD	7,246.32	6
P.C.H INTERNATIONAL LTD	600.00	55
PALM GLOBAL OPERATIONS LTD	79.68	182
PARAMETRIC TECHNOLOGY	107.44	159
PAYPAL EUROPE SERVICES	102.27	164
PAYZONE IRELAND LTD	222.19	102
PENN ENGINEERING FASTENING	34.89	241
PEPSI-COLA MANUFACTURING (IRELAND)	800.00	42
PERRIGO (FORMERLY ELAN PHARMACEUTICALS)	970.00	36
PFIZER	5,000.00	9
PHARDIAG LIMITED	413.81	69
PHILIPS ELECTRONICS IRL	25.57	249
PINEWOOD LABORATORIES LTD	67.19	191
PRAMERICA SYSTEMS IRELAND LTD	46.00	228
PREMIER PERICLASE LTD	35.11	239
PROCTER & GAMBLE (MANUFACTURING) IRELAND LTD	92.18	172
PROJECT MANAGEMENT HOLDINGS	276.00	88
QLGC LTD	204.34	109
QUINTILES LTD	34.96	240
RECORDATI IRELAND LTD	165.19	128
RED HAT LIMITED	236.85	101
RENISHAW (IRELAND) LIMITED	95.00	171
RICHARD KEENAN HOLDINGS LTD	48.42	223
ROCHE PRODUCTS IRELAND LTD	85.72	176
ROSDERRA IRISH MEATS	250.00	95

COMPANY NAME	€M EXPORTS	RANK
ROTTAPHARM LTD	64.22	195
SANDISK INTERNATIONAL LTD	2,571.47	12
SANDLEFORD LTD	294.25	85
SANOFI AVENTIS	58.30	202
SCHNEIDER ELECTRIC IT LOGISTICS	694.56	50
SCIENTIFIC GAMES WORLDWIDE LTD	58.29	203
SENNHEISER CONSUMER ELECTRONICS	50.00	216
SENSORMATIC EUROPEAN DISTRIBUTION	189.06	119
SERCOM SOLUTIONS LIMITED	65.00	194
SERVIER (IRELAND) INDUSTRIES LTD	553.58	58
SHIRE PHARMACEUTICALS IRELAND	746.21	46
SIEMENS HEALTHCARE	117.56	153
SKILLSOFT PLC	283.02	86
SLANEY FOODS INTERNATIONAL	250.00	96
SMARTPLY EUROPE LTD	200.00	114
SMURFIT KAPPA GROUP	7,335.00	5
STIEFEL LABORATORIES (IRELAND) LTD	120.00	150
STORIT LIMITED	164.39	129
STRATUS TECHNOLOGIES IRELAND LIMITED	106.79	160
STRYKER IRELAND LTD	442.70	64
SULZER PUMP SOLUTIONS IRELAND LIMITED	67.16	192
SYMANTEC LTD	1,612.91	22
SYNCREON HOLDINGS	722.53	47
SYNOPSYS IRELAND LTD	651.44	51
TAKEDA IRELAND LTD	114.98	154
TARA MINES HOLDINGS LTD	194.58	118
TECH GROUP EUROPE LTD	52.82	208
TELEFLEX MEDICAL EUROPE LIMITED	326.16	81
TERADATA IRELAND LIMITED	165.42	127
TEVA PHARMACEUTICALS	400.00	74
THE HAMMOND LANE METAL COMPANY, LTD	66.20	193
THE IRISH DAIRY BOARD CO-OPERATIVE LTD	2,100.00	15
THERMO KING IRELAND LTD	200.00	113

COMPANY NAME	€M EXPORTS	RANK
TIPPERARY CO-OPERATIVE CREAMERY LTD	60.00	199
TORNIER ORTHOPEDICS IRELAND	24.87	250
TOTAL PRODUCE PLC	600.00	53
TOWN OF MONAGHAN CO-OP	50.00	210
TRANSITIONS OPTICAL LTD	150.00	136
TREND MICRO (EMEA) LTD	166.93	126
TRI SUPPLY LTD	259.16	91
TRINITY BIOTECH PLC	60.41	197
UCB MANUFACTURING IRELAND LIMITED	107.80	125
VALEO FOODS	30.00	244
VCE TECHNOLOGY SOLUTIONS LTD	122.25	147
VETPHARM INTERNATIONAL	150.59	133
VMWARE INTERNATIONAL LTD	1,747.26	21
VOLEX EUROPE LTD	50.04	209
VWR INTERNATIONAL LTD	30.82	243
WARNER CHILCOTT PLC	1,967.73	19
WELLMAN INTERNATIONAL LTD	145.95	139
XEROX IRELAND	250.00	92
XILINX IRELAND	417.00	68
YAHOO EMEA	43.72	229
ZEUS PACKAGING GROUP LIMITED	85.41	177
ZIMMER ORTHOPEDICS MANUFACTURING LIMITED	175.09	122
ZYNGA GAME IRELAND LIMITED	376.51	77

# Join the Irish Exporters Association today With membership starting from only €390 + VAT

The Irish Exporters Association is the premier organisation supporting those trading internationally.

For over 60 years, the IEA has been assisting companies in managing their global export affairs effectively and efficiently.



The Irish Exporters Association can help your company in three key ways:

## 1. Connectivity

Introducing your company to relevant key contacts in overseas markets, providing connections to other Irish Exporters and linking your company to dedicated service providers who support Ireland's exporting community.

## 2. Knowledge

On matters relating to export compliance, while improving your company's export excellence through a range of seminars and briefings. Dedicated customs training for your staff at reduced member rates.

## 3. Voice

Lobbying effectively for your business and promoting Ireland as a competitive trade location. Liaising with Government, policy makers, key stakeholders, on your behalf to solve queries and issues which affect export activity.

Take advantage of the range of market and industry subgroups within the IEA

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Food & Drink
ICT, Services & Manufacturing
Logistics & Supply Chain

Arrange a meeting with the Membership Development Manager to understand how your company can grow sales in international markets and reduce costs associated with export trade.

Join today by completing the online registration form at www.irishexporters.ie

Contact the IEA on (01) 6629069 or email iea@irishexporters.ie