

NEW IRELAND FUND INC  
Form N-CSRS  
June 28, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number: **811-05984**

**The New Ireland Fund, Inc.**

(Exact name of registrant as specified in charter)

**One Boston Place**

**201 Washington St. 36<sup>th</sup> Floor**

**Boston, MA 02108**

(Address of principal executive offices) (Zip code)

**KBI Global Investors (North America) Ltd.**

**One Boston Place**

**201 Washington St. 36<sup>th</sup> Floor**

**Boston, MA 02108**

(Name and address of agent for service)

**1-800-468-6475**

Registrant's telephone number, including area code

Date of fiscal year end: **October 31**

Date of reporting period: **April 30, 2018**

**Item 1. Reports to Stockholders.**

*Semi-Annual Report*

*April 30, 2018*

**Managed Distribution Policy:** The Board of Directors (the “Board”) of The New Ireland Fund, Inc. (the “Fund”) has authorized a managed distribution policy to pay quarterly distributions at an annual rate, set once a year, that is a percentage of the Fund’s net asset value (“NAV”) at December 12. With each distribution, the Fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other information required by the Fund’s managed distribution policy exemptive order. The Board may amend or terminate the managed distribution policy at any time without prior notice to shareholders. You should not draw any conclusions about the Fund’s investment performance from the amount of distributions or from the terms of the Fund’s managed distribution policy.

**Distribution Disclosure Classification:** The Fund’s policy is to provide investors with a stable distribution rate. Each quarterly distribution will be paid out of current income, supplemented by realized capital gains and, to the extent necessary, paid-in capital.

The Fund is subject to U.S. corporate, tax and securities laws. Under U.S. tax rules, the amount applicable to the Fund and the character of distributable income for each fiscal period depends on the actual exchange rates during the entire year between the U.S. Dollar and the currencies in which the Fund’s assets are denominated, and on the aggregate gains and losses realized by the Fund during the entire year.

Therefore, the exact amount of distributable income for each fiscal year can only be determined as of the end of the Fund’s fiscal year, October 31. Under Section 19 of the Investment Company Act of 1940, as amended (the “1940 Act”), the Fund is required to indicate the sources of certain distributions to shareholders. The estimated distribution composition may vary from quarter to quarter because it may be materially impacted by future income, expenses and realized gains and losses on securities and fluctuations in the value of the currencies in which the Fund’s assets are denominated.

The distributions for the six months ended April 30, 2018 consisted of 100% net realized long-term capital gains.

In February 2018, a Form 1099-DIV was sent to shareholders, which stated the amount and composition of distributions and provided information with respect to their appropriate tax treatment for the 2017 calendar year.

*Letter to Shareholders*

Dear Stockholder,

We are pleased to provide the Semi-Annual Report for The New Ireland Fund, Inc. (the “Fund”) for the six months ended April 30, 2018.

For the 6 months ended April 30, 2018, the Fund’s net asset value (“NAV”) decreased 5.2%, underperforming the Fund’s benchmark, the MSCI All Ireland Capped Index (“MSCI”), which increased 2.2%. The Fund’s market price decreased 7.5% over the same period.

Equity markets had a volatile start to 2018 with most markets showing negative returns for the three months ended April 30, 2018 as detailed further in our Management Discussion and Analysis. When compared to the S&P 500 Index, the MSCI outperformed by 2.4% over the 3-month period and underperformed by 1.6% over the 6 months ended April 30, 2018. The US dollar weakened during the 6-month period versus the Euro, decreasing 3.7%.

The Irish economy continues to perform well with GDP growing by 7.8% in 2017. For 2018, the Central Bank of Ireland estimates GDP growth of 4.8% as capital spending continues to be strong but consumer spending comes under modest pressure from the uncertainty surrounding Brexit. The unemployment rate continues to decline and at 5.9% is now below the European average of 8.5%.

The political situation in the UK as it relates to Brexit remains extremely uncertain, and changes, literally, by the day. We believe Ireland will be a net loser from Brexit due to its likely impact on the agricultural sector and some parts of the traded goods sector, but some significant parts of the economy such as real estate and professional services will gain from the influx of firms relocating from the UK to Ireland, in order to remain within the European Union.

Our detailed comments regarding the Irish economy, market and Fund performance follows in our Management Discussion and Analysis. Please do not hesitate to let us know if you have questions or concerns. We would encourage you to visit our website at [www.newirelandfund.com](http://www.newirelandfund.com) for daily price information, fund documents as well as investment updates. We thank you for investing with us and we look forward to our continued relationship.

Sincerely,

Margaret Duffy  
Chair of the Board  
June 22, 2018

Sean Hawkshaw  
Director &  
President  
June 22, 2018

## **Important Information Concerning Management Discussion and Performance and Analysis**

*Except as otherwise specifically stated, all information and investment team commentary, including portfolio security positions, is as of April 30, 2018. The views expressed in the Management Discussion and Analysis section (the “MD&A”) are those of the Fund’s portfolio manager and are subject to change without notice. They do not necessarily represent the views of KBI Global Investors (North America) Ltd. The MD&A contain some forward-looking statements providing current expectations or forecasts of future events; they do not necessarily relate to historical or current facts. There can be no guarantee that any forward-looking statement will be realized. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise. Any discussions of specific securities should not be considered a recommendation to buy or sell those securities. The Fund may buy, sell, or hold any security discussed herein, on the basis of factors described herein or the basis of other factors or other considerations. Fund holdings will change.*

*Performance quoted represents past performance and does not guarantee or predict future results.*

### **Management Discussion and Analysis (as of April 30, 2018)**

Over the most recent fiscal quarter, the Fund’s net asset value (“NAV”) per share decreased by 3.6% in U.S. Dollar terms<sup>1</sup> to \$14.08, as compared to the MSCI Ireland All Capped Index (“MSCI”) which decreased by 3.4% over the period. For the 6 months ended April 30, 2018, the Fund’s NAV returned -5.2%, underperforming the comparable MSCI return of 2.2%.

### **Irish Economic Review**

The Irish economy continues to grow strongly, with GDP growing by 7.8% in 2017, while GNP, which is arguably a more accurate measure, as it essentially strips out the impact of profit repatriations by multinational corporations, rose by 6.6%. The performance of both measures has been consistently strong, though extremely volatile, for some time.

However, as outlined in previous reports, GDP and GNP statistics for Ireland have become somewhat misleading. Although the statistics are correct, we believe that GDP and GNP are no longer as useful as they once were in measuring the real change of activity in an economy, such as Ireland’s, which is very open to international capital flows of many kinds. In response, Ireland’s Central Statistics Office has started to produce a new indicator, Gross National Income (“GNI”), which is designed to reflect a measure of growth which is more meaningful, stripping out the impact of various factors such as redomiciled

<sup>1</sup>All returns are in US dollars unless stated otherwise.

2



companies and depreciation of intellectual property. This indicator will, over time, help economists and policymakers to make a more accurate assessment of the pace of economic growth. In the short-term, however, it is of limited value as it is not available on a quarterly basis, or in real (inflation-adjusted) terms.

Fortunately, there are a range of other indicators which can be used to evaluate the strength of the Irish economy.

Retail sales in Ireland have been extremely volatile – and seemingly quite weak – over the last few months, in fact falling into negative territory, in year-on-year terms, in March. It's difficult to determine the cause of this weakness. The most severe snowstorm in a generation hit Ireland in February, which effectively closed down most of the economy for about two weekdays. A further, less severe, snowstorm again affected activity in mid-March.

We will probably not have a good sense of the cause of this slowdown until we have data for at least another two months – which will indicate whether this slowdown was a temporary, weather-caused phenomenon, or a sign of a more sustained deceleration of activity. Consumer confidence generally has been quite strong, helped by a very strong labor market and continued strength in residential real estate prices.

The pattern of business confidence is somewhat different to that seen in consumer confidence. Business confidence fell quite sharply in the immediate run-up to, and the aftermath of, the UK electorate's vote to leave the European Union ("EU"). But, after a drop in July immediately after the UK referendum result, it has recovered quite well and has now exceeded the level achieved in 2015, for example. This is likely to have happened as a result of improved economic growth and sentiment outside Ireland.

There continues to be a steady trend downwards in unemployment, as measured by the "live register". The number of unemployed on this measure has fallen from a peak of 449,000 in August of 2011 to 229,600 in March of this year. The unemployment rate has also declined and stands at 5.9%, down from a peak of 16.0%. Ireland's unemployment rate is now substantially below the Eurozone average which stands at 8.5%. The detail of the employment statistics continues to be encouraging, with most new jobs being full-time/permanent rather than temporary, and with job growth being well diversified across a range of sectors.

Credit to households and non-financial corporations continued to contract, as repayments exceeded new lending. The annual rate of change in consumer credit, excluding mortgages, was a modest 4.6% in March. Lending to the non-financial corporate sector declined by 0.3% over the last year to March. Mortgage lending, helped by the very strong housing market, was essentially flat after a decade of consecutive declines.



The government deficit as measured by the “General Government Balance”, a standardized EU measure, is estimated to have been 0.3% of GDP in 2017, a 0.4% of GDP improvement relative to 2016. In the 2018 Budget, announced in October, the government again forecast a very small deficit in 2018, of just 0.1% of GDP, and forecast a return to balance by 2020. The debt/GDP ratio is estimated to have peaked in 2013, at about 120%, and we estimate that it fell to about 68% at the end of 2017 - though this actually overstates the real level of indebtedness as it excludes very large cash balances. On the other hand, distortions to GDP statistics, to the upside, may be exaggerating the scale of the improvement. On balance, we believe these issues make it difficult to be definitive about the size of the improvement but there can be no doubt that the fiscal situation has improved drastically over the last number of years.

## “Brexit”

The decision of the UK electorate to vote to leave the European Union may have significant ramifications for the Irish economy. The UK is likely to exit the customs union and the Single Market, as well as the European Union itself. This is the least welcome option for Ireland, as it means that there may have to be customs controls and checks on the land border between the Republic of Ireland and Northern Ireland, which could be quite disruptive to trade between the two parts of the island. In early December, The Irish, EU and UK authorities agreed to a text which, if formally ratified, would appear to mean that the UK is committed to take steps to avoid the necessity to have border checks. However, a delay on the UK side, caused, it seems, by domestic political difficulties arising from the December deal, has led some commentators to believe that the deal may not in fact be implemented.

Some small parts of the Irish economy may gain (financial services in particular) from Brexit, but we expect the overall impact to be negative. The scale of the anticipated negative impact is such that it is likely to be noticeable, but not dramatic. We estimate that growth may be in the region of 0.5% lower per year, which is relatively modest in the context of an economy that is growing at a rate of more than 5% per annum.

For 2018, the Central Bank of Ireland is forecasting GDP growth of 4.8%, as capital spending continues to be strong, but consumer spending comes under modest pressure from the uncertainty surrounding Brexit. We believe that these forecasts are somewhat overcautious and expect stronger growth, in the region of 5.5%, although we recognize that risks remain elevated given the Brexit situation. Looking ahead to 2019, we expect GDP growth of about 4.5% on the assumption that the Brexit process is reasonably well-managed by the UK authorities, an assumption that is of course increasingly open to question.

**Equity Market Review**

Equity markets had a volatile start to 2018, with most markets showing a negative return for the three months ended April 30, 2018 in US Dollar terms. The performance of the MSCI All Ireland Capped Index compared to peer global indices is summarized below. The US dollar weakened against the Euro by 3.7% over the 6 months.

Market Index	3 Months ended April 30, 2018		6 Months ended April 30, 2018		12 Months ended April 30, 2018	
	(% return)		(%return)		(% return)	
	Local	USD \$	Local	USD \$	Local	USD \$
IRELAND SE OVERALL (ISEQ)	-1.1	-4.1	-1.2	2.5	0.9	11.9
MSCI ALL IRELAND CAPPED \$	-0.4	-3.4	-1.4	2.2	2.5	13.7
S&P 500 COMPOSITE	-5.8	-5.8	3.8	3.8	13.3	13.3
NASDAQ COMPOSITE	-4.4	-4.4	5.6	5.6	18.1	18.1
FTSE 100	1.1	-2.1	2.3	6.1	8.5	15.5
TOPIX	-2.3	-2.6	1.8	5.7	18.5	20.7
EURO STOXX 50	-1.0	-4.0	-2.5	1.2	2.9	14.2
DAX 30	-4.4	-7.3	-4.7	-1.1	1.4	12.5
FRANCE CAC 40	1.3	-1.8	1.2	4.9	8.2	20.1
AEX INDEX (AEX)	0.5	-2.6	2.1	5.9	10.6	22.7
FTSE 250	1.0	-2.2	1.5	5.3	6.2	13.1

*Note-Indices are total gross return*

*\*Source: Datastream*

As noted earlier, the Fund produced a negative return for the 6 months ended April 30, 2018.

**Major Fund stock capital moves over the 6 months to April 30, 2018  
(in US dollar terms)**

<b>Strongest % move</b>		<b>Weakest % move</b>	
Smurfit Kappa Group plc	+46%	Malin Corporation plc	-17%
Dalata Hotel Group plc	+28%	Origin Enterprises plc	-17%
Hostelworld Group plc	+27%	Greencore Group plc	-14%
Bank of Ireland Group plc	+15%	Glanbia plc	-12%
Applegreen plc	+13%	Cie de St.-Gobain	-10%

Highlights regarding some of the significant contributors to the Fund's performance over the 6-month period are detailed below:

**Malin Corporation plc:** Malin is a life sciences company that holds a portfolio of mostly private life sciences opportunities. As a company, Malin is in the relatively early stages of development and its shares are somewhat illiquid. As a result, the share price can be somewhat volatile from quarter to quarter. There was no material news over the period.

**Origin Enterprises plc:** The share price of Origin was negatively impacted over the period primarily due to concerns of potential adverse impacts to its business from the very bad winter weather in Ireland, the UK and across Europe. These weather events were not positive for winter crops and sowing, which are important to the company.

**Greencore Group plc:** Greencore issued a profit warning during the period that warned of problems at its US division which would have a negative impact on profits. The company cited weak performance of “underutilized” US sites, the timing of new business contributions and the sterling/US dollar exchange rate as contributors. Confidence in management was somewhat under question, however the company has since reassured the market on the fundamental outlook for its business and the stock price has rallied somewhat.

**Glanbia plc:** The share price of Glanbia came under pressure as some analysts announced that they were reducing their profit estimates for the company. The stock had been trading at relatively high multiples, and needed positive earnings momentum to support it. The weakness in the US dollar versus the Euro also had a negative impact.

**Cie de St-Gobain:** St-Gobain’s share price was impacted by a “soft” first quarter earnings release. In addition, the building materials company was affected by the severe bad weather across Europe which had a negative impact on activity levels. Sales volumes in turn, were down for the quarter.

**Smurfit Kappa Group plc:** This stock has been performing strongly on the back of its cyclical exposure to the recovering European economy. However, the stock’s recent stellar performance has been driven by a takeover bid for the company by International Paper (“IP”). To date the board of Smurfit has not engaged with IP, stating that the value of the bid is insufficient and undervaluing the company. Over recent times, some of the company’s large shareholders are vocally encouraging the Smurfit board to engage with IP.

**Dalata Hotel Group plc:** Dalata is the largest hotel operator in Ireland and the stock price has responded very favorably to the continued strength in tourism and business trends in the economy. This has manifested in very strong earnings growth. The company continues to add further hotel locations to its portfolio in Ireland and in the UK.

**Hostelworld Group plc:** The stock continues to perform well on the back of continued strong earnings growth and a confident outlook for the business by management. The stock pays a very attractive dividend to shareholders



which has also helped. Hostelworld is not just Ireland's, but the world's leading hostel-focused booking platform and as such will continue to do well in line with a strongly recovering global economy.

**Bank of Ireland Group plc:** The stock has performed strongly over the period primarily as a result of its exposure to the strength of the Irish economy and in particular the strength of the domestic mortgage market. The arrival of a new CEO has also helped propel the stock as investors expect a new growth strategy for the bank to come over coming years under her leadership. The stock was also helped by the expected reinstatement of dividend payments.

**Applegreen plc:** Applegreen continues to grow organically and by the expansion of its existing portfolio of gas stations and associated retail service offerings. The management have delivered excellent earnings and maintained positive forward guidance which has had a positive impact on the stock price. Applegreen is seen as a pure play on the Irish consumer which also helps.

## **Global Market Outlook**

Global equity investors entered 2018 seemingly happier than at any stage since the bull market began during the first quarter of 2009. As investors, we are generally happier when the consensus is worried. Now, after a volatile and tricky first quarter, investors are generally more concerned again with many geopolitical concerns dominating the headlines and markets exhibiting more volatility than they have for many years.

From a fundamental perspective, we believe the global economy is experiencing strong synchronised growth led by the US and with Europe hot on its heels. Despite a tricky first quarter for equities and bonds, we remain constructive for coming quarters. Global equity valuations, after the recent setbacks, are closer to fair value and supported by strong and broadening bottom-up earnings growth. We believe this will be the driver of equity returns, with central banks now firmly in the back seat. Global earnings (boosted by large US tax cuts) are growing at a healthy pace.

While generally positive in our outlook we do expect that the next coming quarters for equity markets will be more volatile. There are many reasons to expect such volatility to remain, including the following:

Geopolitics, including trade wars, Brexit, North Korea, etc.;

We are at a later stage in the economic cycle so markets are much more sensitive to higher inflation data and stronger economic data;



The fact that the abundant liquidity of recent years will diminish as central banks tighten policy and remove quantitative easing; and

It is also reasonable to anticipate a phase where perhaps economic growth slows for a quarter or two.

In summary, a positive outlook but we expect more moderate returns than in recent years. While we do expect equity volatility to be more of a feature, we do not expect an imminent material correction in equity markets, nor a bear market.

## **Irish Market Outlook**

Given the healthy state of the Irish economy and the robust outlook for same, we remain positive on the outlook for the Irish equity market. The market has, like many global equity markets, essentially stood still over the last number of months with rising earnings being offset by rising US interest rates and some currency headwinds, not least the approximate 12% weakness of the US dollar versus the euro over the past 12 months.

In our view, the corporate sector is in good health, with plenty of cash on its balance sheet and relatively little debt. We have noticed a pickup in corporate activity be it M&A (Smurfit Kappa Group); stock buybacks (Ryanair; Paddy Power Betfair); and many companies increasing their dividends substantially (Glanbia an example).

We continue to manage the portfolio with a strong bottom up stock picking emphasis, always seeking superior growth at attractive valuations and not compromising on quality.

For the portfolio, we remain confident and do not at present envisage major changes to the portfolio structure. We remain cautious on the UK exposure as the March 31, 2019 deadline approaches and prefer exposure to both the European and US economies for non-Irish exposure. We continue to favor stocks with strong cash flows, attractive balance sheets and strong and well managed businesses.

Noel O'Halloran,  
Chief Investment Officer,  
KBI Global Investors (North America) Ltd  
June 22, 2018

**Investment Summary (unaudited)****Total Return (%)**

	<b>Market Value (a)</b>		<b>Net Asset Value (a)</b>	
	<b>Cumulative</b>	<b>Average Annual(b)</b>	<b>Cumulative</b>	<b>Average Annual(b)</b>
Six Months	(7.53)	(7.53)	(5.21)	(5.21)
One Year	(4.80)	(4.80)	5.75	5.75
Three Year	26.28	8.09	26.80	8.24
Five Year	76.74	12.06	78.23	12.25
Ten Year	43.28	3.66	49.73	4.12

**Per Share Information and Returns**

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Six Months Ended April 30, 2018</b>
Net Asset Value (\$)	10.18	8.20	7.70	8.45	9.59	14.24	14.17	16.31	13.04	15.56	14.08
Income Dividends (\$)	(0.36)	(0.33)	—	(0.06)	(0.02)	—	(0.07)	—	(0.16)	—	—
Capital Gain Distributions (\$)	(4.86)	(2.76)	—	—	—	—	(0.30)	(1.13)	(2.06)	(1.14)	(0.58)
Total Return (%) (a)	(58.62)	26.91	(6.10)	10.69	13.82	48.49	2.39	25.09	(5.66)	30.04	(5.21)(b)

**Notes**

Total Market Value returns reflect changes in share market prices and assume reinvestment of dividends and capital gain distributions, if any, at the price obtained under the Dividend Reinvestment and Cash purchase Plan (a)(the "Plan"). Total Net Asset Value returns reflect changes in share net asset value and assume reinvestment of dividends and capital gain distributions, if any, at the price obtained under the Plan. For more information with regard to the plan, see page 24.

(b) Periods less than one year are not annualized.

**Past Results are not necessarily indicative of future performance of the Fund.**



*Portfolio by Market Sector as of April 30, 2018  
(Percentage of Net Assets) (unaudited)*

*Top 10 Holdings by Issuer as of April 30, 2018 (unaudited)*

<b> Holding </b>	<b> Sector </b>	<b> % of Net Assets </b>
CRH PLC	Construction Materials	24.95%
Ryanair Holdings PLC	Airlines	11.31%
Smurfit Kappa Group PLC	Containers & Packaging	6.10%
Kingspan Group PLC	Building Products	4.75%
Bank of Ireland Group PLC	Banks	4.06%
Dalata Hotel Group PLC	Hotels, Restaurants & Leisure	4.00%
IPL Plastics PLC	Industrial Conglomerates	3.85%
Paddy Power Betfair PLC	Hotels, Restaurants & Leisure	3.00%
AIB Group PLC	Banks	2.74%
Green, REIT, PLC	Equity Real Estate Investment Trusts (REITs)	2.57%

**The New Ireland Fund, Inc.***Portfolio Holdings (unaudited)*

April 30, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS (98.65%)		
COMMON STOCKS OF IRISH COMPANIES (92.28%)		
Airlines (11.31%)		
Ryanair Holdings PLC *	305,800	\$5,727,588
Ryanair Holdings PLC - Sponsored ADR*	20,097	2,210,067
		7,937,655
Banks (6.80%)		
AIB Group PLC	322,141	1,922,521
Bank of Ireland Group PLC	316,361	2,846,179
		4,768,700
Building Products (4.75%)		
Kingspan Group PLC	73,581	3,332,111
Construction Materials (24.95%)		
CRH PLC	491,245	17,506,116
Containers & Packaging (6.10%)		
Smurfit Kappa Group PLC	100,206	4,278,864
Equity Real Estate Investment Trusts (REITs) (2.57%)		
Green, REIT, PLC	985,416	1,806,400
Food & Staples Retailing (2.56%)		
Total Produce PLC	631,447	1,799,581
Food Products (5.07%)		
Glanbia PLC	80,063	1,353,575
Greencore Group PLC	441,654	965,246
Kerry Group PLC, Series A	10,806	1,102,666
Origin Enterprises PLC	21,273	137,181
		3,558,668
Health Care Providers & Services (2.29%)		
UDG Healthcare PLC	127,750	1,609,252
Hotels, Restaurants & Leisure (7.00%)		
Dalata Hotel Group PLC *	352,017	2,805,627
Paddy Power Betfair PLC	21,250	2,102,957
		4,908,584

See Notes to Financial Statements.



**The New Ireland Fund, Inc.***Portfolio Holdings (unaudited) (continued)*

April 30, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS (continued)		
Household Durables (1.90%)		
Glenveagh Properties PLC *	1,000,000	\$ 1,335,604
Industrial Conglomerates (4.84%)		
DCC PLC	7,173	691,259
IPL Plastics PLC *	1,119,140	2,702,943
		3,394,202
Internet & Catalog Retail (2.28%)		
Hostelworld Group PLC	291,870	1,600,176
Life Sciences Tools & Services (1.16%)		
Malin Corp. PLC *	81,980	811,791
Machinery (1.04%)		
Mincon Group PLC	472,739	730,725
Marine (1.72%)		
Irish Continental Group PLC - UTS	177,922	1,203,206
Multi-Utilities (1.03%)		
Greencoat Renewables PLC	563,089	720,784
Pharmaceuticals (0.57%)		
Amryt Pharma PLC *	1,804,917	403,229
Specialty Retail (2.34%)		
Applegreen PLC	213,937	1,643,106
Trading Companies & Distributors (2.00%)		
Grafton Group PLC	135,392	1,401,693
TOTAL COMMON STOCKS OF IRISH COMPANIES (Cost \$43,465,283)		64,750,447

See Notes to Financial Statements.



**The New Ireland Fund, Inc.***Portfolio Holdings (unaudited) (continued)*

April 30, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS (continued)		
COMMON STOCKS OF FRENCH COMPANIES (4.12%)		
Building Products (2.22%)		
Cie de St-Gobain	29,692	\$ 1,559,557
Multi-Utilities (1.90%)		
Veolia Environnement SA	56,110	1,331,790
TOTAL COMMON STOCKS OF FRENCH COMPANIES (Cost \$2,256,663)		2,891,347
COMMON STOCKS OF UNITED STATES COMPANIES (2.25%)		
Commercial Services & Supplies (2.25%)		
Covanta Holding Corp.	105,698	1,574,900
TOTAL COMMON STOCKS OF UNITED STATES COMPANIES (Cost \$1,810,097)		1,574,900
TOTAL COMMON STOCKS (Cost \$47,532,043)		\$ 69,216,694
TOTAL INVESTMENTS (98.65%) (Cost \$47,532,043)		69,216,694
OTHER ASSETS AND LIABILITIES (1.35%)		950,759
NET ASSETS (100.00%)		\$ 70,167,453

\* Non-income producing security.

ADR –American Depositary Receipt traded in U.S. dollars.

REIT –Real Estate Investment Trust

UTS –Units

See Notes to Financial Statements.



**The New Ireland Fund, Inc.***Statement of Assets and Liabilities (unaudited)*

April 30, 2018

**ASSETS:**

Investments at value (Cost \$47,532,043) See accompanying schedule	U.S. \$69,216,694
Cash	365,317
Foreign Currency (Cost \$48,933)	48,814
Dividends receivable	549,808
Prepaid expenses	169,297
Total assets	U.S. \$70,349,930

**LIABILITIES:**

Investment advisory fee payable (Note B)	U.S. \$36,619
Accrued audit fees payable	64,487
Printing fees payable	42,292
Administration fee payable (Note B)	15,274
Accrued legal fees payable	11,657
Custody fees payable (Note B)	4,585
Accrued expenses and other payables	7,563
Total liabilities	182,477

NET ASSETS	U.S. \$70,167,453
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**AT APRIL 30, 2018 NET ASSETS CONSISTED OF:**

Common Stock, U.S. \$.01 Par Value - Authorized 20,000,000 Shares Issued and Outstanding 4,981,778	U.S. \$49,818
Additional paid-in capital	45,823,702
Accumulated Net Investment Income	(114,822 )
Accumulated Net Realized Gain	2,733,174
Net Unrealized Appreciation of Securities, Foreign Currency and Net Other Assets	21,675,581
TOTAL NET ASSETS	U.S. \$70,167,453

**NET ASSET VALUE PER SHARE**

(Applicable to 4,981,778 outstanding shares)

(authorized 20,000,000 shares)

(U.S. \$70,167,453 ÷ 4,981,778)

U.S. \$14.08

See Notes to Financial Statements.



**The New Ireland Fund, Inc.***Statement of Operations*

		For the Six Months Ended April 30, 2018 (unaudited)
<b>INVESTMENT INCOME</b>		
Dividends		U.S. \$ 722,166
Less: Foreign taxes withheld		(1,842)
<b>TOTAL INVESTMENT INCOME</b>		<b>720,324</b>
<b>EXPENSES</b>		
Investment advisory fees (Note B)	U.S. \$ 216,340	
Excise tax expense	137,369	
Directors' fees	76,923	
Administration fees (Note B)	48,288	
Compliance fees (Note B)	34,451	
Printing and mailing expenses	33,342	
Audit fees	21,487	
Legal fees	19,693	
Insurance premiums	18,104	
Investor services fees	15,837	
Custodian fees (Note B)	14,854	
Transfer agent fees (Note B)	13,723	
NYSE listing fee	9,521	
Other expenses	14,723	
<b>TOTAL EXPENSES</b>		<b>674,655</b>
<b>NET INVESTMENT INCOME</b>		<b>U.S. \$ 45,669</b>
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY</b>		
Realized gain/(loss) on:		
Securities transactions	340,368	
Foreign currency transactions	21,188	
Net realized gain on investments and foreign currency during the period		361,556
Net change in unrealized appreciation/(depreciation) of:		
Securities	585,307	
Foreign currency and net other assets	(8,668 )	
Net unrealized appreciation of investments and foreign currency during the period		576,639
<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY</b>		<b>938,195</b>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>		<b>U.S. \$ 983,864</b>

See Notes to Financial Statements.

15

**The New Ireland Fund, Inc.***Statements of Changes in Net Assets*

	Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31, 2017
<b>OPERATIONS:</b>		
Net investment income/(loss)	U.S. \$45,669	U.S. \$(498,988 )
Net realized gain on investments and foreign currency transactions	361,556	7,155,268
Net unrealized appreciation of investments, foreign currency holdings and net other assets	576,639	10,548,313
Net increase in net assets resulting from operations	983,864	17,204,593
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM:</b>		
Net realized gain/(loss)	(2,879,468 )	(5,098,440 )
Total distributions	(2,879,468 )	(5,098,440 )
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Value of 1,245,445 and 0 shares issued, respectively, to shareholders in connection with a rights offering (Note E)	13,910,935	—
Value of 0 and 1,601,285 shares redeemed, respectively, to shareholders in connection with a tender offer (Note E)	—	(23,538,890)
Net increase/(decrease) in net assets resulting from capital share transactions	13,910,935	(23,538,890)
Total Increase/(decrease) in net assets	12,015,331	(11,432,737)
<b>NET ASSETS:</b>		
Beginning of period	58,152,122	69,584,859
End of period (Including accumulated net investment income/(loss) of \$(114,822) and \$(160,491), respectively)	U.S. \$70,167,453	U.S. \$58,152,122

See Notes to Financial Statements.

**The New Ireland Fund, Inc.***Financial Highlights (For a Fund share outstanding throughout each period)*

		Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31,				
			2017	2016	2015	2014	2013
<b>Operating Performance:</b>							
Net Asset Value, Beginning of Period	U.S.	\$ 15.56	\$13.04	\$16.31	\$14.17	\$14.24	\$9.59
Net Investment Income/(Loss)		0.02	(0.15 )	(0.06 )	0.21	(0.04 )	0.11
Net Realized and Unrealized Gain/(Loss) on Investments		0.08	3.67	(0.88 )	3.06	0.34	4.51
Net Increase/(Decrease) in Net Assets Resulting from Investment Operations		0.10	3.52	(0.94 )	3.27	0.30	4.62
Distributions to Shareholders from:							
Net Investment Income		—	—	(0.16 )	—	(0.07 )	—
Net Realized Gains		(0.58 )	(1.14 )	(2.06 )	(1.13 )	(0.30 )	—
Total from Distributions		(0.58 )	(1.14 )	(2.22 )	(1.13 )	(0.37 )	—
Anti-Dilutive/(Dilutive) Impact of Capital Share Transactions		(1.00 ) <sup>(a)</sup>	0.14 <sup>(b)</sup>	(0.11 ) <sup>(c)</sup>	—	—	0.03 <sup>(d)</sup>
Net Asset Value, End of Period	U.S.	\$ 14.08	\$15.56	\$13.04	\$16.31	\$14.17	\$14.24
Share Price, End of Period	U.S.	\$ 12.05	\$13.65	\$11.65	\$13.60	\$12.25	\$12.40
Total NAV Investment Return (e)		(5.21 )%	30.04 %	(5.66 )%	25.09 %	2.39 %	48.49 %
Total Market Investment Return (g)		(7.53 )%	27.69 %	1.08 %	20.66 %	1.65 %	40.27 %

**RATIOS TO AVERAGE NET ASSETS/SUPPLEMENTAL DATA:**

Net assets, End of Period (000's)	U.S.	\$ 70,167	\$58,152	\$69,585	\$82,100	\$71,357	\$71,684
Ratio of Net Investment Income/(Loss) to Average Net Assets		0.13 % <sup>(h)</sup>	(0.76 )%	(0.41 )%	1.33 %	(0.26 )%	0.95 %
Ratio of Operating Expenses to Average Net Assets		1.98 % <sup>(h)</sup>	2.19 %	1.78 %	1.68 %	1.68 %	2.05 %
Portfolio Turnover Rate		6 % <sup>(f)</sup>	14 %	22 %	47 %	29 %	35 %

(a) Amount represents \$0.73 per share impact related to a Rights Offering, which was completed in December 2017.

(b) Amount represents \$0.14 per share impact related to the Tender Offer, which was completed in May 2017.

(c) Amount represents \$0.11 per share impact for new shares issued as Capital Gain Stock Distribution.



- (d) Amount represents \$0.03 per share impact for shares repurchased by the Fund under the Share Repurchase Program.
- (e) Based on share net asset value and reinvestment of distributions at the price obtained under the Dividend Reinvestment and Cash Purchase Plan.
- (f) Periods less than one year are not annualized.
- (g) Based on share market price and reinvestment of distributions at the price obtained under the Dividend Reinvestment and Cash Purchase Plan.
- (h) Annualized.

See Notes to Financial Statements.

**The New Ireland Fund, Inc.**

*Notes to Financial Statements (unaudited)*

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The New Ireland Fund, Inc. (the “Fund”) was incorporated under the laws of the State of Maryland on December 14, 1989 and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund’s investment objective is long-term capital appreciation through investment primarily in equity securities of Irish companies. The Fund is designed for U.S. and other investors who wish to participate in the Irish securities markets. In order to take advantage of significant changes that have occurred in the Irish economy and to advance the Fund’s investment objective, the investment strategy now has a bias towards Ireland’s growth companies.

Under normal circumstances, the Fund invests at least 80% of its total assets in Irish equity and fixed income securities. At least 65% of the Fund’s total assets will be invested in equity securities of issuers organized under the laws of Ireland (“Irish Companies”). Accordingly, the Fund’s assets invested in equity securities of Irish Companies may include investments in Companies that are organized in Ireland, but have limited business activities in Ireland. The remaining 20% of the Fund’s assets may be invested in other types of securities, including equity and debt securities of issuers from throughout the world regardless of whether such issuers are or may be affected by developments in the Irish economy or Ireland’s international economic relations. The Fund may invest up to 25% of its assets in equity securities that are not listed on any securities exchange.

To the extent the Fund invests in Irish Companies that have limited business activities in Ireland, or in non-Irish companies that have no economic ties to Ireland, its performance may diverge, perhaps materially, from the performance of the Irish economy and securities markets, and the Fund may be exposed to the risks of countries in which these companies are located or have their principal business activities.

The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Amendments to the Scope, Measurements, and Disclosure Requirements applicable to Investment Companies.

**A. Significant Accounting Policies:**

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

**Security Valuation:** Securities listed on a stock exchange for which market quotations are readily available are valued at the closing prices on the date of valuation, or if no such closing prices are available, at the last bid price quoted on such day. If there are no such quotations available for the date of valuation, the last available closing price will be used. The value of securities and other assets for which no market quotations are readily available, or whose values have been materially affected by events occurring before the Funds' pricing time but after the close of the securities' primary markets, are valued by methods deemed by the Board of Directors to represent fair value. Short-term securities that mature in 60 days or less may be valued at amortized cost.

**The New Ireland Fund, Inc.**

*Notes to Financial Statements (unaudited) (continued)*

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**Fair Value Measurements:** As described above, the Fund utilizes various methods to measure the fair value of most of its investments on a recurring basis. U.S. Generally Accepted Accounting Principles (“GAAP”) establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

At the end of each fiscal quarter, management evaluates the Level 2 and Level 3 assets and liabilities, if any, for changes in liquidity, including but not limited to: whether a broker is willing to execute at the quoted price, the depth and consistency of prices from third party services, and the existence of contemporaneous, observable trades in the market. Additionally, management evaluates the Level 1 and Level 2 assets and liabilities on quarterly basis for changes in listing or delistings on national exchanges.



**The New Ireland Fund, Inc.***Notes to Financial Statements (unaudited) (continued)*

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Transfers in and out of levels are recognized at market value at the end of period. The summary of inputs used to value the Fund's net assets as of April 30, 2018 is as follows:

	Total Value at 04/30/2018	Level 1 Quoted Price	Level 2 Significant Observable Input	Level 3 Significant Unobservable Input	
Investments in Securities					
Common Stocks*					
Industrial Conglomerates	\$3,394,202	\$691,259	\$2,702,943	\$	—
Internet & Catalog Retail	1,600,176	—	1,600,176		—
Pharmaceuticals	403,229	—	403,229		—
Other Industries	63,819,087	63,819,087	—		—
Total Investments ^	\$69,216,694	\$64,510,346	\$4,706,348	\$	—

\* See Portfolio Holdings detail for country breakout.

^ Investments are disclosed individually on the Portfolio Holdings.

At the end of the six-month period ended April 30, 2018, investments with a total aggregate value of \$4,706,348 were transferred from Level 1 to Level 2 because the securities did not trade on the last day of the quarter.

**Dividends and Distributions to Stockholders:** The Fund has a managed distribution policy to pay distributions from net investment income supplemented by net realized foreign exchange gains, net realized capital gains and return of capital distributions, if necessary, on a quarterly basis. The managed distribution policy is subject to regular review by the Board. The Fund will also declare and pay distributions at least annually from net realized gains on investment transactions and net realized foreign exchange gains, if any. Dividends and distributions to shareholders are recorded on the ex-dividend date.

**U.S. Federal Income Taxes:** It is the Fund's intention to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and distribute all of its taxable income within the prescribed time. Excise tax of \$137,369 was paid during the six month period ended April 30, 2018. No provision for U.S. federal income taxes is currently required for fiscal year end October 2018.

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Management has analyzed the Fund's tax positions taken on federal income tax returns for all open tax years (October 31, 2017, 2016, 2015, and 2014), and has concluded that no provision for federal income tax is required in the Fund's financial statements. The Fund's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

**The New Ireland Fund, Inc.**

*Notes to Financial Statements (unaudited) (continued)*

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**Currency Translations:** The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the spot rate of such currencies against U.S. dollars by obtaining from Interactive Data Corp. each day the current 4:00 pm New York time spot rate and future rate (the future rates are quoted in 30-day increments) on foreign currency contracts. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gains and losses on security transactions.

**Securities Transactions and Investment Income:** Securities transactions are recorded based on their trade date. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date except that certain dividends from foreign securities are recorded as soon as the Fund is informed of the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates. Non-cash dividends, if any, are recorded at the fair market value of the securities received. Interest income is recorded on the accrual basis. Withholding tax reclaims are filed in certain countries to recover a portion of the amounts previously withheld. The Fund records a reclaim receivable based on, among other things, a jurisdiction's legal obligation to pay reclaims as well as payment history and market convention.

**Use of Estimates:** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**B. Management Services:**

The Fund has entered into an investment advisory agreement (the "Investment Advisory Agreement") with KBI Global Investors (North America) Ltd. ("KBIGINA"). Under the Investment Advisory Agreement, the Fund pays a monthly fee at an annualized rate equal to 0.65% of the value of the average daily net assets of the Fund up to the first \$50 million, 0.60% of the value of the average daily net assets of the Fund over \$50 million and up to and including \$100 million and 0.50% of the value of the average daily net assets of the Fund on amounts in excess of \$100 million. In addition, KBIGINA provides investor services to existing and potential shareholders.



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The Fund has entered into an administration agreement (the “Administration Agreement”) with U.S. Bancorp Fund Services, LLC (“USBFS”) as of December 16, 2016. The Fund pays USBFS an annual fee payable monthly.

The Fund has entered into an agreement with U.S. Bank, N.A. to serve as the custodian for the Fund’s assets.

**The New Ireland Fund, Inc.**

*Notes to Financial Statements (unaudited) (continued)*

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The Fund has entered into a transfer agency and registrar services agreement (the “Transfer Agency and Registrar Services Agreement”) with American Stock Transfer & Trust Company, LLC (“AST”) to serve as transfer agent for the Fund.

The Fund has entered into an agreement with Vigilant Compliance, LLC for compliance services.

**C. Purchases and Sales of Securities:**

The cost of purchases and proceeds from sales of securities for the six month period April 30, 2018, excluding U.S. government and short-term investments, aggregated to U.S. \$14,835,914 and U.S. \$4,329,762, respectively.

**D. Components of Distributable Earnings:**

At October 31, 2017, the components of distributable earnings on a tax basis were as follow:

Capital	Qualified Late Year Losses Deferred	Undistributed Ordinary Income	Undistributed Long-Term Gains	Net Unrealized Appreciation
\$	—	\$ 735,164	\$ 4,515,922	\$ 20,938,451

As of October 31, 2017, the Fund had no capital loss carryforwards.

Under the Regulated Investment Company Modernization Act of 2010, net capital losses (those earned in taxable years beginning after December 22, 2010) may be carried forward indefinitely and must retain the character of the original loss.

The aggregate cost of investments and the composition of unrealized appreciation and depreciation on investments and depreciation on assets and liabilities in foreign currencies on a tax basis as of April 30, 2018, were as follows:

Total Cost of Investments	Gross Unrealized Appreciation on Investments	Gross Unrealized Depreciation on Investments	Net Unrealized Appreciation on Investments	Net Unrealized Depreciation on Foreign Currency	Net Unrealized Appreciation
\$47,532,043	\$22,561,769	\$ (877,118 )	\$21,684,651	\$ (119 )	\$21,684,532

**E. Common Stock**

For the six months ended April 30, 2018, the Fund issued 1,245,445 shares in connection with a Rights Offering in the amount of \$13,910,935. For the year ended October 31, 2017, the Fund did not issue any shares, and repurchased 1,601,285 shares due to a Tender Offer which ended in May 2017.

**The New Ireland Fund, Inc.**

*Notes to Financial Statements (unaudited) (continued)*

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**F. Share Repurchase Program:**

In accordance with Section 23(c) of the 1940 Act, the Fund hereby gives notice that it may from time to time repurchase shares of the Fund in the open market at the option of the Board of Directors and upon such terms as the Directors shall determine.

For the six months ended April 30, 2018 and year ended October 31, 2017 the Fund did not repurchase any of its shares.

**G. Market Concentration:**

Because the Fund concentrates its investments in securities of Irish Companies, its portfolio may be subject to special risks and considerations typically not associated with investing in a broader range of domestic securities. In addition, the Fund is more susceptible to factors adversely affecting the Irish economy than a comparable fund not concentrated in these issuers to the same extent.

**H. Risk Factors:**

Investing in the Fund may involve certain risks including, but not limited to, those described below.

The prices of securities held by the Fund may decline in response to certain events, including those directly involving the companies whose securities are owned by the Fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. The growth-oriented, equity-type securities generally purchased by the Fund may involve large price swings and potential for loss.

Investments in securities issued by entities based outside the United States may also be affected by currency controls; different accounting, auditing, financial reporting, and legal standards and practices; expropriation; changes in tax policy; greater market volatility; differing securities market structures; higher transactions costs; and various administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends. These risks may be heightened in connection with investments in developing countries.

**I. Subsequent Event:**

Management has evaluated the impact of all subsequent events on the Fund through the date the Financial statements were issued, and has determined that there were no subsequent events.

*Additional Information (unaudited)*

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**Dividend Reinvestment and Cash Purchase Plan**

Pursuant to the Dividend Reinvestment and Cash Purchase Plan (the “Plan”) approved by the Fund’s Board of Directors (the “Directors”), each shareholder will be deemed to have elected, unless American Stock Transfer & Trust Company LLC (the “Plan Agent”) is instructed otherwise by the shareholder in writing, to have all distributions automatically reinvested by the Plan Agent in Fund shares pursuant to the Plan. Distributions with respect to Fund shares registered in the name of a broker-dealer or other nominee (i.e., in “street name”) will be reinvested by the broker or nominee in additional Fund shares under the Plan, unless the service is not provided by the broker or nominee or the shareholder elects to receive distributions in cash. Investors who own Fund shares registered in street names may not be able to transfer those shares to another broker-dealer and continue to participate in the Plan. These shareholders should consult their broker-dealer for details. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check in U.S. dollars mailed directly to the shareholder by the Plan Agent, as paying agent. Shareholders who do not wish to have distributions automatically reinvested should notify the Fund, in care of the Plan Agent for The New Ireland Fund, Inc.

The Plan Agent will serve as agent for the shareholders in administering the Plan. If the Directors of the Fund declare an income dividend or a capital gains distribution payable either in the Fund’s common stock or in cash, as shareholders may have elected, non-participants in the Plan will receive cash and participants in the Plan will receive common stock to be issued by the Fund. If the market price per share on the valuation date equals or exceeds net asset value per share on that date, the Fund will issue new shares to participants at net asset value or, if the net asset value is less than 95% of the market price on the valuation date, then at 95% of the market price. The valuation date will be the dividend or distribution payment date or, if that date is not a trading day on the New York Stock Exchange, Inc. (“NYSE”), the next preceding trading day. If the net asset value exceeds the market price of Fund shares at such time, participants in the Plan will be deemed to have elected to receive shares of stock from the Fund, valued at market price on the valuation date. If the Fund should declare a dividend or capital gains distribution payable only in cash, the Plan Agent as agent for the participants, will buy Fund shares in the open market, on the NYSE or elsewhere, with the cash in respect of such dividend or distribution, for the participants’ account on, or shortly after, the payment date.

Participants in the Plan have the option of making additional cash payments to the Plan Agent, monthly, in any amount from U.S. \$100 to U.S. \$3,000, for investment in the Fund’s common stock. The Plan Agent will use all funds received from participants to purchase Fund shares in the open market, at the prevailing market price, on the 15th of each month or the next business day shares are traded if the 15th is a Saturday, Sunday or holiday. Voluntary cash payments must be received by the Plan Agent at least two business days prior to such investment date. To avoid unnecessary cash accumulations and to allow ample time for receipt and processing of voluntary cash payments to the participant’s account, it is suggested that the participants send in voluntary cash payments to be received by the Plan Agent ten days prior to the investment date.



*Additional Information (unaudited) (continued)*

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Interest will not be paid on any uninvested cash payments. A participant may withdraw a voluntary cash payment by written notice, if the notice is received by the Plan Agent not less than forty-eight hours before such payment is to be invested.

The Plan Agent maintains all shareholder accounts in the Plan and furnishes written confirmations of all transactions in the account, including information needed by shareholders for personal and U.S. federal tax records. Shares in the account of each Plan participant will be held by the Plan Agent in non-certificated form in the name of the participant, and each shareholder's proxy will include those shares purchased pursuant to the Plan.

In the case of shareholders such as banks, brokers or nominees who hold shares for beneficial owners, the Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by the shareholder as representing the total amount registered in the shareholder's name and held for the account of beneficial owners who are participating in the Plan.

There is no charge to participants for reinvesting dividends or capital gains distributions. The Plan Agent's fee for the handling of the reinvestment of dividends and distributions will be paid by the Fund. However, each participant's account will be charged a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends or capital gains distributions. A participant will also pay brokerage commissions incurred in purchases in connection with the reinvestment of dividends or capital gains distributions. A participant will also pay brokerage commissions incurred in purchases from voluntary cash payments made by the participant and a transaction fee of \$2.50 (which will be deducted from the participant's voluntary cash payment investment). Brokerage charges for purchasing small amounts of stock of individual accounts through the Plan are expected to be less than the usual brokerage charges for such transactions, because the Plan Agent will be purchasing stock for all participants in blocks and prorating the lower commission thus attainable.

Participants may sell some or all their shares. This can be done either online at [www.amstock.com](http://www.amstock.com), via telephone, toll free, at 1-800-243-4353 or by submitting the transaction request form at the bottom of the participant's statement. Requests received either via the Internet or telephone by 4:00 pm, Eastern time, or via the mail by 12:00 pm, Eastern time, will generally be sold the next business day shares are traded. There is a transaction fee of \$15 and \$0.10 per share commission on sales of shares.

Neither the Fund nor the Plan Agent will provide any advice, make any recommendations, or offer any opinion with respect to whether or not you should purchase or sell shares or otherwise participate under the Plan. You must make independent investment decisions based on your own judgment and research. The shares held in Plan accounts are not subject to protection under the Securities Investor Protection Act of 1970.



Neither the Fund nor the Plan Agent will be liable for any act performed in good faith or for any good faith omission to act or failure to act, including, without limitation, any claim of liability (i) arising out of failure to terminate a participant's account, sell stock held in the Plan, deposit certificates or direct registration shares, invest voluntary

*Additional Information (unaudited) (continued)*

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cash payments or dividends; or (ii) with respect to the prices at which stock is purchased or sold for the participant's account and the time such purchases or sales are made. Without limiting the foregoing, the Plan Agent will not be liable for any claim made more than 30 days after any instruction to buy or sell stock was given to the Plan Agent.

The automatic reinvestment of dividends and distributions will not relieve participants of any U.S. Federal income tax which may be payable on such dividends or distributions.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payment made and any dividend or distribution paid subsequent to notice of the change sent to all shareholders at least thirty days before the record date for such dividend or distribution. The Plan also may be amended or terminated by the Plan Agent with at least thirty days written notice to all shareholders. All correspondence concerning the Plan should be directed to the Plan Agent for The New Ireland Fund, Inc. in care of American Stock Transfer & Trust Company LLC, P.O. Box 922, Wall Street Station, New York, New York, 10269-0560, telephone number (718) 921-8265.

*Fund's Privacy Policy*

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For the Fund's non-EU resident individual registered shareholders:

The New Ireland Fund, Inc. appreciates the privacy concerns and expectations of its registered shareholders and safeguarding their nonpublic personal information ("Information") is of great importance to the Fund. The Fund collects Information pertaining to its registered shareholders, including matters such as name, address, tax I.D. number, Social Security number and instructions regarding the Fund's Dividend Reinvestment Plan. The Information is collected from the following sources:

Directly from the registered shareholder through data provided on applications or other forms and through account inquiries by mail, telephone or e-mail.

From the registered shareholder's broker as the shares are initially transferred into registered form.

Except as permitted by law, the Fund does not disclose any Information about its current or former registered shareholders to anyone. The disclosures made by the Fund are primarily to the Fund's service providers as needed to maintain account records and perform other services for the Fund's shareholders. The Fund maintains physical, electronic, and procedural safeguards to protect the shareholders' Information in the Fund's possession. The Fund's privacy policy applies only to its individual registered shareholders. If you are the record holder of shares of the Fund through a third-party broker, bank or other financial institution, that institution's privacy policies will apply to you and the Fund's privacy policy will not.

*Additional Information (unaudited) (continued)*

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For the Fund's EU resident individual registered shareholders:

The Fund collects personal data (personal information that can lead to the identity of an individual) pertaining to its registered shareholders, such as name, address, tax I.D. number, Social Security number and instructions regarding the Fund's Dividend Reinvestment Plan. The personal data is collected from the following sources:

Directly from the registered shareholder through data provided on applications or other forms and through account inquiries by mail, telephone or e-mail.

From the registered shareholder's broker as the shares are initially transferred into registered form.

The Fund will not disclose any personal data about registered shareholders who are individuals, except to the Fund's affiliates such as its investment manager, and with nonaffiliated third parties for the Fund's everyday business purposes, such as to process your transactions, maintain your account(s), respond to court orders and legal investigations. Nonaffiliated third parties the Fund can share with may include its accountants, attorneys, transfer agents, custodians and broker-dealers.

Please note that it is necessary that your personal data be transferred to the United States so that Fund may perform the agreed upon services for you. The EU's General Data Protection Regulation ("GDPR") requires the Fund to disclose to you that no adequacy decision has been rendered by the European Commission as to the data protection of your personal data when transferring it into the United States. However, the Fund does take the security of your personal data seriously. Any party that receives this information pursuant to the foregoing will be authorized to use it only for the services required and as allowed by applicable law or regulation, and will not be permitted to share or use this information for any other purpose. To protect this information, the Fund permits access only by authorized employees who need access to that information in order to perform their jobs. To protect your personal data from unauthorized access and use, the Fund uses security measures that comply with applicable law. These measures include computer safeguards and secured files and buildings.

You have the right to request a copy of the personal data that the Fund holds about you. If you would like a copy of some or all of your personal data, please call the Fund's transfer agent at 1-877-295-6932. The Fund shall retain your personal data for as long as you are an investor and thereafter only as long as necessary to comply with applicable laws that require the Fund to retain your personal data, such as the Securities and Exchange Commission's data retention rules. The GDPR provides EU resident investors with additional rights such as: (1) the right to receive from the Fund your personal data that you have provided to the Fund in a structured, commonly used and machine-readable format (right of portability), as well as the right to have the Fund transmit your personal data that you have provided

the Fund to others, upon your request, in such a format; (2) the right to rectify any of your personal data that is inaccurate or incomplete; (3) the right to lodge a complaint of an alleged infringement of the GDPR with an EU supervisory authority in a member state of your habitual residence or place of work; (4) the right to the erasure of your personal data under certain conditions specified in the GDPR, such as when your personal data is no longer necessary for the Fund to perform

*Additional Information (unaudited) (continued)*

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the services for you, your consent has been withdrawn or when your personal data is no longer legally required to be retained by the Fund; and (5) the right to restrict the processing or object to the processing of your personal data by the Fund under certain conditions specified in the GDPR, such as if you don't want the Fund to market its products and services to you. You may opt-out/object to the Fund's marketing to you by calling the Fund's transfer agent at 1-877-295-6932.

Dated June 22, 2018

*Portfolio Information*

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The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available (1) by calling 1-800-468-6475 or by emailing [investor.query@newirelandfund.com](mailto:investor.query@newirelandfund.com); (2) on the Fund's website located at <http://www.newirelandfund.com>; (3) on the SEC's website at <http://www.sec.gov>.

*Proxy Voting Information*

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A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities held by the Fund is available, without charge and upon request, by calling 1-800-468-6475 or by emailing [investor.query@newirelandfund.com](mailto:investor.query@newirelandfund.com). This information is also available from the EDGAR database or the SEC's website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling 1-800-468-6475 or by emailing [investor.query@newirelandfund.com](mailto:investor.query@newirelandfund.com), and at <http://www.sec.gov>.

*Advisory Agreement*

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(In this disclosure, the term "Fund" refers to The New Ireland Fund, Inc., the term "Adviser" refers to KBI Global Investors (North America) Ltd. and the term "Administrator" refers to US Bancorp Fund Services LLC.) The Directors, including a majority of the Directors who are not "interested persons" of the Fund under the 1940 Act (the "Independent Directors"), unanimously approved the continuance of the Investment Advisory Agreement (the "Advisory Agreement")

between the Fund and the Adviser for an additional annual period at an in-person meeting held on March 13, 2018.

In considering whether to approve the renewal of the Advisory Agreement, the Directors reviewed a variety of information provided by the Adviser and the Administrator, including comparative performance, fee and expense information and other information regarding the nature, extent and quality of services provided by the Adviser. The materials provided to the Directors included, among other items: (i) information on the investment performance of the Fund and the performance of a peer group of funds and the Fund's performance benchmark; (ii) information on the Fund's advisory fees and other expenses, including information comparing the Fund's

*Additional Information (unaudited) (continued)*

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expenses to those of a peer group of funds and information about any applicable expense limitations and fee “breakpoints”; (iii) information about the profitability of the Advisory Agreement to the Adviser; (iv) a report prepared by the Adviser in response to a request submitted by the Independent Directors’ independent legal counsel on behalf of such Directors; and (v) a memorandum from the Independent Directors’ independent legal counsel on the responsibilities of the Board in considering for approval the investment advisory arrangement under the 1940 Act and Maryland law. The Directors, including the Independent Directors, also considered other matters such as: (i) the Adviser’s financial results and financial condition; (ii) the Fund’s investment objective and strategies; (iii) the Adviser’s investment personnel and operations; (iv) the procedures employed to determine the value of the Fund’s assets; (v) the allocation of the Fund’s brokerage, if any, including, if applicable, allocations to brokers affiliated with the Adviser and the use, if any, of “soft” commission dollars to pay Fund expenses and to pay for research and other similar services; (vi) the resources devoted to, and the record of compliance with, the Fund’s investment policies and restrictions, policies on personal securities transactions and other compliance policies; and (vii) possible conflicts of interest. Throughout the process, the Board was afforded the opportunity to ask questions of and request additional materials from the Adviser.

In addition to the materials requested by the Directors in connection with their annual consideration of the continuation of the Advisory Agreement, the Directors received materials in advance of each regular quarterly meeting of the Board that provided information relating to the services provided by the Adviser.

The Independent Directors were advised by separate independent legal counsel throughout the process. The Independent Directors also discussed the proposed continuances in a private session with counsel at which no representatives of the Adviser were present. In reaching their determinations relating to continuance of the Advisory Agreement in respect of the Fund, the Directors considered all factors they believed relevant, including the following:

- 1) the total compensation to be received, directly or indirectly, by the Adviser;
- 2) the expenses incurred by the Adviser in performing services under the Agreement;
- 3) the Fund’s expense ratio;
- 4) the possible reduction in advisory fees to reflect economies of scale;



5) competitive prices for comparable services;

6) competitive expense ratios; and

7) past performance and reliability of the Adviser.

The Directors did not identify any single factor as determinative. Individual Directors may have evaluated information presented differently from one another, giving different weights to different factors.

Matters considered by the Directors, including the Independent Directors, in connection with their approval of the Advisory Agreement is included in the factors listed below.

*Additional Information (unaudited) (continued)*

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### **Nature, Extent and Quality of Services Provided by the Adviser**

The Directors considered the nature, extent and quality of services provided by the Adviser under the Advisory Agreement and noted that the scope of services continue to expand as a result of regulatory and other market developments. The Directors noted that, for example, the Adviser is responsible for maintaining and monitoring its own compliance program and coordinates certain activities with the Fund's Chief Compliance Officer, and these compliance programs are routinely refined and enhanced in light of new regulatory requirements and current market conditions. The Directors considered the Adviser's investment experience, the quality of the investment research capabilities of the Adviser and the other resources dedicated to performing services for the Fund. The quality of other services, including the Adviser's assistance in the coordination of the activities of some of the Fund's other service providers, also were considered. The Directors concluded that, overall, they were satisfied with the nature, extent and quality of services provided (and expected to be provided) to the Fund under the Advisory Agreement.

### **Costs of Services Provided and Profitability to the Adviser**

At the request of the Directors, the Adviser provided information concerning the profitability to the Adviser of the Advisory Agreement. The Directors reviewed with the Adviser assumptions and methods of allocation used by the Adviser in preparing this Fund-specific profitability data. The Directors recognized that it is difficult to make comparisons of profitability from investment advisory contracts. This is because comparative information is not generally publicly available and is affected by numerous factors, including the structure of the particular adviser, the type of clients it advises, its business mix, and numerous assumptions regarding allocations and the adviser's capital structure and cost of capital. In considering profitability information, the Directors considered the effect of fall-out benefits on the Adviser's expenses. The Directors recognized that the Adviser should, in the abstract, be entitled to earn a reasonable level of profits for the services it provides, to the Fund. Based on their review, they concluded they were satisfied that the Adviser's level of profitability, from its relationship with the Fund, was not excessive.

### **Fall-Out Benefits**

The Directors also considered so-called "fall-out benefits" to the Adviser and its affiliates, such as reputational and other benefits from the Adviser's association with the Fund. The Directors considered any possible conflicts of interest associated with these fall-out and other benefits. The Adviser advised the Directors that, as a result of the Adviser's compliance with the Markets in Financial Instruments Directive ("MiFID II"), none of the Adviser's research expenses were anticipated to be offset by the use of the Fund's commissions.



*Additional Information (unaudited) (continued)*

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**Investment Results**

The Directors considered the investment results of the Fund as compared to the five other single country developed markets closed-end equity funds (“Peer Funds”) based on the information provided by Broadridge, an independent third-party provider of investment company data, and by reviewing the performance of the Fund’s benchmark. In addition to the information received by the Directors for the Meeting, the Directors receive detailed performance information for the Fund at each regular Board meeting during the year.

The comparative information showed that the performance of the Fund compared favorably to the Peer Funds over the one-, three-, five- and ten-year periods ended October 31, 2017. It was also noted that the Fund’s diversification requirements limited its investment flexibility compared to other advisory accounts advised by the Adviser. Based upon this review, the Directors concluded that the Fund’s relative investment performance over time had been satisfactory.

**Advisory Fee**

The Adviser reviewed with the Directors the major differences in the scope of services it provides to institutional clients and to the Fund. For example, despite not being required, under the Advisory Agreement, the Adviser provides, among other things, consultants who serve as officers of the Fund (which officers provide required certifications, with the attendant costs and exposure to liability). The Adviser also assists in coordinating the provision of services to the Fund by certain nonaffiliated service providers. In looking at fee comparisons, the Directors took these aspects into consideration.

The information provided by Broadridge showed that the Fund’s actual advisory and administration fee rate of approximately 0.805% (based on net assets at October 31, 2017) was well within the range of advisory and administration fees paid by the Peer Funds, and was below the median for the group of Peer Funds.

The Directors recognized the limitations on the usefulness of these comparisons, given the potential varying nature, extent and quality of the services provided by the advisers of other portfolios. Similar limitations are inherent in comparing services being provided by the Adviser to its other clients.

The Directors took into account that, although the Adviser may realize economies of scale in managing the Fund as its assets increase, there are substantial restraints on the growth of Fund assets. These are: (a) a public offering may only reasonably be made in rights offerings, or when the market price of the Fund's shares exceeds the Fund's net asset value per share; and (b) stockholders either take dividends or distributions in cash or they reinvest them in secondary market purchases of Fund shares, neither of which serves to increase Fund assets.

The Directors also considered the total expense ratio of the Fund in comparison to the fees and expenses of the Peer Funds. It was noted that the Fund's total expense ratio was higher in comparison to the expense ratios of the Peer Funds. The Directors considered the factors that impacted the Fund's expenses.

*Additional Information (unaudited) (continued)*

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After considering this information, the Directors concluded that they believed that the Fund's advisory fee was reasonable, with the breakpoint in the advisory fee being set at a relatively low level of assets. They also concluded that the absolute dollar fees paid to the Adviser were modest in light of the commitment required to advise the Fund, and that they were satisfied with the nature and quality of the services provided.

In addition, the Directors recognized that many industry observers have noted that the level of services required and risks involved in managing registered investment companies are significantly different from those for pension and institutional accounts and that market fees vary accordingly.

Based on their evaluation of all factors that they deemed to be materials, including those factors described above, and assisted by the advice of independent counsel, the Directors, including the Independent Directors, concluded that the investment advisory arrangements between the Fund and the Adviser were fair and reasonable and that the renewal of the Advisory Agreement would be in the best interest of the Fund and its shareholders. Accordingly, the Board, including the Independent Directors voting separately, approved the Advisory Agreement for an additional one-year term.

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**The New Ireland Fund, Inc.**

**Directors and Officers**

Margaret Duffy	<i>Director and Chair of the Board</i>
David Dempsey	<i>Director</i>
Sean Hawkshaw	<i>Director and President</i>
Peter J. Hooper	<i>Director</i>
Michael A. Pignataro	<i>Director</i>
Lelia Long	<i>Treasurer</i>
Angela Ter Maat	<i>Secretary</i>
Salvatore Faia	<i>Chief Compliance Officer</i>

**Investment Adviser**

KBI Global Investors (North America) Ltd  
One Boston Place  
201 Washington St,  
36<sup>th</sup> Floor  
Boston, MA 02108

**Administrator**

U.S. Bancorp Fund Services, LLC  
811 E Wisconsin Ave  
Milwaukee, WI 53202

**Custodian**

U.S. Bank, N.A.  
1555 N. Rivercenter Dr., MK-WI-5302  
Milwaukee, WI 53212

**Shareholder Servicing Agent**

American Stock Transfer & Trust Company, LLC  
6201 15<sup>th</sup> Avenue  
Brooklyn, NY 11219



**Legal Counsel**

Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, NY 10019

**Correspondence**

*All correspondence should be addressed to:*  
The New Ireland Fund, Inc.  
c/o KBI Global Investors (North America) Ltd  
One Boston Place  
201 Washington Street  
36<sup>th</sup> Floor  
Boston, MA 02108

*Telephone inquiries should be directed to:*

1-800-GO-TO-IRL (1-800-468-6475)

*Email inquires should be sent to:*

[investor.query@newirelandfund.com](mailto:investor.query@newirelandfund.com)

*Website address:*

[www.newirelandfund.com](http://www.newirelandfund.com)

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**Item 2. Code of Ethics.**

Not applicable for semi-annual reports.

**Item 3. Audit Committee Financial Expert.**

Not applicable for semi-annual reports.

**Item 4. Principal Accountant Fees and Services.**

Not applicable for semi-annual reports.

**Item 5. Audit Committee of Listed Registrants.**

Not applicable for semi-annual reports.

**Item 6. Investments.**

(a) Schedule of Investments is included as part of the report to shareholders filed under Item 1 of this Form.

(b)

Not Applicable.

**Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.**

Not applicable for semi-annual reports.

**Item 8. Portfolio Managers of Closed-End Management Investment Companies.**

Not applicable for semi-annual reports.

**Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.**

<i>Period</i>	<i>(a) Total Number of Shares (or Units) Purchased</i>	<i>(b) Average Price Paid per Share (or Unit)</i>	<i>(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs</i>	<i>(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs</i>
Month #1 11/01/17-11/30/17	-	-	-	373,633
Month #2 12/01/17-12/31/17	-	-	-	373,633
Month #3 01/01/18-01/31/18	-	-	-	373,633
Month #4 02/01/18-02/28/18	-	-	-	373,633
Month #5 03/01/18-03/31/18	-	-	-	373,633
Month #6 04/01/18-04/30/18	-	-	-	373,633
Total	-	-	-	373,633

**Item 10. Submission of Matters to a Vote of Security Holders.**

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrant's board of directors.

**Item 11. Controls and Procedures.**

The Registrant's President and Treasurer have reviewed the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as of a date within 90 days of the filing of this report, as required by Rule 30a-3(b) under the Act and Rules 13a-15(b) or 15d-15(b) under the (a) Securities Exchange Act of 1934. Based on their review, such officers have concluded that the disclosure controls and procedures are effective in ensuring that information required to be disclosed in this report is appropriately recorded, processed, summarized and reported and made known to them by others within the Registrant and by the Registrant's service provider.

There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) (b) under the Act) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

**Item 12. Exhibits.**

(a) (1) *Any code of ethics or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy Item 2 requirements through filing an exhibit.* Not Applicable.

(2) *A separate certification for each principal executive officer and principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.* Filed herewith.

(3) *Any written solicitation to purchase securities under Rule 23c-1 under the Act sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons.* Not applicable.

(b) *Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* Furnished herewith.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant)                    The New Ireland Fund, Inc.

By (Signature and Title) /s/ Sean Hawkshaw  
Sean Hawkshaw, President

Date                            6-27-2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Sean Hawkshaw  
Sean Hawkshaw, President

Date                            6-27-2018

By (Signature and Title) /s/ Lelia Long  
Lelia Long, Treasurer

Date                            6-27-2018