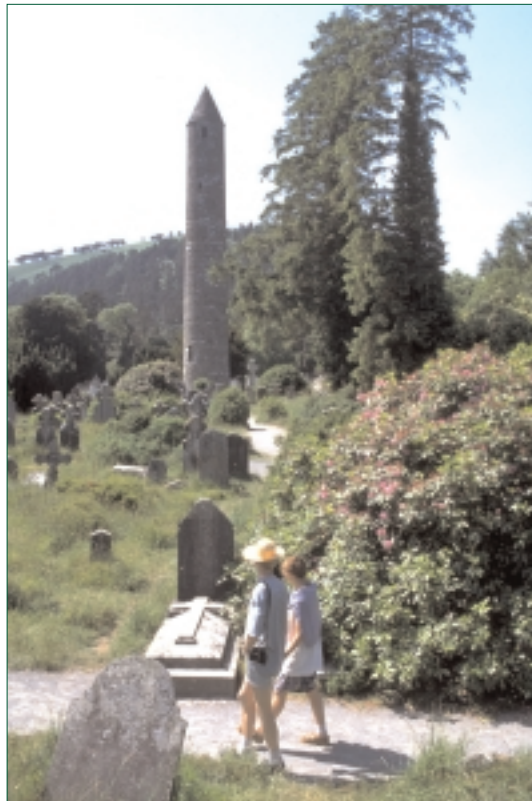


The **NEW IRELAND** Fund



Semi-Annual Report
April 30, 2003

Cover Photograph — Glendalough, Co. Wicklow
Provided courtesy of Tourism Ireland.

Letter to Shareholders

Introduction

Although problems still remain in the Middle East and North Korea, the ending of the conflict in Iraq has had a positive effect on most of the World's equity markets which, we are hopeful, will continue over the coming months. Despite this change in sentiment, economic growth seems likely to be delayed until later in the year with the SARS epidemic, which has been centered in Asia, perhaps delaying growth in that part of the World even more. As mentioned below, along with most countries, Ireland's 2003 economic forecasts have also been cut back, but they are expected to remain above the average rate of growth in Europe.

As commented on in our last report, we are very conscious of the need to keep down the expense ratio of the Fund which, due to the downturn in the markets, had been rising steadily over the past two fiscal years. In our January report, I advised that, as part of this exercise, we had discontinued the consultancy agreement with Salomon Brothers Asset Management Inc. More recently, we have renegotiated the agreement with PFC Inc., the Fund's administrator that will create further savings over the next couple of years. It is also our intention to discontinue the printing and distribution to shareholders of our fiscal first and third quarter reports, but these will continue to be prepared and made available to shareholders through the Fund's web site (www.newirelandfund.com). This will enable further worthwhile savings to be achieved for the benefit of shareholders.

At the end of March, for personal reasons, Mr. William Clark resigned as a director of the Fund. Mr. Clark had served on the Board since inception of the Fund and his guidance over the years has been invaluable. I thank him for his service and wish him well in the future.

Performance

The Euro continued to strengthen against the US dollar in the quarter under review. This benefited the Fund's performance with its Net Asset Value (NAV) increasing, over the quarter, by 9.3% to \$12.78. In the same period, the overall Irish equity index (ISEQ) rose by 5.9% in Euro terms and by 10.1% in US dollar terms.

In the first six months of the Fund's fiscal year, the NAV increased by 15.8% in U.S. dollar terms, which is considered very satisfactory given recent stockmarket difficulties. The ISEQ Index advanced 12.4% in US dollar terms over the same six months.

We continued to implement the Share Repurchase Program with 95,750 shares being repurchased, since the beginning of the fiscal year, at a cost of \$897,907. These repurchases represent a reduction of 1.93% of the shares outstanding at October 31, 2002 and they have resulted in a positive impact on the Fund's NAV of 5 cents per share.

Economic Review

As mentioned above, economic activity remains subdued around the world. As a reflection of this, the Irish economy continues to show signs of slowing growth and economic forecasts have been reduced. While this slowdown is hardly surprising, on balance, we feel that the Irish economy is coping reasonably well with the challenging environment.

The strong Euro has been a benefit to shareholders of the Fund but it does have some less positive impacts on the competitiveness of the Irish economy. Over the past 12 months, the Euro has appreciated by more than 30% against the US dollar and it has also risen strongly against Sterling. In particular, these increases in the value of the Euro will have a significant impact on Ireland's exports, 42% of which (based on 2001 figures) were either to the US or the UK. While the currency rate is but one element of competitiveness and Irish workers rank highly on many measures of productivity, there is little doubt that these currency movements present a challenge for Ireland and indeed for other European economies as well.

Irish tax revenues are running somewhat behind budget expectations. In the first four months of 2003 tax revenues were 5.6% higher than the same period last year. That compares with the Government forecast of 8.0% for the year as a whole. However after two years of very strong and above target increases in Government spending, there are signs that the authorities are getting control of the situation and growth in spending has slowed significantly in recent months.

There has been evidence over the last couple of months which suggests that the upward pressure on consumer prices in Ireland is abating. In April, the year over year headline rate of inflation was 4.3%, which is a significant improvement from a 5.1% rate in February. The slowing economy, lower energy prices and the impact of the stronger Euro should help to push inflation lower over the summer months.

Equity Market Review

The Irish stock market increased by +5.9% in Euro terms during the quarter ended April 30, 2003. Global equity market performance was mixed over the quarter and volatility was very high. As the table below highlights, Irish equities continued to perform well in the quarter.

**Quarter Ended
April 30, 2003**

	<u>Local Currency</u>	<u>U.S. \$</u>
Irish Equities (ISEQ)	+5.9%	+10.1%
S&P 500	+7.1%	+7.1%
NASDAQ	+10.8%	+10.8%
UK Equities (FTSE 100)	+10.0%	+6.8%
Japanese Equities	-6.1%	-5.3%
Euroland Equities		
Eurostoxx	+3.4%	+7.4%
German Equities (DAX)	+7.1%	+11.2%
French Equities (CAC)	+0.5%	+4.4%
Dutch Equities (AEX)	-4.1%	-0.5%

AIB (+7.4% in quarter). Whole year results were in-line with expectations, with underlying earnings growth of 6%. This was a credible performance given their problems in the US and once again was primarily driven by buoyant domestic growth where earnings rose by 11% in 2002. For 2003, AIB has signalled a target of mid-single digit underlying earnings growth. The stock is lowly valued with a P/E of 11.3x for 2003 and a yield of 4.0%. These valuations, relatively speaking, reflect the growth forecasts for the current year.

CRH had a strong quarter registering a return of 17.0% on the back of excellent full-year 2002 results. EPS, before amortisation of goodwill, increased by 4.5% and the dividend was increased by 10.2%. These results were achieved within an industry where most of CRH comparables are registering significant profit declines. While CRH's growth has slowed significantly over the past couple of years it continues to build an enviable operating platform through prodigious cash flow that helps to fund its acquisitions programme.

Volatile capital markets have been less favorable for **Irish Life & Permanent (+2% in the quarter)**. Poor stock markets and difficult comparisons, due to a boom in special savings products (SSIAs), resulted in a 40% reduction in life and pensions sales in the first quarter of 2003. While this weakness is being compensated somewhat by continued strength on the banking side, the announcement has led to a 5% reduction in forecasted profits for 2003. A yield of 4.7% and a P/E of 7.7x have put a floor on the stock despite the current lack of operating momentum.

Galen had an excellent quarter rising by 35.7% as the market welcomed a strong set of second quarter results with EPS increasing by 42% in Sterling terms. The results were positively impacted by recent acquisitions.

Current Outlook

In a challenging environment Ireland is performing reasonably well. The Central Bank is now forecasting GNP growth for 2003 of 1.75% and GDP growth of 3.25%. On average, the Eurozone economy is forecasted to expand at approximately 1% in GDP terms in 2003. The European Central Bank (ECB) recently cut interest rates by 0.5% in an effort to further stimulate the European economies.

Earnings growth, both domestically and internationally, remains in short supply given the sluggish economic environment. A modest recovery in economic growth helped by easy monetary policy should help markets to generate positive returns in 2003. Based on current forecasts the Irish stock market trades on a P/E for 2003 of 12.0X and offers an attractive dividend yield of 2.7%. Ireland continues to outperform, on a relative basis, and the Fund retains a fully invested position.

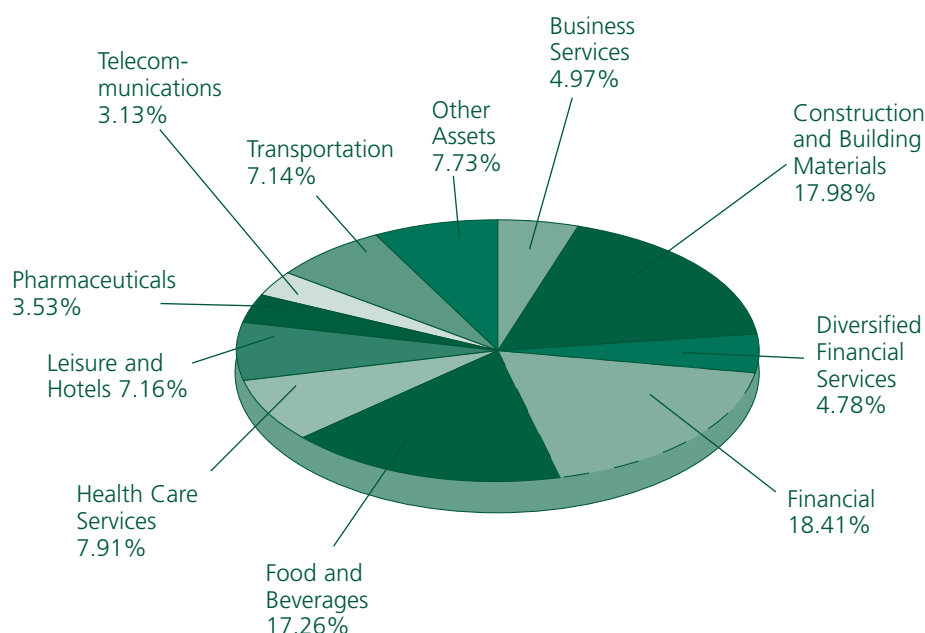
Sincerely,

A handwritten signature in cursive script, appearing to read "Peter Hooper".

Peter Hooper
Chairman
June 20, 2003

Please note: all stock performance figures are presented in Euro terms.

Portfolio by Market Sector as of April 30, 2003
(Percentage of Net Assets)



Top 10 Holdings by Issuer as of April 30, 2003

<u>Holding</u>	<u>Sector</u>	<u>% of Net Assets</u>
Allied Irish Banks PLC	Financial	15.49%
Kerry Group PLC, Series A	Food and Beverages	14.36%
CRH PLC	Construction and Building Materials	12.34%
Ryanair Holdings PLC	Transportation	7.14%
DCC PLC	Business Services	4.97%
Irish Life & Permanent PLC	Diversified Financial Services	4.78%
Jury's Doyle Hotel Group PLC	Leisure and Hotels	4.59%
United Drug PLC	Health Care Services	4.37%
ICON PLC-ADR	Health Care Services	3.54%
Galen Holdings PLC	Pharmaceuticals	3.53%

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

April 30, 2003	Shares	Value (U.S.) (Note A)
COMMON STOCKS (98.89%)		
COMMON STOCKS OF IRISH COMPANIES (95.36%)		
<i>Business Services (4.97%)</i>		
DCC PLC	250,000	<u>\$ 3,096,958</u>
<i>Computer Software and Services (0.37%)</i>		
IONA Technologies PLC-ADR*	169,300	<u>230,248</u>
<i>Construction and Building Materials (17.98%)</i>		
CRH PLC	500,577	7,681,499
Grafton Group PLC-UTS	380,820	1,496,011
Kingspan Group PLC	800,000	<u>2,017,766</u>
		<u>11,195,276</u>
<i>Diversified Financial Services (4.78%)</i>		
Irish Life & Permanent PLC	256,295	<u>2,974,718</u>
<i>Financial (18.41%)</i>		
Allied Irish Banks PLC	628,738	9,648,166
FBD Holdings PLC	260,000	<u>1,813,534</u>
		<u>11,461,700</u>
<i>Food & Agriculture (1.88%)</i>		
IAWS Group PLC	144,900	<u>1,172,408</u>
<i>Food and Beverages (17.26%)</i>		
Fyffes PLC	467,400	725,063
Greencore Group PLC	352,568	1,082,052
Kerry Group PLC, Series A	604,750	<u>8,942,606</u>
		<u>10,749,721</u>
<i>Health Care Services (7.91%)</i>		
ICON PLC-ADR*	85,000	2,201,500
United Drug PLC	196,700	<u>2,722,064</u>
		<u>4,923,564</u>
<i>Leisure and Hotels (7.16%)</i>		
Jury's Doyle Hotel Group PLC	361,942	2,859,859
Paddy Power PLC	286,365	<u>1,597,947</u>
		<u>4,457,806</u>

The New Ireland Fund, Inc.

Portfolio Holdings (unaudited) (continued)

April 30, 2003	Shares	Value (U.S.) (Note A)
COMMON STOCKS (Continued)		
Publishing & News (1.35%)		
Independent News & Media PLC	578,142	\$ 761,358
Independent News & Media PLC- Rights*	154,171	<u>80,867</u>
		<u>842,225</u>
Technology (0.78%)		
Horizon Technology Group PLC*	1,359,817	<u>485,627</u>
Telecommunications (3.13%)		
ParthusCeva Inc.*	9,463	40,218
Spectel PLC†† (8/4/00, 11/22/00, 11/30/01-Cost \$2,699,475)	1,800,248	<u>1,908,659</u>
		<u>1,948,877</u>
Transportation (7.14%)		
Ryanair Holdings PLC*	650,000	<u>4,446,786</u>
Utility/Public Services (2.24%)		
NTR PLC† (6/14/02-Cost \$1,169,642)	125,000	<u>1,395,026</u>
TOTAL COMMON STOCKS OF IRISH COMPANIES (Cost \$41,569,527)		<u>59,380,940</u>
COMMON STOCKS OF UNITED KINGDOM COMPANIES (3.53%) (Cost U.S. \$2,470,577)		
Pharmaceuticals (3.53%)		
Galen Holdings PLC	310,419	<u>2,195,378</u>
TOTAL INVESTMENT COMPANIES BEFORE FOREIGN CURRENCY ON DEPOSIT (Cost \$44,040,104)		<u>\$ 61,576,318</u>

The New Ireland Fund, Inc.

Portfolio Holdings (unaudited) (continued)

April 30, 2003	Face Value	Value (U.S.) (Note A)
FOREIGN CURRENCY ON DEPOSIT (0.25%)		
(Interest Bearing)		
British Pounds Sterling	£ 6,613	\$ 10,569
Euro	€ 132,067	<u>147,390</u>
TOTAL FOREIGN CURRENCY ON DEPOSIT**		<u>157,959</u>
(Cost \$155,974)		
TOTAL INVESTMENTS (99.14%)		\$ 61,734,277
(Cost \$44,196,077)		
OTHER ASSETS AND LIABILITIES (0.86%)		<u>536,689</u>
NET ASSETS (100.00%)		<u>\$ 62,270,966</u>

* Non-income producing security.

** Foreign currency held on deposit at the Bank of Ireland.

† Not readily marketable. Dates represent acquisition date.

†† Not readily marketable and non-income producing security. Dates represent acquisition date.

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

UTS –Units

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

April 30, 2003

ASSETS:

Investments, at value (Cost \$44,040,104) (Note A) See accompanying schedule	U.S. \$61,576,318
Cash	209,997
Foreign currency (Cost \$155,974)	157,959
Dividends receivable	532,020
Prepaid expenses	19,413
Total Assets	<u>62,495,707</u>

LIABILITIES:

Accrued legal fees payable	67,082
Investment advisory fee payable (Note B)	36,606
Printing fees payable	25,889
Directors' fees and expenses (Note C)	21,338
Payable for Fund shares repurchased	19,038
Accrued audit fees payable	16,766
Administration fee payable (Note B)	14,657
Custodian fees payable (Bank of Ireland) (Note B)	4,852
Custodian fees payable (Chase Manhattan Bank) (Note B)	750
Accrued expenses and other payables	17,763
Total Liabilities	<u>224,741</u>

NET ASSETS

U.S. \$62,270,966

AT APRIL 30, 2003 NET ASSETS CONSISTED OF:

Common Stock, U.S. \$.01 Par Value – Authorized 20,000,000 Shares; Issued and Outstanding 4,873,428 Shares	U.S. \$ 48,734
Additional Paid-in Capital	52,891,733
Undistributed Net Investment Income	318,261
Accumulated Net Realized Loss	(8,539,605)
Unrealized Appreciation of Securities, Foreign Currency and Net Other Assets	<u>17,551,843</u>

TOTAL NET ASSETS

U.S. \$62,270,966

NET ASSET VALUE PER SHARE

(Applicable to 4,873,428 outstanding shares)
(authorized 20,000,000 shares)

(U.S. \$62,270,966 ÷ 4,873,428)

U.S. \$ 12.78

See Notes to Financial Statements.

The New Ireland Fund, Inc.
Statement of Operations

	For the Six Months Ended April 30, 2003 (unaudited)
INVESTMENT INCOME	
Dividends (net of withholding taxes of U.S. \$1,113)	U.S. \$ 941,512
Interest	<u>4,332</u>
TOTAL INVESTMENT INCOME	<u>945,844</u>
EXPENSES	
Investment advisory fee (Note B)	214,623
Administration fee (Note B)	91,740
Legal fees	73,967
Directors' fees and expenses (Note C)	63,558
Consulting fee (Note B)	56,810
Printing fees	32,137
Custodian fees (Note B)	14,167
Other	<u>80,581</u>
TOTAL EXPENSES	<u>627,583</u>
NET INVESTMENT INCOME	U.S. \$ <u>318,261</u>
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS (NOTE D)	
Realized gain/(loss) on:	
Securities transactions	(4,169,191)
Foreign currency transactions	<u>38,079</u>
Net realized loss on investments during the period	<u>(4,131,112)</u>
Net change in unrealized appreciation of:	
Securities	12,112,057
Foreign currency and net other assets	<u>13,679</u>
Net unrealized appreciation of investments during the period	<u>12,125,736</u>
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS	<u>7,994,624</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	U.S. \$ <u><u>8,312,885</u></u>

See Notes to Financial Statements.

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

	Six Months Ended April 30, 2003 (unaudited)	Year Ended October 31, 2002
Net investment gain/(loss)	U.S. \$ 318,261	U.S. \$ (405,581)
Net realized loss on investments	(4,131,112)	(4,412,615)
Net unrealized appreciation/(depreciation) of investments, foreign currency holdings and net other assets	<u>12,125,736</u>	<u>(3,306,808)</u>
Net increase/(decrease) in net assets resulting from operations	8,312,885	(8,125,004)
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	—	(174,493)
Net realized gains	<u>—</u>	<u>(3,546,301)</u>
Net increase/(decrease) in net assets	<u>8,312,885</u>	<u>(11,845,798)</u>
CAPITAL SHARE TRANSACTIONS:		
Value of 95,750 and 363,400 shares repurchased, respectively (Note F)	(897,907)	(3,647,021)
Value of shares issued to shareholders in connection with a stock distribution (Note E)	<u>—</u>	<u>2,125,513</u>
NET DECREASE IN NET ASSETS RESULTING FROM CAPITAL SHARE TRANSACTIONS	<u>(897,907)</u>	<u>(1,521,508)</u>
NET ASSETS		
Beginning of period	<u>54,855,988</u>	<u>68,223,294</u>
End of period (Including undistributed net investment income of \$318,261 and \$0, respectively)	U.S. <u><u>\$62,270,966</u></u>	U.S. <u><u>\$54,855,988</u></u>

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, 2003 (unaudited)		Year Ended October 31,			
	2002	2001	2000	1999	1998†	
Operating Performance:						
Net Asset Value, Beginning of Period	U.S. \$ 11.04	U.S. \$ 13.28	U.S. \$ 20.06	U.S. \$ 19.75	U.S. \$ 21.36	U.S. \$ 19.99
Net Investment Income/(Loss)	0.07	(0.08)	(0.02)	0.15	0.13	0.07
Net Realized and Unrealized Gain/(Loss) on Investments	1.62	(1.50)	(3.65)	1.59	(0.60)	2.07
Net Increase/(Decrease) in Net Assets Resulting from Investment Operations	1.69	(1.58)	(3.67)	1.74	(0.47)	2.14
Distributions to Shareholders from:						
Net Investment Income	—	(.03)	(0.01)	(0.13)	—	(0.07)
Net Realized Gains	—	(.69)	(2.65)	(1.60)	(1.14)	(0.70)
Total from Distributions	—	(.72)	(2.66)	(1.73)	(1.14)	(0.77)
Anti-Dilutive/(Dilutive) Impact of Capital Share Transactions						
	0.05††††	0.06†††	(0.45)††	0.30	—	—
Net Asset Value, End of Period	U.S. \$ 12.78	U.S. \$ 11.04	U.S. \$ 13.28	U.S. \$ 20.06	U.S. \$ 19.75	U.S. \$ 21.36
Share Price, End of Period	U.S. \$ 10.12	U.S. \$ 8.67	U.S. \$ 11.02	U.S. \$ 15.19	U.S. \$ 16.38	U.S. \$ 17.88
Total Investment Return(a)	15.76%(c)	(12.07)%	(23.76)%	13.27%	(2.79)%	11.68%
Total Investment Return(b)	16.72%(c)	(16.05)%	(12.73)%	3.43%	(3.30)%	18.42%

RATIOS TO AVERAGE NET ASSETS/SUPPLEMENTAL DATA:

Net Assets, End of Period (000's)	U.S. \$62,271	U.S. \$54,856	U.S. \$68,223	U.S. \$95,075	U.S. \$98,916	U.S. \$107,005
Ratio of Net Investment Income/(Loss) to Average Net Assets	1.11%	(0.64)%	(0.16)%	0.70%	0.53%	0.33%
Ratio of Operating Expenses to Average Net Assets	2.19%	2.10%	1.80%	1.42%	1.33%	1.37%
Portfolio Turnover Rate	7%	13%	35%	34%	13%	9%

(a) Based on share net asset value and reinvestment of distributions at the price obtained under the Dividend Reinvestment and Cash Purchase Plan.

(b) Based on share market price and reinvestment of distributions at the price obtained under the Dividend Reinvestment and Cash Purchase Plan.

(c) Return is based on the six months ended April 30, 2003.

† Per-share numbers have been calculated using the average share method, which more appropriately represents the per-share data for the year since the use of the undistributed income method did not accord with the results of operations.

†† Amount represents \$0.08 per share impact for shares repurchased by the Fund under the Share Repurchase Program and \$(0.53) per share impact for the new shares issued as Capital Gain Stock Distribution.

††† Amount represents \$0.16 per share impact for shares repurchased by the Fund under the Share Repurchase Program and \$(0.10) per share impact for the new shares issued as Capital Gain Stock Distribution.

†††† Amount represents \$0.05 per share impact for shares repurchased by the Fund under the Share Repurchase Program.

The New Ireland Fund, Inc.

Notes to Financial Statements (unaudited)

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 investment strategy of the Fund, as revised in March 2001, involved a bias toward high growth Irish companies including listed and unlisted firms, drawn from the technology, telecommunications and health care sectors. More recently, due to the broadly based decline in the technology and telecommunications sectors, this strategy has been amended but the bias continues toward Ireland's growth companies.

A. Significant Accounting Policies:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. 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 is determined in good faith at fair value using estimation methods approved by the Board of Directors. At October 31, 2003 the Fund held 5.3% of its net assets in securities valued in good faith by the Board of Directors with an aggregate cost of \$3,869,117 and fair value of \$3,303,685. Short-term securities that mature in 60 days or less are valued at amortized cost.

Dividends and Distributions to Stockholders: The Fund intends to distribute to stockholders, at least annually, substantially all of its net income from dividends and interest payments and substantially all of its net realized capital gains, if any. Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences are due primarily to differing treatments of income and gains on various investment securities held by the Fund, timing differences and characterizations of distributions made by the Fund.

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. It is also the intention of the Fund to make distributions in sufficient amounts to avoid Fund excise tax. Accordingly, no provision for U.S. Federal income taxes is required.

Currency Translation: The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the bid price of such currencies against U.S. dollars last quoted by a major bank as follows: assets and liabilities at the closing rates of exchange on the valuation date; security

The New Ireland Fund, Inc.

Notes to Financial Statements (unaudited) (continued)

transactions and investment income and expenses at the closing rates of exchange on the dates of such transactions. 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.

Forward Foreign Currency Contracts: The Fund may enter into forward foreign currency contracts for non-trading purposes in order to protect investment securities and related receivables and payables against future changes in foreign currency exchange rates. Fluctuations in the value of such contracts are recorded as unrealized gains or losses; realized gains or losses include net gains or losses on contracts which have terminated by settlements or by entering into offsetting commitments. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. There were no such contracts open in the Fund as of April 30, 2003.

Securities Transactions and Investment Income: Securities transactions are recorded as of the 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. Non-cash dividends, if any are recorded at the fair market value of the securities received. Interest income is recorded on the accrual basis.

B. Management Services:

The Fund has entered into an investment advisory agreement (the "Investment Advisory Agreement") with Bank of Ireland Asset Management (U.S.) Limited ("Bank of Ireland Asset Management"), an indirect wholly-owned subsidiary of The Governor and Company of the Bank of Ireland ("Bank of Ireland"). Under the Investment Advisory Agreement, the Fund pays a monthly fee at an annualized rate equal to 0.75% of the value of the average net assets of the Fund up to the first \$100 million and 0.50% of the value of the average weekly net assets of the Fund on amounts in excess of \$100 million.

As of March 4, 2003, the Fund's Consulting Agreement with Salomon Brothers Asset Management Inc. (SBAM) was terminated. Up to this date, under the Agreement, SBAM received an annual fee of \$165,000, payable monthly, for which they evaluated trends in the closed-end fund marketplace and provided Fund management with future Fund development options and comparative fund analysis. From March 4, 2003, Bank of Ireland Asset Management agreed to provide investor services to existing and potential shareholders which, up to then, had also been provided by SBAM.

The Fund has entered into an administration agreement (the "Administration Agreement") with PFPC Inc. The Fund pays PFPC Inc. an annual fee of \$185,000 payable monthly.

The New Ireland Fund, Inc.

Notes to Financial Statements (unaudited) (continued)

The Fund has entered into an agreement with The Chase Manhattan Bank to serve as custodian of the Fund's assets held outside of Ireland. During the six months ended, April 30, 2003, the Fund paid The Chase Manhattan Bank U.S. \$1,000. Bank of Ireland serves as the Fund's custodian of the Fund's assets held in Ireland. During the six months ended, April 30, 2003, the Fund paid U.S. \$13,167 in custodian fees to Bank of Ireland.

For the six months ended, April 30, 2003, the Fund incurred total brokerage commissions of U.S. \$10,845, of which U.S. \$3,300 was paid to Davy Stockbrokers, an affiliate of Bank of Ireland Asset Management.

C. Directors Fees:

The Fund currently pays each Director who is not a managing director, officer or employee of Bank of Ireland Asset Management or any affiliate thereof, an annual retainer of U.S. \$11,500, plus U.S. \$1,000 for each meeting of the Board of Directors or Committee of the Board attended in person or via telephone and any stockholder meeting attended in person not held on the same day as a meeting of the Board. The Fund pays the Chairman of the Board of Directors of the Fund an additional U.S. \$13,500 annually. Each Director is reimbursed for travel and certain out-of-pocket expenses.

D. Purchases and Sales of Securities:

The cost of purchases and proceeds from sales of securities for the six months ended, April 30, 2003, excluding U.S. government and short-term investments, aggregated U.S. \$3,731,418 and U.S. \$3,895,488, respectively.

At April 30, 2003, there were no permanent tax and book differences in gross unrealized appreciation/depreciation of securities or the cost basis of securities.

E. Common Stock:

For the six months ended, April 30, 2003, the Fund has not issued shares in connection with a stock Distribution.

For the year ended, October 31, 2002, the Fund issued 196,443 shares in connection with stock Distribution in the amount of \$2,125,513.

On December 14, 1989, 9,000 shares of the Fund's common stock were issued to Bank of Ireland Asset Management. On April 30, 2003 Bank of Ireland held 11,548 shares representing 0.24% of the Fund's total issued shares.

F. Share Repurchase Program:

In accordance with Section 23(c) of the Investment Company Act of 1940, as amended, 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, 2003, the Fund repurchased 95,750 (1.93% of the shares outstanding at October 31, 2002 year end) of its shares for a total cost of \$897,907, at an average discount of 20.30% of net asset value.

For the fiscal year ended October 31, 2002, the Fund repurchased 363,400 (7.08% of the shares outstanding at October 31, 2001) of its shares for a total cost of \$3,647,021, at an average discount of 17.83% of net asset value.

The New Ireland Fund, Inc.

Notes to Financial Statements (unaudited) (continued)

G. Market Concentration:

Because the Fund concentrates its investments in securities issued by corporations in Ireland, 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.

The New Ireland Fund, Inc.

Directors and Officers

Peter J. Hooper – *Chairman of the Board*
James J. Boyle – *Director*
Denis Curran – *President and Director*
Denis P. Kelleher – *Director*
James M. Walton – *Director*
Lelia Long – *Treasurer*
Hugh Carter – *Assistant Treasurer*
Linda J. Hoard – *Secretary*

Principal Investment Advisor

Bank of Ireland Asset Management (U.S.) Limited
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Administrator

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Custodians

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Dublin 2, Ireland

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Global Investor Services
4 Chase Metro Tech Center 18th Floor
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Shareholder Servicing Agent

American Stock Transfer & Trust Company
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New York, New York 10005

Legal Counsel

Sullivan & Cromwell
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Independent Accountants

PricewaterhouseCoopers LLP
160 Federal Street
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Correspondence

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