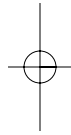
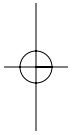


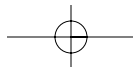
The NEW IRELAND Fund



*First Quarter Report
January 31, 2002*



Cover Photograph — Newgrange, Neolithic passage grave, Co. Meath
Provided courtesy of Irish Tourist Board.



Chairman's Letter

Dear Shareholder,

Introduction

At the beginning of a new year for the Fund, I am hopeful that we will see an upturn in the World's economies, which will be reflected by a similar upturn in equity markets.

Alongside most countries, the Irish economy suffered over the past twelve months but it remains strong, relatively speaking in relation to other European countries, with the Central Bank of Ireland expecting growth of at least 2.75% in 2002.

In recent weeks, there has been some turmoil in the Irish stock markets related to a couple of the top companies, both of which are represented in the Fund's portfolio. Detailed comments relating to this are incorporated in the Equity Market Review below. Despite these setbacks, we firmly believe that Ireland remains an attractive place to invest in and that this will continue to be reflected in the performance of the Fund.

Performance

In this the first quarter of the Fund's fiscal year, Net Asset Value ("NAV") declined by 4.4% to \$12.70. In the same period, a dividend of \$0.725 was paid to shareholders and when this distribution is taken into account, the total return to shareholders, for the quarter, was 0.73%. During the quarter, the Irish Equity Market declined by 3.2% in US dollar terms while the Davy Irish Technology Index declined by 6.1%.

On a global basis, stock markets generally remain range bound, drifting between optimism relating to an economic recovery and concern about the strength and quality of earnings forecasts. At this time, low interest rates also remain a key positive factor for stocks.

Some additional repurchases were made under the Share Repurchase Program during the quarter, but these were not significant.

Economic Review

The pace of Irish economic activity has slowed significantly over the past twelve months as international conditions deteriorated. Because Irish exports represent 110% of GNP, it is hardly surprising that Ireland is experiencing more moderate growth. The Irish Central Bank is expecting GNP growth of 2.75% in 2002 following a 5.5% expansion in 2001. This growth is significantly better than most international economies but as we have highlighted previously, it is not the absolute level but the shift in the level of economic growth that is the issue. The Irish economy is coming off growth rates of close to 10%.

Mirroring the economic slowdown, unemployment continues to move higher and in January 2002 reached 4.1% from a low of 3.6% in 2001. While job losses continue to occur, Ireland has fared well in the wave of multinational lay-offs announced over the past eighteen months. This indicates that despite the expansion of the last decade, Ireland remains competitive in a global

context. On the negative side, Irish inflation remains relatively high at 4.2% in December 2001. Having peaked at 7% in November 2000, the annual rate of inflation decelerated consistently throughout last year to a low of 3.8% in November. The advance in December, while a concern, seems to be a short-term event due to an increase in excise taxes.

Equity Market Review

A comparison with major global stock markets is highlighted in the following table:

Quarter ended January 31, 2002

	<u>Local Currency</u>	<u>U.S. \$</u>
Irish Equities (ISEQ)	+1.4%	-3.2%
Davy Irish Tech Index	-1.5%	-6.1%
S&P 500	+6.6%	+6.6%
NASDAQ	+14.4%	+14.4%
UK Equities	+3.4%	+0.5%
Japanese Equities	-8.3%	-16.0%
Euroland Equities	+6.7%	+2.1%
Neuer Markt	+8.6%	+4.0%
German Equities	+11.5%	+6.9%
French Equities	+2.8%	-1.8%
Dutch Equities	+6.9%	+2.3%

In late January 2002 and after quarter-end, there was significant negative newsflow regarding two companies that had been the largest Irish stocks as measured by market capitalization and I would like to update shareholders in relation to the current situation. Allied Irish Banks was hit by losses from a rogue currency trader, while Elan suffered from a combination of accounting concerns and a collapse in profit forecasts.

It is extremely disappointing for both the Fund and the Irish market that Ireland's two largest capitalized companies, representing almost 36% of the market, should suffer such significant and damaging news. As the Fund has only recently been repositioning itself towards Irish growth stocks (with a bias towards technology, telecom and healthcare) we are fairly recent investors in Elan so its difficulties are particularly disappointing.

Prior to the announcement of its 2001 financial results, Elan's stock price had been suffering as the market focussed on its rather aggressive accounting policies. This was not new news and had been extensively highlighted by a number of Wall Street analysts over the past number of years.

However, the bigger problem for Elan was its announcement that three key products, in the company's pipeline, were not going to develop as had

previously been indicated to the market. Two near-term products will now arrive late and cost substantially more to develop, and its key early stage drug (an Alzheimer's treatment) is in difficulties in clinical trials. These developments resulted in a substantial decline in earnings estimates and a consequent rapid decline in the rating of the stock. The combination of the decline in earnings estimates and stock valuation, resulted in a sharp decline in the stock price to \$14 per share. As the news began to break, the Fund disposed of 15% of its shareholding at a price of \$39.40. As of the end of February, Elan represented 3.4% of the Fund's holdings.

On February 6th, AIB announced that foreign exchange trading irregularities in its US subsidiary, Allfirst, had resulted in a loss of \$690m. Shortly after this news became public, AIB announced its 2001 earnings. When one excludes the unexpected loss, which was equivalent to 60% of 2001 EPS, earnings were in line with analyst expectations. The financial impact of this trading loss seems to be containable but the market's perception of AIB will take time to repair.

The 12% decline in share price on the announcement left the Bank on 10.5x P/E for 2002, a P/Book of 2.2x and a yield of 4.0%. These valuation levels are helping to stabilize the shares around current levels. On a positive note the loss will not have a significant impact on the ongoing profitability of the Bank. In this respect the AIB situation is clearly different to that of Elan. AIB shares are well supported at current levels and the Fund continues to hold its position in the stock.

Elsewhere, as in international markets, we saw significant volatility in the quarter. For example, Jury's (+42.6%) recovered strongly, as did Ryanair (+36.3%) as the market shrugged off concerns about the travel industry and both companies delivered excellent results. The environment for small Irish companies exposed to the technology and telecom sectors remain difficult and while a strong recovery in Iona (+70.0%) is to be welcomed, Irish companies across these sectors are struggling with profit warnings from Horizon, Conduit and Alphyra during the quarter. Having said this, the situation for such companies is probably no worse than for comparable companies in the U.S. and better than for similar European companies.

Current Outlook

The environment for investors remains difficult, with global stock markets firmly stuck in a trading range. Irish stocks are broadly tracking developments in global stock markets across comparable sectors.

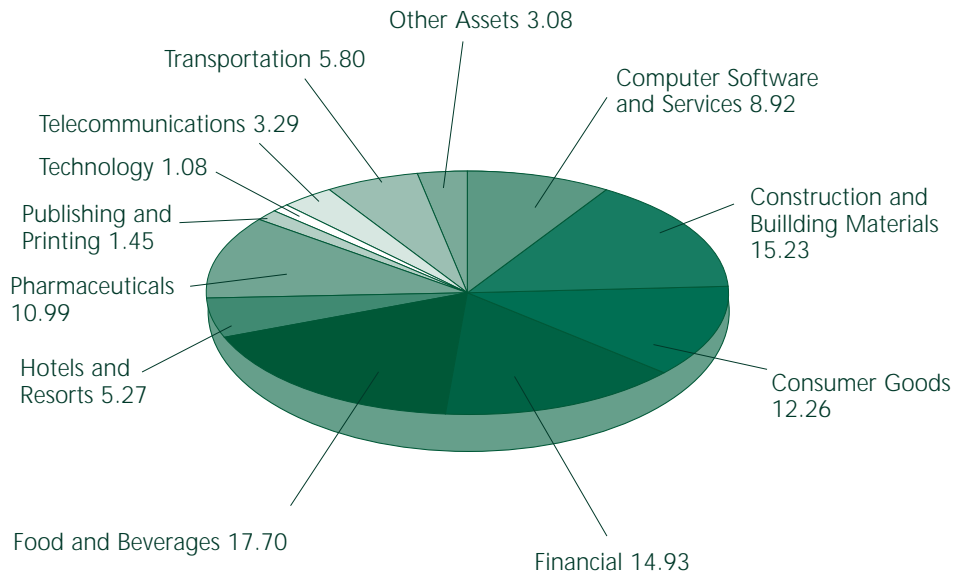
Our focus continues to position the Fund to participate in the growth offered by Ireland's established and emerging growth companies. The Fund retains a fully invested position.

Sincerely,



Peter Hooper
Chairman of the Board
March 20, 2002

*Portfolio by Market Sector as of January 31, 2002
(Percentage of Net Assets)*



Top 10 Holdings by Issuer as of January 31, 2002

<u> Holding </u>	<u> Sector </u>	<u> % of Net Assets </u>
Kerry Group, Series A	Food and Beverages	13.80%
Allied Irish Banks	Financial	13.33%
CRH	Construction and Building Materials	11.70%
Elan Corporation PLC-ADR	Pharmaceuticals	6.25%
Ryanair Holdings	Transportation	5.80%
United Drug	Consumer Goods	5.35%
Jury's Doyle Hotel Group	Hotels and Resorts	5.26%
Galen Holdings	Pharmaceuticals	4.74%
Spectel Group Limited	Computer Software and Services	3.94%
IONA Technologies-ADR	Computer Software and Services	3.78%

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

January 31, 2002	Shares	Value
COMMON STOCKS (96.92%)		
COMMON STOCKS OF IRISH COMPANIES (92.18%)		
Computer Software and Services (8.92%)		
Datalex Corporation*	157,500	U.S. \$ 63,000
Datalex Corporation-ADR* (One ADR Represents Two Ordinary Shares)	345,000	303,600
IONA Technologies-ADR*	124,300	2,535,844
Riverdeep Group PLC- SPONSORED ADR*	25,000	438,750
Spectel Group Limited† (8/4/00, 11/22/00, 11/30/01-Cost \$2,699,475)	1,800,248	<u>2,643,808</u>
		<u>5,985,002</u>
Construction and Building Materials (15.23%)		
CRH	500,577	7,847,841
Kingspan	800,000	<u>2,369,287</u>
		<u>10,217,128</u>
Consumer Goods (12.26%)		
DCC	250,000	2,410,612
ICON-ADR*	85,000	2,227,000
United Drug	287,500	<u>3,589,015</u>
		<u>8,226,627</u>
Financial (14.93%)		
Allied Irish Banks	777,688	8,938,323
FBD Holdings	260,000	<u>1,074,444</u>
		<u>10,012,767</u>
Food and Beverages (17.70%)		
Fyffes	1,635,000	1,660,998
Greencore	352,568	953,107
Kerry Group, Series A	705,000	<u>9,256,106</u>
		<u>11,870,211</u>
Hotels and Resorts (5.27%)		
Jury's Doyle Hotel Group	431,792	<u>3,531,568</u>
Pharmaceuticals (6.25%)		
Elan Corporation PLC-ADR*	149,250	<u>4,192,432</u>
Publishing and Printing (1.45%)		
Independent News & Media	578,142	<u>970,596</u>
Technology (1.08%)		
Horizon Technology*	1,359,817	<u>725,841</u>

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

January 31, 2002	Shares	Value
COMMON STOCKS (Continued)		
Telecommunications (3.29%)		
Alphyra Group PLC*	540,000	U.S. \$ 1,650,409
Conduit PLC - Registered Shares GDR*	125,000	253,975
Parthus Technologies PLC*	625,000	302,536
Twelve Horses Ltd. † (5/25/00-Cost \$500,000)	625,000	<u>0</u>
		<u>2,206,920</u>
Transportation (5.80%)		
Ryanair Holdings*	650,000	<u>3,889,265</u>
TOTAL COMMON STOCKS OF IRISH COMPANIES (Cost \$52,636,892)		<u>61,828,357</u>
COMMON STOCKS OF UNITED KINGDOM COMPANIES (4.74%)		
Pharmaceuticals (4.74%)		
Galen Holdings	354,419	<u>3,180,733</u>
TOTAL INVESTMENT COMPANIES BEFORE FOREIGN CURRENCY ON DEPOSIT (Cost \$55,218,975)		U.S. <u>\$65,009,090</u>
FOREIGN CURRENCY ON DEPOSIT (1.34%)		
Face Value		
(Interest Bearing)		
British Pounds Sterling	£ 1,889	U.S. \$ 2,670
Euro	€ 1,042,989	<u>897,944</u>
TOTAL FOREIGN CURRENCY ON DEPOSIT (Cost \$938,229)**		<u>900,614</u>
TOTAL INVESTMENTS (98.26%) (Cost \$56,157,204)		<u>65,909,704</u>
OTHER ASSETS AND LIABILITIES (1.74%)		<u>1,169,246</u>
NET ASSETS (100.00%)		U.S. <u>\$ 67,078,950</u>

* Non-income producing security.

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

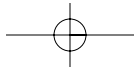
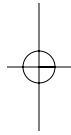
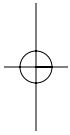
† Not readily marketable and non-income producing security. Dates represent acquisition date.

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

GDR –Global Depository Receipt traded in U.S. dollars

This page left blank intentionally.

This page left blank intentionally.



The New Ireland Fund, Inc.

Directors and Officers

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

Principal Investment Advisor

Bank of Ireland Asset Management (U.S.) Limited
75 Holly Hill Lane
Greenwich, Connecticut 06830

Consultant

Salomon Smith Barney
125 Broad Street, 9th Floor
New York, New York 10004

Administrator

PFPC Inc.
101 Federal Street
Boston, Massachusetts 02110

Custodians

Bank of Ireland
Lower Baggot Street
Dublin 2, Ireland
Chase Manhattan Bank
Global Investor Services
4 Chase Metro Tech Center 18th Floor
Brooklyn, New York 11245

Shareholder Servicing Agent

American Stock Transfer & Trust Company
40 Wall Street
New York, New York 10005

Legal Counsel

Sullivan & Cromwell
125 Broad Street
New York, New York 10004

Independent Accountants

PricewaterhouseCoopers LLP
160 Federal Street
Boston, MA 02110

Correspondence

All correspondence should be addressed to:

The New Ireland Fund, Inc.
% PFPC Inc.
101 Federal Street
6th Floor
Boston, Massachusetts 02110

Telephone inquiries should be directed to:

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

Website address:

www.newirelandfund.com