

# The NEW IRELAND Fund



*Annual Report  
October 31, 2007*

*Cover Photograph — Belfast City Hall, Belfast, Northern Ireland  
Provided courtesy of Tourism Ireland*

## **Letter To Shareholders**

Dear Shareholder,

### **Introduction**

As may be seen in the Economic Review section on the next page, the Irish economy remains strong although the growth forecast for the current year has been reduced to 4.75% with the expectation for 2008 being 3.5%. In the context of the Western European economies, these growth rates are still very satisfactory as Ireland continues to grow at a faster pace than most other countries.

Over the past 12 months, the Fund's Net Asset Value ("NAV") increased by only 2.88%, as a result of the substantial drop in the Irish Equities market ("ISEQ") over recent months. This fall in the ISEQ reflects the sub-prime debacle here in the U.S. as well as the downward trend in the residential housing market in Ireland. Having said this, the drop has been substantially worse than in other European markets and it is hoped that a correction will take place over coming months to bring the ISEQ back in line with its European peer markets. Another reason is the fact that three of the top six companies in the ISEQ, by capitalization, are financial institutions, whose stock prices appear to have over-reacted to the U.S. sub-prime problems.

In early November, the Board of the Fund declared a distribution for the fiscal year ended October 31, 2007, in an amount of \$5.22 per share. This will be a stock distribution however shareholders are being given the option of taking the distribution in cash, should they so wish. The \$5.22 per share is comprised of long-term capital gains of \$4.66, short-term capital gains of \$0.20 and net investment income of \$0.36. The distribution will be made under date of December 28, 2007 to all shareholders of record on November 16, 2007.

In late November, Mr. Brendan Donohoe, Director and President of the Fund, resigned from these positions because he will no longer be resident in the United States. We were sorry to learn of this because, over these past few years, we very much valued his contributions both as a Director and as President of the Fund. On behalf of the Board, I would like to thank him, most sincerely, for his commitment to the Fund. The Board recently appointed Mr. Michael Grealy to fill the vacancies of Director and President resulting from Mr. Donohoe's resignation.

### **Performance**

For the fiscal year just ended, the Fund's NAV increased by 2.88% compared to a rise of 3.94% in the ISEQ index, in U.S. dollar terms\*, and a rise of 6.0% excluding Bank of Ireland, in which the Fund is precluded from investing. The performance of the Irish market was again weak in the fourth fiscal quarter, underperforming most European and developed International markets. Over the quarter, the Fund's NAV decreased by 4.9% as compared to a 2.4% decline in the ISEQ. Excluding Bank of Ireland, the Irish market was

\*All returns are quoted in U.S. Dollars unless otherwise stated.

down 2.2%. The Fund's underperformance relative to its benchmark, over the quarter, was due to the knock-on effect of the sub-prime situation in the U.S. as well as being due to it not holding an investment in the pharmaceutical company Elan, the fourth largest stock in the ISEQ, which rose 32% on continued optimism in relation to a number of its pipeline drugs.

The Euro rose by 5.7% and 13.3% against the U.S. dollar over the three and twelve month periods respectively.

During fiscal 2007, we continued to implement the Share Repurchase Program (the "Program") and over the 12 months, the Fund repurchased and retired 125,300 shares at a cost of \$3.70 million. These repurchases represent a reduction of 2.70% of the shares outstanding at October 31, 2006 and they positively impacted the Fund's NAV by 7 cents per share. Since commencement of the Program in fiscal 2000, repurchases have totaled 1,440,550 shares representing 23.4% of total shares, which have been issued by the Fund.

## **Economic Review**

The Irish economy continues to expand at a robust pace, although the rate of expansion is likely to decelerate into 2008. Latest Central Bank of Ireland ("CBOI") forecasts project GDP growth of 4.75% in 2007 and 3.5% in 2008. The international backdrop remains generally favorable although the recent turbulence in global financial markets has shifted the balance of risk to the downside. U.S. economic growth looks set to continue to decelerate while European growth, though still relatively strong, is also showing some signs of softness. Elsewhere growth continues to be strong, particularly in Asia, with China and India being driven by exceptional domestic demand.

Irish domestic demand has been strong in recent years, driven primarily by residential investment and consumer spending. All available evidence suggests that housing completions peaked in 2006 at 88,000 units and will decline reasonably sharply to a more sustainable level of output. The CBOI predicts 75,000 units in 2007 and 65,000 units in 2008 although leading indicators suggest that the 2008 outcome could be even lower. Private consumption expenditure and spending on home improvements will likely maintain greater momentum in the short term boosted by the release of funds from maturing Special Savings Incentive Accounts ("SSIs") and a strong pick up in rents. Non-residential spending is expected to remain robust given a healthy commercial property market and major spending on infrastructure under the National Development Plan. Export performance has slowed slightly from the strong start to the year but activity remains well above previous years.

Global inflationary signals have been mixed in recent months with some easing in the U.S. and U.K. but with more persistent inflation throughout Europe. With regard to monetary policy, the U.S. Federal Reserve has eased interest rates 0.75% in response to the credit crisis while interest rates in the Euro Zone and the U.K. would appear to be on hold at present.

Irish consumer sentiment fell in October with the 3-month moving average falling to 72.7 from the 73.6 recorded in September. The 3-month moving

average stood at 86.0 in October 2006. Consumers' perception of their current and future financial situations weakened in October. Respondents appeared concerned with regard to the outlook for the labor market and the overall economy over the next 12 months.

The Live Employment Register trends show continued resilience in the labor market although employment trends will decelerate into 2008. The slowing of growth in the residential construction sector is acting as a drag on overall employment growth which is forecast at 3% in 2007 and 1.5% in 2008. However the economy is forecast to remain at, or close to, full employment with an unemployment rate forecast of 4.75% for 2007 and 5.25% for 2008.

Retail sales rose 5.1% in August driven by sales of electrical goods, clothing and footwear. Sales of home improvement materials rose 4.4% and furniture sales, at 7.1%, showed a slight moderation from previous months. CBOI is forecasting 7% growth in consumer spending in 2007 with a drop to 3.75% in 2008 due to the reduced impact of the SSIA accounts.

The annual Harmonized Index of Consumer Prices ("HCIP") rose 0.1% in October resulting in an annual rise of 3.0%. Home heating oil and diesel rose 2.5% and 0.6%, respectively, over the month while a rise in food prices of 1.4% offset a fall in clothing/footwear of 0.6%. HCIP forecasts are for 2.8% in 2007 slowing to 2.25% in 2008.

Annual private sector credit growth declined to 19.5% in September, down from 20.1% in August. Demand for non-mortgage credit also declined with an annual adjusted rate of 24.5% recorded in September, down from 25% in August. As expected the annual rate of increase in residential mortgages continued its downward trend declining to 16.1% between August and September.

## Equity Market Review

World stock markets posted a mixed performance during the quarter:

	<b>Twelve Months Ended October 31<sup>st</sup>, 2007</b>		<b>Quarter Ended October 31<sup>st</sup>, 2007</b>	
	<b>Local Currency</b>	<b>U.S. \$</b>	<b>Local Currency</b>	<b>U.S. \$</b>
Irish Equities (ISEQ)	-8.24%	3.94%	-7.62%	-2.41%
S&P 500	12.44%	12.44%	6.47%	6.47%
NASDAQ	20.81%	20.81%	12.29%	12.29%
UK Equities (FTSE 100)	9.67%	19.48%	5.68%	7.91%
Japanese Equities	0.16%	1.49%	-5.05%	-1.72%
Dow Jones Eurostoxx 50	13.93%	29.06%	3.36%	9.19%
German Equities (DAX)	27.92%	44.90%	5.74%	11.70%
French Equities (CAC 40)	9.33%	23.85%	1.68%	7.42%
Dutch Equities (AEX)	12.59%	27.54%	2.60%	8.38%

A number of the Fund's holdings released results or trading statements during the most recent quarter, with highlights as follows:

**CRH PLC** reported strong interim results with operating profits increasing 26% to €771m. The group's European businesses posted a 50% increase in profits driven by exceptional growth in Poland and the Ukraine. This compensated for a weaker outturn in the Group's North American units, which registered a 2% profit decline. Earnings per Share ("EPS") forecasts for fiscal year 2007 were upgraded by 4-5% post these figures. CRH derated markedly in the period as investor concern with regard to the outlook for construction markets, in general, increased but it is felt that the Group remains excellent value at current levels.

**Kingspan Group PLC** again posted a strong set of interim figures with sales and trading profits ahead 34% and 30% respectively. Demand for their major product - insulation panels - continues to be very robust across Europe with Central & Eastern Europe showing underlying growth of 40% in the period. The Group reiterated prior guidance of at least a 20% increase in operating profits for 2007.

**Ryanair Holdings PLC** was a strong performer in the quarter as profit guidance that was given following the announcement of the Company's full year results in May, began to look increasingly conservative. Yield trends are improving as overall capacity remains constrained in the European short haul market while demand has remained robust despite increased airport charges on passengers in the U.K.. Over the quarter, the Company also completed the stock repurchase of a majority of the planned €300 million buyback.

**Grafton Group PLC** was a poor performer during the quarter despite the release of strong interim results. Revenue and adjusted earnings were ahead 13% and 18% in the first half. However investor focus during the period was concentrated on a more difficult outlook for the Group's Irish merchanting business given the expected decline in housing completions in 2008 and a more difficult trading environment for the Group's U.K. businesses given recent interest rate increases.

**Icon PLC** was an excellent performer during the period and reported strong Q3 results. Revenue and diluted EPS increased by 38% and 40% respectively over the prior year period. A strong book to bill ratio of 1.4x gave the group scope to raise EPS guidance for 2007 to between \$1.82 and \$1.85 indicating profit growth of 38% for 2007. Icon continues to benefit from R&D outsourcing trends in the pharmaceutical industry.

## Current Outlook

Despite the significant slowdown in the residential housing market, GDP growth should remain reasonably strong based on the CBOI forecasts of 4.75% and 3.5% for 2007 and 2008, respectively. From an International perspective, recent credit concerns have clouded the picture but, on balance, it is believed that the environment remains positive. The ISEQ now trades on a multi-year low of 11.7x 2007 earnings and yields 2.5% with earnings growth of 16.6% forecast for this year and 11.9% for 2008. This compares favorably with other European markets that trade on higher multiples and where earnings are forecast to grow at a rate of approximately 10%.

Sincerely,

A handwritten signature in dark blue ink, appearing to read "Peter Hooper". The signature is written in a cursive style with a large initial "P".

Chairman

December 21, 2007

## Investment Summary (Unaudited)

### Total Return (%)

	<u>Market Value</u>		<u>Net Asset Value (a)</u>	
	<u>Cumulative</u>	<u>Average Annual</u>	<u>Cumulative</u>	<u>Average Annual</u>
One Year	2.17	2.17	2.88	2.88
Three Year	85.61	22.90	76.48	20.85
Five Year	297.57	31.79	233.68	27.25
Ten Year	239.76	13.01	186.09	11.08

### Per Share Information and Returns

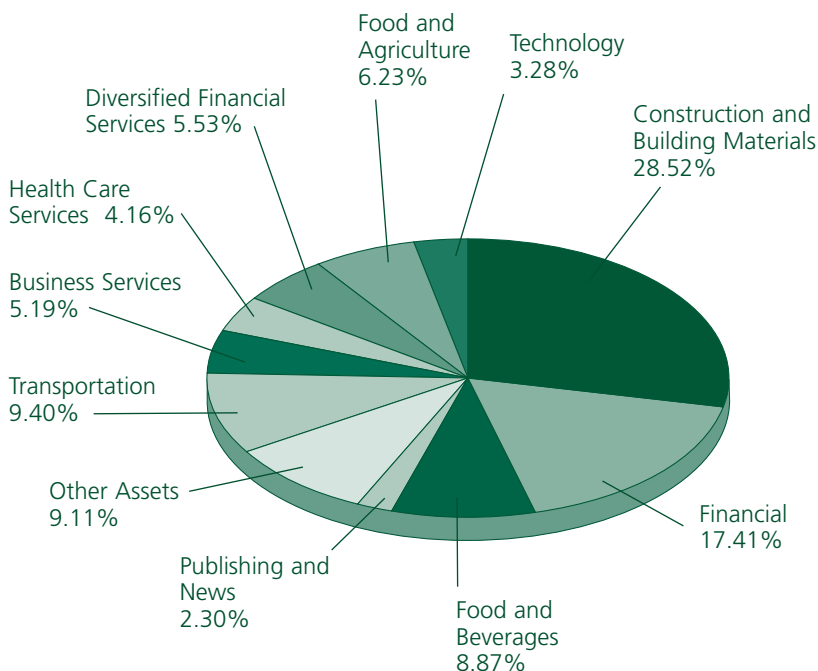
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Net Asset Value (\$)	21.36	19.75	20.06	13.28	11.04	16.29	20.74	24.36	32.55	30.95
Income										
Dividends (\$)	(0.07)	—	(0.13)	(0.01)	(0.03)	—	(0.09)	(0.03)	(0.16)	(0.24)
Capital Gains										
Other										
Distributions (\$)	(0.70)	(1.14)	(1.60)	(2.65)	(0.69)	—	—	—	(1.77)	(2.40)
Restated Total Return (%) (a)(b)	11.68	(2.37)	12.86	(20.99)	(11.44)	47.55	28.14	17.51	45.97	2.88

### Notes

- (a) Total investment returns reflect changes in net asset value per share during each period and assume that dividends and capital gains distributions, if any, were reinvested. These percentages are not an indication of the performance of a shareholder's investment in the Fund based on market price.
- (b) The Net Asset Value total return information set forth in the "Per Share Information and Returns" table for 2002 and prior years, that appeared in the Annual Report for 2003 and the Semi-Annual Report and the Annual Report for each of 2004, 2005 and 2006 was calculated using the NAV reinvestment prices rather than the market reinvestment prices. In order to be consistent all historic returns should have been calculated using market reinvestment prices. The information that appeared was 2002 – (12.07)%; 2001 – (23.76)%; 2000 – 13.27%; 1999 – (2.79)% and 1998 - 11.68%. The years of 1998 to 2002 have been restated to be consistent with the methodology used beginning in 2003 to calculate the total returns. The Net Asset Value total return information that appears in the table was calculated using market reinvestment prices.

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

*Portfolio by Market Sector as of October 31, 2007*  
*(Percentage of Net Assets)*



*Top 10 Holdings by Issuer as of October 31, 2007*

<u> Holding </u>	<u> Sector </u>	<u> % of Net Assets </u>
CRH PLC	Construction and Building Materials	15.97%
Allied Irish Banks PLC	Financial	14.64%
Ryanair Holdings PLC	Transportation	7.42%
IAWS Group PLC	Food and Agriculture	6.23%
Kingspan Group PLC	Construction and Building Materials	5.93%
Kerry Group PLC, Series A	Food and Beverages	5.43%
Grafton Group PLC-UTS	Construction and Building Materials	4.81%
DCC PLC	Business Services	3.81%
FBD Holdings PLC	Diversified Financial Services	3.26%
Irish Life & Permanent PLC	Financial	2.77%

# The New Ireland Fund, Inc.

## Portfolio Holdings

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October 31, 2007	Shares	Value (U.S.) (Note A)
<b>COMMON STOCKS (97.71%)</b>		
<b>COMMON STOCKS OF IRISH COMPANIES (96.84%)</b>		
<b><i>Agricultural Operations (1.56%)</i></b>		
Origin Enterprises PLC (a)*	428,163	\$ <u>2,267,182</u>
<b><i>Business Services (5.19%)</i></b>		
CPL Resources PLC	200,982	1,701,019
DCC PLC	202,501	5,560,573
Newcourt Group PLC*	155,655	<u>301,762</u>
		<u>7,563,354</u>
<b><i>Business Support Services (1.35%)</i></b>		
Veris PLC*	500,000	<u>1,967,592</u>
<b><i>Computer Software and Services (0.47%)</i></b>		
IONA Technologies PLC-ADR*	169,300	<u>687,358</u>
<b><i>Construction and Building Materials (28.52%)</i></b>		
CRH PLC	610,929	23,281,058
Grafton Group PLC-UTS	630,458	7,014,209
Kingspan Group PLC	367,799	8,646,893
McInerney Holdings PLC	1,255,467	<u>2,633,719</u>
		<u>41,575,879</u>
<b><i>Diversified Financial Services (5.53%)</i></b>		
Boundary Capital PLC (a)*	635,534	616,042
FBD Holdings PLC	132,585	4,747,509
IFG Group PLC	556,276	1,464,731
TVC Holdings PLC (a)*	815,973	<u>1,239,542</u>
		<u>8,067,824</u>
<b><i>Financial (17.41%)</i></b>		
Allied Irish Banks PLC	855,747	21,344,149
Irish Life & Permanent PLC	178,245	<u>4,034,752</u>
		<u>25,378,901</u>
<b><i>Food &amp; Agriculture (6.23%)</i></b>		
IAWS Group PLC	386,346	<u>9,082,930</u>

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

October 31, 2007	Shares	Value (U.S.) (Note A)
<b>COMMON STOCKS (continued)</b>		
<b>COMMON STOCKS OF IRISH COMPANIES (continued)</b>		
<b><i>Food and Beverages (8.87%)</i></b>		
C&C Group PLC	460,018	\$ 3,673,754
Fyffes PLC	552,258	759,035
Kerry Group PLC, Series A	264,601	7,914,294
Total Produce PLC	552,258	<u>579,264</u>
		<u>12,926,347</u>
<b><i>Forest Products &amp; Paper (2.09%)</i></b>		
Smurfit Kappa Group PLC (a)*	151,515	<u>3,044,767</u>
<b><i>Health Care Services (4.16%)</i></b>		
ICON PLC-Sponsored ADR*	53,947	3,128,926
United Drug PLC	587,476	<u>2,932,280</u>
		<u>6,061,206</u>
<b><i>Publishing and News (2.30%)</i></b>		
Independent News & Media PLC	916,258	<u>3,353,780</u>
<b><i>Real Estate Development (0.10%)</i></b>		
Blackrock International Land PLC*	218,009	<u>138,779</u>
<b><i>Technology (3.28%)</i></b>		
Horizon Technology Group PLC*	1,321,900	1,874,221
Norkom Group PLC (a)*	364,481	896,438
Norkom Group PLC*	818,699	<u>2,013,582</u>
		<u>4,784,241</u>
<b><i>Telecommunications (0.38%)</i></b>		
Zamano PLC*	1,100,000	<u>557,002</u>

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

October 31, 2007	Shares	Value (U.S.) (Note A)
<b>Transportation (9.40%)</b>		
Aer Lingus Group PLC (a)*	249,183	\$ 858,008
Ryanair Holdings PLC*	1,300,000	10,814,524
Ryanair Holdings PLC-Sponsored ADR*	41,285	<u>2,030,809</u>
		<u>13,703,341</u>
<b>TOTAL COMMON STOCKS OF IRISH COMPANIES</b>		
(Cost \$72,342,033)		<u>141,160,483</u>
<b>COMMON STOCKS OF UNITED KINGDOM COMPANIES (0.87%)</b>		
(Cost U.S. \$575,774)		
<b>Consulting Services (0.87%)</b>		
RPS Group PLC	156,570	<u>1,266,858</u>
<b>TOTAL COMMON STOCKS BEFORE FOREIGN CURRENCY ON DEPOSIT</b>		
(Cost \$72,917,807)		<u>\$142,427,341</u>
	Face Value	
<b>FOREIGN CURRENCY ON DEPOSIT (0.05%)</b>		
British Pounds Sterling	£2,447	\$ 5,082
Euro	€42,393	<u>61,333</u>
<b>TOTAL FOREIGN CURRENCY ON DEPOSIT</b>		
(Cost \$66,005)**		<u>66,415</u>
<b>TOTAL INVESTMENTS (97.76%)</b>		
(Cost \$72,983,812)		142,493,756
<b>OTHER ASSETS AND LIABILITIES (2.24%)</b>		
		<u>3,270,968</u>
<b>NET ASSETS (100.00%)</b>		
		<u><u>\$145,764,724</u></u>

(a) Securities exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. At October 31, 2007, these securities amounted to \$8,921,979 or 6.12% of net assets.

\* Non-income producing security.

\*\* Foreign currency held on deposit at JPMorgan Chase & Co.

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

UTS –Units

# The New Ireland Fund, Inc.

## Statement of Assets and Liabilities

October 31, 2007

### ASSETS:

Investments at value (Cost \$72,917,807)	
See accompanying schedule	U.S.\$ 142,427,341
Cash	3,052,242
Foreign currency (Cost \$66,005)	66,415
Dividends receivable	389,139
Prepaid expenses	56,534
	<u>145,991,671</u>
Total Assets	

### LIABILITIES:

Investment advisory fee payable (Note B)	83,159
Accrued audit fees payable	35,000
Printing fees payable	30,994
Accrued legal fees payable	25,240
Administration fee payable (Note B)	18,570
Directors' fees and expenses (Note C)	17,624
Accrued expenses and other payables	9,894
Custodian fees payable (Note B)	5,716
Transfer agent fees payable	750
	<u>226,947</u>
Total Liabilities	

### NET ASSETS

U.S.\$ 145,764,724

### AT OCTOBER 31, 2007 NET ASSETS CONSISTED OF:

Common Stock, U.S. \$.01 Par Value -	
Authorized 20,000,000 Shares	
Issued and Outstanding 4,709,513 Shares	U.S.\$ 47,095
Additional Paid-in Capital	51,601,704
Undistributed Net Investment Income	1,705,049
Accumulated Net Realized Gain	22,886,807
Net Unrealized Appreciation of Securities,	
Foreign Currency and Net Other Assets	<u>69,524,069</u>

### TOTAL NET ASSETS

U.S.\$ 145,764,724

### NET ASSET VALUE PER SHARE

(Applicable to 4,709,513 outstanding shares)

(authorized 20,000,000 shares)

(U.S. \$145,764,724 ÷ 4,709,513) U.S.\$ 30.95

See Notes to Financial Statements.

# The New Ireland Fund, Inc.

## Statement of Operations

For the Year Ended  
October 31, 2007

### INVESTMENT INCOME

Dividends	U.S.\$	3,681,694
Interest		<u>34,159</u>

### TOTAL INVESTMENT INCOME

3,715,853

### EXPENSES

Investment advisory fee (Note B)	\$	1,048,665
Administration fee (Note B)		272,114
Directors' fees and expenses (Note C)		215,745
Audit fees		37,804
Compliance fees		62,893
Legal fees		103,289
Printing fees		74,318
Custodian fees (Note B)		67,634
Other		<u>203,077</u>

### TOTAL EXPENSES

2,085,539

### NET INVESTMENT INCOME

U.S.\$ 1,630,314

### REALIZED AND UNREALIZED GAIN ON INVESTMENTS (NOTE E)

Realized gain on:		
Securities transactions	22,903,469	
Foreign currency transactions	<u>74,735</u>	
Net realized gain on investments during the year		<u>22,978,204</u>
Net change in unrealized appreciation (depreciation) of:		
Securities	(20,220,349)	
Foreign currency and net other assets	<u>5,821</u>	
Net unrealized depreciation of investments during the year		<u>(20,214,528)</u>

### NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS

2,763,676

### NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

U.S.\$ 4,393,990

See Notes to Financial Statements.

# The New Ireland Fund, Inc.

## Statement of Changes in Net Assets

	Year Ended October 31, 2007	Year Ended October 31, 2006
Net investment income	U.S.\$ 1,630,314	U.S.\$ 1,076,882
Net realized gain on investments	22,978,204	11,161,156
Net unrealized appreciation/(depreciation) of investments, foreign currency holdings and net other assets	<u>(20,214,528)</u>	<u>35,088,838</u>
Net increase in net assets resulting from operations	<u>4,393,990</u>	<u>47,326,876</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM:</b>		
Net investment income	(1,113,999)	(722,941)
Net realized gains	<u>(11,139,986)</u>	<u>(7,997,529)</u>
Total distributions	<u>(12,253,985)</u>	<u>(8,720,470)</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Value of 125,300 and 60,950 shares repurchased, respectively (Note G)	(3,696,735)	(1,460,049)
Value of shares issued to shareholders in connection with a stock distribution (Note F)	<u>6,219,513</u>	<u>3,766,311</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM CAPITAL SHARE TRANSACTIONS</b>		
	<u>2,522,778</u>	<u>2,306,262</u>
Total increase/(decrease) in net assets	<u>(5,337,217)</u>	<u>40,912,668</u>
<b>NET ASSETS</b>		
Beginning of year	<u>151,101,941</u>	<u>110,189,273</u>
End of year (Including undistributed net investment income of \$1,705,049 and \$1,127,060, respectively)	U.S.\$ <u><u>145,764,724</u></u>	U.S.\$ <u><u>151,101,941</u></u>

See Notes to Financial Statements.

# The New Ireland Fund, Inc.

## Financial Highlights *(For a Fund share outstanding throughout each year)*

	Year Ended October 31,				
	2007	2006	2005	2004	2003
Operating Performance:					
Net Asset Value, Beginning of Year	U.S. <u>\$32.55</u>	<u>\$24.36</u>	<u>\$20.74</u>	<u>\$16.29</u>	<u>\$11.04</u>
Net Investment Income/(Loss)	0.35	0.23	0.16	(0.00)#	0.07
Net Realized and Unrealized Gain/(Loss) on Investments	<u>0.69</u>	<u>9.98</u>	<u>3.38</u>	<u>4.49</u>	<u>5.08</u>
Net Increase/(Decrease) in Net Assets Resulting from Investment Operations	<u>1.04</u>	<u>10.21</u>	<u>3.54</u>	<u>4.49</u>	<u>5.15</u>
Distributions to Shareholders from:					
Net Investment Income	(0.24)	(0.16)	(0.03)	(0.09)	—
Net Realized Gains	<u>(2.40)</u>	<u>(1.77)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total from Distributions	<u>(2.64)</u>	<u>(1.93)</u>	<u>(0.03)</u>	<u>(0.09)</u>	<u>—</u>
Anti-Dilutive/(Dilutive) Impact of Capital Share Transactions	<u>0.00††</u>	<u>(0.09)†</u>	<u>0.11</u>	<u>0.05</u>	<u>0.10</u>
Net Asset Value, End of Period	U.S. <u>\$30.95</u>	<u>\$32.55</u>	<u>\$24.36</u>	<u>\$20.74</u>	<u>\$16.29</u>
Share Price, End of Period	U.S. <u>\$28.96</u>	<u>\$30.67</u>	<u>\$21.95</u>	<u>\$18.46</u>	<u>\$13.81</u>
Total NAV Investment Return (a)	<u>2.88%</u>	<u>45.97%</u>	<u>17.51%</u>	<u>28.14%</u>	<u>47.55%</u>
Total Market Investment Return (b)	<u>2.17%</u>	<u>52.47%</u>	<u>19.07%</u>	<u>34.47%</u>	<u>59.28%</u>

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

Net Assets, End of Year (000's)	U.S. \$145,765	\$151,102	\$110,189	\$97,253	\$77,790
Ratio of Net Investment Income/(Loss) to Average Net Assets	1.02%	0.86%	0.66%	(0.00)%‡	0.54%
Ratio of Operating Expenses to Average Net Assets	1.31%	1.40%	1.34%	1.80%	1.78%
Portfolio Turnover Rate	13%	11%	13%	5%	10%

(a) Based on share net asset value and reinvestment of distribution 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.

† Amount represents \$0.03 per share impact for shares repurchased by the Fund under the Share Repurchase Program and \$0.12 per share impact for the new shares issued as Capital Gain Stock Distribution.

†† Amount represents \$0.07 per share impact for shares repurchased by the Fund under the Share Repurchase Program and \$0.07 per share impact for the new shares issued as Capital Gain Stock Distribution.

# Amount represents less than \$0.01 per share.

‡ Amount represents less than 0.01%.

# The New Ireland Fund, Inc.

## Notes to Financial Statements

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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 will invest at least 80% of its total assets in equity and fixed income securities of Irish companies. To the extent that the balance of the Fund's assets is not so invested, it will have the flexibility to invest the remaining assets in non-Irish companies that are listed on a recognized stock exchange. The Fund may invest up to 25% of its assets in equity securities that are not listed on any securities exchange.

### **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, 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 are valued at amortized cost.

**Dividends and Distributions to Stockholders:** Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some point in the future. Differences in classification may also result from the treatment of short-term gain as ordinary income for tax purposes.

For tax purposes, at October 31, 2007 and October 31, 2006, the Fund distributed \$1,253,249 and \$734,293, respectively, of ordinary income. The Fund also distributed, for tax purposes at October 31, 2007 and October 31, 2006, \$11,000,736 and \$7,986,177, respectively of long-term capital gains.

During the year ended October 31, 2007, the Fund realized net foreign currency gains of \$74,735, which increased distributable net income for tax purposes; accordingly such gains have been reclassified to undistributed net investment income from accumulated net realized gains.

# The New Ireland Fund, Inc.

## Notes to Financial Statements (continued)

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**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 spot rate of such currencies against U.S. dollars by obtaining from FT-IDC each day the current 4:00pm London 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.

**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 October 31, 2007.

**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.

**Use of Estimates:** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Accrual results could differ from those estimates.

**New Accounting Pronouncements:** In July 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("FIN 48"). This pronouncement provides guidance on the recognition, measurement, classification, and disclosures related to uncertain tax positions, along with any related interest and penalties. FIN 48 is effective for fiscal years beginning after December 15, 2006. The impact from the adoption of FIN 48 is being evaluated, but is not anticipated to have a material effect on the financial statements.

In addition, in September 2006, Statement of Financial Accounting Standards No. 157 Fair Value Measurements ("SFAS 157") was issued and is effective for fiscal years beginning after November 15, 2007. SFAS 157 defines fair value, establishes a

# The New Ireland Fund, Inc.

## Notes to Financial Statements (continued)

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framework for measuring fair value and expands disclosures about fair value measurements.

Also, in February 2007, FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities ("SFAS 159"), which provides companies with an option to report selected financial assets and liabilities at fair value. The objective of SFAS 159 is to reduce both complexity in accounting for financial instruments and the volatility in earnings caused by measuring related assets and liabilities differently. SFAS 159 establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities and to more easily understand the effect of the Funds' choice to use fair value on their earnings. SFAS 159 also requires entities to display the fair value of the selected assets and liabilities on the face of the balance sheet. SFAS 159 does not eliminate disclosure requirements of other accounting standards, including fair value measurement disclosures in SFAS 157. SFAS 159 is effective for fiscal years beginning after November 15, 2007.

At this time, management is evaluating the implications SFAS 157 and SFAS 159 and their impact on the Funds' financial statements, if any, has not been determined.

### **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 daily net assets of the Fund up to the first \$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, Bank of Ireland Asset Management provides investor services to existing and potential shareholders.

The Fund has entered into an administration agreement (the "Administration Agreement") with PFPC Inc. The Fund pays PFPC Inc. an annual fee payable monthly.

The Fund has entered into an agreement with JPMorgan Chase & Co. to serve as custodian of the Fund's assets.

### **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. \$16,000, plus U.S. \$2,000 for each meeting of the Board of Directors attended in person or via telephone and any shareholder meeting attended in person not held on the same day as a meeting of the Board. A fee of U.S. \$1,500 is paid for each meeting of a Committee of the Board attended in person or via telephone. The Fund pays the Chairman of the Board of Directors of the Fund an additional annual fee of U.S. \$35,000. Also, the Fund pays the Chairperson of the Audit Committee an additional U.S. \$3,000 for each meeting of the Audit Committee attended. 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 year ended October 31, 2007, excluding U.S. government and short-term investments, aggregated U.S. \$21,100,214 and U.S. \$30,710,155, respectively.

# The New Ireland Fund, Inc.

## Notes to Financial Statements (continued)

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### E. Components of Distributable Earnings:

As of October 31, 2007, the components of distributable earnings on a tax basis were as follows:

<u>Undistributed Ordinary Income</u>	<u>Accumulated Long-Term Gains</u>	<u>Net Unrealized Appreciation</u>
\$2,655,292	\$21,936,564	\$69,524,069

The aggregate cost of investments and the composition of unrealized appreciation and depreciation on investments and appreciation on assets and liabilities in foreign currencies on a tax basis as of October 31, 2007 were as follows:

<u>Total Cost of Investments</u>	<u>Gross Unrealized Appreciation on Investments</u>	<u>Gross Unrealized Depreciation on Investments</u>	<u>Net Unrealized Appreciation on Investments</u>	<u>Gross Unrealized Appreciation on Foreign Currency</u>	<u>Net Unrealized Appreciation</u>
\$72,917,807	\$73,538,570	\$(4,029,036)	\$69,509,534	\$14,535	\$69,524,069

There were no permanent tax and book differences in gross appreciation/depreciation of securities or the cost basis of securities.

### F. Common Stock:

For the year ended October 31, 2007, the Fund issued 193,152 shares in connection with stock distribution in the amount of \$6,219,513.

### G. 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 year ended October 31, 2007, the Fund repurchased 125,300 (2.70% of the shares outstanding at October 31, 2006 year end) of its shares for a total cost of \$3,696,735, at an average discount of 8.79% of net asset value.

For the year ended October 31, 2006, the Fund repurchased 60,950 (1.31% of the shares outstanding at October 31, 2005 year end) of its shares for a total cost of \$1,460,049, at an average discount of 9.85% of net asset value.

### H. 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.

### I. Subsequent Event:

On November 8, 2007, the Fund declared a stock distribution of \$5.22 per share, which represents a distribution from net investment income of \$0.36 and realized capital gains of \$4.86, being \$0.20 short-term capital gains and \$4.66 long-term capital gains, to shareholders of record November 16, 2007, payable December 28, 2007.

# **The New Ireland Fund, Inc.**

## *Report of Independent Public Registered Accounting Firm*

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To the Board of Directors and Shareholders of  
**The New Ireland Fund, Inc.:**

We have audited the accompanying statement of assets and liabilities of The New Ireland Fund, Inc. (the "Fund"), including the portfolio holdings, as of October 31, 2007, and the related statement of operations, the statement of changes in net assets and the financial highlights for the year then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit. The statement of changes in net assets for the year ended October 31, 2006 and the financial highlights for each of the four years in the period ended October 31, 2006 have been audited by other auditors, whose report dated December 5, 2006 expressed an unqualified opinion on such financial statement and financial highlights.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2007, by correspondence with the custodian. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly in all material respects, the financial position of The New Ireland Fund, Inc., as of October 31, 2007, and the results of its operations, the changes in its net assets and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

**TAIT, WELLER & BAKER LLP**

Philadelphia, Pennsylvania  
December 5, 2007

## *Additional Information*

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### **Dividend Reinvestment and Cash Purchase Plan**

The Fund will distribute to shareholders, at least annually, substantially all of its net income from dividends and interest payments and expects to distribute substantially all its net realized capital gains annually. 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 (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. ("New York Stock Exchange"), 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 New York Stock Exchange 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, annually, 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 (as well as any dividends and capital gain distributions received in cash) to purchase Fund shares in the open market on or about January 15 of each year. Any voluntary cash payments received more than thirty days prior to such date will be returned by the Plan Agent, and interest will not be paid on any uninvested cash payments. To avoid unnecessary cash accumulations and to allow ample time for receipt and processing by the Plan Agent, it is suggested that the participants send in voluntary cash payments to be received by the Plan Agent approximately ten days before January 15. 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.

## *Additional Information* (continued)

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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. 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.

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 ninety 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 ninety 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, 59 Maiden Lane, New York, New York, 10038, telephone number (718) 921-8283.

## *Additional Information* (continued)

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### *Meeting of Shareholders*

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On June 5, 2007, the Fund held its Annual Meeting of Shareholders. The following Directors were elected by the following votes: Denis P. Kelleher 4,027,327 For; 83,645 Abstaining and David Dempsey 4,012,757 For; 98,215 Abstaining. Peter J. Hooper, Margaret Duffy, George G. Moore and Brendan Donohoe continue to serve in their capacities as Directors of the Fund.

### *Fund's Privacy Policy*

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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 own 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.

### *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; (2) on the Fund's website located at <http://www.newirelandfund.com>; (3) on the SEC's website at <http://www.sec.gov>; or (4) for review and copying at the SEC's Public Reference Room ("PRR") in Washington, DC. Information regarding the operation of the PRR may be obtained by calling 1-800-SEC-0330.

### *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. 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 at <http://www.sec.gov>.

## *Additional Information* (continued)

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### *Certifications*

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The Fund's president has certified to the New York Stock Exchange that, as of June 18, 2007, he was not aware of any violation by the Fund of applicable NYSE corporate governance listing standards. The Fund's reports to the SEC on Forms N-CSR and N-CSRS contain certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's disclosure in such reports and that are required by rule 30a2(a) under the 1940 Act.

### *Tax Information*

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For non-corporate shareholders 100%, or the maximum amount allowable under the Jobs and Growth Tax Relief Reconciliation Act of 2003, of income earned by the Fund for the period November 1, 2006 to October 31, 2007 may represent qualified dividend income. Final information will be provided in your 2007 1099 Div Form.

For the fiscal year ended October 31, 2007, the Fund designated long-term capital gains of \$21,948,714.

## Board of Directors/Officers

Name, Address, and Age	Position(s) Held with The Fund	Term of Office and Length of Time Served*	Principal Occupation(s) and Other Directorships During Past Five years	Number of Portfolios in Fund Complex Overseen by Director
<b>NON-INTERESTED DIRECTORS:</b>				
Peter J. Hooper, 67 Westchester Financial Center, Suite 1000 50 Main Street White Plains, NY 10606	Director and Chairman of the Board	Since 1990 Current term expires in 2009.	President of Hooper Associates-Consultants (1994 to present); Director, The Ireland United States Council for Commerce and Industry (1984 to present); Director, Flax Trust – America (1988 to 2007); Director, Children's Medical Research Foundation (1987 to 2004).	1
David Dempsey, 57 360 Lexington Avenue 3rd Floor New York, NY 10017	Director	Since 2007 Current term expires in 2010.	Managing Director, Bentley Associates L.P., (1991 to present).	1
Margaret Duffy, 63 164 East 72 Street Suite 7B New York, NY 10021	Director	Since 2006 Current term expires in 2008.	Financial Consultant, Director, The Dyson-Kissner-Moran Corporation (2000 to present); Director, National Association of Women Artists, Inc. (2001 to present); Director, Little Sisters of the Assumption Family Health Service, Inc. (2005 to present). Director, The Ireland United States Council for Commerce and Industry (1994 to 2005).	1
Denis P. Kelleher, 68 17 Battery Place New York, NY 10004	Director	Since 1991 Current term expires in 2010.	Chief Executive Officer, Wall Street Access-Financial Services (1981 to present); Director, Independence Community Bank (1992 to 2006). Chairman and member of the Board of Trustees, St. John's University (1998 to 2007).	1
George G. Moore, 56 8010 Towers Crescent Drive Vienna, VA 22182	Director	Since 2004 Current term expires in 2009.	Chairman/Chief Executive Officer, TARGUSinfo (1993 to present); Chairman, AMACAI Information Corp. (2001 to present).	1

\* Each Director shall serve until the expiration of their current term and until their successor is elected and qualified.

## Board of Directors/Officers

Name, Address, and Age	Position(s) Held with The Fund	Term of Office and Length of Time Served*	Principal Occupation(s) and Other Directorships During Past Five years	Number of Portfolios in Fund Complex Overseen by Director
<b>INTERESTED DIRECTOR:</b>				
Brendan Donohoe, 48** Bank of Ireland Asset Management (U.S.) Limited, 300 First Stamford Place, Stamford, CT 06902	Director and President***	Since 2005 Current term expires in 2008.	President, Bank of Ireland Asset Management (U.S.) Limited (2005 to present); Director & Regional Director, Asia/Pacific, BIAM Australia Pty Limited (2000 to 2005); Director & Regional Director Asia/Pacific, Bank of Ireland Asset Management (Japan) Limited (2000 to 2005); Director, Iridian Asset Management LLC (2005 to present).	1
<b>OFFICERS***:</b>				
Brendan Donohoe	see description above			
Lelia Long, 45 Bank of Ireland Asset Management (U.S.) Limited, 300 First Stamford Place Stamford, CT 06902	Treasurer	Since 2002	Senior Vice President & Director, Bank of Ireland Asset Management (U.S.) Limited (1999 to present); Director, Iridian Asset Management LLC (2002 to 2005).	
Salvatore Faia, 45 Vigilant Compliance 186 Dundee Drive, Suite 700 Williamstown, NJ 08094	Chief Compliance Officer	Since 2005	President, Vigilant Compliance Services, (2004 to present); Trustee, Energy Income Partnership, (2005 to present); Senior Legal Counsel, PFPC Inc. (2002 to 2004)	
Colleen Cummings, 36 4400 Computer Drive Westborough, MA 01580	Assistant Treasurer	Since 2006	Vice President and Director, PFPC Inc. (2004 to present); Manager, PFPC Inc. (1998 to 2004)	
Vincenzo A. Scarduzio, 35 760 Moore Road King of Prussia, PA 19406	Secretary	Since 2005	Assistant Vice President, PFPC Inc. (2006 to Present); Senior Regulatory Administrator, PFPC Inc. (2001 to 2006).	

\* Each Director shall serve until the expiration of their current term and until their successor is elected and qualified.

\*\* Mr. Donohoe is deemed to be an "interested" Director because of his affiliation with the Investment Adviser.

\*\*\* Each Officer of the Fund will hold office until a successor has been elected by the Board of Directors.

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# The New Ireland Fund, Inc.

## **Directors and Officers**

Peter J. Hooper – *Chairman of the Board*  
Brendan Donohoe – *President and Director*  
David Dempsey – *Director*  
Margaret Duffy – *Director*  
Denis P. Kelleher – *Director*  
George G. Moore – *Director*  
Lelia Long – *Treasurer*  
Colleen Cummings – *Assistant Treasurer*  
Vincenzo Scarduzio – *Secretary*  
Salvatore Faia – *Chief Compliance Officer*

## **Principal Investment Adviser**

Bank of Ireland Asset Management (U.S.) Limited  
300 First Stamford Place  
Stamford, Connecticut 06902

## **Administrator**

PFPC Inc.  
4400 Computer Drive  
Westborough, Massachusetts 01581

## **Custodian**

JPMorgan Chase & Co.  
North America Investment Services  
3 Metro Tech - 7<sup>th</sup> Floor  
Brooklyn, New York 11245

## **Shareholder Servicing Agent**

American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, New York 10038

## **Legal Counsel**

Seward & Kissel LLP  
One Battery Park Plaza  
New York, New York 10004

## **Independent Public Registered Accounting Firm**

Tait Weller Baker LLP  
1818 Market Street  
Philadelphia, PA 19103

## **Correspondence**

*All correspondence should be addressed to:*

The New Ireland Fund, Inc.  
c/o PFPC Inc.  
99 High Street  
27th Floor  
Boston, Massachusetts 02110

*Telephone inquiries should be directed to:*

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

*Website address:*

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