

The NEW IRELAND Fund



*Annual Report
October 31, 2018*

Managed Distribution Policy: The Board of Directors (the “Board”) of The New Ireland Fund, Inc. (the “Fund”) has authorized a managed distribution policy to pay quarterly distributions at an annual rate, set once a year, that is a percentage of the Fund’s net asset value (“NAV”) at October 31. With each distribution, the Fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other information required by the Fund’s managed distribution policy exemptive order. The Board may amend or terminate the managed distribution policy at any time without prior notice to shareholders. You should not draw any conclusions about the Fund’s investment performance from the amount of distributions or from the terms of the Fund’s managed distribution policy.

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

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

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

The distributions for the year ended October 31, 2018 consisted of 13% ordinary income and 87% net realized long-term capital gains.

In February 2019, a Form 1099-DIV will be sent to shareholders, which will state the amount and composition of distributions and provide information with respect to their appropriate tax treatment for the 2018 calendar year.

Letter to Shareholders

Dear Stockholder,

We are pleased to provide the Annual Report for The New Ireland Fund, Inc. (the "Fund") for the fiscal year ended October 31, 2018.

This year has been a difficult year for international stock markets, and the Irish stock-market has not been immune. For the 12 months ended October 31, 2018, the Fund's net asset value ("NAV") per share decreased 21.5%¹, underperforming the Fund's benchmark, the MSCI All Ireland Capped Index ("MSCI"), which decreased 9.8%. The Fund's market price per share decreased 25.8% over the same period.

While the Irish stock market has performed poorly this year, it has performed generally in line with the overall broad Euro Stoxx 50 Index and the UK FTSE 250 Index, which decreased 12.3% and 7.6% respectively over the 12-month period ended October 31, 2018. The US dollar strengthened during the 12-month period versus the Euro, increasing by just over 2%.

Ireland is a small open economy that is vulnerable to swings in global fundamentals and/or sentiment. However, the Irish economy continues to perform extremely well with GDP growth forecast to be 6.7% for 2018. The unemployment rate continues to decline and, at 5.5%, is now well below the European average of 8.1%. The big issue pertinent to Ireland continues to be Brexit which has garnered increased attention as the March 29, 2019 deadline looms, as detailed further in our Management Discussion and Analysis.

The Irish government at present is a stable minority government that is supported by the second largest party, with a 'supply and confidence' agreement in place. The parties have recently renewed their agreement for an additional 12 months which is very positive, especially with crucial discussions of national interest such as Brexit.

As recently announced, under the Funds share repurchase program, the Fund may purchase up to 5% of its outstanding shares of common stock as of December 11, 2018, in the open market, until the Fund's fiscal year ending October 31, 2019. The share repurchase program seeks to enhance shareholder value, as repurchases made at a discount will have the effect of increasing the net asset value per share of the Fund's remaining shares.

Our detailed comments regarding the Irish economy, market and Fund performance follows in our Management Discussion and Analysis. We would encourage you to visit our website at www.newirelandfund.com for daily price information, Fund documents as well as investment updates. We thank you for investing in the Fund.

Sincerely,



Margaret Duffy
Chair of the Board
December 20, 2018



Sean Hawkshaw
Director, & President
December 20, 2018

¹ All returns are in US dollars unless stated otherwise

Important Information Concerning Management Discussion and Performance and Analysis

Except as otherwise specifically stated, all information and investment team commentary, including portfolio security positions, is as of October 31, 2018. The views expressed in the Management Discussion and Analysis section (the "MD&A") are those of the Fund's portfolio manager and are subject to change without notice. They do not necessarily represent the views of KBI Global Investors (North America) Ltd. The MD&A contains some forward looking statements providing current expectations or forecasts of future events; they do not necessarily relate to historical or current facts. There can be no guarantee that any forward-looking statement will be realized. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise. Any discussions of specific securities should not be considered a recommendation to buy or sell those securities. The Fund may buy, sell, or hold any security discussed herein, on the basis of factors described herein or the basis of other factors or other considerations. Fund holdings will change.

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

Management Discussion and Analysis (as of October 31, 2018)

For the 12 months ended October 31, 2018, the Fund's net asset value ("NAV") decreased by -21.54%* in U.S. Dollar terms¹ to \$11.07, as compared to the MSCI All Ireland Capped Index ("MSCI") which returned -9.77% over the period.

Irish Economic Review

In the latest available data, for Q2 2018, gross domestic product ("GDP") for the Republic of Ireland ("Ireland") grew by 9.1% relative to the same quarter of the previous year, while gross national product ("GNP") grew by 12.0%. The performance of both measures has been consistently strong, though extremely volatile, for some time.

However, as frequently discussed in previous reports, we believe that GDP and GNP statistics for Ireland have become somewhat misleading. The issue is not, in our view, that the statistics are in error, per se, it is that we believe GDP and GNP are no longer as useful as they once were in measuring the real change of activity in an economy, such as Ireland's, which is very open to international capital and trade flows of many kinds. In response, the Central Statistics Office of Ireland has started to produce a new indicator, "GNI"², which is designed to exclude significant globalization effects that disproportionately

* The rights offering conducted in December 2017 had a dilutive effect on the Net Asset Value.

¹ All returns are in U.S. dollars unless stated otherwise

² Gross National Income

affect the Irish economic results³ (e.g., stripping out the impact of factors such as redomiciled companies and depreciation of intellectual property). We expect that this indicator will, over time, help economists and policymakers to make a more accurate assessment of the pace of economic growth. In the short-term, however, GNI may be of limited value as it not available on a quarterly basis, or in real (inflation-adjusted) terms.

Fortunately, there are a range of other indicators which can be used to give us a good sense of what is really happening in the economy.

Retail sales have generally been very strong so far this year, with the noticeable exception of March, when Ireland was hit by severe weather, which had a significant adverse impact on consumer spending. The most recent data shows a year-on-year growth rate of 6.5%, for September, an exceptionally robust growth rate by historical standards.

Consumer confidence had been very strong, helped by a strong labor market, but there was a significant drop from July onwards. Although it is not possible to be sure of the reason for this decline, concern about the United Kingdom's ("UK") withdrawal from the European Union ("EU") may have been a significant factor.

The pattern of business confidence is somewhat different to that seen in consumer confidence. Business confidence fell quite sharply in the immediate run-up to, and the aftermath of, the UK electorate's vote to leave the EU ("Brexit"). But, after a drop in July 2016 immediately after the UK referendum result, it recovered quite well, and has remained reasonably strong since then.

There continues to be a steady trend downwards in unemployment. The number of unemployed has fallen from a peak of 356,000 in January 2012 to 130,800 in October of this year. The unemployment rate has also declined and stands at 5.5% (also October data), down from a peak of 16.0%. Ireland's unemployment rate is now substantially below the Eurozone average which stands at 8.1%. We believe the detail of the employment statistics is encouraging, with most new jobs being full-time/permanent rather than temporary, and with job growth being well diversified across a range of sectors.

Credit to households and non-financial corporations is growing very slowly, after many years of declines. Mortgage lending grew by only 1% in the year to September, while loans to the non-financial corporate sector grew by just 2.1% over the same period.

The overall pattern is that while growth remains strong, it is certainly not debt-fueled. Both the corporate and household sector have significantly reduced their indebtedness, in absolute terms, since the peak of the last cycle in 2009.

³ <https://www.cso.ie/en/csolatestnews/pressreleases/2018pressreleases/prnaq118/>

The Irish government deficit as measured by the “General Government Balance”, a standardized EU measure, is estimated to have been 0.2% of GDP in 2017, a 0.4% of GDP improvement relative to 2016. A deficit of just 0.1% of GDP is projected for 2018, and the budget is expected to be in balance in 2020 before moving into modest surplus in later years, according to fiscal projections contained in the Irish government’s budget documentation.

The debt/GDP ratio is estimated to have peaked in 2013, at about 120%, and we estimate that it will have fallen to about 64% at the end of 2018 - though we believe this overstates the real level of indebtedness as GDP excludes large cash-on-hand balances of almost 9% of GDP. On the other hand, distortions to the actual size of GDP may be exaggerating the scale of the improvement. On balance, these issues make it difficult to be definitive about the size of the improvement but, in our view, there can be no doubt that the fiscal situation has improved drastically over the last number of years. All major credit rating agencies now rate Ireland in the “A” range.

“Brexit”

As has been discussed in prior reports, the decision of the UK electorate on June 23, 2016 to vote to leave the European Union may have significant ramifications for the Irish economy. The UK is very likely to leave the European Single Market and may well leave the Customs Union. This is the least welcome option for Ireland, as it means that there may have to be customs controls and checks on the land border between the Republic of Ireland and Northern Ireland, which could be quite disruptive to trade between the two parts of the island.

In mid-November 2018, agreement was reached between the UK government and the European Union on a Withdrawal Agreement that would, if implemented, result in reasonably free trade between the UK and EU for several years. If this deal is ratified by the UK and EU parliaments, we believe there would still be some negative impact on the UK and Irish economies, but this impact, in our view, would be quite limited, and disruption would be kept to a low level. Failure to ratify the agreement could (in the absence of a renegotiation or an extension to previously agreed timelines) result in the disorderly exit of the UK from the EU. We believe this would very likely result in significant, or perhaps even severe, disruption to international trade between the UK and the EU (including Ireland) for a period of time likely to be at least weeks, and possibly months. We estimate that there could be a negative impact on economic growth in Ireland amounting to at least 1% of GDP in 2019, with potential for a higher level of impact, although this should be seen in the context of an economy that is currently growing at a rate well in excess of 5% per year. Any of these effects of Brexit and especially a disorderly exit, and others we at this stage cannot anticipate, could adversely affect any of the

companies included in the Fund's portfolio and any other assets that the Fund invests in. At the time of writing, it is far from clear what direction the UK will decide as they approach the March 29, 2019 deadline.

If a reasonably orderly exit is achieved, some parts of the Irish economy may gain (financial services in particular), however we believe the overall impact is likely to be negative, although modest.

For 2018, the Central Bank of Ireland is forecasting GDP growth of 6.7% (revised up from 4.7% last quarter) as consumer spending and exports lead the way. We believe that this revised forecast is reasonable, although we recognize that risks remain elevated given the Brexit situation. Looking ahead to 2019, we expect GDP growth of about 5%, on the assumption that the Brexit process is reasonably well-managed by the UK authorities, an assumption that is of course increasingly open to question.

Equity Market Review

Global equity markets continued to experience a significant amount of volatility as fears escalated regarding US/China trade wars and Brexit. As can be seen in the table below, while the Irish market is performing poorly this year, it is pretty much in line with the overall broad Euro Stoxx 50 index and the UK FTSE 250 indices for the 3 and 12-month periods. The US has been a better performing market for most of 2018 albeit giving up most of its gains pretty rapidly during the most recent quarter. The US dollar strengthened by approximately 3% and 6% over the past 3 and 6 months respectively, reflecting the global risk aversion of investors and the US dollar acting as a safe haven.

<u>Name</u>	<u>3 Months Perf</u>		<u>6 Months Perf</u>		<u>12 Months Perf</u>	
	<u>Local</u>	<u>USD \$</u>	<u>Local</u>	<u>USD \$</u>	<u>Local</u>	<u>USD \$</u>
IRELAND SE OVERALL (ISEQ)	-9.6	-12.5	-9.2	-14.9	-10.3	-12.7
MSCI ALL IRELAND CAPPED \$	-8.5	-11.4	-5.9	-11.8	-7.2	-9.8
S&P 500 COMPOSITE	-3.3	-3.3	3.4	3.4	7.3	7.3
NASDAQ COMPOSITE	-4.5	-4.5	3.9	3.9	9.7	9.7
FTSE 100	-6.9	-9.3	-3.1	-10.1	-0.9	-4.6
TOPIX	-5.3	-6.1	-6.4	-9.3	-4.8	-4.1
EURO STOXX 50	-9.1	-11.9	-7.6	-13.3	-9.9	-12.3
DAX 30 PERFORMANCE	-10.6	-13.4	-9.2	-14.9	-13.5	-15.8
FRANCE CAC 40	-7.4	-10.3	-5.5	-11.4	-4.4	-7.1
AEX INDEX (AEX)	-9.0	-11.9	-5.1	-11.0	-3.1	-5.8
FTSE 250	-8.7	-11.0	-5.4	-12.2	-4.0	-7.6

Note-Indices are total gross return

* Source: Datastream

The Irish market has at this point experienced its most difficult year since the global financial crisis. As distinct from 10 years ago when the Irish downturn was largely self-inflicted, on this occasion the Irish market is more a victim of global events and generally negative sentiment. We believe the fundamentals for the Irish economy and the portfolio have remained robust throughout the year, albeit clearly at a disconnect with how the markets have been performing of late.

Significant stock capital moves over the 12 months to October 31, 2018 (in US dollar terms):

<u>Strongest % move</u>		<u>Weakest % move</u>	
Smurfit Kappa Group	+12.2	Malin Corporation	-59.2
Mincon Group	+7.6	Hostelworld Group	-35.6
Kingspan Group	+4.9	Cie St-Gobain	-33.8
Kerry Group	+2.7	Amryt Pharma	-33.7
Dalata Hotel Group	+0.0	UDG Healthcare	-33.5

Highlights regarding some of the positive and negative contributors to the Fund's performance over the 12-month period are detailed below:

Smurfit Kappa Group PLC: The stock was a strong performer over the period on the back of solid fundamental profits and also strong dividend growth. A takeover bid by International Paper, subsequently rejected by the Smurfit Kappa board, was also a contributing factor to the strong share price performance.

Mincon Group PLC: The shares performed well on the back of strong profit growth announced over the period. The stock price has also been buoyed by hopes for a new revolutionary product 'Green Hammer' which is in test for hard rock drilling. If successful, this would be very material to Mincon's future prospects.

Kingspan Group PLC: The company's shares had another strong year on the back of continued strong growth in its insulated panel and board products. This contributed to strong profit growth for the company and its share price. The company also invested in a number of new acquisitions over the year.

Kerry Group PLC: The continued strong growth of its high-end food ingredient technologies led to another positive year for the group. A world class company in its space, Kerry Group continued to attract new shareholders and the share price performed relatively well again.

Dalata Hotel Group PLC: Dalata is a pure play hotel owner and operator that has benefited from the strong business and tourism uptake of hotel rooms across Ireland. The company reported another strong year of profit growth, and pays an attractive dividend. There was no change in the share price over the period.

Malin Corporation PLC: The specialist life sciences holding company shares endured a difficult performance over the past 12 months. From a fundamental perspective, we do not believe there was any material news on any of its underlying drug technologies that contributed to the dramatic move in share price. There has, however, been material change at the board level with the appointment of a new executive chairman, and the appointment of new independent directors in addition to the removal of the CEO. The new team are very focused on restoring the fortunes of the group.

Hostelworld Group PLC: The company share price was affected by a profit warning caused by the heat wave in the U.K. over the summer of 2018, which resulted in a significant increase in the cancellation in hostel bookings. The company also announced that the CEO would depart the group. We remain confident in the company and await a rebound in the company's fortunes.

Cie de St-Gobain: The share price of St-Gobain, which is a bellwether European building materials stock, performed poorly as signs of slowing economic momentum across the European economy hurt its share price over the period. Fundamentally, we believe the company is in strong health and positioned to benefit from a recovery in economic growth across the core European economies.

Amryt PharmaPLC: This small cap pharmaceutical company specializes in rare diseases and developing orphan drugs. There was no significant fundamental news over the period to justify the share price drop and the fall is best explained as being reflective of a very illiquid stock that can move on relatively small volumes. The company awaits significant clinical trial updates over coming quarters.

UDG Healthcare PLC: Having performed strongly over previous years, the stock was a poor performer over the most recent 12 months. While no single material event caused the price drop, we believe it was a combination of small disappointments across certain divisions and a lack of any meaningful merger and acquisition activity, which the market had expected they would deliver.

Global Market Outlook

Ten years on from the Global Financial Crisis, the global bull market continues, and is now one of the longest bull markets in history with one constant being investors' persistent penchant to be 'worried' about something. For ten years, the financial headlines have tended to be on the gloomy side and 2018 is proving no exception, yet the market continues to climb apart from some recent days in October. 2018 is proving to be a year which is resulting in material performance divergence between the 'haves and have-nots'. We can see a large divergence between the strength of the US equity market and the weakness in Europe and Emerging Markets in particular. We believe the relatively poor performance of Europe and the Emerging Markets reflects some slowdown in growth, as well as concerns over US trade policy and European politics, while the US market has sailed on merrily.

We forecast a more balanced and positive outlook for the global economy into 2019. We believe the US economy will continue to grow strongly above trend, and that the European economy will grow at or above trend – though at a somewhat slower pace than earlier this year. We expect that Emerging Markets in general will be solid – while there may be ‘accidents’ in smaller, emerging market economies, as is fairly typical. In the US, we believe the Federal Reserve will continue to raise its key interest rate, with inflation in the world economy generally trending higher but not at an alarming rate. Of course, the greatest risk to this scenario would be a material escalation of the trade war between the US and China.

For equity investors what is reassuring is to point out that fundamentals of earnings growth, dividend growth, corporate activity etc., have been strong during 2018 and, in our opinion, certainly not as unbalanced as divergent market returns suggest. From our analysis, it is predominantly investor sentiment that has driven this divergence. At this juncture we believe the US market is ‘priced for perfection’ while others such as Europe or Emerging Markets increasingly are priced for quite a pessimistic scenario.

Our base scenario is not bearish on the US equity market, as we expect further gains in equities over coming quarters. But we do expect to see better returns outside the US. Relative valuations, positive earnings growth and undervalued currencies are key fundamental supports to this with improved sentiment the most likely catalyst for developed markets, while for Emerging Markets a clear resolution of trade wars will be required.

Looking to the short-term, there are several key events or issues in the coming weeks that bear close watching:

- a final decision on the nature of the UK’s exit from the EU
- progress – or not – in trade talks between China and the US
- corporate profit growth during the earnings season and outlook into 2019
- the outcome from Italian budgetary negotiations

We will continue to monitor these and other issues but for now we remain reasonably constructive on equity markets though we continue to favor non-US markets. We are encouraged by the fact that so many market participants worry about when this economic cycle will end – this itself shows that markets are not ignoring important risks.

Irish Market Outlook

In our opinion, the medium-term outlook remains very positive for both the Irish economy and stock-market. In the near term there are a couple of binary events that are impossible to predict, namely Brexit and US-China trade negotiations. This is a reason for us to remain patient while managing the portfolio and looking to the medium term rather than attempting to second guess near term events. Irrespective of what the final determination is from

the UK Brexit decision, it is our opinion that much bad news is already priced into many share prices with the market perhaps fearing the worst outcome of Brexit discussions.

For the portfolio, we remain confident but also ever vigilant as there are challenges from a macro and geopolitical perspective that will remain over coming months. As noted above, we believe a material deterioration in US-China relations on trade remains the largest equity market risk event. We are ever conscious that we are at the mature stages of a long bull market and as such when building equity portfolios downside protection is more important than ever. To that end we continue to emphasize quality stocks in our portfolios and focus consistently on items such as not owning companies carrying excessive debt on their balance sheets, companies funded by more expensive corporate credit, and excesses of valuation e.g. certain technology stocks.

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

A handwritten signature in black ink, appearing to read 'Noel O'Halloran', written in a cursive style.

Noel O'Halloran
December 20, 2018

Investment Summary (unaudited)

Total Return (%)

	<u>Market Value (a)</u>		<u>Net Asset Value (a)</u>	
	<u>Cumulative</u>	<u>Average Annual</u>	<u>Cumulative</u>	<u>Average Annual</u>
One Year	(25.83)	(25.83)	(21.54)	(21.54)
Three Year	(4.27)	(1.44)	(3.74)	(1.26)
Five Year	17.41	3.26	23.29	4.28
Ten Year	159.76	10.02	174.86	10.64

Per Share Information and Returns

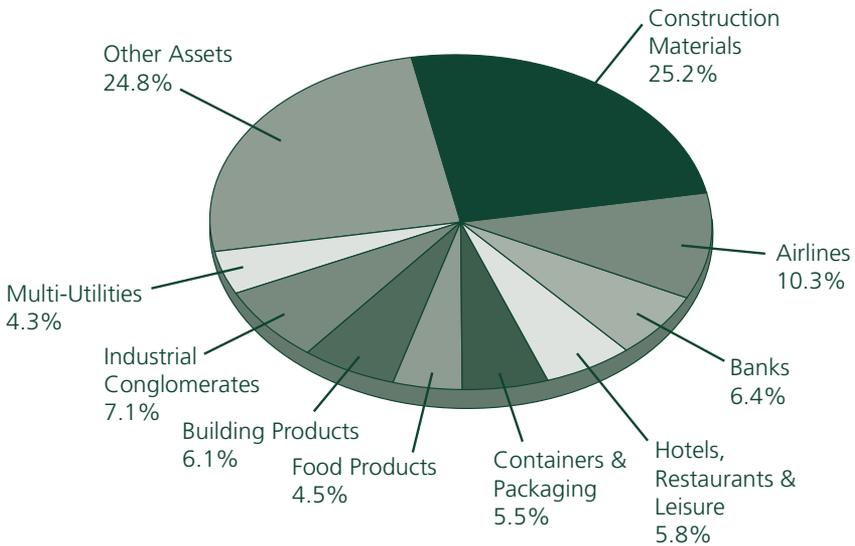
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net Asset Value (\$)	8.20	7.70	8.45	9.59	14.24	14.17	16.31	13.04	15.56	11.07
Income Dividends (\$)	(0.33)	—	(0.06)	(0.02)	—	(0.07)	—	(0.16)	—	—
Capital Gain Distributions (\$)	(2.76)	—	—	—	—	(0.30)	(1.13)	(2.06)	(1.14)	(1.16)
Total Return (%) (a)	26.91	(6.10)	10.69	13.82	48.49	2.39	25.09	(5.66)	30.04	(21.54)

Notes

- (a) Total Market Value returns reflect changes in share market prices and assume reinvestment of dividends and capital gain distributions, if any, at the price obtained under the Dividend Reinvestment and Cash purchase Plan (the "Plan"). Total Net Asset Value returns reflect changes in share net asset value and assume reinvestment of dividends and capital gain distributions, if any, at the price obtained under the Plan. For more information with regard to the plan, see page 28.

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

*Portfolio by Market Sector as of October 31, 2018
(Percentage of Net Assets)*



Top 10 Holdings by Issuer as of October 31, 2018

<u> Holding </u>	<u> Sector </u>	<u> % of Net Assets </u>
CRH PLC	Construction Materials	25.19%
Ryanair Holdings PLC	Airlines	10.26%
Smurfit Kappa Group PLC	Containers & Packaging	5.45%
IPL Plastics PLC	Industrial Conglomerates	4.12%
Kingspan Group PLC	Building Products	4.03%
Dalata Hotel Group PLC	Hotels, Restaurants & Leisure	3.63%
Bank of Ireland Group PLC	Banks	3.52%
DCC PLC	Industrial Conglomerates	2.94%
AIB Group PLC	Banks	2.92%
Total Produce PLC	Food & Staples Retailing	2.90%

The New Ireland Fund, Inc.

Portfolio Holdings

October 31, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS (97.56%)		
COMMON STOCKS OF IRISH COMPANIES (91.04%)		
Airlines (10.26%)		
Ryanair Holdings PLC *	295,398	\$ 3,994,894
Ryanair Holdings PLC - Sponsored ADR *	20,097	<u>1,664,032</u>
		<u>5,658,926</u>
Banks (6.44%)		
AIB Group PLC	333,051	1,611,519
Bank of Ireland Group PLC	273,377	<u>1,939,889</u>
		<u>3,551,408</u>
Building Products (4.03%)		
Kingspan Group PLC	51,141	<u>2,224,302</u>
Construction Materials (25.19%)		
CRH PLC	464,188	<u>13,895,829</u>
Containers & Packaging (5.45%)		
Smurfit Kappa Group PLC	92,245	<u>3,006,956</u>
Equity Real Estate Investment Trusts (REITs) (2.70%)		
Green, REIT, PLC	900,477	<u>1,487,043</u>
Food & Staples Retailing (2.90%)		
Total Produce PLC	748,397	<u>1,602,091</u>
Food Products (4.47%)		
Glanbia PLC	45,783	809,988
Greencore Group PLC	271,057	655,512
Kerry Group PLC, Series A	8,435	864,624
Origin Enterprises PLC	21,273	<u>136,617</u>
		<u>2,466,741</u>
Health Care Providers & Services (1.50%)		
UDG Healthcare PLC	102,268	<u>826,144</u>
Hotels, Restaurants & Leisure (5.80%)		
Dalata Hotel Group PLC	322,959	2,000,913
Paddy Power Betfair PLC	13,908	<u>1,200,364</u>
		<u>3,201,277</u>
Household Durables (1.72%)		
Glenveagh Properties PLC *	1,000,000	<u>946,890</u>
Industrial Conglomerates (7.06%)		
DCC PLC	18,889	1,621,265
IPL Plastics PLC "B" shares *	223,828	<u>2,271,520</u>
		<u>3,892,785</u>

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Portfolio Holdings (continued)

October 31, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS (continued)		
Internet & Catalog Retail (0.99%)		
Hostelworld Group PLC	230,095	\$ 544,687
Life Sciences Tools & Services (0.72%)		
Malin Corp. PLC *	81,980	399,273
Machinery (1.39%)		
Mincon Group PLC	562,704	764,812
Marine (1.90%)		
Irish Continental Group PLC - UTS	177,922	1,047,916
Multi-Utilities (2.62%)		
Greencoat Renewables PLC	1,226,599	1,444,872
Pharmaceuticals (0.56%)		
Amryt Pharma PLC *	1,804,917	306,649
Specialty Retail (2.73%)		
Applegreen PLC	223,909	1,506,438
Trading Companies & Distributors (2.61%)		
Grafton Group PLC	155,697	1,440,847
TOTAL COMMON STOCKS OF IRISH COMPANIES		
(Cost \$41,207,261)		50,215,886
COMMON STOCKS OF FRENCH COMPANIES (3.70%)		
Building Products (2.03%)		
Cie de St-Gobain	29,692	1,117,877
Multi-Utilities (1.67%)		
Veolia Environnement SA	46,257	923,159
TOTAL COMMON STOCKS OF FRENCH COMPANIES		
(Cost \$2,076,037)		2,041,036

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Portfolio Holdings (continued)

October 31, 2018	Shares	Value (U.S.) (Note A)
COMMON STOCKS OF UNITED STATES COMPANIES (2.82%)		
Commercial Services & Supplies (2.82%)		
Covanta Holding Corp.	105,698	\$ 1,552,704
TOTAL COMMON STOCKS OF UNITED STATES COMPANIES (Cost \$1,710,741)		<u>1,552,704</u>
TOTAL COMMON STOCKS (Cost \$44,994,039)		\$ <u>53,809,626</u>
TOTAL INVESTMENTS (97.56%) (Cost 44,994,039)		53,809,626
OTHER ASSETS AND LIABILITIES (2.44%)		<u>1,346,892</u>
NET ASSETS (100.00%)		<u>\$ 55,156,518</u>

* Non-income producing security.

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

REIT – Real Estate Investment Trust

UTS – Units

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Statement of Assets and Liabilities

October 31, 2018

ASSETS:

Investments at value (Cost \$44,994,039)	
See accompanying schedule	U.S. \$ 53,809,626
Cash	1,270,864
Foreign Currency (Cost \$2)	2
Dividends receivable	69,541
Prepaid expenses	179,427
Total assets	U.S. \$ <u>55,329,460</u>

LIABILITIES:

Investment advisory fee payable (Note B)	U.S. \$ 31,084
Directors' fees and expenses payable	54,465
Accrued audit fees payable	43,006
Printing fees payable	18,098
Administration fee payable (Note B)	16,353
Custody fees payable (Note B)	5,462
Accrued expenses and other payables	4,474
Total liabilities	<u>172,942</u>

NET ASSETS

U.S. \$ 55,156,518

AT OCTOBER 31, 2018 NET ASSETS CONSISTED OF:

Common Stock, U.S. \$.01 Par Value -	
Authorized 20,000,000 Shares	
Issued and Outstanding 4,981,778	\$ 49,818
Additional paid-in capital	45,633,899
Total distributable earnings	9,472,801

TOTAL NET ASSETS

\$ 55,156,518

NET ASSET VALUE PER SHARE

(Applicable to 4,981,778 outstanding shares)
 (authorized 20,000,000 shares)

(U.S. \$55,156,518 ÷ 4,981,778) \$ 11.07

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Statement of Operations

For the Year Ended
October 31, 2018

INVESTMENT INCOME

Dividends	U.S. \$	1,166,536
Less: Foreign taxes withheld		<u>(24,423)</u>

TOTAL INVESTMENT INCOME

1,142,113

EXPENSES

Investment advisory fees (Note B)	U.S. \$	425,594
Directors' fees		242,379
Excise tax expense		137,369
Administration fees (Note B)		99,218
Legal fees		70,120
Compliance fees (Note B)		68,847
Audit fees		43,005
Printing and mailing expenses		42,447
Investor services fees		35,040
Transfer agent fees (Note B)		33,016
Insurance premiums		32,406
Custodian fees (Note B)		31,303
NYSE listing fee		24,999
Other expenses		<u>35,464</u>

TOTAL EXPENSES

1,321,207

NET INVESTMENT LOSS

U.S. \$ (179,094)

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY

Realized gain/(loss) on:

Securities transactions	1,333,008
Foreign currency transactions	<u>(18,240)</u>

Net realized gain on investments and
foreign currency during the period

1,314,768

Net change in unrealized appreciation/
(depreciation) of:

Securities	(12,283,758)
Foreign currency and net other assets	<u>480</u>

Net unrealized depreciation of investments
and foreign currency during the period

(12,283,278)

NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS AND FOREIGN CURRENCY

(10,968,510)

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS

U.S. \$ (11,147,604)

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Statements of Changes in Net Assets

	Year Ended October 31, 2018	Year Ended October 31, 2017
OPERATIONS:		
Net investment loss	U.S. \$ (179,094)	U.S. \$ (498,988)
Net realized gain on investments and foreign currency transactions	1,314,768	7,155,268
Net unrealized appreciation (depreciation) of investments, foreign currency holdings and net other assets	<u>(12,283,278)</u>	<u>10,548,313</u>
Net increase (decrease) in net assets resulting from operations	<u>(11,147,604)</u>	<u>17,204,593</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net realized gain/(loss)	<u>(5,758,935)</u>	<u>(5,098,440)</u>
Total distributions	<u>(5,758,935)</u>	<u>(5,098,440)</u>
CAPITAL SHARE TRANSACTIONS:		
Value of 1,245,445 and 0 shares issued, respectively, to shareholders in connection with a rights offering (Note E)	13,910,935	—
Value of 0 and 1,601,285 shares redeemed, respectively, to shareholders in connection with a tender offer (Note E)	<u>—</u>	<u>(23,538,890)</u>
Net increase/(decrease) in net assets resulting from capital share transactions	<u>13,910,935</u>	<u>(23,538,890)</u>
Total Increase/(decrease) in net assets	<u>(2,995,604)</u>	<u>(11,432,737)</u>
NET ASSETS:		
Beginning of year	<u>58,152,122</u>	<u>69,584,859</u>
End of year	U.S. \$ <u><u>55,156,518</u></u>	U.S. \$ <u><u>58,152,122*</u></u>

* Includes \$160,491 accumulated net investment loss, net of income taxes.

See Notes to Financial Statements.

The New Ireland Fund, Inc.

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

	Year Ended October 31,				
	2018	2017	2016	2015	2014
Operating Performance:					
Net Asset Value, Beginning of Year	U.S. \$15.56	\$13.04	\$16.31	\$14.17	\$14.24
Net Investment Income/(Loss)	(0.03)	(0.15)	(0.06)	0.21	(0.04)
Net Realized and Unrealized Gain/(Loss) on Investments	(2.21)	3.67	(0.88)	3.06	0.34
Net Increase/(Decrease) in Net Assets Resulting from Investment Operations	(2.24)	3.52	(0.94)	3.27	0.30
Distributions to Shareholders from:					
Net Investment Income	—	—	(0.16)	—	(0.07)
Net Realized Gains	(1.16)	(1.14)	(2.06)	(1.13)	(0.30)
Total from Distributions	(1.16)	(1.14)	(2.22)	(1.13)	(0.37)
Anti-Dilutive/(Dilutive) Impact of Capital Share Transactions					
	(1.09)(a)	0.14(b)	(0.11)(c)	—	—
Net Asset Value, End of Year	U.S. \$11.07	\$15.56	\$13.04	\$16.31	\$14.17
Share Price, End of Year	U.S. \$9.18	\$13.65	\$11.65	\$13.60	\$12.25
Total NAV Investment Return (d)	(21.54)%	30.04%	(5.66)%	25.09%	2.39%
Total Market Investment Return (e)	(25.83)%	27.69%	1.08%	20.66%	1.65%

RATIOS TO AVERAGE NET ASSETS/SUPPLEMENTAL DATA:

Net assets, End of Period (000's)	U.S. \$55,157	\$58,152	\$69,585	\$82,100	\$71,357
Ratio of Net Investment Income/(Loss) to Average Net Assets	(0.27)%	(0.76)%	(0.41)%	1.33%	(0.26)%
Ratio of Operating Expenses to Average Net Assets	1.98%	2.19%	1.78%	1.68%	1.68%
Portfolio Turnover Rate	18%	14%	22%	47%	29%

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

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

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

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

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

See Notes to Financial Statements.

The New Ireland Fund, Inc.

Notes to Financial Statements

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

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

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

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

A. Significant Accounting Policies:

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

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

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

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

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 – observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 – unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

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

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

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

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Transfers in and out of levels are recognized at market value at the end of period. The summary of inputs used to value the Fund's net assets as of October 31, 2018 is as follows:

	Total Value at 10/31/2018	Level 1 Quoted Price	Level 2 Significant Observable Input	Level 3 Significant Unobservable Input
Investments in Securities				
Common Stocks*				
Industrial				
Conglomerates	\$ 3,892,785	\$ 1,621,265	\$ —	\$ 2,271,520
Other Industries	49,916,841	49,916,841	—	—
Total Investments ^	<u>\$ 53,809,626</u>	<u>\$ 51,538,106</u>	<u>\$ —</u>	<u>\$ 2,271,520</u>

* See Portfolio Holdings detail for country breakout.

^ Investments are disclosed individually on the Portfolio Holdings.

The following is a reconciliation of assets in which Level 3 inputs were used in determining value:

Investments in Securities	Balance as of November 1, 2017	Realized Gain/ (Loss)	Change in Unrealized Appreciation/ (Depreciation)	Purchases
Common Stocks				
IPL Plastics PLC				
"B" Shares	\$ —	\$ —	\$ —	\$ —
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Investments in Securities	Sales Proceeds	Transfer into Level 3	Transfer out of Level 3	Balance as of October 31, 2018
Common Stocks				
IPL Plastics PLC				
"B" Shares	\$ —	\$ 2,271,520	\$ —	\$ 2,271,520
Total	<u>\$ —</u>	<u>\$ 2,271,520</u>	<u>\$ —</u>	<u>\$ 2,271,520</u>

Significant unobservable valuation inputs for material Level 3 investments as of October 31, 2018 are as follows:

	Fair value at 10/31/2018	Valuation Technique	Unobservable Input	Range (Weighted Average)
IPL Plastics PLC "B" Shares	\$ 2,271,520	Discount Market Value	IPL Plastic's Inc. Class B Common Shares	10%

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

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

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, 2018 and October 31, 2017, the Fund distributed \$735,164 and \$0, respectively, of ordinary income. The Fund also distributed, for tax purposes at October 31, 2018 and October 31, 2017, \$5,023,771 and \$5,098,440, respectively, of long-term capital gains.

Permanent difference between book and tax basis reporting for the year ended October 31, 2018 have been identified and appropriately reclassified to reflect a decrease in accumulated net investment loss of \$274,414 a decrease in accumulated net realized gain of \$84,611 and a decrease in paid-in-capital of \$189,803. These adjustments were related to Section 988 gain (loss) reclasses, short-term gain to ordinary income reclass and net operating losses. Net assets were not affected by this reclassification.

U.S. Federal Income Taxes: It is the Fund's intention to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and distribute all of its taxable income within the prescribed time. Excise tax of \$137,369 was paid during the year ended October 31, 2018. No provision for U.S. federal income taxes is currently required as of fiscal year end.

Management has analyzed the Fund's tax positions taken on federal income tax returns for all open tax years (October 31, 2018, 2017, 2016, and 2015), and has concluded that no provision for federal income tax is required in the Fund's financial statements. The Fund's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

Currency Translations: The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the spot rate of such currencies against U.S. dollars by obtaining from Interactive Data Corp. each day the current 4:00 pm New York time spot rate and future rate (the future rates are quoted in 30-day increments) on foreign currency contracts. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gains and losses on security transactions.

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

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

New Accounting Pronouncement: In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update 2018—13 "Changes to the Disclosure Requirements for Fair Value Measurement" which modifies disclosure requirements for fair value measurements. The guidance is effective for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years. Management is currently evaluating the impact of this guidance to the Fund.

New Rule Issuances – Disclosure Update and Simplification: In August 2018, the Securities and Exchange Commission issued Final Rule Release No. 33-10532, Disclosure Update and Simplification, which in part amends certain financial statement disclosure requirements of Regulation S-X that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. GAAP, or changes in the information environment. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The amendments to Rule 6-04.17 of Regulation S-X (balance sheet) were amended to require presentation of the total, rather than the components of net assets, or distributable earnings on the balance sheet. Consistent with U.S. GAAP, funds will be required to disclose total distributable earnings. The amendments to Rule 6-09 of Regulation S-X (statement of changes in net assets) omit the requirement to separately state the sources of distributions paid as well as omit the requirement to parenthetically state the book basis amount of undistributed net investment income.

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

Instead, consistent with U.S. GAAP, funds will be required to disclose the total amount of distributions paid, except that any tax return of capital must be separately disclosed. The requirements of the Final Rule Release are effective November 5, 2018 and the Funds' Statement of Assets and Liabilities and the Statement of Changes in Net Assets for the current and prior reporting period have been modified accordingly.

B. Management Services:

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

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

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

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

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

C. Purchases and Sales of Securities:

The cost of purchases and proceeds from sales of securities for the year ended October 31, 2018, excluding U.S. government and short-term investments, aggregated to U.S. \$18,639,196 and U.S. \$11,564,332, respectively.

D. Components of Distributable Earnings:

At October 31, 2018, the components of distributable earnings on a tax basis were as follows:

<u>Capital Loss Carryforward</u>	<u>Qualified Late Year Losses Deferred</u>	<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Gains</u>	<u>Net Unrealized Appreciation</u>
\$—	\$—	\$—	\$722,308	\$8,750,493

As of October 31, 2018, the Fund had no capital loss carryforwards.

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

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

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, 2018, 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>Net Unrealized Appreciation on Foreign Currency</u>	<u>Net Unrealized Appreciation</u>
\$45,059,210	\$12,166,149	\$(3,415,733)	\$8,750,416	\$77	\$8,750,493

E. Common Stock

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

F. Share Repurchase Program:

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

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

G. Market Concentration:

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

H. Risk Factors:

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

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

Investments in securities issued by entities based outside the United States may also be affected by currency controls; different accounting, auditing, financial reporting, and legal standards and practices; expropriation; changes in tax policy; greater market

The New Ireland Fund, Inc.

Notes to Financial Statements (continued)

volatility; differing securities market structures; higher transactions costs; and various administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends. These risks may be heightened in connection with investments in developing countries.

The Fund will face risks associated with the potential uncertainty and consequences that may follow Brexit, including with respect to volatility in exchange rates and interest rates.

I. Subsequent Event:

Management has evaluated the impact of all subsequent events on the Fund through the date the Financial statements were issued, and has determined that there was the following subsequent event:

On December 11, 2018, the Fund announced a change to its managed distribution policy (the "Distribution Policy"). Under the revised Distribution Policy, the Fund pays quarterly distributions at an annual rate, set once a year, that is a percentage of the Fund's net asset value ("NAV") at October 31, 2018. The Board has determined that the annual rate will be 4% per annum payable in quarterly installments.

The New Ireland Fund, Inc.

Report Of Independent Registered Public Accounting Firm

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

Opinion on the Financial Statements

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, 2018, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of October 31, 2018, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund's auditor since 2007.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, 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.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of October 31, 2018 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

TAIT, WELLER & BAKER LLP

**Philadelphia, Pennsylvania
December 20, 2018**

Dividend Reinvestment and Cash Purchase Plan

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

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

Participants in the Plan have the option of making additional cash payments to the Plan Agent, monthly, in any amount from U.S. \$100 to U.S. \$3,000, for investment in the Fund’s common stock. The Plan Agent will use all funds received from participants to purchase Fund shares in the open market, at the prevailing market price, on the 15th of each month or the next business day shares are traded if the 15th is a Saturday, Sunday or holiday. Voluntary cash payments must be received by the Plan Agent at least two business days prior to such investment date. To avoid unnecessary cash accumulations and to allow ample time for receipt and processing of voluntary cash payments to the participant’s account, it is suggested that the participants send in voluntary cash payments to be received by the Plan Agent ten days prior to the investment date. Interest will not be paid on any uninvested cash payments. A participant may withdraw a voluntary cash payment by written notice, if the notice is received by the Plan Agent not less than forty-eight hours before such payment is to be invested.

Additional Information (unaudited) (continued)

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

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

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

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

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

Neither the Fund nor the Plan Agent will be liable for any act performed in good faith or for any good faith omission to act or failure to act, including, without limitation, any claim of liability (i) arising out of failure to terminate a participant's account, sell stock held in the Plan, deposit certificates or direct registration shares, invest voluntary cash payments or dividends; or (ii) with respect to the prices at which stock is purchased or sold for the participant's account and the time such purchases or sales are made. Without limiting the foregoing, the Plan Agent will not be liable for any claim made more than 30 days after any instruction to buy or sell stock was given to the Plan Agent.

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

Additional Information (unaudited) (continued)

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

Meeting of Shareholders

On June 11, 2018 the Fund held its Annual Meeting of Shareholders. The following Director was elected by the following vote: Michael Pignataro 3,821,511 For; 402,053 Abstaining. Margaret Duffy, Sean Hawkshaw and David Dempsey continue to serve in their capacities as Directors of the Fund.

Fund's Privacy Policy

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

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

- Directly from the registered shareholder through data provided on applications or other forms and through account inquiries by mail, telephone or e-mail.
- From the registered shareholder's broker as the shares are initially transferred into registered form.

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

Additional Information (unaudited) (continued)

For the Fund's EU resident individual registered shareholders:

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

- Directly from the registered shareholder through data provided on applications or other forms and through account inquiries by mail, telephone or e-mail.
- From the registered shareholder's broker as the shares are initially transferred into registered form.

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

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

You have the right to request a copy of the personal data that the Fund holds about you. If you would like a copy of some or all of your personal data, please call the Fund's transfer agent at 1-877-295-6932. The Fund shall retain your personal data for as long as you are an investor and thereafter only as long as necessary to comply with applicable laws that require the Fund to retain your personal data, such as the Securities and Exchange Commission's data retention rules. The GDPR provides EU resident investors with additional rights such as: (1) the right to receive from the Fund your personal data that you have provided to the Fund in a structured, commonly used and machine-readable format (right of portability), as well as the right to have the Fund transmit your personal data that you have provided the Fund to others, upon your request, in such a format; (2) the right to rectify any of your personal data that is inaccurate or incomplete; (3) the right to lodge a complaint of an alleged infringement of the GDPR with an EU supervisory authority in a member state of your habitual residence or place of work; (4) the right to the erasure of your personal data under certain conditions specified in the GDPR, such as when your personal data is no longer necessary for the Fund to perform

Additional Information (unaudited) (continued)

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

Dated June 22, 2018

Portfolio Information

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

Proxy Voting Information

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

Certifications

The Fund's president has certified to the New York Stock Exchange ("NYSE") that, as of July 1, 2018, 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 Investment Company Act.

Tax Information

For the fiscal year ended October 31, 2018, the Fund had designated ordinary income and long-term capital gains of \$735,164 and \$5,023,771, respectively.

Board of Directors/Officers (unaudited)

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
INDEPENDENT DIRECTORS:				
Margaret Duffy, 75 KBI Global Investors (North America) Ltd. One Boston Place 201 Washington Street, 36th Floor Boston, MA 02108	Director and Chairperson of the Board of Directors	Chair since 2015 Director Since 2006 Current term expires in 2020	Director, Lavelle Fund for the Blind, (2014 to present)	1
David Dempsey, 69 KBI Global Investors (North America) Ltd. One Boston Place 201 Washington Street, 36th Floor Boston, MA 02108	Director	Since 2007 Current term expires in 2019	Managing Director, Bentley Associates L.P., - Investment Bank (1992 to present); Director, Hong Kong Association of New York (2014 to 2018); Director, Society of Aviation Flight Educators (2017 to present).	1
Michael A. Pignataro, 59 KBI Global Investors (North America) Ltd. One Boston Place 201 Washington Street, 36th Floor Boston, MA 02108	Director	Since 2015 Current term expires in 2021	Director, Credit Suisse Asset Management (2001 to 2013); Trustee, INDEIQ Trust, INDEIQ ETF Trust and INDEIQ Active ETF Trust (April 2015 to present).	1

* Eleanor Hoagland was elected to the Board of Directors on December 11, 2018.

** Each Director shall serve until the expiration of his or her current term and until his or her successor is elected and qualified.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Directors of the Fund and is available (1) by calling 1-800-468-6475 or by emailing investor.query@newirelandfund.com; (2) on the Fund's website located at <http://www.newirelandfund.com>; (3) on the SEC's website at <http://www.sec.gov>.

Board of Directors/Officers (unaudited) (continued)

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
INTERESTED DIRECTOR:				
Sean Hawkshaw, 54 KBI Global Investors (North America) Ltd. One Boston Place, 201 Washington Street, 36th Floor Boston, MA 02108	President and Director**	President Since 2011 Director from July 2011 to June 2012 and Since March 2013 Current term expires in 2020	Chief Executive Officer & Director, KBI Global Investors (North America) Ltd (2002 to Present); Director, KBI Global Investors Limited (1994 to Present); Director, KBI Fund Managers Limited (2002 to 2013); Director, KBI Institutional Funds PLC (2004 to 2013); Director KBI/Lothbury Qualifying Investor Fund, PLC (2006 to Present); Director, Irish Auditing and Accounting Supervisory Authority (2006 to 2015); Director Fusion Alternative Investments PLC (2008 to 2014); Director/ Secretary, Kleinwort Benson Investors Trustee Ltd (2010 to 2014); Director, Irish Association of Investment Managers (2003 to Present).	1

* Each Director shall serve until the expiration of his or her current term and until his or her successor is elected and qualified.

** Mr. Hawkshaw is deemed to be an "interested" director because of his affiliation with KBI Global Investors (North America) Ltd., the investment adviser to the Fund.

Board of Directors/Officers (unaudited) (continued)

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
OFFICERS*			
Sean Hawkshaw	President	Since 2011	See prior page.
Leila Long, 56 KBI Global Investors (North America) Ltd. One Boston Place 201 Washington Street, 36th Floor Boston, MA 02108	Treasurer	Since 2002	Investment Management and Compliance Consultant (2009 to present).
Salvatore Faia, 55 KBI Global Investors (North America) Ltd. One Boston Place 201 Washington Street, 36th Floor Boston, MA 02108	Chief Compliance Officer	Since 2005	President, Vigilant Compliance LLC, (2004 to present); Director, EIP Growth and Income Fund (2005 to present).
Angela Ter Maat, 37 US Bancorp Fund Services, LLC 811 E. Wisconsin Avenue Milwaukee, WI 53202	Secretary	Since 2016	Vice President, US Bancorp Fund Services, LLC (2004 to present).

* 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

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

Investment Adviser

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

Administrator

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

Custodian

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

Shareholder Servicing Agent

American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219

Legal Counsel

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

Independent Registered Public Accounting Firm

Tait, Weller & Baker LLP
Two Liberty Place
50 South 16th Street, Suite 2900
Philadelphia PA 19102-2529

Correspondence

All correspondence should be addressed to:

The New Ireland Fund, Inc.
c/o KBI Global Investors (North America) Ltd
One Boston Place
201 Washington Street
36th Floor
Boston, MA 02108

Telephone inquiries should be directed to:

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

Email inquiries should be sent to:

investor.query@newirelandfund.com

Website address:

www.newirelandfund.com