

Shannon Development 2010 Annual Report

Highlights for 2010

- Shannon Free Zone companies contribute over €600 million in spend
- Shannon Development secures funding for major €5.7 million redevelopment at King John's Castle, Limerick
- Completion of over €7.5 million investments in a range of property solutions for foreign and indigenous companies
- Shannon Development's tourism campaigns generate €39 million in visitor spend & yield over 484,000 additional bed nights
- Conference and sports tourism generate over €8 million in revenue
- €3.6 million project at Tipperary Technology Park opened Tarbert E-Town project launched

SHANNON FREE ZONE

Shannon Free Zone continues to be a major economic driver

The Shannon Free Zone performed well against a difficult global business environment in 2010. During the year 362 new jobs were created. Among the job highlights in 2010 was the announcement of up to 117 Shannon Development supported new jobs at US global financial security firm Genworth Financial. While overall employment at Shannon Free Zone fell 4% year on year, it should be noted that almost 90% of these job losses were the result of down sizing and not closures, enabling Shannon Development to continue working with these companies to identify new market opportunities. Jobs in indigenous companies at Shannon Free Zone grew by 5.5% from 949 to 1,002 during 2010.

Shannon Free Zone companies collectively contribute over €600 million to the Irish and Shannon Region economy annually in areas such as staff payroll, materials and services. During the year Shannon Free Zone companies generated almost €3 billion in sales, 92% of these were to export markets. Over 6,000 people are employed in Shannon Development client companies at Shannon Free Zone and another 614 are employed in service supply companies at the Zone. Shannon Development will continue to focus on supporting enterprise to improve competitiveness and growth.

Strong jobs pipeline for 2011

Considerable progress was made on marketing the Zone to potential overseas investors during 2010, resulting in an encouraging pipeline of new projects and jobs for 2011, and Shannon Development is working with a number of potential clients and existing Shannon Free Zone clients on expansions and investments.

During 2010 Shannon Development succeeded in securing 21 itineraries from prospective new clients for the Shannon Free Zone, 11 of which were generated in partnership with IDA Ireland.

Shannon Development support packages leverage over €8.5 million

Shannon Development approved financial supports to Shannon Free Zone companies in 2010 which leveraged investments of over €8.5 million by these companies. A total of 15 Shannon Free Zone companies received Shannon Development support packages across key areas such as R&D, management development, international marketing supports and training. These supports illustrate Shannon Development's commitment to enable Free Zone companies take part in the global economic recovery.

To help address some of the challenges facing the Shannon Free Zone business community in 2010, Shannon Development assisted four companies at Shannon Free Zone to secure €227,000 support through the Government Employment Subsidy Scheme. As a result, these companies have committed to maintaining 291 jobs. This is in addition to the 14 Shannon Free Zone companies assisted by the Company in 2009 which secured €2 million in supports to maintain 1,800 jobs.

16% increase in R&D expenditure at Shannon Free Zone

In-house R&D expenditure by Shannon Free Zone companies saw a 16% increase over the previous year to €56.4 million. This encouraging development demonstrates the importance these forward looking companies place on R&D and highlights the continued relevance of Shannon Free Zone as a key location for R&D investment in manufacturing and international services.

Continuing to address future business property needs

Continuing its strategy of providing a strong pipeline of leading edge business property solution options ahead of demand, Shannon Development secured planning permission for an 80,000 sq. ft. office/technology building at Shannon Free Zone East. This investment is part of the Company's commitment to enhance the Shannon Free Zone and maintain its position as one of Ireland's leading locations for modern internationally traded manufacturing and international services. A decision to build will be made against demand for space.

PROPERTY DEVELOPMENT

Shannon Development completes over €7.5 million investments in property solutions for indigenous and FDI companies

Shannon Development owns and manages a range of 55 technology parks, industrial estates and business parks in the Shannon Region counties of Clare, Limerick, North Tipperary, South West Offaly and North Kerry which offer a range of property solutions for business entrepreneurs. This represents one of the largest portfolios of business parks in Ireland.

The Company completed over €7.5 million of investments in a range of property solutions for indigenous and FDI companies in 2010. The investment was made in capital expenditure on building and infrastructural projects around the Shannon Region.

Among the projects officially opened during the year were:

€3.6 million expansion at Tipperary Technology Park (TTP), Thurles

A major €3.6 million expansion at Tipperary Technology Park (TTP), Thurles, Co. Tipperary, was opened in June 2010. The new building, Innovation Works 3, is the third building at Tipperary Technology Park campus and brings total investment by Shannon Development at the Park to €7.4 million. The new 21,500 sq. ft. two-storey office building at the Park was brought in under budget (originally costed at €4 million).

€2.7 million Tarbert E-Towns project

The E-Towns concept was developed to attract new investment and employment to smaller communities across the Shannon Region. It offers entrepreneurs a better work-life balance by allowing them to run their businesses from home, and offers them options to expand on site as their business grows. In 2010 well known sports commentator Mícheál Ó Muircheartaigh launched Shannon Development's €2.7 million E-Town development in Co. Kerry. The project involved the construction of a cluster of 8 tailor-made live/work houses on a 1.3 acre site on the Ferry Road in Tarbert, Co. Kerry. Shannon Development has worked closely with Tarbert Development Association who are fully behind the project. As part of its investment in the Tarbert E-Towns project, Shannon Development launched a dedicated E-Towns community website for Tarbert and 12 volunteers within the community received training in web authoring to manage and update the website, www.tarbert.ie.

Expansion Kilmallock Business Park, Co. Limerick

A new Community Enterprise Centre comprising three enterprise units of 2,500 sq ft. each and office space of 2,500 sq ft. on a one acre site was completed at Kilmallock Business Park during the year. The Park is owned

and managed by Shannon Development, and during the year the Company doubled the size of the Park, adding an extra 13 acres adjoining the existing 14 acres already developed. The extension now provides nine new sites for enterprise development, one of which is already sold.

TOURISM DEVELOPMENT

Shannon Development own brand tourism initiatives yield €39 million

In response to the continued economic challenges facing the Shannon Region tourism industry in 2010, the Company undertook a series of tourism boosting initiatives in domestic and overseas markets. As a direct result of these initiatives Shannon Development succeeded in generating €39 million in tourism revenue for the Region, attracting almost 195,000 visitors and generating over 484,000 bednights for the Shannon Region. In addition to its own initiatives, Shannon Development continued to work with Tourism Ireland and Fáilte Ireland to support a range of national and international radio, TV, print and online promotional campaigns.

Shannon Development signs 38 tourism marketing deals

Shannon Development undertook a major targeted drive to stimulate additional tourism business for Shannon Airport and the Shannon Region. Among the targets achieved by the Company in 2010 was the signing and implementation of 38 separate national and international tourism marketing agreements with airlines, tour operators, travel agents, corporate businesses and air holiday companies in North America, Great Britain, Europe and Ireland.

Domestic tourism generates over €135 million in revenue

The Irish tourism market remains an integral part of the Shannon Region's tourism strategy and is worth in excess of €135 million to the regional economy annually.

In 2010 Shannon Development actively targeted over 2.3 million Irish consumers through a range of specific regional online and tactical marketing campaigns. The Company signed a number of national co-operative marketing agreements with partners such as; Pigsback.com, Spectra Photo, Setanta Sports, Green Farm Foods, Senior Times magazine and Rollercoaster.ie. In each campaign Shannon Development highlighted accommodation offers as well as attractions and activities available in the Region.

Shannon Development teamed up with Xtra-vision in 2010 to celebrate the release of the 'Sex and the City 2' movie by offering themed spa and shopping breaks in the Shannon Region. The campaign targeted one million Xtra-vision customers and was their first tourism related promotion.

During the year Shannon Development's tourism marketing team attended 46 national and international trade and consumer tourism events in six countries to sell the Shannon Region as a tourist destination. In addition a further 25 sales and marketing missions were carried out, specifically focused on developing new and existing business relationships internationally.

The Company also supported national and international travel media visits to the Region, in conjunction with Tourism Ireland and Fáilte Ireland, which resulted in over 1,400 major articles and broadcasts worth over €31 million in equivalent advertising value.

Shannon Development co-hosted six trade/sales workshops in the Shannon Region including the Irish Tour Operators Association (ITOA) who were briefed on new tourism attractions by Shannon Development. This influential group brings in over 465,000 holiday makers to Ireland from overseas each year.

Stimulating demand for Shannon Airport routes

The Company continues to work closely with the Shannon Airport Authority to stimulate demand for Shannon Airport. To strengthen this working relationship, Shannon Development signed a joint Memorandum of Understanding with the Airport Authority in 2009. As part of the agreement Shannon Development is working with the Airport Authority to develop a programme to market the availability of US Customs and Border Preclearance at Shannon for private aircraft. This includes the joint development of the Shannon Aviation website www.shannonaviation.com with both Airport and local trade.

An example of this co-operation was demonstrated when the Company organised a very successful tourism sales blitz in Scotland to promote the new direct air service from Glasgow Airport to Shannon International Airport last year. The promotion was aimed at reaching the two million people living within the Glasgow airport catchment area, and also involved sales calls to key Tour Operators in Edinburgh.

In 2010 Shannon Development expanded its tourist information office at the Airport, increasing its size and facilities available. In addition the Company organised an Airport animation programme showcasing visitor attractions, services and local food products to incoming passengers.

Conference and sports tourism generate over €8 million in revenue in 2010

Shannon Development in partnership with the Shannon Region Conference and Sports Bureau secured a total of 29 conferences, incentive and sports events in 2010, generating €8.3 million in revenue.

Throughout the year, Shannon Development focused on developing sports tourism which is currently worth in excess of €60 million to the Shannon Region economy annually. In 2010 this new approach delivered a premium with seven new sports events. These events generated over €4.7 million in revenue locally. Among the mass participation sports events secured around the Shannon Region were: the Great Limerick Run with 6,500 participants; E-Tape Hibernia in Co. Clare, the only closed road cycling event in the country which attracted over 1,800 cyclists from Ireland and overseas; the Strongman Champions League in Limerick which was broadcast to over 54 million TV viewers across Europe; and the European Power Lifting Championship in Limerick. These events benefit a range of tourism and service sector businesses including accommodation providers, bars, restaurants and visitor attractions.

In addition, the Company directly supported in excess of 30 major festivals which attracted a total of 250,000 visitors. Among the events were: the Skyfest in Limerick which attracted an audience of over 57,000; Ennis Fashion Week in County Clare; the Slieve Blooms Storytelling Festival in North Tipperary; the Birr Hot-Air Balloon Festival; Birr Vintage Week; and the Pig N Porter Festival in Limerick, one of the largest tag rugby events of its kind in the world, which attracted over 120 national and international teams.

OVER €14 MILLION FOR SHANNON REGION TOURISM PROJECTS

As the tourism authority for the Shannon Region, Shannon Development supports Shannon Region tourism entrepreneurs, develops tourism projects and secures EU grant funding. Tourism projects valued at over €14 million were secured across the Shannon Region in 2010, among these:

Funding secured for major €5.7 million tourist attraction in Limerick City

A key objective in 2010 was to identify a large scale tourism attraction for the Shannon Region to act as a driver of new visitors and incremental visitor spend, and contribute to economic recovery in the Region. Following an extensive project identification process a €5.7 million re-development proposal for King John's Castle in Limerick City was selected. A grant of €4.7 million was approved in late December 2010 by Fáilte Ireland and the Department of Tourism, Culture and Sport under the National Development Plan (2007 – 2013) Tourism Scheme. The balance of the funding, an estimated €1 million, will be met by Shannon Development. The new visitor experience at the Castle will incorporate a wide range of new technologies and specialist multi media techniques which will be used to bring the Castle to life through exhibitions, interpretation and visitor facilities.

The next stage of the project will involve the appointment of a design consultant through a public tender process to carry out the re-development work. The project is scheduled for completion in 2012 to coincide with the

800th birthday of the Castle and will be strongly promoted in conjunction with that event.

€8 million investment in 20 tourism projects completed in 2010

Shannon Development's tourism product development team continue to develop, promote and secure strategic projects and initiatives targeted to achieve the Company's objective of a balanced spatial spread of tourism development across the Region. In 2010 Shannon Development, in partnership with County Councils and other agencies, completed an €8 million investment in 20 tourism projects under the National Development Plan (NDP) Tourism Infrastructure Fund. Projects completed to date under this scheme include: Lough Boora and Shannon Harbour Co Offaly; Terryglass Harbour amenity facilities and Lake Lookout in North Tipperary; amenity areas in Glin and Lough Gur in Co. Limerick.

€372,000 investment in Clare Coastal Walk

Work on a new a spectacular coastal walking route from Doolin to Liscannor was approved for development in 2010. The new route is part of the rerouting proposals for the Burren Way and a grant of €280,000 has been secured under the NDP (2007-2013) Tourism Scheme, yielding a total investment of €372,000. This is a collaborative project between Clare County Council, Shannon Development, Clare Local Development Company and the local farming community. The project is due for completion by year end 2011.

Developing Strategic Tourism Areas

Shannon Development continued to identify new projects in strategic tourism areas across the Region to create additional impact to our tourism development offering. Among these projects are:

New i-Trail completed

A new i-Trail for Lough Gur was completed in 2010 under the Shannon Region International Trails Programme. As a result a downloadable audio tour exploring the rich archaeological and mythological heritage at Lough Gur in Co. Limerick is now available. This initiative was undertaken by Shannon Development working with Lough Gur Development Co-operative Society and supported by the Heritage Council.

50 projects completed under the Shannon Region Trails Programme

Work on the Shannon Development initiated €2 million Shannon Region Trails Programme progressed in 2010. The programme was devised to grow visitor numbers and secure long term sustainable economic benefits for less developed areas of the Shannon Region. To-date over 50 projects involving an investment of €4.2 million have been undertaken as part of the Company's Shannon Region Trails Programme. Among these: 30 looped walks in Counties Clare, Limerick, North Tipperary and South Offaly; four cycling hubs

involving up to 20 loops at Doolin, Kilmallock, Birr, and Nenagh have now been launched.

2010 initiatives under the programme included the opening of two new loop walks in Doonbeg, Co. Clare; the completion of a new cycle track from Shannon to Clarecastle, and additional development works on a number of existing routes in the Burren. A new working group was also established during the year to explore the trail development opportunities in West Clare.

Over 600,000 overseas visitors participate in walking holidays in Ireland annually, generating an estimated spend of €340 million. Progress is ongoing on upgrading the Region's eight national waymarked walking trails including works carried out on the Burren Way, Lough Derg Way, Slieve Felim Way and Ballyhoura Way. Trail guides completed for all new trails are available on the trails website; www.shannonregiontrails.ie

Work to secure Geopark status for the Burren advances

A bid to secure Geopark status for the Burren was advanced during 2010 under the Burren Connect project of which Shannon Development is a key partner with Clare County Council and the Geological Survey of Ireland (GSI). During the year additional actions and initiatives were undertaken under an EU funded project called NEED which will aid in the application being finalised under the Burren Connect Project for consideration of the Burren as a Geopark site. The progression of the branding of the Burren as an Eco Tourism destination gained enormous momentum with the establishment of the Burren Eco Tourism network. In conjunction with Fáilte Ireland, this group participated in extensive training programmes which will see them accredited with a national eco tourism label. The Burren will be the first site in the country to have this status.

Launch of a new Lakelands and Inland Waterways Strategy

Shannon Development supported a five year development strategy for the Lakelands & Inland Waterways which was launched in November 2010. The goal is to ensure that the River Shannon and its lakes, including Lough Derg, are developed and promoted both domestically and overseas. In order to maximise Lough Derg's potential under the Lakelands and Inland Waterways at a national level, a Lough Derg Strategy Group has been formed comprising Shannon Development, the local authorities, and private sector interests. The Group will focus on identifying and developing projects to ensure maximum benefits for the tourism sector in the area.

Employment Subsidy Scheme for Tourism

Shannon Development worked to secure the extension of the Employment Subsidy Scheme (ESS) to cover tourism enterprises. The original ESS scheme announced by the Department of Enterprise, Trade & Innovation included industrial based companies only. A significant number of tourism companies applied for funding and Shannon Development worked actively

with the tourism trade in the Region to advise and assist potential applicants. In 2010 approval of over €700,000 was secured to help maintain over 1,000 tourism jobs in the Region.

Shannon Heritage

Shannon Heritage, the tourism and heritage subsidiary of Shannon Development continued to enhance its seven day visitor attractions and four evening entertainment venues around the Shannon Region in 2010. The Shannon Heritage operation is vitally important to tourism in the Region as it continues to annually contribute an estimated €20 million to the local economy in resulting revenue.

Despite the further downturn being experienced in the tourism industry, and the impact of the disruption caused by the volcanic ash cloud during 2010, Shannon Heritage attracted over 417,000 visitors to its range of visitor attractions and evening entertainments last year. The Company continued to develop a range of new initiatives to attract new customers. For example they offered three different Christmas events at Bunratty Castle and Folk Park which proved extremely popular during the month of December, attracting an additional 13,000 visitors. In 2011 the Company will continue to focus on enhancing its tourism product offerings for customers and the €5.7 million re-development of King John's Castle will be a major part of this.

SHANNON DEVELOPMENT FOCUS ON ENERGY

The Shannon Region, and in particular the Shannon Estuary, has enormous potential to lead the way in terms of sustainable energy in Ireland. During the year the Company continued to capitalise on the Region's advantages in terms of sustainable energy generation.

Work on Kerry Deepwater Zone Advances

During the year work progressed on the Shannon LNG project, on Shannon Development owned lands in Tarbert/Ballylongford, Co. Kerry. In December 2010 Shannon LNG was issued, by Government, with the required foreshore leases and licences. The Company was also granted an exemption from Regulated Third Party Access for part of the capacity, subject to conducting a market test to determine if other organisations are interested in taking long term capacity in the Terminal. When complete, the Shannon LNG project, comprising a €500 million liquefied natural gas (LNG) receiving terminal, will provide a significant part of Ireland's projected gas needs, resulting in a downward pressure on price and increased security and diversity of Ireland's energy supply.

Shannon Energy Valley Launched

In March 2010 Shannon Development with the University of Limerick, NUI Galway, and Silicon Valley's Irish Technology Leadership Group launched the Shannon Energy Valley, a major renewable energy hub in Ireland's Shannon

Region. The Shannon Energy Valley initiative will create a national hub for energy research and development, industry and commerce with a view to attracting international investment and generating high-end employment in the Region. A Memorandum of Understanding has been signed between the four partners that commits them to delivering a hub of excellence and innovation to harness the natural resources of the Shannon Region, as well as its highly skilled workforce and access to top class research and development expertise.

Shannon Development leads major EU energy saving initiatives

In 2010 Shannon Development was engaged in seven European projects, among them two energy projects:

The EU estimates that €100 billion is wasted every year because of energy inefficiencies, but this may become a thing of the past as Ireland is to lead a major new green energy initiative to help industries across Europe become more energy efficient.

Led by Shannon Development, a steering group was established comprising representatives from eight countries, Ireland, UK, Finland, Italy, Slovenia, Hungary, Estonia and Bulgaria. Called 'Regional Cluster for Energy Planning', the group will develop a new policy tool which will be rolled out across Europe to integrate energy policy with regional policy. This project will be completed at the end of 2011.

Shannon Development secures EU support for European Biomass Study

The role of biomass will be critical in future years as Ireland and Europe look for new green energy sources. Shannon Development secured EU support in 2009 for an important European biomass study into how best to accelerate research into increasing the amount of fuel generation from biological material such as trees, plants, and municipal waste. Led by Shannon Development, the project comprises partners from Denmark, Hungary and Bulgaria. The biomass study has potential to yield long term economic benefits, promote green energy, and yield much needed new jobs in the renewable energy sector. The study, supported by the EU Seventh Framework Programme (Regions of Knowledge), is expected to be completed in 2011.

EUROPEAN ENTREPRENEURIAL AWARD FOR KERRY

In 2010 Kerry was awarded the prestigious title of 'European Entrepreneurial Region 2011' by the EU Committee of the Regions. The winning proposal was submitted by Shannon Development and the Institute of Technology Tralee with support from Kerry County Council. The European Entrepreneurial Region (EER) award is designed to identify and reward EU regions with outstanding entrepreneurial vision and to encourage local and regional authorities to do more to promote small business across Europe. Kerry was

one of just three regions in all 27 EU states to receive the accolade, along with Brandenburg, Germany and Murcia in Spain.

County Kerry's strong focus on entrepreneurship, in particular the Young Entrepreneur and Endeavour Programmes and the successful model for the integration of business and education demonstrated by Shannon Development at Kerry Technology Park and the Institute of Technology Tralee, were key factors in securing the Award for Kerry.

Among the ambitious targets being set to grow entrepreneurship in Co. Kerry, is an acceleration of the Young Entrepreneur Programme which has attracted 2,000 students to-date. By the end of 2013, Shannon Development, the Institute of Technology Tralee and entrepreneur Jerry Kennelly, the joint founders of the programme, will have attracted an additional 2,000 students to the programme. By 2020 there will be 7,000 Young Entrepreneur Programme Alumni, 4,000 of whom will have completed their primary degree and will thus be at a critical juncture in their career paths.

Similar targets are being set for the successful inaugural Endeavour Programme which saw 13 companies complete the programme in 2010. By 2013, the target is to have 60 fledgling companies complete the Endeavour programme; with the figure rising to 250 by 2020. This represents a key source of new business start-ups for Kerry Technology Park. If the plan is successful it is hoped to have over 90 new companies established at Kerry Technology Park by 2020, which have the potential impact of providing sustainable, high-value-added employment for people living and working in County Kerry.

ENHANCING LIMERICK'S APPEAL

The dedicated Limerick Development Division, set up by Shannon Development in 2009 has since undertaken a number of key promotional initiatives. The objective of the Division is to grow the Greater Limerick Area – incorporating Limerick city and county - into a vibrant and successful economic location.

In addition to the traditional promotion and development of industry and tourism, the Limerick Development Division identified sports, culture and the arts as key brands for Limerick given their ability to generate and sustain economic development.

Establishing new business links for Limerick

Working to increase Limerick's international business links, Shannon Development helped secure the prestigious '*Silicon Valley Comes to Ireland*' event for the Region in November 2010. The event attracted 25 leading US venture capital investment decision makers and a full programme in Limerick, Clare and Galway, was organised by Shannon Development in partnership with the US based Irish Technology Leadership Group, the University of Limerick and NUI Galway. The three day event was designed to strengthen

ties with Silicon Valley businesses and to highlight the National Technology Park's 25 year history of fostering high potential start-up's and hosting technology based FDI. Budding entrepreneurs from all over Ireland were given the opportunity to come face to face with these high profile Silicon Valley chiefs, among them Craig Barrett former Chairman of Intel, for an intensive review of their companies and their business plans.

Shannon Development established a number of other international business links for the Region in 2010 among them, an alliance with the Boston Irish Business Association to identify business opportunities. In a bid to capitalise on Irish diaspora links abroad, the Company organised a business promotion event in the Irish Cultural Centre, London, to explore potential business opportunities. The Company also worked with Limerick City Council to progress a formal twinning agreement between Limerick City and Santa Clara in the US, and to highlight Limerick's attractiveness to investors.

Developing Limerick's Business Infrastructure

The Shannon Development owned National Technology Park (NTP) in Limerick continued to be a key economic driver for Limerick and the wider Shannon Region. Over 3,000 people are employed at the Park in a mix of indigenous enterprise, foreign owned industry, research, education and training companies. Among the largest companies in the Park are Vistakon and Cook Ireland Ltd, supported by IDA Ireland and employing over 1,100 in total. In a significant development 15 new companies were established at the National Technology Park Innovation Works facility in 2010 which augers well for the future.

In 2010 Shannon Development completed work on a Masterplan for a 50 acre site at the National Technology Park. The intention is to develop this site as the Shannon Region's Strategic Site aimed at attracting large-scale Foreign Direct Investment from the rapidly expanding global Life Sciences sector including, in particular, major corporations involved in Medical Technologies and Biopharmaceutical manufacturing / R&D activities. Shannon Development will work closely with IDA in marketing the site to prospective multinational clients.

Maximising Limerick's European City of Sport 2011 status

In 2010, Limerick was awarded the prestigious title of European City of Sport for 2011. The award came as the result of a bidding process by Shannon Development and Limerick City Council to the European Capitals of Sport Association (ACES) based in Italy. Work is now underway with all of the sporting bodies and government agencies to ensure that the event stimulates economic benefits for Limerick over the course of the year. A strategic mix of sports events, sports related tourism, conferences and exhibitions are being planned to promote the city and entice overseas visitors to the area. Shannon Development believes that this award opens up a long term multi sectoral opportunity to enhance economic development through sport and it will be a key priority for the Company in 2011 and beyond.

The biggest sporting event in Limerick in 2010 was the Special Olympics Ireland Games, held in Limerick in July. Shannon Development worked very closely with Special Olympics before, during and after this highly beneficial event, including the provision of facilities for the large group of volunteers and staff. A key output was the publication of a jointly commissioned economic impact study by Shannon Development and Special Olympics – the largest such event impact study ever undertaken in Limerick – which highlighted that the local economy benefited by €10 million in direct and indirect spend from the event, which generated 24,000 bed nights. The findings of this report are being used by Shannon Development to attract similar sized events for Limerick in future.

Promoting Limerick

In 2010, Shannon Development undertook a very proactive tourism development and promotional campaign for City and County. A number of promotional pieces were produced including a comprehensive multilingual consumer guide “Let Limerick Surprise You”, A trade manual designed with front office staff and tourism trade partners in mind, “Limerick Tourism Trade Manual 2010” was also circulated as was the “N69 Driving Route” highlighting all the very best tourism amenities which this scenic County Limerick driving route has to offer. All of the above have been distributed through the Shannon Development Tourist Information Office network, through various trade partners and to all of our key markets including the UK, US and Europe through trade and consumer shows.

The Company is one of the key partners along with Limerick City Council and Limerick County Council in the development of a relevant, comprehensive and up-to-date online presence for Limerick, which showcases Limerick’s unique selling points and outlines the wealth of attractions and activities available. The www.discoverlimerick.ie and www.limerick.ie websites have been developed and launched over the past number of months with both websites acting as official visitors’ guides to the City and County.

A number of key events were supported by Shannon Development during 2010. These include Skyfest (secured for Limerick by Shannon Development), Autumnfest, October Bank Holiday Sporting Weekend, Winterfest, Riverfest, and St. Patrick’s Day Festival, all of which contributed significant economic benefit to Limerick.

Limerick Regeneration

Shannon Development continues to work very closely with the Limerick Regeneration Agency and is committed to ensuring that this key project proceeds with the full and active participation and support of Shannon Development. As well as working together on specific initiatives such as the regeneration of Nicholas Street, Shannon Development is also represented

on the Programme Delivery Group Sub Committee for Enterprise, Employment and Training.

Supporting the Mid West Task Force

In early 2009, following the announcement of 2,000 job losses at Dell, An Tánaiste Mary Coughlan established the Mid West Task Force Chaired by well known businessman Denis Brosnan. Dr. Vincent Cunnane, Chief Executive, Shannon Development, was appointed Chief Executive of the Task Force. In July 2009 the Task Force presented its Interim Report which provided an analysis of the specific economic challenges facing the Mid West Region and made recommendations on how these challenges might be addressed. Since the publication of the Interim Report the Department of Enterprise, Trade and Innovation has responded to the Task Force on progress in implementing the key recommendations.

The Interim Report also indicated that the Task Force's Final Report will focus on the Region's future development potential and recommend a development plan for the Mid West centred on a number of key themes including enterprise, the relationships between the economic development agencies, tourism, energy, the Shannon Estuary, Shannon International Airport as an economic driver and a masterplan for the Greater Limerick Area.

Following consultations with stakeholders and after examining the key areas outlined above, the Task Force will make recommendations aimed at making a significant contribution to the future development of the Mid West Region. The final report is due for completion in 2011.

€18.5 MILLION BROADBAND HAND-OVER COMPLETED

In 2010 Shannon Development, through Shannon Broadband Ltd, completed the hand-over to Enet of the eight MANs (Metropolitan Area Networks) developed in towns around the Shannon Region. Limerick based Enet was appointed by the Government to manage, maintain and market the MANs Broadband programme. The Limerick MAN, also undertaken by the Company through Shannon Broadband, was handed over to Enet previously. This will now enable industry, businesses and telecom wholesalers in these Shannon Region towns and Limerick city to avail of advanced telecom technologies capable of delivering cutting-edge communications and information services.

Shannon Broadband Ltd is the public sector consortium led by Shannon Development in partnership with the Region's local authorities. The consortium laid a network of 52kms of fibre optic cable in eight Shannon Region Towns, an investment of €12 million.

This followed an earlier MAN for Limerick involving an investment of €6.5 million, bringing total investment to €18.5 million. The MANs project is

sponsored by the Department of Communication, Energy and Natural Resources and the EU European Regional Fund.

Roll out of GPS programme to assist tourists

In 2010 Shannon Development, working with local authorities, rolled out a GPS project in a bid to make it easier for visitors to get accurate tourist information digitally. As a result, over 1,000 points of interest in counties Limerick, Clare, Offaly and North Tipperary are now available to tourists and the business community for download to Sat Nav units. The initiative was a result of a need identified for independent travellers looking for free, instant and accurate guidance and mapping information on 'where to go' and 'what to see and do' in the area they are visiting. This new technology provides more detailed, accurate and up-to-date information on tourism products and their locations around the Shannon Region. It is anticipated that the information on accommodation and visitor attractions will entice more overnight stays in the Region, and lead to a range of spin-off benefits for tourism businesses and the service sector in the area.

CONTINUING TO INVEST IN THE KNOWLEDGE NETWORK

Shannon Development operates a knowledge network of five business and technology parks in Limerick, Clare, Tipperary, Offaly and Kerry, at strategic locations around the Shannon Region. Each Park comprises cutting edge business facilities designed to meet the needs of investors and enterprises in the Knowledge Age. These are: Tipperary Technology Park, in Thurles; Kerry Technology Park in Tralee; the National Technology Park, Limerick; Information Age Park, Ennis, and Birr Technology Centre.

30 new business start-ups at Shannon Development business parks

The Knowledge Network incorporates an Innovation Works at each location which facilitates new, high potential knowledge-based businesses through the crucial start-up phase and early years of their development. As part of its commitment to assist new start-up companies, Shannon Development increased the number of 'hot desks' at its five Innovation Works facilities around the Region.

In 2010 the network has seen substantial growth with 30 new client companies being facilitated by Shannon Development. In addition, a further 6 companies, already established, expanded into new accommodation on the parks.

Today Shannon Development's Knowledge Network of business and technology parks across the Region employ over 3,600 people. The Knowledge Network is a long term investment providing facilities and support systems required by entrepreneurs.

Tipperary Technology Park (TTP), Thurles, Co. Tipperary

A major €3.6 million expansion for Tipperary Technology Park (TTP), Thurles was opened in 2010 providing a third building on the business campus and is part of the Company's continued development of its Knowledge Network. Over 160 people are employed at the Park generating significant local economic impact. Two new tenants have already taken space in the new building.

Kerry Technology Park (KTP), Tralee, Co. Kerry

Sixty-five new jobs were created by Kerry Technology Park companies in 2010, bringing the total number employed to 320. The total salary bill of Park companies reached €15 million, an increase of €3.2million on 2009, representing a significant contribution to the local economy. R&D spend for the year, at an average of 8% of turnover, is well ahead of the national average. Two KTP companies featured in the Deloitte Fast 50, a ranking of Ireland's fastest growing technology companies - Altobridge and Aspen Grove.

The National Technology Park (NTP), Limerick

The National Technology Park Limerick continued to be a key economic driver for Limerick and the wider Shannon Region during 2010 (*as reported in the Limerick Development section*).

Information Age Park Ennis (IAPE), Co. Clare

The Information Age Park Ennis is a prestigious 34 acre urban business campus. It has been constructed to provide high quality business space suitable for a range of technology, financial and internationally traded services. The Park comprises two buildings with a total of 23 suites, ranging from hot desks and office space up to 4,104 sq. ft. IAPE offers shared turnkey office facilities for start up entrepreneurs and due to demand the company is expanding its 'hot desks', as phase one is now fully occupied.

Birr Technology Centre

Birr Technology Centre is a facility that offers a prestigious image and a quality working environment, as well as state-of-the-art infrastructure for businesses. The Knowledge Network incorporates Innovation Works, which supports new, high potential knowledge-based businesses through the crucial start-up phase and early years of their development. Companies in Birr Technology Centre employ over 80 people. Three new clients were secured in 2010.

Ends

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