

The Board of Abbey plc reports a profit before taxation of €21.18m which compares with a profit of €14.56m for the corresponding period last year. Profits at the operating level were €20.42m as compared to €13.86m at the half way stage last year.

Our housebuilding division completed 379 sales (UK 275; Ireland 104) with a turnover of €76.69m generating an operating profit of €18.59m. Strong market conditions supported sales and margins throughout the period. The forward sales position is good both in Ireland and the UK. There are signs that the market going forward will not be as exuberant as in recent months. As yet there is no sign of a correction in prices although after such a strong upward move it cannot be ruled out.

Joint venture turnover arising from plot sales at our development in Clonsilla, Co. Dublin, totalled €912,000 generating an operating profit of €683,000.

M & J Engineers, our UK plant hire business, generated operating profits of €1.03m on a turnover of €10.39m. Included in this result is a profit of €178,000 arising from the disposal of a surplus yard in Luton. Trading has continued in line with expectations and subject to normal levels of new year custom a reasonable result for the year will be achieved.

Rental income for the period amounted to €121,000 for the half year.

The Group held substantial cash balances at the end of October. Since then the Group has exchanged contracts for the purchase of an additional 273 plots costing €20m to maintain our landbank. In the light of rising land prices and the more difficult regulatory environment (particularly in England where proposed legislation will further complicate matters) the housebuilding business is becoming ever more capital intensive and inevitably over time returns on capital employed will fall.

The Board is pleased to declare an interim dividend of 7.5 cent per share. The dividend is covered 6.04 times. This dividend will be paid on 19th February 2003 to shareholders on the register at 17th January 2003. Overall, the Group is in good shape and confident of a solid second half.

On behalf of the Board

Charles H. Gallagher, Chairman
9th January 2003

Group Profit and Loss Account

	Continuing operations		
	Unaudited 6 months ended		Audited
	31/10/2002 €'000	31/10/2001 €'000	Year Ended 30/04/2002 €'000
Turnover including share of joint venture	88,111	64,554	146,685
Less: share of joint venture	(912)	-	-
Group Turnover	87,199	64,554	146,685
Operating costs	(67,458)	(50,691)	(111,478)
Group Operating Profit	19,741	13,863	35,207
Share of joint ventures operating profit	683	-	-
Trading profit including share of joint venture	20,424	13,863	35,207
Net interest receivable	763	699	1,042
Profit on ordinary activities before taxation	21,187	14,562	36,249
Estimated taxation on profit on ordinary activities	(5,737)	(3,932)	(9,531)
Profit attributable to shareholders	15,450	10,630	26,718
Dividends paid	-	-	(2,215)
Dividends proposed	(2,556)	(2,215)	(4,601)
Retained Profit	12,894	8,415	19,902
Earnings per share basic and diluted	45.34c	31.19c	78.40c
SEGMENTAL ANALYSIS			
Turnover including share of joint venture			
Building and property development	77,600	53,877	125,245
Plant hire	10,390	10,529	21,153
Property rental	121	148	287
	88,111	64,554	146,685
Less: share of joint venture	(912)	-	-
Group turnover	87,199	64,554	146,685
Net Assets including share of joint venture			
Building and property development	79,945	70,500	78,759
Plant hire	29,241	27,454	29,230
Property rental	802	637	821
	109,988	98,591	108,810
Dividend proposed	(2,556)	(2,215)	(4,601)
Investments	8	8	8
Cash at bank	45,831	32,573	38,656
	153,271	128,957	142,873

Group Balance Sheet

	Unaudited 31/10/2002 €'000	Unaudited 31/10/2001 €'000	Audited 30/04/2002 €'000
Fixed Assets	34,050	30,892	32,763
Investment in joint venture	546	–	–
	<u>34,596</u>	<u>30,892</u>	<u>32,763</u>
Current Assets			
Stocks	123,380	103,955	113,989
Debtors	8,983	7,552	7,808
Other investments	8	8	8
Cash at bank and in hand	45,831	32,573	38,656
	<u>178,202</u>	<u>144,088</u>	<u>160,461</u>
Creditors (amounts falling due within one year)			
Trade and other creditors	(58,779)	(44,953)	(49,586)
Net current assets	<u>119,423</u>	<u>99,135</u>	<u>110,875</u>
Total assets less current liabilities	154,019	130,027	143,638
Provisions for liabilities and charges			
Deferred taxation	(748)	(1,070)	(765)
	<u>153,271</u>	<u>128,957</u>	<u>142,873</u>
Shareholders' Funds			
Called up share capital	10,905	10,905	10,905
Share premium account	13,321	13,321	13,321
Revaluation reserve	5,167	2,806	5,462
Other reserves			
Capital redemption reserve fund	1,478	1,478	1,478
Currency translation	7,588	10,203	9,976
Profit and loss account	114,812	90,244	101,731
	<u>153,271</u>	<u>128,957</u>	<u>142,873</u>

NOTES

- 1) The above summarised consolidated balance sheet and consolidated profit and loss account do not constitute full accounts and except where indicated are unaudited. Full accounts for the year ended 30 April 2002 which received an unqualified report, have been filed with the Irish Register of Companies.
- 2) An interim dividend of 7.5 cent per share will be paid on 19th February 2003 to ordinary shareholders on the register at 17th January 2003.
- 3) A copy of this statement will be circulated to shareholders on Friday the 17th of January 2003. Copies are available to members of the public at the company's registered office, 25/28 North Wall Quay, Dublin 1.

Cash Flow Reports

	Unaudited 6 months ended		Audited
	31/10/2002	31/10/2001	Year Ended
	€'000	€'000	30/04/2002
			€'000
GROUP CASH FLOW STATEMENT			
Net cash inflow from operating activities	20,860	8,824	25,698
Returns on Investment and Servicing of Finance	763	699	1,042
Corporation Tax Paid	(4,482)	(4,313)	(10,745)
Capital Expenditure and Financial Investments			
Purchase of tangible fixed assets	(6,567)	(6,276)	(10,419)
Sale of tangible fixed assets	1,761	1,548	3,183
	(4,806)	(4,728)	(7,236)
Equity Dividends Paid	(4,601)	(3,462)	(5,677)
Net cash inflow (outflow) before use of liquid resources	7,734	(2,980)	3,082
Management of liquid resources	(10,093)	4,057	(504)
(Decrease) increase in cash	(2,359)	1,077	2,578
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
(Decrease) increase in cash in the period	(2,359)	1,077	2,578
Cash flow from increase (decrease) in liquid resources	10,093	(4,057)	504
Translation difference	(559)	44	65
Movement in net funds in the period	7,175	(2,936)	3,147
Opening net funds	38,656	35,509	35,509
Closing net funds	45,831	32,573	38,656
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating profit	19,741	13,863	35,207
Depreciation	2,894	3,638	7,294
Profit on disposal of tangible fixed assets	(530)	(537)	(1,165)
Translation adjustment	(902)	(99)	(88)
Increase in stocks	(9,391)	(10,081)	(20,115)
Increase in debtors	(1,172)	(71)	(328)
Increase in creditors	10,220	2,111	4,893
Net cash inflow from operating activities	20,860	8,824	25,698

Statement of Total Recognised Gains and Losses

	Unaudited 6 months ended		Audited
	31/10/2002	31/10/2001	Year Ended
	€'000	€'000	30/04/2002
			€'000
Group			
Profit for the financial period	15,450	10,630	26,718
Unrealised revaluation surplus arising in period	–	–	2,296
Exchange translation adjustment	(2,496)	(100)	33
Total recognised gains and losses related to the period	12,954	10,530	29,047

Reconciliation of Movements in Shareholders' Funds

	Unaudited 6 months ended		Audited
	31/10/2002	31/10/2001	Year Ended
	€'000	€'000	30/04/2002
			€'000
Group			
Profit for the financial period	15,450	10,630	26,718
Dividends	(2,556)	(2,215)	(6,816)
Profit retained for the financial period	12,894	8,415	19,902
Unrealised revaluation surplus arising in period	–	–	2,296
Exchange translation adjustment	(2,496)	(100)	33
Net addition to shareholders' funds	10,398	8,315	22,231
Opening shareholders' funds	142,873	120,642	120,642
Closing shareholders' funds	153,271	128,957	142,873

Company Information

BOARD OF DIRECTORS

Charles H. Gallagher M.A., MSc.
Brian R. Hawkins BSc (Eng)
Robert N. Kennedy BSc (Econ)
David A. Gallagher B.A., MSc.
Dennis A. Jackson
J. Roger Humber BSc (Econ), Hon D.Tech
John F. Hogan B. Comm, F.C.A.
Richard J. Shortt

SECRETARY AND REGISTERED OFFICE

David J. Dawson CA
25/28 North Wall Quay
Dublin 1

FINANCIAL DIARY

Interim Statement
9th January 2003

Interim Dividend Payment
19th February 2003

Preliminary Statement
July 2003

Annual Report
September 2003

Annual General Meeting
October 2003

Abbey House, 2 Southgate Rd
Potters Bar, Herts EN6 5DU, UK
www.abbeyplc.co.uk

1 Setanta Place, Dublin 2, Ireland
www.abbeyplc.ie