

**Abbey plc**  
Interim Report January 2005



## Abbey plc Interim Statement January 2005

The Board of Abbey plc reports a profit before taxation of €26.12m which compares with a profit of €28.81m for the corresponding period last year. Profits at the operating level were €25.17m as compared to €28.39m at the half way stage last year.

Our housebuilding division completed 353 sales (UK 203; Ireland 150) with a turnover of €88.51m generating an operating profit of €23.64m. Margins were eroded during the period reflecting rising costs and a softening market in England in October. These more challenging market conditions have continued into the winter. The Irish market has continued to be firm and we are expecting a good performance in Ireland in the next few months. Looking forward, the housing division is, as last year, on course for more sales in the second half, however, the final outcome will depend on our UK sales in the last quarter. During the period the company added 413 plots with planning permission to its approved landbank. There are signs of easier land market conditions in England consistent with the weaker housing market. In Prague the division has exchanged contracts for the purchase of a small infill site for 16 flats and an office suite. Further opportunities are being actively pursued. Planning work continues on schedule for our site in Slivenec.

Joint venture turnover arising from a land sale adjacent to our development in Clonsilla, Co. Dublin generated an operating profit of €328,000.

M & J Engineers, our UK plant hire business, generated operating profits of €1.09m on a turnover of €10.44m. Trading has been steady throughout the period and a reasonable result for the year can still be achieved.

Rental income for the period amounted to €116,000 for the half year.

The Group held substantial cash balances at the end of October. Commitment for land purchases amounting to €12.0m existed at the end of October and further substantial acquisitions are being negotiated.

The Board is pleased to declare an interim dividend of 11 cents per share. The dividend is covered 5.35 times. This dividend will be paid on 16<sup>th</sup> February 2005 to shareholders on the register at 14<sup>th</sup> January 2005. Overall, the Group is trading steadily and the Board is hopeful of a satisfactory outcome for the year.

On behalf of the Board



*Charles H. Gallagher, Chairman*

6<sup>th</sup> January 2005

## Group Profit and Loss Account

	Unaudited 6 months ended		Audited
	31/10/2004 €'000	31/10/2003 €'000	Year Ended 30/04/2004 €'000
<b>Turnover - continuing (including share of joint venture)</b>	<b>99,400</b>	93,024	201,521
Less: share of joint venture	<b>(334)</b>	(1,507)	(1,858)
<b>Group turnover</b>	<b>99,066</b>	91,517	199,663
Operating costs	<b>(74,223)</b>	(64,102)	(141,426)
<b>Group operating profit - continuing</b>	<b>24,843</b>	27,415	58,237
Share of joint ventures operating profit	<b>328</b>	981	1,023
<b>Trading profit - including share of joint venture</b>	<b>25,171</b>	28,396	59,260
Net interest receivable	<b>952</b>	417	945
<b>Profit on ordinary activities before taxation</b>	<b>26,123</b>	28,813	60,205
Estimated taxation on profit on ordinary activities	<b>(6,055)</b>	(6,680)	(13,359)
<b>Profit attributable to shareholders</b>	<b>20,068</b>	22,133	46,846
Dividends paid	-	-	(3,408)
Dividends proposed	<b>(3,749)</b>	(3,408)	(6,815)
<b>Retained profit</b>	<b>16,319</b>	18,725	36,623
<b>Earnings per share - basic and diluted</b>	<b>58.89c</b>	64.95c	137.47c

### SEGMENTAL ANALYSIS

#### Turnover

Building and property development	<b>88,846</b>	83,023	181,859
Plant hire	<b>10,438</b>	9,885	19,428
Property rental	<b>116</b>	116	234
	<b>99,400</b>	93,024	201,521
Less: share of joint venture	<b>(334)</b>	(1,507)	(1,858)
	<b>99,066</b>	91,517	199,663

#### Net Assets

Building and property development	<b>121,326</b>	113,987	109,883
Plant hire	<b>28,223</b>	26,619	26,816
Property rental	<b>731</b>	741	751
	<b>150,280</b>	141,347	137,450
Investment in joint venture	<b>2,561</b>	2,265	2,298
Dividends proposed	<b>(3,749)</b>	(3,408)	(6,815)
Investments	<b>7</b>	7	7
Cash at bank	<b>63,265</b>	39,903	66,652
	<b>212,364</b>	180,114	199,592

## Statement of Total Recognised Gains and Losses

	Unaudited 6 months ended		Audited
	31/10/2004 €'000	31/10/2003 €'000	Year Ended 30/04/2004 €'000
<b>Group</b>			
Profit for the financial period - including share of joint venture	20,068	22,133	46,846
Exchange translation adjustment	(3,547)	2,215	3,795
Total recognised gains and losses related to the period	16,521	24,348	50,641

## Reconciliation of Movements in Shareholders' Funds

	Unaudited 6 months ended		Audited
	31/10/2004 €'000	31/10/2003 €'000	Year Ended 30/04/2004 €'000
<b>Group</b>			
Profit for the financial period	20,068	22,133	46,846
Dividends	(3,749)	(3,408)	(10,223)
Profit retained for the financial period	16,319	18,725	36,623
Exchange translation adjustment	(3,547)	2,215	3,795
Net addition to shareholders' funds	12,772	20,940	40,418
Opening shareholders' funds	199,592	159,174	159,174
Closing shareholders' funds	212,364	180,114	199,592

# Group Balance Sheet

	Unaudited 31/10/2004 €'000	Unaudited 31/10/2003 €'000	Audited 30/04/2004 €'000
<b>Fixed Assets</b>	<b>31,361</b>	30,202	31,680
<b>Investment in joint venture</b>	<b>2,561</b>	2,265	2,298
	<b>33,922</b>	32,467	33,978
<b>Current Assets</b>			
Stocks	<b>169,637</b>	154,713	165,445
Debtors	<b>8,670</b>	10,880	8,705
Other investments	<b>7</b>	7	7
Cash at bank and in hand	<b>63,265</b>	39,903	66,652
	<b>241,579</b>	205,503	240,809
<b>Creditors (amounts falling due within one year)</b>			
Trade and other creditors	<b>(62,205)</b>	(57,092)	(74,238)
<b>Net current assets</b>	<b>179,374</b>	148,411	166,571
<b>Total assets less current liabilities</b>	<b>213,296</b>	180,878	200,549
<b>Provisions for liabilities and charges</b>			
Deferred taxation	<b>(932)</b>	(764)	(957)
	<b>212,364</b>	180,114	199,592
<b>Shareholders' Funds</b>			
Called up share capital	<b>10,905</b>	10,905	10,905
Share premium account	<b>13,321</b>	13,321	13,321
Revaluation reserve	<b>4,769</b>	4,823	4,879
Other reserves			
Capital redemption reserve fund	<b>1,478</b>	1,478	1,478
Currency translation	<b>(2,141)</b>	(228)	1,296
Profit & loss account	<b>184,032</b>	149,815	167,713
	<b>212,364</b>	180,114	199,592

## 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<sup>th</sup> April 2004 which received an unqualified report, have been filed with the Irish Registrar of Companies.
- 2) An interim dividend of 11 cent per share will be paid on 16<sup>th</sup> February 2005 to ordinary shareholders on the register at 14<sup>th</sup> January 2005.
- 3) A copy of this statement will be circulated to shareholders on Friday the 14<sup>th</sup> of January 2005. 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 Year Ended
	31/10/2004	31/10/2003	30/04/2004
	€'000	€'000	€'000

## GROUP CASH FLOW STATEMENT

Net cash inflow from operating activities	<b>13,577</b>	20,055	59,206
<b>Returns on Investment and Servicing of Finance</b>	<b>952</b>	417	945
<b>Corporation Tax Paid</b>	<b>(6,460)</b>	(5,448)	(11,935)
<b>Capital Expenditure</b>			
Purchase of tangible fixed assets	<b>(4,386)</b>	(3,336)	(8,189)
Sale of tangible fixed assets	<b>1,139</b>	1,284	2,444
	<b>(3,247)</b>	(2,052)	(5,745)
<b>Equity Dividends Paid</b>	<b>(6,815)</b>	(4,941)	(8,349)
Net cash (outflow) inflow before use of liquid resources	<b>(1,993)</b>	8,031	34,122
Management of liquid resources	<b>5,780</b>	(13,096)	(36,596)
<b>Increase (decrease) in cash</b>	<b>3,787</b>	(5,065)	(2,474)

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase (decrease) in cash in the period	<b>3,787</b>	(5,065)	(2,474)
Cash flow from (decrease) increase in liquid resources	<b>(5,780)</b>	13,096	36,596
Translation difference	<b>(1,394)</b>	304	962
Movement in net funds in the period	<b>(3,387)</b>	8,335	35,084
Opening net funds	<b>66,652</b>	31,568	31,568
Closing net funds	<b>63,265</b>	39,903	66,652

## RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Operating profit	<b>24,843</b>	27,415	58,237
Depreciation	<b>3,254</b>	2,957	5,961
Profit on disposal of tangible fixed assets	<b>(445)</b>	(545)	(939)
Translation adjustment	<b>507</b>	–	(82)
Increase in stocks	<b>(6,618)</b>	(11,306)	(20,874)
(Increase) decrease in debtors	<b>(140)</b>	(1,112)	1,135
(Decrease) increase in creditors	<b>(7,824)</b>	2,646	15,768
Net cash inflow from operating activities	<b>13,577</b>	20,055	59,206

# 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.  
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  
6<sup>th</sup> January 2005

Interim Dividend Payment  
16<sup>th</sup> February 2005

Preliminary Statement  
July 2005

Annual Report  
September 2005

Annual General Meeting  
October 2005



Abbey House, 2 Southgate Rd  
Potters Bar, Herts EN6 5DU, UK  
[www.abbeyplc.co.uk](http://www.abbeyplc.co.uk)

1 Setanta Place, Dublin 2, Ireland  
[www.abbeyplc.ie](http://www.abbeyplc.ie)