

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 16th February 2005 to shareholders on the register at 14th 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

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

SEGMENTAL ANALYSIS

Turnover

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

Net Assets

Building and property development	121,326	113,987	109,883
Plant hire	28,223	26,619	26,816
Property rental	731	741	751
	150,280	141,347	137,450
Investment in joint venture	2,561	2,265	2,298
Dividends proposed	(3,749)	(3,408)	(6,815)
Investments	7	7	7
Cash at bank	63,265	39,903	66,652
	212,364	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
Group			
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
Group			
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
Fixed Assets	31,361	30,202	31,680
Investment in joint venture	2,561	2,265	2,298
	33,922	32,467	33,978
Current Assets			
Stocks	169,637	154,713	165,445
Debtors	8,670	10,880	8,705
Other investments	7	7	7
Cash at bank and in hand	63,265	39,903	66,652
	241,579	205,503	240,809
Creditors (amounts falling due within one year)			
Trade and other creditors	(62,205)	(57,092)	(74,238)
Net current assets	179,374	148,411	166,571
Total assets less current liabilities	213,296	180,878	200,549
Provisions for liabilities and charges			
Deferred taxation	(932)	(764)	(957)
	212,364	180,114	199,592
Shareholders' Funds			
Called up share capital	10,905	10,905	10,905
Share premium account	13,321	13,321	13,321
Revaluation reserve	4,769	4,823	4,879
Other reserves			
Capital redemption reserve fund	1,478	1,478	1,478
Currency translation	(2,141)	(228)	1,296
Profit & loss account	184,032	149,815	167,713
	212,364	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 30th 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 16th February 2005 to ordinary shareholders on the register at 14th January 2005.
- 3) A copy of this statement will be circulated to shareholders on Friday the 14th 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	13,577	20,055	59,206
Returns on Investment and Servicing of Finance	952	417	945
Corporation Tax Paid	(6,460)	(5,448)	(11,935)
Capital Expenditure			
Purchase of tangible fixed assets	(4,386)	(3,336)	(8,189)
Sale of tangible fixed assets	1,139	1,284	2,444
	(3,247)	(2,052)	(5,745)
Equity Dividends Paid	(6,815)	(4,941)	(8,349)
Net cash (outflow) inflow before use of liquid resources	(1,993)	8,031	34,122
Management of liquid resources	5,780	(13,096)	(36,596)
Increase (decrease) in cash	3,787	(5,065)	(2,474)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

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

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Operating profit	24,843	27,415	58,237
Depreciation	3,254	2,957	5,961
Profit on disposal of tangible fixed assets	(445)	(545)	(939)
Translation adjustment	507	–	(82)
Increase in stocks	(6,618)	(11,306)	(20,874)
(Increase) decrease in debtors	(140)	(1,112)	1,135
(Decrease) increase in creditors	(7,824)	2,646	15,768
Net cash inflow from operating activities	13,577	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
6th January 2005

Interim Dividend Payment
16th February 2005

Preliminary Statement
July 2005

Annual Report
September 2005

Annual General Meeting
October 2005



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