

ABBEY PLC
Interim Statement for the Six Months Ended 31 October 2009

The Board of Abbey plc reports a profit before taxation of €3.60m which compares with a loss of €3.39m for the corresponding period last year. Profits at the operating level were €2.49m as compared to €5.88m loss at the half way stage last year.

Our housebuilding division completed 222 sales (UK 170; Ireland 49; Czech Republic 3) with a turnover of €36.27m resulting in an operating profit of €2.54m. Market conditions in England steadily improved over the period. We have entered the second half with a good level of forward sales. In Ireland we have enjoyed considerable success in clearing inventory. The second half has continued in the same vein and sales are being made at a steady rate. In Prague sales are slow. We continue to experience delays with likely cost implications on our project in Slivenec. Progress is gradual. Our project in Andel is off to a good start and the contractor here is currently on time. Overall the outlook for the second half is as usual very dependent on the strength or otherwise of the spring market, however, we are hopeful that a higher level of completions than that achieved in the first half will be attainable.

M & J Engineers, our UK plant hire business, generated operating losses of €95,000 on a turnover of €5.15m. In addition a gain of €89,000 resulted from the disposal of an M&J property. These figures are disappointing and no early improvement is likely. A further substantial loss is expected in the second half. The business remains cash positive and our capital employed is steadily declining.

Rental income for the period amounted to €52,000 for the half year.

The Group enjoyed good cash flow during the period and held €41.10m in cash and restricted cash together with €1.79m in UK and Irish government debt at the end of October. It is the Group's intention to invest these funds in fresh development opportunities as circumstances allow. During the reporting period no land purchase was entered into or completed. Since the balance sheet date a site for 60 plots in Cambridgeshire with planning permission has been purchased. Further land purchases have been agreed subject to contract.

Prospects for the Group continue to be dull. Although we expect modest profitability this year we cannot yet rule out the possibility of further stock losses in our Irish operations. Looking further ahead progress relies on successful restocking of our land bank and this seems likely to be a slow and difficult process. Many observers expect another significant reversal in the English housing market as UK authorities get to grips with their budget deficit after the general election. Whilst we are confident that low inventory will continue to provide some support to the UK market it seems common ground that profits and growth will be hard won for the foreseeable future. The Group's strong financial position allows us to move quickly to avail of any good opportunities.

Shareholders should carefully note the exchange rates used for this statement. The income statement uses the average exchange rate for the period of 100 cents: STG87.92p and 100 cents: CZK 2,595.87h. The balance sheet uses the rate prevailing on 31 October of 100 cents: STG 89.54p and 100 cents: CZK 2,651.90h.

Copies of this statement are available to shareholders and members of the public at the company's registered office, 25\28 North Wall Quay, Dublin 1.

On behalf of the Board
Charles H Gallagher – Chairman
4th December 2009

ABBEY plc**Interim Condensed Consolidated
Income Statement****31 October 2009****Unaudited 6
months ended****31/10/2009****€000****Unaudited 6
months ended****31/10/2008****€000**

<i>Continuing operations</i>	Note		
Revenue		41,674	56,123
Cost of sales			
- normal		(35,150)	(44,551)
- impairment charge on land	3	-	(11,917)
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Gross profit (loss)		6,524	(345)
Administrative expenses		(4,126)	(5,537)
Gain on property disposal		89	-
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Operating profit (loss)		2,487	(5,882)
Finance income		1,109	490
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Profit (loss) on ordinary activities before taxation		3,596	(5,392)
Income tax (expense) credit		(684)	1,457
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Profit (loss) attributable to equity shareholders of the parent		2,912	(3,935)
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<i>Earnings (loss) per share - basic</i>	5	11.82 c	(15.98) c
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<i>Earnings (loss) per share - diluted</i>	5	11.82 c	(15.98) c
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**Interim condensed
consolidated statement of
comprehensive income****Unaudited 6
months ended****31/10/2009****€000****Unaudited 6
months ended****31/10/2008****€000**

Profit (loss) for the period		2,912	(3,935)
Foreign currency translation		(145)	85
Unrealised gain on fair value financial assets		224	-
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Other comprehensive income		79	85
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Total comprehensive income (loss) for the period		2,991	(3,850)
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ABBEY plc
Interim Condensed Consolidated Statement of Changes in Equity (unaudited)

**For the six months ended
31 October 2009**

Attributable to equity holders of the parent	Issued Capital	Share Premium	Revaluation Reserve	Capital Redemption Reserve Fund	Currency Translation	Retained Earnings	Total
	€000	€000	€000	€000	€000	€000	€000
At 1 May 2009	7,881	13,321	4,807	4,502	(21,912)	142,138	150,737
Profit for the period	-	-	-	-	-	2,912	2,912
Other comprehensive (loss) income	-	-	-	-	(145)	224	79
Total comprehensive (loss) income	-	-	-	-	(145)	3,136	2,991
Movement in revaluation surplus	-	-	(381)	-	-	381	-
At 31 October 2009	7,881	13,321	4,426	4,502	(22,057)	145,655	153,728

**For the six months ended
31 October 2008**

Attributable to equity holders of the parent	Issued Capital	Share Premium	Revaluation Reserve	Capital Redemption Reserve Fund	Currency Translation	Retained Earnings	Total
	€000	€000	€000	€000	€000	€000	€000
At 1 May 2008	7,881	13,321	7,729	4,502	(12,839)	187,346	207,940
Loss for the period	-	-	-	-	-	(3,935)	(3,935)
Other comprehensive income	-	-	10	-	75	-	85
Total comprehensive income (loss)	-	-	10	-	75	(3,935)	(3,850)
At 31 October 2008	7,881	13,321	7,739	4,502	(12,764)	183,411	204,090

ABBEY plc
**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
at 31 October 2009**

	Note	Unaudited 31/10/2009 €000	Unaudited 31/10/2008 €000	Audited 30/04/2009 €000
ASSETS				
Non-current assets				
Property, plant and equipment		20,340	30,921	23,016
Investment property		2,101	2,392	2,101
Investment in joint venture		2,512	2,512	2,512
Investments		5	6	6
Defined benefit pension scheme surplus		6,883	3,997	6,893
		<u>31,841</u>	<u>39,828</u>	<u>34,528</u>
CURRENT ASSETS				
Trade and other receivables		6,565	6,876	5,587
Inventories		64,674	147,426	75,251
Income tax receivable		-	3,106	3,127
Financial investments	7	51,786	17,016	29,904
Restricted cash		7,007	5,105	6,305
Cash and cash equivalents		34,097	30,201	37,529
		<u>164,129</u>	<u>209,730</u>	<u>157,703</u>
TOTAL ASSETS		<u>195,970</u>	<u>249,558</u>	<u>192,231</u>
LIABILITIES				
Current liabilities				
Trade and other payables		(37,332)	(39,975)	(37,198)
Income tax payable		(538)	-	-
Provisions		(1,893)	(2,664)	(1,814)
		<u>(39,763)</u>	<u>(42,639)</u>	<u>(39,012)</u>
NET CURRENT ASSETS		<u>124,366</u>	<u>167,091</u>	<u>118,691</u>
Non-current liabilities				
Deferred taxation		(2,416)	(2,757)	(2,419)
Provisions		(63)	(72)	(63)
		<u>(2,479)</u>	<u>(2,829)</u>	<u>(2,482)</u>
TOTAL LIABILITIES		<u>(42,242)</u>	<u>(45,468)</u>	<u>(41,494)</u>
NET ASSETS		<u>153,728</u>	<u>204,090</u>	<u>150,737</u>
EQUITY				
<i>Equity attributable to equity holders of the parent</i>				
Issued capital		7,881	7,881	7,881
Share premium		13,321	13,321	13,321
Revaluation reserve		4,426	7,739	4,807
Other reserves				
- Capital redemption reserve fund		4,502	4,502	4,502
- Currency translation		(22,057)	(12,764)	(21,912)
Retained earnings		145,655	183,411	142,138
		<u>153,728</u>	<u>204,090</u>	<u>150,737</u>
TOTAL EQUITY		<u>153,728</u>	<u>204,090</u>	<u>150,737</u>
TOTAL EQUITY AND LIABILITIES		<u>195,970</u>	<u>249,558</u>	<u>192,231</u>

ABBEY plc

**INTERIM CONDENSED CONSOLIDATED
CASH FLOW STATEMENT**

31 October 2009

	Unaudited 31/10/2009 €000	Unaudited 31/10/2008 €000
Cash flows from operating activities		
Profit (loss) before tax	3,596	(5,392)
Adjustments to reconcile profit (loss) before tax to net cash flows		
Non cash:		
Depreciation	2,281	3,166
Amortisation of bonds	47	-
Other non cash items	366	(162)
Impairment charge on inventories	-	11,917
Profit on disposal of property, plant and equipment	(368)	(463)
Finance income	(1,109)	(490)
Working capital adjustments:		
Decrease in inventories	10,587	8,838
(Increase) decrease in trade and other receivables	(994)	3,283
Increase (decrease) in creditors and provisions	297	(5,086)
Income taxes refunded (paid)	3,037	(1,942)
Net cash flow from operating activities	17,740	13,669
Cash flows from investing activities		
Purchase of plant, property and equipment	(962)	(2,858)
Sale of plant, property and equipment	1,744	1,070
Investment in government bonds	(21,942)	(17,016)
Finance income	1,109	490
Net cash outflow from investing activities	(20,051)	(18,314)
Cash flows from financing activities		
Movement in restricted cash	(702)	(2,648)
Net cash outflow from financing activities	(702)	(2,648)
Net decrease in cash and cash equivalents	(3,013)	(7,293)
Cash and cash equivalents at start of year	37,529	37,350
Net foreign exchange differences	(419)	144
Cash and cash equivalents at end of period	34,097	30,201

ABBEEY plc
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
31 October 2009

1. Corporate Information

The interim condensed consolidated financial statements of Abbey plc for the six month period ended 31 October 2009 were authorised for issue in accordance with a resolution of the directors on December 3, 2009. Abbey plc is a limited company incorporated and domiciled in Ireland. The company's shares are listed on the IEX and AIM stock exchanges. The principal activities of the Group are described in note 8.

2. Basis of Preparation of Financial Statements

The interim condensed consolidated financial statements for the six months ended 31 October 2009 have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The interim condensed financial statements do not contain all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements, except for the adoption of new Standards and Interpretations, noted below;

* IFRS 8 *Operating Segments*

This standard requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this Standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS14 Segmental Reporting. Additional disclosures about each of these segments are shown in Note 8, including revised comparative information.

* IAS 1 *Revised Presentation of Financial Statements*

The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income; it presents all items of recognized income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements.

3. Exceptional item

	Unaudited 31/10/2009 €000	Unaudited 31/10/2008 €000
<i>Cost of sales</i>		
The cost of sales charge for the year is arrived at after charging:		
Write down of inventories to net realisable value	-	11,917

The Group has continued to closely monitor the carrying value of its inventories in Ireland and the United Kingdom as a result of uncertain market conditions and a continuing weakening sales environment. Arising from these considerations we estimated that certain development sites have suffered impairment in previous periods.

4. Dividends

	Unaudited 31/10/2009 €000	Unaudited 31/10/2008 €000
<i>Dividends on ordinary shares declared and paid during the six month period:</i>		
Dividend for 2009: Nil cents per share (2008: Nil)	-	-
<i>Dividends on ordinary shares proposed (not recognised as a liability at 31 October)</i>		
Dividend for 2009: Nil cents per share (2008: Nil)	-	-

ABBAY plc
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
31 October 2009

5. Earnings per share: basic and diluted

Earnings per share has been calculated by reference to the weighted average number of shares in issue of 24,626,992 (2008: 24,626,992) and to the profit on ordinary activities after taxation amounting to €2,912,000 (2008: loss €3,935,000).

The total number of ordinary shares in issue at the period end is 24,626,992 (2008: 24,626,992).

6. Pensions

The surplus on the pension scheme included in the interim condensed consolidated balance sheet is the amount at the prior year end. No revaluation of assets and liabilities of the scheme has been carried out in the period, and accordingly there is no gain or loss shown in the statement of total recognised gains and losses in respect of the interim period. Actuarial gains and losses for the full year and the surplus/deficit at the end of the year will be presented in the annual financial statements for the year ending 30 April 2010.

7. Financial Investments

	Unaudited	Unaudited
	31/10/2009	31/10/2008
	€000	€000
<i>Financial assets</i>		
Government bonds	51,786	17,016

These relate to Irish and UK Government Bonds available for sale. These financial assets are recorded at fair value at the balance sheet date.

ABBEY plc
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
31 October 2009

8. Segmental Information

Turnover, cost of sales and operating profit (loss) are derived from continuing activities. The Group operates in three markets being Ireland, the United Kingdom and the Czech Republic. The principal activities of the Group are building and property development, plant hire and property rental. These divisions are the basis on which the Group reports its primary segmental information.

	---Building and Property Development---			Plant Hire	Property Rental	Unallocated	GROUP
	Ireland	United Kingdom	Czech Republic	United Kingdom			
	€000	€000	€000	€000	€000	€000	€000
31 October 2009							
Income Statement Information							
Turnover	9,937	25,565	766	5,154	252	-	41,674
Cost of sales - normal	(8,353)	(21,662)	(617)	(4,518)	-	-	(35,150)
Administrative expenses	(738)	(2,198)	(159)	(1,031)	-	-	(4,126)
Gain on property disposal	-	-	-	89	-	-	89
Operating profit (loss)	846	1,705	(10)	(306)	252	-	2,487
Balance Sheet Information							
Segment assets	24,239	36,205	18,804	19,214	2,101	-	100,563
Segment liabilities	(11,448)	(21,302)	(7,360)	(2,127)	(5)	-	(42,242)
Segment net assets	12,791	14,903	11,444	17,087	2,096	-	58,321
Investment in joint venture	2,512	-	-	-	-	-	2,512
Investments	-	5	-	-	-	-	5
Financial investments	18,936	32,850	-	-	-	-	51,786
Cash and cash equivalents	11,191	22,320	7,355	188	-	50	41,104
TOTAL NET ASSETS	45,430	70,078	18,799	17,275	2,096	50	153,728
Other Segmental Information							
Depreciation	77	34	-	2,170	-	-	2,281
Profit on disposal of fixed assets	(16)	-	-	(352)	-	-	(368)
Capital expenditure	-	-	35	927	-	-	962

31 October 2008

Income Statement Information

Turnover	17,592	29,566	-	8,718	247	-	56,123
Cost of sales							
- normal	(13,822)	(24,110)	(51)	(6,568)	-	-	(44,551)
- impairment charge on land	(3,443)	(8,474)	-	-	-	-	(11,917)
Administrative expenses	(1,001)	(2,668)	(214)	(1,654)	-	-	(5,537)
Operating (loss) profit	(674)	(5,686)	(265)	496	247	-	(5,882)

Balance Sheet Information

Segment assets	76,885	68,797	17,065	29,578	2,393	-	194,718
Segment liabilities	(13,286)	(22,964)	(5,378)	(3,740)	(100)	-	(45,468)
Segment net assets	63,599	45,833	11,687	25,838	2,293	-	149,250
Investment in joint venture	2,512	-	-	-	-	-	2,512
Investments	-	6	-	-	-	-	6
Financial investments	17,016	-	-	-	-	-	17,016
Cash and cash equivalents	15,092	14,240	5,440	209	-	325	35,306
TOTAL NET ASSETS	98,219	60,079	17,127	26,047	2,293	325	204,090
Other Segmental Information							
Depreciation	122	97	-	2,947	-	-	3,166
Profit on disposal of fixed assets	-	-	-	(463)	-	-	(463)
Capital expenditure	-	-	-	2,858	-	-	2,858

Board of Directors

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

Secretary and Registered Office

David J. Dawson CA
25/18 North Wall Quay
Dublin 1

Financial Diary

Interim Statement
4 December 2009

Preliminary Statement
July 2010

Annual Report
August 2010

Annual General Meeting
October 2010