



PRESS RELEASE

ABBHEY PLC – PRELIMINARY STATEMENT

For the year ended 30th April 2003

The Board of Abbey plc announces a profit of €48.5 million before taxation. After a tax charge of €11.8 million the group made a profit of €36.7 million reflecting earnings per share of 107.62 cents. Group operating profits during the year were €45.3 million, a 29% increase over the previous year (€35.2 million).

The Board is recommending a final dividend of 14.5 cents per share bringing the total for the year to 22.0 cents per share. The dividend is covered 4.89 times by profits after taxation.

Our housebuilding division completed 730 sales (UK 454 Ireland 276) with a turnover of €151.3 million generating an operating profit of €43 million. UK trading during the fourth quarter was significantly slower than in the equivalent period last year. The cooler market conditions have continued in to the new trading year. Price rises have tapered off as the year has progressed and at the moment our market is stable. In contrast our Irish operations enjoyed a very strong second half reinforced by very positive trading conditions in the early months of 2003. The division is hoping to complete more homes this year with all the growth likely to be in our Irish operation. The forward sales position in Ireland is good. At the year end the group held land with the benefit of planning permission \ or resolution to grant planning permission for the provision of 2,368 plots, approximately three years' output.

Joint venture turnover arising from plot sales at the development in Clonsilla, Co. Dublin, totalled €2,831,000 generating an operating profit of €1,850,000.



(2)

M & J Engineers reported operating profits of €2.1 million on a turnover of €20.4 million including a profit of €178,000 arising from the disposal of a surplus yard in Luton. Trading has progressed in line with our expectations. Management continues to focus on improving the profitability of the business, however, rising costs together with generally falling plant prices are not helping. Capital expenditure is tightly controlled. Trading for the first two months of the new year is at very similar levels to the year being reported.

Rental income arising primarily from the letting of surplus space at group property was €235,000.

At the year end shareholders' funds stood at €159 million representing €4.67 per share whilst net cash balances stood at €31.57 million.

Shareholders should carefully note the exchange rates used for this statement. The profit and loss statement uses the average exchange rate for the year of €100 cents : STG 65.21p. The balance sheet uses the rate prevailing on 30th April of €100 cents : STG 69.80p.

Trading in the new year is progressing at a reasonable level. Background conditions are less positive than for sometime, however, our good forward order position (particularly in Ireland) means that prospects for this trading year remain good.

On behalf of the Board

CHARLES H GALLAGHER

CHAIRMAN

17TH July 2003



GROUP PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2003

	2003 €'000	2002 €000
Turnover - continuing (including share of joint venture)	174,806	146,685
Less: share of joint venture	<u>(2,831)</u>	<u>-</u>
Group turnover	171,975	146,685
Operating costs	<u>(126,649)</u>	<u>(111,478)</u>
Group operating profit - continuing	45,326	35,207
Share of joint venture profit	<u>1,850</u>	<u>-</u>
Trading profit including share of joint venture	47,176	35,207
Net interest receivable	<u>1,287</u>	<u>1,042</u>
Profit on ordinary activities before taxation	48,463	36,249
Taxation on profit on ordinary activities		
- Irish corporation tax	(2,620)	(1,794)
- United Kingdom corporation tax	<u>(9,167)</u>	<u>(7,737)</u>
	<u>(11,787)</u>	<u>(9,531)</u>
Profit attributable to shareholders	36,676	26,718
Dividend paid of 7.50 cents per share (2002 : 6.50 cents per share)	(2,556)	(2,215)
Dividend proposed of 14.50 cents per share (2002 : 13.50 cents per share)	<u>(4,941)</u>	<u>(4,601)</u>
Profit retained for the financial year	<u>29,179</u>	<u>19,902</u>
Earnings per share - <i>basic and diluted</i>	<u>107.62</u> c	<u>78.40</u> c

SEGMENTAL ANALYSIS

Turnover		
Building and property development	154,209	125,245
Plant hire	20,362	21,153
Property rental	<u>235</u>	<u>287</u>
	174,806	146,685
Less: share of joint venture	<u>(2,831)</u>	<u>-</u>
	<u>171,975</u>	<u>146,685</u>
Net Assets		
Building and property development	104,108	78,759
Plant hire	26,225	29,230
Property rental	<u>727</u>	<u>821</u>
	131,060	108,810
Investment in joint venture	1,480	-
Dividend proposed	(4,941)	(4,601)
Investments	7	8
Cash at bank	<u>31,568</u>	<u>38,656</u>
	<u>159,174</u>	<u>142,873</u>



GROUP BALANCE SHEET

30 April 2003

	2003 €'000	2002 €'000
Fixed Assets		
Tangible assets	30,071	32,763
Investment in joint venture	1,480	-
	<u>31,551</u>	<u>32,763</u>
Current Assets		
Stocks	141,576	113,989
Debtors	9,604	7,808
Other investments	7	8
Cash at bank and in hand	31,568	38,656
	<u>182,755</u>	<u>160,461</u>
Creditors <i>(amounts falling due within one year)</i>		
Trade and other creditors	<u>(54,382)</u>	<u>(49,586)</u>
Net current assets	<u>128,373</u>	<u>110,875</u>
Total assets less current liabilities	159,924	143,638
Provisions for liabilities and charges		
Deferred taxation	(750)	(765)
	<u>159,174</u>	<u>142,873</u>
Shareholders' Funds		
Called up share capital	10,905	10,905
Share premium account	13,321	13,321
Revaluation reserve	4,746	5,462
Other reserves		
Capital redemption reserve fund	1,478	1,478
Currency translation	(2,366)	9,976
Profit & loss account	131,090	101,731
	<u>159,174</u>	<u>142,873</u>

FINANCIAL DIARY

Preliminary Statement	17th July, 2003
Annual Report	8th September, 2003
Annual General Meeting	3rd October, 2003
Dividend Payment	8th October, 2003
- payable to shareholders registered on	25th July, 2003
Interim Statement	January, 2004

Year ended 30/04/2003	Year ended 30/04/2002
€'000	€'000

GROUP CASH FLOW STATEMENT

Net cash inflow from operating activities	19,279	25,698
Return on Investment and Servicing of Finance	1,287	1,042
Corporation Tax Paid	(11,365)	(10,745)
Purchase of tangible fixed assets	(9,258)	(10,419)
Sale of tangible fixed assets	2,936	3,183
Capital Expenditure	(6,322)	(7,236)
Equity Dividends Paid	(7,157)	(5,677)
Net cash (outflow) inflow before use of liquid resources	(4,278)	3,082
Management of liquid resources	9,264	(504)
Increase in cash in the year	4,986	2,578

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase in cash in the year	4,986	2,578
Movement in liquid resources	(9,264)	504
Translation difference	(2,810)	65
Movement in net funds in the year	(7,088)	3,147
Net funds at 1 May	38,656	35,509
Net funds at 30 April	31,568	38,656

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Operating profit	45,326	35,207
Depreciation	6,511	7,294
Profit on disposal of tangible fixed assets	(920)	(1,165)
Translation adjustment	91	(88)
Increase in stocks	(37,620)	(20,115)
Increase in debtors	(2,660)	(328)
Increase in creditors	8,551	4,893
Net cash inflow from operating activities	19,279	25,698



	<u>Year ended</u> 30/04/2003 €'000	<u>Year ended</u> 30/04/2002 €'000
<u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u>		
Group		
Profit for the financial year	36,676	26,718
Unrealised revaluation surplus arising in year	-	2,296
Exchange translation adjustment	(12,878)	33
Total recognised gains and losses related to the year	<u>23,798</u>	<u>29,047</u>
<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Group		
Profit for the financial year	36,676	26,718
Dividends	(7,497)	(6,816)
Profit retained for the financial year	<u>29,179</u>	<u>19,902</u>
Unrealised revaluation surplus arising in year	-	2,296
Translation adjustment arising in year	(12,878)	33
Net addition to shareholders' funds	<u>16,301</u>	<u>22,231</u>
Shareholders' funds at 1 May	<u>142,873</u>	<u>120,642</u>
Shareholders' funds at 30 April	<u><u>159,174</u></u>	<u><u>142,873</u></u>

The financial information relating to Abbey plc and its subsidiaries included within this statement for the year ended 30 April 2003 and 2002 does not comprise statutory financial statements as referred to in Section 19 of the Companies (Amendment) Act, 1986, copies of which are required by that Act to be annexed to the Company's annual return lodged with the Registrar of Companies. The auditors have made reports without qualification under Section 193 of the Irish Companies Act, 1990 in respect of all such financial statements.