



PRESS RELEASE

ABBEY PLC – PRELIMINARY STATEMENT

For the year ended 30th April 2004

The Board of Abbey plc announces a profit of €60.21 million before taxation. After a tax charge of €13.36 million the group made a profit of €46.85 million reflecting earnings per share of 137 cents. Group operating profits during the year were €58 million, a 28% increase over the previous year (€45.3 million).

The Board is recommending a final dividend of 20 cents per share bringing the total for the year to 30 cents per share. The dividend is covered 4.58 times by profits after taxation.

Our housebuilding division completed 792 sales (UK 385 Ireland 407) with a turnover of €180.00 million generating an operating profit of €55.93 million. UK trading over the period proved buoyant. Recent rises in interest rates are now impacting on the market and the risks of a market reversal are higher than usual. As foreseen, our Irish operations enjoyed a very good year. Irish margins declined very slightly but significantly higher volumes more than compensated. The continuing strong growth in the numbers of homes being built seems certain to damp the market in due course. The division is hoping to increase turnover again this year with a particular improvement in the UK. The forward sales position is fair. During the last quarter the Group exchanged contracts and subsequently completed the purchase of 10 acres of land at a cost of CZK 48,000,000 (€1,476,000) with an allocation for residential development in Prague. We will be seeking a detailed planning permission and would hope to be able to make a start in two years. At the year end the Group held land with the benefit of planning permission for the provision of 2,230 plots.

Joint venture turnover arising from plot sales at the development in Clonsilla, Co. Dublin, totalled €1.86 million generating an operating profit of €1.02 million.

M & J Engineers reported operating profits of €2.08 million on a turnover of €19.43 million. Trading is progressing in line with our forecasts. Cash management continues to be tight and moderately better trading conditions are being experienced in the current year.

Rental income arising primarily from the letting of surplus space at group property was €234,000.

At the year end shareholders' funds stood at €199.59 million representing €5.86 per share whilst net cash balances stood at €66.65 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 69.10p. The balance sheet uses the rate prevailing on 30th April of €100 cents : STG 67.60p.

Trading in the new year is progressing as expected. Considerable uncertainty and speculation now surrounds the future course of house prices particularly in England. Our fortunes are inevitably tied to external conditions, however, in the near term prospects remain good.

On behalf of the Board

CHARLES H GALLAGHER
CHAIRMAN
15TH July 2004

GROUP PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2004

	2004 €'000	2003 €000
Turnover - continuing (including share of joint venture)	201,521	174,806
Less: share of joint venture	<u>(1,858)</u>	<u>(2,831)</u>
Group turnover	<u>199,663</u>	<u>171,975</u>
Operating costs	<u>(141,426)</u>	<u>(126,649)</u>
Group operating profit - continuing	58,237	45,326
Share of joint venture profit	<u>1,023</u>	<u>1,850</u>
Trading profit including share of joint venture	59,260	47,176
Net interest receivable	<u>945</u>	<u>1,287</u>
Profit on ordinary activities before taxation	60,205	48,463
Taxation on profit on ordinary activities		
- Irish corporation tax	(3,448)	(2,620)
- United Kingdom corporation tax	<u>(9,911)</u>	<u>(9,167)</u>
	<u>(13,359)</u>	<u>(11,787)</u>
Profit attributable to shareholders	46,846	36,676
Dividend paid of 10.00 cents per share (2003 : 7.50 cents per share)	(3,408)	(2,556)
Dividend proposed of 20.00 cents per share (2003 : 14.50 cents per share)	<u>(6,815)</u>	<u>(4,941)</u>
Profit retained for the financial year	<u>36,623</u>	<u>29,179</u>
Earnings per share - <i>basic and diluted</i>	<u>137.47</u> c	<u>107.62</u> c
SEGMENTAL ANALYSIS		
Turnover		
Building and property development	181,859	154,209
Plant hire	19,428	20,362
Property rental	234	235
	<u>201,521</u>	<u>174,806</u>
Less: share of joint venture	<u>(1,858)</u>	<u>(2,831)</u>
	<u>199,663</u>	<u>171,975</u>
Net Assets		
Building and property development	109,883	104,108
Plant hire	26,816	26,225
Property rental	751	727
	<u>137,450</u>	<u>131,060</u>
Investment in joint venture	2,298	1,480
Dividend proposed	(6,815)	(4,941)
Investments	7	7
Cash at bank	<u>66,652</u>	<u>31,568</u>
	<u>199,592</u>	<u>159,174</u>

	<u>Year ended</u> <u>30/04/2004</u> €'000	<u>Year ended</u> <u>30/04/2003</u> €'000
<u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u>		
Group		
Profit for the financial year	46,846	36,676
Exchange translation adjustment	3,795	(12,878)
Total recognised gains and losses related to the year	<u>50,641</u>	<u>23,798</u>
<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Group		
Profit for the financial year	46,846	36,676
Dividends	(10,223)	(7,497)
Profit retained for the financial year	<u>36,623</u>	<u>29,179</u>
Translation adjustment arising in year	3,795	(12,878)
Net addition to shareholders' funds	<u>40,418</u>	<u>16,301</u>
Shareholders' funds at 1 May	<u>159,174</u>	<u>142,873</u>
Shareholders' funds at 30 April	<u>199,592</u>	<u>159,174</u>

The financial information relating to Abbey plc and its subsidiaries included within this statement for the year ended 30 April 2004 does not comprise full group accounts as referred to in Regulation 40 of the European Communities (Companies: Group Accounts) Regulations 1992, copies of which are required by that Act to be annexed to the company's annual return. The auditors have made reports without qualification under Section 193 of the Irish Companies Act, 1990 in respect of all such financial statements.



GROUP BALANCE SHEET
30 April 2004

	2004 €'000	2003 €'000
Fixed Assets		
Tangible assets	31,680	30,071
Investment in joint venture	2,298	1,480
	<u>33,978</u>	<u>31,551</u>
Current Assets		
Stocks	165,445	141,576
Debtors	8,705	9,604
Other investments	7	7
Cash at bank and in hand	66,652	31,568
	<u>240,809</u>	<u>182,755</u>
Creditors <i>(amounts falling due within one year)</i>		
Trade and other creditors	<u>(74,238)</u>	<u>(54,382)</u>
Net current assets	<u>166,571</u>	<u>128,373</u>
Total assets less current liabilities	200,549	159,924
Provisions for liabilities and charges		
Deferred taxation	<u>(957)</u>	<u>(750)</u>
	<u>199,592</u>	<u>159,174</u>
Shareholders' Funds		
Called up share capital	10,905	10,905
Share premium account	13,321	13,321
Revaluation reserve	4,879	4,746
Other reserves		
Capital redemption reserve fund	1,478	1,478
Currency translation	1,296	(2,366)
Profit & loss account	167,713	131,090
	<u>199,592</u>	<u>159,174</u>

FINANCIAL DIARY

Preliminary Statement	15th July, 2004
Annual Report	6th September, 2004
Annual General Meeting	1st October, 2004
Dividend Payment	6th October, 2004
- payable to shareholders registered on	23rd July, 2004
Interim Statement	January, 2005

<u>Year ended</u>	<u>Year ended</u>
30/04/2004	30/04/2003
€'000	€'000

GROUP CASH FLOW STATEMENT

Net cash inflow from operating activities	59,206	19,279
Return on Investment and Servicing of Finance	945	1,287
Corporation Tax Paid	(11,935)	(11,365)
Purchase of tangible fixed assets	(8,189)	(9,258)
Sale of tangible fixed assets	2,444	2,936
Capital Expenditure	(5,745)	(6,322)
Equity Dividends Paid	(8,349)	(7,157)
Net cash inflow (outflow) before use of liquid resources	34,122	(4,278)
Management of liquid resources	(36,596)	9,264
(Decrease) increase in cash in the year	(2,474)	4,986

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

(Decrease) increase in cash in the year	(2,474)	4,986
Movement in liquid resources	36,596	(9,264)
Translation difference	962	(2,810)
Movement in net funds in the year	35,084	(7,088)
Net funds at 1 May	31,568	38,656
Net funds at 30 April	66,652	31,568

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Operating profit	58,237	45,326
Depreciation	5,961	6,511
Profit on disposal of tangible fixed assets	(939)	(920)
Translation adjustment	(82)	91
Increase in stocks	(20,874)	(37,620)
Decrease (increase) in debtors	1,135	(2,660)
Increase in creditors	15,768	8,551
Net cash inflow from operating activities	59,206	19,279