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PRESS RELEASE

ABBEY PLC – PRELIMINARY STATEMENT

For the year ended 30th April 2005

The Board of Abbey plc announces a profit of €57.26 million before taxation. After a tax charge of €13.05 million the group made a profit of €44.21 million reflecting earnings per share of 129.74 cents. Group operating profits during the year were €55.22 million, against €58.24 million the previous year.

The Board is recommending a final dividend of 22 cents per share bringing the total for the year to 33 cents per share. The dividend is covered 3.93 times by profits after taxation.

Our housebuilding division completed 719 sales (UK 371 Ireland 348) with a turnover of €186.43 million generating an operating profit of €52.94 million. UK trading over the period has been sluggish with sales somewhat behind our best expectations. Our projects seem to have performed well when measured against the widespread reports of a weakening market, inevitably however, we will be affected by any general decline. The use of incentives to maintain acceptable levels of business is likely to grow and our margin continues to be eroded as a result. In Ireland sales continue to be healthy, however, rising costs and in particular the rising cost of land will significantly reduce our margins this year. Our forward sales position in Ireland is good. The division is hoping to increase turnover again this year. In the last six months contracts have been exchanged for the acquisition of a further two projects in Prague. Our Czech land bank now has a potential of at least 200 plots. We continue to search for further opportunities. At the year end the Group owned and controlled land with the benefit of planning permission for the provision of 2,498 plots.

The joint venture generated an operating profit of €122,000.

M & J Engineers reported operating profits of €2.04 million on a turnover of €20.19 million. Trading conditions are becoming more challenging, however, utilisation levels remain satisfactory and cash generation is good.

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

At the year end shareholders' funds stood at €235.17 million representing €6.90 per share whilst net cash balances stood at €64.16 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 68.35p. The balance sheet uses the rate prevailing on 30th April of €100 cents : STG 67.59p.

Trading in the new year is progressing steadily, albeit the more challenging conditions being encountered are likely to result in a lower level of profit this year. Overall, however, new opportunities continue to come forward and in current circumstances a satisfactory outcome should be achieved.

On behalf of the Board

CHARLES H GALLAGHER
CHAIRMAN
14TH July 2005



GROUP PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2005

	2005 €'000	2004 €'000
Turnover - continuing (including share of joint venture)	206,854	201,521
Less: share of joint venture	-334	-1,858
Group turnover	<u>206,520</u>	<u>199,663</u>
Operating costs	-151,296	-141,426
Group operating profit - continuing	55,224	58,237
Share of joint venture profit	122	1,023
Trading profit including share of joint venture	55,346	59,260
Net interest receivable	1,916	945
Profit on ordinary activities before taxation	57,262	60,205
Taxation on profit on ordinary activities		
- Irish corporation tax	-3,114	-3,448
- United Kingdom corporation tax	-9,934	-9,911
	<u>-13,048</u>	<u>-13,359</u>
Profit attributable to shareholders	44,214	46,846
Dividend paid of 11.00 cents per share (2004 : 10.00 cents per share)	-3,749	-3,408
Dividend proposed of 22.00 cents per share (2004 : 20.00 cents per share)	-7,497	-6,815
Profit retained for the financial year	<u>32,968</u>	<u>36,623</u>
Earnings per share - <i>basic and diluted</i>	<u>129.74</u> c	<u>137.47</u> c
SEGMENTAL ANALYSIS		
Turnover		
Building and property development	186,429	181,859
Plant hire	20,190	19,428
Property rental	235	234
	<u>206,854</u>	<u>201,521</u>
Less: share of joint venture	-334	-1,858
	<u>206,520</u>	<u>199,663</u>
Net Assets		
Building and property development	145,069	109,883
Plant hire	29,575	26,816
Property rental	1,454	751
	<u>176,098</u>	<u>137,450</u>
Investment in joint venture	2,398	2,298
Dividend proposed	-7,497	-6,815
Investments	7	7
Cash at bank	64,164	66,652
	<u>235,170</u>	<u>199,592</u>



	<u>Year ended</u> <u>30/04/2005</u> €'000	<u>Year ended</u> <u>30/04/2004</u> €'000
<u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u>		
Group		
Profit for the financial year	44,214	46,846
Unrealised revaluation surplus arising in year	2,465	-
Exchange translation adjustment	145	3,795
Total recognised gains and losses related to the year	<u>46,824</u>	<u>50,641</u>
<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Group		
Profit for the financial year	44,214	46,846
Dividends	-11,246	-10,223
Profit retained for the financial year	<u>32,968</u>	<u>36,623</u>
Unrealised revaluation surplus arising in year	2,465	-
Translation adjustment arising in year	145	3,795
Net addition to shareholders' funds	<u>35,578</u>	<u>40,418</u>
Shareholders' funds at 1 May	199,592	159,174
Shareholders' funds at 30 April	<u>235,170</u>	<u>199,592</u>

The preliminary statement is prepared on the same basis as set out in the previous year's annual financial statements.

The financial information relating to Abbey plc and its subsidiaries included within this statement for the year ended 30 April 2005 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 2005

	2005 €'000	2004 €'000
Fixed Assets		
Tangible assets	35,945	31,680
Investment in joint venture	2,398	2,298
	<u>38,343</u>	<u>33,978</u>
Current Assets		
Stocks	196,812	165,445
Debtors	8,787	8,705
Other investments	7	7
Cash at bank and in hand	64,164	66,652
	<u>269,770</u>	<u>240,809</u>
Creditors <i>(amounts falling due within one year)</i>		
Trade and other creditors	<u>-71,555</u>	<u>-74,238</u>
Net current assets	<u>198,215</u>	<u>166,571</u>
Total assets less current liabilities	236,558	200,549
Provisions for liabilities and charges		
Deferred taxation	-1,388	-957
	<u>235,170</u>	<u>199,592</u>
Shareholders' Funds		
Called up share capital	10,905	10,905
Share premium account	13,321	13,321
Revaluation reserve	7,346	4,879
Other reserves		
Capital redemption reserve fund	1,478	1,478
Currency translation	1,439	1,296
Profit & loss account	200,681	167,713
	<u>235,170</u>	<u>199,592</u>

FINANCIAL DIARY

Preliminary Statement	14th July, 2005
Annual Report	5th September, 2005
Annual General Meeting	7th October, 2005
Dividend Payment	12th October, 2005
- payable to shareholders registered on	22nd July, 2005
Interim Statement	January, 2006

	Year ended 30/04/2005 €'000	Year ended 30/04/2004 €'000
<u>GROUP CASH FLOW STATEMENT</u>		
Net cash inflow from operating activities	27,352	59,206
Return on Investment and Servicing of Finance	1,916	945
Corporation Tax Paid	-14,504	-11,935
Purchase of tangible fixed assets	-9,119	-8,189
Sale of tangible fixed assets	2,475	2,444
Capital Expenditure	-6,644	-5,745
Equity Dividends Paid	-10,564	-8,349
Net cash (outflow) inflow before use of liquid resources	-2,444	34,122
Management of liquid resources	903	-36,596
Decrease increase in cash in the year	-1,541	-2,474
<u>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</u>		
Decrease increase in cash in the year	-1,541	-2,474
Movement in liquid resources	-903	36,596
Translation difference	-44	962
Movement in net funds in the year	-2,488	35,084
Net funds at 1 May	66,652	31,568
Net funds at 30 April	64,164	66,652
<u>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</u>		
Operating profit	55,224	58,237
Depreciation	6,514	5,961
Profit on disposal of tangible fixed assets	-1,037	-939
Translation adjustment	-76	-82
Increase in stocks	-31,650	-20,874
(Increase) decrease in debtors	-84	1,135
(Decrease) increase in creditors	-1,539	15,768
Net cash inflow from operating activities	27,352	59,206