

31 January 2003

**MC INERNEY HOLDINGS PLC
TRADING UPDATE FOR YEAR ENDED 31/12/02**

Ireland, Dublin: McInerney Holdings plc today released a trading update for the year ending 31st December 2002 which shows that the Group will exceed 2001 performance figures.

The trading highlights will record an improved performance over 2001 figures with substantial increases in both aggregate Group housing completions and deposits on hand. Preliminary financial results for the Group will be published in a month's time.

Trading highlights:

- Aggregate (Ireland, UK and Spain) private house completions for the Group increased by 63% from 711 in 2001, to 1,161 in 2002.
- Year-end aggregate (Ireland, UK and Spain) housing deposits on hand rose by 134% to 726 compared to 310 at year-end 31 December 2001.
- Completions in Ireland, comprising private and contract housing units, increased to 1,011 compared to 808 for the year ended 31/12/01.
- Margins were maintained in the Group's Irish housing business, while delivering higher unit output at lower average prices.
- Following the Group's acquisition of Charlton Group (UK) Limited in January 2002, house completions in the UK, comprising private and contract housing units, have increased from 9 in 2001 to 310 in 2002. Of the 257 private housing completions in the UK in 2002, 192 were from Charlton and 65 from Hargreaves Homes.
- Land sale profits in Ireland were lower than in previous years.
- Aggregate (Ireland and UK) contracting house completions increased by 29% from 146 in 2001 to 185 in 2002. Contracting margins were tighter and the result was disappointing.

Barry O'Connor, Managing Director, said that the Group's performance, particularly in the private housing sectors in Ireland and the UK, was very strong.

"The Group has experienced a very strong twelve month period notwithstanding market expectations of much uncertainty. The acquisition of the Charlton Group in the UK proved to be well timed and added positively to both the increase in completions and deposits on hand. We remain optimistic in terms of growth for 2003"

About McInerney Holdings plc

McInerney Holdings plc is one of Ireland's leading development companies, with divisions specialising in various aspects of the construction market. McInerney Holdings plc comprises four divisions operating in Ireland, Spain and the United Kingdom. Established in 1909, the company is Ireland's largest national homebuilder, and undertakes extensive commercial and leisure projects both in Ireland and abroad. The company is listed on the Dublin and London Stock Exchanges (ISE: MCI./LSE: MCI).

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