Tuesday, 17th February 2004

PRELIMINARY ANNOUNCEMENT
Financial Results for the Year ended 31 December 2003

The year to 31 December 2003 was a year of increased business momentum for McInerney Holdings plc with the Group achieving record sales and profitability.

Financial Highlights

The Directors are pleased to report an increase in basic earnings per share of 45%, to 72.83 cent as compared to 50.32 cent in 2002. Pre-tax profits increased by 38% to €28.46m compared to the 2002 result of €20.62m.

Profit after tax for the year was €23.81m compared with €16.40m in 2002.

Market conditions for all operations were strong. The UK division, in particular, achieved substantial growth of over 50%, continuing to increase its penetration and expansion in the market. The Irish house building division continues to be the core driver of the Group's profitability and it also recorded a considerable increase in 2003. This resulted in an excellent operational performance for the Group overall.

Total private house completions for the Group increased by 28% to 1,481 in 2003 up from 1,161 in 2002. Deposits on hand at year-end for Ireland, the UK and Spain rose by 35% to 978 compared to 726 for the previous year. This level of deposits on hand provides high earnings visibility for 2004.

Dividend

Based on these results, the Board is proposing to pay a final dividend of 6 cent gross per share. Combined with the interim dividend payment of 5 cent, this results in a total dividend for the year of 11 cent per share representing an increase of 76% on 2002 (6.25 cent gross per share in 2002). The final dividend will be paid to shareholders in May 2004, following the Annual General Meeting.

Dividend cover has moved from 8 times to 6.6 times, reflecting the continuation of our more progressive dividend policy.

Operational Highlights

The Group's operations are divided into three geographic divisions namely, Ireland –house building, contracting and commercial property development; UK – house building and contracting and Spain - leisure developments.

Ireland

The Irish house building operation recorded an excellent performance in 2003. The number of private house completions in 2003 was 969 compared to 879 for 2002. Deposits on hand at year-end were exceptional, following a series of sales launches in late 2003, with some 779 deposits held compared to 462 at the same time in 2002.

Market conditions were favourable and strong demand from the first time buyer demographic segment continues to benefit the Group's strategy of providing quality homes to this core target market.

An active land management policy focusing on strategic land acquisitions and disposals underpinned this strong performance from the Irish home building subsidiary.

Land sales of €17.2m were completed in 2003. The Group's residential land bank at the end of December, at over 4,200 plots was similar to the level of plots at the beginning of 2003. Of these some 60% have full planning permission and the balance are residentially zoned. The Group is satisfied that this mix of land in strategic locations around the country will cater for the division's ongoing and future land requirements.

The contracting division performed well, delivering a very good result. Contracting activities ranged from building houses on behalf of the State, to developing hotels, leisure, commercial and retail properties. Turnover was up 7% to €31.1m in 2003.

The Group's commercial division Hillview Securities made substantial progress in 2003 and a good result was achieved. It completed sales of 132,500 sq ft of industrial units as compared to 19,800 sq ft in 2002. A new development opportunity has also been secured west of London.

UK

The UK business grew strongly in 2003 and contributed significantly to the Group's overall financial performance. The Group's growth plans to position the UK operations as a key profit centre are ahead of expectations and provide particular satisfaction. In 2003, some 447 private house completions were achieved compared to 257 in 2002, representing an increase of 74%. Deposits on hand at year-end were 132.

The progressive performance by our UK brands Hargreaves Homes, Charlton Homes and SPACE are now maximising the benefits of their synergies to ultimately gain further market share in the North West region. Operations now span Greater Manchester, Lancashire, West Yorkshire, Staffordshire, Derbyshire, Cheshire and Liverpool/Merseyside. The core product range of starter, middle market homes and city centre apartment developments in well located urban centres are experiencing strong demand.

The UK land bank will benefit in 2004 from the Group's strategy of reallocating capital to position the division for accelerated growth.

Spain

The Group continued to increase its output of freehold units with 65 completions in 2003, compared to 25 in 2002. There were 67 deposits on hand at year-end for the next two phases of the Los Flamingos development.

Our Spanish business plan is to expand by diversification in the Costa del Sol region. To augment our freehold activities and provide future expansion opportunities, the Group recently entered into arrangements to purchase two new sites in Spain, one located near Mijas and one in Sotogrande, which will feed into the Group results in future years.

Board

In keeping with the Group's policy to strengthen its Board, it is a pleasure to welcome the recent appointments of Tommy Drumm and Mark Shakespeare as Executive Directors. Tommy, who is Managing Director, McInerney Homes in Ireland, has held a number of senior management positions within the Group over the past 20 years, while Mark, Group Treasurer, has been with the Group for 14 years. They bring to the Board a broad range of commercial and financial experience across a range of sectors and will enhance our collective expertise. They will, as is normal, submit to election by shareholders at the forthcoming Annual General Meeting.

Outlook

2003 has seen an excellent performance from our Irish and UK operations.

The growth progress across all subsidiaries provides a strong platform for the Group to leverage new opportunities both organically and by acquisition. The expansion and cohesion of the Board and management team, combined with a range of good quality products designed to target specific market segments is underpinning this success.

The Group's strategic objective is to allocate increased capital to our business in the UK to secure the growth and diversification opportunities there, and in tandem to steadily enhance our presence in Spain. Demand for housing in all markets continues to be strong and the high level of deposits secured going into 2004 augers well for continued progressive growth and further enhanced returns to shareholders.

Our growth strategy, which is ahead of target, provides confidence for sustained expansion prospects.

Roy B. Ferris
Chairman

MC INERNEY HOLDINGS PLC
CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2003

	2003 €'000		2002 €'000	
TURNOVER INCLUDING GROUP SHARE OF JOINT VENTURES				
Continuing Operations	352,502		231,148	
Acquisitions	-		30,453	
	352,502		261,601	
Less: Share of Joint Ventures Turnover	(9,173)		(3,547)	
GROUP TURNOVER	343,329		258,054	
COST OF SALES	(284,408)		(213,876)	
GROSS PROFIT	58,921		44,178	
Administrative Expenses	(26,341)		(19,885)	
GROUP OPERATING PROFIT				
Continuing Operations	32,580		22,199	
Acquisitions	-		2,094	
	32,580		24,293	
Share of Operating Profits in Joint Ventures				
Continuing Operations	2,935		986	
Acquisitions	-		945	
TOTAL OPERATING PROFITS INCLUDING JOINT VENTURES	35,515		26,224	
Interest Payable and Similar Charges	(7,058)		(5,600)	
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	28,457		20,624	
Taxation Charge arising on Ordinary Activities	(4,643)		(4,220)	
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	23,814		16,404	
Dividends	(3,610)		(2,039)	
PROFIT RETAINED FOR THE YEAR	20,204		14,365	
BASIC EARNINGS PER SHARE	72.83	c	50.32	c
FULLY DILUTED EARNINGS PER SHARE	70.40	c	48.49	c

The Auditors have confirmed that they will be issuing an unqualified opinion on the accounts from which the financial information set out on pages 4 to 9 for the year ended 31 December 2003 has been extracted. The financial information for the year ended 31 December 2002 has been extracted from the audited accounts on which the Auditors issued an unqualified opinion and which have been delivered to the Registrar of Companies.

MC INERNEY HOLDINGS PLC
CONSOLIDATED BALANCE SHEET
As at 31 December 2003

		2003 €'000	2002 €'000
FIXED ASSETS			
Intangible Assets		13,237	15,084
Tangible Assets		14,050	13,786
Financial Assets			
Joint Ventures:	Share of Gross Assets	11,540	9,057
	Share of Gross Liabilities	(8,612)	(8,263)
		2,928	794
TOTAL FIXED ASSETS		30,215	29,664
CURRENT ASSETS			
Stocks		211,706	178,994
Debtors		47,861	33,938
Cash at Bank and in Hand		26,435	20,994
		286,002	233,926
CREDITORS (Amounts falling due within one year)			
Bank Loans and Overdrafts		38,837	23,642
Trade and Other Creditors		123,756	106,992
		162,593	130,634
NET CURRENT ASSETS		123,409	103,292
TOTAL ASSETS LESS CURRENT LIABILITIES		153,624	132,956
CREDITORS (Amounts falling due after more than one year)			
Bank Loans		60,238	55,615
Other Creditors		253	3,710
		60,491	59,325
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation		1,341	1,173
		91,792	72,458
FINANCED BY :			
CAPITAL AND RESERVES			
Called up Share Capital		4,101	4,078
Capital Conversion Reserve Fund		62	62
Share Premium Account		16,648	16,358
Revaluation Reserve		2,159	2,159
Profit and Loss Account		68,822	49,801
TOTAL SHAREHOLDERS' FUNDS - ALL EQUITY		91,792	72,458

MC INERNEY HOLDINGS PLC
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2003

	2003 €'000	2002 €'000
Net Cash Inflow from operating activities	2,709	11,321
DIVIDENDS RECEIVED FROM JOINT VENTURES	130	576
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest Received	53	145
Interest Paid	(6,284)	(5,827)
Interest element of Finance Lease payments	(34)	(38)
	(6,265)	(5,720)
TAXATION	(5,020)	(4,942)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of Tangible assets	(2,523)	(3,456)
Sale of Tangible Assets	244	208
	(2,279)	(3,248)
ACQUISITION OF SUBSIDIARY UNDERTAKING	-	(10,309)
EQUITY DIVIDENDS PAID	(3,678)	(1,465)
Net Cash Outflow before Financing	(14,403)	(13,787)
FINANCING		
Share Capital Subscribed	313	66
Repayment of Loans	(58,049)	(59,456)
Proceeds from Borrowings	76,488	74,550
Capital Element of Finance Lease Rentals	(287)	(242)
	18,465	14,918
Increase in cash in year	4,062	1,131

MC INERNEY HOLDINGS PLC
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
For the year ended 31 December 2003

	2003 €'000	2002 €'000
Increase in cash in year	4,062	1,131
Cash inflow from increase in debt and lease financing	(18,152)	(14,852)
Changes in net debt resulting from cashflows	(14,090)	(13,721)
Loans acquired with subsidiary undertaking	-	(5,424)
New finance leases	(298)	(14)
Movement in net debt for the year	(14,388)	(19,159)
Net debt as at 1 January 2003	(58,669)	(39,510)
Net debt as at 31 December 2003	(73,057)	(58,669)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

SEGMENTAL INFORMATION

Segmental Analysis of Turnover and Profit		**2003 €'000**	**2002 €'000**
Group Turnover			
Ireland:	Private Housing	183,164	138,501
	Developed Sites & Land	17,230	10,624
	Contracts	31,068	29,151
	Commercial	14,217	2,435
	Commercial Land	-	6,429
Spain:	Leisure	31,684	13,219
	Land	-	6,297
United Kingdom:	Private Housing	59,328	38,446
	Developed Sites & Land	-	2,476
	Contracts	15,811	14,023
Total Group Turnover including Group Share of Joint Ventures		352,502	261,601
Profit before Interest & Taxation			
Ireland:	Private Housing	22,275	18,643
	Developed Sites & Land	3,552	2,977
	Contracts	2,154	(747)
	Commercial	1,816	386
	Commercial Land	-	1,022
Spain:	Leisure	2,342	1,996
	Land	-	931
United Kingdom:	Private Housing	7,671	3,164
	Developed Sites & Land	-	729
	Contracts	26	1,021
Segment Profits		39,836	30,122
Common Costs		(3,396)	(2,929)
Costs incurred in on-going Development / Acquisition Activities		(145)	(175)
Goodwill		(780)	(794)
Net Interest Payable		(7,058)	(5,600)
Profit Before Taxation		28,457	20,624

Segmental Analysis of Net Assets	2003 €'000	2002 €'000
Business Sectors		
Irish Housing	71,942	62,505
Leisure	24,854	21,963
Commercial	33,250	18,319
UK Construction	37,373	31,009
Net Operating Assets	167,419	133,796
Unallocated Liabilities	(2,987)	(3,075)
	164,432	130,721
Net Borrowings	(72,640)	(58,263)
Total Net Assets	91,792	72,458

Comparative Figures

Comparative figures have been reclassified, where necessary, on a basis consistent with the current year.