

Friday, 14th January, 2005

MC INERNEY HOLDINGS PLC TRADING UPDATE FOR YEAR ENDED 31/12/04

Ireland, Dublin: McInerney Holdings plc today released a trading update for the year ending 31st December 2004. The trading highlights record an improved performance over 2003. Preliminary financial results for the Group will be published at the end of February.

Trading highlights:

- Total private house completions for the Group (Ireland, UK and Spain) increased by almost 10% to 1,619 in 2004, compared to 1,481 at year end 2003.
- Private house completions in Ireland increased from 969 in 2003 to 1,101 in 2004. The Group is now operating on 31 private housing sites in Ireland compared to 30 sites a year ago.
- A strong performance was recorded in the UK with house completions increasing to 500 in 2004 from 447 in 2003. The UK land bank now stands at over 1,800 plots compared to approximately 1,200 at end 2003. In addition, the Group has options on circa 400 plots. The Group now has 30 private housing sites operational in UK compared to 17 sites a year ago.
- McInerney Spain disposed of a tract of surplus land achieving a beneficial margin and releasing capital for reinvestment. At the luxury Los Flamingos development 13 units were handed over in 2004 and construction started on 54 units in Phase 2, where handovers will commence in 2005.
- Housing deposits on hand (Ireland, UK and Spain) are currently 880. These comprise 557 in Ireland, 241 in the UK and 82 in Spain.
- The Group's commercial division, Hillview Securities recorded a solid performance in 2004 completing 89,000 sq ft of industrial units and selling 65,000 sq ft of retail space at Eyre Square, Galway. The company completed 132,000 sq ft of industrial units in 2003.

Barry O'Connor, Managing Director stated:

"There were very favourable market indicators during 2004. In Ireland, the demand for housing from our target market of first time buyers continued to be strong. We are currently well positioned as we enter 2005.

"Whilst some commentators are suggesting a softening of the housing market in the UK, demand in our market segment continues to remain robust as we operate in regions with significant housing needs. Our UK product is geared towards this sector.

"Our land banks in Ireland, Spain and the UK are well placed to take best advantage of expected strong demand in 2005 and beyond. In particular, given the increase in the spread of our sites in the UK and progress in growing our land bank, 2005 will see strong volume growth in our UK business. Our growth plan continued in line with our strategy in 2004 and is ahead of target," concluded Barry O'Connor.

ENDS

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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. 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.I/LSE: MCI). See www.mcinerney.ie for further information.