

Tuesday, 4th May 2010

**MCINERNEY HOLDINGS PLC
ALANDA HOMES ANNOUNCEMENT**

In our preliminary results announcement on 30th March 2010 McInerney Holdings plc (“McInerney” or “the Group”) stated that its Spanish business was the subject of a reorganisation plan designed to place it on hold until market activity returns.

As part of this reorganisation plan, the Group has taken the decision not to invest further funds in its Spanish freehold apartment development subsidiary Alanda Homes SL (“Alanda Homes”) at this time. Alanda Homes has therefore sought the appointment of a voluntary Administrator through the Spanish courts. The Group has taken this decision in line with its stated objective to concentrate all available resources on its core businesses of home building in UK and Ireland and the review of strategic alternatives currently underway with Goldman Sachs International, including, inter alia, raising new capital and a restructuring of current financing commitments.

The Group’s Spanish business consists of three principal subsidiaries and this announcement solely relates to Alanda Homes, the Group’s Spanish freehold apartment development subsidiary. The Group’s view is that the local Spanish market will not improve in the near term and that no further Group investment should be made in the freehold apartment business at this time. Alanda Homes is applying to appoint a local voluntary Administrator. While the outcome of the Administration process cannot be foreseen at this time, it should allow creditor payments to be discharged from freehold sales revenues as they arise.

The net assets of Alanda Homes in the Balance Sheet of the Group at 31 December 2009 were €4.5m. However, the Group believes it is unlikely that a dividend will be received from the Administration process.

The Group’s remaining business interests in Spain comprise the management of Alanda Club Marbella Limited and land ownership at Sotogrande. Both of these interests are unaffected by this decision.

ENDS

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