FBD HOLDINGS PLC
PRELIMINARY ANNOUNCEMENT
RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2008

FINANCIAL HIGHLIGHTS	2008 €000s	2007 €000s
• Gross written premiums	**385,638**	407,953
• Net earned premiums	**343,075**	350,321
• Adjusted operating profit *	**65,783**	127,883
• (Loss)/profit before taxation	**(38,607)**	162,168
	Cent	Cent
• Adjusted operating earnings per share*	**171.50**	316.33
• Ordinary dividend per share	**40.25**	79.50
• Net assets per 60c ordinary share	**707.60**	1,154.54

*Adjusted to exclude the impact of changes in reserving policy in 2007 and restructuring costs in 2008.

OPERATIONAL HIGHLIGHTS

- Continued solid trading in difficult market conditions, with adjusted operating profit of €65.8m
- Profitable operating contribution from all divisions
- Market turmoil impact on investment return leads to loss before tax of €38.6m
- Strong capital base, three times minimum statutory solvency margin, with defensive balance sheet
- Growth in market share for eighth successive year

- Premium rates beginning to harden across the market
- Continuing implementation of cost improvements and claims initiatives
- New internet developments provide platform for future growth
- Realignment of local offices to increase focus on sales of agricultural and commercial business

PERFORMANCE OVERVIEW

In a period of unprecedented economic volatility, the Group has produced another solid performance with all divisions delivering operating profit. At €65.8m, adjusted operating profit is lower than last year principally because of an increase in claims costs and a lower long term investment return. The increase in claims relates particularly to unusual weather events and higher property related claims. This trend has, in turn, contributed to a hardening of insurance rates across the Irish market.

Average premiums began to show some upward movement late in 2008. Early in the current year, a number of market participants increased rates on certain business lines and further increases are anticipated. Given FBD's fixed cost base, the Group will benefit from positive operating leverage as prices rise.

Gross premium written in 2008 amounted to €385.6m, down 5.5% in a very competitive market. Rate increases were implemented on certain products at the expense of volume growth. Despite this, FBD continued to outperform the market and its ability to achieve sustainable growth was demonstrated by increasing market share for the eighth consecutive year. Market share in 2008 grew from 11.3% to 11.6%.

The focus on efficiency and productivity improvements was continued and FBD's competitive position was enhanced through further strengthening of the management team, streamlining of processes and reductions in costs.

New e-commerce facilities are providing a platform for future growth, responding to the needs of customers who increasingly wish to purchase personal lines insurance over the internet. The www.fbd.ie facility gives customers greater choice and control. In addition, NoNonsense.ie provides a "no frills" alternative. Further e-commerce initiatives are planned for the near future.

In response to changing customer behaviour, FBD announced plans to realign its local office network in December 2008, reducing the number of offices from 47 to 34, by merging the activities of certain offices. This realignment will enable local offices to focus on farming and commercial customers. Implementing the changes is a significant priority for 2009.

Market conditions for the non-underwriting businesses in Ireland and Spain continued to be very challenging. Likewise, in a difficult climate for investment products, FBD Life focused its resources on the sale of protection products and FBD Brokers dealt with declining premium levels in the commercial insurance sector. These businesses have delivered solid results in difficult trading conditions.

Like all other financial institutions, the value of the Group's investments has been impacted by the fall in financial and property markets. Revaluation adjustments of €126.5m have been booked in 2008 on the basis of mark-to-market accounting principles. The Group's quality portfolio of property assets has been independently valued by professional external valuers.

In relation to the Tranche II lands at La Cala, a parallel planning procedure has been initiated. While this procedure will not deliver the required permissions on all the lands, it will, if approved, result in planning permission on a substantial proportion of the lands. FBD is still dependent on local authorities to deliver permissions on time and is in contact with the purchaser to explore the various scenarios that may emerge.

Given the uncertain outlook for global economies, markets and asset prices, it is in the best interests of all shareholders that the Group maintain a very strong capital position. Consequently, the Board is recommending a 2008 final dividend payment of 10 cent per share, bringing the full 2008 dividend to 40.25 cent per share (2007: 79.5 cent). This equates to a dividend payout ratio of 25% (2007: 26%).

The FBD Group has a strong capital base and balance sheet with total assets of €1,278m. Its underwriting business holds three times the minimum statutory solvency requirement and has a prudent reserving strategy. Even in the current economic climate, the Group has the people, plans and infrastructure to deliver long-term profitable growth and superior returns to shareholders, particularly in an environment where premium rates are hardening.

Andrew Langford
Group Chief Executive

About FBD Holdings plc

FBD is Ireland's third largest non-life insurer looking after the insurance needs of private individuals, farmers and business owners. The Group has developed complementary financial service businesses and has hotel and leisure property interests that include four hotels in Ireland and two resorts in southern Spain. The Group was established in the 1960s and is quoted on the Irish and London stock exchanges.

Forward Looking Statements

Some statements in this announcement are forward-looking. They represent expectations for the Group's business, and involve risks and uncertainties. These forward-looking statements are based on current expectations and projections about future events. The Group believes that current expectations and assumptions with respect to these forward–looking statements are reasonable. However, because they involve known and unknown risks, uncertainties and other factors, which are in some cases beyond the Group's control, actual results or performance may differ materially from those expressed or implied by such forward-looking statements.

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These results will be presented to analysts at 10.30 a.m., today, 4th March 2009. A copy of the presentation will be posted on the Group's website, www.fbdgroup.com, at that time.

OPERATIONS REVIEW

Underwriting

Government claims reforms and intense market competition led to price reductions in the Irish insurance market each year from 2002 through to 2008. As market premiums became unrealistically low and claims frequency deteriorated, the need for premium rates to increase became clear. In 2008, FBD decided not to match uneconomic rates, which some market participants continued to offer and implemented rate increases early in 2008, which restricted growth in policy numbers. Late in 2008 and early this year, there has been evidence of rate increases by a number of market participants. Material benefit will flow through to general insurers in the current year and beyond.

Recently published industry data shows that FBD continued to perform ahead of the market. In 2008, premium income in the Irish general insurance market as a whole reduced by 7.5%, compared to FBD's 5.5%, resulting in market share increasing to 11.6%. FBD has increased its market share for eight consecutive years and is the third largest non-life insurer in Ireland.

Over 70% of motor and home insurance customers are now using the internet or telephone to purchase insurance. For customers wishing to use the internet, FBD Insurance has developed new e-commerce propositions designed to meet this need, extend customer reach and enhance customer service levels:

- In February 2008 "NoNonsense" car insurance was launched, an internet-only offering, aimed at "no frills" customers.
- In September 2008, FBD launched an on-line car insurance offering on www.fbd.ie, which allows customers to choose the level of cover they require and to pay on-line.
- A home insurance product was added to the www.fbd.ie on-line facility in early 2009.

For customers wishing to organise their insurance over the phone, FBD has completed investment in its support centre in Mullingar, established in 2007 and now employing 172 staff. The centre provides the sales and service capacity to grow personal lines business in the most cost efficient and customer focussed manner.

In response to these changes in customer requirements, FBD is realigning its local office network, reducing the number of offices from 47 to 34, by merging the activities of certain offices. The realignment will enable local offices to focus on farming and commercial customers.

Non-underwriting

Leisure and property interests include the La Cala and Sunset Beach resorts in Spain and the Tower Hotel Group in Ireland. Market conditions were very challenging during 2008 and measures to protect competitiveness and profitability were implemented, including cost savings, short term special offers, additional access to the FBD customer database and developing new markets. In difficult trading conditions, these businesses have delivered a solid result. Sunset Beach resort had another record year.

The Group's financial service businesses include general insurance broking (FBD Brokers), life assurance/pension broking/investment advice (FBD Life) and instalment finance. FBD Brokers, which is ideally placed to benefit from premium rate increases, delivered a solid result. In a difficult investment climate, FBD Life refocused its resources on pension and protection products.

La Cala Tranche II

In 2006, the Group entered into a conditional agreement to sell a major part of the La Cala building development land for total consideration, originally set at €201m. Of this amount, €121m was received in 2006 relating to Tranche I and the balance of €80m in respect of Tranche II is due to the Group subject to receipt of final planning permissions by June 2009. It was originally envisaged that this would be achieved via a Regional Planning process ongoing at the time of signing the contract.

Given the significant delays that have been experienced in finalising the Regional Planning process, for reasons unrelated to La Cala, the Group has reactivated a parallel planning procedure in conjunction with the local administration. While this procedure will not deliver the required permissions on all of the Tranche II lands, it will, if approved, result in planning permission on a substantial proportion of the lands, which is permissible under the contract. FBD is dependent on the local authorities to approve the planning permission in a timely manner and is in contact with the purchaser to explore the various scenarios that may emerge.

FINANCIAL REVIEW

Adjusted Operating Profit*

The adjusted operating profit for 2008 amounted to €65.8m. This represents a decline on the comparable figure for 2007 of €127.9m and is principally attributable to lower underwriting margins and a reduction in longer term investment return.

Gross premium written fell 5.5% to €385.6m and net earned premium fell 2.1% to €343.1m. FBD maintained pricing discipline, pushing up insurance rates early in 2008, with the result that although average personal lines premium increased, policy volume decreased.

Adjusted net claims incurred amounted to €271.2m (2007: €239.1m) comprised of net claims paid of €262.9m (2007: €230.9m) and an increase in net outstanding reserves of €8.3m (2007: €8.2m increase). The adjusted claims ratio for 2008 was 79%, an increase from the 68% reported in 2007. The Irish Insurance market experienced increasing claims frequency in 2008, particularly property claims arising from persistent poor weather. The year's results have been impacted by the severe flooding countrywide in the summer months at a cost of €7.4m net of reinsurance.

Claims reserves provided a positive runoff in 2008, which validates the Group's decision to revise its claims reserving policy in 2007 and demonstrates the strength of the Group's reserving position.

Net operating expenses amounted to €58.5m (2007: €51.9m). A significant element of the increase arose as a result of completion of the investment in the Mullingar service centre. FBD continues to seek and implement increased efficiencies to enable continued, sustainable and profitable growth in market share while delivering better value premiums to customers.

The Group's non-underwriting activities generated a contribution to adjusted operating profit of €8.5m (2007: €15.2m). Leisure and leisure property development contributed €6.0m (2007: €16.1m). Lower property sales at La Cala and overcapacity in the Irish hotel market were the main factors impacting the 2008 result.

Lower customer appetite for retail investment products at FBD Life and costs incurred by the Holding Company in relation to a preliminary approach in the first half of 2008 resulted in a contribution of €3.3m (2007: €5.9m) from financial services.

The Capital Fund, which was liquidated in 2008 following distributions to shareholders, incurred a loss of €0.9m (2007: loss of €6.8m).

Longer term investment return at €43.9m fell by 18% compared to the previous year. Distributions to shareholders, reduced asset values and a change in asset mix were the contributing factors.

Pre-tax result

The result before tax was adversely impacted by negative fluctuations in investment return amounting to €92.3m (2007: €69.3m). This reflected the ongoing volatility in equity and property markets and the impact of a weak Sterling exchange rate at the end of 2008.

The 2008 financial statements include a restructuring charge of €7.6m for the cost of realigning the FBD Insurance local office network and implementing cost restructuring in the property and leisure operations. These programmes reflect the Group's commitment to efficiency so as to maintain its competitive cost base and deliver shareholder value.

After charging finance costs of €4.5m (2007: €4.1m), the Group recorded a loss before taxation of €38.6m (2007: profit of €162.2m).

Adjusted earnings per share*

Adjusted operating earnings per share, based on longer term investment returns, amounted to 171.5c, compared to 316.33c the previous year.

Dividends

The Group is committed to efficient capital management and this is evidenced by the repatriation of €546m of funds to shareholders since 2005 (excluding ordinary dividends). The Board is committed to ensuring that the Group's capital position continues to be robust and its balance sheet well-managed. Consequently, in view of the current turbulence in the world financial markets and the uncertain outlook for asset values in the short term, the Board has concluded that it should be prudent at this time.

The Board is recommending a 2008 final dividend payout of 10 cent per ordinary share bringing the full 2008 dividend to 40.25 cent per share (2007: 79.5 cent). This equates to a dividend payout ratio of 25% (2007: 26%) and reflects the Board's view that it is in the long-term interests of all shareholders to maintain particularly strong solvency and liquidity margins in the current environment. Subject to approval by shareholders at the Annual General Meeting to be held on 29th April 2009, this final dividend for 2008 will be paid on 1st May 2009 to the holders of shares on the register on 13th March 2009.

The Group paid a special distribution of €1.50 per share amounting to €49.8m to shareholders on 10th October 2008. This was in keeping with the Group's stated commitment of maximising shareholder returns through efficient capital management.

Balance Sheet

Despite recent financial and property market turmoil, the Group's balance sheet remains very strong. Reflecting the distributions to shareholders (€77.3m), the write down of owner occupied property (€34.2m) and negative fluctuations in investment return (€92.3m), total assets at year end amounted to €1,278m (2007: €1,387.1m). Ordinary shareholders' funds amounted to €235.4m (2007: €383.6m) and net assets per share were 707.60c (2007: 1,154.54c).

Since the second quarter of 2007, the Group has reduced its quoted equity and corporate bonds holdings from €330m to €38m at the balance sheet date. During 2008, the Group sold €100m of equities. The following table shows how our underwriting business has reduced its exposure to property and equity dependent investments from 29% to 16% of total assets during 2008:

Table 1: Underwriting Business – Asset Allocation

	2008		**2007**	
	€m	**%**	**€m**	**%**
German government gilts	466	46%	482	42%
Deposits and cash	207	20%	94	8%
Loans and accrued interest	71	7%	85	7%
Investment properties	53	5%	83	7%
Own land and buildings	24	2%	33	3%
Quoted equities and corporate bonds	38	4%	163	15%
Other	169	16%	210	18%
	1,028	100%	1,150	100%

In 2008, under mark-to-market accounting principles, the Group booked €92.3m of investment fluctuations through the Income Statement and wrote down a further €34.2m of land and building values directly to reserves. (These adjustments are detailed in Table 2 below). All properties have been independently valued by professional external valuers at 31 December 2008. The Group believes that the valuations incorporated in the balance sheet are prudent taking into consideration the quality of the underlying assets.

Assets available to cover the solvency requirements of FBD Insurance at 31 December 2008 stood at three times the minimum level. Assets available to cover solvency represent 50% of net premium. With total assets of €1,028m and a prudent reserving policy, the underwriting business has a strong capital base and considerable balance sheet strength.

Table 2: Group Assets – Valuation Adjustments

	At start of year	At end of year	Total Adjustments	
	€m	€m	€m	%
German government gilts	482.2	466.3	-	-
Deposits and cash	108.6	218.8	-	-
Hotel and golf resorts	192.4	167.0	(25.1)	(13%)
Quoted equities and corporate bonds	181.6	38.0	(46.1)	(25%)
Investment properties	83.0	52.5	(30.5)	(37%)
Insurance – own land and buildings	32.8	24.3	(9.1)	(28%)
Loans and accrued interest	85.2	70.5	(15.7)	(18%)
Inventories	65.7	62.4	-	-
Other	155.5	178.0	-	-
	1,387.00	1,277.8	(126.5)	(9%)
Adjustments made in income statement			(92.3)	
Adjustments made direct to reserves			(34.2)	
Total valuation adjustments			**(126.5)**	

OUTLOOK

Underwriting

Ireland, like much of the world, is in a period of unprecedented economic volatility, the severity and duration of which remain uncertain. The Group's underwriting business, by its defensive nature, will be cushioned from the worst effects of economic volatility.

Irish insurance rates are hardening and a number of insurers have already increased premiums in 2009. It is likely that the margins being achieved in the market, the severe weather conditions in January 2009 and lower investment returns will necessitate further increases. Several commentators have pointed to the potential for an increase in suspect claims during a recessionary period. Such claims, if successful, will lead to increases in premiums. Resources to counter suspected fraud will be increased.

The Group's focus on cost containment and efficiency will continue. The realignment of local offices will be completed in 2009 and further opportunities to maximise efficiency have been identified and will be implemented.

FBD Insurance will focus on profitable growth, maintaining underwriting discipline and constantly evolving its business to reflect customers' needs.

Non-underwriting

The property and leisure markets in Ireland and Spain are expected to remain difficult through 2009. Over-supply in the marketplace is the key challenge facing the property and leisure businesses, both in Ireland and in Spain and market capacity should reduce in the medium term. New marketing and sales initiatives and operational cost efficiencies are being implemented to achieve targets.

FBD Brokers is developing new market segments while providing enhanced customer value, and is well positioned to benefit from hardening premium rates. FBD Life continues to provide professional advice to customers in the uncertain environment and to concentrate on the sales of pension and protection products as the market for retail investment products remains weak.

Group
The FBD Group has a strong capital base and balance sheet with total assets of €1,278m. Its underwriting business has three times the minimum statutory solvency requirement and a prudent reserving strategy. Despite the difficult environment, the Board is confident that the Group has the people, plans, infrastructure and financial strength to continue to deliver long-term profitable growth and superior returns to shareholders, particularly in an environment where premium rates are hardening.

ENDS

***** Adjusted operating profit and adjusted operating earnings per share arrived at by adjusting for the impact of the change in the Group's reserving policy in 2007 and restructuring costs in 2008. Adjusted net claims incurred and adjusted claims ratio are arrived at by adjusting for the impact of the change in the Group's reserving policy in 2007.

FBD HOLDINGS PLC
GROUP INCOME STATEMENT
For year ended 31st December 2008

		2008 €000's	2007 €000's
Turnover		**521,571**	567,381
Income			
Net premiums earned		**343,075**	350,321
Non underwriting operating income		**8,453**	15,175
Investment income – longer term rate of return		**43,930**	53,369
		395,458	418,865
Expenses			
Changes in insurance liabilities net of reinsurance	**Note 2**	**(8,281)**	99,480
Claims paid, net of recoveries from reinsurers		**(262,924)**	(230,907)
Other operating expenses		**(58,470)**	(51,928)
Restructuring costs		**(7,609)**	-
Operating profit	**Note 1**	**58,174**	235,510
Investment income – fluctuations		**(92,307)**	(69,253)
Finance costs		**(4,474)**	(4,089)
(Loss)/profit before tax		**(38,607)**	162,168
Income tax credit/(expense)		**5,607**	(22,093)
(Loss)/profit for the year		**(33,000)**	140,075
Attributable to:			
Equity holders of the parent		**(33,270)**	139,874
Minority interest		**270**	201
		(33,000)	140,075
		Cent	Cent
Basic earnings per 60c ordinary share		**(100.94)**	405.71
Diluted earnings per 60c ordinary share		**(100.59)**	402.77

FBD HOLDINGS PLC
GROUP BALANCE SHEET - ASSETS
As at 31st December 2008

	2008 €000's	2007 €000's
ASSETS		
Property and equipment		
Land and buildings	**191,423**	225,158
Fixtures and fittings	**17,236**	18,186
	208,659	243,344
Inventories	**62,383**	65,745
Financial Assets		
Investments held to maturity	**479,626**	479,902
Available for sale investments	**11,051**	9,542
Investment property	**52,538**	83,019
Investments held for trading	**24,112**	183,970
Deposits with banks	**183,143**	73,034
	750,470	829,467
Reinsurance assets		
Provision for unearned premiums	**25,450**	21,994
Claims outstanding	**33,544**	28,489
	58,994	50,483
Intangible assets		
Deferred acquisition costs	**17,733**	15,271
Loans and receivables	**139,028**	147,137
Current taxation	**4,820**	-
Cash and cash equivalents	**35,713**	35,618
Total assets	**1,277,800**	1,387,065

FBD HOLDINGS PLC
GROUP BALANCE SHEET – EQUITY AND LIABILITIES
As at 31st December 2008

		2008 €000's	2007 €000's
EQUITY			
Ordinary share capital	**Note 4**	**21,409**	21,277
Capital reserves		**13,599**	12,956
Revaluation reserves		**3,295**	29,986
Translation reserves		**(681)**	389
Retained earnings		**197,788**	318,981
Shareholders' funds – equity interests		**235,410**	383,589
Preference share capital		**2,923**	2,923
Equity attributable to equity holders of the Parent		**238,333**	386,512
Minority interest		**4,151**	5,689
Total equity		**242,484**	392,201
LIABILITIES			
Insurance contract liabilities			
Provision for unearned premiums		**188,017**	199,074
Claims outstanding		**626,188**	612,852
		814,205	811,926
Borrowings		**110,968**	60,406
Retirement benefit obligation		**16,112**	6,241
Creditors		**78,969**	74,483
Deferred tax		**15,062**	27,738
Current tax		**-**	14,070
Total liabilities		**1,035,316**	994,864
Total equity and liabilities		**1,277,800**	1,387,065

FBD HOLDINGS PLC

GROUP CASH FLOW STATEMENT
For year ended 31st December 2008

	2008 €000's	2007 €000's
Cash flow from operating activities		
(Loss)/profit before tax for the year	**(38,607)**	162,168
Adjustments for:		
Loss on investments held for trading, held to maturity, loans and receivables	**47,095**	77,744
Depreciation of property and equipment	**5,432**	4,547
Share-based payment expense	**442**	-
Decrease in fair value of investment property	**30,481**	5,415
(Decrease) in technical provisions	**(6,233)**	(97,953)
Operating cash flows before movement in working capital	**38,610**	151,921
(Increase) decrease in receivables	**(1,187)**	13,975
Increase (decrease) in payables	**12,899**	(23,658)
Cash generated from operations	**50,322**	142,238
Income taxes paid	**(24,007)**	(20,975)
Net cash from operating activities	**26,315**	121,263
Cash flow from investing activities		
Investments held for trading	**113,039**	294,057
Investments held to maturity	**-**	(305,024)
Investments available for sale	**(1,310)**	(5,815)
Sale (purchase) of land, buildings and inventory	**259**	(5,452)
Purchase of fixtures & fittings	**(6,144)**	(5,919)
Purchase of investment property	**-**	(7,253)
Loans and advances	**6,214**	(39,743)
Deposits invested with banks	**(110,109)**	254,939
Net cash generated from investing activities	**1,949**	179,790
Cash flows from financing activities		
Ordinary dividends paid	**(27,623)**	(25,430)
Special dividend on ordinary shares	**(416)**	(439)
Special dividend on 'A' ordinary shares	**(19,622)**	(79,684)
Buyback of 'A' ordinary shares	**(30,150)**	(95,873)
Repurchase of ordinary shares	**-**	(52,606)
Proceeds of re-issue of ordinary shares	**180**	1,881
Increase (decrease) in bank loans	**50,532**	(50,934)
Net cash used in financing activities	**(27,099)**	(303,085)
Net increase (decrease) in cash and cash equivalents	**1,165**	(2,032)
Cash and cash equivalents at the beginning of the year	**35,618**	37,423
Effect of foreign exchange rate changes	**(1,070)**	227
Cash and cash equivalents at the end of the year	**35,713**	35,618

FBD HOLDINGS PLC

GROUP STATEMENT OF RECOGNISED INCOME AND EXPENSE
For year ended 31st December 2008

	2008	2007
	€000's	€000's
Income recognised directly in equity		
Gain on available for sale investments	**199**	-
Revaluation of owner occupied property	**(34,166)**	2,743
Actuarial loss	**(10,174)**	(4,677)
Taxation on income/(expense) recognised directly in equity	**5,840**	(400)
Net income recognised directly in equity	**(38,301)**	(2,334)
Transfers		
Transfer to income statement on sale of land and buildings	**-**	(434)
Taxation on transfers to income statement	**-**	87
	-	(347)
(Loss)/profit after taxation	**(33,000)**	140,075
Total recognised income and expense	**(71,301)**	137,394
Attributable to:		
Equity holders of the parent	**(71,571)**	137,193
Minority interest	**270**	201
	(71,301)	137,394

FBD HOLDINGS PLC
GROUP STATEMENT OF CHANGES IN EQUITY
For year ended 31st December 2008

	Share Capital	Capital Reserves	Revaluation And Other Reserves	Translation Reserve	Retained Earnings	Attributable to Ordinary Shareholders	Preference Share Capital	Minority Interest	Total
	€000's	€000's	€000's	€000's	€000's	€000's	€000's	€000's	€000's
2007									
Balance at 1 January 2007	21,277	12,605	27,540	162	435,935	**497,519**	2,923	6,476	**506,918**
Profit after taxation	-	-	-	-	139,874	**139,874**	-	201	**140,075**
Exchange translation adjustment	-	-	-	227	-	**227**	-	-	**227**
Dividends paid on ordinary and preference shares	-	-	-	-	(25,430)	**(25,430)**	-	-	**(25,430)**
Special dividend paid on ordinary shares	-	-	-	-	(439)	**(439)**	-	-	**(439)**
Special dividend paid on 'A' ordinary shares	-	-	-	-	(79,684)	**(79,684)**	-	-	**(79,684)**
Buyback of ordinary shares	-	-	-	-	(52,606)	**(52,606)**	-	-	**(52,606)**
Buyback of 'A' ordinary shares	-	-	-	-	(95,873)	**(95,873)**	-	-	**(95,873)**
Cancellation of 'A' ordinary shares	(351)	351	-	-	-	**-**	-	-	**-**
Reissue of ordinary shares	-	-	-	-	1,881	**1,881**	-	-	**1,881**
Issue of 'A' ordinary shares	351	-	-	-	-	**351**	-	-	**351**
Actuarial loss on pension fund valuation	-	-	-	-	(4,677)	**(4,677)**	-	-	**(4,677)**
Revaluation of owner occupied property	-	-	2,446	-	-	**2,446**	-	(988)	**1,458**
Balance at 31st December 2007	**21,277**	**12,956**	**29,986**	**389**	**318,981**	**383,589**	**2,923**	**5,689**	**392,201**
2008									
Loss after taxation	-	-	-	-	(33,270)	**(33,270)**	-	270	**(33,000)**
Exchange translation adjustment	-	-	-	(1,070)	-	**(1,070)**	-	-	**(1,070)**
Dividends paid on ordinary and preference shares	-	-	-	-	(27,741)	**(27,741)**	-	-	**(27,741)**
Special dividend paid on ordinary shares	-	-	-	-	(416)	**(416)**	-	-	**(416)**
Special dividends paid on 'A' ordinary shares	-	-	-	-	(19,622)	**(19,622)**	-	-	**(19,622)**
Issue of 'A' ordinary shares	333	-	-	-	-	**333**	-	-	**333**
Buyback of 'A' ordinary shares	-	-	-	-	(30,150)	**(30,150)**	-	-	**(30,150)**
Cancellation of 'A' ordinary shares	(201)	201	-	-	-	**-**	-	-	**-**
Reissue of ordinary shares	-	-	-	-	180	**180**	-	-	**180**
Actuarial loss on pension fund valuation	-	-	-	-	(10,174)	**(10,174)**	-	-	**(10,174)**
Revaluation of owner occupied property	-	-	(26,865)	-	-	**(26,865)**	-	(1,808)	**(28,673)**
Revaluation of AFS investments	-	-	174	-	-	**174**	-	-	**174**
Recognition of share based payments	-	442	-	-	-	**442**	-	-	**442**
Balance at 31st December 2008	**21,409**	**13,599**	**3,295**	**(681)**	**197,788**	**235,410**	**2,923**	**4,151**	**242,484**

FBD HOLDINGS PLC

SUPPLEMENTARY INFORMATION
For year ended 31st December 2008

Note 1 - Operating profit by activity

	2008 €000's	2007 €000's
Underwriting	**57,330**	220,335
Non-underwriting	**8,453**	15,175
Restructuring costs	**(7,609)**	-
	58,174	235,510

Non underwriting profit is analysed as follows:

	2008 €000's	2007 €000's
Leisure and leisure property development	**5,991**	16,101
Financial Services/Other	**3,329**	5,882
Capital fund	**(867)**	(6,808)
	8,453	15,175

Note 2 - Underwriting result

	2008 €000's	2007 €000's
Gross written premiums	**385,638**	407,953
Net earned premiums	**343,075**	350,321
Adjusted net claims incurred**	**(271,205)**	(239,054)
Net operating expenses	**(58,470)**	(51,928)
	13,400	59,339
Change of reserving policy	**-**	107,627
	13,400	166,966

** Excludes impact of change in reserving policy in 2007.

SUPPLEMENTARY INFORMATION
For year ended 31st December 2008

Note 3 – Dividends

DIVIDENDS	**2008**	2007
Paid in period:	**€000s**	€000s
Dividend of **4.8c** (2007: 4.8c) per share on 8% Non-Cumulative Preference Shares each of 60c each	**169**	169
Dividend of **8.4c** (2007: 8.4c) per share on 14% Non-Cumulative Preference Shares of 60c each	**113**	113
2007 Final dividend of **52.0c** (2006: 45.0c) per share on Ordinary Shares of 60c each	**17,277**	15,753
2008 Interim dividend of **30.25c** (2007: 27.5c) per share on Ordinary Shares of 60c each	**10,064**	9,395
Special dividend of **1.25c** (2007: 1.25c) on Ordinary Shares of 60c each	**416**	439
Special dividend of **149.0c** (2007: 499.0c) on 'A' Ordinary Shares of 1c each *	**19,622**	79,684
	47,661	105,553
Proposed:		
Dividend of **4.8c** (2007: 4.8c) per share on 8% Non-Cumulative Preference Shares of 60c each	**169**	169
Final dividend of **10.0c** (2007: 52.0c) per share on Ordinary Shares of 60c each	**3,327**	17,277
	3,496	17,446

* Special distributions to shareholders also include €30,150,000 (2007: €95,873,000), repatriated via buybacks of "A" Ordinary Shares of 1c each

Note 4 - Ordinary share capital

	Number (2008 only)	**2008 €000's**	2007 €000's
Share Capital:			
(i) Ordinary Shares of €0.60 each			
Authorised:			
At beginning and end of year	51,326,000	**30,796**	30,796
Issued and fully paid:			
At beginning and end of year	35,461,206	**21,277**	21,277
(ii) 'A' Ordinary shares of €0.01 each			
Authorised:			
At the beginning of the year	120,000,000	**1,200**	-
Authorised during the year	-	**-**	1,200
At the end of the year	120,000,000	**1,200**	1,200
Issued and fully paid:			
At the beginning of the year	-	**-**	-
Issued during the year	33,269,476	**333**	351
Cancellation of shares	(20,100,048)	**(201)**	(351)
At the end of the year	13,169,428	**132**	-
Total		**21,409**	21,277

The Company has two classes of ordinary shares which carry no right to fixed income. In the event of the Company being wound up, the holders of the two classes of Non-Cumulative Preference Shares rank ahead of the holders of the ordinary shares.

SUPPLEMENTARY INFORMATION
For the year ended 31st December 2008

Note 5 – Transactions with related parties

Farmer Business Developments plc has a 25.64% shareholding in the Group at 31st December 2008. Included in the financial statements at the year end is €484,170 (2007: €175,714) due from Farmer Business Developments plc. This balance is made up of recharges for services provided and recoverable costs. Interest is charged on this balance at the market rate. The amount due is payable on demand. No guarantees have been given or received. Included in the financial statements at the year end is €50,335,000 (2007: €nil) due to Farmer Business Developments plc. This amount is made up of a loan of € 50,000,000 granted during the year and interest outstanding at the year end. Interest is charged on this balance at the market rate.

Note 6 – Claims Reserving Policy

During its review of the Group's claims reserving policy at 31st December 2007, the Board concluded that sufficient evidence had emerged through claims settlement, that the positive impact arising from measures on the claims environment including the introduction of penalty points, the Civil Liability and Courts Acts, random breath testing and the establishment of the Personal Injuries Assessment Board, had been maintained and decided to revise its reserving policy to reflect this. No further changes to this policy have been made in the year ended 31st December 2008.

Note 7 – Subsequent events

There have been no subsequent events which would have material impact on these accounts.

Note 8 - General information and accounting policies

The financial information set out in this document does not constitute full statutory financial statements for the years ended 31st December 2008 or 2007 but is derived from same. The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), applicable Irish law and the Listing Rules of the Irish and London Stock Exchanges. The Group financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The 2008 and 2007 financial statements have been audited and received unqualified audit reports. The 2008 financial statements were approved by the Board of Directors on 3rd March 2009.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial asset investments and financial liabilities (including derivative financial instruments), which are held at fair value. The Group's accounting policies will be included in the Annual Report & Accounts to be published in March 2009.

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