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Prefab builder sees profits rise

House builder Barratts Developments - which uses many prefabricated housing techniques - announced a 14.3 per cent rise in six month underlying profit on Wednesday.

Profits before tax and restructuring costs rose to £201.8 million from July to December 2007, Reuters reports.

A dip in profits had been expected after the credit crunch that followed the housing boom, but this has since steadied.

Chief executive Mark Clare stated: "What we have seen is faster recovery than we might have expected [...] We remain cautiously optimistic that we'll be able to deliver a satisfactory set of results in the context of this tough market."

A recent report by Global Industry Analysts predicted that by 2010, the prefabricated building market for non-residential buildings alone will have exceeded \$45 billion (£22.7 billion).

Barratts is the second largest builder of houses in the UK by volume and, in 2005, famously won two sites in then-deputy prime minister John Prescott's challenge to build 15,000 homes on the site of disused hospitals for under £60,000, by using prefabricated housing kits.

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