



9 October 2013

MARSTON'S PLC YEAR-END TRADING STATEMENT

Marston's PLC issues the following update on trading for the year ended 5 October 2013. The preliminary results will be announced on 28 November 2013.

Trading

Our performance for the second half-year has been encouraging, with good weather over the summer balancing poor weather during the first half-year.

In Destination and Premium pubs, like-for-like sales were 2.2% ahead of last year including like-for-like food sales growth of 3.7% and wet like-for-like sales growth of 0.2%. Over the last 11 weeks like-for-like sales have grown by 2.6%. Operating margins are expected to be slightly ahead of last year.

In our Taverns community pubs, profits for the full year are expected to be behind last year due to poor weather in the first half-year, a greater than anticipated level of disposals and a more subdued performance in our tenanted pubs in line with market trends. The performance of our managed and franchised pubs has been robust with like-for-like sales in line with last year and up 2% in the second half-year.

In our Leased pubs, profit for the year is expected to be in line with last year, with an improved performance in the second half year.

In Brewing, our own-brewed beer volumes are 6% higher than last year, outperforming an ale market down 3%. Premium cask ale volumes were up 4% in the year and bottled ale was up 19%. We continue to lead the market in both of these segments.

Estate Development

We are focussing on significantly improving the quality of our pub estate appropriate for both current and future consumer needs.

We completed 22 new pub-restaurants in the year with returns remaining strong. Over the last five years our national new-build pub programme has proven highly successful, generating strong returns and improving the quality of our pub estate. The 2012 estate valuation also indicated that the new-build pubs were valued at 50% above build cost, generating significant value to our shareholders.

As a result of this success we propose to accelerate the new-build programme and are targeting 25-30 openings over the next few years, with a visible pipeline of sites to 2017.

We have disposed of 130 pubs and other assets in the year generating proceeds of around £50 million, higher than we originally anticipated. A more aggressive churn of the estate will improve returns over time, assist the funding of the new-build programme and reduce our exposure to the tenanted sector. We aim to achieve disposal proceeds of £60-70 million for financial year 2014, principally from the Taverns estate.

Commenting, Ralph Findlay, Chief Executive, said:

"We are encouraged by our performance in the second-half year after challenging weather in the first half.

The performance of our new-build pubs is very strong. We have developed plans to accelerate the programme and intend to dispose more aggressively of lower-end pubs in order to pursue our key objectives of sustainable growth, improving returns and reducing leverage over time.

We are confident that we are significantly improving the quality of our pub estate for both today's and tomorrow's consumer."

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NOTES TO EDITORS

- Marston's is a leading pub operator and independent brewer.
- It has an estate of around 2,050 pubs situated nationally; comprising tenanted, leased, franchised and managed pubs.
- It is the UK's leading brewer of premium cask and bottled ales, including Marston's Pedigree and Hobgoblin. The beer portfolio also includes Banks's, Jennings, Wychwood, Ringwood, Brakspear and Mansfield beers.
- Marston's employs over 12,000 people throughout England and Wales.