



22 July 2015

**MARSTON'S PLC
TRADING UPDATE
41 weeks to 18 July 2015**

Marston's PLC issues the following Trading Update for the 41 weeks to 18 July 2015.

Trading

We have continued to make profitable progress in line with our expectations.

In Destination and Premium, like-for-like sales for the 41 week period were 1.7% ahead of last year, including like-for-like food sales growth of 1.6% and like-for-like wet sales growth of 1.6%. In the last 10 weeks of the period, like-for-like sales are up 2.0%. Operating margin is slightly above last year and we remain on track to complete 25 new-build pub restaurants in the current financial year.

In Taverns, like-for-like sales for the 41 week period were 1.7% ahead of last year and in the last 10 weeks of the period, like-for-like sales were up 2.0%. Our franchise business continues to perform strongly and now operates in around 550 pubs.

In Leased, profits for the 41 week period are estimated to be in line with last year. Average profit per pub was up 4%, reflecting our higher quality leased estate.

In Brewing, own-brewed beer volumes, excluding Thwaites, were up around 4% compared to last year. Including Thwaites, own-brewed beer volumes are up 10%.

Net debt and cash flow are in line with expectations.

The recently announced Government plans to introduce a mandatory Living Wage by 2020 are consistent with our expectation that the gap between the National Minimum Wage and the Living Wage would be closed over time. The additional cost of meeting the higher target of £9 per hour by 2020 will mean that wage costs will be modestly greater than we had expected, but the impact compared to our plans is mitigated by the fact that we had anticipated increases above the rate of inflation, and the lower rate of corporation tax from 2017. Our view remains that Government should prioritise taxation and business rate reductions to reduce the cost of doing business and increase consumer confidence.

Commenting, Ralph Findlay, Chief Executive Officer said:

"Our investment in new-build pub-restaurants and premium pubs is in line with our plans and we have seen some of our most successful openings to date this year. We have also opened three lodges, and expect this rate of development to increase in 2016. We have good visibility over our site pipeline and remain focused on securing further good sites for our future growth. These investments, together with the disposal of smaller wet-led pubs and the growth of franchises, have successfully transformed our business over the last three years.

"In brewing, the post-acquisition integration of Thwaites' brewing business is now complete and has gone well. Our strategy is well-suited to leveraging market growth in local, premium and craft beers, and the increasing importance of the off-trade."

Forthcoming Events

Please find below the forthcoming reporting dates for the Group, which are also available on the investor calendar on our website, www.marstons.co.uk/investors

Year-end trading statement	14 October 2015
2015 Preliminary results	26 November 2015
2016 Interim Results	18 May 2016
2016 Preliminary results	24 November 2016

ENQUIRIES:

Marston's PLC Tel: 01902 329516
Ralph Findlay, Chief Executive Officer
Andrew Andrea, Chief Financial Officer

Instinctif Partners Tel: 020 7457 2020
Justine Warren
Matthew Smallwood

NOTES TO EDITORS

- Marston's is a leading pub operator and independent brewer.
- It has an estate of around 1,600 pubs situated nationally, comprising managed, franchised and leased pubs.
- It is the UK's leading brewer of premium cask and bottled ales, including Marston's Pedigree, Thwaites Wainwright, Lancaster Bomber and Hobgoblin. The beer portfolio also includes Banks's, Jennings, Wychwood, Ringwood, Brakspear and Mansfield beers.
- Marston's employs around 13,000 people.