



**MARSTON'S PLC ("MARSTON'S")  
INTERIM MANAGEMENT STATEMENT  
43 weeks to 31 July 2010**

4 August 2010

## **Trading**

We remain on track to meet our expectations for the financial year and continue to see improving trends in each of our trading divisions. Recent trading has been encouraging, benefiting from good weather rather than from the World Cup.

In Marston's Inns and Taverns, our managed pubs division, the success of our food offers and new-build strategy continue to drive growth. Like-for-like sales for the 43 weeks to 31 July were 1.7% ahead of last year, with like-for-like food sales growth of 2.5% and like-for-like wet sales growth of 1.3%. In the second half-year this good performance has continued, with like-for-like sales in the 11 weeks to 31 July up by 2.7%. We have also achieved an estimated 0.6% increase in operating margin which we anticipate will be maintained for the rest of this financial year.

In Marston's Pub Company, our tenanted and leased pubs division, underlying profit trends have continued to improve with like-for-like profits estimated to be down 4.0% in the 43 weeks to 31 July. This compares favourably to the 4.5% decline reported in the Interim Results in May. Approximately 86% of the estate is let on substantive agreements, including Retail Agreements. We now have 88 pubs on Retail Agreements, with performance in line with our expectations, and we intend to have 100 pubs operating under this agreement by the end of this financial year.

In Marston's Beer Company, despite strong prior year comparatives, own-brewed ale volumes were in line with last year demonstrating continued out-performance compared to the UK beer market which declined by around 6%. Premium ale volumes increased by 3% in the period. We continue to lead the market in the premium cask ale and premium bottled ale segments.

Net debt and cashflow are in line with our expectations.

## **New-Build Development Programme**

Our development plans are on track. We have 11 sites open, and we are currently on site in 4 locations. As a result 15 new sites will have been opened in the current financial year, and as planned we expect to open 20 new pub-restaurants in 2011.

Performance in the new openings to date continues to be very encouraging with the run-rate for both turnover and returns ahead of our targets as described in our Interim Results.

## **Outlook**

Following the emergency Budget in June we remain cautious about the consequential impact on consumer confidence. However, we are encouraged by our recent trading performance. Our focus on value for money, high quality pubs and local beers combined with clearly defined strategies for each of our trading divisions place us in a strong position to meet the forthcoming challenges.

### **ENQUIRIES:**

#### **Marston's PLC**

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#### **Hudson Sandler**

Andrew Hayes / Kate Hough  
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### **NOTES TO EDITORS**

- Marston's is a leading independent brewer and pub operator.
- It has an estate of 2,159 pubs situated nationally. The estate comprises 1,671 tenanted or leased pubs, and 488 managed pubs.
- It is the UK's leading brewer of premium cask and premium 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.