



MARSTON'S PUBS LIMITED

**FINAL INVESTOR REPORT
For the Period ended 4 October 2008**

**This Final Investor Report covers the results for Marston's Pubs Limited
from 30 September 2007 to 4 October 2008**

To: HSBC Trustee (C.I.) Limited (as *Borrower Security Trustee, Issuer Security Trustee*, and *Note Trustee*)
HSBC Bank plc (as *Principal Paying Agent*)
Standard & Poor's Rating Services
Fitch Ratings Limited

Terms defined in the Master Definitions and Construction Schedule (the *Master Definitions and Construction Schedule*) dated as of 9 August 2005 and amended and restated on 22 November 2007 and signed for the purposes of identification by Freshfields Bruckhaus Deringer and Linklaters shall bear the same meaning herein.

Definitions:

Q1 means the results for the Financial Quarter from 30 September to 29 December 2007
Q2 means the results for the Financial Quarter from 30 December 2007 to 29 March 2008
Q3 means the results for the Financial Quarter from 30 March to 28 June 2008
Q4 means the results for the Financial Quarter from 29 June to 4 October 2008

Interim Period and Relevant Period means Q3 + Q4; and
Relevant Year means Q1 + Q2 + Q3 + Q4

Principal Debt Movements

Q4 Principal Debt Movements on the Notes	Balance as at 28 June 2008 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 4 October 2008 £m
Aggregate principal amount outstanding at the Financial Quarter Date	1,101.9	(4.4)	-	1,097.5
Class A1 Notes	205.4	(3.1)	-	202.3
Class A2 Notes	214.0	-	-	214.0
Class A3 Notes	200.0	-	-	200.0
Class A4 Notes	247.5	(1.3)	-	246.2
Class AB1 Notes	80.0	-	-	80.0
Class B Notes	155.0	-	-	155.0

Q4 Principal Debt Movements on the Term Advance	Balance as at 28 June 2008 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 4 October 2008 £m
Aggregate principal amount outstanding at the Financial Quarter Date	1,101.9	(4.4)	-	1,097.5
A1 Term Advance	205.4	(3.1)	-	202.3
A2 Term Advance	214.0	-	-	214.0
A3 Term Advance	200.0	-	-	200.0
A4 Term Advance	247.5	(1.3)	-	246.2
AB1 Term Advance	80.0	-	-	80.0
B Term Advance	155.0	-	-	155.0

Specific Trading Details

Turnover for the 14 weeks comprising Q4 was £98.1m giving a total during the Relevant Year of £360.7m. EBITDA for the quarter was £37.9m giving a cumulative total of £134.5m.

	Tenanted (Q4) £m	Managed (Q4) £m	Total (Q4) £m	Relevant Period (Q3 + Q4) £m	Relevant Year (Q1 + Q2 + Q3 + Q4) £m
Turnover	47.4	50.7	98.1	190.7	360.7
Operating expenses	24.9	39.3	64.2	126.9	244.4
Adjusted Operating Profit*	22.5	11.4	33.9	63.8	116.3
Operating Profit			31.1	58.2	105.3
EBITDA	24.3	13.6	37.9	72.5	134.5
Free Cash Flow			32.8	61.7	112.7
Debt Service			20.0	38.3	72.7

* Before amortisation of goodwill

Coverages and Covenants

FCF DSCR was 1.6 times and the EBITDA to Debt Service ratio was 1.9 times for the Relevant Year and 1.6 times and 1.9 times respectively for the Relevant Period. The Debt Service Covenant and Restricted Payment Condition were satisfied.

	Relevant Period (Q3 + Q4)	Relevant Year (Q1 + Q2 + Q3 + Q4)
Free Cash Flow: Debt Service	1.6 times	1.6 times
EBITDA: Debt Service	1.9 times	1.9 times
Debt Service covenant satisfied	Yes	Yes
Restricted Payment Condition satisfied	Yes	Yes

Net Worth as at 4 October 2008 was £530.9m. Restricted Payments of £9.6m were made in Q4 and £53.6m during the Relevant Year. The Restricted Payment Maximum at 4 October 2008 was £12.6m and no calculation of the Further Restricted Payment Maximum was required.

Maintenance and Capital Enhancement

The cumulative Maintenance Expenditure* in the Relevant Year was £21.6m and the Relevant Period was £11.6m. The Required Maintenance Amount* for the Relevant Year is £13.8m.

Capital Enhancement Expenditure of £2.7m was made in the Q4, £20.4m in the Relevant Year and £6.5m in the Relevant Period.

*Maintenance includes both capital items and items expensed through the Profit & Loss account.

Cash Balances

Balances on the following accounts at 4 October 2008 were as follows:

	£m
Borrower Transaction Account	3.7
Disposals Proceeds Account	4.2
Maintenance Reserve Account	-
All other Obligor Accounts	43.5

Amounts available under the Liquidity Facility were £120m. No amounts were drawn under this facility.

Estate

	Tenanted Number	Managed Number	Total Number
Outlets at the beginning of Q3	1,615	284	1,899
Conversions from Managed to Tenanted	34	(34)	-
Conversion from Tenanted to Managed	-	-	-
Acquisitions and substitutions	-	-	-
Disposals	(16)	-	(16)
Closed	-	-	-
Outlets at the end of Q4	1,633	250	1,883

The aggregate proceeds from disposals are £6.2m.

Accounting Policies

Marston's PLC certifies that these financials comply with Generally Accepted Accounting Principles applied in the United Kingdom.

Defaults

Marston's PLC certifies that no Loan Event of Default or Potential Loan Event of Default has occurred.

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