

29 March 2006

The Wolverhampton & Dudley Breweries, PLC ('W&DB')

24 Weeks Trading Statement

In accordance with its usual practice, the Board of The Wolverhampton & Dudley Breweries, PLC has issued the following trading update* prior to the end of the current half-year on 1 April 2006.

Trading

Trading overall in the 24 weeks to 18 March 2006 has been satisfactory and in line with expectations.

Total like-for-like sales in Pathfinder pubs were 2.2% ahead of last year in the 9 weeks since we last reported at the Annual General Meeting on 20 January 2006 and are 1.0% ahead of last year for the 24-week period from 2 October 2005.

In The Union Pub Company, like-for-like sales remain 1.0% ahead of last year for the same 24-week period.

The Group's operating margin remains above last year despite the impact of higher energy prices and the increased minimum wage as a result of good management of costs.

This year, the Easter bank holiday, which fell in the first half-year last year, falls in the second half-year. The like-for-like figures quoted exclude Easter trading last year.

Celtic Inns ('Celtic')

The acquisition of Celtic for £43.6m was completed on 17 March 2006 with the integration of systems expected to be complete by the end of March. The 70 pubs acquired are a good geographical and operational fit. The acquisition also represents an excellent opportunity for Celtic tenants to access W&DB's industry leading agreements and a much wider brands portfolio.

Transfer of managed pubs to tenancy

As previously highlighted, an advantage of our operating model is that it gives considerable flexibility in managing cost pressures. We have identified 93 pubs which will transfer from Pathfinder Pubs to The Union Pub Company at the end of March 2006. As a result we expect to reduce operating costs, helping to offset increases in energy costs and the minimum wage, demonstrating the flexibility of our integrated business model.

Commenting:

Ralph Findlay, Chief Executive, said: "We remain cautious about the outlook for consumer spending, and anticipate that legislative and cost pressures will continue. However, we have one of the highest quality estates in the industry and a range of great value offers. As a result, we are continuing to make good progress."

ENQUIRIES:**The Wolverhampton & Dudley Breweries, PLC**

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* The update covers the 24 week period ended 18 March 2006. The results for the 26 week period ending on 1 April 2006 (the interim results) will be released on 26 May 2006.

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