ANNUAL GENERAL MEETING
27 JANUARY 2012
1. Encouraging performance against challenging consumer backdrop
   • Revenue and profit growth, strong margin performance
   • Double digit EPS growth

2. Focused and consistent growth plans
   • New-builds performing ahead of target
   • Continued roll out of Retail Agreement, performing in line with expectations

3. Full year dividend of 5.8p per share with improving cover

4. Clearly defined strategic objectives
   • Sustainable growth
   • Improve ROC
   • Reduce leverage
Dealing with the downturn

**Macro/environment**
- Discretionary spend under pressure
- Inflation above pay settlements
- Prolonged economic uncertainty

**Consumers**
- Value
- Service
- Quality
- Consistency

**Licensees**
- Business building
- Financial assistance
- Access to buying power

**Strategy**
- Relevant
- Focused and clear
- Consistent

Strategy adapted to current consumer and customer trends
A clear strategy focused on growth and return

KEY COMPONENTS OF OUR STRATEGY

- **Managed Pubs**
  - ‘F-Plan’
  - New-build investment

- **Leased, Tenanted, Franchise pubs**
  - Innovative agreements
  - Greater control of retail offer

- **Brewing**
  - Localness
  - Premium ales

OBJECTIVES

1. Sustainable growth
2. Lower gearing ratios
3. Higher return on capital
26 million meals served each year

‘F-Plan’ – food is 42% of retail sales

Food

Females

40/50’s and beyond

Families
High returns – 18.6% EBITDA ROI on 2010/11 sites
Growth in a difficult market

Operating Model

Tenanted
- Bespoke offer
- Higher food mix
- Entrepreneur taking risk
- More skilled operator driving stability

Franchise
- Standardised consumer proposition
- Every day value
- Lower risk for licensee
- Turnover focused operator

Flexibility ensures right pub, right operator, right model
1. ‘Localness’
   • Local beers with genuine local provenance

2. ‘Premium’
   • 27% share of UK premium cask ale sector*
   • 24% share of UK bottled ale sector*

3. Innovation
   • Fastcask™ now 20% of cask ale brewed
   • New 2.8% beer (lower duty rate)

* Source: BBPA
1. Managed Ifl sales + 5%, operating margin in line with last year*
   - Food  +5.5%
   - Wet    +4.8%
   - Eight weeks to 21 January  +7%

2. Leased, tenanted and franchise Ifl profits +3%*
   - Eight weeks to 21 January  +4%

3. Beer volumes +2%*
   - Premium cask ale  +3%, bottled ale  +7%

4. On track to open around 25 new sites in 2012

* 16 weeks to 21 January 2012
www.marstons.co.uk

INDIAN TOURISTS COME TO England

And suffer an Attack

Of the Trotts

It’s all about Pedigree