

Performance highlights

SUCCESSFUL CUSTOMER INVESTMENT

Successful customer investment and cost mitigation programmes

- Pub Company like-for-like (LFL) sales -1.2% excluding the impact of snow, up 20 bps since the half year; improved customer service scores
- Driven by investment in value, service and quality (VSQ) and good Christmas/Easter trading
- £44m cost savings delivered through mitigation programme and Spirit synergies
- Brand optimisation programme delivered 25% return on investment; Fayre & Square fully debranded
- Pub Partners LFL net profit +0.4%; Brewing & Brands revenue +7.4%

Resilient financial metrics

- Strong cash generation; £89.9m post core capex and dividends, more than covers debt amortisation
- Net debt to EBITDA^{1,2} 4.2x

- Well-invested and located pub estate; 82% freehold or long leasehold
- Dividend per share³ of 33.2p; long-term track record of attractive, sustainable dividend

Strategic priorities to continue driving momentum

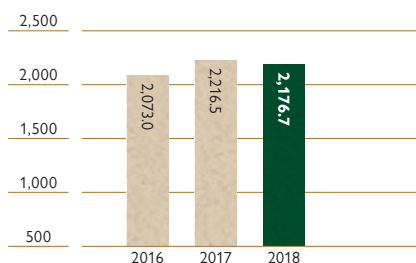
- Improve underlying sales growth in Pub Company
- Develop a more efficient and effective organisation
- Further strengthen the capital structure

Current trading and outlook

- Pub Company LFL sales +2.2% over the last eight weeks, aided by good weather and sporting fixtures; Pub Partners and Brewing & Brands trading in line with expectations
- Strong World Cup trading; 59% of consumers expect to watch an England game at the pub
- Expect £45–50m cost inflation; £30–35m cost savings and targeting Pub Company LFL growth

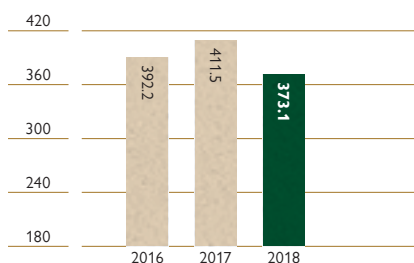
REVENUE (£m)

£2,176.7m -1.8%



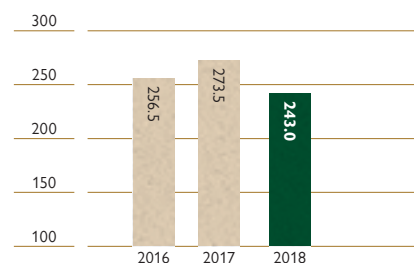
OPERATING PROFIT BEFORE EXCEPTIONAL AND NON-UNDERLYING ITEMS^{1,2} (£m)

£373.1m -9.3%



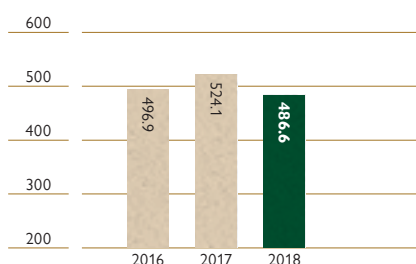
PROFIT BEFORE TAX AND EXCEPTIONAL AND NON-UNDERLYING ITEMS^{1,2} (£m)

£243.0m -11.2%



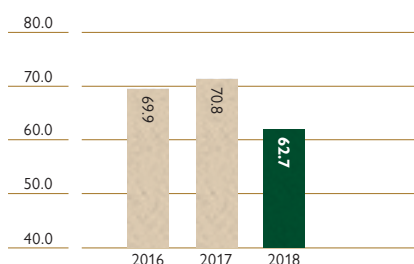
EBITDA^{1,2,3} (£m)

£486.6m -7.2%



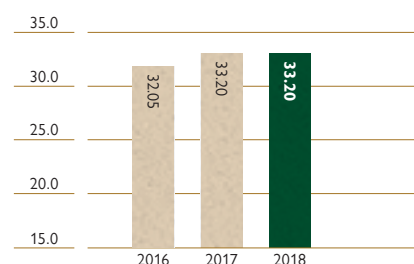
ADJUSTED BASIC EARNINGS PER SHARE^{1,2} (p)

62.7p -11.4%



DIVIDEND PER SHARE⁴ (p)

33.20p +0.0%



1. Adjusted measures exclude the impact of exceptional and non-underlying items as detailed in note 5 of the financial statements.

2. The directors use a number of alternative performance measures (APMs) that are considered critical to aid the understanding of the group's performance. APMs are explained on page 128 of this annual report.

3. EBITDA represents earnings before interest, tax, depreciation, amortisation and exceptional and non-underlying items and is calculated as operating profit before exceptional and non-underlying items adjusted for the depreciation and amortisation charge for the year.

4. Dividend per share paid and proposed in respect of the year.