



29 January 2010

**MARSTON'S PLC ('Marston's')**  
**AGM AND INTERIM MANAGEMENT STATEMENT**  
**16 weeks to 23 January 2010**

Marston's PLC issues the following Interim Management Statement for the 16 weeks to 23 January 2010 in advance of the Company's Annual General Meeting to be held at 12 noon today.

**Trading**

Trading over the 16 week period has been encouraging and in line with our expectations notwithstanding the poor weather in January. We have continued to make good progress in each of our trading divisions. The more positive trading momentum we reported in our Preliminary Results Announcement on 3 December 2009 continued over the important Christmas and New Year festive period.

In Marston's Inns and Taverns, our managed pubs division, like-for-like sales for the 16 week period were 1.5% ahead of last year. This was achieved with operating margins slightly ahead of last year in line with our expectations as a consequence of tight cost control and reduced cost pressures. Trading over the Christmas and New Year period was robust with like-for-like sales up 2.9% in the 5 weeks to 2 January 2010 including food sales up 4.4% and drinks sales up 1.9%. Trading in January has been weaker with our like-for-like sales down 5.9% as a consequence of two weeks of poor weather. Sales trends have subsequently returned to the levels achieved before the weather disruption.

In Marston's Pub Company, our tenanted and leased pubs division, like-for-like profit in the 16 week period was 4.9% below last year compared with a decline of 7% in the financial year to 3<sup>rd</sup> October 2009. Operating profit per pub is down 1.9% reflecting disposals. As previously reported around 80% of pubs are let on substantive medium to long-term agreements, and profit from these pubs is in line with last year. A further 7% of the estate is let on either our new Retail or Tracker Agreements. The performance of pubs operating under these new agreements is consistent with our targets.

In Marston's Beer Company our own-brewed beer volumes were in line with last year, which compares favourably to a UK ale market down by around 6%. Our continuing focus on premium ale, local provenance, choice and quality contributed to a 1% increase in premium cask ale volumes and a 16% increase in premium bottled ale volumes in the period. We have leading market shares in both of these market segments.

**Pub development**

Our development plans are on track. We will open 15 new food-led managed pubs this financial year, having opened 4 to date in Aylesbury, Caterham, Daventry and Ashbourne. We are on site in 8 locations and will commence work on a further 3 pubs by Easter. These form part of our plan to open 60 new pubs of this type over a three year period with a targeted EBITDA multiple of 6.7 times in line with the guidance given at the time of the rights issue.

**Financing and cash flow**

Net debt and cash flow are in line with our expectations. We have secure and flexible financing in place for the medium term and clear plans to invest available funds in the new-build programme during the next three years. It remains our strategy to reduce our net debt to EBITDA ratio to around 5 times over the course of the next few years.

**Outlook**

The outlook for the UK economy remains uncertain and the impact on consumer confidence of recently implemented and proposed taxation increases is yet to be seen. We are nevertheless encouraged by the progress we have made to date in the current financial year and believe that we are well positioned to meet the forthcoming challenges.

**ENQUIRIES:**

**Marston's PLC**

Ralph Findlay, Chief Executive  
Andrew Andrea, Finance Director

**Hudson Sandler**

Andrew Hayes / Nick Lyon

Tel: 01902 329516

Tel: 020 7796 4133

**NOTES TO EDITORS**

- Marston's is a leading independent brewer and pub operator.
- It has an estate of 2,177 pubs situated nationally. The estate comprises 1,680 tenanted or leased pubs, and 497 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.