YOUNG & CO.'S BREWERY, P.L.C.

PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 2 APRIL 2018

	2018 52 weeks £m	2017 53 weeks £m	% change
Revenue	**279.3**	268.9	+3.9
Adjusted operating profit[1]	**46.9**	46.1	+1.7
Operating profit	**43.5**	42.7	+1.9
Adjusted profit before tax[1]	**41.0**	40.4	+1.5
Profit before tax	**37.6**	37.0	+1.6
Net cash generated from operations	**61.4**	63.5	-3.3
Adjusted basic earnings per share[1]	**67.74p**	66.43p	+2.0
Basic earnings per share	**61.60p**	61.51p	+0.1
Dividend per share (interim and recommended final)	**19.61p**	18.50p	+6.0
Net assets per share[2]	**£11.24**	£10.10	+11.3

All of the results above are from continuing operations.

(1) Reference to an "adjusted" item means that item has been adjusted to exclude exceptional items (see notes 3 and 4).
(2) Net assets per share are the group's net assets divided by the shares in issue at the period end.

PERFORMANCE HIGHLIGHTS

(All numbers below on a comparable 52 week vs 52 week basis)

- Another highly successful year, despite a challenging market backdrop, with total revenue up 6.2% to £279.3m;
- Managed house operations outperformed the sector once again with revenues up 6.9% to £266.4 million, underpinned by industry-leading like-for-like sales growth of 4.2%;
- Like-for-like revenues at the Ram Pub Company up 1.6%;
- Continued investment in future growth - £53.0m of investment made during the year through acquisitions and upgrades to our existing estate;
- Highly cash generative, with operating cash flow of £61.4 million - net debt to adjusted EBITDA ratio is one of the lowest in the sector at 2.0;

- 21st consecutive year of dividend growth with a proposed 6.0% increase in final dividend to 10.20 pence, resulting in a total dividend of 19.61 pence (2017: 18.50 pence);

- Good start to the current financial year since the period end; managed house revenue in the first seven weeks was up 11.0% in total and up 7.5% on a like-for-like basis, despite very strong comparatives.

Patrick Dardis, Chief Executive of Young's, commented:

"I am delighted with this strong set of results, delivered against a challenging market backdrop, as they demonstrate the benefit of our strategy of running a differentiated, premium and well-invested pub estate in superb locations and with a highly customer-centric approach.

"We have continued to invest in our future growth through a combination of exciting acquisitions and investment in our existing estate while also upgrading our technology to enhance the customer experience and realise productivity gains.

"We've started the year well and, despite being up against very strong comparatives in the previous year, managed houses revenue in the first seven weeks was up 11.0% in total and up 7.5% on a like- for-like basis.

"Although uncertainty prevails in both the political and economic environment, we are confident that our strategy will continue to deliver superior shareholder returns. I am a firm believer that the traditional British pub will never go out of fashion and, as a result, I'm both excited and optimistic about the year ahead."

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PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 2 APRIL 2018

The prior period was a 53 week period but all figures below have been adjusted by removing the final week of the last period to be on a comparable 52 week basis unless specified.

I am very pleased to announce such a strong set of results. This past year has been tough for our industry as a whole, but these results are a testament to the quality of our incredible people who bring our premium positioned pubs to life. These results demonstrate that our strategy continues to deliver.

On a comparable 52 week basis, total revenue was up 6.2% to £279.3 million, underpinned by an industry-leading managed house like-for-like performance, enhanced by complementary, eye-catching acquisitions. Through strong conversion, on a comparable 52 week basis, profit before tax was up 5.4% to £37.6 million or up 4.8% to £41.0 million once adjusted for exceptional items.

Managed house like-for-like sales in the period were up 4.2%, representing the seventh consecutive year of delivering like-for-like sales at the top end of the industry. Over the last seven years, we've delivered increases of between 4.2% and 6.7%.

PROVEN TRACK RECORD DURING DIFFICULT TIMES

We have delivered these results against the challenges of declining real wages, heightened food and energy costs and a challenging economic environment. Our asset-backed, predominantly freehold estate helps maintain our competitive advantage.

These macro challenges are on top of huge fixed cost increases burdening the hospitality industry. I have previously stated my view on business rates and will continue to appeal to the Government to review and reverse recent unjustified increases. These, combined with the introduction of the National Living Wage, the Apprenticeship Levy and the most recent increases to pension auto-enrolment, have created one of the most difficult business environments I have ever experienced.

Given this backdrop, our financial performance is all the more impressive and is further testament to our very clear strategy of owning clearly differentiated, premium and well-invested pubs run by talented and attentive people. Differentiation and the provision of consumer experiences are critical to our success.

DEVELOPING GROWTH OPPORTUNITIES

We have continued to execute our growth strategy through ongoing investment in our existing estate and selective acquisitions.

Our estate now has 255 pubs, predominantly across London and Southern England. Last November we acquired the iconic Smiths of Smithfield ("Smiths") and its smaller sister site in Cannon Street, which has just re-opened having been re-branded as the Candlemaker. Smiths, a four storey Grade II listed building situated in the vibrant Smithfield Market, offers a unique experience on each level and has already achieved the highest weekly sales of any property within our estate. Having recently completed a major refurbishment project, we look forward to seeing the results.

Just before the financial year-end we increased the total number of bedrooms in our hotel portfolio by 19.3% to 580 rooms through the freehold acquisitions of the Park (Teddington) with 43 bedrooms and the Bridge (Chertsey) with 51 rooms. The Park is a stunning Victorian building dating back to 1866 and occupies a prominent position in an affluent area within our own backyard. The Bridge, anchored on the Thames riverbank, has strong business and leisure guest appeal. We added two further freehold pubs through our purchase of the Chequers (Hanham Mills, near Bristol) and the Old Bear (Cobham), and one additional leasehold, the Bull (Bracknell).

Following completion of its acquisition in May 2018, we are on site at the Naturalist (Woodberry Down), our 11th Berkeley Group pub. We are also poised to start fitting out our 12th in Kidbrooke Village.

Within the existing estate, many opportunities remain. This coming year's most exciting plan is a transformational development at the King's Head (Islington) with its new dining room, events space and a stunning roof terrace.

We also continue to invest in technology. By the end of this summer all our pubs will have new till software that will allow us to capitalise on greater sales opportunities and provide our general managers and teams with enhanced tools to continue to surprise and delight our customers. The new software will allow us to interact with multiple third party providers; our own app, "Young's On Tap", will also evolve to allow our customers to order in advance and receive tailored rewards based on their unique habits and preferences.

Through our carefully selected growth opportunities and freehold-backed balance sheet, we are confident our strategy will continue to deliver. The ongoing development of our people and helping them achieve their full potential will create an even more vibrant experience for our customers who are at the forefront of everything we do.

PROGRESSIVE DIVIDEND POLICY

Given these strong results, the board is delighted to recommend our 21st consecutive annual dividend increase, by 6.0% again, to 10.20 pence. If approved by shareholders, this will result in a total dividend for the year of 19.61 pence (2017: 18.50 pence). The final dividend is expected to be paid on 12 July 2018 to shareholders on the register at the close of business on 8 June 2018.

MANAGED HOUSES

Once again, our managed houses have performed at the top of the pub sector, with strong revenue growth, up 6.9% to £266.4 million, underpinned by industry-leading like-for-like sales growth of 4.2% (2017: 4.7%). Managed houses represent the vast majority of our business and our managed estate now comprises 181 pubs (including 25 hotels), an increase of eight pubs (including two hotels) during the year, making up 95.4% of our total revenue.

Continuing to drive and challenge the pubs and their teams to outperform the market is a relentless pursuit, but it's one that we embrace wholeheartedly. Our longstanding record of consistently raising the bar creates its own challenges, but our ambition and work ethic gives us that extra spring in our step to continue to excel.

REVENUE AND PROFITS

Revenue growth has been very consistent throughout the year. Like-for-like sales were up 4.7% for the first seven weeks of the year, up 4.6% for the first half, and we have now closed the year with like-for-like sales up 4.2% despite the impact of the exceptionally cold weather in late February and early March.

Drink sales have had a buoyant year, with the continued trend of customers trading up to more premium products, further increasing sales values. As a result, total drinks sales were up 7.9% and up 4.8% on a like-for-like basis.

Today's consumers are more knowledgeable and discerning, with technology helping to fuel this. As a trend-setter, we continue to evolve our market-leading drinks offering to stimulate the changing nature of consumers' drinking habits. Keg ales are a fine example of this, with consumers switching from traditional products to try new keg beers such as Founders IPA, a beer for all occasions naturally brewed in Michigan, and Beavertown Neck Oil, a punchy, go-to beer. In total, sales of draught keg ale were up 28.1%, taking share from other draught drinks.

Our cask-focussed, "local hero" programme continues to grow our reputation both for being a stage to showcase the finest new brews from gifted smaller entrepreneurial brewers and for having discerning customers ready to discover them.

We are delighted to have extended our partnership with Berkmann Wine Cellars, our sole wine and spirits supplier. During the past two years, we've benefitted from their expertise, a wider range of new world wines and a more engaged workforce through the jointly run "Grape Masters" programme. Our customers have, in turn, enjoyed the journey from traditional house wines to more complex grape varieties, most recently the rosé revolution.

Spirit sales continued their resurgence, with volumes up 5.4%. Gin sales have once again grown at over 20%, with continued 'premiumisation' and new craft gins coming to market. "Cucumber currency" created a social media buzz which saw us working together with Hendricks and Schweppes to celebrate the start of spring by offering a G&T to customers in exchange for one thing and one thing only: a cucumber. This fun initiative was well received by our vegetable-bearing customers and the 3,416 cucumbers we collected were donated to food banks the following day.

This was the year of the cocktail at Young's, in fact the year of the 'Cocktail Collective', with astonishing sales growth of 46.1%, albeit from a low base. Leading the Collective, which focusses on the quality, not quantity, of cocktails and the perfect serve every time, has been Aperol Spritz, which has seen a boom of 88.9%.

While others have faltered in the current highly-competitive eating-out market, our food sales remain robust. Sales were up 4.9% in total and up 2.6% on a like-for-like basis, driven in particular by good growth in our all-day brunch offer, our Sunday lunches and our Burger Shack concept which is now across 35 sites.

All our pubs relaunched their individual food menus to attract different audiences at different times, but with Britishness, seasonal and fresh produce at the heart of each dish. Our Burger Shack offering, including its little sister, 'Shack-in-a-Box', benefitted from the additional openings made last year and is now gaining industry accreditation, with one of our five burger offerings, "The Streaky", being a finalist at the 2018 National Burger Awards.

These initiatives in food and drink combine with an innovative approach to create enhanced sales, for example during the winter, sitting just 27 metres above sea level, the Devonshire (Balham) invited customers to join them at the “Balham Peaks” après ski pop up resort. Customers were treated to cosy cabins, Winter Negronis and traditional proper pub grub.

Our hotel business continues to flourish, with sales up 4.7% on a like-for-like basis. Occupancy rates were 74.7%, down by 0.2% on the previous year, but RevPAR increased by £2.29 or 3.8% to £63.15. Just before the year-end, we completed on two exciting acquisitions that represent a real step change in our hotel portfolio: the Park (Teddington) and the Bridge (Chertsey) have together increased our room stock by 94 rooms or 19.3%.

Despite unfavourable cost headwinds such as the significant hike in business rates, the second instalment of the National Living Wage and the introduction of the Apprenticeship Levy, which in total added over £4.0 million to our cost base, managed house adjusted operating profit grew by 3.9% to £60.7 million.

INVESTMENT

During the year, we undertook some major purchases, openings and transfers, all of which are unique in their own way yet still at the premium end of the market. The highlights include:

- Purchasing Smiths of Smithfield (Smithfield Market) which, following its major refurbishment in April 2018, is looking better than ever and is now our largest site by average weekly turnover;
- Relaunching and renaming the previous Smiths of Smithfield site at Cannon Street as the Candlemaker;
- Taking the Young’s brand to new suburbs for our managed houses by opening the Bull (Bracknell) and acquiring the Park (Teddington);
- Shifting our revenue mix by increasing our hotel presence through the Park and the Bridge (Chertsey), both freeholds;
- Capitalising on some of the growth opportunities that exist within our Ram Pub Company by transferring the Hope and Anchor (Brixton), King’s Arms (Wandsworth) and the Lord Palmerston (Tufnell Park) to our managed house estate; and
- Acquiring the Chequers (Hanham Mills), a beautiful freehold pub on the banks of the river Avon.

A common theme in all these acquisitions is their superb locations which remains a fundamental factor in our investment decisions.

During the course of the year, including acquisitions, we invested £46.3 million in our managed estate.

Major development work was carried out at the Alexander Pope (Twickenham), Betjeman Arms (St. Pancras), Brewers Inn (Wandsworth), Duke of Clarence (Chelsea), Duke’s Head (Putney), Elgin (Ladbroke Grove), Mitre (Bayswater), Old Ship (Hammersmith), Oyster Shed (Cannon Street), Plough (Beddington) and the Princess of Wales (Clapton). The fresh botanical feel and “Juniper Terrace” rooftop bar at the Spotted Horse (Putney) is proving a triumph with its customers and was a finalist in the Casual Dining Awards 2018 for ‘Best Designed Pub’ of the year. We also secured the freehold of the Phoenix (Chelsea), a pub that we previously leased.

CUSTOMER ENGAGEMENT

With two thirds of the UK population owning a smartphone and almost 80% now buying goods or services online, today's consumers want seamless interaction with technology that gives them a wide range of choices while still remaining in complete control of their own experiences.

With customer aspirations at the forefront of our minds, the next stop on our digital journey has been to invest in a new enhanced till system. In March 2018, we launched our first pilot sites on this more interactive, intuitive system with an infrastructure that connects with multiple third party platforms, reflecting our belief that trading is only likely to become ever more based on technology.

Young's On Tap, our own mobile app, has been available for download for just over a year and I am pleased with the progress we've made. We've had over 70,000 downloads and our "Appbassadors" continue to promote usage and uptake. When the new till system is fully up and running, Young's On Tap will, in time, go to the next level, adding more content and functionality through online ordering, enhanced booking capability and tailored customer rewards.

All our pubs use a range of social media platforms to engage with our customers through their favoured medium. A great example is this year's #scotcheggchallenge (which was a cracking success in its own right) - we reached over 1 million tweets, viewed more than 3.5 million times.

Delivering the ultimate pub experience to our customers every time they visit us is at the core of everything we do. Our team members, supported through hours of focussed training, live the golden rules of service, built on the value of team work.

RAM PUB COMPANY

During the year we transferred three high turnover pubs to managed houses to maximise their potential: the Hope and Anchor (Brixton), the King's Arms (Wandsworth) and the Lord Palmerston (Tufnell Park). Further transfer opportunities exist within the Ram Pub Company which we will look to harvest when the time is right for both us and our tenants.

We sold three pubs at the tail of the estate for combined proceeds of £2.1 million: the Bell (Illminster), Court House (Dartford) and the King's Arms (Epsom). In February 2018, we acquired the Old Bear (Cobham), an attractive 16th century pub situated in the heart of an affluent Surrey town.

As a result of the above movements, the Ram Pub Company ended the year with 74 pubs, down from 79 in the previous year.

REVENUE AND PROFITS

In total, revenue within the Ram Pub Company was down 6.7% on a comparable 52 week basis which is broadly in line with the net reduction in pubs. However, on a like-for-like basis, revenue growth was up a healthy 1.6%.

We offer a range of tenancy packages that differ in terms such as length of lease and financial support. This year, we've increased that support to a number of tenants, in turn reducing our tenanted operating margins but with a view to igniting volume growth.

On a like-for-like basis, adjusted operating profit was flat at £4.4 million. Our average pub EBITDA was £80.8k (2017: £80.8k), one of the highest in the sector.

The Ram Pub Company now represents 4.5% of our total revenue and 6.8% of adjusted operating profit at a pub level.

INVESTMENT

We welcomed the Old Bear (Cobham) and its tenant into the Ram Pub Company flock following the purchase of this freehold pub. Within our existing estate, we follow a structured and viable investment programme to ensure that each tenanted pub is maintained at an attractive standard to appeal to customers, current tenants and future business partners.

In the past year we've completed major developments at the Bristol Ram, Gardeners (Wandsworth), Grand Junction Arms (Harlesden), Grove House (Camberwell), Heartbreakers (Southampton), Prince William Henry (Southwark), Red Cow (Richmond) and the Robin Hood (Sutton).

TENANT ENGAGEMENT

Our tenanted model is focussed upon developing and maintaining businesses that offer a sustainable income for individual tenants and sustainable profits for Young's. It's a partnership built on trust and a common goal. Industry codes of practice mean that rents can move down as well as up. Our entrepreneurial tenants, supported by our own experienced in-house team, continue to operate bespoke offerings, tailored to attract customers in the communities they serve under the strapline "Everyone's local".

PROPERTY, TREASURY, GOING CONCERN, RETIREMENT BENEFITS, EXCEPTIONAL ITEMS AND TAX

PROPERTY

Our balance sheet strength is underpinned by our predominantly freehold estate in many highly desirable locations. 213 of our total 255 pubs are freehold or long leaseholds with peppercorn rents. Our total estate is now valued at £742.9 million (2017: £689.1 million). The increased value has been driven by acquisitions, major developments and improving existing pub values, especially in our London heartland, assisted by our improving trade.

Each year we undertake an exercise to revalue our pub estate to reflect current market values. Savills, an independent and leading commercial property adviser, revalued 20% of our estate, while an internal review of the remaining 80% was led by Andrew Cox, MRICS, our Director of Property and Tenancies. The valuation method used a number of inputs of which the sustainable level of trade of each pub is key. In accordance with International

Financial Reporting Standards, individual increases in value have been reflected in the revaluation reserve in the balance sheet (except to the extent that they had previously been revalued downwards) and individual falls in value below depreciated cost have been accounted for through the income statement. None of these adjustments have a cash impact.

The pub property market in London and the surrounding areas has remained strong throughout the period, which, coupled with our continued trading performance, has resulted in a net upward revaluation movement of £29.5 million (2017: £22.6 million). This is comprised of an upward movement of £29.2 million (2017: £23.1 million) reflected in the revaluation reserve and a reversal of a previously revalued downward movement of £0.3 million (2017: £0.5 million of downward movement) recognised in the income statement under exceptional items.

TREASURY

We remain highly cash generative. Our operating cash flow was £61.4 million (2017: £63.5 million) with our premium business and predominantly freehold estate outperforming the market. The slight decrease of £2.1 million in the period was caused by an adverse movement in working capital.

Due to the increased acquisition activity and the larger purchases all falling in the second half of the year, our net debt has increased by £13.9 million to £140.5 million. Despite this increased outlay, our net debt to adjusted EBITDA ratio remains conservative and one of the lowest in the sector at 2.0 times (2017: 1.9 times). Gearing is just 25.6% (2017: 25.7%).

GOING CONCERN

Our total facilities remain at £175 million, with nothing now repayable until 2021. Of our drawn debt, 71.2% is on fixed interest rates.

During the year, we refinanced a number of our banking facilities and effectively extended their terms. In May 2017, we borrowed £20 million over a seven year period (£10 million from each of Barclays Bank plc and, a new lender to us, HSBC Bank plc) to enable an equivalent sum to be repaid to the Royal Bank of Scotland plc. In March 2018, we entered into a £75 million revolving credit facility split evenly with Barclays and HSBC until 2023 with an option to extend through to 2025, to replace the previous equivalent sum revolving credit facility with RBS and Barclays.

Given these long-term facilities, our freehold estate, significant free cash flow and the conservative financial ratios above, we have prepared these financial statements on a going concern basis.

RETIREMENT BENEFITS

We have a defined benefit pension scheme which has been closed to new entrants since 2003. During the course of the year, our pension and post retirement health care deficit has reduced by £6.7 million to £6.1 million. Compared with last year, we have witnessed a slight decrease in inflation and continued our commitment with another year of special contributions, this time totalling £1.2 million. We are committed to ensuring the pension scheme is adequately funded.

EXCEPTIONAL ITEMS

The majority of the £3.4 million exceptional items expenditure in the period relates to investment decisions to bring three tenanted pubs into our managed house estate and to acquire new businesses such as Smiths of Smithfield, the Park (Teddington) and the Bridge (Chertsey). Acquisition costs associated with business combinations have gone up as a result of increased activity this year: £1.2 million (2017: £0.2 million).

From time to time, we believe that we can achieve greater shareholder returns within our managed estate for certain pubs than within the Ram Pub Company. When this happens, and when the time is right for our tenants and us, we agree with the tenant the amount of any compensation payable to terminate their lease agreements early. This compensation is expensed under IFRS and has been included within exceptional items.

The remaining exceptional items relate to a net increase in the property valuation of our estate of £0.3 million, as mentioned previously, along with a profit on disposal of a small number of tenanted pubs of £0.3 million.

Last year's exceptional items included a £0.7 million loss flowing from the expiry of our leases at Heathrow for the Three Bells and the Five Tuns, with the majority reflecting the write-off of goodwill recognised on the initial acquisition of Geronimo in December 2010.

TAX

Our corporation tax charge for the year was £7.5 million (2017: £7.0 million), with a fall of 0.5% pts in our effective corporation tax rate for the year, adjusted for exceptional items, to 19.3% mainly due to the decrease in the headline UK corporation tax rate to 19.0%.

The group's tax strategy has been published on the Young's website in accordance with recent UK tax law.

SHAREHOLDER RETURNS

Having started life in 1831, Young's is a long-standing business and we are determined to continue our long-term, sustainable growth story. We continue to deliver strong performances from our developments, focussing on both immediate and maintainable gains.

Our strong and sustainable cash flows support our acquisition and development programs to maintain our pubs at the premium end of the market, maximise future returns, maintain net debt at acceptable levels and to continue our proud record of consecutive dividend increases.

This year, we are pleased to recommend raising the annual dividend for the 21st consecutive year, by 6.0% again, to 10.20 pence. If approved by shareholders, this represents a total dividend for the year of 19.61 pence (2017: 18.50 pence), representing a real income increase from Young's shares.

Our adjusted earnings per share now stands at 67.74 pence per share, up 2.0%. On an unadjusted basis, earnings per share rose by 0.1% to 61.60 pence. These earnings per share figures result in a healthy dividend cover of 3.5 times and 3.1 times respectively.

OUTLOOK

We have certainly enjoyed a couple of very warm and sunny weeks recently. The first May Day Bank Holiday was a record breaker for many of our garden and riverside pubs. A welcome boost at the start of the new financial year, when we are up against very strong comparatives in the previous year. Managed houses revenue in the first seven weeks was up 11.0% in total and up 7.5% on a like-for-like basis.

British consumers have had a tough time of late. However, things are slowly beginning to look a little brighter with real wages now increasing, the rate of inflation decreasing and unemployment continuing to fall.

Our pub individuality, alongside our ability to give our talented general managers the freedom and flexibility to continue to innovate, is paramount to our continued success. Each general manager shares the belief of making their pub "famous for" whatever the community they serve requires, whether it be fabulous fish at the Crown and Anchor (Chichester), award-winning steaks at the Guinea (Mayfair) or continuing an association with a charity walk launched in 1979 by a trio of regulars at the Nightingale (Wandsworth).

This coming year, we face the second consecutive business rates increase, this time c. £1.6 million (2018: £1.8 million). Although we welcomed the Chancellor's announcement in the spring statement to bring forward the next rates valuation, we were disappointed that it didn't go far enough to modernise the method of calculating business rates in this growing digital age.

Against cost pressures, we're confident that the investments we've made during the past year will continue to propel us forward. Our investment in our new till technology will create further opportunities and bring productivity gains while our structured and sustainable investment programme and acquisitions will bear fruit in the coming year when we will see the full year benefit of Smiths of Smithfield (Smithfield Market) and the recently renamed Candlemaker (Cannon Street). We'll also benefit from a full year of the three transfers made last year from the Ram Pub Company into managed houses.

We still have plenty of opportunities to invest in our existing estate and we will also start to see a good return from the recently acquired Park (Teddington) and Bridge (Chertsey). Our new pub the Naturalist (Woodberry Down) also opens its doors later in the year. We are active in the acquisition market. Whilst we have the necessary firepower thanks to our robust balance sheet, our strict internal investment criteria remain: for us it's about quality. We believe plenty of opportunities exist in our sector.

Although uncertainty prevails in both the political and economic environment, we are confident that our strategy of running differentiated well-invested, individual, premium pubs in high-demand locations will continue to deliver superior shareholder returns. By remaining flexible in our offer and investing in our people and technology, we will also continue to deliver outstanding customer service. Together, these create a recipe where the traditional British pub will never go out of fashion. As a result, I'm both excited and optimistic about the year ahead.

Patrick Dardis
Chief Executive
23 May 2018

GROUP INCOME STATEMENT
For the 52 weeks ended 2 April 2018

	Notes	**2018 52 weeks £m**	2017 53 weeks £m
Revenue		**279.3**	268.9
Operating costs before exceptional items		**(232.4)**	(222.8)
Operating profit before exceptional items		**46.9**	46.1
Operating exceptional items	3	**(3.4)**	(3.4)
Operating profit		**43.5**	42.7
Finance costs		**(5.6)**	(5.5)
Other finance charges		**(0.3)**	(0.2)
Profit before tax		**37.6**	37.0
Taxation	5	**(7.5)**	(7.0)
Profit for the period attributable to shareholders of the parent company		**30.1**	30.0

		Pence	Pence
Earnings per 12.5p ordinary share			
Basic	7	**61.60**	61.51
Diluted	7	**61.56**	61.47

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 2 April 2018

	Notes	**2018 52 weeks £m**	2017 53 weeks £m
Profit for the period		**30.1**	30.0
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Unrealised gain on revaluation of property	8	**29.2**	23.1
Remeasurement of retirement benefit schemes	9	**5.8**	(7.7)
Tax on above components of other comprehensive income		**(4.5)**	1.2
Items that will be reclassified subsequently to profit or loss:			
Fair value movement of interest rate swaps		**4.3**	1.3
Tax on fair value movement of interest rate swaps		**(0.7)**	(0.3)
		34.1	17.6
Total comprehensive income for shareholders of the parent company		**64.2**	47.6

GROUP BALANCE SHEET

At 2 April 2018

	Notes	**2018 £m**	2017 £m
Non-current assets			
Goodwill		**19.7**	19.9
Property and equipment	8	**742.9**	689.1
Deferred tax assets		**6.4**	7.4
Lease premiums		**13.6**	7.6
		782.6	724.0
Current assets			
Inventories		**3.0**	2.8
Trade and other receivables		**7.0**	7.2
Lease premiums		**0.8**	0.6
Cash		**7.2**	6.6
		18.0	17.2
Assets held for sale		**-**	1.3
Total assets		**800.6**	742.5
Current liabilities			
Borrowings		**(10.0)**	(28.5)
Derivative financial instruments		**(1.9)**	(2.9)
Trade and other payables		**(30.9)**	(35.3)
Income tax payable		**(4.3)**	(4.7)
		(47.1)	(71.4)
Non-current liabilities			
Borrowings		**(137.7)**	(104.7)
Derivative financial instruments		**(4.7)**	(7.9)
Deferred tax liabilities		**(54.6)**	(51.6)
Retirement benefit schemes	9	**(6.1)**	(12.8)
Other liabilities		**(1.2)**	(1.1)
		(204.3)	(178.1)
Total liabilities		**(251.4)**	(249.5)
Net assets		**549.2**	493.0
Capital and reserves			
Share capital		**6.1**	6.1
Share premium		**5.7**	5.2
Capital redemption reserve		**1.8**	1.8
Hedging reserve		**(5.2)**	(8.8)
Revaluation reserve		**273.3**	247.7
Retained earnings		**267.5**	241.0
Total equity		**549.2**	493.0

GROUP STATEMENT OF CASH FLOW
For the 52 weeks ended 2 April 2018

	Notes	**2018 52 weeks £m**	2017 53 weeks £m
Operating activities			
Net cash generated from operations	10	**61.4**	63.5
Tax paid		**(9.1)**	(7.6)
Net cash flow from operating activities		**52.3**	55.9
Investing activities			
Sale of property and equipment		**2.1**	0.4
Purchases of property, equipment and lease premiums		**(30.4)**	(34.5)
Business combinations, net of cash acquired		**(23.0)**	(3.8)
Net cash used in investing activities		**(51.3)**	(37.9)
Financing activities			
Interest paid		**(5.3)**	(5.7)
Issued equity		**-**	0.2
Equity dividends paid	6	**(9.3)**	(8.7)
Repayment of borrowings		**(20.0)**	(10.4)
Proceeds from borrowings		**34.2**	-
Net cash flow used in financing activities		**(0.4)**	(24.6)
Increase/(decrease) in cash		**0.6**	(6.6)
Cash at the beginning of the period		**6.6**	13.2
Cash at the end of the period		**7.2**	6.6

GROUP STATEMENT OF CHANGES IN EQUITY

At 2 April 2018

	Notes	Share capital[1] £m	Capital redemption reserve £m	Hedging reserve £m	Revaluation reserve £m	Retained earnings £m	Total equity £m
At 28 March 2016		**10.2**	**1.8**	**(9.8)**	**224.6**	**225.7**	**452.5**
Total comprehensive income							
Profit for the period - 53 weeks		-	-	-	-	30.0	30.0
Other comprehensive income							
Unrealised gain on revaluation of property	8	-	-	-	23.1	-	23.1
Remeasurement of retirement benefit schemes	9	-	-	-	-	(7.7)	(7.7)
Fair value movement of interest rate swaps		-	-	1.3	-	-	1.3
Tax on above components of other comprehensive income		-	-	(0.3)	0.1	1.1	0.9
		-	-	1.0	23.2	(6.6)	17.6
Total comprehensive income		-	-	1.0	23.2	23.4	47.6
Transactions with owners recorded directly in equity							
Share capital issued		1.1	-	-	-	-	1.1
Dividends paid on equity shares		-	-	-	-	(8.7)	(8.7)
Revaluation reserve realised on disposal of properties		-	-	-	(0.1)	0.1	-
Share based payments		-	-	-	-	0.4	0.4
Tax on share based payments		-	-	-	-	0.1	0.1
		1.1	-	-	(0.1)	(8.1)	(7.1)
At 3 April 2017		**11.3**	**1.8**	**(8.8)**	**247.7**	**241.0**	**493.0**
Total comprehensive income							
Profit for the period - 52 weeks		-	-	-	-	30.1	30.1
Other comprehensive income							
Unrealised gain on revaluation of property	8	-	-	-	29.2	-	29.2
Remeasurement of retirement benefit schemes	9	-	-	-	-	5.8	5.8
Fair value movement of interest rate swaps		-	-	4.3	-	-	4.3
Tax on above components of other comprehensive income		-	-	(0.7)	(3.5)	(1.0)	(5.2)
		-	-	3.6	25.7	4.8	34.1
Total comprehensive income		-	-	3.6	25.7	34.9	64.2
Transactions with owners recorded directly in equity							
Share capital issued		0.5	-	-	-	-	0.5
Dividends paid on equity shares		-	-	-	-	(9.3)	(9.3)
Revaluation reserve realised on disposal of properties		-	-	-	(0.1)	0.1	-
Share based payments		-	-	-	-	0.6	0.6
Tax on share based payments		-	-	-	-	-	-
Movement in shares held by The Ram Brewery Trust II		-	-	-	-	0.2	0.2
		0.5	-	-	(0.1)	(8.4)	(8.0)
At 2 April 2018		**11.8**	**1.8**	**(5.2)**	**273.3**	**267.5**	**549.2**

[1] Total share capital comprises the nominal value of the share capital issued and fully paid of £6.1 million (2017: £6.1 million) and the share premium account of £5.7 million (2017: £5.2 million). Share capital issued in the period comprises the nominal value of £nil (2017: £nil) and share premium of £0.5 million (2017: £1.1 million).

1. Accounts

This preliminary announcement was approved by the board on 23 May 2018. The financial statements in it are not the group's statutory financial statements. The statutory financial statements for the period ended 3 April 2017 have been delivered to the Registrar of Companies. The auditor has reported on those financial statements and on the statutory financial statements for the period ended 2 April 2018, which are expected to be delivered to the Registrar of Companies shortly. Both audit reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the reports and did not contain any statement under s.498(2) or (3) of the Companies Act 2006.

The current period and prior period relate to the 52 weeks ended 2 April 2018 and the 53 weeks ended 3 April 2017 respectively. The financial statements are presented in pounds sterling and all values are rounded to the nearest hundred thousand (£0.1 million) except where otherwise indicated.

This preliminary announcement has been agreed with the company's auditor for release.

The audited financial information in this statement has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. The accounting policies used have been consistently applied and are described in full in the statutory financial statements for the period ended 2 April 2018, which are expected to be mailed to shareholders on or before 13 June 2018. The financial statements will also be available on the group's website, www.youngs.co.uk.

2. Segmental reporting

The group is organised into the reporting segments referred to below. These segments are based on the different resources and risks involved in the running of the group. The executive board of the group internally reviews each reporting segment's operating profit or loss before exceptional items for the purpose of deciding on the allocation of resources and assessing performance.

The group has three operating segments: Young's managed houses, Geronimo managed houses and the Ram Pub Company. Both Young's and Geronimo managed houses operate pubs. Revenue is derived from sales of drink, food and the provision of accommodation. Due to common economic characteristics, similar product offerings and customers, the Young's managed houses and Geronimo managed houses operating segments have been reported below as a single reportable segment: managed houses. The Ram Pub Company consists of pubs owned or leased by the company and leased or sub leased to third parties. Revenue is derived from rents payable by, and sales of drink made to, tenants. Unallocated relates to head office costs.

Total segment revenue is derived externally with no intersegment revenues between the segments in either period. The group's revenue is derived entirely from the UK.

Income statement	**Managed houses**	**Ram Pub Company**	**Segments total**	**Unallocated**	**Total**
2018 - 52 weeks	**£m**	**£m**	**£m**	**£m**	**£m**
Total segment revenue	**266.4**	**12.6**	**279.0**	**0.3**	**279.3**
Operating profit/(loss) before exceptional items	**60.7**	**4.4**	**65.1**	**(18.2)**	**46.9**
Operating exceptional items	**(4.0)**	**0.6**	**(3.4)**	**-**	**(3.4)**
Operating profit/(loss)	**56.7**	**5.0**	**61.7**	**(18.2)**	**43.5**
2017 - 53 weeks					
Total segment revenue	254.8	13.8	268.6	0.3	268.9
Operating profit/(loss) before exceptional items	59.7	5.1	64.8	(18.7)	46.1
Operating exceptional items	(4.7)	1.3	(3.4)	-	(3.4)
Operating profit/(loss)	55.0	6.4	61.4	(18.7)	42.7

The following is a reconciliation of the operating profit to the profit before tax:

	2018 52 weeks £m	2017 53 weeks £m
Operating profit	**43.5**	42.7
Finance costs	**(5.6)**	(5.5)
Other finance charges	**(0.3)**	(0.2)
Profit before tax	**37.6**	37.0

3. Exceptional items

	2018 52 weeks £m	2017 53 weeks £m
Amounts included in operating profit:		
Upward movement on the revaluation of properties[1] (note 8)	**2.1**	3.0
Downward movement on the revaluation of properties[1] (note 8)	**(1.8)**	(3.5)
Tenant compensation[2]	**(2.8)**	(2.0)
Acquisition costs[3]	**(1.2)**	(0.2)
Goodwill disposal[4]	**-**	(0.7)
Net profit on sale of properties[5]	**0.3**	-
Loss on disposal of property[6]	**(0.5)**	-
Onerous lease provision released on disposal of property[6]	**0.5**	-
	(3.4)	(3.4)
Exceptional tax:		
Tax attributable to above adjustments	**0.4**	0.1
Change in corporation tax rate	**-**	0.9
	0.4	1.0
Total exceptional items after tax	**(3.0)**	(2.4)

(1) The movement on the revaluation of properties is a non-cash item that relates to the revaluation exercise that was completed based on the period end date. The revaluation was conducted at an individual pub level and identified an upward movement of £2.1 million (2017: £3.0 million) representing reversals of previous impairments recognised in the income statement, and a downward movement of £1.8 million (2017: £3.5 million), representing downward movements in excess of amounts recognised in equity. These resulted in a net upward movement of £0.3 million (2017: £0.5 million net downward) which has been recognised in the income statement. The upward movement for the period ended 2 April 2018 was split between land and buildings of £0.3 million upward (2017: £0.5 million downward) and fixtures and fittings of £nil (2017: £nil).

(2) During the period, the group paid £2.8 million to the previous tenants of the Hope & Anchor (Brixton), Grove (Camberwell) and the King's Arms (Wandsworth), and in the prior period, £2.0 million to the previous tenants of the Woolpack (Bermondsey), in each case to terminate their lease agreement early.

(3) The acquisition costs relate to the purchase of the Chequers Inn (Hanham Mills), Smiths of Smithfield (Smithfield Market), Smiths (Cannon Street), Park (Teddington) and the Bridge (Chertsey). They include legal and professional fees and stamp duty land tax. The prior period acquisition costs related to the purchases of the Blue Boar (Chipping Norton) and the Riverstation (Bristol).

(4) The prior period goodwill disposal was a non-cash item and related to the Three Bells (Heathrow Airport) and the Five Tuns (Heathrow Airport) whose leases expired during the prior period. The Three Bells and Five Tuns formed part of the Geronimo group of cash generating units (which are pubs under the Geronimo concept) and fell within the Geronimo managed houses segment.

(5) The profit on sale of properties relates to the difference between the cash, less selling costs, received from the sale of the King's Arms (Epsom) and the carrying value of the assets on the date of sale. In the prior period there was no profit or loss from the sale of properties.

(6) The loss on disposal of properties relates to the difference between cash, less selling costs, received from the sale of the Court House (Dartford) and the carrying value of the net assets at the date of sale. Previously an onerous lease was recognised in respect of the property which was subsequently released on disposal.

4. Other financial measures

The table below shows how adjusted group EBITDA, operating profit and profit before tax have been arrived at. They exclude exceptional items which due to their material or non-recurring nature distort the group's performance. These alternative performance measures have been provided to help investors assess the group's underlying performance. Details of the exceptional items can be seen in note 3. All the results below are from continuing operations.

	2018 - 52 weeks			2017 - 53 weeks		
	Unadjusted £m	**Exceptional items £m**	**Adjusted £m**	Unadjusted £m	Exceptional items £m	Adjusted £m
EBITDA	**65.0**	**3.7**	**68.7**	63.6	2.9	66.5
Depreciation and net movement on the revaluation of properties	**(20.8)**	**(0.3)**	**(21.1)**	(20.3)	0.5	(19.8)
Amortisation of lease premiums	**(0.7)**	**-**	**(0.7)**	(0.6)	-	(0.6)
Operating profit	**43.5**	**3.4**	**46.9**	42.7	3.4	46.1
Net finance costs	**(5.6)**	**-**	**(5.6)**	(5.5)	-	(5.5)
Other finance charges	**(0.3)**	**-**	**(0.3)**	(0.2)	-	(0.2)
Profit before tax	**37.6**	**3.4**	**41.0**	37.0	3.4	40.4

5. Taxation

Tax charged in the group income statement	**2018 52 weeks £m**	2017 53 weeks £m
Current tax		
Current tax expense	**8.7**	8.9
Adjustment in respect of current tax of prior periods	**-**	0.2
	8.7	9.1
Deferred tax		
Origination and reversal of temporary differences	**(1.2)**	(0.7)
Change in corporation tax rate	**-**	(0.9)
Adjustment in respect of deferred tax of prior periods	**-**	(0.5)
	(1.2)	(2.1)
Tax expense	**7.5**	7.0

Deferred tax in the group income statement		
Property revaluation and disposals	**(0.5)**	(1.4)
Capital allowances	**(0.9)**	(0.7)
Retirement benefit schemes	**0.2**	0.1
Share based payments	**-**	(0.1)
Tax credit	**(1.2)**	(2.1)

Deferred tax in the group statement of comprehensive income		
Property revaluation and disposals	**3.5**	2.0
Retirement benefit schemes	**1.0**	(1.4)
Interest rate swaps	**0.7**	0.2
Change in corporation tax rate	**-**	(1.7)
Tax charge / (credit)	**5.2**	(0.9)

Changes to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and then to 17% (effective from 1 April 2020) were substantively enacted into law on 6 September 2016. Deferred tax balances that will be realised or settled between 3 April 2018 and 1 April 2020 have been measured at 19%, with the remainder re-measured at 17%.

6. Dividends on equity shares

	2018 52 weeks Pence	2017 53 weeks Pence	**2018 52 weeks £m**	2017 53 weeks £m
Final dividend (previous period)	**9.62**	9.07	**4.7**	4.4
Interim dividend (current period)	**9.41**	8.88	**4.6**	4.3
	19.03	17.95	**9.3**	8.7

In addition, the board is proposing a final dividend in respect of the period ended 2 April 2018 of 10.20 pence per share at a cost of £5.0 million. If approved, it is expected to be paid on 12 July 2018 to shareholders who are on the register of members at the close of business on 8 June 2018.

7. Earnings per ordinary share

(a) Earnings

	2018 52 weeks £m	2017 53 weeks £m
Profit attributable to equity shareholders of the parent	**30.1**	30.0
Operating exceptional items	**3.4**	3.4
Tax attributable to above adjustments	**(0.4)**	(0.1)
Change in corporation tax rate	**-**	(0.9)
Adjusted earnings after tax	**33.1**	32.4

	Number	Number
Basic weighted average number of ordinary shares in issue	**48,862,927**	48,774,457
Dilutive potential ordinary shares from outstanding employee share options	**33,413**	26,331
Diluted weighted average number of shares	**48,896,340**	48,800,788

(b) Basic earnings per share

	Pence	Pence
Basic	**61.60**	61.51
Effect of exceptional items and other adjustments	**6.14**	4.92
Adjusted basic	**67.74**	66.43

(c) Diluted earnings per share

	Pence	Pence
Diluted	**61.56**	61.47
Effect of exceptional items and other adjustments	**6.13**	4.92
Adjusted diluted	**67.69**	66.39

The basic earnings per share figure is calculated by dividing the profit attributable to equity shareholders of the parent for the period by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share have been calculated on a similar basis taking into account 33,413 (2017: 26,331) dilutive potential shares under the SAYE scheme.

Adjusted earnings per share are presented to eliminate the effect of the exceptional items and the tax attributable to those items on basic and diluted earnings per share.

8. Property and equipment

	Land & buildings £m	Fixtures, fittings & equipment £m	Total £m
Cost or valuation			
At 28 March 2016	**623.8**	**118.8**	**742.6**
Additions	9.4	25.0	34.4
Business combinations	3.0	0.8	3.8
Disposals	(0.3)	(0.2)	(0.5)
Transfer out to assets held for sale	(1.6)	(0.3)	(1.9)
Fully depreciated assets	(6.5)	(22.8)	(29.3)
Revaluation(1)			
-effect of upward movement in property valuation	27.0	-	27.0
-effect of downward movement in property valuation	(7.5)	-	(7.5)
At 3 April 2017	**647.3**	**121.3**	**768.6**
Additions	9.3	20.7	30.0
Business combinations	12.7	3.5	16.2
Disposals	(1.0)	-	(1.0)
Fully depreciated assets	(0.7)	(11.3)	(12.0)
Transfers from lease premiums	0.4	-	0.4
Transfer in from subsidiary companies	-	-	-
Revaluation(1)			-
-effect of upward movement in property valuation	32.5	-	32.5
-effect of downward movement in property valuation	(4.9)	-	(4.9)
At 2 April 2018	**695.6**	**134.2**	**829.8**
Depreciation and impairment			
At 28 March 2016	**38.9**	**53.9**	**92.8**
Depreciation charge	1.6	18.2	19.8
Disposals	-	(0.1)	(0.1)
Transfer out to assets held for sale	(0.4)	(0.2)	(0.6)
Fully depreciated assets	(6.5)	(22.8)	(29.3)
Revaluation(1)			
-effect of downward movement in property valuation	3.6	-	3.6
-effect of upward movement in property valuation	(6.7)	-	(6.7)
At 3 April 2017	**30.5**	**49.0**	**79.5**
Depreciation charge	1.8	19.3	21.1
Disposals	-	-	-
Fully depreciated assets	(0.7)	(11.3)	(12.0)
Transfers from lease premiums	0.2	-	0.2
Transfer in from subsidiary companies	-	-	-
Revaluation(1)			-
-effect of downward movement in property valuation	1.8	-	1.8
-effect of upward movement in property valuation	(3.7)	-	(3.7)
At 2 April 2018	**29.9**	**57.0**	**86.9**
Net book value			
At 28 March 2016	584.9	64.9	649.8
At 3 April 2017	616.8	72.3	689.1
At 2 April 2018	**665.7**	**77.2**	**742.9**

(1) The group's net book value uplift during the period was £29.5 million (2017: £22.6 million). This uplift was recognised either in the revaluation reserve or the income statement, as appropriate. The impact of the revaluations was as follows:

	2018 £m	2017 £m
Income statement		
Revaluation loss charged as impairment	(1.8)	(3.5)
Reversal of past impairment	2.1	3.0
	0.3	**(0.5)**
Revaluation reserve		
Unrealised revaluation surplus	34.1	30.7
Reversal of past surplus	(4.9)	(7.6)
	29.2	**23.1**
Net revaluation increase in property	**29.5**	**22.6**

9. Retirement benefit schemes

Movement in scheme deficits in the period

	2018 Pension scheme £m	**2018 Health care scheme £m**	**2018 Total £m**	2017 Pension scheme £m	2017 Health care scheme £m	2017 Total £m
Changes in the present value of the schemes are as follows:						
Opening deficit	**(8.8)**	**(4.0)**	**(12.8)**	(2.2)	(4.1)	(6.3)
Current service cost	**(0.3)**	**-**	**(0.3)**	(0.3)	-	(0.3)
Contributions	**1.3**	**0.2**	**1.5**	1.5	0.2	1.7
Other finance charges	**(0.2)**	**(0.1)**	**(0.3)**	(0.1)	(0.1)	(0.2)
Remeasurement through other comprehensive income	**5.6**	**0.2**	**5.8**	(7.7)	-	(7.7)
Closing deficit	**(2.4)**	**(3.7)**	**(6.1)**	(8.8)	(4.0)	(12.8)

10. Net cash generated from operations and analysis of net debt

	2018 52 weeks £m	2017 53 weeks £m
Profit before tax on continuing operations	**37.6**	37.0
Net finance cost	**5.6**	5.5
Other finance charges	**0.3**	0.2
Operating profit on continuing operations	**43.5**	42.7
Depreciation	**21.1**	19.8
Amortisation of lease premiums	**0.7**	0.6
Goodwill impairment	**0.2**	0.7
Movement on revaluation of properties	**(0.3)**	0.5
Net profit on sales of property	**(0.3)**	-
Loss on disposal	**0.5**	-
Difference between pension service cost and cash contributions paid	**(1.2)**	(1.4)
Movement in other provisions	**0.1**	0.1
Share based payments	**0.6**	0.4
Movements in working capital		
- Inventories	**(0.2)**	(0.3)
- Receivables	**0.4**	(0.8)
- Payables	**(3.7)**	1.2
Net cash generated from operations	**61.4**	63.5

Analysis of net debt

	2018 **£m**	2017 £m
Cash	**7.2**	6.6
Current borrowings - current borrowings and loan capital	**(10.0)**	(28.5)
Non-current borrowings - loan capital and finance lease	**(137.7)**	(104.7)
Net debt	**(140.5)**	(126.6)

11. Post balance sheet events

There were no post balance sheet events apart from the acquisition of the Naturalist (Woodberry Down).