



3 August 2006

## **Young & Co.'s Brewery, P.L.C.**

### **Disposal of Wandsworth Sites for £69 million**

The Board of Young & Co.'s Brewery, P.L.C. (the "Company" or "Young's") announces that it has today exchanged contracts for the unconditional sale (the "Disposal") of the Ram Brewery site and the nearby Buckhold Road offices in Wandsworth, South West London (the "Wandsworth sites") to Minerva plc ("Minerva").

The cash consideration for the Disposal is £69m made up as follows:

- a deposit of £14m payable today;
- £8.5m payable in June 2007, on completion of the sale of the Buckhold Road site; and
- £46.5m payable in January 2008, on completion of the sale of the Ram Brewery site.

All payments are unconditional and are guaranteed by Minerva plc, a company listed on the main market of the London Stock Exchange.

The net book value of the Wandsworth sites was £11.3m as at 1 April 2006 and there are £13.4m of additional assets connected with the wholesaling activities on these sites which will no longer be needed by the Company. Assuming reinvestment of the Disposal proceeds, the Board expects that the taxable gains on the Disposal should not be crystallised.

Excluded from the sale is the Brewery Tap public house, which is located on the brewery site, in the heart of Wandsworth at the junction between Ram Street and Wandsworth High Street. This is the site of the original "Ramme Inn", the origins of the brewery dating back to 1539.

In addition, Young's has entered into further agreements with Minerva providing it with a right of first refusal, at not more than open market value, on the lease or sale of:

- any part of the site that is to be used as a licensed property; and
- if suitable planning permission is received, up to 22,000sq ft of office space on the Buckhold Road site.

## **The continuing Young's business:**

Following the creation of Wells & Young's Brewing Company ("Wells & Young's") and the Disposal, Young's will be operationally focused on its high quality retail pub business.

Since the start of the current financial year, Young's has acquired 10 pubs, with two further pubs scheduled for completion tomorrow and a third due to complete on 7 August. These acquisitions represent an investment of £24.7m. Key additions to the estate include the Fire Stables, Wimbledon, the Grange, Ealing, Prince Alfred, Maida Vale, the Hand & Spear, Weybridge and the Crown & Anchor in Chichester. Following these acquisitions, Young's will have 221 managed and tenanted pubs in London and Southern England.

The Board believes that the Disposal, together with the creation of Wells & Young's, will drive a step change in the Company's financial performance and that the substantial amount of capital released over the next 18 months will enable significant investment in the growth opportunities open to the Company.

The Board will evaluate the appropriate capital structure for the continuing business and will take into account the extended period during which the proceeds from the Disposal will be received. This evaluation will balance, at the time the proceeds are received, the benefits of reinvestment in the business with those of returning capital to shareholders.

Enquiries:

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