

Results Presentation

53 weeks ended 2 April 2005

2005



Introduction

- Operating highlights Stephen Goodyear
- Financial review Peter Whitehead
- Young's Retail Patrick Dardis
- Brewing and brands Stephen Goodyear
- Prospects Peter Whitehead
- Strategy Stephen Goodyear



Operating Highlights

2025





Operating highlights

- Solid performance across the business
- Managed and tenanted houses increase sales and profits
- Investment in Young's brand drives volumes and sales
- Total beer production up 15% to over 168,000 barrels
- New distribution wins with key pub groups
- Active management improves quality of retail estate

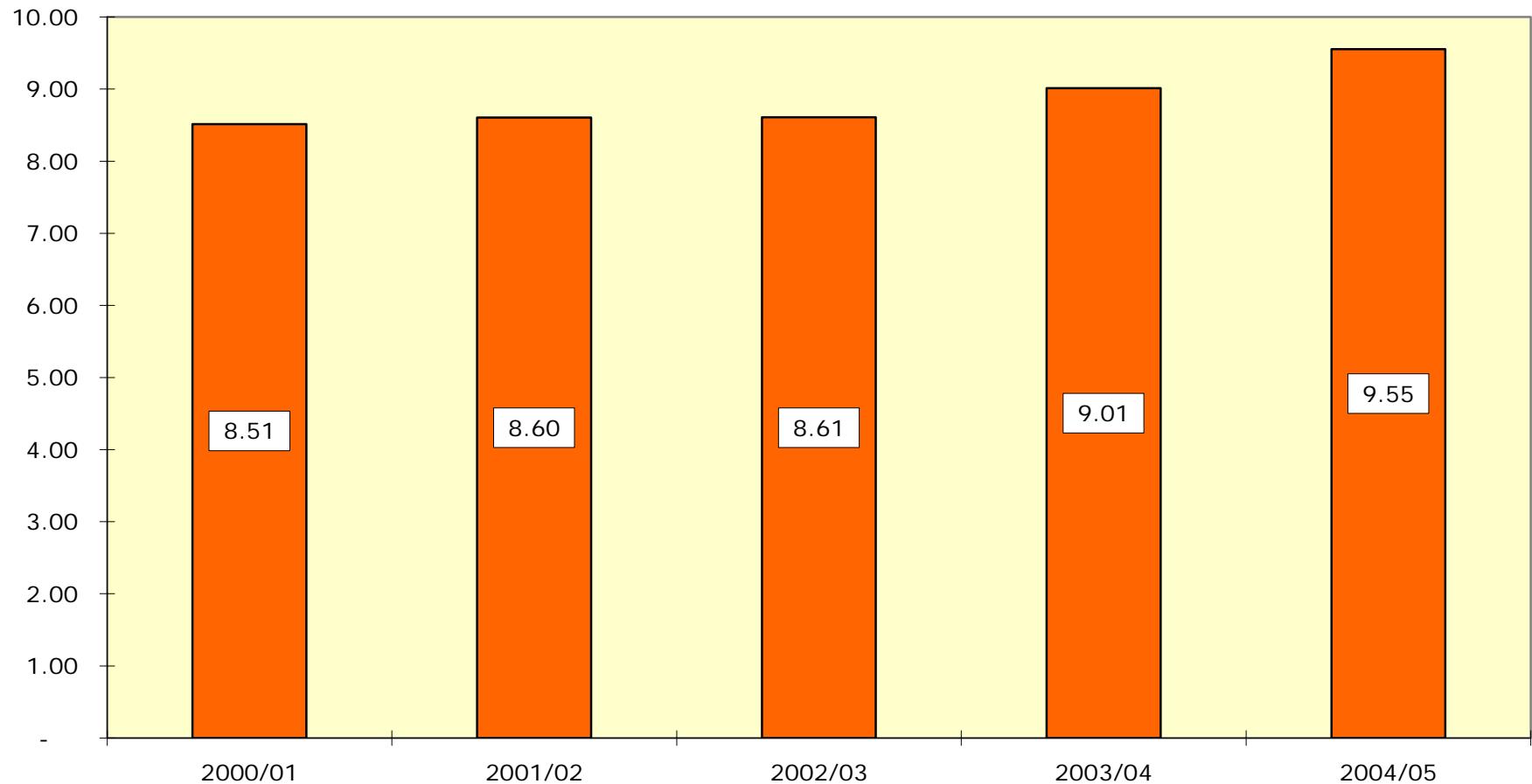


Financial Review

2025



Adjusted profit before tax £M

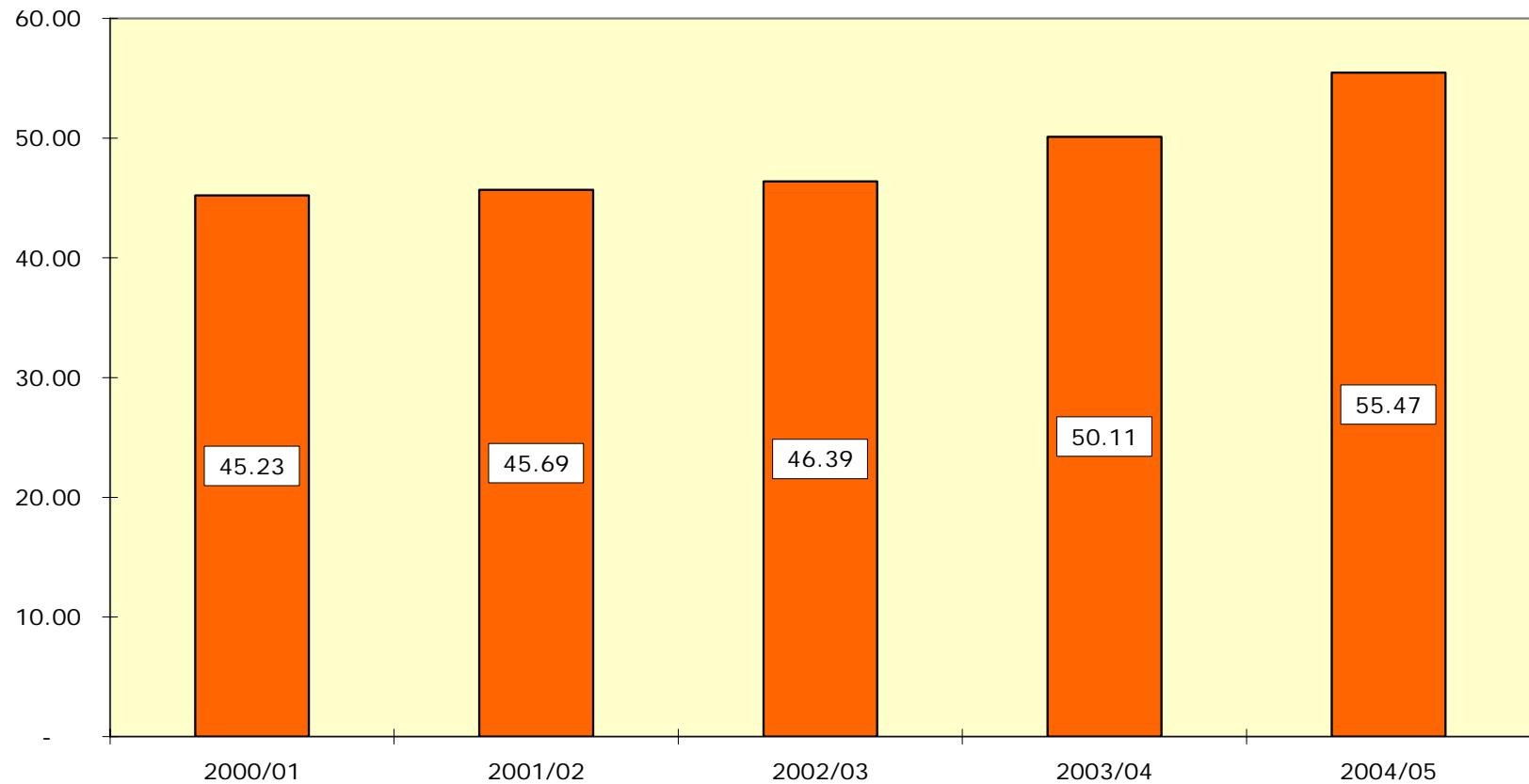


Financial highlights

- Turnover £119.5M up 6.7%
- Profit before tax and exceptionals £9.6M up 6.0%
- Adjusted earnings per share 55.47p up 10.7%
- Reported earnings per share 56.36p up 15.1%
- Dividend per share 23.65p up 5.1%
- Net assets per share £12.48 up 2.8%



Adjusted earnings per share (pence per share)

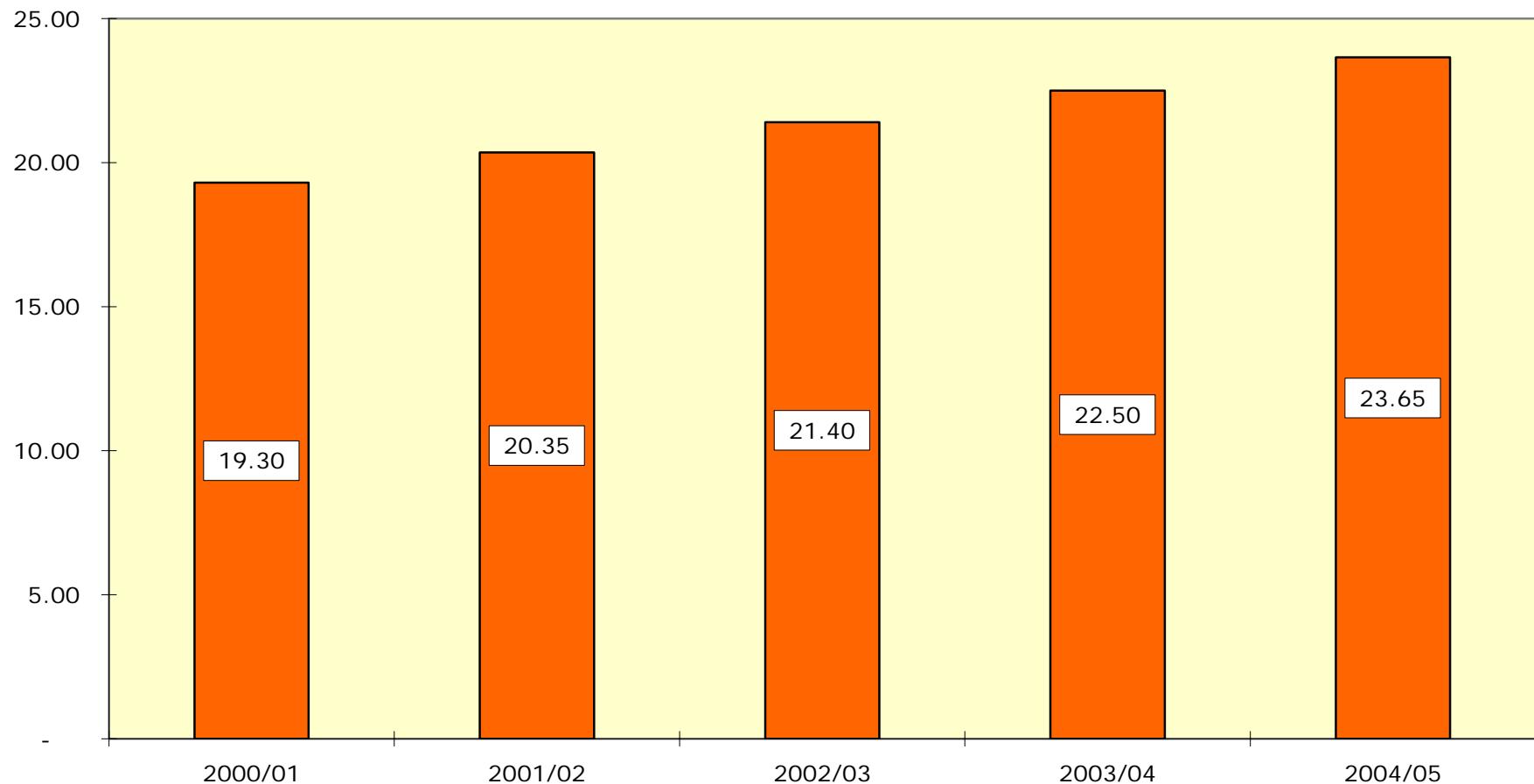


Solid cash flow

	2005 £M	2004 £M
EBITDA	21.7	20.2
EBT share movements	0.3	(0.1)
Site review costs	(0.5)	-
Working capital movements	2.8	0.1
Interest, tax and dividends	(10.0)	(8.7)
Free cash flow	<hr/> 14.3	<hr/> 11.5
Capital expenditure	(15.5)	(12.5)
Asset disposals	4.4	1.1
Share repurchases	-	(5.7)
Decrease/(increase) in net debt	<hr/> 3.2	<hr/> (5.6)
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Dividend per share (pence per share)



Asset backed dividend growth

	2005	2004
Equity	£143.3M	£139.2M
Net debt	£53.0M	£56.2M
Percentage fixed rate	74%	71%
Gearing	37.0%	40.3%
Interest cover	3.4 times	3.5 times
Dividend cover	2.4 times	2.2 times
Net asset per share	£12.48	£12.14



Young's Retail

2005





Retail highlights

**Retail success is the result of delighting our customers with
stylish pubs, great service, quality food and unique beers**

- Total retail turnover up 6.7%, operating profit up 7.9%
- Managed turnover up 7.0%, operating profit up 9.7%
- Food sales up 14.5% with increased margins
- Tenanted turnover up 4.8%, operating profit up 0.8%
- Active management of retail estate





Estate profile

	2004	+	-	Transfers (net)	2005
Managed	99	3	(5)	-	97
Inns	13	-	-	(1)	12
Tenanted	95	4	(1)	1	99
Total	207	7	(6)	-	208
Freehold	160	7	(3)	-	164



YOUNG'S



Managed estate development

- £8.8M capital expenditure on the managed estate
- Eight major developments completed
- Three acquisitions: White Hart, Penny Black and the Bell
- Three leasehold disposals
- Two freehold disposals
- Transfer of the Lamb, Hindon and Next Door to tenancy
- Dukes Head, Putney transferred from tenanted
- Managed estate at year end comprised 109 houses





Managed house operating highlights

- Turnover up 7.0% and operating profit up 9.7%
- Like for like turnover and profits up 2.0% and 5.7%
- Food sales up 14.5% plus improved margins
- Property repair expenditure £1.4M up £0.3M
- Minimum wage up 7.8%
- Focus on training and licensee development





Inns

	2005	2004	Change
Inn rooms	326	341	(15)
Total rooms *	372	387	(15)
Room rates	£59.89	£60.15	(£0.26)
Occupancy	63.0%	62.2%	+0.8%
RevPar	£37.73	£37.41	+£0.32

Total profits from Inns up 16.8%

*Includes rooms within the managed pubs





Tenancies

- Turnover was up by 4.8% and operating profit was up by 0.8%
- Like for like operating profit increased by 2.9%
- Four pubs acquired: Two Doves, Bell, Unicorn, Lord Nelson
- We invested £4.8 million in our estate
- Major refurbishments completed at Old House at Home and Railway Telegraph
- Maltese Cat sold and a net transfer of one pub from management
- Tenanted division has 99 pubs four higher than last year



Brewing and brands

2015

BITTER





Brewing and brands

- Total production up 15% exceeding 168,000 barrels
- £1 million pounds invested in supporting Young's Bitter
- Young's Bitter volume up 9.5% in a declining cask ale market
- Young's Bitter now the fourth largest cask ale in London and the 10th in UK
- Key distribution gains with Spirit Group, Mitchells & Butlers, Punch and Enterprise
- Young's Bitter awarded Champion status by National Drinks Distributors for a third year running
- Relaunched the Waggle Dance brand in take home

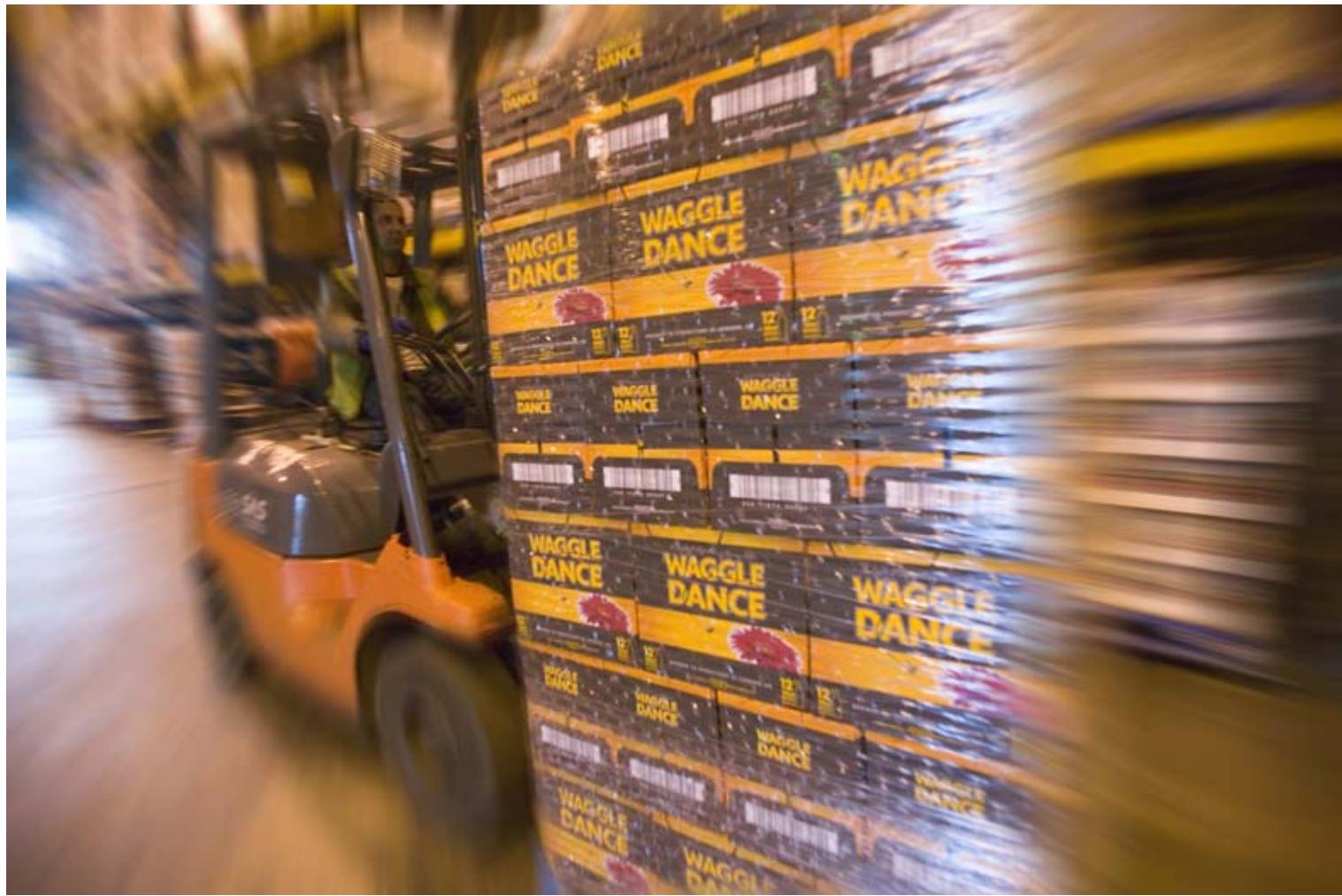




Total beer volumes

	Volume %	% of Total
Tied	+0.8	48.3
Free	+6.8	46.4
Exports	+5.5	5.3
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Total	+3.7	100.0
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Own beer	+2.1	60.5
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Total beer production up including contract up 15%



Free trade and export volume

	Volume %	% of Total
Independent	+6.7	29.0
Wholesale	+33.3	13.8
Take home	+0.2	18.4
Multiple pub groups	+1.5	28.6
Exports	+5.5	10.2
Total	+6.7	100.0
Own beer	+3.7	85.3

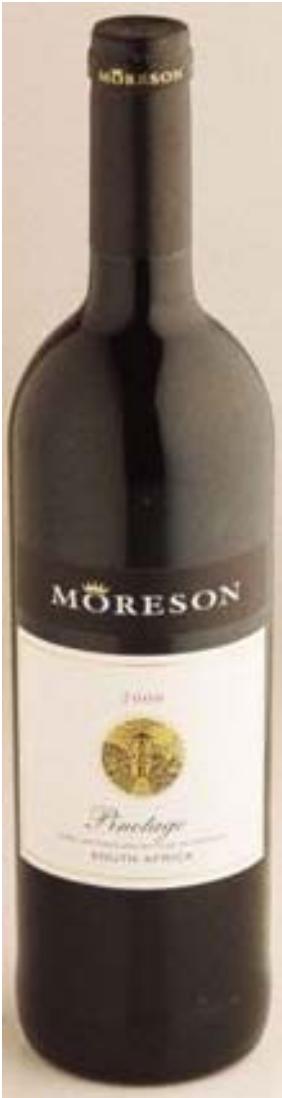
FINE WINE
of the
MONTH



POUILLY FUMÉ LA
CHANTEREINE ''
2003



Cockburn & Campbell



- Wine's popularity in pubs continues to increase
- Overall wine volumes up by nearly 12.6%
- Wine volumes in the tied trade up 7.3%
- 100+ Young's pub staff have industry-recognised wine qualifications
- Half our pubs offer at least 14 wines by the glass
- Expanded sales team increased wine volume in the free trade by 22.9%
- Pre-mixed spirits category continued its predictable decline



Ram Brewery review

- We continue to make good progress on our review of the Ram Brewery site development potential
- Year to date costs £0.5 million, £0.1m in the second half
- Discussions with a number of commercial developers in order to gain their views of the site's potential and value



Outlook

2005





Outlook

- We remain focused on our strategy and anticipate making progress in the coming year
- However profit growth will be challenging with stalling consumer demand and margin pressures
- Additional property burdens from licensing to rates will also weigh down on the business
- Perversely pub values remain at record highs
- Nonetheless we are confident our actions will provide long term sustainable growth for our shareholders



Strategy

2015



Enhance shareholder value by delivering sustainable, asset-backed earnings and dividend growth

- Focus on maximising returns & minimising costs
- Active management of property assets
- Developing Young's Bitter as a national brand
- Exploit trade channels to drive volume growth
- Opportunistic acquisitions

