

2012

Today's Agenda

IntroductionStephen Goodyear

Financial Review Peter Whitehead

Managed Houses – Young's Patrick Dardis

Managed Houses – Geronimo Rupert Clevely

Tenancies Stephen Goodyear

Outlook and Prospects Stephen Goodyear



Highlights

- Strong results
 - Very good trading from existing estate
 - Continued benefit from Geronimo acquisition
 - Strong growth in hotel business
- Ongoing investment in quality estate
- Robust balance sheet with sound long term financing arrangements
- 5.1% recommended dividend increase (15th consecutive year of growth)



Transformation into focused pubs business

Strategy

- Pure play, differentiated pub company
 - Well invested, premium end of the market estate based in London and South East
 - Quality, individuality and service
 - Strong food offering - skilled chefs/fresh produce
 - Recognised as Best Managed Pub Company (150+ sites) by the Publican
- Driving...
 - Superior like-for-like sales performance
 - Gross margin improvements
 - Operational efficiency and scale benefits offsetting inflationary pressures

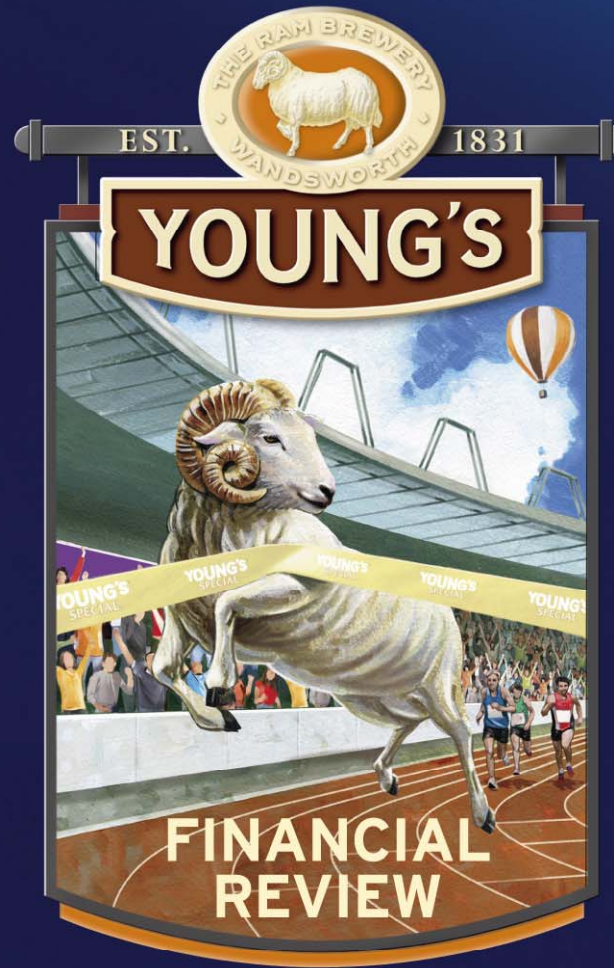


Focused on developing and growing an estate of premium, managed pubs in London and the South East

Strategy: Active Estate Management

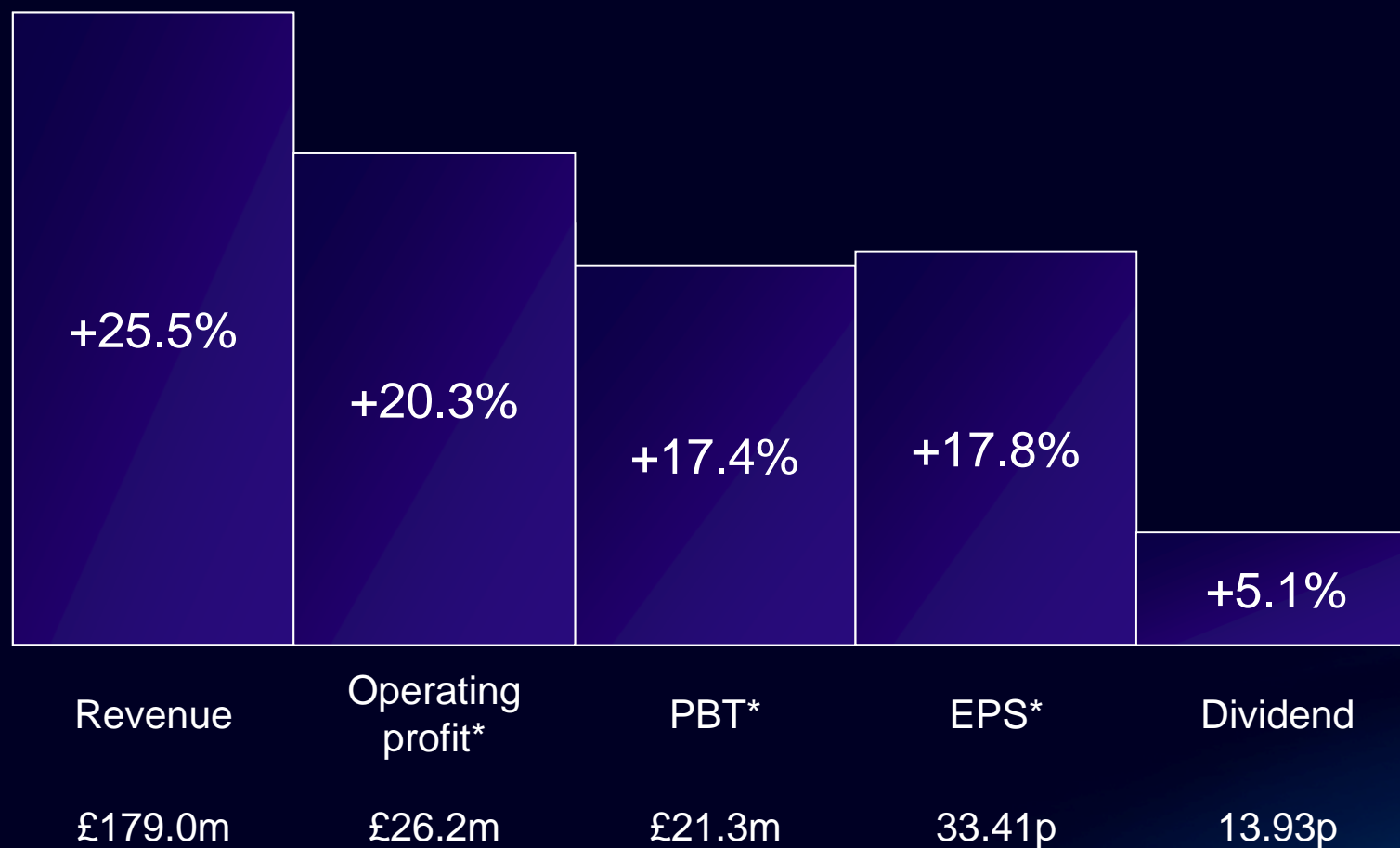
- Investment in high returning projects within existing, managed estate
 - Development opportunities
 - Refurbishment
 - Hotel expansion
- Acquisition of managed houses, either as bolt on packages or individual sites
- Concentrating on an estate of fewer, but high quality, tenanted houses
 - Disposal of six tenanted sites during the period (limited activity set to continue in 2012)
 - Transfer of three tenanted sites to the managed operation





2012

Strong Results for 52 Weeks Ended 2 April 2012



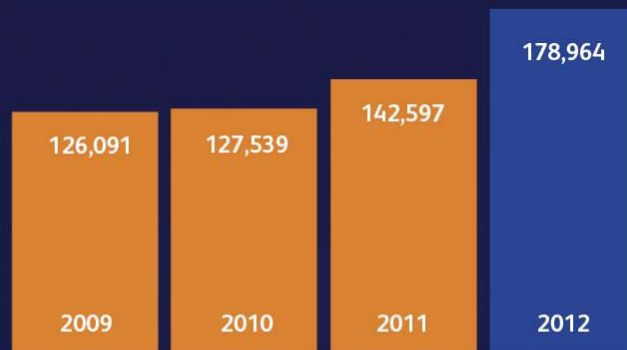
* adjusted for exceptional items

Strong Track Record

Revenue (£m)

£178,964

+25.5%



Adjusted operating profit (£m)

£26,162

+20.3%



Adjusted profit before tax (£m)

£21,333

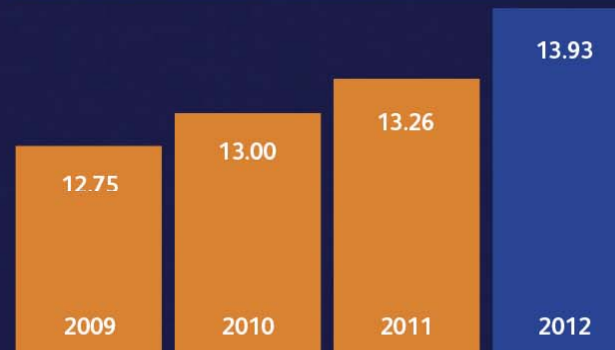
+17.4%



Total dividend per share (p) (recommended)

13.93p

+5.1%



Group Results

	2012 £m	2011 £m	Change %
Managed houses	35.26	29.23	+20.6
Tenanted houses	5.29	5.39	-1.9
Corporate services	(14.38)	(12.87)	-11.7
Finance costs (net)	(4.84)	(3.57)	-35.6
Adjusted profit before tax	21.33	18.18	+17.3
Discontinued item	(1.12)	1.96	N/A

Like-for-like Sales

	Number of sites	Sales £m	Change %
Managed – Young's	115	118.6	+6.0
Tenanted	87	12.4	+0.6
Total	202	131.0	+5.5
Managed – Geronimo*	25	35.3	+9.8

*Geronimo like-for-like sales are based on their comparatives, some of which were outside Young's period of ownership

Operating Performance at Pub Level

	2012	Change	2012 per pub**
Revenue	£m	%	£K
Managed	123.8	+7.4	1,032
Geronimo	41.2	N/A	1,413
Tenanted	13.6	-3.9	143
Total	178.6	+27.8	733
EBITDAR*			
Managed	38.1	+7.2	323
Geronimo	12.4	N/A	449
Tenanted	7.0	-1.9	73
Total	57.5	+24.5	241

Geronimo per pub statistics are based on their comparatives, some of which were outside Young's period of ownership

All statistics are based on 52 weeks compared with 52 weeks

**Earnings before interest, taxes, depreciation and rents payable*

***Per pub statistics based on pubs that have traded throughout the year ended 2 April 2012*



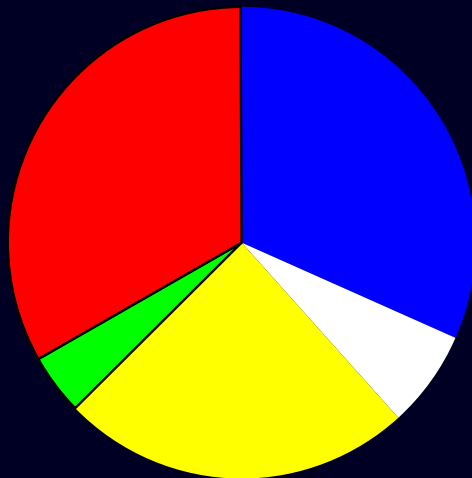
Strong Cash Generation and Investment

	2012 £m	2011 £m
Cash generated from operations	34.6	29.7
Interest and tax	(10.1)	(8.1)
Dividends	(6.5)	(6.3)
Free cash flow	18.0	15.3
Disposals	7.0	3.3
Wells & Young's receivable	5.1	-
Capital expenditure	(25.6)	(18.6)
Geronimo	-	(60.0)
Decrease/(increase) in net debt	4.5	(60.0)

Investment in Period

Total: £25.3 million (2011: £18.4 million)

By division



- Managed £8.0m
- Hotels £1.7m
- Geronimo £6.1m
- Tenanted £1.1m
- Geronimo Freeholds £8.4m

By nature of spend



- Investment on recent acquisitions £4.7m
- Investment on existing estate £11.5m
- Purchase of Freeholds £9.1m

Asset Backed Investment

Valuation carried out by Colliers at October 2011 on an open market basis

242 pubs, of which there are 187 freeholds and 13 virtual freeholds

London and South East focus with 186 pubs within Greater London

Value of pub estate	£502.8 million
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Net asset per share	£6.59
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Net asset per share before deferred tax	£7.71
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No lotting premium added

Asset backed with progressive dividend policy

Pub Estate Profile

	April 2011	+	-	Transfers	April 2012
Managed	122	1	(2)	-	121
Geronimo	27	3	-	3	33
Tenanted	97	-	(6)	(3)	88
Total	246	4	(8)	-	242

Out of the total of 242 pubs, there are 187 freeholds and 13 virtual freeholds (leases with > 40 years to run, with rents that are < £10K per annum)

Debt Structure

Longer dated committed facilities:

- £30 million long term (March 2023)
- £20 million medium term (March 2018)

£50.0 million

Medium dated committed facilities:

- £50 million RCF (Dec 2015)
- £50 million term loan (Dec 2013 to 2015)

£100.0 million

Net debt

£118.1 million

% of debt fixed

84.7%

Interest cover

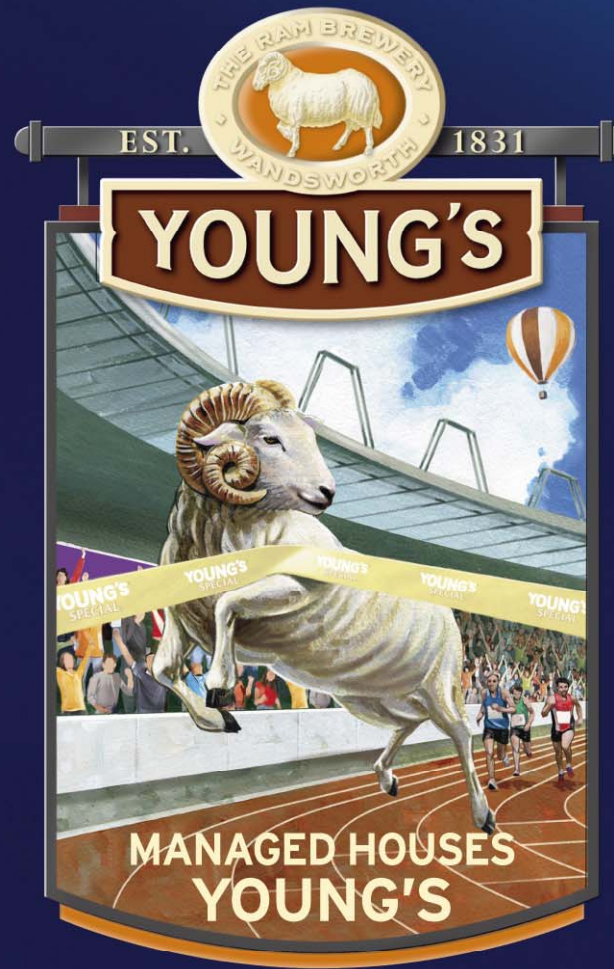
4.3 times

Net debt/EBITDA

3.1 times

Loan to value

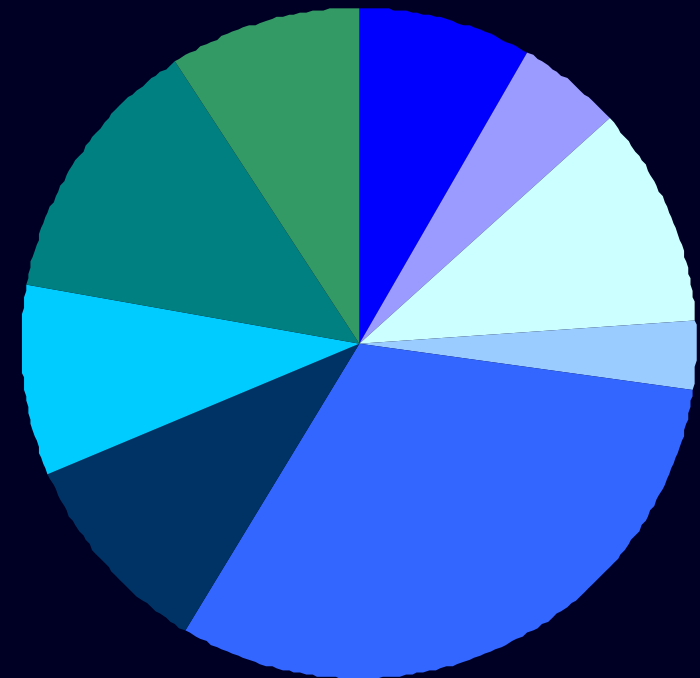
23.5%



2012

Premium Young's Branded Estate

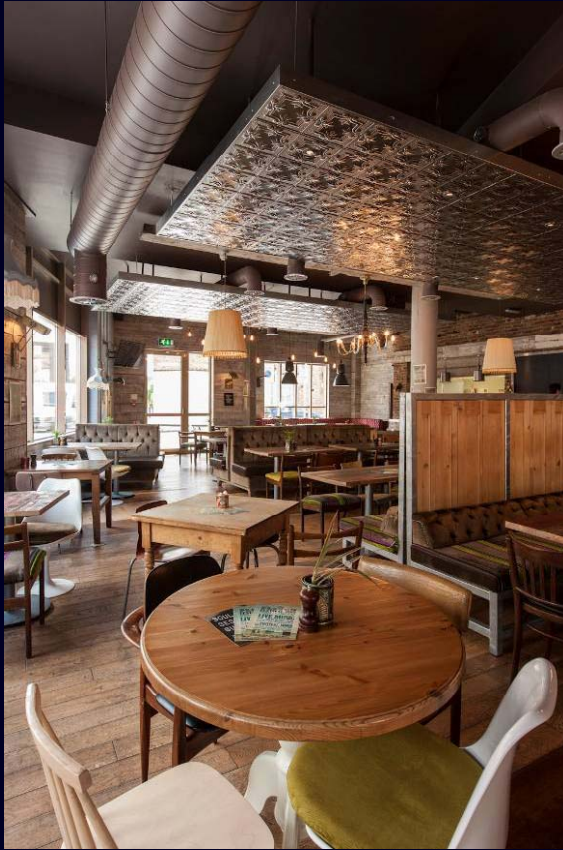
- 121 well located and invested pubs and hotels
- Strong performance
 - Revenue up 7.4% (LFL 6.0%)
 - Operating profit up 8.3% (LFL 5.2%)
 - Hotels' RevPAR up 10.7% at £48.85
- Invested £10.4m in estate; major work at
 - Plough (Clapham Junction)
 - Home Cottage (Redhill)
 - King's Head (Roehampton)
 - Bull's Head (Chislehurst)
 - Foley Arms (Claygate)
 - Hollywood Arms (Chelsea)
 - Founder's Arms (alongside Tate Modern)
 - Shaftsbury (Richmond)
 - Cock Tavern (Fulham)
- Best in class service culture and ambience



Central London 10 City 6
Greater London 13 South London 4
South West London 38 Thames Side 12
West London 11 Home Counties 16
West Country 11



Design Format of the Plough



Liquor – Highlights

- Liquor sales 6.0% up on last year and 5.0% on a like-for-like basis
- Cask beer continues to outperform the market
 - Well positioned to benefit from resurgence
 - Diverse range of Wells & Young's products
 - Local Hero range
 - Bringing new and younger drinkers into category
- Introduction of London craft ales and spirits
 - Meantime, Camden products and Sipsmiths
- American craft bottled beers
- Popular beer and cider festivals



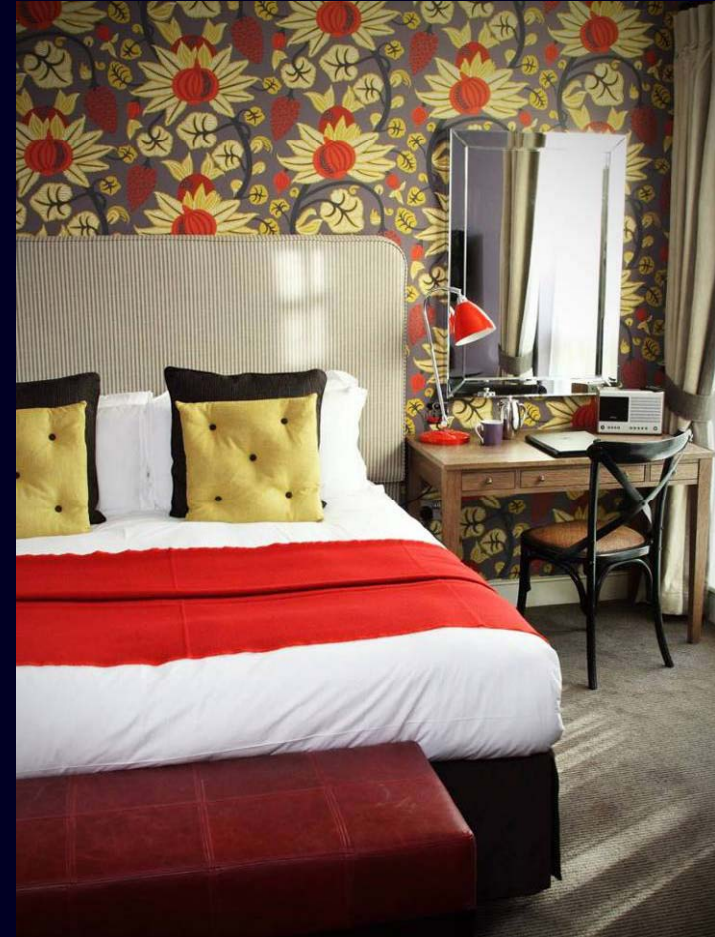
Food – Highlights

- Food sales 9.7% up on last year and 7.2% on a like-for-like basis
- Now comprises 26.8% of sales
- High quality, locally sourced and prepared in-house
- British provenance at the core
- “Serious casual” eating out
- Succeeded with new concepts
 - Old Tom’s English cheese and ham with wine and craft beers at the Lamb Tavern, Leadenhall
 - American/English fusion at the Plough, Clapham Junction
- Two new divisional chefs driving quality/value
- “Menu by occasion” to match customers’ needs



Accommodation – Highlights

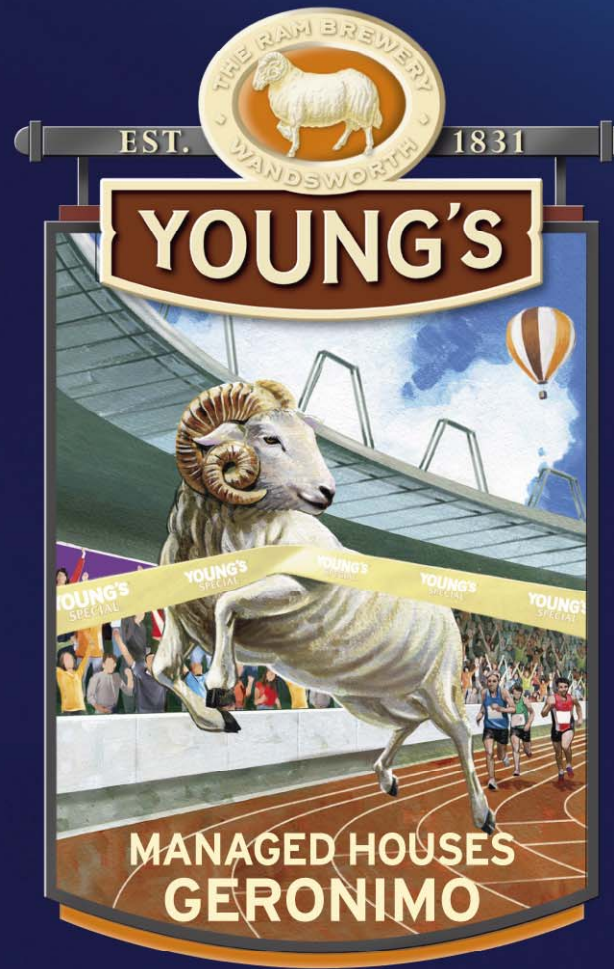
- Growing boutique hotel presence
- RevPAR up 10.7% at £48.85
- Instant results from last year's addition of 23 boutique rooms at the Alma (Wandsworth)
- Further ten rooms being added at Bull's Head (Chislehurst) and 17 at Foley Arms (Claygate) in FY2013
- New branding, website and revenue management system
- Judged Best Accommodation Operator by the Publican



New Developments



YOUNG'S



2012

Integrated and Trading Well

- Strong underlying performance, and platform for growth
 - Revenue £41.2m
 - EBITDA £8.8m
 - Operating profit £5.8m
- Sales momentum continues
 - Total sales up 25.6%*
 - Like-for-like sales up 9.8%*
- Unique identity and appeal

* Based on Geronimo's comparatives, some of which were outside Young's period of ownership



Contemporary Design

- 33 high quality, well invested, food led pubs
 - 32* in London (15 now freehold)
 - One freehold pub in Surrey

*Includes three airport concessions
- Geronimo brings
 - Long term growth potential
 - Distinctive format that complements the Young's estate
 - Expertise in concessions



Liquor and Food – Highlights

- Liquor sales 11.7%* up on last year
 - Customers trading up across the board
 - Continue to broaden the ale and lager offer
- Food sales 5.6%* up on last year
 - Restaurant quality food at pub prices
 - Growth in all day food
- Food accounts for 36.2% of revenue

* Based on Geronimo's comparatives, some of which were outside Young's period of ownership



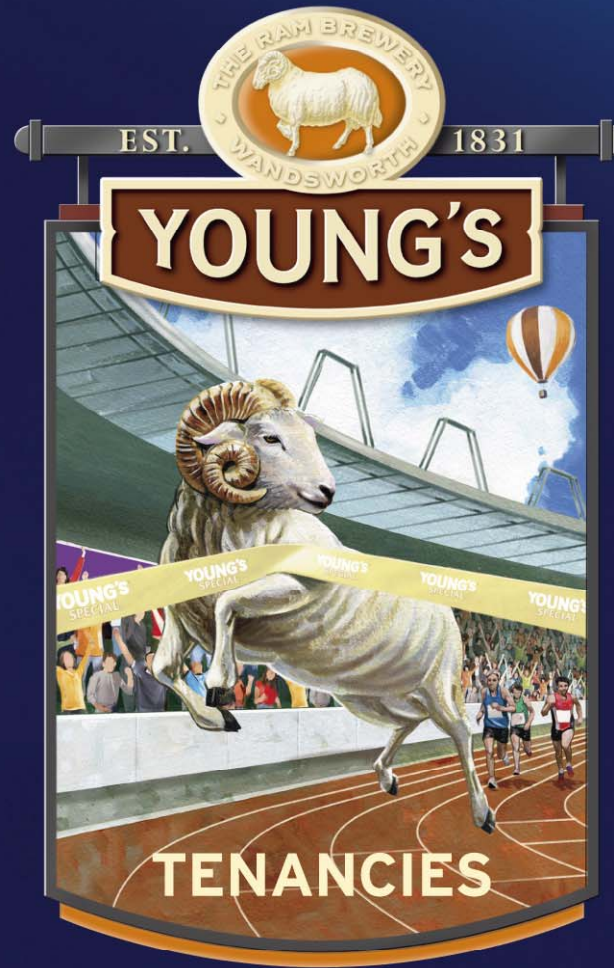
New Sites

- Strong sales (£35.1K per week) from three new sites since opening
 - Lion & Unicorn, Kentish Town
 - Cow, Westfield – Stratford City last stop before the Olympics
 - Oyster Shed, City waterside
- Transfers from Young's
 - Half Moon, the iconic Putney music pub
 - King's Arms, Chelsea
 - Chelsea Ram
- Calf opens in Westfield – Stratford City (for the Olympic year only)



New Sites





2012

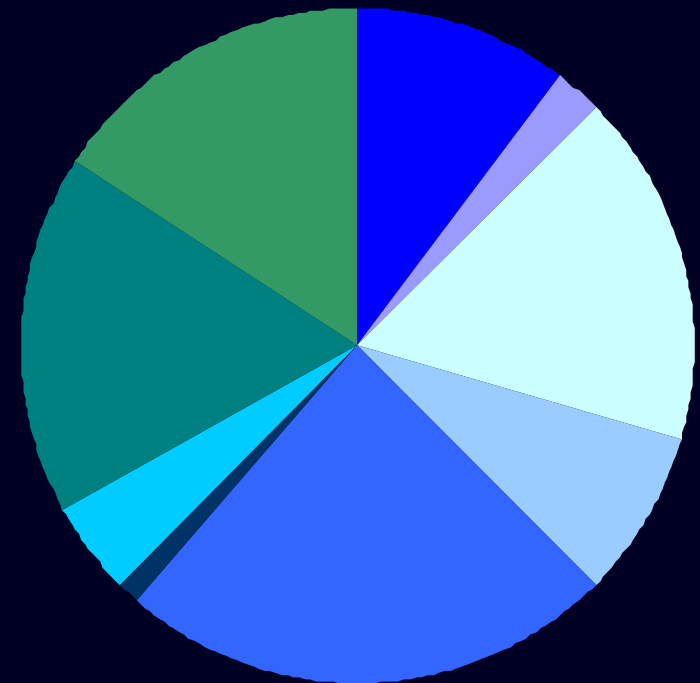
Refocusing on a Smaller High Quality Estate

- Smaller estate will remain an important part of our strategy going forward
- Estate capable of profitable growth
- Continues to generate strong cash flow
- Six pubs sold at a profit of £1.3m, three transfers to managed
- Disposal programme should be completed in current year
- If BISC report becomes statutory, no material change needed

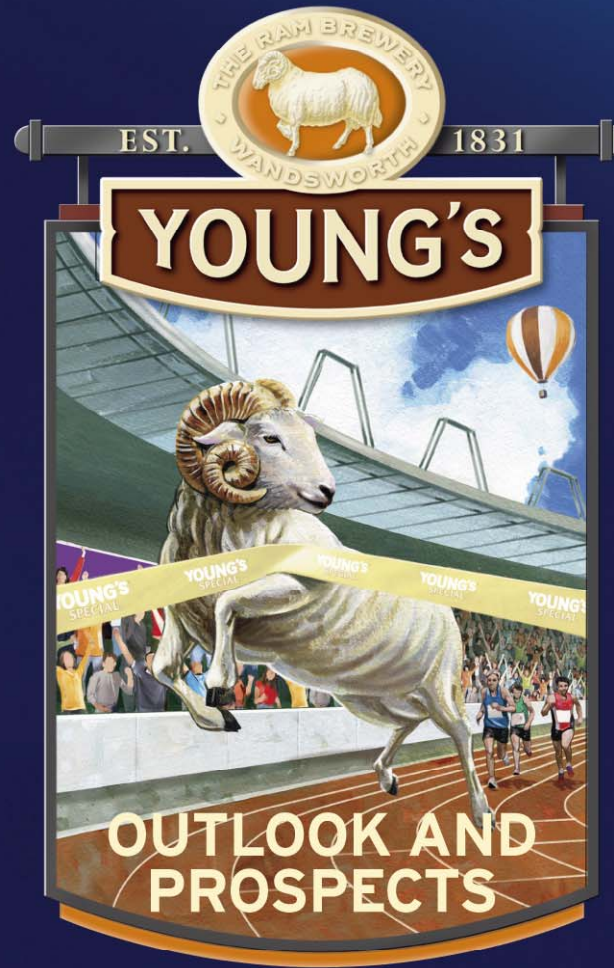


Tenanted Operating Highlights

- 88 traditional pubs
- Like-for-like sales up 0.6%, total sales down 5.8% due to disposals
- Like-for-like operating profit up 4.1%, down 1.9% in total due to disposals
- Average EBITDAR per pub of £73.0k
- £1.1m invested in existing pubs
- London bias provides some protection from challenging market



Central London 9
City 2
Greater London 15
South London 7
South West London 21
Thames Side 1
West London 4
Home Counties 15
West Country 14



2012

Current Trading and Outlook

- Difficult start to new year with poor weather conditions and strong comparatives
 - Total sales up 3.9%
 - Like-for-like sales down 2.0%
- Well positioned to benefit from
 - Queen's Diamond Jubilee
 - Olympic Games
- 2012 trading will benefit from new pubs and full-year impact of this year's investments reaching maturity
 - Wheatsheaf, King's Head and Calf
 - Cow, Oyster Shed and Plough
 - Transfers from tenancy - Half Moon, Chelsea Ram and Shaftesbury
 - Hotel developments at Bull's Head and Foley Arms



Prospects

- Strong balance sheet enables selective acquisitions - improving pipeline of investment opportunities
- Premium strategy and well-invested estate expected to drive superior like-for-like growth
- Focused on profitable growth with expanding managed pub operation, and smaller, high quality tenanted one
- Consumer confidence remains fragile but London and South East bias helps insulate us from the worst of wider uncertainty



A Pure Play Pub Business

- Managed pub focus: >80% of operating profit at outlet level
- Premium strategy: focused on higher quality end of the market
- Well located: London and South East focused pub estate
- Well invested: predominantly freehold backed balance sheet
- Strong financial position: Low gearing vs. sector (3.1 times net debt/EBITDA)
- Good financial track record: growth and cash generation
 - 15 consecutive years of dividend growth
- Excellent growth opportunities: organic and investment



7 April

18 May - 27 July

Tests 17 May - 11 June
ODI 16 - 24 June

20 May

Diamond Jubilee

Wimbledon
25 June - 8 July

ODI 29 June - 10 July

ODI 24 August - 12 September

28 August - 9 September

27 July - 12 August

