

21 July 2011

Mitchells & Butlers plc Interim Management Statement

Operating performance

On a like-for-like basis, sales in the first 42 weeks were up 3.1% with trading in the last 9 weeks to 16 July up by 2.8%. This recent period of trading was however against weaker comparable results last year (due to the football World Cup) and management estimates that the underlying like-for-like growth trend has softened to around 1%.

Like-for-like sales	H1 2011 33 weeks to 14 May 2011	Trading to IMS 42 weeks to 16 July 2011	Current Trading 9 weeks to 16 July 2011
Total	3.3%	3.1%	2.8%
Food	5.5%	5.8%	6.9%
Drink	1.8%	1.2%	(0.8%)

Total Company sales in the first 42 weeks were down 9.3%. Excluding the dilution from major disposals made in the last 12 months, total sales in the Retained Estate* were up by 4.7%.

Retained Estate operating margins are expected to be slightly below last year as a result of: continued input cost pressure; increased promotional activity; and the implementation of a number of new sales and operational initiatives.

Capex and balance sheet

Cash flow from operations remains strong. We are on track to invest approximately £75m into expansionary capital projects during the current year with returns of approximately 20%.

There has been no material change to our financial position since our half year results announcement, with net debt of approximately £1.9bn.

Outlook

Economic pressures continue and consumer expenditure in our market has weakened in the last couple of months with the short term outlook remaining uncertain. Despite these near term challenges, our long term focus remains on strengthening the business, lowering costs, driving sustainable revenue and improving customer experience as we better utilise our well placed sites and brands.

* Note: the Retained Estate comprises the ongoing business and is stated before exceptional items and other adjustments. It excludes the major disposals of 333 non-core pubs, lodges and Hollywood Bowl, and in addition SCPD.

There will be a conference call for analysts and investors at 9.30am; please dial +44 (0) 1452 555 566 and quote conf ID 71418121. The replay will be available until 03/08/2011 on +44 (0) 1452 55 00 00, replay access number 71418121#.

For further information, please contact:

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Notes for editors:

- Mitchells & Butlers is the leading operator of restaurants and pubs in the UK. Its leading portfolio of brands includes Harvester, Toby Carvery, Vintage Inns, Premium Country Dining Group, Crown Carveries, Sizzling Pubs, Browns, Miller & Carter, Metro Professionals, All Bar One, Nicholson's, O'Neill's and Ember Inns. Further details are available at www.mbplc.com
- Mitchells & Butlers serves around 125 million meals and 430 million drinks each year and is one of the largest operators within the UK's £70 billion eating and drinking out market.
- Like-for-like sales growth includes the sales performance against the comparable period in the prior year of all UK managed pubs that were trading in the two periods being compared. For the 9 weeks to 16 July 2011, 95% of the UK managed estate is included in this measure.