

26 January 2012

Mitchells & Butlers plc
Interim Management Statement

Operating performance

Like-for-like sales in the 9 weeks to 21 January 2012 were up 6.5%, assisted by the improved weather over this year's Christmas period. As a result, like-for-like sales in the first 17 weeks of the financial year were up 4.4%.

Trading in January has been more subdued but consistent with the underlying like-for-like sales trend first noted in July last year of around 1% growth.

Like-for-like sales	FY 2011 52 weeks to 24 September 2011	First 8 weeks 8 weeks to 19 November 2011	Current trading 9 weeks to 21 January 2012	Trading to IMS 17 weeks to 21 January 2012
Total	2.6%	2.0%	6.5%	4.4%
Food	4.8%	1.8%	8.1%	5.1%
Drink	1.0%	3.0%	5.4%	4.3%

Total Company sales in the first 17 weeks, including the impact from major disposals last year, were up 1.3%. In the same period, total sales for the Retained Estate* were up 7.5%.

The Company continues to progress a number of business initiatives, including simplifying processes and devolving greater responsibility and accountability to customer facing operations. This will enhance the guest experience and lay the foundations for further business growth. Brand Operations Directors are now in place and further changes are anticipated in central support structures where a staff consultation period is in progress.

Capital expenditure and net debt

Expansionary capital expenditure plans continue with a good pipeline of sites available for new openings in the year ahead. Net debt within the business is unchanged at approximately £1.9bn.

Board composition

Good progress is being made to appoint a new CEO and to strengthen the Board with additional Non-Executive Directors.

Outlook

The consumer environment remains challenging. Inflationary cost pressures in areas such as food, duty and energy continue, with the latter expected to impact particularly on the first half of the financial year. We are actively seeking to mitigate the impact of these cost increases through our sales performance together with effective implementation of our business initiatives and investment in new site developments.

Overall, Mitchells & Butlers' strong portfolio of assets, brands and operating capabilities gives the Board confidence in the Company's ability to grow further in the year ahead.

Commenting on the results, Executive Chairman Bob Ivell said:

“These results reflect a successful Christmas sales performance. Although assisted by better weather, they show that customers are still keen to treat themselves even in a difficult economic environment. I am encouraged by the progress that we have already made in a number of areas to re-focus the operations and improve the guest experience. This gives me confidence in our ability to successfully develop and grow the business in the year ahead”

* 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 9.00am; please dial +44 (0) 1452 580 410 and quote conf ID 46595789. Please dial in 5-10 minutes before the conference start time. The replay will be available until 1 February 2012 on +44 (0) 1452 55 00 00, replay access number 46595789#.

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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' continuing business serves around 125 million meals and 425 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 17 weeks to 21 January 2012, 92% of the UK managed estate is included in this measure.