

25 September 2014

Mitchells & Butlers plc
Pre-close trading update

Total sales growth for the 51 weeks was 3.8%, with like-for-like sales increasing by 0.6%.

Having seen an improvement in demand in July following the World Cup, trading conditions during August were difficult in the pub market, as consumers remained cautious about spending and rainfall was significantly higher than last year. Our like-for-like sales grew by 0.1% in the nine weeks to 20 September.

During this period we continued to make progress in improving our volume performance through delivering on our key initiatives. Notably, we have focused on: enhancing amenity (our accelerated remodel programme generates strong returns and food rating scores continue to improve); improving guest service (through increased investment in training) and investment in IT infrastructure (new pub systems have been rolled out to more than 1,000 outlets alongside new technology to deliver enhanced management information to our frontline teams). As a result, we are confident in the strong platform we are building from which to grow momentum as we move into 2015.

Like-for-like sales	July IMS 42 weeks to 19 July 2014	Current trading 9 weeks to 20 September 2014	Trading to IMS 51 weeks to 20 September 2014
Total	0.7%	0.1%	0.6%
Food	0.8%	0.1%	0.7%
Drink	0.6%	-0.2%	0.5%

Margins remain below last year, as a result of lower levels of sales and also of spend per head, as we moderate price increases to drive volume back into our sites.

On 15th June we acquired 173 outlets from the Orchid Group ('Orchid') and their results are included within total sales for the fourteen weeks following this date. Orchid continues to trade well and in line with our expectations. Our investment plans are progressing and we are on track to have converted the first few sites to our brands prior to Christmas this year. Integration planning is proceeding at pace.

In addition to the Orchid transaction we have opened 22 new sites and converted or expanded 9 sites this financial year.

Alistair Darby, Chief Executive, commented:

"Despite a difficult trading period in the last quarter, the transformation of our business is well on track. Coupled with the successful integration of the Orchid estate, this gives us confidence in our future growth prospects."

There will be a conference call for analysts and investors at 9.00am; please dial +44 (0) 1452 560304 and quote conf ID 7657659. Please dial in 5-10 minutes before the conference start time. The replay will be available until 23 October 2014 on +44 (0) 1452 550 000, replay access number 7657659.

For further information, please contact:

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Notes for editors:

- Mitchells & Butlers is the UK's largest operator of managed restaurants and pubs. Its portfolio of brands and formats includes Harvester, Toby Carvery, Country Pubs, Sizzling Pubs, Crown Carveries, Oak Tree Pubs, All Bar One, Browns, Miller & Carter, Castle, Alex, Nicholson's, O'Neill's and Ember Inns. Further details are available at www.mbplc.com and supporting photography can be downloaded at www.mbplc.com/imagelibrary.
- Mitchells & Butlers serves around 135 million meals and 435 million drinks each year and is one of the largest operators within the UK's £75 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, bars and restaurants that were trading in the two periods being compared. Like-for-like sales are measured against relevant accounting weeks in the prior year. For the 51 weeks to 20 September 2014, 96% of the UK managed estate (excluding Orchid) is included in this measure.