

27 September 2018

Mitchells & Butlers plc
LEI no. 213800JHYNDNB1NS2W10

Pre-Close Trading Update

Trading statement covering the 51 weeks ended 22 September 2018.

Operating performance

Sales have strengthened since our last update, on 2nd August. In the 8 weeks to 22 September like-for-like sales growth was 2.2% on a calendar basis, aligning dates to account for the impact of the additional (53rd) week in our accounting period last year. The period has also seen a more normalised split between drink and food sales following a period of very strong drink growth over the summer.

On a reporting basis like-for-like sales growth was 0.8% in the past 8 weeks, and 1.2% in the year to date. Total sales have increased by 0.5% in the year to date impacted by the disposals in the prior year.

Cost headwinds remain largely unchanged and, as previously advised, are expected to lead to margins being lower than last year.

Investments

We continue to make good progress on building a more balanced estate, in particular premiumising our offers where possible and reducing the remodel lifecycle. We have opened 7 new sites and completed 232 conversions and remodels in the financial year to date.

Phil Urban, Chief Executive, commented:

“We are pleased to have seen like-for-like sales growth improve to 2.2% following the period of sustained hot weather and the World Cup over the summer. We are building momentum as a result of our focus on our strategic priorities and are seeing encouraging results from the second wave of transformation activity. Work continues to mitigate the cost headwinds impacting the industry and we remain confident of delivering full year results in line with the Board’s expectations.”

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Notes for editors:

- Mitchells & Butlers is a leading operator of managed restaurants and pubs. Its strong portfolio of brands and formats includes Harvester, Toby Carvery, All Bar One, Miller & Carter, Premium Country Pubs, Sizzling Pubs, Stonehouse, Vintage Inns, Browns, Castle, Nicholson's, O'Neill's and Ember Inns. In addition, it operates Innkeeper's Lodge hotels in the UK and Alex restaurants and bars in Germany. Further details are available at www.mbplc.com and supporting photography can be downloaded at www.mbplc.com/imagelibrary.