

INTERIM INVESTOR REPORT

MITCHELLS & BUTLERS RETAIL LIMITED

This Interim Investor Report covers the results for Mitchells & Butlers Retail Limited for the Semi-Annual Period from 13 November 2003 to 10 April 2004

To: HSBC Trustee (C.I.) Limited (as Borrower Security Trustee and Trustee)
 HSBC Global Investor Services (Ireland) Limited (as Irish Paying Agent)
 HSBC Bank plc (as Principal Paying Agent)
 Ambac Assurance UK Limited
 Standard & Poor's Rating Services
 Fitch Ratings Limited
 Moody's Investors Service Limited

Terms defined in Schedule 1 (*Master Definitions Schedule*) of a master framework agreement (the "**Master Framework Agreement**") dated 13 November 2003 and made between, *inter alios*, the Issuer and the Borrower Security Trustee shall bear the same meaning herein.

The Relevant Period means

Q1 (the results for the Financial Quarter from 13 November 2003 to 17 January 2004 - see attached); and

Q2 (the results for the Financial Quarter from 18 January to 10 April 2004).

For this Semi-Annual Period the definition of Relevant Year is the same as the Relevant Period.

Principal Debt Movements

Q2 Principal Debt Movements on the Notes	Balance as at 17 January 2004 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 10 April 2004 £m
Aggregate principal amount outstanding at the Financial Quarter Date	1,897.0	8.3		1,888.7
Class A1 Notes	200.0			200.0
Class A2 Notes	547.9	5.7		542.2
Class A3 Notes	\$418.8			\$418.8
Class B1 Notes	349.1	2.6		346.5
Class B2 Notes	350.0			350.0
Class C Notes	200.0			200.0

Q2 Principal Debt Movements on the Term Advance	Balance as at 17 January 2004 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 10 April 2004 £m
Aggregate Principal Debt Outstanding at the Financial Quarter Date	1,897.0	8.3		1,888.7
A1 Term Advance	200.0			200.0
A2 Term Advance	547.9	5.7		542.2
A3 Term Advance	250.0			250.0
B1 Term Advance	349.1	2.6		346.5
B2 Term Advance	350.0			350.0
C Term Advance	200.0			200.0

Specific Trading Details

Turnover for the 12 weeks comprising Q2 was £337.7m giving a total during the Relevant Period (since the start of securitisation to 10 April 2004) of £609.8m. EBITDA for the quarter was £83.5m giving a cumulative total of £146.5m.

	Q2	Relevant Period (Q1 + Q2)
	£m	£m
Turnover	337.7	609.8
Operating expenses	(274.5)	(500.4)
Operating Profit	63.2	109.4
EBITDA	83.5	146.5
Free Cash Flow	61.1	113.2
Debt Service	(34.3)	(57.6)

Coverages and Covenants

Free Cashflow DSCR was 2.0 times and the EBITDA to Debt Service ratio was 2.5 times for the Relevant Period. The Debt Service Covenant and Restricted Payment Condition were satisfied. The Net Worth covenant is not due to be tested until the end of the Financial Year.

	Q2	Relevant Period (Q1 + Q2)
Free Cash Flow : Debt Service	1.8 times	2.0 times
EBITDA : Debt Service	2.4 times	2.5 times
Debt Service covenant satisfied		Yes
Restricted Payment Condition satisfied		Yes

Restricted Payments of £12.8m were made during Q2 and the Restricted Payment Maximum at 10 April 2004 was £16.9m. No calculation of the Further Restricted Payment Maximum was required.

Maintenance and Capital Enhancement

The cumulative Maintenance Expenditure* in the Relevant Period was £49.2m. The Required Maintenance Amount* for the Financial Year is £82.3m.

Capital Enhancement Expenditure Investments of £6.4m were made in Q2 and £13.4m in the Relevant Period.

* Maintenance includes both capital items and items expensed through the Profit & Loss account.

Cash Balances

Balances on the following accounts at 10 April 2004 were as follows:

	£m
Borrower Transaction Account	0.0
Disposals Proceeds Account	1.5
Maintenance Reserve Account	0.0
All other Obligor Accounts	31.7

Amounts available under the Working Capital Facility Agreement and the Liquidity Facility were £60m and £220m respectively. No amounts were drawn under either facility.

Estate

	Number
Outlets at the beginning of Q2	1,942
Acquisitions and substitutions	0
Disposals	(3)
Outlets at the end of Q2	1,939

The aggregate proceeds from disposals were £4.7m

Accounting Policies

Mitchells & Butlers Retail Limited certifies that these financials comply with Mitchells & Butlers plc accounting policies as detailed in its interim financial statements which comply with Generally Accepted Accounting Principles applied in the United Kingdom

Defaults

Mitchells & Butlers Retail Limited certifies that no Loan Event of Default or Potential Loan Event of Default has occurred.

For further information please contact:

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QUARTERLY FINANCIAL INFORMATION

MITCHELLS & BUTLERS RETAIL LIMITED

This Quarterly Financial Information covers the results for Mitchells & Butlers Retail Limited for the Financial Quarter from 13 November 2003 to 17 January 2004 (“Q1”)

Terms defined in Schedule 1 (*Master Definitions Schedule*) of a master framework agreement (the “**Master Framework Agreement**”) dated 13 November 2003 and made between, *inter alios*, the Issuer and the Borrower Security Trustee shall bear the same meaning herein.

For this first reporting period under the securitisation Q1 equals the Relevant Period and Relevant Year.

Principal Debt Movements

Q1 Principal Debt Movements on the Notes	Balance as at 13 November 2003 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 17 January 2004 £m
Aggregate principal amount outstanding at the Financial Quarter Date	1900.0	3.0		1897.0
Class A1 Notes	200.0			200.0
Class A2 Notes	550.0	2.1		547.9
Class A3 Notes	\$418.8			\$418.8
Class B1 Notes	350.0	0.9		349.1
Class B2 Notes	350.0			350.0
Class C Notes	200.0			200.0

Q1 Principal Debt Movements on the Term Advance	Balance as at 13 November 2003 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 17 January 2004 £m
Aggregate Principal Debt Outstanding at the Financial Quarter Date	1900.0	3.0		1897.0
Term A1 Advance	200.0			200.0
Term A2 Advance	550.0	2.1		547.9
Term A3 Advance	250.0			250.0
Term B1 Advance	350.0	0.9		349.1
Term B2 Advance	350.0			350.0
Term C Advance	200.0			200.0

Specific Trading Details	Q1
	£m
Turnover	272.1
Operating expenses	(225.9)
Operating Profit	46.2
EBITDA	63.0
Free Cash Flow	52.1
Debt Service	(23.3)

Coverages and Covenants	Q1
Free Cash Flow : Debt Service	2.2 times
EBITDA : Debt Service	2.7 times
Debt Service Covenant satisfied	Yes
Restricted Payment Condition satisfied	Yes

The Restricted Payment Maximum as at 17 January 2004 was £12.8m and no Restricted Payments were made during the Financial Quarter. No calculation of the Further Restricted Payment Maximum was required and the Net Worth covenant is not due to be tested until the end of the Financial Year.

Maintenance and Capital Enhancement

The cumulative Maintenance Expenditure in Q1 was £20.5m. The Required Maintenance Amount for the Financial Year is £82.3m.

Capital Enhancement Expenditure Investments of £7m were made in Q1.

Cash Balances

Balances on the following accounts at 17 January 2004 were as follows:

	£m
Borrower Transaction Account	0.0
Disposals Proceeds Account	0.2
Maintenance Reserve Account	0.0
All other Obligor Accounts	17.2

Amounts available under the Working Capital Facility Agreement and the Liquidity Facility were £60m and £220m respectively. No amounts were drawn under either facility.

Estate

	Number
Outlets at the beginning of Q1	1942
Acquisitions and substitutions	0
Disposals	0
Outlets at the end of Q1	1942

Accounting Policies

Mitchells & Butlers Retail Limited certifies that these financials comply with Mitchells & Butlers plc accounting policies as detailed in its last financial statements which comply with generally accepted accounting principles applied in the United Kingdom

Defaults

Mitchells & Butlers Retail Limited certifies that no Loan Event of Default or Potential Loan Event of Default has occurred.