

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 28 September 2014 to 11 April 2015

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, restated and amended on 15 September 2006 and made between, *inter alios*, the Issuer and the Borrower Security Trustee shall bear the same meaning herein.

Definitions :

Q2 means the results for the Financial Quarter from 18 January 2015 to 11 April 2015 (12 weeks);
Relevant Period means the last two Financial Quarters (28 weeks) and
Relevant Year means the last four Financial Quarters (52 weeks)

Principal Debt Movements

Q2 Principal Debt Movements on the Notes	Balance as at 17 January 2015 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 11 April 2015 £m
Aggregate principal amount outstanding at the Financial Quarter Date	2,056.3	(15.2)		2,041.1
Class A1N Notes	167.6	(2.3)		165.3
Class A2 Notes	304.8	(4.0)		300.8
Class A3N Notes	\$350.8	\$(4.6)		\$346.2
Class A4 Notes	170.0			170.0
Class AB Notes	325.0			325.0
Class B1 Notes	169.4	(6.1)		163.3
Class B2 Notes	350.0			350.0
Class C1 Notes	200.0			200.0
Class C2 Notes	50.0			50.0
Class D1 Notes	110.0			110.0

Q2 Principal Debt Movements on the Term Advance	Balance as at 17 January 2015 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 11 April 2015 £m
Aggregate Principal Debt Outstanding at the Financial Quarter Date	2,056.3	(15.2)		2,041.1
A1N Term Advance	167.6	(2.3)		165.3
A2 Term Advance	304.8	(4.0)		300.8
A3N Term Advance	209.5	(2.8)		206.7
A4 Term Advance	170.0			170.0
AB Term Advance	325.0			325.0
B1 Term Advance	169.4	(6.1)		163.3
B2 Term Advance	350.0			350.0
C1 Term Advance	200.0			200.0
C2 Term Advance	50.0			50.0
D1 Term Advance	110.0			110.0

Specific Trading Details

Turnover for the 12 weeks comprising Q2 was £368.2m giving a total of £1,623.7m for the Relevant Year (comprising 52 weeks). EBITDA for the quarter was £78.6m giving a total for the Relevant Year of £358.3m.

	Q2 (12 weeks)	Relevant Period (28 weeks)	Relevant Year (52 weeks)
	£m	£m	£m
Turnover	368.2	864.8	1,623.7
Operating expenses	(310.3)	(732.3)	(1,357.5)*
Operating Profit	57.9	132.5	266.2*
EBITDA	78.6	180.7	358.3
Free Cash Flow	59.1	145.7	285.9
Debt Service	(44.5)	(100.9)	(188.7)

*Excludes £30.7m of exceptional movements in the valuation of the property portfolio.

Coverages and Covenants

Free Cashflow DSCR was 1.5 times and the EBITDA to Debt Service ratio was 1.9 times for the Relevant Year and 1.4 times and 1.8 times respectively for the Relevant Period. The Debt Service Covenant and Restricted Payment Condition were satisfied. Net Worth (at the last Financial Year end) was £1,675m and the Net Worth Covenant is therefore satisfied.

	Q2 (12 weeks)	Relevant Period (28 weeks)	Relevant Year (52 weeks)
Free Cash Flow : Debt Service	1.3 times	1.4 times	1.5 times
EBITDA : Debt Service	1.8 times	1.8 times	1.9 times
Debt Service covenant satisfied		Yes	Yes
Restricted Payment Condition satisfied		Yes	Yes

No Restricted Payments were made during Q2. The Restricted Payment Maximum at 11 April 2015 was £19.9m and no calculation of the Further Restricted Payment Maximum was required.

Maintenance and Capital Enhancement

The cumulative Maintenance Expenditure* at the end of Q2 was £82.9m. The Required Maintenance Amount* for the Financial Year is £92.0m.

Capital Enhancement Expenditure Investments of £0.9m were made in Q2, £10.4m in the Relevant Year and £3.4m 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 11 April 2015 were as follows:

	£m
Borrower Transaction Account	0.0
Disposals Proceeds Account	37.1
Maintenance Reserve Account	0.0
All other Obligor Accounts*	201.9

*includes £147.5m drawn under the Liquidity Facility and £28.7m held on deposit as cash collateral following the downgrade of a swap counterparty

The amount available under the Liquidity Facility was £295m, of which £147.5m remains drawn following the downgrade of the facility provider's credit rating.

Estate

	Number
Outlets at the beginning of Q2	1,427
Acquisitions and substitutions	0
Disposals	3
Outlets at the end of Q2	1,424

Accounting Policies

Mitchells & Butlers Retail Limited certifies that these financials comply with Mitchells & Butlers Retail Limited accounting policies as detailed in its 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:

<http://www.mbplc.com/investors/securitisationanddebtinformation/>

Andrew Vaughan – Group Treasurer

0121 498 4400

QUARTERLY FINANCIAL INFORMATION

MITCHELLS & BUTLERS RETAIL LIMITED

For the Final Period ended 17 January 2015

**This Quarterly Financial Information covers the results for Mitchells & Butlers Retail Limited
from 28 September 2014 to 17 January 2015**

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, restated and amended on 15 September 2006 and made between, *inter alios*, the Issuer and the Borrower Security Trustee shall bear the same meaning herein.

Definitions :

Q1	means the results for the Financial Quarter from 28 September 2014 to 17 January 2015 (16 weeks);
Relevant Period	means the last two Financial Quarters (28 weeks) and
Relevant Year	means the last four Financial Quarters (52 weeks)

Principal Debt Movements

Q1 Principal Debt Movements on the Notes	Balance as at 27 September 2014 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 17 January 2015 £m
Aggregate principal amount outstanding at the Financial Quarter Date	2,071.2	(14.9)		2,056.3
Class A1N Notes	169.7	(2.1)		167.6
Class A2 Notes	308.8	(4.0)		304.8
Class A3N Notes	\$355.4	\$(4.6)		\$350.8
Class A4 Notes	170.0			170.0
Class AB Notes	325.0			325.0
Class B1 Notes	175.5	(6.1)		169.4
Class B2 Notes	350.0			350.0
Class C1 Notes	200.0			200.0
Class C2 Notes	50.0			50.0
Class D1 Notes	110.0			110.0

Q1 Principal Debt Movements on the Term Advance	Balance as at 27 September 2014 £m	Scheduled repayments made £m	Prepayments £m	Balance as at 17 January 2015 £m
Aggregate Principal Debt Outstanding at the Financial Quarter Date	2,071.2	(14.9)		2,056.3
A1N Term Advance	169.7	(2.1)		167.6
A2 Term Advance	308.8	(4.0)		304.8
A3N Term Advance	212.2	(2.7)		209.5
A4 Term Advance	170.0			170.0
AB Term Advance	325.0			325.0
B1 Term Advance	175.5	(6.1)		169.4
B2 Term Advance	350.0			350.0
C1 Term Advance	200.0			200.0
C2 Term Advance	50.0			50.0
D1 Term Advance	110.0			110.0

Specific Trading Details

Turnover for the 16 weeks comprising Q1 was £496.6m giving a total of £1,618.7m for the Relevant Year (comprising 52 weeks). EBITDA for the quarter was £102.0m giving a total for the Relevant Year of £355.5m.

	Q1 (16 weeks)	Relevant Period (28 weeks)	Relevant Year (52 weeks)
	£m	£m	£m
Turnover	496.6	875.6	1,618.7
Operating expenses	(422.0)	(733.1)*	(1,356.7)*
Operating Profit	74.6	142.5*	262.0*
EBITDA	102.0	192.1	355.5
Free Cash Flow	86.5	158.8	289.9
Debt Service	(54.5)	(100.7)	(188.7)

*Excludes £30.7m of exceptional movements in the valuation of the property portfolio.

Coverages and Covenants

Free Cashflow DSCR was 1.5 times and the EBITDA to Debt Service ratio was 1.9 times for the Relevant Year and 1.6 times and 1.9 times respectively for the Relevant Period. The Debt Service Covenant and Restricted Payment Condition were satisfied. Net Worth (at the last Financial Year end) was £1,675m and the Net Worth Covenant is therefore satisfied.

	Q1 (16 weeks)	Relevant Period (28 weeks)	Relevant Year (52 weeks)
Free Cash Flow : Debt Service	1.6 times	1.6 times	1.5 times
EBITDA : Debt Service	1.9 times	1.9 times	1.9 times
Debt Service covenant satisfied		Yes	Yes
Restricted Payment Condition satisfied		Yes	Yes

No Restricted Payments were made during Q1. The Restricted Payment Maximum at 17 January 2015 was £16.0m and no calculation of the Further Restricted Payment Maximum was required.

Maintenance and Capital Enhancement

The cumulative Maintenance Expenditure* at the end of Q1 was £49.9m. The Required Maintenance Amount* for the Financial Year is £92.0m.

Capital Enhancement Expenditure Investments of £2.6m were made in Q1, £10.3m in the Relevant Year and £5.5m 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 17 September 2015 were as follows:

	£m
Borrower Transaction Account	0.0
Disposals Proceeds Account	36.3
Maintenance Reserve Account	0.0
All other Obligor Accounts*	204.4

*includes £147.5m drawn under the Liquidity Facility and £25.3m held on deposit as cash collateral following the downgrade of a swap counterparty

The amount available under the Liquidity Facility was £295m, of which £147.5m remains drawn following the downgrade of the facility provider's credit rating.

Estate

	Number
Outlets at the beginning of Q1	1,427
Acquisitions and substitutions	0
Disposals	0
Outlets at the end of Q1	1,427

Accounting Policies

Mitchells & Butlers Retail Limited certifies that these financials comply with Mitchells & Butlers Retail Limited accounting policies as detailed in its 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.

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