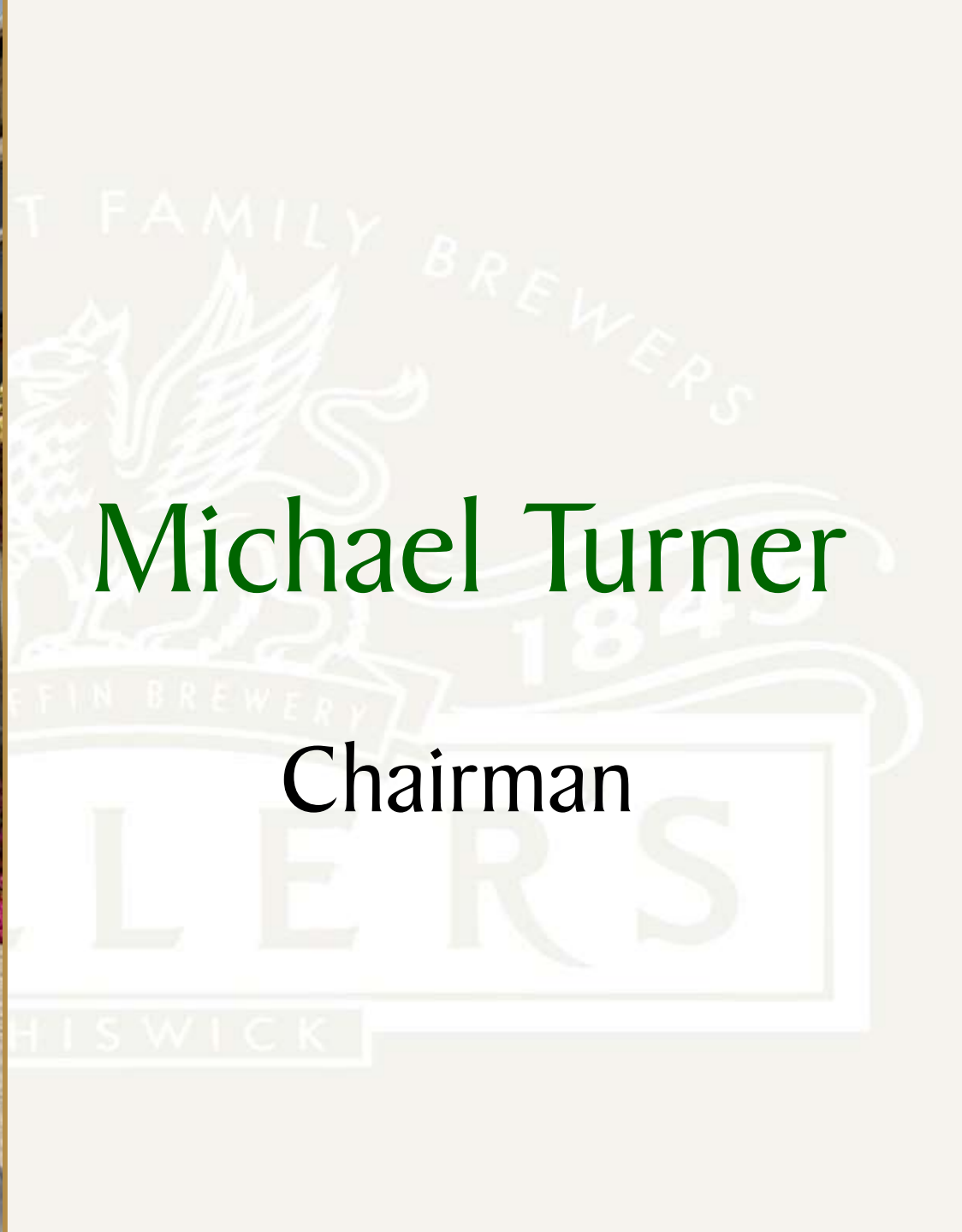




Fuller, Smith and Turner PLC
Half Year Results
for the 26 weeks ended 29 September 2012



Michael Turner

Chairman

Agenda

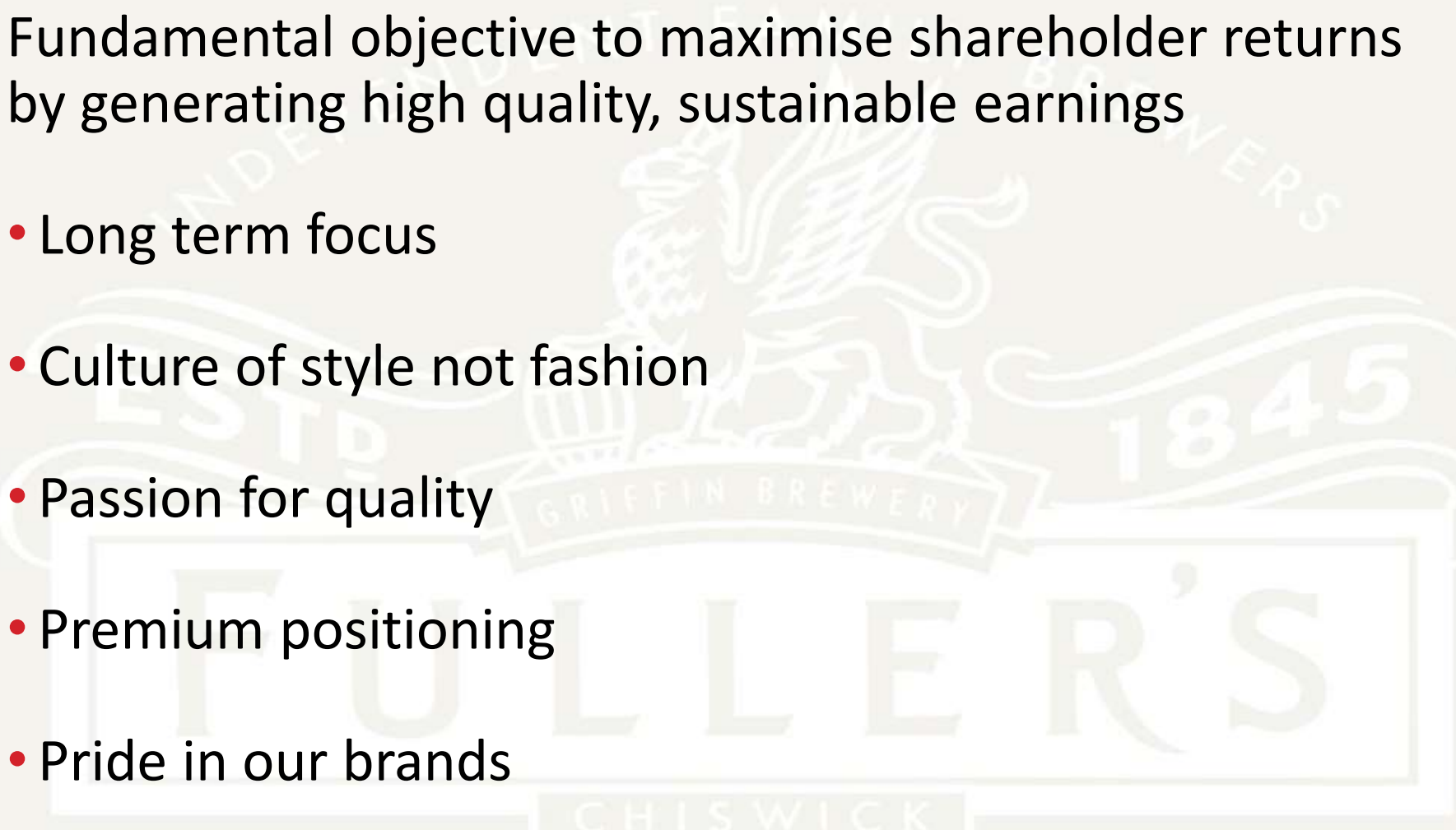
- Strategy and Corporate Progress
- Financial Results
- Operations
- Prospects





Consistent Strategy

Fundamental objective to maximise shareholder returns by generating high quality, sustainable earnings

- Long term focus
 - Culture of style not fashion
 - Passion for quality
 - Premium positioning
 - Pride in our brands
 - Continue to expand the business
- 

Financial Highlights

- Revenue up 8% to £137.9m
- Adjusted PBT up 4% to £17.1m
- Adjusted EPS up 8% to 23.14p
- EBITDA up 8% to £26.9m
- Interim dividend up 6% to 5.35p
- Net debt / EBITDA at 2.7x on a pro forma basis



Corporate Progress

- 4 pub acquisitions completed since April
- Managed Pubs and Hotels LFL sales up 1.6%
- Managed Pubs and Hotels profits up 5%
- Tenanted Inns profits up 19%
- Tenanted Inns LFL profits up 1%
- Total beer volumes up 1%

Profit measures are operating profits excluding exceptional items

Adjusted Half Year Profits

Five year growth of 41%



Adjusted profits are profits before tax excluding exceptional items

Adjusted Half Year EPS

Five year growth of 52%



Excluding exceptional items

Interim Dividend

Five year growth of 91%



2009 % increase ignores the 1.50p rebasing of the interim dividend

Fuller's Contribution to Government Revenues

Year to September 2012	£m	As % of revenue
Group revenue (VAT incl) for the year	315.2	
Taxes paid for the year:		
Alcohol duty	44.8	
VAT	32.4	
PAYE and NIC	18.1	
Corporation tax	8.1	
Business rates	7.8	
Stamp duty	1.9	
Premise, TV and other licences	0.4	
Fuel duty	0.3	
Environmental levies	0.3	
Total Tax	114.1	36%
Profit after tax attributable to shareholders	26.6	8%



THE TOTTENHAM FAMILY BREWERS
1845
FIN B
LER'S
HISWICK

James Douglas

Finance Director

Group Performance

	H1 2012	H1 2011	
	£m	£m	
Revenue	137.9	128.2	+8%
Operating costs*	(118.1)	(109.5)	+8%
Operating profit*	19.8	18.7	+6%
Net finance costs*	(2.7)	(2.2)	+23%
Adjusted profit*	17.1	16.5	+4%
Depreciation & amortisation	7.1	6.3	+13%
EBITDA*	26.9	25.0	+8%

* Excluding exceptional items

Reconciliation to Statutory Profit

	H1 2012 £m	H1 2011 £m	
Adjusted profit	17.1	16.5	+4%
Exceptional items	1.0	(0.5)	
Profit before tax	18.1	16.0	+13%
Tax on adjusted profit	(4.2)	(4.4)	-5%
Exceptional tax	2.0	1.4	
Profit after tax	15.9	13.0	+22%
Adjusted EPS	23.14p	21.48p	+8%
Basic EPS	28.52p	23.07p	+24%

Managed Pubs and Hotels

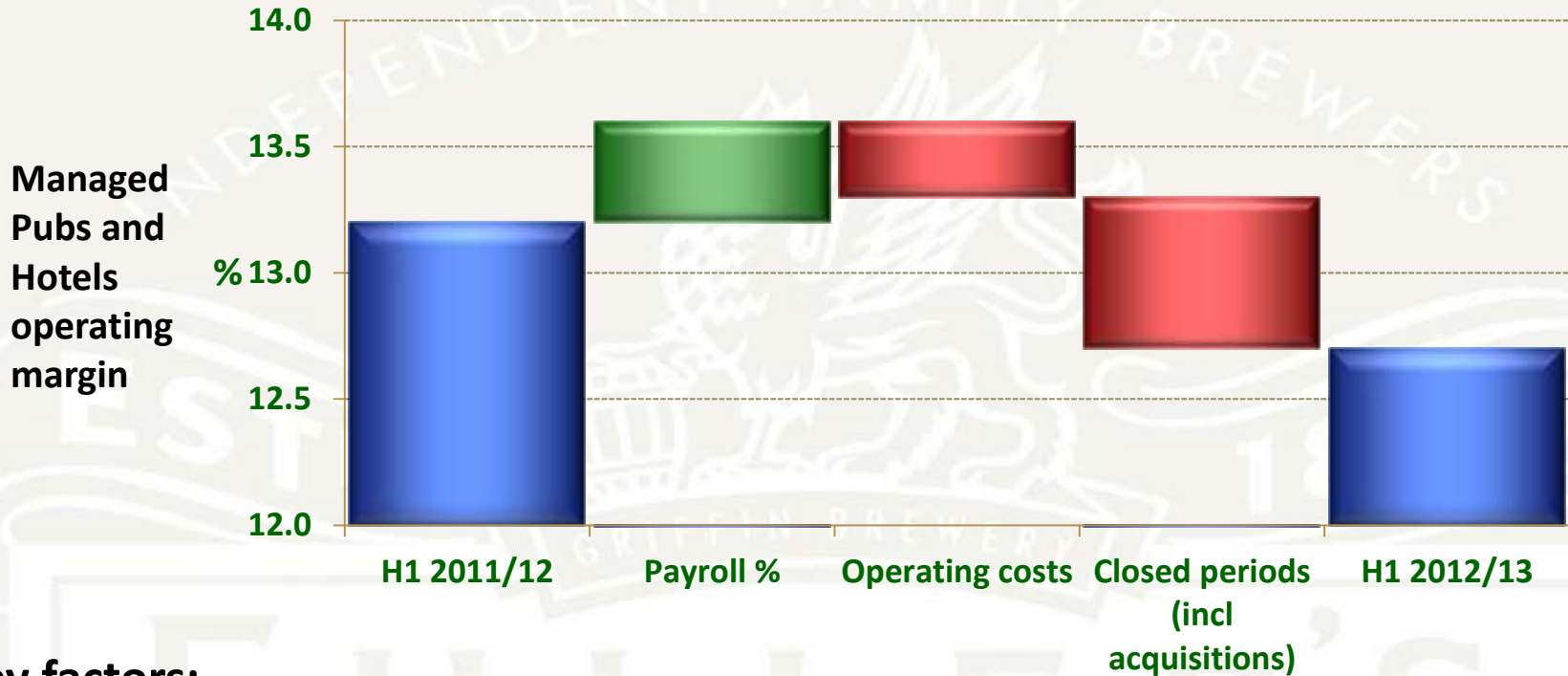
Key Figures

	H1 2012	H1 2011	
LFL sales	+1.6%	+3.9%	
Revenue	£86.1m	£78.6m	+10%
Operating costs*	£75.2m	£68.2m	+10%
Operating profit*	£10.9m	£10.4m	+5%
Operating margin	12.7%	13.2%	
Depreciation & amortisation	£4.8m	£4.3m	+12%
EBITDA*	£15.7m	£14.7m	+7%

* Excluding exceptional items

Operating Margin Bridge

- Managed Pubs and Hotels operating margin down 0.5% on last half year



Key factors:

- Payroll % has reduced in first half due to continued business focus on this area
- Operating costs – above inflationary increase in certain costs such as business rates
- Closed periods – aggregate of 52 weeks vs 21 weeks last half year. Loss of turnover, plus unavoidable fixed costs and cost of reopening.
- Pattern will reverse H2 as fewer closed periods planned than last year

Tenanted Inns

Key Figures

	H1 2012	H1 2011	
LFL profits	+1%	+1%	
Revenue	£15.7m	£13.7m	+15%
Operating costs*	£9.5m	£8.5m	+12%
Operating profit*	£6.2m	£5.2m	+19%
Operating margin	39.5%	38.0%	
Depreciation	£0.8m	£0.8m	Level
EBITDA*	£7.0m	£6.0m	+17%

* Excluding exceptional items

Fuller's Beer Company

Key Figures

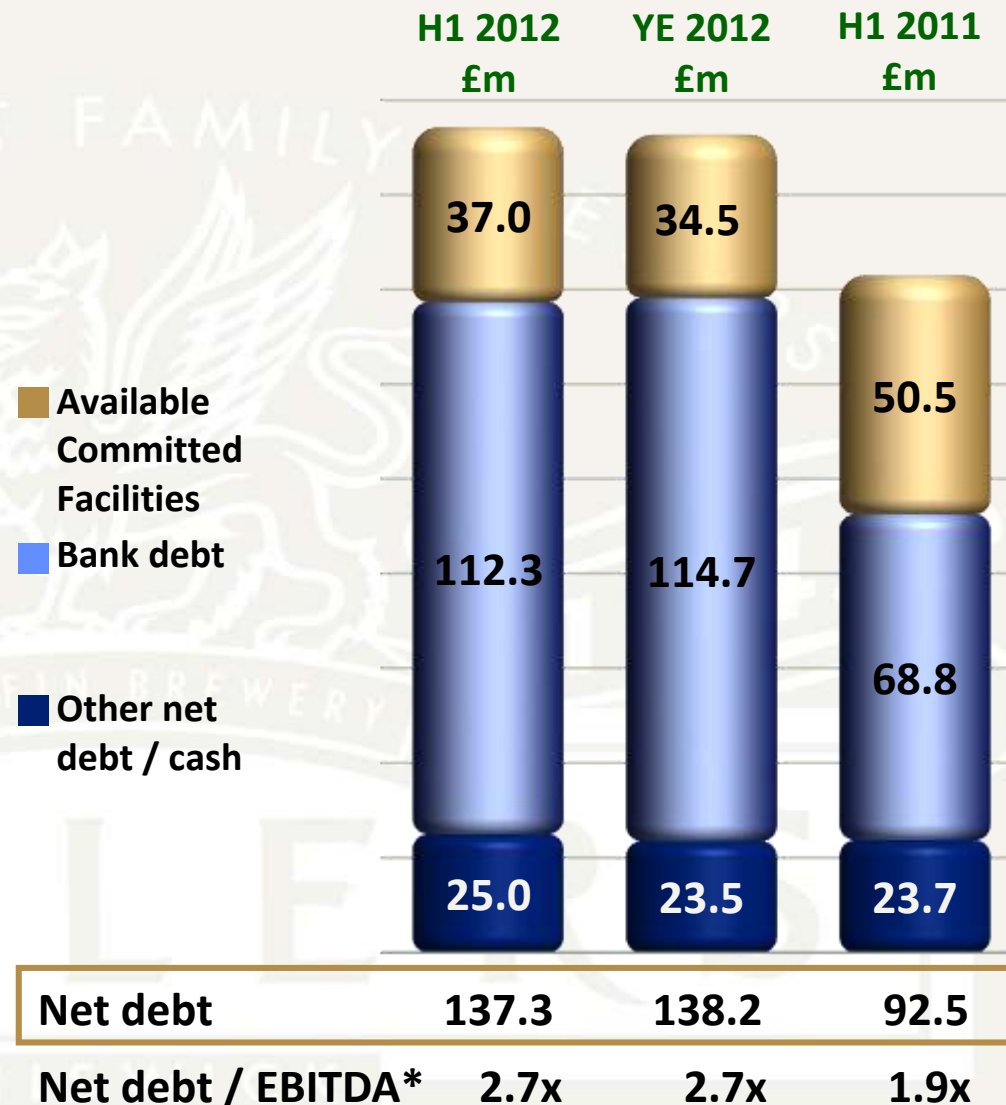
	H1 2012	H1 2011	
Own Beer volumes	-2%	+2%	
Foreign Beer volumes	+5%	level	
Total Beer volumes	+1%	+1%	
Revenue	£57.7m	£54.9m	+5%
Operating costs	£53.4m	£50.3m	+6%
Operating profit	£4.3m	£4.6m	-7%
Operating margin	7.5%	8.4%	
Depreciation	£1.5m	£1.2m	+25%
EBITDA	£5.8m	£5.8m	Level

Generation and Use of Cash

	H1 2012 £m	H1 2011 £m
EBITDA	26.9	25.0
Non-cash share and option award charges	1.0	1.0
Working capital / other	(2.4)	(0.2)
Pension	(0.3)	(0.5)
Interest and refinancing costs	(2.7)	(2.1)
Tax	(3.8)	(4.4)
Cash available for discretionary spend	18.7	18.8
Capex on existing estate and brewery	(6.7)	(8.1)
Pub acquisitions – business purchases	(3.9)	(10.6)
Pub acquisitions – development capex	(3.6)	-
Total capex	(14.2)	(18.7)
Acquisition costs paid in period	(1.2)	(1.0)
Property disposals	5.5	1.6
Dividends and share buy backs	(7.6)	(4.5)
Cash flow	1.2	(3.8)
Non cash movement	(0.3)	(0.2)
Net debt movement	0.9	(4.0)

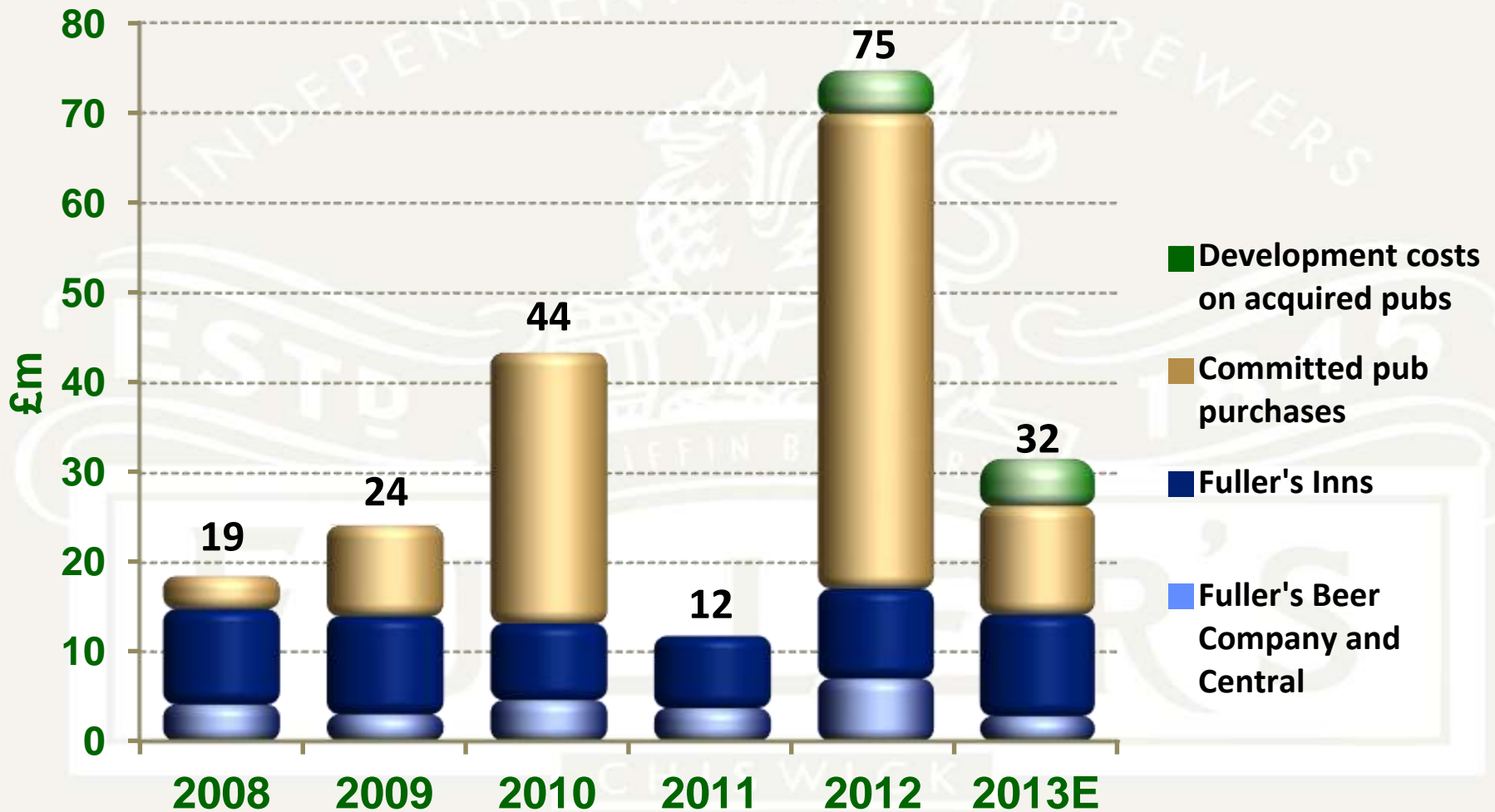
Borrowing Capacity

- £150m committed across four banks
- Freedom to add further funding for acquisitions
- 80% of period end gross borrowings fixed or capped
- Estimated blended cost of borrowings for 2012/13 is 4.2%
- Acquisitions completed post half year will increase net debt to £145m



* Net debt / EBITDA is on a pro forma 12 months basis for pubs acquired and disposed of in the year

Annual Capital Expenditure



2013E represents the current estimate of capital expenditure for the 52 weeks to 30 March 2013 and committed pub acquisitions. Further pub acquisitions would be in addition to this.



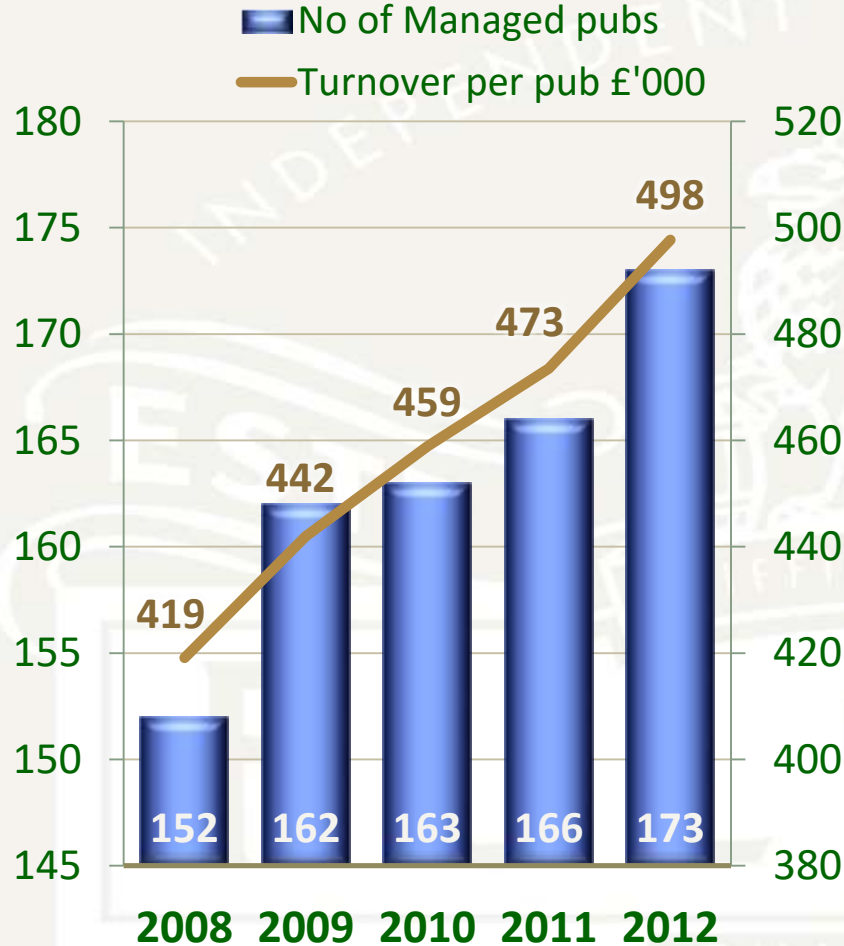
THE FAMILY BREWERS
1845
SHEPHERD'S
HISWICK

Simon Emeny

Group Managing
Director

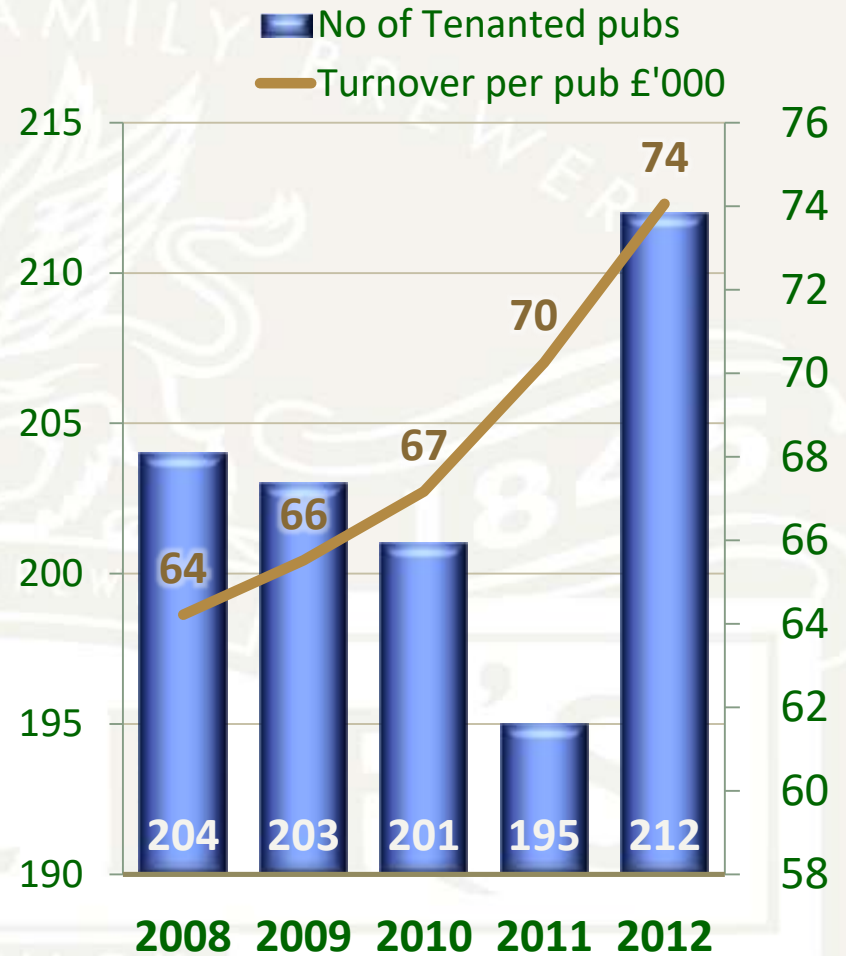
Fuller's Inns

Managed estate over 5 years



- Average turnover per pub has increased 20% over five years

Tenanted estate over 5 years



- Average turnover per pub has increased 16% over five years

Acquisitions Strategy: Execution

Objectives

Further enhance quality of estate

Increase London presence

Expand South East coverage

Selection Criteria

Demographics

Property

Opportunity to add value

Outside space

Freehold

Update

FY 2011/12 acquisitions

London (11 pubs)

→ 5 Managed pubs

→ 2 Managed development Sites

→ 4 Tenanted pubs

South East (19 pubs)

→ 4 Managed pubs

→ 2 Managed development sites

→ 13 Tenanted pubs

FY 2012/13

Progress on 2011/12 acquisitions

4 more pubs acquired to date

FY2012 Managed Acquisitions

London

- We have now completed the substantial refurbishments of 3 sites, including:

The Hand & Flower, Kensington Olympia

- **Opportunity:** improve bedrooms and function areas
- **After refurbishment:** focus on food, cask ale and wine sales has already seen results
- “Staff were superb. Would highly recommend for business trips”
– Tripadvisor review



FY2012 Managed Acquisitions

South East

- 2 of the 4 sites have seen significant investment already, including:

The Market Stores, Reigate

- **Opportunity:** great landmark building in heart of the town centre
- **After refurbishment:** now attracting professionals and affluent locals
- “Fuller’s have done a cracking refurb which has transformed the place”
– Beerintheevening.com review



FY2012 Development Sites

- These sites have all seen significant redevelopment, involving closed weeks, reopening costs and initially lower margins
- Recent trading is very positive and growth will continue in H2

	Profile	Progress
The Parcel Yard, King's Cross	Britain's largest station pub High footfall location	Reopened March 2012 Highest cask ale volumes in Company
The Tokenhouse, Moorgate	Repositioned to higher income professionals Contemporary menu	Reopened April 2012 Consistent uplift in trade since reopening
The Crown Inn, Bishop's Waltham	Charming 16th Century pub 8 boutique bedrooms	Reopened March 2012 Successfully transformed into the area's finest pub with rooms
The White Swan Hotel, Stratford-upon-Avon	Premium tourist market 41 bespoke, luxury bedrooms	Reopened April 2012 Excellent reputation, strong trading in current theatre season

Acquisitions - Tenanted

- Two freehold properties purchased in September 2012
- Great fit geographically for our portfolio – The Grand Central in Brighton and The Windmill in Waterloo
- High footfall, city centre locations near transport hubs
- Total cost of £4.0m



The Grand Central, Brighton



The Windmill, Waterloo

Acquisitions – Managed

- Two freehold pubs purchased in November 2012 for a total cost of £7.5m
- Consolidating our position in Bath alongside The Boater purchased last year
- The Huntsman and The Crystal Palace are both historic, Grade II listed properties in prime locations in the town centre



The Huntsman, Bath

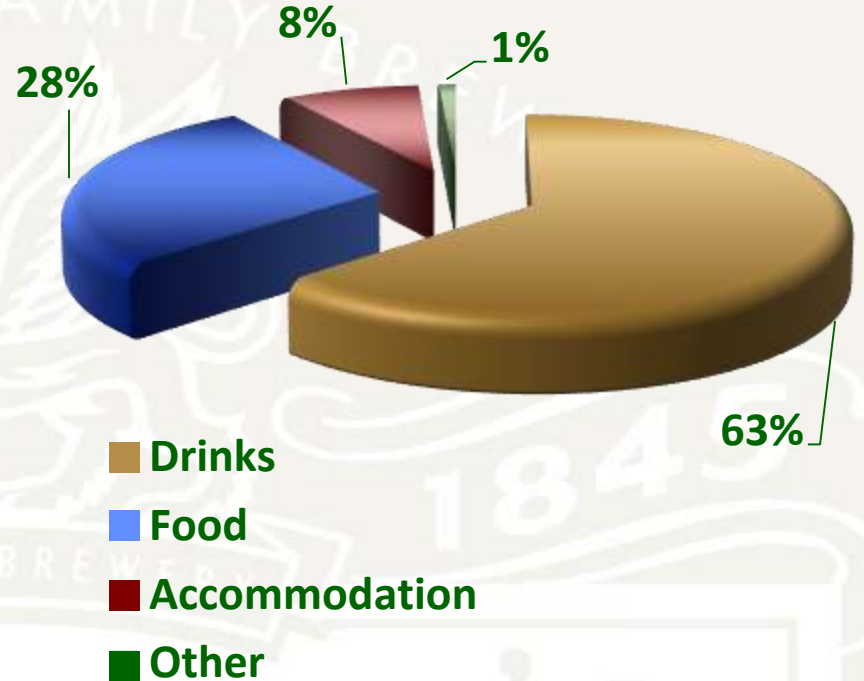


The Crystal Palace, Bath

Managed Pubs and Hotels

LFL growth rates

Drinks	+0.5%
Food	+2.2%
Accommodation	+10.8%
TOTAL	+1.6%



- Food and Accommodation continue to lead growth
- Our recent investment in accommodation is showing good returns driven by average room rate growth
- Total accommodation sales have increased 18% following last year's acquisitions

Digital Progress

- New pub websites launched 31 May 2012
- Shortlisted for BIMA* award
- 154% increase in unique visitors to Fuller's websites (October 2012 vs 2011)
- Covers generated online have doubled on a LFL basis – incremental business
- 87% more visitors to hotel pages than a year ago
- 23% of visitors to our pub sites are using mobile devices to access





Tenanted Inns

Philosophy

- Maintain excellent working relationships with our Tenants
- Work with Tenants to develop their offer and drive trade
- Enhance appeal of Fuller's pubs
- Maintain property in excellent condition
- Ensure we have the right Tenants in the right business

Action

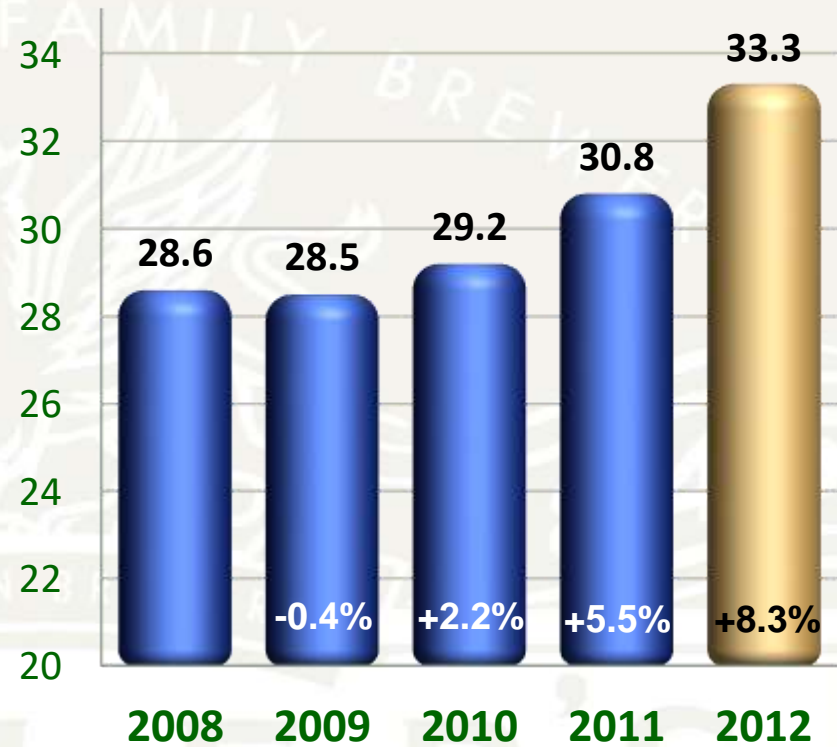
- Open Days and brewery tours for new Tenants
- Fuller's Wi-Fi extended to Tenants this year – pubs can provide free Wi-Fi to their customers
- Continual investment in signage
- Service Charge launched in March - 108 tenants have already signed up (50% of estate)
- Introduction of mentoring programme during the year. Currently only 5% of pubs have temporary tenants – lowest number for four years

Tenanted Inns

- Average EBITDA per pub +8%
- Margin increase of 1.5%
- 17 acquisitions last year contribution of £1.0m in H1, in line with expectations



Average EBITDA per pub £'000



Four year growth of 16%

- LFL profits up 1%
- Total profits up 19%
- Two further additions to estate in September 2012

The Fuller's Beer Company



The Fuller's Beer Company

- London Pride remains the UK's leading premium cask ale
- Fuller's well positioned to benefit from consumer trend for experimentation as highly flexible, sophisticated brewery
- Strong performance of seasonal and 'super seasonal' beers which add variety to the bar. Wild River and Red Fox performed well and our latest seasonal, Traitors' Gate is out now
- Reputation for craft ales further enhanced by latest speciality beer releases:

Vintage Ale 2012

Brewer's Reserve No.4

Past Masters Old Burton Extra



Off Trade

- Volumes sold to supermarkets and multiple retailers have increased 13% in the first half
- Fuller's range has a strong presence in major Off Trade outlets
- Significant further opportunity in this important channel
- Brewery fully invested to further exploit opportunities in Off Trade





Exports

- Export volume growth continues in existing and new markets
 - Balance of Export market portfolio improving as a result
 - Significant opportunities still remain in both areas
 - Strength of 'brand London' during 2012 a significant factor in Export performance
- 



Summary

- Robust trading in what was an interesting first six months
- Following an exceptional period of investment, our acquisitions are starting to deliver excellent returns
- Adjusted profits increased by 4%
- Managed Pubs and Hotels profits up 5% with 1.6% LFL sales growth
- Tenanted Inns profits up 19%
- Total beer volumes up 1%
- The foundations for growth laid over the past year will give us great momentum into 2013





Prospects

- A strong Group performance
- Managed LFL sales up 2.1% for 33 weeks
- Total beer volumes level for 33 weeks
- Tenanted LFL profits level for 33 weeks
- The economic outlook remains uncertain
- Business is well placed for the future, with a healthy balance sheet and successful long term acquisitions strategy
- Enduring boost for Fuller's from London Olympics