



20 September 2022

FULLER, SMITH & TURNER P.L.C.
Trading Update
25 weeks to 17 September 2022

Fuller, Smith & Turner P.L.C. ("Fuller's" or "the Company"), the premium pubs and hotels business, provides the following trading statement.

Sales

Sales continue to rebuild from the impact of the pandemic with total sales in the first 25 weeks of the financial year up 3% against pre-pandemic levels and up 50% on the same period last year. On a like for like basis, sales for the 25 weeks to 17 September 2022 are 21% up on last year.

Energy costs

The global energy crisis is causing significant increases in our expected costs for gas and electricity in the current financial year.

Earlier in the year we had forward purchase contracts in place to cover 50% of our forecast annual gas and electricity requirements. More recently the energy markets have seen costs increase even further to unprecedented levels. With growing uncertainty, and the risk of even higher market costs for energy as we head into the winter months, we have purchased additional forward contracts to cover what we anticipate will be our annual requirement, providing surety for the months ahead.

On 8 September 2022, the Government announced a new six-month scheme that will offer support to businesses at a similar level to that offered to consumers. As the details are yet to be published, we do not know, and are unable to quantify, the extent to which the scheme will mitigate increased costs. Prior to realising any financial benefit from this scheme, we expect our total gas and electricity costs in the current year to be c.£18 million against a prior year figure of £8 million.

We have made good progress implementing a number of initiatives, with more to follow, which reduce our energy usage and help mitigate these cost increases over the medium term.

Capital allocation

During the first half of the financial year, the Company has opened The Queen's Arms, a landside pub at Heathrow Terminal Two, The Queen's Terminal. In addition, we are close to completion on two further sites.

In the year to date we have sold four non-core unlicensed premises, generating proceeds of £6.9 million, and we plan to use part of these proceeds to fund a repurchase of up to one million 'A' shares in the Company.

Chief Executive Simon Emeny said: "While sales continue to recover from the effects of the pandemic, we are conscious that consumers face increasingly challenging times ahead.

"Businesses across the hospitality sector are experiencing unsustainable increases in energy costs. Despite having proactively purchased forward contracts to limit the impact on Fuller's, we will see significant increases this year and do urge the Government to provide much needed clarity on its proposed support package so that we can plan accordingly.

"We are looking forward to the forthcoming World Cup and our first restriction-free Christmas for three years. The future may present more obstacles to navigate, but Fuller's is a long-term company with a clear vision and the people, properties, and financial fire power to deliver consistent returns in the long term."

Fuller's will next update the market on 17 November 2022, when the Company issues its half year results for the 26 weeks to 24 September 2022.

– Ends –

For further information, please contact:

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Notes to Editors:

Fuller, Smith & Turner PLC is the premium pubs and hotels business that is famous for beautiful and inviting pubs with delicious fresh food, a vibrant and interesting range of drinks, and engaging service from passionate people. Fuller's has 207 managed businesses, with 1,030 boutique bedrooms, and 178 Tenanted Inns. The estate is predominately located in the South of England (44% of sites are within the M25) and stretches from our London heartland to the Jurassic Coast via the New Forest. Our Managed Pubs and Hotels include seven stunning hotels in the Cotswolds, and Bel & The Dragon – eight exquisite country inns located in the Home Counties. In summary, Fuller's is the home of great pubs, outstanding hospitality and passionate people, where everyone is welcome and leaves that little bit happier than they arrived.