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UNTIL 7AM FRIDAY 6 JUNE 2014

FULLER, SMITH & TURNER P.L.C.
Financial results for the 52 weeks ended 29 March 2014

A record year driven by strong like for likes

Financial Highlights

- Adjusted earnings per share[1] up 11% to 46.94p (2013: 42.18p)
- Adjusted profit before tax[2] up 10% to £34.1 million (2013: £31.1 million)
- Revenue up 6% to £288.0 million (2013: £271.5 million)
- EBITDA[3] up 6% to £54.5 million (2013: £51.2 million)
- Final dividend up 11% to 9.30p (2013: 8.35p)
- Net debt to EBITDA[4] 2.5 times (2013: 2.6 times)

Operational Indicators

- Industry leading like for like sales growth of 8.3% in Managed Pubs and Hotels
- Particularly strong growth in food and accommodation, with like-for-like sales in both areas rising by 10.4%
- Tenanted Inns like for like profits[5] increased by 2%
- Total Beer and Cider volumes rose by 1%

Strategy Update

- Portfolio development continues with addition of Frontier, our new craft lager, Cornish Orchards cider and Sierra Nevada

[1] Calculated using adjusted profit after tax and the same weighted average number of shares as for the basic earnings per share and using a 40p ordinary share. Basic earnings per share were 52.14p (2013 restated: 50.43p). 2013 earnings per share are restated in line with the change in accounting policy as a result of IAS19 (amendment). See note 1 of the financial statements for details.
[2] Adjusted profit is the profit before tax excluding exceptional items. Statutory profit before tax was £33.5 million (2013 restated: £33.7 million). 2013 profits are restated, see note 1 for details.
[3] Pre-exceptional earnings before interest, tax, depreciation, loss on disposal of plant and equipment and amortisation.
[4] Net debt to EBITDA is adjusted as appropriate for the pubs acquired or disposed of in the period.
[5] Operating profit before exceptional items

- Increased capacity at Cornish Orchards by 60%
- Acquired three new sites and opened Cams Mill, Fareham
- Tenanted Division wins Tenanted Pub Company of the Year at the Publican Awards

Current Trading

- Managed Pubs & Hotels like for like sales +8.0%
- Tenanted like for like profits +4%
- Fuller's Beer Company volumes +10%
- Purchase of three new freehold sites including two Thames riverside locations
- Opened London's Pride at Heathrow Terminal 2: The Queen's Terminal

Commenting on the results, Simon Emeny, Chief Executive of Fuller's, said: "Approaching the end of my first full year as Chief Executive, I am pleased to report that Fuller's has had another very strong year. As a company, we know our strength is in operating at the premium end of the market and we have a clear vision of where we are going and how we will get there.

"Fuller's Inns has had an excellent year with like for like sales in the Managed business rising by 8.3% and Tenanted like for like profits rising by 2%. It's been a year of change for the Fuller's Beer Company, with foundation blocks being laid for the future. Several new initiatives have come into play during the period including the acquisition of Cornish Orchards, the launch of Frontier, the purchase of the UK distribution rights to Sierra Nevada and the launch of Westside Drinks.

"We are looking forward with anticipation and excitement to the forthcoming year. Investment is taking place in all areas of the Company and we continue to be pleased with the impact that it is having on the business.

"The combination of a high quality estate, premium brands and a healthy balance sheet puts us in an excellent position going forward."

-**Ends**-

For further information, please contact:

<u>Fuller, Smith & Turner P.L.C.</u>

Simon Emeny, Chief Executive (press)	020 8996 2175
James Douglas, Finance Director (analysts)	020 8996 2000
Georgina Wald, Corporate Communications Manager	020 8996 2198/07831 299801

<u>Instinctif Partners</u>

Paul Downes	07900 244888
Justine Warren	07785 555692

Notes to Editors:

Fuller, Smith and Turner P.L.C. is an independent traditional family brewer founded in 1845 and is based at the historic Griffin Brewery in Chiswick, London, where brewing has taken place continuously since 1654. The Company runs 180 Managed Pubs and Hotels and 206 Tenanted pubs, with a focus on outstanding cask ale, great wine, exemplary service and delicious fresh, home-cooked food. The Company also has 622 boutique bedrooms in its Managed estate. Fuller's pub estate stretches from Brighton to Birmingham and from Portishead to the Greenwich Peninsula, including 168 locations within the M25.

The Fuller's Beer Company brews a portfolio of award-winning ales such as London Pride, ESB, Chiswick Bitter, 1845 and London Porter. Three of Fuller's beers – London Pride, ESB and Chiswick Bitter – have been named as CAMRA Champion Beer of Britain, a record unmatched by any other brewer. In June 2013, the Company acquired Cornish Orchards, a craft cider maker producing a range of award-winning ciders and premium soft drinks. Fuller's also imports and markets a number of beer and wine brands.

Photography is available from the Fuller's Press Office on 020 8996 2175 or by email at pr@fullers.co.uk.

Copies of this statement, the Annual Report and results presentation will be available on the Company's website, www.fullers.co.uk. The presentation will be available from 12 noon on 6 June 2014.

FULLER, SMITH & TURNER P.L.C.

FINANCIAL RESULTS FOR THE 52 WEEKS ENDED 29 MARCH 2014

CHAIRMAN'S STATEMENT

I am delighted to present a very strong set of results for the Group and I would like to congratulate all those involved in delivering these numbers. Our Managed Pubs and Hotels division has had an excellent year and across the business we are reaping the rewards of some great acquisitions and a well invested estate underpinned by a premium brand portfolio, delicious fresh food and exceptional people.

Group revenues rose by 6% to £288.0 million (2013: £271.5 million), which resulted in adjusted profit before tax (excluding exceptional items) growing by 10% to £34.1 million (2013: £31.1 million[6]). Our adjusted earnings per share, our favoured measure for shareholders, rose 11% to 46.94p (2013: 42.18p[6]).

We continue to deliver industry leading results with like for like sales in our Managed Pubs and Hotels rising by 8.3%, led by a superb performance in both food sales and accommodation – two areas that have seen increased focus over recent years. Operating profits[7] for this division rose by 16% with strong margins.

In our Tenanted Division, revenue has also risen. We have invested for the future in our Tenanted estate and this increase in repairs has led to a 1% rise in profits[7] from a 2% rise in revenue. On a like for like basis, we were pleased to see profits rise by 2%.

The Fuller's Beer Company has had a very interesting year with the launch of Frontier, a craft lager, in May 2013 and the purchase of Cornish Orchards, a traditional cider maker, in June last year. The year has been rounded off with the acquisition of the UK distribution rights to US craft beer Sierra Nevada. These elements widen our range, providing a solid basis for future growth and give the Beer Company an outstanding range of premium brands to offer to our pubs and free trade customers.

DIVIDEND

The Board recommends that a final dividend of 9.30p per 40p 'A' and 'C' ordinary share and 0.93p per 4p 'B' ordinary share be paid on 28 July 2014 to shareholders on the share register as at 27 June 2014. This is an increase of 11% on last year's final dividend. The total dividend per share of 15.10p per 40p 'A' and 'C' ordinary share and 1.51p per 4p 'B' ordinary share represents a 10% increase on last year and will be covered more than three times by adjusted earnings per share.

Michael Turner
Chairman
6 June 2014

[6] 2012 adjusted profit and adjusted earnings per share are restated to exclude pension scheme finance costs / income from adjusted profit. See note 1 for details.
[7] Operating profit before exceptional items

CHIEF EXECUTIVE'S REVIEW

Approaching the end of my first full year as Chief Executive, I am pleased to report that Fuller's has had another very strong year. As a company, we know our strength is in operating at the premium end of the market and we have a clear vision of where we are going and how we will get there. This provides a focus for the team while encouraging individuality, innovation and flexibility to flourish.

Our vision is to create and operate the most stylish pubs and hotels whilst brewing Britain's most coveted premium brands for discerning customers both at home and abroad. To deliver this vision, we will continue to focus on three key drivers for growth:

- Providing a distinctive pub and hotel experience
- Identifying targeted acquisitions and developments
- Further developing our premium brand portfolio.

One area that is of particular note during the last year is the commitment we have put behind specific training programmes right across the business. From wine training in Fuller's Inns to sales training in the Beer Company, more of our people have benefited from greater investment in their personal development. We will never rest on our laurels and in order to build on the great results of this year, we remain committed to ensuring our people are equipped with the best skills to deliver outstanding beer and delicious food in wonderful pubs with great service. This is how we will stay ahead of our competitors.

Our strong culture is at the heart of everything we do. Whether it's the brewer, a drayman, a cellar services technician, an accountant or anyone at head office, or a manager, tenant or barmaid – everyone at Fuller's is focused on delivering exemplary service to our customers. Our people are responsible for the success of this business and I'd like to personally thank them all for their enthusiasm and dedication.

DISTINCTIVE PUB AND HOTEL EXPERIENCE

Fuller's Inns has had an excellent year with like for like sales in the Managed business rising by 8.3% and Tenanted like for like profits rising by 2%. At the year end, our estate comprised 384 pubs of which 207 are Tenanted pubs run by entrepreneurial licensees and 177 are in our Managed Pubs and Hotels division. Having a balanced business operating both Managed and Tenanted houses allows us the flexibility of moving sites between the two and this year has seen seven pubs move between the two divisions.

Managed Pubs and Hotels

Our Managed Pubs and Hotels division has enjoyed another stellar year with strong like for like sales growth from all areas of the business – notably food and accommodation. Total like for like sales were up by 8.3%.

Total revenues increased 9% from £170.1 million to £186.0 million and our operating margin expanded from 11.4% to 12.1%, driven by improved gross margins achieved on food and drink and a lower payroll percentage. This increase was partly offset by higher investment, resulting in a 16% increase in profits[8] to £22.5 million (2013: £19.4 million).

Our food sales, driven by a continued focus on food that is fresh, locally-sourced where possible and prepared by trained chefs on site, have risen by 10.4% on a like for like basis. Accommodation has had a great year too with like for like sales across our 622 boutique bedrooms also rising by 10.4% – a figure that is particularly impressive following a year that benefitted from the Olympic Games in our London heartland. We have improved the customer journey on our online booking system and this is reaping rewards with initial results showing a 60% increase in bookings coming through this medium.

Food continues to rise in importance throughout the Fuller's estate and this has led us to increase our focus on food marketing and improve the training programmes and career structure we have in place. As well as the chef-led kitchen teams in the pubs, we have a team of nine Executive Chefs under the stewardship of our Head of Food. This year has seen our chef development programme extended to include more junior team members, with the aim of producing home-grown Executive Chefs for the future.

The programme comprises a three level Chef Scholarship and 65 of the 850 kitchen staff in our managed estate have already participated, including a number of food assistants who are just starting their careers in the food arena. We have just completed a full year of the first two levels of this initiative, while the second full year is coming to a close for those sous chefs looking to take up a role as head chef.

The food team also continues to work on products that are available *Only at Fuller's* and our London Porter Smoked Salmon is still our best-selling starter while Vintage Ale Sticky Toffee Pudding is our most popular dessert. Recent innovations include a Cornish Orchards cider pork sausage.

As well as new courses for our chefs, the rest of the 3,200 employees in our Managed Pubs and Hotels team have benefited too with almost 10,000 days invested on pub staff training during the year – which works out at around 400 training hours per pub. Much of this development has been targeted at the customer experience and we now have around 50 Service Coaches in the estate. The impact of these coaches cannot be underestimated and they have a pride in their job that enthuses the wider team around them.

During the year, we held our third annual Connections Week event, which this year provided a launch pad for our *Five Golden Rules of Engaging Service*. Connections Week brings one team member from every Managed pub together for a day of interactive learning activities that they then go back and share with their colleagues. This year the focus was on our new service passports, which attendees use as a vehicle to disseminate the Five Golden Rules to the rest of the team in their own pub.

Finally, we are also refreshing our approach to recruitment with an updated online portal and a more effective means of ensuring our managers only interview the best applicants. We intend to start with the best recruits, develop team members through first class training and motivate them emotionally and financially. The result is a structured career path and a pipeline of great future managers to support the Company's growth.

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[8] Operating profit before exceptional items

It's fine for a company to claim that it offers a distinctive pub and hotel experience, but only our customers can decide if we are succeeding. Social media allows companies to gauge their performance in a very public way but the sheer volume of feedback can be difficult to monitor. We have invested in a new system that consolidates online reviews and allows our pubs to access that feedback in a simple format. The system also enables our pubs to easily see how they are faring and quickly address any issues that arise.

Tenanted Inns

It's been a good year for our Tenanted division too – with revenue increasing by 2% to £31.3 million (2013: £30.8 million), profits[9] rising by 1% to £12.3 million (2013: £12.2 million) and average EBITDA per pub growing by 1%. As we continue to focus on the premium end of the estate we have sold four pubs, while three pubs have been transferred to the Managed Pubs division and four have moved in the opposite direction. In addition, we have invested more on renovations with 24 internal schemes, 21 external schemes and 30 signage schemes across our tenanted pubs.

We have continued to focus on providing an even better service to our Tenants. We hold regular meetings with them, including an annual forum and are always seeking to act on their feedback to help develop their businesses. One example is the provision of a high quality extranet to improve the flow of information, which we delivered this year. The response has been very positive and we were delighted when our commitment to our Tenants was recognised in the 2014 *him!* survey, in which Fuller's came out as the top Tenanted pub company as voted for by Tenants.

Further success came at The Publican Awards where Fuller's took the coveted title of *Tenanted Pub Company of the Year*. However, we are determined to improve further and the new financial year has already seen the launch of a new training service with a range of online courses being offered to Tenants for just £5 each.

Finally, we are delighted that 80% of our Tenanted estate is now signed up to the Fuller's Service Agreement. This is an initiative that gives Tenants a guaranteed level of regular property maintenance and compliance with the ever increasing burden of legislation, at group purchasing prices.

TARGETED ACQUISITIONS AND DEVELOPMENTS

This year has seen some great additions to the Fuller's estate for both the Managed and Tenanted divisions. In July 2013, we added The White Hart, Southwark to our Tenanted estate while November saw the addition of two new managed pubs, The Distiller's in Hammersmith and the opening of Cams Mill, a large development on the Fareham estuary. In March, we were delighted to acquire The Albannach – an iconic site on London's Trafalgar Square – and in April we started the new financial year with the announcement of two new riverside sites in Fulham and Greenwich and the purchase in May of The Windmill in Portishead, near Bristol. All four of these latter additions will operate within our Managed Pubs division.

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[9] Operating profit before exceptional items

The coming financial year will see us reaping the rewards of much of this investment. London's Pride – our pub at the Queen's Terminal, Heathrow (Terminal 2), opened on 4 June 2014 and we are looking forward to building on our transport hub expertise from The Parcel Yard at King's Cross. London's Pride includes a number of new features such as a section for *Grab and Go* food to be eaten on the plane and we will be retailing travel and food books within the pub. With an investment cost of £1.7 million, the pub has 200 covers and will be serving contemporary pub food, which has been designed with the modern traveller in mind. The design takes airport pubs to a whole new level and much is made within the pub of Fuller's heritage and the site's close proximity (8.3 miles) to the Brewery.

Following on from the very successful conversion of The Red Lion on Whitehall to our Ale & Pie format, we will be carrying out a similar project on The Albannach in Trafalgar Square, which will be unveiled as The Admiralty in October. With more than a nod to its location and the presence of Admiral Nelson, the pub will benefit from the high footfall in this area, offering a winning combination of great beer and delicious pies to tourists and locals alike.

Finally, three new riverside pubs will be opening on the Thames in the new financial year. One over the Ait by Kew Bridge will open in the autumn of 2014, closely followed by the site at Fulham Reach, overlooking the Harrods Depository and providing great views of life on the river. The Sail Loft at Greenwich – part of the new Capital Quay Development – will open in spring 2015. We also purchased The Windmill at Portishead in May 2014 – a popular dining pub with panoramic views across the Severn Estuary to Wales.

We have invested a total of £38.1 million on capital expenditure during the year – which represents a rise of 29% against last year. We have taken the opportunity to bring forward investment on refurbishments while sales have been strong and this is particularly true in the second half of the year, which has seen 16 major schemes, making a total of 28 for the year.

Several of the projects undertaken during the year have included upgrading the accommodation and, in some cases, adding additional bedrooms. In the coming year we are looking to undertake a large project at The Mad Hatter, close to Blackfriars Bridge, which will add an additional 15 bedrooms. We pride ourselves on offering a better experience and our added design touches ensure we stand out from the bland, standardised offerings that characterise parts of the British hotel scene.

All of our refurbishments aim to promote the key drivers in our estate and we will continue to focus on improved kitchens and dining areas, exquisite bedrooms and comfortable areas for drinkers to relax in. We will also continue to combine this with innovative and interesting features such as the mural by a local street artist in the cellar bar of The Boater in Bath.

The Fuller's Beer Company

It's been a year of change for the Fuller's Beer Company, with foundation blocks being laid for the future. Total beer and cider volumes were 1% higher than last year with exports showing the strongest growth. Several new initiatives have come into play during the period including the acquisition of Cornish Orchards, the launch of Frontier, the purchase of the UK distribution rights to Sierra Nevada and the launch of Westside Drinks – a separate sales force with a remit to target the style end of the licensed retail market. In addition, we celebrated a cut in beer duty thanks to the Chancellor's Budget in March 2014.

Revenue for the Beer Company increased 2% to £115.8 million (2013: £113.6 million) while operating profit before exceptional items reduced 2% to £8.5 million (2013: £8.7 million) following additional marketing spend and significant improvements to the Brewery.

PREMIUM BRAND PORTFOLIO

Our brands continued to pick up awards during the year with London Porter winning the overall prize for Best Keg Beer at the SIBA (Society of Independent Brewers) awards and the cask version taking the overall title for the London & South East CAMRA Champion Beer of Britain competition. In the same awards, 1845 took the gold medal in the Real Ale in a Bottle Category.

London Pride continues to be our best selling brand and the second phase of the *Made of London* campaign ran during the last financial year. Over 500 posters appeared on sites across the Capital, which were viewed by over eight million adults. The supporting digital campaign had over seven million impressions and reached 1.7 million unique users.

By using posters and press, the ads have a longer dwell time which allows us to get over a relatively complex message about London Pride's credentials and phase three has just started, which will build on this further. The new phase is more interactive, with social media acting as a call to action for drinkers to share their stories of London Pride. The London Pride Facebook page alone now has over 38,000 fans.

On 4 June 2013, we purchased Cornish Orchards for £3.8 million. Cornish Orchards produces a range of premium award-winning ciders using freshly pressed apples as well as a range of interesting and delicious soft drinks. We have already invested in six new tanks – which have increased capacity by 60% to cope with the growing demand for its products. These craft ciders and soft drinks are produced by a team that is passionate about quality. They perfectly complement our existing portfolio while the company itself is a great cultural fit with Fuller's.

Frontier, our new craft lager launched in May 2013, continues to grow and the brand is proving popular at various London events such as Street Feast and Ribstock. In addition, Frontier is now available in over 230 locations – the majority of which are not our own pubs – and in bottle in over 600 Tesco stores. The agreement with Sierra Nevada, which sees Fuller's take responsibility for the distribution of this great American craft beer across the UK, and the addition of Cornish Orchards have opened more doors for Westside Drinks and gives the team a fantastic range of brands to sell to high end bars, restaurants and festivals.

Our export business continues to grow with Sweden now our largest export market, followed by the USA, Canada, Russia and Finland. In total, Fuller's is now present in 68 countries and one in five pints brewed heads overseas. London Pride still accounts for the lion's share, with 44% of total export volume – but our wide portfolio has proved to be a real asset in foreign markets and our fastest growing export brands last year were Organic Honey Dew and India Pale Ale.

As an integral part of our premium brand portfolio, we continue to source, import and sell a wide range of interesting wines. By focusing on brands that are not so readily available in the off trade, we can offer a point of difference to our pubs and free trade customers.

Finally, we continue to expand both at the Griffin Brewery in Chiswick and at Cornish Orchards in Duloe. In Cornwall, we are further increasing production capacity in preparation for this autumn's apple harvest while this spring we added 10 new tanks to accommodate increased keg volumes at the Brewery in Chiswick due to sales of Frontier and the growth in exports.

FINAL SALARY PENSION SCHEME

We closed our final salary pension scheme to new members in August 2005. The Company has recently finished a period of consultation with the Trustees and Members of that scheme, with the expectation that the scheme will close to future accrual with effect from 1 January 2015. As there are still matters to be concluded on the scheme closure between the Company and the Trustees, we cannot yet quantify the financial impact of this action.

FINANCIAL PERFORMANCE

The Group's net debt rose £4.2 million to £139.8 million following both strong cash generation from operations and also high levels of investment. Total capital expenditure for the year of £38.1 million included acquiring Cornish Orchards Limited, buying three pubs, purchasing the freehold of an existing property and building two new pubs (Cams Mill, Fareham and London's Pride, Heathrow Terminal 2).

EBITDA increased by 6% to £54.5 million (2013: £51.2 million). Our increased capital spend was offset by the increase in EBITDA, so that the ratio of net debt to EBITDA reduced to 2.5 times (2013: 2.6 times). Our undrawn committed banking facilities at the year end were £33.5 million and this level of debt allows us continued flexibility to invest in future opportunities as they arise. Net finance costs before exceptional items decreased marginally from £5.9 million to £5.8 million[10].

Net exceptional costs before tax of £0.6 million consists of profits on property disposals of £1.9 million, onerous lease provision releases of £0.9 million, offset by acquisition costs expensed of £1.1 million, reorganisation costs of £1.2 million, property impairment charges net of reversals of £0.5 million and a net interest charge on our pension deficit of £0.6 million. The reorganisation costs comprise redundancy costs relating to employee restructuring, centred around the brewery sales force and supply chain team, together with legal and consulting costs for the closure of the final salary pension scheme to future accrual. This restructuring is anticipated to save £0.5m in a full year.

Statutory profit before tax after exceptional items was £33.5 million (2013: £33.7 million[11]). Tax has been provided for at an effective rate of 23.2% (2013: 24.4%) on adjusted profits. The overall effective tax rate of 13.1% (2013: 16.6%) was boosted by tax on exceptional items of £3.5 million, primarily the deferred tax credit of £3.4 million relating to the stepped reduction in the UK corporation tax rate from 23% down to 20% from April 2015. The net impact of these items meant that basic earnings per share were greater than the adjusted figure at 52.14p (2013: 50.43p[11]).

[10] 2013 finance costs before exceptional items are restated to exclude pension scheme finance costs/income. See note 1 for details.
[11] 2013 profit before tax and basic earnings per share are restated in line with the change in accounting policy as a result of IA19 (amendment). See note 1 for details.

The deficit on the defined benefit pension scheme increased by £4.2 million to £17.2 million (2013: £13.0 million). Despite better than expected returns on the plan assets, there was a substantial increase in the calculated value of the scheme liabilities, driven by a lower discount rate, an increase to the cash commutation factor and more prudent mortality assumptions.

During the period 445,819 'A' ordinary 40p shares were purchased by the Company into treasury for £4.2 million. In addition 69,000 'A' ordinary 40p shares, 414,854 'B' ordinary 4p shares and 5,000 'C' ordinary 40p shares were purchased for £1.1 million by the Trustees of the Company's Share Incentive Plan and Long Term Incentive Plan to cover future issuance.

CURRENT TRADING AND PROSPECTS

We've had a very good start to the new financial year, with like for like sales in our Managed Pubs and Hotels rising by 8.0% in the nine weeks to 31 May 2014. Like for like profits in the Tenanted estate have risen by 4% and total volumes in the Beer Company are up by 10%.

Two new pubs have opened during the first nine weeks of the year – The Windmill, a freehold site in Portishead, and London's Pride at Heathrow Terminal 2. In addition, we have three freehold riverside sites that will open during the next year at Kew, Fulham and Greenwich.

The Fuller's Beer Company strategy, launched last year, is already starting to deliver with both Frontier and Cornish Orchards achieving exciting growth and extra capacity coming on stream in Chiswick and Cornwall during the coming months.

We are looking forward with anticipation and excitement to the forthcoming year. Investment is taking place in all areas of the Company and we continue to be pleased with the impact that it is having on the business. The combination of a high quality estate, premium brands and a healthy balance sheet puts us in an excellent position going forward.

Simon Emeny
Chief Executive
6 June 2014

FULLER, SMITH & TURNER P.L.C.
FINANCIAL HIGHLIGHTS
FOR THE 52 WEEKS ENDED 29 MARCH 2014

	52 weeks ended 29 March 2014 £m	*Restated* 52 weeks ended 30 March 2013 £m*	**Change 2014/2013**
Revenue	**288.0**	271.5	***6%***
Adjusted profit [1*]	**34.1**	31.1	***10%***
Adjusted earnings per share [2*]	**46.94p**	42.18p	***11%***
EBITDA [3]	**54.5**	51.2	***6%***
Total dividend per share [4]	**15.10p**	13.70p	***10%***
Net debt [5]	**139.8**	135.6	
Pro forma net debt / EBITDA [6]	**2.5 times**	2.6 times	

* Results for the 52 weeks ended 30 March 2013 have been restated for changes to IAS 19 and to exclude pension finance costs/income from adjusted profits.

1 *Adjusted profit is the profit before tax excluding exceptional items. Statutory profit before tax was £33.5 million (2013 restated: £33.7 million).*
2 *Calculated using adjusted profit after tax and the same weighted average number of shares as for the basic earnings per share and using a 40p ordinary share. Basic earnings per share were 52.14p (2013 restated: 50.43p).*
3 *Pre-exceptional earnings before interest, tax, depreciation, gain on disposal of plant and equipment and amortisation.*
4 *Calculated on a 40p ordinary share.*
5 *Net debt comprises cash and short term deposits, bank overdraft, bank and other loans, debenture stock and preference shares.*
6 *Pro forma net debt / EBITDA is adjusted as appropriate for the pubs acquired or disposed of in the period.*

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP INCOME STATEMENT
FOR THE 52 WEEKS ENDED 29 MARCH 2014

		52 weeks ended 29 March 2014		
		Before exceptional items	*Exceptional items*	*Total*
	Note	*£m*	*£m*	*£m*
Revenue	***2***	**288.0**	**-**	**288.0**
Operating costs	***3***	**(248.1)**	**(1.9)**	**(250.0)**
Operating profit		**39.9**	**(1.9)**	**38.0**
Profit on disposal of properties	***3***	**-**	**1.9**	**1.9**
Finance costs	***3,4***	**(5.8)**	**(0.6)**	**(6.4)**
Profit before tax		**34.1**	**(0.6)**	**33.5**
Taxation	***3,5***	**(7.9)**	**3.5**	**(4.4)**
Profit for the year attributable to equity shareholders of the Parent Company		**26.2**	**2.9**	**29.1**

		Restated* 52 weeks ended 30 March 2013		
		Before exceptional items	*Exceptional items*	*Total*
	Note	*£m*	*£m*	*£m*
Revenue	*2*	271.5	-	271.5
Operating costs	*3*	(234.5)	(1.5)	(236.0)
Operating profit		37.0	(1.5)	35.5
Profit on disposal of properties	*3*	-	5.0	5.0
Finance costs*	*3,4*	(5.9)	(0.9)	(6.8)
Profit before tax*		31.1	2.6	33.7
Taxation*	*3,5*	(7.6)	2.0	(5.6)
Profit for the year attributable to equity shareholders of the Parent Company*		23.5	4.6	28.1

**Comparatives have been restated for changes to IAS 19, see note 1.*

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EARNINGS PER SHARE

	Note	**52 weeks ended 29 March 2014 Pence**	*Restated* 52 weeks ended 30 March 2013 Pence*
Per 40p 'A' and 'C' ordinary share*			
Basic	***6***	**52.14**	50.43
Diluted	***6***	**51.39**	49.95
Adjusted	***6***	**46.94**	42.18
Diluted adjusted	***6***	**46.27**	41.78
Per 4p 'B' ordinary share*			
Basic	***6***	**5.21**	5.04
Diluted	***6***	**5.14**	5.00
Adjusted	***6***	**4.69**	4.22
Diluted adjusted	***6***	**4.63**	4.18

**Comparatives have been restated for changes to IAS 19, see note 1.*

The results and earnings per share measures above are all in respect of continuing operations of the Group.

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 29 MARCH 2014

	Note	**52 weeks ended 29 March 2014 £m**	*Restated* 52 weeks ended 30 March 2013 £m*
Profit for the year*		**29.1**	28.1
Items that may be reclassified to profit or loss			
Net gains/(losses) on valuation of financial assets and liabilities		**2.4**	(0.9)
Tax related to items that may be reclassified to profit or loss	***5***	**(0.6)**	0.2
Items that will not be reclassified to profit or loss			
Net actuarial (losses)/gains on pension schemes*	***10***	**(4.1)**	6.5
Tax related to items that will not be reclassified to profit or loss*	***5***	**0.4**	(1.7)
Other comprehensive (loss)/income for the year, net of tax*		**(1.9)**	4.1
Total comprehensive income for the year, net of tax, attributable to equity shareholders of the Parent Company		**27.2**	32.2

**Comparatives have been restated for changes to IAS 19, see note 1.*

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP BALANCE SHEET
29 MARCH 2014

	Note	*At 29 March 2014 £m*	*At 30 March 2013 £m*
Non-current assets			
Intangible assets		**34.4**	30.1
Property, plant and equipment	*8*	**434.8**	414.8
Investment properties		**4.7**	4.2
Derivative financial assets		**0.8**	-
Other non-current assets		**0.4**	0.4
Deferred tax assets		**6.2**	6.1
Total non-current assets		**481.3**	455.6
Current assets			
Inventories		**10.6**	10.1
Trade and other receivables		**18.3**	18.3
Cash and short term deposits	*9*	**4.1**	4.3
Total current assets		**33.0**	32.7
Assets classified as held for sale		**1.2**	0.6
Current liabilities			
Trade and other payables		**46.1**	40.9
Current tax payable		**3.9**	3.8
Provisions		**1.2**	1.0
Total current liabilities		**51.2**	45.7
Non-current liabilities			
Borrowings	*9*	**143.9**	139.9
Derivative financial liabilities		**0.8**	2.4
Retirement benefit obligations	*10*	**17.2**	13.0
Deferred tax liabilities		**22.6**	26.7
Provisions		**2.2**	1.8
Other non-current payables		**0.4**	-
Total non-current liabilities		**187.1**	183.8
Net assets		**277.2**	259.4
Capital and reserves			
Share capital		**22.8**	22.8
Share premium account		**4.8**	4.8
Capital redemption reserve		**3.1**	3.1
Own shares		**(9.7)**	(8.7)
Hedging reserve		**-**	(1.8)
Retained earnings		**256.2**	239.2
Total shareholders' equity		**277.2**	259.4

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEKS ENDED 29 MARCH 2014

	Share capital £m	*Share premium account £m*	*Capital redemption reserve £m*	*Own shares £m*	*Hedging reserve £m*	*Restated* Retained earnings £m*	*Restated* Total £m*
At 31 March 2012	22.8	4.8	3.1	(8.3)	(1.1)	214.0	235.3
Profit for the year*	-	-	-	-	-	28.1	28.1
Other comprehensive income/(loss) for the year*	-	-	-	-	(0.7)	4.8	4.1
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**(0.7)**	**32.9**	**32.2**
Shares purchased to be held in ESOT or as treasury	-	-	-	(4.0)	-	-	(4.0)
Shares released from ESOT and treasury	-	-	-	3.6	-	(3.1)	0.5
Dividends (note 7)	-	-	-	-	-	(7.2)	(7.2)
Share-based payment charges	-	-	-	-	-	1.9	1.9
Tax credited directly to equity (note 5)	-	-	-	-	-	0.7	0.7
Total transactions with owners	**-**	**-**	**-**	**(0.4)**	**-**	**(7.7)**	**(8.1)**
At 30 March 2013	**22.8**	**4.8**	**3.1**	**(8.7)**	**(1.8)**	**239.2**	**259.4**
Profit for the year	-	-	-	-	-	29.1	29.1
Other comprehensive (loss)/income for the year	-	-	-	-	1.8	(3.7)	(1.9)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1.8**	**25.4**	**27.2**
Shares purchased to be held in ESOT or as treasury	-	-	-	(5.3)	-	-	(5.3)
Shares released from ESOT and treasury	-	-	-	4.3	-	(2.9)	1.4
Dividends (note 7)	-	-	-	-	-	(7.9)	(7.9)
Share-based payment charges	-	-	-	-	-	1.8	1.8
Tax credited directly to equity (note 5)	-	-	-	-	-	0.6	0.6
Total transactions with owners	**-**	**-**	**-**	**(1.0)**	**-**	**(8.4)**	**(9.4)**
At 29 March 2014	**22.8**	**4.8**	**3.1**	**(9.7)**	**-**	**256.2**	**277.2**

**Comparatives have been restated for changes to IAS 19, see note 1.*

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP CASH FLOW STATEMENT
FOR THE 52 WEEKS ENDED 29 MARCH 2014

	Note	52 weeks ended 29 March 2014 £m	Restated* 52 weeks ended 30 March 2013 £m
Profit before tax*		**33.5**	33.7
Net finance costs before exceptional items*		**5.8**	5.9
Exceptional items*	3	**0.6**	(2.6)
Depreciation and amortisation		**14.7**	14.2
Gain on disposal of property, plant and equipment		**(0.1)**	-
		54.5	51.2
Difference between pension charge and cash paid		**(0.5)**	(0.5)
Share-based payment charges		**1.8**	1.9
Change in trade and other receivables		**1.0**	(0.2)
Change in inventories		**(0.1)**	0.4
Change in trade and other payables		**2.8**	(4.0)
Cash impact of operating exceptional items	3	**(2.1)**	(1.5)
Cash generated from operations		**57.4**	47.3
Tax paid		**(8.0)**	(8.1)
Cash generated from operating activities		**49.4**	39.2
Cash flow from investing activities			
Business combinations		**(9.6)**	(11.4)
Purchase of property, plant and equipment		**(28.5)**	(18.2)
Overdraft acquired on acquisition		**(0.1)**	-
Sale of property, plant and equipment		**2.6**	9.5
Net cash outflow from investing activities		**(35.6)**	(20.1)
Cash flow from financing activities			
Purchase of own shares		**(5.3)**	(4.0)
Receipts on release of own shares to option schemes		**1.4**	0.6
Interest paid		**(5.2)**	(5.3)
Preference dividends paid	7	**(0.1)**	(0.1)
Equity dividends paid	7	**(7.9)**	(7.2)
Drawdown of bank loans		**3.4**	-
Repayment of bank loans		**-**	(2.5)
Repayment of other loans		**(0.3)**	-
Cost of refinancing		**-**	(0.2)
Net cash outflow from financing activities		**(14.0)**	(18.7)
Net movement in cash and cash equivalents	9	**(0.2)**	0.4
Cash and cash equivalents at the start of the year		**4.3**	3.9
Cash and cash equivalents at the end of the year	9	**4.1**	4.3

**Comparatives have been restated for changes to IAS 19, see note 1.*

FULLER, SMITH & TURNER P.L.C.
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 29 MARCH 2014

1. PRELIMINARY STATEMENT

The consolidated financial statements of Fuller, Smith & Turner P.L.C. for the 52 weeks ended 29 March 2014 were authorised for issue by the Board of Directors on 5 June 2014.

This statement does not constitute statutory financial statements as defined by Section 435 of the Companies Act 2006. The financial information for the 52 weeks ended 29 March 2014 has been extracted from the statutory financial statements on which an unmodified audit opinion has been issued and will be delivered to the Registrar of Companies following the Company's Annual General Meeting. Statutory financial statements for the 52 weeks ended 30 March 2013, including an unmodified auditor's report which did not make any statement under Section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies.

The Group financial statements are presented in Sterling and all values are shown in millions of pounds (£m) rounded to the nearest hundred thousand pounds, except when otherwise indicated. The accounting policies used have been applied consistently, except where set out below, and are described in full in the statutory financial statements for the 52 weeks ended 29 March 2014, which will be mailed to shareholders on or before 26 June 2014 and delivered to the Registrar of Companies. The financial statements will also be available from the Company's registered office: Griffin Brewery, Chiswick Lane South, Chiswick, London, W4 2QB, and on its website, from that date.

Basis of preparation – new accounting standards
IAS 19: Employee Benefits (Amended)
The recognition of finance costs/revenue relating to the defined benefit pension scheme has changed due to the adoption of IAS 19 Employee Benefits (Amended) for the financial year ended 29 March 2014. The standard requires the Group to replace interest costs on defined benefit obligations and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability.

The standard requires the new method to be applied retrospectively to previous periods and so the Income Statement for the 52 weeks ended 30 March 2013 has been restated to reflect this change. For the 52 weeks ended 30 March 2013 this has resulted in a net reduction in profit before tax of £1.5 million, from finance income of £0.6 million to a charge of £0.9 million. The corresponding adjustments have been made to taxation resulting in total tax reducing from £5.9 million to £5.6 million for the 52 weeks ended 30 March 2013. In the period there has been a corresponding increase to actuarial gains recognised on the defined benefit pension scheme and tax thereon, recognised through the Group Statement of Comprehensive Income. There is no net impact to either the retirement benefit obligations recognised in the Balance Sheet or to Shareholders' Equity.

As a consequence of the above change in accounting policy the Directors have reviewed the treatment of finance costs on net pension liabilities and have elected to present finance costs on net pension liabilities as an exceptional item as it does not relate to the underlying trading of the Group and therefore should not be considered in adjusted profit.

IAS 1: Presentation of financial statements – Presentation of items of other comprehensive income
A change to the accounting standard requires the Statement of Comprehensive Income to be split between "items that may be reclassified to profit or loss" and "items that will not be reclassified to profit or loss". This presentational change has been applied to the current and prior periods.

2. SEGMENTAL ANALYSIS

For management purposes, the Group's operating segments are:
- Managed Pubs and Hotels, which comprises managed pubs and managed hotels;
- Tenanted Inns, which comprises pubs operated by third parties under tenancy or lease agreements; and
- The Fuller's Beer Company, which comprises the brewing and distribution of beer, cider, wines, spirits and soft drinks.

The Group's business is vertically integrated. The most important measure used to evaluate the performance of the business is adjusted profit, which is the profit before tax, adjusted for exceptional items. The operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic operating unit. More details of these segments are given in the Chief Executive's Review. Segment performance is evaluated based on operating profit before exceptional items and is measured consistently with the operating profit before exceptional items in the consolidated financial statements.

Transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between operating segments. Those transfers are eliminated on consolidation. Group financing, including finance costs and revenue, and taxation are managed on a Group basis.

2. SEGMENTAL ANALYSIS (continued)

52 weeks ended 29 March 2014	***Managed Pubs and Hotels £m***	***Tenanted Inns £m***	***The Fuller's Beer Company £m***	***Unallocated[1] £m***	***Total £m***
Revenue					
Segment revenue	186.0	31.3	115.8	-	333.1
Inter-segment sales	-	-	(45.1)	-	(45.1)
Revenue from third parties	**186.0**	**31.3**	**70.7**	**-**	**288.0**
Segment result	**22.5**	**12.3**	**8.5**	**(3.4)**	**39.9**
Operating exceptional items					(1.9)
Operating profit					**38.0**
Profit on disposal of properties					1.9
Net finance costs					(6.4)
Profit before tax					**33.5**

52 weeks ended 30 March 2013	*Managed Pubs and Hotels £m*	*Tenanted Inns £m*	*The Fuller's Beer Company £m*	*Unallocated[1] £m*	*Restated* Total £m*
Revenue					
Segment revenue	170.1	30.8	113.6	-	314.5
Inter-segment sales	-	-	(43.0)	-	(43.0)
Revenue from third parties	**170.1**	**30.8**	**70.6**	**-**	**271.5**
Segment result	**19.4**	**12.2**	**8.7**	**(3.3)**	**37.0**
Operating exceptional items					(1.5)
Operating profit					**35.5**
Profit on disposal of properties					5.0
Net finance costs*					(6.8)
Profit before tax*					**33.7**

**Comparatives have been restated for changes to IAS 19, see note 1.*

[1] Unallocated expenses represent primarily the salary and costs of central management.

3. EXCEPTIONAL ITEMS

	52 weeks ended 29 March 2014 £m	Restated* 52 weeks ended 30 March 2013 £m
Amounts included in operating profit:		
Acquisition costs	**(1.1)**	(0.5)
Impairment of properties	**(1.8)**	(1.8)
Reversal of impairment on property	**1.3**	0.8
Onerous lease provision release	**0.9**	-
Reorganisation costs	**(1.2)**	-
Total exceptional items included in operating profit	**(1.9)**	(1.5)
Profit on disposal of properties	**1.9**	5.0
Exceptional finance costs:		
Finance charge on net pension liabilities* (note 10)	**(0.6)**	(0.9)
Total exceptional finance costs	**(0.6)**	(0.9)
Total exceptional items before tax	**(0.6)**	2.6
Exceptional tax:		
Change in corporation tax rate (note 5)	**3.4**	1.2
Profit on disposal of properties	**(0.3)**	(0.1)
Other items*	**0.4**	0.9
Total exceptional tax*	**3.5**	2.0
Total exceptional items*	**2.9**	4.6

** Comparatives have been restated for changes to IAS 19. As per note 1 the finance income/charge on net pension liabilities is now treated as exceptional. This has also been restated from income of £0.6 million to a charge of £0.9 million for the 52 weeks ended 30 March 2013. In line with the change in status to exceptional the associated tax adjustment has resulted in a change in exceptional tax credit from £1.8 million to £2.0 million.*

Acquisition costs of £1.1 million during the 52 weeks ended 29 March 2014 (2013: £0.5 million) related to transaction costs on pub and business acquisitions which qualify as business combinations.

The property impairment charge of £1.8 million during the 52 weeks ended 29 March 2014 (2013: £1.8 million) represents the write down of licensed properties to their recoverable value. The reversal of impairment credit of £1.3 million during the 52 weeks ended 29 March 2014 (2013: £0.8 million) relates to the write back of previously impaired licensed properties to their recoverable value.

The onerous lease provision release of £0.9 million during the 52 weeks ended 29 March 2014 was recognised due to the change in circumstances of two previously onerous leasehold properties.

The reorganisation costs of £1.2 million for the 52 weeks ended 29 March 2014 were principally incurred within The Fuller's Beer Company and relate to staff and the proposed closure of the defined benefit pension scheme to future accrual.

The cash impact of operating exceptional items before tax for the 52 weeks ended 29 March 2014 was a £2.1 million cash outflow (2013: £1.5 million outflow).

4. FINANCE COSTS

	52 weeks ended 29 March 2014 £m	Restated* 52 weeks ended 30 March 2013 £m
Interest expense arising on:		
Financial liabilities at amortised cost – loans and debentures	**5.4**	*5.5*
Financial liabilities at amortised cost – preference shares	**0.1**	*0.1*
Total interest expense for financial liabilities	**5.5**	*5.6*
Unwinding of discounts on provisions	**0.3**	*0.3*
Total Finance costs before exceptional items	**5.8**	*5.9*
Finance charge on net pension liabilities* (note 3)	**0.6**	*0.9*
Finance costs*	**6.4**	*6.8*

**Comparatives have been restated for changes to IAS 19. Finance income/charge on net pension liabilities has been restated from income of £0.6 million to a charge of £0.9 million for the 52 weeks ended 30 March 2013.*

5. TAXATION

	52 weeks ended 29 March 2014 £m	Restated* 52 weeks ended 30 March 2013 £m
Tax on profit on ordinary activities		
Current income tax:		
Corporation tax	**8.8**	8.6
Amounts over provided in previous years	**(0.3)**	(0.2)
Total current income tax	**8.5**	8.4
Deferred tax:		
Origination and reversal of temporary differences*	**(0.8)**	(1.6)
Change in corporation tax rate (note 3)	**(3.4)**	(1.2)
Amounts underprovided in previous years	**0.1**	-
Total deferred tax*	**(4.1)**	(2.8)
Total tax charged in the Income Statement*	**4.4**	5.6

** Comparatives have been restated for changes to IAS 19. The deferred tax relating to the pension scheme finance charge/income has been restated with the effect of reducing the total tax charged in the Income Statement from £5.9 million to £5.6 million for the 52 weeks ended 30 March 2013.*

5. TAXATION (continued)

	52 weeks ended 29 March 2014 £m	*Restated* 52 weeks ended 30 March 2013 £m*
Tax relating to items charged/(credited) to Statement of Comprehensive Income		
Deferred tax:		
Change in corporation tax rate	**0.6**	0.3
Net gains/(losses) on valuation of financial assets and liabilities	**0.4**	(0.2)
Net actuarial (losses)/gains on pension scheme*	**(0.8)**	1.4
Tax charge included in the Statement of Comprehensive Income*	**0.2**	1.5

**Comparatives have been restated for changes to IAS 19. The deferred tax relating to net actuarial gains on pension scheme has been restated from £1.1 million to £1.4 million for the 52 weeks ended 30 March 2013.*

Tax relating to items charged/credited directly to equity		
Deferred tax:		
Reduction in deferred tax liability due to indexation	**(0.3)**	(0.5)
Share-based payments	**0.1**	0.1
Current tax:		
Share-based payments	**(0.4)**	(0.3)
Tax credit included in the Statement of Changes in Equity	**(0.6)**	(0.7)

During the period the Finance Act 2013 has received Royal Assent. The main impact is that the rate of UK corporation tax reduced from 23% to 21% from 1 April 2014 and will reduce from 21% to 20% from 1 April 2015. To the extent that this rate change will affect the amount of future cash tax payments to be made by the Group, this will reduce the size of both the Group's Balance Sheet deferred tax liability and deferred tax asset. The impact in the 52 weeks to 29 March 2014 is an exceptional credit to the Income Statement of £3.4 million, and a charge to the Statement of Comprehensive Income of £0.6 million. The impact of previous rate changes in the 52 weeks ended 30 March 2013 was an exceptional credit to the Income Statement of £1.2 million, and a charge to the Statement of Comprehensive Income of £0.3 million.

6. EARNINGS PER SHARE

	52 weeks ended 29 March 2014 £m	Restated* 52 weeks ended 30 March 2013 £m
Profit attributable to equity shareholders*	**29.1**	28.1
Exceptional items net of tax*	**(2.9)**	(4.6)
Adjusted earnings attributable to equity shareholders*	**26.2**	23.5
	Number	*Number*
Weighted average share capital	**55,815,000**	55,717,000
Dilutive outstanding options and share awards	**812,000**	534,000
Diluted weighted average share capital	**56,627,000**	56,251,000
40p 'A' and 'C' ordinary share*	***Pence***	*Pence*
Basic earnings per share	**52.14**	50.43
Diluted earnings per share	**51.39**	49.95
Adjusted earnings per share	**46.94**	42.18
Diluted adjusted earnings per share	**46.27**	41.78
4p 'B' ordinary share*		
Basic earnings per share	**5.21**	5.04
Diluted earnings per share	**5.14**	5.00
Adjusted earnings per share	**4.69**	4.22
Diluted adjusted earnings per share	**4.63**	4.18

** Comparatives have been restated for changes to IAS 19. The profit attributable to shareholders has been restated from £29.3 million to £28.1 million for the 52 weeks ended 30 March 2013. The exceptional items net of tax have been restated from £5.3 million to £4.6 million for 52 weeks ended 30 March 2013. The adjusted earnings attributable to equity shareholders has been restated from £24.0 million to £23.5 million for the 52 weeks ended 30 March 2013. This has changed the earnings per shares figures for all categories, previously stated figures have been set out in the table below.*

6. EARNINGS PER SHARE (continued)

	Before restatement 52 weeks ended 30 March 2013
40p 'A' and 'C' ordinary share	*Pence*
Basic earnings per share	*52.59*
Diluted earnings per share	*52.09*
Adjusted earnings per share	*43.07*
Diluted adjusted earnings per share	*42.67*
4p 'B' ordinary share	
Basic earnings per share	*5.26*
Diluted earnings per share	*5.21*
Adjusted earnings per share	*4.31*
Diluted adjusted earnings per share	*4.27*

For the purposes of calculating the number of shares to be used above, 'B' shares have been treated as one tenth of an 'A' or 'C' share. The earnings per share calculation is based on earnings from continuing operations and on the weighted average ordinary share capital which excludes shares held by trusts relating to employee share options and shares held in treasury of 1,170,610 (2013: 1,267,808).

Diluted earnings per share amounts are calculated using the same earnings figure as for basic earnings per share, divided by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Adjusted earnings per share are calculated on profit before tax excluding exceptional items and on the same weighted average ordinary share capital as for the basic and diluted earnings per share. An adjusted earnings per share measure has been included as the Directors consider that this measure better reflects the underlying earnings of the Group.

7. DIVIDENDS

	52 weeks ended 29 March 2014 £m	*52 weeks ended 30 March 2013 £m*
Declared and paid during the year		
Equity dividends on ordinary shares:		
Final dividend for 2013: 8.35p (2012: 7.60p)	**4.7**	4.2
Interim dividend for 2014: 5.80p (2013: 5.35p)	**3.2**	3.0
Equity dividends paid on ordinary shares	**7.9**	7.2
Dividends on cumulative preference shares (note 4)	**0.1**	0.1
Proposed for approval at the AGM		
Final dividend for 2014: 9.30p (2013: 8.35p)	**5.2**	4.7

The pence figures are for the 40p 'A' and 'C' ordinary shares. The 4p 'B' ordinary shares carry dividend rights of one tenth of those applicable to the 40p 'A' ordinary shares. Own shares held in the employee share trusts do not qualify for dividends as the trustees have waived their rights. Dividends are also not paid on own shares held as treasury shares.

8. PROPERTY, PLANT AND EQUIPMENT

	Land & buildings £m	*Plant, machinery & vehicles £m*	*Containers, fixtures & fittings £m*	*Total £m*
Cost				
At 31 March 2012	374.9	32.7	104.2	511.8
Additions	4.9	1.0	11.7	17.6
Acquisitions	10.8	-	0.6	11.4
Disposals	(0.2)	(0.2)	(3.1)	(3.5)
Transfers to/from investment properties	0.4	-	-	0.4
At 30 March 2013	**390.8**	**33.5**	**113.4**	**537.7**
Additions	15.5	1.5	12.9	29.9
Acquisitions	5.9	1.1	-	7.0
Disposals	(1.7)	(0.3)	(5.6)	(7.6)
Transfers assets held for sale	(1.4)	-	(0.2)	(1.6)
At 29 March 2014	**409.1**	**35.8**	**120.5**	**565.4**
Depreciation and impairment				
At 31 March 2012	21.5	19.1	70.7	111.3
Provided during the year	2.2	2.0	9.5	13.7
Impairment loss net of reversals	1.0	-	-	1.0
Disposals	-	(0.2)	(2.9)	(3.1)
At 30 March 2013	**24.7**	**20.9**	**77.3**	**122.9**
Provided during the year	2.5	2.0	9.6	14.1
Impairment loss net of reversals	0.5	-	-	0.5
Transfer to assets held for sale	(0.3)	-	(0.1)	(0.4)
Disposals	(1.0)	(0.3)	(5.2)	(6.5)
At 29 March 2014	**26.4**	**22.6**	**81.6**	**130.6**
Net book value at 29 March 2014	**382.7**	**13.2**	**38.9**	**434.8**
Net book value at 30 March 2013	366.1	12.6	36.1	414.8
Net book value at 31 March 2012	353.4	13.6	33.5	400.5

During the 52 weeks ended 29 March 2014, the Group recognised an impairment loss of £1.8 million (2013: £1.8 million) in respect of the write down of licensed properties purchased in recent years where their asset values exceeded either fair value less costs to sell or their value in use. The impairment losses were driven principally by changes in the local competitive environment in which the pubs are situated. Following an improvement in trading performance and an increase in the amounts of estimated future cash flows of certain previously impaired sites, reversals of £1.3 million were recognised during the 52 weeks ended 29 March 2014 (2013: £0.8 million).

9. ANALYSIS OF NET DEBT

52 weeks ended 29 March 2014	*At 30 March 2013*	*Cash flows*	*Non cash*[1]	*At 29 March 2014*
	£m	*£m*	*£m*	*£m*
Cash and cash equivalents:				
Cash and short term deposits	**4.3**	**(0.2)**	**-**	**4.1**
	4.3	**(0.2)**	**-**	**4.1**
Debt:				
Bank loans	**(112.5)**	**(3.4)**	**(0.3)**	**(116.2)**
Other loans	**-**	**0.3**	**(0.5)**	**(0.2)**
Debenture stock	**(25.8)**	**-**	**(0.1)**	**(25.9)**
Preference shares	**(1.6)**	**-**	**-**	**(1.6)**
	(139.9)	**(3.1)**	**(0.9)**	**(143.9)**
Net debt	**(135.6)**	**(3.3)**	**(0.9)**	**(139.8)**

[1] Non cash movements relate to the amortisation of arrangement fees and the acquisition of Cornish Orchards Limited during the year.

52 weeks ended 30 March 2013	*At 31 March 2012*	*Cash flows*	*Non cash*[1]	*At 30 March 2013*
	£m	*£m*	*£m*	*£m*
Cash and cash equivalents:				
Cash and short term deposits	3.9	0.4	-	4.3
	3.9	0.4	-	4.3
Debt:				
Bank loans	(114.7)	2.7	(0.5)	(112.5)
Debenture stock	(25.8)	-	-	(25.8)
Preference shares	(1.6)	-	-	(1.6)
	(142.1)	2.7	(0.5)	(139.9)
Net debt	(138.2)	3.1	(0.5)	(135.6)

[1] Non cash movements relate to the amortisation of arrangement fee and arrangement fees accrued.

10. RETIREMENT BENEFIT OBLIGATIONS

	At 29 March 2014 £m	*At 30 March 2013 £m*
The amount included in the Balance Sheet arising from the Group's obligations in respect of its defined benefit retirement plan		
Fair value of Scheme assets	**93.6**	88.9
Present value of Scheme liabilities	**(110.8)**	(101.9)
Deficit in the Scheme	**(17.2)**	(13.0)
Key financial assumptions used in the valuation of the scheme		
Rate of increase in salaries	**3.10%**	3.80%
Rate of increase in pensions in payment	**3.30%**	3.30%
Discount rate	**4.45%**	4.60%
Inflation assumption – RPI	**3.30%**	3.30%
Inflation assumption – CPI	**2.60%**	2.60%
Mortality assumptions	**Years**	Years
Current pensioners (at 65) – males	**22.1**	21.0
Current pensioners (at 65) – females	**24.3**	23.5
Future pensioners (at 65) – males	**23.5**	22.0
Future pensioners (at 65) - females	**25.8**	24.4

	At 29 March 2014 £m	*At 30 March 2013 £m*
Assets in the Scheme		
Corporate bonds	**17.8**	18.1
UK equities	**34.3**	30.3
Overseas equities	**11.1**	10.4
Absolute return fund	**27.9**	27.7
Property	**0.7**	0.6
Cash	**0.6**	0.6
Annuities	**1.2**	1.2
Total market value of assets	**93.6**	88.9

10. RETIREMENT BENEFIT OBLIGATIONS (continued)

	Defined benefit obligation		**Fair value of Scheme assets**		**Net defined benefit (deficit)**	
	2014	2013	**2014**	2013	**2014**	2013
	£m	£m	**£m**	£m	**£m**	£m
Balance at beginning of the year	**(101.9)**	(98.2)	**88.9**	79.1	**(13.0)**	(19.1)
Included in profit and loss						
Current service cost	**(1.5)**	(1.6)	**-**	-	**(1.5)**	(1.6)
Net interest cost*	**(4.7)**	(4.5)	**4.1**	3.6	**(0.6)**	(0.9)
	(6.2)	(6.1)	**4.1**	3.6	**(2.1)**	(2.5)
Included in Other Comprehensive Income						
Actuarial gains/(losses)* relating to:						
Actual return less expected return on scheme assets	**-**	-	**1.9**	6.9	**1.9**	6.9
Experience gains arising on scheme liabilities	**0.5**	0.6	-	-	**0.5**	0.6
Losses arising on changes in demographic assumptions	**(6.5)**	(1.0)	-	-	**(6.5)**	(1.0)
	(6.0)	(0.4)	**1.9**	6.9	**(4.1)**	6.5
Other						
Employer contributions	**-**	-	**1.3**	1.4	**1.3**	1.4
Employer special contributions	**-**	-	**0.7**	0.7	**0.7**	0.7
Employee contributions	**(0.4)**	(0.4)	**0.4**	0.4	**-**	-
Benefits paid	**3.7**	3.2	**(3.7)**	(3.2)	**-**	-
	3.3	2.8	**(1.3)**	(0.7)	**2.0**	2.1
Balance at end of the year	**(110.8)**	(101.9)	**93.6**	88.9	**(17.2)**	(13.0)

** Comparatives have been restated for changes to IAS 19. As per note 1 the finance income/charge on net pension liabilities is now treated as exceptional and has been restated from income of £0.6 million to a charge of £0.9 million for the 52 weeks ended 30 March 2013. In addition the net actuarial gain at 30 March 2013 has been restated from £5.0 million to £6.5 million.*

The Company has recently finished a period of consultation with Trustees and Members of the Scheme with the expectation that the Scheme will close to future accrual with effect from 1 January 2015. As there are still matters to be concluded on the scheme closure between the Company and the Trustees we cannot yet quantify the financial impact of this action.

11. POST BALANCE SHEET EVENT

Since 29 March 2014 the Group has exchanged on the purchase of two new licensed property sites and completed on the purchase of one further site; the total value of these transactions is expected to be £9.5 million.

12. PRINCIPAL RISKS AND UNCERTAINTIES

Risk	**Mitigation and Monitoring**
Regulatory Risk	
Regulation of the Sale of Alcohol	
Within our industry there is always the risk that the Government may change legislation in a manner that would adversely affect us. For example significant rises in duty, proposals for minimum pricing and greater restriction on minimum age are potential measures aimed at reducing consumption by increasing the cost and reducing the availability of alcoholic drinks. This creates the risk of reduced demand fuelling reduced profitability of our beers and pubs.	We carefully monitor legislative developments and review sales trends and consumer habits to gauge the impact on our business. We participate in industry initiatives aimed at the responsible promotion and retailing of alcohol. We have diversified our offering to include soft drinks, coffee, food and accommodation to reduce our reliance on alcohol based revenue.
Beer Tie	
Following a consultation in 2013, the government has, in the past few days, announced plans that will give publicans new rights under a statutory code of practice for the industry. In addition an independent adjudicator will be appointed to enforce this new code including the powers to arbitrate disputes, investigate non-compliance and issue fines or sanctions accordingly. The slightly more onerous requirements within the new code will only apply to companies with over 500 leased and tenanted pubs however there remains the risk that this threshold may be reduced in the future or the proposals are changed before the legislation is implemented. Enforced changes to our tied arrangements by the government would necessitate changes to our business model, with higher property rents and lower prices for the supply of drinks being charged.	Fuller's operates an internal code of practice that already incorporates the key provisions of the proposed mandatory code. We aim to ensure transparency and openness in our Tied agreements. We also provide marketing, training and promotional support to help tenants run profitable and long term businesses. We continue to monitor ongoing dialogue between the government and industry bodies. Our directors are members of key industry bodies and committees.

12. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Health and Safety	
The health and safety of the Group's employees and customers is a key concern to us. We are required to comply with health and safety legislation, including fire safety and food hygiene. Operating a large number of pubs, hotels and sites increases the complexity of ensuring the highest health and safety standards are adhered to at all times.	A Health and Safety Committee oversees the operation of the Group's health and safety policies and procedures, and regularly updates its policies and training programme to ensure all risks are identified and properly assessed and that relevant regulation is adhered to. We report and investigate all accidents and near misses. In our Managed Pubs and Hotels we have automatic fire suppression systems in most of our kitchens to reduce fire risk. All staff receive food hygiene training as standard and regular kitchen audits/checks ensure they comply with the standards expected from them. Quality assurance checks on our core suppliers ensure hygiene standards have been adhered to before produce even reaches our kitchens.
Pensions	
The Group operates several pension schemes. Although the defined benefit scheme is now closed to new entrants, there remains a significant pension liability of £17.2 million on the Balance Sheet. A change in market conditions could materially change the size of the deficit that would then impact on the levels of funding required. Legislative changes could impact cash flow by setting a minimum funding level that is above the Group's current contributions.	We hold regular dialogue with the Trustees and Members of the Scheme regarding the deficit recovery plan. As part of this the Group made an additional contribution of £0.7 million in the year ended 29 March 2014. The Company is currently in discussion with the Trustees and Members of the Scheme with the expectation the Scheme will close to future accrual with effect from 1 January 2015.
Economic and Market Conditions	
Strength of the Economy	
We are exposed to the overall strength of the UK economy and its influence on consumer spending. A weak economic recovery, high inflation, unemployment or pay reductions would be likely to reduce total UK consumer spending in the short term and lead to lower growth rates.	The Group constantly invests in its key brands and ensures it takes advantage of the opportunities presented to encourage customers into its pubs. The Group maintains a high quality of both operations and products in order to maintain its competitive position. We constantly review the position of our pubs and brands in the market to ensure that the Group is in the best possible position for the current marketplace.

12. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Supply Chain Failure	
The quality and availability of supplies are integral to our ability to operate. Our brewery and our pubs rely on a number of third parties to ensure both the continuity and a consistent quality of these supplies.	We maintain close relationships with all our suppliers and where appropriate put in place long term supply contracts. Dual supply is maintained for the majority of essential products. Suppliers are carefully selected with significant consideration given to the source and quality of the produce. We monitor the credit worthiness of all our suppliers as well as continually review contingency plans in the event of a failure in supply.
Cost Increase	
Utilities and agricultural produce such as hops, malt and barley, as well as food produce are significant inputs for the Group and have been subject to considerable price increases in recent years. Further input cost increases could impact the Group's profitability.	Management has in place arrangements with some of its key suppliers to secure supply and prices for the medium term (thereby also enabling the business to plan effectively). An Energy Policy Committee is in place to manage utility purchasing.
Consumer Trends	
Social trends and spending patterns are more dynamic than in the past. In the current economic climate it is more likely that some consumer demand will shift as customers become more selective about their outgoings. A shift in consumer demand that resulted in Fuller's Inns having an uncompetitive retail offering would, almost inevitably, have a negative impact on trade and the profitability of the Company.	We proactively seek customer feedback through our Net Promoter Score programme as well as benchmarking our pricing against our competitors. Management frequently carries out research amongst its customer groups to ensure it reacts to changing consumer preferences. Accommodation and food sales are an area of focus and are an increasing proportion of total sales, providing diversification protection against shifting consumer behaviour.
Operational Risks	
Griffin Brewery Site	
The Group's headquarters and sole brewing facility are based at the Griffin Brewery site in Chiswick. A disaster at this site would seriously disrupt operations which would impact on the profitability of the company.	We take various measures to mitigate the impact of such an event. We continually monitor fire safety and invest in capital projects to reduce the risk of failure. We store recipes and yeast off-site and have informal arrangements in place to use alternative facilities.

12. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Brands and Reputation	
Fuller's has a wide portfolio of brands and has established an excellent reputation in the market. Principally, there is a risk that the Group's beer could become contaminated at source or outlet, which could damage the reputation of the brand and deter customers.	The Group reduces product contamination risks to an acceptable level by ensuring that the business is operated to the highest standards by maintaining long term relationships with suppliers and by significant investment in security, quality control and cleansing. The Group has in place product recall procedures together with insurance coverage in the event of contamination. In addition, the Group runs an active and continuous training programme covering all aspects of the pub operations and provides its pubs with onsite technical support.
Information Technology	
The Group is increasingly reliant on its information systems to operate on a daily basis and trading would be affected by any significant or prolonged failure of these systems.	To minimise this risk the IT function has a range of facilities and controls in place to ensure that in the event of an issue normal operation would be restored quickly. These include a formal Disaster Recovery Plan, on-line replication of systems and data to a third party recovery facility and external support for hardware and software.

13. SHAREHOLDERS' INFORMATION

Shareholders holding 40p 'C' ordinary shares are reminded that they have 30 days from 6 June 2014 should they wish to convert those 'C' shares to 'A' shares. The next available opportunity after that will be November 2014. For further details please contact the Company's registrars, Computershare on 0870 889 4096.