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UNTIL 7AM FRIDAY 10 JUNE 2016

FULLER, SMITH & TURNER P.L.C.
("Fuller's", "the Group" or "the Company")

Financial results for the 52 weeks ended 26 March 2016

Another excellent year from our great team of people

Financial Highlights

- Adjusted profit before tax[1] up 12% to £40.9 million (2015: £36.4 million)
- Adjusted earnings per share[2] up 13% to 58.35p (2015: 51.51p)
- Revenue up 9% to £350.5 million (2015: £321.5 million)
- EBITDA[3] up 11% to £65.0 million (2015: £58.7 million)
- Total annual dividend up 8% to 17.90p (2015: 16.60p)
- Statutory profit after tax up 17% to £33.0 million (2015: £28.3 million)

Operational Indicators

- Another year of strong like for like sales[4], with growth of 4.8% in Managed Pubs and Hotels
- Solid performance from Tenanted Inns, with like for like profits[5] increasing 2%
- Total beer and cider volumes down by 1%, with profits[5] level

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[1] Adjusted profit before tax is the profit before tax excluding exceptional items. Statutory profit before tax was £39.2 million (2015: £36.1 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 59.25p (2015: 51.15p)
[3] Pre-exceptional earnings before interest, tax, depreciation and amortisation
[4] Managed Pubs and Hotels like for like sales excludes The Stable
[5] Operating profit before exceptional items

Strategy Update

- Acquired five new pubs and opened The Sail Loft, a newly built pub in Greenwich Reach
- Record level of investment in the existing estate, providing strong returns
- Acquired three freeholds of existing businesses
- Further increased our focus on training and developing our people
- Enhanced our craft beer range with new keg and canned products and grew sales and distribution of Oliver's Island, Frontier Craft Lager and Cornish Orchards Cider
- Acquired a 51% stake in Nectar Imports, a wholesale drinks business
- Opened six sites for The Stable, craft cider and gourmet pizza business

Current Trading

- Managed Pubs and Hotels like for like sales up by 2.7% in first 10 weeks
- Tenanted Inns like for like profits for first 10 weeks down by 2%
- Total beer and cider volumes down by 5% in first 10 weeks
- Record year planned for investment in existing estate with seven schemes already completed and four more underway
- Well-positioned for the future, with a solid, proven long-term business model and strong balance sheet

Commenting on the results, Chief Executive Simon Emeny said: "It has been another outstanding year for the Company and I am delighted to be reporting an excellent set of results, particularly in the largest part of our business – our Managed Pubs and Hotels. We are seeing the rewards of our continued investment programme and the emphasis we have placed on recruiting, developing, rewarding and promoting the best people. We do this to ensure that across the business we are giving industry-leading service.

Our long-term approach is underpinned by a consistent strategy, but we continue to seek new, exciting opportunities to build our business further – keeping the Brewery as our beating heart. We have purchased pubs in geographical areas where we have previously lacked a presence, introduced new premium brands that the consumers of today and tomorrow are seeking out and continued to develop our pub designs and the quality and creativity of our menus.

Our business is in excellent shape and it has been a solid start to the year. Like for like sales in our Managed Pubs and Hotels for the first 10 weeks of the new financial year are up by 2.7% against strong comparatives from last year. Over the same period, like for like profits in our Tenanted Inns are down by 2% and beer and cider volumes have decreased by 5%.

"The economy is difficult to read with the European referendum imminent, but while it is important to be aware of the external environment, we will continue with the exciting plans we have in place and our long-term perspective gives us the flexibility to react accordingly.

"We will further invest in training our people and we will also be investing a record amount in refurbishing our existing estate, putting more focus on our delicious fresh food and continuing to attract new customers to our pubs. We have already completed seven major schemes in this current financial year including The Harpenden Arms in Harpenden, The Drayton Court in Ealing and The Ox Row in Salisbury, and four more are underway as of today with many others soon to follow. In addition, since the year end, we have purchased an additional 25% of The Stable, taking our stake to 76%.

"As we look forward to the year ahead, we know that our long-term strategy, combined with the vision to address the needs of our customers and consumers of the future, will keep Fuller's on the path of growth. By continuing to invest in our assets, our brands and, most importantly, our employees, we will continue to build a Fuller's that delivers outstanding service to our customers, excellent careers for our people and good returns for our shareholders."

-**Ends**-

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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 197 Tenanted Inns and 193 Managed Pubs and Hotels, with a focus on delicious fresh, home-cooked food, outstanding cask and craft ale, great wine, and exceptional service. The Company also has 655 boutique bedrooms in its Managed estate. The Fuller's pub estate stretches from Brighton to Birmingham and from Bristol to the Greenwich Peninsula, including 173 locations within the M25. In 2014, Fuller's acquired a 51% stake in The Stable, a craft cider and gourmet pizza restaurant business and has recently increased this to 76%. The Stable has 14 sites in England and Wales.

The Fuller's Beer Company brews a portfolio of premium beers including London Pride, Oliver's Island, ESB, Organic Honey Dew and Frontier Craft Lager. In 2013, the Company acquired Cornish Orchards, a craft cider maker producing a range of award-winning ciders and premium soft drinks. Fuller's is also the UK distributor for Sierra Nevada, the premier US craft beer. In December 2015, Fuller's acquired a 51% stake in Nectar Imports, a wholesale drinks business.

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 10 June 2016.

FULLER, SMITH & TURNER P.L.C.
FINANCIAL RESULTS FOR THE 52 WEEKS ENDED 26 MARCH 2016

CHAIRMAN'S STATEMENT

It gives me great pleasure to announce another year of excellent results. This is testament to the strength of our management team, the commitment of our people, the fantastic business that we have built up over time and our ability to adapt and respond to changes in our customers' expectations. Our total revenues have increased by 9% to £350.5 million (2015: £321.5 million) resulting in a rise in adjusted profit before tax of 12% to £40.9 million (2015: £36.4 million).

I was delighted to read an article in *The Daily Telegraph* in March, which named Fuller's as one of only 10 FTSE companies that had shown at least two decades of consistent share dividend growth. In fact our dividend has demonstrated continued progressive growth for over seven decades. We continue this trend with adjusted earnings per share rising by 13% to 58.35p (2015: 51.51p) and a rise in the full year dividend of 8%. It is our long-term vision and strategy that differentiates us from other FTSE companies, while it is our people that make the difference between Fuller's and the competition in the pub sector.

Managed Pubs and Hotels have again been the star of the show with like for like sales growth of 4.8%, total sales growth of 12% and profit[6] growth of 17%. This has been driven by a rise in like for like food sales of 6.9%, while like for like drinks sales have grown by 4.3%. The investments the team has made in the standard of our kitchens and the excellent Chefs' Guild programme is driving this growth with our chefs producing some exquisite dishes.

We have continued to protect our long-term future by investing our money wisely, purchasing the freeholds of three more of our iconic sites and securing new long-term leases for a number of other key pubs in the London area.

Our tenanted pubs have performed well, with like for like profits increasing by 2% and total profits[6] holding level. The year has been one of great upheaval for tenanted businesses across the UK due to the Government's Pub Company Inquiry, but we are well placed to compete in this ever changing marketplace.

[6] Operating profit before exceptional items

Meanwhile, at The Fuller's Beer Company total beer and cider volumes were down by 1% and the profit[7] contribution remained level.

As ever, the success of this year is due to an exceptional team of people. Throughout the Company, we have some of the best people in the industry. Not just within Fuller's, but also in those businesses in which we have invested more recently such as The Stable, Cornish Orchards and Nectar Imports. All have a similar culture and a family ethos – as does Sierra Nevada, whose products we distribute throughout the UK.

This culture and the commitment made to developing our own people has led to a number of key internal promotions and it gives me great pleasure to see these people develop. Inspired by Simon, the team at Fuller's is well-placed to continue to deliver good results through great pubs and wonderful beers and ciders.

DIVIDEND

The Board is pleased to announce a final dividend of 11.00p (2015: 10.20p) per 40p 'A' and 'C' ordinary share and 1.10p (2015: 1.02p) per 4p 'B' ordinary share. This will be paid on 25 July 2016 to shareholders on the share register as at 24 June 2016. The total dividend of 17.90p per 40p 'A' and 'C' ordinary share and 1.79p per 4p 'B' ordinary share represents an 8% increase on last year and will be covered more than 3.2 times by adjusted earnings per share.

Michael Turner
Chairman
9 June 2016

[7] Operating profit before exceptional items

CHIEF EXECUTIVE'S REVIEW

It has been another outstanding year for the Company and I am delighted to be reporting an excellent set of results, particularly in the largest part of our business – our Managed Pubs and Hotels. We are seeing the rewards of our continued investment programme and the emphasis we have placed on recruiting, developing, rewarding and promoting the best people. We do this to ensure that across the business we are giving industry-leading service.

Our long-term approach is underpinned by a consistent strategy, but we continue to seek new, exciting opportunities to build our business further – keeping the Brewery as our beating heart. We have purchased pubs in geographical areas where we have previously lacked a presence, introduced new premium brands that the consumers of today and tomorrow are seeking out and continued to develop our pub designs and the quality and creativity of our menus.

It has been a busy year for the property team, with the purchase of five new pubs for a total of £11.1 million. At the year end, our total pub estate comprised 191 Managed Pubs and Hotels and 200 Tenanted Inns.

The corporate investments we have made in recent years have also performed well. The Stable continues to flourish – with the addition of six new restaurants during the year. Cornish Orchards grew volumes and we increased distribution of Sierra Nevada, which has also opened new doors for the wider Fuller's craft portfolio.

We found a new route to market in December 2015, when we acquired a 51% stake in Nectar Imports, a family run specialist wholesale business, for £2.7 million. This investment gives us an excellent new channel to independent craft beer outlets. Nectar has a similar ethos and culture to our own and, as with The Stable, it will continue to run as a standalone business under the excellent stewardship of founder and Managing Director, Fiona Jukes.

In 2012 our employees undertook training to the equivalent of 3,000 days. Just four years later that number has increased to 14,000 days. Across the Company, we now offer 14 development programmes and, in November, we decided that we would move early to apply the National Living Wage selectively, awarding it to colleagues who commit to one of these development programmes, regardless of age. We anticipate the direct and consequential financial impact of the National Living Wage on all staff wages in the current financial year will be around £2 million.

Our career path structure ensures that there is a plan which allows every Kitchen Porter to work towards becoming a Head Chef and every member of bar staff a route to become a General Manager or Operations Manager. In addition to this, we have a programme of training and development for our managers, to increase their skills and take them from junior management or team leader positions right through to Director.

This commitment to our own people improves retention, which reduces induction costs, rewards hardworking and talented employees and ultimately provides exceptional service to Fuller's customers. It has already delivered results with a high number of internal promotions during the period including two positions on the Fuller's Inns' Board.

I am delighted that we picked up the award for *Employer of the Year* at the prestigious *Publican Awards* in March. The People Team at Fuller's has worked tirelessly to improve the way we recruit, train, reward and recognise our people and this award is testament to that success. It was great to see our People Director, David Hoyle, and Group Development Manager, Dawn Browne, on stage to collect the award.

FULLER'S INNS

It has been another good year across Fuller's Inns with total revenue from our Managed Pubs and Hotels up by 12% to £238.4 million (2015: £213.8 million) while total revenue for our Tenanted Inns was maintained at £31.5 million (2015: £31.4 million).

We purchased five new pubs during the year, including our only pub in the London Borough of Lewisham, The Lord Northbrook in Lee. We also purchased The Great Northern Railway Tavern in Hornsey, North London – another area where we are under-represented. We hope these footholds will pave the way to further appropriate acquisitions in these growing neighbourhoods. The other three pubs purchased were The Queen's Head in Kingston, The King's Head in Earl's Court and The Sutton Arms in Barbican.

This year we invested £20 million on 18 significant projects and a number of smaller schemes, resulting in 121 weeks of closures – up from 108 in the prior year and a number we anticipate being higher still next year. As we refurbish our pubs, we apply a holistic approach, treating each scheme individually, creating a bespoke design and décor that is tailored to the local area and often taking the opportunity to reposition the pub within its local market. In addition, we always look to improve and enhance the kitchen and menu to further inspire our chefs.

Finally, one of the key ways that we protect our pub estate is by purchasing the freeholds of our sites and securing long-term leases so that we have a stable position from which to develop individual pubs. During the year, we have purchased the freeholds of three existing businesses – The Blackbird in Earl's Court, The Barrowboy and Banker on London Bridge and The Stable in Poole. In addition, we have secured six new long-term leases on existing Fuller's pubs in London.

Managed Pubs and Hotels

Our Managed Pubs and Hotels have had an excellent year, with like for like sales[8] increasing by 4.8%, a rise in operating profit before exceptional items of 17% to £30.9 million (2015: £26.3 million) and an operating profit margin improvement of 0.7% to 13.0%.

The pub and eating out market is continually evolving and critical to our success is our ability to create an experience for the consumer that is not only better than the competition, but is unique and is something our guests cannot get at home.

Food remains one of the key drivers of this performance, with like for like food sales[8] rising 6.9%. We have continued to invest in the Fuller's Chefs' Guild programme – which is attracting new recruits and taking our existing chefs to new heights of culinary skill and creativity. We have supported this activity by enhancing the contracts of our chefs, which has also helped to reduce staff turnover. We have identified a need to improve recognition for our kitchen teams and, since the year end, have held our first ever *Chef of the Year* competition, which was won by Gavin Sinden of The Stonemasons Arms in Hammersmith in the over-25s category and Luke Emmess of The Still & West in Southsea in the under-25s category.

Consumers are increasingly seeking more balanced, lighter dishes and recent successes include our Cornish Orchards cured and smoked sea trout and our tea and hop-smoked haddock. We have also developed a range of bespoke ice-creams with Laverstoke Park Farm and this includes interesting flavours such as cardamom ice cream, specifically created to accompany one of our best-selling desserts, Paul's Chocolate Brownie. We develop these dishes, which are available *Only at Fuller's*, as they provide a point of difference and reinforce our premium position, setting us apart from the competition.

Despite this success, we still have further to go and recent research showed that only one in four people associated Fuller's with food – yet we have an 80% Net Promoter Score for our food overall. This demonstrates the potential opportunity we have to entice more customers to our pubs to try the dishes that are being invented, freshly prepared and served in our kitchens.

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[8] Like for like sales excludes The Stable

The rise in food sales is accompanied by growth in premium wine and coffee. This year we have seen rising wine sales across the board, but of particular note is Sancerre – where sales have risen by 40% in the year – and New Zealand Sauvignon Blanc, where sales are up in the Managed Estate by 49%. We serve a DOCG Prosecco, a cut above the DOC alternative that is available in the majority of pubs and casual dining restaurants, and sales of this are also up, by 36%. In addition, we sold 1.4 million cups of Brewer Street Coffee, a blend of coffee that is available *Only at Fuller's.*

Our customers expect ever-more interesting designs and an environment that has been created with style, elegance and individuality. In January, we opened The Sail Loft in Greenwich Reach, a fantastic site with views up and down the river, right next to the Cutty Sark. This venue is the embodiment of all that is great about a Fuller's pub, with its exciting range of beers and wines and an open kitchen producing stunning food, served by engaged team members, in an amazing venue.

Over recent years, we have reported regularly on the investments we have made in recruiting and developing team members and building the senior team of the future. It was rewarding last May to see Mark Fulton, who joined us as a frontline team member at The Counting House in 2004, promoted to Head of Operations – Hotels.

While we have not added any bedrooms to the estate during the year, we have upgraded 99 of them. Accommodation continues to play a key role for us, although trading in our hotels has been more challenging with a drop in tourism following the Paris attacks, which has coincided with a large number of competitors coming into the market, particularly in locations close to our Central London hotels.

We have also maintained our focus on search engine optimisation and the way we communicate with our customers through highly targeted emails that come directly from the pub – rather than from a head office address. Offers and content are personalised and our response rates are strong. This is a great way to promote events in our pubs, such as the excellent *Shakespeare in the Garden* series that saw *Romeo and Juliet* performed in 12 of our pub gardens during July, August and September to an enthralled audience of over 3,700 people.

In line with the growth of Apple Pay and similar systems, customers are always keen to find easier ways of paying and Flypay, a payment app which allows a customer to run, split and settle a bill with their friends, is now available in 18 of our London pubs. Most striking though, is how our customers have adopted contactless as their preferred means of payment. In November 2014, contactless transactions made up less than 25% of our card transactions and only represented 11% of value. Volumes have grown every month and today, contactless payments account for more than 50% of all of our card transactions and 33% of value, helping improve speed of service at the bar.

The Stable has continued to expand and we opened six new sites during the year – Plymouth, Winchester, Southampton, Birmingham, Cheltenham and Cardiff. We also relocated the Bath restaurant to a higher profile site, which has increased customer numbers significantly. The new sites also have less exposure to the seasonality that impacts on The Stable's heartland sites in the West Country. Since the year end, we have opened our first London restaurant, in Whitechapel, and this is a very exciting development for what is still a fledgling restaurant brand. Many of these new sites opened at the end of the third quarter, yet total revenue for the year has more than doubled, showing underlying growth in the more mature sites.

In line with our experience in the pub sector, The Stable customer also demands lots of choice, interesting flavours, premium brands and fresh, delicious food made with authentic ingredients. This is reflected in the fact that the Cider Tasting Board is the brand's biggest selling drink and in the attraction of fresh, artisan pizzas made with local ingredients and carrying innovative names, complemented by a range of pies and salads.

As long as we continue to delight our customers with our pubs, our food and our service, we will prosper as a business. We always strive to do better and although we already have a strong overall Net Promoter Score of 70%, up from 68% last year, we continue to seek ways to improve it further.

Tenanted Inns

Our tenanted business has delivered good results again this year, with profits[9] rising by 2% on a like for like basis and average EBITDA per pub increasing by 2% to £83,000. Total operating profit before exceptional items is flat – mainly due to the move of some high volume sites to the Managed Estate in recent years.

We continued to invest in our Tenanted Estate, working with our tenants on schemes to reposition pubs, often to focus more heavily on food. These schemes are jointly funded by Fuller's and the tenant and notable projects during the last year include The Bear & Swan at Chew Magna, where we created some letting bedrooms, and The Griffin in Brentford, where we utilised some redundant space to increase the trading area. We also sold four sites during the year that no longer fitted our long-term strategy.

Our focus on ensuring our tenants have great access to first class training, cellar services support and motivated business development managers continues to drive success and this year both our key internal awards were won by Tenanted pubs. The coveted *Griffin Trophy* was awarded to The Rising Sun in Milland, Hampshire and the *Master Cellarman of the Year* went to The Star in Petworth, West Sussex.

[9] Operating profit before exceptional items

THE FULLER'S BEER COMPANY

Revenue rose by 5% to £126.8 million (2015: £120.9 million) and while our beer and cider volumes for the year are down by 1% , operating profit before exceptional items remained level at £7.6 million. These figures reflect the shift in mix as we are selling more premium products in line with our strategy.

This year, the Beer Company team has focused on identifying new products and developing new routes to market to counteract our largest customer being taken over by another brewer. The development of Montana Red and Fuller's IPA has enhanced our craft beer range and packaging beers such as Wild River, Frontier Craft Lager and Black Cab Stout into 330ml cans has given us access to new customers. Volumes rose at Cornish Orchards, making use of new capacity at Duloe, and we also increased distribution and volume of Sierra Nevada.

We continue to invest in our flagship brand, London Pride, which benefited from the Rugby World Cup last October. With the focus of attention falling on our London heartland, we ran a widespread outdoor campaign in the area on the theme *Made of Rugby*. This was brought to life through the London Pride Clubhouse – a fantastic sports venue in the City, heavily promoted through the *Evening Standard*. We have also further developed the brand's *Made of London* campaign featuring shots of London Pride against iconic London locations and vistas.

Both Oliver's Island, our golden ale, and Frontier Craft Lager grew sales and distribution during the year, with Oliver's Island becoming our second biggest cask ale. Frontier meanwhile is now our second biggest brand, just three years after its launch. It has continued to grow in popularity with customers who seek out new flavours at street food festivals and other events and this resulted in the equivalent of 1,350 event days for Frontier during the last financial year, reaching an audience of 920,000 potential customers. The activity was supported by an outdoor advertising campaign in the brand's East London heartland including two street murals in Shoreditch.

FINANCIAL PERFORMANCE

The Group's net debt increased from £162.6 million at the start of the year to £198.5 million as a result of acquisitions and the continued investment in our existing estate. Total capital expenditure for the year of £80.7 million included £14.7 million on the acquisition of five new pubs, acquisition capital for the new Stable sites and purchasing 51% of Nectar Imports. We spent £29.9 million on the purchase of the three freeholds of existing sites where we have secured these great locations for the long term. We also built and opened a new riverside pub and continued our on-going programme of significant investment in the existing estate. The five pub disposals in the year realised an exceptional pre-tax profit of £2.9 million on cash proceeds of £5.1 million.

During the year, we extended £130.0 million of our existing bank loan facilities and the £20.0 million one year fixed term loan. We also successfully arranged a new £30.0 million bank loan facility with a four year term providing additional funding over and above the existing arrangements. As a result £160.0 million of our bank loan facilities expire in 2020, £50.0 million in 2019 and £20.0 million in August 2016.

EBITDA increased by 11% to £65.0 million (2015: £58.7 million). The ratio of net debt to EBITDA at the year-end was 3.0 times (2015: 2.7 times). Our undrawn committed long term banking facilities at 26 March 2016 were £32.0 million and this level of debt allows us continued flexibility to invest in future opportunities as they arise. Despite the high level of capital expenditure net finance costs before exceptional items only increased marginally to £6.0 million (2015: £5.9 million) as the average interest rate paid on our debt fell.

Net exceptional costs before tax of £1.7 million comprised £2.9 million profit on property disposals and a £0.2 million onerous lease provision release, offset by £1.1 million of acquisition costs expensed, £0.8 million of impairment charges net of reversals, £2.2 million deemed remuneration on the future purchase of shares in The Stable and net exceptional finance costs of £0.7 million, principally the interest charge on our pension deficit of £0.8 million.

Statutory profit before tax after exceptional items was £39.2 million (2015: £36.1 million). Tax has been provided for at an effective rate of 20.5% (2015: 21.7%) on adjusted profits. The overall effective tax rate of 15.8% benefits from the deferred tax credit of £1.9 million relating to the stepped reduction in the UK corporation tax rate from 20% down to 19% from 1 April 2017 and to 18% on 1 April 2020. The recently announced further reduction from 18% to 17% from 1 April 2020 has not yet been enacted and has therefore not yet been reflected. A full analysis of the tax charge for the year is set out in note 5.

The deficit on the defined benefit pension scheme decreased by £0.9 million to £23.5 million (2015: £24.4 million). The calculated value of the scheme liabilities reduced, driven by a small increase in the discount rate which was partially offset by a lower than expected return on scheme assets.

During the period 274,000 'A' ordinary 40p shares and 1,000,000 'B' ordinary 4p shares were purchased into treasury for a total of £4.4 million. In addition, 146,028 'A' ordinary 40p shares and 225,281 'B' ordinary 4p shares were purchased for £1.8 million by or on behalf of the Trustees of the Share Incentive Plan and the LTIP Trustees to cover future issuance.

CURRENT TRADING AND PROSPECTS

Our business is in excellent shape and it has been a solid start to the year. Like for like sales in our Managed Pubs and Hotels for the first 10 weeks of the new financial year are up by 2.7% against strong comparatives from last year. Over the same period, like for like profits in our Tenanted Inns are down by 2% and beer and cider volumes have decreased by 5%.

The economy is difficult to read with the European referendum imminent, but while it is important to be aware of the external environment, we will continue with the exciting plans we have in place and our long-term perspective gives us the flexibility to react accordingly.

We will further invest in training our people and we will also be investing a record amount in refurbishing our existing estate, putting more focus on our delicious fresh food and continuing to attract new customers to our pubs. We have already completed seven major schemes in this current financial year including The Harpenden Arms in Harpenden, The Drayton Court in Ealing and The Ox Row in Salisbury, and four more are under way as of today with many others soon to follow. In addition, since the year end, we have purchased an additional 25% of The Stable, taking our stake to 76%.

As we look forward to the year ahead, we know that our long-term strategy, combined with the vision to address the needs of our customers and consumers of the future, will keep Fuller's on the path of growth. By continuing to invest in our assets, our brands and, most importantly, our employees, we will continue to build a Fuller's that delivers outstanding service to our customers, excellent careers for our people and good returns for our shareholders.

Simon Emeny
Chief Executive
9 June 2016

FULLER, SMITH & TURNER P.L.C.
FINANCIAL HIGHLIGHTS
FOR THE 52 WEEKS ENDED 26 MARCH 2016

	52 weeks ended 26 March 2016 £m	*52 weeks ended 28 March 2015 £m*	***Change 2016/2015***
Revenue	**350.5**	321.5	***9%***
Adjusted profit [1]	**40.9**	36.4	***12%***
Adjusted earnings per share [2]	**58.35p**	51.51p	***13%***
EBITDA [3]	**65.0**	58.7	***11%***
Total dividend per share [4]	**17.90p**	16.60p	***8%***
Net debt [5]	**198.5**	162.6	
Pro forma net debt / EBITDA [6]	**3.0 times**	2.7 times	

1 *Adjusted profit is the profit before tax excluding exceptional items. Statutory profit before tax was £39.2 million (2015: £36.1 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 59.25p (2015: 51.15p).*
3 *Pre-exceptional earnings before interest, tax, depreciation, profit on disposal of properties 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 acquisitions and disposals in the period.*

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP INCOME STATEMENT
FOR THE 52 WEEKS ENDED 26 MARCH 2016

		52 weeks ended 26 March 2016		
		Before exceptional items	Exceptional items	Total
	Note	£m	£m	£m
Revenue	2	350.5	-	350.5
Operating costs	3	(303.6)	(3.9)	(307.5)
Operating profit		46.9	(3.9)	43.0
Profit on disposal of properties	3	-	2.9	2.9
Finance costs	3,4	(6.0)	(0.7)	(6.7)
Profit before tax		40.9	(1.7)	39.2
Taxation	3,5	(8.4)	2.2	(6.2)
Profit for the year		32.5	0.5	33.0
Attributable to:				
Equity shareholders of the Parent Company		32.3	0.5	32.8
Non-controlling interest		0.2	-	0.2

		52 weeks ended 28 March 2015		
		Before exceptional items	Exceptional items	Total
	Note	£m	£m	£m
Revenue	2	321.5	-	321.5
Operating costs	3	(279.2)	(1.5)	(280.7)
Operating profit		42.3	(1.5)	40.8
Profit on disposal of properties	3	-	0.8	0.8
Pension fund curtailment gain	3	-	1.2	1.2
Finance costs	3,4	(5.9)	(0.8)	(6.7)
Profit before tax		36.4	(0.3)	36.1
Taxation	3,5	(7.9)	0.1	(7.8)
Profit for the year		28.5	(0.2)	28.3
Attributable to:				
Equity shareholders of the Parent Company		28.6	(0.2)	28.4
Non-controlling interest		(0.1)	-	(0.1)

FULLER, SMITH & TURNER P.L.C.
EARNINGS PER SHARE

	Note	52 weeks ended 26 March 2016 Pence	52 weeks ended 28 March 2015 Pence
Per 40p 'A' and 'C' ordinary share			
Basic	6	**59.25**	51.15
Diluted	6	**58.45**	50.42
Adjusted	6	**58.35**	51.51
Diluted adjusted	6	**57.56**	50.78
Per 4p 'B' ordinary share			
Basic	6	**5.93**	5.12
Diluted	6	**5.85**	5.04
Adjusted	6	**5.84**	5.15
Diluted adjusted	6	**5.76**	5.08

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 26 MARCH 2016

	Note	52 weeks ended 26 March 2016 £m	52 weeks ended 28 March 2015 £m
Profit for the year		**33.0**	28.3
Items that may be reclassified to profit or loss			
Net losses on valuation of financial assets and liabilities		**(0.3)**	(3.0)
Tax related to items that may be reclassified to profit or loss	5	**0.1**	0.6
Items that will not be reclassified to profit or loss			
Net actuarial gains/(losses) on pension schemes	10	**0.7**	(8.3)
Tax related to items that will not be reclassified to profit or loss	5	**(0.8)**	1.7
Other comprehensive loss for the year, net of tax		**(0.3)**	(9.0)
Total comprehensive income for the year, net of tax		**32.7**	19.3
Total comprehensive income attributable to:			
Equity shareholders of the Parent Company		**32.5**	19.4
Non-controlling interest		**0.2**	(0.1)

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP BALANCE SHEET
26 MARCH 2016

	Note	At 26 March 2016 £m	At 28 March 2015 £m
Non-current assets			
Intangible assets		**39.8**	38.7
Property, plant and equipment	8	**533.8**	471.9
Investment properties		**4.6**	4.6
Other financial assets		**0.1**	0.3
Other non-current assets		**0.3**	0.3
Deferred tax assets		**8.3**	8.4
Total non-current assets		**586.9**	524.2
Current assets			
Inventories		**12.4**	10.6
Trade and other receivables		**21.0**	17.7
Cash and short term deposits	9	**6.2**	5.1
Total current assets		**39.6**	33.4
Assets classified as held for sale		**0.5**	-
Current liabilities			
Trade and other payables		**60.8**	49.2
Current tax payable		**4.4**	3.9
Provisions		**0.4**	0.4
Borrowings	9	**20.0**	20.0
Total current liabilities		**85.6**	73.5
Non-current liabilities			
Borrowings	9	**184.7**	147.7
Other financial liabilities		**10.7**	6.1
Retirement benefit obligations	10	**23.5**	24.4
Deferred tax liabilities		**19.0**	21.3
Provisions		**2.2**	2.5
Other non-current payables		**0.4**	0.4
Total non-current liabilities		**240.5**	202.4
Net assets		**300.9**	281.7
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		**(15.8)**	(13.5)
Hedging reserve		**(2.6)**	(2.4)
Retained earnings		**293.0**	270.0
Equity attributable to equity holders of the Parent		**305.3**	284.8
Non-controlling interest		**(4.4)**	(3.1)
Total equity		**300.9**	281.7

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEKS ENDED 26 MARCH 2016

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Own shares £m	Hedging reserve £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
At 29 March 2014	22.8	4.8	3.1	(9.7)	-	256.2	**277.2**	-	**277.2**
Profit for the year	-	-	-	-	-	28.4	**28.4**	(0.1)	**28.3**
Other comprehensive loss for the year	-	-	-	-	(2.4)	(6.6)	**(9.0)**	-	**(9.0)**
Total comprehensive (loss)/income for the year	-	-	-	-	(2.4)	21.8	**19.4**	(0.1)	**19.3**
Shares purchased to be held in ESOT or as treasury	-	-	-	(7.1)	-	-	**(7.1)**	-	**(7.1)**
Shares released from ESOT and treasury	-	-	-	3.3	-	(2.3)	**1.0**	-	**1.0**
Dividends (note 7)	-	-	-	-	-	(8.7)	**(8.7)**	-	**(8.7)**
Share-based payment charges	-	-	-	-	-	2.6	**2.6**	-	**2.6**
Tax credited directly to equity (note 5)	-	-	-	-	-	0.4	**0.4**	-	**0.4**
Adjustments arising from change in non-controlling interest	-	-	-	-	-	-	**-**	(3.0)	**(3.0)**
Total transactions with owners	-	-	-	(3.8)	-	(8.0)	**(11.8)**	(3.0)	**(14.8)**
At 28 March 2015	**22.8**	**4.8**	**3.1**	**(13.5)**	**(2.4)**	**270.0**	**284.8**	**(3.1)**	**281.7**
Profit for the year	-	-	-	-	-	32.8	**32.8**	0.2	**33.0**
Other comprehensive loss for the year	-	-	-	-	(0.2)	(0.1)	**(0.3)**	-	**(0.3)**
Total comprehensive (loss)/income for the year	**-**	**-**	**-**	**-**	**(0.2)**	**32.7**	**32.5**	**0.2**	**32.7**
Shares purchased to be held in ESOT or as treasury	-	-	-	(6.2)	-	-	**(6.2)**	-	**(6.2)**
Shares released from ESOT and treasury	-	-	-	3.9	-	(3.1)	**0.8**	-	**0.8**
Dividends (note 7)	-	-	-	-	-	(9.5)	**(9.5)**	-	**(9.5)**
Share-based payment charges	-	-	-	-	-	2.6	**2.6**	-	**2.6**
Tax credited directly to equity (note 5)	-	-	-	-	-	0.3	**0.3**	-	**0.3**
Adjustments arising from change in non-controlling interest	-	-	-	-	-	-	**-**	(1.5)	**(1.5)**
Total transactions with owners	**-**	**-**	**-**	**(2.3)**	**-**	**(9.7)**	**(12.0)**	**(1.5)**	**(13.5)**
At 26 March 2016	**22.8**	**4.8**	**3.1**	**(15.8)**	**(2.6)**	**293.0**	**305.3**	**(4.4)**	**300.9**

FULLER, SMITH & TURNER P.L.C.
CONDENSED GROUP CASH FLOW STATEMENT
FOR THE 52 WEEKS ENDED 26 MARCH 2016

	Note	***52 weeks ended 26 March 2016 £m***	*52 weeks ended 28 March 2015 £m*
Profit before tax		**39.2**	36.1
Net finance costs before exceptional items		**6.0**	5.9
Exceptional items	*3*	**1.7**	0.3
Depreciation and amortisation		**18.1**	16.4
		65.0	58.7
Difference between pension charge and cash paid		**(1.0)**	(0.7)
Share-based payment charges		**2.6**	2.6
Change in trade and other receivables		**(0.3)**	(0.6)
Change in inventories		**(0.3)**	-
Change in trade and other payables		**3.7**	1.7
Cash impact of operating exceptional items	*3*	**(1.1)**	(1.7)
Cash generated from operations		**68.6**	60.0
Tax paid		**(8.5)**	(8.3)
Cash generated from operating activities		**60.1**	51.7
Cash flow from investing activities			
Business combinations		**(14.7)**	(25.2)
Purchase of property, plant and equipment		**(66.0)**	(31.1)
Cash/(overdraft) acquired on acquisition		**0.9**	(0.1)
Sale of property, plant and equipment		**5.1**	3.3
Net cash outflow from investing activities		**(74.7)**	(53.1)
Cash flow from financing activities			
Purchase of own shares		**(6.2)**	(7.1)
Receipts on release of own shares to option schemes		**0.8**	1.0
Interest paid		**(5.3)**	(5.2)
Preference dividends paid	*7*	**(0.1)**	(0.1)
Equity dividends paid	*7*	**(9.5)**	(8.7)
Drawdown of bank loans		**36.4**	24.5
Repayment of other loans		**(0.2)**	(0.5)
Cost of refinancing		**(0.2)**	(1.1)
Cost of new derivative instruments		**-**	(0.4)
Net cash inflow from financing activities		**15.7**	2.4
Net movement in cash and cash equivalents	*9*	**1.1**	1.0
Cash and cash equivalents at the start of the year		**5.1**	4.1
Cash and cash equivalents at the end of the year	*9*	**6.2**	5.1

FULLER, SMITH & TURNER P.L.C.
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 26 MARCH 2016

1. PRELIMINARY STATEMENT

The consolidated financial statements of Fuller, Smith & Turner P.L.C. for the 52 weeks ended 26 March 2016 were authorised for issue by the Board of Directors on 9 June 2016.

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 26 March 2016 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 28 March 2015, 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 26 March 2016, which will be mailed to shareholders on or before 24 June 2016 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.

2. SEGMENTAL ANALYSIS

For management purposes, the Group's operating segments are:
- Managed Pubs and Hotels, which comprises managed pubs, managed hotels and The Stable Pizza & Cider;
- 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, and Nectar Imports.

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 26 March 2016	***Managed Pubs and Hotels £m***	***Tenanted Inns £m***	***The Fuller's Beer Company £m***	***Unallocated[1] £m***	***Total £m***
Revenue					
Segment revenue	238.4	31.5	126.8	-	396.7
Inter-segment sales	-	-	(46.2)	-	(46.2)
Revenue from third parties	**238.4**	**31.5**	**80.6**	**-**	**350.5**
Segment result	**30.9**	**13.4**	**7.6**	**(5.0)**	**46.9**
Operating exceptional items					(3.9)
Operating profit					**43.0**
Profit on disposal of properties					2.9
Net finance costs					(6.7)
Profit before tax					**39.2**

In the current period the Group changed the transfer price and central cost allocation basis applied between the segments. To aid year on year comparability, the table below sets out the revised segmental information for the 52 weeks ended 28 March 2015 based on the new basis.

52 weeks ended 28 March 2015 (revised)	*Managed Pubs and Hotels £m*	*Tenanted Inns £m*	*The Fuller's Beer Company £m*	*Unallocated[1] £m*	*Total £m*
Revenue					
Segment revenue	213.8	31.4	120.9	-	366.1
Inter-segment sales	-	-	(44.6)	-	(44.6)
Revenue from third parties	213.8	31.4	76.3	-	321.5
Segment result	26.3	13.4	7.6	(5.0)	42.3
Operating exceptional items					(1.5)
Operating profit					40.8
Profit on disposal of properties					0.8
Pension fund curtailment gain					1.2
Net finance costs					(6.7)
Profit before tax					36.1

2. SEGMENTAL ANALYSIS (continued)

52 weeks ended 28 March 2015 (as previously stated)	*Managed Pubs and Hotels £m*	*Tenanted Inns £m*	*The Fuller's Beer Company £m*	*Unallocated[1] £m*	*Total £m*
Revenue					
Segment revenue	*213.8*	*31.4*	*122.9*	*-*	*368.1*
Inter-segment sales	*-*	*-*	*(46.6)*	*-*	*(46.6)*
Revenue from third parties	*213.8*	*31.4*	*76.3*	*-*	*321.5*
Segment result	*25.0*	*12.6*	*8.7*	*(4.0)*	*42.3*
Operating exceptional items					*(1.5)*
Operating profit					*40.8*
Profit on disposal of properties					*0.8*
Pension fund curtailment gain					*1.2*
Net finance costs					*(6.7)*
Profit before tax					*36.1*

3. EXCEPTIONAL ITEMS

	52 weeks ended 26 March 2016	52 weeks ended 28 March 2015
Amounts included in operating profit:	***£m***	*£m*
Acquisition costs	**(1.1)**	(1.2)
Impairment of properties	**(1.4)**	(0.7)
Reversal of impairment on property	**0.6**	0.7
Onerous lease provision release/(charge)	**0.2**	(0.3)
Deemed remuneration on the future purchase of shares in The Stable	**(2.2)**	-
Total exceptional items included in operating profit	**(3.9)**	(1.5)
Profit on disposal of properties	**2.9**	0.8
Pension fund curtailment gain	**-**	1.2
Exceptional finance costs:		
Finance charge on net pension liabilities	**(0.8)**	(0.8)
Movement in fair value of financial instruments	**0.1**	-
Total exceptional finance costs	**(0.7)**	(0.8)
Total exceptional items before tax	**(1.7)**	(0.3)
Exceptional tax:		
Change in corporation tax rate (note 5)	**1.9**	-
Profit on disposal of properties	**(0.5)**	(0.2)
Pension fund curtailment gain	**-**	(0.2)
Other items	**0.8**	0.5
Total exceptional tax	**2.2**	0.1
Total exceptional items	**0.5**	(0.2)

Acquisition costs of £1.1 million during the 52 weeks ended 26 March 2016 (2015: £1.2 million) related to transaction costs on pub and business acquisitions which qualify as business combinations.

The property impairment charge of £1.4 million during the 52 weeks ended 26 March 2016 (2015: £0.7 million) relates to the write down of licensed properties to their recoverable value. The reversal of impairment credit of £0.6 million during the 52 weeks ended 26 March 2016 (2015: £0.7 million) relates to the write back of previously impaired licensed properties to their recoverable value.

The onerous lease provision release of £0.2 million during the 52 weeks ended 26 March 2016 (2015: charge of £0.3 million) relates to the change in circumstances of one previously onerous leasehold property.

Deemed remuneration on the future purchase of shares in The Stable of £2.2 million for the 52 weeks ended 26 March 2016 relates to the remuneration element of the increase in estimated value of the option over the remaining 49% of The Stable group of companies.

3. EXCEPTIONAL ITEMS (continued)

The profit on disposal of properties of £2.9 million during the 52 weeks ended 26 March 2016 (2015: £0.8 million) relates to the disposal of five licensed properties (2015: four licensed and unlicensed properties).

The pension fund curtailment gain of £1.2 million for the 52 weeks ended 28 March 2015 relates to the closure in January 2015 of the defined benefit pension scheme to future accrual.

The cash impact of operating exceptional items before tax for the 52 weeks ended 26 March 2016 was a £1.1 million cash outflow (2015: £1.7 million cash outflow).

4. FINANCE COSTS

	52 weeks ended 26 March 2016	*52 weeks ended 28 March 2015*
	£m	*£m*
Interest expense arising on:		
Financial liabilities at amortised cost – loans and debentures	**5.7**	5.6
Financial liabilities at amortised cost – preference shares	**0.1**	0.1
Total interest expense for financial liabilities	**5.8**	5.7
Unwinding of discounts on provisions	**0.2**	0.2
Total finance costs before exceptional items	**6.0**	5.9
Finance charge on net pension liabilities (note 3)	**0.8**	0.8
Movement in fair value of financial instruments (note 3)	**(0.1)**	-
Total finance costs	**6.7**	6.7

5. TAXATION

	52 weeks ended 26 March 2016	*52 weeks ended 28 March 2015*
	£m	*£m*
Tax on profit on ordinary activities		
Current income tax:		
Corporation tax	**9.3**	8.6
Total current income tax	**9.3**	8.6
Deferred tax:		
Origination and reversal of temporary differences	**(1.2)**	(0.8)
Change in corporation tax rate (note 3)	**(1.9)**	-
Total deferred tax	**(3.1)**	(0.8)
Total tax charged in the Income Statement	**6.2**	7.8

5. TAXATION (continued)

	52 weeks ended 26 March 2016	*52 weeks ended 28 March 2015*
	£m	*£m*
Tax relating to items charged/credited to the Statement of Comprehensive Income		
Deferred tax:		
Change in corporation tax rate	**0.6**	-
Net gains on valuation of financial assets and liabilities	**-**	(0.6)
Net actuarial gains/losses on pension scheme	**0.1**	(1.7)
Tax charge/(credit) included in the Statement of Comprehensive Income	**0.7**	(2.3)

Tax relating to items charged/credited directly to equity		
Deferred tax:		
Reduction in deferred tax liability due to indexation	**-**	(0.3)
Share-based payments	**0.1**	0.1
Current tax:		
Share-based payments	**(0.4)**	(0.2)
Tax credit included in the Statement of Changes in Equity	**(0.3)**	(0.4)

During the period the Finance Act 2015 received Royal Assent. The main impact was the reduction of the UK corporation tax from 20% to 19% from 1 April 2017 and the reduction from 19% to 18% from 1 April 2020. 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 26 March 2016 was an exceptional credit to the Income Statement of £1.9 million, and a charge to the Statement of Comprehensive Income of £0.6 million. A further reduction in rate from 1 April 2020 to 17% has been announced but has not yet been substantively enacted.

6. EARNINGS PER SHARE

	52 weeks ended 26 March 2016 £m	52 weeks ended 28 March 2015 £m
Profit attributable to equity shareholders	**32.8**	28.4
Exceptional items net of tax	**(0.5)**	0.2
Adjusted earnings attributable to equity shareholders	**32.3**	28.6

	Number	Number
Weighted average share capital	**55,356,000**	55,521,000
Dilutive outstanding options and share awards	**764,000**	804,000
Diluted weighted average share capital	**56,120,000**	56,325,000

40p 'A' and 'C' ordinary share	Pence	Pence
Basic earnings per share	**59.25**	51.15
Diluted earnings per share	**58.45**	50.42
Adjusted earnings per share	**58.35**	51.51
Diluted adjusted earnings per share	**57.56**	50.78
4p 'B' ordinary share		
Basic earnings per share	**5.93**	5.12
Diluted earnings per share	**5.85**	5.04
Adjusted earnings per share	**5.84**	5.15
Diluted adjusted earnings per share	**5.76**	5.08

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 1,628,444 (2015: 1,463,761).

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 26 March 2016	*52 weeks ended 28 March 2015*
	£m	*£m*
Declared and paid during the year		
Equity dividends on ordinary shares:		
Final dividend for 2015: 10.20p (2014: 9.30p)	**5.6**	5.2
Interim dividend for 2016: 6.90p (2015: 6.40p)	**3.9**	3.5
Equity dividends paid	**9.5**	8.7
Dividends on cumulative preference shares (note 4)	**0.1**	0.1
Proposed for approval at the Annual General Meeting		
Final dividend for 2016: 11.00p (2015: 10.20p)	**6.1**	5.6

The pence figures above are for the 40p 'A' ordinary shares 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 29 March 2014	409.1	35.8	120.5	565.4
Additions	11.2	2.7	18.6	32.5
Acquisitions	19.7	-	1.8	21.5
Disposals	(1.2)	(0.7)	(12.2)	(14.1)
At 28 March 2015	**438.8**	**37.8**	**128.7**	**605.3**
Additions	48.3	2.4	18.5	69.2
Acquisitions	13.3	0.7	0.2	14.2
Disposals	(3.0)	(2.1)	(6.9)	(12.0)
Transfer to assets held for sale	(0.5)	-	-	(0.5)
At 26 March 2016	**496.9**	**38.8**	**140.5**	**676.2**
Depreciation and impairment				
At 29 March 2014	**26.4**	**22.6**	**81.6**	**130.6**
Provided during the year	2.8	2.0	10.7	15.5
Disposals	(0.3)	(0.6)	(11.8)	(12.7)
At 28 March 2015	**28.9**	**24.0**	**80.5**	**133.4**
Provided during the year	3.3	2.1	11.9	17.3
Acquisitions	0.1	0.4	0.1	0.6
Impairment loss net of reversals	0.8	-	-	0.8
Disposals	(1.2)	(2.2)	(6.3)	(9.7)
At 26 March 2016	**31.9**	**24.3**	**86.2**	**142.4**
Net book value at 26 March 2016	**465.0**	**14.5**	**54.3**	**533.8**
Net book value at 28 March 2015	409.9	13.8	48.2	471.9
Net book value at 29 March 2014	382.7	13.2	38.9	434.8

During the 52 weeks ended 26 March 2016, the Group recognised an impairment loss of £1.4 million (2015: £0.7 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 £0.6 million were recognised during the 52 weeks ended 26 March 2016 (2015: £0.7 million).

9. ANALYSIS OF NET DEBT

52 weeks ended 26 March 2016	***At 28 March 2015 £m***	***Cash flows £m***	***Non cash[1] £m***	***At 26 March 2016 £m***
Cash and cash equivalents:				
Cash and short term deposits	5.1	1.1	-	**6.2**
	5.1	**1.1**	**-**	**6.2**
Debt:				
Bank loans	(140.0)	(36.2)	(0.8)	**(177.0)**
Other loans	(0.2)	0.2	(0.2)	**(0.2)**
Debenture stock	(25.9)	-	-	**(25.9)**
Preference shares	(1.6)	-	-	**(1.6)**
	(167.7)	**(36.0)**	**(1.0)**	**(204.7)**
Net debt	**(162.6)**	**(34.9)**	**(1.0)**	**(198.5)**

[1] Non cash movements relate to the amortisation of arrangement fees and the acquisition of Nectar Imports Limited and G&M Leisure Limited during the year.

52 weeks ended 28 March 2015	*At 29 March 2014 £m*	*Cash flows £m*	*Non cash[1] £m*	*At 28 March 2015 £m*
Cash and cash equivalents:				
Cash and short term deposits	4.1	1.0	-	5.1
	4.1	1.0	-	5.1
Debt:				
Bank loans	(116.2)	(23.4)	(0.4)	(140.0)
Other loans	(0.2)	0.5	(0.5)	(0.2)
Debenture stock	(25.9)	-	-	(25.9)
Preference shares	(1.6)	-	-	(1.6)
	(143.9)	(22.9)	(0.9)	(167.7)
Net debt	(139.8)	(21.9)	(0.9)	(162.6)

[1] Non cash movements relate to the amortisation of arrangement fees and the acquisition of The Stable Pizza & Cider Limited.

10. RETIREMENT BENEFIT OBLIGATIONS

	2016	*2015*
	£m	*£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	**96.0**	103.5
Present value of Scheme liabilities	**(119.5)**	(127.9)
Deficit in the Scheme	**(23.5)**	(24.4)
Key financial assumptions used in the valuation of the Scheme		
Rate of increase in salaries	**n/a**	2.50%
Rate of increase in pensions in payment	**3.05%**	3.00%
Discount rate	**3.55%**	3.25%
Inflation assumption – RPI	**3.05%**	3.00%
Inflation assumption – CPI	**2.05%**	2.00%
Mortality assumptions	**Years**	Years
Current pensioners (at 65) – males	**22.2**	22.2
Current pensioners (at 65) – females	**24.4**	24.4
Future pensioners (at 65) – males	**23.6**	23.5
Future pensioners (at 65) - females	**25.9**	25.9

	2016	*2015*
	£m	*£m*
Assets in the Scheme		
Corporate bonds	**19.3**	20.7
UK equities	**40.7**	37.0
Overseas equities	**20.4**	13.2
Absolute return fund	**12.0**	29.5
Property	**1.0**	0.9
Cash	**1.4**	0.9
Annuities	**1.2**	1.3
Total market value of assets	**96.0**	103.5

10. RETIREMENT BENEFIT OBLIGATIONS (continued)

	Defined benefit obligation		Fair value of Scheme assets		Net defined benefit deficit	
	2016	2015	**2016**	2015	**2016**	2015
	£m	£m	**£m**	£m	**£m**	£m
Balance at beginning of the year	**(127.9)**	(110.8)	**103.5**	93.6	**(24.4)**	(17.2)
Included in profit and loss						
Current service cost	**-**	(1.1)	**(0.2)**	-	**(0.2)**	(1.1)
Curtailment gain	**-**	1.2	**-**	-	**-**	1.2
Net interest cost	**(4.2)**	(4.9)	**3.4**	4.1	**(0.8)**	(0.8)
	(4.2)	(4.8)	**3.2**	4.1	**(1.0)**	(0.7)
Included in Other Comprehensive Income						
Actuarial gains/(losses) relating to:						
Actual return less expected return on Scheme assets	**-**	-	**(6.8)**	8.0	**(6.8)**	8.0
Experience gains/(losses) arising on Scheme liabilities	**7.5**	(16.3)	-	-	**7.5**	(16.3)
	7.5	(16.3)	**(6.8)**	8.0	**0.7**	(8.3)
Other						
Employer contributions	**0.2**	-	**-**	1.0	**0.2**	1.0
Employer special contributions	**-**	-	**1.0**	0.8	**1.0**	0.8
Employee contributions	**-**	(0.3)	**-**	0.3	**-**	-
Benefits paid	**4.9**	4.3	**(4.9)**	(4.3)	**-**	-
	5.1	4.0	**(3.9)**	(2.2)	**1.2**	1.8
Balance at end of the year	**(119.5)**	(127.9)	**96.0**	103.5	**(23.5)**	(24.4)

11. PRINCIPAL RISKS AND UNCERTAINTIES

Regulatory Risks

Fuller's operates in a highly regulated sector where government legislation impacts much of the way we do business and therefore the business model. Any significant changes in policy could lead to a sudden change or the long term decline of the business. The two key areas of consideration are the regulation of the sale of alcohol and the Beer Tie.

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, which now represents 57% of managed house revenue.

We continue to monitor ongoing dialogue between the Government and industry bodies. Our Directors are members of key industry bodies and committees. The industry maintains a voluntary code of practice with tenants, which is regularly reviewed and updated in consultation with numerous pub companies and industry groups. Fuller's operates an internal code of practice that is more rigorous than the current Industry code to ensure the transparency and openness of our Tied agreements. We also provide marketing, training and promotional support to help tenants run profitable and long term businesses. 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.

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 houses 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.

Loss of Premium Position

The Group operates in a premium market for both Fuller's Inns and The Fuller's Beer Company. This positioning is key to the success of the business and the achievement of the Group's strategic goals. The loss of the position would have a significant impact on the Group's business model and financial performance.

11. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

This strategy has been agreed by the Board and communicated to key senior staff in the Company. In addition the Executive Committee approves all significant new product development and acquisition decisions and therefore controls key changes to the Group. Developments in products offered by competitors are monitored closely to enable the Group to react quickly to changes in the market. There is a customer complaints system to track and monitor the perception of our products and houses in the marketplace to ensure we are meeting our premium position.

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.

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 cleaning. 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 on-site 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. The data held by the Group is a key business asset and personal data protection is key. Any significant loss of data could lead to a considerable interruption for the business and fines.

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, online replication of systems and data to a third party recovery facility and external support for hardware and software. The IT systems in place follow appropriate data protection guidelines to ensure the risk of both personal and Company data loss is at an acceptable level.

11. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Loss of Key Management and Staff

The Group has a number of key staff who are critical to its success and therefore there is a risk that if a number of these individuals were to leave at the same time it may risk the delivery of the Group's strategy.

The Group performs detailed succession planning to ensure that key roles are considered to ensure appropriate cover is available. In addition the remuneration policy is set up to ensure the key members of staff are appropriately remunerated to reduce the likelihood they are attracted to other competitor businesses.

Loss of Company Values or a Failure to Adhere to Them

Fuller's is a company based on a strong set of values which are key to its success and future. Should these be undermined or not adhered to, the Company's unique position and long term future would be jeopardised.

The Company has a unique culture due to its share structure and history which ensures business decisions are taken for the long term benefit of the Company. This culture also promotes a long term and collaborative approach that does not lead to excessive risk taking and the reward system encourages appropriate behaviour.

The share structure of the Company and family shareholder representation on the Board and involvement in the Company's management ensure the values are maintained and followed. Disruptive and short term third parties cannot easily gain significant holdings and influence.

Consumer Demand Shifts

A significant part of the Group's success is attributable to its ability to anticipate and react to consumer demand. The way in which the Group responds to market changes is critical to its ongoing strategy and has a direct impact on all operational activity.

Management monitor and research consumer trends and run trials of new technologies, brands and products. We gather consumer feedback through Net Promoter Score surveys and online and social media reviews. We analyse retail pricing and market share data to ensure we are competitive but still premium.

The United Kingdom's Exit from the European Union

The business is exposed to the risk that the UK might exit the EU after the referendum on 23 June 2016. This is considered to be a significant risk to the viability of the business and the potential impact has therefore been modelled by the Directors.

Fuller's has strong relationships with EU customers and suppliers which could be customised in the event of an exit from the EU. Fuller's existing training and development programme would enable the Group to produce and attract quality employees from a reduced market workforce. The extensive scenario planning and analysis performed as part of our business viability exercise enables the impact of an exit from the EU to be mitigated.

12. SHAREHOLDERS' INFORMATION

Shareholders holding 40p 'C' ordinary shares are reminded that they have 30 days from 10 June 2016 should they wish to convert those 'C' shares to 'A' shares. The next available opportunity after that will be November 2016. For further details please contact the Company's registrars, Computershare on 0370 889 4096.

13. POST BALANCE SHEET EVENT

On 27 May 2016 the Group purchased an additional 25% of the shares in The Stable Pizza & Cider Limited for £2.7 million, bringing the Group's interest in The Stable Pizza & Cider Limited to 76%.