STRICTLY EMBARGOED
UNTIL 7AM FRIDAY 24 NOVEMBER 2017

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

Half year results for the 26 weeks ended 30 September 2017
A good performance against strong headwinds

Financial Highlights

- Adjusted profit before tax[1] up 4% to £23.8 million (2016/17: £22.8 million)
- Adjusted earnings per share[2] up 5% to 34.22p (2016/17: 32.44p)
- Revenue up 6% to £209.3 million (2016/17: £197.6 million)
- EBITDA[3] up 4% to £37.6 million (2016/17: £36.3 million)
- Interim dividend up 4% to 7.55p (2016/17: 7.25p)
- Pro-forma net debt to EBITDA[4] at 2.8 times (2016/17: 3.0 times)

Operational Indicators

- Managed Pubs and Hotels outperformed the market, with like for like sales growing by 3.6% and a rise in like for like accommodation sales of 8.2%
- Tenanted Inns like for like profit increased 3%, with 11 pubs sold and average EBITDA per pub rising 7%
- Total beer and cider volumes for The Fuller's Beer Company rose 1% against a flat UK market

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1. Adjusted profit before tax is the profit before tax excluding separately disclosed items. Statutory profit before tax was £23.6 million (2016/17: £21.4 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 35.12p (2016/17: 32.08p)
3. Pre-separately disclosed earnings before interest, tax, depreciation, loss on disposal of plant and equipment, and amortisation
4. Pro-forma net debt to EBITDA is calculated on a 12-month basis adjusting as appropriate for acquisitions and disposals

Strategy Update

- Continued programme of investing in our estate to maintain our premium position and offer a first-class customer experience
- Addition of a further four bedrooms to the estate during the first half, with 14 more since the period end
- Pipeline of four managed sites
- Progression of strategic plan for our Tenanted Inns to grow this part of the business and benefit both Fuller's and our Tenants
- Rebranded and increased marketing investment in London Pride to reinforce the quality and authenticity of our core brand
- Investment in our central IT and back office systems, and improvements to our digital footprint, starting to deliver benefits across the business

Current Trading and Outlook

- Managed Pubs and Hotels like for like sales up by 3.7% for 33 weeks
- Tenanted Inns like for like profit rose 2% for 33 weeks
- Total beer and cider volumes increased 1% for 33 weeks
- Acquired The Manor near Christchurch, a freehold pub with 10 bedrooms
- Two new sites in key transport locations – Euston (The Signal Box) and Liverpool Street (The Parcel Office) – due to open in 2018
- Continued focus on investing in our people, our brands and our estate to deliver our strategic vision
- Well-invested, balanced business well-placed to mitigate continued headwinds.

Commenting on the results, Chief Executive Simon Emeny said: "I am delighted to be reporting good financial figures with all the Group's key measures moving in a positive direction. This growth has been driven by our Managed Pubs and Hotels, which generate the largest share of our turnover and profit and have once again outperformed the market.

"The last six months have seen some unprecedented influences on the business, not only in our particular industry, but in the context of the wider UK economy and global political scene. I cannot remember a time when we have faced such an array of additional cost pressures, particularly in our Managed Pubs, starting with the 26% rise in business rates. The pub sector is now responsible for 2.8% of the total business rates bill, despite only generating 0.5% of total turnover. Over and above this increase, we have met with rises in the Apprenticeship Levy and National Living Wage rates, but in spite of this, we have continued to grow, delivering consistently strong returns for our shareholders. This is due to a clear, shared vision and a commitment to delivering an outstanding customer experience across the business.

"In the 33 weeks since 1 April 2017, like for like sales in our Managed Pubs have risen 3.7%, while like for like profit in our Tenanted Inns is up 2% and total beer and cider volumes in The Fuller's Beer Company are up 1%.

"Although we have already faced and absorbed a number of prevailing headwinds, future economic and political uncertainty may still cause further challenges, however we are well-placed to face these. I am confident that our long-term vision, clear strategy and commitment to ongoing investment, delivering an outstanding customer experience throughout the business and creating an atmosphere in our pubs that cannot be rivalled at home, will ensure our further growth."

-**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 180 Tenanted Inns and 198 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 724 boutique bedrooms in its Managed estate. The Fuller's pub estate stretches from Brighton to Birmingham and from Bristol to the Greenwich Peninsula, including 170 locations within the M25. Fuller's owns a 76% stake in The Stable, a craft cider and gourmet pizza restaurant business, which has 17 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. The Company owns 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 Interim 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 24 November 2017.

FULLER, SMITH & TURNER P.L.C.
HALF YEAR RESULTS FOR THE 26 WEEKS ENDED 30 SEPTEMBER 2017

CHAIRMAN'S STATEMENT

I am pleased to be announcing another good set of results with total revenue rising 6% to £209.3 million (2016/17: £197.6 million) and adjusted profit[1] before tax rising 4% to £23.8 million (2016/17: £22.8 million). These top line figures are complemented by a rise in adjusted earnings per share[2], a key metric for our shareholders, of 5% to 34.22p (2016/17: 32.44p).

We continue to see unprecedented activity in the external political and economic environment, on both a national and global scale, which makes for challenging times. However, our long-term clear and consistent strategy, coupled with a balanced business led by a first-class team, helps us ride out these storms.

All parts of the business are showing revenue growth and our Managed Pubs and Hotels have once again been the star of the show. We continually look to improve in all areas of the customer experience and this dedication to making sure each customer has an exceptional visit to our pubs and hotels has seen the business flourish and our like for like sales rise 3.6% (2016/17: 3.4%).

Our Tenanted Inns division has also produced good results during the period, with the result of an in-depth review of all aspects of our model leading to a new agreement, improvements in pub design and a renewed focus on the partnerships we forge with our Tenants. There is more work to be done but early indicators, particularly with regard to our new six-year turnover agreement, look to be promising and mutually beneficial for both parties.

Volumes in The Fuller's Beer Company have risen but the trading environment remains tough and highly competitive. While investments in the Brewery are further improving efficiency, margins are coming under increasing pressure. We are committed to delivering excellent and delicious premium beers and ciders and the new look for London Pride will help to underpin the iconic status of our flagship brand.

Our success is, as ever, down to our people. Our structured career paths and commitment to recruiting, developing and retaining great people help us to ensure that we have the best team in the industry. These results are down to that team and I thank them all for their continued contribution and dedication.

DIVIDEND

The Board is pleased to announce an increase of 4% in the interim dividend to 7.55p (2016/17: 7.25p) per 40p 'A' and 'C' ordinary share and 0.755p (2016/17: 0.725p) per 4p 'B' ordinary share. This will be paid on Tuesday 2 January 2018 to shareholders on the register as at Friday 8 December 2017.

Michael Turner
Chairman
23 November 2017

CHIEF EXECUTIVE'S REVIEW

I am delighted to be reporting good financial figures with all the Group's key measures moving in a positive direction. This growth has been driven by our Managed Pubs and Hotels, which generate the largest share of our turnover and profit and have once again outperformed the market.

The last six months have seen some unprecedented influences on the business, not only in our particular industry, but in the context of the wider UK economy and global political scene. I cannot remember a time when we have faced such an array of additional cost pressures, particularly in our Managed Pubs, starting with the 26% rise in business rates. The pub sector is now responsible for 2.8% of the total business rates bill, despite only generating 0.5% of total turnover. Over and above this increase, we have met with rises in the Apprenticeship Levy and National Living Wage, but in spite of this, we have continued to grow, delivering consistently strong returns for our shareholders. This is due to a clear, shared vision and a commitment to delivering an outstanding customer experience across the business.

FULLER'S INNS

It has been another good six months for Fuller's Inns and we continue to see the benefits of having both Managed and Tenanted pubs. Since the period end, we have moved one pub from our Managed division to the Tenanted division and one in the opposite direction. We also learn from our entrepreneurial Tenants and share good ideas from our Managed estate with our partners in Tenanted Inns.

Managed Pubs and Hotels

Our Managed Pubs and Hotels business forms the core of our activity, generating 60% of our turnover and 65% of our Group's total operating profit[5]. In difficult conditions, we have seen revenue rise by 7% to £140.2 million (2016/17: £130.8 million) and operating profit rise 6% to £19.0 million (2016/17: £18.0 million). Sales growth has come from all elements of the business, with accommodation being the star performer, growing at 8.2% on a like for like basis. Like for like food sales rose by 3.0%, despite prices being held as we chose to absorb some recent food price inflation. On the bar, where prices have risen, like for like drinks sales increased 3.4%.

We continue to invest heavily in our estate with 28 closure weeks, total investment of £11.3 million and some notable schemes being delivered during the period. These include The Barrowboy & Banker at London Bridge, where we secured the freehold in 2015, which has

[5] Operating profit before unallocated central management costs and separately disclosed items

now been extended to include a stunning new dining area, with views of Southwark Cathedral, resulting in 50 additional covers. We have also invested in a superb refurbishment at The Still & West, Southsea – a truly iconic pub overlooking the entrance to Portsmouth Harbour. We continue to maintain our investment programme despite external economic pressures and this is a key element in striving for ever higher standards and creating beautiful environments, in impressive locations, for our customers to enjoy.

Our accommodation offer continues to develop and take advantage of the opportunities provided through staycations and inbound tourism. We have launched an overarching marketing programme for our hotels and pubs with bedrooms under the banner *Beautiful Bedrooms by Fuller's* and added four bedrooms to the estate during the half year at The Swan in Staines. Since the period end, we have acquired The Manor, an outstanding freehold site just outside Christchurch on the edge of the New Forest, with 10 bedrooms, and added four more bedrooms to The White Buck in Burley. We strongly believe that accommodation provides a great opportunity to build our business and have identified over 100 further bedrooms that can be added to our estate over the next two years.

We continue to focus on becoming the best employer in our sector and to developing our people with structured and rewarding career paths. During the first half of the year, 50 recruits joined our commis chef apprentice programme – this is a combination of existing team members and new joiners. This programme is the first rung on the Fuller's Chefs' Guild ladder, which continues to go from strength to strength.

Our food business has also benefited from the arrival of our new stock system, *FnB Manager*. This project gives far greater transparency of popular dishes, food wastage and provides a recipe bank that includes all required allergen information in an easy to access format. Although in its early stages, we are already seeing the business benefits of this investment.

Today's consumer is looking for an experience that goes beyond just food and drink, and the customer journey no longer starts at the door of the pub. Both in Fuller's Managed Pubs and at The Stable, digital marketing plays a crucial role in attracting new customers and ensuring repeat visits from existing ones. Targeted emails and a database with a single customer view are at the heart of our CRM strategy and, combined with great social media, have helped our business grow. Meanwhile, marketing activities such as *Shakespeare in the Garden* keeps customers engaged and superfast wifi, which is now installed in all locations where it is accessible, ensures they can easily share their great experiences with the wider world.

Since the year end we have transferred The Mayfly in Stockbridge from our Tenanted Inns division to Managed Pubs and we will be doing the same with The Windmill in Southwark imminently. In addition, we have confirmed two new sites at railway stations, building on our expertise in transport hubs. The Signal Box at Euston and The Parcel Office at Liverpool Street are at an embryonic stage and we look forward to welcoming these new pubs into the Fuller's Inns Managed Estate in 2018.

As we head towards the important Christmas period, the business is in good shape. During the first half of the year, we completed the roll out of a new customer booking and enquiry management system. Our teams can manage all bookings regardless of source in one place and auto-confirmed online covers (i.e. those that do not involve any manual process) are up by 46%.

Within Fuller's Inns, The Stable is performing in line with expectations and we have fully integrated all supply chain and financial processes. We continue to learn from this youthful brand, particularly with regards to lively digital marketing where the brand uses both generic campaigns and bespoke activity across its 17 restaurants.

Tenanted Inns

Following a strategic review of our Tenanted Inns last year, we have sold a further 11 pubs of the 20 originally earmarked for disposal last year and the Estate is well positioned to move forwards. One further pub has been sold since the period end and the remaining four are currently on the market. Average EBITDA[3] per pub has risen by 7% and although revenues are level at £15.6 million, profit has risen 2% to £6.7 million (2016/17: £6.6 million) despite having a smaller estate.

The launch of our new six-year turnover based offer has been well received with seven pubs now on this agreement. These pubs benefit from joint capital investment projects and the sharing of turnover across food and drinks allows these tenants to access free trade beer pricing. The offer is broadening the appeal of our Tenanted Inns, attracting entrepreneurial tenants with a passion for food from other industry sectors and we are very pleased with the progress.

As part of the strategic review of our Tenanted Inns, we have launched a new partners' website and we are looking at more ways to leverage the knowledge gained from our Managed Pubs, share access to initiatives around food and chef development and continue to improve pub design.

We have invested over £1 million in capital projects in this part of the business and have plans to invest a further £2 million in the second half of the year. Among the successful developments in the period are The King Charles at King's Worthy near Winchester and The Ship & Bell in Horndean, located next to the former Gales Brewery.

While there is still a long way to go, the early signs for the new agreement and the other strategic workstreams in our Tenanted Inns are very positive. Tenants are benefiting and we are seeing a rise in beer volumes in those pubs on the new agreement as well as an improvement in the overall customer offer. We look forward to reporting further progress in this area in the coming months.

THE FULLER'S BEER COMPANY

Total beer volumes in The Fuller's Beer Company have risen by 1% during the period and total revenue has risen by 5% to £78.9 million (2016/17: £74.8 million). An increase in marketing spend, repairs and aggressive pricing from larger competitors on one side and smaller brewers benefiting from high levels of progressive beer duty on the other, has led to continued margin pressure and a drop in operating profit to £3.4 million (2016/17: £3.9 million).

During the period, we invested in a rebranding of London Pride, our flagship brand. A distinctive, more prominent presence on the bar, supported by beautiful glassware that emphasises the brand's heritage and authenticity, will help to build sales and reinforce the consumer's decision. Meanwhile, London Pride Unfiltered continues to attract interest and bring new, younger consumers to the brand. As part of the work we have undertaken, since the period end, we physically changed over 800 pump clips across our national and free trade accounts on one day. Finally, we were delighted to win the award for Best Campaign at the Social Media Communications Awards for our #whenitrainsitpours campaign featuring weatherman Michael Fish.

Frontier Craft Lager continues to perform well with volumes rising by 9% and Cornish Orchards has had an excellent six months with volumes rising 34% due to both new accounts and improved brand awareness. For the second year running, Cornish Orchards was the cider partner of the iconic Boardmasters music and surf festival held in Newquay.

During the period, we have continued to invest in the division to the tune of £3.8 million. This investment has covered a number of elements, including the installation of new bottling line equipment and automation on the cask racking line to further improve efficiency. We have also invested in our distribution fleet with the addition of six new vehicles – four of which are larger to reduce the number of deliveries, and all of which are greener, hence providing both cost and environmental benefits.

FINANCIAL PERFORMANCE

The Group continues to have a strong financial position as a cash generative business with a high quality, mainly freehold asset base and a ratio of net debt to pro forma EBITDA[4] at 2.8 times.

We have grown revenue by 6% on the prior period to £209.3 million and adjusted profit[1] has increased 4% to £23.8 million. Managed Pubs and Hotels has seen operating profit growth of 6% driven by 3.6% like for like sales growth and the impact of acquisitions in the prior year, despite operating margins having declined 20 basis points due to the 4% like for like base cost increase. The like for like base cost increase is due to factors including increases in business rates and the National Living Wage. Tenanted Inns operating profit has increased £0.1 million despite decreased site numbers, with average EBITDA per pub increasing by 7% on the prior period. The Fuller's Beer Company has seen a reduction in profit of £0.5 million to £3.4 million despite increased volumes, due to margin pressures and a £0.5 million increase in marketing and site repairs compared to the prior period.

EBITDA[3] increased by 4% to £37.6 million (2016/17: £36.3 million), in line with the growth in adjusted profit[1]. Net finance costs before separately disclosed items decreased from £3.4 million to £2.9 million primarily as a result of lower borrowing rates compared to the prior period and no non-cash unwinding of discounts on provisions in the current period (2016/17 £0.2 million).

Net debt has decreased by £4.6 million from 1 April 2017 to £201.5 million with the ratio of net debt to proforma EBITDA[4] decreasing to 2.8 times (2016/17: 3.0 times). The Group generated cash from operating activities of £23.0 million in the period (2016/17 £34.0 million). The decrease from the prior period is due to the non-comparable period end date, with the 26 week period ending six days later than the prior year, which has led to a working capital outflow of £8.0 million due to the inclusion of significant non-comparable quarter end payments.

In line with our long-term investment strategy, we have invested £17.7 million in the business in the period. We spent £12.7 million on our continued investment in the Fuller's Inns estate, including projects at The Barrowboy & Banker, London Bridge, and The Still & West, Southsea, and on projects to increase efficiency at the Chiswick Brewery, such as improved automation on the cask racking line and the installation of new bottling line equipment. We have invested £1.5 million in the upgrade and replacement of core IT systems to increase the use of technology in all aspects of our business which is expensed within separately disclosed items. In addition, £3.5 million was spent on the freehold of The Bishop on the Bridge, Winchester. Asset disposals related to the sale of 11 Tenanted properties, categorised as assets held for sale at 1 April 2017, has raised £8.7 million and generated a separately disclosed profit of £4.8 million.

The Group has £210 million of available long term facilities, £126.7 million of which is available until August 2021. Of the remaining long term facilities, £33.3 million is available to August 2020 and £50 million is available until August 2019. An additional short term facility of £30 million is available until August 2018. Our undrawn committed facilities at 30 September 2017 were £56.5 million, with a further £9.0 million of cash held on the balance sheet.

Net separately disclosed items before tax of £0.2 million consists of profits on property disposals of £4.8 million from the 11 properties sold during the period for an EBITDA multiple of 17 times, offset by a £2.9 million site impairment charge relating to three sites, £1.5 million investment in the upgrade of core IT systems, £0.1 million of acquisition costs and a net interest charge on our pension deficit of £0.5 million. After separately disclosed items, statutory profit before tax was therefore £23.6 million (2016/17: £21.4 million).

Tax has been provided for at an effective rate before separately disclosed items of 20.6%, reflecting the 1% reduction in the statutory rate to 19%. The overall effective tax rate is 20.8% (2016/17: 17.3%) with the prior period having benefited from a deferred tax credit of £1.0 million relating to the reduction of the UK corporation tax rate from 18% to 17% from 1 April 2020 following The Finance Act 2016 receiving Royal Assent. A full analysis of the tax charge is set out in note 5. The net impact of these items results in basic earnings per share increasing by 9% to 35.12p (2016/17: 32.08p), with adjusted earnings per share[1] up 5% to 34.22p (2016/17: 32.44p).

The deficit on the defined benefit pension scheme has decreased by £4.3 million from the year end to £33.6 million (1 April 2017: £37.9 million, 24 September 2016: £41.4 million). The present value of scheme liabilities has decreased primarily due to the increased gilt yields leading to a decrease of £3.8 million in the plan liabilities, whilst the plan assets have grown by £0.5 million.

During the period 201,861 'A' ordinary 40p shares were purchased by the Company into treasury for a total of £2.1 million. In addition, 155,833 'B' ordinary 4p shares were purchased for a total of £0.1 million by the Trustees of the Company's Long Term Incentive Share Plan to cover future issuance.

CURRENT TRADING AND OUTLOOK

In the 33 weeks since 1 April 2017, like for like sales in our Managed Pubs have risen 3.7%, while like for like profit in our Tenanted Inns is up 2% and total beer and cider volumes in The Fuller's Beer Company are up 1%.

We continue to invest in major infrastructure and digital projects including the ongoing work around our comprehensive, far-reaching enterprise resource planning (ERP) system. Since the year end, we have also rolled out Fuse – a digital platform to improve communication and learning across our 5,000 plus colleagues, which will also build employee engagement. We are only as good as our people and we will ceaselessly strive to win the race for talent.

Although we have already faced and absorbed a number of prevailing headwinds, future economic and political uncertainty may still cause further challenges, however we are well-placed to face these. I am confident that our long-term vision, clear strategy and commitment to ongoing investment, delivering an outstanding customer experience throughout the business and creating an atmosphere in our pubs that cannot be rivalled at home, will ensure our further growth.

Simon Emeny
Chief Executive
23 November 2017

Fuller, Smith & Turner P.L.C.
Financial Highlights
For the 26 weeks ended 30 September 2017

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Change 2017/2016	Audited 53 weeks ended 1 April 2017 £m
Revenue	**209.3**	197.6	6%	392.0
Adjusted profit [1]	**23.8**	22.8	4%	42.9
Adjusted earnings per share [2]	**34.22p**	32.44p	5%	61.39p
EBITDA [3]	**37.6**	36.3	4%	70.5
Basic earnings per share[4]	**35.12p**	32.08p	9%	59.21p
Profit before tax	**23.6**	21.4	10%	39.9
Dividend per share [4]	**7.55p**	7.25p	4%	18.80p
Net debt [5]	**201.5**	202.8		206.1
Pro-forma net debt / EBITDA [6]	**2.8 times**	3.0 times		2.9 times

1 *Adjusted profit is the profit before tax excluding separately disclosed items.*
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.*
3 *Pre-separately disclosed earnings before interest, tax, depreciation, loss 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 loans, debenture stock and preference shares.*
6 *Pro-forma net debt / EBITDA is calculated on a 12-month basis adjusting as appropriate for acquisitions and disposals.*

Fuller, Smith & Turner P.L.C.
Condensed Group Income Statement
For the 26 weeks ended 30 September 2017

		Unaudited – 26 weeks ended 30 September 2017			Unaudited – 26 weeks ended 24 September 2016			Audited – 53 weeks ended 1 April 2017		
	Note	**Before separately disclosed items £m**	**Separately disclosed items £m**	**Total £m**	Before separately disclosed items £m	Separately disclosed items £m	Total £m	Before separately disclosed items £m	Separately disclosed items £m	Total £m
Revenue	2	**209.3**	**-**	**209.3**	197.6	–	197.6	392.0	–	392.0
Operating costs	3	**(182.6)**	**(4.5)**	**(187.1)**	(171.4)	(1.5)	(172.9)	(342.5)	(3.1)	(345.6)
Operating profit		**26.7**	**(4.5)**	**22.2**	26.2	(1.5)	24.7	49.5	(3.1)	46.4
Profit on disposal of properties	3	**-**	**4.8**	**4.8**	–	0.5	0.5	–	0.9	0.9
Finance costs	3,4	**(2.9)**	**(0.5)**	**(3.4)**	(3.4)	(0.4)	(3.8)	(6.6)	(0.8)	(7.4)
Profit before tax		**23.8**	**(0.2)**	**23.6**	22.8	(1.4)	21.4	42.9	(3.0)	39.9
Taxation	3,5	**(4.9)**	**-**	**(4.9)**	(4.9)	1.2	(3.7)	(9.1)	1.7	(7.4)
Profit for the period		**18.9**	**(0.2)**	**18.7**	17.9	(0.2)	17.7	33.8	(1.3)	32.5
Attributable to:										
Equity shareholders of the Parent Company		**18.9**	**0.5**	**19.4**	17.9	(0.2)	17.7	33.9	(1.2)	32.7
Non-controlling interests		**-**	**(0.7)**	**(0.7)**	–	–	–	(0.1)	(0.1)	(0.2)
		18.9	**(0.2)**	**18.7**	17.9	(0.2)	17.7	33.8	(1.3)	32.5
Earnings per ordinary share (pence)			**40p 'A' and 'C'**	**4p 'B'**		40p 'A' and 'C'	4p 'B'		40p 'A' and 'C'	4p 'B'
Basic	6		**35.12**	**3.51**		32.08	3.21		59.21	5.92
Diluted	6		**34.81**	**3.48**		31.62	3.16		58.54	5.85
Adjusted	6		**34.22**	**3.42**		32.44	3.24		61.39	6.14
Diluted adjusted	6		**33.92**	**3.39**		31.98	3.20		60.69	6.07

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

Fuller, Smith & Turner P.L.C.
Condensed Group Statement of Comprehensive Income
For the 26 weeks ended 30 September 2017

	Note	**Unaudited 26 weeks ended 30 September 2017 £m**	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Profit for the period		**18.7**	17.7	32.5
Items that may be reclassified to profit or loss				
Net gains/(losses) on valuation of financial assets and liabilities		**0.6**	(1.5)	–
Tax related to items that may be reclassified to profit or loss	5	**(0.1)**	0.2	–
Items that will not be reclassified to profit or loss				
Net actuarial gains/(losses) on pension schemes	10	**3.7**	(17.9)	(14.6)
Tax related to items that will not be reclassified	5	**(0.6)**	3.0	2.1
Other comprehensive income/(loss) for the period, net of tax		**3.6**	(16.2)	(12.5)
Total comprehensive income for the period		**22.3**	1.5	20.0
Total comprehensive income attributable to:				
Equity shareholders of the Parent Company		**23.0**	1.5	20.2
Non-controlling interests		**(0.7)**	–	(0.2)
		22.3	1.5	20.0

Fuller, Smith & Turner P.L.C.
Condensed Group Balance Sheet
30 September 2017

	Note	**At 30 September 2017 Unaudited £m**	At 24 September 2016 Unaudited £m	At 1 April 2017 Audited £m
Non-current assets				
Intangible assets		**38.6**	39.4	39.0
Property, plant and equipment	8	**558.4**	545.9	557.5
Investment properties		**4.7**	5.2	4.7
Other financial assets		**0.1**	0.1	0.1
Other non-current assets		**0.6**	0.4	0.4
Deferred tax assets		**9.4**	11.6	10.4
Total non-current assets		**611.8**	602.6	612.1
Current assets				
Inventories		**15.2**	13.6	14.0
Trade and other receivables		**21.6**	23.6	21.6
Cash and short-term deposits	9	**9.0**	8.5	15.3
Total current assets		**45.8**	45.7	50.9
Assets classified as held for sale		**2.1**	1.5	5.9
Current liabilities				
Trade and other payables		**(60.8)**	(66.4)	(68.6)
Current tax payable		**(4.7)**	(5.0)	(4.6)
Provisions		**(0.1)**	(1.6)	(0.5)
Borrowings	9	**(30.0)**	(20.0)	(20.0)
Total current liabilities		**(95.6)**	(93.0)	(93.7)
Non-current liabilities				
Borrowings	9	**(180.5)**	(191.3)	(201.4)
Other financial liabilities		**(7.9)**	(10.0)	(8.5)
Retirement benefit obligations	10	**(33.6)**	(41.4)	(37.9)
Deferred tax liabilities		**(16.5)**	(17.6)	(16.8)
Provisions		**(0.6)**	(0.7)	(0.7)
Other non-current payables		**-**	(0.3)	(0.2)
Total non-current liabilities		**(239.1)**	(261.3)	(265.5)
Net assets		**325.0**	295.5	309.7
Capital and reserves				
Share capital		**22.8**	22.8	22.8
Share premium account		**4.8**	4.8	4.8
Capital redemption reserve		**3.1**	3.1	3.1
Own shares		**(16.1)**	(17.6)	(16.7)
Hedging reserve		**(2.0)**	(3.9)	(2.6)
Retained earnings		**316.2**	289.2	301.4
Equity attributable to equity holders of the parent		**328.8**	298.4	312.8
Non-controlling interest		**(3.8)**	(2.9)	(3.1)
Total equity		**325.0**	295.5	309.7

Fuller, Smith & Turner P.L.C.
Condensed Group Statement of Changes in Equity
For the 26 weeks ended 30 September 2017

Unaudited – 26 weeks ended 30 September 2017	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 1 April 2017	**22.8**	**4.8**	**3.1**	**(16.7)**	**(2.6)**	**301.4**	**312.8**	**(3.1)**	**309.7**
Profit for the period	–	–	–	–	–	**19.4**	**19.4**	**(0.7)**	**18.7**
Other comprehensive income/(loss) for the period	–	–	–	–	**0.6**	**3.0**	**3.6**	–	**3.6**
Total comprehensive income for the period	–	–	–	–	**0.6**	**22.4**	**23.0**	**(0.7)**	**22.3**
Shares purchased to be held in ESOT or as treasury	–	–	–	**(2.2)**	–	–	**(2.2)**	–	**(2.2)**
Shares released from ESOT and treasury	–	–	–	**2.8**	–	**(2.2)**	**0.6**	–	**0.6**
Dividends (note 7)	–	–	–	–	–	**(6.4)**	**(6.4)**	–	**(6.4)**
Share-based payment charges	–	–	–	–	–	**0.8**	**0.8**	–	**0.8**
Adjustment arising from change in non-controlling interest	–	–	–	–	–	–	–	–	–
Tax credited directly to equity (note 5)	–	–	–	–	–	**0.2**	**0.2**	–	**0.2**
At 30 September 2017	**22.8**	**4.8**	**3.1**	**(16.1)**	**(2.0)**	**316.2**	**328.8**	**(3.8)**	**325.0**
Unaudited – 26 weeks ended 24 September 2016									
At 26 March 2016	22.8	4.8	3.1	(15.8)	(2.6)	293.0	305.3	(4.4)	300.9
Profit for the period	–	–	–	–	–	17.7	17.7	–	17.7
Other comprehensive income/(loss) for the period	–	–	–	–	(1.3)	(14.9)	(16.2)	–	(16.2)
Total comprehensive income for the period	–	–	–	–	(1.3)	2.8	1.5	–	1.5
Shares purchased to be held in ESOT or as treasury	–	–	–	(2.5)	–	–	(2.5)	–	(2.5)
Shares released from ESOT and treasury	–	–	–	0.7	–	(0.2)	0.5	–	0.5
Dividends (note 7)	–	–	–	–	–	(6.1)	(6.1)	–	(6.1)
Share-based payment charges	–	–	–	–	–	1.2	1.2	–	1.2
Adjustment arising from change in non-controlling interest	–	–	–	–	–	(1.5)	(1.5)	1.5	–
Tax credited directly to equity (note 5)	–	–	–	–	–	–	–	–	–
At 24 September 2016	22.8	4.8	3.1	(17.6)	(3.9)	289.2	298.4	(2.9)	295.5

Fuller, Smith & Turner P.L.C.
Condensed Group Statement of Changes in Equity (continued)
For the 26 weeks ended 30 September 2017

Audited – 53 weeks ended 1 April 2017	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 26 March 2016	22.8	4.8	3.1	(15.8)	(2.6)	293.0	305.3	(4.4)	300.9
Profit for the period	–	–	–	–	–	32.7	32.7	(0.2)	32.5
Other comprehensive loss for the period	–	–	–	–	–	(12.5)	(12.5)	–	(12.5)
Total comprehensive income / (loss) for the period	–	–	–	–	–	20.2	20.2	(0.2)	20.0
Shares purchased to be held in ESOT or as treasury	–	–	–	(3.6)	–	–	(3.6)	–	(3.6)
Shares released from ESOT and treasury	–	–	–	2.7	–	(2.1)	0.6	–	0.6
Dividends (note 7)	–	–	–	–	–	(10.1)	(10.1)	–	(10.1)
Share-based payment charges	–	–	–	–	–	1.7	1.7	–	1.7
Tax credited directly to equity (note 5)	–	–	–	–	–	0.2	0.2	–	0.2
Adjustment arising from change in non-controlling interest	–	–	–	–	–	(1.5)	(1.5)	1.5	–
At 1 April 2017	22.8	4.8	3.1	(16.7)	(2.6)	301.4	312.8	(3.1)	309.7

Fuller, Smith & Turner P.L.C.
Condensed Group Cash Flow Statement
For the 26 weeks ended 30 September 2017

	Note	**Unaudited 26 weeks ended 30 September 2017 £m**	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Group profit before tax		**23.6**	21.4	39.9
Net finance costs before separately disclosed items		**2.9**	3.4	6.6
Separately disclosed items	3	**0.2**	1.4	3.0
Depreciation and amortisation		**10.9**	10.1	21.0
		37.6	36.3	70.5
Difference between pension charge and cash paid		**(1.1)**	(0.4)	(1.0)
Share-based payment charges		**0.8**	1.2	1.7
Change in trade and other receivables		–	(2.7)	(0.6)
Change in inventories		**(1.2)**	(1.2)	(1.6)
Change in trade and other payables		**(6.8)**	6.4	5.9
Cash impact of operating separately disclosed items	3	**(1.7)**	(1.0)	(2.4)
Cash generated from operations		**27.6**	38.6	72.5
Tax paid		**(4.6)**	(4.6)	(9.2)
Cash generated from operating activities		**23.0**	34.0	63.3
Cash flow from investing activities				
Business combinations		–	(9.5)	(20.8)
Purchase of property, plant and equipment		**(16.2)**	(19.1)	(35.0)
Sale of property, plant and equipment		**8.7**	1.5	4.4
Net cash outflow from investing activities		**(7.5)**	(27.1)	(51.4)
Cash flow from financing activities				
Purchase of own shares		**(2.2)**	(2.5)	(3.6)
Receipts on release of own shares to option schemes		**0.6**	0.5	0.6
Interest paid		**(2.7)**	(2.9)	(5.9)
Preference dividends paid		**(0.1)**	(0.1)	(0.1)
Equity dividends paid	7	**(6.4)**	(6.1)	(10.1)
Drawdown of bank loans		**(11.0)**	6.5	16.5
Cost of refinancing		**–**	–	(0.1)
Cost of new derivative instruments		**–**	–	(0.1)
Net cash outflow from financing activities		**(21.8)**	(4.6)	(2.8)
Net movement in cash and cash equivalents	9	**(6.3)**	2.3	9.1
Cash and cash equivalents at the start of the period		**15.3**	6.2	6.2
Cash and cash equivalents at the end of the period	9	**9.0**	8.5	15.3

Fuller, Smith & Turner P.L.C.
Notes to the Condensed Financial Statements
For the 26 weeks ended 30 September 2017

1. Half Year Report

Basis of Preparation

The half year financial statements for the 26 weeks ended 30 September 2017 have been reviewed by the auditor and prepared in accordance with the Disclosure and Transparency Rules ("DTRs") of the Financial Conduct Authority and with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as adopted by the European Union and should be read in conjunction with the Annual Report and Financial Statements for the 53 weeks ended 1 April 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The half year financial statements do not constitute full accounts as defined by Section 434 of the Companies Act 2006. The figures for the 53 weeks ended 1 April 2017 are derived from the published statutory accounts. Full accounts for the 53 weeks ended 1 April 2017, including an unqualified 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 Directors have reviewed current performance and forecasts, combined with expenditure commitments, and made appropriate enquiries. On the basis of the strong cash flows generated by the business and the significant headroom available on the bank facilities, the Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future and, accordingly, consider that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

The half year financial statements were approved by the Directors on 23 November 2017.

Adoption of New Standards and Interpretations

There have been no further new accounting standards or interpretations issued in the 26 weeks ended 30 September 2017. The accounting policies adopted are consistent with those applied in the 53 weeks ended 1 April 2017, which were published as part of the accounts for that year and which are available from the Group's website, www.fullers.co.uk.

Taxation

Taxes on income in the interim periods are accrued using the tax rate that is expected to be applicable to total annual earnings for the full year in each tax jurisdiction based on substantively enacted or enacted tax rates at the interim date.

Fuller, Smith & Turner P.L.C.
Notes to the Condensed Financial Statements
For the 26 weeks ended 30 September 2017

2. Segmental Analysis

Unaudited – 26 weeks ended 30 September 2017	**Managed Pubs and Hotels £m**	**Tenanted Inns £m**	**The Fuller's Beer Company £m**	**Unallocated[1] £m**	**Total £m**
Revenue					
Segment revenue	**140.2**	**15.6**	**78.9**	**–**	**234.7**
Inter-segment sales	**–**	**–**	**(25.4)**	**–**	**(25.4)**
Revenue from third parties	**140.2**	**15.6**	**53.5**	**–**	**209.3**
Segment result	**19.0**	**6.7**	**3.4**	**(2.4)**	**26.7**
Operating separately disclosed items					**(4.5)**
Operating profit					**22.2**
Profit on disposal of properties					**4.8**
Net finance costs					**(3.4)**
Profit before tax					**23.6**
Other segment information					
Capital expenditure on property, plant and equipment	**11.3**	**1.1**	**3.8**	**–**	**16.2**
Business combinations	**–**	**–**	**–**	**–**	**–**
Depreciation and amortisation	**8.3**	**0.8**	**1.8**	**–**	**10.9**
Impairment of property	**2.9**	**–**	**–**	**–**	**2.9**

Unaudited – 26 weeks ended 24 September 2016	Managed Pubs and Hotels £m	Tenanted Inns £m	The Fuller's Beer Company £m	Unallocated[1] £m	Total £m
Revenue					
Segment revenue	130.8	15.6	74.8	–	221.2
Inter-segment sales	–	–	(23.6)	–	(23.6)
Revenue from third parties	130.8	15.6	51.2	–	197.6
Segment result	18.0	6.6	3.9	(2.3)	26.2
Operating separately disclosed items					(1.5)
Operating profit					24.7
Profit on disposal of properties					0.5
Net finance costs					(3.8)
Profit before tax					21.4
Other segment information					
Capital expenditure on property, plant and equipment	16.3	1.0	1.8	–	19.1
Business combinations	9.2	–	0.3	–	9.5
Depreciation and amortisation	7.4	0.8	1.9	–	10.1
Impairment of property	–	–	–	–	–

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

2. Segmental Analysis (continued)

Audited – 53 weeks ended 1 April 2017	Managed Pubs and Hotels £m	Tenanted Inns £m	The Fuller's Beer Company £m	Unallocated[1] £m	Total £m
Revenue					
Segment revenue	261.3	31.2	147.9	–	440.4
Inter-segment sales	–	–	(48.4)	–	(48.4)
Revenue from third parties	261.3	31.2	99.5	–	392.0
Segment result	32.4	13.2	8.0	(4.1)	49.5
Operating separately disclosed items					(3.1)
Operating profit					46.4
Profit on disposal of properties					0.9
Net finance costs					(7.4)
Profit before tax					39.9
Other segment information					
Capital expenditure on property, plant and equipment	26.0	2.1	6.9	–	35.0
Business combinations	19.3	–	1.5	–	20.8
Depreciation and amortisation	15.7	1.6	3.7	–	21.0
Impairment of property	–	–	–	–	–

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

3. Separately Disclosed Items

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Amounts included in operating profit:			
Acquisition costs	**(0.1)**	(0.6)	(1.3)
Impairment of properties	**(2.9)**	–	–
Replacement of core IT systems	**(1.5)**	–	–
Reorganisation costs	**–**	(0.6)	(1.5)
Deemed remuneration on the future purchase of shares in The Stable	**–**	(0.3)	(0.3)
Total separately disclosed items included in operating profit	**(4.5)**	(1.5)	(3.1)
Profit on disposal of properties	**4.8**	0.5	0.9
Separately disclosed finance costs:			
Finance charge on net pension liabilities (note 10)	**(0.5)**	(0.4)	(0.8)
Total separately disclosed items before tax	**(0.2)**	(1.4)	(3.0)
Separately disclosed tax:			
Change in corporation tax rate (note 5)	**–**	1.0	1.0
Profit on disposal of properties	**(0.9)**	–	–
Other items	**0.9**	0.2	0.7
Total separately disclosed tax	**–**	1.2	1.7
Total separately disclosed items	**(0.2)**	(0.2)	(1.3)

Acquisition costs of £0.1 million during the 26 weeks ended 30 September 2017 (24 September 2016: £0.6 million, 1 April 2017: £1.3 million) relate to transaction costs on property acquisitions.

The property impairment charge of £2.9 million during the 26 weeks ended 30 September 2017 relates to the write down of assets of three sites to their recoverable value. There were no property impairment charges during the 26 weeks ended 24 September 2016 or the 53 weeks ended 1 April 2017.

The expenditure in relation to the upgrade of core IT systems of £1.5 million relates to the costs associated with the development of a new ERP system for the Group. The costs incurred primarily relate to consultancy and incremental additional staff costs to support the project.

There were no reorganisation costs during the 26 weeks ended 30 September 2017. The reorganisation costs of £1.5 million incurred in the 53 weeks ended 1 April 2017 were principally incurred within The Fuller's Beer Company and relate to staff.

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3. Separately Disclosed Items (continued)

The profit on disposal of properties of £4.8 million during the 26 weeks ended 30 September 2017 (24 September 2016: £0.5 million, 1 April 2017: £0.9 million) and relates to the disposal of 11 licensed properties. In the 53 weeks ended 1 April 2017, 6 licensed properties were disposed of, generating a profit of £0.9 million.

There was no deemed remuneration on the future purchase of shares in The Stable during the 26 weeks ended 30 September 2017. Deemed remuneration on the future purchase of shares in The Stable relates to the remuneration element of the increase in the estimated value of the option remaining on The Stable group of companies.

The cash impact of operating separately disclosed items before tax for the 26 weeks ended 30 September 2017 was £1.7 million cash outflow (24 September 2016: £1.0 million cash outflow, 1 April 2017: £2.4 million cash outflow).

4. Finance Costs

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Interest expense arising on:			
Financial liabilities at amortised cost – loans and debentures	**2.8**	3.1	6.2
Financial liabilities at amortised cost – preference shares	**0.1**	0.1	0.1
Total interest expense for financial liabilities	**2.9**	3.2	6.3
Unwinding of discount on provisions	**–**	0.2	0.3
Total finance costs before separately disclosed items	**2.9**	3.4	6.6
Finance charge on net pension liabilities (note 3)	**0.5**	0.4	0.8
Total finance costs	**3.4**	3.8	7.4

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5. Taxation

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Tax on profit on ordinary activities			
Current income tax:			
Corporation tax	**4.9**	5.2	9.6
Amounts over provided in previous years	**–**	–	(0.1)
Total current income tax	**4.9**	5.2	9.5
Deferred tax:			
Origination and reversal of temporary differences	**–**	(0.5)	(1.0)
Change in corporation tax rate (note 3)	**–**	(1.0)	(1.0)
Amounts over provided in previous years	**–**	–	(0.1)
Total deferred tax	**–**	(1.5)	(2.1)
Total tax charged in the Income Statement	**4.9**	3.7	7.4

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Tax relating to items charged/(credited) to the Statement of Comprehensive Income			
Deferred tax:			
Change in corporation tax rate	**–**	0.3	0.3
Tax charge/(credit) on valuation gains/(losses) of financial assets and liabilities	**0.1**	(0.2)	–
Tax charge/(credit) on actuarial gains/(losses) on pension scheme	**0.6**	(3.3)	(2.4)
Tax charge/(credit) included in the Statement of Comprehensive Income	**0.7**	(3.2)	(2.1)
Tax relating to items charged/(credited) directly to equity			
Deferred tax:			
Reduction in deferred tax liability due to indexation	**(0.1)**	–	(0.1)
Share-based payments	**0.1**	–	–
Current tax:			
Share-based payments	**(0.2)**	–	(0.1)
Tax charge/(credit) included in the Statement of Changes in Equity	**(0.2)**	–	(0.2)

5. Taxation (continued)

The taxation charge is calculated by applying the Directors' best estimate of the annual effective tax rate to the profit for the period.

During the 53 weeks ended 1 April 2017, the Finance Act 2016 received Royal Assent. The main impact was the reduction of the UK corporation tax rate from 18% to 17% from 1 April 2020. The impact in the 53 weeks to 1 April 2017 was a credit to separately disclosed items in the Income Statement of £1.0 million and a charge to the Statement of Comprehensive Income of £0.3 million.

6. Earnings Per Share

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Profit attributable to equity shareholders	**19.4**	17.7	32.7
Separately disclosed items net of tax	**(0.5)**	0.2	1.2
Adjusted earnings attributable to equity shareholders	**18.9**	17.9	33.9

	Number	Number	Number
Weighted average share capital	**55,236,000**	55,171,000	55,223,000
Dilutive outstanding options and share awards	**488,000**	799,000	636,000
Diluted weighted average share capital	**55,724,000**	55,970,000	55,859,000

40p 'A' and 'C' ordinary share	**Pence**	Pence	Pence
Basic earnings per share	**35.12**	32.08	59.21
Diluted earnings per share	**34.81**	31.62	58.54
Adjusted earnings per share	**34.22**	32.44	61.39
Diluted adjusted earnings per share	**33.92**	31.98	60.69

4p 'B' ordinary share	**Pence**	Pence	Pence
Basic earnings per share	**3.51**	3.21	5.92
Diluted earnings per share	**3.48**	3.16	5.85
Adjusted earnings per share	**3.42**	3.24	6.14
Diluted adjusted earnings per share	**3.39**	3.20	6.07

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 1,747,950 (24 September 2016: 1,779,926 and 1 April 2017: 1,760,953).

6. Earnings Per Share (continued)

Diluted earnings per share is calculated using the same earnings figure as for basic earnings per share, divided by the weighted average number of ordinary shares outstanding during the period 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 is calculated on profit before tax excluding separately disclosed 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

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Declared and paid during the period			
Final dividend paid in period	**6.4**	6.1	6.1
Interim dividend paid in period	**–**	–	4.0
Equity dividends paid	**6.4**	6.1	10.1
Dividends on cumulative preference shares (note 4)	**0.1**	0.1	0.1

	Pence	Pence	Pence
Dividends per 40p ‘A’ and ‘C’ ordinary share declared in respect of the period			
Interim	**7.55**	7.25	7.25
Final	–	–	11.55
	7.55	7.25	18.80

The pence figures above 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.

The Directors have declared an interim dividend of 7.55p (2016: 7.25p) for the 40p ‘A’ ordinary shares and 40p ‘C’ ordinary shares, and 0.755p (2016: 0.725p) for the 4p ‘B’ ordinary shares, with a total estimated cost to the Company of £4.2 million (2016: £4.0 million).

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8. Property, Plant and Equipment

	Unaudited 26 weeks ended 30 September 2017 £m	Unaudited 26 weeks ended 24 September 2016 £m	Audited 53 weeks ended 1 April 2017 £m
Net book value at start of period	**557.5**	533.8	533.8
Additions	**14.3**	17.4	35.9
Acquisitions	**–**	6.5	16.6
Disposals	**–**	(0.6)	(3.2)
Impairment loss	**(2.9)**	–	–
Transfer to assets held for sale	**–**	(1.5)	(5.9)
Transfer from investment property	**–**	–	0.5
Depreciation provided during the period	**(10.5)**	(9.7)	(20.2)
Net book value at end of period	**558.4**	545.9	557.5

During the 26 weeks ended 30 September 2017, the Group recognised a charge of £2.9 million (24 September 2016: £nil, 1 April 2017: £nil) in respect of the write down in value of three sites to their recoverable value.

9. Analysis of Net Debt

Unaudited – 26 weeks ended 30 September 2017	At 1 April 2017 £m	Cash flows £m	Non cash[1] £m	**At 30 September 2017 £m**
Cash and cash equivalents:				
Cash and short-term deposits	15.3	(6.3)	–	**9.0**
	15.3	(6.3)	–	**9.0**
Debt:				
Bank loans[2]	(193.7)	11.0	(0.1)	**(182.8)**
Other loans	(0.2)	–	–	**(0.2)**
Debenture stock	(25.9)	–	–	**(25.9)**
Preference shares	(1.6)	–	–	**(1.6)**
Total borrowings	(221.4)	11.0	(0.1)	**(210.5)**
Net debt	(206.1)	4.7	(0.1)	**(201.5)**

1 Non-cash movements relate to the amortisation of arrangement fees, arrangement fees accrued and corporate acquisitions.
2 Bank loans net of arrangement fees.

9. Analysis of Net Debt (continued)

Unaudited – 26 weeks ended 24 September 2016	At 26 March 2016 £m	Cash flows £m	Non cash[1] £m	At 24 September 2016 £m
Cash and cash equivalents:				
Cash and short-term deposits	6.2	2.3	–	8.5
	6.2	2.3	–	8.5
Debt:				
Bank loans[2]	(177.0)	(6.5)	(0.1)	(183.6)
Other loans	(0.2)	–	–	(0.2)
Debenture stock	(25.9)	–	–	(25.9)
Preference shares	(1.6)	–	–	(1.6)
Total borrowings	(204.7)	(6.5)	(0.1)	(211.3)
Net debt	(198.5)	(4.2)	(0.1)	(202.8)

Audited – 53 weeks ended 1 April 2017	At 26 March 2016 £m	Cash flows £m	Non cash[1] £m	At 1 April 2017 £m
Cash and cash equivalents:				
Cash and short-term deposits	6.2	9.1	–	15.3
	6.2	9.1	–	15.3
Debt:				
Bank loans[2]	(177.0)	(16.5)	(0.2)	(193.7)
Other loans	(0.2)	–	–	(0.2)
Debenture stock	(25.9)	–	–	(25.9)
Preference shares	(1.6)	–	–	(1.6)
Total borrowings	(204.7)	(16.5)	(0.2)	(221.4)
Net debt	(198.5)	(7.4)	(0.2)	(206.1)

1 Non-cash movements relate to the amortisation of arrangement fees, arrangement fees accrued and corporate acquisitions.
2 Bank loans net of arrangement fees.

10. Retirement Benefit Obligations

The amount included in the Balance Sheet arising from the Group's obligations in respect of its defined benefit retirement plan	Unaudited At 30 September 2017 £m	Unaudited At 24 September 2016 £m	Audited At 1 April 2017 £m
Fair value of Scheme assets	**111.9**	108.7	111.4
Present value of Scheme liabilities	**(145.5)**	(150.1)	(149.3)
Deficit in the Scheme	**(33.6)**	(41.4)	(37.9)

Key financial assumptions used in the valuation of the Scheme			
Rate of increase in salaries	**n/a**	n/a	n/a
Rate of increase in pensions in payment	**3.30%**	2.90%	3.30%
Discount rate	**2.70%**	2.30%	2.60%
Inflation assumption – RPI	**3.30%**	2.90%	3.30%
Inflation assumption – CPI	**2.30%**	1.90%	2.30%

Mortality Assumptions

The mortality assumptions used in the valuation of the Scheme as at 30 September 2017 are as set out in the financial statements for the 53 weeks ended 1 April 2017.

Assets in the Scheme	At 30 September 2017 £m	At 24 September 2016 £m	At 1 April 2017 £m
Corporate bonds	**21.8**	22.8	21.8
UK equities	**24.4**	27.2	20.5
Overseas equities	**24.9**	23.6	26.3
Alternatives	**35.9**	29.5	37.0
Property	**–**	1.0	–
Cash	**1.4**	0.9	2.3
Annuities	**3.5**	3.7	3.5
Total market value of assets	**111.9**	108.7	111.4

Movement in deficit during period	Unaudited At 30 September 2017 £m	Unaudited At 24 September 2016 £m	Audited At 1 April 2017 £m
Deficit in Scheme at beginning of the period	**(37.9)**	(23.5)	(23.5)
Movement in period:			
Current service cost	**–**	(0.2)	(0.3)
Net interest cost	**(0.5)**	(0.4)	(0.8)
Net actuarial gains/(losses)	**3.7**	(17.9)	(14.6)
Contributions	**1.1**	0.6	1.3
Deficit in Scheme at end of the period	**(33.6)**	(41.4)	(37.9)

10. Retirement Benefit Obligations (continued)
On 1st January 2015 the plan was closed to future accruals.

11. Principal Risks and Uncertainties
In the course of normal business, the Group continually assesses and takes action to mitigate the various risks encountered that could impact the achievement of its objectives. Systems and processes are in place to enable the Board to monitor and control the Group's management of risk, which are detailed in the Corporate Governance Report of the Annual Report and Financial Statements 2017. The principal risks and uncertainties and their associated mitigating and monitoring controls which may affect the Group's performance in the next six months are consistent with those detailed on pages 28 and 29 of the Annual Report and Financial Statements 2017, and are available on the Fuller's website: www.fullers.co.uk.

The Group continues to face challenges in the light of the political and economic uncertainty as Brexit negotiations progress. The exact nature and process of the UK's exit from the EU are unknown but are expected to impact freedom of movement of EU nationals; cause fluctuations in foreign exchange rates; lead to changes to input prices and interest rates; and precipitate a slowdown in the UK economy; all of which may impact the Group. The Group continues to plan for the potential outcomes of the UK's exit from the EU in order to limit any negative impacts on the Group's operations and financial performance.

The health, safety and well-being of employees and customers remains top of the Group's strategic priorities and we recognise that acts of terrorism over a prolonged period could reduce consumer confidence. Managing a large portfolio of houses and sites increases the complexities of ensuring the highest health and safety standards are adhered to and that appropriate emergency contingency plans exist. The Group's headquarters and sole brewing facility are located at the Griffin Brewery, therefore safety at this site is key and any disaster would seriously impact profitability.

Fuller's has a wide portfolio of brands and has established a reputation for offering premium products. The way in which we respond to changes in consumer demand is crucial. Failure to anticipate these changes and innovate will result in declining market share for the Group. There is a risk that contamination of our products at source or outlet could damage the reputation of the brand and impact customers' perceptions of Fuller's as a premium position company. This positioning is key to the success of the business and any change to this would significantly impact the Group's performance.

The success and future of the Group is determined by its key management and staff who adhere to a strong set of values. Should key management leave the Group, or employees fail to uphold Fuller's key principles, delivery of the Group's strategy could be jeopardised.

Fuller's operates in a highly regulated sector and changes in government policy could result in additional cost pressures, as has been experienced in recent months with rises in business rates, the Apprenticeship Levy and the National Living Wage.

The Group is increasingly reliant on its information systems, with any prolonged failure resulting in disruption to operations. Data and systems security is also vital, as any loss of data could result in reputational damage to the Group.

Fuller, Smith & Turner P.L.C.
Notes to the Condensed Financial Statements
For the 26 weeks ended 30 September 2017

12. Shareholders' Information
Shareholders holding 40p 'C' ordinary shares are reminded that they have 30 days from 24 November 2017 should they wish to convert those 'C' shares to 'A' shares. The next available opportunity after that will be June 2018. For further details, please contact the Company's registrars, Computershare on 0370 889 4096.

13. Statement of Directors' Responsibilities
The Directors confirm, to the best of their knowledge, that this condensed set of financial statements gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer or the undertakings included in the consolidation as a whole and has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union. The interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- disclosure of material related party transactions in the first six months and any material changes to related party transactions.

By order of the Board

Michael Turner	**James Douglas**
Chairman	Finance Director

23 November 2017

Independent Review Report to the Members of Fuller Smith & Turner P.L.C.

Introduction
We have reviewed the condensed set of financial statements in the half yearly financial report of Fuller, Smith & Turner P.L.C. for the twenty six weeks ended 30 September 2017 which comprises the Condensed Group Income Statement, Condensed Group Statement of Comprehensive Income, Condensed Group Balance Sheet, Condensed Group Statement of Changes in Equity, Condensed Group Cash Flow Statement and the related explanatory notes. We have read the other information contained in the half yearly financial report which comprises the Chairman's Statement and Chief Executive's Review, and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company's members, as a body, in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities
The half yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the Annual Financial Statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility
Our responsibility is to express a conclusion on the condensed set of financial statements in the half yearly financial report based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the twenty six weeks ended 30 September 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

GRANT THORNTON UK LLP
AUDITOR
LONDON
23 November 2017