STRICTLY EMBARGOED
UNTIL 7AM THURSDAY 25 JULY 2019

FULLER, SMITH & TURNER P.L.C.
(“Fuller’s”, “the Group” or “the Company”)

Financial results for the 52 weeks ended 30 March 2019
A business positioned for long-term success

Financial Highlights*

- Revenue up 7% to £431.1 million (2018: £403.6 million)
- EBITDA[1] up 3% to £73.2 million (2018: £70.9 million)
- Adjusted profit[2] level at £43.2 million (2018: £43.2 million)
- Adjusted earnings per share[3] level at 62.78p (2018: 62.90p)
- Total annual dividend up 3% per ‘A’ and ‘C’ 40p ordinary share to 20.15p (2018: 19.55p)
- Statutory profit before tax of £26.1 million (2018: £43.6 million), after separately disclosed items of £17.1 million
- Basic earnings per share of 35.12p (2018: 64.89p)

**Figures are for total Group (continuing and discontinued operations)*

Operational Indicators

- Strong performance from Managed Pubs and Hotels with like for like sales[4] growth of 4.9% (2018: +2.9%)
- Good performance from Tenanted Inns – like for like profits[5] rose 1% (2018: +3%)
- Total beer and cider volumes remained level (2018: -1%)

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[1] Earnings before separately disclosed items, interest, tax, depreciation and amortisation for total Group operations
[2] Adjusted profit is the profit before tax excluding separately disclosed items for total Group operations
[3] Calculated on total Group operations, using adjusted profit after tax and the same weighted average number of shares as for the basic earnings per share (EPS) and using a 40p ordinary share.
[4] Managed Pubs and Hotels like for like sales excludes The Stable
[5] Operating profit before separately disclosed items and head office costs

Strategy Update

- Sale of the Fuller's Beer Business to Asahi Europe Ltd agreed during the financial year for £250 million, with completion post year end.
- Acquired 11 new sites including six Bel & The Dragon country inns across the Home Counties and a package of four bars in the City
- The Signal Box opened at Euston Station adding to our growing portfolio of pubs in transport hubs
- Added a further 93 bedrooms to our estate including 15 at The Counting House on Cornhill
- Significant period of investment with 94 closure weeks (2018: 59)
- Further progress with our Tenanted Inns turnover agreement – 30 pubs operating under this model at the year end
- Completed the roll out of the new ERP (Enterprise Resource Planning) system across the business

Current Trading and Outlook

- Managed Pubs and Hotels like for like sales rose 1.2% and total sales increased 2.3% in the first 16 weeks
- Tenanted Inns like for like profits down -3% for first 16 weeks
- Sale of the Fuller's Beer Business completed on 27 April 2019 for £250 million
- Business in a strong financial position to overcome external economic pressures and ready to capitalise on attractive and profitable growth opportunities.

Commenting on the results, Chief Executive Simon Emeny said: "It would be impossible to review the last financial year without mentioning the sale, post year end, of the Fuller's Beer Business – a transformational move that has changed the face of our Company. Fuller's has always taken decisions for the very long term and this sale was no exception.

"It gives us an even clearer focus on sustainable growth from the higher margin part of our business and has the added advantage of putting us in a strong position to deal with potentially turbulent times ahead as the UK navigates the implications of exiting the European Union.

"Underpinning this position is a premium pubs and hotels business in robust health. We have had another year of like for like growth that has outperformed the industry, while our successful Tenanted business has continued to build on the new turnover agreement that creates genuine, sustainable partnerships between our Tenants and ourselves.

"Against some incredibly tough comparatives from the hot weather and football fervour of summer 2018, I am pleased to report steady trading for the first 16 weeks of the new financial year with like for like sales in our Managed Pubs and Hotels rising by 1.2% and total revenue rising by 2.3%. Like for like profits in our Tenanted Inns were down -3% against very tough comparatives.

"This is a transformational period for Fuller, Smith & Turner, which coincides with a great deal of political and economic uncertainty. However, we can see a clear way ahead for the Company. With an exceptionally strong balance sheet, a predominantly freehold estate and a proven long-term business model, there will be undoubted opportunities and we are perfectly poised to leverage those over time as we embark on the next phase in our history."

Pursuant to Listing Rule 9.6.11, as indicated at last year's Annual General Meeting, John Dunsmore had agreed to stay on for an additional year beyond his nine-year term to provide continuity and stability as new Board Members settled into their roles. Following the approval of the Annual Reports and Accounts for the financial period ended 30 March 2019, John Dunsmore resigned as a Director with effect from 25 July 2019. The Board thank John Dunsmore for his enormous contribution to the business over these 10 years.

-**Ends**-

For further information, please contact:

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Notes to Editors:

Fuller, Smith and Turner P.L.C. is a premium pub and hotel business. The Company runs 180 Tenanted pubs and 204 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 817 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 June 2018 Fuller's acquired Bel & The Dragon, comprising six stunning country inns (included in the pub numbers above), and the Company also owns The Stable, a craft cider and gourmet pizza restaurant business, which has 16 sites in England and Wales. In April 2019, Fuller's sold its brewing division to Asahi Europe Ltd.

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 25 July 2019.

FULLER, SMITH & TURNER P.L.C.
FINANCIAL RESULTS FOR THE 52 WEEKS ENDED 30 MARCH 2019

CHAIRMAN'S STATEMENT

It has been another good year for your Company, with revenue rising 7% to £431.1 million (2018: £403.6 million) and adjusted profit[6] level at £43.2 million (2018: £43.2 million).

A large proportion of management time and effort in recent months has revolved around the transaction, announced in January, to sell the Fuller's Beer Business to Asahi Europe Ltd for an enterprise value of £250 million. Over the years, we have brewed, marketed and sold fantastic beers including London Pride – which was the brand leader in premium ale. However, to really compete on a worldwide stage and take these beers to the next level, they need the ownership of a global brewing giant and I'm excited to see the heady heights to which Asahi can take a beer such as London Pride. The proceeds generated from the sale will, in time, be reinvested in a focused manner to grow our pubs and hotels business. This is the dawn of a very exciting new era for your Company.

The decision to sell was not an easy one but it is the right one. While the Brewery has historically been an integral part of our heritage and culture, the majority of our profit has derived from Fuller's Inns for many years now. I know that Simon Emeny and his team will be looking to retain that special culture as we move forward, and there is no doubt that this financial year is going to be a transformational one for the business as Fuller, Smith & Turner embarks on a new chapter.

For our shareholders, our adjusted earnings per share[7] ("EPS") has remained level at 62.78p (2018: 62.90p). The sale of the Fuller's Beer Business will provide additional shareholder returns in due course and I'm delighted that, on top of any return of proceeds, our full year dividend has risen once again.

At the heart of Fuller, Smith & Turner today is a leading premium pubs and hotels business. Built around iconic sites in stunning locations, often with beautiful bedrooms, we serve delicious, fresh-cooked, seasonal food and an interesting portfolio of premium drinks, with exceptional team members dedicated to providing outstanding customer service.

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[6] Adjusted profit is the profit before tax excluding separately disclosed items for total Group operations

[7] Calculated on total Group operations, using adjusted profit after tax and the same weighted average number of shares as for the basic earnings per share (EPS) and using a 40p ordinary share. Basic EPS was 35.12p (2018: 64.89p)

Last year our Managed Pubs and Hotels grew like for like sales by 4.9% (2018: 2.9%). All three key elements – food, accommodation and drink sales – were in growth. The acquisitions we made at the start of the year – six wonderful Bel & The Dragon country inns and the four We Are Bar City sites – have performed well, and the four City bars have already been refurbished to the high standard our customers expect from Fuller's.

Our Tenanted Inns division, which remains an essential part of our business model, has also produced a good performance during the year with like for like profit rising 1% (2018: 3%), a figure which has been tempered due to a high level of investment in our Tenanted pubs. It is pleasing to see the number of applicants for our Tenanted Inns rising – this is testament to the work we have put into the new turnover agreement, which is proving popular with our Tenanted partners. We now have 35 pubs on this exciting business model.

This year has seen a number of changes to the Board. John Dunsmore, a Non-Executive Director since 2009, stepped down following our last Board meeting. He was due to step down last year, but kindly agreed to stay for an additional 12 months. John has been of immense value during his tenure, especially in his role as the Senior Independent Director, and I would like to thank him for his support and contribution. We also said goodbye to Simon Dodd, who was Managing Director of The Fuller's Beer Company. Simon was a very gifted and valuable team member both in his MD role and, prior to this, leading our City pubs. I wish him every success in his future career. James Douglas stepped down as Finance Director in November, after 11 years with Fuller's, to join his wife and children in Germany. I would like to thank him for his contribution over this time.

We have also welcomed Helen Jones to the Board – a talented entrepreneur who brings vast consumer leisure and retail experience from her time launching Ben & Jerry's ice cream in the UK and running Zizzi, the Italian casual dining group, and coffee chain Caffè Nero. Helen has a vibrancy and creativity that will add further depth to our Board and we are excited to be working with her.

Fuller's success is wholly attributable to its people – and I would like to take this opportunity to thank them all for their dedication, commitment and loyalty. They are an amazing team and have dealt with the roll out of the new enterprise resource planning (ERP) system and the radical changes of recent months with patience, professionalism and understanding. My Board colleagues and I greatly appreciate that.

I would also like to personally recognise my former colleagues in the Fuller's Beer Business. Asahi has gained an amazing team of people who have, in many cases, given a lifetime of service and friendship. I wish them all every success and future happiness.

DIVIDEND

The Board is pleased to announce a final dividend of 4.35p (2018: 12.00p) per 40p 'A' and 'C' ordinary share and 0.435p (2018: 1.20p) per 4p 'B' ordinary share. This takes account of the second interim dividend of 8.00p per 40p 'A' and 'C' ordinary share and 0.800p per 4p 'B' ordinary share already paid on 12 July 2019. The final dividend will be paid on 6 September 2019 to shareholders on the share register as at 2 August 2019. The total dividend of 20.15p per 40p 'A' and 'C' ordinary share and 2.015p per 4p 'B' ordinary share represents an increase of 3% on last year and is covered more than 3.1 times by adjusted EPS.

Evaluation of the best and most efficient way to return proceeds to shareholders, from the sale of the brewing assets to Asahi, is currently underway and the Board looks forward to updating the market in this regard in due course.

Michael Turner
Chairman
24 July 2019

CHIEF EXECUTIVE'S REVIEW

It would be impossible to start this review without mentioning the sale, post year end, of the Fuller's Beer Business – a transformational move that has changed the face of our Company. Fuller's has always taken decisions for the very long term and this sale was no exception. It gives us an even clearer focus on sustainable growth from the higher margin part of our business and has the added advantage of putting us in a strong position to deal with potentially turbulent times ahead as the UK navigates the implications of exiting the European Union. I cannot think of a better time to be entering a transitional year, having bolstered the balance sheet and reduced our debt, putting our business in pole position to take advantage of attractive opportunities that arise.

Underpinning this position is a premium pubs and hotels business in robust health. We have had another year of like for like growth that has outperformed the industry, while our successful Tenanted business has continued to build on the new turnover agreement that creates genuine, sustainable partnerships between our Tenants and ourselves.

The sale of the Fuller's Beer Business to Asahi, and the completion of the roll out of our new ERP system, have taken up significant management time during the year, but with new systems in place and the transaction completed we can turn our attention to building for the future. We will concentrate our focus on growing sales and profits by providing more reasons for customers to visit our wonderful pubs.

To take Fuller's into the future, we have a vibrant, creative and energetic executive team in place – which will be complete when our new Finance Director, Adam Councell, joins in August, and we finalise the recruitment of a new leader for our Tenanted Inns. Fred Turner, who has been instrumental in introducing the new turnover agreement during his tenure heading our Tenanted division, moves to become Retail Director where he will be responsible for our Managed Pubs and Hotels. Peter Turner retains his brief as Property Director and Jane Jones remains as Marketing Director. Dawn Browne, previously Head of Operations for our City pubs, joins the executive team in her new role as People and Talent Director. It is early days – but I am very excited by the potential of this team.

As a new team, we have already started to plan for the future and refine our vision and strategy. We will be continuing to build on our fantastic estate of iconic pubs in stunning locations, an exciting portfolio of interesting drinks – which will be supported by our long-term supply agreement with Asahi – our commitment to delicious, fresh-cooked, seasonal food and outstanding accommodation, together with a great team of people and our financial strength. There is no doubt that this is a transitional year for the business – but it will be exciting, full of opportunity, and enables us to take this wonderful Company to new heights.

MANAGED PUBS AND HOTELS

Our Managed Pubs and Hotels have had a strong year with revenue rising 8% to £293.8 million (2018: £271.2 million) and operating profit[8] rising by 5% to £35.1 million (2018: £33.4 million). This performance comes against a backdrop of rising cost pressures with the rise in both the National Living Wage and the Apprenticeship Levy, further increases in Business Rates and rising pension contributions. We do not anticipate these cost pressures abating in the near future.

Our like for like sales have continued to outperform the industry[9], rising 4.9% over the year (2018: 2.9%), driven by an ongoing strong performance from our wet sales which rose 5.2%. The Football World Cup last June and July, combined with some excellent summer weather, drove sales up and that momentum continued for the rest of the year. Food sales strengthened in the second half of the year, to grow 3.9% in total, while accommodation also had a good year, rising 4.2%.

Our people front and centre

Our success is down to the people who make Fuller's the company it is. During the year, 120 team members completed at least one level of the Chefs' Guild, continuing our commitment to growing our Head Chefs of the future, and many of these colleagues had started on our chef apprentice programme. We recruited around 100 apprentices in the full year and anticipate recruiting another 100 in September 2019. Our long-term ambition is to recruit around 200 apprentices each year.

In addition to our chef training programmes, we are continuing to invest heavily in our front of house teams too with a combination of on the job learning, e-learning through our Fuse digital training and communications platform and more formal classroom development for those interested in furthering their career with us, on topics such as local marketing. We also use a successful *Stop the Clock* approach in pubs, which provides our General Managers with the tools to run a 15-minute training session on topics from our beer portfolio to mental health awareness.

Investing in our people has a direct return as in today's digital world consumers have the power to share their customer experiences with an immediacy that didn't exist even 10 years ago. In response, we have developed a bespoke reputation management platform that allows our pubs to monitor and respond to all their online feedback in one place. Combined with training on reputation management, we have seen our response rate increase by 35% year on year and we have grown our reputation scores on every major channel including Google, Facebook and TripAdvisor. At The Stable, the team has received 32,000 responses through its *Feeditback* system, giving an average Net Promoter Score of 66%.

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[8] Operating profit before separately disclosed items

[9] Coffer Peach Tracker index for pubs – year to 31 March 2019, +3.1%

Iconic pubs and new locations

During the year, we opened 11 new sites including six Bel & The Dragon country inns located around the Home Counties. We also acquired a package of four City bars from the We Are Bar group and opened The Signal Box at Euston Station – a fantastic new addition to our growing portfolio of sites in transport hubs. Located on the mezzanine level overlooking the main station concourse, it is already delivering good results.

We also opened two other new managed pubs – The Albert Arms in Esher, which had been closed for redevelopment, and The Hercules by Lambeth North station. We purchased the latter in March 2018 with a sitting tenant. It reopened in March 2019 as a stunning pub with a focus on craft beer and a look and feel to reflect the circus history of the area. It has performed exceptionally well – especially with regard to food sales. Both pubs are in areas where we previously lacked presence.

Five of the Bel & The Dragon sites were freehold, and we have since completed the purchase of the sixth freehold, located in the shadow of Windsor Castle. Five also had bedrooms and the commitment to outstanding fresh-cooked food and a high-end drinks portfolio played to our operational strengths. We anticipate realising a number of synergies as part of the purchase although the Bel & The Dragon pubs continue to operate as a standalone brand.

Finally, the four We Are Bar sites acquired in May 2018 have all been refurbished and three have been renamed. These sites have filled in gaps in our City footprint and we still have three of the four original General Managers working in these pubs.

As well as acquiring new sites, we continue to invest in our existing estate and this year we had 94 closure weeks during the year (2018: 59), with the majority occurring in the first half. In total, we invested £25.5 million in our existing estate during the year and we will continue to ensure our iconic pubs are well invested going forward. Investments included The Pavilion End near St Paul's Cathedral, The Anglers at Teddington and The Bull Inn at Sonning. We also carried out schemes at The Counting House on Cornhill and The Blackbird at Earl's Court, where we added 24 bedrooms across the two sites.

A fresh and vibrant drinks portfolio

Bar sales have led the way, with a like for like sales increase of 5.2% and, while we may have divested our beer business, we have entered a long-term supply agreement with Asahi and Fuller's beer continues to be a focal reason for visiting a Fuller's pub. During the year, we identified 45 Beer Champions from within our pub teams and helped them to complete their Cicerone qualification – a mark of excellence in beer knowledge. We leverage our Beer Champions' expertise by getting them together every three months to hear from brewers, try new beers and share their knowledge within the wider business.

While the long-term supply agreement gives us access to the best range of Fuller's and Asahi beers, specials and collaborations, our pubs are encouraged to provide a wide-ranging choice to their customers from global, national and local microbrewers too. In particular, we are proud to showcase beers that are unique to our estate, with some even brewed with our managers and the pub teams, giving an additional source of engagement in the beer. This keeps the range fresh, piques consumer interest and ensures that we always have something for our exploratory customers to try.

The same commitment to range and innovation can be seen at The Stable where, during the year, this young and vibrant brand launched its first ever Stable Cider Awards – won by Sheppy's 200. This year's event has already been launched and over 20,000 votes are expected to be cast. The Stable also broke the world record for the largest ever cider tasting experience when 255 people descended on The Stable in Exeter to simultaneously taste a selection of three different ciders.

The trend for low and no alcohol beers is growing, albeit from a small base. Our range now includes Heineken 0.0 and Peroni Libera, as well as craft offerings from Big Drop, Thornbridge and BrewDog, plus a non-alcoholic cider from Sheppey's and new soft drinks such as Real Kombucha, Ugly and Square Root. We also continue to work with a number of interesting suppliers, such as Seedlip, to promote non-alcoholic spirits.

The popularity of G&T also continues to grow, supported by an ever-growing range of tonic flavours. Gin sales are up 37% on a like for like basis and now represent 39% of all spirit sales in our pubs. We have partnered with established premium brands such as Sipsmith to drive seasonal serves, and introduced new emerging pink gins from distilleries including Chase, Warner Edwards and Whitley Neal to capitalise on this continuing trend.

Food for thought

While non-alcoholic drink sales rise, the quest for a healthier lifestyle continues to be played out in the food arena too. Our food sales have grown by 3.9% on a like for like basis and within this, we are seeing an increasing number of people eating vegetarian or vegan meals more frequently. There is no doubt that consumer lifestyles have changed with customers being more flexitarian – for example electing to have a couple of meat-free days each week. This is further evidenced by The Stable, which held free Vegan Pizza events in a number of sites to celebrate International Vegan Day.

Anecdotal evidence suggests that those who are committed to a meat-free diet, and the younger generation in general, will carefully study menus in advance. The Ten Kites system that we implemented in the previous financial year, which allows customers to search a menu by dietary requirements, is gaining significant traction and 39% of site visitors are now searching the menu for vegan and vegetarian options.

In addition to ensuring we have a balanced food offer that can cater not just for different diets, but also for different day parts, we continue to focus on building our Chefs' reputations using signature dishes. Our pubs use these special, house-specific, dishes to provide a sense of occasion for those looking for something special – and we encourage our pubs to use their bespoke signature dishes to celebrate the seasonal elements of their menus.

We are very proud of our creative and motivated team of Executive Chefs and it was great recognition for the work they do when, in March this year, they were named *Operations Team of the Year* at The Publican Awards.

Creating memorable experiences

The number of pre-planned events in our pubs continues to increase and our head office sales team is focused on driving function bookings across the estate. In support, we have recruited and trained a network of sales and events personnel, based in our pubs, who can handle function enquiries and manage those special, memorable occasions. As a result, function sales in the last 12 months have grown by 12% and generated £9.3 million of revenue.

It is this central sales team that has, for the last four years, secured bookings from the American NFL when it plays matches each year in London. The agreement sees our most iconic London pubs become supporter hubs for the visiting teams – with a different team in each pub. These vibrant sporting celebrations drive new business, raise the profile of Fuller's as pubs of great character with visiting US tourists and generate excitement in the pub like no other. We are delighted to play such a key role in ensuring that, when the NFL comes to London, the teams and their supporters are treated to the best of British hospitality.

Accommodation sales across our beautiful boutique bedrooms have also risen this year by 4.2% on a like for like basis with Average Room Rate rising by £1.30. One of our targets has been to improve the amount of direct bookings, which means we don't have to concede the commission demanded by third party aggregators. Using targeted, predominantly digital communications has resulted in a 26% increase in bookings made through our website.

We have also worked to shorten the customer's digital journey – the more clicks and questions, the higher the dropout rate. To that end, we have made it as short and efficient an experience as possible to book a room and we use post-booking emails to add value through restaurant bookings and local information. We were particularly delighted to be named *Accommodation Operator of the Year* at The Publican Awards in March and the addition of 93 bedrooms during the year shows our commitment to this part of our business.

Tenanted Inns

Our Tenanted Inns have had a good year with total revenue rising 2%, like for like profits[10] rising 1% (2018: 3%) and average EBITDA per pub remaining level despite increased spend on repairs, which also muted the like for like profit figure. During the period we have sold the final five pubs earmarked for sale as part of our strategic review. In addition, two pubs migrated across to the Managed estate, with seven moving in the opposite direction.

We moved another 17 pubs onto our turnover agreement, taking the total number of pubs on this model to 30 at the year end. We have also maintained our investment programme in the Tenanted estate with capex spend of £3.0 million for the year (2018: £3.0 million), reflecting the higher investment spend on pubs that are being leased on a turnover basis. Examples of these schemes include The Andover Arms in Brackenbury Village, The Horse & Jockey in Curbridge, The Chequers in Chipping Norton and The Cross Keys in Great Missenden.

We continue to support our tenants in a number of other ways too. During the year, we completed the roll out of Fuse – our digital learning and communication platform – to our Tenants, which has improved the flow of information. We have also included more Tenanted Inns as part of the *Shakespeare in the Garden* programme.

It is in the food arena where a company with Managed and Tenanted pubs can provide an extra level of support – and providing access to Food Alert, our food hygiene consultants, helps our Tenants to ensure compliance with Environmental Health regulations with a regular independent food audit. Around 50 Tenants are now using our preferred food suppliers and seeing a reduction in their food costs of around 15%.

The proof of our success is in our recruitment and we have seen a 50% increase in applications. This continued uplift comes on top of a 250% increase the previous year, when we overhauled our website and launched the turnover agreement. Our success depends on the success of our Tenants, so it is fantastic to see such a high level of interest in partnering with us.

THE FULLER'S BEER COMPANY

The Fuller's Beer Company saw revenues grow by 6% (2018: 3%) while volumes remained flat. We completed the integration of the Dark Star Brewing Company, which we acquired towards the end of the prior financial year.

[10] Operating profit before separately disclosed items and head office costs

Sales of Frontier rose by 4%, supported by a marketing campaign to reposition the brand as a London premium lager, building on its flavour credentials and independence. We also installed our first ever Frontier tanks at The Distillers in Hammersmith. Meanwhile, London Pride Unfiltered gained a listing in Waitrose and was the Official Beer of *Pride in London*. Social feeds grew by 314% and, combined with an excellent seasonal calendar and the second series of Fuller's & Friends, The Fuller's Beer Company was perfectly placed for its sale to Asahi Europe Ltd.

Sale of the Fuller's Beer Business

On 25 January 2019 the Group entered into an agreement for the sale of its entire beer business to Asahi Europe Ltd ("AEL"), a wholly owned subsidiary of Asahi Group Holdings, Ltd ("Asahi"), for an enterprise value of £250 million on a debt free, cash free basis. The disposal of the Fuller's Beer Company completed on 27 April 2019, subsequent to the end of the reporting period.

The business sold comprises the entirety of Fuller's beer, cider and soft drinks brewing and production, wine wholesaling, and the distribution thereof, and also included the Griffin Brewery, Cornish Orchards, Dark Star Brewing and Nectar Imports (referred to as the "Fuller's Beer Company", which was incorporated to acquire certain assets and liabilities of the Fuller's Beer Business). Accordingly, those divisions are reported as discontinued operations in the 2019 financial statements with the remaining Managed Pubs and Hotels and Tenanted Inns businesses being shown as continuing operations.

Under the terms of the sale, AEL acquired the brands of the beer business (including "London Pride") and will receive the benefit of a licence, on a perpetual, global, exclusive and royalty-free basis, to use certain trademarks (including the "Fuller's" name, logo and cartouche) for the provision of beverages. Ownership of the licensed trademarks has been retained by Fuller's.

As part of the transaction, we have formed a strategic alliance with Asahi by entering into a long-term supply agreement for the continuing supply of the brands of the Beer Business (and selected Asahi brands) to Fuller's pubs and hotels. This agreement is for a minimum period of five years, with both parties being able to renew for a further five-year term. As a result, our team members and management will continue to cherish, value and promote the brands of the Fuller's Beer Business and our customers can continue to enjoy their Fuller's beers of choice.

The amounts shown as discontinued operations in the financial statements for the year ended 30 March 2019 are a profit before tax and separately disclosed items of £6.8 million (2018: £7.6 million) and separately disclosed costs of £1.6 million (2018: £nil). The net assets held for sale at 30 March 2019 in respect of the Fuller's Beer Business are £57.0 million.

Net cash proceeds are expected to be approximately £205 million after relevant adjustments including reorganisation, tax, restructuring and transaction costs. £7.0 million of these disposal costs have been recognised in the year ended 30 March 2019 within separately disclosed items. The net proceeds will allow Fuller's to make a return of capital to shareholders, make a voluntary contribution to the pension scheme, reinvest in the existing pubs and hotels business to drive growth and invest in carefully selected acquisition opportunities as they arise. Evaluation of the best and most efficient way to return capital to shareholders is currently underway and the Board looks forward to updating the market in this regard in due course.

FINANCIAL POSITION

Total Group revenue rose by 7% on the prior year, largely driven by strong like for like trading within the Managed estate and the contribution from our 10 acquisitions and one new opening made in the early part of the year. Our operating profits before separately disclosed items increased by 2% to £50.1 million (2018: £49.2 million) as adjusted operating profit[11] in the Managed Pubs and Hotels division grew £1.7 million. The Fuller's Beer Company, shown as discontinued operations, saw adjusted operating profit[11] reduce by 11% against last year. Adjusted Group profit[12] remained level at £43.2 million, as the revenue increase was offset by increased finance costs following the acquisitions made in the first half of the year.

Overall net debt has increased by £43.3 million to £245.2 million largely due to the acquisitions and capital investments made during the year and as a result our pro forma net debt to EBITDA ratio at 30 March 2019 increased a little to 3.1 times. The Group has £260.0 million of available long-term facilities, £176.7 million of which is available until August 2021, £33.3 million of which is available until August 2020, and £50.0 million of which is available until August 2019. Our undrawn committed facilities at 30 March 2019 were £31.0 million, with a further £11.0 million of cash held on the Balance Sheet.

Subsequent to the year end, the completion of the sale of the Fuller's Beer Business in April 2019 has significantly increased our available facilities. Net debt at 29 June 2019 was £21.7 million. Our very healthy balance sheet position gives us the flexibility to invest strategically in the future as suitable opportunities arise.

The Group generated cash available for discretionary spend of £35.1 million (2018: £51.0 million) with the decrease largely due to a £20.9 million net working capital cash outflow in the year compared to a £4.4 million net cash outflow last year. In line with our long-term investment strategy, we invested £32.7 million in capital expenditure.

We spent £19.2 million on the corporate acquisition of six Bel & The Dragon country inns and £3.3 million on the acquisition of four sites formerly under the We Are Bar brand in

[11] Operating profit before separately disclosed items

[12] Profit before tax before separately disclosed items from total Group operations

great locations across the City. We spent £3.7 million on acquiring the remaining minority interests in two of our earlier acquisitions, The Stable Pizza & Cider Limited and Nectar Imports Limited. We also invested £32.7 million in our existing estate including 16 major refurbishments, the opening of The Signal Box at Euston station and a number of investments in The Fuller's Beer Company, including a new canning line for Cornish Orchards and a pilot plant for new innovative beers. Our continuing investment in a new ERP system of £6.7 million has been expensed within separately disclosed items and went live at the end of October 2018. Asset disposals from the sale of five properties within the Tenanted portfolio and the termination of a Managed long leasehold raised £7.3 million and generated a separately disclosed profit of £1.9 million, which we used to further invest in our estate.

The separately disclosed items before tax of £17.1 million comprises £6.7 million of ERP replacement costs, £7.0 million of costs associated with the disposal of the Beer Business, £1.2 million of net impairment costs primarily in the Managed Pubs and Hotels division, £1.9 million of onerous lease charges, £0.6 million of acquisition costs, £0.5 million of reorganisation staff costs, a £0.3 million provision for Guaranteed Minimum Pension equalisation charges and a net finance charge on our pension deficit of £0.8 million, all partially offset by the £1.9 million profit on property disposals.

Tax has been provided for at an effective rate of 19.7% (2018: 20.4%) on adjusted profits. The overall effective tax rate of 25.3% is due to the net loss on separately disclosed items being taxed at an effective tax rate of 11.1%.

The defined benefit pension scheme deficit has increased by £3.9 million to £36.4 million (2018: £32.5 million). The present value of pension obligations increased £6.3 million to £148.3 million, driven by the discount rate falling from 2.6% to 2.4% and the RPI inflation assumption increasing from 3.20% to 3.30%. This was partly offset by an increase in the fair value of scheme assets of £2.4 million from £109.5 million to £111.9 million. Deficit recovery payments of £2.0 million were made during the financial year.

During the period 313,983 'A' ordinary 40p shares were purchased into treasury for a total of £3.1 million (2018: 536,827 'A' ordinary 40p shares for £5.3 million). In addition, 121,031 'B' ordinary 4p shares were purchased for £0.1 million by or on behalf of the Trustees of the Long-Term Incentive Plan to cover future issuance (2018: 214,645 'B' ordinary 4p shares for £0.2 million).

IFRS 16 Accounting for Leases will be adopted by the Company for the year ended March 2020. As a result, operating lease expense will be replaced by depreciation and a finance charge. The net impact to adjusted profit is expected to be between £1.0 million and £2.0 million reduction to profit, as the increase to depreciation and finance costs is slightly larger than the reduction to lease operating costs. Both assets and liabilities are expected to increase by between £75 million and £85 million, with no net impact and no impact on cashflows.

CURRENT TRADING AND PROSPECTS

Against some incredibly tough comparatives from the hot weather and football fervour of summer 2018, I am pleased to report steady trading for the first 16 weeks of the new financial year with like for like sales in our Managed Pubs and Hotels rising by 1.2% and total revenue rising by 2.3%. Like for like profits in our Tenanted Inns were down -3% against very tough comparatives.

We look to the future as a focused premium pubs and hotels business. Having a long-term successful model, supported with low debt and high capital reserves, positions us well as the nation continues to navigate a number of political challenges.

Our new Finance Director, Adam Councell, joins us in August to complete our new executive team. There is no doubt that this is a transitional year and we have a real opportunity to look at every element of our business and absolutely ensure that we have the strategy, vision and goals to best position the business for further long-term success.

We will be building on our long-term supply agreement with Asahi to guarantee that a great range of Fuller's beers, backed up by continued dedication to cellar quality, will be at the heart of every Fuller's pub. In addition, we will work with a broad portfolio of suppliers to keep our offer fresh, our customers interested and our shareholders happy.

We continue to deliver transitional services to Asahi and, since the year end, have acquired a new freehold head office overlooking the River Thames at Strand on the Green, less than two miles from the Griffin Brewery. We are aiming to move in by the New Year.

This is a transformational period for Fuller, Smith & Turner, which coincides with a great deal of political and economic uncertainty. However, we can see a clear way ahead for the Company. With an exceptionally strong balance sheet, a predominantly freehold estate and a proven long-term business model, there will be undoubted opportunities and we are perfectly poised to leverage those over time as we embark on the next phase in our history.

Simon Emeny
Chief Executive
24 July 2019

Fuller, Smith & Turner P.L.C.

Financial Highlights*
For the 52 weeks ended 30 March 2019

	52 weeks ended 30 March 2019	**52 weeks ended 31 March 2018**	*Change 2018/2019*
Revenue	£431.1m	£403.6m	*+7%*
Adjusted profit[1]	£43.2m	£43.2m	*Level*
Adjusted earnings per share[2]	62.78p	62.90p	*Level*
EBITDA[3]	£73.2m	£70.9m	*+3%*
Basic earnings per share[4]	35.12p	64.89p	*-46%*
Profit before tax	£26.1m	£43.6m	*-40%*
Dividend per share[4]	20.15p	19.55p	*+3%*
Net debt[5]	£245.2m	£201.9m	
Pro forma net debt / EBITDA[6]	3.1x	2.9x	

**Figures are for total Group (continuing and discontinued operations)*

[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] *Earnings before separately disclosed items, 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 52 weeks ended 30 March 2019

		52 weeks ended 30 March 2019			Restated 52 weeks ended 31 March 2018		
	Note	**Continuing operations £m**	**Discontinued operations £m**	**Total £m**	Continuing operations £m	Discontinued operations £m	Total £m
Revenue	2	**324.7**	**106.4**	**431.1**	301.4	102.2	403.6
Operating costs	2	**(281.4)**	**(99.6)**	**(381.0)**	(259.8)	(94.6)	(354.4)
Operating separately disclosed items		**(16.6)**	**(1.6)**	**(18.2)**	(4.7)	–	(4.7)
Operating profit		**26.7**	**5.2**	**31.9**	**36.9**	**7.6**	**44.5**
Finance costs	4	**(6.9)**	**–**	**(6.9)**	(6.0)	–	(6.0)
Financing separately disclosed items	3,4	**(0.8)**	**–**	**(0.8)**	(1.0)	–	(1.0)
Profit on disposal of properties separately disclosed items	3	**1.9**	**–**	**1.9**	6.1	–	6.1
Profit before tax		**20.9**	**5.2**	**26.1**	**36.0**	**7.6**	**43.6**
Adjusted profit before tax		**36.4**	**6.8**	**43.2**	**35.6**	**7.6**	**43.2**
Total separately disclosed items	3	**(15.5)**	**(1.6)**	**(17.1)**	0.4	–	0.4
Profit before tax		**20.9**	**5.2**	**26.1**	**36.0**	**7.6**	**43.6**
Tax		**(5.5)**	**(1.1)**	**(6.6)**	(7.3)	(1.5)	(8.8)
Analysed as:							
Underlying trading		**(7.1)**	**(1.4)**	**(8.5)**	(7.3)	(1.5)	(8.8)
Separately disclosed items	3	**1.6**	**0.3**	**1.9**	–	–	–
Profit for the year		**15.4**	**4.1**	**19.5**	**28.7**	**6.1**	**34.8**
Attributable to:							
Equity shareholders of the Parent Company		**15.4**	**3.9**	**19.3**	29.9	5.9	35.8
Non-controlling interest		**–**	**0.2**	**0.2**	(1.2)	0.2	(1.0)

Earnings per share per 40p 'A' and 'C' ordinary share		**Pence**	**Pence**	**Pence**	Pence	Pence	Pence
Basic	6	**28.02**	**7.10**	**35.12**	54.20	10.69	64.89
Diluted	6	**27.82**	**7.05**	**34.87**	53.86	10.63	64.49
Adjusted	6	**53.31**	**9.47**	**62.78**	52.20	10.70	62.90
Diluted adjusted	6	**52.94**	**9.40**	**62.34**	51.88	10.63	62.51

Earnings per share per 4p 'B' ordinary share							
Basic	6	**2.80**	**0.71**	**3.51**	5.42	1.07	6.49
Diluted	6	**2.78**	**0.71**	**3.49**	5.39	1.06	6.45
Adjusted	6	**5.33**	**0.95**	**6.28**	5.22	1.07	6.29
Diluted adjusted	6	**5.29**	**0.94**	**6.23**	5.19	1.06	6.25

Fuller, Smith & Turner P.L.C.
Condensed Group Statement of Comprehensive Income
for the 52 weeks ended 30 March 2019

	Note	**52 weeks ended 30 March 2019 £m**	52 weeks ended 31 March 2018 £m
Profit for the year		**19.5**	34.8
Items that may be reclassified to profit or loss			
Net gains on valuation of financial assets and liabilities		**0.3**	1.5
Tax related to items that may be reclassified to profit or loss	5	**–**	(0.2)
Items that will not be reclassified to profit or loss			
Net actuarial (losses)/gains on pension schemes	12	**(5.0)**	4.4
Tax related to items that will not be reclassified to profit or loss	5	**0.8**	(0.8)
Other comprehensive (losses)/gains for the year, net of tax		**(3.9)**	4.9
Total comprehensive income for the year, net of tax		**15.6**	39.7
Total comprehensive income attributable to:			
Equity shareholders of the Parent Company		**15.4**	40.7
Non-controlling interest		**0.2**	(1.0)

Fuller, Smith & Turner P.L.C.
Condensed Group Balance Sheets
30 March 2019

	Note	Group 2019 £m	Group 2018 £m
Non-current assets			
Intangible assets		**37.7**	45.4
Property, plant and equipment	8	**552.7**	564.1
Investment properties		**4.6**	4.6
Other non-current assets		**0.3**	0.4
Total non-current assets		**595.3**	614.5
Current assets			
Inventories		**5.0**	13.5
Trade and other receivables		**8.3**	22.9
Cash and short term deposits	11	**11.0**	11.7
Assets classified as held for sale	10	**87.0**	2.1
Other financial assets		**0.1**	–
Total current assets		**111.4**	50.2
Current liabilities			
Trade and other payables		**(29.6)**	(64.0)
Current tax payable		**(2.8)**	(4.0)
Provisions		**(0.5)**	(0.1)
Borrowings	11	**(50.0)**	(30.0)
Other financial liabilities		**–**	(3.7)
Liabilities classified as held for sale	10	**(30.0)**	-
Total current liabilities		**(112.9)**	(101.8)
Non-current liabilities			
Borrowings	11	**(206.2)**	(183.6)
Other financial liabilities		**(1.4)**	(1.8)
Retirement benefit obligations	12	**(36.4)**	(32.5)
Deferred tax liabilities		**(9.2)**	(9.3)
Provisions		**(2.1)**	(0.6)
Other non-current payables		**–**	(0.2)
Total non-current liabilities		**(255.3)**	(228.0)
Net assets		**338.5**	334.9
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		**(19.8)**	(19.2)
Hedging reserve		**(0.8)**	(1.1)
Retained earnings		**328.4**	328.4
Equity attributable to equity holders of the parent		**338.5**	338.8
Non-controlling interest		**–**	(3.9)
Total equity		**338.5**	334.9

Approved by the Board and signed on 24 July 2019.

M J Turner, FCA
Chairman

Fuller, Smith & Turner P.L.C.
Group Statement of Changes in Equity
for the 52 weeks ended 30 March 2019

Group	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 year	–	–	–	–	–	35.8	35.8	(1.0)	34.8
Other comprehensive loss for the year	–	–	–	–	1.5	3.4	4.9	–	4.9
Total comprehensive income/(loss) for the year	–	–	–	–	1.5	39.2	40.7	(1.0)	39.7
Shares purchased to be held in ESOT or as treasury	–	–	–	(5.5)	–	–	(5.5)	–	(5.5)
Shares released from ESOT and treasury	–	–	–	3.0	–	(2.2)	0.8	–	0.8
Dividends (note 7)	–	–	–	–	–	(10.5)	(10.5)	–	(10.5)
Share-based payment charges	–	–	–	–	–	0.8	0.8	–	0.8
Tax credited directly to equity (note 5)	–	–	–	–	–	(0.3)	(0.3)	–	(0.3)
Adjustments arising from change in non-controlling interest	–	–	–	–	–	–	–	0.2	0.2
Total transactions with owners	–	–	–	(2.5)	–	(12.2)	(14.7)	0.2	(14.5)
At 31 March 2018	**22.8**	**4.8**	**3.1**	**(19.2)**	**(1.1)**	**328.4**	**338.8**	**(3.9)**	**334.9**
Profit for the year	–	–	–	–	–	19.3	19.3	0.2	19.5
Other comprehensive income for the year	–	–	–	–	0.3	(4.2)	(3.9)	–	(3.9)
Total comprehensive income for the year	–	–	–	–	**0.3**	**15.1**	**15.4**	**0.2**	**15.6**
Shares purchased to be held in ESOT or as treasury	–	–	–	(3.2)	–	–	(3.2)	–	(3.2)
Shares released from ESOT and treasury	–	–	–	2.6	–	(1.5)	1.1	–	1.1
Dividends (note 7)	–	–	–	–	–	(10.9)	(10.9)	–	(10.9)
Share-based payment charges	–	–	–	–	–	1.0	1.0	–	1.0
Adjustments arising from change in non-controlling interest	–	–	–	–	–	(3.7)	(3.7)	3.7	–
Total transactions with owners	**–**	**–**	**–**	**(0.6)**	**–**	**(15.1)**	**(15.7)**	**3.7**	**(12.0)**
At 30 March 2019	**22.8**	**4.8**	**3.1**	**(19.8)**	**(0.8)**	**328.4**	**338.5**	**–**	**338.5**

Fuller, Smith & Turner P.L.C.
Group Cash Flow Statements
for the 52 weeks ended 30 March 2019

	Note	Group 52 weeks ended 30 March 2019 £m	Restated Group 52 weeks ended 31 March 2018 £m
Profit before tax for continuing operations		**20.9**	36.0
Net finance costs before separately disclosed items		**6.9**	6.0
Separately disclosed items	3	**15.5**	(0.4)
Depreciation and amortisation		**19.5**	17.9
		62.8	59.5
Difference between pension charge and cash paid		**(2.2)**	(2.0)
Share-based payment charges		**1.0**	0.8
Change in trade and other receivables		**3.0**	1.8
Change in inventories		**(0.9)**	0.4
Change in trade and other payables		**(11.6)**	(13.7)
Cash impact of operating separately disclosed items	3	**(9.7)**	(4.0)
Cash generated from operations		**42.4**	42.8
Tax paid		**(8.6)**	(9.0)
Cash generated from operating activities – continuing operations		**33.8**	33.8
Cash (absorbed by)/generated from operating activities – discontinuing operations		**(0.8)**	18.5
Total cash generated from operating activities		**33.0**	52.3
Cash flow from investing activities			
Business combinations	9	**(20.1)**	(10.6)
Purchase of property, plant and equipment		**(28.5)**	(23.5)
Sale of property, plant and equipment and investment property		**7.3**	10.8
Cash absorbed by investing activities – continuing operations		**(41.3)**	(23.3)
Cash absorbed by investing activities – discontinuing operations		**(4.2)**	(4.1)
Net cash outflow from investing activities		**(45.5)**	(27.4)
Cash flow from financing activities			
Purchase of own shares		**(3.2)**	(5.5)
Receipts on release of own shares to option schemes		**1.1**	0.8
Interest paid		**(6.2)**	(5.6)
Preference dividends paid	7	**(0.1)**	(0.1)
Equity dividends paid	7	**(10.9)**	(10.5)
Drawdown of bank loans		**42.3**	10.0
Repayment of bank loans		**(6.0)**	(18.0)
Cost of refinancing		**(0.2)**	–
Cash generated from/(absorbed by) financing activities – continuing operations		**16.8**	(28.9)
Cash generated from financing activities – discontinuing operations		**–**	–
Net cash inflow/(outflow) from financing activities		**16.8**	(28.9)
Net movement in cash and cash equivalents		**4.3**	(4.0)
Cash acquired on acquisition		**0.3**	0.4
Cash and cash equivalents at the start of the year	11	**11.7**	15.3
Cash and cash equivalents at the end of the year		**16.3**	11.7
Included in the assets of the disposal group		**(5.3)**	–
Total cash and cash equivalents at the end of the year	11	**11.0**	11.7

Cash and cash equivalents comprise cash and other short-term highly liquid investments with a maturity of three months or less.
There were no significant non-cash transactions during either period.

Fuller, Smith & Turner P.L.C.
Notes to the condensed Financial statement
For the 52 weeks ended 30 March 2019

1. Preliminary statement
The consolidated financial statements of Fuller, Smith & Turner P.L.C. for the 52 weeks ended 30 March 2019 were authorised for issue by the Board of Directors on 24 July 2019.

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 30 March 2019 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 31 March 2018, 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 30 March 2019, which will be mailed to shareholders on or before 2 August 2019 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
Operating Segments
For management purposes, the Group's operating segments are:

- Managed Pubs and Hotels, which comprises managed pubs, managed hotels, The Stable Pizza & Cider Limited and Bel & The Dragon;
- 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, Nectar Imports Limited and The Dark Star Brewing Company Limited. The Fuller's Beer Business was disposed of after year end. See note 10.

The most important measure used to evaluate the performance of the business is adjusted profit, which is the profit before tax, adjusted for separately disclosed 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 Review. Segment performance is evaluated based on operating profit before separately disclosed items and is measured consistently with the operating profit before separately disclosed 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 30 March 2019	Managed Pubs and Hotels £m	Tenanted Inns £m	Unallocated[1] £m	Continuing Operations £m	Discontinued Operations - The Fuller's Beer Company[2] £m	Total £m
Revenue						
Segment revenue	**293.8**	**30.9**	**–**	**324.7**	**161.4**	**486.1**
Inter-segment sales	**–**	**–**	**–**	**–**	**(55.0)**	**(55.0)**
Revenue from third parties	**293.8**	**30.9**	**–**	**324.7**	**106.4**	**431.1**
Segment result	**35.1**	**12.8**	**(4.6)[2]**	**43.3**	**6.8**	**50.1**
Operating separately disclosed items						**(18.2)**
Operating profit						**31.9**
Profit on disposal of properties						**1.9**
Net finance costs						**(7.7)**
Profit before tax						**26.1**
Other segment information						
Capital expenditure: property, plant and equipment	**25.5**	**3.0**	**–**	**28.5**	**4.2**	**32.7**
Business combinations (note 9)	**18.1**	**–**	**–**	**18.1**	**2.0**	**20.1**
Depreciation and amortisation	**17.6**	**1.9**	**–**	**19.5**	**3.6**	**23.1**
Impairment of property	**3.0**	**–**	**–**	**3.0**	**–**	**3.0**
Reversal of impairment on property	**(1.3)**	**(0.5)**	**–**	**(1.8)**	**–**	**(1.8)**

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

2 Unallocated costs have been adjusted to include costs previously allocated to The Fuller's Beer Business as they are considered to be continuing in nature and therefore form part of the continuing operations.

Fuller, Smith & Turner P.L.C.
Notes to the condensed Financial statement
For the 52 weeks ended 30 March 2019

2. Segmental Analysis continued

52 weeks ended 31 March 2018	Managed Pubs and Hotels £m	Tenanted Inns £m	Unallocated[1] £m	Continuing Operations £m	Discontinued Operations - The Fuller's Beer Company £m	Total £m
Revenue						
Segment revenue	271.2	30.2	–	301.4	152.9	454.3
Inter-segment sales	–	–	–	–	(50.7)	(50.7)
Revenue from third parties	271.2	30.2	–	301.4	102.2	403.6
Segment result	33.4	12.9	(4.7)[2]	41.6	7.6	49.2
Operating separately disclosed items						(4.7)
Operating profit						44.5
Profit on disposal of properties						6.1
Net finance costs						(7.0)
Profit before tax						43.6
Other segment information						
Capital expenditure: property, plant and equipment	18.8	3.0	–	21.8	5.8	27.6
Business combinations (note 9)	1.5	2.8	–	4.3	6.3	10.6
Depreciation and amortisation	16.4	1.5	–	17.9	3.8	21.7
Impairment of property	3.5	–	–	3.5	–	3.5
Reversal of impairment on property	(0.8)	(0.8)	–	(1.6)	–	(1.6)

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

2 Unallocated costs have been adjusted to include costs previously allocated to The Fuller's Beer Business as they are considered to be continuing in nature and therefore form part of the continuing operations.

Fuller, Smith & Turner P.L.C.
Notes to the condensed Financial statement
For the 52 weeks ended 30 March 2019

3. Separately Disclosed Items

	52 weeks ended 30 March 2019 £m			52 weeks ended 31 March 2018 £m		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Amounts included in operating profit:						
Acquisition costs	**(0.6)**	**–**	**(0.6)**	(0.6)	–	(0.6)
Reorganisation costs	**(0.5)**	**–**	**(0.5)**	–	–	–
Disposal of the Fuller's Beer Business	**(5.4)**	**(1.6)**	**(7.0)**	–	–	–
Deemed remuneration on the future purchase of shares in The Stable	**–**	**–**	**–**	1.2	–	1.2
Impairment of properties	**(3.0)**	**–**	**(3.0)**	(3.5)	–	(3.5)
Reversal of impairment on property	**1.8**	**–**	**1.8**	1.6	–	1.6
Replacement of core IT systems	**(6.7)**	**–**	**(6.7)**	(3.4)	–	(3.4)
Onerous lease provision charge	**(1.9)**	**–**	**(1.9)**	–	–	–
Guaranteed Minimum Pension (GMP) equalisation charge	**(0.3)**	**–**	**(0.3)**	–	–	–
Total separately disclosed items included in operating profit	**(16.6)**	**(1.6)**	**(18.2)**	(4.7)	–	(4.7)
Profit on disposal of properties	**1.9**	**–**	**1.9**	6.1	–	6.1
Separately disclosed finance costs:						
Finance charge on net pension liabilities	**(0.8)**	**–**	**(0.8)**	(1.0)	–	(1.0)
Total separately disclosed finance costs	**(0.8)**	**–**	**(0.8)**	(1.0)	–	(1.0)
Total separately disclosed items before tax	**(15.5)**	**(1.6)**	**(17.1)**	0.4	–	0.4
Separately disclosed tax:						
Profit on disposal of properties	**(0.3)**	**–**	**(0.3)**	(1.0)	–	(1.0)
Other items	**1.9**	**0.3**	**2.2**	1.0	–	1.0
Total separately disclosed tax	**1.6**	**0.3**	**1.9**	–	–	–
Total separately disclosed items	**(13.9)**	**(1.3)**	**(15.2)**	0.4	–	0.4

Acquisition costs of £0.6 million during the 52 weeks ended 30 March 2019 (31 March 2018: £0.6 million) relate to transaction costs on property and business acquisitions. The reorganisation costs of £0.5 million during the 52 weeks ended 30 March 2019 (31 March 2018: £nil) as a result of the change in IT system and relate to staff costs.

The disposal of The Fuller's Beer Business costs of £5.4 million relates to the sale of the Group's entire beer business (see note 10). The sale was completed in April 2019. An additional £1.6 million of separately disclosed items have been recognised within discontinued operations which relates to redundancies as part of the sale.

The property impairment charge of £3.0 million during the 52 weeks ended 30 March 2019 relates to the write down of four licensed properties to their recoverable value. During the 52 weeks ended 31 March 2018, three licensed properties were written down to their recoverable value totalling £3.5 million. The reversal of impairment on property credit of £1.8 million during the 52 weeks ended 30 March 2019 relates to the write back of previously impaired licensed properties to their recoverable value (31 March 2018: £1.6 million).

The expenditure in relation to the upgrade of core IT systems of £6.7 million (31 March 2018: £3.4 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.

The onerous lease provision charge of £1.9 million during the 52 weeks ended 30 March 2019 (31 March 2018: £nil) relates to the change in circumstances of three leasehold properties.

The Guaranteed Minimum Pension (GMP) equalisation charge is the minimum pension which a UK occupational pension scheme must provide for those employees who were contracted out of the State Earnings-Related Pensions scheme between 6 April 1978 and 5 April 1997. The increase in liabilities of £0.3 million during the 52 weeks ended 30 March 2019 provides an estimate for the differences in GMPs between males and females.

3. Separately Disclosed Items continued

The profit on disposal of properties of £1.9 million during the 52 weeks ended 30 March 2019 (31 March 2018: £6.1 million) relates to the disposal of seven properties.

The cash impact of operating separately disclosed items before tax for the 52 weeks ended 30 March 2019 was £9.7 million cash outflow (31 March 2018: £4.0 million cash outflow).

4. Finance Costs

	52 weeks ended 30 March 2019 £m	52 weeks ended 31 March 2018 £m
	Total	Total
Interest expense arising on:		
Financial liabilities at amortised cost – loans and debentures	6.7	5.9
Financial liabilities at amortised cost – preference shares	0.1	0.1
Total interest expense for financial liabilities	6.8	6.0
Unwinding of discounts on provisions	0.1	–
Total finance costs before separately disclosed items	6.9	6.0
Finance charge on net pension liabilities (note 3)	0.8	1.0
Total finance costs	7.7	7.0

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5. Taxation

Tax on Profit on Ordinary Activities

Group			52 weeks ended 30 March 2019 £m			Restated 52 weeks ended 31 March 2018 £m
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Tax charged in the Income Statement						
Current income tax:						
Corporation tax	**5.9**	**1.2**	**7.1**	6.9	1.4	8.3
Amounts under provided in previous years	**0.1**	**–**	**0.1**	0.1	–	0.1
Total current income tax	**6.0**	**1.2**	**7.2**	7.0	1.4	8.4
Deferred tax:						
Origination and reversal of temporary differences	**(0.7)**	**(0.1)**	**(0.8)**	0.3	0.1	0.4
Amounts over provided in previous years	**0.2**	**–**	**0.2**	–	–	–
Total deferred tax	**(0.5)**	**(0.1)**	**(0.6)**	0.3	0.1	0.4
Total tax charged in the Income Statement	**5.5**	**1.1**	**6.6**	7.3	1.5	8.8
Analysed as:						
Before separately disclosed items	**7.1**	**1.4**	**8.5**	7.3	1.5	8.8
Separately disclosed items	**(1.6)**	**(0.3)**	**(1.9)**	–	–	–
	5.5	**1.1**	**6.6**	7.3	1.5	8.8

Reconciliation of the Total Tax Charge

The tax expense in the Income Statement for the year is higher (2018: higher) than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	52 weeks ended 30 March 2019 £m	52 weeks ended 31 March 2018 £m
Profit from operations before taxation	**26.1**	43.6
Accounting profit multiplied by the UK standard rate of corporation tax of 19% (2018: 19%)	**4.9**	8.3
Items not deductible for tax purposes	**1.6**	0.5
Current and deferred tax under provided in previous years	**0.3**	0.1
Other	**(0.2)**	(0.1)
Total tax charged in the Income Statement	**6.6**	8.8

5. Taxation continued

Deferred Tax Relating to Items (Credited)/ Charged to the Income Statement

	52 weeks ended 30 March 2019 £m			52 weeks ended 31 March 2018 £m		
	Continuing operations	**Discontinued operations**	**Total**	**Continuing operations**	**Discontinued operations**	**Total**
Deferred tax depreciation	**(1.0)**	**(0.1)**	**(1.1)**	(1.3)	0.1	(1.2)
Rolled over capital gains	**0.3**	**–**	**0.3**	1.0	–	1.0
Retirement benefit obligations	**0.2**	**–**	**0.2**	0.1	–	0.1
Employee share schemes	**0.1**	**–**	**0.1**	0.3	–	0.3
Pub acquisition costs	**(0.1)**	**–**	**(0.1)**	(0.1)	–	(0.1)
Others	**–**	**–**	**–**	0.3	–	0.3
Deferred tax in the Income Statement	**(0.5)**	**(0.1)**	**(0.6)**	0.3	0.1	0.4

Tax Relating to Items (Charged)/Credited to the Statement of Comprehensive Income

	52 weeks ended 30 March 2019 £m	52 weeks ended 31 March 2018 £m
Deferred tax:		
Valuation gains on financial assets and liabilities	**–**	0.2
Net actuarial (gains)/losses on pension scheme	**(0.8)**	0.8
Total tax (charged)/credited in the Statement of Comprehensive Income	**(0.8)**	1.0

Tax Relating to Items Charged Directly to Equity

	52 weeks ended 30 March 2019 £m	52 weeks ended 31 March 2018 £m
Deferred tax:		
Increase in deferred tax liability due to indexation	**0.1**	0.3
Share-based payments	**(0.1)**	0.2
Deferred tax depreciation	**–**	(0.1)
Current tax:		
Share-based payments	**–**	(0.1)
Total tax charged to equity	**–**	0.3

6. Earnings Per Share

	52 weeks ended 30 March 2019 £m			52 weeks ended 31 March 2018 £m		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit attributable to equity shareholders	**15.4**	**3.9**	**19.3**	29.9	5.9	35.8
Separately disclosed items net of tax	**13.9**	**1.3**	**15.2**	(1.1)	–	(1.1)
Adjusted earnings attributable to equity shareholders	**29.3**	**5.2**	**34.5**	28.8	5.9	34.7

	Number	Number
Weighted average share capital	**54,957,000**	55,169,000
Dilutive outstanding options and share awards	**389,000**	344,000
Diluted weighted average share capital	**55,346,000**	55,513,000

40p 'A' and 'C' ordinary share	**Pence**	**Pence**	**Pence**	Pence	**Pence**	Pence
Basic earnings per share	**28.02**	**7.10**	**35.12**	54.20	10.69	64.89
Diluted earnings per share	**27.82**	**7.05**	**34.87**	53.86	10.63	64.49
Adjusted earnings per share	**53.31**	**9.47**	**62.78**	52.20	10.70	62.90
Diluted adjusted earnings per share	**52.94**	**9.40**	**62.34**	51.88	10.63	62.51

4p 'B' ordinary share	**Pence**	**Pence**	**Pence**	Pence	Pence	Pence
Basic earnings per share	**2.80**	**0.71**	**3.51**	5.42	1.07	6.49
Diluted earnings per share	**2.78**	**0.71**	**3.49**	5.39	1.06	6.45
Adjusted earnings per share	**5.33**	**0.95**	**6.28**	5.22	1.07	6.29
Diluted adjusted earnings per share	**5.29**	**0.94**	**6.23**	5.19	1.06	6.25

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 2,027,034 (2018: 1,815,668).

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 separately disclosed items and on the same weighted average ordinary share capital as for the basic and diluted earnings per share. Adjusted earnings per share measures have been included as the Directors consider that these measures better reflect the underlying earnings of the Group.

7. Dividends

	52 weeks ended 30 March 2019 £m	52 weeks ended 31 March 2018 £m
Declared and paid during the year		
Equity dividends on ordinary shares:		
Final dividend for 2018: 12.00p (2017: 11.55p)	**6.6**	6.4
Interim dividend for 2019: 7.80p (2018: 7.55p)	**4.3**	4.1
Equity dividends paid	**10.9**	10.5
Dividends on cumulative preference shares (note 4)	**0.1**	0.1
Declared and paid after the year:		
Second interim dividend for 2019: 8.00p (2018: nil)	**4.4**	–
Proposed for approval at the Annual General Meeting:		
Final dividend for 2019: 4.35p (2018: 12.00p)*	**2.4**	6.6

* The final dividend proposed for 2019 takes into account the level of interim dividends already paid during the year, which includes a second interim dividend. The Directors do not intend to pay a second interim dividend in the next financial year.

The pence figures above are for the 40p 'A' ordinary shares and 40p '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.

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8. Property, Plant and Equipment

Group	Land & buildings £m	Plant, machinery & vehicles £m	Containers, fixtures & fittings £m	Total £m
Cost				
At 1 April 2017	516.9	40.4	152.8	710.1
Additions	7.9	3.4	14.6	25.9
Acquisitions (note 9)	4.3	–	–	4.3
Disposals	(0.7)	(0.8)	(6.7)	(8.2)
At 31 March 2018	528.4	43.0	160.7	732.1
Additions	12.5	4.1	17.3	33.9
Acquisitions (note 9)	20.6	–	–	20.6
Disposals	(2.5)	(0.2)	(3.6)	(6.3)
Derecognition of assets	–	–	(1.9)	(1.9)
Transfer to asset held for sale	(25.0)	(40.7)	(15.9)	(81.6)
At 30 March 2019	**534.0**	**6.2**	**156.6**	**696.8**
Depreciation and impairment				
At 1 April 2017	34.1	25.3	93.2	152.6
Provided during the year	4.3	2.2	14.4	20.9
Disposals	(0.7)	(0.8)	(6.7)	(8.2)
Impairment loss net of reversals	2.7	–	–	2.7
At 31 March 2018	40.4	26.7	100.9	168.0
Provided during the year – continuing operations	3.6	0.5	14.4	18.5
Provided during the year – discontinued operations	0.4	1.9	1.0	3.3
Disposals	(0.1)	(0.1)	(3.1)	(3.3)
Impairment loss net of reversals	(0.7)	–	1.9	1.2
Derecognition of assets	–	–	(0.9)	(0.9)
Transfer to asset held for sale	(3.9)	(27.7)	(11.1)	(42.7)
At 30 March 2019	**39.7**	**1.3**	**103.1**	**144.1**
Net book value at 30 March 2019	**494.3**	**4.9**	**53.5**	**552.7**
Net book value at 31 March 2018	488.0	16.3	59.8	564.1
Net book value at 1 April 2017	482.8	15.1	59.6	557.5

9. Business Combinations

On the 6th June 2018, the Company acquired 100% of the shares of Bel & The Dragon, a business incorporated in the UK and consisting of six premium pubs. A further four pubs were bought and treated as a business combination as they were operating as a business at the point the Company acquired them. Both these transactions have been accounted for by the purchase method of accounting.

On the 20th June 2018, the Company purchased the remaining 24% of the shares in The Stable Pizza & Cider Limited for £1.7 million and on the 7th July 2018, the remaining 49% of the shares in Nectar Imports Limited were purchased for £2.0 million. Both companies are now 100% owned.

	Bel & The Dragon 2019	Pubs 2019
Number of pubs/restaurants purchased	6	4

	Book Value £m	Fair value adjustments £m	Bel & The Dragon 2019 £m	Pubs 2019 £m
Property, plant and equipment	11.2	9.4	20.6	3.5
Current assets	0.8	-	0.8	-
Current liabilities	(2.4)	-	(2.4)	-
Deferred tax	(0.4)	(1.6)	(2.0)	-
Borrowings	(6.0)	-	(6.0)	-
Cash and cash equivalents	0.3	-	0.3	-
Net assets acquired	3.5	7.8	11.3	3.5
Goodwill			1.8	-
Consideration			13.1	3.5
Cash consideration paid	-	-	13.1	3.3
Cash deposit paid in prior year	-	-	-	0.2
Total consideration	-	-	13.1	3.5

Net outflow of cash		
Cash consideration paid	13.1	3.3
Repayment of third party loans on acquisition	6.0	-
Repayment of liability arising on acquisition	0.1	-
Cash and cash equivalents acquired	(0.3)	-
Net cash outflow in respect of purchase of businesses	18.9	3.3

If It is not practical to identify the revenue and profit on an annualised basis as the months for which the businesses have been owned are not representative of the annualised figures, and pre- acquisition trading results are not indicative of the trading expected going forwards. Pro-forma results have therefore not been included.

10. Assets Classified as Held For Sale and Discontinued Operations

	Group 2019 £m	Group 2018 £m
Assets held for sale at the start of the year	**2.1**	5.9
Assets disposed of during the year	**(2.1)**	(4.6)
Reversal of impairment on assets held for sale	**–**	0.8
Disposal of Fuller's Beer Business	**57.0**	–
Net assets held for sale at the end of the year	**57.0**	2.1

On the 25th January 2019 the Group entered into an agreement for the sale of its entire beer business to Asahi Europe Ltd ("AEL"), a wholly owned subsidiary of Asahi Group Holdings, Ltd ("Asahi"), for an enterprise value of £250.0 million on a debt free basis plus any cash left in the business. The disposal of the Fuller's Beer Company completed on the 27th April 2019, subsequent to the end of the reporting period.

The business being sold comprises the entirety of Fuller's beer, cider and soft drinks brewing and production, wine wholesaling, as well as the distribution thereof, and also includes the Griffin Brewery, Cornish Orchards, Dark Star Brewing and Nectar Imports (referred to as the "Fuller's Beer Business"). Accordingly those divisions are reported as discontinued operations in the 2019 financial statements.

Under the terms of the sale, AEL will acquire the brands of the beer business (including "London Pride") and will receive the benefit of a licence, on a perpetual, global, exclusive and royalty-free basis, to use certain trade marks (including the "Fuller's" name, logo and cartouche) for the provision of beverages. Ownership of the licensed trademarks will be retained by Fuller's.

At the balance sheet date, the sale was deemed to be probable within 12 months from the reporting date, and the disposal of the Fuller's Beer Company will signal a departure from a major line of business in which the Group previously operated. In accordance with IFRS 5, this business has been treated as an asset held for sale and the results of the Fuller's Beer Company are reported as discontinued operations.

The net assets of this business as at 30 March 2019, which have been presented gross on the Group balance sheet, are shown below:

	Group The Fuller's Beer Company 2019 £m
Non-current assets	
Intangible assets	**11.7**
Property plant and equipment	**38.9**
Other financial assets	**0.1**
Total non-current assets	**50.7**
Current assets	
Inventories	**12.7**
Cash and short term deposits	**5.3**
Trade and other receivables	**18.3**
Total current assets	**36.3**
Total assets	**87.0**
Current liabilities	
Trade and other payables	**(28.0)**
Total current liabilities	**(28.0)**
Non-current liabilities	
Other non-current payables	**(0.2)**
Deferred tax liabilities	**(1.8)**
Total non-current liabilities	**(2.0)**
Total liabilities	**(30.0)**
Net assets	**57.0**

11. Cash, Borrowings and Net Debt

Analysis of Net Debt

Group	At 31 March 2018 £m	Cash flows £m	Non-cash[1] £m	**At 30 March 2019 £m**
Cash and cash equivalents				
Cash and short-term deposits	11.7	(0.7)	–	**11.0**
	11.7	(0.7)	–	**11.0**
Debt				
Bank loans[2]	(185.9)	(42.3)	(0.3)	**(228.5)**
Other loans	(0.2)	–	-	**(0.2)**
Debenture stock	(25.9)	–	–	**(25.9)**
Preference shares	(1.6)	–	–	**(1.6)**
	(213.6)	(42.3)	(0.3)	**(256.2)**
Net debt	(201.9)	(43.0)	(0.3)	**(245.2)**

1 Non-cash movements relate to the amortisation of arrangement fees.

2 Bank loans net of arrangement fees.

Group	At 1 April 2017 £m	Cash flows £m	Non-cash[1] £m	At 31 March 2018 £m
Cash and cash equivalents				
Cash and short-term deposits	15.3	(3.6)	–	11.7
	15.3	(3.6)	–	11.7
Debt				
Bank loans[2]	(193.7)	8.0	(0.2)	(185.9)
Other loans	(0.2)	–	–	(0.2)
Debenture stock	(25.9)	–	–	(25.9)
Preference shares	(1.6)	–	–	(1.6)
	(221.4)	8.0	(0.2)	(213.6)
Net debt	(206.1)	4.4	(0.2)	(201.9)

1 Non-cash movements relate to the amortisation of arrangement fees.

2 Bank loans net of arrangement fees.

12. Pensions

Total amounts included in the Balance Sheet arising from the Group's pension obligations in respect of its defined benefit retirement plan are:

	2019 £m	2018 £m
Fair value of Scheme assets	**111.9**	109.5
Present value of Scheme liabilities	**(148.3)**	(142.0)
Deficit in the Scheme	**(36.4)**	(32.5)

	Defined benefit obligation		Fair value of Scheme assets		Net defined benefit (deficit)	
	2019 £m	2018 £m	**2019 £m**	2018 £m	**2019 £m**	2018 £m
Balance at beginning of the year	**(142.0)**	(149.3)	**109.5**	111.4	**(32.5)**	(37.9)
Included in profit and loss						
Current service cost	**–**	–	**–**	–	**–**	–
Net interest cost	**(3.6)**	(3.8)	**2.8**	2.8	**(0.8)**	(1.0)
	(3.6)	(3.8)	**2.8**	2.8	**(0.8)**	(1.0)
Included in Other Comprehensive Income						
Actuarial gains/(losses) relating to:						
Actual return less expected return on Scheme assets	**–**	–	**2.6**	(0.9)	**2.6**	(0.9)
Experience gains/(losses) arising on Scheme liabilities	**(7.6)**	5.3	**–**	–	**(7.6)**	5.3
	(7.6)	5.3	**2.6**	(0.9)	**(5.0)**	4.4
Other						
Employer contributions	**–**	–	**–**	–	**–**	–
Employer special contributions	**–**	–	**2.2**	2.0	**2.2**	2.0
Employee contributions	**–**	–	**–**	–	**–**	–
Benefits paid	**5.2**	5.8	**(5.2)**	(5.8)	**–**	–
GMP Equalisation	**(0.3)**	–	**–**	–	**(0.3)**	–
	4.9	5.8	**(3.0)**	(3.8)	**1.9**	2.0
Balance at end of the year	**(148.3)**	(142.0)	**111.9**	109.5	**(36.4)**	(32.5)

Key assumptions

The key assumptions used in the 2019 valuation of the Scheme are set out below:

Key financial assumptions used in the valuation of the Scheme	**2019**	2018
Rate of increase in pensions in payment	**3.30%**	3.20%
Discount rate	**2.40%**	2.60%
Inflation assumption – RPI	**3.35%**	3.20%
Inflation assumption – CPI	**2.35%**	2.20%

Mortality assumptions	**2019 Years**	2018 Years
Current pensioners (at 65) – males	**22.0**	21.9
Current pensioners (at 65) – females	**23.9**	23.9
Future pensioners (at 65) – males	**23.4**	23.3
Future pensioners (at 65) – females	**25.5**	25.4

12. Pensions continued

Assets in the Scheme	2019 £m	2018 £m
Corporate bonds	**27.4**	21.9
UK equities	**21.3**	23.9
Overseas equities	**22.3**	24.8
Alternatives	**36.5**	34.3
Cash	**0.8**	1.2
Annuities	**3.6**	3.4
Total market value of assets	**111.9**	109.5

13. Post Balance Sheet Event

The disposal of the Fuller's Beer Company completed on 27th April 2019, subsequent to the end of the reporting period (see note 10). The proceeds of the sale, expected to be approximately £205 million after relevant adjustments including transaction and reorganisation costs, will allow Fuller's to make a return of capital to shareholders, make a voluntary contribution to the pension scheme, reinvest in the existing pubs and hotels business to drive growth and invest in carefully selected acquisition opportunities as they arise.