PROPOSED SALE OF FULLER'S BEER BUSINESS AND TRADING UPDATE

25 January 2019



SUMMARY: Proposed sale of Fuller's Beer Business to Asahi Europe Ltd ("AEL")



- Substantial premium to the value attributable to the Company had the business remained under Fuller's ownership
- Sale of Fuller's Beer Business for an enterprise value of £250 million (representing a multiple of 23.6x EBITDA (of £10.6 million for the 52 weeks ending 31 March 2018)*
- Fuller's will form a strategic alliance with Asahi
- A return of proceeds between £55 million to £69 million is expected to be distributed to Ordinary Shareholders
- Transaction is conditional on two inter-conditional Ordinary Shareholder resolutions and other conditions
- Fuller's to focus on pubs and hotels, which is the core of the business and contributes 87% of Fuller's operating profits (excl. unallocated costs)*

The Fuller's Beer Company



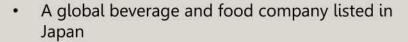






- All Fuller's beer, cider, wine and soft drinks and other drinks assets
- Includes the Griffin Brewery, Cornish Orchards, Dark Star Brewing and Nectar Imports
- Portfolio of iconic premium beers and ciders and a variety of cask and craft keg beers
- Core brands include London Pride, Frontier and Cornish Orchards
- Products sold across the UK and exported to over 80 countries internationally



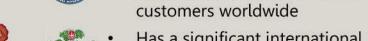






An unrivalled portfolio of iconic premium beers including Asahi Super Dry, Peroni, Pilsner Urquell, Grolsch and Meantime

Aims to bring the best quality beer to its







Has a significant international presence servicing customers in almost 80 countries through its operations

^{*} Historical financials sourced from Fuller's Reported Accounts.

ONGOING RELATIONSHIP & TRANSITION: A strategic alliance, with a shared culture of brewing excellence



Continued Relationship

- Strengthening of the existing relationship with AEL a key supplier of high quality premium beers to Fuller's pubs and hotels business
- Continued supply of existing Fuller's beer brands and access to a wider portfolio of Asahi beers
- AEL will receive the benefit of a license, on a perpetual, global, exclusive and royalty-free basis, to use certain trade marks for the provision of beverages in connection with the Fuller's Beer Business

How this will work

- Fuller's will support AEL during the transition period
- A corporate reorganisation of some of the Fuller's Beer Business into a new entity, The Fuller's Beer Company Ltd
- TSA will govern the provision of services for a transitional period post Completion
- Majority of employees will remain, however subject to the outcome of legally required consultation processes, certain employees may not have a role with AEL
- All liabilities relating to Fuller's Pension Scheme would be retained by Fuller, Smith & Turner P.L.C.

TIMELINE & PROCEEDS: Completion expected first half of 2019



Approval Timeline

- Transaction is conditional on (among other things)
 Ordinary Shareholder and A Ordinary Shareholder approval
- Class 1 Circular to be issued in due course
- Completion expected in the first half of 2019

Use of Proceeds

- Net proceeds of approximately £205 million, after taking into account adjustments and after estimated transaction, reorganisation and separation costs
- A return of proceeds between £55 million to £69 million to Ordinary Shareholders, representing £1.00 £1.25 per A and C Ordinary Share and £0.10 £0.125 per B Ordinary Share
- Fuller's Board is evaluating the optimal way to distribute this return to Ordinary Shareholders
- Fuller's intends to use some of the net proceeds to make a contribution to Fuller, Smith & Turner P.L.C Pension Scheme
- Remaining funds will be used to grow and further develop Fuller's premium pubs and hotels business

FULLER'S: What does the premium pubs and hotels business look like today?



- The pubs and hotels business is the core part of Fuller's business generating 87% of the Group's operating profit (for the 52 weeks ending 31 March 2018 and excluding unallocated costs)*
- A high quality asset base underpinned by freehold sites that comprise 88%* of the managed estate
- The estate comprises 203 managed pubs and 183 tenanted pubs focused on the south of England, with a focus on delivering memorable customer experiences through outstanding service and hospitality
- The Fuller's premium pub estate stretches from Brighton to Birmingham and from Bristol to the Greenwich Peninsula, including 173 locations within the M25
- The hotels includes 789 beautiful boutique bedrooms





^{*} Historical financials sourced from Fuller's Reported Accounts.





- Enhanced focus on the fast-growing and successful pubs and hotels business
- Investing in and developing the higher margin part of the business
- Further strengthening of the balance sheet that enables Fuller's to pursue attractive investment opportunities, including M&A, focussing on areas in the south of England which enhance Fuller's premium offering
- Fuller's will continue its successful strategy of ensuring its estate remains stylish, high quality and relevant to today's discerning customer





FULLER'S: Trading update for the 42 weeks to 19 January 2019



- The Company has delivered a very strong performance since it last reported
- Managed Pubs and Hotels saw like for like sales rising 5.6% in the last 10 weeks
- Like for like sales in Managed Pubs and Hotels have risen 4.7%,
- Like for like profits in Tenanted Inns have risen 2%
- Total beer and cider volumes in The Fuller's Beer Company have remained level







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