



26 July 2023

**MARSTON'S PLC**  
**("Marston's" or "the Group")**

**Trading update for the 42 weeks to 22 July 2023**

Marston's PLC issues the following trading update for the 42 weeks to 22 July 2023.

**Trading**

All sales comparisons are compared to the same period in FY2022.

Like-for-like sales for the 42-week period were +10.7% vs FY2022. Both drink sales and food sales have been strong, demonstrating the steadfast trading resilience of our predominantly community pub estate.

Like-for-like sales in the 16 weeks to 22 July 2023 were +10.9% vs FY2022, reflecting the warmer weather in June, which enabled us to maximise the return on investment in our outdoor trading areas undertaken ahead of the summer months.

Total retail sales in the Group's managed and franchised pubs for the 42-week period were +12.0% on last year.

The level of customer demand continues to be good, demonstrating that the positive experiences our guests have in our pubs is important and continues to drive demand.

As we set out in the Interim Results, we trialled rolling out the franchise-style model in 13 of our food-led managed pubs to complement the 717 wet-led pubs currently operated under this model. We are very pleased with the result of the trial, with sales growth exceeding our broader food business. As a consequence, we expect to grow the number of food-led partnerships to over 50 pubs in FY2024.

**Outlook**

**Cash and debt**

Dividends from CMBC are expected to be £11.0 million in H2 of FY2023.

Reducing net debt, excluding IFRS 16 lease liabilities, to below £1 billion continues to be a key focus of the Group's financial strategy and our progress is in line with expectations. We anticipate that net debt, excluding IFRS 16 lease liabilities, will have reduced by £50-£60 million at the end of FY2023. We expect the same level of debt reduction in FY2024.

**Costs**

As a consequence of pursuing the operational strategy of simplifying the business and driving efficiencies, together with a more positive outlook on input costs in FY2024, we anticipate being well-placed to navigate any consumer headwinds. We believe pubs remain an affordable treat and have consistently proved resilient to pressures on the consumer in previous economic downturns.

Looking forward, the Group will continue to invest in the future growth of the business and remains well-positioned to deliver positive trading from its community pubs across the UK.

Andrew Andrea, CEO, commented:

***“Marston’s has delivered another strong trading performance, validating the strategy we are implementing and demonstrating the appeal of our pubs. We are making good progress and are beginning to see the benefits of the actions we have taken in H1, simplifying our trading formats and repositioning our pub portfolio, as well as the investments we have made in our pub gardens and outside trading areas.***

***“In addition, we are encouraged by the success of the trial extending the partnership model into our food-led pubs. The trial has been positive and we will extend this model to over 50 food-led pubs in FY2024. Marston’s pioneered the operator managed agreement in 2009, which now operates in over 700 wet-led pubs, and we are pleased to lead the evolution of this format and are excited about its future growth potential for our business.***

***“We remain focused on delivering on our debt reduction strategy and continue to make good progress in that regard. Whilst macro-economic challenges persist for the time being, we remain encouraged by the Group’s trading resilience and that the pub remains an affordable treat for our guests. An improving cost outlook, together with the actions we are taking to maximise efficiencies, leaves Marston’s well-placed to navigate through ongoing economic headwinds”.***

## **Forthcoming Events**

Please find below the forthcoming reporting dates for Marston’s, which are also available on the investor calendar on our website - <https://www.marstonpubs.co.uk/investors/>

Year-end trading statement	11 October 2023
2023 Preliminary results	5 December 2023

## **ENQUIRIES:**

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Matthew Smallwood  
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## **NOTES TO EDITORS**

- Marston’s is a leading pub operator with a 40% holding in Carlsberg Marston’s Brewing Company
- It operates an estate of 1,433 pubs situated nationally, comprising managed, franchised and leased pubs
- Marston’s employs around 11,000 people