YOUNG & CO.'S BREWERY, P.L.C.

PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 28 MARCH 2016

	2016 £m	2015 £m	% change
Revenue	**245.9**	227.0	+8.3
Adjusted operating profit(1)	**41.0**	37.4	+9.6
Operating profit(2)	**38.9**	41.5	-6.3
Adjusted profit before tax(1)	**35.4**	32.0	+10.6
Profit before tax(2)	**33.3**	36.1	-7.8
Adjusted basic earnings per share(1)	**57.20p**	50.62p	+13.0
Basic earnings per share(2)	**55.76p**	55.17p	+1.1
Dividend per share (interim and recommended final)	**17.45p**	16.46p	+6.0
Net assets per share(3)	**£9.37**	£8.40	+11.5

All of the results above are from continuing operations.

(1) Reference to an "adjusted" item means that item has been adjusted to exclude exceptional items (see notes 3 and 4).
(2) 2015 benefitted from a non-cash exceptional profit of £4.1m relating to a favourable property revaluation.
(3) Net assets per share are the group's net assets divided by the shares in issue at the period end.

PERFORMANCE HIGHLIGHTS

- Another highly successful year, with double digit growth in adjusted profit before tax reflecting premium positioning of our estate and strong operational performance;

- Revenue up 8.3% to £245.9 million and adjusted operating profit up 9.6% to £41.0 million;

  - Managed houses: total revenue up 8.7%, and up 5.6% like-for-like, third consecutive year of like-for-like growth in excess of 5%; adjusted operating profit up 6.4% to £53.3 million;

  - Further growth in our hotels business with accommodation sales up 11.6% at £10.4 million, reflecting further strong improvement in RevPAR;

- Ram Pub Company (tenanted business): revenues up 1.6% and up 1.0% like-for-like; operating profit up 4.7% to £4.5 million reflecting improved operating efficiency;

- Investment of £45.1 million, including eight new managed houses and upgrades to our existing estate and hotel developments;

- Investments funded largely by record cash generation; operating cash flow up 19.4% to £60.4 million and year-end net debt of £130.2 million, representing a conservative 2.2 multiple of EBITDA;

- Proposed 6.0% increase in final dividend to 9.07 pence, resulting in a total dividend of 17.45 pence (2015: 16.46 pence); 19th consecutive year of dividend growth;

- Positive trading since the period end; managed house revenue in first seven weeks of current financial year up 8.1% in total, and 5.3% like-for-like;

- Patrick Dardis to succeed Stephen Goodyear as Chief Executive with effect from July, as previously announced; Stephen Goodyear will remain on the Board as a Non-Executive Director.

Stephen Goodyear, Chief Executive of Young's, commented:

"This has been yet another excellent year for Young's, with strong like-for-like revenue performance once again, converting into a double-digit increase in underlying profits, and record cash generation which has enabled a continued high level of investment in our estate. In turn, this has translated into healthy returns to shareholders with the proposed final dividend making nineteen unbroken years of dividend growth.

Trading in the current year has started well and, in the months ahead, we will benefit from recent acquisitions including two since the year-end, and from summer events such as the Queen's 90th birthday celebrations and the European football championships. We are well positioned at the premium end of the market, have the financial resources to invest in further growth, and are therefore well set for another successful year.

After thirteen years of doing so, this is the last time that I will be reporting on our results as Chief Executive. Young's is a wonderful company, not least because of the energy and enthusiasm of our people throughout the business. No-one exemplifies these qualities better than Patrick Dardis, who has been an integral part of our success in recent years. I have every confidence that we will continue to thrive under his leadership."

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PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 28 MARCH 2016

This has been another highly successful year for Young's. Total revenue grew by 8.3%, as our core managed estate continued to thrive. Profit before tax was £33.3 million and once adjusted to exclude exceptional items increased by 10.6% on last year to £35.4 million. Importantly, as it demonstrates the strength of our underlying business, we have extended our record of strong like-for-like performances in our managed estate, this year generating growth of 5.6%.

Adjusted basic earnings per share increased by 13.0% to 57.20 pence and over the past five years has more than doubled.

ESTABLISHED, EXPANDING, HIGHLY CONSISTENT

Our estate comprises 251 pubs, breaking through the 250 milestone for the first time. Of these, our managed division runs over two thirds, 171 pubs (including 22 hotels), whilst 80 are run under our tenanted division, the Ram Pub Company. We have added eight new pubs this year, all within our managed house division. Our strong performance is the result of good execution of our strategy, recent investments in our existing estate and through carefully selected acquisitions which complement and enhance our proposition.

Over recent years we have delivered consistently robust growth from our existing estate. This is the result of effective operating disciplines, the dedication of our teams across the business and a number of transformative developments, including the expansion of our premium hotel offer. Over the past year we have invested £44.5 million on acquisitions and in our existing estate.

In the first half of the year we opened three pubs acquired in earlier years following refurbishments: the Bull and Gate (Kentish Town), the Nine Elms Tavern and the Trafalgar Arms (Tooting). Also, in the first half we acquired the Canonbury (Islington) and the Grocer (Spitalfields Market), whilst in the second half we opened the Guard House (Woolwich Arsenal) and the Leman Street Tavern (Aldgate), and in late February, we acquired the historic Old Brewery (Greenwich), set within the grounds of the Old Royal Naval College. This charming and characterful building features an extensive outdoor terrace and is in an excellent location; the perfect spot for a refreshing summer drink and a bite to eat. The majority of these pubs can be found in north or east London, areas we have targeted in order to increase our customer reach. We have continued to expand in the new financial year. We have purchased the Woolpack (Bermondsey) and exchanged contracts on the Blue Boar (Chipping Norton), our second Cotswolds pub.

FINANCIAL STRENGTH, PREDOMINANTLY FREEHOLD, PROGRESSIVE DIVIDEND POLICY

The group has again generated strong cash flow which has funded the majority of this year's acquisitions and investments. Operating cash flow was up 19.4% to £60.4 million and net debt increased slightly to £130.2 million, representing a 2.2 multiple of adjusted EBITDA. We remain well placed to continue our expansion strategy with long term debt facilities of £175 million in place, repayable between 2018 and 2023 and of which 76.8% is on fixed interest rates.

Our balance sheet is underpinned by our portfolio of freehold property which is predominantly in London. The value of this property has increased to £665.8 million (2015: £617.3 million). Our estate provides the firm foundations for future growth as we continue to expand our reach, taking our premium offer to a wider customer base whilst aiming to make our pubs the first choice for discerning customers.

Our commitment to generating shareholder value is unequivocal, combined with strong cash flow and record earnings this enables us to once more recommend increasing the final dividend, for the nineteenth year in succession. This time, we are increasing the final dividend by 6.0% to 9.07 pence, resulting in a total dividend for the year of 17.45 pence (2015: 16.46 pence). If approved, this is expected to be paid on 7 July 2016 to shareholders on the register at the close of business on 10 June 2016.

MANAGED HOUSES

Our managed estate comprises 131 Young's pubs (including 22 hotels) and 40 Geronimo pubs. These pubs are designed to be community-led, well-invested with market leading products and high levels of customer service.

The successful implementation of this strategy has resulted in a prolonged period of growth. In the past five years our managed house like-for-like performance has been consistently impressive at 6.0%, 4.6%, 6.7%, 6.5% and, this year, 5.6%. We met the challenge of last year's tough comparative trading results and embraced the excitement generated from the Rugby World Cup, held in our London heartland last autumn. Our highly motivated team delivered revenue and profit growth. Total revenue was up 8.7%, underpinned by the like-for-like performance, and adjusted operating profit grew by 6.4% to £53.3 million.

REVENUE AND PROFITS

We achieved like-for-like revenue growth across our three main product categories, with drink (5.2%), food (6.5%) and accommodation (8.0%) all performing well.

During the first half, the drinks category performed well despite some tough comparatives, while mild but wet weather in the second half was balanced by both the Rugby World Cup and excellent Christmas trading. Draught beer sales are on an upward trend, with sales up 7.5%, driven almost evenly between volume, price and mix. Our high-end estate provides the perfect setting for our premium product portfolio and we enjoy the challenge of constantly refreshing our offer while still harbouring old favourites such as Young's Bitter and Young's Special. Following the success of Young's London Stout we are delighted to have launched Young's London IPA, an authentic English IPA with a new world twist.

Wine sales have performed strongly. The trend to sparkling is not showing any signs of going flat with sales up over 25% for the third year in a row. Building on this solid base, we consolidated a number of suppliers. In partnership with Berkmann Wine Cellars we have created a truly special and premium wine offer for Young's and Geronimo, including many exclusive private labels. This new handpicked list will provide plenty of variety for our customers to discover and explore and will complement our ever growing food offer. We have recently completed a comprehensive training programme across our pubs to launch this exciting new range of world class wines.

Spirits have become very popular over recent years, with gin in particular selling well, up 76.3% over the last two years. We are now harnessing this trend with the introduction of a number of small craft whisky producers from Kyoto to New York to appeal to a new, curious whisky drinker. 130 whisky tasting experiences were held with our customers in our pubs from January to March, driving whisky sales up 10.2% year-on-year.

Food remains an essential part of our business and sales this year have grown by 8.8%. This growth has been the result of our successful food strategy and recent investments to increase our pubs' emphasis on food, which has in turn increased drink sales. Our food strategy remains focused on freshly prepared, seasonal British pub food, serving best-in-class classics and the ultimate Sunday roasts. We are, however, mindful that food trends are ever evolving and that, in order to stay ahead of the competition, innovation has to be a key part of our approach. This year we opened six 'BurgerShacks' within our pubs and in April 2016 we transformed our Firestables pub into the BurgerShack & Bar. This standalone site, in the heart of Wimbledon Village, features an enlarged menu and provides a stepping stone for extending this brand. We have also created a standalone website for the brand, www.burgershack.co.uk. Our maiden BurgerShack, at the Windmill (Clapham), was the proud winner of the Top 50 Gastro Pubs Innovation Award.

Integral to this success is our chefs' ability to create and deliver high quality food to our customers. We have expanded our Chef Academy to ensure we continue to retain, recruit and train highly skilled chefs and to combat the ongoing competition for this same talent. Those enrolled undertake a series of master classes, hosted by our in-house qualified team, to gain accreditation at intermediate (NVQ level 2 in professional cookery) and advanced (NVQ level 3 in hospitality management) levels. These courses are engaging, promote recipe creativity and give staff the right ingredients to succeed.

We are delighted that the quality of our managed food operation was recognised by our peers at the 25th anniversary of the Publican Awards, where we were judged to have the Best Food Offer in the 51+ sites category.

Our burgeoning hotel business, comprising 475 bedrooms, of which 229 (48%) are of boutique standard, surpassed the £10 million mark for accommodation sales for the first time this year, up 11.6% on last year. During the past year, we have upgraded another 54 rooms, spread across the Lamb Inn (Hindon), Red Lion (Radlett) and the Crown (Chertsey). These boutique rooms command an average room rate of £98.91 compared with £63.44 for our classic rooms. We also benefitted from the first full year of trade from the hotel operations at the Bell (Stow on the Wold), the Fox and Anchor (Smithfield Market), and the Lamb Inn. In total, RevPAR was up by 5.6% to £60.01 benefiting from a £3.48 improvement in room rate.

We value customer feedback and use a variety of internal and external sources to gauge our performance. The Windmill was ranked in the Top 25 Best Hotels in UK in the TripAdvisor Awards 2016 based on hotel guest comments, a fantastic achievement which only adds to our growing reputation for providing excellence.

Young's managed revenue growth was 10.5% in absolute terms and 7.7% on a like-for-like basis, another very strong performance. Our smaller Geronimo estate grew by 3.2%, with the shortfall from the loss of the Tin Goose (Heathrow Terminal 1) in October of the prior year being offset by four new pubs as well as the full year benefit of the Fellow (King's Cross) and Owl and Pussycat (Shoreditch).

Adjusted operating profit in managed houses grew by 6.4% to £53.3 million but there was a small deterioration in operating margin to 22.9% (2015: 23.4%). This margin decline is due to the increasing prominence and quality of our food offer which has higher labour costs attached, short term operational expenses during the initial bedding in phase for new openings and acquisitions and the increased depreciation charges given recent investment. There has been no dilution in like-for-like operating margin.

INVESTMENT

During the course of the year we invested £41.9 million in our managed estate.

We invested £25.4 million in Young's pubs, with the acquisition of the Canonbury (Islington) and the Old Brewery (Greenwich). We also opened the much anticipated Bull and Gate (Kentish Town) and the Nine Elms Tavern. Major development work was carried out at the Albion (City of London), Dirty Dicks (City of London), Duke of Cambridge (Battersea), Founder's Arms (Southwark), Grange (Ealing), Lock Keeper (Keynsham), Old Ship (Richmond), Penny Black (Leatherhead), Swan (Walton-on-Thames), Weyside (Guildford) and the Wood House (Dulwich). The Bull (Streatham) was built in 1768 and its transformational redevelopment has added style and finesse while still retaining elements of its proud history.

Our hotels benefitted from £3.5 million of investment as we upgraded rooms and bar space at the Bear Inn (Esher), Bell at Stow (Stow on the Wold), Brewers Inn (Wandsworth), Bulls Head (Chislehurst) and the Lamb Inn (Hindon). Just after the year-end we added an extra 12 bedrooms at the Hand & Spear (Weybridge) which completed its transformation from pub to hotel, offering customers a comfortable stay within 45 minutes of London Waterloo.

A further £13.0 million was invested in the Geronimo estate, including the purchase of the Grocer (Spitalfields) and the Leman Street Tavern (Aldgate). The Trafalgar (Tooting) and the Guard House (Woolwich) served their first pints following their recent redevelopments. Major projects were also completed at the Castle (Islington), Crown (Bow), Kings Arms (Chelsea), Northcote (Battersea), Owl and Pussycat (Shoreditch) and Prince Albert (Battersea). At the Clarence (Whitehall) we have created the new "Tin Belly" dining room named after its nearby neighbours; the Blues and Royals. The "Tin Belly" offers the ideal place to gather the troops and feast on a right royal dinner.

CUSTOMER ENGAGEMENT

As our discerning customers' demands evolve we remain focused on ensuring the offer we provide meets or exceeds their expectations. This involves ensuring that we have an interesting and wide ranging food and drink portfolio, that our pubs have comfortable and stylish interiors and, increasingly, the quality and the convenience of the service we offer.

The clever use of technology is vital in attracting trade and meeting customers' needs. The vast majority of our pubs now have responsive websites allowing our customers to find their favourite pubs, view menus and book a table all from their preferred digital device. Our e-marketing platform's database has exceeded 1,000,000 for the first time, and we have targeted our customers with over 30,000,000 emails over the last 12 months. This is amplified by the sophisticated use of social media which provides an important marketing platform to communicate with thousands of our customers on a regular and targeted basis. We now have over 500,000 followers across our social media profiles.

As part of our "you stay there while we look after you" proposition, tablets are now installed in over half of our pubs and typically account for over 16.5% of our trade, with some pubs experiencing sales via tablet in excess of 50% of total trade. The Leman Street Tavern became our first pub to open entirely based around tablet service, with no floor tills installed. Faster payments are important for our customers' experience and they are increasingly and efficiently facilitated through contactless cards.

While technology plays an increasingly important role throughout our estate, it is the people that run our pubs and the vital part that they play in their local communities that is what makes us stand out. Our teams across the business are dedicated to ensuring that we are continually developing new ideas to engage with, communicate with, meet and harness the aspirations of our communities and customers alike.

RAM PUB COMPANY

The success of the Ram Pub Company is, as ever, based on our ability to forge close partnerships with our tenants, and we continually strive to provide them with better support year after year. We have established a diverse and evolving product range designed to exceed our customers' expectations. The long-term success of the Ram Pub Company is based on the tenants themselves being able to benefit from a reliable and sustainable income. Our experienced team provide practical business advice, sophisticated marketing and property expertise to all our partners where needed. This long-term approach has further improved the fortunes of this division in recent years.

REVENUE AND PROFITS

The Ram Pub Company has 80 pubs and accounts for 5.2% of our group revenue (2015: 5.5%) and 7.8% of group adjusted operating profit at outlet level (2015: 7.9%). At the start of the year we transferred the Lord Palmerston (Tufnell Park) from Geronimo and at the end of the year transferred the Rose and Crown (Farnborough) from our Young's managed houses. These replaced the New Town (Sutton), which was sold in July, and the Sekforde Arms (Clerkenwell), where we terminated our lease in August. This continual estate management has helped fulfil our strategic objective to improve the quality of our tenanted estate.

Revenue grew by 1.0% on a like-for-like basis and 1.6% in total. This growth was mostly driven by increased barrelage and changes in mix to more premium products, with price increases kept to a minimum. Operating efficiencies, largely through better buying, have improved margins. The increased revenue and improved margin has resulted in the division's adjusted operating profit rising by 4.7% to £4.5 million and by 2.1% on a like-for-like basis.

INVESTMENT

We invested £2.6 million in our tenanted business, with major developments at the Bristol Ram, Calthorpe Arms (Bloomsbury), Fountain Inn (Plumpton Green), Grey Horse (Kingston), Old Inn (Congresbury), Railway Telegraph (Thornton Heath) and the Waggon & Horses (Surbiton). The Rose and Crown transferred from Young's managed on the penultimate day of the year following a major refurbishment.

TENANT ENGAGEMENT

The Ram Pub Company operates a portfolio of traditional tenancy agreements designed to attract and harness the entrepreneurial flair of today's business partners. Our tenants pay a competitive, market rent, whilst benefitting from only limited responsibility for repairs and decoration to the pub. The Ram Pub Company provides agreements with plenty of choice, marketing and operational support as well as financial backing for trade-building initiatives. The Ram Pub Company also grants some leases instead of tenancies. In these cases the lessee assumes responsibility for all repairs and decorations to the pub. These leases can be for terms up to 20 years.

We are beginning to enjoy the benefits of last year's re-branding and new website, www.rampubcompany.co.uk, and are continuing to roll-out a package of distinctive signage. This captures the essence of the division, with the strapline "Everyone's local".

PROPERTY, TREASURY, RETIREMENT BENEFITS, EXCEPTIONAL ITEMS AND TAX

PROPERTY

At the year-end, in common with recent years, CBRE, an independent and leading commercial property and real estate services adviser, revalued 20% of our estate, with the remaining 80% revalued internally. The internal review was led by Andrew Cox, MRICS, our Director of Property and Tenancies. It used updated trading results together with management's knowledge of each pub. This approach is in accordance with International Financial Reporting Standards ("IFRS") and is common with other listed pub groups.

The total estate is now valued at £665.8 million, a net upward revaluation of £23.3 million, which is the result of increasing demand for pubs in our London and south east heartland. In accordance with IFRS, individual movements in value, totalling £23.8 million (2015: £23.1 million), are reflected in the revaluation reserve in the balance sheet unless the valuation is below historic cost, in which case it is accounted for through the income statement. This year's movement in the income statement classified as an exceptional charge totalled £0.5 million (2015: £4.2 million credit). All these adjustments are non-cash items.

TREASURY

Once more this has been a year of record cash generation of £60.4 million, which has enabled us to invest £45.1 million in the business. Net debt increased by £1.2 million to £130.2 million but all of our important treasury measures have improved: gearing fell to 28.6% (2015: 31.7%), net debt to EBITDA is 2.2 times (2015: 2.5 times) and interest is covered 7.7 times (2015: 7.2 times) by adjusted operating profit. We have long term debt facilities of £175 million with the Royal Bank of Scotland and Barclays, repayable between 2018 and 2023. All this provides us with the necessary financial firepower to invest as and when attractive opportunities become available. Given these committed facilities, our freehold-backed balance sheet and the conservative financial ratios above, we have prepared these financial statements on a going concern basis.

We have interest rate swaps in place to provide some protection from adverse movements in interest rates. In February we entered into a new £20 million swap, and as a consequence we now have interest rates fixed on £100 million of our £130.2 million net debt. These swaps, together with the bank's margin and other costs, result in a blended cost of fixed interest debt of just below 4.5%. These swaps have maturities that match the underlying liabilities and have been designated as cash flow hedges for accounting purposes.

RETIREMENT BENEFITS

The deficit on our defined benefit pension scheme has reduced by £6.8 million to £6.3 million. This scheme was closed to new entrants in 2003, and also provides certain post-retirement medical cover. Gross liabilities fell by £10.7 million to £118.1 million, benefitting from both lower inflationary expectations and higher long-dated corporate bond yields. Our actuary uses these yields to determine the rate at which our liabilities are discounted. The assets decreased by

£3.9 million to £111.8 million in value, mainly the result of unfavourable returns during this challenging year for investments offsetting the additional contributions made by Young's.

EXCEPTIONAL ITEMS

Last year benefited from a £4.1 million exceptional profit, by contrast, this year we had an exceptional charge of £2.1 million. Most of the movements in exceptional items relate to property revaluations, acquisitions and disposals. This year we also had restructuring costs relating to the reorganisation of the group's head office which were made up largely of severance costs and consultancy fees.

TAX

Our effective corporation tax rate for the year, adjusted for exceptional items, was 21.5% (2015: 23.4%). The corporation tax charge for the year was £6.2 million. The lower effective rate arises from a lower standard rate of UK corporation tax.

CORPORATE AND SOCIAL RESPONSIBILITY

Our pubs play an integral role in their individual neighbourhoods; together we put great emphasis on running sustainable businesses that our communities can be proud of. This is about creating value that benefits not just our shareholders but the wider stakeholder group. This means on a global scale, aggressively reducing our carbon footprint year after year, while on a local one working with charities, making life better for the less advantaged members of our community.

In terms of addressing our environmental impact, our recycling efforts have increased to 5,803 tonnes (2015: 4,481 tonnes) with only 1.4% of waste (2015: 2.0%) going to landfill. Thus, we avoided sending 117,949 cubic metres of waste to landfill, enough to fill over 1,000 double decker buses. All of our managed pubs now use LED lighting; this alone has prevented 1,601 tonnes of $CO2$ emissions being released into the atmosphere. Our Geronimo operation has again been recognised for its commitment to sustainability as it once more received a three star award, the highest available, from the Sustainable Restaurant Association.

Last summer, leading up to the Rugby World Cup 2015, we teamed up with Wooden Spoon, the children's charity of rugby that has helped over 1,000,000 disadvantaged and disabled under 25 year olds. Through various rugby-themed fund raising activities hosted by our pubs and staff, including serving 58,000 pints of specially brewed Wooden Spoon ale and 18 "Players at the Pumps" events, we raised over £130,000 for the charity. These donations are already being put to good effect by Wooden Spoon through both the Premiership Rugby HITZ programme and the Oasis project. The multi award-winning HITZ programme based in South London uses rugby to increase young people's resilience, self-reliance and confidence and gives them the skills to get back into education, apprenticeships and employment. Our staff took an active role in this programme.

SHAREHOLDER RETURNS

The successful execution of our long-established strategy continues to deliver shareholder value through strong revenue and earnings growth which in turn allow us to pay a growing dividend. This year's revenue growth of 8.3%, together with an extra 0.2% points added to our adjusted operating margin, has resulted in an increase in adjusted profit before tax of 10.6%. Earnings per share increased by 1.1% to 55.76 pence and our adjusted EPS was up 13.0% at 57.20 pence.

Our dividend policy is designed to deliver year-on-year growth whilst allowing us to retain sufficient profits in the business to enable us to make the investments on which our long-term record depends. This year we are recommending increasing the final dividend, the nineteenth consecutive rise, by 6.0% to 9.07 pence, resulting, if approved by shareholders, in a total dividend for the year of 17.45 pence (2015: 16.46 pence). The dividend is covered 3.3 times by our adjusted earnings per share.

We believe that together our robust balance sheet and growing profitability provide an excellent platform to continue to expand the business in the years ahead.

OUTLOOK

Managed house revenue in the first seven weeks of the new financial year was up 8.1% in total and up 5.3% on a like-for-like basis. Looking at trading for the last 13 weeks which takes account both of the timing of Easter and of the University Boat Race, and this year's inclement spring, managed house revenue was up 8.0% in total and up 5.1% on a like-for-like basis.

The new financial year will benefit from two recent acquisitions. The Woolpack (Bermondsey), a tenancy, was acquired on the first day of the new financial year and we have exchanged contracts on the Blue Boar (Chipping Norton), which will be added shortly to our managed portfolio. In addition we will enjoy the full year benefit of the eight pubs opened in 2015 along with the momentum of the investments made in the existing estate.

We have embraced the newly introduced National Living Wage and shown commitment to our employees by extending this to everyone over the age of 18. As reported before, we estimate that the additional annual cost of implementing the living wage will be c. £2 million, although our recent head office restructuring and additional consolidation of suppliers has helped mitigate some of this impact.

Europe will be centre stage next month. A good performance from the home nations in football's European Championships may boost demand, but we are too experienced to rely on this. Neither will we judge the outcome of the EU referendum, although it could deliver a strong night of trade on 23 June.

The Queen's 90^{th} birthday, a remarkable milestone, should set London alight with celebrations in June. With pubs having been granted extended hours for three consecutive nights, we are organising parties and preparing a special commemorative brew.

Our trading environment continues to benefit from high employment levels, improving wages, and a period of longer than expected low inflation and interest rates. As a result we remain confident that by remaining resolutely focused on the execution of our long-term strategy, empowering the talent, commitment and passion of our teams across the business, and maintaining our strong financial profile, we are well positioned to deliver an excellent proposition to our customers as well as superior returns for our shareholders.

In July, it will be last orders for me as Chief Executive, but I am delighted that I will be continuing my involvement with Young's as a Non-Executive Director. The energy and enthusiasm of our people has been the driving force behind the success we have achieved over the last decade and there is no one who better exemplifies these qualities than Patrick, who has been an integral part of our success. I have every confidence that Young's will continue to thrive under his leadership.

Stephen Goodyear
Chief Executive
18 May 2016

GROUP INCOME STATEMENT

For the 52 weeks ended 28 March 2016

	Notes	2016 £m	2015 £m
Revenue		**245.9**	227.0
Operating costs before exceptional items		**(204.9)**	(189.6)
Operating profit before exceptional items		**41.0**	37.4
Operating exceptional items	3	**(2.1)**	4.1
Operating profit		**38.9**	41.5
Finance costs		**(5.3)**	(5.2)
Other finance charges		**(0.3)**	(0.2)
Profit before tax		**33.3**	36.1
Taxation	5	**(6.2)**	(9.4)
Profit for the period attributable to shareholders of the parent company		**27.1**	26.7

		Pence	Pence
Earnings per 12.5p ordinary share			
Basic	7	**55.76**	55.17
Diluted	7	**55.73**	55.09

All of the results above are from continuing operations.

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 28 March 2016

	Notes	**2016 £m**	2015 £m
Profit for the period		**27.1**	26.7
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Unrealised gain on revaluation of property	8	**23.8**	19.6
Remeasurement of retirement benefit schemes	9	**4.2**	(9.1)
Tax on above components of other comprehensive income		**0.2**	(0.7)
Items that will be reclassified subsequently to profit or loss:			
Fair value movement of interest rate swaps		**-**	(3.6)
Tax on fair value movement of interest rate swaps		**(0.2)**	0.7
		28.0	6.9
Total comprehensive income for shareholders of the parent company		**55.1**	33.6

All of the results above are from continuing operations.

GROUP BALANCE SHEET

At 28 March 2016

	Notes	**2016 £m**	2015 £m
Non-current assets			
Goodwill		**20.6**	20.9
Property and equipment	8	**665.8**	617.3
Deferred tax assets		**6.2**	7.7
		692.6	645.9
Current assets			
Inventories		**2.6**	2.7
Trade and other receivables		**6.4**	5.5
Cash		**13.2**	0.2
		22.2	8.4
Total assets		**714.8**	654.3
Current liabilities			
Borrowings		**-**	(5.0)
Derivative financial instruments		**(3.1)**	(2.5)
Trade and other payables		**(35.5)**	(29.2)
Income tax payable		**(3.2)**	(4.0)
		(41.8)	(40.7)
Non-current liabilities			
Borrowings		**(143.4)**	(124.2)
Derivative financial instruments		**(9.0)**	(9.5)
Deferred tax liabilities		**(57.4)**	(59.8)
Retirement benefit schemes	9	**(6.3)**	(13.1)
Provisions		**(1.0)**	-
		(217.1)	(206.6)
Total liabilities		**(258.9)**	(247.3)
Net assets		**455.9**	407.0
Capital and reserves			
Share capital		**6.1**	6.1
Share premium		**4.1**	2.7
Capital redemption reserve		**1.8**	1.8
Hedging reserve		**(9.8)**	(9.6)
Revaluation reserve		**234.5**	209.6
Retained earnings		**219.2**	196.4
Total equity		**455.9**	407.0

GROUP STATEMENT OF CASH FLOW

For the 52 weeks ended 28 March 2016

	Notes	**2016** **£m**	2015 £m
Operating activities			
Net cash generated from operations	10	**60.4**	50.6
Tax paid		**(7.8)**	(7.1)
Net cash flow from operating activities		**52.6**	43.5
Investing activities			
Sale of property and equipment		**3.6**	3.3
Purchases of property and equipment	8	**(41.6)**	(32.4)
Business combinations, net of cash acquired	8	**(3.5)**	(18.5)
Net cash used in investing activities		**(41.5)**	(47.6)
Financing activities			
Interest paid		**(4.4)**	(4.9)
Issued equity		**0.5**	-
Equity dividends paid	6	**(8.2)**	(7.7)
Increase in borrowings		**19.0**	9.5
(Decrease)/increase in short term borrowings		**(5.0)**	5.0
Net cash flow used in financing activities		**1.9**	1.9
Increase/(decrease) in cash		**13.0**	(2.2)
Cash at the beginning of the period		**0.2**	2.4
Cash at the end of the period		**13.2**	0.2

Analysis of net debt

	£m	£m
Cash	**13.2**	0.2
Current borrowings - bank overdraft	**-**	(5.0)
Non-current borrowings - loan capital and finance lease	**(143.4)**	(124.2)
Net debt	**(130.2)**	(129.0)

GROUP STATEMENT OF CHANGES IN EQUITY

At 28 March 2016

	Notes	Share capital [1] £m	Capital Redemption Reserve £m	Hedging Reserve £m	Revaluation Reserve £m	Retained Earnings £m	Total Equity £m
At 31 March 2014		**7.7**	**1.8**	**(6.7)**	**193.1**	**183.8**	**379.7**
Total comprehensive income							
Profit for the period		-	-	-	-	26.7	26.7
Other comprehensive income							
Unrealised gain on revaluation of property	8	-	-	-	19.6	-	19.6
Remeasurement of retirement benefit schemes	9	-	-	-	-	(9.1)	(9.1)
Fair value movement of interest rate swaps		-	-	(3.6)	-	-	(3.6)
Tax on above components of other comprehensive income		-	-	0.7	(2.5)	1.8	-
		-	-	(2.9)	17.1	(7.3)	6.9
Total comprehensive income		-	-	(2.9)	17.1	19.4	33.6
Share capital issued		1.1	-	-	-	-	1.1
Dividends paid on equity shares		-	-	-	-	(7.7)	(7.7)
Revaluation reserve realised on disposal of properties		-	-	-	(0.6)	0.6	-
Share based payments		-	-	-	-	0.2	0.2
Tax on share based payments		-	-	-	-	0.1	0.1
		1.1	-	-	(0.6)	(6.8)	(6.3)
At 30 March 2015		**8.8**	**1.8**	**(9.6)**	**209.6**	**196.4**	**407.0**
Total comprehensive income							
Profit for the period		-	-	-	-	27.1	27.1
Other comprehensive income							
Unrealised gain on revaluation of property	8	-	-	-	23.8	-	23.8
Remeasurement of retirement benefit schemes	9	-	-	-	-	4.2	4.2
Fair value movement of interest rate swaps		-	-	-	-	-	-
Tax on above components of other comprehensive income		-	-	(0.2)	1.6	(1.4)	-
		-	-	(0.2)	25.4	2.8	28.0
Total comprehensive income		-	-	(0.2)	25.4	29.9	55.1
Share capital issued		1.4	-	-	-	-	1.4
Dividends paid on equity shares		-	-	-	-	(8.2)	(8.2)
Revaluation reserve realised on disposal of properties		-	-	-	(0.5)	0.5	-
Share based payments		-	-	-	-	0.5	0.5
Tax on share based payments		-	-	-	-	0.1	0.1
		1.4	-	-	(0.5)	(7.1)	(6.2)
At 28 March 2016		**10.2**	**1.8**	**(9.8)**	**234.5**	**219.2**	**455.9**

[1] Total share capital comprises the share capital issued and fully paid of £6.1 million (2015: £6.1 million) and the share premium account of £4.1 million (2015: £2.7 million). Share capital issued in the period comprises the nominal value of £0.0 million (2015: £0.1 million) and share premium of £1.4 million (2015: £1.0 million).

NOTES TO THE FINANCIAL STATEMENTS

1. Accounts

This preliminary announcement was approved by the board on 18 May 2016. The financial statements in it are not the group's statutory financial statements. The statutory financial statements for the period ended 30 March 2015 have been delivered to the Registrar of Companies. The auditor has reported on those financial statements (and on the statutory financial statements for the period ended 28 March 2016, which are expected to be delivered to the Registrar of Companies shortly). Both audit reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the reports and did not contain any statement under s.498(2) or (3) of the Companies Act 2006.

The current period and prior period relate to the 52 weeks ended 28 March 2016 and 30 March 2015 respectively. The financial statements are presented in pounds sterling and all values are rounded to the nearest hundred thousand (£0.1m) except where otherwise indicated.

This preliminary announcement has been agreed with the company's auditor for release.

The audited financial information in this statement has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. The accounting policies used have been consistently applied and are described in full in the statutory financial statements for the period ended 28 March 2016, which are expected to be mailed to shareholders on or before 8 June 2016. The financial statements will also be available on the group's website, www.youngs.co.uk.

2. Segmental reporting

The group is organised into the reporting segments referred to below. These segments are based on the different resources and risks involved in the running of the group. The executive board of the group internally reviews each reporting segment's operating profit or loss before exceptional items for the purpose of deciding on the allocation of resources and assessing performance.

The group has three operating segments: Young's managed houses, Geronimo managed houses and the Ram Pub Company. Both Young's and Geronimo managed houses operate pubs. Revenue is derived from sales of drink, food and the provision of accommodation. Due to common economic characteristics, similar product offerings and customers, the Young's managed houses and Geronimo managed houses operating segments have been reported below as a single reportable segment, managed houses. The Ram Pub Company consists of pubs owned or leased by the company and leased or sub leased to third parties. Revenue is derived from rents payable by, and sales of drink made to, tenants. Unallocated relates to head office costs.

Total segment revenue is derived externally with no intersegment revenues between the segments in either period. The group's revenue is derived entirely from the UK.

Income statement	**Managed houses**	**Ram Pub Company**	**Segments total**	**Unallocated**	**Total**
2016	**£m**	**£m**	**£m**	**£m**	**£m**
Total segment revenue	**232.9**	**12.7**	**245.6**	**0.3**	**245.9**
Operating profit/(loss) before exceptional items	**53.3**	**4.5**	**57.8**	**(16.8)**	**41.0**
Operating exceptional items	**0.1**	**(1.2)**	**(1.1)**	**(1.0)**	**(2.1)**
Operating profit/(loss)	**53.4**	**3.3**	**56.7**	**(17.8)**	**38.9**
2015	£m	£m	£m	£m	£m
Total segment revenue	214.2	12.5	226.7	0.3	227.0
Operating profit/(loss) before exceptional items	50.1	4.3	54.4	(17.0)	37.4
Operating exceptional items	3.4	0.7	4.1	-	4.1
Operating profit/(loss)	53.5	5.0	58.5	(17.0)	41.5

The following is a reconciliation of the operating profit to the profit before tax:

	2016	2015
	£m	£m
Operating profit	**38.9**	41.5
Finance costs	**(5.3)**	(5.2)
Other finance charges	**(0.3)**	(0.2)
Profit before tax	**33.3**	36.1

3. Exceptional items

	2016 **£m**	2015 £m
Amounts included in operating profit:		
Upward movement on the revaluation of properties[1] (note 8)	**2.8**	6.4
Downward movement on the revaluation of properties[1] (note 8)	**(3.3)**	(2.2)
Acquisition costs[2]	**(0.4)**	(1.0)
Net profit on sale of properties[3]	**0.1**	0.9
Restructuring costs[4]	**(1.0)**	-
Goodwill impairment[5]	**(0.3)**	-
Capital gains tax on ESOP Trust allocated shares[6]	**-**	(0.2)
Pension settlement gain[7]	**-**	0.2
	(2.1)	4.1
Exceptional tax:		
Tax attributable to above adjustments	**(0.6)**	(1.9)
Change in corporation tax rate	**2.0**	-
	1.4	(1.9)
Total exceptional items after tax	**(0.7)**	2.2

(1) The movement on the revaluation of properties is a non-cash item that relates to the revaluation exercise that was completed during the period. The revaluation was conducted at an individual pub level and identified an upward movement of £2.8 million (2015: £6.4 million) representing reversals of previous impairments recognised in the income statement and a downward movement of £3.3 million (2015: £2.2 million) representing downward movements in excess of amounts recognised in equity. These resulted in a net downward movement of £0.5 million (2015: £4.2 million net upward) which has been taken to the income statement. The downward movement for the period ended 28 March 2016 was split between land and buildings of £0.2 million downwards (2015: £4.5 million upward) and fixtures and fittings of £0.3 million downwards (2015: £0.3 million downward).

(2) The acquisition costs relate to the purchases of the Canonbury (Islington) and the Old Brewery (Greenwich). They include legal and professional fees and stamp duty. The prior period acquisition costs related to the purchase of the Bull & Gate (Kentish Town), Fox & Anchor (Smithfield Market) and the White Bear (Kennington).

(3) The profit on sale of properties relates to the difference between the cash, less selling costs, received from the sale or lease termination of the Seven Stars (Brighton), New Town (Sutton) and Sekforde Arms (Clerkenwell) and the carrying value of the assets on the date of sale. In the prior period, sales of properties include the Elephant (City of London), Tin Goose (Heathrow Airport), Tamworth Arms (Croydon) and the Bunch of Grapes (Bradford upon Avon).

(4) Restructuring costs relate to a reorganisation of the group's head office functions. These are largely made up of severance costs and consultancy fees.

(5) The goodwill impairment is a non-cash item and relates to the Lord Palmerston (Tufnell Park) which was transferred out of the Geronimo group of cash generating units (which are pubs under the Geronimo concept) and falls within the Geronimo managed houses segment.

(6) In the prior period, the capital gains tax on ESOP Trust allocated shares relating to shares held within the Ram Brewery Trust II on behalf of the closed profit sharing scheme was recognised within exceptional items. This charge is now reflected within operating costs.

(7) The pension settlement gain, in the prior period, related to members who have left the scheme. There was no such settlement gain in the current period.

4. Other financial measures

The table below shows how adjusted group EBITDA, operating profit and profit before tax has been arrived at. These alternative performance measures have been provided as the board believes that they give useful additional measures of the group's underlying performance. Details of the exceptional items can be seen in note 3. All the results below are from continuing operations.

	2016			2015		
	Unadjusted £m	**Exceptional items £m**	**Adjusted £m**	Unadjusted £m	Exceptional items £m	Adjusted £m
EBITDA	**56.8**	**1.6**	**58.4**	52.1	0.1	52.2
Depreciation and net movement on the revaluation of properties	**(17.9)**	**0.5**	**(17.4)**	(10.6)	(4.2)	(14.8)
Operating profit	**38.9**	**2.1**	**41.0**	41.5	(4.1)	37.4
Net finance costs	**(5.3)**	**-**	**(5.3)**	(5.2)	-	(5.2)
Other finance charges	**(0.3)**	**-**	**(0.3)**	(0.2)	-	(0.2)
Profit before tax	**33.3**	**2.1**	**35.4**	36.1	(4.1)	32.0

5. Taxation

Tax charged in the group income statement	**2016 £m**	2015 £m
Current tax		
Current tax expense	**7.1**	7.6
Adjustment in respect of current tax of prior periods	**(0.1)**	0.3
	7.0	7.9
Deferred tax		
Origination and reversal of temporary differences	**1.9**	1.6
Change in corporation tax rate	**(2.0)**	-
Adjustment in respect of deferred tax of prior periods	**(0.7)**	(0.1)
	(0.8)	1.5
Tax expense	**6.2**	9.4
Deferred tax in the group income statement		
Property revaluation and disposals	**(0.6)**	1.8
Capital allowances	**(0.1)**	(0.3)
Retirement benefit schemes	**0.2**	0.2
Share based payments	**(0.3)**	(0.2)
Tax (credit)/expense	**(0.8)**	1.5
Deferred tax in the group statement of comprehensive income		
Property revaluation and disposals	**2.4**	2.5
Retirement benefit schemes	**0.9**	(1.8)
Interest rate swaps	**-**	(0.7)
Change in corporation tax rate	**(3.3)**	-
Tax expense	**-**	-

Changes to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and then to 18% (effective 1 April 2020), were substantively enacted into law on 26 October 2015. It is not expected that deferred tax balances will be realised or settled between 1 April 2017 and 1 April 2020; therefore the 19% rate has not been applied. Consequently, the deferred tax balances have been remeasured from 20% to 18%.

6. Dividends on equity shares

	2016 Pence	2015 Pence	**2016 £m**	2015 £m
Final dividend (previous period)	**8.56**	8.07	**4.1**	3.9
Interim dividend (current period)	**8.38**	7.90	**4.1**	3.8
	16.94	15.97	**8.2**	7.7

In addition, the Board is proposing a final dividend in respect of the period ended 28 March 2016 of 9.07 pence per share at a cost of £4.4 million. If approved, it is expected to be paid on 7 July 2016 to shareholders who are on the register of members at the close of business on 10 June 2016.

7. Earnings per ordinary share

(a) Earnings	**2016 £m**	2015 £m
Profit attributable to equity shareholders of the parent	**27.1**	26.7
Operating exceptional items	**2.1**	(4.1)
Tax attributable to above adjustments	**0.6**	1.9
Change in corporation tax rate	**(2.0)**	-
Adjusted earnings after tax	**27.8**	24.5

	Number	Number
Basic weighted average number of ordinary shares in issue	**48,598,203**	48,397,275
Dilutive potential ordinary shares from outstanding employee share options	**26,324**	69,303
Diluted weighted average number of shares	**48,624,527**	48,466,578

(b) Basic earnings per share

	Pence	Pence
Basic	**55.76**	55.17
Effect of exceptional items and other adjustments	**1.44**	(4.55)
Adjusted basic	**57.20**	50.62

(c) Diluted earnings per share

	Pence	Pence
Diluted	**55.73**	55.09
Effect of exceptional items and other adjustments	**1.44**	(4.54)
Adjusted diluted	**57.17**	50.55

The basic earnings per share figure is calculated by dividing the profit attributable to equity shareholders of the parent for the period by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share have been calculated on a similar basis taking into account 26,324 (2015: 69,303) dilutive potential shares under the SAYE scheme.

Adjusted earnings per share are presented to eliminate the effect of the exceptional items and the tax attributable to those items on basic and diluted earnings per share.

8. Property and equipment

	Land & buildings £m	Fixtures, fittings & equipment £m	Total £m
Cost or valuation			
At 31 March 2014	562.6	93.4	656.0
Additions	10.7	21.7	32.4
Business combinations	17.0	1.5	18.5
Disposals	(2.0)	(0.1)	(2.1)
Fully depreciated assets	(0.8)	(9.7)	(10.5)
Revaluation(1)			
-effect of upward movement in property valuation	24.9	-	24.9
-effect of downward movement in property valuation	(5.3)	-	(5.3)
At 30 March 2015	607.1	106.8	713.9
Additions	16.6	25.0	41.6
Business combinations	2.3	1.2	3.5
Disposals	(4.2)	(1.5)	(5.7)
Fully depreciated assets	-	(12.7)	(12.7)
Revaluation(1)			
-effect of upward movement in property valuation	29.3	-	29.3
-effect of downward movement in property valuation	(5.5)	-	(5.5)
At 28 March 2016	**645.6**	**118.8**	**764.4**
Depreciation and impairment			
At 31 March 2014	46.8	50.0	96.8
Depreciation charge	2.3	12.5	14.8
Disposals	(0.2)	(0.1)	(0.3)
Fully depreciated assets	(0.8)	(9.7)	(10.5)
Revaluation(1)			
-effect of downward movement in property valuation	1.9	0.3	2.2
-effect of upward movement in property valuation	(6.4)	-	(6.4)
At 30 March 2015	43.6	53.0	96.6
Depreciation charge	2.5	14.9	17.4
Disposals	(0.9)	(1.3)	(2.2)
Fully depreciated assets	-	(12.7)	(12.7)
Transfers	(1.0)	-	(1.0)
Revaluation(1)			
-effect of downward movement in property valuation	3.0	0.3	3.3
-effect of upward movement in property valuation	(2.8)	-	(2.8)
At 28 March 2016	**44.4**	**54.2**	**98.6**
Net book value			
At 31 March 2014	515.8	43.4	559.2
At 30 March 2015	563.5	53.8	617.3
At 28 March 2016	**601.2**	**64.6**	**665.8**

(1) The group's net book value uplift due to revaluation of £23.3 million (2015: £23.8 million) comprises a net upward movement of £23.8 million (2015: £19.6 million) shown in the statements of comprehensive income plus a net downward revaluation of £0.5 million (2015: £4.2 million reversal of downward revaluation) in the income statement.

9. Retirement benefit schemes

Movement in scheme deficits in the period

	2016 Pension scheme £m	**2016 Health care scheme £m**	**2016 Total £m**	2015 Pension scheme £m	2015 Health care scheme £m	2015 Total £m
Changes in the present value of the schemes are as follows:						
Opening deficit	**(8.6)**	**(4.5)**	**(13.1)**	(1.5)	(4.5)	(6.0)
Current service cost	**(0.5)**	**-**	**(0.5)**	(0.6)	-	(0.6)
Settlement gain	**-**	**-**	**-**	0.2	-	0.2
Contributions	**3.1**	**0.3**	**3.4**	2.4	0.2	2.6
Other finance charges	**(0.2)**	**(0.1)**	**(0.3)**	-	(0.2)	(0.2)
Reassessment through other comprehensive income	**4.0**	**0.2**	**4.2**	(9.1)	-	(9.1)
Closing deficit	**(2.2)**	**(4.1)**	**(6.3)**	(8.6)	(4.5)	(13.1)

10. Net cash generated from operations

	2016 £m	2015 £m
Profit before tax on continuing operations	**33.3**	36.1
Net finance cost	**5.3**	5.2
Other finance charges	**0.3**	0.2
Operating profit on continuing operations	**38.9**	41.5
Depreciation	**17.4**	14.8
Movement on revaluation of properties	**0.5**	(4.2)
Net profit on sales of property and associated goodwill	**(0.1)**	(0.9)
Pension scheme settlement gain	**-**	(0.2)
Goodwill impairment	**0.3**	-
Difference between pension service cost and cash contributions paid	**(2.9)**	(2.0)
Share based payments	**0.5**	0.2
Provision for capital gains tax on ESOP Trust allocated shares	**-**	0.2
Movements in working capital		
- Inventories	**-**	(0.1)
- Receivables	**(0.9)**	0.4
- Payables	**6.7**	0.9
Net cash generated from operations	**60.4**	50.6

11. Post balance sheet events

There were no post balance sheet events apart from the acquisition of the Woolpack (Bermondsey). We also exchanged contracts for the acquisition of the Blue Boar (Chipping Norton).