23rd May 2006

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

PRELIMINARY RESULTS FOR THE 52 WEEKS TO 1 APRIL 2006

Financial highlights *(52 weeks for 2006 against 53 weeks for 2005)*

•	Turnover	£123.9 million	Up 3.6%
•	Operating profit before exceptionals	£13.6 million	Down 0.6%
•	Adjusted profit before tax	£10.3 million*	Up 1.8%
•	Profit before tax	£7.6 million	Down 18.3%
•	Adjusted earnings per share	59.65p*	Up 1.8%
•	Basic earnings per share	40.31p	Down 25.3%
•	Dividend per share (interim + recommended final)	24.90p	Up 5.3%
•	Net assets per share	£12.34	Up 3.9%

** Adjusted to exclude exceptional items*

Operational highlights

- Strong retail performance, with managed pub turnover up 3.2% and profit up 6.5%, helped by food sales up 10.0%;

- Young's Bitter increases volumes by 0.6% against a market decline and becomes UK's ninth largest standard ale brand (AC Neilsen);

- Despite total beer volumes increasing by 0.6%, wholesale profit decline underlines the difficulties of scale and operating the current brewery site;

- Conclusion of review announced today (see separate announcement):

  – Young's creates new UK force in brewing with formation of Wells & Young's Brewing Company with Charles Wells; and

  – confirms decision and advanced discussions regarding the sale of brewery and Buckhold Road sites.

Stephen Goodyear, Chief Executive, commented:

"We have produced a resilient performance, particularly in retail, in a year of considerable change, which included new licensing laws, our transfer to AIM as well as the uncertainty surrounding our future brewing operations.

"Our retail business performance has started well, although we are only a short way into the new financial year. Sales in the seven weeks to 20 May are up 10.7%, with strong like for like growth.

"After a period of considerable uncertainty, we are pleased to be bringing the process to a successful conclusion. We look forward to the future with great enthusiasm and confidence."

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Young & Co.'s Brewery, P.L.C.

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Photographs are available from Hogarth on request.

PRELIMINARY RESULTS
FOR THE 52 WEEKS TO 1 APRIL 2006

Operational review

Young's produced a resilient performance in a year of considerable change, which included new licensing laws, our transfer to AIM as well as the uncertainty surrounding our future brewing operations, as we entered the final stages of our brewery site review.

Turnover was up 3.6% at £123.9 million. Adjusted profit before tax was £10.3 million and adjusted earnings per share were 59.65p both up 1.8%. The financials and trading reported today are negatively impacted by comparing 52 weeks for this year against 53 weeks in 2005. The exceptional costs associated with the review and related transactions in the year, together with the one-off costs of the move to AIM, employment related matters and other property costs, amounted to £2.6 million. This resulted in profit before tax after exceptional items of £7.6 million, a decrease of 18.3%.

The continued improvement in underlying performance has led the Board to decide to pay an increased final dividend, up 5.3% to 12.90p, making the total for the year of 24.90p, up 5.3% on 2005. The final dividend will be paid on 13 July 2006 to shareholders on the register on 16 June 2006.

Since the year end, the Board has concluded its review of the future options for the Ram Brewery site and ongoing brewing alternatives. The outcome of this review is announced today (see separate release) and will result in the merger of all Young's brewing activities with the brewing assets and beer brands of Charles Wells Ltd. This new brewing company will be called the Wells & Young's Brewing Company Ltd. The resolution of Young's future brewing operations should facilitate the Board's ability to finalise a sale of the Ram Brewery and its site in Buckhold Road. The Board is in advanced discussions with a potential developer with respect to the disposal of the Wandsworth sites, however, there is no certainty that these current discussions will result in a transaction.

Retail

A strong retail performance, in what was a very challenging year for the industry, highlighted the quality of our retail estate and the benefits of remaining focused on combining great pubs with high service standards, excellent food and market leading drinks.

Retail turnover and profits were up 3.0% and 6.4% respectively and 4.5% and 4.3% on a like for like basis, despite cost pressures once more from minimum wage, utilities, rates and the costs arising from applying for new licences and the inevitable administrative burden of this new system. Nonetheless these new licensing laws, with sensible later opening hours, have had a positive impact on trade.

The Retail business comprised 208 pubs and inns at the year end, of which 164 are freehold. This is split between 112 managed and 96 tenanted houses.

Managed houses

The managed houses showed an increase in turnover of 3.2%, while profit was up by 6.5%. Like for like turnover and operating profit were up by 4.6% and 4.7% respectively.

The major drive on food, with sales up 10.0%, and improved margins on both liquor and food have helped to offset the increased costs referred to earlier. We have targeted training and are introducing independent assessments of the performances of our pubs. Our objective is to maintain our unique culture of excellent service standards.

A total of £10.8 million has been invested in the managed estate on both new and existing sites. We have acquired three riverside sites at Vauxhall, Fulham and Battersea on 999 year leases at peppercorn rents. The Battersea site will be completed post year end. The total investment for these three sites is likely to be £9.6 million of which £3.8 million was made during the year under review. These sites called Riverside in Vauxhall, Waterside in Fulham and Waterfront in Battersea should open in June, September and October respectively. When these developments have been completed Young's Thames side estate will start at the Swan in Walton on Thames and stretch to the Founder's Arms by the Millennium Bridge, taking in a total of 13 managed and tenanted pubs.

£3.3 million was invested on major refurbishments within our existing estate. Our investment approach is very individual and tailored to the catchment area and customer demographics of the pub. Our dual approach is either to preserve the timeless, traditional values of the pub, as demonstrated by refurbishments at the Victoria in Surbiton, the Nightingale in Balham and the Spread Eagle in Camden; alternatively we seek to introduce more dramatic changes in format with a more contemporary style to attract new customers and re-invigorate sales, as we have done in sites such as the Queen Adelaide in Wandsworth, the Bear in Oxshott, the Duke on the Green (formerly Duke of Cumberland) in Fulham, the Britannia in Kensington and the Orange Tree in Richmond.

In recent years, all development activity has included investment in covered, well lit and comfortable outside areas as we prepared for the effects of the outright ban on smoking. We have been planning for a ban for the last two years and support the clarity that the total ban on smoking will bring. Whilst there may be some initial downside, the medium to long term affects will, we believe, be positive for Youngs.

The year under review also saw the start of a four year refurbishment project on our 12 inns. We invested £0.9 million refurbishing 19% of our 326 bedrooms, as well as a complete refurbishment of the ground floor areas of the Bridge in Greenford. RevPAR (average room rate multiplied by occupancy) was £37.98, a 0.6% increase on last year.

Our ongoing review of the overall estate has resulted in four transfers from tenanted to managed houses; the Grove in Balham, the Coopers Arms in Chelsea, the Clock House in Peckham and in the last week of the financial year the Alma in Wandsworth. We will also take back the Ship in Wandsworth and the Duke of Cambridge in Battersea in the first half of the new year. In each case we have paid or are contracted to pay compensation to the outgoing tenant and these have been treated as exceptional operating items in the current year due to their scale. We believe this investment will be paid back within four years.

The Rattlebone in Sherston, Wiltshire and the Bell in Staines have been transferred to tenancy and we disposed of our leasehold interest in the Bath Arms during the year, leaving us 112 managed houses and inns and 362 bedrooms at the end of the year.

Tenanted houses

The tenanted houses showed an increase in turnover of 0.1%, with profit up by 5.9%. Like for like turnover and operating profit were up by 2.3% and 4.8% respectively.

During the current year we invested £1.1 million in the estate including three refurbishments at the Bulls Head in Barnes, the Lord Nelson in Sutton and the Kings Arms in Wandsworth and have disposed of our leasehold interest in the Next Door, Oxford, leaving us 96 tenanted houses at the end of the year.

In the new financial year we will be commencing a four year development program covering the entire tenanted estate, with a major investment in outside areas to assist with the no smoking ban and to bring all sites up to standard.

Wholesale

Despite further progress in sales and profits of our wines and spirits division and a 4% increase in beer sales, our wholesale business recorded its smallest profit in six years, highlighting the growing difficulties of limited scale and operating under the inefficiencies and restrictions of the Ram Brewery site.

Beer Company

Our flagship cask ale brand Young's Bitter continued to buck the market decline with growth of 0.6% in the last 12 months. Young's Bitter is now the ninth largest standard ale in the UK (AC Nielsen).

Total beer volumes were also up 0.6% at 179,159 barrels, but production was down 0.8%. Our tied trade volumes accounted for 32.8% of our total own volume and 46.8% of all volumes excluding contract. Free trade volumes were up 4.6%.

The multiple pub groups and brewers saw significant growth of our drive brand Young's Bitter, which increased 11.4% in volume, but once more the continued market decline of Young's Light Ale held back overall volumes, with the sector down 5.5%. As the pub sector continues to consolidate, this route to market becomes increasingly important. The major pub groups now control a large percentage of the market and the trading relations we have with Punch Taverns, M&B and Enterprise Inns are essential as are the recent account wins with Laurel Pub Company.

Take home volumes saw a strong 18.8% increase driven by national listings for Special London Ale and St George's Ale. Special London Ale is firmly established as the UK's number one bottle conditioned ale. We increased listings in all the major multiples, in particular Special London Ale in Tesco, and St George's Ale in Asda. In the independent sector Winter Warmer proved a great success in Threshers as did St George's in Majestic and Waggle Dance in the cash and carry Makro. Young's beers also performed exceptionally well in the expanding Christmas gift market, which gives our brands important exposure.

Wholesale volumes increased by 15.4% and continue to be an essential route to market through National Drinks Distributors where Young's Bitter has achieved National Champion Ale status for the fourth year running and has been given National Core Brand status in WaverleyTBS. Volume increases have been at the expense of margin with increased competition from the major brewers.

Regional free trade saw a steady performance, with a small increase in volume, but like all the other trade channels saw intense margin pressure. Nevertheless we continue to grow quality new business across the south of England and this remains the sector with the highest profit margins.

Export sales declined 5.5%, impacted by the effect of the weak US dollar on our pricing. Our main brand in the US is Double Chocolate Stout, a unique product with a growing reputation. Elsewhere, in Finland and Denmark packaging regulation changes affected our entire portfolio causing major disruption. Meanwhile Russia and the Ukraine are providing new opportunities.

With all the uncertainty surrounding the brewery it is to the credit of our brewers that they are still crafting award winning ales and this year is no exception. The Brewing Industry International Awards competition awarded gold medals for Oatmeal Stout and for cask Ram Rod. We have now won more medals in this competition than any other brewery in the world. In addition we won the Tesco Autumn Challenge for a third time with Young's Ruby Star, a new bottle conditioned beer. We have never been out of the finals since this competition started 10 years ago.

Cockburn & Campbell

Cockburn & Campbell, our wines and spirit business, saw a 3.9% increase in profit. This was the result of a 4.3% increase in sales led by wine sales up 7.8%. Sales to our own retail estate have expanded by 1.8% in value terms with the refurbishments referred to earlier and the increased emphasis on food. Free trade sales were up 10.6%.

We've extended our wine range from France, Italy, New Zealand, South Africa and Chile. The TerraMater range from Chile has proved the greatest success; introduced in spring of last year, its sales are double those of our previous Chilean range. In addition we have introduced a new wine from Bodegas El Coto, named Coto Vintage, aimed specifically at the off-trade. Several listings have been achieved, including Sainsbury's.

Investment and finance

We invested £13.5 million in our business. Retail capital expenditure formed the major part of this total, with £3.8 million invested in the first phase of our new riverside developments; £4.0 million on 12 major refurbishments and £4.1 million on smaller developments. Strong operating cash flow has allowed this to be achieved with only a modest change in net debt to £54.4 million. Gearing at the end of the period was 38.1% and operating profit before exceptional costs covered interest by 3.5 times.

As announced separately today we have entered into an agreement with Charles Wells Ltd to form the Wells & Young's Brewing Company Ltd. ("Wells & Young's"). This business will incorporate Young's brewing activities and wholesale beer, wines and spirits business together with the brewing assets and beer brands of Charles Wells. This merger, together with a subscription for shares by Young's in Wells & Young's at a cost of £10m, will result in Young's holding a 40% stake in Wells & Young's, with Charles Wells Ltd owning the other 60%. Wells & Young's will commence trading on 1 October 2006.

Outlook

Our retail business performance has started well, although we are only a short way into the new financial year. Sales in the seven weeks to 20 May are up 10.7%, with strong like for like growth. Since the period end we have acquired two pubs and are in negotiations on a further five tenancies.

The resolution of our future brewing activities, together with the planned sale of the brewery site, which will unlock a substantial amount of capital over the next few years, will enable us to make a step change in the financial performance of the business.

Through the creation of the Wells & Young's Brewing Company, Young's remains a vertically integrated business, with a significant interest in a modern efficient brewing business with a strong portfolio of growing speciality ales and lager brands. It secures the future of Young's unique beer brands and ensures they will continue to be available in all Young's pubs.

We believe that we have secured the best overall outcome for the business, customers, employees and shareholders. After a period of considerable uncertainty and change, we are pleased to be bringing the process to a successful conclusion. We look forward to the future with great enthusiasm and confidence.

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited profit and loss account
For the 52 weeks ended 1 April 2006

	2006 £000	Restated 2005 £000
Turnover	**123,873**	119,532
Net operating costs before exceptional items	**(110,274)**	(105,856)
Operating profit before exceptional items	**13,599**	13,676
Operating exceptional items	**(2,574)**	(1,114)
Operating profit	**11,025**	12,562
Non-operating exceptional items	**(70)**	362
Profit on ordinary activities before interest	**10,955**	12,924
Net interest charge	**(3,873)**	(3,969)
Other finance income	**527**	364
Profit on ordinary activities before tax	**7,609**	9,319
Tax on profit on ordinary activities	**(2,958)**	(3,135)
Profit attributable to ordinary shareholders	**4,651**	6,184
Ordinary dividends on equity shares	**(2,808)**	(2,671)
Retained profit for the financial period	**1,843**	3,513

	Pence	Pence
Basic earnings per 50p ordinary share	**40.31**	53.98
Exceptional items	**19.34**	4.61
Adjusted earnings per 50p ordinary share	**59.65**	58.59
Diluted basic earnings per 50p ordinary share	**39.33**	52.91

The above results are all in respect of continuing operations of the company.

The comparative figures have been restated for the effects of the adoption of FRS 17 Retirement benefits and FRS 21 Events after the balance sheet date and the recognition of capital gains tax on ESOP allocated shares. The effect of these changes is detailed in note (7).

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited balance sheet
At 1 April 2006

	2006 £000	Restated 2005 £000
Fixed assets		
Tangible fixed assets	**217,526**	212,413
Investments	**42**	42
	217,568	212,455
Current assets and liabilities		
Stocks	**4,193**	4,018
Debtors	**6,839**	6,247
Cash	**-**	1,028
	11,032	11,293
Creditors: amounts falling due within one year		
Short term borrowings	**(283)**	(177)
Other creditors	**(19,261)**	(17,613)
	(19,544)	(17,790)
Net current liabilities	**(8,512)**	(6,497)
Total assets less current liabilities	**209,056**	205,958
Creditors: amounts falling due after more than one year	**(54,140)**	(53,806)
Provisions for liabilities and charges	**(8,122)**	(7,325)
Net assets excluding retirement benefit liability	**146,794**	144,827
Retirement benefit liability	**(4,129)**	(8,436)
Net assets	**142,665**	136,391
Capital and reserves		
Called-up share capital	**6,028**	6,028
Share premium account	**1,296**	1,319
Revaluation reserve	**87,139**	87,139
Capital redemption reserve	**1,808**	1,808
Investment in own shares	**(2,861)**	(3,267)
Profit and loss account	**49,255**	43,364
Equity shareholders' funds	**142,665**	136,391

The comparative figures have been restated for the effects of the adoption of FRS 17 Retirement benefits and FRS 21 Events after the balance sheet date and the recognition of capital gains tax on ESOP allocated shares. The effect of these changes is detailed in note (7).

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited cash flow statement
For the 52 weeks ended 1 April 2006

	2006 £000	2005 £000
Net cash inflow from operating activities	**21,769**	24,705
Interest received	**8**	22
Interest paid	**(4,021)**	(4,340)
Returns on investments and servicing of finance	**(4,013)**	(4,318)
Corporation tax paid	**(3,088)**	(2,983)
Purchases of tangible fixed assets	**(13,451)**	(15,526)
Sales of tangible fixed assets	**123**	4,382
Capital expenditure	**(13,328)**	(11,144)
Equity dividends paid	**(2,808)**	(2,671)
Cash (outflow) / inflow before financing	**(1,468)**	3,589
Increase/(decrease) in loan capital	**362**	(3,183)
Decrease in lease finance	**(16)**	(15)
Employee benefit trust share redemptions	**-**	(368)
Financing	**346**	(3,566)
(Decrease) / increase in cash in period	**(1,122)**	23

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited reconciliation of net cash flow to movement in net debt
For the 52 weeks ended 1 April 2006

	2006 £000	2005 £000
(Decrease) / increase in cash in period	**(1,122)**	23
(Increase)/decrease in debt in period	**(346)**	3,198
(Increase)/decrease in net debt in period	**(1,468)**	3,221
Opening net debt	**(52,955)**	(56,176)
Closing net debt	**(54,423)**	(52,955)

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited statement of total recognised gains and losses
For the 52 weeks ended 1 April 2006

	2006 £000	Restated 2005 £000
Profit for the financial period	**4,651**	6,184
Actuarial gain/(loss) on retirement benefit schemes	**5,750**	(2,656)
Deferred tax on actuarial gain/(loss)	**(1,725)**	797
Total recognised gains for the financial period	**8,676**	4,325
Prior year adjustments	**(4,821)**	-
Total gains recognised since last annual report	**3,855**	4,325

YOUNG & CO.'S BREWERY, P.L.C.
Unaudited reconciliation of movements in shareholders' funds
For the 52 weeks ended 1 April 2006

	2006 £000	Restated 2005 £000
Profit attributable to ordinary shareholders	**4,651**	6,184
Dividends	**(2,808)**	(2,671)
Movement in own shares:		
Employee benefit trust redemptions	**-**	(368)
Employee benefit trust allocations	**406**	677
Actuarial gain/(loss) on retirement benefit schemes, net of deferred tax	**4,025**	(1,859)
Net addition to shareholders' funds	**6,274**	1,963
Opening shareholders' funds, as restated	**136,391**	134,428
Closing shareholders' funds	**142,665**	136,391

The comparative figures have been restated for the effects of the adoption of FRS 17 Retirement benefits and FRS 21 Events after the balance sheet date and the recognition of capital gains tax on ESOP allocated shares. The effect of these changes is detailed in note (7).

Notes to the accounts

(1) Accounts

This preliminary announcement, which was approved by the board on 22 May 2006, has been prepared using the same accounting policies as set out in the previous annual accounts with the exception of the adoption of FRS 17 Retirement benefits and FRS 21 Events after the balance sheet date and the recognition of capital gains tax on ESOP allocated shares. The accounts present information about the company as an individual undertaking.

The above financial information does not amount to full accounts within the meaning of S.240 of the Companies Act 1985. Full accounts for the period ended 2 April 2005 have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain any statement under S.237 of the Companies Act 1985. The auditors' report on the statutory accounts for the period ended 1 April 2006 has yet to be signed.

(2) Operating exceptional costs

	2006 £000	Restated 2005 £000
Transfer of company's share listing to AIM	**386**	-
Site review costs	**335**	485
Lease compensation payments to tenants	**760**	-
Transaction costs	**141**	-
Capital gains tax on ESOP allocated shares	**708**	629
Other employee related matters	**244**	-
	2,574	1,114

(3) Taxation

Corporation tax has been provided on the profits for the 52 weeks to 1 April 2006 at 30% (2005: 30%).

(4) Earnings per share

	2006 £000	Restated 2005 £000
Profit attributable to ordinary shareholders	**4,651**	6,184
Operating exceptional items, after adjusting for tax	**2,157**	1,114
Non-operating exceptional items, after adjusting for tax	**74**	(587)
Adjusted earnings	**6,882**	6,711

Earnings per share are calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue.

The weighted average number of ordinary shares in issue, which excludes the investment in own shares, is 11,536,993 (2005: 11,453,672).

Diluted earnings per ordinary share are calculated by adjusting basic earnings per ordinary share to reflect the notional exercise of the weighted average number of ordinary share options outstanding during the period. The resulting weighted average number of ordinary shares is 11,824,854 (2005: 11,687,302).

An adjusted earnings per share figure is presented to eliminate the effect of the operating and the non-operating exceptional items on basic earnings per share.

(5) Ordinary dividends on equity shares

	2006 Pence	Restated 2005 Pence
Final dividend (previous year)	**12.25**	11.65
Interim dividend (current year)	**12.00**	11.40
	24.25	23.05

The trustee of the Ram Brewery Trust has waived its rights to dividends on shares held within the Ram Brewery Trust General Fund on behalf of the executive share option schemes.

Notes to the accounts continued

(6) Net cash inflow from operating activities

	2006 **£000**	Restated 2005 £000
Operating profit	**11,025**	12,562
Depreciation	**8,145**	8,127
Employee benefit trust share allocations	**406**	677
Provision for capital gains tax on ESOP allocated shares	**708**	629
Movements in working capital		
Stocks	**(175)**	203
Debtors	**(592)**	1,650
Creditors	**2,252**	857
Net cash inflow from operating activities	**21,769**	24,705

(7) Changes in accounting policies

The company has adopted the following accounting standards in the year.

FRS 17 Retirement benefits requires changes to the accounting treatment of defined benefit pension arrangements.
FRS 21 Events after the balance sheet date includes the requirement that dividends be recognised when declared, not when proposed.

In addition, the company is now recognising the capital gains tax liability that may arise on the allocated shares in the Ram Brewery Trust when they are transferred to employees. The liability has been recognised following the clarification of the treatment for tax purposes of certain items related to the Ram Brewery Trust.

Comparative figures have been restated for the effects of these changes. The change in accounting policy has had the following effect on the profit and loss account and balance sheet.

Profit and loss account

	2006 **£000**	2005 £000
FRS 17: Reduction in service cost and finance cost recognised in profit and loss account, net of tax	**342**	358
FRS 21: Reduction in dividend charge in profit and loss account	**84**	59
FRS 17: Actuarial gain/(loss) taken to statement of total recognised gains and losses, net of tax	**4,025**	(1,859)
Capital gains tax on ESOP allocated shares	**(708)**	(629)
Increase/(decrease) in total recognised gains for the financial period	**3,743**	(2,071)

Balance sheet

	2005 £000
Opening shareholders' funds, as previously reported	139,249
Prior year adjustments:	
FRS 17: Retirement benefit liability	(5,184)
FRS 21: Change in dividend accounting policy	1,355
Capital gains tax on ESOP allocated shares	(992)
Opening shareholders' funds, as restated	134,428