

5 February 2015

Enterprise Inns plc
AGM Trading Update

Enterprise Inns plc (ETI) publishes its trading update for the 18 weeks to 31 January 2015, to coincide with its Annual General Meeting to be held at 11.00am today at its registered office.

Trading update

Our trading performance during the first 18 weeks of the financial year has been in line with our expectations, resulting in like-for-like net income growth for our leased and tenanted estate of 0.3%.

We are encouraged that positive like-for-like net income has been delivered despite the more challenging comparatives of last year. Trading over the Christmas period was positive although we have seen a little softening in the volume of beer ordered during January.

Our operating model is tailored to create the right environment for publicans to build successful and sustainable businesses and we remain focused on providing operational initiatives to aid publican profitability. In the first 18 weeks of the new financial year we are pleased to have seen a further reduction in the level of business failures as we have delivered operational support and commercial benefits to our publicans.

Regulatory update

On 18 November 2014 an amendment to the Small Business, Enterprise and Employment Bill was passed in the House of Commons inserting a "market rent only" option which, if finally enacted, would potentially have a significant impact upon aspects of our business as well as the wider pub marketplace. We are working with the industry and Government to ensure that the planned legislation does not lead to unintended consequences, whilst delivering a workable solution for our publicans, ETI and the industry as a whole.

As a direct response to the planned legislation we are reviewing our capital investment plans for the current year. Our previous guidance of capital investment of £70 million for the full year remains unchanged. However, given that the planned regulatory changes may increase the uncertainty of returns from investments made into longer-term agreements, we are diverting an increased proportion of capital investment into similarly attractive opportunities from shorter-term agreements.

At this time, our guidance for disposal proceeds of £60 million for the full year also remains unchanged although the scale of future asset disposals will be subject to further review.

Simon Townsend, Chief Executive Officer, commented:

"We are pleased to have maintained the positive momentum delivered last year into the first 18 weeks of the current financial year and remain focused on continuing this progress.

We continue to believe the tie offers the best operating model for the vast majority of our pubs with our interests closely aligned to those of our publicans. Whilst the planned legislation may require us to evolve our business model over the longer term, until the detail of the legislation is clear and enacted, we remain focused on providing exceptional local support to our publicans to aid their profitability which, in turn, will enhance our performance."

Forthcoming events

Interim results:	12 May 2015
Trading update:	6 August 2015
Preliminary results:	17 November 2015

Enquiries:

Tulchan Communications, Peter Hewer/Jonathan Sibun 0207 353 4200
Simon Townsend, Chief Executive Officer 0121 733 7700
Neil Smith, Chief Financial Officer 0121 733 7700
Emma Greves, Investor Relations Manager 07990 550210

Forward-looking statements

This announcement contains certain statements about the future outlook for ETI. Although we believe our expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.