

## **PRE-CLOSE STATEMENT**

JD Wetherspoon plc ("JD Wetherspoon" or the "Company") announces its pre-close statement prior to the end of the current financial year on 26<sup>th</sup> July 2009.

### **Current Trading**

For the 11 weeks to 12<sup>th</sup> July 2009, like-for-like sales decreased by 0.8%. Total Company sales over the same period increased by 3.1%. Sales in the first 6 weeks of the fourth quarter last financial year benefited from a major marketing campaign offering reductions in prices for bar and food products. Like-for-like sales in the equivalent 6 week period this year decreased by 2.9%. In the remaining 5 weeks, like-for-like sales increased by 2.0%.

In the financial year-to-date (50 weeks to 12<sup>th</sup> July 2009), like-for-like sales increased by 1.2% and overall Company sales increased by 5.2%. This is an encouraging sales performance, both from our existing pubs and new openings.

Costs were lower than anticipated in a number of areas, including energy, labour and marketing. As a consequence we anticipate reporting operating margins (before exceptionals) for the second half of this financial year of at least 10.0%, higher than our earlier expectations.

### **Property**

The financial year so far has seen 33 openings and 2 disposals, with a further 6 openings expected by the year end. As previously announced, pubs opened this year have been at substantially lower costs than in recent years.

### **Financial position**

Free cashflow in the year-to-date has been strong, enabling us to open 39 new pubs and pay a dividend of £10M, while reducing debt by approximately £40M. As a result, the ratio of our financial year end net debt to EBITDA is now expected to be less than 3 times. As we have previously stated, we intend to repay our US\$ Private Placement when it falls due in September 2009.

### **Outlook**

In the light of our sales and margin performance, we are confident about the outlook for the current financial year.

As a result of the performance of our pubs, and the full year effect of pubs opened this year, combined with lower costs in areas such as utilities, the board is optimistic about prospects for the next financial year.