

Punch Taverns PLC

("Punch" or "the Company")

Disposal of 205 pubs to the Petchey Group

Punch Taverns PLC announces the sale of 205 leased and tenanted pubs to Save Investments Limited, a member of the Petchey Group of companies (the founder being Jack Petchey OBE), for a total cash consideration of £98 million. The sale is expected to complete in early January 2006.

The sale follows the proposed acquisition of Spirit Group (announced by Punch on 1 December 2005 and which is scheduled to complete on 5 January 2006) and a review of the enlarged Punch estate to identify specific areas of local concentration.

Giles Thorley, Chief Executive of Punch, commented:

"This disposal further confirms Punch's ability to profitably divest of pubs from its enlarged estate, either on economic or geographic criteria, at attractive prices thereby further enhancing the returns to our shareholders."

19 December 2005

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