

Punch

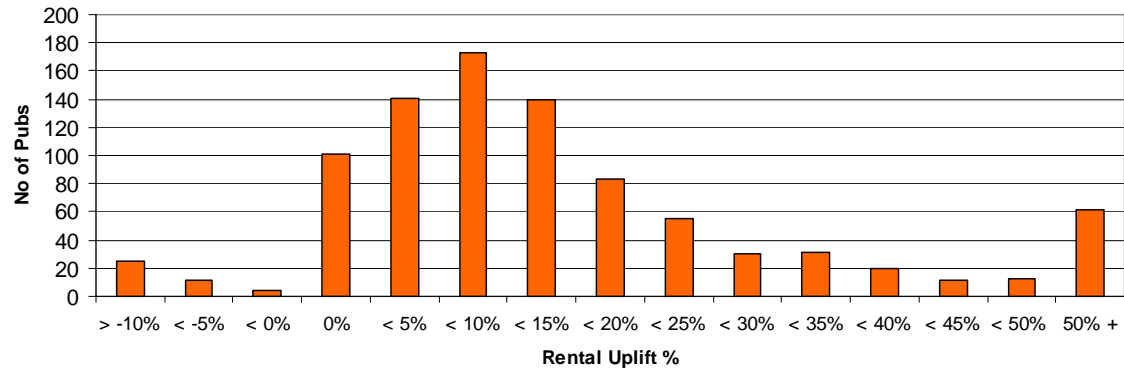
T A V E R N S

Appendices

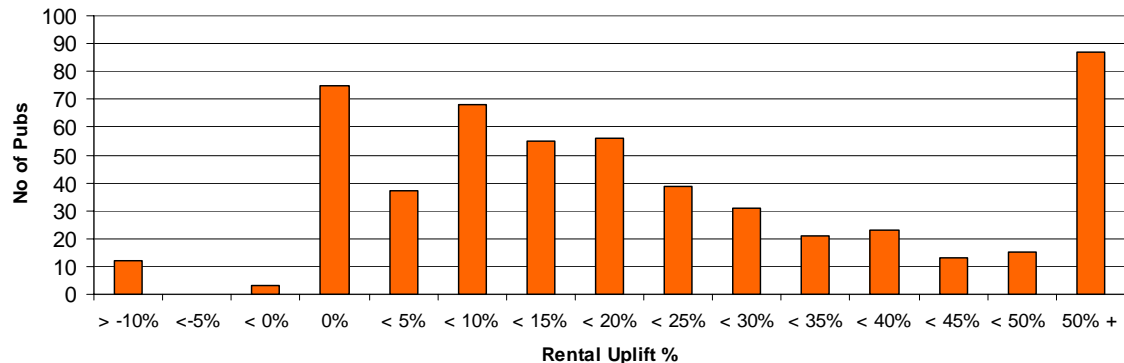
Agreeing Fair Maintainable Rents

- Rent is assessed on the estimated fair maintainable retail profit of the individual pub
- Rent is negotiated and agreed with the retailer
- There are a wide spread of uplifts achieved demonstrating this 'individual' pub approach
- In 2006H1, 231 rent reviews have been agreed at an average uplift of 10%. 214 new rents have been agreed on lease renewal at an average uplift of 21%.
- In exceptional difficulties, rent concessions are granted. At March 2006 there were 207 concessions, with annualised rental value of £3m.

Completed Rent Reviews
2005 & 2006 H1
- Rental uplift achieved



Completed Lease Renewals
2005 & 2006 H1
- Rental uplift achieved



Spirit Acquisition Fair Value

| | £m |
|------------------------------------|--------------|
| Paid : | |
| Headline price | 2,679 |
| Transaction fees | 16 |
| | <u>2,695</u> |
| Acquired : | |
| Property value | 3,035 |
| Liabilities | (263) |
| Mark to market on retained debt | (223) |
| Property : deferred tax | (102) |
| Goodwill | 248 |
| | <u>2,695</u> |
| Acquisition funded by : | |
| Retained debt : Spirit debenture | 1,250 |
| New finance: Term loan facility | 1,250 |
| Convertible | 275 |
| Debt : Equity placing | 75 |
| | <u>2,850</u> |
| Cash available to meet liabilities | (155) |
| | <u>2,695</u> |

- Amounts are provisional and subject to later change
- Fees exclude debt raising costs, which are accounted for as deferred issue costs within interest payable

Spirit Income Statement

| £m | Year to August 2005 | 8 weeks post acquisition |
|---------------------------|------------------------|-----------------------------|
| Drink | 762.5 | 116.9 |
| Food | 382.4 | 59.2 |
| Machines | 54.2 | 8.3 |
| Other | 26.0 | 4.1 |
| Total Sales | 1225.1 | 188.5 |
| Drink | 563.3 | 85.5 |
| Food | 245.6 | 37.8 |
| Machines | 54.2 | 8.3 |
| Other | 26.0 | 4.1 |
| Total Margin | 889.1 | 135.7 |
| Labour Costs | (314.7) | (49.8) |
| Utilities | (31.3) | (7.8) |
| Other pub costs | (138.9) | (21.4) |
| Rent Payable | (63.5) | (10.7) |
| Outlet EBITDA | 340.7 | 46.0 |
| Overheads | (62.8) | (8.9) |
| EBITDA | 277.9 | 37.1 |
| Depreciation/Amortisation | (55.4) | (7.2) |
| EBIT | 222.5 | 29.9 |

- Results for the year to 20th August 2005 cover the acquired estate of 1,830 pubs only and are based on management accounts on a UK GAAP basis

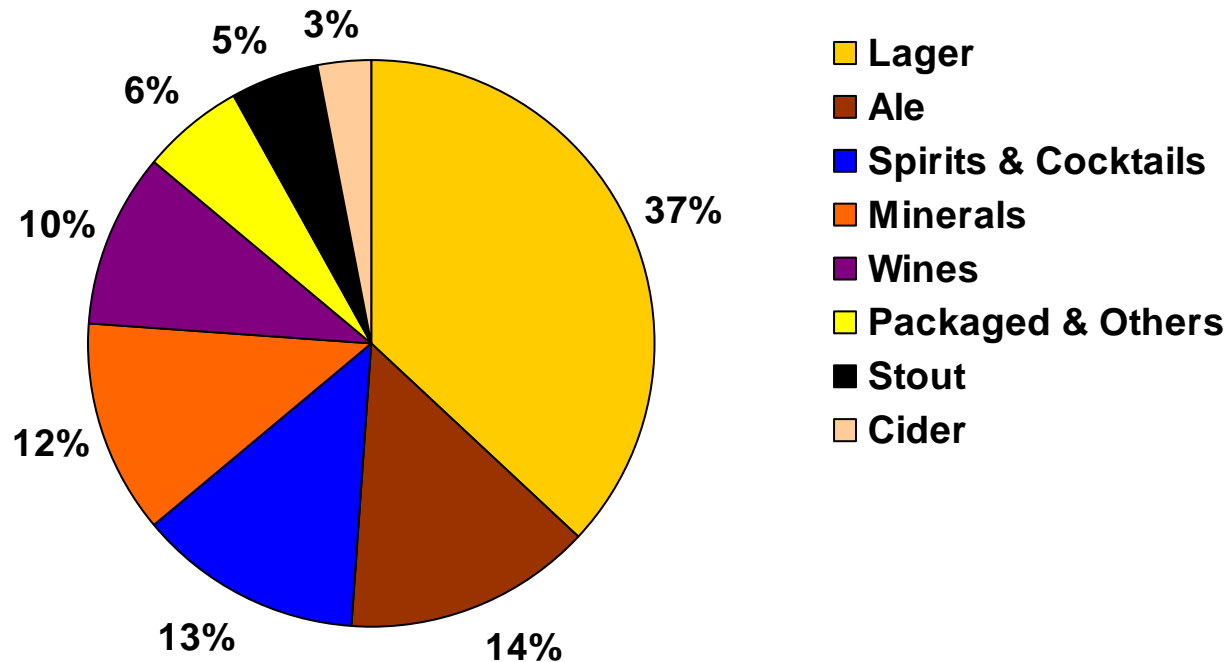
Spirit Estate Segmentation Financial Year 2005

| | Total | Lease Conversion | Disposal | Managed |
|-------------------|--------------|-----------------------------|-----------------|----------------|
| No. of Pubs | 1,830 | 740 | 410 | 680 |
| Net Sales £m | 1,225 | 357 | 321 | 547 |
| Outlet EBITDAR £m | 404 | 114 | 105 | 185 |
| Outlet EBITDA £m | 341 | 100 | 84 | 157 |
| EBITDA £m | 278 | 74 | 70 | 134 |
| EBIT £m | 222 | 59 | 57 | 106 |

Note : Financial year ended 20th August 2005, reported under UK GAAP and extracted from management accounts

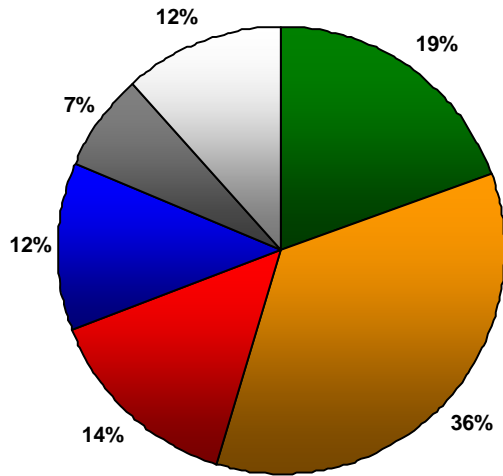
Spirit Drinks Sales Mix

Drink Sales by Category (2006 H1)

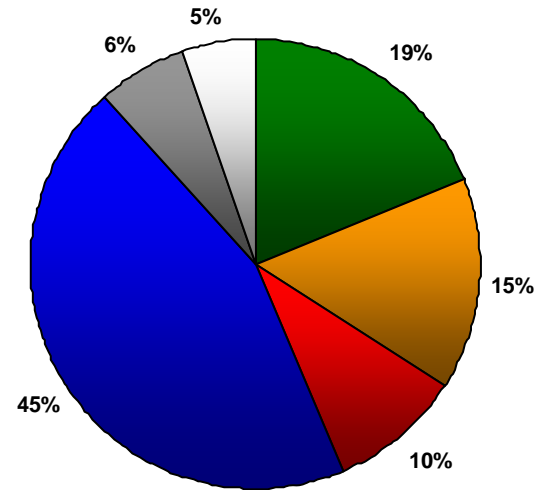


Beer Supply Mix

Punch Leasing



Spirit Managed



■ Carlsberg ■ Coors ■ InBev ■ S&N ■ Diageo ■ Others

Beer mix by supplier (2006 H1)



Celebrating Success



Corporate Awards

Publican Awards

Pub Company of the Year

NITAs

Best Area Manager Development

Innovation in Training

Tommy Awards

Best Kiddies Party Venue

Wacky Warehouse (Spirit)

Employees / Partners

ALMR Operations Managers Awards

BRM of the Year – Dave Daniel

Rising Star – Antony Ringer

NITAs

Professional Trainer of the Year

Daniel Pettigrew

Our Retailers

Publican Awards

Catering Pub of the Year

The Punch Tavern, London

Newcomer of the Year

Three Compasses, Hornsey

Morning Advertiser Awards

Best Bar Team

Plungington Tavern, Preston

Time Out Eating & Drinking Guide

Gastro Pub of the Year

The Gun, London

City Life Awards

Best After Work Bar

The Punch Tavern, London