

8 February 2018

Ei Group plc

AGM trading update for the 18 weeks to 3 February 2018

Growth maintained across all parts of the business, in line with expectations

Ei Group plc (EIG or Group), the largest owner and operator of pubs in the UK, today publishes its scheduled trading update for the 18 weeks to 3 February 2018. This update coincides with the Annual General Meeting of EIG which will be held at 11.00am today at its registered office.

Publican Partnerships

We have made a steady start to the financial year with our leased and tenanted estate reporting like-for-like net income growth of 0.5% in the 18 weeks to 3 February 2018. Whilst market conditions and unhelpful weather have had some impact on our performance this year, we are continuing to make progress with our plans. We continue to invest in our leased and tenanted business in order to both improve estate quality and drive income growth by working closely with our publicans and sharing our growing expertise gained from our managed operations.

Managed Pubs

We have continued to convert selected pubs from our leased and tenanted business to our managed estate, which now comprises 291 pubs, and we expect to convert a further 75-100 pubs to managed during the remainder of the current financial year.

Pubs that have traded as managed pubs throughout both the 18 weeks to 3 February 2018 and the prior comparative period delivered like-for-like sales growth of 6.8%, aided by a particularly strong performance from beer sales.

Commercial Properties

Where appropriate, and in agreement with our publicans, we convert leased and tenanted pubs to free-of-tie agreements on common commercial property terms. We expect to grow the number of such sites from 331 as at 30 September 2017 to between 375 and 400 by September 2018.

Pubs that traded as commercial properties throughout both the 18 weeks to 3 February 2018 and the prior comparative period delivered like-for-like net income growth of 4.6%.

Capital Allocation

On 21 November 2017 the Board approved the return of £20 million to shareholders via a share buyback programme. To date we have purchased and cancelled 6.86 million shares at an average price of 141.9p.

Simon Townsend, Chief Executive Officer, commented:

“The year has started in line with our expectations, with growth being maintained across all three of our operating businesses. Market conditions for pubs are challenging but, despite these headwinds, we remain confident that the execution of our strategic plan is the best route to shareholder value creation and we are on track to deliver our plans for the year as a whole.”

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Forward-looking statements. *Certain statements made in this announcement are forward-looking. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from any expected future events or results referred to in these forward-looking statements. Unless otherwise required by applicable laws, regulations or accounting standards, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.*