

J.D. Wetherspoon Plc

Interim Results

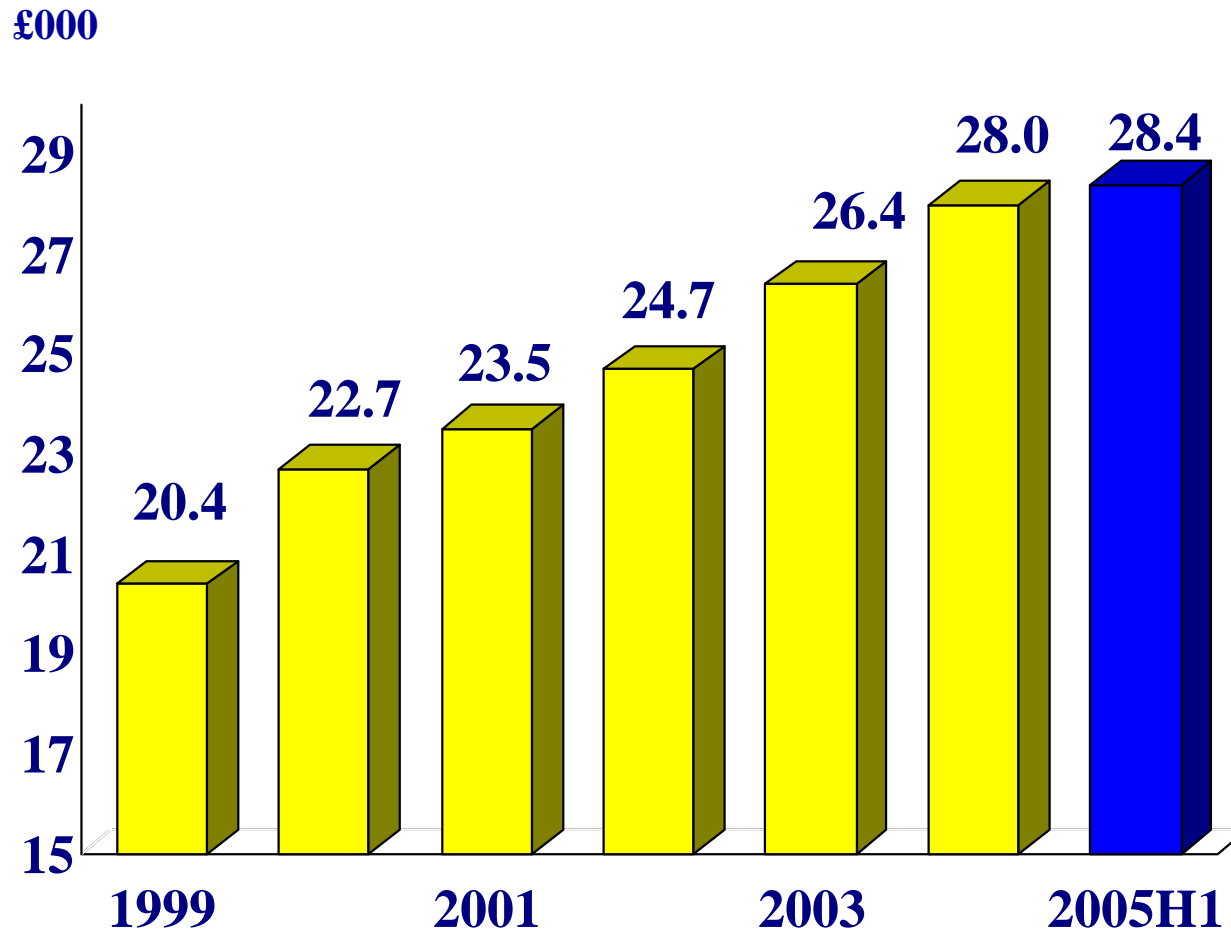
4 March 2005



Highlights -Six Months to 23 January 2005

- Turnover up 4% to £403.3m
- Operating profit down 11% to £34.4m
- Profit before tax down 20% to £22.3m
- Earnings per share down 14% to 7.7p
- Free cash flow per share down 11% to 19.3p
- Dividend per share increased by 10%

Average Sales Per Pub Week (including VAT)



Like For Like Sales/Profit (%)

	H1	FY	FY	FY
	2005	2004	2003	2002
Bar	(1.3)	2.9	2.1	3.5
Food	4.9	4.2	11.4	9.9
Total Sales	0.3	3.4	4.1	5.0
LFL Profits	(5.9)	(0.7)	(0.9)	3.8

Trading

- Pricing environment
- Cost pressures
 - minimum wage
 - utilities
 - licensing reform
- Continued focus on standards

General

- Product range (e.g. draught lager)
- Real ale
 - 630 Cask Marque pubs
 - 120 pubs in the Good Beer Guide 2005
- Design awards (including 38 awards for toilets in 2004)
- Training awards - NITA Manager Development (3rd year)

Licensing Reform

- Slow progress/red tape
- Change to opening hours
- Costs
- P&L impact

Turl's Green (Lloyds), Bradford



George's Meeting House, Exeter



Non-Smoking Plans

- All new pubs (3 so far)
- Circa 60 existing by May 2005
- Full conversion by May 2006

Non-smoking Pubs

Abraham Derby, Merry Hill Centre*
Back of Beyond, Reading **
Becketts Bank, Leeds
George's Meeting House, Exeter *
Jewel of the Severn, Bridgnorth
Lloyds No. 1 Bar, Portsmouth
The Angel, Islington
The Archibald Simpson, Aberdeen
The Battersford Court, Witham
The Blue Coat, Rotherham
The Brass Balance, Birkenhead
The Briar Rose, Birmingham
The Capital Asset, Perth
The Central Bar, Cardiff
The City Arms, Coventry
The Clydesdale Inn, Lanark
The Commercial Rooms, Bristol
The Counting House, Dundee
The Counting House, Glasgow
The Dee Hotel, West Kirby
The Gog & Magog, Plymouth
The Good Yarn, Uxbridge
The Grid Inn, Southfields
The King & Castle, Windsor
The King of Wessex, Bath **
The Last Post, Loughton
The Maidenhead Inn, Basingstoke
The Moon and Sixpence, Hatch End
The Moon Under Water, Cheltenham
The Moon Under Water, Milton Keynes
The Moon Under Water, Watford
The Old Manor, Bracknell
The Paper Moon, Dartford
The Pennsylvanian, Rickmansworth**
The Playfair, Edinburgh
The Plimsoll Line, Redcar
The Pommeliers Rest, Tower Bridge
The Portland Hotel, Chesterfield
The Poste of Stone, Stone
The Postern Gate, York
The Quay, Poole
The Quayside, Newcastle Upon Tyne
The Rhinoceros, Rotherham
The Ritz, Lincoln
The Roebuck Inn, Nottingham
The Sennockian, Sevenoaks
The Sir John Oldcastle, Farringdon
The Standard Bearer, Stevenage
The Standing Order, Derby
The Swan, Weymouth
The Three John Scotts, Kingston Upon Hull
The Tom Toya Lewis, Newport
The Trawl Boat Inn, St. Anne's On Sea
The Waterhouse, Manchester
The Welkin, Liverpool **
The West Gate Inn, Canterbury
The Whiffler, Norwich
Waterend Barn, St Albans*
Wetherspoons, Eastbourne
Wetherspoons, Ipswich
Wetherspoons, Livingston
Wetherspoons, Metrocentre, Gateshead **
Wetherspoons, Sheffield
Wetherspoons, Southport

*New opening

**from 9 March



Sales

- Sales mix
- New pub sales
- Highest ever average weekly sales

Pub Operating Margins (%)

	H1 2005	H1 2004	FY 2004
Gross margin	63.6	62.9	63.0
Staff costs	(26.1)	(24.9)	(25.1)
Other pub costs	(17.5)	(16.8)	(16.6)
Sale and leaseback	(1.1)	(1.0)	(1.1)
Pub operating profit	18.9	20.2	20.2

Operating Margins - Summary

	H1 2005		H1 2004		FY 2004	
	£000	% of sales	£000	% of Sales	£000	% of Sales
Turnover	403,341	-	388,964	-	787,126	-
Pub Operating Profit	76,233	18.9	78,506	20.2	158,742	20.2
Head Office Costs	(18,941)	(4.7)	(18,058)	(4.7)	(37,017)	(4.7)
Share Incentive Plan	(405)	(0.1)	-	-	(149)	-
Depreciation	(22,522)	(5.6)	(21,887)	-	(43,948)	(5.6)
Operating Profit	34,365	8.5	38,561	9.9	77,628	9.9

Cash Flow

	H1 2005 £000	H1 2004 £000	FY 2004 £000
Cash from operations	62,002	69,289	128,874
Interest and tax	(15,382)	(17,168)	(33,251)
Investments in existing pubs	(8,180)	(8,148)	(20,590)
Investment in own shares (SIP)	(1,989)	-	(1,556)
Free cash flow	36,451	43,973	73,477
Dividends	(4,839)	(4,700)	(7,322)
Re-financing costs	-	-	(1,325)
Disposal proceeds	6,546	6,796	7,891
Total investments in new pubs	(18,616)	(25,572)	(54,056)
Cash flow before share capital changes	19,542	20,497	18,665
Share buybacks	(9,416)	(25,744)	(48,583)
Issue of new shares	86	349	1,219
Movement in net debt	10,212	(4,898)	(28,699)
Free cash flow per share	19.3p	21.7p	36.7p

Pub Investment Levels

	H1 2005	2004	2003	2002	2001	2000
Capital re-investment (% of sales)	2.0	2.6	2.2	3.1	3.3	3.9
Repairs (% of sales)	3.1	3.1	2.7	2.5	1.8	1.3
Total (% of sales)	5.1	5.7	4.9	5.6	5.1	5.2
Total (£k per pub)	64	71	58	62	53	52

Financial - Funding

	H1 2005	H1 2004	FY 2004
Net debt / EBITDA	2.9	2.6	2.8
Gearing (%) – post FRS19	113	103	117
– pre FRS19	92	85	95
Interest cover (times)	2.9	3.6	3.3
Fixed charge cover (times) - statutory	1.6	1.8	1.8
- excluding depreciation	2.3	2.5	2.4

Underlying Economic Profits

	H1 2005	H1 2004	FY 2004
	£000	£000	£000
PBT	22,344	27,822	54,074
Add: Depreciation	22,522	21,887	43,948
Less: Capital invested in existing pubs	(8,180)	(8,148)	(20,590)
Economic profit	36,686	41,561	77,432
Cash tax	(6,705)	(6,858)	(13,165)
Economic profit after tax on cash basis	29,981	34,703	64,267

ROC/CROCCE/ROE

	H1 2005	H1 2004	FY 2004
● P&L return on capital	8.4%	9.2%	9.3%
● Crocce	11.2%	12.7%	12.6%
● P&L return on equity	9.7%	11.5%	11.4%
● Cash return on equity	13.6%	16.0%	15.7%

Detailed calculations included in appendix D

Financial Issues

- Exceptional loss - pub disposals
 - distribution arrangements
- Share buybacks
- International accounting standards

Current Trading and Outlook

- February LFL sales: -1.9%, total company +2.1%
- Highest ever weekly pub sales
- Costs review – ongoing benefit
- Continued investment in key areas (wages/repairs)
- Non-smoking plan
- Strong underlying cash flow

Appendices

A - 10 Year Financial Graphs

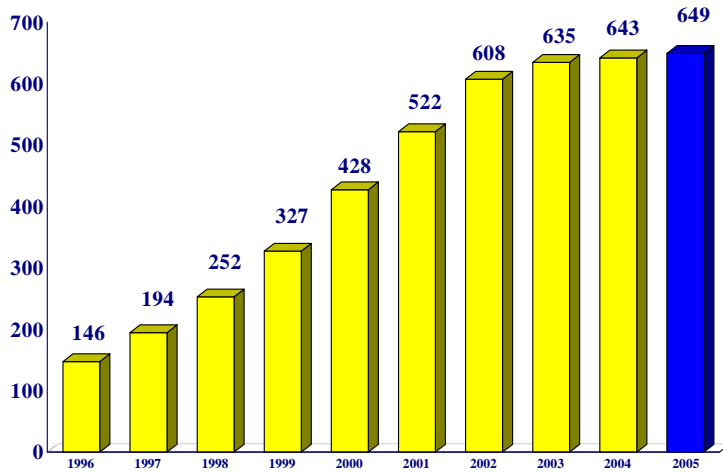
B - 10 Year Trends

C - Capital Trends

D – ROC/CROCCE/ROE Calculations

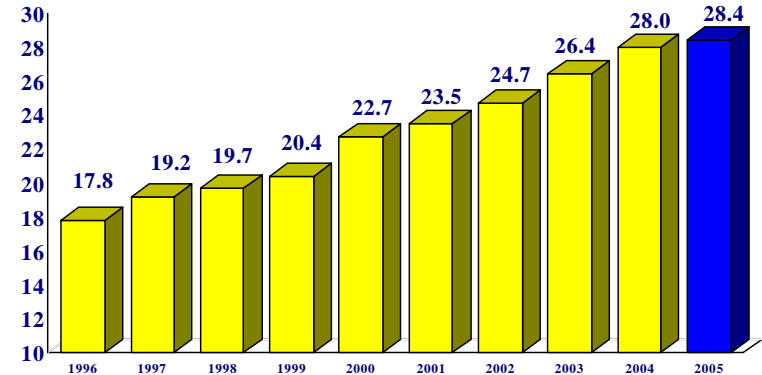
10 Year Summary

Number of Pubs



Average Sales Per Pub Week (including VAT)

£000



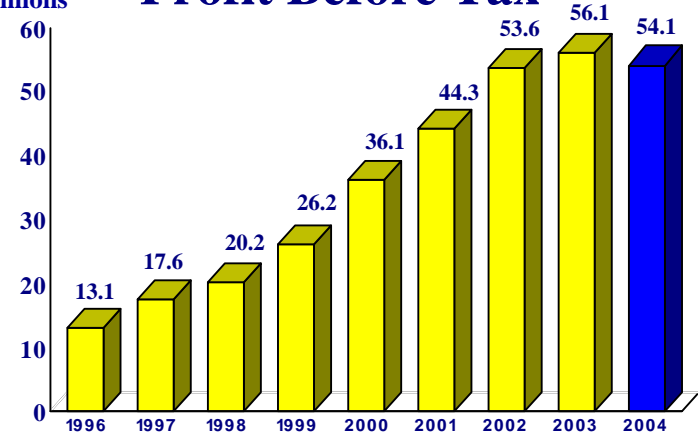
£ millions

Turnover



Profit Before Tax

£ millions



JDW - Financial Trends

Appendix B

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	H1 2005
Sales per pub (£000)	702	786	848	872	904	1,004	1,040	1,093	1,169	1,239	1,256
EBITDA per pub (£000) (1)	149.5	177.6	190.8	184.9	188.0	203.8	205.9	207.4	201.9	204.4	190.9
Number of pubs	110	146	194	252	327	428	522	608	635	643	649
% freeholds (%)	33	35	31	30	21	32	40	42	42	41	41
CROCCE (%) (2)	15.0	17.1	14.1	15.0	15.7	15.6	15.3	13.9	13.0	12.6	11.2
Cash return on equity (%) (2)	17.5	21.7	18.3	20.8	20.9	20.3	20.1	18.8	17.1	15.7	13.6
Free cash flow per share (pence)	7.4	11.3	14.4	13.3	20.3	24.2	29.1	33.5	38.8	36.7	19.3p

(1) Excluding sale & leaseback

(2) See appendix D for calculation

Capital Trends

	1998	1999	2000	2001	2002	2003	2004	H1 2005
Size (sq.ft.) – openings	3,401	3,037	3,217	3,713	3,808	3,721	4,317	4,244
Number of openings	68	84	101	94	87	45	28	6
% which are freehold	49	58	67	75	53	56	43	33
Freehold average cost (£k)	463	427	465	506	597	511	640	563
Average development cost (£k)	965	941	1,049	1,178	1,262	1,317	1,431	1,247
Average cost per sq. ft.	284	310	326	334	331	354	331	294
Increase in average cost (%)	12	9	4	3	-1	7	-6	-17
Population within 2 miles	72,000	70,000	77,000	70,000	70,000	73,000	51,000	68,000
Pub openings with beer gardens (%)	42	50	73	62	46	51	54	50

ROC/CROCCE/ROE

		H1 2005 £000	H1 2004 £000
Profit after tax	(e)	14,571	18,285
Add: interest	(f)	12,021	10,739
Profit pre-interest	(g)	26,592	29,024
Add: deferred tax		1,068	2,679
Depreciation		22,522	21,887
Cash return	(h)	50,182	53,590
<ul style="list-style-type: none"> • P&L return on capital [(g)/average (c)] • CROCCE [(h)/average (d)] • P&L return on equity [(e)/average (a)] • Cash return on equity [(h)-(f)/average (d)-(b)] 		8.4%	9.2%
		11.2%	12.7%
		9.7%	11.5%
		13.6%	16.0%

ROC/CROCCE/ROE

	H1 2005 £000	FY 2004 £000
Shareholder funds per balance sheet	288,763	288,954
Add: cum losses on disposal	14,774	8,424
(a)	303,537	297,378
Add: net debt	(b) 327,347	337,559
Capital employed	(c) 630,884	634,937
Add: deferred tax provision	66,282	66,244
Cumulative depreciation	224,221	207,736
Less: revaluation reserve	(22,755)	(23,117)
Cash capital employed	(d) 898,632	885,800