

J.D. Wetherspoon Plc

Interim Results

LLOYDS[®]BAR
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J D Wetherspoon Lodges
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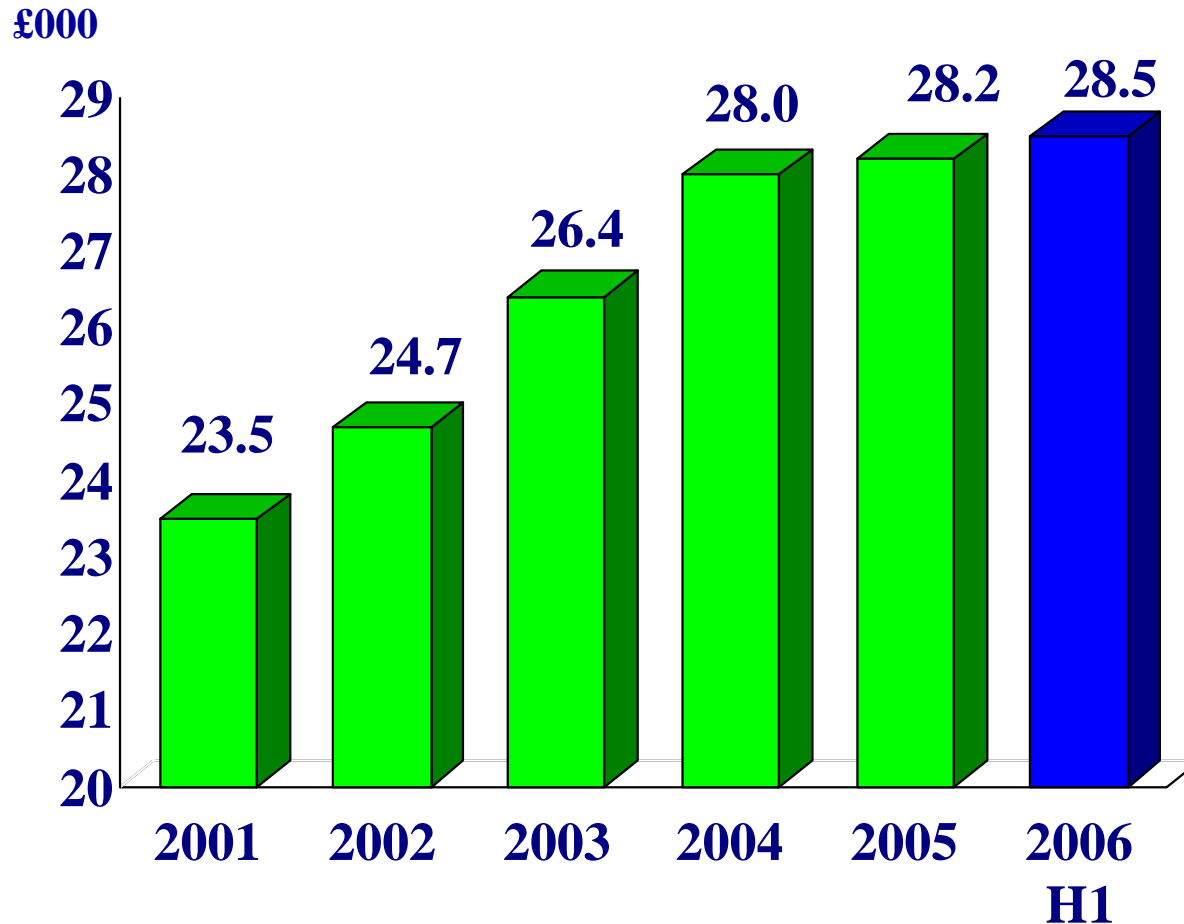
3 March 2006



Highlights -Six Months to 22 January 2006

- Turnover up 1% to £406.3m
- Operating profit up 15% to £39.7m
- Profit before tax up 21% to £27.4m
- Earnings per share up 31% to 10.6p
- Free cash flow per share 17.6p (2005: 17.4p)
- Dividend per share increased by 10%

Average Sales Per Pub Week (including VAT)



Like For Like Sales/Profits

%	H1					
	2006	2005	2004	2003	2002	2001
Bar	-	(1.4)	2.9	2.1	3.5	6.2
Food	(0.6)	2.1	4.2	11.4	9.9	11.4
Total Sales	(0.3)	(0.6)	3.4	4.1	5.0	7.5
LFL Profits	3.7	(4.0)	(0.7)	(0.9)	3.8	7.0

Operating Margins - Summary

	H1 2006		H1 2005		FY 2005	
	£000	% of Sales	£000	% of Sales	£000	% of Sales
Turnover	406,326	-	403,341	-	809,861	-
Pub Operating Profit	77,916	19.2	74,140	18.4	152,505	18.8
Head Office Costs	(15,681)	(3.9)	(16,908)	(4.2)	(31,428)	(3.9)
Share incentive plan	(811)	(0.2)	(405)	-	(985)	(0.1)
Licensing reform costs	(596)	(0.1)	(109)	-	(1,330)	(0.2)
Depreciation	(21,136)	(5.2)	(22,072)	(5.5)	(47,256)	(5.8)
Operating Profit	39,692	9.8	34,646	8.6	71,506	8.7

IFRS (Full Year Impact)

	£m
• P&L impact minimal	
- depreciation	0.9
- lease incentives	0.2
	<hr/>
Increase in PBT	£1.1m
	<hr/>
• Shareholders' funds	
- depreciation	0.9
- lease incentives	(4.8)
- hedging	(11.5)
- tax on hedging	3.4
- taxation	(14.2)
- dividends	4.9
	<hr/>
Reduction in SF	£(21.3)m
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Cash Flow

	H1 2006	H1 2005	FY 2005
Cash from operations	60,826	62,002	123,460
Interest and tax	(22,350)	(18,937)	(36,697)
Investments in existing pubs	(6,695)	(8,180)	(14,173)
Investment in own shares (SIP)	(1,765)	(1,989)	(3,816)
Free cash flow	30,016	32,896	68,774
Dividends	(4,749)	(4,839)	(7,520)
Re-financing costs	(1,367)	-	-
Interest received	-	3,555	3,555
Disposal proceeds	2,448	6,546	8,547
Investments in new pubs	(9,242)	(18,616)	(24,495)
Cash flow before share capital changes	17,106	19,542	48,861
Share buybacks	(24,042)	(9,416)	(45,718)
Issue of new shares	1,082	86	271
Movement in net debt	(5,854)	10,212	3,414
Free cash flow per share	17.6p	17.4p	37.1p

Financial - Funding

	H1 2006	H1 2005	FY 2005
Net debt / EBITDA	2.8	2.8	2.8
Interest cover (times)	3.2	2.9	2.9
Fixed charge cover (times) - statutory	1.7	1.6	1.6
- excluding depreciation	2.3	2.3	2.3

New Banking Facility

- 5 year facility
- Expanded bank group
- Total facilities £472m
- Attractive terms

ROC/CROCCE/ROE

	H1 2006	H1 2005	FY 2005
● P&L return on capital	10.2%	8.8%	9.2%
● Crocce	11.5%	11.2%	11.7%
● P&L return on equity	14.0%	10.5%	11.5%
● Cash return on equity	13.9%	13.6%	14.3%

Detailed calculations included in appendix D

2007

FINANCIAL TIMES

FRIDAY FEBRUARY 17, 2006

ENERGY CRUNCH: As Britain's manufacturers face soaring prices, Europe cracks down on subsidies

**Industry
faces 90%
increase in
gas prices**

2007

- Utilities increase circa £8m based on current market rates
- Minimum wage +6% (October 2006)
- Increased re-investment

Trading Update

- High weekly sales
- Sensible action on cost base
- Innovation/continuous improvement
- Continued focus on cash flow

Responsible Retailing

- Responsible drinking
 - Spirits pricing
 - 2 for 1 offers
 - Timed promotions
- 2005 Responsible Drinks Retailing award

Progress

- Training awards
- Toilet awards
- Design awards
- Good Beer Guide
- Cask Marque
- Healthy eating award (kids menu)

Non-Smoking

- 49 pubs at February 2006
- 37 conversions
- 12 new
- Average cost of conversion £50k

Non-Smoking

- Q2 performance (3 months to 22 January)
 - Sales down 7.6%
 - Food mix 39%
 - Machines mix 3.5%
 - Pub operating margin down 4%
- Future plans
 - Scotland (38 pubs – 26 March 2006)
 - New openings, existing conversions pipeline
 - Wait for legislation (Summer 2007)

Coffee Rip-Off

FREE PLEASE TAKE ONE

wetherspoonnews

NEWS • FEATURES • COMPETITIONS Feb/Mar 2006



coffee RIP-OFF?

Why pay more?	Regular cappuccino
Starbucks	£1.85
Costa Coffee	£1.89
Caffè Nero	£1.90
J D Wetherspoon	includes a FREE mini biscotti 69p at over 600 pubs* Just 99p in central London

WE PROUDLY USE FRESHLY GROUND LAVAZZA COFFEE BEANS 

Prices quoted are based on those displayed on each of the establishments shown above. Starbucks and Costa Coffee prices were advertised in branches in Bristol, Clerkenwell (London), Manchester and Norwich on 12/10/05. Caffè Nero prices (shown in print) were advertised in branches in Leeds, Middlesbrough and Manchester on 12/10/05. J D Wetherspoon price is correct as 12/10/05. Subject to availability. Participating free houses. *At some of our free houses, such as those in central London (where coffee is just 30p more) and airports, we have to charge a little bit more, but are always cheaper than the competitors shown.

New Licensing Legislation

- Standard hours 9am – midnight
- Focus on breakfasts / coffee
- No increase in alcohol drinks consumption
- General behaviour trends

Current Trading and Outlook

- February – (+1.9%) LFL sales
- Continued focus on costs
- H2 challenges - Scotland
- World Cup
- Investment where necessary
- Smoking bans ahead
- Confident of longer term prospects

Appendices

A - 10 Year Financial Graphs

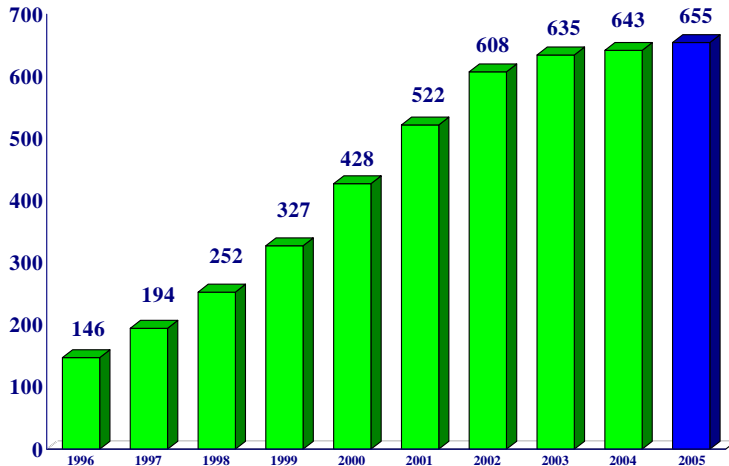
B - 10 Year Trends

C - Capital Trends

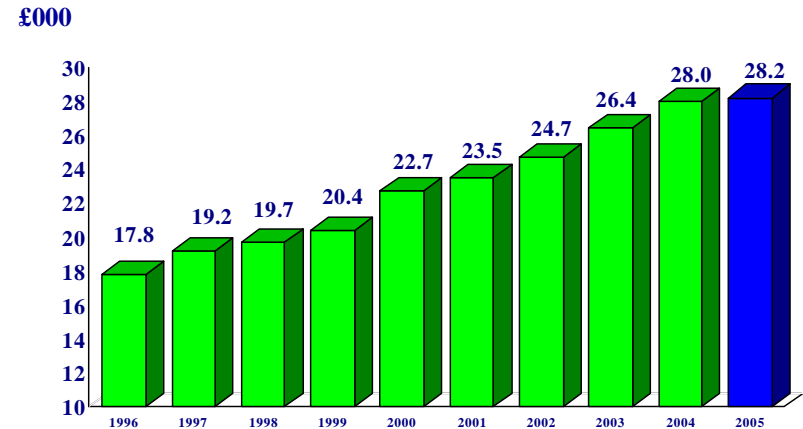
D – ROC/CROCCE/ROE Calculations

10 Year Summary

Number of Pubs



Average Sales Per Pub Week (including VAT)



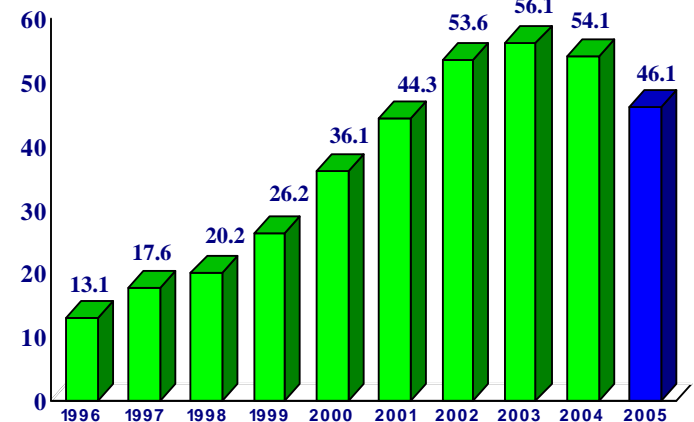
£ millions

Turnover



Profit Before Tax

£ millions



JDW - Financial Trends

Appendix B

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	H1 2006
Sales per pub (£000)	786	848	872	904	1,004	1,040	1,093	1,169	1,239	1,246	1,261
EBITDA per pub (£000) (1)	177.6	190.8	184.9	188.0	203.8	205.9	207.4	201.9	204.4	195.7	202
Number of pubs	146	194	252	327	428	522	608	635	643	655	654
% freeholds (%)	35	31	30	21	32	40	42	42	41	41	41
CROCCE (%) (2)	17.1	14.1	15.0	15.7	15.6	15.3	13.9	13.0	12.6	11.6	11.4
Cash return on equity (%) (2)	21.7	18.3	20.8	20.9	20.3	20.1	18.8	17.1	15.8	14.3	13.8
Free cash flow per share (pence)	11.3	14.4	13.3	20.3	24.2	29.1	33.5	38.8	36.7	37.1	17.6p

(1) Excluding sale & leaseback

(2) See appendix D for calculation



Capital Trends

	1999	2000	2001	2002	2003	2004	2005	H1 2006
Size (sq.ft.) – openings	3,037	3,217	3,713	3,808	3,721	4,317	4,176	3,643
Number of openings	84	101	94	87	45	28	13	5
% which are freehold	58	67	75	53	56	43	54	-
Freehold average cost (£k)	427	465	506	597	511	640	873	-
Average development cost (£k)	941	1,049	1,178	1,262	1,317	1,431	1,401	874
Average cost per sq. ft.	310	326	334	331	354	331	335	240
Increase in average cost (%)	9	4	3	-1	7	-6	5	8
Population within 2 miles	70,000	77,000	70,000	70,000	73,000	51,000	64,000	66,000
Pub openings with beer gardens (%)	50	73	62	46	51	54	62	60

ROC/CROCCE/ROE

Appendix D1

		H1 2006 £000	H1 2005 £000
Profit after tax	(e)	<u>18,072</u>	<u>15,362</u>
Add: interest	(f)	<u>12,339</u>	<u>12,021</u>
Profit pre-interest	(g)	<u>30,411</u>	<u>27,383</u>
Add: deferred tax		908	558
Depreciation		<u>21,136</u>	<u>22,072</u>
Cash return	(h)	<u>52,455</u>	<u>50,013</u>

• P&L return on capital [(g)/average (c)]	<u>10.2%</u>	<u>8.8%</u>
• CROCCE [(h)/average (d)]	<u>11.5%</u>	<u>11.2%</u>
• P&L return on equity [(e)/average (a)]	<u>14.0%</u>	<u>10.5%</u>
• Cash return on equity [(h)-(f)/average (d)-(b)]	<u>13.9%</u>	<u>13.6%</u>

ROC/CROCCE/ROE

	H1 2006 £000	FY 2005 £000
Shareholder funds per balance sheet	228,127	246,745
Add: cum losses on disposal	15,033	15,033
: hedging provision	11,464	-
	(a) 254,624	261,778
Add: net debt	(b) 339,999	334,145
Capital employed	(c) 594,623	595,923
Add: deferred tax provision	84,120	83,211
Less: deferred tax asset	(4,999)	(1,560)
Cumulative depreciation	271,274	253,918
Less: revaluation reserve	(22,554)	(22,554)
Cash capital employed	(d) 922,464	908,938