J D WETHERSPOON PLC

PRESS RELEASE

J D Wetherspoon plc announces its preliminary results for the 53 weeks ended 30 July 2006.

FINANCIAL HIGHLIGHTS

	Excluding 53 week
Turnover up 5% to £847.5m	+2.5%
Operating margin 9.9% -v- 8.8% last year	-
Profits before tax up 24% to £58.4m	+20%
Earnings per share up 43% to 24.1p	+38%
Free cash flow £69.7m (2005: £68.8m)	
Free cash flow per share 42.1p (2005: 37.1p)	
Dividend per share increased by 10%	
9 pubs opened, 7 sold, creating a total of 657	

Commenting on the results, Tim Martin, chairman of J D Wetherspoon plc, said:

"I am pleased to report a year of good progress for the company. Sales for the year increased by £37.7 million to £847.5 million, a rise of 5%. Earnings per share increased by 43% to 24.1p.

We continue to open non-smoking pubs and now have a total of 92 which represents 14% of our estate. Wetherspoon has strongly supported the principle of pubs becoming non-smoking, and is confident about the company's medium and long term prospects in this environment. Typically, however, the short term effect of a change to non-smoking results in a drop in sales and profits. Although the adjustment to a non-smoking environment can be difficult, the company is confident that the long term benefits will outweigh the short term issues.

The company has had an encouraging start to the new financial year, with continued sales improvements, combined with a tight grip on costs. As a result of our strong cash flow and our dedicated management team, we remain confident of our prospects. "

John Hutson	Chief Executive Officer	01923 477777
Jim Clarke	Finance Director	01923 477777
Eddie Gershon	Company Spokesman	07956 392234

Photographs are available at: www.newscast.co.uk 8 September 2006

2006 CHAIRMAN'S STATEMENT AND OPERATING REVIEW

I am pleased to report a year of good progress for the company. Sales for the year increased by £37.7 million to £847.5 million, a rise of 5% (+2.5%)*. Helped by good cost control, operating margins were 9.9%, compared with 8.8% in the previous year. Operating profit increased by 17% (+14%)* to £83.6 million, and profit before tax by 24% (+20%)* to £58.4 million. Earnings per share increased by 43% (+38%)* to 24.1p.

**Excluding 53rd week*
All increases are based on 2005 results before exceptional items.

Net interest was covered 3.3 times (2005: 2.9 times) by operating profit. Free cash flow, after payments of tax, interest, share purchases under the company's share plans and capital investment of £20.8 million in existing pubs, increased by 1% to £69.7 million, resulting in free cash flow per share of 42.1p (2005: 37.1p).

We opened 9 pubs during the year, compared with 13 in the previous year. The total number of pubs now operated by the company is 657. Average sales per pub increased by 3% in the year under review, with like-for-like sales increasing by 2%. We intend to open about 15 pubs in the current year.

Dividends

The board proposes, subject to shareholders' consent, to pay a final dividend of 3.1p per share on 24 November 2006 to those shareholders on the register on 27 October 2006, bringing the total dividend for the year to 4.7p per share, a 10% increase on the previous year.

Finance

The company had £116.6 million (2005: £53.1 million) of unutilised banking facilities and cash balances as at the balance sheet date, with total facilities of £472.2 million (2005: £387.2 million). The year's capital expenditure on new pub developments was more than covered by free cash flow. In the current financial year, any cash surplus the company generates, after capital expenditure and dividends, will be available for debt reduction, share buybacks or a combination of both.

Return of capital

During the year, 21,560,000 shares (representing approximately 12% of the issued share capital) were purchased by the company for cancellation, at a cost of £78.7 million, representing an average cost per share of 365p.

Further Progress

The company continues to try and make improvements in every area of the business. In the 2006 Good Beer Guide published by CAMRA, 120 of the company's pubs received nominations - a greater number, we believe, than any other pub company.

The company has also made strenuous efforts in recent years to enhance its reputation as a 'responsible' retailer and in 2006 we were named 'Responsible Drinks Retailer of the Year', by the trade publication the Morning Advertiser. Wetherspoon is the only substantial pub company which does not, for example, offer a discount for double measures of spirits; does not permit 2 for 1, or similar offers; and offers food from 9am to 10pm every day.

In the area of training, Wetherspoon continues to lead the way in the UK pub industry. We have been nominated in several categories for the upcoming Institute of Innkeeping awards and 38 of our employees have recently graduated with a diploma in Leisure Retail Management from Nottingham Trent University. As well as concentrating on high standards of training, the Wetherspoon incentive system for pub employees spent £13 million in bonuses in the year under review, and purchased £3.5 million of our own shares for employees under our employee share plan scheme.

Wetherspoon is aware of its responsibilities to the environment and was one of 3 finalists in the National Recycling Awards for 2005. During the year we recycled 2,300 tonnes of cardboard, 1,420 tonnes of cooking oil, 230 tonnes of paper, 70 tonnes of plastic and 27 tonnes of aluminium.

We have also been keen to promote the sales of non-alcoholic drinks in our pubs. A major push on coffee in the last 18 months means that our UK coffee sales now approximately match those of Caffé Nero in volume and are about a quarter of Starbucks. We believe that we now have approximately 6 per cent of the UK 'chain' coffee market. In a similar area, Wetherspoon has pioneered the availability of breakfasts across all our pubs and we now sell approximately 200,000 breakfasts per week.

Non-smoking

We continue to open non-smoking pubs and now have a total of 92 which represents 14% of our estate. Wetherspoon has strongly supported the principle of pubs becoming non-smoking, and is confident about the company's medium and long term prospects in this environment. Typically, however, the short term effect of a change to non-smoking results in a drop in sales and profits.

We converted 17 pubs in England and Wales to non-smoking in the first half of the period under review and their sales declined by 6.5% (on a like-for-like basis) in the second half of the year. In the remainder of our non-smoking pubs in England and Wales, a like-for-like picture is difficult to quantify, as pubs were converted to non-smoking at different times during the previous 6 months. Overall, we believe that sales started to improve in those pubs after the initial 12 months but remain below the levels of 2 years ago and represents a mixed picture.

In our 39 pubs in Scotland, like for like sales over the last quarter (May – July 2006), declined by 0.3%, and pub operating profits, before head office costs, declined by 11%.

Although the adjustment to a non-smoking environment can be difficult, the company is confident that the long term benefits will outweigh the short term issues.

Board changes

Suzanne Baker resigned from the board on 20 December 2005 after 13 years at the company and we would like to thank her very much for her efforts.

The company would like to welcome Debra van Gene who was appointed a non-executive director on 1 March 2006.

People

I would like once again to thank our employees, partners and suppliers for their excellent work in the last year.

International financial reporting standards (IFRS)

These accounts are the first accounts prepared under International Financial Reporting Standards (IFRS). This has involved restating the previous year and has significantly changed the layout of the financial accounts. A separate press release was issued in January 2006 restating the previous year's results under IFRS.

Current trading and outlook

The company has had an encouraging start to the new financial year, with continued sales improvements, combined with a tight grip on costs.

We continue with our efforts to improve the business and have, for example, recently introduced an enhanced range of bottled beers, wines and spirits and are about to introduce an upgraded menu. We continue to invest in our pubs, with plans to spend around £15m on a new cooling system for draught beers designed to produce lower temperatures of dispense than are currently achieved by any major pub company.

In addition, we continue to invest heavily in repairs and improvements to our pubs and in head office and pub IT systems. The concentration on both investment and improvement in the business will help to put the company in a strong position for the smoking ban in England, Wales and Northern Ireland expected in the course of the next year.

As a result of our strong cash flow and our dedicated management team, we remain confident of our prospects.

Tim Martin

Chairman
8 September 2006

Income Statement *for the 53 weeks ended 30 July 2006*

	Notes	**53 weeks ended 30 July 2006 Total £000**	52 weeks ended 24 July 2005 Before exceptional items £000	52 weeks ended 24 July 2005 Exceptional items £000	52 weeks ended 24 July 2005 After exceptional items £000
Revenue		**847,516**	809,861	-	809,861
Operating costs		**(763,900)**	(738,355)	(7,380)	(745,735)
Operating profit		**83,616**	71,506	(7,380)	64,126
Net finance costs	**2**	**(25,228)**	(24,329)	-	(24,329)
Profit on ordinary activities before taxation		**58,388**	47,177	(7,380)	39,797
Tax expense	**3**	**(18,487)**	(15,787)	1,920	(13,867)
Profit for the year		**39,901**	31,390	(5,460)	25,930
Earnings per share (pence)	**4**				
Earnings per ordinary share		**24.1**	16.9		14.0
Fully diluted earnings per share		**24.0**	16.9		14.0

All activities relate to continuing operations.

Statement of recognised income and expense *for the 53 weeks ended 30 July 2006*

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Cash flow hedges: gain taken to equity	**4,871**	-
Tax on items taken directly to equity	**(1,462)**	-
Net gain recognised directly in equity	**3,409**	-
Profit for the year	**39,901**	25,930
Total recognised income for the year	**43,310**	25,930

Cash flow statement *for the 53 weeks ended 30 July 2006*

	Notes	**53 weeks ended 30 July 2006 £000**	**53 weeks ended 30 July 2006 £000**	52 weeks ended 24 July 2005 £000	52 weeks ended 24 July 2005 £000
Cash flows from operating activities					
Cash generated from operations	**5**	**133,366**	**133,366**	123,460	123,460
Interest received		**290**	**290**	3,598	43
Interest paid		**(23,441)**	**(23,441)**	(24,108)	(24,108)
Refinancing cost paid		**(1,412)**	**(1,412)**	-	-
Corporation tax paid		**(14,812)**	**(14,812)**	(12,632)	(12,632)
Purchase of own shares for Share Incentive Plan		**(3,469)**	**(3,469)**	(3,816)	(3,816)
Net cash inflow from operating activities		**90,522**	**90,522**	86,502	82,947
Cash flows from investing activities					
Purchase of property, plant and equipment and intangible assets for existing pubs		**(20,810)**	**(20,810)**	(14,173)	(14,173)
Proceeds of sale of property, plant and equipment		**4,645**		8,547	
Investment in new pubs and pub extensions		**(16,766)**		(24,495)	
Net cash out flow from investing activities		**(32,931)**		(30,121)	
Cash flows from financing activities					
Equity dividends paid	**6**	**(7,367)**		(7,520)	
Issue of ordinary shares		**6,974**		271	
Purchase of own shares		**(78,683)**		(45,718)	
Advances under bank loans		**304,504**		29,999	
Repayments under bank loans		**(280,000)**		(25,000)	
Net cash outflow from financing activities		**(54,572)**		(47,968)	
Net increase in cash and cash equivalents		**3,019**		8,413	
Opening cash and cash equivalents		**18,073**		9,660	
Closing cash and cash equivalents		**21,092**		18,073	
Free cash flow			**69,712**		68,774
Free cash flow per ordinary share			**42.1p**		37.1p

Balance sheet as at 30 July 2006

	Notes	30 July 2006 £000	24 July 2005 £000
Assets			
Non-current assets			
Property, plant and equipment	**8**	**743,826**	753,370
Intangible assets		**2,858**	3,156
Other non-current assets		**10,004**	8,674
Total non-current assets		**756,688**	765,200
Current Assets			
Inventories		**13,688**	12,777
Trade and other receivables	**9**	**10,027**	12,195
Cash and cash equivalents		**21,092**	18,073
Total current assets		**44,807**	43,045
Assets held for sale		**2,431**	1,691
Total Assets		**803,926**	809,936
Liabilities			
Current Liabilities			
Trade and other payables	**10**	**(118,130)**	(113,158)
Financial liabilities		**-**	(25,000)
Current income tax liabilities		**(10,809)**	(7,556)
Total Current Liabilities		**(128,939)**	(145,714)
Non-current Liabilities			
Financial liabilities	**11**	**(368,717)**	(319,518)
Other financial liability		**-**	(7,700)
Derivative financial instruments		**(15,156)**	-
Deferred tax liabilities	**3**	**(82,958)**	(83,211)
Provisions and other liabilities		**(6,581)**	(7,048)
Total non-current liabilities		**(473,412)**	(417,477)
Net Assets		**201,575**	246,745
Shareholders Equity			
Ordinary shares		**3,076**	3,458
Share premium account		**135,532**	128,607
Capital redemption reserve		**1,305**	874
Retained earnings		**61,662**	113,806
Total shareholders' equity	**12**	**201,575**	246,745

Notes to the accounts

for the 53 weeks ended 30 July 2006

The preliminary announcement for the 53 week period ended 30 July 2006 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union at 30 July 2006. Details of the accounting policies adopted in this preliminary announcement are set out within the investors section of the Company's website, www.jdwetherspoon.co.uk.

These preliminary statements do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. They have, however, been extracted from the statutory accounts for the period ended 30 July 2006 on which an unqualified report has been made by the company's auditors.

The 2005 statutory accounts have been filed with the Registrar of Companies. The 2006 statutory accounts will be sent to shareholders in October 2006 and will be filed with the Registrar of Companies following their adoption at the forthcoming Annual General Meeting.

2 Net finance costs

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Finance costs		
Interest payable on bank loans and overdrafts	**22,407**	18,837
Interest payable on US senior loan notes	**2,769**	5,724
Amortisation of bank loan issue costs	**176**	-
Finance costs	**25,352**	24,561
Bank interest receivable	**(124)**	(232)
Total net finance cost	**25,228**	24,329

3 Taxation
(a) Tax on profit on ordinary activities

Tax charged in the income statement

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Current income tax:		
Current income tax charge	**18,065**	14,270
Current tax on exceptional items	**-**	(1,150)
Total current income tax	**18,065**	13,120
Deferred tax:		
Origination and reversal of timing differences	**422**	1,517
Movement arising on disposals (exceptional items)	**-**	(770)
Total deferred tax	**422**	747
Tax charge in the income statement	**18,487**	13,867
Tax relating to items charged or credited to equity		
Deferred tax:		
Tax charge on revaluation of cash flow hedges	**1,462**	-
Tax charge in the statement of recognised income and expense	**1,462**	-

b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is more than the standard rate of corporation tax in the UK of 30% (2005: 30%). The differences are reconciled below.

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Accounting profit before income tax	**58,388**	39,797
Accounting profit multiplied by the UK standard rate of corporation tax of 30% (2005 – 30%)	**17,516**	11,939
Abortive acquisition costs and disposals	**254**	142
Other disallowables	**45**	253
Other allowable deductions	**(10)**	(18)
Non qualifying depreciation	**2,910**	1,757
Deduction for share options and SIPs	**(2,165)**	(901)
Deferred tax on balance sheet only items	**(63)**	695
Total tax expense reported in the income statement	**18,487**	13,867

c) Deferred tax

The deferred tax in the balance sheet is as follows:

	2006 £000	2005 £000
Deferred tax liability		
Accelerated capital allowances	**67,921**	66,234
Revaluation of land and buildings	**6,550**	6,766
Other timing differences	**8,487**	10,211
Deferred tax liability	**82,958**	83,211
Deferred tax asset		
Capital losses carried forward	**885**	1,560
Deferred tax on items taken directly to equity	**2,145**	-
Deferred tax asset	**3,030**	1,560

Deferred tax in the income statement:		
Accelerated capital allowances	**1,687**	1,251
Origination and reversal of timing differences	**(1,940)**	140
Capital losses carried forward	**675**	(644)
Deferred tax expense	**422**	747

4 Earnings and cash flow per share

Basic earnings per share has been calculated by dividing the profit attributable to equity holders of £39,901,000 (2005: £25,930,000) by the weighted average number of shares in issue during the year of 165,694,582 (2005: 185,524,467).

Diluted earnings per share has been calculated on a similar basis taking account of 545,980 (2005: 236,187) dilutive potential shares under option, giving a weighted average number of ordinary shares adjusted for the effect of dilution of 166,240,832 (2005: 185,760,654).

Adjusted earnings per share excludes the effect of exceptional items and is presented to show the underlying performance of the company on both a basic and dilutive basis.

Adjusted earnings per share	**Earnings**		**Basic Earnings Per Share**		**Diluted Earnings Per Share**	
	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000	**53 weeks ended 30 July 2006 p**	52 weeks ended 24 July 2005 p	**53 weeks ended 30 July 2006 p**	52 weeks ended 24 July 2005 p
Profit for the year	**39,901**	25,930	**24.1**	14.0	**24.0**	14.0
Exceptionals	**-**	5,460	**-**	2.9	**-**	2.9
Profit before exceptionals	**39,901**	31,390	**24.1**	16.9	**24.0**	16.9

Cash flow per share

The calculation of free cash flow per share is based on the net cash generated by business activities and available for investment in new pub developments and extensions to existing pubs, after funding interest, tax, all other reinvestment in pubs open at the start of the period and the purchase of own shares under the employee Share Incentive Plan (‘free cash flow’). It is calculated before taking account of proceeds from property disposals and inflows and outflows of financing from outside sources, dividend payments and is based on the same number of shares in issue as that for the calculation of basic earnings per share.

5 Cash generated from operations

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Profit attributable to shareholders	**39,901**	25,930
Adjusted for:		
Tax	**18,487**	13,867
Amortisation of intangible assets	**1,079**	2,851
Depreciation of Property, Plant and Equipment	**42,127**	44,213
Lease premium amortisation	**187**	192
Distribution start up costs	**-**	2,984
Restructuring costs	**-**	859
Impairment of Property, Plant and Equipment	**-**	1,068
Net loss on disposal and anticipated disposal of trading properties		2,306
Net loss on disposal and anticipated disposal of non-trading properties	**-**	163
Share based payments	**2,480**	985
Interest income	**(124)**	(232)
Interest expense	**25,176**	24,561
Amortisation of bank loan issue costs	**176**	-
	129,489	119,747
Change in inventories	**(911)**	(768)
Change in receivables	**2,003**	(247)
Change in payables	**2,785**	8,571
Net cash inflow from operating activities pre exceptional	**133,366**	127,303
Outflow related to exceptional items	**-**	(3,843)
Net cash inflow from operating activities	**133,366**	123,460

6 Dividends paid and proposed

	53 weeks ended 30 July 2006 £000	52 weeks ended 24 July 2005 £000
Declared and paid during the year:		
Dividends on ordinary shares:		
Final dividend for 2004/05: 2.82p (2003/04: 2.56p)	**4,749**	4,839
Interim for 2006: 1.6p (2005: 1.46p)	**2,618**	2,681
Dividends paid	**7,367**	7,520
Proposed for approval by shareholders at the AGM:		
Final dividend for 2005/06: 3.1p (2004/05: 2.82p)	**5,137**	4,749

7 Analysis of changes in net debt

	At 25 July 2005 £000	Cash flows £000	Non-cash movement £000	**At 30 July 2006 £000**
Cash at bank and in hand	18,073	3,019	-	**21,092**
Debt due within one year	(25,000)	-	25,000	**-**
Debt due after one year	(328,843)	(24,504)	(15,370)	**(368,717)**
Derivative financial instrument – fair value hedge	1,625	-	(9,630)	**(8,005)**
	(334,145)	(21,485)	-	**(355,630)**
Derivative financial instrument – cash flow hedge	(12,022)		4,871	**(7,151)**
	(346,167)	(21,485)	4,871	**(362,781)**

8 Property, Plant and Equipment

	Freehold and long leasehold property £000	Short leasehold property £000	Equipment, fixtures and fittings £000	Expenditure on unopened properties £000	Total £000
Cost:					
At 26 July 2004	415,334	322,865	217,215	17,993	973,407
Reclassification	8,182	1,103	-	(9,285)	-
Additions	10,929	3,363	14,493	3,349	32,134
Transfer to assets available for sale	(1,073)	(168)	(2,926)	-	(4,167)
Disposals	(1,066)	-	(589)	(472)	(2,127)
At 24 July 2005	432,306	327,163	228,193	11,585	999,247
Additions	7,069	10,134	12,403	9,107	38,713
Reclassification	2,454	603	5	(3,062)	-
Transfer to assets available for sale	(2,604)	144	(336)	-	(2,796)
Disposals	(2,930)	(1,441)	(3,747)	(723)	(8,841)
At 30 July 2006	**436,295**	**336,603**	**236,518**	**16,907**	**1,026,323**
Depreciation and impairment:					
At 26 July 2004	26,140	47,346	127,799	-	201,285
Provided during the year	7,538	7,400	29,275	-	44,213
Transfer to assets available for sale	(73)	874	(1,445)	-	(644)
Impairment loss	-	1,068	-	413	1,481
Disposals	(78)	-	(380)	-	(458)
At 24 July 2005	33,527	56,688	155,249	413	245,877
Provided during the year	7,715	7,431	26,981	-	42,127
Transfer to assets available for sale	(109)	7	(422)	-	(524)
Disposals	(209)	(10)	(4,638)	(126)	(4,983)
At 30 July 2006	**40,924**	**64,116**	**177,170**	**287**	**282,497**
Net book amount at 30 July 2006	**395,371**	**272,487**	**59,348**	**16,620**	**743,826**
Net book amount at 24 July 2005	398,779	270,475	72,944	11,172	753,370
Net book amount at 26 July 2004	389,194	275,519	89,416	17,993	772,122

9 Trade and other receivables

	2006 £000	2005 £000
Amounts falling due within one year		
Other debtors	**3,327**	2,666
Prepayments and accrued income	**6,700**	9,529
	10,027	12,195

10 Trade and other payables

	2006 £000	2005 £000
Trade creditors	**57,637**	54,025
Other creditors	**6,569**	5,493
Other tax and social security	**22,373**	22,224
Accruals and deferred income	**31,551**	31,416
	118,130	113,158

11 Financial liabilities

	2006 £000	2005 £000
Current		
Short term borrowings	**-**	25,000
	-	25,000
Bank loans		
Variable rate facility 2005	**-**	240,000
Variable rate facility 2010	**289,503**	-
US$ 140,000,000 senior loan notes 2009	**79,214**	79,518
	368,717	319,518

12 Statement of changes in shareholders equity

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Retained earnings £000	**Total £000**
At 26 July 2004	3,783	128,340	545	141,489	**274,157**
Exercise of options	4	267	-	-	**271**
Share based payments	-	-	-	985	**985**
Purchase of shares held in trust	-	-	-	(3,817)	**(3,817)**
Purchase of shares	(329)	-	329	(43,261)	**(43,261)**
Profit for the year	-	-	-	25,930	**25,930**
Dividends	-	-	-	(7,520)	**(7,520)**
At 25 July 2005	3,458	128,607	874	113,806	**246,745**
Effect of adoption of IAS 32 and IAS 39	-	-	-	(12,022)	**(12,022)**
Tax on items taken directly to equity	-	-	-	3,607	**3,607**
At 25 July 2005 (restated)	3,458	128,607	874	105,391	**238,330**
Exercise of options	49	6,925	-	-	**6,974**
Re-purchase of shares	(431)	-	431	(78,683)	**(78,683)**
Share based payments	-	-	-	2,480	**2,480**
Purchase of shares held in trust	-	-	-	(3,469)	**(3,469)**
Profit for the year	-	-	-	39,901	**39,901**
Cash flow hedges: gain taken to equity	-	-	-	4,871	**4,871**
Tax on items taken directly to equity	-	-	-	(1,462)	**(1,462)**
Dividends	-	-	-	(7,367)	**(7,367)**
At 30 July 2006	**3,076**	**135,532**	**1,305**	**61,662**	**201,575**