

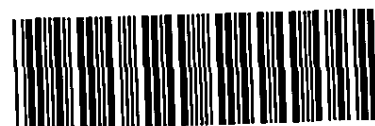
Mitchells & Butlers Holdings Limited

Report and Financial Statements

For the 52 weeks ended 26 September 2009

Registered Number 3420338

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Mitchells & Butlers Holdings Limited

DIRECTORS' REPORT

For the 52 weeks ended 26 September 2009

The Directors present their report on the affairs of the Company, together with the financial statements and independent auditors' report, for the 52 weeks ended 26 September 2009

PRINCIPAL ACTIVITIES, BUSINESS REVIEW, RESULTS AND DIVIDENDS

Mitchells & Butlers Holdings Limited is an intermediate holding company within the Mitchells & Butlers group of companies

The profit for the period before taxation, comprising inter company dividend income, amounted to £119,500,000 (2008 £146,500,000) Taxation charged against the profit for the period was £nil (2008 £nil) leaving a profit after tax of £119,500,000 (2008 £146,500,000) Dividends of £119,500,000 (2008 £146,500,000) were paid during the period

As the Company is non-trading the Directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business Key performance indicators for the Mitchells & Butlers plc group as a whole, which includes the Company, are discussed in the Annual report and accounts 2009 of Mitchells & Butlers plc

RISKS AND UNCERTAINTIES

The Company has various investments in other group companies Because of this, the most significant risk facing the Company is that the recoverable value of these investments falls below the carrying value, resulting in the Company recognising impairment losses The risk of this occurring is assessed as low, given the trading history and future prospects for the group

FUTURE PROSPECTS

The Company is expected to continue to be an intermediate holding company within the Mitchells & Butlers group of companies Future transactions are expected to be limited to the receipt of inter company dividend income and the payment of dividends

DIRECTORS

The following served as Directors of the Company during the period

T Clarke	(resigned 21 May 2009)
C R Edger	(appointed 2 July 2009)
A P Fowle	(appointed 2 July 2009)
B Kennedy	
A M Martin	(appointed 2 July 2009)
R G Pratt	(appointed 2 July 2009)
J C D Townsend	
A T Wheaton	(appointed 2 July 2009, resigned 12 October 2009)

The following were appointed as Directors of the Company after the end of the period but prior to the signing of the accounts

A Coldrick	(appointed 12 October 2009)
R Moxham	(appointed 12 October 2009)
K Todd	(appointed 12 October 2009)

Mitchells & Butlers Holdings Limited

DIRECTORS' REPORT

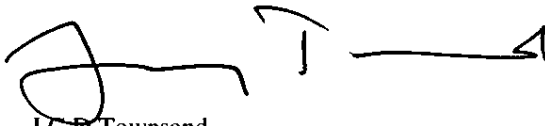
For the 52 weeks ended 26 September 2009

AUDITORS

Ernst & Young LLP continue as auditors under the terms of an Elective Resolution of the Company passed pursuant to Section 487 of the Companies Act 2006 dispensing with the requirement to appoint auditors annually

The Directors who held office as at the date of approval of this Directors' report have confirmed that so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and that each Director has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information

On behalf of the Board

A handwritten signature in black ink, appearing to be 'J C D Townsend', with a stylized flourish extending to the right.

J C D Townsend

Director

22 January 2010

Mitchells & Butlers Holdings Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the Report of the Auditors set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITCHELLS & BUTLERS HOLDINGS LIMITED

We have audited the financial statements of Mitchells & Butlers Holdings Limited for the year ended 26 September 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 26 September 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

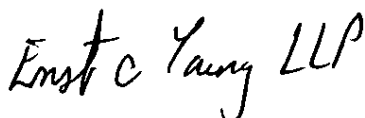
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



*Nigel Meredith (Senior statutory auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
Birmingham*

26 January 2010

Mitchells & Butlers Holdings Limited

PROFIT AND LOSS ACCOUNT

For the 52 weeks ended 26 September 2009

		<i>52 weeks ended 26 September 2009</i>	<i>52 weeks ended 27 September 2008</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Investment income - from shares in group undertakings	2	119,500,000	146,500,000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION AND RETAINED PROFIT FOR THE PERIOD	10	119,500,000	146,500,000

All activities are derived from continuing operations

The Company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 8 to 11 form an integral part of these financial statements

Mitchells & Butlers Holdings Limited

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

For the 52 weeks ended 26 September 2009

		<i>52 weeks ended 26 September 2009</i>	<i>52 weeks ended 27 September 2008</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
RETAINED PROFIT FOR THE PERIOD		119,500,000	146,500,000
Dividends paid	5	(119,500,000)	(146,500,000)
NET MOVEMENT IN SHAREHOLDERS' FUNDS		-	-
Opening shareholders' funds		1,565,235,004	1,565,235,004
CLOSING SHAREHOLDERS' FUNDS		1,565,235,004	1,565,235,004

The notes on pages 8 to 11 form an integral part of these financial statements

Mitchells & Butlers Holdings Limited

Registered Number 3420338

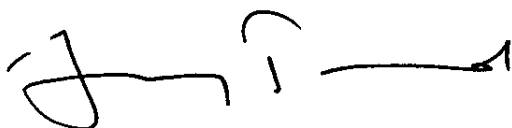
BALANCE SHEET

At 26 September 2009

	<i>Notes</i>	<i>2009</i> £	<i>2008</i> £
FIXED ASSETS			
Investments	6	1,565,236,536	1,565,236,536
CURRENT ASSETS			
Debtors amounts falling due within one year	7	2	2
CREDITORS: amounts falling due within one year	8	(1,534)	(1,534)
NET CURRENT LIABILITIES		<u>(1,532)</u>	<u>(1,532)</u>
NET ASSETS		<u>1,565,235,004</u>	<u>1,565,235,004</u>
CAPITAL AND RESERVES			
Share capital	9,10	116,666,669	116,666,669
Profit and loss account	10	1,448,568,335	1,448,568,335
EQUITY SHAREHOLDERS' FUNDS	10	<u>1,565,235,004</u>	<u>1,565,235,004</u>

The notes on pages 8 to 11 form an integral part of these financial statements

Signed on behalf of the Board



J C D Townsend

Director

22 January 2010

Mitchells & Butlers Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 26 September 2009

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below

Basis of accounting

The financial statements are prepared under the historical cost convention. They have been drawn up to comply with applicable UK accounting standards.

Accounting reference date

The Company's accounting reference date is 30 September. The Company has drawn up its financial statements for the 52 weeks to 26 September 2009, the Saturday directly preceding the accounting reference date, as permitted by section 390(3) of the Companies Act 2006. The comparative period is for the 52 weeks ended 27 September 2008.

Going concern

The financial statements have been prepared on a going concern basis. The directors of Mitchells & Butlers plc, the ultimate parent undertaking, have stated that they will continue to make funds available to the Company to enable it to meet its debts as they fall due for a period of at least twelve months from the date of the approval of the balance sheet subject to the company remaining a member of the Mitchells & Butlers plc group.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results can differ from those estimates. Estimates are used when accounting for items such as tax and investments.

Consolidation

The financial statements contain information about the individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt from preparing group accounts under section 400 of Companies Act 2006 since the Company is a wholly owned subsidiary undertaking of another UK company.

Fixed asset investments

Fixed asset investments are stated individually at cost less provision for impairment.

Cash flow

As permitted under FRS1 (Revised 1996) 'Cash flow statements', the Company has taken advantage of the exemption to prepare a cash flow statement as the Company is a wholly owned subsidiary undertaking of Mitchells & Butlers plc whose financial statements for the 52 weeks ended 26 September 2009 include a consolidated cash flow statement incorporating the cash flows of the Company.

2. PROFIT AND LOSS ACCOUNT

The only profit & loss account item in the period was dividend income of £119,500,000 (2008 £146,500,000) from Mitchells & Butlers Leisure Holdings Limited, a subsidiary of the Company.

Auditors' remuneration for audit services was £2,000 (2008 £2,000). The fee is borne on behalf of the Company by another group company.

3. INFORMATION REGARDING EMPLOYEES

The Company has no employees apart from the Directors who receive no emoluments for their services to this Company.

Mitchells & Butlers Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 26 September 2009

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge as the Company's only income during the period was dividend income, which is not subject to tax, from Mitchells & Butlers Leisure Holdings Limited, a subsidiary company. The tax rate applicable to the Company is the UK corporation tax rate of 28% (2008: 29%). There is no provided or unprovided deferred tax at the balance sheet dates.

5. DIVIDENDS

During the period, the Company paid dividends of £119,500,000 (2008: £146,500,000) to its immediate parent company, Mitchells & Butlers Holdings (No.2) Limited.

6. FIXED ASSET INVESTMENTS

*Subsidiary
undertakings
£*

Cost and net book value at 26 September 2009 and 27 September 2008

1,565,236,536

In the opinion of the Directors the value of the subsidiary undertakings is at least equal to the amounts included above.

Details of the significant investments held, either directly or indirectly, by the Company at 26 September 2009 are set out below.

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
Mitchells & Butlers Leisure Holdings Limited	United Kingdom	Ordinary shares	100%	Holding company
Mitchells & Butlers Retail (No. 2) Limited	United Kingdom	Ordinary shares	100%	Leisure retailing
Mitchells & Butlers (Property) Limited	United Kingdom	Ordinary shares	100%	Ownership & management of property
Mitchells & Butlers Leisure Retail Limited *	United Kingdom	Ordinary shares	100%	Service company
Crownhill Estates (Derriford) Limited *	United Kingdom	Ordinary shares	100%	Leisure retailing
Mitchells & Butlers Retail Holdings Limited *	United Kingdom	Ordinary shares	100%	Holding company
Mitchells & Butlers Finance plc **	United Kingdom	Ordinary shares	100%	Finance company
Mitchells & Butlers Retail Limited **	United Kingdom	Ordinary shares	100%	Leisure retailing
Old Kentucky Restaurants Limited ***	United Kingdom	Ordinary shares	100%	Trade mark owner
Mitchells & Butlers Acquisition Company ****	United Kingdom	Ordinary shares	100%	Property acquisitions

Mitchells & Butlers Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 26 September 2009

6. FIXED ASSET INVESTMENTS (CONTINUED)

* held by Mitchells & Butlers Leisure Holdings Limited

** held by Mitchells & Butlers Retail Holdings Limited

*** held by Mitchells & Butlers Retail Limited

**** held by Mitchells & Butlers Retail (No 2) Limited

A full list of subsidiary undertakings will be annexed to the next annual return of Mitchells & Butlers Holdings Limited to be filed with the Registrar of Companies

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Amounts owed by group undertakings	<u>2</u>	<u>2</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Amounts owed to group undertakings	<u>1,534</u>	<u>1,534</u>

9. SHARE CAPITAL

	2009 £	2008 £
Authorised 150,000,000 (2008 150,000,000) ordinary shares of £1	<u>150,000,000</u>	<u>150,000,000</u>
Allotted, called up and fully paid 116,666,669 (2008 116,666,669) ordinary shares of £1	<u>116,666,669</u>	<u>116,666,669</u>

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share Capital £	Profit & loss account £	Equity shareholders' funds £
At 27 September 2008	116,666,669	1,448,568,335	1,565,235,004
Retained profit for the period	-	119,500,000	119,500,000
Dividends	-	(119,500,000)	(119,500,000)
At 26 September 2009	<u>116,666,669</u>	<u>1,448,568,335</u>	<u>1,565,235,004</u>

11. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Mitchells & Butlers plc, the Company has taken advantage of the exemption under FRS 8 'Related party disclosures' not to disclose details of related party transactions or balances with entities which form part of the group

Mitchells & Butlers Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 26 September 2009

12. CONTINGENT LIABILITIES

The Company is party to a composite guarantee with other Group companies which also participate in its day-to-day cash pooling arrangements. Any potential liability is the aggregate gross overdraft of every participant, capped at the level of in hand cash held by the Company. At 26 September 2009, the Company had in hand cash of £nil (2008 £nil) which is less than the aggregate gross overdraft of all the participant companies. Therefore, at 26 September 2009, the Company did not have a contingent liability under the composite guarantee (2008 £nil).

13. ULTIMATE PARENT UNDERTAKING

Mitchells & Butlers plc is the ultimate parent undertaking and controlling party of the Company. The immediate parent undertaking of the Company is Mitchells & Butlers Holdings (No 2) Limited. The only group in which the Company is consolidated is that headed by Mitchells & Butlers plc. Copies of the Group consolidated financial statements of Mitchells & Butlers plc are available from the Company Secretary, Mitchells & Butlers plc, 27 Fleet Street, Birmingham B3 1JP.

All undertakings above, including the Company, are companies incorporated in the United Kingdom and registered in England and Wales.