

J D Wetherspoon plc

INTERIM REPORT 2011

HIGHLIGHTS

Revenue up 7.6% to £525.4m
(2010: £488.1m)

Earnings per share down 9.1%
to 15.9p (2010: 17.5p)

Operating profit up 1.4%
to £49.6m (2010: £48.9m)

Free cash flow per share
of 16.4p (2010: 15.3p)

Profit before tax down 11.0%
to £32.2m (2010: £36.2m)

Interim dividend per share
of 4.0p (2010: 19.0p)

CHAIRMAN'S STATEMENT AND OPERATING REVIEW

I am pleased to report continuing progress in the 26 weeks ended 23 January 2011. Like-for-like sales increased by 2.3%, with total sales, including new pubs, increasing by 7.6% to £525.4 million (2010: £488.1 million). Operating profit was £49.6 million (2010: £48.9 million), an increase of 1.4%. Profit before tax was £32.2 million, a decrease of 11.0% (2010: £36.2 million) due to increased interest charges, following the renewal of our bank facilities in March 2010. Earnings per share were 15.9p, a decrease of 9.1% (2010: 17.5p).

The operating margin declined to 9.4% (2010: 10.0%) as a result of increased costs in a number of areas, including taxes, labour, utilities and bar & food supplies – pressures which are likely to continue into the next financial year.

As a result of the increased cost of our debt facilities, interest was covered 2.9 times by operating profit, compared with 3.9 times in the same period a year ago. Capital expenditure increased to £54.9 million (2010: £33.8 million) as a result of increased investment in new pubs and in our existing estate.

Free cash flow, after capital investment of £16.6 million in existing pubs, £2.9 million in respect of share purchases under the company's share-based payment schemes and payments of tax and interest, increased to £22.7 million (2010: £21.3 million), owing mainly to a lower working capital outflow. Free cash flow per share was 16.4p (2010: 15.3p).

Property

The first half saw the opening of 14 new pubs and the closure of two sites, bringing the number open at the period end to 787. As previously indicated, we intend to open approximately 50 pubs in this financial year.

Dividends

The board declared an interim dividend of 4.0p per share for the current interim financial period ending 23 January 2011 (2010: 19.0p). The previous year's dividend was unusual, in that we made a full-year payment of 12.0p, combined with a one-off special dividend of 7.0p. The interim dividend will be paid on 25 May 2011 to shareholders on the register at 26 April 2011. The dividend was covered 4.0 times by profit.

'we intend to open approximately 50 pubs in this financial year.'

Corporation tax

We expect the overall tax rate for the financial year, including current and deferred taxation, to be approximately 31.3% (July 2010: 31.6% before exceptional items and after excluding the effect of the tax-rate change). The decrease in the overall tax rate can be explained by the UK standard weighted average tax rate for the period falling by 0.3% to 27.7%. As in previous years, the main item which causes the

company's tax rate to be higher than the standard UK tax rate is depreciation which is not eligible for tax relief.

The company's current tax rate has fallen to 30.3% (July 2010: 30.6% before exceptional items and after excluding the effect of the tax-rate change), in line with the fall in the UK standard tax rate for the period.

Financing

As at 23 January 2011, the company's net bank borrowings (including finance leases) were £406.1 million, an increase of £17.7 million, compared with the previous year end (25 July 2010: £388.4 million). Our debt-to-EBITDA ratio was 2.8 times at the period end, compared with 2.7 times at the previous financial year end.

Board changes

The company is pleased to announce the appointment of Kirk Davis as finance director. Kirk has worked for the company for the last two years as deputy finance director and before that worked for Tesco plc as non-food finance director, having qualified as a chartered management accountant at Marks and Spencer plc, in 2004.

Further progress

The company has made progress in a number of areas. Staff retention has continued to improve, with pub managers, for example, having worked for the company for an average of 8 years and 10 months. We believe that retention has been helped by our bonus system which paid out bonuses and shares (SIPS) for employees of £12.3 million in the period, 94% of which were paid to employees below board level and 87% of which were paid to employees working in our pubs.

A record 238 of our pubs have been recommended in the 2011 Good Beer Guide, a CAMRA publication, 45 more than last year and far more, we believe, than any other pub company.

The upgrading of our EPOS systems, commenced in 2007, is proceeding at a considerable pace, with 583 pubs now successfully using the new Zonal 'Aztec' tills, with the remaining estate expected to be upgraded in this financial year.

'Wetherspoon is the biggest corporate contributor to CLIC Sargent, which supports patients and families affected by childhood cancer,'

In addition, we are making substantial investments in refurbishing our existing pubs, with over 300 projects identified for this financial year, including, for example, 98 toilet refurbishments and 200 new carpets. In addition, we are installing new catering equipment, such as cutlery-polishers and plate-warmers, in nearly all of our pubs.

Charity work

As a result of great efforts by our staff and customers, Wetherspoon is the biggest corporate contributor to CLIC Sargent, which supports patients and families affected by childhood cancer, having raised in excess of £4.0 million, in recent years. We are pleased to have agreed to continue to support this worthwhile cause until March 2015.

General taxation and regulation

In the period under review, Wetherspoon made profit after tax of £22.1 million, but total taxes paid to the government were over £220 million, including VAT of £95.1 million, excise duty of £57.5 million, PAYE and National Insurance of £32.9 million, property taxes of £20.6 million and corporation tax of £11.1 million. This and the previous government have zealously increased taxes and regulation for pubs to levels which are, we believe, unsustainable. This has greatly increased the price of drinks in pubs and has widened the price gap between pubs and supermarkets, with a predictably huge increase in sales volumes for supermarkets, combined with a decrease in sales for pubs. The situation in Britain is in marked contrast to the approach in France, for example, where excise duties are far lower and where VAT, in respect of food in bars and restaurants, has been reduced to 5.5%. This has produced an increase in taxes and jobs for the French economy, through a reduction in the black economy and greater PAYE and corporation tax receipts. In contrast to previous decades, Britain has now become a high tax and regulation environment for business, with the effects of this being seen in many thousands of closed pubs and other small businesses across Britain, as well as a marked increase in unemployment.

Current trading and outlook

Like-for-like sales in the six weeks to 6 March 2011 were 2.8%, with total sales increasing by 7.9%.

In common with most businesses in Britain, the company is faced with rising costs for a wide range of goods and services, combined with a reduction in disposable income for many customers. In addition, pubs are dealing, as indicated above, with a pernicious combination of increasing taxes and regulations.

In spite of these obstacles, our continued resilient sales performance and strong cash flow should enable the company to produce a reasonable outcome in the current financial year.

Tim Martin

Chairman

11 March 2011

'A record 238 of our pubs have been recommended in the 2011 Good Beer Guide'

INCOME STATEMENT

for the 26 weeks ended 23 January 2011

	Notes	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Revenue	4	525,364	488,132	996,327
Operating costs		(475,795)	(439,277)	(896,314)
Operating profit before exceptional items	6	49,569	48,855	100,013
Exceptional items	5	–	–	(10,557)
Operating profit		49,569	48,855	89,456
Finance income		14	5	16
Finance costs		(17,362)	(12,642)	(29,014)
Profit before tax		32,221	36,218	60,458
Income tax expense	7	(10,079)	(11,843)	(19,680)
Profit for the period		22,142	24,375	40,778
Earnings per share (pence)	8			
Basic earnings per share		15.9	17.5	29.3
Diluted earnings per share		15.9	17.5	36.9

All activities relate to continuing operations.

STATEMENT OF COMPREHENSIVE INCOME

for the 26 weeks ended 23 January 2011

	Notes	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Interest-rate swaps: gain/(loss) taken to equity	13	11,045	(12,261)	(25,393)
Tax on items taken directly to equity		(2,983)	3,433	6,856
Net gain/(loss) recognised directly in equity		8,062	(8,828)	(18,537)
Profit for the period		22,142	24,375	40,778
Total comprehensive income for the period		30,204	15,547	22,241

CASH FLOW STATEMENT for the 26 weeks ended 23 January 2011

	Notes	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Cash flows from operating activities							
Cash generated from operations	9	70,133	70,133	60,916	60,916	153,405	153,405
Interest received		14	14	–	–	9	9
Interest paid		(16,805)	(16,805)	(15,779)	(15,779)	(30,252)	(30,252)
Corporation tax paid		(11,115)	(11,115)	(11,029)	(11,029)	(21,617)	(21,617)
Gaming machine VAT receipt		–	–	–	–	14,941	–
Purchase of own shares for share-based payments		(2,913)	(2,913)	(3,409)	(3,409)	(6,129)	(6,129)
Net cash inflow from operating activities		39,314	39,314	30,699	30,699	110,357	95,416
Cash flows from investing activities							
Purchase of property, plant and equipment		(14,773)	(14,773)	(7,804)	(7,804)	(21,778)	(21,778)
Purchase of intangible assets		(1,801)	(1,801)	(1,636)	(1,636)	(2,294)	(2,294)
Purchase of lease premiums		(750)	–	(1,120)	–	(3,935)	–
Proceeds of sale of property, plant and equipment		–	–	–	–	170	–
Investment in new pubs and pub extensions		(37,569)	–	(23,199)	–	(53,804)	–
Net cash outflow from investing activities		(54,893)	(16,574)	(33,759)	(9,440)	(81,641)	(24,072)
Cash flows from financing activities							
Equity dividends paid	14	–	–	–	–	(26,174)	–
Proceeds from issue of ordinary shares		77	–	303	–	523	–
Purchase of shares for cancellation		(1,217)	–	–	–	–	–
Repayment of US private placement		–	–	(87,218)	–	(86,742)	–
Advances under bank loans	13	16,363	–	81,268	–	87,586	–
Advances under finance leases		–	–	9,089	–	9,092	–
Finance costs on new loan		–	–	–	–	(7,626)	–
Finance lease payments	13	(1,391)	–	(1,643)	–	(2,898)	–
Net cash inflow/(outflow) from financing activities		13,832	–	1,799	–	(26,239)	–
Net change in cash and cash equivalents	13	(1,747)	–	(1,261)	–	2,477	–
Opening cash and cash equivalents		26,081	–	23,604	–	23,604	–
Closing cash and cash equivalents		24,334	–	22,343	–	26,081	–
Free cash flow		–	22,740	–	21,259	–	71,344
Free cash flow per ordinary share	8	–	16.4p	–	15.3p	–	51.3p

BALANCE SHEET as at 23 January 2011

	Notes	Unaudited 23 January 2011 £000	Unaudited 24 January 2010 £000	Audited 25 July 2010 £000
Assets				
Non-current assets				
Property, plant and equipment	10	830,396	785,059	810,714
Intangible assets	11	7,932	6,213	6,700
Deferred tax assets		14,782	14,199	17,597
Other non-current assets	12	10,601	8,964	10,001
		863,711	814,435	845,012
Current assets				
Inventories		19,488	16,716	19,911
Other receivables		26,359	22,028	19,727
Assets held for sale		–	1,135	–
Cash and cash equivalents	13	24,334	22,343	26,081
		70,181	62,222	65,719
Total assets		933,892	876,657	910,731
Liabilities				
Current liabilities				
Trade and other payables		(152,832)	(134,199)	(162,553)
Financial liabilities due in one year		(2,863)	(408,576)	(2,829)
Current income tax liabilities		(10,151)	(11,390)	(11,501)
		(165,846)	(554,165)	(176,883)
Non-current liabilities				
Financial liabilities		(427,572)	(6,516)	(411,643)
Derivative financial instruments	13	(50,346)	(48,258)	(61,391)
Deferred tax liabilities		(76,060)	(78,466)	(75,579)
Provisions and other liabilities		(23,447)	(7,355)	(23,094)
		(577,425)	(140,595)	(571,707)
Net assets		190,621	181,897	162,141
Shareholders' equity				
Ordinary shares	15	2,777	2,781	2,783
Share premium account		143,053	142,757	142,975
Capital redemption reserve		1,652	1,646	1,646
Hedging reserve		(36,759)	(35,112)	(44,821)
Retained earnings		79,898	69,825	59,558
Total shareholders' equity		190,621	181,897	162,141

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Called-up share capital £000	Share premium account £000	Capital redemption reserve £000	Hedging reserve £000	Retained earnings £000	Total £000
At 26 July 2009	2,779	142,456	1,646	(26,284)	47,096	167,693
Profit for the period	–	–	–	–	24,375	24,375
Interest-rate swaps – loss taken to equity	–	–	–	(12,261)	–	(12,261)
Tax on items taken directly to equity	–	–	–	3,433	–	3,433
Comprehensive (loss)/income	–	–	–	(8,828)	24,375	15,547
<i>Transactions with owners</i>						
Exercise of options	2	301	–	–	–	303
Share-based payment charges	–	–	–	–	1,762	1,762
Purchase of shares held in trust	–	–	–	–	(3,409)	(3,409)
At 24 January 2010	2,781	142,757	1,646	(35,112)	69,824	181,896
Profit for the period	–	–	–	–	16,403	16,403
Interest-rate swaps – loss taken to equity	–	–	–	(13,132)	–	(13,132)
Tax on items taken directly to equity	–	–	–	3,423	–	3,423
Comprehensive (loss)/income	–	–	–	(9,709)	16,403	6,694
<i>Transactions with owners</i>						
Exercise of options	2	218	–	–	–	220
Share-based payment charges	–	–	–	–	2,225	2,225
Purchase of shares held in trust	–	–	–	–	(2,720)	(2,720)
Dividends	–	–	–	–	(26,174)	(26,174)
At 25 July 2010	2,783	142,975	1,646	(44,821)	59,558	162,141
Profit for the period	–	–	–	–	22,142	22,142
Interest-rate swaps – loss taken to equity	–	–	–	11,045	–	11,045
Tax on items taken directly to equity	–	–	–	(2,983)	–	(2,983)
Comprehensive income	–	–	–	8,062	22,142	30,204
<i>Transactions with owners</i>						
Exercise of options	–	78	–	–	–	78
Cancellation of shares	(6)	–	6	–	(1,217)	(1,217)
Share-based payment charges	–	–	–	–	2,328	2,328
Purchase of shares held in trust	–	–	–	–	(2,913)	(2,913)
At 23 January 2011	2,777	143,053	1,652	(36,759)	79,898	190,621

1. General information

J D Wetherspoon plc is a public limited company, incorporated and domiciled in England and Wales. Its registered office address is: Wetherspoon House, Central Park, Reeds Crescent, Watford, WD24 4QL

The company is listed on the London Stock Exchange.

This condensed half-yearly financial information was approved for issue on 11 March 2011.

These interim financial results do not comprise statutory accounts within the meaning of Sections 434 and 435 of the Companies Act 2006. Statutory accounts for the year ended 25 July 2010 were approved by the board of directors on 10 September 2010 and delivered to the Registrar of Companies. The report of the auditors, on those accounts, was unqualified, did not contain an emphasis-of-matter paragraph and did not contain any statement under Sections 498 to 502 of the Companies Act 2006.

The business is subject to minor seasonal fluctuations, depending on public holidays and the weather.

There are no changes to the risks and uncertainties as set out in the financial statements for the 52 weeks ended 25 July 2010, which may affect the company's performance in the next six months. The most significant risks and uncertainties relate to the taxation and regulation of the sale of alcohol and cost increases. For a detailed discussion of the risks and uncertainties facing the company, refer to the annual report for 2010, pages 45 and 46.

2. Basis of preparation

This condensed half-yearly financial information of J D Wetherspoon plc (the 'Company'), which is abridged and unaudited, has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with International Accounting Standards (IAS) 34, Interim Financial Reporting, as adopted by the European Union. This half-yearly condensed financial report should be read in conjunction with the annual financial statements for the 52 weeks ended 25 July 2010 which have been prepared in accordance with IFRSs, as adopted by the European Union.

The financial information for the 52 weeks ended 25 July 2010 is extracted from the statutory accounts of the Company for that year.

The interim accounts for the 26 weeks ended 23 January 2011 and the comparatives for 24 January 2010 are unaudited, but have been reviewed by the auditors. A copy of the review report is included at the end of this report.

3. Accounting policies

Taxes on income in the interim periods are accrued using the tax rate which would be applicable to expected total annual earnings.

The accounting policies adopted in the preparation of the interim report are consistent with those applied in the preparation of the Company's annual report for the year ended 25 July 2010.

Standards, amendments and interpretations to existing standards, but not relevant to the Company

■ IFRS 2: Share-based payments

Where the parent company pays cash-settled share-based payments directly to the subsidiary's employees, the subsidiary is required to recognise this share-based transaction in its separate financial statements.

■ IFRS 3: Business combinations

This requires that subsequent changes to the fair value of contingent consideration on acquisitions should affect the income statement and not goodwill. The amendment requires the acquirer to choose between measuring the non-controlling interest at fair value and at its proportionate interest in the fair value of the identifiable assets and liabilities. This choice is made on a transaction-by-transaction basis.

■ IFRS 8: Operating segments

This specifies minor amendments to the situations in which various segmental analysis metrics require disclosure.

■ IAS 27: Consolidated and separate financial statements

This details minor transition requirements for amendments made as a result of IAS 27 (as amended in 2008), IAS 21, IAS 28 and IAS 31.

■ IAS 32: Financial instruments: disclosure and presentation

This extends the scope of instruments which can be considered to constitute a rights issue, particularly in relation to instruments in currencies other than the functional currency.

4. Revenue

Revenue disclosed in the income statement is analysed as follows:

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Sales of food, beverages and machine income	525,364	488,132	996,327

The Company trades in one business segment (that of operating managed public houses) and one geographical segment (being the United Kingdom).

5. Exceptional items

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Operating items			
Impairment of property and fixed assets	–	–	10,557

6. Operating profit before exceptional items

This is stated after charging/(crediting):

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Operating lease payments			
– land and buildings			
■ minimum lease payments	25,607	24,174	49,097
■ contingent rents	6,899	6,359	12,934
– equipment and vehicles	183	147	310
Repairs and maintenance	17,726	16,953	34,233
Rent receivable	(272)	(259)	(392)
Depreciation of property, plant and equipment			
– owned assets	19,351	20,119	39,649
– assets held under finance leases	1,485	1,530	2,971
Amortisation of intangible assets	569	405	811
Amortisation of non-current assets	150	122	268
Share-based payment charges	2,328	1,762	3,987

7. Income tax expense

The taxation charge for the period ended 23 January 2011 is calculated by applying an estimate of the effective tax rate of 31.3% for the year ending 24 July 2011 (2010: 32.7%). The UK standard rate of corporation tax is 27.0% (2010: 28.0%), with the latest estimate of the current tax payable on profits for the financial year ending 24 July 2011 being 30.3% (2010: 30.4%).

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Current tax	9,766	11,010	21,709
Deferred tax			
Origination and reversal of timing differences	313	833	746
Impact of change in UK tax rate	–	–	(2,775)
Tax charge in the income statement	10,079	11,843	19,680

8. Earnings and free cash flow per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of £22,142,000 (January 2010: £24,375,000; July 2010: £40,778,000) by the weighted average number of shares in issue during the period of 139,067,996 (January 2010: 139,014,516; July 2010: 139,058,470).

Diluted earnings per share have been calculated on a similar basis, taking account of 27,936 (January 2010: 68,944; July 2010: 59,032) dilutive potential shares under option, giving a weighted average number of ordinary shares adjusted for the effect of dilution of 139,095,932 (January 2010: 139,083,510; July 2010: 139,117,502).

Adjusted earnings per share has also been included to reflect the exclusion of exceptional items described in note 5 and a one-off tax-rate adjustment in July 2010.

Earnings per share	January 2011 earnings £000	January 2010 earnings £000	July 2010 earnings £000	January 2011 EPS pence	January 2010 EPS pence	July 2010 EPS pence
Basic earnings per share	22,142	24,375	40,778	15.9	17.5	29.3
Diluted earnings before exceptional items	22,142	24,375	51,335	15.9	17.5	36.9
Adjusted earnings (fully diluted)	22,142	24,375	48,560	15.9	17.5	34.9

Free 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 current 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-based schemes ('free cash flow'). It is calculated before taking account of proceeds from property disposals, inflows and outflows of financing from outside sources and dividend payments and is based on the same number of shares in issue as that for the calculation of basic earnings per share.

9. Cash generated from operations

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Operating profit	49,569	48,855	89,456
Operating exceptional items	–	–	10,557
Operating profit before exceptional items	49,569	48,855	100,013
Depreciation and amortisation	21,555	22,176	43,699
Share-based payment charges	2,328	1,762	3,987
	73,452	72,793	147,699
Change in inventories	423	1,238	(1,957)
Change in receivables	(3,640)	(5,702)	(3,401)
Change in payables	(102)	(7,413)	11,064
Net cash inflow from operating activities	70,133	60,916	153,405

10. Property, plant and equipment

	£000
Net book amount at 26 July 2009	773,903
Additions	33,271
Disposals	(466)
Depreciation, impairment and other movements	(21,649)
Net book amount at 24 January 2010	785,059
Additions	54,679
Disposals and transfers to assets held for sale	(3,841)
Depreciation, impairment and other movements	(25,183)
Net book amount at 25 July 2010	810,714
Additions	44,094
Disposals	(3,576)
Depreciation	(20,836)
Net book amount at 23 January 2011	830,396

11. Intangible assets

	£000
Net book amount at 26 July 2009	4,858
Additions	1,760
Amortisation, impairment and other movements	(405)
Net book amount at 24 January 2010	6,213
Additions	893
Amortisation, impairment and other movements	(406)
Net book amount at 25 July 2010	6,700
Additions	1,801
Amortisation, impairment and other movements	(569)
Net book amount at 23 January 2011	7,932

Intangible assets all relate to computer software and development.

12. Other non-current assets

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Leasehold premiums	10,601	8,964	10,001

13. Analysis of changes in net debt

	25 July 2010 £000	Cash flows £000	Non-cash movement £000	24 January 2011 £000
Cash at bank	26,081	(1,747)	–	24,334
Debt due after one year	(405,612)	(16,363)	(991)	(422,966)
Finance lease creditors	(379,531) (8,860)	(18,110) 1,391	(991) –	(398,632) (7,469)
Net borrowings	(388,391)	(16,719)	(991)	(406,101)
Derivative – cash flow hedge	(61,391)	–	11,045	(50,346)
Net debt	(449,782)	(16,719)	10,054	(456,447)

The £11.0m non-cash movement on the interest-rate swap arises from the movement in fair value of the swaps.

14. Dividends paid and proposed

	Unaudited 26 weeks ended 23 January 2011 £000	Unaudited 26 weeks ended 24 January 2010 £000	Audited 52 weeks ended 25 July 2010 £000
Paid in the period 2009/10 Full year and special dividend for 2009/10 – 19p	–	–	26,174
Dividends paid	–	–	26,174
Dividends per share in respect of the period Full year and special dividend	–	–	26,174
Full year and special dividend	–	26,422	–
Interim dividend	5,554	–	–
Dividends per share	4p	19p	19p

15. Share capital

	Number of shares 000s	Share capital £000
Opening balance at 26 July 2009	138,974	2,779
Allotments	88	2
Closing balance at 24 January 2010	139,062	2,781
Allotments	63	2
Closing balance at 25 July 2010	139,125	2,783
Allotments	23	–
Share buybacks	(290)	(6)
Closing balance at 23 January 2011	138,858	2,777

All issued shares are fully paid.

16. Related-party disclosure

There have been no material changes to related parties' transactions described in the last annual financial statements. There have been no related-party transactions having a material effect on the Company's financial position or performance in the first half of the current financial year.

17. Capital commitments

The Company had £nil capital commitments for which no provision had been made, in respect of property, plant and equipment, at 23 January 2011 (2010: £nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors confirm that this condensed interim financial information has been prepared in accordance with IAS 34, as adopted by the European Union, and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events which have occurred during the first 26 weeks and their impact on the condensed set of financial statements, plus a description of the principal risks and uncertainties for the remaining 26 weeks of the financial year.
- material related-party transactions in the first 26 weeks and any material changes in the related-party transactions described in the last annual report.

The directors of J D Wetherspoon plc are listed in the J D Wetherspoon annual report for 25 July 2010. A list of current directors is maintained on the J D Wetherspoon plc website: www.jdwetherspoon.co.uk

By order of the board

John Hutson

11 March 2011

Kirk Davis

11 March 2011

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the 26 weeks ended 23 January 2011, which comprises the Income Statement, the Statement of Comprehensive Income, the Cash Flow Statement, the Balance Sheet, the Statement of Changes in Shareholders' Equity and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 23 January 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP

Chartered Accountants
1 Embankment Place
London
WC2N 6RH

11 March 2011

Notes:

(a) The maintenance and integrity of the J D Wetherspoon plc Web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

J D Wetherspoon plc

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