

Marston's set to reveal stronger sales despite damp summer



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Pub group Marston's is expected to report stronger sales for the past year despite wet weather dampening summer trade.

The group, which runs about 1,370 pubs across the UK, is set to post a trading update for shareholders on Wednesday, October 9.

It is expected to unveil a rise in like-for-like sales as punters continued to drink and dine at its venues despite pressures on consumer budgets.

Analysts at Panmure Liberum have predicted Marston's will record sales of £900 million, with like-for-like growth of 5%, for the year to September.

In its most recent update, the company said like-for-like

sales grew by 5.2% over the 42 weeks to July 20, while total sales from its managed and franchised pubs increased by 6.2%.

In July, the company highlighted that sales growth was slightly slowed over the latter four months as wet weather pressed on demand.

However, this was significantly offset by a boost during the Euro 2024 football tournament.



This year's wet weather dampened summer trade (Yui Mok/PA)
PA Wire

The results come amid a transition period for the business, as it fully focuses on pub operations after exiting brewing operations fully.

In 2020, Marston's agreed to sell part of its brewing business – which makes Hobgoblin and Shipyard – to [Carlsberg](#) and form a joint venture with the [Danish](#) brewer.

In July this year, it sold its remaining stake in the cask ale brewer for around £206 million.

Marston's said offloading the spin-off will allow it to focus purely on operating its pub chain and will reduce the amount of debt it holds.

Analysts reduced their profit forecast for the current year as a result of the deal, with Peel Hunt projecting a pre-tax profit of £41.7 million for the year. It made a statutory pre-tax loss of £20.7 million last year.

Panmure Liberum's Anna Barnfather said the company will however be boosted by recent efficiency measures and cost reductions, which will have improved its profit margins.

Efforts to improve its portfolio also saw Marston's sell of 18 pubs from its estate to private equity rival [Admiral Taverns](#).

It had already sold 19 pubs to Red Oak Taverns in a deal in May.

It came after the group revealed a strategy last year to raise around £50 million through pub sales to cut its debt levels further.

[Investors](#) will be hoping that it shows its debt levels are under control after recent deals, particularly at a time of high interest rates, when it updates the market next week.