

# Shepherd Neame boss warns further price increases 'likely' due to inflation

The boss of brewer and pub group [Shepherd Neame](#) has warned that further increases to the price of a pint are "likely" as surging costs continue.

It came as the Kent-based company revealed a sharp rebound in sales and return to profit following the impact of the pandemic.

However, chief executive Jonathan Neame said the group is still under pressure due to rising costs in its supply chain.

He told the PA news agency that beer prices are now around 10% higher year-on-year but could increase further.

"Further rises in price are likely to be honest," he said.

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"I think it's important to stress that price inflation has not been as high as many other products, and beer, particularly

ales, are still incredibly good value.

“But our key concerns from a price point of view have been gas, the cost and supply of [CO2](#) and logistics as well.”

On Wednesday, the 300-strong pub owner said it saw pre-tax profits recover to £7.4 million for the year to June, compared with a £16.4 million loss over the same period last year.

However, the group said it does not expect to see a full recover in profitability to pre-pandemic levels before the 2024-25 financial year due to the “ongoing energy crisis”.

Shepherd Neame said sales surged to £151.5 million for the past year, compared to £86.8 million a year earlier.

The company added the current demand is “encouraging” and it is in “good shape” heading into an important Christmas period.

It revealed that like-for-like sales over the 13 weeks to September 24 have been level with trading in 2020, and 9.4% ahead of sales over the same period last year.

Meanwhile, total beer volumes are up 5.6% again pre-pandemic levels, and up 1.2% year-on-year.

Mr Neame said: “Shepherd Neame has rebounded well from the challenges of the last two years – a testament to the strength of the business model and depth of talent across the business.”