

Browns Restaurant (Bristol) Limited

Report and Financial statements

30 September 2003

Registered Number: 2351724



Browns Restaurant (Bristol) Limited

DIRECTORS' REPORT

for the year ended 30 September 2003

PRINCIPAL ACTIVITIES, BUSINESS REVIEW, RESULTS AND DIVIDENDS

The Company has not traded during the year, and is dormant.

On 13 November 2003, the Mitchells & Butlers group raised £1,900m through a securitisation of the majority of its pubs and restaurants owned by Mitchells & Butlers Retail Limited and its subsidiary undertakings, which include the Company.

DIRECTORS AND THEIR INTERESTS

The following served as Directors of the Company during the year:

W Y Scobie

A Hughes

On 11 April 2003, the last day of trading in Six Continents PLC shares, the Directors serving at the year end and appointed on or before 15 April 2003 had the following beneficial interest in shares, or held options, under the Six Continents Executive Share Option Scheme 1985 ("1985 EXSOS"), the Six Continents Executive Share Option Scheme 1995 ("1995 EXSOS"), the Six Continents Sharesave Scheme 2002 and the Six Continents PLC Employee Savings Share Scheme 1992 ("Sharesave Schemes").

Name of Director	Ordinary shares of 28p(i) (number of shares)		Ordinary shares under option (number of shares)				Option price	Earliest exercise date
	11 Apr 2003	28 Sep 2002	11 Apr 2003	Granted during period	Lapsed during period	28 Sep 2002		
W Y Scobie	29,495	29,495	143,783	-	1,617	145,400	597p to 1015p	4 Sep 1999
A Hughes	3,952	4,066	201,760	-	-	201,760	597p to 1015p	22 Feb 1999

Following the approval of shareholders and the Court to the separation of Six Continents PLC and return of capital, on 15 April 2003, every 59 beneficially owned Six Continents PLC ordinary shares in issue on 11 April 2003 at 4.30p.m. were exchanged for 50 InterContinental Hotels Group PLC ("IHG") ordinary shares and 50 Mitchells & Butlers plc ("MAB") ordinary shares, and £47.79 in cash.

The Directors elected to roll over their 1995 EXSOS options into equivalent new options to acquire MAB shares under the Mitchells & Butlers Executive Share Option Plan. Approximately 2.78 MAB shares were exchanged for each Six Continents PLC share under option, based on the average price of MAB shares over the first five days on which MAB was listed on the stock market and the average price of Six Continents PLC shares over the last five days on which Six Continents PLC was listed on the stock market.

Options held under 1985 EXSOS became exercisable to acquire IHG shares before the 11 October 2003 or alternatively could be rolled over into equivalent new options to acquire MAB shares; the rules of the 1985 EXSOS continue to apply in the latter instance.

Options to acquire shares held under the Sharesave Schemes lapsed on 11 October 2003. Alternatively, exercise of the options by no later than 5 October 2003 resulted in approximately 1.71 IHG shares being exchanged for each Six Continents PLC share under option that had accrued at the exercise date.

Browns Restaurant (Bristol) Limited

DIRECTORS' REPORT

for the year ended 30 September 2003

On 30 September 2003 and 15 April 2003, the Directors serving at the year end and their families had the following beneficial interest in shares, or held options, under rolled over options as described above, the Mitchells & Butlers Executive Share Option Plan 2003 ("2003 EXSOP"), the Performance Restricted Share Plan 2002/4 ("PRSP 2002/4") and the Performance Restricted Share Plan 2002/5 ("PRSP 2002/5").

Name of Director	Ordinary shares of 5p (i)(ii) (number of shares)		Ordinary shares under option (number of shares)				Option price (iii)	Earliest exercise date
	30 Sep 2003	15 Apr 2003	30 Sep 2003	Granted during period	Lapsed during period	15 Apr 2003 - Rolled over options		
W Y Scobie	25,721	25,721(iv)	657,756	261,933	-	395,823	Nil to 364p	4 Sep 1999
A Hughes	4,421	3,349	1,077,179	523,863	-	553,316	Nil to 364p	22 Feb 1999

- (i) Includes shares held by Trustees under Employee Profit Share Schemes.
- (ii) On 2 December 2003, a consolidation of Mitchells & Butlers plc's share capital resulted in the issue of 12 new ordinary shares of 7 1/12p each for every existing 17 ordinary shares of 5p each. No changes were made to the shares under option in any of the option plans as a result of this consolidation.
- (iii) 'Nil' option price relates to the Performance Restricted Share Plans which have an exercise price of £1 per employee per share plan. For full details of all Mitchells & Butlers share option plans see the Annual Report and Financial Statements 2003 of Mitchells & Butlers plc.

On behalf of the Board



W Y Scobie
Director

6 July 2004

Browns Restaurant (Bristol) Limited

BALANCE SHEET

at 30 September 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Debtors	4	3,415	3,415
NET CURRENT ASSETS		<u>3,415</u>	<u>3,415</u>
CAPITAL AND RESERVES			
Share capital	5	2	2
Profit and loss account	6	3,413	3,413
EQUITY SHAREHOLDERS' FUNDS		<u>3,415</u>	<u>3,415</u>

For the year ended 30 September 2003 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for:

- (i) ensuring the Company keeps accounting records which comply with section 221, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

Signed on behalf of the Board



W Y Scobie

Director

6 July 2004

The notes on pages 4 and 5 form an integral part of these financial statements.

Browns Restaurant (Bristol) Limited

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2003

1. ACCOUNTING POLICIES

A summary of the principal accounting policy, which has been applied consistently throughout the year, 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 accounting standards.

2. PROFIT AND LOSS ACCOUNT

The Company has not traded during the year or the previous year and therefore no profit and loss account has been prepared.

3. INFORMATION REGARDING EMPLOYEES

The Company has no employees apart from the directors who receive no emoluments from the Company.

4. DEBTORS

	2003 £	2002 £
Amounts owed by group undertakings:		
- Parent company and fellow subsidiary undertakings	3,415	3,415
	<u> </u>	<u> </u>

5. CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised:		
100 Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, called up and fully paid:		
2 Ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

6. RESERVES

	<i>Profit & loss account</i> £	<i>Total</i> £
At 30 September 2003 and 28 September 2002	3,413	3,413
	<u> </u>	<u> </u>

7. POST BALANCE SHEET EVENTS

On 13 November 2003, the Mitchells & Butlers group raised £1,900m through a securitisation of the majority of its pubs and restaurants owned by Mitchells & Butlers Retail Limited and its subsidiary undertakings, which include the Company.

Browns Restaurant (Bristol) Limited

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2003

8. CONTINGENT LIABILITIES

Pursuant to the securitisation of the business of Mitchells & Butlers Retail Limited and its subsidiaries (see note 7), the Company is jointly and severally liable with Mitchells & Butlers Retail Limited and other companies within the Mitchells & Butlers group, for all advances made to Mitchells & Butlers Retail Limited under an Issuer/Borrower facility agreement dated 13 November 2003.

On 13 November 2003, the Company, together with Mitchells & Butlers Retail Limited and other companies in the Mitchells & Butlers group, granted full fixed and floating security over its assets and undertaking.

9. ULTIMATE PARENT UNDERTAKING

The Company is a subsidiary undertaking of Browns Restaurants Limited.

Since 11 April 2003, the ultimate parent undertaking and controlling party has been Mitchells & Butlers plc. Prior to this date, the ultimate parent undertaking and controlling party was Six Continents PLC.

Following shareholder and regulatory approval, on 15 April 2003, Six Continents PLC separated into two new groups, InterContinental Hotels Group PLC, and Mitchells & Butlers plc. In connection with the separation, the Company and its immediate parent company, Browns Restaurants Limited, became part of the Mitchells & Butlers plc group.

The results of the Company are consolidated in the Group headed by Mitchells & Butlers plc. Prior to the separation of the Six Continents group, described above, the Company's results were consolidated by Six Continents group. Copies of the Six Continents PLC and Mitchells & Butlers plc group financial statements are available from the Company Secretary, Mitchells & Butlers plc, 13th Floor Marble Arch Tower, 55 Bryanston Street, London, W1H 7AA.

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