TRAGUS

Half Year Trading Statement for the six months to 27 November 2011

HALF YEAR TRADING STATEMENT FOR THE SIX MONTHS TO 27 NOVEMBER 2011

Tragus Group Limited ("Tragus" or the "Group") is one of the UK's largest casual dining restaurant chain operators with over 290 sites across the country, serving over 21 million meals every year. Tragus operates primarily under the Café Rouge, Bella Italia and Strada formats in the UK.

Following the publication in November 2011 of the Annual Review for the year to the end of May 2011, I am pleased to provide a half yearly update on the performance of the Group to 27 November 2011 and an overview of further developments.

TRADING

We have traded robustly in what continues to be a difficult market; economic conditions in the UK have remained challenging and against this we have seen revenue growth of 2.2% in the first half of the year.

Following the end of the half year we moved into the industry's key Christmas trading period. This year saw mild weather conditions compared to the harsh winter weather in the prior year. For the six weeks ended 8th January 2012 the Group has seen an increase in like for like sales in Tragus' key brands of Café Rouge, Bella Italia and Strada of +5.1%.

The market has continued to be dominated by discounts and Tragus has sought to support customers with a number of targeted promotions including "2 for 1 dining", set menu promotions and value deals.

STRATEGY

In the half year, we have opened eight new restaurants – Strada in Edinburgh, Harpenden, Heathrow Terminal 3 (airside) and Stratford Westfield, Bella Italia in Leicester and Leeds and Café Rouge in Aberdeen and The Strand; I am pleased to report that these sites are trading in line with expectations .

We remain on target to open over 15 restaurants for our financial year ending May 2012.

We continue to invest heavily in our estate and at the half year completed a further seven refurbishments as part of the Strada brand refresh programme bringing the total number of sites operating under the new look to 53. The remainder is to be completed in the second half of the year.

CORPORATE SOCIAL RESPONSIBILITY

Tragus in partnership with its suppliers, is working to reduce its impact on the environment; we have categorised the various initiatives that we have into three areas – waste & recycling, energy saving and food & drink and we have undertaken developments across all of these. For each of our key brands, we have nominated Charities of the Year; in Café Rouge we are working with The Rainbow Trust – a charity for practical support for ill children, Bella Italia is working with Great Ormond Street and Strada with Marie Curie.

OUTLOOK

We have invested significantly in the development of our brands over the last 6 months and believe we are well placed to benefit when the UK economy strengthens.

We remain positive about the long term casual dining market in the UK and continue to see the changing socio-economic trends having a positive impact on dining patterns.

The performance of our brands during the Christmas and New Year period was very encouraging and demonstrates their strength, breadth and popularity. However, given the ongoing tight fiscal conditions and uncertain economic environment in the UK we remain cautious on the overall outlook for 2012.

Graham Turner
Chief Executive Officer

19th January 2012

Background

Tragus www.tragusgroup.com

Tragus Group Limited ("Tragus") is one of the UK's largest casual dining restaurant chain operators with 294 sites across the country serving over 21 million meals every year. Tragus operates primarily under the Café Rouge, Bella Italia and Strada formats in the UK.

Café Rouge (123 sites), www.caferouge.co.uk

Café Rouge is the UK's only established national French restaurant brand, with sites designed to provide the look and feel of a classic Parisian bistro and a menu that includes steak frites, moules and tarte tatin. Café Rouge is predominantly a high street brand but it also operates successfully within a retail and concessionary environment.

Bella Italia (86 sites), www.bellaitalia.co.uk

Bella Italia is an all-day Italian trattoria with a rustic ambience. Its restaurants are in prime locations predominantly on the high street but it also operates from leisure park sites. In addition to classic pizzas and pasta its broad menu also includes a range of grill main courses, sandwiches and salads.

Strada (72 sites), www.strada.co.uk

Strada is a group of contemporary Italian restaurants located on the high street serving good quality, simple, freshly prepared dishes using the finest seasonal produce. The menu offers hand stretched pizzas, pastas, risotto and grilled meat and fish dishes.

Brasseries (13 sites)

Tragus also operates 13 Brasseries under the brands Huxleys, Belgo, Amalfi, Potters and Ortega.

* Site numbers as at 27th November 2011