

TRAGUS

2005/06 Year End Results “A year of outperformance and brand development”

Tragus reports Year End results for the twelve months to 28th May 2006

Tragus Limited (“Tragus”), one of the leading casual dining groups in the UK, announces its Year End results for the twelve months to 28th May 2006.

Highlights

- Total turnover up 11.1% to £130m
- Like for like turnover up 7.7%
- EBITDA at £22m up 32%
- Average like for like site EBITDA £191k up18.5%
- Six new Café Rouge and one new Bella Italia restaurants opened in the period, in Canterbury, Manchester, Birmingham, Glasgow, Liverpool, St Pauls London and Plymouth
- Strong pipeline of sites for FY07 and FY08
- Scope to double the size of the Café Rouge estate from its current level of 85 restaurants
- Launch of Ortega, a new Spanish Tapas Bar and Cantina
- £138m refinancing completed in May 2006 providing:
 - Lower cost of capital
 - Repayment of shareholder loans
 - £27m payment to equity
 - Capex facility increased to £20m
- Continued strong demand for our brands
- Achieved 3.9% like for like growth during the 5 weeks of the World Cup

Financial Highlights

Year Ended 28 th May	2006	2005	2004
	£000's	£000's	£000's
Total Sales	129,541	116,590	101,912
Site EBITDA	29,987	24,359	19,904
Central Costs	(7,982)	(7,642)	(7,081)
EBITDA (pre exc. items)	22,005	16,717	12,823

Outlook:

- *Café Rouge Sheffield opened since year end*
- *Strong pipeline with new Café Rouge and Bella Italia restaurant openings planned for Manchester, Exeter, Milton Keynes, Lakeside and Camberley.*
- *Further Ortega openings – three planned for the current year*
- *Strong resurgence of tourist demand in London*
- *Major move on developing service quality within the restaurants*

Graham Turner, Tragus Chief Executive, commented: “2006 has been a year of considerable progress for our Group, with a successful Group refinancing and our Café Rouge and Bella Italia brands both performing well. We are very excited by the recent launch of Ortega, our newly developed Spanish Tapas Bar and Cantina, and look forward to the opportunities it will provide.”

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Chief Executive's Review

In the year under review, Tragus has successfully driven returns in the existing portfolio as well as developing an exciting new concept to complement the current brands - in March, Tragus announced the launch of its new Spanish restaurant brand Ortega, with four restaurants planned for the current year.

A total of 7 new restaurants were opened in the twelve months to 28th May 2006, including 6 Café Rouge restaurants and 1 Bella Italia. Our focus on outside eating space has led to a number of new opportunities and we have extended pavement seating areas, created new fully opening shop fronts and opened up new garden dining areas.

We continue to target circa 12 new openings a year and have a strong pipeline of sites for the coming 12 months and beyond.

Total turnover grew by 11.1%, driven by ongoing menu development and focus on customer service along with further growth of our portfolio. Like-for-like turnover grew by 7.7% with the key financials of margin and labour both improving year on year.

Café Rouge

The Café Rouge group of restaurants continued its strong growth, both in sales from existing sites and new operations. Revenue rose by 15.4% with like-for-like sales growth of 9.4% over the period. 48 restaurants broke record sales during the year.

Six new Café Rouge sites were opened in the period, including Birmingham, Glasgow Canterbury, Liverpool, Manchester and London St Pauls and we continue to see opportunities to grow the Café Rouge brand considerably from its year end total of 85.

The unique French food offering on the High Street has enjoyed ongoing popularity with events such as another successful Escargot Day on 24 May when over 10,000 escargot were sold and regional specials such as a Normandy dish of pork fillet with calvados sauce proving popular.

Bella Italia

The repositioning of the Bella Italia brand has continued well, with 6.8% growth in turnover in the period and like-for-like sales up by 5.6%. 29 restaurants broke previous sales records during the period. A number of restaurants have been refurbished and further refurbishments are planned in the coming year to replicate the authentic and fun family atmosphere that the brand represents.

At the beginning of the year, grills were installed across the estate allowing us to further broaden appeal of the menu by offering steak and chicken dishes. So far, over 100,000 steaks have been sold. We have also opened up a number of shop fronts and created al fresco dining areas to extend the all day appeal.

Our new EPOS system was rolled out across the Bella estate and has facilitated improved management information and assessment, allowing the group to focus cost savings and drive efficiency.

Ortega

In March 2006, Tragus announced its decision to launch Ortega, a Spanish tapas bar and cantina. Following considerable research, we have created an original concept that captures the spirit and passion of a night out in a Spanish city. We have devised an authentic Spanish menu, including tapas and main meals, which are complemented by a full drinks offering.

The spirit of Spain with rich colours and finishes and atmospheric lighting inspires Ortega's décor and we believe the concept sits well with our brand portfolio alongside the all-day dining groups Bella Italia and Café Rouge.

The first unit is now open in Harlow in Essex and is trading well.

Cash Return on Investments (CROI)

The investment into growing the estate has proved extremely successful with an average CROI of 42.2% on the new sites opened during the last two years.

Ends

Notes to Editors

Tragus

Tragus is one of the largest mid-market restaurant chain operators in the UK, with over 160 sites across the country serving over 12 million meals every year. Tragus operates primarily under the Café Rouge and Bella Italia formats in the UK.

Café Rouge (86), 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 concessionary environment, for example it has an award-winning Heathrow airport site.

Bella Italia (61), www.bellaitalia.co.uk

Bella Italia is an all-day Italian trattoria with a rustic ambience. Its sites 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 and other protein-based dishes and salads.

Ortega (1), www.ortegatapas.co.uk

Tragus announced the launch of its Spanish Tapas Bar Cantina brand in April 2006 which will provide a complimentary offering to the Group's existing brands, Café Rouge and Bella Italia. The Spanish tapas style of dining is a sector of the UK casual dining market that Tragus believes has significant growth potential.

Brasseries (13)

Tragus also operates 13 brasseries under the brands Mamma Amalfi / Amalfi, Oriel, Abbaye and Leadenhall Wine Bar

Unaudited accounts

The above results are extracted from the unaudited financial statements of Tragus Group Holdings Limited and Tragus Holdings Ltd.