

WHITBREAD

AGM Trading Statement

Released : 19 June 2007

Whitbread PLC
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WHITBREAD AGM TRADING STATEMENT

19th June 2007

Whitbread PLC will today report a positive start to the year at its Annual General Meeting.

In the 13 weeks to 31st May 2007 total sales for Continuing Whitbread* increased by 9.8 % on the previous year and like for like sales by 5.6%.

Sales for 13 weeks to 31st May 2007

	% change vs prior year	
	Like for like sales	Total sales
Premier Travel Inn	10.1%	13.9%
Restaurants	1.5%	2.8%
Costa	4.7%	18.4%
Continuing Whitbread*	5.6%	9.8%
David Lloyd Leisure	3.5%	3.8%

Alan Parker, Chief Executive, Whitbread PLC comments:

"I am pleased to report that the group has started the new financial year with continued growth in all of its businesses. Total sales have grown 9.8% and like for like sales have grown by 5.6%.

Premier Travel Inn has again performed strongly and ahead of the market. We have today announced our plans to rebrand the business to Premier Inn. This will be implemented in the second half of this financial year at a cost of £13m together with £9m of capital expenditure. Our expansion programme in the UK is on plan and today we have announced a joint venture in India which plans to open 80 hotels with 12,000 rooms over the next 10 years. This will require a Whitbread investment of up to £150m.

The recovery programme in Restaurants continues with improved operating performance and productivity being seen across the whole business. The remodelling programme in Beefeater is now complete and the investment programme for Brewers Fayre continues with a further 100 outlets to be remodelled this

financial year.

Costa has seen a strong sales performance benefiting from its rapid expansion programme and continued like for like sales growth. 55 additional stores have been opened in this quarter including 41 in the UK.

We announced at the beginning of June that we have conditionally agreed to sell David Lloyd Leisure to Versailles Bidco Limited, a company owned by London and Regional Holdings Limited and Bank of Scotland Corporate, for £925m, a sum that we believe represents excellent value for our shareholders. Completion is expected to occur in early August 2007.

During the course of the first quarter we also completed the disposal of the T.G.I Friday's business for an aggregate price of £70.4m.

At our Preliminary results we stated our plan to increase the level of leverage in the business (on a pension and lease adjusted basis) from under 4 times adjusted net debt to EBITDAR to under 5 times, an increase of around £400m. Work on effecting this has been ongoing and will now include consideration of the funds expected to be received on the completion of the David Lloyd Leisure sale. It is our intention to make an announcement on the use of the funds released by this increased leverage by our half year results.

The year's trading has started well with the momentum seen in the second half of 2006/7 continuing, despite the environment of rising interest rates. The Board remains confident that the growth prospects for the Group are good."

* Continuing Whitbread

Continuing Whitbread comprises Premier Travel Inn, the retained Restaurant estate and Costa but excludes David Lloyd Leisure, the disposed restaurant sites, TGI Friday's and any supply chain sales to third parties.

End

Conference call for analysts and investors

Alan Parker and Christopher Rogers will be available for a conference call at 8.15 am today. To participate, dial +44 (0)207 138 0825

A recording of the conference call will be available for seven days. To listen, dial +44 (0)207 806 1970 and enter the passcode 1483880#. This service will be active approximately one hour after the conference call has finished.

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