

# WHITBREAD

## Trading Statement - Week 39

Released : 11 December 2007

Whitbread PLC  
11 December 2007

### WHITBREAD INTERIM MANAGEMENT STATEMENT

11 December 2007

Whitbread PLC today reports good progress for the 39 weeks ended 29 November 2007.

Sales for 39 weeks to 29 November 2007.

	% change vs prior year	
	Like for like sales	Total
sales		
Premier Inn	10.8%	
15.0%		
Restaurants	0.4%	1.9%
Costa	6.4%	
23.6%		
Continuing Whitbread at week 39	5.8%	
11.0%		
Continuing Whitbread at Week 26	6.3%	
10.8%		

Alan Parker, Chief Executive, Whitbread PLC comments:

"I am pleased to report that Whitbread continues to enjoy good growth with sales up by 11.0% and like for like sales up by 5.8%.

Premier Inn, which accounted for 73% of the first half's Group operating profit, has achieved strong sales growth for the 39 weeks of 15.0% with like for like sales up by 10.8%. Sustained demand from the corporate market has increased like for like occupancy on last year by 0.5% to 82.7%. Expansion is ahead of plan with some 3,500 rooms to be opened this year against our target of 3,000, assisted by the Tulip Inn hotels acquisition in the UK and Ireland announced in September 2007. From in depth research of the UK hotel market we are confident that there is a substantial opportunity for the long-term development of Premier Inn. In November we opened our 500th UK hotel in Bournemouth. The rebranding as Premier Inn is now well underway for completion in the Spring when we will be undertaking a major marketing campaign to launch the brand.

Restaurants, which accounted for 22% of the first half's Group operating profit, increased sales by 1.9% and like for like sales by 0.4%. This lower level of

growth since the half year is due to the more challenging environment. The improvement in operating margins due to management action continues and as a result we expect a substantial improvement in average profitability per restaurant with a good performance from Beefeater. The remodeling of the Brewers Fayre estate has continued with 88 now completed. We have opened five new Restaurants on joint sites, which are trading ahead of expectations.

Costa's sales have increased by 23.6% with accelerated new store openings continuing to drive total sales together with the strong 6.4% like for like sales performance. Since the beginning of the year we have had a net increase of 216 stores worldwide, (123 in the UK and 93 overseas). The total number of stores is now 923 of which 655 are in the UK and 268 overseas. Our international expansion continues and we recently announced a new joint venture in Beijing with the Beijing Hualian Group with plans to open 300 stores in the next five years doubling our previous target to 600 stores in China.

We continue to move towards a more efficient balance sheet structure. Our previously announced on market share buy-back has resulted in the purchase of 16.0 million shares representing 8.1% of our share capital, at a cost of £259 million as at 29 November 2007. Net debt as at 29th November 2007 stood at £277 million. On 27 November we were granted shareholder authority to purchase further shares up to 10% of the outstanding shares over and above our previous 10% authority. This authority will enable the Board to continue to make purchases of shares, if it considers that to be in the best interest of the Company.

The second half has continued to show good progress for the Group as a whole. Trading at Premier Inn, the largest part of the Group, and at Costa, is resilient and in line with our expectations. Although sales at our Restaurants continue to be soft the effect of this is being mitigated by operational improvements. The Board remains confident of the good growth prospects of the Group."

\* Continuing Whitbread

Continuing Whitbread comprises Premier 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

Whitbread will announce its final results on 28th April 2008 for the 52 weeks to 28th February 2008.

Conference call for analysts and investors

Alan Parker and Christopher Rogers will be hosting a conference call for analysts and investors at 8.30am today. To participate, dial +44 (0)207 806 1965.

A recording of the conference call will be available for seven days. To listen, dial +44 (0)20 7806 1970 and enter the passcode 6322334#. This service will be active approximately one hour after the conference call has finished.

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