

WHITBREAD

Interim Management Statement

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WHITBREAD ENCOURAGED BY THIRD QUARTER TRADING

Whitbread PLC, the UK's largest hotel and restaurant group, today reports its trading performance for the 39 weeks to 26 November 2009.

	% sales change vs. prior year			
	Q3		39 weeks to 26/11/09	
	Like for like	Total	Like for like	Total
Premier Inn	(3.1)	3.5	(6.0)	1.4
Pub Restaurants	2.3	2.8	2.0	(1.3)
Whitbread Hotels and Restaurants	(1.0)	3.1	(2.8)	0.3
Costa	6.7	20.7	3.9	21.4
Total	0.3	6.7	(1.7)	4.3

Alan Parker, Chief Executive Officer of Whitbread PLC comments:

Our performance improved in the third quarter with total sales up 6.7% and like for like sales turning 0.3% positive. In the 39 weeks of the year to date, total sales are up 4.3% and like for like sales down (1.7%).

Whitbread Hotels and Restaurants have again outperformed the market in some of the toughest trading conditions for years and Costa's sales are outstanding. The positive momentum in sales and

our rigorous cost control lead us to expect that our 2009/10 results will somewhat exceed the top end of market estimates.

At Premier Inn, the decline in like for like sales has halved in the last three months. Regional revpar at Premier Inn year to date, is now showing a reduction of (7.9%) against the hotel market drop of (11.1%). Our commercial action plan is delivering. We continue to roll out dynamic pricing, widen distribution channels and aggressively target the leisure market where we see further opportunity to grow occupancy at weekends. New Business Account customers are up 12% compared to last year with many large national companies choosing to switch to Premier Inn in their search for value.

Our pub restaurants have achieved a robust performance with total year to date sales up by 6.0%* and like for like sales up by 2.0% reflecting the strength of our joint sites. Our value for money brands - Beefeater, Brewers Fayre, Table Table and Taybarns - have increased covers by 6.2% year to date.

Our expansion programme has made further progress in both Premier Inn and pub restaurants with 13 new hotels and 1,759 rooms, plus five new pub restaurants on joint sites so far this year. We continue to grow prudently focusing on high returning projects and building our landbank for future development. Internationally a significant landmark has been achieved with the opening of our first Premier Inn in India, in Bangalore.

Costa had a particularly strong performance in the third quarter with like for like sales up 6.7%, more than double the increase in the first half. Sales in UK and overseas franchise units were £141.8m, up 28.2%. In the year to date, Costa has opened a net 154 stores in the UK and 22 internationally.

Cost control remains a focus throughout Whitbread. As planned, we are on track to deliver the cumulative £25m structural savings by the end of 2010/11. Our further operational cost savings in labour and procurement have underpinned the performance of all the business units.

The Group continues to have ample funding headroom and capital expenditure guidance for 2009/10 remains at c£170m. Whilst retaining a substantial freehold asset base remains core to Whitbread, we intend to selectively use a limited amount of our property as an additional source of funding for expansion. We have therefore over recent weeks been undertaking a small sale and leaseback transaction involving five properties to test the market.

This year's challenging market conditions are likely to continue into next year, however, Whitbread's improving performance is the result of both our action to gain market share and the trend for business and consumers to seek strong value for money brands. The positive momentum in sales and our rigorous cost control lead us to expect that our 2009/10 results will somewhat exceed the top end of market estimates.

Improving quarterly like for like sales trend

	% Like for like sales change vs. prior year			
	Q1	Q2	Q3	YTD

	%	%	%	%
Premier Inn	(7.9)	(7.1)	(3.1)	(6.0)
Pub Restaurants	2.0	1.6	2.3	2.0
Whitbread Hotels and Restaurants	(3.7)	(3.6)	(1.0)	(2.8)
Costa	2.6	2.4	6.7	3.9
Total	(2.7)	(2.7)	0.3	(1.7)

Whitbread will be holding an Investor Day on the 28 January 2010.

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*(1.3%) including the 44 sites disposed of in September 2008

Conference call for analysts and investors

Alan Parker and Christopher Rogers will be available for a conference call at 8.00am today. To participate, dial 0808 238 0673 and enter Conference ID: 44648228.

A recording of the conference call will be available until the 21st December 2009. To listen, dial 0800 953 1533 and enter the passcode 44648228#. This service will be active approximately two hours after the conference call has finished.

Please dial into the call 10 minutes before to ensure you don't miss the start.

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For photographs and video please visit our media library on www.whitbreadimages.co.uk

Notes to Editors

Whitbread PLC is the UK's largest hotel and restaurant group operating market-leading businesses in the budget hotels and restaurant sectors. Its well-loved brands are Premier Inn, Beefeater, Brewers Fayre, Table Table, Taybarns and Costa Coffee.

Whitbread PLC employs over 33,000 people and serves 9 million customers every month in its 1,900 outlets across the UK.

In the financial year ended 27th August 2009, Whitbread PLC reported a 3.1% increase in Group Revenue to £703.3 million and Underlying Profit before tax of £118.2 million down 2.7%.

Whitbread PLC is listed on the London Stock Exchange. It is also a member of the FTSE4Good Index.

This information is provided by RNS
The company news service from the London Stock Exchange

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