

WHITBREAD

Trading Statement

Released : 07 September 2010

RNS Number : 2438S

Whitbread PLC

07 September 2010

Tuesday 7 September 2010

WHITBREAD TRADING UPDATE

STRONG TRADING CONTINUES: TOTAL GROUP SALES INCREASE BY 14.0%

Whitbread PLC, the UK's largest hotel and restaurant group, today reports its trading performance for the 24 weeks to 19 August 2010.

Sales for the 24 weeks to 19 August 2010

	% change vs. prior year	
	Like for like sales* ¹	Total sales
Premier Inn	10.7%	14.5%
Restaurants	3.9%	4.3%
Hotels and Restaurants	7.8%	10.1%
Costa	8.3%* ²	28.0%* ²
Total	7.9%	14.0%

*¹ UK and Ireland only

*² Pre IFRIC 13 adjustment (see notes)

Alan Parker, Chief Executive of Whitbread PLC comments:

Whitbread has achieved further strong results with continued growth for the 24 weeks to 19 August 2010. Total sales were up 14% and like for like sales were up 7.9%.

Premier Inn sales were up 14.5%, with like for like sales up 10.7% and revenue per available room up 9.8%, reflecting both market

growth and a continued improvement in our market share. Like for like occupancy for the 24 weeks continued its recovery to 79.2%, up 9.5 percentage points.

Our initiatives to increase market share have proved very successful. Premier Inn's Business Account sales have increased by over 20% as companies continue to be attracted by our great prices, consistent room quality and largest choice of locations. Dynamic pricing and Premier Offers from £29 have boosted occupancy at weekends and holiday periods.

In the year to date, we have opened 9 new hotels with a total of 795 rooms, of which 6 are on joint sites with restaurants. Our secured pipeline of new rooms now stands at c.11,000, including 1,905 rooms planned to open during the remainder of 2010/11.

Our restaurants have continued to show robust growth trends, with total sales up by 4.3% and like for likes rising by 3.9%. Our value for money menus featuring some of the nation's favourite dishes have helped to attract 6.7% more customers in the period.

Costa delivered another excellent performance. Total sales were up 28% and like for likes rose by 8.3% with product innovation in both drinks and food driving strong transaction growth. Membership of the Costa Coffee Club has exceeded our expectations and now stands at over 3 million since its launch in March, with over 40% of customers using the card.

Total system sales were up 33.5%. International Costa franchise store sales were up by 25.6% to £48.6 million and total UK franchise store sales were up by 55.1% to £77.2 million. We have opened a net total of 98 stores in the year to date, including 54 company-operated stores (28 in the UK and 26 internationally) and 44 franchise stores (27 in the UK and 17 internationally). Coffeeheaven's integration continues according to plan.

Our balance sheet is strong and remains underpinned by a significant freehold asset base. In August, we successfully concluded a debt private placement of senior notes with an equivalent sterling value of c.£102 million. This transaction is part of the process to diversify our sources of funds and to lengthen the debt maturity profile of the Group.

This strong performance across Whitbread is the result of our strategy to increase market share through organic expansion and driving like for like sales. We will continue to make progress in this "age of austerity" by relentlessly focusing on meeting the needs of our customers. Whitbread is well placed, with the right brands offering value for money in attractive segments of the market which have significant opportunities for future growth.

We remain confident about the outturn for the year, despite facing tougher comparatives in the second half.

Like for like sales trend*

	% Like for like sales change vs. Prior year						
	Q1	Q2	Q3	Q4	Q1 2010/11	Q2 2010/11	24 weeks 2010/11
	%	%	%	%	%	%	%

Premier Inn	(7.9)	(7.1)	(3.1)	2.0	10.5	10.9	10.7
Restaurants	2.0	1.6	2.3	1.1	3.6	4.3	3.9
Hotels and Restaurants	(3.7)	(3.6)	(1.0)	1.6	7.4	8.2	7.8
Costa	2.6	2.4	6.7	9.6	8.5	8.1	8.3
Total	(2.7)	(2.7)	0.3	3.1	7.6	8.2	7.9

*UK & Ireland only

End

Notes:

Andy Harrison joined Whitbread as Chief Executive designate on 1 September and takes over from Alan Parker when he retires on 25 November.

Whitbread will announce its half year results on 19 October 2010.

Costa Coffee Club

On 4 March 2010 Costa in the UK launched its loyalty card which offers customers a loyalty incentive. UK sales reported in this trading statement exclude the effects of IFRIC13 "Customer Loyalty Programmes" which is a non cash adjustment that requires a change in the timing of revenue recognition in respect of loyalty incentives. IFRIC13 will be applied to our statutory sales as reported at the full and half year. We will continue to report total and like-for-like sales on a gross basis in our trading statements and other announcements. If IFRIC13 had been applied to the Costa sales reported then like-for-like sales would be 1.5% lower for 24 weeks, and total sales would be 1.6% lower.

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: 96441624.

A recording of the conference call will be available until the 13th September 2010. To listen, dial 0800 953 1533 and enter the passcode 96441624#. 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.

For more information please contact:

Investor Relations

Christopher Rogers, Whitbread PLC +44 (0) 20 7806 5491

Press Contacts

Tabitha Aldrich-Smith, Whitbread PLC +44 (0) 7887 767726
David Allchurch, Tulchan +44 (0) 20 7353 4200

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

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 34,000 people and serves 10 million customers every month in over 2,000 outlets across the UK.

In the year ended 4 March 2010, Whitbread PLC reported a 7.5% increase in Group Revenue to £1,435.0 million and Underlying Profit before tax of £239.1 million up 6.6%.

Whitbread PLC is listed on the London Stock Exchange and is a constituent of the FTSE 100. It is also a member of the FTSE4Good Index.

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

END

TSTLFMRTMBIMBMM