RNS Number : 5648D
Whitbread PLC
16 October 2025

Continued market outperformance by Premier Inn as UK market returns to growth
Further progress in Germany; on course to reach profitability in FY26
Five-Year Plan: on track to deliver a step-change in profitability and £2bn for shareholder returns by FY30

Throughout this release all percentage growth comparisons are made comparing the current period performance (H1 FY26) for the 26 weeks to 28 August 2025 with H1 FY25 (26 weeks to 29 August 2024).

H1 FY26 Group Financial Summary

£m	H1 FY26	H1 FY25	*vs H1 FY25*
Statutory revenue	1,541	1,570	*(2)%*
Adjusted EBITDAR†	601	611	*(2)%*
Adjusted profit before tax†	316	340	*(7)%*
Statutory profit before tax	287	309	*(7)%*
Statutory profit after tax	217	220	*(1)%*
Adjusted basic EPS†	133.7p	137.1p	*(2)%*
Statutory basic EPS	123.7p	121.0p	*2%*
Dividend per share	36.4p	36.4p	*0%*
Group ROCE†	10.3%	11.9%	*(160)bps*
Net debt†	(563)	(370)	*(192)*
Lease-adjusted leverage†	3.2x	2.8x	*n/a*

Overview

- **H1 FY26 results:** adjusted profit before tax† ('PBT') of £316m reflects broadly flat UK total accommodation sales and positive momentum in Germany, offset by the anticipated lower food and beverage ('F&B') sales due to the continued implementation of our Accelerating Growth Plan ('AGP')
- **FY26 current trading[1] and outlook:** positive trading momentum and our forward booked position is ahead of last year in both the UK and Germany; accelerating cost savings to maintain UK net cost inflation within 2% - 3% guided range; in Germany, despite softer than expected market demand in the second quarter, we are on track to deliver profitability this year (revised FY26 adjusted PBT† of up to £5m versus £5m - 10m previously)
- Our **Five-Year Plan** is on track to deliver incremental adjusted PBT† of at least **£300m[2]** by FY30:
  - ***Accelerating Growth Plan (+£100m[2])***: by replacing over 200 lower-returning branded restaurants with an integrated F&B offering, we are unlocking 3,500 high-returning extension rooms; executing at pace, we expect the full reversal of the one-off impact to FY25 adjusted PBT† and will open 500 - 700 extension rooms during FY26;
  - ***UK Network expansion (+£120m[2]):*** we continued to grow our committed pipeline, with 500 new rooms expected to be open by the year end and accelerating thereafter to reach 98,000 open rooms in the UK and Ireland by FY30;
  - ***Strong commercial programme***: with a return to UK market growth, our initiatives are continuing to deliver positive like-for-like† sales momentum, contributing to our outperformance versus the market[3];
  - ***Efficiencies***: helping to partially offset higher than expected inflation, we delivered £43m of savings in H1 FY26 and remain on course to deliver £250m of savings by FY30;
  - ***Germany (+£80m[2])***: we have made great strategic progress, sustaining our outperformance versus the market[4] and are today announcing an agreement to acquire 1,500 rooms; we remain on track to reach at least £70m[5] adjusted PBT† with 20,000 open rooms by FY30; and
  - ***Disciplined capital allocation:*** on course to recycle £250m - £300m of property-related proceeds in FY26 having agreed £120m of disposals, including £99m of sale and leasebacks[6] at attractive yields in the year to date; and we remain on course to maintain average annual net capex of below £500m
- **Updated property valuation:** the Group's freehold and long-leasehold property has been valued at between £5.5bn - £6.4bn, providing confidence in our ability to recycle £1bn into high-returning investments, such as our AGP and network expansion
- With the planned increase in profitability and strong cashflow conversion, we expect to return £2bn via share buy-backs and dividends by FY30. The Board has declared an interim dividend of 36.4p per share (H1 FY25: 36.4p) and we are on track to complete our previously announced £250m share buy-back by 30 April 2026, with 3.6m shares purchased so far for a total consideration of approximately £108m[7]

1: Six weeks to 9 October 2025

2: Incremental adjusted profit before tax† versus FY25

3: STR data, standard basis, 28 February 2025 to 28 August 2025, UK M&E market excludes Premier Inn

4: STR data, standard basis, 28 February 2025 to 28 August 2025, Germany M&E market excludes Premier Inn

5: Using a GBP: EUR exchange rate of 1.18

6: £74m of sale and leasebacks completed in H1 FY26 with a further £25m after the balance sheet date

7: As at 14 October 2025

Financial highlights

- Premier Inn UK: total accommodation sales were broadly in line with last year and RevPAR was down (1)% reflecting a soft first quarter followed by a return to market growth in the second quarter; the strength of our commercial initiatives meant we outperformed the M&E market[1] by +0.7pp on total accommodation sales growth, +1.0pp on RevPAR growth and increased our RevPAR premium to £6.10
- UK F&B sales were in line with our expectations and reduced by 11% due to the impact of AGP, partially mitigated by a stronger performance in integrated restaurants
- UK segment adjusted pre-tax profit margins‡ were 23.4% (H1 FY25: 24.6%), reflecting the impact of AGP on our F&B trading performance and higher than expected cost inflation, partially offset by increased cost efficiencies
- Premier Inn Germany: total sales grew by 9% and despite softer than expected market demand, in part due to lower number of high impact events this year, we continued to outperform the M&E market[2], driven by the increasing size of our estate, maturity of our hotels and brand and our commercial initiatives; as a result, segment adjusted loss before tax† reduced to £3m (H1 FY25: £9m loss);
- Group: adjusted profit before tax† was £316m (H1 FY25: £340m) and statutory profit before tax was £287m (H1 FY25: £309m) after charging £28m of adjusting items (H1 FY25: £31m) including £19m of accelerated depreciation and impairments in relation to the AGP and £5m relating to the Group's other strategic programmes
- Group: adjusted EBITDAR† was £601m (H1 FY25: £611m)
- Group: adjusted basic earnings per share† decreased by 2% to 133.7p (H1 FY25: 137.1p) reflecting the lower level of earnings, mitigated by a reduced weighted average number of shares following share buy-backs over the last twelve months. Statutory basic earnings per share increased by 2% to 123.7p (H1 FY25: 121.0p)
- Total cash returned to shareholders via dividends and share buy-backs in H1 FY26 of £182m (H1 FY25: £278m)
- Strong balance sheet: lease adjusted leverage‡ increased to 3.2x (H1 FY25: 2.8x) and net debt† was £563m (H1 FY25: £370m)

1: STR data, standard basis, 28 February 2025 to 28 August 2025, UK M&E market excludes Premier Inn

2: STR data, standard basis, 28 February 2025 to 28 August 2025, Germany M&E market excludes Premier Inn

Segment highlights

Premier Inn UK

£m	H1 FY26	H1 FY25	*vs H1 FY25*
Statutory revenue	1,416	1,455	*(3)%*
Segment adjusted profit before tax†	331	357	*(7)%*
Revenue per available room (£)†	£69.48	£69.93	*(1)%*

Premier Inn Germany

£m	H1 FY26	H1 FY25	*vs H1 FY25*
Statutory revenue	125	115	*9%*
Segment adjusted loss before tax†	(3)	(9)	*65%*
Revenue per available room (£)†	£52.90	£51.78	*2%*

Outlook, current trading[1] and updated FY26 guidance

- **Outlook**
  - While forward visibility remains limited and despite some uncertainty around the forthcoming UK budget, positive trading momentum and encouraging levels of bookings into future periods in both the UK and Germany mean we remain confident in the full year outlook
- **Current trading: Premier Inn UK**

- Total accommodation sales and RevPAR were both up 3% versus FY25 with a strong performance in London that benefitted from a number of events in the period
- Our forward booked position is ahead of last year and with the continued impact of our commercial initiatives, we remain confident in maintaining a healthy RevPAR premium versus the market
- F&B: sales were 4% behind FY25, in line with our expectations and reflecting the removal of a number of lower-returning branded restaurants, mitigated by a positive performance from our integrated restaurants

- **Current trading: Premier Inn Germany**
  - After a softer start to September, market demand has stepped up in more recent weeks and total accommodation sales were up 9% versus FY25; total estate RevPAR increased by 3% to €82 and RevPAR for our cohort of 17 more established hotels[2] increased by 8% to €95
- **Updated FY26 guidance**

Reflecting the Group's performance in the year to date, we have updated our guidance[3] for FY26 as follows:

- Germany: after a softer market performance in the second quarter that had a lower number of high-impact events this year, we have moderated our guidance and now expect segment adjusted profit before tax† of up to £5m[4] (versus previous guidance of £5m to £10m[4])
- UK costs: higher than expected cost inflation will be partially mitigated by increased cost efficiencies of £65m - £70m (versus previous guidance of £60m) so that net inflation remains within our previously guided range of 2% - 3% on our £1.7bn UK cost base;
- Lease costs: having completed £99m of sale and leasebacks[5] in the UK in the year to date and with further transactions in the second half, this is expected to result in additional lease cost of £5m - £10m

1: Six weeks to 9 October 2025

2: Cohort of 17 more established German hotels that were open and trading under the Premier Inn brand for 12 consecutive months as at 4 March 2022

3: Our FY26 guidance can be found in our FY25 full year results announcement

4: Using a GBP: EUR exchange rate of 1.18

5: £74m of sale and leasebacks completed in H1 FY26 with a further £25m after the balance sheet date

Commenting on today's results, Dominic Paul, Whitbread Chief Executive, said:

"In the UK, with a return to market growth, we sustained our outperformance versus the market through the strength of our guest proposition and commercial programme. We are making strong progress on our Accelerating Growth Plan which, together with our committed pipeline of both Premier Inn and 'hub by Premier Inn' rooms, means we remain on track to reach at least 98,000 open rooms by FY30, extending our position as the clear market leader.

"In Germany, we maintained our outperformance versus the M&E market, having traded well in what was a softer than expected demand environment over the summer. We are continuing to grow our committed pipeline and having agreed the acquisition of eight hotels in prime city-centre locations, we are building a business of real scale. Our growing market share, together with the increasing maturity of our estate, means that we remain confident in fulfilling our ambition of becoming the country's number one hotel brand, delivering significant revenue and profit growth.

"We remain focused on disciplined capital allocation and increasing financial returns. Having completed £99m of sale and leasebacks at attractive yields and with the updated valuation of our estate, we are on track to recycle £1bn by FY30 to fund future high-returning growth, such as our Accelerating Growth Plan, and increase our return on capital employed.

"We're making great progress against our strategic priorities and our Five-Year Plan is firmly on track to deliver a step change in profits, margins, and returns. We remain confident in returning £2bn to shareholders through share buy-backs and dividends and we are on track to complete the previously announced £250m share buy-back by the time of our FY26 results.''

For more information please contact:

Investor Relations - Whitbread
investorrelations@whitbread.com
Peter Reynolds, Director of Investor Relations
peter.reynolds@whitbread.com
Kirsten O'Reilly, Investor Relations Manager
kirsten.oreilly@whitbread.com

kirsten.oreilly@whitbread.com
Kitty Hobhouse, Investor Relations Manager
kitty.hobhouse@whitbread.com

Media - Brunswick
whitbread@brunswickgroup.com
Tim Danaher +44 (0) 20 7404 5959

A webcast for investors and analysts will be made available at 8:00am on 16 October 2025 and will be followed by a live Q&A teleconference at 9:15am. Details of both can be found on Whitbread's website (www.whitbread.co.uk/investors).

†Alternative performance measures

We use a range of measures to monitor the financial performance of the Group. These measures include both statutory measures in accordance with IFRS and alternative performance measures ('APMs') which are consistent with the way that the business performance is measured internally. We report adjusted measures because we believe they provide both management and investors with useful additional information about the financial performance of the Group's businesses.

Adjusted measures of profitability represent the equivalent IFRS measures adjusted for specific items that we consider relevant for comparison of the financial performance of the Group's businesses either from one period to another or with other similar businesses. APMs are not defined by IFRS and therefore may not be directly comparable with similarly titled measures reported by other companies. APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measures. Further information can be found in the glossary and reconciliation of APMs at the end of this document.

Supplementary Information

Further information is available in a supporting supplementary information pack (in Microsoft Excel format) from www.whitbread.co.uk/investors/results-reports-and-presentations.

Chief Executive's Review

Group Results

The Group delivered a robust first half performance and continued to make excellent progress on each of the key strategic initiatives underpinning our Five-Year Plan. As a result, we remain on course to deliver a step change in our profits, margins and returns by FY30, generating £2bn for shareholders through a combination of share buy-backs and dividends.

Group statutory revenue was down 2% at £1,541m (H1 FY25: £1,570m) reflecting broadly flat UK accommodation sales and positive momentum in Germany, offset by the anticipated lower F&B revenues as we implement our AGP. Despite softer market demand, the Group outperformed the market in both the UK and Germany on total accommodation sales and RevPAR growth.

To help mitigate significant inflationary pressures, including national living wage, national insurance and food and beverage inflation, we delivered £43m of efficiency savings (H1 FY25: £38m) in the period and with the impact of our AGP, this contributed to a 2% reduction in operating costs. Despite this, as a result of lower revenues, adjusted EBITDAR was down 2% to £601m (H1 FY25: £611m). Net finance income (excluding lease liability interest) reduced in the period reflecting higher interest payable on the Group's loans partially mitigated by higher interest receivable, resulting in a decrease in adjusted profit before tax† to £316m (H1 FY25: £340m). A lower charge for adjusting items in the period of £28m (H1 FY25: £31m) resulted in statutory profit before tax of £287m (H1 FY25: £309m). A tax charge of £70m (H1 FY25: £89m) meant that statutory profit after tax was £217m (H1 FY25: £220m).

Adjusted basic earnings per share† decreased by 2% to133.7p (H1 FY25: 137.1p) reflecting lower earnings, mitigated by a reduced weighted average number of shares following share buy-backs over the last twelve months. Statutory basic earnings per share increased by 2% to 123.7p (H1 FY25: 121.0p).

Further detail on the drivers behind the Group's performance is set out below.

Premier Inn UK - strengthening our market leading position

Premier Inn UK delivered a robust revenue performance and total accommodation sales were in

Premier Inn UK delivered a robust revenue performance and total accommodation sales were in line with last year. With the strength of our brand, guest proposition and commercial initiatives, we performed ahead of the market by +0.7pp on total accommodation sales growth and +1.0pp on RevPAR growth, maintaining a £6.10 RevPAR premium versus the rest of the M&E market.

After a soft first quarter, our performance strengthened during the half, supported by a seasonally strong summer period and a return to market growth; occupancy remained high at 80.8% (H1 FY25: 83.1%), and ARR increased to £85.95 (H1 FY25: £84.16). In London, increased leisure demand, supported by a positive events calendar, led to an increase in both ARR and accommodation sales, up 0.6% and 1.2% respectively. In the Regions, although ARR was 2.3% higher than last year, occupancy was slightly lower at 81.1% (H1 FY25: 83.5%) resulting in a 1% reduction in total accommodation sales.

Total UK F&B revenues fell by 11% reflecting the transition of a number of our lower-returning branded restaurants into a more efficient, integrated F&B offering, and the sale of sites as part of AGP.

1: STR data, standard basis, 28 February 2025 to 28 August 2025, UK M&E market excludes Premier Inn

The following external and internal factors were important drivers for our UK business in the first half of the year:

- **UK market demand:** The UK returned to market growth during the second quarter, supported by robust leisure demand that was boosted by a strong events calendar in July and August, and more favourable weather. While Premier Inn's overall level of occupancy remained high, it was not quite as strong as the previous year as we adapted our trading strategies, with the result that we continued to outperform the market on both accommodation sales and RevPAR growth. Although we continued to see good revenue growth via Business Booker and Travel Management Companies ('TMCs'), overall business demand was slightly lower in the period in line with the wider market.

- **Muted supply growth**: The supply backdrop post the pandemic remains muted. Hotel construction starts are expected to plateau this year and while the branded budget sector, including Premier Inn, is expected to grow over the next few years, we maintain our view that the independent hotel sector will continue to decline. As a result, we still expect that the total UK market will not return to 2019 levels of supply[1] until at least 2027.

  1: Company data

- **Accelerating Growth Plan ('AGP'):** The transformation of a number of our lower-returning branded restaurants into a more tailored, integrated F&B format and the unlocking of 3,500 new extension rooms remains on track. Planning applications for 80% of the affected sites have been submitted and permission has already been received for c.60% of sites. We have completed or are in progress at over 20% of sites and the first of our new extension rooms are already open, with 500 - 700 rooms expected to open towards the end of the financial year. We are also making good progress on exiting over 100 branded restaurants and have sold 41 for a total consideration of £42m, with the sale of the remaining sites expected to be completed as planned. As a result, the impact of AGP on FY25 profitability is expected to fully reverse in FY26, in line with our previous guidance.

- **Network expansion:** Premier Inn remains the UK's largest hotel chain with approximately 12% share of all hotel rooms. During the first half, we opened 94 new rooms and closed 396 lower-returning rooms as part of our estate optimisation programme, including AGP, with the result that as at 28 August 2025 we had 846 hotels and 85,682 rooms open. Taking advantage of a number of market opportunities, we were able to grow our committed pipeline[1] by 25% to 7,800 new rooms (H1 FY25: 6,262), of which 2,205 are 'hub by Premier Inn', underpinning our confidence in the brand's future growth potential.

  1: UK and Ireland committed pipeline excluding extension rooms from Accelerating Growth Plan

- **Commercial programme:** We continued to execute a broad range of commercial initiatives that are helping us to drive like-for-like† sales momentum and outperform the rest of the M&E market. Highlights during H1 FY26 include:

  - *Refining our marketing strategies:* We continued to sustain our high brand awareness at over 90% in the UK[1] through a continuous programme of both brand and digital campaigns that are focused on driving cost-effective, customer acquisition whilst ensuring we remain at the forefront of customers' minds when making their hotel choice.

1: UK YouGov Brand Consideration as at 28 August 2025 based on a nationally representative 52-week moving average

- *Expanding our distribution channels:* We continued to make excellent progress in driving B2B volumes through our Business Booker and TMC channels with improved account management and incentives helping to deliver increased sales and profit. Our use of online travel agents ('OTAs'), limited to inbound customer traffic only, has been positive and has been a helpful addition to drive incremental international demand.

- *Optimising our revenue management:* At the core of our vertically integrated business model is our proprietary automated trading engine that remains a key source of competitive advantage, enabling us to maximise revenue for any given volume of demand. With a number of key events over the summer months, we were able to drive additional revenue through improvements made to our events trading strategies and saw particular success with the Oasis concerts at Wembley, significantly outperforming the submarket on both occupancy and RevPAR.

- *Increasing ancillary revenue:* Having completed the installation of our new reservation system in 2024, we have been able to enhance consumer choice and generate additional revenue by offering several options to our guests as part of the booking journey including early check-in, late check-out, 'Rooms with a view', parking and high-speed Wi-Fi.

- *Enhancing guest engagement through a better digital experience:* By continuing to optimise our website and increase our app functionality, we are driving guest volumes and conversion and have seen an increase in app revenues and channel share versus last year. We are also improving the digital guest experience and have now launched online check-in across our UK estate. We are driving higher guest engagement through our CRM database and enhanced promotional capabilities that in turn should help to drive more revenue growth.

- *Best-in-class operations:* The quality of our guest offer underpins our position as the UK's number one hotel brand and 'Best Value Hotel Chain', as measured by YouGov[1]. Our significant and ongoing investment in our estate includes the roll-out of our new room format, ID5, and our extensive refurbishment and repair and maintenance programmes that together ensure that we maintain a high level of consistency across our estate. Food and beverage remains a core part of our offer, with our new integrated ground floor concept and several commercial initiatives helping to drive positive guest scores and F&B revenues. To ensure our teams continue to deliver an excellent service for our guests, we invest in competitive pay, training, and development. This commitment helps maintain high levels of staff engagement, staff wellbeing and retention, as demonstrated by over 75% of our team members having over one year's service.

1: YouGov BrandIndex Quality & Value scores as at 28 August 2025 based on a nationally representative 52-week moving average

Despite inflationary pressures as a result of national living wage, national insurance costs and higher food and beverage costs, the removal of a number of lower-returning branded restaurants as part of AGP, together with increased cost efficiencies in the period, meant that operating costs reduced by 3%. However, with the reduction in UK revenue due to AGP, the net result was that UK segment adjusted profit before tax† was £331m (H1 FY25: £357m) and UK segment adjusted pre-tax margins† reduced to 23.4% (H1 FY25: 24.6%) while UK ROCE† was 11.8% (H1 FY25: 14.0%).

During the period, the Group recognised £18m (H1 FY25: £nil) of accelerated depreciation and £1m of impairment (H1 FY25: reversal of £1m) arising from site extensions and conversions in relation to the AGP. In addition, £2m of impairments (H1 FY25: £1m) were recognised on assets transferred to assets held for sale.

Premier Inn Germany - on course to reach profitability

We continue to make good progress in Germany despite softer market demand in the second quarter due to a lower events profile than the previous year. With the increasing maturity of our estate and brand, supported by our ongoing commercial initiatives, we reached higher levels of occupancy and higher ARR versus last year. The net result was that we delivered 7% growth in total accommodation sales and RevPAR grew by 2% versus last year, which was ahead of the M&E market[1] that fell by (5)%.

Supporting our longer-term growth ambitions in Germany, we have agreed theacquisition of 8 hotels located in prime locations, adding over 1,500 rooms to our open and committed portfolio, with completion expected in Spring 2026. Our current open and committed pipeline stands at 20,016 rooms (H1 FY25: 17,296 rooms) with 33% of our committed pipeline being freehold sites.

Drawing upon our growing pool of guest data, our commercial strategy is helping to drive RevPAR momentum:

- **Improved trading strategies** - We continue to refine our trading strategies with particular focus on our performance on key event nights. As up to 20% of room nights in Germany are event nights, being able to trade these effectively is a key driver of profitability in the German market. Through refining our pricing strategies, we have seen an improved performance versus the market on event nights, with our more established cohort delivering RevPAR ahead of the market.

- **Driving ancillary revenue** - By offering guests several optional extras, such as early check-in and late check-out, during the booking journey, we enhance the overall guest experience while also driving incremental ancillary revenues.

- **Broadening distribution** - We have seen an increase in domestic and international guest volumes and revenues as we expanded our distribution to include third-party channels such as OTAs. While the majority of our bookings come direct, OTAs are proving to be an important and value accretive channel in the German market. Our regional sales teams are also having a positive effect on establishing relationships with corporate customers and building our presence in the B2B market.

- **Increasing brand awareness** - Our brand awareness[2] increased to 18% (H1 FY25: 16%) and whilst still behind some of our key competitors, given the quality of our product and the increased guest scores we are achieving, we are confident in our ability to close the gap further.

- **Enhancing our property strategy** - We continuously seek to optimise our property conversion and development strategy, strengthening relationships with key partners to drive reductions in associated costs. As a result, we have been able to minimise disruption and improve financial performance at sites that are being refurbished by reducing the time period required to complete the works.

As in the UK, we continued to make progress in enhancing our operational efficiency and managing costs. Our growing scale is unlocking new opportunities to reduce costs without compromising our excellent guest experience.

Whilst not yet mature and despite the impact of market demand in the second quarter, our cohort of 17 more established hotels[3] delivered 3% RevPAR growth and aggregate site-level profit[4] of £17m for the 12 months to the end of H1 FY26 (H1 FY25: £10m), providing a useful indicator of the future profit potential of our estate as a whole. As a result, we delivered a much-reduced segment adjusted loss before tax† for all of our German operations of £3m (H1 FY25: £9m loss) and we remain on track to reach profitability in FY26.

1: Local currency based on STR data, standard basis, 28 February 2025 to 28 August 2025, Germany M&E market excludes Premier Inn

2: Germany YouGov Brand Consideration: 1 September 2024 to 31 August 2025

3: Cohort of 17 more established German hotels that were open and trading under the Premier Inn brand for 12 consecutive months as at 4 March 2022

4: In aggregate, adjusted profit before tax† excluding non-site related administration and overhead costs

Capital allocation - Investing for the long-term to drive higher returns

Our strong balance sheet means we can strike the right balance between investing in high-returning, long-term growth opportunities and returning excess capital to shareholders through dividends and earnings-enhancing share buy-backs. Our primary focus is on driving high returns on capital and the core elements of our framework remain as follows:

- maintain our investment grade status by operating within our leverage threshold;
- continue to fund our ongoing capital expenditure requirements and invest through the cycle;
- complete selective freehold acquisitions and M&A opportunities that meet our returns thresholds;
- recycle capital from lower returning assets into higher returning investments, when suitable opportunities arise;
- grow dividends in line with earnings; and

- grow dividends in line with earnings; and
- return excess capital to shareholders, dependent on the outlook and market conditions.

Lease liabilities at the end of the half were £4.3bn (H1 FY25: £4.2bn) and after total capital expenditure of £328m (H1 FY25: £199m), £182m of share buy-backs and dividends (H1 FY25: £278m) and the issuance of a £400m bond[1] in February 2025, our ratio of lease-adjusted net debt[2] to adjusted EBITDAR was 3.2x (H1 FY25: 2.8x[3]) versus our threshold of 3.5x.

We are on track to deliver £2bn for share buy-backs and dividends by FY30. Given our confidence in the delivery of our Five-Year Plan and the strength of our balance sheet, the Board has declared an interim dividend of 36.4p per share (H1 FY25: 36.4p) and we are on track to complete a £250m share buy-back by 30 April 2026, with 3.6m shares purchased so far for a total consideration of £108m.

1: The Group issued £400m of 5.50% guaranteed notes due in 2032

2: This measure aligns to the Fitch methodology, with the leverage threshold set at 3.5x lease-adjusted net debt : adjusted EBITDAR for BBB-

and 3.0x for BBB, both of which are within investment grade

3: H1 FY25 net leverage restated to reflect Fitch Ratings updated methodology

Business strategy

Our ambition is to become the world's leading budget hotel brand, delivering a fantastic experience for our guests, rewarding employment for our teams and long-term, sustainable returns for our shareholders whilst also driving positive change through our Force for Good sustainability programme. To achieve our objective, we are executing the following three pillars of our business strategy:

- continuing to grow and innovate in the UK;
- focus on our strengths to grow in Germany; and
- enhancing our capabilities to support long-term growth.

Each pillar is embedded within our Five-Year Plan and is set to deliver a step change in our profits, margins and returns.

Five-Year Plan

We are continuing to execute several strategic initiatives so that by FY30 the Group will:

- **increase Group adjusted PBT† versus FY25 by at least £300m; and**
- **generate £2bn available for share buy-backs and dividends.**

We have a strong track record of being able to more than offset UK cost inflation through a combination of cost efficiencies and positive UK like-for-like† sales growth. Our Five-Year Plan illustrates the position assuming we only offset cost inflation.

Our progress during H1 FY26 reinforces our confidence in the delivery of the plan, each element of which is summarised below:

UK: Accelerating Growth Plan ('AGP') (+£100m adjusted PBT† by FY30)

By optimising the delivery of F&B at around 200 of our sites and converting a number of our lower-returning branded restaurants into a more efficient, integrated F&B offer, we will unlock 3,500 new extension rooms.

With the first of our new extension rooms open, we expect to have between 500 - 700 extension rooms open towards the end of FY26. We are exiting over 100 branded restaurants and having sold 41 sites for £42m, we remain confident of exiting the remaining sites as planned.

UK: network expansion (+£120m adjusted PBT† by FY30)

We are on course to reach at least 98,000 open rooms by FY30, extending our market-leading position in the UK, with close to 8,000 rooms in our current committed pipeline[1], and the additional opening of a further 1,000 rooms over the next few years.

We are confident that these new rooms will be higher returning than our current open estate average. Our committed pipeline has a higher weighting towards London and freehold sites driving higher RevPARs and lower costs. As we optimise the estate, we are opening larger hotels that enable us to drive higher levels of profitability, while also expanding our successful 'hub by Premier Inn' proposition.

Our significant growth potential is underpinned by our identification of catchments where we do not currently have a presence, or where we can add more rooms without cannibalising our existing estate. Drawing upon our suite of development options including new builds, conversions, extensions and single-site acquisitions, the pace and extent of our expansion will be driven by the availability and cost of appropriate sites that can meet our target levels of return.

1: UK and Ireland committed pipeline excluding extension rooms from Accelerating Growth Plan

Germany: network expansion and RevPAR uplift (+£80m adjusted PBT† by FY30)

We remain focused on building the Premier Inn brand; refining our commercial strategy; enhancing our business proposition; and optimising our model and product offer. Driven by our ambition to become the country's number one hotel brand, our open estate is set to almost double to 20,000 rooms by FY30, with the opening of our existing pipeline of nearly 9,000 rooms and the addition of further rooms.

Reflecting the increasing maturity of our estate, improved distribution and increased brand awareness, we expect to achieve a network RevPAR of c.€80 and reach double-digit returns on our current open portfolio by FY30. We are on course to reach profitability in FY26 and with the benefit of operating leverage driven by improvements to our operating model and additional scale, we expect Germany to deliver adjusted PBT† of at least £70m[1] by FY30, representing an uplift of at least £80m versus FY25. Thereafter, we expect to make further progress as our estate and brand continue to mature.

1: Using a GBP: EUR exchange rate of 1.18

Strong commercial programme and cost efficiencies

We will continue to drive like-for-like† sales momentum through a range of commercial and cost saving initiatives. These include: evolving our trading strategies and proprietary automated trading engine; enhancing our digital capabilities including the functionality of the Premier Inn app to drive greater usage; refining our marketing strategies and broadening our distribution, leveraging social media channels such as YouTube and TikTok and exploring the use of third-party channels; broadening our appeal to business guests through Premier Inn Business and TMCs; further improvements to F&B; and continuing to invest in our significant refurbishment plan and ongoing repair and maintenance programme, ensuring that we meet the high standards expected by our guests.

We have a strong track record of unlocking material cost efficiencies, helping to offset inflationary pressures across our UK cost base. With further savings from the transformation of our F&B distribution model, improved labour forecasting and increased spans of control for some of our hotel managers, we now expect to deliver £65m to £70m of cost efficiencies in FY26, with a further £175m to £180m of savings in aggregate between FY27 and FY30, totalling £250m by FY30.

Using our balance sheet to fund growth whilst maintaining average net capex at £500m per annum

The strength of our balance sheet and well-managed investment approach means we can continue to invest in growing our business whilst also increasing our return on capital. Our long-term horizon for investment means we can deploy capital decisively, allowing us to extend our leadership position in the UK and Ireland and continue our expansion in Germany. Our large and valuable portfolio of freehold property, combined with significant in-house property expertise, is a major source of commercial and operational advantage:

- **Increased market penetration** by maximising our chances of securing the best assets in our target locations because we can access both freehold and leasehold opportunities and can move quickly, funding developments from available resources;
- **Provides full control** over the location and initial development of the hotel as well as all maintenance and redevelopment, including extensions;
- **Optimises commercial opportunity** in any location for the Group;
- **Offers inflation resilience and protection** during market downturns through lower rent exposure and reduced sensitivity to increasing property costs;
- **Strengthens our financial position**, improving our covenant and enabling us to secure more favourable lease and financing terms; and
- **Supports capital recycling**, enabling us to release significant development profits through the disposal of some of our properties through sale and leasebacks and other property-related transactions.

Our freehold and long-leasehold estate in the UK, Ireland and Germany has been revalued in the period. The valuation of £5.5bn - £6.4bn has increased versus the previous 2018 valuation of £4.9bn - £5.8bn and is based on a yield range of 5.5% - 6.5%, an average rent cover 2.0x and includes £760m of net book value assets that were under construction and non-trading.

While freehold sites offer the advantages highlighted above, our approach to site selection remains broadly agnostic between freehold and leasehold and each opportunity is assessed on its ability to deliver returns that meet our internal thresholds. We segment our portfolio into several categories based on a site's strategic importance, size, location and maturity. This enables us to identify and prioritise opportunities to generate additional value, subject to market conditions and funding. These opportunities include extending or developing a site, or adopting a different financial structure that results in development profits and/or additional yield potential.

After a challenging period post-pandemic, there are clear signs that the property investment market is improving and activity levels in the hotel sector are increasing. In the financial year to date, we have completed four sale and leaseback transactions on eight hotels for £99m at an average net initial yield of 5.3% and remain on track to receive £250m - £300m of property-related proceeds by the year end.

As part of our Five-Year Plan we will recycle £1bn of our property over the life of the plan. By recycling more of our freehold property into higher returning assets, we can fund all of our plans outlined above and maintain average annual net capex at £500m per annum to FY30.

Force for Good

Being a Force for Good is fundamental to the sustainable and long-term growth of our business. Our programme comprises three core pillars: opportunity, responsibility and community, and has stretching targets that are embedded across all areas of our business, ensuring that responsible business practices are integrated into our operations.

Opportunity

We seek to create employment opportunities for all, with no barriers to entry and no limits to ambition. Opportunity at Whitbread anchors to our talent development and training, opportunities for disadvantaged youth, diversity and inclusion ('D&I'), and wellbeing.

We look to develop our people through several initiatives, including our 'Progressing Into' programmes for Hotel Management, the delivery of service skills training to more than 20,000 people, the launch of new leadership behaviours and a new performance framework. With over 1,000 apprentices we are ranked 8th in the Top 100 Apprenticeship Employers. Social mobility remains a key objective and we have supported care-experienced Young People into employment through our partnership with Barnardo's, as well as participating in the DWP backed 'Trailblazers' scheme in London. Our Thrive programme with the Derwent and Hereward Colleges has been helping young people with special educational needs into employment for a decade and our programme of working with schools and colleges across the UK, supported 500 young people with work experience in H1 FY26.

Our D&I efforts were recognised during H1 FY26 with our nomination for Employee Network of the year at the British LGBTQIA+ awards and, more broadly, we were also accredited as a UK Top Employer for the 15th consecutive year.

Our wellbeing activity continues to build on the foundations set in prior years with a regular programme of communications around key themes, such as the menopause and financial wellbeing, delivering specific webinars on key topics. We achieved Henpicked's Menopause Friendly Employer Accreditation as recognition of our work in this area.

Responsibility

Our responsibility pillar is centred around several initiatives including: decarbonisation of our operations, water stewardship, waste management, food health and responsible sourcing. We are actively monitoring all regulatory developments and are leveraging our experience with TCFD, SASB and transition planning disclosures thereby ensuring we are well positioned to meet all of our current and future obligations.

Our SBTi-validated target to reduce our operational emissions by 2040 is underpinned by the replacement of legacy gas boilers with air-source heat pumps ('ASHP') and other alternatives as we shift towards electricity becoming the main source of power for the majority of our sites. Having opened our first all-electric hotel in 2023, we will electrify a further 600 rooms across our UK estate, bringing the total to c.2,300 low-carbon rooms[1] by the end of FY26.

We remain on track to reduce our water consumption by 20% by 2030. The results of our low-flow showerhead rollout has exceeded our expectations, helping us to lower gas usage further and supporting our Scope 1 emissions reduction.

Managing food waste is a key priority and we remain on track to achieve a 50% reduction in food waste by 2030. In addition to selling surplus breakfast items at an increasing number of our hotels, enhanced analytics from our new waste management provider are delivering improved site-level insight and operational performance. As well as assessing potential regulatory impacts from proposed UK Government mandates on food healthiness disclosures and targets, we are also monitoring behavioural shifts linked to weight-loss drugs to help inform our future menu strategy.

With our shift to a new single supplier for food and consumables in the UK, we are determined to sustain robust responsible sourcing standards on human rights, animal welfare and environmental protection. As of H1 FY25, 100% of our shell and liquid eggs are sourced from cage-free farms, accredited by British Lion and Bord Bia (Origin Ireland Q-Mark). Additionally, all coffee served in the UK is now certified by either Fairtrade or Rainforest Alliance.

We received our 2025 S&P Corporate Sustainability Assessment rating, improving by 17 points year-on-year to 53 (out of 100), placing us in the 88th percentile globally among 76 sector peers (the industry average score is 30). Key contributors to our improved performance include human capital management, corporate governance and climate strategy.

1: 'Low-carbon' rooms are powered by electricity backed by Renewable Energy Guarantees of Origin and no gas or liquefied petroleum gas is used for water and space heating and cooking

Community

Since 2012, we have raised over £27 million in partnership with Great Ormond Street Hospital Children's Charity. This includes £7.5 million towards the Premier Inn Clinical Building (opened in 2018) and £10 million for the Sight & Sound Centre (opened in 2021). We are now committed to raising £20 million for the "Build it. Beat it." appeal, which will fund the development of a new Children's Cancer Centre. The investment will support the creation of three new inpatient wards and a dedicated parents' lounge, enhancing care and family experience during treatment.

For further information on our Force for Good programme, please see our most recent ESG Report here.

Business Review

Premier Inn UK[1]

£m	H1 FY26	H1 FY25	*vs H1 FY25*
Statutory Revenue	**1,416**	**1,455**	*(3)%*
Other income (excl rental income)	-	-	*n/a*
Operating costs before depreciation, amortisation & rent	(834)	(856)	*3%*
Adjusted EBITDAR†	**582**	**599**	***(3)%***
Net turnover rent and rental income	1	0	*75%*
Depreciation: Right-of-use asset	(80)	(76)	*(6)%*
Depreciation and amortisation: Other	(98)	(95)	*(4)%*
Adjusted operating profit†	**405**	**430**	***(6)%***
Interest: Lease liability	(74)	(72)	*(3)%*
Segment adjusted profit before tax†	**331**	**357**	***(7)%***
ROCE†	**11.8%**	**14.0%**	*(220)bps*
Segment adjusted PBT margins†	**23.4%**	**24.6%**	*(120)bps*

Premier Inn UK[1] key performance indicators

	H1 FY26	H1 FY25	*vs H1 FY25*
Number of hotels	846	855	*(1)%*
Number of rooms	85,682	85,920	*0%*
Committed pipeline (new rooms)[2]	7,800	6,262	*25%*
Committed pipeline (AGP extension rooms)[3]	1,374	79	*>100%*
Occupancy	80.8%	83.1%	*(230)bps*
Average room rate†	£85.95	£84.16	*2%*
Revenue per available room†	£69.48	£69.93	*(1)%*
Sales growth:			
Accommodation			*0%*
Food & beverage			*(11)%*
Total			*(3)%*
Like-for-like† sales growth:			
Accommodation			*(1)%*

Accommodation	*(1)%*
Food & beverage	*(1)%*
Total	*(1)%*

1: Includes one site in each of: Guernsey and the Isle of Man, two sites in Jersey and six sites in Ireland

2: UK and Ireland committed pipeline excluding extension rooms from Accelerating Growth Plan

3: Planning approval received for Accelerating Growth Plan extension rooms

Premier Inn UK's total statutory revenue was down 3%, reflecting an 11% reduction in F&B sales driven by the impact of AGP and soft market demand during the first quarter followed by a return to market growth in the second quarter. Total accommodation sales were broadly in line with last year and +0.7pp ahead of the wider M&E market, with a 1% decline in RevPAR offset by net room growth. Reflecting the strength of our commercial initiatives, brand, operational excellence and guest proposition, Premier Inn continued to outperform the market by +1.0pp on RevPAR growth and increased its RevPAR premium versus the M&E market to £6.10.

UK performance vs M&E market

	Q1 FY26	Q2 FY26	H1 FY26
PI accommodation sales growth performance (vs FY25)[1]	+1.6pp	0.0pp	**+0.7pp**
PI occupancy growth performance (vs FY25)[1]	(1.6)pp	(0.8)pp	**(1.2)pp**
PI ARR growth performance (vs FY25)[1]	+3.6pp	+1.6pp	**+2.5pp**
PI RevPAR growth performance (vs FY25)[1]	+1.6pp	+0.6pp	**+1.0pp**
PI RevPAR premium (absolute)[1]	+£5.88	+£6.40	**+£6.10**
PI market share[2]	8.6%	8.1%	**8.3%**
PI market share losses (vs FY25)[2]	(0.1)pp	(0.1)pp	**(0.1)pp**

1: STR data, standard basis, Premier Inn accommodation revenue, occupancy, ARR and RevPAR 28 February 2025 to 28 August 2025, UK M&E market excludes Premier Inn

2: STR data, revenue share of total UK market, 28 February 2025 to 28 August 2025

Total F&B revenues were in line with expectations, falling by 11% in the period, reflecting the impact of transitioning around half of our lower-returning branded restaurants to a more efficient, integrated format as part of AGP, partially offset by strong breakfast sales in our integrated restaurants.

Operating costs reduced by 3% to £834m (H1 FY25: £856m). This decrease reflects the continued progress on cost efficiencies and the removal of F&B costs associated with AGP, more than offsetting higher than expected inflation across labour and food and beverage costs. As expected, the reduction in F&B revenues from AGP was not fully matched by a reduction in costs, prompting a modest reduction in adjusted EBITDAR† to £582m (H1 FY25: £599m).

Right-of-use asset depreciation in the period increased by 6% to £80m and lease liability interest increased by 3% to £74m reflecting the growth in our leasehold estate and the impact of rent reviews completed during the period. We opened 94 new rooms in the period and closed 396 lower-returning rooms as we seek to optimise the portfolio to drive higher returns. As at 28 August 2025, the total open estate comprised 846 hotels and 85,682 open rooms, with a further 7,800 new rooms committed[1], the majority of which are freehold, plus an additional 1,374 committed AGP extension rooms[2].

UK segment adjusted profit before tax† fell by 7% to £331m (H1 FY25: £357m) reflecting the impact of AGP on our F&B trading performance, softer market demand during the first quarter, higher than expected cost inflation and increased lease associated costs. As a result, UK segment adjusted pre-tax margins† reduced to 23.4% (H1 FY25: 24.6%) and UK ROCE† was 11.8% (H1 FY25: 14.0%).

1: UK and Ireland committed pipeline excluding extension rooms from Accelerating Growth Plan

2: Planning approval received for Accelerating Growth Plan extension rooms

Premier Inn Germany[1]

£m	H1 FY26	H1 FY25	*vs H1 FY25*	*vs H1 FY25 CC[2]*
Statutory revenue	125	**115**	***9%***	***9%***
Other income (excl. rental income)	0	-	*n/a*	*n/a*
Operating costs before depreciation, amortisation and rent	(88)	(85)	*(4)%*	*(4)%*
Adjusted EBITDAR†	**37**	**30**	***23%***	***23%***
Net turnover rent and rental income	0	0	*0%*	*0%*
Depreciation: Right-of-use asset	(21)	(21)	*(3)%*	*(3)%*
Depreciation and amortisation: Other	(8)	(8)	*4%*	*4%*
Adjusted operating profit†	**8**	**1**	***>100%***	***>100%***
Interest: Lease liability	(11)	(11)	*(5)%*	*(5)%*

Interest: Lease liability	(11)	(11)	(3)%	(3)%
Segment adjusted loss before tax†	**(3)**	**(9)**	***65%***	***64%***

Premier Inn Germany[1] key performance indicators

	H1 FY26	H1 FY25	*vs H1 FY25*	*vs H1 FY25 CC[2]*
Number of hotels	63	59	*7%*	-
Number of rooms	11,175	10,506	*6%*	-
Committed pipeline (rooms)	8,841	6,790	*30%*	-
Occupancy	68.7%	68.3%	*40bps*	-
Average room rate†	£77.01	£75.78	*2%*	*2%*
Revenue per available room†	£52.90	£51.78	*2%*	*2%*
Sales growth:				
Accommodation			*7%*	*7%*
Food & beverage			*19%*	*19%*
Total			*9%*	*9%*
Like-for-like† sales growth:				
Accommodation			*3%*	*3%*
Food & beverage			*14%*	*14%*
Total			*4%*	*4%*

1: Includes one site in Austria

2: On a constant currency basis, EUR

Total statutory revenue in Germany increased by 9% in local currency, reflecting the increasing maturity of our estate; improvements made to our trading strategies, particularly our performance on event nights; the broadening of our distribution across channels, including OTAs; and continued progress on increasing our brand awareness. Total estate RevPAR increased by 2% to €62 and RevPAR for our cohort of 17 more established hotels[4] increased by 3% to €69, both of which outperformed the wider M&E market.

Germany performance vs M&E market

	Q1 FY26	Q2 FY26	H1 FY26	*vs H1 FY25*
Germany M&E RevPAR performance[3]	€57	€58	**€58**	*(5)%*
PI more established hotels RevPAR performance[4]	€72	€66	**€69**	*3%*
PI total hotels RevPAR performance[4]	€64	€61	**€62**	*2%*

3: STR data, standard methodology basis, 28 February 2025 to 28 August 2025, M&E excludes Premier Inn

4: Premier Inn more established hotels: open and trading under the Premier Inn brand for 12 consecutive months as at 4 March 2022: 17 hotels and Premier Inn total: 61 hotels as at 28 August 2025

Operating costs in the period increased by 4% to £88m (H1 FY25: £85m) reflecting our continued estate growth and cost inflation. As a budget hotel operator, we remain focused on tight cost control and driving margin growth, while continuing to deliver a high-quality guest experience. To support this, we continued to refine our operating model to ensure it remains efficient and agile, streamlining management structures and leveraging technology. Right-of-use asset depreciation remained flat at £21m, with lease liability costs unchanged at £11m, consistent with the size of our leasehold estate. Other depreciation and amortisation charges of £8m were flat year on year.

As at 28 August 2025, we had 63 open hotels and 11,175 open rooms and a further 8,841 rooms in our committed pipeline. We remain on course to open c.400 new rooms this year.

The quality of our hotel product, the progressive maturity of our estate and the success of our commercial initiatives continue to raise our brand awareness and drive customer volumes. These factors alongside our focus on cost efficiencies, contributed to a 65% reduction in our segment adjusted loss before tax† to £3m (H1 FY25: £9m loss).

Central and other costs

£m	H1 FY26	H1 FY25	*vs H1 FY25*
Operating costs before depreciation, amortisation and rent	(19)	(19)	*(1)%*
Share of profit from joint ventures	1	1	*25%*
Adjusted operating loss†	**(18)**	**(18)**	***0%***
Net finance income	6	10	*(40)%*
Adjusted loss before tax†	**(12)**	**(8)**	***(55)%***

Central operating costs of £19m were flat year on year (H1 FY25: £19m). Net finance income (excluding lease liability interest) reduced to £6m (H1 FY25: £10m) reflecting higher interest payable on the Group's loans of £24m (H1 FY25: £12m), partially mitigated by higher interest receivable of £19m (H1 FY25: £17m).

Financial review

Financial highlights

£m	H1 FY26	H1 FY25	*Vs H1 FY25*
Statutory revenue	**1,541**	**1,570**	***(2)%***
Other income (excl rental income)	0	-	*n/a*
Operating costs before depreciation, amortisation and rent	(941)	(960)	*2%*
Share of profit from joint ventures	1	1	*25%*
Adjusted EBITDAR†	**601**	**611**	***(2)%***
Net turnover rent and rental income	1	1	*60%*
Depreciation: Right-of-use asset	(101)	(96)	*(5)%*
Depreciation and amortisation: Other	(106)	(103)	*(3)%*
Adjusted operating profit†	**395**	**413**	***(4)%***
Net finance income (excl. lease liability interest)	6	10	*(40)%*
Interest: Lease liability	(86)	(83)	*(3)%*
Adjusted profit before tax†	**316**	**340**	***(7)%***
Adjusting items	(28)	(31)	*9%*
Statutory profit before tax	**287**	**309**	***(7)%***
Tax expense	(70)	(89)	*21%*
Statutory profit after tax	**217**	**220**	***(1)%***

Statutory revenue

Statutory revenue of £1,541m (H1 FY25: £1,570m) was slightly lower than the prior year, reflecting broadly flat UK accommodation sales and positive momentum in Germany, more than offset by the reduction in F&B revenues as a result of AGP.

Adjusted EBITDAR

Operating costs reduced by 2% in the period to £941m (H1 FY25: £960m), reflecting our continued progress on cost efficiencies and the impact of AGP, offset by higher than expected cost inflation and our continued estate growth. Adjusted EBITDAR† decreased by 2% to £601m (H1 FY25: £611m).

Adjusted operating profit

The increase in the size of our leasehold estate across the UK and Germany resulted in a 5% uplift to right-of-use asset depreciation to £101m (H1 FY25: £96m). The addition of new hotels in combination with our continued focus of investing in our core estate meant that other depreciation and amortisation charges increased by 3% to £106m (H1 FY25: £103m). As a result, adjusted operating profit† decreased by 4% to £395m (H1 FY25: £413m).

Net finance costs

Net finance income (excluding lease liability interest) reduced to £6m (H1 FY25: £10m) reflecting higher interest payable on the Group's loans of £24m (H1 FY25: £12m), partially mitigated by higher interest receivable of £19m (H1 FY25: £17m). Lease liability interest increased by 3% to £86m, primarily driven by the opening of new leasehold hotels across the UK and Germany.

Adjusted profit before tax

Taking all of the above movements together, adjusted profit before tax† for the first half was £316m, compared to a profit of £340m in H1 FY25.

Adjusting items

Total adjusting items before tax were a charge of £28m in the period, compared to a £31m charge in H1 FY25.

During the period, impairments of £1m (H1 FY25: reversal of £1m) were recognised in relation to AGP and £2m of impairments (H1 FY25: £1m) were recognised on assets transferred to assets held for sale. There were no other impairments recognised in relation to core UK and Germany assets. This charge was partially offset by settlements received of £1m in insurance settlements related to stock damage.

The Group recognised £18m (H1 FY25: £nil) of accelerated depreciation arising from site extensions and conversions in relation to the AGP to transform and exit a number of the Group's branded restaurants. A commitment is deemed to exist from the date that the site has both planning permission and an approved internal business case to proceed. From this point, the useful life of affected assets is reassessed to the expected completion date of the redevelopment.

The Group recorded gains of £3m (H1 FY25: £31m) from property disposals, including sale and leasebacks. A provision of £1m related to historic tax positions was released, offset by a new property-related provision of £4m.

The Group has incurred significant business change costs in relation to the implementation of the new hotel management system, HR & payroll system and our strategic network programme, upgrading the IT networks across our estate. Cash costs incurred on the programmes and presented within adjusting items in the period were £5m, with cumulative cash costs to date being £71m (H1 FY25: £54m). At this time the Group expects to incur future costs presented within adjusting items across future financial periods as follows: during FY26 between £3m and £8m and during FY27 up to £5m.

The Group has incurred legal, advisory and project management costs regarding the announced changes to facilitate the AGP. Cash costs incurred on the programmes and presented within adjusting items in the period were £1m, with cumulative cash costs to date being £27m. At this time the Group expects to incur future cash costs presented within this adjusting item across the next three financial years of up to £10m in total.

As part of the Group's strategic supply chain programme the Group has incurred costs of £1m (H1 FY25: nil) in relation to associated IT and project management costs. This decision allows the Group to make use of a different supply model and it is expected the commercial and strategic benefit will be seen over the long-term.

The Group completed the previously announced restructuring of its UK Support Centre, resulting in a charge of £1m.

Taxation

The statutory tax charge of £70m (H1 FY25: £89m) represents an effective tax rate on statutory profit of 24.5% (H1 FY25: 26.8%). This is lower than the UK statutory corporate tax rate of 25.0%, primarily due to the impact of a rate change in Germany and certain overseas tax rates being lower than the UK, partially offset by the impact of lower overseas tax losses for which no deferred tax asset has yet been recognised.

Statutory profit after tax

Reflecting all of the movements above, statutory profit after tax for the year was £217m, compared to a profit of £220m in H1 FY25.

Earnings per share

	H1 FY26	H1 FY25	*vs H1 FY25*
Adjusted basic profit / earnings per share‡	**133.7p**	137.1p	*(2)%*
Statutory basic profit / earnings per share	**123.7p**	121.0p	*2%*

Adjusted basic profit per share‡ of 133.7p and statutory basic profit per share of 123.7p reflect the adjusted and statutory profits reported in the period and are based on a weighted average number of shares of 175m (H1 FY25: 182m). The reduction in the weighted average number of shares reflects shares purchased and cancelled as part of the Group's previously announced share buy-back programmes.

Dividend

The Board has declared an interim dividend per share of 36.4 pence (H1 FY25: 36.4 pence). This reflects the Group's robust performance in the period, it's strong balance sheet and the Board's confidence in delivering a step change in performance, as outlined by the Five-Year Plan. The interim dividend will be paid on 5 December 2025 to all shareholders on the register at the close of business on 31 October 2025. Shareholders will be offered the option to participate in a dividend re-investment plan. The Group's dividend policy is to grow the dividend broadly in line with earnings across the cycle. Full details are set out in note 8 to the accompanying financial statements.

Cashflow

£m	H1 FY26	H1 FY25
Adjusted EBITDAR†	**601**	**611**
Change in working capital	(16)	(46)
Net turnover rent and rental income	1	1
Lease liability interest and lease repayments	(179)	(155)
Adjusted operating cashflow†	**406**	**411**
Interest (excl. lease liability interest)	(3)	2
Corporate taxes	(57)	(34)
Pension	(3)	(3)
Capital expenditure: non-expansionary	(101)	(118)
Capital expenditure: expansionary[1]	(227)	(81)
Disposal proceeds	95	44
Other	(10)	(15)
Cashflow before shareholder returns / receipts and debt repayments	**102**	**206**
Dividend	(107)	(115)

Dividend	(107)	(113)
Share buy-back	(75)	(163)
Payment of facility fees and costs of long-term borrowings	0	0
Net cashflow	**(79)**	**(72)**
Opening net debt†	(483)	(298)
Closing net debt†	**(563)**	**(370)**

1: H1 FY25 includes £2m payment of contingent consideration

To help mitigate significant inflationary pressures we delivered £43m of efficiency savings (H1 FY25: £38m) in the period contributing to a (2)% reduction in operating costs. However, as a result of lower revenues, adjusted EBITDAR was down 2% to £601m (H1 FY25: £611m). Working capital outflow of £16m, together with an increase in lease liability interest and lease repayments to £179m, reflecting the addition of new leasehold hotels in both the UK and Germany, meant that adjusted operating cashflow† was £406m (H1 FY25: £411m).

The corporation tax net outflow in the period was £57m (H1 FY25: £34m). This comprises payments of £56m in the UK, £1m in Germany.

Non-expansionary capital expenditure in the period of £101m partly reflects hotel refurbishments and spend incurred for the Group's systems-related IT projects. Expansionary capital expenditure of £227m reflects the continued development of our committed pipelines in both the UK and Germany and the investment in our AGP.

We continuously seek to optimise our estate and take advantage of value-enhancing opportunities. Disposal proceeds of £95m includes £74m of sale and leasebacks together with £21m of AGP related disposals.

The significant operating cashflow generated in the period helped to fund our continued programme of investment, resulting in a cash inflow before shareholder returns of £102m (H1 FY25: £206m).

As announced with the Group's preliminary results on 1 May 2025, the Board recommended a final dividend of 60.6 pence per share reflecting the strength of the Group's FY25 performance and confidence in the outlook. The resulting payment of £107m was paid on 4 July 2025. On 30 April 2025, the Board approved a £250m share buy-back of which £75m was completed in the period.

As a result, net debt† at the end of the period was £563m (H1 FY25: £370m).

Debt funding facilities & liquidity

£m	Facility	Utilised	Maturity
Revolving Credit Facility	(740)	-	2029
Bond	(450)	(450)	2025
Green Bond	(300)	(300)	2027
Green Bond	(250)	(250)	2031
Bond	(400)	(400)	2032
	(2,140)	**(1,400)**	
Cash and cash equivalents		831	
Total facilities utilised, net of cash[1]		**(569)**	
Net debt†		**(563)**	
Net debt and lease liabilities†		**(4,884)**	

The Group's objective is to manage to investment grade metrics, maintaining a lease-adjusted leverage† ratio of less than 3.5x over the medium term[2]. In January 2025, we received confirmation from Fitch Ratings that we have maintained our investment grade status with a rating of BBB. The Group's lease-adjusted net debt was £3,295m (H1 FY25: £2,902m) and the lease-adjusted leverage† ratio was 3.2x (H1 FY25: 2.8x). As at 28 August 2025, £35m of the £775m Revolving Credit Facility is carved-out as an ancillary guarantee facility for the Group's use in Germany. At 28 August 2025, guarantees issued using the Commerzbank line totalled €30m (H1 FY25: €25m).

1: Excludes unamortised fees associated with the debt instrument

2: This measure aligns to the Fitch methodology, with the leverage threshold set at 3.5x lease-adjusted net debt : adjusted EBITDAR for BBB- and 3.0x for BBB, both of which are within investment grade.

Capital investment

£m	H1 FY26	H1 FY25
UK maintenance and product improvement	99	118

New / extended UK hotels	172	53
Germany and Middle East[1]	57	28
Total	**328**	**199**

1: H1 FY25 includes £2m payment of contingent consideration

UK maintenance expenditure was (16)% lower at £99m (H1 FY25: £118m), reflecting a return to more normalised levels following the completion of our bed replacement programme. In the period, UK expansionary spend was £172m, driven by additions to our committed pipeline, as well as investment in the AGP. In Germany, capital expenditure was £57m, £29m higher than the prior year, in line with our estate growth as we continue towards our ambition of becoming number one in the country. Overall, total capital expenditure for the period was £328m (H1 FY25: £199m).

The balance sheet value of property, plant and equipment increased to £4.9bn (H1 FY25: £4.6bn) as the increased expenditure in growing and maintaining our estate was offset by transfers to assets held for sale, depreciation and impairment charges.

Property backed balance sheet

Freehold / leasehold mix	Open estate	Total estate[1]
Premier Inn UK	54%:46%	56%:44%
Premier Inn Germany	23%:77%	27%:73%
Group	51%:49%	51%:49%

1: Open plus committed pipeline

The current open UK estate is 54% freehold and 46% leasehold. However, as the existing committed pipeline is brought onstream, the mix will become slightly more weighted towards freehold. The current estate in Germany is 23% freehold and 77% leasehold reflecting the skew towards leasehold properties in city centre locations, however with the opening of our committed pipeline, this will shift to 27% freehold and 73% leasehold.

New site openings in Germany and continued expansion in the UK resulted in right-of-use assets increasing to £3.7bn (H1 FY25: £3.6bn) and lease liabilities increasing to £4.3bn (H1 FY25: £4.2bn).

Return on Capital[1]

Returns	H1 FY26	H1 FY25
Group ROCE†	10.3%	11.9%
UK ROCE†	11.8%	14.0%

1: Germany ROCE not disclosed as losses were incurred in the period

Group ROCE† in the period was 10.3% reflecting several factors including lower UK revenues reflecting the impact of AGP, partially mitigated by positive momentum in Germany.

Events after the balance sheet date

We have completed a further sale and leaseback transaction for a total consideration of £25m since the period end, representing a net initial yield of 5.1%.

Pension

The Group's defined benefit pension scheme, the Whitbread Group Pension Fund (the 'Pension Fund'), had an IAS19 Employee Benefits surplus of £123m at the end of the period (H1 FY25: £158m). The change in surplus was primarily driven by: asset performance being lower than the discount rate; and higher than expected inflation. This was partially offset by: an increase in corporate bond yields resulting in an increase in the discount rate used to value liabilities; and a reduction in expectations for future inflation.

There are currently no deficit reduction contributions being paid to the Pension Fund, however over the 12 months to 28 August 2025, an annual contribution of £12m was paid to the Fund through the Scottish Partnership arrangements. The Trustee holds security over £532m of Whitbread's freehold property which will remain at this level until no further obligations are due under the Scottish Partnership arrangements, which is expected to be in 2026. Following that, the security held by the Trustee will be the lower of: £500m; and 120% of the buy-out deficit and will remain in place until there is no longer a buy-out deficit. The Pension Fund is currently in the process of conducting the triennial actuarial valuation of the Fund as at 31 March 2025.

Going concern

The directors have concluded that it is appropriate for the consolidated financial statements to be prepared on the going concern basis. Full details are set out in note 1 of the attached financial statements.

Risks and uncertainties

The directors have reviewed the Group's principal risks and uncertainties and confirm that those outlined in the Annual Report and Accounts ('Annual Report') 2024/25 remain relevant for the second half of the financial year. These should be read in conjunction with the following updates reflecting the evolving risk landscape.

The overall risk environment continues to be uncertain and changeable, recognising the ongoing geo-political tensions and subdued growth in the UK and Germany. Specifically in the UK we recognise the mounting pressure for tax rises and broader fiscal tightening as part of the upcoming budget. There is a risk that these measures could disproportionally impact hospitality and property sectors, an issue we have actively lobbied against, in collaboration with other industry groups. As a result, this has been reflected specifically within the uncertain economic outlook risk and rated accordingly.

Remaining relevant to our customers and delivering great value remains paramount whilst also being mindful of competitor activity. We see this risk as being slightly elevated increasing the importance of our commercial plan and guest-focused initiatives to protect against any potential loss of market share.

We have also recognised the potential risk to our direct booking model from the changing distribution landscape and emergence of AI-led searches, especially in certain consumer groups such as the under-35's who are less likely to go directly to a brand when finding accommodation. Our strategy is to deepen our use of strategic partnerships with TMCs as well as explore the use of OTAs whilst optimising our content for AI search and aligning with the approach of major technology players.

We remain vigilant regarding cyber and data risk with significant assurance to mitigate against incidents such as those experienced by a number of UK businesses. With a number of strategic change programmes already underway, this risk remains heightened due to their number and strategic importance, although we take comfort from the governance and rigour applied by our transformation team in managing the delivery of the programmes.

The funding of the strategic plan requires a significant level of property refinancing via sale and leasebacks. While this has been raised to a principal risk due to timing and value dependencies, it is also mitigated by a strong and established control framework and the availability of alternative financing options.

Finally, we recognise the increased risk likelihood in Germany where softer than expected hotel market demand in the second quarter has slowed progress and resulted in the moderation of our planned profitability target for the year.

The following summarises the risks and uncertainties set out in the Annual Report including current emerging themes and new principal risks:

- uncertain economic outlook leads to changeable hotel demand and inflationary cost pressures;
- cyber attacks and data breaches resulting in operational disruption and loss of income;
- failure to deliver strategic business change programmes due to the number of programmes that time-critical, for example, the replacement of legacy technology systems and estate optimisation via AGP;
- extended focus on the food and beverage proposition which can impact RevPAR due to guest disruption and operational challenges;
- change in brand-led customer demand for our products and services can be impacted by sector specific factors resulting in a loss of market share;
- changing distribution landscape and emergence of AI-led search reducing direct bookings;
- inability to execute our strategy in Germany, impacting profitable growth;
- extended stagnation of the UK & German property market slows growth;
- adverse publicity and brand damage due to death or serious injury;
- change in macro labour market and organisational structure impacting talent, attraction and retention;
- business interruption within our supply chain and third-party arrangements;
- inability to execute significant property-related financing within required timeframes; and
- uncertainty associated with the collective environmental, social and governance risks including climate change and compliance with the volume of new regulations.

Our Board and management team continue to review and monitor our risk profile closely, with regular reviews of emerging external and internal trends. We remain committed to maintaining robust risk management and internal control frameworks to ensure resilience and agility in navigating the evolving operating environment.

The detail of our principal risks can be found on pages 64 to 69 of the Annual Report which is available on the website www.whitbread.co.uk.

American Depositary Receipts

Whitbread has established a sponsored Level 1 American Depositary Receipt ('ADR') programme for which JP Morgan perform the role of depositary bank. The Level 1 ADR programme trades on the U.S. over the counter ('OTC') markets under the symbol WTBDY (it is not listed on a U.S. stock exchange).

Notes

†The Group uses certain APMs to help evaluate the Group's financial performance, position and cashflows, and believes that such measures provide an enhanced understanding of the Group's results and related trends and allow for comparisons of the financial performance of the Group's businesses either from one period to another or with other similar businesses. However, APMs are not defined by IFRS and therefore may not be directly comparable with similarly titled measures reported by other companies. APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measures. APMs used in this announcement include like-for-like revenue, revenue per available room ('RevPAR'), average room rate ('ARR'), direct bookings/distribution, adjusted operating profit / (loss), return on capital employed ('ROCE'), adjusted pre-tax profit margins, adjusted profit / (loss) before tax, adjusted basic profit / earnings per share, net cash / (debt), net cash / (debt) and lease liabilities, lease-adjusted net debt / (cash), lease-adjusted net debt to adjusted EBITDAR for leverage, adjusted operating cashflow, adjusted EBITDA (post-IFRS 16), adjusted EBITDA (pre-IFRS 16) and adjusted EBITDAR. Further information can be found in the glossary and reconciliation of APMs at the end of this document.

Cautionary Statement

Nothing contained in this announcement is intended to constitute an offer, invitation or inducement to engage in an investment activity for the purposes of the prohibition on financial promotions under the Financial Services and Markets Act 2000. In making this announcement available, Whitbread PLC makes no recommendation to purchase, sell or otherwise deal in shares in Whitbread PLC or any other securities or investments whatsoever and you should neither rely nor act upon, directly or indirectly, any of the information contained in this announcement in respect of such investment activity.

No representations, express or implied, are given in, or in respect of, this announcement. To the extent permitted by law, Whitbread PLC, and its subsidiaries, shareholders, affiliates, representatives, partners, directors, officers, employees, advisors or agents shall not be liable for any direct, indirect or consequential loss or loss of profit arising from the use of this announcement, its content or otherwise arising in connection therewith.

Certain statements included or incorporated by reference within this announcement may constitute "forward looking statements" in respect of Whitbread PLC's operations, performance, prospects and/or financial condition. Forward looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "momentum", "transform", "plan", "continue", "pathway", "roadmap", "transition", "anticipate" "intend", "expect", "target", "potential ", "outlook", "future" or "accelerate" (including in their negative form). Such statements are based on Whitbread PLC's current expectations and beliefs concerning future events and are subject to a number of known and unknown risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward looking statements. Such statements are also based on numerous assumptions regarding Whitbread PLC's present and future strategy and the environment in which it operates, which may not be accurate. Whitbread PLC undertakes no obligation to update any forward looking statements contained in this announcement or any other forward looking statements it may make.

Nothing in this announcement should be construed as a profit forecast. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial advisor.

Interim consolidated income statement

		(Reviewed) 6 months to 28 August 2025			(Reviewed) 6 months to 29 August 2024		
Continuing operations	Notes	**Adjusted £m**	**Adjusting items (Note 4) £m**	**Total £m**	Adjusted £m	Adjusting items (Note 4) £m	Total £m
Revenue	2	**1,541.0**	**-**	**1,541.0**	1,569.8	-	1,569.8
Other income		**2.5**	**1.0**	**3.5**	2.9	0.9	3.8
Operating costs	3	**(1,149.6)**	**(29.4)**	**(1,179.0)**	(1,160.7)	(32.1)	(1,192.8)
Operating profit before joint ventures		**393.9**	**(28.4)**	**365.5**	412.0	(31.2)	380.8
Share of profit from joint ventures		**1.0**	**-**	**1.0**	0.8	-	0.8
Operating profit	2	**394.9**	**(28.4)**	**366.5**	412.8	(31.2)	381.6
Finance costs	5	**(101.6)**	**-**	**(101.6)**	(93.6)	-	(93.6)
Finance income	5	**22.3**	**-**	**22.3**	21.2	-	21.2

Profit before tax	2	**315.6**	**(28.4)**	**287.2**	340.4	(31.2)	309.2
Tax expense	6	**(81.2)**	**10.9**	**(70.3)**	(91.2)	1.9	(89.3)
Profit for the period		**234.4**	**(17.5)**	**216.9**	249.2	(29.3)	219.9

	(Reviewed) 6 months to 28 August 2025			(Reviewed) 6 months to 29 August 2024		
Earnings per share (Note 7)	**pence**	**pence**	**pence**	pence	pence	pence
Basic	**133.7**	**(10.0)**	**123.7**	137.1	(16.1)	121.0
Diluted	**132.5**	**(9.9)**	**122.6**	136.1	(16.0)	120.1

Interim consolidated statement of comprehensive income

	Notes	**(Reviewed) 6 months to 28 August 2025 £m**	(Reviewed) 6 months to 29 August 2024 £m
Profit for the period		**216.9**	219.9
Items that will not be reclassified to the income statement:			
Remeasurement loss on defined benefit pension scheme	15	**(14.9)**	(11.8)
Current tax on defined benefit pension scheme	6	**0.6**	(1.0)
Deferred tax on defined benefit pension scheme	6	**3.0**	3.8
		(11.3)	(9.0)
Items that may be reclassified subsequently to the income statement:			
Net (loss)/gain on cash flow hedges:			
Net fair value movement		**(0.1)**	4.9
Reclassified and reported in the consolidated income statement		**1.6**	4.0
Deferred tax on cash flow hedges	6	**(0.3)**	(2.2)
Net (loss)/gain on hedge of a net investment		**(26.1)**	8.2
Current tax on hedge of a net investment	6	**2.4**	(1.0)
Cost of hedging		**0.5**	0.5
		(22.0)	14.4
Exchange differences on translation of foreign operations		**23.1**	(12.9)
Current tax on exchange differences on translation of foreign operations	6	**(2.8)**	1.3
		20.3	(11.6)
Other comprehensive loss for the period, net of tax		**(13.0)**	(6.2)
Total comprehensive income for the period, net of tax		**203.9**	213.7

Interim consolidated statement of changes in equity

6 months to 28 August 2025 (Reviewed)

	Share capital £m	**Share premium £m**	**Capital redemption reserve £m**	**Retained earnings £m**	**Currency translation reserve £m**	**Other reserves £m**	**Total £m**
At 27 February 2025	**145.2**	**1,038.7**	**70.3**	**4,437.7**	**22.0**	**(2,379.4)**	**3,334.5**
Profit for the period	**-**	**-**	**-**	**216.9**	**-**	**-**	**216.9**
Other comprehensive (loss)/income	**-**	**-**	**-**	**(11.3)**	**4.0**	**(5.7)**	**(13.0)**
Total comprehensive income	**-**	**-**	**-**	**205.6**	**4.0**	**(5.7)**	**203.9**
Ordinary shares issued on exercise of employee share options	**0.1**	**1.9**	**-**	**-**	**-**	**-**	**2.0**
Loss on ESOT shares issued	**-**	**-**	**-**	**(8.4)**	**-**	**8.4**	**-**
Accrued share-based payments	**-**	**-**	**-**	**8.4**	**-**	**-**	**8.4**
Tax on share-based payments	**-**	**-**	**-**	**0.5**	**-**	**-**	**0.5**
Equity dividends paid (Note 8)	**-**	**-**	**-**	**(106.5)**	**-**	**-**	**(106.5)**
Share buy-back, commitment and cancellation	**(1.9)**	**-**	**1.9**	**(250.3)**	**-**	**-**	**(250.3)**
At 28 August 2025	**143.4**	**1,040.6**	**72.2**	**4,287.0**	**26.0**	**(2,376.7)**	**3,192.5**

6 months to 29 August 2024 (Reviewed)

	Share capital £m	**Share premium £m**	**Capital redemption reserve £m**	**Retained earnings £m**	**Currency translation reserve £m**	**Other reserves £m**	**Total £m**
At 29 February 2024	**151.8**	**1,031.8**	**63.5**	**4,645.3**	**25.9**	**(2,398.9)**	**3,519.4**
Profit for the period	-	-	-	219.9	-	-	**219.9**
Other comprehensive (loss)/income	-	-	-	(9.0)	(3.9)	6.7	**(6.2)**
Total comprehensive income	**-**	**-**	**-**	**210.9**	**(3.9)**	**6.7**	**213.7**
Ordinary shares issued on exercise of employee share options	0.1	1.5	-	-	-	-	**1.6**
Loss on ESOT shares issued	-	-	-	(6.4)	-	6.4	**-**
Accrued share-based payments	-	-	-	8.5	-	-	**8.5**
Tax on share-based payments	-	-	-	(0.4)	-	-	**(0.4)**
Equity dividends paid (Note 8)	-	-	-	(114.9)	-	-	**(114.9)**
Share buy-back, commitment and cancellation	(4.3)	-	4.3	(151.0)	-	-	**(151.0)**
At 29 August 2024	**147.6**	**1,033.3**	**67.8**	**4,592.0**	**22.0**	**(2,385.8)**	**3,476.9**

Interim consolidated balance sheet

	Notes	**(Reviewed) 28 August 2025 £m**	(Reviewed) 29 August 2024 £m	(Audited) 27 February 2025 £m
Non-current assets				
Intangible assets		**166.1**	180.8	174.3

Right-of-use assets		**3,725.1**	3,638.8	3,662.7
Property, plant and equipment	9	**4,918.0**	4,583.9	4,677.4
Investment in joint ventures		**51.7**	49.4	54.4
Derivative financial instruments		**-**	14.9	-
Deferred tax assets		**1.4**	-	-
Defined benefit pension surplus	15	**123.3**	157.6	134.6
		8,985.6	8,625.4	8,703.4
Current assets				
Inventories		**16.8**	19.2	17.1
Derivative financial instruments		**3.9**	-	19.9
Trade and other receivables		**126.6**	116.7	127.1
Cash and cash equivalents		**830.6**	625.3	909.0
		977.9	761.2	1,073.1
Assets classified as held for sale	11	**61.7**	139.8	128.2
Total assets		**10,025.2**	9,526.4	9,904.7
Current liabilities				
Borrowings		**450.0**	-	450.0
Lease liabilities		**174.2**	158.2	167.0
Provisions		**15.3**	9.9	27.6
Derivative financial instruments		**-**	7.0	1.4
Current tax liabilities		**2.1**	5.9	12.2
Trade and other payables		**655.1**	610.8	660.8
Other financial liabilities - share buy-back commitment	13	**175.2**	-	-
		1,471.9	791.8	1,319.0
Non-current liabilities				
Borrowings		**943.3**	995.6	942.4
Lease liabilities		**4,146.9**	4,013.3	4,066.8
Provisions		**6.7**	8.6	7.2
Derivative financial instruments		**7.4**	-	-
Deferred tax liabilities		**256.5**	240.2	234.8
		5,360.8	5,257.7	5,251.2
Total liabilities		**6,832.7**	6,049.5	6,570.2
Net assets		**3,192.5**	3,476.9	3,334.5
Equity				
Share capital	13	**143.4**	147.6	145.2
Share premium		**1,040.6**	1,033.3	1,038.7
Capital redemption reserve		**72.2**	67.8	70.3
Retained earnings		**4,287.0**	4,592.0	4,437.7
Currency translation reserve		**26.0**	22.0	22.0
Other reserves		**(2,376.7)**	(2,385.8)	(2,379.4)
Total equity		**3,192.5**	3,476.9	3,334.5

Interim consolidated cash flow statement

	Notes	**(Reviewed) 6 months to 28 August 2025 £m**	(Reviewed) 6 months to 29 August 2024 £m
Cash generated from operations	14	**590.9**	552.9
Payments against provisions		**(16.9)**	(1.5)
Defined benefit pension scheme payments	15	**(2.9)**	(2.9)
Interest paid on lease liabilities		**(85.6)**	(82.8)
Interest paid on other items		**(21.7)**	(15.6)
Interest received		**19.1**	17.7
Corporation taxes paid		**(57.0)**	(34.0)
Net cash flows from operating activities		**425.9**	433.8
Cash flows used in investing activities			
Purchase of property, plant and equipment	2	**(319.4)**	(185.5)
Proceeds from disposal of property, plant and equipment		**95.5**	44.2
Investment in intangible assets	2	**(8.2)**	(11.9)
Payment of deferred and contingent consideration		**-**	(1.9)
Net cash flows used in investing activities		**(232.1)**	(155.1)
Cash flows used in financing activities			
Proceeds from issue of ordinary shares		**2.0**	1.6
Payment of facility fees		**-**	(0.8)
Net lease incentives (paid)/received		**(3.7)**	2.9
Payment of principal of lease liabilities		**(89.8)**	(75.0)
Purchase of own shares, including transaction costs		**(75.1)**	(163.3)
Dividends paid		**(106.5)**	(114.9)
Net cash flows used in financing activities		**(273.1)**	(349.5)
Net decrease in cash and cash equivalents	12	**(79.3)**	(70.8)
Opening cash and cash equivalents	12	**909.0**	696.7
Foreign exchange differences	12	**0.9**	(0.6)
Closing cash and cash equivalents		**830.6**	625.3

Notes to the consolidated financial statements

1. Basis of accounting and preparation

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 15 October 2025.

The financial information for the year ended 27 February 2025 is extracted from the statutory accounts of the Group for that year and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. These published accounts were reported on by the auditor without qualification, did not draw attention to any matters by way of emphasis and did not contain a statement under Sections 498(2) or (3) of the Companies Act 2006.

The interim condensed consolidated financial statements are prepared in accordance with UK listing rules and with United Kingdom adopted IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial statements for the six months ended 28 August 2025 and the comparatives to 29 August 2024 are unaudited but have been reviewed by the auditor; a copy of their review report is included at the end of this report.

Going concern

A combination of the strong cash flows generated by the business and the sufficient available headroom on its credit facilities supports the directors' view that the Group has sufficient funds available to meet its foreseeable working capital requirements. At the balance sheet date, these credit facilities include both the £400m notes issued in February 2025 and the £450m notes maturing in October 2025. In reaching this conclusion, the directors have considered all elements of the capital allocation framework. The directors have also determined that, over the period of the going concern assessment, there is not expected to be a significant impact as a result of climate change.

The directors have therefore concluded that the going concern basis of preparation remains appropriate.

Accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 27 February 2025.

As a result of the adjusting items recorded in the period, the accounting policy used in determining adjusting items is set out below.

Adjusting items and use of alternative performance measures

We use a range of measures to monitor the financial performance of the Group. These measures include both statutory measures in accordance with IFRS and alternative performance measures (APMs) which are consistent with the way the business performance is measured internally by the Board and Executive Committee. A glossary of APMs and reconciliations to statutory measures is given at the end of this report.

The term adjusted profit is not defined under IFRS and may not be directly comparable with adjusted profit measures used by other companies. It is not intended to be a substitute for, or superior to, statutory measures of profit. Adjusted measures of profitability are non-IFRS because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS.

The Group makes certain adjustments to the statutory profit measures in order to derive many of its APMs. The Group's policy is to exclude items that are considered to be significant in nature and quantum, not in the normal course of business or are consistent with items that were treated as adjusting in prior periods or that span multiple financial periods. Treatment as an adjusting item provides users of the accounts with additional useful information to assess the year-on-year trading performance of the Group.

On this basis, the following are examples of items that may be classified as adjusting items:

- net charges associated with the strategic review of the Group's hotel and restaurant property estate;
- significant restructuring costs and other associated costs arising from strategy changes that are not considered by the Group to be part of the normal operating costs of the business;
- significant pension charges arising as a result of changes to UK defined benefit scheme practices;
- net impairment and related charges for sites which are/were underperforming that are considered to be significant in nature and/or value to the trading performance of the business;
- costs in relation to non-trading legacy sites which are deemed to be significant and not reflective of the Group's ongoing trading results;
- transformation and change costs associated with the implementation of the Group's strategic IT programmes;
- profit or loss on the sale of a business or investment, and the associated cost impact on the continuing business from the sale of the business or investment;
- acquisition costs incurred as part of a business combination or other strategic asset acquisitions;
- amortisation of intangible assets recognised as part of a business combination or other transaction outside of the ordinary course of business; and
- tax settlements in respect of prior years, including the related interest and the impact of changes in the statutory tax rate, the inclusion of which would distort year-on-year comparability, as well as the tax impact of the adjusting items identified above.

The Group income statement is presented in a columnar format to enable users of the accounts to see the Group's performance before adjusting items, the adjusting items, and the statutory total on a line-by-line basis. The directors believe that the adjusted profit and earnings per share measures provide additional useful information to shareholders on the performance of the business. These measures are consistent with how business performance is measured internally by the Board and Executive Committee.

Seasonality

The Group operates hotels and restaurants, located in the UK and internationally. The Group generally earns higher profits during the first half of the financial year because of lower demand in the final quarter of the financial year.

Critical accounting judgements and key sources of estimation uncertainty

With the exception of the performance of impairment reviews of the Group's property, plant and equipment, right-of-use assets and useful economic life review of AGP site extensions and conversions, in preparing these condensed consolidated financial statements the critical judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were principally the same as those applied to the Group's consolidated financial statements for the year ended 27 February 2025.

The Group has considered the impact of climate-related risks on its financial performance and position, and although the impact represents an uncertainty, it is not considered to be material.

Critical accounting judgements

The following are the critical accounting judgements, apart from those involving estimations (dealt with separately below) that management has made in the process of applying the Group's accounting policies and which have the most significant effect on the amounts recognised in the financial statements.

Adjusting items

During the year certain items are identified and separately disclosed as adjusting items. Judgement is applied as to whether the item meets the necessary criteria as per the accounting policy disclosed earlier in this note. This assessment covers the nature of the item, cause of occurrence and the scale of impact of that item on reported performance. Reversals of previous adjusting items are assessed based on the same criteria. Note 4 provides information on all of the items disclosed as adjusting in the current year and comparative financial statements.

Assets held for sale

Assets are classified as held for sale only if the asset is available for immediate sale in their present condition and a sale is highly probable and expected to be completed within one year from the date of classification. As a result of the Group's Accelerating Growth Plan the Group is actively marketing a significant number of sites. Judgement exists on a site-by-site basis as to whether the sale will complete within one year. In exercising its judgement management has taken into consideration all available information including external market expert advice.

Recognition of German Deferred Tax Asset

The Group, through its market entry in Germany, has generated tax losses that will be available for offset against future taxable profits. These losses have resulted in a material unrecognised deferred tax asset of £74.3m (unrecognised tax losses carried forward of £274.1m) at this balance sheet date. If the Group were to fully recognise the deferred tax asset in this financial year it would have the effect of reducing the Group's effective tax rate from 24.5% to (3.6)%.

The German reportable segment's results have continued to improve, with this forecast to continue in future reporting periods. However, the forecasts used to support whether sufficient positive evidence exists to recognise the deferred tax asset are instead based on the German taxable profits profile. Following this assessment, the Group has judged that at the balance sheet date there remains to be insufficient convincing other evidence, as required under IAS 12, that it will have sufficient taxable profits to realise the above deferred tax asset at this time.

In July 2025, the German legislator substantively enacted a reduction to the corporate income tax rate by 1 percentage point per annum over a five-year period, commencing in 2028 and concluding in 2032. This phased reduction will lower the statutory corporate income tax rate from 15% to 10% by 2032. Trade taxes have not been amended and as a result the Group's German average blended tax rate under IAS 12 will lower from 32% to 27%. The unrecognised deferred tax asset above has been calculated accordingly.

Useful economic life review - AGP site extensions and conversions

Where site extensions or conversions are committed as part of Whitbread's Accelerating Growth Plan, the Group commences accelerated depreciation on assets that will no longer be used after the site redevelopment. The Group's key judgement here has been assessing that the trigger point for commitment to the extension or conversion is from the date that the site has both planning permission and an approved internal business case to proceed.

From this point, the remaining useful life of affected assets is reassessed with an estimated end date aligned with when the asset will no longer be used. The resulting depreciation charge, along with any write-offs of similar assets that have been disposed of as at the balance sheet date, are treated as adjusting items.

Key sources of estimation uncertainty

The following are the key areas of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Defined benefit pension

Defined benefit pension plans are accounted for in accordance with actuarial advice using the projected unit credit method. The Group makes significant estimates in relation to the discount rates, mortality rates and inflation rates used to calculate the present value of the defined benefit obligation. Note [15] describes the assumptions used together with an analysis of the sensitivity to changes in key assumptions.

Impairment testing - Property, plant and equipment and right-of-use assets

The performance of the Group's impairment review requires management to make a number of judgements and estimates which are presented together below for ease of understanding but identified separately:

Estimates within impairment testing:

Inputs used to estimate value in use

The estimate of value in use is most sensitive to the following inputs:

- Forecast period cashflows - the initial five-year period's cashflows are drawn from the five-year business plan.
- Discount rate - judgement is required in estimating the weighted average cost of capital (WACC) of a typical market participant and in assessing the specific country and currency risks associated with the Group. The rate used is adjusted for the Group's gearing, including equity, borrowings and lease liabilities.
- Maturity profile of individual sites - judgement is required to estimate the time taken for sites to reach maturity and the sites' trading level once they are mature.

Methodology used to estimate fair value

Fair value is determined using a range of methods, including present value techniques using assumptions consistent with the value in use calculations and market multiple techniques using externally available data. For the purpose of assessing fair value for sites, the Group has sought expert valuations based on insight into local market specific factors.

Judgements within impairment testing:

Strategic impact on composition of CGUs

The Group has judged that where there is a commitment and expectation that part of a trading site's value will be realised through a sale, an impairment review should be completed on the trading site as separate cash generating unit (CGU). This is due to the change in how the Group now expects to receive cashflows from the trading site's assets which are largely independent.

Identification of indicators of impairment and reversal

The Group assesses each of its CGUs for indicators of impairment or reversal at the end of each reporting period and, where there are indicators of impairment or reversal, management performs an impairment assessment.

2. Segment information

The Group provides services in relation to accommodation, food and beverage both in the UK and internationally. Management monitors the segment performance separately for the purpose of making decisions about allocating resources and assessing performance. Segment performance is measured based on segment adjusted profit/(loss), defined below. Included within central and other in the following tables are the costs of running the public company, other central overhead costs and share of profit from joint ventures.

The following tables present revenue and profit information regarding business operating segments for the periods ended 28 August 2025 and 29 August 2024.

	6 months to 28 August 2025				6 months to 29 August 2024			
Revenue	**UK & Ireland[1] £m**	**Germany[2] £m**	**Central and other £m**	**Total £m**	UK & Ireland[1] £m	Germany[2] £m	Central and other £m	Total £m
Accommodation	**1,085.4**	**106.0**	**-**	**1,191.4**	1,088.8	99.0	-	1,187.8
Food and beverage	**311.2**	**15.2**	**-**	**326.4**	349.2	12.8	-	362.0
Other	**19.6**	**3.6**	**-**	**23.2**	17.0	3.0	-	20.0
Revenue	**1,416.2**	**124.8**	**-**	**1,541.0**	1,455.0	114.8	-	1,569.8

	6 months to 28 August 2025				6 months to 29 August 2024			
Profit/(loss)	**UK & Ireland[1] £m**	**Germany[2] £m**	**Central and other £m**	**Total £m**	UK & Ireland[1] £m	Germany[2] £m	Central and other £m	Total £m
Adjusted operating profit/(loss)	**408.1**	**4.9**	**(18.1)**	**394.9**	429.6	1.3	(18.1)	412.8
Segmental royalty fees[3]	**(2.9)**	**2.9**	**-**	**-**	-	-	-	-
Segment adjusted operating profit/(loss)	**405.2**	**7.8**	**(18.1)**	**394.9**	429.6	1.3	(18.1)	412.8
Net finance (costs)/income	**(74.4)**	**(11.1)**	**6.2**	**(79.3)**	(72.2)	(10.6)	10.4	(72.4)
Segment adjusted profit/(loss) before tax	**330.8**	**(3.3)**	**(11.9)**	**315.6**	357.4	(9.3)	(7.7)	340.4
Adjusting items before tax (Note 4)				**(28.4)**				(31.2)
Profit before tax				**287.2**				309.2

	6 months to 28 August 2025				6 months to 29 August 2024			
Other segment information	**UK & Ireland[1] £m**	**Germany[2] £m**	**Central and other £m**	**Total £m**	UK & Ireland[1] £m	Germany[2] £m	Central and other £m	Total £m
Capital expenditure:								
Property, plant and equipment - cash basis	**262.6**	**56.8**	**-**	**319.4**	159.3	26.2	-	185.5
Property, plant and equipment - accruals basis	**267.9**	**55.0**	**-**	**322.9**	151.6	25.6	-	177.2
Intangible assets	**7.8**	**0.4**	**-**	**8.2**	11.5	0.4	-	11.9
Cash outflows from lease interest and payment of principal of lease liabilities	**146.1**	**29.3**	**-**	**175.4**	131.0	26.8	-	157.8
Depreciation - property, plant and equipment	**81.6**	**7.6**	**-**	**89.2**	78.4	8.0	-	86.4
Depreciation - right-of-use assets	**79.7**	**21.4**	**-**	**101.1**	75.5	20.7	-	96.2
Amortisation	**16.5**	**0.1**	**-**	**16.6**	16.1	-	-	16.1

[1] The UK and Ireland segment includes operations of the Group within Crown Dependencies.

[2] The Germany segment includes operations of the Group within Austria.

[3] Royalty fees are charged from the UK to other geographies.

Segment assets and liabilities are not disclosed because they are not reported to, or reviewed by, the Chief Operating Decision Maker.

The Group's revenue, split by country in which the legal entity resides, is as follows:	**6 months to 28 August 2025 £m**	6 months to 29 August 2024 £m
United Kingdom	**1,389.8**	1,430.6
Germany	**123.3**	112.4
Ireland	**18.7**	16.4
Other	**9.2**	10.4
	1,541.0	1,569.8

The Group's non-current assets[1], split by country in which the legal entity resides, are as follows:	**28 August 2025 £m**	29 August 2024 £m
United Kingdom	**7,225.3**	6,943.1
Germany	**1,334.9**	1,228.1
Ireland	**195.7**	179.6
Other	**106.4**	102.1
	8,862.3	8,452.9

[1] *Non-current assets exclude derivative financial instruments and the surplus on the Group's defined benefit pension scheme.*

3. Operating costs

	6 months to 28 August 2025 £m	6 months to 29 August 2024 £m
Cost of inventories recognised as an expense	**116.4**	120.1
Employee benefits expense	**404.3**	427.0
Amortisation of intangible assets	**16.6**	16.1
Depreciation - property, plant and equipment (Note 9)	**89.2**	86.4
Depreciation - right-of-use-assets	**101.1**	96.2
Utilities	**60.7**	63.0
Rates	**61.0**	52.7
Other site property costs	**244.1**	241.8
Variable lease payment expense	**1.6**	2.4
Net foreign exchange differences	**(0.6)**	0.2
Other operating charges	**55.2**	54.8
Adjusting operating costs (Note 4)	**29.4**	32.1
	1,179.0	1,192.8

4. Adjusting items

As set out in the policy in Note 1, we use a range of measures to monitor the financial performance of the Group. These measures include both statutory measures in accordance with IFRS and APMs which are consistent with the way that the business performance is measured internally. We report adjusted measures because we believe they provide both management and investors with useful additional information about the financial performance of the Group's businesses. Adjusted measures of profitability represent the equivalent IFRS measures adjusted for specific items that we consider hinder the comparison of the financial performance of the Group's businesses either from one period to another or with other similar businesses.

	6 months to 28 August 2025 £m	6 months to 29 August 2024 £m
Other income:		
Legal claim settlements and insurance proceeds[1]	**1.0**	0.9
Adjusting other income	**1.0**	0.9
Operating costs:		
Net impairment charges - property, plant and equipment, right-of-use assets and assets held for sale[2]	**(1.7)**	(13.2)
Accelerating Growth Plan-related net impairment charges and write-offs[3]	**(19.3)**	(23.2)
Net gains on disposals, property and other provisions[4]	**-**	30.9
Strategic IT programme costs[5]	**(5.0)**	(13.2)
Strategic F&B programme costs[6]	**(1.1)**	(13.4)
Strategic supply chain programme costs[7]	**(1.1)**	-
Other restructuring costs[8]	**(1.2)**	-
Adjusting operating costs	**(29.4)**	(32.1)
Adjusting items before tax	**(28.4)**	(31.2)
Tax on adjusting items	**8.6**	1.9
Impact of change in tax rates[9]	**2.3**	-
Adjusting tax credit	**10.9**	1.9

[1] During the period, the Group received settlements of £1.0m in relation to insurance claims for damaged inventory. In the comparative period, the Group received settlements for business interruption insurance claims of £0.9m.

[2] During the period, impairments have been recognised on assets transferred to assets held for sale in the year of £1.7m (HY25: £2.9m). There were no other indicators of impairment or impairment reversals and as such, no impairment

assessment was performed on other assets.

In the comparative period, the Group has identified cash-generating unit specific indicators of impairment and impairment reversals in relation to sites identified as higher risk and sites impacted by the Accelerating Growth Plan. For those sites identified as higher risk an adjusting impairment charge of £10.3m has been recognised (£8.0m impairment charge relating to property, plant and equipment and £2.3m relating to right-of-use assets). In addition, impairments have been recognised on assets transferred to assets held for sale in the year of £2.9m. This brings the total adjusting net impairment charges outside of the Group's Accelerating Growth Plan-related to £13.2m, within operating costs.

Further information is provided in Note 10.

3 Included in the amounts recorded for impairment this period are impairments as a result of the Group continuing with the optimisation of the UK F&B strategy, the Accelerating Growth Plan, totalling £1.5m of impairment (HY25: reversal of £1.4m).

This also includes accelerated depreciation of £17.8m (HY25: £nil) arising from site extensions and conversions in relation to the AGP to transform a number of the Group's branded restaurants. The trigger point for commitment to the extension or conversion is from the date that the site has both planning permission and an approved internal business case to proceed. From this point, the useful life of affected assets is reassessed to the expected completion date of the redevelopment.

At this time the Group expects to incur further accelerated depreciation within adjusting items totalling between £40.0m and £60.0m.

During the comparative period, the net impairment of £23.2m is comprised of impairment charges on sites of £29.0m (£17.0m relating to property, plant and equipment, £9.1m relating to right-of-use assets and £2.9m relating to assets held for sale) offset by impairment reversals of £5.8m (£1.3m relating to property, plant and equipment and £4.5m relating to assets held for sale).

4 During the period, the Group made gains on property disposals (including sale and leasebacks with proceeds of £73.9m) of £2.9m (HY25: £30.9m). The Group has created a property-related provision of £4.2m whilst it also released a provision in relation to historic tax positions of £1.3m. There are no gains or losses recognised in other comprehensive income with respect to these assets. Sites are classified as held for sale only if they are available for immediate sale in their present condition and a sale is highly probable and expected to be completed within one year from the date of classification. If a site no longer meets these criteria at future reporting dates it is transferred back.

5 The Group has assessed the presentation of costs incurred in relation to the current and future strategic IT programme implementations. The recent programmes have included the Group's Hotel Management System, HR & Payroll System, Restaurant System and Strategic Network. These represent significant business change costs for the Group rather than replacements of IT systems with the System products being Software as a Service (SaaS). The start date of these projects varies and as such we expect costs to be incurred within this category over the next few financial years, with their commercial and strategic benefit seen as lasting several years.

Cash costs incurred on the programmes and presented within adjusting items in the period were £5.0m, with cumulative cash costs to date being £70.7m (FY25: £65.7m). At this time the Group expects to incur future costs presented within adjusting items across future financial periods as follows: during the financial year ended 2026 between £2.5m and £7.5m and during the financial year ended 2027 up to £5.0m.

6 The Group has incurred legal, advisory and project management costs regarding the announced changes to facilitate the AGP. This programme represents a significant business change for the Group's strategic focus in relation to F&B. Cash costs incurred on the programmes and presented within adjusting items in the period were £1.1m, with cumulative cash costs to date being £26.9m. At this time the Group expects to incur future cash costs presented within this adjusting item across the next three financial years of up to £10.0m.

7 As part of the Group's strategic supply chain programme the Group has incurred costs of £1.1m in relation to associated IT and project management costs (FY25: £24.1m in relation to contract exit fees in relation to a supplier). This decision allows the Group to make use of a different supply model and it is expected the commercial and strategic benefit will be seen over several years.

8 During the period, the Group has restructured its UK Support Centre resulting in a charge of £1.2m.

9 In July 2025, the German government substantively enacted legislation to reduce the corporate income tax rate by 1 percentage point per annum over a five-year period, commencing in 2028 and concluding in 2032. The change has resulted in the remeasurement of certain deferred tax assets and liabilities which are forecast to be utilised or to crystalise from 2028. As a result, a credit of £2.3m is recorded in the income statement.

5. Finance (costs)/income

	6 months to 28 August	6 months to 29

	28 August 2025 £m	6 months to 29 August 2024 £m
Finance costs		
Interest on bank loans and overdrafts	**(2.5)**	(2.4)
Interest on other loans	**(23.5)**	(12.1)
Interest on lease liabilities	**(85.6)**	(82.8)
Interest capitalised	**10.5**	4.2
Cost of hedging	**(0.5)**	(0.5)
	(101.6)	(93.6)
Finance income		
Bank interest receivable	**18.6**	17.0
IAS 19 pension net finance income (Note 15)	**3.7**	4.2
	22.3	21.2
Total net finance costs	**(79.3)**	(72.4)

6. Taxation

The Group effective tax rate applied to the profit before tax before adjusting items for the six months to 28 August 2025 is 25.7% (HY25: 26.8%). The tax charge for the six months to 28 August 2025 has been calculated in line with IAS 34 by applying the effective rate of tax which is expected to apply in each jurisdiction in which the Group operates for the year ending 26 February 2026.

A UK current and deferred tax rate of 25.0% has been applied to discrete and adjusting items.

A forecast effective tax rate of 0.0% has been applied to the German pre-tax loss as the Group does not currently deem it appropriate to recognise a net deferred tax asset in this jurisdiction. The impact on the effective tax rate from the non-recognition of German tax losses in the current period is 1.9% (HY25: 0.7%).

Consolidated income statement	**6 months to 28 August 2025 £m**	6 months to 29 August 2024 £m
Current tax:		
Current tax expense	**47.0**	29.0
	47.0	29.0
Deferred tax:		
Origination and reversal of temporary differences	**25.6**	60.3
Effect of in-year rate differential/change in tax rates	**(2.3)**	-
	23.3	60.3
Tax reported in the consolidated income statement	**70.3**	89.3

Consolidated statement of other comprehensive income	**6 months to 28 August 2025 £m**	6 months to 29 August 2024 £m
Current tax:		
Defined benefit pension scheme	**(0.6)**	1.0
Tax on net movement on hedge of a net investment	**(2.4)**	1.0
Tax on exchange differences on translation of foreign operations	**2.8**	(1.3)
	(0.2)	0.7
Deferred tax:		
Cash flow hedges	**0.3**	2.2
Defined benefit pension scheme	**(3.0)**	(3.8)
	(2.7)	(1.6)
Tax reported in other comprehensive income	**(2.9)**	(0.9)

In July 2025, the German legislator substantively enacted a reduction to the corporate income tax rate by 1 percentage point per annum over a five-year period, commencing in 2028 and concluding in 2032. This phased reduction will lower the statutory corporate income tax rate from 15% to 10% by 2032. Trade taxes have not been amended and as a result the Group's German average blended tax rate under IAS 12 will lower from 32% to 27%. The unrecognised deferred tax asset above has been calculated accordingly.

The Group has unrecognised German tax losses of £274.1m (FY25: £253.6m). Recognition of these in their entirety would increase deferred tax assets reported by £74.3m (FY25: £80.9m).

7. Earnings per share

The basic earnings per share (EPS) figures are calculated by dividing the net profit/(loss) for the period attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period after deducting treasury shares and shares held by an independently managed employee share ownership trust (ESOT).

The diluted earnings per share figures allow for the dilutive effect of the conversion into ordinary shares of the weighted average number of options outstanding during the period. Where the average share price for the period is lower than the option price, the options become anti-dilutive and are excluded from the calculation.

The number of shares used for the earnings per share calculations are as follows:

	6 months to 28 August 2025 million	6 months to 29 August 2024 million
Basic weighted average number of ordinary shares	**175.3**	181.8
Effect of dilution - share options	**1.6**	1.3
Diluted weighted average number of ordinary shares	**176.9**	183.1

The total number of shares in issue at the reporting period date, as used in the calculation of the basic weighted average number of ordinary shares, was 186.5m, less 12.5m treasury shares held by Whitbread PLC and 0.5m held by the ESOT.

The profits used for the earnings per share calculations are as follows:

	6 months to 28 August 2025 £m	6 months to 29 August 2024 £m
Profit for the period attributable to parent shareholders	**216.9**	219.9
Adjusting items before tax (Note 4)	**28.4**	31.2
Adjusting tax credit (Note 4)	**(10.9)**	(1.9)
Adjusted profit for the period attributable to parent shareholders	**234.4**	249.2

	6 months to 28 August 2025 pence	6 months to 29 August 2024 pence
Basic EPS on profit for the period	**123.7**	121.0
Adjusting items before tax	**16.2**	17.2
Adjusting tax credit	**(6.2)**	(1.1)
Basic EPS on adjusted profit for the period	**133.7**	137.1
Diluted EPS on profit for the period	**122.6**	120.1
Diluted EPS on adjusted profit for the period	**132.5**	136.1

8. Dividends paid and proposed

	6 months to 28 August 2025		6 months to 29 August 2024	
	pence per share	**£m**	pence per share	£m
Final dividend, proposed and paid, relating to the prior period	**60.60**	**106.5**	62.90	114.8
Total equity dividends paid in the period on ordinary shares		**106.5**		114.8
Dividend on B shares	**-**	**-**	7.70	0.1
Total dividends paid		**106.5**		114.9

An interim dividend of 36.40p per ordinary share (HY25: 36.40p) amounting to a total dividend of £63.0m (HY25: £65.0m) was declared by the directors on 15 October 2025. A dividend reinvestment plan (DRIP) alternative will be offered. These consolidated financial statements do not reflect this dividend payable.

9. Property, plant and equipment

During the reporting period the Group has had additions of £322.9m (HY25: £177.2m), depreciation charges of £89.2m (HY25: £86.4m), net impairment charges of £19.5m (HY25: £26.6m), net movements to assets held for sale of £16.2m (HY25: £95.8m), capitalised interest cost of £10.5m (HY25: £4.2m), disposals of £1.8m (HY25: £5.3m) and increase of net book value from foreign currency translation of £30.3m (HY25: reduction of £10.8m).

Included in property, plant and equipment are assets under construction of £922.4m (FY25: £682.3m).

There is a charge in favour of the pension scheme over properties with a market value of £531.5m (FY25: £531.5m).

Capital expenditure commitments

	28 August 2025 £m	27 February 2025 £m
Capital expenditure commitments for property, plant and equipment for which no provision has been made	**313.1**	271.8

10. Impairment

During this period, net impairment charges of £21.0m (HY25: £36.4m) were recognised within operating costs.

Accelerating Growth Plan:

Net impairment of £19.3m (HY25: £23.2m) has been recognised in respect of the Group continuing with the Accelerating Growth Plan (the optimisation of the UK F&B strategy), with £nil impairment reversal being recorded (HY25: £1.6m) within Accelerating Growth Plan-related assets held for sale.

UK:

Outside of Accelerating Growth Plan-related impairments, £1.7m (HY25: £4.2m) impairment charges in the UK have been recorded on transfer from property, plant and equipment to assets held for sale.

Germany:

The Group has completed a review of site-level H1 performance that identified higher risk sites. An impairment review of those assets was undertaken, resulting in no impairment charges recognised (HY25: £9.0m).

The charges/(reversals) were recognised on the following classes of assets:

6 months to 28 August 2025	**Impairment charge £m**	**Impairment reversal £m**	**Total £m**
Impairment charges/(reversals) included in operating costs			
Property, plant and equipment[1]	**19.5**	**-**	**19.5**
Accelerating Growth Plan sites	17.8	**-**	
Rest of estate	1.7	**-**	

Right-of-use assets	**0.7**	**-**	**0.7**
Accelerating Growth Plan sites	0.7	-	
Rest of estate	-	-	
Assets held for sale	**0.8**	**-**	**0.8**
Accelerating Growth Plan sites	0.8	-	
Total charges/(reversals) for impairment included in operating costs	**21.0**	**-**	**21.0**

[1]The net impairment charge includes £17.8m of accelerated depreciation in relation to the AGP site extensions and conversions programme.

All of the impairment assessments take account of expected market conditions which include future risks including climate change and related legislation.

Methodology in relation to the Group's Accelerating Growth Plan

During the period, the Group continued the plan to optimise its UK F&B offering through the Accelerating Growth Plan. The following material topics have been considered in relation to the Group's impairment review:

AGP site extensions and conversions:

As part of the Group's AGP site extensions and conversions programme, some of the Group's branded restaurants will be repurposed with smaller space devoted to providing integrated F&B services and remaining space being converted to additional hotel rooms. The composition of the CGU remains unchanged. Planning applications have been submitted, and permission obtained for a number of sites. The useful economic life of relevant buildings and furniture, fittings and equipment has been reassessed based on the current status of relevant approvals and work commencement on-site. The carrying amount of such assets are being written down at the point that all relevant internal and external approvals are received. During the period, an amount of £17.8m (FY25: £1.0m) has been written off, the Group expects to incur further charges of between £40.0m and £60.0m over the next few financial years.

Disposal sites:

The Group has a committed plan to dispose of a further group of sites to third parties. At the reporting period end, sites that are being actively marketed with a valid expectation that they will be disposed of within 12 months from the balance sheet date have been moved to Assets Held for Sale (AHFS). As the economic benefit of these sites is expected to be recovered through sale rather than by continuing to trade, these sites have been measured at the lower of cost and expected proceeds less costs of disposal, with the remaining NBV having been moved to assets held for sale.

11. Assets classified as held for sale

The following table presents the major classes of assets and liabilities classified as held for sale:

	28 August 2025	27 February 2025
	£m	£m
Property, plant and equipment	**62.4**	128.8
Right-of-use assets	**1.4**	1.1
Lease liabilities	**(2.1)**	(1.7)
Assets classified as held for sale	**61.7**	128.2

At the period end, there were 88 sites with a combined net book value of £61.7m (FY25: 107 with net book value of £128.2m) classified as assets held for sale (AHFS). There are no gains or losses recognised in other comprehensive income with respect to these assets. The value and number of assets held for sale are both heightened by the Group's continued commitment to the Accelerating Growth Plan.

There are no individually material assets within this group of assets.

Sites are classified as held for sale only if they are available for immediate sale in their present condition and a sale is highly probable and expected to be completed within one year from the date of classification. Where there has been a delay in disposing of a site, the Group remains committed to its plan to sell the asset. If a site no longer meets this criteria at future reporting dates it is transferred back to property, plant and equipment.

12. Movements in cash and net debt

	27 February 2025	**Share buy-back commitments including transaction costs**	**Cash flow**	**Net new lease liabilities**	**Foreign exchange**	**Transfers from assets held for sale**	**Cost of borrowings and amortisation of premiums and discounts**	**28 August 2025**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Cash and cash equivalents	**909.0**	**-**	**(79.3)**	**-**	**0.9**	**-**	**-**	**830.6**
Liabilities from financing activities:								
Borrowings	**(1,392.4)**	**-**	**-**	**-**	**-**	**-**	**(0.9)**	**(1,393.3)**
Lease liabilities	**(4,233.8)**	**-**	**89.8**	**(136.4)**	**(40.7)**	**-**	**-**	**(4,321.1)**
Committed share buy-back	**-**	**(250.3)**	**75.1**	**-**	**-**	**-**	**-**	**(175.2)**
Total liabilities from financing activities	**(5,626.2)**	**(250.3)**	**164.9**	**(136.4)**	**(40.7)**	**-**	**(0.9)**	**(5,889.6)**
Less: lease liabilities	**4,233.8**	**-**	**(89.8)**	**136.4**	**40.7**	**-**	**-**	**4,321.1**
Less: committed share buy-back	**-**	**250.3**	**(75.1)**	**-**	**-**	**-**	**-**	**175.2**
Net debt	**(483.4)**	**-**	**(79.3)**	**-**	**0.9**	**-**	**(0.9)**	**(562.7)**

Within borrowings above is the Group's £450.0m bond due for repayment on 16 October 2025.

13. Share capital

Ordinary share capital

Allotted, called up and fully paid ordinary shares of 76.80p each (FY25: 76.80p each)	**million**	**£m**
At 27 February 2025	**188.8**	**145.2**
Issued on exercise of employee share options	0.1	0.1
Cancellations following share buy-back	(2.5)	(1.9)
At 28 August 2025	**186.4**	**143.4**

Share buy-back, commitment and cancellation

The Company purchased and cancelled 2.5m shares with a nominal value of £1.9m under the share buy-back programme running through this financial period. Consideration of £75.1m, including associated fees and stamp duty of £0.3m, was paid during the period. The buy-back represents an irrevocable commitment and therefore the liability to purchase the remaining shares of £175.2m is recorded as a liability on the consolidated balance sheet.

14. Analysis of cash flows given in the cash flow statement

	6 months to 28 August 2025 £m	6 months to 29 August 2024 £m
Profit for the period	**216.9**	219.9
Adjustments for:		
Tax expense	**70.3**	89.3
Net finance costs	**79.3**	72.4
Share of profit from joint ventures	**(1.0)**	(0.8)
Depreciation and amortisation	**206.9**	198.7
Share-based payments	**8.4**	8.5
Net impairment (Note 10)	**21.0**	36.4
Gains on disposals, property, and other provisions	**(3.0)**	(30.9)
Other non-cash items	**8.4**	5.1
Cash generated from operations before working capital changes	**607.2**	598.6
Decrease in inventories	**0.6**	1.9
Decrease in trade and other receivables	**1.0**	1.8
Decrease in trade and other payables	**(17.9)**	(49.4)
Cash generated from operations	**590.9**	552.9

15. Retirement benefits

Defined benefit scheme

During the period, the defined benefit pension scheme has moved from a surplus of £134.6 m to a surplus of £123.3m. The main movements in the surplus are as follows:

	£m
Pension surplus at 27 February 2025	**134.6**
Administrative expenses	**(3.0)**
Net interest on pension liability and assets (Note 5)	**3.7**
Losses recognised in other comprehensive income	**(14.9)**
Contributions from employer	**2.8**
Benefits paid directly by the Company in relation to an unfunded pension scheme	**0.1**
Pension surplus at 28 August 2025	**123.3**

The principal assumptions used by the independent qualified actuaries in updating the most recent valuation carried out as at 31 March 2023 of the UK scheme to 28 August 2025 for IAS 19 Employee benefits purposes (FY25: 31 March 2023 to 27 February 2025) were:

	28 August 2025	27 February 2025
Pre-April 2006 rate of increase in pensions in payment	**2.80%**	3.00%
Post-April 2006 rate of increase in pensions in payment	**2.00%**	2.10%
Pension increases in deferment	**2.80%**	3.00%
Discount rate	**5.80%**	5.50%
Inflation assumption	**2.90%**	3.20%
Life expectancies		
Retiring at the balance sheet date at age 65 - male	**19.7 years**	19.7 years
Retiring at the balance sheet date at age 65 - female	**22.4 years**	22.4 years
Retiring at the balance sheet date in 20 years at age 65 - male	**20.7 years**	20.7 years
Retiring at the balance sheet date in 20 years at age 65 - female	**23.5 years**	23.5 years

The life expectancies shown above are based on standard mortality tables which allow for future mortality improvements. The mortality improvement assumption has been updated to use the CMI 2023 model. The CMI 2023 model parameters include some weighting for 2023 mortality experience.

The assumptions in relation to discount rate, mortality and inflation have a significant effect on the measurement of scheme liabilities. The following table shows the sensitivity of the valuation to changes in these assumptions:

	(Increase)/decrease in net defined benefit surplus		**(Increase)/decrease in gross defined benefit liability**	
	28 August 2025 £m	27 February 2025 £m	**28 August 2025 £m**	27 February 2025 £m
Discount rate				
1.00% increase to discount rate	**(117.0)**	(131.0)	**149.0**	165.0
1.00% decrease to discount rate	**142.0**	159.0	**(178.0)**	(199.0)

Inflation				
0.25% increase to inflation rate	**25.0**	23.0	**(30.0)**	(29.0)
0.25% decrease to inflation rate	**(24.0)**	(23.0)	**30.0**	29.0
Life expectancy				
Additional one-year increase to life expectancy	**36.0**	38.0	**(57.0)**	(60.0)

The sensitivity analysis above is based on a change in an assumption whilst holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. Where the discount rate is changed this will have an impact on the valuation of scheme assets in the opposing direction.

16. Asset acquisitions

During this and the previous period, the Group has purchased a number of properties; the legal form of the transactions varies between acquisition of the property or acquisition of the company holding title of the property, as well as noting that a number of properties are purchased in a state that means they do not meet the definition of a business on acquisition.

For the remaining properties which do meet the definition of being a business on acquisition, these transactions have been accounted for as asset acquisitions under IFRS 3 Business Combinations as the fair value of the assets is concentrated in a single group of similar assets in each deal analysed. The transactions form part of the Group's strategic priorities over both international growth and continued UK market share gains.

17. Events after the balance sheet date

Sale and leasebacks

On 12 September 2025, the Group entered into sale and leaseback transaction in relation to one property which was included within assets classified as held for sale at the period end date, receiving gross proceeds of £24.5m.

18. Contingent liabilities

The Group has contingent liabilities in respect of property related remediation claims arising in its normal course of business. A provision for such matters is only recognised to the extent that the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. The Group will seek to recover any claims for remediation with the original developers of the site and no asset has currently been recognised for this.

The Group previously stated that it was involved in legal proceedings in relation to a third-party intellectual property claim, this matter was successfully defended during the current period and the Group no longer deems this to be a contingent liability.

Responsibility statement

We confirm that to the best of our knowledge:

a) The condensed set of financial statements, which has been prepared in accordance with IAS 34 *Interim Financial Reporting*, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole;
b) The interim management report includes a fair review of the information required by the Financial Statements Disclosure and Transparency Rules (DTR) 4.2.7R - indication of important events during the first six months and their impact on the financial statements and description of principal risks and uncertainties for the remaining six months of the year; and
c) The interim management report includes a fair review of the information required by DTR 4.2.8R - disclosure of related party transactions and changes therein.

By order of the Board

Dominic Paul
Chief Executive

Hemant Patel
Chief Financial Officer

INDEPENDENT REVIEW REPORT TO WHITBREAD PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 28 August 2025 which comprises the interim consolidated income statement, the interim consolidated statement of comprehensive income, the interim consolidated statement of changes in equity, the interim consolidated balance sheet, the interim consolidated cash flow statement and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 28 August 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure

Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our conclusion relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
15 October 2025

Glossary

Basic earnings per share (Basic EPS)
Profit attributable to the parent shareholders divided by the weighted average number of ordinary shares in issue during the year after deducting treasury shares and shares held by an independently managed share ownership trust (ESOT).

Cash rent
The total of interest paid on lease liabilities, payment of principal of lease liabilities and variable lease payments, adjusted to reflect one year's rent.

Committed pipeline
Sites where the Group has a legal interest in a property (that may be subject to planning/other conditions) with the intention of opening a hotel in the future.

Direct bookings / distribution

Based on stayed bookings in the financial year made direct to the Premier Inn website, Premier Inn app, Premier Inn customer contact centre or hotel front desks.

Food and beverage (F&B) sales

Food and beverage revenue from all Whitbread owned restaurants and integrated hotel restaurants.

GOSH charity

Great Ormond Street Hospital Children's Charity.

IFRS

International Financial Reporting Standards.

Lease debt

Eight times cash rent.

Occupancy

Number of hotel bedrooms occupied by guests expressed as a percentage of the number of bedrooms available in the year.

Operating profit

Profit before net finance costs and tax.

OTA's

Online travel agents.

Rent expense

Rental costs recognised in the income statement prior to the adoption of IFRS 16.

Team retention

The number of permanent new starters that we retain for the first 90 days/three months.

Trading site

A joint hotel and restaurant or a standalone hotel.

Segment adjusted operating profit/(loss)

The adjusted operating profit/(loss) excludes the impact of segmental royalty fees charged from the UK to other segments to aid comparability of segment performance.

WINcard

Whitbread In Numbers - balanced scorecard to measure progress against key performance targets.

YourSay

Whitbread's annual employee opinion survey to provide insight into the views of employees.

†Alternative Performance Measures

We use a range of measures to monitor the financial performance of the Group. These measures include both statutory measures in accordance with IFRS and alternative performance measures (APMs) which are consistent with the way that the business performance is measured internally. APMs are not defined by IFRS and therefore may not be directly comparable with similarly titled measures reported by other companies. APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measures.

APM	Closest equivalent IFRS measure	Adjustments to reconcile to IFRS measure	Definition and purpose
REVENUE MEASURES			
Accommodation sales	Revenue	Exclude non-room revenue such as food and beverage	Premier Inn accommodation revenue excluding non-room income such as food and beverage. The growth in accommodation sales on a year-on-year basis is a good indicator of the performance of the business. Reconciliation: Note 2
Average room rate (ARR)	No direct equivalent	Refer to definition	Accommodation sales divided by the number of rooms occupied by guests. The directors consider this to be a useful measure as this is a commonly used industry metric which facilitates comparison between companies.

Reconciliation	**6 months to 28 August 2025**	6 months to 29 August 2024
UK accommodation sales (£m)	**1,085.4**	1,088.8
Number of rooms occupied by guests ('000)	**12,628**	12,937
UK average room rate (£)	**85.95**	84.16

			Germany accommodation sales (£m)	**106.0**	99.0
			Number of rooms occupied by guests ('000)	**1,377**	1,307
			Germany average room rate (£)	**77.01**	75.78
UK like-for-like accommodation sales growth	Movement in accommodation sales per the segment information (Note 2)	Accommodation sales from non like-for-like	Year over year change in accommodation revenue for outlets open for at least one year with no significant changes in room numbers. The directors consider this to be a useful measure as it is a commonly used performance metric and provides an indication of underlying revenue trends.		

Reconciliation	**6 months to 28 August 2025**	6 months to 29 August 2024
UK like-for-like accommodation sales growth	**(1.2%)**	(1.6%)
Impact of extensions > 5% of rooms	**0.0%**	0.0%
Contribution from net new hotels	**0.9%**	2.0%
UK accommodation sales growth	**(0.3%)**	0.4%

Revenue per available room (RevPAR)	No direct equivalent	Refer to definition	Revenue per available room is also known as 'yield'. This hotel measure is achieved by dividing accommodation sales by the number of rooms available. The directors consider this to be a useful measure as it is a commonly used performance measure in the hotel industry.

Reconciliation	**6 months to 28 August 2025**	6 months to 29 August 2024
UK accommodation sales (£m)	**1,085.4**	1,088.8
Available rooms ('000)	**15,620**	15,569
UK REVPAR (£)	**69.48**	69.93
Germany Accommodation sales (£m)	**106.0**	99.0
Available rooms ('000)	**2,004**	1,913
Germany REVPAR (£)	**52.90**	51.78

INCOME STATEMENT MEASURES

Adjusted[1] operating profit/loss	Profit/loss before tax	Adjusting items (Note 4), finance income/costs (Note 5)	Profit/loss before tax, finance costs/income and adjusting items Reconciliation: Consolidated income statement
Adjusted[1] tax	Tax expense/credit	Adjusting items (Note 4)	Tax expense/credit before adjusting items. Reconciliation: Consolidated income statement
Adjusted[1] profit/loss before tax	Profit/loss before tax	Adjusting items (Note 4)	Profit/loss before tax and adjusting items. Reconciliation: Consolidated income statement
Adjusted[1] basic EPS	Basic EPS	Adjusting items (Note 4)	Adjusted profit attributable to the parent shareholders divided by the basic weighted average number of ordinary shares in issue during the year after deducting treasury shares and shares held by an independently managed share ownership trust (ESOT). Reconciliation: Note 7
Profit/PBT margin	No direct equivalent	Refer to definition	Segmental adjusted profit before tax divided by segmental adjusted revenue, to demonstrate profitability margins of the segmental operations. Reconciliation: Business review

BALANCE SHEET MEASURES

Net cash/debt	Total liabilities from financing activities	Excludes lease liabilities, other financial liabilities and derivatives held to hedge financing activities	Cash and cash equivalents after deducting total borrowings. The directors consider this to be a useful measure of the financing position of the Group. Reconciliation: Note 12
Adjusted[1] net cash/debt	Total liabilities from financing activities	Exclude lease liabilities and derivatives held to hedge financing activities. Includes an adjustment for cash assumed by ratings agencies to not be readily available	Net cash/debt adjusted for cash, assumed by ratings agencies to not be readily available, and excluding unamortised debt-related fees. The measure has been amended in the year to exclude unamortised debt-related fees. The directors consider this to be a useful measure as it is aligned with the method used by ratings agencies to assess the financing position of the Group.

Reconciliation	**As at 28 August 2025 £m**	As at 29 August 2024 £m
Net debt	**562.7**	370.3
Less: unamortised debt costs	**6.7**	4.4
Restricted cash adjustment	**10.0**	10.0
Adjusted net debt	**579.4**	384.7

Lease-adjusted net debt/cash	Total liabilities from financing	Exclude lease liabilities.	In line with methodology used by credit rating agencies, lease-adjusted net debt includes lease debt which is calculated at 8x

	activities	Includes an adjustment for cash assumed by rating agencies to not be readily available	Cash Rent as defined in the Glossary. The directors consider this to be a useful measure as it forms the basis of the Group's leverage targets.

Reconciliation	**As at 28 August 2025 £m**	As at 29 August 2024 £m
Adjusted net debt	**579.4**	384.7
Lease debt	**2,715.2**	2,517.6
Lease-adjusted net debt	**3,294.6**	2,902.3

Net debt/cash and lease liabilities	Cash and cash equivalents less total liabilities from financing activities	Refer to definition	Net debt/cash plus lease liabilities. The directors consider this to be a useful measure of the financing position of the Group.

Reconciliation	**As at 28 August 2025 £m**	As at 29 August 2024 £m
Net debt	**562.7**	370.3
Lease liabilities	**4,321.1**	4,171.5
Net debt and lease liabilities	**4,883.8**	4,541.8

CASH FLOW MEASURES

Lease-adjusted net debt to EBITDAR for leverage	No direct equivalent	Refer to definition	This measure is a ratio of lease-adjusted net debt compared against the Group's adjusted EBITDAR. The directors use this to monitor the leverage position of the Group. This measure may not be directly comparable with similarly titled measures utilised by credit rating agencies, however on a normalised basis these measures would be expected to move proportionally in the same direction.

Reconciliation	**12 months to 28 August 2025 £m**	12 months to 29 August 2024 £m
Lease-adjusted net debt	**3,294.6**	2,902.3
Adjusted EBITDAR	**1,019.9**	1,040.1
Lease-adjusted net debt to adjusted EBITDAR for leverage	**3.2x**	2.8x

Adjusted[1] operating cash flow	Cash generated from operations	Refer to definition	Adjusted operating profit/loss adding back depreciation and amortisation and after IFRS 16 interest and lease repayments and working capital movement. The directors consider this a useful measure as it is a good indicator of the cash generated which is used to fund future growth, shareholder returns, tax, pension and interest payments.

Reconciliation	**6 months to 28 August 2025 £m**	6 months to 29 August 2024 £m
Adjusted operating profit	**394.9**	412.8
Depreciation - right-of-use assets	**101.1**	96.2
Depreciation - property, plant and equipment	**89.2**	86.4
Amortisation	**16.6**	16.1
Adjusted EBITDA (post-IFRS 16)	**601.8**	611.5
Interest paid - lease liabilities	**(85.6)**	(82.8)
Payment of principal of lease liabilities	**(89.8)**	(75.0)
Net lease incentives (paid)/received	**(3.7)**	2.9
Movement in working capital	**(16.3)**	(45.7)
Adjusted operating cash flow	**406.4**	410.9

Cash capital expenditure (cash capex)	No direct equivalent	Refer to definition	Cash flows on property, plant and equipment and investment in intangible assets, payments of deferred and contingent consideration, and capital contributions or loans to joint ventures.

OTHER MEASURES

Adjusted[1] EBITDA (post-IFRS 16), Adjusted[1] EBITDA (pre-IFRS 16) and Adjusted[1] EBITDAR	Operating profit	Refer to definition	Adjusted EBITDA (post-IFRS 16) is profit before tax, adjusting items, interest, depreciation and amortisation. Adjusted EBITDA (pre-IFRS 16) is further adjusted to remove rent expense. Adjusted EBITDAR is profit before tax, adjusting items, interest, depreciation, amortisation, variable lease payments and rental income. The directors consider this measure to be useful as it is a commonly used industry metric which facilitates comparison between companies. The Group's RCF covenants include measures based on adjusted EBITDA (pre-IFRS 16).

Reconciliation	**6 months to 28 August 2025 £m**	6 months to 29 August 2024 £m
Adjusted operating profit	**394.9**	412.8
Depreciation - right-of-use assets	**101.1**	96.2
Depreciation - property, plant and equipment	**89.2**	86.4
Amortisation	**16.6**	16.1
Adjusted EBITDA (post-IFRS 16)	**601.8**	611.5

			Adjusted EBITDA (post-IFRS 16)	**601.8**	611.5
			Variable lease payments	**1.6**	2.4
			Rental income	**(2.4)**	(2.9)
			Adjusted EBITDAR	**601.0**	611.0
			Rent expense, variable lease payments and rental income	**(169.3)**	(156.9)
			Adjusted EBITDA (pre-IFRS 16)	**431.7**	454.1
Return on Capital Employed (ROCE)	No direct equivalent	Refer to definition	Adjusted operating profit/loss (pre-IFRS 16) for the period divided by net assets at the balance sheet date, adding back net debt/cash, right-of-use assets, lease liabilities, taxation assets/liabilities, the pension surplus/deficit and derivative financial assets/liabilities, other financial liabilities and IFRS 16 working capital adjustments. The directors consider this to be a useful measure as it expresses the underlying operating efficiency of the Group and is used as the basis for remuneration targets.		

	12 months to 28 August 2025	
	Total	**UK & Ireland**
Reconciliation	**£m**	**£m**
Adjusted operating profit	**611.7**	
Depreciation - right-of-use assets	**199.2**	
Rent expense	**(337.6)**	
Adjusted operating profit (pre-IFRS 16)	**473.3**	**465.3**
Net assets	**3,192.5**	
Net debt	**562.7**	
Current tax liabilities	**2.1**	
Net deferred tax liabilities	**255.1**	
Pension surplus	**(123.3)**	
Derivative financial assets	**(3.9)**	
Derivative financial liabilities	**7.4**	
Lease liabilities	**4,321.1**	
Right-of-use assets	**(3,725.1)**	
Other financial liabilities	**175.2**	
IAS 17 rent adjustments	**(65.0)**	
Adjusted net assets	**4,598.8**	**3,959.9**
Return on capital employed	**10.3%**	**11.8%**

	12 months to 29 August 2024	
	Total	UK & Ireland
Reconciliation	£m	£m
Adjusted operating profit	641.7	
Depreciation - right-of-use assets	190.1	
Rent expense	(308.9)	
Adjusted operating profit (pre-IFRS 16)	522.9	541.1
Net assets	3,476.9	
Net debt	370.3	
Current tax liabilities	5.9	
Deferred tax liabilities	240.2	
Pension surplus	(157.6)	
Derivative financial assets	(14.9)	
Derivative financial liabilities	7.0	
Lease liabilities	4,171.5	
Right-of-use assets	(3,638.8)	
IAS 17 rent adjustments	(65.0)	
Adjusted net assets	4,395.5	3,860.4
Return on capital employed	11.9%	14.0%

[1] *Adjusted measures of profitability represent the equivalent IFRS measures adjusted for specific items that we consider relevant for comparison of the Group's business either from one year to another or with similar businesses. We report adjusted measures because we believe they provide both management and investors with useful additional information about the financial performance of the Group's businesses.*

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our Privacy Policy.

END

IR GPGCWUUPAGMA