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Whitbread PLC
21 June 2017

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WHITBREAD TRADING STATEMENT

Whitbread has had a good start to the year with sales growth of 7.6%

Whitbread PLC today reports its trading performance for the 13 weeks to 1 June 2017

Sales update (% change vs. prior year)

	Sales for the 13 weeks to 1 June 2017	
	Like for like sales[*1]	Total sales[*2]
Premier Inn	4.7%	9.2%
Restaurants	0.7%	2.1%
Premier Inn & Restaurants	3.5%	7.0%
Costa	1.1%	8.7%
Total	**2.9%**	**7.6%**

Whitbread's Chief Executive Alison Brittain said:

"We have had a good start to the year, with first quarter sales growth of 7.6%, in line with our expectations. Our continued drive to grow and innovate in our core UK businesses, focus on our strengths internationally and build capabilities to support long-term growth, combined with our ongoing cost efficiency programme, gives us confidence that we will make further good progress this year.

Premier Inn continued to win overall market share with strong sales growth of 9.2% as we benefitted from a resilient hotel market and the contribution from the c.9,000 rooms we opened over the last two years, which are maturing well. Our digital development team continued to innovate for our customers and we launched our personalised business to business booking platform that helped to maintain our direct bookings at 94% of sales. We were pleased that total UK occupancy was up compared to the first quarter last year at 79.2%, at the same time as we increased our capacity.

Costa sales grew 8.7% with UK equity like for like growth of 1.1% and a good performance in our expanding travel and drive thru channels. We are focused on executing on our initiatives, rolling out 'Cold Brew' in over 200 of our stores and our latest summer Frostino and cooler drinks have just gone on sale this month. We also successfully introduced our new breakfast range towards the end of the quarter, with further new food ranges launching throughout the year. Costa Express continued its expansion with 300 net installations during the quarter. In May we officially opened our new Roastery giving us capacity to grow over the next 20 years and provide us with an industry-leading centre for coffee innovation and training.

Internationally, in Germany our Premier Inn hotel in Frankfurt is performing well and we continue to develop our current committed pipeline of five hotels. Meanwhile, in Costa, we are seeing good progress in China with positive like for like sales growth. We aim to accelerate the development of our international businesses in these attractive markets and continue to look for opportunities to grow more quickly.

In line with our property strategy we completed the sale and leaseback of our 247 room hotel in Shoreditch, with proceeds of £51 million representing a good yield of just under 4%, reflecting the strength of Whitbread's covenant. We expect proceeds of around £100-150 million from sale and leaseback transactions this year.

We have a clear plan to deliver growth in our existing estate and remain on track to open c.4,200 hotel rooms, 230-250 Costa coffee shops and install c.1,250 Costa Express machines this year."

Trading highlights for the 13 weeks (unaudited) to 1 June 2017

Premier Inn

% change vs. prior year	**Premier Inn UK only**			**Midscale & economy market**[3]
	Total sales	Like for Like revpar	Total revpar	Total revpar
Q1				
Total	8.9%	2.9%	3.1%	4.1%
Regional	8.5%	2.9%	2.9%	3.4%
London	10.2%	3.8%	2.8%	6.8%

Costa

% change vs. prior year	**System Sales**
Total Costa	**10.2%**
Total Franchise*	11.6%*
UK Retail	7.9%
Enterprises	9.5%
International	17.1%†

At constant Fx, systems sales grew *8.1% Total Franchise,†7.4% International

Site detail	2 March 2017	Opened	Closed	1 June 2017
Premier Inn UK[4]	68,081	1,011	-4	69,088
Premier Inn Germany	201	8	-	209
Premier Inn International	2,943	219	300-	2,862
Total Premier Inn (rooms)	**71,225**	**1,238**	**-304**	**72,159**
Restaurants (sites)	**417**	**-**		**417**
Costa UK Retail Equity	1,280	15	-2	1,293
Franchise	624	17	-1	640
Costa Enterprises	314	28	-5	337
Total Costa UK Stores (Retail + Enterprises)	2,218	60	-8	2,270
Costa EMEI	881	16	-17	880
Costa Asia	433	16	-9	440
Total Costa (stores)	**3,532**	**92**	**-34**	**3,590**
Total Equity	**1,439**	**20**	**-3**	**1,456**
Total JV	**406**	**15**	**-8**	**413**
Total Franchise	**1,687**	**57**	**-23**	**1,721**
Costa Express Machines[5]	**6,801**	**300**		**7,101**

*[1] Like for like sales which are stated Pre IFRIC 13 adjustment are for Premier Inn - UK and Ireland and for Costa UK equity stores and Restaurants - UK. Post IFRIC 13 for the 13 weeks to 1 June 2017 Premier Inn like for like and total sales would be the same; Restaurants like for like sales would be 0.3% pts lower and growth in total sales 0.2% pts lower; Costa like for like sales would be 0.4% pts lower, growth in total sales would be the 0.2% pts lower and growth in total system sales would be 0.1% pt lower.

*[2] Premier Inn total sales include UK and International, all other Premier Inn numbers included in this statement relate to UK and Ireland only.

*[3] Hotel market performance data collected by STR Global.

*[4] Includes hub by Premier Inn.

*[5] Costa Express machines installed means net machine installations.

Conference call for analysts and investors

Alison Brittain and Nicholas Cadbury will be available for a conference call at 07.45 am today. To participate, dial 0800 6945707 and enter Conference ID: 30850492 or international participants dial +44 (0)1452 541003
A recording of the conference call will be available until the 5th July 2017. To listen, dial 0871 7000145 and enter the passcode 30850492. International +44 (0) 1452 550000.
This service will be active approximately two hours after the conference call has finished.
Please dial into the call 10 minutes before to ensure you don't miss the start.

For more information please contact:

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

Notes to Editors

Whitbread PLC is the owner of the UK's favourite hotel chain, Premier Inn and the UK's favourite coffee shop, Costa, as well as restaurant brands, Beefeater, Brewers Fayre and Table Table.

Whitbread is ranked no. 8 in the Sunday Times Best Big Companies to Work For list and employs around 50,000 people in over 2,400* outlets across the UK, serving over 28 million customers every month.

Whitbread has ambitious growth plans to increase the number of Premier Inn UK rooms to around 85,000 and to achieve global system sales of around £2.5bn for Costa by 2020.

At Whitbread we are committed to being a force for good in the communities in which we operate. Our Sustainability programme, 'Force for Good' is focused on enabling people to live and work well and is built around three pillars of Opportunity, Community and Responsibility.

In the year ended 2 March 2017, Whitbread PLC reported an 8.2%† increase in Group Revenue to £3.1 billion and Underlying Profit before tax of £565 million up 6.2%†.

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

*excludes Costa Franchise stores and Costa Express

†2015/16 comparative period is 52 weeks to 25 February 2016

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

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