RNS Number : 4737D
Whitbread PLC
07 July 2016

7th July 2016

Whitbread PLC announces the sale and leaseback of its 389 room Hub byPremier Inn hotel in Kings Cross, London

As announced in April, Whitbread is planning to carry out sale and leaseback transactions this year with proceeds of £100 to £150 million.

As part of this, Whitbread announces today it has exchanged agreements with Legal and General for the sale and leaseback of its 389 room Hub by Premier Inn hotel in Kings Cross, due to open in 2017, in exchange for a 25 year lease agreement.

Legal and General will pay £84.5 million in cash for the property, with an initial payment of £46.5 million on exchange. Further staged payments will be made during the construction period with a final balancing payment being made on completion of the hotel in June 2017.

The total sale price of £84.5 million produces a net initial yield of just under 4% against an annual rent of £3.5 million.

Nicholas Cadbury, Group Finance Director of Whitbread PLC commented:

"This transaction shows the strength of Whitbread's covenant and the strong asset backing to our balance sheet as well as our ability to recycle the value we create from our freehold developments into new opportunities."

For more information please contact:

Investor Relations
Nicholas Cadbury, Whitbread PLC +44 (0) 20 7806 5491
Joanne Russell, Whitbread PLC +44 (0) 1582 888633

Press Contacts
Anna Glover, Whitbread PLC +44 (0) 7768 917 651
David Allchurch, Tulchan +44 (0) 20 7353 4200

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, Table Table and Taybarns.

Whitbread PLC employs 50,000 people in over 2,300* outlets across the UK, with its well-loved brands making every day experiences special for over 27 million UK customers every month.

Whitbread has outlined growth milestones for 2018 and 2020. The 2020 milestones are 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.

At Whitbread we are committed to being a force for good in the communities in which we operate. Our CR programme, 'Good Together' is focused on three pillars of Team & Communities, Customer Wellbeing and Energy & Environment.

In the year ended 3 March 2016, Whitbread PLC reported a 12.0% increase in Group Revenue to £2,921.8 million and Underlying Profit before tax of £546.3 million up 11.9%.

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

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

END

DISUNONRNWABRAR