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Whitbread PLC
03 March 2016

3 March 2016

WHITBREAD TRADING UPDATE

Total sales growth of 10.4%
On track to deliver full year results in line with expectations

Whitbread PLC today reports its trading performance for the 50 weeks to 11 February 2016, which forms part of the 53 week year ending on 3 March 2016.

Sales update (% change vs. prior year)

	Sales for the 11 weeks to 11 February 2016		**Sales for the 50 weeks to 11 February 2016**	
	Like for like sales*[1]	Total sales	Like for like sales*[1]	Total sales
Premier Inn	2.2%	7.3%	4.4%	11.1%
Restaurants	2.3%	3.1%	1.0%	2.2%
Hotels and Restaurants	2.2%	5.8%	3.3%	8.2%
Costa	0.5%	10.5%	3.0%	14.2%
Total	**1.7%**	**7.7%**	**3.2%**	**10.4%**

Alison Brittain, Chief Executive of Whitbread, comments:

"Whitbread has had another good trading period, delivering year to date total sales growth of 10.4% and like for like sales growth of 3.2%. We expect to report full year profit in line with expectations.

In the quarter, Premier Inn had a good performance growing total sales by 7.3% with occupancy rising by 0.3% pts to 71.4% and rooms available increasing by 6.9%. Like for like sales grew by 2.2%, which is ahead of our like for like revpar growth at 0.4%, as we benefitted from our substantial, higher returning, hotel extensions programme. Costa had good total sales growth of 10.5% and like for like sales growth of 0.5% reflecting lower footfall on the high street and an unusually warm winter.

In the year ahead, as we build towards our growth milestones, we will continue to invest in improving our customer propositions, our digital and IT capabilities and in our winning teams to ensure we maintain our market leading positions. This will deliver long term profitable growth and sustainable returns for our shareholders."

Trading highlights:

Hotels and Restaurants

- Premier Inn has continued to win UK market share, growing total sales*[2] for the 50 weeks by 11.1%, like for like sales by 4.4%, total revpar by 3.6% and the number of rooms available by 7.6%. Total occupancy remained high, in line with last year, at 81.1% and total room nights sold increased by 7.4% to 17.0 million.
- In the quarter, Premier Inn grew total sales by 7.3%, driven by a 6.9% increase in the number of rooms available, and occupancy increased by 0.3% pts to 71.4%. Like for like sales grew by 2.2%, ahead of our like for like revpar growth of 0.4%, due to our substantial extensions programme.
- Following the trend we highlighted in December, the market has continued to show a divergence in performance in the quarter between the regional and London hotel markets. In the regions Premier Inn grew total sales by 8.3%, with a 6.8% increase in rooms available, including c.2% from extensions. Total and like for like revpar grew by 1.5% and 1.4% respectively. Our regional occupancy remained high compared to the market at 70.6%, up 0.5% pts year on year. Total regional market revpar grew by 3.4% and the Midscale and Economy*[3] sector grew total revpar by 4.5%.
- In London, despite a softer hotel market, Premier Inn grew total sales by 3.6% in the quarter, with an 8.0% increase in rooms available. Our total London revpar and occupancy declined, broadly in line with the market, by 3.6% and 1.5% pts respectively albeit our occupancy remained high at 76.1%. Total London market revpar declined by 3.3% and revpar for the Midscale and Economy sector was down 2.2%.
- Restaurants delivered total sales growth of 2.2% and like for like sales growth of 1.0% for the 50 weeks, ahead of our competitor set*[4].

Costa

- Costa grew its worldwide total sales by 14.2% and like for like UK sales by 3.0% for the 50 weeks.
- Year to date Costa grew worldwide system sales by 13.1% to £1,516 million (13.4% at constant currency). Within this, franchise system sales grew by 10.6% to £572 million.
- UK Retail system sales, grew by 14.1% to £833 million with equity stores growing like for like sales by 3.0%. We opened 103 net new UK stores.
- Costa Enterprises (including Costa Express UK & International) delivered system sales of £374 million, up 12.6%. Costa

Express maintained its success with the installation of a further 921 Costa Express machines*[5] taking the total to 5,213.

- International system sales grew by 11.0% to £309 million (12.4% at constant currency). 79 net new stores were opened in the period with 41 in EMEI and 38 in Asia.

Group

This year we shall open around 5,500 new UK Premier Inn rooms, including c.1,500 rooms from extensions, and plan to open a further c.5,000 new UK rooms next year, including c.1,700 rooms from our hotel extensions programme, which will have a c. 1% impact on our like for like revpar. For Costa this year we expect to open c.200 net new stores worldwide and install around 950 Costa Express machines and we plan to open a further c.230 net new stores worldwide and install around 1,000 Costa Express machines next year.

Over the next year, as previously advised, we are planning an additional P&L investment, which we estimate to be c. £15 million. Our capital investment of c.£700 million will remain broadly the same as we continue to drive our organic growth and further improve the quality and consistency of our customer offer. Our strong freehold backing provides us the opportunity to recycle capital and we expect to carry out a sale and lease back transaction during next year. We remain on track to deliver on our growth milestones, which will enable us to create sustainable shareholder value.

Our strong financial position remains unchanged.

Notes:

Site detail	**26 February 2015**	Opened	Closed	Transfers	**11 February 2016**
Premier Inn UK*[6]	59,138	3,145	0	0	62,283
Premier Inn International	1,703	461	0	0	2,164
Total Premier Inn (rooms)	**60,841**	**3,606**	**0**	**0**	**64,447**
Restaurants (sites)	**405**	**4**	**-2**	**0**	**407**
Costa Retail Equity	1,114	115	-37	0	1,192
Franchise	461	78	-1	0	538
Costa Enterprises	356	22	-74	0	304
Total Costa UK Stores (Retail + Enterprises)	1,931	215	-112	0	2,034
Costa EMEI	785	100	-59	0	826
Costa Asia	364	63	-25	0	402
Total Costa (stores)	**3,080**	**378**	**-196**	**0**	**3,262**
Costa Express Machines[*5]	**4,292**	**921**			**5,213**
Total Equity	**1,242**	**128**	**-43**	**9**	**1,336**
Total JV	**344**	**57**	**-21**	**0**	**380**
Total Franchise	**1,494**	**193**	**-132**	**-9**	**1,546**

*[1] Like for like sales are stated Pre IFRIC 13 adjustment for Premier Inn - UK and Ireland, Costa equity stores and Restaurants - UK. Post IFRIC 13 for the 50 weeks to 11 February 2016 Premier Inn like for like sales and total sales would be the same. Restaurants like for like sales would be (0.6%)pts lower and total sales (0.5%)pts lower. Costa like for like sales would be (0.4%)pts lower, total sales would be (0.1%)pt lower and 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 unless otherwise stated.

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

*[4] The pub restaurant market outside the M25.

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

*[6] Includes hub by Premier Inn.

Conference call for analysts and investors

Alison Brittain and Nicholas Cadbury will be available for a conference call at 8.00am today. To participate, dial 0800 6945707 and enter Conference ID: 45851405
For international participants dial +44 (0)1452 541003.

A recording of the conference call will be available until the 17th March 2016. To listen, dial 0871 7000145 and enter the passcode 45851405. International +44 (0)1452 550000.

This service will be active approximately two hours after the conference call has finished.

Please dial into the call 10-15 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, Table Table and Taybarns.

Whitbread PLC employs 48,500 people in over 2,200* 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 2016, 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 26 February 2015, Whitbread PLC reported a 13.7% increase in Group Revenue to £2,608.1 million and Underlying Profit before tax of £488.1 million up 18.5%.

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

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