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Whitbread PLC
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WHITBREAD TRADING UPDATE

Whitbread delivers double digit sales growth.

Whitbread PLC, the UK's largest hotel and restaurant group, today reports its trading performance to 15th August 2013.

Sales update (% change vs. prior year)

	Sales for the 11 weeks to 15th August 2013		**Sales for the 24 weeks to 15th August 2013**	
	Like for like sales*[1]	Total sales	Like for like sales*[1]	Total sales
Premier Inn	3.0%	11.5%	2.9%	12.1%
Restaurants	(0.2)%	2.5%	(0.1)%	2.5%
Hotels and Restaurants	1.8%	8.3%	1.8%	8.6%
Costa	3.0%	16.5%	5.7%	20.8%
Total	**2.1%**	**10.8%**	**2.6%**	**12.4%**

Andy Harrison, Chief Executive of Whitbread comments:

"Whitbread delivered another good performance, with total sales growth of 10.8% for the 11 weeks to 15th August and like for like sales growth of 2.1%.

So far this year Premier Inn has grown total sales by 12.1%, like for like sales by 2.9% and added 1,270 new rooms, with especially strong growth in London, where total sales were up 17.7%. Our restaurant business, which does not benefit from the stronger London economy, performed in line with the Coffer Peach industry tracker*[2] with a marginal like for like sales decline of (0.1%). Costa, the UK's favourite coffee shop, has continued to grow rapidly with total sales up 20.8%. The strong UK like for like sales growth of 5.7% was biased towards the first quarter due to weather comparatives. Costa also celebrated the opening, in Bangkok, of its 1,000th international coffee shop in August.

We are on track with our annual plan and our ambitious five year growth milestones. Combined with our emphasis on returns, this growth should continue to create substantial shareholder value."

Trading highlights:

Hotels and Restaurants:

- For the 24 weeks Premier Inn grew total sales by 12.1%, total revpar*[3] by 2.3% and total room nights sold by 10.7% to 7.2 million.
- During the quarter, Premier Inn grew total sales by 11.5% and total revpar*[3] by 3.0% to £50.44. Our like for like revpar*[3] grew by 2.4% with occupancy up 1.1%pts to 84.0%.
- In London, during the quarter, Premier Inn sales grew strongly by 16.1% as we increased the number of rooms available by 11.9% year on year and total revpar*[3] grew by 3.1% benefitting from a higher proportion of rooms in Central London. The Midscale and Economy competitive set*[4] grew total revpar by 0.3%. Our like for like revpar*[3] grew by 0.4% driven by a 2.5%pts growth in occupancy to 91.4%.
- In the UK Regions, during the quarter, Premier Inn sales grew by 10.4% with total revpar*[3] up 2.5%. The Midscale and Economy competitive set*[4] grew total revpar by 6.4%, benefitting from weaker comparatives last year. Our like for like revpar*[3] grew by 2.9%.
- Over the 24 weeks our restaurant business performed in line with the Coffer Peach industry tracker outside of the M25, with like for like sales marginally down (0.1%) and total sales up 2.5%.
- 1,270 new rooms, 11 hotels and 3 joint site restaurants were opened in the first 24 weeks. For the full year our plan remains to open around 4,000 rooms and ten joint site restaurants.

Costa :

- For the 24 weeks, Costa grew total system sales by 19.7% to £521.9 million with total franchise system sales up 18.0% to £207.3 million.
- UK Retail system sales grew by 17.3% to £279.5 million with equity stores delivering strong like for like sales growth of 5.7%. Our performance was biased towards the first quarter due to the colder weather in the first quarter and warmer weather in the second quarter.
- Costa Enterprises (including Costa Express) delivered systemsales of £126.8 million, up 24.5% as we added 553 net new machines in the 24 weeks taking our total Costa Express machines to 3,113.
- In the year to date, we have opened 78 net new UK stores, 70 in UK Retail and 8 in Costa Enterprises.
- International system sales grew by 20.7% to £115.6 million, with growth of 12.2% in EMEI and 53.2% in Costa Asia, with mid-single digit like for like sales growth in China. In the year to date, internationally we have opened 54 net new stores including 30 in China where we now have a total of 283 stores.
- We are on track with our plan to open around 300 net new stores and 850 Costa Express units in the full year.

Group
The strong financial position of the group remains unchanged.

Notes:

Site detail	28th February 2013	Opened	Closed/ transferred	15th August 2013
Premier Inn UK & Ireland	51,671	1,161	(24)	52,808
Premier Inn Int'l	1,296	109		1,405
Total Premier Inn (rooms)	**52,967**	**1,270**	**(24)**	**54,213**
Restaurants (sites)	**397**	**3**	**(2)**	**398**
Costa Retail Equity	920	53	(9)	964
Franchise	324	26		350
Costa Enterprises	334	9	(1)	342
Total Costa UK Stores (Retail + Enterprise)	**1,578**	**88**	**(10)**	**1,656**
Costa EMEI	692	44	(21)	715
Costa Asia	257	33	(2)	288
Total Costa (Stores)	**2,527**	**165**	**(33)**	**2,659**
Costa Express Machines	2,560	638	(85)	3,113
Total Equity	1,048	58	(14)	1,092
Total JV	253	32	(2)	283
Total Franchise	1,226	75	(17)	1,284

*1 Like for like sales stated for Premier Inn - are for UK and Ireland, and Costa and Restaurants are for the UK. In all cases they are pre IFRIC 13.
Post IFRIC 13 for the 24 weeks to 15th August 2013, Premier Inn like for like sales would be 0.4% lower and total sales 0.4% lower. Restaurants like for like sales would be 0.2% higher and total sales 0.3% higher. Costa like for like sales would be 0.2% lower, with no difference on total sales and total system sales.

*2 Coffer Peach tracker outside of the M25.

*3 UK and Ireland only on a post IFRIC basis.

*4 The UK Performance Monitor is a weekly publication produced by STR Global which reports a Midscale and Economy market survey comprising c117,000 UK rooms including c52,000 Premier Inn rooms.

Conference call for analysts and investors

Andy Harrison and Nicholas Cadbury will be available for a conference call at 8.00am today. To participate, dial 0800 694 0257 and enter Conference ID:32332017.

For international participants dial +44 (0) 1452 555 566.

A recording of the conference call will be available until the 24th September 2013. To listen, dial 08717 000 145 and enter the passcode 32332017. International +44 (0) 1452 550 000.

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

Please dial into the call ten minutes before to ensure you don't miss the start.

We will report our interim results on 22nd October 2013.

Details of the Midscale and Economy sector*4 revpar compared to Whitbread for the second quarter and 24 weeks are set out on: http://www.whitbread.co.uk/investors/reports-and-presentations/presentations.html. STR data as reported at the quarter end dates.

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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 UK's largest hotel and restaurant group operating market-leading businesses in budget hotels, restaurants and coffee shops. Its well-loved brands are Premier Inn, Beefeater, Brewers Fayre, Table Table, Taybarns and Costa.

Whitbread PLC employs over 40,000 people globally and serves over 22 million customers every month in over 2,000 outlets across the UK.

Whitbread has outlined five-year growth milestones (to 2018) to increase the number of Premier Inn UK rooms by 45% to

around 75,000 and to double Costa system sales to £2.0bn.

In the year ended 28th February 2013, Whitbread PLC reported a 14.2% increase in Group Revenue to £2,030.0 million and Underlying Profit before tax of £356.5 million up 11.4%.

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

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

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