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Whitbread PLC
18 June 2013

WHITBREAD INTERIM MANAGEMENT STATEMENT

**WHITBREAD CONTINUES DOUBLE DIGIT TOTAL SALES GROWTH**

Whitbread PLC, the UK's largest hotel and restaurant group, today reports its trading performance for the 13 weeks to 30th May 2013.

**Sales update** (% change vs. prior year)

| | **Sales for the 13 weeks to 30th May 2013** | |
|---|---|---|
| | Like for like sales*[1] | Total sales |
| Premier Inn | 2.7% | 12.7% |
| Restaurants | 0.0% | 2.6% |
| Hotels and Restaurants | 1.7% | 8.8% |
| Costa | 8.0% | 24.8% |
| **Total** | **3.1%** | **13.8%** |

**Andy Harrison, Chief Executive of Whitbread comments:**

"Whitbread had a good start to the new financial year with first quarter Group sales up 13.8% and like for like sales up 3.1%, in line with our plan.

Premier Inn, the UK's leading hotel chain, maintained its positive momentum growing total sales by 12.7% and like for like sales by 2.7%, against strong comparatives in the London hotel market last year. Our restaurants saw an improved performance in recent weeks, after a tough start to the quarter due to the unseasonably cold weather. Costa, the UK's favourite coffee shop, has continued to perform well, benefitting from the cold weather, with total sales growth of 24.8% and like for like sales growth of 8.0%.

We see no change to market conditions. Our plans for profitable organic growth are well established which, combined with our strong focus on returns, should create further substantial shareholder value."

Trading highlights for the 13 weeks:

**Hotels and Restaurants**

- Premier Inn grew total sales by 12.7% with total room nights sold increasing by 10.9% to 3.7 million.
- Premier Inn grew total revpar*[2] by 1.7% to £42.57, in line with the growth of the Midscale and Economy competitive set*[3]. Our revpar premium over the competitive set*[3] was maintained at £6.08*[4] year on year. Like for like revpar*[2] grew by 1.0% with occupancy up 0.9%pts to 76.6% and rate down by 0.2%.
- In London, Premier Inn sales grew by 19.9% as we increased the number of rooms available by 20.6% year on year. Our total revpar*[2] declined by 1.8% to £74.34 compared to the competitive set*[3] where revpar declined by 3.8% and against a strong market this time last year due to the preparations for the Olympics. Our revpar premium over the competitive set*[3] increased by 9.4% to £17.16*[4] year on year as we continued to grow our central London estate.
- In the UK Regions, Premier Inn sales grew by 11.0% and our total revpar*[2] grew by 1.3% to £38.50. Like for like revpar grew by 2.1% compared to the competitive set*[3] where total revpar grew by 2.9%. Our revpar premium for the quarter remained strong at £6.17*[4], compared to £6.39 last year and £4.89 the previous year.
- Restaurants delivered flat like for like sales in the quarter with cold weather substantially impacting sales at the start of the year, offset by an improved performance over the last few weeks.
- 794 rooms and three joint site restaurants were opened in the quarter and for the full year we plan to open around 4,000 rooms and ten joint site restaurants.

**Costa**

- Costa grew total system sales by 23.1% to £281.8 million, with total franchise system sales up 21.6% to £111.8 million.
- UK Retail system sales grew by 20.1% to £151.5 million, with equity stores delivering like for like sales of 8.0% aided by cold weather at the beginning of the quarter.
- Costa Enterprises (including Costa Express) delivered system sales of £67.1 million, up 32.6%. There are now 2,924 Costa Express units.
- We opened 39 net new UK stores in the quarter, 36 in UK Retail and three in Costa Enterprises.
- Internationally, system sales grew by 21.3% to £63.3 million, with growth of 13.2% in EMEI and 54.3% in Costa Asia. We opened 21 net new stores including 18 in China where we now have 271 stores.
- We plan to open around 300 net new stores and have raised our target to 750 Costa Express units in the full year.

**Group**

The strong financial position of the group remains unchanged.

**Notes:**

| Site detail | 29th February 2013 | Opened | Closed/ transferred | 30th May 2013 |
|---|---|---|---|---|
| Premier Inn UK | 51,671 | 797 | (3) | 52,465 |
| Premier Inn Int'l | 1,296 | | | 1,296 |
| **Total Premier Inn (rooms)** | **52,967** | **797** | **(3)** | **53,761** |
| **Restaurants (sites)** | **397** | **3** | | **400** |
| Costa UK Equity | 920 | 25 | (5) | 940 |
| Franchise | 324 | 16 | | 340 |
| **Total Costa UK (stores)** | **1,244** | **41** | **(5)** | **1,280** |
| Costa Enterprises | 334 | 4 | (1) | 337 |
| Costa EMEI | 692 | 19 | (16) | 695 |
| Costa Asia | 257 | 20 | (2) | 275 |
| **Total Costa (stores)** | **2,527** | **84** | **(24)** | **2,587** |
| **Costa Express Machines** | 2,560 | 420 | (56) | 2,924 |
| **Total Equity** | **1,048** | **28** | **(8)** | **1,068** |
| **Total JV** | **253** | **20** | **(2)** | **271** |
| **Total Franchise** | **1,226** | **36** | **(14)** | **1,248** |

*1 Like for like sales are stated pre IFRIC 13 adjustment and for Premier Inn relate to UK and Ireland only. For Costa and Restaurants they relate to UK only. Post IFRIC 13 for the 13 weeks to 30th May 2013 Premier Inn like for like sales would be 0.7% lower and total sales 0.7% lower. Restaurant like for like sales would be 0.3% 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 UK & Ireland only on a Post IFRIC basis

*3 As shown in the UK Performance Monitor, a weekly publication produced by STR Global which reports a Midscale and Economy market survey comprising c114,000 UK rooms including c48,000 Premier Inn rooms.

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

**Conference call for analysts and investors**

Andy Harrison and Nicholas Cadbury will be hosting a conference call at 8.00am today. To participate, dial 0800 694 0257 and enter Conference ID: 90113126.

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

A recording of the conference call will be available until the 1st July 2013. To listen, dial 08717 000 145 and enter the passcode 90113126. 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.

**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 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, Costa, Beefeater, Brewers Fayre, Table Table and Taybarns.

Whitbread PLC employs over 40,000 people 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 to around 75,000 and to double the size of Costa with global system sales of £2bn.

In the year ended 28 February 2013, Whitbread PLC reported a 14.2% increase in Group Revenue to £2,030 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.

*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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