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Whitbread PLC
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WHITBREAD AGREES £51 MILLION SALE AND LEASEBACK

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Whitbread, the UK's largest hotel and restaurant group, announces today it has exchanged agreements with NFU Mutual and Standard Life Assurance Limited for the sale and leaseback of seven properties operating as Premier Inns and joint site restaurants.

On completion, which is expected on 19th December 2012, the respective parties will pay £51.04 million in cash for the properties and enter into 25 year leases with Whitbread, who will continue to operate the properties. This represents a net initial yield of under 5.3%.

The price of £51.04 million represents a profit over book value, as at 29th November 2012, of £19.6 million and is 95% of the 2007 valuation of the individual properties*.

Nicholas Cadbury, Group Finance Director of Whitbread PLC commented:

"This sale and leaseback is a continued evolution of our overall funding portfolio, and follows our successful 2011 US private placement and bank refinancing. The significant book profit is a useful reminder of the value we create from our freehold developments, and the strong asset backing to Whitbread's balance sheet."

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* The 2007 valuation also included a portfolio premium on the aggregate of the individual property valuations.

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

Notes to Editors

The sale and leaseback refers to the following seven properties all of which include joint site restaurants:

Exeter (Countess Wear) Premier Inn, Lancaster Premier Inn, Poole Centre (Holes Bay) Premier Inn, Gravesend Premier Inn, Liverpool (West Derby) Premier Inn, Norwich Airport Premier Inn and Welwyn Garden City Premier Inn. The total number of rooms involved in the transaction is 577.

Whitbread has previously completed two other sale and leasebacks. In January 2010, Whitbread completed a sale and leaseback for £36.65 million for five properties with a net initial yield of around 5.5%. In September 2011, Whitbread carried out a further sale and leaseback for £53.8 million for seven properties with a net initial yield of under 5.5%. The price of £53.8 million represented a profit over book value, as at the 3rd March 2011, of £28.1 million which was 87% of the 2007 valuation ascribed to the properties.

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 21 million customers every month in over 2,000 outlets across the UK.

Whitbread has outlined five-year growth milestones (to 2015/16) to increase the number of Premier Inn UK rooms to at least 65,000, add 80-100 new Restaurants and to nearly double the size of Costa with global system sales of £1.3bn and 3,500 stores worldwide.

In the year ended 1 March 2012, Whitbread PLC reported a 11.2% increase in Group Revenue to £1,778.0 million and Underlying Profit before tax of £320.1 million up 11.3%.

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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