

Whitbread PLC Trading Statement

Today, Whitbread PLC announces that total sales for Continuing Whitbread* for the first 24 weeks of its financial year (to 17 August 2006) have grown by 8.4% and like for like sales have grown by 2.3%.

Sales for 24 weeks to 17 August 2006

	% change vs prior year	
	Like-for-Like	Total
Premier Travel Inn	6.9	15.2
Pub Restaurants (retained estate)	(1.3)	0.9
High Street Restaurants	0.7	12.6
David Lloyd Leisure	<u>2.0</u>	<u>6.0</u>
Continuing Whitbread* at week 24	2.3	8.4
Continuing Whitbread* at week 13	2.5	8.3

Premier Travel Inn has performed strongly with total sales up 15.2% and like for like sales growing by 6.9%. The integration of the seven Holiday Inn properties acquired in March is proceeding to plan and in total 1,293 rooms have been added in the first 24 weeks.

In July Whitbread announced the successful sale of 239 stand-alone pub restaurants sites to Mitchells & Butlers for £497m. Our focus is now on joint sites comprising a Premier Travel Inn and a pub restaurant. In the first 24 weeks one new joint site has been opened and a further four will be opened in the second half of the year.

Over the 24 week period the retained Pub Restaurant estate has seen like for like sales decline by 1.3%. The new management team are developing their plans to grow sales, more details of which will be given at the Interim Results in October. Following the disposal of 239 sites, overhead is being reduced proportionally to reflect the smaller estate with a one-off associated exceptional cost of c.£12m.

Membership retention at David Lloyd Leisure continues to improve and has underpinned the like for like sales growth of 2.0%. Total membership now stands at 374,136 with membership of UK like for like clubs at 311,857. One new club at Aberdeen has successfully opened during the period.

Costa continues to grow rapidly, with total sales up 22.2% on the previous year. Like for like sales grew by 5.7%. In the period 77 new stores were opened (71 net of closures) including 29 equity and 19 franchise stores in the UK and 29 overseas including stores opening for the first time in Jordan & Syria.

Commenting on the performance of the Group, Alan Parker, Chief Executive, Whitbread PLC said: "I am pleased that the positive momentum from the first quarter continues. The sale of the stand-alone Pub Restaurants and the

announced disposal of our share in Pizza Hut UK are further steps to reshape the Group and focus on our higher growth businesses.

“We are intent on continuing to improve operating performance and delivering on our growth plans for Premier Travel Inn and Costa; driving improved sales performance in our retained Pub Restaurant estate and maintaining the turnaround of David Lloyd Leisure. An update on all these activities will be given with our half year results on 24th October along with a progress update on the TGI Friday’s review and plans for the proceeds received from the sale of Pub Restaurants and Pizza Hut UK.”

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* Sales of Continuing Whitbread comprise Premier Travel Inn, the retained Pub Restaurant estate, David Lloyd Leisure, Costa and TGI Friday’s but exclude the 239 disposed Pub Restaurant sites, the Pizza Hut joint venture and any supply chain sales to third parties.

Conference call for analysts and investors

Alan Parker and Christopher Rogers will be available for a conference call at 8.30am today (UK time). To participate, dial +44 (0) 207 138 0817

A recording of the conference call will be available for seven days. To listen, dial +44 (0) 207 806 1970 and enter the passcode 9316438#

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