

# Whitbread bounces back from £1bn loss as tourists return to London

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[TOURISTS](#) are back in [London](#) and pent-up Brits are seeking weekends away leading to booming sales at [Premier Inn](#).

The budget hotel chain's parent [Whitbread](#) saw first quarter sales rocket 281% in the UK. The [German](#) business soared 660%.

That's a comparison with a period when [Covid](#) was still rampant, but the sales figures are still up smartly, 11%, when compared to the pre-pandemic year.

In April, Whitbread posted a record £1 billion loss for 2020. Back then, there were fears that corporate travel would be forever replaced by Zoom calls, an overblown fear it seems.

Chief executive Alison Brittain said the recovery in the UK "continues to be ahead of expectations". The contraction of the independent hotel market has helped.

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Brittain is facing speculation about her own future. She has been CEO since January 2016 and may be looking to move on.

Like all leisure businesses, Whitbread is struggling for staff. It plans to invest between £20 million and £30 million this year in labour and hotel refurbishments.

“This impressive first-quarter performance together with improved visibility into the second quarter, gives us increased confidence in delivering a strong first half and remaining ahead of the market for the rest of the year,” Brittain said.

Whitbread shares jumped 114p to 2680p as the City welcomed the figures.

There were words of caution from analysts however. Greg Johnson at Shore Capital said: “We wouldn’t expect this current trend to continue for the rest of the year as there is a consumer recession coming.”

Premier Inn has been expanding apace in Germany, which is still emerging from lockdown restrictions. It has 40 German hotels with 38 more in the pipeline.

Brittain added: “The trading performance of our more mature hotels in the two months post the lifting of COVID restrictions only reinforces our positive view of the significant opportunity in Germany.”

Whitbread’s roots go back to 1742. It was initially a brewer and still owns the Beefeater and Brewers Fayre restaurant and pub chains.

It sold Costa Coffee to Coca-Cola in 2018 for £3.9 billion.