Recovery, not growth

Trends and outlook

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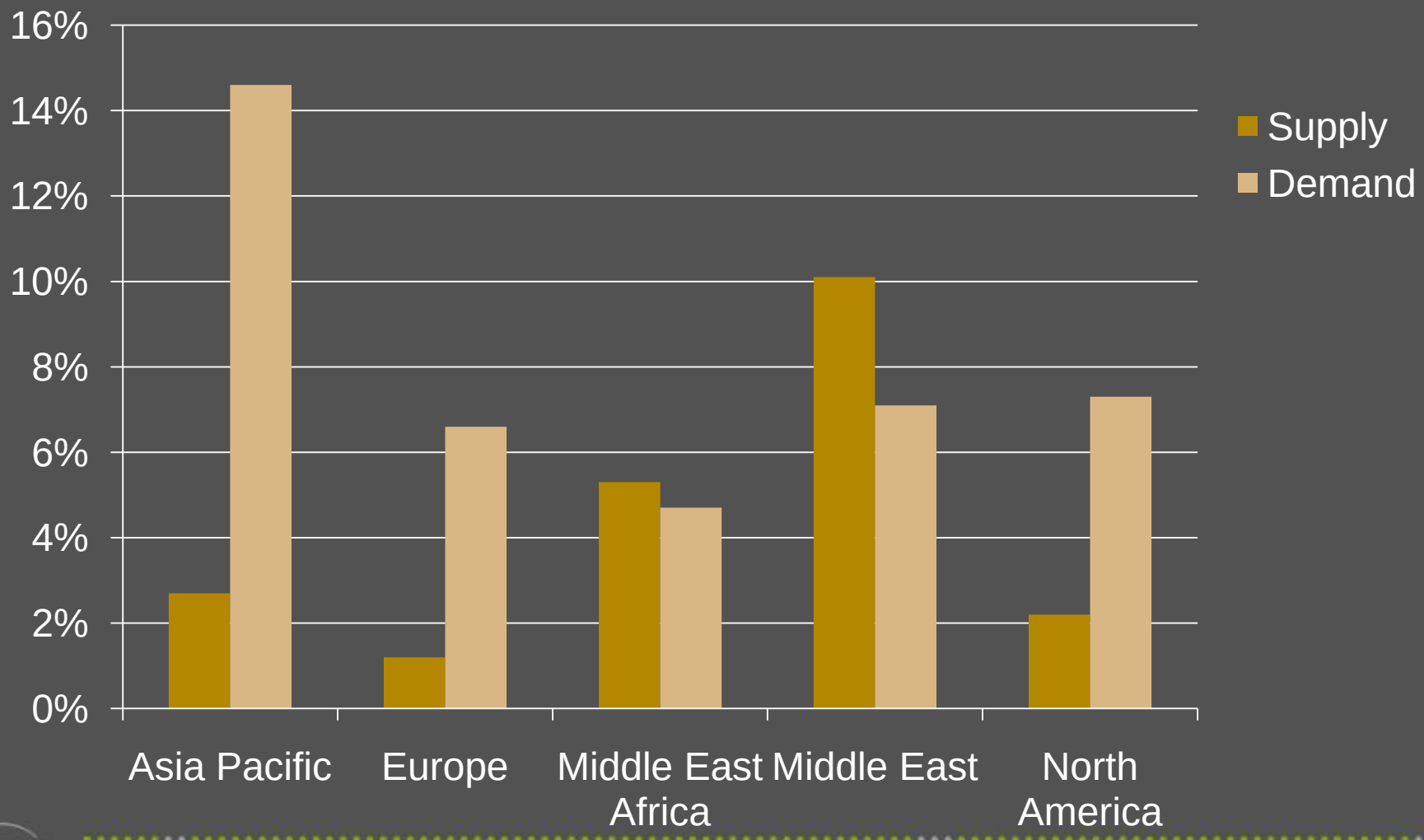


Agenda

- Overview of World Regions
- Europe
- Key Markets
- Forecast
- Summary

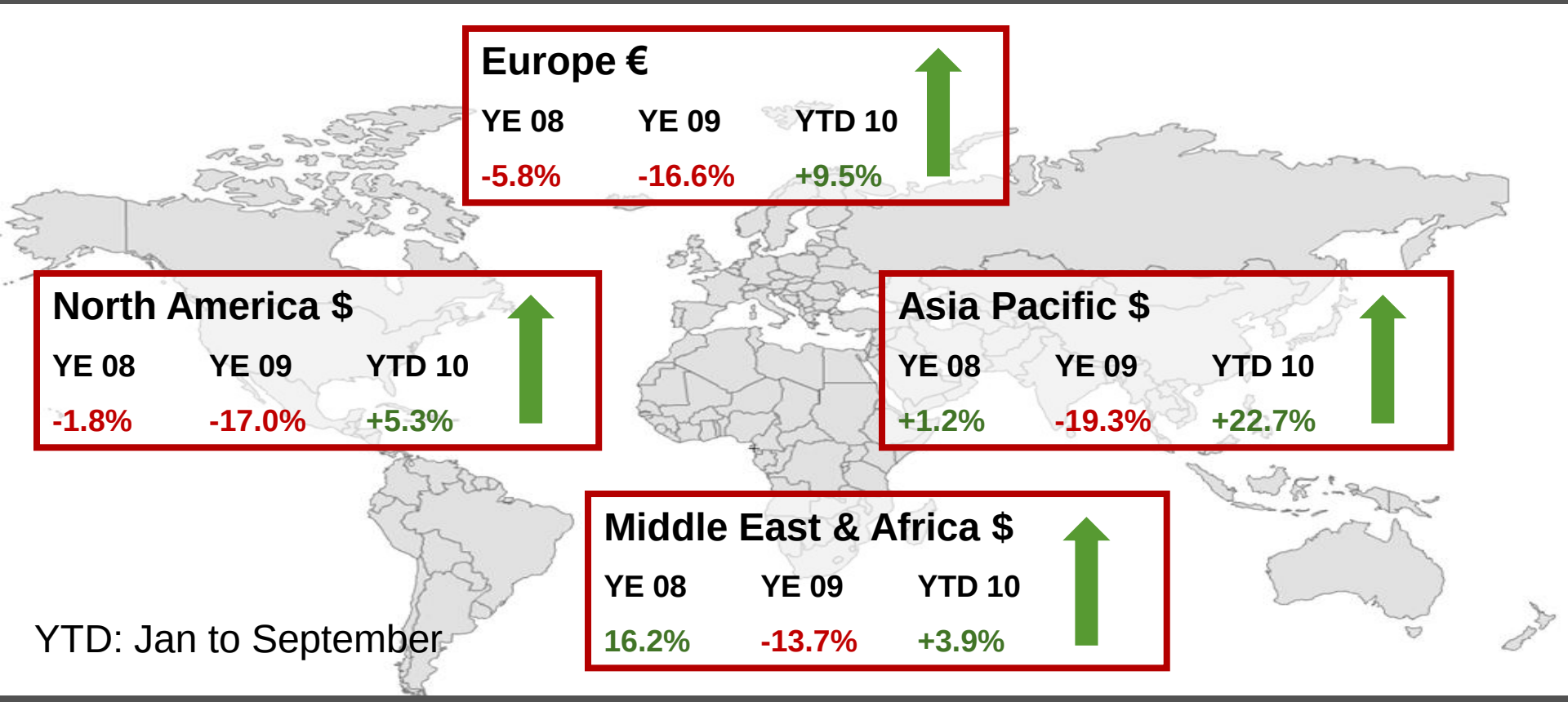
Demand is back ...

YTD 2010, YOY % change, supply and demand



And RevPAR follows...

YTD RevPAR % change



Europe €

YE 08	YE 09	YTD 10
-5.8%	-16.6%	+9.5%

North America $

YE 08	YE 09	YTD 10
-1.8%	-17.0%	+5.3%

Asia Pacific $

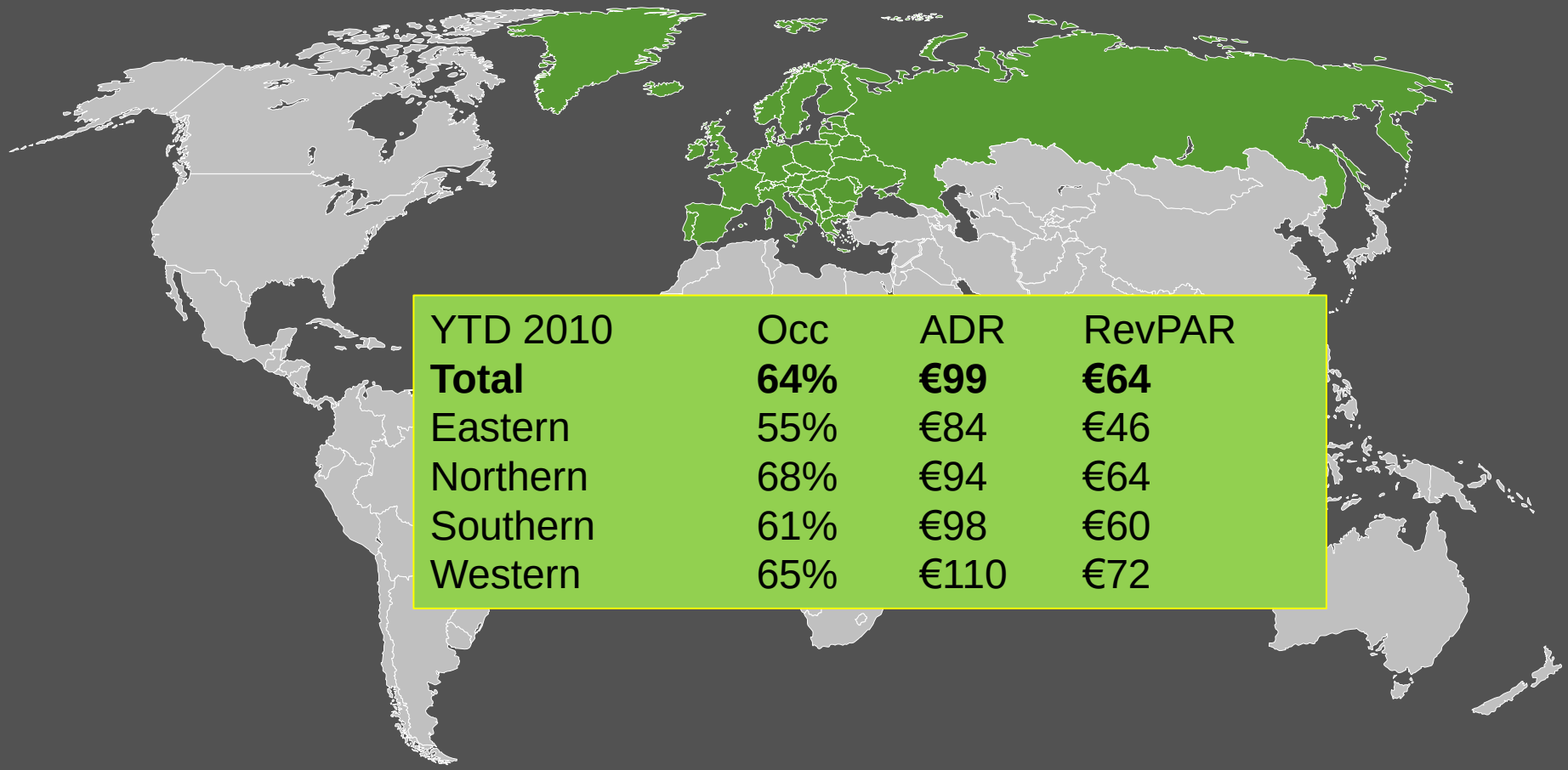
YE 08	YE 09	YTD 10
+1.2%	-19.3%	+22.7%

Middle East & Africa $

YE 08	YE 09	YTD 10
16.2%	-13.7%	+3.9%

YTD: Jan to September

Europe

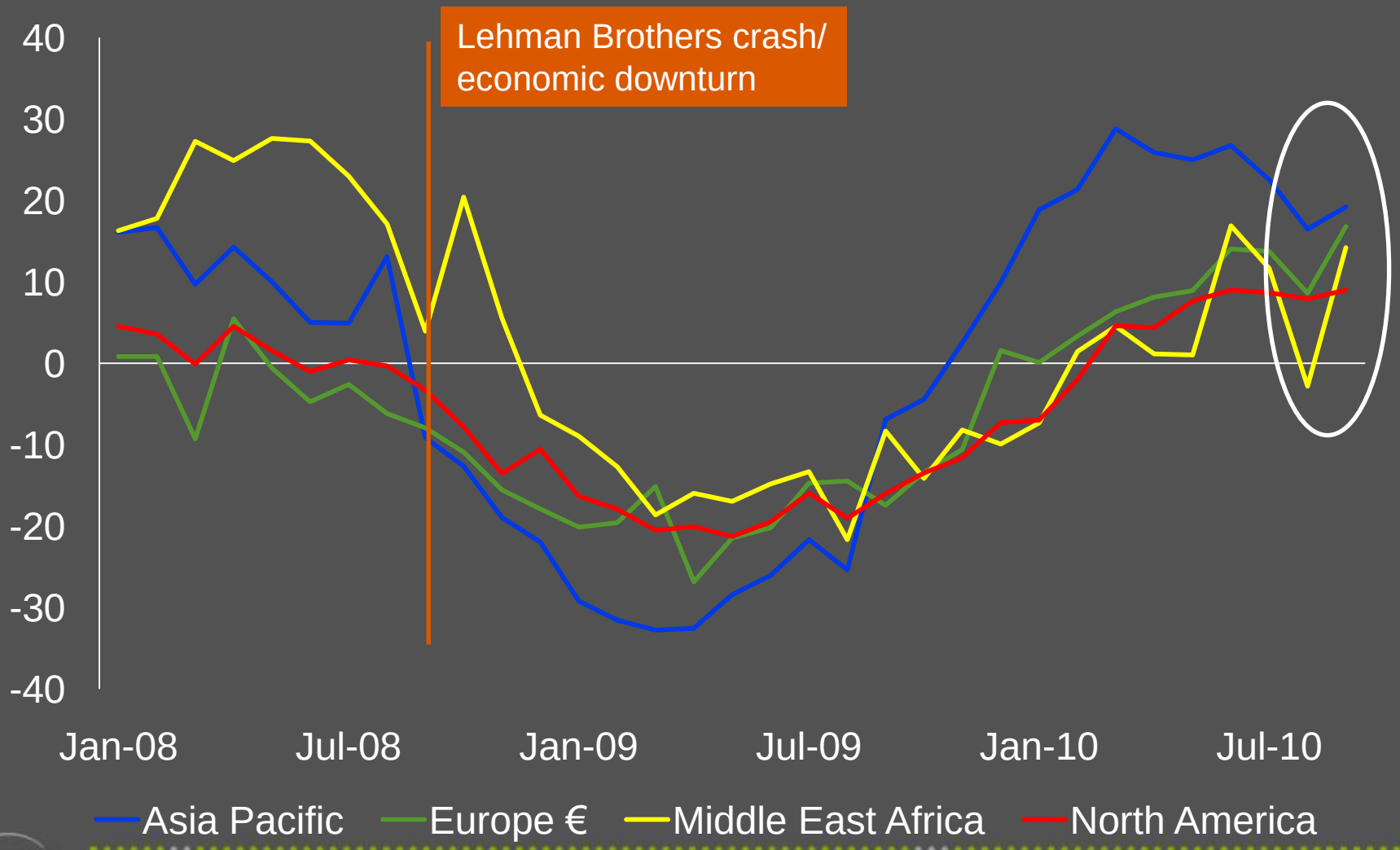


YTD 2010	Occ	ADR	RevPAR
Total	**64%**	**€99**	**€64**
Eastern	55%	€84	€46
Northern	68%	€94	€64
Southern	61%	€98	€60
Western	65%	€110	€72

YTD = January to September

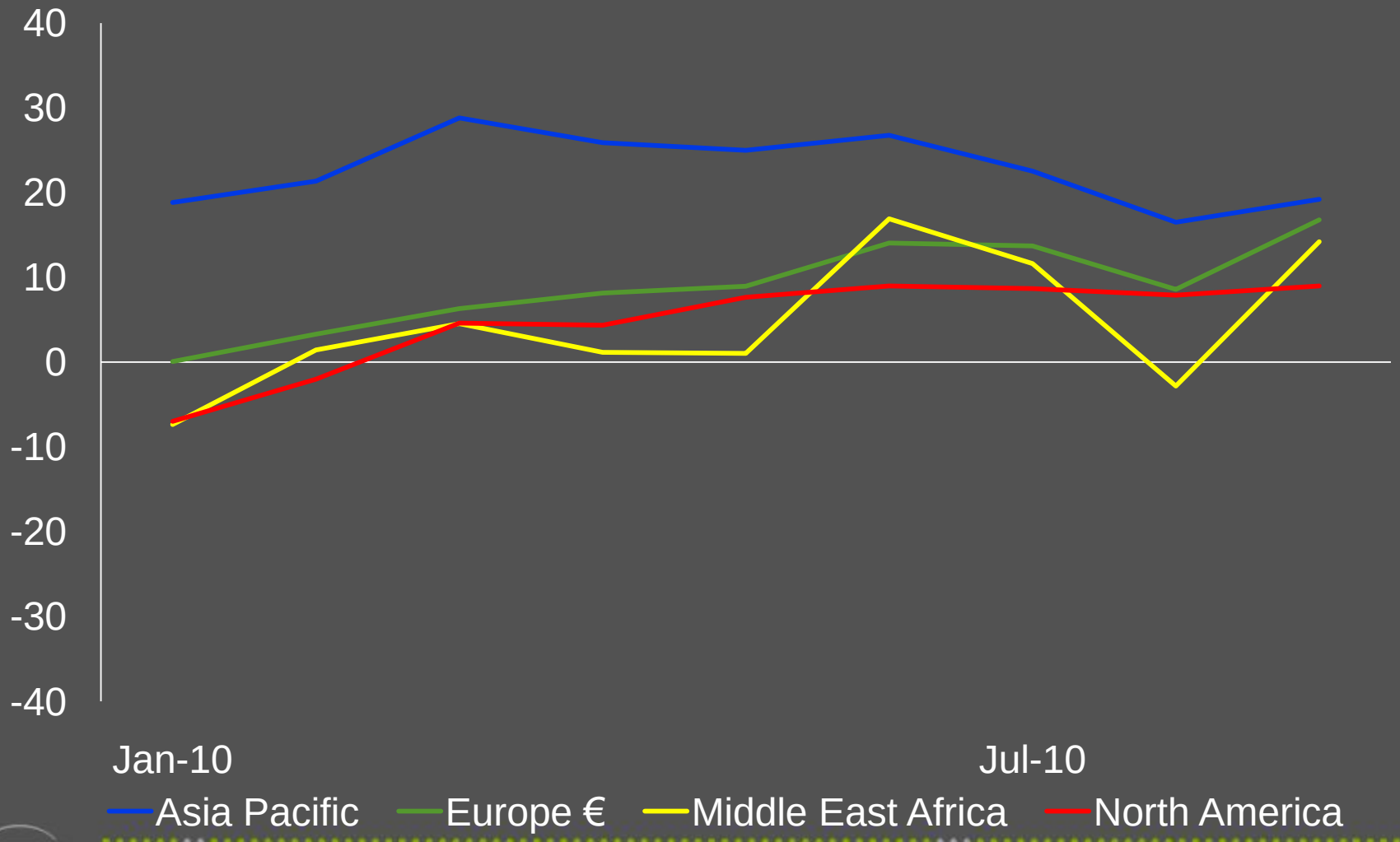
...an interesting Q4 coming up

revPAR % change YOY USD, Europe €



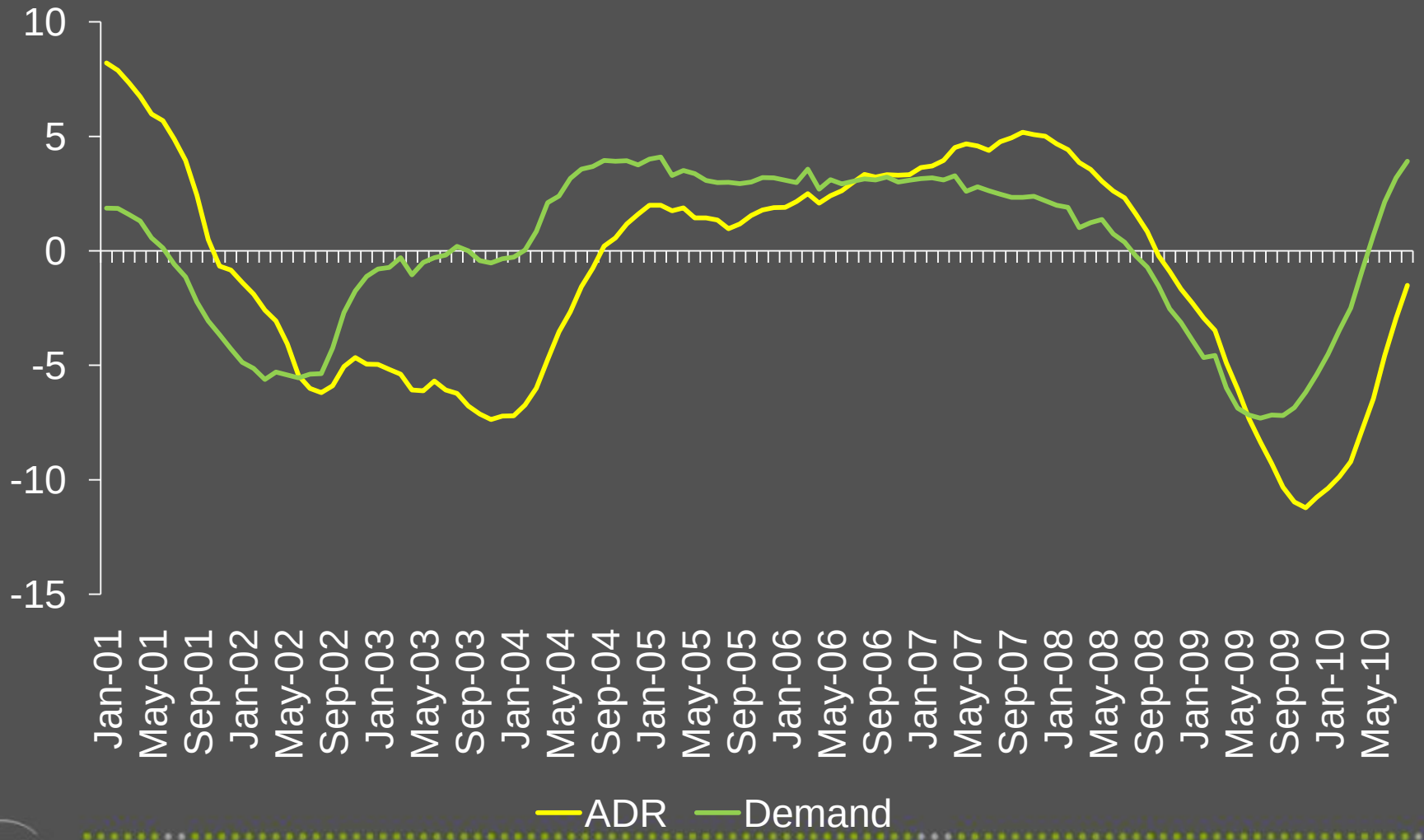
2010: Recovery Widespread

revPAR % change YOY USD, Europe €



Surprising ADR pick up

European rolling-12; % change demand and ADR



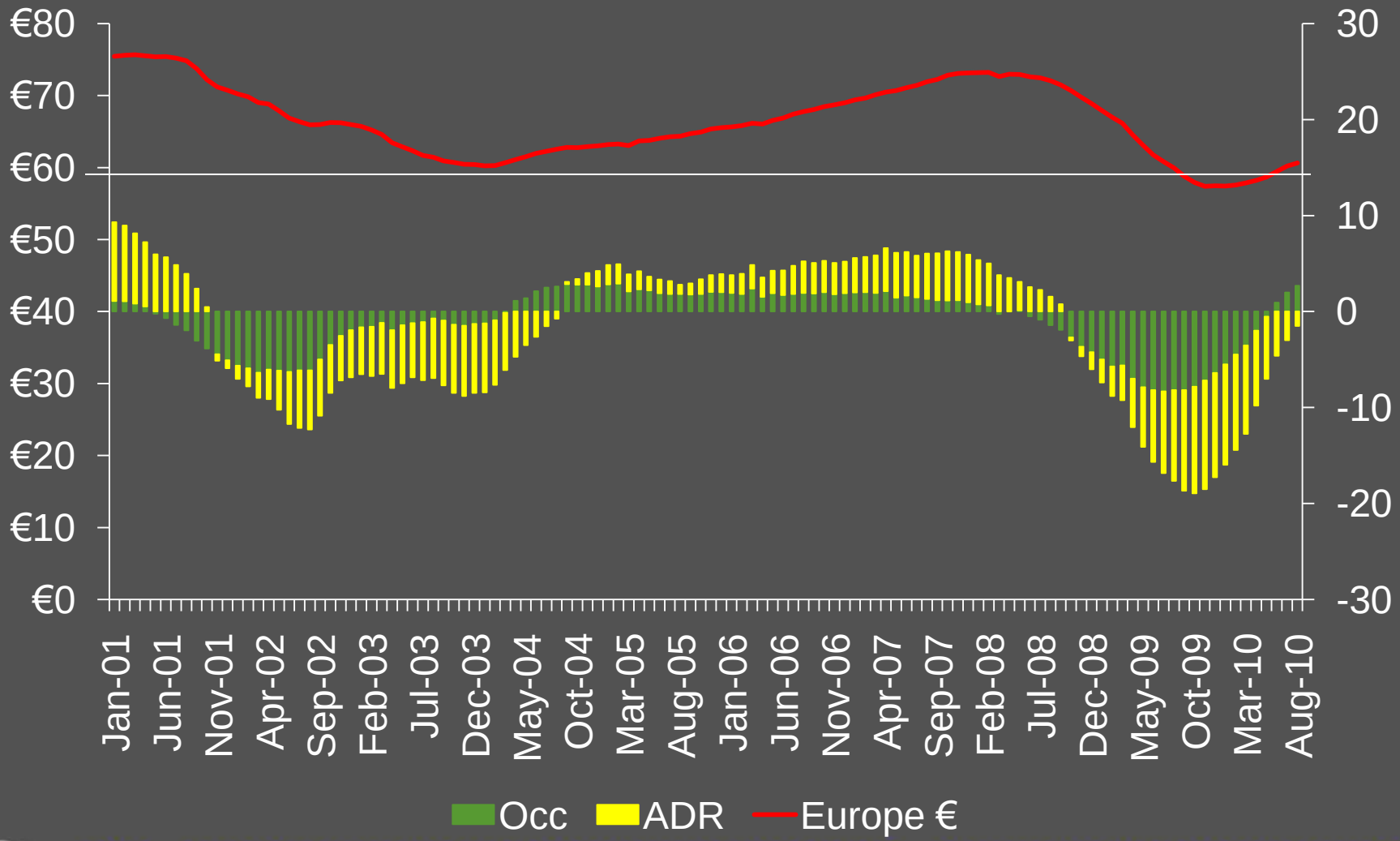
European ADR

Rolling-12 ADR, Euros



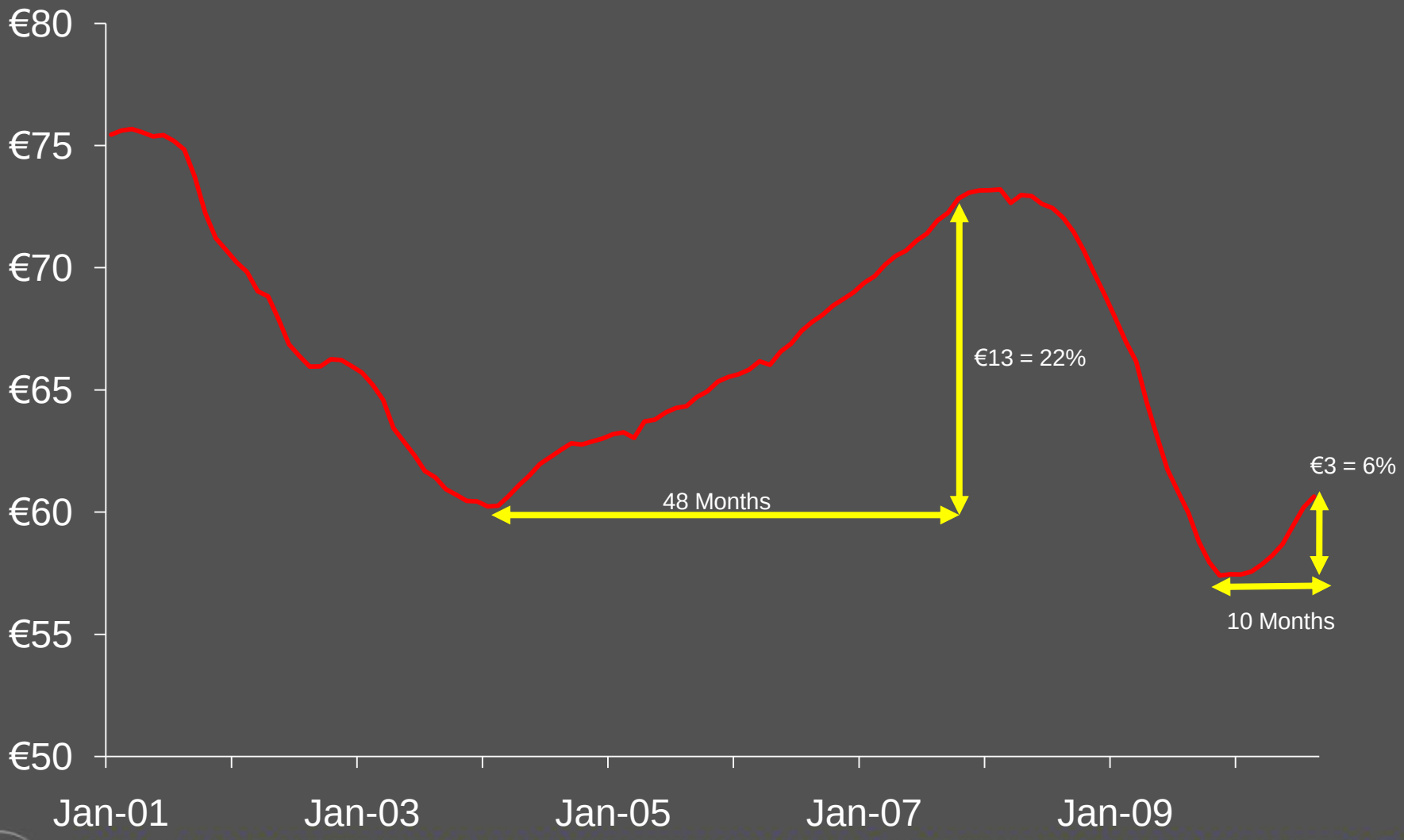
Europe: 4 years to recover?

Rolling-12 RevPAR and Occ, ADR % change



Europe: 4 years to recover?

Rolling-12 RevPAR



How far off the peak are we?

Rolling-12 RevPAR in local currency

Market	Peak month	Aug 2010	% chg to peak
Copenhagen	Sept 2008	502.90	-18%
Dublin	March 2007	51.73	-38%
Milan	April 2008	78.77	-28%
Istanbul	Aug 2010	205.57	**0%**
Oslo	Aug 2008	572.95	-15%
London	Aug 2010	100.11	**0%**
Berlin	Oct 2008	57.74	-4%
Warsaw	Jan 2004	183.25	-15%
Budapest	Oct 2006	9864	-31%
Amsterdam	May 2008	83.10	-21%
Rome	Dec 2006	89.13	-23%

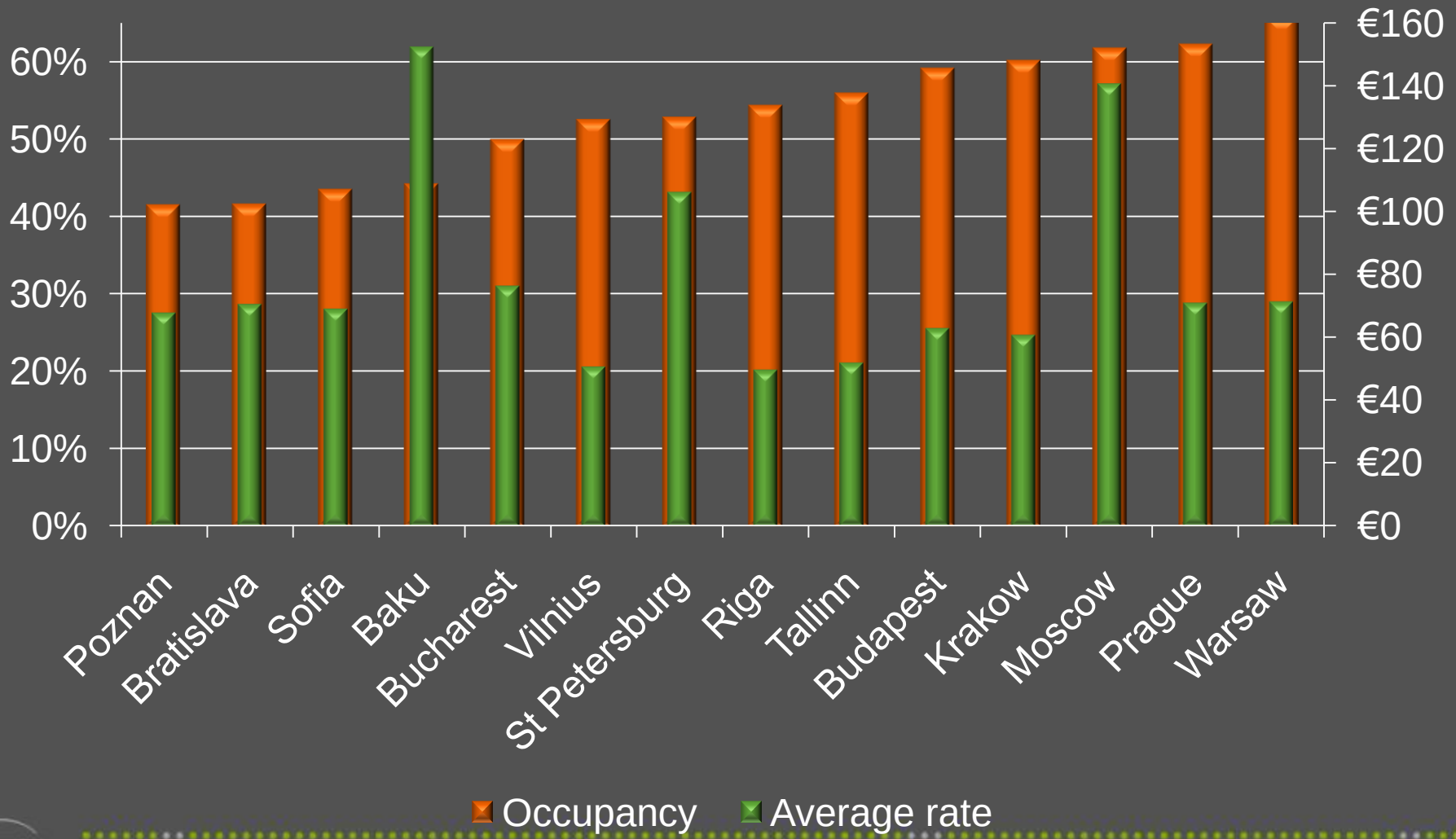
How far off the peak are we?

Rolling-12 RevPAR in local currency

Market	Peak month	Aug 2010	% chg to peak
Baku	Jun 2005	68.45	**-36%**
Bratislava	Dec 2005	30.29	**-54%**
Budapest	Oct 2006	9864	**-31%**
Moscow	Oct 2008	3481.48	**-34%**
Prague	Jan 2005	1078.63	**-54%**
Riga	Nov 2006	17.42	**-56%**
St Petersburg	Jul 2004	1975.29	**-58%**
Sofia	Dec 2004	58.45	**-53%**
Tallinn	Mar 2007	420.80	**-39%**
Vilnius	Sept 2008	85.90	**-40%**
Warsaw	Jan 2004	183.25	**-15%**

Central & Eastern Europe

YTD September 2010, Euros



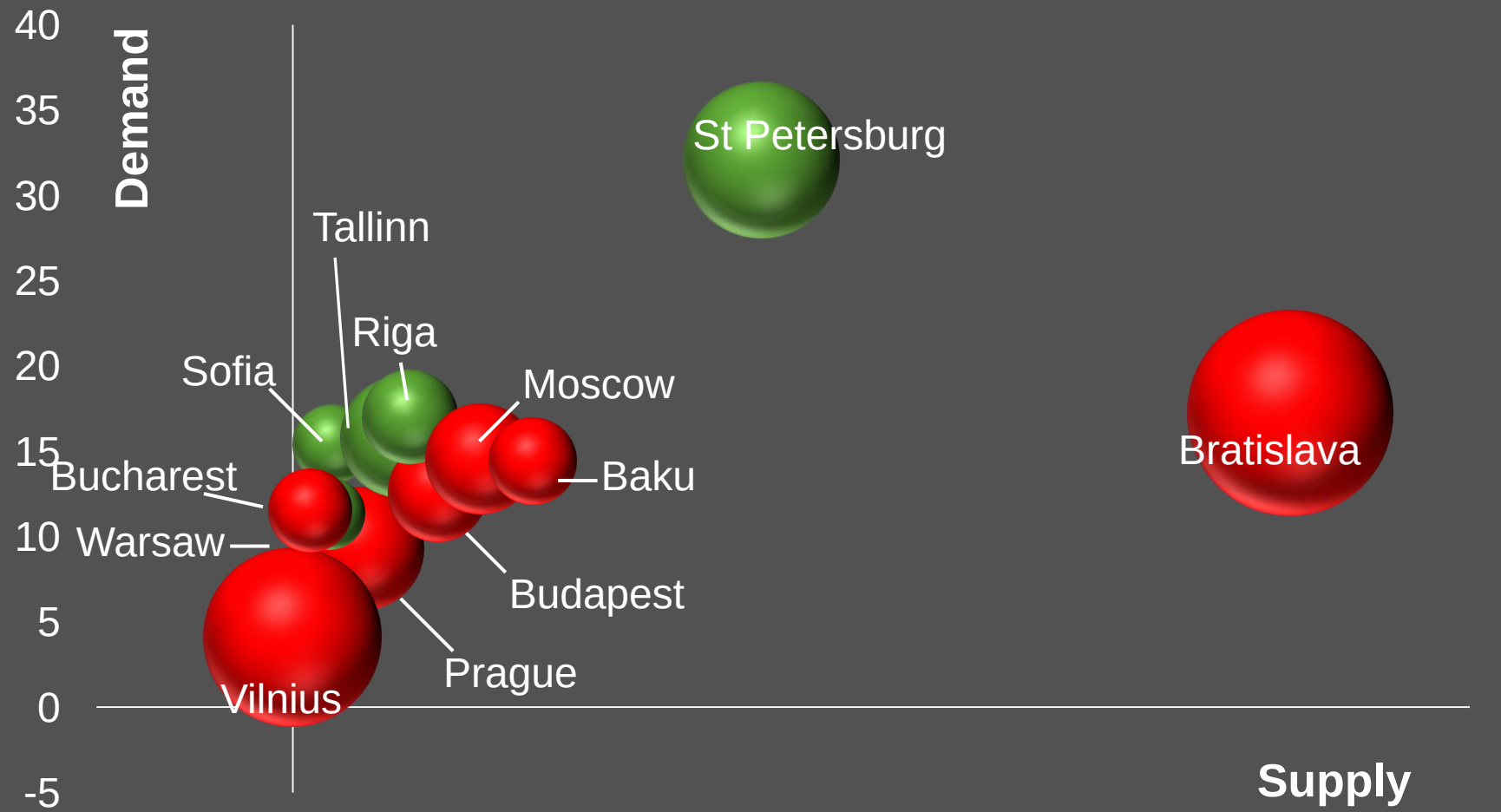
Occupancy growth returned

YTD September 2010, % change, local currency



Demand and supply

YTD September 2010; RevPAR % change in local currency



Forecast - Select European Cities

2010 RevPAR forecast % chg ranges, local currency

-10% to -15%	-5% to 0%	0% to 5%	5% to 10%	10% to 15%	15% to 20%
Copenhagen	Oslo	Istanbul	Edinburgh	Zurich	Frankfurt
	Glasgow	Milan	Brussels	London	
	Dublin	Budapest	Rome	Paris	
	Moscow	Prague		Stockholm	
				Berlin	
				Vienna	
				Amsterdam	
				Warsaw	
				Madrid	

(Budapest, Copenhagen, Warsaw – in Euros)

Forecast - Select European Cities

2011 RevPAR forecast % chg ranges, local currency

-5% to -10%	-5% to 0%	0% to 5%	5% to 10%	10% to 15%	15% to 20%	Over 25%
Frankfurt	Stockholm	London	Zurich	Dublin		
	Berlin	Paris	Warsaw	Madrid		
	Vienna	Istanbul	Copenhagen	Milan		
		Amsterdam	Oslo	Rome		
		Brussels	Edinburgh	Prague		
		Glasgow	Budapest	Moscow		

(Budapest, Copenhagen, Warsaw – in Euros)

Summary and Outlook

- Demand has returned
- Risks remain
- Overall, expecting the recovery to continue through 2010, rate growth in 2011
- Some great exceptions already this year:
  - London: July 2010 was best July since 1999
  - Istanbul

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