

CONFERENCE CALL
Q1 2013 REVENUE
April 17, 2013





Q1 2013 – Key takeaways

Gross revenue up 6.4% reported in Q1 2013

- ▶ Sharp increase in emerging markets

Flat L/L revenue growth - good resilience in key markets

- ▶ 1.1% L/L revenue increase, restated from Feb. 29, 2012 impact

Strong increase in fee revenue, up 18.2% L/L

- ▶ Management contracts leading fee increase thanks to fast expansion

4,628 rooms opened over the quarter

- ▶ 85% asset-light

Asset Management on track with binding agreements concerning 22 hotels

- ▶ €173m positive impact on Adjusted Net Debt



Q1 2013 Revenue: €1,227m, down 0.1% L/L

-0.1%

Like-for-Like
€(1.8)m

Like-for-like growth

- ▶ Hotels: -0.2%
 - Owned & leased: -2.0%
 - Fees: +18.2%*

+4.3%

Expansion
+€52.8m

Impact of expansion

- ▶ Openings: 4,628 new rooms (32 hotels) of which
 - 1,385 rooms in Franchise (30% of openings)
 - 2,529 rooms in Management (55% of openings)

-4.1%

Disposals
€(50.6)m

Impact of disposals

- ▶ Asset Light Strategy: €(48.0)m
- ▶ Other disposals: €(2.6)m

-1.3%

Currency
€(15.9)m

Currency effect

- ▶ BRL: -0.8%, €(9.9)m
- ▶ AUD: -0.2%, €(2.5)m
- ▶ GBP: -0.1%, €(1.8)m

-1.2%

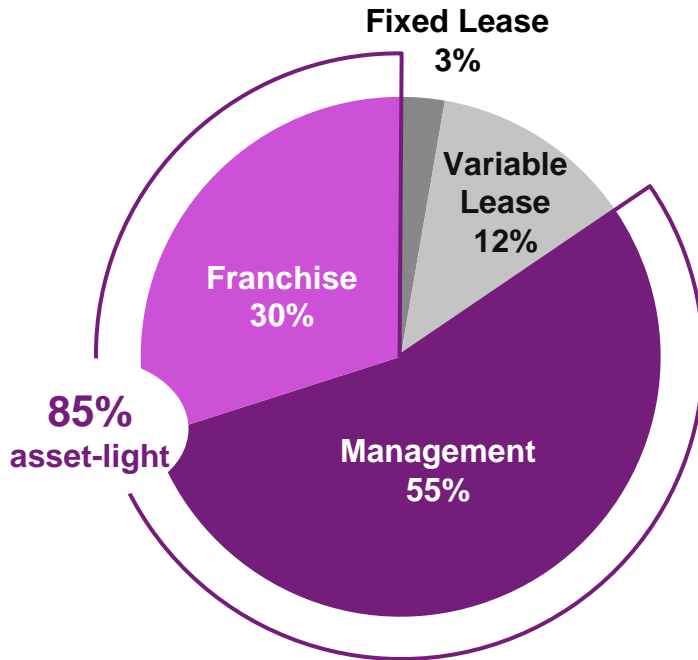
Reported
€(15.4)m

* Restated from fees related to Mirvac and Posadas acquisitions



Continued roll-out of the 2016 strategy

Room openings in Q1 2013 by operating mode



Asset Management

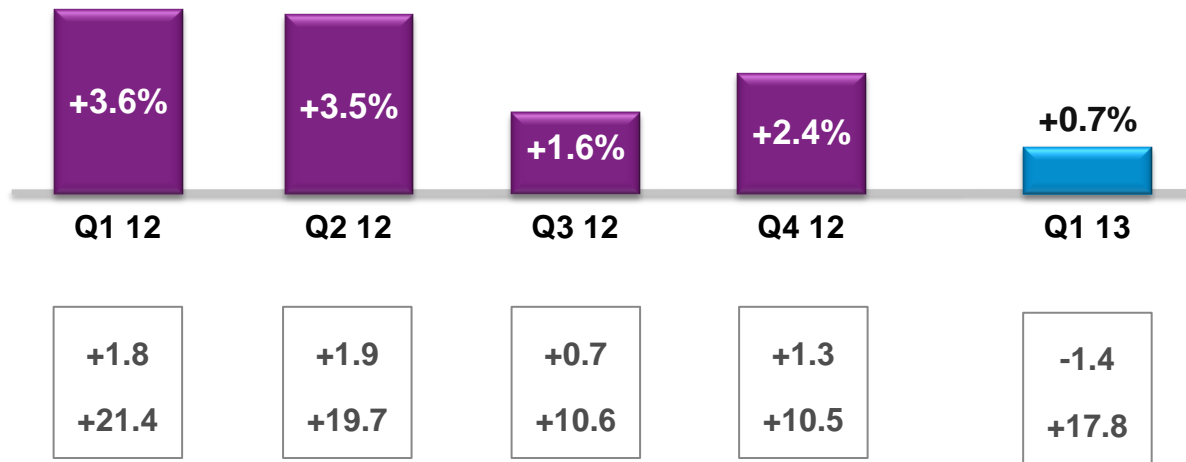
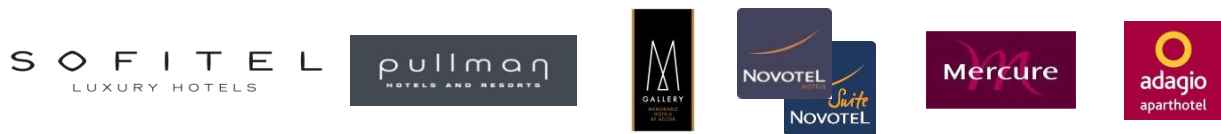
	2013 to-date
Conversions into Variable Lease contracts	3
Conversions into Management contracts	2
Conversions into Franchise contracts	12
Outright Sales or Termination of Lease	5
Total hotels	22
Impact on adj. net debt⁽¹⁾	€173m

(1) Net debt adjusted for NPV of minimum lease payments discounted at 7% (Standard & Poor's methodology)

58% of room portfolio under asset-light at the end of March 2013



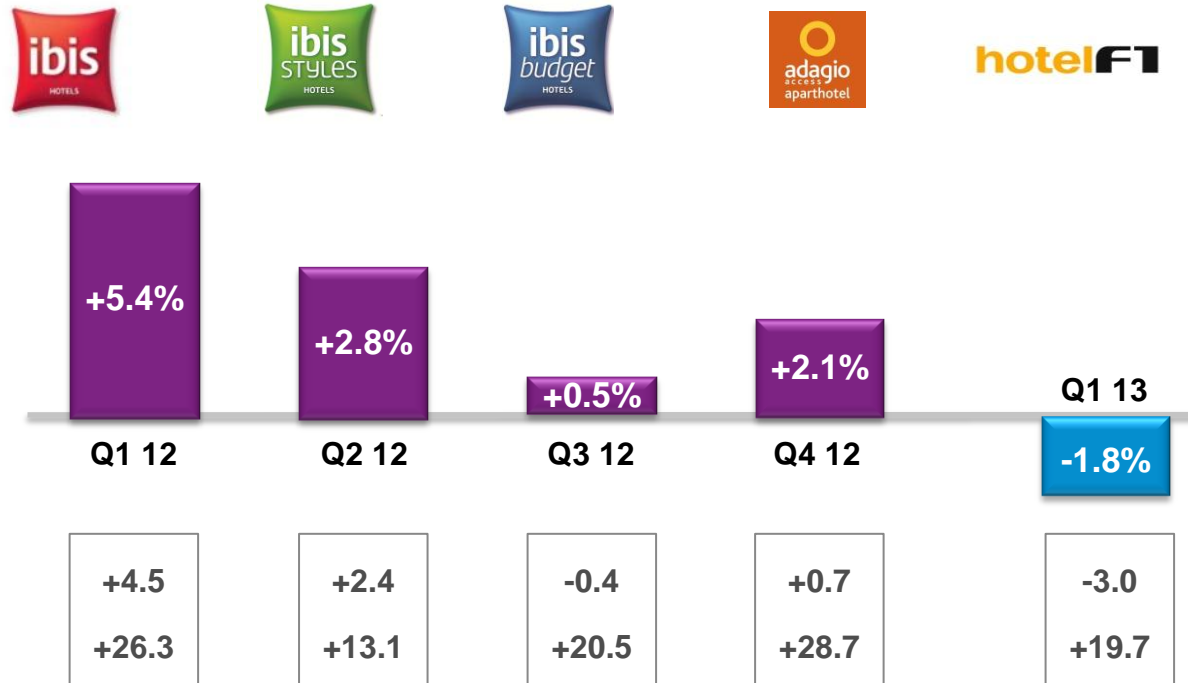
Up & Midscale – Q1 2013 Revenue: €768m, up 0.7% L/L



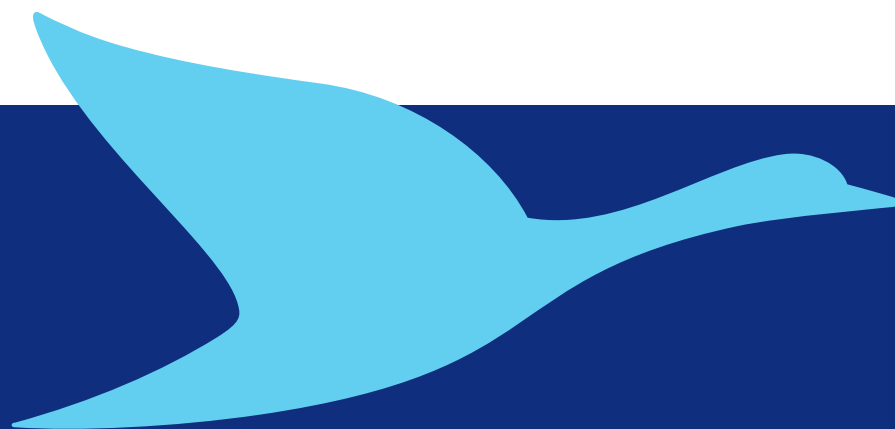
- ▶ Revenue growth supported by the sharp increase in Management and Franchise fees
- ▶ Steady performance on the Upscale segment
- ▶ Sustained business levels in key gateways both in Europe and emerging markets



Economy – Q1 2013 Revenue: €425m, down 1.8% L/L



- ▶ Resilient performance backed by fast expansion in Management and Franchise
- ▶ Poor local economies weighing on performance, especially in Southern Europe
- ▶ Emerging markets stable vs. Q4 2012 (excl. Australia) with strong revenue growth in AME



CONCLUSION



Conclusion

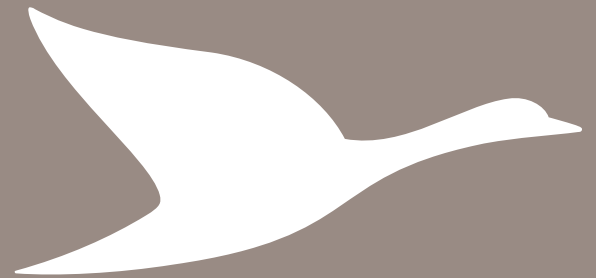
- ▶ Stable revenue in Q1 with good resilience for Upscale hotels and in key gateways
- ▶ High comps and Feb. 29, 2012 weighing on the performance this quarter
- ▶ Transformation of the business model supporting revenue
- ▶ Current trends to carry on in Q2 with contrasted situation in Europe and satisfactory business levels in emerging markets

Agenda

Annual General Meeting – April 25, 2013 (Paris)

Q2 2013 Results – July 16, 2013

APPENDICES





Hotels Q1 2013 RevPAR by segment – Worldwide

<i>Excl. VAT</i>	Owned & leased									Owned & leased + managed
	Occupancy rate			Average Room Rate			RevPAR			
	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale (in €)	57.6	+1.1	+0.3	99	-0.4	-1.2	57	+1.5	-0.7	+4.2
Economy (in €)	61.8	-1.3	-1.3	55	-1.0	-0.2	34	-3.0	-2.3	-2.1



Negative impact of Feb. 29, 2012 on Q1 2013

<i>L/L Revenue growth</i>	Q1 2013 Actual L/L	Feb. 29, 2012	Q1 2013 excl. Feb 29, 2012
Up & Midscale	+0.7%	+1.1%	+1.8%
Economy	-1.8%	+1.5%	-0.3%
TOTAL	-0.1%	+1.2%	+1.1%



Q1 2013 RevPAR & Revenue – Key markets

Up & Midscale	Occupancy*		Net ARR*		Net RevPAR*		Revenue	
	%	Δ (L/L, pts)	€	Δ (L/L, %)	€	Δ (L/L, %)	€m	Δ (L/L, %)
France	56.4	+0.7	114.9	-1.4	64.8	-0.2	243	+0.0
Germany	61.5	-2.0	92.3	+3.0	56.8	-0.2	123	-2.3
UK	72.0	-0.6	93.4	-1.1	67.3	-1.9	53	-2.7

* For owned & leased only

Economy	Occupancy*		Net ARR*		Net RevPAR*		Revenue	
	%	Δ (L/L, pts)	€	Δ (L/L, %)	€	Δ (L/L, %)	€m	Δ (L/L, %)
France	62.0	-2.0	53.8	-1.3	33.3	-4.4	144	-3.6
Germany	62.6	-1.9	57.4	+2.8	35.9	-0.2	59	-1.2
UK	71.0	-1.0	53.4	-0.1	37.9	-1.5	41	-1.0

* For owned & leased only



Up & Midscale Hotels Q1 2013 RevPAR by Country

Excl. VAT <i>(in local currency)</i>	Owned & leased								Owned & leased + managed
	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			(reported)
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	
France	24,924	56.4	+1.3	115	-1.7	65	+0.6	-0.2	-0.1
Germany	16,440	61.5	-0.3	92	+5.0	57	+4.4	-0.2	+4.8
Netherlands	3,314	56.9	-0.1	84	-3.7	48	-3.8	-5.1	-3.6
Belgium	1,599	66.9	+6.7	100	-4.3	67	+6.4	+5.7	+4.9
Spain	2,283	47.2	-0.2	72	-3.2	34	-3.6	-6.6	+0.6
Italy	3,772	49.6	-0.2	81	-3.5	40	-3.9	-5.0	-4.9
UK (in £)	5,850	72.0	-0.8	80	+0.3	57	-0.7	-1.9	+0.9



Economy Hotels Q1 2013 RevPAR by Country

	Owned & leased								Owned & leased + managed
<i>Excl. VAT</i> <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	35,989	62.0	-1.7	54	-1.0	33	-3.6	-4.4	-2.3
Germany	15,465	62.6	-1.7	57	+2.6	36	-0.2	-0.2	+0.5
Netherlands	2,289	62.2	+3.1	62	-7.0	39	-2.1	-2.1	-2.1
Belgium	2,821	68.9	+4.7	61	-4.4	42	+2.6	+1.7	+4.5
Spain	4,973	42.0	-4.0	46	-3.3	19	-11.6	-12.6	-10.8
Italy	1,740	60.4	+1.6	54	-6.9	33	-4.4	-4.4	-8.0
UK (in £)	9,938	71.0	-1.1	45	+3.2	32	+1.6	-1.5	+1.2



Reconciliation: Q1 2013 L/L RevPAR vs Revenue

Worldwide	RevPAR O&L and Managed Reported	RevPAR O&L Only Like-for-like	Like-for-like room revenues	Total Like-for-like revenues
Up & Midscale	+4.2	-0.7	-1.8	+0.7
Economy	-2.1	-2.3	-3.2	-1.8



Q1 2013 Exchange Rates

1€ = X foreign currency	Q1 2012 average rate	Q1 2013 average rate	2013 vs. 2012 Change
Australian dollar (AUD)	1.24	1.27	-2.3%
Brazilian real (BRL)	2.32	2.63	-13.7%
Sterling (GBP)	0.83	0.85	-2.0%
Swiss Franc (CHF)	1.21	1.23	-1.7%
US Dollar (USD)	1.31	1.32	-0.7%
Chinese Yuan (CNY)	8.27	8.22	+0.7%



Management & Franchise Fees by Segment

Revenue (in €m)	Q1 2012			Q1 2013			Change, at constant exchange rates *
	Managed	Franchised	Total	Managed	Franchised	Total	Total
Up & Midscale	66.8	17.5	84.3	86.8	20.4	107.2	+17.8%
Economy	9.7	13.1	22.8	12.3	14.8	27.1	+19.7%
TOTAL	76.4	30.7	107.1	99.1	35.2	134.3	+18.2%

* Restated from Mirvac and Posadas acquisitions