



European performance update

Robin Rossmann | Managing Director, STR

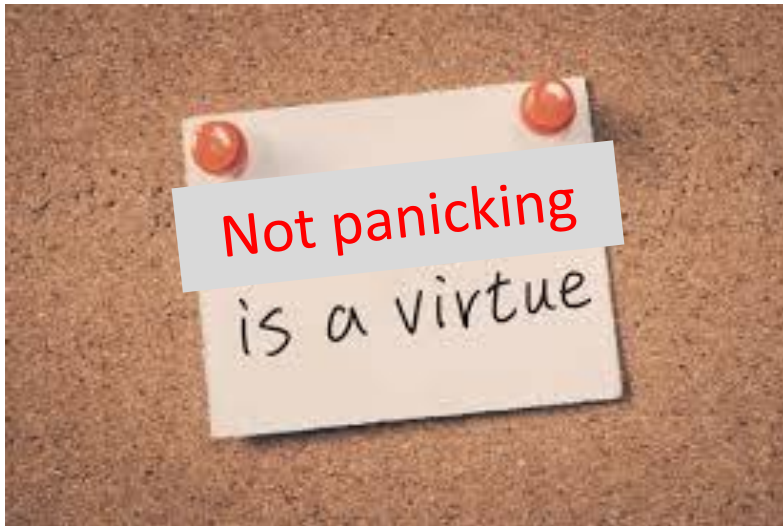
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Looking forward to 2021 – what to expect

Insights from historical & future performance data from 70,000 hotels around the world



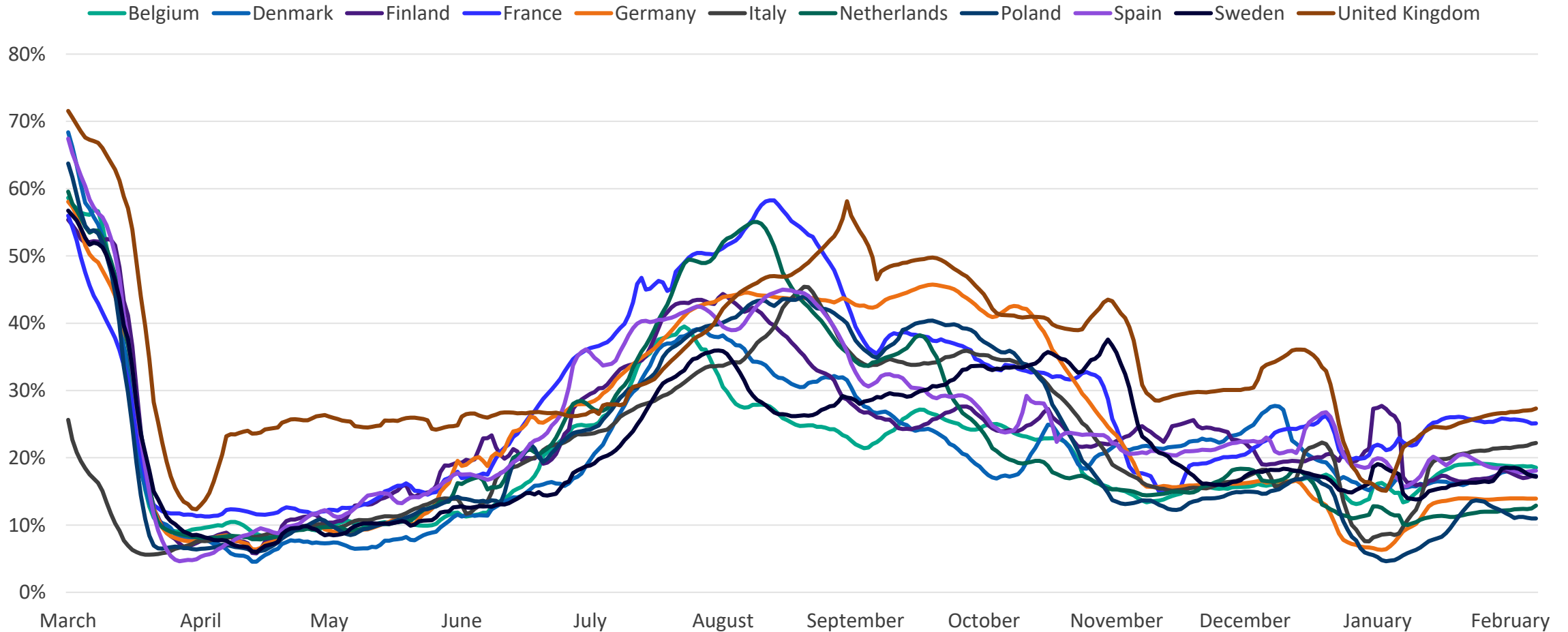
- 1. Patience will be a virtue in Q1**
- 2. Domestic recovery should start in Q2**
- 3. Get ready for the ketchup effect in Q3**
- 4. Long-term recovery begins in Q4**



Patience will be a virtue in Q1

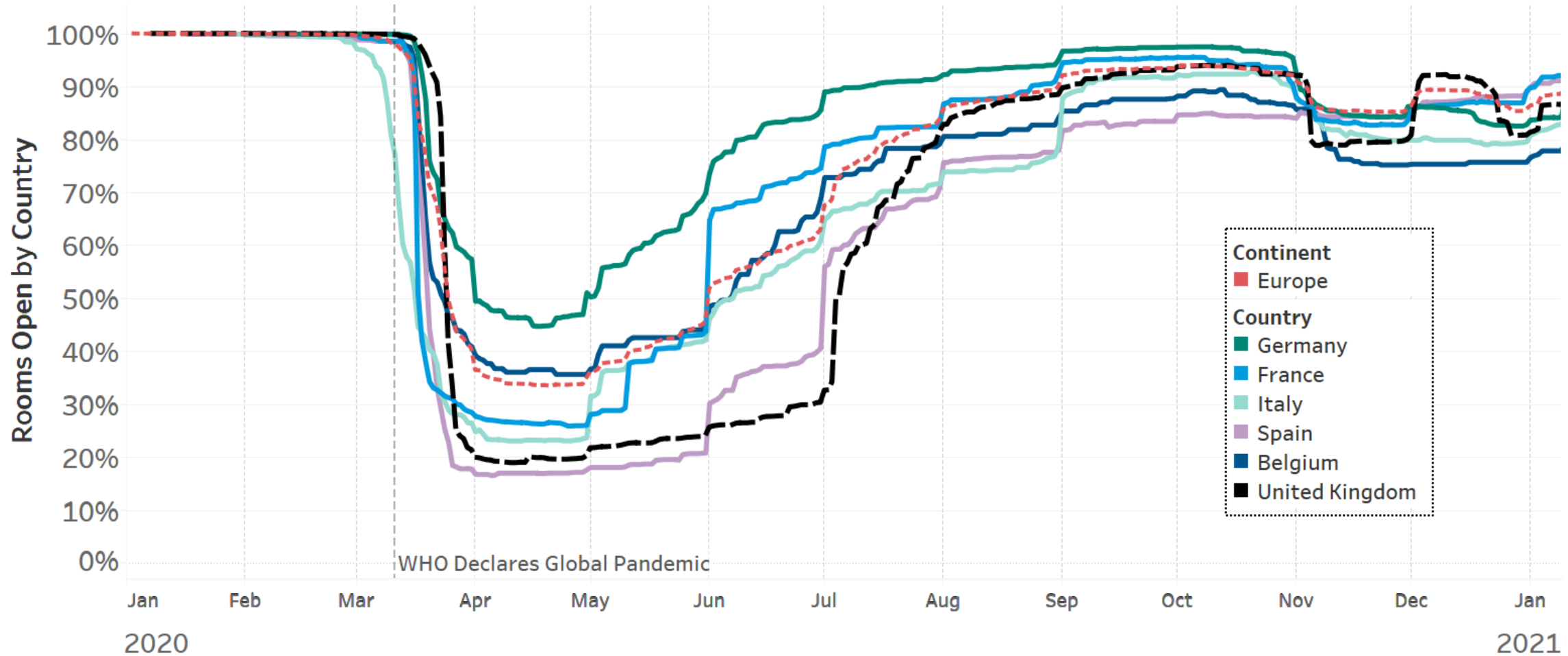
The year has started badly with a second round of lockdowns...

Europe Countries - Occupancy (standard) R7, 1 March 2020 – 7 February 2021



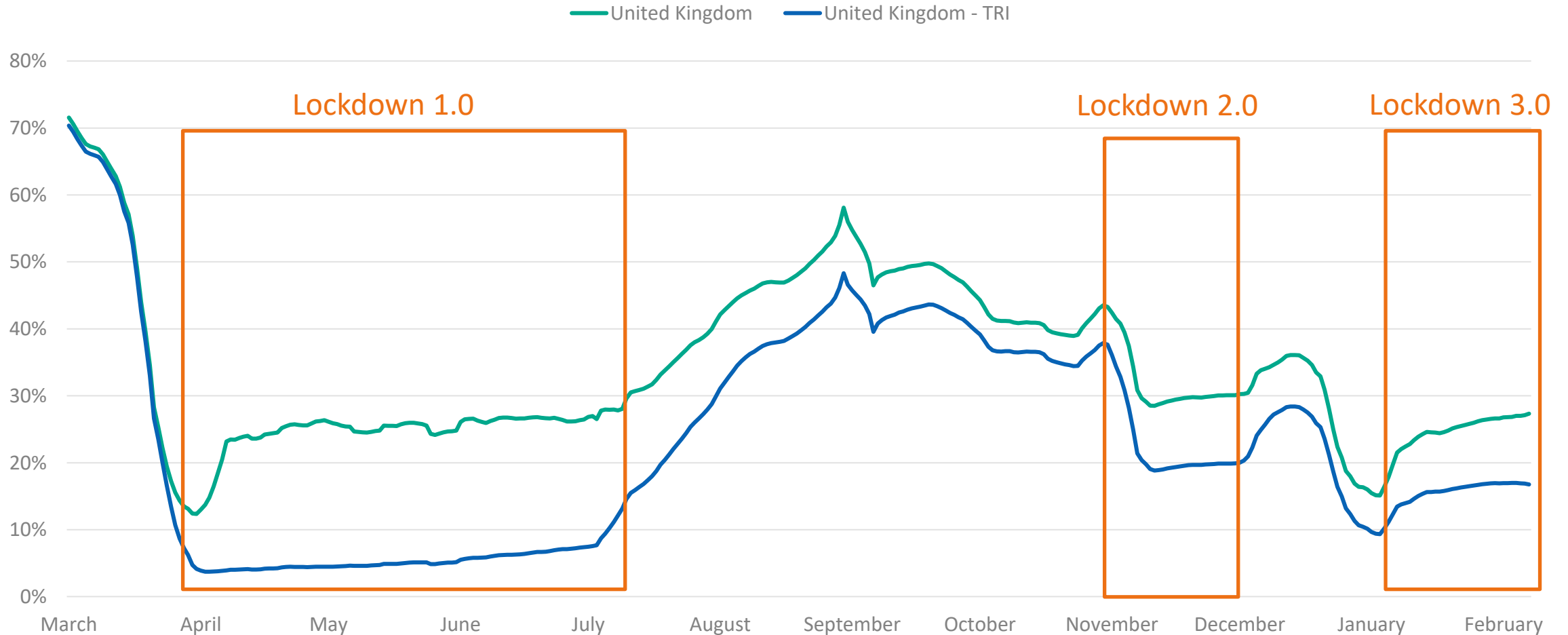
... more hotels have remained open this time...

European hotel rooms open by country – STR reporting sample



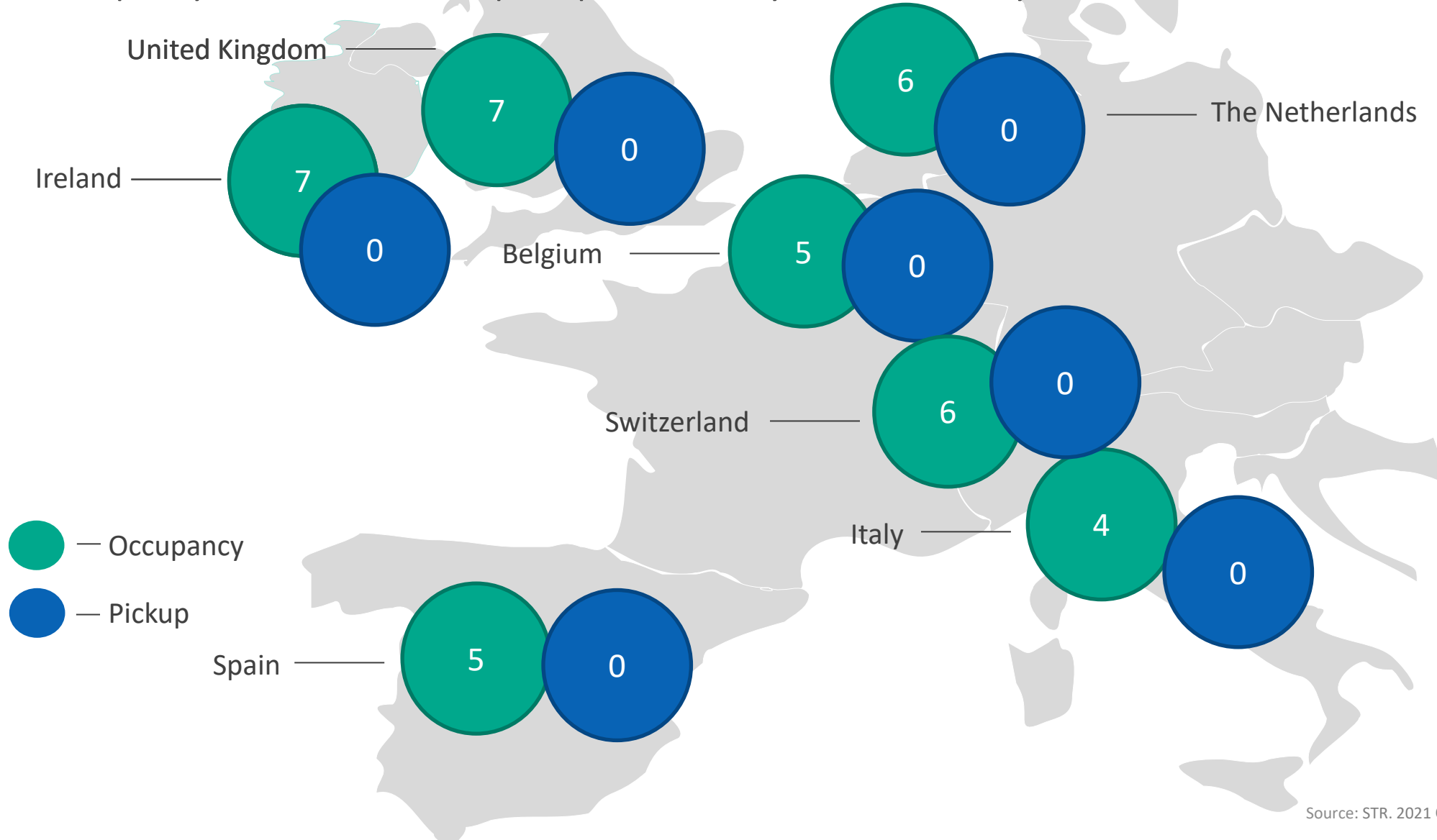
... as a result occupancy of open hotels worse than lockdown 1.0

UK Occupancy (standard & full inventory) R7, 1 March 2020 – 7 February 2021



No pick-up and not much business on the books

Occupancy on the books and pickup next 90 days as at February 8th 2021

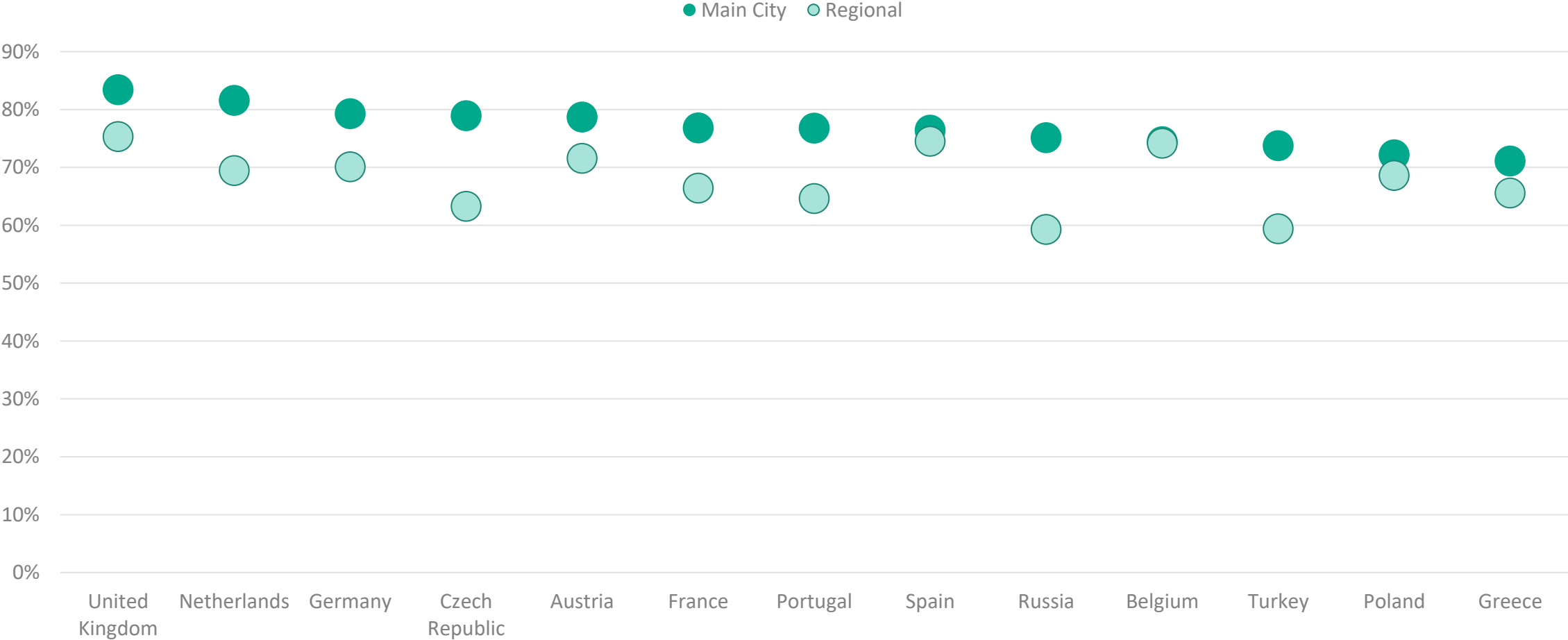




Domestic
recovery
should start
in Q2

Typically gateway cities have higher occupancies

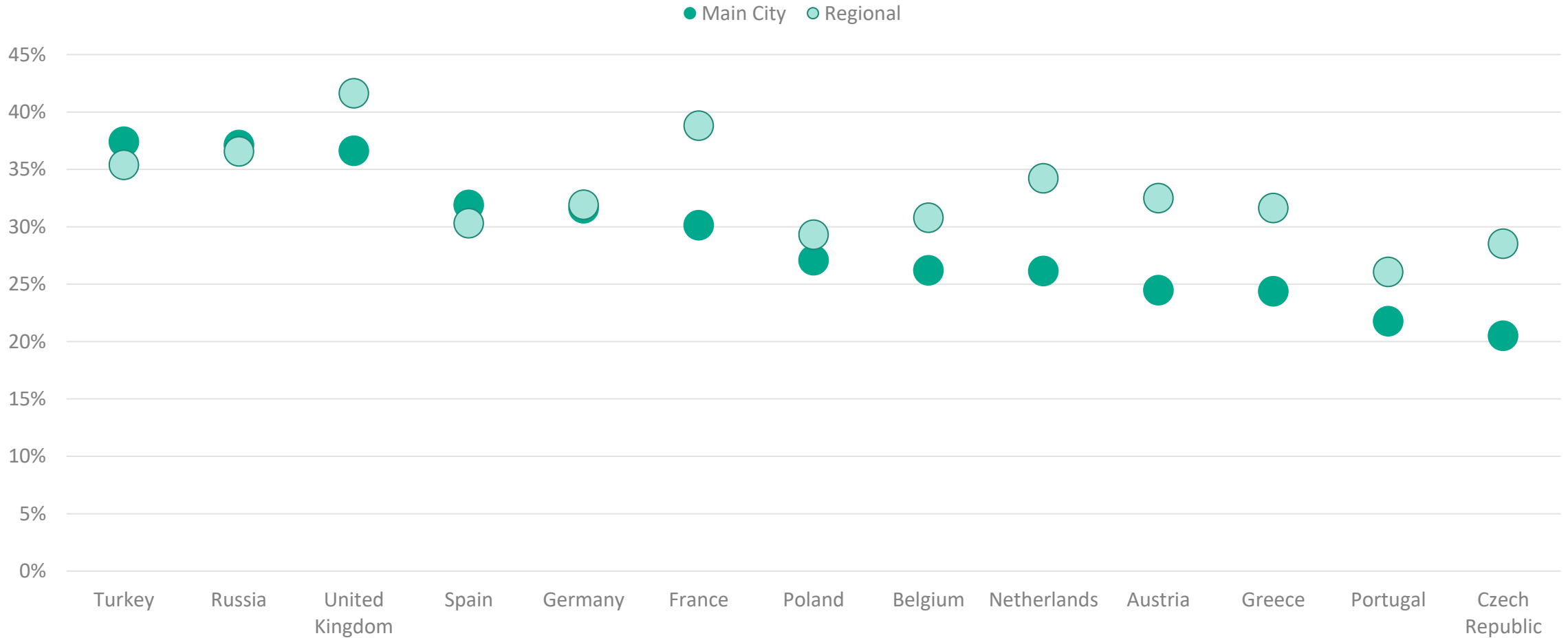
Full year 2019 occupancy, Regional vs Main city



... but regional markets outperformed in '20 and will again in '21



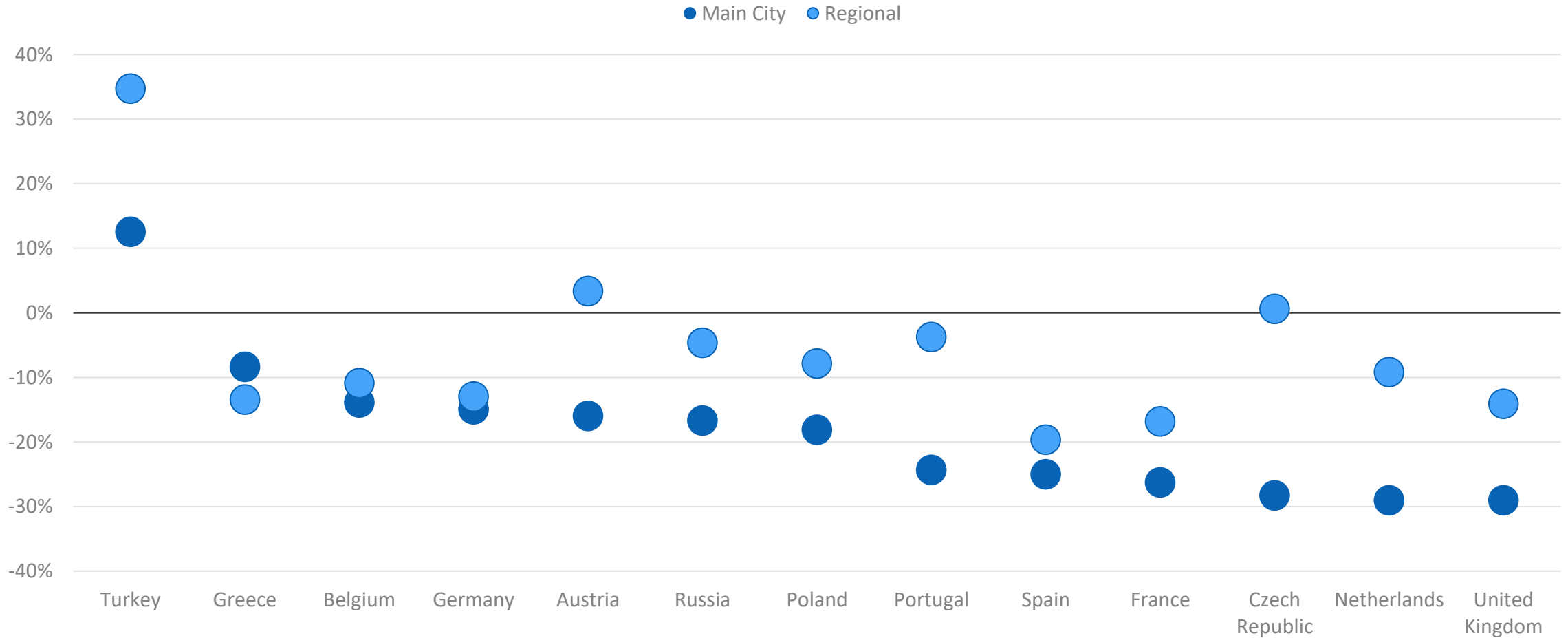
Full year 2020 occupancy, Regional vs Main city



... regional ADR's also likely to be more resilient than gateway



Full year 2020 ADR % change, Local currency, Regional vs Main city

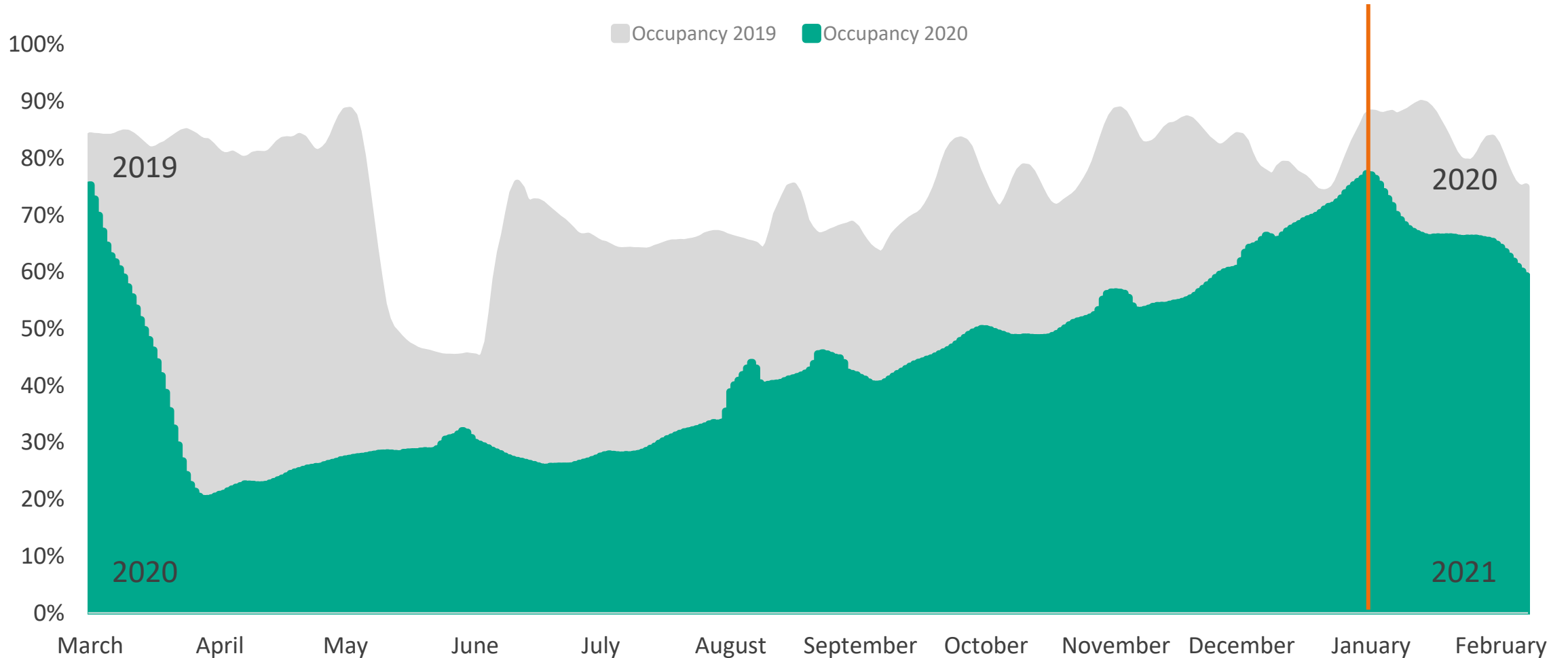




Get ready for the ketchup effect in Q3

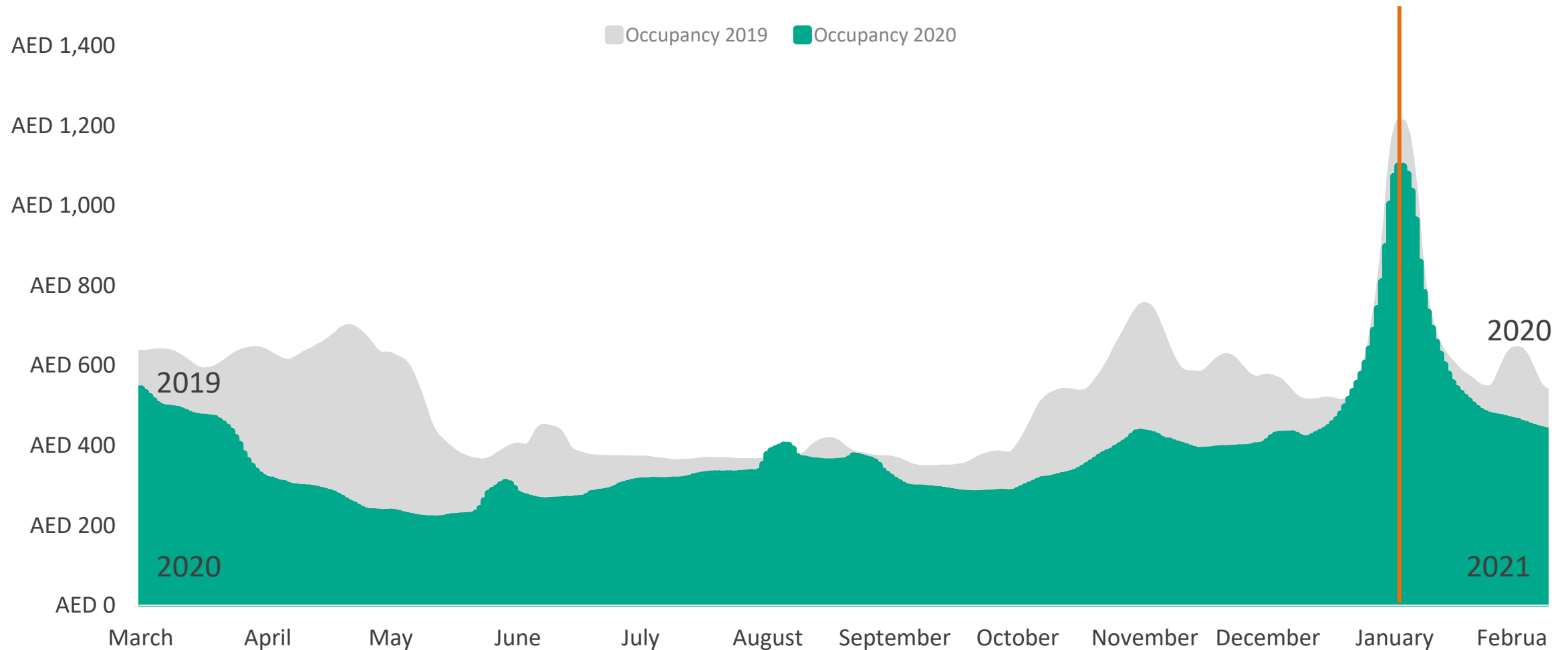
Dubai has shown us how quickly things can bounce back...

Dubai, Rolling 7 days occupancy (standard), 2020 vs 2019



... and recover ADR back to 2019 levels...

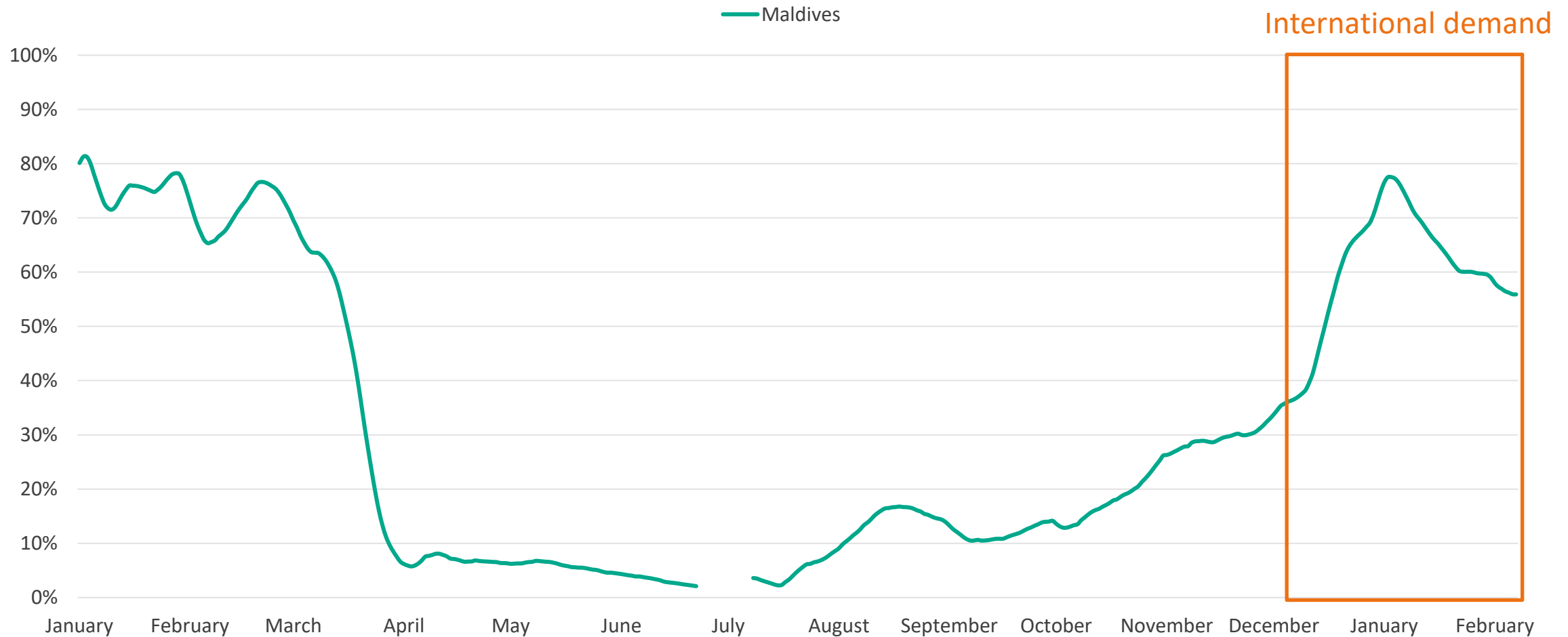
Dubai, Rolling 7 days ADR in local currency, 2020 vs 2019



Maldives is another international demand market rebounding strongly

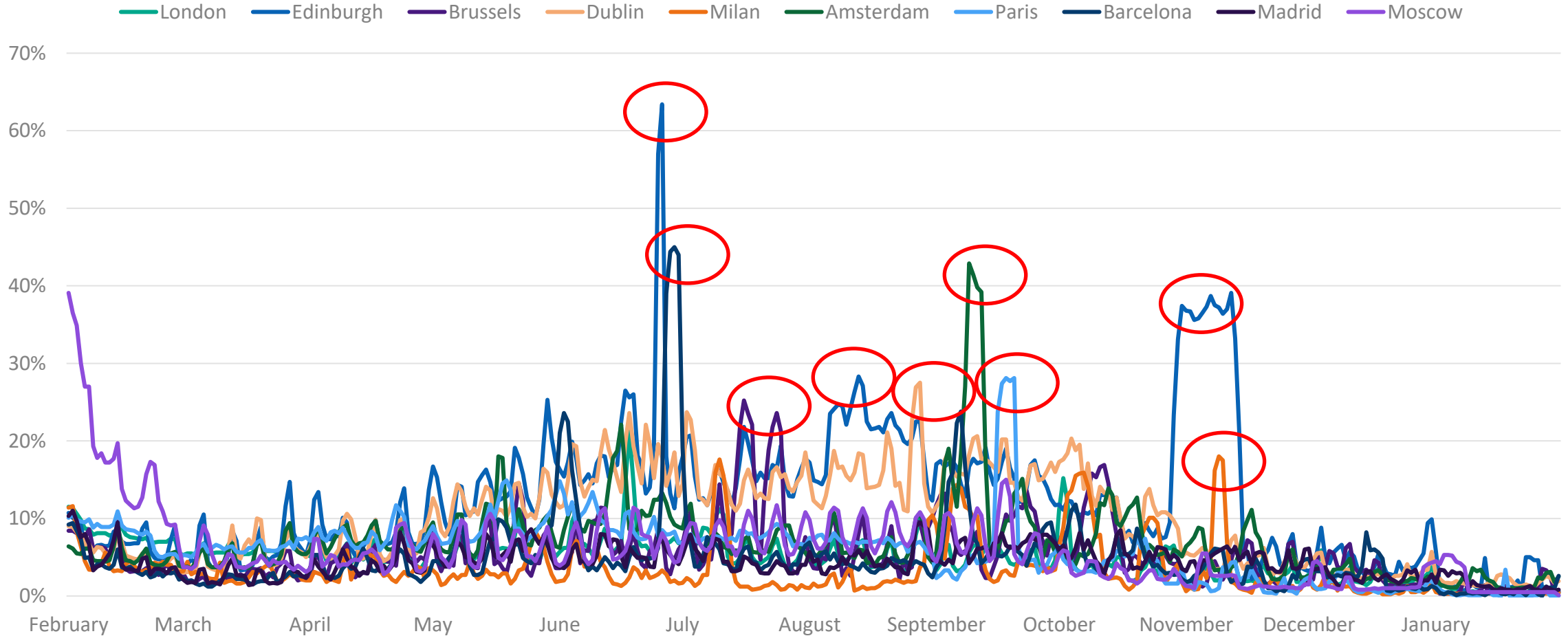


Maldives, Rolling 7 days occupancy (standard), 1 January 2020 – 7 February 2021



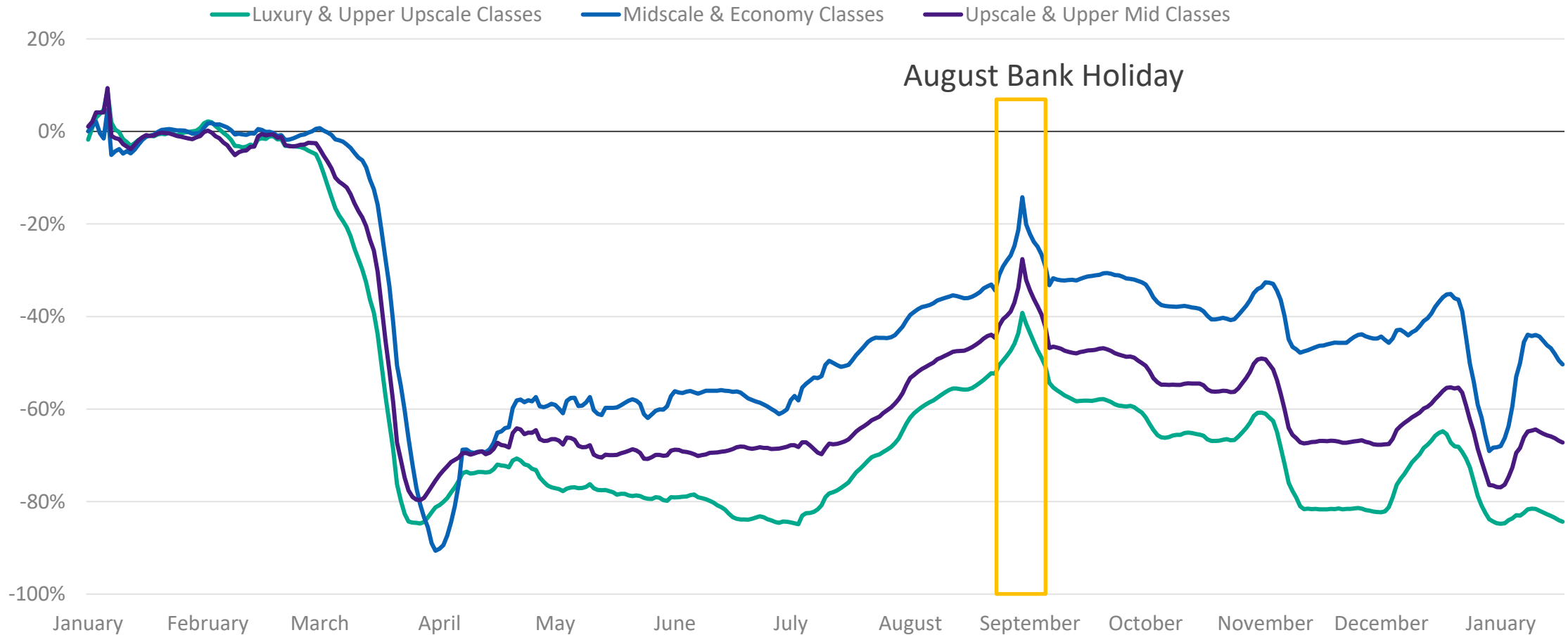
There is already demand out there for future events

Occupancy on the books for the next 365 days as 1st of February 2021



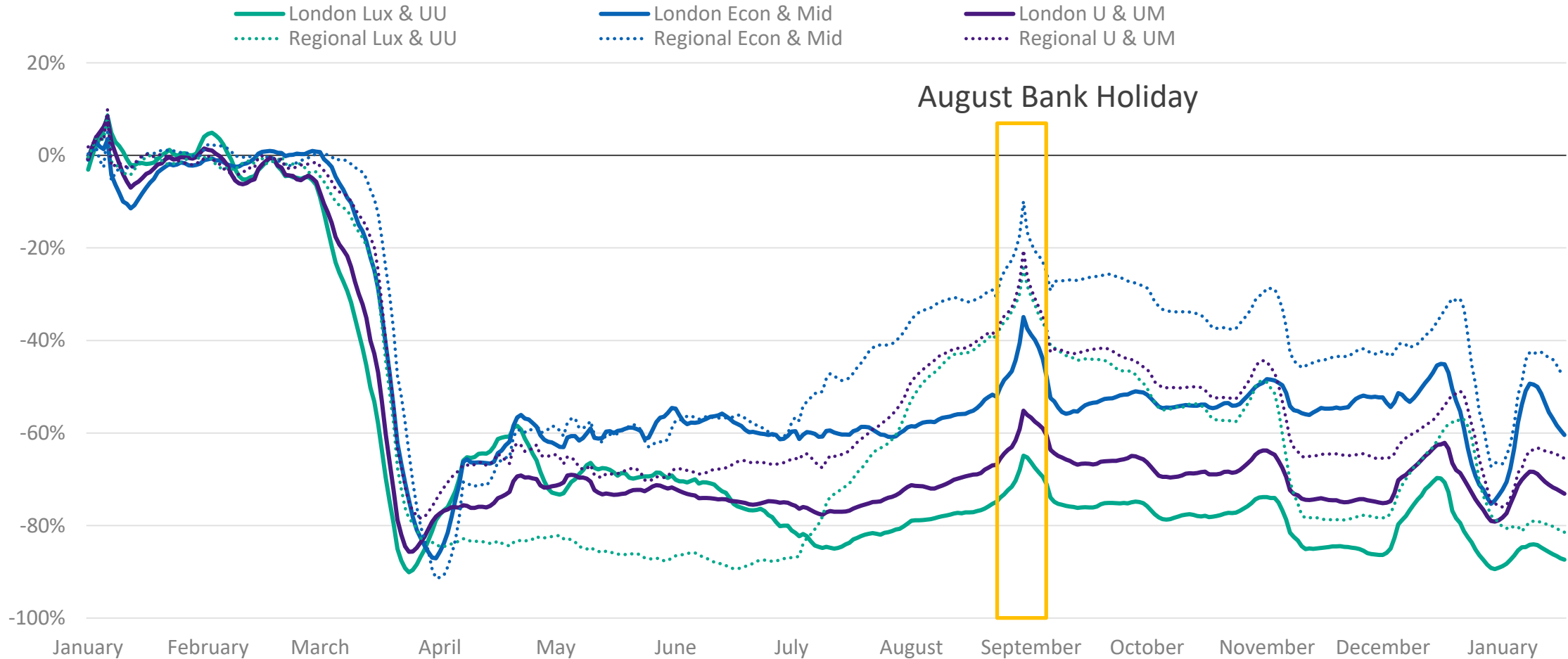
Lower tier hotels doing better than Upper tier in the UK

UK, Rolling 7 days Occupancy vs prior year



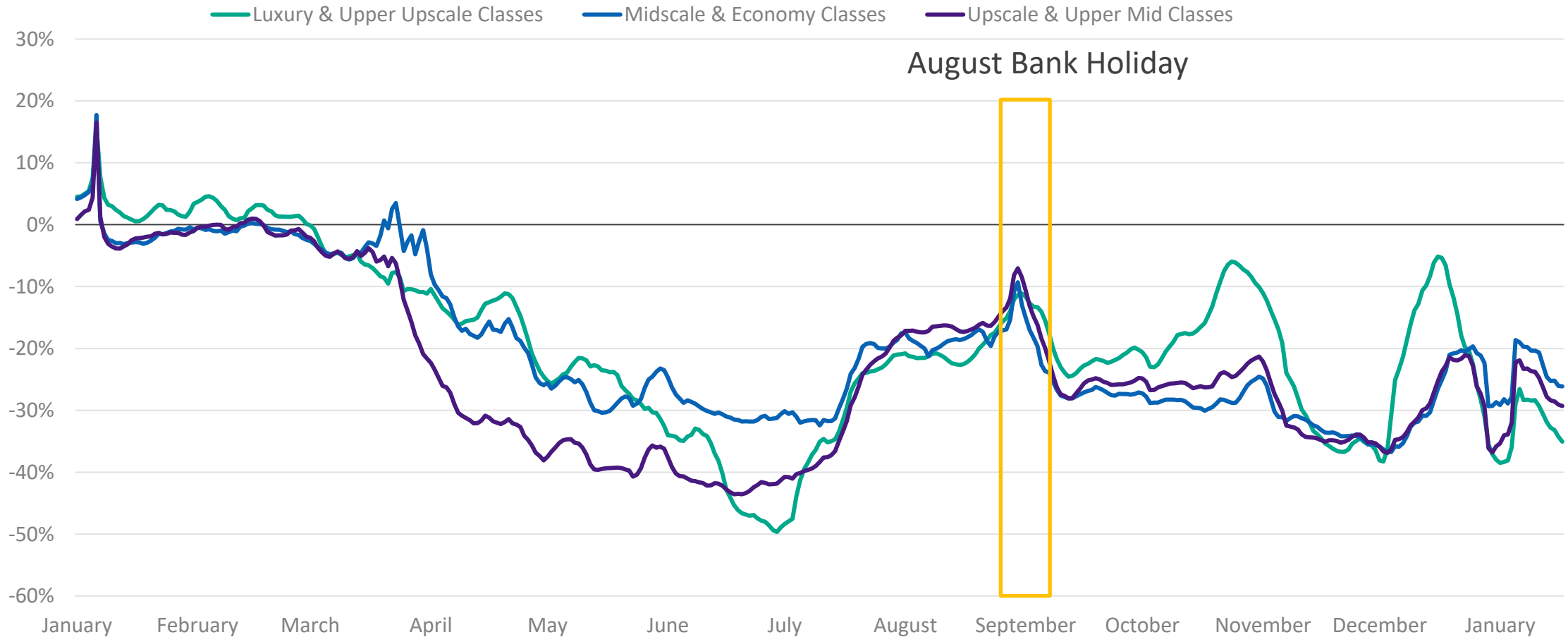
Regions doing better than London

UK, Rolling 7 days Occupancy vs prior year



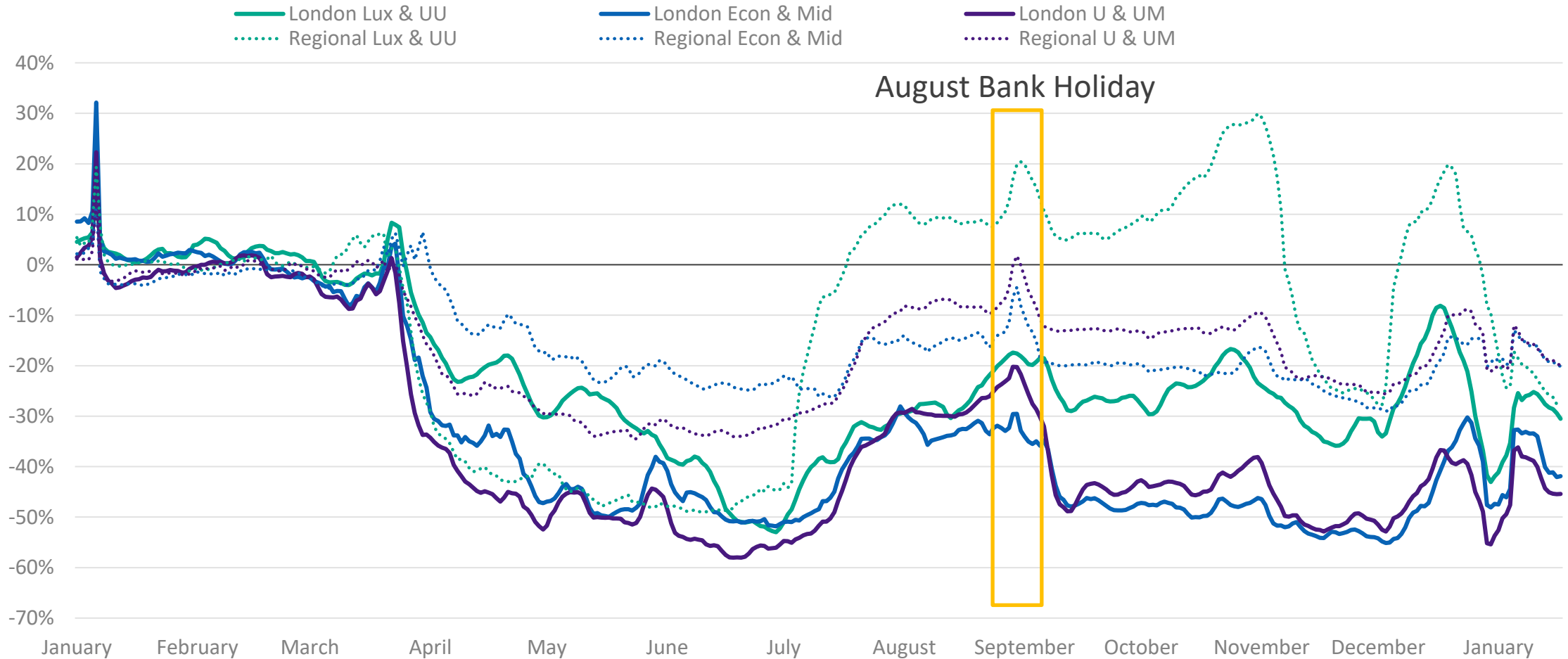
Lower tier hotels doing better than Upper tier in the UK

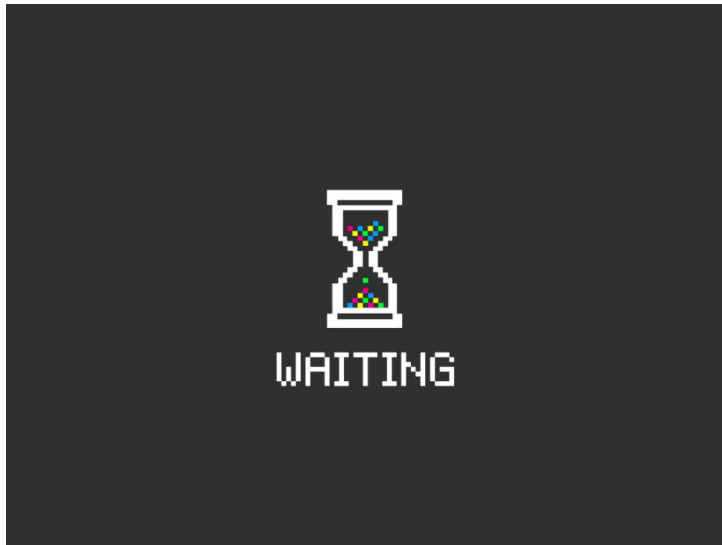
UK, Rolling 7 days ADR vs prior year, local currency



Regions doing better than London

UK, Rolling 7 days ADR vs prior year, local currency

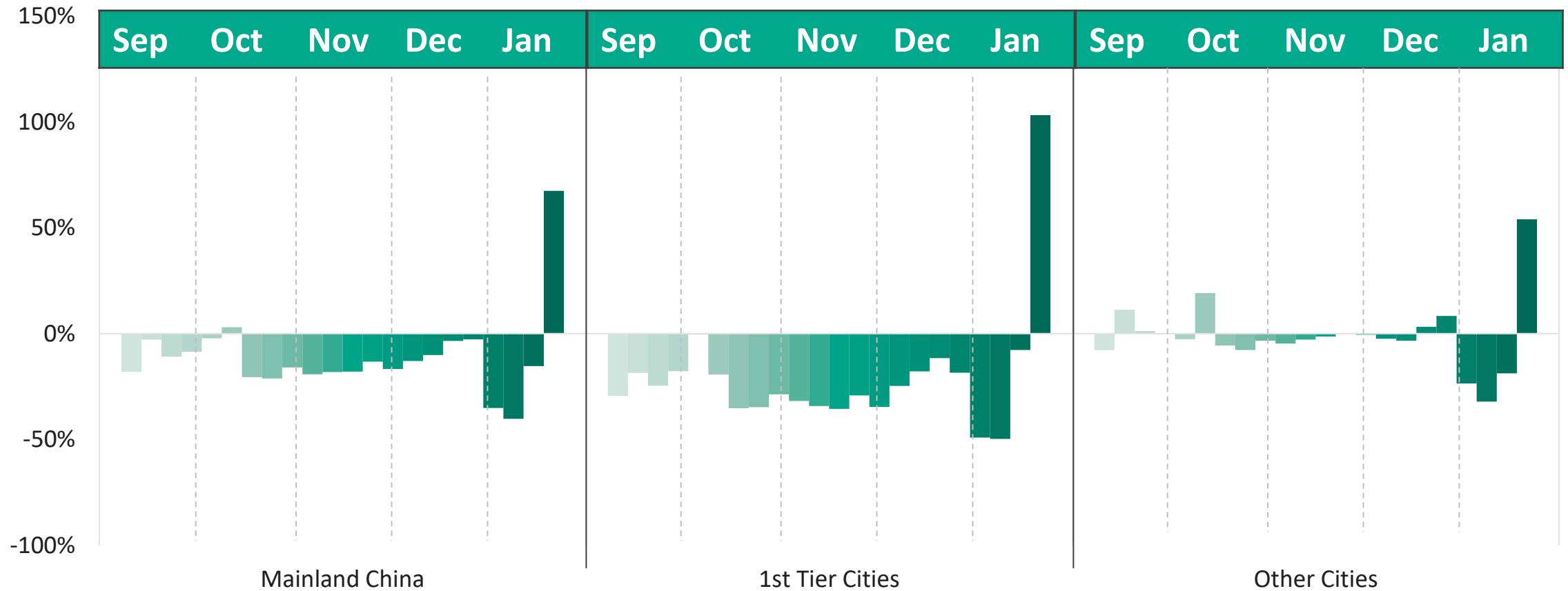




Long-term recovery begins in Q4

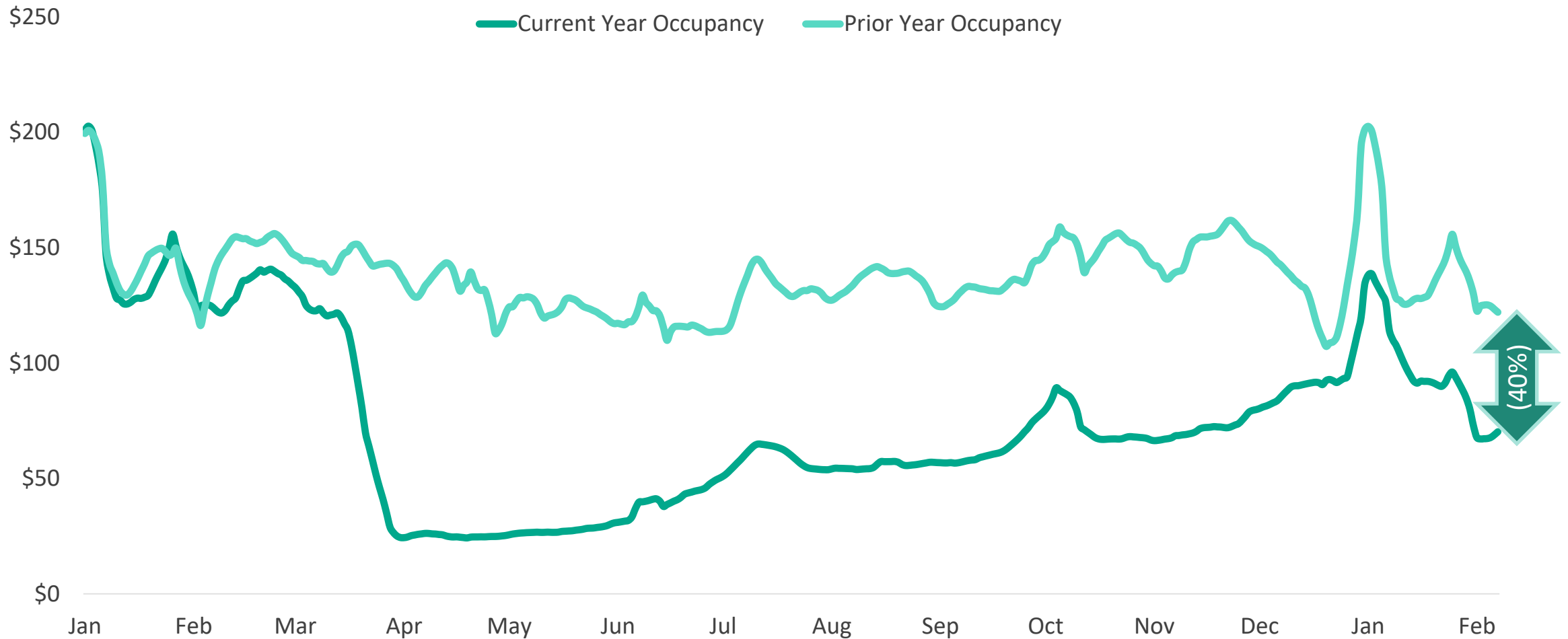
China shows us domestic markets can recover quickly

RevPAR (standard) % change on same week prior year, local currency



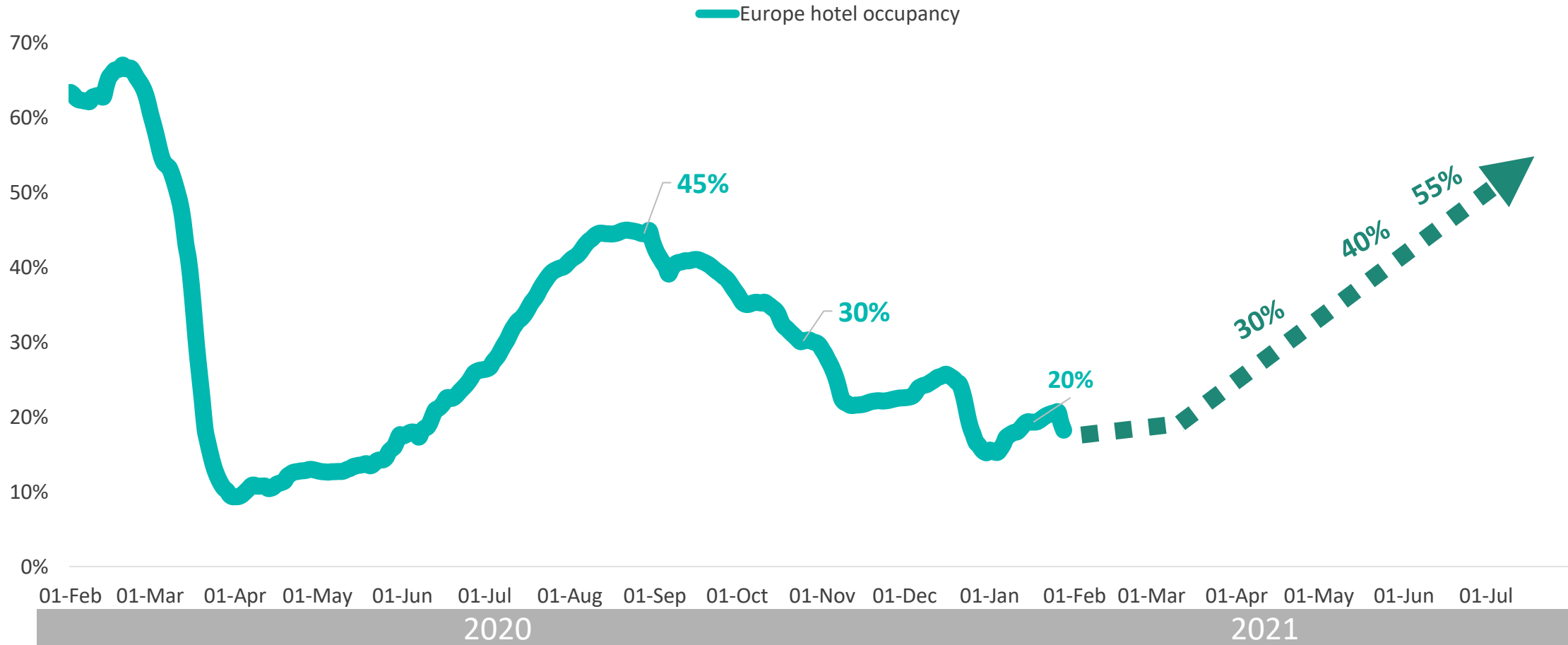
Australia shows international travel necessary for full recovery

Australia, RevPAR (standard), Rolling 7 days, local currency, 1 January 2020 – 7 February 2021



So much for a V shaped recovery in Europe – here's hoping for a W

Rolling 7 days Occ % of open hotels – illustrative forecast based on aggregate of European cities



Bounce back in 2021 with steady recovery thereafter

Forecast RevPAR performance index to 2019, European markets*



*Aggregated performance of Amsterdam, Athens, Amsterdam, Athens, Barcelona, Belfast, Berlin, Birmingham, Brussels, Budapest, Cologne, Dublin, Dusseldorf, Edinburgh, Frankfurt, Glasgow, Hamburg, Leeds, London, Madrid, Manchester, Milan, Moscow, Munich, Paris, Prague, Rome, Stuttgart, Vienna, Warsaw, Zurich

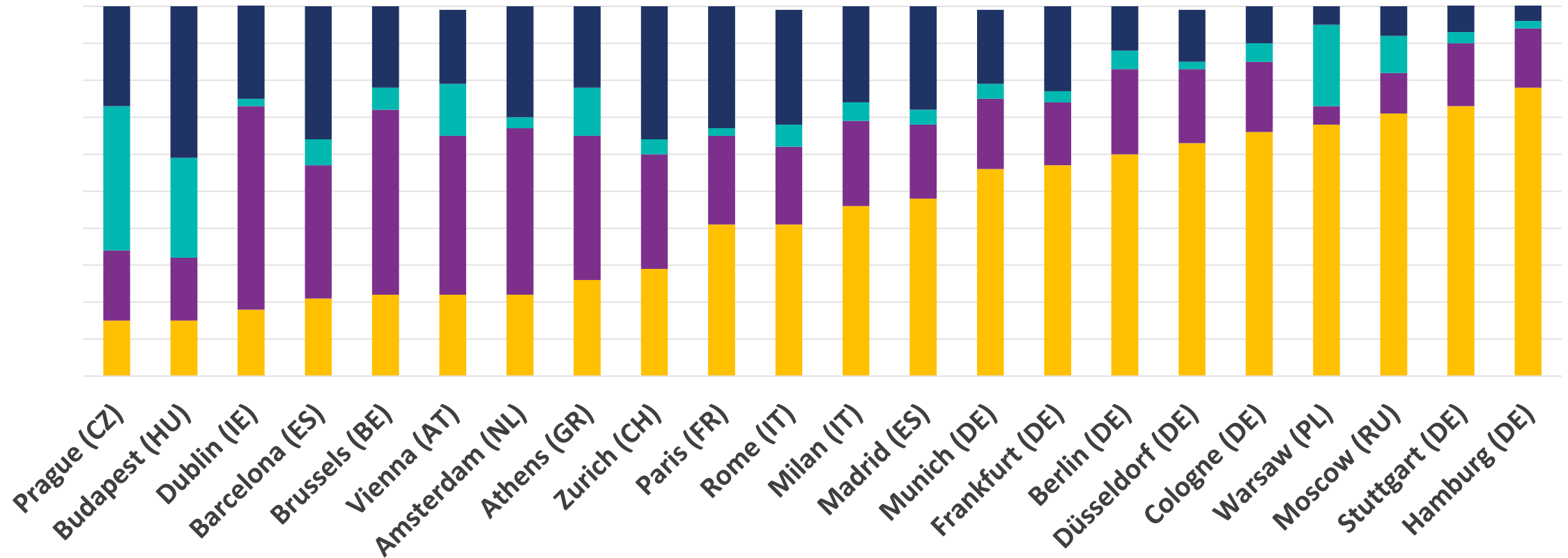
Markets with high reliance on international will take longer to recover



Level of reliance of travel demand based on source market



■ Domestic
 ■ Short-haul
 ■ Medium-haul
 ■ Long-haul



High reliance on international

High reliance on domestic



Thank You!

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