



# 1Q 2016 Orbis results

28/04/2016



# 1

## HIGHLIGHTS

OPERATING RESULTS

FINANCIAL RESULTS

PORTFOLIO

PERFORMANCE

PEOPLE

APPENDIX



## Major events of the 1Q 2016

Operating EBITDA growth

**+8.3m**

up to PLN 26.5 m

Positive operating  
indicators in all countries  
of the EE region

**+8.1%**

RevPAR in total

**5** new  
management  
agreements  
signed

**2** buy-back hotels  
in Budapest  
finalized

**PLN 1.5**  
dividend per share  
recommendation

Orbis engagement in  
**“HeForShe”**  
campaign

# 2

HIGHLIGHTS

## **OPERATING RESULTS**

FINANCIAL RESULTS

PORTFOLIO

PERFORMANCE

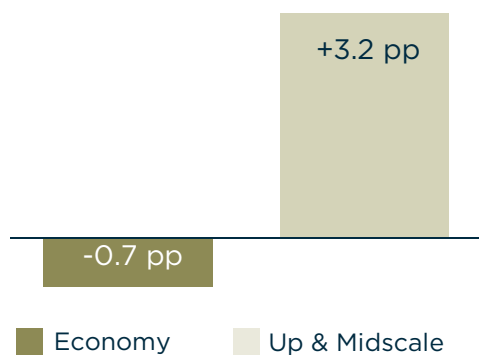
PEOPLE

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# Positive Effects of the Volume Strategy...

Occupancy change  
by hotel segment y/y

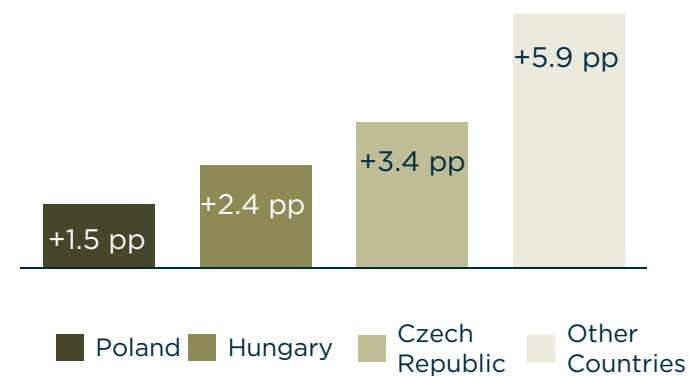


1Q 2016

**+2.1 p.p.**  
55.8%

in Orbis Hotel Group

Occupancy change  
by geographical market y/y

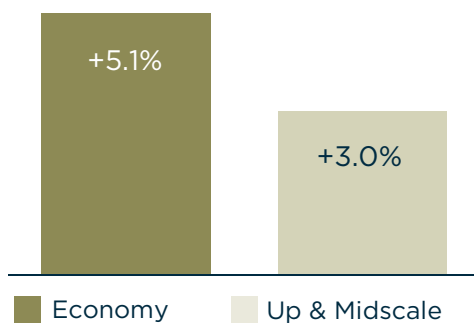


**Occupancy** - rooms occupied by hotel guests,  
as a percentage of rooms that are available.

\* all y/y changes on the slide are calculated 1Q 2016 / 1Q 2015 like for like

...together with ARR increase...

ARR change  
by hotel segment y/y



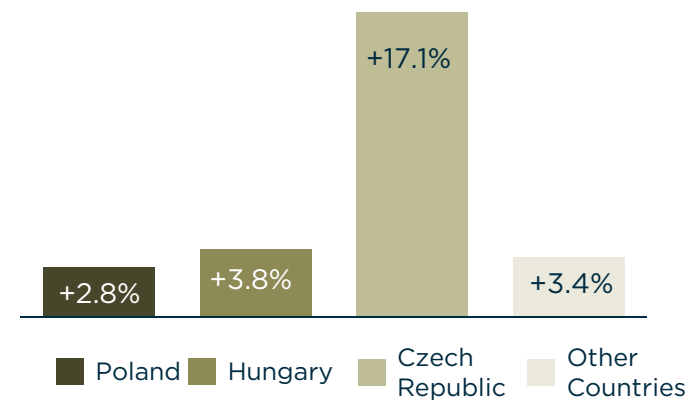
1Q 2016

**+4.1%**

PLN 204.9

in Orbis Hotel Group

ARR change  
by geographical market y/y

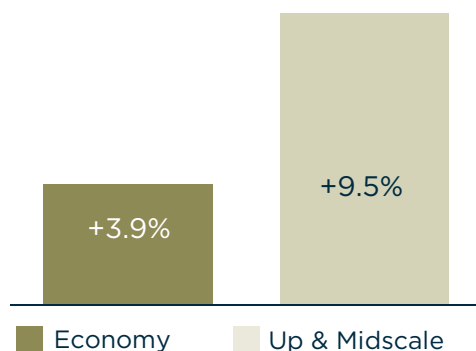


**ARR** (average room rate) – room revenue  
divided by the number of roomnights sold

\* all y/y changes on the slide are calculated 1Q 2016 / 1Q 2015 like for like

# Resulted in Strong RevPAR Growth

RevPAR change  
by hotel segment y/y



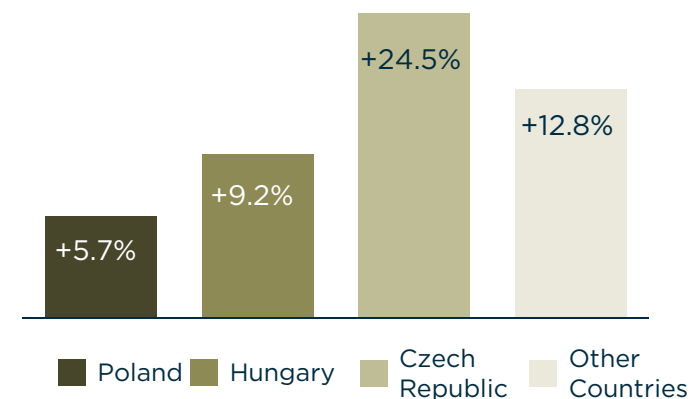
1Q 2016

**+8.1%**

PLN 114.3

in Orbis Hotel Group

RevPAR change  
by geographical market y/y



**RevPAR-** (revenue per available room) –  
rooms revenue divided by the number of  
roomnights that were available

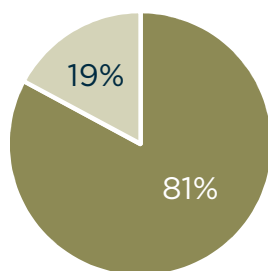
Strong RevPAR growth visible in all countries  
of the region, both in Economy and Up &  
Midscale hotels

\* all y/y changes on the slide are calculated 1Q 2016 / 1Q 2015 like for like

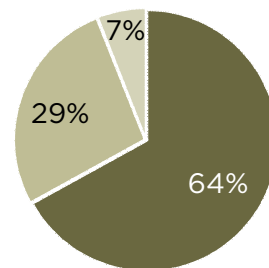
## More-balanced business diversification...

PLN 247.2 m  
Net sales  
1Q 2016

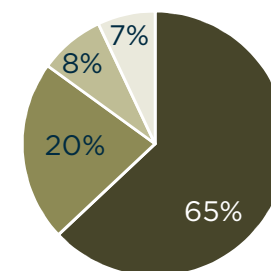
by hotel segment



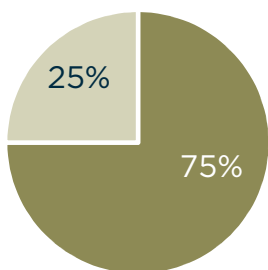
by major products and services



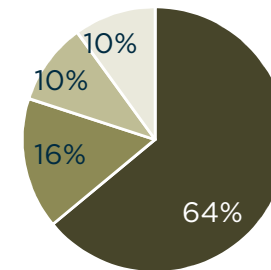
by geographical market



PLN 51.4 m  
EBITDAR  
1Q 2016



**Diversified business structure:** by hotel segments, by products and services and by geographical markets



■ Economy

■ Up & Midscale

■ Room revenue

■ Food & Beverage

■ Other

■ Poland

■ Hungary

■ Czech Republic

■ Other Countries



# 3

HIGHLIGHTS

OPERATING RESULTS

**FINANCIAL RESULTS**

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## Strong financial performance

[mPLN, %]	1Q 2016	1Q 2015	change
Net sales	247.2	229.2	7.9%
EBITDAR	51.4	42.9	19.9%
Rent costs	-24.9	-24.6	-1.0%
Operating EBITDA	26.5	18.3	44.8%
Depreciation and amortisation	-35.6	-34.3	-3.7%
EBIT	-9.2	-18.5	50.3%
Profit (loss) before tax	-15.5	-22.2	30.2%

# Increase of Net Sales visible in all the segments

Net sales in Orbis Hotel Group

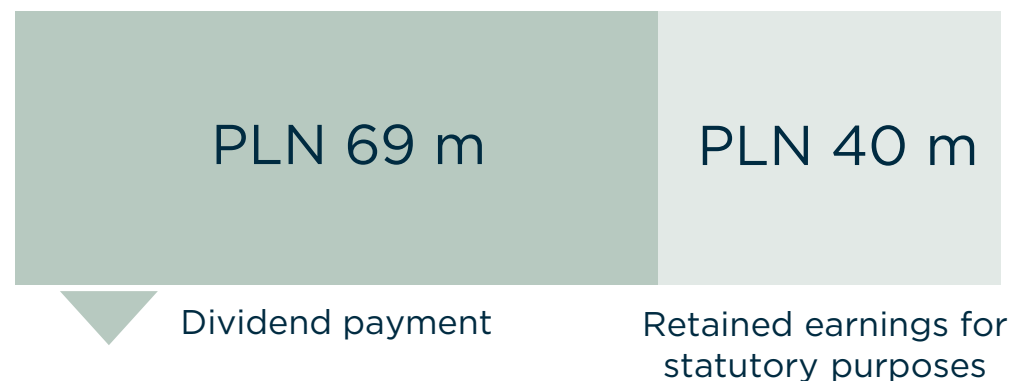


## Cash position and Dividend recommendation

Key cash position indicators:

[mPLN, %]	1Q 2016
Total debt (borrowings + bonds)	463.5
Total cash	159.7
Net debt	303.8
Net debt/equity	17.0%
Net debt/fixed assets	15.0%

2015 Net income Orbis SA: PLN 109 m



# PLN 1.50

Dividend per share

**Important dates:**

Dividend date: July 18, 2016

Dividend payment date: August 3, 2016

# 4

HIGHLIGHTS

OPERATING RESULTS

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## Further Group development in the region

**5** new management  
contracts signed in 1Q 2016:

- Novotel Sofia
- ibis Sofia
- ibis Styles Budapest
- ibis Styles Warsaw
- ibis Styles Warsaw

**705** new rooms

**2** own new development projects  
to be opened in the 2H 2016

- Mercure Kraków Old Town
- ibis Gdańsk

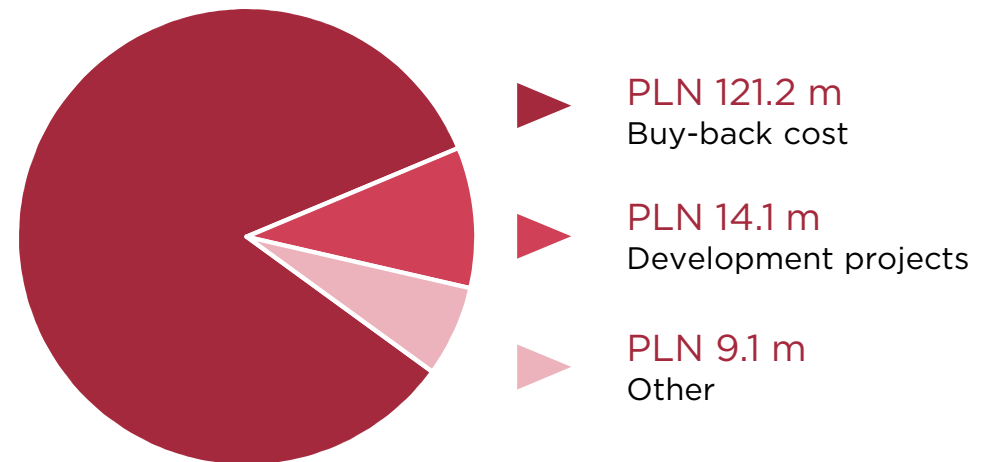
**320** new rooms

# Asset management & CAPEX

## Value creation through asset management

- **Preliminary sale** of non-strategic hotel Mercure Mrągowo Resort & Spa (with franchise-back)
- **Buy back** of 2 hotels in Hungary: ibis Budapest Heroes Square & Mercure Budapest City Center

## CAPEX 1Q 2016



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## **PERFORMANCE**

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## Mercure MICE Excellence

Mercure brand has developed its tailor-made meeting offer - **Mercure MICE Excellence**, targeted at increasing guest satisfaction and hotel revenue by understating and anticipating customer needs.

# restaurants.accorhotel.com



New website dedicated to:  
AccorHotels' restaurants  
highlight, online reservation,  
F&B content such as Chef  
Interviews, recipes,  
destination focus,  
concept details.

**WINESTONE**  
Mercure Warszawa Centrum

Type of cuisine : International  
Average price \* : 51.00 PLN

48-54 Ziola Street  
00-120 WARSAW  
Poland

**BOOK ONLINE**

21-04-2016

15.00 2

**BOOK NOW**

**Presentation**

Great choice of a la carte dishes, of local and international cuisine. Menu varied seasonally, everyday business lunch.

Great choice of a la carte dishes and local and international cuisine. Menu seasonally varied, everyday business lunch. WINESTONE is a bridge between two ingredients that speak of integrity and truth: wine & light plinches.

**Our Chef : MAREK NIEMIEC**  
His/her signature dish : Polish style roasted duck with red cabbage in red wine.

## Honey gingerbread

Ingredients (serves 6)  
Preparation time: 20 minutes  
Cooking time: 15/15



### INGREDIENTS:

- 250 g of purpose flour
- 1 sachet baking powder
- 2 eggs
- 250 g honey
- 1 teaspoon grated nutmeg
- 1 teaspoon ginger powder
- 100 g powdered sugar
- 1 sachet vanilla sugar
- 10 cl milk
- 1 teaspoon green citric
- 1 teaspoon cinnamon powder
- 1 teaspoon allspice

Preheat oven to 6.5 / 8 (160° C)

Melt the honey in a pan or in the microwave, then pour it hot in a bowl on the flour mixed with baking powder, both sugars, green citric, grated nutmeg, cinnamon and ginger.

Stir eggs gradually, then a bit of milk just warm to mix up the whole stirring with a wooden spoon.

Pour the preparation into a cake tin buttered and floured. Put in the oven and cook for 15 to 15/15.

Turn out the gingerbread when it's fully cooked.

Wait at least 24 hours before serving.

It keeps one week, wrapped in aluminium.





## Digitalization: My Web Valet

Introducing **My Web Valet** project - a digital concierge available at anytime, anywhere, and on any device. Our clients will benefit from numerous hotel services directly at the hotel during their stay via the AccorHotels application.

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## Building organization on our employee's talents

Training programs in 1Q2016 were focused not only on technical skills but also on modern leadership and on empowering employees' relational skills in the "Happy Guest Come Back" program. 1 650 persons were trained in 1Q2016 in the region.

# #HeForShe at Orbis

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ORBIS IS ENGAGED IN #HEFORSHE CAMPAIGN WITH THE OBJECTIVE TO INVOLVE MORE MEN IN THE PROCESS OF SUPPORTING CAREER PATH OF WOMEN ACROSS THE GROUP

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## Detailed objectives by 2017:

- championing male employees' involvement in the #HeForShe campaign
- driving towards parity in pay
- better representation of women in Orbis Group top management



# 7

HIGHLIGHTS

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PORTFOLIO

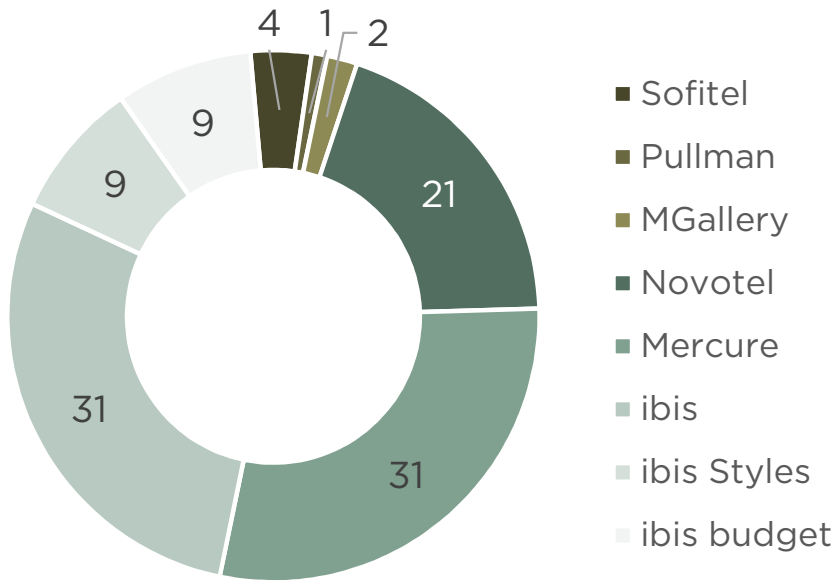
PERFORMANCE

PEOPLE

**APPENDIX**



## The Orbis Group Today



**108**  
OPERATING  
HOTELS

**18 800**  
ROOMS

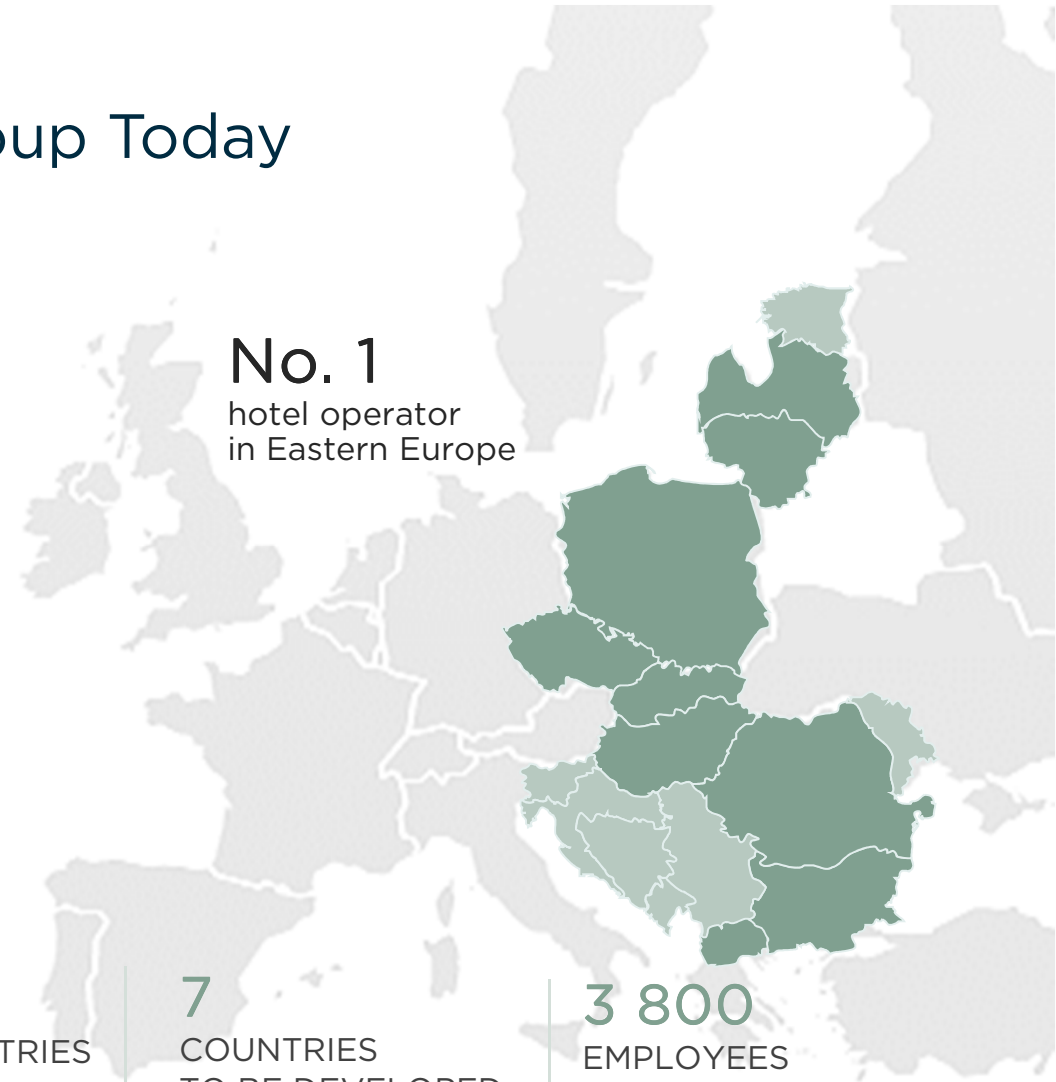
**8**  
BRANDS

**9**  
COUNTRIES

**7**  
COUNTRIES  
TO BE DEVELOPED

**3 800**  
EMPLOYEES

**No. 1**  
hotel operator  
in Eastern Europe



**Orbis**  
Hotel Group



## Consolidated Income Statement – selected data

[mPLN, %]	1Q 2016	1Q 2015	change
Net sales	247.2	229.2	7.9%
EBITDAR	51.4	42.9	19.9%
Rent costs	-24.9	-24.6	-1.0%
Operating EBITDA	26.5	18.3	44.8%
Depreciation and amortisation	-35.6	-34.3	-3.7%
EBIT	-9.2	-18.5	50.3%
Profit (loss) before tax	-15.5	-22.2	30.2%

## Consolidated Balance Sheet – selected data

[mPLN, %]	31.03.2016	31.03.2015	change
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>2 194.0</b>	<b>2 092.5</b>	<b>4.8%</b>
Property, plant and equipment	2 028.1	1 941.3	4.5%
<b>Current assets</b>	<b>262.4</b>	<b>217.8</b>	<b>20.5%</b>
Trade receivables	48.9	49.8	-1.8%
Cash and cash equivalents	159.7	119.1	34.1%
<b>Assets classified as held for sale</b>	<b>22.8</b>	<b>11.0</b>	<b>106.5%</b>
Total assets	2 479.2	2 321.3	6.8%
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>	<b>1 784.1</b>	<b>1 642.8</b>	<b>8.6%</b>
Equity attributable to owners of the parent	1 784.0	1 642.7	8.6%
<b>Non-current liabilities</b>	<b>457.3</b>	<b>475.6</b>	<b>-3.9%</b>
Borrowings	122.6	447.8	-72.6%
Bonds	301.3	0.0	
<b>Current liabilities</b>	<b>237.9</b>	<b>202.9</b>	<b>17.3%</b>
Borrowings	39.5	26.9	47.0%
Trade payables	82.3	82.4	-0.1%
Total equity & liabilities	2 479.2	2 321.3	6.8%

## Consolidated Cash Flow – selected data

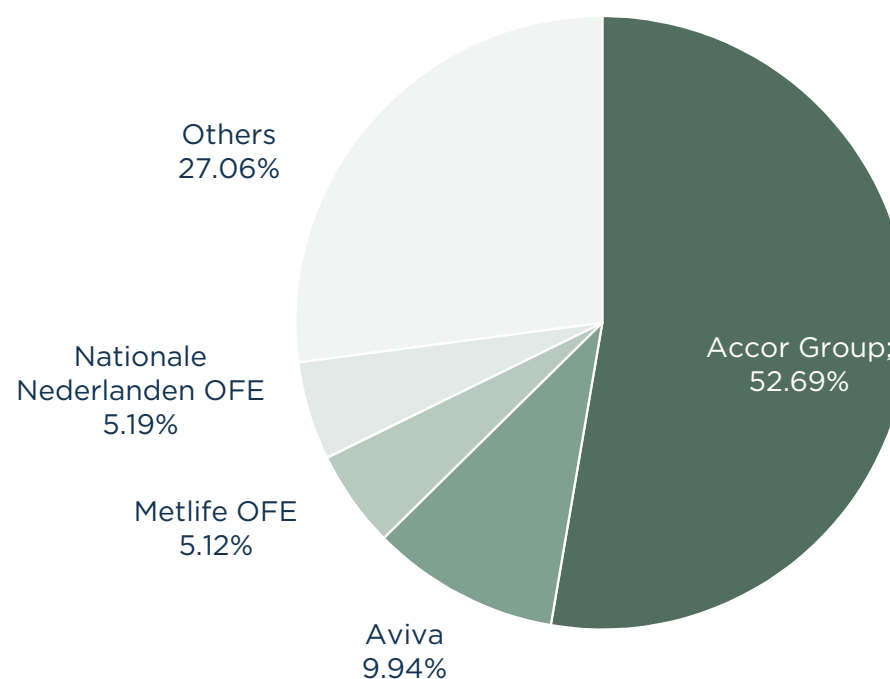
[mPLN, %]	1Q 2016	1Q 2015
<b>OPERATING ACTIVITIES</b>		
Loss before tax	-15.5	-22.2
Adjustments (selected):	24.6	25.7
Depreciation and amortization	35.6	34.3
Change in receivables	-18.6	-4.3
Change in current liabilities, excluding borrowings	-9.9	-18.7
Change in deferred income	11.2	8.2
<b>Net cash generated by/(used in) operating activities</b>	<b>5.3</b>	<b>-0.7</b>
<b>INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment, investment property and intangible assets	-143.8	-24.9
Payments to acquire interest in related parties	0.0	-563.6
<b>Net cash generated by/(used in) investing activities</b>	<b>-136.2</b>	<b>-588.3</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	4.0	476.4
Interest paid and other financing cash outflows resulting from received borrowings	-1.4	-4.9
<b>Net cash generated by financing activities</b>	<b>18.9</b>	<b>471.6</b>
Change in cash and cash equivalents	-112.0	-117.4
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.0	-3.1
Cash and cash equivalents at the beginning of the period	271.7	239.5
Cash and cash equivalents at the end of the period	159.7	119.1

## Shareholders Breakdown\*

### since 1997

Orbis has been listed on the **Warsaw Stock Exchange** since 1997 and its stocks make up the WSE's mid-cap mWIG40 index

Name	% of shares
ACCOR SA	52.69
AVIVA OFE / AVIVA BZ WBK	9.94
NATIONALE NEDERLANDEN OFE	5.19
AMPLICO OFE / METLIFE OFE	5.12
OTHERS	27.06
TOTAL	100.00



\*As of 28 April, 2016. Based on the official corporate communication

## Orbis Group Hotels by Country and by Brand

	Sofitel	Pullman	MGallery	Novotel	Mercure	ibis	ibis Styles	ibis budget	Total
Poland	3			12	23	13	4	9	64
Hungary	1		1	5	3	5	2		17
Czech Republic			1	1	1	5			8
Slovakia					1	1			2
Romania		1		1	1	4			7
Bulgaria				1		1			2
Macedonia						1			1
Lithuania				1	1	1	2		5
Latvia					1		1		2
<b>Total</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>21</b>	<b>31</b>	<b>31</b>	<b>9</b>	<b>9</b>	<b>108</b>

# List of Hotels with their ownership structure and rooms number

## POLAND

O 127 Sofitel Grand Sopot	O 294 Mercure Gdynia Centrum	O 114 ibis Kielce Centrum
O 343 Sofitel Warsaw Victoria	O 188 Mercure Jelenia Góra	O 175 ibis Kraków Centrum
L 205 Sofitel Wrocław Old Town	F 288 Mercure Kasprowy Zakopane	O 208 ibis Łódź Centrum
O 158 Novotel Gdańsk Centrum	F 100 Mercure Krynica Zdrój Resort & Spa	O 146 ibis Poznań Centrum
O 176 Novotel Gdańsk Marina	F 110 Mercure Lublin Centrum	O 135 ibis Stare Miasto Kraków
O 300 Novotel Katowice Centrum	F 214 Mercure Mrongovia Resort & Spa	O 103 ibis Szczecin Centrum
O 305 Novotel Kraków City West	O 103 Mercure Opole	O 189 ibis Warszawa Centrum
O 198 Novotel Kraków Centrum	F 62 Mercure Piotrków Trybunalski Vestil	O 137 ibis Warszawa Ostrobramska
O 161 Novotel Łódź Centrum	O 151 Mercure Posejdon Gdańsk	O 170 ibis Warszawa Reduta
O 480 Novotel Poznań Centrum	O 228 Mercure Poznań Centrum	O 333 ibis Warszawa Stare Miasto
O 149 Novotel Poznań Malta	F 67 Mercure Racławice Dosłońce Conference & SPA	O 112 ibis Wrocław Centrum
O 117 Novotel Szczecin	O 148 Mercure Skalny Karpacz	O 133 ibis Styles Bielsko-Biała
O 281 Novotel Warszawa Airport	O 110 Mercure Toruń	F 86 ibis Styles Gdynia Reda
O 742 Novotel Warszawa Centrum	F 117 Mercure Warszawa Airport	F 130 ibis Styles Wałbrzych
O 145 Novotel Wrocław	O 338 Mercure Warszawa Centrum	F 133 ibis Styles Wrocław Centrum
F 90 Mercure Bydgoszcz Sepia	O 299 Mercure Warszawa Grand	O 124 ibis budget Katowice Centrum
O 78 Mercure Cieszyn	F 42 Mercure Wisła Patria	O 120 ibis budget Kraków Bronowice
O 102 Mercure Częstochowa Centrum	O 151 Mercure Wrocław Stare Miasto	O 167 ibis budget Kraków Stare Miasto
O 281 Mercure Gdańsk Stare Miasto	F 54 Mercure Zamość Stare Miasto	O 120 ibis budget Szczecin
	O 125 ibis Częstochowa	O 83 ibis budget Toruń
	O 114 ibis Katowice-Zabrze	O 176 ibis budget Warszawa Centrum

# List of Hotels with their ownership structure and rooms number

- O 163 ibis budget Warszawa Reduta
- O 108 ibis budget Wrocław Południe
- O 122 ibis budget Wrocław Stadion

## LITHUANIA

- L 157 Novotel Vilnius
- F 47 Mercure Marijampole
- M 125 ibis Kaunas Centre
- F 92 ibis Styles Wilno
- F 144 Ibis Styles Klaipeda

## LATVIA

- F 143 Mercure Riga Centre
- F 76 ibis Styles Riga

## HUNGARY

- L 357 Sofitel Budapest Chain Bridge
- M 80 Nemzeti Budapest – MGallery Collection
- L 227 Novotel Budapest Centrum
- O 319 Novotel Budapest City
- L 175 Novotel Budapest Danube
- O 136 Novotel Szeged
- L 95 Novotel Szekesfehervar
- L 390 Mercure Budapest Buda

- O 227 Mercure Budapest City Center

- L 421 Mercure Budapest Korona

- O 139 ibis Budapest Aero

- L 126 ibis Budapest Centrum

- L 84 ibis Budapest City

- O 139 ibis Budapest Heroes' Square

- O 96 ibis Gyor

- L 130 ibis Styles Budapest Center

- O 130 ibis Styles Budapest City

## CZECH REPUBLIC

- L 174 Mgallery Praha Old Town

- O 146 Novotel Praha Wenceslas Square

- O 139 Mercure Ostrava Center

- F 90 ibis Olomouc Centre

- O 130 ibis Plzen

- O 225 ibis Praha Mala Strana

- L 271 ibis Praha Old Town

- O 181 ibis Praha Wenceslas Square

## SLOVAKIA

- L 175 Mercure Bratislava Centrum

- L 120 ibis Bratislava Centrum

## ROMANIA

- M 203 Pullman Bucharest World Trade Centre

- L 257 Novotel Bucharest City Centre

- M 114 Mercure Bucharest City Center

- M 250 ibis Bucuresti Gara de Nord

- M 161 ibis Bucuresti Palatul Parlamentului

- M 154 ibis Constanta

- M 195 ibis Sibiu

## BULGARIA

- M 178 Novotel Sofia

- F 84 ibis Sofia Airport

## MACEDONIA

- M 110 ibis Skopje City Center

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[www.orbis.pl](http://www.orbis.pl)

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[www.accorhotels.com](http://www.accorhotels.com)

SOFITEL



PULLMAN

NOVOTEL

Mercure

ibis

ibis  
STYLES

ibis  
budget