



Orbis' strategic partner is  ACCOR

# 1Q 2019 Results

26/04/2019



# Business Environment

EASTERN EUROPE

## Macro

Fast growing economies  
**+3.3%** average GDP growth in 2019.

## Travel

Thriving travel industry (UNWTO: **133 million tourist** arrivals in CEE in 2017; +5%; +3.5-4.5% - estimated growth in 2018).

## Digital

Changing guest behaviors and their expectations.

## Labour

Challenging with the record low unemployment rates in key markets.

## Competition

Robust development of international chains in main marketplaces, negative impact of supply growth.

## Changing environment

We observe changes and disruptions in all our strategic areas: **PERFORMANCE, PORTFOLIO & PEOPLE.**

# Strong results

THAT CONFIRM OUR STRATEGY

## 1Q 2019

### RevPAR

**1** +6.0% **PLN 142.6** RevPAR in total like-for-like  
Outperforming the market in all countries

### Asset light

**3** 7 7 new asset light hotels signed - almost  
**1,000 rooms**

### Revenue

**2** +7.8% Outstanding growth of like-for-like  
revenue up to **PLN 271.6 million**

### People

**4** T&C Aon certifies Orbis **“Best Employer in Poland”**  
for the second year in a row



# *Performance*

# Continuation of RevPAR growth

Driven by both: OR & ADR

**+6%**

RevPAR growth  
up to **PLN 142.6**

**+1.2 PP**

Increase of  
Occupancy Rate  
up to 62.7%

**+4.0%**

Increase of  
Average Daily Rate  
up to PLN 227.3



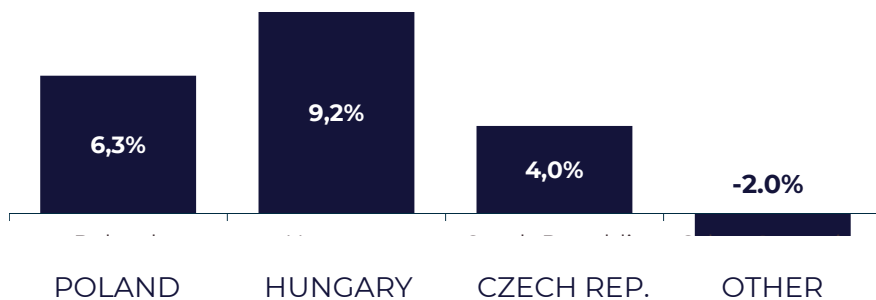
# Solid performance in all countries

## MARKET REVIEW

### Orbis

+6%

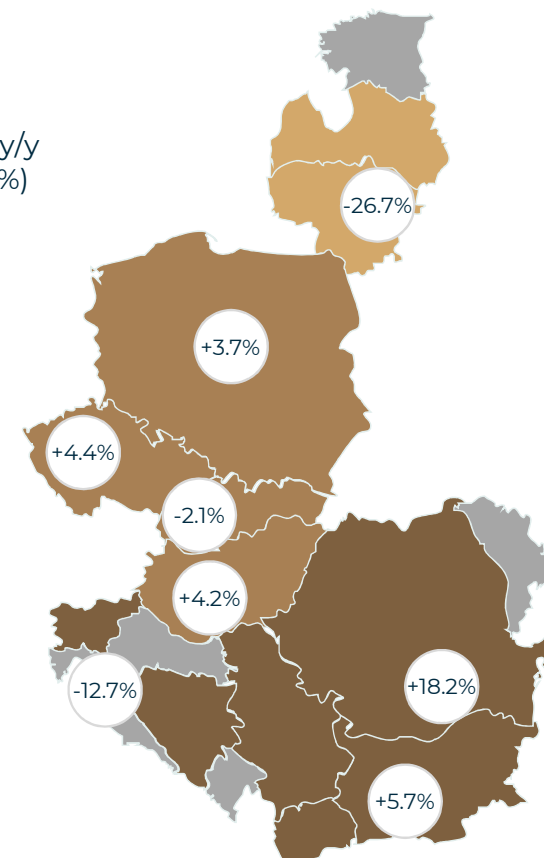
Orbis RevPAR growth by country (%)



### Market

+1.5%

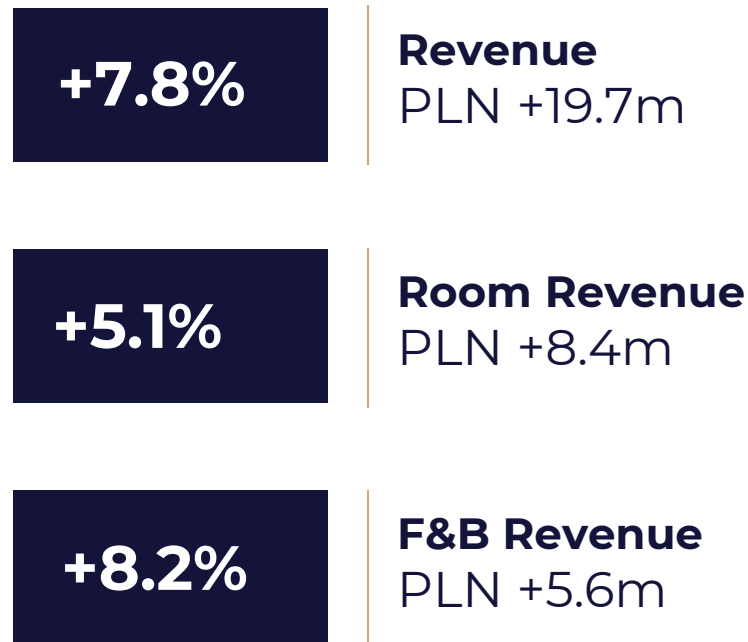
RevPAR growth y/y  
in EE countries (%)  
1Q2019 YTD



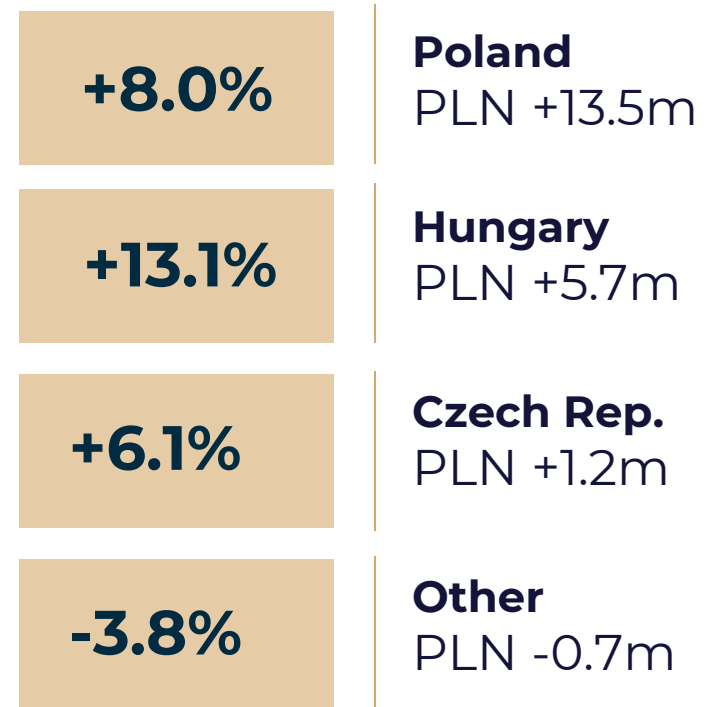
Source: STR

## Growing revenue continued

### Total y/y like-for-like



### Across the region y/y like-for-like



## Robust Financial Performance

[mPLN, %]	1Q2019	1Q2018	%
Net sales like-for-like	271.6	251.9	7.8%
EBITDAR	59.5	53.7	10.8%
EBITDAR margin	21.9%	21.3%	0.6pp
Rent costs	(2.6)	(13.3)	-80.5%
Operating EBITDA like-for-like	56.6	37.0	52.8%
EBITDA margin	20.8%	14.7%	6.1%
Depreciation and amortization	(53.4)	(41.9)	27.4%
EBIT	51.1	(1.4)	-
Profit before tax	42.6	(4.9)	-

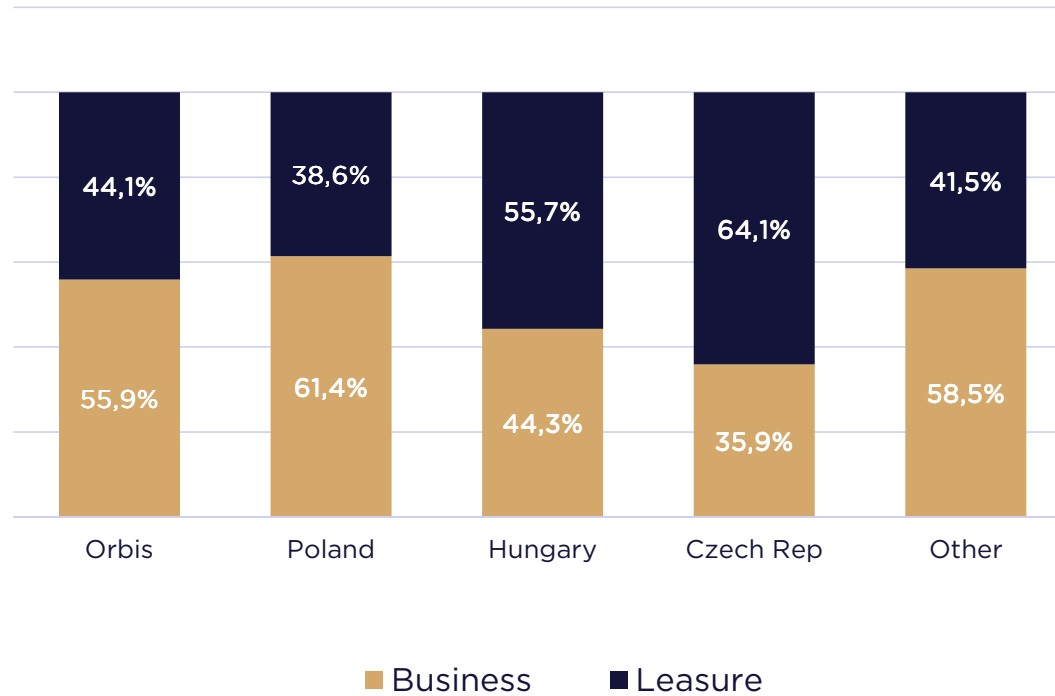
### Results

For the first time since the recent years Orbis had positive net income result in 1Q, which is naturally a low season in hospitality in the Eastern Europe region. The result was partially positive impacted by the IFRS change regarding leases.



# Guest structure

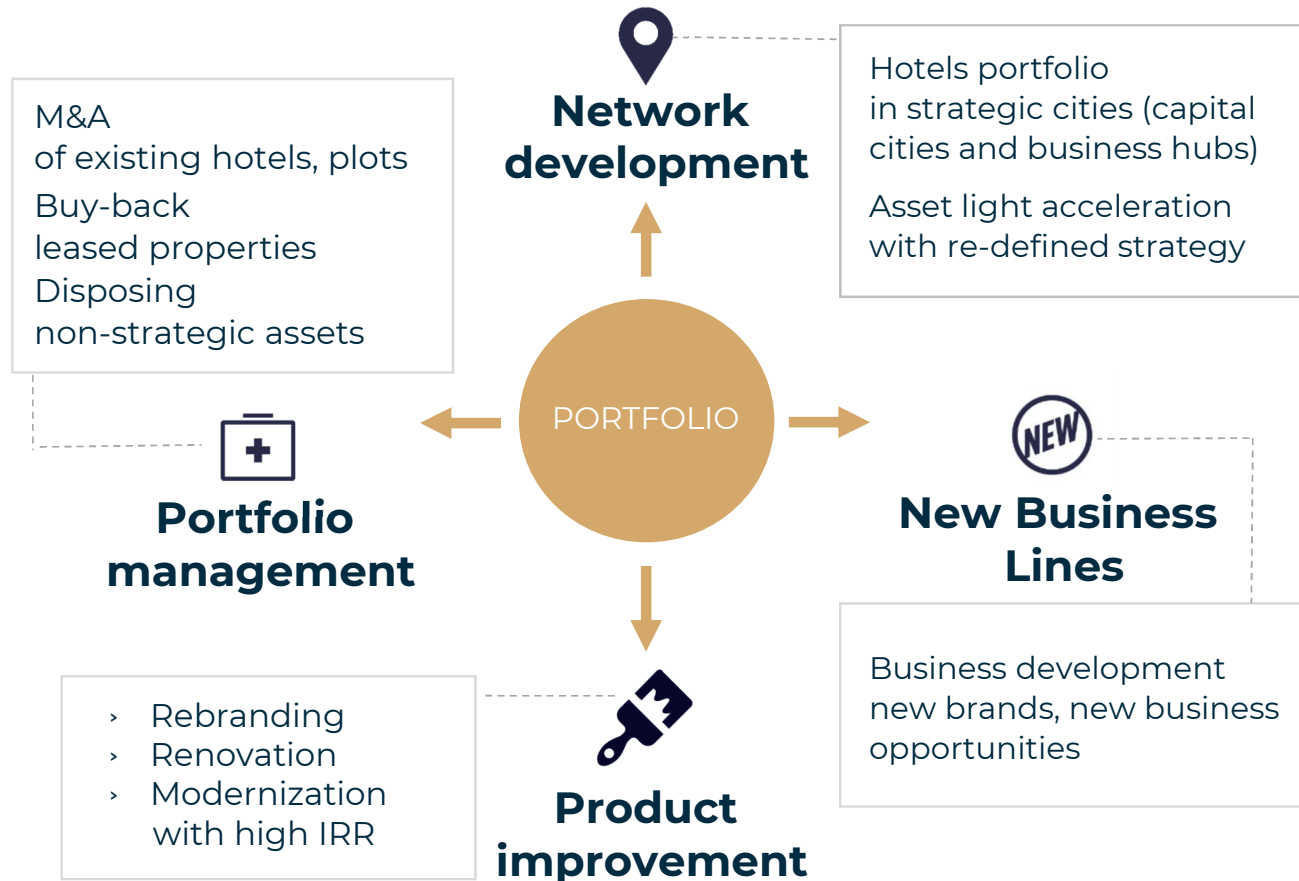
## Orbis mix 1Q2019



2

# *Portfolio*

# Portfolio strategy



## Asset light development



*1Q 2019*

**7** new asset light agreements signed:

- in Poland, Romania & Bulgaria
- MGallery, Mercure, adagio, ibis, ibis Style
- almost 1,000 in total

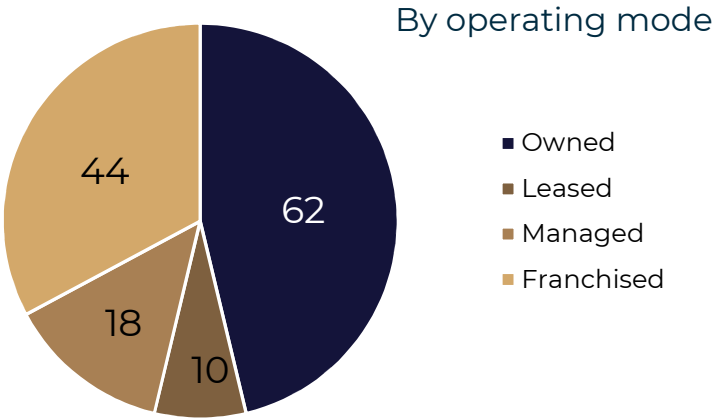
**1** hotel opened

- Bachleda Luxury Hotel - MGallery Collection - Krakow (64 apartment)

# Record-high Pipeline

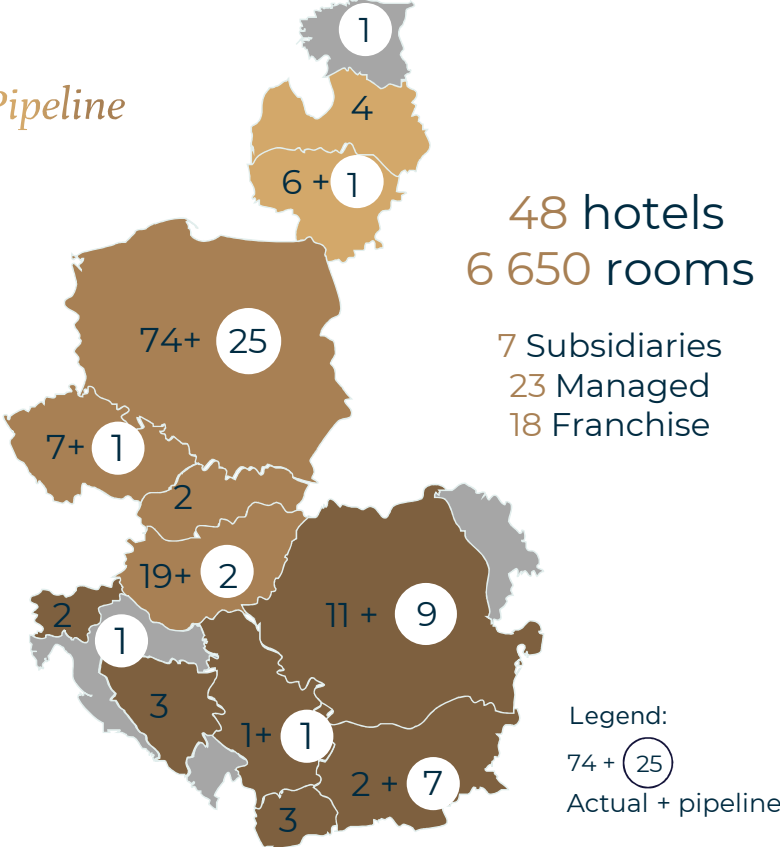
## Our network

134 hotels  
21 650 rooms



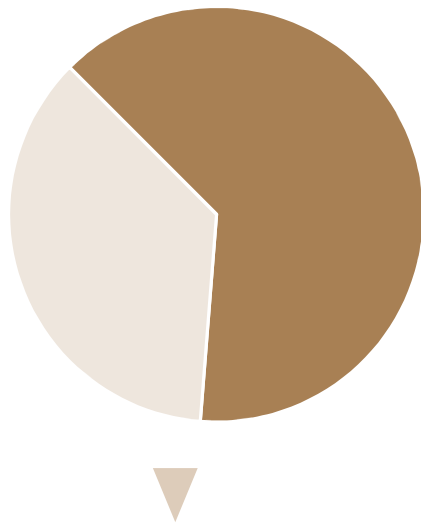
## Pipeline

48 hotels  
6 650 rooms



## Capital expenditure in line with the strategy

CAPEX 1Q2019 – **PLN 38.5m**



PLN 21.8m  
Development  
projects

PLN 16.7m  
Regular and other

Development:

- > ibis Styles Szczecin Centrum

Renovation:

- > Novotel/ibis Poznan
- > Novotel Krakow City West
- > Sofitel Warsaw Victoria
- > Mercure Budapest Buda
- > Mercure Budapest Korona

3

*People*

## Talent & culture



WE ARE ALL  
HEARTISTS®



### 1Q 2019

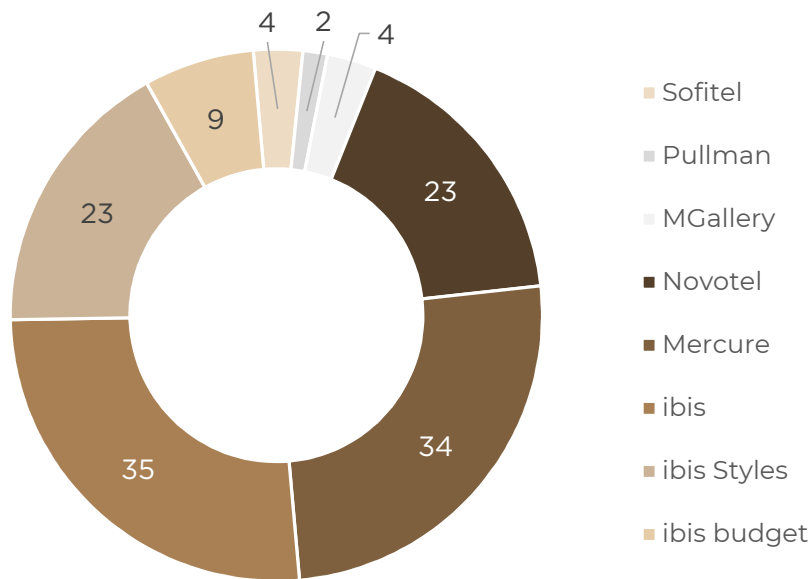
- We started the implementation of the new campaigns of transformation based on the **„Heartist”** philosophy
- Our efforts have been awarded the second year in a row by **Aon with “Best employer 2019”** for Poland recognition





# *Appendix*

## The Orbis Group today



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

**134**  
OPERATING  
HOTELS

**21,650**  
ROOMS

**9**  
BRANDS

**12**  
COUNTRIES

**4**  
COUNTRIES  
TO BE DEVELOPED

**4,500**  
EMPLOYEES

## Orbis Group Hotels by Country and by Brand

	Sofitel	Pullman	MGallery	Novotel	Mercure	ibis	ibis Styles	ibis budget	Total
Poland	3		1	13	21	16	11	9	74
Hungary	1		1	5	3	5	4		19
Czech Republic			1	1	1	4			7
Slovakia					1	1			2
Romania		1		1	3	4	2		11
Bulgaria				1		1			2
Macedonia					1	1	1		3
Lithuania				1	1	2	2		6
Latvia		1			1	1	1		4
Serbia					1				1
Bosnia & Herc.			1	1			1		3
Slovenia					1		1		2
<b>Total</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>23</b>	<b>34</b>	<b>35</b>	<b>23</b>	<b>9</b>	<b>134</b>

# List of Hotels with their ownership structure and rooms number

## POLAND

O	127	Sofitel Grand Sopot	F	188	Mercure Jelenia Góra	O	190	ibis Poznań Centrum
O	343	Sofitel Warsaw Victoria	F	288	Mercure Kasprowy Zakopane	F	77	ibis Poznań Północ
L	205	Sofitel Wrocław Old Town	O	200	Mercure Kraków Stare Miasto	O	135	ibis Stare Miasto Kraków
F	64	Bachleda Luxury Hotel	F	100	Mercure Krynica Zdrój Resort & Spa	O	103	ibis Szczecin Centrum
O	158	Novotel Gdańsk Centrum	F	110	Mercure Lublin Centrum	O	189	ibis Warszawa Centrum
O	176	Novotel Gdańsk Marina	F	214	Mercure Mrongovia Resort & Spa	O	137	ibis Warszawa Ostrobramska
O	300	Novotel Katowice Centrum	F	103	Mercure Opole	O	170	ibis Warszawa Reduta
O	305	Novotel Kraków City West	F	62	Mercure Piotrków Trybunalski Vestil	O	333	ibis Warszawa Stare Miasto
O	198	Novotel Kraków Centrum	O	151	Mercure Posejdon Gdańsk	O	112	ibis Wrocław Centrum
O	161	Novotel Łódź Centrum	O	228	Mercure Poznań Centrum	F	129	ibis Styles Białystok
O	480	Novotel Poznań Centrum	F	67	Mercure Racławice Dosłońce Conference & SPA	F	133	ibis Styles Bielsko-Biała
O	149	Novotel Poznań Malta	F	148	Mercure Skalny Karpacz	F	70	ibis Styles Gniezno Stare Miasto
O	117	Novotel Szczecin	F	110	Mercure Toruń	F	57	ibis Styles Nowy Sącz
O	281	Novotel Warszawa Airport	F	117	Mercure Warszawa Airport	F	100	ibis Styles Siedlce
O	742	Novotel Warszawa Centrum	O	338	Mercure Warszawa Centrum	F	130	ibis Styles Wałbrzych
O	145	Novotel Wrocław City	O	299	Mercure Warszawa Grand	F	220	ibis Styles Warszawa City
O	192	Novotel Wrocław Centrum	O	151	Mercure Wrocław Stare Miasto	O	179	ibis Styles Warszawa Centrum
F	90	Mercure Bydgoszcz Sepia	F	125	ibis Częstochowa	F	193	ibis Styles Warszawa West
F	78	Mercure Cieszyn	O	120	ibis Gdańsk Stare Miasto	F	133	ibis Styles Wrocław Centrum
F	102	Mercure Częstochowa Centrum	F	114	ibis Zabrze	F	82	ibis Styles Grudziądz
O	281	Mercure Gdańsk Stare Miasto	O	114	ibis Kielce Centrum	O	124	ibis budget Katowice Centrum
O	294	Mercure Gdynia Centrum	O	175	ibis Kraków Centrum	O	120	ibis budget Kraków Bronowice
			O	208	ibis Łódź Centrum	O	167	ibis budget Kraków Stare Miasto

# List of Hotels with their ownership structure and rooms number

- O 120 ibis budget Szczecin
- F 83 ibis budget Toruń
- O 176 ibis budget Warszawa Centrum
- 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
- O 164 ibis Vilnius Centre
- F 92 ibis Styles Wilno
- F 144 ibis Styles Klaipeda

## LATVIA

- F 154 Pullman Riga Old Town
- F 143 Mercure Riga Centre
- F 104 ibis Riga
- F 76 ibis Styles Riga

## HUNGARY

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

- O 390 Mercure Budapest Buda
- O 227 Mercure Budapest City Center
- O 421 Mercure Budapest Korona
- O 139 ibis Budapest Aero
- O 126 ibis Budapest Centrum
- O 84 ibis Budapest City
- O 139 ibis Budapest Heroes' Square
- O 96 ibis Gyor
- O 130 ibis Styles Budapest Center
- O 130 ibis Styles Budapest City
- M 145 ibis Styles Budapest Airport
- M 114 ibis Styles Budapest Citywest

## CZECH REPUBLIC

- L 174 MGallery Praha Old Town
- O 146 Novotel Praha Wenceslas Square
- O 139 Mercure Ostrava Center
- M 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

## SERBIA

- M 72 Mercure Belgrade Excelsior

## 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
- M 52 Mercure Sighisoara Binderbubi
- M 95 Mercure Bucharest Unirii
- F 72 ibis Styles Arad
- M 80 ibis Styles Bucharest Erbas

## BULGARIA

- M 178 Novotel Sofia
- F 84 ibis Sofia Airport

## MACEDONIA

- M 110 ibis Skopje City Center
- M 47 ibis Styles Skopje
- F 101 Mercure Tetovo

## BOSNIA & HERZEGOVINA

- F 186 Novotel Sarajevo
- F 64 MGallery by Sofitel Tarcin Forest
- F 181 ibis Styles Sarajevo

## SLOVENIA

- F 71 ibis Styles Maribor City Center
- F 76 Mercure Maribor City Center

# *Orbis*

*Hotel Group*

SOFITEL

PULLMAN



NOVOTEL

Mercure

adagio

ibis

ibis  
STYLES

ibis  
budget