



THE LEADING HOTEL GROUP
IN EASTERN EUROPE

3Q 2017 Orbis Results

26 October 2017



Strong results that confirm the right strategy

PERFORMANCE



+6.6%
RevPAR

- Increasing operating indicators in all countries of the EE region
- **PLN 186.6** RevPAR in total like-for-like



+21.1%
EBITDA

9M 2017 operating EBITDA reached level of **PLN 366.8 m**



5
Asset-light

- 5 new franchise and management agreements signed with **610 rooms** in total in 3Q
- New brands in portfolio (**adagio**)



**Talent
& Culture**

Undergoing cultural transformation supported by the **Heartist®** program

PORTFOLIO

PEOPLE

01. PERFORMANCE

OPERATING PERFORMANCE
FINANCIAL RESULTS

02. PORTFOLIO

DEVELOPMENT & ASSET MANAGEMENT

03. PEOPLE

TALENT AND CULTURE



01. PERFORMANCE

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Strong RevPAR growth

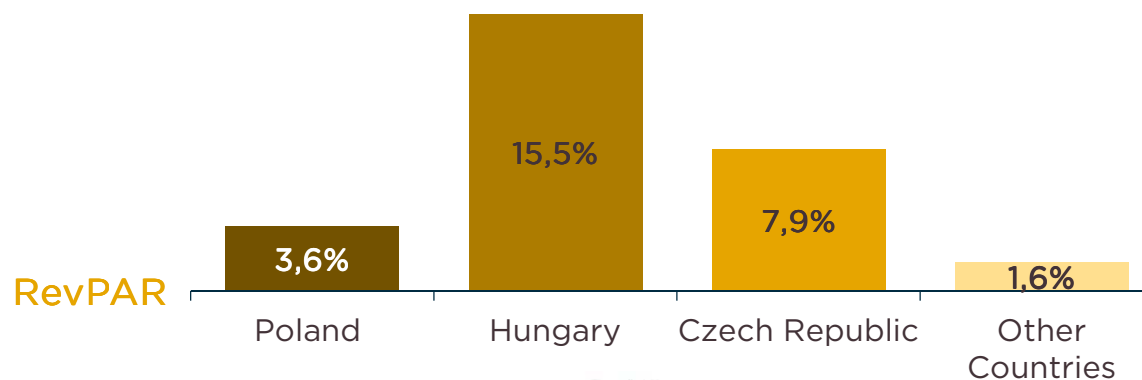
	Occupancy rate		ARR		RevPAR	
	9M 2017	% y/y	9M 2017	% y/y	9M 2017	% y/y
Economy	76.1%	1.9 p.p.	176.9	5.2%	134.7	8.0%
Up & Midscale	74.0%	0.2 p.p.	288.4	5.4%	213.5	5.7%
Orbis Hotel Group	74.8%	1.1 p.p.	249.6	5.1%	186.6	6.6%


RevPAR
+6.6%

The result reflects the combined impact of successful revenue management approach, active distribution and channel management strategy and is supported by favourable touristic climate all over the region

Solid performance in all countries

	Occupancy rate		ARR		RevPAR	
	9M 2017	% y/y	9M 2017	% y/y	9M 2017	% y/y
	PLN					
Poland	72.9%	-0.1 p.p.	237.1	3.6%	172.9	3.6%
Hungary	77.1%	3.8 p.p.	273.8	9.8%	211.0	15.5%
Czech Rep	78.1%	2.9 p.p.	264.4	4.0%	206.5	7.9%
Other	82.7%	-0.7 p.p.	270.0	2.4%	223.4	1.6%



01. PERFORMANCE

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Growing revenue continued...

Total y/y

+6.3%

Revenue
PLN +65.2m

+6.7%

Room Revenue
PLN +48.0m

+4.6%

F&B Revenue
PLN +11.9m

Across the region y/y

+3.3%

Poland
PLN +21.4m

+16.1%

Hungary
PLN +37.3m

+5.7%

Czech Rep.
PLN +4.9m

+2.3%

Other
PLN +1.6m

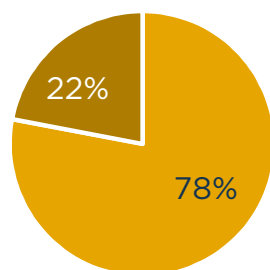
....and turned into robust financial **PERFORMANCE**

[mPLN, %]	9M 2017	9M 2016	%
Net sales	1 101.5	1 036.2	6.3%
EBITDAR	416.2	376.9	10.4%
EBITDAR margin	37.8%	36.4%	1.4 pp
Rent costs	(49.4)	(74.1)	33.3%
Operating EBITDA	366.8	302.8	21.1%
EBITDA margin	33.3%	29.2%	4.1 pp
Depreciation and amortisation	(123.3)	(109.8)	-12.3%
EBIT	250.2	196.3	27.4%
Profit before tax	231.8	183.6	26.3%

Positive changes in business structure

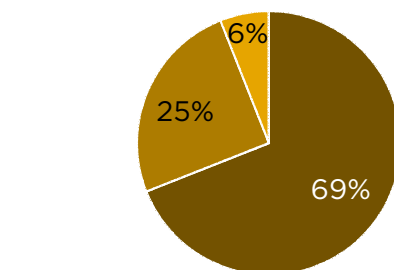
PLN 1 101.5 m
Net sales
9M 2017

by hotel segments



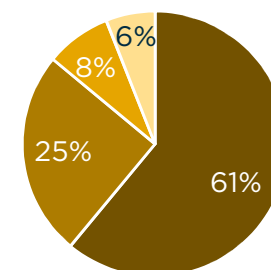
■ Economy ■ Up & Midscale

by major products and services



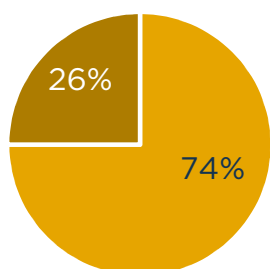
■ Room revenue ■ Food & Beverage ■ Other

by geographical markets

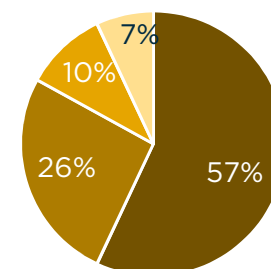


■ Poland ■ Hungary ■ Czech Republic ■ Other Countries

PLN 416.2 m
EBITDAR
9M 2017



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



Secured and strong cash position

Key cash position indicators:

[mPLN, %]	9M 2017
Total debt (borrowings + bonds)	629.8
Total cash Secured for investment opportunities	241.7
Net debt	388.1
Net debt/equity	18.9%
Net debt/12M EBITDA	0.9



FINANCING

We plan to **finance further growth** with a mix of debt and owned resources (refinancing and development)



CASH GENERATION

Our business delivers sustainable recurring operating cash flow which we use for CAPEX, Development and dividend payout

01. PERFORMANCE

OPERATING PERFORMANCE
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02. PORTFOLIO

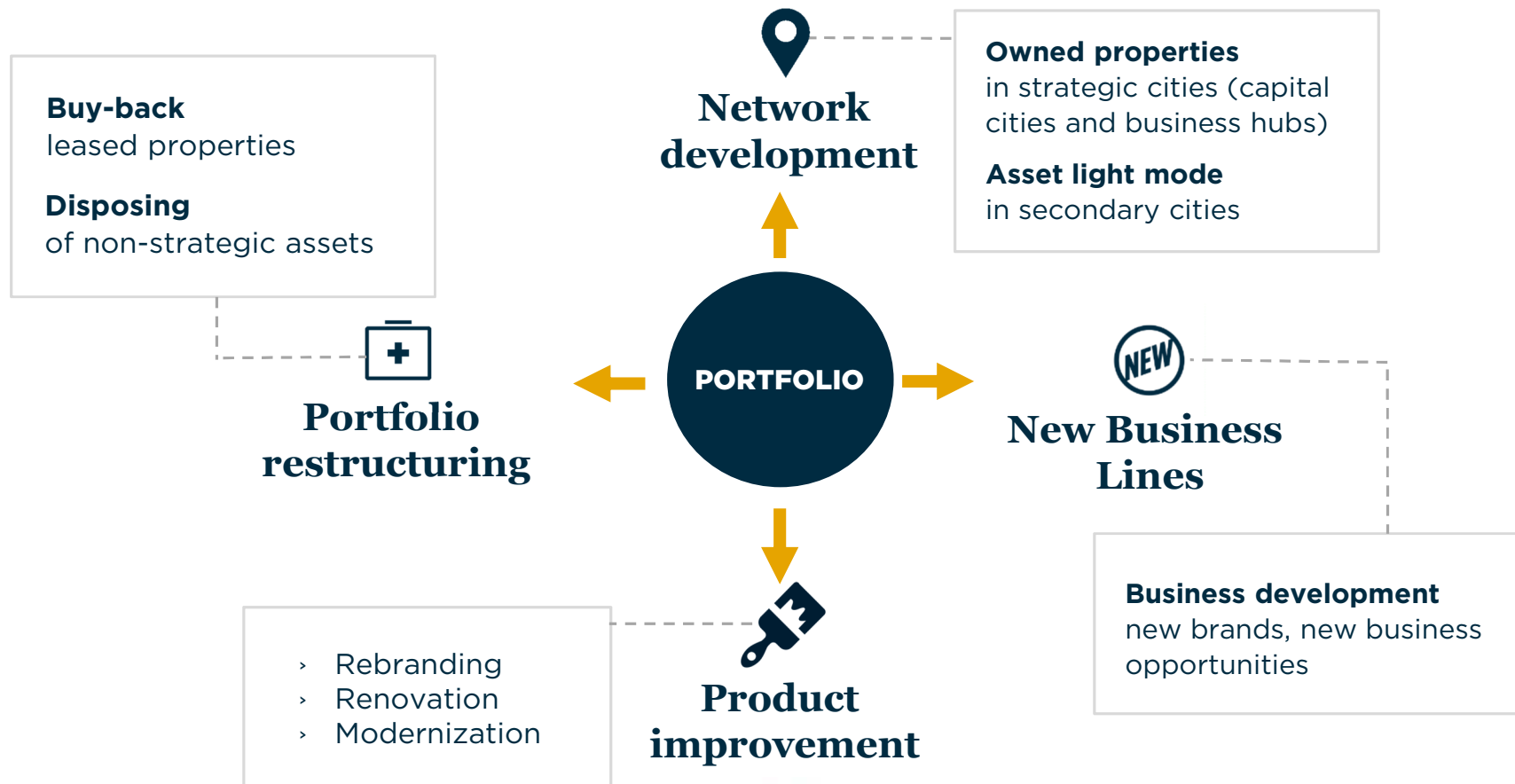
DEVELOPMENT & ASSET MANAGEMENT

03. PEOPLE

TALENT AND CULTURE



PORTFOLIO - Our winning strategy



Ongoing new hotel projects



**ibis budget
Gdańsk Posejdon**

76 Rooms
1H 2018

**ibis Vilnius
Center**

164 rooms
3Q 2018



**ibis Styles
Warsaw**

178 Rooms
4Q 2018



**ibis Styles
Szczecin**

148 Rooms
1Q 2019



ibis Poznań

190 Rooms
2Q 2018

**ibis Budapest
Buda**

60 Rooms
2Q 2018



3Q

Hotels opened

3 asset light hotels

310 rooms

2 new destinations:
Bosnia & Hercegovina
Serbia

Contracts signed

5 agreements:
franchise
management

610 new rooms

Development Acceleration

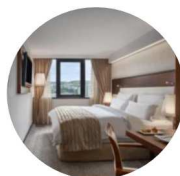
New in Orbis Group in 2017*:



Mercure Sighisoara
Romania
(#52) managed



Mercure Belgrade
Serbia
(#73) managed



Novotel Sarajevo
Bosnia & Hercegovina
(#186) franchised



ibis Styles Grudziadz
Poland
(#87) franchised

*After 9M of 2017

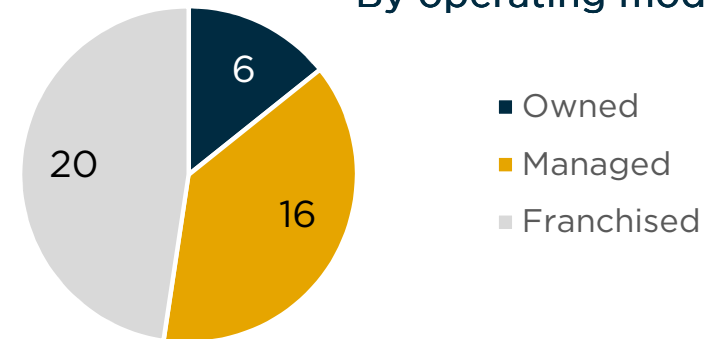
Orbis
Hotel Group

Record number of hotels in pipeline

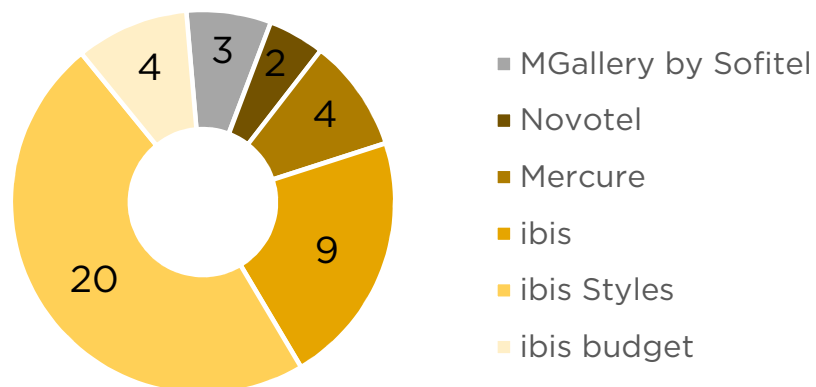
42 hotels

5100 rooms

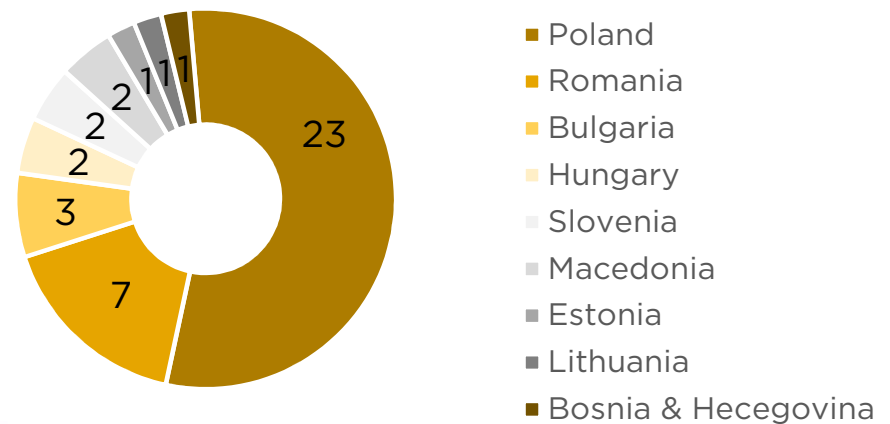
By operating mode



By brand



By country





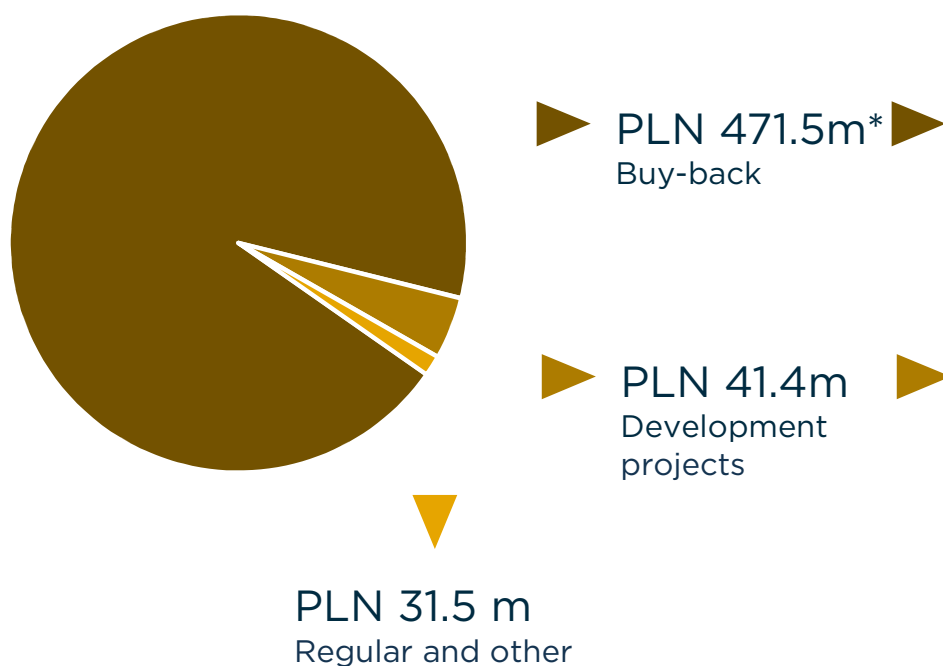
Enlarging Orbis brand
portfolio by adding
adagio

no. 1
aparthotels
brand in Europe



Capital expenditure in line with the strategy

CAPEX 9M 2017 – **PLN 544.4m**



6 LEASE BUY BACKS

- > Mercure Budapest Buda
- > Mercure Budapest Korona
- > ibis Styles Budapest Center
- > ibis Budapest City
- > ibis Budapest Centrum
- > Sofitel Budapest Chain Bridge



DEVELOPMENT / RENOVATIONS

- > ibis Styles Warszawa Centrum
- > ibis budget Gdańsk Posejdon
- > MGallery by Sofitel Prague
- > Mercure Budapest City Center
- > Novotel Poznań Centrum
- > Novotel Kraków City West

* Purchase price plus fees

Further restructuring of asset portfolio

over
PLN 67m
of total
cash impact
as of 30/09/2017



4 hotels

Sale and franchise back of non-strategic hotels:

- > Mercure Karpacz Resort
- > Mercure Jelenia Góra
- > Mercure Toruń
- > Ibis Zabrze



other

Other non-strategic asset disposals

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New cultural approach bears fruits



ACCOR HOTELS
Feel Welcome

hote/love kariery

Wyszukaj swoją
hotelową karierę

Wybierz swój wymarzony hotel

Lokalizacja

Stanowisko

- ☒ Kelner
- ☐ Kucharz
- ☐ Pokojowa
- ☐ Recepcjonista
- ☐ Kadry, Księgowość
- ☐ Sprzedawca
- ☐ Technik
- ☐ Inne

Marka

- ☐ Ibis
- ☐ Mercure
- ☐ Novotel
- ☐ Sofitel

Rodzaj zatrudnienia

- ☐ Praca

Sprawdź dostępność

BEING A HEARTIST®
HEART + ARTIST = HEARTIST®



Orbis
Hotel Group

Poznaj nasze marki:



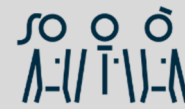
Mercure
HOTELS

Promising outlook



Performance

The outlook for countries across the EE region economic growth remains positive with **3.8% average GDP growth**



Talent & Culture

Group's cultural transformation underway with **first promising achievements** despite complex employment market in the region



+42 Hotels

Our **development pipeline is strong** and secured with **42 hotels** and we remain **looking for further hotel acquisitions** and growth opportunities

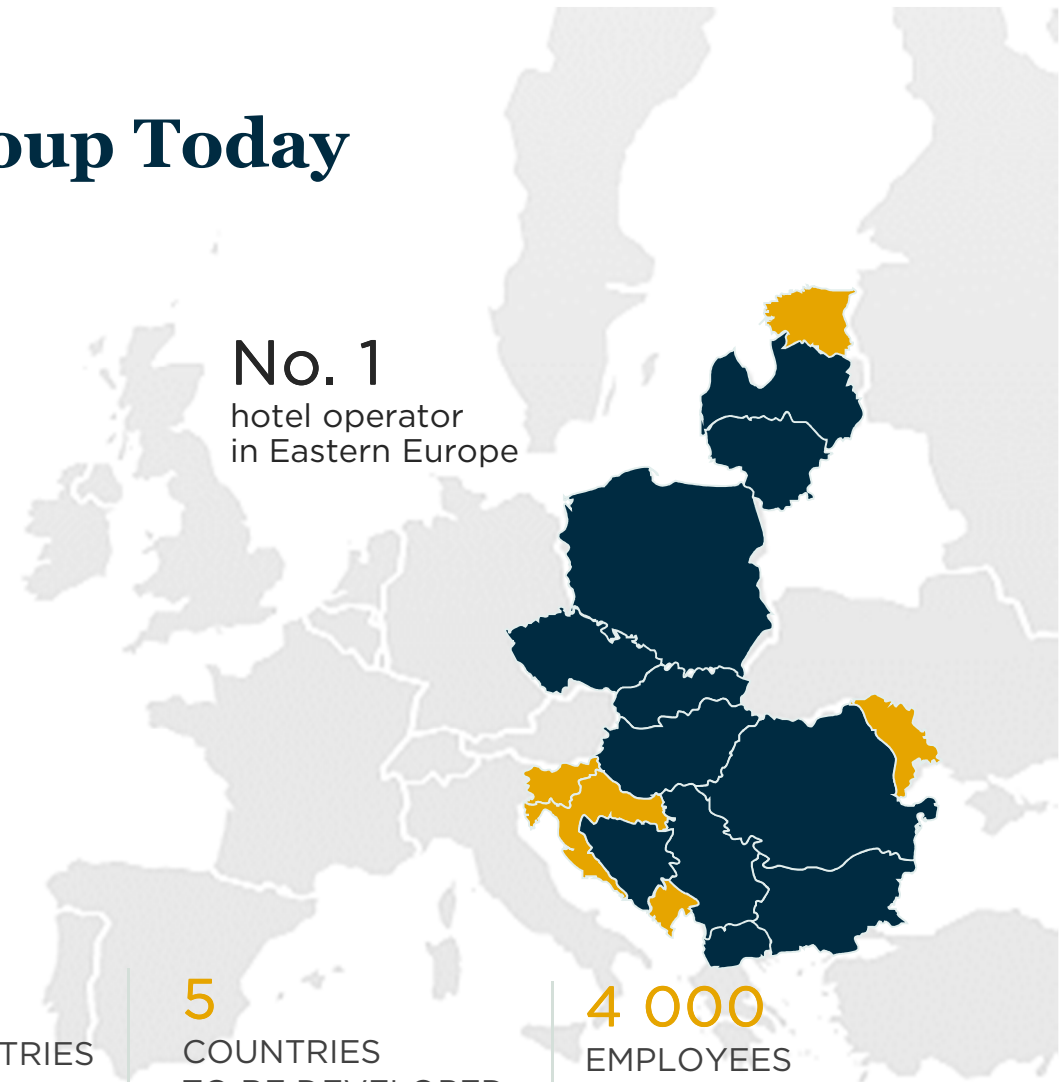
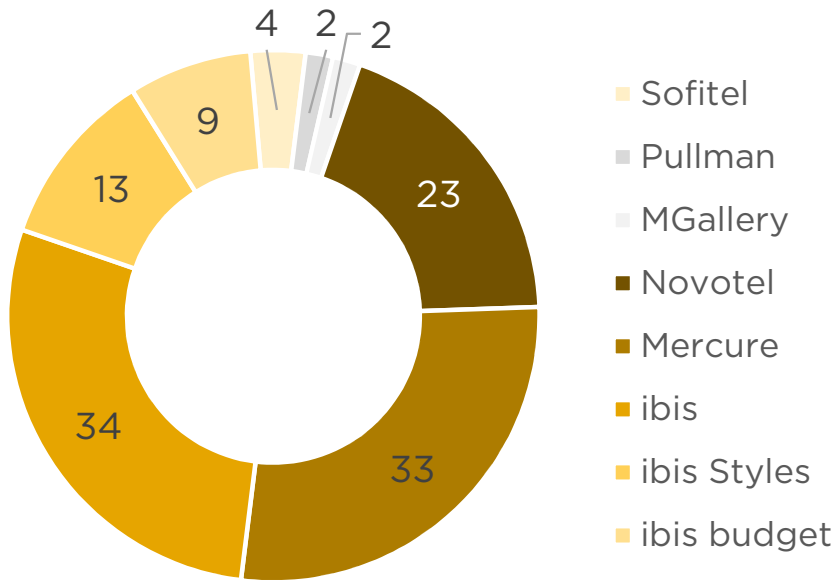


Forecast

We confirm our 2017 operating **EBITDA forecast at PLN 450-460 million**

Q&A session

The Orbis Group Today



120
OPERATING
HOTELS

20 100
ROOMS

8
BRANDS

11
COUNTRIES

5
COUNTRIES
TO BE DEVELOPED

4 000
EMPLOYEES

Orbis
Hotel Group

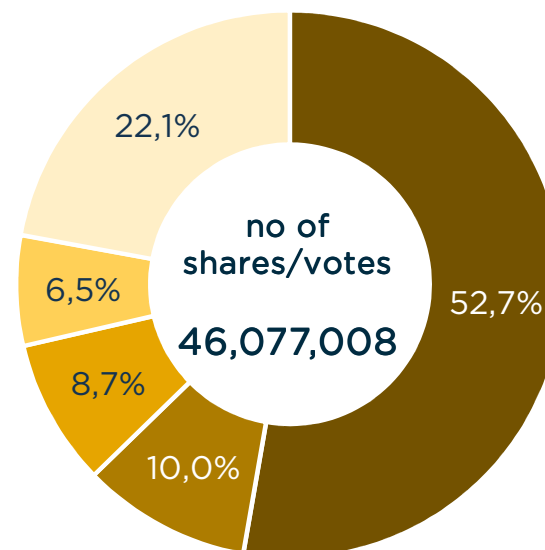
Orbis Group Hotels by Country and by Brand

	Sofitel	Pullman	MGallery	Novotel	Mercure	ibis	ibis Styles	ibis budget	Total
Poland	3			13	23	15	8	9	71
Hungary	1		1	5	3	5	2		17
Czech Republic			1	1	1	5			8
Slovakia					1	1			2
Romania		1		1	2	4			8
Bulgaria				1		1			2
Macedonia						1			1
Lithuania				1	1	1	2		5
Latvia		1			1	1	1		4
Serbia					1				1
Bosnia & Herc.				1					1
Total	4	2	2	23	33	34	13	9	120

Shareholder structure

Details of shareholder structure
(08.06.2017 – Orbis General Assembly – entitled to vote)

	no of shares	% in equity
Accor Group	24,276,415	52.7%
Aviva pension fund	4,596,000	10.0%
Nationale-Nederlanden pension fund	3,990,000	8.7%
Metlife pension fund	3,000,000	6.5%
Other free-float	10,241,593	22.1%
Total	46,077,008	



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

List of Hotels with their ownership structure and rooms number

POLAND

O 127 Sofitel Grand Sopot	F 188 Mercure Jelenia Góra	O 175 ibis Kraków Centrum
O 343 Sofitel Warsaw Victoria	F 288 Mercure Kasprowy Zakopane	O 208 ibis Łódź Centrum
L 205 Sofitel Wrocław Old Town	O 200 Mercure Kraków Stare Miasto	O 146 ibis Poznań Centrum
O 158 Novotel Gdańsk Centrum	F 100 Mercure Krynica Zdrój Resort & Spa	F 77 ibis Poznań Północ
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	F 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 Raclawice Dosłońce Conference & SPA	O 112 ibis Wrocław Centrum
O 117 Novotel Szczecin	F 148 Mercure Skalny Karpacz	F 129 ibis Styles Białystok
O 281 Novotel Warszawa Airport	F 110 Mercure Toruń	O 133 ibis Styles Bielsko-Biała
O 742 Novotel Warszawa Centrum	F 117 Mercure Warszawa Airport	F 70 ibis Styles Gniezno Stare Miasto
O 145 Novotel Wrocław City	O 338 Mercure Warszawa Centrum	F 57 Ibis Styles Nowy Sącz
O 192 Novotel Wrocław Centrum	O 299 Mercure Warszawa Grand	F 100 ibis Styles Siedlce
F 90 Mercure Bydgoszcz Sepia	O 151 Mercure Wrocław Stare Miasto	F 130 ibis Styles Wałbrzych
O 78 Mercure Cieszyn	F 54 Mercure Zamość Stare Miasto	F 133 ibis Styles Wrocław Centrum
F 102 Mercure Częstochowa Centrum	F 125 ibis Częstochowa	F 82 Ibis Styles Grudziądz
O 281 Mercure Gdańsk Stare Miasto	O 120 ibis Gdańsk Stare Miasto	O 124 ibis budget Katowice Centrum
O 294 Mercure Gdynia Centrum	F 114 ibis Katowice-Zabrze	O 120 ibis budget Kraków Bronowice
	O 114 ibis Kielce Centrum	O 167 ibis budget Kraków Stare Miasto
		O 120 ibis budget Szczecin

List of Hotels with their ownership structure and rooms number

- O 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
- 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

- 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
- 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

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
- M 52 Mercure Sighisoara Binderbubi

BULGARIA

- M 178 Novotel Sofia
- F 84 ibis Sofia Airport

MACEDONIA

- M 110 ibis Skopje City Center

SERBIA

- M 73 Mercure Belgrade Excelsior

BOSNIA & HERCEGOVINA

- F 186 Novotel Sarajevo

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SOFITEL  pullman NOVOTEL Mercure ibis  