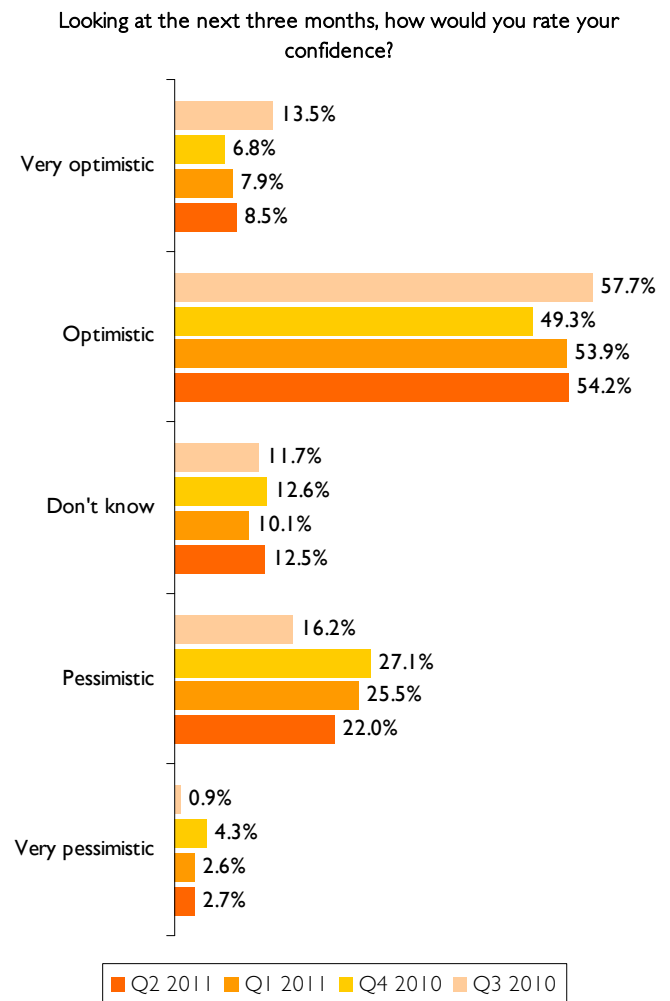
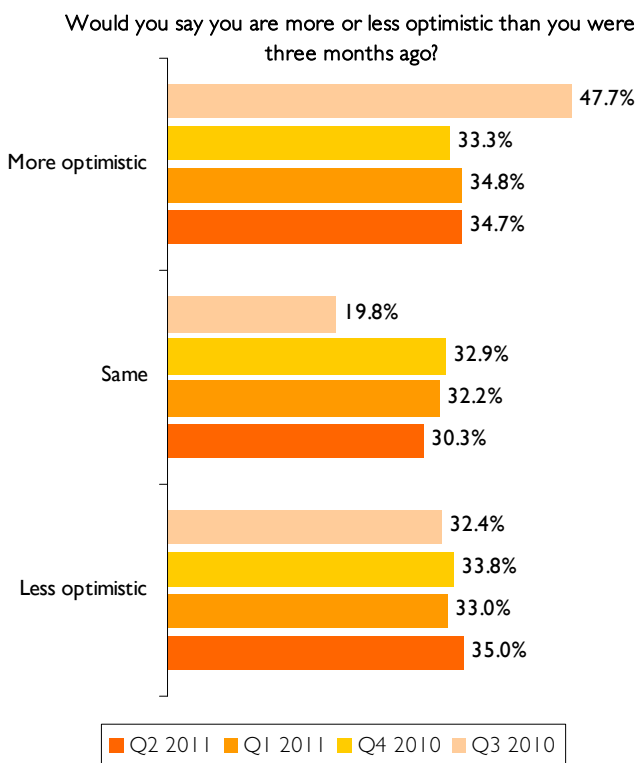


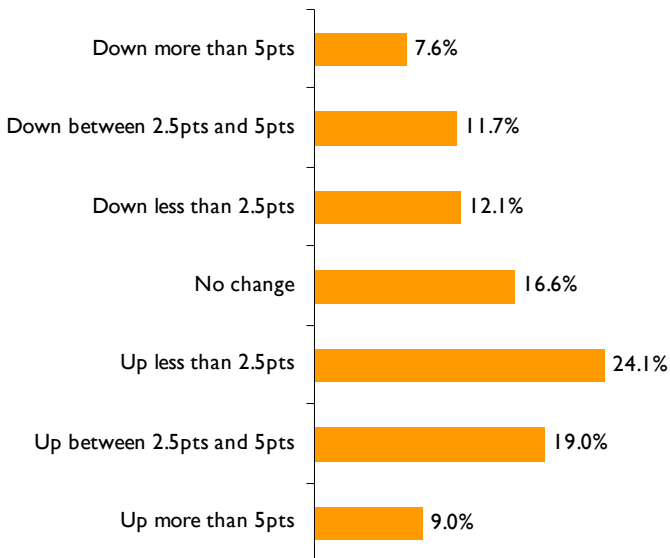


UK hoteliers expecting RevPAR growth

Confidence amongst UK hotel general managers remains positive in 2011. Looking towards the next three months, respondents are expecting an improvement in occupancy and room rate, with 63% either optimistic or very optimistic about their hotel's trading performance. The latest HotStats Hotel Confidence Monitor reveals that general managers across the UK are expecting an increase both in the volume and value of corporate and leisure-related roomnights in Q2 2011 compared to Q2 2010.



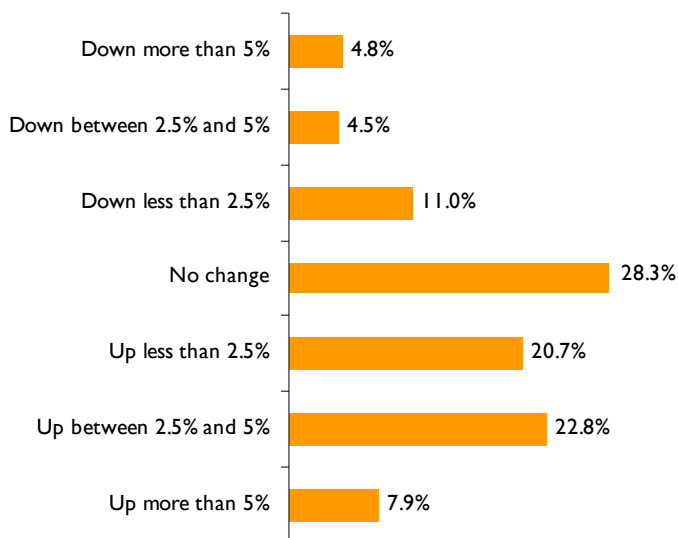
I expect my occupancy in Q2 2011 as compared to Q2 2010 to be:



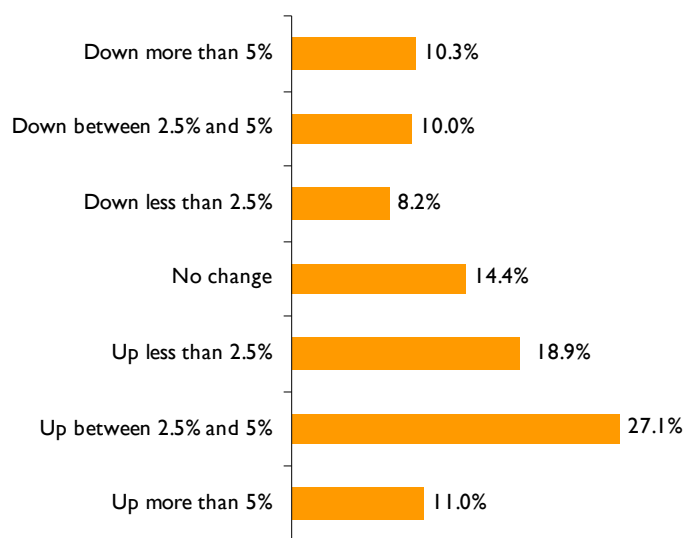
The latest **HotStats** Hotel Confidence Monitor shows that approximately 69% of respondents predict either growth or no change in room occupancy during Q2 2011.

Average room rate and RevPAR expectations for Q2 2011 are positive with approximately 80% and 72% expecting an increase or no change. The trend is unquestionably positive and is reflected in the latest [HotStats UK Chain Hotels Market Review](#), with growth in average room rate and RevPAR of 4.3% and 3.5% respectively for the calendar year to March 2011.

I expect my average room rate in Q2 2011 as compared to Q2 2010 to be:

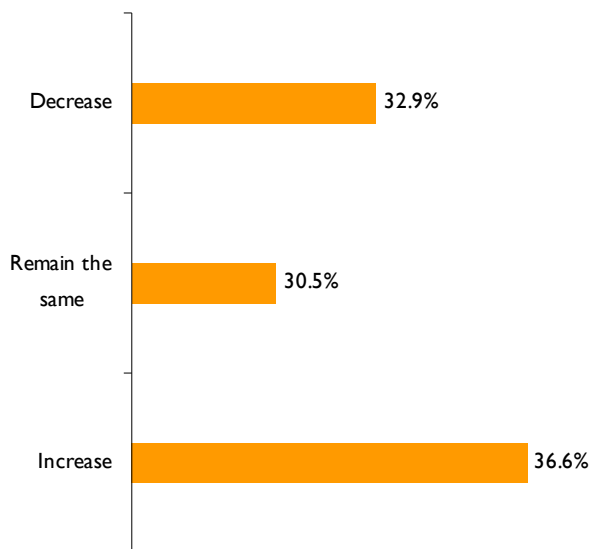


I expect my total rooms revenue in Q2 2011 as compared to Q2 2010 to be:



This quarter's gross operating profit (IBFC) expectations have remained broadly the same across the UK with only 37% of general manager expecting an increase in Q2 2011 compared with Q2 2010. This is reflected in our latest [HotStats UK Chain Hotels Market Review](#), where the GOP PAR for March 2011 increased only by 0.5% year-on-year.

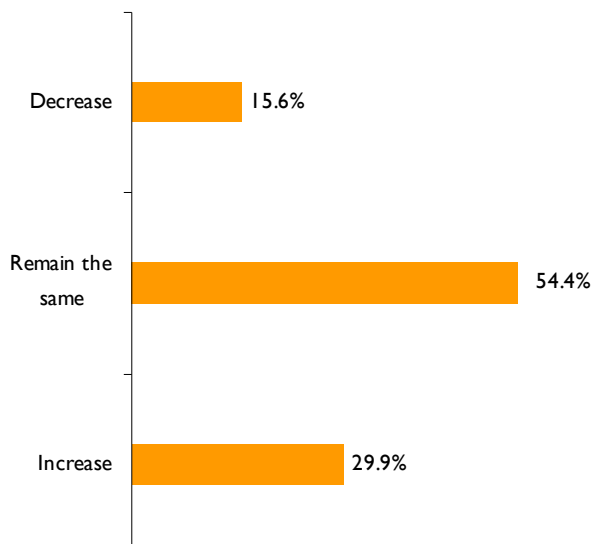
I expect my gross operating profit (IBFC) in Q2 2011 as compared to Q2 2010 to:



“Hoteliers continue to be confident, with strong occupancy and room rate performance expectations. However, this is not being reflected in hotel profitability, as controlling costs remains a major challenge.” said Mark Dickens, managing director HotStats.

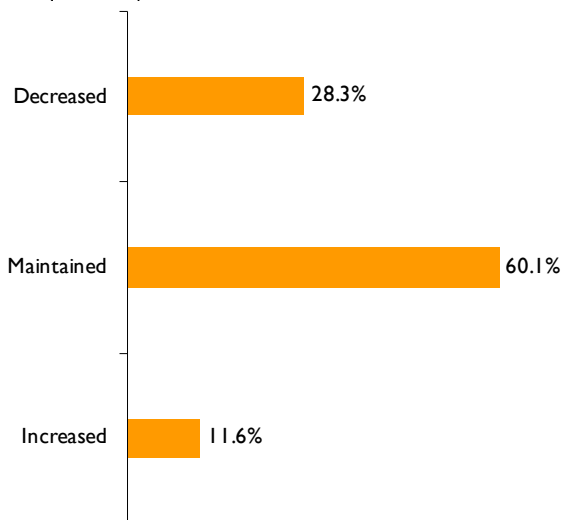
Regarding Q2 2011 sales and marketing expenditure, 84% of respondents intend to increase or maintain their budget in comparison to 2010.

I expect my sales and marketing expenditure in Q2 2011 as compared to Q2 2010 to:

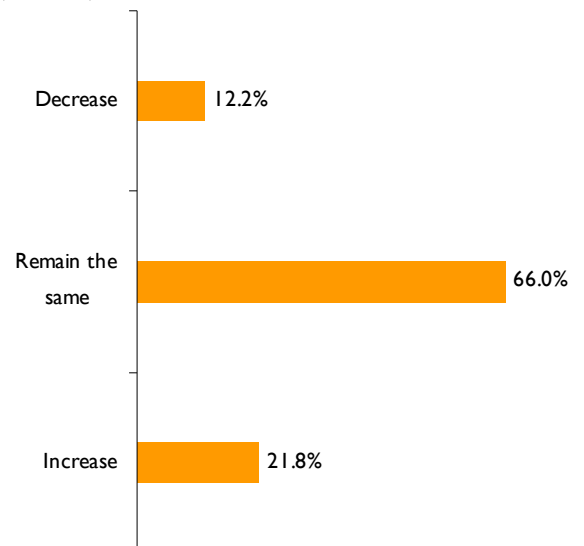


In terms of this quarter's staffing levels, approximately 72% of respondents have either increased or maintained in the last three months (Q1 2011). Furthermore, of the 297 general managers who completed the **HotStats** Hotel Confidence Monitor survey, 88% do not expect to reduce staffing levels during Q2 2011 in comparison to the previous year.

Have you increased, maintained or decreased staffing levels in the last three months (Q1 2011):

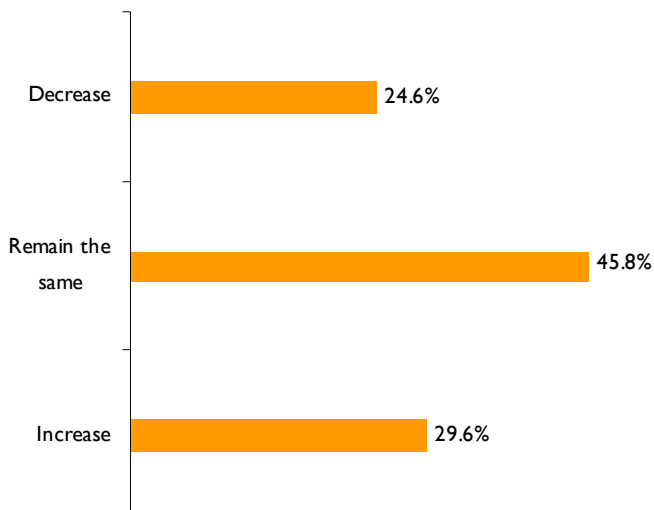


What do you expect to do regarding staffing levels in the next three months (Q2 2011):

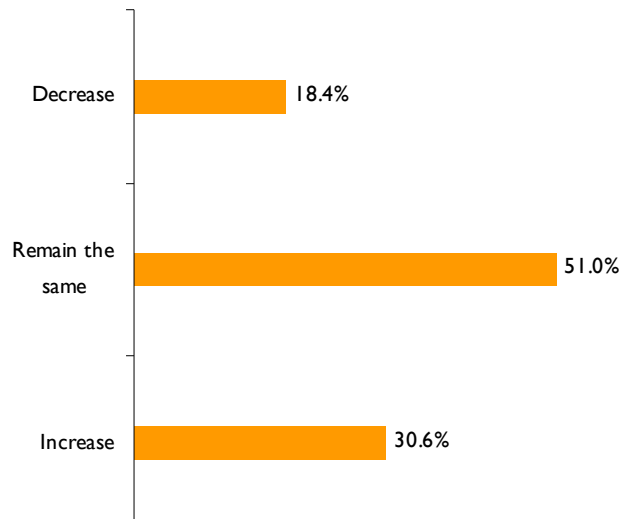


Approximately a third of general managers expect an increase in the number of corporate-related roomnights, as well as the average sector room rate. The majority of respondents project that the volume and value of corporate demand in Q2 2011 will remain in line with the Q2 2010 performance.

I expect the number of Corporate guests (business stays) staying at my hotel in Q2 2011 as compared to Q2 2010 to:

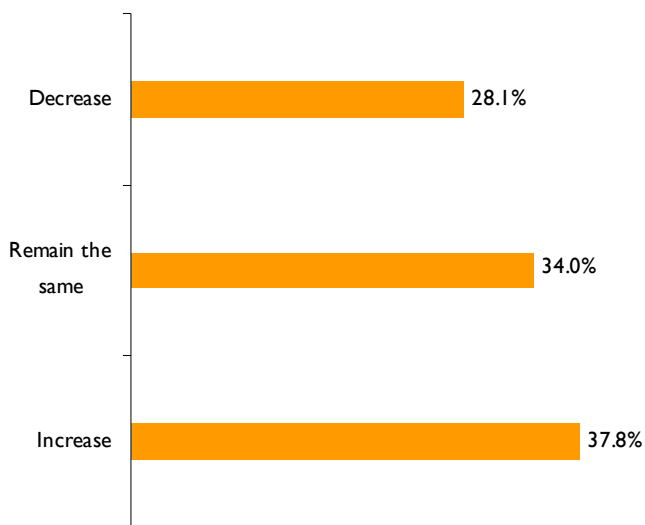


I expect the average room rate paid by Corporate guests staying at my hotel in Q2 2011 as compared to Q2 2010 to:

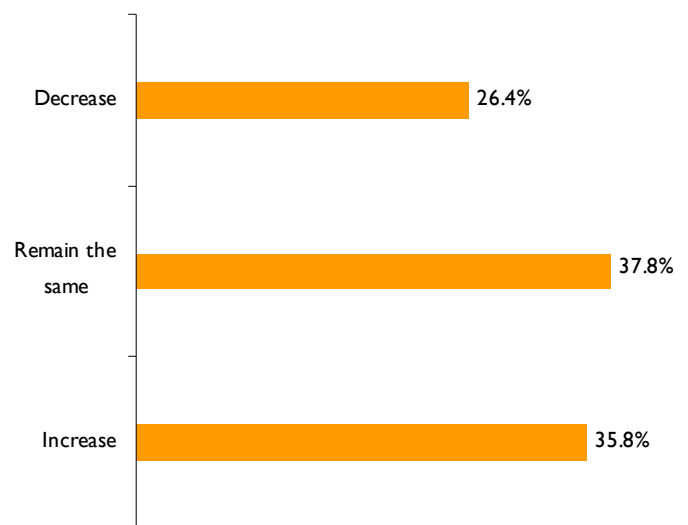


A perhaps surprising finding given the recent falls in disposable income suffered by a very large number of UK households is that the latest **HotStats** Hotel Confidence Monitor shows that leisure-related demand is anticipated to grow both in volume and value, equivalent to 38% and 36% of respondents respectively.

I expect the number of Leisure-related guests staying at my hotel in Q2 2011 as compared to Q2 2010 to:

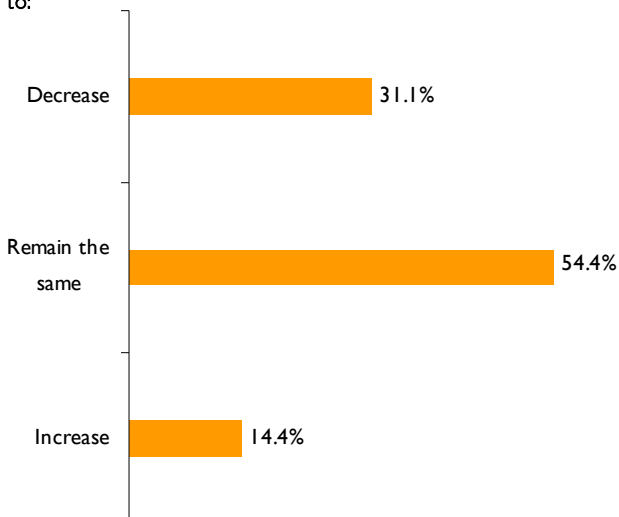


I expect the average room rate paid by Leisure-related guests staying at my hotel in Q2 2011 as compared to Q2 2010 to:

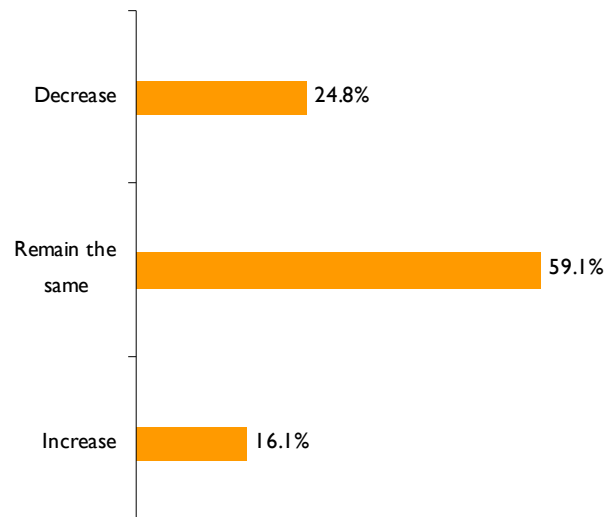


Hoteliers are less optimistic about conference-related roomnight demand in Q2 2011 compared to Q2 2010. As a result, only 14% of respondents expect an increase in the number of conference delegates, with 16% projecting a growth in conference room rates.

I expect the number of Conference delegates (attending a conference at the hotel) staying at my hotel in Q2 2011 as compared to Q2 2010 to:



I expect the average room rate paid by Conference delegates staying at my hotel in Q2 2011 as compared to Q2 2010 to:



Editors Notes:

The **HotStats** Hotel Confidence Monitor was conducted by email, via an online survey, **between 30 March and 9 April 2011**. A total of 297 UK chain hotel general managers responded to the survey. No single geographical region or hotel brand was disproportionately represented.

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