6.7% like-for-like room revenue growth in 2018 and excellent progress with real estate investment projects

Boris Ivesha, President & Chief Executive Officer, PPHE Hotel Group said:

"We are pleased to report a 6.7% increase in like-for-like room revenue, which has been achieved in a year of significant investment to support further growth.

We continued to transform and reposition some of our prime properties to enhance the guest experience we offer, while delivering attractive and consistent cash returns for investors. Notably, we officially opened two repositioned properties, Park Plaza London Riverbank and Park Plaza Victoria Amsterdam, and we launched Arena One 99, Croatia's first all-glamping offer.

As we enter 2019, I am confident that PPHE Hotel Group can continue to create and deliver strong shareholder value this year and beyond."

PPHE Hotel Group Limited
('PPHE Hotel Group' or the 'Company')

PPHE Hotel Group, which together with its subsidiaries (the 'Group') is an international hospitality real estate group, which owns, co-owns and develops hotels, resorts and campsites, operates the Park Plaza® brand in EMEA and owns and operates the art'otel® brand.

Trading update

PPHE Hotel Group, which together with its subsidiaries (the 'Group') is an international hospitality real estate group, is pleased to announce its trading update in advance of the Group's results for the year ended 31 December 2018, which are expected to be announced on 28 February 2019.

The Group owns, co-owns and develops hotels, resorts and campsites, operates the Park Plaza® brand in EMEA and owns and operates the art'otel® brand.

Financial performance

On a like-for-like basis[1], total room revenue for 2018 increased by approximately 6.7%. Reported room revenue in 2018 increased by approximately 5.7% year-on-year.

This increase was mainly the result of improved trading across all our operating regions. In addition, the results benefited from the reinstatement of full room inventory at Park Plaza Victoria Amsterdam following completion of a major investment programme, and the first full year contribution of Park Plaza London Waterloo and Park Plaza London Park Royal (both of which were fully completed in 2017).

As anticipated, room revenue performance in the year was impacted by the temporary closure of Park Plaza Vondelpark, Amsterdam and reduced room inventory at other properties due to real estate investment programmes, as well as the termination of a lease agreement in Dresden, Germany.

Like-for-like[1] RevPAR increased by 5.0% to £98.0 (2017: £93.3). This RevPAR growth was achieved through a 2.0% increase in average room rate to £123.4 (2017: £121.0). Occupancy increased by 230 basis points to 79.4% (2017: 77.1%).

Reported Group RevPAR increased by 5.3% to £97.7 (2017: £92.9), mainly due to strong RevPAR growth in our Dutch and German regions. Average room rate increased by 2.5% to £123.1 (2017: £120.2), whilst occupancy increased by 210 basis points to 79.4% (2017: 77.3%).

As a result of the above, the Group's overall trading performance for the year ended 31 December 2018 is expected to be in line with the Board's expectations.

1 The like-for-like figures for 31 December 2018 exclude the first two months of operation of Park Plaza London Park Royal. Furthermore, the like-for-like figures for 31 December 2017 exclude the operation from August to December of Park Plaza Vondelpark, Amsterdam (which is temporary closed for renovations) and art'otel dresden (the lease of which was terminated on 31 July 2018).

Enquiries:

PPHE Hotel Group Limited
Daniel Kos
Chief Financial Officer & Executive Director

Robert Henke
Executive Vice President of Commercial & Corporate Affairs
Tel: +31 (0)20 717 8600

Hudson Sandler
Wendy Baker / Sophie Lister
Tel: +44 (0)20 7796 4133
Email: PPHE@hudsonsandler.com

Notes to editors

PPHE Hotel Group Limited ('PPHE' or the 'Group') is an international hospitality real estate company, with a £1.6 billion portfolio of primarily prime freehold and long leasehold assets in Europe.

The Group's guiding principle is to generate attractive returns from operations and long-term capital appreciation.

Through its subsidiaries, jointly controlled entities and associates it owns, co-owns, develops, leases, operates and franchises hospitality real estate. Its primary focus is full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations.

The Group benefits from having an exclusive and perpetual licence from the Radisson Hotel Group, one of the world's largest hotel groups, to develop and operate Park Plaza® branded hotels and resorts in Europe, the Middle East and Africa. In addition, the Group wholly owns, and operates under, the art'otel® brand and its Croatian subsidiary owns, and operates under, the Arena Hotels & Apartments® and Arena Campsites® brands. This multi-brand approach enables the Group to develop and operate properties across several segments of the hospitality market.

The Group is one of the largest owner/operators of hotels in central London and its property portfolio comprises 38 hotels and resorts in operation, offering a total of approximately 8,800 rooms and 8 campsites, offering approximately 6,000 units. The Group's development pipeline includes two new hotels in London which are expected to add an additional 500 rooms by the end of 2022.

PPHE is a Guernsey registered company and its shares are listed on the Premium Listing segment of the Main Market of the London Stock Exchange. PPHE also holds a controlling ownership interest (51.97% of the share capital) in Arena Hospitality Group, whose shares are listed on the Zagreb Stock Exchange.

Company websites

www.pphe.com
www.arenahospitalitygroup.com

For reservations

www.parkplaza.com
www.artotels.com
arenahotels.com
arenacampsites.com

For images and logos visit

www.vfmii.com/parkplaza