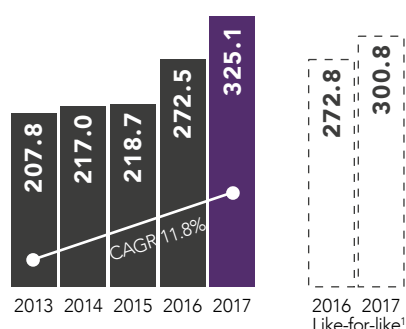


KEY PERFORMANCE INDICATORS

Financial KPIs

Total revenue (£m)



KPI definition

Total revenue includes all operating revenue generated by the Group's owned and leased hotels, management fees, franchise fees and marketing fees.

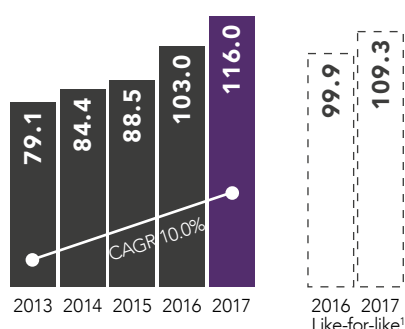
Comment

Revenue increased by 19.3%, mainly due to the full opening of two new hotels in London and the first full year contribution from Park Plaza Nuremberg.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

EBITDAR (£m)



KPI definition

Earnings before interest, tax, depreciation, amortisation and rental expenses.

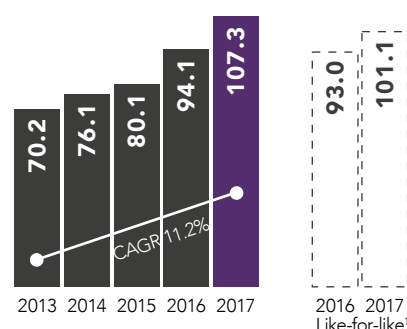
Comment

Our EBITDAR was positively affected by new openings and improved trading. However it was negatively affected by the first time consolidation of the first quarter of the Croatian operations which, due to seasonality, have a negative EBITDAR in the quarter.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

EBITDA (£m)



KPI definition

Earnings before interest, tax, depreciation and amortisation.

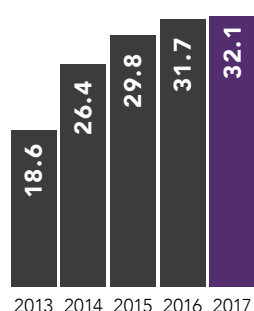
Comment

EBITDA increased by 14.0%, mainly due to improved trading across most of our operating regions, new openings and the acquisition of two freehold properties in Germany (which were previously held under operating leases).

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

Normalised profit before tax (£m)



KPI definition

Profit before tax adjusted to remove unusual or one-time influences.

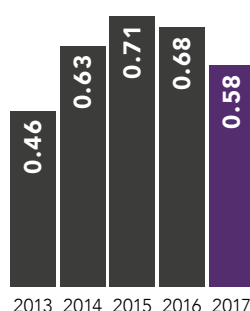
Comment

Normalised profit increased marginally, primarily as the improved performance was offset against a loss-making first year of the new openings, which is common for hotels that have not yet reached full maturity.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

Normalised earnings per share (£)



KPI definition

Earnings for the year, adjusted to remove any unusual or one-time influences, divided by the weighted average number of ordinary shares outstanding during the year.

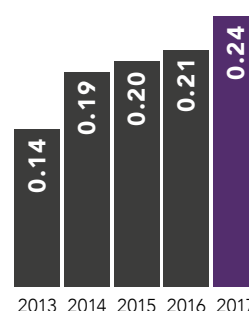
Comment

Normalised earnings per share decreased by 14.4%, as a result of an increase in the number of minority shareholders of Arena after the public offering. This public offering raised approximately £91 million of growth capital.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

Dividend per share (£)



KPI definition

The total dividends paid out over an entire year divided by the number of outstanding ordinary shares issued.

Comment

Ordinary dividend increased 14.3% year-on-year, with a final dividend of 13 pence per share proposed.

Read more

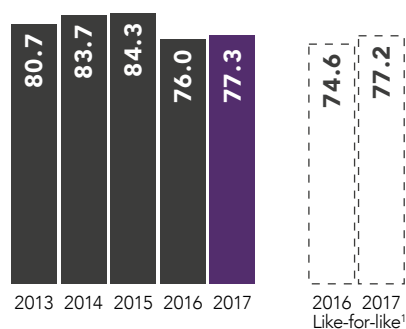
Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

KEY PERFORMANCE INDICATORS

¹ The like-for-like figures for the 12 months ended 31 December 2017 exclude Park Plaza London Park Royal for the period, Park Plaza London Waterloo for the first 10 months of 2017 and Park Plaza Nuremberg for the first five months of 2017. Furthermore, the like-for-like comparison figures for the 12 months ended 31 December 2016 have been adjusted to exclude Park Plaza Prenzlauer Berg Berlin (the lease of which was terminated on 30 June 2016) and to include the performance of the Croatian operations for the first quarter of 2016. In addition, EBITDA numbers in both periods up until 31st of December have been adjusted to reflect the new freehold position of art'otel cologne and art'otel berlin kudamm (rental costs adjusted).

Operating KPIs

Occupancy (%)



KPI definition

Total rooms occupied divided by the available rooms.

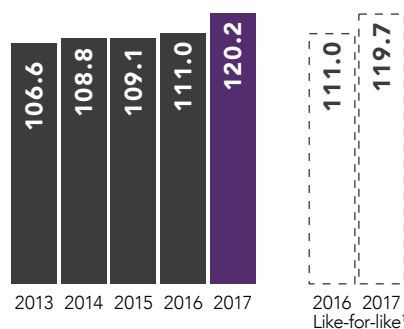
Comment

Like-for-like occupancy improved by 260 bps with reported occupancy increasing by 130 bps year-on-year, particularly through increased occupancy in Germany and Croatia.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

Average room rate (£)



KPI definition

Total room revenue divided by the number of rooms sold.

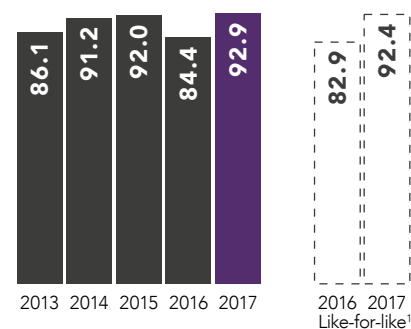
Comment

Like-for-like average room rate increased by 7.8%, with reported average room rate increasing by 8.2%, due to higher rates in all regions and a decrease in Pound Sterling.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

REVPAR (£)



KPI definition

Revenue per available room; total room revenue divided by the number of available rooms.

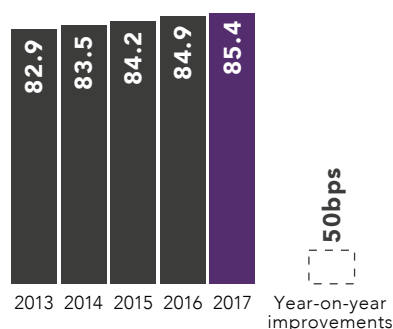
Comment

Like-for-like RevPAR increased by 11.5%, with reported RevPAR increasing by 10.0%, due to a rate-led increase in room revenue.

Read more

Financial and business review 2017 pages 44 to 59, Financial statements pages 89 to 144.

Employee satisfaction/ engagement (scale 1–100%)



KPI definition

Measured through annual survey. Team members are encouraged to share feedback about the Company, their jobs, their teams and their manager.

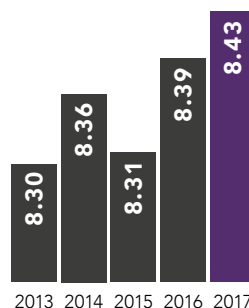
Comment

We have increased our overall score by 50 basis point (bps) year-on-year.

Read more

President & CEO's statement pages 22 to 29, Responsible business pages 60 to 73.

Guest satisfaction (scale 1–10)



KPI definition

Guest satisfaction is paramount to our long-term success. Guests are approached with electronic surveys and are encouraged to rate various elements of their stay.

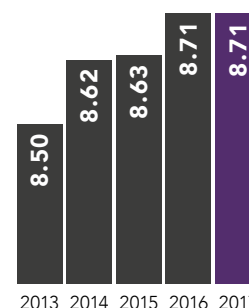
Comment

We delivered a record level of guest satisfaction, with further improvements expected post renovations.

Read more

President & CEO's statement pages 22 to 29.

Service performance (scale 1–10)



KPI definition

A consistent delivery of exemplary service is a core objective. Service performance is measured through electronic surveys, with guests encouraged to rate various service elements.

Comment

We maintained our strong service performance score, testimony to our strong focus on learning and development.

Read more

President & CEO's statement pages 22 to 29.