

Paris, 17th March 2010

2010 European Hotel Group Ranking

Best Western Climbs in European Ranking

MKG Hospitality's 2010 Hotel Group Ranking is marked by two major mergers: Louvre Hotels with Golden Tulip and NH Hoteles with Hesperia, in turn boosting each group's position and into the top five. Meanwhile, Accor remains Europe's leading group, whilst Best Western moves into second spot.

Top ten hotel groups in Europe (27) at January 1st 2010							
		HOTELS		BEDROOMS		EVOL. %	
		2010	2009	2010	2009		
1	1	ACCOR	2 234	2 215	243 004	240 752	0,9%
2	3	BEST WESTERN	1 289	1 264	87 017	84 248	3,3%
3	2	IHG	554	548	86 084	84 646	1,7%
4	4	GROUPE DU LOUVRE	995	855	71 544	59 490	20,3%
5	6	NH HOTELES	353	306	50 777	43 695	16,2%
6	5	SOL MELIA	203	204	45 960	45 082	1,9%
7	7	CARLSON / REZIDOR	228	218	44 471	42 777	4,0%
8	8	TUI	167	166	41 079	41 209	-0,3%
9	10	HILTON WORLDWIDE	163	152	39 713	38 275	3,8%
10	9	WHITBREAD	579	572	39 142	38 695	1,2%

Source : Data Base MKG Hospitality - February 2010

Best Western is now Europe's second largest group, following a 3.3% growth in supply to reach 87,017 rooms.

This move nudges Intercontinental Hotels Group (IHG) to a close third, with 86,084, representing a 1.7% growth. Meanwhile, Accor remains Europe's outright number one hotel group with 243,004 rooms, a 0.9% growth over 2009.

Although not altering its ranking, the greatest movement came from Starwood Capital's Groupe du Louvre, with a room supply increase of over 20% after its merger with Golden Tulip. NH Hoteles' rooms count also jumped over 16% following its recent merger with Hesperia, pushing the group into the top five at the expense of Spanish counterpart Sol Melia. These two developments cement both group's position, with 71,544 and 50,777 rooms, respectively.

"Financial figures still look quite grim. It is certainly not a time for hotel supply euphoria. Having to confront deteriorating market conditions, hoteliers have thus far focussed on drastic measures in order to control and reduce costs, whilst pulling all available marketing & sales strings to salvage global income," stated CEO & founder, MKG Group, Georges Panayotis.

"For many, the rhythm of development has slowed down due to a lower commitment level from investors, as well as of course a volatile economy. Once confidence has been reinstated, fuelled by increased demand and in turn more positive final results, developments will pick up. Those that have already planned for it and are ready to go will be in a much better position when the recovery comes," added Panayotis.

Other major developments included the foreseen split between two trades of the Accor Group, and the purchase of German group Steingenberger by Egyptian investor Travco.

With a dozen openings planned before the crisis began, Rezidor Group, EMEA subsidiary of US giant Carlson Hotels, recorded good internal growth (4%), with almost 1,700 new hotel rooms, following 3,700 rooms opened in 2008. The group is solid at number seven in the ranking, with a total of 45,500 rooms.

Finally, Hilton Worldwide opened 11 hotels and 1,400 rooms in Europe, a growth of 3.8%. This allowed it to move into ninth position, one spot ahead of UK-based Whitbread (Premier Inn).

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Hotel chain supply by category in Europe (27 countries) January 1st 2010

	HOTELS		BEDROOMS		EVOL. %
	2010	2009	2010	2009	
Budget	1 296	1 279	94 855	93 020	2,0
Economy	3 060	3 007	238 572	232 215	2,7
Midscale	4 062	4 099	455 005	454 911	0,0
Upscale & upper scale	3 174	3 146	586 147	581 040	0,9
Total	11 592	11 531	1 374 579	1 361 186	1,0

Source : Data Base MKG Hospitality - February 2010

By cumulating hotel brands identified in Europe, net growth of the fleet registered in 2009 remains modest (1%) to be closer to 1.375 million of classified rooms. In terms of number of rooms, growth has been strongest in two categories: 6,360 rooms in economy and 5,100 rooms in upscale. This reflects a strengthening of the two most represented groups in Europe.

The 16th edition of the annual European hospitality ranking results examines supply and evolution of the top 100 hotel brands in the EU27; this year including activity and behaviour during a time of crisis. Information is collected directly from hotel groups and compiled by MKG Hospitality.

An in-depth presentation of this annual survey will be conducted at the Global Lodging Forum (GLF) in Paris by MKG Group on Thursday April 1 and Friday April 2 at the Pullman Eiffel Tower in Paris. For a full programme, including presentations, speeches and round table workshops visit: www.globallodgingforum.com

For any further information on the forum, please do not hesitate to contact us on
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ABOUT MKG Group

Established in 1985 by Georges Panayotis, MKG Group has built a solid reputation for business expertise and substantial European-based know-how in the fields of tourism, lodging and food service. MKG Group meets the needs of each of its clients by providing valuable analytical and decision-making skills necessary for success. www.mkg-group.com

METHODOLOGY

For 25 years, MKG Hospitality has been a global leader in tourism, hotel and catering consulting, with the largest database in the world (excluding the US), representing all segments from budget to upscale hotels. 45 000 hotels and over 2.5 million rooms are compiled in MKG's database.

MKG's market monitoring database, HotelCompSet, contains a sample of over 250 brands in 150 countries (over 800 markets) and 11 000 corporate chain hotels, representing more than 1,000,000 rooms. HotelCompSet provides daily, monthly and yearly monitoring of hotel indicators and analyses of its sample.

MKG's statistical samples provide a comprehensive and accurate measure of the hospitality industry.

Together with other specialised brands, MKG Qualiting, OlaKala, Worldwide Hospitality Awards, Global Lodging Forum, as well as sector publications HTR Magazine and Hotel Restau Hedbo, MKG Group supports investors, hoteliers and key tourism players to improve performance, boost productivity and achieve results.

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