

Paris, the 9th June 2010

International hotel supply evolution

Hotel Growth Continues Worldwide

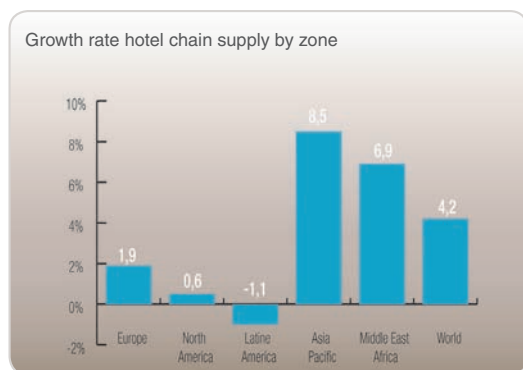
Despite global economic challenges, hotel developments continue to progress, with 432,000 new rooms injected into global supply by both independent hotels and groups.



Source : DataBase MKG Hospitality - May 2010

International hotel supply records a 2.7% growth to reach almost 20 million classified rooms. Much of this growth is fuelled by hotel groups, alone recording an increase of 4.2%.

“Although much the world’s hotel growth is a result of projects already launched before the crisis, it is still a positive indication of the commitment, endurance and potential from developers, investors and of course hoteliers. It is also no doubt necessary in order to stimulate economic growth, and then, when recovery is well and truly upon us, sustain it,” states CEO, MKG Group, Georges Panayotis.



Renewed dynamism in mature market-continents is most apparent, with 170,000 new rooms in North America and 138,000 in Europe, an increase of 3.1% and 2.2%, respectively. Asia-Pacific is somewhat subdued during this particular period, managing 98,000 rooms, a growth of only 1.9%.

Other regions also show development resilience during the global economic challenge, with Latin America registering 63,600 new rooms (+4.8%), Middle East and Africa 52,700 (+4.2%).

“Moderate growth and reduced pipeline developments are anticipated for the coming years however, given the number of cancellations, postponements and of course the difficulties in obtaining financing,” continued Panayotis. “As a result, we can expect greater popularity in hotel franchising, widely considered to be the best way to expand internationally.”

2010’s World Hotel Ranking has remains largely unchanged. Only Hilton Worldwide manages to move into third position with an 8% increase in room supply, pushing out Marriott International. Hilton’s extensive franchise development programme in the US being the driving factor.

The year’s growth is also marked by consolidations, though more was actually expected. Most notable is Groupe du Louvre (+28.8%) and NH Hoteles (+18.6%), both taking over other groups and expanding their portfolio with Golden Tulip and Hesperia, respectively. Exceptional supply growth also came from Australian-based Mantra Group (+89.2%), 7 Days Group Holdings Limited (+51.8%), Barcelo Hotels (+33.8%) and Merrylin Hotel Management (+23.8%).

The 5 first franchising groups at Jan. 1st. 2010		
Rank	Groups	Rooms
1	Wyndham Group	588 893
2	Choice	487 410
3	IHG	483 379
4	Hilton Hotels	404 866
5	Best Western	308 477

The 5 first managing groups at Jan. 1st. 2010		
Rank	Groups	Rooms
1	Marriott Int.	265 545
2	IHG	154 764
3	Starwood Resorts	153 791
4	Hilton Hotels	153 110
5	Accor	108 219

The 5 first owning groups at Jan. 1st. 2010		
Rank	Groups	Rooms
1	Accor	282 477
2	NH Hoteles	58 355
3	MGM Mirage	48 268
4	La Quinta	47 149
5	Home Inns	46 410

Source : DataBase MKG Hospitality - May 2010

WORLDWIDE HOTEL GROUP RANKING

Worldwide hotel chain supply				Hotels		Rooms		Change	
10 / 09	Group			2010	2009	2010	2009	Rooms	
1	1	IHG	GB	4 432	4 186	643 787	619 851	23 936	3,9%
2	2	Wyndham Hotel Group	USA	7 112	7 043	597 674	592 880	4 794	0,8%
3	4	Hilton Hotels	USA	3 526	3 259	587 813	544 361	43 452	8,0%
4	3	Marriott International	USA	3 329	3 088	580 876	545 705	35 171	6,4%
5	5	Accor	FRA	4 111	3 984	492 675	479 069	13 606	2,8%
6	6	Choice	USA	6 021	5 827	487 410	472 526	14 884	3,1%
7	7	Best Western	USA	4 048	4 032	308 477	305 387	3 090	1,0%
8	8	Starwood Hotels and Resorts	USA	979	942	291 638	284 800	6 838	2,4%
9	9	Carlson Hospitality Worldwide / Rezidor	USA	1 059	1 013	159 756	151 487	8 269	5,5%
10	10	Hyatt Hotels Corp.	USA	399	373	120 031	114 343	5 688	5,0%

Source : DataBase MKG Hospitality - May 2010

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.

For further information , please contact :

MKG Group, Georges Panayotis, Georges Panayotis, President & CEO
Tel: +33 (0)1 56 56 87 87 • Port: +33 (0)6 80 08 18 88 • Fax: +33 (0)1 56 56 87 88
g.panayotis@mkg-group.com

MKG Group - International Development Department
Vanguelis Panayotis T. : +33 (0)1 56 56 87 87 • F. : +33 (0)1 56 56 87 88
v.panayotis@mkg-group.com

MKG Hospitality - Media Contact
Michael Komodromou • Tel: +44 (0)20 7624 4030 • Fax: +44 (0)20 7624 4030
press@mkg-group.com • Web: www.mkg-hospitality.com