

# REVPAR – COMPARABLE OPEN HOTELS



APRIL - JULY 2020

# COMPARABLE OPEN HOTEL REVPAR (in Constant \$)

	Comparable Hotels (total) March 31, 2020		Comparable Open Hotels April 30, 2020		Comparable Open Hotels May 31, 2020		Comparable Open Hotels June 30, 2020		Comparable Open Hotels July 31, 2020			
<b>Owned and leased hotels (a) (c)</b>												
Owned and leased hotels	37		6		6		12		20			
<b>Managed and franchised hotels (b)</b>												
System-wide hotels	816		509		524		597		683			
<b>Americas</b>												
Full service hotels (c)	210		74		76		99		143			
Select service hotels	382		300		315		341		368			
<b>ASPAC</b>												
Full service hotels	101		75		74		85		89			
Select service hotels	20		18		19		19		19			
<b>EAME/SW Asia</b>												
Full service hotels	86		31		29		41		51			
Select service hotels	17		11		11		12		13			
	Comparable RevPAR		Comparable Open RevPAR		Comparable Open RevPAR		Comparable Open RevPAR		Comparable Open RevPAR		Comparable Open RevPAR (e)	
	2Q20	vs. 2Q19	2Q20	vs. 2Q19	April 30, 2020	vs. April 30, 2019	May 31, 2020	vs. May 31, 2019	June 30, 2020	vs. June 30, 2019	July 31, 2020	vs. July 31, 2019
<b>Owned and leased hotels (a) (c)</b>												
Owned and leased hotels	\$ 4.76	(97.4%)	\$ 20.46	(83.6%)	\$ 8.25	(92.4%)	\$ 13.71	(85.9%)	\$ 29.84	(79.6%)	\$ 46	(70%)
<b>Managed and franchised hotels (b)</b>												
System-wide hotels	\$ 15.01	(89.4%)	\$ 23.24	(81.3%)	\$ 14.27	(88.4%)	\$ 21.54	(82.3%)	\$ 32.57	(74.5%)	\$ 42	(67%)
<b>Americas</b>												
Full service hotels (c)	\$ 7.29	(95.7%)	\$ 14.89	(90.0%)	\$ 7.30	(94.9%)	\$ 11.12	(92.6%)	\$ 24.32	(84.2%)	\$ 33	(78%)
Select service hotels	\$ 21.22	(81.2%)	\$ 25.08	(78.0%)	\$ 14.22	(87.1%)	\$ 22.54	(79.9%)	\$ 37.12	(68.7%)	\$ 45	(61%)
<b>ASPAC</b>												
Full service hotels	\$ 29.04	(79.1%)	\$ 33.62	(74.7%)	\$ 24.56	(82.6%)	\$ 34.65	(73.4%)	\$ 40.98	(68.1%)	\$ 56	(59%)
Select service hotels	\$ 21.84	(58.0%)	\$ 23.59	(53.9%)	\$ 17.10	(69.2%)	\$ 24.79	(51.7%)	\$ 28.57	(39.0%)	\$ 38	(27%)
<b>EAME/SW Asia</b>												
Full service hotels	\$ 7.81	(93.9%)	\$ 14.22	(83.5%)	\$ 5.54	(93.1%)	\$ 12.11	(82.4%)	\$ 22.43	(78.5%)	\$ 42	(65%)
Select service hotels	\$ 12.99	(80.2%)	\$ 15.23	(78.1%)	\$ 12.47	(81.9%)	\$ 15.32	(77.4%)	\$ 17.70	(75.5%)	\$ 21	(68%)

(a) Owned and leased hotels figures do not include unconsolidated hospitality ventures.

(b) Managed and franchised hotels figures include owned and leased hotels.

(c) Miraval wellness resorts are now reported in with full service hotels and we have also reflected this change to 2019.

(d) All RevPAR percentage changes are in constant dollars. Constant dollar currency, as we define it, is a non-GAAP measure.

(e) Results for July 2020 are based on the Company's preliminary estimates and actual results are subject to change based on completion of the Company's financial close processes.

# COMPARABLE OPEN HOTEL OCCUPANCY AND ADR (In Constant \$)

	Comparable Occupancy		vs.	Comparable Open Occupancy		vs.	Comparable Open Occupancy		vs.	Comparable Open Occupancy		vs.	Comparable Open Occupancy (e)				
	2Q20	2Q19		2Q20	2Q19		April 30, 2020	April 30, 2019		May 31, 2020	May 31, 2019		June 30, 2020	June 30, 2019		July 31, 2020	July 31, 2019
<b>Owned and leased hotels (a) (c)</b>																	
Owned and leased hotels	3.1%	(75.0%)		15.8%	(63.2%)		10.5%	(69.1%)		14.1%	(63.5%)		19.2%	(60.2%)		23%	(55%)
<b>Managed and franchised hotels (b)</b>																	
System-wide hotels	13.5%	(63.0%)		21.3%	(55.1%)		13.5%	(62.4%)		21.0%	(54.3%)		28.4%	(49.3%)		34%	(44%)
<b>Americas</b>																	
Full service hotels (c)	5.2%	(74.0%)		11.1%	(68.8%)		6.4%	(72.4%)		9.2%	(70.4%)		16.5%	(64.6%)		21%	(58%)
Select service hotels	21.6%	(57.7%)		25.6%	(54.3%)		14.8%	(63.0%)		24.0%	(54.6%)		36.6%	(46.3%)		43%	(40%)
<b>ASPAC</b>																	
Full service hotels	24.0%	(49.0%)		27.9%	(44.7%)		19.8%	(54.0%)		29.7%	(42.2%)		33.6%	(38.6%)		43%	(32%)
Select service hotels	34.2%	(32.3%)		37.0%	(28.5%)		27.0%	(42.0%)		39.4%	(27.3%)		44.1%	(16.7%)		60%	(8%)
<b>EAME/SW Asia</b>																	
Full service hotels	6.4%	(60.6%)		13.3%	(48.6%)		6.7%	(58.7%)		14.3%	(41.9%)		17.5%	(46.0%)		25%	(42%)
Select service hotels	14.6%	(57.8%)		17.0%	(55.5%)		16.2%	(57.5%)		19.0%	(51.3%)		15.8%	(57.8%)		24%	(54%)
	Comparable ADR		vs.	Comparable Open ADR		vs.	Comparable Open ADR		vs.	Comparable Open ADR		vs.	Comparable Open ADR (e)				
	2Q20	2Q19		2Q20	2Q19		April 30, 2020	April 30, 2019		May 31, 2020	May 31, 2019		June 30, 2020	June 30, 2019		July 31, 2020	July 31, 2019
<b>Owned and leased hotels (a) (c)</b>																	
Owned and leased hotels	\$ 155.96	(32.6%)		\$ 129.46	(18.0%)		\$ 78.54	(42.7%)		\$ 97.08	(22.4%)		\$ 155.07	(15.8%)		\$ 199	2%
<b>Managed and franchised hotels (b)</b>																	
System-wide hotels	\$ 111.26	(39.8%)		\$ 109.11	(32.8%)		\$ 105.81	(34.5%)		\$ 102.65	(36.3%)		\$ 114.83	(30.0%)		\$ 126	(24%)
<b>Americas</b>																	
Full service hotels (c)	\$ 138.90	(35.4%)		\$ 134.70	(27.7%)		\$ 114.41	(36.8%)		\$ 121.48	(35.3%)		\$ 147.40	(22.1%)		\$ 158	(14%)
Select service hotels	\$ 98.10	(31.1%)		\$ 98.02	(31.2%)		\$ 95.86	(32.5%)		\$ 93.97	(34.0%)		\$ 101.34	(29.2%)		\$ 106	(25%)
<b>ASPAC</b>																	
Full service hotels	\$ 120.92	(36.4%)		\$ 120.55	(34.2%)		\$ 124.16	(35.1%)		\$ 116.52	(35.6%)		\$ 121.97	(31.4%)		\$ 130	(29%)
Select service hotels	\$ 63.82	(18.4%)		\$ 63.81	(18.3%)		\$ 63.40	(21.1%)		\$ 62.97	(18.2%)		\$ 64.83	(15.8%)		\$ 63	(18%)
<b>EAME/SW Asia</b>																	
Full service hotels	\$ 122.95	(35.4%)		\$ 107.20	(23.1%)		\$ 82.37	(32.7%)		\$ 84.64	(31.0%)		\$ 128.33	(21.8%)		\$ 172	(5%)
Select service hotels	\$ 89.10	(1.5%)		\$ 89.68	(6.7%)		\$ 76.86	(17.8%)		\$ 80.74	(16.3%)		\$ 112.14	14.4%		\$ 87	5%

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# COMPARABLE OPEN HOTEL REVPAR, OCCUPANCY, AND ADR – GREATER CHINA (in Constant \$)

	Comparable RevPAR		vs.		Comparable Open RevPAR		vs.		Comparable Open RevPAR		vs.		Comparable Open RevPAR (e)		vs.	
	2Q20	2Q19	2Q20	2Q19	April 30, 2020	April 30, 2019	May 31, 2020	May 31, 2019	June 30, 2020	June 30, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019
<b>Greater China</b>																
Full service hotels	\$ 38.59	(67.7%)	\$ 38.59	(67.7%)	\$ 24.65	(80.2%)	\$ 41.96	(65.9%)	\$ 49.02	(55.7%)	\$ 67	(42%)				
Select service hotels	\$ 25.50	(50.3%)	\$ 25.87	(49.5%)	\$ 18.82	(67.0%)	\$ 27.51	(46.6%)	\$ 30.88	(32.1%)	\$ 42	(15%)				
<b>Greater China</b>																
	Comparable Occupancy		vs.		Comparable Open Occupancy		vs.		Comparable Open Occupancy		vs.		Comparable Open Occupancy (e)		vs.	
	2Q20	2Q19	2Q20	2Q19	April 30, 2020	April 30, 2019	May 31, 2020	May 31, 2019	June 30, 2020	June 30, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019
Full service hotels	33.8%	(39.7%)	33.8%	(39.9%)	21.6%	(53.0%)	37.0%	(37.3%)	42.9%	(29.4%)	55%	(20%)				
Select service hotels	40.5%	(26.5%)	41.1%	(25.7%)	30.1%	(41.2%)	44.1%	(24.3%)	48.5%	(12.5%)	68%	-				
<b>Greater China</b>																
	Comparable ADR		vs.		Comparable Open ADR		vs.		Comparable Open ADR		vs.		Comparable Open ADR (e)		vs.	
	2Q20	2Q19	2Q20	2Q19	April 30, 2020	April 30, 2019	May 31, 2020	May 31, 2019	June 30, 2020	June 30, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019	July 31, 2020	July 31, 2019
Full service hotels	\$ 114.34	(29.5%)	\$ 114.01	(29.6%)	\$ 114.21	(31.5%)	\$ 113.49	(31.5%)	\$ 114.37	(25.2%)	\$ 121	(21%)				
Select service hotels	\$ 62.97	(17.7%)	\$ 62.95	(17.9%)	\$ 62.61	(21.7%)	\$ 62.40	(17.1%)	\$ 63.66	(14.6%)	\$ 63	(16%)				

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# DEFINITIONS

## Comparable Hotels

"Comparable system-wide hotels" represents all properties we manage or franchise (including owned and leased properties) and that are operated for the entirety of the periods being compared and that have not sustained substantial damage, business interruption, or undergone large scale renovations during the periods being compared or for which comparable results are not available. Hotels that have temporarily suspended operations due to the COVID-19 pandemic are included in our definition of comparable system-wide hotels. We may use variations of comparable system-wide hotels to specifically refer to comparable system-wide Americas full service or select service hotels for those properties that we manage or franchise within the Americas management and franchising segment, comparable system-wide ASPAC full service or select service hotels for those properties we manage or franchise within the ASPAC management and franchising segment, or comparable system-wide EAME/SW Asia full service or select service hotels for those properties that we manage or franchise within the EAME/SW Asia management and franchising segment. "Comparable owned and leased hotels" represents all properties we own or lease and that are operated and consolidated for the entirety of the periods being compared and have not sustained substantial damage, business interruption, or undergone large scale renovations during the periods being compared or for which comparable results are not available. Hotels that have temporarily suspended operations due to the COVID-19 pandemic are included in our definition of comparable owned and leased hotels. Comparable system-wide hotels and comparable owned and leased hotels are commonly used as a basis of measurement in our industry. "Non-comparable system-wide hotels" or "non-comparable owned and leased hotels" represent all hotels that do not meet the respective definition of "comparable" as defined above.

## "Open" Comparable Hotels

"Open" comparable hotels represents all properties we manage or franchise (including owned and leased properties) that were open for the entirety of the month being presented. We believe RevPAR, ADR, and occupancy of open comparable hotels provides valuable information regarding our results as it excludes properties that have temporarily suspended operations due to the COVID-19 pandemic.

## Constant Dollar Currency

We report the results of our operations both on an as reported basis, as well as on a constant dollar basis. Constant dollar currency, which is a non-GAAP measure, excludes the effects of movements in foreign currency exchange rates between comparative periods. We believe constant dollar analysis provides valuable information regarding our results as it removes currency fluctuations from our operating results. We calculate constant dollar currency by restating prior-period local currency financial results at the current period's exchange rates. These restated amounts are then compared to our current period reported amounts to provide operationally driven variances in our results.

# DEFINITIONS (CONT.)

## Revenue per Available Room (RevPAR)

RevPAR is the product of the average daily rate and the average daily occupancy percentage. RevPAR does not include non-room revenues, which consist of ancillary revenues generated by a hotel property, such as food and beverage, parking, and other guest service revenues. Our management uses RevPAR to identify trend information with respect to room revenues from comparable properties and to evaluate hotel performance on a regional and segment basis. RevPAR is a commonly used performance measure in our industry. RevPAR changes that are driven predominantly by changes in occupancy have different implications for overall revenue levels and incremental profitability than do changes that are driven predominantly by changes in average room rates. For example, increases in occupancy at a hotel would lead to increases in room revenues and additional variable operating costs (including housekeeping services, utilities, and room amenity costs), and could also result in increased ancillary revenues (including food and beverage). In contrast, changes in average room rates typically have a greater impact on margins and profitability as average room rate changes result in minimal impacts to variable operating costs.

## Average Daily Rate (ADR)

ADR represents hotel room revenues, divided by the total number of rooms sold in a given period. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ADR is a commonly used performance measure in our industry, and we use ADR to assess the pricing levels that we are able to generate by customer group, as changes in rates have a different effect on overall revenues and incremental profitability than changes in occupancy, as described above.

## Occupancy

Occupancy represents the total number of rooms sold divided by the total number of rooms available at a hotel or group of hotels. Occupancy measures the utilization of a hotel's available capacity. We use occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ADR levels as demand for hotel rooms increases or decreases.