

Rezidor marks a strong start of 2008

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The Rezidor Hotel Group's Financial Report January – March 2008

“The first quarter of 2008 has been yet another strong quarter for Rezidor. Adjusted for the estimated negative effect of Easter falling in March, we continue to show a robust development of both revenue and EBITDA, compared to the first quarter of last year. As Rezidor’s revenue is strongly driven by business guests in the Nordics and the rest of Western Europe we were heavily impacted by the Easter holidays, as foreseen, says Kurt Ritter, President & CEO of Rezidor.

Rezidor’s markets are in Western and Northern Europe as well as the emerging markets in Eastern Europe and the Middle East, where the economic activity has been relatively strong. Despite slowing activity in the US and fear of a global slow-down, the hotel industry in our markets continued to grow in the beginning of the year.

“In order to secure a profitable growth we continue to focus on growing the number of rooms on fee based contracts. In the first quarter of this year, we opened 1,000 new rooms; 100% of these were under managed or franchised fee-based contracts. We also added close to 3,000 new rooms to our contracted pipeline, mainly managed or franchised”, Ritter continues.

“We are aware of the turmoil on the financial markets and the continued uncertainties surrounding the global economy, which make it difficult to predict the market outlook for 2008. We are confident of achieving our target of adding 20,000 rooms to operations from 2007 to year-end 2009, and believe that the ongoing shift in our business model driven by more fee based revenue will continue to support our EBITDA margin target”, summarises Kurt Ritter.

For further information, please contact:

The Rezidor Hotel Group

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