

## January-December 2015

### Fourth Quarter 2015

- **Like-for-like (“L/L”) RevPAR for leased and managed hotels was up by 5.6%.** The growth is due to an increase in average room rate as well as higher occupancy.
- **Revenue increased by 7.3% to MEUR 255.4 (238.0).** The increase is mainly due to the strong RevPAR development and one-off fee items of MEUR 4.7. On a L/L basis Revenue increased by 7.3%.
- **EBITDA amounted to MEUR 32.5 (14.8) and the EBITDA margin increased to 12.7% (6.2).** The improvement is mainly due to the strong revenue development, lower net costs for the hotel closed for renovation in Lyon and the revaluation of an investment in Beijing classified as held for sale.
- **EBIT amounted to MEUR 22.3 (0.5) and the EBIT margin increased to 8.7% (0.2).** EBIT is further impacted by lower costs for write-downs compared to last year.
- **Profit after tax amounted to MEUR 14.3 (-0.9).**
- **Basic and diluted earnings per share were EUR 0.08 (-0.01).**
- **865 (2,011) new rooms were contracted, 1,375 (941) new rooms opened and 981 (401) rooms left the system.**

### Twelve months ended December 2015

- **L/L RevPAR was up by 5.1%.**
- **Revenue increased by 6.4% to MEUR 997.0 (937.3).** On a L/L basis Revenue increased by 5.3%.
- **EBITDA amounted to MEUR 101.1 (71.3) and the EBITDA margin increased to 10.1% (7.6).**
- **EBIT amounted to MEUR 57.3 (30.7) and the EBIT margin increased to 5.7% (3.3).**
- **Profit after tax amounted to MEUR 34.2 (14.2).**
- **Basic and diluted earnings per share were EUR 0.20 (0.09)**
- **Cash flow from operating activities amounted to MEUR 85.8 (41.2).**
- **7,936 (6,557) new rooms were contracted, 4,152 (3,536) new rooms opened and 2,133 (2,204) rooms left the system.**
- **The Board of Directors proposes a dividend of EUR 0.07 (0.03) per share.**

MEUR	Q4 2015	Q4 2014	FY 2015	FY 2014
Revenue	255.4	238.0	997.0	937.3
EBITDA	32.5	14.8	101.1	71.3
EBIT	22.3	0.5	57.3	30.7
Profit for the period	14.3	-0.9	34.2	14.2
EBITDA margin, %	12.7%	6.2%	10.1%	7.6%
EBIT margin, %	8.7%	0.2%	5.7%	3.3%

## Comments from the CEO

### Significant progress made in 2015 towards improved profitability



RevPAR growth and margin improvements continued during the fourth quarter, contributing to improved full year results. This performance definitively demonstrated the turnaround progress towards the targeted Route 2015 EBITDA margin enhancement. 2015 was Rezidor's best year post the 2007 cycle peak – EBITDA was over MEUR 100 for the first time, and EBITDA margin was 10.1%.

Strategic revenue initiatives delivered the fourth year of consecutive market share (RGI) increase, and our fee-based growth saw strong momentum in 2015: with 7,900 room signings and 4,200 room openings. These results were not only above last year, Rezidor reached the milestone of 100,000 rooms in operation or under development. Asset management further contributed to increased profitability through restructurings of some lease agreements in Central Europe and the extension of several key leases in Scandinavia.

In our Nordic and Western European home markets we continued our investment focus in the leased estate. Capex spending in 2015 reached 7.2% of hotel revenues and we will continue to upgrade our hotels through accelerated Capex deployment in 2016.

Despite the ongoing fragility of some key markets and the continuing volatility of the external environment, Rezidor's business showed clear traction in 2015. We will pursue our long-term strategy with focus on prudent Emerging Market growth, ongoing investment in core markets and the further optimisation of financial margins.

Wolfgang M. Neumann, President & CEO

### Market RevPAR Development 2015

Market RevPAR across Europe was up 7.1% (at constant exchange rates) in 2015 with improvement driven both by room rate (4.6%) and occupancy (2.3%).

The RevPAR development in the mature Western European markets, 3.8%, was via both room rate and occupancy. All key markets experienced positive growth with the exception of Switzerland (-2.9%).

In Northern Europe, 5.8%, the growth was mainly due to improved room rate. In the Nordics, Denmark (9.4%), Sweden (7.9%) and Finland (3.2%) all had positive developments with Norway (-0.5%) the only country below last year.

Eastern Europe reported the strongest RevPAR growth (13.4%), with room rate and occupancy both driving the growth. The key drivers were the Czech Republic (14.0%), Russia (11.9%) and Poland (10.0%).

Trading in the Middle East and Africa was negatively impacted by political and other events with RevPAR ending on par with last year. The development by country was mixed with Egypt (23.9%) and South Africa (7.9%) performing well, but with other markets below last year, including Oman (-10.0%) and the United Arab Emirates (-6.7%).

Sources: STR Global Ltd. © 2015 – European Hotel Review – Constant Currency Edition (December 2015); STR Global Ltd. © 2015 – Middle East/Africa Hotel Review – Constant Currency Edition (December 2015); Hotel | trends by Benchmarking | Alliance © 2015

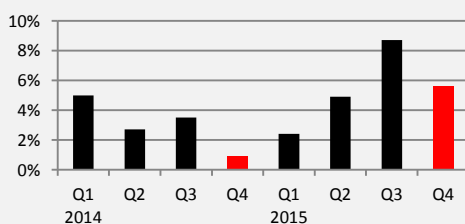
### Rezidor RevPAR Development Q4

L/L RevPAR for leased and managed hotels improved by 5.6% compared to last year. The growth is due to both room rate and occupancy. L/L RevPAR for leased hotels increased by 6.9%.

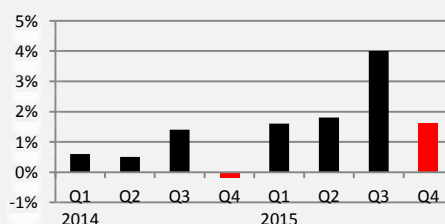
Three of the four regions reported L/L RevPAR growth over last year. The strongest development was in Eastern Europe, followed by the Nordics and Rest of Western Europe. The only region below last year was Middle East, Africa & Others. The key challenges in this region were again in Saudi Arabia and the United Arab Emirates.

Reported RevPAR growth was 3.7%. It was negatively impacted by 1.8 percentage point due to FX, with minimal impact of changes in the portfolio.

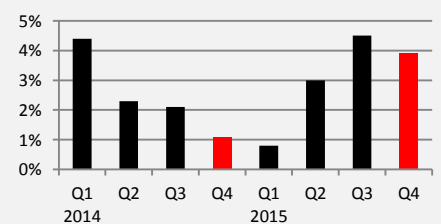
L/L RevPAR growth by quarter



L/L Occupancy growth by quarter



L/L Room Rates growth by quarter



## Income Statement

### Fourth quarter 2015

Total revenue increased by 7.3%, or MEUR 17.4, to MEUR 255.4 (238.0). The increase was mainly due to the strong RevPAR development and one-off fee income.

On a L/L basis revenue increased by 7.3%. L/L fee revenue includes one-off income of MEUR 4.7 related to terminated and renegotiated agreements.

The change in revenue compared to the same period last year is presented in the table below.

MEUR	L/L	New	Out	FX	Change
Rooms Revenue	8.5	1.1	-0.7	0.4	9.3
F&D Revenue	0.5	0.8	-0.2	-0.5	0.6
Other Hotel Revenue	1.0	0.0	-2.0	0.1	-0.9
<b>Total Leased Revenue</b>	<b>10.0</b>	<b>1.9</b>	<b>-2.9</b>	<b>0.0</b>	<b>9.0</b>
Fee Revenue	6.0	1.6	-0.1	-0.5	7.0
Other Revenue	1.4	-	-	0.0	1.4
<b>Total Revenue</b>	<b>17.4</b>	<b>3.5</b>	<b>-3.0</b>	<b>-0.5</b>	<b>17.4</b>

EBITDA increased by MEUR 17.7 to MEUR 32.5. The earnings were positively impacted by the strong revenue development, improved F&D business, as well as MEUR 5.3 lower net costs for the hotel closed for renovation in Lyon. EBITDA was also positively impacted by the revaluation of the net investment in Beijing classified as held for sale (MEUR 2.8).

The increase of EBITDA due to the above mentioned factors was partly offset by higher costs for variable remuneration and costs related to the terrorist attack in Bamako, Mali.

Rent as a percentage of leased hotel revenue was 27.3% (27.2). FX had a negative impact of MEUR 0.3 only on EBITDA.

EBIT increased by MEUR 21.8 to MEUR 22.3, due to the increase in EBITDA as well as lower costs for write-downs of MEUR 4.3 compared to last year.

Profit after tax amounted to MEUR 14.3 compared to MEUR -0.9 last year.

### Twelve months ended December 2015

Total revenue increased by 6.4%, or MEUR 59.7, to MEUR 997.0 (937.3). The increase was mainly due to the positive RevPAR development, the conversion of two hotels in Oslo from management contract to lease, higher F&D revenue due to strengthened M&E business and one-off fee income. FX had a positive impact on revenue of MEUR 5.0. The increase has been partly offset by rooms leaving the system.

On a L/L basis revenue increased by 5.3%. L/L fee revenue includes one-off income of MEUR 7.2 related to terminated and renegotiated agreements.

The change in revenue compared to last year is presented in the table below.

MEUR	L/L	New	Out	FX	Change
Rooms Revenue	28.6	5.6	-2.2	3.7	35.7
F&D Revenue	3.6	3.6	-0.8	0.5	6.9
Other Hotel Revenue	0.5	0.1	-3.7	0.6	-2.5
<b>Total Leased Revenue</b>	<b>32.7</b>	<b>9.3</b>	<b>-6.7</b>	<b>4.8</b>	<b>40.1</b>
Fee Revenue	13.6	5.4	-3.4	0.2	15.8
Other Revenue	3.8	-	-	0.0	3.8
<b>Total Revenue</b>	<b>50.1</b>	<b>14.7</b>	<b>-10.1</b>	<b>5.0</b>	<b>59.7</b>

EBITDA increased by MEUR 29.8 to MEUR 101.1. The earnings were positively impacted by the increase in revenue as well as lower net costs of MEUR 8.6 for the hotel closed for renovation in Lyon. Also, a revaluation of the net investment in Beijing of MEUR 2.8 had a positive impact on EBITDA.

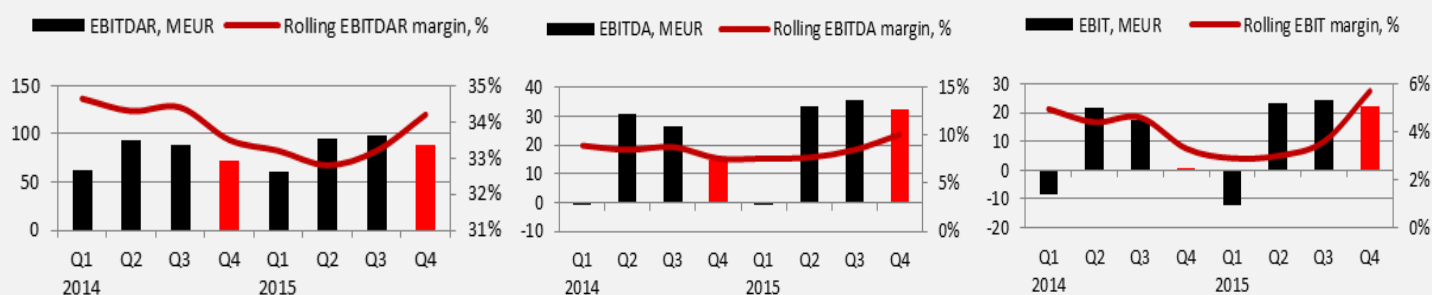
The positive impact of the above was partly offset by increased central costs of MEUR 8.2, which is mainly due to increased costs for variable remuneration, and changes in provisions for bad debts of MEUR 2.6.

Rent as a percentage of leased hotel revenue was 28.4% (29.1). FX had no impact on EBITDA.

EBIT increased by MEUR 26.6 to MEUR 57.3. The increase in EBITDA has been partly offset by increased costs for depreciation and net write-downs of in total MEUR 2.5 and termination costs of MEUR 1.1.

Profit after tax amounted to MEUR 34.2 compared to MEUR 14.2 last year.

The effective tax rate improved from 51.4% to 39.5%. This is mainly due to reduced losses in UK and France, countries in which no deferred tax assets have been recognised on tax losses carried forward.



## Q4 Comments by Region

### Nordics

MEUR	Q4 2015	Q4 2014	Change
L/L RevPAR, EUR	85.8	80.2	6.9%
Total Revenue	114.2	110.6	3.3%
EBITDA	15.6	15.6	0.0%
EBITDA margin, %	13.7%	14.1%	-0.4 pp
EBIT	11.2	8.4	33.3%
EBIT margin, %	9.8%	7.6%	2.2 pp

L/L RevPAR increased by 6.9%, mainly via occupancy. Two of the three key countries were above last year, Sweden (18.5%) and Denmark (15.4%), with Norway (-0.6%) below linked to oil related impact on the west coast of the country.

Total revenue increased by MEUR 3.6 (or 3.3%) compared to last year, mainly due to the L/L RevPAR development in Sweden and Denmark and the conversion of two hotels in Oslo from managed to leased, but to a great extent offset by the weakening of the Norwegian krona.

The decrease in EBITDA margin of 0.4 percentage point is mainly due to that last year's numbers were positively impacted by changes in pension plans in Norway of MEUR 2.9.

EBIT increased by MEUR 2.8, mainly due to lower costs for write-downs.

### Rest of Western Europe

MEUR	Q4 2015	Q4 2014	Change
L/L RevPAR, EUR	83.0	78.7	5.6%
Total Revenue	124.4	112.3	10.8%
EBITDA	18.3	6.0	205.0%
EBITDA margin, %	14.7%	5.3%	9.4 pp
EBIT	12.6	-1.0	-1360.0%
EBIT margin, %	10.1%	-0.9%	11.0 pp

L/L RevPAR grew by 5.6%, mainly due to higher room rates. The key drivers were Ireland (26.2%) and Germany (7.8%), with both Belgium (-6.6%) and France (-2.8%) negatively impacted by the terrorist attacks in November.

Total revenue grew by MEUR 12.1 (or 10.8%) compared to last year, mainly due to the strong L/L RevPAR development and the appreciation of the British Pound. In addition, the termination of three management contracts and the conversion of one management contract to franchise has resulted in additional fee income of MEUR 4.4 in the quarter.

The increase in EBITDA of MEUR 12.3 is mainly due to the increase in revenue and lower net costs of MEUR 5.3 for the hotel closed for renovation in Lyon.

EBIT is also positively impacted by lower costs for write-downs.

### Eastern Europe

MEUR	Q4 2015	Q4 2014	Change
L/L RevPAR, EUR	45.6	39.5	15.3%
Total Fee Revenue	7.8	7.2	8.3%
EBITDA	5.5	4.0	37.5%
EBITDA margin, %	70.5%	55.6%	14.9 pp
EBIT	5.4	4.0	35.0%
EBIT margin, %	69.2%	55.6%	13.6 pp

L/L RevPAR improved by 15.3% via room rate and occupancy. Russia led the way (21.5%) linked to events in key cities and increased domestic travel (a result of the current political situation), followed by Poland (11.4%).

Fee revenue increased by MEUR 0.6 (or 8.3%). The positive impact of the strong L/L RevPAR development has been partly offset by the weakening of the Ruble.

The increase in earnings and margins is mainly due to lower costs for bad debts.

### Middle East, Africa and Others

MEUR	Q4 2015	Q4 2014	Change
L/L RevPAR, EUR	70.6	73.9	-4.5%
Total Fee Revenue	9.0	7.9	13.9%
EBITDA	9.2	2.9	217.2%
EBITDA margin, %	102.2%	36.7%	65.5 pp
EBIT	9.2	2.8	228.6%
EBIT margin, %	102.2%	35.4%	66.8 pp

L/L RevPAR decreased by 4.5% as a decline in occupancy offset the increase in room rates. The country level performance continued to be a mix of results. The key market South Africa showed growth (13.1%), but there were challenges in other key markets like Saudi Arabia (-7.3%) and the United Arab Emirates (-7.2%).

The increase in fee revenue of MEUR 1.1 (or 13.9%) is mainly due to new openings.

The increase in earnings and margins is mainly due to the revaluation of the investment in Beijing of MEUR 2.8. Also, last year's numbers were negatively impacted by accrued costs for legal fees.

### Central costs

Central costs for the quarter amounted to MEUR 16.1 and were MEUR 2.4 higher than last year. The increase reflects the increase of the portfolio in emerging markets (including costs related to the terrorist attack in Bamako) and higher accruals for variable remuneration.

## Comments to the Balance Sheet

Non-current assets increased by MEUR 28.5 from year-end 2014 and amounted to MEUR 278.6. The increase is mainly related to investments in tangible assets (MEUR 72.5), partly offset by depreciation and write downs (MEUR 43.1) and a decrease in deferred tax assets.

Net working capital, excluding cash and cash equivalents, but including current tax assets and liabilities, was MEUR -53.0 at the end of the year compared to MEUR -42.3 at year-end 2014. The change is mainly explained by lower tax receivables and higher accrued expenses, partly offset by an increase in prepaid expenses and accrued income.

Cash and cash equivalents increased by MEUR 2.2 from year-end 2014 to MEUR 37.7 at the end of the year.

Compared to year-end 2014, equity increased by MEUR 27.3 to MEUR 246.7, mainly due to the profit for the year partly offset by the dividend distributed in Q2.

The increase in assets classified as held for sale of MEUR 10.1 and the addition of liabilities classified as held for sale of MEUR 4.6 is primarily due to the sale of a leased property in the Nordics, which was finalised in January 2016. Please see further below under the section "Subsequent Events".

MEUR	31-Dec 15	31-Dec 14
Balance sheet total	463.9	427.5
Net working capital	-53.0	-42.3
Net cash (net debt)	41.1	35.5
Equity	246.7	219.4

## Cash Flow and Liquidity

Cash flow from operations (before change in working capital) amounted to MEUR 80.8, an increase of MEUR 32.9 and mainly due to the improved EBITDA.

Cash flow from change in working capital amounted to MEUR 5.0, compared to -6.7 last year. The change is mainly related to accruals.

Cash flow used in investing activities was MEUR 21.3 higher compared to last year, and amounted to a net of MEUR -74.6, reflecting the increased net capex spend in the leased business.

Cash flow from financing activities amounted to MEUR -5.7 (40.9), mainly reflecting the dividend paid out earlier in the year. Last year's numbers included a rights issue of MEUR 58.5.

At the end of the year, Rezidor had MEUR 41.1 in cash and cash equivalents, of which MEUR 3.4 was classified as assets held for sale. The total credit facilities available for use at the end of the year amounted to MEUR 200.0. MEUR 0.4 was used for bank guarantees, leaving MEUR 199.6 in available credit for use. The committed credit facilities have a tenor of up to four years and carry customary covenants.

Net interest bearing assets amounted to MEUR 53.0 (46.3 at year-end 2014).

Net cash (debt), defined as cash & cash equivalents plus short-term interest-bearing assets minus interest-bearing financial liabilities (short-term & long-term), equalled MEUR 41.1 (35.5 at year-end 2014).

MEUR	FY 2015	FY 2014
Cash flow before working capital changes	80.8	47.9
Change in working capital	5.0	-6.7
Cash flow from investing activities	-74.6	-53.3
<b>Free cash flow</b>	<b>11.2</b>	<b>-12.1</b>

## Other Events

In December 2015 Rezidor received a negative decision from the Swedish tax authorities regarding interest deduction in one of its subsidiaries. An assessment note for additional income tax due in the amount MEUR 3.1 was raised, which was paid early 2016. Rezidor has decided to move forward with filing a claim with the court of first instance to have this assessment cancelled, since the Company believes the decision has been taken wrongfully and that it also contrary to EU law. No tax cost has been recognised as per December 31, 2015. If Rezidor is not successful in its claims, the maximum cost for the company would be ca MEUR 5.4.

## Subsequent Events

In January 2016 the sale of the entity holding the lease Radisson Blu Scandinavia Hotel, Gothenburg, Sweden was finalised. The gain of the sale amounts to ca MEUR 1.9, which will be recognised in Q1 2016.

The hotel will be operated under a franchise contract going forward.

## Dividend

The Board of Directors proposes, in accordance with the dividend policy, for the Annual General Meeting 2016 that a dividend of EUR 0.07 (0.03) per share is to be paid for the financial year 2015.

The Annual General Meeting of Rezidor Hotel Group AB (publ) will take place on April 21, 2016 in Stockholm.

The annual report will be available on the Company's website ([www.rezidor.com](http://www.rezidor.com)) on March 18, 2016.

## Route 2015 Initiative Update

In December 2011 Rezidor announced "Route 2015", a turnaround plan to improve the group's EBITDA margin by 6 to 8 percentage points by 2015. The plan is crucial to help reach the EBITDA margin target of 12% over a business cycle. The program entailed initiatives across many areas including revenue generation, fee-based growth, cost savings, asset management initiatives and the full utilisation of contractual caps on fixed commitments.

In total it is estimated that the turnaround plan yielded 1.4 percentage points improvement in EBITDA margin in 2015, with 0.3 percentage points coming from revenue generation, 0.4 percentage points from fee-based growth, 0.5 percentage points from cost savings, 0.1 percentage point from cap utilisation and 0.1 percentage points from asset management.

Accumulated for the period 2012 to 2015, the estimated impact is 7.7 percentage points. The improvement, together with the impact of certain one-off items as described above, has resulted in an EBITDA margin of 10.1% for 2015. Although a variety of circumstances such as the continued weak market in Norway, the turmoil in the Middle East and one-off costs associated with a hotel renovation in France have thwarted the timely achievement of Route 2015, the company aim at further drive and attain these publicly stated goals in 2016.

## Material Risks and Uncertainties

No material changes have taken place during the period and reference is therefore made to the detailed description provided in the annual report for 2014. The general market, economic and financial conditions as well as the development of RevPAR in various countries where Rezidor operates, continue to be the most important factors influencing the company's earnings. In order to reduce the risks associated with operating in Emerging Markets, Rezidor applies an asset light business model. Management is continuously analysing ways to improve the performance of the hotel portfolio, with a particular focus on how to increase the profitability of the leased business in Rest of Western Europe. Future cash flow projections related to leases or management agreements with performance guarantees are sensitive to changes in discount rate, occupancy and room rate assumptions. Changes in such assumptions may lead to a renewed assessment of the value of certain assets and the risk for loss making contracts.

The financial impact of exiting contracts is uncertain and it cannot be ruled out that an exit could lead to a cash outflow which is currently not fully reflected in the reported liabilities of the Group. The Parent Company performs services of a common Group character. The risks for the Parent Company are the same as for the Group.

## Seasonal Effects

Rezidor is active in an industry with seasonal variations. Sales and profits vary by quarter and the first quarter is generally the weakest. The timing of Easter can have a significant impact on Earnings when comparing to the equivalent period for the previous year. For quarterly revenue and margins, see table on page 18.

## Sensitivity Analysis

With the current business model and portfolio mix Rezidor estimates that a EUR 1 RevPAR variation would result in a MEUR 6-8 change in EBITDA. Future cash flow projections related to leases or management agreements with performance guarantees are sensitive to changes in discount rates, occupancy and room rate assumptions. Changes in such assumptions may lead to a renewed assessment of the value of certain assets and the risk for loss making contracts.

## Auditors' review

The report has not been subject to review by the auditors.

## Presentation of the Q4 Results

On February 16, 2016 at 10:00 (Central European Time) a combined telephone conference and live webcast (in English) concerning the report will be presented by the President & CEO, Wolfgang M. Neumann and Deputy President & CFO, Knut Kleiven. To follow the webcast, please visit [www.investor.rezidor.com](http://www.investor.rezidor.com).

To access the telephone conference, please dial:

Belgium, Local	+32 2 404 0662
Belgium, Free	0800 58032
Sweden, Local:	+46 8 5065 3937
Sweden, Free:	0200 883 440
UK, Local:	+44 20 3427 1915
UK, Free:	0800 279 4992
USA, Local:	+1 212 444 0895
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France, Local:	+33 1 76 77 22 29
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Norway, Free:	800 56053

Confirmation code: 3919345. For a replay of the conference call please visit [www.investor.rezidor.com](http://www.investor.rezidor.com).

## Financial Calendar

Annual Report 2015: March 18, 2016  
Q1 2016 results: April 21, 2016  
AGM 2016: April 21, 2016  
Q2 2016 results: July 27, 2016  
Q3 2016 results: October 25, 2016

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## About the Rezidor Hotel Group

The Rezidor Hotel Group is focused on hotel management and operates the core brands Radisson Blu and Park Inn by Radisson. In February 2014, Rezidor announced together with Carlson the launch of two additional brands; Radisson Red, an upscale "lifestyle select" brand inspired by the millennial lifestyle, and Quorvus Collection, a new generation of distinctive five star hotels.

The portfolio consists of 457 hotels with over 100,000 rooms in operation and under development in 80 countries across Europe, the Middle East and Africa.

Rezidor's strategy is to grow with management and franchise contracts and only selectively with leases. The strategy is also to further expand in the emerging markets.

Rezidor is a member of the Carlson Rezidor Hotel Group. For more information, visit [www.rezidor.com](http://www.rezidor.com).

This quarterly report comprises information which Rezidor Hotel Group AB (publ) is required to disclose under the Securities Markets Act and/or the Financial Instruments Trading Act. It was released for publication at 07:30 Central European Time on February 16, 2016.

Stockholm February 16, 2016

Wolfgang M. Neumann  
President & CEO  
Rezidor Hotel Group AB

## Condensed Consolidated Statement of Operations

MEUR	Q4 2015	Q4 2014	FY 2015	FY 2014
Revenue	255.4	238.0	997.0	937.3
F&D and other related expenses	-16.0	-15.0	-57.9	-55.7
Personnel cost and contract labour	-89.9	-84.5	-343.0	-325.2
Other operating expenses	-58.2	-63.9	-239.4	-228.4
Insurance of properties and property tax	-3.6	-3.2	-15.7	-14.2
<b>Operating profit before rental expense, share of income in associates and depreciation and amortisation of fixed assets (EBITDAR)</b>	<b>87.7</b>	<b>71.4</b>	<b>341.0</b>	<b>313.8</b>
Rental expenses	-58.3	-56.7	-243.1	-241.9
Share of income in associates and joint ventures	3.1	0.1	3.2	-0.6
<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>32.5</b>	<b>14.8</b>	<b>101.1</b>	<b>71.3</b>
Depreciation and amortisation	-9.8	-9.2	-37.3	-33.0
Write-downs and reversals of write-downs	-0.8	-5.1	-5.8	-7.6
Costs due to termination of contracts	-	-	-1.1	-
Gain on sale of fixed assets	0.4	-	0.4	-
<b>Operating profit (EBIT)</b>	<b>22.3</b>	<b>0.5</b>	<b>57.3</b>	<b>30.7</b>
Financial income	1.2	0.4	1.9	0.9
Financial expenses	-0.6	-0.7	-2.6	-2.4
<b>Profit before tax</b>	<b>22.9</b>	<b>0.2</b>	<b>56.6</b>	<b>29.2</b>
Income tax	-8.6	-1.1	-22.4	-15.0
<b>Profit for the period</b>	<b>14.3</b>	<b>-0.9</b>	<b>34.2</b>	<b>14.2</b>
<b>Attributable to:</b>				
Owners of the parent company	14.3	-0.9	34.2	14.2
Non-controlling interests	-	-	-	-
<b>Profit for the period</b>	<b>14.3</b>	<b>-0.9</b>	<b>34.2</b>	<b>14.2</b>
Basic average no. of shares outstanding	170,707,719	170,707,719	170,707,719	161,019,805
Diluted average no. of shares outstanding	173,448,943	172,366,508	172,902,764	162,608,506
<b>Earnings per share, in EUR</b>				
Basic	0.08	-0.01	0.20	0.09
Diluted	0.08	-0.01	0.20	0.09

## Consolidated Statement of Comprehensive Income

<b>Profit for the period</b>	<b>14.3</b>	<b>-0.9</b>	<b>34.2</b>	<b>14.2</b>
<b>Other comprehensive income:</b>				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Actuarial gains and losses	0.4	-1.4	0.6	-3.1
Tax on actuarial gains and losses	-0.1	0.3	-0.2	0.9
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations	0.2	-6.5	-3.1	-5.8
Tax on exchange differences	0.2	0.7	0.5	0.8
Fair value gains and losses on cash flow hedges	-0.1	0.6	-0.1	0.1
Tax on fair value gains and losses on cash flow hedges	0.0	-0.1	0.0	-
<b>Other comprehensive income for the period, net of tax</b>	<b>0.6</b>	<b>-6.4</b>	<b>-2.3</b>	<b>-7.1</b>
<b>Total comprehensive income for the period</b>	<b>14.9</b>	<b>-7.3</b>	<b>31.9</b>	<b>7.1</b>
<b>Attributable to:</b>				
Owners of the parent company	14.9	-7.3	31.9	7.1
Non-controlling interests	-	-	-	-



## Condensed Consolidated Balance Sheet Statements

MEUR	31-Dec 2015	31-Dec 2014
<b>ASSETS</b>		
Intangible assets	64.6	68.3
Tangible assets	170.5	137.1
Investments in associated companies and joint ventures	2.9	2.5
Other shares and participations	5.2	5.2
Other long-term receivables	13.7	10.0
Deferred tax assets	21.7	27.0
<b>Total non-current assets</b>	<b>278.6</b>	<b>250.1</b>
Inventories	5.0	5.1
Other current receivables	118.2	120.4
Derivative financial instruments	0.3	0.5
Other short term investments	2.0	3.9
Cash and cash equivalents	37.7	35.5
Assets classified as held for sale	22.1	12.0
<b>Total current assets</b>	<b>185.3</b>	<b>177.4</b>
<b>TOTAL ASSETS</b>	<b>463.9</b>	<b>427.5</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent	246.7	219.4
Non-controlling interests	0.0	0.0
<b>Total equity</b>	<b>246.7</b>	<b>219.4</b>
Deferred tax liabilities	15.4	16.5
Retirement benefit obligations	5.6	5.7
Other long-term liabilities	17.6	19.3
<b>Total non-current liabilities</b>	<b>38.6</b>	<b>41.5</b>
Derivative financial instruments	0.1	0.1
Other current liabilities	173.9	166.5
Liabilities classified as held for sale	4.6	-
<b>Total current liabilities</b>	<b>178.6</b>	<b>166.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>463.9</b>	<b>427.5</b>
Number of ordinary shares outstanding at the end of the period	170,707,719	170,707,719
Number of ordinary shares held by the company	3,681,138	3,681,138
Number of registered ordinary shares at the end of the period	174,388,857	174,388,857

## Consolidated Statement of Changes in Equity

MEUR	Share capital	Other paid in capital	Other reserves	Retained earnings incl. net profit/loss for the period	Attributable to equity holders of the parent	Non-controlling interests	Total equity
<b>Opening balance as of January 1, 2014</b>	<b>10.0</b>	<b>120.3</b>	<b>11.2</b>	<b>13.5</b>	<b>155.0</b>	<b>0.0</b>	<b>155.0</b>
Profit for the period	-	-	-	14.2	14.2	-	14.2
<i>Other comprehensive income:</i>							
Actuarial gains and losses on defined benefit plans	-	-	-	-3.1	-3.1	-	-3.1
Tax on actuarial gains and losses on defined benefit plans	-	-	-	0.9	0.9	-	0.9
Currency differences on translation of foreign operations	-	-	-5.8	-	-5.8	-	-5.8
Tax on exchange differences recognised in other comprehensive income	-	-	0.8	-	0.8	-	0.8
Cash flow hedges	-	-	0.1	-	0.1	-	0.1
Tax on cash flow hedges	-	-	-0.0	-	-0.0	-	-0.0
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-4.9</b>	<b>12.0</b>	<b>7.1</b>	<b>-</b>	<b>7.1</b>
<i>Transactions with owners:</i>							
Rights issue (incl. transaction costs*)	1.6	56.8	-	-	58.5	-	58.5
Long term incentive plan	-	-	-	-1.1	-1.1	-	-1.1
<b>Ending balance as of December 31, 2014</b>	<b>11.6</b>	<b>177.1</b>	<b>6.3</b>	<b>24.4</b>	<b>219.4</b>	<b>0.0</b>	<b>219.4</b>
<b>Opening balance as of January 1, 2015</b>	<b>11.6</b>	<b>177.1</b>	<b>6.3</b>	<b>24.4</b>	<b>219.4</b>	<b>0.0</b>	<b>219.4</b>
Profit for the period	-	-	-	34.2	34.2	-	34.2
<i>Other comprehensive income:</i>							
Actuarial gains and losses on defined benefit plans	-	-	-	0.6	0.6	-	0.6
Tax on actuarial gains and losses on defined benefit plans	-	-	-	-0.2	-0.2	-	-0.2
Currency differences on translation of foreign operations	-	-	-3.1	-	-3.1	-	-3.1
Tax on exchange differences recognised in other comprehensive income	-	-	0.5	-	0.5	-	0.5
Cash flow hedges	-	-	-0.1	-	-0.1	-	-0.1
Tax on cash flow hedges	-	-	0.0	-	0.0	-	0.0
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-2.7</b>	<b>34.6</b>	<b>31.9</b>	<b>-</b>	<b>31.9</b>
<i>Transactions with owners:</i>							
Dividend	-	-	-	-5.1	-5.1	-	-5.1
Long term incentive plan	-	-	-	0.5	0.5	-	0.5
<b>Ending balance as of December 31, 2015</b>	<b>11.6</b>	<b>177.1</b>	<b>3.6</b>	<b>54.4</b>	<b>246.7</b>	<b>0.0</b>	<b>246.7</b>

\*) Total transaction costs amount to MEUR 1.2

## Condensed Consolidated Statement of Cash Flow

MEUR	Q4 2015	Q4 2014	FY 2015	FY 2014
<b>Operating profit (EBIT)</b>	<b>22.3</b>	<b>0.5</b>	<b>57.3</b>	<b>30.7</b>
Non-cash items	4.0	11.1	36.9	36.0
Interest, taxes paid and other cash items	- 2.6	-6.2	-13.4	-18.8
Change in working capital	9.3	12.7	5.0	-6.7
<b>Cash flow from operating activities</b>	<b>33.0</b>	<b>18.1</b>	<b>85.8</b>	<b>41.2</b>
Purchase of intangible assets	-0.6	-1.6	-1.4	-1.8
Purchase of tangible assets	-27.3	-19.9	-72.5	-52.0
Investments in subsidiaries	-	-	0.4	-
Other investments/divestments	-0.8	-1.1	-1.1	0.5
<b>Cash flow from investing activities</b>	<b>-28.7</b>	<b>-22.6</b>	<b>-74.6</b>	<b>-53.3</b>
Rights issue	-	-	-	58.5
Dividend	-	-	-5.1	-
External financing, net	-0.5	-1.2	-0.6	-17.6
<b>Cash flow from financing activities</b>	<b>-0.5</b>	<b>-1.2</b>	<b>-5.7</b>	<b>40.9</b>
<b>Cash flow for the period</b>	<b>3.8</b>	<b>-5.7</b>	<b>5.5</b>	<b>28.8</b>
Effects of exchange rate changes on cash and cash equivalents	0.0	-0.2	0.1	-0.2
<b>Cash and cash equivalents at beginning of the period</b>	<b>37.3</b>	<b>41.4</b>	<b>35.5</b>	<b>6.9</b>
<b>Cash and cash equivalents at end of the period</b>	<b>41.1</b>	<b>35.5</b>	<b>41.1</b>	<b>35.5</b>
Where of classified as assets held for sale	3.4	-	3.4	-

## Parent Company, Condensed Statement of Operations

MEUR	Q4 2015	Q4 2014	FY 2015	FY 2014
Revenue	1.4	1.7	6.4	6.3
Personnel cost and contract labour	-1.2	-1.7	-4.8	-4.7
Other operating expenses	-3.8	-1.7	-11.8	-9.0
<b>Operating profit/loss before depreciation and amortisation (EBITDA)</b>	<b>-3.6</b>	<b>-1.7</b>	<b>-10.2</b>	<b>-7.4</b>
Depreciation and amortisation	-0.0	-0.0	-0.1	-0.1
<b>Operating profit/loss (EBIT)</b>	<b>-3.6</b>	<b>-1.7</b>	<b>-10.3</b>	<b>-7.5</b>
Financial income	-3.0	21.5	11.6	30.6
Financial expense	0.3	-0.2	-0.0	-0.5
<b>Profit/loss before tax</b>	<b>-6.3</b>	<b>19.6</b>	<b>1.3</b>	<b>22.6</b>
Income tax	1.4	-4.4	-0.3	-5.1
<b>Profit/loss for the period</b>	<b>-4.9</b>	<b>15.2</b>	<b>1.0</b>	<b>17.5</b>

## Parent Company, Statement of Comprehensive Income

<b>Profit/loss for the period</b>	<b>-4.9</b>	<b>15.2</b>	<b>1.0</b>	<b>17.5</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>-4.9</b>	<b>15.2</b>	<b>1.0</b>	<b>17.5</b>

## Parent Company, Condensed Balance Sheet Statements

MEUR	31-Dec 2015	31-Dec 2014
<b>ASSETS</b>		
Intangible assets	0.0	0.1
Tangible assets	0.2	0.2
Shares in subsidiaries	233.5	233.0
Deferred tax assets	0.0	0.3
<b>Total non-current assets</b>	<b>233.7</b>	<b>233.6</b>
Current receivables	53.8	55.4
<b>Total current assets</b>	<b>53.8</b>	<b>55.4</b>
<b>TOTAL ASSETS</b>	<b>287.5</b>	<b>289.0</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>282.7</b>	<b>286.3</b>
Current liabilities	4.8	2.7
<b>Total current liabilities</b>	<b>4.8</b>	<b>2.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>287.5</b>	<b>289.0</b>

## Parent Company, Statement of Changes in Equity

MEUR	Share capital	Share premium reserve	Retained earnings incl. net profit/loss for the period	Total equity
<b>Opening balance as of January 1, 2014</b>	<b>10.0</b>	<b>197.3</b>	<b>4.1</b>	<b>211.4</b>
Total comprehensive income for the period	-	-	17.5	<b>17.5</b>
<i>Transactions with owners:</i>				
Rights issue (incl. transaction costs*)	1.6	56.9	-	<b>58.5</b>
Long term incentive plan	-	-	-1.1	<b>-1.1</b>
<b>Ending balance as of December 31, 2014</b>	<b>11.6</b>	<b>254.2</b>	<b>20.5</b>	<b>286.3</b>
<b>Opening balance as of January 1, 2015</b>	<b>11.6</b>	<b>254.2</b>	<b>20.5</b>	<b>286.3</b>
Total comprehensive income for the period	-	-	1.0	<b>1.0</b>
<i>Transactions with owners:</i>				
Dividend	-	-	-5.1	<b>-5.1</b>
Long term incentive plan	-	-	0.5	<b>0.5</b>
<b>Ending balance as of December 31, 2015</b>	<b>11.6</b>	<b>254.2</b>	<b>16.9</b>	<b>282.7</b>

\*) Total transaction costs amount to MEUR 1.2

### Comments on the Income Statement

The primary purpose of the Parent Company is to act as a holding company for the Group's investments in hotel operating subsidiaries in various countries. In addition to this main activity, the Parent Company also serves as a Shared Service Centre for all hotels in Sweden.

The main revenue of the company is internal fees charged to the hotels in Sweden for the related administrative services provided by the Shared Service Centre. In Q4 2015 and full year 2015 the intercompany revenue of the Parent Company amounted to MEUR 1.4 (1.6) and MEUR 6.2 (6.0) respectively. The intercompany costs in Q4 2015 and full year 2015 amounted to MEUR 3.4 (1.4) and MEUR 8.6 (6.0) respectively.

The decrease by 25.9 MEUR for the quarter and 21.3 MEUR for the full year to a loss before tax, is mainly due to a decrease in received group contributions.

### Comments on the Balance Sheet

At the end of the year the intercompany receivables amounted to MEUR 53.3 (55.2) and the intercompany liabilities to MEUR 2.7 (0.3). The change in current assets and current liabilities since year end 2014 is mainly related to changes in intercompany balances.

### Notes to Condensed Consolidated Financial Statements

#### **Basis of preparation**

The interim report has been prepared in accordance with the Swedish Annual Accounts Act and International Accounting Standard (IAS) 34 Interim Financial Reporting. The interim report has been prepared using accounting principles consistent with International Financial Reporting Standards (IFRS).

The interim report for the Parent Company has been prepared in accordance with Swedish Annual Accounts Act and Recommendation RFR 2, Accounting for Legal Entities, issued by Swedish Financial Accounting Standards Council.

The same accounting policies, presentation and methods of computation have been followed in this interim report as were applied in the company's annual report for the year ended December 31, 2014, except for the impact of the adoption of the standards and interpretations described below.

IFRIC 21 is a new interpretation on Levies. Furthermore, there have been amendments to IFRS 1, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38 and IAS 40. The new interpretation and the amendments have had no impact on the reported results or financial position of the Group.

### **Incentive programmes**

In 2013, 2014 and 2015 the AGM's have approved long-term equity settled performance-based incentive programmes to be offered to executives within Rezidor. The structure of the three programmes are similar. The programmes are comprised of both matching shares and performance shares. The President and CEO and other members of the Executive Committee have been offered the opportunity to participate in the performance share part as well as the matching share part of the programmes. Other key executives have been offered to participate in the performance share part of the programmes.

In order to qualify for matching shares, each participant shall meet certain requirements, including a shareholding requirement of at least three years and continuing employment with the company during the vesting period. Exemptions may be prescribed in specific cases. In order to qualify for performance shares, each participant must, in addition to the requirement regarding continuing employment during the vesting period, meet a performance target based on Rezidor Group's cumulative earnings per share for three consecutive financial years, starting as from the year the programme has been approved by the AGM.

Six members of the Executive Committee participate in the 2013 programme entitling them to a maximum total of 663,422 shares, of which the President and CEO is entitled to a maximum of 279,942 shares. 17 other members of management participate in the programme, entitling them to a maximum of 275,165 shares in total.

The total value of the 2013 programme at grant date, based on 35 participants and including social security costs, amounted to MEUR 4.3.

Six members of the Executive Committee participate in the 2014 programme entitling them to a maximum total of 491,843 shares, of which the President and CEO is entitled to a maximum of 207,307 shares. 19 other members of management participate in the programme, entitling them to a maximum of 209,384 shares in total.

The total value of the 2014 programme at grant date, based on 35 participants and including social security costs, amounted to MEUR 4.7.

Seven members of the Executive Committee participate in the 2015 programme entitling them to a maximum total of 683,360 shares, of which the President and CEO is entitled to a maximum of 272,935 shares. 26 other members of management participate in the programme, entitling them to a maximum of 418,051 shares in total.

The total value of the 2015 programme at grant date, based on 35 participants and including social security costs, amounted to MEUR 5.1.

The net costs recognised in the income statement during Q4 2015 and full year 2015 in accordance with IFRS 2 for the three incentive programmes amounted to MEUR 0.2 (-1.1) and MEUR 0.6 (-1.7) respectively. Costs are limited since program vesting conditions are only partially being achieved.

### **Share buy-back**

The number of treasury shares held by the company at the end of the quarter was 3,681,138, corresponding to 2.1% of all registered shares. The average number of its own shares held by the company during Q4 and YTD 2015 was 3,681,138 (3,681,138). The shares have been bought back in 2007 and 2008 following authorisations at the AGMs in the same years. A majority of the shares bought back are held to secure delivery of shares in the incentive programmes and the related social security costs.

### **Related party transactions**

Related parties with significant influence are the Carlson Group (Carlson) owning 51.3% of the outstanding shares. Rezidor also has some joint ventures and associated companies. On December 31, 2015 Rezidor had no receivables related to Carlson (none as at December 31, 2014) and current liabilities of MEUR 0.8 (1.5 as at December 31, 2014). The business relationship with Carlson mainly consisted of operating costs related to the use of the brands and the use of the Carlson reservation system. During Q4 2015, Rezidor had operating costs towards Carlson of MEUR 4.4 (4.7).

Carlson also charged MEUR 5.6 (5.9) for points earned in the Loyalty programme Club Carlson and reimbursed MEUR 3.1 (2.9) for points redeemed. Furthermore, Carlson recharged MEUR 2.8 (3.6) of costs incurred from third parties, mainly internet based reservation channels. Moreover, Rezidor paid commissions towards the travel agencies' network of Carlson amounting to MEUR 0.2 (0.5). For these specific commissions Rezidor had current liabilities of MEUR 0.0 (0.0 as at December 31, 2014).

Carlson and Rezidor are also cooperating in various other areas, such as global sales, brand websites, revenue optimisation tools and purchasing. During Q4 2015 Rezidor had revenue towards Carlson of MEUR 1.6 (0.4) and costs of MEUR 0.1 (0.1) related to these cost sharing arrangements.

### **Pledged assets and contingent liabilities**

<b>Asset pledged, MEUR</b>	<b>31-Dec 2015</b>	<b>31-Dec 2014</b>
Securities on deposits (restricted accounts)	2.0	3.9

<b>Contingent liabilities, MEUR</b>	<b>31-Dec 2015</b>	<b>31-Dec 2014</b>
Tax claim interest deduction Sweden	5.4	-
Guarantees provided	0.4	1.2

## RevPAR Development by Brand (Leased & Managed Hotels)

In EUR	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014
Radisson Blu	64.5%	0.5 pp	119.6	4.5%	77.2	5.5%	76.1	3.9%
Park Inn by Radisson	62.2%	2.2 pp	72.1	2.7%	44.9	6.5%	43.7	5.8%
<b>Group</b>	<b>63.9%</b>	<b>1.0 pp</b>	<b>108.7</b>	<b>3.9%</b>	<b>69.5</b>	<b>5.6%</b>	<b>67.9</b>	<b>3.7%</b>
	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014
Radisson Blu	68.6%	0.7 pp	118.4	3.9%	81.2	5.0%	79.7	4.6%
Park Inn by Radisson	67.3%	2.5 pp	71.9	3.1%	48.4	7.1%	46.5	7.6%
<b>Group</b>	<b>68.2%</b>	<b>1.1 pp</b>	<b>107.7</b>	<b>3.4%</b>	<b>73.5</b>	<b>5.1%</b>	<b>71.5</b>	<b>5.0%</b>

## RevPAR Development by Region (Leased & Managed Hotels)

In EUR	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014
Nordics	67.4%	3.5 pp	127.2	1.3%	85.8	6.9%	81.8	2.0%
Rest of Western Europe	72.3%	0.5 pp	114.9	4.9%	83.0	5.6%	86.2	11.3%
Eastern Europe	54.6%	3.8 pp	83.5	7.4%	45.6	15.3%	39.3	1.7%
Middle East, Africa & Others	61.7%	-4.8 pp	114.3	2.9%	70.6	-4.5%	73.3	-3.4%
<b>Group</b>	<b>63.9%</b>	<b>1.0 pp</b>	<b>108.7</b>	<b>3.9%</b>	<b>69.5</b>	<b>5.6%</b>	<b>67.9</b>	<b>3.7%</b>
	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014
Nordics	72.0%	1.0 pp	130.6	2.9%	94.0	4.2%	88.1	-0.4%
Rest of Western Europe	75.3%	1.6 pp	114.7	4.8%	86.4	7.1%	89.7	13.8%
Eastern Europe	61.4%	3.8 pp	87.4	4.4%	53.7	11.3%	44.3	-2.6%
Middle East, Africa & Others	63.2%	-3.6 pp	101.3	0.9%	64.1	-4.5%	72.4	4.7%
<b>Group</b>	<b>68.2%</b>	<b>1.1 pp</b>	<b>107.7</b>	<b>3.4%</b>	<b>73.5</b>	<b>5.1%</b>	<b>71.5</b>	<b>5.0%</b>

## RevPAR Development by Region (Leased Hotels)

In EUR	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014	Q4 2015	vs. 2014
Nordics	68.0%	3.3 pp	126.2	1.4%	85.8	6.5%	80.0	-0.7%
Rest of Western Europe	72.5%	1.8 pp	112.4	4.7%	81.5	7.4%	85.2	12.2%
<b>Group</b>	<b>70.4%</b>	<b>2.5 pp</b>	<b>118.6</b>	<b>3.2%</b>	<b>83.5</b>	<b>6.9%</b>	<b>82.7</b>	<b>6.0%</b>
	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014	FY 2015	vs. 2014
Nordics	71.6%	0.6 pp	128.4	2.4%	91.9	3.3%	86.1	-3.3%
Rest of Western Europe	74.7%	2.1 pp	112.7	4.7%	84.2	7.7%	88.8	13.8%
<b>Group</b>	<b>73.2%</b>	<b>1.4 pp</b>	<b>119.9</b>	<b>3.5%</b>	<b>87.8</b>	<b>5.5%</b>	<b>87.5</b>	<b>5.3%</b>

## RevPAR Development – Like-for-like to Reported

RevPAR	Q4 2015	FY 2015
L/L growth	5.6%	5.1%
FX impact	-1.9%	-0.4%
Units out	1.5%	1.4%
New openings	-1.5%	-1.1%
Reported growth	3.7%	5.0%

## Revenue per Area of Operation

MEUR	Q4 2015	Q4 2014	Change %	FY 2015	FY 2014	Change %
Rooms revenue	133.5	124.2	7.5%	560.4	524.7	6.8%
F&D revenue	73.7	73.1	0.8%	262.3	255.4	2.7%
Other hotel revenue	7.5	8.4	-10.7%	28.5	31.0	-8.1%
<b>Total hotel revenue (leased)</b>	<b>214.7</b>	<b>205.7</b>	<b>4.4%</b>	<b>851.2</b>	<b>811.1</b>	<b>4.9%</b>
Fee revenue (managed & franchised)	35.2	28.2	24.8%	126.2	110.4	14.3%
Other revenue	5.5	4.1	34.1%	19.6	15.8	24.1%
<b>Total revenue</b>	<b>255.4</b>	<b>238.0</b>	<b>7.3%</b>	<b>997.0</b>	<b>937.3</b>	<b>6.4%</b>

## Total Fee Revenue

MEUR	Q4 2015	Q4 2014	Change %	FY 2015	FY 2014	Change %
Management Fees	8.4	8.5	-1.2%	35.3	34.0	3.8%
Incentive Fees	9.6	8.7	10.3%	31.3	28.5	9.8%
Franchise Fees	2.7	2.5	8.0%	10.7	9.7	10.3%
Other Fees (incl. marketing, reservation fee etc.)	14.5	8.5	70.6%	48.9	38.2	28.0%
<b>Total fee revenue</b>	<b>35.2</b>	<b>28.2</b>	<b>24.8%</b>	<b>126.2</b>	<b>110.4</b>	<b>14.3%</b>

## Revenue per Region

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Other		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	107.5	105.2	107.2	100.5	-	-	-	-	214.7	205.7
Managed	1.1	0.6	12.2	8.5	6.6	6.0	9.0	7.9	28.9	23.0
Franchised	1.8	1.6	3.3	2.3	1.2	1.2	-	-	6.3	5.1
Other	3.8	3.2	1.7	1.0	-	-	-	-	5.5	4.2
<b>Total</b>	<b>114.2</b>	<b>110.6</b>	<b>124.4</b>	<b>112.3</b>	<b>7.8</b>	<b>7.2</b>	<b>9.0</b>	<b>7.9</b>	<b>255.4</b>	<b>238.0</b>

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Other		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	418.0	417.9	433.2	393.2	-	-	-	-	851.2	811.1
Managed	2.9	2.3	37.9	30.5	29.9	30.0	31.8	26.8	102.5	89.6
Franchised	7.7	7.0	10.9	9.7	5.1	4.0	-	-	23.7	20.7
Other	12.9	11.5	6.7	4.4	-	-	-	-	19.6	15.9
<b>Total</b>	<b>441.5</b>	<b>438.7</b>	<b>488.7</b>	<b>437.8</b>	<b>35.0</b>	<b>34.0</b>	<b>31.8</b>	<b>26.8</b>	<b>997.0</b>	<b>937.3</b>

## Rental Expenses

MEUR	Q4 2015	Q4 2014	Change %	FY 2015	FY 2014	Change %
Fixed rent	48.9	47.2	3.6%	198.5	196.6	1.0%
Variable rent	9.7	8.7	11.5%	42.9	39.3	9.2%
<b>Rent</b>	<b>58.6</b>	<b>55.9</b>	<b>4.8%</b>	<b>241.4</b>	<b>235.9</b>	<b>2.3%</b>
Rent as a % of leased hotel revenue	27.3%	27.2%	0.1 pp	28.4%	29.1%	-0.7 pp
Shortfall guarantees <sup>1)</sup>	-0.3	0.8	-137.5%	1.7	6.0	-71.7%
<b>Rental expenses</b>	<b>58.3</b>	<b>56.7</b>	<b>2.8%</b>	<b>243.1</b>	<b>241.9</b>	<b>0.5%</b>

1) Shortfall guarantees also include changes in provisions for onerous contracts



## Operating Profit before Depreciation and Amortisation and Gain on Sales of Fixed Assets (EBITDA)

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	11.4	12.8	5.8	-0.8	-	-	-	-	-	-	17.2	12.0
Managed	0.9	-0.4	10.6	6.0	4.7	3.2	6.1	2.7	-	-	22.3	11.5
Franchised	1.1	0.7	1.9	0.8	0.8	0.8	-	-	-	-	3.8	2.3
Other <sup>1)</sup>	2.2	2.5	-	-	-	-	3.1	0.2	-	-	5.3	2.7
Central costs	-	-	-	-	-	-	-	-	-16.1	-13.7	-16.1	-13.7
<b>Total</b>	<b>15.6</b>	<b>15.6</b>	<b>18.3</b>	<b>6.0</b>	<b>5.5</b>	<b>4.0</b>	<b>9.2</b>	<b>2.9</b>	<b>-16.1</b>	<b>-13.7</b>	<b>32.5</b>	<b>14.8</b>

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	36.6	42.5	25.6	2.0	-	-	-	-	-	-	62.2	44.5
Managed	2.1	-1.1	27.2	19.2	20.4	21.0	19.4	15.6	-	-	69.1	54.7
Franchised	4.3	3.6	5.3	3.8	3.1	2.4	-	-	-	-	12.7	9.8
Other <sup>1)</sup>	7.7	7.9	-	-	-	-	3.2	0.0	-	-	10.9	7.9
Central costs	-	-	-	-	-	-	-	-	-53.8	-45.6	-53.8	-45.6
<b>Total</b>	<b>50.7</b>	<b>52.9</b>	<b>58.1</b>	<b>25.0</b>	<b>23.5</b>	<b>23.4</b>	<b>22.6</b>	<b>15.6</b>	<b>-53.8</b>	<b>-45.6</b>	<b>101.1</b>	<b>71.3</b>

1) Other also includes share of income from associates and joint ventures.

## Operating Profit (EBIT)

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	7.6	6.2	0.3	-7.7	-	-	-	-	-	-	7.9	-1.5
Managed	0.9	-0.3	10.4	5.9	4.7	3.3	6.1	2.7	-	-	22.1	11.6
Franchised	1.0	0.7	1.9	0.8	0.7	0.7	-	-	-	-	3.6	2.2
Other <sup>1)</sup>	1.7	1.8	-	-	-	0.0	3.1	0.1	-	-	4.8	1.9
Central costs	-	-	-	-	-	-	-	-	-16.1	-13.7	-16.1	-13.7
<b>Total</b>	<b>11.2</b>	<b>8.4</b>	<b>12.6</b>	<b>-1.0</b>	<b>5.4</b>	<b>4.0</b>	<b>9.2</b>	<b>2.8</b>	<b>-16.1</b>	<b>-13.7</b>	<b>22.3</b>	<b>0.5</b>

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Leased	17.9	24.9	4.0	-17.6	-	-	-	-	-	-	21.9	7.3
Managed	2.1	-1.1	27.0	19.0	20.2	20.9	19.2	15.4	-	-	68.5	54.2
Franchised	4.2	3.5	5.2	3.7	3.0	2.3	-	-	-	-	12.4	9.5
Other <sup>1)</sup>	5.1	5.3	-	-	-	0.0	3.2	0.0	-	-	8.3	5.3
Central costs	-	-	-	-	-	-	-	-	-53.8	-45.6	-53.8	-45.6
<b>Total</b>	<b>29.3</b>	<b>32.6</b>	<b>36.2</b>	<b>5.1</b>	<b>23.2</b>	<b>23.2</b>	<b>22.4</b>	<b>15.4</b>	<b>-53.8</b>	<b>-45.6</b>	<b>57.3</b>	<b>30.7</b>

1) Other also includes share of income from associates and joint ventures.

## Reconciliation of Profit/Loss for the Period

MEUR	Q4 2015	Q4 2014	FY 2015	FY 2014
<b>Total operating profit (EBIT) for reportable segments</b>	<b>22.3</b>	<b>0.5</b>	<b>57.3</b>	<b>30.7</b>
Financial income	1.2	0.4	1.9	0.9
Financial expenses	-0.6	-0.7	-2.6	-2.4
<b>Group's total profit before tax</b>	<b>22.9</b>	<b>0.2</b>	<b>56.6</b>	<b>29.2</b>

## Balance Sheet and Investments

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Total	
	31-Dec 2015	31-Dec 2014	31-Dec 2015	31-Dec 2014	31-Dec 2015	31-Dec 2014	31-Dec 2015	31-Dec 2014	31-Dec 2015	31-Dec 2014
Assets	175.7	175.8	243.9	211.7	14.8	15.2	29.9	24.8	464.3	427.5
Investments (tangible & intangible assets)	23.5	22.0	49.8	31.7	0.1	0.0	0.6	0.1	74.0	53.8

## Quarterly Key Figures

MEUR	Q4 2015	Q4 2014	Q4 2013	Q4 2012	Q4 2011
RevPAR	67.9	65.4	66.9	66.3	62.7
Revenue	255.4	238.0	236.0	240.6	225.6
EBITDAR	87.7	71.4	79.6	78.3	74.0
EBITDA	32.5	14.8	25.8	15.4	14.1
EBIT	22.3	0.5	12.9	-8.9	-4.0
Profit/loss for the period	14.3	-0.9	7.3	-13.5	-13.5
EBITDAR Margin, %	34.3	30.0	33.7	32.6	32.8
EBITDA Margin, %	12.7	6.2	10.9	6.4	6.3
EBIT Margin, %	8.7	0.2	5.5	-3.7	-1.8

MEUR	2015				2014				2013
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
RevPAR	67.9	77.0	77.2	63.7	65.4	72.7	72.6	61.3	66.9
Revenue	255.4	261.4	263.8	216.4	238.0	240.8	247.1	211.4	236.0
EBITDAR	87.7	97.7	94.8	60.9	71.4	87.7	93.0	61.7	79.6
EBITDA	32.5	35.8	33.6	-0.7	14.8	26.4	30.8	-0.8	25.8
EBIT	22.3	24.4	23.0	-12.4	0.5	17.3	21.4	-8.5	12.9
Profit/loss after Tax	14.3	17.9	15.4	-13.4	-0.9	11.3	14.1	-10.3	7.3
EBITDAR margin, %	34.3	37.4	35.9	28.1	30.0	36.4	37.6	29.2	33.7
EBITDA margin, %	12.7	13.7	12.7	-0.3	6.2	11.0	12.5	0.4	10.9
EBIT margin, %	8.7	9.3	8.7	-5.7	0.2	7.2	8.7	-4.0	5.5

## Hotel and Room Openings and Signings

	Openings				Signings			
	Hotels		Rooms		Hotels		Rooms	
	Q4 2015	Q4 2015	FY 2015	FY 2015	Q4 2015	Q4 2015	FY 2015	FY 2015
<b>By region:</b>								
Nordics	1	85	2	290	-	-	3	315
Western Europe	-	-	-	1	1	163	6	1,189
Eastern Europe	2	436	10	1,838	-	42	9	1,745
Middle East, Africa & Others	4	854	13	2,023	3	660	23	4,687
<b>Total</b>	<b>6</b>	<b>1,375</b>	<b>25</b>	<b>4,152</b>	<b>4</b>	<b>865</b>	<b>41</b>	<b>7,936</b>
<b>By brand:</b>								
Radisson Blu	3	686	11	1,632	2	429	23	4,441
Park Inn by Radisson	2	258	12	2,083	1	205	15	2,853
Others	2	431	2	437	1	231	3	642
<b>Total</b>	<b>7</b>	<b>1,375</b>	<b>25</b>	<b>4,152</b>	<b>4</b>	<b>865</b>	<b>41</b>	<b>7,936</b>
<b>By contract type:</b>								
Leased	-	-	-	-	-	-	-	-
Managed	5	1,054	19	3,183	4	865	34	7,005
Franchised	2	321	6	969	-	-	7	931
<b>Total</b>	<b>7</b>	<b>1,375</b>	<b>25</b>	<b>4,152</b>	<b>4</b>	<b>865</b>	<b>41</b>	<b>7,936</b>

- In Q4 2015, three hotels and 981 rooms left the system (including one hotel with 320 rooms that has been reopened as Radisson Blu), resulting in a net opening of 394 rooms.

## Hotels and Rooms in Operation and under Development (in Pipeline)

	In operation				Under development			
	Hotels		Rooms		Hotels		Rooms	
	2015	2014	2015	2014	2015	2014	2015	2014
<b>31 December</b>								
<b>By region:</b>								
Nordics	61	60	14,895	14,890	2	1	238	215
Rest of Western Europe	136	142	26,688	27,535	13	8	2,834	1,745
Eastern Europe	95	86	23,467	21,838	26	29	4,966	5,638
Middle East, Africa & Others	63	52	13,578	12,346	61	54	13,654	11,402
<b>Total</b>	<b>355</b>	<b>340</b>	<b>78,628</b>	<b>76,609</b>	<b>102</b>	<b>92</b>	<b>21,692</b>	<b>19,000</b>
<b>By brand:</b>								
Radisson Blu	233	228	55,243	55,041	65	54	14,711	12,303
Park Inn by Radisson	116	107	22,516	20,816	35	38	6,570	6,687
Other	6	5	869	752	2	-	411	10
<b>Total</b>	<b>355</b>	<b>340</b>	<b>78,628</b>	<b>76,609</b>	<b>102</b>	<b>92</b>	<b>21,692</b>	<b>19,000</b>
<b>By contract type:</b>								
Leased	71	70	17,789	17,538	-	-	-	-
Managed	189	182	42,073	41,339	88	78	19,314	16,485
Franchised	95	88	18,766	17,732	14	14	2,378	2,515
<b>Total</b>	<b>355</b>	<b>340</b>	<b>78,628</b>	<b>76,609</b>	<b>102</b>	<b>92</b>	<b>21,692</b>	<b>19,000</b>

## Definitions

### **Average Room Rate**

Average Room Rate – Rooms revenue in relation to number of rooms sold. This is also referred to as ARR (Average Room Rate), ADR (Average Daily Rate) or AHR (Average House Rate) in the hotel industry.

### **Central Costs**

Central Costs represent costs for corporate and regional functions, such as Executive Management, Finance, Business Development, Legal, Communication & Investor Relations, Technical Development, Human Resources, Operations, IT, Brand Management & Development, and Purchasing. These costs are incurred to the benefit of all hotels within the Rezidor Group, i.e. leased, managed and franchised.

### **Earnings per Share**

Profit for the period, before allocation to minority interest divided by the weighted average number of shares outstanding.

### **EBIT**

Operating profit before net financial items and tax.

### **EBITDA**

Operating profit before depreciation and amortisation, costs due to termination/restructuring of contracts, net financial items and tax.

### **EBITDA Margin**

EBITDA as a percentage of Revenue.

### **EBITDAR**

Operating profit before rental expense and share of income in associates, depreciation and amortisation, costs due to termination/restructuring of contracts, net financial items and tax.

### **F&D**

Food and Drink.

### **FF&E**

Furniture, Fittings and Equipment.

### **L/L Hotels**

Same hotels in operation during the previous period compared.

### **Net Cash/Debt**

Cash & cash equivalents plus short-term interest-bearing assets (with maturity within three months) minus interest-bearing liabilities (short-term & long-term).

### **Net Interest-bearing Assets/Liabilities**

Interest bearing assets minus interest bearing liabilities.

### **Net Working Capital**

Current non-interest-bearing receivables minus current non-interest-bearing liabilities.

### **Occupancy (%)**

Number of rooms sold in relation to the number of rooms available for sale.

### **Revenue**

All related business revenue (including rooms revenue, food & drinks revenue, other hotel revenue, fee revenue and other non-hotel revenue from administration units).

### **RevPAR**

Revenue Per Available Room: Rooms revenue in relation to rooms available.

### **RevPAR L/L**

RevPAR for L/L hotels at constant exchange rates.

### **System-wide Revenue**

Hotel revenue (including rooms revenue, food & drinks, conference & banqueting revenue and other hotel revenue) from leased, managed and franchised hotels, where revenue from franchised hotels is an estimate. It also includes other non-hotel revenue from administration units, such as revenue from Rezidor's print shop that prepares marketing materials for Rezidor hotels and revenue generated under Rezidor's loyalty programs.

## Geographic regions/segments

### **Nordics (NO)**

Denmark, Finland, Iceland, Norway and Sweden.

### **Rest of Western Europe (ROWE)**

Austria, Belgium, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Spain, Switzerland and the United Kingdom.

### **Eastern Europe (incl. CIS countries) (EE)**

Armenia, Azerbaijan, Belarus, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine and Uzbekistan.

### **Middle East, Africa and Others, (MEAO)**

Algeria, Angola, Bahrain, Benin, Chad, China, Congo, Egypt, Ethiopia, Gabon, Ghana, Guinea, Iraq, Ivory Coast, Jordan, Kenya, Kuwait, Lebanon, Libya, Mali, Mauritius, Morocco, Mozambique, Nigeria, Oman, Qatar, Rwanda, Saudi Arabia, Senegal, Sierra Leone, South Africa, South Sudan, Togo, Tunisia, Uganda, the United Arab Emirates and Zambia.