STR CoStar™

European Hotel Performance Update

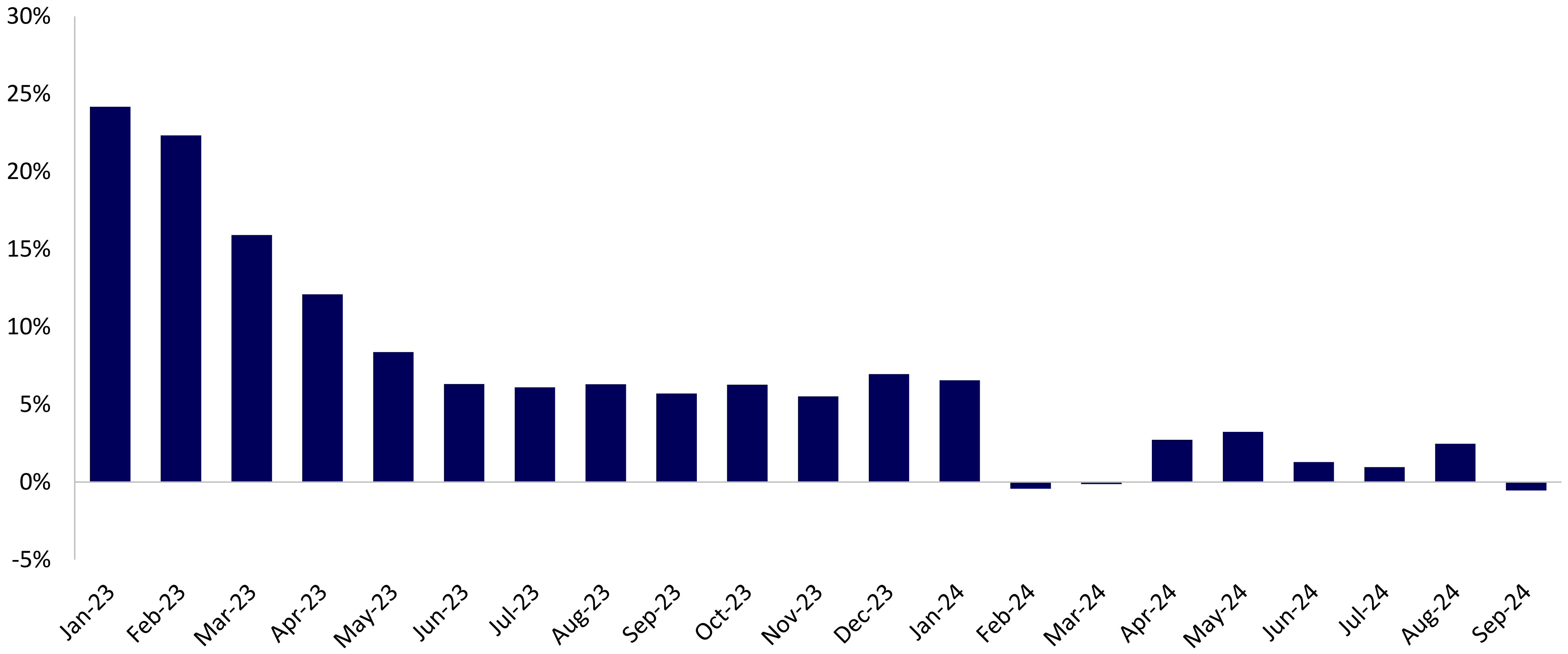
Q3 Pandox Earnings Call

24th October 2024

Thomas Emanuel | Senior Director

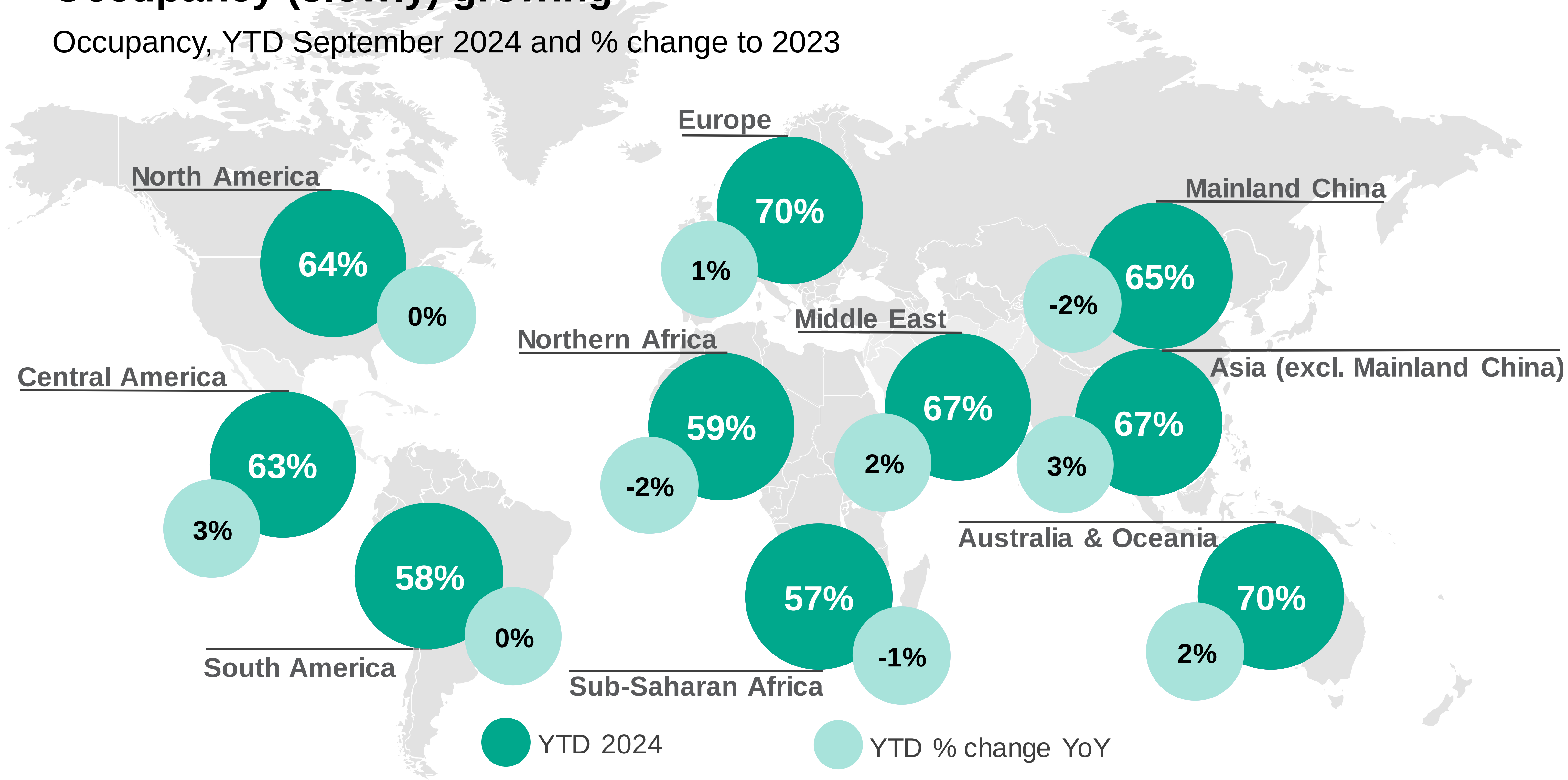
~~Demand keeps growing~~

Global demand YoY % chg., Jan 2023 – September 2024



Occupancy (slowly) growing

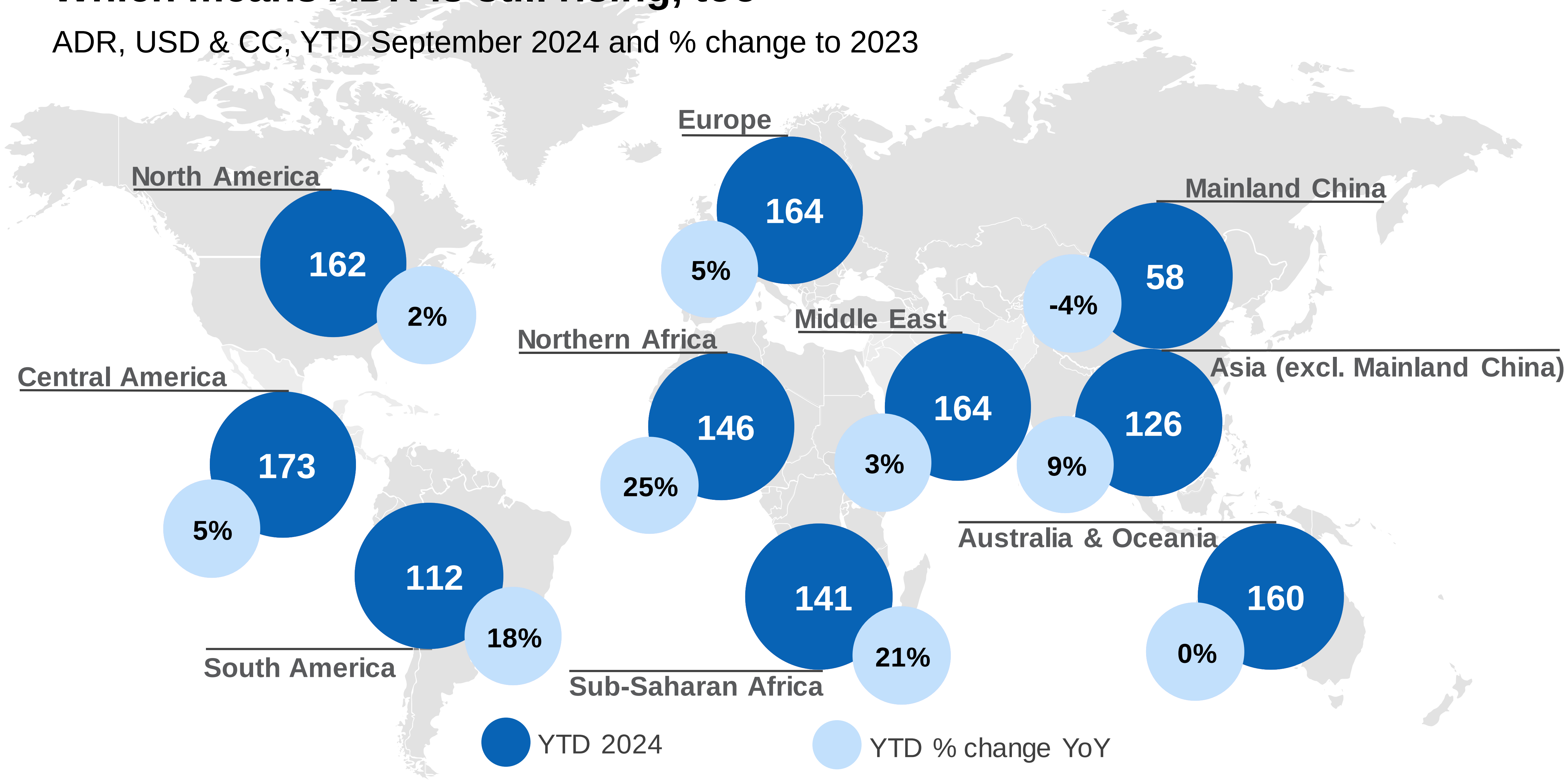
Occupancy, YTD September 2024 and % change to 2023



Excluding Lebanon, Venezuela

Which means ADR is still rising, too

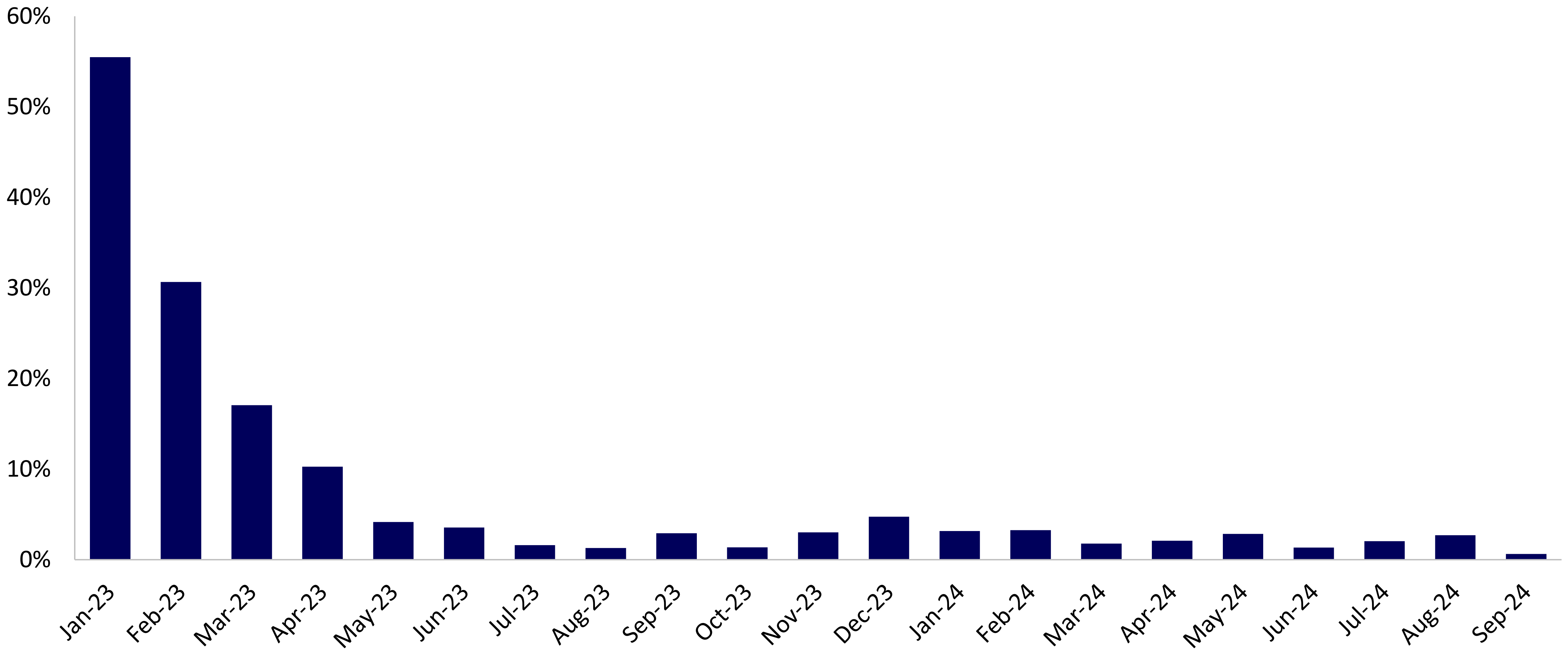
ADR, USD & CC, YTD September 2024 and % change to 2023



Excluding Lebanon, Venezuela

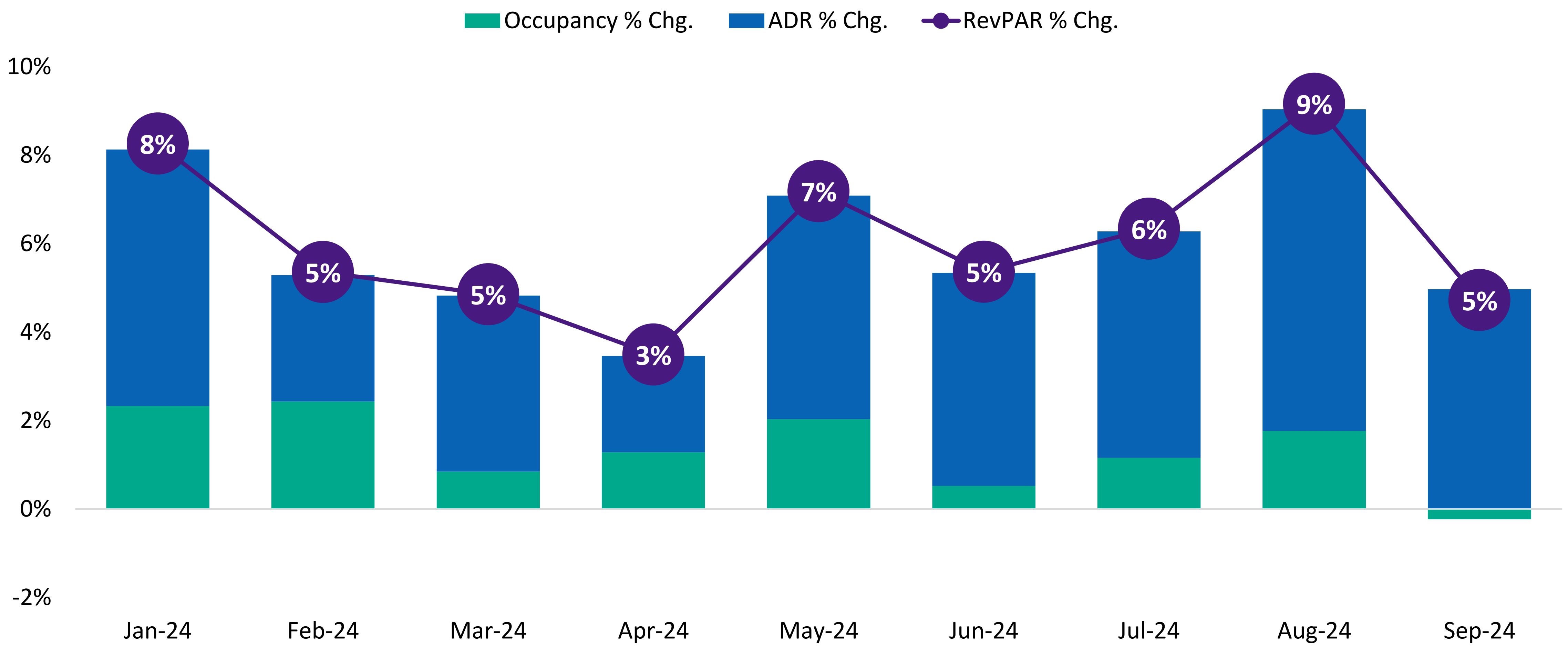
However, Europe remains in positive territory (just)…..

Europe demand YoY % chg., Jan 2023 – September 2024



ADR the consistent driver of European growth in 2024

Europe, EUR & CC, KPI % change YoY, Jan 2024 – Sep 2024



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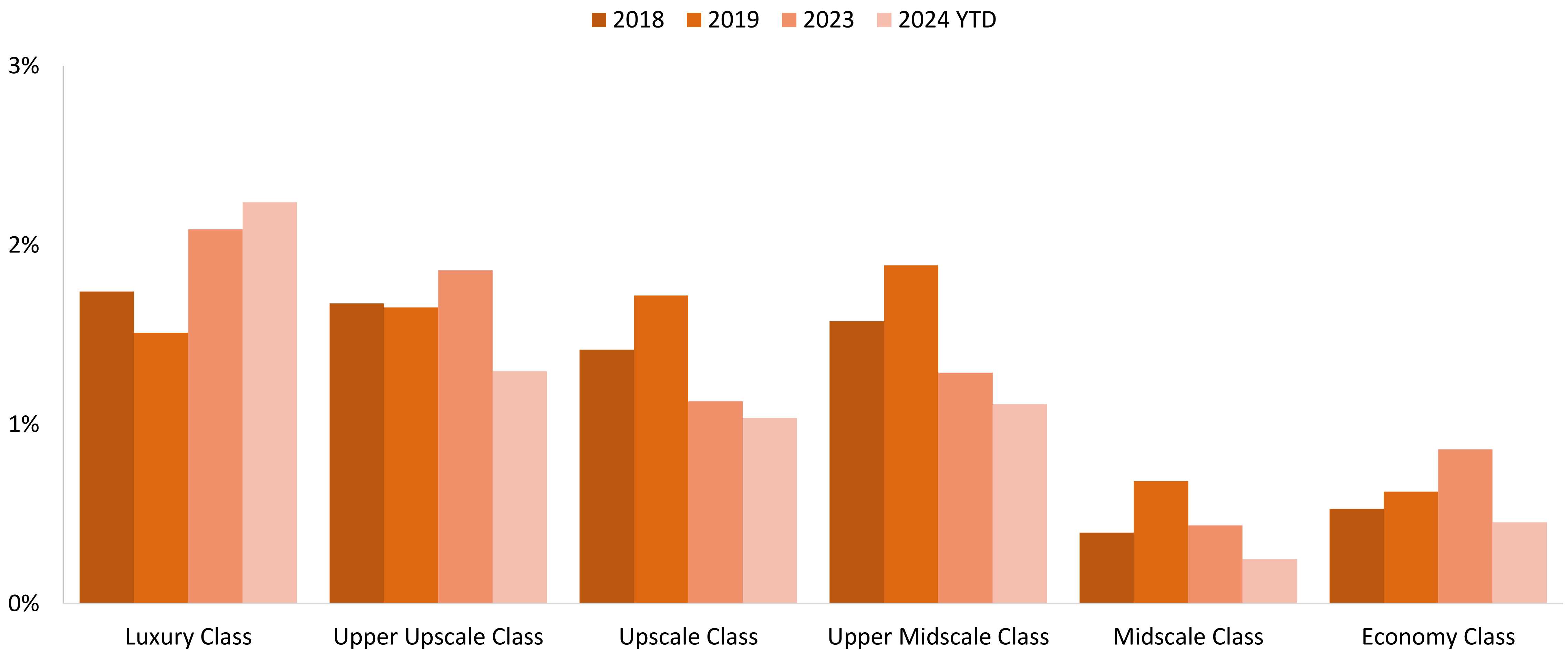
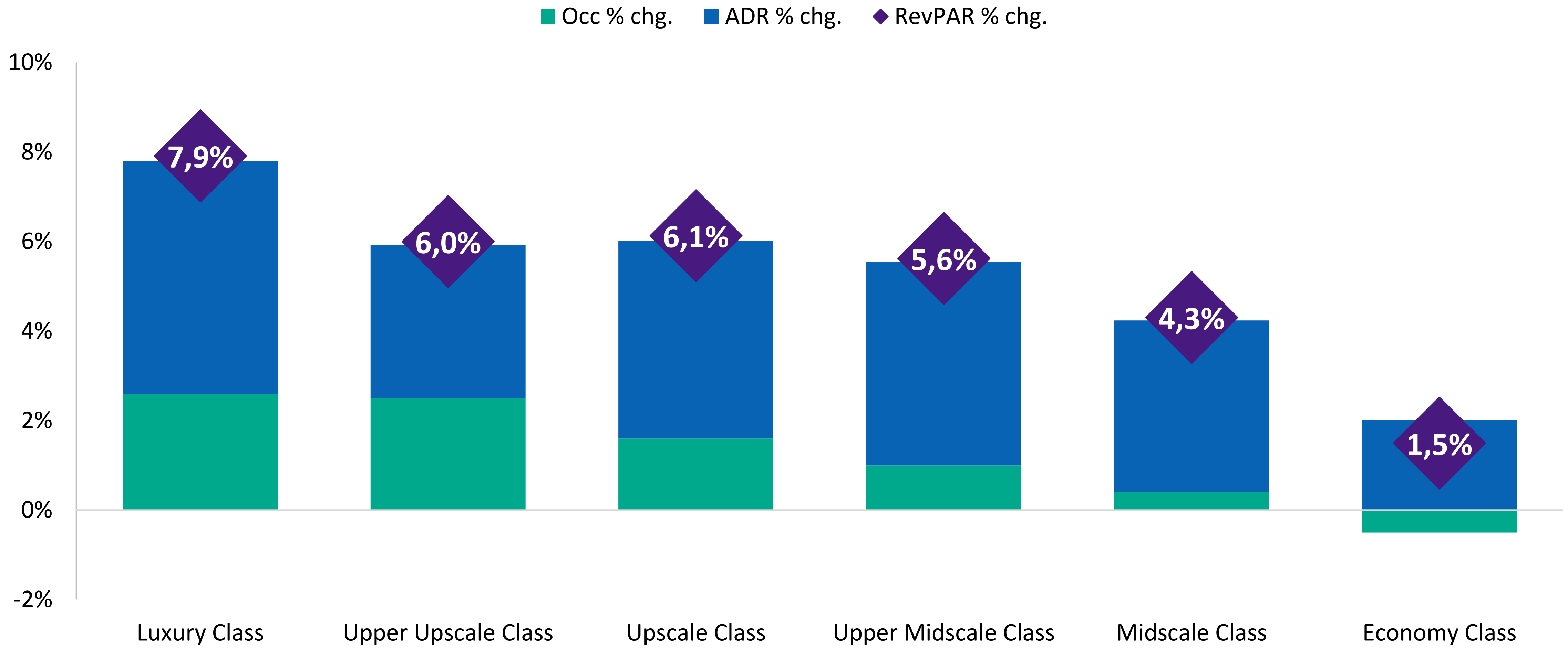
No surprises that occupancy growth is ‘sluggish’ in comparison to ADR

Europe, Supply, % change YoY, Full Year 2018 – 2019 & 2023 and September YTD 2024



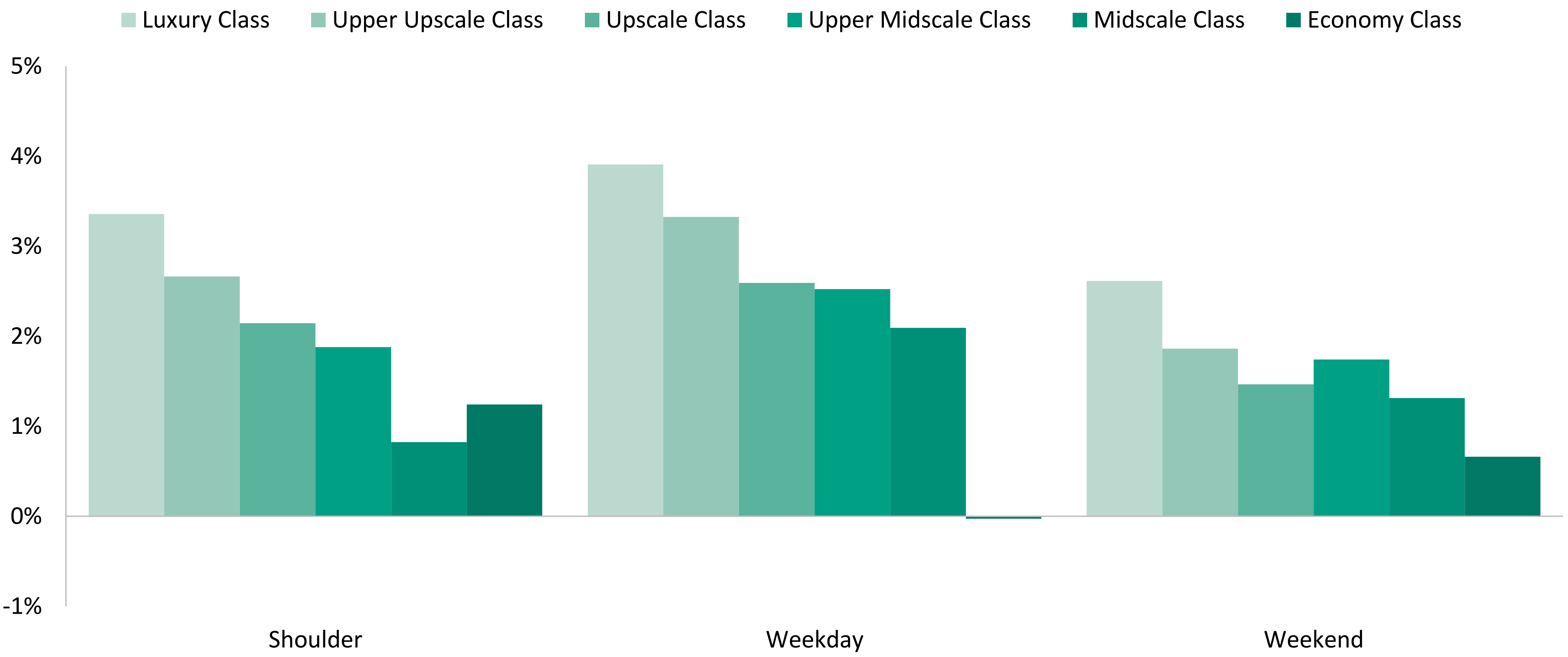
Growth moderately balanced by hotel class

Europe, EUR & CC, KPI % change YoY, September YTD 2024



Weekdays are the primary driver in growth across all classes, except economy

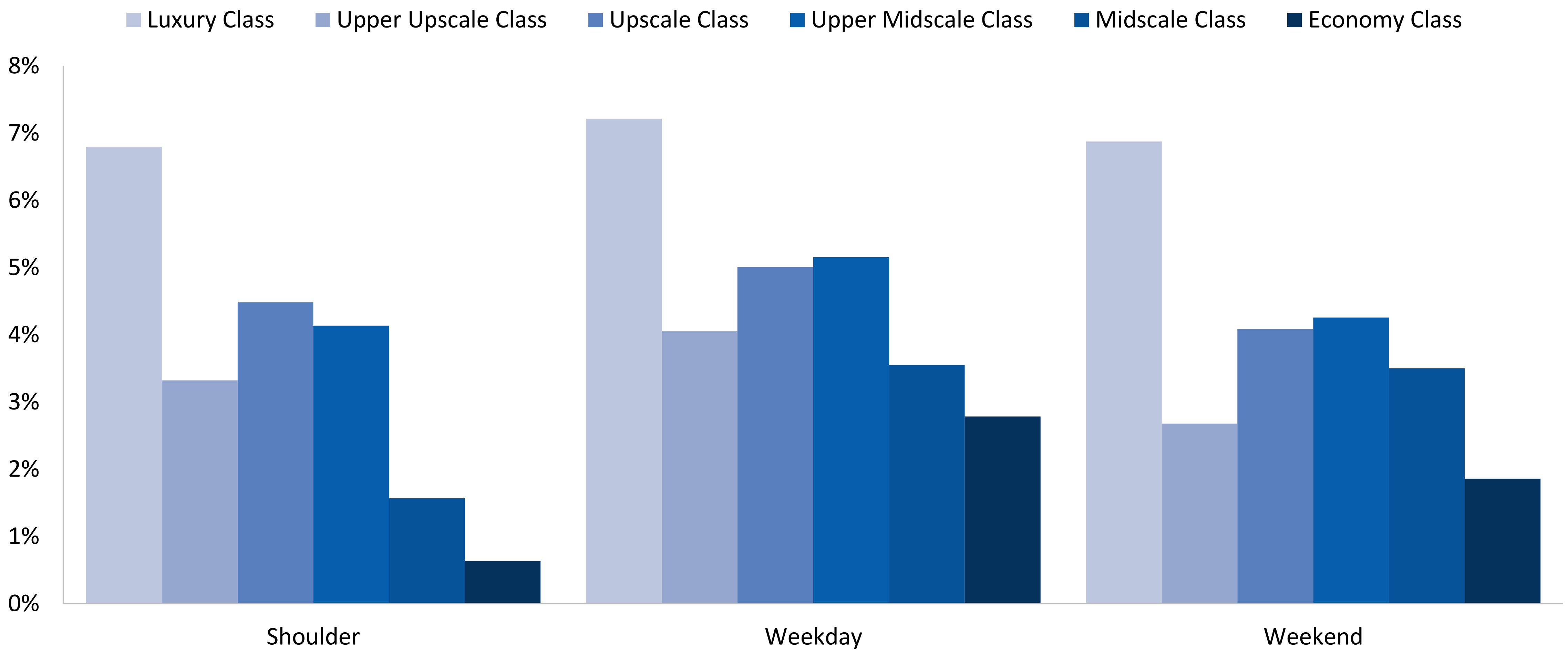
Europe*, Occ % change YoY, September YTD 2024



* Excl. Turkey

ADR growth weakest at the lower end, ‘squeezed middle’ doing well

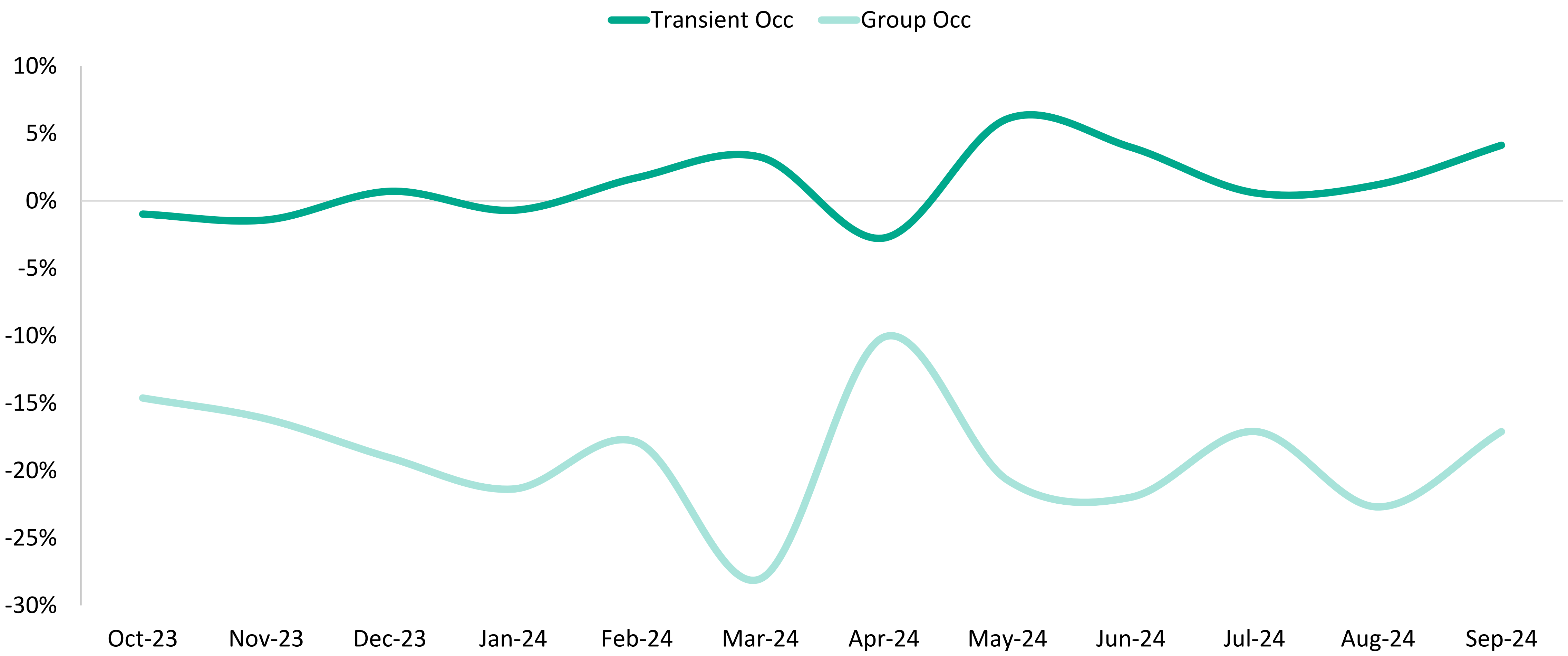
Europe*, ADR (EUR, CC) % change YoY, September YTD 2024



* Excl. Turkey

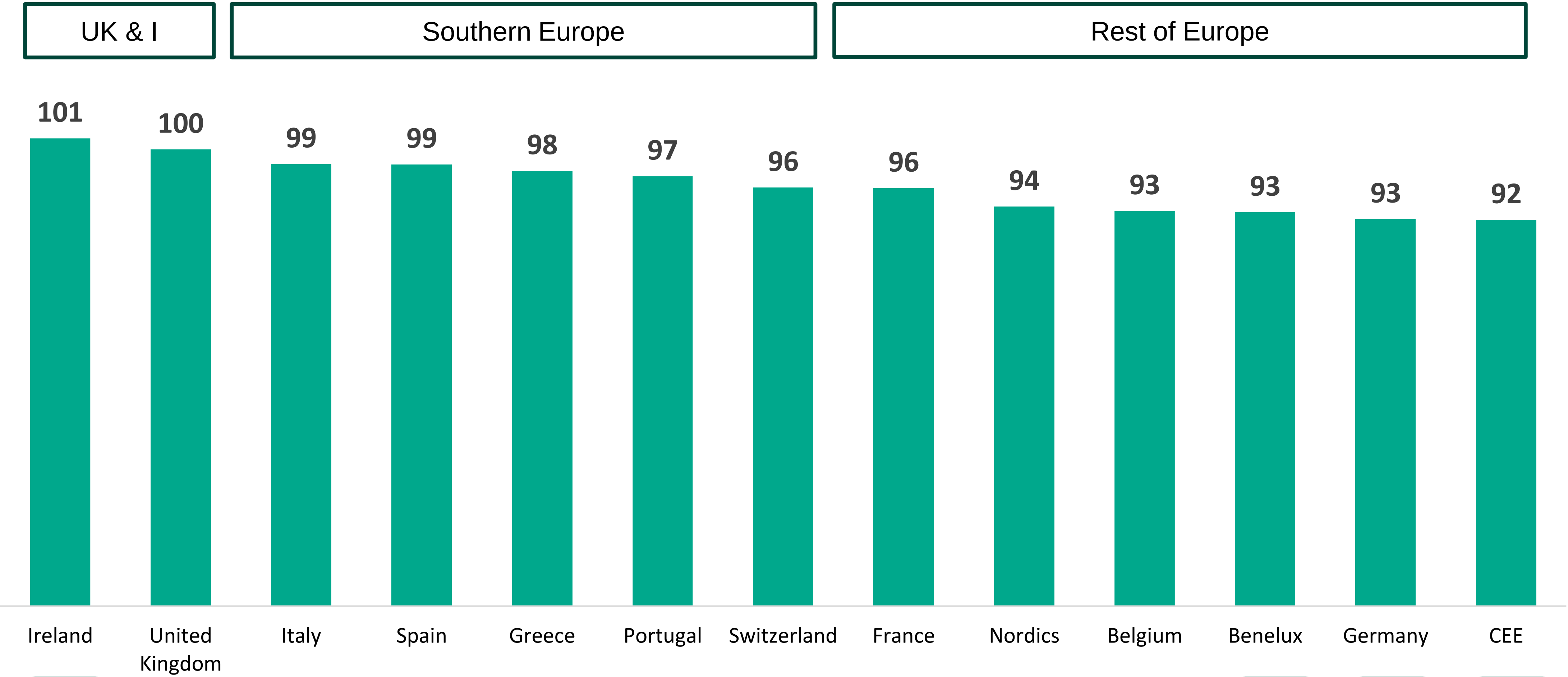
There is one remaining piece of the puzzle left…..

Europe, Luxury & Upper Upscale classes, occupancy % chg. **to 2019**



Return to 2019 occupancies led by UK&I and Southern Europe

Occupancy, indexed to 2019, R12 September 2024



YoY % Chg.	0%	1%	0%	3%	2%	1%	3%	-1%	1%	1%	2%	3%	2%

Nordics = Denmark, Finland, Iceland, Norway, Sweden
CEE = Bulgaria, Czech Republic, Estonia, Hungary, Lithuania, Latvia, Poland, Romania, Slovenia, Slovakia

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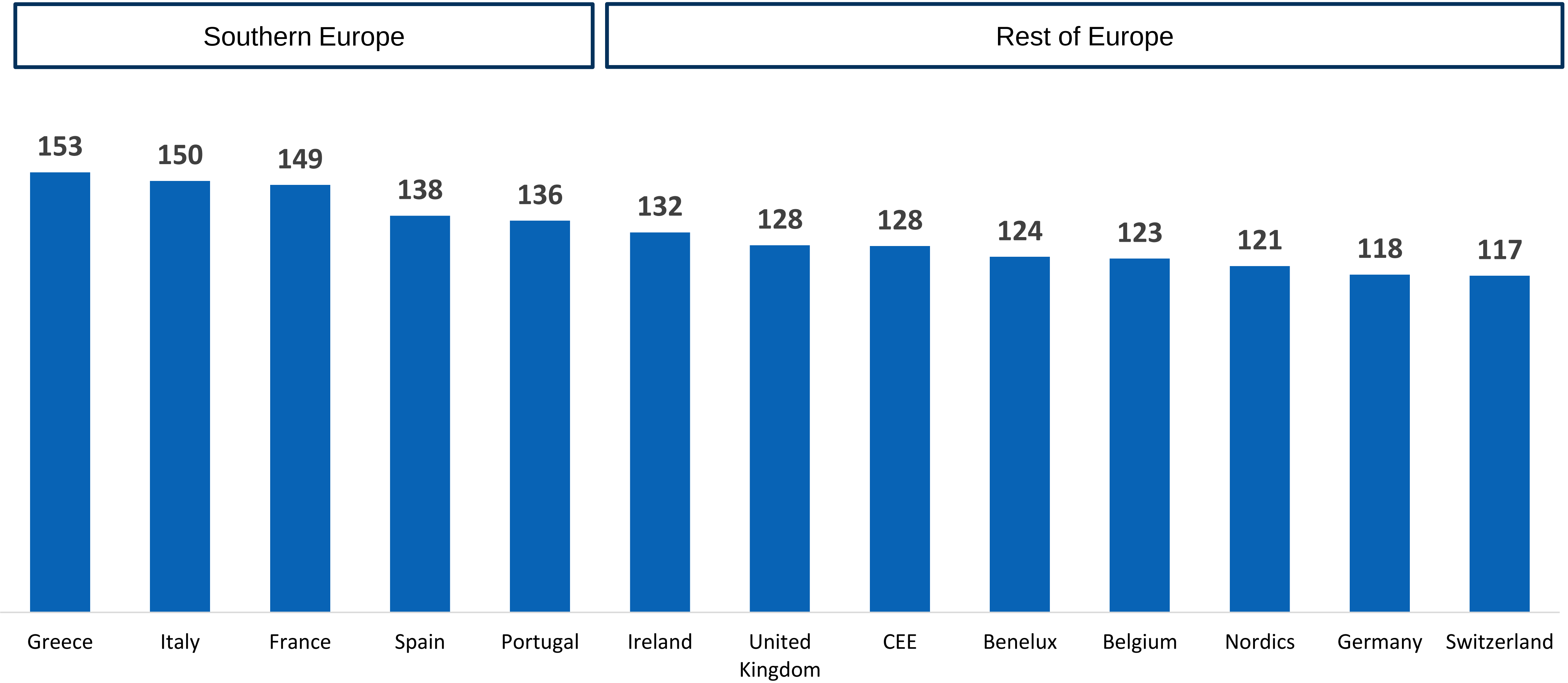
ADR recovery showcases a north south divide

ADR, indexed to 2019, R12 September 2024

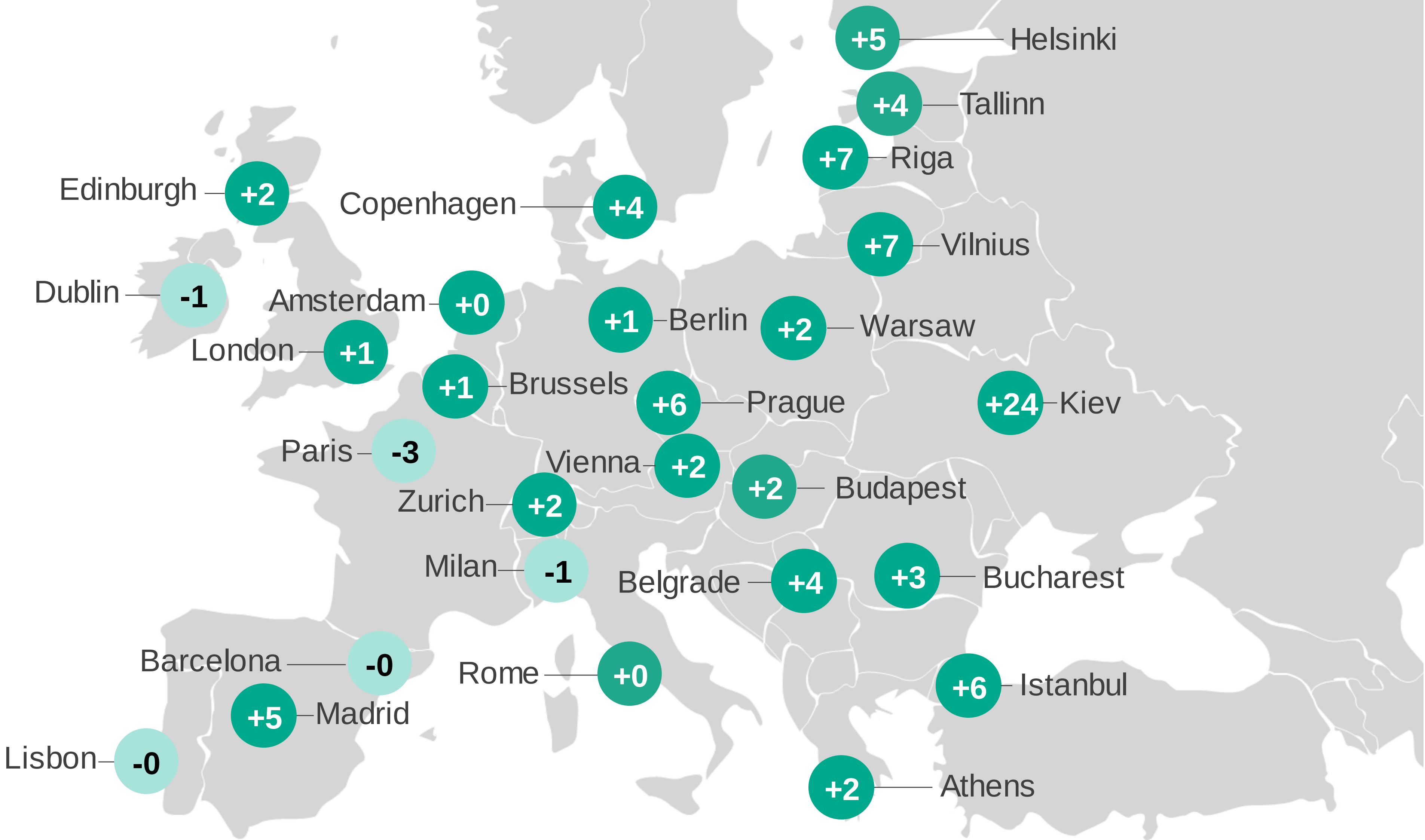


	Greece	Italy	France	Spain	Portugal	Ireland	United Kingdom	CEE	Benelux	Belgium	Nordics	Germany	Switzerland
YoY % Chg.	**13%**	**5%**	**7%**	**11%**	**8%**	**0%**	**3%**	**4%**	**2%**	**1%**	**2%**	**4%**	**2%**

Nordics = Denmark, Finland, Iceland, Norway, Sweden
CEE = Bulgaria, Czech Republic, Estonia, Hungary, Lithuania, Latvia, Poland, Romania, Slovenia, Slovakia

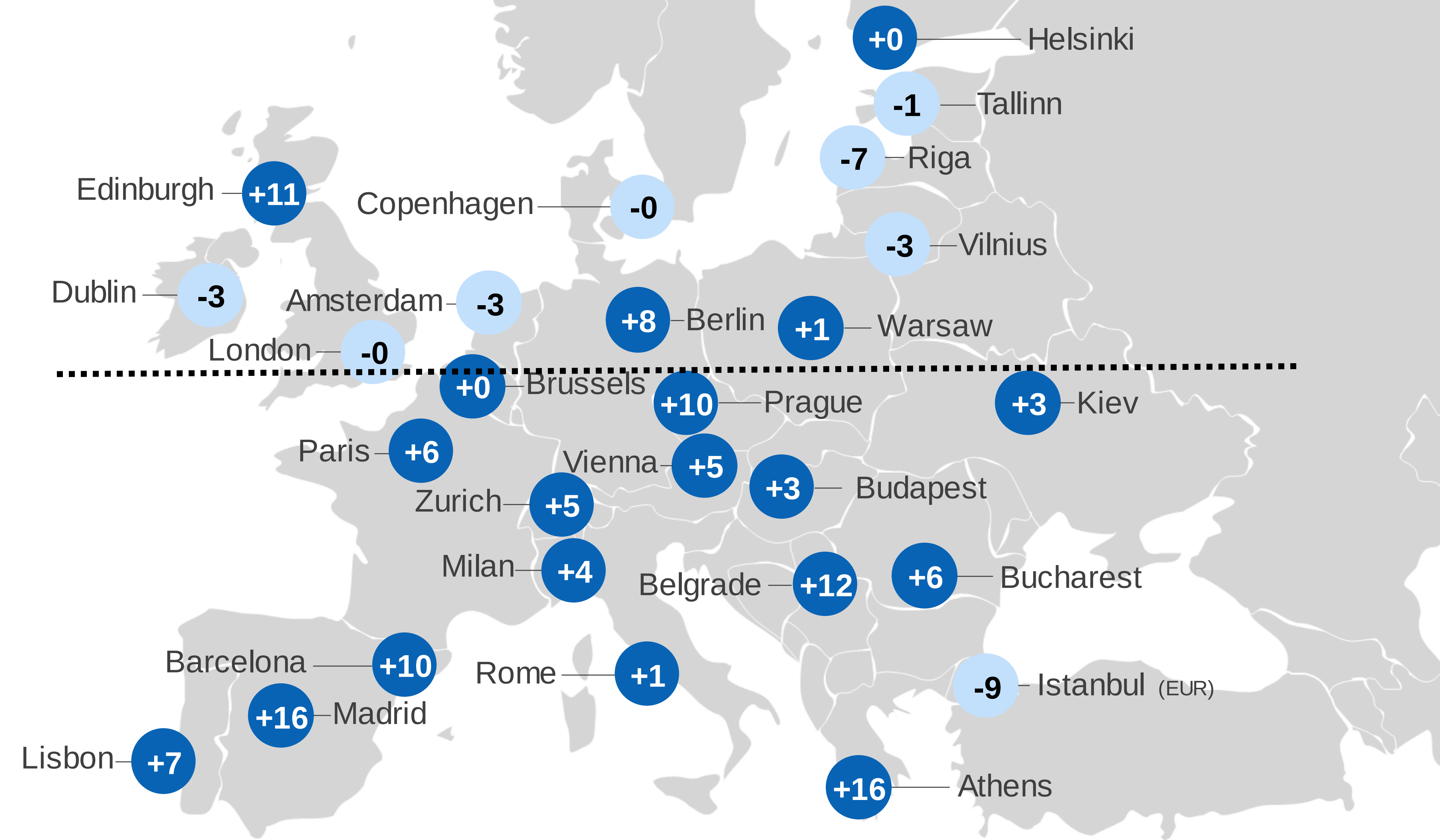
Growth has started to wane in some major markets…

European markets, Occ, YoY % change, September YTD 2024



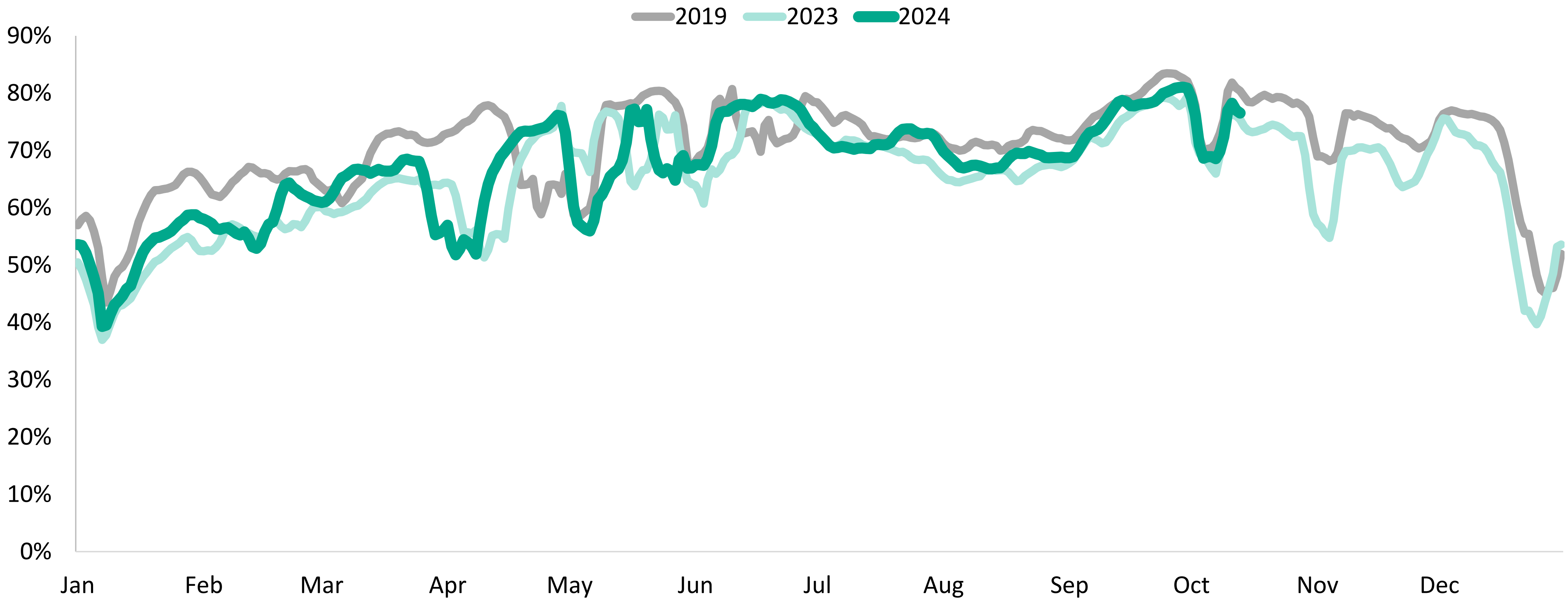
… Mostly in areas where rate growth remains on the high side

European markets, ADR (LC), YoY % change, September YTD 2024



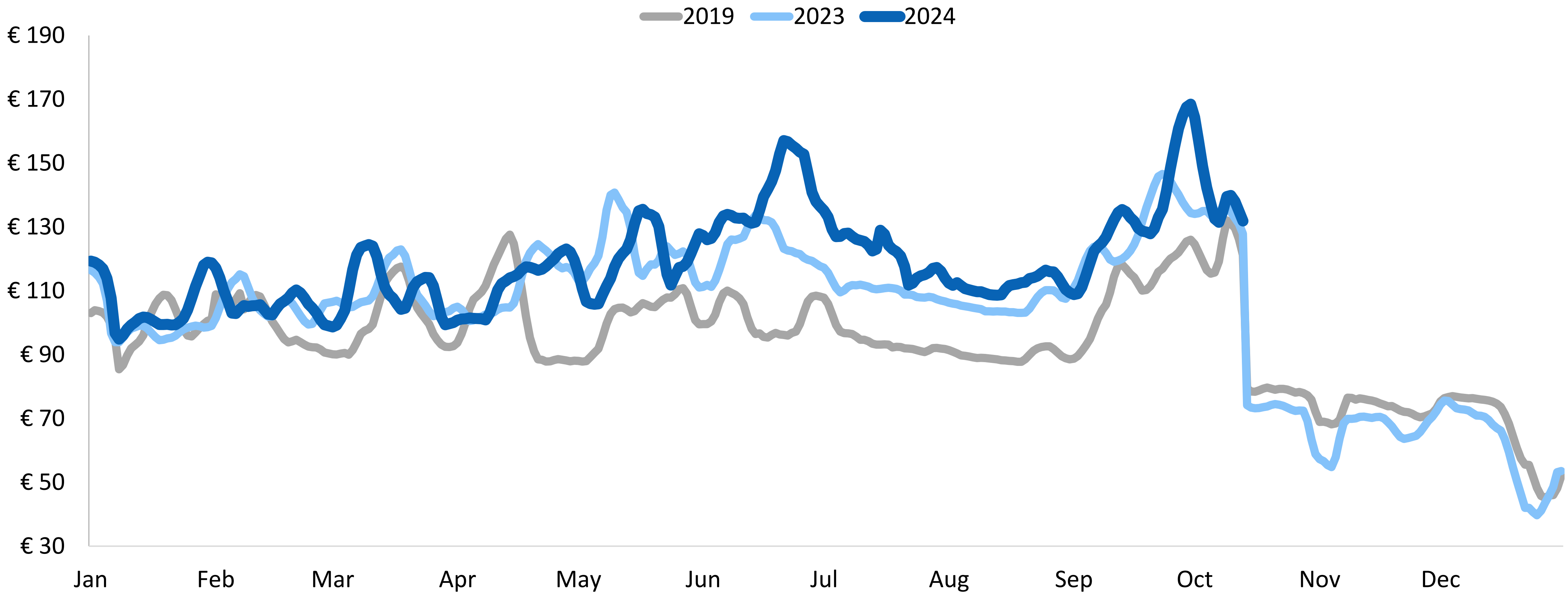
Occupancy tracking above 2023, though 2019 results not quite achieved

Germany R7 occupancy, 2019, 2023 & 2024



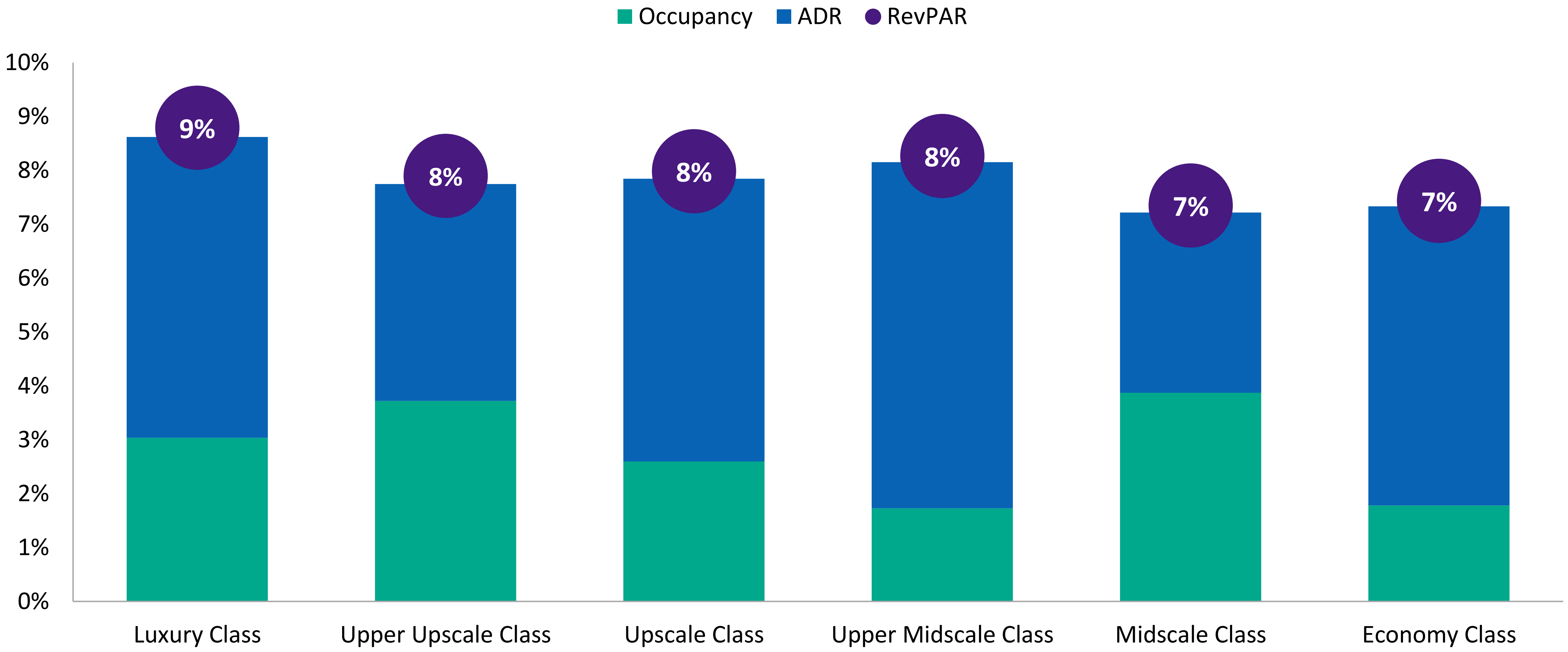
YoY performance steady with boost from the Euros and the summer so far

Germany R7 ADR (EUR), 2019, 2023 & 2024



A very solid year of growth across Germany, with ADR the main driver

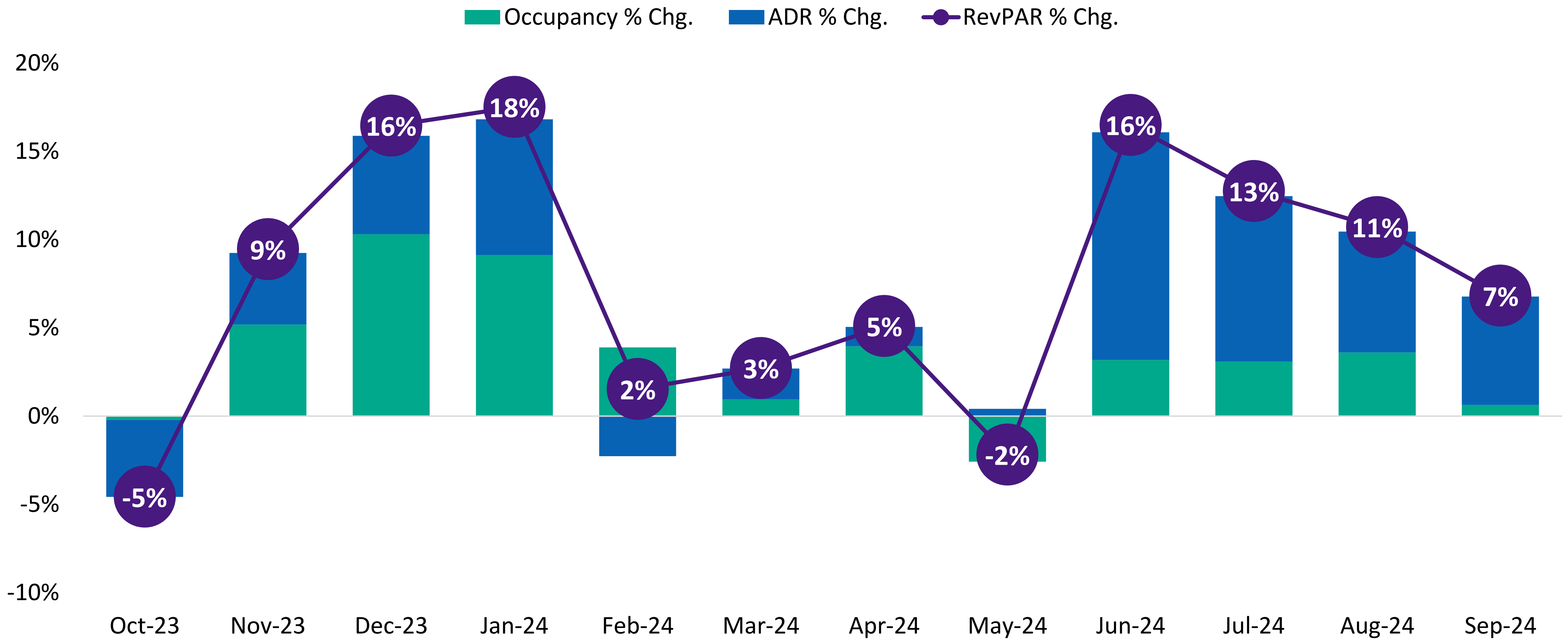
Germany, KPI % change YoY, September YTD 2024



*Excluding Turkey

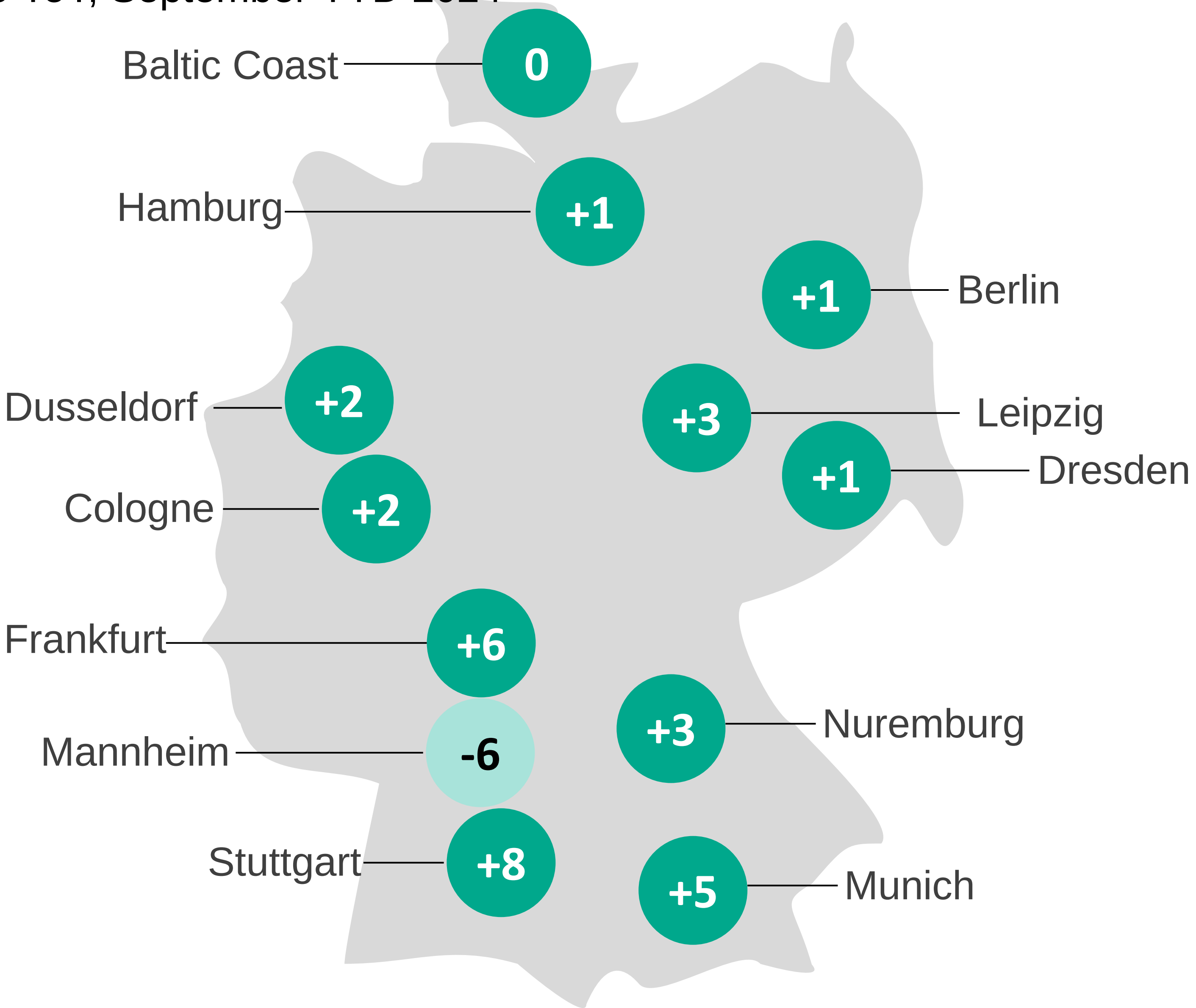
In terms of ADR growth, YTD, it is all about the Euros

Germany, KPI % change YoY, October 2023 – September 2024



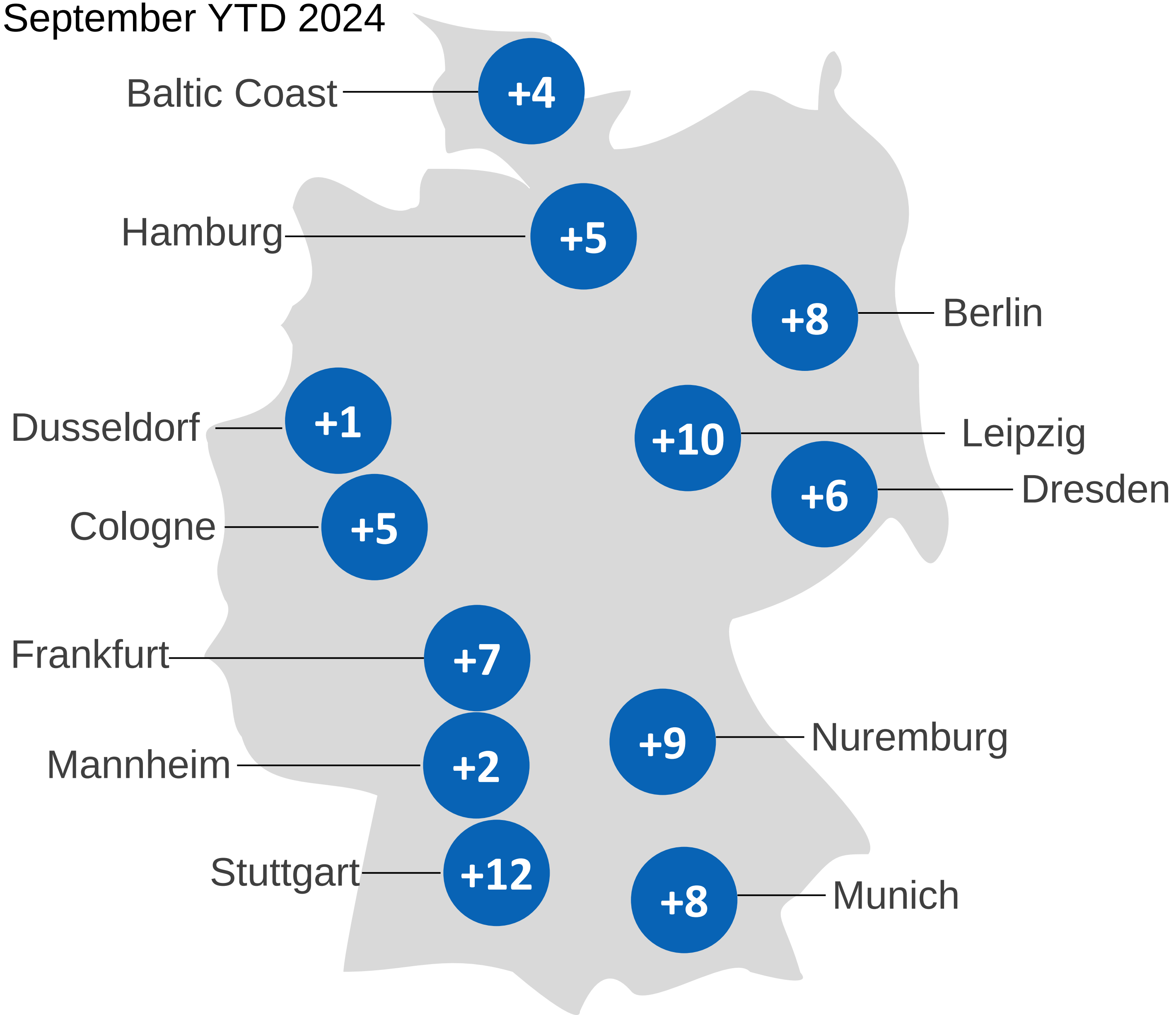
Positive occupancy growth for key markets…..

Occupancy, % change YoY, September YTD 2024



.....with all cities registering ADR growth, led by Munich & Stuttgart

ADR, % change YoY, September YTD 2024



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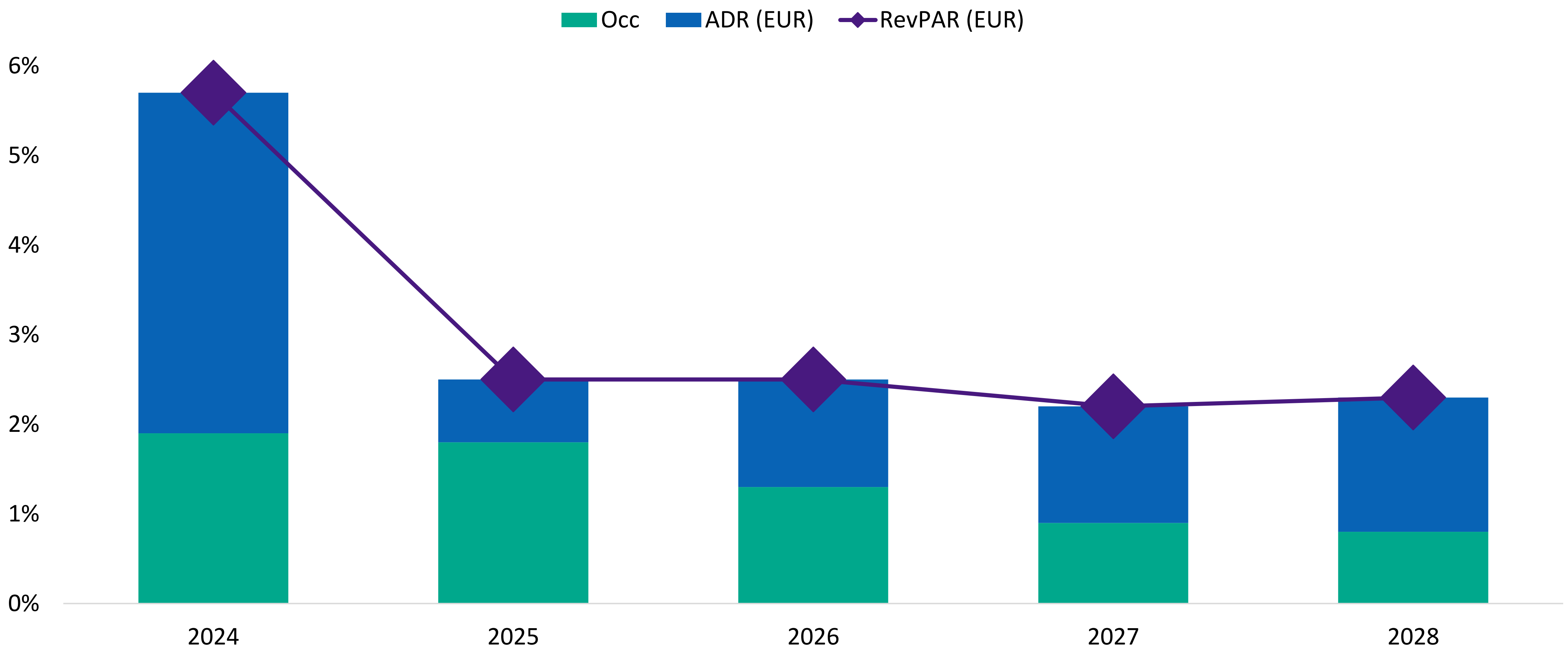
Source: STR. © 2024 CoStar Group

Steady but unspectacular growth from 2025 in Europe

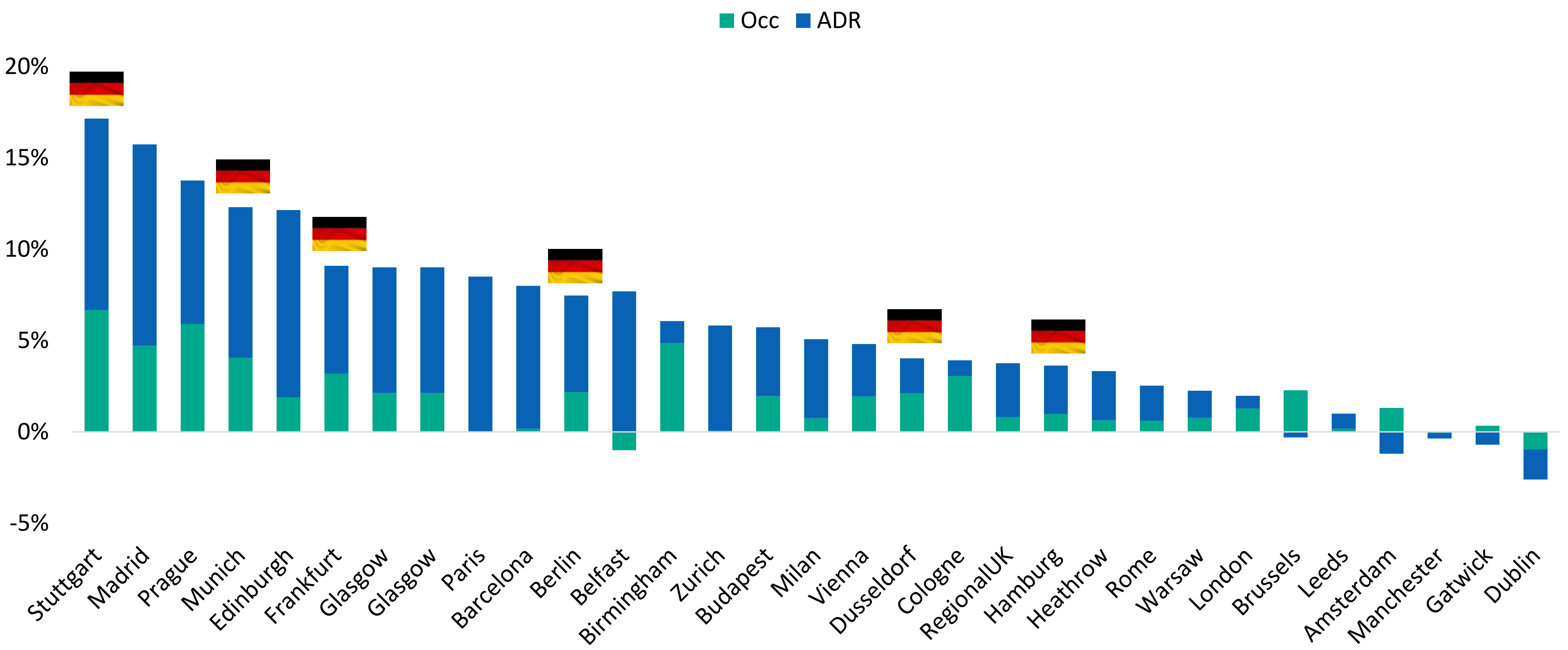
European markets*, KPI YoY % change, 2024-2028 as of August 2024



*Aggregated performance of Amsterdam,Barcelona,Belfast,Berlin,Birmingham,Brussels,Budapest,Cologne,Dublin, Dusseldorf, Edinburgh,Frankfurt,Glasgow,Hamburg,Leeds,Lisbon,London,Madrid,Manchester,Milan,Munich,Paris, Prague, Rome, Stuttgart, Vienna, Warsaw, Zurich

German cities scattered when looking at this year's forecast

Forecast Markets, Occupancy and ADR % Chg., 2024 Forecast



Thank you!

Thomas Emanuel

temanuel@str.com