THE REZIDOR HOTEL GROUP

Q2-2008 RESULTS

24 JULY 2008

Kurt Ritter, President & CEO
Knut Kleiven, Deputy President & CFO
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CONTINUED REVPAR GROWTH
MARKET DATA

REVPAR GROWTH - EUROPE	
IN EUR	JAN-JUN 08
WARSAW	14.3
VIENNA	13.2
BRUSSELS	11.8
STOCKHOLM	9.5
PARIS CENTRAL	8.6
COPENHAGEN	8.0
MOSCOW	8.0
LONDON (GBP)	5.8
LONDON	-8.1
BERLIN	5.1
AMSTERDAM	0.6
FRANKFURT	-0.2

- Underlying RevPAR trend still positive
- RevPAR remained strong in the Nordic region and in the Middle East

REVPAR GROWTH - MIDDLE EAST	
IN USD	JAN-JUN 08
MUSCAT	35.9
SHARM-EL-SHEIKH	32.9
JEDDAH	24.1
RIYADH	23.1
MANAMA	21.3
UAE REGIONAL	20.0
KUWAIT	14.8
DUBAI CITY CENTRE	13.7

HIGHLIGHTS

- Solid growth in Revenue and EBITDA
- L/L RevPAR (+7.9%), Revenue (+7.5%), EBITDA margin (+70bps), in H108
- Negative impact in Q108 of Easter timing fully offset in Q208
- Outperformed comparable hotels, in respective markets
- Signings continued at record levels - predominantly with management contracts - supporting EBITDA margin
- 2rd largest pipeline in Europe
- Performance in line with our promises
- Uncertain global economy - difficult to predict market outlook for FY08

HEDGING FOR TURBULENCE

- Shift in business model
  - More fee based revenue
  - Committed contracts less frequent
  - Faster ramp-ups and focus on conversions
- Strengthened foothold in emerging markets
  - 40% of portfolio
- Careful monitoring of central costs
- A multi-brand portfolio
  - 200+ Radisson SAS
  - 100+ Park Inn
- Downside capped

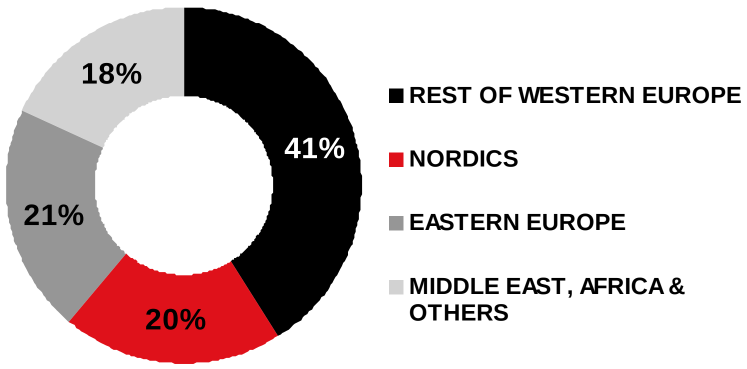
THE REZIDOR HOTEL GROUP


BUSINESS
DEVELOPMENT

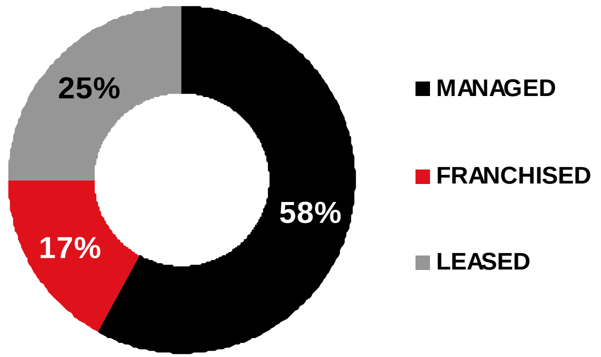
BUSINESS DEVELOPMENT HIGHLIGHTS
H1 2008

- **+ 50% more rooms signed in H108 over H107**
- **+ 50,000 rooms in operation**
- **+ 50 hotels in MEAO in operation or under development**
- **+ 50 countries**
- **+ 20,000 rooms in pipeline**

FEATURING 53 COUNTRIES



FOCUS ON NON-COMMITTED CONTRACTS



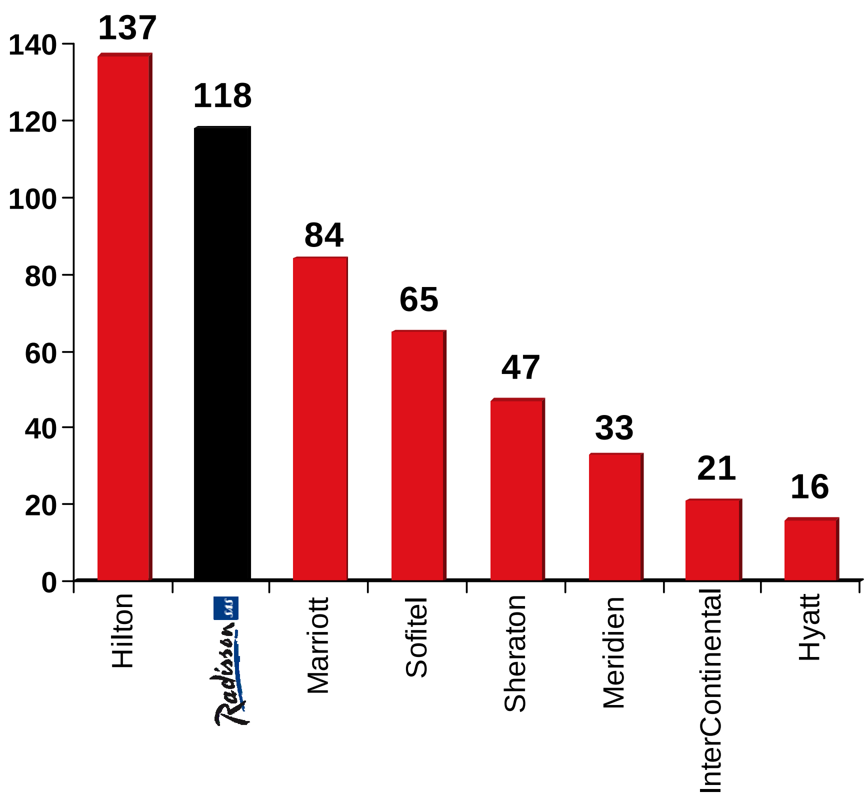
NOTE: By rooms in operation and under development dated 30 June 2008

THE REZIDOR HOTEL GROUP

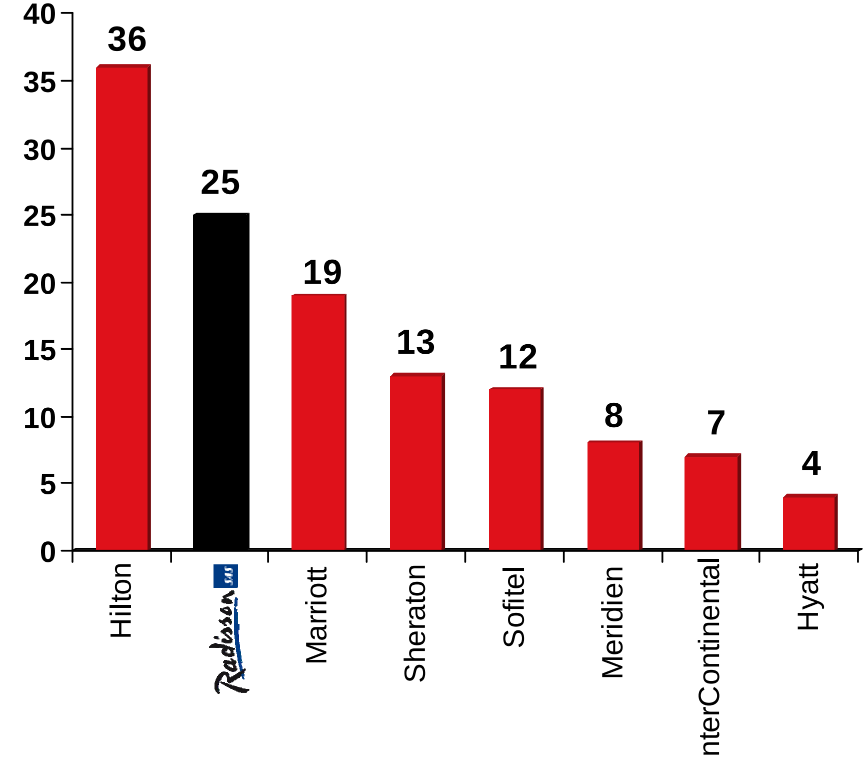
NUMBER 1
IN RUSSIA & CIS

NUMBER 2
IN THE EU

NUMBER OF HOTELS



NUMBER OF ROOMS (000s)



 SOURCE: MKG Hospitality dated March-08 on 2007 year-end numbers

NOTE: EU countries only

NUMBER 2
ON EUROPE'S LARGEST PIPELINE

BRANDS	ROOMS	HOTELS
IHG InterContinental Hotels Group	20,101	137
THE REZIDOR HOTEL GROUP	**13,407**	**74**
ACCOR	12,191	92
Marriott	6,442	33
Hilton	6,259	32
STARWOOD HOTELS & RESORTS WORLDWIDE, INC.	5,105	22
Sol Meliá HOTELS & RESORTS	3,669	11
NH HOTELES	3,307	21

- **Rezidor #2** with 13,407 rooms
- **Rezidor #1** with 44 upscale projects

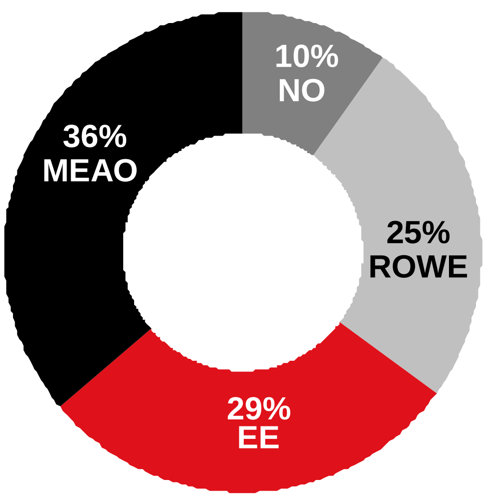
SOURCE: Lodging Econometrics - Construction Pipeline & Forecast for New Openings, Q1 2008

DIVERSIFYING & EXPANDING OUR PORTFOLIO

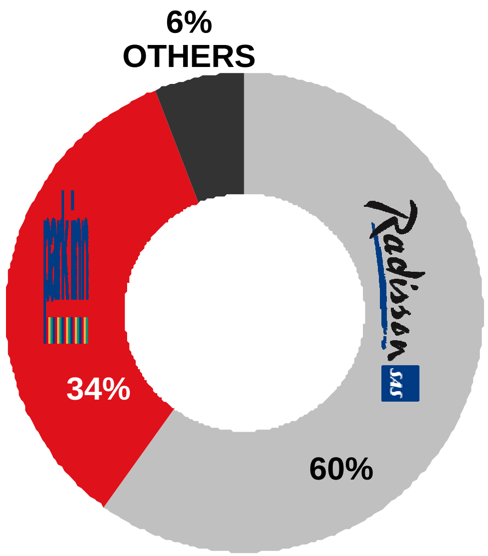
- Signings continue at record levels
  - 31 contracts (7,142 rooms) in H108 vs. 28 contracts (4,605 rooms) in H107
- 40% of portfolio in emerging markets
- One of the leading operators of **airport** hotels
  - 27 hotels and nearly 7,500 rooms in operation or under development
  - In 2008, contracts signed for Cairo, Oslo and Frankfurt
- 2008 contracts include **6 mega cities** and **14 primary markets**
  - 2/3rd of contracts in mega or primary markets
- Expanding **resort** portfolio with 32 hotels and 8,000 rooms
  - Notable 2008 contracts in Morocco, Ukraine, Norway and Turkey

STRATEGIC FOCUS
PIPELINE – 100+ HOTELS OPENING 2008-2011

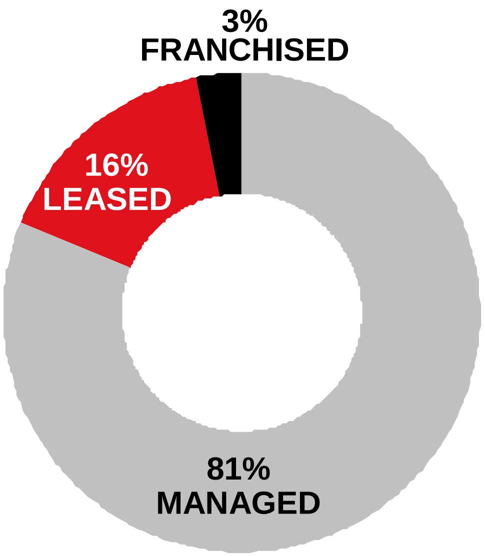
By Region
20,000 rooms



By Brand
20,000 rooms



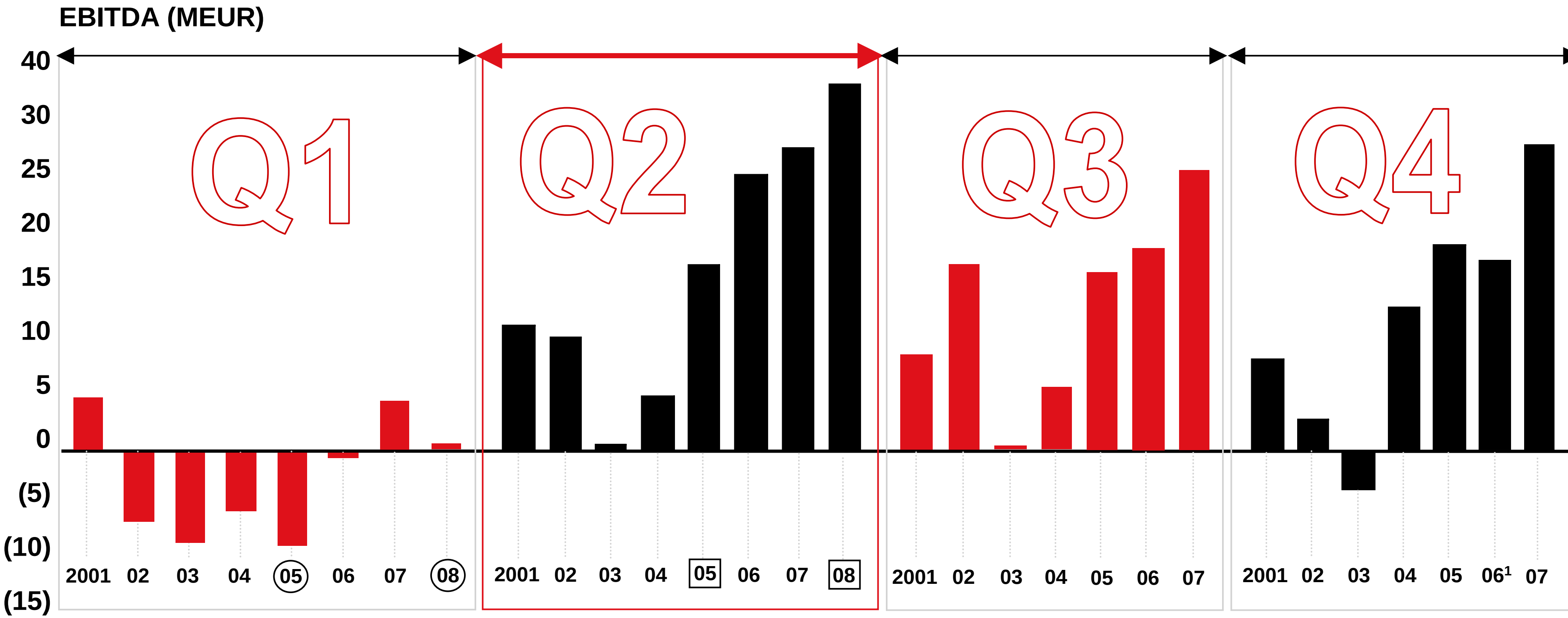
By Contract Type
20,000 rooms



NOTE: % based on number of rooms
NO: Nordics; **ROWE:** Rest of Western Europe; **EE:** Eastern Europe; **MEAO:** Middle East, Africa & Others


FINANCIALS

SEASONALITY



○ = Easter quarter

□ = Post-Easter quarter

 NOTE 1: Excluding IPO costs

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REVPAR DEVELOPMENT BY BRAND

L/L REVPAR PER BRAND[1)]						
IN EUR	Q208	Q207	VAR	H108	H107	VAR
Radisson SAS	99.9	88.6	12.8%	89.3	82.6	8.1%
park inn	57.6	51.8	11.2%	47.5	44.3	7.2%
THE REZIDOR HOTEL GROUP	90.7	80.7	12.4%	80.2	74.3	7.9%

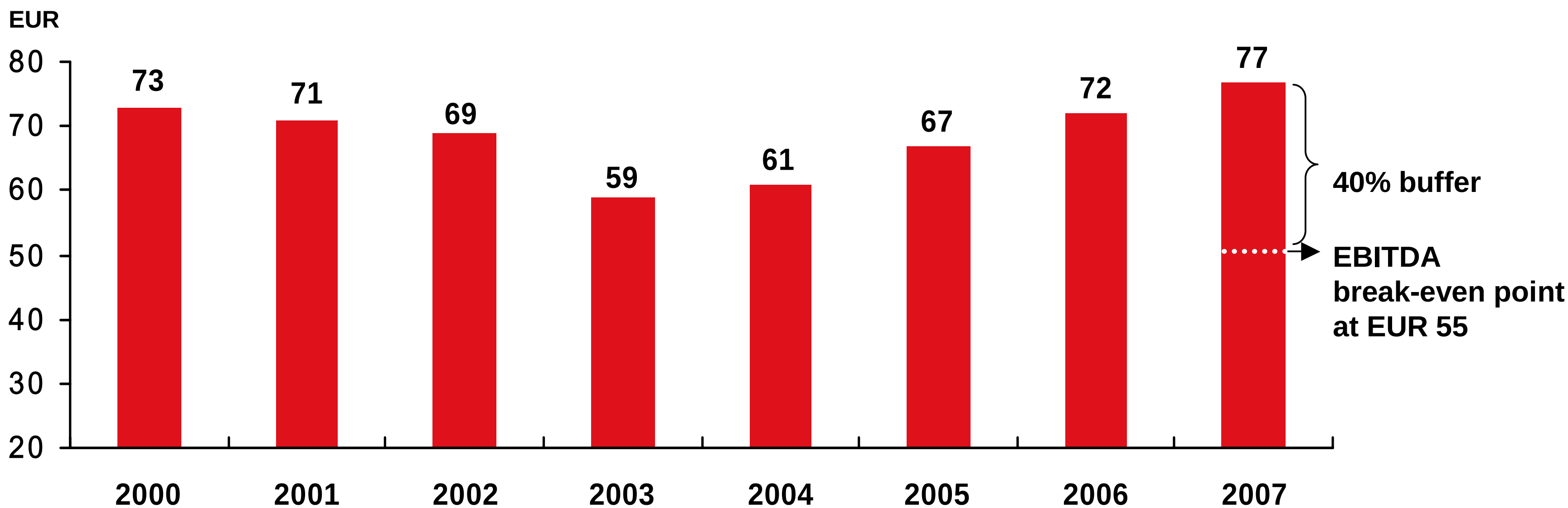
REVPAR ANALYSIS Q208	
L/L GROWTH[2)]	12.4%
FX IMPACT	-3.8%
NEW OPENINGS	-1.8%
REPORTED GROWTH[2)]	6.8%

TOTAL REVPAR PER BRAND						
IN EUR	Q208	Q207	VAR	H108	H107	VAR
Radisson SAS	95.8	88.5	8.2%	85.8	82.3	4.3%
park inn	54.7	51.8	5.6%	45.6	44.5	2.5%
THE REZIDOR HOTEL GROUP	86.2	80.7	6.8%	76.2	74.1	2.8%

REVPAR ANALYSIS H108	
L/L GROWTH	7.9%
FX IMPACT	-3.8.%
NEW OPENINGS	-1.3%
REPORTED GROWTH	2.8%

NOTE 1: Like-for-like (L/L): same hotels in operation during the previous period compared at constant exchange rates
NOTE 2: Negative impact of Easter in Q1 of ca 3% pts, fully offset in Q2

REVPAR FOR EBITDA BREAK-EVEN
AND SENSITIVITY



- RevPAR for EBITDA break-even expected at ca EUR 55
- EUR 1 change in RevPAR expected to impact EBITDA by ca MEUR 5-6 on an annual basis

 NOTE: Leased and managed hotels

INCOME STATEMENT HIGHLIGHTS

IN MEUR	Q208	Q207	VAR	H108	H107	VAR
OPERATING REVENUE	221.8	197.6	12%	398.8	371.0	7%
EBITDAR	89.3	75.5	18%	140.8	128.8	9%
EBITDA	37.1	27.7	34%	37.3	32.3	15%
PROFIT AFTER TAX	21.7	15.0	45%	14.7	13.9	6%
EBITDAR Margin %	40.2%	38.2%	200 bps	35.3%	34.7%	60 bps
EBITDA Margin %	16.7%	14.0%	270 bps	9.4%	8.7%	70 bps
EPS (EUR)	0.15	0.10	50%	0.10	0.09	11%

COST RATIOS

	Q208	Q207	VAR	H108	H107	VAR
F&B AND OTHER RELATED EXPENSES 1)	25.2%	25.0%	-20 bps	25.4%	24.8%	-60 bps
PERSONNEL COSTS 2)	32.8%	33.1%	30 bps	34.9%	34.4%	-50 bps
OTHER OPERATING EXPENSES 2)	18.3%	20.3%	200 bps	20.8%	22.0%	120 bps
PROPERTY INSURANCE & TAX 3)	1.6%	1.4%	-20 bps	1.7%	1.8%	10 bps
RENT 3)	27.3%	28.3%	100 bps	30.0%	30.2%	20 bps

NOTE 1): % of F&B Revenue
NOTE 2): % of Operating Revenue
NOTE 3): % of Leased Hotel revenue

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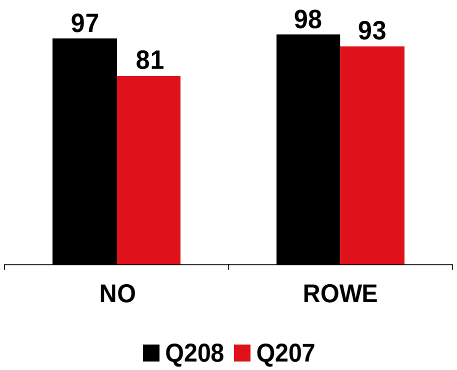
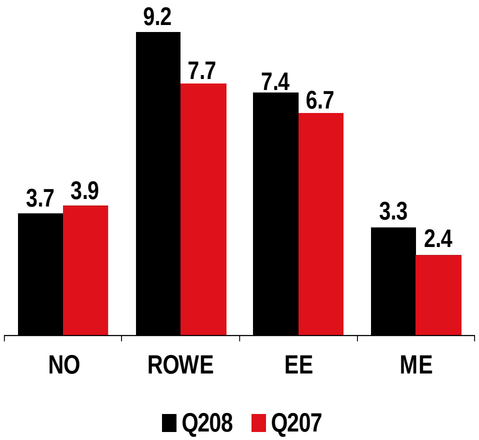
REVENUE SEGMENTATION

IN MEUR	Q208	Q207	VAR	H108	H107	VAR
LEASED HOTEL REVENUE	195.3	174.0	12%	352.3	328.0	7%
FEE REVENUE	23.5	20.7	14%	41.1	35.8	15%
OTHER REVENUE	3.0	2.8	8%	5.4	7.2	-25%
TOTAL REVENUE	221.8	197.6	12%	398.8	371.0	7%

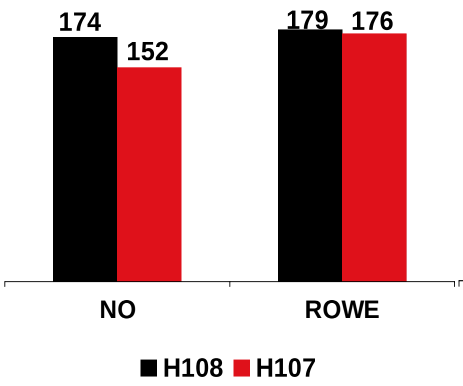
LEASED REVENUE IN Q208



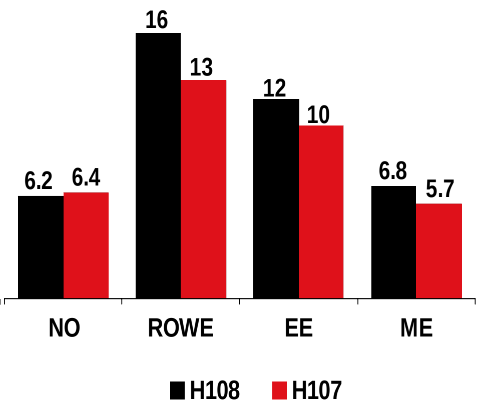
FEE REVENUE IN Q208



LEASED REVENUE IN H108



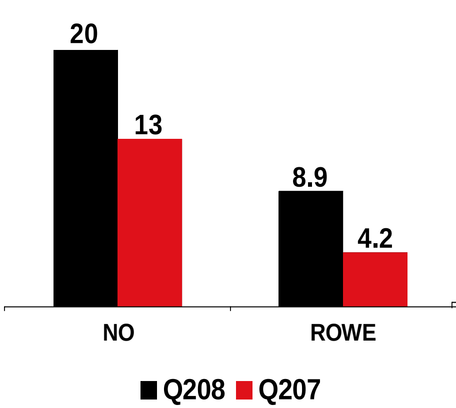
FEE REVENUE IN H108



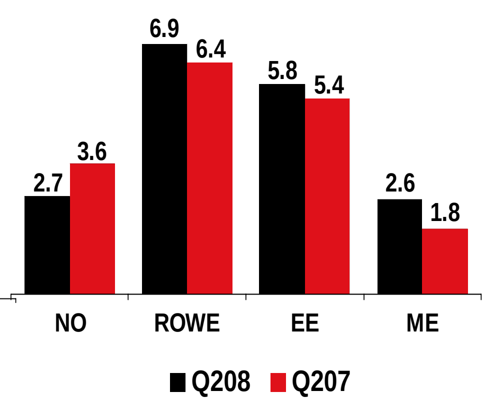
EBITDA SEGMENTATION

IN MEUR	Q208	Q207	VAR	H108	H107	VAR
Leased	28.5	17.2	66%	32.7	24.1	36%
Managed & Franchised	18.1	17.1	6%	25.4	22.6	12%
Other	2.6	1.1	140%	3.3	3.0	7%
TOTAL EBITDA (before central costs)	49.3	35.4	39%	61.4	49.9	23%
Central Costs	-12.2	-7.7	58%	-24.1	-17.6	37%
TOTAL EBITDA	37.1	27.7	34%	37.3	32.3	16%

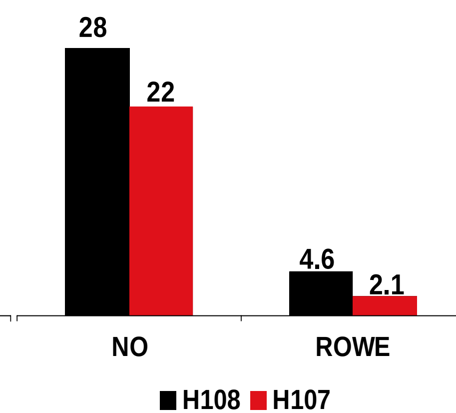
LEASED Q208



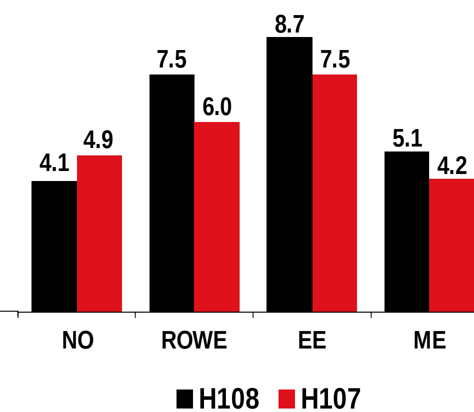
FEE Q208



LEASED H108



FEE H108



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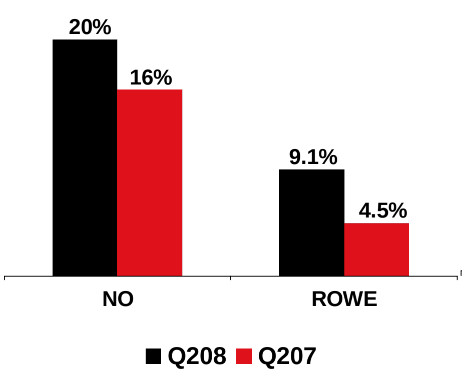
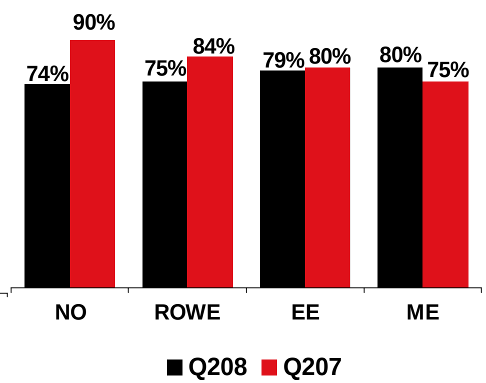
EBITDA MARGIN SEGMENTATION

IN MEUR	Q208	Q207	VAR	H108	H107	VAR
Leased	14.6%	9.9%	440 bps	9.3%	7.4%	190 bps
Managed & Franchised	77.0%	82.6%	-560 bps	61.7%	63.2%	-150 bps
Other	87.7%	39.2%	4850 bps	61.2%	43.0%	1820 bps
REPORTED EBITDA margin	16.7%	14.0%	270 bps	9.4%	8.7%	70 bps

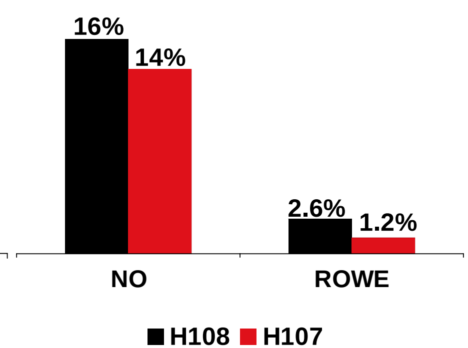
LEASED Q208



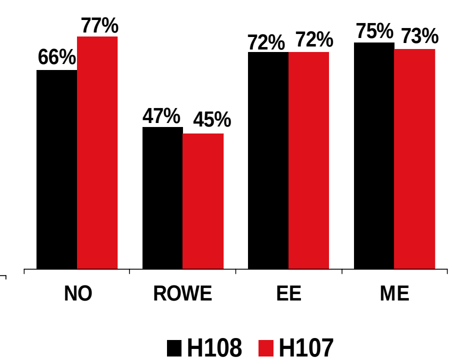
FEE Q208



LEASED H108



FEE H108



BALANCE SHEET HIGHLIGHTS

IN MEUR	JUN 2008	DEC 2007
TOTAL EQUITY	193	201
BALANCE SHEET TOTAL	406	413
INVESTMENTS IN INTANGIBLE & TANGIBLE ASSETS	15	46
NET CASH	39	48

LIQUIDITY HIGHLIGHTS

IN MEUR	JUN 2008	DEC 2007
UNUTILISED OVERDRAFTS	101	96
CASH & EQUIVALENTS	37	51
TOTAL AVAILABLE LIQUIDITY	138	147

OUTLOOK & FINANCIAL TARGETS

OUTLOOK

- Continued uncertainties surrounding the global economy
- Maintain target of adding 20,000 rooms to operation from 2007 to end 2009.
- Rising contribution from hotels in their ramp up phase and gradual shift in business model to support our EBITDA margin target.

FINANCIAL AND GROWTH TARGETS

Profitability Target	EBITDA margin of 12% over a business cycle
Balance Sheet	Small positive average net cash position
Dividend Policy	Approximately one third of annual after-tax income to be distributed to shareholders
Growth Targets	20,000 new hotel rooms to be opened from 2007 to 2009


Q & A

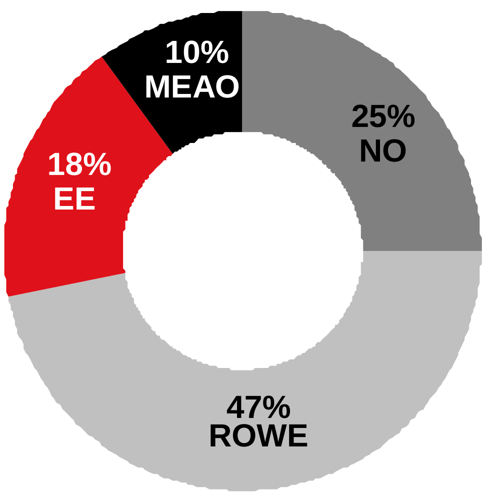
APPENDIX

IN OPERATION Q2 – 2008

Ca 240 HOTELS – 50,000 ROOMS

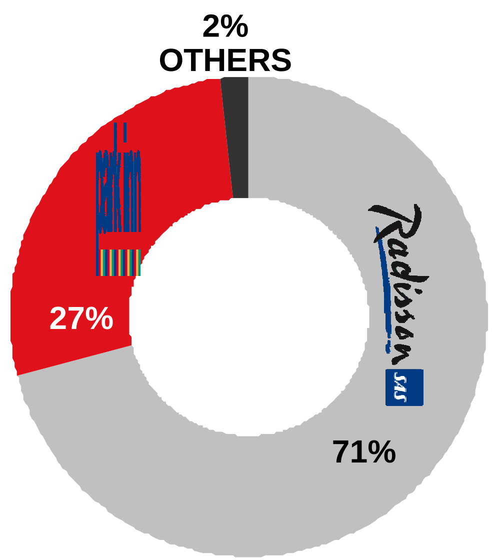
By Region

50,000 rooms



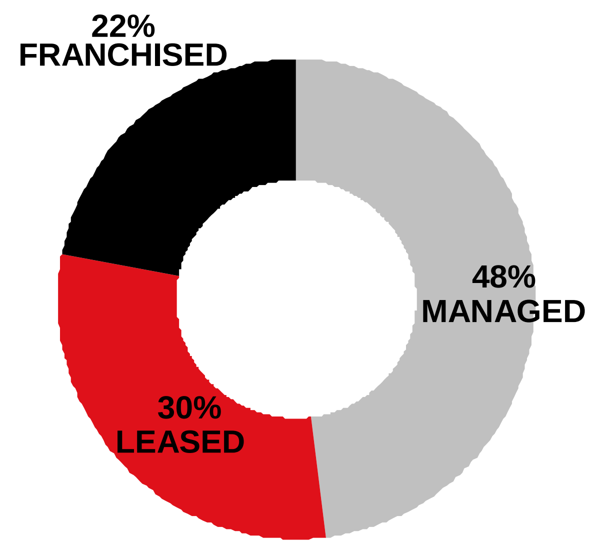
By Brand

50,000 rooms



By Contract Type

50,000 rooms

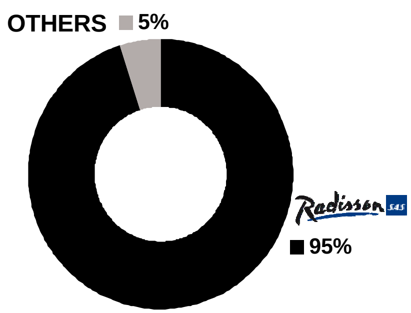


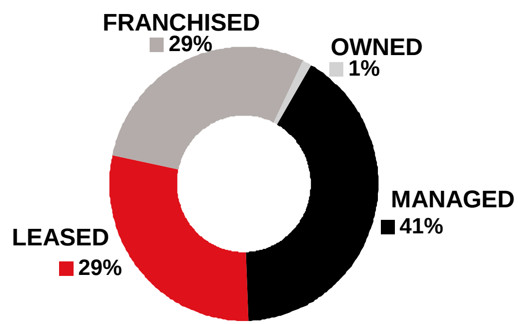
NOTE: % based on number of rooms in operation
NO: Nordics; ROWE: Rest of Western Europe; EE: Eastern Europe; MEAO: Middle East, Africa & Others

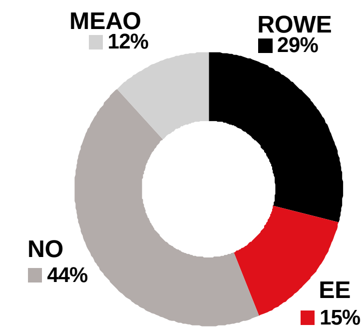
APPENDIX
CHANGING THE BUSINESS MODEL

BY BRAND	BY CONTRACT TYPE	BY REGION

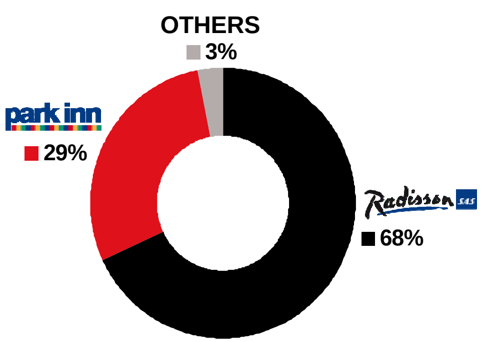
31 DECEMBER 2002
133 HOTELS – 28,873 ROOMS

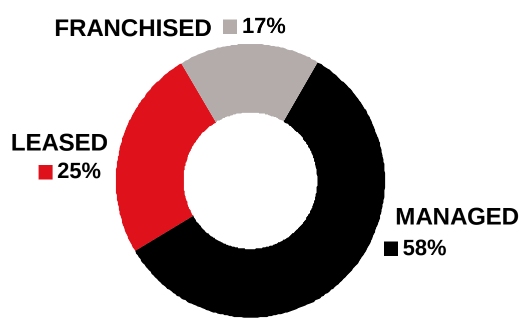


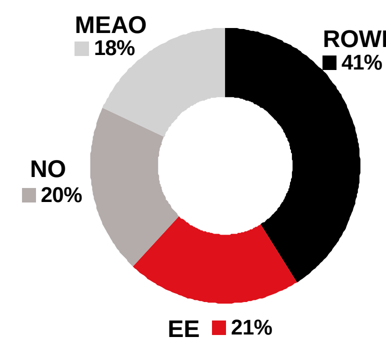




30 JUNE 2008
341 HOTELS –71,667 ROOMS







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