

Growth for Hotel Group, with 16 Brands for Hotels in all Categories

Renewed growth in sales and brand portfolio: Best Western Hotels Central Europe GmbH achieved a double-digit increase in turnover for its hotels in 2018 for the fourth year in a row. The total turnover generated by hotels in the group in the past financial year rose again by 11.6 percent to a total of over 191 million. With new brands, Best Western today offers solutions for independent hotels in all categories. Following the purchase of WorldHotels, the focus is now on expanding the hotel portfolio in all countries, with a range that has now grown to 16 brands.

Eschborn/Germany, 16 April 2019: "In the 2018 financial year, we grew not only in terms of sales volume, but also with our brand portfolio for hotels," explain Marcus Smola and Carmen Duecker, both CEO of Best Western Hotels Central Europe GmbH. "In recent years, our group has experienced the most comprehensive renewal and transformation in its history, with global brand relaunches and new brands. Starting many decades ago with a single brand, we had grown to 13 brands worldwide by 2018. With the WorldHotels acquisition in February 2019, we can now offer 16 full and soft brands under one roof. With such a broad brand portfolio, we are an attractive partner for hotel operators and investors because we can offer the right marketing package for hotels in every category." Best Western Hotels Central Europe GmbH is responsible for Best Western Hotels in ten countries: Germany, Croatia, Liechtenstein, Luxembourg, Austria, Slovakia, Slovenia, Switzerland, the Czech Republic, and Hungary.

Sales growth confirms successful course

After an impressive increase in turnover in 2017, Best Western Hotels Central Europe GmbH once again achieved an increase in total turnover directly transferred to the hotels in the 2018 financial year. Revenue through Best Western channels to the hotels of all the countries for which the group is responsible grew again by 11.6 percent compared to the previous year, to a total of € 191.37 million in 2018. "We are delighted that, since Best Western Hotels Central Europe GmbH was created by merger in 2015, we have achieved a substantial increase in turnover in the hotels for the fourth year in a row," says Dücker. "Last but not least, this is the result of our clear marketing and sales strategy, which relies on our award-winning Best Western Rewards global loyalty program, the strengthening of direct distribution, and fair global partnerships."

Brand portfolio growth

In 2018, the Best Western brand portfolio grew by 13 hotels, with locations including Boeblingen, Trier, Wiesbaden, Leipzig, Schwerin (all in Germany), and Murten in Switzerland. "In the past year, we have seen growth both in our full brands and our new soft brands which we offer for hotels that remain brand-independent and want to position themselves in the market without our branding. Our newly-introduced brand concepts offer tailor-made solutions for different hotel types and categories, offering great freedom and choice for operators of private hotels or hotel investors," explains Smola. "The acquisition of WorldHotels in February 2019 with three soft brands – Luxury, Elite, and Distinctive – is playing an important role in the expansion of the Best Western portfolio, as hotels in the upmarket and luxury segments can now also be offered. In the Best Western Central Europe region alone, around 60 hotels from the WorldHotels Collection, with around 7,800 rooms, have been added as a result of the purchase. "WorldHotels will retain their distinctive personality and individuality while benefiting from Best Western's strong e-commerce presence, successful partnerships, award-winning loyalty program, effective sales and marketing support in a global distribution network, and powerful booking tools," Smola adds.

Expanded global brand portfolio for independent hotels

In the past year, the brand strategy of Best Western Hotels & Resorts was maintained in order to sustainably expand the group's hotel portfolio. Best Western Hotels & Resorts currently offers 16 brands, giving hotel developers and operators tailor-made solutions for the optimal marketing of their own hotels. Today, hotel operators can essentially decide whether they want to position their respective hotel with a full branding or rely on brand-independent marketing using a soft brand. The new brands launched in 2018 include the full brands Sure Hotels, Sadie, and Aiden, as well as – besides the BW Premier Collection – other soft brands for the three- to four-star-category BW Signature Collection and Sure Hotel Collection by Best Western. Since the start of 2019, the WorldHotels Luxury, WorldHotels Elite and WorldHotels Distinctive collections have also been part of the global group.

2018: Launch of Sure Hotels brand and new lifestyle brands

To optimally meet the demand for individual hotel concepts, two new lifestyle brands were added to the Best Western Hotels & Resorts brand portfolio at the end of last year. The boutique hotel brands Sadie and Aiden will offer hotel developers and hoteliers with new or existing hotels in the lifestyle segment the opportunity to improve the economic performance of their hotels with the help of the sales and brand power of the global hotel group. While Sadie is to be positioned in the upscale segment, the new Aiden brand will be offered in the upper midscale segment. Both brand concepts purposefully offer a high degree of flexibility and individuality in design. Unconventional hotels with urban and contemporary styles are possible for the two new brands. Sadie and Aiden will not offer an off-the-shelf or a uniform design but may differ according to location, to reflect the greatest degree of individuality and urban flair. The world's first Aiden Hotel was opened in Seoul, South Korea, at the turn of the year. In the first quarter of 2019, the first Aiden was opened in Europe near Paris, France. The first three Sadie hotels will be built in Tampa, Florida, Fredericksburg, Texas and New York in 2020. "The individual lifestyle segment is a growth market. We can now provide investors and operators with suitable brands in our region," says Smola.

Meanwhile, the launch of the brand Sure Hotel by Best Western took place in Germany in 2018. The brand was first introduced worldwide almost two years ago. The Sure Hotel Ratingen is the first hotel to join the new brand of Best Western Hotels & Resorts in Germany. The Sure Hotel brand is aimed at individual mid-range hotels of the three-star category in cities and holiday destinations. Sure Hotels, like all Best Western brands, benefit from the group's global marketing and sales efforts for all relevant market segments and target groups. The hotels are operated in Europe under the brand name Sure Hotels, and worldwide under the brand name SureStay Hotels, and can be booked through all Best Western booking channels as well as GDS. The hotels also benefit from the global terms of all Best Western Hotels & Resorts global partnerships, and the Best Western Rewards global loyalty program.

On course for growth with new soft brands

At Best Western, great potential is seen above all in the area of soft brands. In addition to the BW Premier Collection, the collection for exclusive private hotels launched in 2017, the BW Signature Collection for upper mid-range hotels and the Sure Hotel Collection for hotels in the three-star segment have added two further soft brand collections to the brand offering since last year. The WorldHotels collections are also available for the upmarket and luxury segment.

"The demand from independent hotels for individual solutions for worldwide marketing is increasing significantly. Our wide brand diversity allows hotel operators and hotel groups to select the appropriate concept for each hotel to best meet the needs of the market," Smola explains. In January 2019, the third soft brand Sure Hotel Collection by Best Western was launched in Germany with four hotels: the Amedia Plaza in Schwerin, the Plaza Hotel Blankenburg in Ditzingen, the Amedia Hotel in Weiden and the Altstadtotel Arte in Fulda. These are the first hotels of the new hotel collection in Germany to use the new marketing offering for

three-star hotels. The third soft brand of Best Western Hotels & Resorts is aimed at hotels in the three- to four-star segment that are already established in the market with their own name, or in new hotel projects which position themselves individually and without Best Western branding in the market, but want to benefit from the sales and marketing services of the global hotel group.

"In view of increasing consolidation and competition within the hotel industry, it is particularly important to offer hotel operators and hotel groups highly individual hotel solutions and concepts for worldwide marketing in which the hotels can remain brand-independent and at the same time benefit from the strong sales and distribution support of a global hotel group. With our soft brands, we can now provide offers for hotels of all categories and meet the growing demand for individual hotels," explains Smola. All Best Western soft brand hotels receive the full-service package of the worldwide group. The hotels are not operated under the brand name Best Western Hotel, but can be booked through all Best Western booking channels, such as Best Western websites, and worldwide telephone reservation centres as well as GDS. In addition, soft brand hotels benefit from the worldwide conditions of all global partnerships of the hotel brand – from OTAs and other sales partnerships to key account management for company and travel agency contracts. In addition, all soft brand hotels will be integrated into the global Best Western Rewards loyalty program with around 40 million users, as well as loyalty partners such as Lufthansa Miles and More, and Payback.

"At many locations in all our countries, we see growing demand from private hotels for even more individuality, with, at the same time, the desire for professional tools for worldwide marketing," says Smola. "Right here we can close a gap with our soft brands. Even if private hotels in particular want to appear as individual and independent as possible today, successful hotels can no longer do without instruments such as worldwide professional sales, e-marketing, revenue management, digital services or a global loyalty program. However, one thing remains the same for all brands, whether full or soft: our goal is to increase the economic success and competitiveness of our partner hotels. The hotels, some of which are family-run, retain their full entrepreneurial autonomy and independence in both the full and soft brands."

The following press photos are available for download:

Caption: Renewal and transformation at Best Western Hotels & Resorts: After a comprehensive brand relaunch and a worldwide refresh in look and feel, 13 Best Western brands are now offered worldwide, of which seven have already been launched in the region of Best Western Hotels Central Europe. Since February 2019, three additional collections from WorldHotels have been added to the portfolio, so that the group's range has increased to a total of 16 brands.

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Caption: Best Western Hotels Central Europe CEO's Marcus Smola and Carmen Duecker have set themselves the goal of expanding the current hotel portfolio with various new brand offers in all countries.

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About Best Western Hotels & Resorts:

Best Western Hotels & Resorts headquartered in Phoenix, Arizona, is a privately held hotel brand with a global network of over 4,500 hotels in nearly 100 countries and territories worldwide. The brand family includes both full brands and soft brands for all categories worldwide. In total Best Western offers 16 hotel brands to suit the*

needs of developers and guests in every market. Best Western branded hotels include Best Western®, Best Western Plus®, Best Western Premier®, Executive Residency by Best Western®, VÄ«b®, GL , AidenSM, SadieSM, BW Premier Collection®, and BW Signature Collection®. Through recent acquisition of WorldHotels in February 2019, Best Western now also offers WorldHotels® Luxury, WorldHotels Elite and WorldHotels Distinctive brands. Completing its portfolio, Best Western offers SureStay®, SureStay Plus®, and SureStay Collection® franchises**. Now celebrating more than 70 years of hospitality, Best Western provides its hoteliers with global operational, sales and marketing support, and award-winning online and mobile booking capabilities. All Best Western, WorldHotels and SureStay branded hotels are independently owned and operated. Now celebrating more than 70 years of hospitality, Best Western provides its hoteliers with global operational, sales and marketing support, and award-winning online and mobile booking capabilities.

Best Western Hotels Central Europe (BWCE) headquartered in Eschborn / Germany is in charge of around 230 hotels in ten countries: Austria, Croatia, Czech Republic, Germany, Hungary, Liechtenstein, Luxembourg, Slovakia, Slovenia and Switzerland. In addition to its German headquarter in Eschborn there is a regional office in Vienna, Austria. All city and resort hotels of Best Western guarantee uniform and consistent quality standards worldwide and at the same time retain their individual style and their entrepreneurial independence.

As a service partner Best Western pursues to increase the profitability, success and competitiveness of their member hotels. Best Western Hotels maintain their independence while locking in all the advantages of the world's largest lodging affiliation. Member hotels benefit from a powerful global brand with full-service support and comprehensive marketing and sales activities for all relevant market segments and target groups. All hotels are optimally presented and bookable through all worldwide reservations and online booking channels. More than 37 million travelers are members of the brand's award-winning loyalty program Best Western Rewards®, one of the few programs in which members earn points that never expire and can be redeemed at any Best Western hotel worldwide. More information: www.bestwestern.de and www.bestwestern.com

* Numbers are approximate, may fluctuate, and include hotels currently in the development pipeline.

**All Best Western, WorldHotels and SureStay branded hotels are independently owned and operated. In Europe all hotels of SureStay are branded as Sure Hotels.

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