

MILLENNIUM & COPTHORNE HOTELS plc
TRADING UPDATE
Nine months and third quarter results to 30 September 2018

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Nine months 2018:

	9 mths 2018	Reported Currency			Constant Currency		
		9 mths 2017	Change		9 mths 2017	Change	
RevPAR	£79.26	£82.41	£(3.15)	(3.8)%	£79.56	£(0.30)	(0.4)%
Revenue - total	£730m	£748m	£(18)m	(2.4)%	£722m	£8m	1.1%
Revenue - hotel	£627m	£649m	£(22)m	(3.4)%	£627m	-	-
Profit before tax (Note 1)	£99m	£118m	£(19)m	(16.1)%	£114m	£(15)m	(13.2)%

Third quarter 2018:

	Q3 2018	Reported Currency			Constant Currency		
		Q3 2017	Change		Q3 2017	Change	
RevPAR	£87.23	£89.75	£(2.52)	(2.8)%	£88.64	£(1.41)	(1.6)%
Revenue - total	£253m	£263m	£(10)m	(3.8)%	£259m	£(6)m	(2.3)%
Revenue - hotel	£223m	£231m	£(8)m	(3.5)%	£228m	£(5)m	(2.2)%
Profit before tax	£34m	£55m	£(21)m	(38.2)%	£53m	£(19)m	(35.8)%

Note 1: Pre-tax profit for the nine months of 2018 includes gain of £3m from the disposal of two Australian hotels that were owned by CDL Hospitality Trusts ("CDLHT"). During the same period last year, pre-tax profit included reversal of loan impairment of £12m and impairment of assets of £9m, with a net credit of £3m recognised in the income statement.

* Like-for-like comparisons exclude the impact of acquisitions, closures and refurbishments; and they are stated in constant currency terms.

- In reported currency, Group RevPAR for the nine months of 2018 decreased by 3.8% to £79.26 (2017: £82.41). In constant currency, it fell by just 0.4% mainly reflecting a stronger pound sterling against the Group's main trading currencies.
- Like-for-like* Group RevPAR for the nine months of 2018 increased by 1.5%. Like-for-like comparison excludes the Mayfair hotel which was impacted by its closure in July this year, the Millennium New Plymouth New Zealand which was acquired in March this year, and M Social Auckland which was re-opened in October 2017.
- In constant currency, hotel revenue for the nine months of 2018 was flat. Reported hotel revenue was down by £22m or 3.4%, reflecting the stronger pound.
- Reported total revenue for the first nine months of 2018 fell by £18m or 2.4% to £730m (2017: £748m). The impact from the strengthening of the pound sterling was £26m. In constant currency, total revenue for the period increased by £8m or 1.1%.
- In reported currency, pre-tax profit for the nine months of 2018 decreased by £19m to £99m (2017: £118m). In constant currency, pre-tax profit for the period decreased by £15m (2017: £114m). As previously disclosed, the closure of the Mayfair hotel resulted in the reduction of the Group's revenue and a commensurate reduction in profit. The Group continued to incur certain fixed costs at the Mayfair hotel. In addition, the Group saw an increase in its operating costs mainly due to payroll expenditure.
- In Q3 2018, Group RevPAR fell by 2.8% in reported currency and down by 1.6% in constant currency. Like-for-like* Group RevPAR increased slightly by 0.6%. Excluding Mayfair, RevPAR for London was up by 5.6%. RevPAR for Australasia was up by 2.9%. RevPAR for New York and Singapore were flat.
- For the first 21 days of October 2018, like-for-like Group RevPAR was up by 7.3%.

Mr Kwek Leng Beng, Chairman commented:

“The Group experienced mixed trading results for the first nine months of the year, with hotel revenues flat for the period on a like-for-like basis and lower profit due to continuing cost pressures.

The hospitality sector is facing challenging trading conditions, including significant supply growth, technological “disruption”, industry consolidation and rising minimum wage requirements and labour costs in key jurisdictions. These challenges, which are impacting the availability of talent and reducing margins, are exacerbated by geopolitical headwinds, such as the uncertainty surrounding Brexit and global trade tensions.

The Group will address these issues through product innovation, tighter cost control and by flattening the management structure to enhance our competitiveness. The Group also continues to focus on delivering value from significant capital expenditure projects in addition to the repositioning of the Mayfair property as a 5-star deluxe hotel and the development of our new hotel and residential apartment complex in Sunnyvale California, which broke ground in October 2018.

After the departure of the last Group Chief Executive Officer in September, Tan Kian Seng has been reappointed as the interim Group Chief Executive Officer. The Board is confident that Mr Tan will provide stability during the transition with his experience and knowledge accumulated over the past two years as interim Group CEO, Group Chief of Staff and President of Asia. Mr Tan, a chartered accountant with more than 30 years of business experience, had been CFO and President of one of the largest electronic manufacturing companies listed on the Singapore stock exchange. His overall management skills and strong financial background will contribute positively to the Group. The Board will take time to consider and search carefully for the next Group CEO, who must not only have relevant experience, but must also embrace and drive forward the Group’s business model as a niche owner-operator.”

Enquiries

Millennium & Copthorne Hotels plc

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FINANCIAL PERFORMANCE

For the nine months ended 30 September 2018, Group reported revenue decreased by 2.4% to £730m (2017: £748m). On a constant currency basis, Group revenue increased by £8m or 1.1%.

	9 mths 2018 £m	Reported Currency			Constant Currency		
		9 mths 2017 £m	Change		9 mths 2017 £m	Change	
			£m	%		£m	%
Hotel	627	649	(22)	(3.4)	627	-	-
Property	55	51	4	7.8	48	7	14.6
REIT	48	48	-	-	47	1	2.1
Total Revenue	730	748	(18)	(2.4)	722	8	1.1

In constant currency, hotel revenue for the first nine months of 2018 was flat compared to the same period last year. Higher contributions from Millennium Hilton New York One UN Plaza (re-branded in August 2017) and M Social Auckland (opened in October 2017); were partially offset by the closure of the Mayfair hotel due to refurbishment. In reported currency, hotel revenue for the nine months of 2018 decreased by £22m or 3.4% reflecting a stronger pound sterling against the Group's main trading currencies.

Revenues from property sector and CDL Hospitality Trusts ("CDLHT") increased by £7m and £1m respectively compared to the first nine months of 2017.

Central costs for the nine months of 2018 increased by £5m or 20% to £30m (2017: £25m) due mainly to higher payroll related costs.

As disclosed previously, the Group recorded a gain of £3m from the disposal of two Australian hotels that were owned by CDLHT. During the same period last year, pre-tax profit included reversal of loan impairment of £12m and impairment of assets of £9m, with a net credit of £3m recognised in the income statement.

Hotel operation

In constant currency, Group RevPAR for the nine months of 2018 decreased by 0.4% to £79.26 (2017: £79.56). However, like-for-like* Group RevPAR increased by 1.5%.

	RevPAR			Occupancy			Average Room Rate		
	9 mths 2018 £	#9 mths 2017 £	Change %	9 mths 2018 %	9 mths 2017 %	Change %pts.	9 mths 2018 £	#9 mths 2017 £	Change %
New York	153.18	147.74	3.7	85.1	84.0	1.1	179.95	175.92	2.3
Regional US	61.21	62.17	(1.5)	59.8	62.9	(3.1)	102.39	98.87	3.6
Total US	91.51	90.34	1.3	68.1	69.8	(1.7)	134.31	129.38	3.8
London	98.03	110.73	(11.5)	78.0	84.3	(6.3)	125.64	131.42	(4.4)
Rest of Europe	56.54	54.26	4.2	72.1	71.3	0.8	78.45	76.09	3.1
Total Europe	77.30	82.97	(6.8)	75.0	77.9	(2.9)	103.00	106.52	(3.3)
Singapore	82.91	83.05	(0.2)	86.2	86.8	(0.6)	96.18	95.73	0.5
Rest of Asia	62.49	60.76	2.8	66.5	64.6	1.9	93.99	94.00	-
Total Asia	70.40	69.39	1.5	74.1	73.2	0.9	94.98	94.79	0.2
Australasia	70.26	66.32	5.9	81.3	80.4	0.9	86.40	82.46	4.8
Total Group	79.26	79.56	(0.4)	73.1	73.9	(0.8)	108.39	107.59	0.7

	RevPAR			Occupancy			Average Room Rate		
	Q3 2018 £	#Q3 2017 £	Change %	Q3 2018 %	Q3 2017 %	Change %pts.	Q3 2018 £	#Q3 2017 £	Change %
New York	176.94	176.47	0.3	90.7	91.3	(0.6)	194.98	193.37	0.8
Regional US	72.97	74.01	(1.4)	66.4	70.0	(3.6)	109.92	105.71	4.0
Total US	107.25	107.74	(0.5)	74.4	77.0	(2.6)	144.11	139.91	3.0
London	125.47	129.13	(2.8)	92.1	89.6	2.5	136.30	144.10	(5.4)
Rest of Europe	60.22	58.60	2.8	74.9	74.6	0.3	80.44	78.57	2.4
Total Europe	91.17	94.74	(3.8)	83.0	82.3	0.7	109.83	115.14	(4.6)
Singapore	87.37	87.10	0.3	90.3	87.6	2.7	96.78	99.38	(2.6)
Rest of Asia	61.96	63.29	(2.1)	69.5	66.2	3.3	89.18	95.55	(6.7)
Total Asia	71.80	72.51	(1.0)	77.5	74.5	3.0	92.61	97.29	(4.8)
Australasia	61.67	59.96	2.9	75.1	74.8	0.3	82.15	80.20	2.4
Total Group	87.23	88.64	(1.6)	77.4	77.3	0.1	112.76	114.74	(1.7)

In constant currency whereby 30 September 2017 RevPAR and average room rates have been translated at average exchange rates for the period ended 30 September 2018.

* Like-for-like comparisons exclude the impact of acquisitions, closures and refurbishments; and they are stated in constant currency terms.

US

US RevPAR for the first nine months of 2018 increased by 1.3% to £91.51 (2017: £90.34). Average room rate increased by 3.8% offset partially by decrease in occupancy of 1.7% points.

New York RevPAR increased by 3.7% as a result of increases in both occupancy and average room rate of 1.1% points and 2.3% respectively. RevPAR for Regional US decreased by 1.5% to £61.21 (2017: £62.17) due to decrease in occupancy by 3.1% points offset partially by increase in average room rate of 3.6%.

In Q3 2018, US RevPAR fell by 0.5%. For New York, RevPAR was higher slightly by 0.3%.

Europe

Europe RevPAR for the first nine months of 2018 fell by 6.8%. Excluding the Mayfair hotel, like-for-like RevPAR increased by 1.1% helped by the warm summer.

Like-for-like RevPAR for the nine months of 2018 for London decreased by 0.5% with lower occupancy of 1.9% points partially offset by higher average room rate of 1.7%. Like-for-like RevPAR for Rest of Europe during the first nine months of 2018 grew by 3.8% with increases in both occupancy and average room rate of 0.7% points and 2.8% respectively.

In Q3 2018, Europe RevPAR fell by 3.8%. On a like-for-like basis, Europe RevPAR was up by 4.6% reversing the trend in H1 2018.

Asia

Asia RevPAR for the first nine months of 2018 increased by 1.5% to £70.40 (2017: £69.39) driven by increases in both average room rates and occupancy of 0.2% and 0.9% points respectively.

Singapore RevPAR is relatively flat, reflecting a 0.6% points fall in occupancy offset by a 0.5% increase in average room rate. Rest of Asia saw an improvement in performance with higher RevPAR of 2.8% contributed mainly by the Group's hotels in Taipei and Beijing.

In Q3 2018, Asia RevPAR decreased by 1.0% with room rates down by 4.8% partially offset by an increase in occupancy of 3.0% points.

Australasia

Like-for-like Australasia RevPAR grew by 3.0% during the first nine months of 2018. With the inclusion of M Social Auckland and Millennium New Plymouth, Australasia RevPAR increased by 5.9%; with average room rate and occupancy increasing by 4.8% and 0.9% points respectively. The softness in the market, first seen in April this year, has receded in July. International visitor arrivals grew by 2.9% for the first nine months of this year. However, competition is increasing both from new inventory and non-traditional supply.

In Q3 2018, Australasia RevPAR increased by 2.9% with room rates up by 2.4% and occupancy up by 0.3% points. Like-for-like RevPAR was down by 0.2% with the exclusion of M Social Auckland which opened in early October last year.

Developments

The Sunnyvale California project comprises the construction of a 263-room hotel and a 250-unit residential apartment block on 35,717m² mixed use freehold landsite. The ground-breaking ceremony was held on 16 October 2018. The project is scheduled to complete in Q1 2021. The construction cost is estimated at US\$200m (£155m).

Key specialist consultants, including architect and engineers, have started to work and improve on the design proposal relating to the Yangdong development in Seoul. The construction cost will be determined once the new design is finalised.

Hotel refurbishments

The on-going refurbishment work at the Mayfair hotel, which started in November 2017, is on track, with the hotel to be re-opened as a 5-star deluxe property during Q1 2019. The total cost is now estimated to be around £50m following upgrades to the scope of the work.

The Group continues to work on plans for the staged refurbishment of key hotels in London, New York and Singapore.

Orchard Hotel Singapore has commenced work on its lobby and food & beverage outlets, which is expected to complete by Q4 2018. The hotel remains fully operational. In addition, the guest rooms in the Orchard wing and the ballroom & meeting spaces will also be renovated from Q4 2018 to Q2 2019.

Other Group operations

Joint ventures and associates contributed £14m to profit during the nine months of 2018 (2017: £11m). The Group has an effective interest of 36% in First Sponsor Group Limited, which is listed on the Singapore Exchange and reports its results publicly.

In April 2018, the Group subscribed for its full entitlement of FSGL's rights issue of new perpetual convertible capital securities ("PCCS") for a total cost of S\$58.2m (£32m) and the PCCS were allotted on 19 April 2018.

Financial position

At 30 September 2018, the Group had net debt of £675m (Dec 2017: net debt of £650m). Excluding CDLHT, net debt at 30 September 2018 was £212m (Dec 2017: net debt of £186m).

Board and management changes

As previously announced, Jennifer Fox stepped down as Group Chief Executive Officer and as a member of the Board of Directors on 27 September 2018. Tan Kian Seng resumed the role of interim Group Chief Executive Officer on 28 September 2018. Sue Farr resigned as a non-executive director of the Company with effect from 31 October 2018.

Gervase McGregor notified the Company on 1 November 2018 of his intention to resign as a non-executive director with effect from 1 December 2018. Following these changes, the Board continues to be comprised of a majority of independent non-executive directors.

This trading update contains certain statements that are or may be forward-looking with respect to the financial condition, results or operations and business of Millennium & Copthorne Hotels plc. By their nature forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Undue reliance should not be placed on forward looking statements which speak only as of the date of this document. The Group accepts no obligation to publicly revise or update these forward-looking statements or adjust them to future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

**Condensed consolidated income statement (unaudited)
for the nine months ended 30 September 2018**

	Third Quarter 2018 £m	Third Quarter 2017 £m	Nine Months 2018 £m	Nine Months 2017 £m	Full Year 2017 £m
Revenue	253	263	730	748	1,008
Cost of sales	(109)	(108)	(321)	(324)	(431)
Gross profit	144	155	409	424	577
Administrative expenses	(110)	(101)	(308)	(304)	(415)
Other operating income	-	-	3	12	30
Other operating expense	-	-	-	(9)	(47)
Operating profit	34	54	104	123	145
Share of profit of joint ventures and associates	6	5	14	11	22
Finance income	3	5	7	10	11
Finance expense	(9)	(9)	(26)	(26)	(31)
Net finance expense	(6)	(4)	(19)	(16)	(20)
Profit before tax	34	55	99	118	147
Income tax (expense)/credit	(5)	6	(17)	2	12
Profit for the period	29	61	82	120	159
Attributable to:					
Equity holders of the parent	20	50	48	92	124
Non-controlling interests	9	11	34	28	35
	29	61	82	120	159

The financial results above were derived from continuing activities.

**Condensed consolidated statement of financial position (unaudited)
as at 30 September 2018**

	As at 30 Sept 2018 £m	As at 30 Sept 2017 £m	As at 31 Dec 2017 £m
Non-current assets			
Property, plant and equipment	3,126	3,141	3,129
Lease premium prepayment	100	102	103
Investment properties	578	610	577
Investment in joint ventures and associates	365	312	324
Other financial assets	3	-	-
	4,172	4,165	4,133
Current assets			
Inventories	4	4	4
Development properties	100	84	93
Lease premium prepayment	2	2	2
Trade and other receivables	111	97	88
Cash and cash equivalents	354	331	354
	571	518	541
Assets held for sale	-	-	41
	571	518	582
Total assets	4,743	4,683	4,715
Non-current liabilities			
Interest-bearing loans, bonds and borrowings	(722)	(663)	(791)
Employee benefits	(17)	(23)	(19)
Provisions	(9)	(9)	(9)
Other financial liabilities	(1)	(2)	-
Other non-current liabilities	(13)	(13)	(13)
Deferred tax liabilities	(187)	(198)	(188)
	(949)	(908)	(1,020)
Current liabilities			
Interest-bearing loans, bonds and borrowings	(307)	(336)	(213)
Trade and other payables	(221)	(223)	(208)
Provisions	(2)	(1)	(2)
Income taxes payable	(12)	(14)	(23)
	(542)	(574)	(446)
Total liabilities	(1,491)	(1,482)	(1,466)
Net assets	3,252	3,201	3,249
Equity			
Issued share capital	97	97	97
Share premium	843	844	843
Translation reserve	419	428	431
Treasury share reserve	(4)	(4)	(4)
Retained earnings	1,340	1,272	1,309
Total equity attributable to equity holders of the parent	2,695	2,637	2,676
Non-controlling interests	557	564	573
Total equity	3,252	3,201	3,249

Notes to the condensed consolidated financial statements

1. Operating segment information

	Nine months 2018								
	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Central Costs £m	Total Group £m
Revenue									
Hotel	110	105	77	53	95	126	61	-	627
Property operations	-	4	-	-	2	7	42	-	55
REIT	-	-	-	22	12	10	4	-	48
Total revenue	110	109	77	75	109	143	107	-	730
Hotel gross operating profit	13	22	33	12	38	41	29	-	188
Hotel fixed charges ¹	(24)	(18)	(16)	(8)	(3)	(25)	(5)	-	(99)
Hotel operating profit/(loss)	(11)	4	17	4	35	16	24	-	89
Property operating profit	-	1	-	-	1	7	22	-	31
REIT operating profit/(loss)	-	-	-	8	(2)	1	4	-	11
Central costs	-	-	-	-	-	-	-	(30)	(30)
Other operating income - REIT	-	-	-	-	-	-	3	-	3
Operating profit/(loss)	(11)	5	17	12	34	24	53	(30)	104
Share of joint ventures and associates profit	-	-	-	3	-	11	-	-	14
Add: Depreciation and amortisation	7	9	5	3	9	15	2	2	52
EBITDA ²	(4)	14	22	18	43	50	55	(28)	170
Less: Depreciation, amortisation & impairment									(52)
Net finance expense									(19)
Profit before tax									99

	Nine months 2017								
	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Central Costs £m	Total Group £m
Revenue									
Hotel	111	113	91	52	98	127	57	-	649
Property operations	-	4	-	-	2	7	38	-	51
REIT	-	-	-	15	12	15	6	-	48
Total revenue	111	117	91	67	112	149	101	-	748
Hotel gross operating profit	14	26	45	12	40	42	28	-	207
Hotel fixed charges ¹	(26)	(16)	(17)	(7)	(3)	(27)	(4)	-	(100)
Hotel operating profit/(loss)	(12)	10	28	5	37	15	24	-	107
Property operating profit	-	-	-	-	1	7	21	-	29
REIT operating profit/(loss)	-	-	-	3	(3)	4	5	-	9
Central costs	-	-	-	-	-	-	-	(25)	(25)
Other operating income	-	-	-	-	-	12	-	-	12
Other operating expense	-	-	-	(4)	-	(5)	-	-	(9)
Operating profit/(loss)	(12)	10	28	4	35	33	50	(25)	123
Share of joint ventures and associates profit	-	-	-	2	-	9	-	-	11
Add: Depreciation and amortisation	7	10	5	5	10	17	2	2	58
Add: Impairment	-	-	-	4	-	5	-	-	9
EBITDA ²	(5)	20	33	15	45	64	52	(23)	201
Less: Depreciation, amortisation & impairment									(67)
Net finance expense									(16)
Profit before tax									118

¹ Hotel fixed charges include depreciation, amortisation of lease premium prepayments, property rent, taxes and insurance, operating lease rentals and management fees.

² EBITDA is earnings before interest, tax and, depreciation and amortisation.

APPENDIX 1: KEY OPERATING STATISTICS
for the nine months ended 30 September 2018

	Nine Months 2018 Reported currency	Nine Months 2017 Constant currency	Nine Months 2017 Reported currency	Full Year 2017 Reported currency
Owned or leased hotels*				
Occupancy (%)				
New York	85.1		84.0	85.3
Regional US	59.8		62.9	60.0
Total US	68.1		69.8	68.3
London	78.0		84.3	83.0
Rest of Europe	72.1		71.3	70.5
Total Europe	75.0		77.9	76.9
Singapore	86.2		86.8	85.6
Rest of Asia	66.5		64.6	66.4
Total Asia	74.1		73.2	73.9
Australasia	81.3		80.4	81.2
Total Group	73.1		73.9	73.5
Average Room Rate (£)				
New York	179.95	175.92	186.19	193.18
Regional US	102.39	98.87	104.64	103.23
Total US	134.31	129.38	136.93	140.23
London	125.64	131.42	131.42	132.47
Rest of Europe	78.45	76.09	75.77	76.16
Total Europe	103.00	106.52	106.38	107.15
Singapore	96.18	95.73	97.59	97.91
Rest of Asia	93.99	94.00	96.08	96.93
Total Asia	94.98	94.79	96.77	97.37
Australasia	86.40	82.46	89.38	90.01
Total Group	108.39	107.59	111.46	112.68
RevPAR (£)				
New York	153.18	147.74	156.36	164.84
Regional US	61.21	62.17	65.80	61.90
Total US	91.51	90.34	95.62	95.79
London	98.03	110.73	110.73	109.98
Rest of Europe	56.54	54.26	54.03	53.66
Total Europe	77.30	82.97	82.86	82.35
Singapore	82.91	83.05	84.67	83.83
Rest of Asia	62.49	60.76	62.11	64.39
Total Asia	70.40	69.39	70.84	71.91
Australasia	70.26	66.32	71.88	73.06
Total Group	79.26	79.56	82.41	82.78
Gross Operating Profit Margin (%)				
New York	11.8		12.7	15.1
Regional US	21.6		23.2	21.2
Total US	16.6		18.0	18.0
London	42.6		49.8	49.5
Rest of Europe	22.8		22.6	22.2
Total Europe	34.6		39.9	39.6
Singapore	39.2		40.8	40.5
Rest of Asia	32.6		32.9	34.1
Total Asia	35.4		36.3	36.9
Australasia	47.6		48.6	49.1
Total Group	30.0		31.9	32.2

For comparability, the 30 September 2017 Average Room Rate and RevPAR have been translated at average exchange rates for the period ended 30 September 2018.

* excluding managed, franchised and investment hotels.

APPENDIX 2: KEY OPERATING STATISTICS
for the quarter ended 30 September 2018

Owned or leased hotels*	Q3 2018 Reported currency	Q3 2017 Constant currency	Q3 2017 Reported currency	FY 2017 Reported currency
Occupancy (%)				
New York	90.7		91.3	85.3
Regional US	66.4		70.0	60.0
Total US	74.4		77.0	68.3
London	92.1		89.6	83.0
Rest of Europe	74.9		74.6	70.5
Total Europe	83.0		82.3	76.9
Singapore	90.3		87.6	85.6
Rest of Asia	69.5		66.2	66.4
Total Asia	77.5		74.5	73.9
Australasia	75.1		74.8	81.2
Total Group	77.4		77.3	73.5
Average Room Rate (£)				
New York	194.98	193.37	196.04	193.18
Regional US	109.92	105.71	107.15	103.23
Total US	144.11	139.91	141.83	140.23
London	136.30	144.10	144.10	132.47
Rest of Europe	80.44	78.57	78.59	76.16
Total Europe	109.83	115.14	115.15	107.15
Singapore	96.78	99.38	99.58	97.91
Rest of Asia	89.18	95.55	95.88	96.93
Total Asia	92.61	97.29	97.57	97.37
Australasia	82.15	80.20	86.74	90.01
Total Group	112.76	114.74	116.18	112.68
RevPAR (£)				
New York	176.94	176.47	178.91	164.84
Regional US	72.97	74.01	75.01	61.90
Total US	107.25	107.74	109.22	95.79
London	125.47	129.13	129.13	109.98
Rest of Europe	60.22	58.60	58.62	53.66
Total Europe	91.17	94.74	94.75	82.35
Singapore	87.37	87.10	87.28	83.83
Rest of Asia	61.96	63.29	63.51	64.39
Total Asia	71.80	72.51	72.71	71.91
Australasia	61.67	59.96	64.85	73.06
Total Group	87.23	88.64	89.75	82.78
Gross Operating Profit Margin (%)				
New York	18.4		22.3	15.1
Regional US	27.0		28.4	21.2
Total US	22.6		25.3	18.0
London	49.5		54.3	49.5
Rest of Europe	26.8		25.2	22.2
Total Europe	40.6		44.1	39.6
Singapore	39.4		41.0	40.5
Rest of Asia	30.1		33.7	34.1
Total Asia	34.2		36.9	36.9
Australasia	44.1		45.3	49.1
Total Group	32.1		35.0	32.2

For comparability, the 30 September 2017 Average Room Rate and RevPAR have been translated at average exchange rates for the period ended 30 September 2018.

* excluding managed, franchised and investment hotels.

APPENDIX 3: HOTEL ROOM COUNT AND PIPELINE
as at 30 September 2018

Hotel and room count	30 Sep 2018	Hotels 31 Dec 2017	Change	30 Sep 2018	Rooms 31 Dec 2017	Change
Analysed by region:						
New York	4	4	-	2,238	2,238	-
Regional US	15	15	-	4,559	4,559	-
London	7	8	(1)	2,266	2,649	(383)
Rest of Europe	22	21	1	3,655	3,528	127
Middle East	35	31	4	11,657	10,346	1,311
Singapore	7	7	-	3,011	3,011	-
Rest of Asia	23	25	(2)	9,006	9,240	(234)
Australasia	24	25	(1)	3,461	3,831	(370)
Total	137	136	1	39,853	39,402	451

Analysed by ownership type:

Owned or Leased	66	66	-	19,376	19,672	(296)
Managed	14	15	(1)	3,537	4,098	(561)
Franchised	43	38	5	12,739	10,982	1,757
Investment	14	17	(3)	4,201	4,650	(449)
Total	137	136	1	39,853	39,402	451

Analysed by brand:

Grand Millennium	10	9	1	3,986	3,734	252
Millennium	54	52	2	17,481	17,415	66
Copthorne	34	33	1	6,639	6,469	170
Kingsgate	7	7	-	671	671	-
Other M&C	15	15	-	5,253	4,838	415
Third Party	17	20	(3)	5,823	6,275	(452)
Total	137	136	1	39,853	39,402	451

Pipeline	30 Sep 2018	Hotels 31 Dec 2017	Change	30 Sep 2018	Rooms 31 Dec 2017	Change
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Analysed by region:

Middle East	11	10	1	4,276	3,239	1,037
Asia	6	4	2	1,770	1,594	176
Regional US	1	1	-	263	263	-
London	1	-	1	336	-	336
Rest of Europe	1	1	-	318	184	134
Australasia	-	1	(1)	-	42	(42)
Total	20	17	3	6,963	5,322	1,641

Analysed by ownership type:

Managed	4	3	1	1,191	1,052	139
Franchised	12	11	1	4,594	3,423	1,171
Owned	3	3	-	1,141	847	294
Investment	1	-	1	37	-	37
Total	20	17	3	6,963	5,322	1,641

Analysed by brand:

Grand Millennium	1	1	-	318	251	67
Millennium	12	9	3	4,520	2,789	1,731
Copthorne	1	2	(1)	502	666	(164)
Other M&C	5	5	-	1,586	1,616	(30)
Third Party	1	-	1	37	-	37
Total	20	17	3	6,963	5,322	1,641

The Group's worldwide pipeline comprises 20 hotels offering 6,963 rooms, which are mainly franchise contracts.