

Welcome to hub by Premier Inn

hub
by Premier Inn

hub
by Premier Inn

urban
friendly
casual
contemporary
connected
smart
compact



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hub is an attractive proposition

Accessing 'new customer segment'

- lower price point

An additional **flexible format** that enables us to access buildings not suitable for Premier Inn

Benefits from Premier Inn scale (i.e. digital, property expertise, operational excellence)

Drives **attractive returns** from high cost locations (notably London) through greater site efficiency

- Winning share of the London hotel market
- 135k rooms
- Premier Inn 6.4% market share

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WHITBREAD

Lower cost, lower price, good returns

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hub compared to Premier Inn*



45% smaller room footprint



25% lower build costs



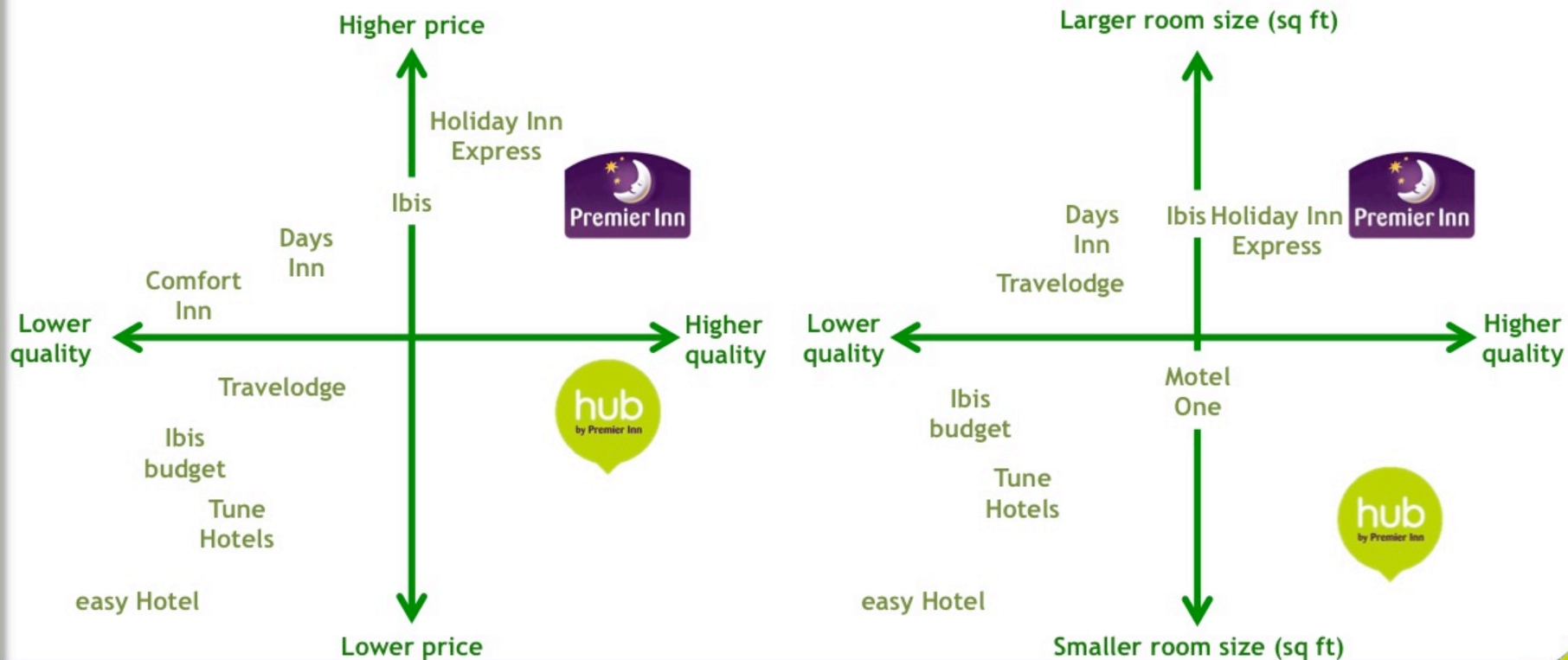
25% lower operating costs

Similar returns
on capital at
c.30% lower
price point



WHITBREAD

Hub offers a new superior, compact, City Centre hotel



St Martin's Lane

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- Site purchased 2012
 - Freehold acquisition price £22m
 - Construction price £11m
 - Total capital £33m
- Opened November 2014
 - 163 rooms, 11.4 sq m
- Early days - first eight weeks
 - ARR c.£90
(c.20% lower than Central London*)
 - Occupancy 82%
(similar to Central London*)
 - 100% booked direct
 - Leveraging premierinn.com



Early guest feedback

hub
by Premier Inn



- Trip Advisor scores 4.0 - 86% excellent or very good experience
 - Value - 4.5
 - Room - 4.0
 - Cleanliness - 5.0
 - Service - 4.5
- Single/dual occupancy* - hub 50:50, Premier Inn Central London† 15:85
- Business/Leisure* - hub 40:60, Premier Inn Central London† 40:60

hub - tripadvisor listed reviews



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"Space age hotel, totally fab."

"A gem of a hotel, everything you need for a weekend away."

"No baggage store - £9 to leave it at Charing Cross."

"Location, Location, Location"

"Free wifi, fantastic bed and the kind of good bedroom lighting and hairdryer you don't find in many top hotels."

"The rooms are bijou but well equipped, fantastic beds, great sleep. Location is first rate. Staff are extremely friendly."

"Kept switching the lights on in the night due to the sensitive touch panel headboard."



Next stages of development

- Trial two room sizes to broaden appeal
- Larger rooms of 14.5 sq m under test
 - Gives the potential to access broader customer base
 - Double occupancy
 - Increase length of stay



Central London target returns

	St Martin's Lane site	Westminster sites (Dacre & Tothill Street)
Rooms	163	453
EBITDA per room	c.£27k	c.£33k
Total EBITDA	c.£4.5m	c.£15m
Cost per room*	c.£202k	c.£264k
Total capital	£33m	£120m
Return on capital	13.3%	12.5%



Current committed pipeline

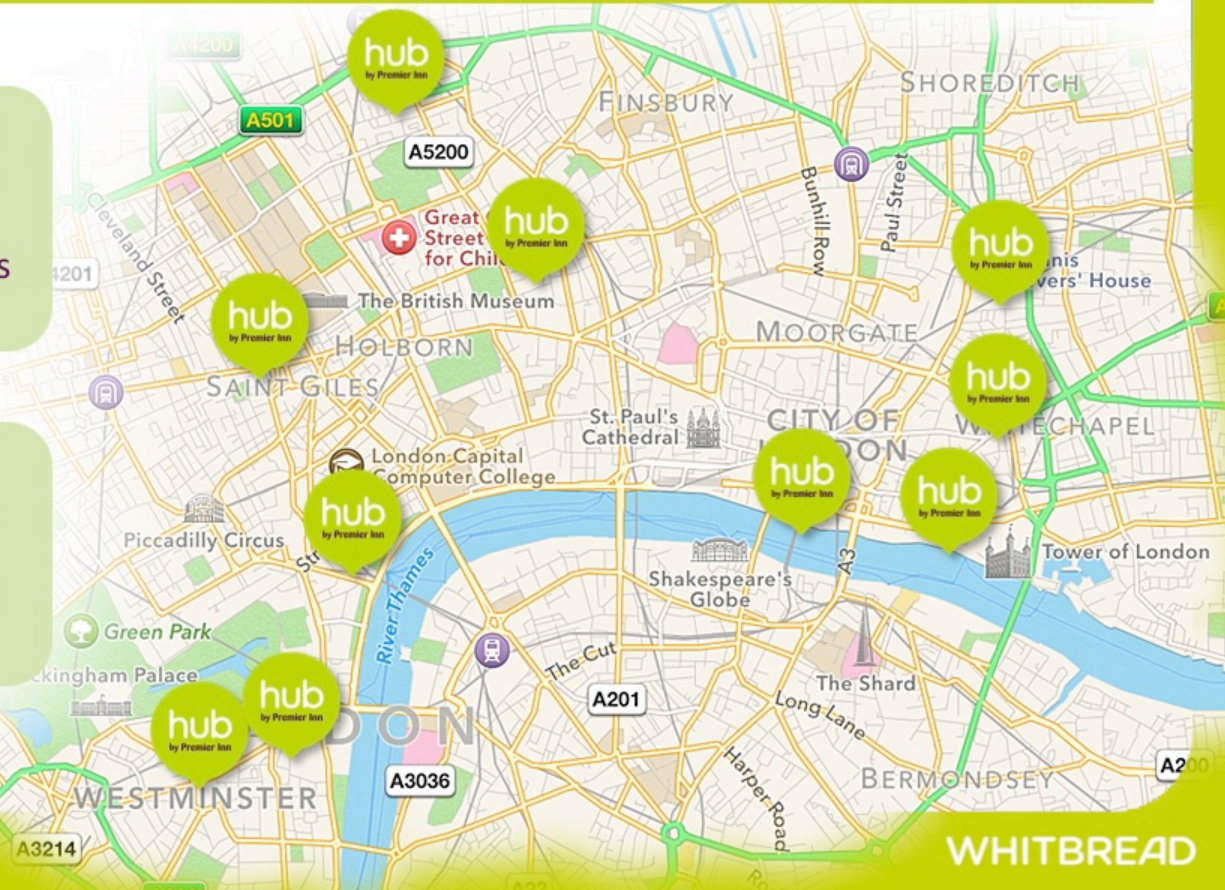
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London

1,984 rooms
committed,
10 hotels
c.2,500 rooms
by 2018

Edinburgh

416 rooms
committed,
3 hotels
c.500 rooms
by 2018



hub pipeline - winning freehold and leasehold opportunities

Central London	Tenure	Number of hotels	Number of rooms	Cost per room	Total capex
St Martin's Lane, Tower of London, Shoreditch, Bank, Farringdon, Dacre Street, King's Cross, Tothill Street	Freehold	8	1,627	£197k	£321m
Spitalfields & Goodge Street	Leasehold	2	357	£13k	£4m
Edinburgh					
Caltongate, Rose Street & Torphichen Street	Leasehold	3	416	£9k	£4m

hub pipeline





Q&A



WHITBREAD