

Global Lodging Overview

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VP



Agenda

- The World
- Americas
- Europe
- AsiaPac
- Middle East / Africa
- Q/A

Global Areas of Responsibility – STR

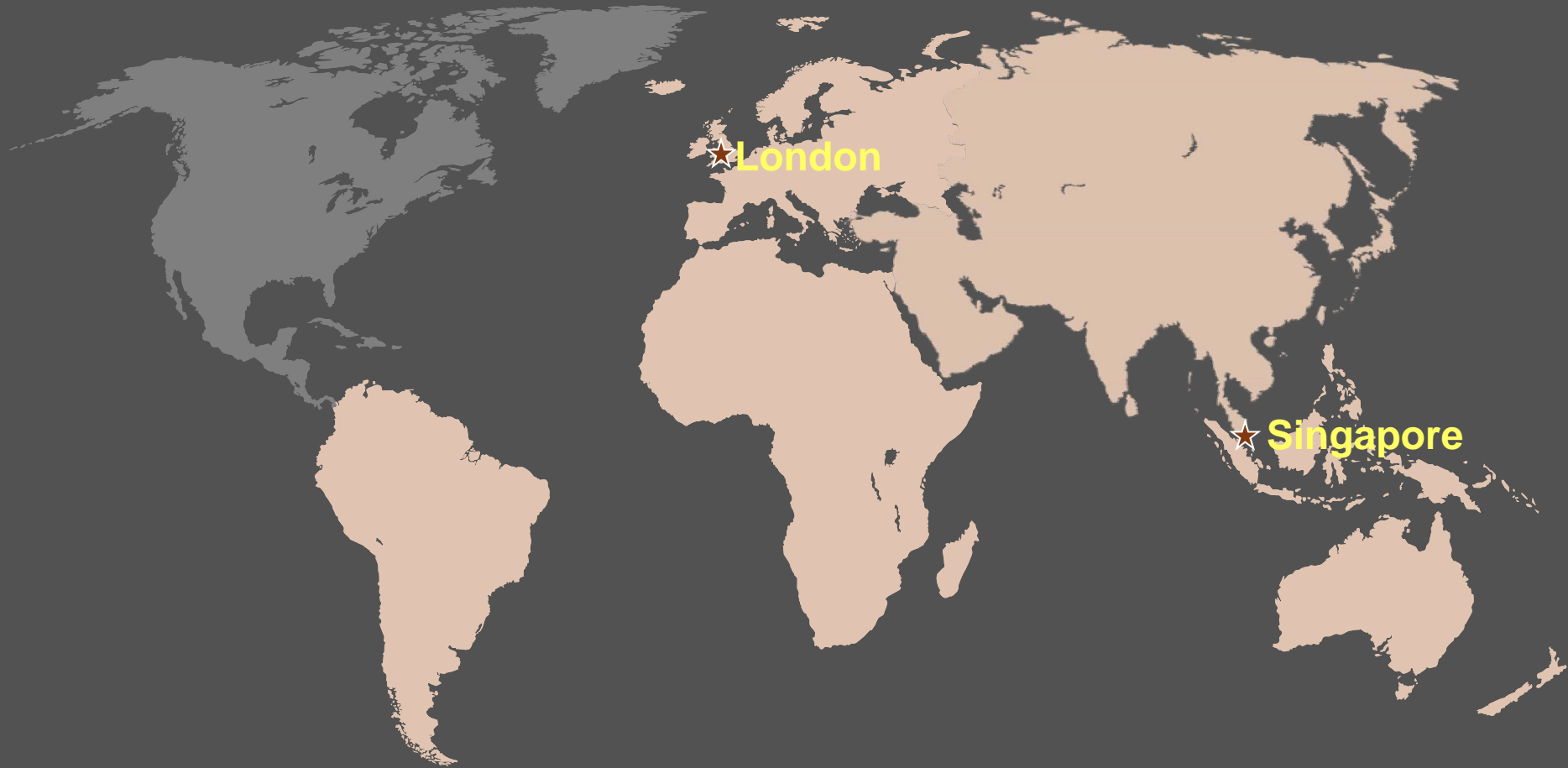
A world map with a dark blue background and light blue landmasses. A red star is placed over the location of Hendersonville in the western United States. The word "Hendersonville" is written in red text to the right of the star.

★ Hendersonville

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Global Areas of Responsibility – STR Global



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The World



The World (According to STR) June YTD

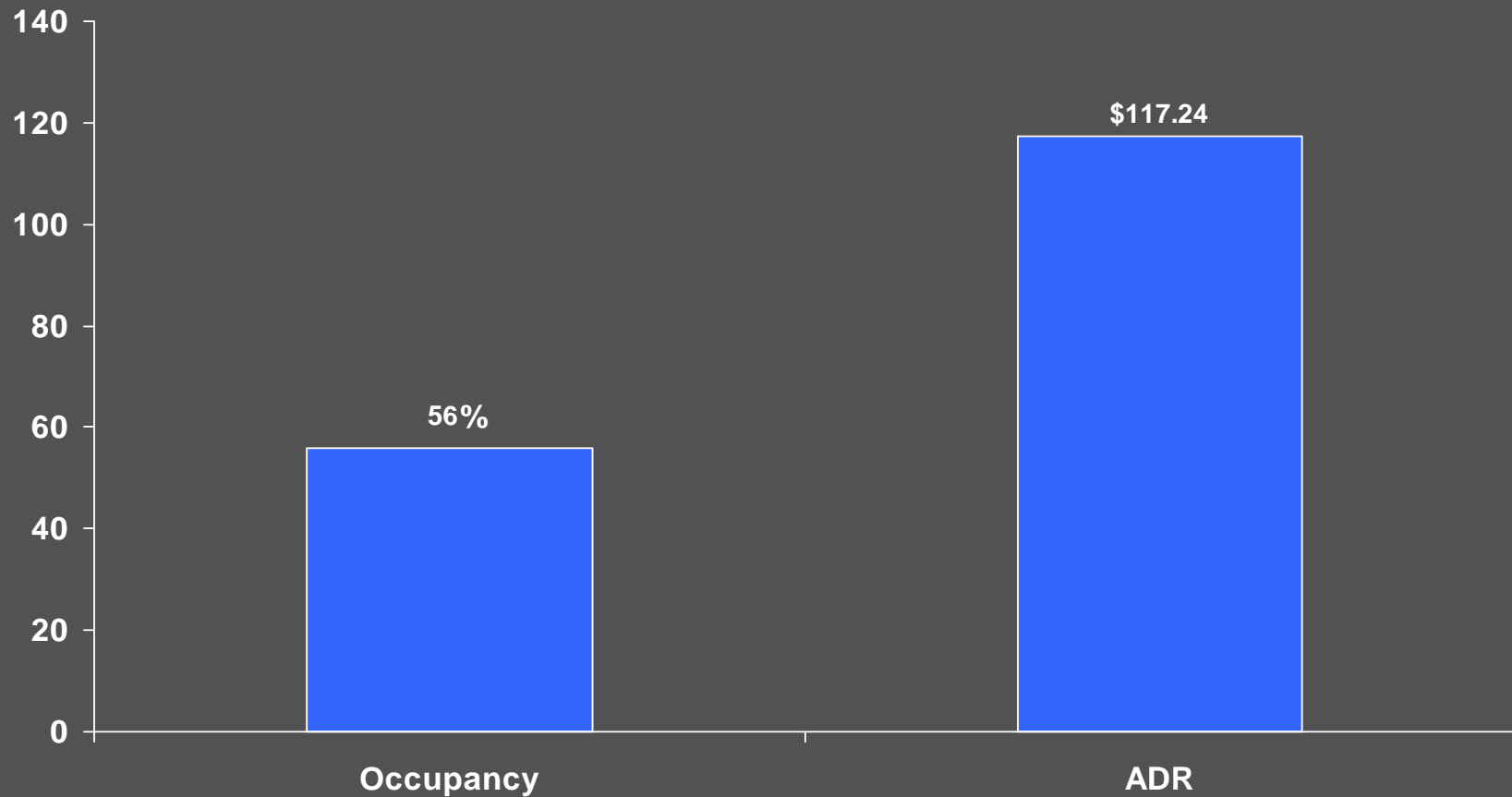
		<u>% Change</u>
• Hotels	116 k	
• Rooms	11.1 m	
• Supply	2.0 B	+ 1.9 %
• Demand	1.1 B	- 9.0 %
• Room Revenue	\$131 B	- 24.0 %

**Under Construction Pipeline:
2.6k hotels with 449k rooms (~4%)**

The World

Occupancy / ADR (\$)

June 2009 YTD

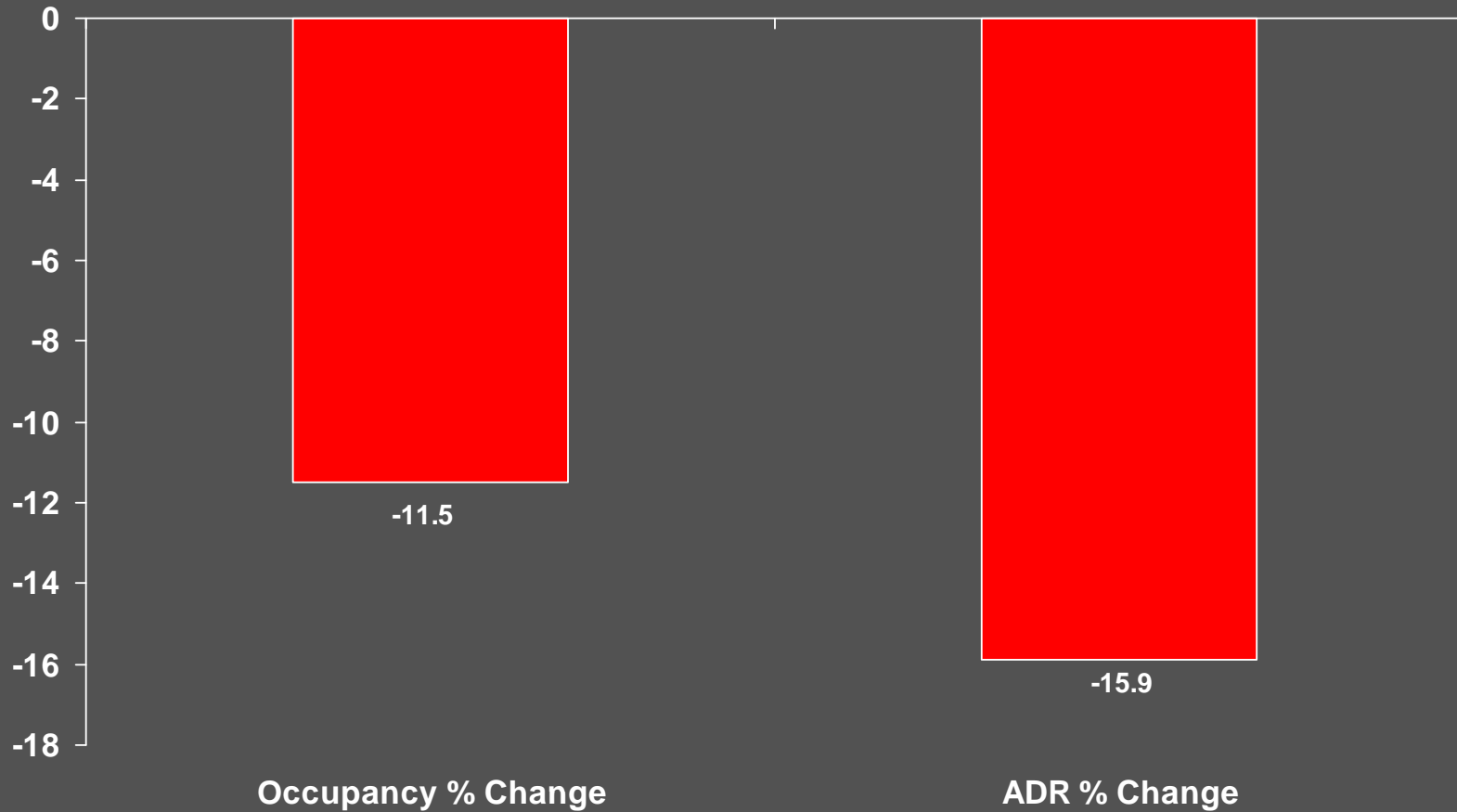


"Lies, damn lies, and statistics" Mark Twain

The World

Occupancy / ADR (\$) % Change

June 2009 YTD

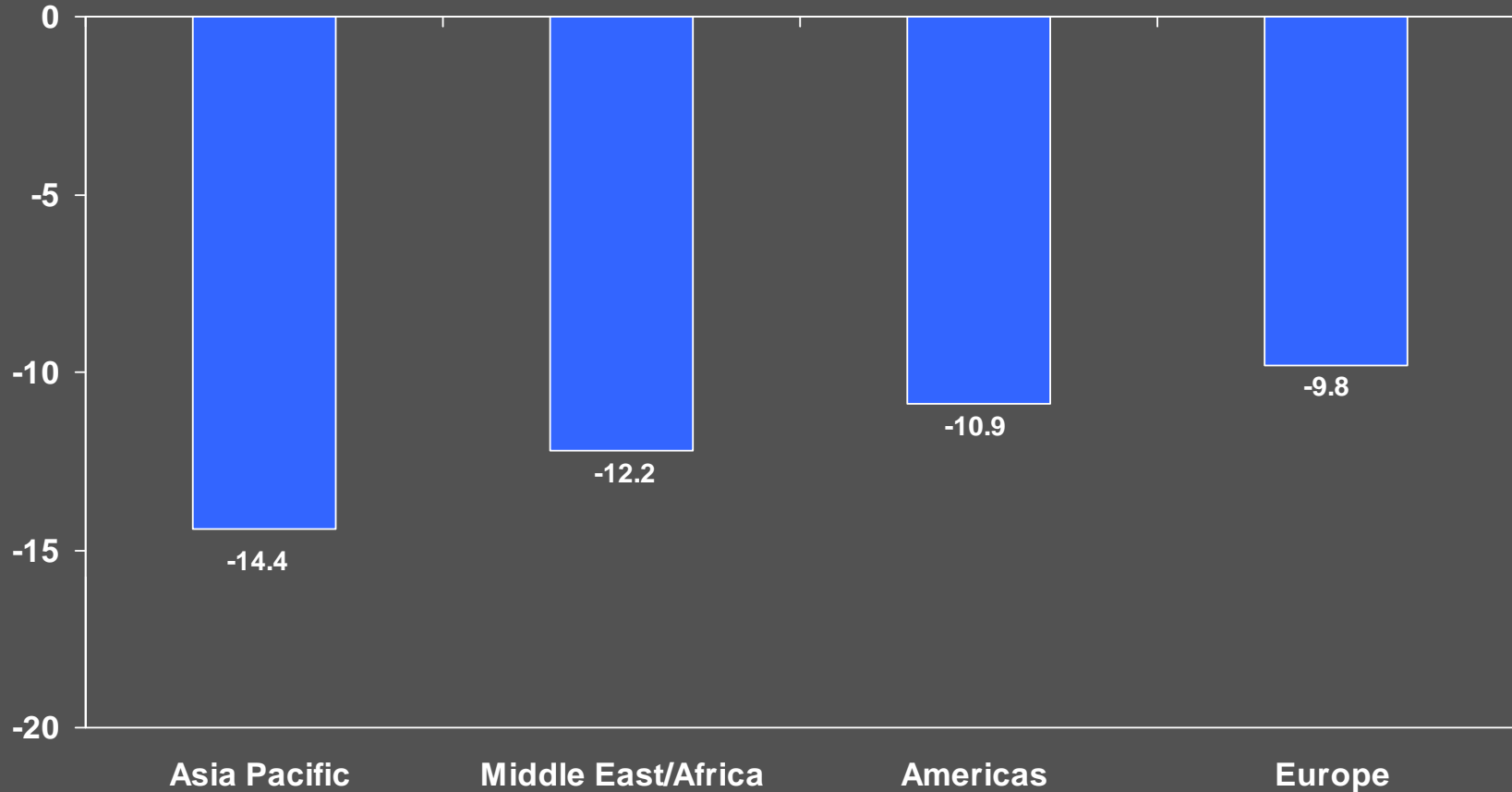


Global Deterioration Of Fundamentals

Global Regions

Occupancy Percent Change

June 2009 YTD



Double Digit Decline (almost) Across the Board

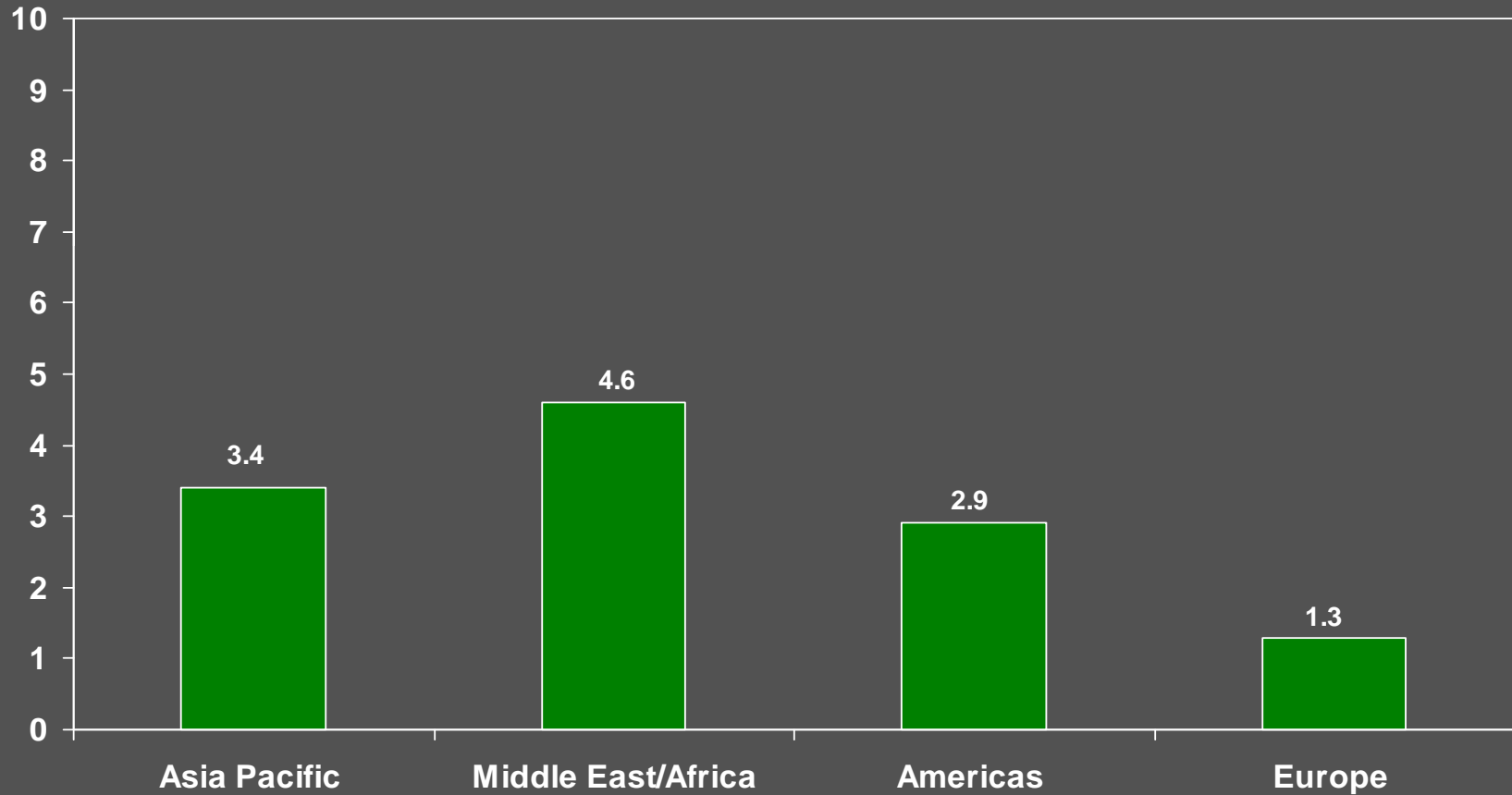
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Global Regions

Supply Percent Change

June 2009 YTD

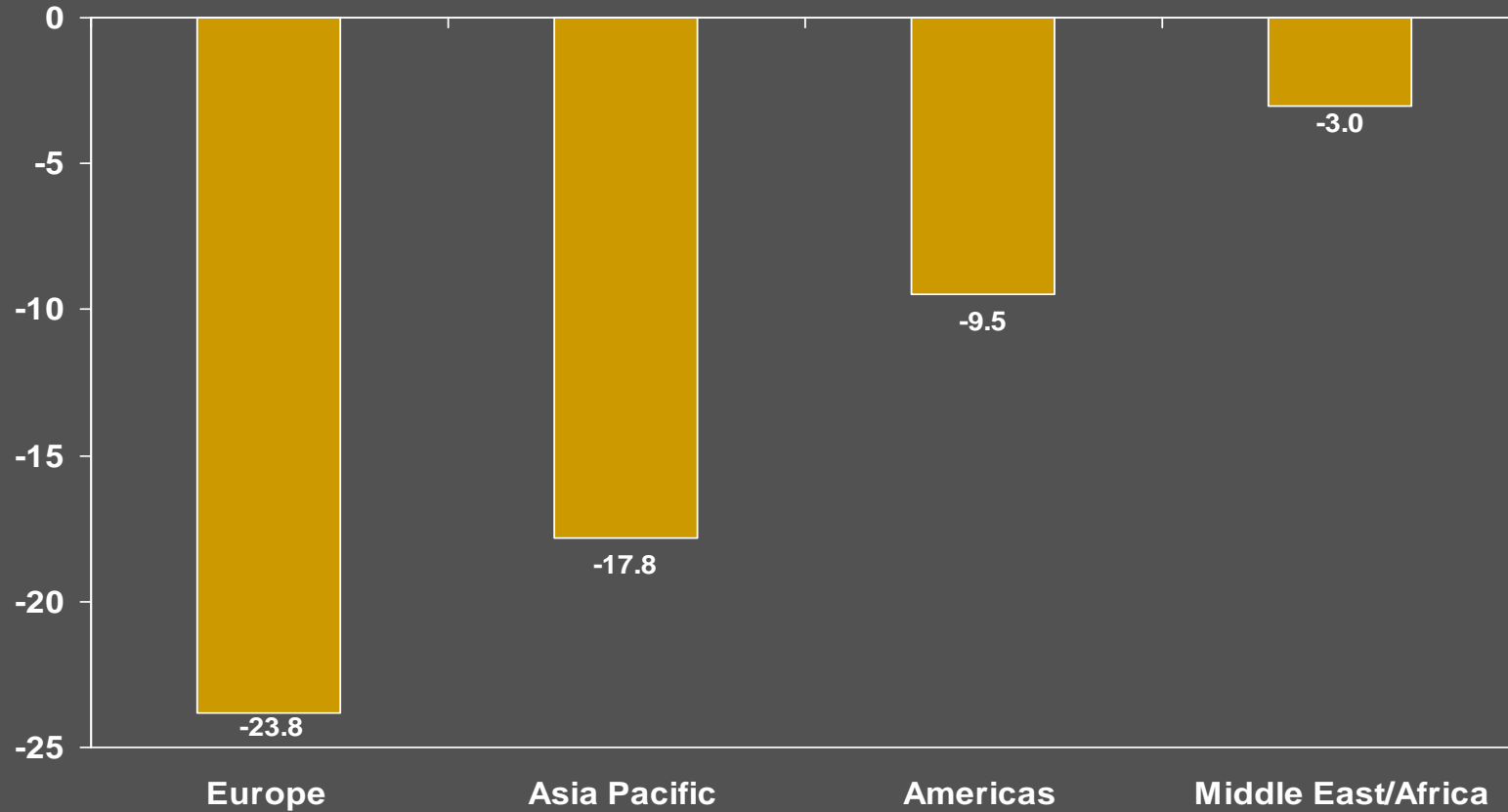


Cheap Money in '06/'07 = More Supply Today

Global Regions

ADR Percent Change (In US \$)

June 2009 YTD



Europe is Cheap – in \$

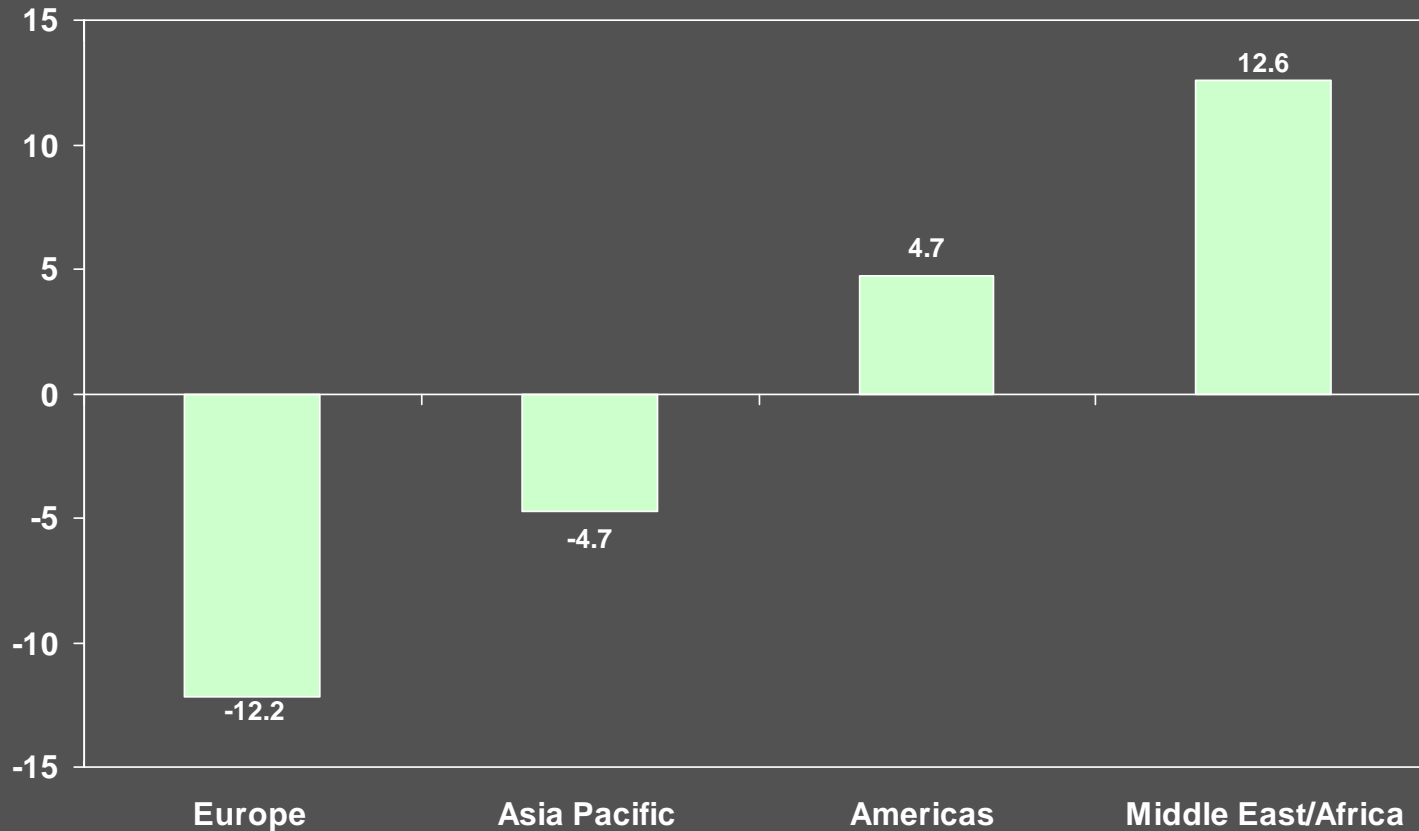
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Global Regions

ADR Percent Change (In €)

June 2009 YTD

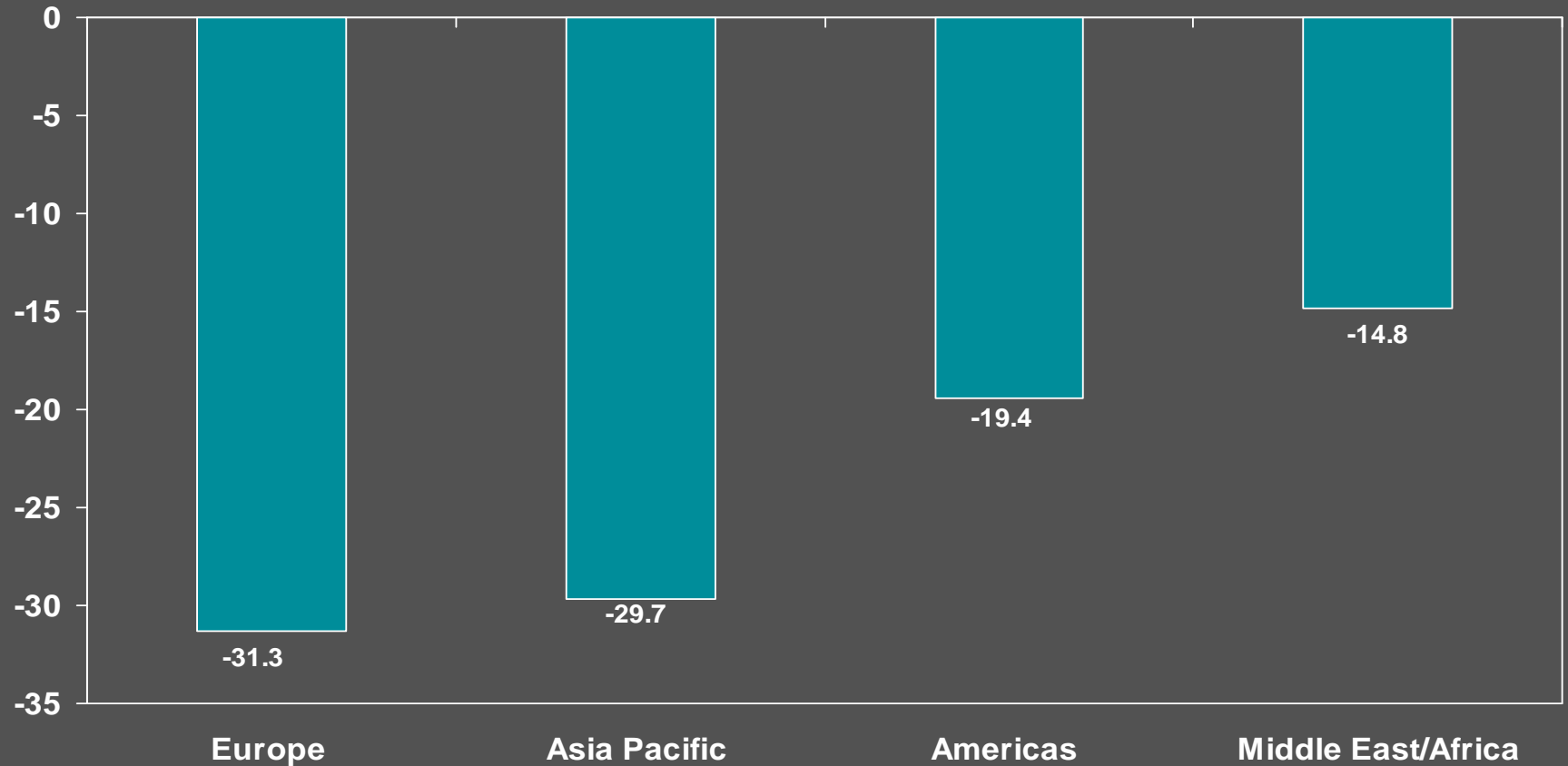


Europe is Cheap – In €

Global Regions

RevPAR Percent Change (In US \$)

June 2009 YTD

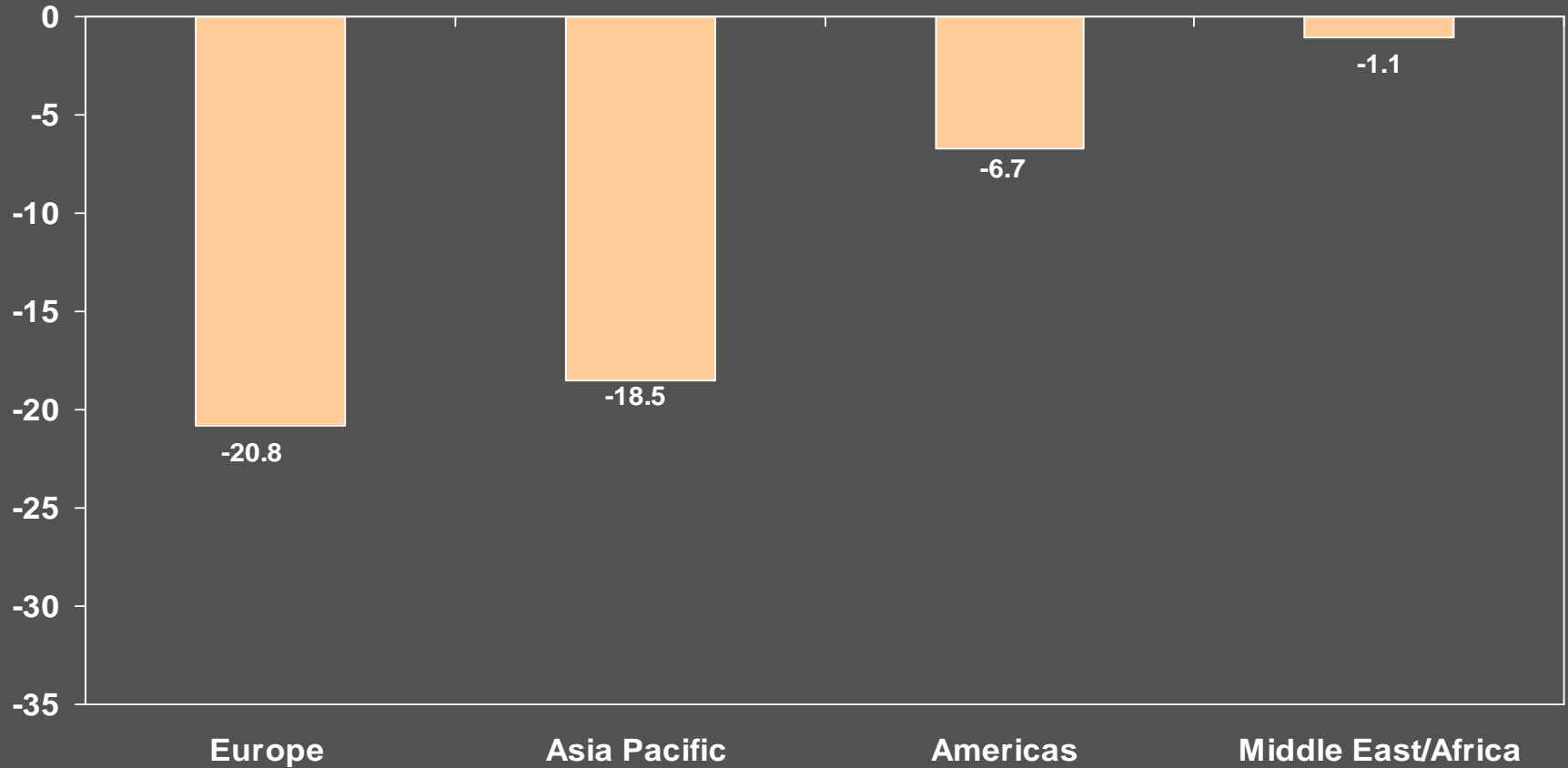


Unprecedented Declines

Global Regions

RevPAR Percent Change (In €)

June 2009 YTD



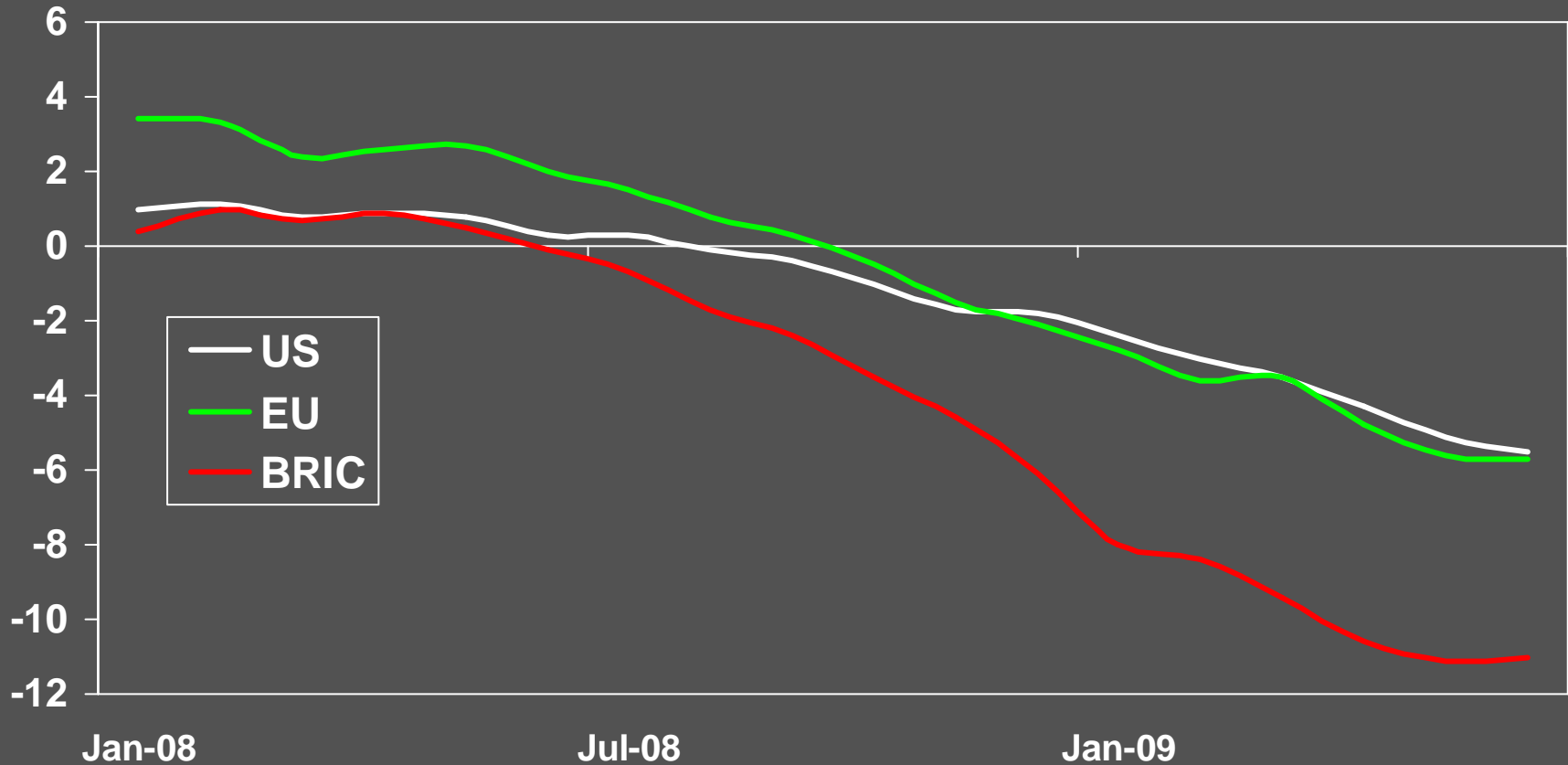
MEA Still The Best of The Worst

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World – US / EU / BRIC

Demand Percent Change – 12 Month Moving Average
June 2009 YTD



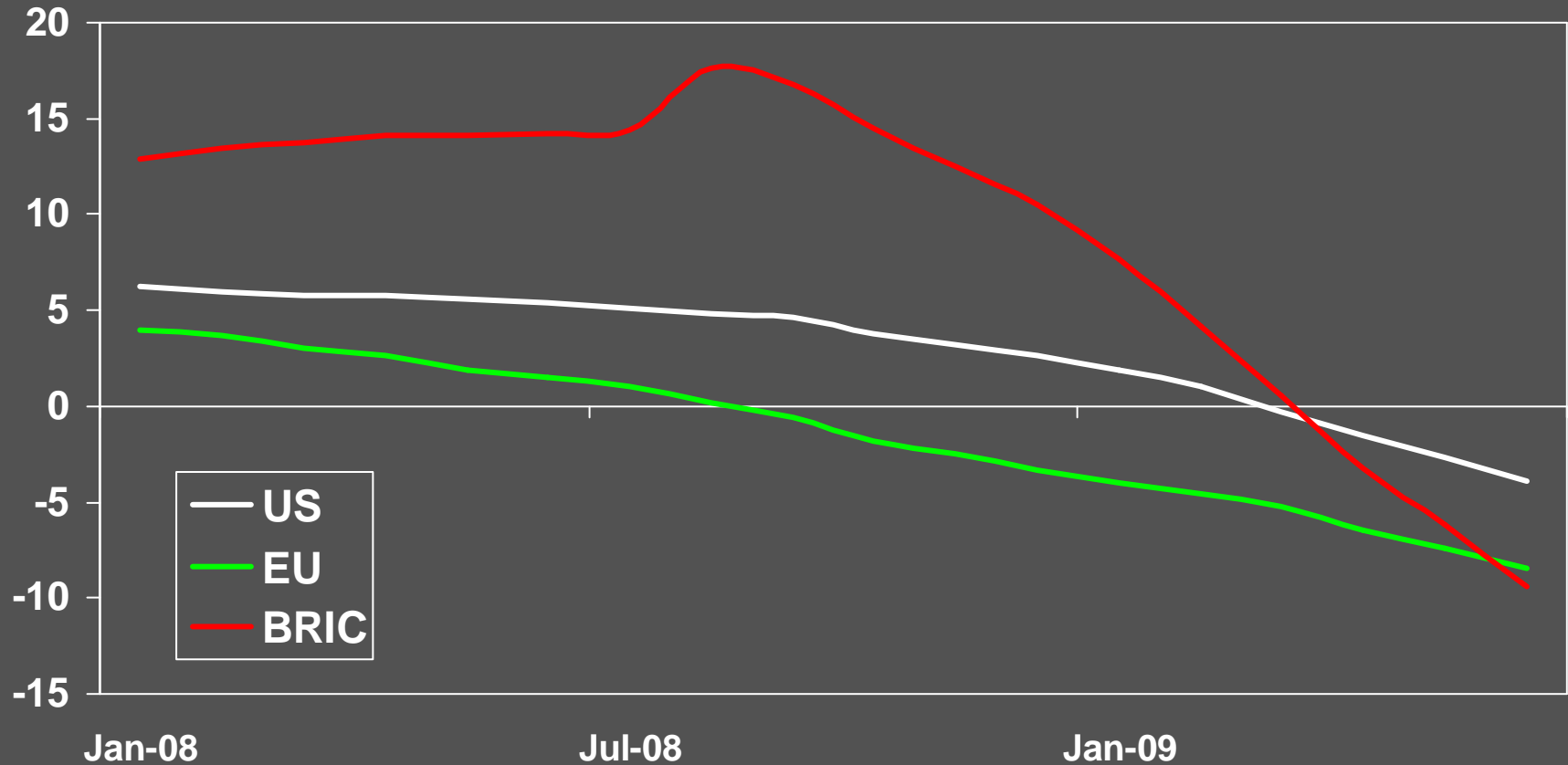
US / EU in Lockstep; BRIC Falls Like a

World – US / EU / BRIC

ADR Percent Change (US/BRIC:\$ / EU:€)

12 Month Moving Average

June 2009 YTD



Beijing Olympics Helped, EU Got Hit Early

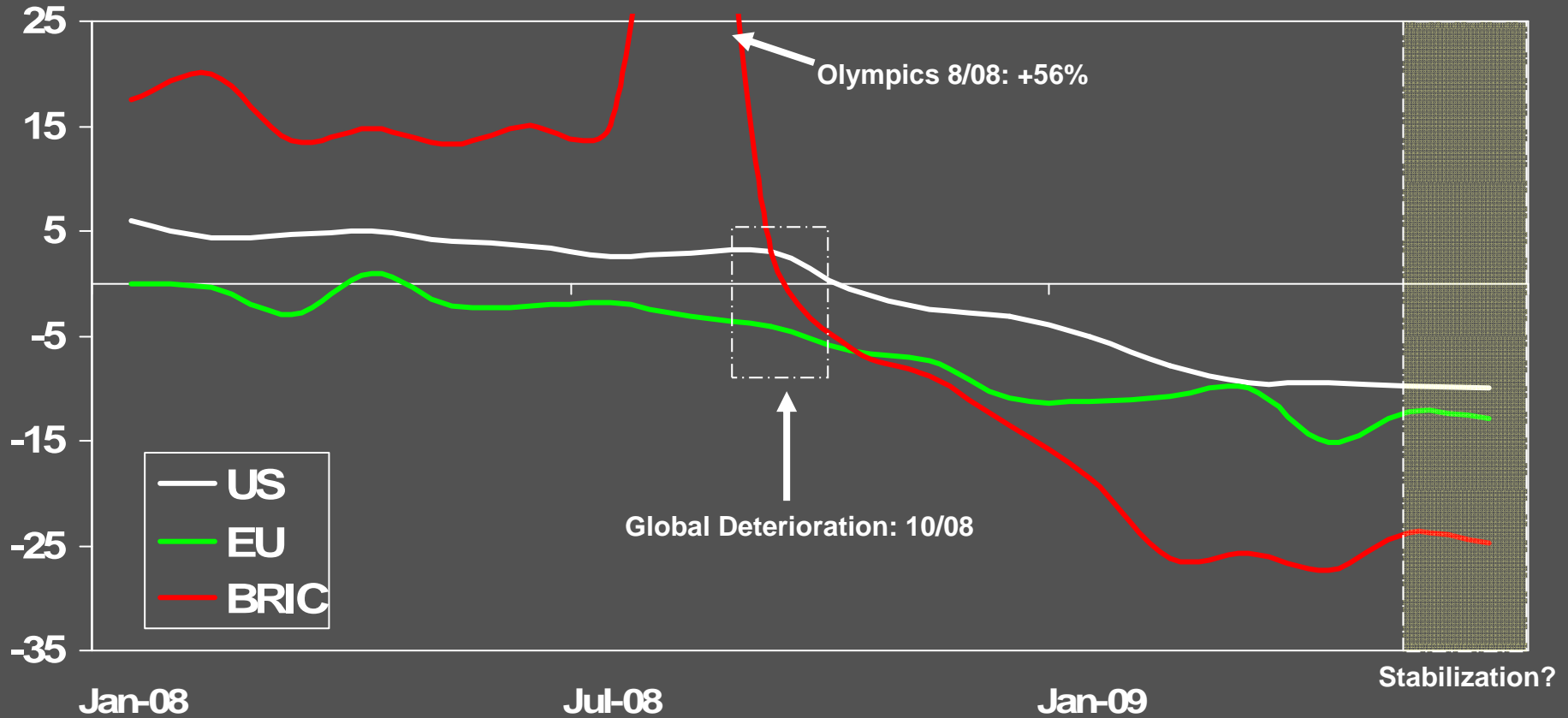
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World – US / EU / BRIC

ADR Percent Change (US/BRIC:\$ / EU:€)

June 2009 YTD



Are We Done Yet?

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Americas

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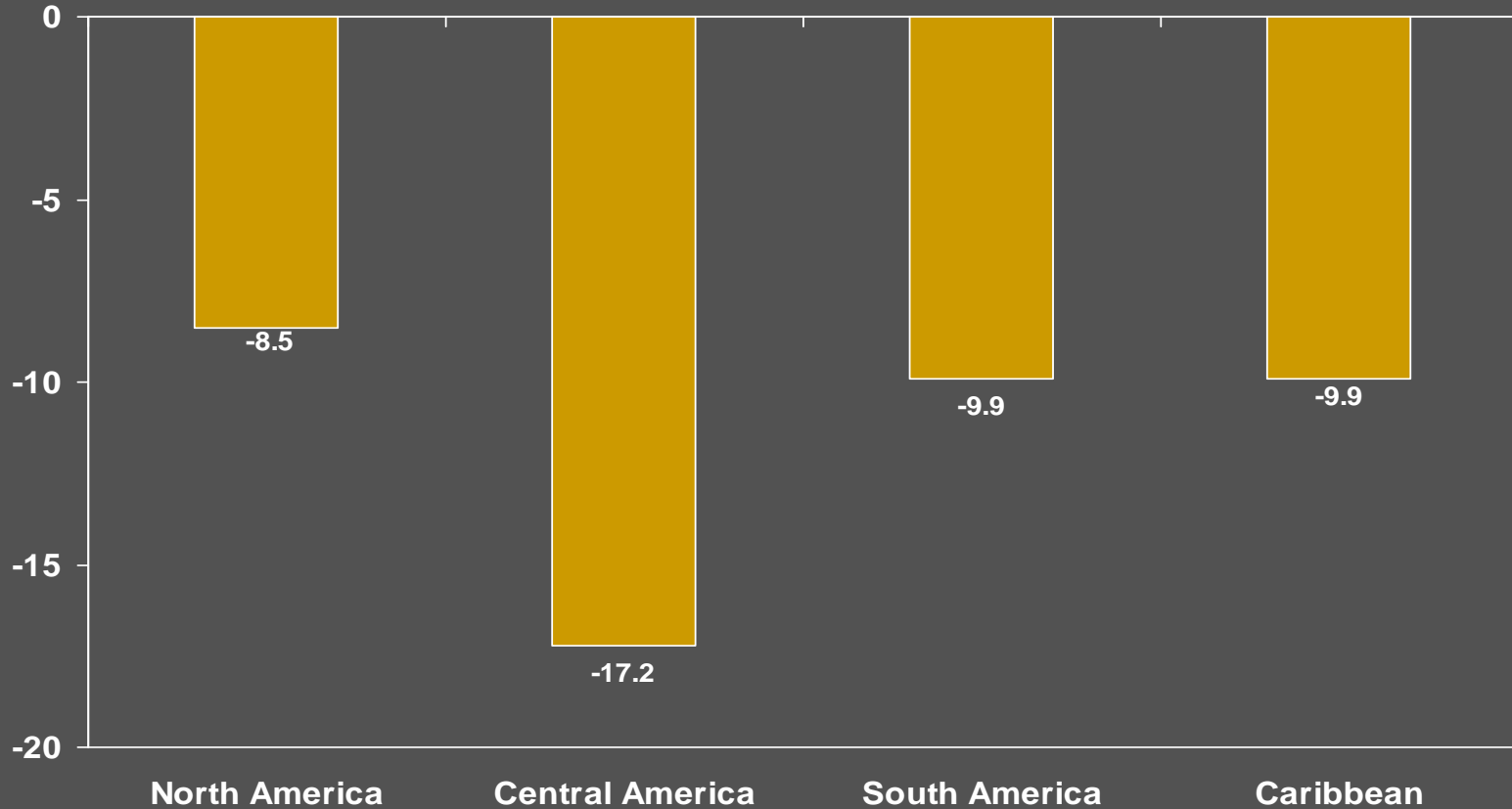
Americas - Rooms

- US 4.7 million
- North America 5.4 million
- Caribbean 240 thousand
- South America 231 thousand
- Central America 38 thousand

Americas Regions

Demand Percent Change

June 2009 YTD

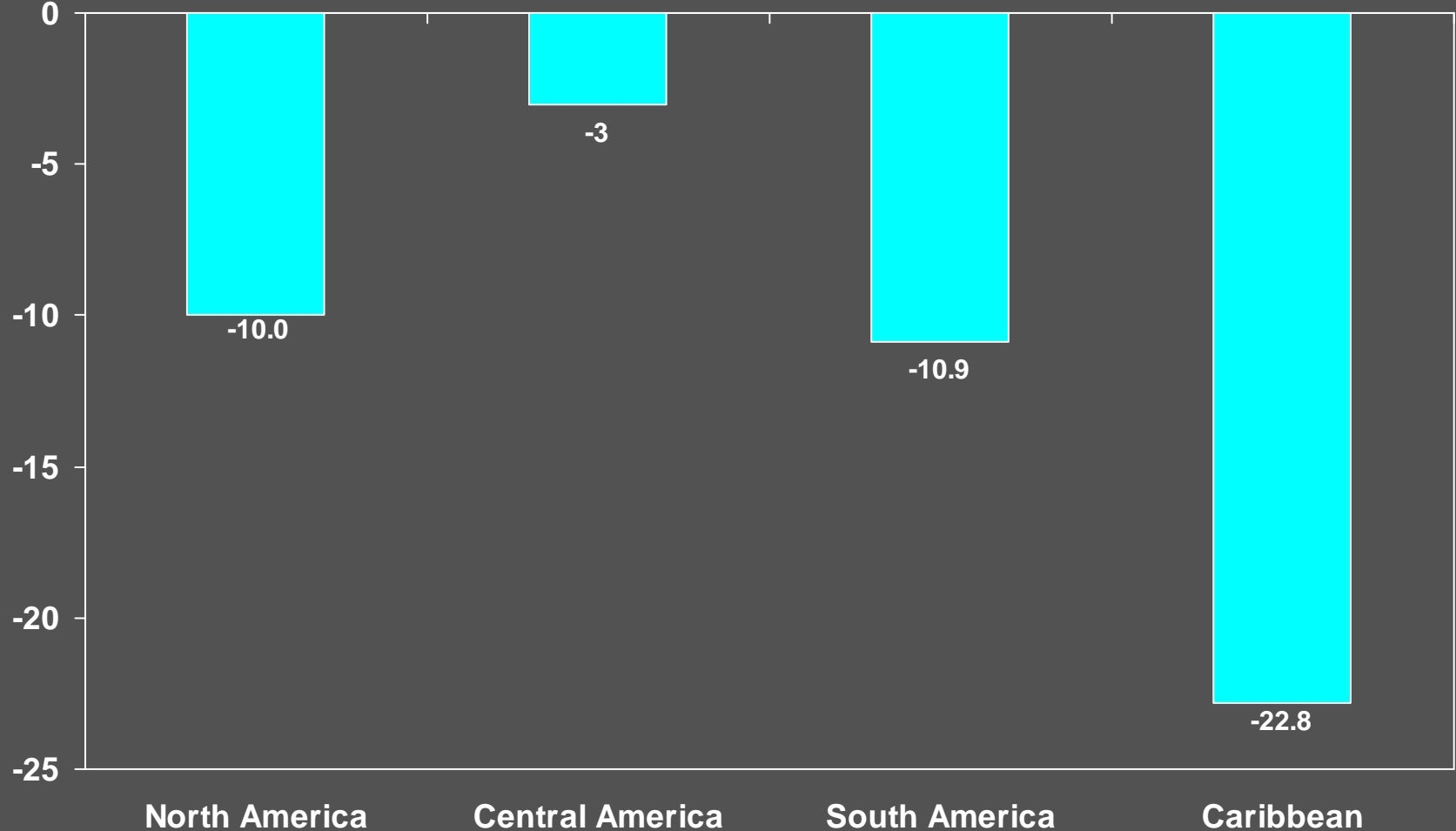


Pain Spread Evenly

Americas Regions

ADR Percent Change (\$)

June 2009 YTD



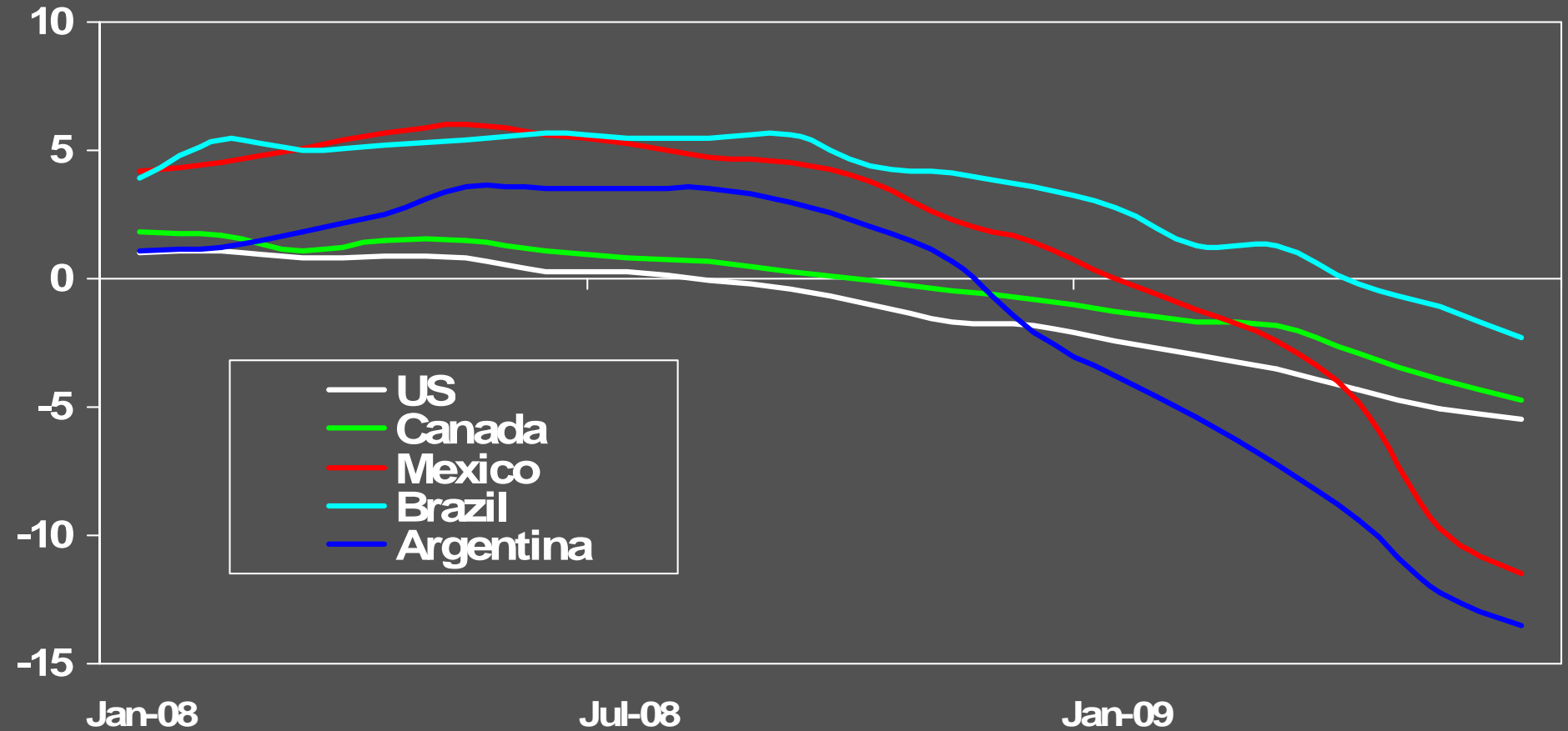
Leisure Demand Drop Hits Caribbean Hardest

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Americas – Select Countries

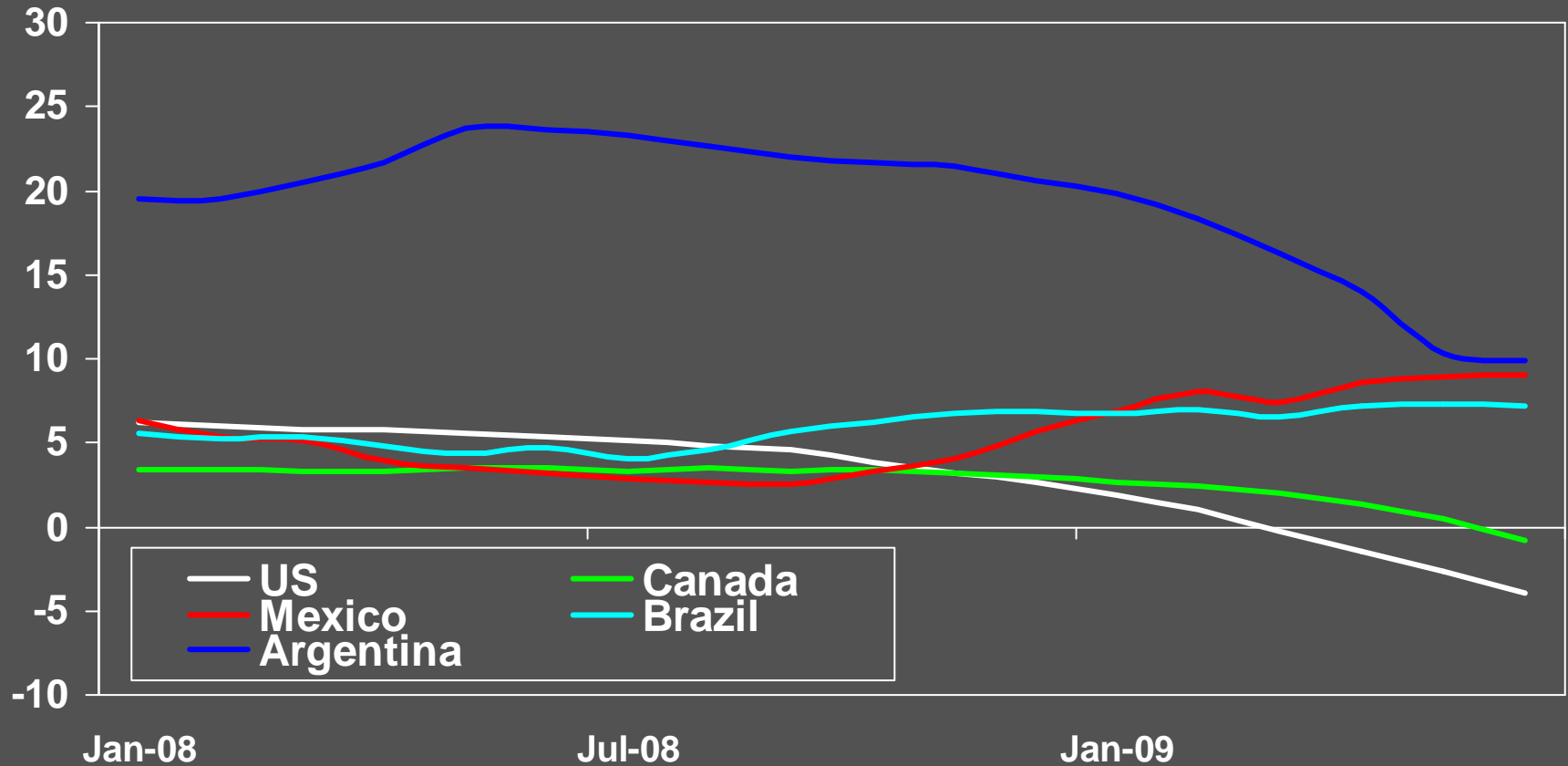
Demand Percent Change – 12 Month Moving Average
June 2009 YTD



US = CAN? MEX Hit Hard. Argentina...?

Americas – Select Countries

ADR Percent Change (Local Currency) – 12 Month Moving Average
June 2009 YTD



*Inflation Rates: US ~-1%, Can ~1%, Arg ~5%, Bra ~5%, Mex ~6%

Inflation Will Have a Big Impact Going Forward

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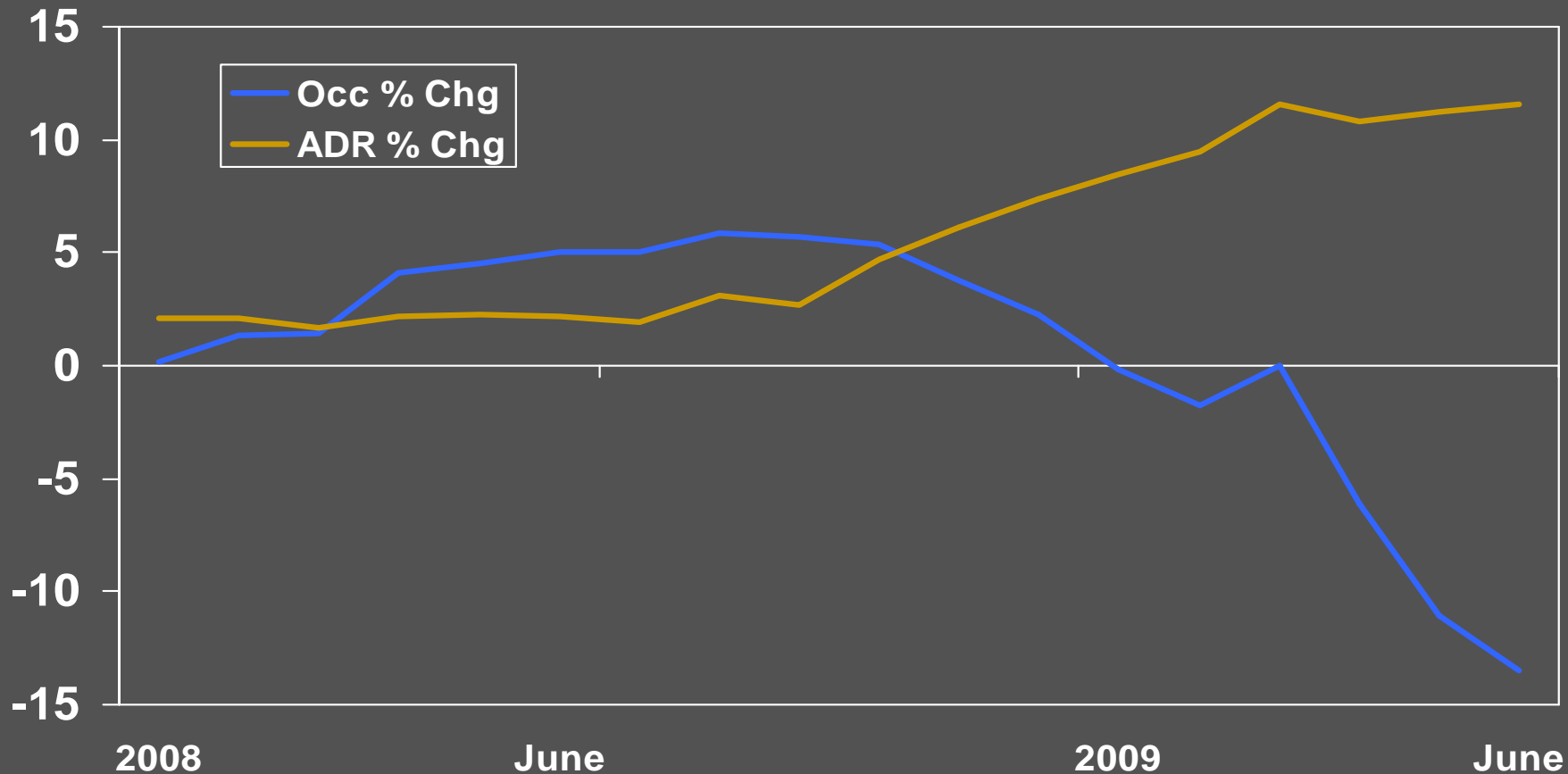


Mexico City, MX

Occupancy/ADR Percent Change

Twelve Month Moving Average

June 2009 YTD



Swine Flu / Drug Wars

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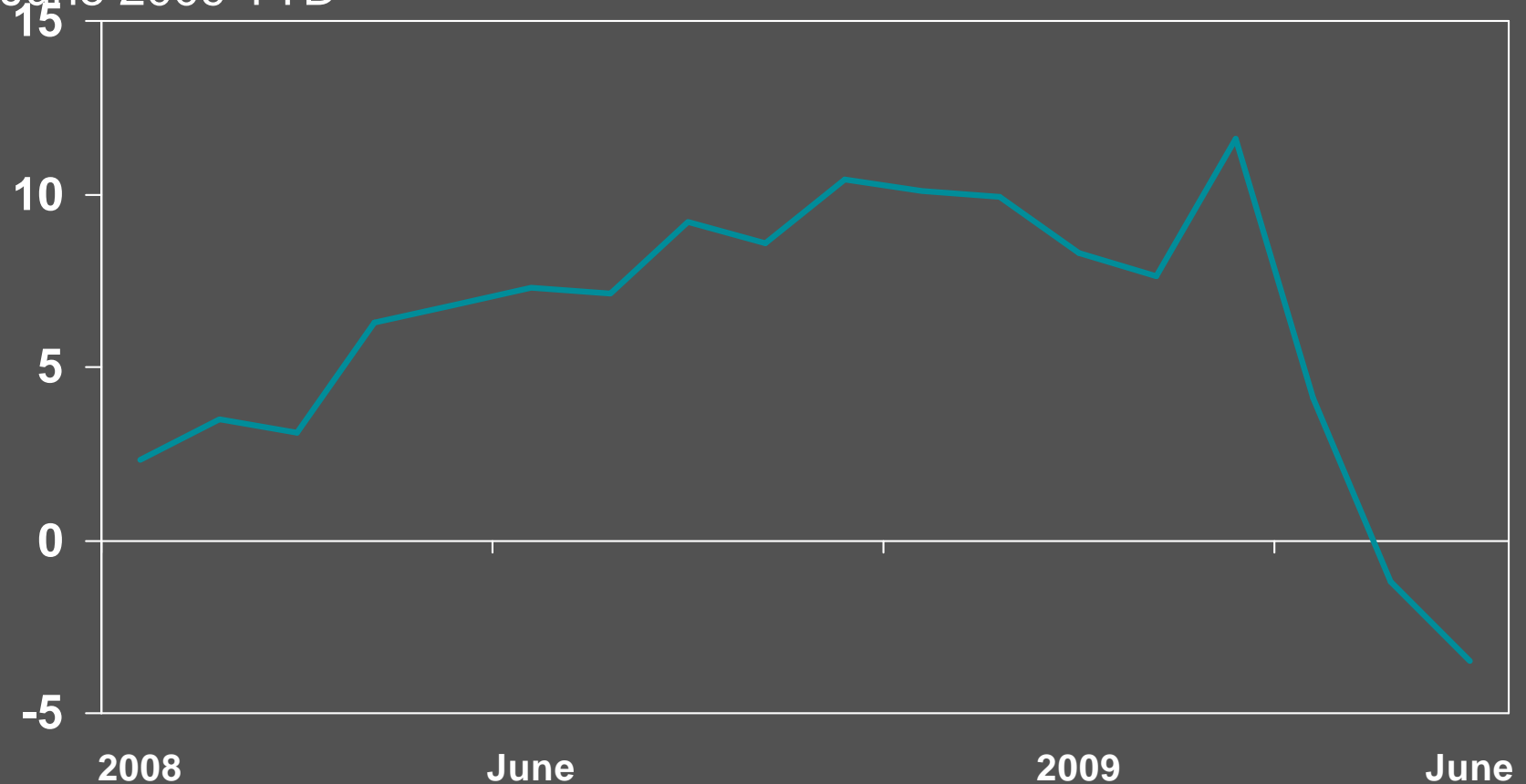


Mexico City, MX

RevPAR Percent Change

Twelve Month Moving Average

June 2009 YTD



Impact Will Be Felt Through 2010

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Americas Pipeline

Country	In Construction Rooms	% Of Exist. Supply	Total Active Pipeline Rooms	% Of Exist. Supply
US	149,166	3.1%	501,476	10.5%
Canada	6,963	1.6%	26,172	6.2%
Argentina	1,518	4.5%	2,043	6.0%
Brazil	4,081	3.5%	9,370	8.0%
Peru	599	4.4%	1,031	7.6%
Mexico	5,287	2.3%	10,931	4.8%
Puerto Rico	1,163	7.5%	1,627	10.4%



Europe

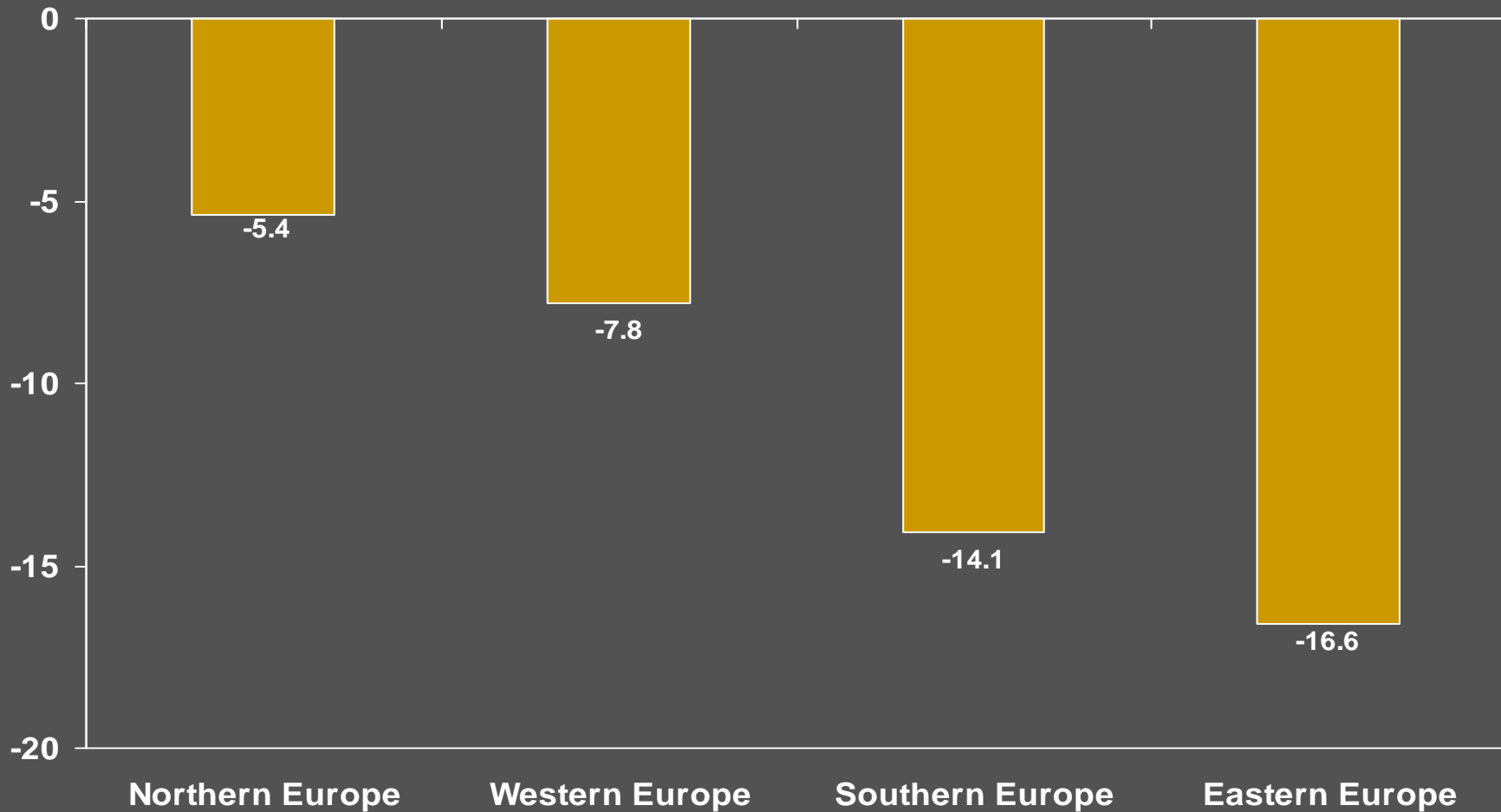
Europe - Rooms

- Western Europe 982 thousand
- Northern Europe 703 thousand
- Eastern Europe 228 thousand
- Southern Europe 101 thousand

Europe Regions

Demand Percent Change

June 2009 YTD



Clear Winners / Losers

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Europe Regions

ADR Percent Change (€)

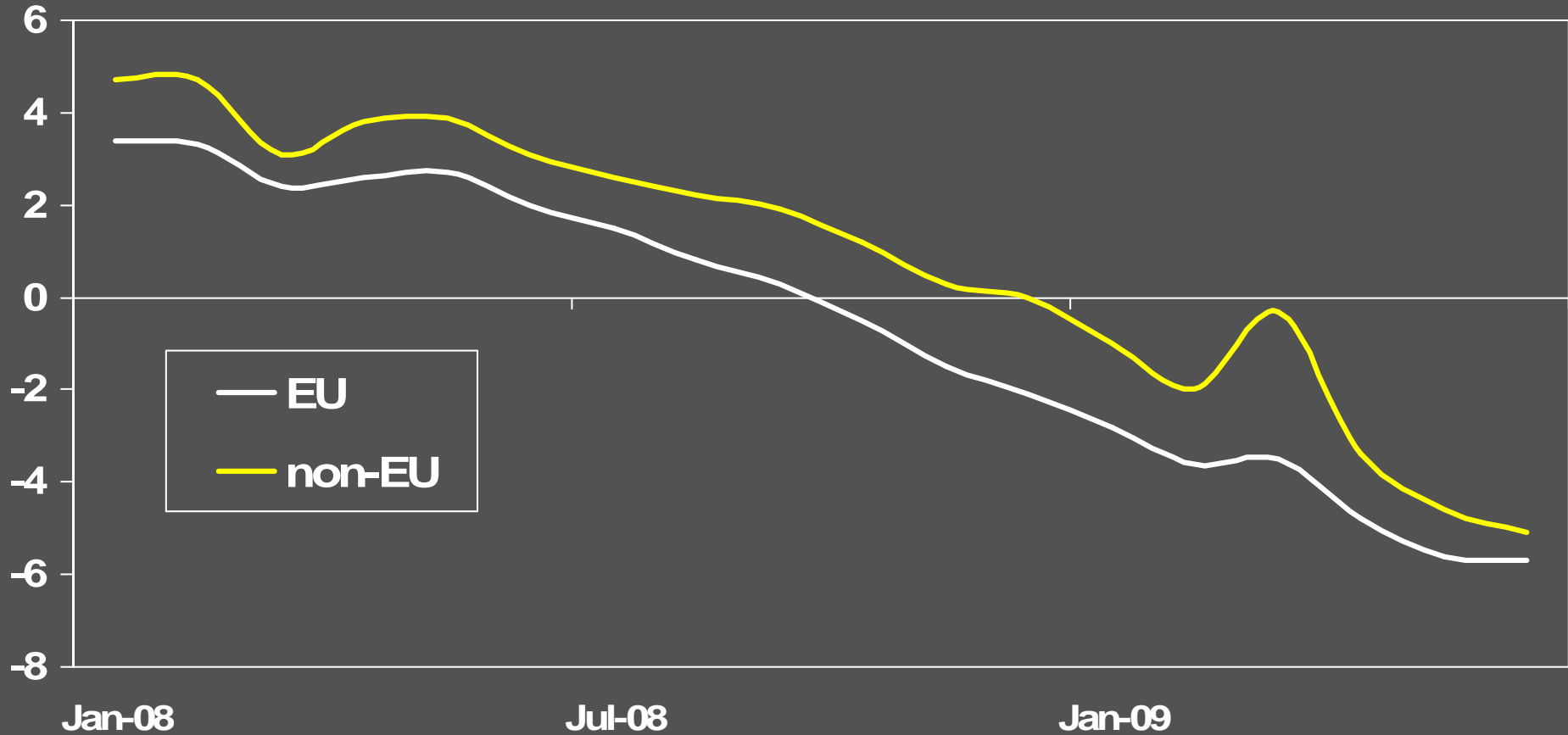
June 2009 YTD



Double Digit Declines. Eastern Europe Crumbles.

Europe – EU vs. non-EU

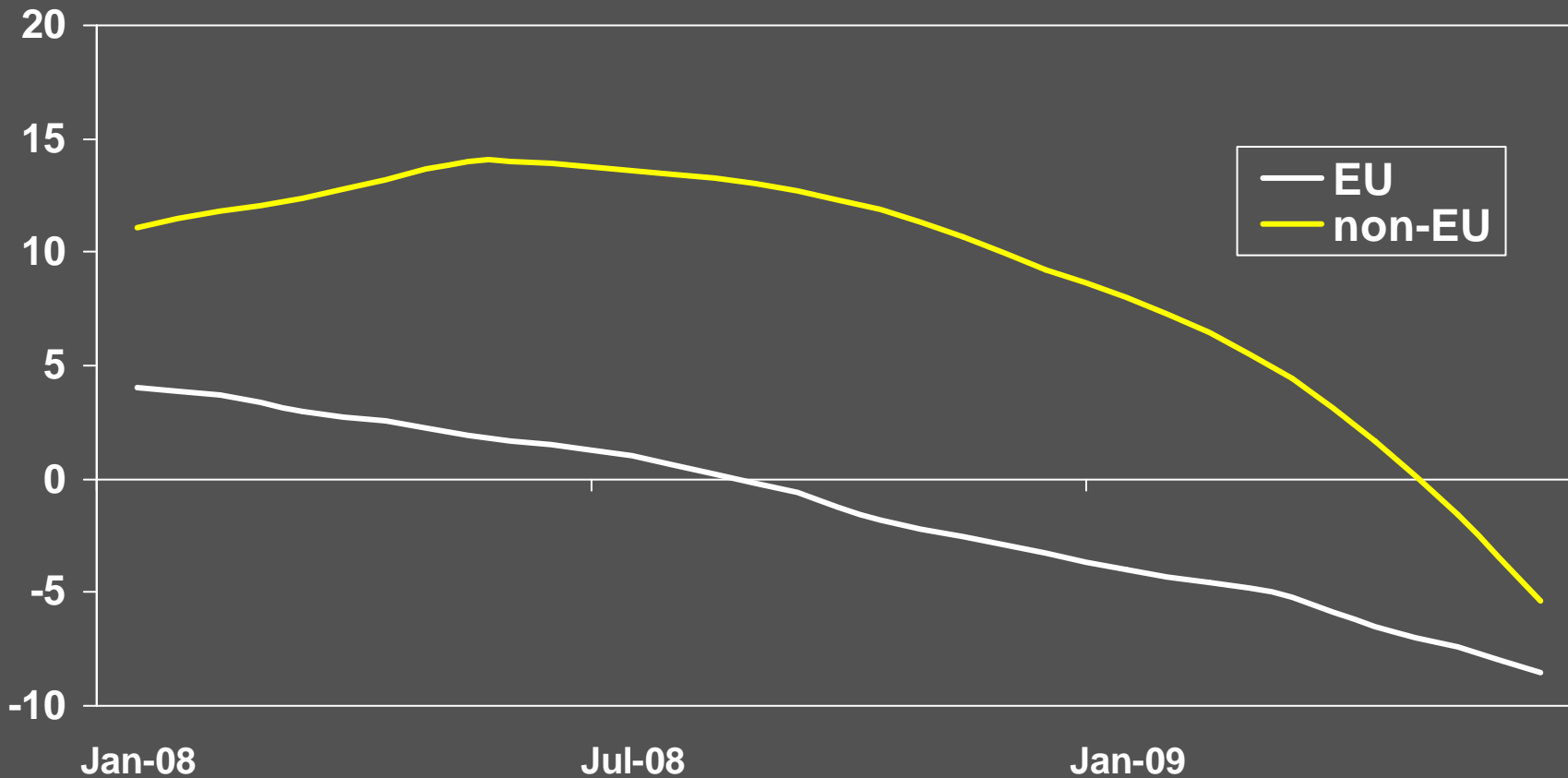
Demand Percent Change – 12 Month Moving Average
June 2009 YTD



Same Trends

Europe – EU vs. non-EU

ADR Percent Change (€) – 12 Month Moving Average
June 2009 YTD



*Inflation Rates: Eurozone: ~1%

Non-EU ADR Change Slope Cause For Concern

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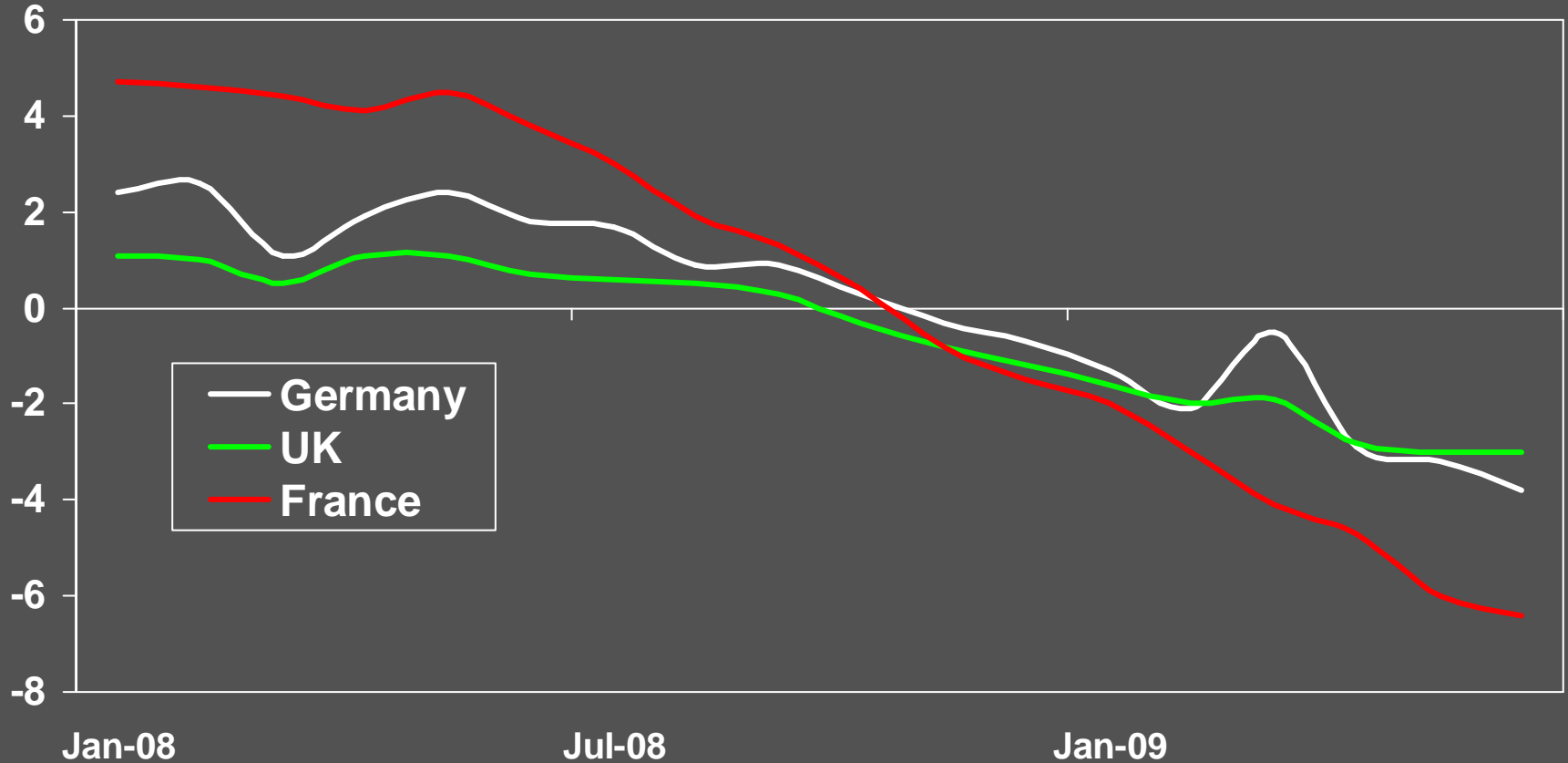


Europe – Germany / UK / France

Country	Rooms (‘000s)	Supply Growth (YTD 6/09)
Germany	357	+1.0%
UK	417	+2.3%
France	379	+0.5%

Europe – Germany / UK / France*

Demand Percent Change – 12 Month Moving Average
June 2009 YTD



*France excl. Accor

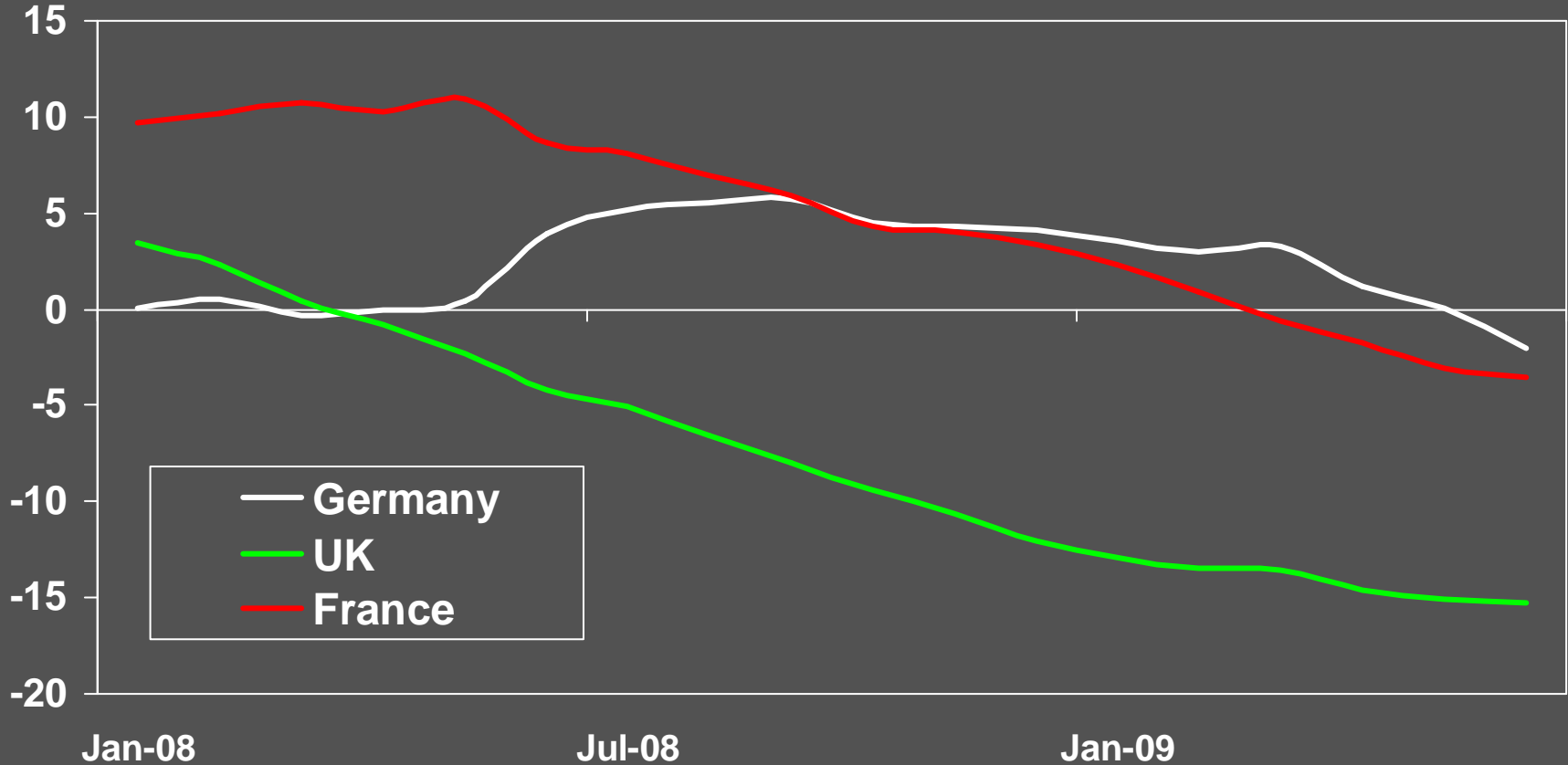
Same Inflection Point – Same Direction

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Europe – Germany / UK / France*

ADR Percent Change (€) – 12 Month Moving Average
June 2009 YTD



*France excl. Accor

UK Deteriorated Earlier, Faster

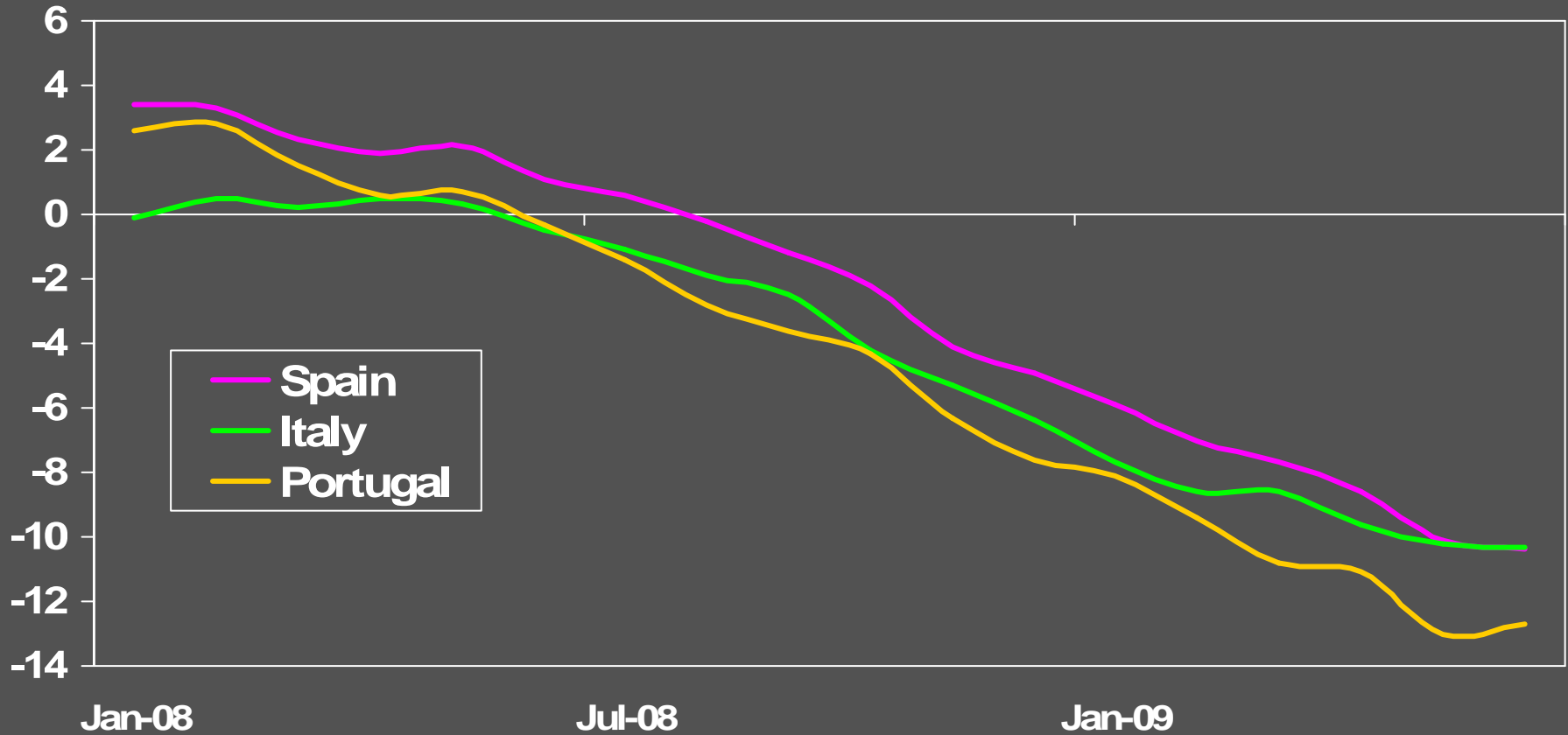
Europe – Spain / Italy / Portugal

Country	Rooms (‘000s)	Supply Growth (YTD 6/09)
Spain	469	+1.1%
Italy	266	+0.9%
Portugal	59	+1.8%

Europe – Spain / Italy / Portugal

Demand Percent Change – 12 Month Moving Average

June 2009 YTD



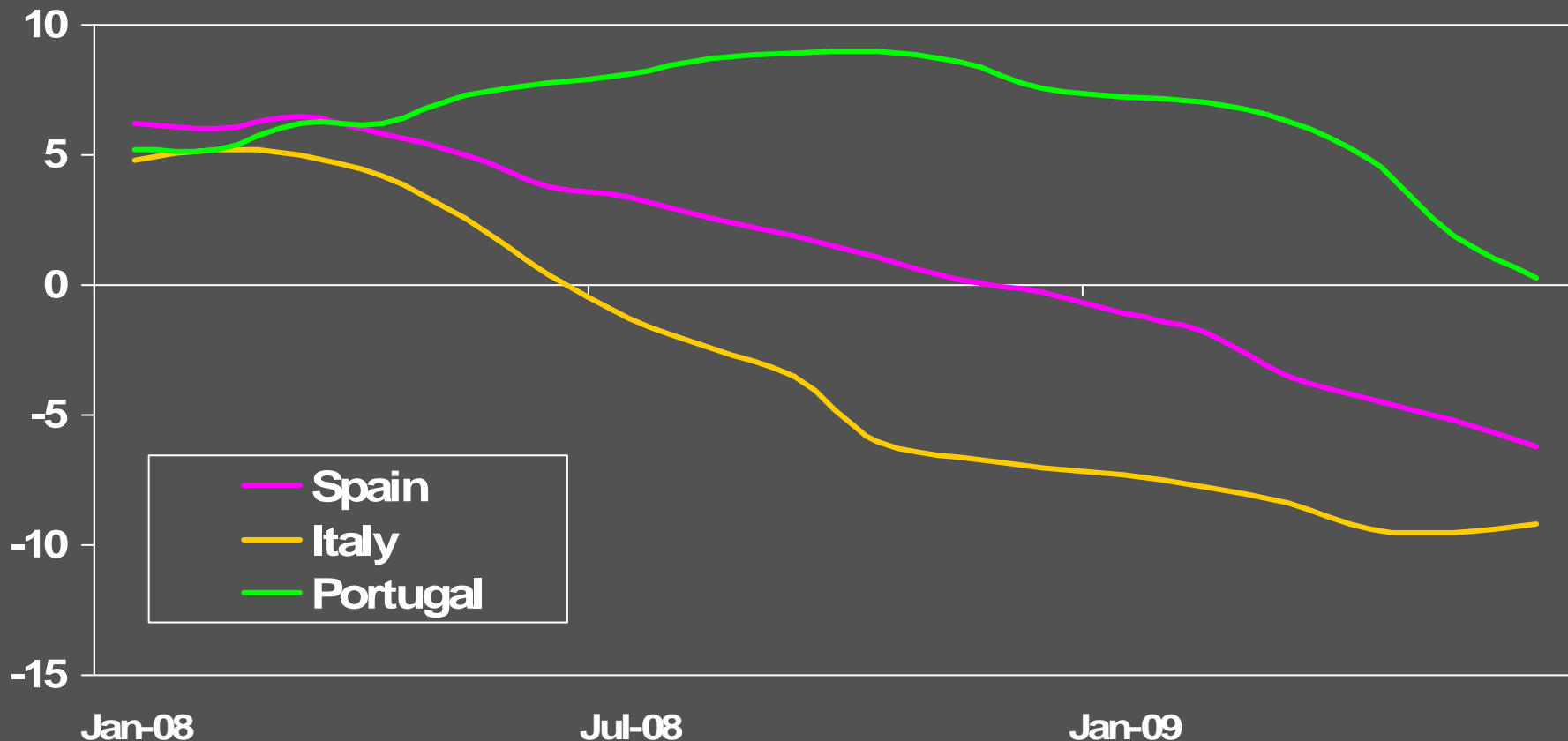
Band Of Brothers

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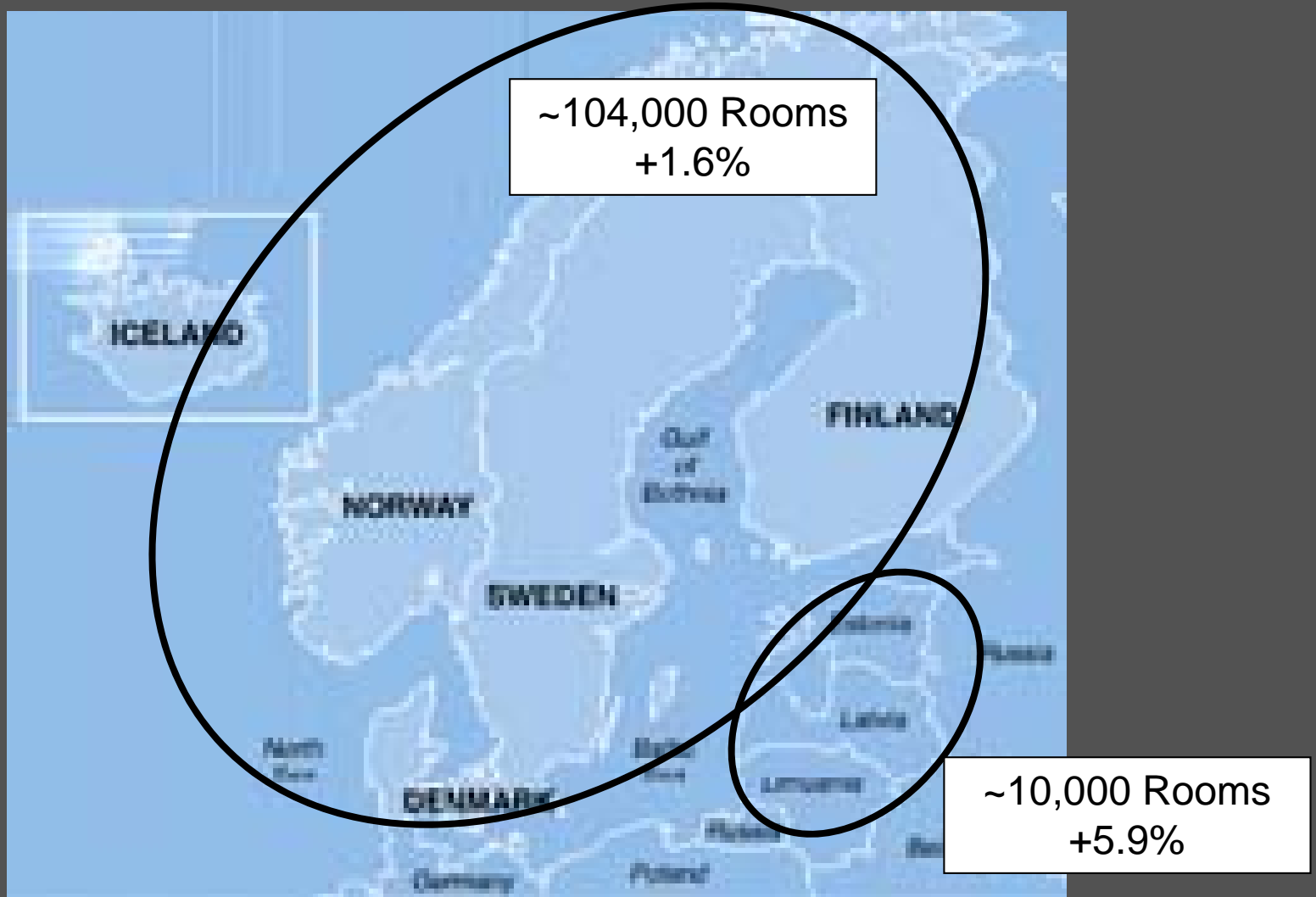
Europe – Spain / Italy / Portugal

ADR Percent Change (€) – 12 Month Moving Average
June 2009 YTD



Portugal Is Holding – For How Long?

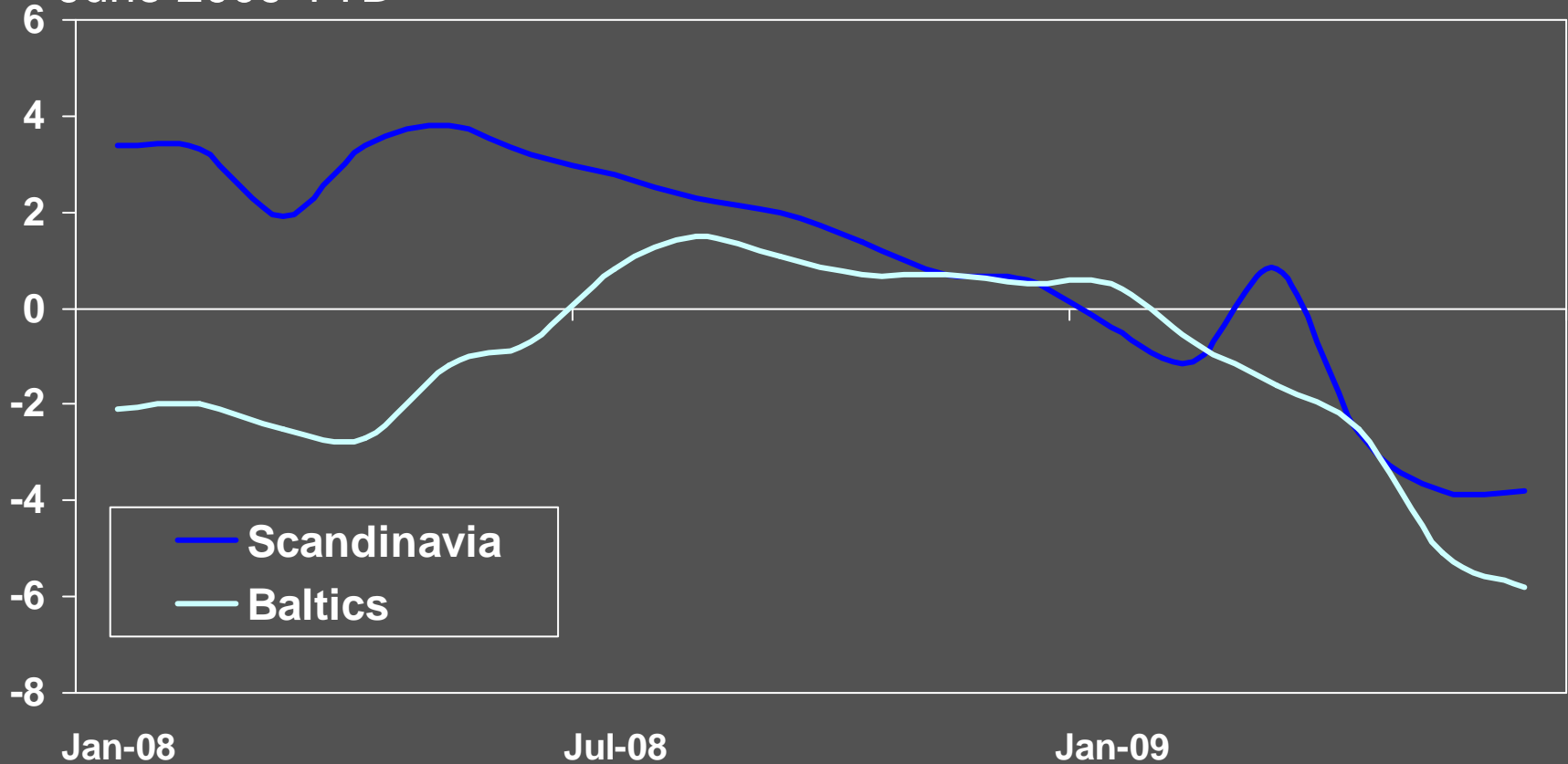
Scandinavia / Baltics



Europe – Scandinavia / Baltics

Demand Percent Change – 12 Month Moving Average

June 2009 YTD



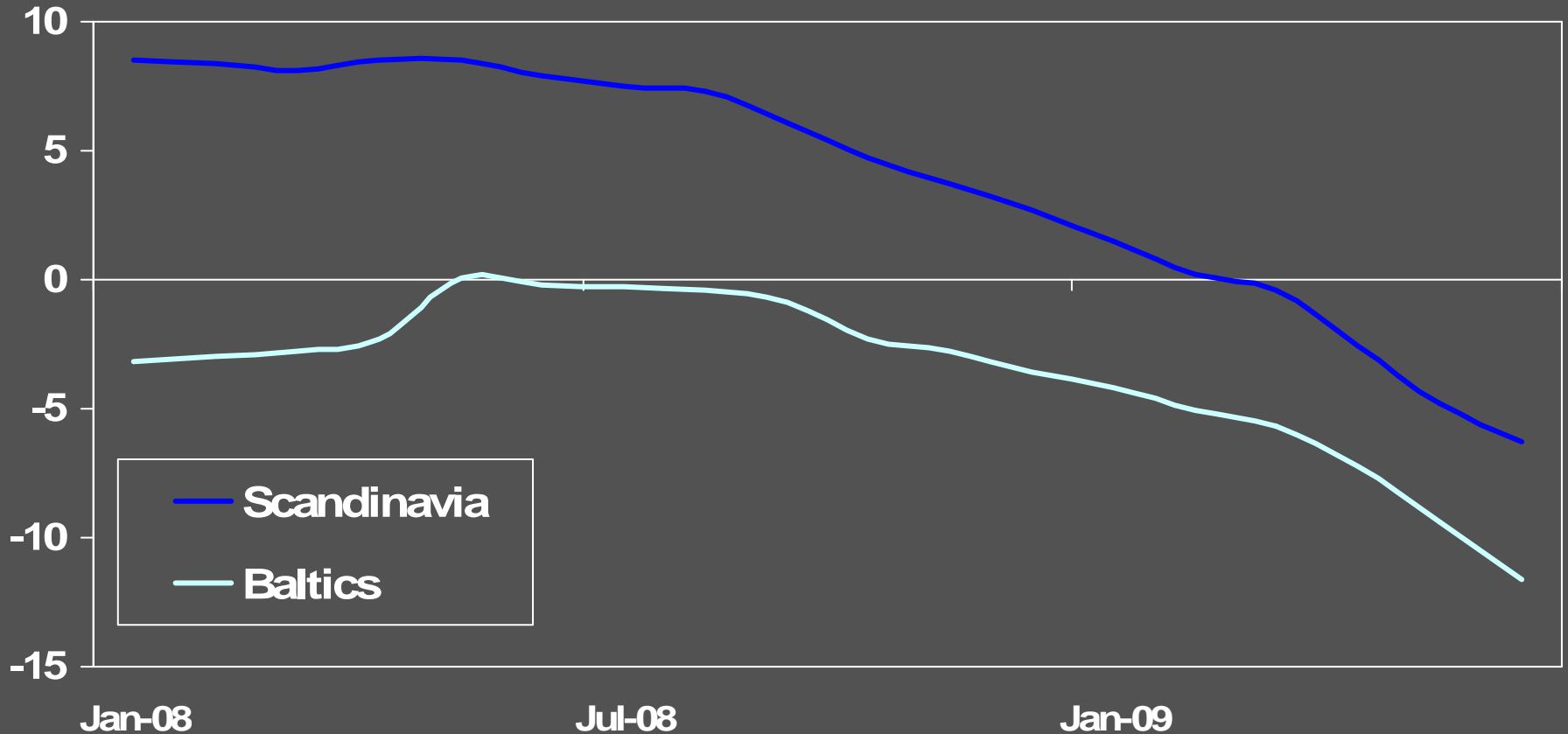
Baltics Trendline Surprising

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Europe – Scandinavia / Baltics

ADR Percent Change (€) – 12 Month Moving Average
June 2009 YTD



Baltics: No ADR Growth in 18 months

Europe - Pipeline

Country	In Construction Rooms	% Of Exist. Supply	Total Active Pipeline Rooms	% Of Exist. Supply
Czech Republic	715	2.1%	1,551	4.5%
Denmark	1,302	4.1%	1,302	4.1%
Germany	6,633	1.9%	18,747	5.2%
Hungary	851	2.0%	1,495	3.6%
Latvia	412	5.1%	412	5.1%
Poland	710	2.6%	1,852	6.8%
Romania	186	1.6%	1,332	11.2%
Russia	5,692	8.2%	11,736	17.0%
Slovakia	710	9.5%	960	12.8%
United Kingdom	8,908	2.1%	18,202	4.4%



AsiaPac

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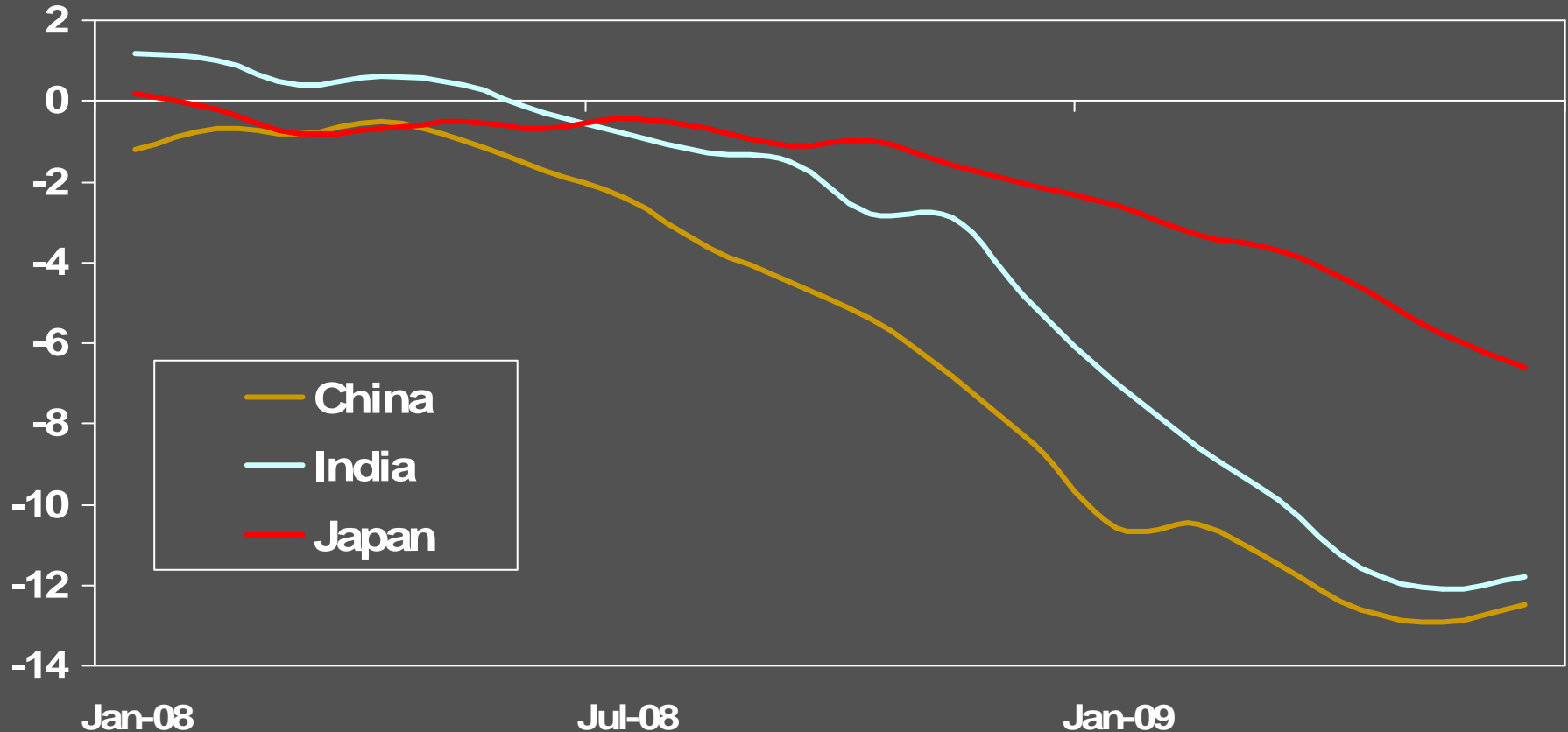


AsiaPac - Rooms

- Southeastern Asia 366 thousand
- Northeastern Asia 101 thousand
- Central & South Asia 123 thousand
- Australia & Oceania 279 thousand

AsiaPac – China / India / Japan

Demand Percent Change – 12 Month Moving Average
June 2009 YTD



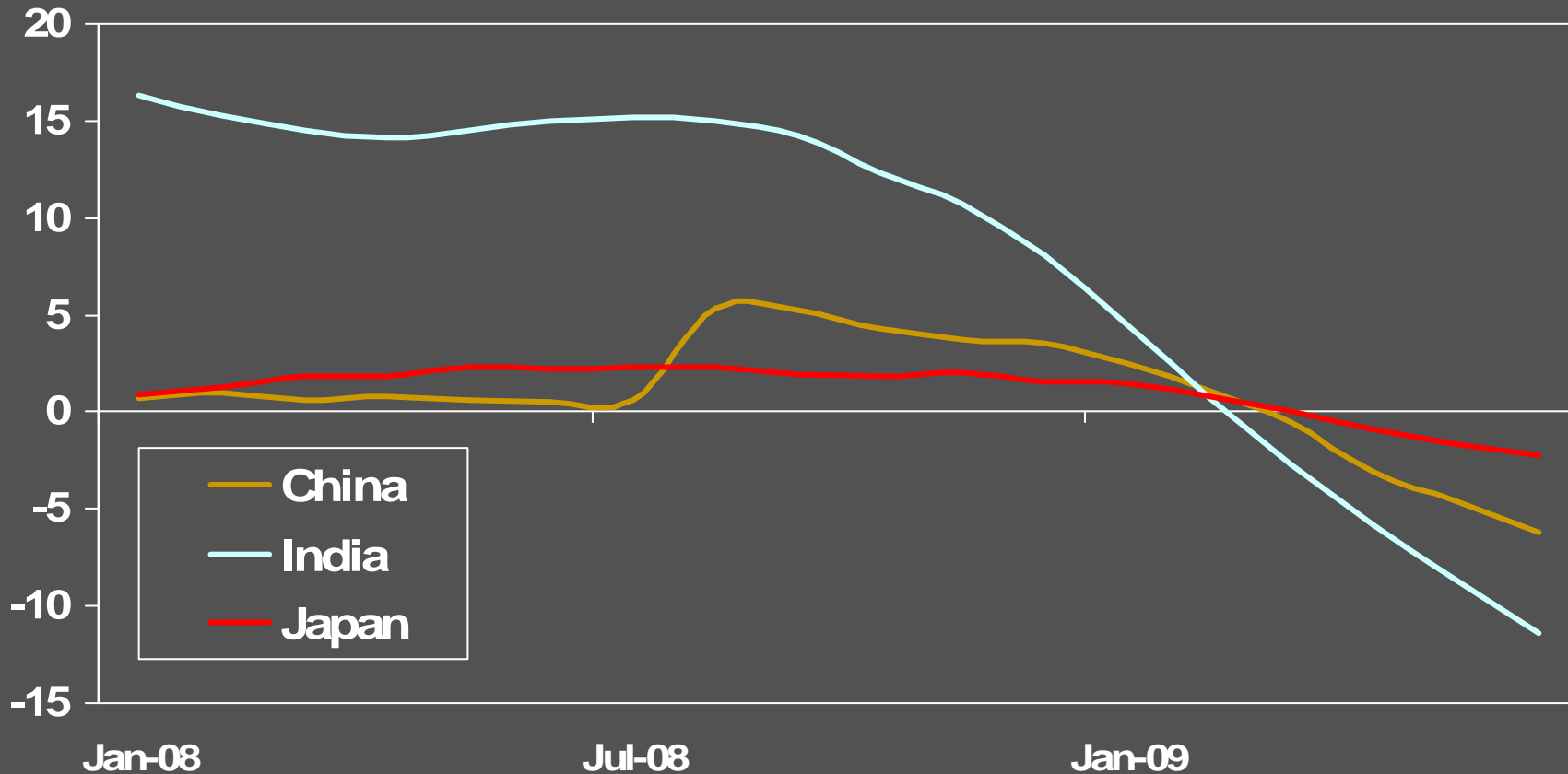
Demand Deteriorated Early. No Olympic 'Bump'?

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AsiaPac – China / India / Japan*

ADR Percent Change (local currency) – 12 Month Moving Average
June 2009 YTD



*Inflation Rates: China ~-1.5%; India ~+6%; Japan ~-1%

India Returns to Earth. China Olympics Impact Gone.

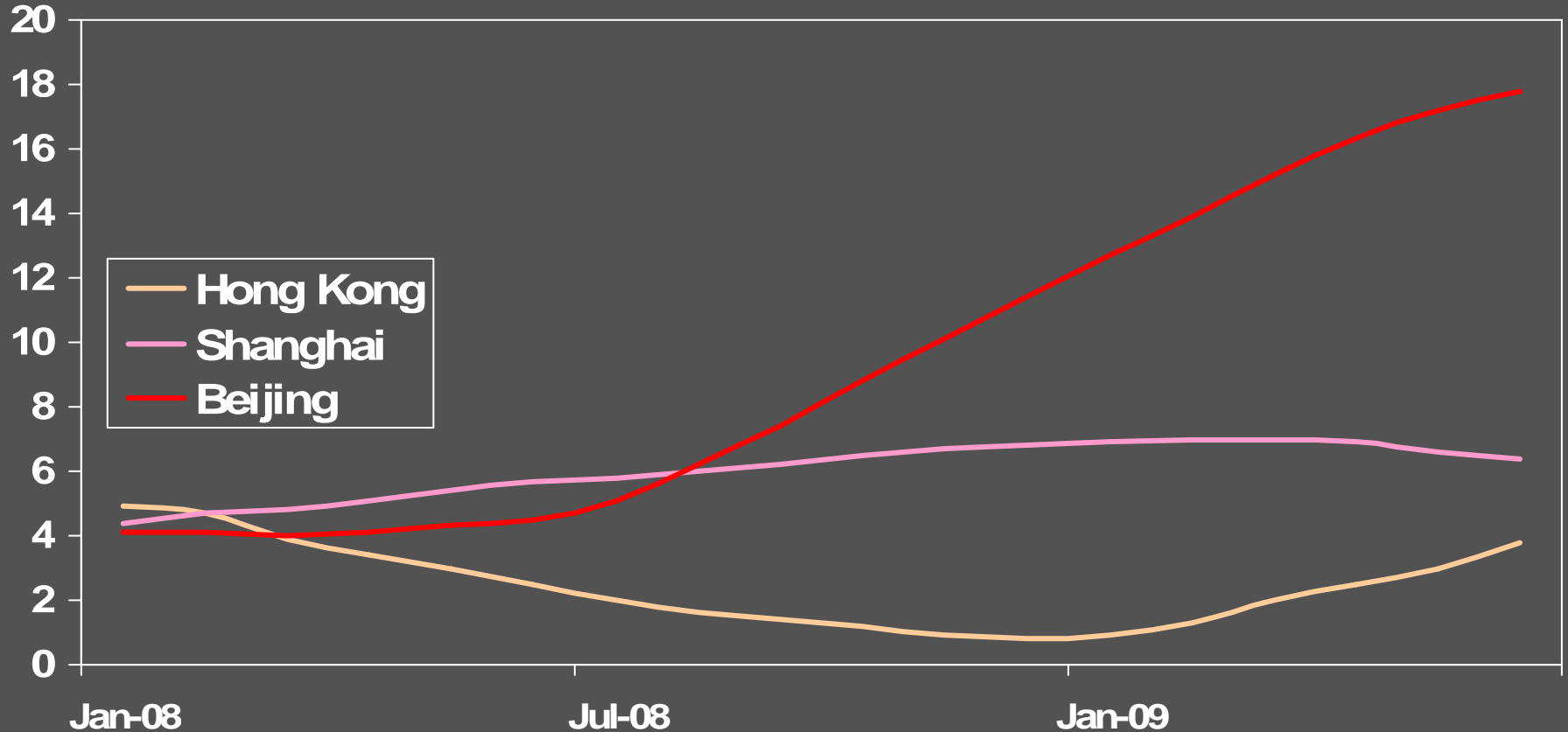
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AsiaPac – Hong Kong / Shanghai / Beijing

Supply Percent Change – 12 Month Moving Average

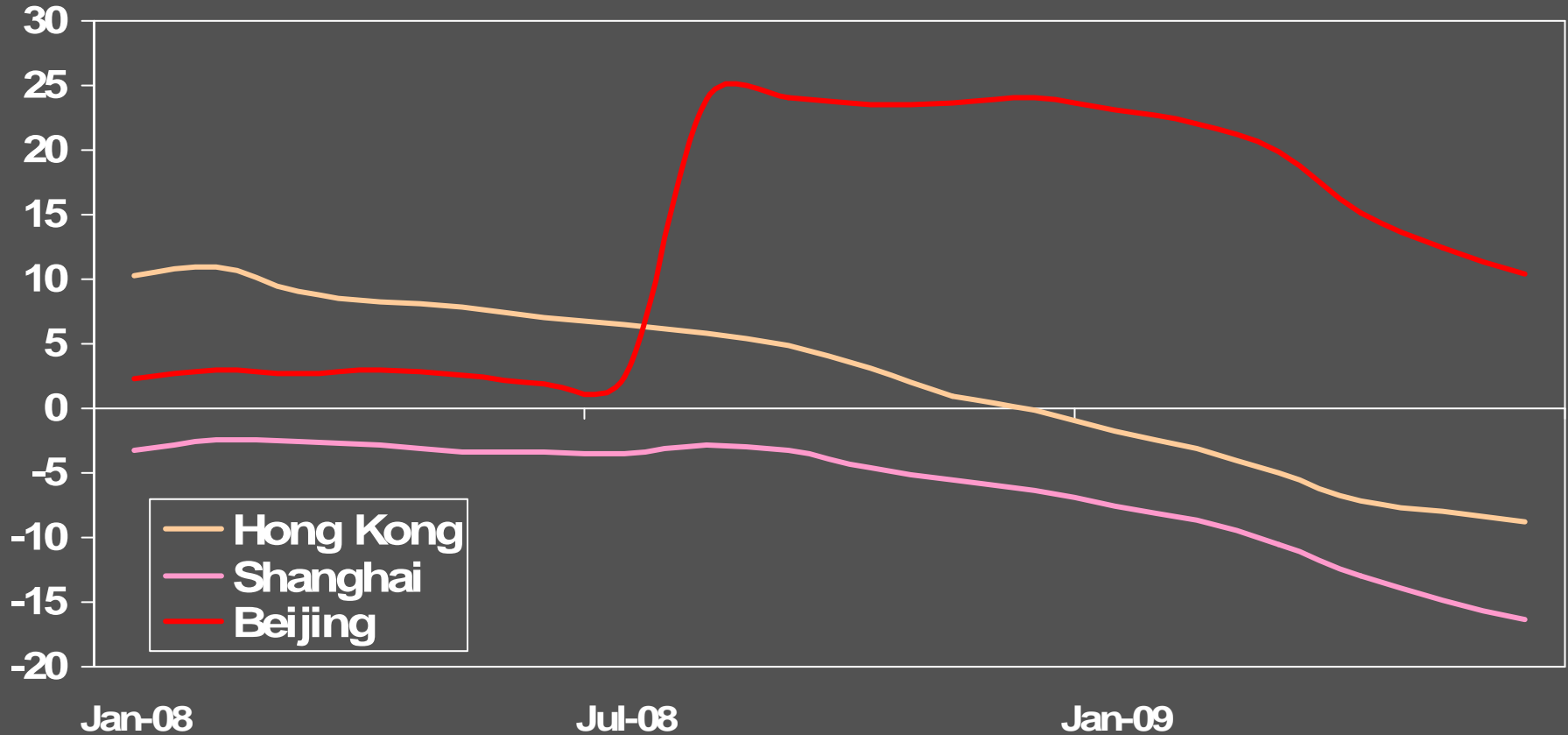
June 2009 YTD



New Supply Will Impact Performance For a Long Time

AsiaPac – Hong Kong / Shanghai / Beijing

ADR Percent Change (CNY) – 12 Month Moving Average
June 2009 YTD



Olympics Mask Underlying Weakness

AsiaPac Pipeline

Country	In Construction Rooms	% Of Exist. Supply	Total Active Pipeline Rooms	% Of Exist. Supply
Australia	1,790	1%	3,065	1%
China	77,832	12%	108,346	17%
India	26,384	31%	45,323	54%
Indonesia	4,028	6%	6,036	9%
Kazakhstan	1,090	31%	1,610	46%
Malaysia	5,013	6%	7,437	9%
Maldives	952	10%	1,517	16%
Philippines	4,335	14%	5,700	19%
Singapore	3,630	9%	4,058	10%
Taiwan	2,102	5%	2,602	6%
Thailand	10,487	11%	16,367	17%
Vietnam	6,488	25%	12,772	50%



Middle East / Africa

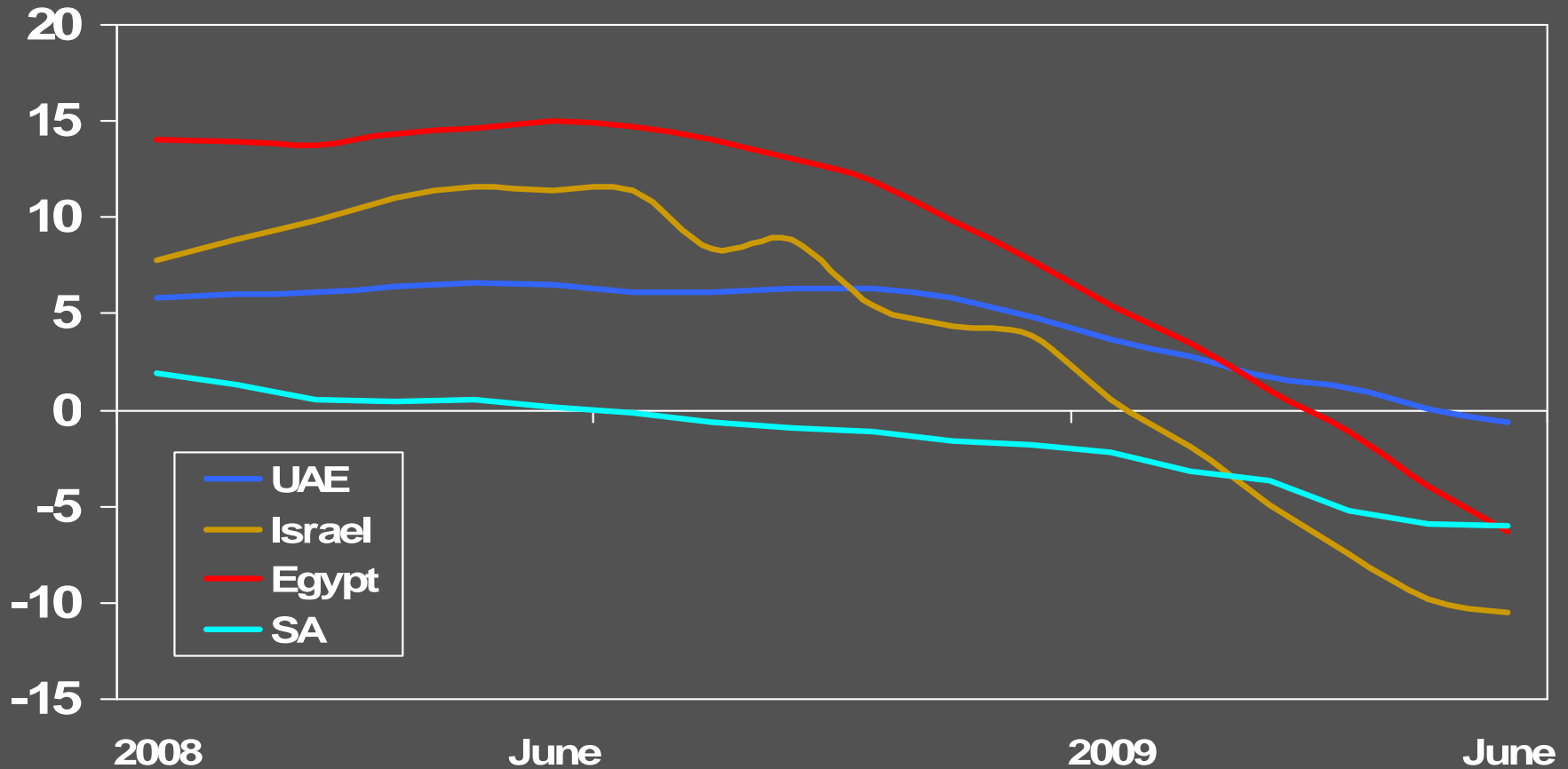
Middle East / Africa - Rooms

- Middle East 234 thousand
- Northern Africa 214 thousand
- Southern Africa 120 thousand

MEA – UAE / Israel / Egypt / South Africa

Demand Percent Change - Twelve Month Moving Average

June 2009 YTD



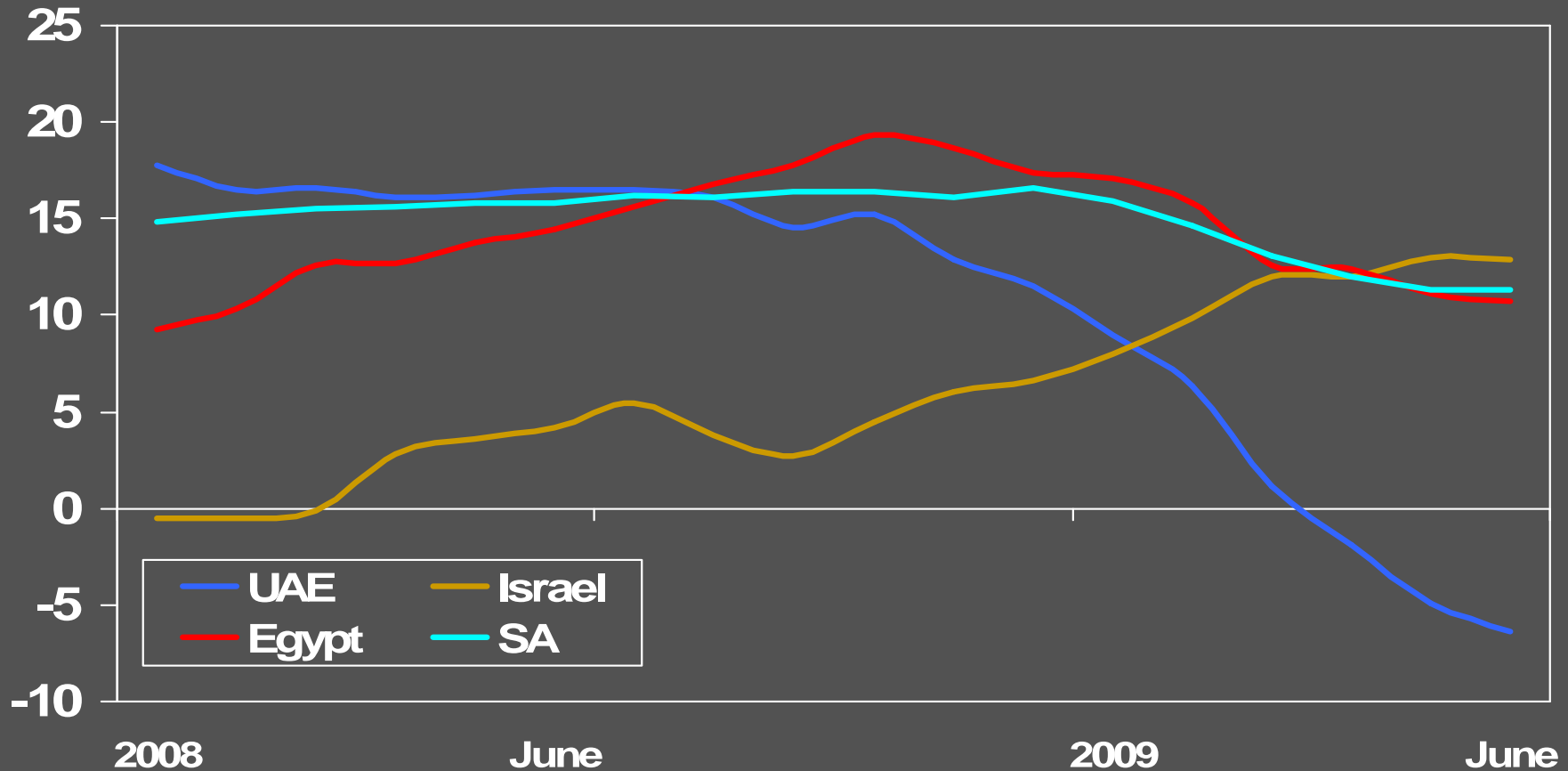
UAE: Soft Landing?

MEA – UAE / Israel / Egypt / South Africa*

ADR Percent Change (local currency)

Twelve Month Moving Average

June 2009 YTD



*Inflation Rates: UAE ~14%; Israel ~3%; Egypt ~10%; SA ~8%

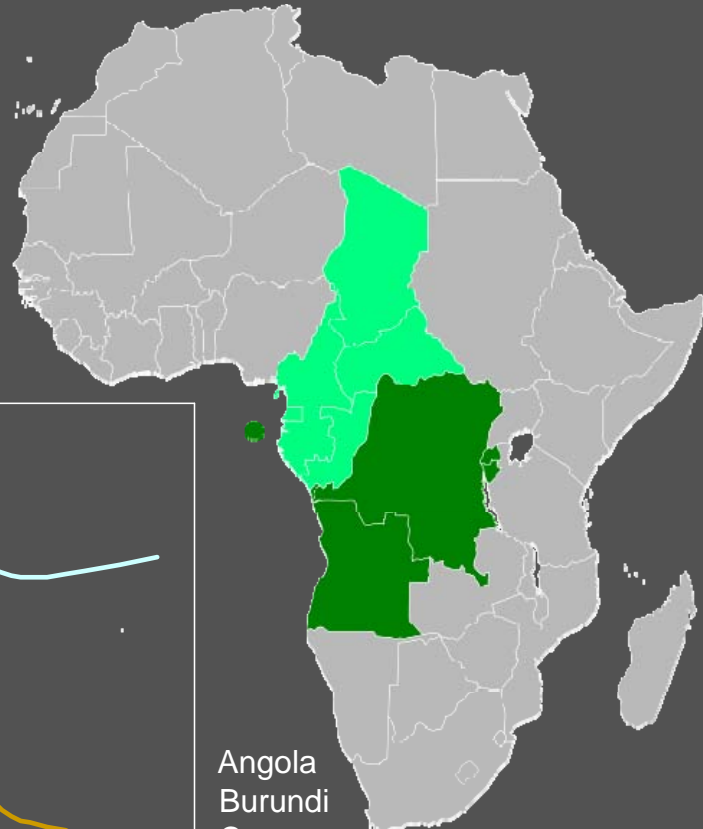
High Inflation Negates Results

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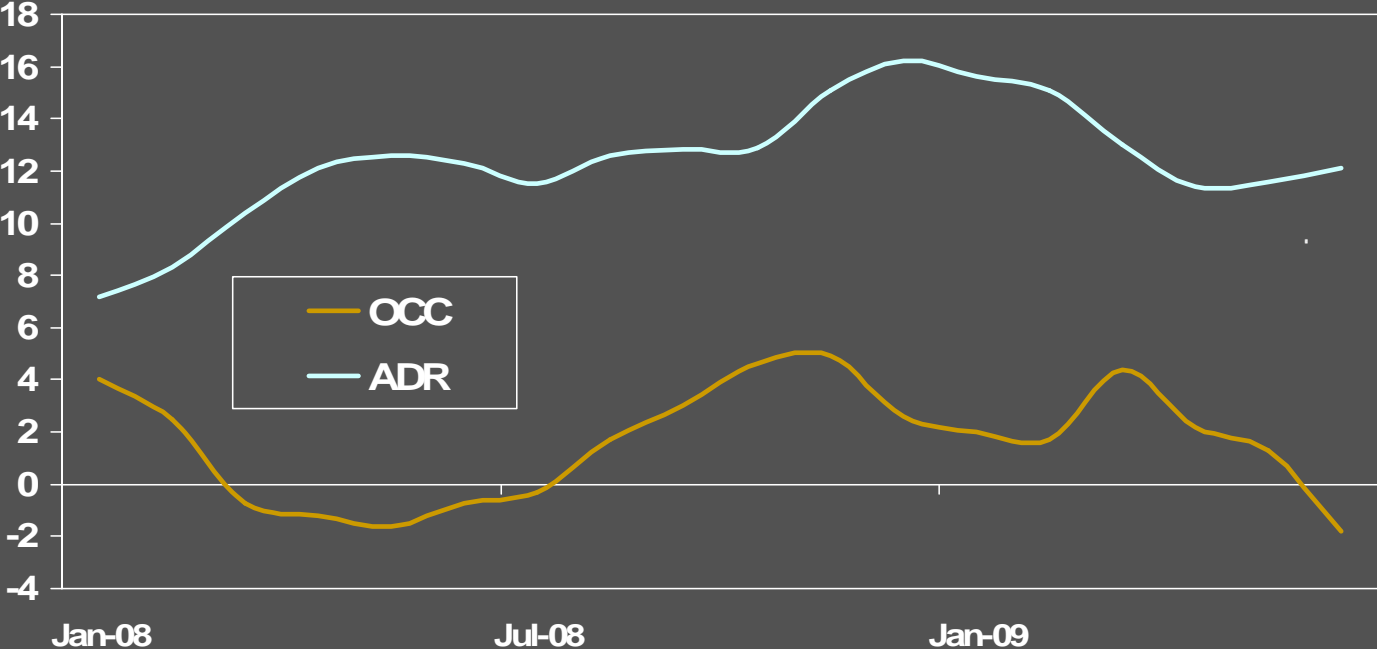


MEA - Economic Community of Central African States / ECCAS*

OCC & ADR Percent Change (XAF)
 12 Month Moving Average
 June 2009 YTD



- Angola
- Burundi
- Cameroon
- Central African Republic
- Chad
- Democratic Republic of the Congo
- Equatorial Guinea
- Gabon
- Republic of the Congo
- Rwanda
- São Tomé and Príncipe



* 28 Hotels, 6 Hotels Reporting

Inflation Probably Wipes Out Results



ME/A Pipeline

Country	In Construction Rooms	% Of Exist. Supply	Total Active Pipeline Rooms	% Of Exist. Supply
Algeria	735	30%	860	35%
Azerbaijan	308	12%	308	12%
Bahrain	4,169	75%	5,299	95%
Jordan	3,942	37%	5,393	51%
Kuwait	2,616	45%	2,866	49%
Lebanon	991	12%	1,221	15%
Morocco	2,356	7%	5,800	17%
Oman	924	17%	2,643	50%
Qatar	4,177	65%	5,225	81%
Saudi Arabia	6,693	18%	11,539	32%
Syria	393	5%	1,158	16%
Tanzania	49	1%	399	10%
United Arab Emirates	33,717	50%	58,003	86%



Questions?

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www.strglobal.com

