

## Year End Trading Update

### Announcement of Maldron Hotel Glasgow & Acquisition Update

Dublin, 19 December 2017 | Trading in the final four months of the year has been as expected and EBITDA for the year ending 31 December 2017 will be in line with market expectations.

#### Market Review

The Dublin market has continued to be very strong for us in the second half of the year with RevPAR at our hotels now up 9.5% for the year to date as at the end of November. Likewise, RevPAR growth in our Regional Ireland portfolio continues to be very strong with an increase of 8.7% for the 11 months to the end of November. As we had anticipated, RevPAR growth in our London hotels has been slower in the second half of the year leading to lower growth in our overall UK & Northern Ireland portfolio. However, the year to date growth at the end of November was still the strongest of our three regions at 10.4%.

The final four months of the year has continued to see progress across the business. Hotel LaTour Birmingham and Clarion Hotel Liffey Valley in Dublin have both been successfully rebranded as Clayton hotels. There are now 19 Clayton hotels in Ireland and the UK with over 4,800 rooms.

We continue to make excellent progress on our development pipeline of over 1,840 rooms across the UK and Ireland:

- 35 additional rooms, a new restaurant and refurbished meeting facilities were completed at Clayton Hotel Dublin Airport in November. An additional 106 bedrooms are on course to open in May 2018
- Construction is coming to a conclusion at our 237 room Maldron Hotel Belfast City which is now scheduled to open in mid-March, 2018
- Construction continues at Maldron Hotel Kevin Street, Dublin and Clayton Hotel Charlemont, Dublin which are scheduled to open in June and November 2018 respectively
- Construction commenced on the 164 room Maldron Hotel South Mall in Cork during November and is scheduled to be completed in December 2018
- Construction also recently commenced at the extensions in Clayton Hotel Ballsbridge, Dublin (31 rooms) and Maldron Hotel Parnell Square, Dublin (53 rooms) and which will open in August 2018 and December 2018 respectively
- Construction at Maldron Hotel Sandyroad, Galway is well underway where we are constructing an additional 64 rooms, new meeting facilities as well as refurbishing all existing bedrooms and the public areas. The project will be completed by June 2018.
- The opening of Maldron Hotel Newcastle has been deferred from late 2018 to February 2019
- The preparation for the planning process has commenced for Clayton Hotel Glasgow and a formal planning application has been submitted for Clayton Hotel Manchester.

### **New Hotel Development - Maldron Hotel Glasgow**

We are delighted to announce that we have signed an agreement to lease a new Maldron hotel to be built in Glasgow with McAleer & Rushe. The new hotel will be a 4-star property ideally located on Renfrew Street in the centre of Glasgow. The hotel will have circa 250 air-conditioned rooms, a bar, restaurant and conference facilities. The construction of the hotel is subject to the receipt of planning permission from Glasgow City Council.

Once construction is completed, Dalata will operate the hotel under a 35-year operating lease, subject to five-year rent reviews linked to the Retail Price Index. The hotel is projected to open in the second half of 2020.

### **Clayton Hotel Cardiff Lane & Clayton Hotel Liffey Valley**

We are also pleased to announce that we have entered into agreements to acquire 24 suites (62 bedrooms) in the Clayton Hotel Cardiff Lane for €8.7 million and a further 13 suites (18 bedrooms) in Clayton Hotel Liffey Valley for €2 million. These transactions will result in Dalata owning 252 out of a total of 304 bedrooms in Clayton Hotel Cardiff Lane, and 261 out of a total of 361 bedrooms in Clayton Hotel Liffey Valley. The annual rent of the suites at Clayton Hotel Cardiff Lane amounted to €0.467 million in 2017. This transaction is consistent with our stated strategy of buying out the freehold interests of those leased properties with future unpredictable rent reviews.

Dermot Crowley, Deputy CEO – Business Development & Finance, said: *“2017 has been another very successful year for Dalata in terms of trading at our existing hotels, the acquisition of new hotels and building up a development pipeline in the UK. Our hotel portfolio continues to perform very strongly across the all of our regions. We are very happy to have secured the effective freehold interests of additional rooms at both Clayton Hotel Cardiff Lane and Clayton Hotel Liffey Valley.*

*We are delighted to have entered into an agreement to lease a newly constructed Maldron hotel in Glasgow. We have a very strong relationship with McAleer & Rushe who are currently building our new hotels in Belfast, Newcastle and Charlemont, Dublin. Today’s announcement brings the number of UK hotels in our development pipeline to 5 with a total of circa 1,350 rooms.*

*Given the pipeline of hotels due to open in the next year and the continued strength of trading in our three regions, we look forward to 2018 with confidence.”*

**ENDS**

## **About Dalata**

Dalata Hotel Group plc is Ireland's largest hotel operator, with a current portfolio of 38 hotels with over 7,600 rooms. Dalata successfully operates Ireland's two largest hotel brands, Clayton Hotels and Maldron Hotels across Ireland and the UK, as well as managing a small portfolio of partner properties. 26 of the hotels are owned by Dalata, nine hotels are operated under lease agreements and three are operated under management agreements.

For the half year 2017, Dalata reported revenue of €161.8 million (full year 2016: €290.6 million). Dalata is listed on the Main Market of the Irish Stock Exchange (DHG) and the London Stock Exchange (DAL).

For further information visit: [www.dalatahotelgroup.com](http://www.dalatahotelgroup.com).

## **Contacts**

### **Dalata Hotel Group plc**

Pat McCann, CEO

Dermot Crowley, Deputy CEO, Business Development and Finance

Sean McKeon, Company Secretary and Head of Risk and Compliance

**Tel +353 1 206 9400**

### **Davy Corporate Finance**

Ronan Godfrey

Brian Ross

Anthony Farrell

**Tel +353 1 679 6363**

### **Investor Relations and PR | FTI Consulting**

Melanie Farrell

**Tel +353 1 66 33 686**

[dalata@fticonsulting.com](mailto:dalata@fticonsulting.com)