

2019 AGM Statement

ISE: DHG LSE: DAL

Dublin and London | 2 May 2019: Dalata Hotel Group plc (“Dalata” or “the Group”), the largest hotel operator in Ireland with a growing presence in the United Kingdom, is holding its AGM today at 11.30 GMT at the Clayton Hotel Ballsbridge, Merrion Road, Ballsbridge, Dublin 4.

At the AGM, John Hennessy, Chairman of Dalata, will make the following statement:

“I am pleased to report that 2018 was another very successful year for Dalata. We delivered strong earnings growth, paid our maiden dividend to shareholders and secured new debt facilities of €525 million maturing 2023. We continued to expand our portfolio of hotels and having started 2018 with 7,600 rooms we now have over 9,000 rooms.

This momentum has continued into 2019 as we maximise on-going returns from our existing portfolio. The six new hotels that opened on time and on budget during 2018 and early 2019 are progressing well. Maldron Hotel Belfast City and Maldron Hotel Kevin Street, Dublin opened in March and July 2018 respectively. In the final quarter of 2018, we opened three new hotels; Clayton Hotel Charlemont in Dublin, Maldron Hotel South Mall in Cork and Maldron Hotel Newcastle. In January 2019, we opened the newly acquired, Clayton Hotel City of London. Overall, the Group’s trading performance in the first four months of 2019 is in line with our expectations and ahead of the first four months of 2018.

RevPAR in the Dublin market as a whole is effectively on a par with last year for the first quarter of 2019. We are delighted to report that on a ‘like for like’ basis, RevPAR in our Dublin hotels was up 2.4%¹. RevPAR growth in our Regional Ireland hotels is positive and ahead of the market as a whole. On a ‘like for like’ basis, RevPAR at our UK hotels was up 3.0%¹ in the first quarter of 2019 and in all but one city, our hotels outperformed the market in RevPAR growth. Dalata’s trading in the second quarter remains encouraging and the outlook for the first six months of the year is positive.

Our pipeline of almost 2,200 rooms is scheduled to open between late 2020 and Q2 2021. The new hotels are ideally situated in prime city-centre locations in Bristol, Manchester, Glasgow, Birmingham and Dublin. We remain very encouraged about our opportunities for growth and are currently looking at extensions to our existing properties as well as securing additional hotel leases in our twenty target cities in the UK.

It is the culture and people at Dalata that continue to underpin our success, what we call ‘The Dalata Way’. Our six new hotels were opened by management teams that grew up in Dalata, who understand our business model and our culture. In 2019 we will continue to develop our people and promote our culture of providing top-class customer service, transparency, empowerment and support.

¹ RevPAR growth reflects a ‘like for like’ performance of our hotels and excludes the new hotels which opened in 2018 and early 2019 (Maldron Hotel Kevin Street and Clayton Hotel Charlemont in Dublin and Maldron Hotel Newcastle, Maldron Hotel Belfast City and Clayton Hotel City of London in UK). In Dublin, we also exclude Tara Towers Hotel which closed in September 2018 and Clayton Hotel Dublin Airport and Maldron Parnell Square due to the significant extensions completed during 2018 which distort comparability.

I am also pleased to announce the appointment of Alf Smiddy as designated non-executive director for engagement with the Company's workforce, in line with the provisions of the UK Corporate Governance Code (July 2018), with immediate effect. Alf is the Senior Independent Director and Chair of the Company's Nomination Committee and this appointment is designed to ensure that the issues that matter most to our employees are considered by the Board in its decision-making processes at all times.

We continue to monitor the possible outcome from Brexit and our position remains that there will be both challenges and opportunities for Dalata. We are confident that 2019 will be another exciting year for the Group. Our strong team of people will continue to drive the business forward and ensure we are focused on delivering excellent returns for our shareholders”.

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Upcoming events

Dalata expects to announce its results for the six months to 30 June 2019 on Tuesday 3 September 2019. Dalata will host a Capital Markets Day for analysts and institutional investors in London on Tuesday 5 November 2019.

About Dalata

Dalata Hotel Group plc was founded in August 2007 and listed as a plc in March 2014. Dalata has a strategy of owning or leasing its hotels and also has a small number of management contracts. The Group's portfolio consists of 30 owned hotels, ten leased hotels and three management contracts with a total of 9,046 bedrooms. In addition to this, the Group is currently developing eight new hotels with a total of 2,193 bedrooms and these will open over the next three years. This will bring the total number of bedrooms in Dalata to over 11,000. Dalata now has close to 5,000 employees. For the full year 2018, Dalata reported revenue of €393.7 million and a profit after tax of €75.2 million. Dalata is listed on the Main Market of Euronext Dublin (DHG) and the London Stock Exchange (DAL). For further information visit: www.dalatahotelgroup.com.

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