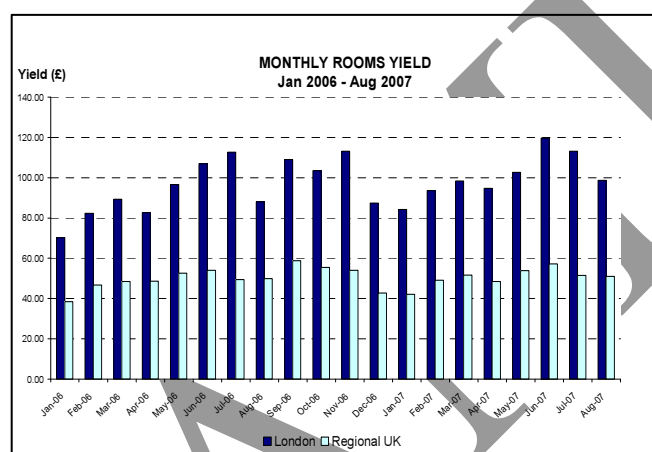


Monthly UK Hotel Trends

August 2007

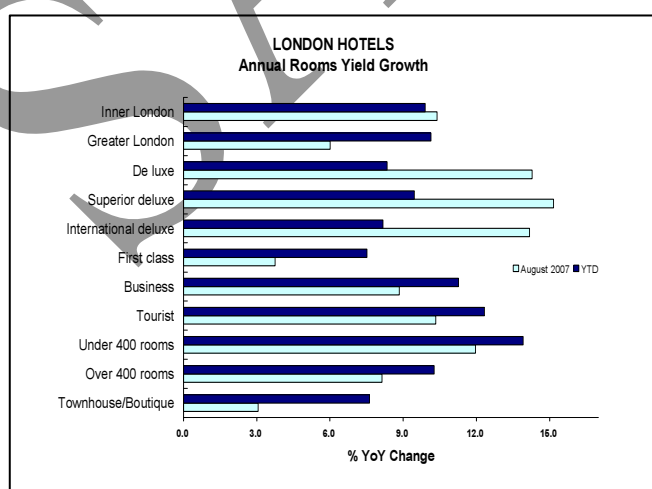
March ended on a positive note for UK hoteliers with rooms yield up 7.9% to £67.20 compared to the same period last year. This was driven by a 6.1% increase in AARR to £90.15 and a 1.7% rise in occupancy. London and regional UK hotels reported increases in yields of 10.2% and 6.5%, respectively.

August 2007 Summary of performance											
Hotel type / location		Available rooms/day	Occupancy (%)			AARR (£)			Rooms Yield (£)		
			2007	2006	% ch.	2007	2006	% ch.	2007	2006	% ch.
Total UK	Aug 07	130,050	-	-	0.0	-	-	0.0	-	-	0.0
	YTD		-	-	0.0	-	-	0.0	-	-	0.0
London Hotels	Aug 07	43,650	-	-	0.0	-	-	0.0	-	-	0.0
	YTD		-	-	0.0	-	-	0.0	-	-	0.0
Regional UK	Aug 07	86,400	-	-	0.0	-	-	0.0	-	-	0.0
	YTD		-	-	0.0	-	-	0.0	-	-	0.0

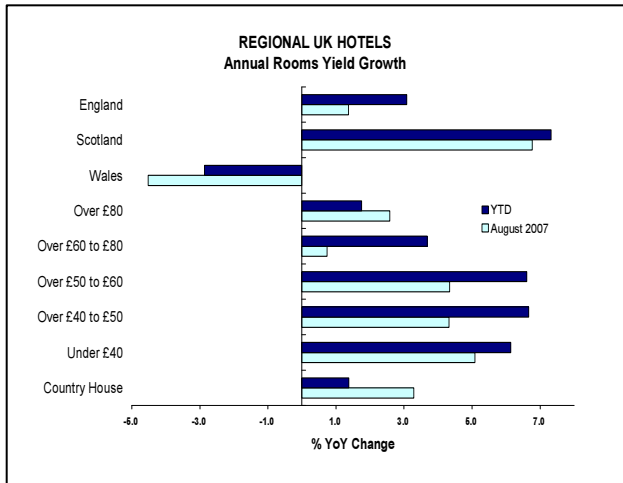


London hotels' yield growth in March was mainly driven by an increase in AARR of 9.3% to £121.93, as occupancy rose marginally. During March, London hosted events like London Australian Film Festival, The Ideal Home Show, Alternate Fashion Week, The London Lesbian and Gay Film Festival, East Festival and St Patrick's Day Festival which brought crowds to the capital. Meanwhile, regional hotels reported a 4.1% increase in AARR and a 2.3% rise in occupancy on the back of strong performances by hotels in

cities like Glasgow, Aberdeen and Nottingham.

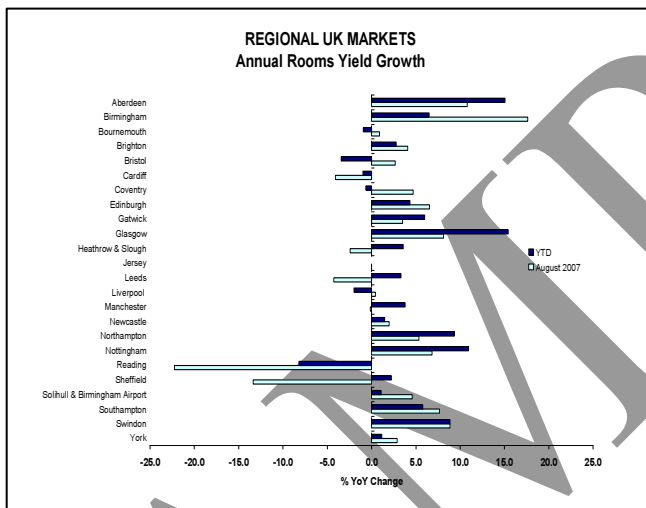


London hotels posted strong increases in yield across all segments of the market. This strength was driven by much higher AARR. Many reported double-digit growths with the exception of first class hotels. Tourist hotels with under 400 rooms saw the highest yield growth of 13.9% underpinned by increases in AARR and occupancy. Business hotels also reported yield growth of 12.0%. The luxury hotels continue to post strong growth driven solely by higher AARR as occupancy remained flat



AARR to push rooms yield 10.1% higher.

Hotels in Scotland outperformed their English and Welsh counterparts posting an impressive 12.3% yield growth over last year's results. This was on the back of a 7.1% increase in AARR while occupancy rose by 4.9%; a performance attributed to the number of events and festivals which took place in Scotland in March. Hotels in England and Wales reported increases in rooms yield of 5.6% and 4.2%, respectively, driven by higher occupancy and AARR. Hotels with AARR £50 to £60 reported the best performance with a 6.3% rise in occupancy and a 3.6% growth in



posted by Aberdeen and Southampton with increases in yield of 15.6% and 12.6%, respectively.

Glasgow reported strong results in March with a yield growth of 24.7%. This was on the back of an increase in occupancy of 12.5% and a 10.8% rise in AARR. The performance was assisted by a number of events taking place in Glasgow including the Magners Glasgow International Comedy Festival, Country Living Magazine Spring Fair and New Territories. Nottingham hotels, which saw rooms yield fall in 2006, continue to witness a revival with an impressive yield growth of 23.8% to £42.50 in March. This followed strong gains in the past few months. Other strong performances were

