

Hotelplan Group – Annual Report 2009

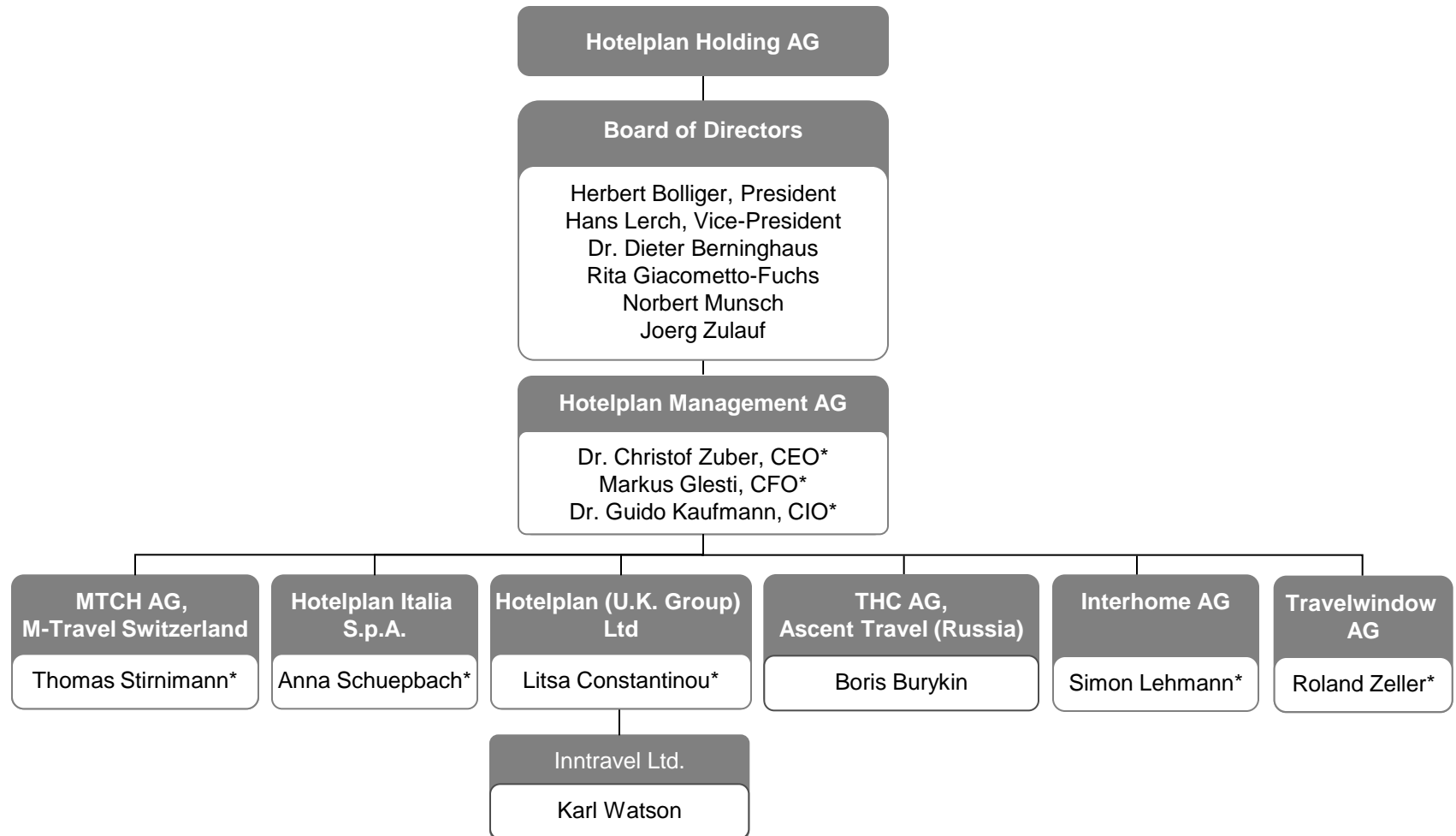


Contents

I.	Organization & structure Hotelplan Group	Page 2 - 3
II.	Highlights of the financial year 2008/09	Page 4 - 12
III.	Key facts and figures for 2008/09	Page 13 - 36
IV.	Outlook	Page 37 - 38

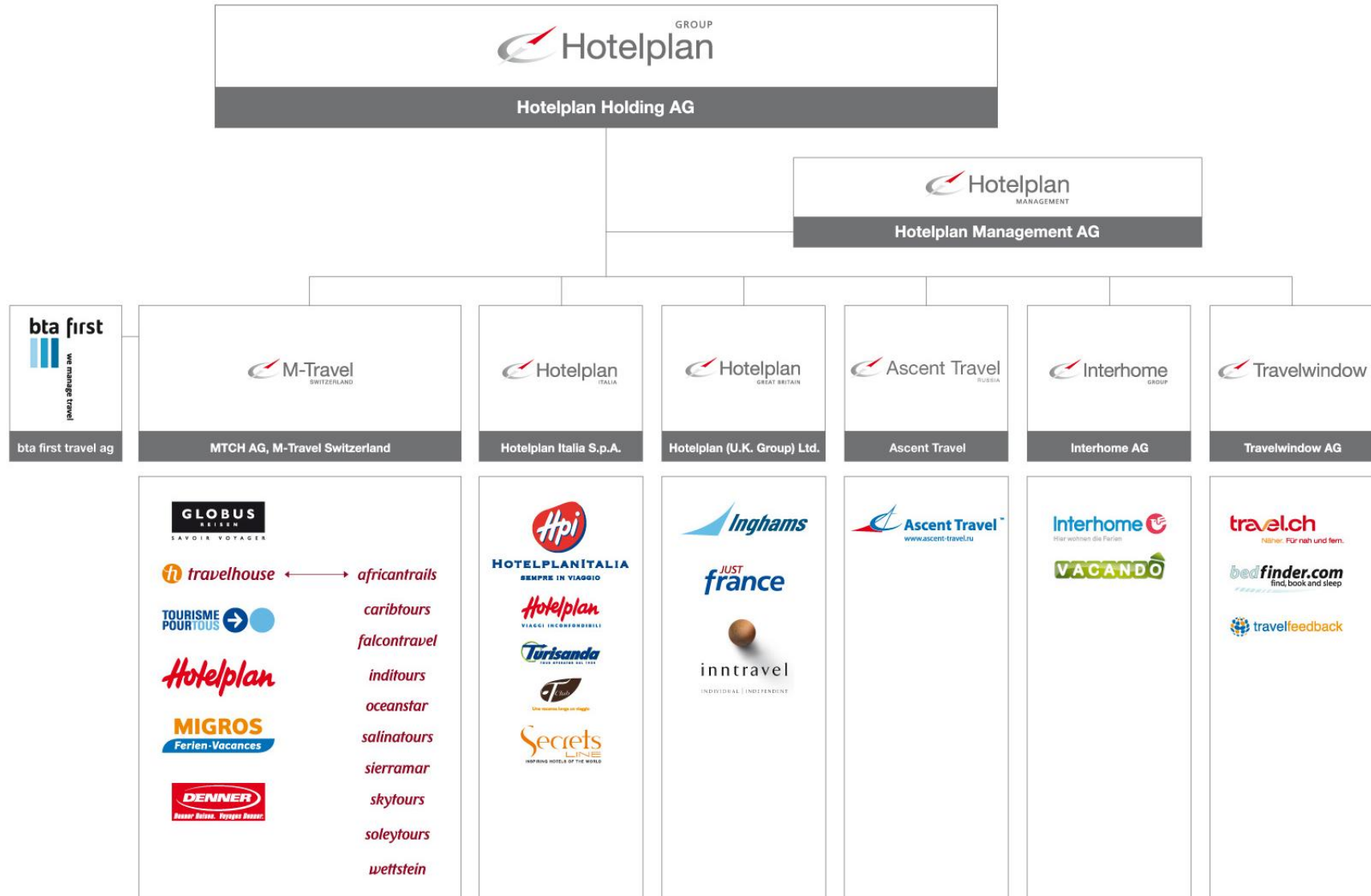
Detailed information about the individual companies and brands is available via the respective homepages, or www.hotelplan.com

Organization of the Hotelplan Group as of 01.01.2010

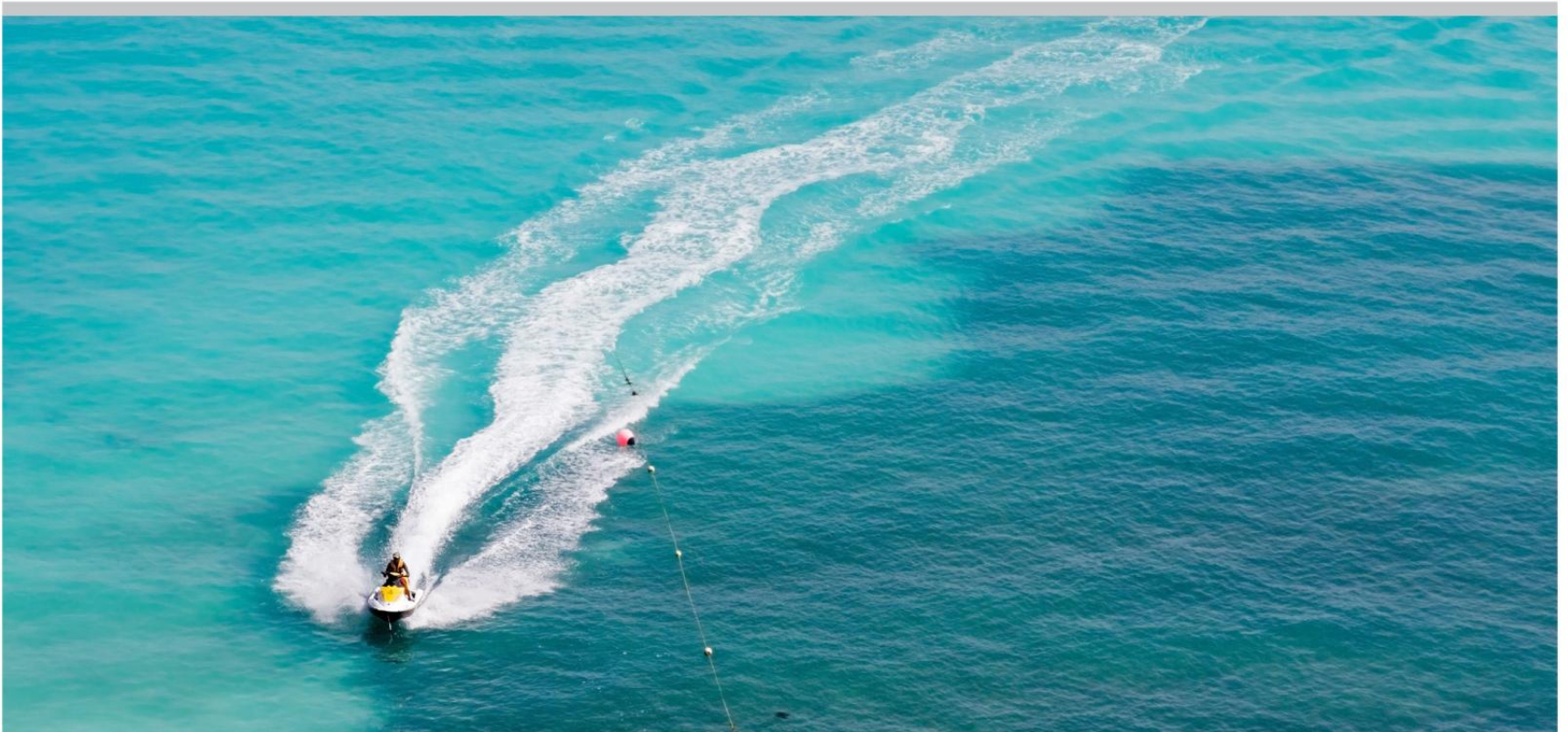


Total number of employees (2009): 2'451

Group Structure



Highlights



Overview of changes in the portfolio

	2005	2006	2007	2008	2009
Disposals	Hotelplan Holland Travel Agencies	Hotelplan Holland Tour Operating Ikaros Village 4* Hotel	Corte dei Butteri, 4* Hotel Pueblo Eldorado Playa, 3* Hotel		Belair 100% to Air Berlin
Acquisitions/ interests	Travelwindow Switzerland	Travelhouse Swiss Travel Specialist		Inntravel Soft Adventure Travel Operator Ascent Ski Mountain Specialist	bta Worldspan
Alliances			Belair and Air Berlin		
New ventures	TClub		Globus Reisen	Migros Ferien VACANDO	Secrets Line
Expanded business				Denner Reisen	

Highlights 2008 - 2009

- Operationally profitable
 - As of autumn 2008: group-wide cost-reduction programme
 - Restructuring completed
 - M-Travel Switzerland very successful with the direct brands Migros Ferien and Denner Reisen
 - Travelwindow showed record development of travel.ch
 - Hotelplan Italia – new TClubs as flagships (Maldives, Red Sea)
 - Hotelplan UK – has asserted itself in an extremely difficult market
 - Interhome – robust business model
 - Investments are paying off
 - Sale of Belair Airlines AG to Air Berlin
 - Considerable technological progress
 - Exceptionally good staff
- AVENIDA – growth strategy:
- Focus on securing profitability in existing areas of business
 - Minor acquisitions (bta first travel and Group Worldspan)

Financial highlights 2008 - 2009

- Profit & Loss statement of the group
- Operationally profitable

Turnover	CHF 1'618.0 million	PY CHF 1'927.6 million
EBITDA	CHF 7.1 million	PY CHF 41.2 million
EBIT	CHF - 21.6 million	PY CHF 13.6 million

Highlights

- Tourism is an attractive industry
- Technology – but not only!
- Investments in:
 - ▣ Innovations in traditional business model
 - ▣ New business models

Technology development as enabler for new and changing business models

Value-chain undergoing changes

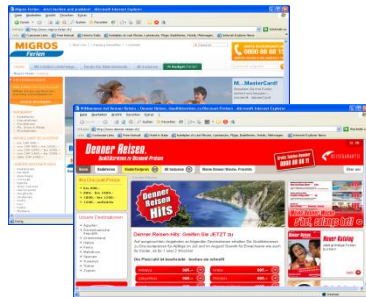


New business models (“TO under pressure”)



Denner Reisen / Migros Ferien

- Tasks in destination (via Web)
→ Time-to-Market
→ Costs
- Virtual Call-Center



Travelwindow

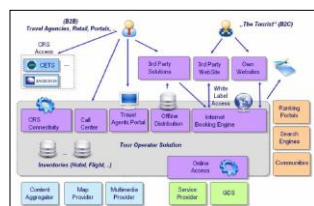
- Virtual TO (City-Trips, Dyna-Beach, ...)
- Strength of Internet & Retail combined



TO system Mythos/HIT

Increased requirements:

- Dynamic Sourcing
- Dynamic Packaging
- Dynamic Pricing
→ Travel Hub

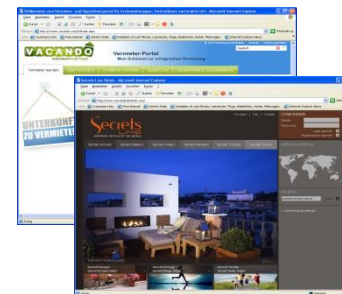


Hotels / Cars / Cruises
Low-Cost Airlines
Destination Services

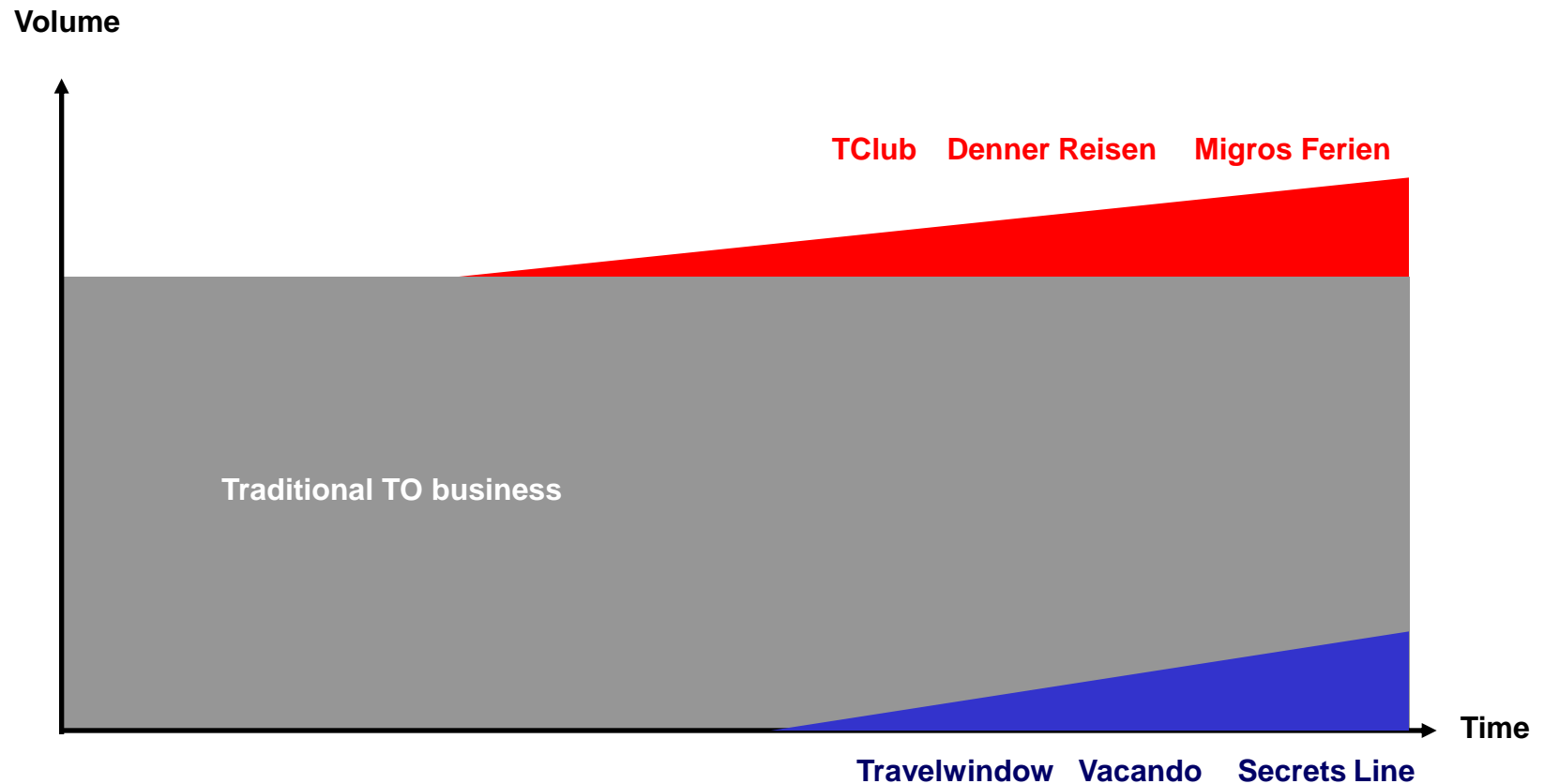
Technology development

Vacando PO / Secrets Line

- Supplier takes on classical “TO tasks”
- Access to new clients / new content thanks to Internet



Hotelplan start-up portfolio



For the 75th anniversary of Hotelplan: TClub Vakarufalhi



Comments on 2008/2009 result

- Operationally profitable
- Investments in sustainable business models
- Drastic cost reduction without endangering the long-term future

The group – financial year 2008/09

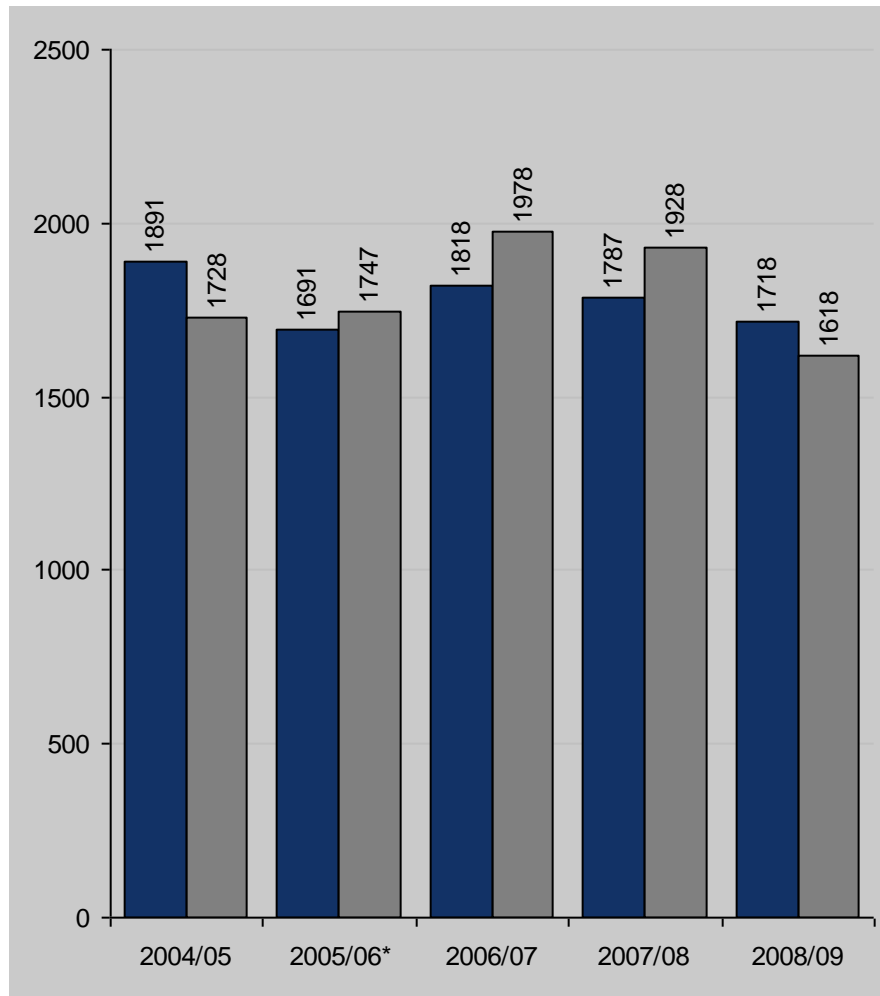


The financial year 2008/09 – highlights

- Operationally profitable
- Slight decrease of – 3.8% in number of passengers transported
- Turnover -16.1%, currency effect -5.1%
- All main SBUs have a positive EBITDAR*
- Cost saving measures amounting to CHF 31.1 million have been implemented
- Sale of Belair Airlines AG
- Acquisition of bta and purchase of minority interest in Group Worldspan, divestments in Germany and France
- Very strong balance sheet

* **Earnings Before Interest, Tax, Depreciation, Amortization and Rent**

Passenger and turnover development 5-year comparison

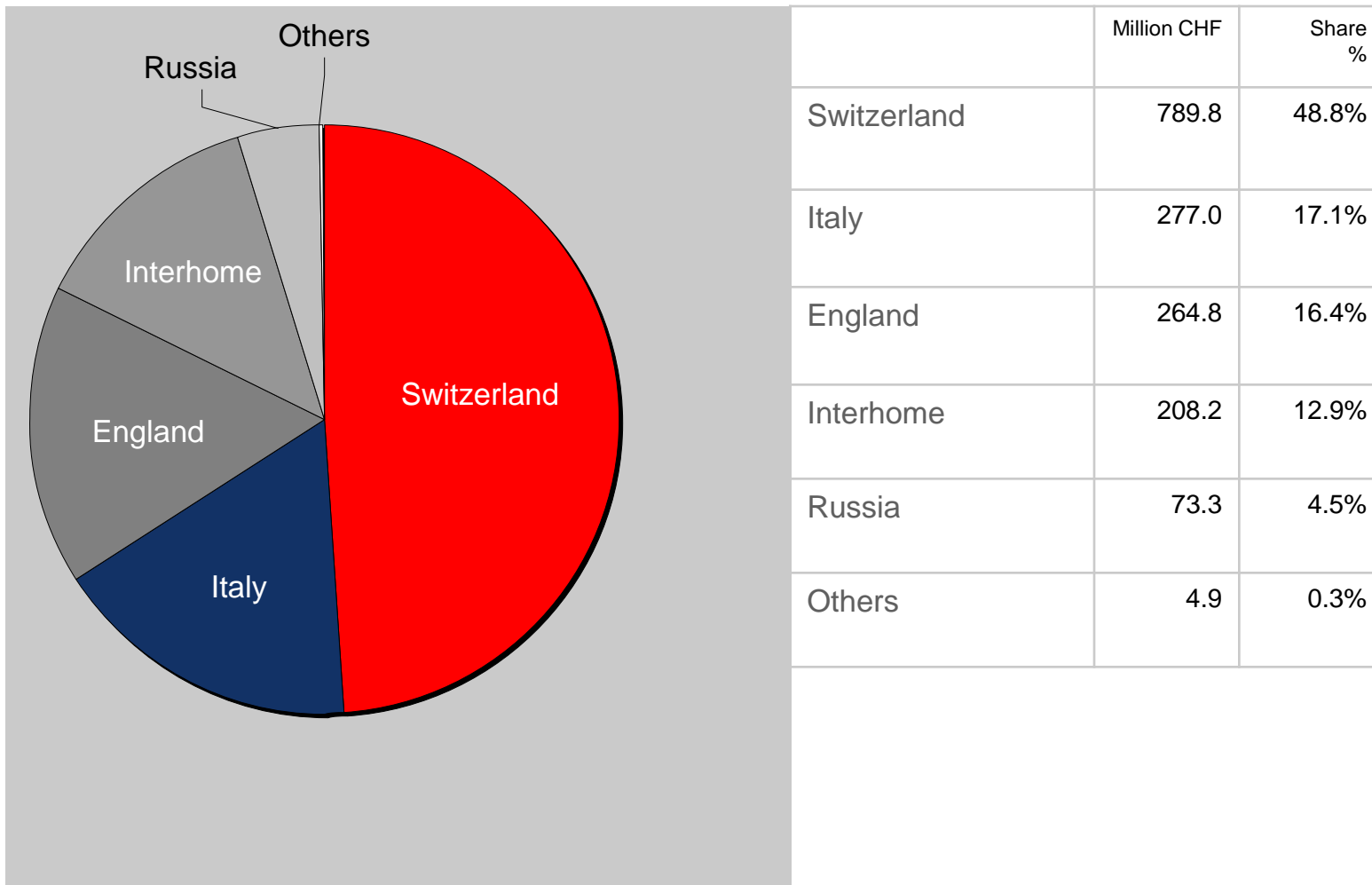


	Actual 2008/09	Development versus previous year
Passengers (in 000)	1'718	-69 (-3.8%)
Turnover (in million CHF)	1'618	-310 (-16.1%)

- People travelled but traded down
- Travelling has generally become less expensive than in the previous year
- Turnover is also influenced by currency development
(EUR\CHF -5.6%; GBP\CHF -17.8%)

* as of 2006 IFRS accounting

Turnover by strategic business units



Consolidated Profit & Loss Statement

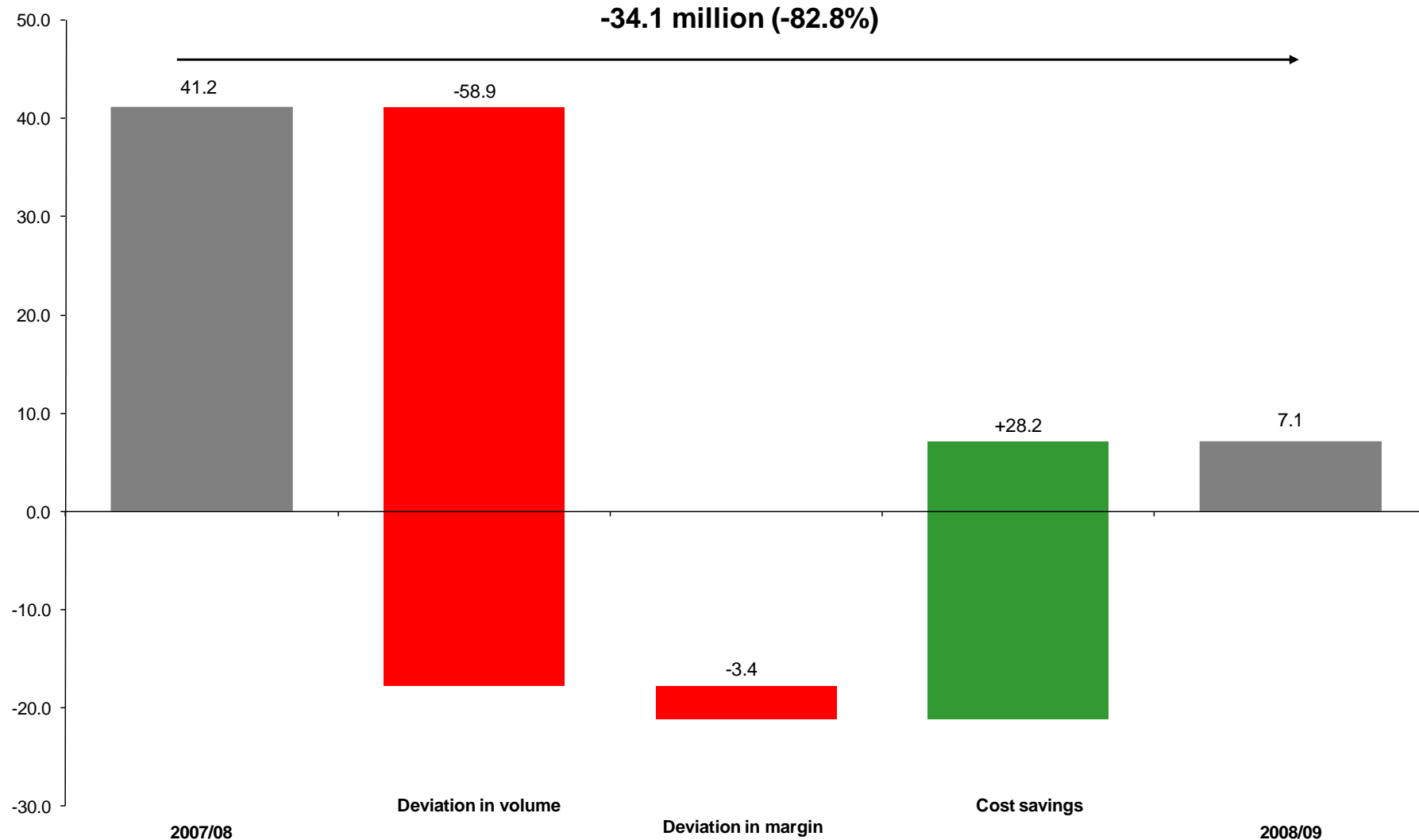
	2008/09 in million CHF	2007/08 in million CHF	Diff. vs previous year in %
Turnover	1'618.0	1'927.6	-16.1%
Gross profit	294.0	363.2	-19.1%
Operating EBITDAR *	27.7	62.8	-55.9%
Operating EBITDA	7.1	41.2	-82.8%
EBIT **	-21.6	13.6	n.a.

* **Earnings Before Interest, Tax, Depreciation, Amortization and Rent**

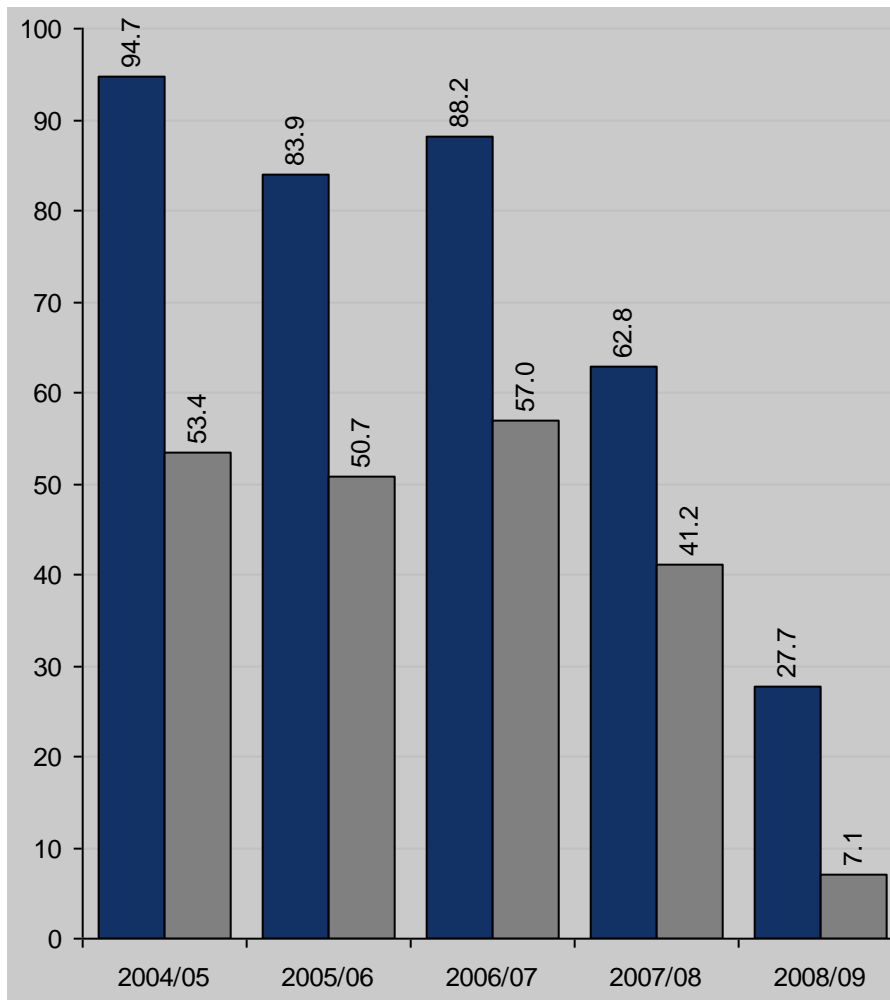
** EBIT at the level of Migros after taking into account significant transactions in November and December

Development of operational EBITDA 2008/09

in million CHF



EBITDAR/EBITDA 5-year comparison



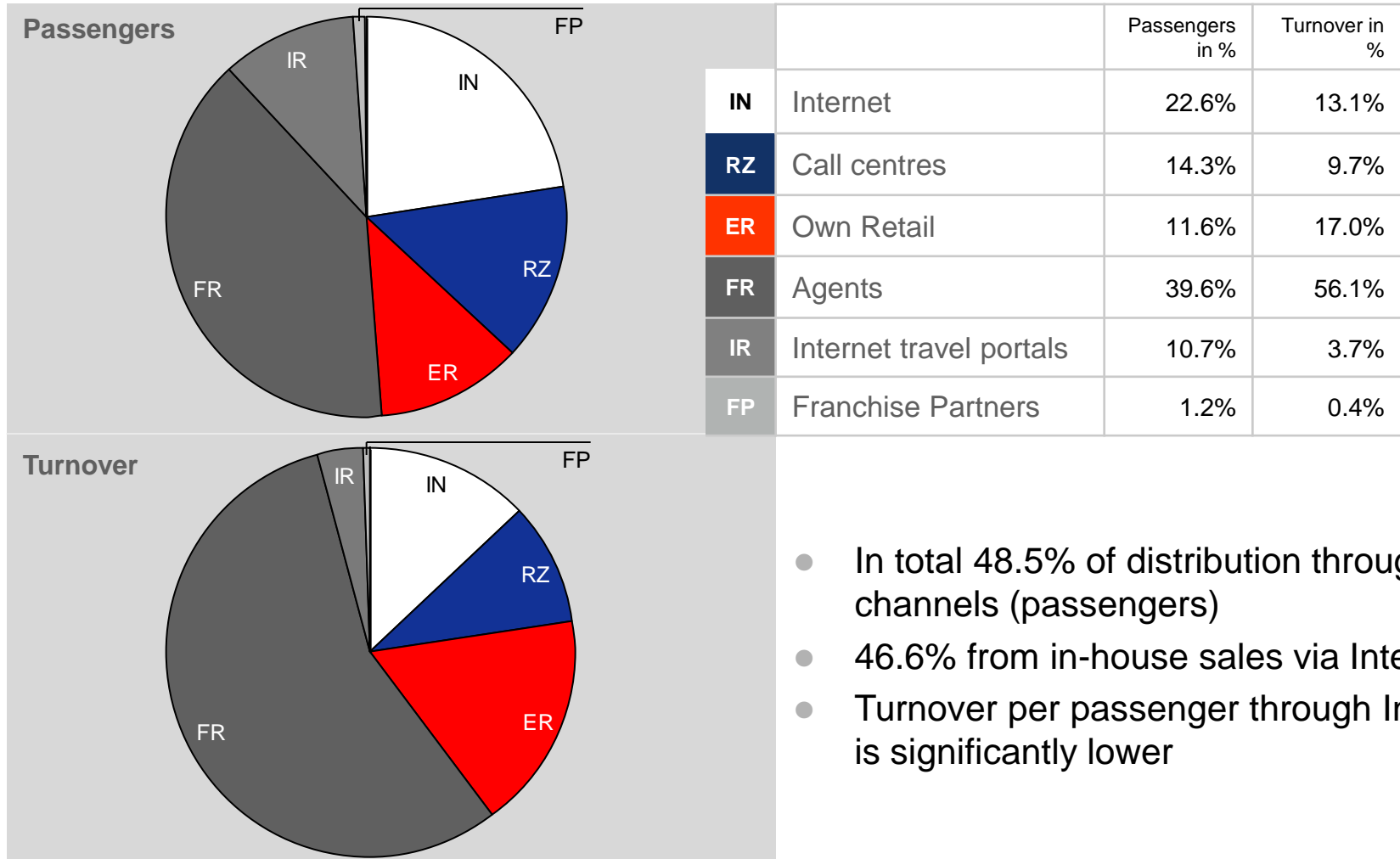
(in million CHF)		Actual 2008/09	Development versus previous year
	EBITDAR	27.7	-35.1 (-55.9%)
	EBITDA	7.1	-34.1 (-82.8%)

Balance sheet

	31.10.2009 in million CHF or %	31.10.2008 in million CHF or %	Diff. vs. previous year
Equity ratio	41.6%	38.6%	3.0%
Cash	80.3	81.2	-1.1%
Current ratio	109.4%	115.1%	-5.7%
Net working capital	24.6	50.2	-51.0%
Long-term financing to fixed- assets ratio	111.5%	119.0%	-7.5%
Ratio of fixed to total assets	43.8%	38.2%	+5.6%

- Healthy equity ratio
- Positive net working capital
- All fixed assets are covered by long-term financing
- Asset light

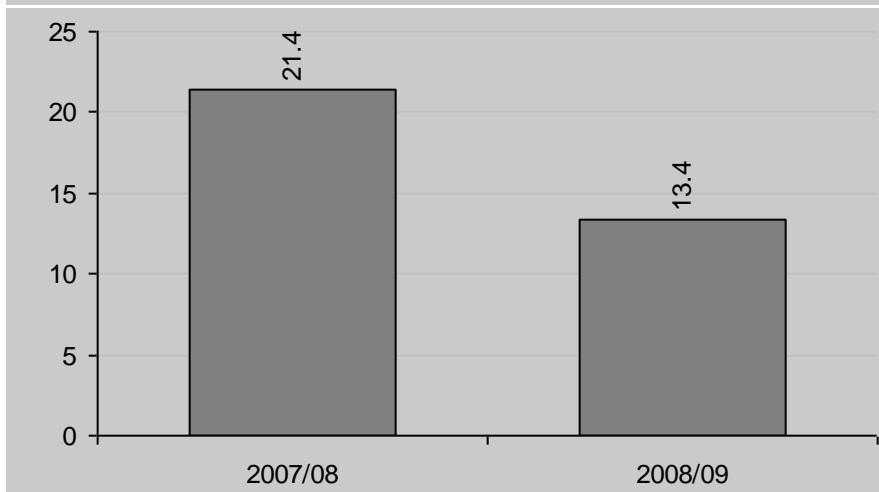
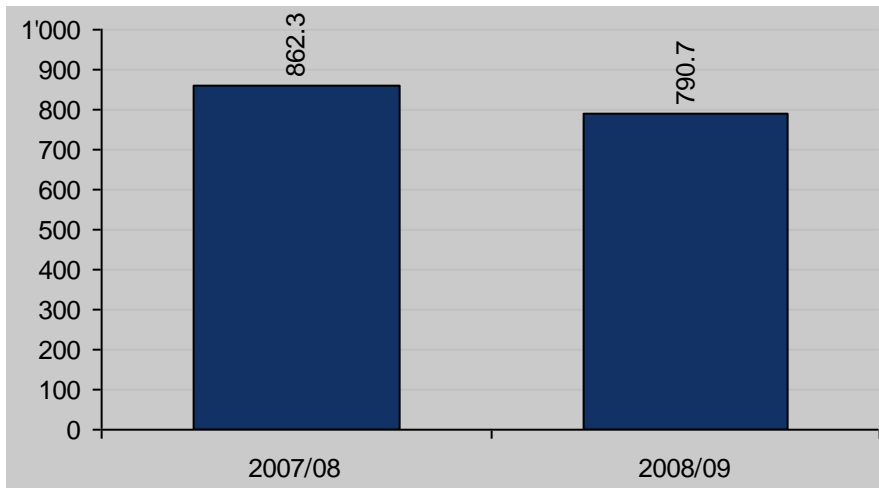
Distribution - Group



Business activity in Switzerland



Business activity in Switzerland

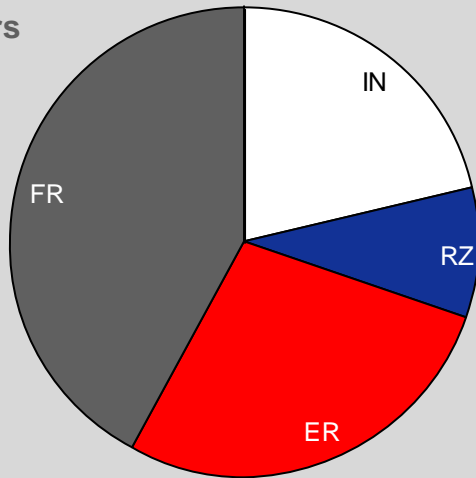


	(in million CHF)	Actual 2008/09	Development versus previous year
Turnover		790.7	-71.6 (-8.3%)
EBITDAR		13.4	-8.0 (-37.4%)
EBITDA		-1.8	-6.7 (-137.8%)

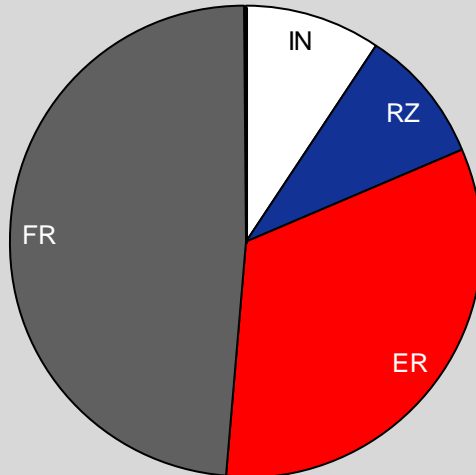
- Small operating loss
- Migros Ferien and Denner Reisen with resounding success
- Record sales by Travelwindow
- Structural changes and cost savings have been rigorously implemented, fully effective as of financial year 2009/10

Distribution - Switzerland

Passengers



Turnover



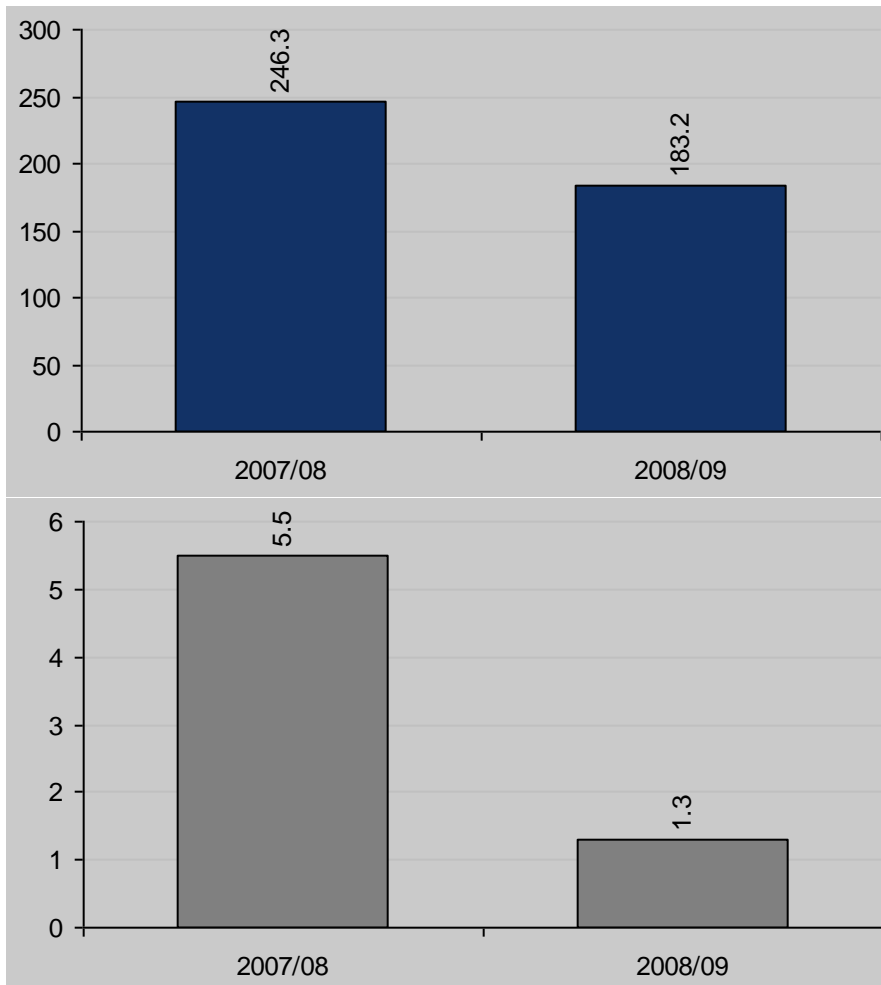
		Passengers in %	Turnover in %
IN	Internet	21.5%	9.5%
RZ	Call centers	8.9%	9.1%
ER	Own retail	27.4%	32.9%
FR	Agents	42.2%	48.6%

- In total 57.8% of distribution through own channels (passengers)
- Internet turnover CHF 98.3 million (Total Transaction Value)

Business activity in Italy



Business activity in Italy (in EURO)



	(in million EURO)	Actual 2008/09	Development versus previous year
Turnover		183.2	-63.1 (-25.6%)
EBITDAR		1.3	-4.2 (-76.4%)
EBITDA		-0.7	-4.2 (-119.7%)

- Despite of a considerable decrease in turnover, relatively small operating loss
- TClub concept was extended and will be internationalised
- Secrets Line was launched, first direct sales in Italy

Distribution - Italy

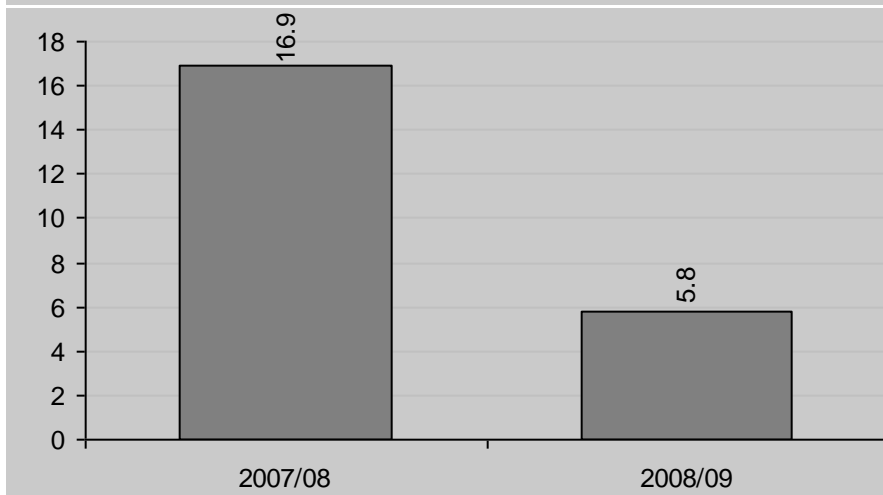
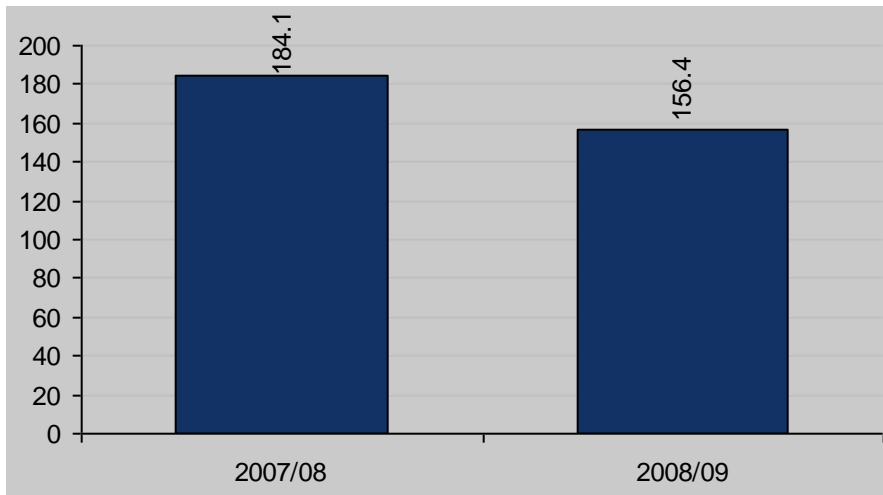


- Very good cooperation with agents
- Secrets Line first direct sales operation in Italy
- Minority interest in distribution network

Business activity in England



Business activity in England (in GBP)

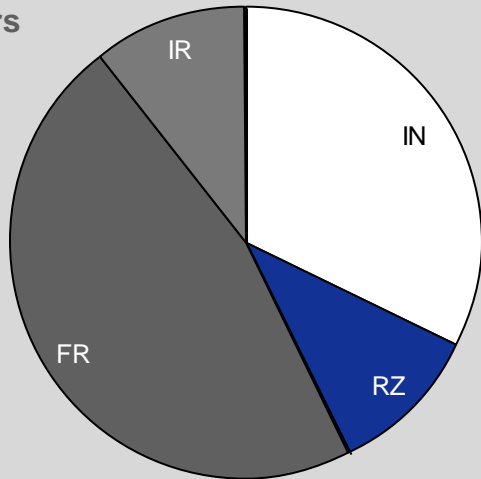


	(in million GBP)	Actual 2008/09	Development versus previous year
	Turnover	156.4	-27.7 (-15.0%)
	EBITDAR	5.8	-10.9 (-64.5%)
	EBITDA	5.5	-11.2 (-67.1%)

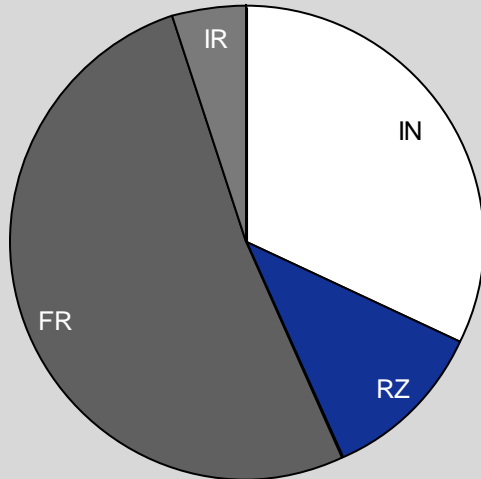
- Operationally profitable, despite of financial crisis and weakness of GBP
- Inntravel with positive contribution
- Replacement of IT system initiated, implementation of Mythos in financial year 2009/10

Distribution - England

Passengers



Turnover



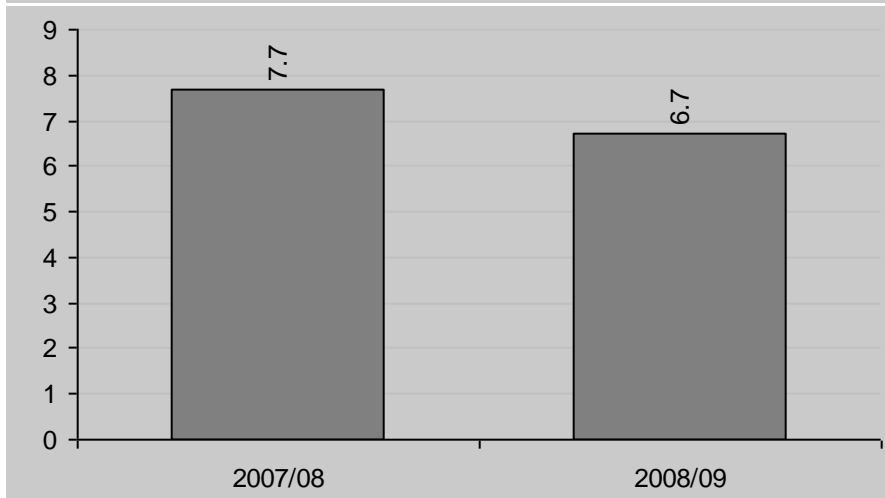
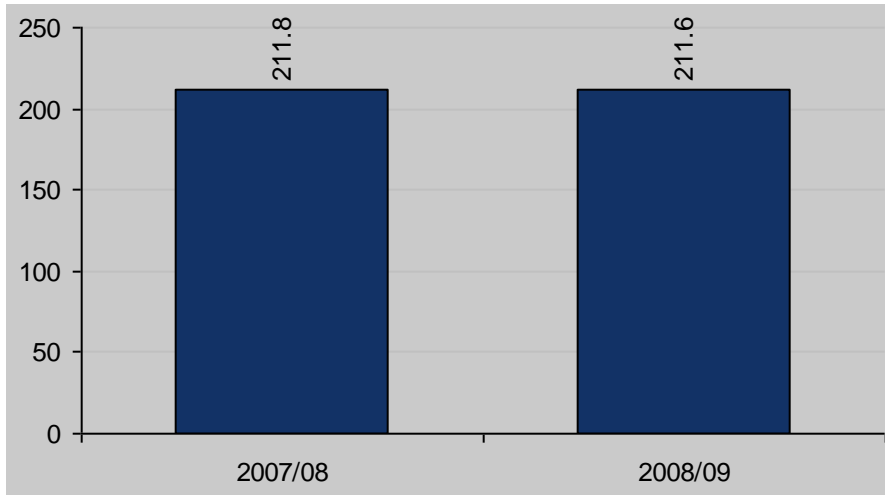
		Passengers in %	Turnover in %
IN	Internet	32.2%	31.9%
RZ	Call centers	10.6%	11.5%
FR	Agents	46.7%	51.6%
IR	Internet travel portals	10.5%	5.0%

- Very strong brand “Inghams”
- Significant direct sales operation

Business activity Interhome



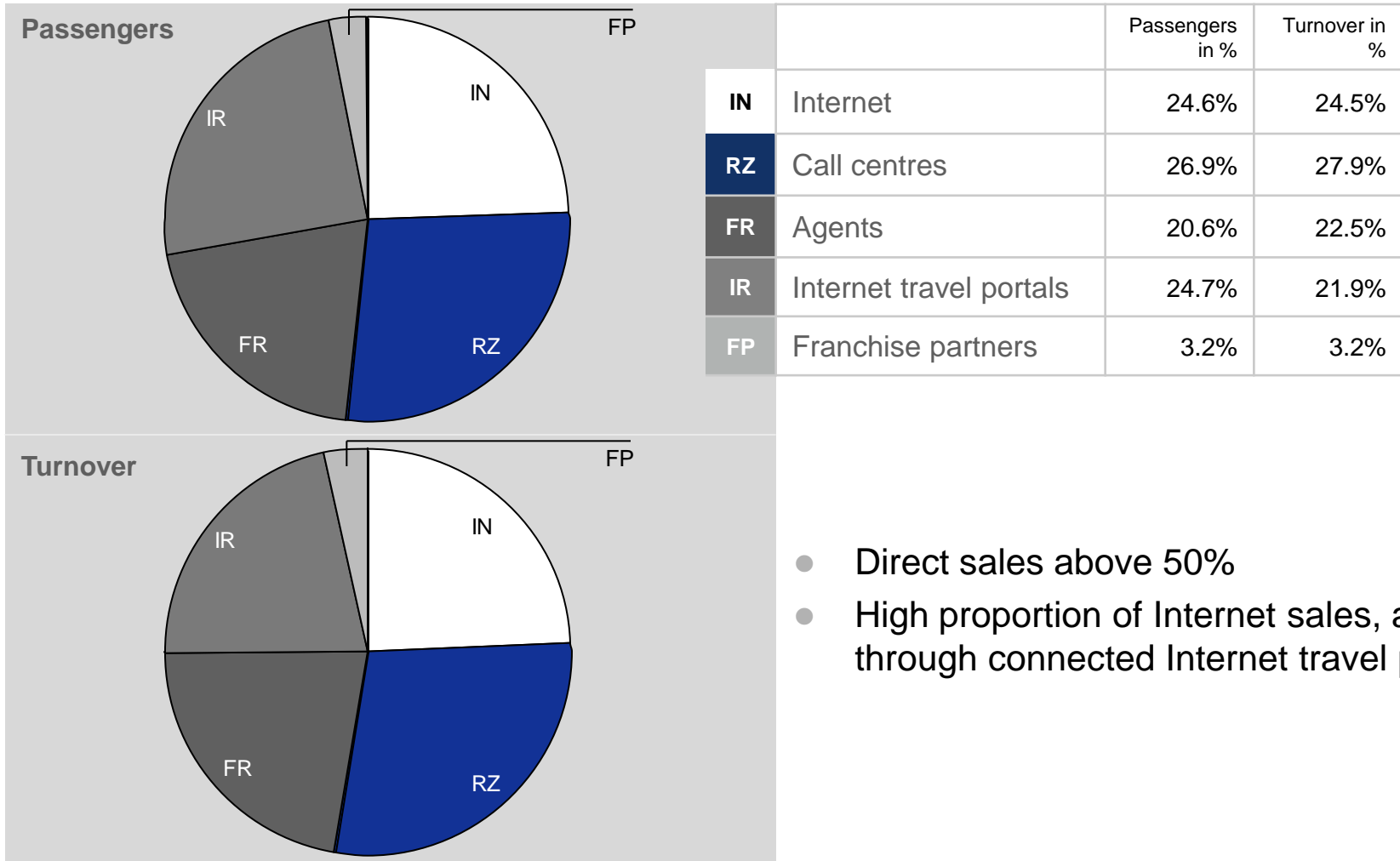
Business activity Interhome



	(in million CHF)	Actual 2008/09	Development versus previous year
Turnover		211.6	-0.2 (-0.1%)
EBITDAR		6.7	-1.0 (-13.0%)
EBITDA		4.3	-0.5 (-10.6%)

- Operationally profitable
- Crisis-proof business model
- Turnover and EBITDAR without foreign exchange rate impact significantly higher than in the previous year

Distribution - Interhome



Business activity Others



Business activity Others

- Ascent in Russia is operationally profitable
- Hotel Riviera Beach Club in Hyères (South of France) is operationally profitable
- Vacando, the Online Portal for the unorganized market in the area of Self-Catering is growing and the Cost per Order (CPO) is decreasing constantly
- Group management costs were reduced significantly

Summary 2008/09

- Operationally profitable despite the extremely adverse economic conditions
- Travelling during the reporting period again less expensive than in the previous year
- Very robust balance sheet
- Acquired companies are fully integrated and profitable
- New business models on the way
- Cost basis and capacities ready for financial year 2009/10

Outlook



Outlook for current financial year

- Current business – under still adverse conditions – meets our expectations
 - People travel – but are trading down
 - Economic situation remains uncertain
 - Considerable exchange rate fluctuations
 - Swine flu virus still causes uncertainty
 - Customer behavior: many late bookings
 - Customer confidence and the demand for strong brands is increasing!
-
- Consolidated turnover: as expected at last year's level
 - We have prepared ourselves by, among others, lowering costs and adapting capacities
 - No further restructuring measures are planned
 - Strategic projects and investments are systematically pursued

Hotelplan Management AG
Sägereistrasse 20
CH-8152 Glattbrugg
+41 (0)43 211 81 11

www.hotelplan.com

