



*Real value in a changing world*

‘Old dogs, new tricks’

Innovative ideas for recycling real estate

One Big Day  
27<sup>th</sup> February 2013



# Old Dogs, New Tricks

## Some Context

- Redundant real estate is not just a problem for the real estate industry, it faces all occupiers public or private
- Recycling redundant real estate into productive use is a key but increasingly emotive issue e.g. office to residential conversion
- Supply dynamics suggest that the issue is not going away anytime soon
- Traditional coping strategies / tactics are proving largely ineffective
- New approaches are required that are grounded in new business models that re-think real estate

# Old Dogs, New Tricks

## Our Speakers



**Roger Wade:** *Founder, creator & director of Boxpark*



**Mark Anderson:** *Commercial Property Director, Whitbread Hotels & Restaurants*



**James Layfield:** *CEO, Central Working*

# CoreNet - “1 Big Day”

Wednesday 27 February 2013

EAT SLEEP & DRINK

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Mark Anderson

Commercial & Property Director  
Whitbread Hotels & Restaurants



# Introducing Whitbread



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# Whitbread - UK's Leading Hospitality Group

Sales £1.8bn up 11%

Pre-Tax Profit £320m up 11%

Market Capitalisation £4.5bn

## Premier Inn

646 Hotels  
52,070 rooms  
82% on-line  
Clear UK market leader

## Restaurants

Unique joint site model  
392 restaurants

## Costa Coffee

2,437 stores  
28 countries  
Multi channel  
Clear market leader

One of the fastest growing FTSE 100

WHITBREAD

# Strong share price



Information correct as at 16.30 on 18.02.13

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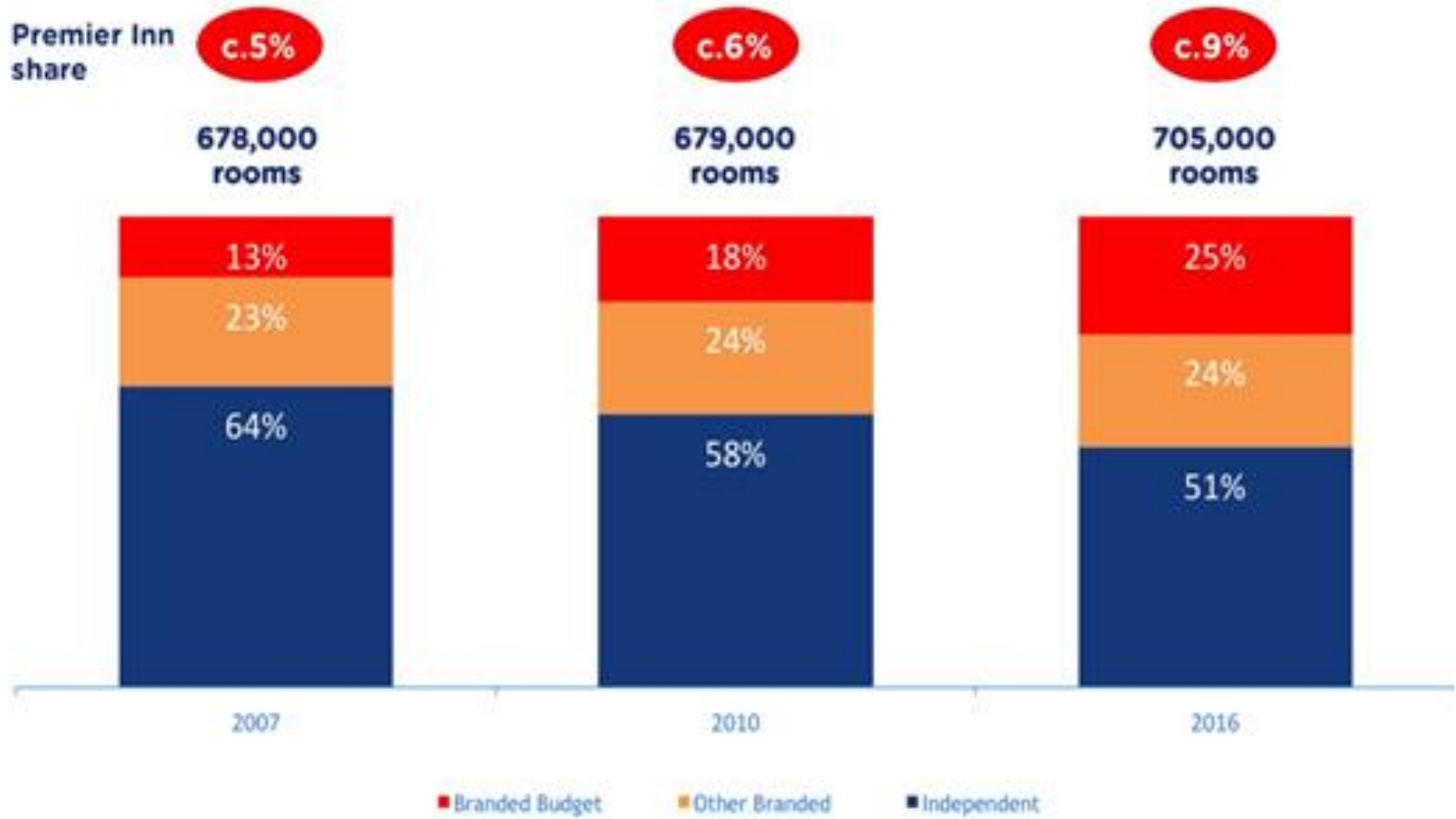


# Premier Inn - headlines

- 50,000+ bedrooms open and trading across 640 hotels
- Hotels in UK, Ireland, India, Middle East, Asia Pacific
- Strong performance - £443.5m revenue in H1 2012/13
- Revpar growth 2.3% (H1 2012/13)
- Ambitious growth plans - 4,000+ new UK bedrooms in 2012/13, over 2 million sq. ft. of new space
- *Estates Gazette* Occupier of the Year 2011
- Best mid-scale hotel of the year - British Travel Awards 2013

# Structural growth opportunity

UK hotel market



# Premier Inn growth targets

Room numbers	UK and Ireland	London
Present	50,000+	7,703
2016	65,000	15,000
2019	?	?

# Strong property proposition

- Whitbread backed covenant
- 270 years experience
- Freehold / leasehold
- Flexible formats



- Experienced and reliable partner
- Successful product
- Strong jobs story
- Footfall generator

# A solution for office stock?

- Unlocking office assets with viable alternative use
- Investment grade, 25+ year institutional leases
- Powerful ongoing investment - maintaining assets
- Assurance of FTSE-100 partner

*The future is bright, the future is hotels*



# Reinventing offices, driving value

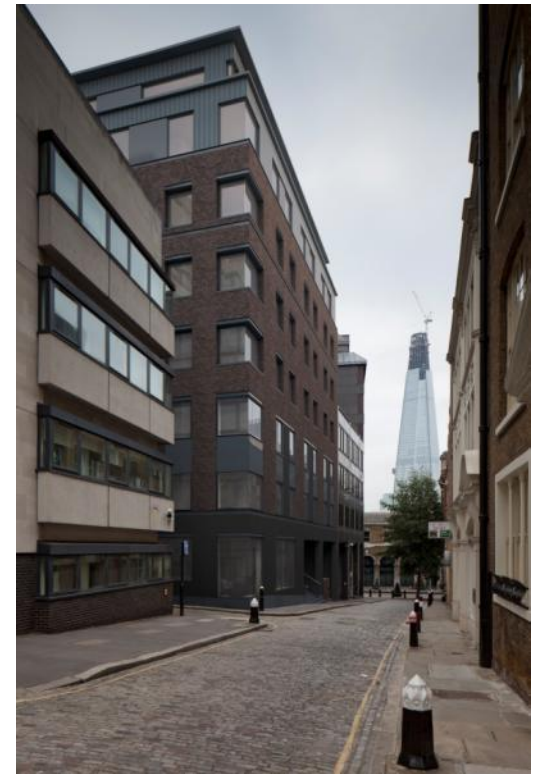


Blackfriars, London

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St Andrews House, Glasgow



St Mary at Hill, London

# Summary

- Premier Inn is growing fast
- We have a strong property proposition
- Flexible formats to suit a range of sites
- We successfully convert former offices into new hotels
- A Premier Inn hotel is a viable and commercial alternative for many corporate office buildings



# Thank you



19 May 2012 £4.90 www.estatesgazette.com

**ESTATES GAZETTE**

**Wanted.**

**6** million sq ft.

**Premier Inn has one of the biggest property expansion programmes in the UK today.**

We're already the biggest budget hotel chain in the country with more than 600 hotels. Now we need another six million sq ft of new space over the next three years.

To find out more visit [www.whitbread.co.uk/whitbread/property.html](http://www.whitbread.co.uk/whitbread/property.html)

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premierinn.com

**Wanted.**

**2** million sq ft in London and the M25.

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We're already the biggest budget hotel chain in the country with more than 600 hotels. Now we need another two million sq ft of space in London and within the M25 over the next three years. We offer:

- An excellent financial covenant
- A FTS&I 100 parent company with over 350 years' trading experience
- Competitive fees for introductions

 **Marlow Terminal 5**

 **Angel Inn**

 **Stratford**

To find out more, contact our team or visit [www.whitbread.co.uk/whitbread/property.html](http://www.whitbread.co.uk/whitbread/property.html)

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# Q&A

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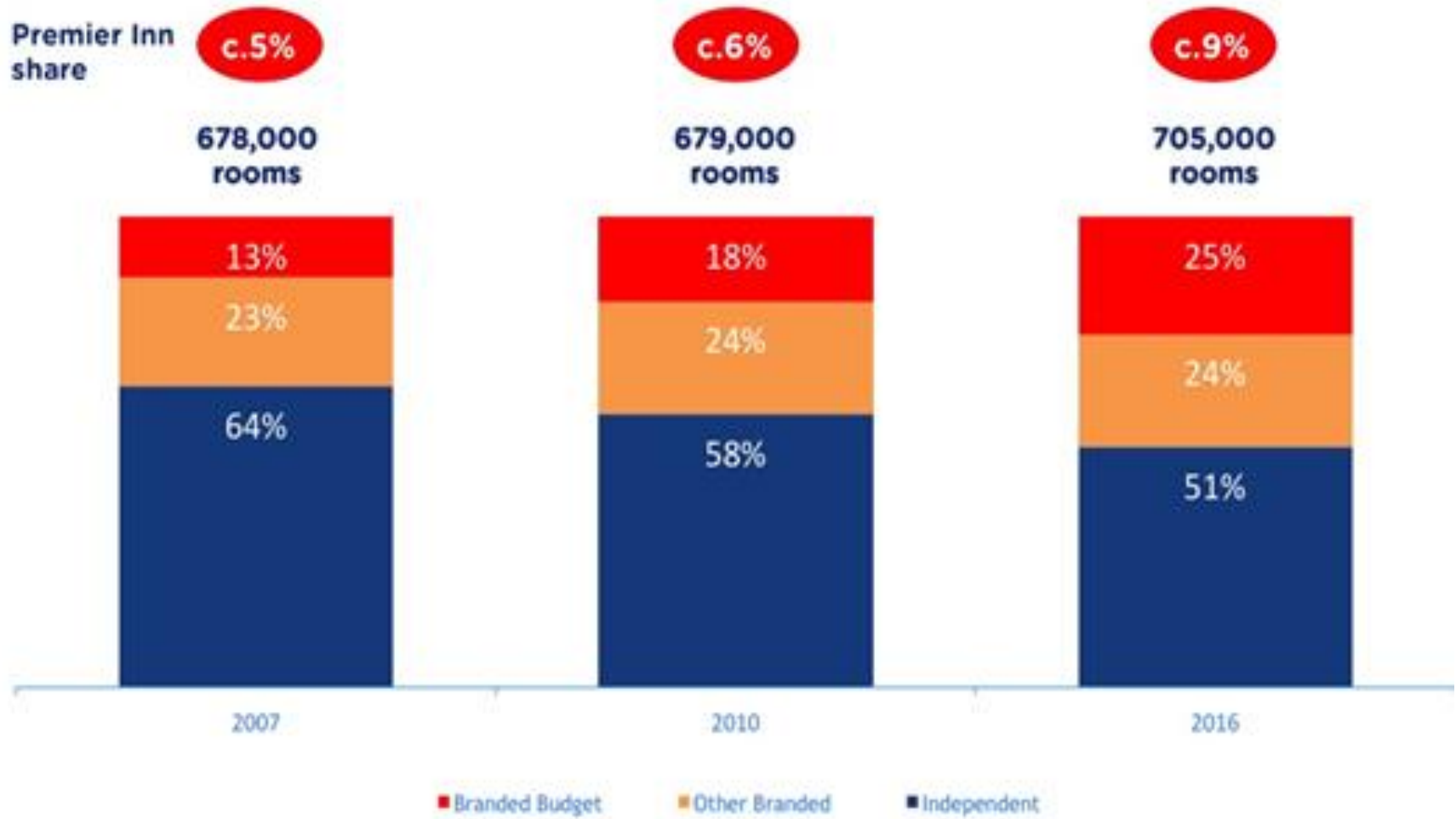
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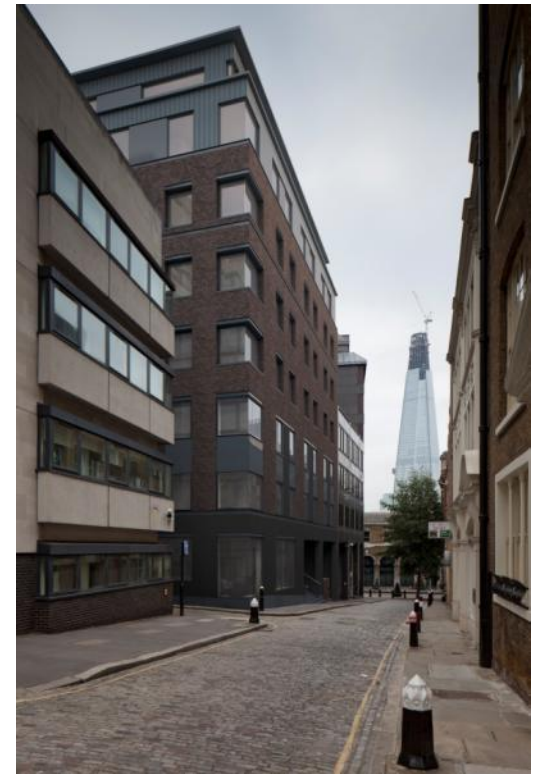
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