

## **CARLSON REZIDOR HOTEL GROUP ACHIEVES MAJOR MILESTONES IN IMPLEMENTATION OF *AMBITION 2015* STRATEGY**

NASSAU, Bahamas (Feb. 15, 2012) – [Carlson Rezidor Hotel Group](#), one of the world’s largest and most dynamic hotel groups, today reported that it has achieved major milestones in the implementation of its *Ambition 2015* strategy, especially as it relates to the rejuvenation and growth of its core Radisson® brand, the growth of its Club Carlson<sup>SM</sup> loyalty program to eight million members, and the growth of its global portfolio to more than 1,300 hotels. The announcement was made at the Carlson Rezidor Hotel Group Global Business Conference taking place this week in Nassau, Bahamas.

“Two years after launching our *Ambition 2015* strategy, our team is well on its way toward achieving our key objectives,” said Hubert Joly, president and chief executive officer, Carlson. “Our momentum continues in 2012 with more exciting news across our key priorities.”

“The Carlson Rezidor Hotel Group ranks among the top 10 largest hotel groups worldwide,” said Kurt Ritter, president and chief executive officer, The Rezidor Hotel Group. “Our joint forces allow us to globally align and develop our brands, and to focus on global revenue generating activities.”

### **Development Growth**

- Signed 84 hotels in 2011 with more than 16,600 rooms, the highest number signed in the last three years. Seventy-one percent of the new hotels signed are from emerging markets. (Click here for additional information on Carlson Rezidor Hotel Group 2011 portfolio, signings, openings and development pipeline)
- Global portfolio is now at 1,319 hotels in operation and under development. Number of rooms in operation and under development has grown to 208,500 at the end of 2011, from 202,000 at the end of 2010 and 197,000 at the end of 2009, despite the removal of close to 15,000 rooms over the last two years.
- Carlson Rezidor’s global pipeline represents 26 percent of the number rooms in operation and under development – about four times greater than the industry average, highlighting the strong growth momentum of the group. Carlson Rezidor’s growth potential is particularly strong in key emerging markets, where its pipeline equals 72 percent of the number of its hotels in operation, compared to the industry average of 10 percent.

## Brand Progress

### Radisson Blu

- Opened the Radisson Blu Aqua Hotel, Chicago, the first Radisson Blu in the U.S.
- A second Radisson Blu is under construction at the Mall of America in Minneapolis, opening in spring 2013, which will bring the North American portfolio to three Radisson Blu hotels, including the Radisson Blu Resort, Marina & Spa, St Martin.
- Expanded the Asia Pacific portfolio from one Radisson Blu property at the end of 2010 to 29 at the end of 2011.
- Radisson Blu hotels in operation grew from 192 at the end of 2010 to 229 at the end of 2011.
- In 2012, the group is expecting to open more than 30 Radisson Blu hotels.

### Radisson

- Twenty-five percent of Radisson hotels in the U.S. and Canada have completed Property Improvement Plans (PIPs), up from four percent at the end of 2010.
- Early indications of hotels' post-renovation performance show strong, initial increases in Revenue Generation Index (RGI).

### Country Inns & Suites By Carlson

- One-third of the hotels have implemented the third generation room prototype, up from 20 percent at the end of 2010.
- The brand is the first and only in the U.S. midscale segment to eliminate disposable plates, bowls, cups and utensils in favor of non-disposable items. More than 84 percent of the U.S. hotels have converted to non-disposable dining ware.

## Revenue Generation Successes

- The group's sales and marketing investments have increased 68 percent over the past two years – from USD 101 million in 2009 to USD 168 million in 2011.
- The launch of Club Carlson was a major success, increasing loyalty program membership to 8 million at the end of 2011, from 6.3 million at the end of 2010 and 5.1 million at the end of 2009.
- Global web revenue increased 22 percent over 2010, and 40 percent since the launch of the strategy two years ago.
- Stay Night Automated Pricing (SNAP), Carlson Rezidor's proprietary revenue optimization system, was rolled out globally in 2011. By the end of 2011, 87 percent of hotels worldwide were using the SNAP tool. Hotels using SNAP rate recommendations consistently see an incremental RevPAR increase of four percent on average.

## Other accomplishments

- Rezidor was named one of the Most Ethical Companies by Ethisphere for the second consecutive year.
- Radisson Royal Hotel, Moscow was awarded the top honors of World's Leading Luxury Business Hotel at the World Travel Awards 2011.
- Radisson Blu and Park Inn by Radisson won the best national and international hotel chain at the Grand Travel Awards, for the second year in a row.
- Radisson Blu was named Best Full Service Hotel Brand at the Business Travel Awards (BTA).
- Hotel Missoni, Kuwait won the "Best Hotel" at the Arabian Hotel Awards 2011.
- Park Plaza was honored with two prestigious international awards: Outlook Traveler – Best Mid-Range Hotel and Business Travel – Best Independent Hotel Chain.



## 2012 Milestones and Looking Ahead:

Looking ahead, the focus continues to be on the implementation of the *Ambition 2015* strategy.

- **Brand strategies:**
  - Group expects to add more than 30 **Radisson Blu** hotels in 2012, including of the conversion of the 13 **Radisson Edwardian** properties in the U.K. announced during the conference, and iconic hotels in key markets: Radisson Blu Plaza Hotel Chongqing Nan Bin Lu, China; Radisson Blu Resort & Spa, Ajaccio Bay, Corsica, France; Radisson Blu Hotel Doha, Qatar; Radisson Blu Istanbul, Turkey; Radisson Blu Hotel Ludhiana, India; Radisson Blu Maputo Mozambique; and Radisson Blu Nantes, France.
  - For **Radisson**, 49 percent of the North American portfolio will have completed their Property Improvement Plans by the end of 2012.
  - Investments committed to the elevation of the **Radisson** brand in the U.S. now exceed USD 600 million.
  - For **Country Inns & Suites<sup>SM</sup>**, additional dining options will be launched during the year, including a Grab & Go snack program.
- **Development:**
  - The group expects to open **90 new hotels** with more than 15,000 rooms during 2012. (Click here for overview on the group's expected openings in 2012).
- **Revenue Generation:**
  - Carlson Rezidor will continue to focus on generating more than USD 400 million in incremental revenue and a Revenue Generation Index (RGI) increase of more than nine points by 2015.
  - The group announced during the conference that it is partnering with U.S. Bank to launch a **Club Carlson Visa credit card** in the fourth quarter of 2012.

### About Carlson Rezidor Hotel Group

[Carlson Rezidor Hotel Group](http://www.carlsonrezidor.com) – born in early 2012 – is one of the world's largest and most dynamic hotel groups. The portfolio of the Carlson Rezidor Hotel Group includes more than 1,300 hotels, a global footprint spanning 81 countries and territories, a powerful set of global brands (Radisson Blu, Radisson®, Park Plaza®, Park Inn by Radisson, Country Inns & Suites By Carlson<sup>SM</sup> and Hotel Missoni). In most of the group's hotels, guests can benefit from the loyalty program Club Carlson<sup>SM</sup>, one of the most rewarding loyalty programs in the world. Carlson Rezidor Hotel Group and its brands employ more than 80,000 people.

Carlson Rezidor Hotel Group is headquartered in Minneapolis, Minn., and Brussels, Belgium.

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