

December 2015



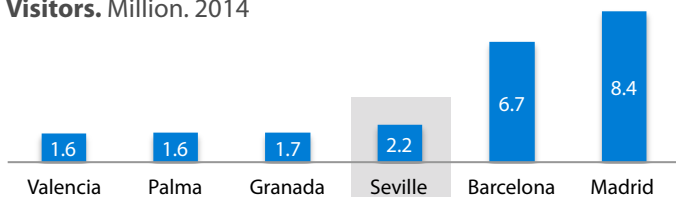
Market Summary

Seville is the third most visited city in Spain after Madrid and Barcelona, with 2.1 million visitors, and the fourth in number of hotel nights sold (4.1 million). Overnights have strongly increased since 2009 (+31%), but the number of hotel beds also grew +14% in the period 2009-14. Occupancy is today at 62%, and ADR is the fourth among urban Spanish destinations, with 74.6 €. The historic city centre still hosts a relevant number of independent hotels, with most of the large chains lagging presence in this appreciated area.

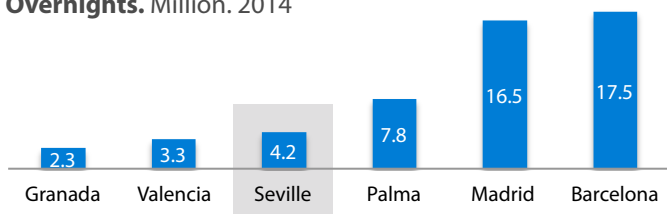
Visitors and overnights

Seville is the third most visited city in Spain, after Madrid and Barcelona

Visitors. Million. 2014

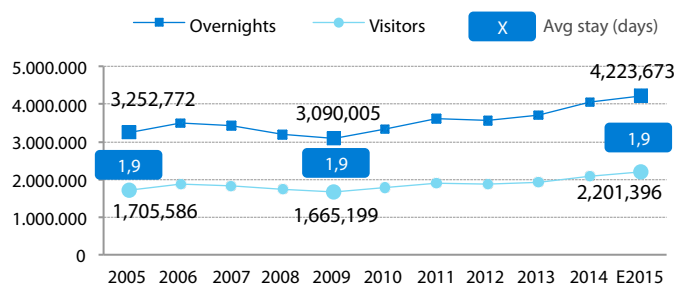


Overnights. Million. 2014



Source: Aninver's analysis of data from INE. Only urban destinations

Evolution of visitors and overnights. 2005-E2015

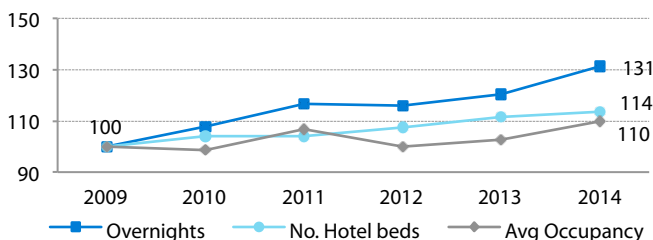


Seville is the third most visited city in Spain after Madrid and Barcelona, with 2.1 million visitors, and the fourth in number of hotel nights sold (4.1 million). After several years of low growth, the number of visitors and overnights have strongly recovered in 2014-15.

Source: Aninver's analysis of data from INE. Aninver's forecast for 2015

Demand vs. Supply

Evolution of overnights, hotel beds and occupancy 2009-2014. Basis 100 = 2009



Source: Aninver's analysis of data from INE

“Overnights have strongly increased since 2009 (+31%). This growth has overcome the increase in the hotel supply of the city: the number of hotel beds grew +14% in the period 2009-14. As a result, occupancy is today at 62%, and ADR is the fourth among urban Spanish destinations (74.6 €). Hotel supply will probably continue to increase in the short term, limiting the necessary growth of occupancy rates to shape a more profitable hotel sector.”

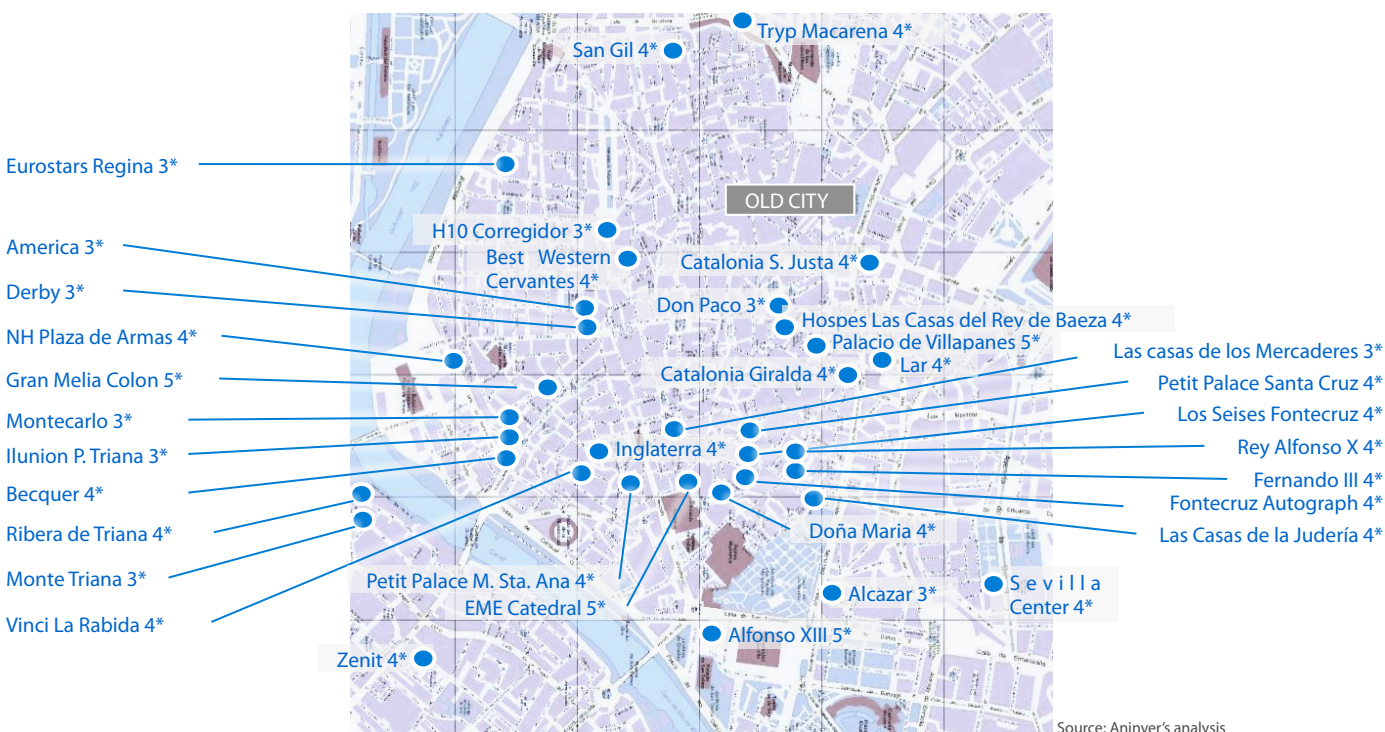
Main parameters of the 10 largest Spanish Cities

2014 Figures. 3 to 5 star hotels only

ADR (€)		Occupancy (%)		RevPAR (€)	
Barcelona	109.60	Palma	75.70	Barcelona	80.70
Madrid	79.20	Barcelona	73.60	Palma	58.20
Palma	77.00	Málaga	71.00	Madrid	52.90
Sevilla	74.60	Las Palmas	67.50	Málaga	51.10
Bilbao	73.00	Madrid	66.80	Sevilla	46.30
Málaga	72.00	Bilbao	63.50	Bilbao	46.30
Valencia	66.50	Sevilla	62.10	Las Palmas	44.50
Las Palmas	65.90	Valencia	61.10	Valencia	40.60
Zaragoza	49.70	Zaragoza	46.10	Zaragoza	22.90
Murcia	46.80	Murcia	45.00	Murcia	21.10

Source: Aninver's analysis of data from Exceltur

Current hotel supply and projects



Source: Aninver's analysis

Hotel projects and potential locations

Project/location	Hotel operator	No. Rooms	Category
Torre Pelli	Hotusa	159	5*
Hotel Capuchinos	Unknown	32	4*
Palacio Sevilla 09	One Shot Hotels	80	4*
Hacienda Boticaria*	Unkonwn	133	5*
Plaza de la Encarnacion	Unkonwn	Unk.	4-5*
Calle Mariana Pineda	Masverde Hoteles	Unk.	2*

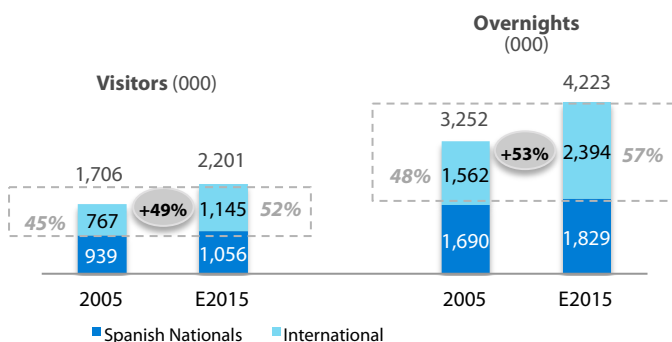
* Refurbishment
Source: Aninver's analysis

Current hotel supply in Seville consists of 197 hotels, approx. 11,000 rooms and 20,180 hotel beds. Over the past few years, the number of hotel beds has increased (+14% in the period 2009-14). Main hotel chains with presence in the city are: Melia Hotels International (3 hotels / 991 hotel rooms), NH Hotel Group (4/854), Hoteles Silken (1/623), TRH hoteles (2/502), Vertice Hoteles (4/470), Hotusa (4/406), Accor Hotels (3/356) and Wyndham Hotels Worldwide (1/295).

The historic city centre still hosts a relevant number of independent hotels, with most of the large chains lagging presence in this appreciated area. Franchise schemes can be an useful tool to increase presence in the historic centre, given that international tourists account for 57% of all overnights.

Other key aspects

Relevance of international tourists. 2005-E2015



During the last decade Seville has become a more international tourist destination. Overnights by international tourists account for 57% in 2015, representing a growth of +53% in the period 2005-E2015.

Source: Aninver's analysis of data from INE. Aninver's forecast for 2015

Seville vs Malaga: key parameters

	Seville	Malaga
Overnights (E2015)	4.2 Mi.	2.2 Mi.
International overnights (E2015)	57%	57%
CAGR* overnights 2009-14	+6.5%	+9.5%
Hotel supply: No. beds (2014)	20,180	9,823
CAGR hotel supply 2009-14	+2.8%	+1.7%
Occupancy (2014)	62%	71%
ADR (2014)	74.60	72.00
RevPAR (2014)	46.30	51.10
CAGR RevPAR 2010-14	+1.5%	+6.0%

* CAGR = Compounded Annual Growth Rate

Source: Aninver's analysis of data from INE and Exceltur. Aninver's forecast for 2015



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Hotusa 5* Torre Pelli

The hotel will occupy the top floors of the tower (with 69,000 sqm, 37 stories and 180 meters high, the highest building in Andalusia), particularly from the 25th floor to the 37th. The hotel will have 159 rooms, a panoramic restaurant, gym, spa, meeting and convention space and a viewing deck with catering service on the 37th floor. The developer of the Pelli Tower, Puerto Triana (Caixabank), is currently performing works to get final permits after the unfavorable resolution of the Tourism Board. The Spanish hotel chain Hotusa will manage the hotel under a lease contract.



About us

- Aninver Hospitality Advisors is a boutique advisory firm working for institutional investors, hotel chains and independent hotel owners on multiple kinds of consulting assignments: strategy, international expansion/business development, asset and project management, special projects and asset divestments.
- We are part of Aninver InfraPPP Partners, a business advisory and market intelligence group based in Malaga but working globally for relevant public and private clients.
- If you are interested in discussing this market report or any potential business opportunity please contact our team.

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