



21 January 2016

easyHotel plc
("easyHotel" or the "Company")

**Trading update &
Conditional acquisition of a property in Birmingham**

easyHotel, the owner, developer, operator and franchisor of "super budget" branded hotels, announces at its Annual General Meeting to be held today a trading update to date. Trading is in line with the Board's expectation in both its owned and franchised hotels.

The Group has continued to make good progress in building both its owned and franchise development pipeline.

Owned hotel development pipeline

- Planning permission was granted for a 77-room owned hotel at 47 Castle Street in Liverpool and for a 116-room hotel at Bradley House in Manchester. Both freehold properties are now owned and the hotels are expected to open in 2016/2017 financial year.
- The acquisition of land in L'Hospitalet de Llobregat, Barcelona has been agreed, subject to planning consent, for a new build 200-room easyHotel. The hotel is expected to open in 2018.
- A freehold building in Ipswich was conditionally acquired to convert into a 94-room easyHotel, which is expected to open in 2017.

Franchised hotel development pipeline

- A Master Development Partnership has been signed with MAN Investments LLC for the development of easyHotels in the UAE and Oman, with an initial target of 600 rooms by 2017. Following these openings, MAN Investments is targeting at least 1,600 rooms by the end of 2020.
- easyHotel's Benelux franchisee secured financing for the development of a 107-room easyHotel in Brussels, Belgium, which is expected to open by early 2017.

Conditional acquisition of a property in Birmingham

Today, easyHotel announces it has conditionally acquired the 125 year leasehold of 81-91 John Bright Street in Birmingham, which it intends to convert into an easyHotel. The purchase of the property is subject to easyHotel obtaining planning consent for a hotel.

The property is situated in the heart of the city centre, 120 metres from the new entrance to Birmingham New Street Station and 500 metres from the Bullring shopping centre and is surrounded by an array of popular shops, bars, restaurants and other local attractions. The Group plans to convert the building into an 84-room easyHotel, which is expected to open in 2017. Total cost of the purchase and conversion of the building will be approximately £4.5 million.

Commenting on today's announcement, Guy Parsons, Chief Executive Officer said:

"We are delighted to be investing in the UK's second largest city. Along with its six universities and internationally reputed arts scene, Birmingham is also the UK's fourth largest tourist destination, with 34 million visitors in 2014. We see significant opportunity for easyHotel to service business customers and leisure visitors to Birmingham's lively events programmes and look forward to building our brand presence in the city.

"In line with the strategy, the current financial year to date has seen an acceleration in both the owned and franchised hotel development pipelines as the Company continues to establish itself as the leading branded super budget chain."

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Notes to Editors:

easyHotel is the owner, developer, operator and franchisor of branded hotels. Its strategy is to target the "super budget" segment of the hotel industry by marketing "clean, comfortable and safe" hotel rooms to its customers. Website: www.easyHotel.com

Operating hotels

easyHotel's owned hotels currently comprise 390 rooms, and it has a further 18 franchised hotels with 1,490 rooms.

Owned hotels:

Old Street (London), Glasgow, Croydon.

Franchise locations:

Bulgaria (Sofia), Czech Republic (Prague), Germany (Berlin, Frankfurt), Hungary (Budapest), The Netherlands (Amsterdam, Rotterdam, The Hague), Switzerland (Basel, Zurich), UAE (Dubai), UK (Edinburgh, London).

Hotel development pipeline

The Group's development pipeline of owned and franchised hotels currently consists of:

Owned hotels:

Barcelona (Spain), Birmingham (UK), Ipswich (UK), Liverpool (UK), Manchester (UK)

Franchise hotels:

Brussels (Belgium), Middle East (UAE & Oman)