

Hotel Development in Berlin

A developer specialised in hotel properties

- founded as GBI GmbH & Co. KG in 2001; since May 2007 a joint-stock company. Associates: The Mendelssohn Foundation and Frankonia Vermögensverwaltungs- und Beteiligungsgesellschaft GmbH (asset management and investment).
- starting with the prize-winning Siemenshöfe Mövenpick Hotel in 2001 to the Park In Nuremberg completed in 2008, GBI has managed a total investment volume of more than EUR 450 million (incl. secured developments)
- currently, four hotel projects are under construction representing a volume of approximately EUR 73 million (**Motel One Berlin 2x**, TUI Iberotel Lake Fleesensee, Citadines Munich Arnulfpark); start of works at Motel One Palaisplatz, Dresden, & Motel One Spittelmarkt, Berlin, in late summer 2009.
- offices in the cities of Erlangen, Berlin, Hamburg, Kassel und Cologne
- The company has 25 employees; of those, 10 persons work in acquisition and marketing for new hotel projects. The associate company PBMG comprises also around 25 architects and engineers.

Two reference projects of GBI AG in Berlin

Moevenpick Hotel



Category: 4-Star Superior
Plot of land: 4,314m²
GFA a. gd. 20,825m²
Rooms: 243
Completion: Jan. 2004

Motel One An der Urania



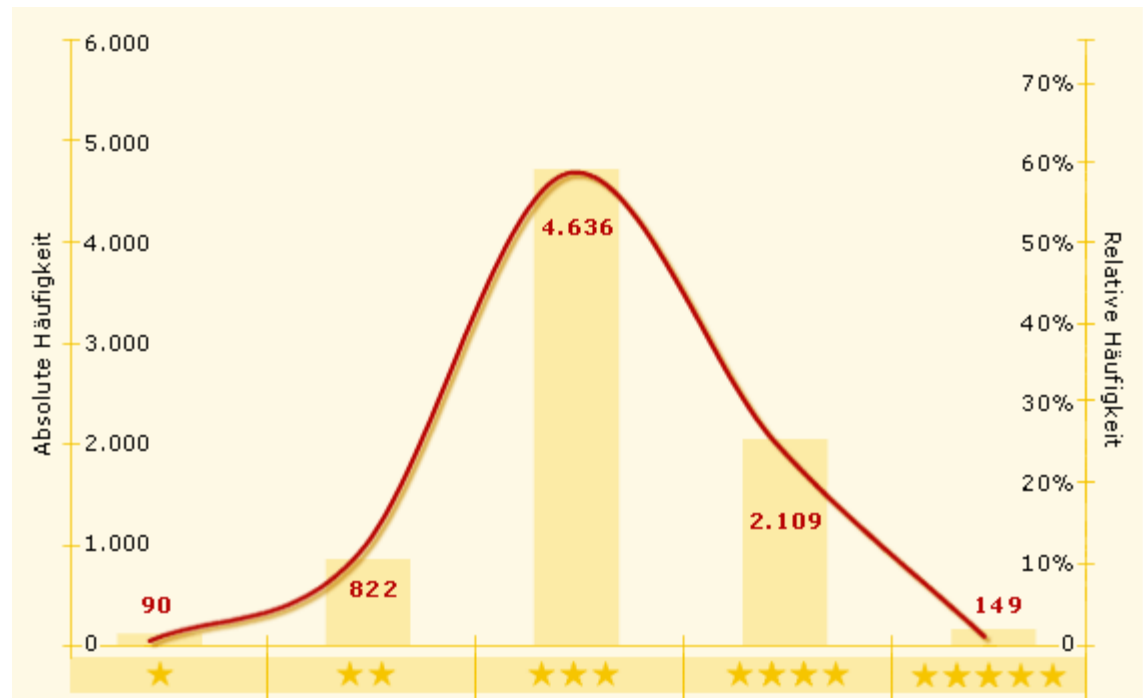
Category: 2-Star
Plot of land: 2,600m²
GFA a. gd. approx. 11,500m²
Rooms: ca. 410
Completion: End of 2009

We love hotels

Allocation of “stars“ in Berlin:

- 1-star 3
- 2-star 31
- 3-star 105
- 4-star 82
- 5-star 14

Allocation of “stars“ Germany-wide

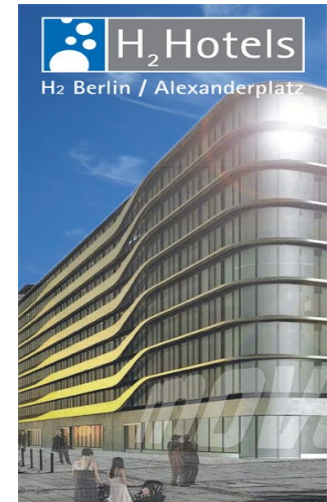


Source: www.hotelsterne.de

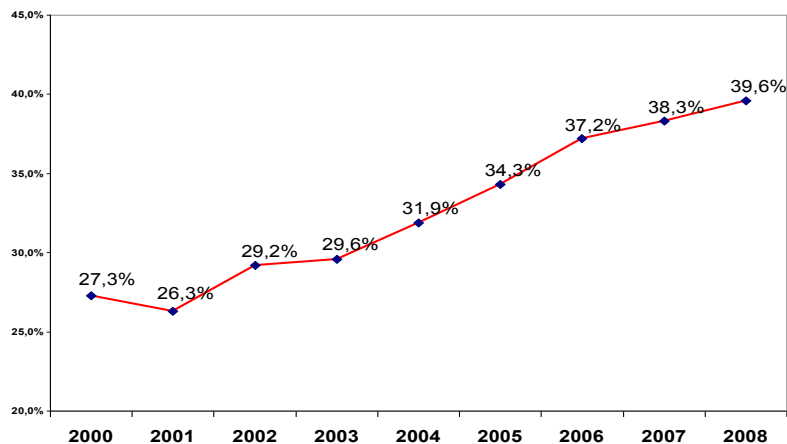
(Stand Januar 2008)

Why Berlin?

- o Berlin is the capital and one of the “Big Seven“ in Germany – city of culture, art, fashion, media and congress-city No2 worldwide
- o Well-balanced ratio of leisure-time visitors and business travellers.
- o High share of foreign visitors / participants in conferences and congresses.
- *A “show room“ ideally suited for introducing new players to the market and to new brands.*
- o Still relatively favourable property prices and opportunities for obtaining investment grants
- o Currently low RevPAR yet a good potential for growth

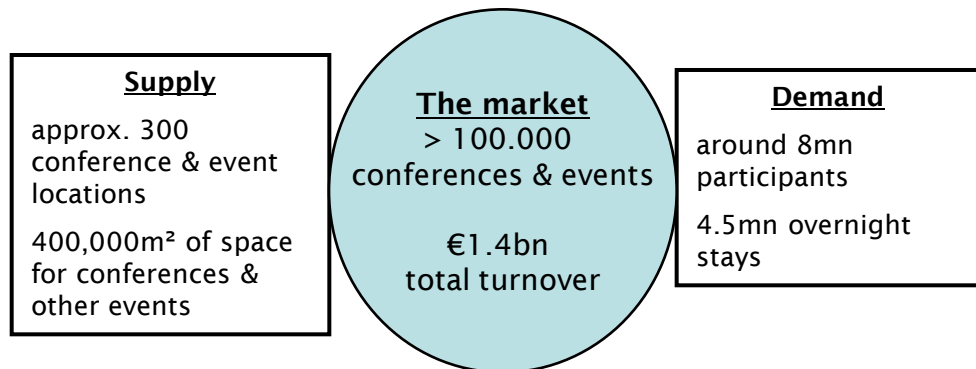


Share of foreign visitors



Source: Dr. Lübke, Statistical Office of Land Berlin

Indices of Berlin's conference & congress market 2008



Source: ghh consult 2009

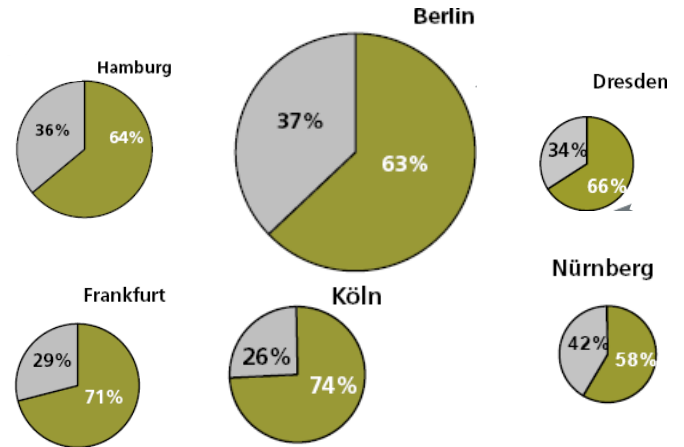
Part two – assessment

Chain hotels industry vs. privately-run hotels

Destructive competition
(ratio of room distribution
and enterprises)

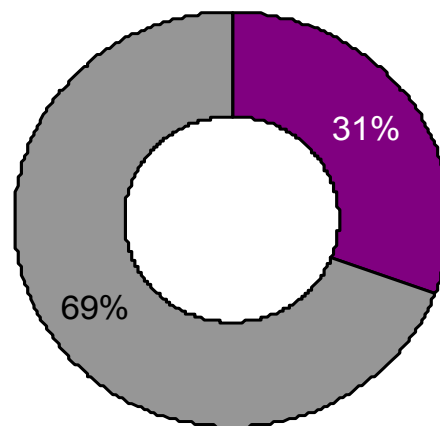
© hotelbiz consulting 2006

Percentage share of privately-run and chain hotels in the total number of rooms in businesses with more than 20 rooms according to the 2006 Accomodation Register.



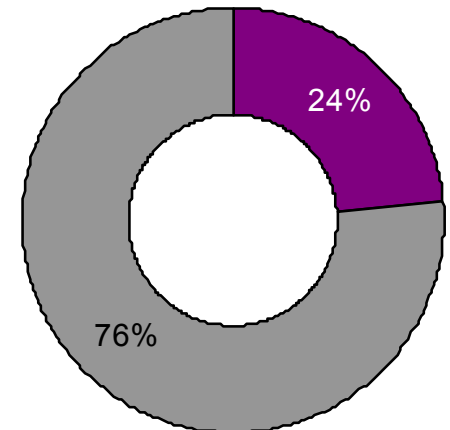
Proportional distribution of chain hotels and privately-run hotels related to the **total number of the properties**

Analysis by STIWA
2007



Duesseldorf

■ Kettenhotels ■ Privathotel



Cologne

■ Kettenhotels ■ Privathotel

→ Many of the SMEs are too small and will not survive economically in the long run

Many thanks for your kind attention

GBI AG

Uhlandstraße 7-8

10623 Berlin

Telefon : + 49 (0)30 31 99 87 - 0

Telefax : + 49 (0)30 31 99 87 - 99

Please also visit our website www.gbi.ag