



Hilton Belgrade

# Finance - Controlling



CONRAD  
HOTELS & RESORTS™



CURIO  
A COLLECTION BY HILTON™



TAPESTRY  
COLLECTION  
BY HILTON™



HOMewood  
SUITES  
BY HILTON™

HOME2  
SUITES BY HILTON™



# Agenda

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## HILTON CORPORATION

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History

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Hilton Brands and portfolio

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Hilton corporation FACT SHEETS

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Hilton Belgrade FACT SHEETS

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## ORGANISATION CHARTS

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## FINANCIAL SYSTEMS AND PROCESSES

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## CONTROLLING, REPORTING AND ANALYSIS

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## CHALLENGES



Hilton Belgrade

Hilton Corporation

Hilton



LXR

CONRAD



CURIO  
COLLECTION



TAPESTRY  
COLLECTION



MOTTO

Hilton  
Garden Inn



HOMEWOOD  
SUITES

HOME2  
SUITES



Hilton  
HONORS

# Hilton History



<u>1919</u>	<u>1925</u>	<u>1943</u>	<u>1959</u>	<u>1965</u>	<u>1987</u>	<u>2007</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2014</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Conrad Hilton enters the hotel business with the purchase of Mobley Hotel in Cisco, Texas	The first hotel formally named a "Hilton" opens in Dalas, Texas	First coast-to-coast hotel chain in the USA	Hilton opens its first airport hotel (San Francisco Airport Hilton) and pioneers the airport hotel concept	First upscale lodging company to develop concept of hotel franchise	First guest loyalty program introduced (Hilton Honors)	The Blackstone Group purchase Hilton Hotels Corporation	Already one of the world's largest spa providers, Hilton introduces its first global spa concept	Hilton celebrates 50 years in Hawaii	First hotel brand to reach one million Facebook fans  Hilton returns to the New York Stock Exchange, to trade under the same ticker symbol HLT	Twenty Hilton properties earn designation as History Hotel of America  First hotel brand to live stream a concert on YouTube (Hilton Time Square)	Hilton expends footprint to 100 countries and territories with the opening of Hilton N'Djamena Chad	Launched Hilton Passport Project to help more Americans get passport	March 8, The new Hilton Belgrade hotel opens its doors

# Hilton Brands - PORTFOLIO



# hotels # countries



586 94



31 14



1 1



35 22



9 4



Just Launched



69 21



561 46



19 1



252 5



Just Launched



825 42



2458 27



62 2



485 3



307 2



53 4

ONE OF THE WORLD'S LARGEST, FASTEST-GROWING HOSPITALITY COMPANIES

17 BRANDS

113 COUNTRIES

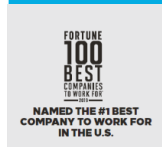
5,700+ PROPERTIES WORLDWIDE



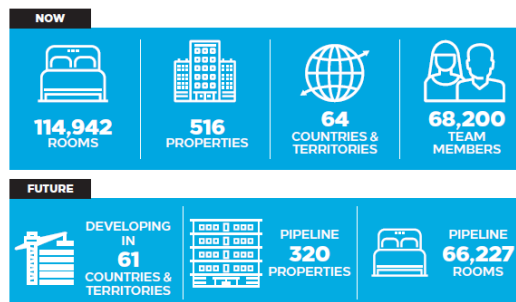
# FACT SHEETS



## Hilton Q1 2019 FACT SHEET AMERICAS



## Hilton Q1 2019 FACT SHEET EUROPE, MIDDLE EAST AND AFRICA



## Hilton Q1 2019 FACT SHEET ASIA PACIFIC



## FACT SHEET



Hilton Belgrade

MANAGED  
HOTEL  
**242**  
ROOMS



MODERN  
SERBIAN  
CUISINE



ASIAN  
CUISINE &  
WESTERN  
CUTS



HEALTH  
CLUB AND  
SPA

OASIS

OASIS  
GARDEN  
CAPACITY  
300

TSAR  
DUSAN

BALLROOM  
CAPACITY  
526

EXECUTIVE  
LOUNGE

VIP GUEST  
CORNER



BOARD AND  
MEETING  
ROOMS



185  
EMPLOYEES



Hilton Belgrade

# Organisation charts



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COLLECTION



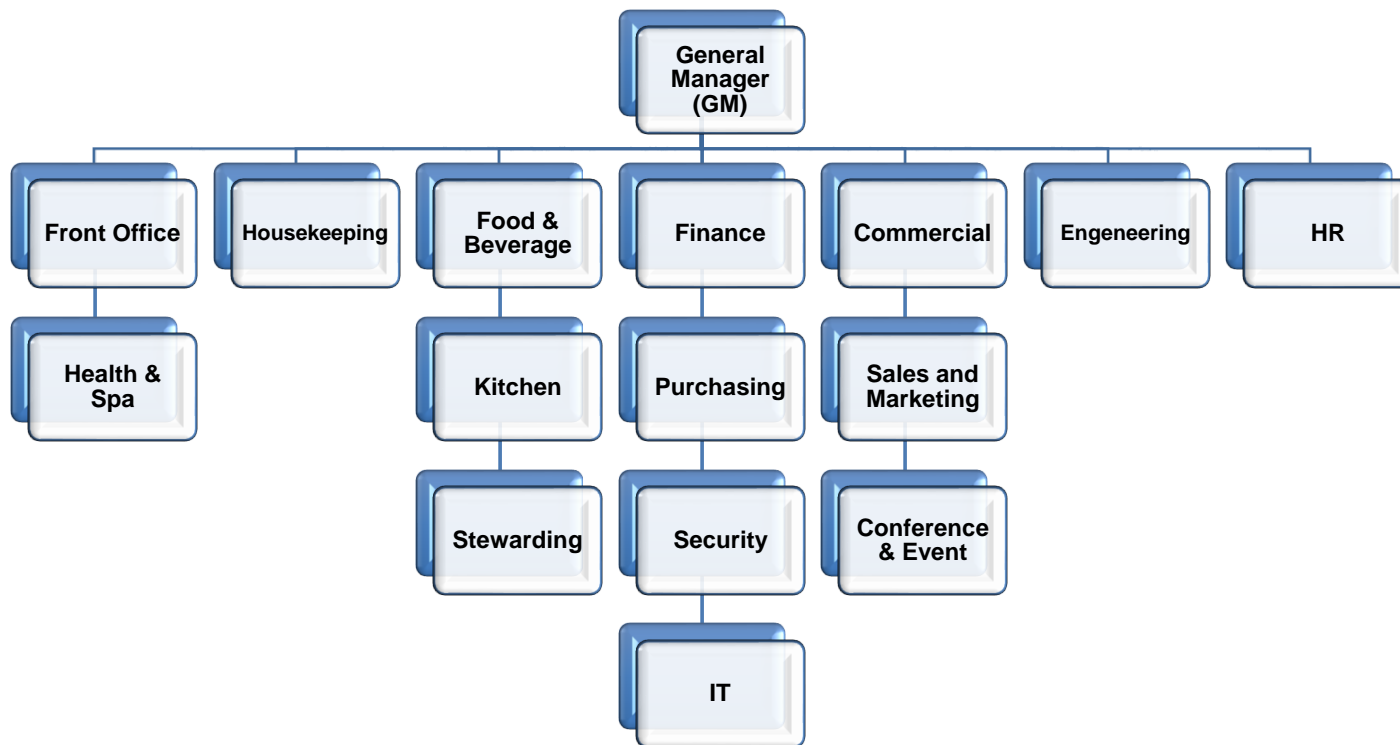
TAPESTRY  
COLLECTION



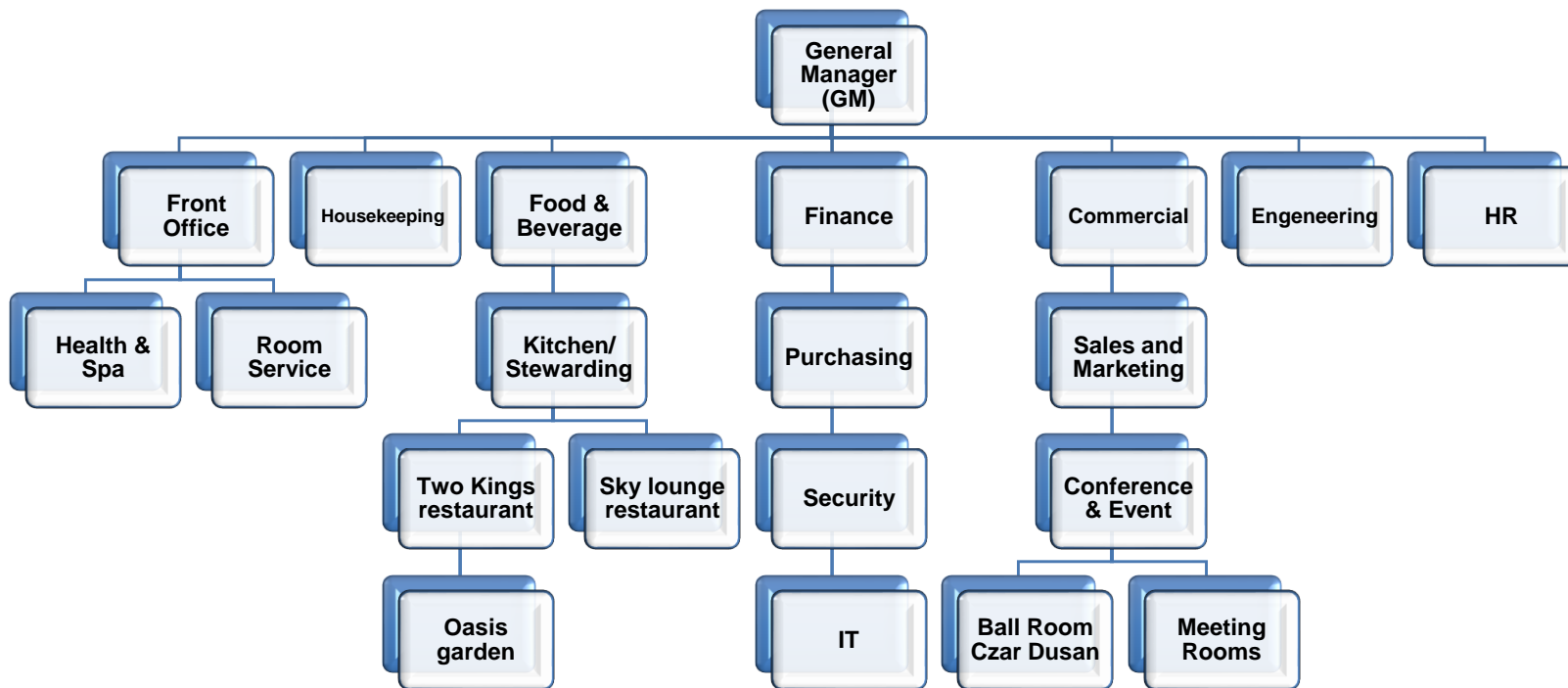
MOTTO



# Hilton Belgrade – DEPARTMENTS

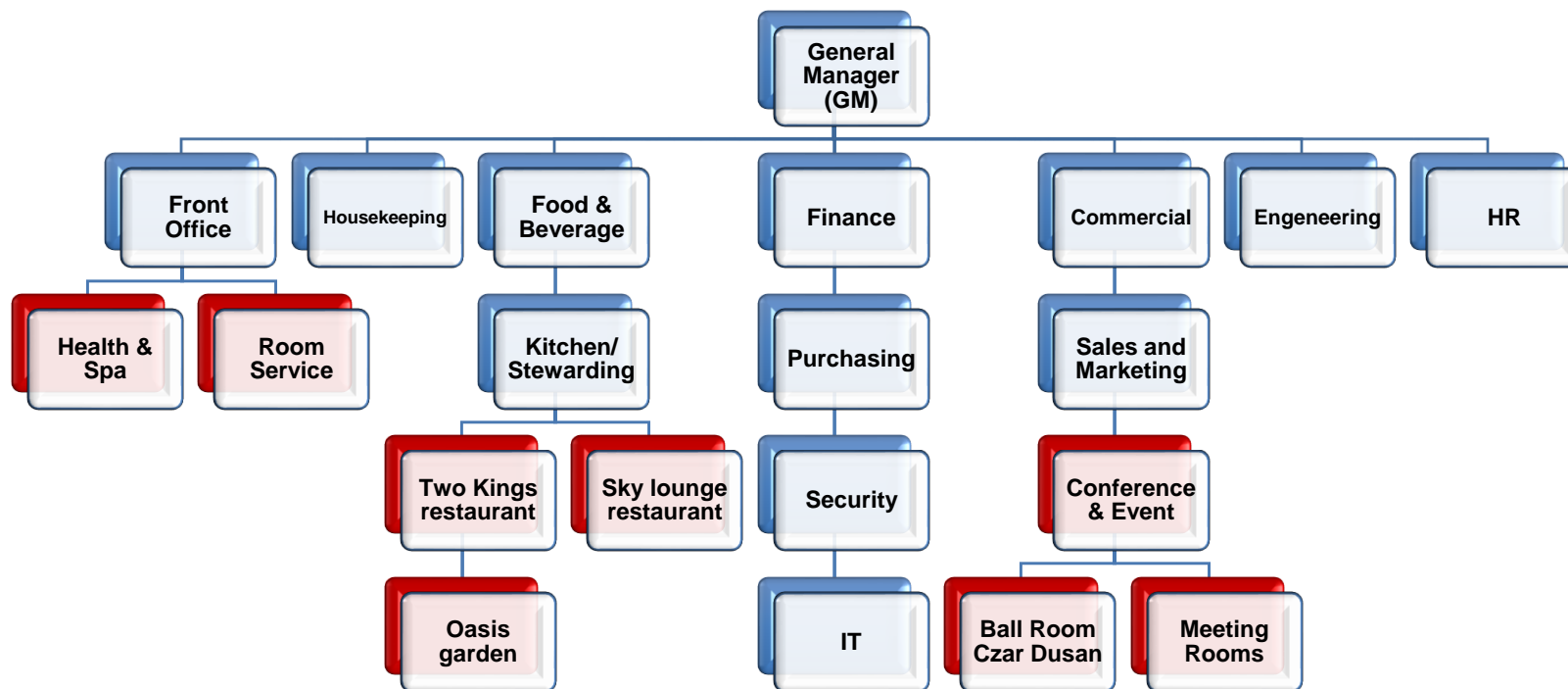


# Hilton Belgrade – COST CENTERS



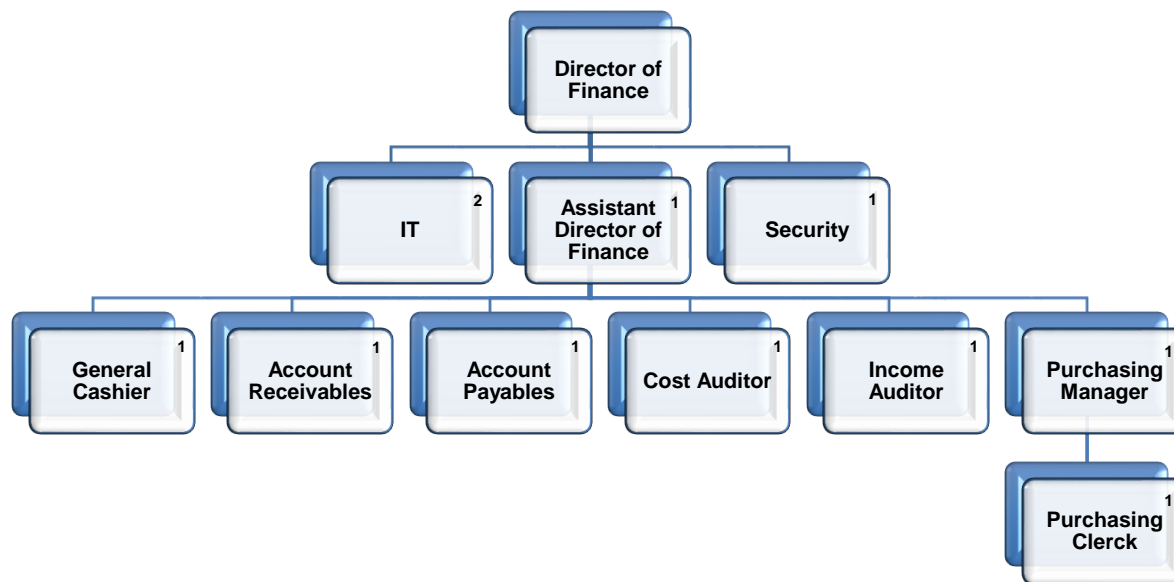
cost centers

# Hilton Belgrade – REVENUE CENTERS



revenue centers

# Hilton Belgrade – FINANCE DEPARTMENT





Hilton Belgrade

# Financial Systems and Processes

Hilton



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COLLECTION

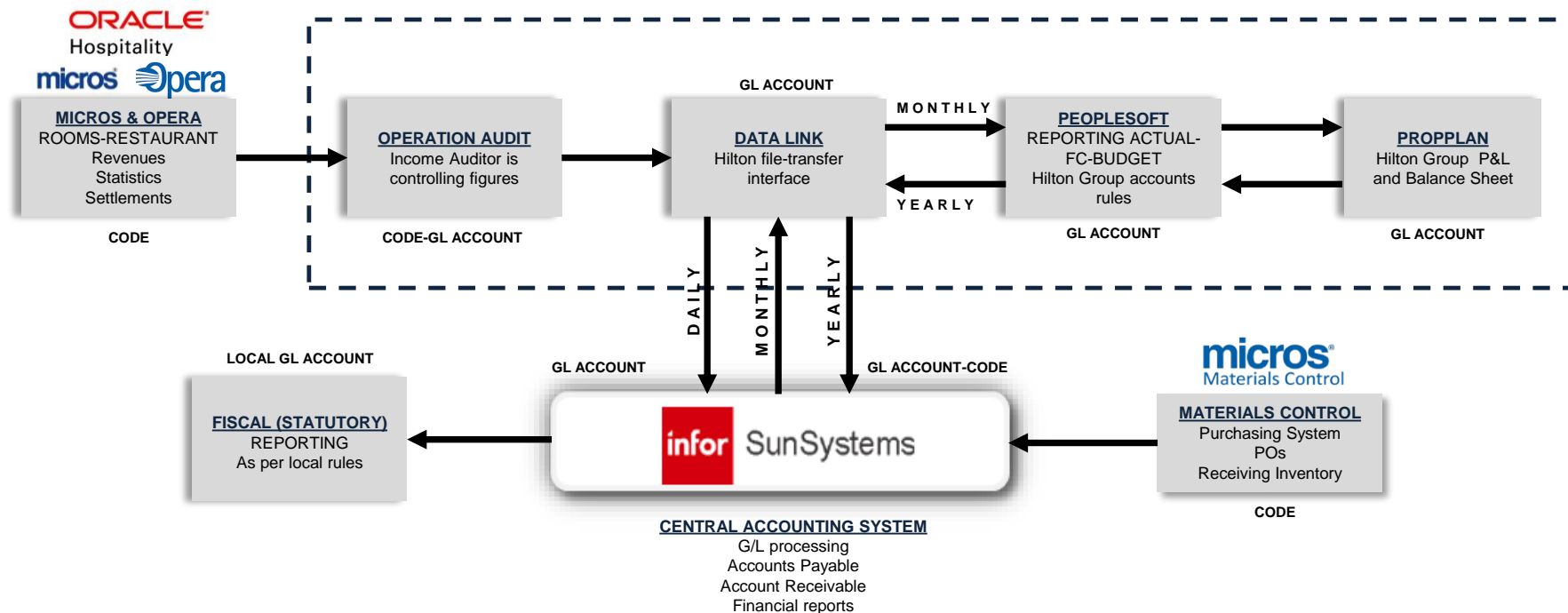


MOTTO

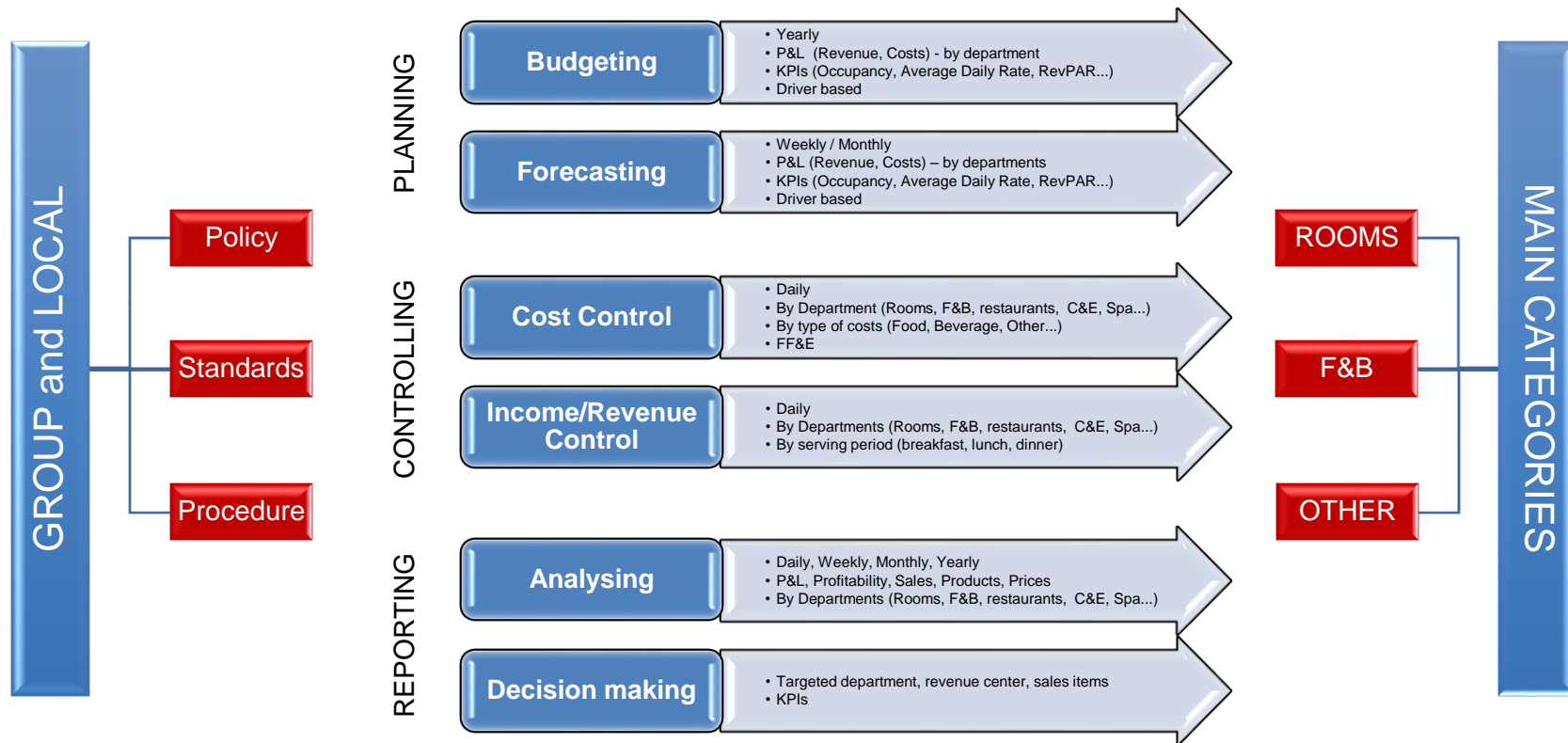


Hilton  
HONORS

# Hilton Belgrade – FINANCIAL SYSTEMS



# Hilton Belgrade – CONTROLLING PROCESSES

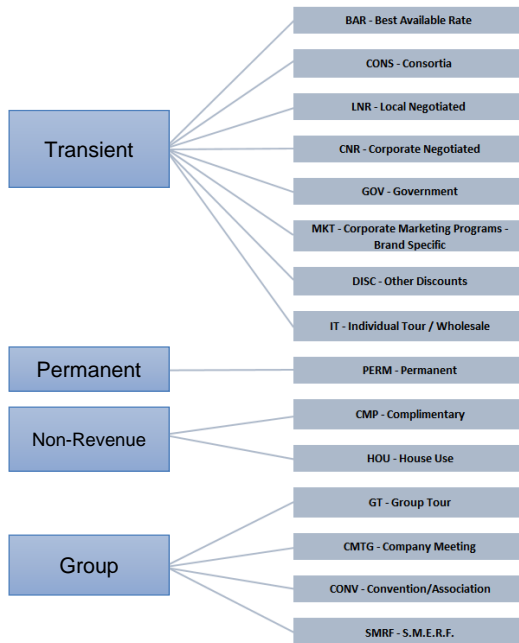


# Hilton Belgrade – CONTROLLING PROCESSES



## ROOMS

### Rooms - Market segmentation



### KPIs

**% Occupancy**

**ADR**

**RevPAR**

Total Available Rooms

Out of Order Room Nights

Number of Guests

Arrival Rooms

Departure Rooms

Total Occupied Rooms Exc Comps

No Show Rooms

Walk-in Rooms

Comp Room Nights

House Use Room Nights

Total Complimentary Occupied Rooms

Total Occupied Rooms

### Statistics – Cost per Occupied Room

Travel Agent Commission CPOR

Linen Expense CPOR

Laundry and Dry Cleaning CPOR

Clean Supplies CPOR

Comp Svcs and Gifts CPOR

Guests Supplies CPOR

Ops Supplies CPOR

# Hilton Belgrade – CONTROLLING PROCESSES



## FOOD AND BEVERAGE

### F&B Grouping

#### Food

Breakfast

Lunch

Dinner

#### Beverage

Beer

Wine

Liquor

Other Beverage

#### Other

Tobacco

### KPIs

#### Customers

Breakfast Customers

Lunch Customers

Dinner Customers

Total Customers

#### Average Check

Breakfast Avg Check

Lunch Avg Check

Dinner Avg Check

#### Capture Ratio

Breakfast Capture Ratio

Lunch Capture Ratio

Dinner Capture Ratio

Food Cost Margin

Beverage Cost Margin

### Statistics – Cost per Occupied Room

Linen Exp CPOR

Laundry and Dry Cleaning CPOR

Clean Supplies CPOR

Guests Supplies CPOR

Ops Supplies CPOR

### Statistics – Cost per Customer

China Expense CPC

Glass Expense CPC

Linen Expense CPC

Cleaning Supplies CPC

Supplies and Paper CPC

Operating Supplies CPC

Laundry and Dry Cleaning CPC

# Hilton Belgrade – CONTROLLING PROCESSES



## OTHER

### OTHER Group

Health Club and Spa

### Administrative & General

Finance

Purchasing

HR

Security

Information and Telecommunications

Sales and Marketing

Property Operations and Maintenance

Utilities

### KPIs

# of membership

# of service per guests

Spa Capture Rates

Average Revenue per services

Spa RevPOR

FTE

Total employees

kWh POR

Internet POR

Telephone POR

Parking Occupany %

### Statistics – Cost per Occupied Room

Cable TV CPOR

Internet CPOR

Telephone CPOR

Energy CPOR

Water CPOR

### Statistics – Cost per Customer

Internet CPC

Telephone CPC



Hilton Belgrade

# Reporting and Analysis

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# Hilton Belgrade – REPORTING



## Daily Reports

- Microstrategy tool – Overall daily Revenue and KPIs
- MICROS reporting tool – Outlets (Restaurant, Banquet...)
- OPERA reporting tool – Rooms Revenue

## FLASH DAILY F&B REPORT



TWO KINGS

Hilton Belgrade, Serbia

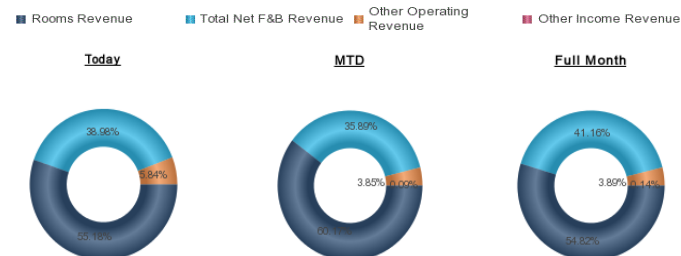
Local currency (RSD)/ the figures are without VAT

HIGH LEVEL SUMMARY	1-Apr	2-Apr	3-Apr	MTD	Budgeted
Total FOOD REVENUE Two Kings Restaurant	174,537	173,059	196,714	8,959,443	
Total BEVERAGE REVENUE Two Kings Restaurant	20,248	31,217	15,897	1,275,729	
Total F&B REVENUE Two Kings Restaurant	194,785	204,276	212,611	10,235,172	

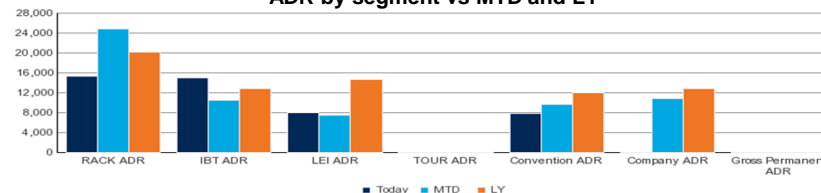
Total COS FOOD Two Kings Restaurant	45,493	49,992	48,610	2,549,003	
Total COS BEVERAGE Two Kings Restaurant	3,443	8,298	2,477	264,142	
Total F&B COS Two Kings Restaurant	48,936	58,289	51,087	2,813,145	

% Total COS/FOOD REVENUE Two Kings Restaurant	26.1%	28.9%	24.7%	28.5%	29.00%
% Total COS/BEVERAGE REVENUE Two Kings Restaurant	17.0%	26.6%	15.6%	20.7%	19.47%
% Total F&B COS/REVENUE Two Kings Restaurant	25.1%	28.5%	24.0%	27.5%	

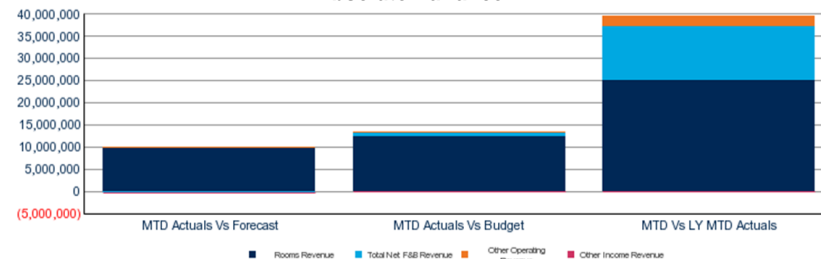
## Revenue split



## ADR by segment vs MTD and LY



## Absolute Variance MTD



# Hilton Belgrade – REPORTING



## Weekly-Monthly-Yearly Reports

- MICROS reporting tool – Outlets (Restaurant, Banquet...)
- OPERA reporting tool – Rooms Revenue
- SUN system reporting tool – P&L, Balance Sheet, KPIs
- PROPPLAN Hilton Group reporting
  - P&L, Balance Sheet, KPIs
  - Forecast
  - Budget
  - FF&E

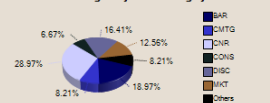
Note: RSD

	Today	MTD Act	MTD Plan	MTD Lyr	YTD Act	YTD Plan	YTD Lyr
Occ (%)	99.59	71.92	60.99	34.60	58.77	50.58	25.50
ADR	\$13,968.16	\$12,540.58	\$14,349.28	\$24,346.80	\$11,771.20	\$13,068.64	\$18,344.86
RPAR	\$13,910.44	\$9,019.14	\$8,751.33	\$8,423.52	\$6,918.03	\$6,610.76	\$4,677.98
Sold	241	3,829	3,247	1,842	20,196	17,383	4,690
Comp	1	18	0	9	102	0	18
House Use	0	4	0	26	60	0	254
Avail	242	5,324	5,324	5,324	34,364	34,364	18,392
Rm Rev	\$3,366,326.00	\$48,017,883.00	\$46,592,105.00	\$44,846,804.00	\$237,731,152.00	\$227,172,124.00	\$86,037,402.00
F&B Rev	\$992,536.23	\$28,108,837.63	\$41,033,761.75	\$24,906,996.76	\$142,386,577.94	\$153,244,007.00	\$60,596,270.83
Total Rv	\$4,481,710.08	\$78,930,097.06	\$90,961,752.75	\$71,720,868.05	\$395,637,100.88	\$398,637,494.13	\$151,459,595.96

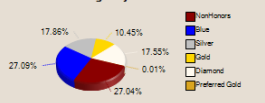
BEGBS - HI-Belgrade, Serbia

Service 84.90  
Accom 85.93  
Loyalty 78.59

% Room Nights By Market Category



% Room Nights by Hilton Honors Tier

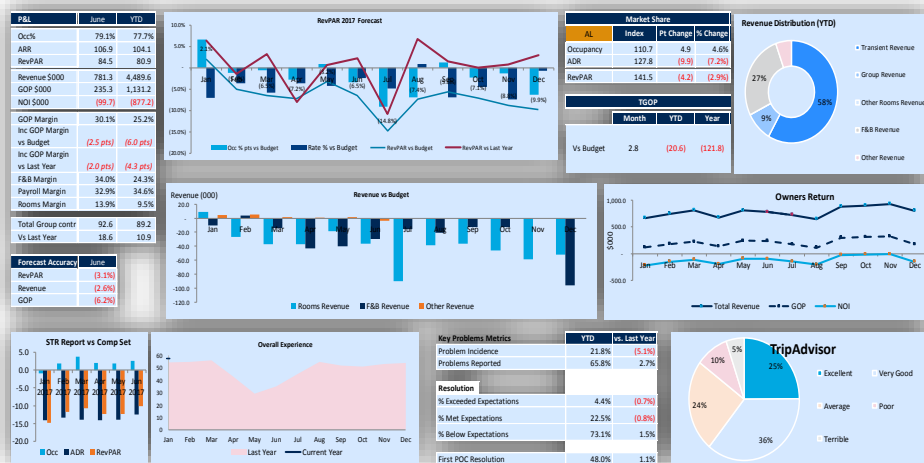


@ LOC Rates	FY18 Actual Working	FY18 Fcst 11+1	FY18 Bud Owner	vs FY18 Fcst 11+1	vs FY18 Bud Owner
Available Rooms	7,502	7,502	7,502	-	-
Occupied Rooms	3,743	3,399	3,201	344	542
ADR	13,066.3	12,269.9	11,775.2	796.4	1,291.1
Occupancy	49.9%	45.3%	42.7%	4.6 pts	7.2 pts
RevPAR	6,519.2	5,559.2	5,024.3	960.0	1,494.9
<b>Rooms revenue</b>	<b>48,907.2</b>	<b>41,705.3</b>	<b>37,692.3</b>	<b>7,201.9</b>	<b>11,214.8</b>
Outlets	21,202.3	20,093.1	11,965.3	1,109.2	9,237.0
C&B	17,178.5	16,896.4	12,463.5	282.1	4,715.0
<b>F&amp;B revenue</b>	<b>38,380.8</b>	<b>36,989.5</b>	<b>24,428.8</b>	<b>1,391.3</b>	<b>13,951.9</b>
Other Operating Depts	3,859.7	4,023.7	4,433.7	(164.0)	(574.1)
Other Income	32.9	187.6	32.9	(154.7)	-
<b>Total Revenue</b>	<b>91,448.0</b>	<b>82,898.5</b>	<b>66,674.8</b>	<b>8,549.5</b>	<b>24,773.1</b>
Rooms Profit	33,068.0	30,160.8	24,613.9	2,907.2	8,454.1
Rooms Margin	67.6%	72.3%	65.3%	(4.7 pts)	2.3 pts
F&B Profit	7,825.8	9,137.0	3,815.0	(1,311.1)	4,010.9
F&B Margin	20.4%	24.7%	15.6%	(4.3 pts)	4.8 pts
Other Operating Depts Profit	899.7	1,199.0	302.3	(299.3)	597.4
Other Operating Departments Margin	23.3%	29.8%	6.8%	(6.5 pts)	16.5 pts
Other Income Profit	32.9	187.6	32.9	(154.7)	-
<b>Total Operating Departments Profit</b>	<b>42,094.0</b>	<b>40,676.8</b>	<b>28,851.2</b>	<b>1,417.2</b>	<b>13,242.8</b>
Total Operating Depts Margin	46.0%	49.1%	43.3%	(3.0 pts)	2.8 pts
Overhead Payroll	10,529.6	9,273.4	7,948.5	(1,256.2)	(2,581.1)
Overhead Other Expense	18,593.7	17,767.5	17,188.7	(826.2)	(1,404.9)
<b>Total Overhead</b>	<b>29,123.3</b>	<b>27,040.9</b>	<b>25,137.2</b>	<b>(2,082.4)</b>	<b>(3,986.0)</b>
Total Overhead %	31.8%	32.6%	37.7%	0.8 pts	5.9 pts
<b>GOP</b>	<b>12,970.7</b>	<b>13,635.9</b>	<b>3,713.9</b>	<b>(665.2)</b>	<b>9,256.8</b>
GOP Margin	14.2%	16.4%	5.6%	(2.3 pts)	8.6 pts
Inc GOP conv				(7.8%)	37.4%
<b>Operational EBITDA</b>	<b>10,287.3</b>	<b>10,813.3</b>	<b>1,957.6</b>	<b>(526.0)</b>	<b>8,329.7</b>
EBITDA Margin	11.2%	13.0%	2.9%	(1.8 pts)	8.3 pts
GOPAR	1,729.0	1,817.6	495.1	(88.7)	1,233.9
GOPOR	3,416.9	4,011.7	1,160.2	(594.8)	2,256.7
<b>Total Management Fees</b>	<b>2,485.6</b>	<b>2,378.0</b>	<b>1,556.3</b>	<b>(107.6)</b>	<b>(929.3)</b>

# Hilton Belgrade – REPORTING Dashboards



	RevPAR	Rooms Rev	Outlet Rev	C&B Rev	Total Rev	GOP Margin	GOPAR	TGOP	Operational EBITDA	Management Fees
vs FY18 Fcst 11+1	99.53 1.6%	7,201,853 1.6%	1,109,200 0.6%	282,063 0.2%	8,549,452 1.1%	(0.3 pts)	(9.19) (0.4%)	(6,909,149) (4.2%)	(525,982) (0.4%)	(107,565) (0.4%)
vs FY18 Bud Owner	779.47 14.0%	46,962,824 11.4%	48,522,791 35.6%	(21,727,418) (14.2%)	79,710,967 11.0%	(0.4 pts)	219.35 11.3%	(42,447,245) (21.3%)	12,047,288 10.1%	(1,306,919) (5.6%)
vs FY18 Actual 11+1	6,351.09 0.0%	459,552,470 0.0%	184,233,095 0.0%	131,144,632 0.0%	807,127,493 0.0%	-	2,168.20 0.0%	(430,496,494) (73.3%)	131,156,459 0.0%	(24,514,239) 0.0%



Plan Summary - Year \$				
Rooms	Occupancy	ADR	RevPAR	Rooms Profit %
Forecast	77.1%	151.8	117.1	43.7%
Last Year	77.5%	145.7	113.0	41.7%
Var	(0.4 pts)	6.1	4.1	1.9 pts
%	(0.5%)	4.2%	3.7%	4.6%
F&B	Outlet Revenue POR	C&E Revenue PSM	F&B Profit %	Cash Margin POR
Forecast	50.8	15,674.8	48.0%	48.2
Last Year	48.2	18,669.2	46.2%	49.5
Var	2.6	(2,994.4)	1.8 pts	(1.3)
%	5.3%	(16.0%)	3.8%	(2.5%)
Total	TRevPAR	Overheads PAR	GOPPAR	EBITDA (000s)
Forecast	208.1	36.9	101.0	2,785.6
Last Year	209.1	35.8	99.6	3,554.1
Var	(1.0)	(1.1)	1.4	(768.5)
%	(0.5%)	(3.1%)	1.4%	(21.6%)

# Hilton Belgrade – ANALYSIS, DECISION MAKING...



- ✓ Daily morning briefing
- ✓ Management meeting
- ✓ P&L monthly meeting
- ✓ Departmental meeting
- ✓ Cross-departmental meeting
- ✓ Month End meeting
- ✓ Owners meeting

- ✓ Coaching
- ✓ Mentoring
- ✓ Knowledge sharing
- ✓ Trainings
- ✓ Internship program



Hilton Belgrade

# Challenges

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# Hilton Belgrade – CHALLENGES



## pre-opening phase

- ✓ New Financial Systems
- ✓ Short period for systems integration
- ✓ Lack of support
- ✓ Account mapping
- ✓ Corporate Policy and Procedure
- ✓ Corporate culture
- ✓ Trainings
- ✓ New staff and environment

## post-opening phase

- ✓ Group Help Desk service
- ✓ Group and Local laws reconciliation
- ✓ Systems limitation
- ✓ Month End closing term
- ✓ Corporate communication
- ✓ Trainings



# We Are **HILTON** We Are **HOSPITALITY**

Hilton Belgrade



Hilton Belgrade



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