

# HOTELS

## Comprehensive Solutions for Hotels

January 2016



# BDO GREECE

Our vision & competitive advantage



## OUR VISION

“To be the leader in the provision of outstanding service to our clients. Our distinctive reputation for client proximity is built upon our commitment to all our stakeholders that what matters to them matters to us. At BDO Greece, we remain focused on helping our clients worldwide navigate the ever changing economic and market conditions by providing high quality advice and service on a consistent basis. It is exactly due to this that our entire team is committed to provide seamless, integrated, value adding services worldwide.”

# WHAT MAKES US DIFFERENT

## Our Competitive Advantage

BDO Greece is a rapidly growing firm that specializes in providing audit, advisory and tax services.

With offices in Athens, Thessaloniki and Rhodes and a strong clientele of more than 500 companies in the private and public sector, we occupy a leading position nationwide, providing high quality services to all sectors of the Greek economy.

We are the business advisor of choice for many groups of companies listed on the Athens Stock Exchange and subsidiaries of global entities.

In BDO, we believe that exceptional service is as important to our clients and their businesses as it is to us. The relationships that we, BDO partners build with our clients, put us in a good position to assist them in developing clear and effective strategies and in delivering the best outcome for their business, wherever they are in the world. The combination of our international expertise and the exceptional local advice we offer, is the recipe of our success.

BDO Services SA has a strategic, exclusive subcontracting cooperation with Your Confidence SA, for the provision of Accounting, Tax and Advisory Services.

- ▶ A strong international network combined with an individual, local approach to each client.
- ▶ A high level of input from senior managers and partners who know your business well.
- ▶ The service quality secured by a sophisticated system of a robust accreditation process and quality assurance review procedures, across the entire BDO international network.
- ▶ The standard of our software tools, which rank among the best in the sector.
- ▶ The possibility of using international experts with a wide range of specialisations and the provision of comprehensive services for international companies and state-owned entities.

# WHAT MAKES US DIFFERENT

## BDO Advisory | Hotels

### Minimize Threats & Capitalize on Opportunities

In an industry which, though one of the pillars of the Greek Economy, is nevertheless volatile and heavily affected both by the domestic decline on disposable income and the world political and social events, we can give our clients vital insights into what they can do to improve their relative performance and market position, minimize threats and capitalize on opportunities.

Being constantly in touch with the latest issues, trends and movements in the hospitality market, both nationally and internationally, our partners can assist you in designing and implementing the most suitable strategy for your business. Our partners equipped with a hands-on approach and a team work spirit, support you in assessing, selecting and implementing with agility and speed innovative, yet pragmatic, solutions that bring the desired results.

Whether you are thinking about entering the market (through development or acquisition), growing or restructuring your company, or fundraising, we are here to support you meet your business and financial goals.

The Hotels Advisory in BDO has a holistic method that leverages on all resources and departments both from BDO and Your Confidence. This allows us to produce integrated, tailored-to-you solutions.

- ▶ Specialized teams of experts in Greece and the UK, combining local insight and international synergies
- ▶ The most modern, state-of-art analysis and management tools and an extensive European database
- ▶ One of the largest networks of direct contacts to decision makers in International Hotel Operators, Tour Operators, Private and Institutional Investors and Lenders
- ▶ A pragmatic and results' oriented approach

# THE BDO NETWORK

1

Leading consolidation  
in the mid tier

154

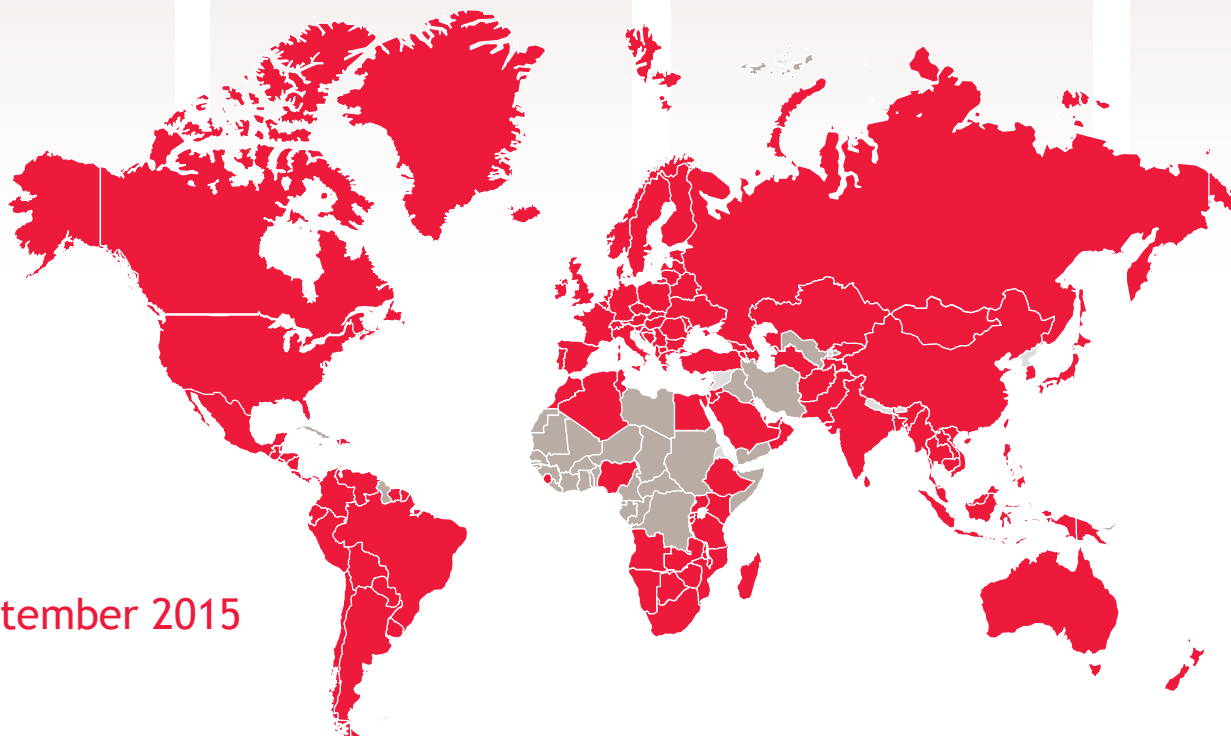
1,400 offices in 154  
countries and  
territories

64,000+

64,300 highly skilled  
partners and staff  
worldwide

US\$7.30 billion

BDO posted global  
revenues of \$7.3 billion  
in 2015

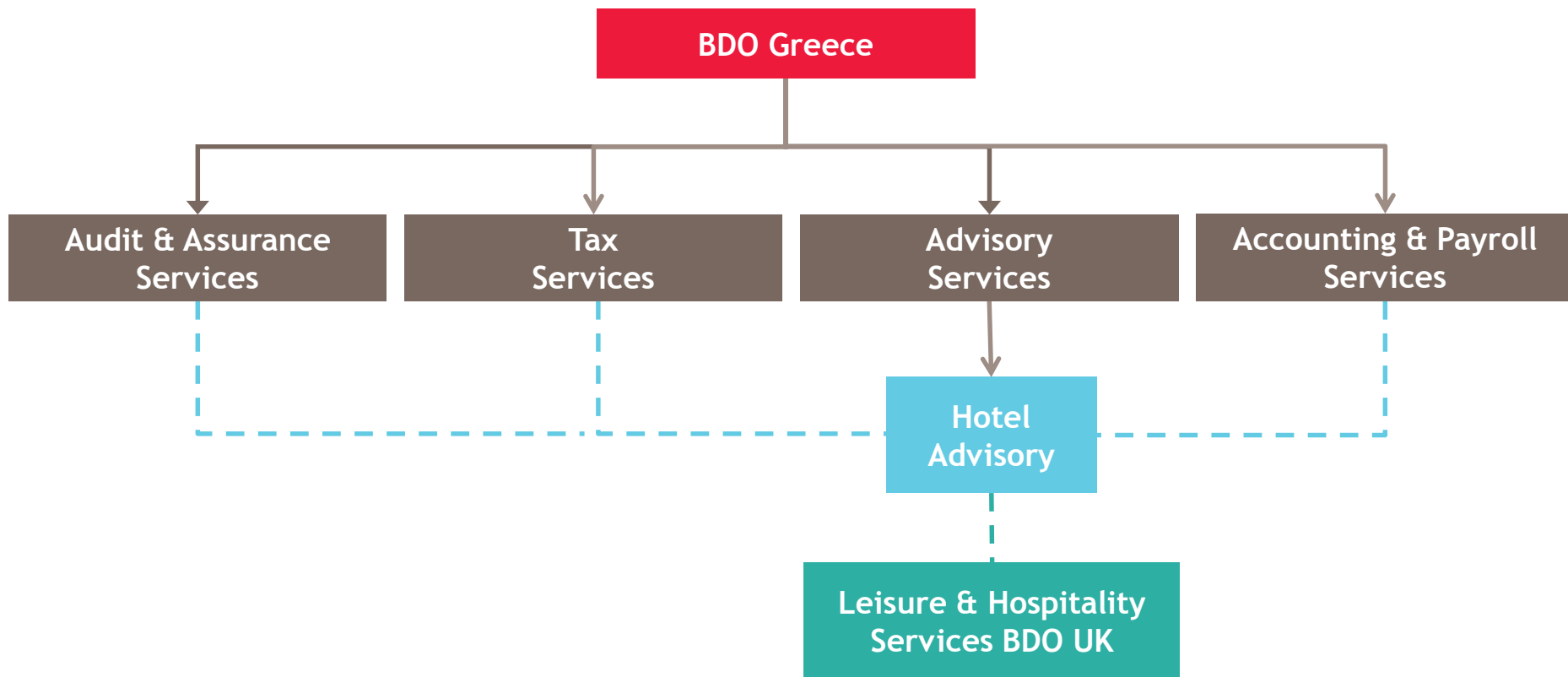


As at 30 September 2015

# METHODOLOGY AND APPROACH

# AN ADVISORY UNIT DESIGNED EXCLUSIVELY FOR HOTELS

With the international synergies of BDO

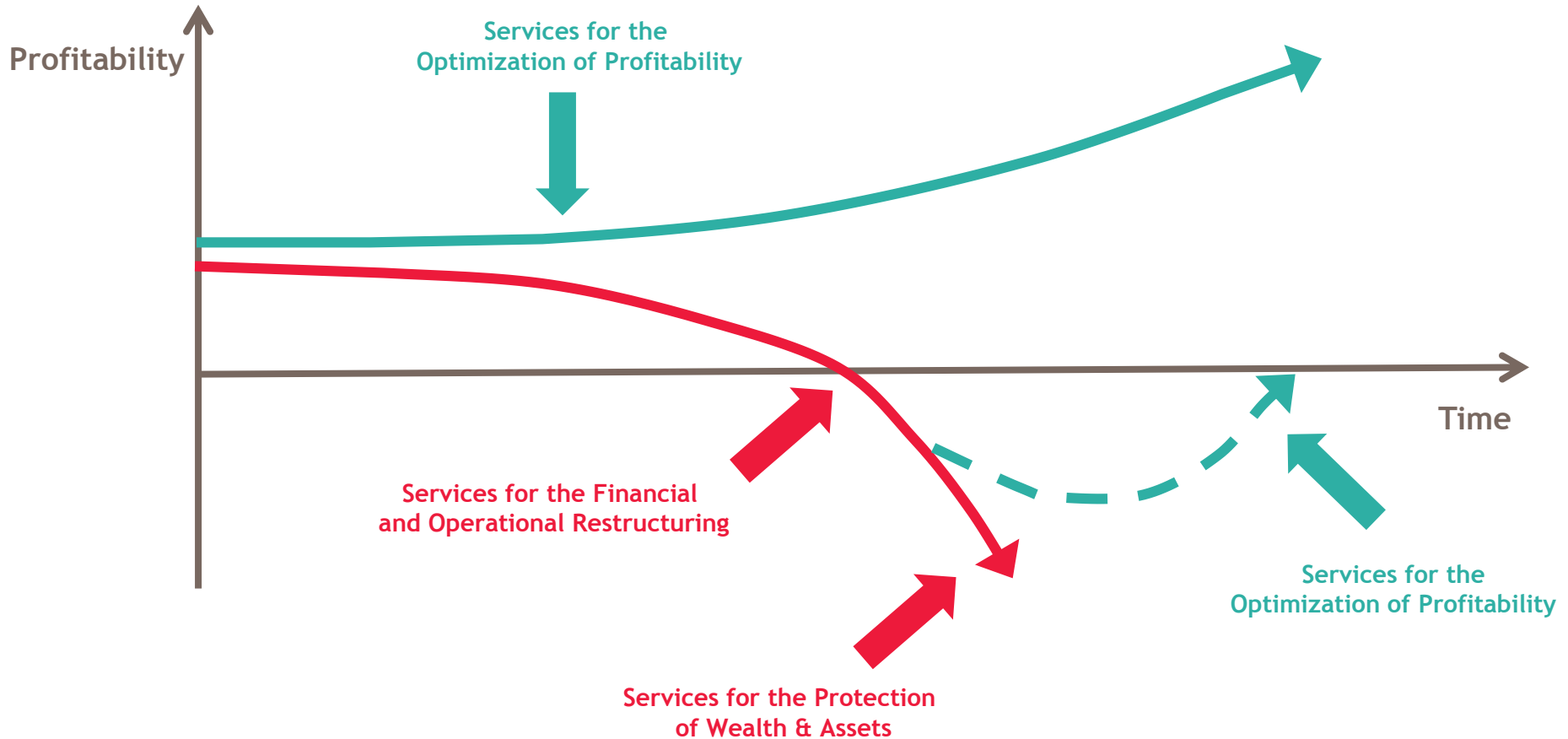




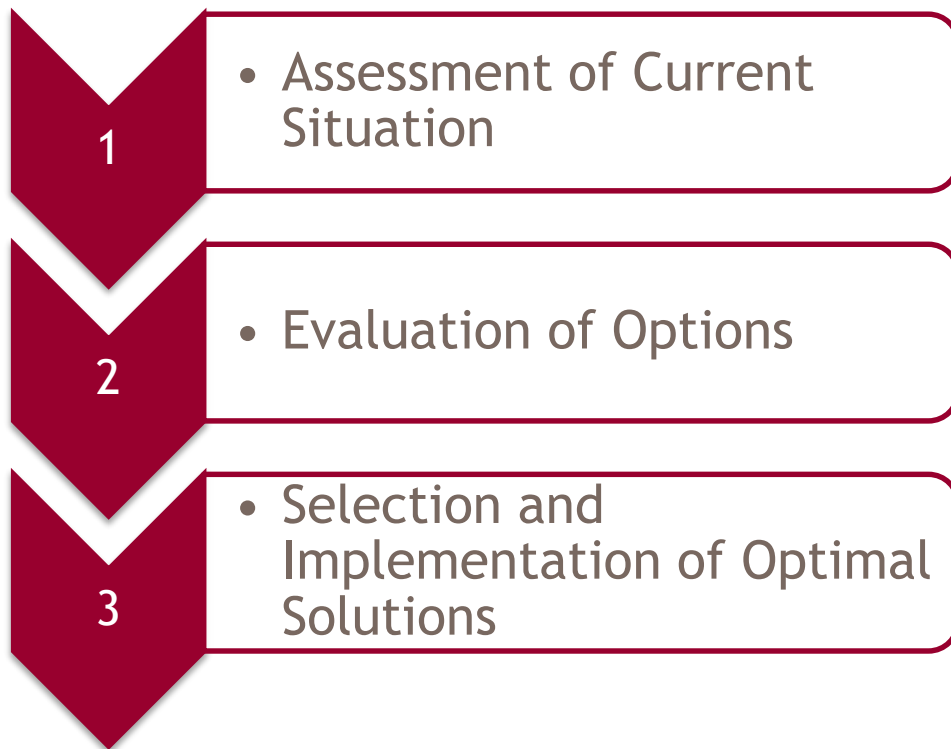
# INTEGRATED SOLUTIONS



# INTEGRATED SERVICES DESIGNED BASED ON YOUR NEEDS



# METHODOLOGY



**Strategic Advisory**

**Operational Advisory**

**Financial Advisory**

**Audit & Assurance Services**

# SERVICES

# SERVICES FOR HOTELS

## Strategic Advisory

- Market Analysis & Feasibility Study
- Mergers, Acquisitions and Dispositions
- Best & Highest Use Analysis / Conversions
- Operator Search, Selection & Negotiation
- Brand Selection & Franchise Negotiation
- Investment & Asset Management

## Operational Advisory

- Business Model Optimization
- Operational Restructuring & Profit Improvement
- Marketing Strategy, Channels Management & Pricing Policy
- Revenue Optimization
- Outsourcing
- Operational Due Diligence & IBR (Independent Business Review)
- Interim Management

## Financial Advisory

- Hotel Valuation
- Financial Due Diligence & Business Plan Review
- Fundraising
- Financial & Tax Restructuring
- Recovery Advisory Services

## Audit & Assurance & Compliance Services

- Audit & Assurance
- Accounting & Tax Services
- Payroll Services (Compliance)

# STRATEGIC ADVISORY (1/3)

## Market Analysis & Feasibility Study

Our work begins with the assessment of the destination potential and analysis of the current and future competition. We then evaluate the structure and concept proof analysis for the investment. We conclude by producing a thorough feasibility study which gives us the NPV (Net Present Value) of the investments. Feasibility studies can be used to evaluate hotel real estate investments and support strategic decisions or to attract funds (both equity & debt) towards the implementation of the project.

## Mergers, Acquisitions & Dispositions

Mergers, Acquisitions & Dispositions are quite complicated and delicate transactions, with many stakeholders involved. Our experienced team of experts has completed successfully such transactions and has the integrated capabilities and network of contact required, to successfully support you from design to completion. The services provided are the following :

- “As Is” & Development Valuation,
- Financial and Operational Due Diligence,
- Transaction Tax Structure,
- Fundraising & Negotiation with Stakeholders,
- Interim Management,
- Operator Search, Selection & Negotiation.



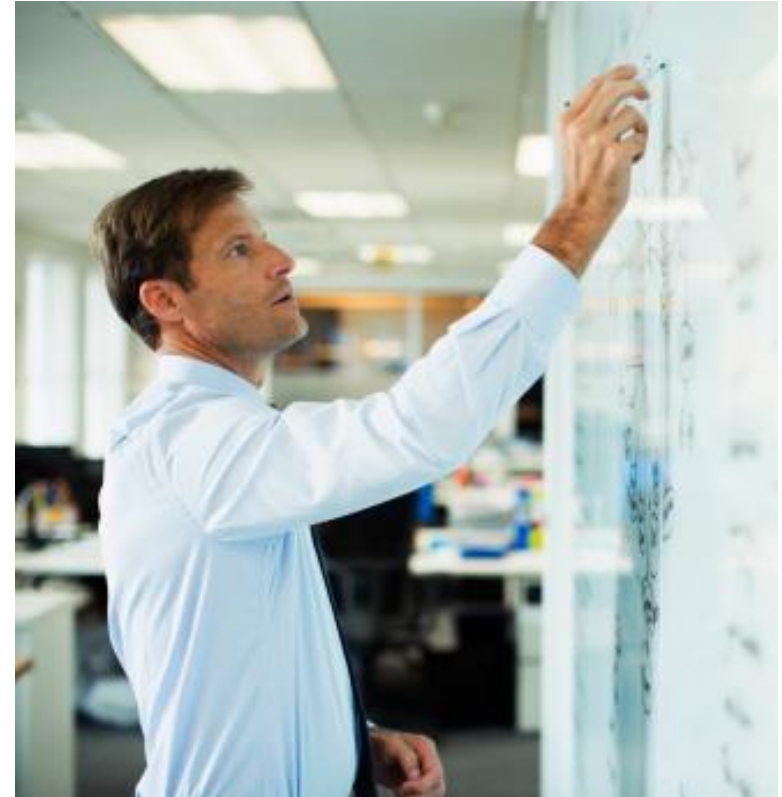
# STRATEGIC ADVISORY (2/3)

## Best & Highest Use Analysis / Conversions

This service is provided in collaboration with the Real Estate Advisory Unit. Whether you have a commercial building and wish to convert it into a hotel or you have an underperforming hotel and you wish to assess alternative uses for the asset, a team of experienced hotel and real estate advisors are here to support you.

## Operator Search, Selection & Negotiation; Brand Selection and Franchise Negotiation

The selection of the Hotel Operator that best fits the hotel asset and can maximize its profitability, is a process that needs deep understanding of the rapidly growing Operators' Market, the types of agreements and the optimum positioning that the hotel should have in the market. If you are interested in selecting the most suitable "white flag" or branded operator on a national or international level we can assist you in making the right decision.



# STRATEGIC ADVISORY (3/3)

## Investment & Asset Management

These services have been designed to assist you in creating and maximizing value through a well-structured hotel real estate investment. Managing the dynamics of the financial and operational aspects of hotel real estate investments in order to benefit all stakeholders involved, such as owners, investors, lending institutions, hotel operators and/or franchisees, is critical to the success of any such endeavor.

Whether you are just entering the market or you wish to better manage or expand your existing hotel real estate investments we can assist you in better designing and implementing your investment strategy and better manage your assets.

Finally, we can assist you in your succession planning both in terms of tax structure and in terms of operational and financial sustainability.





# OPERATIONS ADVISORY (1/2)

## Business Model Optimization

By analyzing the internal environment of your organization and assessing your operational business model, we can support your decisions towards which changes can increase your operational efficiency and improve profitability on a business level.

## Operational Restructure & Profitability Improvement

This bouquet of services provides hands-on operational restructuring of the hotel both for single assets and portfolios of assets. We first evaluate the organization, the systems and processes applied through the hotel operations and we then propose actions that can enhance efficiency and effectiveness and increase control and profitability.

## Marketing Strategy, Channel Management, Pricing Policy & Revenue Optimization

Our team, possessing a vast experience in hotel marketing and sales can support you in revisiting your marketing strategy, enhancing your position against the distribution channels and improving your existing pricing policy. Moreover, we can undertake your Revenue Management or assist you in applying an efficient Revenue Management program.



# OPERATIONS ADVISORY (2/2)

## Outsourcing

Outsourcing gives you the opportunity to assign a task or even an operational unit completely to us, from design to implementation to-day-to-day running. This method gives you the ability to decrease costs, increase the level of service provided and cope with fluctuations in quality. Outsourcing is provided for the following operations :

- Accounting & Payroll Services
- Sales & Revenue Management
- Digital Marketing
- Operations Management

## Operational due diligence & IBR

In case of a merger, acquisition, or disposition or in case where a debt restructuring or equity raising is needed, we undertake to produce an Independent Business Plan Review and an Operational Due Diligence.

## Interim Management

Interim Management, a short term management solution, is usually used in cases where operational restructuring is needed due to poor operational performance, or in cases where the hotel needs to be prepared operationally for sale or even between hotel operators.



# FINANCIAL ADVISORY

## Hotel Valuation

Our team has successfully performed numerous hotel valuations (both of single assets and of portfolios) in Greece and abroad for Banks, Investors and Hoteliers. No matter what the purpose of the valuation is (IFRS transition, acquisition or disposition, merger, new investments or debt restructuring) we can provide you with a branded third party valuation that can facilitate a decision regarding current and potential value. Our valuation capabilities extend to both boutique hotels, large resorts, portfolios of hotels, integrated resorts with free hold villas, marinas and golf courts.

## Financial Due Diligence & Business Plan Review

In cases where a financial due diligence and an independent business plan review are required, either by a Bank or by an investor, we can assist you in a professional, discreet and efficient manner.

## Financial & Tax Restructuring

We have been involved in successful debt restructurings of syndicated loans. We can assist you in negotiating with different banks and advise you on the optimum tax structure of your business.

## Fundraising & Equity Partner or Investor Negotiation

Equity fundraising, whether through institutional channels or private investors and family offices is a complicated and delicate process. This requires a deep insight of the private equity investment market and a vast international network of contacts with decision makers.



# AUDIT & ASSURANCE SERVICES

## Audit & Assurance

Our approach to audit services is based on an extensive audit methodology in accordance with the International Standards on Auditing and the professional regulations in Greece. Detailed procedures for the provision of audit services are set out in the BDO Audit Manual. Our audit planning and strategy is “business risk” focused and therefore tailored for each of our clients to reflect the specific operational, regulatory and financial risks they face. Our approach is supported by our integrated software toolkit APT, resulting in a more effective and efficient service delivery to all our clients. Our consistent, shared, global audit methodology manages both our clients’ and our proper risk effectively. Due to the fact that we use a common audit methodology and common software platforms around the world, we are consistent and transparent about our work and how it is performed.

## Accounting & Payroll

The relevant BDO department, in collaboration with Your Confidence SA, is set to serve your needs, those being either reorganising and monitoring your accounting and payroll department, or completely outsourcing these functions. We already successfully run more than 250 accounting departments and have significant experience in the hotel industry.



# TEAM'S CREDENTIALS



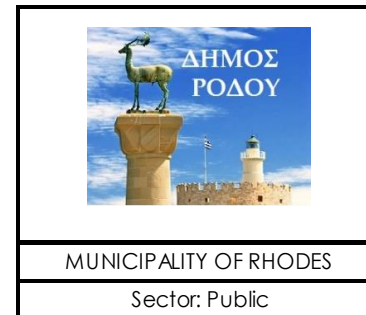
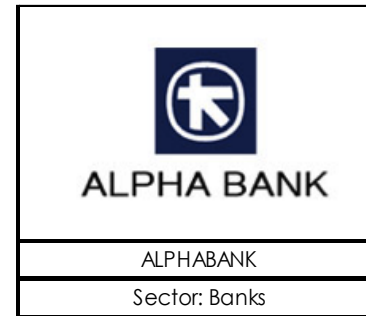
# TEAM'S CREDENTIALS

Our team of experts has a vast experience in the US, Europe, Middle East, Asia & Oceania in all aspects of hotel real estate including operations, finance, real estate investment and asset management, transactions and valuations.

We have been involved or have undertaken complicated projects and have delivered successful results over and over again. Our capabilities extend to all kinds of lodging facilities from boutique hotels to large integrated resorts with marina, free hold villas and golf courts, to timeshares and from typical all inclusive summer hotels to landmark city trophy hotels operated by international operators.

# TEAM'S CREDENTIALS

## Advisory to Banking & Public Institutions



# TEAM'S CREDENTIALS

## Selected Projects





# TEAM'S CREDENTIALS

## Selected Projects



**capsis hotel**  
thessaloniki  
★★★★

CAPSIS HOTEL THESSALONIKI  
SECTOR: TOURISM & LEISURE



**capsis astoria**  
heraklion  
★★★★

CAPSIS ASTORIA HERAKLION  
SECTOR: TOURISM & LEISURE




**AMALIA HOTELS**

AMALIA HOTELS  
SECTOR: TOURISM & LEISURE



**kipriotis**  
HOTELS

LINDIAN VILLAGE  
SECTOR: TOURISM & LEISURE



**LINDIAN VILLAGE**  
*Escaping south*

LINDIAN VILLAGE  
SECTOR: TOURISM & LEISURE



**GRAND MEDITERRANEO**  
RESORT & SPA  
★★★★★

GRAND MEDITERRANEO RESORT  
SECTOR: TOURISM & LEISURE



**SOFIA HOTEL BALKAN**  
A LUXURY COLLECTION HOTEL  
Sofia

SOFIA BALKAN HOTEL  
SECTOR: TOURISM & LEISURE



**HOTEL POSEIDON**  
RESORT

HOTEL POSEIDON RESORT  
SECTOR: TOURISM & LEISURE

# TEAM'S CREDENTIALS

## Selected Projects



PENTELIKON HOTEL  
SECTOR: TOURISM & LEISURE



BILL & COO HOTEL MYKONOS  
SECTOR: TOURISM & LEISURE



Hotel San Antonio Santorini  
SECTOR: TOURISM & LEISURE



IMARET BOUTIQUE HOTEL  
SECTOR: TOURISM & LEISURE



HOTEL PRINCESS OF MYKONOS  
SECTOR: TOURISM & LEISURE



Hotel Thalassa Santorini  
SECTOR: TOURISM & LEISURE



ANEMOS HOTES SANTORINI  
SECTOR: TOURISM & LEISURE



BLUE BAY HOTEL GROUP  
SECTOR: TOURISM & LEISURE

# CONTACT

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**Page 27**

