



CFRA

Industry Surveys

Hotels, Gaming & Leisure

AUGUST 2022

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Industry Analyst

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NEW THEMES



What's Changed: U.S. hotels have made a strong recovery from the Covid-19 outbreak, with the average hotel revenue per available room (RevPAR) growing to an all-time high level in June 2022. Check out pages 14-15.



What's Changed: We think the travel and tourism industry will show a mixed picture in the second half of the year, with many companies facing margin pressure from higher commodity prices and staffing issues. See page 19.

EXECUTIVE SUMMARY

CFRA has a positive outlook on the Hotels, Gaming & Leisure industries. Below are the key themes we highlight for 2022.

Extreme Climate Disrupted the Industry

Extreme weather can interrupt operations affecting both leisure and business travel. Erratic conditions often mean erratic bookings and cancellations. In particular, the recent fatal heatwave in July, with all-time high temperature in Europe, had cost more than 1,100 people's lives and led European and foreign travelers to cancel any plan to travel for this and upcoming summer holidays. The main cause for the extreme heatwave can be attributed to global warming, an issue that has no immediate solutions. This will significantly decrease the number of travelers in the summer season, which is commonly the peak travel period.

Cruise Line is Back on Track

As travels began to return in greater number following the reopening of most countries' borders, the demand for cruising surged. Pent-up demand has led to a huge surge in 2022 and 2023 bookings. As the number of ships resuming service every month keep on rising, the cruise restart reached new levels in the first half of 2022, with nearly 90% of the cruise fleet returning to service. On top of that, more than 30 new ships are expected to hit the market in 2022, according to the Global Cruise Ship Orderbook by Cruise Industry News.

A Mixed Picture for Travel and Tourism Industry

Despite posting a healthy recovery in the first half of 2022, the travel and tourism industry is expected to show a mixed picture in the second half of the year. While the current demand environment remains robust, many companies will face margin pressure from higher commodity prices and staffing issues. Companies in these industries may respond through higher pricing but given the risk of recession and less discretionary spending, many companies may not have enough pricing power to improve their bottom lines.

Quantum Leap of Travel Tech Adoption

Covid-19 accelerated the digitization of customer and supply-chain interactions and of business operations, as well as grew the share of digitally enabled products. The travel industry has hit rock bottom amid the pandemic crisis. However, driven by pent-up demand as countries lifted their travel restrictions in the first quarter of 2022, the global travel industry recovered significantly and its contribution to the global economy could reach \$8.6 trillion in 2022. To cater for the increased demand in travel, companies with travel tech adoption will have an upper hand as Covid-19 has led to the proliferation of mobile phone usage. The pandemic has also led to more meticulous hygiene practices, thus bringing some travel-related technologies to the forefront.

Hotel Operators Rebounding from the Abyss, but Still Not in the Clear

Hotel operators were able to climb back to profitability in 2021 despite facing a lack of corporate and group travel, ending the year at near pre-pandemic occupancy and revenue levels, with hotels reopening and many operators seeing some of their hotels return to profitability on a hotel-specific operating basis. Occupancy was at 52%–72% level for most hotels in the second quarter of 2022, nearing the pre-pandemic average of 75%, and hotels' RevPAR already exceeded pre-pandemic levels, according to a report by STR that tracks U.S. hotel occupancy statistics.

Macau's Gross Gaming Revenue Plunges Amid China's Lockdown

Despite recording full-year gross gaming revenue (GGR) of \$10.82 billion in 2021, a 43.7% year-over-year increase, Macau's GGR in June 2022 fell 62.7% year-over-year to \$307 million, the lowest monthly GGR since September 2020 when GGR reached only \$273.9 million. The decline came as China was under lockdown, resulting in a decrease in cross-border and cross-provincial travel from mainland China. On top of that, Macau itself was undergoing lockdown in June as the number of Covid-19 cases surged. Macau's government lowered its forecast for full-year 2022 by more than half to \$7.14 billion from \$16.25 billion.

HOTELS, GAMING & LEISURE

Outlook: Positive

MARKET CAP BREAKDOWN*

(as of July 31, 2022)

RANK NO.	COMPANY NAME	MARKET CAP (\$ billion)
1	Marriott International	51.9
2	Hilton Worldwide	35.1
3	Las Vegas Sands	28.8
4	Galaxy Entertainment	26.0
5	Evolution AB	20.5
6	Sands China Ltd	19.0
7	MGM Resort	13.9
8	H World Group	12.3
9	Carnival Corporation	11.1
10	InterContinental	10.8

Source: CFRA, S&P Global Market Intelligence.

Note: Please refer to the "Comparative Company Analysis" section for a list of the top 20 largest companies within each sub-industry.

BY THE NUMBERS

61.27%

Of the world population has been fully vaccinated as of July 17, 2022

\$113 RevPAR

U.S. hotels reached higher levels than pre-Covid-19

34% Y/Y

Decrease in Macau's estimated gross gaming revenue for 2022

10%

Expected surge in demand for U.S. hotels in 2022

1,790B

Forecasted size of global hotel market by 2027

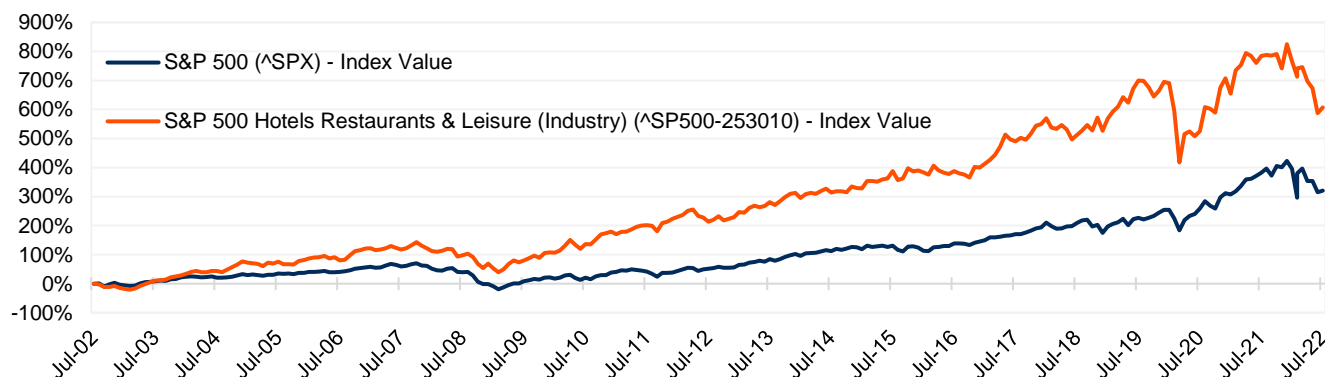
23%-30%

CAGR for U.S. OSB and iGaming markets to 2030

ETF FOCUS

PEJ Invesco Dynamic Leisure and Entertainment	AUM (\$M) 1,067.8	Expense Ratio 0.55
CRUZ Defiance Hotel Airline and Cruise	AUM (\$M) 39.1	Expense Ratio 0.45
TRYP SonicShares Airlines Hotels Cruise Lines	AUM (\$M) 10.0	Expense Ratio 0.75
BEDZ Advisor Shares Hotel	AUM (\$M) 6.1	Expense Ratio 0.79

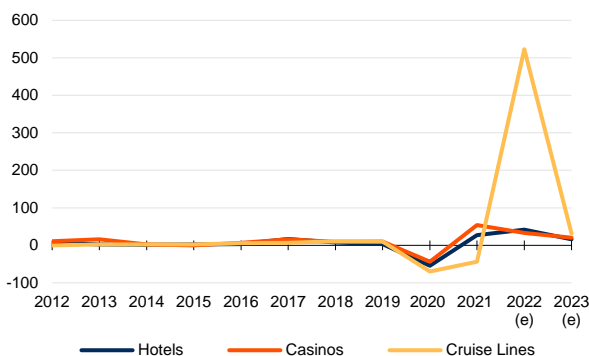
20-YEAR INDEX PERFORMANCE



FINANCIAL METRICS

Revenue Growth

(percent change, Y/Y)



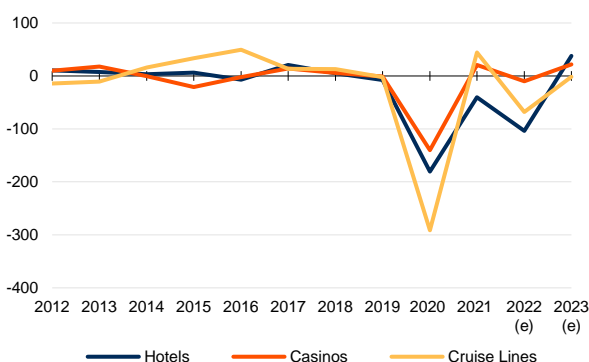
e-Estimate.

Source: CFRA, S&P Global Market Intelligence.

- ◆ Due to a complete halt in operations, cruise line operators were the last to recover among the sub-industries. In general, revenue growth improved for hotels and casinos in 2021, but at varying degrees across nations. In H1 2022, cruise lines largely recovered to pre-pandemic levels – Carnival Cruise Line now has its full fleet back in operation and is targeting 110% occupancy rates in the summer of 2022.
- ◆ Revenue growth for 2022 and 2023 was estimated based on the assumption that the widening vaccine coverage would allow economic activity to resume fully despite the surge in Covid-19 variant cases and the recent monkeypox outbreak that has garnered international concern. Cruise lines, being the last in line, recovered to pre-pandemic levels in H1 2022, while hotels and casinos mostly recovered in 2021, all of which are expected to remain at or reach above pre-pandemic levels for the rest of 2022. However, given the risk of a recession in H2 2022, cost-sensitive consumers may lower revenue growth for the industry in the H2 2022.

Median EPS Growth

(percent change, Y/Y)



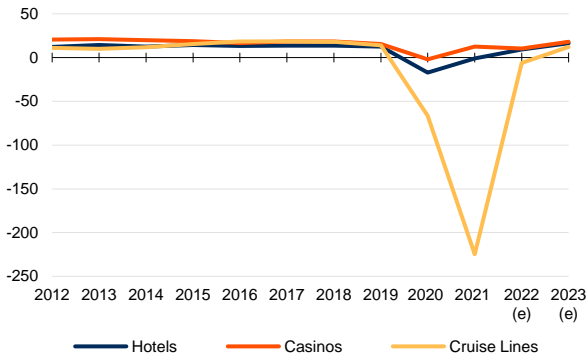
e-Estimate.

Source: CFRA, S&P Global Market Intelligence.

- ◆ We project median EPS contraction of 103.6% in 2022 before expanding 37.8% in 2023 for the hotel industry, contraction of 10% in 2022 before growing 21.8% in 2023 for the casino industry, and contraction of 67.9% in 2022 and 1.5% in 2023 for the cruise line industry.
- ◆ Looking ahead, we expect EPS growth to come under pressure in H2 2022, due to higher food and energy costs as well as staffing issues.

EBIT Margins

(percent)



e-Estimate.

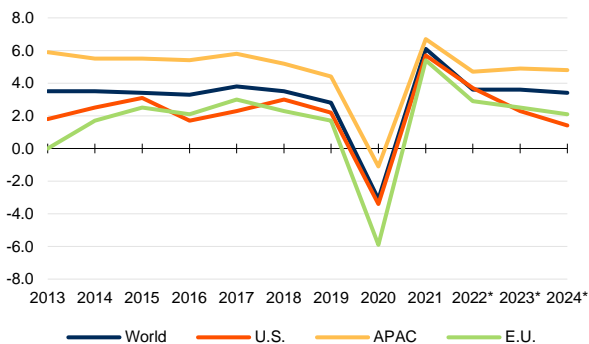
Source: CFRA, S&P Global Market Intelligence.

- ◆ While margin deterioration was expected for all sub-industries within this survey in 2021, none fared worse than cruise operators.
- ◆ The high cost of docking and maintenance, coupled with incremental startup costs from relaunching shelved vessels, spelled disaster for cruise line companies.
- ◆ Furthermore, higher fuel prices and onboard costs (e.g., food) have also started to creep in. However, while margins are expected to gradually recover in 2022 due to the rollback of travel restrictions, there is a risk of a recession in H2 2022. This may limit cruise lines' ability to raise prices and weaken the consumer demand outlook.

KEY INDUSTRY DRIVERS

Real GDP Growth

(percent change, Y/Y)



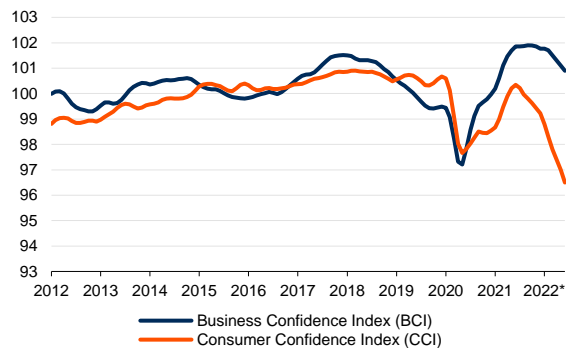
e-Estimated

Source: International Monetary Fund (IMF).

- ◆ The IMF projects the global economy will recover by 3.6% in 2022 and 2023. The economic damage from the Ukraine-Russia war is expected to contribute to a significant deceleration in global growth on top of inflation.
- ◆ Most major economies recovered significantly in 2021 before slowing down at varying paces in 2022 and 2023. The U.S. is expected to grow by 3.7% in 2022 and 2.3% in 2023; the E.U. is expected to grow by 2.9% in 2022 and 2.5% in 2023; and Asia-Pacific is expected to grow 4.7% in 2022 and 4.9% in 2023.

Business and Consumer Confidence

(index)



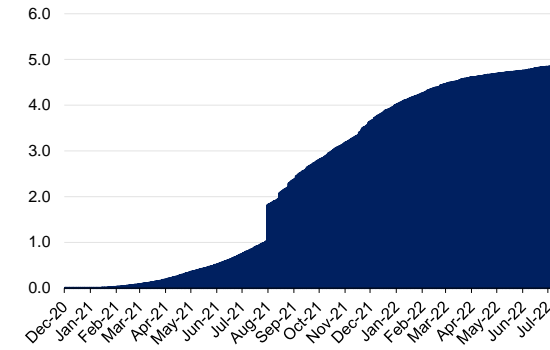
Data through June.

Source: Organisation for Economic Co-operation and Development (OECD).

- ◆ We think the OECD's measures of global business and consumer confidence are good indicators of activity and spending on travel and leisure.
- ◆ Global business and consumer confidence rebounded in 2021 due to widespread vaccine rollout and gradual reopening of economies. However, in H1 2022, concerns about inflation and the geopolitical environment, particularly the intensified tension between countries arising from the Ukraine-Russia war, have proved to be a challenge.

Global Daily Vaccination Rate

(number of fully vaccinated people, in billion)



Data through July 17, 2022.

Source: Our World in Data.

- ◆ The world is now in the fifth wave of the coronavirus outbreak, with Omicron cases surging throughout the world. As of July 2022, more than 560 million people have been infected, resulting in more than 6.37 million deaths. Furthermore, there have been concerns around waning immunity, prompting many countries to start administering additional doses. Fortunately, booster shots have proven to be effective against Covid-19 variants and cases appear to have crested.
- ◆ The vaccination rate increased significantly in the second half of 2021. In July 2022, more than 4.8 billion people have received two vaccine doses, an increase of about 1 billion in number of fully vaccinated people at the end of 2021 (and now 61% of the world's population). The current vaccination rate is 5.2 million doses per day, on average.

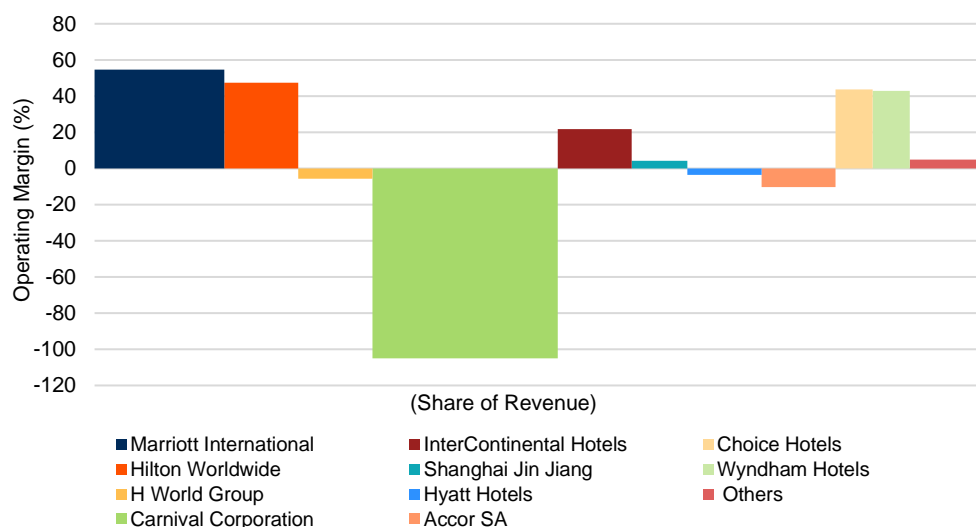
INDUSTRY TRENDS

Competitive Environment

INDUSTRY PROFIT SHARE MAP

Shown below are the profit share maps for some of the largest companies (with a market cap above \$500 million) in the global hotel industry, global casino industry, and global cruise ship industry, respectively:

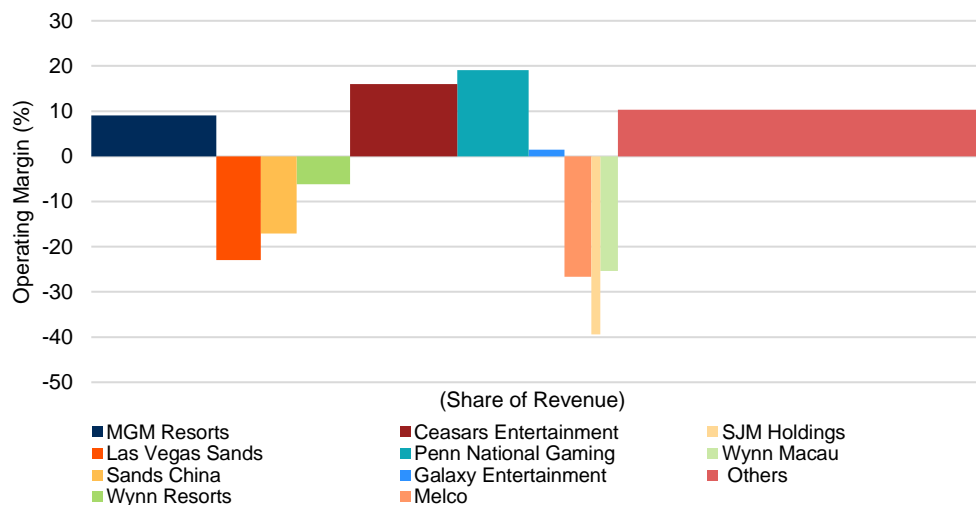
REVENUE SHARE MAP OF THE GLOBAL HOTEL INDUSTRY*



*Last twelve months ended second quarter of 2022.

Source: CFRA, S&P Global Market Intelligence.

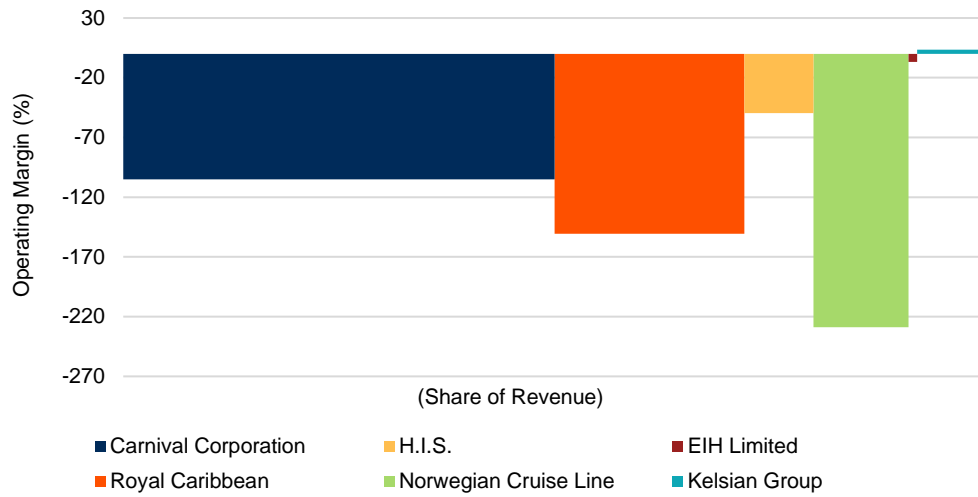
REVENUE SHARE MAP OF THE GLOBAL CASINO INDUSTRY*



*Last twelve months ended second quarter of 2022.

Source: CFRA, S&P Global Market Intelligence.

REVENUE SHARE MAP OF THE GLOBAL CRUISE SHIP INDUSTRY*



*Last twelve months ended second quarter of 2022.

Source: CFRA, S&P Global Market Intelligence.

PORTER'S FIVE FORCES

Below, we used the Porter's Five Forces framework as a tool to analyze the competitive environment of the hotels, gaming & leisure industries.

HOTELS, GAMING & LEISURE SUB-INDUSTRIES PORTER'S COMPETITIVE MATRIX					
	COMPETITIVE RIVALRY AMONG EXISTING FIRMS	CUSTOMER BARGAINING POWER	SUPPLIER BARGAINING POWER	THREAT OF SUBSTITUTION	THREAT OF NEW ENTRY
HOTELS	High - Low switching costs and product differentiation translate to higher competition within the industry. With greater price transparency, hotels are enticed to engage in price-cutting strategies to win businesses.	High - Certain groups, such as airlines, convention organizers, and tour operators, exert pressure on hotel operators when purchasing hotel rooms in bulk.	Moderate - Hotel operators source their products from traditional travel agencies as well as online travel agencies (OTAs), which are a huge driver for hotel rooms sales. They are also subject to the power of labor since demands for trained personnel are high.	Moderate - The proliferation of a sharing economy offers customers greater choice in the vacation rental market.	Low - The high capital cost and the entrenched position of the global chains and established name brands work to deter new entrants.
CASINOS	High - Low switching costs, low product differentiation, and increased alternatives translate to high competition within the industry.	Moderate - The increasing number of casinos in Macau and various states in the U.S. boost the bargaining power of customers.	Low - Casino operators source their products from a wide range of suppliers, thus eliminating concentration risk. They are, however, subject to the power of labor since demands for trained personnel are high.	High - The legalization of sports gambling and the proliferation of various online gambling sites offer customers an alternative to traditional casinos.	Moderate - The difficulty of obtaining new gaming licenses and high capital costs would deter new entrants.
CRUISE LINES	High - Major cruise operators with low product differentiation and similar economies of scale mean intense competition among firms.	Moderate - Certain groups, such as large tour operators, have powerful bargaining power. Individual buyers may have less bargaining power but still demand the best offering at the lowest possible price.	High - There are only a few ship builders in the industry and cruise lines must take the prices given. Low - Most cruise lines obtain their food and equipment from numerous suppliers. Suppliers in more dominant positions could lower a firm's margins.	Low - The experience of cruise traveling is not easily replicated. Operators are also adopting a more service-oriented approach to attract customers.	Low - High capital costs and the economies of scale leveraged by cruise line giants would inhibit new entrants.

Source: CFRA.

Operating Environment

GEOGRAPHICAL RISKS AND OPPORTUNITIES

I. World

The global travel & leisure industry is still reeling from a seismic disruption from Covid-19. With the growing vaccine coverage leading to the gradual reopening of economies, the industry is recovering from its lowest point when the global pandemic first hit in 2020, albeit at a slower and diverging pace across countries and sub-industries. However, the industry's recovery may face a setback as inflation continues to rise and concerns of a recession intensify. The recent multi-country outbreak of monkeypox has raised international concern as the World Health Organization (WHO) declared it a public health emergency in July 2022. Nevertheless, we think that monkeypox will not have significant effect on travel compared to Covid-19 due to its nature; monkeypox is transmitted via close skin-to-skin contact, while Covid-19 is spread via airborne transmission. Furthermore, the vaccine for monkeypox is already readily available while Covid-19's vaccine was not available when the outbreak first hit the world. However, the risk of new and deadlier variants emerging will prove to disrupt travelling once again.

◆ **Global cruise lines.** Prior to the Covid-19 outbreak, the global cruise industry was on a relatively strong fundamental trajectory, with a notable rebound in passenger demand and onboard spending, and relative strength in net yields, available passenger cruise days (APCD), and other key operating metrics. That came as the major operators pursued a multi-year cycle of capacity expansion as they launched new ships to capitalize on what was then growing global demand.

Then came the pandemic, which brought cruise line operators to their knees. With ongoing travel restrictions amid the global spread of the outbreak, the cruise industry announced temporary closures of entire global operations. This followed a wave of mass cancellations, itinerary modifications, and redeployment of sailings as both the U.S. Centers for Disease Control and Prevention (CDC) and the U.S. State Department issued their own warnings against cruise travel and provided stringent standard operating procedures (SOPs).

In 2022, the world has largely learned to live with Covid-19 as new cases, hospitalizations, and deaths all dropped from earlier in the year. As a result, cruise ships have gradually transitioned back to pre-pandemic operations, and in March 2022, the CDC removed the Covid-19 Cruise Ship Travel Health Notice. According to Cruise Industry News, over 380 ships are set to operate and all major cruise lines have their full fleets in operation as of July 2022. However, looking ahead, we forecast global cruise lines will face headwinds in the second half of the year, given the risk of recession that will likely weaken consumer travel and leisure spending along with margin pressures from higher labor, energy, and food costs.

II. U.S.

The travel and tourism industry has become an indispensable pillar in the nation's economy. The industry suffered \$766 billion in losses amid the Covid-19 lockdowns in 2020, then managed to recover in 2021 in spite of the Delta and Omicron variants, though not to 2019 levels. However, we anticipate gradual improvement through 2022, nearing pre-pandemic levels, as vaccination rates worldwide are at 12.1 billion doses administered and should continue to climb. UAE, Portugal, and Cuba are leading the vaccination race, with over than 90% of their populations fully vaccinated. High vaccination rates across the world will result in the rollback of many international travel restrictions and bring gradual improvement in U.S. domestic and international travel throughout 2022.

Despite the surge in vaccination rates, the rapid increase in Omicron cases has raised concerns as immunity has started to wane. However, booster shots have proven to be effective against the variant,

and as of July 2022, 2.8 billion booster doses have been administered globally. While the U.S. is first in line in terms of booster shot numbers, with around 127 million booster shots administered, the country lags other countries in relative to population, with around 38% of the U.S. population.

However, the travel and tourism industry is expected to show a mixed picture in the second half of the year. While the current demand environment remains robust, many companies will face margin pressure from higher commodity prices and staffing issues. Companies in this industry may respond through higher pricing, but given the risk of recession and less discretionary spending, many companies may not have enough pricing power to improve their bottom lines.

◆ **Gaming in the U.S.** The gaming industry in the U.S. is more dependent on recreational visitors than the hotel business. Whether it is for a day trip, a long weekend, or a more extended vacation, many patrons visit a gaming facility to engage in games of chance. Most of the highest-volume casinos in the U.S. are part of or linked to big hotels. Larger casino complexes typically also offer hotel rooms; food and beverages; entertainment, such as nightclubs and theater shows; and shopping. Moreover, some of the largest hotels, with more than 2,000 rooms each, find homes in gaming markets such as Las Vegas and Atlantic City.

The temporary closure of domestic casinos in Las Vegas and other regional U.S. markets has been gradually lifted across regions, due to the rapid growing vaccine rollout in the first half of 2021. The casino sub-industry is recovering much faster in the U.S. regional markets than in Las Vegas, which relies more heavily on air travel and business conventions.

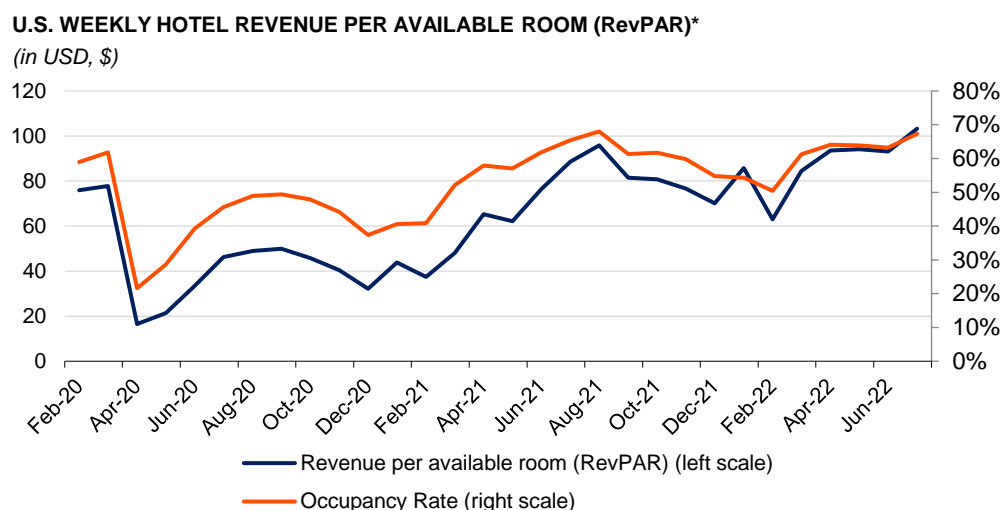
There are long-term bullish catalysts. The legalization or development of new U.S. gaming markets has gradually accelerated – casino gambling is now legal in 30 states – with gaming machines now allowed at more U.S. racetracks and other venues. Also, after a May 2018 U.S. Supreme Court decision, more states are likely to embrace online betting, likely providing a long-term revenue opportunity for casino operators.

The lifting of Federal U.S. bans on sports betting basically fired the starting gun for the launch of online sports book (OSB) and online casino gaming (iGaming) businesses, which has led to strong growth for the first half of 2021. We expect an attractive market growth rate that would reach \$25 billion to \$42 billion by 2030. With the market still at its infancy, anybody can have a slice of the pie as the market share is available in this early stage for anyone's taking. Pioneering states such as New Jersey have seen average bets placed rocket to over \$670 million per month. Furthermore, global entertainment company MGM Resorts International has joined forces with the world's largest online betting technology company, Entain Holdings, to form Bet MGM, a U.S. online sports betting and online gaming company to capitalize on these new opportunities. Others without online operations and significant wagering experience are either buying sports wagering businesses to push into the space, or will offer skins/regulatory license access for a fee.

Meanwhile, delayed replacement cycles in North America and international growth constraints have recently weighed on gaming machines and systems providers. Still, we look for casino operators to eventually resume a new upgrade cycle for their equipment. Also, future gaming machine sales will likely ultimately benefit from a gradual shift to server-based gaming machines as well as an expansion of gaming as states look to plug budget shortfalls.

◆ **Hotels in the U.S.** Hotels have made a strong recovery from the Covid-19 outbreak and subsequent variants that wreaked havoc on the industry over the course of 2020 and 2021. With the majority of hotels having reopened, the average hotel revenue per available room (RevPAR) in the U.S. has continued to grow, reaching \$108.64 in June 2022, reaching an all-time high, with 9.9% nominal increase over June 2019 levels, according to STR data. While RevPAR has surpassed 2019 levels, occupancy rates still lag slightly with June 2022's average occupancy of 70.1% still 3.0% below 2019 levels. We think significant

pent-up demand will continue to drive the recovery in hotels amid the rapid vaccine rollout and easing travel restrictions (return of air travel). The recovery should continue to be led by robust leisure travel demand, with business/group travel accelerating but remaining below pre-Covid-19 levels due to an uptick in videoconferencing and work-from-home capabilities, in our view. We expect RevPAR growth to continue through 2022 despite rising concerns of a recession as consumer demand to travel remains elevated. This should enable RevPAR to exceed 2019 levels on a full-year nominal basis in 2022.



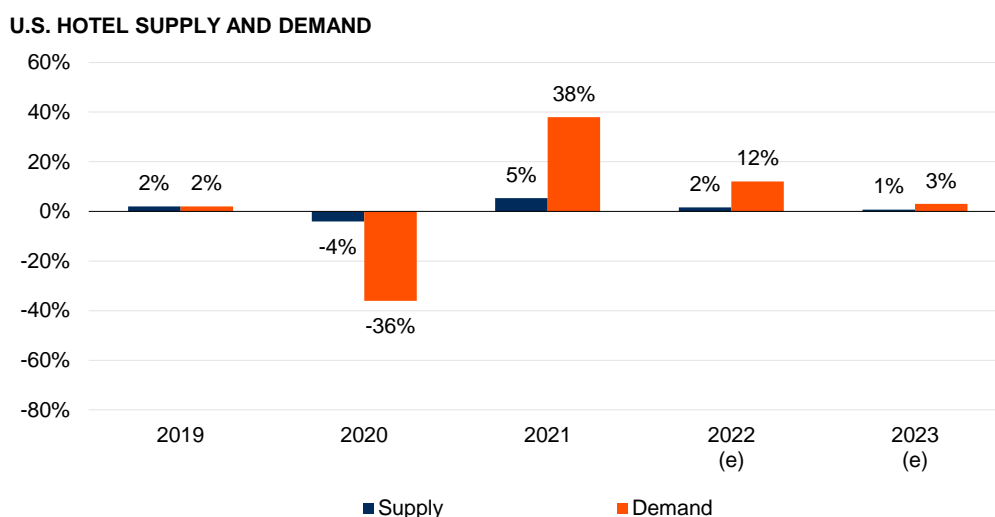
*Data through July 9, 2022.

Source: Press release from STR.

The jobs picture for the U.S. hospitality industry is mixed. Hotel companies have been disproportionately affected by very steep job losses resulting from layoffs, furloughs, and hotel closures. The leisure and hospitality industry lost 8.3 million jobs in March and April of 2020 as the pandemic took hold – by far the industry with the largest number of job losses within reported U.S. non-farm employment statistics. The industry appears to have subsequently led with a recovery of more than 6 million jobs through July 2021, which reflected the incremental benefits of the ongoing assistance by the U.S. government under the Paycheck Protection Program (PPP). Despite that, the industry is still facing a labor shortage; a record-high of 4.54 million Americans quit their jobs in March 2022, and nearly 875,000 of those were leisure and hospitality workers. We think the outlook for labor recovery for the hospitality/leisure industry has become complex; while the lifting of travel restrictions has resulted in increased demand for workers, workers are quitting as they are finding salaries unsatisfactory, leading to a mismatch of supply and demand. The quit rate of 5.7% within the Leisure and Hospitality industry in March 2022, as reported by the U.S. Bureau of Labor Statistics (BLS), is largely believed to be a result of employee burnout from worker shortages. Hotels may need to increase salaries at the expense of profit, or there will be disruption to business operations, which may lead to bigger losses in profit. CBRE Hotels' March 2022 survey also found that frontline hotel employees earn 12.8% less than retail workers, which we think will continue to provide a significant headwind to solving current labor issues.

The resurgence of Covid-19 cases and newer variants could undermine the recovery. However, a gradual improvement in the travel industry and the rolling back of many travel restrictions have led to a quicker recovery than was initially expected, with real hotels' RevPAR forecasted to reach 2019 levels by 2024, according to STR and Tourism Economics. Although ongoing concerns remain pertaining to Covid-19 variants and inflation reaching multi-decade highs, higher levels of demand from international travelers and business travelers are expected to continue through 2022. On top of that, a delayed hotel-building pipeline due to supply chain issues will lead to demand outstripping supply in the near term. A recent CBRE survey now projects that new supply growth is likely to be restricted to a level of 1.2% to 1.3% per

year through 2025, well below the long-run average of more than 2.0%. As shown below, U.S. hotel demand (room nights sold) and supply in 2020 declined 36% and 4%, respectively, but rebounded 38% and 5% in 2021 and are projected to continue rebounding by about 12% and 2% in 2022.



Source: STR, Tourism Economics.

The financial hit on the U.S. hotel industry was jarring as the Covid-19 pandemic weighed significantly on the financial results of the major U.S. hotel operators in 2020 – the worst year on record for the industry. The U.S. hotel industry suffered about \$125 billion in aggregate lost revenues due to the pandemic in 2020, based on estimates from Oxford Economics, a market research firm. Hotel operators were in total cash conservation mode – slashing capex budgets by 75%, furloughing staff, suspending dividends, and raising capital while projecting “cash burn rates” to give investors comfort they can survive another year or so on their current cash and if hotels remain closed or shut down a second time. However, good news for U.S. hotels came sooner than what was initially expected as the industry rebounded significantly through 2021 amid acceleration in vaccine distribution and easing of travel restrictions.

While 2022 is likely to see a continued recovery, mounting risks of a recession are looming over the industry. A recent survey of economists conducted by Reuters in early June 2022 found that a median 40% of economists believe a recession is likely over the next two years, with a 25% chance of a recession in the coming year. This view has intensified as a continued acceleration of inflation (measure by CPI) is forcing the Federal Reserve (Fed) to hike interest rates aggressively and making the Fed’s goal of a soft-landing more difficult. A recession would likely provide significant headwinds for hotel REITs as lower consumer spending and business activity (typical during recessionary periods) would likely result in reduced pricing power and lower occupancy rates.

III. Asia

China continues to impose travel restrictions on both inbound and outbound travelers, which will likely further reverberate across global travel and tourism markets. According to the China Tourism Academy, outbound Chinese travelers totaled 155 million in 2019, rising at a CAGR of about 12.5% over the prior 10 years (versus 47.7 million in 2009). That number was decimated by the pandemic in 2020 as outbound trips fell 88% year-over-year from 155 million to 18 million, and that number was further halved in 2021 to just 8.5 million. Even though China is easing restrictions on international flight, we think a full recovery and growth will only come in 2025 as China, a major contributor to the outbound tourism market, is still battling Covid-19’s outbreak, with millions still under lockdown.

Asia is also home to some of the most tourism-reliant regions globally. Southeast Asia, for example, is home to Cambodia, Indonesia, Malaysia, Singapore, Thailand, and Vietnam. As of July 2022, most international flights had resumed for Southeast Asian countries. Most countries like Indonesia, Laos, Malaysia, Maldives, Philippines, Singapore, Thailand, and Vietnam are open to international travelers regardless of vaccination status (but unvaccinated travelers are subject to additional safe travel requirement depending on the country), while Myanmar's border is only open to fully vaccinated travelers.

◆ **Gaming in Macau.** Macau's gaming industry has been severely disrupted amid the Covid-19 outbreak. More than 90% of Macau's visitors are from China, Hong Kong, and Taiwan – where the Covid-19 pandemic spiked earlier than in the rest of the world. Despite showing a remarkable sign of recovery through the first half of 2021, footfall is not likely to return to pre-pandemic levels until the second half of 2023 due to the spike in new cases during the first quarter of 2022 as Macau adheres to the same zero-Covid-19 policy as China.

In July 2022, for the first time in more than two years, Macau closed all of its casinos as the Covid-19 outbreak continues to grow in the world's biggest gambling hub. More than 30 high-risk areas of the city are currently in lockdown. Even though the government insisted there would be no city-wide lockdown, the stringent regulations have effectively shut down Macau. Macau adheres to China's "zero-Covid-19" policy that aims to stamp out all outbreaks, as opposed to the global trend of trying to coexist with the virus. Macau's gross game revenue (GGR) in 2020 shrank to \$7.57 billion, down by 79.3% compared to \$36.6 billion in 2019, before increasing 44% in 2021 to \$10.82 billion due to the easing of bans on foreign entries. However, in the first half of 2022, Macao casinos recorded GGR of merely \$3.3 billion, a 46.6% year-over-year decline. CFRA thinks that gaming revenues for Macau casinos will be very limited for any meaningful pickup in the next 12 months due to surge of Covid-19 cases and strict control measures in Macau. CFRA thinks that gaming revenues for Macau casinos will be very limited despite the sector making steady progress on recovery. There may be near-term delays of Hong Kong reopening and the normalization of e-visa and package tours, and, on top of that, casino gaming is also facing regulatory risks from the Chinese government, and we think interference from officials will increase in the next one-to-two years while the industry is in a weakened state. Despite that, we see positive trends in Macau's retail revenue, likely driven by visitors who used to shop in Hong Kong diverting to Macau. This should serve as a long-term driver for Macau's gaming and shopping industries, even after travel restrictions to Hong Kong are lifted, in our view. Gross gaming revenue may not recover as quickly in the next two years, as the scale of reopening is limited. Visibility for any sustainable recovery is highly limited until international passenger traffic can resume sustainably, which we think will be in 2024, after license renewals (due in 2022) are completed and the Covid-19 pandemic really ends.

◆ **Hotels in Asia.** Hotels across Asia-Pacific suffered an early decline compared to their American and European counterparts due to their proximity to the epicenter when the coronavirus was first detected in late December 2019 in Wuhan, China. Asian hotels recorded their worst ever occupancy rate in April 2020, plunging more than 60% from the year before. RevPAR also took a significant hit. After a series of surging Covid-19 waves, momentum started to build up as occupancy rates recovered from the pandemic low and remain elevated. While RevPAR varied from hotel to hotel, RevPAR also showed signs of recovery, with some hotels reaching pre-pandemic levels in December 2021.

Despite a series of Covid-19 waves and new variants, occupancy rates and RevPAR have been recovering since the April 2020 trough, thanks to strong domestic demand. Being the first major country to emerge from the coronavirus lockdown, China started seeing a recovery in occupancy rates since the government began relaxing lockdown measures in March 2020. However, China occupancy rate plunged yet again in February 2022 as the country returned to lockdown due to a massive Covid-19 outbreak. For many hotels across key markets in Asia-Pacific, occupancy rates have started to recover with the return of international tourists being the biggest driver as most Asia-Pacific countries have started to gradually open borders since March 2022. However, it is unlikely that there will be a significant increase in business

travelers arriving in the near future as most companies will still opt for virtual meetings and conferences to maintain social distancing, in our view.

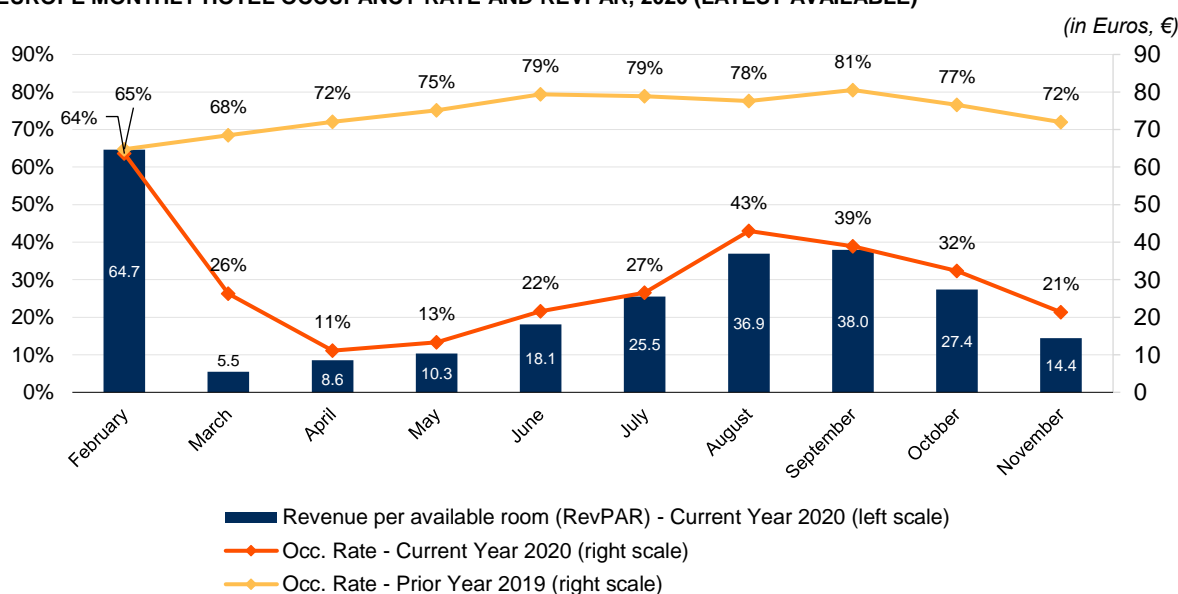
IV. Europe

Tourism plays a crucial part in the European Union (EU) economy. According to Eurostat estimate, the EU tourism industry contributed around 3.9% revenue to the non-financial business economy and 5.1% employment within the region in 2018 (latest available). However, more than half the tourism-related businesses are located in France, Italy, Germany, and Spain – countries hardest hit by the Covid-19 pandemic.

While Europe is no longer the region hardest hit by coronavirus – the Americas has taken the top spot due to case spikes in the U.S. and Brazil since July 2020 – the effects of the pandemic reverberate throughout the region's tourism industry. However, Europe's effective strategy of containing the Covid-19 virus, coupled with increasing vaccination rates, has enabled the governments to reopen the economy.

◆ **Hotels in Europe.** Of all the industries impacted by the pandemic, it is hard to think of one more devastated than the hotel industry. Hotels across the region experienced a freefall in occupancy rates, as shown in the chart below. With the lifting of travel restrictions in most European countries in March 2022, Europe is heading for a steady recovery. The occupancy rate remains stable amid the Ukraine-Russia war, while countries bordering the war area have seen a refuge-driven lift in occupancy.

EUROPE MONTHLY HOTEL OCCUPANCY RATE AND REVPAR, 2020 (LATEST AVAILABLE)



Source: CFRA, STR.

The speed of recovery greatly depends on the return in demand following any easing of travel restrictions. We can say that demand has definitely return stronger than ever, even with the inflation still surging. Hotel operators, at the same time, may require a transition period to rehire and retrain hotel staff. The most challenging period would be the one between reopening and returning to pre-crisis occupancy levels. The government would likely retract initiatives that support employee wages, thus creating a cash constraint that may hinder a smooth recovery.

OTHER OPERATING TRENDS

Extreme Weather Disrupted the Industry

The hotel industry is particularly susceptible to extreme climate change due to its fixed assets and specific locations. Hotels must be ready to manage risks from extreme weather, from coastal destinations increasingly exposed to rising sea levels, hurricanes, flooding, and erosion to parks and green spaces threatened by wildfires, to cooler climes with shorter winter seasons and erratic water flow, and even cities and urban areas experiencing extreme heat and rising energy costs. Additionally, severe weather patterns (hurricanes/typhoons) could disrupt cruise line revenues, as passengers take a longer look at long-term forecasts before booking trips on the sea.

Furthermore, extreme weather can interrupt operations affecting both leisure and business travel. Erratic conditions often mean erratic bookings and cancellations. In particular, the recent fatal heatwave, with an all-time high temperature in Europe, had cost more than 1,100 people's lives and led European and foreign travelers to cancel any plan to travel for this and upcoming summer holidays. The main cause for the extreme heatwaves can be attributed to the global warming, an issue that has no immediate solutions. This will significantly drop the number of travelers in the summer season, a time of supposed peak travel season.

Travel Tech Adoption Accelerates

In the span of just a few months, the Covid-19 crisis had drastically altered the world, from government regulations and policies, education, social lifestyle, and, most significantly, companies' operations. As with nearly all businesses, technology presents the travel industry with seemingly unlimited opportunity. Covid-19 has accelerated the digitization of customer and supply-chain interactions and of business operations by three to four years, while the share of digitally enabled products has accelerated by seven years, according to McKinsey Global Surveys.

The travel industry had hit rock bottom during the pandemic crisis. However, driven by pent-up demand and countries lifting their travel restrictions in the first quarter of 2022, the global travel industry recovered significantly and its contribution to the global economy could reach USD8.6 trillion in 2022. To cater to the increased travel demand, companies with travel tech adoption will have an upper hand as Covid-19 has led to the proliferation of mobile phone usage. Some examples include voice search, artificial intelligence chatbox that operates around the clock, facial recognition technologies, online payment aid to reduce friction and cut waiting times.

More than that, the Covid-19 pandemic has also led to more meticulous hygiene practices, thus bringing some travel-related technologies to the forefront, including cleaning bots, hotel robots, mobile check-ins, and contactless payment to minimize direct human contact. Hotel robots have garnered much attention: two Chinese hotel giants, Huazhu and BTG Homeinns, have invested in Shenzhen ExcelLand, a Chinese service robot provider with robots already in operation in more than 600 cities.

Margin Pressure Expected in 2022 as Recession Risk Looms

Despite a healthy recovery in the first half of 2022, the travel and tourism industry is expected to show a mixed picture in the second half of the year. While the current demand environment remains robust, many companies will face margin pressure from higher commodity prices and staffing issues. Companies in these industries may respond through higher pricing, but given the risk of recession and less discretionary spending, many companies may not have enough pricing power to improve their bottom lines.

Mounting risks of a recession are looming over the industry. A recent Reuters survey found that a median 40% of economists believe a recession is likely over the next two years, with a 25% chance of a recession in the coming year. This view has intensified as a continued acceleration of inflation (measure by CPI) is forcing the Fed to hike interest rates aggressively and making the Fed's goal of a soft-landing more difficult. A recession would likely provide significant headwinds for hotel REITs as lower consumer spending and business activity (typical during recessionary periods) would likely result in reduced pricing power and lower occupancy rates.

HOW THE INDUSTRY OPERATES

HOTELS, RESORTS & CRUISE LINES

The hotels, resorts & cruise line sub-industry provides travelers a refuge for rest and privacy. However, many hotel properties possess features well beyond the basic bed, bathroom and telephone. For example, some facilities specialize in catering to large business meetings or conventions, while others maintain recreational facilities, such as pools and tennis courts, for the benefit of both vacation and business travelers. Numerous resorts are centered on golf, with several courses available. Room prices reflect the level of amenities and service that a hotel provides.

Lodging Business Models

Companies can choose to own, manage, or franchise their properties. Some do all three.

◆ **Franchising.** Under franchise agreements, the parent company (the franchisor) typically grants the use of its brand name to lodging properties that it neither owns nor manages. The franchisor receives some revenues—typically a percentage of room sales—without investing significant amounts of incremental capital. It also gains visibility by having more affiliated properties. In addition, most franchisees help promote the brand name by contributing some of their own marketing dollars to national or regional ad campaigns.

From a franchisee's point of view, potential advantages include leveraging brand-name recognition and having access to shared resources such as national reservation systems. Chain affiliation often gives prospective property developers an edge with lenders, who are reassured by the connection to an established business. Franchising has helped many people to become entrepreneurs without having to assume as much risk as going into business on their own.

◆ **Owning.** Owning a property is a capital-intensive business, requiring more of an investment than franchising or managing. In return, it offers both control of the business and the possibility of future gains from appreciating property values. There are various forms of ownership for hotels, including corporations, partnerships, and real estate investment trusts (REITs). A company that owns lodging properties also may have some hotels or motels that are part of another firm's franchise system.

Shown below are the performance indicators for major global hotel REITS as of the first quarter of 2022, which have been experiencing an accelerating recovery as covid variant concerns ease and restrictions abate. However, many performance indicators still remain below historical or "normal pre-Covid" levels.

MAJOR HOTEL REITS AND OPERATING DETAILS								
TICKER	REIT NAME	MARKET CAP (\$ BILLION)	TOTAL HOTEL PROPERTIES	TOTAL OWNED HOTEL PROPERTIES	NO. OF HOTEL ROOMS	AVERAGE DAILY RATE (ADR)	OCCUPANCY	REVENUE PER AVAILABLE ROOM (RevPAR)
HST	Host Hotels & Resorts*	14.1	78	78	42,334	\$305.63	54.6%	\$166.93
PK	Park Hotels & Resorts*	4.5	46	46	27,889	\$224.42	54.4%	\$116.42
RHP	Ryman Hospitality Properties*	4.5	12	12	10,412	\$229.00	63.3%	\$108.41
SVC	Service Properties Trust*	1.5	295	295	46,596	\$114.85	53.6%	\$61.56
COVH	Covivio Hotels*	3.0	305	305	39,970	N/A	N/A	N/A
APLE	Apple Hospitality REIT Inc.*	3.7	215	215	28,085	\$137.00	67.1%	\$91.98
PEB	Pebblebrook Hotel Trust*	2.9	52	52	13,006	\$294.00	48.6%	\$144.00
8985	Japan Hotel REIT *	2.2	42	42	N/A	N/A	N/A	N/A
SHO	Sunstone Hotel Investors*	2.6	17	17	9,017	\$301.44	53.0%	\$159.76

*Hotel and room data for FQ1, 2022.

Source: S&P Global Market Intelligence.

◆ **Managing.** Managing is a service business. A management company may work with properties that it owns and/or with hotels belonging to another party. Customer satisfaction and the efficient use of resources, including labor, are important factors. Management contracts may include incentive fees based on a property's financial success.

Chain or independent?

One decision that hotel owners and operators need to make is whether they want their properties to be independent or part of a chain. The foremost feature of a lodging chain is a shared name (generally an owned trademark) that identifies facilities whose prices and amenities are standardized. Potential advantages of chain affiliation include the use of a name that consumers know (e.g., Holiday Inn or Four Seasons), and access to a chain-wide reservation system. Chain membership also can increase the likelihood of obtaining financing from lenders.

A company may become part of a hotel chain in several ways: by owning and operating its own branded hotel facilities; by owning a hotel that it hires another company to manage; by managing another firm's property; or by licensing to franchisees the right to operate its branded hotels. In the latter case, franchisees generally are expected to pay royalty fees to the chain's parent company and possibly to contribute to marketing costs to promote the brand.

The owner or operator of an independent (non-chain) hotel does not need to conform to a franchisor's established guidelines, giving it greater flexibility to develop a unique style and ambiance for a given property. However, it may be more difficult to attract new customers without the name recognition, reservation system, or marketing support of a well-known chain. Nonetheless, there always will be room for hotels that go it alone, particularly if they have a prime location or distinctive qualities that attract visitors.

Room Sales As A Revenue Source

Based on data from Smith Travel Research (STR), a provider of lodging data, a typical full-service hotel derives about 62% of revenues from room charges, compared with around 93% for limited-service properties. The key difference is food and beverages, which limited-service hotels do not offer; this category accounts for 30% of revenues, on average, at full-service hotels. In addition, full-service properties may offer spa and fitness facilities, tours, and other premiums, which account for most of the remainder of full-service revenues. Miscellaneous a la carte items obtained on a rental or separate fee basis account for most of the remainder of revenues at limited-service hotels.

Segmentation Offers Choices

Hotel companies have established different ranges of pricing, service, and accommodation size and style for different types of guests. While the addition of more hotel brands probably does not contribute much to overall demand for rooms at present, individual companies use new brands to broaden their customer bases, and to better leverage corporate resources, management experience, access to capital markets, as well as back-office operations. The extent to which additional brands or properties succeed depends largely on whether they take sales away from competitors or cannibalize a company's other hotels.

For the consumer, the proliferation of brands has brought new types of chains (such as all-suite hotels) that may enable a closer connection with the brand and engender greater brand loyalty. For properties that undergo a rebranding—from either independent operation or from one brand to another—the change may impart a sense of freshness, beyond meeting the customer's primary requirements of a roof and a bed.

CASINOS & GAMING

Casinos compete with many other forms of recreation for patrons' discretionary dollars. The potential for winning money from a casino creates excitement for visitors, and it may offset their knowledge that odds favor the house. In some cases, gaming businesses offer free amenities such as lodging, food, and beverages as a means of rewarding and attracting preferred customers.

The Gaming Scene

The gaming business remains much less widespread than hotel services due to regulatory prohibitions. By becoming more geographically accessible and creating "must-see" attractions, the gaming industry has broadened its customer base and increased the likelihood of repeat visits. When casinos open in a new area, they make gaming more convenient for local residents and are likely to attract visitors to the region. A splashy new facility in an older gaming market, such as Las Vegas or Macau, can be a draw for both new and returning visitors.

With the opening of new gaming markets, joint ventures (typically between a large gaming company and a group of local partners) have become increasingly common. These alliances allow different assets—such as real estate ownership, access to capital, management experience, and political connections—to be combined.

Gaming Markets: Standing Out In A Crowd

As both the new and traditional gaming markets have seen several new players, many operators are trying to differentiate their casinos. Casino floors, with their slot machines and table games, tend to look alike. Therefore, operators need to find ways to make each facility seem interesting and attractive to customers. Developing special themes and attractions are ways to differentiate one casino/hotel from the next.

Some gaming companies try to develop strong brand recognition among consumers. Other firms put more emphasis on the distinctiveness of individual properties. Another strategy is to emphasize strong locations. In general, proximity to interstate highways and major population centers provides a significant advantage for new gaming facilities. For a gaming project to be visible from a well-traveled road is a bonus.

Some casinos focus on particular groups of customers. For example, Boyd Gaming Corp. has sought to attract residents of Hawaii, including focusing on travel agents in the state and operating charter flights from Honolulu to Las Vegas. Other Las Vegas facilities emphasize attracting local residents to their casinos.

Some casino/hotels target high-stakes players; because such players can win or lose millions of dollars during a visit, short-term fluctuations in the revenue and profit levels of such casinos can be pronounced. Other casino facilities are weighted primarily toward slot-machine activity.

Paying To Play

To generate business for their casinos, operators of gaming facilities provide billions of dollars' worth of complimentary rooms, food, beverages, coins/tokens, and other items every year. The value of such giveaways can vary widely between properties. A casino/hotel that hopes to attract a greater number of high-rolling customers is more likely to give away free rooms. In Atlantic City, where casinos also seek to entice lower-stakes gamblers who do not generally stay overnight, rolls of coins/tokens are a big item.

HOW LODGING AND GAMING ARE SIMILAR

The lodging and gaming sub-industries are interrelated to a certain extent—a connection that lets the gaming companies encourage longer stays and offers their casino visitors a wide assortment of amenities, including complimentary rooms for their best customers. However, most of the more than 180,000 hotels in the world do not offer casino activity (largely because they are prohibited from doing so). The gaming sub-industry is highly regulated for the most part, and the introduction of casino activity requires licenses or agreements with state authorities.

Here, we detail some of the characteristics shared by the two sub-industries:

◆ **Three ways to grow.** For hotel and casino owners and operators, there are three main avenues to growth: raise sales or profits at existing properties, open new units, or make acquisitions. With existing hotels, the potential means of boosting revenues include refurbishing or expanding the property, or changing the hotel's brand affiliation (i.e., leaving one chain and joining another). New unit development entails finding attractive sites and making sure that capital is available for new construction. As for acquisitions, one rationale supporting this approach is that they can offer faster and possibly more economical growth than would new construction.

◆ **Sizable capital investments.** Much of the capital that hotel and casino owners require—for such fixed assets as land, buildings, furnishings, and equipment—is likely to be borrowed. For a large new casino/hotel project, capital spending can total hundreds of millions of dollars. The financial viability of each new lodging or gaming facility depends partly on the level of interest rates and the amount of related debt that the owner has incurred.

◆ **Large-scale employment of service-oriented workers.** Both sub-industries sell hospitality to their customers. Employees perform such functions as housekeeping and food service. In some cases, unions represent industry employees.

◆ **Dependence on tourism and leisure travel.** Leisure travelers are an important source of revenue and profit for both the lodging and the gaming sub-industries. As a result, factors such as personal income, consumer confidence levels, and people's willingness to travel affect lodging demand and casino activity. We generally view the hotel sub-industry as being more sensitive than the gaming sub-industry to macroeconomic conditions, due to the importance of business travel to its results.

◆ **Influence of supply and demand.** Both sub-industries are subject to supply-and-demand cycles, with new construction likely to be influenced by interest rate levels and lenders' receptivity. Currently, we believe the historically low interest rate policies around the world are stimulating hotel development well beyond what the natural balance of supply and demand would indicate. Of course, many of these new rooms that are in the pipeline (due to extraordinarily low interest rates) will have delayed construction due to Covid-19.

In the gaming sub-industry, the debut of a splashy new casino project generally helps boost overall demand in the market where it is located. However, at least initially, the new gaming facility captures enough market share to cause revenue and profit levels to drop at older, competing gaming facilities.

◆ **Regulation is a key factor.** The lodging and gaming sub-industries are subject to state and local regulation. Zoning approvals, for example, often are needed before construction can begin on a lodging property.

In the gaming sub-industry, regulation is even more significant. Acquiring a license or reaching an agreement with the local or federal government is a key requirement for opening a new casino. Thus, a license can be a barrier to entering the sub-industry and is one of a gaming firm's most important assets.

Some countries issue a limited number of licenses. However, even if regulators do not cap the number of licenses, they still subject casino developers to review processes and background checks.

Lodging and gaming companies often face special taxes that are specific to their industries. For example, states and localities may apply room taxes for lodging customers and a casino tax on money won by a gaming establishment. A relatively high tax rate on casino winnings may discourage companies from investing in new gaming facilities. These costs would have to be offset by lower investment costs and stronger operating margins. However, profitability levels can fluctuate over time, affected by factors such as economic conditions, the entry of new competition and a change in tax rates.

In Europe, the social impact of gambling had garnered enough attention that national governments were prompted to make regulatory changes. Some of the changes were targeted towards gambling addiction and to reduce risk of gambling-related harm. (See table below.)

Notable Regulatory Changes in the European Gaming Industry	
U.K.	<p>Announced in May 2018 that maximum stake on fixed-odd betting terminals would be reduced from £100 to £2 (took effect in October 2019).</p> <p>Announced in October 2018 that remote gaming duty (RGD) will be increased to 21% from 15% to offset loss in gaming revenue tax.</p>
Germany	<p>Prohibited online casinos in 2011.</p> <p>Implemented restrictions on arcade providers between 2017 and 2018, causing huge reduction of amusement with prize (AWP) machines (implementation was subsequently delayed to 2021).</p>
Italy	<p>Imposed limitations and distance laws on arcade operators, forcing many of them to close with around 250,000 AWP removed.</p> <p>Increased gaming tax on AWP by 0.35% and video lottery terminals (VLTs) by 0.3% (took effect in September 2018 with further increases in May 2019, January 2020, and January 2021).</p> <p>Announced ban on gaming and betting advertisements through media channels in July 2018 (took effect in January 2019).</p>

◆ **High fixed costs.** Lodging and gaming companies alike must accommodate a high level of fixed and semifixed costs (such as payrolls). For example, hotels face such ongoing costs as property taxes, insurance, depreciation and amortization, interest, rent and equipment leases. In addition, for a hotel or gaming facility to be operational, a minimum level of labor is necessary. Thus, a portion of a facility's labor costs can be viewed as fixed (of course, incremental labor may be added as business activity grows or furloughed as activity shrinks). Once revenues pass the break-even point, however, a substantial percentage of incremental revenues typically becomes profit.

Transportation Systems are Important

A well-functioning transportation system in which consumers have confidence is important to the lodging and gaming industry. Consumer sensitivity to both gas prices and airfares when planning travel remains an important consideration for the lodging and gaming industry.

HOW TO ANALYZE A COMPANY IN THIS INDUSTRY

A range of factors, both quantitative and qualitative, can be helpful in comparing and contrasting a company with its competitors, sub-industry peer group and the industry in general.

Although absolute numbers are critical to the assessment of any company, comparative analysis is used to measure the relative success of a company under given industry conditions. For example, if a hotel's revenue is declining while the rest of the industry is showing gains, clearly there is cause for concern and further investigation. However, if a company's competitors are also experiencing weak financial performance, then the problem may lie beyond the company itself.

Further study would then likely suggest where the problems lie. Have consumer tastes or preferences shifted? Have costs, prices, or other factors changed in ways that make the potential investment return of the business more or less attractive? Analysis could suggest how to address the problems or indicate that they may be too large or too broad for the company to fix. Conversely, if a company's financial performance is stellar versus its peers, analysis could show if or for how long the outperformance can be sustained.

Qualitative Factors

Numerous qualitative judgments contribute to the overall assessment of a hotel, casino, or cruise line. The following section describes some of the most important factors.

◆ **Competitive position.** It is important to consider how a company is competitively positioned. This should be evident in the company's strategy – likely developed over many years, and thus difficult to change in the short term.

Factors to consider include the size and operating strategy of a company, be it owning, managing, or franchising properties. An example of this would be that a luxury hotel company would likely need to maintain a high degree of management control, if not ownership, of its properties, to ensure that quality is maintained. Furthermore, in this example, each property might have unique design features, as opposed to sharing similar construction details with other properties in the portfolio, and each hotel may have a singular name.

A large, diversified company may have brands that target multiple segments of the market. Each company should position itself to differentiate itself from its rivals in ways that give it a competitive advantage. Moreover, one should consider how a company's market position would be supported and maintained over the long term, via brand promotion, property upgrades, and more, in order to fend off competitors.

One may also consider whether a business is likely to be viewed as providing good value to customers. The perception of value may likely influence the number of repeat visits a property receives and what types of recommendations are passed on to other people. An emerging trend is for individual hotels, hotel brands, and independent third parties to set up blogging websites for guests to share their views and recommendations. Another, perhaps more reliable source of such information, is surveys of guests conducted by third parties such as STR, a provider of data and analysis for the hospitality industry, which uses data from hotel chains around the world to measure the health and analyze the strategy of the industry.

◆ **Management.** As in any other business, management quality is a key success factor. CFRA looks favorably on seasoned management teams that have performed well relative to their peers in both good times and bad.

In evaluating a company's management team, an investor should first ask whether its strategy makes sense considering current and long-term industry trends. Is the strategy a good one? Is the current management capable of executing it? What is management's record for working together as a team? The quality of management often spells the difference between success and failure.

Some executives excel at cost containment, while others are better at creating new products or managing expansion activity. In evaluating a company, it is a good idea to look at top managers' record – both with that company and with other firms – in addressing the same kinds of needs and goals that are currently pertinent to the company. One way to gain insight into management is through the comments that typically accompany quarterly earnings reports. Does management relate its strategy to results? If not, management itself may not know if its strategy is likely to achieve the desired results.

CFRA generally prefers situations in which top executives' own stock in the company because that should bring managers' interests more in line with those of other shareholders. It is also important to examine the reward potential in place for management. Are short-term results emphasized over long-term performance? An example of ill-suited management incentives would be to allow necessary property renovations to be deferred until management incentives are realized; by then, the property may have lost its competitive position.

◆ **Scale and diversification.** Is bigger better? A large company tends to enjoy economies of scale, with overhead expenses supported by a bigger revenue stream and spread over a larger asset base than those of a smaller firm. A large company is also more likely to have stronger purchasing power and greater influence with customers. Small companies, however, may be nimbler in responding to market conditions. A similar argument can be made for diversifying into multiple industries, because improving conditions in one area may offset a slowdown elsewhere. However, diversification also carries risks; it may dilute the focus of top management or distract the company from its core strengths.

A company's expansion strategy is key to its long-term profitability potential. Companies may choose to grow via internal unit expansion or via acquisitions. In addition, many hotel chains are hedging their bets on the success of one format and developing or acquiring other hotel formats. Conversely, some companies prefer to focus on one concept or several similar concepts. These strategies enable a company to develop expertise it might not gain from a split focus.

CFRA advises looking at the geographic mix of a company's business. A relatively narrow geographic focus may heighten sensitivity to changes in local conditions, including economic and regulatory factors. Some companies have expanded overseas in the pursuit of markets that are less mature or developed than those in their home country. However, international markets may exhibit different consumer behaviors and be subject to varying expectations, as well as different economic and regulatory environments.

On a property-by-property level, site selection is an important consideration. However, not all companies have the same approach when it comes to locating a new property. Some pay top dollar for prime locations, while others are satisfied with lower-cost locations that enable them to operate at lower price points. Offsetting factors can diminish the importance of location. These might include price, as well as the presence (or absence) of nearby competitors or amenities.

◆ **Brand names.** For hotel/casino chains, the value of company brands depends on several factors, including how the brands are perceived by consumers and how successfully shared services such as national advertising is administered. However, even non-chain properties can create valuable brand

equity, as in the case of a unique resort that gains recognition for its ambiance and amenities. Meanwhile, hotels that are part of a chain may still cultivate an image of uniqueness.

◆ **Customer mix.** CFRA advises looking at whether the customer mix of a hotel is weighted more toward business or leisure travelers. Are the property's location and facilities well suited toward attracting such customers?

In general, room prices will be more of a determining factor in the choice of a hotel by leisure travelers than they will be for business customers, in CFRA's view. However, special corporate rates or volume discounts provide opportunities for businesses to lower their travel costs. Industrywide, Monday through Thursday are generally the peak travel nights for business travelers, and Friday and Saturday bring the heaviest demand from leisure customers.

Furthermore, in the case of casinos, it is a good idea to look at what the mix is between local visitors and those from out of town. If, for example, the emphasis is on customers who live nearby, the facility would likely be more sensitive to how well the local economy is doing.

◆ **Regulation.** Regulation has its benefits: countries that limit gaming licenses also somewhat protect companies from competition. However, a state with a limited number of gaming licenses may choose to increase the number, leading to additional competition for existing casinos. In addition, increasing competitive threats may arise from neighboring countries. Furthermore, more and more companies have operations or possible opportunities for expansion in international markets.

Taxation is a significant form of regulation. In some gaming markets, the state or local tax on casino winnings may be less than 10%, while in others, it exceeds 20%. Tax rates, and the likelihood of their being changed, should be part of evaluating projections of a company's current and future profitability and cash flow.

◆ **Technology.** Lodging and gaming companies use technology to differentiate themselves from the competition. Many travelers are aware that most properties have wireless Internet connectivity throughout the facility, as well as in-room wired connectivity, a standard feature. Frequently, these services are included in the room charge, as opposed to a room premium with an added charge.

More importantly, lodging companies use technology to make travel easier and more efficient. For example, automated checkout and other scheduling services have become widespread, as some guests value the timesaving features of such services, helping hotels trim their labor costs. Other uses of technology allow companies to keep track of guests' visits, what services were used and how much each visitor wagered in the casino. The company can then use this information to differentiate the level and types of services that it provides based on guest preferences, guest loyalty, or other factors.

In the gaming business, technology is spurring the development of new features for slot machines. Some jurisdictions now refer to these machines as "electronic gaming devices," presumably taking into account their non-mechanical designs – such as video screens, lack of handles to pull, use of tickets rather than coins for payment, and so on. In the long term, the Internet may become a more common means for people using their personal computers and mobile devices as a gateway to gambling.

◆ **Labor relations.** Since lodging and gaming businesses are relatively labor intensive, it is advisable to be aware of a company's relationships and contracts with major employee groups. For example, is a significant union contract scheduled to expire soon? What are the prospects for the contract being renewed without labor unrest, a strike, or a significant change in the company's labor costs? Even if there is not a major union presence in the company's work force, it is advisable to be aware of labor market conditions, how difficult it is to hire and retain workers, and whether there is likely to be increased pressure on profits from wage costs.

Quantitative Factors

When analyzing a company in the hotels & leisure industry, quantitative factors need to be assessed as well. Some of the most important are described in the following section.

Analyzing Financial Statements

Scrutinize the firm's financial statements. Some important factors to consider are listed below.

◆ **Revenue outlook and profile.** What are the revenue sources, and how diverse is the customer base? Are industry revenues expanding, or will a company have to take market share from competitors in order to grow? Are there opportunities to expand through sales to international markets?

In analyzing a hotel company, one should look at the mix of properties it operates. For example, does it primarily control full-service hotels in big cities and well-known or upscale resorts, or is it principally running smaller, limited-service properties located alongside highways or in smaller communities? A big-city hotel may benefit if business travel is especially strong or if tourism has increased in that area. However, full-service hotels may be more sensitive to rising labor costs, since their staffing levels are likely to be higher than those of properties that offer fewer amenities.

Furthermore, hotel companies may have various revenue streams, based largely on the extent to which they own, manage, and/or franchise various properties. If a hotel company's revenues and profitability come primarily from franchising hotels rather than operating or owning them, one should look at such factors as fees generated from current franchisees and the prospect of adding more properties to the system. For example, if credit conditions are tight, franchise development may slow, since developers of new hotels are less likely to get attractive terms from lenders.

Some companies have diversified beyond the traditional hotel business into such related areas as timeshare operations and the selling of condominiums within their hotel properties. When analyzing such a company, it is advisable to look at how much capital the company is committing to various parts of its operations, how much exposure the company has to potential losses from lending money to timeshare owners and what the returns from such investments may be.

When analyzing a casino business, one should look at its mix of gaming revenue. If it has an unusually large contribution from table games, the casino is likely more dependent on big-spending individuals, whose business can yield volatile results. If the winnings are heavily weighted toward slot machines, the casino is probably emphasizing middle-market customers, and revenues are likely to be more stable.

CFRA advises looking at a casino's financial statements for its levels of accounts receivable and allowance for bad debt. This includes both examining trends over time and comparing them with recent revenue trends and with competitors' comparable numbers. If a casino is giving too much credit to marginal customers, significant bad debt write-offs could lie ahead.



Watch Out! Costs for bad debts and other provisions are estimated by management and recorded as either expenses or offsets to revenue (depending upon the provision). Management has discretion in calculating these estimates, and therefore has the ability to manipulate earnings, and sometimes revenues. By under-provisioning or reversing previous provisions, management can generate artificial, and therefore unsustainable, earnings.

◆ **Hotel operating statistics.** Look for data such as occupancy levels, average daily room rate (ADR), and revenues per available room (RevPAR). RevPAR is calculated as the average daily rate (ADR) times the occupancy level. Alternatively, it could be calculated as the total room revenue divided by number of available rooms over the same time period. Hotels typically seek to maximize revenues, profits, and cash

flow by finding the optimal relationship between occupancy and room rates. When using this measure for gaming companies, keep in mind that some may offer attractive hotel prices – even free rooms – to boost casino activity.

◆ **Earnings quality.** Are there any one-time factors to consider? When looking at either revenues or profits, try to assess any one-time factors that may have inflated or depressed results. For example, earnings may be unsustainably high due to a gain from an asset sale, or they may be unusually low due to a restructuring charge or a one-time write-down of an asset's value.

Other items that can cause major swings in reported profits or in year-to-year earnings comparisons include unusual tax rates and accounting rule changes. If there are significant one-time or nonrecurring items, it is advisable to adjust the reported earnings to what would be considered “normalized” levels. This should help reveal the underlying growth and quality of the company's profits and may provide a better base from which to project future levels of earnings.



Watch Out! Companies in the Hotels & Leisure industry are fixed asset intensive, making depreciation a significant expense for most of these companies. Since depreciation is based on estimates of asset lives, management can manipulate these estimates to manage earnings. Specifically, extending the depreciable life of an asset will boost a company's earnings while shortening depreciable lives will decrease earnings. Therefore, it is important to refer to the notes to the financial statements to ensure that a change in depreciable life has not occurred.



Watch Out! Hotels & Leisure companies can have high insurance costs related to product liability, workers' compensation, and health care benefit costs, and some portion of these insurance costs may be self-insured. Companies that provide self-insurance are required to estimate and accrue costs related to the above noted items. To the extent that these accruals are subject to management discretion, they may be manipulated to achieve a financial performance target.

◆ **Profitability ratios.** Profitability ratios or margins are measures of how successful a company is in turning revenues into profits. Operating margin, expressed as a percentage, is calculated by dividing operating profit by revenues. Net margin is calculated by dividing net income by revenues. When analyzing profitability ratios, the investor should compare a company against its own past performance and against the performance of similar companies.

◆ **Cash flow.** How healthy is cash flow? Reported earnings may not be an accurate reflection of a company's cash flow generation or financial strength. Keep in mind that some expenses on a company's income statement – such as depreciation, amortization, and write-downs – are non-cash items (*i.e.*, they do not represent an actual cash outlay).

It is particularly important to evaluate capital-intensive and acquisitive businesses such as hotels and gaming companies in terms of how much cash they generate and how much cash they require to maintain and expand the business. These figures may differ substantially from reported earnings. To analyze sources and uses of cash, CFRA advises consulting a company's consolidated statement of cash flows.

Capital expenditures should be analyzed, to separate funds being used to expand a company's business from investments required simply to maintain existing business. While funds for expansion are intended to increase future funds available for shareholders, amounts required to renovate, remodel, and maintain existing structures can be recurring, and should be seen as a consistent drain on cash from operations.



Watch Out! *Some companies engage in supplier financing arrangements (aka reverse factoring). There are several variations of these programs, but basically, a company arranges for a financial institution to pay its suppliers and the company repays the financial institution later. Supplier financing arrangements can delay a company's payments to its suppliers. These arrangements can result in overstated cashflows and understated leverage ratios.*

◆ **Balance sheet ratios.** A company's balance sheet provides a snapshot of its financial condition. Some balance sheet ratios may offer a view of a company's financial health and indicate how well it is putting its assets or capital to work. For example, a company's dependence on debt as a source of capital can be measured by comparing the amount of debt on its balance sheet to the level of equity it has (known as the debt-to-equity ratio).

A company's success in investing its capital is indicated by ratios such as return on assets (ROA) and return on equity (ROE). In these calculations, annual net income is typically divided into an average asset or equity level during the year being examined. Because the lodging segment is subject to cyclical conditions, there may be unusual income items in various periods. Thus, it is a good idea to look at average returns over a multi-year period (such as five or 10 years).

◆ **Asset values.** When looking at a balance sheet, try to judge whether the values reported are an accurate measure of the assets' current worth. For example, undeveloped land may be valued at what it cost the company 20 years ago; in such cases, the current market value may be much higher. Conversely, changes in business conditions or strategy may mean that some assets are overvalued. For example, if a hotel decides to halt an expansion project, it may end up writing down the value of some land it acquired.

Also, look for noncore assets that could possibly be divested, generating proceeds that could be used to reduce debt, repurchase stock or invest in other businesses. When considering significant potential divestitures, it is advisable to consider whether an asset sale would lead to a sizable tax bill. When analyzing companies that own significant hotel and casino properties (including the land they sit on), CFRA advises considering what the replacement and/or real estate value of their properties might be.

◆ **Book value.** This number measures the balance sheet value of a company's assets minus its liabilities. Particular attention should be paid to "tangible" book value, which gives credit to assets such as land, buildings and equipment, but excludes items such as goodwill (which may include a portion of the purchase price of previous acquisitions).

Keep in mind that balance sheet valuations may not reflect assets' replacement cost or their worth to someone else. In addition, the extent to which intangible assets (like a brand name or customer loyalty) contribute to a company's worth may not be adequately reflected in a company's book value, although they may add greatly to the company's worth.

◆ **Off-balance-sheet items.** Does the company have any commitments or prospective liabilities that are not included on its balance sheet? This could include a conditional guarantee to repay debt of another firm (such as a franchisee) or a commitment to buy back, upon request, some of its own debt at a future point. Try to determine the existence or likelihood of any triggering events (e.g., weaker operating results) that could cause debt holders to demand early repayment.

◆ **Valuation metrics.** Valuation metrics are used to determine how much a company or its stock is worth. The most common valuation metric for the lodging and gaming industry is the price-to-earnings (P/E) ratio, or multiple. Another frequently used metric is enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA) multiple. EV is calculated as market capitalization plus debt, minus cash equivalents; EBITDA is a measure of operating cash flow.

In deciding which multiples to pay, an investor might consider projected growth rates for earnings or cash flow, the relative attractiveness of the markets to which a company has exposure and debt levels. Keep in mind that valuations depend on various factors, including overall investor sentiment, industry conditions, the level of interest rates, and the extent to which future earnings seem predictable. As is the case with other measures, valuations of a particular company should be compared with those of similar companies in the same industry.

GLOSSARY

Alternative accommodations—All types of accommodation that are available outside the formal or organized lodging industry.

Asset light strategy—A business model where a business owns relatively fewer capital assets compared to the value of its operations.

Average daily room rate (ADR)—A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.

Casino winnings—Funds or money won in a casino.

Franchise—Part of a group of independently owned operations, which have been issued a contract to use a specific name and logo, purchased for an annual fee plus “royalties” usually based on a percentage of sales.

Revenue per available room (RevPAR)—An industrywide measure of hotel room-sale revenue that measures dollars generated, on average, for each room available (both sold and unsold). It is calculated as the number of rooms available, times the occupancy rate (percentage of rooms occupied), times the average room price in dollars.

Sharing economy—An economic model defined as a peer-to-peer (P2P) based activity of acquiring, providing, or sharing access to goods and services, often facilitated by a community-based online platform.

Vacation rentals—The renting out of a furnished apartment, house, or professionally managed resort-condominium complex on a temporary basis to tourists as an alternative to a hotel.

INDUSTRY REFERENCE

RESEARCH AND CONSULTING FIRMS

Bloomberg

bloomberg.com

Provides business and markets news, data, analysis, and video.

L.E.K. Consulting

lek.com

A management consulting firm specializing in corporate strategy, mergers and acquisitions, and operations.

GamblingCompliance

gamblingcompliance.com

An independent research firm that analyzes legal, regulatory, and business intelligence of the global gambling industry.

GlobalData

globaldata.com

A data analytics and consulting company that provides intelligence on the world's largest industries by leveraging unique data, expert analysis, and solutions.

The NPD Group

npd.com

A market research company that provides expert industry analysis and advisory services that help retailers and manufacturers identify market trends to make smarter business decisions.

PricewaterhouseCoopers (PwC)

pwc.com

Provides services and information related to the hospitality and leisure industries.

SBNation

sbnation.com

An independent sports media brand, consisting of SBNation.com, MMAFighting.com and more than 300 fan-centric team communities.

Smith Travel Research (STR)

str.com

A division of CoStar Group that provides market data on the hotel industry worldwide, including supply and demand and market share data.

Tokeet Rental Software

tokeet.com

Provider of a rental management workflow platform.

Tourism Economics

tourismeconomics.com

An Oxford Economics company that focuses on the intersection of the economy and travel.

The Wall Street Journal

wsj.com

Also known as The Journal, is an American business-focused, English-language international daily newspaper based in New York City, with international editions also available in Chinese and Japanese.

GOVERNMENT/INTERNATIONAL AGENCIES

International Monetary Fund (IMF)

imf.org

An organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.

Organization for Economic Co-operation and Development (OECD)

oecd.org

An intergovernmental economic organization with 36 member countries, founded in 1961 to stimulate economic progress and world trade.

U.S. Bureau of Labor Statistics (BLS)

stats.bls.gov

A division of the U.S. Department of Labor, the BLS is the principal fact-finding agency of the federal government in the broad fields of labor, economics, and statistics. Its major programs include the consumer price, producer price, and employment cost indices and the national compensation survey.

U.S. Department of Commerce (DOC)

commerce.gov

Cabinet-level department responsible for various government agencies that monitor and regulate U.S. commerce. Among its many divisions is the Census Bureau, which publishes population statistics and projections.

World Bank

worldbank.org

An international financial institution that provides loans and grants to the governments of poorer countries for the purpose of pursuing capital projects.

COMPARATIVE COMPANY ANALYSIS

			Operating Revenues																		
Ticker	Company	Yr. End	Million \$US							CAGR(%)			Index Basis (2011=100)								
			2021	2020	2019	2018	2017	2016	2015	10-Yr.	5-Yr.	1-Yr.	2021	2020	2019	2018	2017	2016			
CASINOS AND GAMING																					
NYSE:LVS	LAS VEGAS SANDS CORP.	DEC	4,234.0	2,940.0	12,127.0	13,729.0	12,728.0	11,271.0	11,688.0	(7.7)	(17.8)	44.0	36	25	104	117	109	96			
SEHK:1928	SANDS CHINA LTD.	DEC	2,874.0	1,687.0	8,808.0	8,665.0	7,586.0	6,543.0	6,683.0	(5.2)	(15.2)	70.4	43	25	132	130	114	98			
SEHK:27	GALAXY ENTERTAINMENT GROUP LIMITED	DEC	2,532.8	1,660.7	6,663.4	7,050.0	6,225.1	6,812.6	6,579.4	(7.1)	(17.9)	53.4	38	25	101	107	95	104			
NYSE:MGM	MGM RESORTS INTERNATIONAL	DEC	9,454.1	4,917.1	12,462.8	11,337.6	10,395.4	9,081.1	8,791.2	2.3	0.8	92.3	108	56	142	129	118	103			
WYNN	WYNN RESORTS, LIMITED	DEC	3,763.7	2,095.9	6,611.1	6,717.7	6,070.2	4,345.8	4,075.9	(3.3)	(2.8)	79.6	92	51	162	165	149	107			
SEHK:1128	WYNN MACAU, LIMITED	DEC	1,503.7	981.8	4,642.6	5,055.6	4,355.6	2,850.0	2,464.0	(8.8)	(11.9)	54.0	61	40	188	205	177	114			
MLCO	MELCO RESORTS & ENTERTAINMENT LIMITED	DEC	2,012.4	1,727.9	5,736.8	5,188.9	5,284.8	4,519.4	3,974.8	(6.2)	(14.9)	16.5	51	43	144	131	133	114			
CZR	CAESARS ENTERTAINMENT, INC.	DEC	9,571.0	3,628.0	2,528.0	2,056.0	1,480.8	900.5	719.8	43.6	60.4	163.8	1330	504	351	286	206	125			
SEHK:3918	NAGACORP LTD.	DEC	213.6	878.7	1,755.5	1,474.3	956.3	531.6	503.7	(0.5)	(16.7)	(75.7)	42	174	349	293	190	106			
LSE:GVC	ENTAIN PLC	DEC	5,186.0	4,862.7	4,738.9	3,741.0	1,067.6	763.2	267.7	56.2	39.6	7.5	1937	1816	1770	1397	399	285			
SEHK:880	SJM HOLDINGS LIMITED	DEC	1,292.2	968.2	4,349.0	4,393.9	4,066.2	5,390.5	6,304.9	(18.3)	(24.8)	34.2	20	15	69	70	64	85			
SEHK:2282	MGM CHINA HOLDINGS LIMITED	DEC	1,206.9	657.3	2,922.7	2,451.8	1,853.3	1,922.5	2,215.5	(7.4)	(8.8)	84.7	54	30	132	111	84	87			
TSX:TSGI																					
ASX:CWN	CROWN RESORTS LIMITED	JUN	1,152.2	1,544.6	2,053.8	2,280.4	2,566.3	2,693.9	2,681.7	(4.4)	(15.7)	(31.3)	43	58	77	85	96	100			
A035250	KANGWON LAND, INC.	DEC	661.9	439.8	1,316.7	1,291.8	1,448.9	1,409.2	1,388.3	(4.6)	(14.2)	64.7	48	32	95	93	104	102			
CHDN	CHURCHILL DOWNS INCORPORATED	DEC	1,597.2	1,054.0	1,329.7	1,009.0	882.6	822.4	798.6	8.6	14.2	51.5	200	132	167	126	111	103			
OM:EVO	EVOLUTION AB (PUBL)	DEC	1,215.5	686.4	410.5	281.0	214.2	121.9	82.9	NA	56.1	90.5	1466	828	495	339	258	147			
ERI																					
BYD	BOYD GAMING CORPORATION	DEC	3,369.8	2,178.5	3,326.1	2,626.7	2,400.8	2,199.3	2,199.4	3.8	8.9	54.7	153	99	151	119	109	100			
ASX:SGR	THE STAR ENTERTAINMENT GROUP LIMITED	JUN	1,158.6	1,026.7	1,513.2	1,541.4	1,798.8	1,689.6	1,647.2	(0.4)	(7.4)	3.9	70	62	92	94	109	103			
HOTELS AND RESORTS																					
MAR	MARRIOTT INTERNATIONAL, INC.	DEC	3,415.0	2,119.0	5,373.0	5,215.0	4,997.0	3,473.0	2,856.0	(0.2)	(0.3)	61.2	120	74	188	183	175	122			
NYSE:CCL	CARNIVAL CORPORATION & PLC	NOV	1,908.0	5,595.0	20,825.0	18,881.0	17,510.0	16,389.0	15,714.0	(19.1)	(35.0)	(65.9)	12	36	133	120	111	104			
NYSE:HLT	HILTON WORLDWIDE HOLDINGS INC.	DEC	2,444.0	1,600.0	3,766.0	3,668.0	3,404.0	2,970.0	3,122.0	(8.4)	(3.8)	52.8	78	51	121	117	109	95			
ENXTPA:AC	ACCOR SA	DEC	2,506.5	1,982.9	4,543.8	3,757.7	3,330.9	1,737.6	1,485.7	(8.9)	6.0	36.0	169	133	306	253	224	117			
LSE:IHG	INTERCONTINENTAL HOTELS GROUP PLC	DEC	2,318.0	1,757.0	3,456.0	3,166.0	2,972.0	2,866.0	1,803.0	2.7	(4.2)	31.9	129	97	192	176	165	159			
HTHT	H WORLD GROUP LIMITED	DEC	2,012.6	1,561.7	1,610.2	1,463.1	1,264.7	946.7	889.4	19.0	14.2	25.4	226	176	181	165	142	106			
NYSE:H	HYATT HOTELS CORPORATION	DEC	1,445.0	780.0	2,559.0	2,498.0	2,700.0	2,534.0	2,542.0	(4.3)	(10.6)	85.3	57	31	101	98	106	100			
XTRA:TUI1	TUI AG	SEP	5,484.0	9,328.0	20,639.1	21,457.8	21,906.4	19,281.6	19,547.5	(12.3)	(22.7)	(40.4)	28	48	106	110	112	99			
LSE:WTB	WHITBREAD PLC	FEB	2,282.7	843.6	2,673.3	2,723.9	2,756.3	3,817.2	4,140.9	(9.4)	(27.2)	(71.2)	55	20	65	66	67	92			
NYSE:WH	WYNDHAM HOTELS & RESORTS, INC.	DEC	1,245.0	950.0	1,430.0	1,282.0	1,016.0	998.0	1,029.0	NA	4.5	31.1	121	92	139	125	99	97			
NYSE:CHH	CHOICE HOTELS INTERNATIONAL, INC.	DEC	1,069.3	774.1	1,114.8	1,041.3	941.3	807.9	859.9	5.3	5.8	38.1	124	90	130	121	109	94			
SEHK:69	SHANGRI-LA ASIA LIMITED	DEC	1,241.0	1,033.4	2,431.2	2,517.9	2,189.8	2,055.4	2,122.6	(4.2)	(9.6)	20.1	58	49	115	119	103	97			
OM:PNDX B	PANDOX AB (PUBL)	DEC	359.1	387.0	594.4	576.6	521.5	434.6	418.0	3.2	(3.8)	2.2	86	93	142	138	125	104			
900934	SHANGHAI JIN JIANG INTERNATIONAL HOTELS CO., LTD.	DEC	1,785.0	1,516.0	2,168.5	2,137.0	2,087.5	1,531.7	856.8	18.3	1.3	14.6	208	177	253	249	244	179			
STAY																					
600258	BTG HOTELS (GROUP) CO., LTD.	DEC	968.6	809.0	1,193.6	1,241.5	1,293.5	939.4	205.3	8.6	(1.2)	16.5	472	394	581	605	630	458			
BSE:500850	THE INDIAN HOTELS COMPANY LIMITED	MAR	406.6	222.4	599.0	657.4	639.4	628.8	622.0	(5.7)	(17.0)	(63.9)	65	36	96	106	103	101			
SGX:M04	MANDARIN ORIENTAL INTERNATIONAL LIMITED	DEC	316.9	183.7	566.5	613.7	610.8	597.4	607.3	(6.4)	(11.9)	72.5	52	30	93	101	101	98			
NSE:IRCTC	INDIAN RAILWAY CATERING & TOURISM CORPORATION LIM	MAR	247.7	107.0	300.7	269.9	225.3	234.5	206.2	5.8	(10.5)	(65.4)	120	52	146	131	109	114			
BME:NHH	NH HOTEL GROUP, S.A.	DEC	849.0	655.8	1,916.8	1,847.2	1,856.5	1,528.5	1,495.1	(5.7)	(12.4)	39.2	57	44	128	124	124	102			
CRUISE LINES																					
CCL	CARNIVAL CORPORATION & PLC	NOV	1,908.0	5,595.0	20,825.0	18,881.0	17,510.0	16,389.0	15,714.0	(19.1)	(35.0)	(65.9)	12	36	133	120	111	104			
RCL	ROYAL CARIBBEAN CRUISES LTD.	DEC	1,532.1	2,208.8	10,950.7	9,493.8	8,777.8	8,496.4	8,299.1	(14.7)	(29.0)	(30.6)	18	27	132	114	106	102			
NCLH	NORWEGIAN CRUISE LINE HOLDINGS LTD.	DEC	648.0	1,279.9	6,462.4	6,055.1	5,396.2	4,874.3	4,345.0	(11.6)	(33.2)	(49.4)	15	29	149	139	124	112			
TSE:9603	H.I.S. CO., LTD.	OCT	1,039.4	4,114.4	7,480.5	6,451.4	5,329.8	4,981.0	4,450.6	(11.0)	(25.7)	(72.4)	23	92	168	145	120	112			
BSE:500840	EIH LIMITED	MAR	134.6	71.7	215.8	262.6	246.3	243.6	251.4	(8.5)	(20.6)	(67.7)	54	29	86	104	98	97			
SEHK:678	GENTING HONG KONG LIMITED	JAN	0.0	366.8	1,560.9	1,600.1	1,190.4	1,016.7	690.0	NA	NA	NA	0	53	226	232	173	147			
LIND	LINDBLAD EXPEDITIONS HOLDINGS, INC.	DEC	147.1	82.4	343.1	309.7	266.5	242.3	210.0	NA	(9.5)	78.6	70	39	163	148	127	115			

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

		Net Income																
Ticker	Company	Yr. End	Million \$US					CAGR(%)			Index Basis (2011=100)							
			2021	2020	2019	2018	2017	2016	2015	10-Yr.	5-Yr.	1-Yr.	2021	2020	2019	2018	2017	2016
CASINOS AND GAMING																		
NYSE:LVS	LAS VEGAS SANDS CORP.	DEC	(961.0)	(1,685.0)	2,698.0	2,413.0	2,808.0	1,679.0	1,966.0	NA	NM	(43.0)	(49)	(86)	137	123	143	85
SEHK:1928	SANDS CHINA LTD.	DEC	(1,048.0)	(1,523.0)	2,033.0	1,875.0	1,603.0	1,224.0	1,459.0	NA	NM	(31.2)	(72)	(104)	139	129	110	84
SEHK:27	GALAXY ENTERTAINMENT GROUP LIMITED	DEC	170.1	(512.4)	1,674.3	1,724.8	1,344.4	810.3	536.9	(7.9)	(26.7)	NM	32	(95)	312	321	250	151
NYSE:MGM	MGM RESORTS INTERNATIONAL	DEC	1,254.4	(1,032.7)	2,049.1	466.8	1,952.1	1,100.4	(447.7)	(8.7)	2.7	NM	(280)	231	(458)	(104)	(436)	(246)
WYNN	WYNN RESORTS, LIMITED	DEC	(755.8)	(2,067.2)	123.0	572.4	747.2	242.0	195.3	NA	NM	(63.4)	(387)	NM	63	293	383	124
SEHK:1128	WYNN MACAU, LIMITED	DEC	(664.2)	(930.8)	649.2	797.5	473.6	185.1	311.0	NA	NM	(28.2)	(214)	(299)	209	256	152	60
MLCO	MELCO RESORTS & ENTERTAINMENT LIMITED	DEC	(811.8)	(1,263.5)	373.2	340.3	344.8	175.9	105.7	NA	NM	(35.8)	(768)	NM	353	322	326	166
CZR	CAESARS ENTERTAINMENT, INC.	DEC	(1,019.0)	(1,757.0)	81.0	95.0	73.4	24.5	114.2	45.3	NM	(42.0)	(892)	NM	71	83	64	21
SEHK:3918	NAGACORP LTD.	DEC	(147.0)	102.3	521.3	390.6	255.2	184.2	172.6	NA	NM	NM	(85)	59	302	226	148	107
LSE:GVC	ENTAIN PLC	DEC	337.6	78.9	(203.6)	(79.7)	(46.9)	(146.0)	26.8	NA	NM	331.3	1,258	294	(759)	(297)	(175)	(544)
SEHK:880	SJM HOLDINGS LIMITED	DEC	(531.4)	(390.1)	411.8	363.9	251.3	300.0	318.1	NA	NM	37.0	(167)	(123)	129	114	79	94
SEHK:2282	MGM CHINA HOLDINGS LIMITED	DEC	(493.3)	(670.9)	247.9	136.4	296.9	391.6	401.6	NA	NM	(26.0)	(123)	(167)	62	34	74	98
TSX:TSGI										NA	NM	NM						
ASX:CWN	CROWN RESORTS LIMITED	JUN	(196.1)	54.9	281.7	413.4	1,432.0	706.8	296.3	NA	NM	NM	(66)	19	95	139	483	239
A035250	KANGWON LAND, INC.	DEC	(8.9)	(253.5)	289.9	267.1	409.7	377.6	375.3	NA	NM	(96.2)	(2)	(68)	77	71	109	101
CHDN	CHURCHILL DOWNS INCORPORATED	DEC	249.1	(81.9)	137.5	352.8	140.5	108.1	65.2	14.5	18.2	NM	382	(126)	211	541	215	166
OM:EVO	EVOLUTION AB (PUBL)	DEC	688.5	348.2	168.0	95.6	74.6	33.5	21.8	NA	80.3	112.7	3,165	1,601	772	439	343	154
ERI																		
BYD	BOYD GAMING CORPORATION	DEC	463.8	(134.7)	157.6	115.0	189.4	420.2	47.2	NA	2.0	NM	982	(285)	334	244	401	890
ASX:SGR	THE STAR ENTERTAINMENT GROUP LIMITED	JUN	43.4	(65.5)	138.8	109.5	202.9	144.8	130.3	(12.7)	(21.5)	NM	33	(50)	107	84	156	111
HOTELS AND RESORTS																		
MAR	MARRIOTT INTERNATIONAL, INC.	DEC	1,099.0	(267.0)	1,273.0	1,907.0	1,459.0	808.0	859.0	18.7	6.3	NM	128	(31)	148	222	170	94
NYSE:CCL	CARNIVAL CORPORATION & PLC	NOV	(9,501.0)	(10,236.0)	2,990.0	3,152.0	2,606.0	2,779.0	1,757.0	NA	NM	(7.2)	(541)	(583)	170	179	148	158
NYSE:HLT	HILTON WORLDWIDE HOLDINGS INC.	DEC	410.0	(715.0)	881.0	764.0	1,084.0	338.0	1,404.0	4.9	3.9	NM	29	(51)	63	54	77	24
ENXTPA:AC	ACCOR SA	DEC	96.7	(2,431.8)	520.7	2,556.7	535.5	279.7	265.0	12.2	(20.3)	NM	36	(918)	196	965	202	106
LSE:IHG	INTERCONTINENTAL HOTELS GROUP PLC	DEC	266.0	(260.0)	385.0	349.0	534.0	456.0	1,222.0	(5.4)	(10.2)	NM	22	(21)	32	29	44	37
HTHT	H WORLD GROUP LIMITED	DEC	(73.2)	(335.8)	254.1	104.1	188.7	112.6	67.2	NA	NM	(78.8)	(109)	(499)	378	155	281	167
NYSE:H	HYATT HOTELS CORPORATION	DEC	(222.0)	(703.0)	766.0	769.0	389.0	206.0	124.0	NA	NM	(68.4)	(179)	(567)	618	620	314	166
XTRA:TUI1	TUI AG	SEP	(2,859.5)	(3,697.0)	454.0	844.9	762.1	1,166.1	379.9	NA	NM	(21.6)	(753)	(973)	120	222	201	307
LSE:WTB	WHITBREAD PLC	FEB	56.7	(1,280.6)	280.5	4,960.3	601.4	517.5	554.4	NA	NM	NM	10	(231)	51	895	108	93
NYSE:WH	WYNDHAM HOTELS & RESORTS, INC.	DEC	244.0	(132.0)	157.0	162.0	230.0	176.0	149.0	NA	6.8	NM	164	(89)	105	109	154	118
NYSE:CHH	CHOICE HOTELS INTERNATIONAL, INC.	DEC	289.0	75.4	222.9	216.4	122.3	106.7	128.0	10.0	22.0	283.3	226	59	174	169	96	83
SEHK:69	SHANGRI-LA ASIA LIMITED	DEC	(290.6)	(460.2)	152.5	192.9	158.0	106.1	140.1	NA	NM	(36.9)	(207)	(328)	109	138	113	76
OM:PNDX B	PANDOX AB (PUBL)	DEC	67.5	(170.3)	289.7	317.3	383.6	242.5	252.4	4.0	(22.6)	NM	27	(67)	115	126	152	96
900934	SHANGHAI JIN JIANG INTERNATIONAL HOTELS CO., L'	DEC	15.8	16.9	156.9	157.4	135.5	100.0	98.2	(10.9)	(32.0)	(8.7)	16	17	160	160	138	102
STAY																		
600258	BTG HOTELS (GROUP) CO., LTD.	DEC	8.8	(76.0)	127.1	124.6	97.0	30.4	15.4	(6.2)	(23.4)	NM	57	(493)	824	808	629	197
BSE:500850	THE INDIAN HOTELS COMPANY LIMITED	MAR	(32.6)	(98.4)	47.1	41.4	15.5	(9.8)	(34.9)	23.5	25.5	NM	94	282	(135)	(119)	(44)	28
SGX:M04	MANDARIN ORIENTAL INTERNATIONAL LIMITED	DEC	(141.4)	(680.1)	(55.5)	43.4	54.9	55.2	89.3	NA	NM	(79.2)	(158)	(762)	(62)	49	61	62
NSE:IRCTC	INDIAN RAILWAY CATERING & TOURISM CORPORATC	MAR	87.5	26.0	68.1	44.5	33.9	35.4	29.8	12.1	(0.8)	(63.0)	294	87	229	150	114	119
BME:NHH	NH HOTEL GROUP, S.A.	DEC	(152.0)	(534.8)	101.0	116.3	42.6	32.5	1.0	NA	NM	(69.4)	NM	NM	9,910	#####	4,183	3,186
CRUISE LINES																		
CCL	CARNIVAL CORPORATION & PLC	NOV	(9,501.0)	(10,236.0)	2,990.0	3,152.0	2,606.0	2,779.0	1,757.0	NA	NM	(7.2)	(541)	(583)	170	179	148	158
RCL	ROYAL CARIBBEAN CRUISES LTD.	DEC	(5,260.5)	(5,797.5)	1,878.9	1,811.0	1,625.1	1,283.4	665.8	NA	NM	(9.3)	(790)	(871)	282	272	244	193
NCLH	NORWEGIAN CRUISE LINE HOLDINGS LTD.	DEC	(4,506.6)	(4,012.5)	930.2	954.8	759.9	633.1	427.1	NA	NM	12.3	NM	(939)	218	224	178	148
TSE:9603	H.I.S. CO., LTD.	OCT	(438.8)	(239.4)	113.3	97.1	116.6	2.5	90.2	NA	NM	99.9	(487)	(265)	126	108	129	3
BSE:500840	EIH LIMITED	MAR	(12.8)	(50.5)	19.8	19.0	27.5	15.9	19.8	53.1	NM	NM	(65)	(256)	100	96	139	80
SEHK:678	GENTING HONG KONG LIMITED	JAN	0.0	(1,566.1)	(151.5)	(210.9)	(242.3)	(502.3)	2,112.7	NA	NA	NA	0	(74)	(7)	(10)	(11)	(24)
LIND	LINDBLAD EXPEDITIONS HOLDINGS, INC.	DEC	(119.2)	(98.7)	16.4	11.4	(8.7)	4.9	19.7	NA	NM	20.7	(604)	(500)	83	58	(44)	25

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

Ticker	Company	Yr. End	Return on Revenues (%)						Return on Assets (%)						Return on Equity(%)					
			2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016
CASINOS AND GAMING																				
NYSE:LVS	LAS VEGAS SANDS CORP.	DEC	NM	NM	22.2	17.6	22.1	14.9	NM	NM	11.6	10.7	13.6	8.2	NM	NM	47.8	41.1	43.2	25.4
SEHK:1928	SANDS CHINA LTD.	DEC	NM	NM	23.1	21.6	21.1	18.7	NM	NM	16.8	15.5	15.1	10.9	NM	NM	45.9	41.9	33.6	22.6
SEHK:27	GALAXY ENTERTAINMENT GROUP LIMITED	DEC	6.7	NM	25.1	24.5	21.6	11.9	1.6	NM	13.6	15.5	12.5	9.5	2.1	NM	19.2	22.8	20.4	14.2
NYSE:MGM	MGM RESORTS INTERNATIONAL	DEC	13.3	NM	16.4	4.1	18.8	12.1	3.1	NM	6.0	1.5	6.7	3.9	10.8	NM	19.0	5.2	19.2	13.9
WYNN	WYNN RESORTS, LIMITED	DEC	NM	NM	1.9	8.5	12.3	5.6	NM	NM	0.9	4.3	5.9	2.0	NM	NM	18.6	55.5	133.1	216.3
SEHK:1128	WYNN MACAU, LIMITED	DEC	NM	NM	14.0	15.8	10.9	6.5	NM	NM	10.1	13.6	8.6	3.3	NM	NM	288.5	276.4	135.7	43.8
MLCO	MELCO RESORTS & ENTERTAINMENT LIMITED	DEC	NM	NM	6.5	6.6	6.5	3.9	NM	NM	3.9	3.7	3.9	1.9	NM	NM	12.9	10.7	8.7	1.5
CZR	CAESARS ENTERTAINMENT, INC.	DEC	NM	NM	3.2	4.6	5.0	2.7	NM	NM	1.4	1.6	2.1	1.9	NM	NM	7.5	9.6	11.8	8.6
SEHK:3918	NAGACORP LTD.	DEC	NM	11.6	29.7	26.5	26.7	34.6	NM	4.0	22.2	19.9	17.5	14.3	NM	5.9	31.3	26.7	19.4	19.0
LSE:GVC	ENTAIN PLC	DEC	6.5	1.6	NM	NM	NM	NM	3.4	0.8	NM	NM	NM	NM	8.8	3.8	NM	NM	NM	NM
SEHK:880	SJM HOLDINGS LIMITED	DEC	NM	NM	9.5	8.3	6.2	5.6	NM	NM	5.6	5.1	4.2	6.0	NM	NM	11.7	11.0	7.7	9.6
SEHK:2282	MGM CHINA HOLDINGS LIMITED	DEC	NM	NM	8.5	5.6	16.0	20.4	NM	NM	5.9	3.0	6.3	11.2	NM	NM	19.9	12.2	29.5	50.1
TSX:TSGI																				
ASX:CWN	CROWN RESORTS LIMITED	JUN	NM	3.6	13.7	18.1	55.8	26.2	NM	1.1	5.3	6.8	21.8	10.6	NM	1.7	7.9	11.2	35.7	19.5
A035250	KANGWON LAND, INC.	DEC	NM	NM	22.0	20.7	28.3	26.8	NM	NM	7.5	7.0	10.5	11.4	NM	NM	9.2	8.4	13.0	14.5
CHDN	CHURCHILL DOWNS INCORPORATED	DEC	15.6	NM	10.3	35.0	15.9	13.1	8.4	NM	5.4	20.4	6.0	4.8	73.9	3.0	28.4	32.8	18.5	14.9
OM:EVO	EVOLUTION AB (PUBL)	DEC	56.6	50.7	40.9	34.0	34.8	27.5	15.5	9.0	34.5	34.7	37.1	30.7	20.5	18.9	67.6	61.3	71.5	58.9
ERI																				
BYD	BOYD GAMING CORPORATION	DEC	13.8	NM	4.7	4.4	7.9	19.1	7.5	NM	2.4	2.0	4.0	9.0	34.8	NM	13.1	10.2	16.5	28.8
ASX:SGR	THE STAR ENTERTAINMENT GROUP LIMITED	JUN	3.7	NM	9.2	7.1	11.3	8.6	1.1	NM	3.5	2.8	5.3	4.2	1.6	NM	5.3	4.2	8.2	6.3
HOTELS AND RESORTS																				
MAR	MARRIOTT INTERNATIONAL, INC.	DEC	32.2	NM	23.7	36.6	29.2	23.3	4.3	NM	5.1	8.0	6.1	3.3	119.2	NM	87.0	65.7	32.6	91.5
NYSE:CCL	CARNIVAL CORPORATION & PLC	NOV	NM	NM	14.4	16.7	14.9	17.0	NM	NM	6.6	7.4	6.4	7.1	NM	NM	12.0	13.0	11.1	12.0
NYSE:HIL	HILTON WORLDWIDE HOLDINGS INC.	DEC	16.8	NM	23.4	20.8	31.8	11.4	2.7	NM	5.9	5.5	7.6	1.3	NM	NM	2060.5	68.4	28.9	NM
ENXTPA:ACC	ACCOR SA	DEC	3.9	NM	11.5	68.0	16.1	16.1	0.8	NM	3.3	17.2	3.7	2.2	0.3	NM	6.9	NM	7.1	3.9
LSE:IHG	INTERCONTINENTAL HOTELS GROUP PLC	DEC	11.5	NM	11.1	11.0	18.0	15.9	5.6	NM	9.2	8.1	16.1	16.5	NM	NM	NM	NM	NM	NM
HTHT	H WORLD GROUP LIMITED	DEC	NM	NM	15.8	7.1	14.9	11.9	NM	NM	3.3	3.0	7.0	7.8	NM	NM	25.5	11.6	21.1	17.5
NYSE:H	HYATT HOTELS CORPORATION	DEC	NM	NM	29.9	30.8	14.4	8.1	NM	NM	9.1	10.1	5.1	2.7	NM	NM	20.0	20.4	10.1	5.2
XTRA:TUIH	TUI AG	SEP	NM	NM	2.2	3.9	3.5	6.0	NM	NM	2.6	4.7	4.5	7.2	NM	NM	12.6	19.8	26.9	16.4
LSE:WTB	WHITBREAD PLC	FEB	2.5	NM	10.5	182.1	21.8	13.6	0.4	NM	2.8	37.2	9.0	9.0	1.1	NM	4.6	4.2	12.9	16.9
NYSE:WH	WYNDHAM HOTELS & RESORTS, INC.	DEC	19.6	NM	11.0	12.6	22.6	17.6	5.7	NM	3.5	3.3	10.8	8.9	23.8	NM	11.9	12.1	19.4	15.4
NYSE:CHH	CHOICE HOTELS INTERNATIONAL, INC.	DEC	27.0	9.7	20.0	20.8	13.0	13.2	15.0	4.7	16.1	19.0	12.3	12.5	222.2	NM	NM	NM	NM	NM
SEHK:69	SHANGRI-LA ASIA LIMITED	DEC	NM	NM	6.3	7.7	7.2	5.2	NM	NM	1.1	1.5	1.2	0.8	NM	NM	2.6	2.7	2.1	0.9
OM:PNDX B	PANDOX AB (PUBL)	DEC	18.8	NM	48.7	55.0	73.6	55.8	0.9	NM	4.1	5.1	6.1	5.7	2.5	NM	11.2	13.9	18.4	16.1
900934	SHANGHAI JIN JIANG INTERNATIONAL HOTELS CO., LTD.	DEC	0.9	1.1	7.2	7.4	6.5	6.5	0.2	0.3	2.8	2.7	2.0	1.6	1.9	1.7	9.1	8.6	6.8	6.3
STAY																				
600258	BTG HOTELS (GROUP) CO., LTD.	DEC	0.9	NM	10.6	10.0	7.5	3.2	0.2	NM	5.2	5.1	3.7	1.2	0.1	NM	10.4	11.1	9.0	7.9
BSE:500850	THE INDIAN HOTELS COMPANY LIMITED	MAR	NM	NM	7.9	6.3	2.4	NM	NM	NM	3.1	3.0	1.1	NM	NM	NM	7.1	5.9	2.5	NM
SGX:M04	MANDARIN ORIENTAL INTERNATIONAL LIMITED	DEC	NM	NM	NM	7.1	9.0	9.2	NM	NM	NM	2.0	2.7	3.0	NM	NM	NM	3.4	4.4	4.5
NSE:IRCTC	INDIAN RAILWAY CATERING & TOURISM CORPORATION LIM	MAR	35.3	24.3	22.7	16.5	15.0	15.1	17.3	6.0	15.8	11.9	9.5	12.5	39.6	13.7	43.0	30.5	25.3	30.8
BME:NHH	NH HOTEL GROUP, S.A.	DEC	NM	NM	5.3	6.3	2.3	2.1	NM	NM	2.0	4.0	1.4	1.2	NM	NM	6.7	8.0	3.4	3.2
CRUISE LINES																				
CCL	CARNIVAL CORPORATION & PLC	NOV	NM	NM	14.4	16.7	14.9	17.0	NM	NM	6.6	7.4	6.4	7.1	NM	NM	12.0	13.0	11.1	12.0
RCL	ROYAL CARIBBEAN CRUISES LTD.	DEC	NM	NM	17.2	19.1	18.5	15.1	NM	NM	6.2	6.5	7.3	5.8	NM	NM	15.6	16.2	16.4	14.9
NCLH	NORWEGIAN CRUISE LINE HOLDINGS LTD.	DEC	NM	NM	14.4	15.8	14.1	13.0	NM	NM	5.6	6.3	5.4	4.9	NM	NM	14.9	16.3	14.8	15.2
TSE:9603	H.I.S. CO., LTD.	OCT	NM	NM	1.5	1.5	2.2	0.1	NM	NM	2.1	2.1	3.1	0.1	NM	NM	11.6	12.0	15.3	1.2
BSE:500840	EIH LIMITED	MAR	NM	NM	9.2	7.2	11.2	6.5	NM	NM	3.3	3.1	4.4	2.8	NM	NM	5.2	4.9	6.8	4.2
SEHK:678	GENTING HONG KONG LIMITED	JAN	0.0	0.0	NM	NM	NM	NM	NA	NA	NM	NM	NM	NM	0.0	0.0	NM	NM	NM	NM
LIND	LINDBLAD EXPEDITIONS HOLDINGS, INC.	DEC	NM	NM	4.8	3.7	NM	2.0	NM	NM	3.0	2.4	NM	1.2	NM	NM	14.3	9.8	NM	4.3

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

Ticker	Company	Yr. End	Current Ratio						Debt/Capital Ratio(%)						Debt as a % of Net Working Capital					
			2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016
CASINOS AND GAMING																				
NYSE:LVS	LAS VEGAS SANDS CORP.	DEC	2.1	2.0	1.6	1.8	1.1	1.1	86.7	79.7	65.6	63.8	55.0	55.7	499.4	481.5	596.5	492.4	3872.2	3228.8
SEHK:1928	SANDS CHINA LTD.	DEC	0.8	0.8	1.6	1.6	1.0	1.0	89.8	78.2	55.1	55.2	48.2	46.1	NM	NM	475.3	438.7	NM	#####
SEHK:27	GALAXY ENTERTAINMENT GROUP LIMITED	DEC	1.6	0.9	0.9	0.8	0.7	1.2	9.4	13.7	0.9	14.2	16.8	12.4	74.6	NM	(57.0)	NM	NM	157.2
NYSE:MGM	MGM RESORTS INTERNATIONAL	DEC	1.9	3.2	1.3	0.9	0.8	1.0	51.5	52.6	46.7	58.8	52.2	56.4	397.1	304.4	1372.1	NM	NM	NM
WYNN	WYNN RESORTS, LIMITED	DEC	2.2	2.0	1.4	1.4	1.8	2.1	107.6	106.3	86.7	83.8	89.9	97.5	748.5	645.3	1154.0	1239.4	640.5	643.3
SEHK:1128	WYNN MACAU, LIMITED	DEC	2.5	1.8	1.5	1.0	0.6	0.5	127.4	112.7	94.8	95.6	90.2	92.9	608.3	494.6	690.5	9853.0	NM	NM
MLCO	MELCO RESORTS & ENTERTAINMENT LIMITED	DEC	1.8	1.8	1.2	1.0	1.1	1.5	88.9	75.4	58.3	55.2	51.2	49.0	774.6	632.5	1190.1	NM	2181.0	458.5
CZR	CAESARS ENTERTAINMENT, INC.	DEC	1.1	2.4	0.9	1.4	1.1	1.0	75.2	73.8	67.5	80.4	69.9	72.7	2061.5	399.0	NM	2468.2	8022.7	NM
SEHK:3918	NAGACORP LTD.	DEC	1.3	1.2	2.6	5.6	2.0	7.2	24.8	16.9	14.2	15.9	0.0	0.0	1284.5	315.0	104.9	69.3	0.0	0.0
LSE:GVC	ENTAIN PLC	DEC	0.9	0.9	0.7	0.8	1.3	0.8	40.6	40.4	42.2	38.9	18.8	28.9	NM	NM	NM	NM	293.1	NM
SEHK:880	SJM HOLDINGS LIMITED	DEC	0.2	0.5	1.3	1.7	1.5	1.2	32.2	35.9	34.3	35.9	24.4	1.1	(65.3)	NM	348.6	185.8	142.5	11.8
SEHK:2282	MGM CHINA HOLDINGS LIMITED	DEC	1.2	1.0	0.8	0.6	0.4	0.7	95.2	80.8	61.4	66.9	58.1	66.2	4310.1	NM	NM	NM	NM	NM
TSX:TSGI																				
ASX:CWN	CROWN RESORTS LIMITED	JUN	1.0	0.7	1.2	2.5	1.8	0.9	16.9	18.4	13.5	22.2	22.3	29.0	15936.8	NM	354.5	119.2	158.3	NM
A035250	KANGWON LAND, INC.	DEC	3.3	4.5	2.9	2.8	3.2	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
CHDN	CHURCHILL DOWNS INCORPORATED	DEC	1.3	0.6	0.7	0.9	0.6	0.5	86.5	81.5	74.2	65.0	63.7	57.0	1841.3	NM	NM	NM	NM	NM
OM:EVO	EVOLUTION AB (PUBL)	DEC	2.2	1.4	2.4	2.5	2.4	2.0	0.0	0.0	0.0	3.3	5.7	10.4	0.0	0.0	0.0	5.3	9.8	23.1
ERI																				
BYD	BOYD GAMING CORPORATION	DEC	0.9	1.2	0.7	0.9	0.9	0.8	66.0	77.5	74.7	77.5	73.6	77.4	NM	3062.6	NM	NM	NM	NM
ASX:SGR	THE STAR ENTERTAINMENT GROUP LIMITED	JUN	0.6	0.6	0.6	0.7	0.7	0.9	25.6	29.1	20.7	15.5	22.5	21.7	NM	NM	NM	NM	NM	NM
HOTELS AND RESORTS																				
MAR	MARRIOTT INTERNATIONAL, INC.	DEC	0.6	0.5	0.5	0.4	0.5	0.7	86.7	95.5	93.3	79.0	68.2	60.5	NM	NM	NM	NM	NM	NM
NYSE:CCL	CARNIVAL CORPORATION & PLC	NOV	1.0	1.2	0.2	0.2	0.2	0.2	77.0	59.1	28.3	27.1	24.0	28.4	NM	1343.6	NM	NM	NM	NM
NYSE:HLT	HILTON WORLDWIDE HOLDINGS INC.	DEC	1.0	1.7	0.7	0.8	0.8	1.3	110.5	116.8	106.5	92.7	78.9	53.0	NM	582.6	NM	NM	NM	754.1
ENXTPA:AC	ACCOR SA	DEC	1.2	1.3	1.7	1.2	2.2	2.1	40.5	42.2	31.0	36.3	33.3	26.9	649.1	373.1	144.4	403.4	76.8	66.2
LSE:IHG	INTERCONTINENTAL HOTELS GROUP PLC	DEC	1.3	1.2	0.7	1.0	0.7	0.7	254.8	354.7	345.2	258.5	551.9	372.2	657.7	1006.6	NM	NM	NM	NM
HTHT	H WORLD GROUP LIMITED	DEC	0.6	1.2	1.1	1.2	1.5	1.4	29.1	52.5	59.9	64.5	45.3	5.5	(74.3)	497.5	963.9	971.8	253.9	24.7
NYSE:H	HYATT HOTELS CORPORATION	DEC	0.9	2.6	1.6	1.3	1.3	1.2	52.6	48.1	28.8	30.5	27.0	27.0	NM	188.5	258.5	567.3	426.0	672.1
XTRA:TUI1	TUI AG	SEP	0.4	0.4	0.6	0.7	0.7	0.7	116.0	94.4	20.8	19.2	15.1	10.1	(77.2)	NM	(35.9)	(51.1)	(28.5)	(19.2)
LSE:WTB	WHITBREAD PLC	FEB	1.9	1.8	1.3	3.7	0.4	0.4	19.4	20.5	16.6	12.7	22.6	27.4	161.7	166.7	370.0	31.6	NM	NM
NYSE:WH	WYNDHAM HOTELS & RESORTS, INC.	DEC	1.8	2.6	1.1	1.2	0.8	0.7	65.2	72.9	63.2	59.2	6.0	6.0	631.9	468.8	5621.6	1303.8	NM	(60.7)
NYSE:CHH	CHOICE HOTELS INTERNATIONAL, INC.	DEC	1.3	1.7	0.7	0.8	1.4	1.3	76.0	100.5	102.9	132.3	155.4	159.0	441.1	597.9	NM	NM	626.5	1033.7
SEHK:69	SHANGRI-LA ASIA LIMITED	DEC	0.7	1.0	1.2	1.1	1.1	0.8	43.2	45.2	43.1	41.4	41.3	41.3	NM	NM	2219.8	2940.6	5413.9	NM
OM:PNDX B	PANDOX AB (PUBL)	DEC	0.4	0.5	0.2	0.2	0.6	0.7	51.9	52.7	47.8	49.7	55.9	55.5	NM	NM	NM	NM	NM	NM
900934	SHANGHAI JIN JIANG INTERNATIONAL HOTELS CO., LTD.	DEC	0.8	1.2	1.1	1.2	1.8	0.8	35.0	55.1	49.6	53.0	59.5	65.2	NM	971.5	1602.0	865.3	365.8	NM
STAY																				
600258	BTG HOTELS (GROUP) CO., LTD.	DEC	0.8	0.5	0.7	0.7	0.5	0.2	12.0	16.8	18.3	24.4	36.7	71.4	NM	(64.2)	NM	NM	NM	(88.3)
BSE:500850	THE INDIAN HOTELS COMPANY LIMITED	MAR	1.4	0.4	0.8	0.6	0.9	0.5	16.2	37.9	31.6	25.2	32.0	46.4	205.6	NM	NM	NM	NM	NM
SGX:M04	MANDARIN ORIENTAL INTERNATIONAL LIMITED	DEC	1.6	1.1	1.9	0.5	1.7	1.9	18.1	14.9	12.2	0.6	28.4	28.9	645.8	3166.7	313.9	(2.0)	414.3	349.6
NSE:IRCTC	INDIAN RAILWAY CATERING & TOURISM CORPORATION L#	MAR	1.9	1.8	1.6	1.6	1.6	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BME:NHH	NH HOTEL GROUP, S.A.	DEC	0.7	0.8	0.8	1.3	0.7	1.1	50.1	54.9	26.2	21.6	28.5	42.0	NM	NM	NM	337.3	NM	2269.2
CRUISE LINES																				
CCL	CARNIVAL CORPORATION & PLC	NOV	1.0	1.2	0.2	0.2	0.2	0.2	77.0	59.1	28.3	27.1	24.0	28.4	NM	1343.6	NM	NM	NM	NM
RCL	ROYAL CARIBBEAN CRUISES LTD.	DEC	0.5	1.0	0.1	0.2	0.2	0.2	78.4	68.7	46.2	45.4	37.4	47.2	NM	NM	NM	NM	NM	NM
NCLH	NORWEGIAN CRUISE LINE HOLDINGS LTD.	DEC	0.9	1.9	0.2	0.2	0.2	0.2	82.6	72.8	48.1	49.2	49.5	56.3	NM	710.4	NM	NM	NM	NM
TSE:9603	H.I.S. CO., LTD.	OCT	1.6	1.5	1.5	1.5	2.1	2.3	87.8	75.5	64.0	65.6	62.0	59.4	458.6	457.4	178.6	170.7	111.6	96.4
BSE:500840	EIH LIMITED	MAR	1.1	1.1	1.0	1.0	1.0	1.3	8.3	8.5	12.1	14.7	13.1	10.6	578.4	624.8	1589.7	2984.5	7539.1	268.9
SEHK:678	GENTING HONG KONG LIMITED	JAN	0.0	0.0	0.2	1.3	1.3	2.4	NA	NA	3.7	36.7	29.3	25.8	NA	NA	(3.1)	932.2	565.0	122.2
LIND	LINDBLAD EXPEDITIONS HOLDINGS, INC.	DEC	0.7	1.5	0.8	0.9	0.9	1.4	97.0	78.9	60.5	60.5	59.3	58.0	NM	642.5	NM	NM	NM	348.4

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

Ticker	Company	Yr. End	Price/Earnings Ratio (High-Low)								Dividend Payout Ratio(%)						Dividend Yield(High-Low, %)					
			2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016	2021	2020	2019	2018	2017	2016		
CASINOS AND GAMING																						
NYSE:LVS	LAS VEGAS SANDS CORP.	DEC	NM	NM	NM	NM	20 - 15	26 - 16	20 - 15	30 - 18	0	NM	88	97	82	174	0.0 - 0.0	0.0 - 0.0	8.4 - 0.0	6.2 - 4.5	6.0 - 3.7	5.6 - 4.3
SEHK:1928	SANDS CHINA LTD.	DEC	NM	NM	NM	NM	175 - 130	209 - 131	208 - 159	256 - 138	0	NM	101	109	129	169	0.0 - 0.0	0.0 - 0.0	5.4 - 0.0	6.1 - 4.5	6.6 - 4.1	6.3 - 4.9
SEHK:27	GALAXY ENTERTAINMENT GROUP LIMITED	DEC	257 - 126	NM	NM	NM	20 - 15	23 - 13	26 - 13	26 - 14	0	0	0	0	0	0	1.2 - 0.6	1.6 - 0.6	2.4 - 1.4	2.1 - 1.5	2.2 - 0.8	1.2 - 0.9
NYSE:MGM	MGM RESORTS INTERNATIONAL	DEC	21 - 12	NM	NM	NM	9 - 6	46 - 27	10 - 8	15 - 9	0	NM	13	56	13	0	0.0 - 0.0	0.0 - 0.0	8.4 - 0.0	2.2 - 1.6	2.0 - 1.2	1.7 - 1.3
WYNN	WYNN RESORTS, LIMITED	DEC	NM	NM	NM	NM	130 - 84	38 - 17	23 - 12	46 - 22	NM	NM	461	100	43	134	0.0 - 0.0	0.0 - 0.0	9.3 - 0.0	3.9 - 2.0	3.2 - 1.0	2.3 - 1.3
SEHK:1128	WYNN MACAU, LIMITED	DEC	NM	NM	NM	NM	24 - 15	26 - 13	35 - 17	52 - 25	NM	NM	92	27	88	0	0.0 - 0.0	0.0 - 0.0	8.7 - 0.0	7.9 - 3.7	4.8 - 0.7	5.0 - 0.9
MICO	MELCO RESORTS & ENTERTAINMENT LIMITED	DEC	NM	NM	NM	NM	34 - 22	48 - 23	42 - 22	57 - 34	0	NM	81	80	51	22	0.0 - 0.0	0.0 - 0.0	6.0 - 0.0	3.5 - 2.3	3.7 - 0.6	1.0 - 0.4
CZR	CAESARS ENTERTAINMENT, INC.	DEC	NM	NM	NM	NM	57 - 34	40 - 24	31 - 14	32 - 18	0	0	0	0	0	0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0
SEHK:3918	NAGACORP LTD.	DEC	NM	NM	585 - 303	121 - 67	100 - 66	79 - 42	76 - 49		NM	228	52	44	49	64	0.0 - 0.0	8.9 - 0.0	11.0 - 3.8	5.0 - 2.6	4.9 - 3.1	8.5 - 4.4
LSE:GVC	ENTAIN PLC	DEC	NA	NA	NA	NA	NA	NA	NA	NA	0	0	NM	NM	NM	0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0
SEHK:880	SJM HOLDINGS LIMITED	DEC	NM	NM	NM	NM	19 - 12	22 - 12	24 - 17	16 - 11	0	NM	51	46	66	51	0.0 - 0.0	0.0 - 0.0	5.1 - 0.0	4.0 - 2.4	3.8 - 1.8	4.3 - 2.8
SEHK:2282	MGM CHINA HOLDINGS LIMITED	DEC	NM	NM	NM	NM	35 - 22	89 - 39	40 - 22	22 - 10	0	NM	25	57	45	27	0.0 - 0.0	0.0 - 0.0	2.0 - 0.0	1.0 - 0.4	1.4 - 0.8	1.8 - 1.2
TSX:TSGI																						
ASX:CWN	CROWN RESORTS LIMITED	JUN	NM	NM	112 - 51	24 - 19	17 - 13	5 - 4	11 - 8		0	511	102	74	27	40	0.0 - 0.0	6.9 - 0.0	10.0 - 4.6	5.3 - 4.2	5.7 - 4.4	7.6 - 3.9
A035250	KANGWON LAND, INC.	DEC	NM	NM	NM	NM	21 - 17	24 - 17	18 - 15	20 - 16	0	NM	55	68	46	44	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	3.6 - 2.9	3.9 - 3.1	0.0 - 0.0
CHDN	CHURCHILL DOWNS INCORPORATED	DEC	40 - 27	NM	NM	NM	40 - 23	12 - 9	26 - 16	24 - 18	10	NM	16	7	15	18	0.4 - 0.3	0.4 - 0.2	1.0 - 0.3	0.7 - 0.4	0.7 - 0.5	0.9 - 0.6
OM:EVO	EVOLUTION AB (PUBL)	DEC	590 - 286	526 - 180	345 - 122	312 - 191	359 - 146	347 - 255			24	27	29	39	26	36	1.7 - 0.5	0.7 - 0.4	1.5 - 0.6	1.8 - 1.0	1.8 - 0.7	1.4 - 0.7
ERI																						
BYD	BOYD GAMING CORPORATION	DEC	17 - 10	NM	NM	NM	22 - 15	40 - 19	22 - 12	6 - 4	0	NM	18	21	6	0	1.2 - 0.0	0.0 - 0.0	3.6 - 0.0	1.3 - 0.8	1.1 - 0.5	0.9 - 0.6
ASX:SGR	THE STAR ENTERTAINMENT GROUP LIMITED	JUN	69 - 41	NM	NM	NM	26 - 18	36 - 27	19 - 15	25 - 18	130	NM	109	89	47	49	0.0 - 0.0	8.2 - 0.0	12.7 - 4.3	5.7 - 3.2	3.3 - 2.6	3.1 - 2.0
HOTELS AND RESORTS																						
MAR	MARRIOTT INTERNATIONAL, INC.	DEC	50 - 35	NM	NM	NM	40 - 27	27 - 19	35 - 21	31 - 21	0	NM	48	28	33	46	0.9 - 0.0	0.0 - 0.0	1.4 - 0.0	1.6 - 1.2	1.5 - 0.9	1.5 - 1.0
NYSE:CCL	CARNIVAL CORPORATION & PLC	NOV	NM	NM	NM	NM	14 - 9	16 - 12	19 - 14	15 - 11	0	NM	46	43	42	35	0.0 - 0.0	0.0 - 0.0	21.5 - 0.0	5.0 - 3.2	3.7 - 2.5	2.9 - 2.3
NYSE:HIL	HILTON WORLDWIDE HOLDINGS INC.	DEC	106 - 67	NM	NM	NM	37 - 22	35 - 25	25 - 17	81 - 50	0	NM	20	24	18	82	0.5 - 0.0	0.0 - 0.0	1.1 - 0.0	0.9 - 0.6	0.9 - 0.7	1.5 - 0.8
ENX:TPA:AC	ACCOR SA	DEC	185 - 134	NM	NM	NM	27 - 21	6 - 5	31 - 25	47 - 34	41	NM	70	15	45	81	0.0 - 0.0	0.0 - 0.0	4.8 - 0.0	3.2 - 2.5	2.7 - 2.2	3.0 - 2.4
LSE:IHG	INTERCONTINENTAL HOTELS GROUP PLC	DEC	37 - 30	NM	NM	NM	27 - 20	27 - 21	17 - 13	17 - 12	0	0	55	57	35	42	1.6 - 1.2	0.0 - 0.0	2.1 - 0.0	2.2 - 1.7	5.3 - 1.6	21.1 - 5.2
HTHT	H WORLD GROUP LIMITED	DEC	NM	NM	NM	NM	7 - 4	19 - 10	8 - 3	5 - 2	0	NM	37	0	1	0	0.0 - 0.0	0.8 - 0.0	1.3 - 0.6	1.2 - 0.8	0.0 - 0.0	0.0 - 0.0
NYSE:H	HYATT HOTELS CORPORATION	DEC	NM	NM	NM	NM	12 - 9	12 - 9	23 - 16	37 - 23	0	NM	10	9	0	0	0.0 - 0.0	0.0 - 0.0	2.2 - 0.0	1.1 - 0.8	0.9 - 0.7	0.0 - 0.0
XTRA:TUI1	TUI AG	SEP	NM	NM	NM	NM	23 - 11	17 - 12	14 - 10	10 - 6	0	NM	102	53	57	32	0.0 - 0.0	18.5 - 0.0	18.7 - 4.6	9.1 - 3.9	4.4 - 3.1	5.0 - 4.3
LSE:WTB	WHITBREAD PLC	FEB	NM	NM	35 - 27	2 - 2	18 - 15	19 - 15	25 - 17		0	0	73	5	41	40	0.0 - 0.0	4.7 - 0.0	2.5 - 1.9	2.6 - 2.0	2.7 - 2.1	2.7 - 2.0
NYSE:WH	WYNDHAM HOTELS & RESORTS, INC.	DEC	34 - 22	NM	NM	NM	39 - 27	41 - 27	NA - NA	NA - NA	34	NM	71	48	0	0	2.0 - 1.4	1.7 - 0.5	5.9 - 0.5	2.4 - 1.9	2.3 - 1.5	0.0 - 0.0
NYSE:CHH	CHOICE HOTELS INTERNATIONAL, INC.	DEC	30 - 19	80 - 39	26 - 18	22 - 17	36 - 25	30 - 22			9	34	22	23	40	43	0.9 - 0.6	0.8 - 0.0	1.0 - 0.0	1.3 - 0.9	1.2 - 1.0	1.6 - 1.1
SEHK:69	SHANGRI-LA ASIA LIMITED	DEC	NM	NM	NM	NM	278 - 174	369 - 185	414 - 183	322 - 232	0	0	66	45	41	43	0.0 - 0.0	0.0 - 0.0	3.9 - 0.0	3.0 - 1.6	1.8 - 0.8	1.6 - 0.9
OM:PNDX B	PANDOX AB (PUBL)	DEC	50 - 38	NM	NM	NM	14 - 9	10 - 8	8 - 7	11 - 8	0	0	29	26	21	26	0.0 - 0.0	0.0 - 0.0	6.0 - 0.0	3.1 - 2.2	3.1 - 2.6	3.0 - 2.6
900934	SHANGHAI JIN JIANG INTERNATIONAL HOTELS CO.,	DEC	23 - 18	17 - 11	2 - 2	3 - 2	3 - 2	4 - 3			346	830	92	93	116	147	0.5 - 0.4	4.6 - 0.4	6.6 - 4.3	5.0 - 3.8	4.6 - 2.4	3.5 - 2.7
STAY																						
600258	BTG HOTELS (GROUP) CO., LTD.	DEC	511 - 332	NM	NM	NM	26 - 16	33 - 17	41 - 24	46 - 25	925	NM	27	27	40	158	0.1 - 0.0	0.4 - 0.0	0.8 - 0.3	0.7 - 0.3	0.4 - 0.0	0.7 - 0.0
BSE:500850	THE INDIAN HOTELS COMPANY LIMITED	MAR	NM	NM	54 - 25	64 - 49	171 - 114	NM	NM	NM	NM	NM	17	16	35	NM	0.5 - 0.2	0.8 - 0.4	0.4 - 0.3	0.3 - 0.2	0.3 - 0.2	0.3 - 0.0
SGX:M04	MANDARIN ORIENTAL INTERNATIONAL LIMITED	DEC	NM	NM	NM	NM	NM	78 - 51	64 - 28	35 - 27	0	0	NM	87	92	102	0.0 - 0.0	0.0 - 0.0	1.8 - 0.0	2.2 - 1.4	2.1 - 1.1	3.7 - 1.4
NSE:IRCTC	INDIAN RAILWAY CATERING & TOURISM CORPORAT	MAR	171 - 76	61 - 22	NA - NA	NA - NA	NA - NA	NA - NA	NA - NA	NA - NA	36	21	43	48	21	49	0.8 - 0.1	1.2 - 0.6	0.7 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0
BME:NHH	NH HOTEL GROUP, S.A.	DEC	NM	NM	NM	NM	23 - 17	25 - 14	59 - 37	58 - 36	NM	NM	67	39	48	0	0.0 - 0.0	0.0 - 0.0	3.4 - 0.0	3.7 - 2.1	2.2 - 0.8	1.2 - 0.8
CRUISE LINES																						
CCL	CARNIVAL CORPORATION & PLC	NOV	NM	NM	NM	NM	14 - 9	16 - 12	19 - 14	15 - 11	0	NM	46	43	42	35	0.0 - 0.0	0.0 - 0.0	21.5 - 0.0	5.0 - 3.2	3.7 - 2.5	2.9 - 2.3
RCL	ROYAL CARIBBEAN CRUISES LTD.	DEC	NM	NM	NM	NM	15 - 10	16 - 10	17 - 11	17 - 11	0	NM	32	29	27	27	0.0 - 0.0	0.0 - 0.0	14.0 - 0.0	3.1 - 2.1	2.8 - 1.8	2.4 - 1.5
NCLH	NORWEGIAN CRUISE LINE HOLDINGS LTD.	DEC	NM	NM	NM	NM	14 - 9	14 - 9	18 - 13	21 - 12	0	0	0	0	0	0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0
TSE:9603	H.I.S. CO., LTD.	OCT	NM	NM	NM	NM	21 - 11	22 - 16	17 - 11	1013 - 596	0	NM	14	16	10	534	0.0 - 0.0	2.4 - 0.0	2.8 - 1.0	1.3 - 0.7	1.0 - 0.6	1.0 - 0.7
BSE:500840	EIH LIMITED	MAR	NM	NM	79 - 24	89 - 62	69 - 35	66 - 52	59 - 43		NM	NM	39	44	29	15	0.0 - 0.0	1.6 - 0.0	0.7 - 0.4	0.6 - 0.4	1.1 - 0.4	1.2 - 0.9
SEHK:678	GENTING HONG KONG LIMITED	JAN		NM	NM	NM	NM	NM	NM	NM	0	0	0	0	NM	NM	0.0 - 0.0	0.0 - 0.0	16.0 - 0.0	15.0 - 8.7	9.0 - 0.0	3.1 - 0.0
LIND	LINDBLAD EXPEDITIONS HOLDINGS, INC.	DEC	NM	NM	NM	NM	66 - 42	62 - 36	NM	NM	0	0	0	0	0	0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0	0.0 - 0.0

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

Note: Data as originally reported. CAGR-Compound annual growth rate. #Of the following calendar year.
Source: S&P Capital IQ.

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