

PRESS RELEASE

Lower oil prices and increased capacity keep airfares in check**Advito publishes updated 2015 Industry Forecast**

CHICAGO, June 23, 2015 – Average economy airfares for both intercontinental and regional travel will fall in almost every region in 2015, according to travel consultancy Advito's update to their annual Industry Forecast. Lower oil prices are encouraging airlines to grow capacity, but demand growth has not kept pace. Airlines have responded by making more lower priced seats available, meaning lower average fares for travelers.

On the hotel side, the U.S. market continues to see strong demand and subsequent rate increases. With softer demand in Europe, Advito downgraded rate expectations for France, Germany, the U.K. and some smaller markets.

Advito monitors changes in economic growth, inflation, travel demand and oil prices. Each quarter, it revises its annual Industry Forecast to reflect changes to the original air and hotel pricing predictions for the year.

The update and the original Advito 2015 Industry Forecast are available at www.advito.com (in the Insights section under "White Papers"). Following are a few of the update's key findings:

- The strengthening of the U.S. dollar is holding back global economic recovery. This doesn't bode well for U.S. exports and is damaging for a number of emerging markets that have large U.S. dollar debts. Weak Chinese growth is another concern for emerging markets.
- Advito originally forecasted moderate air fare increases as demand was expected to grow more quickly than capacity in North America. In this update, Advito lowered the figures, as growing airline profits make it more difficult for them to justify increased published fares.
- Recent stable oil prices may soon face downward pressure from the prospect of Iran re-entering the global market, weaker demand from China and the growing risks of a Greek debt default. Despite these issues, the U.S. Energy Information Administration (EIA) has maintained its forecast for Brent crude in 2015 at \$59 per barrel. As a result, Advito maintains its own assumption at \$65.
- Advito made just two changes to the hotel average daily rate (ADR) regional forecasts. As demand remains weak in Europe, Advito predicts more subdued rate increases. Conversely, as demand in Australia proves stronger than expected, Advito raised its forecast for Southwest Pacific from 2-4% to 3-5%.

About Advito

Advito is the travel industry's most progressive consultancy, enabling procurement leaders to modernize their approach to managing the travel and meetings spend category. Led by a unique team of multi-disciplinary experts and thought leaders, we work with both clients and suppliers to push the boundaries of traditional air and hotel sourcing and strategic meetings management for higher program returns. We provide advisory, procurement and outsourcing services in the area of corporate travel sourcing, expense and meetings management, along with RFP development and management; benchmarking and vendor management services. We minimize our clients' travel spend and maximize their travel program value in a data-rich, consumer empowered world. Headquartered in Chicago, Advito operates in key business markets around the world. For more information, visit www.advito.com.