

SUMMARY REPORT

JUNE, 2010 NPI MAJOR HOTEL PERFORMANCE

BAHAMAS MINISTRY OF TOURISM AND AVIATION & BAHAMAS HOTEL ASSOCIATION

According to preliminary statistics released by the Bahamas Hotel Association and The Bahamas Ministry of Tourism, the 14-major New Providence hotels recorded a 71.5% occupancy rate for June compared to 65.9% in 2009. This occupancy rate combined with an increase in average daily room rate¹ (ADR) of \$15.17 generated a 16.3% room revenue boost and an 8.5% increase in room nights sold. For June 2010, the ADR was \$225.55 compared to \$210.38 last year.

Of the fourteen properties, nine reported increases in their room revenue, with seven of them showing double-digit growth. While there was widespread increases in ADRs at these properties (eight of fourteen properties), it was the surge in room nights sold that contributed the most to the growth in revenue. Of the nine reporting revenue increases, all showed increases in room nights sold, with five showing double-digit growth.

Commenting on the solid June numbers, industry officials pointed to the success of the Companion Fly Free promotion as a primary reason for this performance. The most recent figures show that since the promotion started it is responsible for 138,000 visitors coming to The Bahamas representing 255,702 room nights. Using the 2009 ADR for The Bahamas, this promotion possibly accounts for as much as \$50 million in room revenue so far in 2010. It is supported jointly by the Ministry of Tourism and the private sector's Promotion Board.

Comparative figures for June 2008 show that occupancy stood at 71.9% and ADR at \$235.77. Room nights sold and room revenue in 2010 were 4.8% and 8.9% below June 2008 levels.

The second quarter of 2010 surpassed all measures of performance for last year. It even surpassed room nights sold for the first quarter of this year, 2.6% more room nights sold. However, it was still 6.8% behind in room revenue due to a \$23.87 higher ADR in the first quarter.

The second quarter of 2010 ended with a 68.3% occupancy rate and a \$236.73 ADR compared to 66.4% and \$232.41 last year and 67.2% and \$260.60 in the first quarter of this year.

To the end of June, occupancy stood at 67.7%, ADR at \$248.51 and room nights sold and room revenue 3.8% and 5.9% above 2009 levels. This compared to 65.2% and \$243.47 in 2009. Air arrivals to Nassau to the end of April were up 2.4%.

¹ ADR is the average daily room rate is the hotel room revenue divided by the room nights sold.

NASSAU AND PARADISE ISLAND SELECT LARGE HOTELS PERFORMANCE

PRELIMINARY STATISTICS 2009 - 2010

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