

Horwath HTL Hotel Performance Confidence Indicator 4th Quarter 2010



Hotel, Tourism and Leisure

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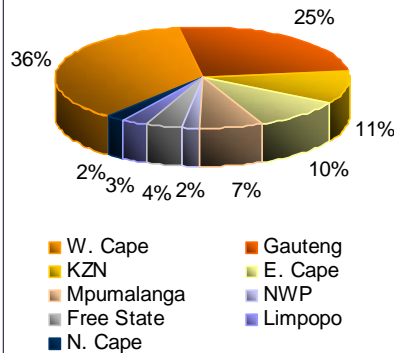
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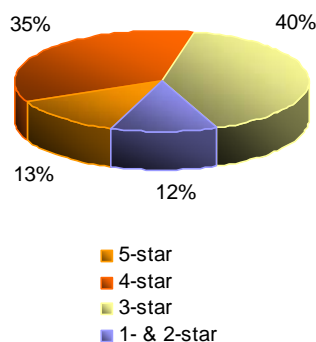
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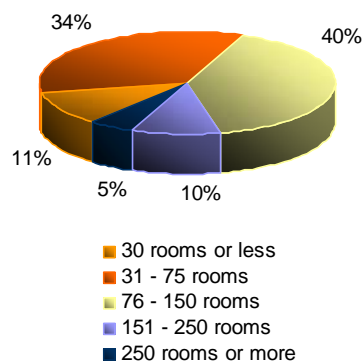
Share of Participants
By Geographic Location



Share of Participants
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Share of Participants
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We are pleased to present the Horwath HTL Hotel Performance Confidence Indicator for the fourth quarter of 2010. The indicator aims to reflect confidence in the performance of the South African hotel industry on a quarterly basis.

For the purposes of this analysis, hotel managers throughout South Africa were asked to forecast their hotel's performance in terms of likely market demand in the fourth quarter of 2010 in comparison to the same period in 2009. In total 102 hotel managers, 84 percent of whom were General Managers, participated in the analysis. This report summarizes the outcome of the survey.

Of the 102 participants, some 36 percent of participants represent hotel establishments located in the Western Cape followed by representatives of hotel establishments located in Gauteng (25 percent), KwaZulu Natal (11 percent), the Eastern Cape (10 percent), Mpumalanga (7 percent), the Free State (4 percent), Limpopo Province (3 percent), North West Province and Northern Cape (2 percent respectively).

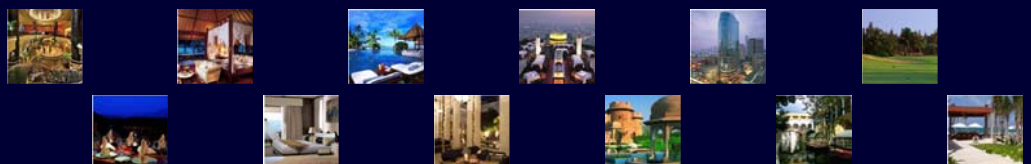
The majority of participants represented hotel establishments of a 3-star standard (40 percent), followed by hotel establishments of a 4-star standard (35 percent) and 5-star standard (13 percent). Participants representing hotel establishments of a 1- & 2-star standard accounted for less than 12 percent of responses received.

In terms of hotel size, some 40 percent of participating hoteliers represented mid-scale hotel establishments (76-150 rooms). Some 34 percent of responses were received from hoteliers representing hotel establishments with between 31 and 75 rooms. Boutique establishments with less than 30 rooms accounted for some 11 percent of responses and hotel establishments with between 151 and 250 rooms accounted for some 10 percent of responses received. Large-scale establishments (250+ rooms) accounted for some 5 percent of responses.

The results are segmented by star grading, hotel size and geographic location, which should provide for interesting benchmarking opportunities.

We would like to thank all the hotel managers who participated and look forward to the industry's continued support. We welcome any comments and suggestions that will make this indicator more relevant and helpful to the South African hotel sector.

Sincerely,
Michelè de Witt
Director



Horwath HTL Hotel Performance Confidence Indicator 4th Quarter 2010



Summary of Results: 4th Quarter 2010

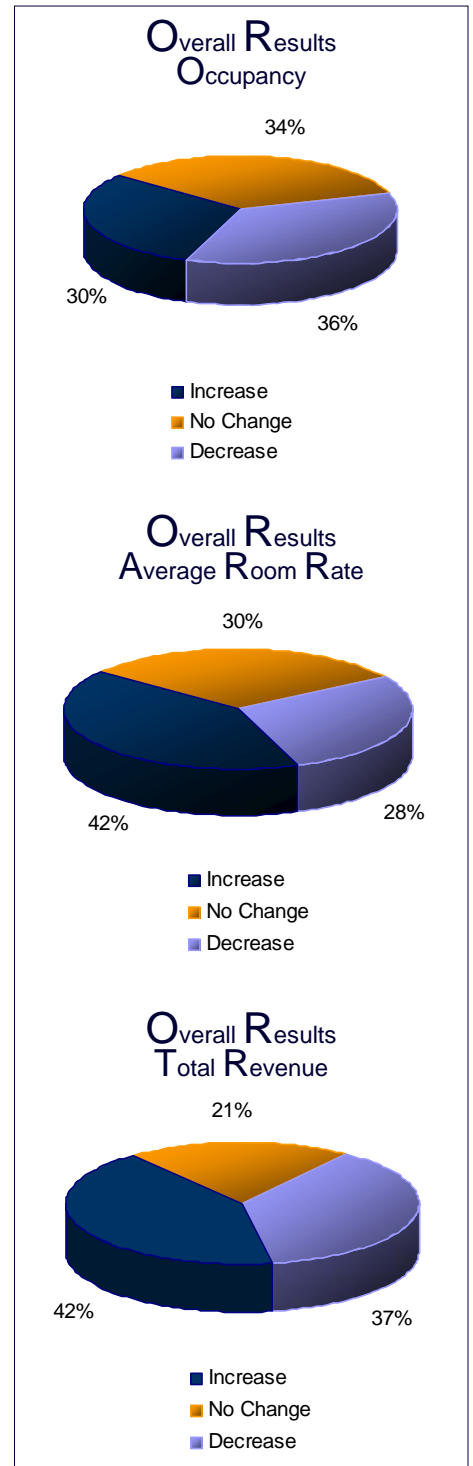
Feedback received from responding hotel managers indicates that Occupancy is likely to remain under pressure in the upcoming quarter with the majority of respondents (some 36 percent) anticipating Occupancy will decline in the upcoming quarter when compared to Occupancy achieved in the fourth quarter of 2009.

Overall, hotel managers appear more optimistic in terms of likely growth in Average Room Rate; the majority of responding hotel managers (some 42 percent) expect Average Room Rate will increase in the fourth quarter of 2010 when compared to the same period in 2009. Similarly, the majority of responding hotel managers (some 42 percent) forecast Total Revenue will increase in Quarter 4, 2010 when compared Total Revenue achieved in Quarter 4, 2009.

In terms of Occupancy, when compared with the fourth quarter of 2009 hotel managers are less confident in an increase in Occupancy. Nevertheless some 30 percent of responding hotel managers forecast Occupancy will increase when compared to the same period last year. By comparison, in the Quarter 4 2009 survey, some 19 percent of respondents anticipated Occupancy would increase when compared to the same period in 2008. Some 34 percent of responding hotel managers anticipate Occupancy will remain unchanged in the upcoming quarter when compared to the same period in 2009.

The majority of responding hotel managers indicated they are confident in an increase in Average Room Rate. In fact, some 42 percent of respondents expect Average Room Rate will increase in Quarter 4, 2010 when compared to Average Room Rate achieved in Quarter 4, 2009. A further 30 percent of responding hotel managers anticipate Average Room Rate will remain unchanged in the upcoming quarter when compared to the same period in 2009, whilst some 28 percent of respondents forecast Average Room Rate in Quarter 4, 2010 will decrease when compared to Average Room Rate achieved in Quarter 4, 2009.

With reference to Total Revenue, some 42 percent of responding hotel managers expect Total Revenue will increase in the upcoming quarter when compared to Total Revenue achieved in Quarter 4, 2009. Some 21 percent of respondents anticipate Total Revenue will remain unchanged in the fourth quarter of 2010 when compared to the fourth quarter of 2009, whilst some 37 percent of respondents forecast Total Revenue will decline in the fourth quarter of 2010 when compared to the same period in 2009.

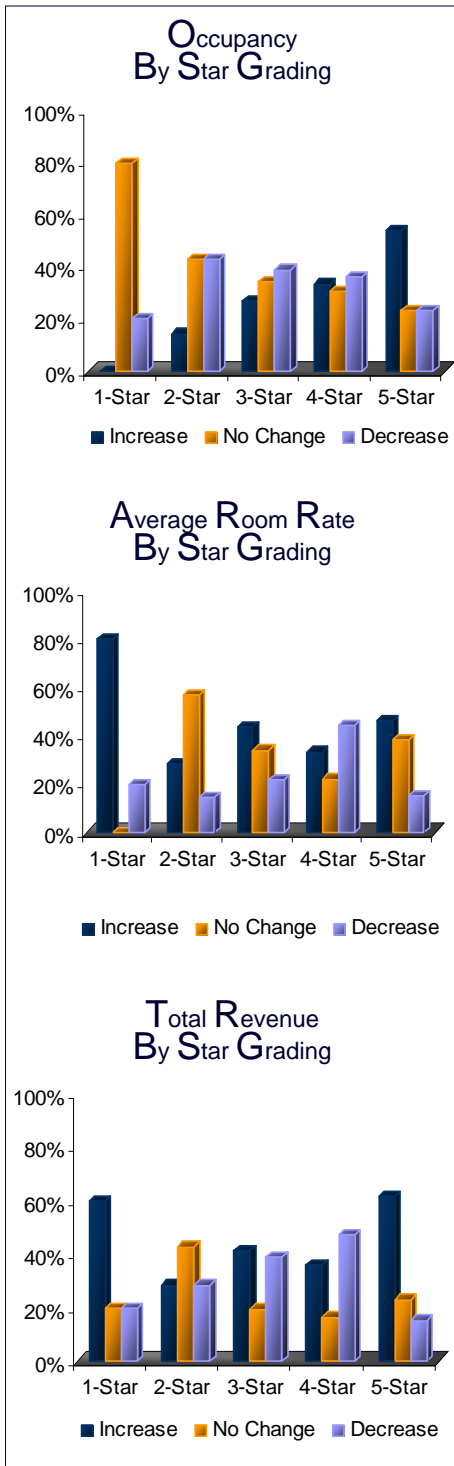


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Hotel, Tourism and Leisure

Confidence Indicator By Star Grading



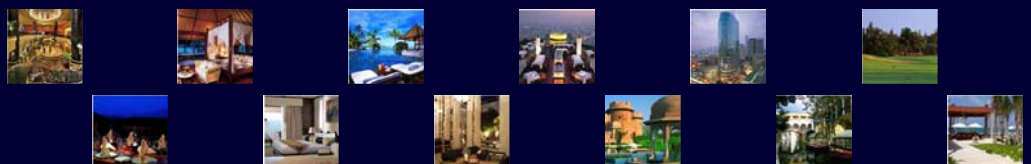
The budget segment is the least confident in an increase in Occupancy in the fourth quarter of 2010 with some 20 percent of responding hotel managers representing 1-star establishments and some 43 percent of responding hotel managers representing 2-star establishments forecasting a decrease in Occupancy in Quarter 4, 2010 when compared to the same period in 2009. The 3-star segment is slightly more optimistic despite some 39 percent of these hotel managers expecting Occupancy to decrease in the fourth quarter of 2010 when compared to Quarter 4 2009 whilst some 36 percent of responding hotel managers representing 4-star establishments expect Occupancy to decline when compared to Occupancy achieved in the same period last year. The 5-star segment is the most confident in an increase in Occupancy in the fourth quarter of 2010 when compared to Occupancy achieved in the same period last year with some 54 percent of these hotel managers forecasting an increase in Occupancy.

Overall responding hotel managers are more confident in an increase in Average Room Rate in the upcoming quarter. Some 80 percent of responding hotel managers representing 1-star establishments, some 46 percent of responding hotel managers representing 5-star establishments, and some 44 percent of responding hotel managers representing hotel establishments of a 3-star standard anticipate an increase in Average Room Rate in the fourth quarter of 2010 when compared to Average Room Rate achieved in the fourth quarter of 2009.

However, the majority of responding hotel managers representing hotel establishments of a 2-star standard (some 57 percent) anticipate Average Room Rate in the upcoming quarter will remain unchanged when compared to Average Room Rate achieved in the same period last year, whilst some 44 percent of responding hotel managers representing hotel establishments of a 4-star standard anticipate Average Room Rate in Quarter 4, 2010 will decline when compared with Average Room Rate achieved by the segment in the same period last year.

It therefore follows that the majority of responding hotel managers representing hotel establishments of a 1-, 3-, and 5-star standard forecast Total Revenue in the fourth quarter of 2010 will increase when compared to Total Revenue achieved in the fourth quarter of 2009: some 60 percent of responding hotel managers representing the 1-star segment, some 41 percent of responding hotel managers representing 3-star establishments, and some 62 percent of responding hotel managers representing the 5-star segment.

The majority of responding hotel managers representing hotel establishments of a 2-star standard anticipate Total Revenue will remain unchanged in the upcoming quarter when compared to the same period last year. Responses received from hotel managers representing the 4-star segment indicates that the majority of these hotel managers anticipate Total Revenue in the upcoming quarter will decline when compared to the same period last year.



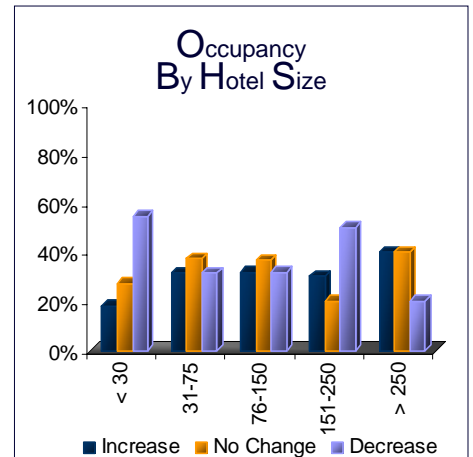
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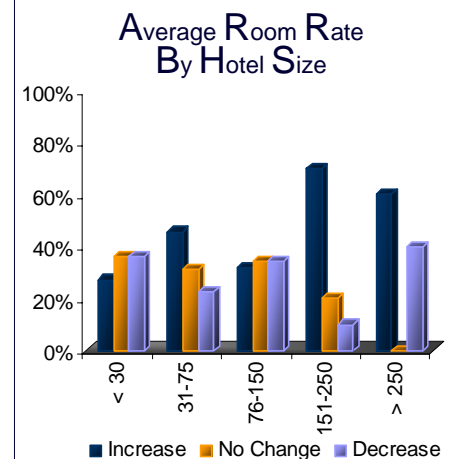
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Confidence Indicator By Hotel Size

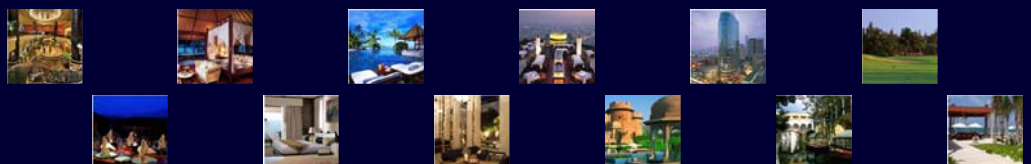
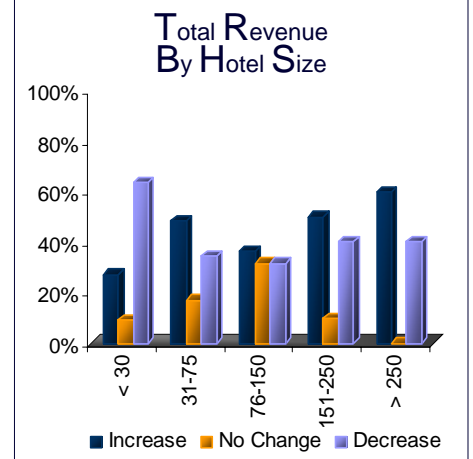
In terms of hotel size, responding hotel managers representing large scale hotels with more than 250 rooms are the most confident in an increase in Occupancy in the upcoming quarter when compared with Occupancy achieved in the same period last year, some 40 percent; however a further 40 percent of these hotel managers anticipate Occupancy will remain unchanged in the upcoming quarter. The majority of responding hotel managers of establishments with between 31 and 75 rooms as well as hotel managers of establishments with between 76 and 150 rooms (some 37 percent respectively) anticipate Occupancy in quarter four of 2010 will remain unchanged when compared to Occupancy achieved in quarter four 2009. Some 50 percent of responding hotel managers representing boutique establishments with less than 30 rooms and some 55 percent of responding hotel managers representing hotel establishments with between 151 and 250 rooms forecast Occupancy levels in Quarter 4, 2010 will decline with compared to the same period in 2009.



In terms of Average Room Rate, hotel managers of larger establishments are more confident in an increase in Average Room Rate than hotel managers of smaller establishments. Some 70 percent of responding hotel managers of establishments with between 151 and 250 rooms and some 60 percent of responding hotel managers representing hotel establishments with more than 250 rooms anticipate Average Room Rate in the upcoming quarter will increase when compared to Average Room Rate achieved in the same period last year. Although some 46 percent of responding hotel managers representing hotel establishments with between 31 and 75 rooms anticipate an increase in Average Room Rate, a further 31 percent of these hotel managers anticipate Average Room Rate in the fourth quarter of 2010 will remain unchanged when compared to the same period in 2009. Responding hotel managers of boutique establishments with less than 30 rooms and hotel managers of hotel establishments with between 76 and 150 rooms are equally divided regarding Average Room Rate performance in the upcoming quarter. Whilst some 36 percent and some 34 percent respectively anticipate Average Room Rate will remain unchanged and equal proportion of these hotel managers anticipate a decline in Average Room Rate in the fourth quarter when compared to the same period last year.



With the exception of boutique hotel establishments with less than 30 rooms, overall responding hotel managers are confident in an increase in Total Revenue in the fourth quarter of 2010 when compared with Total Revenue reported in the fourth quarter of 2009. Of the responding hotel managers representing boutique hotels, some 64 percent) anticipate Total Revenue in the fourth quarter of 2010 will decline when compared to Total Revenue achieved in the fourth quarter of 2009. Conversely, some 49 percent of responding hotel managers of representing hotel establishments with between 31 and 75 rooms; some 37 percent of responding hotel managers representing establishments with between 76 and 150 rooms; some 50 percent of responding hotel managers representing hotel establishments with between 151 and 250 rooms; and some 60 percent of hotel managers representing large hotels with more than 250 rooms anticipate Total Revenue in the fourth quarter will increase when compared to Total Revenue achieved in the fourth quarter of 2009.



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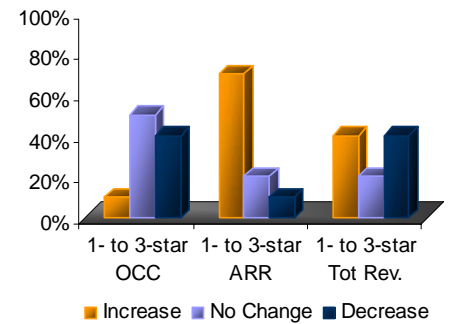
Hotel, Tourism and Leisure

Confidence Indicator By Geographic Location

Western Cape:

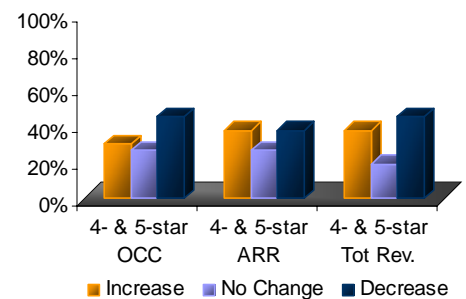
Overall, responding hotel managers representing the Western Cape industry are not confident in an increase in Occupancy in the fourth quarter of 2010 when compared to Occupancy levels achieved in the fourth quarter of 2009. In fact, some 50 percent of responding hotel managers representing hotel establishments of 1– to 3-star standard anticipate Occupancy will remain unchanged whilst a further 40 percent of these hotel managers anticipate Occupancy will decline in the fourth quarter when compared to the same period last year. Responding hotel managers representing hotel establishments of a 4– and 5-star standard are slightly more optimistic with some 30 percent of these hotel managers forecasting an increase in Occupancy levels, although some 44 percent of these hotel managers anticipate Occupancy in the fourth quarter of 2010 will decrease when compared to Occupancy levels achieved in the fourth quarter of last year.

Western Cape: 1– to 3-Star



In terms of Average Room Rate, responding hotel managers representing hotel establishments of a 1– to 3-star standard are more confident in an increase in Average Room Rate in the fourth quarter of 2010 than those responding hotel managers representing hotel establishments of a 4– and 5-star standard. In fact, some 70 percent of responding hotel managers representing the 1– to 3-star segment anticipate Average Room Rate in the fourth quarter of 2010 will increase when compared to Average Room Rate achieved in the same period last year. By contrast, some 37 percent of responding hotel managers representing 4– and 5-star establishments anticipate Average Room Rate in the fourth quarter of 2010 will increase when compared to the same period last year.

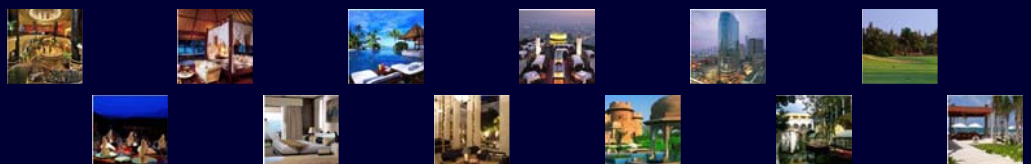
Western Cape: 4- & 5-Star



It therefore follows that some 40 percent of responding hotel managers representing hotel establishments of a 1– to 3-star standard anticipate Total Revenue in the fourth quarter of 2010 will increase whilst a further 40 percent of these hotel managers anticipate Total Revenue will decrease when compared to Total Revenue achieved in the same period last year. Responses received from hotel managers representing hotel establishments of a 4– and 5-star standard are slightly less confident in an increase in Total Revenue with some 37 percent of these hotel managers anticipating an increase in Total Revenue whilst some 44 percent of these hotel managers anticipate a decrease in Total Revenue in the fourth quarter of 2010 when compared to the same period last year.

Gauteng:

The majority of responding hotel managers from the Gauteng hotel industry representing hotel establishments of a 1– to 3-star standard are expecting Occupancy in the fourth quarter of 2010 to be comparable with Occupancy achieved in the same period last year; this sentiment was shared by some 60 percent of these hotel managers. However, responding hotel managers representing the 4– and 5-star segment responded more confidently with some 36 percent of these hotel managers anticipating an increase in Occupancy and a further 36 percent of these hotel managers anticipating Occupancy will remain unchanged in the fourth quarter of 2010 when compared to the same period last year.

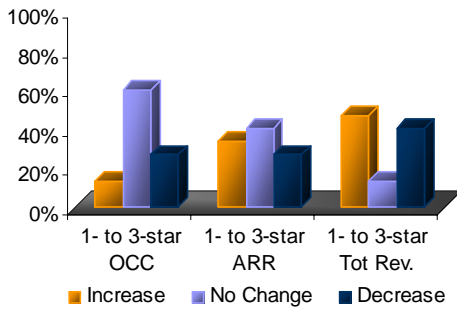


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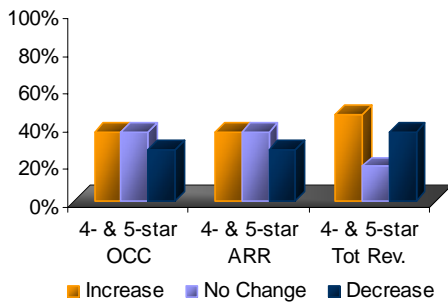
Gauteng: 1- to 3-Star



Gauteng Continued...

In terms of Average Room Rate, responding hotel managers representing hotel establishments of a 1- to 3-star standard are marginally more confident in an increase in Average Room Rate in the fourth quarter of 2010 than those responding hotel managers representing hotel establishments of a 4- and 5-star standard. Some 33 percent of responding hotel managers representing the 1- to 3-star segment anticipate Average Room Rate in the fourth quarter of 2010 will increase whilst a further 40 percent of these hotel managers anticipate Average Room Rate will remain unchanged in the fourth quarter of 2010 when compared to Average Room Rate achieved in the same period last year. A slightly higher proportion of responding hotel managers representing the 4- and 5-star segment anticipate Average Room Rate in the fourth quarter of 2010 will increase (some 36 percent) with a further 36 percent of these hotel managers anticipating Average Room Rate in the fourth quarter of 2010 will remain unchanged when compared to the same period last year.

Gauteng: 4- & 5-Star

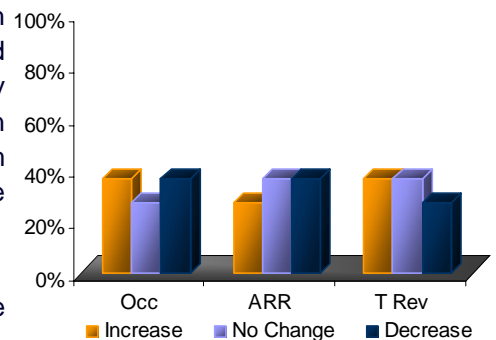


In light of the aforementioned responses, the majority of responding hotel managers from the Gauteng hotel industry anticipate Total Revenue in the fourth quarter of 2010 will increase when compared to Total Revenue achieved in the same period last year. In terms of hotel grading, some 47 percent of responding hotel managers representing hotels of a 1- to 3-star standard and some 45 percent of hotel managers representing hotels of a 4- and 5-star standard in Gauteng forecast an increase in Total Revenue in the fourth quarter when compared to Total Revenue reported in the fourth quarter of 2009.

KwaZulu Natal*:

Overall, of the responding hotel managers representing the KwaZulu Natal hotel industry, some 36 percent of hotel managers expect Occupancy in the fourth quarter of 2010 to be better than Occupancy levels reported in the same period last year, whilst a further 27 percent of these hotel managers expect Occupancy in the fourth quarter of this year to be comparable with Occupancy achieved in the fourth quarter of 2009. Some 36 percent of responding hotel managers from the KwaZulu Natal hotel industry anticipate a decline in Occupancy rate in the fourth quarter of 2010 when compared to the same period last year.

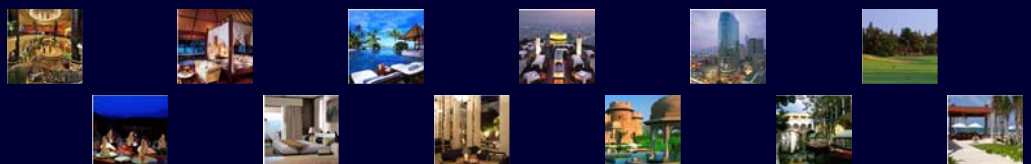
KwaZulu Natal: Overall Results



With reference to responding hotel managers' expectations regarding Average Room Rate, overall, responding hotel managers are less confident in an increase in Average Room Rate in the fourth quarter of 2010 with the majority of responding hotel managers anticipating Average Room Rate to either remain unchanged (some 36 percent of responses received) or decline (a further 36 percent of responses received) when compared to Average Room Rate achieved in the same period last year.

As a result, overall expectations of growth in Total Revenue reflect the varying degrees of confidence held by respond-

* The number of responses received was insufficient to allow for meaningful segmentation. Therefore overall results of responses received are illustrated.



Horwath HTL Hotel Performance Confidence Indicator 4th Quarter 2010



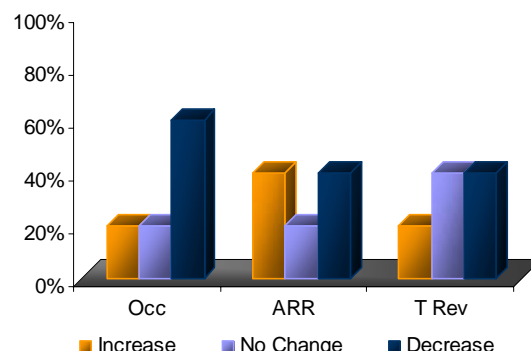
KwaZulu Natal Continued...

ing hotel managers from the KwaZulu Natal industry. Overall, some 36 percent of these hotel managers anticipate Total Revenue will increase, whilst a further 36 percent of these hotel managers anticipate Total Revenue will remain unchanged in the fourth quarter of 2010 when compared to the same period in 2009. The remaining 27 percent of these responding hotel managers anticipate Total Revenue in the fourth quarter of 2010 will decrease when compared to Total Revenue achieved in the fourth quarter last year.

Eastern Cape*:

Confidence in an increase in Occupancy in the fourth quarter of 2010 when compared to the same period last year is very low among responding hotel managers representing the Eastern Cape hotel industry. Whilst some 20 percent of responding hotel managers anticipate Occupancy will increase and a further 20 percent of these hotel managers anticipate Occupancy will remain unchanged in the fourth quarter of 2010 when compared to Occupancy levels achieved in the fourth quarter of 2009, an overwhelming 60 percent of responding hotel managers from the Eastern Cape industry anticipate Occupancy in the fourth quarter of this year will decrease when compared to Occupancy levels achieved in the same period last year.

Eastern Cape: Overall Results



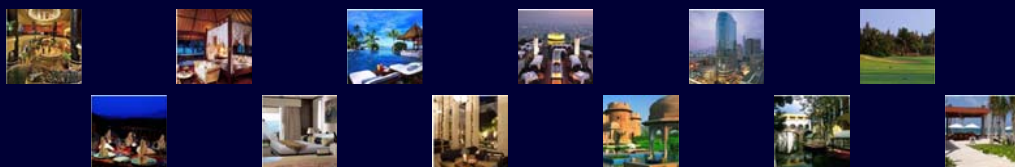
However, responding hotel managers representing the Eastern Cape are more confident in an increase in Average Room Rate. Some 40 percent of responding hotel managers expect to realize growth in Average Room Rate in the fourth quarter of 2010 when compared to Average Room Rate achieved in the same period last year, although a further 20 percent of responding hotel managers from the Eastern Cape hotel industry anticipate Average Room Rate in the fourth quarter will remain unchanged when compared to Average Room Rate achieved in the fourth quarter of 2009.

Despite improved confidence in Average Room Rate growth, weak confidence in Occupancy growth result in subdued levels of confidence among hotel managers from the Eastern Cape hotel industry in terms of potential Total Revenue growth in the fourth quarter of 2010. Whilst some 40 percent of these responding hotel managers anticipate Total Revenue in the fourth quarter of 2010 will remain unchanged when compared to Total Revenue achieved in the fourth quarter of 2009, a further 40 percent of these responding hotel managers expect Total Revenue in the fourth quarter to decrease when compared to Total Revenue achieved in the same period last year.

Mpumalanga*:

Responses received from participating hotel managers in the Mpumalanga hotel industry indicate that economy establishments appear less confident in an increase in Occupancy when compared to the upscale and luxury segment. The overall consensus, according to some 43 percent of these hotel managers, is that Occupancy levels are expected to likely to remain unchanged in the fourth quarter of 2010 when compared to Occupancy levels achieved in the same period last year. Some 29 percent of responding hotel managers representing the Mpumalanga hotel industry anticipate Occupancy will increase whilst an equal amount of responding hotel managers from the Mpumalanga hotel industry anticipate Occupancy will decrease in the fourth quarter of 2010 when compared to Occupancy achieved in the fourth qua-

* The number of responses received was insufficient to allow for meaningful segmentation. Therefore overall results of responses received are illustrated.

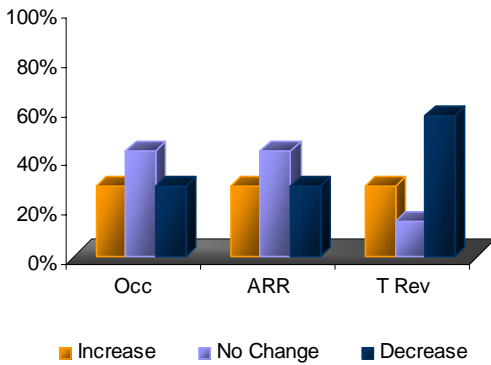


Horwath HTL Hotel Performance Confidence Indicator 4th Quarter 2010



Hotel, Tourism and Leisure

Mpumalanga: Overall Results



Mpumalanga* Continued...

...the first quarter of 2009.

Similarly, some 43 percent of responding hotel managers anticipate Average Room Rate in the fourth quarter to remain unchanged when compared to the same period in 2009 whilst some 29 percent of respondents anticipate Average Room Rate in the fourth quarter of 2010 will increase and an equal proportion of respondents (a further 29 percent) anticipate Average Room Rate in the fourth quarter will decrease when compared to Average Room Rate achieved in the fourth quarter of 2009.

Most interestingly, whilst some 29 percent of responding hotel managers anticipate Total Revenue in the fourth quarter of 2010 will reflect an increase over Total Revenue achieved in the fourth quarter of 2009, only 14 percent of responding hotel managers anticipate Total Revenue in the fourth quarter of 2010 will be comparable with Total Revenue reported in respect of the fourth quarter of 2009. A further 57 percent of respondents anticipate Total Revenue in the

fourth quarter of 2010 will be comparable with Total Revenue reported in respect of the fourth quarter of 2009. A further 57 percent of respondents anticipate Total Revenue in the

Free State & Limpopo*:

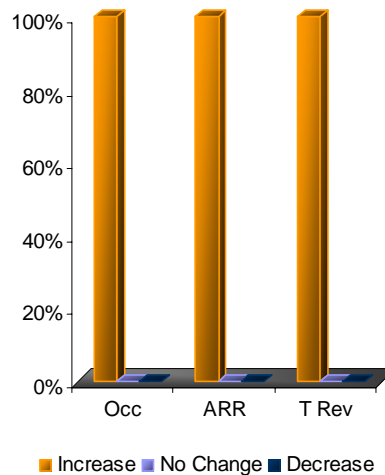
The number of responses received from the Free State and Limpopo Provinces was very limited and largely stemmed from the economy segment of the hotel industry in the respective Provinces.

Responses received from hotel managers in the Free State illustrate a very confident industry forecasting growth in all three performance indicators in the fourth quarter of 2010 when compared to the same period last year.

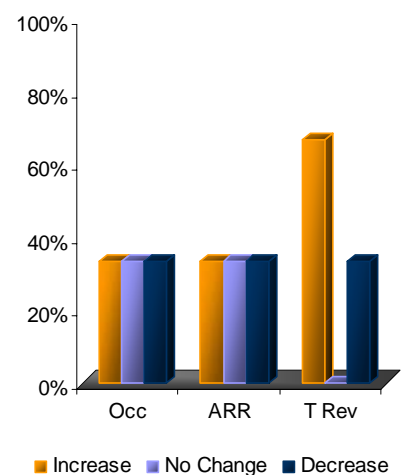
By comparison, responses from hotel managers in Limpopo Province illustrate equal levels of confidence in terms of Occupancy and Average

Room Rate growth and declines as well as these indicators remaining unchanged when compared to the same period last year. However, hotel managers from Limpopo Province reported strong confidence in an increase in Total Revenue in the fourth quarter of 2010 when compared to Total Revenue achieved in the same period last year despite some 33 percent of these responding hotel managers indicating that Total Revenue in the fourth quarter of 2010 is likely to decrease when compared to Total Revenue achieved in the same period last year.

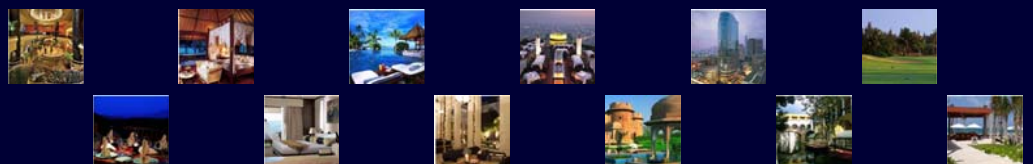
Free State: Overall Results



Limpopo: Overall Results



* The number of responses received was insufficient to allow for meaningful segmentation. Therefore overall results of responses received are illustrated.



Horwath HTL Hotel Performance Confidence Indicator Year-to-Date August 2010 Performance



Hotel, Tourism and Leisure

Year-to-Date August 2010 Performance

Included in this edition of our quarterly survey, we asked participants to provide us with an indication of how actual performance achieved to-date (January 2010 to August 2010) compared with performance achieved in the same period last year (January 2009 to August 2009).

Overall, some 49 percent of responding hotel managers indicated that occupancy achieved in the first eight months of 2010 had declined when compared to occupancy achieved in the first eight months of 2009. **Table 1** illustrates the responding hotel managers' feedback in terms of the extent to which YTD August 2010 occupancy is above/below occupancy achieved YTD August 2009.

Table 1: YTD 08.2010 Occupancy Performance compared to YTD 08.2009

-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
9%	8%	16%	16%	9%	23%	11%	5%	3%

With reference to Average Room Rate, feedback from responding hotel managers was encouraging with the majority of responding hotel managers (some 59 percent) indicating that Average Room Rate in the first eight months of 2010 had increased when compared to Average Room Rate achieved in the first eight months of 2009. **Table 2** depicts the responding hotel managers' feedback in respect of Average Room Rate performance.

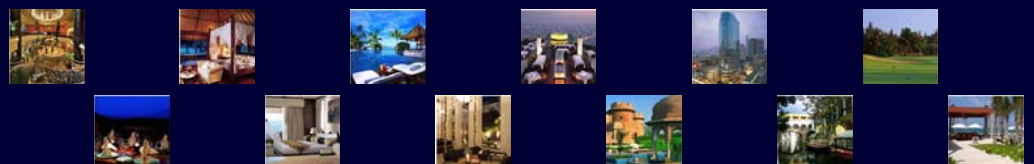
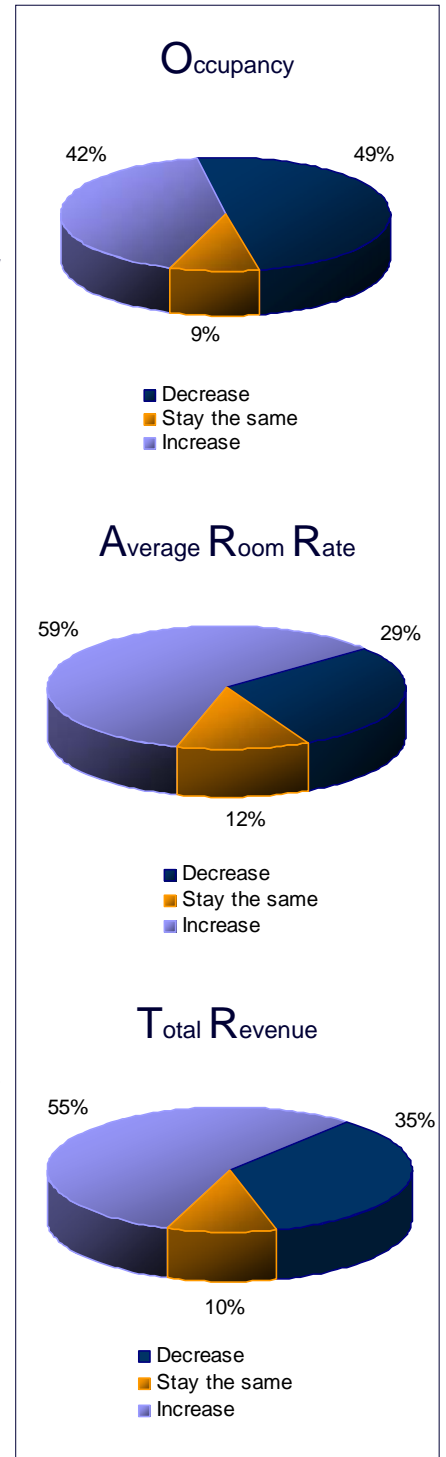
Table 2: YTD 08.2010 Average Room Rate Performance compared to YTD 08.2009

-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
2%	4%	8%	15%	12%	27%	21%	5%	6%

In terms of Total Revenue, some 55 percent of responding hotel managers reported that Total Revenue achieved between January 2010 and August 2010 had increased when compared to Total Revenue achieved in the same period last year. However, some 35 percent of responding hotel managers indicated that Total Revenue in the first eight months of 2010 had decreased when compared to Total Revenue recorded in the first eight months of 2009. **Table 3** presents an overview of the responding hotel managers' feedback in respect of Total Revenue performance and the extent to which Total Revenue achieved in the first eight months of 2010 is above/ below that achieved in the same period last year.

Table 3: YTD 08.2010 Total Revenue compared to YTD 08.2009

-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
15%	21%	19%	21%	7%	11%	6%	1%	1%



Horwath HTL Hotel Performance Confidence Indicator Year-to-Date August 2010 Performance



Hotel, Tourism and Leisure

Year-To-Date August 2010 Performance Continued...

The tables that follow illustrate the proportion of responses received in respect of each performance indicator in terms of the extent to which year to date August 2010 performance is above/ below performance achieved in the same period in 2009 segmented by star grading, hotel size, and geographic location.

Table 4: YTD 08.2010 Occupancy compared to YTD 08.2009 Occupancy Segmented by Star Grading

OCCUPANCY	-15% or more	-15% to - 10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or ore
1-star		20%	40%	20%	20%				
2-star		29%				43%	14%		14%
3-star	5%	7%	17%	20%	8%	22%	12%	7%	2%
4-star	17%	6%	20%	11%	12%	17%	11%	3%	3%
5-star	8%		8%	23%	8%	38%	8%	7%	

Table 5: YTD 08.2010 ARR Performance compared to YTD 08.2009 ARR Performance Segmented by Star Grading

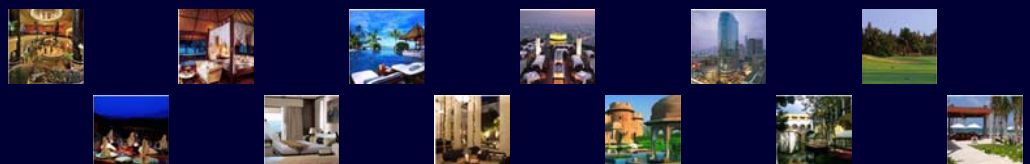
AVERAGE ROOM RATE	-15% or more	-15% to - 10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or ore
1-star				40%		40%	20%		
2-star					29%	57%	14%		
3-star	5%	2%	10%	12%	13%	27%	24%	2%	5%
4-star		9%	6%	16%	6%	28%	20%	9%	6%
5-star			15%	15%	24%	8%	15%	8%	15%

Table 6: YTD 08.2010 Total Revenue compared to YTD 08.2009 Total Revenue Segmented by Star Grading

TOTAL REVENUE	-15% or more	-15% to - 10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or ore
1-star		20%		20%	20%	20%	20%		
2-star					14%	43%	29%		14%
3-star	10%	7%	5%	17%	7%	22%	20%	5%	7%
4-star	11%	6%	9%	14%	11%	11%	26%	6%	6%
5-star			15%	8%	8%	24%	15%	15%	15%

Table 7: YTD 08.2010 Occupancy compared to YTD 08.2009 Occupancy Segmented by Hotel Size

OCCUPANCY	-15% or more	-15% to - 10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or ore
30 rooms or less	9%	9%		18%	10%	36%			18%
31 – 75 rooms	9%	3%	26%	11%	14%	14%	14%	9%	
76 – 150 rooms	5%	15%	17%	15%	7%	22%	12%	5%	2%
151 – 250 rooms	11%		11%	44%		34%			
251 rooms or more	40%					40%	20%		



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Table 8: YTD 08.2010 ARR Performance compared to YTD 08.2009 ARR Performance Segmented by Hotel Size

AVERAGE ROOM RATE	-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
30 rooms or less			18%	18%	19%	27%		9%	9%
31 – 75 rooms	3%	3%	6%	9%	14%	26%	29%	5%	5%
76 – 150 rooms	2%	5%	7%	22%	12%	29%	17%	3%	3%
151 – 250 rooms		11%		11%		44%	22%	12%	
251 rooms or more			20%				40%		40%

Table 9: YTD 08.2010 Total Revenue compared to YTD 08.2009 Total Revenue Segmented by Hotel Size

TOTAL REVENUE	-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
30 rooms or less	9%	9%	9%	9%		37%	9%		18%
31 – 75 rooms	9%	3%	9%	11%	11%	11%	34%	9%	3%
76 – 150 rooms	5%	10%	7%	12%	15%	22%	17%		12%
151 – 250 rooms	11%			33%		34%	11%	11%	
251 rooms or more	20%			20%			20%	40%	

Table 10: YTD 08.2010 Occupancy compared to YTD 08.2009 Occupancy Segmented by Geographic Location

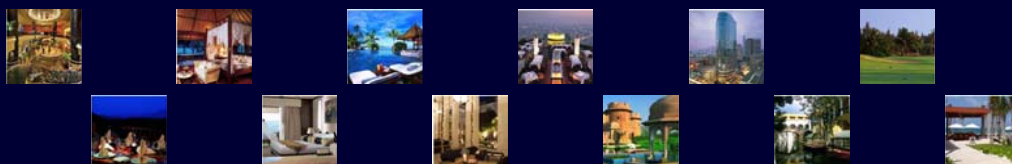
OCCUPANCY	-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
Eastern Cape	10%		30%	20%	10%		10%	10%	10%
Gauteng	4%	8%	15%	19%	15%	23%	12%	4%	
KwaZulu Natal	10%	10%	10%	20%		40%		10%	
Mpumalanga			29%		29%	14%	14%		14%
Western Cape	16%	11%	16%	16%	3%	22%	11%	5%	

Table 11: YTD 08.2010 ARR Performance compared to YTD 08.2009 ARR Performance Segmented by Geographic Location

AVERAGE ROOM RATE	-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
Eastern Cape	10%		20%		10%	40%	20%		
Gauteng				19%	12%	27%	31%	4%	7%
KwaZulu Natal	10%		20%	20%	20%	20%	10%		
Mpumalanga			29%	14%	14%	29%		14%	
Western Cape		11%	6%	16%	11%	24%	16%	8%	8%

Table 12: YTD 08.2010 Total Revenue compared to YTD 08.2009 Total Revenue Segmented by Geographic Location

TOTAL REVENUE	-15% or more	-15% to -10%	-10% to -5%	-5% to 0%	Stay the same	0% to +5%	+5% to +10%	+10% to +15%	+15% or more
Eastern Cape	10%	10%		10%	40%	10%	10%		10%
Gauteng				19%	8%	23%	31%	8%	11%
KwaZulu Natal	20%	10%		10%	10%	30%		10%	10%
Mpumalanga			44%	14%		14%	14%		14%
Western Cape	11%	8%	11%	16%	8%	19%	16%	8%	3%



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Horwath HTL (South Africa)

No.7 Waterford Mews
Waterford Place
Century Boulevard
Century City, 7441

P O Box 50388
West Beach, 7449
South Africa

Phone: +27 (0)21 527 2100
Fax: +27 (0)21 527 2101

E-mail:
CapeTown@HorwathHTL.co.za

Website:
www.HorwathHTL.co.za
www.Horwath.co.za
www.HorwathHTL.com

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