



Horwath HTL

Hotel, Tourism and Leisure





Vietnam 101

presented to

ISHC CONFERENCE 2007

Sunday, October 7, 2007



BASIC STATISTICS



- Population Est. 1 July 2005 @ 83.12 million
- Major Religions – Buddhist, Hoa Hao, Cao Dai, Christian
- Ethnically 90% Vietnamese
- Area – 329,560 km²
- Government – Communist State
- Climate – Vietnam is essentially a tropical country with a humid monsoon climate
- GDP growth 2006 – 8.2% to VND 973,791e
- FDI 2006 – USD 7,566 million
- Vietnam officially joined the WTO on 11 January 2007

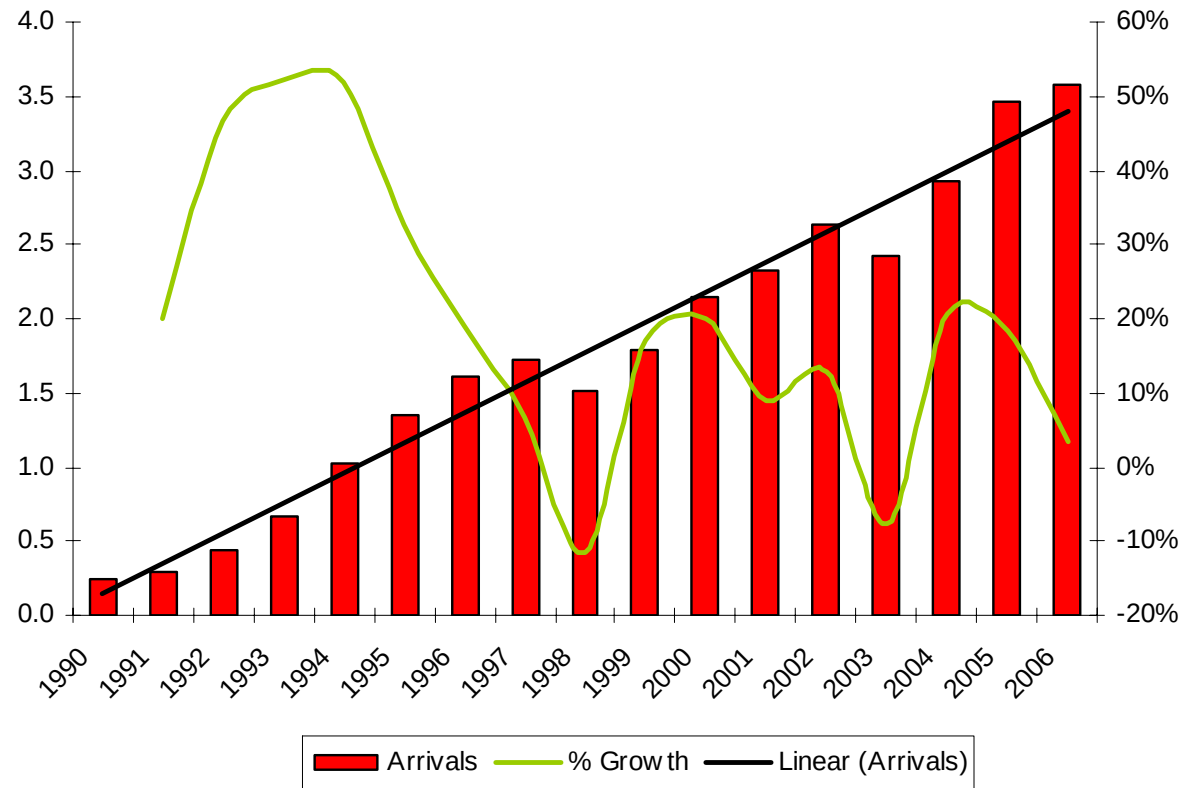


FACTORS ENCOURAGING TOURISM, SOUTH EAST ASIA

Attraction	Vietnam	Thailand	Indonesia	Philippines	Malaysia	Singapore
Cultural	✓	✓	✓	✓	✓	✓
Natural / Scenic	✓	✓	✓	✓	✓	
Historical (Ancient)	✓	✓	✓			
Adventure / Activity	✓	✓	✓	✓	✓	
Resort / Beach	✓	✓	✓	✓	✓	
Shopping	✓	✓	✓	✓	✓	✓

Source: Horwath HTL

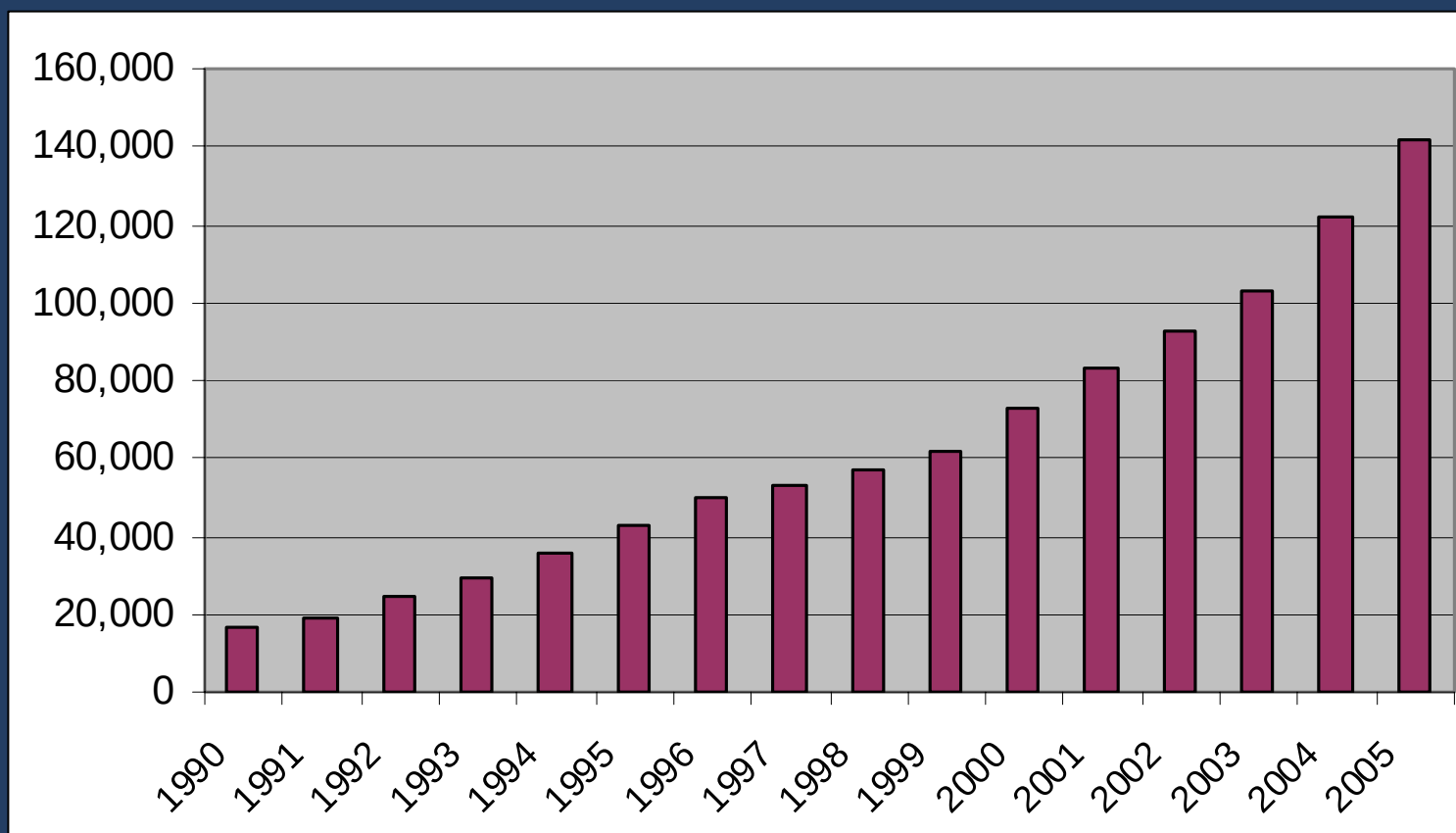
VIETNAM TOURISM ARRIVALS, 1990-2006



Source: Vietnam National Administration of Tourism

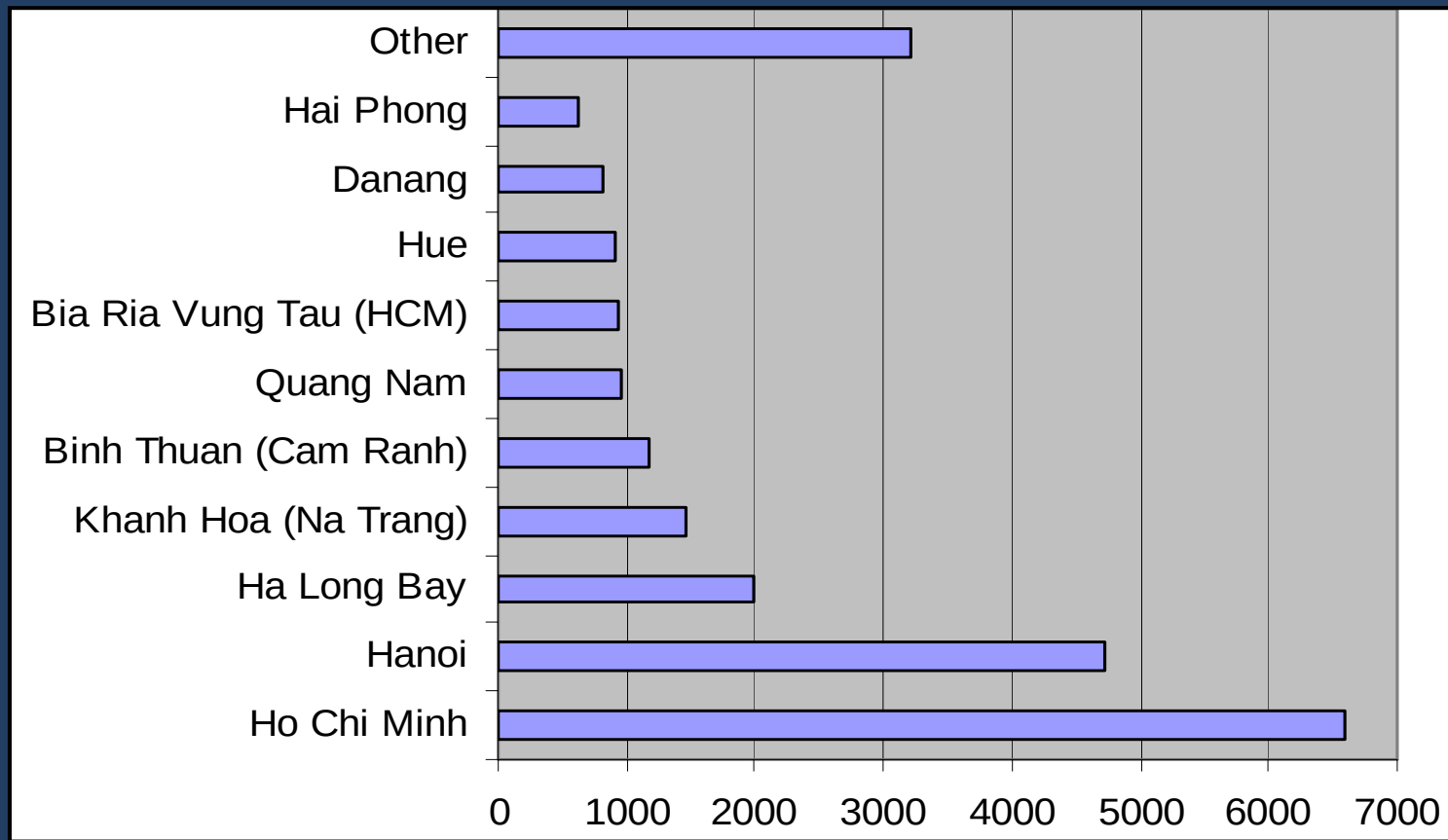


VIETNAM TOTAL NUMBER OF ROOMS, 1990 - 2005



Source: Vietnam National Administration of Tourism

BREAKDOWN OF ROOM SUPPLY BY REGION, 2006



Source: Horwath HTL

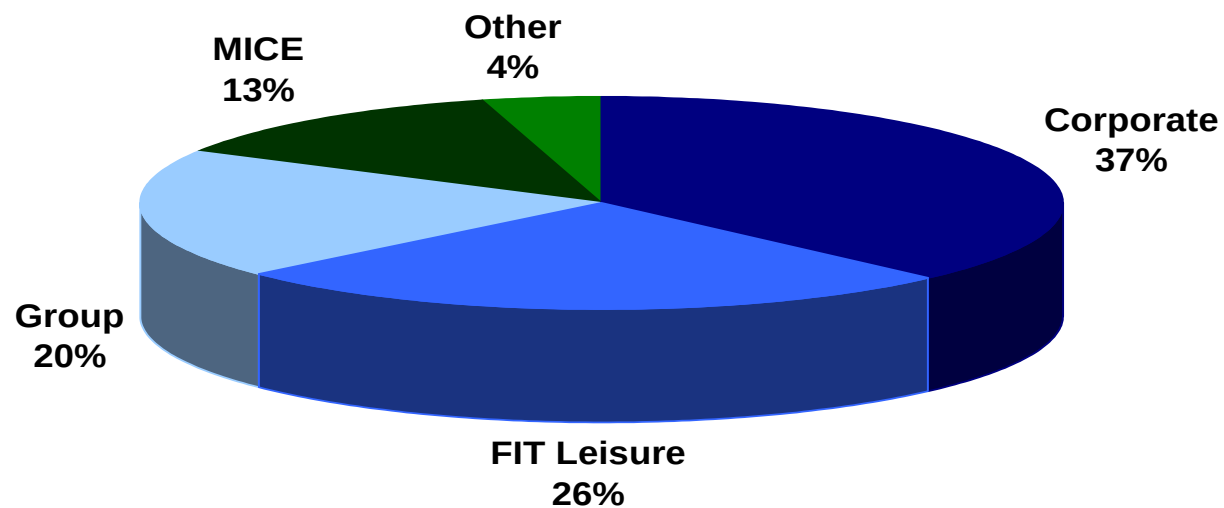


NUMBER OF PROPERTIES AND ROOMS BY MANAGEMENT GROUP, 2006

Hotel Management Group	Number of Properties	Total Number of Rooms
Accor	7	1269
Victoria Hotels	5	426
Starwood	2	681
Six Senses	2	134
Marriott International	1	349
Equatorial	1	333
Amara	1	309
Melia	1	306
Hilton	1	269
Nikko	1	260
Hyatt	1	259
Omni	1	248
Furama	1	198
Harbour View	1	122

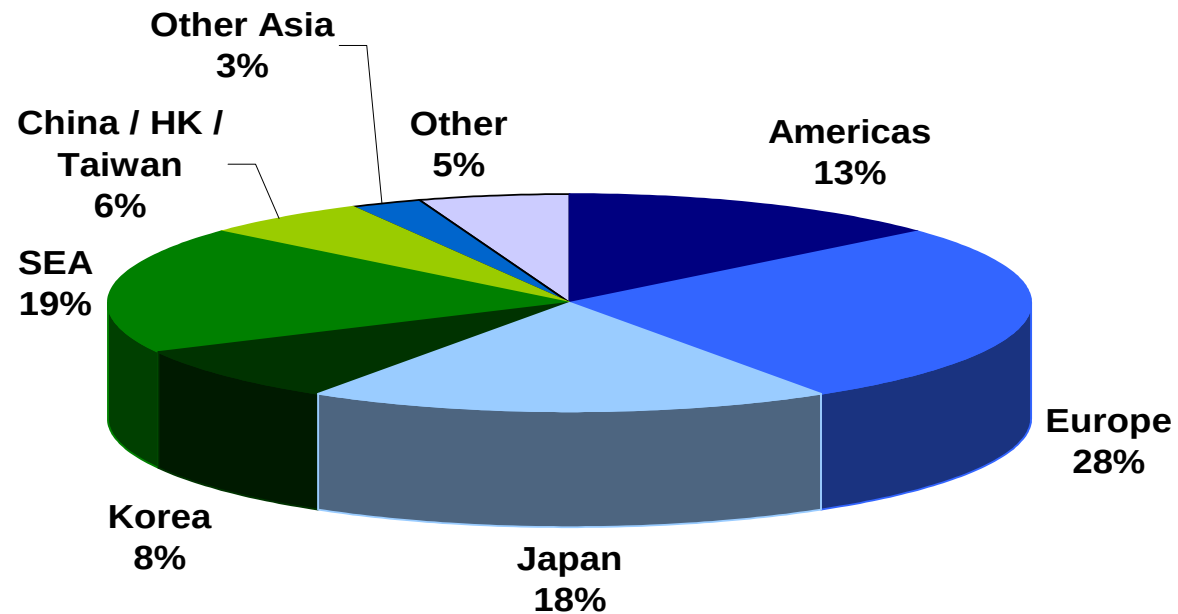
Source: Horwath HTL

MARKET SEGMENTATION, UPPER-TIER MARKET, 2005



Source: Horwath HTL

MARKET SOURCE SEGMENTATION, UPPER-TIER MARKET, 2005



Source: Horwath HTL



UPPER-TIER CITY HOTELS, FINANCIAL PERFORMANCE

REVENUE MIX (2005 DATA)

Rooms	60%
Total F&B	32%

Source: Horwath HTL

FINANCIAL PERFORMANCE LEVELS (2005 DATA)

	% of Total Revenues	PAR (USD)
Gross Operating Income	68%	24,639
Gross Operating Profit	41%	15,407
EBITDA	36%	13,960

Source: Horwath HTL

HCMC TOP-TIER HOTEL PERFORMANCE



	2002	2003	2004	2005	2006
Ave Occupancy	72%	52%	63%	73%	69%
Ave ADR	63	73	80	90	107
Ave RevPAR	46	38	51	65	74

Source: Horwath HTL

HANOI TOP-TIER HOTEL PERFORMANCE



	2002	2003	2004	2005	2006
Ave Occupancy	58%	57%	75%	79%	78%
Ave ADR	60	64	69	75	98
Ave RevPAR	35	36	51	59	77

Source: Horwath HTL

DANANG/ HOI AN TOP TIER HOTEL PERFORMANCE



	2002	2003	2004	2005	2006
Occupancy	61%	58%	60%	40%	45%
ADR	74	86	99	85	88
RevPAR	45	50	59	34	39

Source: Horwath HTL