

SUPPLY (3★ to 5★ hotels) as at 1H 08:

Zone	Qtr	New Hotels/ Rooms	Cumulative Total	
			Hotels	Rooms
KL	2Q 08	Piccolo Hotel (4 ★) / 239* The Gardens Hotel & Residences (5★) / 448**	68	24,211
SUB			34	9,119
TOTAL KV			102	33,329
Future Supply	Year	New Hotels	New Rooms	Total Rooms
	End 2008	SUB: Pullman Putrajaya Lakeside (Alam Warisan), Royale Chulan KL & The Club at The Saujana Kuala Lumpur	SUB: 270 KL: 300	SUB: 9,388 KL: 24,858
	2009	KL: GTower Hotel, Rendezvous Hotel, & Parakota Hotel	KL : 685	KL : 25,543
	2010	KL: Grand Hyatt and Four Seasons Hotel & Residence SUB: Proposed 4 ★ Hotel by Labor Bina Sdn Bhd (WCT Land) & Empire Subang	KL : 650 SUB: 467	KL : 26,193 SUB: 9,855

Note: * To date only approximately 140 rooms of the hotel are opened for business.
** Excludes the serviced residences (200 rooms). To date only approximately 200 rooms of the hotel are opened for business.

DEMAND (3★ to 5★ hotels) as at 1H 08:

- Average occupancy rates of 3★ to 5★ hotels for 1H 2008 is generally stable at 74%, 75% and 69% respectively.
- Average room rates (ARR) for all hotels continued to improve with 5★ and 4★ achieving RM435 and RM231 respectively whilst ARR for 3★ hotels reached RM132 in 2H 2007

NOTABLE HOTEL TRANSACTIONS in 1H 08:

Zone	Hotel	Consideration
KL	Brisdale Hotel (275 rooms) Disposal to Kumpulan Perangsang Selangor Bhd	RM55,000,000

Making headlines during this period were:

- The industry received further boost with the setting up of PEMUDAH (Special Task Force to Facilitate Business) aimed at reducing red tape in the application of licenses and permits for the setting up of new hotels
- Crowne Plaza Mutiara Kuala Lumpur won an international award for the Best Value Hotel by Budget Travel Magazine in February 2008
- Allson Genesis Hotel changed its name to Alpha Genesis Hotel in February 2008
- Hotel Imperial KL joins the Luxury Collection brand under Starwood's Portfolio of Hotels and Resorts Worldwide
- Citel Hotel Management (CHM), a successful home grown hotel management company continued to expand its portfolio, with the latest foray of hotels being The Gardens Hotel & Residences which opened its door on 25 June 2008 (448 hotel rooms & 200 serviced residences)
- Absolute Prestige Sdn Bhd disposed another 31% of stake comprising 2.79 million shares adding the existing 20% stake of 1.8 million shares to Berjaya Land (Bland) Bhd
- The Club at The Saujana Kuala Lumpur and Grand Hyatt at Jalan Pinang expected to open by end 2008 and end 2010 respectively
- Starwood Hotels & Resorts Worldwide Inc. was appointed to manage six-star St. Regis KL upon its opening in 2014

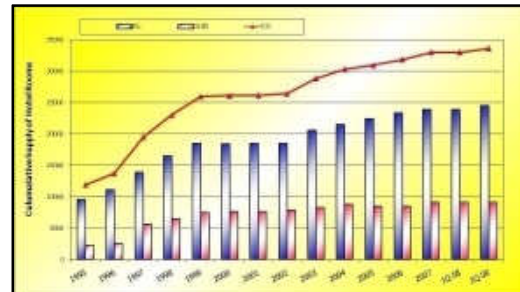
SUMMARY:

- Occupancy rates during 1H 2008 remained stable
- Room rates for 3 - 5-star hotels continued to improve in 1H 2008 compared with the previous year
- Total tourist arrivals for 1H 2008 recorded 10.96 million, an increase of 6.6% from 2H 2007. Tourists from Asean countries contributed approximately 74% of total tourist arrivals in 1H 2008, with Singapore and Indonesia topping the list

PERFORMANCE



CUMULATIVE SUPPLY



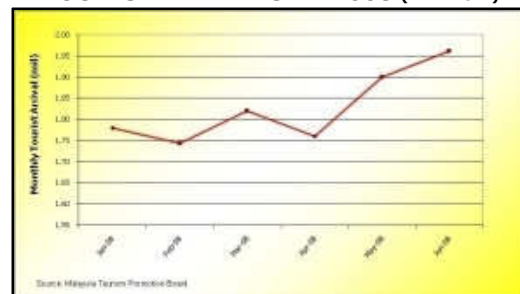
AVERAGE OCCUPANCY RATES (KL)



AVERAGE ROOM RATE (KL)



TOURIST ARRIVALS 1H 2008 (MALAYSIA)



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*Unless otherwise stated, all currencies are expressed in Ringgit Malaysia (RM)
All dimensions are expressed in square feet.*

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