

## SUPPLY (3★ to 5★ hotels) as at 2H 08:

Zone	Qtr	New Hotels / Rooms	Cumulative Total	
			Hotels	Rooms
KL	2008		66	23,913
SUB	3Q 08	The Club at The Saujana Kuala Lumpur (5★) / 105	35	9,223
<b>TOTAL KV</b>			<b>101</b>	<b>33,136</b>
Future Supply	Year	New Hotels	New Rooms	Total Rooms
	1H 09	KL: Royale Chulan KL & Parakota Hotel SUB: Pullman Putrajaya Lakeside (Alam Warisan)	KL: 417 SUB: 249	KL: 24,330 SUB: 9,472
	2H 09	KL: Rendezvous Hotel (Taragon Puteri KL) & GTower Hotel	KL : 568	KL : 24,898
	2010	KL: Grand Hyatt and Four Seasons Hotel & Residence SUB: Proposed 4★ Hotel by Labur Bina Sdn Bhd (WCT Land) & Empire Subang	KL : 650 SUB: 467	KL : 25,548 SUB: 9,939

## DEMAND (3★ to 5★ hotels) as at 2H 08:

- Average occupancy rates of 3★ to 5★ hotels for 2H 2008 improved slightly at 77%, 79% and 71% respectively.
- Average room rates (ARR) for all hotels in KL improved slightly with the 5★ and 4★ achieving RM445 and RM248 respectively whilst ARR for 3★ hotels reached RM138 in 2H 2008

## OTHER RELATED NEWS:

- ❖ The Club at The Saujana - a 105-room boutique resort opened its doors on September 2008 and made a member of *The Leading Hotels of the World*.
- ❖ Y&Y Property is currently building its first boutique hotel for some RM30 million at Jln Tingkat Tong Shin off Jln Bkt Bintang which will run under the Hip Hotels brand having 117 rooms. The company also bought a six-storey office block on Jln Tun Perak to be converted into another Hip Hotel.
- ❖ Four Seasons Hotel & Condominium project worth RM2 billion is set to launch early 2009 by Venus Assets Sdn Bhd, a firm controlled by Singapore property tycoon Ong Beng Seng.
- ❖ Sunway International Hotels & Resorts has signed a management agreement to operate the 3★ 198-room Allson Capital Hotel Medan Tunku in KL to be ready in 3Q 2011.
- ❖ Malaysia Convention & Exhibition Bureau (MYCEB) has been created in order to secure MICE business for Malaysia and establish Malaysia as the preferred MICE destination worldwide. It will act as a one-step centre in coordinating MICE activities in the country.
- ❖ Royale Chulan Kuala Lumpur - a 5★ hotel is set to open in February 2009 contributing to the growing MICE industry.
- ❖ Malaysia was recognized as the Best Tourism Destination of 2008 by *Global Traveler* magazine readers making it a third straight win since the past two years.

## SUMMARY:

- The hotel market continued to be rather active with some hotels undergoing refurbishment such as Nikko, Mandarin Oriental, Grand Seasons and Berjaya Times Square Hotels.
- Occupancy rates during 2H 2008 remained stable.
- The overall room rates for 3 – 5★ hotels improved in 2H 2008 despite a slight decrease from 3Q to 4Q 2008.
- Total tourist arrivals for year 2008 recorded at 22.05 million, an increase of 5.1% from the year 2007. Tourists from ASEAN countries continued to contribute approximately 74% from the total tourist arrivals in 2H 2008 with Singapore and Indonesia crowning the list.

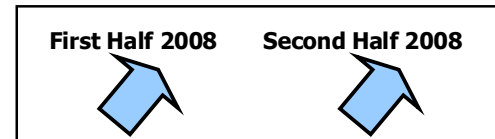
*This market overview is intended for general purposes only as an introduction to current market conditions. Real estate is a long term investment and requires careful consideration of financial objectives and independent research before investing.*

**No statement in this issue is to be construed as a recommendation or as advice to buy or sell any investment.**

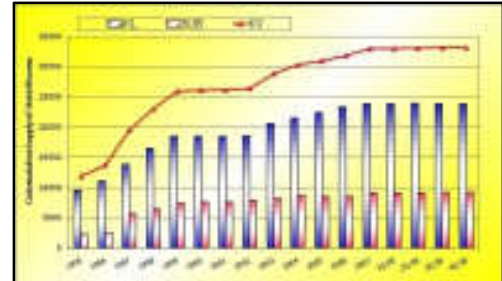
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*Unless otherwise stated, all currencies are expressed in Ringgit Malaysia (RM)  
All dimensions are expressed in square feet.*

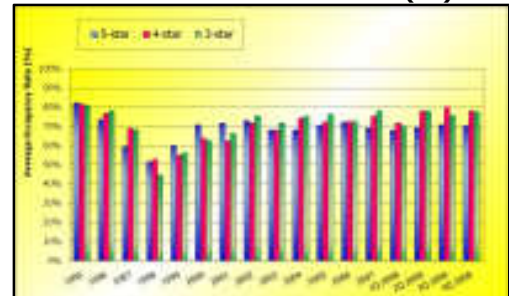
## PERFORMANCE



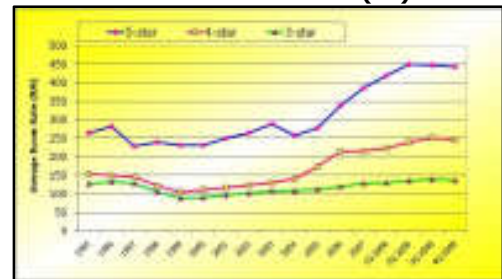
## CUMULATIVE SUPPLY



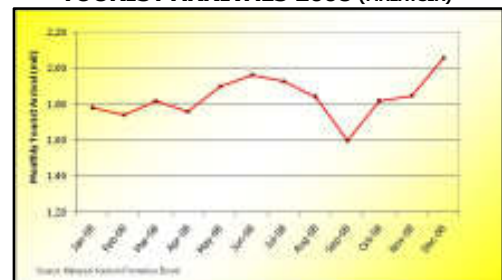
## AVERAGE OCCUPANCY RATES (KL)



## AVERAGE ROOM RATE (KL)



## TOURIST ARRIVALS 2008 (MALAYSIA)



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