

Annual Report 2006



GOLDEN TULIP
HOSPITALITY GROUP

International standards, *local flavours*



Tulip Inn Düsseldorf Arena

Golden Tulip Hospitality Group

**The entire portfolio comprises 512 hotels
with more than 48,000 rooms.**

Golden Tulip Hospitality Group is a brand company exporting its brands through the following channels:

1. Hotel franchising (Individual hotels and hotel groups)
2. Hotel management (Management, lease and joint venture agreements)

Golden Tulip Hotels, Inns & Resorts



Stella Hospitality



TOP International



B&B Hotels



CONTENTS

MISSION AND VISION	4
LETTER FROM THE C.E.O.	5
THE GROUP	7
ACHIEVEMENTS AND DEVELOPMENTS 2006	15
THE BUSINESS	21
THE GOLDEN TULIP FORMULA	29
STATISTICS 2006	33
EXECUTIVE MANAGEMENT BOARD	41
GOLDEN TULIP PORTFOLIO	42



Tulip Inn Amersfoort

MISSION

“To be the leading multi-branded hotel chain, with an excellent care for customers and staff, in those markets where we have chosen to operate.”

The group’s common objective is to maximise revenues and profits by utilising all opportunities and synergies the chain offers, whilst implementing international standards and maintaining local flavours”

VISION

Golden Tulip aims to reach a combined multi-branded portfolio of 1,000 hotels with an excellent global coverage by the year 2010. Growth is aimed to be achieved organically through franchising, management and leasing of individual hotels and strategically via alliances, joint ventures, mergers or acquisitions of existing hotel groups.

GROWTH

Growth is envisaged to stem from franchising and increased operational control of hotels via management contracts. New markets will be entered into through the management model, after which franchising may follow. This will enable Golden Tulip to establish a stronger foothold in all markets it desires to operate in, as well as strengthening the Golden Tulip brands internationally.

BRAND PERFORMANCE IMPACT

Through continuous enhancement of the Golden Tulip Formula and a strong emphasis on the implementation thereof, the company aims to create a higher level of brand recognition in all regions. After having introduced the BPI (Brand Performance Impact) strategy in 2004, Golden Tulip aims for its hotels to realise an average Brand Performance Impact in the range of 25-30% by the year 2008.

QUALITY

Golden Tulip aims to maintain its position of a quality brand provider by rationalising its brand standards, enforcing conformity and ensuring high levels of service.

Letter from the President & C.E.O.

Dear Readers,

2006 was another year of financial growth for Golden Tulip Hospitality Group. Following the strategy to grow the Company through lease- and management agreements, next to franchising, Golden Tulip strengthened its business through the opening and signing of new hotel projects, the launch of new brands & programmes and the continuous improvement of our concepts, formulas and services. We have positioned ourselves for even stronger performance in the years to come.

Since Golden Tulip started in 1962, the Company's philosophy has always been to offer its hotels, business partners and employees, excellent hospitality experience excelling in our core values; friendly, open, respectful, pro-active, young at heart and service-minded. The results accomplished in 2006 were an achievement of exceptional work by all at Golden Tulip Hotels, Inns & Resorts implementing at its fullest the Golden Tulip business formula.

Overall, 2006 was a good year for the lodging industry continuing to drive strong increases in Average Daily Rate ("ADR") and Room Revenue Per Available Room ("RevPAR"). The overall industry growth rate surpassed the 7%.

Revenue wise for the Golden Tulip Hospitality Group, 2006 has been a positive year, where the Brand Performance Impact has increased and surpassed 19%. This increase is mainly due to various factors such as the implementation of the brand new loyalty programme "Flavours", the launch of a renewed website and naturally the full support towards the hotels, offering them an improved way to benefit from the chain. Furthermore, Golden Tulip announced its re-entrance into the United States and opened regional offices in India and Morocco.

On the partner front, both Top International and B & B have achieved improved results in 2006. Fellow shareholder in Golden Tulip, THL (Tourism Hotels and Leisure) was 100% acquired on 30 September 2006 by MSF Limited and renamed to Stella Hospitality Group. MFS, Stella are now the shareholders of 30% Golden Tulip. Stella has the option to add another 10% shareholding effective as per January 1st, 2007.

In 2006, Golden Tulip's management and lease portfolio increased to forty nine hotels with over 7,000 rooms. This was mainly due to the growth of the Company through its joint venture holdings in Morocco and the Middle East.

Furthermore, the company signed over 30 franchise agreements with over 4,600 rooms in existing destinations as well as new ones such as Morocco, Nigeria, Bulgaria and Yemen.

Following the Company's strategy to enhance the franchise conformity, the number of hotels in the Golden Tulip Hotels, Inns & Resorts portfolio showed a decrease. These decreases were due to agreement discontinuations as a result of different views or reluctance in the full implementation of our brand and value driver's standards.

In closing, I would like to thank our management and staff for their great commitment and good performance in 2006. I would also like to praise our hoteliers for their hard work and perseverance to deliver positive results in 2006 and wish all our stakeholders a very successful 2007.

Thank you,



Hans W.R. Kennedie
President & C.E.O.





Golden Tulip Al Jazira Hotel & Resort.

THE GROUP

In 2006, the Golden Tulip Hospitality Group's hotel portfolio comprised 512 hotels in 48 countries and with over 51,000 rooms.

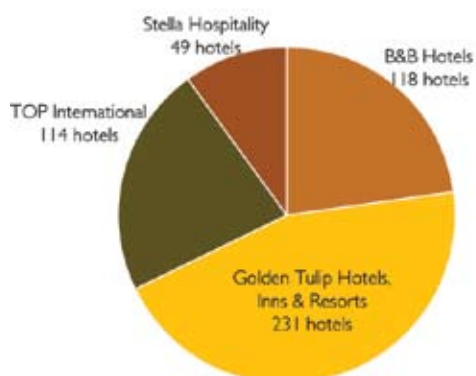


Golden Tulip Hospitality Group

Golden Tulip Hospitality Group is an international multi-brand group offering a scope of brands ranging from two to five-star in traditional hotels, suites and long-stay accommodation

At the end of 2006, the portfolio comprised 512 hotels in 48 countries with over 51,000 rooms. The Golden Tulip Hospitality Group consists of a family of nine brands that are owned and managed by four different entities.

Golden Tulip Hospitality Group Portfolio 2006



Golden Tulip Hotels, Inns & Resorts

Golden Tulip Hotels, Inns & Resorts franchises 231 hotels worldwide and manages 50 hotels in the three, four and five-star categories located in the Middle East, north and west Africa, UK, Germany, Austria and the Netherlands. The majority of the franchised hotels are situated in Europe followed by the Middle East and the Americas. Golden Tulip Hotels, Inns & Resorts is the largest hotel chain in the Netherlands by number of establishments with over 75 hotels.

In the course of 2006, Golden Tulip Hotels, Inns & Resorts welcomed 31 hotels with over 4,500 rooms.

Golden Tulip Hospitality owns the intellectual property rights of the three hotel brands and one Restaurant brand; Royal Tulip, Golden Tulip, Tulip Inn and BRANCHE Restaurant, Bar & Lounge.

Stella Hospitality

Stella Hospitality is a strategic partner and cross-shareholder of Golden Tulip, through which Stella owns 30% of Golden Tulip's shares.

Stella Hospitality is owned by MFS Ltd., a tourism property funds management and financial services company which offers unique and innovative investment products and opportunities for its dedicated client base.

Commercial Alliances

Golden Tulip has a commercial partnership with TOP International Hotels and B&B Hotels. These commercial alliances provide the unique benefits of cross marketing and economies of scale to all parties involved.

TOP International Hotels

Top International Hotels was founded in 1982 in Germany and has been a commercial partner of Golden Tulip since 2002. The company profiles itself as a hotel membership association for independent three to five-star hotels in Europe. Today, the portfolio counts some 150 hotels in 70 destinations with a strong concentration in German-speaking Europe. TOP International Hotels is also the owner of the TOP Country and City Line brand.

B&B Hotels

B&B Hotels and Golden Tulip have been alliance partners since 2004. B&B Hotels is a chain of 118 two-star hotels in France and Germany. Founded only in 1990 in Brest, France, B&B rapidly developed its portfolio to cover an extensive range of destinations in France and a growing number of hotels in Germany. B&B ranks as the third largest operator in the French budget hotel market.

The Group



A Strong Multi-brand Group

Through its nine brands, Golden Tulip Hospitality Group aims to provide a wide-ranging spectrum of services, benefits and facilities from the budget to the luxury category. The different brands are segmented by internationally set hotel classification standards, which have been translated into star ratings.

The combination of these nine brands provides the group with a competitive edge in the hospitality industry. The group represents a unique and extensive portfolio generating the necessary market dynamics to be a global player in the multi-segment hospitality market.

Brand Positioning



ROYAL TULIP

Royal Tulips are “Deluxe Class” five-star hotels offering the most elegant and luxurious facilities with a deluxe level of comfort and personal service. All Royal Tulip hotels are situated in gateway city centres and business districts.



GOLDEN TULIP

Golden Tulips are superior first class four-star hotels with international standards in terms of comfort, service and facilities. All hotels are individual properties that reflect the local character of their destinations.



TULIP INN

Tulip Inns offer comfortable three-star accommodation conveniently located in city centres or at major access routes. All hotels offer good value for money accommodation for both business and leisure.

BRANCHE

Restaurant, Bar & Lounge

BRANCHE Restaurant, Bar & Lounge is a comfortable restaurant, bar and lounge incorporated in the same area. A concept designed to fulfill all expectations, offering good quality food and drinks at competitive prices in an informal and relaxed atmosphere while listening to light jazz and lounge music.

The Group



Golden Tulip & Tulip Inn Amsterdam Art



TOP INTERNATIONAL

CITY&COUNTRY LINE HOTELS

TOP International Hotels combine a range of hotels in the three to five-star categories. The TOP International Hotels are unique hotels, which complement each other in location, size and tradition.



TOP City & Country Line is home to a range of private first class and luxury hotels in Germany and in neighbouring countries.



Pacific International Suites, Apartments & Resorts offer a range of three to five-star suites, apartments and hotels in Australia and Asia catering for both business and leisure guests.



PLAZA HOTELS

Plaza Hotels offer quality accommodation in a range of destinations across Australia in the three and four-star segment.



B&B Hotels are comfortable two-star hotels in France and Germany offering fully equipped rooms with ensuite bathroom and full continental buffet breakfast at affordable rates.

The Group

History

1962

Golden Tulip Hotels is founded in the Netherlands

1975

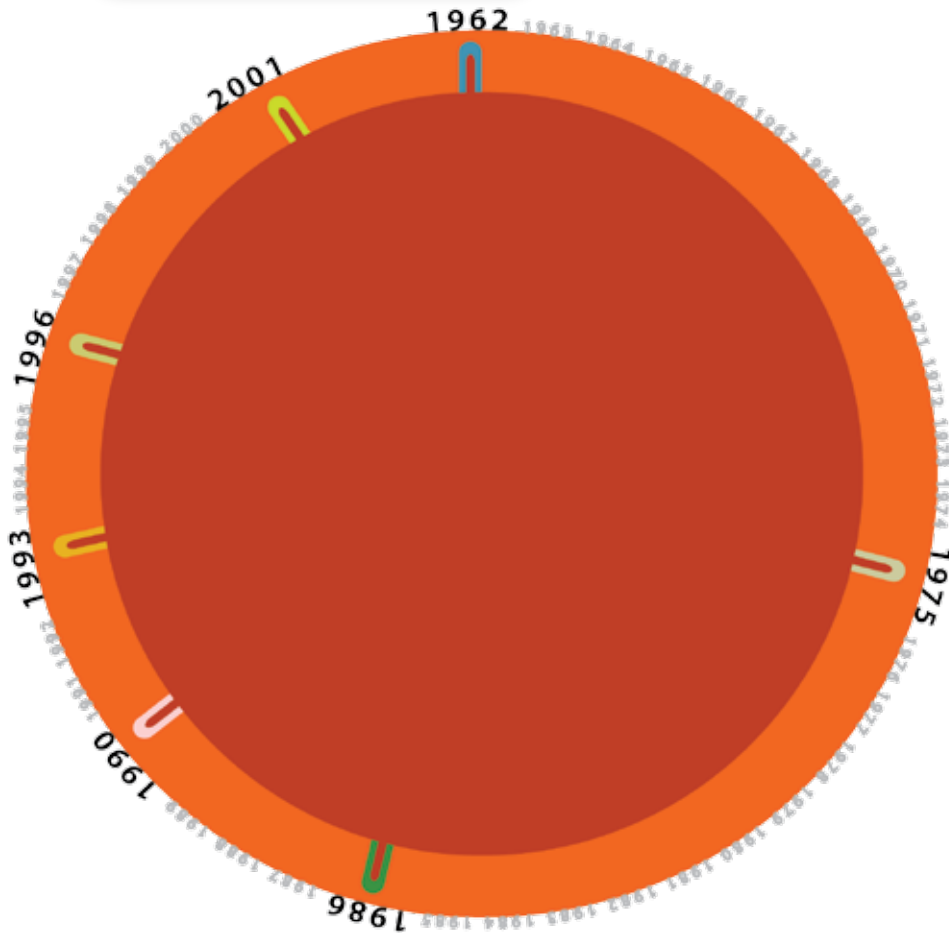
Initiation of Golden Tulip Hotels Worldwide from the joint venture between Golden Tulip Hotels and KLM – Royal Dutch Airlines. The group expands its hotel management business and through the KLM network creates a group of licensed hotels in KLM destinations

1986

Consolidation of the licensing and hotel management businesses into one company: Golden Tulip International

1990

KLM divests of its shares in Golden Tulip



1993

Introduction of limited service hotel brand; Tulip Inn

1996

Utell International is assigned the operation of the hotel licensing business of Golden Tulip and Tulip Inn, under the name Golden Tulip Worldwide

2001

NH Hotels reunites Golden Tulip Worldwide (franchise portfolio) with the recently acquired Golden Tulip International hotels (management portfolio)

The Group

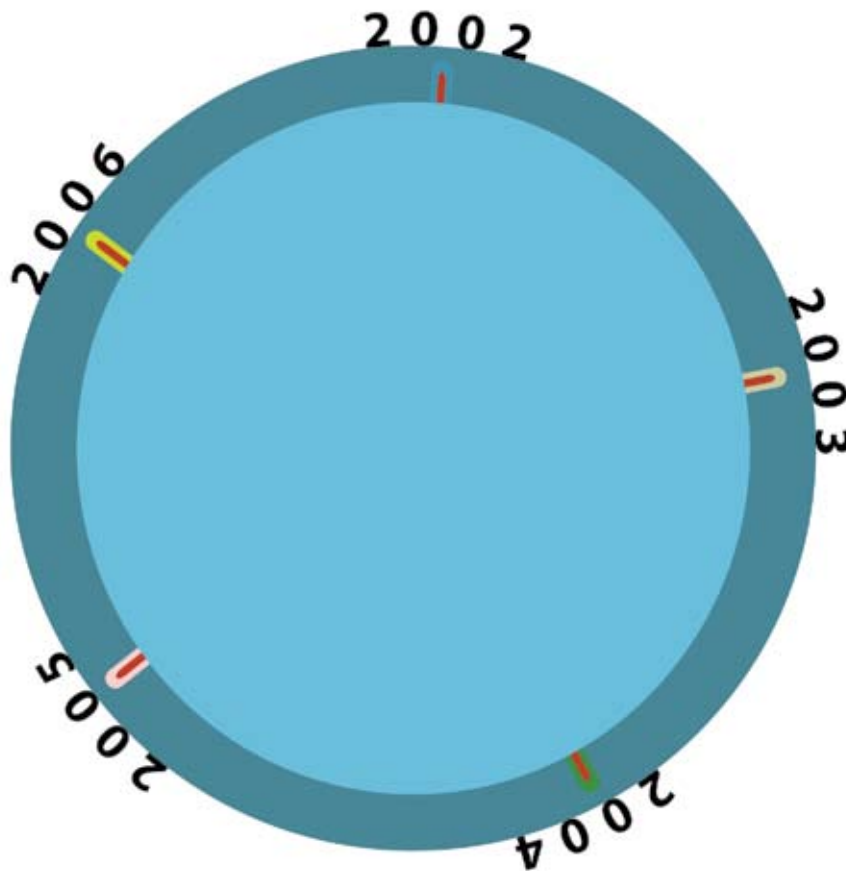
History

2002

Just in time to celebrate its 40th anniversary, Golden Tulip Worldwide demerges from NH Hotels through a management buyout. Golden Tulip forms a commercial alliance with TOP International Hotels. In the UK, Golden Tulip enters into a master franchise agreement with Golden Tulip (UK), financing hotel developments under the Golden Tulip and Tulip Inn brands in the UK.

2003

Golden Tulip acquires a 20% stake in EuroTulip, a hotel management entity operating six existing Golden Tulips and Tulip Inns in the Netherlands. In December, Golden Tulip increases its shares in EuroTulip to 30%. In the UK, Golden Tulip (UK) successfully raises further €150 million for its developments in the UK.



2004

Golden Tulip enters into a strategic partnership with B&B Hotels, a French based company with over 100 hotels mainly located in France. In the UK, Golden Tulip UK launches the "Simply Meet" meeting concept.

2005

Golden Tulip enters into a strategic partnership with THL, an Australian based hotel company comprising 51 hotels. Furthermore Golden Tulip acquires the full ownership of EuroTulip and redefines its management division as well as new concepts such as a loyalty programme, restaurant, meeting and interior design concepts.

2006

Golden Tulip expands its management portfolio comprising 50 hotels in 12 countries. Furthermore, introduces a new upscale hotel brand "Royal Tulip" and a unique and new restaurant concept; "BRANCHE Restaurant, Bar & Lounge". Golden Tulip launches Flavours, a brand new loyalty programme destined for frequent guests.

The Group



The Strategy

Golden Tulip's core strategy is to realise growth organically and strategically. Organic growth is achieved through franchising, managing and leasing individual hotels. Strategic growth is achieved via alliances, joint ventures, mergers or acquisitions of existing hotel groups.

The strategy for entering into new markets is to work initially with Golden Tulip's hotel management model. By doing so, Golden Tulip aims to establish a stronger foothold in the markets it desires to operate in, whilst strengthening the Golden Tulip brands internationally. Once a new market has been successfully penetrated, the hotel franchising system may be launched.

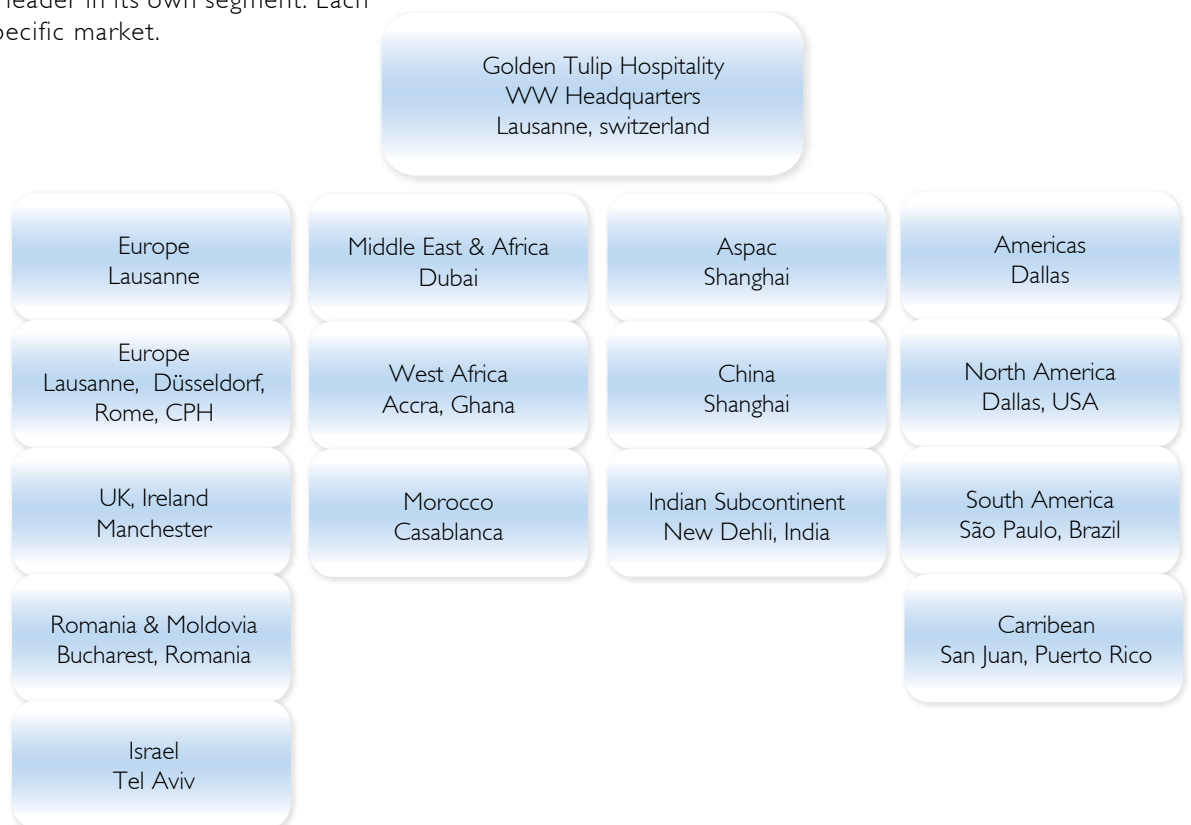
Golden Tulip set this brand extension strategy with an objective to offer a range of hotel brands with complementary products and services, each with the prospect of becoming a leader in its own segment. Each hotel brand targets a specific market.

Offices

Golden Tulip's headquarters are based in Amersfoort, the Netherlands and in Lausanne, Switzerland.

The regional offices operated by Golden Tulip are led by a regional director managing a team of brand performance and sales support managers

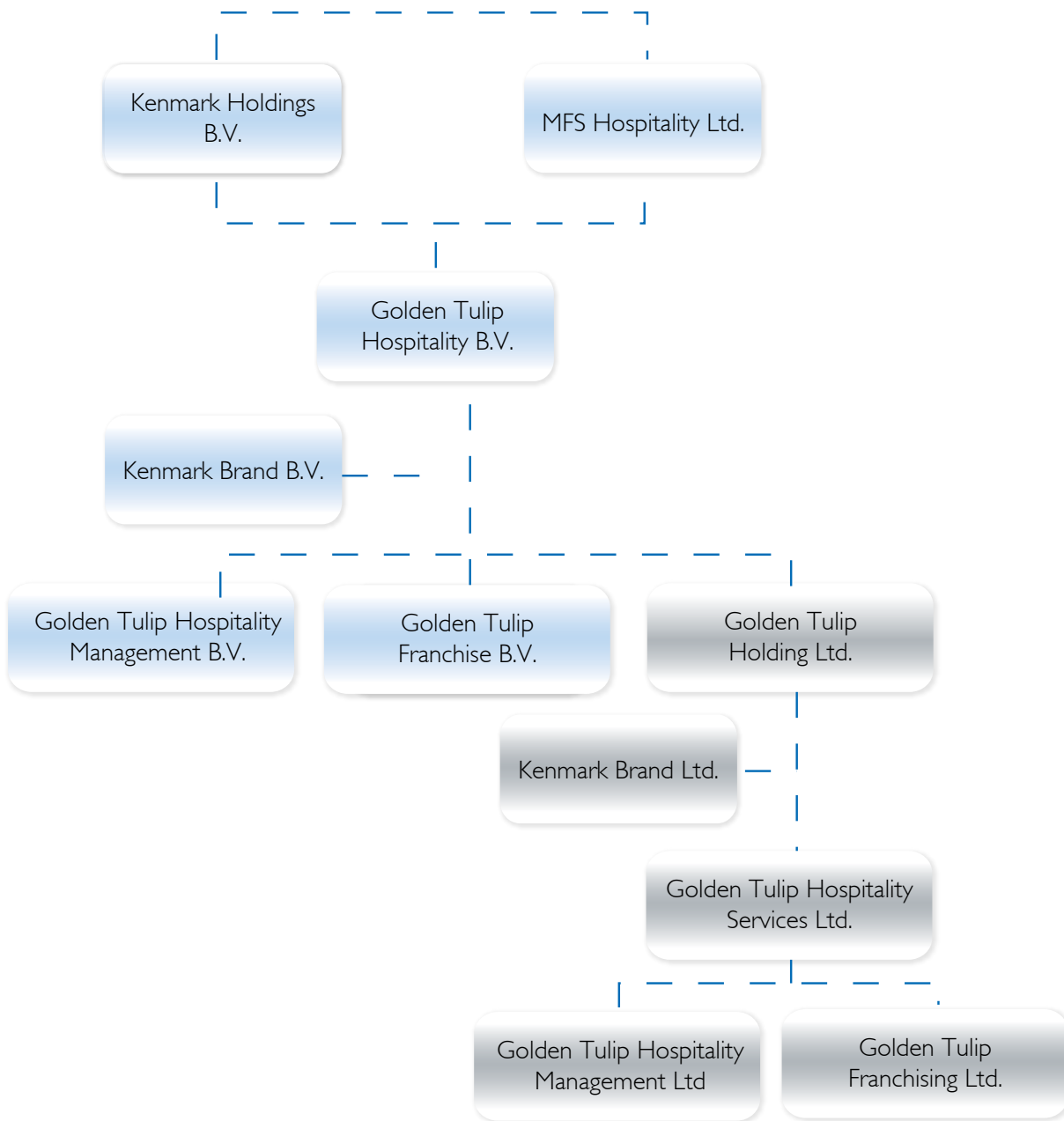
Golden Tulip's regional offices are located in areas where a large cluster of hotels are present. These offices are situated in the following locations:



The Group



Legal Organisational Structure





BRANCHE at Tulip Inn Düsseldorf - Arena

A YEAR OF CONCEPTS

In 2006, Golden Tulip launched two new concepts; the BRANCHE Restaurant, Bar & Lounge and Royal Tulip a five-star concept.

A Year Of Concepts



Achievements 2005

January 2006

- Moroccan/Kuwaiti development company CMKD and GOLDEN TULIP enter into long-term management agreement

March 2006

- Golden Tulip's Owners & Hoteliers Conference 2006
- Golden Tulip and Ikea sign letter of intent for the Tulip Inn Delft

April 2006

- Redesign of corporate website <http://www.goldentulip.com>
- Golden Tulip prepares its return to the US market

May 2006

- Opens regional office in India

June 2006

- Golden Tulip's Annual Sales Conference 2006
- Launch: New Loyalty Programme: Flavours

August 2006

- Launch: BRANCHE Restaurant, Bar & Lounge
- Preferred partnership with Akzo Nobel

September 2006

- New C.O.O Kees van Maaswaal joins Golden Tulip
- Launch: New luxury brand: Royal Tulip
- First Royal Tulip to be built in Amsterdam: Royal Tulip Amsterdam Symphony

October 2006

- Golden Tulip's Ambassador Club revamped
- Golden Tulip's Tulip Inn Brand Achieves Highest Ranking In J.D. Power and Associates Study
- Opodo And Golden Tulip Sign Global Distribution Agreement

November 2006

- Hotels Magazine ranks the Golden Tulip hospitality Group as 18th largest hotel chain worldwide.
- Signed property management system agreements with Amadeus
- Pre-opening BRANCHE Loosdrecht

December 2006

- Pre-opening Golden Tulip Hamburg Aviation



BRANCHE in Loosdrecht, the Netherlands

BRANCHE

Restaurant, Bar & Lounge

BRANCHE Restaurant, Bar & Lounge

Half way through 2006 Golden Tulip took a large leap and launched a restaurant concept. BRANCHE is a comfortable restaurant, bar and lounge, incorporated in the same area. Carefully designed and offering good quality food and drinks at competitive prices in an informal and relaxed atmosphere with easy listening to light jazz and lounge music. Flexibility in food choice, the kitchen is open from 7.00 am to 10.00 pm serving anything from breakfast light snacks to full dining.

Offices

BRANCHE Restaurant, Bar & Lounge caters to the neighborhood restaurant visitors as well as to the hotel and conference guests.

It is intended that most hotels operated by Golden Tulip will have a BRANCHE Restaurant, Bar & Lounge. The concept will also be made available to Golden Tulip's franchisees.



BRANCHE in Loosdrecht, the Netherlands

In 2006, Golden Tulip pre-opened two BRANCHE Restaurant, Bar & Lounge:

BRANCHE Restaurant, Bar & Lounge in Loosdrecht in the Netherlands

BRANCHE Restaurant, Bar & Lounge in Hamburg, Germany

In 2007 the following BRANCHE Restaurant, Bar & Lounge are planned to open:

The Netherlands

- BRANCHE in Epe
- BRANCHE in Doorwerth
- BRANCHE in the Veluwe

Germany

- BRANCHE in Düsseldorf Arena
- BRANCHE in Munich Airport



A NEW UPSCALE LUXURY BRAND



ROYAL TULIP

Royal Tulip hotels will exceed the highest expectations and will offer:

- Most elegant and luxurious hotel rooms
- A variety of restaurants, cafes and bars
- Sophisticated business and leisure facilities
- Deluxe level of comfort and personal service
- Modern fitness centres and a wide choice of recreational facilities
- State of the art technology
- Around the clock travel services

"We are expecting to develop some 40 hotels in the next four to five years."

Golden Tulip strives to take hotels through this brand to even higher levels of sophistication, demand for luxury hotel accommodations and continues service. As such, the company anticipates that its new luxury brand will continue to grow through the designation of existing high-end Golden Tulip Hotels and Resorts and the opening of new-built hotels or hotel/residential developments in gateway cities using the Royal Tulip brand name itself to provide prestige and elegance, globally.

Golden Tulip Hospitality will flag the Royal Tulip brand in the following cities:

- Amsterdam, The Netherlands
- Berlin, Germany
- Casablanca, Morocco
- Mirbat, Oman
- Dallas, USA

The company is seeking management contracts for truly special hotels in select markets, using the Royal Tulip brand name.

A Year Of Concepts

New Hotels and Destinations 2006

A total of 31 new hotels (4,600 rooms) joined the Golden Tulip portfolio in 2006, with the majority of the hotels being located in the Benelux, Central Europe and the Middle East & Africa. By the end of 2006, Golden Tulip Hospitality Group's portfolio comprised 512 hotels and 51,000 rooms in 48 countries.

The new additions to the portfolio have brought Golden Tulip to: Bahrain, Ireland, Morocco, Romania and Yemen.

Area	Country	City	Hotel Name	Number of Rooms	
Americas	United States of America		Royal Tulip Craig Ranch	280	
Europe	Austria	Vienna	Golden Tulip Wien City	77	
		Belgium	Antwerp	Tulin Inn Antwerp City	79
		Bulgaria	Varna	Golden Tulip Varna	90
		Germany	Dusseldorf	Tulip Inn Dusseldorf - Arena	282
	Hamburg		Golden Tulip Hamburg Aviation	170	
	Schwaig/ Oberding		Tulip Inn Munich Airport	67	
	Stockelsdorf		Golden Tulip Lübecker Hof	113	
	Netherlands	Wolfenbuttel	Tulip Inn Wolfenbüttel	48	
		Amsterdam	Royal Tulip Amsterdam Symphony	210	
		Amsterdam	Golden Tulip Apollo Amsterdam	219	
		Delft	Tulip Inn Delft	140	
		Leende/Eindhoven	Golden Tulip Jagershorst	89	
		Paterswolde	Golden Tulip Paterswolde Groningen	65	
		Vinkeveen	Golden Tulip Amsterdam - Vinkeveen	65	
	Middle East & Africa	Winterswijk	Golden Tulip Winterswijk	66	
			Bahrain	Manama	Golden Tulip Bahrain
Egypt			Ras, Suder	Golden Tulip Amira Resort & Spa	100
Ghana		Accra	Golden Tulip Accra	234	
Israel		Ammon Bay	Tulip Inn Sea of Galilee	100	
		Ashkelon	Golden Tulip Ashkelon	131	
		Ein Bokek	Tulip Inn Dead Sea	96	
		Negev	Golden Tulip Negev	248	
		Tiberias	Golden Tulip Tiberias	400	
		Morocco	Casablanca	Golden Tulip Farah Casablanca	305
Casablanca			Golden Tulip Hotel des Arts	95	
Khouringa			Golden Tulip Farah Khouribga	78	
Marrakech			Golden Tulip Farah Marrakech	242	
Rabat			Golden Tulip Farah Rabat	193	
Safi		Golden Tulip Farah Safi	90		
Nigeria	Lagos City	Golden Tulip Princess Emotan	54		
Oman	Dibba	Golden Tulip Resort Dibba	52		
	Salalah	Golden Tulip Resort & Spa Mirbat	100		
United Arab Emirates	Abu Dhabi	Tulip Inn Al Rahba	52		



Tulip Inn Düsseldorf Arena



Royal Tulip Amsterdam Symphony



BRANCHE at Golden Tulip Hamburg Aviation

A Year Of Concepts



Hotel of the Year 2007

The Hotel of the Year is awarded to a Golden Tulip Hotel or Resort and Tulip Inn in a specific geographic region and is based on a combination of the annual quality assurance inspection results and the usage of Golden Tulip's products and services, measured by the Brand Performance Impact.

Golden Tulip awarded the following fourteen hotels:

Benelux

Golden Tulip Resort Noordsee
Tulip Inn Zevenbergen

Central Europe

Golden Tulip Lubecker Hof
Tulip Inn Lausanne Beaulieu

France & Monaco

Golden Tulip Opera de Noailles
Tulip Inn Monaco Terminus

Mediterranean

Golden Tulip Ambra Palace

Middle East & Africa

Golden Tulip Al Hamra Damman
Golden Tulip Resorts Khasab-Oman
Golden Tulip Bahrain

United Kingdom & Ireland

Golden Tulip Manchester
Tulip Inn Portsmouth

Morocco

Golden Tulip Farah Marrakech



Golden Tulip Zevenbergen



Golden Tulip Resort Noordzee



Golden Tulip Bahrain



Tulip Inn Portsmouth



Golden Tulip Manchester



Golden Tulip Farah Marrakech



Golden Tulip - Hotel des Arts - Casablanca

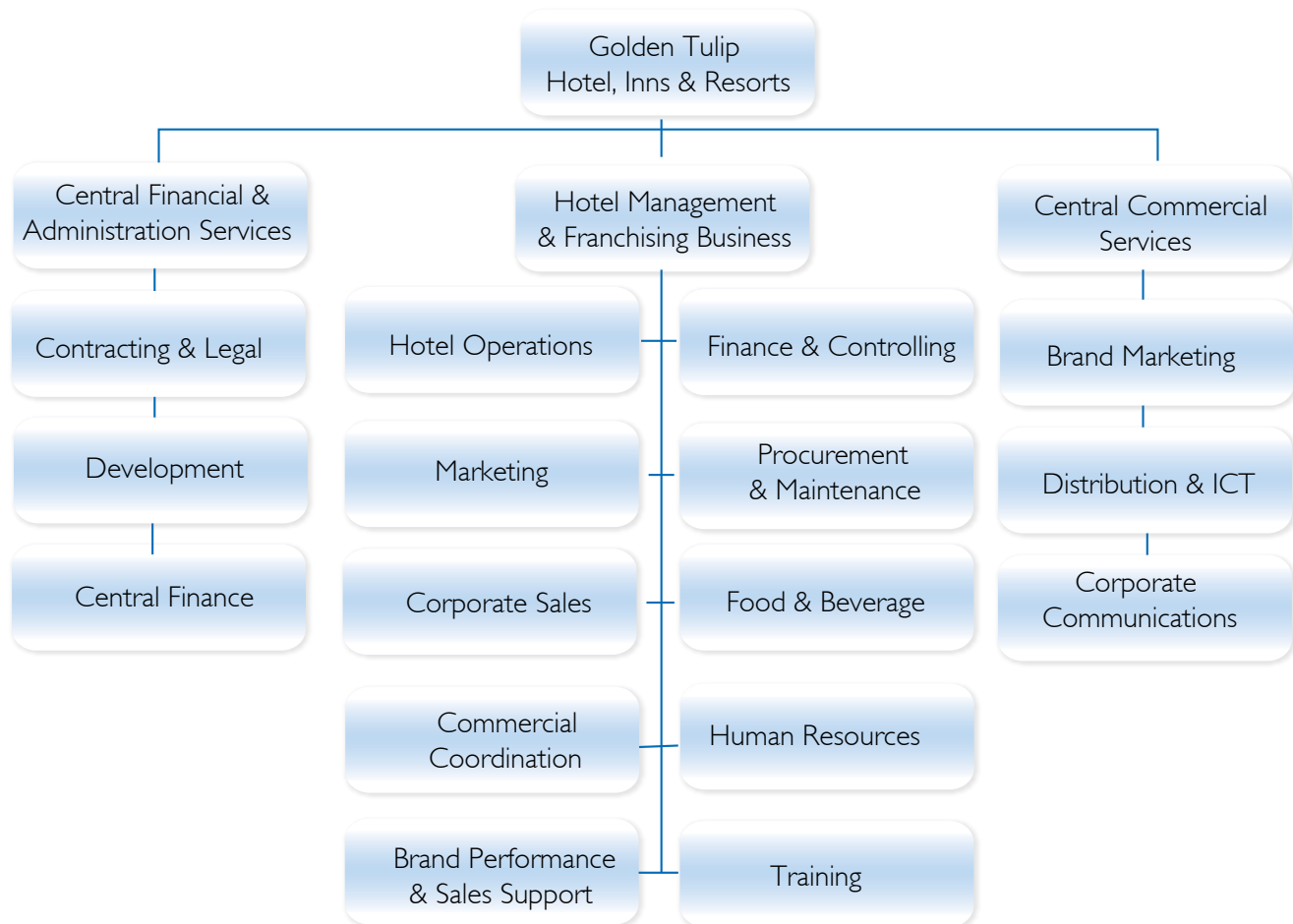
THE BUSINESS

In 2006, Golden Tulip introduced a programme with a focus on guest satisfaction based on a form of thinking and working to further enhance its corporate culture.



Golden Tulip's Business Structure

Golden Tulip is a quality brand provider exporting its brands to the global hotel market. Whether via franchising or operational control of hotels via management, all businesses are operated under one umbrella. The organisation is divided into three divisions: Central Financial and Administration Services, Hotel Management and Franchising and Central Commercial Services Divisions.





Hotel Management & Franchising Business

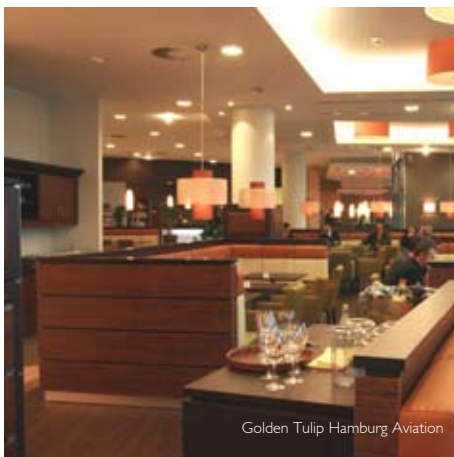
The Hotel Management and Franchising Business division has been brought together under one umbrella to further emphasise the fact that no difference is made between hotel management and franchising. All procedures, concepts and models developed for management operations are made available to the franchisees.

Hotel Operations

The Hotel Operations department is responsible for the overall profitability of each hotel operated by Golden Tulip (under a management or lease agreement) and focuses on the entire guest experience, whilst implementing the Golden Tulip Formula.

Optimal guest satisfaction, high standards with regard to the hotel product and maintenance and a good working environment are the key objectives of the Hotel Operations division.

As a large amount of disciplines are centralised at the head office, the hotels are responsible for the functioning of the front desk, reservations, housekeeping and food and beverage, further ensuring that the focus is on hospitality.



The management approach of Golden Tulip is based on the following principles:

- Guest focus
- Management through strict benchmarking
- Streamlining of operational procedures
- Introduction of concepts for meeting rooms, restaurants, bars and guestrooms
- Total quality through training of staff, adherence to standard operating procedures, feedback through guest and staff satisfaction surveys and external quality assurance inspections.
- Commercial initiatives
- Centralised operations, revenue management and financial administration
- Guest experience
- Optimal Guest Satisfaction

Marketing

Through its commercial value drivers*; Ambassador Club, Central Meeting Line, Connections, E-commerce and Leisure marketing, Golden Tulip provides a unified and centrally coordinated system that facilitates a high Brand Performance Impact and consequently a high return on investment for each hotel.

Marketing is centralised for all hotels through which a correct brand exposure and effective use of resources is guaranteed.

The marketing efforts include managing the Ambassador Club reward scheme, the exposure of hotels in the frequent flyer programmes, on the Internet and through other traditional promotional channels.

The different geographic areas have separate marketing plans and budgets, to which all hotels contribute.

* See page 29-31 for explanation on Golden Tulip's value drivers

The Business



Corporate Sales

Sales is a centralised discipline where the focus is in ensuring the highest occupancies at the best possible rates chain-wide.

Golden Tulip provides an international sales network of regional offices in the Netherlands, Switzerland, Germany, Italy, UK, Romania, United Arab Emirates, Australia and Brazil.

These offices are managed by regional directors and managers who are experienced in the business dynamics of their respective region.

The brand performance & sales support managers centrally coordinate joint sales activities per country or region. Furthermore, they organise the participation of hotels at major trade shows, sales blitzes and international travel fairs.

Responsibilities

- To manage the top producing global corporate, travel trade, conference and incentive accounts on behalf of the hotels.
- Solicit new business in their respective location
- Attend the local fairs and tradeshows
- Negotiate rate contracts with key travel buyers

Brand Performance and Sales Support

Communication and coaching form the basis for the successful implementation of a licensed business concept. The brand performance & sales support managers work closely with each hotel, together formulating the sales and marketing plan, emphasising on the Golden Tulip Formula.

The hotel performance is measured through the Brand Performance Impact. Golden Tulip facilitates the hotel's business analyses by providing extensive reports, benchmarks and quantitative analyses of key performance indicators. In addition, commercial business support sessions take place as a platform for identifying training needs within the hotel and updating the hotel staff on the latest chain developments.





Finance & Controlling

The finance & controlling department coordinates and controls the accounting discipline of the hotel operations, as well as providing management information for reporting purposes.

Procurement

Procurement has a major impact on a hotel's success. Golden Tulip's central procurement department provides all hotels the necessary tools and services to purchase the best quality products from partner suppliers guaranteeing cost savings. The variety of products offered, ranging in food and non-food items, enable hotels potential savings of up to 30% on the cost of sales.

Maintenance

The maintenance department ensures that each operated hotel is in perfect state of repair and that all machinery and equipment are in good working order. The centralisation of the maintenance department allows Golden Tulip to ensure uniformity in operations and standards and to achieve economies of scale.

Food & Beverage

The food & beverage team manages the restaurant, bar and banquet facilities offering high standards of services while maximising profit.

In 2006, Golden Tulip launched a new F&B concept which includes the integration of a restaurant, bar and lounge in one, aiming at a 'comeback' of hotel restaurants in Europe.

BRANCHE
Restaurant, Bar & Lounge

Detailed information regarding this concept can be found on page 16 of this report.

Human Resources

The Human Resources management of Golden Tulip is centralised and is responsible for a multitude of disciplines ranging from salary administration and recruitment to career pathing and pensions.

Responsibilities:

- Staff satisfaction programme
- Career planning
- Accelerator programme (post-graduate or graduate traineeships)
- Employee of the month
- Job descriptions
- Evaluation procedures
- Employee Code of Conduct & Practice

The Business



Open

Be honest, accessible and show interest. Look for the best alternatives to satisfy the guests' needs.

Young at heart

Be lively and energetic

Friendly

Create a friendly relationship and atmosphere

Innovative

Think "out of the box"

Service minded

Let service be the number one priority

Revenue & profit oriented

Ensure that revenue and profit are a top concern in every front and back house activity.

Environmentally conscious

Respect the environment

Respectful

Acknowledge the feelings and interests of third parties

Service with a smile

Be fun, show pleasure in what you do, smile

Pro-Active

Always act in advance, anticipating needs and situations

Helpful

Provide the necessary assistance

Empowered

Always provide a solution with confidence and assurance

In 2005, Golden Tulip introduced a programme with a focus on guest satisfaction based on a form of thinking and working to further enhance its corporate culture.

The main objectives are to increase revenues and profitability through delivering outstanding services and setting high standards that meet and surpass the guests' expectations. This concept is named Energetic Golden Tulip and is based on the following 12 core values.





Tulip Inn Bucharest City

Training

In order to strengthen a brand be it through franchising or hotel management, extensive training is required for hotel as well as corporate staff.

Golden Tulip Enterprise - Training Academy offers a large number of courses optimising the brand performance as well as guaranteeing high standards in services aiming at increased guest satisfaction.

To optimise further understanding and positive results, the Golden Tulip Enterprise – Training Academy offers training courses in many languages.

The Golden Tulip Enterprise – Training Academy aims to continuously improve its trainings through the close analysis of the content and the quality of the trainings offered. In 2006, Golden Tulip – Training Academy offered the following new courses:

Golden Tulip Next Generation General Manager Course

This course offers the latest leadership & team building tools, techniques & strategies for general/hotel managers to manage their hotels even more successfully.

Golden Tulip's Value Drivers Course

This course provides tips and tools on how to increase the Brand Performance by implementing the Golden Tulip Formula more effectively.

Goldnet

Goldnet is Golden Tulip's own Enterprise Resource Planning Application. It is based on the award winning application developed by Exact Software.

It is an Internet-based application customised by Golden Tulip to cater for the specific needs of a hospitality group. Goldnet provides one central database for all business information and processes:

1. Customer Relations Management
2. Human Resources Management
3. Documents
4. Sales
5. Workflow

Goldnet combines business intelligence and communication history from all types of accounts into one central database

- Hotels
- Development Prospects
- Sales Accounts
- Suppliers
- Business Associates

The benefits of Goldnet are numerous and include:

- Simplified communication as all information is digital
- Information is submitted once
- Information is always accurate and up to date
- Each member of staff can access the same updated information regardless of time and location
- High increase in efficiency and transparency through automated business processes
- Easy collection and reporting of indispensable management information



Central Administration Services

Contracting & Legal

Contracting & Legal's main activities include the management of Golden Tulip's trademark portfolio and management, franchise and lease agreements. Further activities relate to the preparation and review of all commercial agreements with partners and suppliers.

Development

Business Development

Business Development's primary concern is to expand the Hotel Management Business of Golden Tulip either through conversion of existing hotels or the development of newly built projects.

Franchise Development

Franchise Development is undertaken by the brand performance & sales support department. The team engages in the development of the franchise to individual hotels in the regions they operate in.

Central Finance

The Central Finance department is responsible for the financial household of Golden Tulip. All fully-owned group companies are consolidated and managed from the head offices.

Central Commercial Services

Brand Marketing

Brand Marketing involves the positioning of the brands, the growth in global recognition and enforcement of the correct brand application. Furthermore this department is in charge of designing new concepts, brand marketing strategies and marketing products.

Distribution & IT

The Distribution & IT department ensures that all Golden Tulip Hotels, Inns & Resorts and partners are properly represented through all available distribution channels. This department keeps the group updated with the latest systems in distribution and e-commerce technology. The department furthermore offers Property and Revenue Management Systems solutions through leading international supplier partnerships, and maintains data hosting locations at strategic Internet locations.

Corporate Communications

The Corporate Communications department is responsible for all internal and external communication released by Golden Tulip. This includes press releases, hotel ranking surveys, annual reports, website information and any other communications of corporate concern.



Golden Tulip Accra

GOLDEN TULIP'S FORMULA

Golden Tulip's Formula is composed of three elements: the Brand, the Operating System and the Support System

Golden Tulip's Formula



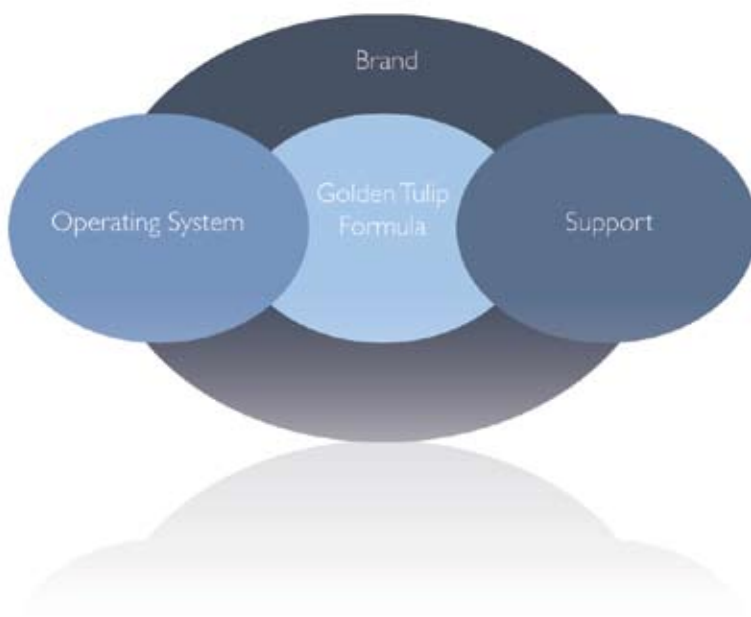
Tulip Inn Amersfoort

Golden Tulip's Formula

Partnership and mutual benefits are two of the values that Golden Tulip has based its business philosophy upon. To fulfil this philosophy in its day-to-day business, Golden Tulip developed a range of tools and services that are made available to the group's hotels, ensuring maximum profitability. The success of the company revolves around the correct usage of these tools, which are also together known as Golden Tulip's Formula.

Golden Tulip's Formula is a trinity of the following elements: The Brand, the Operating System and the Support System. All three elements are interdependent to the effect that a successful brand performance impact can only be achieved when all three elements are fully integrated into the hotels' daily operation.

The success of the formula is measured through the Brand Performance Impact (BPI). The BPI measures the added value a hotel gains by capitalising on Golden Tulip's Formula.



The Brand

Golden Tulip owns and markets the following brands:

- **Royal Tulip**
- **Golden Tulip & Golden Tulip Resorts**
- **Tulip Inn**
- **BRANCHE Restaurant, Bar & Lounge**

The Operating System

The aim of the operating system is to provide hotels the necessary tools and services guaranteeing a maximum return on investment. Since the positive effect of these tools and services is a return on investment, Golden Tulip has defined them as value drivers.

The operating system comprises of seven commercial and four operational value drivers.

Commercial Value Drivers:

- Goldres
- Ambassador Club
- Central Meeting Line
- Connections
- Leisure Marketing
- E-commerce
- Flavours

Operational Value Drivers:

- Golden Tulip Enterprise - Training Academy
- System Technology
- Financial Services
- Quality Assurance

Golden Tulip's Formula

Commercial Value Drivers

The commercial value drivers are defined as Golden Tulip's range of sales and marketing products and services created to target the defined guest segments: Individual business travellers, meeting and conference groups and individual leisure guests.

GOLDRES

Goldres is Golden Tulip's Central Reservation System for all distribution channels: Global Distribution Systems (GDS), call centres and the Internet. Through Goldres, all hotels are exposed to over 500,000 travel agent terminals, 1,200 Internet sites and travel agency portals, 700 partner websites and 45 call centres around the world. Every year Goldres evolves to maintain its market leading position in terms of distribution technology.

MEETINGS & EVENTS

Golden Tulip's Meeting & Events value driver is designed to cover all aspects involved for the meeting & events market. This programme integrates the following tools and services:

- Golden Tulip's Central Meeting Line; a reservation service designed to facilitate the booking of meeting facilities at hotels.
- E-commerce Marketing Products
- Loyalty Programmes
- Sales Activities

In 2006, Golden Tulip introduced two meeting concepts clearly distinguishing between Golden Tulip Hotels and Tulip Inns. The purpose of these concepts is to provide support and guidance to all Golden Tulip Hotels, Inns & Resorts clearly communicating its meeting products and services to both the local and international target market.



Simply Meet is available for all Tulip Inn hotels putting the meeting organiser in control.



Let's Meet Again is available for all Golden Tulip Hotels and Resorts providing assistance with the content of the meeting product, a concept manual, meeting packages, USP's and much more.

AMBASSADOR CLUB

Golden Tulip's Ambassador Club is a unique concept developed to reward the loyal bookers of Golden Tulip Hotels, Inns & Resorts. The programme is specially designed to communicate and reward the real decision makers of hotel and meeting room accommodation. Members are rewarded points per stay or meeting booked at any Golden Tulip Hotels, Inns & Resort.

CONNECTIONS

Golden Tulip's Connections combines 18 frequent flyer programmes awarding frequent flyer miles per stay at any Golden Tulip or Tulip Inn. Golden Tulip existing group of partners includes among others Flying Blue (KLM-Air France), AAdvantage (American Airlines), Miles & More (Lufthansa), and Worldperks (NorthWest Airlines).

LEISURE MARKETING

Golden Tulip's leisure marketing develops and launches promotional packages aimed at the leisure guest. These include products such as seasonal offers, weekend breaks and last minute promotions. The packages are promoted through the Golden Tulip websites, e-newsletters, advertisements and seasonal brochures.

E-COMMERCE

Golden Tulip's E-commerce programme consists of a network of country, regional and city websites all equipped with real-time on-line availability and booking options in multiple languages. Furthermore, Golden Tulip provides individual Golden Tulip hotel websites with real-time on-line booking engines to all its hoteliers. The corporate websites are available in nine languages and the hotel websites can be made available in up to seventeen different languages. Extra features to the hotel websites include local weather information and virtual tours. The corporate website (goldentulip.com) is equipped with RSS (Real System Syndication) technology.

FLAVOURS

Flavours has been designed to enhance the guest's hotel experience and increase guest satisfaction. Membership is offered to guests that stay at any Golden Tulip Hotel, Resort, or Tulip Inn. Flavours offers 3 membership levels: Advanced, Silver and Gold.

Golden Tulip's Formula

Operational Value Drivers

The operational value drivers are defined as Golden Tulip's additional benefits and services made available to the hotels, assisting in both achieving high quality and standards as well as reducing costs.

GOLDEN TULIP ENTERPRISE - TRAINING ACADEMY

Established in 1996, Golden Tulip Enterprise-Training Academy offers a large range of courses and workshops destined to improve the professional and personal development of all management and staff of the hotels, as well as the employees of the corporate organisation.

SYSTEM TECHNOLOGY

Golden Tulip is firmly committed to providing hotels with extensive hospitality technology solutions and recommendations to simplify procedures and increase the effectiveness of operations. Technological developments made available to hotels include:

- Revenue management systems
- Property management systems
- Rate comparison systems
- Search engine optimisation
- Brochure production software

FINANCIAL SERVICES

Golden Tulip offers a number of financial services that provide hoteliers with various cost saving possibilities. These include agreements with credit card and insurance companies as well as a central procurement system that offers competitive prices for food and non-food items from global suppliers through chain-wide collective agreements.

QUALITY ASSURANCE

Each hotel is evaluated on the level of service and products offered by an independent mystery guest on an annual basis. This evaluation is based on the quality of the hotel and its compliance with Golden Tulip's corporate identity standards.

In addition, hotels are offered the possibility to participate in a guest satisfaction programme obtaining detailed information on guest experiences of service and facilities, guest demographics and guest loyalty. Through this Golden Tulip and the hotels are able to benchmark results on an individual hotel, regional and chain-wide level.

Support System

Support is the third pillar of the Golden Tulip Formula. It provides an extensive support system for hotels ensuring the successful implementation of the Golden Tulip Formula in each property thus allowing both parties the full benefits of the co-operation.

Brand Performance Impact

The Brand Performance Impact (BPI) was developed to add a dimension of tangibility to the otherwise intangible value of a brand.

The BPI is an index that measures the added-value a hotel gains by capitalising on Golden Tulip's Commercial Value Drivers. The BPI is expressed as a percentage of net room revenue and provides a basis for analysing trends and creating benchmarks, in addition to its primary goal of being a measurement of brand performance.

$$\text{BPI \%} = \frac{\text{Sum of Value Drivers}}{\text{Net Room Revenue}}$$

General Franchise Council - an open forum

The General Franchise Council (GFC) was founded in 2002 with the objective to improve open communication between Golden Tulip and its franchisees.

The council is constituted of Golden Tulip, the franchisor and franchisee representatives from each geographic region and acts as an open forum. The representatives have voting rights in reference to the contents of the franchise and brand standards. The council meets on a regular basis to review the strategic direction of the brands providing input on brand-related decisions.



GOLDEN TULIPS
System Technology

GOLDEN TULIPS
Financial Services

GOLDEN TULIPS
Quality Assurance



STATISTICS 2006

The Brand Performance Impact (BPI) was developed to add a measurable dimension to the otherwise intangible value of a brand.

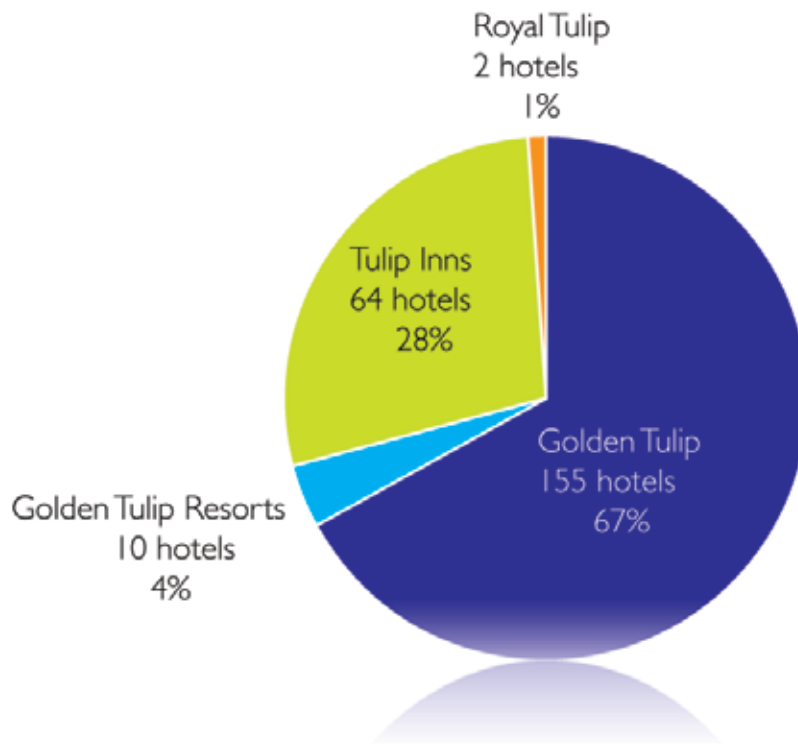


Hotel Portfolio Development 2006

Golden Tulip Hotels, Inns & Resorts' portfolio comprised 231 hotels in 2006 with over 27,000 rooms. Of the 231 hotels, 67% are flagged under the Golden Tulip brand, 28% under the Tulip Inn brand and 3% under the Golden Tulip Resort brand.

Compared to 2005, Golden Tulip Hotels, Inns & Resorts recorded an increase in overall number of hotels (12%) and rooms (22%) in 2006. The regions mainly responsible for this increase were Middle East & Africa and Central Europe.

Golden Tulip Brand Rationale 2006





Room Portfolio Development 2006

Golden Tulip Hotels, Inns & Resorts' portfolio comprised 231 hotels in 2006 with over 27,000 rooms. In comparison to 2005, Golden Tulip's portfolio increased by 12%.

Hotel Portfolio 2006

Region	Royal Tulip	Golden Tulip Hotels	Golden Tulip Resorts	Tulip Inns	Total 2006	Total 2005	% Change
Americas	1	10	1	6	18	18	0%
Middle East & Africa		28	4	6	38	20	90%
Europe	1	117	5	52	175	169	4%
Benelux	1	54	5	25	85	83	2%
Central Europe		31	-	11	42	38	11%
France & Monaco		5	-	8	13	13	0%
Mediterranean		25	-	2	27	27	0%
Scandinavia		1	-	-	1	1	0%
UK & Ireland		1	-	6	7	7	0%
Total	2	155	10	64	231	207	12%

In 2006, the total number of rooms in the portfolio amounted to 22,242. Of these, 67% corresponded to the Golden Tulip brand and 22% to the Tulip Inn brand. The Golden Tulip Resorts combined 1,122 rooms, four percent of the total. The average number of rooms per hotel is 117.

Room Portfolio 2006

Region	Royal Tulip	Golden Tulip Hotels	Golden Tulip Resorts	Tulip Inns	Total 2006	Total 2005	% Change
Americas	280	1,827	63	639	2,809	2,597	8%
Middle East & Africa		4,869	612	509	5,990	2,524	137%
Europe	210	12,710	447	4,875	18,242	17,121	7%
Benelux	210	4,950	447	2,326	7,933	7,432	7%
Central Europe		3,378	-	1,070	4,448	3,839	16%
France & Monaco		272	-	563	835	835	0%
Mediterranean		3,867	-	184	4,051	4,051	0%
Scandinavia		83	-	-	83	83	0%
UK & Ireland		160	-	732	892	892	0%
Total	490	19,406	1,122	6,023	27,041	22,242	22%



Golden Tulip Winterswijk

Brand Performance Impact 2006

The Brand Performance Impact (BPI) percentage, reflecting the value added through the Golden Tulip Formula, increased from 16.3% in 2005 to 19.2% in 2006. The highest impact was recorded in the Benelux and the UK & Ireland region, with a BPI of 25.6% and 39.8% respectively. The better usage of the Golden Tulip Formula and the growth of the international hotel market due to an improved economic climate has led to an increase in the BPI.

Brand Performance Impact 2006

	Net Room Revenue 2006*	Value drive Revenue 2006	BPI % 2006	BPI % 2005
	€ millions	€ millions		
Americas	26.0	3.0	11.5%	11.4%
ASPAC	0.4	0.1	25.0%	-
Middle East & Africa	43.0	4.4	10.4%	9.0%
Europe	274.5	58.4	21.3%	17.4%
Benelux	125.0	32.0	25.6%	24.1%
Central Europe	38.0	9.0	23.7%	12.5%
France & Monaco	19.5	4.1	21.0%	26.8%
Mediterranean	71.8	6.0	8.4%	9.8%
Scandinavia	3.6	0.3	8.3%	12.6%
UK & Ireland	17.6	7.0	39.8%	30.4%
Total	343.9	65.9	19.2%	16.3%

* Including value added tax (VAT), excluding food & beverage

In 2006, the Golden Tulip's Value Driver Revenues amounted to Euro 65.9 million.

Value Driver Revenue 2006

€ millions	2006	% of Total	2005	% of Total	% Change
Goldres	40.9	62%	40.6	69%	1.0%
Flavours	3.5	5%	-	-	-
Ambassador Club	14.0	21%	11.3	19%	24%
Central Meeting Line	2.0	3%	1.7	3%	18%
Connections	5.5	8%	5.0	9%	10%
BPI (€ millions)	65.9	100%	58.6	100%	12%
BPI per room (€)	2,770		2,222		25%



Goldres

Goldres, the central reservations system of Golden Tulip, accounts for 61% of the total value driver revenue in 2006. Compared to 2005, the share of business through Goldres reduced slightly due to the transition of travel and booking trends experienced in 2006.

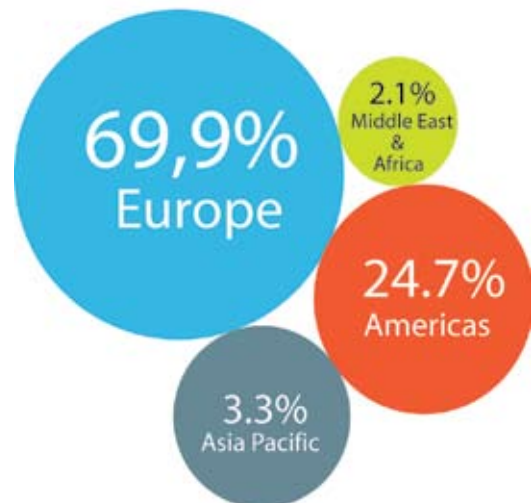
The 25% share booked through the Internet can be further attributed to Golden Tulip's own websites, which accounted for almost 15% of the overall Goldres revenues, making them the major source of Internet reservations while third party websites were the source of just under ten percent of the bookings made through Goldres.

In terms of the origin of the bookings, 70% of all business generated through Goldres originated from Europe. The second largest source of revenue stems from the Americas, accounting for 25% of total revenue through Goldres. Both Asia Pacific and the Middle East & Africa currently hold a market share of three and two percent respectively. Due to the development of the portfolio in these regions, these percentage shares are foreseen to grow in the medium to long term.

Goldres - Channel of Bookings

	2006	2005
GDS	59%	69%
Call Centres	16%	16%
Third Party Websites	25%	25%

Goldres - Origin of Revenue 2006





Golden Tulip, Resort Bucuti Beach - Tara Suites & Spa

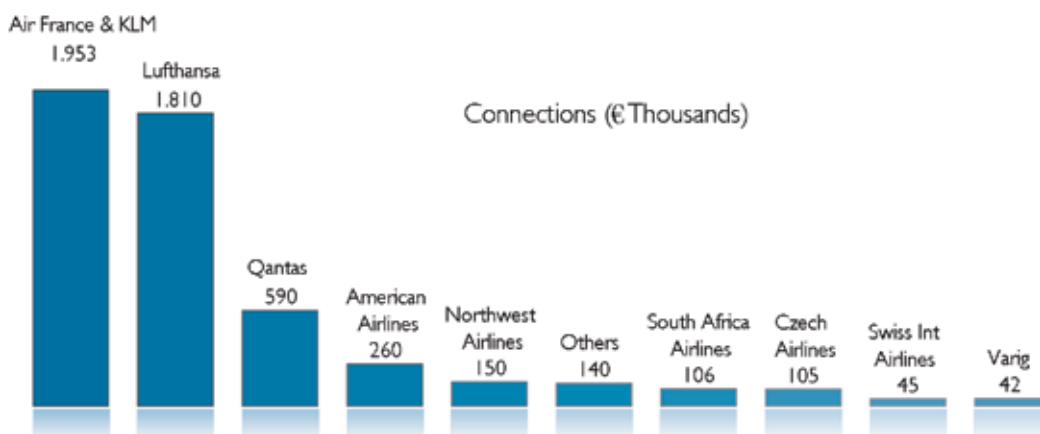
Connections

In 2006 the 18 frequent flyer programmes generated Euro 5.5 million worth of business into Golden Tulip Hotels, Inns and Resorts, increasing by 10% in comparison to 2005.

KLM and Air France's Flying Blue programme generated over Euro 1.9 million in revenue at Golden Tulip Hotels, Inns & Resorts remaining as the most significant airline partner accounting for 35% of total revenues.

In its third year as one of Golden Tulip's partners, Lufthansa's Miles and More programme increased its revenues by 30% to over Euro 1.8 million. With this performance Lufthansa is now ranked the second largest airline partner for Golden Tulip.

During its first year with Golden Tulip, Qantas was the third highest revenue generating frequent guest programme reaching Euro 590,000 and accounting for 10% of total revenues.



Central Meeting Line

Golden Tulip operates Central Meeting Lines in the Benelux, Central Europe, France, Mediterranean, Middle East & Africa and the UK.

The total revenue produced by the Golden Tulip Central Meeting Line amounted to Euro 2.0 million in 2006. This is a significant increase compared to 2005 of 18%.

The majority of revenue was produced in the Benelux region, followed by the Middle East region.

The Ambassador Club

The Ambassador Club is Golden Tulip's loyalty programme especially designed for bookers of hotel and/or meeting rooms. In 2006, through its effective face-lift and marketing the total revenue increased by almost 24% from Euro 11.3 million in 2005 to Euro 14.0 million in 2006. The largest revenue growth areas were the UK, France & Monaco and the Benelux.

The Ambassador Club presently counts over 10,000 active members.

Hotel Management Portfolio

Golden Tulip's hotel management business in 2006 comprised the operations of a total of 49 hotels in 14 countries. 22 of these hotels are directed primarily and exclusively by Golden Tulip:

Twelve hotels in the Netherlands, six in Germany, one in Austria, two in Ghana and one in Nigeria.

Through Strategic Joint Ventures with several partners Golden Tulip furthermore manages seven hotels in Morocco, eight in the Middle East Region and ten in the United Kingdom & Ireland.

All hotels are located in convention and recreational locations and are strong players on the Meetings, Incentive, Conference and Events (MICE) market.

“FORMULA MANAGEMENT
IS THE PROCESS OF
DESIGNING, IMPLEMENTING
AND CONTINUOUSLY FINE
TUNING HIGH-QUALITY-
HIGH-PROFITABILITY
CONCEPTS FOR EVERY
ELEMENT OF THE HOTEL
OPERATION.”

Region	Country	Hotel	Rooms	Star	
Americas	USA	Royal Tulip Craig Ranch***	280	5	
Europe	Austria	Golden Tulip Wien City	77	4	
	Germany	Golden Tulip Frankfurt Offenbach	251	4	
		Golden Tulip Hamburg Aviation	170	4	
		Golden Tulip Lübecker Hof	113	4	
		Golden Tulip Wolfenbüttel	48	4	
		Tulip Inn Düsseldorf Arena*	282	3	
		Tulip Inn München Airport	103	3	
	Ireland	Tulip Inn Dublin	155	3	
	The Netherlands	Golden Tulip de Wippsberg	114	4	
		Golden Tulip Doorwerth	120	4	
		Golden Tulip Epe	138	4	
		Golden Tulip Loosdrecht	68	4	
		Golden Tulip Paterswolde - Groningen	65	4	
		Golden Tulip Victoria	109	4	
		Golden Tulip Wageningen	95	4	
		Golden Tulip Winterswijk	65	4	
		Royal Tulip Amsterdam Symphony***	210	5	
		Tulip Inn Amersfoort	94	3	
		Tulip Inn de Hoge Veluwe	78	3	
		Tulip Inn Delft**	140	3	
		UK	Golden Tulip Manchester	160	4
			Tulip Inn Belfast*	129	3
			Tulip Inn Chippenham**	120	3
			Tulip Inn Glasgow	114	3
			Tulip Inn Leeds, Castleford	119	3
			Tulip Inn Manchester	160	3
	Tulip Inn Manchester Airport**		120	3	
	Tulip Inn Newcastle Gateshead		115	3	
	Tulip Inn Sheffield**	116	3		
Tulip Inn Stoke/Trentham**	117	3			
Middle East & Africa	Bahrain	Golden Tulip Bahrain	250	4	
	Egypt	Golden Tulip Amira	250	4	
	Ghana	Golden Tulip Accra	240	4	
		Golden Tulip Kumasi***	120	4	
	Morocco	Golden Tulip Casa des Arts	100	4	
		Golden Tulip Farah Casablanca	350	4	
		Golden Tulip Farah Kourigba	78	4	
		Golden Tulip Farah Marrakech	242	4	
		Golden Tulip Farah Rabat	193	4	
		Golden Tulip Farah Safi	94	4	
		Golden Tulip Fez**	105	4	
	Nigeria	Golden Tulip Princess Emotan**	54	4	
	Oman	Golden Tulip Khasab Hotel Resort	60	4	
		Golden Tulip Resort Dibba*	54	4	
		Golden Tulip Salalah Resort & Spa**	250	4	
Golden Tulip Seeb Muscat		177	4		
UAE	Golden Tulip Sharjah*	264	4		
Yemen	Golden Tulip Aden	196	4		

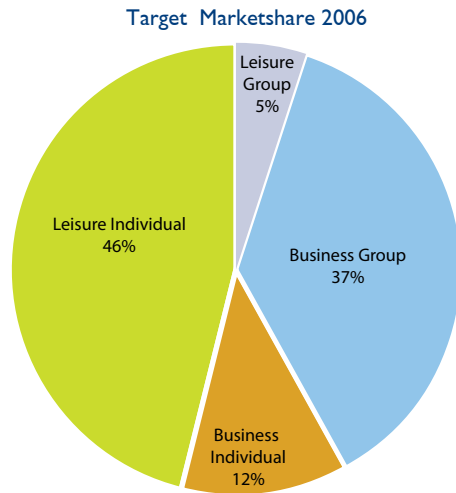
* Due to open in 2007

** Due to open in 2008

*** Due to open in 2009

Hotel Management Performance

Golden Tulip's hotel management business in 2006 comprised the operations of 22 hotels; ten in the Netherlands, one in Austria, five in Germany and six in Morocco.



On average, the total room revenue generated by the hotels accounted for 40% of the total while F&B revenue including meeting rooms and facilities accounted for 56% of total revenue.

The following figures represent an average per country excluding the hotels that are not operational and the hotels that are not directly operated by Golden Tulip. These hotels are the UK & Ireland and the Middle East.

In 2006, the combined portfolio of hotels operated by Golden Tulip achieved an occupancy rate of 62%. Ghana and Austria accounted for the highest occupancy rates; 89.0% and 86.5% respectively.

The group's average rate reached in 2006 to Euro 62.96. Ghana and the Netherlands accounted for the highest average rates; Euro 86.89 and Euro 68.90 respectively.

The overall increase in RevPar for the group is mainly attributed to a turnaround management style and the effect of the Golden Tulip brand and franchise.

The overall Brand Performance Impact of the hotel management division portfolio reflects a stable 26% for 2006. The best performing hotels are in the Netherlands and Germany surpassing on average a BPI of 30%. Golden Tulip Accra in Ghana has also outstanced in the usage of the Golden Tulip Formula. These figures clearly reflects an incremental usage and full implementation of the Golden Tulip Formula.

Overall Brand Performance Impact per country 2006

Country	Net Room Revenue	BPI Revenue	BPI %
Austria (1)	€1,074,399	€226,824	18%
Germany (5)	€5,339,491	€1,716,491	32%
The Netherlands (10)	€12,322,164	€3,659,061	30%
Ghana (1)	€3,075,455	€1,281,495	42%
Morocco (6)	€6,512,815	€549,352	8%
Total BPI	€28,324,025	€7,433,223	26%

Golden Tulip Hotel Management Division - Key performance Indicators 2006

Country	Occupancy	Average Rate (€)	RevPar (€)
Austria (1)	86.5%	59.32	51.31
Ghana (1)	89.0%	86.89	77.76
The Netherlands (10)	59.5%	68.90	41.00
Germany (5)	57.6%	58.54	33.72
Morocco (6)	50.0%	42.88	24.99
Total Portfolio 2006	61.8%	62.96	38.88



EXECUTIVE MANAGEMENT BOARD

The Executive Board aims for an adequate spread of knowledge and expertise to maintain the nature of the company.

Executive Management Board



Executive Management Board

The Executive Management Board of Golden Tulip is composed of three Managing Directors who are responsible and accountable for the Golden Tulip group companies' business. The Executive Management Board consists of the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer. The role of the Executive Management Board is to execute the business plan of the company whilst safeguarding the continuity of the brand.

The members of the Executive Management Board are:

Henri (Hans) W.R. Kennedie (CEO) - Hans Kennedie joined Golden Tulip in 1983 working in a range of different positions across New York, London and Hilversum/Amersfoort (The Netherlands). Hans Kennedie is a graduate from the Hotelschool of The Hague and became the Managing Director of Golden Tulip in May 2000. In January 2002, Hans initiated the management buy out of Golden Tulip from NH Hotels thereafter becoming President & CEO of the group.

Alex D. Kompier (CFO) - Alex Kompier joined Golden Tulip in early 2002 from his previous position as Controller at the Dutch based Continuity Company. Prior to this, he spent several years working for KPMG in a number of Controller positions in the Netherlands. Alex is responsible for the finance, accounting and human resources administration of the company and was appointed Chief Financial Officer in January 2005.

Kees van Maaswaal (COO) - Kees van Maaswaal will join Golden Tulip as per January 01 2007 from his previous position as Managing Director of Accor Hotels for the Netherlands. He's considered as one of the more experienced hotel experts of the European hospitality industry. Kees will be appointed as Chief Operations Officer and will oversee the four regional divisions of Golden Tulip Hotels, Inns & Resorts in: Europe, Middle East & Africa, Asia and the Americas.



Golden Tulip Portfolio 2006



- Golden Tulip Hotels, Inns & Resorts
- Top International Hotels
- B&B Hotels
- Pacific International Suites, Apartments & Resorts and Plaza Hotels
- New destinations

531 hotels comprising 58,000 rooms in 49

Golden Tulip Portfolio 2006



countries representing 368 destinations

Golden Tulip Portfolio 2006





GOLDEN TULIP

HOTELS • INNS • RESORTS

International

standards • local flavours

goldentulip.com



GOLDEN TULIP
HOSPITALITY GROUP

Golden Tulip Hospitality Group
Stationsplein 26 - 3818 LE Amersfoort - The Netherlands
P.O.Box 448 - 3800 AK Amersfoort - The Netherlands
Tel: +31 (0)33 2544 800 - Fax: +31 (0)33 2544 815 - E-mail: info@goldentulip.com

Golden Tulip Hospitality Group - Avenue de Gratta - Paille 2 - 1018 Lausanne - Switzerland
Case Postale 508 - 1000 Lausanne 30 Grey - Switzerland
Tel: +41 21 641 19 40 - Fax: +41 21 641 19 45

International standards, *local flavours*