Accelerating success.

MENA HOTEL FORECASTS

3-Month Rolling Forecast Highlights
Apr – Jun 2015 | YoY RevPAR Variance %

Hot Spots

+21%

+11%

Sharm   Cairo
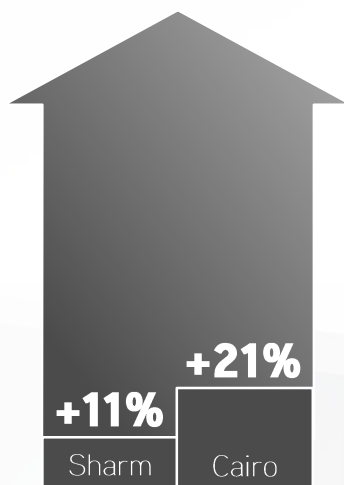
Sharm El Sheikh
Recent lifting of travel bans and enhanced image of Egypt's stability to result in continued growth of Red Sea hotel performance.

Cairo
Increases in both corporate and leisure demand to result in greater occupancy and ADR levels.

Sure & Steady

Makkah
Next three months to see stable Umrah demand, although with visa restrictions from last year still in place due to ongoing construction work around the Masjid al Haram.

+1%   **+1%**

Makkah   West Bay Lagoon

West Bay Lagoon
Strong occupancies to be maintained, along with high rates due to the resort nature of the products in West Bay Lagoon. The nearby Anantara Banana Island intensifying competition with the district.

Work in Progress

Aqaba
Increasing competition from the reemerging Egyptian markets to result in reduction in leisure demand. Chartered flights were cancelled April 18th onwards, with Ramadan to cause dip in June.

Fujairah
Continued stabilisation process for new hotels maintaining marketwide occupancy levels below last year's performance.

-26%   **-49%**

Aqaba   Fujairah
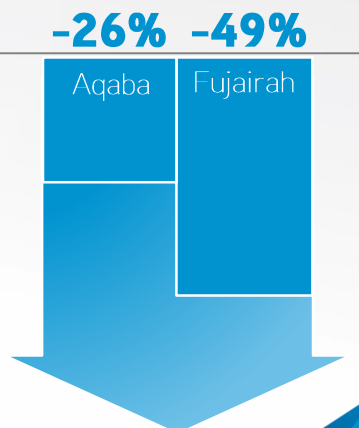
Occupancy, ADR & RevPAR
3-Month Forecast | Apr – Jun 2015
Full-Year Forecast | 2015

Colliers
INTERNATIONAL

Accelerating success.

Country	City	Market	3 Month Rolling Forecast				Full-Year Forecast			
			Occ %	ADR ($)	RevPAR ($)	YoY RevPAR Variance	Occ %	ADR ($)	RevPAR ($)	YoY RevPAR Variance
UAE	Dubai	Dubai Creek / Festival City	74	226	166	⬇ -13%	77	265	204	⬇ -1%
UAE	Dubai	Sheikh Zayed Road / DIFC	72	190	138	⬇ -11%	75	220	166	⬇ -2%
UAE	Dubai	Palm Jumeirah	75	443	331	⬇ -16%	79	480	378	⬇ -2%
UAE	Dubai	Dubai Marina / JBR	78	266	207	⬇ -15%	80	311	249	➡ 0%
UAE	Abu Dhabi	Abu Dhabi City	60	141	84	⬇ -15%	78	139	108	⬆ 3%
UAE	Abu Dhabi	Abu Dhabi Beach	60	211	126	⬇ -13%	71	232	165	⬆ 2%
UAE	Ras Al Khaimah	Ras Al Khaimah	53	144	77	⬇ -19%	60	189	113	⬆ 1%
UAE	Sharjah	Sharjah	61	84	51	⬇ -13%	75	91	68	⬆ 2%
UAE	Fujairah	Fujairah	57	153	87	⬇ -49%	62	132	82	⬇ -5%
KSA	Riyadh	Riyadh	57	245	140	⬇ -7%	60	241	144	⬆ 2%
KSA	Jeddah	Jeddah	74	258	192	⬇ -6%	76	261	199	⬆ 2%
KSA	Makkah	Makkah	65	148	96	⬆ 1%	64	218	139	⬇ -1%
KSA	Madinah	Madinah	61	119	72	⬇ -2%	61	157	96	⬆ 5%
KSA	Al Khobar	Al Khobar	66	184	122	⬇ -9%	67	195	131	⬆ 4%
Egypt	Cairo	Cairo	51	111	57	⬆ 21%	52	127	65	⬆ 28%
Egypt	Sharm El Sheikh	Sharm El Sheikh	54	49	27	⬆ 11%	69	47	32	⬆ 10%
Egypt	Hurghada	Hurghada	71	44	31	⬇ -1%	73	48	35	⬆ 2%
Egypt	Alexandria	Alexandria	65	75	49	⬇ -3%	65	76	49	⬆ 3%
Egypt	Luxor	Luxor	16	40	7	⬆ 6%	21	44	9	⬆ 33%
Qatar	Doha	Doha Airport / City Centre	73	165	121	⬆ 7%	73	158	115	⬆ 1%
Qatar	Doha	West Bay Lagoon	68	284	192	⬆ 1%	71	274	194	⬆ 7%
Qatar	Doha	Doha Serviced Apartments	73	190	138	⬇ -2%	82	181	148	⬇ -1%
Qatar	Doha	West Bay / Diplomatic Area	73	207	152	⬇ -6%	79	203	161	➡ 0%
Oman	Muscat	Muscat	61	206	127	⬇ -12%	63	241	151	⬇ -2%
Bahrain	Manama	Manama	49	209	101	⬇ -16%	58	194	113	⬆ 1%
Kuwait	Kuwait City	Kuwait City	52	247	130	⬇ -3%	51	242	122	⬇ -1%
Jordan	Amman	Amman	67	163	110	⬇ -14%	62	169	105	⬆ 1%
Jordan	Aqaba	Aqaba	56	160	89	⬇ -26%	58	125	72	⬇ -2%
Lebanon	Beirut	Beirut	51	156	80	⬇ -8%	49	158	78	⬆ 1%

Source: Colliers International, 2015

Disclaimer

All information, analysis and recommendations made by Colliers International are made in good faith and represent Colliers International's professional judgment on the basis of information available. However, since the achievement of forecasts depends on factors outside Colliers International's control, no statement made by Colliers International may be deemed in any circumstances to be a representation, undertaking or warranty, and Colliers International cannot accept any liability should such statements prove to be inaccurate or based on incorrect premises.

Contents of the Publication

This publication has been prepared by Colliers International Hotels MENA, providing hotel performance forecasts for 29 submarkets in key MENA hospitality markets.

- Key Performance Indicators include
    - Hotel occupancy %, calculated as occupied room nights / available room nights
    - Average Daily Rate (ADR), calculated as total rooms revenue / occupied room nights
    - Revenue per Available Room (RevPAR), calculated as total rooms revenue / available room nights
- Forecasts include
    - 3-Month Rolling forecast, starting with the month of the publication
    - Year-End forecast, revisited on a monthly basis
- ADR and RevPAR are presented in USD for ease of comparison between markets

Forecasting Methodology

- The analysis conducted is based on actual operating data from a sample of 3-, 4- and 5-Star hotels and quality serviced apartments (where relevant). Historical data is extracted from Colliers International Hotels' database, complemented by data from STR Global ™ and from local statistical offices.

- The forecasting methodology is based on an analysis of rolling averages, trend estimation and extrapolation. Anticipated events expected to shape the future dynamics of supply and demand are identified then weighted against relevance and impact, thereby forecasting performance of the hospitality market.

- Where available, monthly historical data trends from 2008 onwards is analysed to identify demand patterns, and is utilised as a forecasting base.

- The ADR of a sample submarket reflects its price positioning. As such, the markets containing a higher proportion of high-end properties show higher rates than samples with a larger share of limited-service establishments.

Resource Utilisation

- The data contained herein may be utilised to understand the anticipated shifts in market performance in accordance with the future trends expected in the short term, thereby allowing hoteliers to revisit forecasts accordingly.

- The Colliers MENA Hotel Forecast is seen as a tool to enhance the general understanding of market movements and increase the forecasting accuracy of hoteliers in relation to anticipated future events.

Colliers International Hotels

Colliers International Hotels division is a global network of specialist consultants in hotel, resort, marina, golf, leisure and spa sectors, dedicated to providing strategic advisory services to owners, developers and government institutions to extract best values from projects and assets. The foundation of our service is the hands-on experience of our team combined with the intelligence and resources of global practice. Through effective management of the hospitality process, Colliers delivers tangible financial benefits to clients. With offices in Dubai, Abu Dhabi, Jeddah, Riyadh and Cairo, Colliers International Hotels combines global expertise with local market knowledge.

SERVICES AT A GLANCE

The team can advise throughout the key phases and lifecycle of projects

- Destination / Tourism / Resort / Brand Strategy
- Market and Financial Feasibility Study
- Development Consultancy & Highest and Best Use Analysis
- Operator Search, Selection and Contract Negotiation
- Pre-Opening Budget Analysis and Operational Business Plan
- Technical Services / Asset Management / Project Monitoring
- Site and Asset Investment Sale and Acquisition/Due Diligence
- RICS Valuations for Finance Purposes and IPOs

Our hotels team in the MENA region:

$9
billion
investment value of
projects advised

39,200
keys
valued

8,880
Hotel keys
under asset management

502 offices in
67 countries on
6 continents

United States: **151**

Canada: **46**

Latin America: **26**

Asia Pacific: **190**

EMEA: **89**

$2.3
billion in
annual revenue

1.7
billion square feet
under management

16,300
professionals
and staff

For further information,
please contact:

Filippo Sona
Director | Head of Hotels | MENA Region
Main +971 4 453 7400
Mobile +971 55 899 6102
filippo.sona@colliers.com

Selim El Zein
Associate Director | Hotels | MENA Region
Main +971 4 453 7400
Mobile +971 55 899 6103
selim.elzein@colliers.com

Colliers International | MENA Region
Dubai | United Arab Emirates

+971 4 453 7400

About Colliers International

Colliers International is a global leader in commercial real estate services, with over 15,800 professionals operating out of more than 485 offices in 63 countries. A subsidiary of FirstService Corporation, Colliers International delivers a full range of services to real estate users, owners and investors worldwide, including global corporate solutions, brokerage, property and asset management, hotel investment sales and consulting, valuation, consulting and appraisal services, mortgage banking and insightful research. The latest annual survey by the Lipsey Company ranked Colliers International as the second-most recognised commercial real estate firm in the world.

colliers.com

Colliers
INTERNATIONAL

Accelerating success.