

Doha Spa Benchmarking Survey
January – December 2010





We are pleased to present the results of PricewaterhouseCoopers (PwC) Spa Benchmark survey for the Doha spa sector in Qatar. The PwC Spa Benchmark Report is issued on a bi-monthly basis and this edition covers the period from January to December 2010.

The Spa Benchmark report has been created as an additional service to our hospitality clients as part of PricewaterhouseCoopers Thought Leadership program for the real estate and hospitality sector in the Middle East. The report provides spa/hotel operators owners/investors and hospitality sector developers with key metrics and information on the performance of the sector in the Doha market.

This report presents the findings from leading spa resorts. The report tracks 11 key metrics in the industry related to the operational performance of the spa industry. The metrics were selected as part of our objective to provide spa operators with a benchmark of internal spa operations that can be used as a tool for driving operational decisions and profitability, as well as information on common indicators that can be used by investors and developers in the sector. Performance data has been contributed by our data partners and presented in Qatari Riyals (QAR) and United States Dollars (USD).

We would like to extend our appreciation and thanks to all of our data partners for their participation in the benchmark survey. This report would not be possible without their expertise and we are grateful for their ongoing support.

We hope that you will find the data and results presented in this report as an invaluable tool for managing your interests in the spa sector.

If you would like to receive further information or have any questions regarding the information presented on the pages herein, please do not hesitate to contact me or Yohaán Freitas or Vishwa Karthik at +971 4 304 3100 or at mohammad.dahmash@ae.pwc.com or yohaán.freitas@ae.pwc.com or vishwa.karthik@ae.pwc.com

Kind regards,

Mohammad Dahmash

Partner & Middle East Leader – Real Estate, Hospitality & Construction

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The Doha spa benchmark report is developed and is maintained by PricewaterhouseCoopers, Dubai office under the direction of Mohammad Dahmash, Partner of the Transaction Real Estate Advisory Service line. It is intended for information purposes only. PwC advises its readers to consult a professional investment advisor before making any decision or taking any action based upon the information presented. The information presented in this report has been compiled by PwC based on data provided by individual hotel spas in the Doha area.

The PwC Doha Spa Benchmarking Survey Data

PwC Spa Benchmark Consolidated Data

| Description – Qatari Riyals (QAR) | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | YTD |
|----------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Average treatment revenue per treatment sold | 449.2 | 438.8 | 418.0 | 416.0 | 459.2 | 430.3 | 410.2 | 424.7 | 448.8 | 464.3 | 448.3 | 436.5 | 436.9 |
| Average daily treatment revenue per available treatment room | 853.7 | 1034.0 | 949.6 | 1076.8 | 1034.6 | 919.1 | 823.5 | 607.2 | 913.0 | 991.2 | 932.4 | 952.9 | 922.9 |
| Average daily treatment revenue per occupied treatment room | 901.1 | 1091.5 | 975.2 | 1105.9 | 1062.6 | 970.2 | 869.2 | 659.2 | 839.0 | 1018.0 | 932.4 | 978.7 | 950.2 |
| Average daily treatment revenue generated per therapist | 1158.6 | 1403.3 | 1244.3 | 1410.9 | 1310.5 | 1204.4 | 1079.0 | 854.5 | 1108.7 | 1448.7 | 1265.3 | 1392.8 | 1240.1 |
| Revenue per available treatment hour (RevPATH) | 70.2 | 79.4 | 76.6 | 88.0 | 83.0 | 75.7 | 69.3 | 52.7 | 66.4 | 81.1 | 73.8 | 75.4 | 74.4 |
| Utilisation of treatment rooms' hours | 17% | 20% | 18% | 19% | 18% | 17% | 16% | 12% | 13% | 17% | 16% | 17% | 17% |
| Utilisation of therapists' hours | 28% | 30% | 32% | 35% | 33% | 28% | 24% | 20% | 15% | 23% | 20% | 23% | 26% |
| Fitness and membership revenue as % of total revenue | 61% | 62% | 66% | 63% | 61% | 65% | 66% | 68% | 65% | 61% | 59% | 59% | 63% |
| Retail revenue as % of total revenue | 2% | 2% | 3% | 4% | 4% | 2% | 3% | 3% | 2% | 3% | 4% | 3% | 3% |
| Treatments booked by hotel guests as % of total treatments | 14% | 17% | 17% | 18% | 17% | 12% | 15% | 13% | 14% | 15% | 17% | 20% | 16% |
| Treatments booked by non hotel guests as % of total treatments | 86% | 83% | 83% | 82% | 83% | 88% | 85% | 87% | 86% | 85% | 83% | 80% | 84% |
| Description – United States Dollar (USD) | | | | | | | | | | | | | |
| Average treatment revenue per treatment sold | 123.4 | 120.5 | 114.8 | 114.3 | 126.1 | 118.2 | 112.7 | 116.7 | 123.3 | 127.5 | 123.1 | 119.9 | 120.0 |
| Average daily treatment revenue per available treatment room | 234.5 | 284.0 | 260.8 | 295.8 | 284.2 | 252.5 | 226.2 | 166.8 | 250.8 | 272.3 | 256.1 | 261.8 | 253.5 |
| Average daily treatment revenue per occupied treatment room | 247.5 | 299.8 | 267.9 | 303.8 | 291.9 | 266.5 | 238.8 | 181.1 | 230.5 | 279.6 | 256.1 | 268.8 | 261.0 |
| Average daily treatment revenue generated per therapist | 318.2 | 385.5 | 341.8 | 387.5 | 360.0 | 330.8 | 296.4 | 234.7 | 304.5 | 397.9 | 347.6 | 382.6 | 340.6 |
| Revenue per available treatment hour (RevPATH) | 19.3 | 21.8 | 21.1 | 24.2 | 22.8 | 20.8 | 19.0 | 14.5 | 18.2 | 22.3 | 20.3 | 20.7 | 20.4 |

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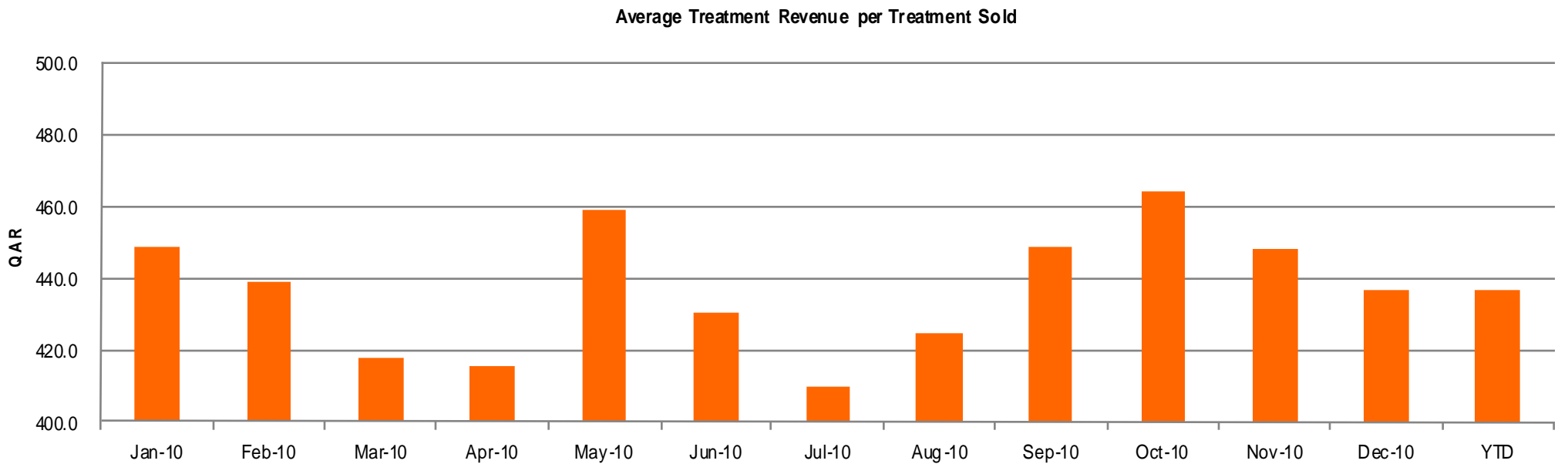
Specific analysis:

- The average treatment revenue per treatment sold for the last two months is recorded at QAR 442.4 (USD 121.5) with YTD average at QAR 437.0 (USD 120.0).
- The average daily treatment revenue per available treatment room for the period stabilized at an average of QAR 942.6 (USD 258.9). YTD performance is recorded at QAR 922.9 (USD 253.5).
- The YTD average daily treatment revenue per occupied treatment room was QAR 950.2 (USD 261.0), whilst the YTD average daily treatment revenue generated per therapists was QAR 1240.1 (USD 340.6).
- Revenue per available treatment hour (RevPATH) is QAR 74.4 (USD 20.4) on a YTD calculation.
- Utilisation of treatment room hours has stabilized to 17% from October to December, from its YTD low in August of 12%, maintaining an average utilisation for the year at 17%, while utilisation of therapists' hours has maintained at 26%.
- Approximately 63% of the total income was from fitness and membership revenue.
- Retail revenue averages 3% of total revenue over the last 12 months.
- In-house guests accounted for approximately 84.0% of total treatment hours sold with the remaining 16.0% contributed by walk-in guests.



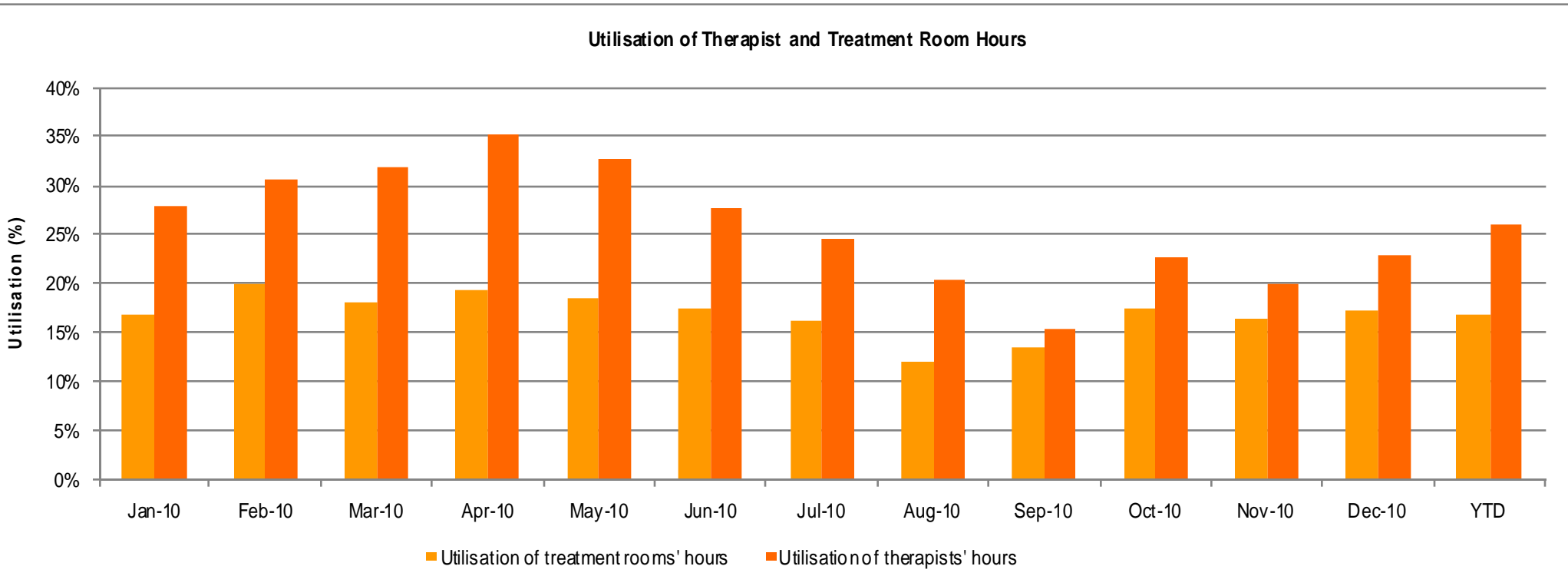
The PwC Doha Spa Benchmarking Survey Data

Average Treatment Revenue per Treatment Sold



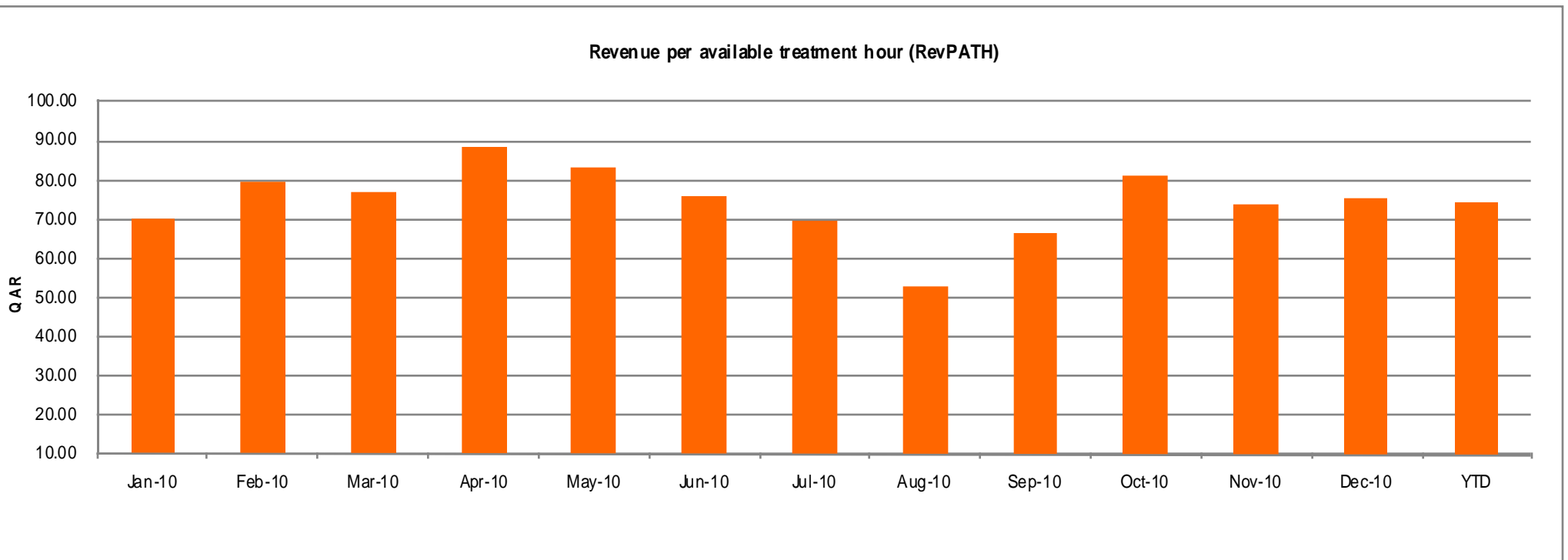
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Utilisation of Therapists and Treatment Room Hours



The PwC Doha Spa Benchmarking Survey Data

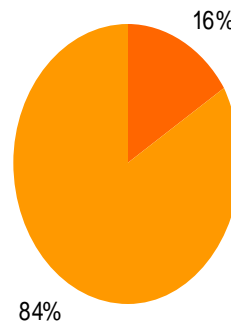
Revenue per Available Treatment Hour (RevPATH)



The PwC Doha Spa Benchmarking Survey Data

Treatments Booked by Hotel Guests vs. Non Hotel Guests

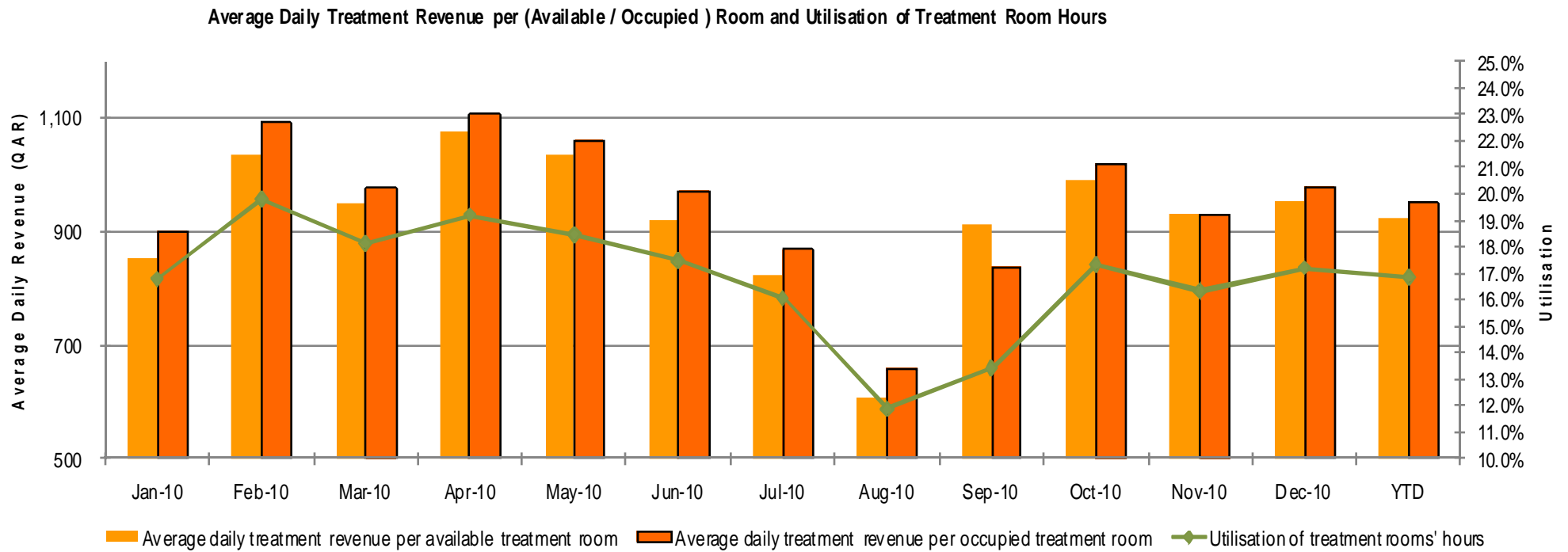
Treatments booked by hotel guests vs non hotel guests



- Treatments booked by hotel guests as % of total treatments
 - Treatments booked by non hotel guests as % of total treatments
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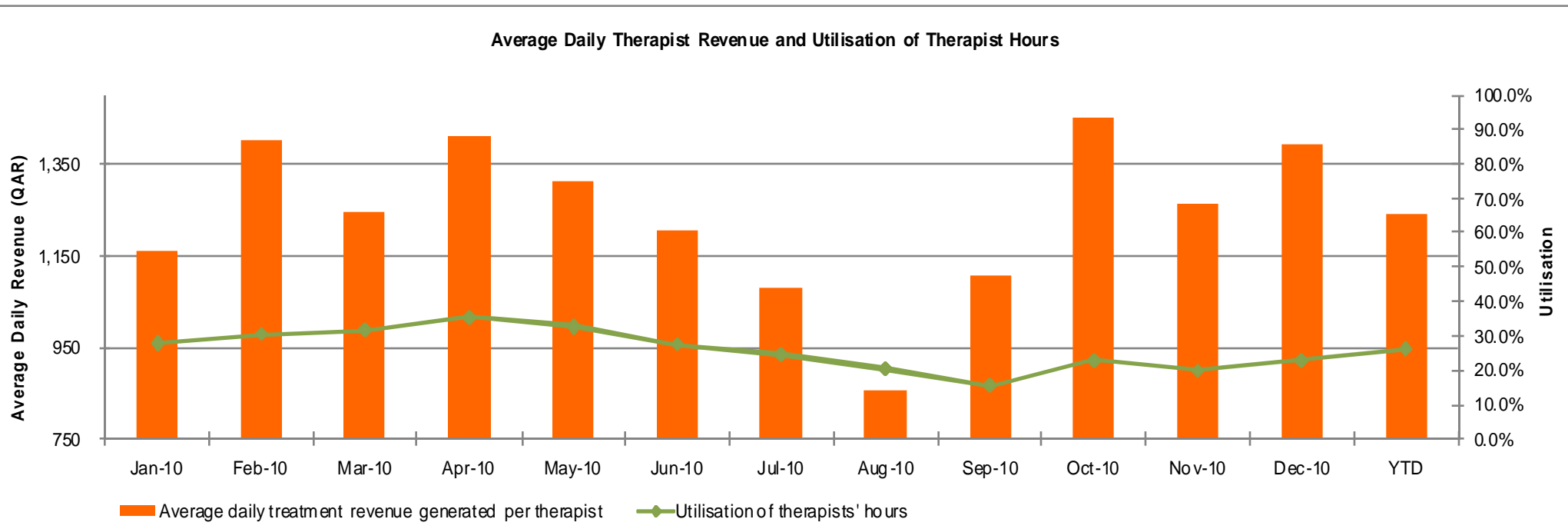
The PwC Doha Spa Benchmarking Survey Data

Average Daily Treatment Revenue per (Available/Occupied) Room & Utilisation of Treatment Room Hours



The PwC Doha Spa Benchmarking Survey Data

Average Daily Therapist Revenue & Utilisation of Therapist Hours



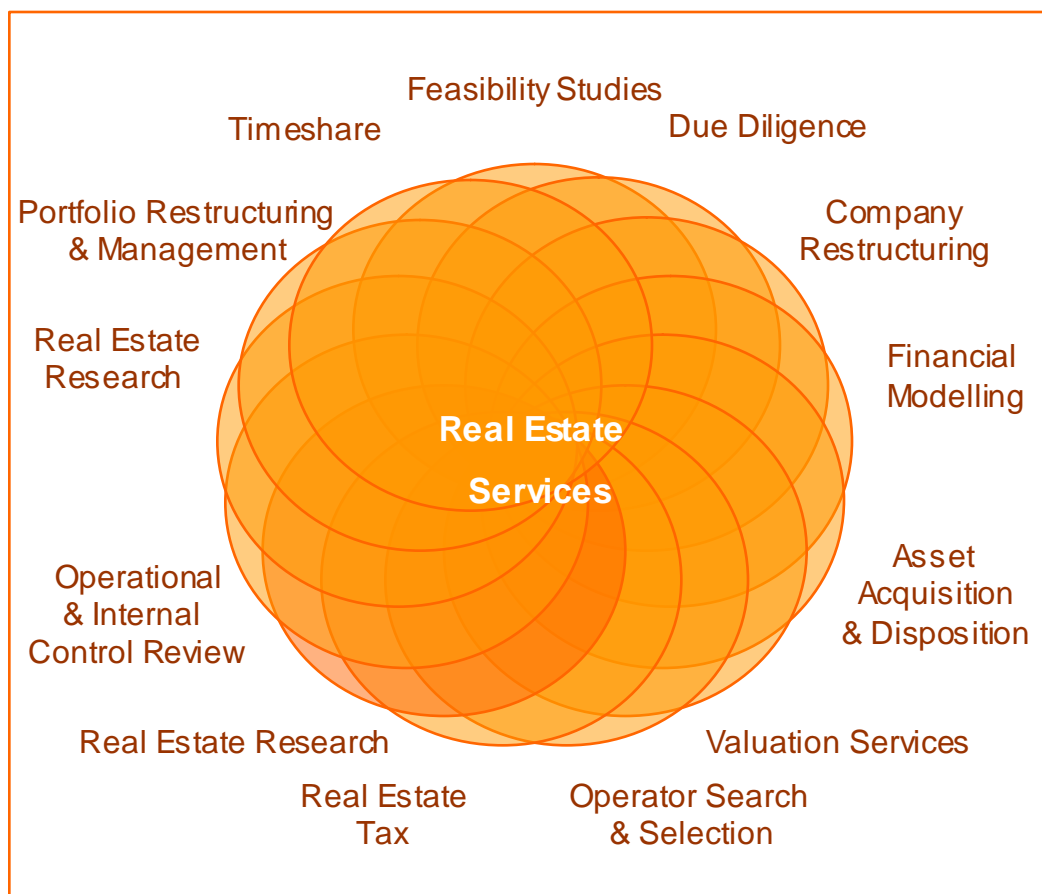
The PwC Doha Spa Benchmarking Survey Data

PwC Spa Benchmark Consolidated Data

| KPI | Calculation |
|----------------------------------------------------------------|--------------------------------------------------------------------------|
| Average treatment revenue per treatment sold | Treatment Revenue ÷ No of Treatments Booked |
| Average daily treatment revenue per available treatment room | Treatment Revenue ÷ Available Treatments Rooms |
| Average daily treatment revenue per occupied treatment room | Treatment Revenue ÷ Operational Treatments Rooms |
| Average daily treatment revenue generated per therapist | Treatment Revenue ÷ Available Treatments |
| Revenue per available treatment hour (RevPATH) | Treatment Revenue ÷ Available Treatment room Hours |
| Utilisation of treatment rooms' hours | Occupied Treatment Rooms Hours ÷ Available Treatment Room Hours |
| Utilisation of therapists' hours | Occupied Therapist Hours ÷ Available Therapist Hours |
| Fitness and membership revenue as % of total revenue | Fitness & Membership Revenue ÷ Total Revenue |
| Retail revenue as % of total revenue | Retail Revenue ÷ Total Revenue |
| Treatments booked by hotel guests as % of total treatments | No of Hotel Guests Treatments Booked ÷ Total No of Treatments Booked |
| Treatments booked by non hotel guests as % of total treatments | No of Non Hotel Guests Treatments Booked ÷ Total No of Treatments Booked |

PwC Real Estate, Leisure and Hospitality Advisory Services

Our Real Estate, Hospitality & Leisure Advisory Services practice for the Middle East is based in Dubai. Our global and regional network of professionals allows us to pool resources in providing the highest standard of advisory services to real estate, hospitality & leisure clients in the region and beyond. The Middle East team, led by the UAE office, has many years of experience in these industries and provides clients with an in depth understanding of the local and regional markets. The team has had experience in providing a wide range of services across various real estate, hospitality & leisure industry segments, including the following:





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