



JONES LANG
LASALLE HOTELS®

Real value in a changing world

Rugby World Cup 2011: Keeping New Zealand Hotels *ahead* of the pack

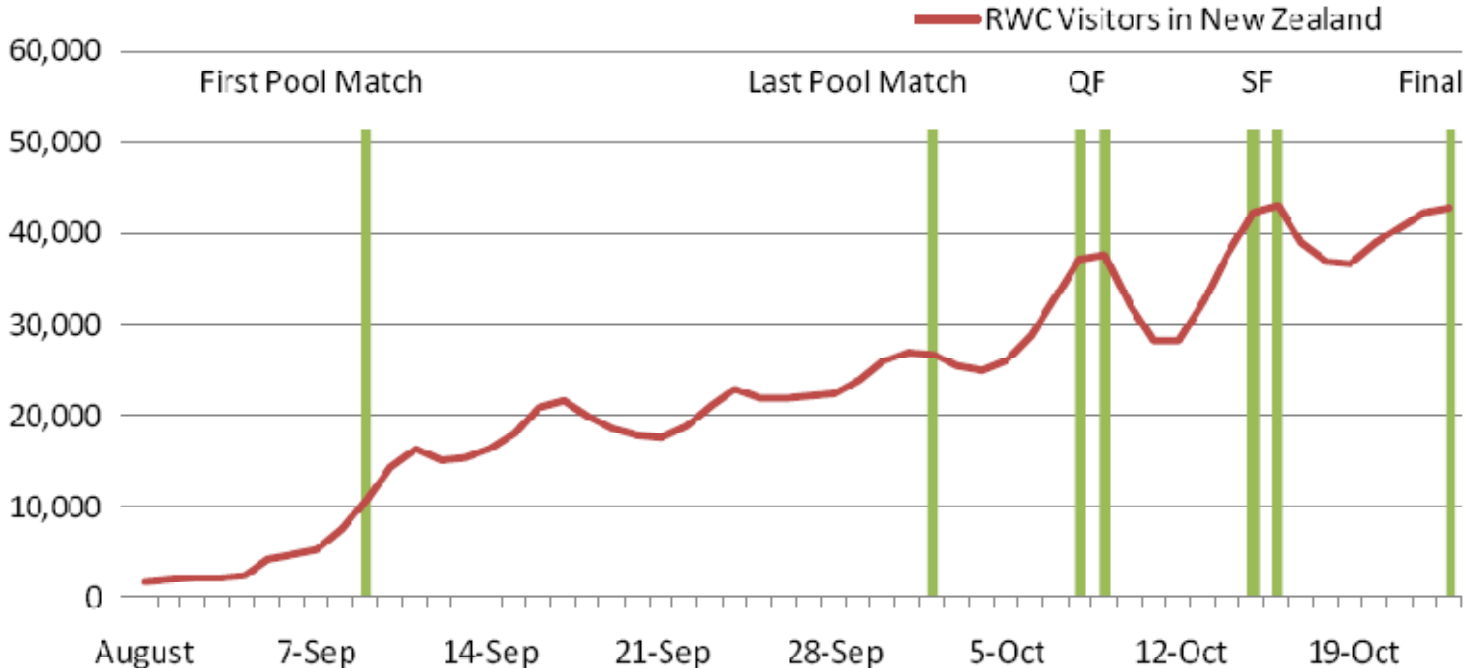
Dean Humphries
National Director – New Zealand
Jones Lang LaSalle Hotels
May 2010



Key Facts

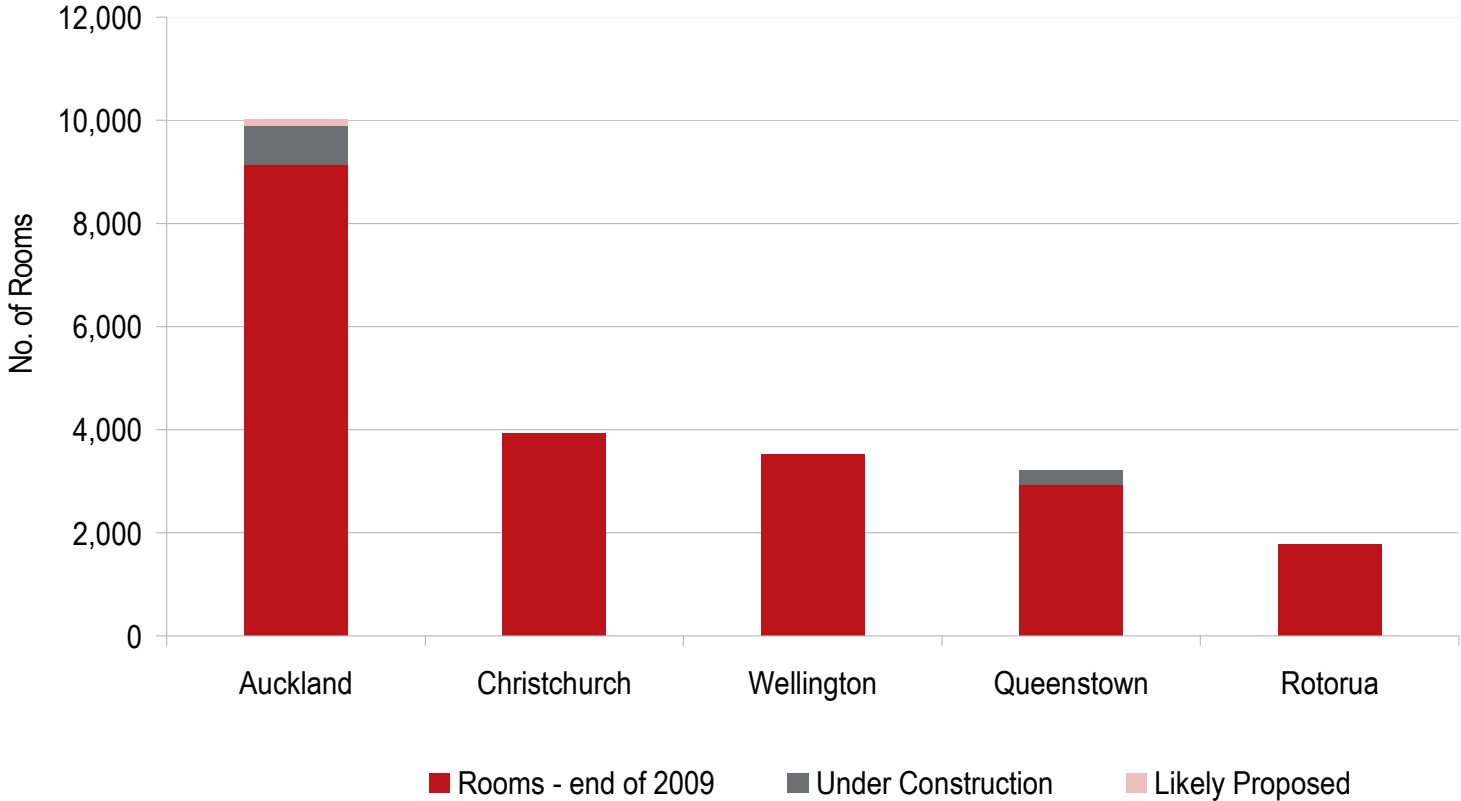
- Third largest sporting event in the world
- Tournament Length – 45 days (9 September to 23 October)
- 20 teams, 48 matches, 12 locations
- Estimated Visitors – 85,000 (Ministry of Tourism)
- Official Accommodation Bank: 300 plus hotels
- Potential Room Demand: 600,000 plus room nights
- **Can the New Zealand accommodation sector cope with influx of visitors?**
- **What is the financial impact on the hotel accommodation sector?**

Estimated International Visitor Numbers



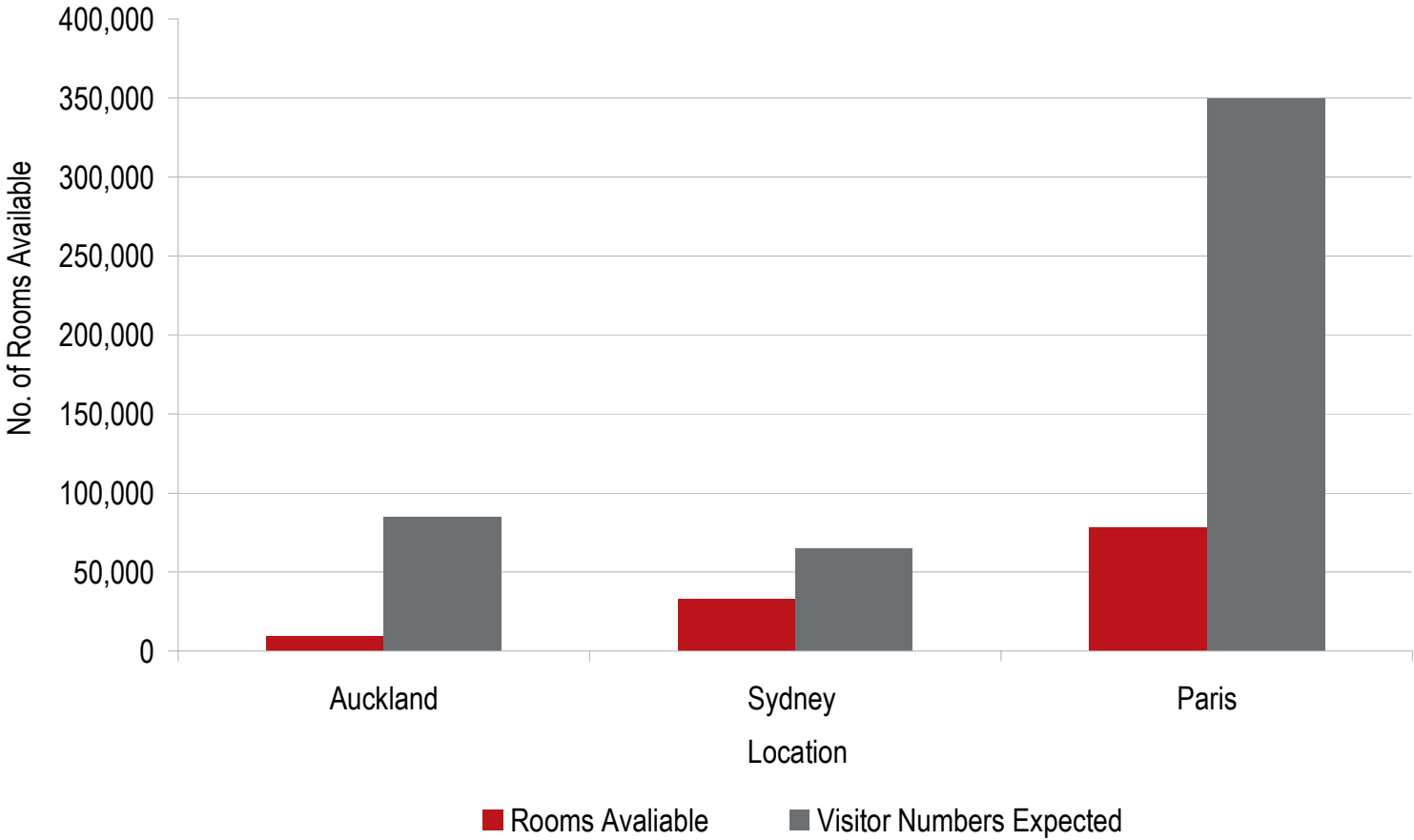
Source: Preliminary forecasts of International Visitor Activity in NZ during Rugby World Cup 2011, Ministry of Tourism March 2010

Jones Lang LaSalle Hotel Development Register



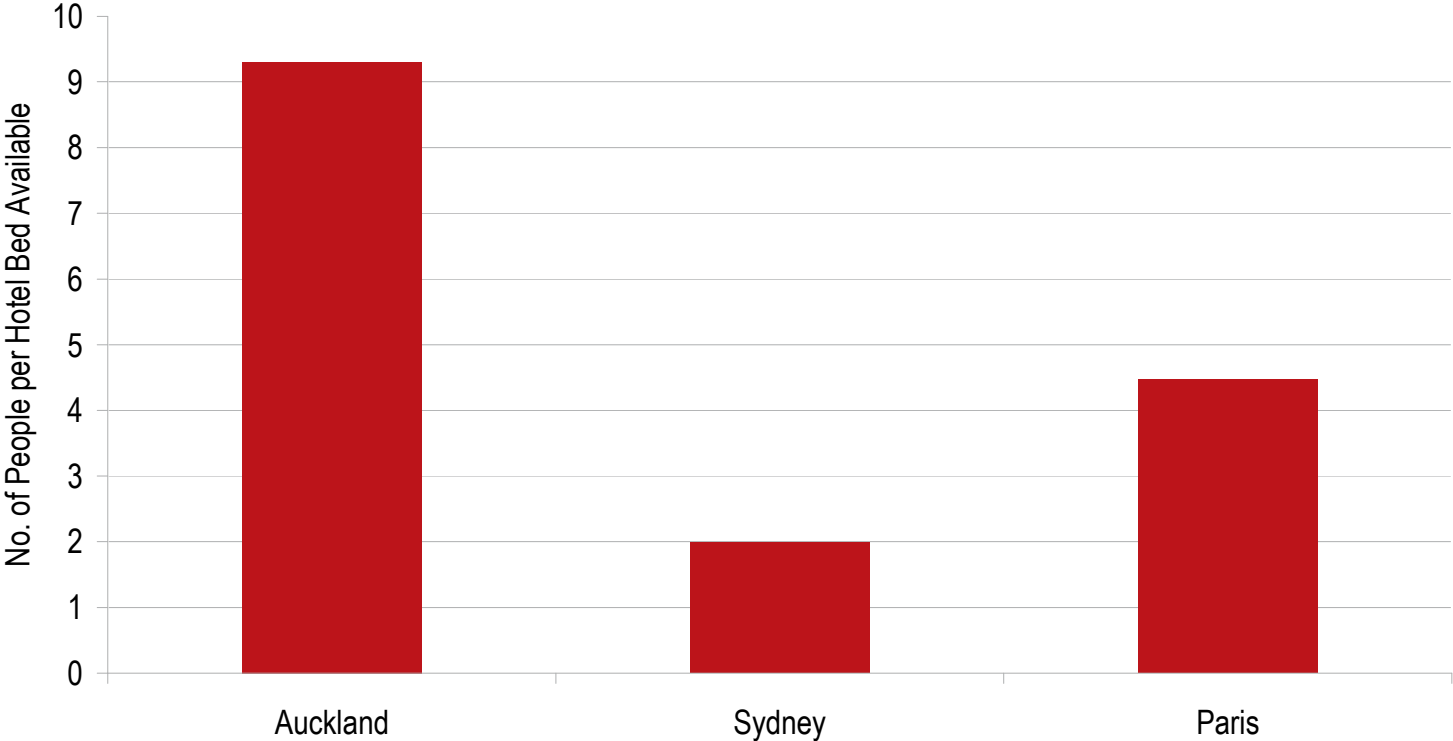
Source: Jones Lang LaSalle Hotels

Hotel Room Inventory by RWC Event



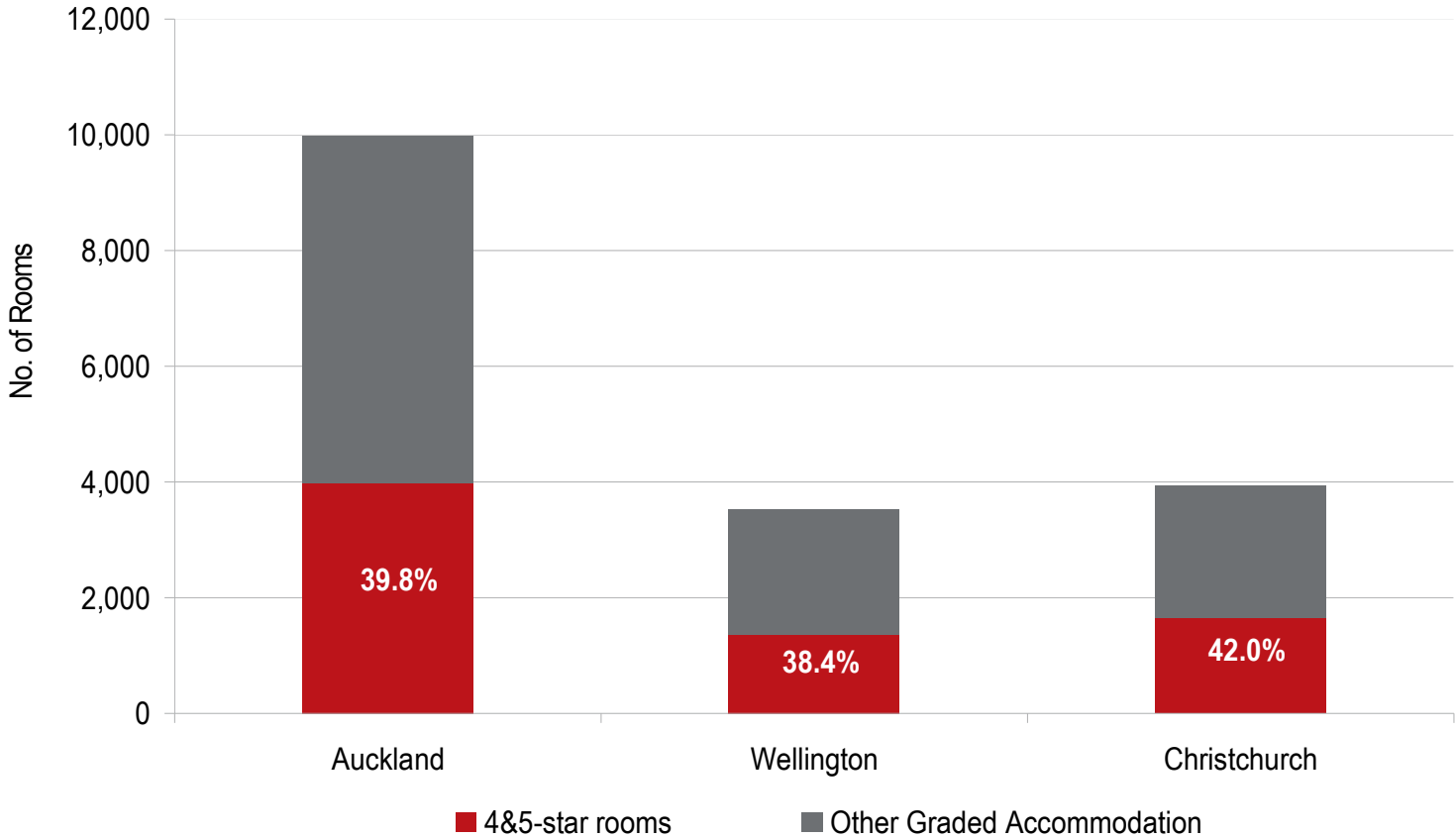
Source: Jones Lang LaSalle Hotels

Ratio of International Visitors Per Hotel Room



Source: Jones Lang LaSalle Hotels

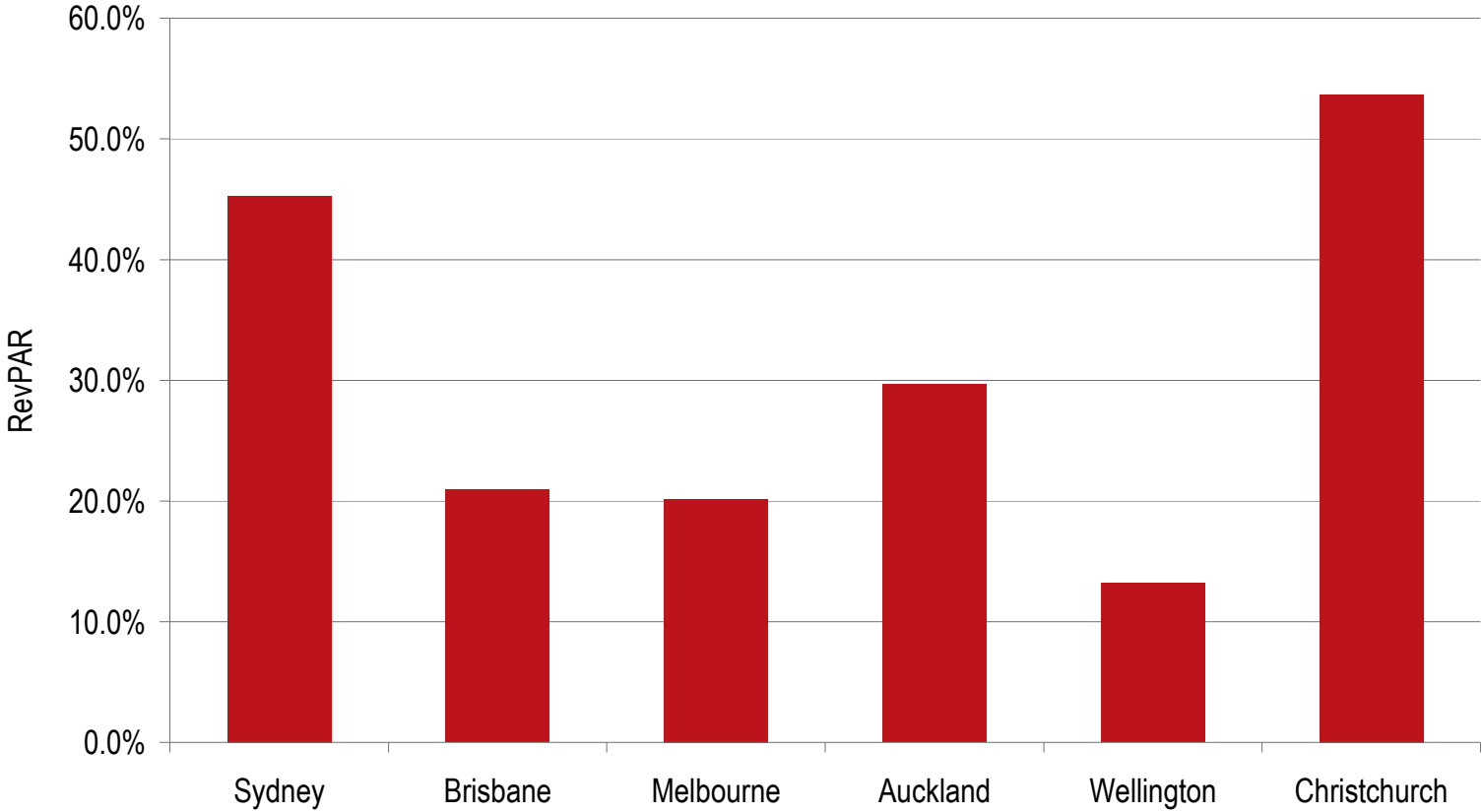
New Zealand 4 and 5 Star Room Capacity



Source: Jones Lang LaSalle Hotels

What Happened at Other Major Tournaments

Impact on Monthly RevPAR

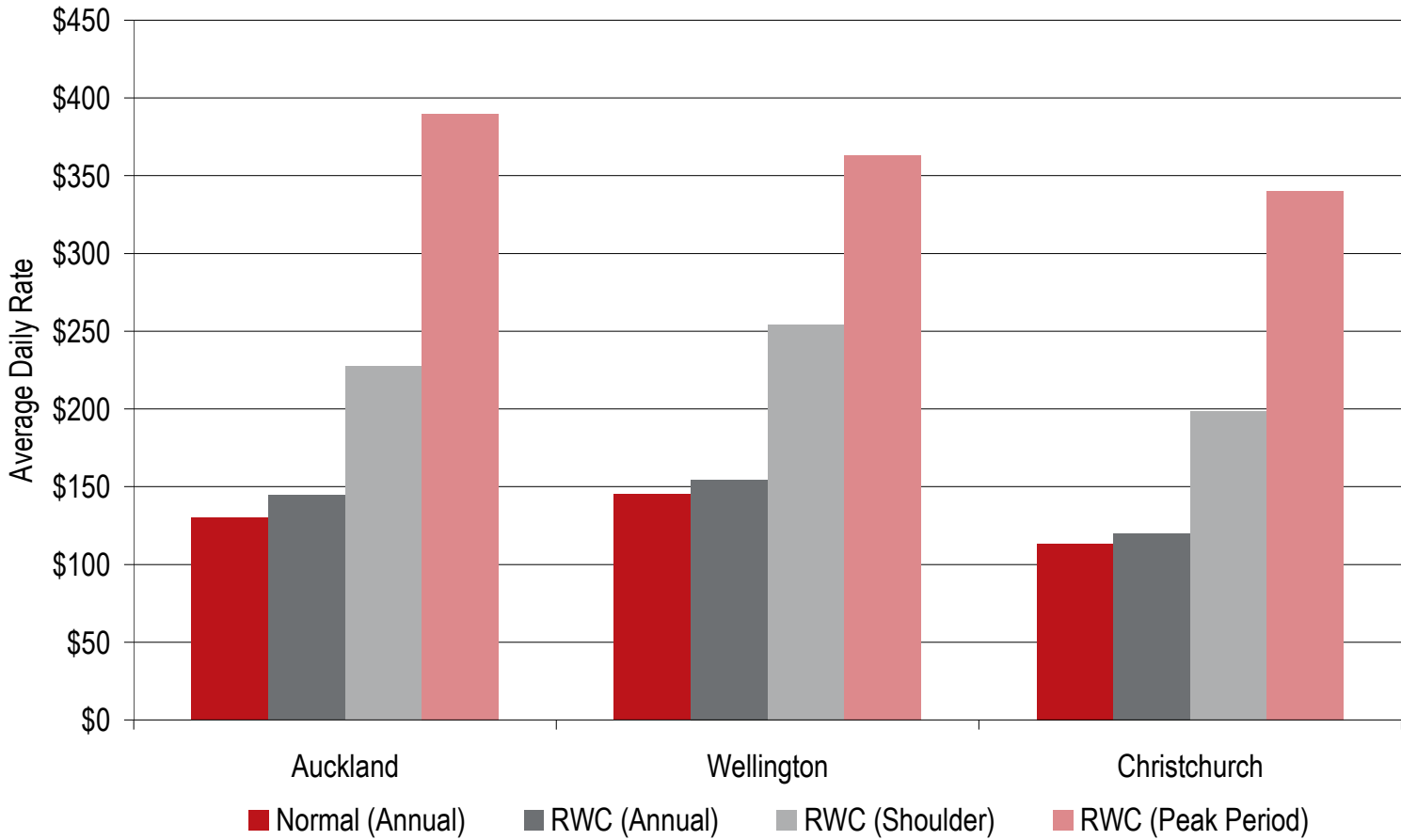


RWC 2003 Australian and DHL Series 2005 NZ

Source: Australian Bureau of Statistics, NZHC, Jones Lang LaSalle Hotels

Financial Impact on the New Zealand Hotel Market

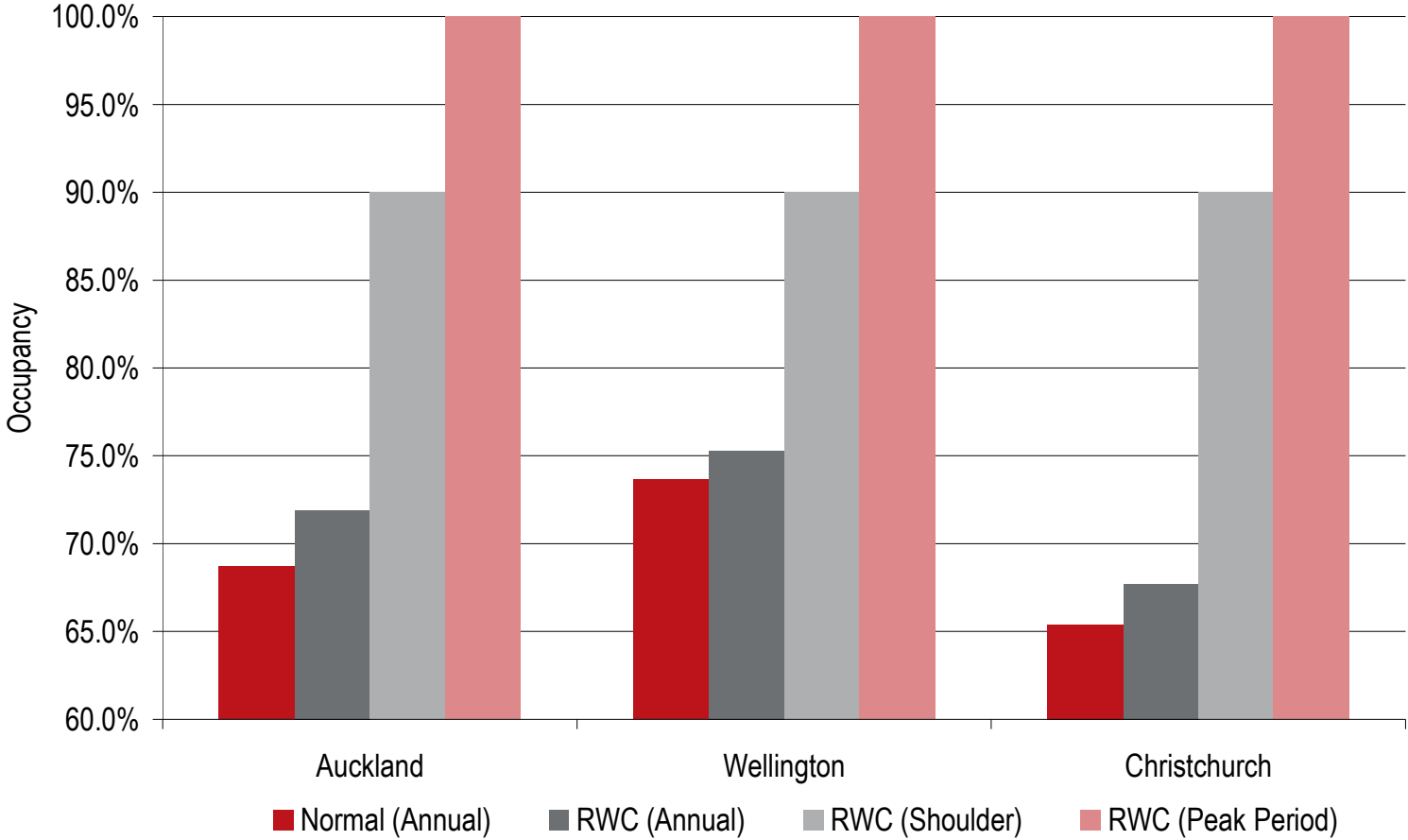
Rugby World Impact on ADR



Source: NZHC, Jones Lang LaSalle Hotels

Financial Impact on the New Zealand Hotel Market

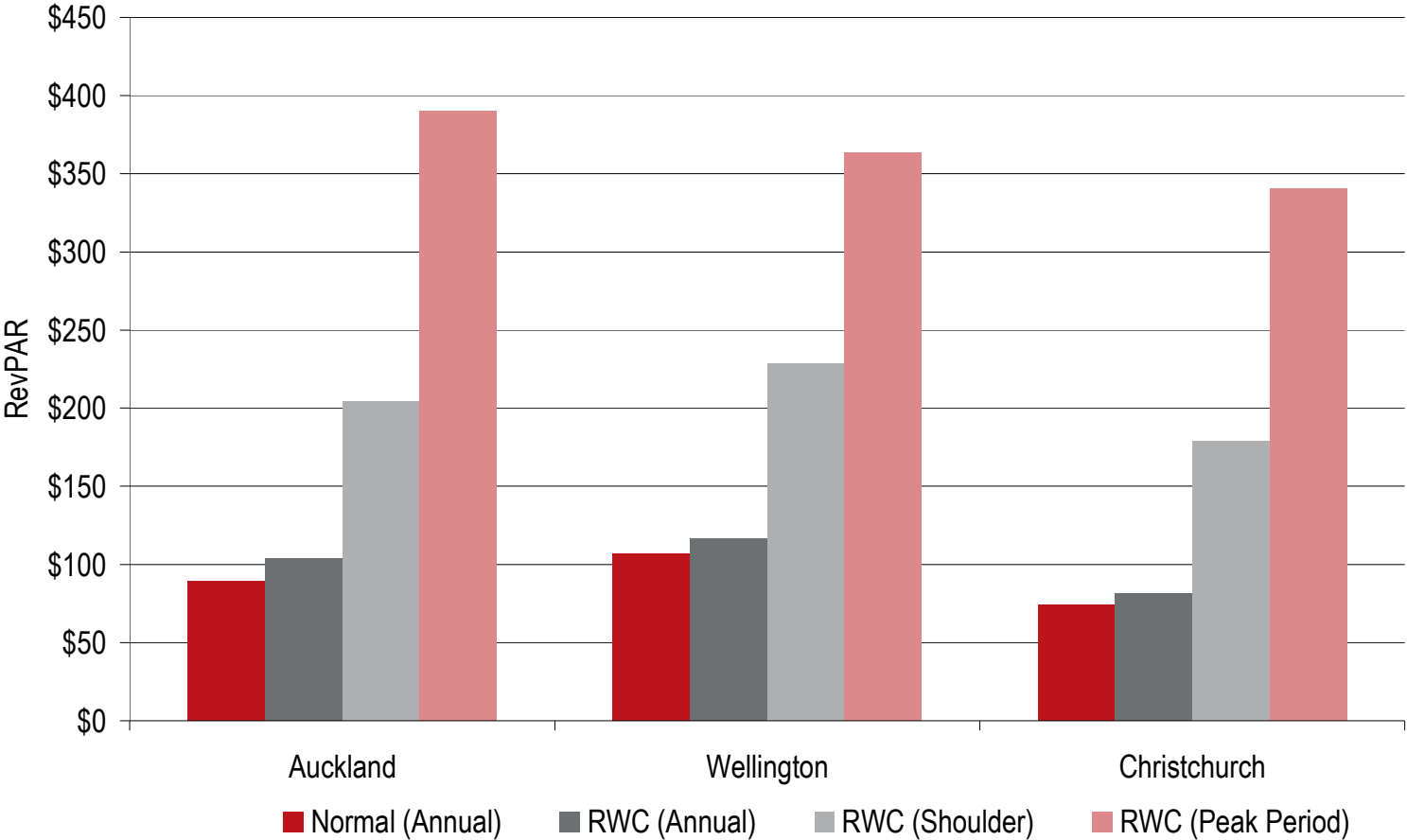
Rugby World Impact on Occupancy



Source: NZHC, Jones Lang LaSalle Hotels

Financial Impact on the New Zealand Hotel Market

Rugby World Impact on RevPAR



Source: NZHC, Jones Lang LaSalle Hotels

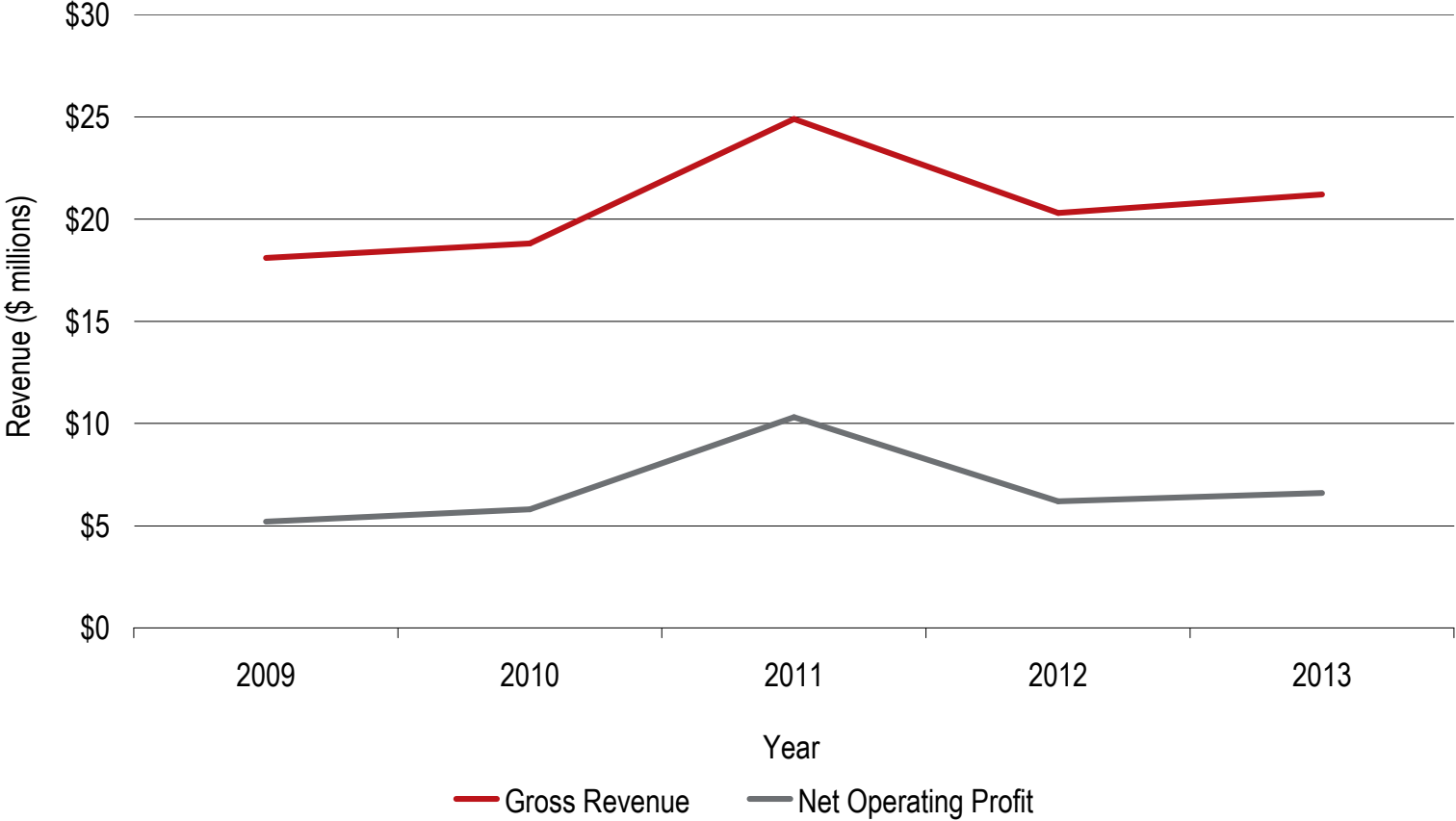
The RWC Revenue Spike – Hotel Industry

Historic and Forecast RevPAR Performance by Major City



Source: NZHC, Jones Lang LaSalle Hotels

The RWC Revenue Spike - Working Example



Source: Jones Lang LaSalle Hotels

Summary & Outlook

- RWC 2011 - event of global proportions and will have significant impact on financial performance of hotels and other accommodation in NZ.
- Most hotels will trade at close to full occupancy especially in areas which host the most games (Auckland, Wellington and Christchurch).
- Rooms rates for hotels located in cities hosting the pool matches likely to be at least twice the normal room rate.
- Room rates for hotels located in cities (or satellite cities such as Hamilton) hosting the quarter, semi and finals likely to be up to 4 times normal rooms rates.
- The annual financial impact of the tournament will create a “revenue spike” for most New Zealand hotels in 2011 and catalyst for improved performance in 2012.



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Thank you

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