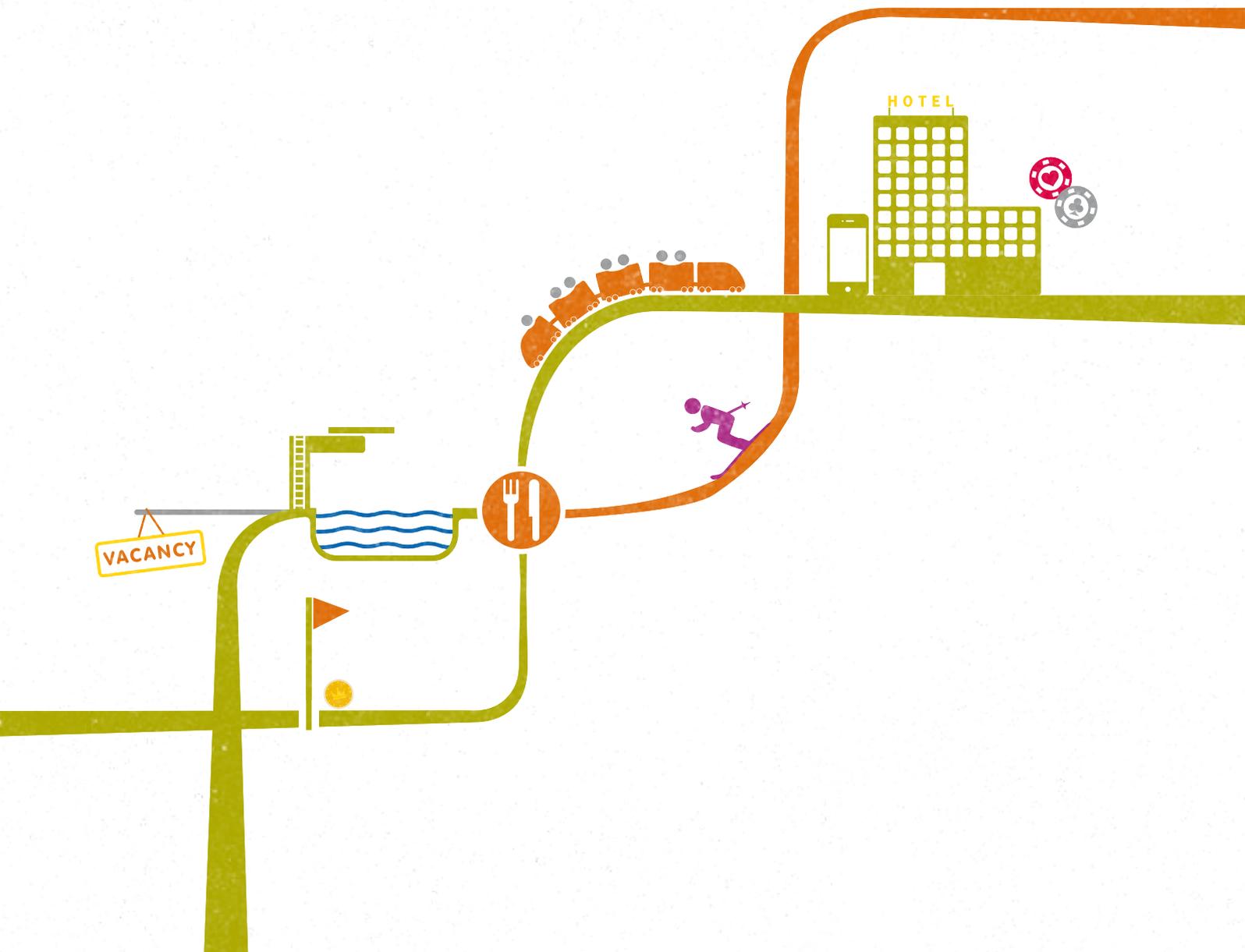


Our global capabilities:
Hospitality and Tourism



Hospitality and Tourism: A welcome return to growth

The Hotel and Tourism industry is putting the global economic crisis behind it. In mature markets, growth has returned and performance is returning to pre-crisis levels. As austerity measures tail off, even in Europe's most severely affected countries (PIIGS), discretionary corporate and individual spend is rising and occupancy rates are up. Meanwhile in emerging markets, including China, Brazil and India, the market is steady, albeit at lower levels than before. The impact of rising civil and political unrest, disease, strikes and extreme weather, all of which disrupt demand patterns, remains to be seen. But the long-term predictions from UNWTO are for a continuing rise in the number of people travelling internationally.

Grant Thornton combines technical knowledge and global reach with deep industry knowledge and local market understanding, to help you to navigate the complexities in the environment to benefit from the return to growth.

Global industry trends

Understanding emerging demand

Demand patterns are changing as the economic landscape develops. Potential high-value customers in large emerging countries, such as China and India, are driving operators' global portfolio and product strategies where considerations around cuisine, language and facilities become critical. The rising travel frequency and growing spending power of Millennials (people born between 1980–2000) also means this group is set to

become the core customer group for hospitality and tourism in the next five years.

Drawing on their understanding of traditional and new markets, our global team can support you to both develop in, and adapt to demand from, new markets. We can also support you to access the necessary finance to acquire, develop, adapt or expand hospitality and tourism assets.

The connected guest

Internet developments (including the growing profile of sites such as TripAdvisor), smart phone usage and social media, are rapidly changing the way that guests – and especially Millennials – interact with businesses. They are also fuelling growth in online peer-to-peer travel services, with the European peer-to-peer market forecast to be worth US\$17 billion by 2017.

In this increasingly connected world, virtual customer touch points are increasing in volume and speed, but remain outside your direct control. This creates opportunities to strengthen relationships, up-sell additional services and better target promotions, but also poses risks related to reputation, personal data, efficient distribution and pricing. A coherent interaction strategy is needed to manage reputational risk and protect sensitive customer data that considers relationships with and via third parties, including aggregator sites.

We can work with you to evaluate opportunities to maximise customer interactions and design processes to support those interactions, so you benefit from the connected guest without putting your customers or reputation at risk.

Which brand at what cost

At the same time as the power of brands in the industry is increasing, the threats to brands through commoditisation, online travel agencies (OTAs) and aggregators is also growing. The importance of national, regional or global marketing, a serious online presence, a credible service promise and loyalty systems are critical to differentiate what is essentially a homogeneous product.

If you are an independent owner or investor we can help you understand which, if any, brand will maximise your market opportunities, and support subsequent negotiations. We can also assist with marketing strategies, boutique brands and alliances to support an independent operation.

Building sustainable businesses

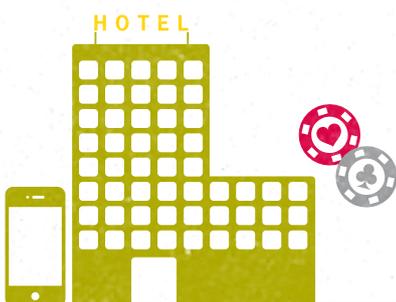
The sustainability agenda is important for the hospitality and tourism industry not only for compliance and ethical reasons, but also commercially. Customers will not necessarily pay more for sustainably sound practices but they increasingly influence purchasing decisions. Perceptions that travel and tourism have a high environmental and cultural impact exacerbate the sensitivity of the industry to poor sustainability practices.

We offer sustainability reporting advisory and assurance services to enhance your integrated reporting. Our advice is in line with international standards, such as the Global Reporting Initiative (GRI), AA1000 and ISAE3000, so that you, your customers and your shareholders can have confidence in the measures that influence the future of your business.

Gaming legislation

The gaming sector is changing as governments consider how to maximise economic activity and government revenues in a sector with potentially negative community impacts. Licensing and tax regulations change, and vary between jurisdictions while the growth in internet gambling challenges land-based operators as well as jurisdictional and regulatory regimes.

Our global gaming specialists can navigate the prevailing legislative and tax regulations in different countries and assist you with structuring your finances for growth. By developing the right internal controls and audits for casinos and other gaming organisations we also ensure you are not losing money and are able to maximise your profit.



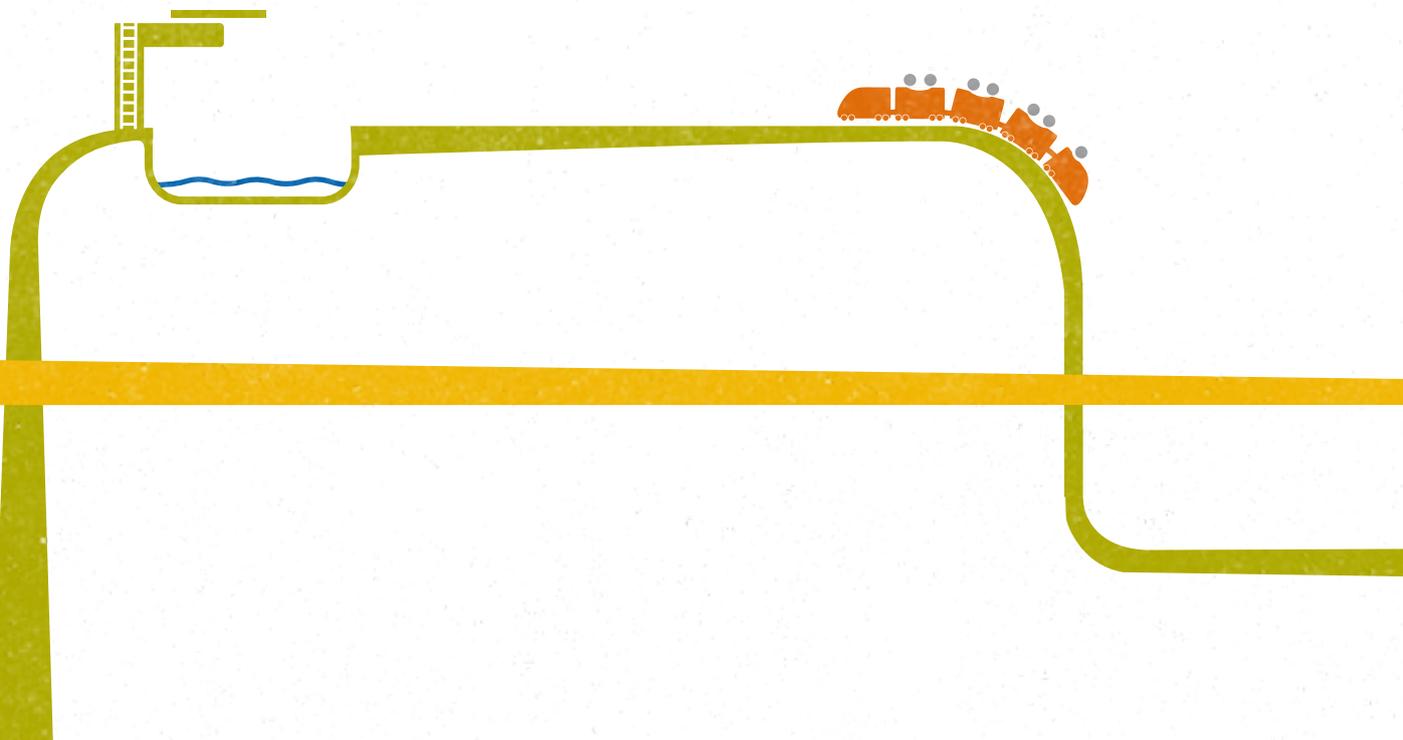
Our solutions

Whether assessing the feasibility of your project, developing your strategy, sourcing funding or improving operations, you need a combination of technical knowledge and local market understanding.

We know that sector expertise plays a key role, and our team has a broad range of hands-on experience in the hotel, and broader hospitality sector, bringing insight and in-depth knowledge of sector trends to projects. Our hospitality and tourism experts in Grant Thornton member firms all around the world work together to share expertise and apply our market knowledge to create bespoke and flexible solutions.

Our implementation is driven by a dedicated team of hotel specialists focused on pragmatic and achievable outcomes. With a vast range of different operating and investment models in the hotel sector, our knowledge of industry and transaction structures is critical to identifying key strategic, operational and financial options, whilst our execution skills ensure effective implementation.

We also have a dedicated real estate team who understand your investment options, including how Real Estate Investment Trusts (REITs) can be part of the financing mix for growth. Our understanding of REITs and established relationships with hotel investors including retail banks, private equity houses and alternative financiers – enable us to support and identify your funding route to growth.



In addition Grant Thornton member firms provide a full range of advisory, assurance and tax services.

Advisory

A range of customised advisory services for the sector.

Financial	Operational	Strategic
Valuation services	Profit/performance improvement	Hotel/market feasibility studies
Asset management	Market channel pricing and strategies	Market entry strategy
Fundraising	Operational due diligence and restructuring	Mergers and acquisitions
Financial restructuring	Interim management solutions	Franchise advice
Financial due diligence	Capex cost/benefit analysis	Hotel operator/brand selection
Insolvency advice	Stakeholder management	Operator/brand negotiations
	Sustainability and integrated reporting	Hotel portfolio benchmarking/review
	Outsourcing	
	Management information systems	

Assurance

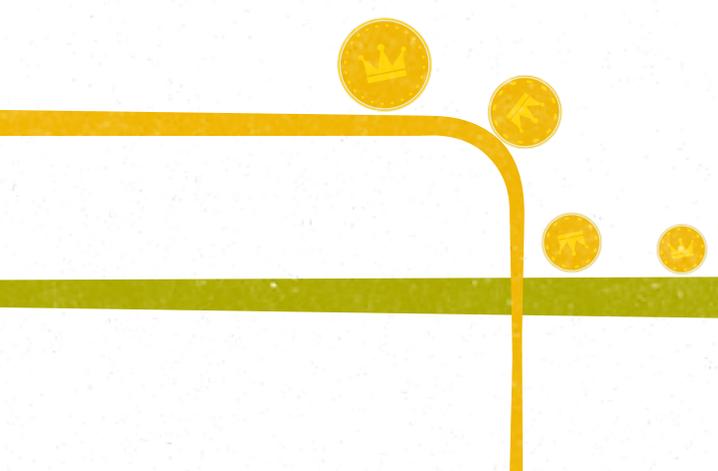
A full range of assurance services for hotels and leisure operators.

- Statutory audits
- Corporate sustainability report assurance
- Information systems audit
- Financial review/private company audit

Tax

Tax services to help international businesses structure their affairs as efficiently as possible.

- Tax planning and transfer pricing
- Tax structuring
- Indirect tax (TOMS) advice/sales
- Personal tax and expat tax services



Clients we serve

Grant Thornton member firms serve a diverse range of clients, from the largest operators in the industry to SMEs, national and local governments, and tourism authorities. The breadth of our client base gives us deep insight into the complexity of how different businesses operate and the variety of issues and risks they face. We understand what it takes to take your business forward at every stage of development, whether you are emerging, growing, maturing or in transition.

Grant Thornton works with
24%
of the top
100
Hotel and
Tourism companies
by global revenue

Selected Hospitality and Tourism clients

- Accor**
- Africa Horizon Tours and Travels Ltd**
- African Sun**
- Carlson Wagonlit**
- Destination British Columbia**
- Equatorial Hotel**
- Miami Marlins**
- NH Hotels**
- Orange Lake Country Club**
- Rainbow Tourism Group**
- Rotana**
- Ryanair**
- Sandals Group**

A global team

Grant Thornton is one of the world's leading organisations of independent assurance, tax and advisory firms. These firms help dynamic organisations unlock their potential for growth by providing meaningful, forward looking advice.

Proactive teams, led by approachable partners in these firms, use insights, experience and instinct to understand complex issues for privately owned, publicly listed and public sector clients and help them to find solutions. More than 40,000 Grant Thornton people across over 130 countries, are focused on making a difference to clients, colleagues and the communities in which we live and work.

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Gillian is Grant Thornton's global leader for hospitality and tourism and is head of Grant Thornton South Africa Advisory Services. Gillian works with diverse clients providing services including tourism and business strategies, feasibility studies, economic impact assessments, destination marketing plans and valuations.

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Doug is a partner of Grant Thornton Canada. He works with hotel operators and franchise groups, government tourism departments, gaming companies and sports centres. His specialisms include hotel strategy and operational improvement, market feasibility, appraisal and valuations, economic impact assessments, and business plans.

United States



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Alvin brings over 36 years of experience working in the hotel industry. He has performed financial statement audits of individual properties as well as public companies and has assisted with acquisition due diligence, including the audit of acquired properties' financial statements. He has worked with REITs, partnerships, corporations and LLC's.

Vietnam



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Ken is the managing partner of Grant Thornton Vietnam and Cambodia. He has 32 years Asian experience and has undertaken corporate finance transactions in many emerging markets. Ken's hospitality and tourism experience includes: financing, advising developers, advising owners on operator selection, working with operators and doing feasibility studies.

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Adrian is a restructuring partner in London with 25 years of experience in advising hotel management teams and wider stakeholder groups in change management, performance improvement and operational and financial restructuring. Adrian has extensive hotel sector experience and leads the UK hotel team.

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Ramón is head of Grant Thornton advisory services in Spain. He has performed M&A advisory, transaction services, restructuring processes and valuation services. His clients include hotel, travel and leisure companies, comprising some of Spain's top hotel groups, online travel businesses and leisure parks.

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