



March 11 , 2004

The Spanish Tourism Industry looking forward



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Gracias

Thank You

Merci

Danke

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WHAT IS EXCELTUR?

- **The 30 leading spanish tourism companies from every sector**
 - With a turnover of 22.000 million € in 2003
 - Over 220.000 direct jobs
 - Operational investments in over 45 countries.
- **Representing approximately 25% of the Spanish tourism industry and 4% of Spain´s total GDP.**

SPAIN ... 50 DAYS AFTER MARCH 11... !!!!

- A totally normalized country and particularly Madrid.
- With a smooth political transition, resulting from our recent elections
- With a stable economy and growing above the European average.
- Spain fully recovered its “Passion for life”.
- Spaniards travelling more than ever within our boundaries....!!!!
- A society strongly unified against terrorism - more than ever ... !!! **They did not win ...!!!!.**

SPAIN ... 50 DAYS AFTER MARCH 11... !!!!

- **In general terms: “ Tourism business as usual”, with the exception of Madrid ... which is still recovering**

- **To better assess the impact of March -11 on Madrid and the overall Spanish Tourism Industry, EXCELTUR carried out an specific survey**
 - Between the 16 of March and 8 of April, 2004

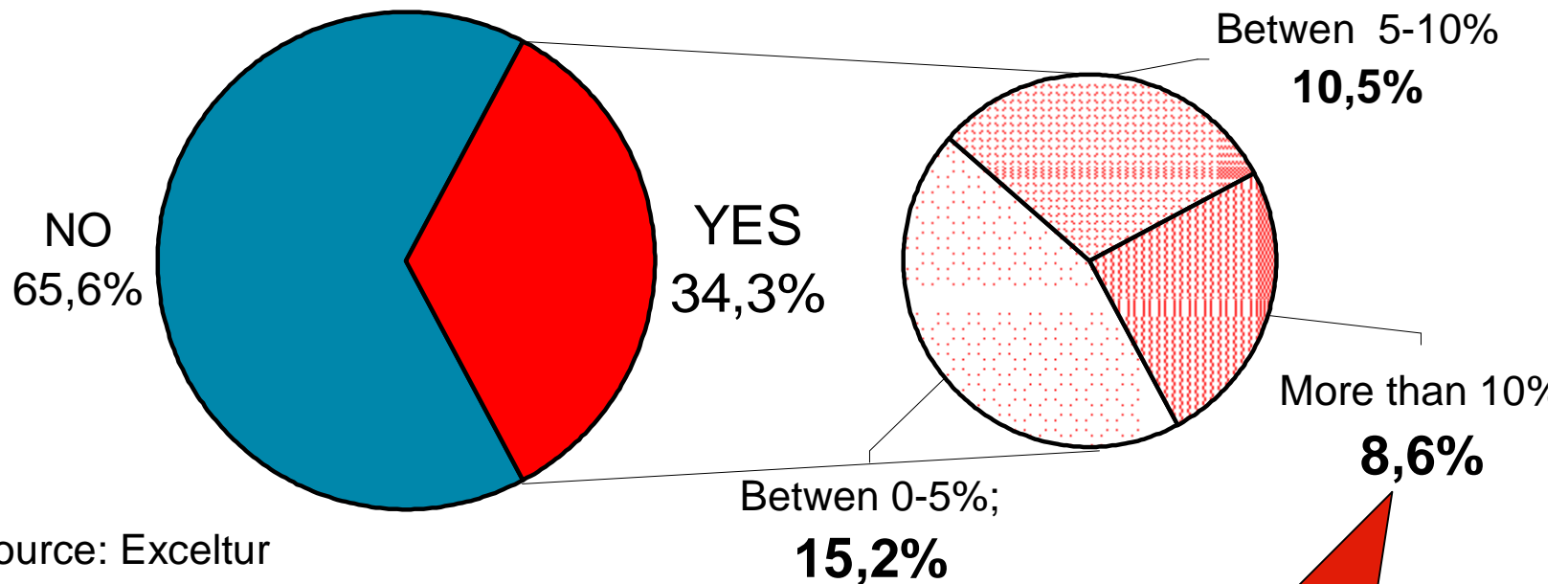
 - To 1,200 spanish business units from the following sectors: Airlines, railways, Cruises, Hotels, Travel Agencies, Theme Parks, Golf Courses, Credit cards, etc.

 - The following slides show a summary of the main conclusions

IMPACT IN THE SHORT TERM

¿Have your sales experienced any downtrend after the 11-M events?

RESULTS FOR THE TOTAL SPANISH TOURISM INDUSTRY

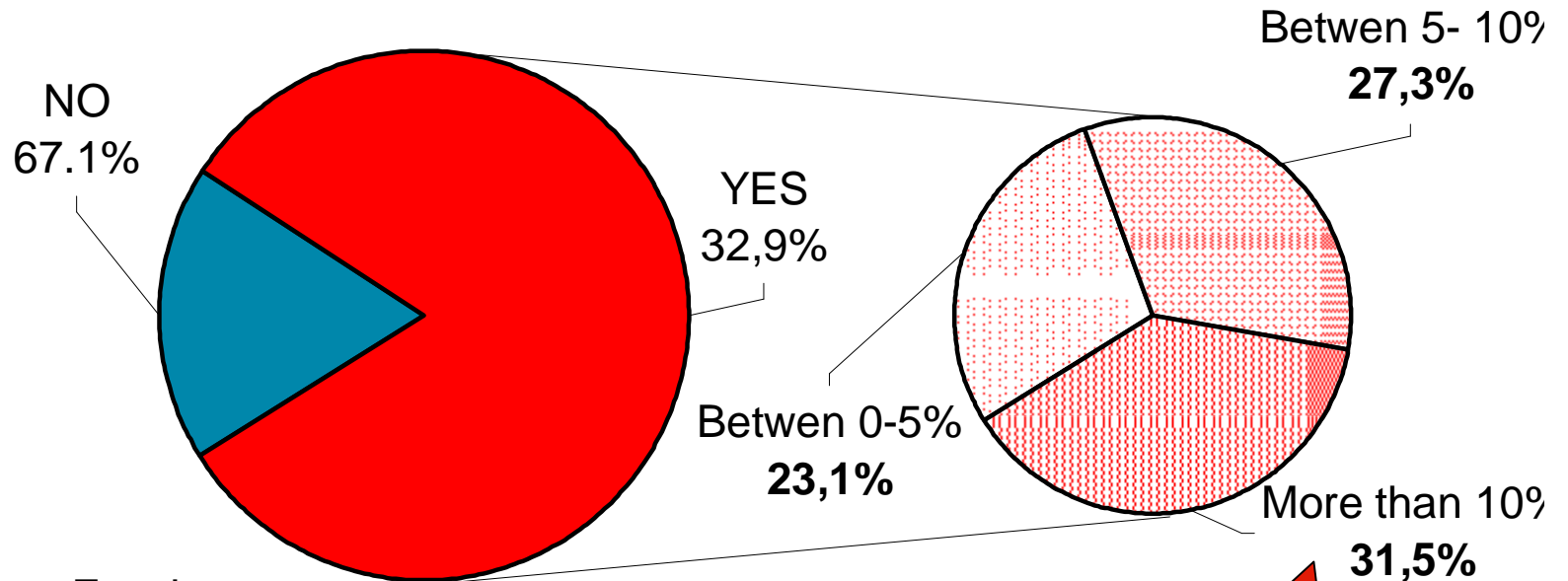


Source: Exceltur

Only a few number of companies were affected in over 10% of their sales

SHORT TERM IMPACT IN MADRID

¿Have your sales experienced any downtrend after the 11-M events?
MADRID HOTELS

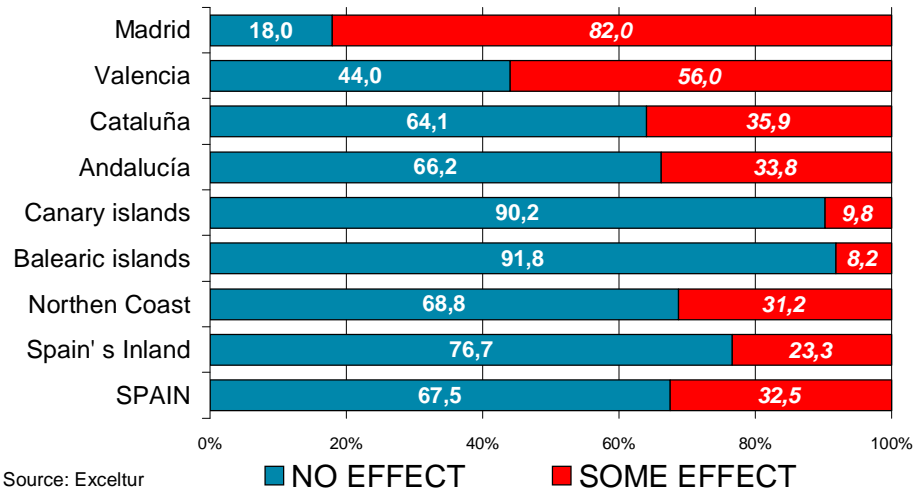


Source: Exceltur

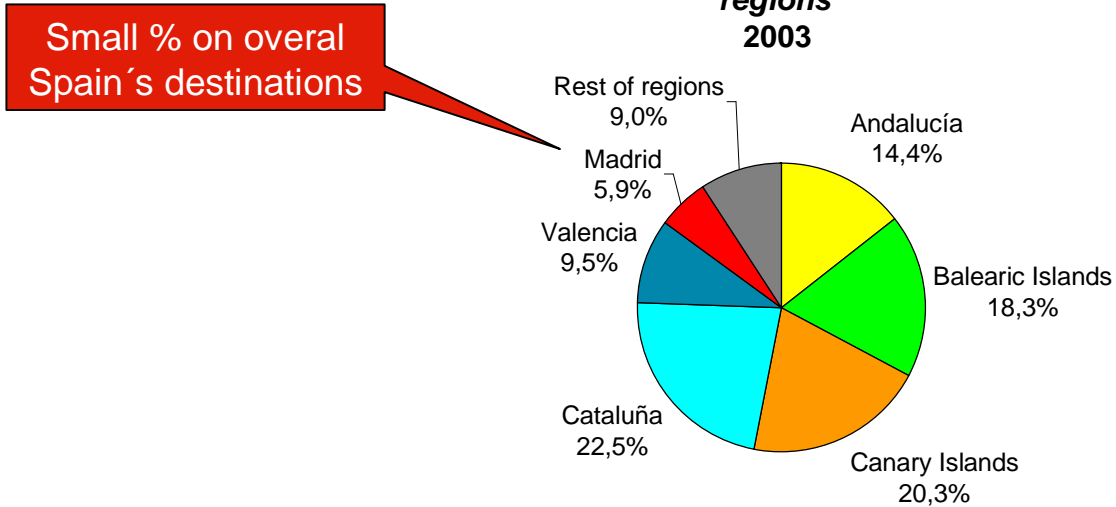
A significant number of hotels were affected by over 10% of their sales

IMPACT IN THE SHORT TERM

¿Have you experienced any short-term effect on your sales after the 11-M events?
(%)



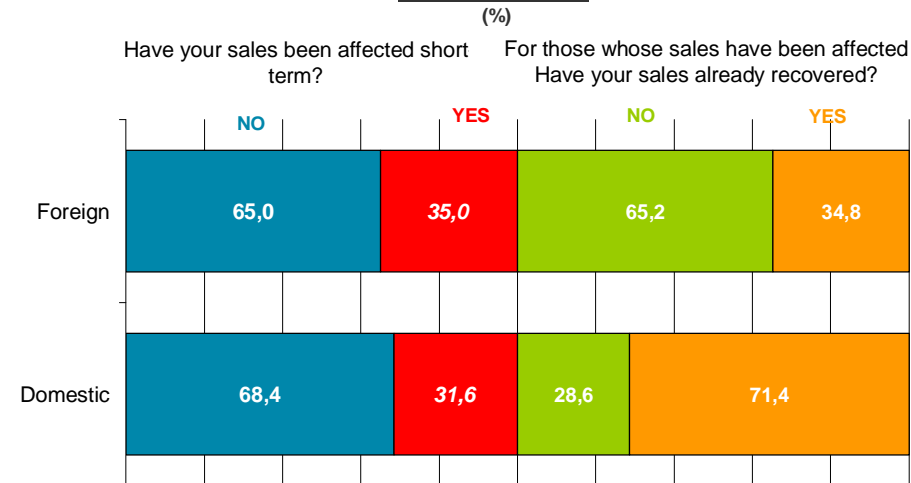
Structure of foreign Tourism arrivals by spanish regions 2003



Source: Spanish National Tourism Statistics

IMPACT IN THE SHORT TERM

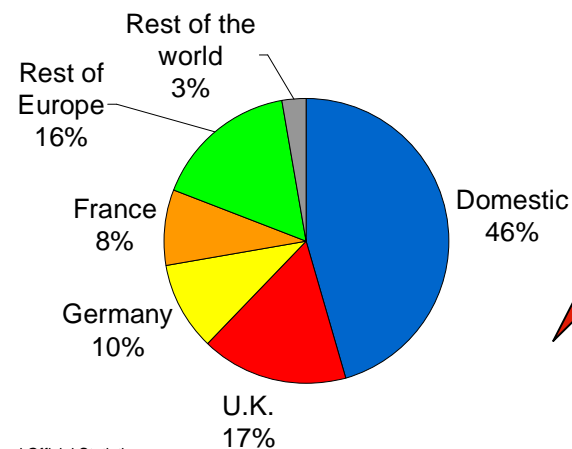
Different business opinions according to the two main markets



Fuente: Exceltur

Domestic Demand immediately recovered

Spanish Tourism demand structure by markets 2003



Domestic + UK + Germany = 73% of the market

Source: Spanish National Official Statistics

ACCOMMODATION - THE MOST CONCERNED SECTOR

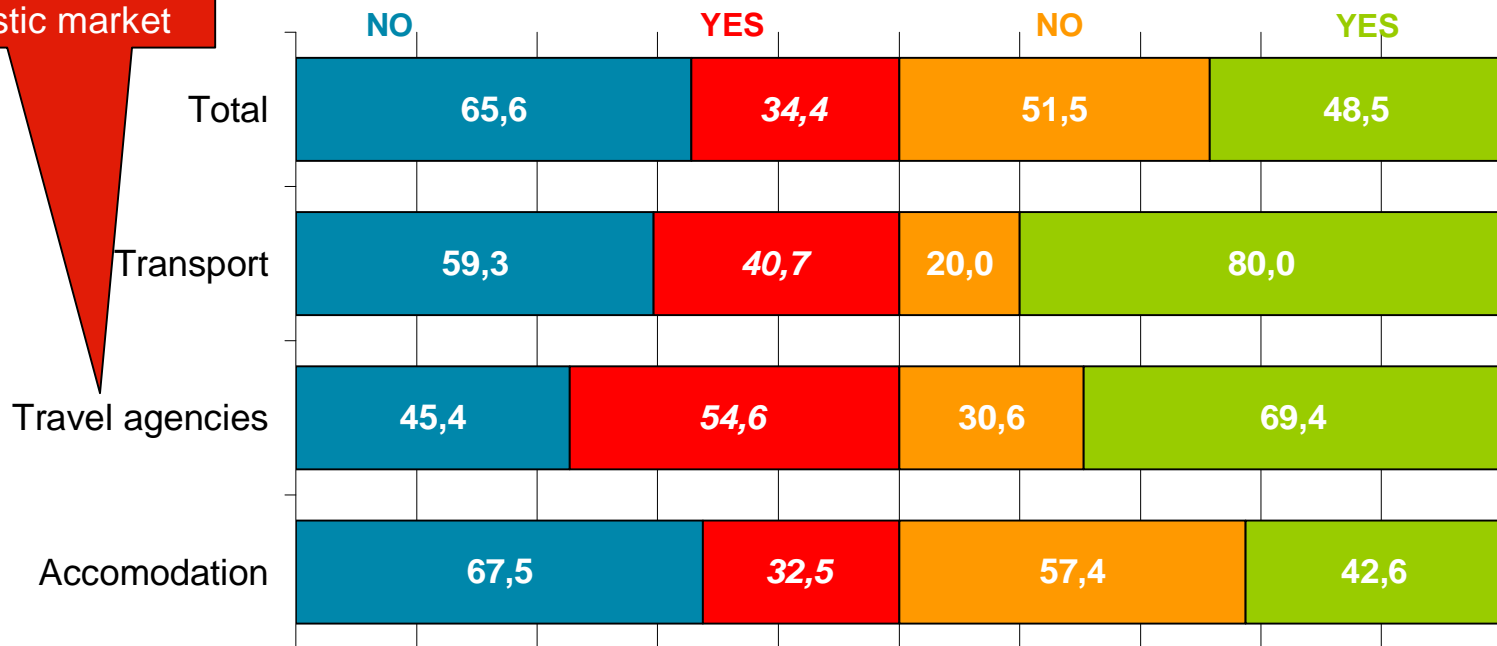
Different business opinions according to the various Spanish tourism industry sectors

(%)

Have your sales been affected short term?

For those whose sales have been affected
Have your sales already recovered?

Fully dependant of the spanish domestic market



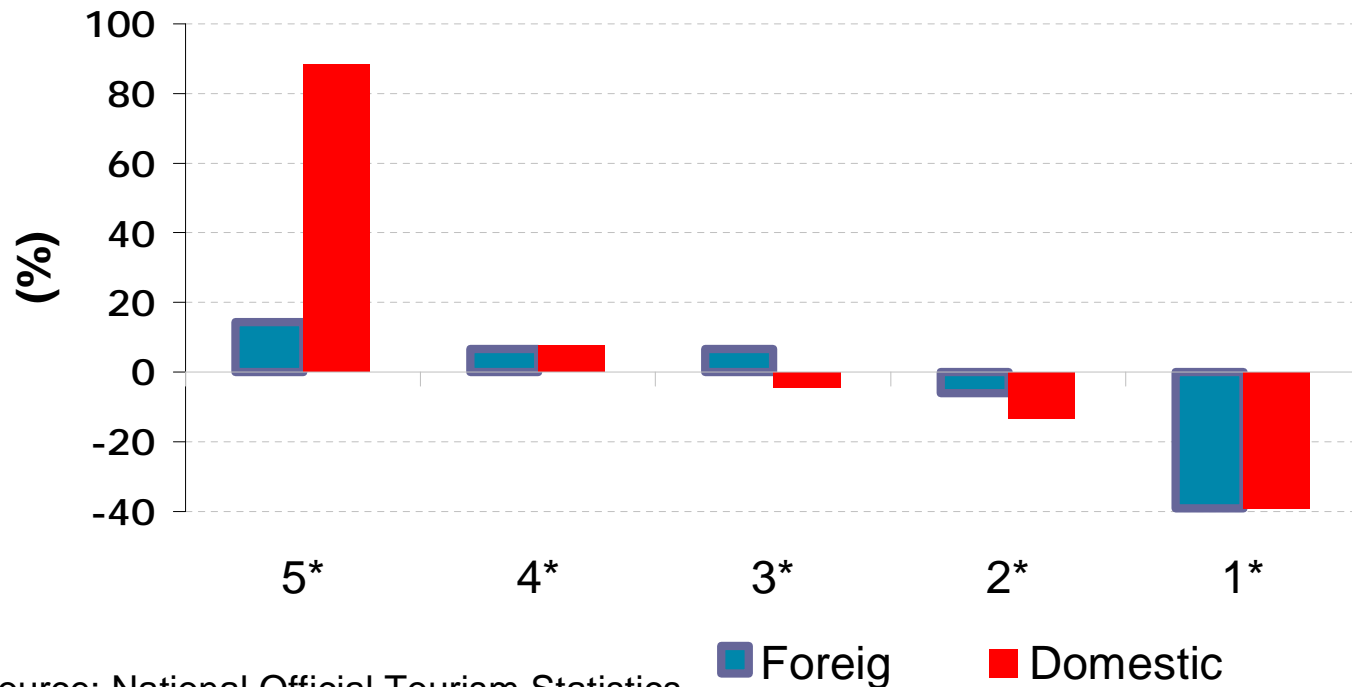
Source: Exceltur

ACCOMMODATION - THE MOST CONCERNED SECTOR

Lower category hotels in Madrid, the most affected ones



*Roomnight performance at Madrid's
Hotels by categories in March
(% year by year growth rate)*

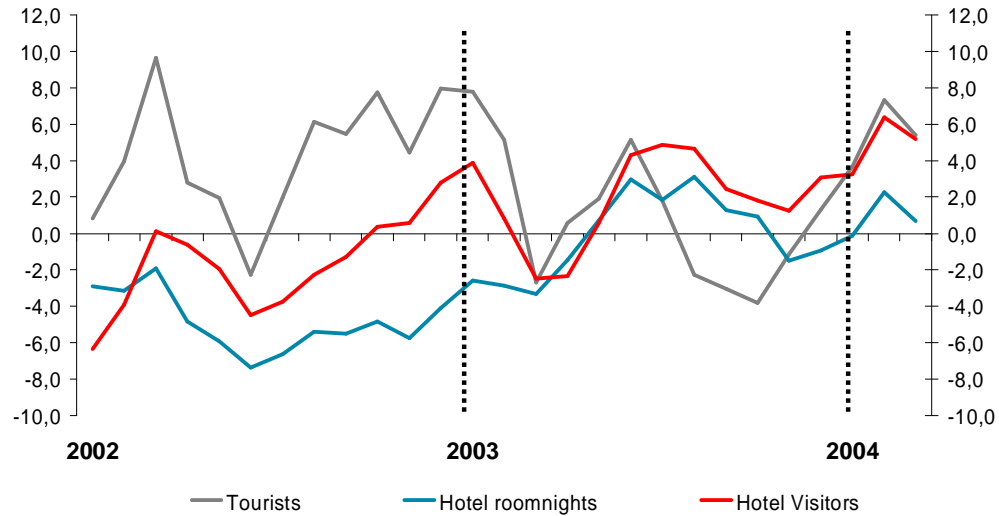


Source: National Official Tourism Statistics

OFFICIAL STATISTICS - RECONFIRMING EXPECTATIONS



Foreign tourism indicators
 (% quarterly average year by year growth rate)



Source: National Official Statistics

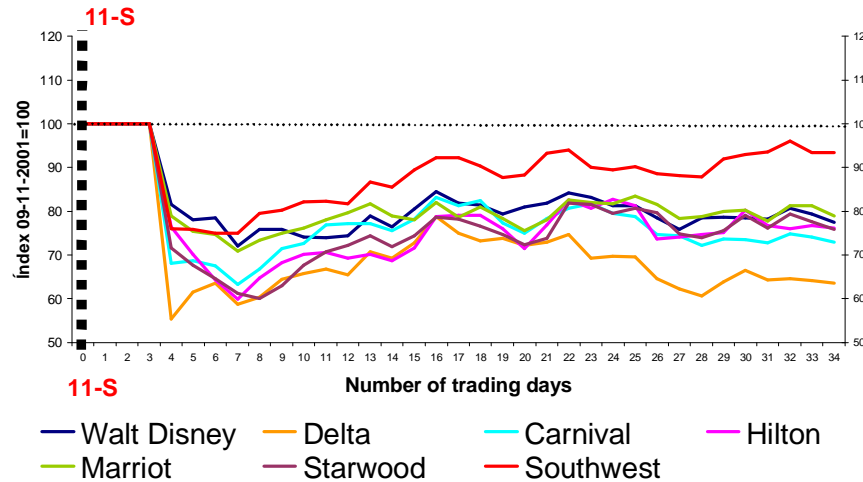
Domestic Tourism indicators
 (% quarterly average year by year growth rate)



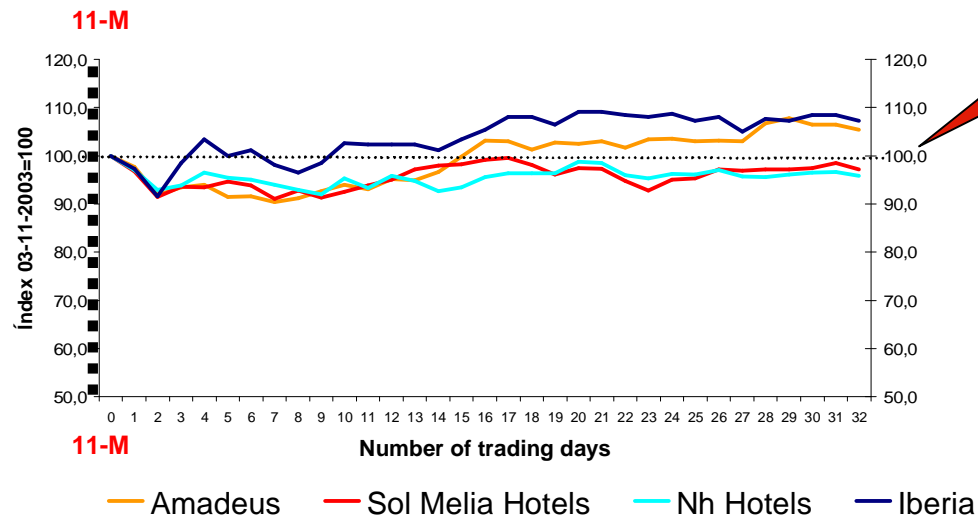
Source: National Official Statistics

FAST RECOVERY OF SPANISH TOURISM QUOTATIONS

Stocks performances of some relevant U.S. quoted tourism companies after the 11-S events



Stocks performances of all the spanish tourism quoted companies after the 11-M events

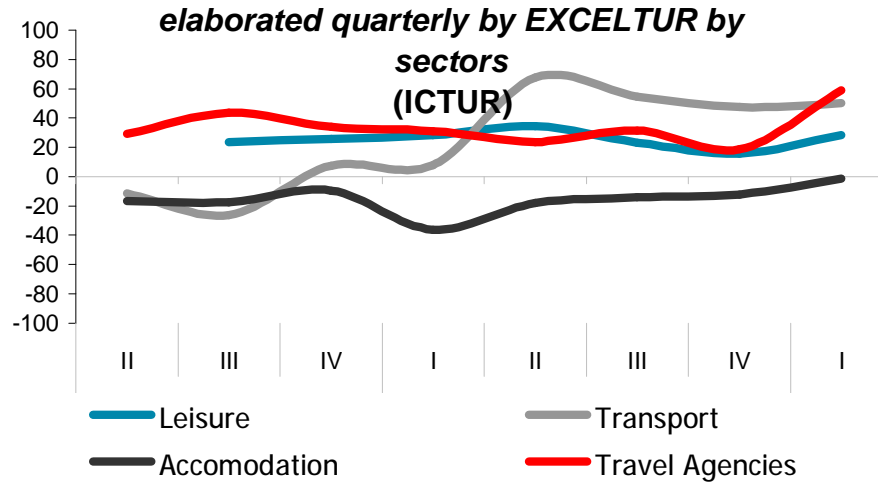




FUTURE EXPECTATIONS

EXCELTUR'S FUTURE BUSINESS CONFIDENCE INDEX GROWING

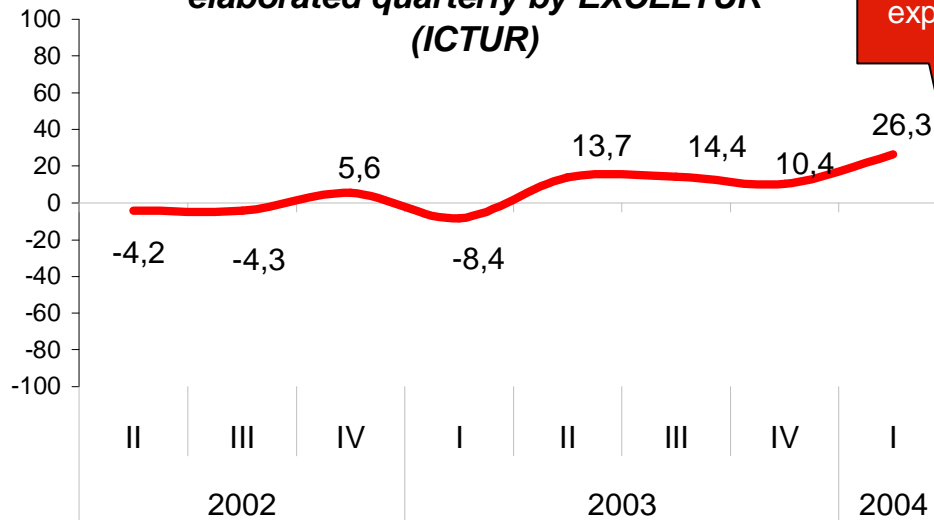
Spanish Business Tourism Confidence Index



Source: Exceltur

Spanish Tourism Business Confidence Index

elaborated quarterly by EXCELTUR (ICTUR)



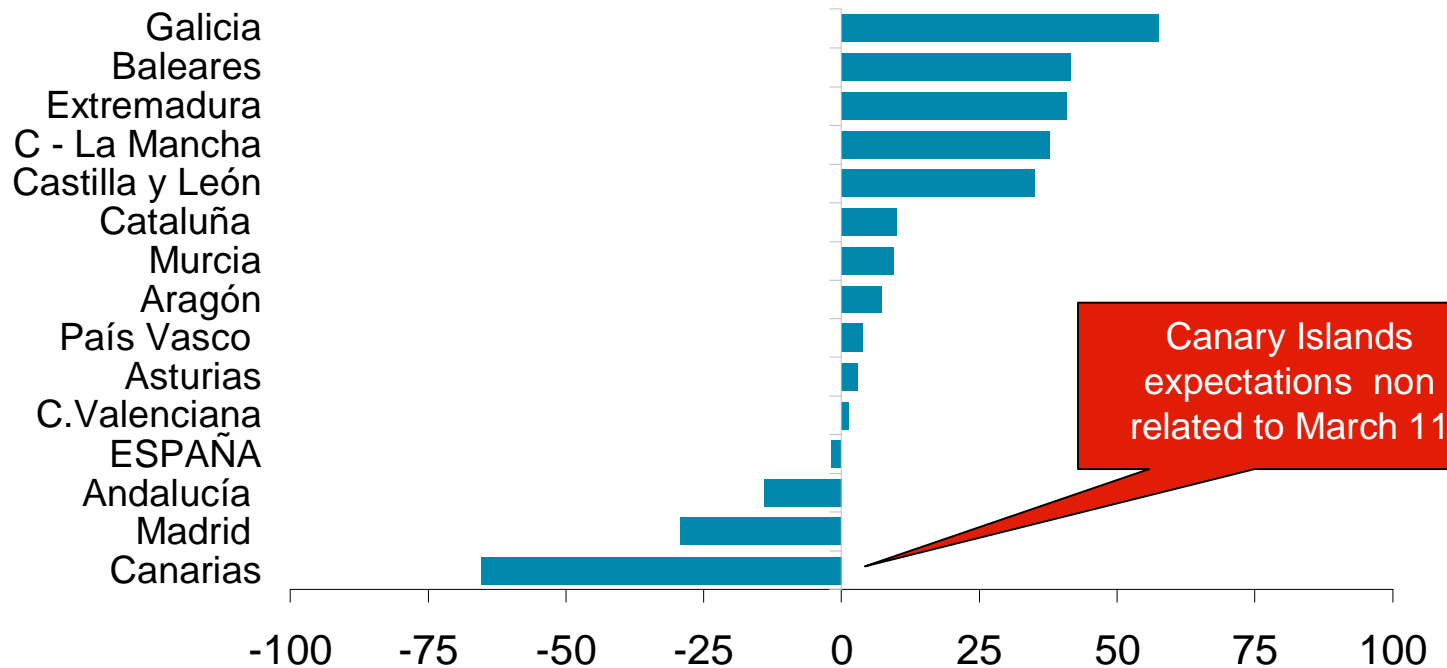
Promising & growing expectations for the future

Source: Exceltur



SPANISH REGIONS LOOKING INTO THE FUTURE

Spanish Business Tourism Confidence Index elaborated quarterly by EXCELTUR by Spanish Regions (ICTUR) 1st. Q 2004

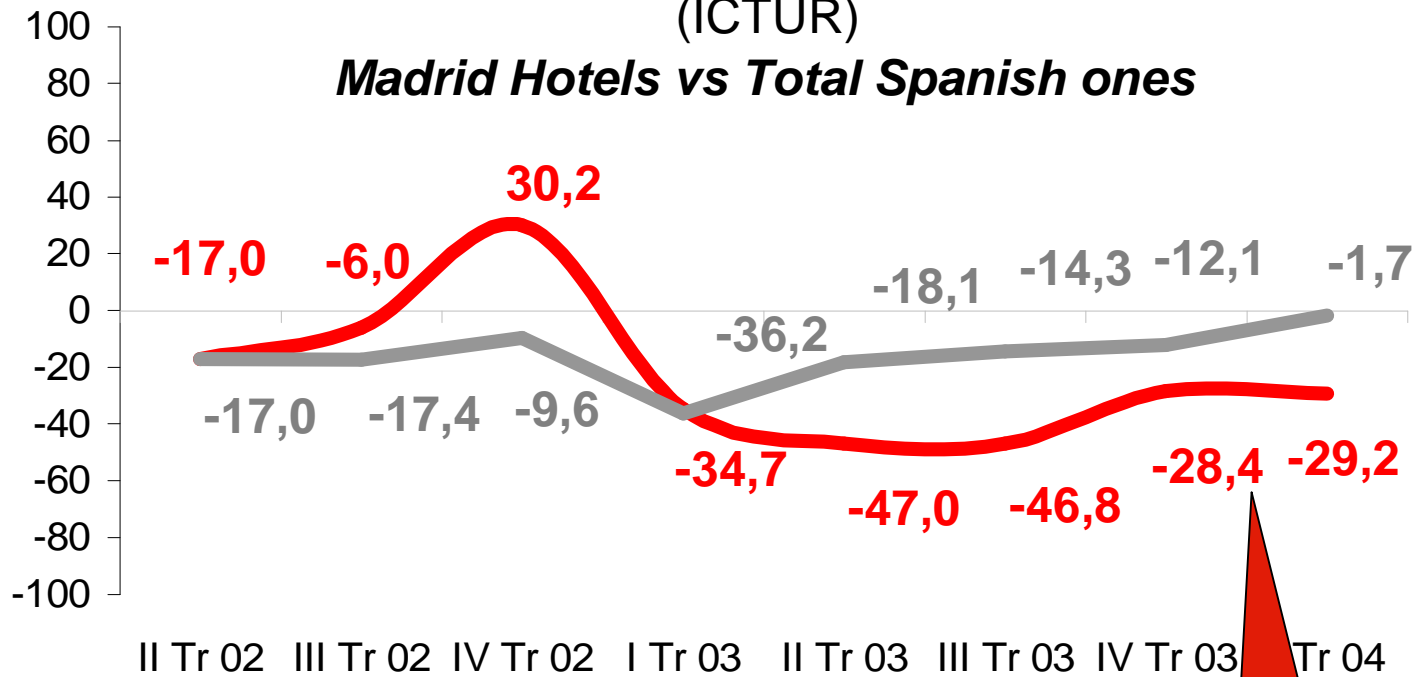


Source: Exceltur

MADRID HOTELIERS - CONCERNED ABOUT THEIR FUTURE

**Spanish Tourism Business Confidence Index
elaborated quarterly by EXCELTUR
(ICTUR)**

Madrid Hotels vs Total Spanish ones

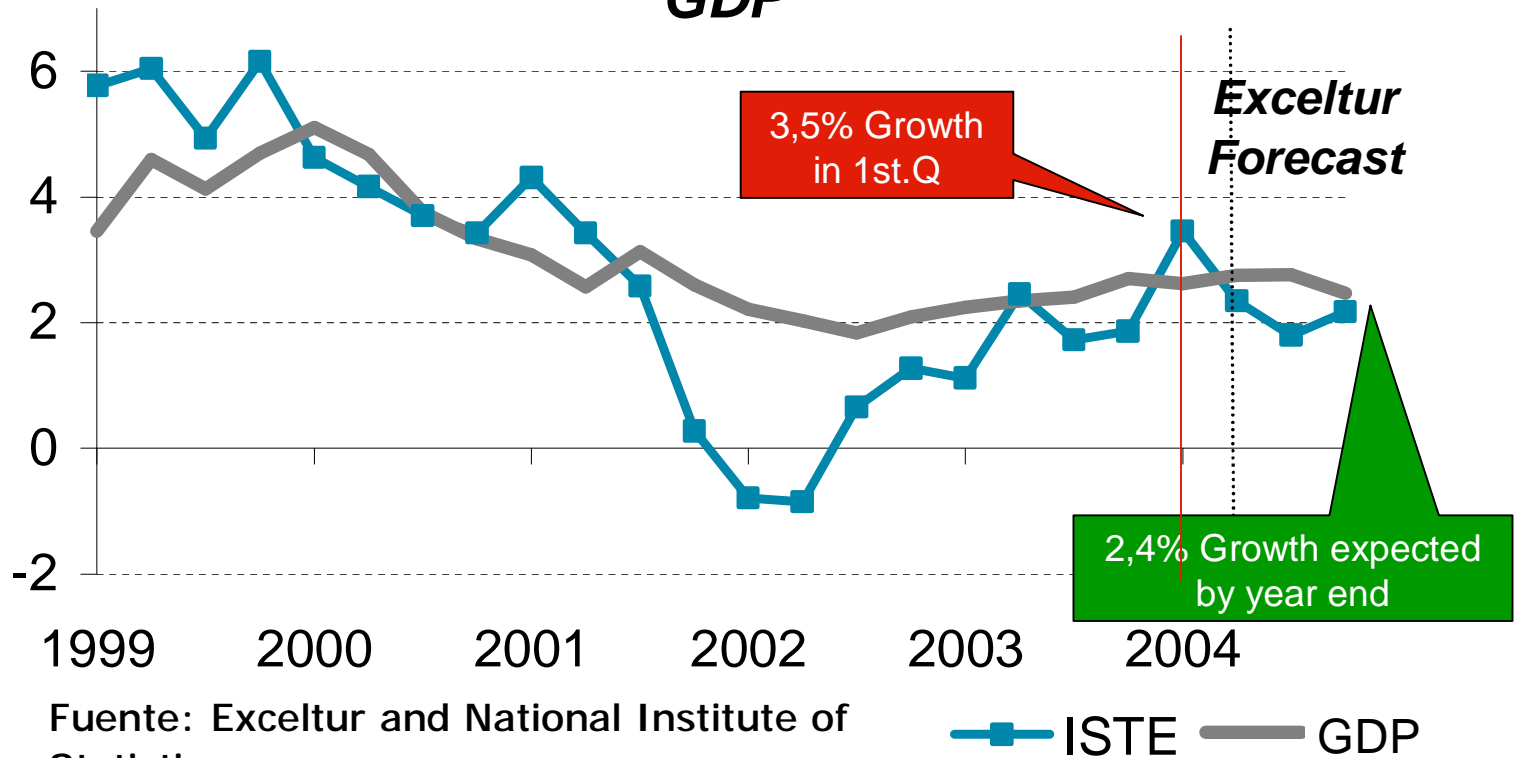


— Madrid — Spain

Source: Exceltur

Although they were already concerned before March 11 by Growing Overcapacity

**ISTE: EXCELTUR's tourism GDP Index
comparable to the Spanish economy
GDP**



Forecasts related to foreign markets

EXCELTUR FORECAST FOR THE SPANISH TOURISM INDUSTRY

	2000	2001	2002		2003		Total 2004 (F)	
	%	%	%	Nº	%	Nº	%	Nº
ISTE: Exceltur's indicator of the spain's tourism GDP	4,3	2,8	-0,2	--	1,8	--	2,4	--
Foreign tourism revenues	11,0	8,5	-3,0	35.543,4	3,4	36.751,9	4,6	38.456,3
Average revenue per foreign tourist	8,4	3,8	-6,1	679,3	3,2	701,0	3,2	723,2
Total Foreign Tourists arrivals	2,4	5,1	3,4	52.326.767	0,0	52.312.424	1,6	53.171.772
Tourism arrivals from the 5 main markets for Spain	1,6	5,3	4,3	37.999.594	1,1	38.409.307	2,0	39.163.459
German arrivals	-3,6	-2,6	-6,2	10.211.494	-3,6	9.846.116	0,1	9.855.724
U.K. arrivals	8,7	5,2	4,0	14.697.387	9,4	16.079.615	3,6	16.660.212
French arrivals	-0,9	17,8	19,7	8.143.463	-5,3	7.714.134	2,2	7.882.979
Italian arrivals	2,9	1,8	3,8	2.532.055	-5,7	2.386.887	1,5	2.422.447
Dutch arrivals	-3,7	8,5	11,3	2.415.193	-1,4	2.382.555	-1,7	2.342.097

Source: National Official Statistics and EXCELTUR forecasts (F)

IN SUMMARY

- **The spanish Tourism Industry quickly overcame the effects of March 11.**
- **Madrid is on the track to a prompt recovery in full**
- **Madrid will shine in May more than ever on the ocassion of the forthcoming wedding of our Crown prince.**
- **SPAIN WELCOMES ALL OF YOU TO KEEP VISITING US AGAIN AND AGAIN...AND AGAIN...**



**THANKS FOR YOUR
CONFIDENCE IN
SPAIN
AND FOR YOUR
CONTINUOUS BUSINESS
SUPPORT**



THANKS FOR MAKING TRAVEL & TOURISM THE LARGEST ECONOMIC SECTOR IN SPAIN

12% of Spain's GDP

1,500,000 direct jobs



A TOURISM PARTNERSHIP WORKING TOGETHER TOWARDS THE FUTURE



José Luis Zoreda
Chief Executive Officer
EXCELTUR
DOHA , 2nd. May 2004