



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 ...!!!!.**

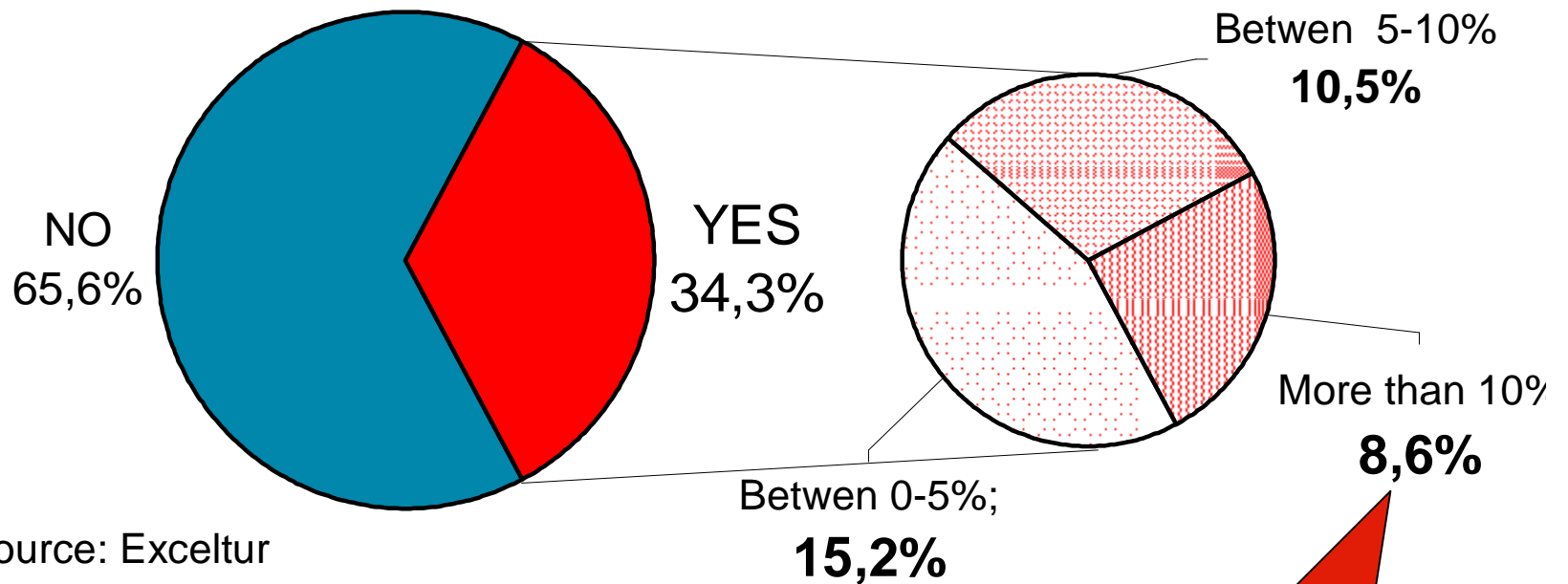
SPAIN ... 50 DAYS AFTER MARCH 11... !!!!

- **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

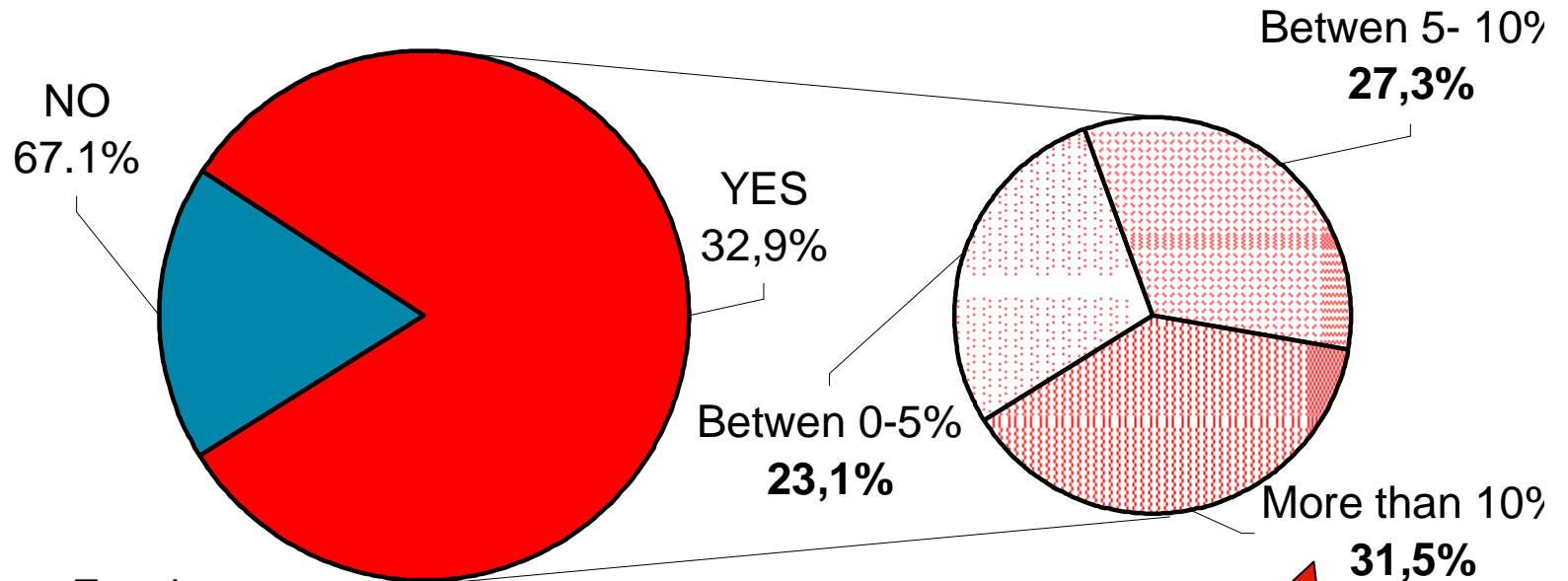


Source: Exceltur

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

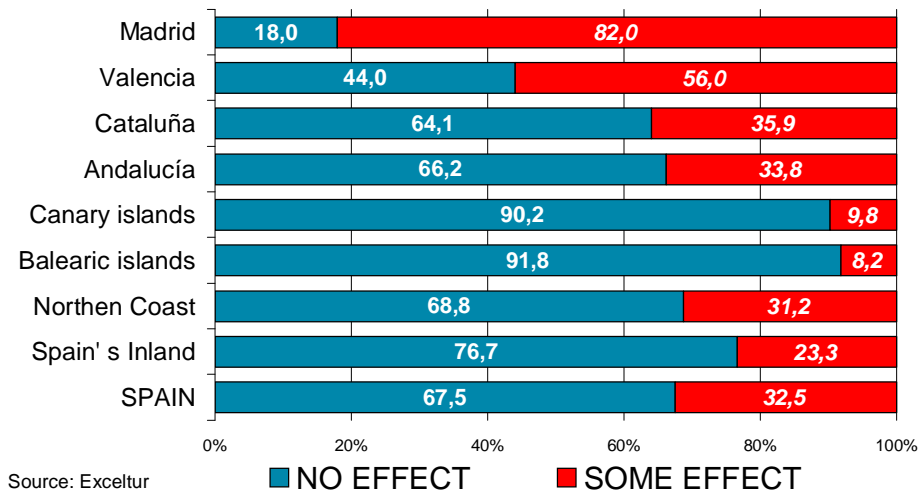


Source: Exceltur

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

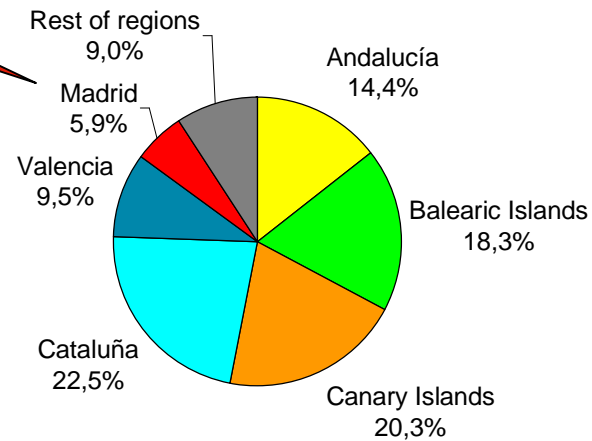
IMPACT IN THE SHORT TERM

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



Structure of foreign Tourism arrivals by spanish regions 2003

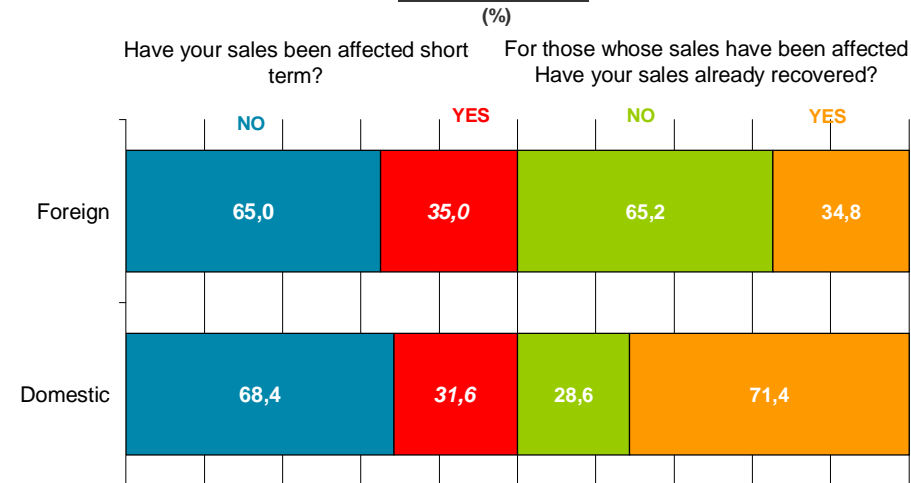
Small % on overall Spain's destinations



Source: Spanish National Tourism Statistics

IMPACT IN THE SHORT TERM

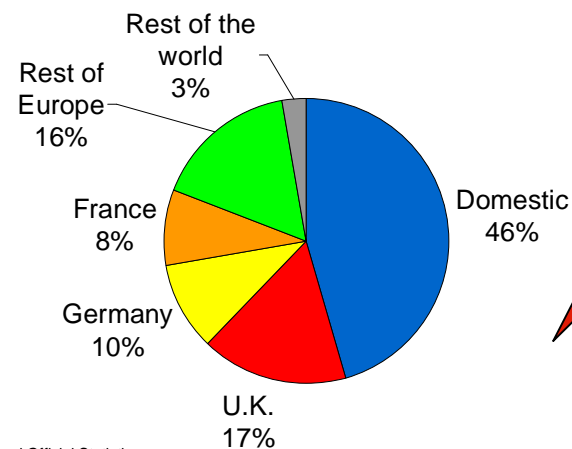
Different business opinions according to the two main markets



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

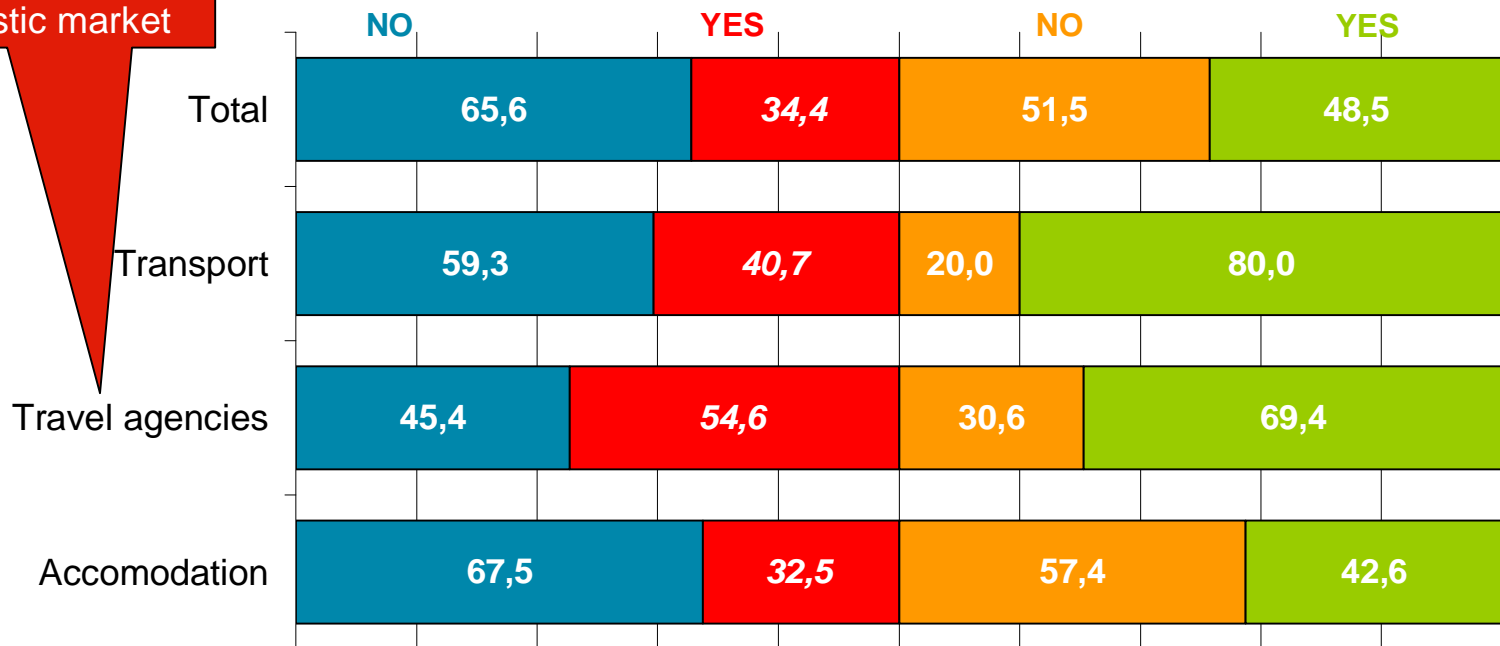
Different business opinions according to the various Spanish tourism industry sectors

(%)

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

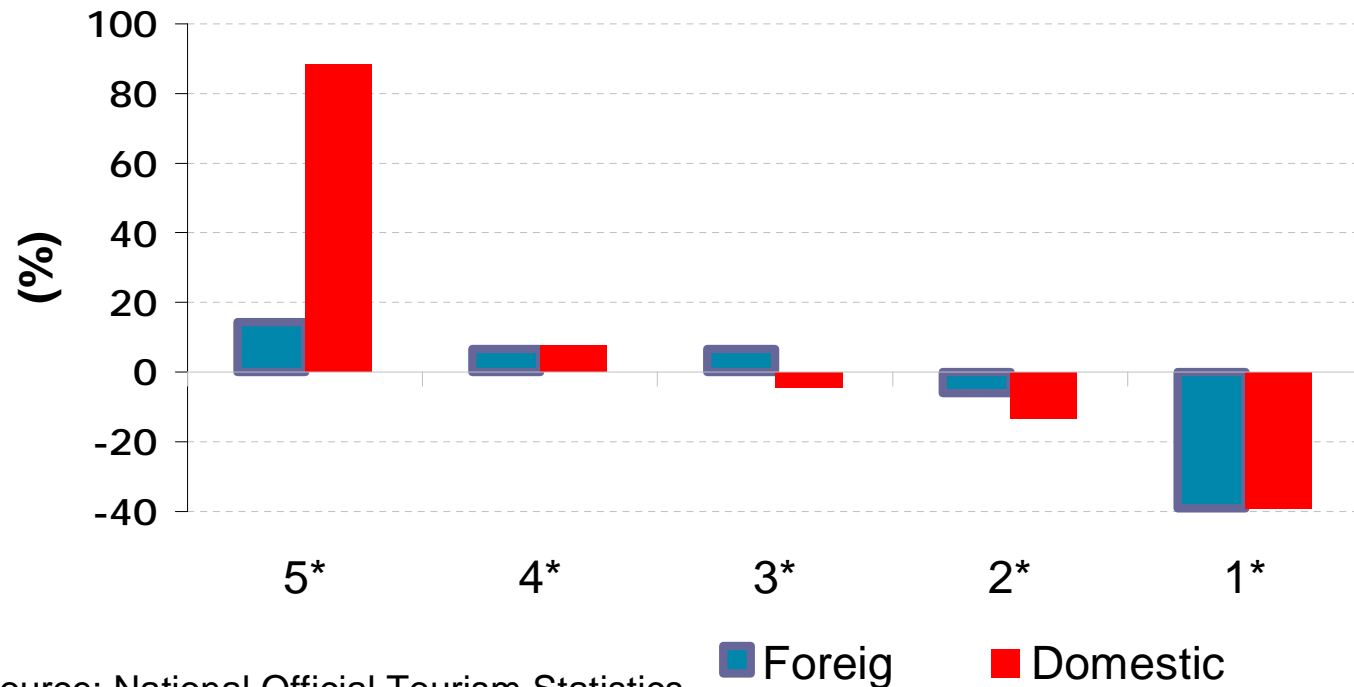


Source: Exceltur

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)*

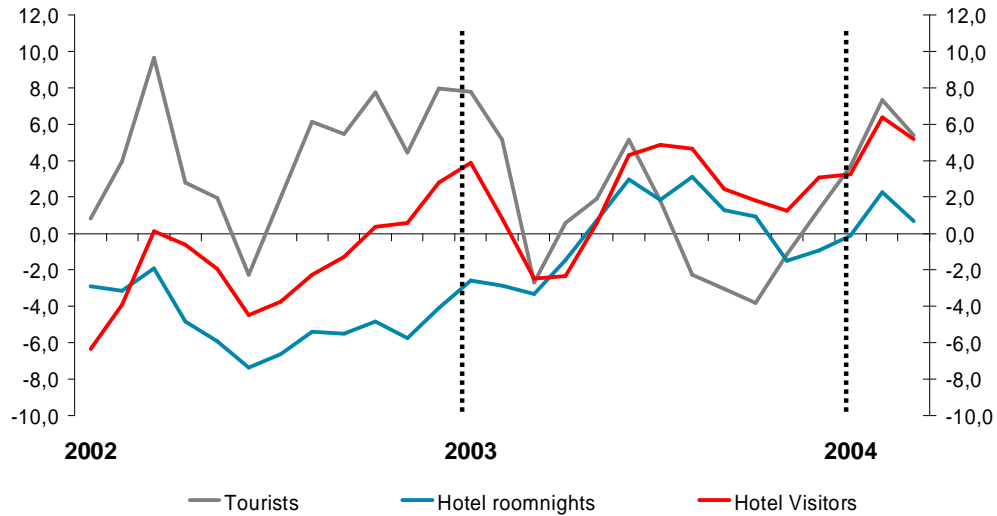


Source: National Official Tourism Statistics

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)



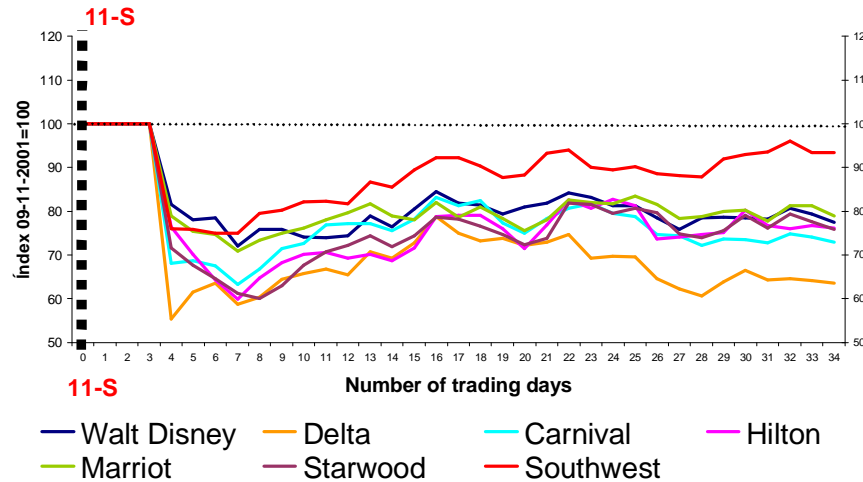
Source: National Official Statistics



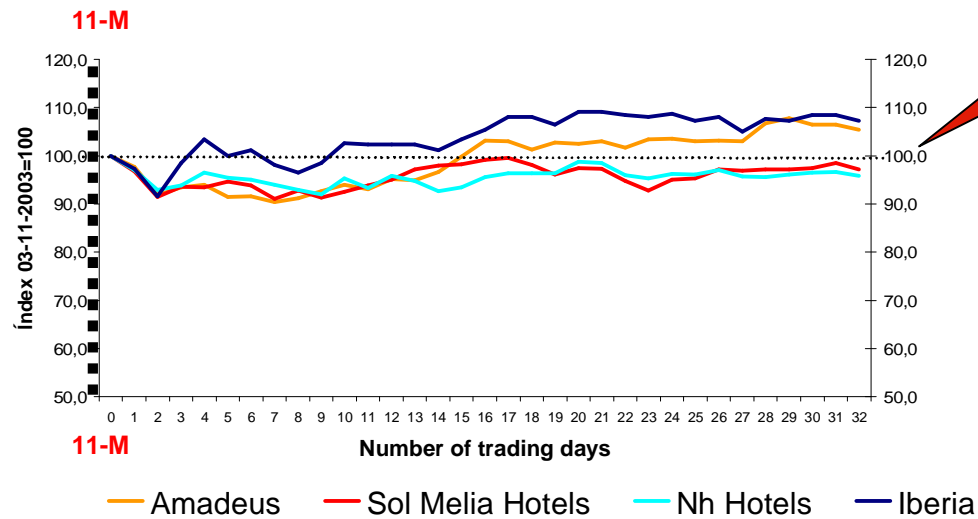
Doha's Summit
 1-3 May 2004

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

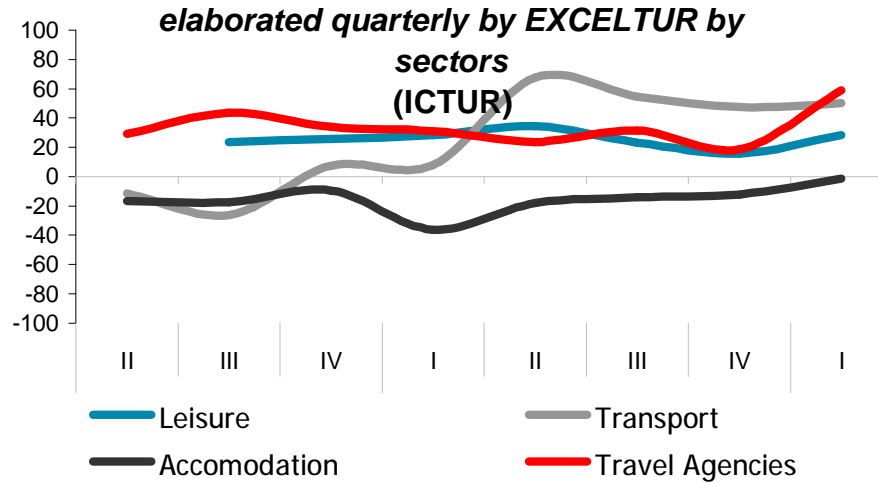




FUTURE EXPECTATIONS

EXCELTUR'S FUTURE BUSINESS CONFIDENCE INDEX GROWING

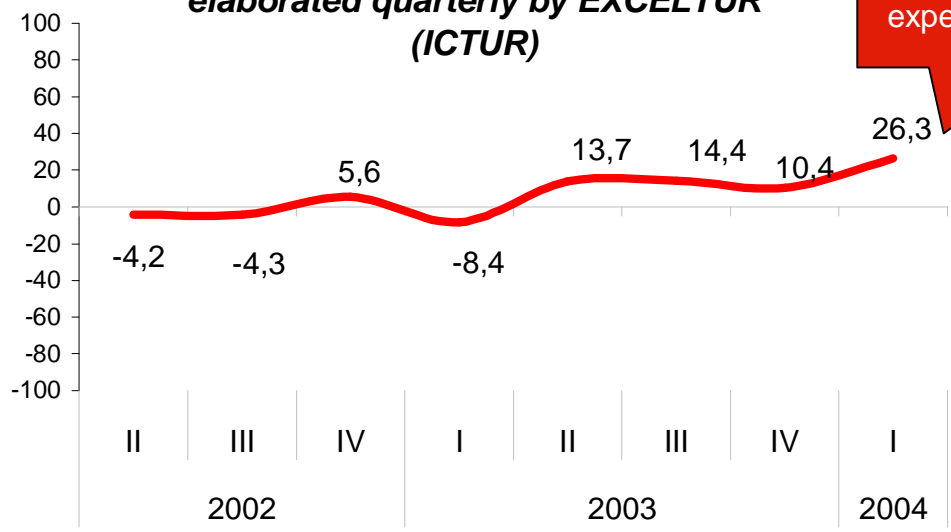
Spanish Business Tourism Confidence Index



Source: Exceltur

Spanish Tourism Business Confidence Index

elaborated quarterly by EXCELTUR (ICTUR)



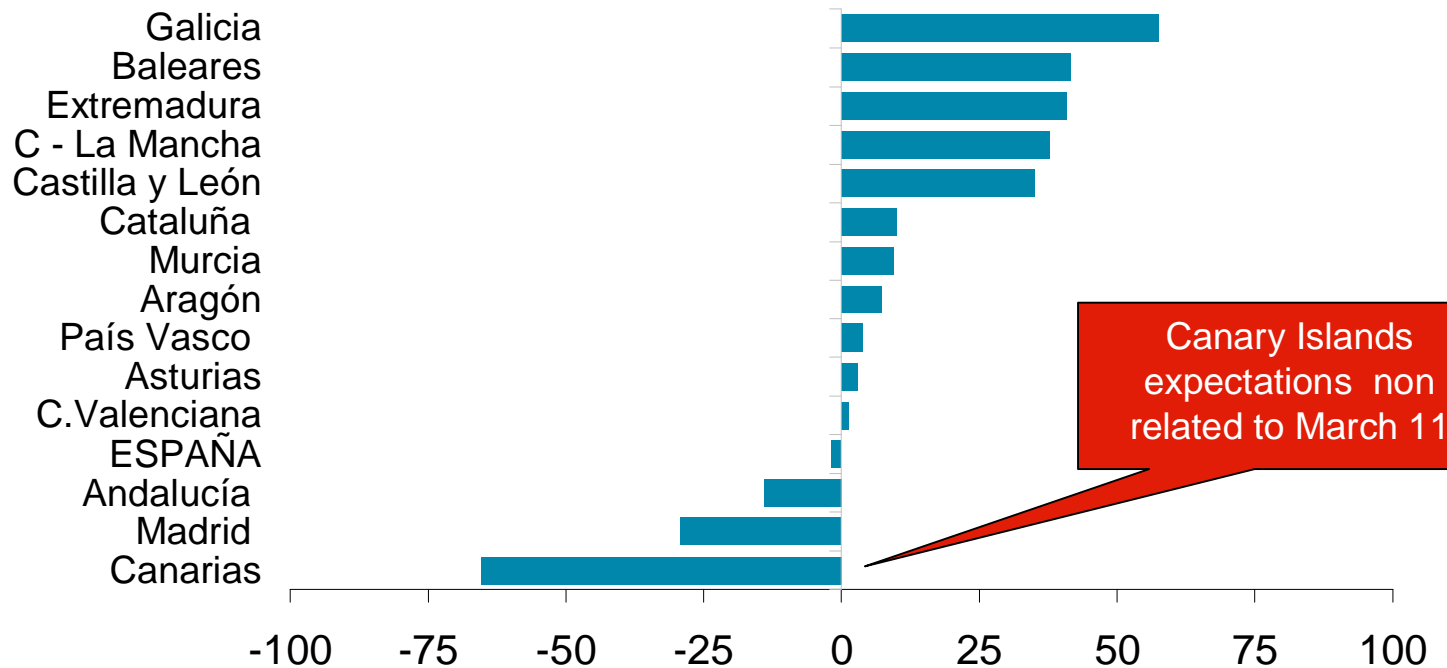
Promising & growing expectations for the future

Source: Exceltur



SPANISH REGIONS LOOKING INTO THE FUTURE

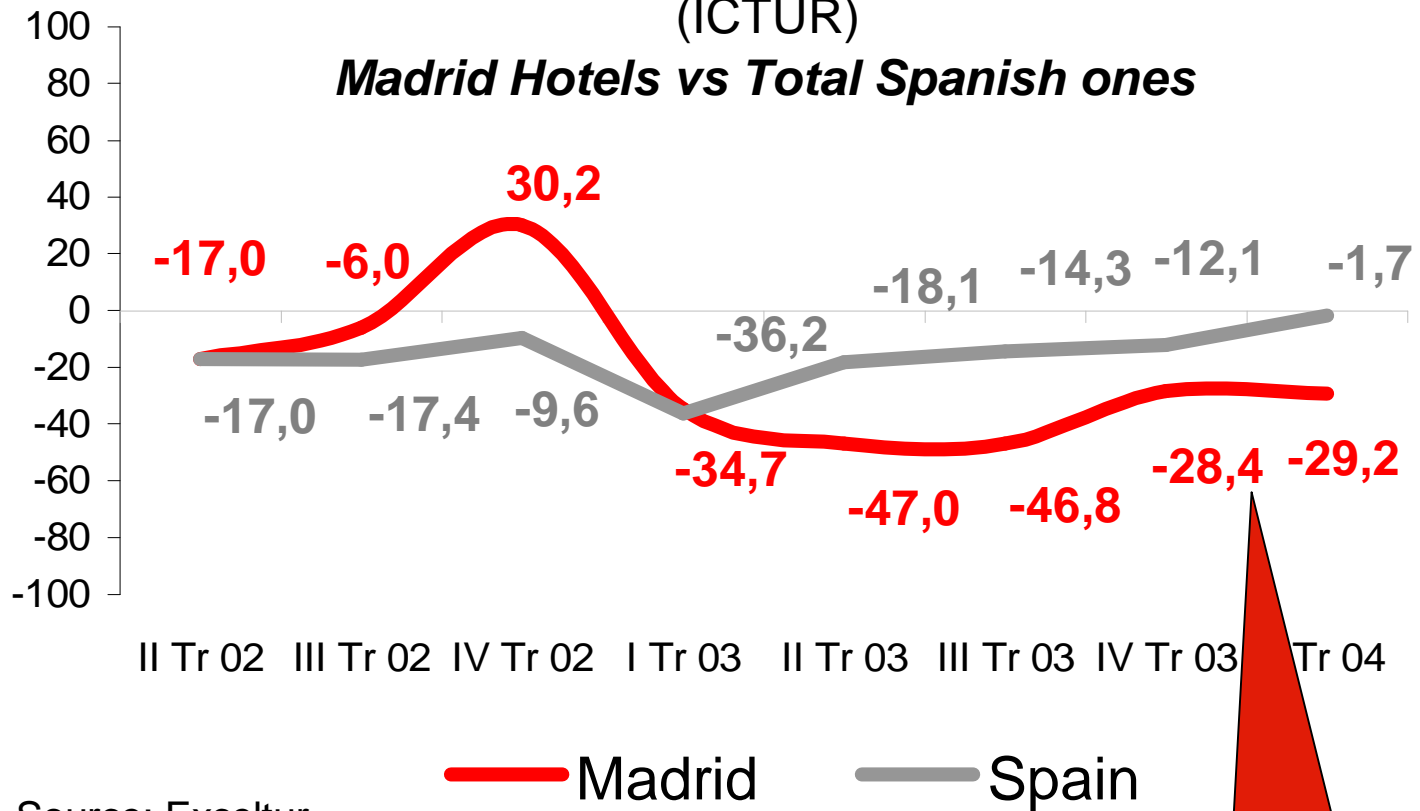
Spanish Business Tourism Confidence Index elaborated quarterly by EXCELTUR by Spanish Regions (ICTUR) 1st. Q 2004



Source: Exceltur

MADRID HOTELIERS - CONCERNED ABOUT THEIR FUTURE

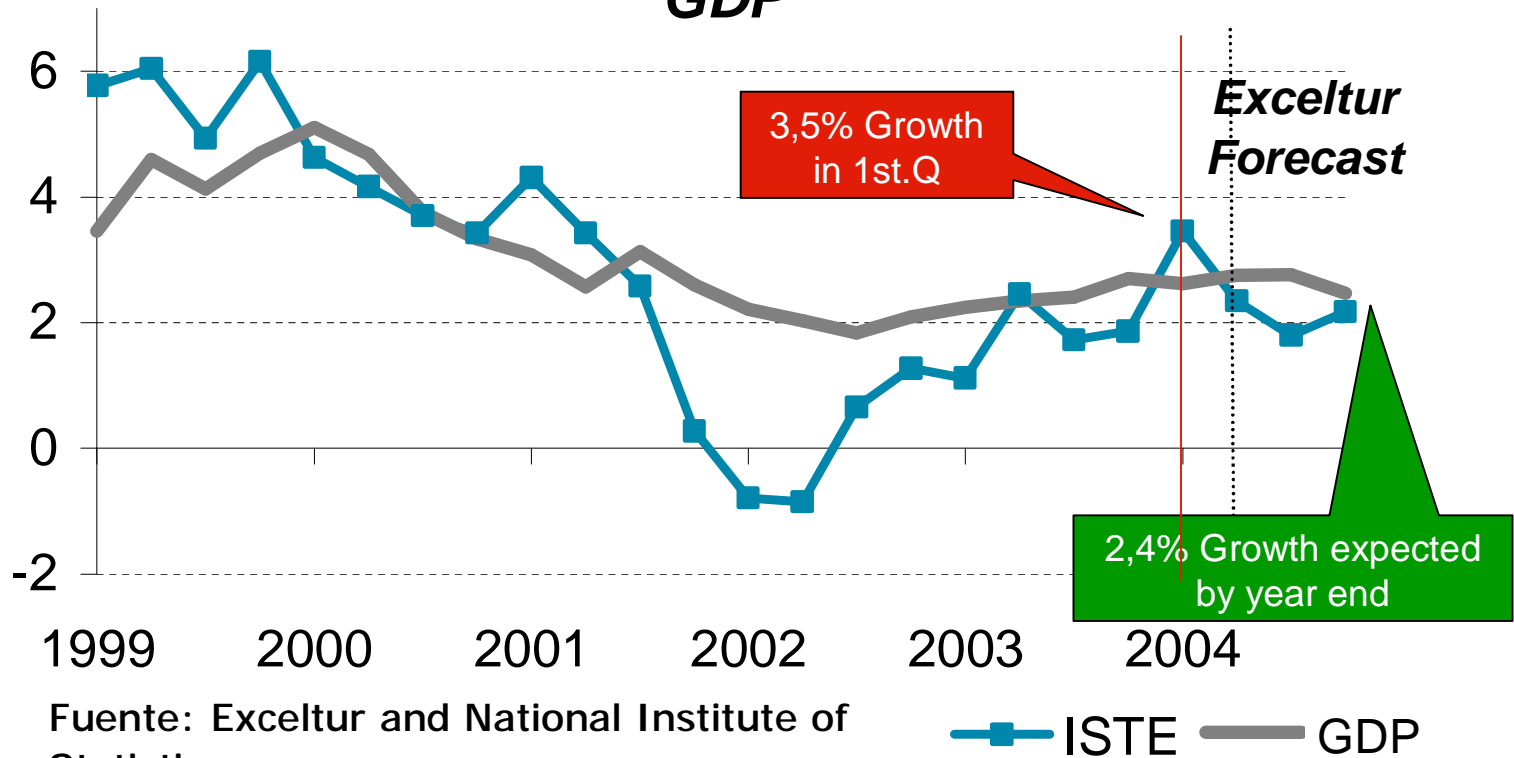
**Spanish Tourism Business Confidence Index
elaborated quarterly by EXCELTUR
(ICTUR)
Madrid Hotels vs Total Spanish ones**



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