



PRESS INFORMATION

A Break from the Norm: The Leading Hotels of the World Experiences Unique Boost in Summer Sales *Luxury Hospitality Leader Reports 13.5% Increase in Production May to August 2009*

NEW YORK October 5, 2009 – In a recent production assessment, The Leading Hotels of the World has seen a 13.5% increase in revenue generation to its member hotels, May through August 2009, versus January through April 2009. While historically the opposite has been the norm for the global hospitality company, the atypical rise, and reversal of an ongoing pattern experienced in previous years, serve as encouraging signs during this difficult time for the industry.

The results, which were extracted from a comparative analysis conducted by The Leading Hotels of the World, are noteworthy for a number of reasons. From a regional standpoint, the bulk of the roomnight sales are being consumed at Leading Hotels in Europe. Inbound travel to Europe increased by 22% from May through August 2009, compared to January through April 2009. France had the largest dollar amount increase between the two time periods, while other destinations like Greece, Spain and Italy also reported significant boosts. That being the case, it is important to note that the appreciation of the Euro during the above time periods accounted for approximately four percentage points of the 13.5% overall revenue production increase in US dollars.

Interestingly, despite a weakening dollar, the United States was the top feeder market to contribute to France's success, and the top revenue generator for Italy and Spain as well. Coming in at number two, high production figures from Brazil demonstrate that the market's strong economic fundamentals have helped make the country resilient to the broader economic slowdown. In short, the Brazilians are driving a lot of revenue in the luxury hotel segment with their extensive travels abroad (they were ranked in the top three feeder markets for both France and Italy as well).

Proprietor and general manager of the Grand Hotel Quisisana on Capri, Gianfranco Morgano asserted, "We were delighted to welcome a record number of Brazilians to our hotel this summer. This business brought to us by the South Americans has unquestionably carried us through the crisis."

From Athens, Greece the tone and feedback was equally positive. Haris Neofytidis, general manager of the King George Palace commented, "I feel fortunate to be able to say that we had a better summer than last year. Full mostly with American travelers, we were not surprised, however, that there was a slight shift in the room categories booked. It seems that the economic situation and currency exchange rate did deter clients from reserving suites this year, but thankfully did not lead them to eliminate their travel plans all together."

From the standpoint of ADR, The Leading Hotels of the World has actually reported an overall 8% increase from USD 386 to USD 417 in May through August 2009, versus January through April 2009. As more luxury hotel chains are slashing their rates to stay competitive in the marketplace, Leading Hotels is poised to maintain and deliver the highest average rate in the luxury hotel sector, reflecting value, quality, and consumer loyalty to the brand. Similar to the increases in revenue production to the member hotels, fluctuation in foreign exchange rates played a role in ADR increase as well.

Company president and chief executive officer Ted Teng is pleased with the progress, and attributes the recent increases to a collaborative and dedicated effort on behalf of all employees seeking innovative opportunities to produce new business for Leading Hotels. With conventional methods simply not an option in a market such as this, a great deal of effort has been set forth to improve conversion of voice reservations, develop new marketing programs, and solidify existing partnerships with hoteliers. Mr. Teng said, "It is evident that these initiatives are working. From strategizing online marketing to shifting marketing efforts to target new markets, we are staying nimble and it is paying off."

In fact, an in-depth analysis of the production assessment has revealed that 60% of the overall rise in production came from an increase in voice reservations. Teng asserts that this figure can be predominantly tied to ongoing initiatives to augment the rate of call conversions at Leading Hotels' Reservations Centers, which started earlier in the year.

About The Leading Hotels of the World, Ltd.

The Leading Hotels of the World, Ltd. is the prestigious luxury hospitality organization representing more than 450 of the world's finest hotels, resorts and spas, and is the operator of www.lhw.com and www.lhwspas.com – the online sources for your luxury lifestyle. As the largest international luxury hotel brand, the firm maintains offices in 22 major markets across the globe.

Since 1928, the company's reputation for excellence derives from the exacting levels of quality it demands of its members, each of which must pass a rigorous, anonymous inspection covering hundreds of meticulous criteria spanning from product to behavioral standards. This set of standards is the most stringent in the industry.

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