14th of June 2011

Tourism Activity

April 2011

Main indicators of tourism accommodation activity reveal significant improvements

In the month of April 2011 tourism accommodation establishments registered 3.5 million overnight stays, 18.4% more than in the same month of the previous year. For this outcome, residents contributed with more 6.4% of overnight stays, while non residents, with a greater impact, had an increase of 25.5% in the total number of overnight stays. This positive performance in all main indicators is linked with the Easter period and a following national holiday, associated to promotional price campaigns, as opposed to the fairly negative results of April 2010 conditioned by the volcanic ash cloud.

The total revenue from the activity reached EUR 152.4 million and EUR 103 million from accommodation, corresponding to year-on-year increases of 10.9% and 12.1%, respectively.

Table 1. Global provisional results from tourism activity

GLOBAL RESULTS	Month		Accumulated	
	Apr 11	Change rate % 11/10	Jan to Apr 11	Change rate % 11/10
HOTEL ESTABLISHMENTS				
Guests (thousand)	1270.3	11.0	3 648.1	4.8
Overnight stays (thousand)	3 482.3	18.4	9 542.0	7.1
Residents in Portugal	1156.8	6.4	3 356.3	1.6
Non residents	2 325.6	25.5	6 185.6	10.3
Average stay (no. of nights)	2.7	0.1	2.6	0.0
Net bed occupancy rate (%)	41.8	5.3 p.p.	30.2	1.1 p.p.
Total revenue (€Million)	152.4	10.9	428.7	1.4
Revenue from accommodation (€Million)	103.0	12.1	282.4	3.1
Rev Par (Average revenue per available room) (€)	27.3	6.6	19.8	-0.8

Overnight stays

In the period of **January to April 2011** tourism accommodation activity accounted for 3.6 million guests which originated 9.5 million overnight stays, corresponding to year-on-year increases of 4.8% and 7.1%, respectively.

On an international level, the latest estimates available from the World Tourism Organization, for the two first months of 2011, point towards a year-on-year growth of the international arrivals of tourists of around 5%, which strengthens the positive evolution of 2010. For this growth, almost all regions contributed, with the emphasis on South America (+15%) and South Asia (+14.5%). Europe recorded a year-on-year growth of 5.8%, showing a positive trend in all sub-regions, more so in Central and Eastern Europe (+12.4%) and in Southern Europe and the Mediterranean (+5.4%). The Middle East and Northern Africa are the only regions with decreases (-9.8% and -9.4%, respectively).

With regard to the internal market, the results for the **month of April** continue to support the growth trend evident in the previous month, for which contributed the implementation of promotional campaigns for the Easter period along with an expressive growth on the demand side, while in April 2010 there were strong falls in the demand side of some of the major markets, as a consequence of the ash cloud that affected air traffic in the second half of the month.

In April 2011 tourist accommodation establishments accommodated 1.3 million guests which originated 3.5 million overnight stays, resulting in year-on-year increases of 11% and 18.4%, respectively.

When comparing with the same period of the year before, the distribution of overnight stays by type of establishment reveals significant growths in tourist apartments, apartment hotels and tourist villages (between 25% and 36%), with the latter showing a reversed trend after a substantial period of negative results. In apartment hotels there were evident year-on-year growths in four and five star units, on a par with a fair growth in the touristic offer, mainly in five star units (four establishments in April 2010 towards seven units in 2011). For the growth in hotels (+17%), all categories contributed, more so five and four star units, the latter representing approximately half of overnights stays in hotels.

Table 2. Overnight stays by type and category of the establishment

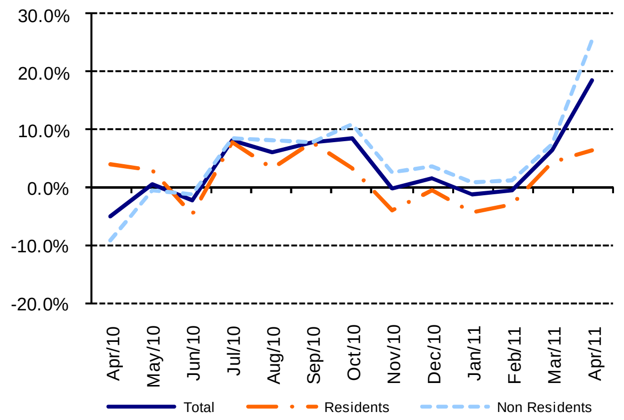
Unit: Thousand

Type of establishment and category	Overnight stays		Year-on-year change rate
	Apr-10	Apr-11	%
Total	**2 940.0**	**3 482.3**	**18.4**
Hotels	1802.4	2 108.9	17.0
*****	249.3	350.4	40.5
****	876.7	1030.2	17.5
***	520.9	536.3	3.0
** / *	155.5	192.1	23.5
Apartment hotels	410.3	555.0	35.3
*****	23.6	45.5	92.8
****	271.7	386.0	42.1
*** / **	115.0	123.5	7.4
Pousadas	30.6	33.6	9.9
Tourist apartments	246.5	335.6	36.1
Tourist villages	105.1	131.8	25.5
Inns, Motels and Boarding houses	345.2	317.4	-8.1

Residents originated 1.2 million overnight stays, 6.4% more than in the same period of the year before, an evolution which might have its origin on promotions targeted for the internal market which became more intense during the Easter period.

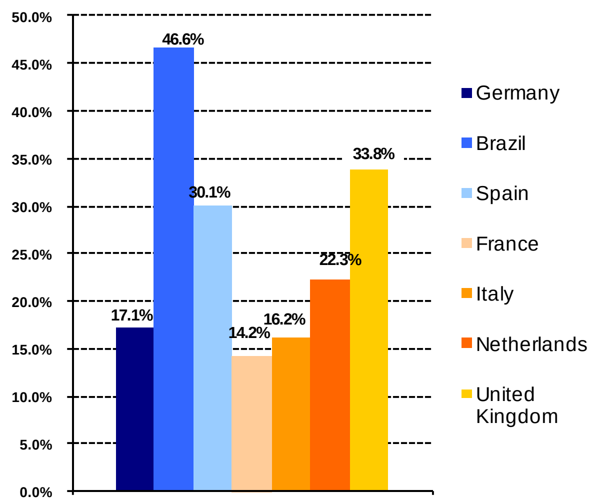
The growth originated by non-residents is largely higher (25.5% more than in April 2010), corresponding to 2.3 million overnight stays.

Figure 1. Overnight stays, month-to-month change rate



The trend of last month (March) was now strengthened by the performance of the main markets of origin which accounted for substantial improvements towards the same period of the year before, with the emphasis on the Brazilian (+46.6%), British and Spanish markets, both growing more than 30%. The increase on the demand side, which occurred in the last months by some of the main markets might have benefited from the situation of instability in some of the alternative destinations.

Figure 2. Overnight stays, by main markets of origin – month-to-month change rate – April 2011



The analysis of the regional outcome reveals an overall improvement in performance considering overnight stays and in all regions, with the exception of the Azores. The three main touristic regions were the ones that grew the most benefiting from the positive conditions observed in this month, especially in Algarve (+34.8% of overnight stays than in the same month of the year before), followed by Madeira (+16.5%) and Lisbon (+13.6%).

Table 3. Overnight stays by region (NUTS II)

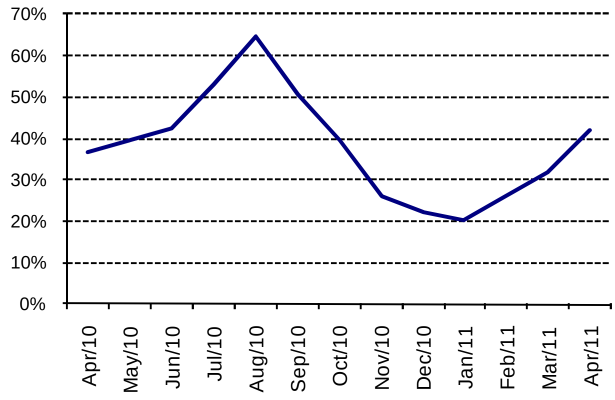
Unit: Thousand

NUTS II	Overnight stays		Year-on-year change rate
	Apr-10	Apr-11	%
PORTUGAL	**2 940.0**	**3 482.3**	**18.4**
North	370.9	399.6	7.7
Center	329.4	355.7	8.0
Lisbon	728.1	827.2	13.6
Alentejo	102.1	105.4	3.3
Algarve	904.0	1218.8	34.8
AZORES	77.5	77.0	-0.6
MADEIRA	428.1	498.7	16.5

Net bed occupancy rate and Average Stay

In the month of April 2011 tourist accommodation establishments registered an occupancy rate of 41.8%, considerably over the one registered in the same month of the previous year (+5.3 p.p.).

Figure 3. Net bed occupancy rate



The region of Algarve registered the biggest increase in the bed occupancy rate (+9.8 p.p.), followed by Madeira (+8.2 p.p.) and Lisbon (+4.8 p.p.).

Table 4. Net bed occupancy rate and average stay, by region

NUTS II	Occupancy rate %		Average stay (No. of nights)	
	Apr-10	Apr-11	Apr-10	Apr-11
PORTUGAL	**36.5**	**41.8**	**2.6**	**2.7**
North	32.8	34.1	18	17
Center	29.6	30.5	18	18
Lisbon	45.7	50.5	2.2	2.3
Alentejo	312	29.0	16	17
Algarve	32.5	42.3	3.9	4.3
AZORES	**31.7**	**30.2**	**2.8**	**2.9**
MADEIRA	**49.5**	**57.7**	**4.7**	**5.1**

By type of establishment, there was an overall increase in the occupancy rates, with the emphasis on tourist apartments (+9.3 p.p.) and in apartment hotels (+8.8 p.p.), namely in four star (+11.4 p.p.) and in five star units (+7.1 p.p.). In hotels, five star units were relevant, with an occupancy rate of over 9.1 p.p. towards the one observed in the same period of the year before.

Table 5. Net bed occupancy rate and average stay, by type of establishment

Type of establishment and category	Occupancy rate %		Average stay (No. of nights)	
	Apr-10	Apr-11	Apr-10	Apr-11
Total	**36.5**	**41.8**	**2.6**	**2.7**
Hotels	416	45.7	2.3	2.4
*****	38.0	47.1	2.4	2.7
****	44.7	49.4	2.5	2.6
***	39.8	42.1	2.2	2.2
** / *	37.8	37.8	18	18
Apartment hotels	39.3	48.1	3.9	4.3
*****	47.4	54.5	5.6	4.8
****	40.0	514	3.9	4.3
*** / **	36.6	38.6	3.8	4.0
Tourist Apartments	27.0	36.3	4.7	4.8
Tourist villages	24.1	29.0	4.6	4.8
Pousadas	37.7	43.7	16	16
Inns, Motels and Boarding houses	27.8	28.5	2.1	2.1

On a national level, the average stay was 2.7 nights, slightly more than in April 2010 (2.6).

The regions of Madeira and Algarve still led, either in higher average stays as in growth towards the same month of the year before. Also, by type of establishment, there were no changes in the relative positions, with apartments and tourist villages presenting average stays nearing five nights.

Revenue and Average Revenue per Available Room (Rev Par)

In the month of **April 2011** tourist accommodation activity registered EUR 152.4 million of total revenue and EUR 103 million from accommodation, corresponding to year-on-year increases of 10.9% and 12.1%, respectively.

Figure 4. Total revenue and total revenue from accommodation - month-to-month change rate

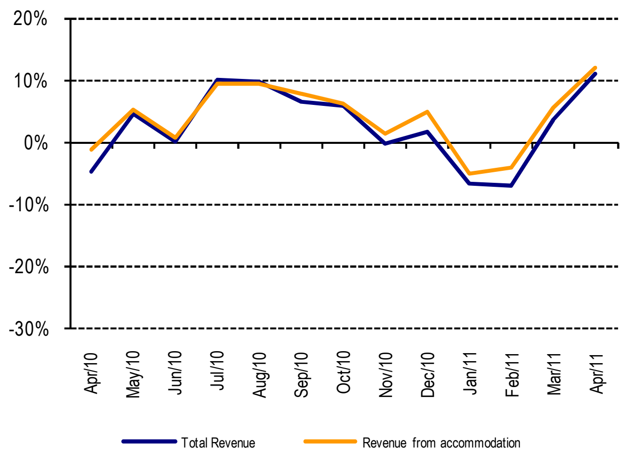


Table 6. Revenue by region (NUTS II)

Unit: Million Euros

NUTS II	Total revenue	Year-on-year change rate	Revenue from accommodation	Year-on-year change rate
	Apr-11	%	Apr-11	%
Portugal	**152.4**	**10.9**	**103.0**	**12.1**
North	18.9	7.9	13.1	8.2
Center	15.3	12	9.5	5.2
Lisbon	46.6	4.2	34.2	7.0
Alentejo	5.0	-2.1	3.3	-13
Algarve	40.4	28.1	26.2	27.7
Azores	**3.1**	**-9.7**	**2.2**	**-5.4**
Madeira	**23.2**	**15.5**	**14.6**	**14.8**

The regions of Algarve and Madeira were the ones with better year-on-year results in both indicators (approximately +28% in Algarve and +15% in Madeira).

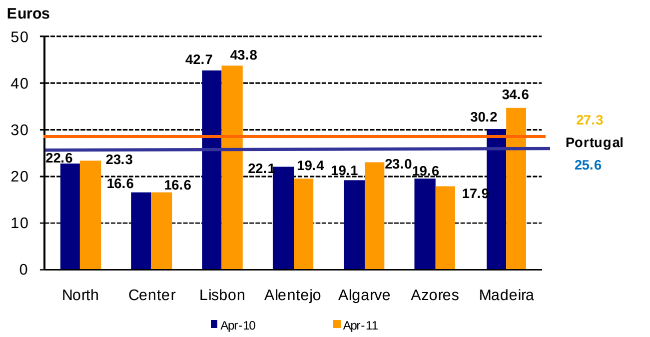
On the contrary, the regions of Azores and Alentejo had decreases, with a greater impact in the Azores (-9.7% in total revenue and -5.4% in total revenue from accommodation). This region kept the downward trend from the last consecutive months, as opposed to Alentejo, which after a period of positive results, presented this month a slight decrease.

In most regions except the North, the year-on-year change rates were lower in revenue from accommodation than in overnight stays, partly due to the effect of promotional prices in order to attract clients during the Easter period, as referred before.

In the period under review, Rev Par from tourist accommodation activity was 27.3€, higher than in April 2010 (25.6€).

The regions of Algarve and Madeira were the ones to reveal the highest increases on their average revenues (year-on-year changes of +20.4% and +14.6%, respectively), although in revenue figures Lisbon kept leading (43.8€), followed by Madeira (34.6€).

Figure 5. Average revenue per room



When comparing with the month of April 2010, tourist villages and tourist apartments presented the highest year-on-year increases for Rev Par. It should be noted that this type of establishment is mainly located in Algarve, the region scoring the best global results in this period.

The growth of both *"pousadas"* and apartment hotels was over 10%, although three and two star apartment hotels have evolved negatively in their average revenue, on a par with three star hotels.

Table 7. Average revenue per room, by type of establishment

Unit:€

Type of establishment and category	RevPar		Year-on-year change rate
	Apr-10	Apr-11	%
Total	**25.6**	**27.3**	**6.6**
Hotels	31.6	32.4	2.5
*****	49.6	55.1	11.1
****	32.3	32.7	1.2
***	24.5	22.6	-7.8
** / *	21.0	21.9	4.3
Apartment hotels	24.3	26.8	10.3
*****	32.3	34.9	8.0
****	26.2	29.5	12.6
*** / **	18.6	18.1	-2.7
Tourist apartments	10.9	13.4	22.9
Tourist villages	13.8	20.6	49.3
Pousadas	37.9	42.4	11.9
Inns, Motels and Boarding houses	15.6	16.4	5.1

In the period of **January to April 2011** tourist accommodation establishments registered EUR 428.7 million of total revenue and EUR 282.4 million from accommodation, corresponding to year-on-year positive changes of 1.4% and 3.1%, respectively.

The Rev Par was 19.8€, almost the same as in the same period of the year before (19.9€).

Methodology notes

Net bed occupancy rate – the relation between the number of overnight stays and the number of available beds, in the reference period, accounting two beds for each double bed.

RevPar (*Revenue per Available Room*) – Revenue per available room, measured by the relation between the revenues from accommodation and the number of available rooms, in the reference period.

Year-on-year change rates – the calculation of year-on-year change rates for the main indicators is based on values in units, although in this press release they are visible only in thousands.

Date of next press release: 12th of July 2011