

MAJOR INDICATORS – end December 2013

By the end of 2013 there were 109 Resorts with 23,469 beds, 20 hotels with 1,708 beds, 136 Guesthouses with 1,918 beds and 163 Safari Vessels with 2,716 beds registered in the Maldives. Within these registered capacity, an average of 26,101 beds were operational at the end of the year. These include 101 Resorts with 22,452 beds, 17 hotels with 1,540 beds, 80 Guesthouses with 1,115 beds and 63 Safari Vessels with 994 beds.

In 2013, 4 new resorts were opened. Noonu Atoll Randheli by Cheval blanc with 120 beds, Noonu Atoll Fushivelaavaru as Vela Private Island with 134 beds, Atmosphere Kanifushi Maldives in Lhaviyani atoll with 140 beds and Thaa atoll Maalifushi by COMO with 46 beds.

Tourist arrivals to the Maldives recorded a heavy growth of 17.4% in 2013 compared with that of 2012. The Bed nights of the tourist resorts, hotels, guesthouses and safari vessels registered an increase of 9.2% compared with that of last year. While the average occupancy rate increased by 3.6% to 74% at the end of the year 2013, the average duration of stay was recorded to be 6.3 days which was a drop of 0.5 days compared with the same period last year.

Table: 1: Major indicators at end 2013

| Tourist Indicators for 2013 | Jan - Mar | Apr -Jun | Jul-Sep | Oct-Dec | End Year |
|--|-----------|-----------|-----------|-----------|------------------|
| Arrivals | 293,112 | 246,555 | 278,608 | 306,927 | 1,125,202 |
| % Change over 2012 | 14.6 | 21.9 | 19.3 | 15.2 | 17.4 |
| Bed Nights | 1,944,425 | 1,563,733 | 1,660,387 | 1,872,768 | 7,041,313 |
| % Change over 2012 | 5.7 | 11.4 | 11.9 | 8.7 | 9.2 |
| Occupancy Rate | 83.6 | 65.6 | 69.7 | 76.9 | 74.0 |
| % Change over 2012 | 1.3 | 3.7 | 6.0 | 3.4 | 3.6 |
| Operational Bed Capacity | 25,887 | 26,174 | 25,878 | 26,465 | 26,101 |
| % Change over 2012 | 5.4 | 5.1 | 2.3 | 3.9 | 4.1 |
| Average Duration of Stay (Days) | 6.7 | 6.3 | 6.0 | 6.1 | 6.3 |
| % Change over 2012 | -0.6 | -0.6 | -0.4 | -0.4 | -0.5 |

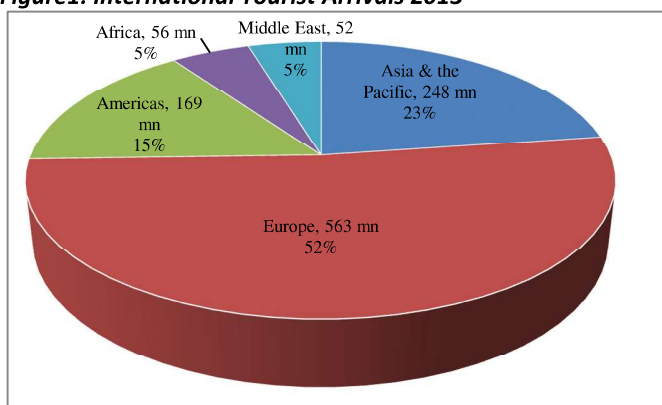
Source: Ministry of Tourism

INTERNATIONAL TOURISM TRENDS

World travel and tourism is said to have grown faster than the global economy in 2013 with a 4% rise in international trips. Emerging markets such as China and Russia were the top success stories with high growth rates for outbound travel while Asia and Europe performed well as tourist destinations. The UNWTO outlook for 2014 is promising with a 4-5% growth forecast for outbound travel as the world economy gradually improves.

The UNWTO World Tourism Barometer (WTB), January 2014 edition reported that despite a global economy in 'low gear', international tourism results were well above expectations to reach an estimated 1.087 billion with a growth of 5% in 2013. As per WTB, demand for international tourism was strongest in Asia and the Pacific (+6%), Africa (+6%) and Europe (+5%).

Figure1: International Tourist Arrivals 2013



← Source: UNWTO World Tourism Barometer - January 2014 edition

Asia and the Pacific (+6%) was up by 14 million arrivals in 2013, reaching a total 248 million international tourists. South-East Asia was the best performing sub-region with +10%. **Africa (+6%)** is said to have

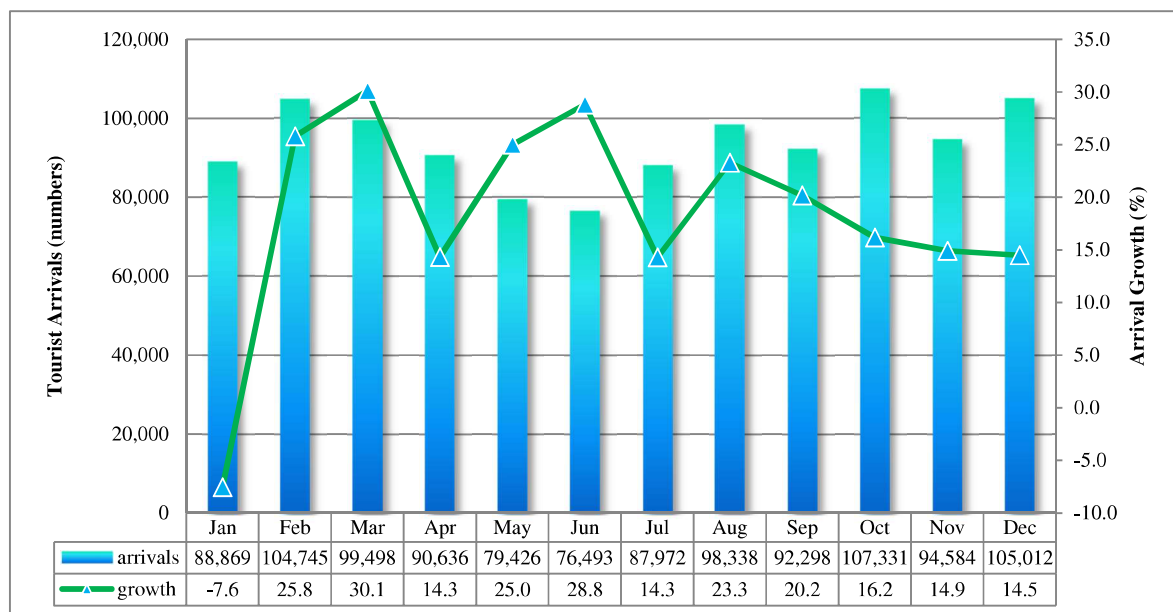
attracted additional 3 million reaching a new record of 56 million in 2013. This as per WTB reflects the on-going rebound in North Africa and the sustained growth of sub-Saharan destinations. **Europe (+5%)** is said to have welcomed additional 29 million international tourist arrivals in 2013 raising the total to 563 million. The **Americas (+4%)** saw an increase of 6 million arrivals, reaching a total of 169 million in 2013. North American and Central American destinations led the growth in this region.

TOURIST ARRIVALS TO THE MALDIVES

Tourist arrivals to the Maldives reached a million for the first time in 2013. With a total of 1,125,202 tourists by the end of the year 2013, registering a healthy growth of +17.4% compared with the same period of 2012. Despite the political turmoil in 2012 and 2013 arrivals reached and exceeded beyond its normal growth rate reaching this remarkable milestone in 2013.

Although the year 2013 started with a negative growth of -7.6% during the month of January, monthly growth rates remained above average throughout the rest of the year. Maximum arrival growth was observed in the month of August with a 23.3% growth over the same period in 2012. Meanwhile the best performance in terms of arrival was in the month of October with a total of 107,331 arrivals. On 24th November 2013 Maldives reached its 1 Million tourist arrival target for the first time with 1,000,203 tourist arrivals.

Figure 2: Tourist Arrivals to the Maldives, 2013



According to the Maldives Visitor Survey conducted during the month of August 2013 it was

found that the main reason visitors came to the Maldives was for rest and relaxation (34%). The second most popular reason was for their honeymoon (19%) followed by diving (11%).

French (50%), Swiss (48%), Chinese (48%) and Italians (45%) visited the Maldives for Rest and Relaxation. Of the visitors, 45% of British, 33% of Russians and 25% of Spanish stated honeymoon as their main purpose of visit to the Maldives. The main reasons for choosing the Maldives as a holiday destination were the beach (19%), underwater Beauty (17%) and peacefulness (13%).

MAJOR MARKETS

In terms of Market shares, Europe (46.9%) led with Central/Eastern Europe and East Mediterranean Europe performing well with increased arrivals from both the sub regions. Asia and the Pacific (46.6%), shares increased remarkably with China (29.5%) leading from the region and accounting for more than half of the shares. The Americas accounted for 2.9% of the total arrivals to the Maldives in 2013 and the Middle East market share was 2.8%. The lowest market share was from Africa with 0.8% of the total arrivals.

Figure 3: Market Share by Regions, 2013

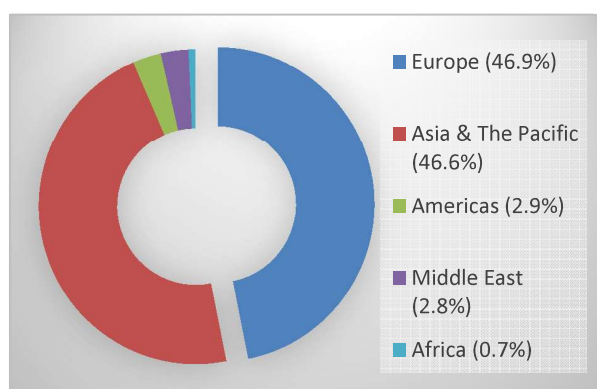
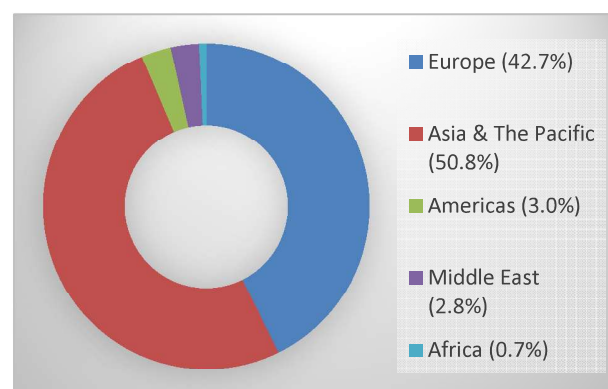


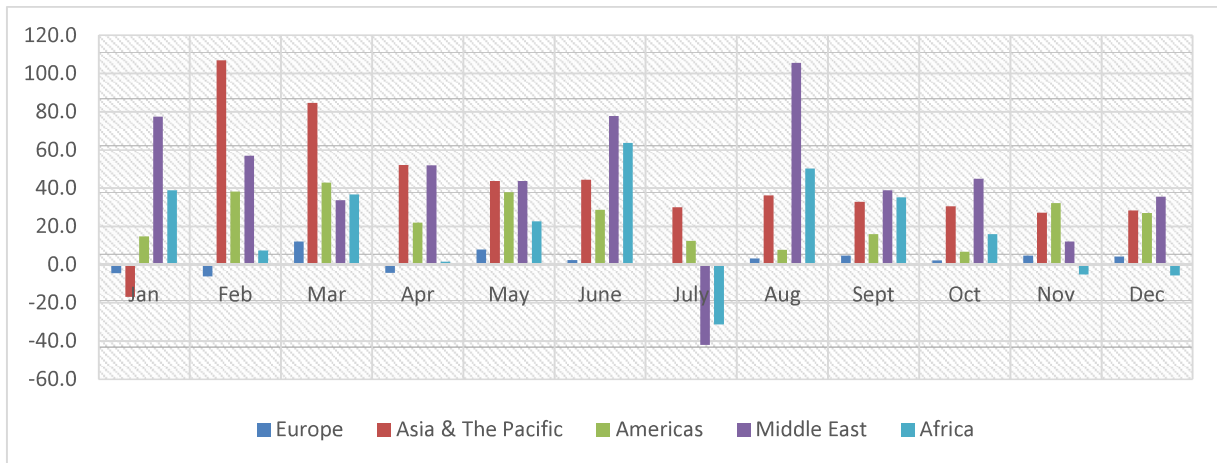
Figure 4: Market Share by Regions, (Jul – Dec 2013)



In the last six months of 2013 Asia & the Pacific has taken a bigger bite on the market share with 50.8% (fig.3). While Europe; which usually leads in terms of Market share has 42.7%. This is probably the result of high number of Chinese arrivals during the period of July to October. In the first two quarters of 2013 Europe was leading with 51.1% of the market share. The European market peaks from October till April, therefore the market share of Europe for the last 6 months indicated a decline.

Within the period of the last six months of 2013, markets from America contributed 3% of the market share while Middle East was 2.8% followed by Africa with the lowest market share of 0.7%.

Figure 5: Tourist Arrival Growth by Regions, 2013



Asia & the Pacific showed a constant growth rate throughout the period of July to December 2013. While Middle East showed a steep decline in the growth in the month of July and a robust increase in the month of August (fig.4). Middle East also shows the highest growth performance by 32.5% compared to the same period last year. African countries were best performed during the month of August (50.4%) and September (35.2%) growth rates. Even though European market performs well in the market share, the growth rate is very little, with 3.2% from the same period last year (Fig.5)

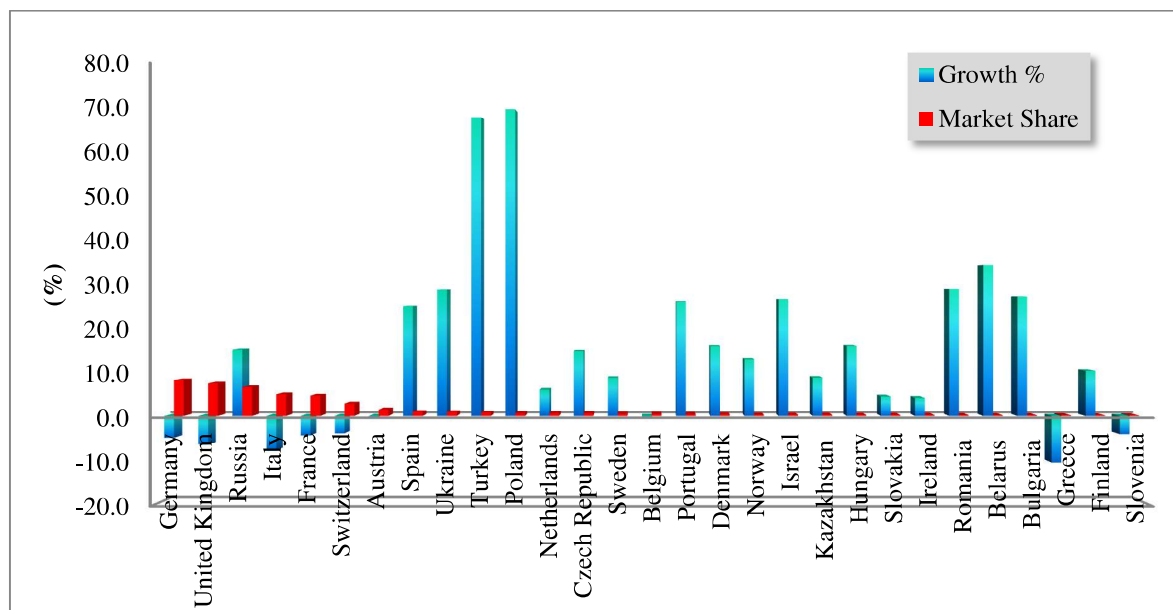
This explains with the high number of Europeans being repeater clients and the first time visitors being other markets. According to the Visitor Survey August 2013, First time visitors were highest among the Chinese (94%) while repeat visitors were highest among Italians (43%), Japanese (32%)and Germans (32%). This indicates that the Europe market is retained or

a very slow increase while the Asia & the Pacific market is blooming day by day.

MAJOR EUROPEAN MARKETS

Europe has had a good year for outbound and inbound travel and tourism in 2013 despite the continent's economic problems. Outbound trips grew by 2.5% from January to August 2013, according to the European Travel Monitor from IPK International.

Figure 6: Market Share and Growth percentage of European Markets, 2013



In the European market Israel showed the highest performance in the growth rate with 50.3%, while the second best was Belarus with 45.6% in growth rate during the period of July to December 2013. Third best growth rate was shown by Turkey with 38.4%. (Fig.6)

Four major markets form the region, except for Russia showed negative growths for the period, which includes Germany, United Kingdom and Italy.

The highest Market share in the region and the second main market of Maldives was recorded as Germany with 7.9%. Despite the high numbers contributing to the market Germany shows a negative growth with -2.5 % compared to the same period last year.

The second best performed market in the region was United Kingdom with a market share of 7.3%. However UK has shown a negative growth of -6.3% during the period of July to December 2013

Third highest market was Russian market with 6.2% market share and also showed a substantial growth rate of 12.8% compared to the same period last year. Russia is also the fourth best market to the Maldives.

Italian Market is the fourth best contributor in the region with 4.3% market share. However they showed a negative growth of -2.7% during the last six months of the year.

The sixth best market contributor from the region was France with 3.6% of the share and showed an increase in growth rate (0.3%) in the period of July to December 2013.

The next best performed market was Swiss in terms of Market share (2.7%), similarly Swiss market showed a positive growth of 2.7% compared to the same period last year.

MAJOR MARKETS FROM ASIA AND THE PACIFIC

Asia is one of the world's hotspots in 2013 with a strong growth as well for outbound tourism. Outbound trips by Asians grew by 8% over the first eight months of 2013, according to IPK's Asian Travel Monitor. China is certainly behind this upward trend in the region. Outbound trips by Chinese soared by 26%.

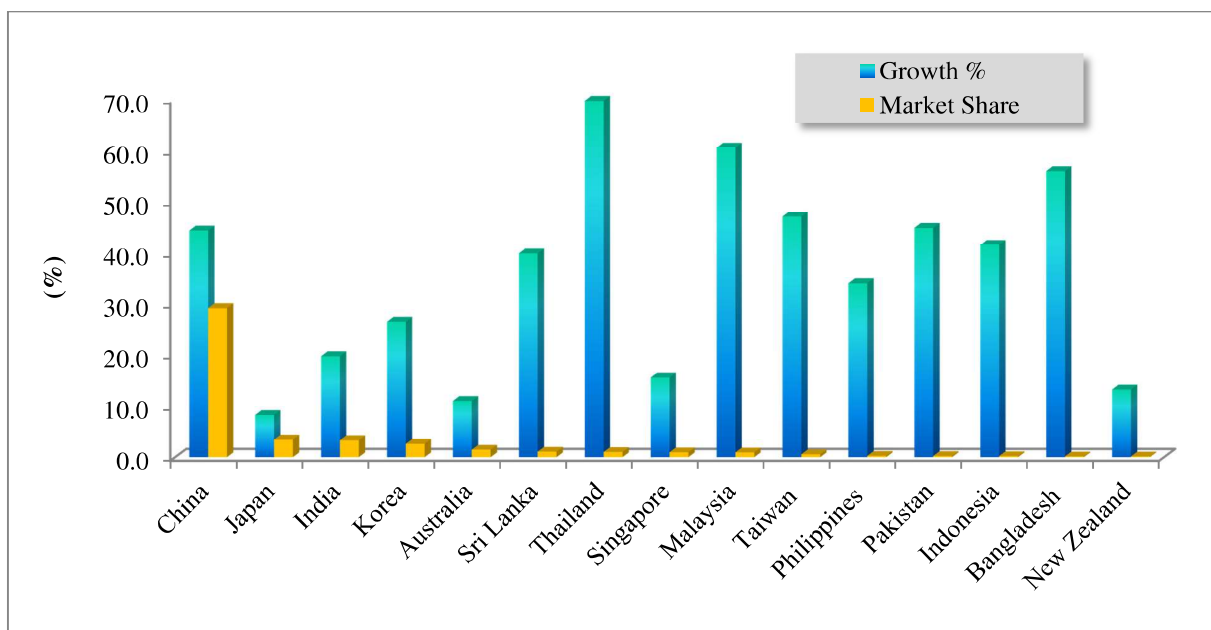
For four consecutive years China has been the leading market from the Asia and the Pacific region with an outstanding performance as the biggest market generator to the Maldives. With a market share of 32.6% the visitor arrivals also grew by 36.7% during the last six months of 2013. According to the August 2013 Visitor Survey, 94% of the Chinese visitors came to Maldives for the first time and mostly for Rest & Relaxation (48%).

The second largest market generator in the region is Japan with 4% Market share and a solid increase in Market growth by 10.4% during the last six months of 2013

India is the third best performed in the region with 3.2% Market share and a growth rate of 3.9%. It showed a steep growth during the first 6 months of 2013 (45.9%)

Korea Market indicated a robust growth of 39.2% growth rate in the last six months. Nevertheless Korean market contributes 3.1% to the Market share in the region.

Figure 7: Market Share and Growth percentage of Asia & the Pacific Markets, 2013



OTHER MAJOR MARKETS

In the African region, South Africa has contributed a share of 0.4% to the market as a whole. During the period of July- December 2013 South Africa has performed fairly good with a rise of 4% in growth rate. (Fig8). However the growth rate was higher during the first six months of the year (27.1%).

In the Americas, USA stays the highest in the rank with the market leader in the region and also the best market generator in the period recorded. USA has shown an increase of 17% in market growth while Brazil has also climbed 16.8% in growth rate during this period.

All major Middle East Markets have recorded a double-digit growth rate. Saudi Arabia is the leading market in the region with a market share of 0.9% of the total visitors to Maldives. Market growth of Saudi Arabia rose significantly by 28.8% while Kuwait showed the highest rise of 31.3% in terms of Market growth. Kuwait contributes the 0.4% of total visitors to Maldives.

Figure 8: Market Share and growth percentage

