

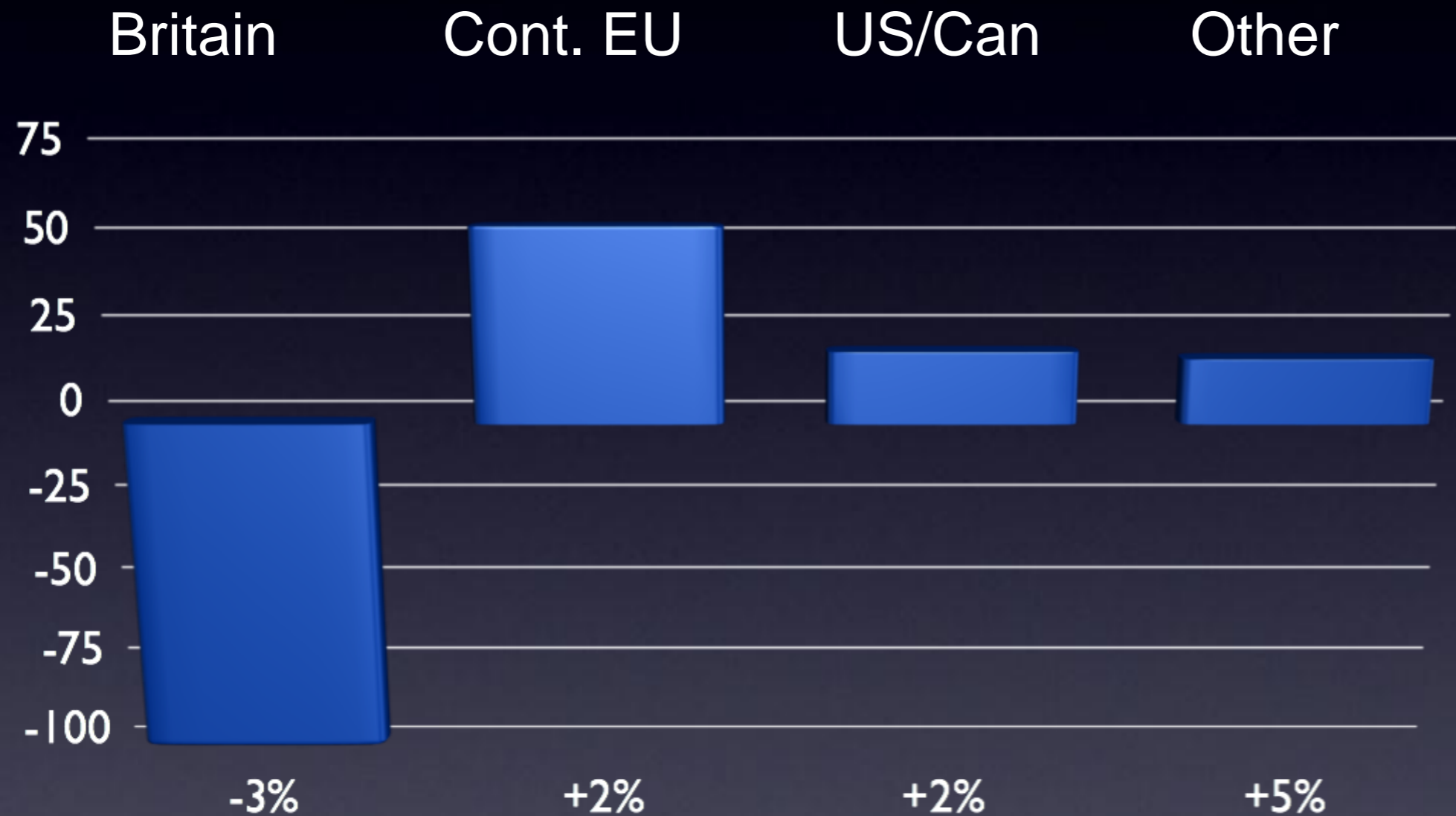
Tourist Season Review & Outlook

Failte Ireland Annual Statement

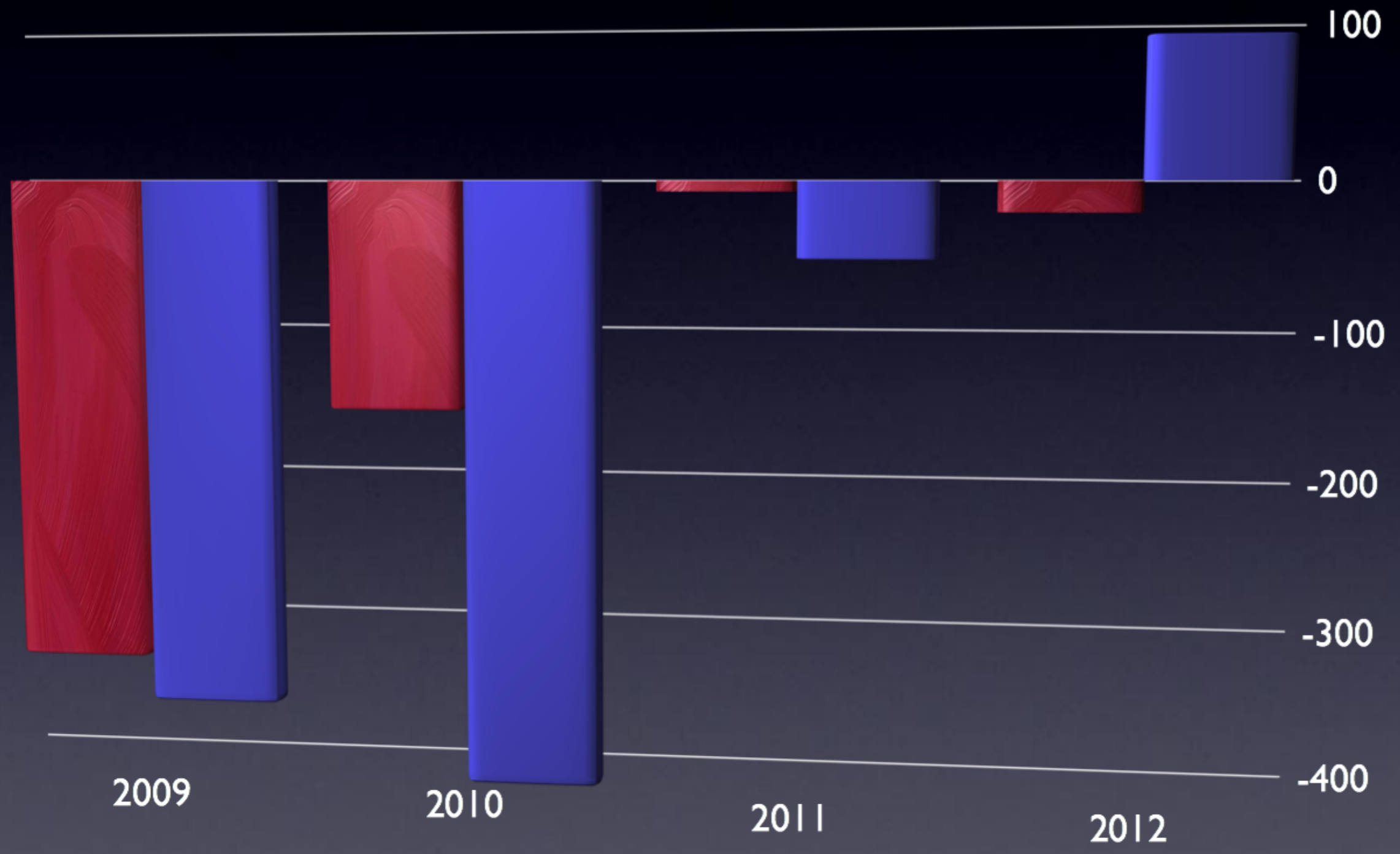
In brief....

- 2012: mixed fortunes but positive in key respects
 - Upturn in revenue and employment
 - Ireland & Britain -v- USA/Germany/France
 - 3-speed recovery generally & hotels benefitting
- 2013: further growth expected
 - Industry optimism - early bookings, access, economies
 - 'Gathering Boost'
 - Strong recovery in value for money ratings

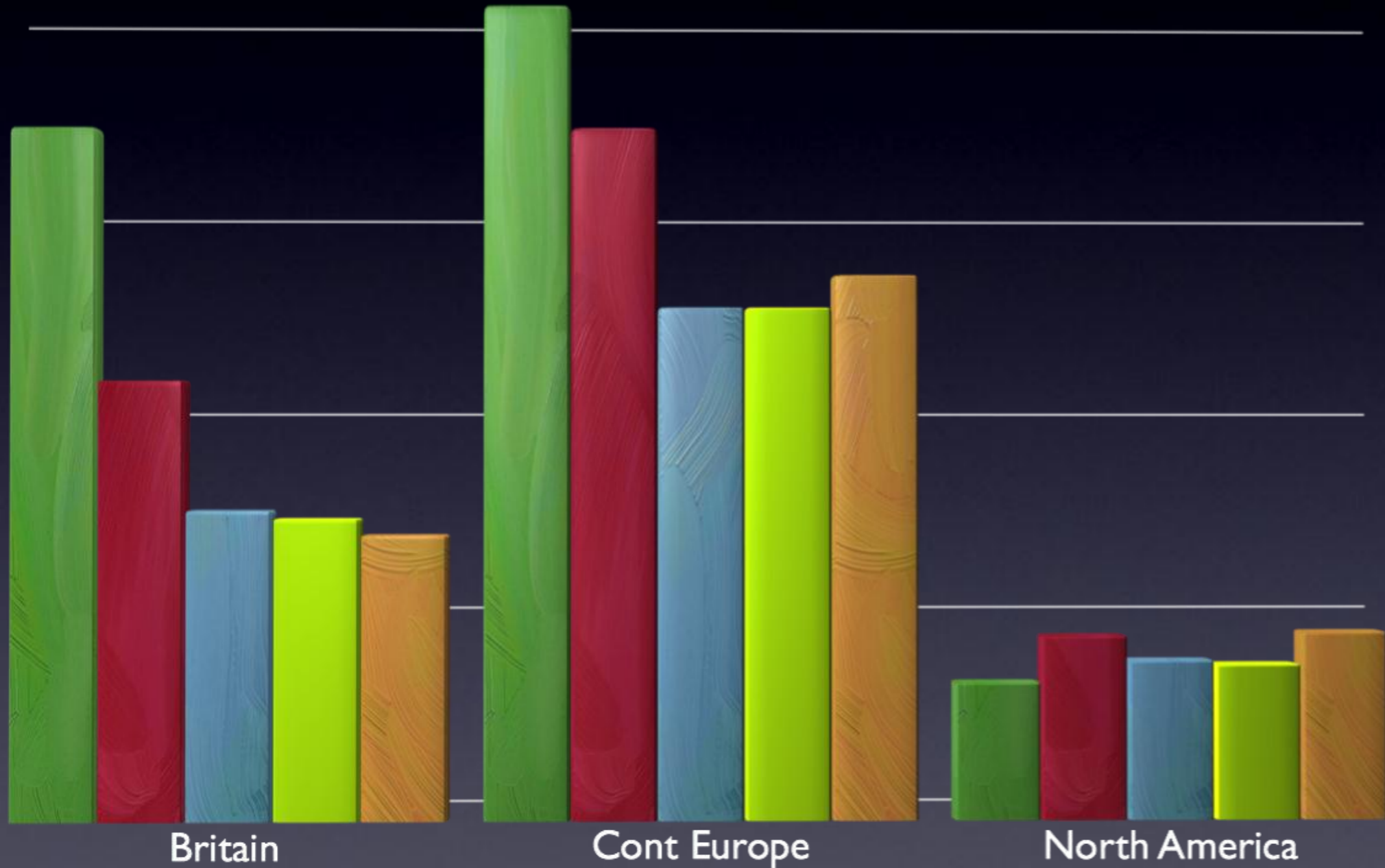
Market Performance (visitors)



Foreign Earnings (€4bn)



Revenue Trend (2008-2012)



British Market Performance

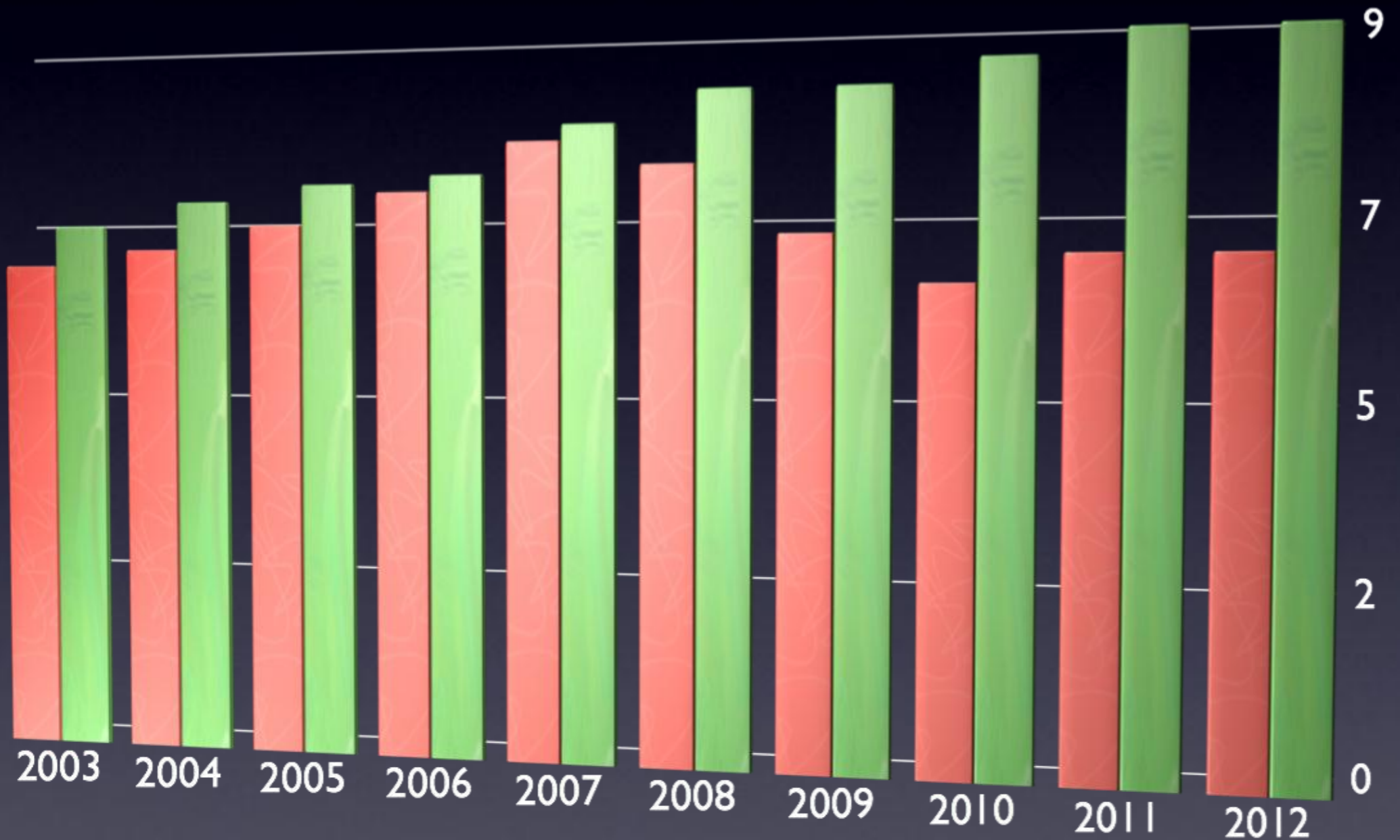


'GB Path to Growth'

- holiday business down 50%
- short break destination
- competing with GB domestic travel
- specific segments with potential
- new communications strategy
- recover some market share

Tourist Trips (m)

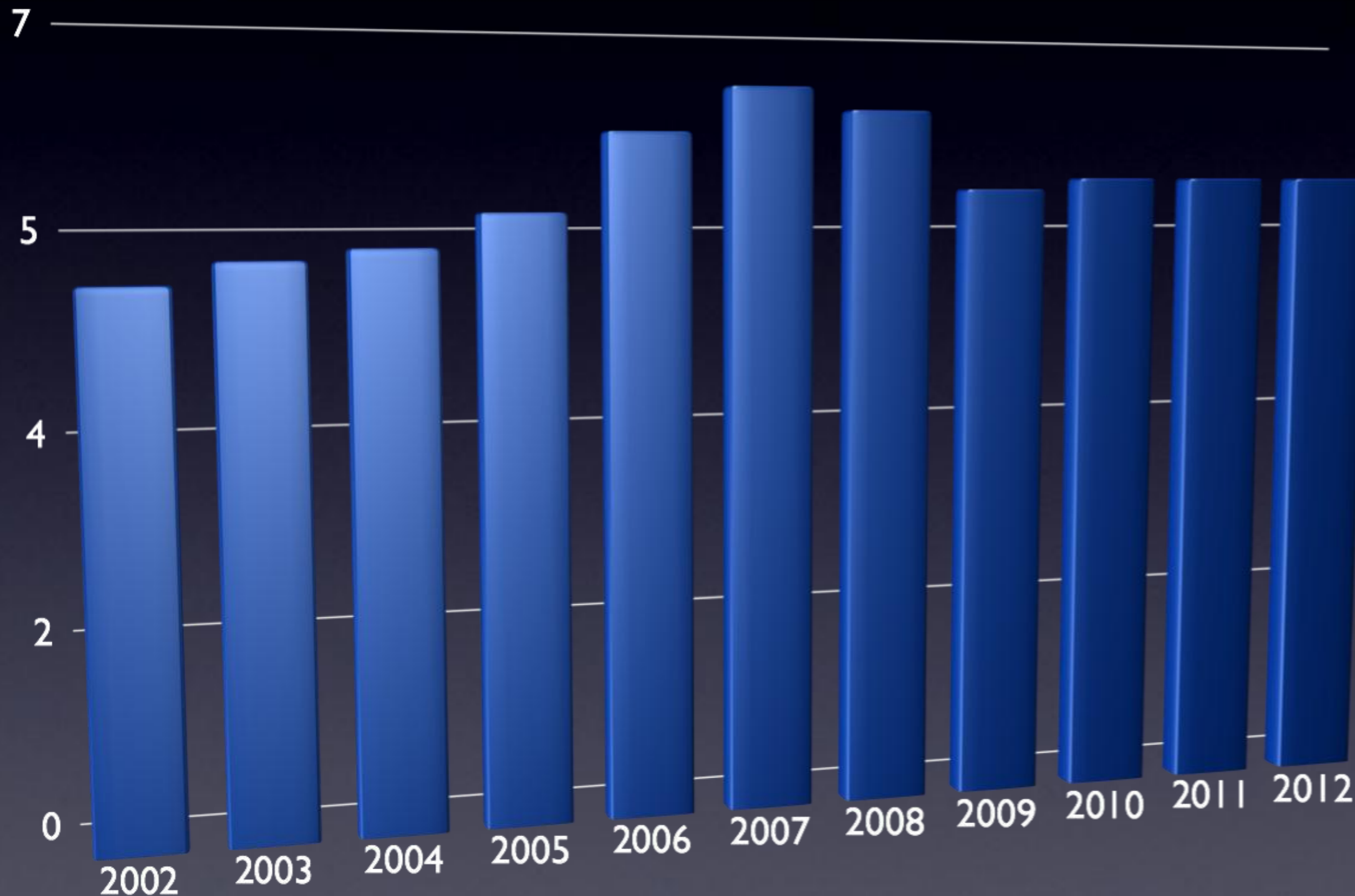
Overseas Visitors Domestic Trips



Domestic Revenue (€1.7bn)



Tourism Revenues (€bn)



A nighttime photograph of a waterfront city. In the foreground, a body of water reflects the lights from the buildings and the bridge. A cable-stayed bridge with a white arch is visible on the left. In the background, several modern buildings are lit up, including a prominent one with a curved, glass facade. The sky is dark blue with some clouds.

Business Tourism: Conferences, Corporate Meetings & Incentive

- 2012 an exceptional year for business tourism.
- 2013 prospects initially much weaker but now strengthening
- Strong business pipeline for both 2014 & 2015

Hotel Room Occupancy (%)

	<i>2010</i>	<i>2011</i>	<i>2012</i>
Dublin	63	66	73
East & Midlands	44	41	46
South East	61	59	64
South West	61	62	64
Shannon	53	54	49
West	59	61	66
North West	52	51	54
Average	58	59	63

Hotel Room Occupancy (%)

	<i>2010</i>	<i>2011</i>	<i>2012</i>
MMA	61	64	69
Other urban	55	55	57
Rural	55	54	57

Hotel trade by market (%)

	<i>2010</i>	<i>2011</i>	<i>2012</i>
Ireland	64	66	63
N. Ireland	5	4	5
Britain	11	10	9
N. America	8	7	9
Europe	10	10	11

Profitability

	Up	Same	Down
Hotels	54%	25%	21%
Guesthouses	38%	16%	46%
Hostels	35%	16%	49%
Attractions	30%	31%	39%
Self catering	25%	31%	44%
Bed & Breakfast	15%	17%	68%

How are businesses coping?

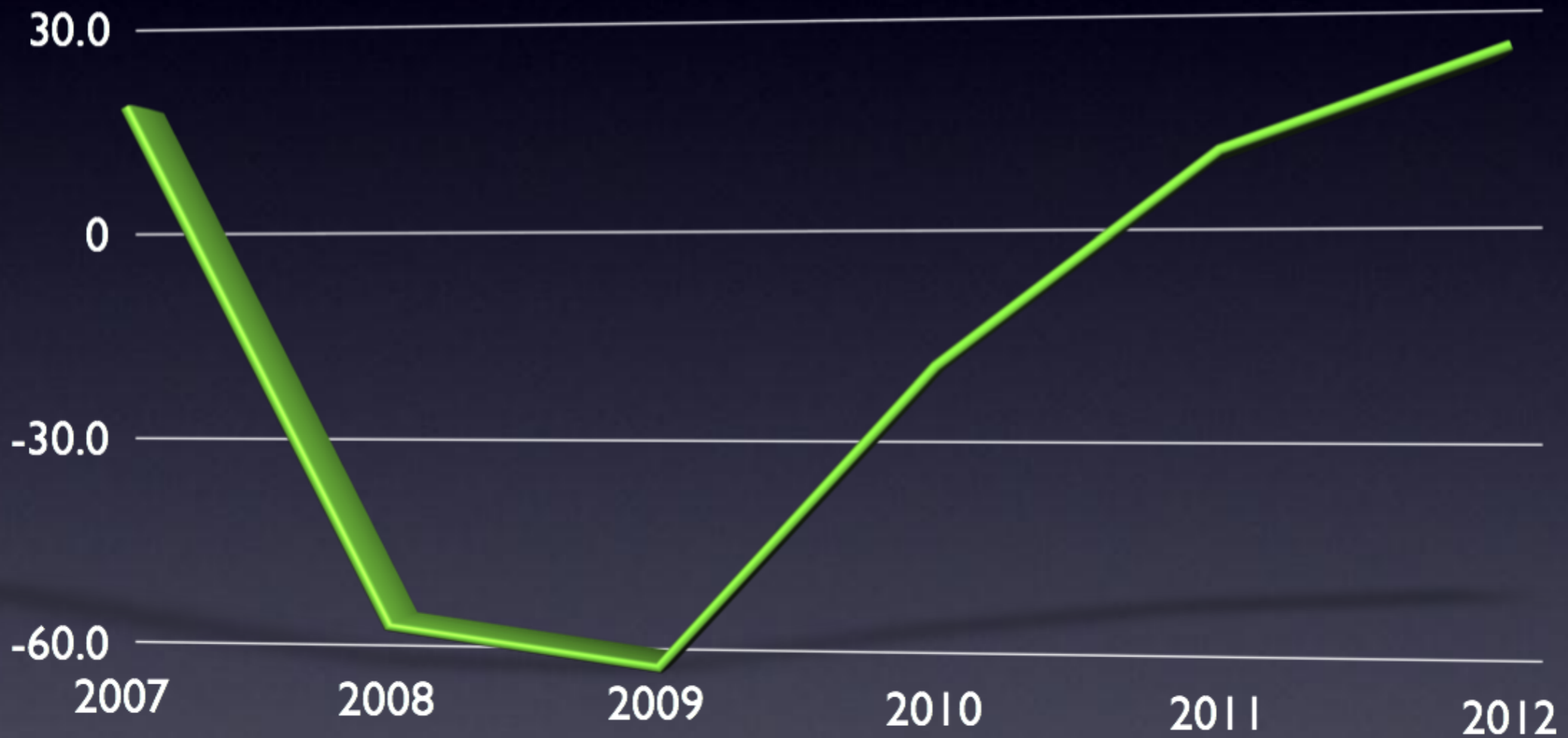
- 8 in 10 increasing marketing effort
- 7 in 10 cutting operating costs - falling
- 6 in 10 discounting prices - falling
- 1 in 2 targeting new markets/introducing new products or services - increasing

Key Issues for Businesses

- Fuel & Energy Costs
- Economic climate
- Low-priced competition
- Visitors spending less

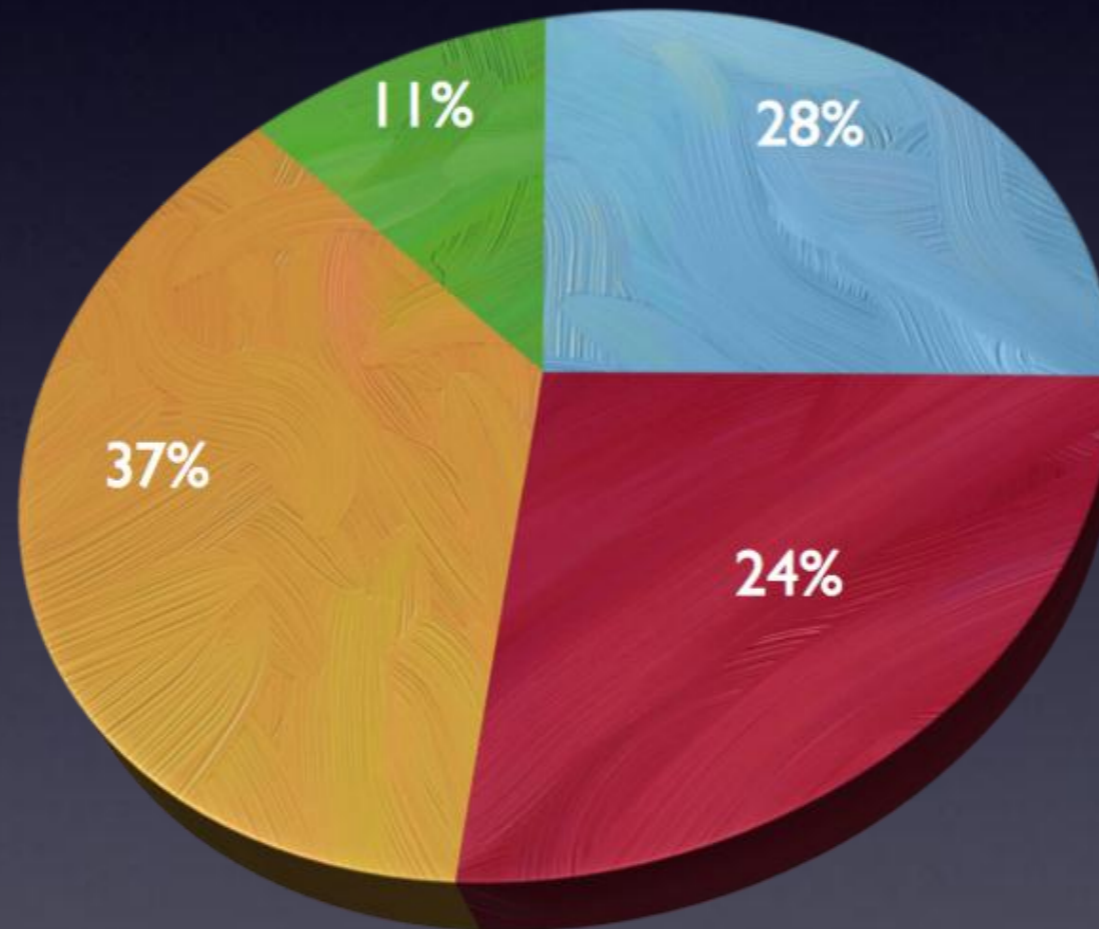
2013

Tourism Sentiment Index (%)

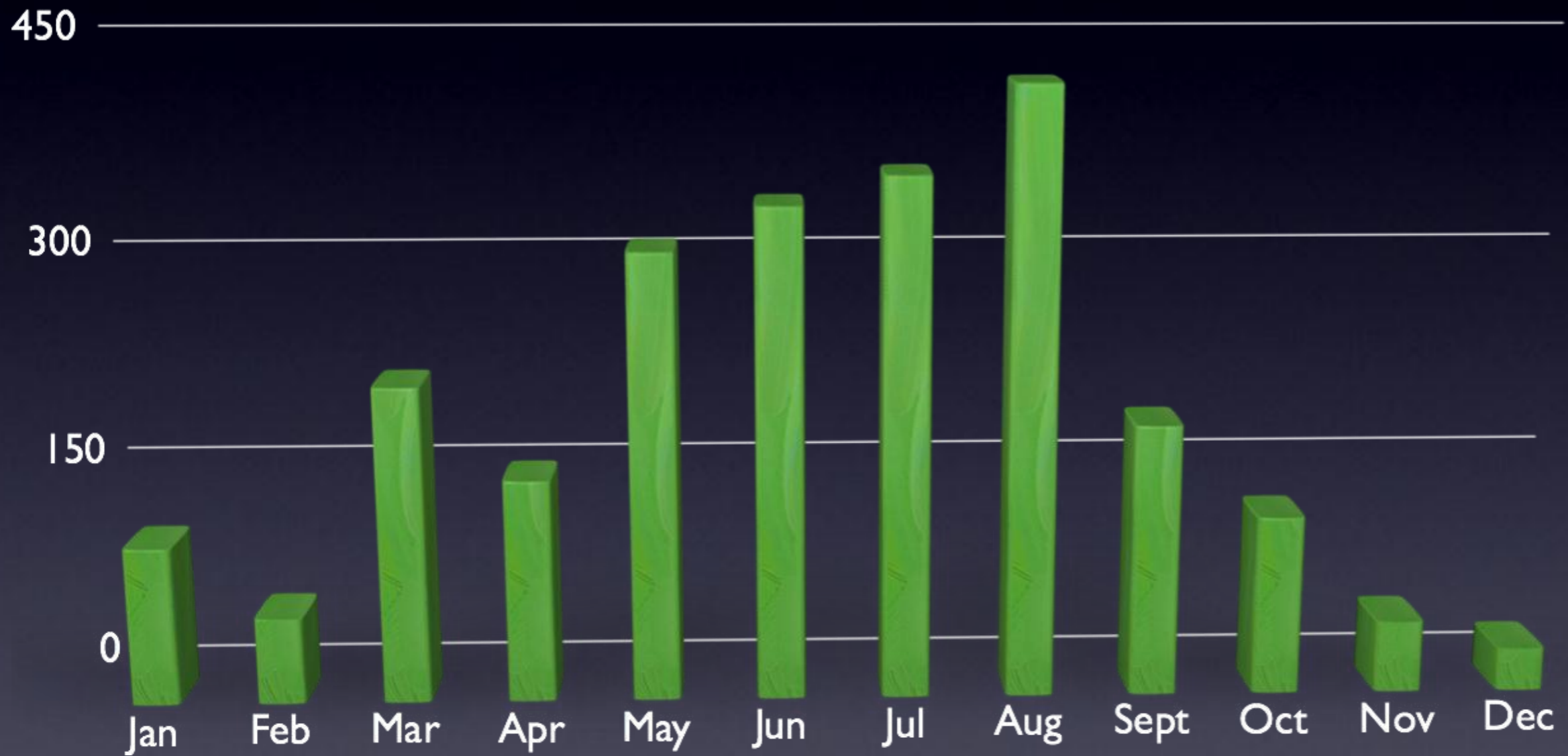


Key Markets

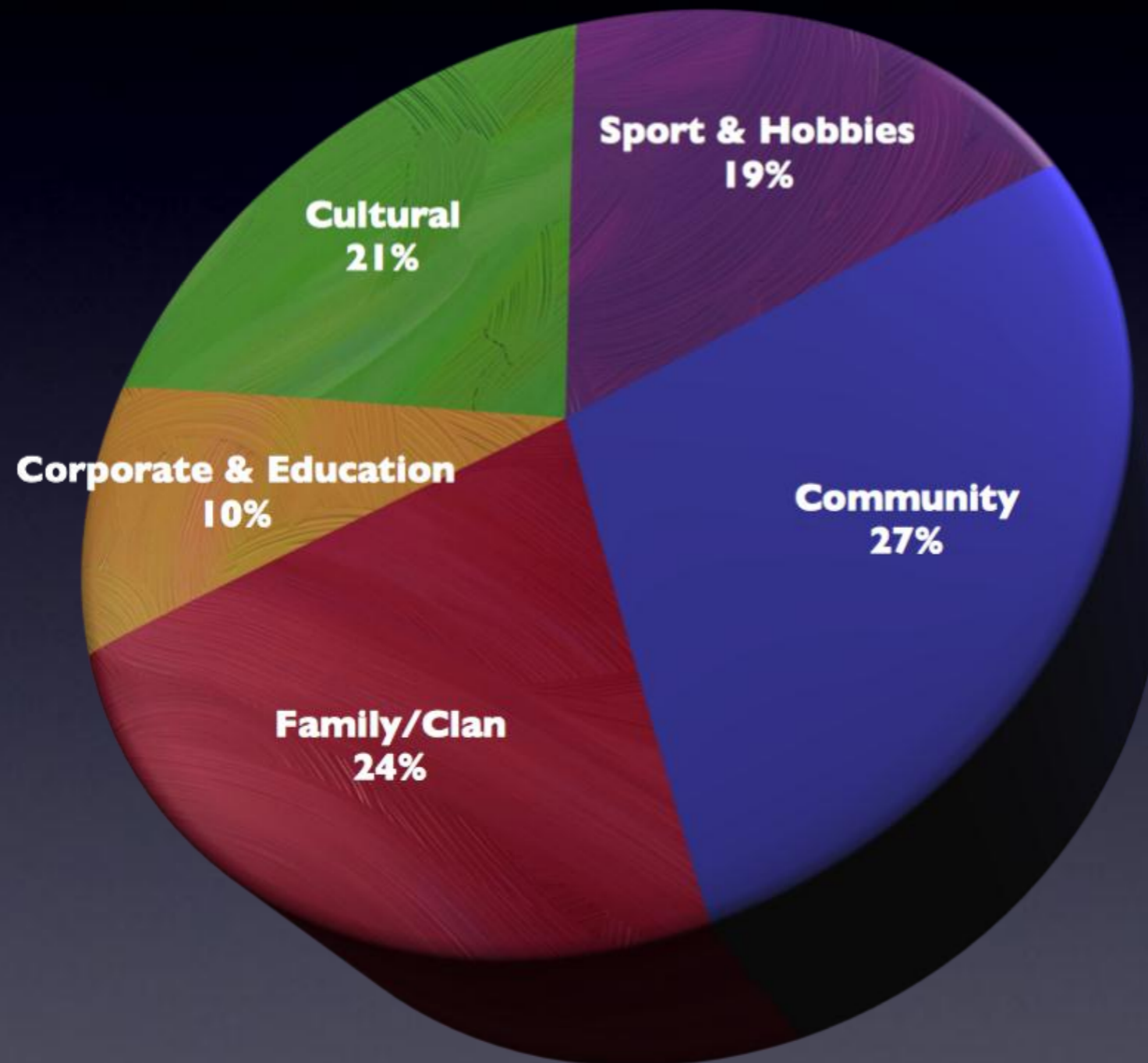
● Britain ● North America ● Cont Europe ● Other



2,388 Gatherings

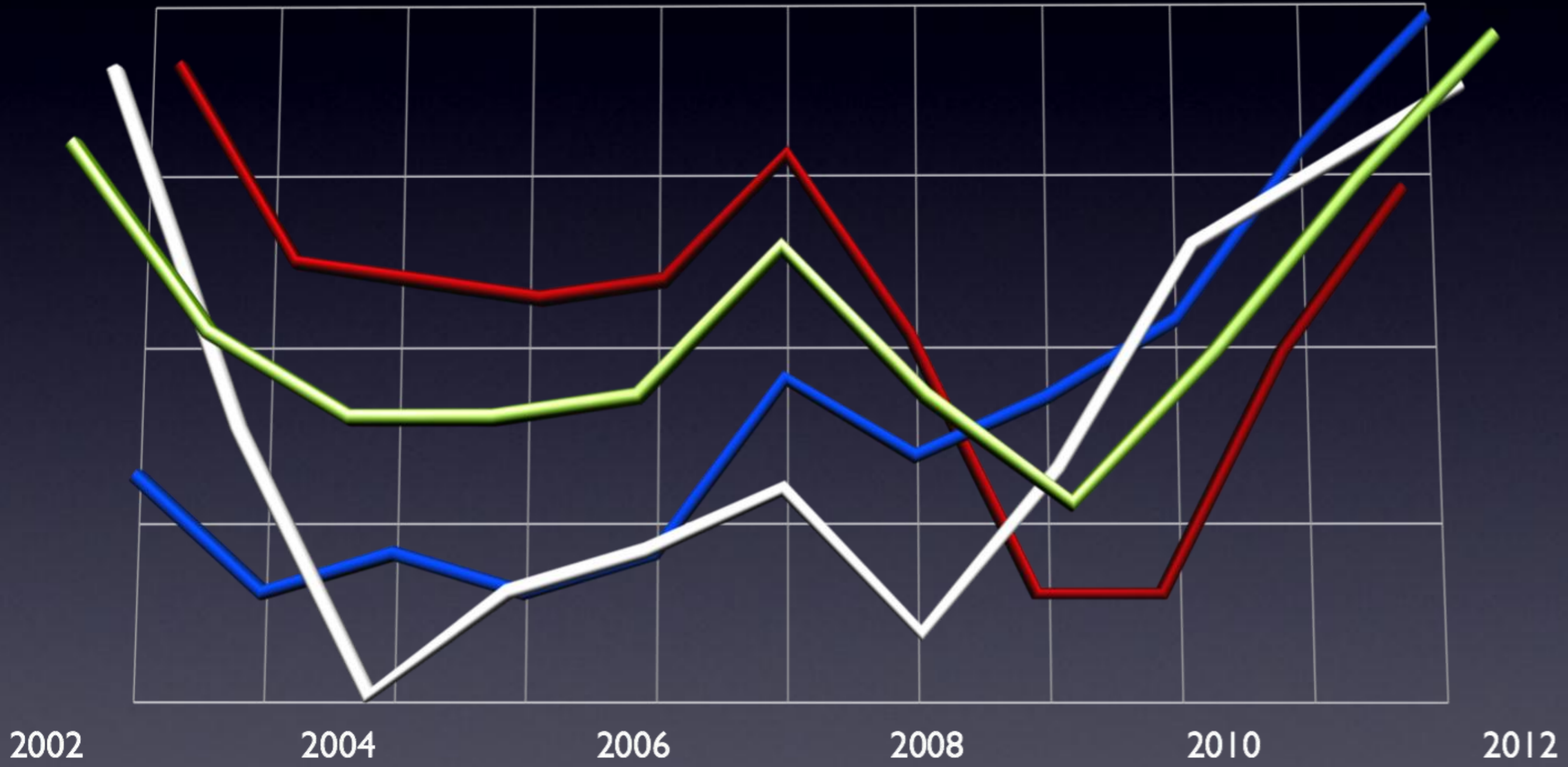


Gatherings by Theme



Value for Money Trends

— Overall — USA — Continental Europe — Britain



2013 Priorities: Fáilte Ireland

- Ensure *The Gathering 2013* is successful
- Implement 'Project Britain'
- Overseas growth strategy
- Progress 5 'signature' projects
 - *'The Dublinne: TCD - Kilmainham*
 - *'Medieval Mile' - Kilkenny*
 - *'Viking Triangle' - Waterford*
 - *'Wild Atlantic Way'*
 - *'Greenway' - Phase2: Connemara - Oughterard*



