



PROPOSED SIX SENSES VIEQUES, PUERTO RICO

PRELIMINARY FINANCIAL ANALYSIS (AUG 2013)

****Note: These are preliminary projections and subject to change based on change in project details and market conditions***

THIS DOCUMENT CONTAINS PROPRIETARY AND CONFIDENTIAL INFORMATION

It is hereby stated that the information contained herein is confidential and is set out as a general outline of the potential investment contemplated. All descriptions, references to terms and conditions and other details are given in good faith and are based upon information available to Six Senses Group at this time, plus external market information that has been gathered by Six Senses Group or is believed by Six Senses Group to have derived from reputable and reliable sources. All opinions and judgements, plus all financial forecasts and projections contained in this document are necessarily of a subjective nature and subject to uncertainty. The analysis is based on sources believed to be correct and reliable and represents the opinion of Six Senses Group as at the date of this document. However, neither Six Senses nor any of its directors, officers or employees makes any representation or warranty, express or implied, as to the accuracy of the forecasts contained herein nor accepts any liability therefor. The performance of hotels can be affected by many factors beyond the control of the operator, including economic downturns, natural disasters, terrorism and disease. The information obtained herein, including any part thereof, may not be reproduced or quoted to third parties outside of the entity of the intended recipient without the prior written permission of Six Senses Group and/or the sources quoted or expressly relied upon herein.

SIX SENSES HOTELS RESORTS SPAS
SIX SENSES VIEQUES, PUERTO RICO
ALL AMOUNTS IN USD

DRAFT FOR DISCUSSION ONLY

INCOME STATEMENT:

Particulars	Year 1			Year 2			Year 3			Year 4			Year 5		
	Amounts	POR	%	Amounts	POR	%	Amounts	POR	%	Amounts	POR	%	Amounts	POR	%
KEY STATISTICS:															
Total No. of Keys	87			95			95			95			95		
No. of Keys - Resort	75			75			75			75			75		
No. of Keys - Resi Pooled Back	6			10			10			10			10		
No. of Keys - Resi Not Pooled Back	6			10			10			10			10		
Total Rooms Available	29,295			30,575			30,575			30,575			30,575		
Total Rooms Occupied	14,644			16,934			18,397			19,291			19,573		
Occupancy - Overall	50%			55%			60%			63%			64%		
Occupancy - Resort Only	51%			57%			62%			65%			65%		
Occupancy - Resi Only	41%			45%			49%			51%			52%		
ADR - Overall	640			689			719			749			770		
ADR - Resort Only	613			645			674			701			722		
ADR - Resi Only	1,116			1,167			1,214			1,262			1,297		
RevPAR - Overall	320			382			433			472			493		
INCOME STATEMENT:															
Revenue:															
Resort Room Revenue	8,499,025	580	56.5%	9,986,537	590	53.2%	11,346,059	617	53.1%	12,380,941	642	53.2%	12,936,844	661	53.2%
Residential Room Revenue	867,840	59	5.8%	1,680,000	99	9.0%	1,883,759	102	8.8%	2,059,529	107	8.8%	2,138,241	109	8.8%
F&B Revenue	3,786,814	259	25.2%	4,681,785	276	25.0%	5,313,890	289	24.9%	5,717,825	296	24.5%	5,954,718	304	24.5%
Other Revenue	1,098,296	75	7.3%	1,333,572	79	7.1%	1,513,938	82	7.1%	1,643,067	85	7.1%	1,717,138	88	7.1%
Spa Revenue	800,023	55	5.3%	1,073,329	63	5.7%	1,325,697	72	6.2%	1,492,354	77	6.4%	1,557,346	80	6.4%
Total Revenue	15,051,998	1,028	100.0%	18,755,223	1,108	100.0%	21,383,342	1,162	100.0%	23,293,716	1,208	100.0%	24,304,287	1,242	100.0%
Expenses :															
Room Dept	(1,873,373)	(128)	20.0%	(2,216,642)	(131)	19.0%	(2,381,367)	(129)	18.0%	(2,527,082)	(131)	17.5%	(2,638,140)	(135)	17.5%
F&B Dept	(3,029,451)	(207)	80.0%	(3,558,157)	(210)	76.0%	(3,826,001)	(208)	72.0%	(4,002,477)	(207)	70.0%	(4,108,755)	(210)	69.0%
Other Dept	(823,722)	(56)	75.0%	(933,501)	(55)	70.0%	(1,044,617)	(57)	69.0%	(1,117,285)	(58)	68.0%	(1,167,654)	(60)	68.0%
Spa Dept	(576,016)	(39)	72.0%	(708,397)	(42)	66.0%	(821,932)	(45)	62.0%	(895,413)	(46)	60.0%	(934,408)	(48)	60.0%
Total Expenses	(6,302,563)	(430)	41.9%	(7,416,697)	(438)	39.5%	(8,073,917)	(439)	37.8%	(8,542,258)	(443)	36.7%	(8,848,957)	(452)	36.4%
Gross Operating Income	8,749,435	597	58.1%	11,338,527	670	60.5%	13,309,425	723	62.2%	14,751,459	765	63.3%	15,455,330	790	63.6%
Less: Undistributed Expenses															
Admin and General	(1,655,720)	(113)	11.0%	(1,875,522)	(111)	10.0%	(1,967,268)	(107)	9.2%	(2,049,847)	(106)	8.8%	(2,114,473)	(108)	8.7%
POMECE	(1,730,980)	(118)	11.5%	(1,969,298)	(116)	10.5%	(2,138,334)	(116)	10.0%	(2,259,490)	(117)	9.7%	(2,308,907)	(118)	9.5%
Sales and marketing	(1,053,640)	(72)	7.0%	(1,125,313)	(66)	6.0%	(1,154,700)	(63)	5.4%	(1,164,686)	(60)	5.0%	(1,215,214)	(62)	5.0%
Total Undistributed expenses	(4,440,339)	(303)	29.5%	(4,970,134)	(293)	26.5%	(5,260,302)	(286)	24.6%	(5,474,023)	(284)	23.5%	(5,638,595)	(288)	23.2%
Gross Operating Profit	4,309,096	294	28.6%	6,368,393	376	34.0%	8,049,123	438	37.6%	9,277,435	481	39.8%	9,816,736	502	40.4%
GOP - %	28.6%			34.0%			37.6%			39.8%			40.4%		

SIX SENSES HOTELS RESORTS SPAS SIX SENSES VIEQUES, PUERTO RICO ALL AMOUNTS IN USD					
KEY STATISTICS AND REVENUE ASSUMPTIONS:					
Particulars	Year 1 Projection	Year 2 Projection	Year 3 Projection	Year 4 Projection	Year 5 Projection
Total No. of Keys (Total Development)	87	95	95	95	95
Total No. of Keys (Resort + Resi Pooled Back)	81	85	85	85	85
Six Senses Pool Villa	28	28	28	28	28
Six Senses Deluxe Pool Villa	23	23	23	23	23
2-Bedroom Six Senses Deluxe Pool Villa	12	12	12	12	12
Six Senses Ocean Front Pool Villa	10	10	10	10	10
The Retreat	1	1	1	1	1
Private Reserve	1	1	1	1	1
2-Bedroom Six Senses Residential Villa	3	5	5	5	5
3-Bedroom Six Senses Residential Villa	3	5	5	5	5
Residential Villas Not Pooled Back	6	10	10	10	10
Days					
Resort Operating Days	365	365	365	365	365
Residential Villas Used by Owners	(45)	(45)	(45)	(45)	(45)
Net Days of Residential Villas Available for Resort Guests	320	320	320	320	320
Rooms Available	29,295	30,575	30,575	30,575	30,575
Six Senses Pool Villa	10,220	10,220	10,220	10,220	10,220
Six Senses Deluxe Pool Villa	8,395	8,395	8,395	8,395	8,395
2-Bedroom Six Senses Deluxe Pool Villa	4,380	4,380	4,380	4,380	4,380
Six Senses Ocean Front Pool Villa	3,650	3,650	3,650	3,650	3,650
The Retreat	365	365	365	365	365
Private Reserve	365	365	365	365	365
2-Bedroom Six Senses Residential Villa	960	1,600	1,600	1,600	1,600
3-Bedroom Six Senses Residential Villa	960	1,600	1,600	1,600	1,600
Occupancy - Overall	50%	55%	60%	63%	64%
Occupancy - Resort Only	51%	57%	62%	65%	65%
Occupancy - Residential Only	41%	45%	49%	51%	52%
Six Senses Pool Villa	53%	59%	64%	67%	68%
Six Senses Deluxe Pool Villa	52%	58%	63%	66%	67%
2-Bedroom Six Senses Deluxe Pool Villa	47%	53%	58%	61%	62%
Six Senses Ocean Front Pool Villa	50%	56%	61%	64%	65%
The Retreat	30%	35%	38%	40%	40%
Private Reserve	25%	28%	30%	32%	32%
2-Bedroom Six Senses Residential Villa	46%	52%	57%	60%	61%
3-Bedroom Six Senses Residential Villa	35%	38%	40%	42%	42%
Occupancy Increase - %		6%	5%	3%	1%
Rooms Occupied	14,644	16,934	18,397	19,291	19,573
Six Senses Pool Villa	5,417	6,030	6,541	6,847	6,950
Six Senses Deluxe Pool Villa	4,365	4,869	5,289	5,541	5,625
2-Bedroom Six Senses Deluxe Pool Villa	2,059	2,321	2,540	2,672	2,716
Six Senses Ocean Front Pool Villa	1,825	2,044	2,227	2,336	2,373
The Retreat	110	128	139	146	146
Private Reserve	91	102	110	117	117
2-Bedroom Six Senses Residential Villa	442	832	912	960	976
3-Bedroom Six Senses Residential Villa	336	608	640	672	672
Room Revenue:					
ADR - Overall	640	689	719	749	770
ADR - Resort Only	613	645	674	701	722
ADR - Residential Only	1,116	1,167	1,214	1,262	1,297
Six Senses Pool Villa	500	525	549	571	588
Six Senses Deluxe Pool Villa	550	578	603	628	646
2-Bedroom Six Senses Deluxe Pool Villa	800	840	878	913	940
Six Senses Ocean Front Pool Villa	675	709	741	770	793
The Retreat	1,750	1,838	1,920	1,997	2,057
Private Reserve	3,500	3,675	3,840	3,994	4,114
2-Bedroom Six Senses Residential Villa	900	945	988	1,027	1,058
3-Bedroom Six Senses Residential Villa	1,400	1,470	1,536	1,598	1,646
ADR Increase - %		5.0%	4.5%	4.0%	3.0%
Other Revenue Increase		5.0%	4.5%	3.5%	3.0%
Room Revenue:					
Six Senses Pool Villa	2,708,300	3,165,645	3,588,446	3,906,921	4,084,190
Six Senses Deluxe Pool Villa	2,400,970	2,811,905	3,191,755	3,477,493	3,636,088
2-Bedroom Six Senses Deluxe Pool Villa	1,646,880	1,949,976	2,229,963	2,439,118	2,553,477
Six Senses Ocean Front Pool Villa	1,231,875	1,448,685	1,649,043	1,799,350	1,882,288
The Retreat	191,625	234,741	266,330	291,561	300,308
Private Reserve	319,375	375,585	420,521	466,498	480,493
2-Bedroom Six Senses Residential Villa	397,440	786,240	900,623	985,945	1,032,449
3-Bedroom Six Senses Residential Villa	470,400	893,760	983,136	1,073,585	1,105,792
Gross Resort Room Revenue	8,499,025	9,986,537	11,346,059	12,380,941	12,936,844
Gross Residential Room Revenue	867,840	1,680,000	1,883,759	2,059,529	2,138,241
Less: Share to residential owners (Below GOP)					
40% of Residential Room Revenue	(347,136)	(672,000)	(753,504)	(823,812)	(855,296)
Other Revenue:					
Food Revenue POR	150	158	165	170	175
Beverage Revenue POR	75	79	82	85	88
Other Revenue POR - Including Gallery	75	79	82	85	88
Spa	55	63	72	77	80
Resort F&B Revenue					
Resort Guests Food Revenue	2,196,593	2,667,144	3,027,875	3,286,133	3,434,276
Resort Guests Beverage Revenue	1,098,296	1,333,572	1,513,938	1,643,067	1,717,138
Residential Guests Food Revenue (Owner Occupied & Pooled Back)	20,250	35,438	37,032	38,328	39,478
Residential Guests Beverage Revenue (Owner Occupied & Pooled Back)	10,125	17,719	18,516	19,164	19,739
Residential Guests Food Revenue (Not Pooled Back)	65,700	114,975	120,149	124,354	128,085
Residential Guests Beverage Revenue (Not Pooled Back)	32,850	57,488	60,074	62,177	64,042
Total Resort F&B Revenue	3,423,814	4,226,335	4,777,584	5,173,224	5,402,758
External Guests F&B Revenue					
Number of Events per Month	4	5	6	6	6
Average Number of Covers/Event	60	60	60	60	60
Average Price/Cover	50	53	55	57	58
Total Revenue from Events	144,000	189,000	237,006	245,301	252,660
Combined F&B Revenue	3,786,814	4,681,785	5,313,890	5,717,825	5,954,718

SIX SENSES HOTELS RESORTS SPAS
SIX SENSES VIEQUES, PUERTO RICO
ALL AMOUNTS IN USD

SPA PROJECTION:

Particulars	Year -1 Projection	Year 0 Projection	Year 1 Projection	Year 2 Projection	Year 3 Projection	Year 4 Projection	Year 5 Projection
Double Occupancy - Hotel Guests / Residential Owners			2.00	2.00	2.00	2.00	2.00
No. of Guests - Hotel Guests			29,288	33,869	36,794	38,581	39,146
No. of Guests - Residential Owners			1,146	1,910	1,910	1,910	1,910
Total Guests			30,434	35,779	38,704	40,491	41,056
Capture Rate - Hotel Guests			18%	20%	21%	22%	22%
Capture Rate - Residential Owners			10%	11%	12%	12%	12%
Walk-In per Day			1	1	2	2	2
Total Treatments			5,751	7,349	8,686	9,447	9,571
Total Treatments per Day			16	20	24	26	26
Average Treatment Price			130	137	143	148	152
Total Treatment Revenue			747,685	1,003,111	1,238,969	1,394,724	1,455,464
Other Spa Revenue	7%		52,338	70,218	86,728	97,631	101,882
Total Spa Revenue			800,023	1,073,329	1,325,697	1,492,354	1,557,346
Total Spa Cost			72%	66%	62%	60%	60%
Total costs			(576,016)	(708,397)	(821,932)	(895,413)	(934,408)
Spa GOP			224,006	364,932	503,765	596,942	622,938
GOP %			28%	34%	38%	40%	40%

SIX SENSES HOTELS RESORTS SPAS SIX SENSES VIEQUES, PUERTO RICO ALL AMOUNTS IN USD									
RESIDENTIAL SALES AND LEASE BACK:									
Particulars		Year -2 Projection	Year -1 Projection	Year 0 Projection	Year 1 Projection	Year 2 Projection	Year 3 Projection	Year 4 Projection	Year 5 Projection
Total possible Residences	20								
2-Bedroom Residential Villa	10								
3-Bedroom Residential Villa	10								
Development Completion - Yearly basis			-	4	8	8	-	-	-
2-Bedroom Residential Villa			-	2	4	4	-	-	-
3-Bedroom Residential Villa			-	2	4	4	-	-	-
Outstanding villas			-	4	12	20	20	20	20
2-Bedroom Residential Villa			-	2	6	10	10	10	10
3-Bedroom Residential Villa			-	2	6	10	10	10	10
% of villa owner lease back to hotel	50%								
Total Residences pooled back to hotel			-	2	6	10	10	10	10
2-Bedroom Residential Villa				1	3	5	5	5	5
3-Bedroom Residential Villa				1	3	5	5	5	5