



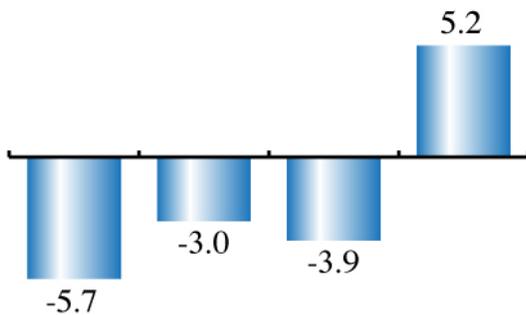
The Pulse of Tourism is a publication intended to show the monthly behavior of the most important variables of tourist activity. We will be commenting on hotel registration, occupancy rates, and other items such as rooms rented and available.

**TOTAL HOTEL REGISTRATION /1**

| JUN 2010 | MAY 2010 | JUN 2009 | %CH | JAN-JUN 2010 | JAN-JUN 2009 | %CH |
|----------|----------|----------|-----|--------------|--------------|-----|
| 184.1    | 159.9    | 182.5    | 0.8 | 1,049.7      | 998.1        | 5.2 |

The January to June 2010 total registration grew 5.2% compared to the same period in 2009, breaking a cycle of negative rates caused by the economic crisis observed during the previous three years.

**Hotel Registration**  
(January-June 2007-2010)



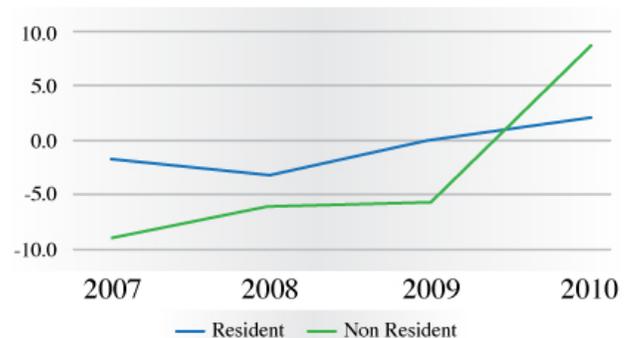
In the months of January, February and March 2010, total registration saw growth rates of 8.1%, 10.9% and 12.4%, respectively, compared to the same months of the previous year. We see that in the month of May, when the low season begins, the growth rate was -2.9% and then in June it was 0.8%. This shows some, albeit slow, recovery, which may be positive for this industry.

**RESIDENT AND NON RESIDENT HOTEL REGISTRATION**

| JUN 2010 | MAY 2010 | JUN 2009 | %CH | JAN-JUN 2010 | JAN-JUN 2009 | %CH |
|----------|----------|----------|-----|--------------|--------------|-----|
| 107.6    | 105.0    | 106.5    | 1.1 | 742.8        | 697.0        | 6.6 |
| 76.4     | 54.9     | 76.0     | 0.5 | 307.0        | 301.2        | 1.9 |

Total non resident registration grew by 6.6% during the months of January to June, and total resident registration grew 1.9% compared to the same period of the previous year. Total non resident registration is showing signs of recovery from the negative rates registered since 2007, confirming the improvement in Total Hotel Registration.

**Resident and Non Resident Registration**



**TOURIST HOTELS**

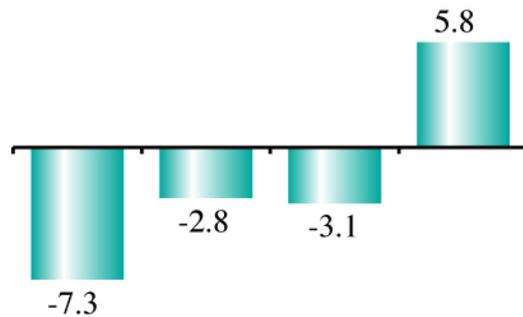
Tourist hotels have seen the greater portion of registrations with respect to total registration in fiscal 2010; it's the variable that is triggering growth this season and the most important one of this industry.

| JUN 2010 | MAY 2010 | JUN 2009 | %CH | JAN-JUN 2010 | JAN-JUN 2009 | %CH |
|----------|----------|----------|-----|--------------|--------------|-----|
| 163.4    | 142.3    | 159.5    | 2.4 | 934.7        | 883.4        | 5.8 |

The year-over-year growth rates of tourist registration for January, February and March 2010 were 8.6%, 10.9% and 12.8%, respectively. It bears mentioning that considerable negative rates were recorded in 2009, as well as in 2007, 2008, but they were overcome in 2010, giving the impression that this sector is recovering after three years of negative growth in registrations. The January to June 2010 total grew by 5.8% compared to the same period of the previous year.

(See illustration)

**Tourist Hotel Registration**  
(total for 2007-2010)



**TOTAL OCCUPANCY RATE**

In the month of June, the occupancy rate grew by 6.2% compared to the month of May, but not so with respect to June 2009 when the occupancy rate fell by -0.4%. The January to June total averaged 68.2% and grew by 4.0% with respect to the total for the same period of the previous year.

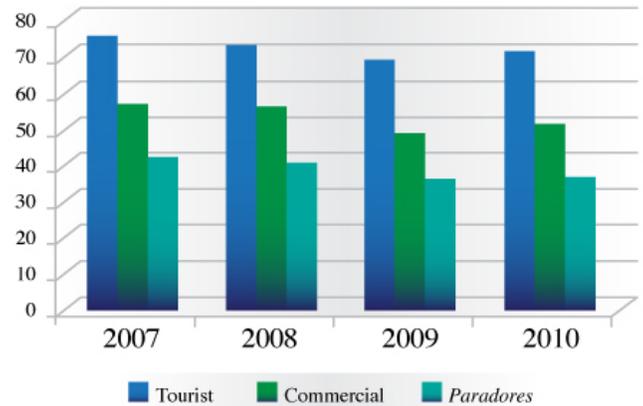
| JUN 2010 | MAY 2010 | JUN 2009 | %CH  | JAN-JUN 2010 | JAN-JUN 2009 | %CH |
|----------|----------|----------|------|--------------|--------------|-----|
| 62.8%    | 64.2%    | 68.5%    | -0.4 | 68.2%        | 65.5%        | 4.0 |

In the month of June 2010, occupancy fell in most hotels, but not so in commercial hotels which saw a shy increase of 0.7%, reaching 45.2% occupancy rate versus the 44.9% reflected in June 2009. The January to June commercial hotels occupancy rate total increased 5.9% compared to the same period in 2009.

Tourist hotels have had a rather positive semester with an average occupancy rate of 71.1%, which implied 3.4% growth with respect to the same period of the previous year.

In general, tourist and commercial hotels have been the ones that have shown initiative in achieving 4.0% total growth in the total occupancy rate.

(See illustration)



**ROOMS AVAILABLE AND RENTED**

We have had, both in commercial hotels and in *paradores* (country inns), a significant reduction in the rooms available and rented for the January-June 2010 period. This reflected an increase in the occupancy rate. On the other hand, registrations were not significant for *paradores*, which rented 25 rooms less than in the previous year, and even though there was a 1.3% increase in their occupancy rate, this was due to the fact that there were 78 less rooms available.

|                                 | JUN 2010 | MAY 2010 | JUN 2009 | %CA   | JAN-JUN 2010 | JAN-JUN 2009 | %CH  |
|---------------------------------|----------|----------|----------|-------|--------------|--------------|------|
| <b>Total Rooms Available</b>    | 12,603   | 12,343   | 12,303   | 2.4   | 12,499       | 12,069       | 3.6  |
| <b>Tourist Hotels</b>           | 11,324   | 11,092   | 10,887   | 4.0   | 11,324       | 10,699       | 5.8  |
| <b>Commercial Hotels</b>        | 478      | 511      | 537      | -11.0 | 506          | 540          | -6.2 |
| <b>Paradores (Country Inns)</b> | 801      | 741      | 880      | -9.0  | 753          | 831          | -9.4 |
| <b>Total Rooms Rented</b>       | 8,592    | 7,923    | 8,430    | 1.9   | 8,523        | 7,914        | 7.7  |
| <b>Tourist Hotels</b>           | 8,032    | 7,439    | 7,781    | 3.2   | 7,878        | 7,354        | 7.1  |
| <b>Commercial Hotels</b>        | 216      | 232      | 241      | -10.4 | 259          | 261          | -0.6 |
| <b>Paradores (Country Inns)</b> | 343      | 252      | 408      | -15.9 | 274          | 299          | -8.3 |

Growth and availability rates for tourist hotels have remained positive.

1. Total Resident and Non Resident Hotel Registration includes commercial hotels and *paradores*.
2. Source: Puerto Rico Tourism Company.