A MESSAGE FROM RICHARD R. KELLEY TO OUR OUTRIGGER ‘OHANA

October 22, 2011

Visiting Outrigger’s Offices in Phuket, Thailand

By Dr. Richard Kelley

I just returned from a one-week trip to Southeast Asia, which included a three-day stop at Outrigger’s Asia-Pacific regional office in Phuket, Thailand. David Carey, Dr. Chuck Kelley, Bitsy Kelley, Mel Kaneshige and Director Mark Fukunaga also made the trip. We all stayed at the Outrigger Laguna Phuket Resort & Villas and were briefed on our company’s activities and future plans for the Asia-Pacific area.

It was wonderful to reconnect with the members of our ‘ohana there, including Asia-Pacific Managing Director Darren Edmonstone and his colleagues Albert Chan, Damian Clowes, Michael Cowan, Bob Merrigan, Peter van der Hoeven and William Visser. General Manager Darren Shaw and his staff at Outrigger Laguna Phuket showed off the property’s excellent service and Thailand’s traditionally warm hospitality. Executive Chef Robert Czeschka never failed to delight us with his exceptional cuisine.

Outrigger Laguna Phuket has changed quite a bit in the short six months since my last visit there. The seven-story Suite Tower, which was under construction then, is now complete, offering deluxe multi-bedroom units with gorgeous views over the resort’s central pool and grounds. The two ultra-deluxe units on the top floor each have a private rooftop swimming pool!

Travel & Tourism in the Phuket area is booming. Visitor arrivals for 2011 are expected to hit 4 million, up 14 percent over 2010. This includes passengers arriving and departing on an ever-increasing number of charter flights, which were up 135 percent in 2010.

As we could quickly see on our arrival, the airport’s facilities are clearly straining under the load. A US$164-million expansion of the facilities is under way, which should increase the passenger-handling capacity to 12.5 million by 2014.

Phuket’s top sources of visitors include China, Australia, Russia, South Korea and Sweden, so I was not surprised when I turned on the TV in my room and had a number of different languages, including Russian, to choose from.

As reported in the media, prolonged, heavy rains have flooded many areas in Thailand north of Bangkok. Fortunately, the flooding has not reached Bangkok itself, and Suvarnabhumi Airport (BKK) is operating smoothly. It is expected to handle 24 million passengers in 2011, an increase of 15 percent over last year.

This is an exciting time of growth and diversification for our company. Whether you work at one of our new Hawai‘i or Asia-Pacific properties or in an established hotel, I trust you understand that it is teamwork at every level that enables our company to run smoothly and offer a quality of hospitality that continues to generate the priceless “word of mouth” that attracts new and repeat guests.

My thanks to every one in our ‘ohana for your many individual contributions. And finally, a special “mahalo” to everyone at Outrigger Laguna Phuket and our Asia-Pacific offices who worked so hard made our visit to Thailand a very special occasion.

See photos on page 2
Outrigger’s Asia-Pacific Portfolio Growing Rapidly
By Dr. Richard Kelley

Outrigger currently has 8 properties with 1,643 rooms open and running in the Asia-Pacific region:
• Outrigger Laguna Phuket Resort and Villas, Phuket, Thailand • 77 rooms
• Outrigger Koh Samui Resort and Spa, Koh Samui, Thailand • 81 rooms
• O-CE-N Bali, by Outrigger, Bali, Indonesia • 111 rooms
• Outrigger Little Hastings Street, Noosa, Australia • 156 rooms
• Outrigger Twin Towns, Coolangatta, Australia • 353 rooms
• Boathouse Apartments by Outrigger, Airlie Beach, Australia • 15 rooms
• Outrigger on the Lagoon, Fiji • 252 rooms
• Outrigger Guam Resort, Guam • 600 rooms

Many other properties are in the pipeline, including:
• The Holiday Inn Surfers Paradise in Australia. As announced last week, we have signed an agreement to purchase the management rights and real estate assets of this 414-room property, including the reception and conference areas, and the restaurant and bar. Once the contract is settled late this year or early in 2012, the property, which is currently operating as the Holiday Inn Surfers Paradise, will be rebranded Outrigger Surfers Paradise.
• On Hainan Island, China, the exciting Outrigger Clearwater Bay Resort & Spa with 499 rooms is under development and scheduled to open in 2014.
• Ground will soon be broken for the Outrigger Vinh Hoi Bay Resort and Spa, located in Quy Nhon, Vietnam. This 256-room hotel, also expected to open in 2014, will be part of the 800-acre, mixed-use Vinh Hoi Bay Golf Resort. Four other internationally branded hotels, including J.W. Marriott and Ritz Carlton, are planned, along with a Robert Trent Jones Jr. golf course, Vietnam’s first equestrian center, hiking trails and a local marketplace, all nestled in a spectacular secluded bay with 1.7 miles of white sand beach.
• The Outrigger Danang, also in Vietnam, with 120 pool villas, will open in 2014.
• The Outrigger Panorama Bali Resort & Spa, with 176 rooms nestled on the cliff tops of the Bukit Peninsular in the Kuta district of Bali, Indonesia, will open in 2014.

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Back: David Carey, Supap Boukao, Dr. Kelley, Phatthanaphisit Thanaratton, Dr. Chuck, Bitsy Kelley, Mel Kaneshige. Front: Ekkawin Watanakawinwong, Comsilp Chankaew and Suthas O-in

Sirilak Manoon, Nisanath Khantivisit, David Carey, Ruthai Saechouw, Wannapha Kontrong, Patchana Sommana, Siriwan Pornantipong, Sopida Konpetch, Panjama Leamsuwan, Arunothai Suksompong and Netnapa Tadakittikul

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“Lucky” regularly greets guests during breakfast

Dr. Chuck and Saowalak Kampeng

Dr. Kelley and Siriwan Porntantipong (Nok)

Bitsy Kelley and Sopida Kongpetch

Wannapha Kontrong, Dr. Kelley and Ruthai Saechouw

Panit Khongmak (Zai)