

Press Release: General Meeting of Shareholders of Waldhaus Flims Mountain Resort AG,
9 April 2010, 6 p.m., Waldhaus Arena, Waldhaus Flims Mountain Resort & Spa

Waldhaus Flims Mountain Resort & Spa: A Good Financial Year in a Difficult Environment

The Waldhaus Flims Mountain Resort & Spa, in the financial year 2009, achieved a turnover of approx. CHF 20.3 million, the third-highest in the company's history. Operating income is approx. CHF 2 million or 9.3% below that of the previous year; this is primarily due to the drop in the seminar and convention segment. On a more pleasant note, the number of overnight stays in the individual travellers segment remained more or less stable. The hotel complex was open for business on 341 days in the financial year 2009 (1 Nov. 2008 to 31 Oct. 2009).

Braving the Crisis Year

As a result of the difficult economic situation, operating income in the financial year decreased by 9.3% to CHF 20.273 million. Despite this CHF 2 million drop, we are looking at the third-highest turnover in the history of the Waldhaus Flims. The income generated in the restaurant segment decreased by 6%, owing to the absence of seminar and convention guests and hence diminished banquet turnover. Accommodation income decreased by 10%. The number of overnight stays in the individual travellers segment, thanks to a very high share of regular guests, remained quite stable, while in the MICE (Meeting, Incentive, Convention, Events) segment, many companies dropped events at 5-star hotels from their schedules altogether. GOP amounts to approx. CHF 4 million, moderately declining by 3% from 22.4% to 19.4%. The important EBITDA stands at CHF 3.7 Mio. The cash flow generated in the hotel/restaurant core segment amounted to CHF 2.357 million, the second-highest in the history of the hotel complex. The Waldhaus Flims Mountain Resort & Spa demonstrated in 2009 that it is capable, even in a difficult economic environment, of achieving significant income and, above all, of generating the cash flows serving as net operating capital on its own, in order to be able to carry on its sensible investment policy.

Waldhaus Arena – Curling & Events

The new Waldhaus Arena, which opened on 3 October 2009, makes Flims one of the leading convention and event destinations in the Swiss Alps. It represents investments of approx. CHF 14.3 million. During the winter season, the Waldhaus Arena serves as one of Europe's most modern curling facilities, while in summer doubling as a multi-purpose venue for events accommodating up to 1800 guests. Serving two purposes, curling and events, has proven a win-win proposition for both segments.



In March 2010, the Waldhaus Arena hosted the World Junior Curling Championships. The coming summer season's first large-scale event will be a conference bringing together some 1200 tourism experts in Flims; it is the industry's most important event, the *Schweizer Ferientag 2010* (Swiss Holiday Day 2010), organised by Switzerland Tourism.

Segnes Project making Headway

Construction work on the *Segnes* project, which commenced in the autumn of 2008, is well under way now. The buildings, intended to lend the Flims Waldhaus village centre more appeal, are being built in several phases. There are plans to build, along the Promenada, a meeting area including attractive shopping facilities and restaurants, a boutique design hotel, a 255-space underground parking facility – including 80 public spaces – and attractive apartments that will be made available to local citizens as well. The first section of the underground parking facility has already been completed. Above it, 3 residential buildings named Promenada Flem, comprising 42 apartments, are currently being built. The apartments in the first building were handed over to their new owners in December 2009. The second and the third (and final) house will be completed in the summer of 2010 and in December 2010, respectively. A subsequent phase will see the construction, between the Waldhaus Arena and the Promenada Flem buildings, of a luxury residence including hotel services. The final stage will comprise the new hotel, restaurants and the shopping galleria. The *Segnes* project is set to be completed in its entirety in 4 to 5 years.

A Look Forward to the Financial Year 2010

In the winter season now coming to its close, the number of overnight stays remained stable. Demand in the seminar and convention segment, however, declined further. This winter season, we expect a decrease in turnover of approx. 9%. Nevertheless, following this cautious start of the financial year 2010, we are optimistic that in the coming summer season we will be back on the growth path. The new Waldhaus Arena event venue opens up fresh opportunities and new business areas, thus helping to generate additional overnight stays in the future. In addition, with the economic upturn underway, there will be a hike in the demand for 5-star hotels as well. At the General Meeting of Shareholders, the Board of Directors extended its thanks and appreciation to the hotel's managerial couple, Christoph und Sabina Schlosser, who, after very successfully managing the resort for almost 10 years, are about to head for new shores, having handed over the keys to the Waldhaus Flims to Urs Grimm and Yasmin Cachemaille Grimm.

Following a short three-week intermission, the Waldhaus Flims will reopen on Wednesday, 5 May, for the summer season and will seamlessly continue on into the autumn and winter season 2010/11.

Flims, 9 April 2010



For further information, please contact:

Dr Hans-Peter Stücheli

Chairman of the Board

Telephone: +41 (0)79 420 39 87

E-mail: hp.stuecheli@waldhaus-flims.ch

Christoph Schlosser

Managing Director and CEO, Waldhaus Flims, Mountain Resort & Spa

Telephone: +41 (0)81 928 48 48

Fax: +41 (0)81 928 48 58

E-mail: ch.schlosser@waldhaus-flims.ch

www.waldhaus-flims.ch