
ANNUAL REPORT 2014

Waterfront Philippines, Inc.
Acesite (Phils.) Hotel Corp.

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This report is published annually by Waterfront Philippines, Inc. for the benefit of our stakeholders, peers & patrons.

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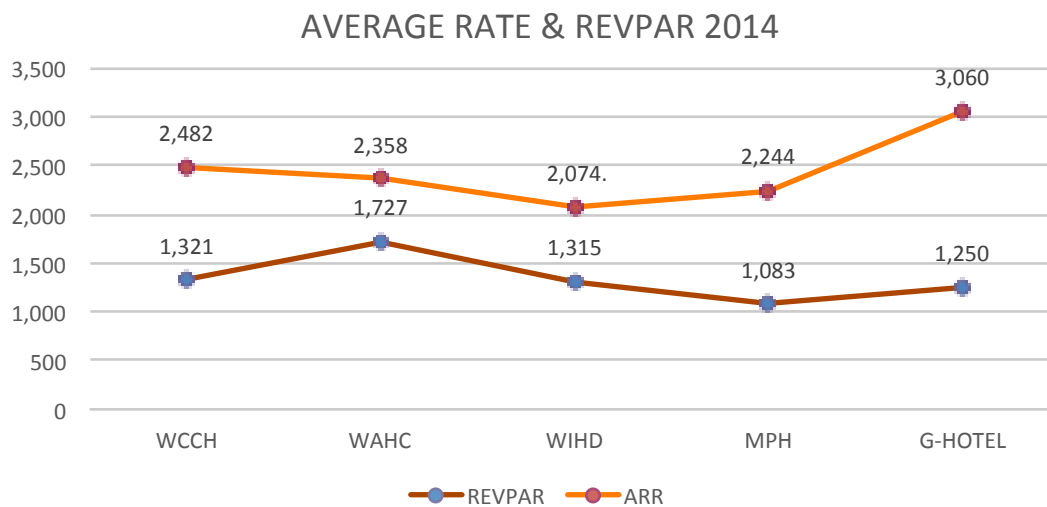
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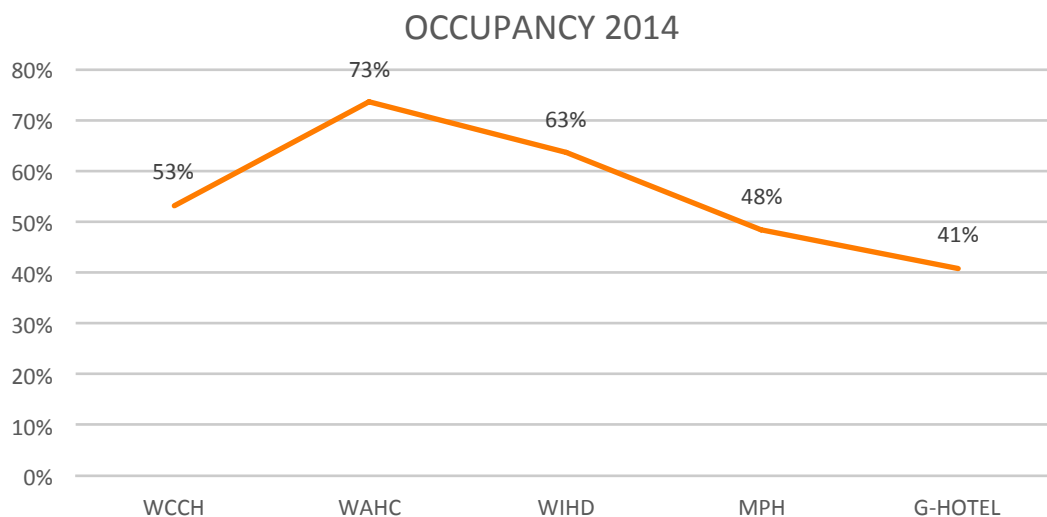
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Waterfront Philippines, Inc. and Subsidiaries

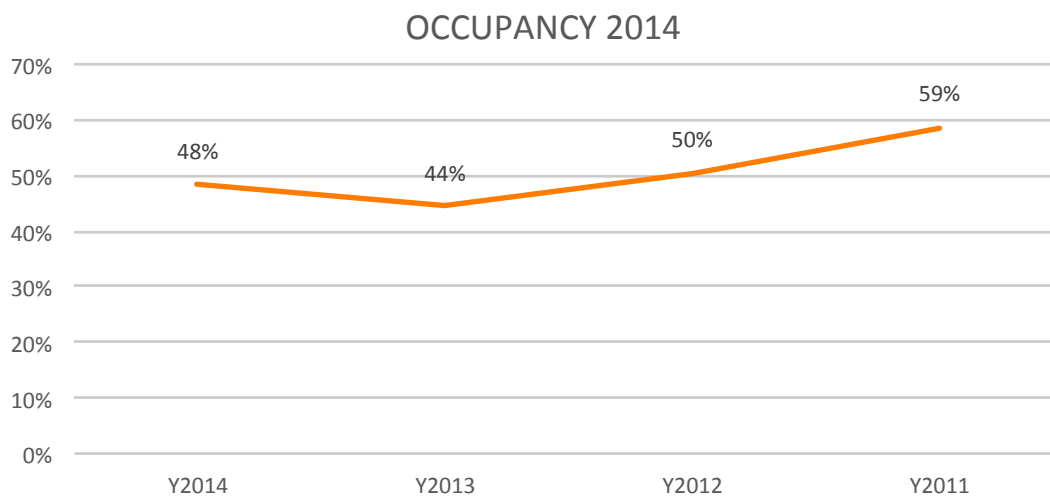
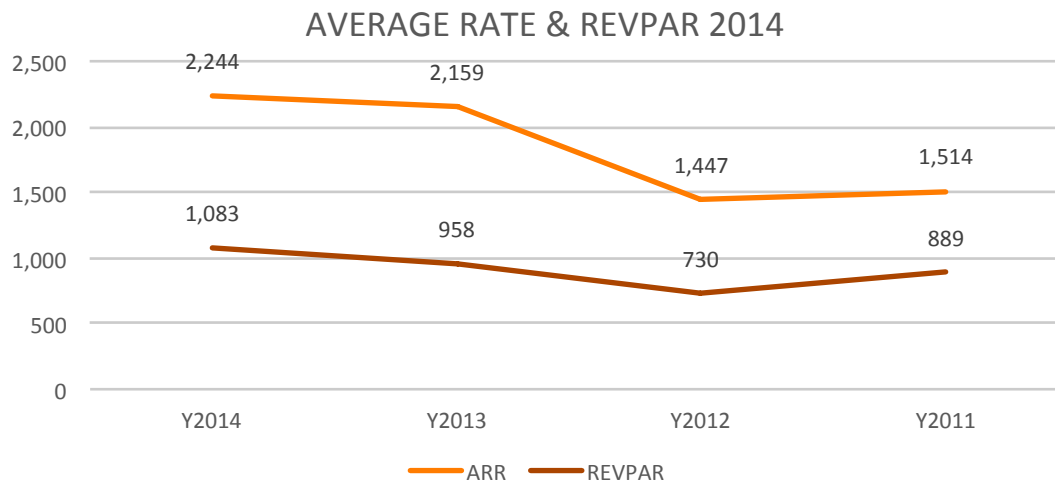


* G-Hotel by Waterfront data is from Jan-Oct 2014. G-Hotel ceased operations in Oct. 31, 2014.



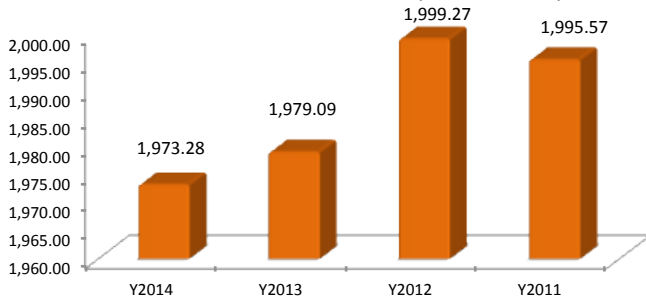
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Acesite (Phils.) Hotel Corporation

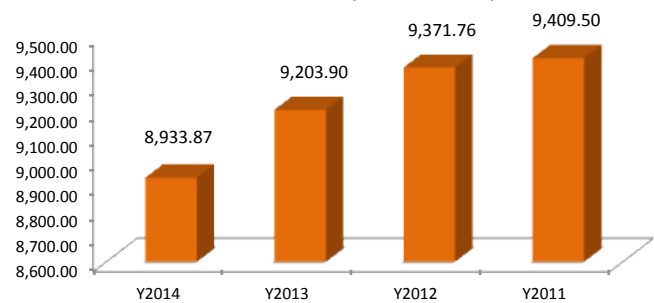


Waterfront Philippines, Inc. and Subsidiaries

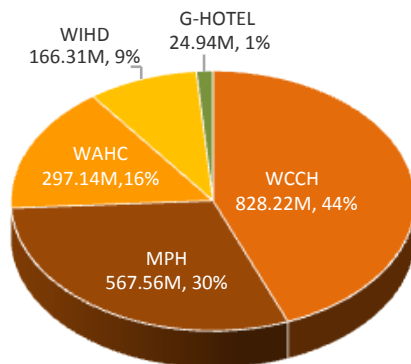
Consolidated Revenue (in Millions)



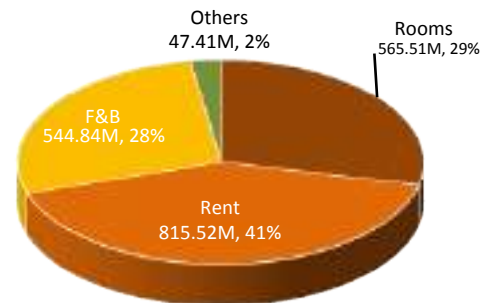
Total Assets (in Millions)



REVENUE PER HOTEL 2014

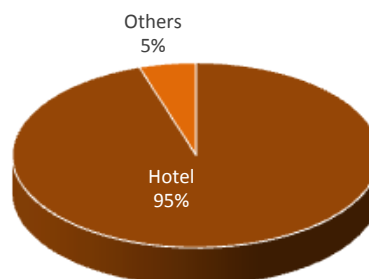


Consolidated Revenue Breakdown 2014



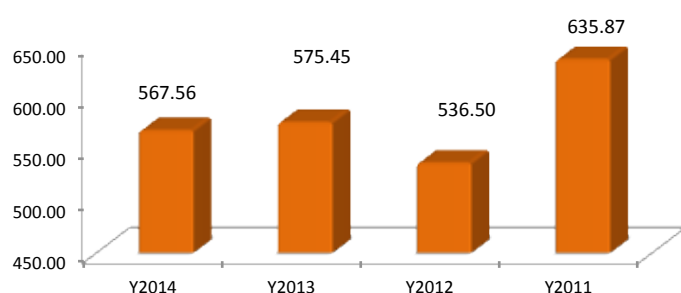
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REVENUE STREAM 2014

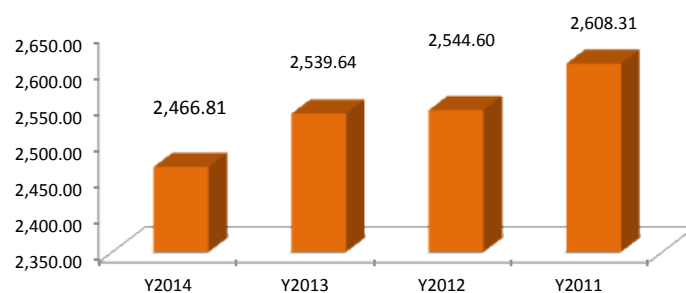


Acesite (Phils.) Hotel Corporation

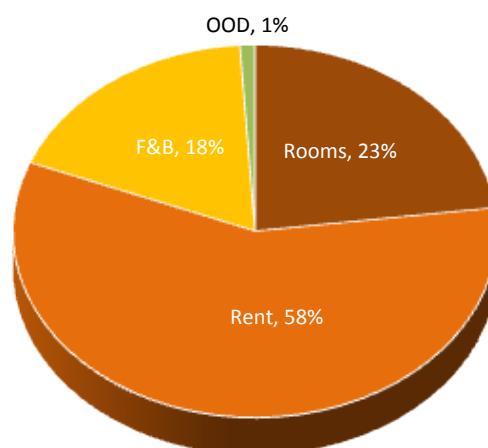
Consolidated Revenue (in Millions)



Total Assets (in Millions)



Consolidated Revenue Breakdown 2014



Our Brands

Waterfront Cebu City Hotel and Casino



Grand and stately, our flagship hotel is a Philippine landmark. It has 561 guest rooms, 10 food and beverage outlets, an international standard convention facility and a 6-storey entertainment/casino block.

Gross Revenue (in millions)

2014:		828.22
2013:		791.82
2012:		838.98

Manila Pavilion Hotel



An establishment rich in history, the Manila Pavilion is a world-class hotel located in the busy Manila Bay area. Watch the warmth of Filipino hospitality come to life in this distinguished and stately city structure. It offers a fine choice of 486 rooms, 4 food and beverage outlets and a 5-storey casino block.

Gross Revenue (in millions)

2014:		567.56
2013:		575.45
2012:		536.50

Waterfront Airport Hotel and Casino



Conveniently located right across the Mactan-Cebu International Airport, this hotel provides unparalleled accessibility and ease for business and leisure travelers. It has 164 rooms, 4 food and beverage outlets and a Casino Filipino facility.

Gross Revenue (in millions)

2014:		297.14
2013:		308.13
2012:		289.76

Waterfront Insular Hotel Davao



Cradled in a grove along the Davao Gulf, this resort hotel is matchless in its capacity to serve large business meetings and conferences with its convention facilities, 159 rooms, and 5 food and beverage outlets.

Gross Revenue (in millions)

2014:		166.31
2013:		153.17
2012:		163.48

G.Hotel Manila by Waterfront



Chic, modern and minimalist, our 47-room hotel offered boutique luxury to the hip and discriminating market. In October 31, 2014, G-Hotel discontinued operations due to safety issues caused by developments surrounding the hotel. WPI Management is on the lookout for new opportunities and locations.

Gross Revenue (in millions)

2014:		24.94
2013:		37.56
2012:		50.36

**Gross revenue for 2014 is until October 31, 2014.*

Our Subsidiaries



Waterfront Wellness Group, Inc.

Our subsidiary engages in establishing and operating state-of-the-art sporting, fitness and recreational facilities.

Gross Revenue (in millions)	
2014:	12.93
2013:	15.57
2012:	15.04



Waterfront Food Concepts

Creativity driven, Waterfront Food Concepts manages our lifestyle restaurants and supplies the finest bread, pastries and desserts for our Cebu hotels and local institutional clientele.

Gross Revenue (in millions)	
2014:	4.83
2013:	5.32
2012:	4.53



Mayo Bonanza, Inc.

This amusement and recreation subsidiary oversees the operations of VIP slot machine arcades in partnership with the Philippine Amusement and Gaming Corporation's (PAGCOR's) Slot Machine Arcade Project. The company actualized its operations on February 12, 2008.

Gross Revenue (in millions)	
2014:	66.44
2013:	83.20
2012:	91.90



Waterfront Hotel Management Corporation

Our hotel management subsidiary ensures that the Waterfront tradition of service excellence and its solid experience is conveyed in all new acquisitions and management ventures.



Waterfront Entertainment and Hotel Management Corporation

This subsidiary takes care of managing the country's first ever integrated hotel reservations and booking system featuring a full-service, round-the-clock, seven days a week Central Reservations Office.



Waterfront Promotions Limited and Club Waterfront International Limited



Our wholly-owned subsidiaries were set up to promote and organize groups of foreign casino players to be part of PAGCOR's Foreign High-Roller Marketing Program. At present, the Group has temporarily suspended operations. However, the Management of WPI has given directive to provide necessary support to resume operations in the future.

Who We Are

Throughout its 19 years of existence, Waterfront Philippines, Inc. has kept a steady vision and an unwavering set of values. Our core beliefs provide the tenets for our continued growth and success.

Our Vision

- To be the premier entertainment and business hotel destination committed to provide excellent Filipino hospitality to ensure total guest satisfaction.
- To be the leader in the tourism industry committed to provide gracious Filipino hospitality towards total customer satisfaction.

Our Core Values

- Increase Revenue
- Cost Effectiveness
- Improve Guest Satisfaction Index
- Peer Development

Our Corporate Motto

Excellent service begins with me.

We are a Leading Filipino Hotel Chain Owner and Operator Dominating the Market with a Premium Product.

Owned and managed by Waterfront Philippines, Inc., Waterfront Hotels & Casinos is the one of the largest Filipino-owned Hotel chains in the Philippines. Hotels under the brand are located in the key cities of Luzon, Visayas and Mindanao. In Cebu, we have Waterfront Cebu City Hotel & Casino and Waterfront Airport Hotel & Casino, Mactan; in Davao, Waterfront Insular Hotel Davao and in Manila, Manila Pavilion Hotel and G-Hotel by Waterfront which discontinued operations in October 31, 2014. Overall, Waterfront offers and operates 1,417 guest rooms and suites, employs 875 personnel and has over 29,385.30 square meters of convention and gaming space.

Charting New Horizons

Crises are a time to rebuild, reinforce and evolve. After the somber picture in past years brought about by natural calamities, economic instability and diplomatic tensions between the Philippines and our main feeder markets, Waterfront is finally positioned for a resurgence.

Through the difficult times, we refused to rest on our laurels as one of the country's leading Filipino hotel chains and prudently implemented measures to boost our competitiveness in the industry. Foresight has enabled us to embark on timely measures that addressed fundamental areas of hotel operations, resulting in a strengthened organization.

These measures include expertly managing our major cost centers: streamlining our labor; addressing our energy expenditures and limiting cost of services.

To control our labor costs, we introduced the Early Retirement Program across our properties to ensure that we emerge with a more efficient and highly productive team. By offering attractive yet reasonable packages to those who wished to avail of the program, we systematically reduced future costs and are now enjoying the returns of this judicious step as seen in the tapering budgets of our workforce without sacrificing service quality.

The highest chunk of our energy expenditure goes to our chillers; therefore, we needed to find a way to address efficiency in that area. Waterfront embarked on a partnership with Cofely Philippines, a third-party vendor, in order to implement upgrading and retrofitting of our chiller system. Through this partnership, we have seen energy efficiency in our cooling system increase by as much as 50%, therefore reducing wastage and maximizing the expenditure in that area. This partnership is seen to generate cost savings in the future.

Cost management among different departments has only improved with the years, reflecting higher savings as we become more adept at identifying important cost centers. This year marks significant reduction in F&B costs, reflecting a remarkable 30% drop in expenses from PhP 235.09 million in 2013 to PhP 164.30 million in 2014. Repairs and maintenance costs have also decreased 10% from PhP 113.04 million in 2013 to PhP 101.44 million in 2014. Rent costs decreased by 12% from PhP 99.06 million the previous year to PhP 86.74 million this year. Rooms expenses dropped 39% from PhP 90.19 million in 2013 to PhP 55.01 million in 2014. Overall, we have managed to reduce our total operational expenses from PhP 1.461 billion in the past year to PhP 1.41 billion this year, a reduction of 4% reflecting an improvement in overall cost efficiency.

Having managed our costs well, we also look into improving our product. When it comes to product enhancement, we have made strategic investments distributed among our different properties. For the major "hardware" investments, we have undergone another phase of extensive renovations in our Manila Pavilion property, spending a total of PhP 155.42 million on 117 newly-upgraded Deluxe Rooms and a new floor of function rooms dedicated to National Artist Frederico Aguilar-Alcuaz. At Waterfront Cebu City Hotel and Casino, we have invested in subtle renovations such as new RFID lock sets for rooms and new 32-inch flat screen TV's. At Waterfront Airport Hotel and Casino as well as Waterfront Insular Hotel Davao, we added finishing touches that improved the look and feel of our hotels and upgraded some of our facilities. The effort we put into the enhancement of our properties is conscientious and year-round.

In 2014, we have made significant strides in the improvement of our "software": our technology systems, service and people. Software is the lifeblood of our business—it provides a genuine connection with our customers through various touch points, conveys the Waterfront brand in a personal manner and introduces new sales-generating streams in step with today's growing online patronage.

We have further strengthened our online presence with the launch of our free mobile app for iOS and Android; the very first by a Filipino hotel chain to do so. In the first quarter of the year, we improved our e-newsletter with a software system upgrade. Our website sports a sleek, newly-revamped look with more features to allow easy booking and browsing of our properties. All three work synergistically to complete our user experience and add new avenues for accessing our brand. Our social media channels are also being managed full-time by a dedicated team, ensuring the seamless transfer of news and promotions updates in the most popular social media platforms for our clientele. Each presents a unique opportunity to touch base with our users in a platform of their preference, offering exciting deals and perks that pique their interest.

Online production this year contributed 27% to total room revenue, an increase of 5% from the 2013 contribution of 22%. There has been continued steady annual growth in this aspect of our business. Noting steady growth, we will continue to increase our efforts on innovation in order to harness the benefits of the digital marketing space. The online growth rate in terms of revenue is 28%. Growth rate in terms of online room nights production is 31%. These figures include G Hotel's numbers and still exhibited upward trend despite the fact that G hotel did not complete the year and halted operations in October 2014.

To stay on top of our game, we continue to expand our traditional offline distribution networks, which provide the bulk of our room revenue. This year our partnerships have grown with more negotiated contracts for both travel agents and corporate accounts. Through an effective and aggressive sales strategy in both online and offline segments, we maximize our sales potential.

As part of our "soft" product, Our Peers have achieved a Training Index of 124.24 hours per person this year, far exceeding the target of 70 hours. Notably, we have participated in the Tourism Industry Skills Training Support Scheme, a project of the Department of Tourism and Asian Development Bank. Our Peers from Waterfront Cebu City Hotel and Casino and Waterfront Insular Hotel Davao benefited from this nearly PhP 2 million grant that improved global competitiveness by embarking on different training programs from different countries like Australia, Canada, US and Japan. The department heads and managers across all properties have been sent to regional, national and international conventions to keep them up-to-date with the latest trends in the industry. Overall Guest Satisfaction Index for our properties has surpassed our target of 4.0 with an overall average of 4.3 out of 5, reflecting consistent satisfaction with our personnel's service.

While we continue to make strides in our business, we bid a temporary goodbye to G Hotel, where significant noise and safety issues prevented us from continuing operations. We have reached an amicable settlement with the property owners and G Hotel closed its doors on October 31, 2014. We remain on the lookout for a new location, taking into account the lessons learned.

The aggregate of all our above-mentioned efforts in cost-cutting, streamlining, product enhancement, innovation, improvements in our labor force and distribution network has made us rise above the challenges of previous years.

This year is about forging ahead and beginning to appreciate the results of the institutional interventions that were set in motion.

Total gross revenue this year is at PhP 1.973 billion in 2014 versus PhP 1.979 billion in 2013, posting only a slight decline of 0.29%. This slight decline is attributable to the unforeseen decrease in rental income in some of our properties, particularly Acesite and Waterfront Cebu City Hotel and Casino. Overall hotel operations are in a general upswing, however, as shown by the growth when we separate hotel operations from rental income. Gross revenue generated from the hotels amounted to PhP 1.16 billion excluding rentals, compensating the unpredictable losses incurred by unexpected developments among our rental properties. Per hotel, revenue in 2014 is generally robust among our properties. Waterfront Cebu City Hotel made PhP 828.22 million, contributing 42% to total revenue; Manila Pavilion Hotel's revenue is at PhP 567.56 million, making up 29%; Waterfront Airport Hotel and Casino contributed PhP 297.14 million or 15%; Waterfront Insular Hotel Davao contributed PhP 166.31 million or 8% and G Hotel comprised 1% of revenue at PhP 24.94 million.

Our group GOP increased by 9% overall at PhP 563.05 million versus the previous year's PHP 517.60 million largely owing to the efficient management of our cost centers. Our companies are better able to buffer uncertainties in the industry by staying efficient and well-run.

Total Room Revenue is up by 3%, from PhP 548.22 million in 2013 to PhP 565.51 million in 2014. Total F&B revenue showed an increase of 9%, from PhP 499.75 million in 2013 to PhP 544.84 million in 2014, one of our best-performing departments this year. Rent and related income reflected -8% growth, decreasing from PhP 882.79 million in 2013 to PhP 815.52 million in 2014, hence affecting the gross revenue as stated above. NOP increased significantly by 144% this year, bouncing back from 2013's net loss of PhP 65.33 million to net income of PhP 29.02 million this year. The loss in 2013 was partly due to expenses on calamity insurance which needed to be availed of because of the damages from the typhoon and earthquake, yet credit goes to the group for quickly recovering from these unforeseen circumstances with a robust performance, restoring our NOP to healthy numbers.

Decisiveness has made us emerge from turbulent times a strengthened and more determined company with all the necessary elements in place to take advantage of opportunities coming our way.

By firmly and strategically addressing key areas in our business, we have transformed into a company that is formidable and efficient across all areas of our operations--the hallmark of an institution that has stayed tried and true and is confidently moving towards a new horizon.



Renato B. Magadia
Waterfront Philippines, Inc.

Reinvented and Rising

The past few years have seen a continuing boom in global tourism, with tourist spending and arrivals up in nearly all major destinations of the world, seemingly heedless of the uncertain economic situation. There is practically uninterrupted growth in this sector, with world figures still at an upswing and with Southeast Asia enjoying one of its highest growth spurts from 2010-2013 based on UNWTO figures.

The Philippines, being situated in the Asia-Pacific region, should easily take advantage of being in an emerging tourism hotspot, and yet this does not seem to be the case. The country has struggled with various diplomatic issues involving the Greater China Region in recent years. It also continues to experience the same glaring inefficiencies—general lack in competitiveness in terms of infrastructure and market appeal. Typhoon Yolanda (Haiyan) devastated the Visayas in 2013 sending ripples of tourism and business stagnation across many parts of the country. These and other factors have resulted in only slight benefits from the dynamism in our region. And our industry, too, has felt the impact of these events and circumstances, directly affecting our bottom line.

We are confident, though, that 2014 signals the beginning of a positive turnaround. Looking at the country's GDP, which remains strong demonstrating an overall 6.1% growth, we see a steady interest among investors and a positive world view of the Philippines as an emerging economy.

In terms of our own company, we at Acesite believe that we can only look forward to better times. Throughout the previous years of uncertainty, calamities and regional crises, we have worked past difficulties and enhanced our product and services, making sacrifices along the way so we can better take advantage of the opportunities that lie ahead.

In 2014, we have continued to boost both our “hardware” and “software”—the physical as well as the intangible, human and technological side of our business—in order to improve the overall product and generate considerable returns when meeting a favorable tourism climate.

Acesite has implemented a multi-pronged strategy to deal with key aspects of our business. First of these is the management of our three major cost centers: labor, energy and cost of services. In dealing with labor expenses, we came up with our Early Retirement Program in the past years to cut redundancies in our workforce and restructure it into a better, more efficient team. Many availed of this program, thus generating considerable savings year on year. Today this effective plan continues to give back as our work force is leaner and taking up less of the overall budget while performing better than ever.

We have been finally able to resolve the last remnants of labor problems inherited from the Pavilion's previous ownership. This is another breakthrough in terms of the extensive cutting of our labor costs, as it brings to a close many years of litigation and looming potential costs. The case has reached a favorable conclusion resulting in a settlement of PhP 15.05 million, reflecting savings of PhP 25.86 million from the initial projected settlement amount of PhP 41 million. Through effective and resourceful negotiation, we have managed to produce substantial savings on projected costs. We are only too glad to move on from this chapter of Manila Pavilion's past, and to do so very successfully. Through our Early Retirement Program and the favorable labor case settlement, then, we have systematically improved a large chunk of our operations and effectively eliminated the roadblocks to efficiency.

Our energy costs, which are largely made up of our chiller costs, are also being streamlined through our joint venture with Cofely Philippines. Through our partnership with Cofely, we have installed brand new chillers which are vastly more efficient, thus saving on power costs in the medium and long term. We expect this program to yield significant results in the next few years.

Overall cost and expenses are 10% lower than last year—from PhP 424.99 million in 2013 to PhP 382.37 in 2014, a difference of PhP 43 million. This reflects overall efficient management of our expenses in the property.

The second area of strategic focus is investment in our hardware. In line with our ongoing thrust to dramatically improve our product, the renovations at the Manila Pavilion continue, with a total of 117 newly-renovated Deluxe Rooms located within three floors this year. Investment for these renovations amounted to PhP 113.43 million. The former Superior Rooms have been renamed to Deluxe Rooms and now feature increased natural daylight, sophisticated furnishings and a distinguished yet comfortable ambience. The upgrading of our rooms has reflected in an increased ARR. This year we see an ARR growth rate of 5% against 2013. The higher pricing of upgraded rooms as well as the increase of selling rates of these new rooms are beginning to translate into increased revenue for our property. The savvy marketing of our newly renovated rooms has created a new interest in the market, and we hope to intensify this further in the coming years. There has been a 4% jump in occupancy from 44% in 2013 to 48% in 2014. F&B contribution to total revenue has increased from 15% in 2013 to 18% in 2014, reflecting a 3% rise.

Apart from the rooms, we have also renovated an entire floor in order to better cater to group and corporate functions. Touching on the gentility of Old Manila, we have renovated an entire floor with stylish new function rooms named after one of the hotel's historic habitués, the belatedly honored National Artist Frederico Aguilar-Alcuaz. The Alcuaz Function Rooms

have a combined area of 550.1 square meters and one of them marks the former location of the famous Rotisserie where the National Artist liked to dine. His artwork is still displayed in these new function rooms, conveying both modernity and history. Total investment for function rooms renovation was PhP 41.99 million. Through the thoroughly modernized and redesigned function areas, Manila Pavilion can now accommodate an even larger corporate market and widen its appeal to groups that are looking for a versatile facility that can cater to multiple needs.

These days, technology and software improvements go hand in hand with business growth. This is why another focus of our corporate strategy is aggressive software innovation. When we talk about software, though, we do not just mean technology but also our people. We need the right people and the right systems to go with our newly refreshed facilities to complete the picture of a strong brand.

Technology innovation has contributed to our resurgence in profitability. The newly-launched mobile app for the Waterfront group connects us with a new tech-savvy generation and puts us in step with new consumer behavior, which is to search and book online, skipping traditional middlemen. We have revamped our website in order to appeal to an increasingly discriminating market that looks to online presence as a significant representation of the brand. We have also introduced a better, more efficient online management system for our e-newsletter to facilitate faster and easier sending while maintaining a strong database.

Not only does technology improve efficiency; it also delights. Our newly launched mobile app is free and downloadable for iOS and Android. Through this channel, we hope to reach out to an expanding segment of customers who prefer to book through mobile apps. Mobile is a rapid area of technology growth and we are sure that this is the right strategy for us in keeping with the times.

We have further strengthened our online marketing through the keen management of our social media accounts. With a dedicated team handling this, we further extend our customer service, sales and marketing efforts to the platforms that are most comfortable for this new generation of customers.

We are seeing continuous double-digit growth in online production this year. Our 2014 online revenue increased by 36% for in-room nights production and 5% increase in average rate while online revenue has shown a 43% increase. Through various marketing efforts and continued software development, we will continue to reach out to this market and ensure that we maximize its potential.

The other aspect of our software--our people--is also continually enjoying upgrades. Peer training this year involved regional, national and international exposure for all our department heads and managers. We ensure that our people are in step with the very best in the industry. Information is also key in terms of improving our overall service.

While we expand our distribution online, we also continue our traditional offline distribution networks through increased partnerships with travel agencies and corporate accounts. We are ensuring continued strong partnerships in this area through extensive international networks.

Because of all these strategic reforms, our performance this year is notable, showing positive indicators in most aspects of operations. Room revenue has gone up from PhP 117.52 million in 2013 to PhP 129.35 million in 2014, reflecting a 10% growth rate. Income from food and beverage rose from PhP 87.94 million in 2013 to PhP 100.21 million in 2014, an increase of 14%. Revenue for other operating departments also increased from PhP 3.30 million in 2013 to PhP 3.95 million in 2014, a growth of 19%. Gross Revenue is at PhP 567.56 million. GOP is at PhP 185.19 million, an increase of 23% from the previous year's PhP 150.46 million. NOP is at PhP 45.88 million, an increase of 335% from the past year's PhP 10.54 million.

Seeing that all our efforts are bearing fruit, we continue on this strategic path knowing that this is only the beginning. Through prudent planning and execution, we have planted the seeds we believe are instrumental to our future growth. This year, we have completed the arduous part of our journey involved in transforming our company and improving our product.

For a hotel that has seen so much history, the Manila Pavilion looks to another era of new prospects and moves forward, introducing our brand to a new generation and changing market. Experience has taught us well and contributed to our resilience. We believe that times of crisis are also times of opportunity; that times of difficulty are the best junctures for rethinking. We saw a silver lining and came out better, stronger, far more competitive than we have ever been--ready to take advantage of the industry's rising tide.



Arthur M. Lopez
Acesite (Phils.) Hotel Corporation

Industry Overview

Catching up with the Rest of the World

The global tourism industry has enjoyed "virtually uninterrupted growth", according to the United Nations World Tourism Organization (UNWTO). This expansion has continued through the decades, from a figure of 25 million travelers in 1950 to 278 million in 1980, 578 million in 1995 and 1133 million in 2014. The massive expansion has translated into spending as well. International tourism receipts were at USD 2 billion in 1950 growing to USD 104 billion in 1980, USD 415 billion in 1995 and to the current figure of USD 1245 billion in 2014. Market share of emerging economies is also set to increase steadily. In 1980, emerging economies only took up 30% market share but have since expanded to 45% in 2014.

This same year the number of international tourist arrivals (overnight visitors) skyrocketed to 1.133 billion, moving past the 1 billion mark set in 2012. In terms of region, highest growth was seen in the Americas, at an 8% increase. Asia-Pacific and Middle East were tied at second with +5% growth. Europe was +3% and Africa was up by 2%.

China is considered the world's top tourism source market. Chinese travelers have increased their expenditure abroad by 27% or USD 165 billion this year. Likewise, Asia Pacific has become an important hotspot with 23.2% of global market share of tourist arrivals, only second to Europe. Of the 263.3 million international tourist arrivals in Asia-Pacific in 2014, Southeast Asia had 96.7 million. Southeast Asia comprises 8.5% of total global market share.¹

While the Americas remain strong, emerging economies are the ones to watch for. They are undergoing tremendous growth with 513 million tourist arrivals in total and are seen to rise further, closing in on advanced economies which received 619 million tourist arrivals this year.

Limited Impact

One would expect these favorable trends to impact the Philippines significantly, boosting its arrival numbers. However, 2014 has failed to produce tourism figures that mimic the robust numbers turning up in a consistently growing global marketplace. Despite the strong performance of global tourism year on year, there has been a far weaker positive impact on the local industry.

The year was another challenging one for the Philippines as it was hit by travel advisories from China, one of its main feeder markets and the world's top tourism market. After a promising surge in arrivals 2013, 2014's growth was tempered by travel advisories. China warned its citizens to avoid travel to the Philippines following a failed bomb plot at the Ninoy Aquino International Airport (NAIA) Terminal 3. There was also mention of anti-China group planning an attack on the Chinese Embassy in Manila, which added to the air of distrust and uncertainty. The advisories affected Philippine-based budget airlines, which bore the brunt of the losses. AirAsia Zest's Kalibo-Beijing and Kalibo-Shanghai routes were indefinitely suspended. Two other airlines--Cebu Pacific and TigerAir--canceled 149 chartered flights to and from mainland China, according to Rappler, an online news source.²

These events had a dampening effect on the local industry's growth. Other factors, such as inadequate infrastructure, also came into play as there were renovations and repairs in the country's main international airports.

The Philippines managed to show minimal to modest growth in 2014, unable to reach the target of 6.5 million set by the Department of Tourism (DOT).

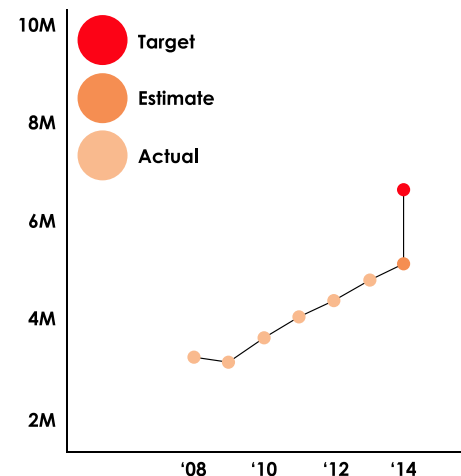
International Arrivals

International arrivals in the Philippines increased, albeit only slightly, according to the DOT. Inbound visitors in 2014 was 4,833,368--an increase of 3.25% compared to 4,681,307 in 2013. The number of arrivals, however, failed to reach the government's target of over 6 million tourists for the year.

December was the month that produced the highest arrivals at 487,654. The arrivals were 7.73% higher than in 2013 in the same month.³

Source: Department of Tourism (DOT)

2014 Visitor Arrivals (vs Targets)



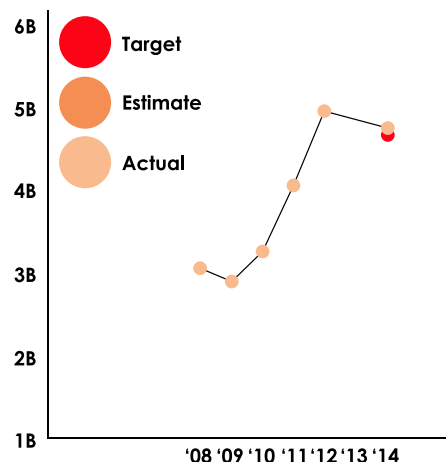
Visitor Receipts

According to the DOT report on industry performance, there has been an increasing trend for visitor receipts, which means that earnings generated from tourism continue to rise. This is a positive signal for industry players who are well-positioned to take advantage in the increase in spending. It was not mentioned, however, which particular tourism activities generated the most revenue.

Total earnings from inbound tourism amounted to USD 4.84 billion in 2014, an increase of 10% versus 2013's USD 4.4 billion.³

Sources: NSCB, World Bank, DOT

2014 International Tourist Receipts (\$)

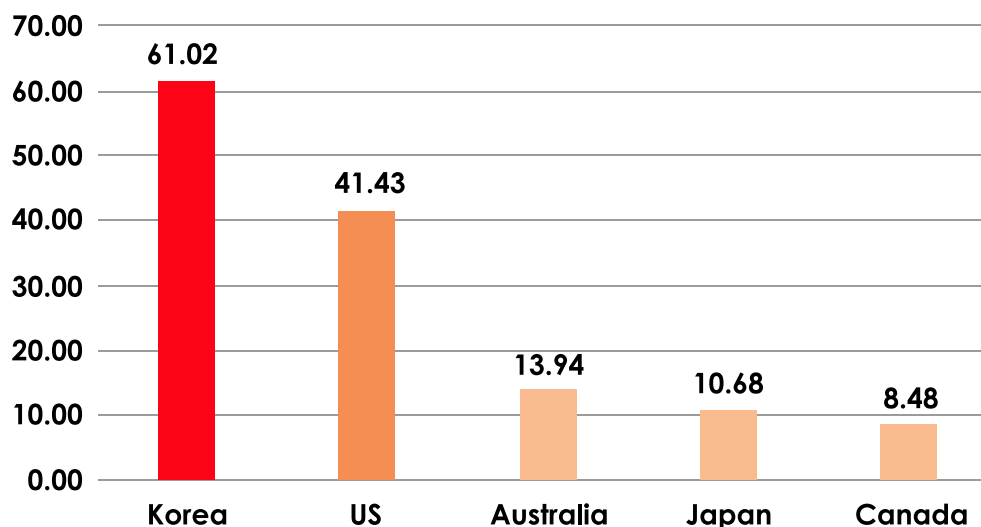


Who's Spending the Most

In 2014, Korea topped the list of highest-spending visitors with PhP 61.02 billion, making up 33% of all inbound receipts. The second highest spender was the US with PhP 41.43 billion--a 22% share. Third was Australia at PhP 13.94 billion; Japan fourth at PhP 10.68 billion; Canadian fifth at PhP 8.48 billion. China dropped out of fifth place, which it occupied in 2013, perhaps illustrating the effect of tensions and travel advisories released against travel to the Philippines.³

Sources: NSCB, World Bank, DOT

Top Spenders by Country in 2014 (in Billions)



Average Daily Expenditure (ADE)

In keeping with global trends, Average Daily Expenditure (ADE) for tourists increased at USD 103.55, 2.4% higher compared to the previous year ADE of USD 101.12.³

Infrastructure Issues

January 2014 marked the start of the rehabilitation of the Ninoy Aquino International Airport (NAIA) Terminal 1. According to the Department of Transportation and Communications (DOTC), the PhP 1.4 billion project is to improve the aging 30-year-old building. The rest of the airport continues to undergo structural rehabilitation involving architectural works, fire protection, electrical, mechanical, plumbing and other improvements. While these are positive developments, they have also caused some temporary setbacks in terms of airport capacity and some travel inconveniences that have affected the aviation and tourism industries. The setbacks are well worth it, however, as these temporary pains are sure to lead to better passenger experience.

Markets to Watch For

Among the most promising markets of 2014 is the one that exhibited the most growth. Malaysians traveled to the Philippines in record numbers, posting double-digit growth of 27.94% or a total of 139,245 arrivals.

This is attributed to the Philippine government's pro-active campaign in promoting travel to Malaysians as well as increased air travel connectivity, with new airlines establishing routes between both countries.

Regional travel has strong potential in the Philippines. Data gathered from the first four months of 2014 shows that visitor arrivals from Asia comprised 58.06% of the total for that period. Korea, China and Japan emerged as the top markets, although China would dwindle later in the year. ASEAN countries made a significant contribution to this influx contributing 10.94%. Vietnam, Laos, Singapore, Indonesia, Thailand and Cambodia all registered growth in arrivals.

The DOT also cited emerging markets such as Norway, the UAE, New Zealand, Italy and the Netherlands.

Bridging the Gap

The question now is, how can the Philippines take advantage of the surge in global travel interest? There appears to be a gap to fill in terms of growth statistics. While there has been minimal to modest growth in 2014, performance could certainly be better.

In terms of tourism promotion and infrastructure, the Philippines needs to catch up with the rest of the world in order to establish its stake and claim a piece of an exponentially growing pie. To offset unfortunate or unpredictable events such as diplomatic tensions and travel advisories, a multi-sector effort must be done. There needs to be a concerted effort to make the Philippines a tourism-friendly and tourism-ready climate, and this should show in all sectors. It necessitates a constant effort to improve diplomacy and peace and order. The key infrastructure must be in place, and should be made available as soon as possible, improving accessibility and experience for travelers. Exploration of new markets should be a continued effort, to avoid over-dependency on the Chinese market, which has caused volatility in the past. Technology is also an area that the Philippines can exploit, given the presence of many talented individuals and software companies that are capable of designing innovative systems that can boost online sales.

Both "hardware" and "software" need to be upgraded in order for the country to be competitive and stand out in a fast-growing industry that can greatly benefit the country and be one of its main growth drivers.

Sources:

1 World Tourism Organization (UNWTO). 2015. UNWTO Tourism Highlights 2015 Edition [E-book]. Retrieved from <http://www.e-unwto.org/doi/book/10.18111/9789284416899>

2 Basa, Mick. (2014, November 13). PH tourism industry bounces back in September [Online News]. Retrieved from <http://www.rappler.com/business/industries/171-aviation-tourism/74924-ph-tourism-bounces-back-september-2014>

3 Torres, Ted P. (2015, February 28). 2014 tourist arrivals up 3.25% to 4.8 M [Online News]. Retrieved from <http://www.philstar.com/business/2015/02/18/1424847/2014-tourist-arrivals-3.25-4.8-m>

4 Gatdula, Donnabelle. (2014, June 29). Asian tourists log over 50% of arrivals in first 4 months [Online News]. Retrieved from <http://www.philstar.com/business/2014/06/29/1340200/asian-tourists-log-over-50-arrivals-first-4-months>

The Year in Review

Our Company in 2014

Waterfront Philippines, Inc. is a resilient and highly dynamic organization that provides enduring shareholder value as it maintains its lead as the best Filipino hotel chain in the country. Our guest experience continually improves and evolves, while retaining that special Filipino touch that distinguishes it as an enduring local brand.

We strive to be responsive to global and regional market trends that influence our industry, making sure that our organization is attuned to market changes and adapts accordingly. To maintain a profitable enterprise, we continually improve our product, connect with our customers and use marketing savvy and technological innovation to boost market share.

Maintaining cost-efficiency is a priority. We constantly evaluate our business to see how we can further streamline systems and optimize performance.

This year, we have implemented various interventions to further improve cost efficiency. We have identified and addressed our major cost centers--labor, energy and cost of services--in highly strategic ways.

Firstly, labor has been streamlined across our properties through the Early Retirement Program. By providing this practical and attractive option to our Peers, we have effectively reduced our workforce budget. Concurrently, we continue to develop our people through world-class training programs to enhance service and make sure we have a highly performing team.

Secondly, energy use has been made more efficient through our partnership with Cofely Philippines. Cofely, a third-party vendor, retrofitted our chiller system, making it vastly more efficient. Our chillers have always comprised the largest part of our energy costs, and this partnership means that we get the highest efficiency out of this cost center. This is also projected to generate energy cost savings in the near future.

Thirdly, we have reduced cost of services through enhancing efficiency across all departments and introducing new measures to reduce operational costs. Remarkable strides have been made in this respect: We have reduced F&B costs by 30%--from PhP 235.09 million in 2013 to PhP 164.30 million in 2014. We have also seen a 10% decrease in repairs and maintenance costs from PhP 113.04 million in 2013 to PhP 101.44 million in 2014. In 2013, rent costs were PhP 99.06 million versus PhP 86.74 million this year--a reduction of 12%. Rooms expenses was at PhP 90.19 million in 2013 versus PhP 55.01 million in 2014--a drop of 39%.

Total operational expenses were cut from PhP 1.461 billion in the 2013 to PhP 1.41 billion in 2014. This signifies cost reduction of 4%.

Being able to optimize each aspect of our operations--making sure each is running as efficiently as possible--is one of our primary goals this year, and the results speak for themselves.

We have also continued on our thrust to improve our product. This is essential in maintaining the quality of experience across our properties. We invest in well-timed and subtle improvements, such as upgrading of room amenities and refurbishment of particular areas in our hotels. Capital Expenditure for 2014 included new RFID locksets for rooms and new 32" flat screen room TV's at Waterfront Cebu City Hotel & Casino, amounting to PhP 3.66 million. At Waterfront Airport Hotel and Casino, maintaining renovations included marble floor restoration of the lobby, carpet replacements, rehabilitation of the fire alarm system, re-carpeting of guest rooms and hallways for four floors, construction of a new gym and room repainting and refurbishment totaling to PhP 18.55 million. Waterfront Insular Hotel Davao purchased new furniture and underwent restroom renovations totaling to PhP 4.52 million.

Manila Pavilion Hotel enjoys the bulk of major improvements for another year, with spending amounting to PhP 155.42 million going to new rooms renovations and complete redesign of function rooms. (See details per hotel.)

Highly aware of our existing advantages, being located in the country's prime hubs for tourism and economic expansion, we look forward to improving our competitive advantage every time and being ready for every business opportunity.

As a leading operator of world class casino-hotels and convention facilities, we contribute the country's vision for economic growth by providing a valuable experience category for local and international tourists. Our hotel experience is highly integrated, with all the convenient facilities and amenities necessary for a comfortable stay, be it for business or leisure.

Our strong presence in key cities of the Philippines and integrated booking services makes us a highly accessible network of hotels providing reliable stays and consistently pleasing guest experiences across our properties.

Hotel Performance

There are several notable highlights in hotel performance this year, signaling a resurfacing of growth as a result of improved operations in all our properties.

For 2014, total gross revenue reached PhP 1.97 billion. Due to the decrease in rental income in two of our properties, Acesite and Waterfront Cebu City Hotel & Casino, gross figures reflect a minimal decline of 0.29% from 2013 figures. However, separating other hotel operations from the rental income, the company actually registers growth.

Gross revenue from all hotels totaled PhP 1.16 billion. Group GOP is at PhP 563.05 million in 2014 compared to PhP 517.60 million, an improvement of 9%.

Waterfront Cebu City Hotel and Casino accounts for 42% of total revenue this year at PhP 828.22 million, while Manila Pavilion Hotel brings in a 29% share with PhP 567.66 million. Waterfront Airport Casino and Hotel generates 15% of revenue or PhP 297.14 million; Waterfront Insular Hotel Davao provides 8% at PhP 166.31 million and G Hotel brings in 1% or PhP 24.94 million.

Rooms

Manila Pavilion Hotel enjoys another phase of room renovations this year. This time, another room category renovation has been completed. A total of 117 freshly renovated Deluxe Rooms within three floors of the hotel are now ready for use. These were formerly Superior Rooms renamed to the Deluxe Category level. As a result, the hotel is now able to take advantage of new gains from pricing and increased demand for the new rooms. Total cost for this renovation is PhP 113.43 million.

At the Pavilion, we have also renovated an entire floor of function rooms, named after hotel habitué National Artist Frederico Aguilar-Alcuaz. The design echoes Alcuaz's personality and aesthetics. Total area for the function rooms is 550.1 square meters. Cost for this renovation is PhP 41.99 million.

Inspired by the gentility of Old Manila, the Pavilion draws on its rich history to create an ambience that is both modern and nostalgic. The PhP 155.42 million improvements this year at the hotel signals another phase of completion on the way to building an immensely better product that will give us substantial rewards for the years to come.

We are looking to make progressive room improvements in all our properties, so as to entice the premium corporate market and maintain our competitiveness. Each year, new or subtle refurbishments are distributed across our hotels to maintain a fresh and exciting experience.

Consolidated room revenue is at PhP 565.51 million this year, reflecting a 3% growth rate from 2013's PhP 548.22 million and comprising 29% of total consolidated revenue. Average occupancy is at 56% with group average room rate at PhP 2444, an increase of 4% from 2013's ARR of PhP2,361. Revenue per available room (revPAR) is at PhP 1,339, this year, an increase of 2% from last year's PhP 1,308.

As a reputable hotel chain, it is imperative that our room experience is at par with international standards. We have already proven that continual improvements in room amenities result in better guest ratings. Our recent renovations have created an improving trend in guest satisfaction.

Being sensitive to guest cultural preferences enables us to maximize positive feedback from guests. For example, adding built-in bathroom seating where bathtubs are not available is a great plus for our Japanese market. Listening to our guests and translating feedback into these subtle changes in our accommodations marks the difference between good and exceptional.

Room improvements in all our properties continue to give back and generate positive impressions from our guests.

Our flagship hotel, Waterfront Cebu City Hotel & Casino, undergoes constant room refurbishments and upgrades in its in-room facilities. The hotel underwent re-carpeting of rooms on the second, third, fifth and sixth floors as well as improvements in the room hallways. We also purchased new RFID locksets and brand new 32" flat screen TV's for the rooms.

Guest rooms continue to be praised for their comfort and spaciousness--our large floor area is notably more than the usual for any city hotel, giving a feeling of relaxation and luxury. Waterfront's famous signature bed, the "Slumber Splendor Bed", designed for an ultra-comfortable rest, is a highlight of every stay, giving superior comfort and garnering excellent guest reviews.

Our luxury suites stand out for their impeccable interiors, providing the advantage of both luxurious space and convenience for elite travelers. Their exceptional quality and style, combining both comfort and sophisticated chic, makes for a memorable stay.

Word-of-mouth furthers our credibility and prestige as a leading provider of quality business and leisure stays throughout the Philippines.

Food and Beverage

This year, we have made remarkable improvements in managing our costs due to innovation in our purchasing system. Micros Materials Control offers a scalable software solution for Purchasing and Cost Management and we are using this as an instrument for the qualified and rational accomplishment of the administrative functions of the hotel's Operations departments, particularly the F&B area.

For Waterfront Cebu City Hotel & Casino and Waterfront Airport Hotel and Casino, the upgrade of the Fidelio F&B Inventory System to Materials Control System was implemented. Bandwidth for the system was increased to 10 MB for Manila Pavilion Hotel, Waterfront Airport Hotel and Casino and Waterfront Insular Hotel Davao.

Our menus are constantly refreshed in tune with international trends and market sensibilities. Our continued investment in F&B training distinguishes our hotel experience as unique with superior service. We continually evaluate our menus and F&B staff to ensure that our offerings are kept fresh and exciting.

We have managed to implement valuable upgrades in our restaurant and lobby lounge menus that are serving to pique guest interest as well as improve revenue.

We are also constantly improving service sequences and making sure we have superb international talent within our ranks. The recruitment of highly talented professional chefs from all over the world guarantees cultural authenticity in our menu choices and style. Our F&B managers are of international caliber and undergo regular training and certification.

To promote our F&B outlets, we use a mix of traditional advertising media and new media. Our Marketing Communications Department is tasked to come up with innovative campaigns to highlight our dining outlets.

To supplement these efforts, the Waterfront Recipe Guide System has been implemented across all properties. The new system enables us to standardize best-selling dishes aimed at structured consistency in preparation and taste.

This year, F&B revenue reached PHP 544.84 million, a 9% increase from 2013's PhP 499.75 million.

Our Brands

Waterfront Cebu City Hotel and Casino. This sprawling and grand property is our flagship hotel. It remains an unrivaled institution with the most number of rooms in the Visayas-Mindanao area and an unbeatable package of sophisticated travel, round-the-clock gaming and high variety in dining options. It is a convention hub with one of the country's largest convention facilities with the great advantage of being at highly accessible and convenient.

ARR this year is PhP 2,482. RevPAR is PhP 1,321 versus 2013's 1,253, a growth rate of 5%. Occupancy level is at 53%, a growth of 3% compared to last year's 50%.

Waterfront Cebu City Hotel and Casino contributed 42% of the group's total revenue or PhP 828.22 million in gross revenue. Out of this PhP 828.22 million, rooms generated PHP 256.94 million or 31% of revenue, an increase of 5% from PhP 243.91 million in 2013. F&B contributed PHP 287.08 million or 35%. F&B revenue demonstrated a 16% growth rate from last year's PhP 247.54 million. Rental income is at PhP 277.63 million, comprising 34% of total revenue. Other operating departments contributed PhP 6.57 million or 1%.

The hotel's gross revenue of PhP 828.22 million shows a growth rate of 5% versus PhP 791.82 million in 2013. GOP also increased at PhP 288.41 million, a 36% growth compared to last year's PhP 212.66 million. NOP for 2014 is PhP -2.1 million, an improvement of 98% from the previous year's PhP -84.74 million.

Manila Pavilion Hotel and Casino. This year marks the continuation of the renovation program for MPH, as it completes its third phase of room and facility enhancements in a PhP 500 million project.



Manila Pavilion Hotel Alcuaz Function Room



Manila Pavilion Hotel Deluxe Room

A total of PhP 155.42 million was spent for new renovations in 2014, adding to the value of the property and desirability of its experience. In this renovation phase, 117 Deluxe Rooms were newly launched, located within three floors. These new rooms (formerly Superior Rooms) were renamed and launched as an improved category, thus able to generate new revenue based on higher prices.

The renovations at the hotel have resulted in increased Room Revenue and RevPAR for the property soon after the announced refurbishments. Through the renovations, MPH is now able to charge higher rates for the new rooms, which now make up well over 50% of total room inventory.

While 2013 reflected the biggest stride in Average Room Rate (ARR) at PhP2,159, reflecting a remarkable 49% growth from PhP1,447 in 2012, 2014 reflected modest gains in ARR at PhP 2,244 with a growth rate of 4%. However, RevPAR made a stellar improvement from PhP 958 in 2013 to PhP 1,083 in 2014, a growth rate of 13%.

As the property ramps up its marketing, now boasting the best quality rooms in its hotel category in the Manila Bay area, we expect further improvements in ARR and RevPAR.

MPH continues to be a relevant establishment, being in a historic location with high tourist activity with proximity to the Ninoy Aquino International Airport. It also offers the most number of rooms in its class.

Our previous upgrades designed by famed Filipino designer Sonia Santiago Olivares, and Illustre & Associates in current phases, add value and prestige to the MPH brand. Guest satisfaction is increasing, and as we work to further integrate our MPH experience with Waterfront, we will come up with a stronger and more competitive product.

Gross Revenue is at PhP 567.56 million. GOP is at PhP 185.19 million, a growth of 23% from PhP 150.46million the previous year.

NOP is at PhP 45.88 million, a leap of 335% from PhP 10.54 million in 2013. Cost and expenses this year reached PhP 382.37 million, a significant reduction of 10% from PhP 424.99 million in 2013 owing to efficient management of cost centers. F&B generated PhP 100.21 million, up by 14% from last year's PhP 87.94 million. Rent income is at PhP 334.05 million.



Waterfront Airport Hotel and Casino Lobby

Waterfront Airport Hotel and Casino. Waterfront Airport Hotel and Casino has the unique advantage of being right across the Mactan-Cebu International Airport (MCIA) and is the most convenient location for travelers who want quick access to it. The property has the most number of rooms for a hotel in its class in the area. A significant development that will affect the hotel is the massive new improvements ongoing at the MCIAA, just started this year. With the hotel's highly strategic location, it will benefit from the increased influx of travelers owing to expanded airport facilities.

Gross revenue in 2014 is at PhP 297.14 million. GOP is at PhP 105.47 million; NOP at PhP 20.21 million. Rent and related income generated PhP 137.40 million; F&B contributed PhP 58.15 million; rooms income is at PhP 92.95 million. Other operating departments generated PhP 8.65 million. Cost and expenses in 2014 amounted to PhP 191.67 million.

Occupancy is at 73%. ARR is PhP 2,358, a 2% growth from the previous year's PhP 2,323. RevPAR is PhP 1,727, a growth of 0.05% from 2013's PhP 1,726.

Waterfront Insular Hotel Davao. Our prime property in Davao City produced PHP 166.31 million in gross revenue this year, a growth of 9% versus the previous year's PhP 153.17 million. Rooms revenue is at PhP 70.09 million, showing a 1% growth rate compared to 2013's PhP 69.25 million. Rent and related income is at PhP 1.49 million, up by 3% from 2013's PhP 1.45 million. F&B contributed PhP 86.43 million to gross earnings, reflecting 8% increase from 2013's PhP 79.85 million. Other operating departments earned PhP 8.29 million, a growth of 215% from 2013's PhP 2.63 million.

GOP is PhP 28.80 million, a leap of 24% from the previous year's PhP 23.20 million. NOP is at PhP -113,699.

Occupancy for 2013 is at 63%—a 3% increase from the past year's 60%; Average Room Rate is PhP2,074. RevPAR is PhP 1,315, an increase of 3% from PhP 1,271 in 2013.

G Hotel by Waterfront. G hotel is a trendy and chic boutique hotel located in the Manila Bay area. It provides an excellent choice for those who want to enjoy a premium hotel stay packaged as a unique boutique hotel experience.

Unfortunately, G Hotel closes its doors this year, bidding goodbye to many good years of unique stays and quality service. This is due to the unfavorable circumstances in its surrounding area. Uncontrolled construction and unchecked noise pollution have rendered the space less than ideal for the proper operation of a boutique hotel in the luxury category. We have entered into a settlement with the property owners and now move forward remembering the lessons learned from this experience. The hotel officially ceased operations in October 31, 2014.

Still, the property generated PHP 24.94 million in gross revenue. Rooms contributed PhP 16.18 million; F&B delivered PhP 8.13 million; other operating departments generated PhP 624,084.

Occupancy is at 41%. Average Room Rate is at PhP 3,060, an increase of 14% from 2013's PhP 2,691. RevPAR is PHP 1,250.

Our Subsidiaries

Our subsidiary companies provide important auxiliary services to our hotel brands.

All privately managed and known for the unique flavor they bring to the hotel ambience, these diversified services add value to our over-all growth strategy. Today, Waterfront Philippines, Inc. has control over several fully-functioning companies that bring in all-new, important revenue growth streams.

Our subsidiary companies maintained successful operations in 2014. There remains good potential for each subsidiary's growth. We are confident that these companies will develop exponentially alongside the growth of our main business.

To carry on the general business of sporting and other recreational activities, Waterfront Wellness Group, Inc. offers a facility in our Cebu City property with top-of-the-line equipment and a 24-hour fitness facility with in-house massage. At year-end, CitiGym achieved gross revenues of PHP 12.93 million. GOP is PhP -2.80 million; NOP is PhP -2.38 million.

We continue to create exciting packages for gym memberships, introducing wellness programs that are on track with international trends.

Created to oversee and streamline operations of our food and beverage outlets, Waterfront Food Concepts, Inc. sets out to improve the brand equities of our restaurants and bars. It is also the largest industrial supplier of the finest baked goods in Cebu with a growing base of institutional customers. In 2014, our company posted gross revenue of PhP 4.83 million. GOP is PhP -6.03 million. NOP is PhP -6.16 million.

Waterfront Hotel Management Corporation was secured to oversee the thrust of establishing an all-Filipino chain of hotels in the country, and to manage other local and independent hotels. See G Hotel by Waterfront for financial details.

Waterfront Entertainment and Hotel Management Corporation has successfully determined the country's first ever integrated hotel reservations and booking system featuring a full-service, round-the-clock, 7 days a week Central Reservations Office.

Mayo Bonanza, Inc., in keeping with our partnership with Philippine Amusement and Gaming Corporation (PAGCOR), aggressively taps into slot machine segment potentials in the gaming market. Under contract with Atlantic Dynamo of the British Virgin Islands, it leases space and VIP slot machine arcades for PAGCOR. It recently opened a 1,200 square meter VIP arcade housing 240 slot machines in Sta. Cruz Manila.

Gross revenue is this year is at PHP 66.44 million. GOP is PhP -2.43million. NOP is PhP -4.75 million.

Waterfront Promotions LTD and its wholly-owned subsidiary Club Waterfront International Limited, Inc., was formed to expressly focus on the international gaming market, promote Philippine casinos, and organize groups of players to participate in PAGCOR's Foreign High Roller Marketing Program.

OUR STRENGTHS

We capitalize on our strengths to excel in the industry and keep ahead of the competition. We believe our hotel chain offers a unique value proposition: an integrated experience of luxury, leisure, convenience, service excellence and an unsurpassed national presence.

Leading operator of first class hotels in the country.

We are the largest Filipino-owned group of first class tourism hotels and convention facilities in the Philippines. We provide the biggest gaming space to PAGCOR in our country's prime locations. Our positions in key cities in the Philippines give us leverage to market our brand locally and internationally, plus cross-sell our hotel services to travelers in the local market.

Unflinching hotel performance.

Our consistent operating record and integrity speaks for our brand. We make sure that all our profitability markers are at par with our targets. We aim to serve our shareholders with conscientious effort to maintain top performance despite volatile factors. Our stability is evidenced by stable figures and the upkeep of our reputable brand image.

Proven and experienced management team.

Our top management is passionate and highly driven.

We have an experienced and qualified team with successful track records, spread across all departments. This team has

successfully developed and enriched our business through consistent performance, innovation and the establishment of strategic alliances that enable us to weather difficult times in the industry.

We continually improve our capacities by participating in international trainings and seminars, keeping pace with new trends and applying these locally. Such practices result in a global outlook, which is incorporated in our operations.

Wide customer base.

Our brand appeals to a broad market, whether it is tour groups or premium leisure travelers. This is because we are able to integrate many types of experiences into our hotels. We are flexible and convenient, while at the same time a benchmark of value and quality.

We cater to both local and international guests, giving our markets their desired experiences and maintaining competitive rates. We value and nurture our Filipino customer base. Local guests are highly loyal to our hotels. On a consolidated basis, approximately 62% of our room nights production is from Filipino customers. The rest is spread out across a range of nationalities from Japanese and Koreans to American and British nationals.

We also have a solid customer base of corporate clients and local and international travel agencies. We strive to achieve continuous growth through our Manila Sales and Reservations Office team which sells our Cebu and Davao properties, and facilitates the cross-selling of services between hotels.

To further grow our customer base, we have entered into arrangements with a number of domestic corporate customers to provide rooms for their employees at a certain rate during a specific period of time. Through this, we intend to improve our brand recognition and benefit from referrals made by existing clients.

Moreover, we continue to optimize technological advances to reach a wider range of customers. We have set up an e-commerce system that allows us to develop and reach out to new market segments. In addition, we are in partnership with several global distribution systems and alternative distribution systems to expand our marketing reach.

Responsive to dynamic market change.

Our competitive position is strengthened by our dynamic organizational philosophy, as well as our ownership structure. We are flexible and highly responsive to market factors, able to make critical decisions and interventions at a quicker pace. Our facilities and wide range of services as well as the independence of our subsidiaries provide us with many tools for adjustment of the guest experience, which aids in customization and responsiveness to our market's needs.

Opportunity to benefit from economies of scale.

Our size and market leadership allows us to benefit from economies of scale. Through the use of our bulk purchasing policy, we are able to secure contracts and services, and procure supplies on favorable terms and prices. This helps us efficiently manage our operating costs in relation to linen products and consumables, such as paper products, food and beverages. Profitability is maximized.

Competent management and operating system.

We have streamlined our operations to make it more efficient. Marketing and room reservations are managed through our central reservation system and our real-time reservation system online. We make use of the latest advances in technology to facilitate higher efficiency. We are the first hotel chain in the country to have a Corporate Fidelio shell and to use OPERA for Property Management System (Front Office) and Marketing (Sales and Catering).

Through a centralized procurement and bulk purchasing policy, we ensure a consistent quality standard of goods supplied to us. Moreover, standardizing the products used in our hotels provides guests with confidence in the quality of each hotel, and helps us efficiently manage our operating costs. Our strong presence in the Philippine hospitality industry has been able to develop procurement channels that allow us to obtain value-for-money goods and services catering to the needs of our hotel operations.

Our systems, procedures, and activities are supported by a complete and comprehensive set of operating manuals that are strictly adhered to by all our companies.

Strategic location.

Our properties are centrally located in the central business districts of three prime Philippine destinations, namely: Manila, Cebu and Davao.

These are the key cities of the country with the highest tourism traffic. As such, our location gives us access to a greater number of foreign and local travelers as well as enables us to attract ideal markets.

Capable acquisition strategies.

Our management team has substantial management experience in the acquisition of equity interests in hotels in the Philippines. We have enjoyed considerable success in formulating and implementing clear acquisition strategies, and seizing opportunities to explore market potential of the hotel industry.

Our acquisition strategy remains sound as it takes half the time to acquire and renovate properties as it does to conceptualize, construct and pre-open new properties. With our expertise in hotel management, and our partnership with an investment group that is premised on the transfer of clean properties with minimal business risks, we are confident in our ability to improve operations and enhance the value of acquired assets.

This approach as a business model and a prime driver of our growth strategy is best exemplified in our acquisition of Manila Pavilion Hotel. The turnaround of the hotel's performance, after operational streamlining and major renovation works done in the hotel, is proof of the viability of pursuing this direction.

Dynamic growth approach.

We see our revenue to grow further from the expanding opportunities in the gaming industry and by consolidating our partnership with the Philippine Gaming Corporation. We believe the gaming industry is poised to become a major contributor to the Philippine economy, especially with the establishment of the Bagong Nayong Pilipino Entertainment City in the Manila Bay area, and the growth impetus ascribed to tourism by the national government. We intend to open several new slot machine arcades in select locations around the Philippines, in partnership with Elixir Gaming Technologies, an established name in the gaming industry.

Integrated company support services. Our company stretches across several subsidiaries that provide important support services for our properties. See Our Subsidiaries section for details.

GROWTH STRATEGIES

We are passionate about improving the quality of our product. We believe this is essential for continued growth and sustainability. This year we are reinvesting in our product to improve guest satisfaction and ensure our profitability and staying power.

Facility upgrades in recent years have served to pique consumer interest in our hotel experience. Guest feedback has consistently been encouraging, motivating us to make further improvements in all our properties.

The year 2014 marks the continuation some of our most dramatic improvements yet, especially in our Cebu and Manila properties. Alongside our property improvements, we believe that the key elements to growth reside in strategic acquisitions, constantly seeking new distribution channels and consistent training of our personnel to preserve a standard of excellence in our organization.

Facility Upgrades.

Manila Pavilion Hotel continues on its landmark upgrades this year. Embarking on an extensive PhP 500 million rooms renovation project, the hotel now boasts of further improvements. Renovations in 2014 totaled PhP 155.42 million.

The Alcuaz Function Rooms are a set of three rooms with a combined area of 550.1 square meters. The third room is the former iconic Rotisserie where National Artist Frederico Aguilar Alcuaz liked to dine. In honor of the hotel's prestigious habitué, the function rooms were renovated with his sensibilities in mind, designed by architects Ilustre and Associates. They combine history and modernity, with facilities that will delight guests and attract the growing convention (MICE) market.

The Pavilion also proudly announces a new chapter in its series of room renovation projects. With designs that feature natural and contemporary elements, the new Deluxe Rooms offer a higher level of pleasure and comfort. A total of 117 Deluxe Rooms have been added to the hotel's new offerings this year. Formerly called the Superior Rooms, the renamed Deluxe Rooms are fully renovated and feature sophisticated furnishings with warm tones to create a distinguished yet comfortable ambiance. The rustic-chic vibe creates a fresh, comforting atmosphere ideal for recreational or business travel.

This is in keeping with the Waterfront Group's message of providing a sense of "grandeur" to its guests. While the Pavilion is already a historic establishment in Manila's old district, the renovation seeks to refresh its image for the new corporate or leisure traveler.

For business travelers, MPH now offers an Ambassador Lounge with a daily buffet breakfast, fully equipped workstations, a spacious and fully functional boardroom and all-day refreshments. The corresponding Ambassador Suite has an area of 60 square meters and plush interiors that make the most sophisticated traveler feel right at home with everything he needs to stay comfortable and connected. An adjoining room in the Suite has Waterfront's signature Slumber Bed with 300 thread count linens and goose down pillows. The Pavilion's new Premiere Suite occupies the topmost floors with luxuriously furnished rooms and the Premiere Lounge. The Deluxe Premium has an area of 46 square meters and is ideal for the individual traveler seeking a luxurious home away from home.

Apart from MPH's deluxe and function room upgrades, we have invested in new improvements in the rooms and amenities of the properties. For WCCH we purchased new RFID locksets and brand new 32" flat screen TV's for the rooms. For WAHC we made aesthetic improvements such as the restoration of the lobby marble floor and replacement of the carpet. We also invested in the rehabilitation of the hotel's Fire Alarm System, re-carpeting of the guest rooms and hallways, construction of a new gym and room repainting and refurbishment. For WIHD we purchased new Pizzuolo furniture and upgraded the public rest rooms. All these are constant improvements to delight our guests and make sure that the group keeps a constant standard of luxury and comfort.

Peer Development. Waterfront understands that continued success is dependent on nurturing excellence in all Peers. This year's Peers' Training and Development Programs are focused on training our Peers further to adapt to globally diverse service standards.

Waterfront Cebu City Hotel & Casino and Waterfront Insular Hotel Davao received at Php 2 million training grant from the Tourism Industry Skills Training Support Scheme—a joint project of the Department of Tourism (DOT), Government of Canada and Asian Development Bank. Under this program, our people underwent the following: 1) Tourism and Hospitality Skills Training by Workskills Australia; 2) Professional Housekeeping Services by the Canadian Tourism and Hospitality Institute; 3) Supplemental training videos from AHLEI (American Hotel and Lodging Educational Institute); 4) ServSafe Food Protection Manager Training and Certification, a food safety training and certificate program administered by the National Restaurant Association of America. In addition, our Peers completed a Japanese Language Training Program and the Trainers Methodology II of TESDA (Technical Education and Skills Authority). For the first time in the hotel sector, a hotel has been able to produce National Trainers and Assessors for TESDA's various hospitality courses. Waterfront is proud to be a pioneer in this area.

In an effort to improve the quality of experience in our wellness company, CitiGym sent its Program and Fitness Director to a 300-hour Yoga Teachers' Training in India. Key instructors were also sent to the Functional Movement Screening Level 2 Certification in Singapore. Through this program, our gym instructors are now able to deliver individualized programs that enable our clients to adopt long-term health and fitness habits. Obtaining the ACE (American Council on Exercise) Trainer's certification provides our trainers with the knowledge and skills to deal with diverse clients and to use this certification as an avenue to diversify existing gym products. As the demand for invigorating low-impact activities increases, we are able to deliver client-specific needs and create attractive programs that draw a new following. One of our instructors attended the Aqua Zumba Instructor training, enabling CitiGym to introduce new Personal Training Packages to our menu.

Across all properties, department heads and managers were sent to international, national and regional conventions to keep them up-to-date with important topics and the latest standards in the industry. Among the conferences attended were: the 51st National People Management Association of the Philippines convention, 69th Philippine Institute of Certified Public Accountants conference, Department of Labor and Employment Productivity Programs, Effective ROI for Marketing Initiatives, projects participated in by the Marketing Communications Managers which included the 2014 Digital Asia Expo and Conference attended by the Group Marketing Communications Manager. WHC's Group Training and Development Manager was also sent to Singapore to be part of the 3rd Annual Global HR Excellence Convention by Marcus Evans.

Our finance officers were also sent to several programs including a cost management workshop and Tools and Techniques for Internal Audit.

One important development this year that integrates technology innovation with Peer development is the training on two of our platforms in use: the Waterfront Mobile App and Revinate, the hotel's online reputation management system. Being knowledgeable about both systems increases proficiency in all areas and ensures that Peers are brought up to speed with the latest technological enhancements designed to boost sales and gather information on guest satisfaction.

This year's Training Index is an impressive 124.24 hours per person, far surpassing our target of 70 hours per person per year. Waterfront Airport Hotel and Casino secured the highest training index of 147.46 hours, followed closely by Waterfront Insular Hotel Davao with 139.17 hours, Waterfront Cebu City Hotel and Casino with 108.13 hours and Manila Pavilion Hotel with 102.18 hours.

Our dedication to intensive training programs and strategic selection of which programs generate the best results among our Peers assure us of the highest standards of excellence and performance in our organization and ensures that our service quality stays unwavering.

Acquisitions. Waterfront Hotel Management Corporation oversees the exploration of prospects and opportunities for expansion in key cities in Central Philippines and in the National Capitol Region. We remain faithful to our aim of developing our national presence. We are also dedicated to increasing access to our existing customer markets and reaching out to affluent customer segments in each of these areas.

Expanding Distribution. The local Philippine market is our main market, constantly demonstrating a high preference for our properties across the country. We find more ways to entice this market and this year technology plays a major role in facilitating bookings locally. Our recently launched Waterfront Mobile App is a convenient tool to the tech-savvy Filipino customer, as is our upgraded website. The Philippines being a country with one of the highest mobile penetration statistics in the world, is highly Internet-savvy, and the free and convenient mobile and web tools we have introduced are sure to benefit our local clientele, making it quicker and easier to book at the touch of a screen.

As the profile of visitor arrivals in the Philippines changes, so does our source of revenue. Although a major percentage of our revenue comes from our main feeder markets from the Greater China Region, we now realize that because of unstable political conditions in the Southeast Asian territories, we must develop other markets aggressively.

South Korea, Japan, Europe, Australia and the US are important markets. We are turning our eyes to emerging markets to see how we can grow our revenue by reaching them.

Waterfront continues to generate good volume through its Central Reservations System, which makes us the only integrated network of hotels in the country with a powerful presence through our 24/7 toll-free number. Anyone can book using a single 1-800 number, 1-800-WFRONT8 (9376688), for all Waterfront Hotels nationwide.

We continue to work with Consortia Online Travel Agencies as our global distribution partner and GDS-Utell, the world's largest and most experienced sales, marketing and distribution service for independent hotels and hotel groups worldwide. This provides a much-needed online marketing boost, an area of exponential growth for us. Utell provides the best and most comprehensive search facilities for agents in the hotel and resort industry, assisting them in making thousands of customized searches, generating instant confirmations.

The employment of online distribution channels is an area of significant growth for us. In keeping with global trends, we have included digital media in our existing list of marketing channels. Our online channels have been significantly augmented by our digital promotions and revenue production from these avenues has increased once more, now generating a large portion of our income.

Online revenue now contributes a major part of our total hotel revenue. For the entire group, online distribution's contribution to the total Hotel Rooms' revenue is at 27%, growth rate is 28% in terms of Revenue against last year 2013 and 31% growth rate in terms of Room nights. For Manila Pavilion Hotel alone, online distribution grew 43% in terms of Revenue, 36% in terms of room nights and 5% in terms of ARR.

This demonstrates the importance and power of the web distribution channel, and at this point in time we are no longer inclined to call it "non-traditional" as it has increasingly become the norm for global travelers.

Our marketing, sales and reservations offices are still the backbone of our revenue, representing our properties and facilitating cross-selling of our hotels and services.

As members of the ICCA, we are able to bid for international conventions that see the Philippines as their next potential venue. Our convention facilities are international standard and are the largest in Visayas and Mindanao, giving us an edge in bidding for these projects.

Overall we continue to expand in innovative ways, using technology and new media to our advantage as a cost-effective way to expand our market share, explore new markets and ensure the strength of our brand presence locally and internationally.

Focus on the Business Traveler

Waterfront gives a wide range of business-related conveniences to ensure that our guests enjoy a productive stay. Our special attention to detail, well-equipped business centers, accessibility, unrivaled facilities and presence in major cities of the Philippines make us best positioned to cater to the business traveler's needs.

Our recent renovations have positioned us to offer a highly desirable product for the premium corporate traveler, as well as the premium individual traveler, who both seek an experience of comfort and luxury.

We are located throughout the country's major cities, in proximity to international airports. No other hotel chain in the Philippines has the reach and presence of Waterfront Hotels. Our hotels are located ideally within a short distance from major international airports, the Ninoy Aquino International Airport (NAIA) and the Mactan-Cebu International Airport (MCIA). Whether it is in Manila, the country's biggest tourism hub and its political, social and economic center, or in Cebu, considered the gateway of tourism in Southern Philippines and the fastest-growing destination in the country, or Davao, a major city in the Mindanao area and an ideal base for business in the area, Waterfront is able to provide business travelers with first class accommodations and convenience expected of a business-savvy hotel.

Our capability to accommodate large numbers of travelers for all types of business gatherings. We provide the best range of venues for all types of meetings and conventions. No other hotel chain can boast of having the facilities to handle small, medium and large-scale gatherings with ease.

Our unrivaled facilities for MICE. We have the largest international convention center in the Visayas-Mindanao area, unparalleled for its size and available facilities. The convention center readily accommodates over 4,000 people. Throughout our hotels, we maintain a consistent focus on travelers with the MICE objective. We are flexible and efficient, able to provide all technical equipment and assistance necessary for business functions of any scale.

Urban recreational facilities. We have all the facilities that a business traveler requires to relax and unwind. Throughout our hotels, we maintain wellness facilities: gyms, spas, swimming pools and gaming areas that put the business traveler at ease. We know how important it is for guests to find an oasis in the city, and Waterfront, throughout its urban locations, provides sophisticated facilities for wellness, exercise and relaxation.

Connectivity. Waterfront Cebu City Hotel and Casino offers free WiFi in-room and in its public areas. Our widespread connectivity service, whether in our rooms or our public spaces has been praised by many guests as generous and highly efficient. Nothing satisfies a business traveler more than a reliable, readily available Internet connection that enables him to work anytime, anyplace.

Fully equipped business centers. Our business centers are equipped to accommodate the business traveler's needs for Internet access, secretarial functions, copying services and communication. We take pride in being able to provide an "office away from the office", while maintaining that relaxed hotel ambience.

International gaming facilities. We provide gaming options to the international traveler. Our hotels give you the enticing option to discover the unique thrills of gaming while on your business trip. Our newly expanded PAGCOR Casino bloc at WCCH boasts more gaming options and recreational space, ensuring an even more enjoyable stay.

A wide range of dining options. Being able to cater to a wide range of tastes and food preferences is a source of pride for our hotels. Business travelers who have unique preferences will find themselves at home in our dining outlets which serve international cuisine, from Chinese to Italian to Japanese. Menu customization for those with special dining requirements is done by our highly competent F&B staff. We provide a wide range of menu options for business functions to suit your preference and budget.

Affordability and competitiveness. We have successfully remained within the business traveler's reach by staying true to our commitment of value for money. We continue to be highly competitive and best in class, giving our guests luxurious stays that are reasonably priced and appealing to our target market. This is especially relevant in today's business climate, where companies are adjusting their budgets and looking to find the best value for business travel.

Online ubiquity. Our prestigious linkage with Utell allows us to be in touch with business travelers across the world, being easily accessible through search and Utell's extensive network. Our online booking facility also allows convenient reservations 24/7, enabling the global traveler ease in planning his stays. We are progressively increasing our online presence so we can serve the business traveler better.

Furthermore, we add priceless touches to the business traveler's stay. Our rooms and suites are specially furnished to please the jetsetter with sophisticated taste. The contemporary design aesthetic is prevalent throughout our hotels, adding an element of freshness, modernity and style that contributes to an unmatched experience.

The Ambassador Lounge is a highlight of our business stay. It offers the privilege of a top-floor location with splendid city views ideal for the corporate guest. Furnished with modern office equipment, state-of-the-art computers, audio polycom service, high-speed WiFi access, exclusive breakfast mini-buffet, light afternoon snacks and full convention & secretariat support, the

experience is perfect for on-the-go business executives.

Fresh new touches from our recent renovations convey our commitment to guest satisfaction. Whether it is the stunning, expansive new lobby at our Cebu flagship hotel or the beautifully renovated rooms at MPH, or the progressive improvements in all of our properties, you are assured of a warm touch that cares for your every whim.

The unique combination of sensible sophistication, convenience, expanded F&B options, integrated gaming, wellness facilities, excellent service and attention to detail all adds to the signature touch that is unmistakably Waterfront.

Accolades

Nominations, Awards and Citations	Date	Organization	Property
Tripartite Certificate of Compliance with Labor Standards	2014	Department of Labor and Employment	WCCH
Tripartite Certificate of Compliance with Labor Standards	2014	Department of Labor and Employment	WCCH
Agoda Gold Circle Award	2014	Agoda	MPH & WCCH
Nominated under Best Hotelier International Category	2014	Worldwide Hospitality Awards 2014	WCCH
Tin Gow: Best Chinese Restaurant	2014	Sun.Star Best of Cebu Awards	WCCH
Most Engaged Hotel Partner	2014	Expedia	WCCH
Top Producing Hotel – 4-Star Category	2014	Expedia	WCCH
Agoda Gold Circle Award	2013	Agoda	WCCH & WAHC
Top Producing Hotel by Roomnights - 4-Star Category	2013	Expedia	WCCH
Most Engaged Hotel Partner	2013	Expedia	WCCH
Large Taxpayer	2012 / 2013 / 2014	Bureau of Internal Revenue	WCCH, WAHC, WIHD, MPH
Gold Circle Award	2012	Agoda	MPH & WCCH
Expedia Top Producer by Roomnights	2012	Expedia	WCCH
Rakuten Travel Award 2012 (Gold Award)	2012	Rakuten Travel	WCCH
Rakuten Travel Award (Customer Satisfaction Award)	2012	Rakuten Travel	WCCH
Sixth Outstanding Taxpayer	2012	Lapu-lapu City	WAHC
Rakuten Travel Award (Customer Satisfaction Award)	2012	Rakuten Travel	WCCH
No. 7 Best Airport Hotel in Asia Pacific	2012	AsiaRooms.com	WAHC

Giving Back

Hand in hand with business, Waterfront is passionate about its Corporate Social Responsibility (CSR) with various projects spread across all hotels. We believe in participating in the progress of the community and listening to the needs of each locality where our properties are situated.

Waterfront Cebu City Hotel & Casino (WCCH). Each year, the hotel holds a special Christmas Tree Lighting Event, created to give special attention to the plight of underprivileged children. In 2014, the hotel has given an education sponsorship to Children of Asia through its Program Director and Co-Country Director for the Philippines. Through this fund, Waterfront pledges to grant a quarterly outreach program for the coming year and educational support to the underprivileged children of Cebu.

Parallel to its relief efforts, environmental preservation remains an important priority for the hotel. The hotel's five heat pump units were installed to save on fuel cost. The system uses reverse refrigeration in order to heat water and utilizes an eco-friendly refrigerant known as R-143-A. While it keeps diesel fuel consumption at a minimum, it also reduces carbon emissions year on year. We also installed a 40 BHp Logic Heat Vertical Steam Boiler to further save on fuel consumption and produce zero carbon emissions. The system uses electricity to convert water to steam. These two projects continue to generate substantial savings while they reduce the hotel's carbon footprint.

The hotel leaves subtle "Save the Environment" cards in all rooms. It is both an information drive raise environmental awareness among guests, encouraging them to reuse towels and linens to limit water consumption and a program to limit the use of detergents that cause water pollution.

The property also participated in Earth Hour this year, turning off exterior lights and dimming the lights at the Grand Lobby during the designated period. In-house guests were encouraged to participate in the celebration by switching off lights and other electronic devices in the rooms.

Waterfront Airport Hotel and Casino (WAHC). The hotel took part in Earth Hour, a global environmental campaign, held on March 28. Lights in major hotel areas were switched off; instead, candle centerpieces were used for the duration of Earth Hour. A thirty-minute educational video presentation was shown to explain the significance and impact of the campaign to all participating guests.

The hotel has cumulatively saved 598,592.48 kilowatt-hours between 2012 to 2014.

As with all other properties, energy conservation is a mainstay of WAHC's projects. The property finds ways to increase its energy efficiency thus contributing less to pollution and carbon footprint. The recent replacement of old televisions in all guest rooms to power-efficient LED TV's saved electricity consumption for the hotel. After the project's completion, energy cost was reduced by as much as 30%. The hotel also installed an efficient digital thermostat control system in all guest rooms. It also converted 35% of the total number of halogen lights to LED lights, saving on cost, efficiency and power consumption.

Manila Pavilion Hotel (MPH). Dedicated to being environment-friendly, the hotel took a remarkable step in helping mitigate the negative ecological impact of climate change by its use of electric heat pumps instead of diesel-powered boilers. This initiative is aimed at reducing carbon emissions, the principal contributor to global warming. It was agreed that this is an ideal long-term step, too, in increasing the hotel's efficiency and minimizing costs, while reducing the hotel's carbon footprint for years to come.

The recent renovations have reduced overall maintenance cost as well as the ecological impact of the hotel through an increase in efficiency and the power-saving results of new technology.

Waterfront Insular Hotel Davao (WIHD). The hotel showed its support for Earth Hour by conserving energy during the designated time. All lights in and around the property were dimmed during Earth Hour to participate in the global drive to conserve energy.

WIHD is the first hotel in the Philippines to achieve a breakthrough using solar energy. The hotel is lauded as the first in the country to utilize solar power in its water heating processes and to supplement its other energy needs. This vital program cuts our energy use and over time has generated tremendous savings both for the company and Mother Earth.

The hotel has also partnered with the Environmental Management Bureau XI (EMB) of the Department of Environment and Natural Resources (DENR) to celebrate World Water Day last March 22, 2014 by embarking on a joint coastal cleanup drive. The long-term objective of this CSR project is to reduce the incidence of flooding which causes damage to establishments, hampers business and the local economy, causes public health issues through disease outbreaks or in extreme circumstances, puts lives at risk.

This was followed by a coastal cleanup of the hotel area's own waterway on May 15, 2014. The hotel was able to acquire 236 mangrove seedlings courtesy of the office of Mayor Allan Rellon of Tagum City. Seven dragon boat teams also pitched in to help in the cleanup, as the hotel was a sponsor of the Bugsay Mindanao Dragonboat competition recently held in the area. Waterfront's dedicated involvement in environmental rehabilitation and restoration, energy conservation and community education speak of the causes that are most important to us. This is our humble way of giving back to the community that has given us so much, making sure that we invest in its sustainability and in the potential of its future generations.

Global Distribution System Codes and Intl. Toll Free Numbers

UI 045032	- MANILA PAVILION HOTEL
Sabre	- UI 77126
Apollo	- UI 60358
Worldspan	- UI MNL28
Amadeus	- UI MNL328
UI 045029	- WATERFRONT CEBU CITY HOTEL & CASINO
Sabre	- UI 67406
Apollo	- UI 49367
Worldspan	- UI 8211
Amadeus	- UI CEB211
UI 045033	- WATERFRONT AIRPORT HOTEL & CASINO
Sabre	- UI 40455
Apollo	- UI 49369
Worldspan	- UI 8212
Amadeus	- UI CEB212
UI 045024	- WATERFRONT INSULAR HOTEL DAVAO
Sabre	- UI 74997
Apollo	- UI 49397
Worldspan	- UI 8213
Amadeus	- UI DVO213
UI 045025	- G HOTEL MANILA BY WATERFRONT
Sabre	- UI 81381
Apollo	- UI 14935
Worldspan	- UI 15605
Amadeus	- UI MNL605

COUNTRY	TOLL FREE NUMBER
Australia	1-800-309-90
Canada	1-855-214-5937
Japan	00531-63-0034
Korea	0079-8631-0038
Philippines	1-800-10-9376688
USA	1-855-875-8446



Waterfront Philippines, Inc.
Acesite (Phils.) Hotel Corp.