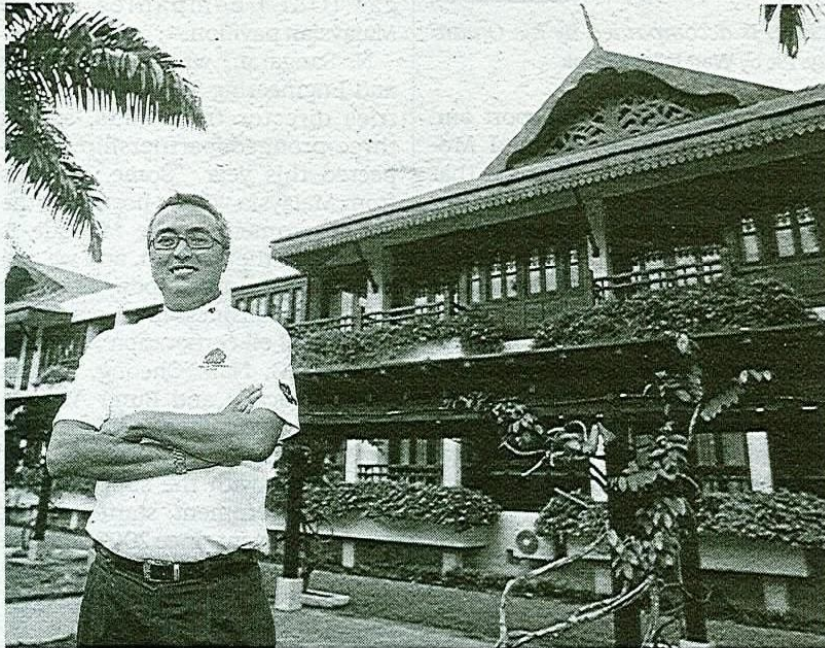


NEWS

Pulai Springs unfazed by competition



*Pulai Springs Resort general manager **Tengku Ahmad Faizal** is expecting **gross operating profit to rise** to RM18 million from RM16 million last year.*

JOHOR BARU: An additional 2,000-odd hotel rooms will enter the Johor market this year, but Pulai Springs Resort is unfazed and expects its performance to improve this year.

General manager Tengku Ahmad Faizal is expecting gross operating profit (GOP) to increase to RM18 million from RM16 million last year. This 322-room resort has forecast a revenue of RM33 million for 2012.

GOP is the cost of doing business or gross revenue (from rooms, food and beverage, laundry or business centre) minus cost of operations (wages, electricity and amenities).

Improved rates and occupancy level are expected to contribute to the expected better performance.

"Last year, our average occupancy was 59 per cent and average room rate was RM183.

"In 2012, we project our average occupancy to touch 65 per cent and

ARR to reach RM210," Ahmad said during an interview recently.

According to him, performance in the first quarter was soft, but an improvement is seen in the second quarter.

"In the third quarter, we will be affected by the fasting month as well as the hungry ghost festival. Our fourth quarter is traditionally the best," he pointed out.

Ahmad's confidence also stems from the fact that this resort is the only five-star accommodation in Johor with various room configuration, and two golf courses.

The hotel provides free shuttle service to the Johor Premium Outlets and plans to do the same when Legoland opens in September.

However, he cautioned that since most of the attractions are opening towards the last quarter, there is a possibility of a shift in its projections.