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**IMPACT OF POWER OUTAGE – DECEMBER 26, 2008 @ APPROX. 6:30PM**

I. The power outage could not have happened at a worst time.

- Waikiki Hotels were running 90% occupancy. The highest they've been in months.
- Restaurant daily sales were expected to be 30% over the YTD average with evening sales representing at least 75% of the total sales.
- The power outage caused a loss of 90% of evening sales or approximately 67% of total daily sales.
- Perishable food inventories were increased to accommodate the increase in sales. Restaurants lost between 25% and 75% of these inventories.
- Point Of Sales systems were down and unable to process payments.

Example:

- Most Waikiki Restaurant serves Lunch and Dinner daily.
- Expected daily sales: \$25,000
- Power outage loss: \$17,000
- Daily payroll percentages doubled as well increasing losses further.
- Inventory losses of between \$2,500 and \$15,000 depending on emergency response plan and actions.

II. Other Effects

- Guests experienced extreme frustration because restaurants were unable to complete food service.
- A level of panic spread through Waikiki with our visitors. Most hotels had no ability to offer food of any type to their guests. Guests went to bed hungry not knowing where their next meal would come from.

III. Many Waikiki Restaurants were not able to open for Breakfast the following morning increasing losses further and further increasing visitor frustrations.