



Travel and tourism

- Sweden's fastest growing industry



INVEST:SWEDEN



Sweden - an attractive destination

The Swedish Travel and Tourism sector offers everything required for doing successful business, a dynamic business climate, a clean and unique environment, and a society that is both safe and global.

Sweden is an attractive tourism destination, both for leisure and business travel - and is growing in popularity. The travel and tourism industry is Sweden's fastest growing industry and revenues are expected to double in the next decade. Revenues from international visitors have more than doubled in the last five-year period and visitor volumes have increased faster than the European average.

Large-scale investments in facilities have been completed and more are under way throughout the country, both in the larger cities and in other attractive summer and winter destinations. But that is not enough.

The increasing demand from both international and Swedish travelers in combination with an underdeveloped market creates great opportunities, especially for international enterprises, in everything from accommodation to activities - bringing

new competence, new products and new services developing Sweden as a leading tourist destination.

Trendy and contemporary, pristine and fresh

Sweden is a country where natural luxuries like wide-open spaces, fresh air, clean water and beautiful, pristine nature and wilderness exist in abundance — for everyone. Sweden is a vast country, with just 20 inhabitants per square kilometer, compared to 246 in the UK.

Sweden satisfies all requirements for an active vacation and a safe destination. The combination of the unique natural assets, the cultural heritage with the international city life, makes Sweden an attractive destination all year around. The capital Stockholm ranks as the world's most attractive international conference cities, and also offers as an exciting, trendy and contemporary urban scene.

The attractiveness also lies in its mix of experiences and activities, from skiing, adventure and wilderness to leisure days on sandy beaches or sailing in the archipelagoes along Sweden's long coastline.

Why Sweden?

- Tourism is the fastest growing industry
- Large increase in international visitor volumes
- Unique, beautiful and unexploited natural environments
- Demand for new products and services
- Good infrastructure, low cost airlines and regular flights
- Strong, well-performing and growing economy

Key facts

◦ Population	9.4 million
◦ GDP growth	4,6 percent
◦ Inflation, Consumer price index	1.4 percent
◦ GDP per capita	SEK 334,200
◦ Currency: Swedish krona (SEK)	SEK 100 = € 10.85

Source: Statistics Sweden, 2010



Strong growth in Swedish tourism industry

International travel to Europe has increased by 80 percent since 1991. Travel to Sweden has increased with almost 100 percent in the same period. Swedish travel and tourism revenue from international visitors has doubled in the last five years. Sweden's tourism industry generates over SEK 252 billion in turnover, and is supported by a range of tourism, hospitality and service-related businesses. The turnover is expected to grow to an estimated SEK 500 billion in 2020. Sweden's tourism sector has great potential for growth, currently comprising only 3% of GDP (the EU average is 6%).

Record in volumes - commercial overnight stays

While global travel decreased by 4 percent during 2009, the number of commercial overnight stays in Sweden increased with 3 percent to 52 million nights of which 13 million was from international visitors, the highest volumes ever recorded. The overnight stays from outside Europe showed an increase of almost 30 percent. From an international perspective, Sweden is one of the few destinations in Europe where foreign overnight stays increased during 2009.

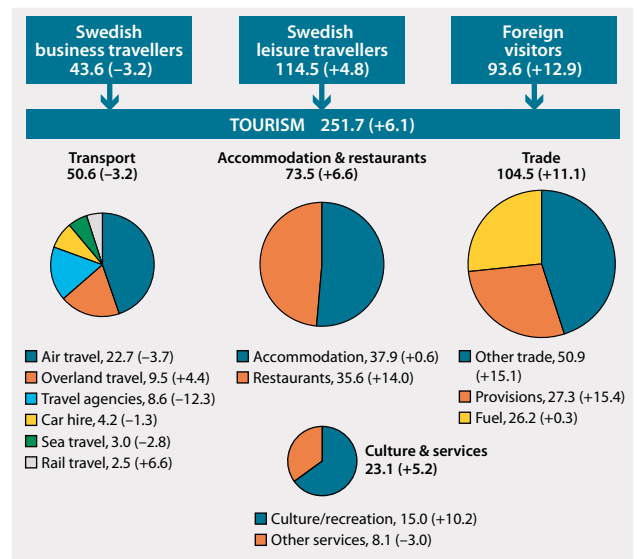
Shopping largest single expenditure for travelers

41.5 percent of the SEK 252 billion that Swedish and foreign leisure and business travelers spend in Sweden is on goods such as apparel and food. Accommodation accounts for 15 percent, eating out for almost 14 percent of total consumption. Compared to the domestic tourist, foreign visitors spend more on goods. Shopping accounts for around 50 percent of consumption by foreign visitors. For Swedish leisure and business travelers the proportion is over 40 percent, although domestic leisure travellers spend the most on shopping. It is also evident that foreign visitors eat more often in restaurants than Swedish tourists do.

Excellent international, domestic communications

An increase in the number of international direct flights and tourist resort charter assure continued accessibility and future inflows of visitors. Large investments are made in harbor facilities, and cruise ship traffic in Sweden continues to increase. Developments indicate that the major ports will have more calls and more visiting passengers in the future. The Swedish railway network has easy access to the rest of Europe, and a well developed road network ensures easy access to all parts of the country.

Distribution of total consumption in 2009 (SEK billions) with percentage change from 2008



Source: Swedish Agency for Economic and Regional Growth/Statistics Sweden



Best potential for travel & tourism

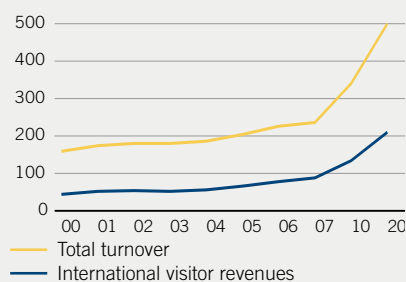
2009, country rank

1. Switzerland
2. Austria
3. Germany
4. France
5. Canada
6. Spain
- 7. Sweden**
8. US
9. Australia
10. Singapore

Source: World Economic Forum, "Travel & Tourism Competitiveness Report, 2009"

Tourism revenues in Sweden

Growth forecast, SEK billion



Source: RTS, the Swedish Travel and Tourist Industry Federation, 2009

Examples of investments

- Boda Borg, US - Entertainment center
- Choice Hotels, Norway - Hotel
- Circle Resort, Denmark - Resort
- Escape Travel, Norway - Travel Agency
- Expedia, US - Online travel provider
- Huddinge Resort, Finland - Resort/Hotel/Conf.
- Marriott, US - Hotel
- Regenbogen, Germany - Camping sites
- Xianle Travel, China - Travel agency

Source: Invest Sweden, 2010



Great potential for international developers

A growing demand for new attractions, packaged experiences and accommodation makes investments in the tourism industry very attractive. Opportunities lie within growing eco-tourism, ski tourism, food tourism, and adventure tourism.

Growth potential exists both in city related tourism and allied to Sweden's ski, adventure/wilderness, golf and seaside offering. Large investments in accommodation and infrastructure are being made to meet the increase in demand, with manifold opportunities for international property developers, real estate investors, activity companies, hotel and accommodation companies, travel operators, tourism entrepreneurs, etc.

Demand for more accommodation and higher quality

Sweden's supply of 2,000 hotels and 36,000 hotel rooms are not enough to meet visitor demands. There is a shortage of accommodation on many locations and in different segments, from budget hotels, holiday cabins/cottages, to four and five-star hotels with wellness facilities. There is also an overall

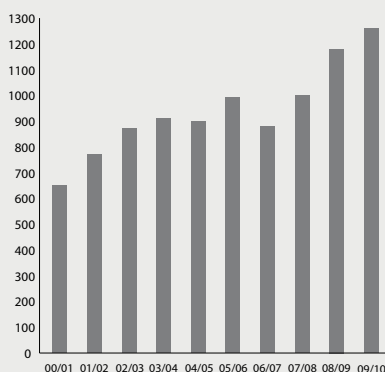
need for increased quality and level of services provided in different types of accommodation and lodging. Investments focus on new-build projects and renovation work.

Numerous opportunities in Swedish ski resorts

Swedish ski tourism is on the rise. With a long season, from October to May and snow guaranteed, the Swedish ski resort are growing in popularity. The season 2009/2010 was another record in terms of ski passes sold, visitor volumes, and turnover. Large investments in ski resort destinations are needed to meet the demand in accommodation, services, piste improvements and ski lifts. International visitors to the ski resorts are growing due to more direct flights and charter to the larger ski resorts. Sweden is also considered as snow secure, exotic and less exploited than other resorts in Europe. The largest ski resorts are Åre, Sälen, Vemdalen and Idre.

Ski pass sales growth in ski resorts

Annual sales, million SEK



Source: SLAO (Swedish Ski Lift Organization)

Overnight stays from the largest markets

Number of nights

Norway	3,345,842
Germany	2,628,885
Denmark	1,625,242
The Netherlands	708,071
UK	585,163
Finland	521,690
US	356,313
Italy	314,389
France	280,460
Poland	203,739

Source: Swedish Agency for Economic and Regional Growth

Accommodation statistics

Number of nights and accommodation revenues

	Overnight stays	Change %	Revenues MSEK
Swedish	38,883,000	1.7	12.7
Foreign	19,905,000	3.4	4.0
Total	51,799,000	2.1	16.7

Source: Swedish Agency for Economic and Regional Growth

Holiday Club Åre

Finnish Holiday Club Resorts is one of Europe's largest vacation ownership enterprises owning holiday homes in 22 destinations in Finland, one in Spain and two in Sweden. Holiday Club has more than 45,000 timeshare owners, of which 1,000 are company clients.

Holiday Club entered the Swedish market in 2004 with the establishment of a resort in Åre, Sweden's largest ski resort. The four-star resort has 1,400 beds in 250 rooms and 90 apartments, spa, waterpark, bowling and a conference center. Holiday Club Åre has 135 employees, a turnover of 210 million SEK and has been a strong driver behind Åre's fast growth as a ski destination. The success of the investment in Åre has led Holiday Club to look at further potential investments.

– Sweden is getting stronger and stronger as a holiday destination. People see it as a little bit exotic, but they also view it as being very safe. A strong domestic tourism market was important for Holiday Club. Swedes have lots of money, and they prioritise holidays.

Mats Svensson, former CEO Holiday Club Åre, on why they decided on Åre.



Åre is one of Scandinavia's leading ski-resort. In 2008 Åre was appointed as the number one ski-resort in the world at the list from the magazine Condé Nast Traveller.

Adventure Dreams

The French dog sledge company Adventure Dreams moved its business from the French Alps to Swedish ski resort Idre offering dogsledging tours to Swedish and Norwegian tourists.



– We chose to move because there is not enough space for dogsledging in the French Alps and in Canada it is too exploited. Therefore we felt that Sweden would suit our company perfect. We believe in a future in Sweden, here is a great demand for our activities and we can offer the tours in other locations as well.

Anne-Laure Benat, founder of Adventure Dreams

Marriott Hotels

During 2010 Marriott opened its two first hotels in Sweden, the 278-room Courtyard Stockholm Kungsholmen, the largest Courtyard by Marriott Hotel in Europe, and the upscale Renaissance Malmö, with 128 contemporary rooms in the city center of Malmö in Southern Sweden.

– We see strong opportunity throughout Scandinavia to grow our portfolio. These first hotels in Sweden are spectacular examples of our Renaissance and Courtyard by Marriott brands and we hope to bring more of our portfolio of brands to this incredible region. Scandinavia has always been known for warm hospitality and cutting-edge design, and we are excited to be able to welcome guests to our new hotels here in Sweden.

Amy McPherson, President and Managing Director, Marriott International in Europe.

Our services

Let us help you conduct successful business in Sweden

Invest Sweden is the government investment promotion agency of Sweden. We connect international companies and investors with the best business opportunities in Sweden. We do this by offering our clients one-stop comprehensive investment consultancy services and match-making support, free of charge and in full confidentiality.

Your business facilitator

Whether you are interested in getting access to new markets or technologies, setting up new operations, expanding your existing business, or finding companies for acquisition or partnership – Invest Sweden will assist you in every step of the way. Our job is to see to that your business in Sweden becomes as successful as possible!

Experienced staff

Since 1996, our team has supported over 2,000 international companies doing business in Sweden. Our strength lies in the experienced business professionals working within the different industry sectors of the organization. We also work closely with Swedish embassies, other business promotion organizations around the world as well as local partners in Sweden, giving us a unique spectrum of contact entry points.

Invest Sweden has been ranked as the World Leading Investment Promotion Agency (IPA) and the Top IPA Overall in IPA performance benchmarking studies executed by the World Bank.

"Of all the international investment promotion agencies that we met, Invest Sweden is by far the most professional and forthcoming"

A Vishwanath, Tata Sons Ltd

For more information about how we can help, contact Anna Hammarberg, Investment Advisor. anna.hammarberg@investsweden.se or tel +46 8 402 78 39



Our services through the entire investment process

- **Information sharing** - general and tailor-made information collection and analysis of business sectors, market intelligence, the Swedish economy and business climate, business costs, benchmarking, etc.
- **Business and investment opportunity search and analysis** – we help you find the best opportunities according to your needs.
- **Establishment information** - how to establish and run a business in Sweden including types of legal entities, taxes, rules and regulations.
- **Location search** - support in finding the best locations and premises in Sweden.
- **Market visit** - arranging visiting and meeting programs.
- **Match-making support** - help in finding potential business partners.
- **Facilitating network access** – introduction to public and private service providers, authorities and institutions.



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Invest Sweden is the official investment promotion agency of Sweden. We connect international companies with the best business opportunities in Sweden and offer one-stop comprehensive investment consultancy services, free of charge and in full confidentiality.

Our services range from data collection, opportunity search, entry planning, networking and establishment support everything to make your business successful in Sweden. Since the inception in 1996, our experts have

supported over 2,000 international companies in doing business in Sweden. Invest Sweden has offices in China, India, Japan, North America and Brasil.

We also work through Swedish embassies and consulates around the world, as well as with an extensive regional network in Sweden.

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