



HOSPITALITY CONSULTING

Phuket

International Schools Market

December 2015

38% of island's international school students are Thais

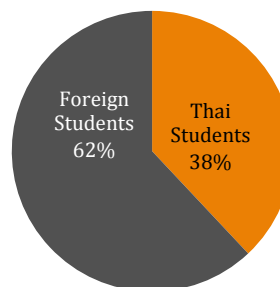
Broader tuition fee range created by growing competition in sector

"In the past decade, 10 out of Phuket's 13 international schools were established, reflecting quality sustainable growth is pushing expansion in the education sector. This momentum is showing no sign of slowing, as student enrollment continues to rise and existing schools are adding new facilities.

Thai nationals are the fastest growing segment and make up the single largest nationality in the island's international schools. The key drawing card for these students and their parents is a later horizon of an overseas higher education.

Phuket has evolved into a formidable education hub for foreign students propelled by its attraction to expatriate families who value Phuket's airport connectivity, quality international healthcare, refined residential

Proportion of Thai vs. Foreign Students



Source: C9 Hotelworks Market Research

offerings and the thriving tourism industry.

Moving into 2016 and the upcoming ASEAN Economic Community (AEC) initiatives of regional integration, it is expected that these will spur new schools to enter the market along with buoyed by favorable supply and demand fundamentals."

Bill Barnett, Managing Director, C9 Hotelworks

Key Trends

- Newer offerings such as Kajonkiet International School Phuket (KISP) and HeadStart International School (HeadStart) have expanded the market by broadening market reach.
- Key differentiating elements for international schools are curriculum, accreditations, certifications, facilities, and teaching philosophy.
- Thai nationals comprise the single largest group of students. The top 5 nationalities of foreign students are British, Russian, American, Australian, and South Korean.

Forward Outlook

- International schools have become a viable asset within a real estate model. PIA is affiliated with Thanyapura Phuket, which consists of a health center, sports training facilities and a resort.
- Thai schools with an English Program (EP) are secondary competitors to international schools, as EP also provides an English language education.
- The ease by which to obtain Thai visas for students and dependent guardians continues to attract foreigners to enroll in Phuket's international schools.

MARKET OVERVIEW

- There are 2,508 students from Preschool to Grade 12 (Year 13) enrolled in the island's 13 international schools. 38% of these students are Thai nationals.

School Name	Year Established	2015 enrollment	% Thai Students
British International School Phuket (BISP)*	1996	830	42%
HeadStart International School Phuket*	2009	512	27%
Phuket International Academy (PIA)*	2008	318	30%
Kajonkiet International School Phuket (KISP)*	2011	224	70%
Phuket International School and Kindergarten	2010	120	5%
Q.S.I. International School of Phuket*	2000	115	23%
Oak Meadow International School and Smiley Kidz International Kindergarten	2007	100	43%
Buds International School Phuket	1990	84	20%
Palm House Primary School	2011	70	50%
Chalong International Kindergarten and School	2009	45	60%
ABC International Nursery and Preschool	2007	45	80%
Gecko School	2013	25	60%
Shining Stars	2008	20	25%

*Registered with International Schools Association of Thailand (ISAT)

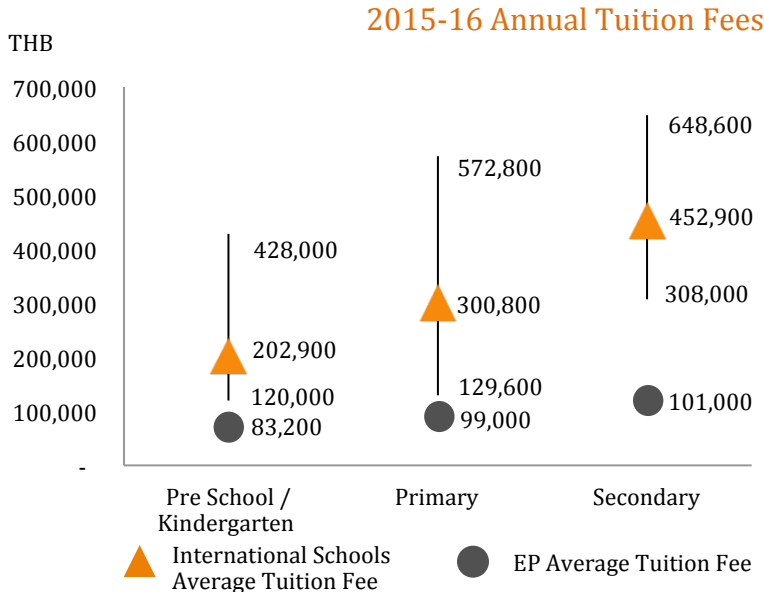
Source: C9 Hotelworks Market Research

Supply Trend

- A prolific increase in supply occurred during the period of 2005-2010, when a total of 7 international schools, including HeadStart and PIA, opened. Since then, international schools with a wider variety of curriculums and certifications have entered the market.
- New schools such as KISP are targeting and capitalizing on the increased demand from Thais, where 70% of its students are Thai nationals. In 5 years, KISP's enrollment has grown nearly ten-fold, from 23 to 224 students.
- Five of Phuket's international schools are registered with the International Schools Association of Thailand (ISAT).
- With a combined total of 7,313 students in international schools and EP, Phuket has a substantial English language and educated student population.

MARKET CHARACTERISTICS

Tuition Fees



Source: C9 Hotelworks Market Research

Range of tuition fees amongst island's international schools is growing as new providers open

International schools average cost 2 to 5 times more than Thai schools with an English program (EP)

Thai Schools with an English Program (EP)

- Phuket's six Thai schools with an English Program (EP) have a total of 4,805 students, 91% of which are Thais.

School Name	Year Established	2015 Enrollment	% Thai Students
Phuket Thai Hua School	1910	1821	99%
Kajonkietsuksa School, Kathu Campus	2011	1376	90%
Darasamut School	1964	1013	90%
Satree Phuket School	1909	350	90%
Kajonkiet Thalang School	2014	150	60%
Baan Kajonkiet Nursery	2010	95	89%

Source: C9 Hotelworks Market Research

International Schools Expansion

School	Expansion
HeadStart International School	Relocated to new site in August 2015, increasing capacity by 750 placements
Phuket International Academy (PIA)	Plans for new secondary school building, boarding facilities, sports center, performing arts center
British International School Phuket (BISP)	Additions of arts center, 'BISP Ice Center' with Olympic-sized ice rink, all-weather covered training pitch

Source: C9 Hotelworks Market Research

About C9 Hotelworks



Bill Barnett
Managing Director

C9 Hotelworks is an internationally recognized consulting firm with extensive experience in the Asia Pacific region. Its core business focus includes:

- **Hotel and Resort Development**
- **Asset Management / Ownership Representation**
- **Project Feasibility and Analysis**

Key competencies include international hotel operator search, selection and contract negotiation, mixed use hotel and residential planning and operation reviews.

A wide range of both institutional and private developers and a comprehensive portfolio of completed projects give C9 the skill set and background to focus on key issues, evaluate complex ones and assist clients in achieving solid results. Based in Phuket, Thailand and led by Managing Director Bill Barnett, who has 30 years of experience in Asia Pacific, the firm is well positioned to serve an increasing demanding marketplace.



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C9 Hotelworks Company Limited

9 Lagoon Road, Cherngtalay, Thalang, Phuket, 83110, Thailand

(Office located at the entrance of Laguna Phuket)

T: +66 (0)76 271 535

F: +66 (0)76 271 536

www.c9hotelworks.com

info@c9hotelworks.com