



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

To: All Financial/Business/Travel Editors

For Immediate Release

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THE HONGKONG AND SHANGHAI HOTELS, LIMITED
2010 UNAUDITED FIRST QUARTER OPERATING STATISTICS

Hong Kong, 12 May 2010 – The Hongkong and Shanghai Hotels, Limited (HSH) disclosed its unaudited first quarter 2010 operating statistics at its Annual General Meeting held today, which show that all its businesses have experienced a general improvement in financial performance.

Hotels

With the gradual recovery in the global economy, both business and leisure travel increased in the regions of our operations. The RevPAR of the Peninsula hotels in Hong Kong, Asia and the US increased by 17%, 13% and 13% respectively, as compared to the first quarter of 2009.

In Shanghai, The Peninsula Shanghai celebrated its grand opening on 18 March 2010. Most of the shops in the hotel's arcade were opened in time for the Shanghai World Expo which was launched on 1 May 2010.

Commercial Properties

All of the Group's Hong Kong-based commercial properties performed satisfactorily and there was strong demand for retail spaces at the Peak Tower and the Repulse Bay Arcade.

In Vietnam, the weak economy and intense competition led to a decrease in demand for the serviced apartments but leasing demand for the office tower at The Landmark remained strong.

Clubs & Services

There was a healthy improvement in the financial performance of the Clubs & Services division compared to the first quarter of 2009. Revenue for the Peak Tram increased by 14% over 2009. Prior to the political unrest in Thailand which began in mid March, the Thai Country Club had welcomed 6% more golfers over the same period in 2009.

Outlook

Based on recent booking trends, our Group is cautiously optimistic that businesses across the Peninsula hotels, with the exception of Bangkok, will continue to improve. The prolonged political disturbance in Thailand continues to have an impact on the performance of The Peninsula Bangkok and the Thai Country Club.

HSH is currently focusing its project development resources on the Peninsula Paris project. Soft demolition work has been completed and designs for this 200-room hotel are well advanced.

Our Group will also continue to seek other strategic development opportunities for the Peninsula hotel group.

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About The Hongkong and Shanghai Hotels, Limited (HSH)

Incorporated in 1866 and listed on the Hong Kong Stock Exchange (00045), HSH is a holding company whose subsidiaries, associates and jointly controlled entity are engaged in the ownership and management of prestigious hotel, commercial and residential properties in key destinations in Asia, the USA and Europe. The hotel portfolio of the Group comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Manila and The Peninsula Paris (opening in 2012). The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and The Peak Tramways, St. John's Building, The Landmark in Ho Chi Minh City, Vietnam and the Thai Country Club in Bangkok, Thailand.

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