



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

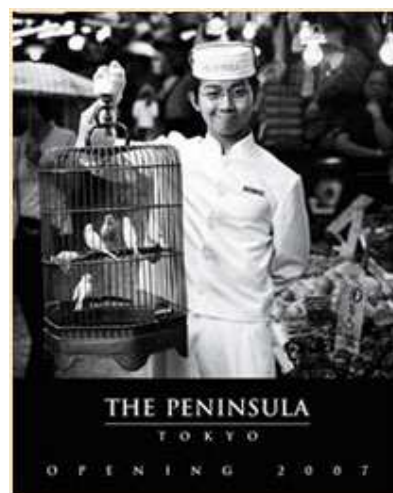
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13 OCTOBER, 2004

COMMENCEMENT OF CONSTRUCTION OF THE PENINSULA TOKYO
MARKED BY GROUNDBREAKING CEREMONY

Hong Kong, 13 October 2004 – The commencement of construction of The Peninsula Tokyo, which is scheduled to open in 2007, was celebrated today by a traditional Shinto ceremony at the site of the future hotel in the Marunouchi district. The planned 315-key property will be the eighth in The Peninsula Hotels' portfolio of branded hotels.

Officiating at the event were the respective chairmen and board members of The Hongkong and Shanghai Hotels, Limited (HSH) and its partner in The Peninsula Tokyo project, Mitsubishi Estate Company Limited (MEC). The event was also attended by executives from the building architect, Mitsubishi Jisho Sekkei Inc., the general contractor, Taisei Corporation, the interior designer Brennan Beer Gorman Monk/Interiors, and by invited guests from Chiyoda Ward's community.



Commenting at the groundbreaking, HSH chief executive officer, Clement Kwok said, "The development of The Peninsula Tokyo is an important and exciting step in the long term development of The Peninsula Hotels. We are delighted to be adding a top quality hotel in such a prime area of Marunouchi, to meet the demands of both local and international guests."

The exterior design of the 24-storey hotel, to be built on a triangular site near the intersection of Hibiya-dori and Harumi-dori, will be classic in form, with views of some of the city's notable landmarks. Thanks to the brand's high recognition among Japanese consumers, The Peninsula Tokyo is expected to attract substantial domestic patronage as well as international corporate and leisure business.

MEC has been implementing a major revitalisation initiative to turn Marunouchi district into a sophisticated centre for retail and entertainment as well as commercial activities. Commenting on the development of The Peninsula on this prime site, MEC president and chief executive officer, Mr Shigeru Takagi said, "The Peninsula Tokyo plays an important role in the grand reform of Marunouchi. It will serve as the gateway to Yurakucho and Marunouchi, helping to create an axis of energy in the area."

Among the facilities within the hotel will be: a signature Peninsula Lobby serving breakfast, lunch, dinner and afternoon tea; four further food and beverage outlets; a full complement of

function rooms ranging from a main ballroom and extensive wedding suite to smaller meeting and banquet rooms; a swimming pool and spa including a Fitness Centre; retail; and a Peninsula Boutique.



The Peninsula Tokyo - Forecourt



The Peninsula Tokyo
- Building Exterior

THE PENINSULA TOKYO

FACT SHEET

General Information

Ownership:	The Hongkong and Shanghai Hotels, Limited Mitsubishi Estate Company Limited
Hotel Address:	8, 1-chome, Yurakucho, Chiyoda-ku, Tokyo, Japan
Location:	To the south-east of the Outer Garden of the Imperial Palace and its moat, and east of Hibiya Park. Main entrance near the intersection of Hibiya-dori and Harumi-dori, the latter connecting to Kasumigaseki and the Ginza district. Pedestrian access from Naka-dori.
Construction:	Commencing October 2004
Opening:	Scheduled for 2007
Architect/Structural Engineer:	Mitsubishi Jisho Sekkei Inc.
Interior Designer:	Brennan Beer Gorman Monk/Interiors (New York)
General Contractor:	Taisei Corporation

Hotel Information

Height:	24 storeys above ground, 4 basement levels
Guestrooms:	315, including 46 suites
Food & Beverage:	Five outlets, including the signature Peninsula Lobby, The Peninsula Boutique and Cafe, a Japanese restaurant, a

	Chinese restaurant, and an international restaurant. Private dining rooms attached to select restaurants
Banquet Facilities:	Main Ballroom & Junior Ballroom, Pre-Function Areas. Full Wedding Centre, including Wedding Chapel and related function rooms. Dedicated Meeting, Banquet and Themed Rooms on various levels
Recreational Facilities:	Swimming pool; Spa with separate facilities for men and women, Treatment Rooms, Fitness Centre
Other Services:	Guest Laundry & Dry Cleaning; Limousines; Valet Parking Service; Retail Shops

**Tokyo Groundbreaking
October 13, 2004
Speech by The Hon. Michael D. Kadoorie, Chairman**

Mr Fukuzawa, Mr Takagi, and distinguished guests,

Today marks a special occasion for Hongkong and Shanghai Hotels together with our partners, Mitsubishi Estate Company, our contractors Taisei Corporation and for all the related companies and executives who will share in the construction of The Peninsula Tokyo.

The ceremonies also mark the continuation of a number of milestones in our joint efforts to establish the Peninsula brand name in this most important city.

It has long been our hope to build a top class hotel in Tokyo and a number of potential sites have been reviewed in the past.

I speak for both myself and our Board when I say how delighted we are to have found partners in the Mitsubishi Estate Company who share our values and enthusiasm and who have provided such a fine site in Marunouchi for our new Peninsula. I promise that on our part, we shall not let you down.

Essential to the hotel's prospects of success is the environment where it will be built, with its diverse attractions to draw a wide range of visitors and residents alike.

We are, therefore, particularly pleased to be a core part of Mitsubishi Estate's grand plan for Marunouchi's spectacular reform, the changes to which can already be seen.

A great deal of work and cooperation between our respective sides has already taken place and I would like to thank each and every one of you who have been involved in bringing us to this stage.

I should also like to add my encouragement and that of the HSH Board to the teams who will take us forward to 2007 and our grand opening. You may be assured of Hongkong and Shanghai Hotels' continued commitment and support so that we together achieve our ultimate

goal.

Thank you.

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For general information, please see:

The HSH corporate internet homepage: <http://www.hshgroup.com>

The Peninsula Hotels internet homepage: <http://www.peninsula.com>