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THE HONGKONG AND SHANGHAI HOTELS, LIMITED

香港上海大酒店有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 45)

The Peninsula Hong Kong Guestroom Renovation Project

The Board of Directors of The Hongkong and Shanghai Hotels, Limited (the “Company”) is pleased to announce that it has approved the plan for a complete renovation of guestrooms at The Peninsula Hong Kong (the “Hotel”). The renovation is expected to be carried out in 2 phases commencing January 2012 until April 2013. The renovation will increase the Hotel’s 3 year capital expenditure programme by around HK\$350 million.

The Hotel will remain open for business throughout the renovation, including unaffected guestrooms, food and beverage outlets, the spa and the retail arcade. It is expected that there will be very minimal disruption to public areas of the Hotel, which will not be affected. In addition, there are not expected to be any redundancies as a result of the renovation.

The Hotel is the Company’s flagship property, which has consistently been regarded as one of the top luxury hotels in the world. This renovation is part of a scheduled upgrade programme to enhance its facilities. The last significant room redesign coincided with the office tower opening in 1994. The renovation is expected to ensure that the Hotel retains its leading position in Hong Kong and as the flagship of the Company.

It is expected that there will be earnings disruption for the Hotel during the renovation period in 2012 and first half of 2013 which may have a financial impact on the Company’s revenue and profitability as a result of the reduction in the Hotel’s room revenue during this period.

Investors are reminded to exercise caution in dealing in the Company’s securities.

By order of the Board
Christobelle Liao
Company Secretary

Hong Kong, 3 November 2010

As at the date of this announcement, the Board of Directors of the Company comprises the following Directors:

Non-Executive Chairman

The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman

Ian Duncan Boyce

Executive Directors

Managing Director and Chief Executive Officer

Clement King Man Kwok

Chief Financial Officer

Neil John Galloway

Chief Operating Officer

Peter Camille Borer

Non-Executive Directors

Ronald James McAulay

William Elkin Mocatta

John Andrew Harry Leigh

Nicholas Timothy James Colfer

Independent Non-Executive Directors

Dr. The Hon. Sir David Kwok Po Li

Robert Chee Siong Ng

Robert Warren Miller

Patrick Blackwell Paul

Pierre Roger Boppe