



China Lodging Group, Limited

Investor Presentation
November 2010





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Safe Harbor Statement

Statements in this presentation contain "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, including, among others, those relating to China Lodging Group, Limited (the "Company")'s beliefs as to the growth of the Chinese economy and the hotel industry and the factors driving expected growth, the Company's growth strategy and expansion plan, and the competitive advantage and expected execution of its hotel pipeline development and business model. These forward-looking statements are not historical facts but instead represent only the Company's belief regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's control. The Company's actual results and financial condition and other circumstances may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. In particular, the Company's operating results for any period are impacted significantly by the mix of leased-and-operated hotels and franchised-and-managed hotels in its chain, causing the Company's operating results to fluctuate and making them difficult to predict.

Because forward-looking statements are subject to risks and uncertainties, we caution you not to place undue reliance on any forward-looking statements. All written or oral forward-looking statements by the Company or persons acting on its behalf are qualified by these cautionary statements.

The Company undertakes no obligation to publicly update or revise any forward-looking statements or other information or data contained in this presentation, whether to reflect any change in its expectations with respect to such statements or any change in events, conditions or circumstances on which any such statements are based or otherwise.



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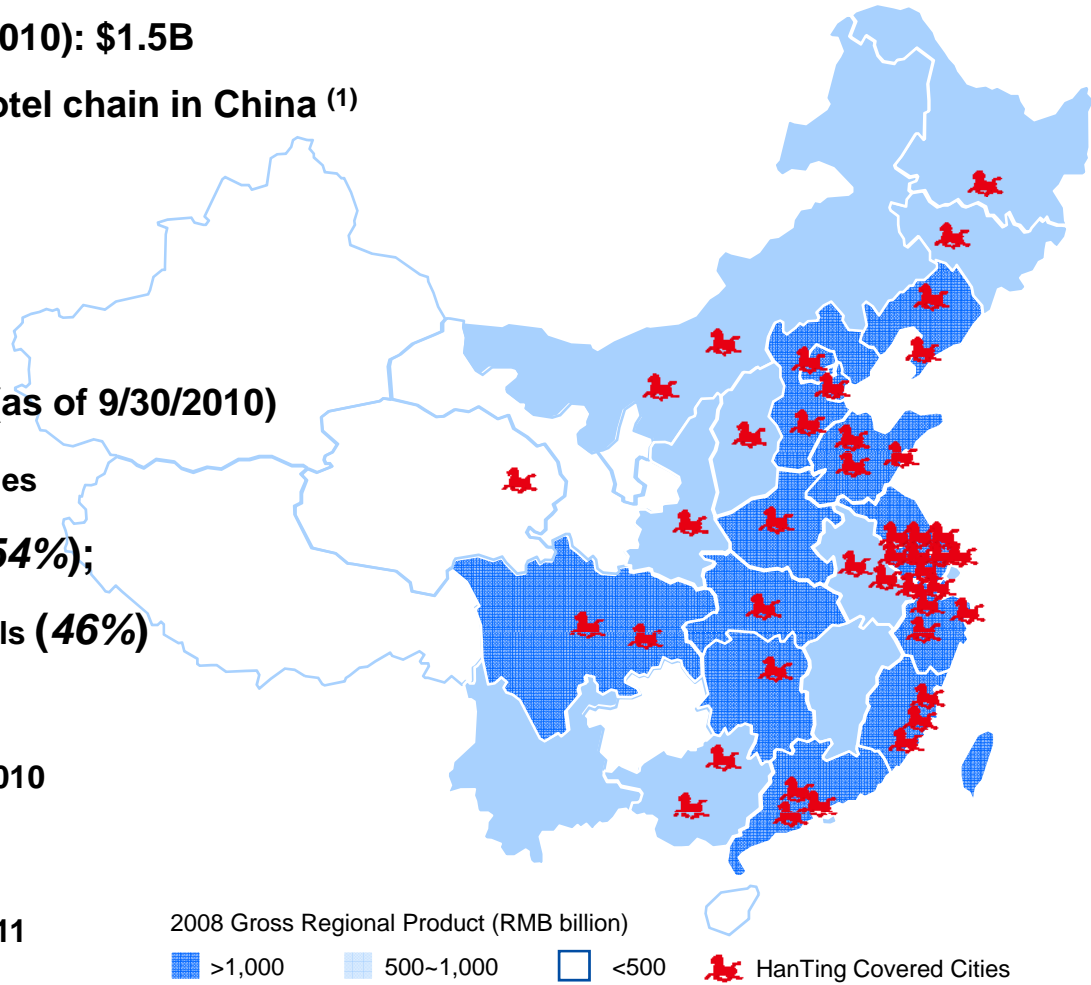
Financial and Operating Performance



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A Leader in China's Economy Hotel Sector

- **NASDAQ: HTHT, Market Cap (11/11/2010): \$1.5B**
- **Our Business: a leading economy hotel chain in China ⁽¹⁾**
 - **No. 1** in RevPAR
 - **No. 1** in Growth
 - **2nd** largest by revenue ⁽²⁾
- **Our Network: a nationwide network (as of 9/30/2010)**
 - **368** hotels, **42,750** rooms, **55** cities
 - **200** Leased-and-operated hotels (**54%**);
 - **168** Franchised-and-managed hotels (**46%**)
- **Our Expansion**
 - Added **132** new hotels in first 9M 2010
 - **167** hotels under development
 - To open **180-200** new hotels in 2011
 - To exceed **1,000** hotels by 2013



(1): Inntie.
 (2) Among listed peers



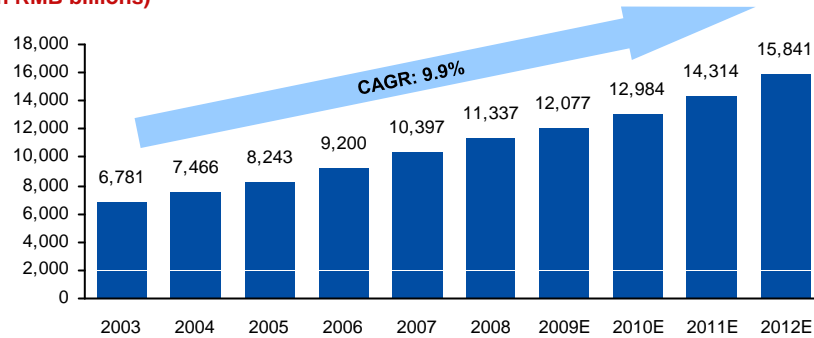
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Strong Industry Fundamentals

Domestic business travel fueled by the rapid growth of the economy and SMEs

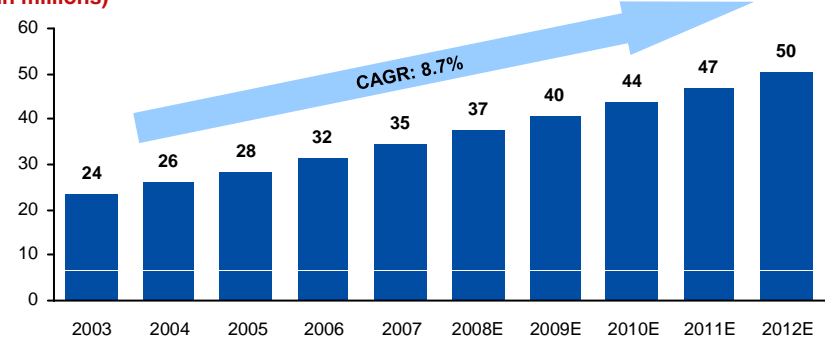
GDP Growth

(in RMB billions)



SME Growth

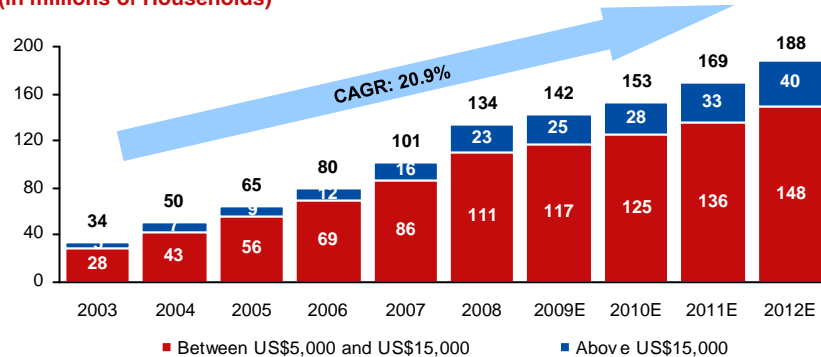
(in millions)



Higher disposable income and evolving lifestyle resulted in increased domestic leisure travel

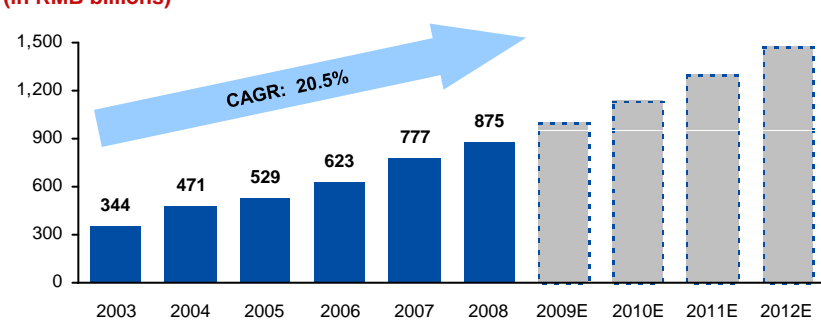
Household Growth by Annual Disposable Income

(in millions of Households)



Domestic Tourism Expenditures Growth

(in RMB billions)



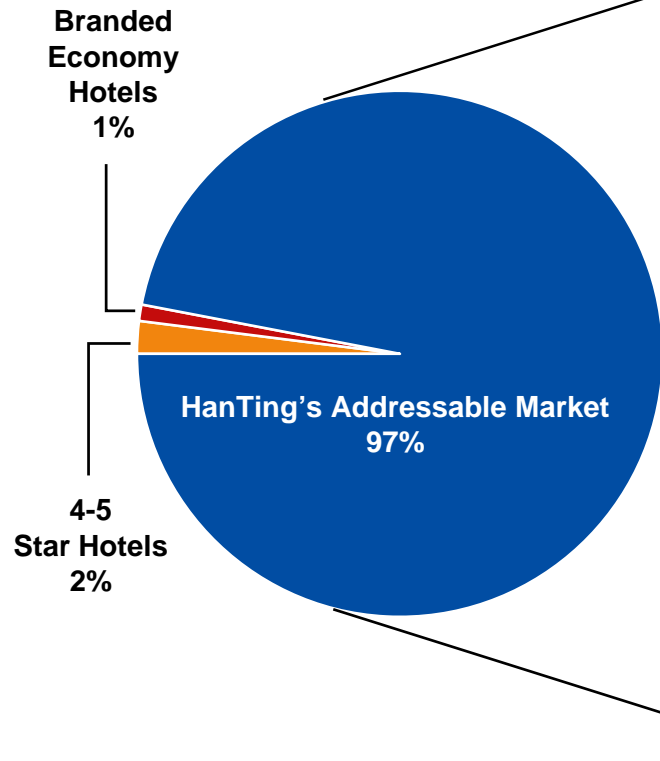
Source: IMF, iResearch, Euromonitor International, National Bureau of Statistics of China.



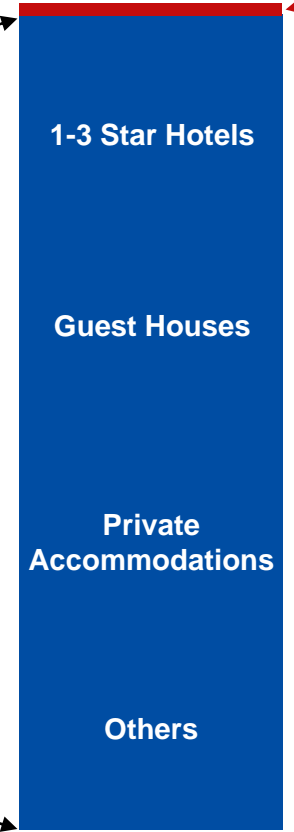
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Huge Potential for Economy Hotels to Take Shares from Other Segments

2008 Travel Accommodation in China (by hotel rooms)



Addressable Market



Low Penetration in Addressable Market by Branded Economy Hotels



Source: InnTie, Euromonitor International, China National Bureau of Statistics.



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Enormous Opportunity for Future Growth and Consolidation

China



United States



Better Demographics

<ul style="list-style-type: none"> Large population base — 2008 population: 1,328 mm — 2008 urban population: 602 mm, 45% of total population 	x 2.4	<ul style="list-style-type: none"> Small population base — 2008 population: 306 mm — 2008 urban population: 248 mm, 81% of total population
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Fragmented Players

<ul style="list-style-type: none"> Highly fragmented — Largest five players accounted for approx. 0.6% of overall hotel market 	x 15.0	<ul style="list-style-type: none"> Highly Concentrated — Largest five players accounted for approx. 9% of overall hotel market
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Low Market Penetration

<ul style="list-style-type: none"> Under-penetrated market — 0.52 branded economy hotel room per 1,000 urban residents 	x 15.8	<ul style="list-style-type: none"> Saturated market — 8.19 branded economy hotel rooms per 1,000 urban residents
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Limited Brand Competition

<ul style="list-style-type: none"> Newly established brands — Economy hotel chains account for 15% of the overall economy hotel market 	x 4.7	<ul style="list-style-type: none"> Established brands — Economy hotel chains account for 70% of the overall economy hotel market
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Source: Inttie, Euromonitor International, Smith Travel Research, National Bureau of Statistics of China, CBRE.



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Key Success Factors for Best-In-Class Hotel Group

1. Location! Location! Location!



2. Best-in-Class Products and Services!

3. Solid Execution!



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1 Location! Location! Location!

Shanghai

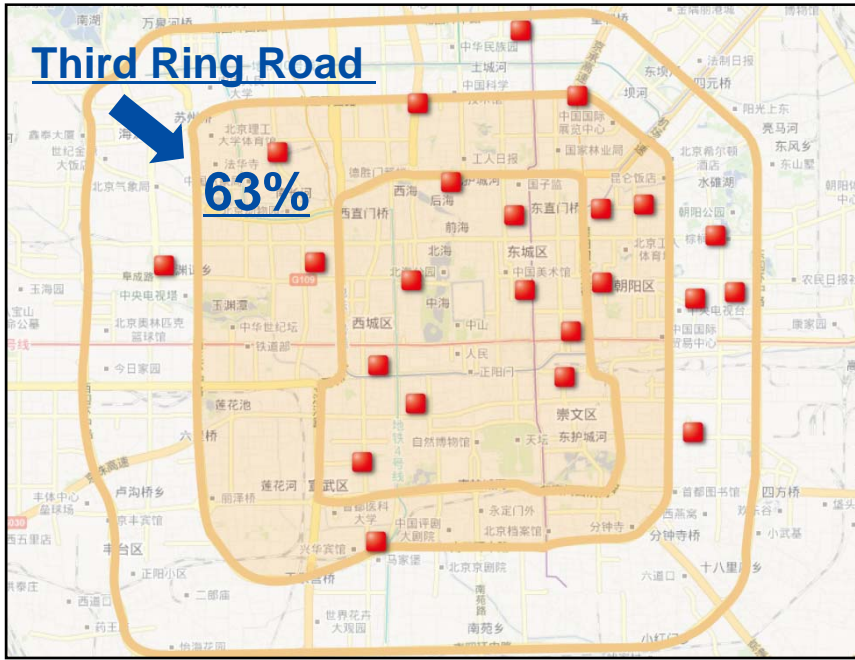
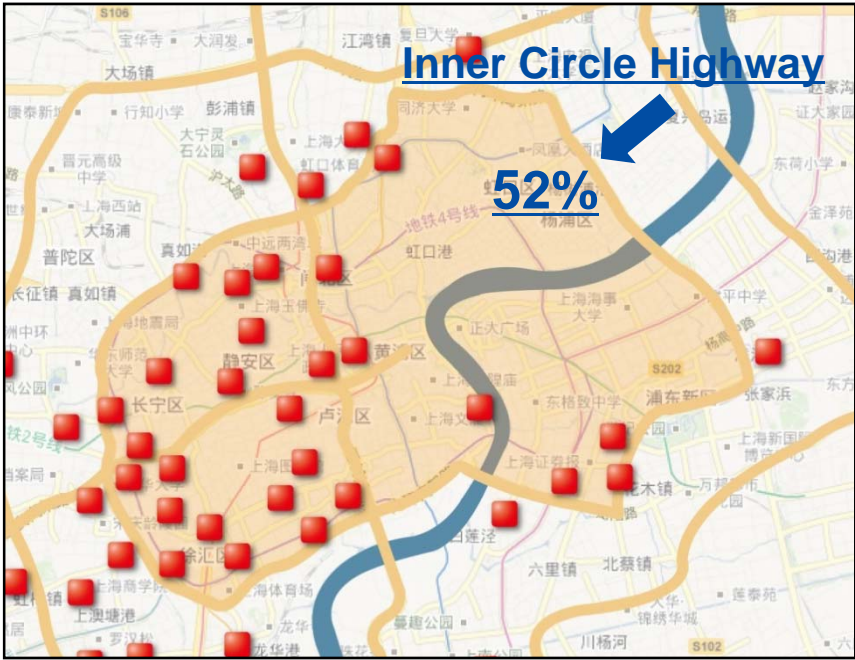
Beijing

	HanTing	Home Inns	7 Days
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	HanTing	Home Inns	7 Days
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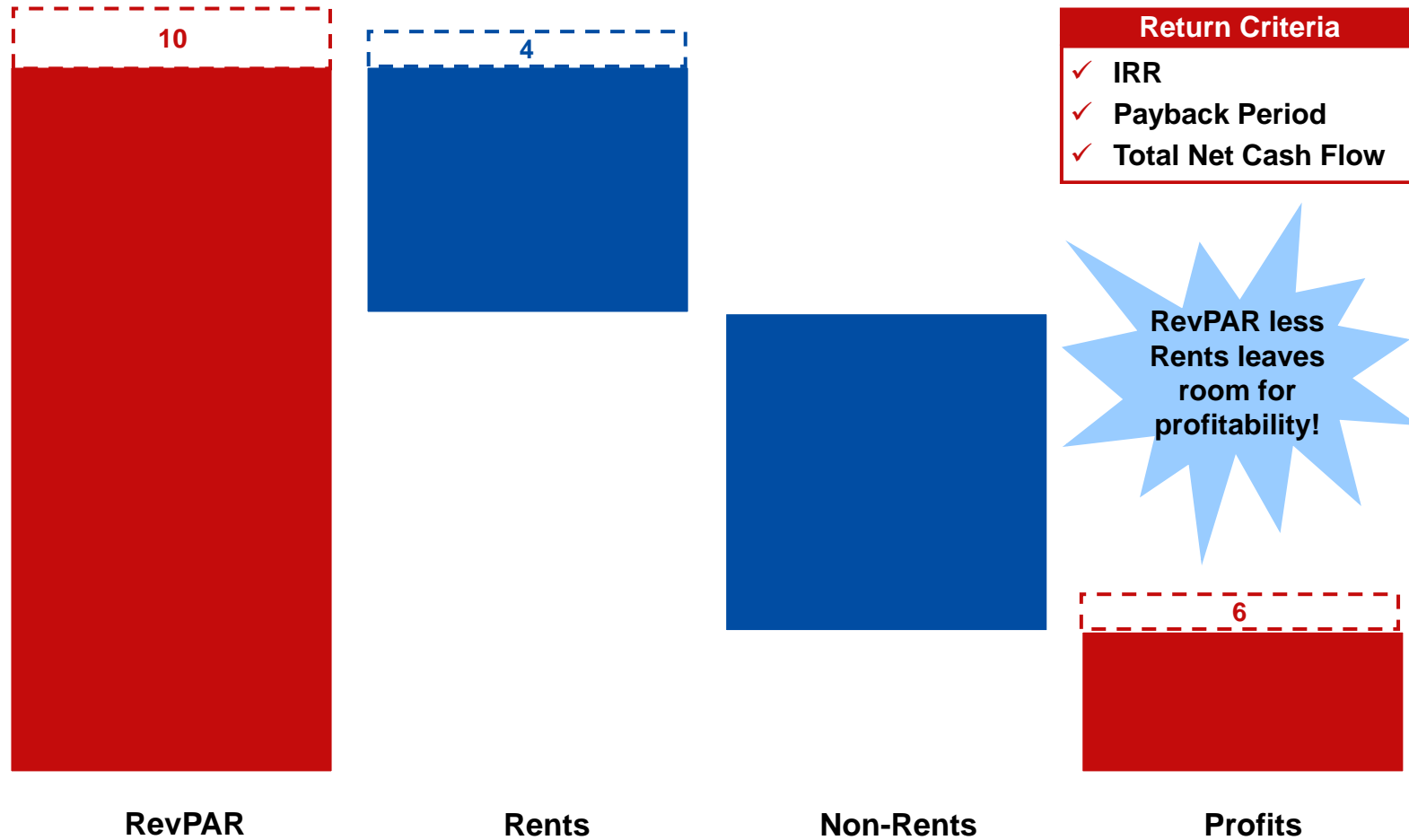
% of Hotels in Prime Locations **52%** 45% 40%

% of Hotels in Prime Locations **63%** 54% 47%



Source: Figures based on HanTing records and publicly available information as of December 31, 2009.
 Note: Prime locations defined as area within the border of Inner Circle Highway for Shanghai, and area within the border of Third Ring Road for Beijing.

1 Disciplined Return-Driven Development Model





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2 Multiple Products Target Broader Customer Segments

HanTing is an industry leader with its multiple-product strategies targeting a wide spectrum of customers



Room Night Price Range (RMB)

250 - 400

150 - 300

70 - 150

As % in HTHT portfolio

- Current
- Target (in 3-5 years)

■ 4%
■ 10~12%

■ 94%
■ 73~80%

■ 2%
■ 10~15%

Target Customers



Note: figures as of 9/30/2010

2 Products Designed to Better Satisfy Customer Needs

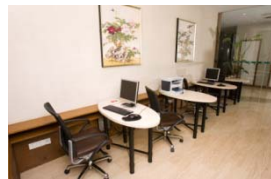
Lobby

- Functional and spacious lobby design
- Expanded public areas with facilities such as Internet cafe etc. (HanTing Hi Inn only)



Business Center

- Business centers with free Internet access, printing and copying
- Conference room facilities at some hotels



Rooms

- Modern and sleek room decoration
- High quality mattress
- User friendly amenities



Bathroom Facilities

- Contemporary design
- 24-hour standard hot-water temperature setting



Work Station

- Free dual broadband Internet outlets
- Universal and uninterruptable power socket
- Functional desk and chair



3 Sophisticated Management Team

Legacy of Strategic Leadership and Innovation



Qi Ji
Founder and
Executive Chairman

- Successful serial entrepreneur
 - Founder, Executive Chairman of HanTing (“HTHT”)
 - Co-founder and former CEO of Home Inns (“HMIN”)
 - Co-founder, former CEO and President of Ctrip.com (“CTRP”)
- M.S. and B.S. from Shanghai Jiao Tong University



Multinational Corporation Management Experience



Matthew Zhang
CEO

- Joined HanTing in 2007
- Over 15 years of experience of operations and IT management in the consumer chains & retail industry
- B.S. from Shanghai Jiao Tong University



Jenny Zhang
CFO

- Joined HanTing in 2007
- Over 10 years of finance and consulting experience
- M.B.A from Harvard Business School





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3

Traditional Service Business Enabled by Technology

Long-Term Sustainable Growth

For Our Customers

- Easy and accurate bookings
- Express check-in and check-out
- Convenient customer feedbacks
- Membership account management

For HanTing

- Pricing control
- Efficient inventory management
- Performance management
- Centralized financial and HR management

Our Advanced IT Platform

Proprietary

Web-based

Real-time

Highly scalable

3 Applying Advanced Manufacturing Methodologies to Our Operations

By applying advanced manufacturing methodology, HanTing is able to deliver consistent, high-quality products and services

Centralization

- Reservation system
- Hotel operations
- Financial reporting
- Procurement

Total Quality Management

- Hotel managers
- Training program
- Performance evaluation
- Performance-based incentives

Location Selection

- Market research
- Development plan
- Management site visit
- Rigorous evaluation

Customer satisfaction

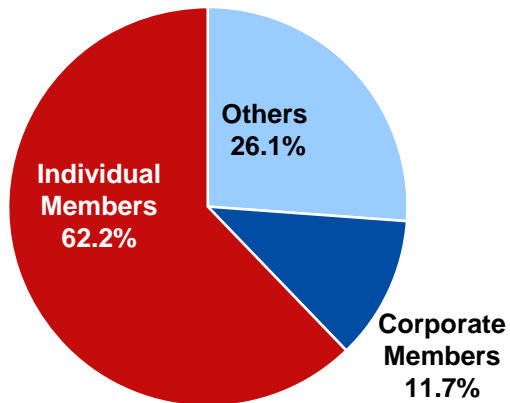
Operating efficiency

High Success Ratio

3 Quality Customer Base

Member Contribution to Room Night Sales

For Q3 2010



HanTing Club Member Profiles



75% are managers, directors and above



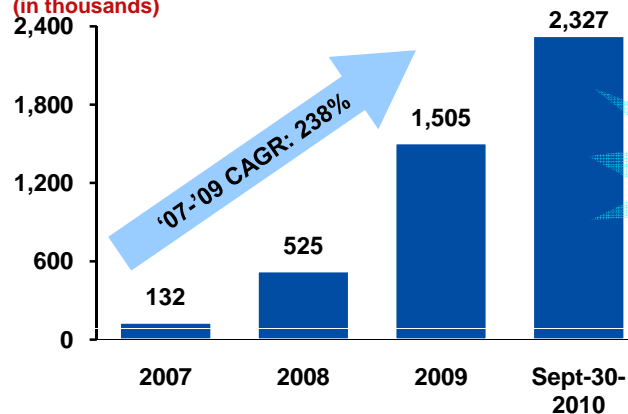
87% are college graduates



68% have annual income over RMB 40,000

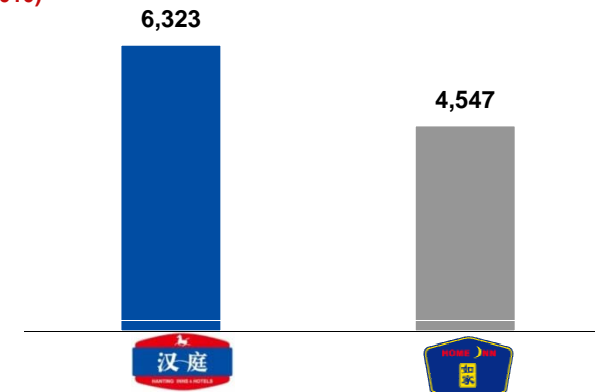
Robust Growth of HanTing Club Individual Members

(in thousands)



Members Per Hotel (HTHT vs. HMIN)

(As of 9/30/2010)



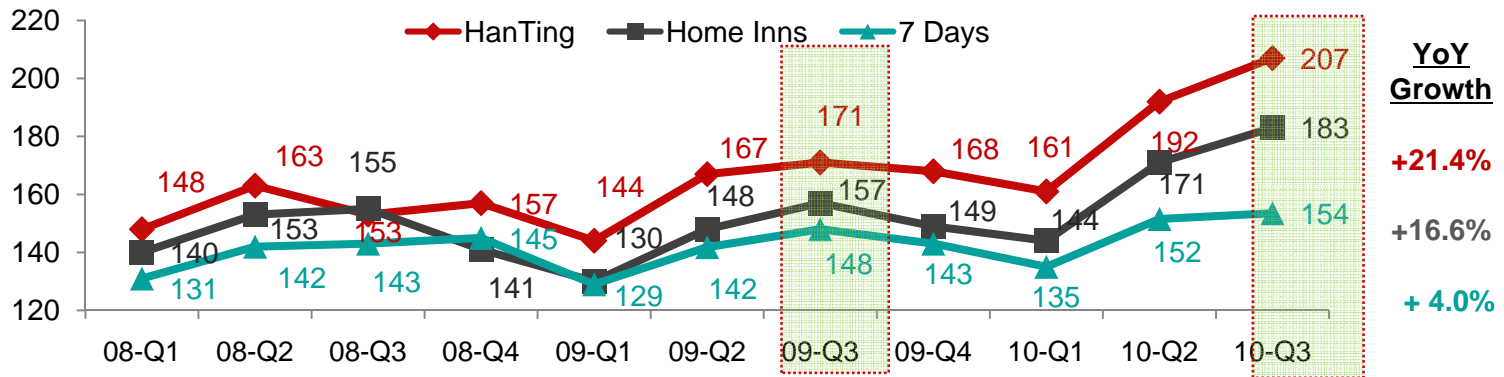
Source: Public filing



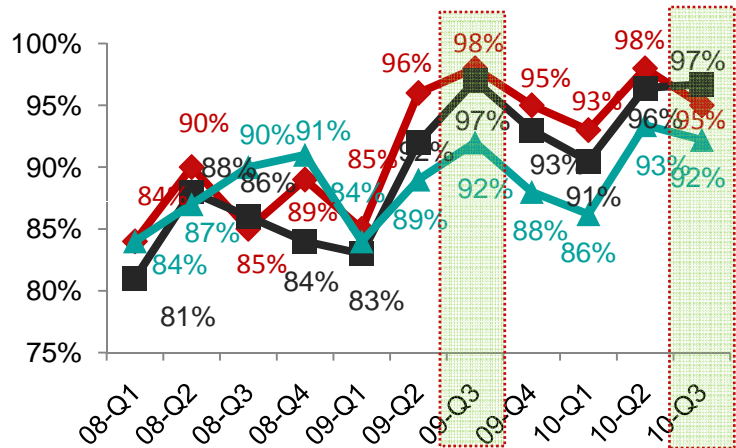
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Highest RevPAR, Occupancy, ADR

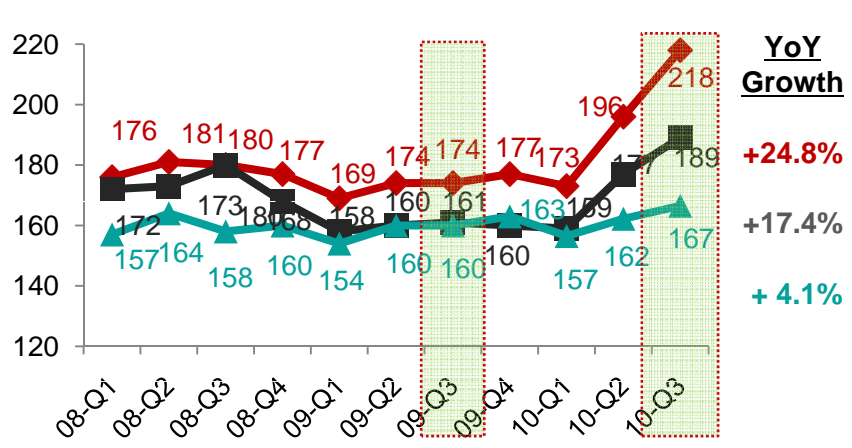
RevPAR (in RMB)



Occupancy (percentage)



ADR (in RMB)



Source: Public filing



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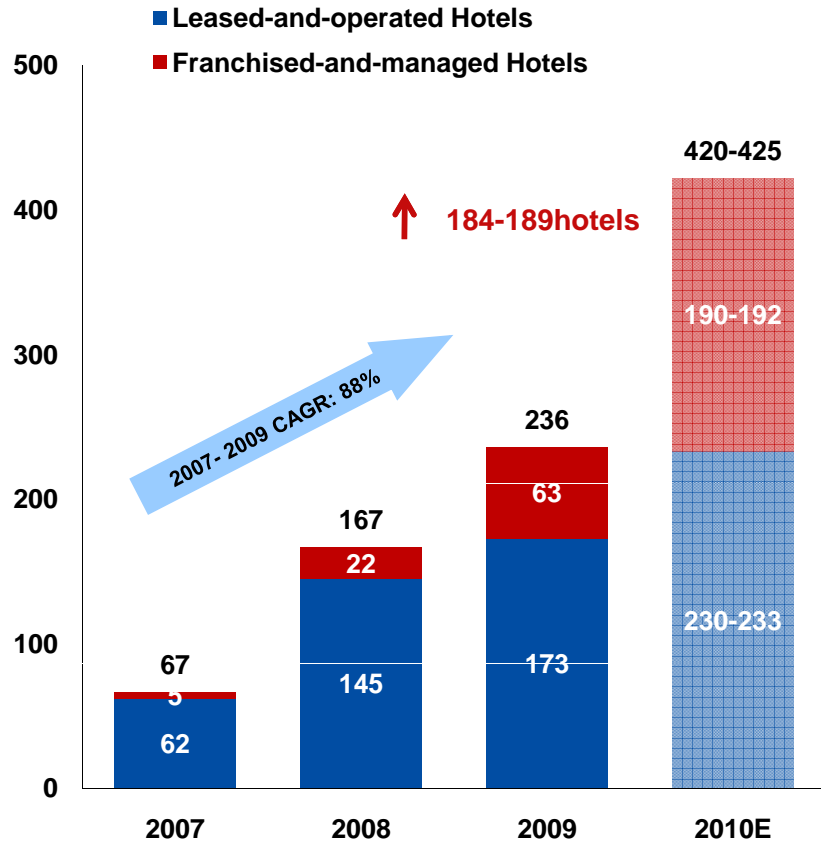
Financial and Operating Performance



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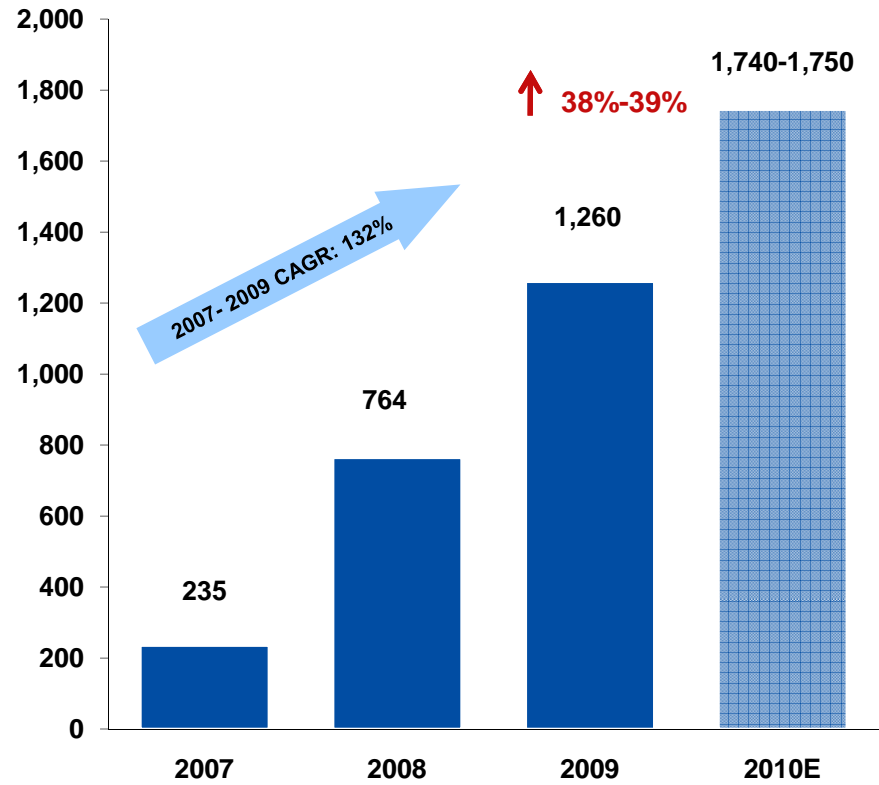
Hotel Expansion to Drive Revenue Growth

Number of Hotels in Operation



Net Revenues

(in RMB millions)



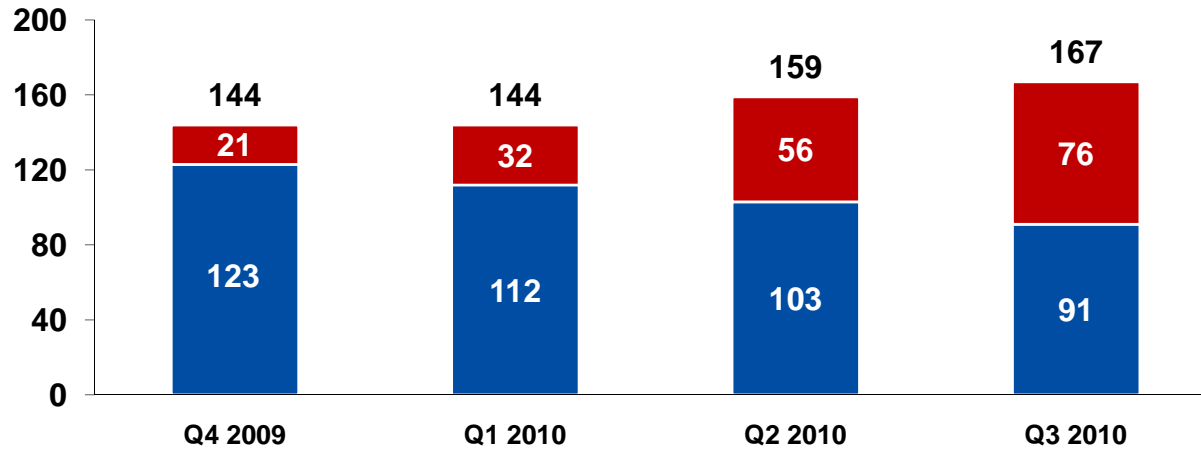
Note: Company forecasts



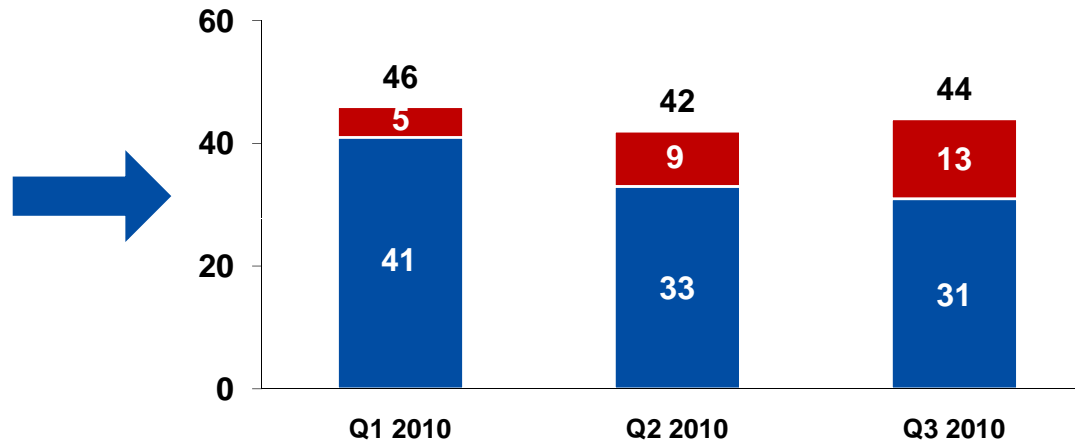
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Solid Execution of Expansion Plan

Number of Hotels Contracted for Development (As end of the Period)



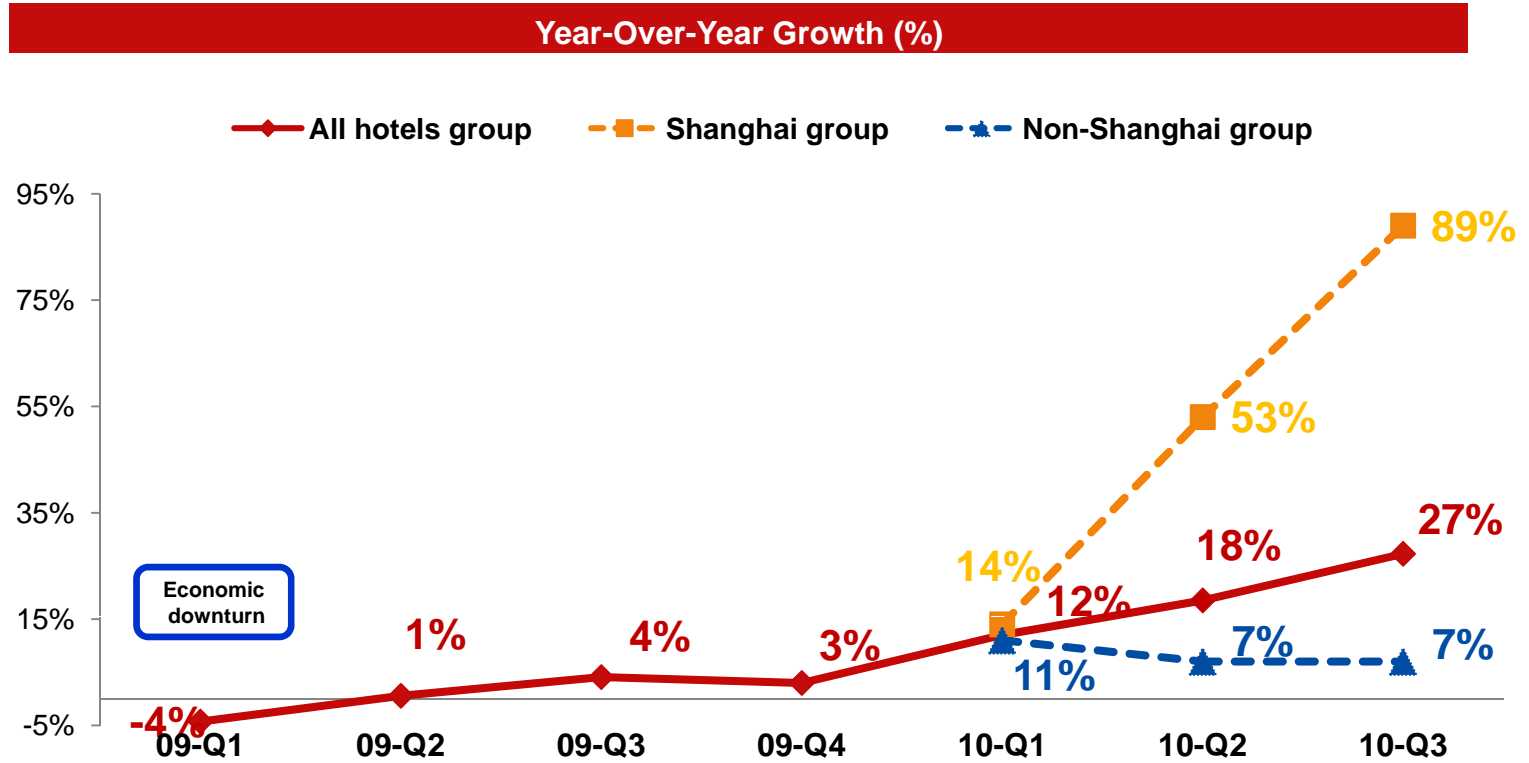
Number of Hotels Opened (As for the Period)



■ Leased-and-operated hotels ■ Franchised-and-managed hotels

Source: public filing

RevPAR Improvement from Mature Hotels



# of hotels in the Chart	09-Q1	09-Q2	09-Q3	09-Q4	10-Q1	10-Q2	10-Q3
All hotels	51	67	85	106	144	167	181
Shanghai					36	38	41
Non-Shanghai					108	129	140

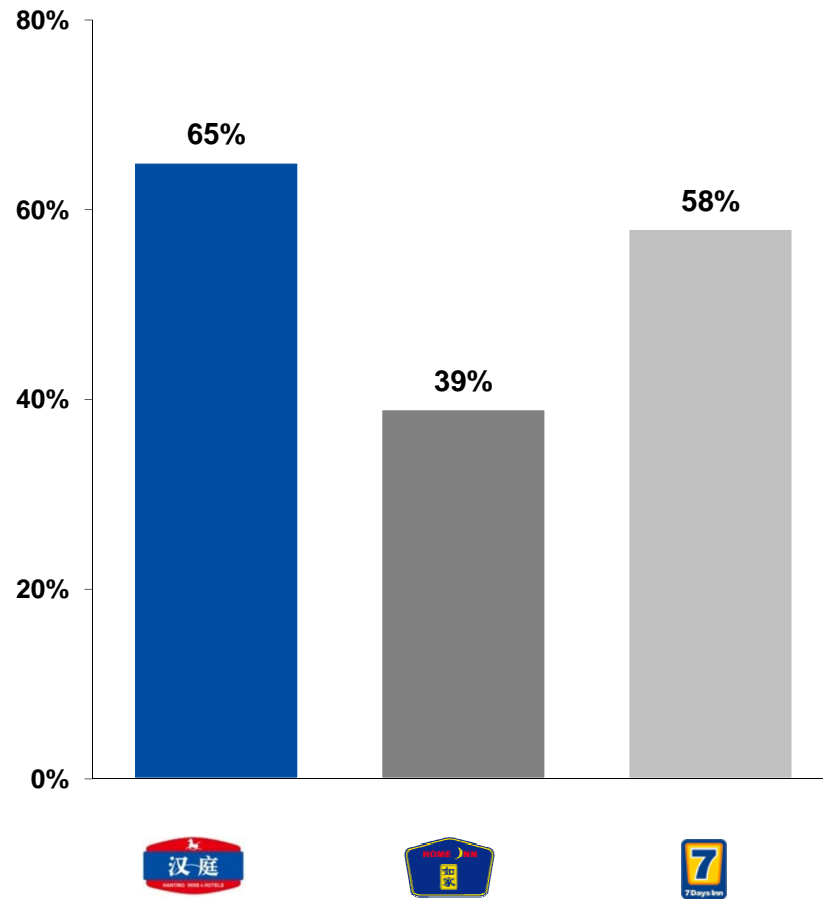
Note: Like-for-Like performance for hotels in operation for at least 18 months



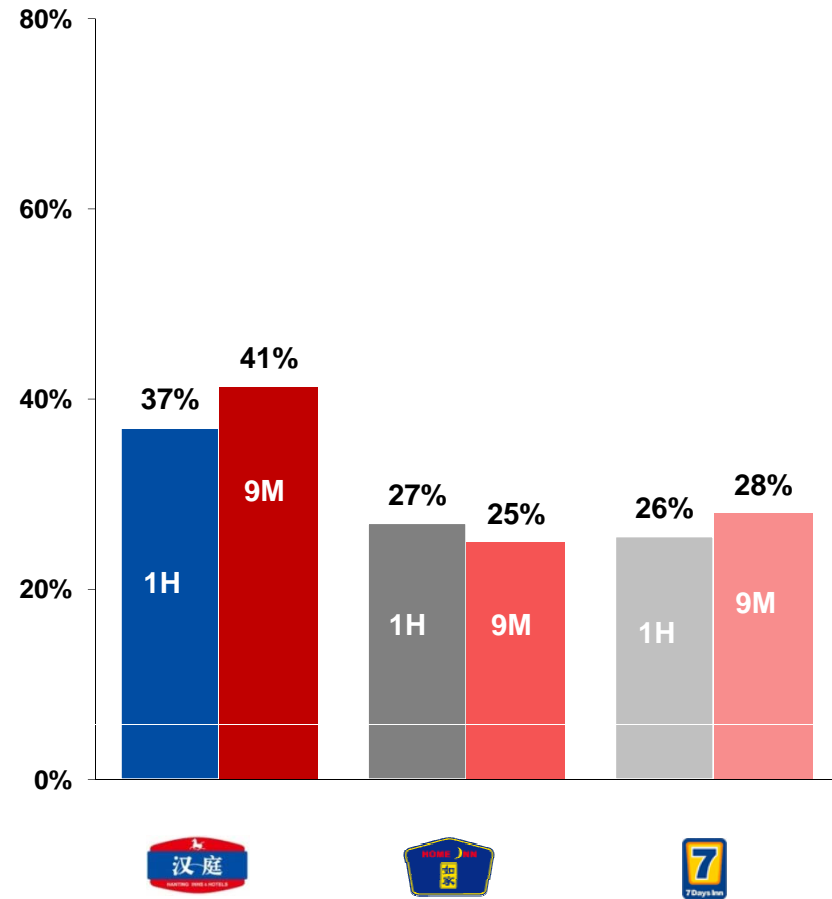
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Highest Net Revenues Growth

Net Revenues Growth (FY09 vs. FY08)



Net Revenues Growth (1H10 vs. 1H09, 9M10 vs. 9M09)



Source: public filing

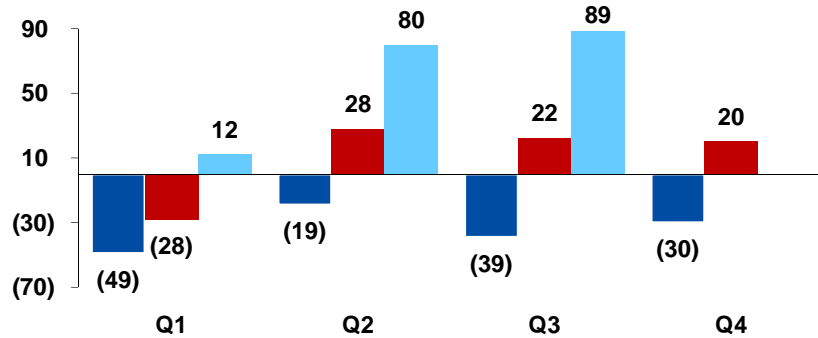


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Profit and Margin Improved Overtime

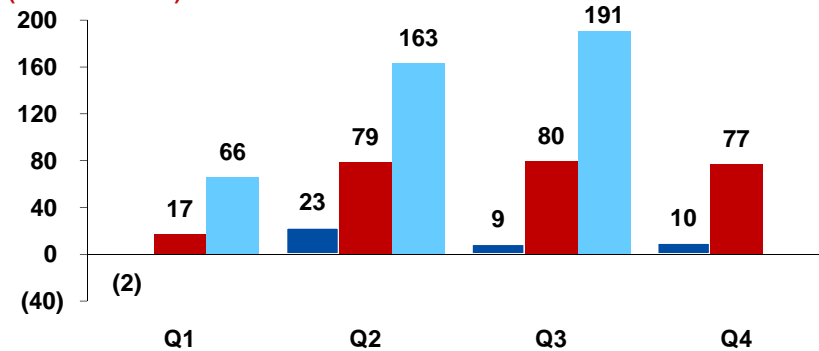
Net Income (1)

(in RMB millions)

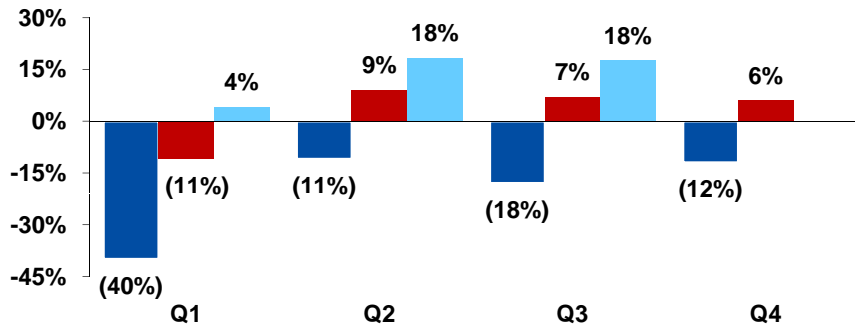


EBITDA from Operating Hotels (2)

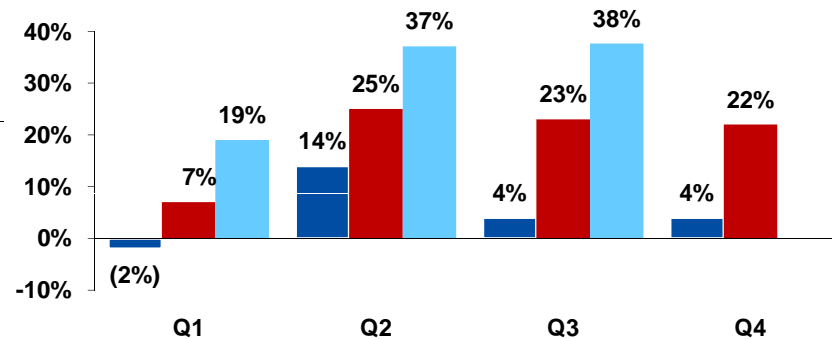
(in RMB millions)



Net Income (1) as % of Net Revenues



EBITDA from Operating Hotels (2) as % of Net Revenues



■ 2008 ■ 2009 ■ 2010

(1): Attributable to the Company.
 (2): Excluding pre-opening expenses.

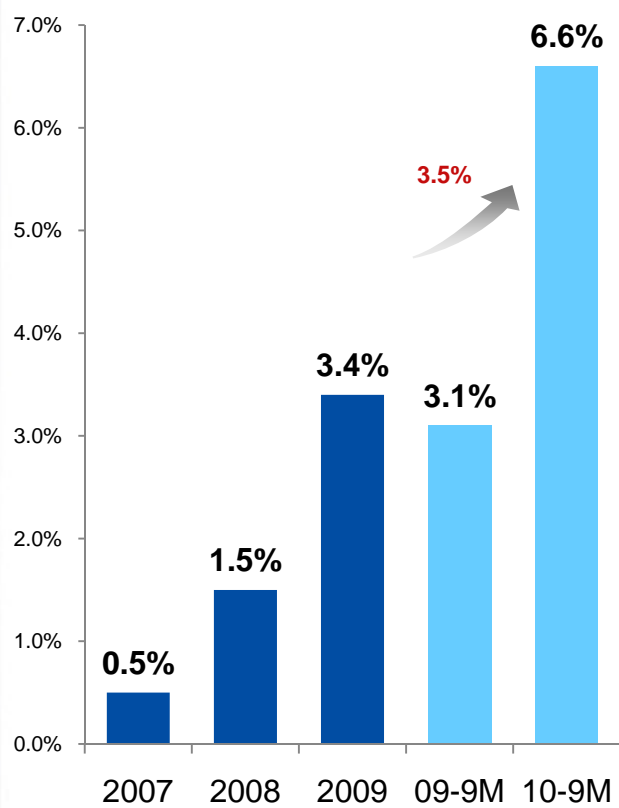


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Drivers for Margin Improvement

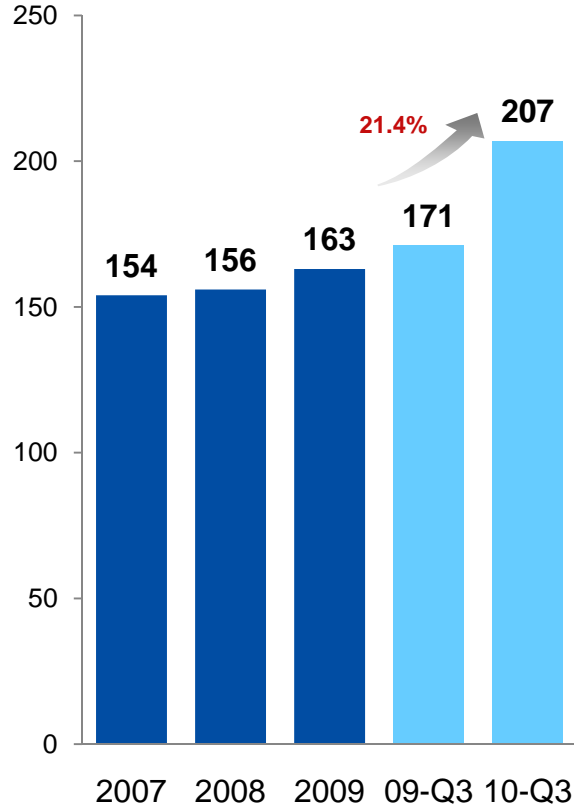
Franchised-and-Managed Hotel Revenue % Increase

(as % of Total Revenues)



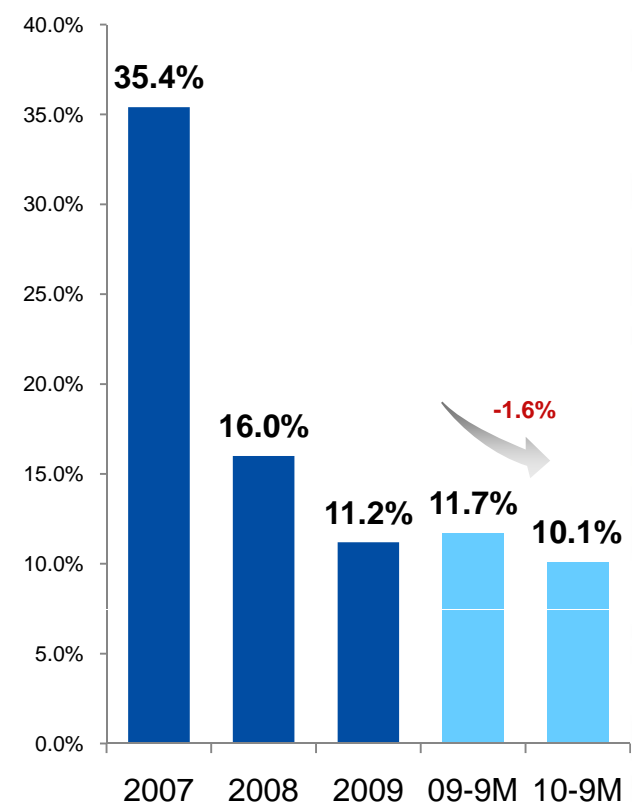
RevPAR Improvement

(in RMB)



Adjusted SG&A Expenses (1) % Decrease

(as % of Net Revenues)



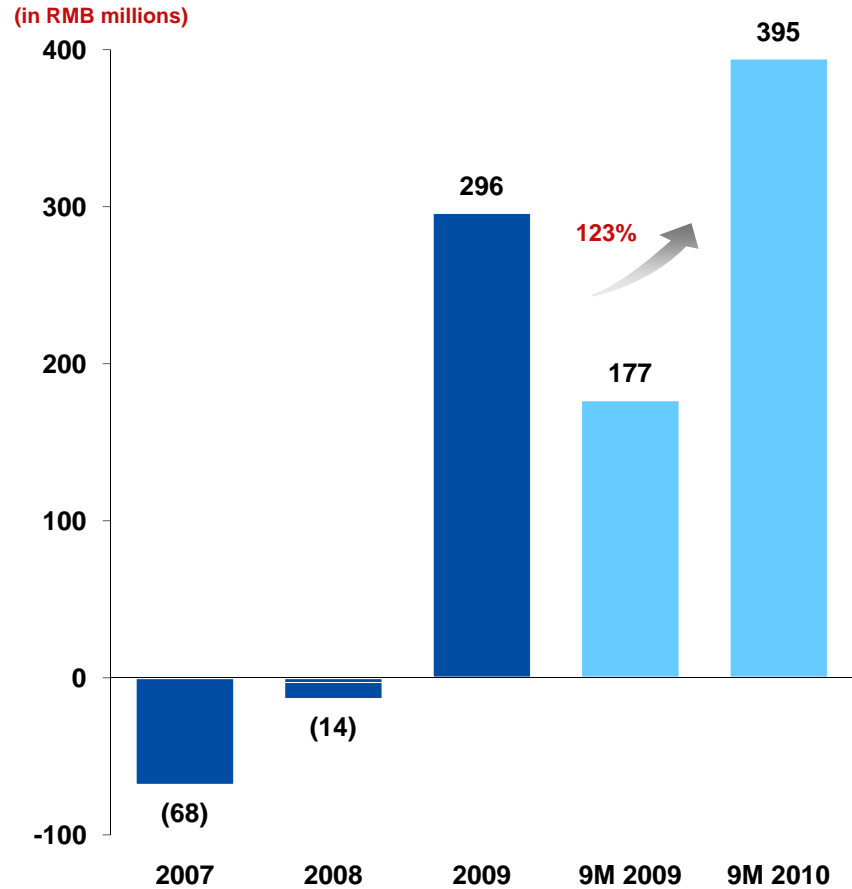
(1): Excluding share-based compensation expenses



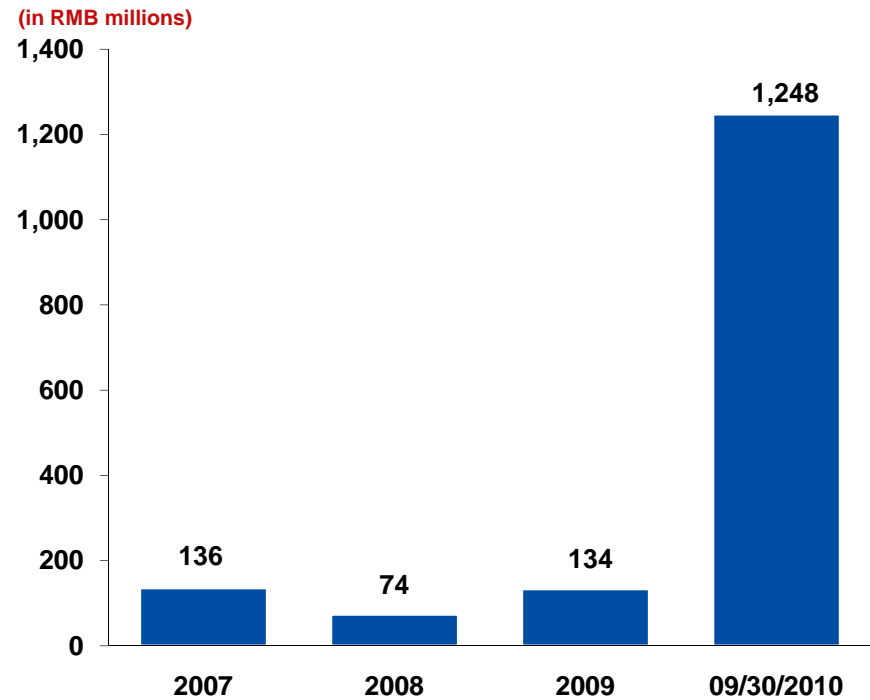
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Strong Operating Cash Flow and Net Cash Balance

Operating Cash Flow



Net Cash Balance ⁽¹⁾



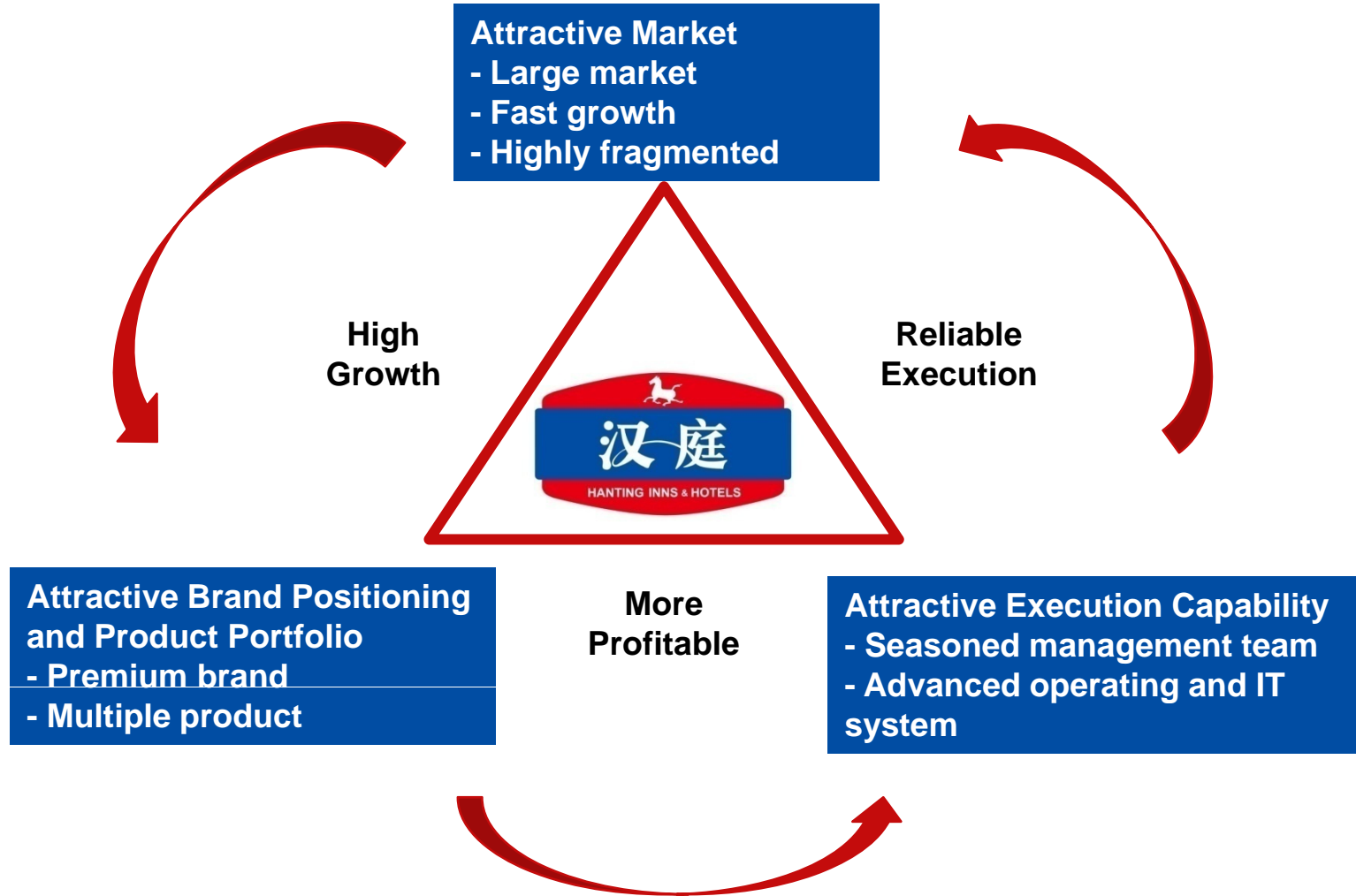
(1): Calculated as Cash and Cash Equivalent less total debt as of period end.

(2): Including net financing proceeds of \$140MM, which was received in April 2010.



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HanTing Presents an Attractive Investment Opportunity





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We Are HanTing!

