



China Lodging Group, Limited

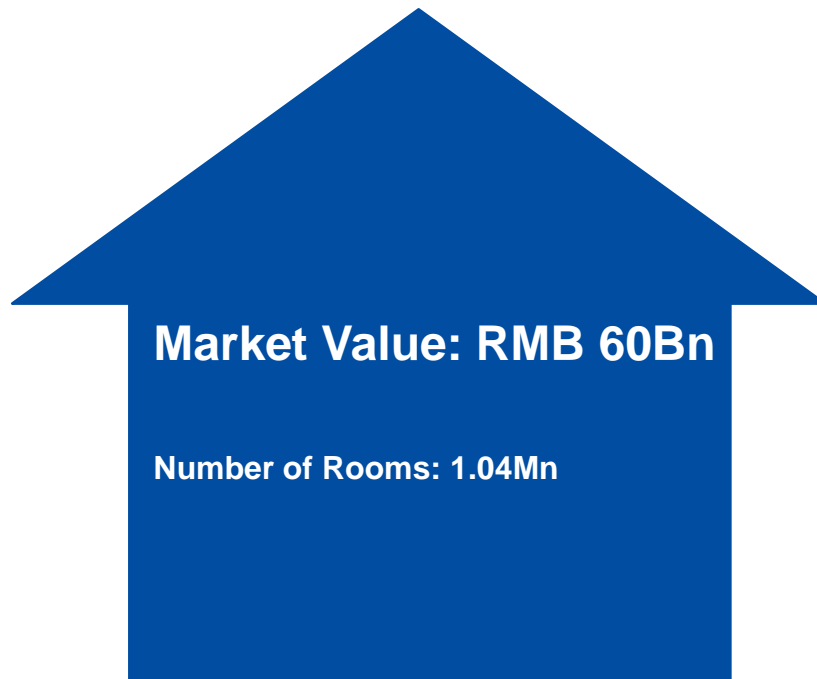
Midscale Hotel Segment Analysis

April 2013

Sizable and Growing Segment: Midscale Hotel

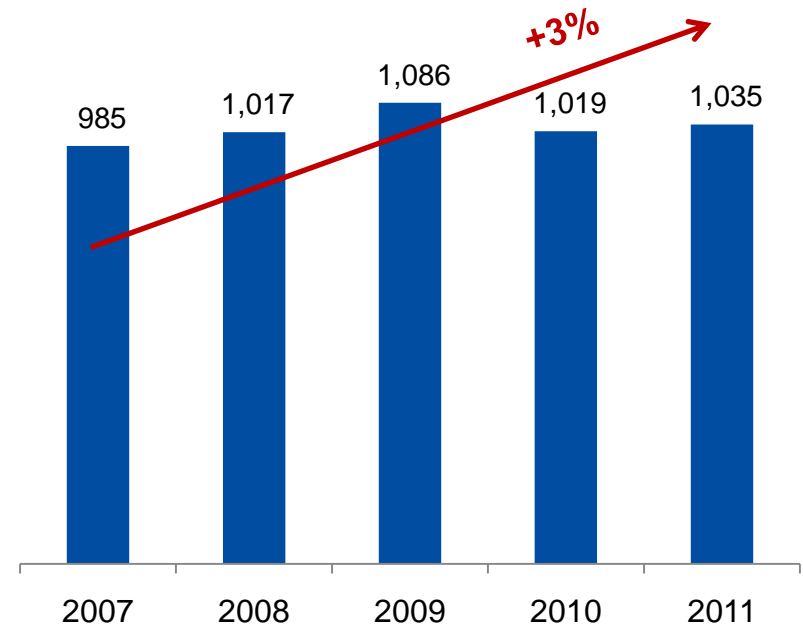
Sizable Market

As of 12/31/2011



Growing Market

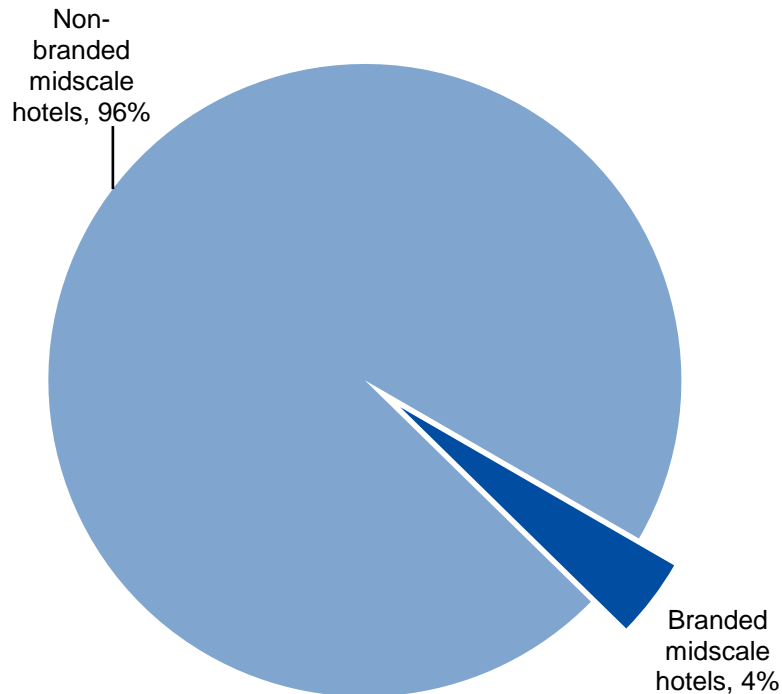
Number of rooms, '000



Source: CNTA. 3- and 4- star hotels are considered as midscale hotels in China. Total market value includes room revenues only.

Highly Fragmented: Huge Growth Potential for Consolidation

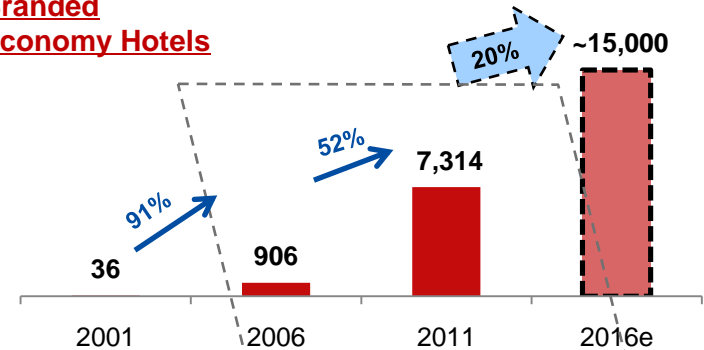
Branded midscale hotel chains only make up 4% of the midscale hotel sector in China (number of hotels as of Dec 31, 2011)



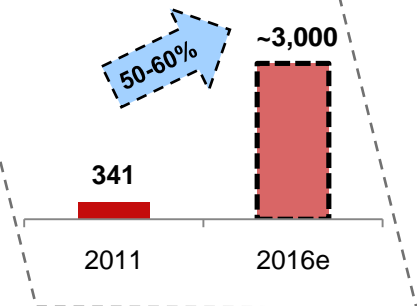
Source: Inntie, CNTA, 2011

Branded midscale hotel still in infancy in China (number of hotels, CAGR)

Branded Economy Hotels

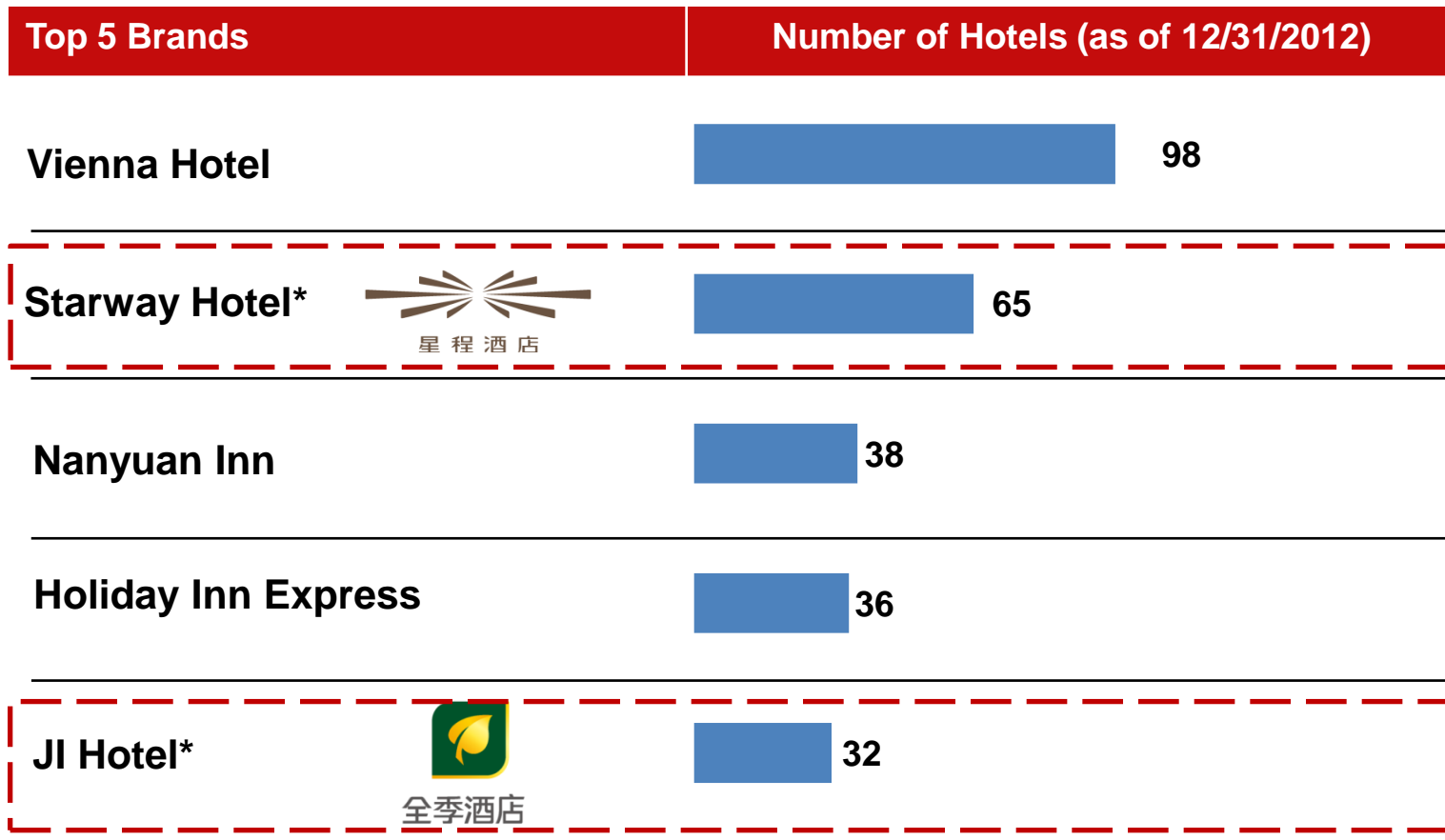


Branded Midscale Hotels



Source: Inntie, Company estimates

HTHT is Leading the Midscale Race



HTHT owns 2 brands in top 5, with combined number of hotels close to 100.

Source: company websites



JI Hotel: Quality, Smart and Thoughtful



Target Customer

- Mature and experienced travelers
- Seek a quality experience in hotel stays



Typical Price Range

- RMB 250-500 per room night

Hotel Count (12/31/2012)

- 32 hotels

Starway Hotel: Rich in Design and Guaranteed in Quality



Target Customer

- Middle class travelers
- Seek a good location, reasonable price and guaranteed quality

Typical Price Range

- RMB 250-600 per room night

Hotel Count (12/31/2012)

- 65 hotels



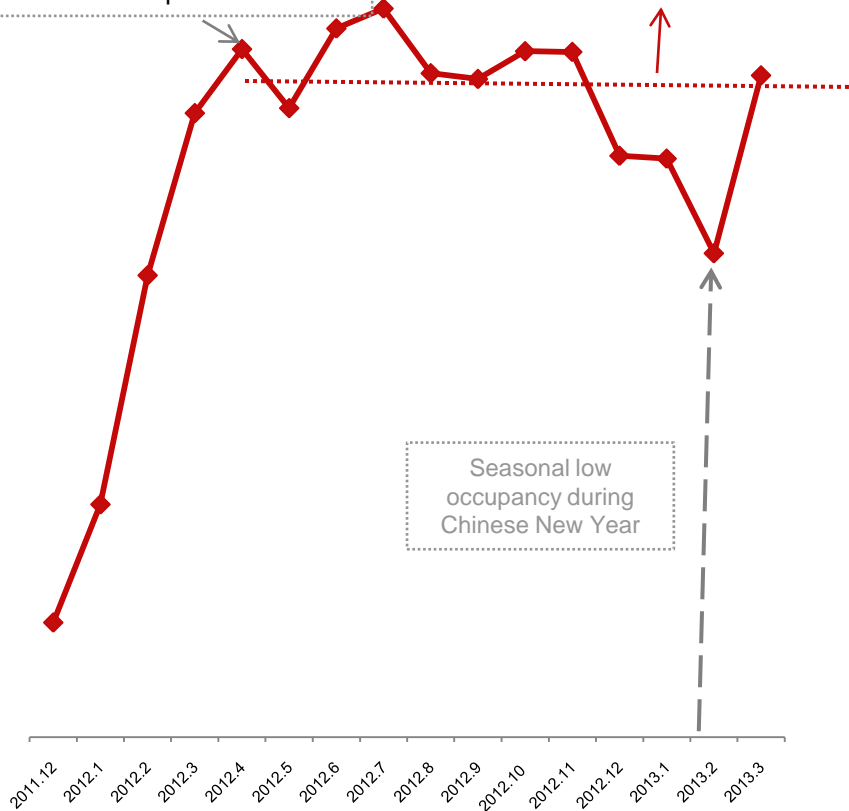
JI Hotel Case Study 1: Kang Ding Road, Shanghai

Occupancy Over 90% in 5th Month after Opening

Opened on December 14, 2011
205 Rooms

96.7% occupancy with
RMB272 of RevPAR in the
5th month of operation

Avg. > 90% occupancy
after ramp-up



Seasonal low
occupancy during
Chinese New Year

Premium Location



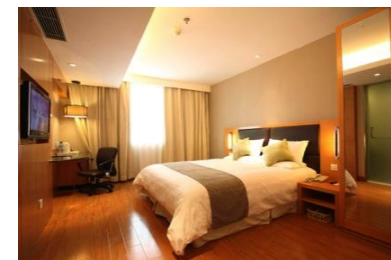
Located in Jing An District, downtown

Close to metro station and bus station

To JingAn Temple:
2KM

To People's Square:
3 KM

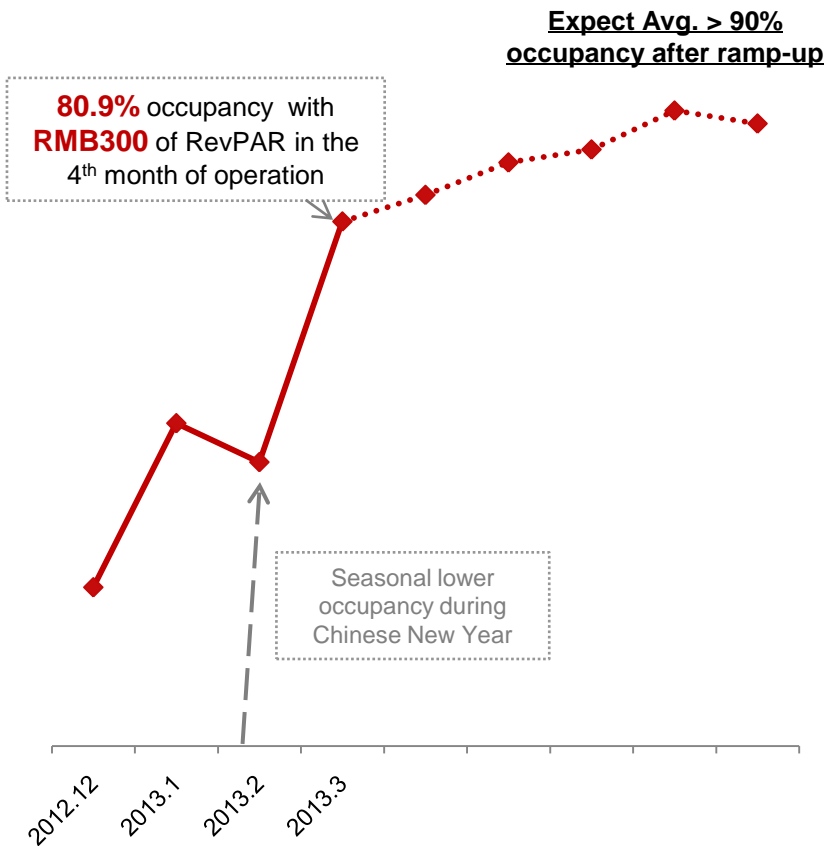
Quality Stay Experience



JI Hotel Case Study 2: Yi Li Road, Shanghai

Steady Occupancy Rate Growth in Ramp-up

Opened on November 30, 2012
237 Rooms



Premium Location



Located in the center of Hongqiao Development Area

Close to metro station and bus station

To Xujiahui: 3 KM

To Hongqiao Airport: 6 KM

Quality Stay Experience

