



华住酒店集团

成就美好生活



China Lodging Group, Limited

Second Quarter 2013 Results

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 (“Hua Zhu” or 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 hotels, managed hotels, and franchised hotels in its chain, causing the Company’s operating results to fluctuate and making them difficult to predict.

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Section I: Strategy Overview *by CEO*

Section II: Operating Highlights *by COO*

Section III: Financial Highlights *by CFO*

Section IV: Q & A

Our strategy is :

- To Build **Multiple Brands**,
- To Expand **Fast**,
- *To Deliver **Better Experience***, and
- To Achieve **Leading Profitability**

Through Our People

Respond to Guests' Rising Demand: Free Wifi Coverage



Target 100%
WIFI coverage
by 2013 year
end; 70%+
completed now



Reach Guests Everywhere: Multiple Digital Booking Channels

Website Booking

Smartphone APP Booking

PAD APP Booking



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HUAZHU HOTELS GROUP LTD

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1 Engage Guests in A New Way: Interactive Game Screen

Offline: Target Travelers @ Airport Terminal



- ✓ Over **60,000** users in 2 months after launch
- ✓ Over **10,000** coupons bundled with guest accounts
- ✓ **80%** conversion rate (est.)

Online:
Win Coupon in QR
Code and Scan

Online
Booking through
e-channel

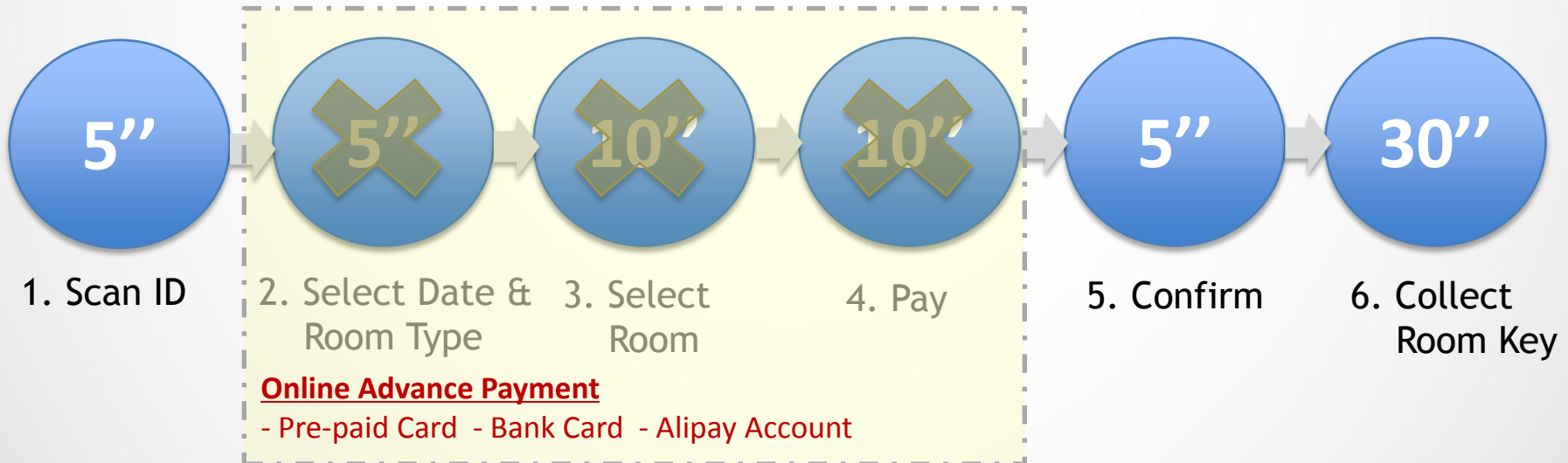
Offline
Check-in at hotel

New Processes to Transform the Delivery of Brand Experiences: Online DIY Room Selection



Available for 95%+ hotels Now

3 New Processes to Transform the Delivery of Brand Experiences: 40" Check-in



* At 10 selected hotels, in testing stage

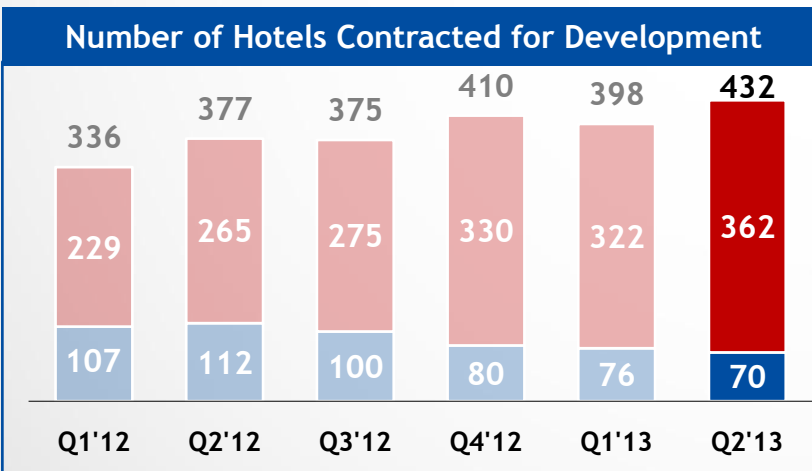
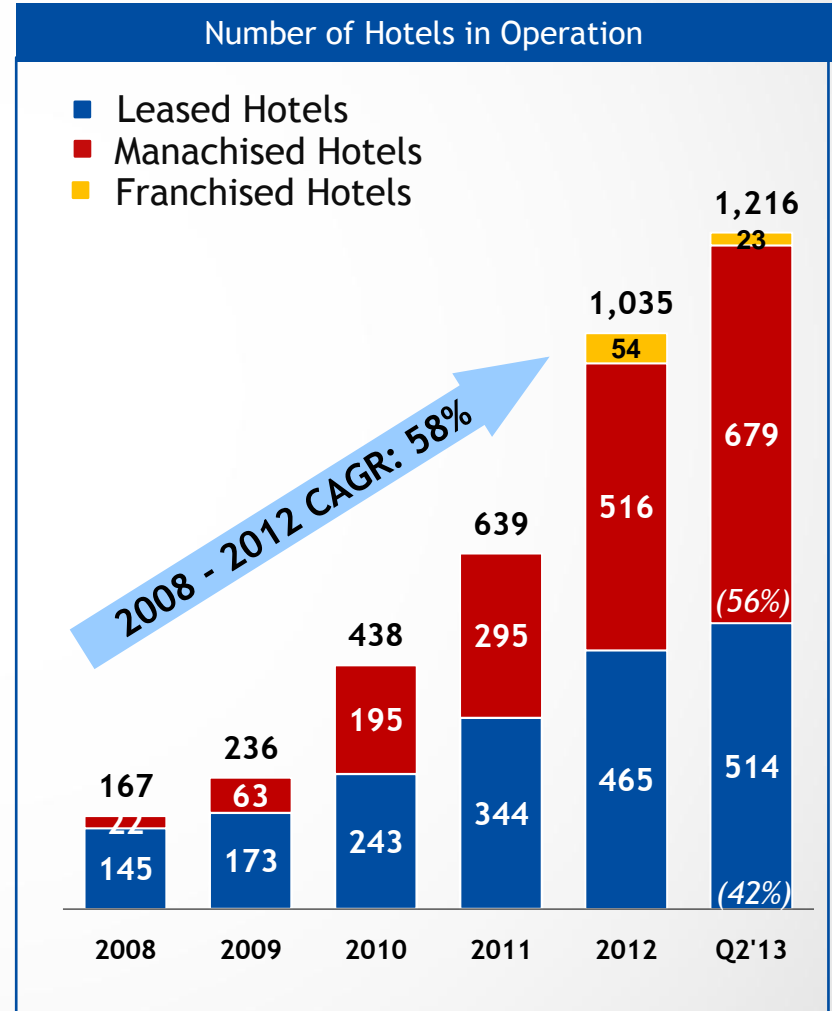
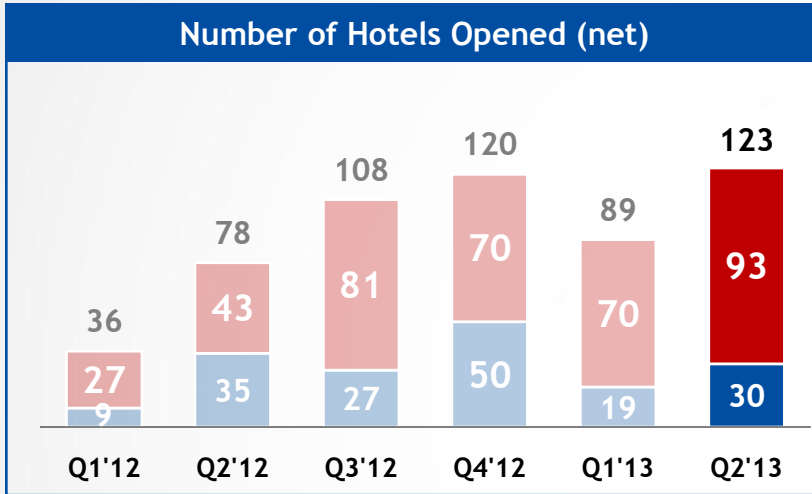
4 New Processes to Transform the Delivery of Brand Experiences: 0" Check-out



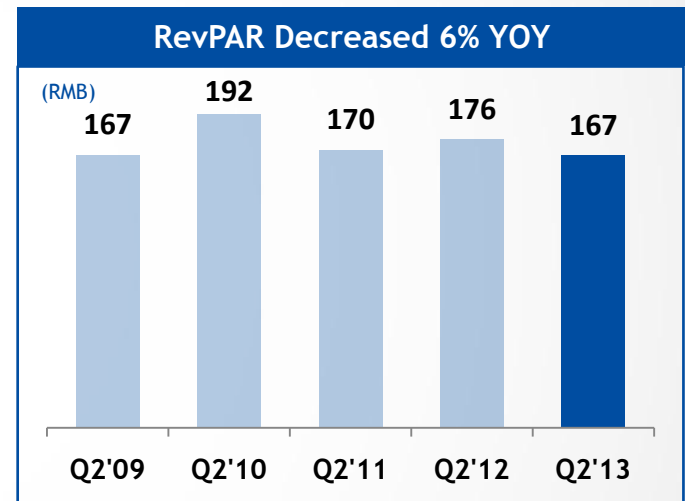
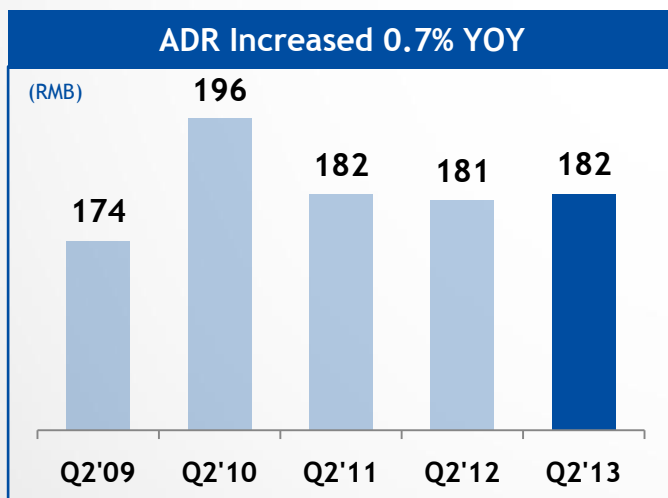
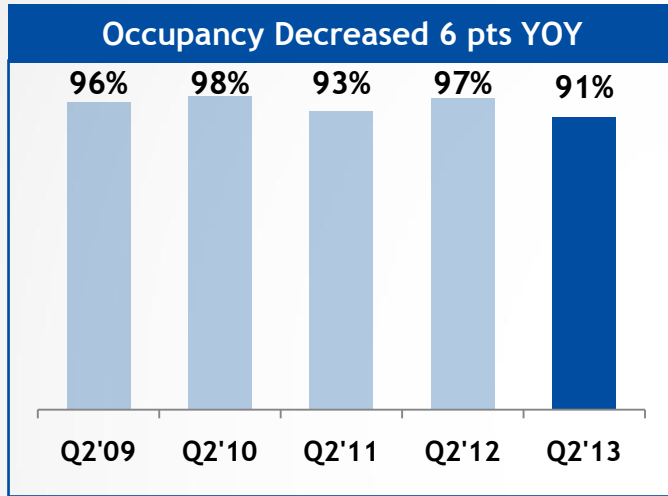
✓ Pay at check-in, NO check-out needed

✓ For all Hua Zhu guests

Hotel Openings Beyond Expectation, thanks to the Accelerated Expansion from Manachise Business



RevPAR Decreased 6% YOY as a Result of a Higher % of Ramp-up Hotels and City Mix Shifting toward Lower-tier Cities



Weight of new hotels at ramp-up stage

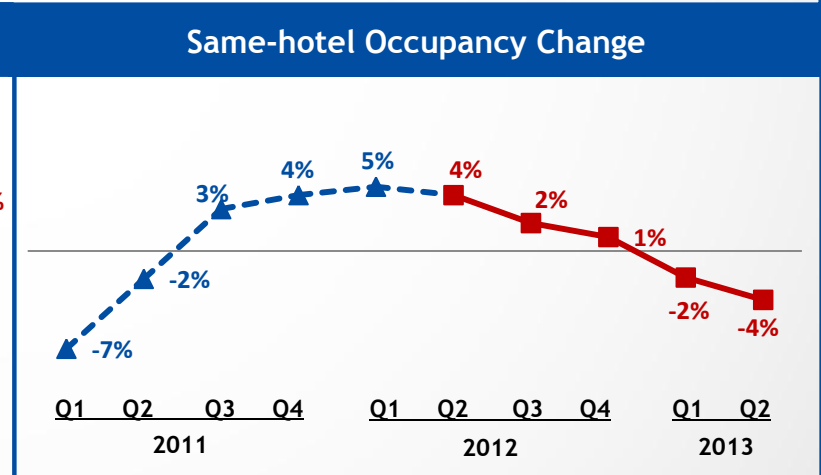
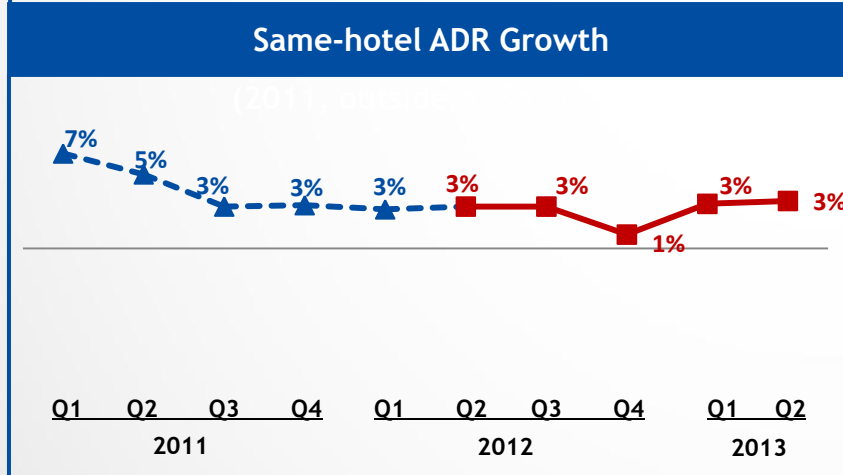
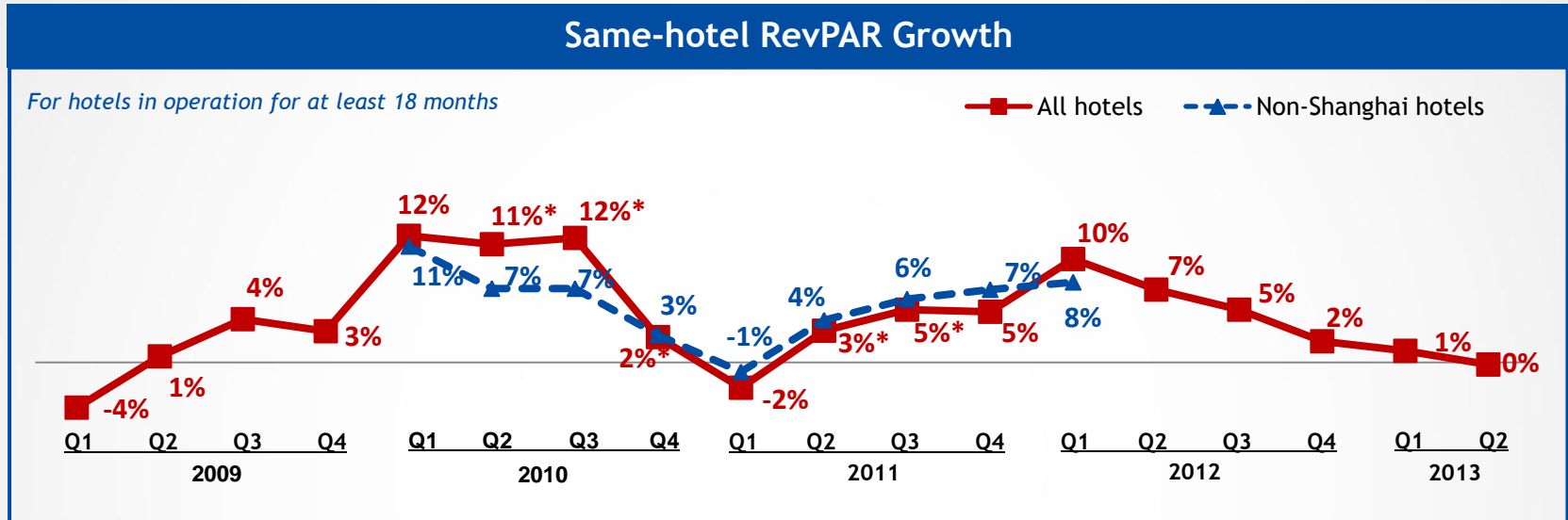
Q2'11	Q2'12	Q2'13
20%	15%	19%

Weight of hotels in operation in tier-1 cities

Q2'11	Q2'12	Q2'13
43%	44%	40%

Figures excluding franchised Starway hotels

Q2 Same-hotel RevPAR Remained Flat due to the Soft Macro Environment



* Normalized for Shanghai Expo

Figures excluding franchised Starway hotels

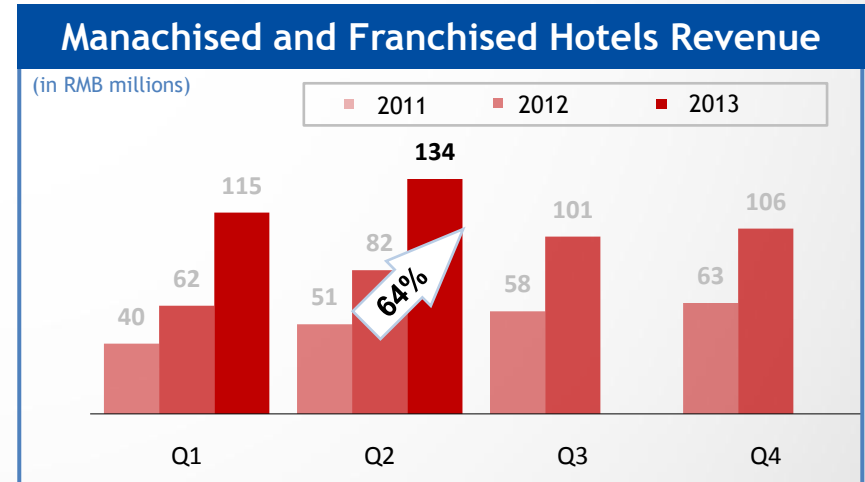
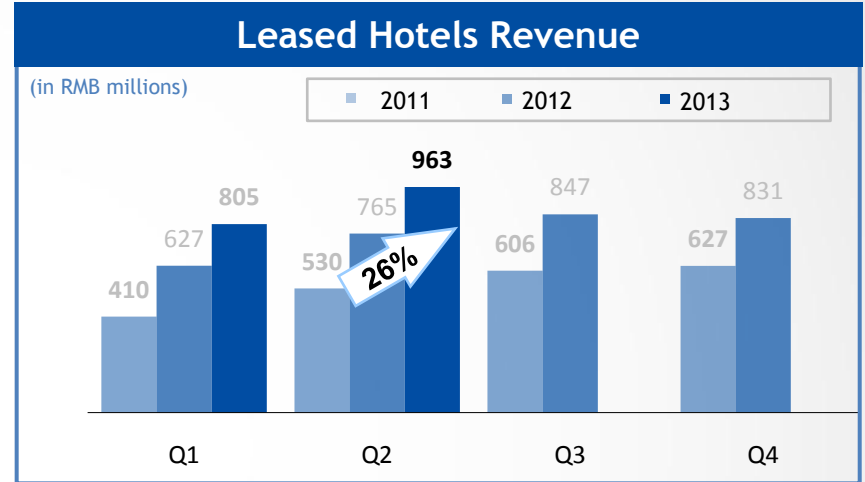
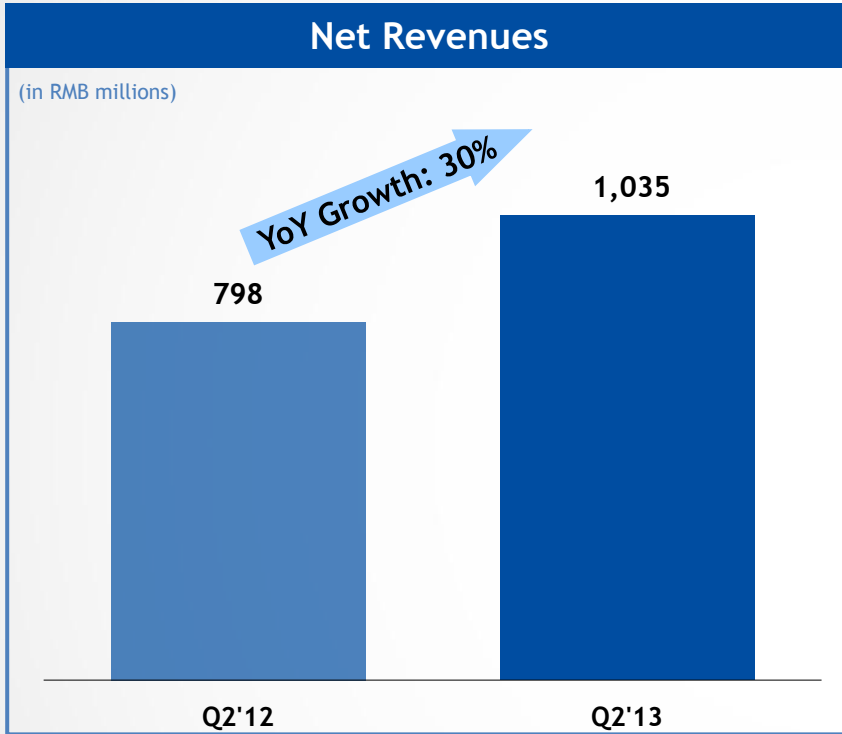
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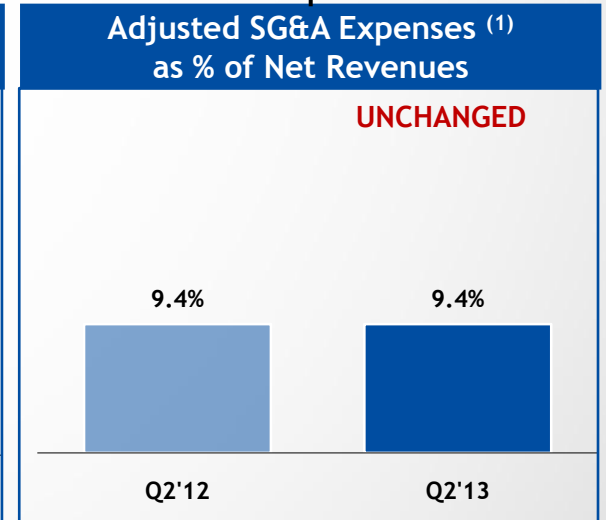
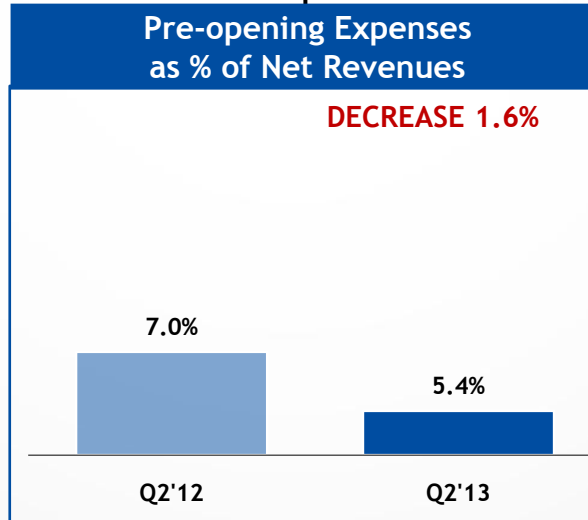
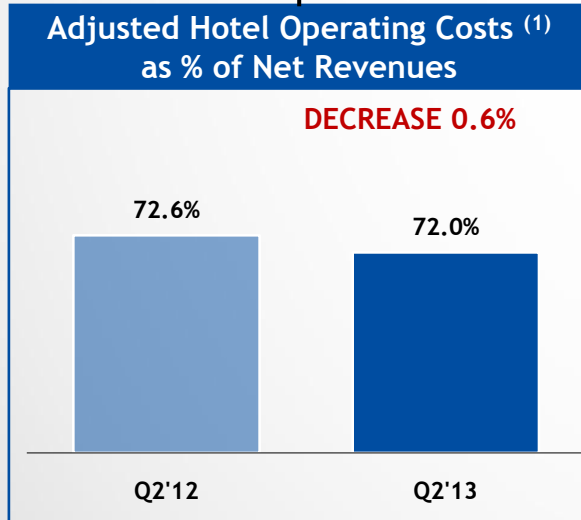
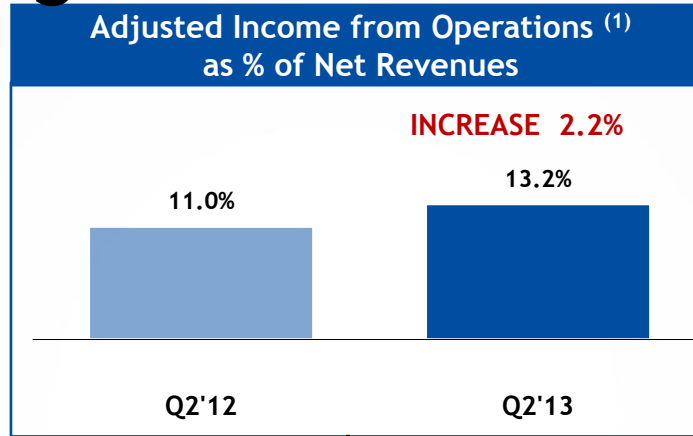
Q2 Net Revenues +30% YOY, Exceeded the High End of Guidance



Manachised and Franchised Hotels Revenue as % of Total Revenues

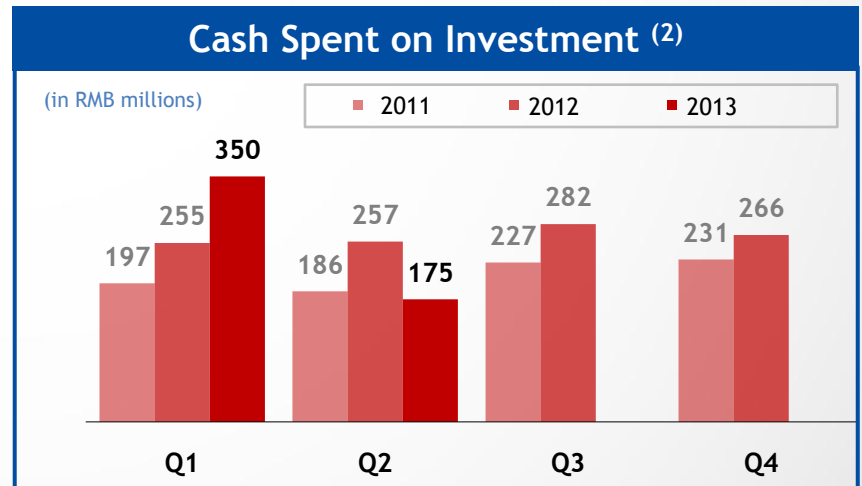
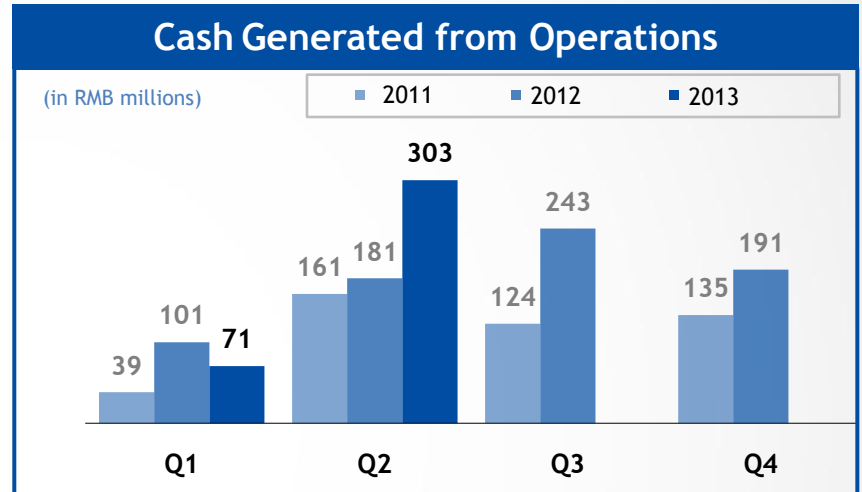
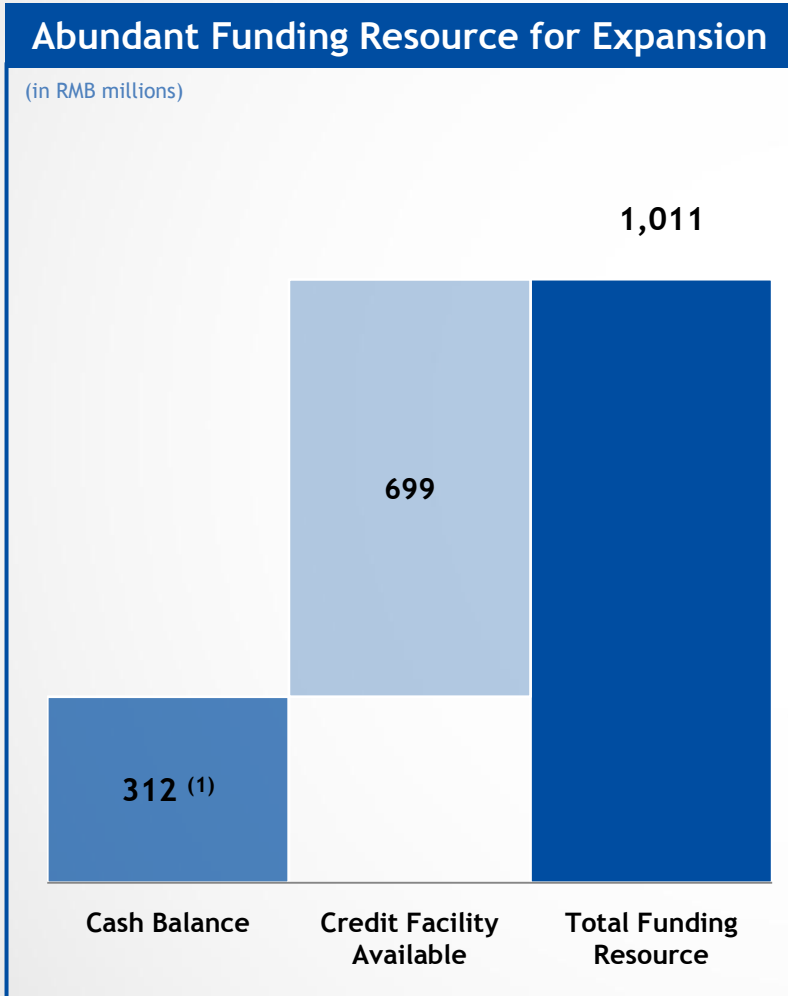
Q2 2012	Q2 2013
10%	12%

Q2 Operating Margin Improved 2.2 Pts due to Economy of Scale and Cost Saving Efforts



(1) Excluding share-based compensation expenses.

Cash Position Remained Strong with a Net Cash Inflow of RMB128m in Q2'13



(1) Calculated as cash and cash equivalent, restricted cash, short-term investment.

(2) Cash spent on the purchase of property and equipment, purchase of intangible assets and acquisitions.

- Q3'13 net revenues in the range of RMB1,110 to 1,125 million, representing 24% to 26% year-over-year growth

Q & A