



华住酒店集团

成就美好生活



China Lodging Group(HTHT), Limited

Second Quarter 2014 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 Highlights *by CEO*

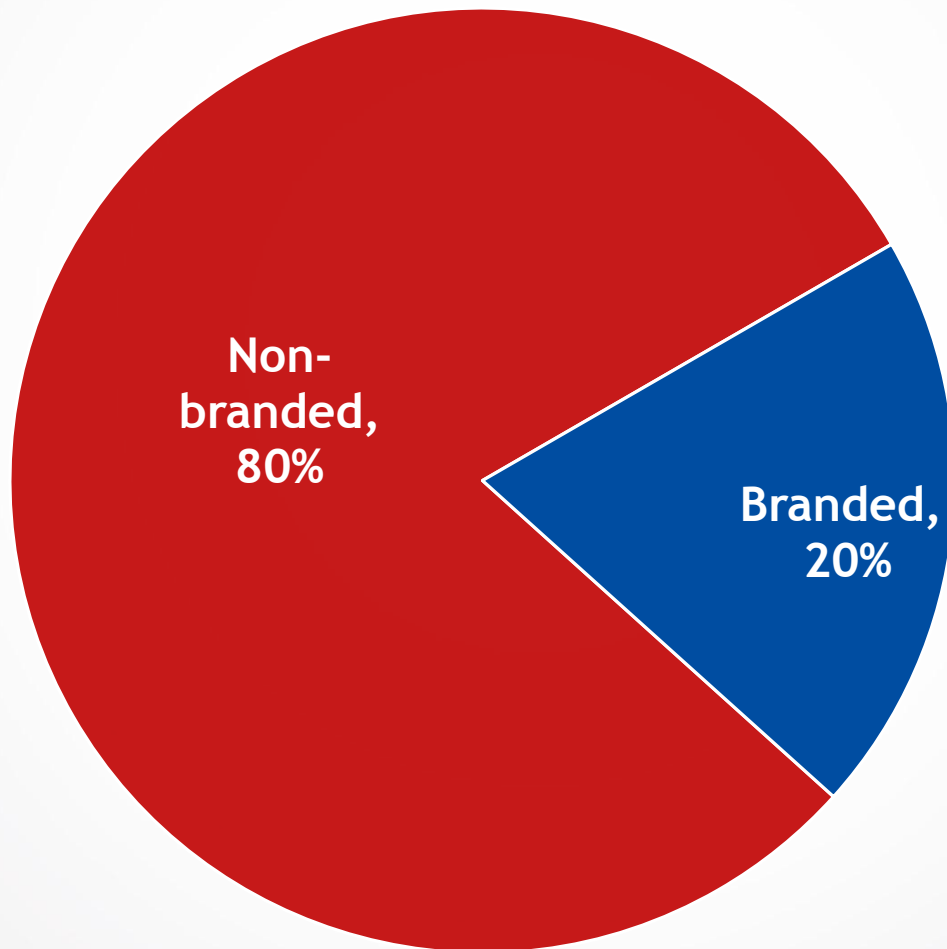
Section II: Operational Highlights *by COO*

Section III: Financial Highlights *by CFO/CSO*

Section IV: Q & A

Addressable Market for Economy Hotels (as of 2013)

Market size: ~60,000

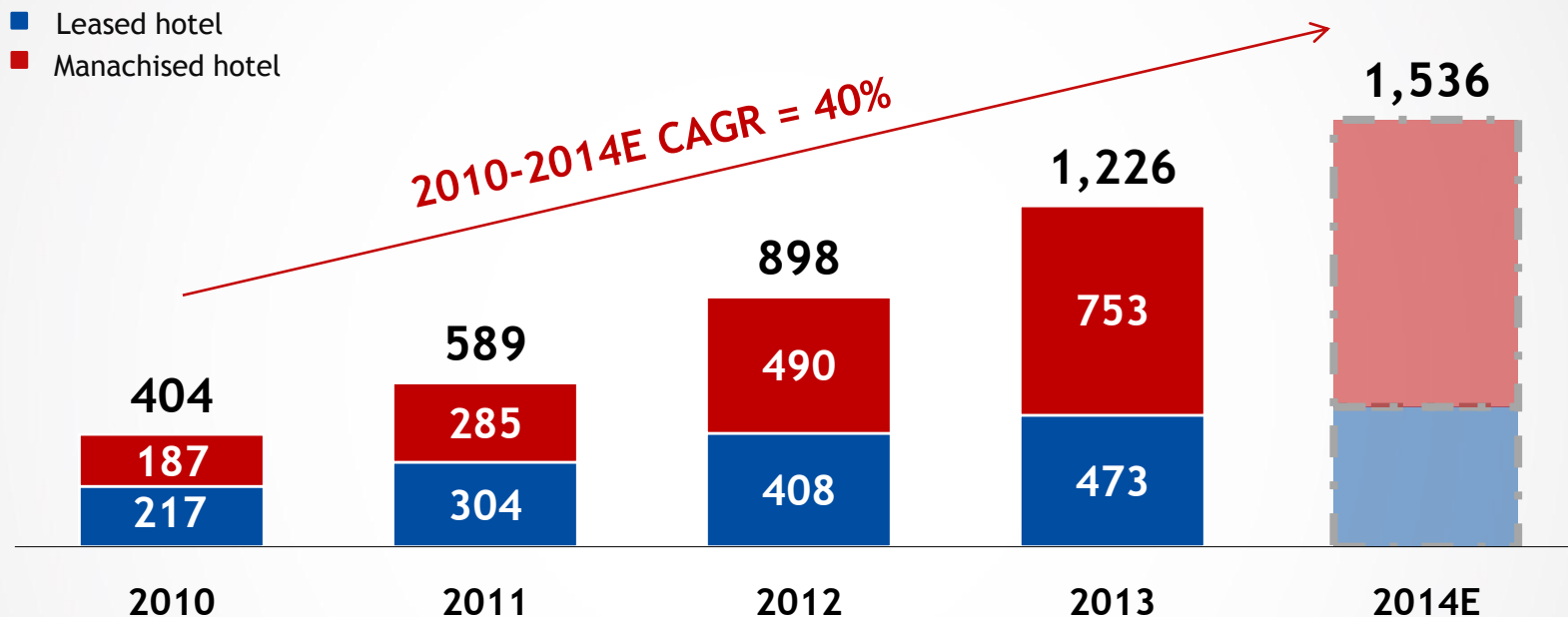


Source: CNTA, CHA, Innite, Company estimates

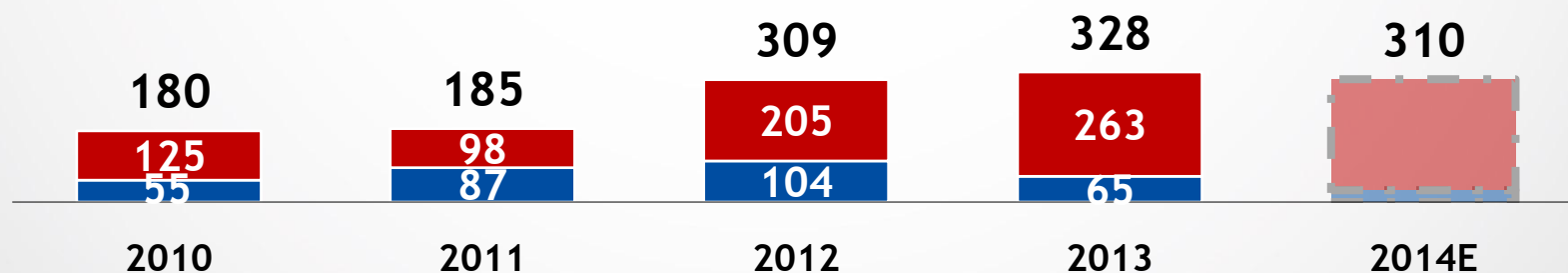
Hanting : Flagship Continues Fast Expansion



Number of HanTing Hotel (at the end of the year)



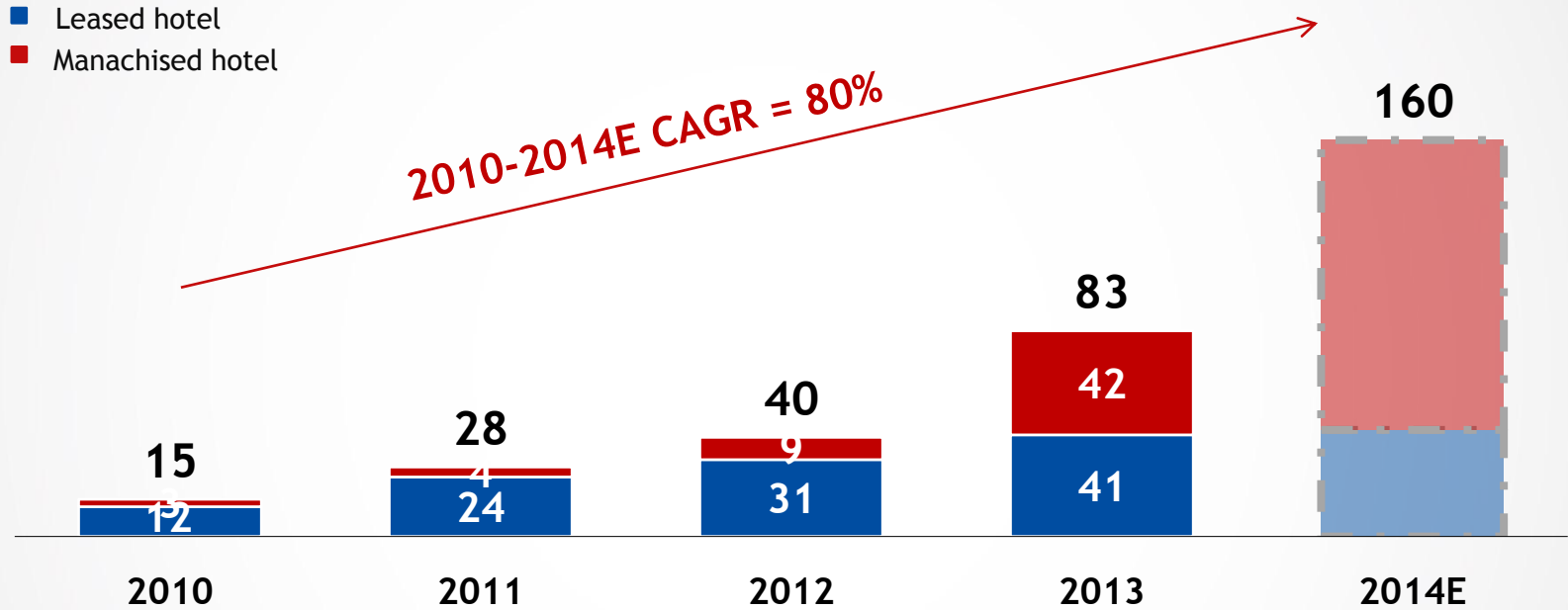
Number of HanTing Hotel (net added during the year)



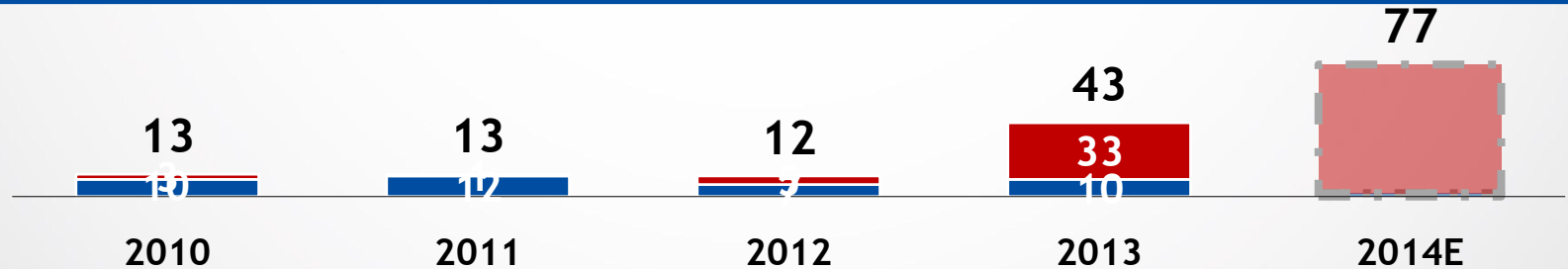


海友酒店

Number of Hi Inn (at the end of the year)



Number of Hi Inn (net added during the year)



Elan : Introduce New Brand for Non - standardized Economy Hotels



- ✓ Non-standardized economy hotel brand
- ✓ Enable quality existing economy hotel to join Hua Zhu with low conversion cost
- ✓ Expand Hua Zhu economy hotel coverage
- ✓ Test market with primarily manachise model

Proven Success in Midscale Segment: Strong RevPAR growth In trend of Consumption Upgrade

Case Study: RevPAR Trend of JI Hotels in Shanghai (RMB)

JI Hotel, Kangding Road, Shanghai
Opened on December 14, 2011
205 Rooms

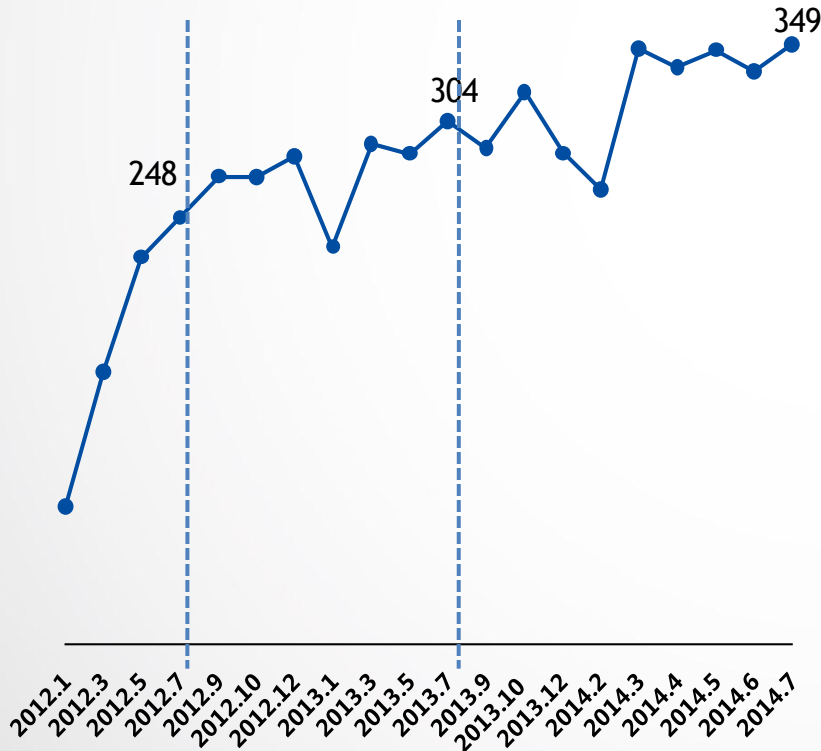


JI Hotel, Hongqiao Road, Shanghai
Opened on November 30, 2012
237 Rooms



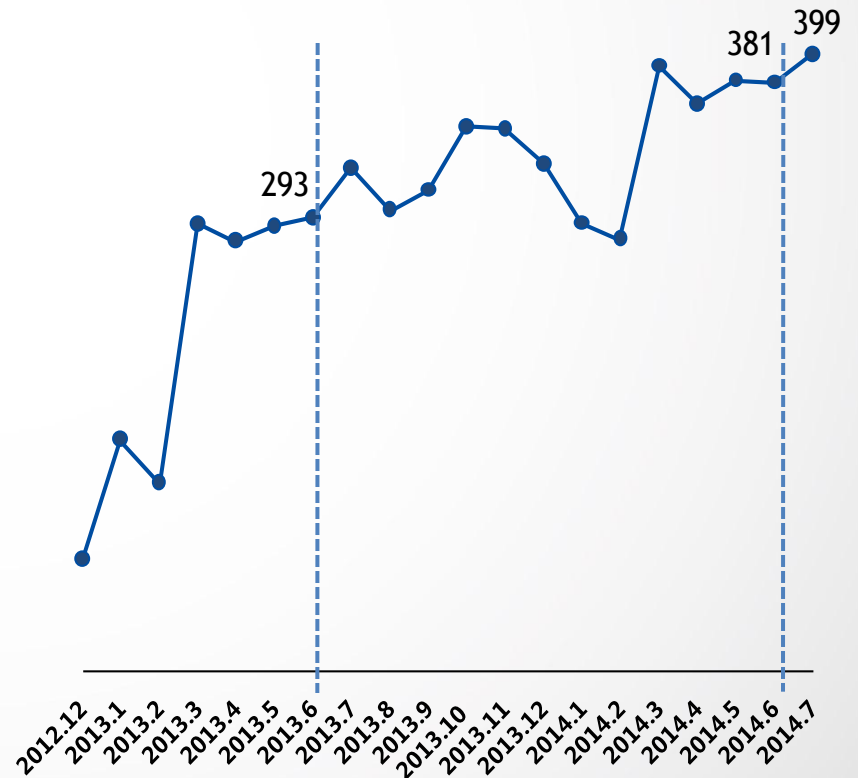
6 months

18 months

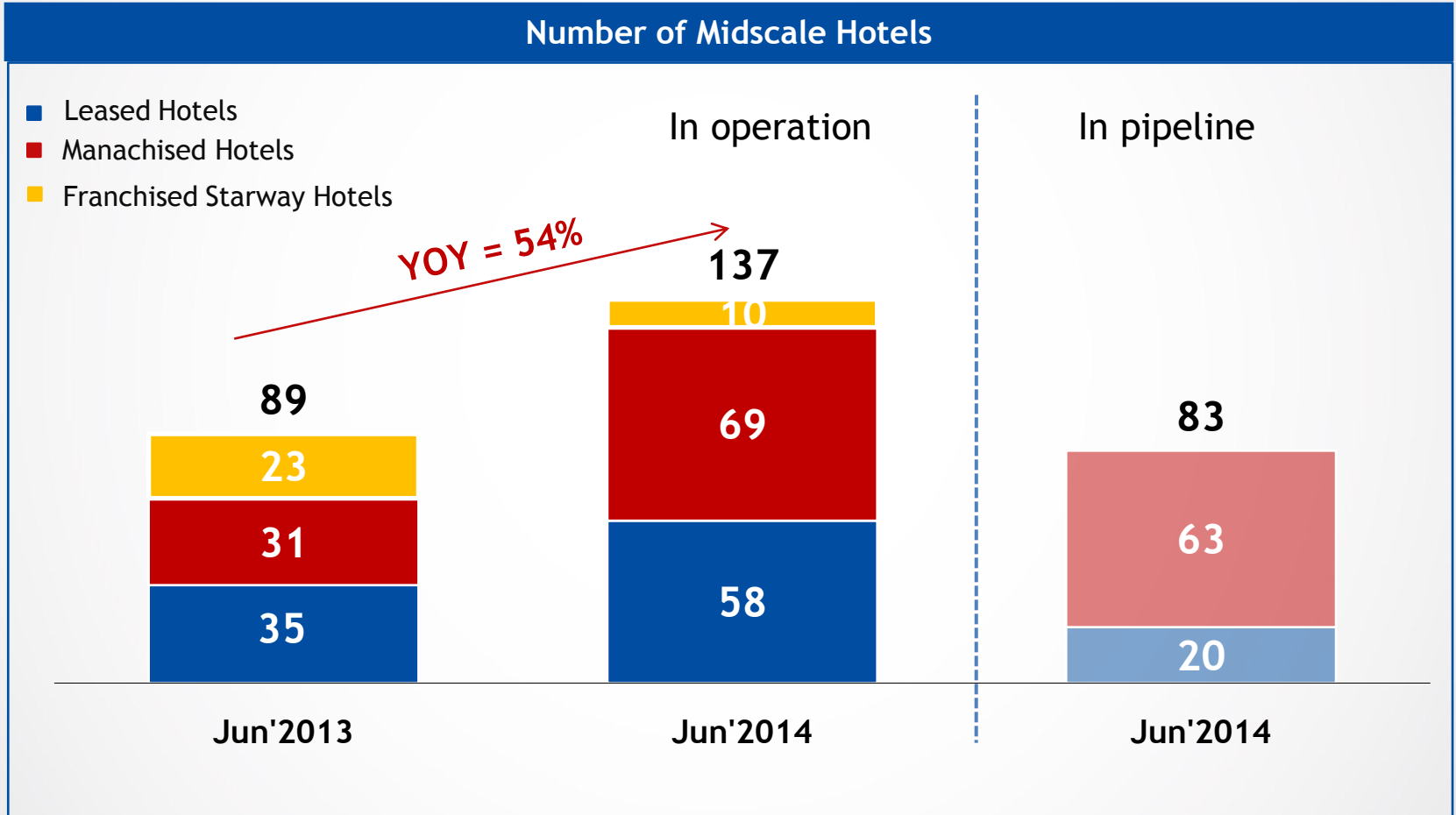


6 months

18 months



Proven Success in Midscale Segment: Fast Expansion and Successful Manachisee Rollout



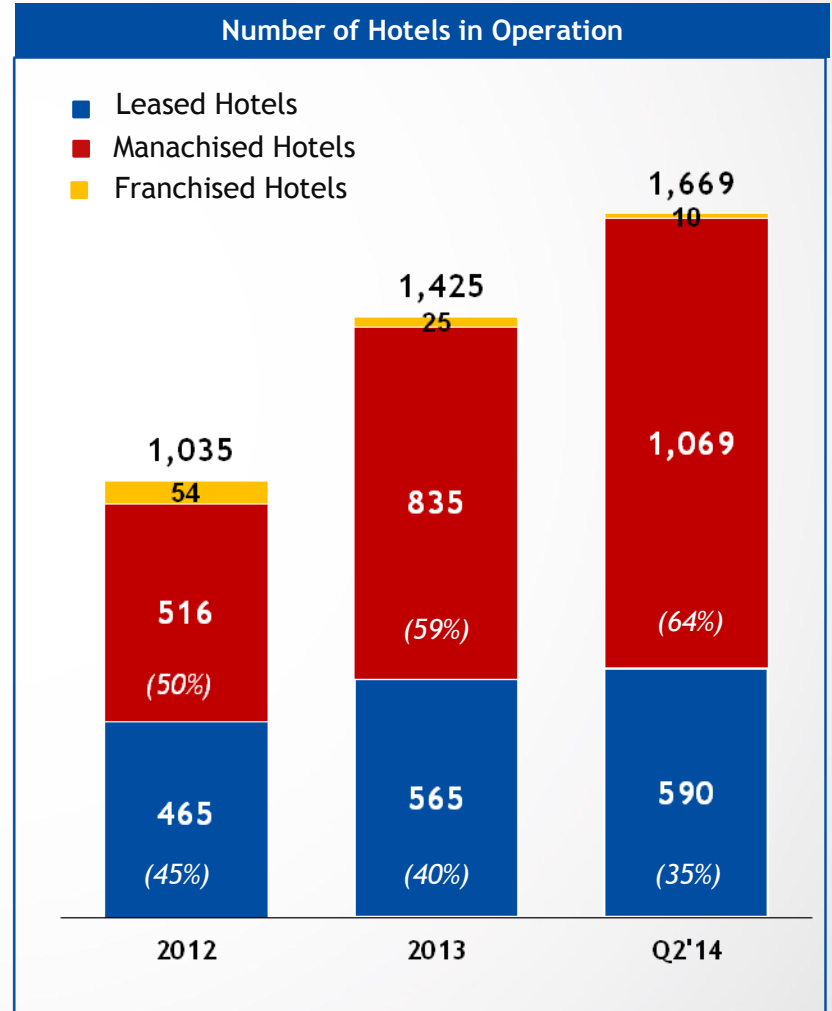
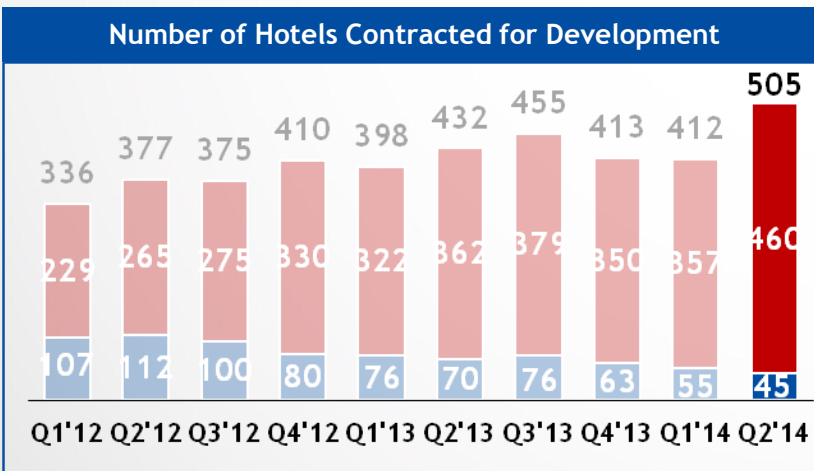
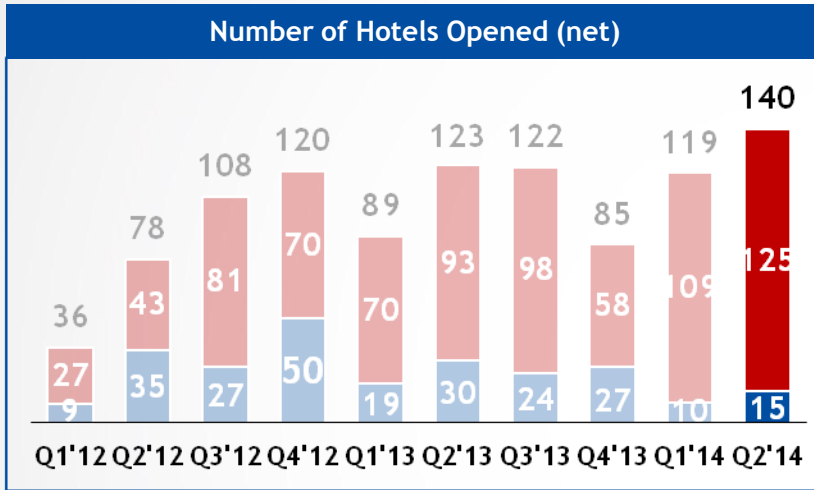
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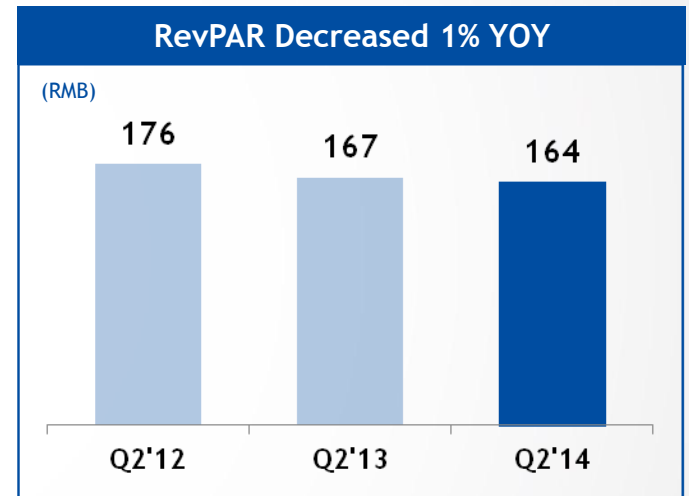
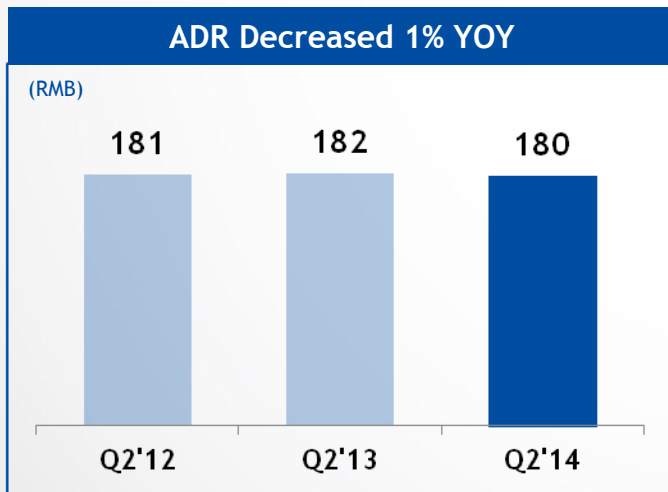
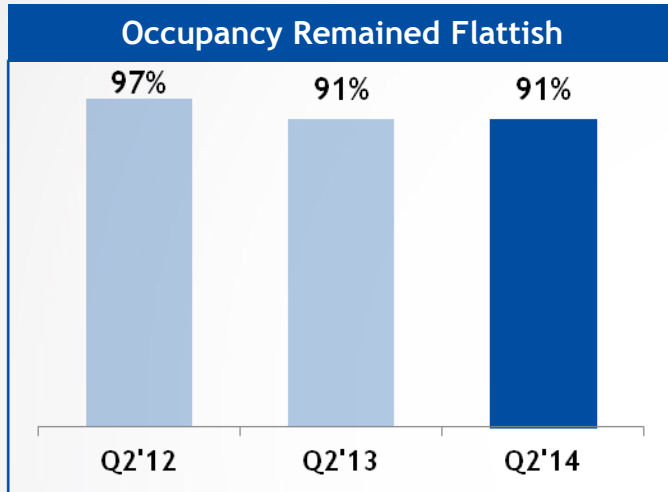
Section III: Financial Highlights *by CFO/CSO*

Section IV: Q & A

Robust Hotel Network Expansion Underpinned by Strong Pipeline

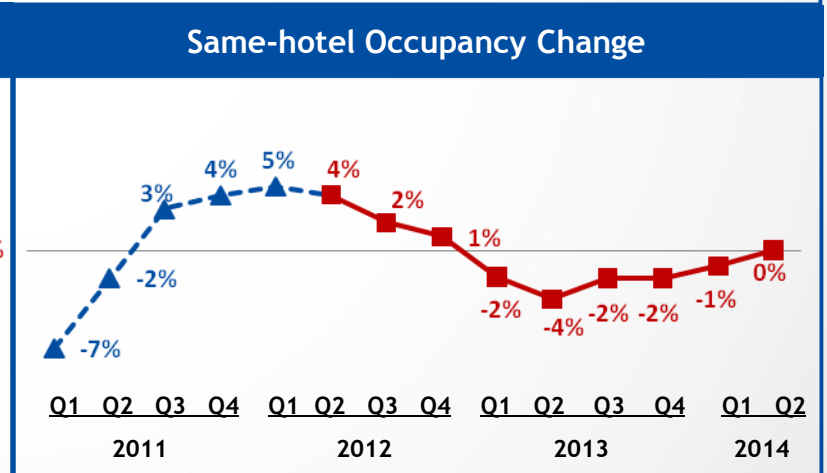
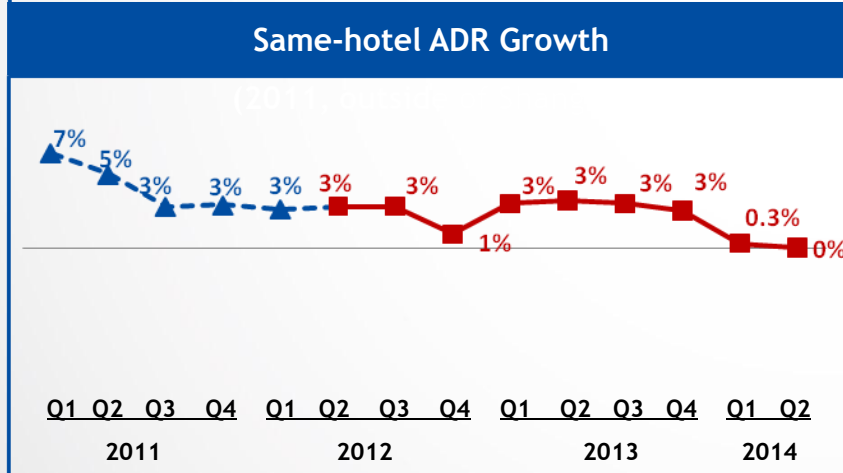


Q2 RevPAR Decreased 1% YOY, Mainly due to the City Mix Shift



Figures excluding franchised Starway hotels

Same-hotel RevPAR Remained Flattish due to a Soft Macro Economy



* Normalized for Shanghai Expo

Figures excluding franchised Starway hotels

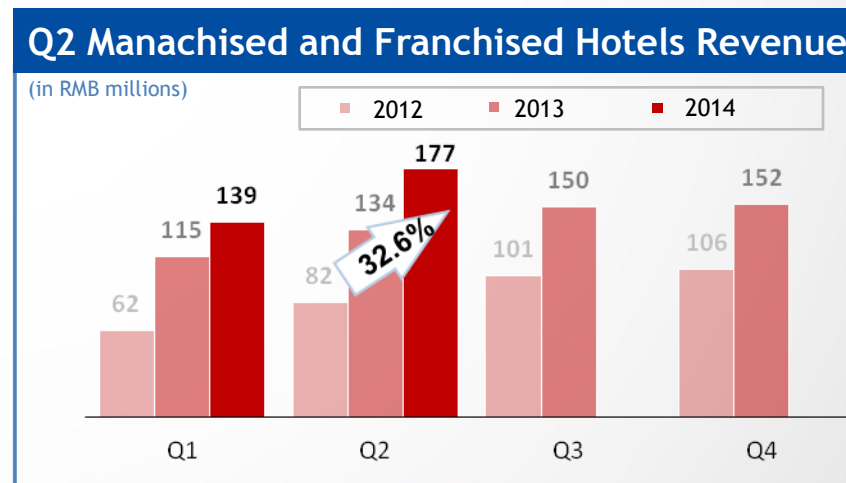
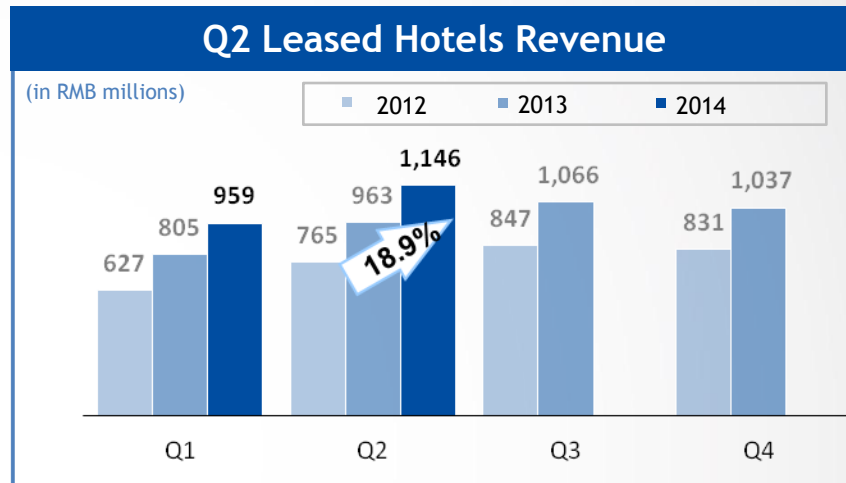
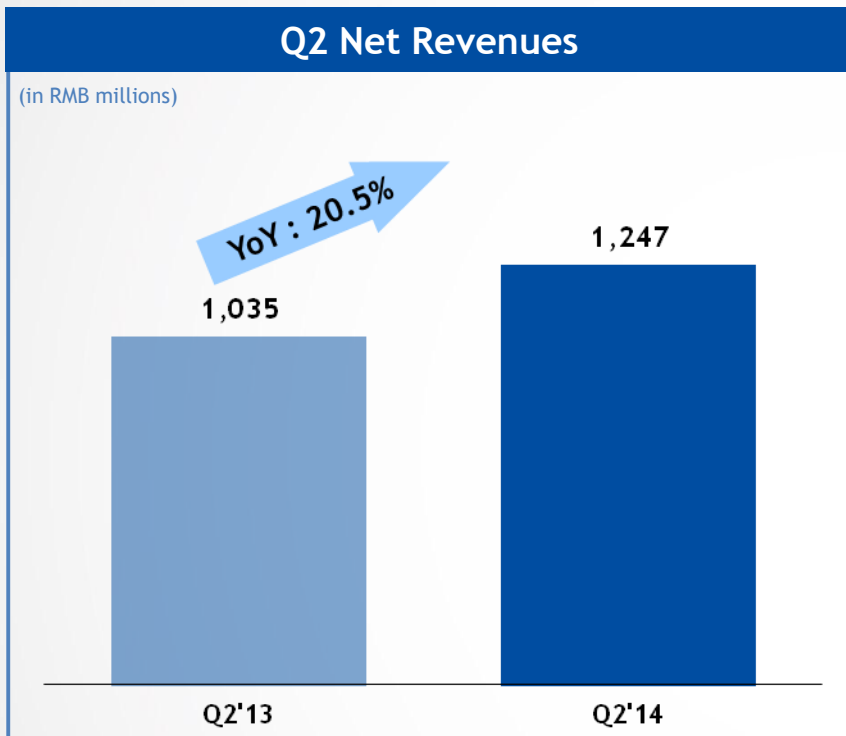
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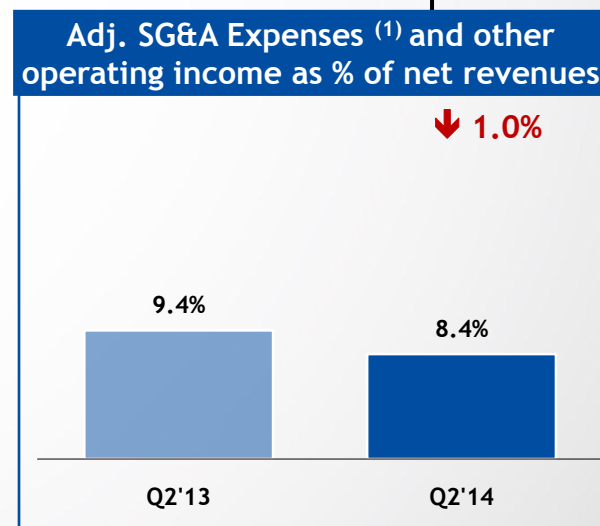
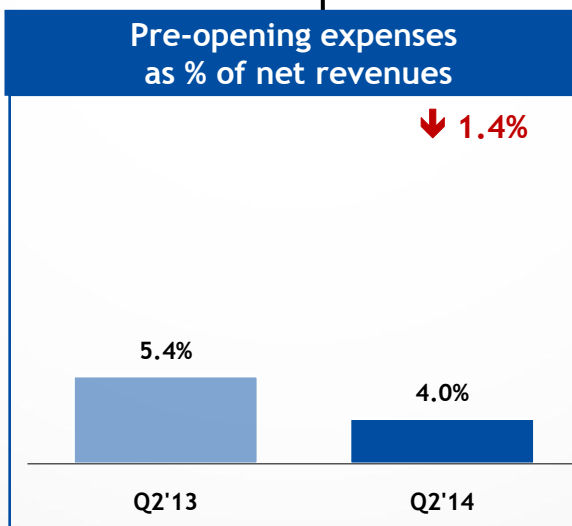
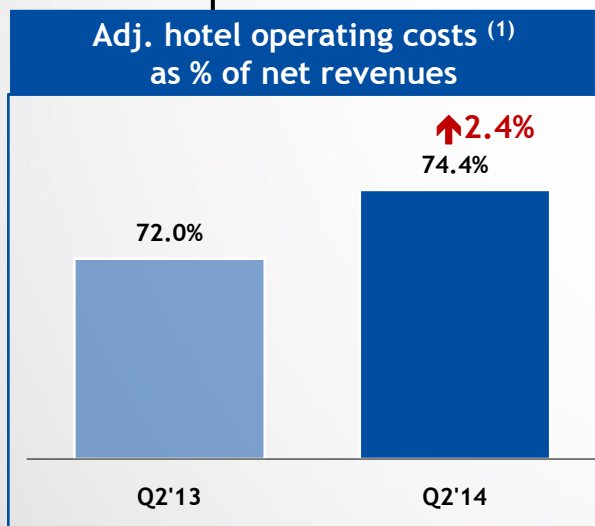
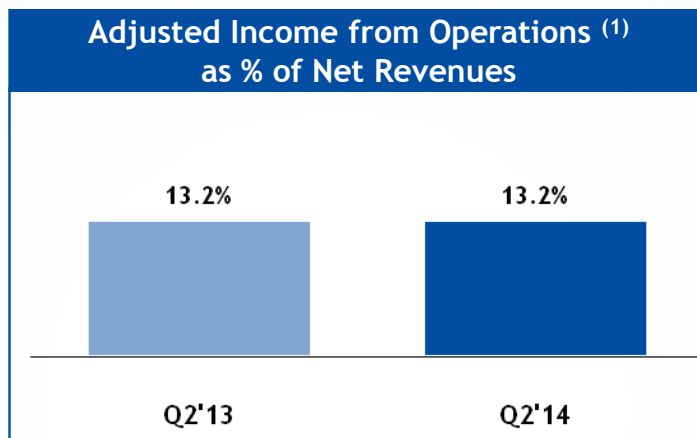
Q2 Net Revenues +20.5% YOY, Exceeding Our Guidance



Manachised and Franchised Hotels Revenue as % of Total Revenues

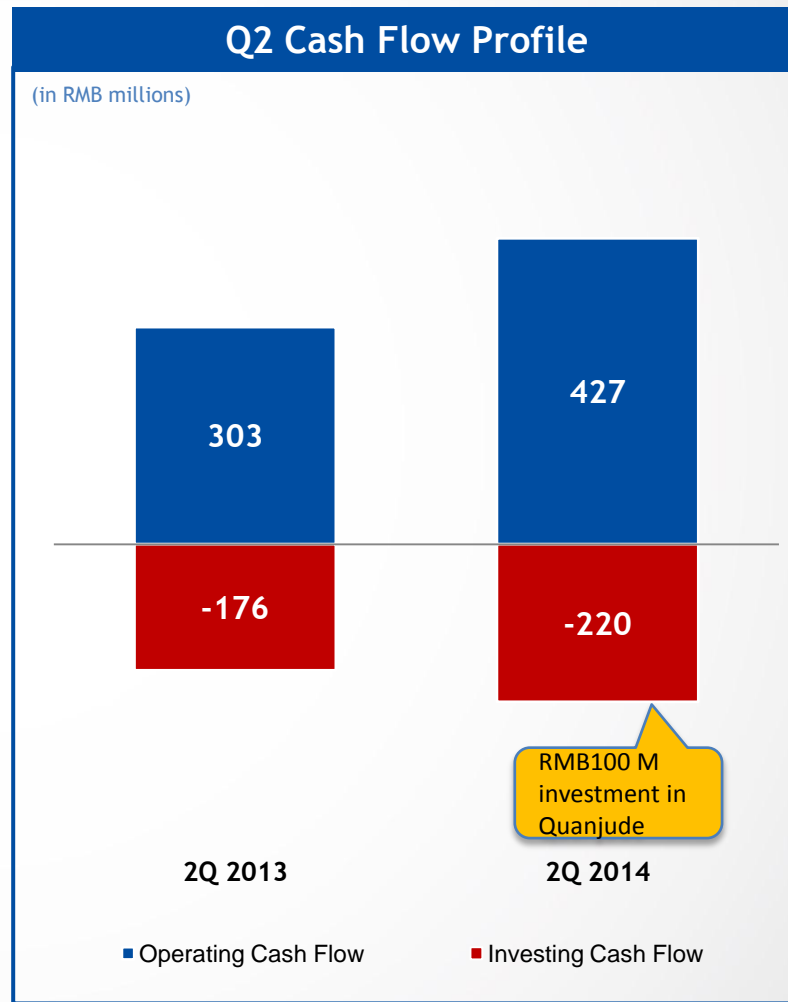
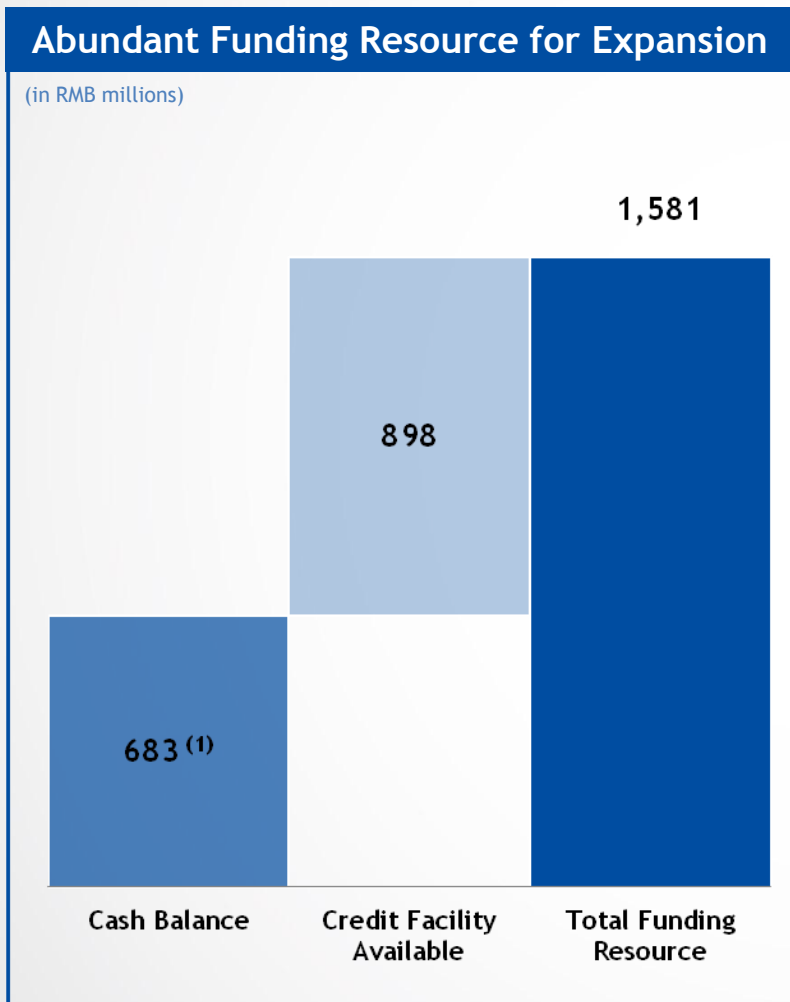
Q2'13	Q2'14
12.2%	13.4%

Q2 Adjusted Operating Margin 13.2%, Remained Flattish YOY



(1) Excluding share-based compensation expenses.

Cash Position Remained Strong



(1) Calculated as cash and cash equivalent, restricted cash.

➤ Q3'14 net revenues to grow 20% to 22% year-over-year

Q & A