

January 11, 2016

# China Lodging Group, Limited (HTHT) Announces Its Preliminary Results for Hotel Operation in the Fourth Quarter of 2015

SHANGHAI, China, Jan. 11, 2016 (GLOBE NEWSWIRE) -- China Lodging Group, Limited (NASDAQ:HTHT) ("China Lodging Group" or the "Company"), a leading and fast-growing multi-brand hotel group in China, today announced its preliminary results for the hotel operation in the fourth quarter ended December 31, 2015.

#### **Hotel Development**

|  |                      | Number of | Number of rooms in operation |                               |                         |                               |
|--|----------------------|-----------|------------------------------|-------------------------------|-------------------------|-------------------------------|
|  | Opened<br>in Q4 2015 |           | Net added in Q4 2015         | As of<br>December 31,<br>2015 | Net added in Q4 2015    | As of<br>December 31,<br>2015 |
| Leased hotels  Manachised and franchised | 4                    | (7)       | (3)                          | 616                           | 52                      | 75,436                        |
| hotels<br>Total                          | 192<br><b>196</b>    | '         | 178<br><b>175</b>            | 2,147<br><b>2,763</b>         | 14,715<br><b>14,767</b> | 203,407<br><b>278,843</b>     |

<sup>(1)</sup> Reasons for closures include contract expiration, failure to meet our standards and others.

|                                  | Number of hotels in pipeline as of December 31, 2015 |  |  |  |
|----------------------------------|--|--|--|--|
| Leased hotels                    | 21   |  |  |  |
| Manachised and franchised hotels | 656  |  |  |  |
| Total                            | 677  |  |  |  |

#### **Operating Metrics**

|                                  | For the quarter ended               |      |      |  |  |  |  |
|----------------------------------|-------------------------------------|------|------|--|--|--|--|
|                                  | December 31, September 30, December |      |      |  |  |  |  |
|                                  | 2014                                | 2015 | 2015 |  |  |  |  |
| Occupancy rate (as a percentage) |                                     |      |      |  |  |  |  |
| Leased hotels                    | 87%                                 | 91%  | 86%  |  |  |  |  |
| Manachised hotels                | 86%                                 | 89%  | 84%  |  |  |  |  |
| Franchised hotels                | N/A                                 | 73%  | 67%  |  |  |  |  |
| Blended                          | 87%                                 | 89%  | 84%  |  |  |  |  |
| Average daily room rate (in RMB) |                                     |      |      |  |  |  |  |
| Leased hotels                    | 190                                 | 207  | 201  |  |  |  |  |
| Manachised hotels                | 169                                 | 179  | 167  |  |  |  |  |
| Franchised hotels                | N/A                                 | 187  | 172  |  |  |  |  |
| Blended                          | 176                                 | 188  | 177  |  |  |  |  |
| RevPAR (in RMB)                  |                                     |      |      |  |  |  |  |
| Leased hotels                    | 166                                 | 188  | 172  |  |  |  |  |
| Manachised hotels                | 145                                 | 159  | 141  |  |  |  |  |
| Franchised hotels                | N/A                                 | 137  | 116  |  |  |  |  |
| Blended                          | 153                                 | 167  | 149  |  |  |  |  |

Like-for-like performance for leased and manachised hotels opened for at least 18 months during the current quarter

|                                  |       | As of and for the quarter ended December 31, |        |  |
|----------------------------------|-------|--|--------|--|
|                                  | 2014  | 2015   | change |  |
| Total                            | 1,612 | 1,612  |        |  |
| Leased hotels                    | 568   | 568  |        |  |
| Manachised and franchised hotels | 1,044 | 1,044  |        |  |
| Occupancy rate (as a percentage) | 89%   | 86%  | -2.6%  |  |
| Average daily room rate (in RMB) | 178   | 178  | 0.0%   |  |
| RevPAR (in RMB)                  | 158   | 154  | -2.9%  |  |

# **Business Update by Segment**

## Hotel breakdown by segment

|                             | Number of hotels in operation |                          |  |  |  |
|-----------------------------|-------------------------------|--------------------------|--|--|--|
|                             | Net added                     | As of                    |  |  |  |
|                             | in Q4 2015                    | <b>December 31, 2015</b> |  |  |  |
| Economy hotels              | 136                           | 2,453                    |  |  |  |
| HanTing Hotel               | 69                            | 2,003                    |  |  |  |
| Leased hotels               | (6)                           | 495                      |  |  |  |
| Manachised hotels           | 75                            | 1,508                    |  |  |  |
| Hi Inn                      | 35                            | 302                      |  |  |  |
| Leased hotels               | (1)                           | 38                       |  |  |  |
| Manachised hotels           | 36                            | 251                      |  |  |  |
| Franchised hotels           | -                             | 13                       |  |  |  |
| Elan Hotel                  | 32                            | 148                      |  |  |  |
| Manachised hotels           | 26                            | 128                      |  |  |  |
| Franchised hotels           | 6                             | 20                       |  |  |  |
| Midscale and upscale hotels | 39                            | 310                      |  |  |  |
| JI Hotel                    | 21                            | 186                      |  |  |  |
| Leased hotels               | 4                             | 75                       |  |  |  |
| Manachised hotels           | 17                            | 111                      |  |  |  |
| Starway Hotel               | 17                            | 118                      |  |  |  |
| Leased hotels               | (1)                           | 4                        |  |  |  |
| Manachised hotels           | 14                            | 67                       |  |  |  |
| Franchised hotels           | 4                             | 47                       |  |  |  |
| Joya Hotel                  | -                             | 3                        |  |  |  |
| Leased hotels               | -                             | 2                        |  |  |  |
| Manachised hotels           | -                             | 1                        |  |  |  |
| Manxin Hotels & Resorts     | -                             | 2                        |  |  |  |
| Leased hotels               | -                             | 1                        |  |  |  |
| Manachised hotels           | -                             | 1                        |  |  |  |
| Mercure Hotel               | 1                             | 1                        |  |  |  |
| Leased hotels               | 1                             | 1                        |  |  |  |
| Total                       | 175                           | 2,763                    |  |  |  |

# Same-hotel operational data by segment

| Number of hotels in |  |  |  |  |  |  |
|---------------------|--|--|--|--|--|--|
| operation           |  |  |  |  |  |  |

|                                     | As of        |       | For the quarter ended |      | For the quarter ended |              |      | For the quarter ended |                 |                 |                   |
|-------------------------------------|--------------|-------|-----------------------|------|-----------------------|--------------|------|-----------------------|-----------------|-----------------|-------------------|
|                                     | December 31, |       | December 31, yoy      |      | yoy                   | December 31, |      | yoy                   | December 31,    |                 | yoy               |
|                                     | 2014         | 2015  | 2014                  | 2015 | change                | 2014         | 2015 | change                | 2014            | 2015            | change            |
| Economy hotels                      | 1,491        | 1,491 | 152                   | 145  | -4.6%                 | 169          | 167  | -1.2%                 | 90%             | 87%             | -3.1%             |
| Leased hotels                       | 510          | 510   | 156                   | 147  | -5.3%                 | 175          | 173  | -0.9%                 | 89%             | 85%             | -4.0%             |
| Manachised and<br>franchised hotels | 981          | 981   | 149                   | 143  | -4.2 <sub>%</sub>     | 166          | 163  | -1.5 <sub>%</sub>     | 90%             | 87 <sub>%</sub> | -2.5 <sub>%</sub> |
| Midscale and upscale hotels         | 121          | 121   | 224                   | 241  | 7.8%                  | 270          | 282  | 4.7%                  | 83 <sub>%</sub> | 85 <sub>%</sub> | 2.4%              |
| Leased hotels                       | 58           | 58    | 245                   | 276  | 12.5%                 | 291          | 308  | 5.8%                  | 84%             | 90%             | 5.3%              |
| Manachised and<br>franchised hotels | 63           | 63    | 195                   | 196  | 0.4%                  | 240          | 245  | 2.4 <sub>%</sub>      | 81 <sub>%</sub> | 80%             | -1.6%             |
| Total                               | 1,612        | 1,612 | 158                   | 154  | -2.9%                 | 178          | 178  | 0.0%                  | 89%             | 86%             | -2.6%             |

### **About China Lodging Group, Limited**

China Lodging Group, Limited is a leading and fast-growing multi-brand hotel group in China. The Company provides business and leisure travelers with high-quality, and conveniently-located hotel products under seven brands, namely, Joya Hotel, Manxin Hotels & Resorts, JI Hotel, Starway Hotel, HanTing Hotel, Elan Hotel, and Hi Inn. For more information, please visit the Company's website: <a href="http://ir.huazhu.com">http://ir.huazhu.com</a>.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: The information in this release contains forward-looking statements which involve risks and uncertainties. Such factors and risks include our anticipated growth strategies; our future results of operations and financial condition; the economic conditions of China; the regulatory environment in China; our ability to attract customers and leverage our brand; trends and competition in the lodging industry; the expected growth of the lodging market in China; and other factors and risks detailed in our filings with the Securities and Exchange Commission. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements, which may be identified by terminology such as "may," "should," "will," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "forecast," "project," or "continue," the negative of such terms or other comparable terminology. Readers should not rely on forward-looking statements as predictions of future events or results.

The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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