

THE PORTMAN RITZ-CARLTON SHANGHAI

THE MARKET

China's travel industry is going through unprecedented expansion, driven by a booming economy. Business travel is seeing similar growth, driven by massive foreign investment interest. The PRC is currently the world's economic hot spot, and the global investment community is beating a path to China's door.

The hotel industry in Shanghai, the economic dynamo of China, has been a major beneficiary. And for many visitors – tourists and business people alike – the path leads to the door of The Portman Ritz-Carlton, situated in the heart of the commercial, shopping and entertainment district

on Nanjing Road, and one of Shanghai's best-known five-star hotels.

Guests at The Portman Ritz-Carlton can enjoy Shanghai to the fullest and witness the astonishing growth of a city once referred to as the Pearl of the Orient. The impeccable service at The Portman Ritz-Carlton, Shanghai ensures travellers 100 per cent satisfaction and relaxation.

The Portman Ritz-Carlton, Shanghai is 20 minutes from Hongqiao International Airport and 40 minutes from Pudong International Airport, and the hotel offers an arrival experience unrivalled by any other hotel in Shanghai.

ACHIEVEMENTS

The sophistication and the elegance of The Portman Ritz-Carlton, Shanghai puts the hotel in a class of its own. Over the past few years, the hotel has won numerous honors, including the #1 Best Employer in Asia and The

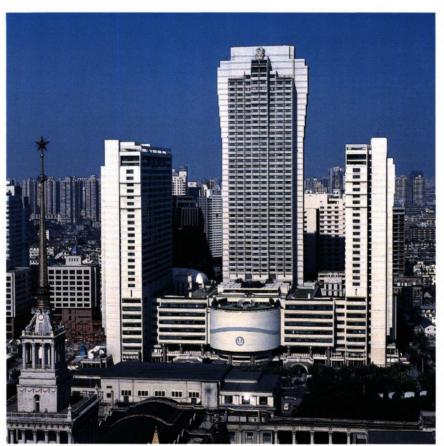
Best Employer in China awards by Hewitt Associates, Asian Wall Street Journal and Far Eastern Economic Review. This award was bestowed on the hotel in 2001 and again in 2003. In 2005, the hotel was once again awarded "Outstanding Best Employer in Asia" and "Best Employer in China" by Hewitt Associates and 21st Century Business Herald.

From 1998 to 2004, The Portman Ritz-Carlton Shanghai was granted the Five Star Diamond Award by the American Academy of Hospitality Sciences, and from 2000 to 2004, Palladio, the Italian restaurant located in the hotel, won the same award. In recognition of the restaurant's

efforts to benchmark the finest wine experience, Wine Spectator magazine awarded Palladio Italian Restaurant with the 2004 Restaurant Awards' Best of Award of Excellence. In 2002 and 2003, the restaurant received the Award of Excellence.

In 2003, the hotel was named Best Business Hotel in Shanghai by Travel & Leisure, as well as one of Conde Nast Traveller's Top 50 Asia Hotels and Travel & Leisure's 500 Greatest Hotels in the World.

In 2004, the hotel was listed among Travel & Leisure's 500 Greatest Hotels in the World for the third consecutive year.



In 2001, 2002 and 2004, the hotel was awarded the Best Business Hotel in Asia accolade by Bloomberg Television and Business Asia magazine, which has named The Portman Ritz-Carlton among China's best hotels for five consecutive years since 1999.

In 2002, the hotel was selected the Top Hotel in Shanghai by both Euromoney and Global Finance.

In 2001, it was ranked among The World's Favorite Hotels by Euromoney. The hotel was chosen the Best Hotel in Shanghai by Asiamoney, Institutional Investor and Business Traveller Asia Pacific from 1998-2000.

HISTORY

The history of The Ritz-Carlton Hotel group began with The Ritz-Carlton, Boston, which set the standards for service, dining and facilities for all Ritz-Carlton hotels and resorts established worldwide.

The Ritz-Carlton, Boston legacy began with celebrated hotelier César Ritz, known as the "king of hoteliers and hotelier to kings". His philosophy of quality service and innovation, which were displayed in The Ritz in Paris and The Carlton in London under his management, redefined the luxury hotel experience in Europe.

In 1927, Edward N. Wyner, a Boston real

estate developer, was asked by Mayor Curley to build a worldclass hotel. Wyner was building an apartment block at that time but had only completed up to the second floor, so he agreed to help and converted his plans for an apartment building into a hotel. Aware of the reputation of The Ritz in Europe and cosmopolitan Boston, Wyner knew The Ritz-Carlton name would secure immediate success. He gained permission from The Ritz-Carlton Investing Company and the Paris Ritz to use the name and set out to establish luxury in the heart of Boston. The Ritz-Carlton, Boston opened on May 19, 1927 with a room rate of \$15.

In the beginning, The Ritz-Carlton was just another rich men's club, but it eventually revolutionised the hospitality industry in America by creating a luxurious atmosphere: private baths in guest rooms; white tie and apron uniforms for waiting staff, black tie for the maitre d' and

morning suits for all other staff for a formal, professional appearance; fresh flowers throughout public areas; a lá carte dining (providing choices for diners) and gourmet cuisine (employing the genius cooking methods of Auguste Escoffier); and smaller lobbies for a more intimate, personalised guest experience. These characteristics have all become benchmarks for luxury hotels today.

THE PRODUCT

The Portman Ritz-Carlton, Shanghai has 578 rooms, including 140 Deluxe Rooms, 251 Premier Rooms, 65 Nanjing Rooms, 54 Club Rooms, 34

Junior Suites, 30 Executive Suites and four Ritz-Carlton Presidential Suites. All rooms have access to over 30 television channels, including CNN, Star, HBO, ESPN, BBC, CNBC, Cinemax and numerous Chinese channels.

The Ritz-Carlton Club Level rooms provide guests with the highest level of personal service which makes The Ritz-Carlton the hotel of hotels. Special features include private meeting rooms; exclusive lounges furnished with comfortable couches and chairs, coffee table, reading lamps and fresh flowers; five complimentary food and beverage presentations served daily; personal care toiletries; large guest rooms and suites; and one complimentary suit pressing upon arrival. Furthermore, the concierge staff can make travel arrangements, theatre restaurant reservations and plan local itineraries

Regardless of whether they are business or leisure travellers or what their needs may be, guests will be delighted by the spa facilities, Avon Celli boutique and meeting facilities at The Portman Ritz-Carlton, Shanghai. Guests will also experience a level of hospitality as memorable as the views of Shanghai's landmark Bund and Pudong from the open-air deck of the Sheng Rong Guo Ji luxury cruise boat. With service provided by the award-winning Portman Ritz-Carlton, the boat provides a unique new way to entertain for groups and individuals.

RECENT DEVELOPMENTS

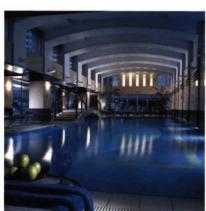
When The Ritz-Carlton won the Malcolm Baldridge National Quality Award in 1992, many people in the hotel industry questioned which way the Ritz was heading. The answer to this is

simple – Total Quality Management is a process and not a result. The award has spurred The Portman Ritz-Carlton, Shanghai to stricter quality management standards, and to raise standards while making both guests and staff more satisfied.

Consequently, the hotel management decided to develop in two directions – to gain affirmation of its quality all over the world, and to constantly improve hotel processes through self-managed work-teams. The first objective was fulfilled in 1994, when The Ritz-Carlton, Cancun won the Mexican national quality award. The following year saw The Ritz-Carlton winning the Australia Consumer Service Award, and quality awards given by Hawaii and Houston.

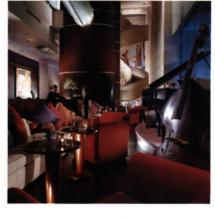
The Ritz-Carlton's first experiment with selfmanaged work-teams was at the Tyson's Corner property in 1993. Self-managed work-teams had proven to be very successful in many other industries but were not found in the world of



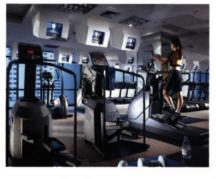














For example, for the inaugural China F1 race that took Shanghai by storm in 2004, The Portman Ritz-Carlton, Shanghai introduced a Formula One Package.

The Portman Ritz-Carlton, Shanghai has hosted the following heads of state and dignitaries: US President George Bush, US Vice-President Dick Cheney, then-Secretary of State Colin Powell, Arnold Schwarzenegger, Placido Domingo, Chris Patten, Bin M. Alkabeer of Saudi Arabia, and Crown Prince Albert of Monaco.

BRAND VALUES

The Gold Standards are the foundation of The Ritz-Carlton Hotel Company. They encompass the values and philosophy by which The Ritz-Carlton operates and include The Credo, The Motto, The Three Steps of Service, The 20 Basics, and The Employee Promise. The Credo Card is carried by all 25,000 staff of The Ritz-Carlton group and forms the basis of their impeccable service.

"Although much imitated, The Gold Standards as embodied in The Credo Card remain an industry first and are a blueprint for our success," says Simon Cooper, president and chief operating officer. "Every employee has the business plan of The Ritz-Carlton in his or her pocket. Constantly reinforcing that guest satisfaction is our highest mission."

The Ritz-Carlton's motto: "We Are Ladies and Gentlemen Serving Ladies and Gentlemen" strictly reinforces The Portman Ritz-Carlton commitment to its Employee Promise, which is reinforced through the Best Employers in Asia and China Awards won in 2001, 2003 and 2005.

hotels. Within two years, self-managed work-teams were found in 58 other Ritz-Carlton hotels. Back in China, the growth of The Ritz-Carlton has been sure and steady. The 320-room Ritz-Carlton, Beijing is scheduled to open in 2007 on Changan Avenue, Beijing's most famous thoroughfare. This has been timed to welcome the arrival of the Beijing Olympics 2008. The hotel is expected to become the talk of the travel industry. Meanwhile, the 256-room Ritz-Carlton, Beijing, Financial Street will begin operations in 2006, and aims to be a home away from home for high-flying executives working in the financial district in the vicinity of the hotel.

PROMOTION

Besides its portfolio of services and its brand advantage, The Portman Ritz-Carlton, Shanghai often designs promotional activities to meet the various needs of its customers.

THINGS YOU DIDN'T KNOW ABOUT THE PORTMAN RITZ-CARLTON

- O The Portman Ritz-Carlton Hotel, Shanghai played host to 17 world leaders during the APEC Conference in 2001
- O The founder of The Ritz-Carlton hotel group, César Ritz, was known as the "king of hoteliers and hotelier to kings"
- O The Portman Ritz-Carlton Hotel's gift shop sells customised pre-World War II Chang Jiang vintage motorcycles and sidecars
- O The Portman Ritz-Carlton is the only hotel in China to have won The Best Employer Awards for Asia and China three times