



华住酒店集团

成就美好生活



China Lodging Group(HTHT), Limited

Fourth Quarter and Full Year 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.

Because forward-looking statements are subject to risks and uncertainties, we caution you not to place undue reliance on any forward-looking statements. All written or oral forward-looking statements by the Company or persons acting on its behalf are qualified by these cautionary statements.

The Company undertakes no obligation to publicly update or revise any forward-looking statements or other information or data contained in this presentation, whether to reflect any change in its expectations with respect to such statements or any change in events, conditions or circumstances on which any such statements are based or otherwise.

Section I:

Strategy Highlights *by CEO*

Section II:

Operational & Financial Highlights *by President / CFO*

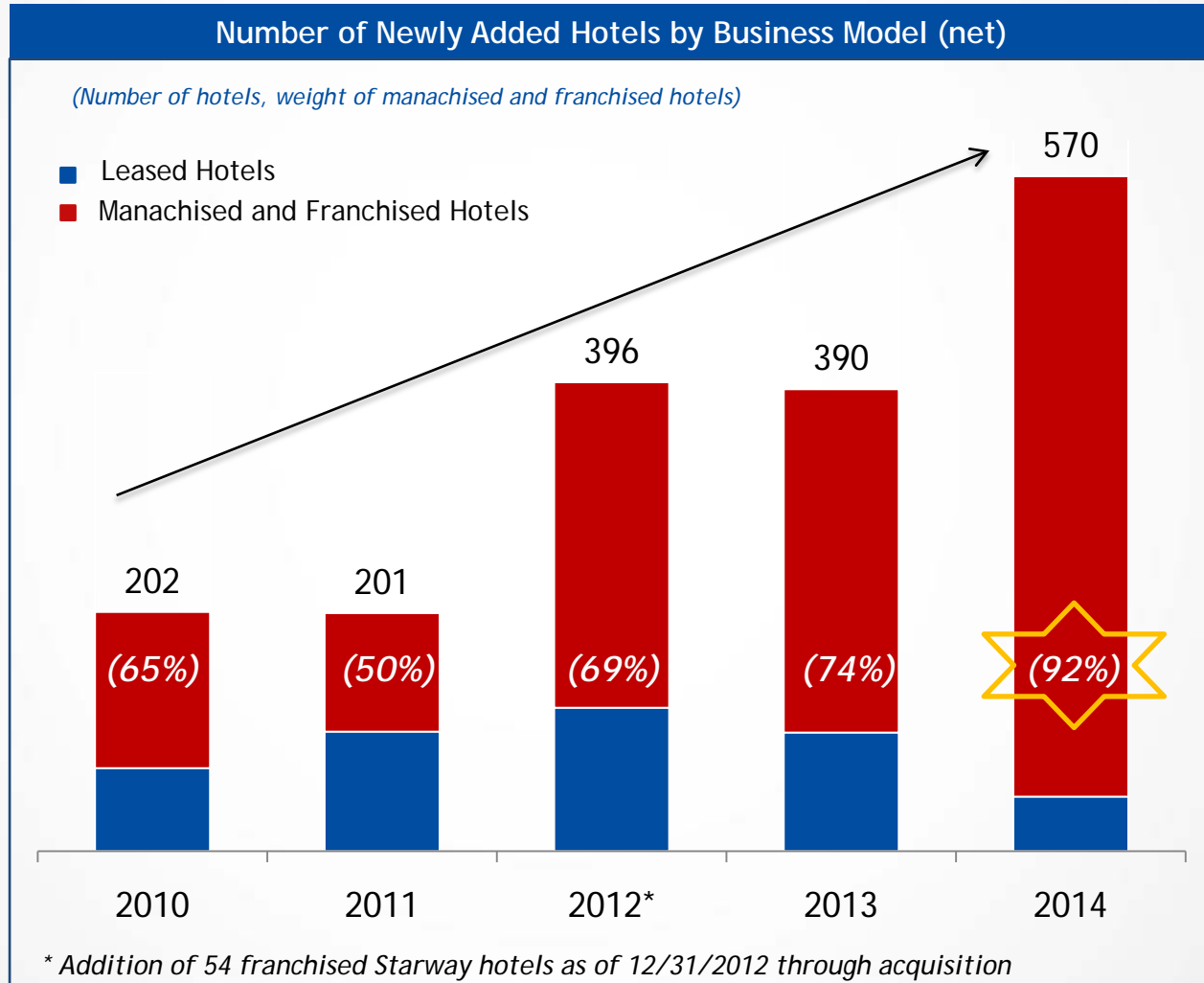
Section III:

Q & A

Build Up a More Comprehensive Brand Portfolio

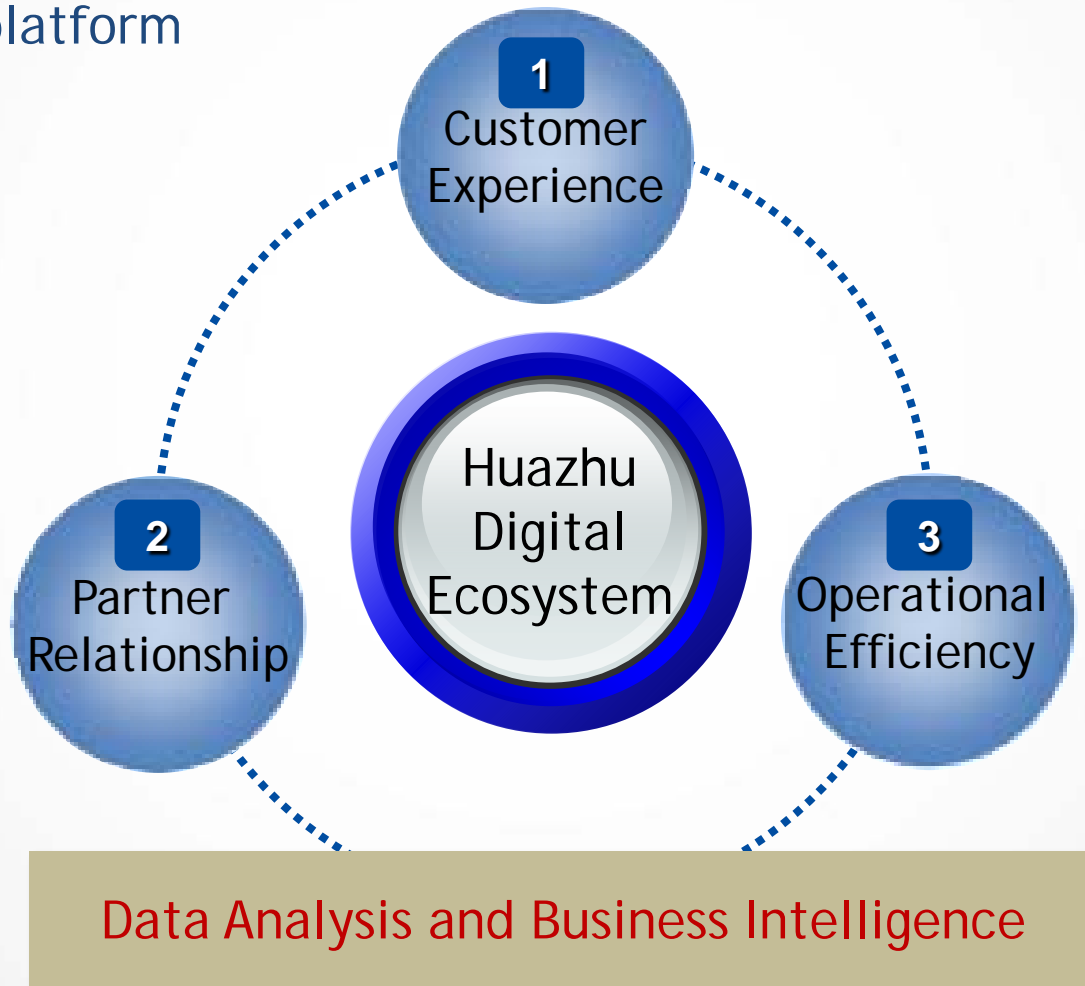


2014 is a Record Year for Hotel Network Expansion



Digital Initiatives to Support Fast Expansion

To serve our customers, partners and employees with a powerful digital platform



1 Enhanced Customer Experience

To provide a smooth and convenient process during the whole stay



Through digital interactive system

Franchisee CRM System

- ✓ Online hotel opening process management
- ✓ Online centralized procurement system
- ✓ Real-time operational data feed
- ✓ Online feedback
- ✓ others

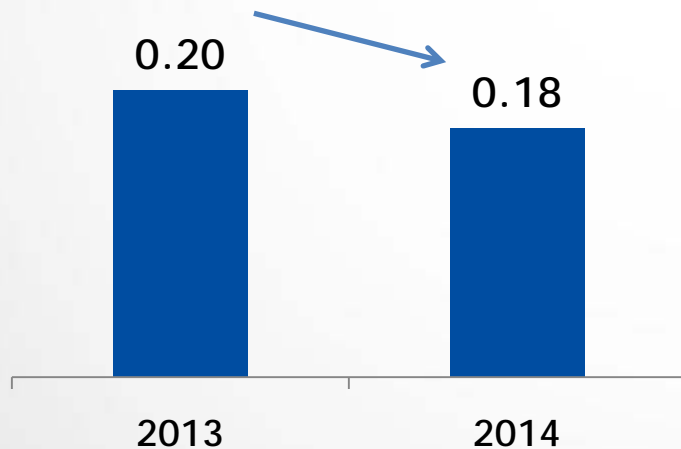


3 Improved Operational Efficiency

Backed by strong digital capability and continuous innovation

- ✓ All Huazhu hotels and our alliance run on proprietary Cloud-based HPMS system
- ✓ Real-time room inventory and room status management

Decrease in Staff-to-Room Ratio



1

Fast expansion of a strong brand portfolio, mainly with manachise model

2

Leverage scalable hotel network to generate incremental revenues and profits

3

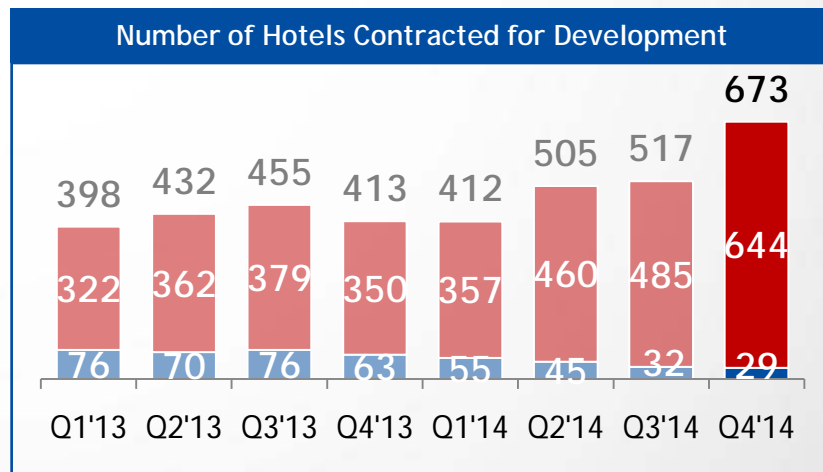
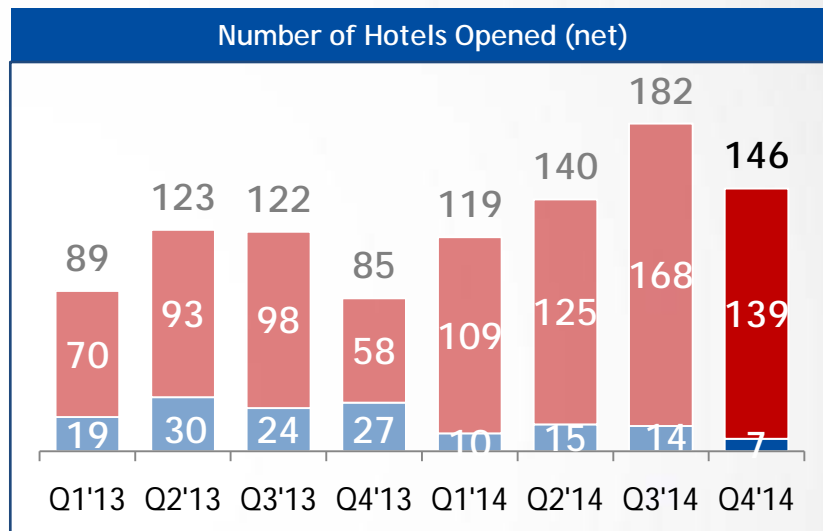
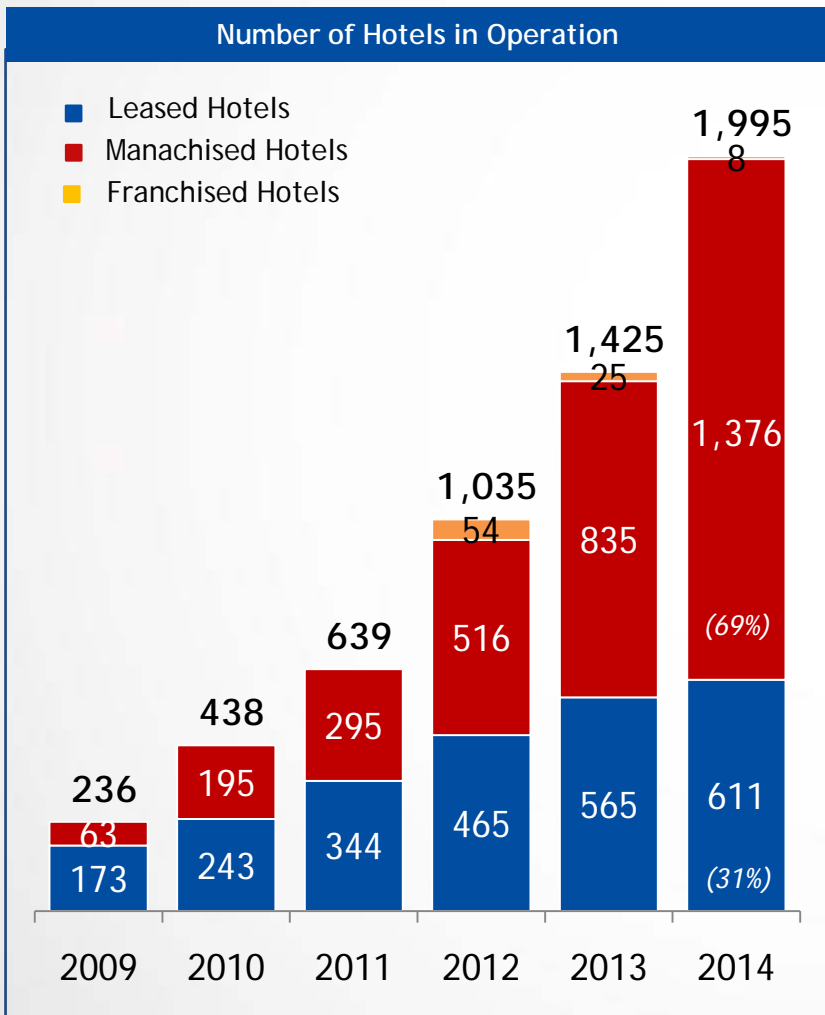
Concrete progress of Accor-Huazhu alliance

Section I: Strategy Highlights *by CEO*

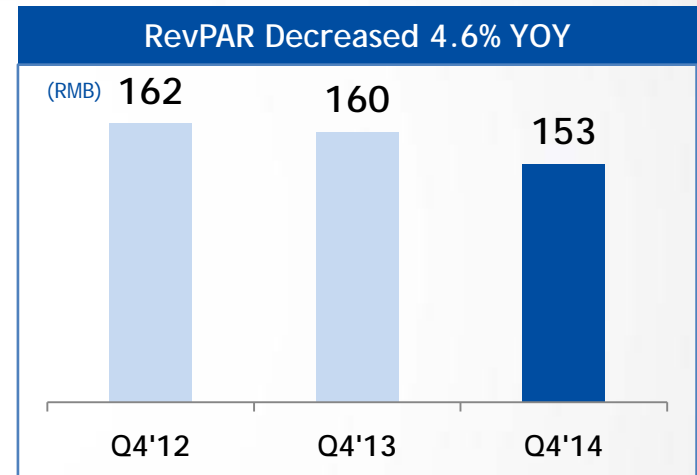
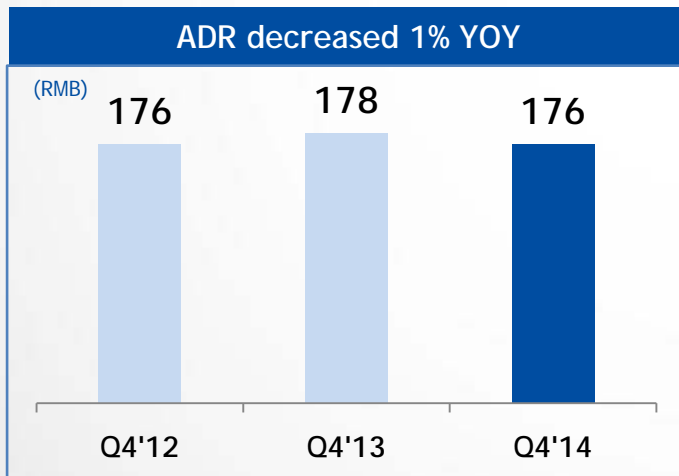
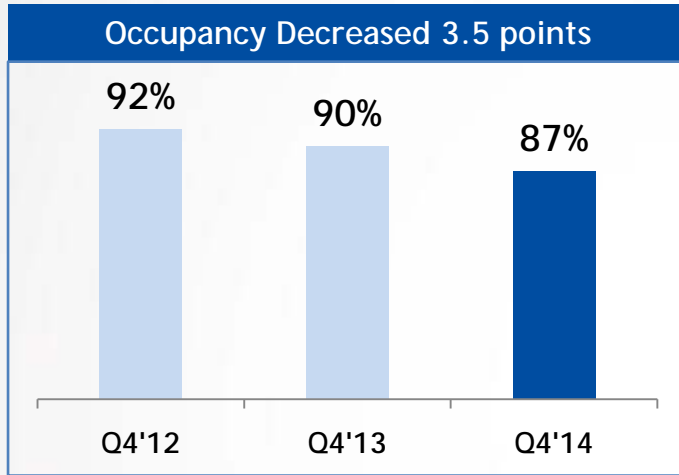
Section II: Operational & Financial Highlights *by President / CFO*

Section III: Q & A

Robustly Growing Hotel Network, Mainly Driven by Manachise Business

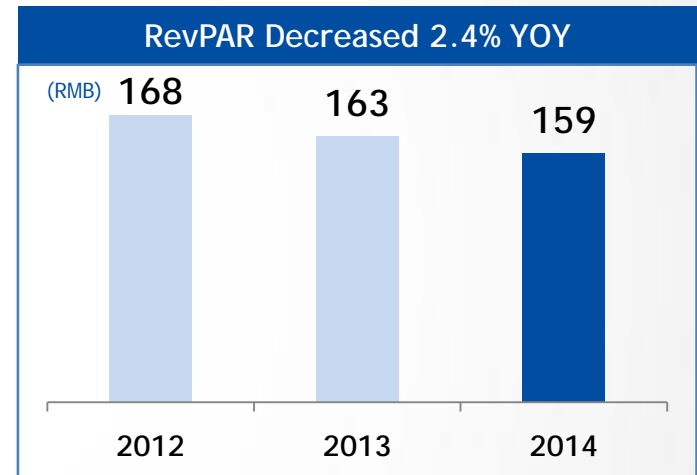
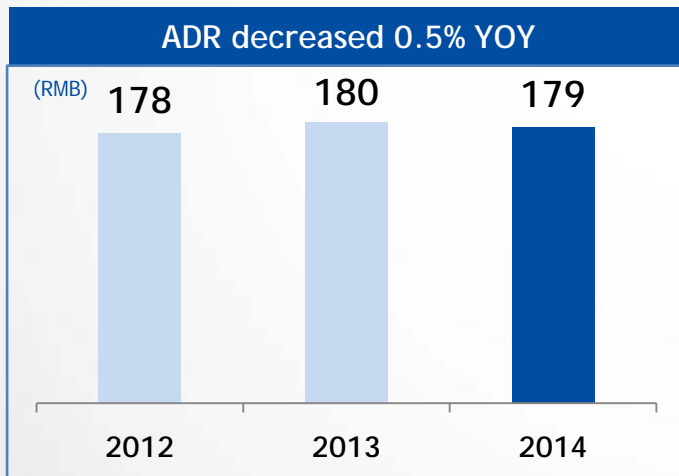
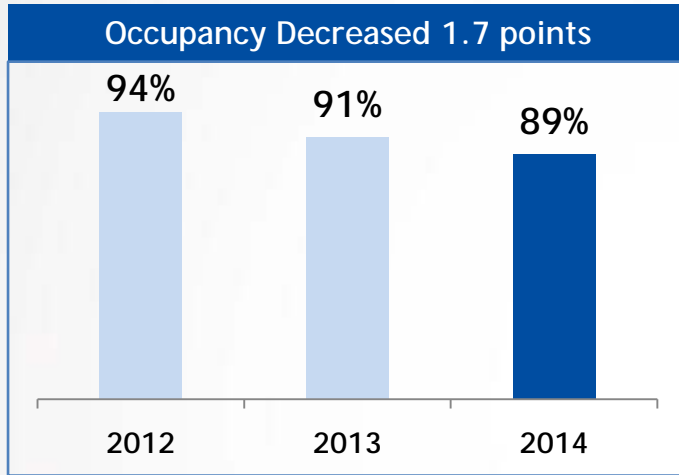


Q4 RevPAR Decreased 4.6% YOY, Mainly due to a Higher Proportion of New Manachised Hotels, City Mix Shift and Soft Macro Economy



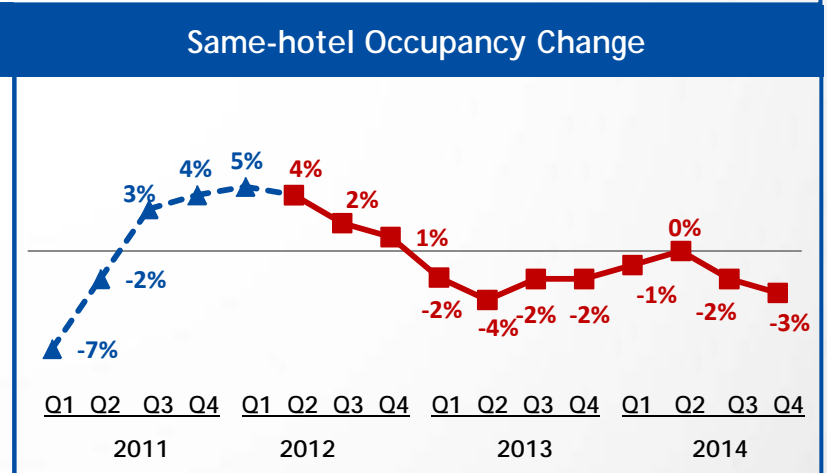
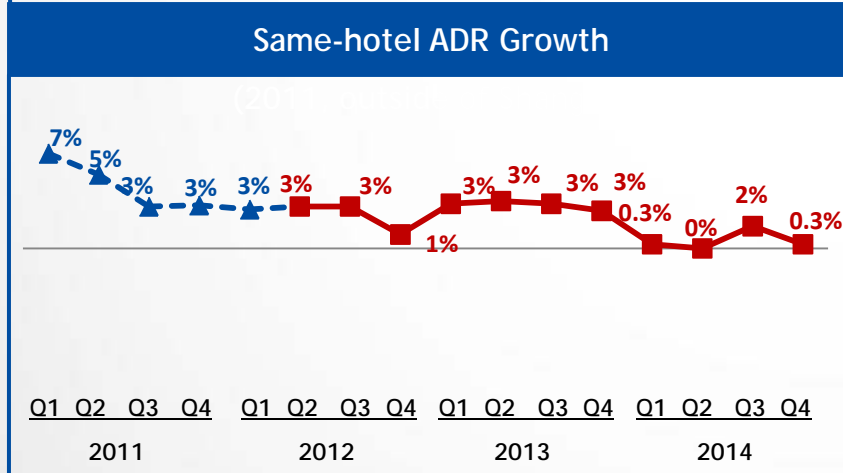
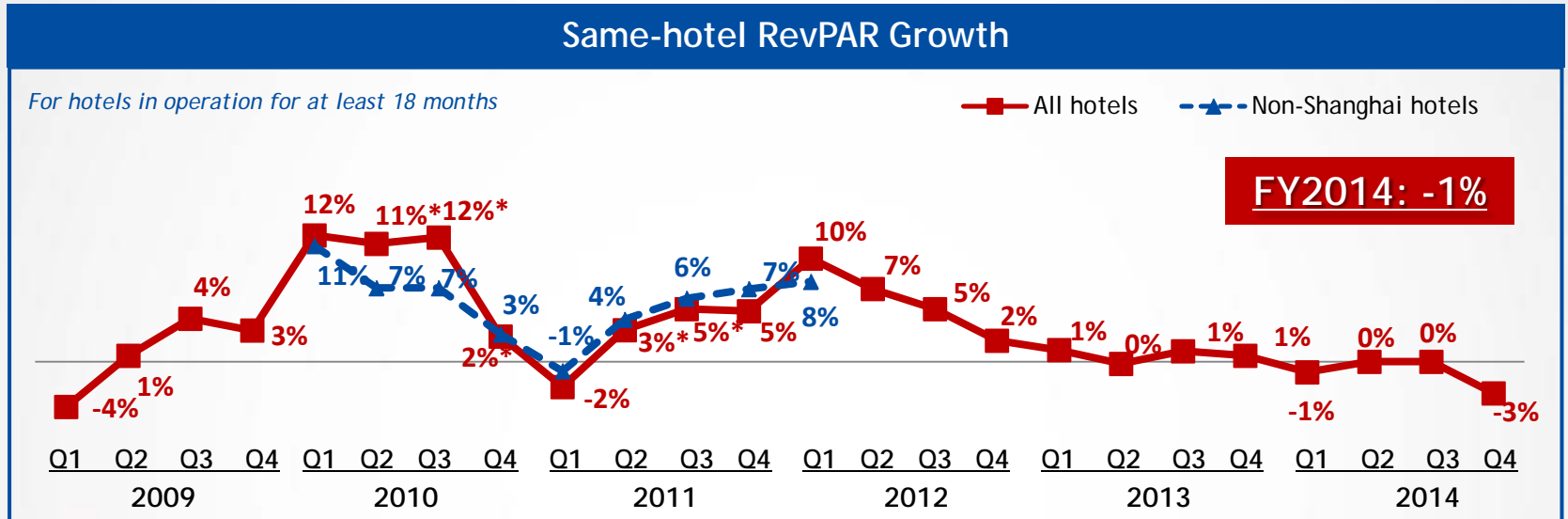
Figures excluding franchised Starway hotels

Full Year RevPAR Decreased 2.4% YOY, Mainly due to the City Mix Shift and Soft Macro Economy



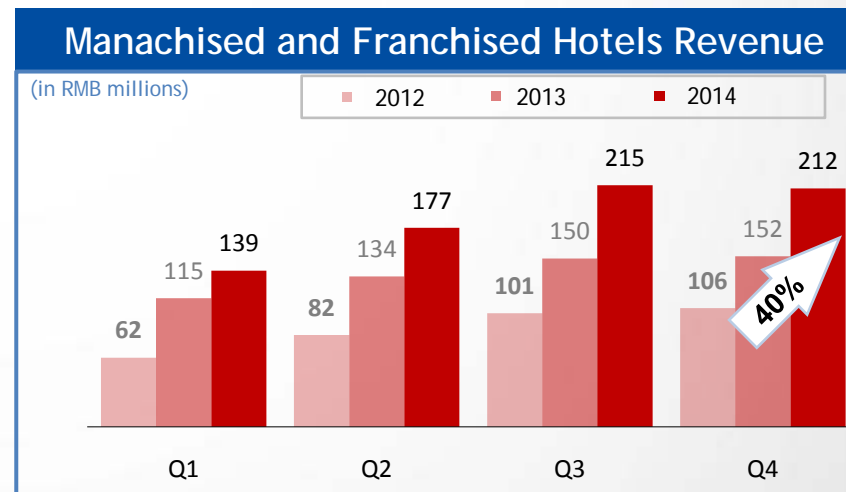
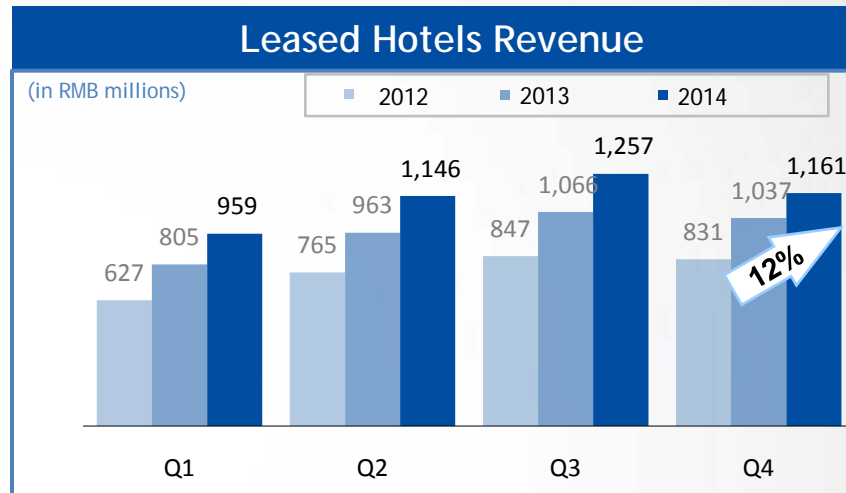
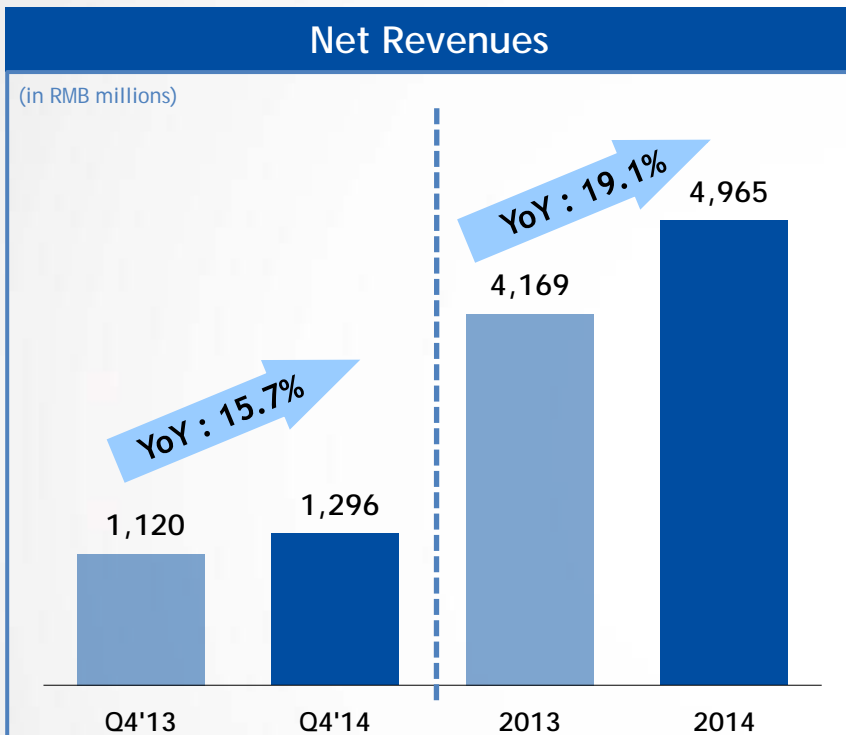
Figures excluding franchised Starway hotels

Same-hotel RevPAR Declined Mainly due to a Soft Macro Economy



* Normalized for Shanghai Expo

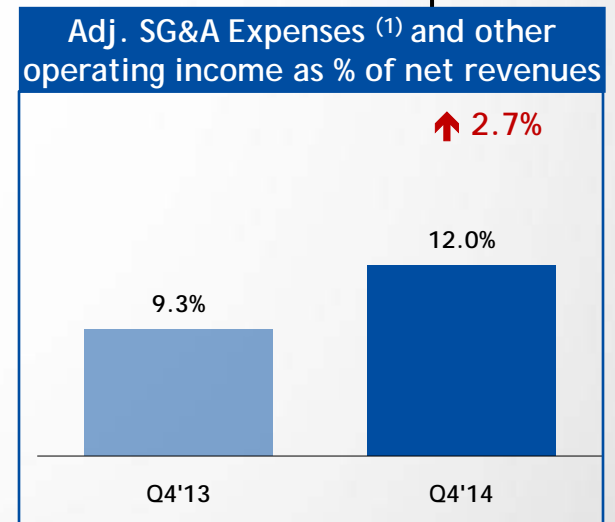
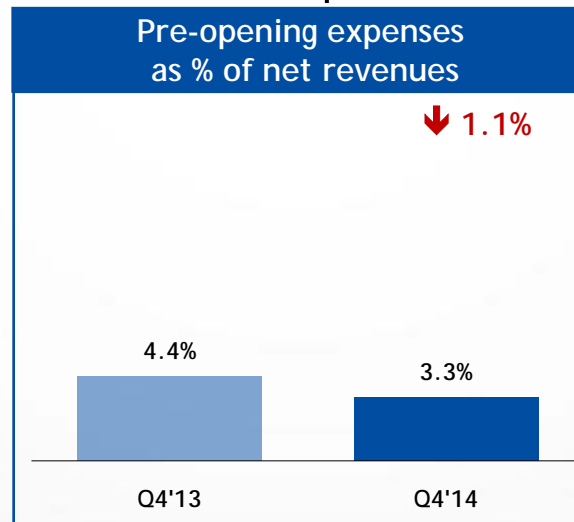
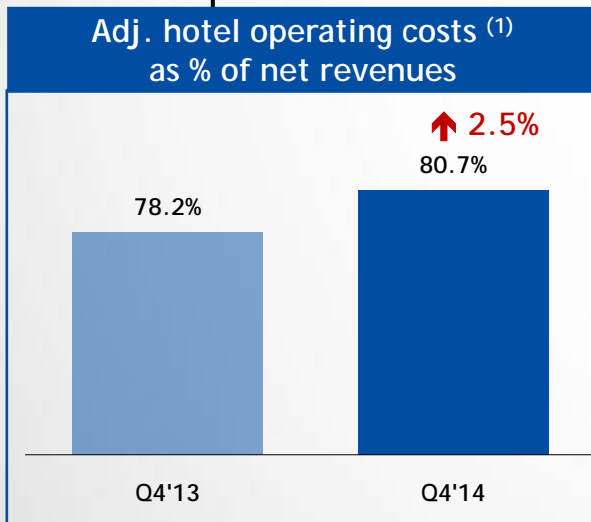
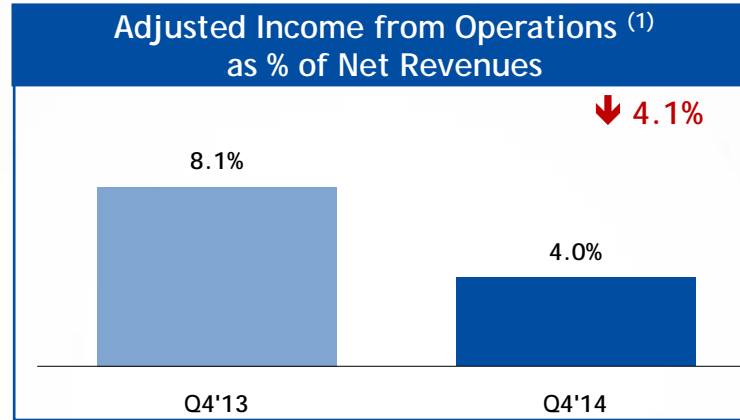
Figures excluding franchised Starway hotels



Manachised and Franchised Hotels Revenue as % of Total Revenues

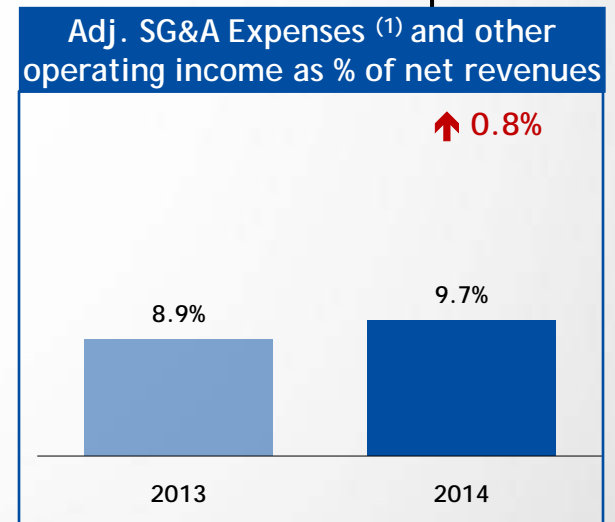
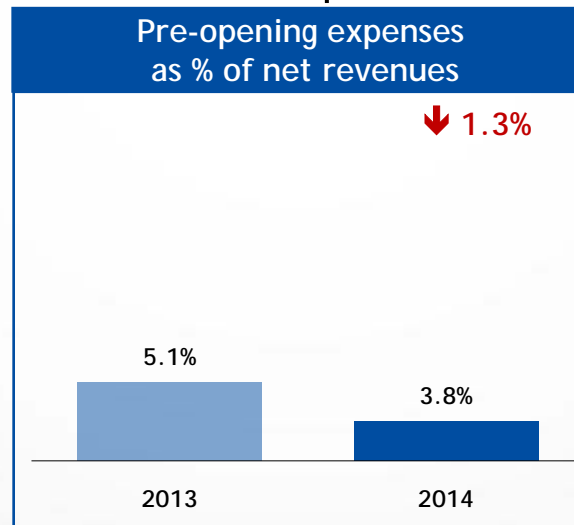
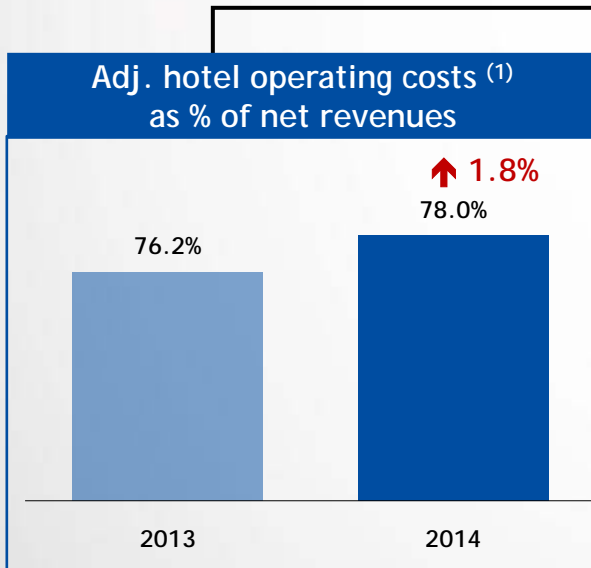
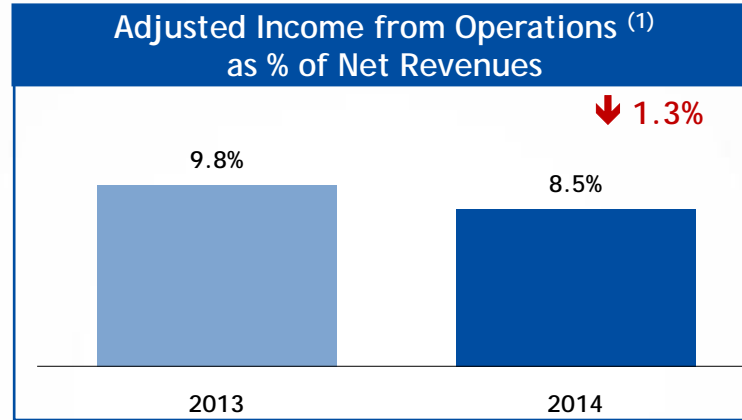
Q4'13	Q4'14	2013	2014
13%	15%	12%	14%

Q4 Adjusted Operating Margin Decreased 4.1 Pts, As a Result of Decreased RevPAR, Cost Inflation, and Investments in Digital-related Initiatives and New Brands



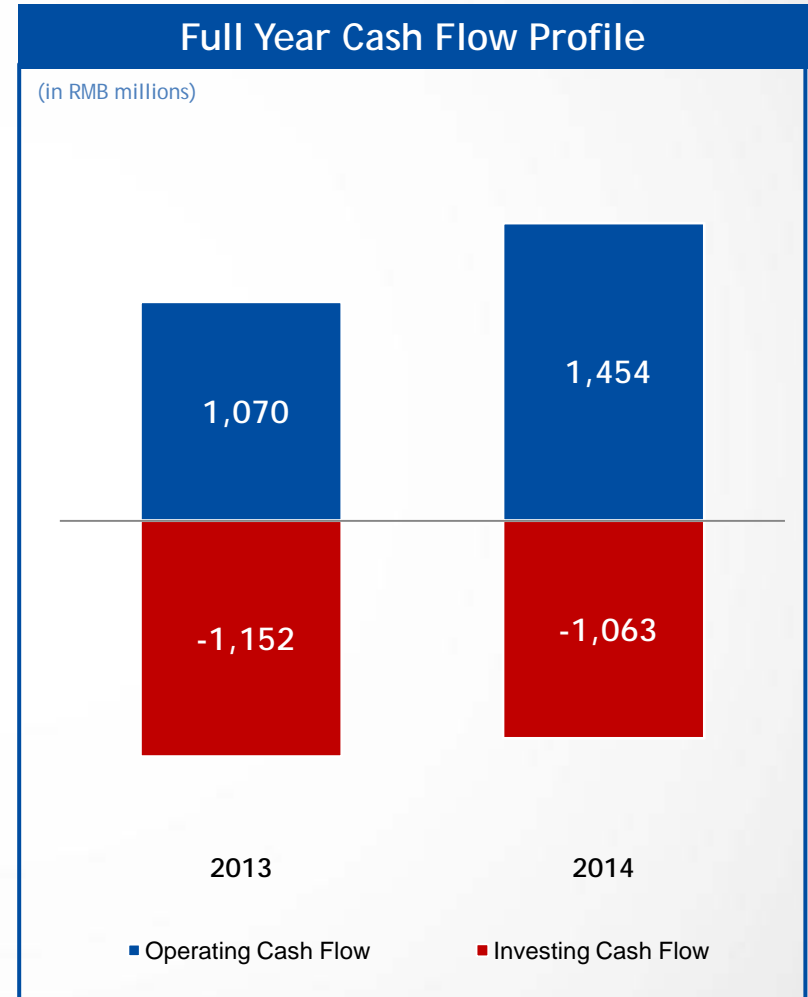
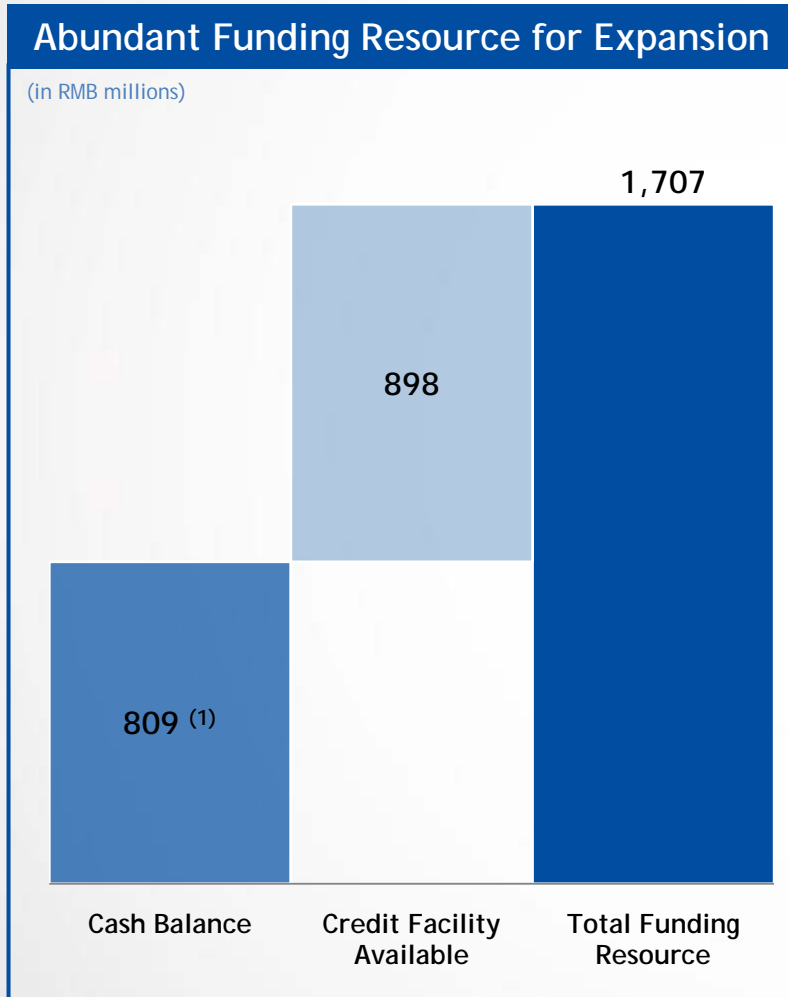
(1) Excluding share-based compensation expenses.

FY Adjusted Operating Margin Decreased 1.3 Pts, As a Result of Decreased RevPAR, Cost Inflation, and Investments in Digital-related Initiatives and New Brands



(1) Excluding share-based compensation expenses.

Free Cash Flow First Turned Positive in 2014



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

- To add 680 to 730 hotels, with 20 to 30 leased hotels and 660 to 700 manachised and franchised hotels
 - 80% for economy hotels
 - 20% for midscale and upscale hotels
- Q1'15 net revenues to grow 12% to 14% year-over-year
- Full year 2015 net revenues to grow 7.5% to 11.5%

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