

PROJECT



A view of The Peninsula Shanghai from across the Bund

The Peninsula Shanghai

The Company has a joint venture agreement with SPG Land pursuant to which The Peninsula Shanghai (BVI) Limited was established for the purpose of developing a Peninsula hotel on the Bund in Shanghai. In May 2004, The Peninsula Shanghai (BVI) Limited signed a project agreement with Shanghai New Huang Pu (Group) Co. Ltd., then a state-owned enterprise, to acquire the land use rights for the designated site in the Waitanyuan area of Shanghai. The land grant contract was signed in October 2004 with the Shanghai Real Estate Resources Administration Bureau for the purchase of the land and the building permit was obtained in October 2006, enabling construction of the complex to begin.

The Peninsula Shanghai is located at 32 Zhong Shan Dong Yi Road, adjacent to the old British Consulate building and its surrounding gardens and with direct frontage onto the famous Bund. When completed, the hotel will feature 15 storeys encompassing 235 guestrooms and suites, five restaurants, banquet facilities including a grand ballroom, a full Peninsula Spa, a swimming pool and arcade. The retail arcade will be housed on two levels, at the lobby level and basement one, spanning over 5,300 square metres, with five street entrances and direct connections to the hotel lobby and carpark. The arcade will house an exclusive selection of world-renowned brands.

In addition, the complex will include a 14 storey hotel apartment building which will contain 39 high-end hotel apartments to be serviced by the Peninsula hotel. The complex is scheduled to open in late 2009, in time for the Shanghai World Expo in 2010, and marking the Group's return to the city after an absence of some 50 years.

During 2007, significant progress was made in the construction of the hotel's foundations, basements and super-structure. By early September, the hotel's basement structural works were completed up to level 1 and thereafter construction of the hotel gained full speed with the commencement of super-structural and other works. An average of eight days was taken to complete one floor and the hotel reached structural top-out in mid January 2008.

Building of the hotel apartment tower has also progressed well. In order to ensure the ground's stability, excavation works for the hotel apartment tower could only commence after the completion of the hotel's basement. The hotel apartment's basement works were completed in February 2008.

The hotel occupies a site which will have a total gross floor area of 92,160 square metres (55,974 square metres above ground and 36,186 metres below ground). The initial estimate of the total cost for The Peninsula Shanghai project, which is 50% owned by the Group, is approximately RMB 3 billion.



During the year, significant progress was made on the construction of the hotel and hotel apartment tower