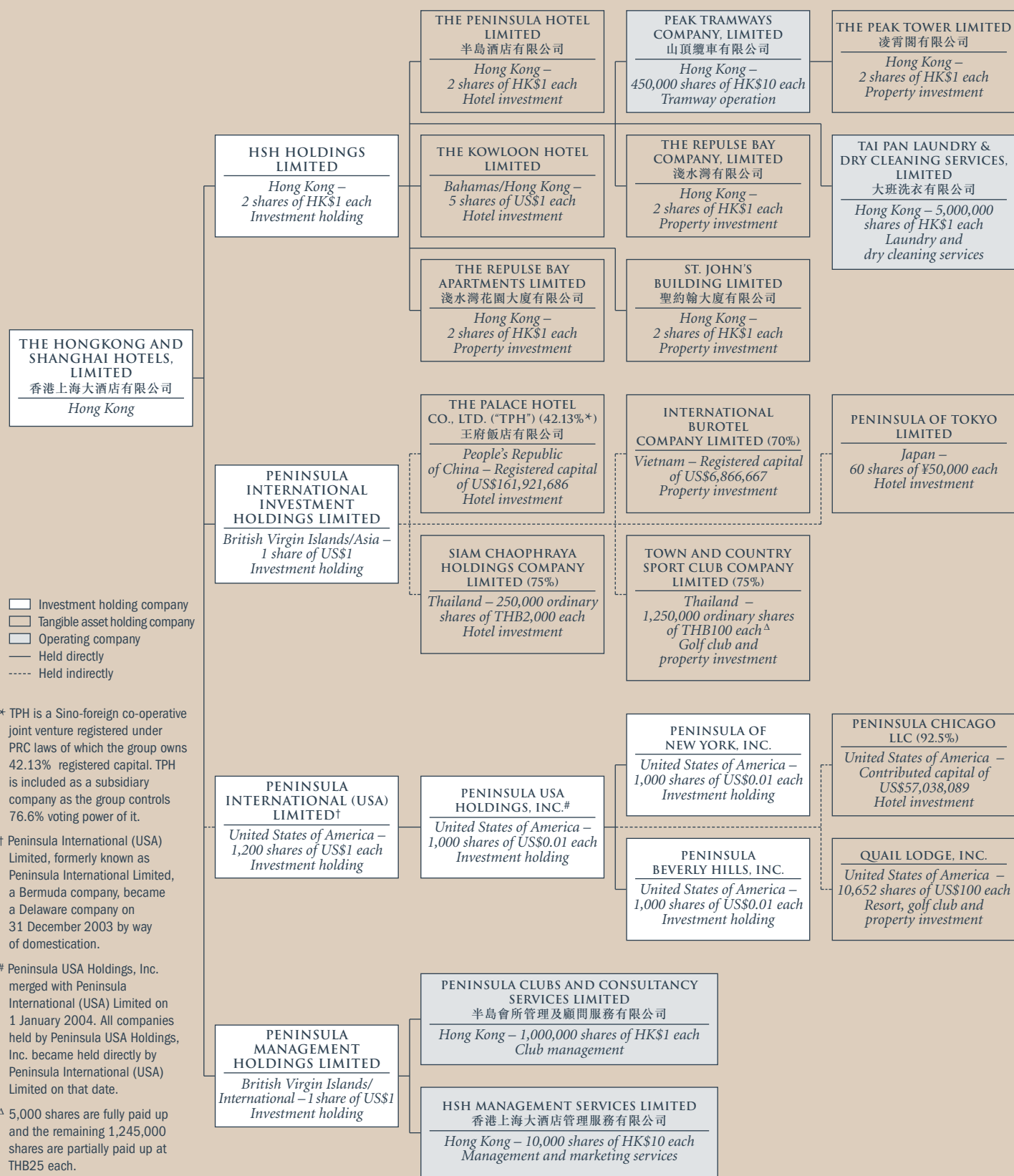


PRINCIPAL SUBSIDIARY COMPANIES

At 31 December 2003



The group carried out an internal restructuring during 2003 for the purpose of aligning the group's asset holding companies and management companies into different sub-groups in accordance with the geographical location of their investments and nature of business. Upon completion of the internal restructuring, the group's businesses and investments are held as follows:

- HSH Holdings Limited became the holding company of all Hong Kong assets.
- Peninsula International Investment Holdings Limited, a newly incorporated subsidiary, became the holding company of all assets in Asia Pacific other than Hong Kong.
- Peninsula International (USA) Limited became the holding company of all assets and management operations in the United States of America.
- Peninsula Management Holdings Limited, a newly incorporated subsidiary, became the holding company of all management companies in Hong Kong and other Asia Pacific.

The principal subsidiary companies in the group at 31 December 2003 are shown opposite, with details of their place of incorporation and principal place of business, the issued ordinary share capital/contributed capital/registered capital and main activities. Unless otherwise indicated, all companies are 100% owned; share capital comprises all ordinary shares and is fully paid up. The directors consider that a chart containing details of all subsidiary companies would be of excessive length and complexity and therefore only the particulars of those subsidiary companies which principally affect the results or assets of the group are included.