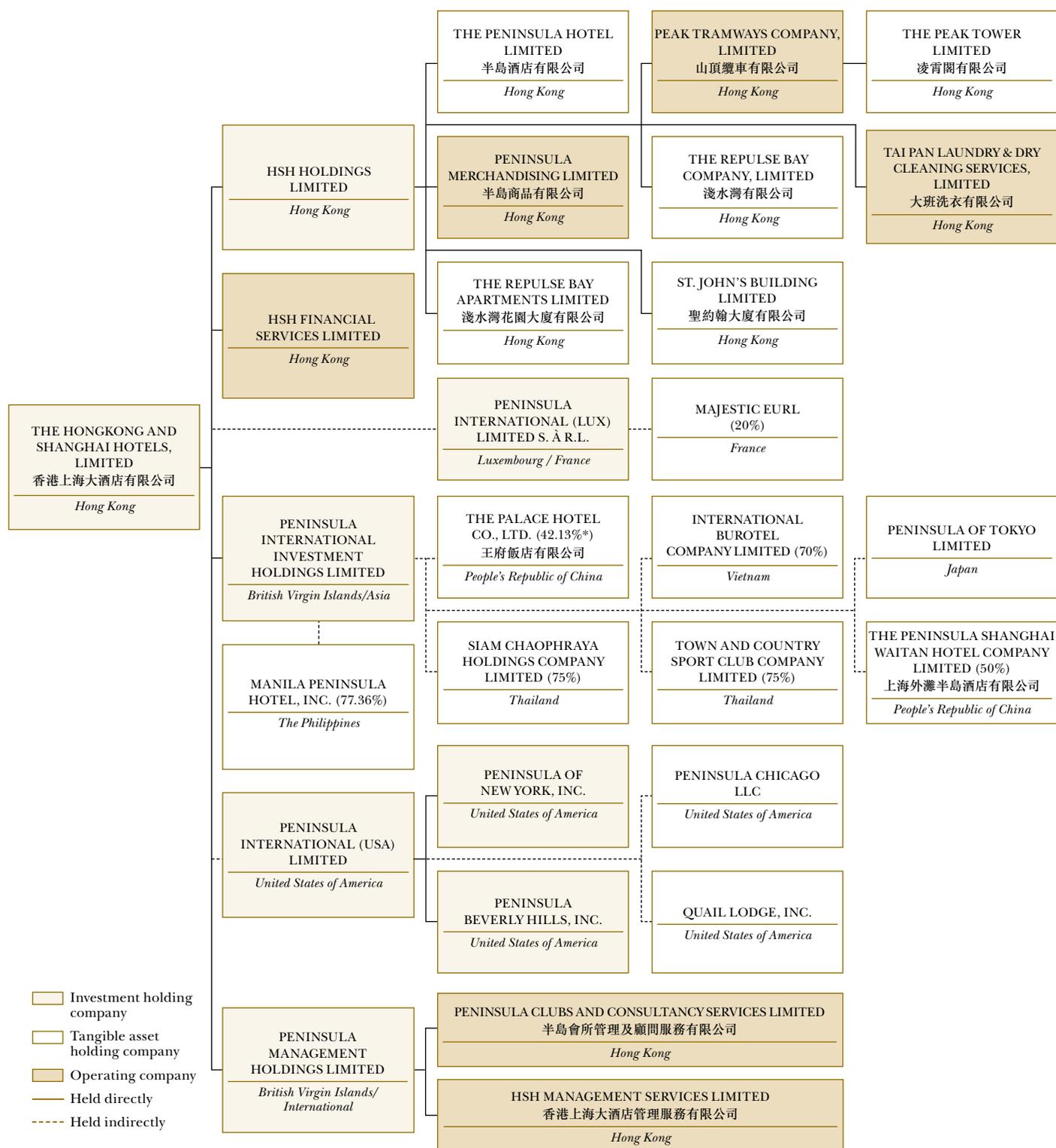


PRINCIPAL SUBSIDIARIES, ASSOCIATE AND JOINTLY CONTROLLED ENTITY

At 31 December 2009



* The Palace Hotel Co., Ltd. (TPH) is a sino-foreign co-operative joint venture registered under PRC laws in which the Group owns 42.13% of the registered capital. TPH is included as a subsidiary company as the Group controls 76.6% of its voting power.

The Group's subsidiaries, associate and jointly controlled entity which principally affect the results, assets and liabilities of the Group are shown in the chart above. All subsidiaries are 100% owned except where indicated, and their details are disclosed in note 15.

The Group's interests in Majestic EURL (associate) and The Peninsula Shanghai Waitan Hotel Company Limited (jointly controlled entity) are held indirectly. Details of the Group's associate and jointly controlled entity are disclosed in notes 16 and 17 respectively.