

SHANGRI-LA HOTEL, VIENNA TO OPEN 2009

Shangri-La Hotels and Resorts, Asia Pacific's leading luxury hotel group, has signed a long-term lease agreement with BAI Baurträger Austria Immobilien GmbH, the development and management arm of the Immobilien Holding Group, for the Shangri-La Hotel, Vienna, opening late-2009.

The 207-room Shangri-La Hotel, Vienna will be located in the former Erste Bank headquarters on the Schuberting in the city's 1st district (Bezirk). BAI purchased the real estate with four historic buildings in late 2005 with the aim of developing a five-star hotel. The site comprises an entire city block with excellent views, situated directly on the grand 19th century boulevard Ringstraße with its characteristic historical and art nouveau architecture and the green oasis of Beethovenplatz. Located within walking distance of upscale shopping, fine dining and national attractions such as the Konzerthaus (Concert House), Musikverein, Oper (Opera), Belvedere Palace and St. Stephan's Cathedral, the Shangri-La Vienna will be a striking addition to the city's luxury hotel district. The Vienna International Airport is easily accessed via the nearby airport express train or is less than half an hour by car.

Conceptualized as a top Vienna deluxe hotel, the project aims to blend the historical and partially protected heritage of the buildings with a modern spatial environment and state-of-the-art technical amenities. While injecting a crisp charm and contemporary soul into the hotel, the project will anticipate the needs of today's business and leisure travelers alike, who appreciate an awareness for luxury living within the contemporary Viennese context.

Spacious accommodation will include guestrooms averaging 45 square meters (484 square feet) and three presidential suites to accommodate visits by heads of state, high-ranking representatives of foreign governments and organizations, as well as CEOs and high level corporate guests.

Dining options will include a specialty, fine-dining restaurant and bar, both with street access at Schuberting, and a lobby lounge for breakfast and light fare during the day. The highlight of the hotel's technologically advanced conference and function facilities will be a ballroom crowned with a glass dome.

CHI, The Spa, will introduce Shangri-La's exotic, signature spa concept to the city. Inspired by the legend of Shangri-La in the novel *Lost Horizon*, CHI offers treatments based on ancient Chinese and Himalayan healing rituals and traditions. Another first will be the health club's indoor swimming pool – the largest of any Vienna deluxe hotel.

Shangri-La's distinctive Asian-style service will be delivered by staff members trained in "Shangri-La Hospitality from Caring People" – the group's signature training program at the core of its reputation for service excellence.

"We are grateful for the confidence placed in us by BAI to provide a superlative

hospitality experience to residents and visitors, equal to the prestige of this great world city,” said Giovanni Angelini, Shangri-La managing director and chief executive officer. “As Vienna is also a gateway to Eastern Europe and beyond, the Shangri-La Hotel, Vienna represents a significant milestone in our westward expansion.”

“We have entrusted Shangri-La Hotels and Resorts with this jewel of a property based on its reputation as one of the world’s finest hotel operators and providers of distinctive luxury and style,” said Thomas Jakoubek, managing director of Immobilien Holding GmbH. “We spent quite a bit of time conducting a thorough search for the right partner. After many lengthy discussions, we believe to have found the best operator and look forward to reaching the mutual goal of creating the best hotel in Vienna.”

The Shangri-La Hotel, Vienna will complement the group’s two upcoming European properties opening in Paris in 2009 and London in 2011, with more European gateway city hotels soon to be announced.

Hong Kong-based Shangri-La Hotels and Resorts, Asia Pacific’s leading luxury hotel group, currently manages 50 hotels under the five-star Shangri-La and four-star Traders brands, with a rooms inventory of over 24,000. The group has over 45 projects under development in Canada, mainland China, France, India, Japan, Macau, Maldives, Philippines, Qatar, Seychelles, Thailand, United Arab Emirates, United Kingdom and the United States. For more information and reservations, please contact a travel professional or access the website at www.shangri-la.com.

BAI is the largest real estate developer in Austria with activities concentrated in Vienna and selected cities abroad, particularly in Central and Eastern Europe. Over the next five years, BAI will have a project volume of more than one billion euros for the development of roughly 350,000 square meters of useable space. From office and retail space to residential and public buildings, BAI and affiliated companies cover a broad range of projects and services beginning with the initial concept through to real estate brokerage as well as facility and asset management. For more information, please visit www.bai.at.

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