

Formation of Joint Venture Company in Thailand

SGX, September 17, 2007

By HPL

Further to the announcement released on 9 July 2007, the Board of Directors of Hotel Properties Limited (the "Company" or "HPL") wishes to announce that its wholly-owned subsidiary, HPL Properties (SEA.) Pte Ltd has subscribed for 9,000,000 shares of Baht 100 each in Laem Ka Properties Company Limited ("Laem Ka"), a company incorporated in Thailand, at a total subscription price of Baht 520 million. The investment represents 50% of the total issued and voting shares of Laem Ka. The other 50% interest in Laem Ka is held by Lehman Brothers Investments Pte Ltd. Laem Ka is a joint venture company formed to develop and construct a luxury hotel in Rawai District in Phuket, Thailand.

The registered and paid-up capital of Laem Ka is Baht 1,800 million and Baht 1,040 million respectively.

Following the share subscription, Laem Ka is now an associated company of HPL.

None of the Directors, controlling shareholders or substantial shareholders of the Company has an interest, direct or indirect, in the above transaction.

By Order of the Board
Chuang Sheue Ling/Lo Swee Oi
Joint Company Secretaries
17 September 2007