

Media Release

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Kusido Announce Further Significant Expansion

Kusido Hospitality and Property Group Pty Ltd, which operates hotels under the Leisure Inn and Park Regis brands, announced today the conditional purchase of Management Letting Rights (MLR's) of four hotel properties for \$10.5 million from the Oaks Group.

The latest announcement by the group is the second largest single acquisition and one of its most significant since forming as a management company in June 2006.

The four properties will be re-branded under the Leisure Inn or Park Regis banners. In total, the transaction includes 258 rooms, as well as the acquisition of freehold areas and restaurants in each of the properties.

The properties in the latest acquisition will be re-branded as Park Regis Concierge Apartments (Cremorne, Sydney), Park Regis Griffin Suites (Melbourne), Leisure Inn Pokolbin Hill (Hunter Valley) and Leisure Inn Spires (Blue Mountains).

The addition of the four properties brings the group's portfolio to a total of 23 which includes the most recent announcement – Leisure Inn Plaza Hotel in Townsville, as well as existing properties with locations including Sydney, Melbourne, Brisbane, Cairns, Hobart and Launceston.

Kusido Hospitality and Property Group's Chief Executive Officer, Mr Simon Wan, said that the addition of the four properties to the group's portfolio is another major step in its rapid expansion plan.

"The group is well on track to achieve its growth objective of reaching a minimum of 30 hotels in Australia by the end of 2008. As well as this, we are in the process of building a network of hotels in Asia which is being spearheaded by our latest development in Singapore under the Park Regis brand name," he said.

Kusido is also currently in separate negotiations to acquire several properties located in capital cities in Australia including Canberra and Perth as well as additional properties in the Sydney regional area.

For further information, contact Rachel Pirie, Group Marketing Manager on 612 8198 9220 / rpirie@leisureinnhotels.com

Leisure Inn Hospitality Management Pty Ltd

HEAD OFFICE Level 7, 22 Market Street, Sydney NSW 2000 Tel: +61 2 8198 9299 Fax: +61 2 9262 5442
ABN 98 120 212 688 info@leisureinnhotels.com www.leisureinnhotels.com