



Media Release

15 November, 2007

Park Regis Hospitality Management Announce Singapore Hotel Development

Park Regis Hospitality announced today that they are entering into a 10 year management agreement for a 200-room hotel to be developed in Singapore.

The site, located at New Market Street/Merchant Road near the Singapore River, will be developed by a consortium comprising of A&B Hotels Pte Limited and Ashe Morgan Winthrop – one of Australia's leading property finance and investment groups.

Singaporean based A&B Hotels Pte Ltd is also a 50% shareholder in the Kusido Hospitality and Property Group – Australian based owners and operators of the Park Regis and Leisure Inn brands.

The consortium is proposing the site will be used to develop a twin tower building. The first tower will incorporate a 200-room business hotel, while the second tower will be a commercial office/retail building. The total investment by the consortium will be at least SGD\$170 million and it is proposed that the development will be complete by late 2009.

The proposed hotel at New Market Street in Singapore will be flagged under the Park Regis brand – an emerging 4 star quality accommodation product. Based on current plans, the hotel will comprise a restaurant, bar, three function rooms, swimming pool, spa, gym, business centre, and onsite parking.

The development land is located directly opposite the high profile entertainment and restaurant area of Clark Quay, and is approximately 5 minutes from the main banking and corporate precinct of Raffles Place.

The group's expansion to Singapore is in response to the dramatic increase in visitor numbers forecast for the region over the next ten years. This increase is a result of a number of key tourism, entertainment and convention facilities opening progressively during that time, including two new casino complexes and the hosting of upcoming Formula One racing events.

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Demand for hotel accommodation in Singapore is so strong that the Singapore Government has announced a number of new sites for hotel development, equating to approximately an additional 6,000 new rooms. Park Regis' newly acquired Merchant Road site is one of the proposed hotel development sites.

The Group's Chief Executive Officer, Mr Simon Wan, said that the expected sharp increase in demand for accommodation in Singapore as well as the group being in a position for expansion into Asia was the catalyst for bidding for the Merchant Road site.

"We are in the unique and advantageous position of having Singaporean-based A&B Hotels as 50% shareholders in our Group. By incorporating their local business knowledge and investment with our growing Park Regis brand and rapid expansion plans, we were able to successfully bid for this prime development opportunity. We're also delighted to have the financial and development expertise of the Ashe Morgan Winthrop group as our partner for this exciting new project. Aside from arranging over \$AUD3.0 billion in property finance each year, Ashe Morgan Winthrop are currently involved in over \$1 billion of other joint venture developments aside from this project."

"The addition of the Park Regis property in Singapore to our Group is a major step in our international hotel expansion program. We are also absolutely delighted to be one of the first Australian hospitality management companies to secure such a significant site in Singapore" he said.

Under its current growth plan the group is well on track to increase its total portfolio to more than 50 properties by the close of the 2007/08 financial year.

Kusido Hospitality and Property Group is proud to offer value-for-money accommodation with all hotels being centrally located with quality and comfortable rooms, modern facilities and friendly, welcoming staff. Current properties include: Sydney - Park Regis City Centre, The Barclay Hotel, Leisure Inn Suites – Kings Cross; Hobart - Hobart Macquarie, Woolmers Inn, Waterfront Lodge; Launceston - Penny Royal Hotel & Apartments; Brisbane – Park Regis North Quay; Cairns – Park Regis City Quays, Park Regis Piermonde; and Townsville – Park Regis Anchorage.

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