

Hospitality Joint Venture Sets New Standards in Luxury Hotel Market in Asia with Two New Brands

Hospitality Legend Horst Schulze and Esteemed Developer Kwee Liong Tek form Joint Venture to create West Paces Hotel Group Asia bringing Capella Hotels and Resorts and Solís Hotels and Resorts brands to Asia

SINGAPORE (04 October 2006) – Over the past several decades, luxury hotels across Asia have set new standards worldwide for extraordinary service, amenities and design. However, the needs and tastes of today's affluent leisure and business travellers have changed. Two industry veterans have now addressed this need for a new vision of luxury hospitality as their plans to introduce two extraordinary new hotel and resort brands in Asia were unveiled in Singapore today.

Kwee Liong Tek, Chairman of Kwee Inc. Pte Ltd, and Horst Schulze, Chairman of West Paces Hotel Group, announced the formation of a 50:50 joint venture to be known as West Paces Hotel Group Asia. Headquartered in Singapore, this hotel management company will introduce the new Capella Hotels and Resorts and Solís Hotels and Resorts brands in gateway cities and resort destinations in the region.

Kwee Liong Tek and Horst Schulze have a ten-year-long friendship born of mutual respect, and each brings a remarkable record of success to the joint venture. Kwee Liong Tek is Chairman of Pontiac Land, which owns properties such as The Ritz-Carlton Millenia Singapore, Conrad Centennial Singapore, and The Regent Singapore; he will focus on business development and securing strategic partnerships in Asia with leading high net-worth families and institutions.

“Our synergistic partnership and our shared commitment to excellence form a great foundation to build the world’s finest hotel management company,” said Kwee Liong Tek at today’s announcement ceremony.

Horst Schulze, the former President, COO and Vice Chairman of The Ritz-Carlton Hotel Company, is credited with industry leading innovations in luxury service and amenities. His West Paces Hotel Group, established in 2002 and headquartered in Atlanta, Georgia (USA), will contribute management and operations expertise in designing properties geared toward affluent travellers – a niche that Schulze believes is now underserved by existing brands.

The West Paces Hotel Group Asia business model will capitalize on filling the need within this niche and aims to be the global leader in the service industry. Capella Hotels and Resorts will serve travellers in the top two percent demographic who desire genuine service and customised privacy and luxury. Solis Hotels and Resorts will serve business travellers and group meetings business with an uncompromising commitment to reliable service and luxury accommodation.

Schulze commented, “We will offer the kind of personalised service and experience that has been lost in today’s travel environment. Our research has identified significant shifts in the practical needs and unexpressed desires among travellers for this service; as a result, we have developed scientific quality systems to create meaningful and enriching memories that extend beyond the stay of every guest.”

He continued, “We are honoured to partner with Kwee Liong Tek. I’ve often referred to the creation of the Capella and Solís brands as the chance to paint my finest canvas. Knowing Kwee Liong Tek’s outstanding track record and commitment to excellence, I know that we will create masterpieces together.”

Kwee Liong Tek commented, “We have found the ideal partner to create hotels and resorts that will raise the bar of excellence in the global service industry.”

In addition to Horst Schulze, West Paces Hotel Group Asia will draw on the experience of highly regarded industry veterans such as Bob Warman, who currently serves as Executive Vice President and COO of West Paces Hotels Group and Phil Keb, Executive Vice President, Development for West Paces Hotel Group. Both are former Ritz-Carlton executives, where Warman served as VP of Operations for hotels worldwide, and where Keb negotiated and closed hotel transactions with a property value in excess of US \$2.5 billion. Warman and Keb both served on the corporate leadership team that helped earn the Malcolm Baldrige National Quality Award.

M. Douglas Ivester, a strategic investment partner with West Paces Hotel Group and former chairman and CEO of the Coca-Cola Company, commented, "The timing is right for the introduction of these two brands in order to take advantage of significant opportunities in the Asian market, and to meet needs that customers are demanding be addressed. West Paces Hotel Group Asia has established a partnership with proven executive leadership and a strategically sound business model."

In addition to Singapore, initial target areas for development include Hong Kong, China, India, Indonesia, and Thailand. These geographic targets are primed for increased demand from travellers. China continues to realize exponential growth in visitor arrivals, with annual increases in excess of 10%. Annual visitor arrivals to India in 2006 are running nearly 14% above 2005 figures, year-to-date. Singapore has posted record-setting visitor arrival figures with the most recently available monthly statistics. July 2006 figures represent 4.0% growth over the same period a year ago, and represent the highest monthly totals on record.

Capella Singapore, plans for which were revealed just prior to the joint venture announcement, represents the first location in Asia. Capella Singapore is set on an unrivalled location on Sentosa Island, nestled in 1.3 million square feet of lush rainforest. Two existing colonial buildings from the 1880s will form the centrepiece of the resort, and will be combined with ultra-luxury villas, suites and bungalows designed by Foster and Partners. The S\$250 million project will blend traditional Asian materials and themes with contemporary influences.

Capella Singapore, scheduled to open in 2008, reinforces the crucial notion of customer choice in determining the travel experience: guests who want access to the heart of Singapore will have it, and those who wish to retreat to the lush privacy of a resort surrounded by rainforest will enjoy that option, as well.

The group aims to have a portfolio of up to 30 resorts and hotels globally in the next five years, with a significant number of these located within Asia.

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EDITORS' NOTES:

West Paces Hotel Group The West Paces Hotel Group was founded by Horst Schulze, former president and COO of The Ritz-Carlton Hotel Company, along with several former Ritz-Carlton executives to create and operate branded hotels in several distinctive market segments. The principals of the company leverage unparalleled hospitality experience and a diverse track record of operating world-class hotels and resorts. The group's mission is to create value through superior service at luxury, world-class properties and conference centers in gateway cities and high-profile resort destinations around the world. West Paces launched the Capella Hotels and Resorts and Solís Hotels and Resorts brands in 2005. Capella properties include: Capella Singapore; Breidenbacher Hof, a Capella Hotel (Germany); Capella Pedregal (Mexico); Capella Resort and Spa, Castlemartyr (Ireland); Capella Resort and Spa, Dunboy Castle (Ireland); and Schloss Velden, a Capella Hotel (Austria). Solís properties include: Solís Chicago Hotel and Spa; Sunny Isles Beach, Florida, a Solís Resort and Spa; and Solís Frankfurt. Please visit www.westpaceshotels.com for more details.

Kwee Inc. Pte Ltd. (Associated with controlling shareholders of Pontiac Land Group)

Founded in 1959 by Henry Kwee, Pontiac Land Group began as an enterprise specialising in the development of architecturally distinctive homes. Today, the Group's assets include office, hospitality, residential and medical developments, including The Ritz-Carlton, Millenia Singapore, Conrad Centennial Singapore, The Regent Singapore, Millenia Tower, Centennial Tower, Millenia Walk, The Colonnade, and Camden Medical Centre. Please visit www.pontiacland.com for more details.

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