



THE
WALDORF=ASTORIA
COLLECTION

NEWS RELEASE

THE WALDORF=ASTORIA COLLECTION® SIGNS AGREEMENT TO OPEN FIRST HOTEL IN ISRAEL

The Palace Jerusalem expected to debut 2010

JERUSALEM, LONDON & BEVERLY HILLS, CALIF., USA – April 17, 2008 – Hilton Hotels Corporation and IPC Jerusalem Ltd have today jointly announced the execution of a management agreement to introduce the first Waldorf=Astoria Collection hotel in Israel. To be known as

The Palace Jerusalem - The Waldorf=Astoria Collection, the historic property is anticipated to open by the end of 2010 and will form part of development featuring approximately 220 rooms and suites. In addition, approximately 30 *Waldorf=Astoria Collection* residences are expected to be developed on the site.

Welcoming today's announcement, Wolfgang M. Neumann, President of Hilton Hotels Europe, said: "Israel is enjoying continued rapid and robust commercial activity which is fuelling a strong demand for high quality hotel brands. We are very pleased to be working with IPC Jerusalem Ltd to introduce what will be a magnificent hotel and a superb addition to The Waldorf=Astoria Collection."

Neumann added: "With two existing properties located in key Israeli destinations, the introduction of this prestigious brand reaffirms our commitment to integrating our successful Hilton Family of Brands into key markets throughout Europe. "

"Every aspect of *The Palace Jerusalem* is special", said Y. Dov Meyer of IPC. "It is a combination of a world class developer, the perfect location, a unique historic building and now a member of an exclusive brand. Jerusalem is benefiting from a renaissance of new high-end developments; however, for our customers, location and design are simply not enough. *The Palace* has taken this trend a step further by offering its residents the combination of privately owned homes together with the opportunity to have services of a luxury full-service hotel."

Hilton currently operates two hotels in Israel – the Hilton Tel Aviv and Hilton Eilat Queen of Sheba. The newest addition to the company's Israeli portfolio is situated in one of Jerusalem's key locations, at the



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intersection of King David, Agron and Mamila Streets, just steps from the Old City. Built in 1929, the impressive structure is currently undergoing an extensive renovation programme, which will see the historic facade of intricate stone carvings and decorative arches fully restored, as well as a complete rebuilding of the interior. The hotel will offer 220 spacious suites and guestrooms, with facilities including a choice of three restaurants, a 500m² spa and fitness facility with pool, in addition to extensive conference and meeting facilities and on-site parking. Sited adjacent to the hotel, the luxurious Residences at *The Palace Jerusalem - The Waldorf=Astoria Collection* will have views of the Old City and will enjoy access to services from the hotel.

Today's news also reflects The Waldorf=Astoria Collection's fast moving international expansion, having recently announced plans to introduce its first European property in Rome this spring, following the re-branding of the Rome Cavalieri.

The Waldorf=Astoria Collection currently has five properties - four in the United States, comprising the inspiration for the brand, the legendary Waldorf=Astoria® in New York; Arizona Biltmore Resort & Spa in Phoenix, Arizona; Grand Wailea Resort Hotel & Spa in Maui, Hawaii; and La Quinta Resort & Club in Southern California. In addition, it also operates the 46-suite Qasr Al Sharq or "Palace of the Orient" in Jeddah, Saudi Arabia.

The company is also developing brand new Waldorf=Astoria hotels and residences in key cities around the world including, The Waldorf=Astoria Orlando in Florida and Dakota Mountain Lodge in Park City, Utah, both due to open in 2009, as well as The Waldorf=Astoria Sarasota in Florida and the proposed The Waldorf=Astoria Beverly Hills in California, which are scheduled to open in 2010.

Ends

Notes to Editors

About IPC Jerusalem Ltd



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IPC Jerusalem Ltd. was created in 2005 to acquire the development rights of the former Palace Hotel and Customs Building and is beneficially owned by members of the Reichmann family.

About The Waldorf=Astoria Collection™

The Waldorf=Astoria Collection includes some of the most extraordinary properties in spectacular destinations around the world. Inspired by New York's legendary Waldorf=Astoria, each hotel in the growing Collection has its own distinct character, timeless architecture and special history. Luxury spas, culinary excellence and world-class golf are featured at the Collection's current properties: the beautiful Arizona Biltmore Resort & Spa in Phoenix, tropical Grand Wailea Resort Hotel & Spa on the Isle of Maui, Hawaii, the historic La Quinta Resort & Club in Southern California, New York's Waldorf=Astoria and the palace hotel Qasr Al Sharq in Jeddah, Saudi Arabia. Each guest encounter is a discovery of unique experiences designed to last a lifetime. For more information, please visit www.waldorfastoriacollection.com

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