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Morgan Stanley

Morgan Stanley Fund Acquires 13 Hotels from ANA Group

TOKYO, April 13, 2007 – A fund managed by Morgan Stanley has entered into an agreement to buy All Nippon Airways' interests in the buildings, land and shares of the company's 13 owned or leased hotels.

The acquisition will build on Morgan Stanley's global hotel investment strategy and represents a unique opportunity to expand its portfolio of high quality properties in key cities in Japan. This transaction highlights Morgan Stanley's continued long-term commitment to investing in Japan and optimistic outlook for the nation's economy and hotel industry.

The hotels will be operated under an existing long-term management contract with IHG ANA Hotels Group Japan, the joint venture company started by ANA and Intercontinental in December 2006.

Managing the assets on behalf of the fund will be Morgan Stanley's affiliate, Panorama Hospitality (www.panorama-hospitality.com). Panorama's team of experienced hotel professionals will work closely with IHG ANA Hotels to enhance value at each of the properties and welcomes the opportunity to work with the team of talented hotel employees in each of the 13 hotels.

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