

FINAL TRANSCRIPT

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CTRP - Q1 2010 Ctrip.com International, Ltd. Earnings Conference Call

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CORPORATE PARTICIPANTS

Lin Zhang

Ctrip.com International, Ltd. - IR Manager

Min Fan

Ctrip.com International, Ltd. - Co-founder, CEO

James Jianzhang Liang

Ctrip.com International, Ltd. - Co-founder, Chairman

Jane Jie Sun

Ctrip.com International, Ltd. - CFO

CONFERENCE CALL PARTICIPANTS

James Lee

CLSA Limited - Analyst

Richard Ji

Morgan Stanley - Analyst

Kathy Chen

Goldman Sachs - Analyst

Catherine Leung

Citigroup - Analyst

Ming Zhao

SIG - Analyst

Eddie Leung

BofA Merrill Lynch - Analyst

Yu Jin

CICC - Analyst

Mike Olson

Piper Jaffray - Analyst

Chris Zee

BNP - Analyst

Paul Keung

Oppenheimer & Co. - Analyst

Chenyi Lu

Cowen and Company - Analyst

PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the first quarter 2010 Ctrip International Earnings Conference Call. My name is Carla and I'll be your coordinator for today. At this time all participants are in a listen only mode. Later we will conduct a question and answer session. (Operator Instructions) As a reminder, this conference is being recorded for replay purposes. I would now like to turn the presentation over to your host for today, Miss Lin Zhang, Manager of Investor Relations. Please proceed.

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Lin Zhang - *Ctrip.com International, Ltd. - IR Manager*

Thank you Carla. Thank you for attending Ctrip's first quarter 2010 earnings conference call. Joining me on the call today we have Mr. James Liang, Chairman of the Board; Mr. Min Fan, President and Chief Executive Officer; and Miss Jane Sun, Chief Financial Officer.

We may during this call discuss our future outlook and performance, which are forward looking statements made under the safe harbour provisions of the US Private Securities Litigation Reform Act of 1995. Forward looking statements involve inherent risks and uncertainties. As such our results may be materially different from the views expressed today. A number of the potential risks and uncertainties are outlined in Ctrip's public filings with the Securities and Exchange Commission. Ctrip does not undertake any obligation to update any forward looking statement except as required under applicable law.

Min, James and Jane will provide the business update, industry outlook and the financial highlights for the first two quarters of 2010 as well as the outlook for the second quarter of 2010. We will also have a Q&A session towards the end of this call. With that, I will turn to Min for our business update.

Min Fan - *Ctrip.com International, Ltd. - Co-founder, CEO*

Thanks Lin, and thank you to everyone for joining us today on the call. We are pleased that our team delivered strong results in the first quarter of 2010, which marked an inspiring beginning for the year. In the first quarter of 2010 our net revenues grew 46% year on year and net income grew 57% year on year. Our hotel supply network continued to expand at a rapid rate with approximately 10,600 hotels by the end of the first quarter of 2010 compared to approximately 8300 hotels by the same time last year. The number of hotels with guaranteed allotment rooms further increased and accounted for more than 70% of total hotel supply. Maintaining good relations with our hotel partners has always been crucial to our success.

During the recent global economic downturn we worked hard to help our hotel partners reach out to more customers. Towards this end we have developed new online hotel review functionalities to help hotels and customers best communicate with each other. This helps hotels gain important information about our members so they can best promote their services and attract more customers. Our package tour business achieved robust growth in the first quarter due to the recovering customer confidence and the increasing household income.

We believe our strong brand and well designed leisure products helped us to achieve the growth. During the first quarter we held the first Ctrip travel [carnival]. This will be our ongoing FIT promotion. It is designed to promote the concept of free individual travel among Chinese leisure travellers. The promotion received very positive feedback. By using our user friendly online interface and sharing [personal] travel experience with Ctrip community, our members will get more familiar with the FIT concept, which will help Ctrip further penetrate China's booming leisure travel market and deliver new and appearing products to best serve our members.

Corporate travel management has been growing fast and strong since we officially launched it in 2006. It helps corporate clients effectively manage their travel requirements. Our corporate travel management business leverages our extensive network of airlines and hotels. It provides transparent pricing structure and a reporting system to help corporate clients effectively control their travel costs. We serve our corporate clients through on-site teams, adaptive call centre and online platform with timely access and support. These comprehensive offerings have enabled us to grow our corporate travel business significantly through the past few years.

For the first quarter of 2010 the revenue amounted for corporate travel management to reach a significant level in total revenues. So starting from this quarter, we have recorded in a separate line our P&L.

High service quality has always been our core competency. Through Ctrip's membership curve we can get timely service feedback from our diamond members, which effectively helps us further improve our customer service. In April we launched a wireless

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mobile website to deliver a new experience to mobile phone customers. Our efforts have been well received by our loyal customers who have contributed the majority of the revenue. With stronger brand recognition word of mouth, our loyal customers have become one of the most cost effective sales channels for Ctrip. By working effectively with the other sales and marketing channels, the number of Ctrip's cumulative active customers has increased by 39% year on year to 9.6 million by the end of the first quarter of 2010.

We have been enhancing our online system both in terms of the customer interface and back end system. Customers' response to our ongoing efforts is very positive. We see the online booking is growing steadily. Going forward we will continually improve our systems to best serve our growing online customer base and to extend our leadership in China's online travel market.

In February of this year Ctrip entered into an agreement with Wing On Travel to invest in 90% of its issued shares. By leveraging Ctrip's cutting edge technologies and Wing On Travel's expertise in the leisure travel market, we will be able to offer more comprehensive products and elevate the services to a new level for our customers. Through the alliance with Wing On Travel in Hong Kong and ezTravel in Taiwan, Ctrip can now establish an even stronger position in [Greater] China area.

During the first quarter, Ctrip made investments in China Lodging Group and BTG-Jianguo Hotels and Resorts Company Limited. Through these investments we enhanced our relationships with our hotel partners and we will be able to share the growth in their segments. Recently we signed agreements with the Chengdu City Government stating a mutual intention to collaborate in the development of the travel industry in Western China.

Chengdu is one of the top three tourist city destinations in China. It is a regional traffic hub for Western China, with many valuable leisure travel resources. By working with local government, Ctrip will be able to capture the opportunities of fast growing leisure travel market in China's Western Regions.

In early May our Nantong Call Centre opened for business. This new call centre is capable of facilitating expected increases in booking volume over the next several years, together with our existing Shanghai Call Centre. We are very proud of our call centre service quality. It is one of our key competitive advantages. Our call centre has been named China's best contact centre repeatedly in recent years. We are confident that our call centre management expertise will make the Nantong Call Centre another success. As one of the definite travel (inaudible) for the 2010 Shanghai World Expo, we have made a special agreement, arrangement, to provide our customers with a wide range of expo related products and services. We have kicked off a special mini website for expo that offers comprehensive information about the expo sites, travel and transportation tips.

We also initiated a promotion contest, the expo [grand prize], to encourage customers to share their expo experience with the Ctrip community. During expo from May to October we will continue to work diligently to deliver the best expo products and experience to our customers. Now I will turn to James for the industry outlook.

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Thanks Min. China's economy had strong growth in the first quarter. China has become one of the first economies to recover and stabilise the fundamentals to maintain sustainable growth for China's economy remain healthy, a favourable environment for the travel industry is being cultivated. Benefits from China's economic growth, Chinese consumers personal income has been increasing as well, which significantly drives leisure travel demand.

2010 is a special year for China and for Shanghai as it holds the world expo for the first time in Chinese history. It is a great opportunity for the world to get to know China and for Chinese to see the world. As one of the designated travel agencies in China, Ctrip will work hard to serve our customers coming to Shanghai for this great event. Ctrip as the leader in China's online travel market will additionally put efforts to expand our business. We will continuously innovate new travel related products and service methods and we will pursue opportunities to enrich our resources and capability. Ctrip is well positioned to capture these new opportunities and to drive our company to a new area of success and excellence.



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Now I will turn to Jane for a financial update.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thanks James. I am very pleased to report the following results for the first quarter of 2010. For the first quarter of 2010 Ctrip reported total revenues of RMB627 million or \$92 million, representing a 46% increase from the same period in 2009 and a 4% increase from the previous quarter. For the first quarter of 2010 net revenues were RMB587 million or \$86 million, representing a 46% increase from the same period in 2009 and a 4% increase from the previous quarter. Excluding net revenues attributable to ezTravel, net revenues were RMB557 million or \$82 million, representing a 39% increase from the same period in 2009 and a 2% increase from the previous quarter.

Hotel reservation revenues amounted to RMB252 million or \$37 million for the first quarter of 2010, representing a 36% increase year on year and an 8% decrease quarter on quarter. Excluding revenue attributable to ezTravel, Ctrip's hotel reservation revenues were RMB246 million or \$36 million representing a 33% increase year on year, primarily driven by the increase in hotel reservation volumes. Excluding revenues attributable to ezTravel, Ctrip's hotel reservation revenue decreased by 9% quarter on quarter, primarily due to the seasonality.

Air ticket booking revenues for the first quarter of 2010 were RMB265 million or \$39 million, representing a 44% increase year on year and a 12% increase quarter on quarter. Excluding revenues attributable to ezTravel, Ctrip's air ticketing revenue were RMB258 million or \$38 million for the first quarter of 2010, representing a 40% increase year on year primarily driven by a 31% increase in air ticketing sales volume and a 7% increase in commission per ticket year on year. Excluding revenues attributable to ezTravel, Ctrip's air ticketing revenue increased by 13% quarter on quarter, primarily driven by an increase in air ticketing sales volume.

Packaged tour revenue for the first quarter of 2010 were RMB72 million or \$11 million, representing a 90% increase year on year or 48% increase quarter on quarter. Excluding revenues attributable to ezTravel, Ctrip's packaged tour revenue were RMB59 million or \$9 million, representing a 55% increase year on year and a 44% increase quarter on quarter due to the increase of leisure travel volume. Corporate travel revenue for the first quarter of 2010 were RMB26 million or \$4 million, representing a 99% increase year on year, primarily driven by the increased corporate travel demand from business activities and lower based in the first quarter of 2009 and remained relatively consistent with the previous quarter.

Gross margin was 78% in the first quarter of 2010, remained consistent with that in the same period in 2009 and compared to 77% in the previous quarter. Product development expenses for the first quarter of 2010 increased by 59% to RMB101 million or \$15 million from the same period in 2009, and increased by 14% from the previous quarter primarily due to increased personnel and shared based compensation charges. Excluding shared based compensation charges, product development expenses accounted for 14% of net revenue, remained consistent with that in the same period in 2009 and increased from 13% from the previous quarter.

Sales and marketing expenses for the first quarter of 2010 increased by 34% to RMB94 million or \$14 million from the same period in 2009, primarily due to the increase of sales and marketing related activities year on year and decreased by 3% from the previous quarter, primarily due to the decrease of sales and marketing related activity because of seasonality. Excluding shared based compensation charges, sales and marketing expenses accounted for 15% of net revenues, decreasing from 17% in the same period in 2009 and 16% in the previous quarter.

General and administrative expenses for the first quarter of 2010 increased by 62% to RMB67 million or \$10 million from the same period in 2009 and increased by 7% from the previous quarter, primarily due to an increase of administrative personnel and shared based compensation charges. Excluding shared based compensation charges, general and administrative expenses accounted for 5% of net revenues, decreasing from 6% in the same period in 2009 and in the same previous quarter.

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Income from operations for the first quarter of 2010 was RMB196 million or \$29 million, representing an increase of 45% from the same period in 2009 and an increase of 4% from the previous quarter. Excluding shared based compensation charges, income from operations was RMB261 million representing an increase of 61% from the same period in 2009, and an increase of 9% from previous quarter.

Operating margin was 33% in the first quarter of 2010 compared to 34% in the same period in 2009 and it remained consistent with that in the previous quarter. Excluding shared based compensation charges, operating margin was 44% compared to 40% in the same period in 2009 and 42% in the previous quarter. Net income attributable to Ctrip's shareholders for the first quarter of 2010 was RMB190 million or \$28 million, representing a 57% increase from the same period in 2009 and remaining consistent with the previous quarter. Excluding shared based compensation charges, net income attributable to Ctrip's shareholders was RMB255 million or \$37 million, representing an increase of 72% from the same period in 2009 and an increase of 6% from the previous quarter.

The effective tax rate for the first quarter of 2009 was 12%, decreasing from 18% in the same period in 2009 and 20% in the previous quarter, primarily due to certain tax benefits granted by local tax bureau in the first quarter of 2010. Diluted earnings per ADS were RMB1.3 or \$0.19 for the first quarter of 2010. Excluding shared based compensation charges, diluted earnings per ADS were RMB1.74 or \$0.26 in the first quarter of 2010. As of March 31, 2010 the balance of cash, restricted cash and short term investment was RMB3.3 billion or \$419 million. For the second quarter of 2010 the Company expects to continue the revenue growth rate on a year over year basis at the rate approximately 30% to 35%. This forecast reflects Ctrip's current and preliminary view, which is subject to change.

With that, Operator, please open the line for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from the line of James Lee. Please proceed.

James Lee - CLSA Limited - Analyst

Thanks for taking my questions. Jane, do you mind just going over your guidance assumption in terms of your volume and pricing assumption for both hotel and also for the airline industry please? Thanks.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Sure, thank you. For air ticketing - for hotel business, we assume the year over year growth for Q2 will be somewhere between 30% to 35%, which is comprised of volume growth at 25% to 30% and a price [steadily] up 5% year over year. For air tickets, the revenue growth is also going to be somewhere between 30% to 35%. Volume growth is somewhere between 25% to 30% and price will be up 5% year over year. For packaged tour, we assume the revenue growth on a year over year base is going to be 30% to 40% and for corporate travel the revenue growth will be 35% to 45% year over year.

James Lee - CLSA Limited - Analyst

Got it, thank you so much and just a follow up question Jane. Can you talk about maybe your out performance in first quarter? I find the numbers very impressive. My question is, at which point did you notice the quarter was doing much better than

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expected? Was it at the Chinese New Year with things picking up or was there any event or activities that you're promoting on your sites causing a revenue uptake or is it just the market really picking up in terms of travel activities in general?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

I think both factors play very important roles in our revenue growth. First of all, I think the economy is stabilising and also it's growing very strong. That gives us a strong base for the travel industry to grow in the first quarter. Secondly, our team has been very focused to identify the opportunities in this fast growing market. We have different campaigns to stimulate the demand, and we have packaged different tools to our customers, so they have better choices and a better service level. So I think towards the end of the quarter the volumes really started to pick up and also the revenue increased accordingly, as well.

James Lee - *CLSA Limited - Analyst*

Thank you so much.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thanks, James.

Operator

Our next question comes from the line of Richard Ji, with Morgan Stanley. Please proceed.

Richard Ji - *Morgan Stanley - Analyst*

James and Jane, morning, and congrats on a very strong quarterly performance.

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thank you.

Richard Ji - *Morgan Stanley - Analyst*

Sure, I have two questions. Let me start with hotel bookings. Can you comment on your commission trend over the past quarter, especially given the air passengers, the travellers may trade up from a lower tier hotel to a high tier hotel as the economy recovers.

Also related, can you also comment on the long term trends since you are expanding more actively into the so-called tier 2 or tier 3 cities, which tended to have lower pricing for hotel bookings? Should we be concerned about a secular commission downturn in that regard?

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Also, I mean regarding Shanghai World Expo, obviously it helps to boost the travel service volume. And so far what have you seen in terms of the lift from the Shanghai World Expo? Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Okay, thanks, Richard. Your first question on the hotel commission rate, we have been maintaining steady commission rates at around 15% to make sure our sales and marketing channel remain to be a cost effective channel for our hotel partners.

The second question is ADS. I think when the economy is growing well in a normal year hotel prices on a year on year basis probably can increase slightly by 5% just to recover for inflation. But as we further penetrate into the second tier and third tier cities the average ADS will be pulling down a little bit. These two factors will offset each other. So we expect the ADS price will remain very consistent, up to 5% increase on the year over year basis.

Your third question is World Expo. I think World Expo is a wonderful event for China and it's a wonderful event for the city of Shanghai. We're very excited about it. Our team has done a lot of preparation to service our customers well. In terms of the financial impact, things were only - we only have 10 days for the Expo experience. We still are carefully monitoring the progress. We will have better visibility as the event is going on further into the month and into the quarter.

Richard Ji - *Morgan Stanley - Analyst*

Thank you, Jane. My second (inaudible) big question is related to your corporate travel service. Obviously this is the first time ever that you break down corporate travel service which has been growing at a very robust pace. Can you elaborate a little bit on the margin profile for the corporate travel service versus your other line of business? What is the current split between domestic corporate travel services, customer volume, versus, you know, the multinational customers?

Obviously we are talking about this in the context of you are also competing against some of the incumbent leaders such as American Express. We would appreciate that.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure. For the first time we break out corporate travel because of the robust growth rate has enabled this business line to reach a very significant level. So to be transparent we believe to break it out will allow investors to see this business better. In terms of the margin, most of the corporate customers give ticketed business to our corporate travel services. So the gross margin is very close to the air ticketing business.

In terms of the competition, I think we have a lot of advantages compared to the other players. I will turn to our CEO to comment on the strategic proposition we have for our customers.

Min Fan - *Ctrip.com International, Ltd. - Co-founder, CEO*

I think in China not so many quality companies are doing the corporate travel business in the market. American Express is one of these kinds of companies, and also [Carlson Wagonlit] can be one of these. In fact I think we are in the top three corporate travel management companies in China right now in terms of the competition landscape.

Our market share right now is still very small and even I think for the other two players it's also very small in terms of the whole market. So we do see the potential is very good and also we do see our corporate travel management business is growing faster than other players. So we are confident to further grow our corporate travel business in the future.

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Richard Ji - Morgan Stanley - Analyst

Sure, thanks and the current split between domestic and the multinational corporate customers, can you also help us to understand that a little better?

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

Do you mean what kind?

Richard Ji - Morgan Stanley - Analyst

Yes, for your corporate clients, yes.

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

Yes, right now most of our corporate clients are the international 500 or the Chinese 500 companies. We have hundreds of clients right now and most of the clients have very steady growth after the economic crisis. Every month and every quarter still we are acquiring new customers. So as far as we can still keep our old customers and apply more new customers I think we still see very good growth (inaudible). Also our strategies still will focus on the large and medium companies in China, both international companies and also major domestic companies.

Richard Ji - Morgan Stanley - Analyst

Thank you, Min and Jane, that's very helpful.

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

Thank you.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Thanks, Richard.

Operator

Our next question comes from the line of Kathy Chen with Goldman Sachs.

Kathy Chen - Goldman Sachs - Analyst

Hi, thanks for taking my question. I have a question on the operating margin outlook. It looks like you achieved very good leverage during this quarter with sales and marketing and G&A both reaching an all time low as a percentage of revenue. How should we think about margins going forward?

A second question is just a follow up on the second quarter guidance. Does the second quarter guidance include any contribution from Wing On, which I believe closed during the quarter? Thanks.

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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure. Your first questions on the margin, for the first quarter I think our company has been very diligent working efficiently with the very well controlled cost structure, so we achieved 44% operating margin excluding share based compensation. Going forward based on the current run rate, I think a gross margin of 40% to 42% is sustainable.

Regarding the second quarter's guidance, we are still waiting for certain Government approvals to be obtained before we can close the deal. We have no control on the Government approval. So we do not expect the deal will close until the end of the quarter and therefore the impact from Wing On will be very small or de minimis.

Our guidance does not have Wing On's number in it.

Kathy Chen - *Goldman Sachs - Analyst*

Great, thank you. Just a follow up. So if you think operating margins will be around 40% to 42% does that mean you expect there will be some increase in sales and marketing and G&A spend later in this year?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

40% to 42% is still a very high margin. In Q1 we delivered 44% because during the first quarter normally we are very careful because we are moving into a new year, we need to test the market to make sure all the sales and marketing campaigns are effective. And business activity is responding to our campaigns effectively. So certain cost is not released until the later part of the quarter.

But again our company has been always very disciplined. Unless we feel it's necessary, unless we feel it is effective, we will not spend money casually. So we will still have a very disciplined attitude towards how to use our resources.

Kathy Chen - *Goldman Sachs - Analyst*

Okay, great, thank you.

Min Fan - *Ctrip.com International, Ltd. - Co-founder, CEO*

Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thanks.

Operator

Our next question comes from the line of Catherine Leung, with Citigroup. Please proceed.



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Catherine Leung - Citigroup - Analyst

Hi, morning, congratulations on the strong result. My question is on your customer service. I think Ctrip has always differentiated itself with your superior customer service. Regarding your leisure package travel business, I assume that the customer decision-making process could be more complicated than a business traveller simply buying a hotel - booking a hotel room or an air ticket.

Can you please share with us how different the dynamics are and how you've trained your sales force to accommodate this? Thank you.

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

Yes, you are right, for the leisure products the consumer patterning is quite different from the business activities, business consumers. For Ctrip we are, I should say we are working very hard and also we are working very effectively on this field. You can see our growth rate is very healthy. For those leisure travel products I think mainly there would be two key points you need to focus on.

Firstly is the product providing and for Ctrip our product providing right now is more comprehensive and also combines not only the random, not only the FIT options, but also we combine our quality group tour products and also we provide more departure cities within Mainland China. In that way we can provide more coverage and also more product coverage.

Secondly it depends on how you promote your products. If you notice that we, from last quarter and to this Q1, we do have quite some promotional activities jointly with either banks, major banks or major companies. Also we have what we call transparent tour group vendors for customers to make sure every customer that we know what exactly they would enjoy during their leisure products' itinerary.

So in that way I think if you can provide a better product offering and together with your quality promotion and as you know, we have very good call centres and a very user friendly website. In that way we can promote our leisure products much better than before.

I think in this Q1 we enjoy a high growth rate. It's what we have done successfully so far.

Catherine Leung - Citigroup - Analyst

I see, thank you.

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

Thank you.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Thanks.

Operator

Our next question comes from the line of Ming Zhao with SIG. Please proceed.

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Ming Zhao - SIG - Analyst

Thank you very much for taking my questions. Good morning. Just some number questions, Jane, if you could. If I look at the long term investment on your balance sheet as they increase quarter over quarter, my question is does that include the investment in Hanting only or does it increase also the investment in the Jianguo Hotel?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Both of them are in the long term investment, you are correct.

Ming Zhao - SIG - Analyst

Okay, so if I deduct the amount that you invest in Hanting, it seems like the investment in Jianguo is very, very small. Is that correct?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Yes, Jianguo we have already entered into the agreement with the management team. However, the investment is subject to certain Government approvals, so the money has not been invested yet. Also the total amount is very small compared to the other investment.

Ming Zhao - SIG - Analyst

Okay, so cash is not deducted yet, right?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Not yet, you are correct.

Ming Zhao - SIG - Analyst

Okay, so the cash balance at the end of the quarter, the investment in the Hanting Hotel has already been deducted, yes?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

No, the Hanting investment - part of the investment was made in early April. So if you look at the other accruals in the tables, there is some increase. So part of the cash was [write] out in April.

Ming Zhao - SIG - Analyst

Okay, so very good. So basically the cash balance has the proceeds from the secondary offering but have not been deducted for those two investments?

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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Correct, correct.

Ming Zhao - *SIG - Analyst*

Okay. Could you quickly give us, maybe the operating cashflow for the quarter?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure. The operating cashflow is RMB260 million and the investment is about RMB120 million during the quarter and the rest from financing is about RMB1.5 billion cash income from the offering.

Ming Zhao - *SIG - Analyst*

Okay, and lastly would you be able to provide us the corporate travel revenue for the second and third quarters so that we know, you know, how this line looks for the whole --

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

For the full whole year? Yes sure. I think we expect the corporate travel growth for the second quarter and for the year to be somewhere between 35% to 45% growth. The first quarter growth is very high for a couple of reasons. The first one is because compared to one year ago we had a very low base. Last year, if you remember, Q1 was the lowest point for corporate travel businesses. So the basis was very low.

Secondly also the pickup for Q1 normally is very strong, so that is why you have seen almost 100% year-over-year growth for the Q1 number. But going forward we expect 35% to 45% growth for the next quarter.

Ming Zhao - *SIG - Analyst*

Okay, sorry, I want to understand, my question was actually if you could provide us the revenue for the corporate travel in the second and third quarter last year?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Oh, second and first quarter last year, I can get back to you later on. It's probably somewhere between 2% to 3% of our total revenue of last year.

Ming Zhao - *SIG - Analyst*

Thank you very much, that's very helpful.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure, thanks.

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Min Fan - *Ctrip.com International, Ltd. - Co-founder, CEO*

Thank you.

Operator

Our next question comes from the line of Eddie Leung with Bank of America. Please proceed.

Eddie Leung - *BofA Merrill Lynch - Analyst*

Good morning everyone. A question on the air ticketing side. You mentioned that there was a 7% increase in the air ticket commissions in the first quarter. Could you comment on how much of that is coming from changes in commission rates and how much of that is coming from changes in industry ticket prices?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure. Eddie, I think the increase on commission per ticket is mainly driven by the price increase. For the commission rates it has been very steady within 4% to 5% within that range.

Eddie Leung - *BofA Merrill Lynch - Analyst*

Understood. Then also two housekeeping questions. The first one is given the lower tax rate in the first quarter; could you also give us an idea of how we should look at the full year tax rate?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Okay, sure. For the full year we expect the tax rate before stock compensation to be somewhere between 15% to 17%. Including stock compensation the number you should probably add around 6% to the tax rate.

Eddie Leung - *BofA Merrill Lynch - Analyst*

Got that. Then finally, could you also comment on the increase in stock compensation in the first quarter? How much of that is coming from higher share prices and have you guys issued any new stock options in the first quarter?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Yes. Eddie, I think the main reason for stock compensation to go up is because of the stock price. If you look at the [Black-Scholes] model there are two elements that drive the stock compensation. The first element is the number of the shares we grant. The second element is the value of each stock option.

Now for the first element, which is the volume of the stock options, our plan only allows us to grant 1 million ordinary shares every year. So the number is very tightly controlled. We only give stock options to our key employees to make sure the stock option is distributed to motivate our key employees.

For the second item is the valuation of the stock option and if you compare our stock price in Q1 versus Q1 last year it increased more than 100%. That's the main reason for the stock options to - stock option compensation to go up. Now, going forward I think the reasonable assumption is for stock comp to be in the range of 9% to 10% of the total revenue.

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Eddie Leung - BofA Merrill Lynch - Analyst

Understood. My final question is about your leisure travel, your package tour travel (inaudible). Could you comment on the growth margin trend you have seen in the past year and how should we look at this going forward given you will be consolidating Wing On?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

For leisure travel the gross margin should be a combination of hotel plus air. So hotel gross margin is the highest which is between 85% to 90%. Air ticket gross margin is lower which is 65% to 70%. Leisure travel once it reaches a scalable level it should be in the range of 70% to 75%.

Now starting Q3 probably we will pick up Wing On's number. For Wing On it's a profitable business with healthy cashflow. However, their scale is much smaller than Ctrip's scale, so the margin will be a little slower. At the end of Q2 we probably will give a more concrete guidance on the margin. But in terms of absolute dollar amount, it will be a positive addition to our top line as well as to our net income. In terms of percentage though, their percentage of the gross margin and operating margin might be a little bit lower than Ctrip's.

Eddie Leung - BofA Merrill Lynch - Analyst

Thank you very much, very helpful.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Thanks, Eddie, sure. Thanks.

Operator

Our next question comes from the line of Yu Jin with CICC. Please proceed.

Yu Jin - CICC - Analyst

(Inaudible) and congratulations on another strong quarter. My first question is related to your wireless website on Ctrip, wireless website. [Is it possible] that that website increased [margin sometimes], I mean for, I don't know, other news about the metrics, if you could talk about that maybe and your visitors?

So can you elaborate a little bit on that, like how many are your visitors and like [PBs] per day now for the wireless website? And among all the visitors how many do actually book the product, book their products through the website, or they just deal with the website for information purposes? And another question I have a follow on question, thank you.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

I'm sorry, the line was not very clear. So your question is on the wireless website, right?

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Yu Jin - CICC - Analyst

Yes. Yes exactly. I wanted to learn like (technical difficulty) for your wireless website. And among the visitors, how many do actually book the product through the website or they just go to the website for information purposes?

Min Fan - Ctrip.com International, Ltd. - Co-founder, CEO

The wireless we just launched our Ctrip (inaudible), we call the m.ctrip.com, and right now we provide the web version of the online booking and also we are working on the iPhone version as well as their Android version and also we are working with other telecom companies and also with the major mobile phone manufacturers to see whether we can form a more close co-operation with them.

Last quarter we already worked with Nokia on a new mobile phone set and we put our Ctrip icon into their value-added service. Because right now the 3G in China is just beginning and the total transaction from wireless mobile sites, right now still is very small. We do see the growth rate is very healthy and very strong, but things are basically very small.

We anticipate we can cultivate this part of business within this year and we will try our best to provide and also to provide more information and product offering in our mobile website. Right now only hotel bookings and air tickets are provided in our mobile phone website. Later on we will add more product lines on it.

Also I think still in this market you need more education and you still need to improve your interface and we will see the whole trend is there, but still we need to work very hard on this.

Yu Jin - CICC - Analyst

Thank you; it is helpful. I just read the news that the travel increase (inaudible) so I am a little bit curious about the, like real figure, like numbers of customers or page views. I will follow the question later.

And this question is on the [model] side. So would you like to elaborate a bit on the first quarter performance of the hotel business, so the volume [and ARC] - I didn't catch that part from the release. And another question is on the current revenue mix in terms of online booking, call centre booking, and [outline outside] booking. And that's all my questions. Thank you.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Sure. For hotel business, for the first quarter, the growth rate is about more than 30%, and it's mainly driven by the volume growth. On the commission per room basis it has been holding very steady on a year over year basis.

The second question is?

Yu Jin - CICC - Analyst

Is about revenue mix in terms of online booking and tender booking, and outside [on site] booking.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Sure. Online booking still is growing at a healthy level, so it's a little bit above one-third of our total business, and two-thirds is offline.

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Yu Jin - CICC - Analyst

Okay, thank you. And just [one last] question - your package for business, for the first quarter you recall like over 90% year on year growth, but your guidance for the second quarter is about like 30% to 35% year on year growth. So, this become [real prudent to stick with guidance of there is] something that's different in the [first] quarter?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

There are two reasons. First of all, the guidance has been prudent and conservative. Secondly, if you remember, starting Q2 last year, we started to consolidate ezTravel's numbers in our business. However, starting from Q2 of this quarter we will be comparing apples to apples with no extra pick up, so that's another reason contributing to our guidance.

Operator

As a reminder, if you wish to ask a question, please press star one. Our next question comes from the line of Mike Olson with Piper Jaffray.

Mike Olson - Piper Jaffray - Analyst

Thanks. Good morning. A couple quick questions. It sounds as though Shanghai Expo started a bit slowly as far as initial numbers of visitors. Have you been expecting much impact from that in Q2 or is it primarily in Q3 that you expect to see an impact because more leisure travellers will be taking vacations in Q3 and going to the expo during that time?

So I guess, in other words, the question is, what quarter do you expect to see the largest impact from Shanghai Expo - Q2 or Q3?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Q2 - I think the number has been very healthy. I think rather than to have half a million people coming to Shanghai, probably it's better to have a very steady increase and the park can host more people in an orderly fashion. So we are positive on that.

Regarding whether it's going to be the peak, that's very hard to predict, because this is the first time Shanghai is hosting such a big event. So we are carefully monitoring it, but in the summer, I think, when the kids are off school, probably most of the family will bring their children to visit Shanghai Expo because that will give the kids a good opportunity to see the world.

So that's the best visibility we have so far, but again, this is the first time the city is hosting such a big event. We are excited about it, and we are carefully monitoring the progress and support the event with all our efforts.

Mike Olson - Piper Jaffray - Analyst

Okay, and then you talked about what pricing will look like year over year in Q2 up 5%, but what do you expect air and hotel pricing will look like sequentially from Q1 to Q2? Is it going to be flat sequentially?



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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Normally we compare on a year over year basis. At least it's stabilising. No more, you know, decreasing like last year. I think at last the economy is doing well. Travel volume will be healthy, and if travel volume is holding at a solid level pricing should be very healthy as well.

Mike Olson - *Piper Jaffray - Analyst*

One housekeeping question - share count's been up I think 2 million per quarter over the last couple of quarters. What should we expect for share count in the next couple of quarters?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

So, as we discussed before, our plan only allows us to issue 1 million ordinary shares on the annual basis. The majority of the [focal] grant is normally done in Q1, and then as the year goes on, for new hires we'll grant a little bit more. So you probably have already seen the majority of the addition for the year.

Mike Olson - *Piper Jaffray - Analyst*

Okay. Thanks very much.

Operator

Our next question comes from the line of Chris Zee with BNP.

Chris Zee - *BNP - Analyst*

Morning guys. Congratulations on your very strong set of results.

Unidentified

Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thanks.

Chris Zee - *BNP - Analyst*

I have a couple of questions. For your second Q guidance you have mentioned that on the price side for both hotel and air ticketing, of approximately 5% year on year.

My question is do you reckon this is because of the Shanghai Expo impact? So in other words, do you think this is sustainable or this is going to be one-off? After the Expo do you expect the prices to be normalising once again?



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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Yes, the price is something, you know, Ctrip does not have control, however, if in the normalised year Chris, if you look at the year 2007, 2006 and 2005, where the economy is very stabilised, every year the inflation rate is about 5% and the hotels will increase 5% just to recover from the inflation. So that's in a healthy environment.

However, in 2008 and 2009, when the whole world was impacted by a worldwide financial crisis, the hotels and airlines were adjusted to the price, in order to accommodate the volume change. So we monitor them, but assuming the economy is stabilising and the industry is growing well, GDP growth is holding at a very strong level, I think a 5% increase probably is a sustainable level.

Chris Zee - *BNP - Analyst*

Okay, fair enough. My second question is, in the opening remarks from Min and James, I just wanted to confirm the Nantong call centre is already open right now?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Yes. Nantong call centre already opened, and right now we have around 2,000 staff working in that call centre, and so far all the operation is very healthy and we do hope that call centre will be another success to service our new incremental service need.

Chris Zee - *BNP - Analyst*

Okay, as a follow up to that - so the Nantong call centre now houses about 2,000 staff. How many of these 2,000 are newly created jobs, or are they all transferred from the old facility?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Most of them are new recruitment. Yes.

Chris Zee - *BNP - Analyst*

Okay, so in this case, another follow up is, should we expect the staff expense to creep up significantly in second Q?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

No, I think Chris what we do is a very methodic method. We do our headcount increase in line with revenue growth. So, normally the headcount will not outpace our revenue growth, and the 2,000 employees we hire was done gradually as well, because when we know the call centre will be opened up in Q2 of this year, we already started our recruiting efforts. So starting from last year we recruit our new employees, and have them work in a leased facility in Nantong already. So it's a normal hiring process. We do not increase our headcount suddenly just because we have a new call centre. It's going to be planned and executed according to the revenue growth.

Chris Zee - *BNP - Analyst*

Okay, so at full capacity, how many staff can Nantong host?

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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

About 12,000.

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Yes, 10,000 to 12,000, the whole building can accommodate.

Chris Zee - *BNP - Analyst*

Okay.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Yes, so there is some leverage in the building. I think right now the call centre gives us extra space to host our headcount increase in the years to come.

Chris Zee - *BNP - Analyst*

Okay, so I assume the current opening is only part of the first phase right? There is going to be more gradual roll outs going forward?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Yes, that's true.

Chris Zee - *BNP - Analyst*

Okay. My last question if I may is regarding the Wing On Travel. So are we still on schedule to finalise and complete the deal by second quarter? Is that still on track?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Yes, it will be towards the end of the quarter, so no PNL impact, or the minimum impact from the deal. We still need to make sure all the closing conditions are met and government approval has obtained. So, we, everything is on schedule, but we still need to clear all the items before we close the deal.

Chris Zee - *BNP - Analyst*

Okay. Good. Congratulations once again on a very strong set of results.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thanks Chris.

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James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Thank you.

Operator

Our next question comes from the line of Paul Keung with Oppenheimer.

Paul Keung - *Oppenheimer & Co. - Analyst*

Hi Jane, hi James. I'll try to ask a question that wasn't asked, because I was jumping between lines here, so hopefully no one asked it.

The first is, you [issue] a three times money back guarantee if any of your members could find less expensive hotels or listings elsewhere, and then it also, like a month later, two months later, there was sort of a dispute with about 40 plus hotels where you were hoping to - you would suggest you would discontinue working with them if they didn't provide you with the lowest rates. I'm just curious, you know, how has this money back guarantee evolved so far? Have you paid anything out? What you've learned from the experience, and what's the end result of this dispute to 40 plus hotels?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Yes, when we work with hotels, with our membership hotels, normally the hotel will, the hotel has three categories of room rate, one is the, what we call the retail rate, one is, normally the hotel has a corporate rate, and also the hotel has a group rate. And normally the retail rate or the working rate is the highest one, and corporate would be in the middle, and the Group rate would be the lowest one, and when work with all the hotels and since Ctrip is the largest [OTA] in the market, so most hotels will offer the lowest working rate to Ctrip customers.

And in this Q1 we launched our campaign that we would guarantee our customers that Ctrip will provide the lowest online room rate for customers, and if the customer found a lower price, Ctrip will give compensation to our customers. And this is mainly because we worked with all the hotels and also we signed contract with the hotels and the hotels will commit to give Ctrip the lowest rate.

And nevertheless, maybe a few hotels, when they work with travel entities they will have their, for example they will have the Group rate, and if the travel agency use the Group rate to provide to the FIT customers, in fact this is not the right practice in the industry. When we found this kind of practice we were, normally we will negotiate with the hotels, either to stop this kind of practice or we will stop the cooperation with the hotel.

So I think what we were doing is we, we are doing in the normal practice, and also we try out best to protect our customers' interests. So in this way, I think for the lower guarantee rate, we do see most hotels are happy to work with Ctrip, and also we don't feel pressure from hotel side to keep these kind of guaranteed lowest working rate.

So I think this is also the common practice, even in the United States, for Expedia and for Travelocity also have their lowest guarantee published rate in their website. So think this is, we can say this is a kind of new normal industry practice in the hotel bookings field.

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Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

And also too, adding to those comments, I think the financial impact of the compensation as a result of this campaign is very small, very insignificant, as we expected.

Paul Keung - *Oppenheimer & Co. - Analyst*

Interesting. Then my next question is, you (inaudible) a private, exclusive luxury sale, I think, you know, very high end, I think it's interesting because you're seeing that occurring in e-commerce and not just in travel, in certain services in the US and Europe, I was wondering how successful do you think that was, your first test, and do you plan on doing more and possibly doing some at maybe even at the membership level, at the mass market level - these private sales?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

So Paul, you are referring to the worldwide tour right?

Paul Keung - *Oppenheimer & Co. - Analyst*

Yes, worldwide tour. I think it was probably the first time you've done sort of a special private sale for members, and would you consider doing something like that on a more mass market basis, not on just the luxury end?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

The worldwide tour is a very high end product we designed to cater for the very high end consumer need, and we promote this tour group together with Wing On Travel and ezTravel, and we offered a group tour to take, for six days, and the price is very high - half a million IMB per person. But, the 20 seats were sold very quickly, right after put the product online, and still right now we have some clients waiting to be on the waiting list to wait for another group.

And I think this activity shows the very good synergy to work with our partners, and Ctrip will, is capable to offer these kind of sophisticated products for our high end members, and market is mature enough right now. Gut this kind of high end product is just a small program for whole business. Our core will be, still remain the same, where we will aim the majority white collar people, and business and middle to high end leisure travel customers.

Paul Keung - *Oppenheimer & Co. - Analyst*

Okay, so leisure package will still be the traditional way; the exclusive sales are mainly on the high end.

The last question I have, on the call you talked about encouraging online - about some initiatives to encourage online members to contribute content, and I think in many ways these forms tend to generate, you know, one way to sort of maintain your traffic leader or go traffic. Just curious, how has your traffic grown because of this effort to sort of generate more user generated content? And do you feel like you've been successful, or do you think you would actually consider launching other sites that might be more on the user generated side?

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Recently we are, in fact late last year we already reform our part of our structure for Ctrip's community, and recently we're also working on a more user generated content interface for our customers. And this part I think for, as you know right now, the web 2.0 and also more and more user generated content will come among the internet surfers, we're working very hard, try to

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be more user friendly in terms of the community functionalities. So this part of page view and unique visitors we do see the steady growth, and also in the near future we will launch our brand new Ctrip community channel, so probably we can discuss this in the next quarter.

Paul Keung - *Oppenheimer & Co. - Analyst*

Okay. Thank you.

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Thank you.

Operator

Our next question comes from the line of Chenyi Lu with Cowen and Company.

Chenyi Lu - *Cowen and Company - Analyst*

Okay, thank you. I have just two quick questions I'd like to ask. First, regarding your gross margin question - this quarter gross margin is about 78.1% which is up, you know, pretty much by your last three quarters. You pretty much - is running about, from 77.2% to 77.3%, so can you discuss about you know what was the upside to bring you to probably 80 basis point upside of gross margin?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure, I think a couple of things. First of all we, every year we put a lot of effort in our technology to make sure our back end supporting system is efficient and effective. So we were continuously doing that.

Secondly, on the main power side, we also continuously re-engineering our working flow to make sure we save all the steps, that no steps not necessary, and make sure all the operations are being conducted on a seamless level. So that contributes to our gross margin improvement.

And thirdly I think it's the scalability. I think if our revenue is growing strong, the gross margin will be positively influenced.

Chenyi Lu - *Cowen and Company - Analyst*

Okay, great, so based on that, so can you give me the view on your gross margin going forward?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure, I think in the near term our gross margin somewhere between 76% to 78% is sustainable. I mean, in the long-term our gross margin from 70% to 75% is sustainable as well.

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Chenyi Lu - Cowen and Company - Analyst

Okay. Thank you. Just one more question regarding your corporate travel gross margin, I think I just mentioned that that gross margin is very close to airline gross margin - am I correct?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Correct, because most of the business for corporate travel are the air ticketing business.

Chenyi Lu - Cowen and Company - Analyst

Yes, but when I saw the reclassification of March quarter 09 and the December quarter 09, actually hotel, airline and also other also contribute to this corporate business.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Correct. The majority - approximately 80% of their business are air ticketing related business, and then if the customer also want us to book hotels we are happy to help them out as well. And also if some customers need rental cars or chauffeur, so that's for the car, we will help them with that too. So the rest of the 20% are from the other lines of business. But by far, you know, the majority of the business are air ticketing business.

Chenyi Lu - Cowen and Company - Analyst

Okay, so that, can we make our assumption that then it will be around 65% to 70% gross margin for that?

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Yes.

Chenyi Lu - Cowen and Company - Analyst

Okay. Great. That's all my questions. Thank you.

Jane Jie Sun - Ctrip.com International, Ltd. - CFO

Thanks.

Operator

We do have a follow up question coming from the line of James Lee with ELSA.

James Lee - CLSA Limited - Analyst

That's CLSA. Thanks for taking my follow up question. Hey Jane, just want to follow up your comment on first quarter on the hotel pricing being flattish, is it because we are not seeing any leverage from the hotel industry in general, or is it because the

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dynamic of the pricing where maybe you're seeing some leverage from the hotel, some of the hotels, but at the same time you're seeing a larger mix coming from economy chains is pushing the hotel pricing flat?

I was just wondering if there's any trading up from your customer perspective during the quarter going from maybe a low end hotel to a high end hotel because of the better economy. Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

The hotel price on a like for like basis is probably increasing in the first tier city, by about maybe five percentage, but as we further penetrate into the second tier cities and third tier cities, we, the average price will be averaged down a little bit. So that's the reason why we saw the hotel price is holding very steady on a year over year basis.

James Lee - *CLSA Limited - Analyst*

Got it. If I may ask a follow up here Jane, quickly, can you give us an update in terms of your volume coming from the whole economy chains, and also can you give us an update on your cooperation hunting, because I remember you had done very successful cooperation with Home Inns, where you did some back end system integration allow you to get inventory on real time basis. I was wondering can you give us an update on that? Thanks.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Sure. For Home Inns I think we already have a couple of hundred hotels already with the system integration which will enable both teams to eliminate manual process and improve efficiency for both teams, so we are very happy to see that.

The investment in hunting was just closed during the quarter; however, the two teams have been working very hard to make sure we are working on the system integration as well, so very soon I think the system will be integrated as well.

James Lee - *CLSA Limited - Analyst*

And the percentage of contribution coming from economy chains against volume?

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Yes, percentage for all the hotels are very even. I think if you look at our contribution from the hotel pool, we have contribution from five star, four star, three star hotels, economy chain hotels, and two standards below, at a very evenly distributed level, and we still see each business pool are growing at a very healthy level as well.

James Lee - *CLSA Limited - Analyst*

Great. Thank you.

Operator

I would now like to turn the conference back over to Ctrip for closing remarks.

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Unidentified

Thank you for participating in this conference, and see you next quarter.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thank you very much for your time.

James Jianzhang Liang - *Ctrip.com International, Ltd. - Co-founder, Chairman*

Thank you.

Jane Jie Sun - *Ctrip.com International, Ltd. - CFO*

Thank you.

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