

news release

Mandarin Oriental International Limited

Jardine House, 33-35 Reid Street
Hamilton HM EX, Bermuda



To: Business Editor

For immediate release

MANDARIN ORIENTAL COMPLETES THE SALE OF HALF OF ITS EQUITY INVESTMENT IN MANDARIN ORIENTAL, NEW YORK

1st March 2007 – Mandarin Oriental International Limited announced today that its wholly owned entity, Mandarin Oriental New York Inc., has completed the previously announced sale of half of its 50% investment in Mandarin Oriental, New York. The Group continues to hold a 25% interest in the hotel and has secured improved terms for its long-term management contract.

The Group will recognize a post tax gain of approximately US\$16 million in 2007. As part of the transaction, the Group also received repayment of its outstanding mezzanine loan to the hotel of US\$40 million.

At the same time, the Group's 50% partner in the hotel, Apollo Real Estate and Related Companies, has completed the sale of the majority of its equity to the same buyer. The buyer of the 73% interest in the hotel is Istithmar Columbus Centre Holding Company LLC, which is owned by Istithmar Hotels, a wholly owned subsidiary of Istithmar PJSC, which is 100% owned by Dubai World which in turn is wholly owned by the Government of Dubai.

Mandarin Oriental Hotel Group is the award-winning owner and operator of some of the world's most prestigious hotels and resorts, currently operating 20 luxury hotels with a further 14 under development in Riviera Maya, Mexico and Hainan Island, China (2007), Barcelona and Boston (2008), Dallas, Chicago, Las Vegas, Macau, Marrakech, Turks and Caicos and Grand Cayman (2009) and Guangzhou, Taipei and Paris (2010). In total, Mandarin Oriental now operates, or has under development, more than 9,000 rooms in 20 countries with 15 hotels in Asia, 12 in The Americas and seven in Europe and North Africa. Mandarin Oriental International Limited is a publicly listed company and a member of the Jardine Matheson Group.

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Photography of Mandarin Oriental is available to download, in high and low resolution, in the *Photo Library* of our *Media* section, at 'www.mandarinoriental.com'.

This and other Group announcements can be accessed through the Internet at 'www.mandarinoriental.com'.