

news release

Mandarin Oriental International Limited

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To: Business Editor

For immediate release

MANDARIN ORIENTAL JOINT VENTURE TO ACQUIRE HOTEL RITZ, MADRID

22nd May 2015 – Mandarin Oriental International Limited (‘Mandarin Oriental’) announced today that it is to acquire the Hotel Ritz, Madrid (the ‘Hotel’) for €130 million (US\$148 million) in a joint venture with The Olayan Group (‘Olayan’), a Saudi Arabian multinational group.

Mandarin Oriental and Olayan will each hold a 50% interest in the joint venture, which is purchasing all of the shares in the owning company, Hotel Ritz Madrid, S.A., from its existing shareholders, Belmond Spanish Holdings S.L.U. and Landis Inversiones, S.L..

The Hotel will undergo a comprehensive renovation in 2017, currently estimated to cost some €90 million (US\$103 million). Mandarin Oriental’s total investment for its share in the project, including the acquisition, renovation and transaction expenses, is estimated at €11 million (US\$126 million), with the Group’s share of the purchase price to be paid from cash reserves, and the renovation to be funded through an appropriate mixture of equity and debt. Mandarin Oriental will manage the Hotel under a long-term management agreement.

The renovation will encompass all rooms and public areas, with the Hotel also benefiting from the addition of a spa and a variety of new restaurants and bars, all designed to enhance the property’s position.

The 167-room Hotel, which first opened in 1910, is located within an exclusive residential area close to Madrid’s financial and commercial district and a number of the city’s most famous cultural attractions, including the Prado Museum and Retiro Park.

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“We are pleased to join with Olayan for this project, which presents an exciting opportunity to extend our portfolio to another key European capital city,” said Edouard Ettedgui, Group Chief Executive of Mandarin Oriental. “This beautiful hotel will complement our award-winning property in Barcelona, and both should benefit from the overall economic recovery in the country,” he added.

For the year ended 31st December 2014, Hotel Ritz Madrid, S.A. reported gross assets of €129 million (US\$146 million) and an EBITDA of €2.6 million (US\$3 million). The Hotel is anticipated to have a positive impact on future Group earnings.

Mandarin Oriental Hotel Group is the award-winning owner and operator of some of the most luxurious hotels, resorts and residences. Having grown from a well-respected Asian hotel company into a global brand, the Group now operates, or has under development, 44 hotels representing almost 11,000 rooms in 24 countries, with 20 hotels in Asia, nine in The Americas and 15 in Europe, Middle East and North Africa. In addition, the Group operates or has under development, 15 *Residences at Mandarin Oriental* connected to its properties. Mandarin Oriental is a member of the Jardine Matheson group.

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This and other Group announcements can be accessed through the internet at ‘www.mandarinoriental.com’.