news release

Mandarin Oriental International Limited

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MANDARIN ORIENTAL
THE HOTEL GROUP

To: Business Editor

7th March 2013
For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Services Authority in the United Kingdom.

MANDARIN ORIENTAL INTERNATIONAL LIMITED
2012 PRELIMINARY ANNOUNCEMENT OF RESULTS

Highlights

- Underlying profit up 20%
- Four new hotel management contracts announced
- Acquisition of the freehold interest in Mandarin Oriental, Paris
- Mandarin Oriental, Guangzhou opens

"While global economic conditions remain uncertain, the Group's results should benefit from the strength of its portfolio, the acquisition of the Paris property and the limited new supply of luxury hotels in the Group's key markets."

Simon Keswick, *Chairman*
7th March 2013

Results

	Year ended 31st December		
	2012	2011	Change
	US$m	US$m	%
Combined total revenue of hotels under management[1]	**1,283.3**	1,196.4	+7
Underlying EBITDA (Earnings before interest, tax, depreciation and amortization)[2]	**174.6**	163.0	+7
Underlying profit attributable to shareholders[3]	**70.8**	59.0	+20
Profit attributable to shareholders	**72.3**	67.5	+7
	US¢	US¢	%
Underlying earnings per share[3]	**7.09**	5.92	+20
Earnings per share	**7.24**	6.78	+7
Dividends per share	**7.00**	6.00	+17
	US$	US$	%
Net asset value per share	**0.95**	0.91	+4
Adjusted net asset value per share[4]	**2.88**	2.70	+7
Net debt/shareholders' funds	**14%**	12%	
Net debt/adjusted shareholders' funds[4]	**5%**	4%	

(1) Combined revenue includes turnover of the Group's subsidiary hotels in addition to 100% of revenue from associate and managed hotels.
(2) EBITDA of subsidiaries plus the Group's share of EBITDA of associates.
(3) Underlying profit attributable to shareholders and underlying earnings per share exclude non-trading items such as gains on disposals, provisions against asset impairment and writeback thereof.
(4) The adjusted net asset value per share and net debt/adjusted shareholders' funds have been adjusted to include the market value of the Group's freehold and leasehold interests which are carried in the consolidated balance sheet at amortized cost.

The final dividend of US¢5.00 per share will be payable on 22nd May 2013, subject to approval at the Annual General Meeting to be held on 15th May 2013, to shareholders on the register of members at the close of business on 22nd March 2013. The ex-dividend date will be on 20th March 2013, and the share registers will be closed from 25th to 29th March 2013, inclusive.

- more -

MANDARIN ORIENTAL INTERNATIONAL LIMITED

PRELIMINARY ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31ST DECEMBER 2012

OVERVIEW

Resilient demand from the leisure sector enabled most of the Group's hotels to increase average rates during the year despite the impact on corporate business from the continued uncertainty in the global economy. Overall, the Group's hotels performed well and underlying profitability was higher than in the prior year.

PERFORMANCE

Underlying earnings before interest, tax, depreciation and amortization for 2012 were US$175 million, compared to US$163 million in 2011. Underlying profit was up 20% at US$71 million, and underlying earnings per share were also 20% higher at US¢7.09.

Profit attributable to shareholders was US$72 million in 2012, compared to US$67 million in the prior year. The 2012 result includes a non-trading writeback of a US$2 million provision against an asset impairment, while 2011 benefited from US$8 million of net non-trading profit.

After taking into account an independent valuation of the Group's hotel properties, the net asset value per share was US$2.88 at 31st December 2012, compared with US$2.70 per share at the end of 2011.

The Directors recommend a final dividend of US¢5.00 per share. This, together with the interim dividend of US¢2.00 per share, will make a total annual dividend of US¢7.00 per share, an increase of US¢1.00 per share from 2011.

GROUP REVIEW

In Hong Kong, the Group's two wholly-owned hotels performed well, exceeding the record results achieved in the prior year. In Tokyo and Bangkok, a sustained recovery from the effects of natural disasters in 2011 resulted in increased occupancy at both hotels. Robust demand in Singapore also led to an improved performance.

In Europe, revenue per available room increased in every location except Geneva, where the hotel's performance was affected by a phased room renovation and a strong Swiss franc. Mandarin Oriental Hyde Park, London benefited from a number of one-off events, most notably the 2012 Olympics. Mandarin Oriental, Paris recorded increased occupancy while maintaining a high average rate.

In The Americas, individual hotel performances varied amidst a climate of political and economic uncertainty.

DEVELOPMENT

In February 2013, the Group acquired the freehold rights of the building housing Mandarin Oriental, Paris and two prime retail units for €290 million (US$389 million). The Group previously leased the hotel under a long-term contract.

Mandarin Oriental, Guangzhou, which is located in the city's central business district, opened in January 2013 and features 263 rooms and 24 serviced apartments. Mandarin Oriental, Pudong Shanghai is scheduled to open in the second quarter of 2013, followed by Mandarin Oriental, Taipei later in the year.

During 2012, management contracts for new hotels under development in Bodrum in Turkey, Marrakech in Morocco, and Chengdu in China were announced. In addition, the Group assumed management of an existing 127-room luxury hotel in the United States, which has been rebranded Mandarin Oriental, Atlanta.

Mandarin Oriental now operates 28 hotels, compared with 26 at the start of 2012, and has a further 16 hotels under development. Together these represent over 11,000 rooms in 27 countries. In addition, the Group operates six *Residences at Mandarin Oriental* connected to its properties, with a further eight under development.

PEOPLE

On behalf of the Directors, I would like to express my appreciation to the growing number of employees throughout the Group for continuing to deliver the exceptional service for which the brand is renowned.

Robert Léon retired as a Director on 31st December 2012 and we would like to thank him for his contribution. Lord Sassoon joined the Board on 23rd January 2013.

I will be stepping down as Chairman of the Company after the Annual General Meeting on 15th May 2013. I will remain as a non-executive Director. I am pleased to advise that Ben Keswick will be succeeding me as Chairman.

OUTLOOK

While global economic conditions remain uncertain, the Group's results should benefit from the strength of its portfolio, the acquisition of the Paris property and the limited new supply of luxury hotels in the Group's key markets.

Simon Keswick
Chairman
7th March 2013

GROUP CHIEF EXECUTIVE'S REVIEW

BUSINESS MODEL AND STRATEGY

Mandarin Oriental Hotel Group is an award-winning international hotel investment and management group with deluxe and first class hotels, resorts and residences in sought-after destinations around the world. The Group now operates, or has under development, 44 hotels representing over 11,000 rooms in 27 countries, with 19 hotels in Asia, 12 in The Americas and 13 in Europe, Middle East and North Africa. In addition, the Group operates, or has under development, 14 *Residences at Mandarin Oriental* connected to its properties. The Group has equity interests in a number of its properties and adjusted net assets of approximately US$2.9 billion as at 31st December 2012. Capitalizing on the strength of its brand, the Group also operates hotels on behalf of third party owners that require no equity investment by the Group.

The Group's strategy is to be recognized widely as the best global luxury hotel group, which it will achieve by investing in its exceptional facilities and its people while continuing to seek further selective opportunities for expansion around the world. This strategy combined with a strong balance sheet is designed to achieve long-term growth in both earnings and net asset value.

PROGRESS ACHIEVED

The Group benefited from continued recognition of the Mandarin Oriental brand internationally, which allowed the hotels to raise rates in almost every destination, despite reduced corporate demand in some markets. Overall, the Group experienced improved demand from the leisure sector, and from its successful development of new markets.

Overall performances were stronger in Asia, particularly in Hong Kong and Jakarta, as well as in Bangkok and Tokyo where our hotels have recovered from the effects of the natural disasters of 2011. In Europe, the Group benefited from the increasing number of high net worth travellers who are attracted to our luxury brand, particularly as a result of the positive publicity achieved following the opening of Mandarin Oriental, Paris in June 2011. In February 2013, the Group acquired the freehold rights of the building housing our Paris hotel, along with two prime retail units, for €290 million (US$389 million), securing a long-term presence in the city.

Having a strong brand presence in top tier cities such as Paris, London and New York is crucial to all luxury brands, and Mandarin Oriental will further benefit from the prominent exposure our owned hotels have achieved in these important destinations.

The Group's global brand recognition was further enhanced in 2012 with the re-branding of an existing luxury hotel in Atlanta in the United States and the announcement of three new management contracts for hotels under construction in Bodrum, Turkey, in Marrakech, Morocco and in Chengdu, China. In January 2013, the Group successfully launched Mandarin Oriental, Guangzhou, located in the heart of the city's central business district.

Mandarin Oriental's reputation for excellence continues to grow as more hotels open in key destinations, and this, combined with our financial strength, places the Group in a strong position to take advantage of opportunities for further growth.

PERFORMANCE IN 2012

Set out below is a review of the Group's performance in 2012, with reference to the following strategic objectives:

- Being recognized as the world's best luxury hotel group
- Strengthening our competitive position
- Increasing the number of rooms under operation to 10,000
- Achieving a strong financial performance

1. Being recognized as the world's best luxury hotel group

Mandarin Oriental is increasingly recognized for creating some of the world's most sought-after properties, delivering 21st century luxury with oriental charm. Each of our hotels ensures its position as one of the best in its market through a combination of tradition, quality and innovation. Throughout the portfolio, the Group delivers its unique style of luxury, and continues to invest behind its core brand attributes of creative hotel design, architecture and technology, holistic spa operations and excellent dining experiences. Above all, the delivery of legendary service to our guests remains at the forefront of everything we do.

The Group's increasing global recognition in 2012 is evidenced by the achievement of many significant awards from respected travel associations and publications worldwide.

Highlights included 11 hotels being awarded in the 2013 *Forbes Travel Guide*, with eight properties around the world gaining the top 'Five Star Hotel' status, and two properties in the US gaining the rare 'triple crown' for hotel, spa and restaurant. Moreover, four of the Group's hotels in the United States achieved the coveted 'Five Diamond Lodging Award' for 2013 from the *American Automobile Association*. These two listings are the most prestigious awards in the hotel industry, and are given to very few hotels in recognition of service excellence.

Condé Nast Traveler US 'Readers Choice Awards' 2012 featured a record 15 hotel awards, with six hotels being listed as one of the top three in their respective cities. In addition, 'The World's Best 2012' from *Travel + Leisure* included winning entries for ten hotels. The Group was also well represented in the respected *Institutional Investor's* 'World's Best 2012' listings. Eight hotels were recognized here as best in their class, with The Landmark Mandarin Oriental, Hong Kong being voted the 'Best Hotel in the World'.

The Group's reputation for excellent and innovative dining experiences was again acknowledged in the most recent 2013 *Michelin* guides with nine restaurants being honoured – which is more than any other hotel group in the world – and a total of 12 stars being granted. In addition, both *Amber* at The Landmark Mandarin Oriental, Hong Kong and *Dinner* at Mandarin Oriental Hyde Park, London were voted as two of the 'Top 50 Restaurants' in the world in the prized *San Pellegrino* listings.

In terms of the Group's overall spa operations, Mandarin Oriental was nominated for the fifth consecutive year as one of the 'Best Spa Brands' in *SpaFinder's* 2012 'Readers' Choice Awards'. The prestigious *Forbes* 'Five Star Spa' 2013 award has also been granted to a record eight hotels. Again, this is more than any other hotel group in the world.

The Group's commitment to working with some of the best architects and designers was also recognized in 2012. In particular, Mandarin Oriental, Paris was singled out for several honours throughout the year for its creative design. These included *Travel + Leisure's* 'Best Restaurant Design Award' for both *Sur Mesure* and *Camélia*, and *Sleeper Magazine's* Design Award for 'Best Spa'.

Mandarin Oriental's global recognition is further enhanced by our award-winning international advertising campaign which now features 25 celebrity 'fans', who regularly stay in our hotels. The Group welcomed three new fans to the campaign in 2012: Hong Kong based actress and singer, Karen Mok; Taiwanese model and actress, Lin Chiling and Italian film star, Caterina Murino. All three celebrities will further enhance the Group's brand recognition as we open hotels over the next few years in China, Taiwan and Italy.

The Group also continues to invest in digital marketing, having launched its new experiential website in the last quarter of 2012, which has been designed to encourage visitors to spend more time with the brand online. Innovative features include the ability to create a unique guest profile, thereby allowing all hotels to better meet the individual preferences of our guests. Online bookings for the first three months since launch have increased by 14% over the same period in the previous year, representing 11% of total room nights sold. Furthermore, the Group actively encourages a global conversation with consumers through a strong presence on the major social media sites, including Facebook, Twitter, YouTube and Sina Weibo in China, where the Group has doubled its audience over the previous year.

Our goal, to be recognized as the world's best luxury hotel group, will of course be further accomplished as we increase the number of hotels we operate in new and exciting travel destinations.

2. Strengthening our competitive position

Critical to the Group's success is the ability of our hotels to maintain or enhance their leadership positions against primary competitors in their individual markets. Strong brand recognition, combined with the strength of our hotel management teams, plus the added support provided by an established corporate structure, allows our properties to compete effectively and to achieve premium rates.

Demographic trends continue to support the Group's strategy of creating quality services and facilities which attract individuals who will pay a premium for genuine luxury experiences that are meaningful and of value. Understated luxury, as opposed to conspicuous consumption, remains in demand amongst the higher spending leisure customers, who now make up over 43% of the Group's room nights. This successful shift

in consumer demand, as a result of the services and facilities offered and the Group's marketing efforts, has resulted in an increase in the average rate across the portfolio. These high net worth individuals continue to come from the Group's traditional markets, but increasingly, the Group is attracting additional customers from the emerging markets, predominantly China, which is the second largest source of business after the United States, accounting for 13% of our total visitor arrivals.

Our competitive position has been further supported by limited new supply in many of the key markets in which we operate.

The highlights of each region are as follows:

Asia

The Group performed well in Asia, where all hotels increased their average rates in local currency terms and demand recovered in Tokyo and Bangkok. Overall, Revenue per Available Room ('RevPAR') for Asia was up by 6% in US dollar terms over the previous year on a like-for-like basis.

Strong city-wide activity continued in Hong Kong and the 100%-owned Mandarin Oriental, Hong Kong exceeded its historically high results achieved in 2011. Food and beverage revenues improved, with a 7% increase over the prior year. Both Mandarin Oriental, Hong Kong and The Landmark Mandarin Oriental received the 'Five Star' rating in the *Forbes Travel Guide 2013* for both the hotel and spa, for the fourth year in succession.

At The Excelsior, the Group's other 100%-owned hotel in Hong Kong, occupancy remained at high historical levels of 88%. The hotel maintained its RevPAR at similar levels to 2011.

In Tokyo, our hotel's performance benefited from an increase in occupancy following a recovery in visitor arrivals to the city, after the negative impact of the earthquake and subsequent tsunami in 2011. This resulted in an overall increase in RevPAR of 26% in local currency terms. The hotel was listed as the top hotel in Japan in *Travel + Leisure's* 2012 'Top 500 Hotels' listing.

Mandarin Oriental, Singapore took full advantage of stronger city-wide demand, driving

further increases in occupancy and average rate, which led to an overall RevPAR improvement of 10% in local currency terms. Mandarin Oriental, Singapore was the only property in the city to achieve *Forbes* 'Five Star' status in the annual *Forbes Travel Guide 2013* for both the hotel and its spa, and was voted the number one hotel in Singapore in *Trip Advisor's* 2012 'Traveler's Choice'.

Mandarin Oriental, Bangkok also benefited from increased visitor arrivals to the city, following a sustained recovery from the effects of severe flooding in northern Thailand in the last quarter of 2011, resulting in an overall RevPAR improvement of 21% in local currency terms. The hotel remains the market leader in the city and was once again recognized as one of the world's best hotels in the most important travel awards, including the 'Best Hotel in Thailand' in *Condé Nast Traveler, US 2012* 'Readers' Choice Awards'.

Mandarin Oriental, Jakarta was positively impacted by the stronger Indonesian economy and continued to improve its competitive position following its comprehensive renovation in 2010, achieving an overall increase in RevPAR of 27% in local currency terms over the previous year. The hotel was voted the 'Best Hotel in Jakarta' in *Business Traveller, Asia Pacific 2012* 'Readers Choice Awards'. In addition, Mandarin Oriental, Kuala Lumpur achieved an increase in RevPAR of 7% in local currency terms and improved its food and beverage revenues by 8% in local currency terms, following investment in the refurbishment of several of its restaurants and bars.

The Group's remaining hotels benefited from the region's stronger demand, with RevPAR up in nearly all locations.

Europe

In Europe, despite difficult market conditions, all of the Group's hotels are positioned at the top end of their markets, and mostly continued to benefit from resilient demand in the leisure sector, which compensated somewhat for reduced corporate business. Across the region, RevPAR was down 3% in US dollar terms, on a like-for-like basis with 2011. In local currency terms, RevPAR increased by 1%.

Mandarin Oriental Hyde Park, London's performance was bolstered by strong demand, particularly from leisure travellers from both traditional and new markets, in a landmark

year for the city as a result of the 2012 Olympics and the celebrations for the Queen's Diamond Jubilee. Occupancy remained high at 78% and further increases in average rates led to a 3% improvement in RevPAR, in local currency terms. The hotel's food and beverage revenues also increased by 7% with the hotel's two award-winning restaurants, *Dinner* by Heston Blumenthal and *Bar Boulud,* continuing to garner significant publicity. As well as being listed as the ninth 'Best Restaurant in the World' in the *San Pellegrino,* awards, *Dinner* was also voted the 'Best UK Hotel Restaurant' in the 2012 *National Restaurant Awards*.

The hotel will introduce new facilities in 2013, including a swimming pool and fitness centre, in space created within the *One Hyde Park, Residences at Mandarin Oriental* complex, adjacent to the hotel.

Mandarin Oriental, Munich benefited from strong demand in the high-end leisure market, successfully maintaining its position as the undisputed market leader. Despite a reduction in occupancy levels, strong improvements in average rate resulted in a 7% RevPAR increase in local currency terms.

In Geneva, our hotel's performance was negatively impacted by a phased rooms renovation and the strong Swiss franc which continued to deter visitors to the city. Consequently average rates were lower, resulting in an overall RevPAR decrease of 9% in local currency terms. The Group will continue to invest in the hotel's facilities with plans for a new pool and spa to be introduced in the next few years.

Since its opening in June 2011, Mandarin Oriental, Paris continued to stabilize and is now recognized as one of the best luxury hotels in the city. The property achieved an average rate of €910, and an occupancy of 58%, which will grow over time as the hotel builds market share in this highly competitive city. The hotel's food and beverage operations, led by renowned Chef Thierry Marx, have attained many accolades, and the signature restaurant, *Sur Mesure*, was once again awarded 2 Michelin stars in the 2013 listing. Mandarin Oriental, Paris was highlighted in *Condé Nast Traveler's,* 2012 'Hot List' as 'Best New Hotel' with *Sur Mesure* nominated as one of the year's best dining experiences or 'Hot Tables'.

In Barcelona and Prague, our hotels successfully improved their performance over 2011, and performed well against the competition in their respective markets. Both properties received further global recognition for excellence, with Mandarin Oriental, Prague voted the 'Best Hotel in the Czech Republic' in the *World Travel Awards 2012,* and Mandarin Oriental, Barcelona achieving two Michelin Stars for Chef Carme Ruscalleda's restaurant *Moments* in the 2013 Guide.

The Americas

In The Americas, RevPAR increased by 5% on a like-for-like basis compared to the previous year, despite uncertain economic conditions in the United States which resulted in an uneven pace of recovery across the country.

Mandarin Oriental, Washington D.C. did well to maintain its average rate despite weaker city-wide demand during the year. Overall, RevPAR decreased by 4% compared to 2011. The hotel appeared in numerous reader surveys in prestigious publications and received the *American Automobile Association's* 'Five Diamond Award' for its restaurant *Cityzen*.

Mandarin Oriental, New York improved its competitive position, increasing its average rate to over US$900, while maintaining occupancy at 71%. This resulted in a 4% increase in RevPAR. The hotel's international recognition as one of the world's most luxurious properties was further reinforced by the retention of both the prestigious *Forbes* 'Five Star' rating and the *American Automobile Association's* 'Five Diamond Lodging Award'.

In Miami, our hotel did well to maintain its competitive position, increasing its average rate despite a drop in city-wide demand, which led to a decline in occupancy. The hotel continues to receive positive media attention, achieving a triple *Forbes* 'Five Star' rating in 2013 for the hotel, the spa and for its restaurant *Azul* – the only hotel in Florida to so do.

Mandarin Oriental, San Francisco celebrated its 25th anniversary this year and completed a rooms and public area renovation. While overall occupancy levels declined as a result of the closure of the hotel during the renovation, the new facilities have been well received and the hotel has increased its average rate by approximately 14% compared to the previous year.

In other destinations, our managed hotels in Boston and Las Vegas performed particularly well, with significant RevPAR increases. Both properties achieved the *Forbes* 'Five Star' rating in 2013 for hotel and spa, with the hotel in Las Vegas achieving a further 'Five Star' rating for its restaurant, *Twist*, operated by Pierre Gagnaire.

3. Increasing the number of rooms under operation to 10,000

Mandarin Oriental has achieved strong geographic diversification with a well balanced portfolio across the globe and is on track to achieve its mid-term goal of operating 10,000 rooms in key global locations within the next few years. Today, the Group operates close to 8,000 rooms in 28 hotels around the world. The total portfolio however, including hotels under development, now extends to over 11,000 rooms, with 44 hotels in 27 countries.

Four new hotel management contracts were signed in the first half of 2012:

- In February, the Group announced a new resort in Bodrum, currently under development on an exclusive 60 hectare waterfront site on Turkey's Riviera coastline. Expected to open in 2014, the property will feature 82 guestrooms and 20 suites, as well as 214 luxury private homes which will be branded and managed as *Residences at Mandarin Oriental*.

- In March, the Group announced a luxury resort currently under development in Marrakech, Morocco, which is also scheduled to open in 2014. Mandarin Oriental, Marrakech will be set in 20 hectares of landscaped grounds, featuring 54 individual villas and seven suites in a unique resort environment.

- In May, the Group successfully took over the management of an existing 127-room luxury hotel in Atlanta, which has been rebranded Mandarin Oriental, Atlanta. The hotel is situated in the heart of the city's prestigious Buckhead neighbourhood, with easy access to the region's finest dining, shopping and cultural attractions. Also included in the building are 25 *Residences at Mandarin Oriental*, which are currently being marketed and which will provide the Group with additional branding fees.

- In June, a luxury 320-room hotel project was announced in Chengdu, China. Mandarin Oriental, Chengdu, which is due to open in 2015, will form part of a mixed-use

development located on a prime riverfront site, close to the city's prominent commercial and entertainment area.

In January 2013, the Group launched a new luxury property in Guangzhou, which will be followed later in the year by hotel openings in Shanghai and Taipei. Mandarin Oriental, Beijing will follow in 2014. Mandarin Oriental now has five hotels in operation or under development in mainland China, plus the three operating properties in Hong Kong and two operating in Macau. Looking forward, the Group sees further potential in greater China for additional hotels in top tier cities, as well as opportunities to grow our brand in relevant second tier cities.

In February 2013, Mandarin Oriental acquired the freehold interest in the building housing Mandarin Oriental, Paris and two prime street front retail units for €290 million (US$389 million). The transaction has been partly funded by new five-year €150 million (US$201 million) debt facilities, with the balance from the Group's cash reserves. The transaction offers a rare opportunity to acquire a prime piece of real estate in a key gateway city which is an important destination for our luxury brand. The acquisition is expected to be earnings enhancing and to bring a number of additional benefits including single ownership, whereby the Freehold, Leasehold and *Fonds de Commerce* rights are combined, unlocking the full market value of the asset. The acquisition also brings about opportunities for future expansion of the hotel.

In total, the Group has 16 new hotels under development, all of which are long-term management contracts requiring no capital investment by the Group. In addition to the Group's portfolio of hotels, a total of 14 *Residences at Mandarin Oriental* projects are open or under development. The associated branding fees from these projects, as well as ongoing revenues from management fees and the use of hotel facilities by the home owners, will provide an additional return for the Group over the next few years.

The long-term potential for growth is significant and the Group's strategy of operating both owned and managed hotels remains in place. Mandarin Oriental is well positioned to take advantage of selective investment opportunities in strategic locations that offer attractive returns, such as we have recently done in Paris, while at the same time our strong brand continues to be sought after by developers of luxury hotels. The Group has in the pipeline,

many opportunities for additional luxurious hotels and residences in important or unique locations around the world.

4. Achieving a strong financial performance

The Group's financial well being remains fundamental to its success. In 2012, the Group's overall financial performance was strengthened as a result of the solid operating performances across its portfolio, particularly in Asia. Profit attributable to shareholders in 2012 was US$71 million compared to US$59 million in 2011, excluding non-trading items. Including non-trading items, profit attributable to shareholders in 2012 was US$72 million, an increase of US$5 million from 2011.

The Group's balance sheet remains strong. Including the impact of the Paris acquisition in February 2013, the Group's gearing was 18% of adjusted shareholder funds.

Reflecting the Group's strong financial position, the Board has recommended a final dividend of US¢5.00, which, when combined with the interim dividend of US¢2.00, makes a full year dividend of US¢7.00.

THE FUTURE

Further improvement in demand for Mandarin Oriental's luxury hotels is dependent on a sustained recovery of the global economy. However, the Group will benefit from its strong brand and its growing portfolio as new properties open in sought-after destinations around the world, as well as by the limited supply of competitive luxury hotels in our key markets. With the credibility of the brand now firmly established, supported by our strong balance sheet, Mandarin Oriental is well on the way to being recognized as the best luxury hotel group in the world.

Edouard Ettedgui
Group Chief Executive
7th March 2013

Mandarin Oriental International Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2012

	2012			2011		
	Underlying US$m	**Non-trading items US$m**	**Total US$m**	Underlying US$m	Non-trading items US$m	Total US$m
Revenue *(note 2)*	**648.3**	**-**	**648.3**	614.2	-	614.2
Cost of sales	**(415.2)**	**-**	**(415.2)**	(377.3)	-	(377.3)
Gross profit	**233.1**	**-**	**233.1**	236.9	-	236.9
Selling and distribution costs	**(44.0)**	**-**	**(44.0)**	(42.1)	-	(42.1)
Administration expenses	**(104.7)**	**1.5**	**(103.2)**	(114.2)	8.5	(105.7)
Operating profit *(note 3)*	**84.4**	**1.5**	**85.9**	80.6	8.5	89.1
Financing charges	**(14.6)**	**-**	**(14.6)**	(14.6)	-	(14.6)
Interest income	**3.5**	**-**	**3.5**	2.6	-	2.6
Net financing charges	**(11.1)**	**-**	**(11.1)**	(12.0)	-	(12.0)
Share of results of associates *(note 4)*	**15.5**	**-**	**15.5**	9.8	-	9.8
Profit before tax	**88.8**	**1.5**	**90.3**	78.4	8.5	86.9
Tax *(note 5)*	**(17.7)**	**-**	**(17.7)**	(19.0)	-	(19.0)
Profit after tax	**71.1**	**1.5**	**72.6**	59.4	8.5	67.9
Attributable to:						
Shareholders of the Company	**70.8**	**1.5**	**72.3**	59.0	8.5	67.5
Non-controlling interests	**0.3**	**-**	**0.3**	0.4	-	0.4
	71.1	**1.5**	**72.6**	59.4	8.5	67.9
	US¢		**US¢**	US¢		US¢
Earnings per share *(note 6)*						
- basic	**7.09**		**7.24**	5.92		6.78
- diluted	**7.07**		**7.22**	5.88		6.73

Mandarin Oriental International Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2012

	2012 US$m	2011 US$m
Profit for the year	**72.6**	67.9
Net actuarial loss on employee benefit plans	**(2.3)**	(7.3)
Net exchange translation differences		
- gains/(losses) arising during the year	**11.6**	(0.1)
Fair value gains/(losses) on cash flow hedges	**4.0**	(1.7)
Fair value gains on other investments	**-**	0.1
Share of other comprehensive income of associates	**4.8**	(2.7)
Tax relating to components of other comprehensive income *(note 5)*	**(0.4)**	1.1
Other comprehensive income for the year	**17.7**	(10.6)
Total comprehensive income for the year	**90.3**	57.3
Attributable to:		
Shareholders of the Company	**89.9**	57.0
Non-controlling interests	**0.4**	0.3
	90.3	57.3

Mandarin Oriental International Limited
Consolidated Balance Sheet
at 31st December 2012

	2012 US$m	2011 US$m
Net assets		
Intangible assets	**42.1**	40.1
Tangible assets *(note 8)*	**1,055.5**	1,038.0
Associates	**108.6**	78.4
Other investments	**7.2**	6.0
Loans receivable	**-**	-
Pension assets	**11.2**	12.5
Deferred tax assets	**4.7**	8.5
Non-current assets	**1,229.3**	1,183.5
Stocks	**6.3**	5.9
Debtors and prepayments	**78.2**	61.2
Current tax assets	**0.7**	0.8
Cash at bank	**453.7**	470.1
Current assets	**538.9**	538.0
Creditors and accruals	**(135.8)**	(128.2)
Current borrowings *(note 9)*	**(9.7)**	(4.0)
Current tax liabilities	**(10.6)**	(10.9)
Current liabilities	**(156.1)**	(143.1)
Net current assets	**382.8**	394.9
Long-term borrowings *(note 9)*	**(580.5)**	(578.5)
Deferred tax liabilities	**(64.3)**	(64.9)
Pension liabilities	**(0.6)**	(0.2)
Other non-current liabilities	**(15.5)**	(19.2)
	951.2	915.6
Total equity		
Share capital	**50.0**	49.8
Share premium	**182.1**	179.7
Revenue and other reserves	**713.8**	681.2
Shareholders' funds	**945.9**	910.7
Non-controlling interests	**5.3**	4.9
	951.2	915.6

Mandarin Oriental International Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2012

	Share capital US$m	Share premium US$m	Capital reserves US$m	Revenue reserves US$m	Hedging reserves US$m	Exchange reserves US$m	Attributable to shareholders of the Company US$m	Attributable to non-controlling interests US$m	Total equity US$m
2012									
At 1st January	49.8	179.7	278.7	432.1	(16.1)	(13.5)	910.7	4.9	**915.6**
Total comprehensive income	-	-	-	70.4	3.2	16.3	89.9	0.4	**90.3**
Dividends paid by the Company	-	-	-	(59.9)	-	-	(59.9)	-	**(59.9)**
Issue of shares	0.2	2.4	-	-	-	-	2.6	-	**2.6**
Employee share option schemes	-	-	2.6	-	-	-	2.6	-	**2.6**
At 31st December	**50.0**	**182.1**	**281.3**	**442.6**	**(12.9)**	**2.8**	**945.9**	**5.3**	**951.2**
2011									
At 1st January	49.8	178.3	276.1	420.4	(14.5)	(10.8)	899.3	4.6	903.9
Total comprehensive income	-	-	-	61.3	(1.6)	(2.7)	57.0	0.3	57.3
Dividends paid by the Company	-	-	-	(49.8)	-	-	(49.8)	-	(49.8)
Issue of shares	-	1.4	-	-	-	-	1.4	-	1.4
Writeback of unclaimed dividends	-	-	-	0.2	-	-	0.2	-	0.2
Employee share option schemes	-	-	2.6	-	-	-	2.6	-	2.6
At 31st December	49.8	179.7	278.7	432.1	(16.1)	(13.5)	910.7	4.9	915.6

Total comprehensive income included in revenue reserves comprises profit attributable to shareholders of the Company of US$72.3 million (2011: US$67.5 million) and net actuarial loss on employee benefit plans of US$1.9 million (2011: US$6.3 million). In 2011, this also included a net fair value gain on other investments of US$0.1 million. Cumulative net actuarial gain on employee benefit plans amounted to US$4.6 million (2011: US$6.5 million).

Mandarin Oriental International Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2012

	2012 US$m	2011 US$m
Operating activities		
Operating profit *(note 3)*	**85.9**	89.1
Depreciation	**50.7**	47.1
Amortization of intangible assets	**2.9**	2.6
Other non-cash items	**0.7**	(0.4)
Movements in working capital	**3.1**	18.6
Interest received	**3.7**	2.4
Interest and other financing charges paid	**(14.4)**	(14.0)
Tax paid	**(16.0)**	(6.9)
	116.6	138.5
Dividends from associates	**9.4**	7.8
Cash flows from operating activities	**126.0**	146.3
Investing activities		
Purchase of tangible assets	**(50.5)**	(62.4)
Purchase of intangible assets	**(4.5)**	(3.8)
Advance deposit for Paris acquisition	**(13.1)**	-
Investments in and loans to associates	**(19.3)**	(1.2)
Repayment of mezzanine loans	**1.5**	3.4
Purchase of other investments	**(1.1)**	(1.0)
Cash flows from investing activities	**(87.0)**	(65.0)
Financing activities		
Issue of shares	**2.6**	1.4
Drawdown of borrowings	**7.0**	10.0
Repayment of borrowings	**(4.1)**	(7.0)
Dividends paid by the Company *(note 11)*	**(59.9)**	(49.8)
Cash flows from financing activities	**(54.4)**	(45.4)
Net (decrease)/increase in cash and cash equivalents	**(15.4)**	35.9
Cash and cash equivalents at 1st January	**469.1**	433.1
Effect of exchange rate changes	**(0.3)**	0.1
Cash and cash equivalents at 31st December	**453.4**	469.1

Mandarin Oriental International Limited
Notes

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

Amendments to IFRS 7 'Financial Instruments: Transfers of Financial Assets' became effective in current accounting period and are relevant to the Group's operations. The adoption of the amendments does not have a material impact on the Group's disclosures.

Standards and amendments effective after 2012 which are relevant to the Group's operations and yet to be adopted:

IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to IFRSs 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income
IAS 19 (amended 2011)	Employee Benefits
IAS 27 (2011)	Separate Financial Statements
IAS 28 (2011)	Investments in Associates and Joint Ventures
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Annual Improvements to IFRS	2009 – 2011 Cycle

The Group is currently assessing the impact of these new standards and amendments and expects their adoption will not have a material effect on the consolidated profit and loss account and balance sheet.

2. REVENUE

	2012 US$m	2011 US$m
By geographical area:		
Hong Kong	**238.8**	231.2
Other Asia	**140.9**	127.5
Europe	**208.8**	194.7
The Americas	**59.8**	60.8
	648.3	614.2

3. EBITDA FROM SUBSIDIARIES (EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION)

	2012 US$m	2011 US$m
By geographical area:		
Hong Kong	**86.3**	81.0
Other Asia	**25.8**	18.8
Europe	**23.4**	28.8
The Americas	**2.5**	1.7
Underlying EBITDA from subsidiaries	**138.0**	130.3
Gain on One Hyde Park lease space *(refer note 7)*	**-**	10.1
Writeback of /(provisions against) asset impairment *(refer note 7)*	**1.5**	(1.6)
EBITDA from subsidiaries	**139.5**	138.8
Less depreciation and amortization	**(53.6)**	(49.7)
Operating profit	**85.9**	89.1

4. SHARE OF RESULTS OF ASSOCIATES

	EBITDA US$m	Depreciation and amortization US$m	Operating profit US$m	Net financing charges US$m	Tax US$m	Net profit/ (loss) US$m
2012						
By geographical area:						
Other Asia	32.1	(9.1)	23.0	(1.9)	(4.6)	**16.5**
The Americas	4.5	(2.8)	1.7	(2.5)	(0.2)	**(1.0)**
	36.6	**(11.9)**	**24.7**	**(4.4)**	**(4.8)**	**15.5**
2011						
By geographical area:						
Other Asia	28.4	(9.1)	19.3	(2.0)	(4.4)	12.9
The Americas	4.3	(3.1)	1.2	(4.3)	-	(3.1)
	32.7	(12.2)	20.5	(6.3)	(4.4)	9.8

5. TAX

	2012 US$m	2011 US$m
Tax charged to profit and loss is analyzed as follows:		
Current tax	**15.7**	10.4
Deferred tax	**2.0**	8.6
	17.7	19.0
By geographical area:		
Hong Kong	**11.7**	11.4
Other Asia	**2.0**	2.6
Europe	**4.1**	5.0
The Americas	**(0.1)**	-
	17.7	19.0

Tax relating to components of other comprehensive income is analyzed as follows:

Actuarial valuation of employee benefit plans	**0.4**	1.0
Cash flow hedges	**(0.8)**	0.1
	(0.4)	1.1

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates. Share of tax of associates of US$4.8 million (2011: US$4.4 million) is included in share of results of associates *(refer note 4)*.

6. EARNINGS PER SHARE

Basic earnings per share are calculated on the profit attributable to shareholders of US$72.3 million (2011: US$67.5 million) and on the weighted average number of 998.9 million (2011: 996.1 million) shares in issue during the year. The weighted average number excludes shares held by the Trustee of the Senior Executive Share Incentive Schemes.

Diluted earnings per share are calculated on profit attributable to shareholders of US$72.3 million (2011: US$67.5 million) and on the weighted average number of 1,001.1 million (2011: 1,002.8 million) shares after adjusting for the number of shares which are deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes based on the average share price during the year.

The weighted average number of shares is arrived at as follows:

	Ordinary shares in millions	
	2012	2011
	US$m	US$m
Weighted average number of shares in issue	**998.9**	996.1
Adjustment for shares deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes	**2.2**	6.7
Weighted average number of shares for diluted earnings per share	**1,001.1**	1,002.8

Additional basic and diluted earnings per share are also calculated based on underlying profit attributable to shareholders. A reconciliation of earnings is set out below:

	2012			2011		
	US$m	**Basic earnings per share US¢**	**Diluted earnings per share US¢**	US$m	Basic earnings per share US¢	Diluted earnings per share US¢
Profit attributable to shareholders	**72.3**	**7.24**	**7.22**	67.5	6.78	6.73
Non-trading items *(refer note 7)*	**(1.5)**	**(0.15)**	**(0.15)**	(8.5)	(0.86)	(0.85)
Underlying profit attributable to shareholders	**70.8**	**7.09**	**7.07**	59.0	5.92	5.88

7. NON-TRADING ITEMS

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading include items such as gains on disposals, provisions against asset impairment and writeback thereof, as well as material items which are non-recurring in nature.

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	2012 US$m	2011 US$m
Gain on One Hyde Park lease space	**-**	10.1
Writeback of /(provisions against) asset impairment	**1.5**	(1.6)
	1.5	8.5

In 2011, a long-term leasehold interest, granted to the Group by the developer of the *Residences at Mandarin Oriental, London* at no cost, was recognized as a non-trading gain based on its market value less costs relating to the transfer of title.

8. TANGIBLE ASSETS AND CAPITAL COMMITMENTS

	2012 US$m	2011 US$m
Opening net book value	**1,038.0**	985.6
Exchange differences	**18.3**	(0.4)
Additions	**50.0**	71.1
Disposals	**(0.1)**	(0.2)
Depreciation charge	**(50.7)**	(47.1)
Transfer from intangible assets	**-**	29.0
Closing net book value	**1,055.5**	1,038.0
Capital commitments	**23.7**	35.9

Freehold properties include a property of US$99.8 million (2011: US$100.6 million), which is stated net of tax increment financing of US$25.6 million (2011: US$26.4 million) *(refer note 10)*.

9. BORROWINGS

	2012 US$m	2011 US$m
Bank loans	**579.5**	571.0
Other borrowings	**9.0**	9.8
Tax increment financing *(refer note 10)*	**1.7**	1.7
	590.2	582.5
Current	**9.7**	4.0
Long-term	**580.5**	578.5
	590.2	582.5

10. TAX INCREMENT FINANCING

	2012 US$m	2011 US$m
Netted off against the net book value of property *(refer note 8)*	**25.6**	26.4
Loan *(refer note 9)*	**1.7**	1.7
	27.3	28.1

A development agreement was entered into between one of the Group's subsidiaries and the District of Columbia ('District'), pursuant to which the District agreed to provide certain funds to the subsidiary out of the net proceeds obtained through the issuance and sale of certain tax increment financing bonds ('TIF Bonds') for the development and construction of Mandarin Oriental, Washington D.C.

The District agreed to contribute to the subsidiary US$33.0 million through the issuance of TIF Bonds in addition to US$1.7 million issued in the form of a loan, bearing simple interest at an annual rate of 6.0%. The US$1.7 million loan plus all accrued interest will be due on the earlier of 10th April 2017 or the date of the first sale of the hotel.

The receipt of the TIF Bonds has been treated as a government grant and netted off against the net book value in respect of the property *(refer note 8)*. The loan of US$1.7 million (2011: US$1.7 million) is included in long-term borrowings *(refer note 9)*.

11. DIVIDENDS

	2012 US$m	2011 US$m
Final dividend in respect of 2011 of US¢4.00 (2010: US¢3.00) per share	**39.9**	29.9
Interim dividend in respect of 2012 of US¢2.00 (2011: US¢2.00) per share	**20.0**	19.9
	59.9	49.8

A final dividend in respect of 2012 of US¢5.00 (2011: US¢4.00) per share amounting to a total of US$50.0 million (2011: US$39.9 million) is proposed by the Board. The final dividend proposed will not be accounted for until it has been approved at the Annual General Meeting. The amount will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2013.

12. RELATED PARTY TRANSACTIONS

In the normal course of business the Group undertakes a variety of transactions with certain of its associates and joint ventures.

The most significant of such transactions are management fees of US$14.9 million (2011: US$12.4 million) received from the Group's five (2011: five) associate hotels which are based on long-term management agreements on normal commercial terms.

There were no other related party transactions that might be considered to have a material effect on the financial position or performance of the Group that were entered into or changed during the current financial year.

13. POST BALANCE SHEET EVENT

On 8th February 2013, the Group completed the acquisition of the freehold interest in the building housing Mandarin Oriental, Paris and two retail units from Société Foncière Lyonnaise ('SFL') for €290 million (US$388.9 million). The Group had paid a €10 million (US$13.1 million) advance deposit prior to the year end, with the remaining balance of €280 million (US$375.8 million) paid in February 2013.

As at the balance sheet date (i.e. prior to the acquisition), the Group had a 12-year lease on the hotel which commenced on 18th April 2011 with an option to renew for a further 12 years; while the retail units were leased by SFL to third party tenants.

Mandarin Oriental International Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The process by which the Group identifies and manages risk will be set out in more detail in the Corporate Governance section of the Company's 2012 Annual Report (the 'Report'). The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure and Transparency Rules issued by the Financial Services Authority in the United Kingdom and are in addition to the matters referred to in the Chairman's Statement and Group Chief Executive's Review.

1. Economic and Financial Risk

   The Group's business is exposed to the risk of negative developments in global and regional economies and financial markets, either directly or through the impact on the Group's investment partners, third-party hotel owners and developers, bankers, suppliers or customers. These developments can result in recession, inflation, deflation, currency fluctuations, restrictions in the availability of credit, business failures, or increases in financing costs. Such developments may increase operating costs, reduce revenues, lower asset values or result in the Group being unable to meet in full its strategic objectives. These developments could also adversely affect travel patterns which would impact demand for the Group's products and services.

   The steps taken by the Group to manage its exposure to financial risk will be set out in the Financial Risk Management section in a note to the Financial Statements in the Report.

2. Commercial and Market Risk

   Risks are an integral part of normal commercial practices, and where practicable steps are taken to mitigate such risks.

   The Group operates within the global hotel industry which is highly competitive. Failure to compete effectively in terms of quality of product, levels of service or price can have an adverse effect on earnings. Significant pressure from competition or the oversupply of hotel rooms in any given market may also lead to reduced margins.

   The Group competes with other luxury hotel operators for new management opportunities. Failure to establish and maintain relationships with hotel owners or developers could adversely affect the Group's business. The Group also makes investment decisions in respect of acquiring new hotel properties. The success of these investments is measured over the longer term and as a result is subject to market risk.

   Mandarin Oriental's continued growth depends on the opening of individual hotels. Most of the Group's new hotel developments are controlled by third party owners and developers and can be subject to delays due to issues attributable to planning and construction, sourcing of finance, and the sale of residential units. In extreme circumstances, such factors might lead to the cancellation of a project.

Mandarin Oriental International Limited
Principal Risks and Uncertainties *(continued)*

3. Pandemic, Terrorism, and Natural Disasters

   The Group's business would be impacted by a global or regional pandemic as this would impact travel patterns, demand for the Group's products and services and could also affect the Group's ability to operate effectively. The Group's hotels are also vulnerable to the effects of terrorism, either directly through the impact of an act of terrorism or indirectly through the impact of generally reduced economic activity in response to the threat of or an actual act of terrorism. In addition, a number of the territories in which the Group operates can experience from time to time natural disasters such as typhoons, floods, earthquakes and tsunamis.

4. Key Agreements

   The Group's business is reliant upon joint venture and partnership agreements, property leasehold arrangements, management, license and services agreements or other key contracts. Cancellation, expiry or termination, or the renegotiation of any of these key agreements and contracts, could have an adverse effect on the financial performance of individual hotels as well as the wider Group.

5. Intellectual Property and Value of the Brand

   Brand recognition is important to the success of the Group and significant resources have been invested in protecting its intellectual property in the form of trade marks, logos and domain names. Any material act or omission by any person working for or representing the Group's operations which is contrary to its standards could impair Mandarin Oriental's reputation and the equity value of the brand, as could any negative publicity regarding the Group's product or services.

6. Regulatory and Political Risk

   The Group's business is subject to a number of regulatory environments in the territories in which it operates. Changes in the regulatory approach to such matters as employment legislation, tax rules, foreign ownership of assets, planning controls and exchange controls have the potential to impact the operations and profitability of the Group's business. Changes in the political environment, including prolonged civil unrest, could also affect the Group's business.

Mandarin Oriental International Limited
Responsibility Statement

The Directors of the Company confirm to the best of their knowledge that:

(a) the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board; and

(b) the sections of the Company's 2012 Annual Report, including the Chairman's Statement, Group Chief Executive's Review and Principal Risks and Uncertainties, which constitute the management report include a fair review of all information required to be disclosed by the Disclosure and Transparency Rules 4.1.8 to 4.1.11 issued by the Financial Services Authority of the United Kingdom.

For and on behalf of the Board

Edouard Ettedgui
Stuart Dickie

Directors

7th March 2013

The final dividend of US¢5.00 per share will be payable on 22nd May 2013, subject to approval at the Annual General Meeting to be held on 15th May 2013, to shareholders on the register of members at the close of business on 22nd March 2013. The ex-dividend date will be on 20th March 2013, and the share registers will be closed from 25th to 29th March 2013, inclusive. Shareholders will receive their dividends in United States dollars, unless they are registered on the Jersey branch register where they will have the option to elect for sterling. These shareholders may make new currency elections for the 2012 final dividend by notifying the United Kingdom transfer agent in writing by 26th April 2013. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 8th May 2013. Shareholders holding their shares through The Central Depository (Pte) Limited ('CDP') in Singapore will receive United States dollars unless they elect, through CDP, to receive Singapore dollars.

Mandarin Oriental Hotel Group

Mandarin Oriental Hotel Group is an international hotel investment and management group with deluxe and first class hotels, resorts and residences in sought-after destinations around the world. The Group now operates, or has under development, 44 hotels representing over 11,000 rooms in 27 countries, with 19 hotels in Asia, 12 in The Americas and 13 in Europe, Middle East and North Africa. In addition, the Group operates, or has under development, 14 *Residences at Mandarin Oriental* connected to its properties. The Group has equity interests in a number of its properties and net assets worth approximately US$2.9 billion as at 31st December 2012.

Mandarin Oriental's aim is to be recognized widely as the best global luxury hotel group, providing 21st century luxury with oriental charm in each of its hotels. This will be achieved by investing in the Group's exceptional facilities and its people, while maximizing profitability and long-term shareholder value. The Group regularly receives recognition and awards for outstanding service and quality management. The strategy of the Group is to open the hotels currently under development, while continuing to seek further selective opportunities for expansion around the world.

The parent company, Mandarin Oriental International Limited, is incorporated in Bermuda and has a premium listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. Mandarin Oriental Hotel Group International Limited, which operates from Hong Kong, manages the activities of the Group's hotels. Mandarin Oriental is a member of the Jardine Matheson Group.

- end -

For further information, please contact:

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2012 can be accessed through the Internet at 'www.mandarinoriental.com'.