MANDARIN ORIENTAL
THE HOTEL GROUP

2008 ANNUAL RESULTS HIGHLIGHTS

US$m	2008	2007
Combined Total Revenue	1,016	1,008
EBITDA	164	190

- Two-thirds of drop in earnings in 2008 due to currency related movements and Geneva renovation
- Remaining drop due to effects of economic downturn

2008 ANNUAL RESULTS HIGHLIGHTS

US$m	2008	2007
Profit attributable to shareholders excl. non-trading items	67	87
Profit attributable to shareholders*	67	108

* 2007 profit attributable to shareholders included US$16m post-tax gain from partial sale of Mandarin Oriental, New York and US$5m uplift from property revaluation in Kuala Lumpur

2008 ANNUAL RESULTS HIGHLIGHTS

US$m	2004	2005	2006	2007	2008	08 vs. 04
Combined Revenues	667	815	850	1,008	1,016	52%
EBITDA	99	124	116	190	164	66%
Profit attributable to shareholders*	19	41	45	87	67	253%

* Excluding non-trading items

2008 ANNUAL RESULTS HIGHLIGHTS

	2008	2007
Earnings per Share excluding non-trading items *US¢*	**6.84**	**8.98**
Earnings per Share *US¢*	**6.84**	**11.16**
Adjusted Net Asset Value per Share* *US$*	**2.08**	**2.34**

* This includes the leasehold properties at valuation

- Final dividend of US¢5 recommended to shareholders
- Total dividends for 2008 of US¢7 per share (2007 – US¢6 per share)

KEY STRATEGIC OBJECTIVES

- Being widely recognised as the world's best luxury hotel group
- Strengthening our competitive position
- Operating at least 10,000 rooms worldwide
- Achieving a strong financial performance

TO BE WIDELY RECOGNISED AS THE WORLD'S BEST LUXURY HOTEL GROUP

- Despite current global downturn, medium to long-term trends support strategy
- Continued desire for luxurious services
- Premium rates paid for Mandarin Oriental experiences
- Increasing business from Middle East, Russia, China, India

TO BE WIDELY RECOGNISED AS THE WORLD'S BEST LUXURY HOTEL GROUP

- Operational and marketing focus on high net worth leisure travellers
- Leisure business for the Group has doubled over past six years
- Leisure represents 40% of market mix (50% in some key city centre hotels)
- Group-wide average rate at over US$400
- Competitive position further supported by fewer new hotels in key markets

TO BE WIDELY RECOGNISED AS THE WORLD'S BEST LUXURY HOTEL GROUP

Core Brand Attributes

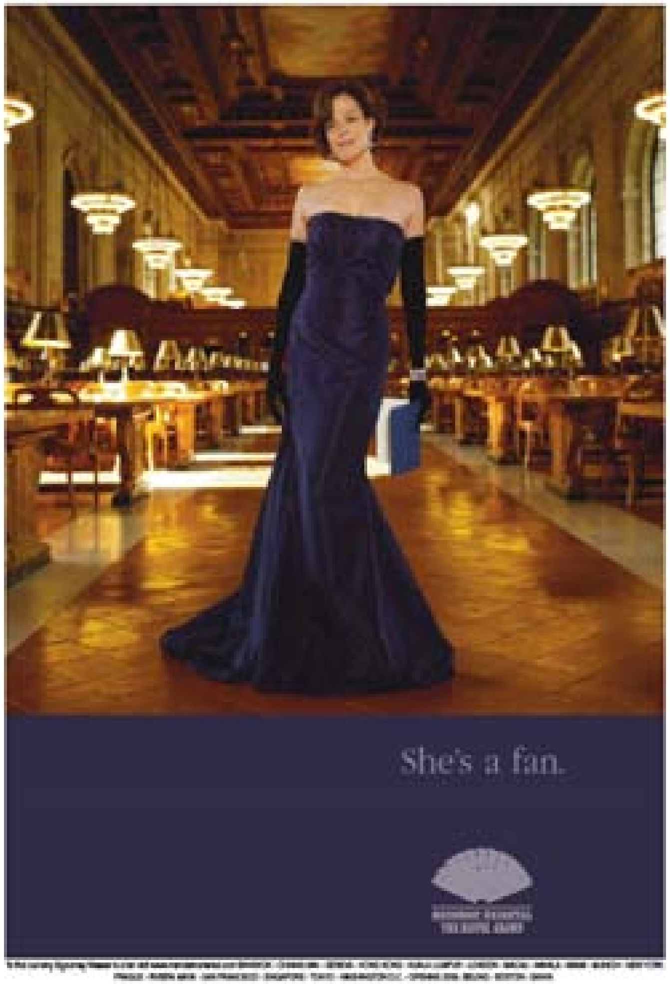
- Creative hotel design and architecture
- Holistic spas
- Innovative dining
- Guest-oriented technology
- Underpinned by legendary service

Providing 21st century luxury with oriental charm

TO BE WIDELY RECOGNISED AS THE WORLD'S BEST LUXURY HOTEL GROUP

An award-winning International Advertising Campaign

- 18 celebrity fans
- Latest fan: Sigourney Weaver



FORBES 400 BEST HOTELS 2008

Mandarin Oriental, Bangkok

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Kuala Lumpur

Mandarin Oriental, Tokyo

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Prague

Mandarin Oriental, Miami

Mandarin Oriental, New York

Mandarin Oriental, San Francisco

CONDE NAST TRAVELER USA

GOLD LIST – 2008

Mandarin Oriental, Bangkok

Mandarin Oriental Dhara Dhevi, Chiang Mai

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Hong Kong

Mandarin Oriental, Kuala Lumpur

Mandarin Oriental, Singapore

Mandarin Oriental, Tokyo

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Miami

Mandarin Oriental, New York

Mandarin Oriental, San Francisco

INSTITUTIONAL INVESTOR

THE WORLD'S BEST HOTELS 2008

Mandarin Oriental, Bangkok

Mandarin Oriental, Hong Kong

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Kuala Lumpur

Mandarin Oriental, Singapore

Mandarin Oriental, Tokyo

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Geneva

Mandarin Oriental, Miami

Mandarin Oriental, New York

Mandarin Oriental, San Francisco

MICHELIN STAR AWARDS

Mandarin Oriental, Hong Kong

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Tokyo

Mandarin Oriental, Macau

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Munich

"MOBIL FIVE STAR"

Mandarin Oriental, Hong Kong

Mandarin Oriental, Miami

Mandarin Oriental, New York

"SPA FINDER"

Mandarin Oriental Hotel Group

Best Spa Brand

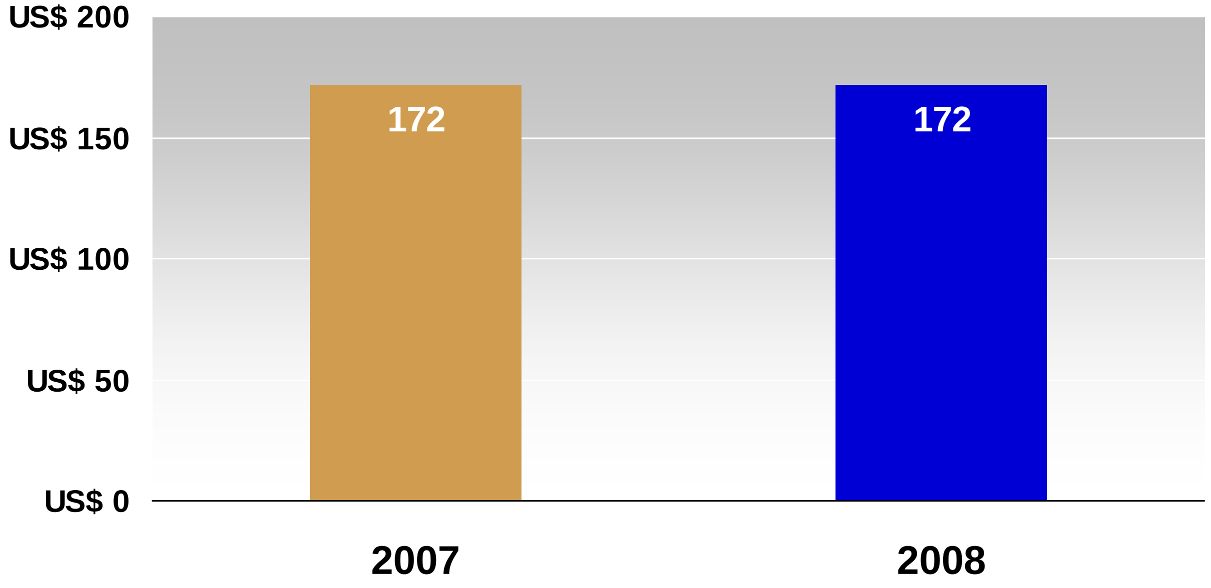
STRENGTHEN OUR COMPETITIVE POSITION

- All hotels maintained or enhanced their competitive positions
- Most destinations impacted by decrease in visitor arrivals, especially since September
- Appropriate cost containment measures implemented without impacting service

STRENGTHEN OUR COMPETITIVE POSITION

ASIA

2008 US$ RevPAR Performance



- RevPAR down by 3% in local currency; flat in US$
- RevPAR grew by 7% in 1st half (local currency)
- RevPAR declined by 19% in last quarter (local currency)
- Average rates maintained or enhanced

• Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Hong Kong
(100% ownership)

- One of the world's legendary hotels
- Average rate increased to US$437 (US$399 in 2007)
- Weaker corporate demand particularly from financial services
- Occupancy down to 68% in 4^{th} quarter (84% in 4^{th} quarter 2007)

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

The Landmark Mandarin Oriental, Hong Kong

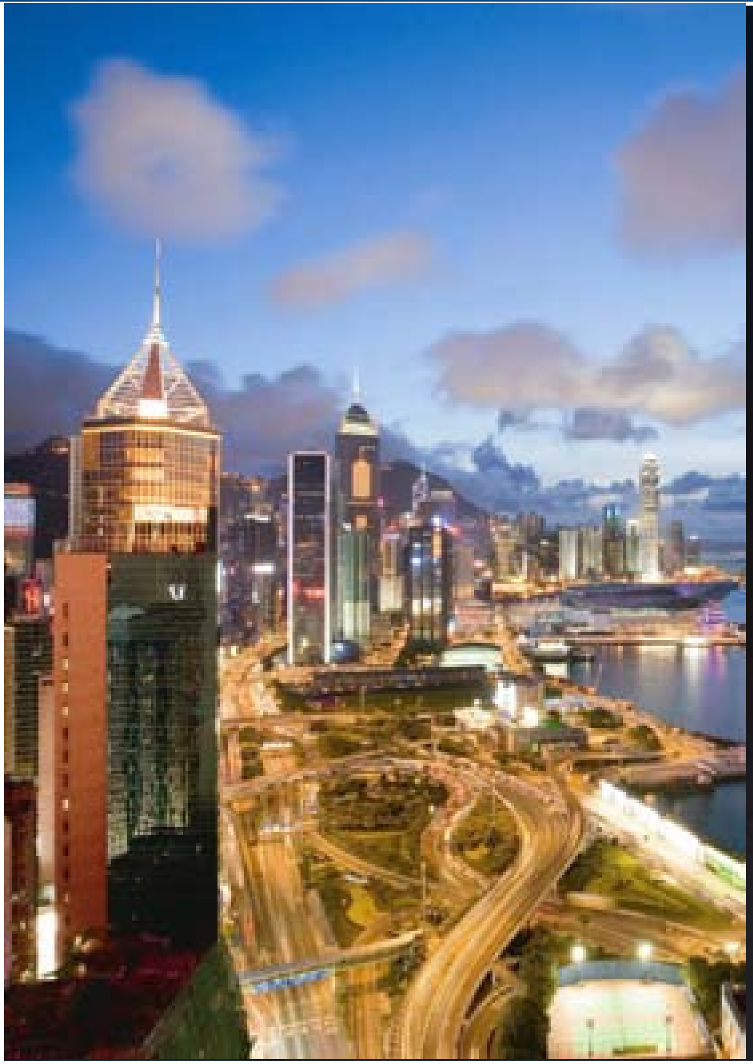
(Management contract)

- 6% increase in RevPAR
- Average rate close to US$500

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Hong Kong

- Two complementary luxury hotels in one city
- Both attained five star ratings in Asian *Mobil Travel Guide* (two out of only four Hong Kong hotels)



STRENGTHEN OUR COMPETITIVE POSITION
ASIA

The Excelsior, Hong Kong
(100% ownership)

- Maintained strong competitive position
- Diversified guest portfolio
- Annual occupancy at 84% (88% in 2007)
- Average rate increased to US$184 (US$179 in 2007)
- Occupancy down to 83% in 4th quarter (91% in 4th quarter 2007)

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Hong Kong

- Contribution from Hong Kong properties at a similar level to 2007

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Tokyo
(Long-term lease)

- Excellent reputation in domestic leisure market
- Strong average rate maintained (in local currency)
- Weakening demand in corporate sector
- Increased hotel supply
- Occupancy down to 63% (77% in 2007)
- Performed well against competition

"Clearly the "it" hotel in Tokyo… "uber-cool" atmosphere is supported by exceptional service…if you have the money, this is the best".

Zagat-World's Top Hotels, Resorts & Spas

MICHELIN STAR STATUS MANDARIN ORIENTAL, TOKYO

Sense

Signature

Molecular Tapas Bar

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Macau
(50% ownership)

- Increased supply and slowdown in visitor arrivals impacted performance
- Occupancy down to 48% (66% in 2007)

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Macau

- The Group has announced the sale of its 50% interest in the hotel
- Forecast to complete in May 2009
- Post-tax gain of approximately US$75 million in 2009
- New owner will rebrand hotel
- The Group will manage property for up to two years

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

New Mandarin Oriental in Macau

- 215 rooms
- Opening 2010
- Part of *One Central* complex

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Singapore
(50% ownership)

- Well recognised as one of the city's leading hotels
- RevPAR up by 5% in local currency; 12% in US$
- Average rate increased to US$265 (US$209 in 2007)

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Mandarin Oriental, Bangkok
(44.9% ownership)

- Undisputed market leader
- Strong first half
- Second half impacted by political situation and global downturn
- Occupancy down to 61% (66% in 2007)
- Average rate increased to US$297 (US$269 in 2007)

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

Other Hotels

- Satisfactory performances from Manila and Kuala Lumpur
- Higher rates offsetting lower occupancy

STRENGTHEN OUR COMPETITIVE POSITION
ASIA

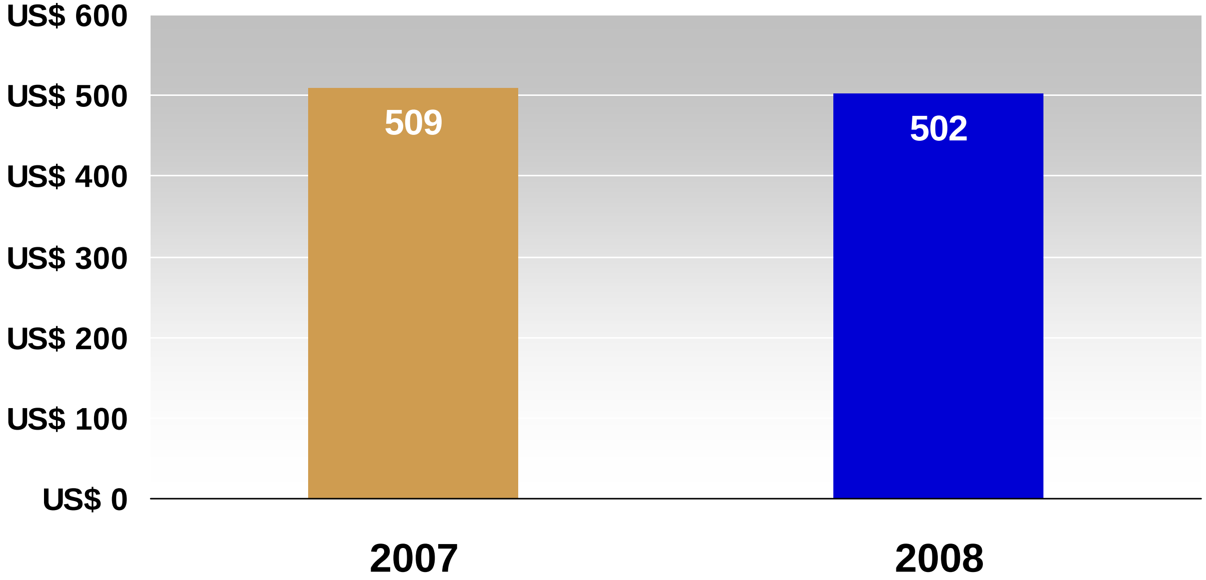
Mandarin Oriental, Jakarta
(96.9% ownership)

- US$50 million renovation
- To be positioned as one of the city's most luxurious and contemporary hotels
- 272 larger guestrooms (down from 404)
- Will re-open towards end of 2009

STRENGTHEN OUR COMPETITIVE POSITION

EUROPE

2008 US$ RevPAR Performance



- Strong demand for luxury service
- Limited new supply
- RevPAR down by 1% in local currency terms; 1% down in US$
- RevPAR decreased by 5% in last quarter; 19% in US$
- Currency fluctuation impacts contribution to Group's result in US$ terms

- Includes only hotels that were fully operational in both years

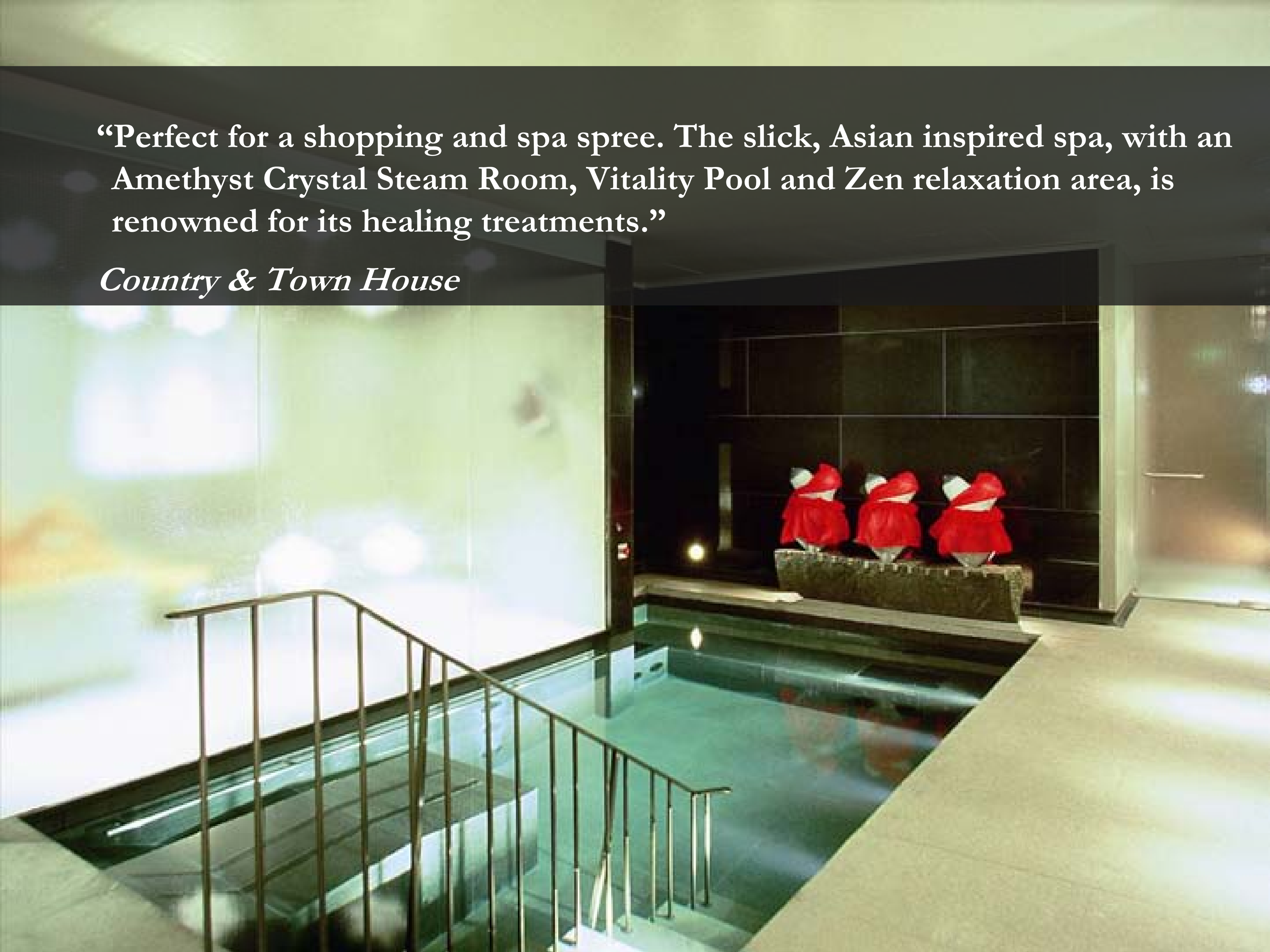
STRENGTHEN OUR COMPETITIVE POSITION
EUROPE

Mandarin Oriental Hyde Park, London
(100% ownership)

- Resilient demand from leisure travellers
- Growth from new markets such as Middle East and Asia
- Occupancy down to 83% in 4th quarter (87% in 4th quarter 2007)
- Average rate increased to £456 (£442 in 2007); but 5% drop in US$ terms
- Recognised as one of the city's most exclusive properties

"Be treated like an emperor at this "opulent jewel" where "attention to detail is incredible"… and experience Chef Chris Staines "fantastic" French-Modern European Foliage Restaurant."

Zagat-World's Top Hotels, Resorts & Spas


"Perfect for a shopping and spa spree. The slick, Asian inspired spa, with an Amethyst Crystal Steam Room, Vitality Pool and Zen relaxation area, is renowned for its healing treatments."
Country & Town House

STRENGTHEN OUR COMPETITIVE POSITION
EUROPE

Mandarin Oriental, Munich
(100% ownership)

- RevPAR increased by 15% in local currency terms; 23% in US$
- Maintained position as undisputed market leader

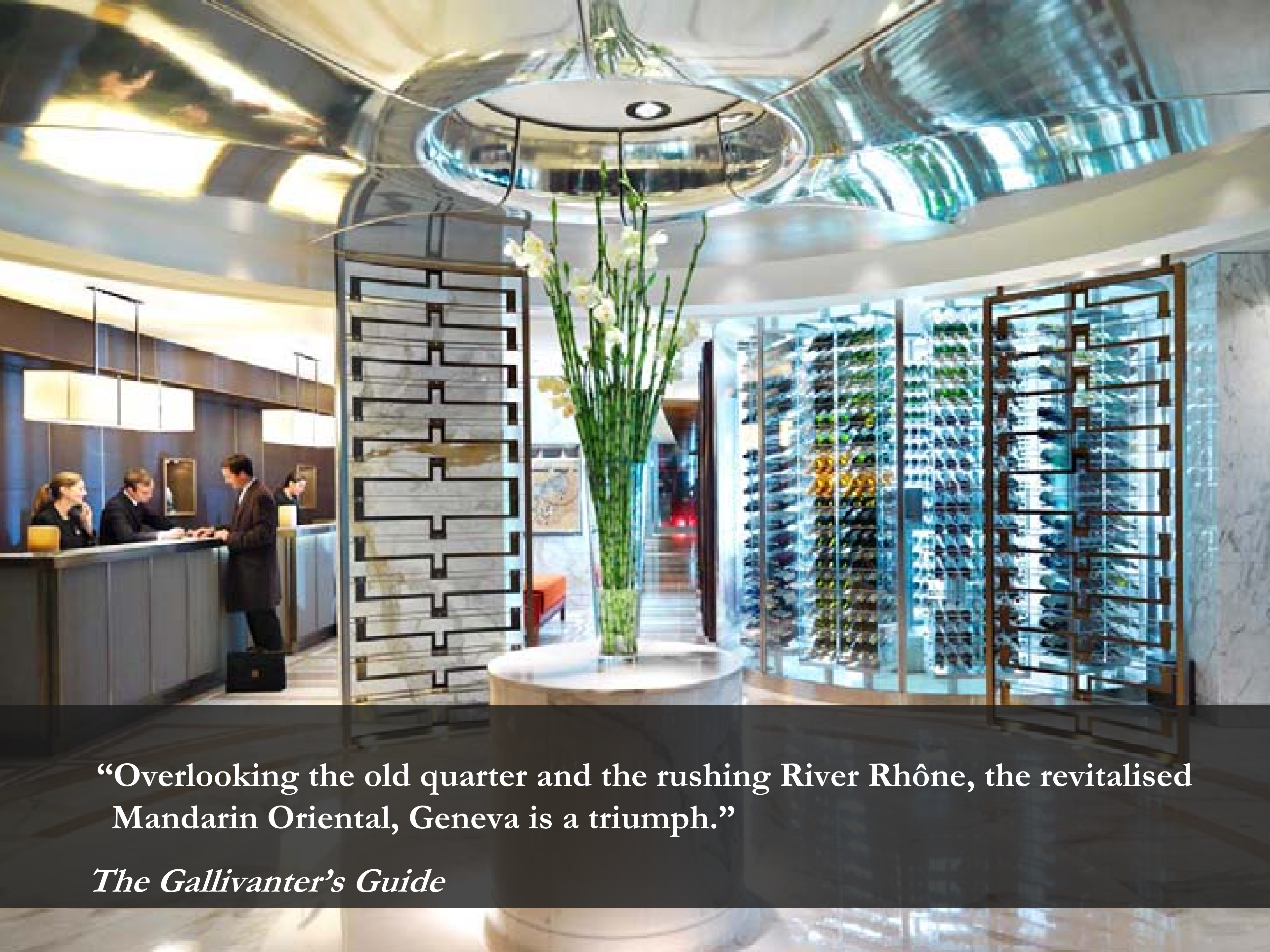
STRENGTHEN OUR COMPETITIVE POSITION
EUROPE

Mandarin Oriental, Geneva
(92.6% ownership)

- Significant renovation completed in August 2008
- Average rate increased by 5% in local currency terms; 17% in US$
- Occupancy down to 63% (72% in 2007)
- Food & Beverage revenues impacted by renovation
- Contribution down by US$7 million

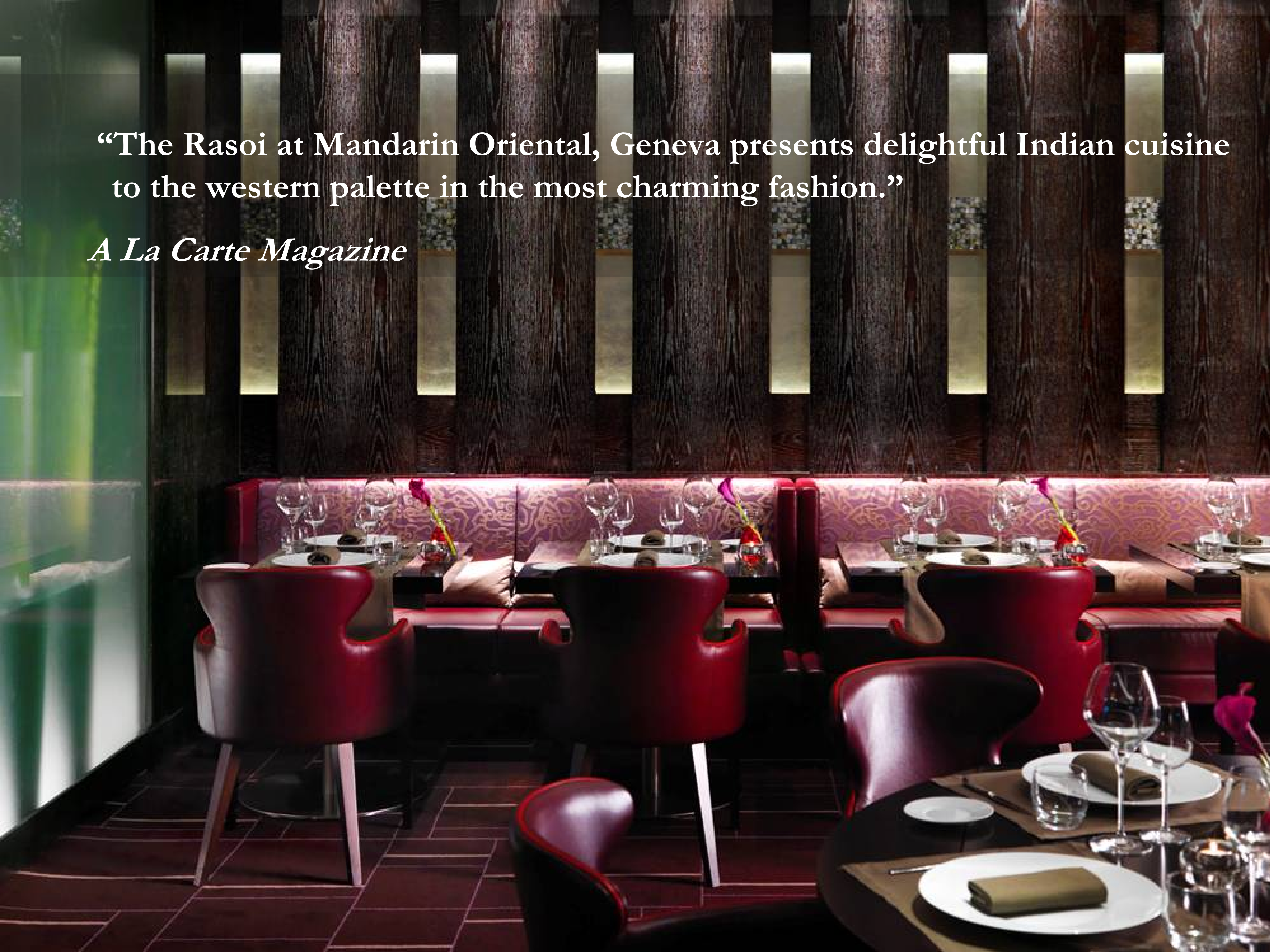
"This high-end hotel on the Right Bank of the Rhône… boy does it have style, with its very good service, spacious rooms and an enjoyable bar. It's also "discreet" enough for business travellers."

Zagat-World's Top Hotels, Resorts & Spas



"Overlooking the old quarter and the rushing River Rhône, the revitalised Mandarin Oriental, Geneva is a triumph."

The Gallivanter's Guide


"The Rasoi at Mandarin Oriental, Geneva presents delightful Indian cuisine to the western palette in the most charming fashion."
A La Carte Magazine

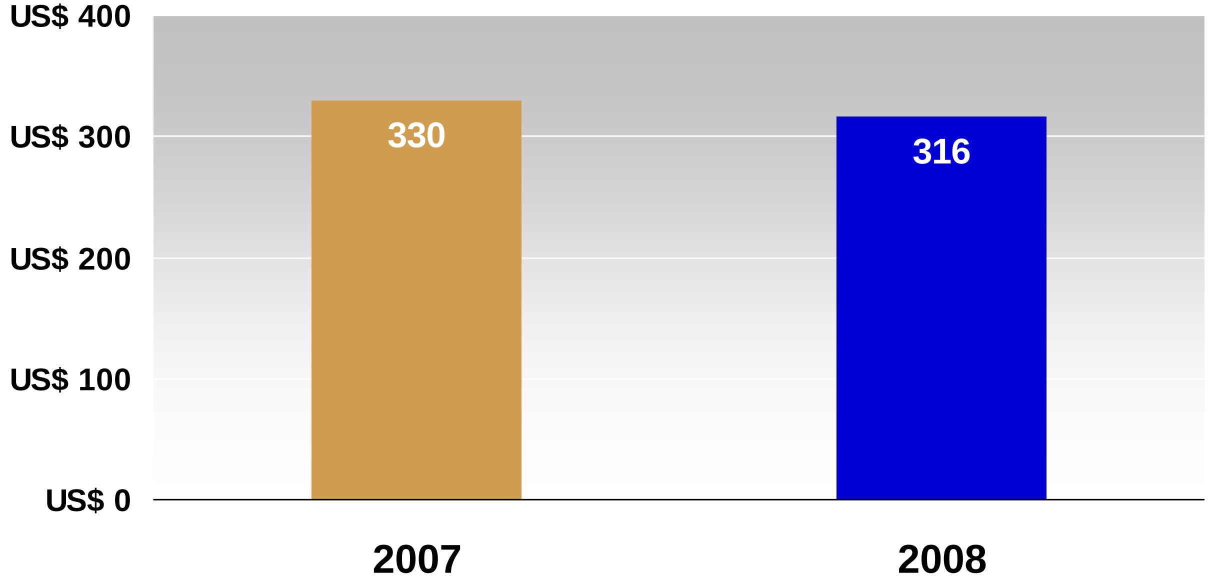
STRENGTHEN OUR COMPETITIVE POSITION
EUROPE

Mandarin Oriental, Prague
(Management contract)

- Continues to establish itself as one of Prague's top luxury hotels
- Maintained occupancy and average rate

STRENGTHEN OUR COMPETITIVE POSITION
THE AMERICAS

2008 US$ RevPAR Performance



- ❖ Hotels maintained competitive positions
- ❖ Environment became more challenging as year progressed
- ❖ RevPAR down by 4%
- ❖ RevPAR declined by 20% in last quarter
- ❖ Under 10% of Group's EBITDA comes from US portfolio

• Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION
THE AMERICAS

Mandarin Oriental, Washington DC
(80% ownership)

- Maintained occupancy levels
- City-wide demand down
- RevPAR down by 4%
- Notable awards such as *"Top Hotels in the USA"* by Zagat

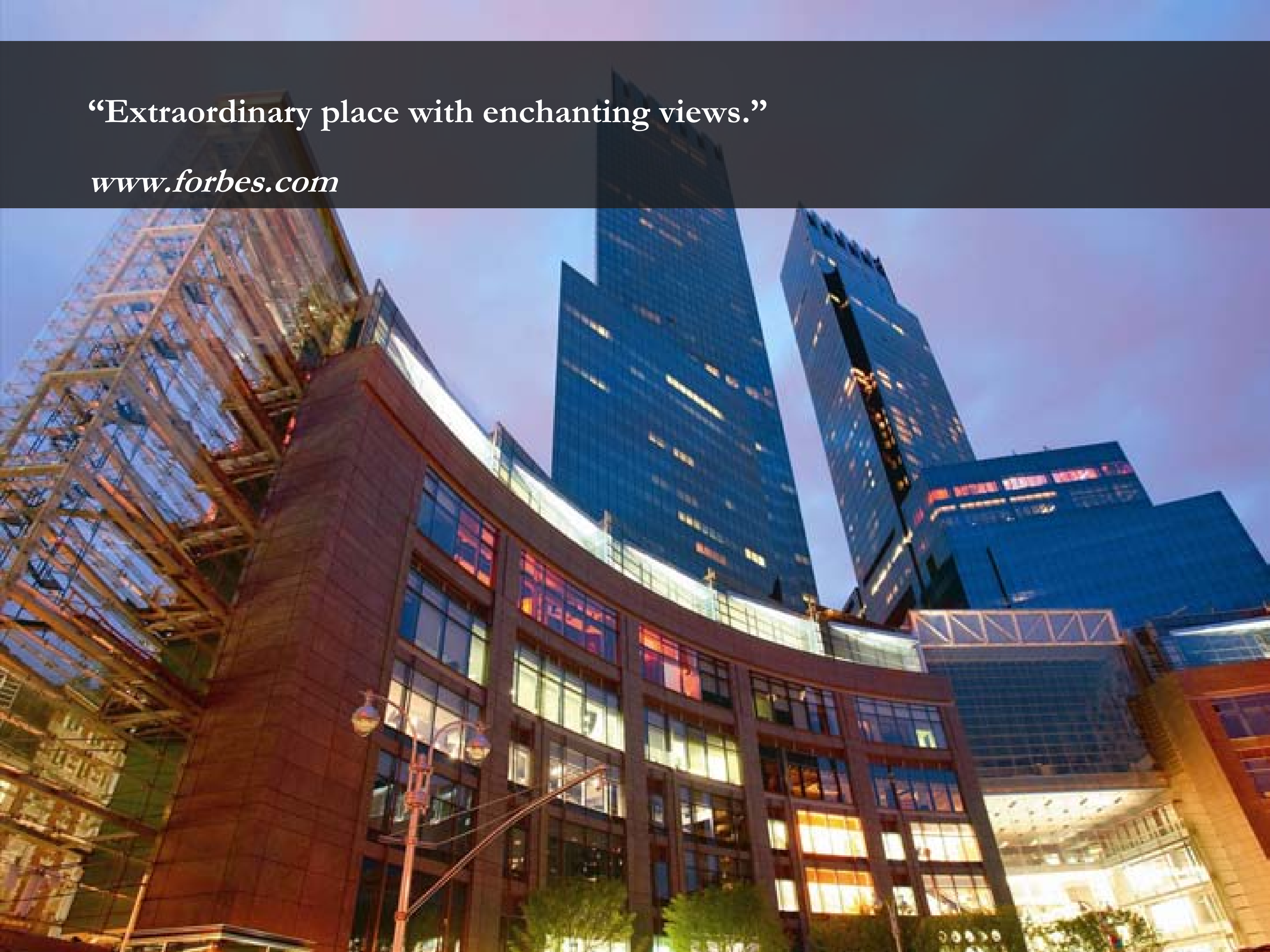
STRENGTHEN OUR COMPETITIVE POSITION
THE AMERICAS

Mandarin Oriental, New York
(25% ownership)

- Continued strong demand from leisure sector
- Average rate increased to US$952 (US$937 in 2007)
- Occupancy down to 68% in 4th quarter (81% in 4th quarter 2007)
- *Mobil 5 Star* and *Triple A 5 Diamond* awards received for third year

“Extraordinary place with enchanting views.”

www.forbes.com



" Not only does the spa look enticing but the treatments work. The views over Central Park are as staggering as the eastern/western design; mammoth windows and a gigantic lap pool."

Tatler Spa Guide, UK

STRENGTHEN OUR COMPETITIVE POSITION
THE AMERICAS

Other Hotels

- Miami, San Francisco and Bermuda maintained their competitive positions despite drop in demand

STRENGTHEN OUR COMPETITIVE POSITION
THE AMERICAS

Mandarin Oriental Riviera Maya, Mexico
(Management Contract)

- Opened in February 2008
- 128 luxurious guestrooms and suites
- Average rate of over US$700

MANDARIN ORIENTAL RIVIERA MAYA, MEXICO

“The cuisine is elegant and service is impeccable.”

The Daily Telegraph, UK

MANDARIN ORIENTAL RIVIERA MAYA, MEXICO

“What eventually materialized at this 36-acre site on the Riviera Maya is a resort with no peers in the Yucatan.”

Robb Report, US

TOWARDS 10,000 ROOMS

Mandarin Oriental, Boston
(Management Contract)

- Opened October 2008
- 148 rooms
- Achieving average rate of US$650
- 50 *Residences at Mandarin Oriental* all sold; branding fees received

MANDARIN ORIENTAL, BOSTON

"It raises the bar in Boston… the details – the stones, the woods, the fabrics and textures – are quite incredible."

Boston Sunday Herald

MANDARIN ORIENTAL, BOSTON

“Mandarin Oriental, Boston is an imposing edifice containing the most sumptuous lodgings in town.”

Independent on Sunday, UK

MANDARIN ORIENTAL, BOSTON

“Mandarin Oriental, Boston’s signature restaurant “Asana” is a bustling, undeniably swanky scene.”

Boston Magazine

TOWARDS 10,000 ROOMS

- Just over 7,000 rooms in operation
- Total portfolio including hotels under development:
  - More than 11,000 rooms
  - 41 properties
  - 25 countries
- Stronger geographic diversification:
  - 17 hotels in Asia
  - 14 hotels in The Americas
  - 10 hotels in Europe and North Africa

TOWARDS 10,000 ROOMS

Mandarin Oriental, Moscow

(Management Contract)

- 221 rooms
- Scheduled to open in 2011

TOWARDS 10,000 ROOMS

Mandarin Oriental, Atlanta

(Management Contract)

- 198 rooms
- Scheduled to open in 2011

TOWARDS 10,000 ROOMS

Mandarin Oriental, Maldives
(Management Contract)

- 114 luxury villa hideaway
- Due to open in the next 12 months

TOWARDS 10,000 ROOMS

18 hotels under development

The Americas

- Atlanta
- Chicago
- Costa Rica
- Dellis Cay
- Grand Cayman
- Las Vegas
- St. Kitts

Europe

- Barcelona
- Marbella
- Marrakech
- Milan
- Moscow
- Paris

Asia

- Beijing
- Guangzhou
- Macau
- Maldives
- Taipei

TOWARDS 10,000 ROOMS

5 hotels actively pursuing appropriate funding

- Atlanta
- Chicago
- Costa Rica
- Grand Cayman
- Marbella

- Dallas project cancelled

TOWARDS 10,000 ROOMS

Mandarin Oriental, Sanya

(Management Contract)

- On Hainan Island
- Opened January 2009
- 297 luxurious guestrooms and suites

MANDARIN ORIENTAL, SANYA

MANDARIN ORIENTAL, SANYA

MANDARIN ORIENTAL, SANYA

MANDARIN ORIENTAL, SANYA

MANDARIN ORIENTAL, SANYA

TOWARDS 10,000 ROOMS

Mandarin Oriental, Beijing

- Postponed due to fire at construction site in February
- Extent of damage under review with owner, CCTV
- Long-term management contract with no equity interest

TOWARDS 10,000 ROOMS

Mandarin Oriental, Barcelona

(*Management Contract)*

- 98 rooms
- Prime city centre site

TOWARDS 10,000 ROOMS

Mandarin Oriental Jnan Rahma, Marrakech
(*Management Contract)*

- 161 rooms
- Located in The Palmeraie overlooking Atlas mountains

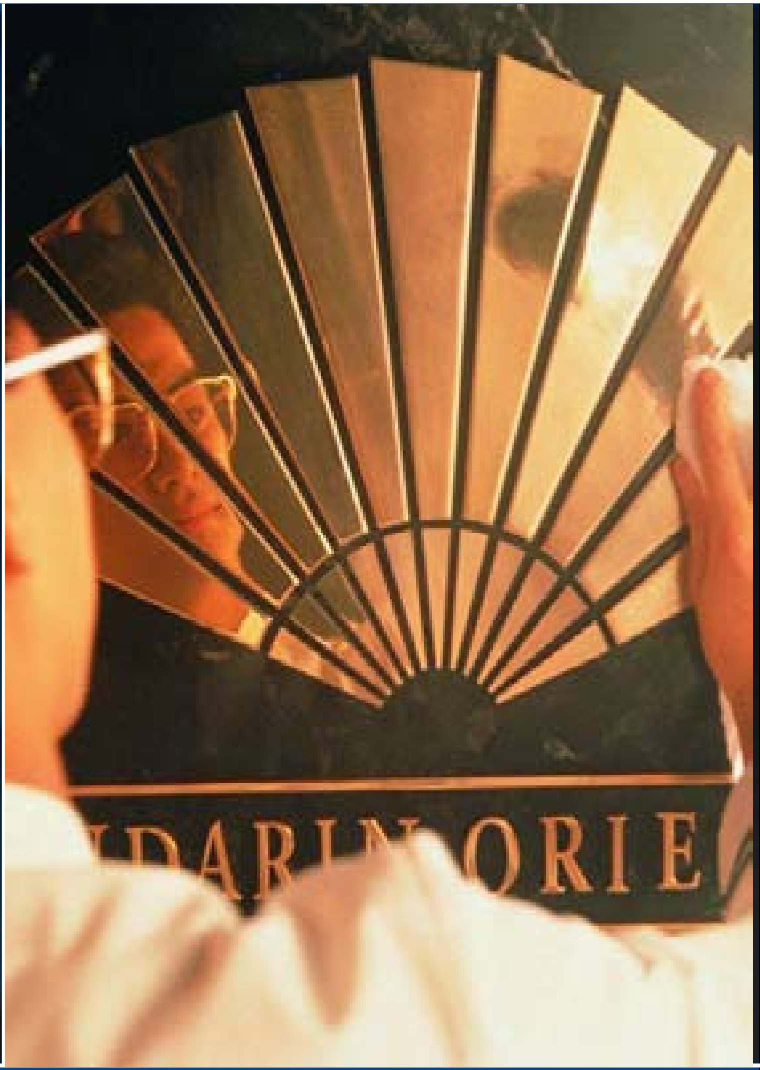
TOWARDS 10,000 ROOMS

Mandarin Oriental, Las Vegas
(*Management Contract)*

- 392 rooms and 227 *Residences at Mandarin Oriental*
- Part of MGM Mirage's CityCenter complex on the Strip

TOWARDS 10,000 ROOMS

- 2009 openings will benefit Group from 2010 onwards



THE RESIDENCES AT MANDARIN ORIENTAL

- One-off branding fees
- Ongoing revenues for hotel services
- Opportunities for further *Residences* when development conditions improve

FUTURE DEVELOPMENTS

- Potential for future growth remains attractive
- Brand recognition increasingly important in attracting hotel developers and facilitating funding
- Continually reviewing a pipeline of strategic new projects
- Well positioned to take advantage of selective investment opportunities
- Operating both owned and managed hotels remains at the core of our business

FINANCIAL REVIEW

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2008	2007
Operating Activities		
EBITDA from subsidiaries	**126**	**146**

- EBITDA from Hong Kong hotels in line with 2007
- Currency movements result in US$10 million decrease compared with 2007 (US$8 million up in 2007 and US$2 million down in 2008)
- EBITDA from Geneva declined by US$7m, due to 8-month renovation
- Remaining drop due to impact of weakening demand, particularly in Tokyo

EBITDA Performance

US$m	2008	2007
First half	64	64
Second half	62	82
	126	146

Summary Cash Flow Statement

US$m	2008	2007
Operating Activities		
EBITDA from subsidiaries	126	146
Dividends and interest from associates	20	12
Net financing charges paid	(18)	(16)
Tax paid	(7)	(14)
Other	3	2
Total	124	130

- Weighted average interest rate at 4.2% on Group borrowings (5.2% in 2007)

Summary Cash Flow Statement

US$m	2008	2007
Investing Activities		
Capital expenditure	(69)	(50)

Analysis of capital expenditure

US$m	**2008**	**2007**
Geneva renovation	**18**	**-**
Jakarta renovation[(i)]	**18**	**-**
London – *One Hyde Park* preliminary works[(ii)]	**10**	**-**
Mandarin Oriental, Hong Kong renovation	**-**	**21**
Munich renovation	**-**	**10**
Ongoing capex at other hotels	**23**	**19**
Total capital expenditure	**69**	**50**

(i) Initial capex for US$50m Jakarta renovation

(ii) Relates to new guest facilities created in the adjacent *One Hyde Park* development

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2008	2007
Investing Activities		
Capital expenditure	(69)	(50)
Investment in Mandarin Oriental, Paris(i)	(6)	-
Proceeds on disposals(ii)	-	71
Capital distribution from associates	23	14
Hotel mezzanine funding (net)	(1)	9
Other	(4)	(5)
Total (outflow) / inflow	(57)	39

(i) The Group's investment in the Paris project has increased to US$60 million from US$40 million

(ii) Principally the sale of 25% of Mandarin Oriental, New York (2007)

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2008	2007
Operating Activities	124	130
Investing Activities	(57)	39
Financing Activities		
Dividends paid	(69)	(39)
Drawdown of borrowings	35	536
Repayment of borrowings	(12)	(464)
Other	2	3
Net increase in cash	23	205
Opening cash balance 1st Jan	492	287
Closing cash balance 31st Dec	515	492

- Year end dividend of US¢5 per share proposed for 2008 (annual dividend of US¢7)

FINANCIAL REVIEW

	2008	2007
Adjusted NAV per share	**US$2.08**	**US$2.34**
Net debt	**US$146 million**	**US$185 million**
Adjusted shareholders funds	**US$2,049 million**	**US$2,279 million**
Gearing	**7%**	**8%**
EBITDA net interest cover	**6.6 times**	**7.7 times**

FINANCIAL REVIEW

- Approximately 50% of Group's gross debt hedged
- Average tenor of Group's borrowings is five years
- No significant financing required in next 12 months
- US$515 million of cash resources with US$143 million of undrawn, committed facilities
- US$90 million cash anticipated in May 2009 from sale of Group's 50% in Mandarin Oriental, Macau
- The Group is in a strong financial position

CONCLUSION

- Deteriorating economy will continue to impact business levels
- Difficult to predict timing of global economic upturn
- Closely monitoring booking trends and will adjust costs as appropriate
- Hotels should benefit over time from reduced new supply and relative resilience of luxury leisure travel
- Mandarin Oriental well placed to benefit from a global recovery when it occurs
- The Group portfolio will double in the next few years
- Well positioned to become the best luxury hotel group

MANDARIN ORIENTAL

THE HOTEL GROUP