ANNUAL RESULTS 2011

2011 PERFORMANCE

- Positive trading momentum continued in 2011
- Increased profitability despite challenging conditions in some markets
- Improved performance more than offset pre-opening expenses in Paris and losses in Tokyo

2011 ANNUAL RESULTS HIGHLIGHTS

US$m	**2011**	2010
Combined Total Revenue	**1,196**	1,026
Underlying EBITDA	**163**	136

2011 underlying EBITDA includes:

- One-off US$16m of branding fees following completion of *The Residences at Mandarin Oriental, London*
- US$13m pre-opening expenses in Paris

2011 ANNUAL RESULTS HIGHLIGHTS

US$m	2011	2010
Underlying profit attributable to shareholders	59	44
Profit attributable to shareholders incl. non-trading items*	67	44

- 2011 includes US$10m non-trading gain for grant of long-term leasehold space in London

* No non-trading items in 2010

2011 ANNUAL RESULTS HIGHLIGHTS

	2011	2010
Underlying Earnings per Share *US¢*	5.92	4.48
Earnings per Share including non-trading items *US¢*	6.78	4.48
Adjusted Net Asset Value per Share* *US$*	2.70	2.33

* This includes freehold and leasehold properties at market valuation

- Final dividend of US¢4 per share recommended to shareholders
- Total dividend for 2011 of US¢6 per share an increase of US¢1 from 2010

KEY STRATEGIC OBJECTIVES

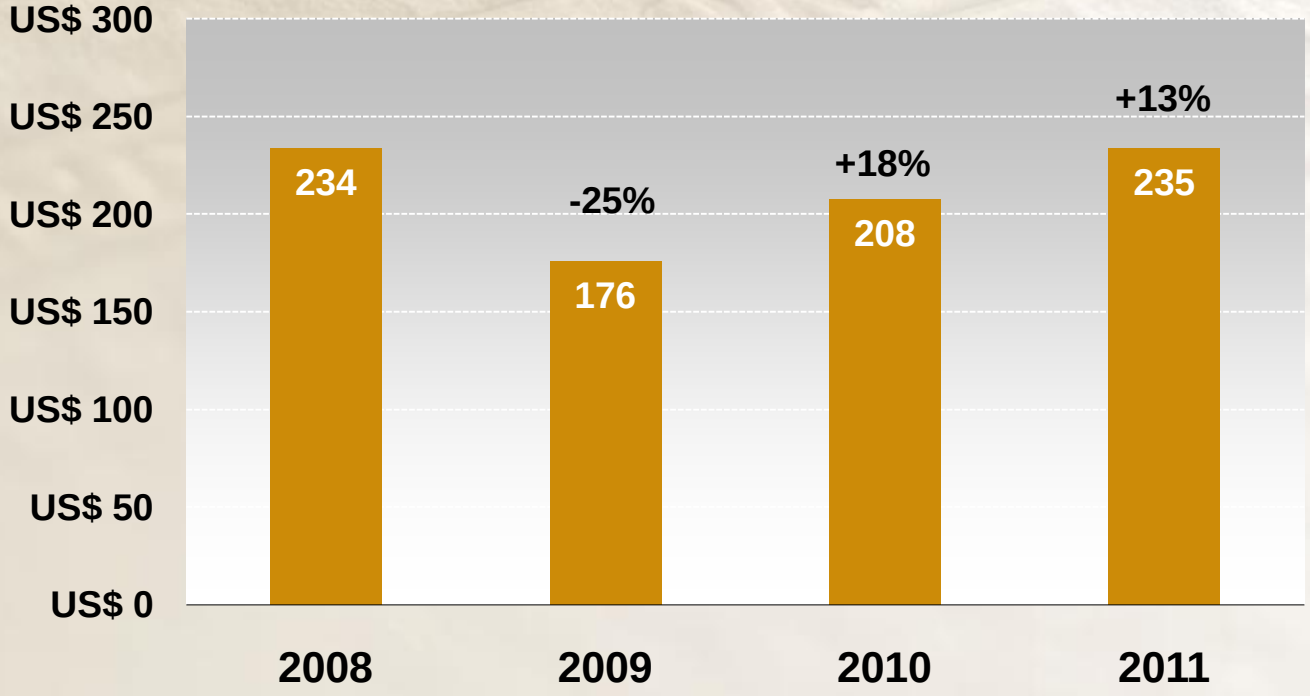
- Strengthening our competitive position in all markets
- Being widely recognised as the world's best luxury hotel group
- Operating at least 10,000 rooms worldwide
- Achieving a strong financial performance

STRENGTHEN OUR COMPETITIVE POSITION

- Improved performance, particularly in Asia and Europe
- All hotels successfully strengthened or maintained their competitive position
- Performance reflects strength of Mandarin Oriental brand and focused management teams

STRENGTHEN OUR COMPETITIVE POSITION ALL HOTELS

RevPAR PERFORMANCE FROM 2008 - 2011



- 2011 RevPAR back to levels achieved before economic downturn

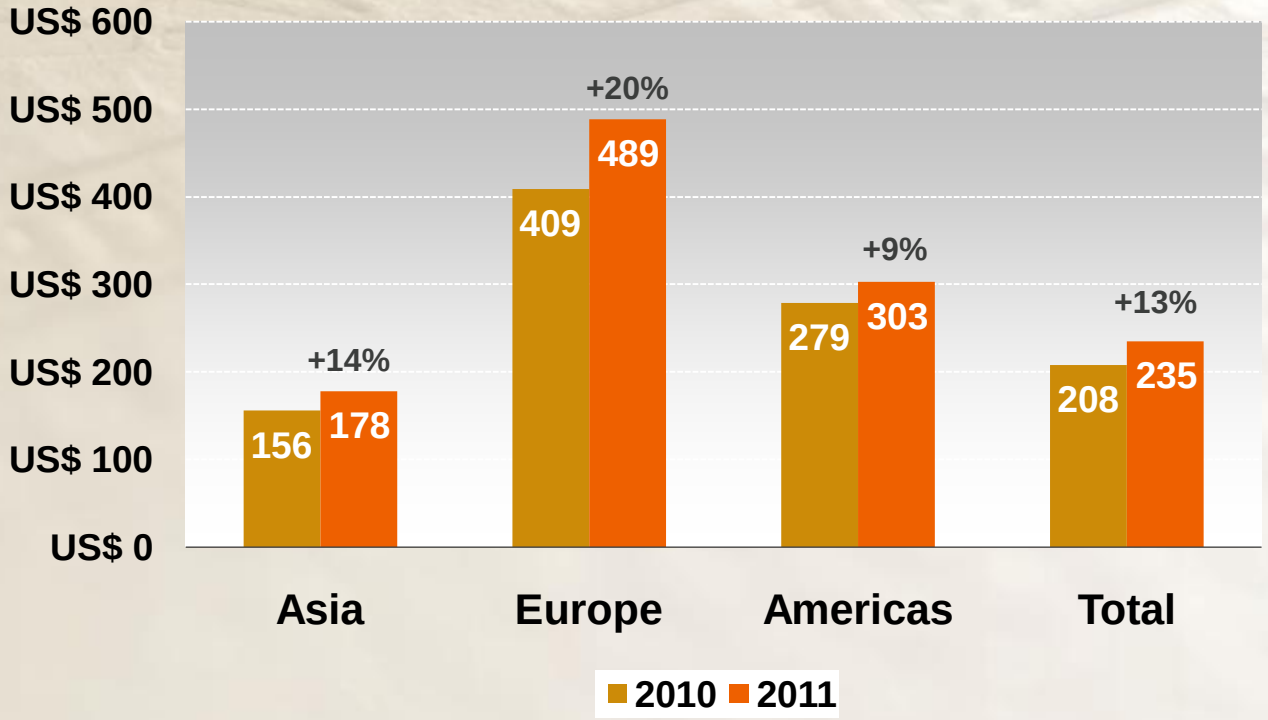
Includes only hotels that were fully operational in 2008-2011

STRENGTHEN OUR COMPETITIVE POSITION

- Increased demand from traditional and new markets
- Mainland China now provides 13% of total room nights (second largest source of business)
- Limited new supply in key markets

STRENGTHEN OUR COMPETITIVE POSITION

2011 RevPAR PERFORMANCE

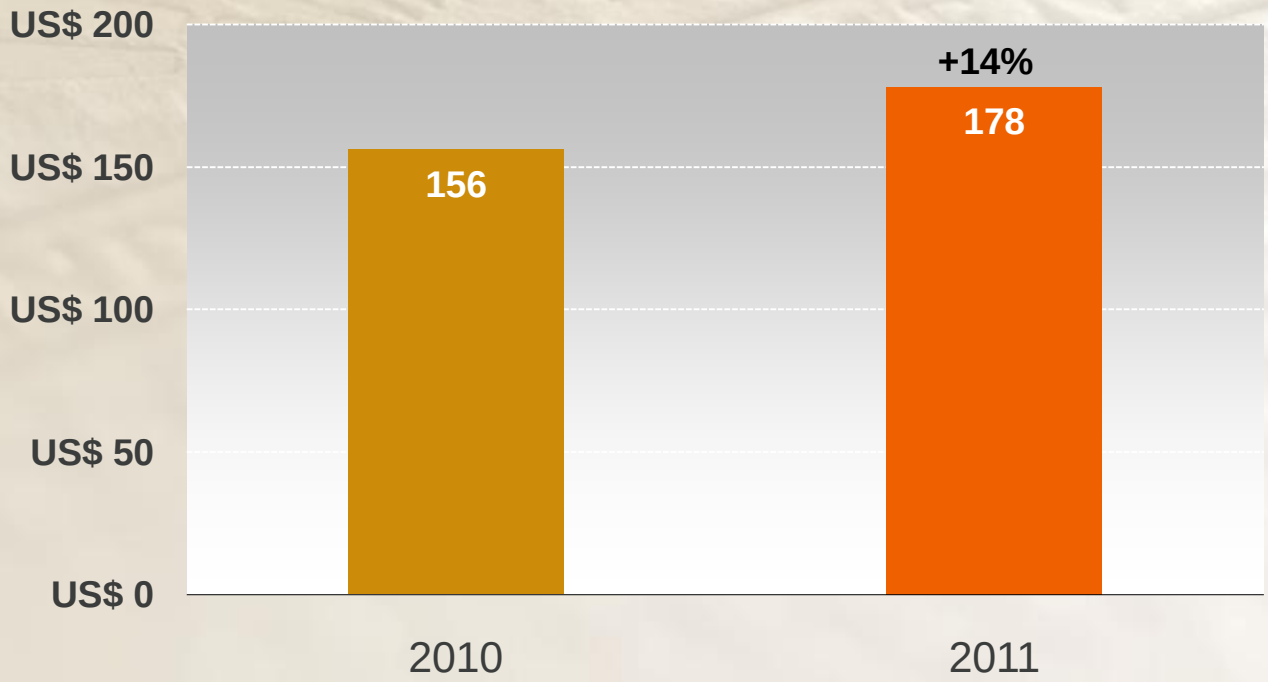


Total RevPAR increased by 10% in local currency terms

Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION ASIA

2011 RevPAR PERFORMANCE

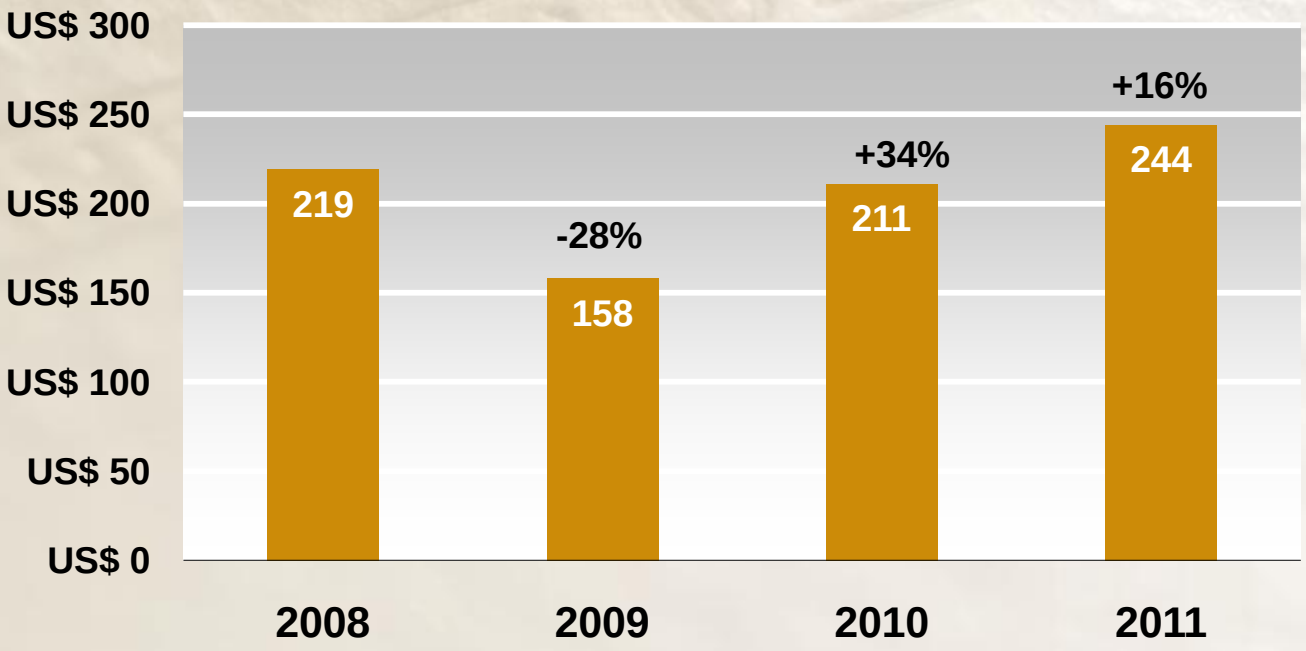


- RevPAR increased by 11% in local currency terms
- Strong corporate demand

Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION HONG KONG

RevPAR PERFORMANCE FROM 2008 – 2011



- 2011 RevPAR exceeds 2008 levels by 11%

Based on the Group's three Hong Kong hotels

STRENGTHEN OUR COMPETITIVE POSITION

ASIA

Mandarin Oriental, Hong Kong
(100% ownership)

- Occupancy at 71% (68% in 2010)
- Average rate of US$468 (US$426 in 2010)
- RevPAR up 14%
- Food and beverage revenues up 20%
- Awarded four Michelin stars in three restaurants

STRENGTHEN OUR COMPETITIVE POSITION ASIA

The Landmark Mandarin Oriental, Hong Kong
(Management contract)

- Strengthened its competitive position
- Average rate of around US$520
- RevPAR up 14%
- *Amber* retained two Michelin stars
- Only restaurant in Hong Kong included in *San Pellegrino* listing of the 'World's 50 Best Restaurants' 2011

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Hong Kong and The Landmark Mandarin Oriental

- *Forbes*‘ Five Star’ rating for hotel and spa

“He’s a fan, she’s a fan. Who, really is not a fan. The allure and elegance of Mandarin Oriental...service is perfect, there when you need it. The dining experience is to die for.”

USATODAY.com

"The Landmark Mandarin Oriental – one of the city's swankiest hotels inside the city's swankiest shopping mall."

About.com

STRENGTHEN OUR COMPETITIVE POSITION ASIA

The Excelsior, Hong Kong
(100% ownership)

- Maintained leading competitive position
- RevPAR up 18%
- Average rate at US$195 (US$171 in 2010)
- Occupancy at 89% (86% in 2010)

STRENGTHEN OUR COMPETITIVE POSITION

ASIA

Mandarin Oriental, Tokyo

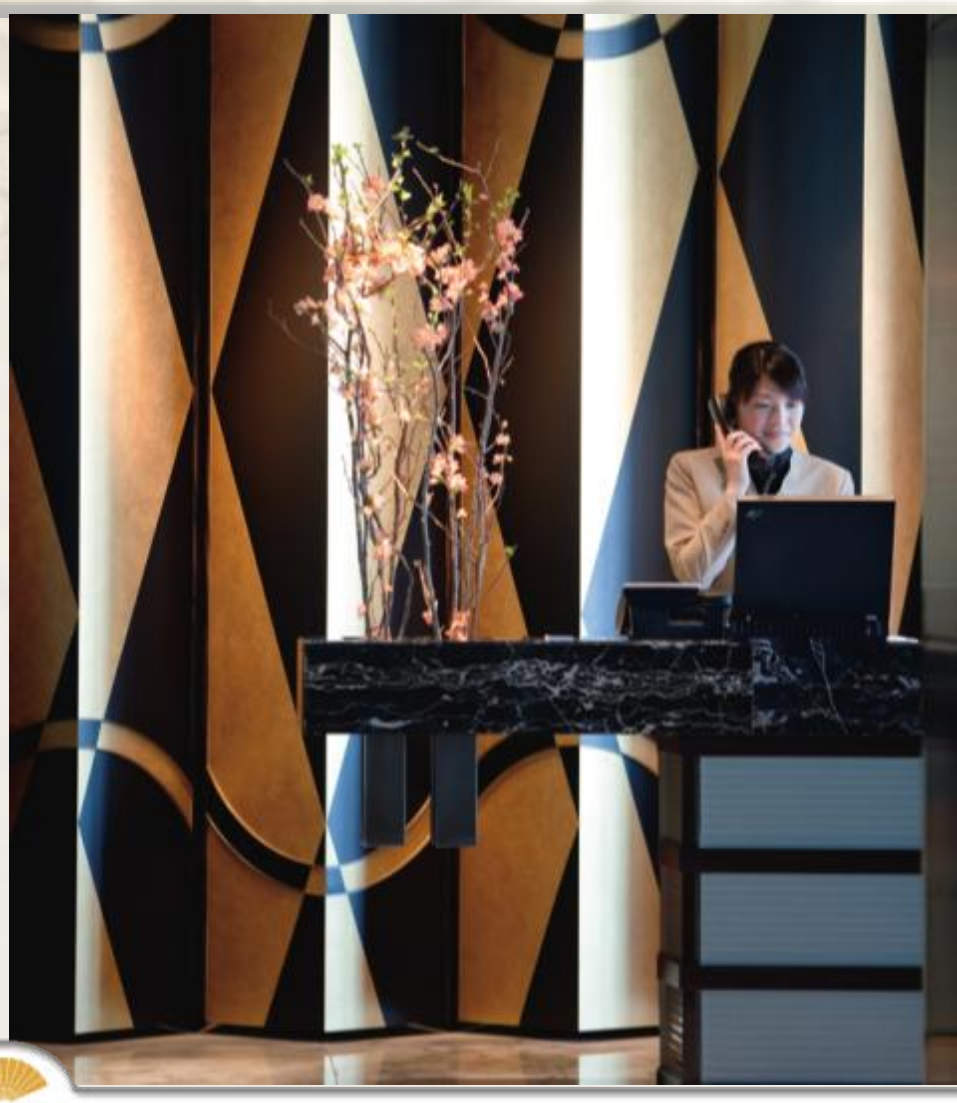
(Long-term lease)

- Occupancy impacted by earthquake and tsunami in March 2011
- Slow recovery during the year
- Annual occupancy at 50% (December occupancy at 69%)

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Tokyo
(Long-term lease)

- Government forecast indicates a return to normal in 2012
  - 9 million visitors in 2010
  - 6.2 million in 2011
  - Forecast 10 million in 2012



‘Best Hotel in Japan’

International Hotel Awards 2011

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Bangkok
(44.9% ownership)

- RevPAR up 10% in local currency terms
- Improved occupancy despite impact of floods in last quarter
- Remains undisputed market leader

‘Best Hotel in Asia’

Travel and Leisure World’s Best Awards 2011

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Singapore
(50% ownership)

- Strong city-wide demand
- RevPAR up 14% in local currency terms
- Invested in new spa facilities
- Only hotel in the city to achieve *Forbes* 'Five Star' status for both hotel and spa

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Jakarta
(96.9% ownership)

- Improved competitive position following comprehensive US$50m renovation
- RevPAR up 42% in local currency terms

STRENGTHEN OUR COMPETITIVE POSITION ASIA

Mandarin Oriental, Macau
(Management contract)

- Improved performance in first full year of operation
- Occupancy at 63% (49% at the end of 2010)
- Voted 'Best New Hotel in Macau' in *China Travel Awards*
- Branding fees from sales of *Residences & Apartments at Mandarin Oriental*

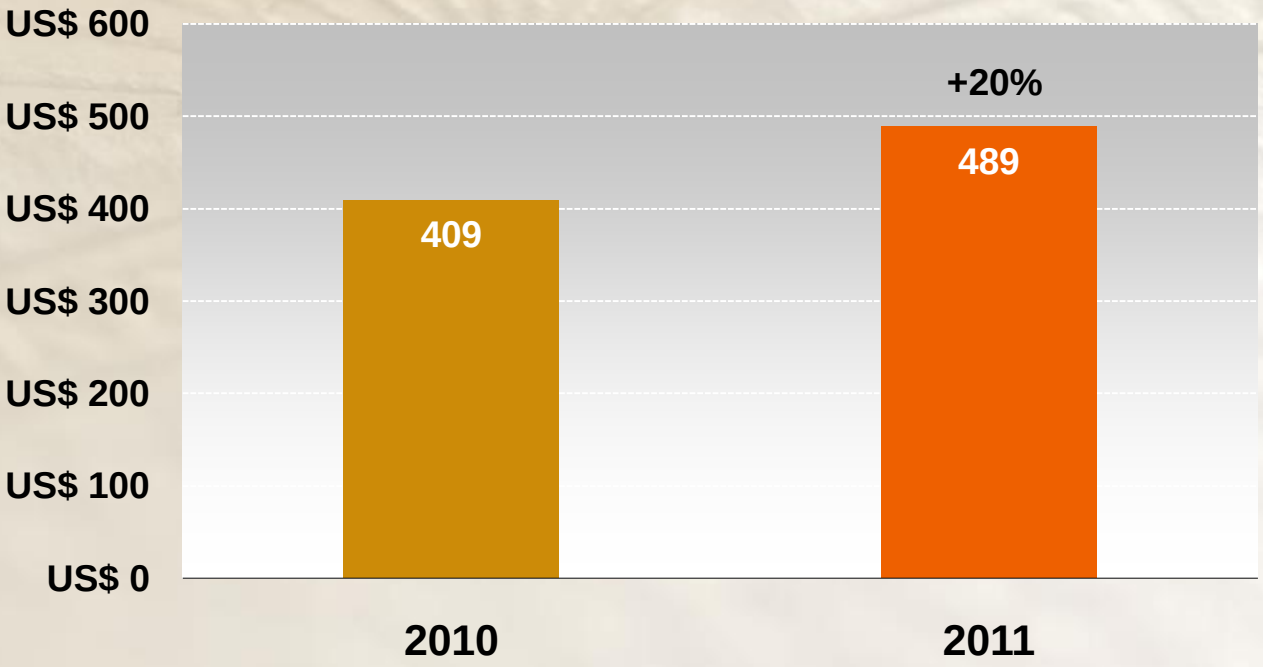
STRENGTHEN OUR COMPETITIVE POSITION ASIA

Other Hotels

- Benefited from region's stronger demand
- RevPAR up in all locations, except Kuala Lumpur
- Kuala Lumpur maintained RevPAR in local currency terms and remains market leader

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

2011 RevPAR PERFORMANCE



- Hotels competed effectively at top of their markets
- RevPAR increased by 11% in local currency terms
- Combined average rate now exceeds US$700

Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

Mandarin Oriental Hyde Park, London
(100% ownership)

- Strong leisure demand from both traditional and newer markets
- Occupancy maintained at 80%
- Increased average rate to £538 (£467 in 2010)
- RevPAR up 14% in local currency terms
- Food and beverage revenues increased significantly

DINNER BY HESTON BLUMENTHAL

- Achieved first Michelin star
- 'Best New Restaurant' *Tatler, UK 2011*

BAR BOULUD

- Daniel Boulud's only venture in the UK
- In *San Pellegrino's* '100 Best Restaurants in the World'

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

The Residences at Mandarin Oriental, London

- 86 Residences opened January 2011
- One-off branding fees of US$16m
- Hotel granted leasehold space from the developer at no cost resulting in US$10m non-trading gain
- Will provide additional hotel facilities in 2012, including swimming pool and gym

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

Mandarin Oriental, Munich
(100% ownership)

- Maintained position as undisputed market leader
- Occupancy at 82% (77% in 2010)
- Average rate close to €550
- RevPAR up 19% in local currency terms

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

Mandarin Oriental, Geneva
(92.6% ownership)

- Impact of phased rooms renovation and strong Swiss franc
- RevPAR down by 8% in local currency terms
- Maintained strong competitive position in the market

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

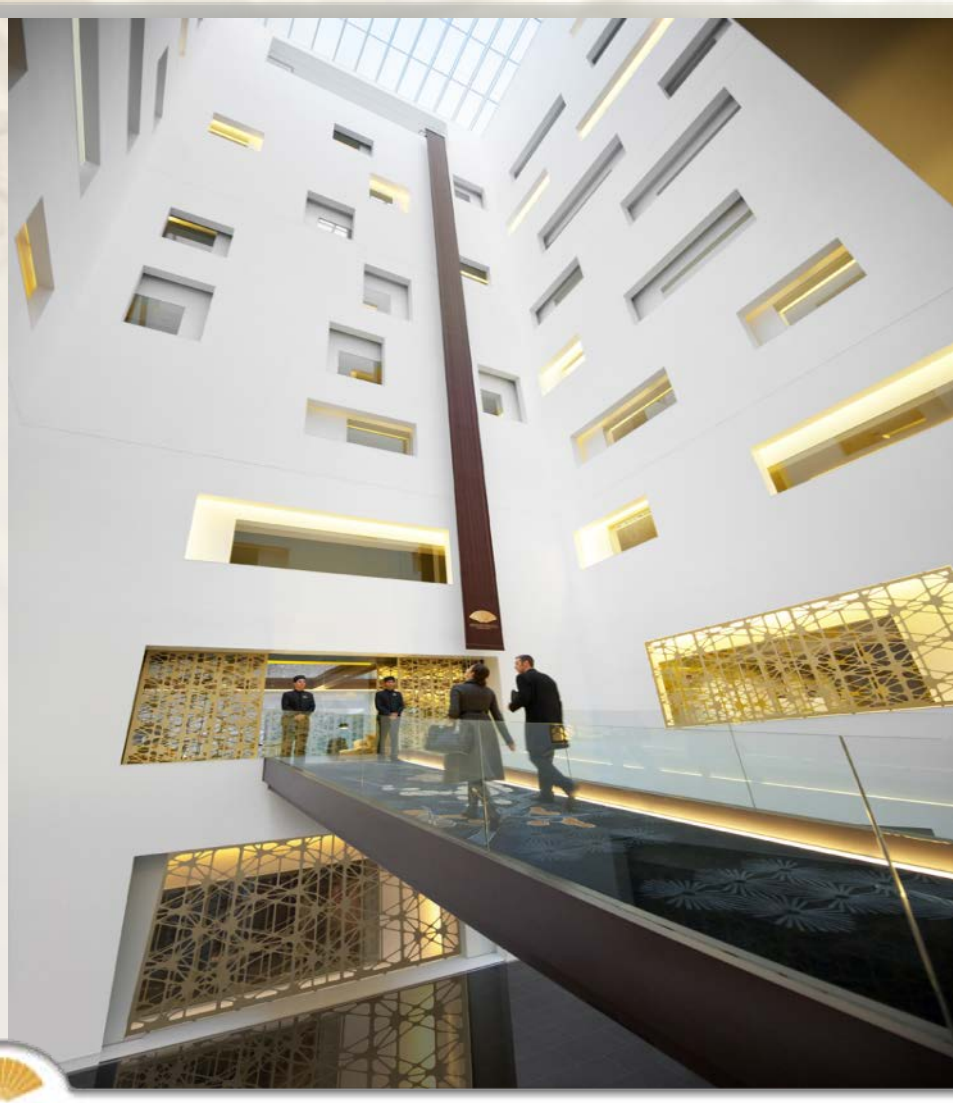
Mandarin Oriental, Paris
(Long-term lease)

- Opened in June 2011
- Located on prestigious rue St. Honoré
- 138 expansive guestrooms and suites
- Positioned as one of the city's most luxurious hotels
- Average rate of €950 in first six months
- Strong food and beverage demand
- Occupancy will grow over time

STRENGTHEN OUR COMPETITIVE POSITION EUROPE

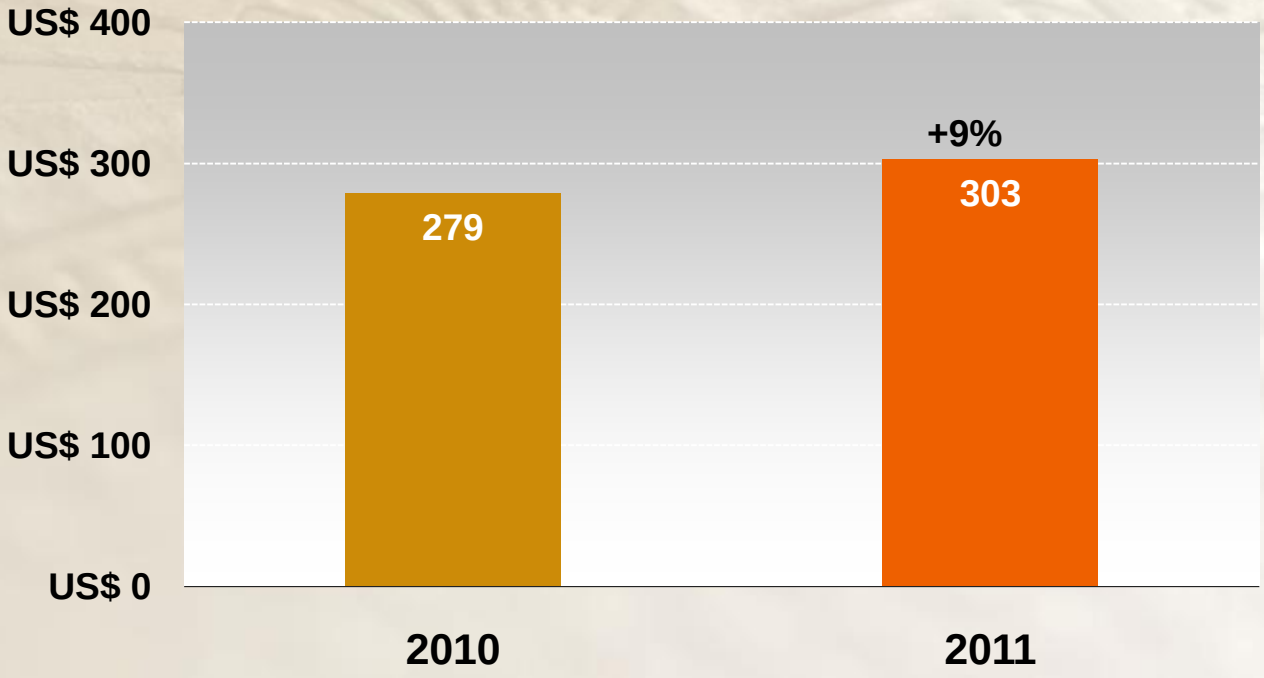
Other Hotels

- RevPAR improved at other managed hotels in Barcelona and Prague



STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

2011 RevPAR PERFORMANCE

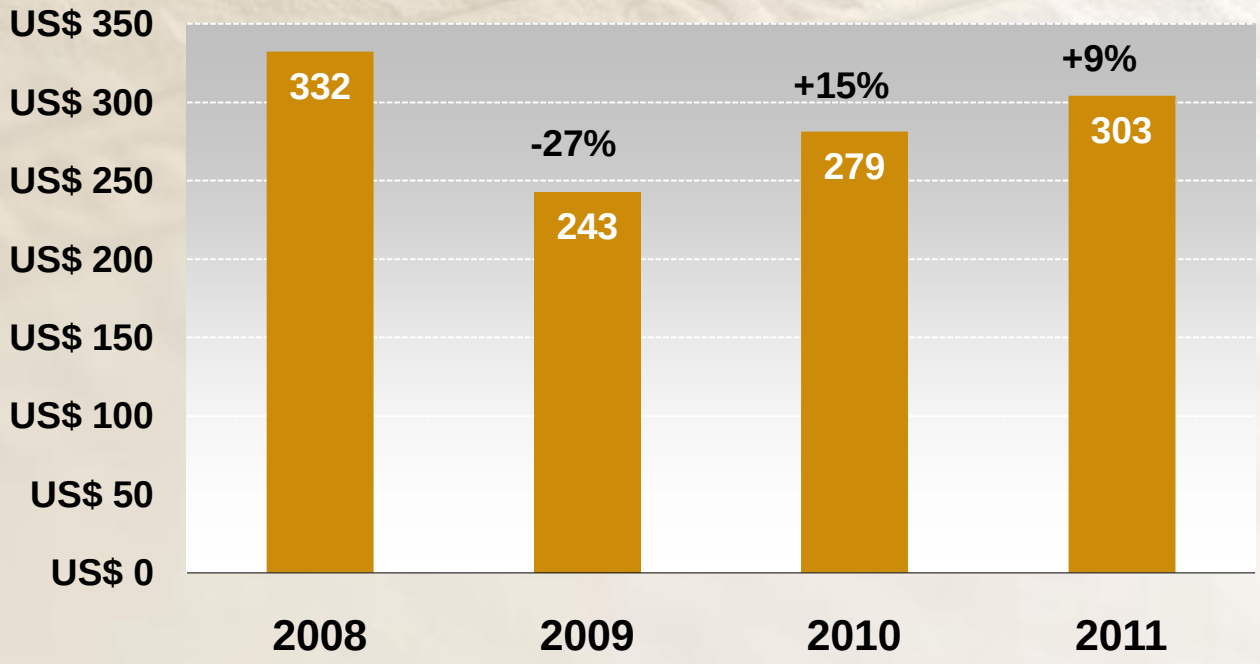


- Increased occupancy and rate in most hotels

Includes only hotels that were fully operational in both years

STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

RevPAR PERFORMANCE FROM 2008 - 2011



Includes only hotels that were fully operational in 2008-2011

STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

Mandarin Oriental, Washington DC
(80% ownership)

- Strengthened its competitive position
- RevPAR up 6%

STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

Mandarin Oriental, New York
(25% ownership)

- Strong position as one of the world's finest hotels
- Occupancy at 71% (69% in 2010)
- Maintained average rate at over US$880
- Retained both the prestigious *Forbes* 'Five Star' and the *Triple A* 'Five Diamond Lodging Award'

"Surely the height of luxury, Asiate, one of the dining options within Mandarin Oriental, New York, combines simplicity, elegance and vitality in its decor and floor to ceiling views."

Hello Magazine.com

"The Spa at Mandarin Oriental in New York is considered the greatest luxury hotel spa in the city."

About.com

STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

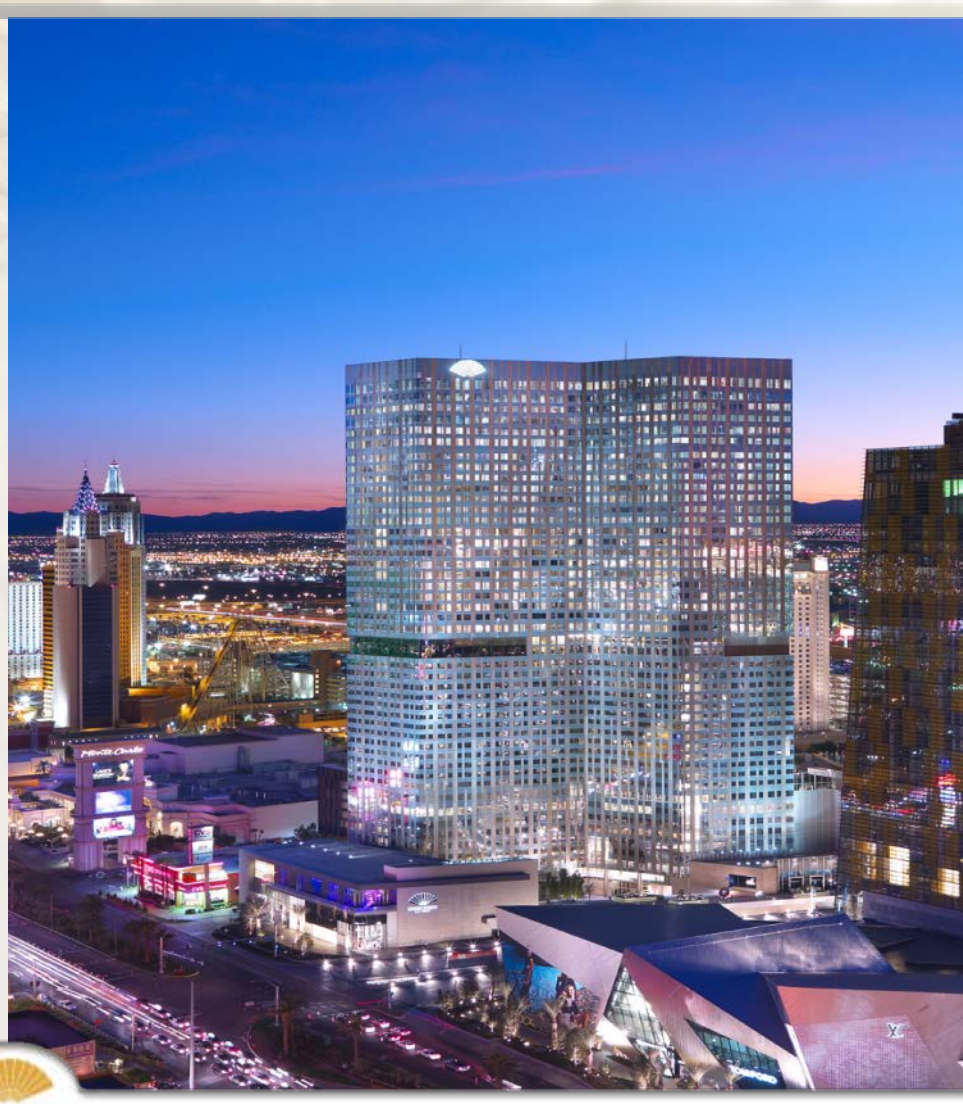
Mandarin Oriental, Miami
(25% ownership)

- Rebound in citywide demand
- RevPAR up 19%
- The only hotel in Florida to be awarded *Forbes* 'Five Star' rating for the spa

STRENGTHEN OUR COMPETITIVE POSITION THE AMERICAS

Other Hotels

- Improved market conditions led to increased demand
- Mandarin Oriental, Boston increased RevPAR by 13%
- Mandarin Oriental, Las Vegas increased RevPAR by 28%
- Both achieved *Forbes* ‘Five Star’ ratings for hotel and spa



Forbes 'Five Star' rating for *Twist* by Pierre Gagnaire
Mandarin Oriental, Las Vegas

KEY STRATEGIC OBJECTIVES

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

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

- Delivering 21st century luxury with oriental charm
- Hotels that are positioned as the best in their local markets
- Attracting individuals prepared to pay a premium for luxury experiences that are worth it

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

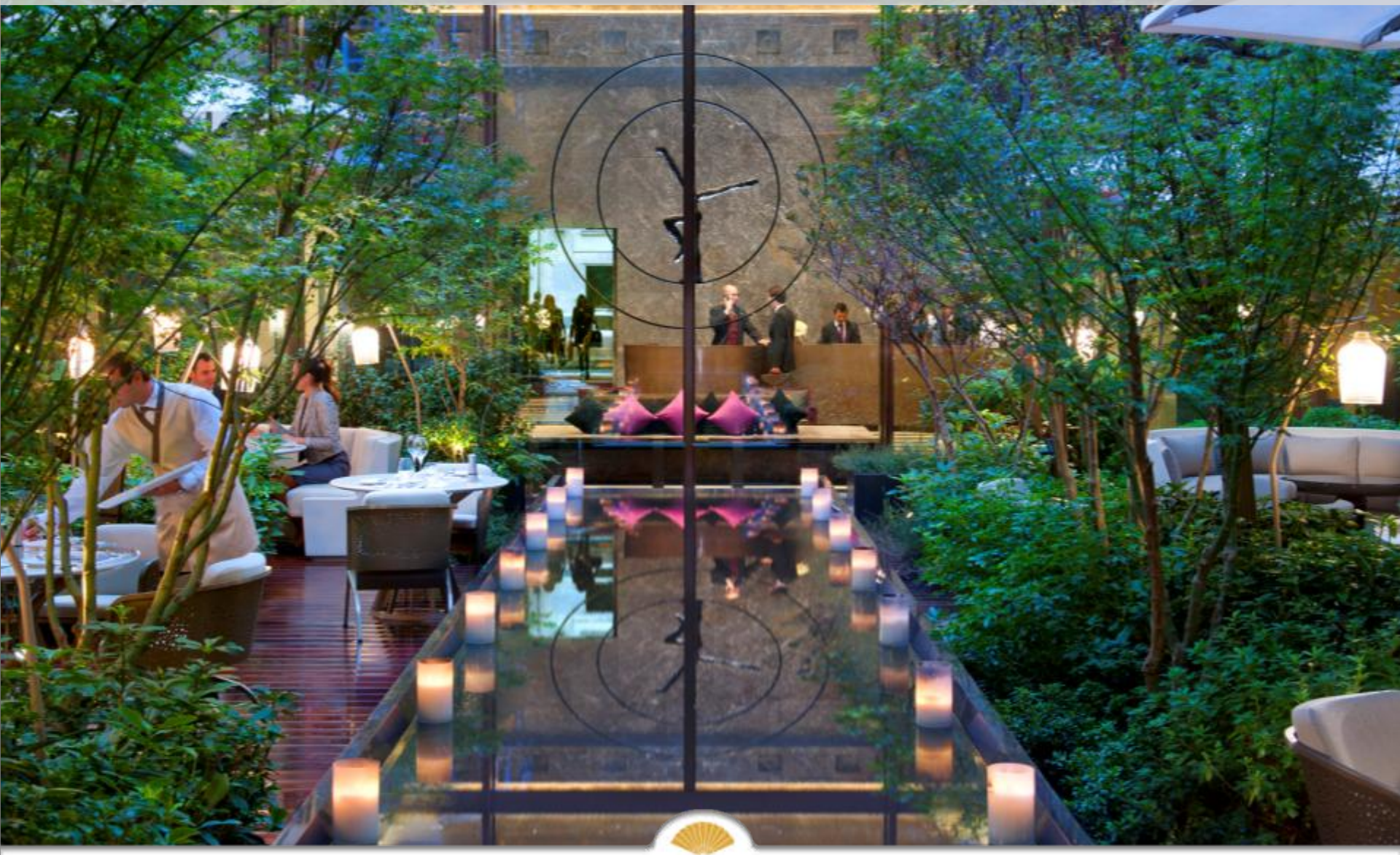
Core Brand Attributes

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

CREATIVE DESIGN, ARCHITECTURE & TECHNOLOGY

CREATIVE DESIGN, ARCHITECTURE & TECHNOLOGY

CREATIVE DESIGN, ARCHITECTURE & TECHNOLOGY



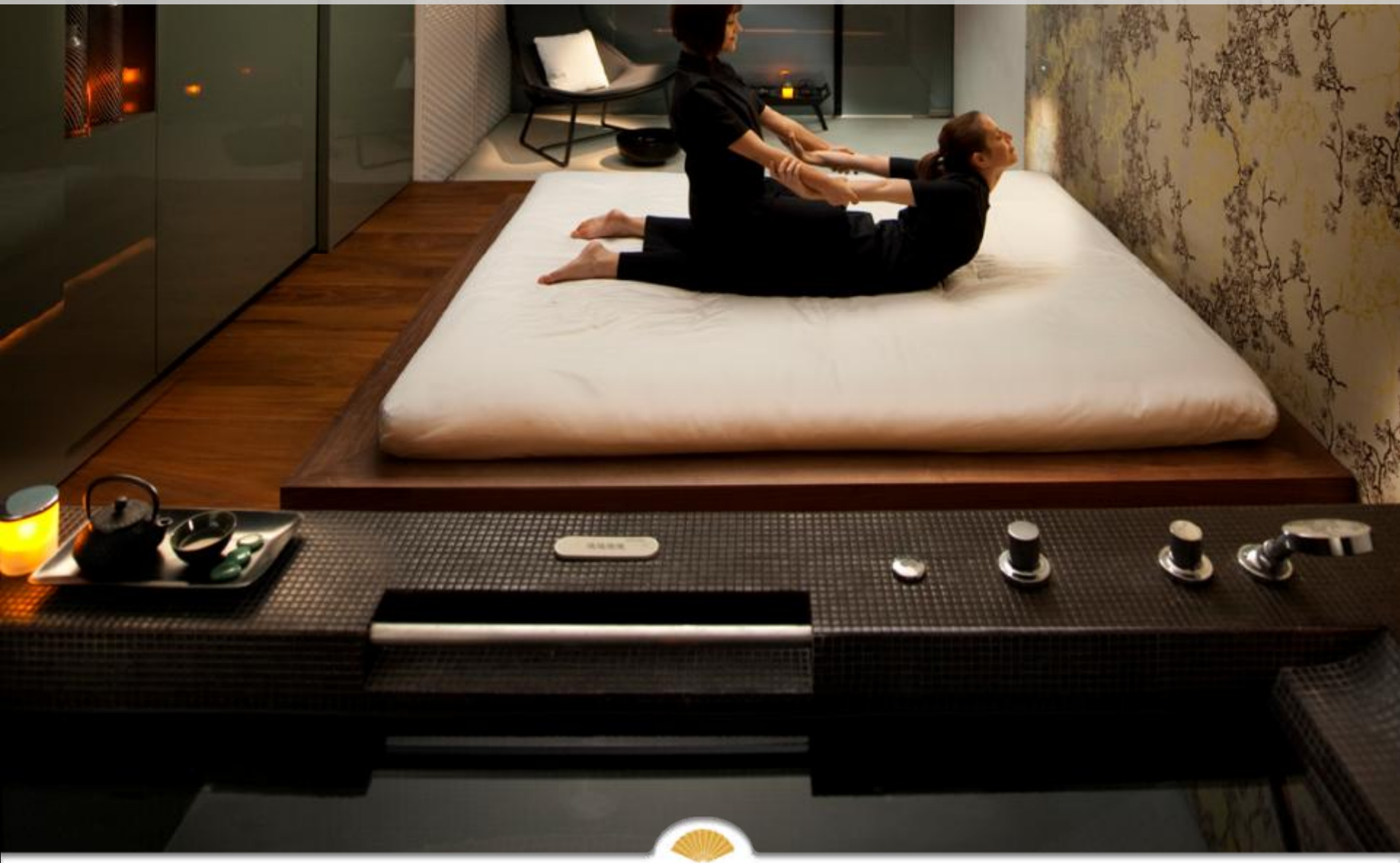
INNOVATIVE DINING

INNOVATIVE DINING

INNOVATIVE DINING

HOLISTIC SPAS

HOLISTIC SPAS



HOLISTIC SPAS

LEGENDARY SERVICE

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

Mandarin Oriental, Paris

- Contemporary, chic design
- French architects and designers

MANDARIN ORIENTAL, PARIS – DESIGN & ARCHITECTURE

"An amazing prime location, an experienced team, but also charm and glamour - all the necessary ingredients for the launch of a contemporary palace with an art deco flair."

Le Figaro

MANDARIN ORIENTAL, PARIS – DESIGN & ARCHITECTURE

"Mandarin Oriental ticked the big box – location. The bedrooms are understated, and golly, the spa is sumptuous."

The Sunday Times, UK

MANDARIN ORIENTAL, PARIS – DESIGN & ARCHITECTURE

"Mandarin Oriental, Paris, a made to measure five star hotel."

Paris-Match

MANDARIN ORIENTAL, PARIS – DESIGN & ARCHITECTURE

"No doubt about it, Mandarin Oriental is at the top of its game. Having been joint winner in 2010 with its Barcelona hotel, the prize this year goes to its Parisian outpost, another inspiring destination in a near perfect location."

Wallpaper

MANDARIN ORIENTAL, PARIS – INNOVATIVE DINING

"Mandarin ups the razzle-dazzle of its Rue Saint-Honoré address…Most striking is star chef Thierry Marx's Sur Mesure restaurant, stripped down to a minimalist cool of grays and whites by designer Patrick Jouin."

Black Book

INNOVATIVE DINING

Thierry Marx

Heston Blumenthal

Daniel Boulud

Pierre Gagnaire

MICHELIN STAR STATUS

Mandarin Oriental, Hong Kong
Pierre (Two stars) ; Mandarin Grill; Man Wah

The Landmark Mandarin Oriental, Hong Kong
Amber (Two stars)

Mandarin Oriental, Tokyo
Sense; Signature

Mandarin Oriental Hyde Park, London
Dinner **by Heston Blumenthal**

Mandarin Oriental, Geneva
Rasoi

Mandarin Oriental, Munich
Mark's

Mandarin Oriental, Barcelona
Moments

Mandarin Oriental, Paris
Sur Mesure (Two stars) **2012**

HOLISTIC SPAS

Spafinders **'Readers' Choice Awards'**

'Best Spa Brand' for
Mandarin Oriental Hotel Group
(fourth consecutive year)

FORBES 'FIVE STAR' SPAS

Mandarin Oriental, Hong Kong

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Macau

Mandarin Oriental, Singapore

Mandarin Oriental, Boston

Mandarin Oriental, Las Vegas

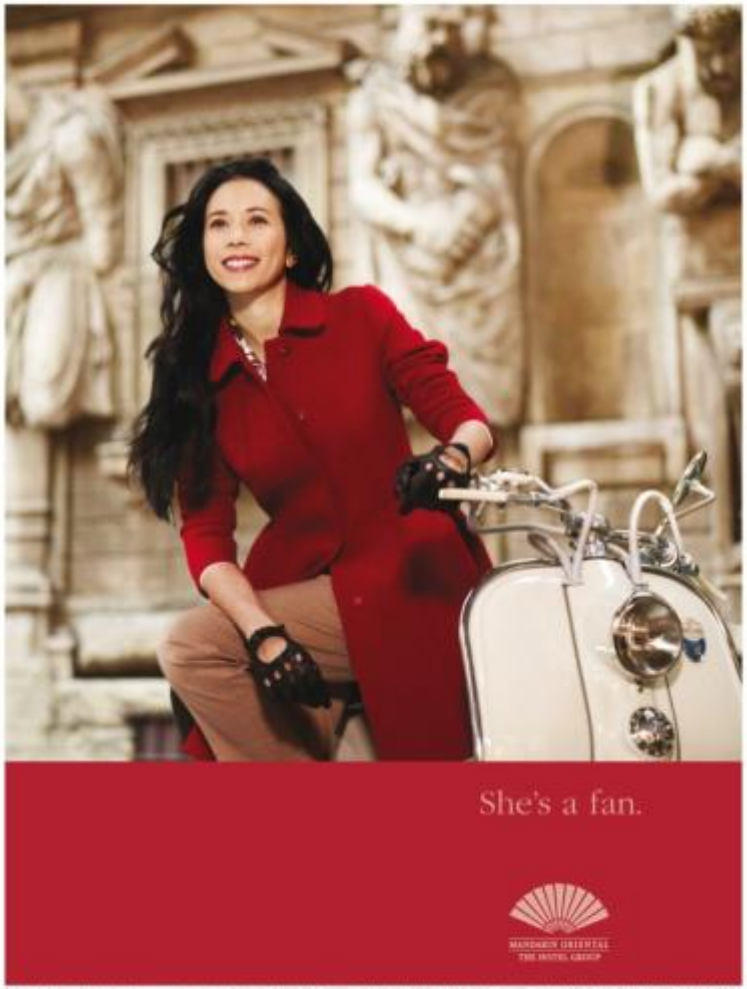
Mandarin Oriental, Miami

Mandarin Oriental, New York

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

International Advertising Campaign

- 24 celebrity fans endorse our brand
- Three new fans in 2011:
  - Kevin Spacey
  - Sophie Marceau
  - Christian Louboutin
  - Karen Mok launches in 2012



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

Mandarin Oriental, Paris Celebrates Grand Opening with A-List Gala

SHARE

Mandarin Oriental, Paris celebrated its entry into Paris society y
more than 500 celebrities, dignitaries and society guests.

Located on rue Saint-Honoré, one of the most fashionable stree
only a few steps away from the city's famous attractions, the re
included: Alain Delon; Liam Neeson; Maggie Cheung; Vanessa
Frisoni; Pierre Gagnaire; Mireille Darc; Patricia Kaas; Frank Le
a few.

Guests were treated to a delightful evening of entertainment which
renowned virtuoso violinist Vanessa Mae, an amazing display by the award winning Guangzhou Acrobatic
of China and a "dance of the fans" invoked by choreographer Blanca Li, whose show was inspired by Mandarin Oriental's fan symbol.

The menu was designed by celebrity Chef Thierry Marx, the hotel's resident chef, while music was provided by renowned French sound designer Béatrice Ardisson.

Hotel Profile: Mandarin Oriental, Paris

Chic celebrities gala marks official opening of Mandarin Oriental

News 27 September 2011

Vanessa Mae performing at Gala of Mandarin Oriental Pari

Click on the picture to see gallery (3 pictures)

To celebrate **Mandarin Oriental**'s spectacular new property in Paris,
special gala event last week. Guests were treated to a delightful ev
which included a performance from internationally renowned virtuoso
an amazing display by the award winning Guangzhou Acrobatic T
"dance of the fans" invoked by choreographer Blanca Li, whose
Mandarin Oriental's fan symbol.

Located on rue Saint-Honoré, one of the most fashionable streets in
by haute couture and only a few steps away from the city's famous
Oriental Paris is a tribute to French cultural heritage, from famed
Michel Wilmotte who signs the architecture of the hotel, French Mic
Marx to interior designer Sybille de Margerie.

The event was attended by a wealth of celebrities such as Alain D
Vanessa Mae, Kenzo Takada, Helene Grimaud, Patricia Kaas, Mireill
Aurélie Dupont and Julie Depardieu.

CONDÉ NAST TRAVELER US

GOLD LIST

Mandarin Oriental, Bangkok

Mandarin Oriental Dhara Dhevi, Chiang Mai

Mandarin Oriental, Hong Kong

Mandarin Oriental, Singapore

Mandarin Oriental, Munich

Mandarin Oriental, Prague

Mandarin Oriental, Boston

Mandarin Oriental, New York

TRAVEL + LEISURE US

500 WORLD'S BEST HOTELS 2012

Mandarin Oriental, Bangkok

Mandarin Oriental Dhara Dhevi, Chiang Mai

Mandarin Oriental, Hong Kong

Mandarin Oriental, Kuala Lumpur

Mandarin Oriental, Singapore

Mandarin Oriental, Tokyo

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Munich

Mandarin Oriental, Boston

Mandarin Oriental, Las Vegas

Mandarin Oriental, Miami

Mandarin Oriental, New York

Mandarin Oriental, San Francisco

FORBES

‘FIVE-STAR’ AWARDS

Mandarin Oriental, Hong Kong

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental, Singapore

Mandarin Oriental, Boston

Mandarin Oriental, Las Vegas

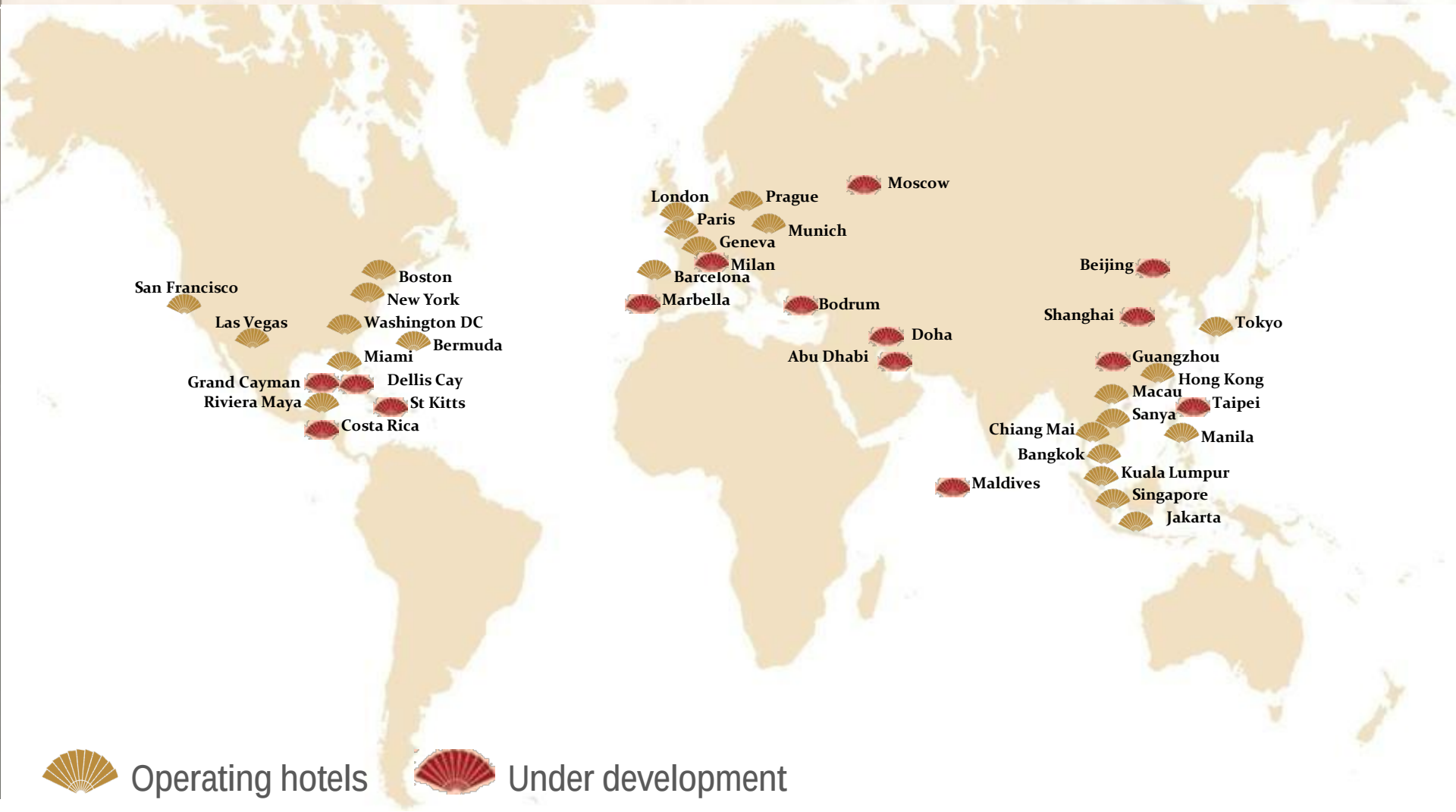
Mandarin Oriental, New York

DEVELOPMENT REVIEW

TOWARDS 10,000 ROOMS

- Over 7,700 rooms in 27 hotels
- Total portfolio, including hotels under development:
  - Close to 11,000 rooms
  - 42 hotels
  - 27 countries

TOWARDS 10,000 ROOMS



TOWARDS 10,000 ROOMS

- 15 hotels under development
- No capital investment required from the Group
- Most developments progressing well though some are experiencing significant delays

TOWARDS 10,000 ROOMS

- Mandarin Oriental, Guangzhou Opening 2012
- Scheduled 2013 openings:
  - Taipei
  - Milan
  - Shanghai

TOWARDS 10,000 ROOMS

Mandarin Oriental, Bodrum
(Management contract) Opening 2014

- Exclusive hideaway on the Turkish Riviera
- 102 luxurious guestrooms and suites
- 214 branded *Residences at Mandarin Oriental*
- 100 acre waterfront site with private beaches

TOWARDS 10,000 ROOMS

The Residences at Mandarin Oriental

- 13 *Residences* around the world
- Provide one-off branding fees and ongoing management fees
- Combine luxurious private homes with legendary service

TOWARDS 10,000 ROOMS

- Significant long-term potential for growth
- Continue to review development opportunities in key destinations
- Strong balance sheet for selective investment opportunities
- Brand strength attracts hotel owners and developers
- Strategy of ownership and management at the core of our business

FINANCIAL REVIEW

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2011	2010
Operating Activities		
Underlying EBITDA from subsidiaries	**130**	**110**

- Strong contribution from the two subsidiary hotels in Hong Kong
- Increases partially offset by losses in Tokyo and pre-opening expenses in Paris of US$13m
- 2011 EBITDA includes US$16m branding fees from *The Residences* in London

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2011	2010
Operating Activities		
Underlying EBITDA from subsidiaries	130	110
Increase in working capital	18	5
Dividends and interest from associates	8	6
Net financing charges paid	(12)	(12)
Tax (paid)/refunded	(7)	1
Other	9	4
Total	146	114

- Weighted average interest rate at 2.3% on Group borrowings, unchanged from 2010
- Underlying EBITDA net interest cover was 8.9 times (7.0 times in 2010)

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2011	2010
Investing Activities		
Capital expenditure at existing hotels	(38)	(44)
Paris hotel	(25)	(28)
Intangible assets	(3)	(3)
Other	1	(6)
Total	(65)	(81)

FINANCIAL REVIEW

Analysis of capital expenditure at existing hotels

US$m	2011	2010
New London facilities*	10	18
Geneva rooms renovation	6	-
Jakarta renovation	-	5
Ongoing capex across the portfolio	22	21
Total capital expenditure at existing hotels	**38**	**44**

* Principally includes two restaurants and fitout of leasehold space

FINANCIAL REVIEW

Mandarin Oriental, Paris
(Long-term lease, 138 guestrooms)

US$m	2010 & Before	2011	Total
Leasehold improvements and FF&E *	35	25	60
Pre-opening expenses (charged to P&L)	2	13	15
Total	37	38	75

* Furniture, Fixtures & Equipment

FINANCIAL REVIEW

Summary Cash Flow Statement

US$m	2011	2010
Operating Activities	**146**	**114**
Investing Activities	**(65)**	**(81)**
Financing Activities		
Dividends paid	**(50)**	**(69)**
Net drawdown/(repayment) of borrowings	**3**	***(100)**
Other	**2**	**8**
Net increase /(decrease) in cash	**36**	**(128)**
Opening cash balance 1st Jan	**433**	**561**
Closing cash balance 31st Dec	**469**	**433**

* US$87m loan on the Washington D.C. hotel repaid using surplus cash

FINANCIAL REVIEW

	2011	2010
Net debt (US$ million)	113	144
Adjusted shareholders' funds (US$ million)	2,692	2,315
Gearing	4%	6%

FINANCIAL REVIEW

- Approximately 44% of Group's gross debt hedged
- Average tenor of Group's borrowings is 2.8 years
- No significant refinancing required until 2014
- US$469 million of cash resources and US$96 million of undrawn, committed facilities
- The Group is in a very strong financial position

OUTLOOK

- 2012 has started well
- Global economic uncertainty may put pressure on demand in short term
- Earnings should benefit from the recovery in Tokyo and the stabilisation of the new Paris hotel
- Limited new supply in key locations
- Expected growth from traditional and emerging markets
- Future profitability will benefit from new hotel openings

CONCLUSION

- Solid financial position
- Strong technical expertise in service delivery and product development
- Growing portfolio of award-winning hotels
- Well positioned to become the world’s best luxury hotel group

MANDARIN ORIENTAL

THE HOTEL GROUP