



2014 ANNUAL RESULTS

Mandarin Oriental Hotel Group

2014 Performance

- A record year
- Underlying profit up 4% - US\$97 million
- Two new hotels opened in Taipei and Bodrum
- Four new management contracts signed
- Expansion of Mandarin Oriental, Munich announced

2014 Annual Results Highlights

US \$ m	2014	2013
Combined Total Revenue	1,390	1,361
Underlying EBITDA	217	209

2014 Annual Results Highlights

US \$ m	2014	2013
Underlying profit attributable to shareholders*	97	93
Profit attributable to shareholders including non-trading items ⁺	97	96

- * 2013 results include US\$7m of one-off credits in relation to the Paris acquisition
- 2014 results include US\$15m of branding fees for Bodrum residences
- + 2013 results include the writeback of a US\$3m asset impairment provision

2014 Annual Results Highlights

	2014	2013
Underlying Earnings per Share (US ¢)	9.67	9.30
Earnings per Share including non-trading items (US ¢)	9.67	9.61
Adjusted Net Asset Value per Share (US \$)	3.14	3.05

- Final dividend of US¢5.00 per share recommended to shareholders
- Total dividend for 2014 of US¢7.00 per share unchanged from 2013

Key Strategic Objectives

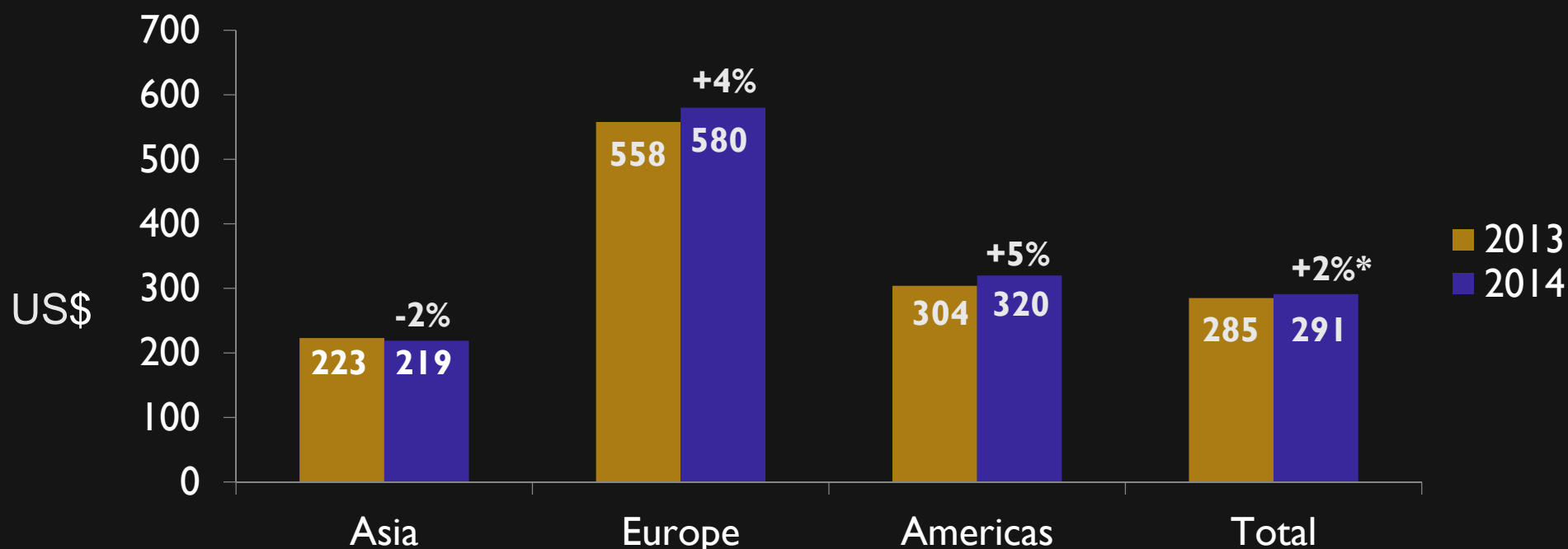
- Strengthening our competitive position in all markets
- To be widely recognised as the world's best luxury hotel group
- Operating at least 10,000 rooms worldwide
- Achieving a strong financial performance

Strengthening our Competitive Position

- Most hotels maintained or enhanced their competitive position
- Performance reflects:
 - strength of Mandarin Oriental brand internationally
 - expertise of management teams
 - experienced corporate organisation
- Limited new supply in key mature markets

Strengthening our Competitive Position

2014 RevPAR Performance



- Asia results impacted by the political uncertainty in Bangkok and demonstrations in Hong Kong

* Total RevPAR increased by 2% in US dollar terms and 3% in local currency terms

Includes only hotels that were fully operational in both years

Strengthening our Competitive Position

- Increased demand from both traditional and developing markets
- Mainland China represents 15% of room nights in 2014 – the second largest source of business
- China market share should grow as portfolio increases

Strengthening our Competitive Position



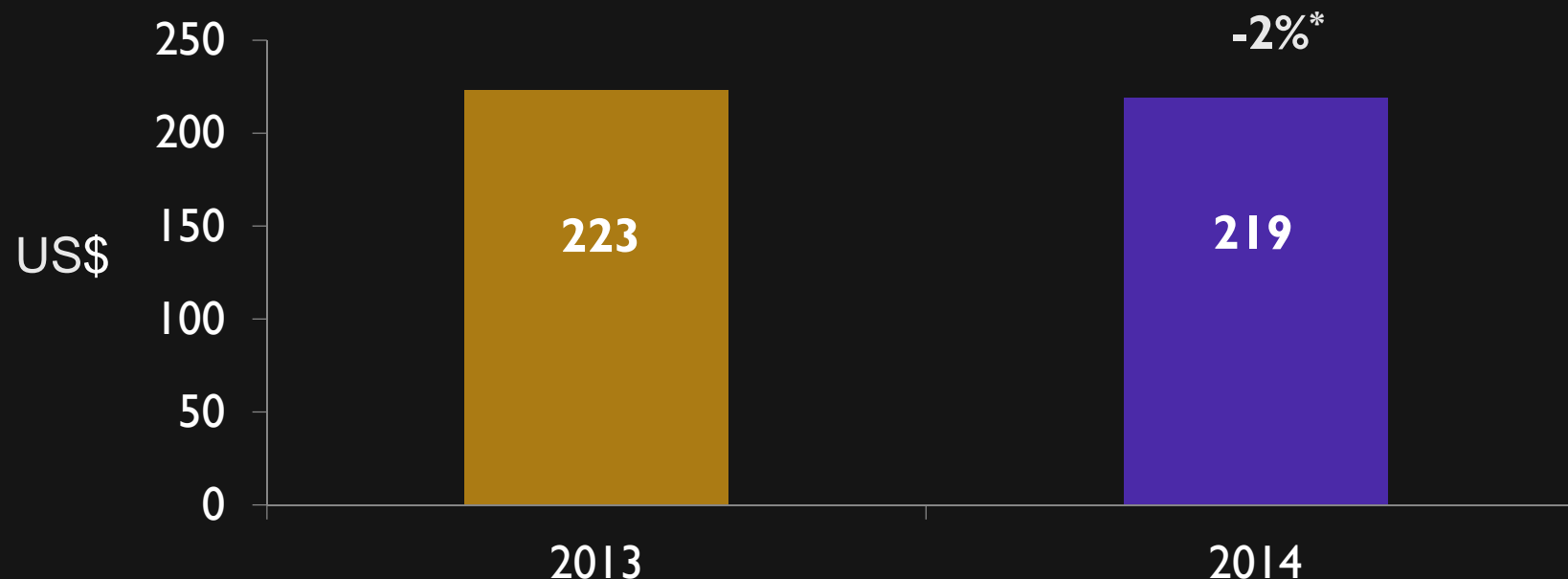
Mainland China Portfolio

- 7 hotels
 - Sanya (2009)
 - Guangzhou (2013)
 - Shanghai (2013)
 - Beijing (2016)
 - Chongqing (2016)
 - Chengdu (2018)
 - Shenzhen (2018)
- Further growth potential in this important market

Strengthening our Competitive Position

ASIA

2014 RevPAR Performance



- Strong competitive performance in most markets
- Average rate increases in most hotels in local currency terms

* RevPAR increased by 1% in local currency terms

Includes only hotels that were fully operational in both years

Strengthening our Competitive Position

ASIA



Mandarin Oriental, Hong Kong (100% ownership)

- Average rate increased by 4%
- Impacted by political demonstrations in last quarter
- RevPAR increased by 1%

MANDARIN ORIENTAL,
HONG KONG

Forbes 'Five Star' Awards

Hotel	5 stars
Spa	5 stars
Pierre	5 stars
Mandarin Grill	5 stars
The Krug Room	5 stars
<u>Total</u>	<u>25 stars</u>

More than any other city hotel in the
world



MANDARIN ORIENTAL, HONG KONG

Michelin Stars

Pierre	2 stars
Man Wah	1 star
Mandarin Grill	1 star



Strengthening our Competitive Position

ASIA



The Landmark Mandarin Oriental, Hong Kong (Management contract)

- Maintained competitive position
- RevPAR up by 3%
- *Forbes* 'Five Star' award for hotel, spa and restaurant, *Amber*
- *Amber* also has two Michelin stars

Strengthening our Competitive Position

ASIA



The Excelsior, Hong Kong
(100% ownership)

- Impacted by political demonstrations in last quarter
- RevPAR down by 4%

Strengthening our Competitive Position

ASIA



Mandarin Oriental, Tokyo
(Long-term lease)

- Continued recovery in visitor arrivals
- Significant improvement in performance
- RevPAR up 16% in local currency terms
- RevPAR up 7% in US\$ terms due to weaker Japanese Yen

MANDARIN ORIENTAL, TOKYO

Condé Nast Traveler, US
Readers' Choice Awards 2014

“Top Hotel in Japan”



MANDARIN ORIENTAL, TOKYO

Michelin Stars

Signature	1 star
Sense	1 star
Tapas Molecular Bar	1 star

Only hotel in the city with three
Michelin-starred restaurants



Strengthening our Competitive Position

ASIA



Mandarin Oriental, Bangkok (44.9% ownership)

- Challenging market conditions suppressed visitor arrivals
- RevPAR down 14% in local currency terms
- Remains undisputed market leader

Mandarin Oriental, Bangkok

'The World's Number One'
Condé Nast Traveller, UK Readers' Travel Awards 2014



MANDARIN ORIENTAL, BANGKOK

Forbes 'Five Star' Awards

Hotel
Spa

5 stars
5 stars



Strengthening our Competitive Position

ASIA

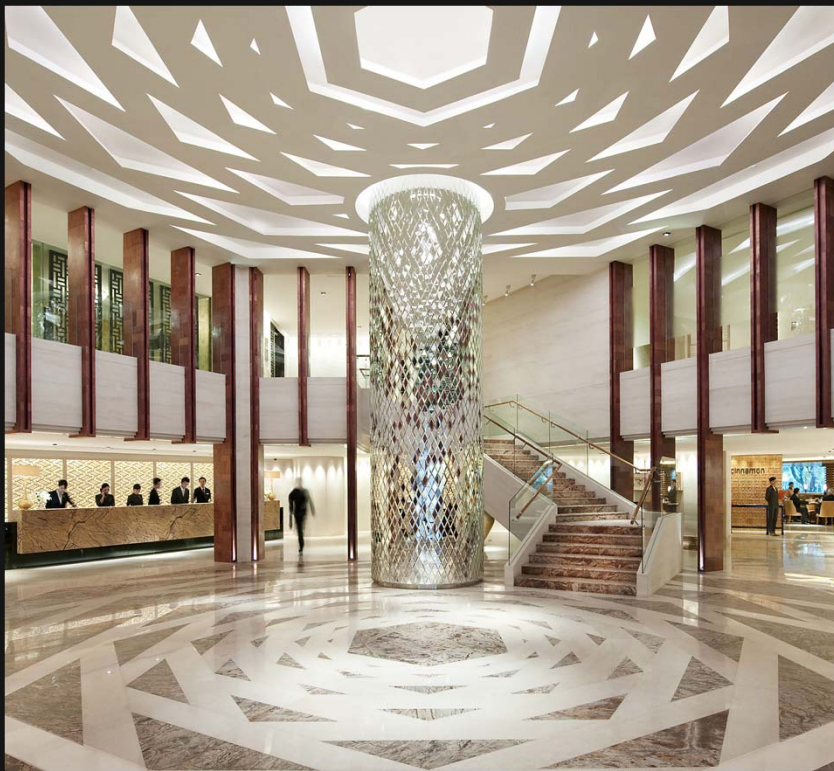


Mandarin Oriental, Singapore (50% ownership)

- Softer citywide corporate demand
- RevPAR down by 2% in local currency terms
- *Forbes* 'Five Star' rating for hotel and spa

Strengthening our Competitive Position

ASIA



Mandarin Oriental, Jakarta
(96.9% ownership)

- Maintained market share
- Average rate up by 12%
- RevPAR up 5% in local currency terms
- RevPAR down 7% in US\$ terms due to weaker Indonesian Rupiah

Strengthening our Competitive Position

ASIA



Other Hotels

- Group benefited from the first full year contribution of Guangzhou and Shanghai hotels

Mandarin Oriental, Guangzhou



‘Art Lifestyle Design Hotel in Guangzhou’
Hurun Report, Best of the Best Awards 2014

Mandarin Oriental Pudong, Shanghai



‘Luxury Hotel in Shanghai - Star Performer’
Hurun Report, Best of the Best Awards 2014

Strengthening our Competitive Position

ASIA



Mandarin Oriental, Taipei (*Management contract*)

- Successful opening in May 2014
- 303 guestrooms
- A prime city centre location
- Wide variety of restaurants and bars
- Largest spa in the city

MANDARIN ORIENTAL, TAIPEI

“Located in the heart of the city, Mandarin Oriental, Taipei offers the perfect fusion of classically inspired design and contemporary luxury.”

Travel + Leisure, US



MANDARIN ORIENTAL, TAIPEI

“It’s more than just a lavish hotel. It’s already become a landmark in the district, offering locals and travellers alike a different getaway option.”

AsiaSpa



MANDARIN ORIENTAL, TAIPEI

“The rooms are spacious, yet there is no shortage of shared spaces, including roof gardens, a spa with a fitness center plus a heated outdoor pool.”

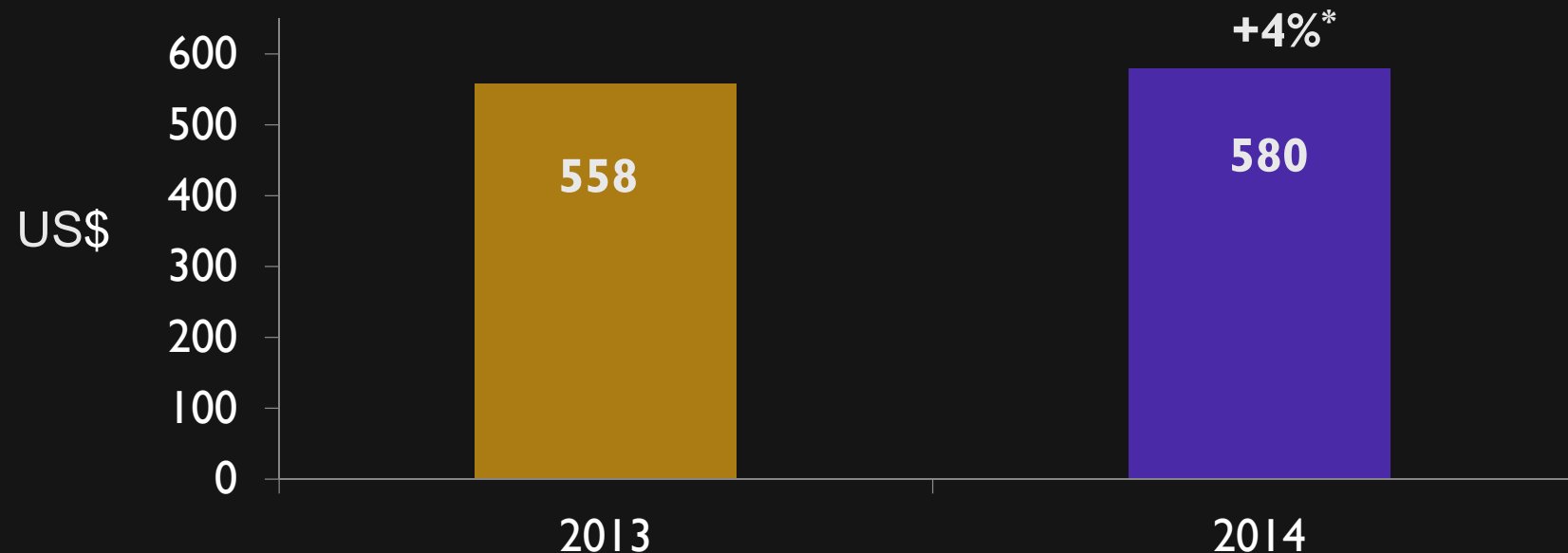
The New York Times



Strengthening our Competitive Position

EUROPE

2014 RevPAR Performance



- Benefited from resilient leisure demand in most markets

* RevPAR increased by 3% in local currency terms

Includes only hotels that were fully operational in both years

Strengthening our Competitive Position

EUROPE



Mandarin Oriental Hyde Park, London
(100% ownership)

- Increased supply in luxury hotel sector
- RevPAR down 5% in local currency terms

Strengthening our Competitive Position

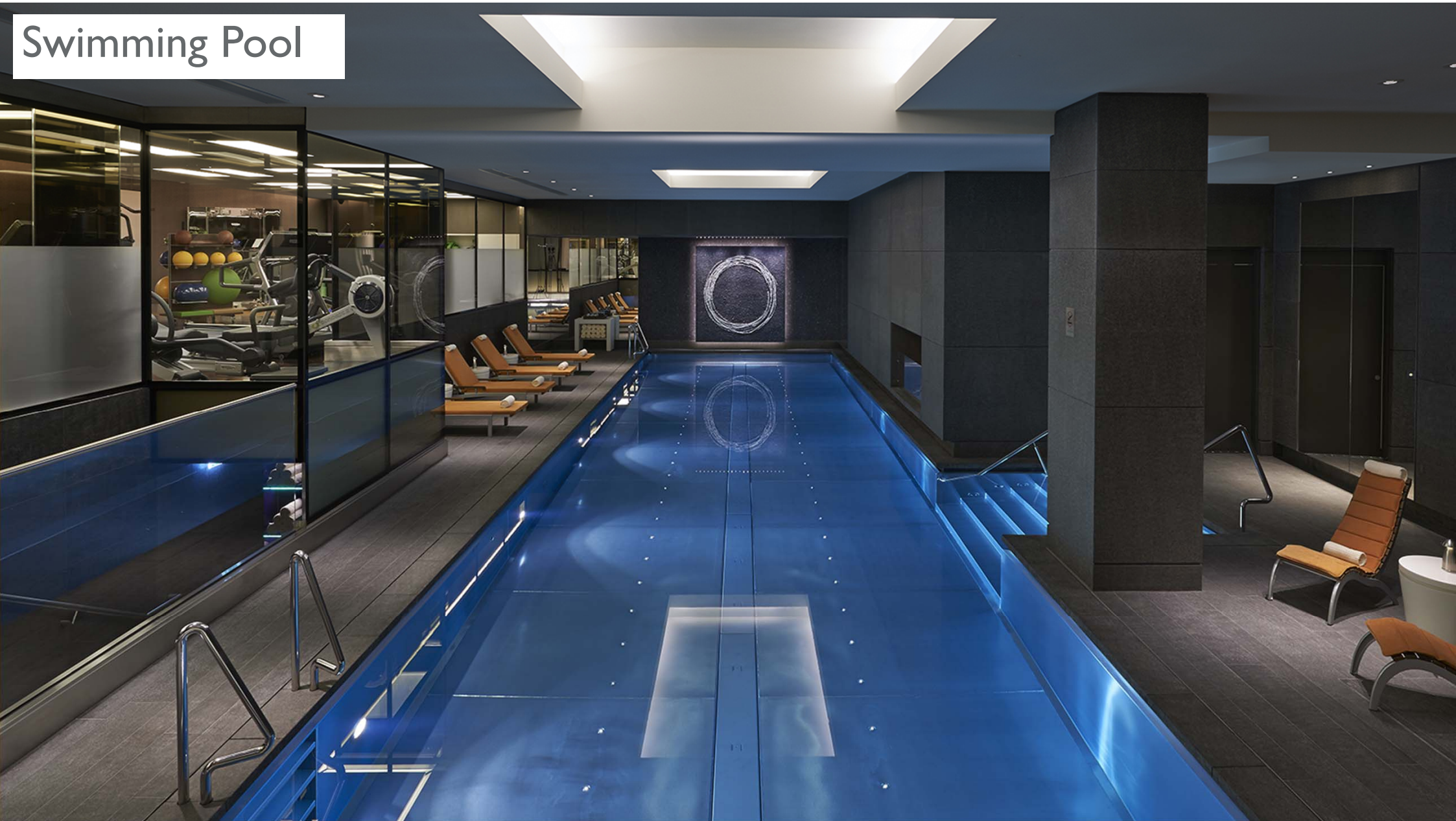
EUROPE

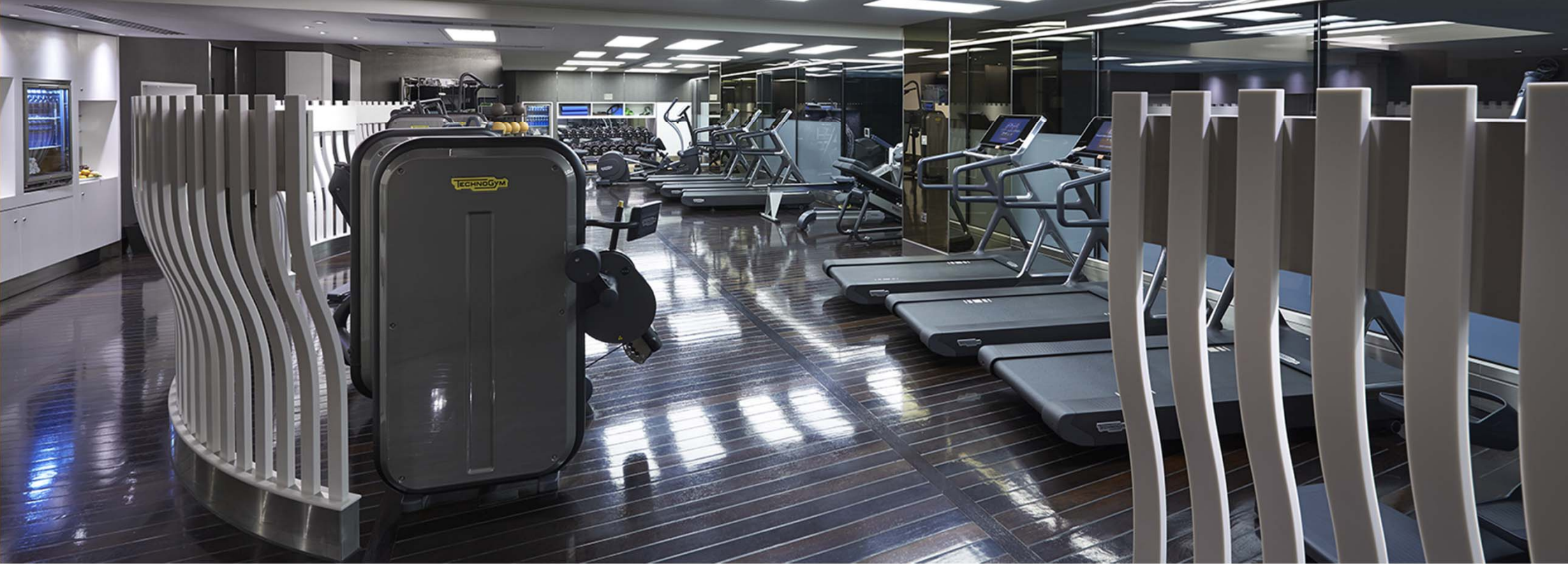


Mandarin Oriental Hyde Park, London
(100% ownership)

- Food & Beverage performed well
- *Dinner and Bar Boulud* ranked in UK's 'Top 100 Restaurants' 2014

Swimming Pool





The Rosebery



MANDARIN ORIENTAL HYDE PARK, LONDON

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DRINKING & DINING

Straight Up: the Mandarin Oriental Hyde Park

The Mandarin Bar, Rosebery champagne bar and Bar Boulud... is this the most elegant bar crawl in London?

BY ELLIE FITHERS
OCTOBER 27, 2014 00:00

The idea of a bar crawl throws up all manner of preconceptions. Cheap chardonnay. Lost handbags. A staggering gait. Rarely would one associate it with refined and exclusive hotels.

Until, that is, one heads to the Mandarin Oriental Hyde Park hotel in Knightsbridge. Ignore the custom-paint-job Ferraris decorated with angry parking tickets that litter the streets outside. Here, by virtue of three fine

Easy Living

The Mandarin Oriental London is the last word in refined luxury, from its spectacularly appointed suites to one of the very best spas this capital has to offer. Its beautiful surroundings even encouraged this writer to go for a run.

I want to live here. Not in the Mandarin Oriental hotel itself, you understand, although that would be lovely. I mean I want to live in Kensington, simply so that I can run in Hyde Park every day. One of the best known of London's lungs, this glorious symbol of deep green lawns and landscaped lakes makes it the perfect place for an evening run.

To explain, a recent fitness initiative has sent me taking up running but, three months in, I still find it a Herculean effort to get out there and pound the pavement, after trotting past the innerted doorman at the Mandarin Oriental and taking a sharp right towards the park, however, I suddenly find myself running with genuine pleasure.

In truth, everything about a stay at this hotel is designed to fit up your pleasure circuits. Our room itself was no exception – a barrel-vaulted ceiling overlooked the bustling heart of Knightsbridge and was filled with elegant sofas, thick carpets and a beautiful, and large, marble bathroom. Six big windows arranged in an arc let light flood in while the bed is easily large enough to sleep four, should that be your thing.

Service, too, is impeccable. My wife is an indecisive type and we must have rearranged the time for our spa booking and dinner reservation at least four times, and on every occasion the reception staff were a delight to deal with.

The spa is one of the best in London, a tranquil space that has a million miles from the hustle of the streets outside. There's a brand new 27m swimming pool too, plus a gym equipped with state-of-the-art Technogym equipment. A couple of hours spent here saw us suitably relaxed for our visit to Bar Boulud, the hotel's casual dining restaurant, handily located next to the spa. Full and buzzing on a Saturday night, we enjoyed a classic cec as an and a cherry (USA) - have steak even writing about it now is making me feel hungry – along with a beautiful bottle of red burgundy.

This, combined with our spa experience, put paid to any grand plans we had for parting the lions red that evening. Instead, we retired to our suite, sedate, happy and ready to enjoy some on-demand entertainment on the flat & Outfit television. A TV that rises automatically from a box at the foot of the bed, of course. Everything comes easy at the Mandarin Oriental.

Service, too, is impeccable. My wife is an indecisive type and we must have

'FIVE O'CLOCKTAIL'

UNA SALA DE TÉ CASI CENTENARIA Y LAS COPAS MÁS SELECCAS. EL COMBINADO DE MODA EN LONDRES

orrió 1840 cuando la séptima duquesa de Bedford, Ana, se sintió desfallecer a media tarde. Para recuperarse, pidió al servicio una taza de té acompañada de algún refrigerio. Le sentó tan

Clase en la Barra

Deslázalo para meter la pata en el bar de un hotel de lujo. Ponerá que nació allí.

'DRESSING'. Solo la Dineida consiguió burlarlo y así bastizó un cocotel: The Rebel. Desfilen los vaqueros (a no ser que sean de su propia firma).

DISCRECIÓN. En un hotel se fraguó el Watergate. Si escuchas algo comprometedor: mantenga el secreto. O véndalo al mejor postor.

GUARDE EL 'SABAYONE'. Si bebe en soledad, conviértase. Romances con ricas herederas o business de petrodólares ocurren en la barra.

DE PRUENAS. Si se pasa con el alcohol, el personal le llevará sano y salvo a su suite. Su honor, intacto.

Jenkins. Los uniformes son de la joven dischadora Charlotte Taylor, favorita de cantantes de la nueva ola británica como Patsy Cuth, y el diseño del local es del puntero estado-GA. Al caer el sol, The Rosebery se convierte en el lugar to be. ¿La estrella de la carta? El cóctel Green Day (limón y fruta de la pasión). Seguro que la duquesa de Bedford lo habría pedido. —EDUARDO INIANTE



DESIGN SEEN

LONDON

Laps of Luxury

The Mandarin Oriental Hyde Park's new pool and fitness center is swimming in smart style.

A recently completed 6,500-square-foot fitness facility conceived by the New York-based designer Adam Tihany incorporates a technology that promises to make a splash with lap swimmers. Guests who use the sleekly styled gym at London's Mandarin Oriental Hyde Park (+44.20.7235.2000, www.mandarinoriental.com) can utilize the pulsing light system, from Bodan, to program their desired lap time and swim duration. The device takes the information and translates it into a "chasing" display of

LED lights at the bottom of the pool that helps the swimmer keep pace. The 17-meter-long, two-lane heated pool is composed of stainless steel—chosen for its structural strength and hygienic properties—and is part of a 2,150-square-foot pool area that includes Basaltins stone walls and floors, a handmade mosaic wall, a fireplace, and 4 Senes lounge chairs by Invision. In the adjacent fitness room, Technogym equipment and well-appointed relaxation areas maintain the emphasis on intelligent workout style. [SARANTHA BROOKS]



SEPTEMBER/OCTOBER 2014

Robb Begent House & Style 17

Strengthening our Competitive Position

EUROPE



Mandarin Oriental Hyde Park, London
(100% ownership)

- Full scale renovation announced
- Investment of £85 million (US\$130 million)
- Position the property as one of the world's best

Strengthening our Competitive Position

EUROPE



Mandarin Oriental Hyde Park, London (100% ownership)

- Full renovation of rooms, restaurants, bars, meeting facilities, lobby and spa
- Two new penthouse suites overlooking Hyde Park
- Commence in 2016 - 18 months to complete
- Hotel will remain open during renovation

Strengthening our Competitive Position

EUROPE



Mandarin Oriental, Munich (100% ownership)

- Improved performance in second half
- RevPAR in line with 2013 results
- Maintained position as market leader
- 'Top 20 Hotels in Europe' in *Condé Nast Traveler, US* 2014
- New lobby lounge, bar and restaurant to be launched in 2015

Strengthening our Competitive Position

EUROPE



Mandarin Oriental, Munich
(100% ownership)

- Agreement to expand hotel
- Mixed-use complex to be constructed opposite the hotel
- 51 additional rooms and new facilities
- 19 branded *Residences*
- Opening 2021
- €124 million investment includes
 - Freehold interest
 - Refurbishment of existing hotel

Strengthening our Competitive Position

EUROPE



Mandarin Oriental, Geneva (92.6% ownership)

- Improved performance with stronger corporate and leisure demand
- RevPAR up 14% in local currency terms

Mandarin Oriental, Geneva



‘Switzerland’s Leading Business Hotel’
World Travel Awards 2014

Strengthening our Competitive Position

EUROPE



Mandarin Oriental, Paris (100% ownership)

- Well positioned as one of the city's best hotels
- Occupancy at 68% (66% in 2013)
- Average rate almost €1,000
- RevPAR up 5% in local currency terms
- *Sur Mesure* – Two Michelin Stars

MANDARIN ORIENTAL, PARIS

Palace Hotel Status

- One of only 8 luxury properties in Paris



Strengthening our Competitive Position

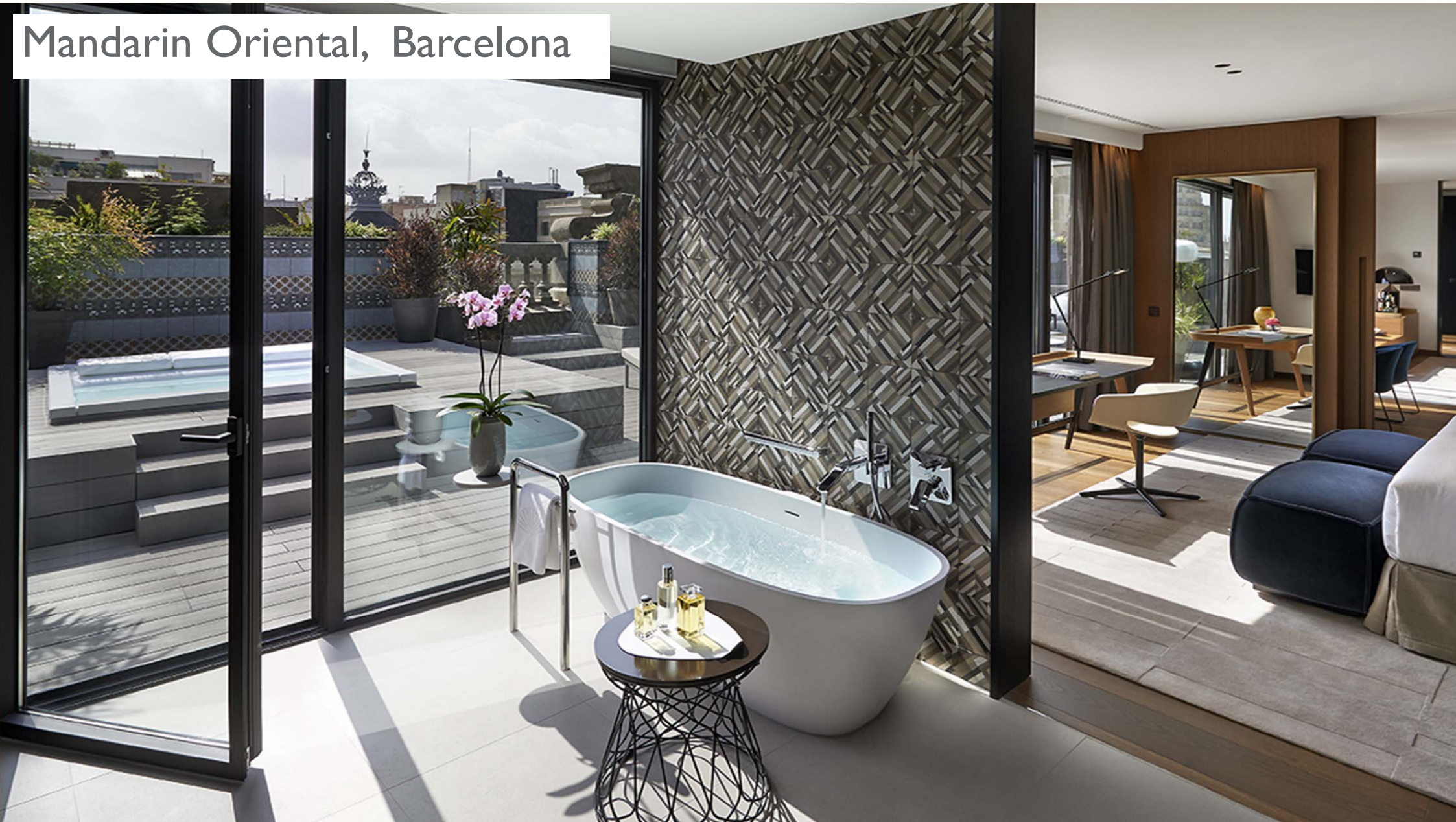
EUROPE



Mandarin Oriental, Barcelona (*Management contract*)

- Maintained position as market leader
- New extension launched in April 2014
 - 17 new suites and 5 rooms
 - Designed by award-winning Spanish interior designer Patricia Urquiola

Mandarin Oriental, Barcelona



Mandarin Oriental, Barcelona



Strengthening our Competitive Position

EUROPE



Mandarin Oriental, Bodrum (Management contract)

- Opened in July 2014
- On Turkey's Riviera coastline
- 109 guestrooms and suites
- 196 Residences at Mandarin Oriental
- Three beaches and five pools
- 10 restaurants and bars
- Largest spa in the region

Mandarin Oriental, Bodrum



‘World’s Best Hotels’
Tatler Travel Guide 2015

Mandarin Oriental, Bodrum

“Snuggled away across 60 hectares of its own private bay, it’s hard to imagine a more serene and laid back, hideaway than the Mandarin Oriental.....Once you arrive at the tranquil resort all your worries, woes and reality will simply melt away.”

Quintessentially



Mandarin Oriental, Bodrum

“I lost count of the number of pools, restaurants and bars and found myself discovering little areas of perfection. Most hotels would call this alone, heaven; but no, Mandarin Oriental comprises a plethora of almost village-like locations to tempt you.”

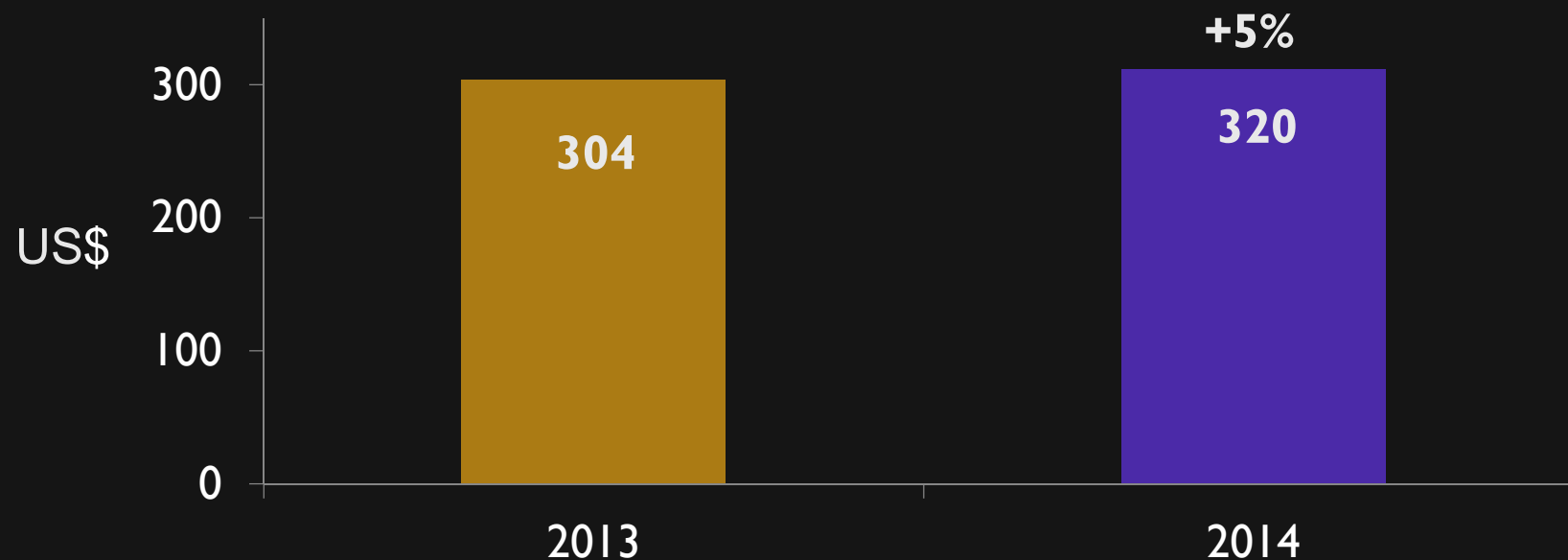
The Gallivanter's Guide



Strengthening our Competitive Position

THE AMERICAS

2014 RevPAR Performance



- Improved trading conditions

Includes only hotels that were fully operational in both years

Forbes 'Five Star' - The Americas Hotel + Spa

- Mandarin Oriental, Boston
- Mandarin Oriental, Las Vegas
- Mandarin Oriental, Miami
- Mandarin Oriental, New York
- Mandarin Oriental, San Francisco





Condé Nast Traveler, US
Readers' Choice Awards 2014
4 hotels ranked in 'Top 10' city listing

Mandarin Oriental, Boston

Mandarin Oriental, Las Vegas

Mandarin Oriental, Miami

Mandarin Oriental, New York

Strengthening our Competitive Position

THE AMERICAS



Mandarin Oriental, Washington D.C.
(80% ownership)

- Reduced citywide visitor arrivals
- RevPAR down 5%
- 2013 bolstered by Presidential Inauguration
- Maintained competitive position
- 'Best Business Hotel' *Travel + Leisure* 2014

Strengthening our Competitive Position

THE AMERICAS



Mandarin Oriental, New York
(25% ownership)

- Market leading position during year
- RevPAR up 3%

MANDARIN ORIENTAL, NEW YORK

Forbes

‘Five Star Hotel’

‘Five Star Spa’

*American Automobile
Association (AAA)*
‘Five Diamond Hotel’



Strengthening our Competitive Position

THE AMERICAS



Mandarin Oriental, Miami
(25% ownership)

- Stable market conditions
- RevPAR up 3%

MANDARIN ORIENTAL, MIAMI

Forbes Triple 'Five Star'

- Hotel
- Spa
- Azul Restaurant



MANDARIN ORIENTAL, MIAMI

“La Mar by Gaston Acurio occupies a beautiful location on the waterfront in Miami. It’s a setting that is almost a match for the beauty of the food.”

Bloomberg



MANDARIN ORIENTAL, MIAMI

“La Mar by Gaston Acurio is one of the great restaurants in Miami. Combined with views of Biscayne Bay and the downtown Miami skyline, it’s a must dine experience for locals and hotel guests alike.”

Examiner



MANDARIN ORIENTAL, MIAMI

“La Mar by Gaston Acurio takes Peruvian cuisine even higher..... Service is as good as it gets.”

South Florida Sun-Sentinel



Strengthening our Competitive Position

THE AMERICAS



Mandarin Oriental, Boston (Management Contract)

- Undisputed market leader
- RevPAR up 7%
- Opened *Bar Boulud* – the Group's second collaboration with chef Daniel Boulud

Strengthening our Competitive Position

THE AMERICAS



Other Hotels

- Improved performance and maintained strong competitive positions
- Achieved double digit RevPAR increases

Key Strategic Objectives

- Strengthening our competitive position in all markets
- To be 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

- Hotels positioned as the best in their local markets
- Attract individuals prepared to pay a premium for luxury experiences
- Almost 50% of Group's business is leisure – higher spending demographic

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

- Partnerships with internationally acclaimed architects and designers
- Collection of unique hotels – embracing local culture

Mandarin Oriental Pudong, Shanghai

‘Best Design Hotel’
Condé Nast Traveler, US Hot List 2014



Mandarin Oriental Hyde Park, London

The Rosebery

‘Interior Design Award’
European Hotel Design Awards 2014





INNOVATIVE DINING

- Sophisticated restaurants and bars with award-winning cuisine



Michelin Star Status

11 restaurants with 16 stars
More than any other hotel group

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

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

Mandarin Oriental, Tokyo
*Signature; Sense;
Tapas Molecular Bar*

Mandarin Oriental, Barcelona
Moments (Two stars)

Mandarin Oriental Hyde Park, London
Dinner (Two stars)

Mandarin Oriental, Geneva
Rasoi by Vineet

Mandarin Oriental, Paris
Sur Mesure (Two stars)

2014 San Pellegrino Award

- ***Dinner by Heston Blumenthal***
Mandarin Oriental Hyde Park, London
(5th place)
- ***Amber***
The Landmark Mandarin Oriental, Hong Kong
(24th place, Best in China)

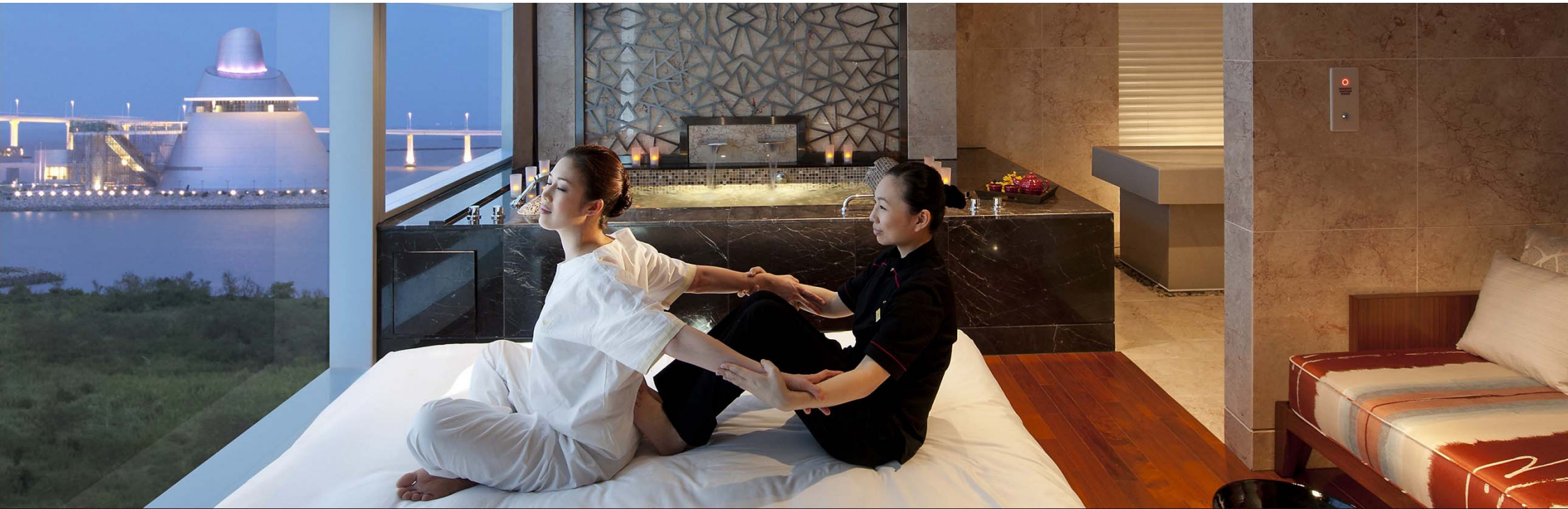


Innovative Dining

CELEBRITY CHEFS

- Continued partnerships with renowned international chefs
- Development of home-grown talent





HOLISTIC SPAS

- Combining Asian philosophies with western techniques

Forbes 'Five Star Spas'

Mandarin Oriental, Bangkok
Mandarin Oriental, Hong Kong
The Landmark Mandarin Oriental, Hong Kong
Mandarin Oriental, Macau
Mandarin Oriental, Singapore
Mandarin Oriental Pudong, Shanghai
Mandarin Oriental, Tokyo
Mandarin Oriental Hyde Park, London
Mandarin Oriental, Boston
Mandarin Oriental, Las Vegas
Mandarin Oriental, Miami
Mandarin Oriental, New York
Mandarin Oriental, San Francisco

13 Five Star Spas
More than any other hotel group



SpaChina Awards 2014

‘Most Trusted
Global Spa Brand’



LEGENDARY SERVICE



To be widely recognised as the world's best luxury hotel group

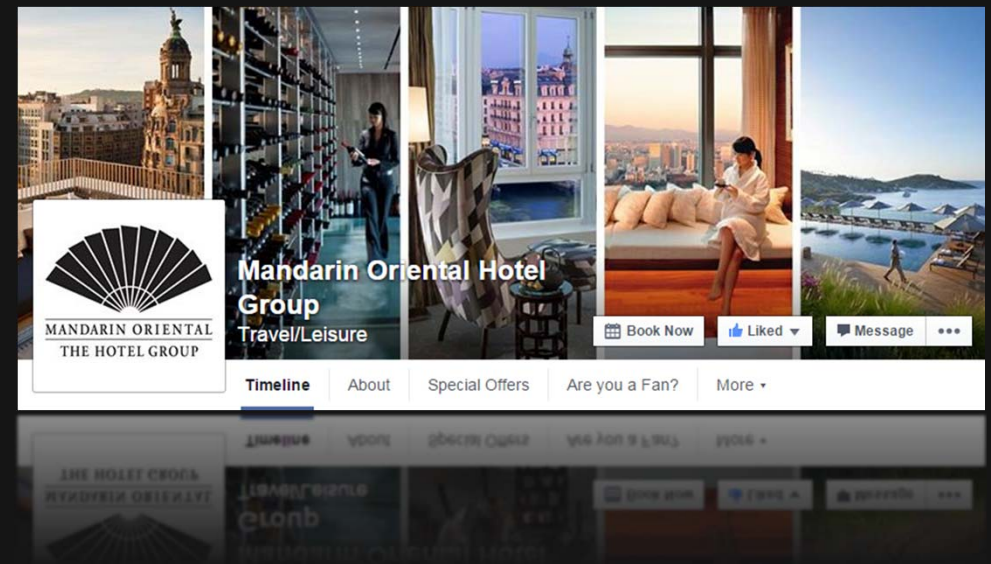


International Advertising Campaign

- 28 celebrity fans endorse our brand
- Two award-winning American actors joined the campaign in 2014
 - Morgan Freeman
 - Lucy Liu
- Add their support to openings and events

Investments in Digital Marketing

- Global conversation with consumers
- Strong presence in social media including
 - Facebook
 - Twitter
 - Instagram
 - Sina Weibo
- Followers increased by 46% in 2014



Investments in Digital Marketing

Website Marketing

- Online website bookings up 8% over 2013
- Online revenue approximately 15% of total leisure room revenue



Condé Nast Traveler, US
Readers' Choice Awards 2014

13 Mandarin Oriental hotels ranked in 'Top 100' listing

Mandarin Oriental, Atlanta
Mandarin Oriental, Bangkok
Mandarin Oriental, Barcelona
Mandarin Oriental, Boston
Mandarin Oriental, Hong Kong
Mandarin Oriental, Las Vegas
Mandarin Oriental, Miami

Mandarin Oriental, Munich
Mandarin Oriental, New York
Mandarin Oriental, Paris
Mandarin Oriental, Prague
Mandarin Oriental, San Francisco
Mandarin Oriental, Tokyo



Institutional Investor
World's Best Hotels 2014

12 Mandarin Oriental hotels ranked as the best in their location

Mandarin Oriental, Boston

Mandarin Oriental, Geneva

Mandarin Oriental, Hong Kong

The Landmark Mandarin Oriental, Hong Kong

Mandarin Oriental Hyde Park, London

Mandarin Oriental, Kuala Lumpur

Mandarin Oriental, Miami

Mandarin Oriental, Munich

Mandarin Oriental, New York

Mandarin Oriental, San Francisco

Mandarin Oriental, Singapore

Mandarin Oriental, Tokyo

The background of the slide features a close-up, artistic photograph of a red lacquer box and a pair of chopsticks. The box is partially open, revealing a dark interior. The chopsticks are made of light-colored wood and are resting on a surface. The overall lighting is warm and soft, creating a sophisticated and elegant atmosphere.

Hurun Report

Best of the Best Awards 2015

The Group and 3 hotels ranked

Mandarin Oriental Hotel Group
Luxury Hotel Brand Star Performer

Mandarin Oriental, Guangzhou
'Art Lifestyle' Luxury Hotel in Guangzhou Star Performer

Mandarin Oriental, Macau
Luxury Hotel in Macau Star Performer

Mandarin Oriental Pudong, Shanghai
Luxury Hotel in Shanghai Star Performer

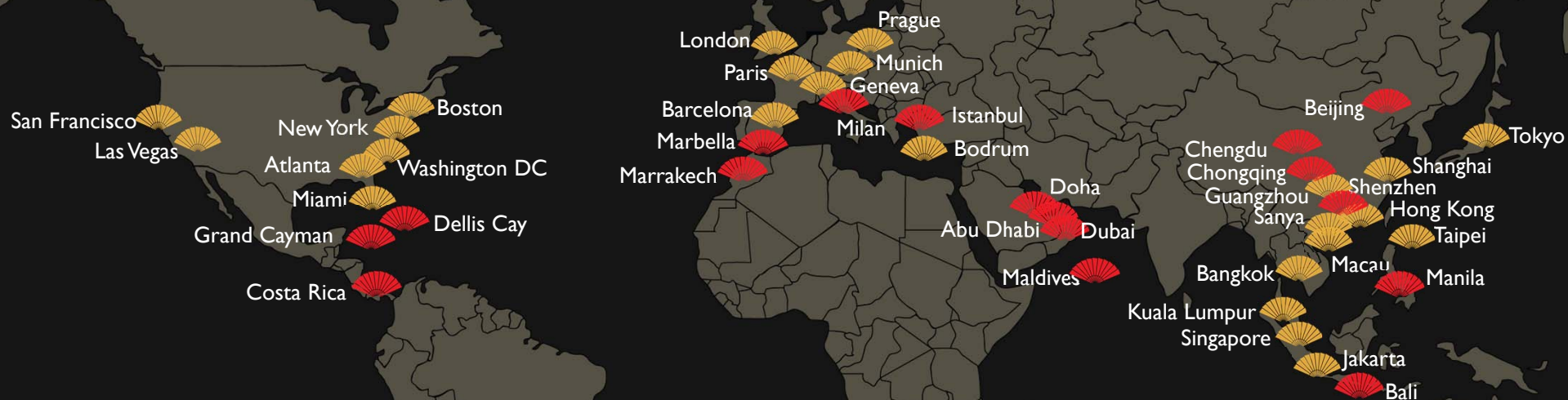
Key Strategic Objectives

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

Towards 10,000 rooms

- 8,000 rooms in 27 hotels
- 17 hotels under development
- Total portfolio, including hotels under development:
 - 11,000 rooms
 - 44 hotels
 - 24 countries

GEOGRAPHIC DIVERSIFICATION



 27 HOTELS OPEN

 17 HOTELS UNDER DEVELOPMENT

MANDARIN ORIENTAL

Towards 10,000 rooms

- Four new management contracts announced in 2014
 - Bali, Indonesia
 - Manila, Philippines
 - Dubai, United Arab Emirates
 - *The Residences* in Bangkok, Thailand

Towards 10,000 rooms



Mandarin Oriental, Bali
(Management contract) Opening 2018

- 114 guestrooms and suites including 88 pool villas
- Cliffside location with panoramic views

Towards 10,000 rooms



Mandarin Oriental, Manila
(Management contract) Opening 2020

- 275 guestrooms and suites
- A mixed-use development in Makati
- The Group's original property closed in September 2014

Towards 10,000 rooms



Mandarin Oriental, Dubai
(*Management contract*) Opening 2017

- 255 room urban resort
- Exclusive over water villas
- A wide variety of restaurants, a spa and leisure facilities

Towards 10,000 rooms



The Residences at Mandarin Oriental, Bangkok

- 146 branded *Residences*
- A mixed use luxury project (ICONSIAM)
- Located diagonally opposite Mandarin Oriental, Bangkok

Towards 10,000 rooms

- Four hotels to open in the next 18 months:
 - Marrakech, Morocco
 - Milan, Italy
 - Beijing, China
 - Doha, Qatar

Towards 10,000 rooms



Mandarin Oriental, Marrakech
(Management contract) Opening 2nd quarter 2015

- Exclusive hideaway resort
- 63 private villas and suites

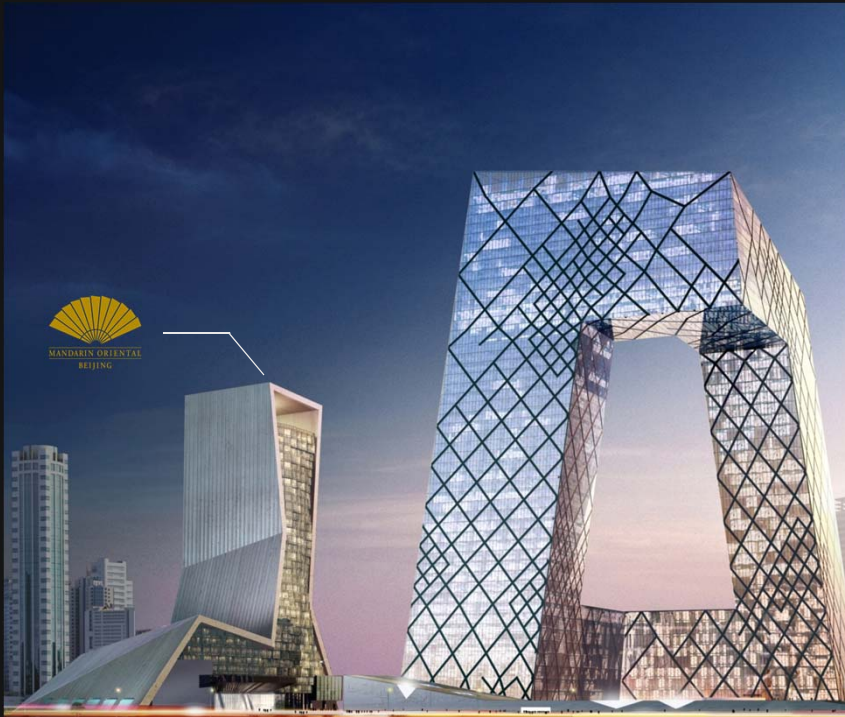
Towards 10,000 rooms



Mandarin Oriental, Milan
(Management contract) Opening 2nd quarter 2015

- 104 rooms and suites
- Redevelopment of three elegant 19th century buildings
- Ideally located for commerce and fashion

Towards 10,000 rooms



Mandarin Oriental, Beijing
(Management contract) Opening 2nd half 2016

- Located within the iconic CCTV development
- 241 rooms and suites

Towards 10,000 rooms



Mandarin Oriental, Doha
(Management contract) Opening 2nd half 2016

- First Mandarin Oriental in Middle East
- A new city centre development
- 158 guestrooms and 91 serviced apartments

Residences at Mandarin Oriental



- 15 *Residences* around the world
- Provide one-off branding fees and ongoing management fees
- An annual average of approx. US\$5 million in branding fees over the past decade
- Fees and ongoing management revenues to provide a growing return in future years

Development Strategy

- International brand recognition and financial strength encourages growth
- Regularly review investment opportunities for new hotels
- Re-invest in flagship properties
- Increasing opportunities for long-term management contracts
- Strategy of ownership and management at the core of our business



MANDARIN ORIENTAL
THE HOTEL GROUP

FINANCIAL REVIEW

Financial Review

Summary Cash Flow Statement

US \$ m	2014	2013
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Operating Activities

Underlying EBITDA from subsidiaries

186

172*

- Includes US\$15m branding fees
- Improved contribution from subsidiary hotels and further stabilization of Paris hotel

* 2013 Underlying EBITDA was US\$165m excluding the US\$7m of one-off credits relating to the Group's Paris acquisition

Financial Review

Summary Cash Flow Statement

US \$ m	2014	2013
Operating Activities		
Underlying EBITDA from subsidiaries	186	172
Movements in working capital	2	10
Dividends and interest from associates	13	13
Net financing charges paid	(22)	(16)
Tax paid	(21)	(19)
Other	2	(3)
Total	160	157

- Net financing charges include upfront transaction costs related to the 2014 refinancings
- Net financing charges per the profit and loss are US\$17m in 2014, compared to US\$16m in 2013

Financial Review

Summary Cash Flow Statement

US \$ m	2014	2013
Operating Activities		
Underlying EBITDA from subsidiaries	186	172
Movements in working capital	2	10
Dividends and interest from associates	13	13
Net financing charges paid	(22)	(16)
Tax paid	(21)	(19)
Other	2	(3)
Total	160	157

- Weighted average interest rate at 2.3% on Group borrowings (2.1% in 2013)
- Underlying EBITDA net interest cover was 10.4 times (10.8 times in 2013)

Financial Review

Summary Cash Flow Statement

US \$ m	2014	2013
Investing Activities		
Capital expenditure at existing hotels	(29)	(36)
Paris acquisition	-	(382)
Munich expansion	(17)	-
Repayment of loans to associates	4	-
Intangible assets	(3)	(3)
Other	(1)	(1)
TOTAL	(46)	(422)

Financial Review

Summary Cash Flow Statement

US \$ m	2014	2013
Operating Activities		
Investing Activities	160	157
Financing Activities	(46)	(422)
Dividends paid	(70)	(70)
Net (repayment)/drawdown of borrowings*	(29)	199
Other	-	3
Net increase/ (decrease) in cash	15	(133)
Opening cash balance 1st Jan	316	453
Effect of exchange rate changes	(6)	(4)
Closing cash balance 31st Dec	325	316

* 2013 drawdown of borrowings included US\$200 million of new debt facilities related to the Group's Paris acquisition

Financial Review

US \$ m	2014	2013
Gross debt	728	795
Cash	(325)	(316)
Net debt	403	479
Adjusted shareholders' funds	3,152	3,061
Gearing	13%	16%

Financial Review

- Approximately 43% of Group's debt hedged
- Average tenor of Group's borrowings is 3.7 years
- US\$325 million of cash and US\$133 million of undrawn committed facilities

Outlook

- Trading conditions remain subdued in some markets
- Hotels are in a strong competitive position
- Overall performance reliant on global economy
- Earnings should benefit from new hotel openings, increasing luxury travellers from traditional and emerging markets, and ongoing branding fees
- Increasing international brand recognition
- Limited new supply in key mature markets

Conclusion

- Strong position
- Growing portfolio of award-winning hotels
- Well positioned to become the world's best luxury hotel group



THANK YOU