news release

Mandarin Oriental International Limited

Jardine House, 33-35 Reid Street
Hamilton HM EX, Bermuda

MANDARIN ORIENTAL
THE HOTEL GROUP

To: Business Editor

6th March 2014
For immediate release

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

MANDARIN ORIENTAL INTERNATIONAL LIMITED
2013 PRELIMINARY ANNOUNCEMENT OF RESULTS

Highlights

- Underlying profit up 35%
- Two new hotels opened in China
- Acquisition of freehold interest in Mandarin Oriental, Paris enhances results
- Four new hotel management contracts announced

"While global market conditions remain uncertain, the Group is in a strong competitive and financial position. Over the longer term, Mandarin Oriental will continue to benefit from the strength of its brand, the increasing number of travellers from emerging markets such as China, the limited new supply of luxury hotels in its key mature markets and the phased opening of new hotels under development."

Ben Keswick, *Chairman*
6th March 2014

Results

	Year ended 31st December **2013** **US$m**	2012 US$m restated[5]	Change %
Combined total revenue of hotels under management[1]	**1,360.8**	1,283.3	+6
Underlying EBITDA (Earnings before interest, tax, depreciation and amortization)[2]	**208.7**	172.6	+21
Underlying profit attributable to shareholders[3]	**93.2**	69.2	+35
Profit attributable to shareholders	**96.3**	70.7	+36
	US¢	US¢	%
Underlying earnings per share[3]	**9.30**	6.93	+34
Earnings per share	**9.61**	7.08	+36
Dividends per share	**7.00**	7.00	-
	US$	US$	%
Net asset value per share	**0.99**	0.95	+4
Adjusted net asset value per share[4]	**3.05**	2.88	+6
Net debt/shareholders' funds	**48%**	14%	
Net debt/adjusted shareholders' funds[4]	**16%**	5%	

(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.
(5) The accounts have been restated due to a change in accounting policy upon adoption of IAS 19 (amended 2011) 'Employee Benefits', as set out in note 1 to the financial statements.

The final dividend of US¢5.00 per share will be payable on 14th May 2014, subject to approval at the Annual General Meeting to be held on 7th May 2014, to shareholders on the register of members at the close of business on 21st March 2014. The ex-dividend date will be on 19th March 2014, and the share registers will be closed from 24th to 28th March 2014, inclusive.

- more -

MANDARIN ORIENTAL INTERNATIONAL LIMITED

PRELIMINARY ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

OVERVIEW

Trading momentum across the portfolio remained positive in 2013, with most Group hotels maintaining or enhancing their competitive positions. As a result, the Group reported strong growth in underlying profit. International recognition of the brand was reflected in the many prestigious awards received during a year in which the Group celebrated the 50th anniversary of its flagship Mandarin Oriental, Hong Kong.

PERFORMANCE

Underlying earnings before interest, tax, depreciation and amortization for 2013 were US$209 million, an increase of US$36 million from 2012 and a record level for the Group. Underlying profit was up 35% at US$93 million, also a record for the Group, and underlying earnings per share were 34% higher at US¢9.30. Underlying earnings benefited from a profit of US$7 million arising upon the acquisition in February of the freehold rights of the Group's Paris hotel together with an increased contribution from the hotel itself.

Profit attributable to shareholders was US$96 million in 2013, compared to US$71 million in the prior year. The 2013 result includes the writeback of a US$3 million asset impairment provision, which compares with a US$2 million writeback in 2012.

After taking into account an independent valuation of the Group's hotel properties, the net asset value per share was US$3.05 at 31st December 2013, compared with US$2.88 per share at the end of 2012.

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, unchanged from 2012.

GROUP REVIEW

In Hong Kong, the Group's two wholly-owned hotels performed well, maintaining occupancy and average rates broadly in line with the record levels achieved in 2012. Mandarin Oriental, Tokyo's performance improved significantly in local currency terms as visitor arrivals to the city continued to increase, and despite challenging market conditions Mandarin Oriental, Bangkok also achieved improved results. Trading performances of the other Asian hotels were resilient, albeit in the face of increasing pressure on costs.

In Europe, a continued strong performance in Munich more than offset subdued results in Geneva where the market remained difficult. London was marginally down following a record year in 2012, which included the Olympic Games, while the Paris hotel stabilized further with occupancy increasing by nine percentage points and its average rate rising.

In The Americas, increased demand led to higher revenue per available room in each location and an overall improved performance.

BUSINESS DEVELOPMENTS

The Group opened new luxury hotels in Guangzhou and Shanghai during the year. In February 2013, it also completed the acquisition of the freehold rights of the building housing Mandarin Oriental, Paris and two prime retail units.

Three management contracts were announced in 2013 for hotels under development in Istanbul, Turkey, and Shenzhen and Chongqing in China. In January 2014, the Group announced a management contract for a luxury resort in Bali, scheduled to open in 2016.

During the second half of 2013, the Group ceased management of the Chiang Mai resort, and announced that the project in St. Kitts would no longer proceed. In January 2014, the Group ended its management of the Grand Lapa hotel in Macau, which had continued on a transitional basis at the request of the new owner, following the Group's sale of its 50% interest in the hotel in 2009. The Group will also cease management of the Elbow Beach hotel in Bermuda at the end of March.

Within the next 18 months, five new hotels are scheduled to open in Taipei, Bodrum, Marrakech, Beijing and Milan.

Mandarin Oriental now operates 26 hotels, and has a further 18 hotels under development. Together these represent close to 11,000 rooms in 25 countries. In addition, the Group operates six *Residences at Mandarin Oriental* connected to its properties, with a further seven under development.

CORPORATE DEVELOPMENTS

The Company has announced its intention, subject to shareholder approval, to transfer the listing of its shares on the Main Market of the London Stock Exchange to the Standard listing category from the current Premium listing category. The Standard listing category represents the common listing standards across all European Union member states and complies fully with the relevant European Directives. A circular containing full details of the proposals, including the notice of a Special General Meeting, is being dispatched to shareholders.

PEOPLE

On behalf of the Directors, I would like to acknowledge the contribution of all employees throughout the Group for continuing to provide exceptional levels of service to our guests.

Simon Keswick stepped down as Chairman in May, and remains a non-executive Director. We appreciate greatly his tremendous contribution as Chairman of the Company since his appointment in 1986.

OUTLOOK

While global market conditions remain uncertain, the Group is in a strong competitive and financial position. Over the longer term, Mandarin Oriental will continue to benefit from the strength of its brand, the increasing number of travellers from emerging markets such as China, the limited new supply of luxury hotels in its key mature markets and the phased opening of new hotels under development.

Ben Keswick
Chairman
6th March 2014

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 almost 11,000 rooms in 25 countries, with 20 hotels in Asia, ten in The Americas and 14 in Europe, Middle East and North Africa. In addition, the Group operates, or has under development, 13 *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$3.1 billion as at 31st December 2013. Capitalizing on the strength of its brand, Mandarin Oriental also operates hotels on behalf of third party owners that require no equity investment by the Group.

The Group's aspiration is to be recognized widely as the best global luxury hotel group, which it aims to 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 celebrated the 50th anniversary of the opening of its original flagship hotel in Hong Kong in 2013, which contributed to the growing recognition of the Mandarin Oriental brand internationally. Increased demand in many of the Group's destinations enabled the majority of the hotels to raise rates in local currency terms. While the Group experienced a softening of corporate demand in some markets, it benefited from improved demand in the leisure sector, and from its successful development of new markets.

In Asia, our hotels performed well against their competition, with the Hong Kong properties broadly maintaining the record performances of the previous year, and Tokyo benefiting from increased visitor arrivals. In Europe, performances were generally strong and the Paris hotel, of which the Group acquired the freehold rights in February 2013, continues to stabilize well and to attract significant media attention. In The Americas, all hotels experienced strong demand, which enabled rate increases and improved performances across the region.

- more -

Overall, the Group benefited from the increasing number of high net worth travellers who are attracted by the reputation of the Mandarin Oriental brand, and our increasing presence in top tier destinations.

The Group's global brand recognition was further enhanced in 2013 with the successful launch of two luxury hotels in China. Mandarin Oriental, Guangzhou and Mandarin Oriental Pudong, Shanghai opened in January and April respectively and both properties received the *Hurun* 'Hot Hotel' Award in 2013, one of the most recognized awards in China. Two further management contracts, announced in 2013, for hotels under construction in Shenzhen and in Chongqing, bring to seven the total number of hotels that the Group now operates, or has under development in mainland China. The Group also announced a management contract in May 2013 for a hotel under construction in Istanbul, Turkey, and in January 2014, the Group signed a contract to manage a resort currently under development in Bali, Indonesia.

The recognition of the Mandarin Oriental brand internationally, together with our financial strength, places the Group in a strong position to take advantage of opportunities for further growth.

PERFORMANCE IN 2013

Set out below is a review of the Group's performance in 2013, 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 consistently 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 invests behind its core brand attributes of creative hotel design, architecture and technology, excellent dining experiences and holistic spa operations. Above all, the delivery of legendary service to our guests remains at the core of everything we do.

The Group's increasing global recognition in 2013 is evidenced by the achievement of many significant awards from respected travel associations and publications worldwide. Highlights include a record 13 hotels being awarded in the 2014 *Forbes Travel Guide*, with nine properties around the world gaining the top 'Five Star Hotel' status, and three properties 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 2014 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' 2013 featured 16 Mandarin Oriental hotels, more than in any previous year, with five hotels being listed as one of the top three in their respective cities. In addition, 'The World's Best 2013' from *Travel + Leisure* included winning entries for eight hotels, with the Group's properties in Munich, Bangkok and Hong Kong being listed as one of the top three in their respective destinations. The Group was also well represented in the *Robb Report*'s 'World's Top 100 Hotels' listings, with seven hotels recognized.

The Group's reputation for excellent and innovative dining experiences was again acknowledged in the most recent 2014 *Michelin* guides with 11 restaurants being honoured and a total of 16 stars being granted. This is more than any other hotel group in the world. 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.

The Group's spa operations were acknowledged as being among the best, with a record ten hotels gaining the prestigious *Forbes* 'Five Star Spa' award. Again, this is more than any other hotel group in the world. In addition, five of the Group's eight operating hotels in The Americas were honoured in *Condé Nast Traveler, US* 'Readers' Poll' of 'Top US Spas'.

The Group's commitment to working with some of the best architects and designers was also recognized in 2013. In particular, the Group's newest Southern China property, Mandarin Oriental, Guangzhou was singled out for several honours throughout the year for its creative design. These included 'Best International Hotel' in the US magazine, *Interior*

- more -

Design, and 'Best Spa Design of the Year' in *SpaChina*'s 2013 Awards. Mandarin Oriental Pudong, Shanghai has also received design accolades, not least as a result of its impressive collection of more than 4,000 original artworks throughout the property.

The Group's global recognition is further enhanced by our award-winning international advertising campaign which now features 28 celebrity 'fans', who regularly stay in our hotels. During the last 12 months, the Group welcomed three new fans to the campaign: Italian mezzo-soprano, Cecilia Bartoli; renowned British collage artist, Sir Peter Blake and the Academy Award winning American actor and director, Morgan Freeman. The Group's relationship with its celebrity fans goes far beyond their appearance in the advertisements alone. They frequent the Group's hotels regularly, and further enhance brand recognition by attending events and meeting with guests.

The Group also continues to invest in digital marketing, and received the *Web Marketing Association* award for 'Outstanding Website' 2013. Since launching its new experiential website in the last quarter of 2012, customer engagement time has grown by 20% and website revenues have improved by 24%. Online bookings now represent 13% of total transient room revenue. Furthermore, the Group actively encourages a global conversation with consumers through its social media strategy, and now has a larger and more connected global digital network than ever before. Collectively, the brand and properties manage 88 official accounts across 13 platforms reaching consumers in all corners of the globe, including a growing base of potential guests on Sina Weibo, China's most important social media platform.

Our goal 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

Every hotel is focused on maintaining or enhancing their leadership positions against primary competitors in their individual markets. This is critical to the Group's success. 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. Our position has been further supported by limited new supply in many of the key markets in which we operate.

The Group's strategy is to create quality services and facilities which attract individuals who will pay a premium for genuine luxury experiences that are meaningful and of value. Demographic trends support this strategy, with higher spending leisure customers now making up over 44% of the Group's room nights. 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 16% of our total visitor arrivals. The exceptional services and facilities offered by the Group create demand and a resultant increase in the average rate across the portfolio.

The highlights of each region are as follows:

Asia

Despite a softening in demand in some markets, and the region as a whole facing increased pressure on costs, the Group's competitive performance in Asia was strong, and many hotels increased their average rates in local currency terms. Recognition of the Group was further enhanced with the well-publicized openings in Guangzhou and Shanghai. Overall, Revenue per Available Room ('RevPAR') for Asia was up by 1% in US dollar terms over the previous year on a like-for-like basis.

In Hong Kong, city-wide activity softened slightly, however the 100%-owned Mandarin Oriental maintained its historically high results achieved in 2012. Food and beverage revenues improved, with a 5% increase over the prior year. A star-studded Gala to celebrate the hotel's 50th anniversary resulted in significant global media coverage, and the property received the *Virtuoso* 2013 'Hotel of the Year' award – one of the industry's highest accolades.

Moreover, Mandarin Oriental, Hong Kong received the 'Five Star' rating in the 2014 *Forbes Travel Guide* for the hotel, the spa and two of its restaurants, *Pierre* and *The Mandarin Grill.* The Landmark Mandarin Oriental, Hong Kong achieved the same accolade for the hotel, spa and *Amber* restaurant.

The Excelsior, the Group's other 100%-owned hotel in Hong Kong, maintained its RevPAR at similar levels to 2012, with a high year-round occupancy of 89%.

In Tokyo, our hotel's performance benefited from a further increase in visitor arrivals, resulting in an improvement in occupancy of 25%. With the average rate also increasing the hotel achieved an overall uplift in RevPAR of 28% in local currency terms. A weaker Japanese yen has however impacted results in US dollar terms. The hotel was listed as one of the 'World's Best' in *Travel + Leisure*'s 2013 annual awards, and one of the 'Top Five' hotels in the 2013 *Condé Nast Traveler, US* 'Readers' Choice' Awards.

Despite a slight weakening in city-wide corporate demand in Singapore, our hotel maintained its competitive position in the market. The hotel also achieved *Forbes* 'Five Star' status in the annual 2014 *Forbes Travel Guide* for both the hotel and its spa, and was voted one of the top hotels for luxury and service in Singapore in *TripAdvisor*'s 2014 'Traveler's Choice'.

Mandarin Oriental, Bangkok was adversely affected by the political demonstrations in the city in the last quarter of the year but achieved strong average rates resulting in an overall RevPAR improvement of 7% 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 Worldwide' in *The Times & Sunday Times, UK* 'Travel Awards' 2013, and the 'Best Hotel in Asia' in *Celebrated Living*'s*, US* 'Platinum List' 2013.

Mandarin Oriental, Jakarta continued to improve its competitive position and benefited from the strong Indonesian economy, achieving an overall increase in RevPAR of 18% in local currency terms over the previous year. The hotel was voted one of the 'Top 10 Hotels in Indonesia' in *TripAdvisor*'s 2014 'Traveler's Choice'.

Performances of the Group's remaining hotels in the region were resilient, and the new hotels in Guangzhou and Shanghai are achieving high average rates in recognition of their exceptional services and facilities.

Europe

In Europe, the Group's hotels were successful in maintaining or enhancing their positions at the top end of their markets, and most continued to benefit from resilient demand in the leisure sector. Across the region, RevPAR increased by 9% in US dollar terms, on a like-for-like basis with 2012.

Mandarin Oriental Hyde Park, London did well to achieve revenues which were only marginally down from the previous year, when its performance was bolstered by the 2012 Olympics and the celebrations for the Queen's Diamond Jubilee. Occupancy remained high at 80% but a slight decrease in average rates led to a 1% drop in RevPAR in local currency terms. Food and beverage also performed well, with the hotel's two award-winning restaurants, *Dinner* and *Bar Boulud*, being nominated as two of the 'UK's Top 100 Restaurants' in the 2013 National Restaurant Awards.

In February 2014, the hotel introduced a new swimming pool and fitness centre, and is undergoing a renovation of existing meeting space to create a new afternoon tea and champagne lounge in the heart of the hotel which will open in the second quarter of 2014.

Mandarin Oriental, Munich's performance improved as a result of strong demand in the high-end leisure market, which enabled the hotel to raise average rates and achieve an 18% RevPAR increase in local currency terms. The hotel has successfully maintained its position as the undisputed market leader and was singled out as the 'Best City Hotel in Europe' in *Travel + Leisure*'s 'World's Best' awards.

In Geneva, our hotel's performance was negatively impacted by challenging market conditions and the strong Swiss franc. A drop in visitor arrivals to the city resulted in a slight reduction in occupancy levels and a RevPAR decrease of 2% in local currency terms.

Mandarin Oriental, Paris continues to stabilize well and has successfully positioned itself as one of the best luxury hotels in the city. The property achieved an increase in occupancy of nine percentage points to 66% with an average rate of more than €950. This resulted in a RevPAR increase of 22% in local currency terms. 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 two Michelin stars in the 2014 listing. Mandarin Oriental, Paris featured in *Condé Nast Traveler*'s, 2013 'Top 100 List' as one of the top hotels in France.

In Barcelona and Prague, our hotels successfully improved their performance over 2012, with local currency RevPAR increases of 18% and 8% respectively. Both properties received further global recognition for excellence, with The Spa at Mandarin Oriental, Prague being voted the 'Best in the Czech Republic' in the *SpaFinder Wellness Awards* 2013, and Mandarin Oriental, Barcelona being voted 'Best Urban Hotel' in *Condé Nast Traveler*'s Spanish edition.

The Americas

The improved trading environment in The Americas, led to increased demand for the Group's hotels across the region with a RevPAR increase of 11% on a like-for-like basis compared to the previous year. A record six Mandarin Oriental hotels in the US were voted 'Top Ten' properties in their respective cities in the *Condé Nast Traveler, US* 'Readers' Choice' Awards.

Mandarin Oriental, Washington D.C. achieved a strong increase in average rates leading to an overall RevPAR improvement of 10% over the prior year. 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 further improved its competitive position and became the market leader in the city, growing both its average rate and occupancy to achieve a 9% 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'.

At Mandarin Oriental, Miami, improved market conditions led to an uplift of both occupancy and average rate, which resulted in a RevPAR increase of 11%. The hotel continues to receive positive media attention, and achieved a triple *Forbes* 'Five Star' rating in 2014 for the hotel, the spa and its restaurant *Azul* – the only hotel in Florida to so do. In 2014, the hotel will be introducing new restaurant and bar facilities, including the launch of *La Mar* by celebrity Peruvian chef, Gaston Acurio.

- more -

Mandarin Oriental, San Francisco improved its competitive position and continued to garner accolades following the rooms and public area renovation in 2012. The new facilities, including a Mandarin Oriental spa, have been well received and the hotel has increased its average rate by 11% compared to the previous year. The hotel and spa were featured in *Condé Nast Traveler, US* 'Hot List' 2013, and both received the coveted *Forbes* 'Five Star' rating for 2014.

In all other locations, our managed hotels performed well, with significant RevPAR increases. Our hotels in Boston and Las Vegas both achieved the *Forbes* 'Five Star' rating in 2014 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 approximately 8,000 rooms in 26 hotels around the world. The total portfolio however, including hotels under development, now extends to almost 11,000 rooms, with 44 hotels in 25 countries.

Four new hotel management contracts have been signed in the past 12 months:

- In May 2013, the Group announced a luxurious waterfront hotel on the Bosphorus in Istanbul. Expected to open in 2016, and ideally located for both business and leisure, the property will feature 130 spacious guestrooms and suites.

- In August 2013, the Group announced a 190-room luxury hotel, located on top of a 400-metre tower, currently under development in Shenzhen, China which is scheduled to open in 2018.

- In September 2013, a luxury 231-room hotel in Chongqing, southwest China was announced. The hotel, which will open in 2016, will form part of a premier mixed-use project in the new financial centre of the city, and will offer panoramic river and city views.

- Finally, in January 2014, the Group announced a new management contract for a luxury resort in Bali, Indonesia. Located southwest of Nusa Dua, this 121-room hotel includes 97 expansive pool villas, and is situated on a cliffside with panoramic views and direct access to a secluded beach.

In the second half of 2013, the Group ceased management of the resort in Chiang Mai and also announced that the project in St. Kitts would no longer proceed. In January 2014, the Group ended its management of the Grand Lapa hotel in Macau, which had continued on a transitional basis at the request of the new owner, following the Group's sale of its 50% interest in the hotel in 2009. From 31st March 2014, the Group will also cease management of the Elbow Beach hotel in Bermuda.

In total, Mandarin Oriental has 18 new hotels currently under development, all of which are long-term management contracts requiring no capital investment by the Group. Five of these properties will be operational within the next 18 months, beginning with the 303-room luxury hotel in Taipei, scheduled to open in May 2014. An exclusive resort comprising 106 private villas in a picturesque oceanfront setting in Bodrum, Turkey will follow later in the year. A luxurious resort in Marrakech, Morocco, a city centre hotel in Beijing and a hotel in a prime location in Milan will follow in the first half of 2015.

In addition to the Group's portfolio of hotels, a total of 13 *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 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, while at the same time our strong brand continues to be sought after by developers of luxury hotels. The long-term potential for growth is significant, and 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 overall financial performance improved in 2013, as a result of strong competitive performances across the majority of the portfolio. Profit attributable to shareholders in 2013 was US$93 million, a record level for the Group, compared to US$69 million in 2012, excluding non-trading items. Including non-trading items, profit attributable to shareholders in 2013 was US$96 million, compared to US$71 million in 2012.

The Group's financial well-being remains fundamental to its success and its balance sheet remains strong, with gearing of 16% of adjusted shareholder funds.

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

THE FUTURE

While market conditions remain uncertain, a sustained recovery in the global economy will positively impact demand for Mandarin Oriental hotels around the world. Moreover, the Group will further benefit from its growing portfolio as new properties open in sought-after destinations, and from the increasing number of travellers from emerging markets, as well as the limited supply of competitive luxury hotels in our key mature markets.

The geographical diversification of the Group's portfolio and the increasing number of international awards achieved, underlie the strength of the brand and the increasing recognition of Mandarin Oriental as one of the best luxury hotel groups in the world.

Edouard Ettedgui
Group Chief Executive
6th March 2014

Mandarin Oriental International Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2013

	2013			2012		
	Underlying US$m	**Non-trading items US$m**	**Total US$m**	Underlying US$m restated	Non-trading items US$m	Total US$m restated
Revenue *(note 2)*	**668.6**	**-**	**668.6**	648.3	-	648.3
Cost of sales	**(408.4)**	**-**	**(408.4)**	(415.2)	-	(415.2)
Gross profit	**260.2**	**-**	**260.2**	233.1	-	233.1
Selling and distribution costs	**(45.2)**	**-**	**(45.2)**	(44.0)	-	(44.0)
Administration expenses	**(103.2)**	**-**	**(103.2)**	(106.7)	1.5	(105.2)
Operating profit *(note 3)*	**111.8**	**-**	**111.8**	82.4	1.5	83.9
Financing charges	**(17.5)**	**-**	**(17.5)**	(14.6)	-	(14.6)
Interest income	**1.7**	**-**	**1.7**	3.5	-	3.5
Net financing charges	**(15.8)**	**-**	**(15.8)**	(11.1)	-	(11.1)
Share of results of associates *(note 4)*	**17.5**	**3.1**	**20.6**	15.5	-	15.5
Profit before tax	**113.5**	**3.1**	**116.6**	86.8	1.5	88.3
Tax *(note 5)*	**(19.8)**	**-**	**(19.8)**	(17.3)	-	(17.3)
Profit after tax	**93.7**	**3.1**	**96.8**	69.5	1.5	71.0
Attributable to:						
Shareholders of the Company	**93.2**	**3.1**	**96.3**	69.2	1.5	70.7
Non-controlling interests	**0.5**	**-**	**0.5**	0.3	-	0.3
	93.7	**3.1**	**96.8**	69.5	1.5	71.0

	US¢		**US¢**	US¢		US¢
Earnings per share *(note 6)*						
- basic	**9.30**		**9.61**	6.93		7.08
- diluted	**9.28**		**9.59**	6.91		7.06

Mandarin Oriental International Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2013

	2013 US$m	2012 US$m restated
Profit for the year	**96.8**	71.0
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans	**5.5**	(0.3)
Tax on items that will not be reclassified	**(0.9)**	-
	4.6	(0.3)
Items that may be reclassified subsequently to profit or loss:		
Net exchange translation differences		
- net gain arising during the year	**4.9**	11.6
Fair value gains on other investments	**0.4**	-
Fair value gains on cash flow hedges	**8.5**	4.0
Tax relating to items that may be reclassified	**(1.6)**	(0.8)
Share of other comprehensive (expense)/income of associates	**(5.4)**	4.8
	6.8	19.6
Other comprehensive income for the year, net of tax	**11.4**	19.3
Total comprehensive income for the year	**108.2**	90.3
Attributable to:		
Shareholders of the Company	**107.8**	89.9
Non-controlling interests	**0.4**	0.4
	108.2	90.3

Mandarin Oriental International Limited
Consolidated Balance Sheet
at 31st December 2013

	2013 **US$m**	2012 US$m
Net assets		
Intangible assets	**42.6**	42.1
Tangible assets *(note 8)*	**1,440.5**	1,055.5
Associates	**110.8**	108.6
Other investments	**9.3**	7.2
Loans receivable	**-**	-
Pension assets	**14.4**	11.2
Deferred tax assets	**3.1**	4.7
Non-current assets	**1,620.7**	1,229.3
Stocks	**6.5**	6.3
Debtors and prepayments	**73.7**	78.2
Current tax assets	**1.0**	0.7
Cash at bank	**316.4**	453.7
Current assets	**397.6**	538.9
Creditors and accruals	**(147.0)**	(135.8)
Current borrowings *(note 9)*	**(556.2)**	(9.7)
Current tax liabilities	**(12.1)**	(10.6)
Current liabilities	**(715.3)**	(156.1)
Net current (liabilities)/assets	**(317.7)**	382.8
Long-term borrowings *(note 9)*	**(238.7)**	(580.5)
Deferred tax liabilities	**(65.5)**	(64.3)
Pension liabilities	**(0.6)**	(0.6)
Other non-current liabilities	**(3.5)**	(15.5)
	994.7	951.2
Total equity		
Share capital	**50.2**	50.0
Share premium	**186.6**	182.1
Revenue and other reserves	**752.2**	713.8
Shareholders' funds	**989.0**	945.9
Non-controlling interests	**5.7**	5.3
	994.7	951.2

Mandarin Oriental International Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2013

	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
2013									
At 1st January	50.0	182.1	281.3	442.6	(12.9)	2.8	945.9	5.3	**951.2**
Total comprehensive income	-	-	-	101.2	6.9	(0.3)	107.8	0.4	**108.2**
Dividends paid by the Company	-	-	-	(70.2)	-	-	(70.2)	-	**(70.2)**
Issue of shares	0.2	2.7	-	-	-	-	2.9	-	**2.9**
Employee share option schemes	-	-	2.6	-	-	-	2.6	-	**2.6**
Transfer	-	1.8	(1.8)	-	-	-	-	-	**-**
At 31st December	**50.2**	**186.6**	**282.1**	**473.6**	**(6.0)**	**2.5**	**989.0**	**5.7**	**994.7**
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

Total comprehensive income included in revenue reserves comprises profit attributable to shareholders of the Company of US$96.3 million (2012: US$70.7 million), net fair value gain on other investments of US$0.2 million (2012: nil) and net actuarial gain on employee benefit plans of US$4.7 million (2012: loss of US$0.3 million). Cumulative net actuarial gain on employee benefit plans amounted to US$10.9 million (2012: US$6.2 million).

Mandarin Oriental International Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2013

	2013 US$m	2012 US$m restated
Operating activities		
Operating profit *(note 3)*	**111.8**	83.9
Depreciation	**57.4**	50.7
Amortization of intangible assets	**2.6**	2.9
Other non-cash items	**(2.7)**	0.7
Movements in working capital	**9.6**	5.1
Interest received	**1.7**	3.7
Interest and other financing charges paid	**(17.9)**	(14.4)
Tax paid	**(18.6)**	(16.0)
	143.9	116.6
Dividends and interest from associates	**13.0**	9.4
Cash flows from operating activities	**156.9**	126.0
Investing activities		
Purchase of tangible assets	**(35.9)**	(50.5)
Purchase of intangible assets	**(2.9)**	(4.5)
Acquisition of Paris freehold interest *(note 11)*	**(381.7)**	(13.1)
Investment in and loan to associate	**-**	(19.3)
Repayment of mezzanine loans	**-**	1.5
Purchase of other investments	**(1.8)**	(1.1)
Cash flows from investing activities	**(422.3)**	(87.0)
Financing activities		
Issue of shares	**2.8**	2.6
Drawdown of borrowings	**202.5**	7.0
Repayment of borrowings	**(3.1)**	(4.1)
Dividends paid by the Company *(note 12)*	**(70.2)**	(59.9)
Cash flows from financing activities	**132.0**	(54.4)
Net decrease in cash and cash equivalents	**(133.4)**	(15.4)
Cash and cash equivalents at 1st January	**453.4**	469.1
Effect of exchange rate changes	**(4.3)**	(0.3)
Cash and cash equivalents at 31st December	**315.7**	453.4

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.

Standards, amendments and interpretation effective in 2013 which are relevant to the Group's operations:

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
Annual Improvements to IFRS	2009 – 2011 Cycle

The only standard that impacts the consolidated profit and loss account and balance sheet is IAS 19 (amended 2011).

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION *(CONTINUED)*

The effects of adopting IAS 19 (amended 2011) on the current financial year are not material and those on the comparative financial statements were as follows:

(a) On the consolidated profit and loss for the year ended 31st December 2012

	Increase / (decrease) in profit US$m
Administration expense	(2.0)
Tax	0.4
Profit after tax	(1.6)
Attributable to:	
Shareholders of the Company	(1.6)
Non-controlling interests	-
	(1.6)
Basic earnings per share (US¢)	(0.16)
Diluted earnings per share (US¢)	(0.16)

(b) On the consolidated statement of comprehensive income for the year ended 31st December 2012

	Increase / (decrease) in total comprehensive income US$m
Profit after tax	(1.6)
Remeasurement of defined benefit plans	2.0
Tax on items that will not be reclassified	(0.4)
Total comprehensive income for the year	-
Attributable to:	
Shareholders of the Company	-
Non-controlling interests	-
	-

There was no impact on the consolidated balance sheet as at 31st December 2012 and 2011.

The adoption does not have any effect on the consolidated cash flows.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION *(CONTINUED)*

The following standards and amendments which are effective after 2013, are relevant to the Group's operations and yet to be adopted:

IFRS 9	Financial Instruments
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies

The Group is currently assessing the impact of these new standards and amendments but expects their adoption will not have a material effect on the consolidated profit and loss account and balance sheet, although there will be additional disclosure in respect of Amendments to IAS 36.

2. REVENUE

	2013	2012
	US$m	US$m
By geographical area:		
Hong Kong	**245.9**	238.8
Other Asia	**131.6**	140.9
Europe	**226.0**	208.8
The Americas	**65.1**	59.8
	668.6	648.3

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

	2013 US$m	2012 US$m restated
By geographical area:		
Hong Kong	**83.0**	84.3
Other Asia	**30.1**	25.8
Europe	**54.8**	23.4
The Americas	**3.9**	2.5
Underlying EBITDA from subsidiaries	**171.8**	136.0
Writeback of provisions against asset impairment *(refer note 7)*	**-**	1.5
EBITDA from subsidiaries	**171.8**	137.5
Less depreciation and amortization	**(60.0)**	(53.6)
Operating profit	**111.8**	83.9

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
2013						
By geographical area:						
Other Asia	31.3	(9.2)	22.1	(1.5)	(3.6)	17.0
The Americas	5.6	(3.0)	2.6	(2.0)	(0.1)	0.5
	36.9	(12.2)	24.7	(3.5)	(3.7)	17.5
Non-trading items						
- Writeback of provisions against asset impairment *(refer note 7)*	3.1	-	3.1	-	-	3.1
	40.0	**(12.2)**	**27.8**	**(3.5)**	**(3.7)**	**20.6**
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
Non-trading items						
- Writeback of provisions against asset impairment	-	-	-	-	-	-
	36.6	(11.9)	24.7	(4.4)	(4.8)	15.5

5. TAX

	2013 US$m	2012 US$m restated
Tax charged to profit and loss is analyzed as follows:		
Current tax	**19.7**	15.7
Deferred tax	**0.1**	1.6
	19.8	17.3
By geographical area:		
Hong Kong	**11.7**	11.3
Other Asia	**1.7**	2.0
Europe	**6.3**	4.1
The Americas	**0.1**	(0.1)
	19.8	17.3

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

Actuarial valuation of employee benefit plans	**(0.9)**	-
Revaluation of other investments	**(0.1)**	-
Cash flow hedges	**(1.5)**	(0.8)
	(2.5)	(0.8)

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$3.7 million (2012: US$4.8 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$96.3 million (2012: US$70.7 million) and on the weighted average number of 1,002.0 million (2012: 998.9 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$96.3 million (2012: US$70.7 million) and on the weighted average number of 1,003.9 million (2012: 1,001.1 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	
	2013	2012
Weighted average number of shares in issue	**1,002.0**	998.9
Adjustment for shares deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes	**1.9**	2.2
Weighted average number of shares for diluted earnings per share	**1,003.9**	1,001.1

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:

	2013			2012		
	US$m	**Basic earnings per share US¢**	**Diluted earnings per share US¢**	US$m restated	Basic earnings per share US¢ restated	Diluted earnings per share US¢ restated
Profit attributable to shareholders	**96.3**	**9.61**	**9.59**	70.7	7.08	7.06
Non-trading items *(refer note 7)*	**(3.1)**	**(0.31)**	**(0.31)**	(1.5)	(0.15)	(0.15)
Underlying profit attributable to shareholders	**93.2**	**9.30**	**9.28**	69.2	6.93	6.91

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:

	2013 US$m	2012 US$m
Writeback of provisions against asset impairment	**3.1**	1.5

8. TANGIBLE ASSETS AND CAPITAL COMMITMENTS

	2013 US$m	2012 US$m
Opening net book value	**1,055.5**	1,038.0
Exchange differences	**14.0**	18.3
Additions	**428.6**	50.0
Disposals	**(0.2)**	(0.1)
Depreciation charge	**(57.4)**	(50.7)
Closing net book value	**1,440.5**	1,055.5
Capital commitments	**21.1**	23.7

Freehold properties include a property of US$98.6 million (2012: US$99.8 million), which is stated net of tax increment financing of US$24.7 million (2012: US$25.6 million) *(refer note 10)*.

9. BORROWINGS

	2013 US$m	2012 US$m
Bank loans	**783.9**	579.5
Other borrowings	**9.3**	9.0
Tax increment financing *(refer note 10)*	**1.7**	1.7
	794.9	590.2
Current	**556.2**	9.7
Long-term	**238.7**	580.5
	794.9	590.2

10. TAX INCREMENT FINANCING

	2013 US$m	2012 US$m
Netted off against the net book value of property *(refer note 8)*	**24.7**	25.6
Loan *(refer note 9)*	**1.7**	1.7
	26.4	27.3

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 (2012: US$1.7 million) is included in long-term borrowings *(refer note 9)*.

11. ACQUISITION OF PARIS FREEHOLD INTEREST

On 8th February 2013, the Group completed the acquisition of the freehold interest in the building housing Mandarin Oriental, Paris and two prime street front retail units from Société Foncière Lyonnaise for €290.0 million (US$388.9 million). The Group had paid €10.0 million (US$13.1 million) advance deposit in late 2012; and the remaining balance together with transaction expenses of US$5.9 million was paid in February 2013.

The acquisition was partly funded by new five-year €150.0 million (US$201.1 million) debt facilities, with the balance from the Group’s cash reserves.

Pursuant to this acquisition, gains totalling US$7.5 million have been recognized in the profit and loss account in February 2013. These include an exchange gain arising on acquisition (US$1.9 million), the capitalization of acquisition costs (US$1.5 million), as well as the release of lease accrual of €3.1 million (US$4.1 million) as the hotel operation was previously a leasehold tenant of the freehold interest acquired.

12. DIVIDENDS

	2013 US$m	2012 US$m
Final dividend in respect of 2012 of US¢5.00 (2011: US¢4.00) per share	**50.1**	39.9
Interim dividend in respect of 2013 of US¢2.00 (2012: US¢2.00) per share	**20.1**	20.0
	70.2	59.9

A final dividend in respect of 2013 of US¢5.00 (2012: US¢5.00) per share amounting to a total of US$50.1 million (2012: US$50.1 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 2014.

13. 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$15.2 million (2012: US$14.9 million) received from the Group's five (2012: 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.

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 2013 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 Conduct 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.

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 2013 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 Conduct Authority in the United Kingdom.

For and on behalf of the Board

Edouard Ettedgui
Stuart Dickie

Directors

6th March 2014

The final dividend of US¢5.00 per share will be payable on 14th May 2014, subject to approval at the Annual General Meeting to be held on 7th May 2014, to shareholders on the register of members at the close of business on 21st March 2014. The ex-dividend date will be on 19th March 2014, and the share registers will be closed from 24th to 28th March 2014, 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 2013 final dividend by notifying the United Kingdom transfer agent in writing by 25th April 2014. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 29th April 2014. 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. Having grown from a well-respected Asian hotel company into a global brand, the Group now operates, or has under development, 44 hotels representing close to 11,000 rooms in 25 countries, with 20 hotels in Asia, ten in The Americas and 14 in Europe, Middle East and North Africa. In addition, the Group operates, or has under development, 13 *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$3.1 billion as at 31st December 2013.

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:

Mandarin Oriental Hotel Group International Limited

Edouard Ettedgui / Stuart Dickie	(852) 2895 9288
Jill Kluge / Sally de Souza	(852) 2895 9167

GolinHarris

Kennes Young	(852) 2501 7987

Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2013 can be accessed through the internet at 'www.mandarinoriental.com'.

15th December 2004 â€“ Mandarin Oriental International Limited today announced a comprehensive USD 110 million renovation of Mandarin Oriental, Hong Kong, which will upgrade significantly the facilities and services of the Groupâ€™s flagship hotel. The renovation will maintain the hotelâ€™s classic, Chinese-influenced elegance, while modernising and enhancing many of its core facilities. A major component of the work will be to increase the size of the guestrooms by enclosing the hotelâ€™s balconies, thereby providing the scope for the creation of spacious bathrooms. The overall number of hotel rooms Directors - Mandarin Oriental International Limited. Directors - Mandarin Oriental Hotel Group International Limited. Fans of M.O. Languages.Â Most Recent Results. 2020 Half-Yearly Results. 2019 Annual Results. Annual Results. Mandarin Oriental International Limited is a Singapore-based international hotel investment and management company. The Company has deluxe and first class hotels, resorts and residences around the world.Â Mandarin Oriental Hotel Group International Limited, which operates from Hong Kong, manages the activities of the Company's hotels. The Company's subsidiaries include Mandarin Oriental Hotel Group Limited, Mandarin Oriental Tokyo KK, P.T. Jaya Mandarin Agung, Mandarin Oriental Hyde Park Limited, MOHG Hotel (Paris) Sarl and Portals Hotel Site LLC, among others. Industry. Hotels & Motels. Mandarin Oriental Hotel Group International Limited (MOHG) is a Hong Kong hotel investment and management group focusing on luxury hotels, resorts, and residences, with a total of 33 properties worldwide, 20 of which are fully or partially owned by MOHG. The Mandarin Oriental name was established in 1985 following the merger of Mandarin International Hotels Limited and the holding company of the hotel The Oriental, in which Mandarin had already acquired a 49% stake in 1974. Mandarin's history traces