



Miramar Hotel and Investment Company, Limited

Financial and Operation Review

March 2012





Financial Highlights



Business Outlook



Awards and Achievements

Financial Highlights



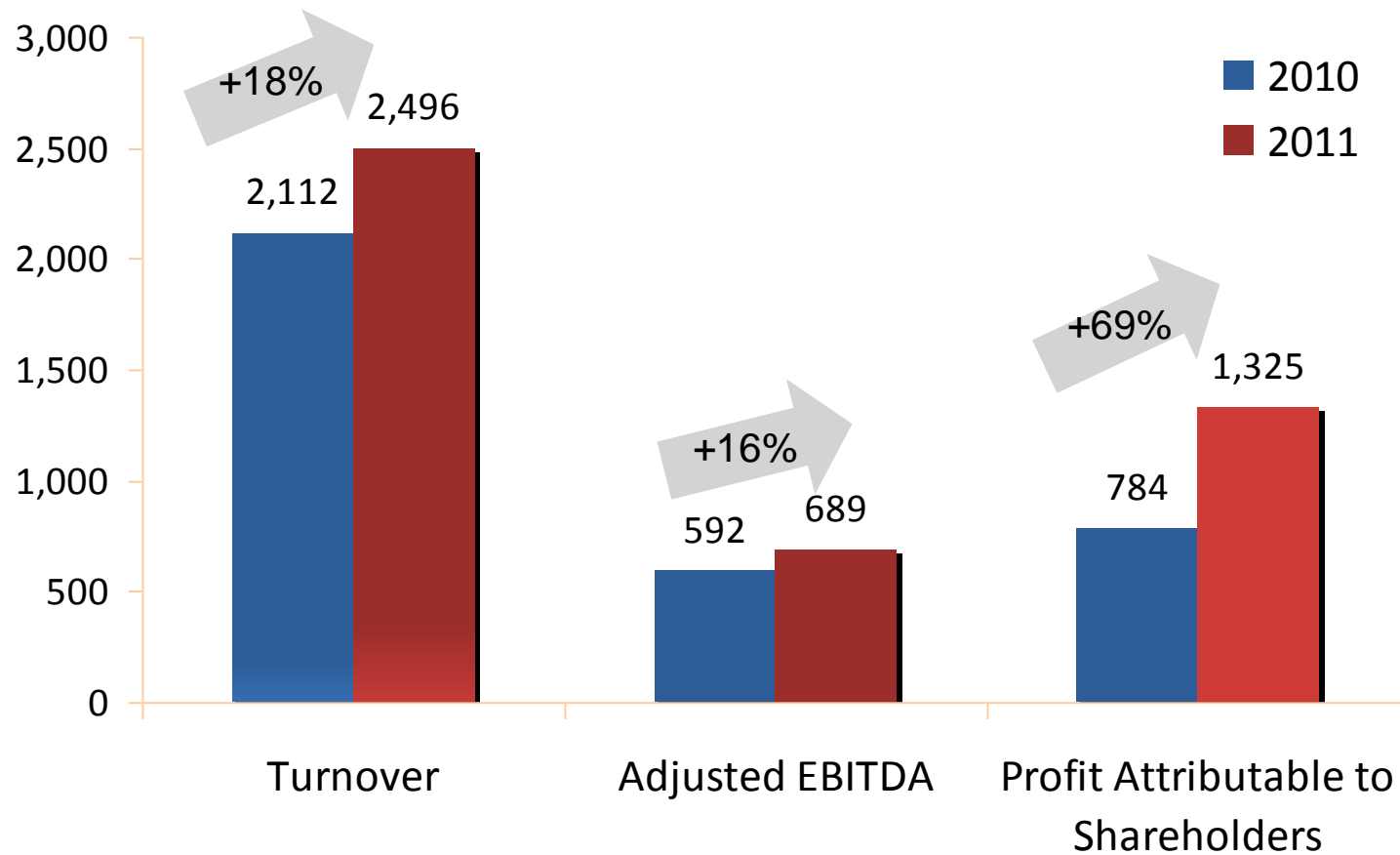
Financial Highlights

(HK' million)

	Year 2011	Year 2010	Change
Turnover	2,496	2,112	+18%
Gross Profit	788	672	+17%
Adjusted EBITDA	689	592	+16%
Profit Attributable to Shareholders	1,325	784	+69%
Underlying Profit Attributable to Shareholders ⁽¹⁾	411	378	+9%
Underlying EPS (HK¢)	71	65	+9%
DPS (HK¢)	38	37	+3%
Dividend Payout Ratio (%)	54	57	3% points
NAV per share(HK\$)	17.35	15.36	+13%

Note 1: The effect of the net increase/ decrease in fair value of Investment properties (net of deferred tax and non-controlling interests) was excluded in the calculation of the underlying profit attributable to shareholders of the company.

(HK' million)



Turnover Breakdown – by Segments

(HK' million)

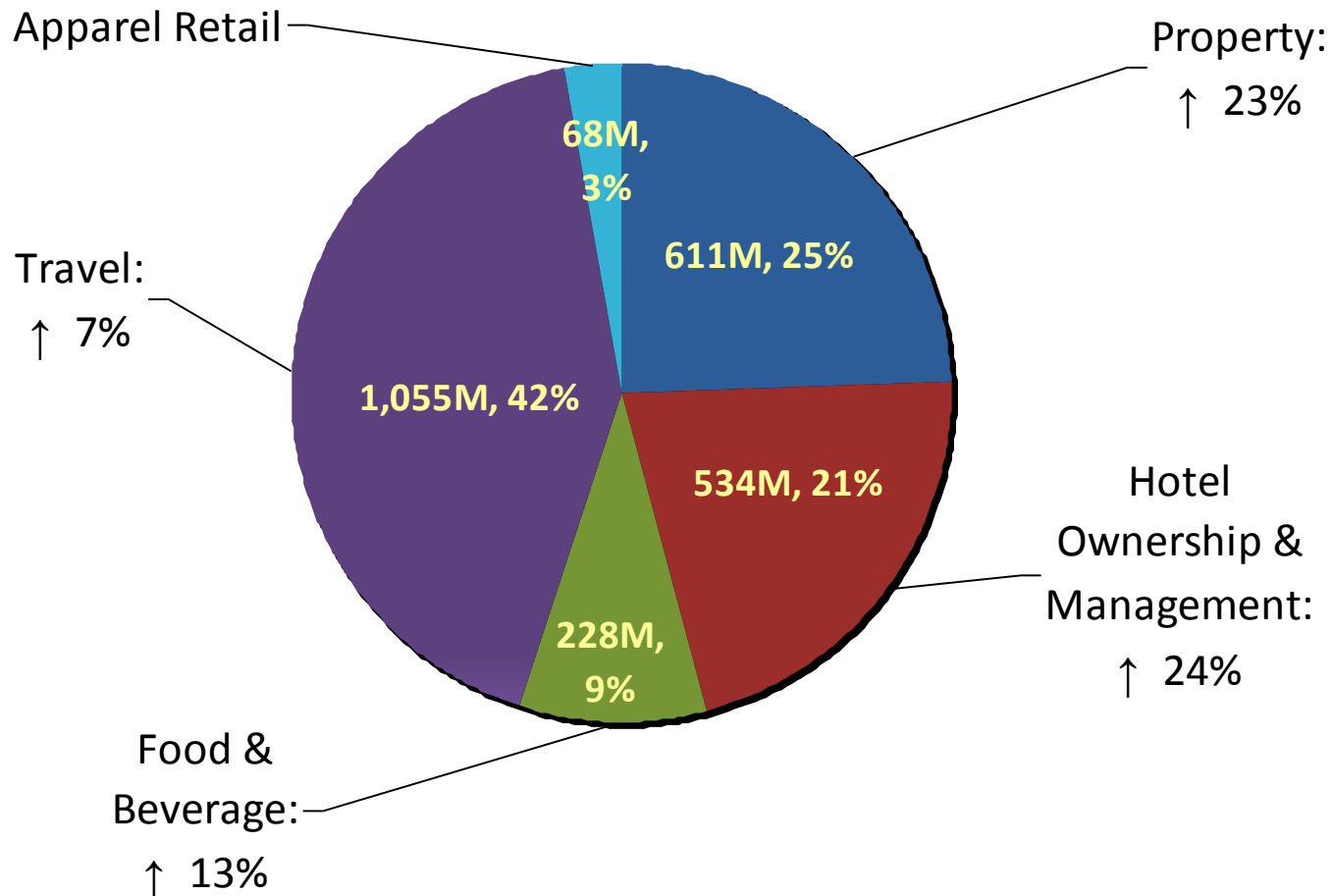
	Year 2011	<i>Year 2010 Restated ⁽²⁾</i>	Change
Property Investment ⁽¹⁾	611	497	+23%
Hotel Ownership and Management	534	429	+24%
Food and Beverage Operation	228	202	+13%
Travel Operation	1,055	984	+7%
Apparel Retail	68	-	N/A
Consolidated Turnover	2,496	2,112	+18%

Note 1: Reporting date including “Property development and sales” segment

Note 2: Financial results of the leasing activities in Miramar Shopping Centre – Hotel Tower is grouped under “Property investment” segment, which previously grouped under “Hotel ownership and management” segment. Thus, comparative figures have been restated in conformity with the current year’s presentation.

Turnover Breakdown – by Segments

Turnover Summary of Year 2011



Adjusted EBITDA – by Segments

(HK' million)

	Year 2011	<i>Year 2010 Restated ⁽²⁾</i>	Change
Property Investment ⁽¹⁾	478	404	+18%
Hotel Ownership and Management	207	136	+52%
Food and Beverage Operation	(17)	18	N/A
Travel Operation	25	34	(26%)
Apparel Retail	(4)	-	N/A
Total Adjusted EBITDA	689	592	+16%

Note 1: Reporting date including “Property development and sales” segment

Note 2: Financial results of the leasing activities in Miramar Shopping Centre – Hotel Tower is grouped under “Property investment” segment, which previously grouped under “Hotel ownership and management” segment. Thus, comparative figures have been restated in conformity with the current year’s presentation.

Business Outlook

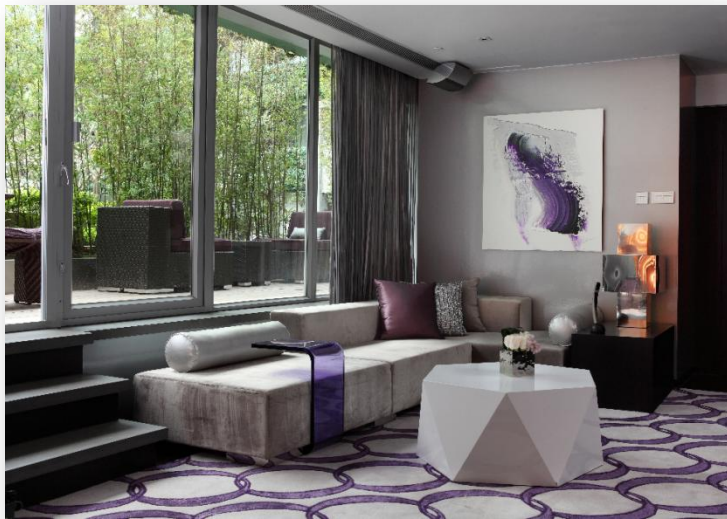


- The Group operates five core businesses
 - ❖ Hotel and Hotel Management business;
 - ❖ Property Rental business;
 - ❖ Food and Beverage business;
 - ❖ Travel business; and
 - ❖ the newly-developed Apparel Retail business

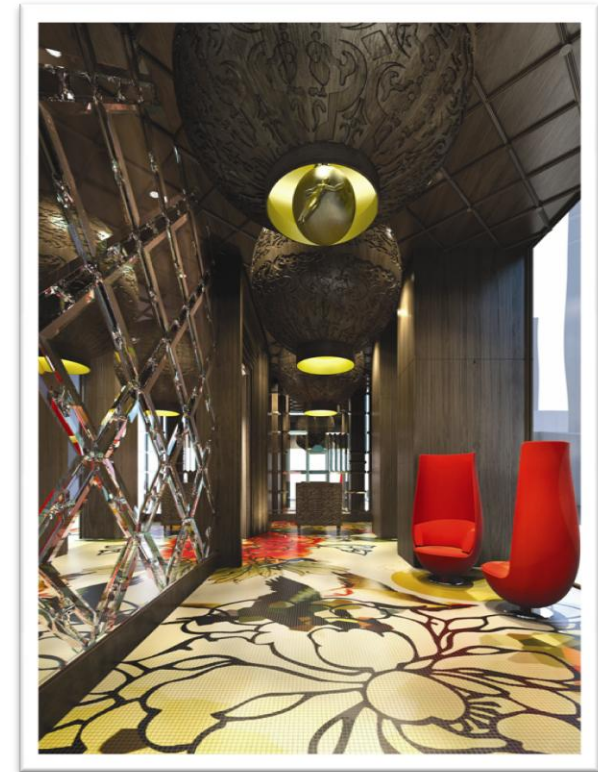


- During the year, development of each business segments is in line with expectation and overall business performance showed an improvement as compared to that of the previous year

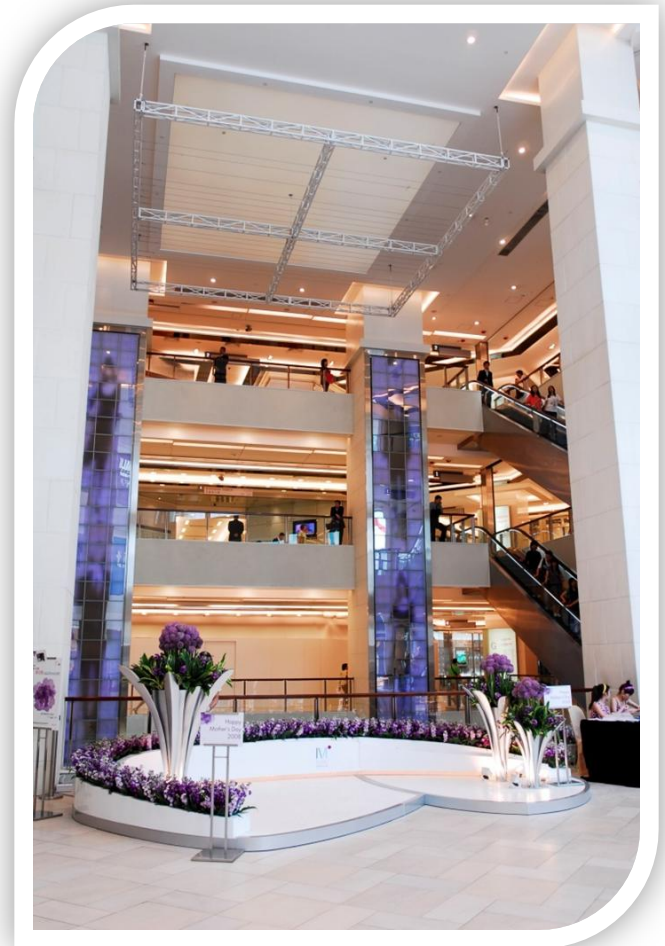
- Hotel and Hotel Management business segment continued to deliver impressive results, with leverage on the reputable brand image of The Mira and our meticulous services
- EBITDA (earnings before interest, taxes, depreciation and amortization) of The Mira grew 52% to reach approximately HK\$206,500,000



- The Group obtained a hotel management project for a designed lifestyle hotel in Wan Chai during the year. The hotel, which is currently under construction, will be operated under the brand name of “Mira Moon”
- During the year, construction progressed as scheduled and the hotel is expected to commence operation in 2013



- The Group owns a sound property portfolio, comprising retail shops in our shopping centre and office tower, which generates stable income
- During the year, rental income derived from Miramar Shopping Centre and Miramar Tower remained as the major income contributor



- The refurbishment work in the shopping centre at The Mira was completed in the fourth quarter of 2011
- A number of renowned brands have been establishing their presence, including the flagship store of Coach, Tommy Hilfiger and King Fook Jewellery
- We believe the opening of new stores will become another momentum for rental income growth



- The Group operates a multi-brand Food and Beverage Business, including Tsui Hang Village, Yunyan Sichuan Restaurant, Cuisine Cuisine (a high-end Chinese restaurant) etc
- Three new restaurants opened during the year, namely Hide-Chan Ramen (a popular Japanese Ramen restaurant), Saboten (a traditional Japanese pork cutlet restaurant) and Assaggio Trattoria Italiana (an Italian restaurant)

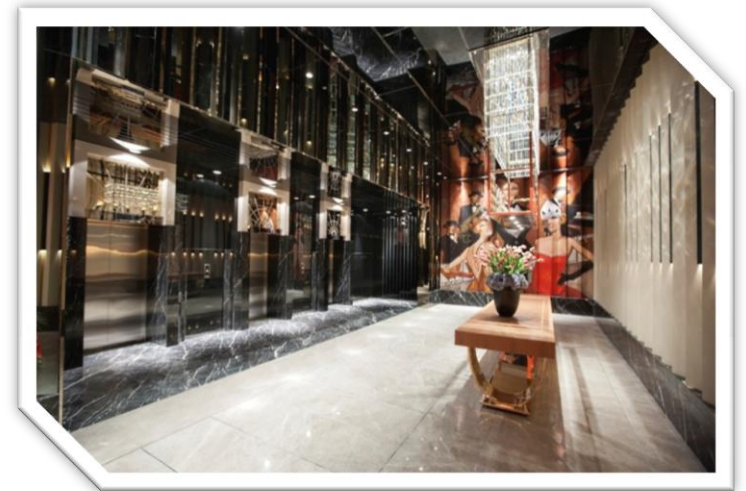


Hide Chan Raman



Assaggio Trattoria Italiana

- In addition, the Group is dedicated to excel in the realm of high-end luxury food and beverage business and introduced its successful brand “Cuisine Cuisine” to the mainland China market
- The first Cuisine Cuisine is located in the Central Business District of Chaoyang, Beijing and was opened in September 2011
- Varnishing and decoration of the other Cuisine Cuisine in Wuhan was completed and is expected to commence operation in April



- The Group's Travel Business witnessed another year of growth. As compared to 2010, turnover of this business segment increased 7% to reach HK\$1.05 billion
- However, travel industry around the world was seriously struck by the political instability and natural disasters, including the earthquakes in Japan and New Zealand, the flooding in Australia, the nuclear plant explosion in Fukushima, Japan, as well as the political campaign that took place in the Middle East and Africa



- The Group extended its reach to Apparel Retail Business in 2011 and became the distributor of DKNY Jeans, a young and energetic brand, in mainland China
- At present, the Group owns and operates five DKNY Jeans stores in each of Shanghai and Beijing. In addition, the Group successfully secured and engaged over 20 franchisees to operate DKNY Jeans franchised stores
- As at the end of 2011, there were over 40 stores operated by the Group and franchisees



Awards and Achievements



- **Miramar Group** was granted Outstanding Hong Kong Branding Enterprise 2011, Capital Magazine

- **The Mira Hong Kong**
 - ❖ Recommended Hotel, Michelin Guide Hong Kong & Macau 2012
 - ❖ Recommended Hotel, Hong Kong/Macau Louis Vuitton City Guide 2012
 - ❖ **Mira Spa**: Best Hotel Spa and Best Facial in Hong Kong, Kelly England The Guide Awards 2011

Awards and Achievements

- Food and Beverage Business**

Outlets	Awards and Achievements
Assaggio Trattoria Italiana	Outstanding Greater China Design Awards 2011, Hong Kong Art & Design Festival
Coco	Hong Kong's Best Restaurants 2010 – 2012, Asia Tatler Dining
Cuisine Cuisine in Hong Kong	1-Star Restaurant, Michelin Guide Hong Kong & Macau 2012
	Recommended Restaurant, Hong Kong/Macau Louis Vuitton City Guide 2012
	Regional Best Restaurants 2012, Asia Tatler
	Excellent Brand of Business Banquet, Hong Kong Leaders' Choice 2011 (Cuisine Cuisine at ifc)
	Outstanding Wine List Award, China Best Value Wine Awards 2012 (Cuisine Cuisine at The Mira)

Awards and Achievements

- **Food and Beverage Business (Cont'd)**

Outlets	Awards and Achievements
Hide-Chan Ramen	Recommended Bib Gourmand Restaurant, Michelin Guide Hong Kong & Macau 2012
The French Window	Top 500 Restaurants in Asia, The Miele Guide 2011/2012
	Recommended Restaurant, Hong Kong/Macau Louis Vuitton City Guide 2012
	Regional Best Restaurants 2012, Asia Tatler
Tsui Hang Village	Recommended Restaurant, Michelin Hong Kong Must Sees 2012
	Hong Kong's Best Restaurants 2010 – 2012, Asia Tatler Dining (Central)

Awards and Achievements

- **Food and Beverage Business (Cont'd)**

Outlets	Awards and Achievements
Whisk	Recommended Restaurant, Michelin Guide Hong Kong & Macau 2012
	Recommended Restaurant, Hong Kong/Macau Louis Vuitton City Guide 2012
	Regional Best Restaurants 2012, Asia Tatler
Yamm	Regional Best Restaurants 2012, Asia Tatler
Yunyan Sichuan Restaurant	2011 Outstanding QTS Merchant Award Winner, Hong Kong Tourism Board
	Hong Kong's Best Restaurants 2009 – 2012, Asia Tatler Dining

- **Miramar Shopping Centre**
 - ❖ Customer Relationship Excellence Awards 2011, APCSC
 - ❖ Prime Awards for Brand Excellence 2011, Metro Box

- **Miramar Travel and Miramar Express**
 - ❖ The Best Travel Agent 2009 – 2011, Capital Magazine

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