

[For Immediate Release]

MIRAMAR GROUP
美麗華集團

**Miramar Hotel and Investment Company
Announces 2012 Annual Results**

***Strengthened Lifestyle Businesses Delivered Satisfactory Performances
Revenue Increased 19% to Approximately HK\$3 Billion***

HK\$ Million	For the year ended 31 December		
	2012	2011	Change
Turnover	2,974	2,496	+19%
Profit attributable to shareholders	1,377	1,325	+4%
Underlying earnings per share – basic and diluted	78 cents	71 cents	+10%
Dividend per share	41 cents	38 cents	+8%
Final dividend per share	25 cents	23 cents	+9%
Interim dividend per share	16 cents	15 cents	+7%

(Hong Kong – 19 March 2013) Miramar Hotel and Investment Company Limited (“Miramar” or “the Group”, HKSE stock code: 71) announced today its annual results for the year ended 31 December 2012.

The Group’s turnover rose by 19% to approximately HK\$2,974,000,000 for the financial year ended 31 December 2012 (the “Reporting Period”) when compared to the financial year ended 31 December 2011 (the “Last Corresponding Period”) (2011: HK\$2,496,000,000). Profit attributable to shareholders increased by 4% year-on-year to approximately HK\$1,377,000,000 (2011: HK\$1,325,000,000). Excluding the net increase in the fair value of the Group’s investment properties, underlying profit attributable to shareholders grew by 9% to approximately HK\$448,000,000 (2011: HK\$411,000,000). Basic underlying earnings per share rose by 10% to HK\$0.78 compared to the Last Corresponding Period (2011: HK\$0.71). The Board of Directors recommended the payment of a final dividend of HK25 cents per share (2011: HK23 cents), amounted to a full-year payout of HK41 cents per ordinary share (2011: HK38 cents) with an interim dividend of HK16 cents per share (2011: HK15 cents).

Commenting on the annual results of 2012, Mr. Lee Ka Shing, Chief Executive Officer of the Group, said, “The Group’s businesses of hotel, property rental, food and beverage as well as travel captured the trend of Hong Kong’s inbound tourism boom. The Group continues to develop its diverse businesses, our hotel and serviced apartment business recorded healthy growth in both occupancy and room rates. By renovating commercial properties and refining practices of hotel management, we drove operational efficiency and excellence in our core businesses of hotel and property rental businesses. Our food and beverage business innovated different contemporary styles of dining with a multi-brand strategy to cater to diverse palettes. Our travel business succeeded in attracting more long-haul visitors and in expanding its market share. We also continue to enhance the distribution network with the aim to build our Apparel retailing into a solid business. All these factors contributed to the Group’s satisfactory results during the Reporting Period.”

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Hotel and Serviced Apartment Business

The Hotel and Serviced Apartment business benefited from the surge in visitor arrivals to Hong Kong in 2012. The Group's flagship hotel in Tsim Sha Tsui, The Mira Hong Kong, recorded an average occupancy rate of 84% in 2012, compared with 83% in 2011. The average room rate rose by approximately 9%. EBITDA (earnings before interest, taxes, depreciation and amortization) grew 13% to approximately HK\$233,600,000.

A new designer lifestyle hotel under the Group's management, Mira Moon, is scheduled to open in Wan Chai during the summer of 2013. This hotel will provide approximately 90 guest rooms. Situated in a popular tourist spot on Hong Kong Island, Mira Moon will be a stylish abode to enjoy Wan Chai's rich cultural heritage and metropolitan trends as well as convenient transportation. The hotel will feature hallmark traits of "The Mira" brand including quality services and chic interior design. The Group believes Mira Moon will be well-positioned to capitalize on the strong demand for hotel rooms which has been outpacing local supply in recent years.

Property Rental Business

The Group owns a prestigious portfolio of commercial properties in Hong Kong and Mainland China, among them are two shopping centres and an office tower situated in the prime commercial district of Tsim Sha Tsui. The completion of a series of optimisation and enhancement projects have lifted occupancy rates and rental income of these commercial properties, as well as boosting their asset value.

The renovated Miramar Shopping Centre ("MSC") projects a new and dynamic image. The Group conducted targeted marketing and strategic promotional campaigns to enhance the mall's image. Such activities paid off and boosted both occupancy rate and average unit rate. As at the end of 2012, occupancy rate of MSC was approximately 99% and the average unit rate rose by 7% year-on-year. MSC received its first CAPITAL Outstanding Green Excellence Award 2012, which was published in Capital Magazine in January 2013.

Mira Mall, the shopping centre at The Mira Hong Kong, increased the exposure of "The Mira" brand in the heart of Tsim Sha Tsui. The shopping mall features duplex stores of international and popular flagship brands fronting the busy Nathan Road. As at the end of 2012, occupancy rate of Mira Mall was approximately 99%.

Miramar Tower's rental income recorded satisfactory growth against the backdrop of strong demand for Grade A office space in Tsim Sha Tsui. As at the end of 2012, occupancy rate of Miramar Tower was approximately 99%, while the average unit rate increased by 4% year-on-year.

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Food and Beverage Business

The Group adopts a multi-brand strategy for its Food & Beverage Business to promote the concept of contemporary dining with a diverse spectrum of cuisines and restaurant choices. The wide selection includes Chinese restaurants of Tsui Hang Village, Yunyan Sichuan Restaurant and Cuisine Cuisine (a high-end Michelin-Star-rated Chinese restaurant), The French Window (a French brasserie), Assaggio Trattoria Italiana, and Japanese restaurants of Hide-Chan Ramen (a popular Japanese Ramen restaurant), Saboten (a traditional Japanese pork cutlet restaurant) and its latest endeavour, a newly-opened Japanese sake bar, Zanzo. The Group opened two Cuisine Cuisine restaurants in Beijing and Wuhan catering to appetite for high-end Chinese cuisine. The Group strengthened its contemporary dining concept and image to differentiate from its peers.

Travel Business

The Group's Travel business resumed growth momentum with an increase of 6% in turnover to HK\$1,119,800,000 in 2012, following a challenging operating environment in 2011. Its strategy to attract more long-haul visitors and expanded market share were key growth drivers. The Group's mass-market tour business enjoyed growth and contributed considerably to the Group's revenue. Segment EBITDA rose by 40% to HK\$35,500,000 in 2012. The Group will step up its effort in advertising and promotion and continue to develop the long-haul tour segment.

Apparel Retail Business

The Group extended its footing to growing opportunity market across the border and diversified into the apparel business in 2011. The Group set up directly-managed DKNY Jeans retail stores in Shanghai and Beijing. It has a network of franchised stores in major cities across Mainland China by the end of 2012. Although Mainland China's slowing economic growth affected the retail sector, the Group will continue to enhance its distribution network with the aim to build its Apparel retailing into a solid business.

Business Outlook

Amidst uncertainties over the global economic recovery, it is expected that the momentum of Mainland China's economic growth to continue. Chinese people's rising income and the continuing enthusiasm of Mainland Chinese about visiting Hong Kong abode well for Hong Kong's retail and tourism sectors. The Group's core businesses are well-positioned to benefit from these favorable macroeconomic conditions.

Mr. Lee concluded: "We will continue to enhance the quality of services offered by our hotel business. The Group's commercial properties have been enhanced through successful optimisation in recent years, particularly the Miramar Tower and Mira Mall. This move has bolstered their occupancy rates and rental rates and optimised tenant mix on a rolling basis. We will carefully evaluate new growth and acquisitions opportunities to further drive the growth of the hotel and property rental business. Under the leadership of an experienced management team and a well-defined road map for future growth, the Group will fully capitalize on market opportunities and continue to enhance its lifestyle business portfolio to generate sustainable returns."

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About Miramar Hotel and Investment Company, Limited

Incorporated in 1957 and listed in 1970, Miramar Hotel and Investment Company, Limited is a renowned Hong Kong-based company with a diverse business portfolio. Its core businesses include hotel and service apartment business, property rental business, food and beverage business, travel business and apparel retail business.

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