

To: All News/Business/Travel Publications/Online Websites
For immediate release
Hong Kong, 25 August 2011

Miramar's Core Businesses Recorded Encouraging Performance

Miramar Hotel and Investment Company, Limited (Hong Kong Stock Code: 71, "the Group") announced the interim results for the six months ended 30 June 2011.

Key Financial Results

- For the six months ended 30 June 2011, the Group's turnover was approximately HK\$1,159 million (for the six months ended 30 June 2010: HK\$1,000 million), representing a growth of 16% compared to the Last Corresponding Period.
- Profit attributable to shareholders amounted to approximately HK\$638 million (for the six months ended 30 June 2010: HK\$237 million), rising over 160% compared to the Last Corresponding Period.
- Excluding the net increase in the fair value of its investment properties, profit after tax amounted to HK\$190 million (for the six months ended 30 June 2010: HK\$178 million). Basic earnings per share was HK\$0.33 (for the six months ended 30 June 2010: HK\$0.31), representing an increase of 7% compared to the Last Corresponding Period.

Commenting on the Group's interim results, Mr. Lee Ka Shing, Managing Director of the Group said, "The local property market, the food and beverage industry and consumption related industries benefited from the continuous improvement of Hong Kong's economic environment. The various businesses of the Group, in particular, the hotel business, recorded double-digit growth in turnover, thanks to the strong demand of leisure and consumption market, as well as the Meetings, Incentives, Conferencing and Exhibitions (MICE) market."

"In addition, the refurbishment work in Miramar Tower was completed during the Reporting Period. With Miramar Tower's overall image enhanced, occupancy rate and average unit rate continued to improve, resulted in the significant growth of the Property Rental business. Despite the impact of political instability and mishaps by natural disasters in some countries for the Travel business, the Group managed to leverage the market opportunities to expand market share."

Hotel ownership and hotel management business

Hong Kong's economic landscape continued to improve, resulted in increasing tourist consumption and more frequent international trade. Driven by the strong demand of leisure consumption market and the MICE market, occupancy rate and average room rate of The Mira Hong Kong ("The Mira"), the Group's flagship hotel, achieved a growth of four percentage points and 22%, respectively, when compared to the Last Corresponding Period.

The Group continued to perform well by leveraging its reputable hotel brand image, distinguished service quality and extensive experience in hotel management and operation. EBITDA (earnings before interest, taxes, depreciation and amortisation) reached approximately HK\$91 million, posting an impressive growth of 68% when compared with the Last Corresponding Period.

Property rental business

During the Reporting Period, rental income derived from Miramar Shopping Centre and Miramar Tower remained as the major income contributor. As compared to the Last Corresponding Period, the Group's

property rental business continued to grow. EBITDA increased 11% to approximately HK\$234 million. The refurbishment work in the public areas of Miramar Tower was completed during the Reporting Period. This not only enhanced the image of Miramar Tower as a Grade A office building and increased asset value, but also had positive impact on rental income. The enhance image coupled with a variety of unique and periodic promotion campaigns, the overall traffic rose, stimulating the increase in occupancy rate and average unit rate of retail stores. Occupancy rate of Miramar Tower and Miramar Shopping Centre was eight percentage points higher than that of the Last Corresponding Period, while the average unit rate was similar to that of the Last Corresponding Period.

During the Reporting Period, the shopping centre at The Mira underwent a refurbishment and progress is in line with schedule. The work is expected to be completed by the end of 2011. The contemporary design and stylish décor of the shopping centre attracted more renowned luxury brands and quality enterprises. For instance, COACH will open its flagship store inside the shopping centre. We believe this will boost the rental income.

Food and beverage operations

As stated in the 2010 Annual Report, the three restaurants: Hide-Chan Ramen (a popular Japanese Ramen restaurant), Saboten (a traditional Japanese pork cutlet restaurant) and Assaggio Trattoria Italiana (an Italian restaurant) have commenced operation in the Reporting Period. These three restaurants received overwhelming response from diners and have swiftly become popular choices of dining place among customers from different spectrum of the society. The Group believes that the opening of new restaurants specialized in different cuisines will help diversify our customer portfolio and broaden our clientele.

Meanwhile, the Group gradually brings its successful brand "Cuisine Cuisine" to the mainland market. The first Cuisine Cuisine in China opened in Beijing in July and a second restaurant in Wuhan will open in September. During the Reporting Period, two Tsui Hang Village restaurants, one located in the Miramar Shopping Centre and the other in the New World Tower, Central, were temporarily closed for renovation. Moreover, the Group would write off pre-opening expenses of the three new restaurants. As such, EBITDA of the Food and Beverage business dropped 70% as compared to the Last Corresponding Period to HK\$2 million. Upon completion of all the renovation work, the Group is confident that the modish design of the restaurants will be more attractive and drive profitability. As the local market is expected to keep posting moderate growth, the Group believes that its Food and Beverage business in Hong Kong will continue to grow steadily and that it will enjoy greater growth prospects.

Travel business

The Group's Travel business remained on track for growth. However, travel industry in different countries was adversely affected by the political instability or natural disasters in certain areas around the world, including the earthquakes in Japan and New Zealand, the flooding in Australia, the nuclear plant explosion in Fukushima, Japan, as well as the political activities in Tunisia and Egypt. Against the backdrop of the abovementioned incidents and natural hazards, EBITDA of the Group's Travel business decreased 44% to HK\$8 million during the Reporting Period.

Apparel Retail Business

As disclosed in our 2010 Annual Report, the Group extended its reach to Apparel Retail business at the end of 2010 and has become the distributor of DKNY JEANS, a young and energetic brand, in China. During the Reporting Period, the Group opened six self-managed retail stores in Shanghai and Beijing and achieved satisfactory performance. In addition, the Group also successfully secured several

franchisees to open a number of DKNY JEANS retail stores in different cities in mainland China in the third quarter of 2011, with an aim to further expanding our retail network. The total number of DKNY JEANS retail stores will reach over 20 by the end of the year.

Since it is still in early stage of development, the Apparel Retail business recorded a negative EBITDA of approximately HK\$5 million during the Reporting Period. However, the Group is confident it will achieve a turnaround in the coming year as the business continues to witness steady growth.

Training & Development

To support the business development plans of the Company, talent development is an essential factor to sustain the growth momentum. As such, the Company developed a "Management Development Programs" and identified high potential team members who will be trained as the future leaders of the Company. Looking forward for next half year's development, the Group will arrange its leaders to join a strategic management program delivered by a reputable hotel management school which help align the Company's Vision & Mission with the business strategy and service excellence for continuous enhancement on our competitive advantage.

Prospects

While reinforcing the Group's leading position in the hotel industry, we will continue to strive for excellence in the food and beverage sector, so as to bring forth extraordinary dining experience to our valuable customers. The Group will also keep an eye on new business opportunities in mainland China. By replicating the success of the Group's supreme Food and Beverage business in Hong Kong in the China market, as well as emphasising on the development of the Apparel Retail business, the Group is dedicated to fuel the growth of each business segment and propel future development. New business expansion carves out new opportunity and challenges give rise to new growth momentum. The Group is confident of the business outlook.

About Miramar Hotel and Investment Company, Limited

Incorporated in 1957 and listed on the Hong Kong Stock Exchange since 1970, Miramar Hotel and Investment Company, Limited is a holding company whose subsidiaries are engaged in core businesses including property investment, property development and sales, hotel ownership and management, food and beverages and travel operations.

For further information on the Group's Interim Results ended on 30 June 2011, please visit this link: <http://www.miramar-group.com/en/Investor-Relations/Announcements-and-Notices.aspx>

--- End---

For further information, please contact :

Connie Kwok, Communications Manager
Group Marketing and Communications Department of Miramar Group

Tel: 2315 5587 connie.kwok@miramar-group.com

Fax: 2316 7320

Website: www.miramar-group.com