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Kosmopolito Hotels International Limited

麗悅酒店集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.kosmohotels.com>

(Stock Code: 2266)

Unaudited Operational Update for the Fourth Quarter Results to 31 March 2012

The Board of Directors (the “Board”) of Kosmopolito Hotels International Limited (the “Company”) announces the unaudited operational update of the Company and its subsidiaries (the “Group”) for the quarter and the twelve months ended 31 March 2012 as follows:

Owned and Managed Hotels Operational Highlights						
For the three months ended						
Region	RevPAR (HK\$)		Occupancy (%)		Average Room Rate (HK\$)	
	31.03.2012	y-o-y%	31.03.2012	y-o-y%	31.03.2012	y-o-y%
Owned						
Hong Kong *	960	17%	97%	4%	994	13%
Malaysia	345	13%	72%	3%	482	9%
China	<u>268</u>	<u>36%</u>	<u>57%</u>	<u>54%</u>	<u>474</u>	<u>-11%</u>
Total	<u>645</u>	<u>15%</u>	<u>82%</u>	<u>5%</u>	<u>786</u>	<u>9%</u>
Managed						
Hong Kong **	<u>1,162</u>	<u>N/A</u>	<u>87%</u>	<u>N/A</u>	<u>1,335</u>	<u>N/A</u>
	<u>1,162</u>	<u>N/A</u>	<u>87%</u>	<u>N/A</u>	<u>1,335</u>	<u>N/A</u>

<u>Region</u>	For the twelve months ended					
	<u>RevPAR (HK\$)</u>		<u>Occupancy (%)</u>		<u>Average Room Rate (HK\$)</u>	
	<u>31.03.2012</u>	<u>y-o-y%</u>	<u>31.03.2012</u>	<u>y-o-y%</u>	<u>31.03.2012</u>	<u>y-o-y%</u>
<u>Owned</u>						
Hong Kong *	930	25%	96%	4%	969	19%
Malaysia	368	11%	75%	3%	494	8%
China	<u>291</u>	<u>3%</u>	<u>54%</u>	<u>15%</u>	<u>541</u>	<u>-11%</u>
Total	<u>647</u>	<u>21%</u>	<u>83%</u>	<u>5%</u>	<u>783</u>	<u>15%</u>
<u>Managed</u>						
Hong Kong **	<u>1,223</u>	<u>N/A</u>	<u>80%</u>	<u>N/A</u>	<u>1,534</u>	<u>N/A</u>
	<u>1,223</u>	<u>N/A</u>	<u>80%</u>	<u>N/A</u>	<u>1,534</u>	<u>N/A</u>
Group Wide	<u>663</u>	<u>24%</u>	<u>83%</u>	<u>5%</u>	<u>802</u>	<u>18%</u>
* Includes Cosmo Hotel Mongkok and Dorsett Regency Hotel Hong Kong which opened in July 2010 and June 2011 respectively and eight months results of Central Park Hotel but excludes The Mercer by Kosmopolito						
** Includes The Mercer by Kosmopolito which began the management contract in April 2011 and four months result of Central Park Hotel which began the management contract started in December 2011.						

The Group closed the fourth quarter of the financial year ended 31 March 2012 with strong growth in revenue per available room (“RevPAR”) at all cities where we operate in.

The 8 owned hotels in Hong Kong during the quarter grew average room rate (“ARR”) to HK\$994 and occupancy (“OCC”) to 97% resulting in 17% y-o-y growth in RevPAR. The nearly full-house Hong Kong operations accounts for 51% of the whole Group’s room inventory. Further revenue growth will be mostly dependent upon the customers’ affordability under the persistent room shortage in the city. The management team will continue to enhance brand value as well as guests’ experience so as to maintain competitiveness. The two hotels in China achieved encouraging 36% RevPAR growth y-o-y for the quarter. The strong pick-up in China business volume followed through to this quarter during which OCC grew by 54% y-o-y more than compensating the decrease in ARR by 11%. Such decrease in ARR was mainly a result of increasing contribution from Dorsett Regency Wuhan (which produces

lower ARR) albeit the slight increase in ARR of Yue Shanghai Hotel during the quarter. Our Sales & Marketing team has recently launched various initiatives to enhance brand awareness in the Mainland. In Malaysia, our 5 hotels have exhibited moderate growth in both ARR and OCC contributing to the overall RevPAR growth of 13% for the quarter. In particular, 3 out of the 5 Malaysia hotels (2011: 1) achieved an over 80% OCC for the quarter.

In March 2012, Mayland Valiant Sdn Bhd, the joint venture partner of Subang Jaya Hotel Development Sdn. Bhd. (a wholly-owned subsidiary of the Company), launched sale of all 1,989 hotel suite apartment units of Dorsett Place Waterfront to the market at an average asking price of over RM8,100 per square meter. The development site is adjacent to our Grand Dorsett Subang Hotel at the outskirts of Kuala Lumpur, Malaysia. The project comprises of two 17-storey high apartment blocks together with over 1,300 car parking lots. The total net floor area for the project is approximately 91,000 square metres. As of the date of this announcement, approximately 930 units have been sold for total revenue of close to RM400 million, of which Subang Jaya Hotel Development Sdn. Bhd. is entitled to 50% of the profit. No further capital contribution from the Group is expected. Such attributable profits will kick in the financial year ended 31 March 2015 during which the residential units are to be delivered to the purchasers.

While the current operating environment in the markets we operate in stays positive, the Company remains mindful of the lingering economic instability especially in Europe and the increasingly tightened credit market in China. The management team will continue to be cautious in managing our operations and in making new acquisitions.

The Board wishes to remind investors and/or shareholders of the Company that the above operational update for the quarter and twelve months ended 31 March 2012 are based on the Group's internal records and unaudited management accounts which have not been reviewed or audited by auditors. Differences may arise between such data and the information disclosed in subsequent audited financial statements. Investors and/or shareholders of the Company are cautioned not to unduly rely on such data and are advised to exercise caution when dealing in the shares of the Company.

This announcement is a voluntary information disclosure.

By order of the Board of
Kosmopolito Hotels International Limited
CHIU, Wing Kwan Winnie
President and Executive Director

Hong Kong, 20 April 2012

As at the date of this announcement, the executive directors of the Company are Ms. CHIU, Wing Kwan Winnie and Mr. LAI, Wai Keung. The non-executive directors of the Company are Tan Sri Dato' CHIU, David, Mr. HOONG, Cheong Thard, Mr. CHAN, Chi Hing and Mr. MOK, Kwai Pui Bill. The independent non-executive directors of the Company are Mr. SHEK, Lai Him Abraham, Mr. TO, Peter, Dr. LIU, Ngai Wing and Mr. Giovanni ANGELINI.

This announcement was originally prepared in English and was subsequently translated into Chinese. In the event of any inconsistency between the two texts, the English text of this announcement shall prevail over the Chinese text.