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## Kosmopolito Hotels International Limited

麗悦酒店集團有限公司

(Incorporated in the Cayman Islands with limited liability)

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

(Stock Code: 2266)

### Voluntary Disclosure

### Unaudited Operational Update for the First Quarter ended 30 June 2012

The Board of Directors (the “Board”) of Kosmopolito Hotels International Limited (the “Company”) is pleased to announce the unaudited operational update of the Company and its subsidiaries (the “Group”) for the first quarter ended 30 June 2012 in respect of the financial year ending 31 March 2013 as follows:

Owned and Managed Hotels Operational Highlights						
For the first quarter ended						
Region	RevPAR (HK\$)		Occupancy (%)		Average Room Rate (HK\$)	
	30.06.2012	y-o-y%	30.06.2012	y-o-y%	30.06.2012	y-o-y%
<b>Owned</b>						
Hong Kong*	881	10%	94%	0%	937	10%
Malaysia	343	-8%	69%	-9%	500	1%
China	421	24%	74%	35%	572	-8%
Total	<b>624</b>	<b>6%</b>	<b>82%</b>	<b>0%</b>	<b>760</b>	<b>6%</b>
<b>Managed</b>						
Hong Kong**	1,098	69%	80%	120%	1,375	-23%
	<b>1,098</b>	<b>69%</b>	<b>80%</b>	<b>120%</b>	<b>1,375</b>	<b>-23%</b>
Group Wide	<b>643</b>	<b>9%</b>	<b>82%</b>	<b>0%</b>	<b>783</b>	<b>8%</b>

\* Includes Dorsett Regency Hotel Hong Kong which opened in June 2011.

\*\* Includes The Mercer by Kosmopolito which the Company began the management contract in April 2011 and two months result of Central Park Hotel which the Company began and ended the management contract in December 2011 and May 2012 respectively.

For the first quarter ended 30 June 2012, the momentum of revenue growth continued from last financial year. The overall revenue per available room (“RevPAR”) grew by 9% year-on-year primarily driven by the steady rate increase in Hong Kong and the healthy growth in contribution from the Mainland China.

All the owned hotels in Hong Kong during the quarter continued to achieve a very high occupancy. The average room rate (“ARR”) grew to HK\$937; up 10% from the same period last year. The occupancy (“OCC”) was maintained at 94%; same as last year. This results in 10% increase in RevPAR on Hong Kong region, which accounts for 50% of total room inventory for the quarter. Notwithstanding the general scepticism of continued buoyancy of the local business environment, the increased demand for guest rooms has resulted in another busy quarter to our operations team.

During the quarter, Dorsett Regency Wuhan recorded 27% year-on-year growth in RevPAR mainly driven by a 16% point increase in OCC even it was fully operated in the quarter as compared to partial operation in the same period of the last financial year. Yue Shanghai also posted 39% year-on-year growth in RevPAR for the quarter in response to our continued marketing efforts in promoting brand awareness and growing our business in more diversified segments. Although the ARR for China region was slightly affected by the increase of room inventory from Dorsett Regency Wuhan which charged comparably lower ARR than Yue Shanghai, the two hotels in China combined achieved an encouraging 24% RevPAR growth for the quarter.

Our 5 hotels in Malaysia, however, exhibited a moderate year-on-year decrease of 8% in RevPAR mainly caused by 9% decrease in OCC. In Malaysia, fewer international events were held as opposed to last year and the downscaled service of national carriers and budgeted airlines has resulted in decrease of leisure travellers. Also, the RevPAR and OCC were affected by the depreciation of Rupee from Indian travellers who represent one of our feeder markets.

The Company maintains a cautiously optimistic outlook of the industry, the operational performance of its hotels and the Company’s performance in the midst of lingering global economic instability and holds firm to its belief that such times of uncertainty can also present opportunities.

**The Board wishes to remind investors and/or shareholders of the Company that the above operational update for the first quarter ended 30 June 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  
**Kosmopolito Hotels International Limited**  
**CHIU, Wing Kwan Winnie**  
*President and Executive Director*

Hong Kong, 6 August 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. ANGELINI, Giovanni.*

*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.*