

ORIENT-EXPRESS

NEWS RELEASE

COMPANY PROFILE

August 2010

Orient-Express, the name behind an elite collection of travel experiences, first came into being in 1883 as one of the world's most exciting and indulgent train journeys. Today that evocative name also embraces hotels, cruises and other luxury rail adventures in 24 countries, across five continents.

The creation of this company has in itself been a fascinating global journey: it began as a single property, the Hotel Cipriani in Venice. Founder and Director James B Sherwood acquired this legendary hotel in 1976 and went on to purchase the first two Orient-Express carriages a year later, before scouring Europe to discover others to make up a full train. Each one was painstakingly restored, from the original marquetry to the glamorous Lalique glass panels, before, in 1982, the Venice Simplon-Orient-Express – returned to splendour - pulled out of London's Victoria station and headed south for Venice.

Today we own, or part-own and manage, 50 businesses. 41 are hotels, including iconic properties such as Hotel Cipriani in Venice, the Grand Hotel Europe in St Petersburg, Hotel Ritz Madrid, Mount Nelson in Cape Town, Copacabana Palace in Rio de Janeiro, The Observatory in Sydney and Maroma Resort and Spa on Mexico's Riviera Maya. Six tourist trains include the legendary Venice Simplon-Orient-Express in Europe, the Eastern & Oriental Express in South East Asia and The Royal Scotsman and there is a stand-alone restaurant in New York City, the famous '21' Club. The company also part-owns and manages PeruRail in Peru, which operates, among other routes, the Cusco-Machu Picchu train services used by nearly every tourist to Peru, including the first class Hiram Bingham train experience. The m.v. Road to Mandalay provides luxury cruises on the Irrawaddy River in Burma and Afloat in France operates luxury péniche-hôtels (barges) on the inland waterways of France.

Each of these properties is unique and many are destinations in their own right. Yet all are alike in being managed locally, to the highest standards, by staff who regard them as their own properties and are encouraged to innovate and contribute new ideas. Every hotel and train has its own name and personality, and all are in exceptional locations, whether at the heart of a major city, beside a beautiful beach or in peaceful countryside. Many are positioned next to world-famous sights: the sanctuary of Machu Picchu, the Amalfi coast, Iguassu Falls, the magnificent temples at Angkor Wat, to name but a few.

All are very much a part of the environment where they are located, and guests will find each visit an enriching experience, the opportunity to discover more about the world around them. Orient-Express is also highly committed to responsible tourism, and goes to great lengths to ensure its properties contribute to their surroundings and have a positive impact on local communities. As a member of the International Tourism Partnership, Orient-Express aims to work together with the people and places around each property in ways that are appropriate to the individual location.

Recent Investments

- In November 2009, work began on Palacio Nazarenas, a 56 key luxury hotel in a former convent in Cuzco, Peru, scheduled for completion in 2012. This will see the creation of the first full spa and outdoor heated swimming pool in the city. The current building consists of Spanish colonial architecture dating back to 1715, alongside more modern structures. The project will be part restoration and part new build, with the original 18th century features being preserved and the modern buildings replaced with a new wing more in keeping with the original architectural design.
- In December 2009, we acquired our fifth property in Peru, the Hotel Rio Sagrado in the Sacred Valley of the Incas. The 21 suite hotel, which opened in April 2009, is a rustic two storey property set in beautiful gardens overlooking the Urubamba River, three kilometres from the town of Urubamba and fifteen minutes from Ollantaytambo, home to an important Inca village and fortress.
- In January 2010, Orient-Express acquired the Grand Hotel Timeo and the Villa Sant'Andrea in Taormina, Sicily, for a combined price of €81million (US\$117 million). The 72-key Grand Hotel Timeo is widely considered to be the most luxurious hotel in Taormina and the 63-key Villa Sant'Andrea sits on a private beach on the Bay of Mazzarò in Taormina Mare. Both properties are being renovated in phases over the winter closure periods with the first phase completed in early 2010.
- In October 2007, Orient-Express was awarded a concession from the Brazilian Government to run Hotel das Cataratas, in one of the most impressive and enviable locations in South America, with the world famous Iguassu Falls just a two minute stroll from the property and surrounded by almost 1,850km² of Brazilian national park, in which it is the only hotel. The company undertook a four phase renovation programme to bring the hotel and its 193 rooms up to Orient-Express standards. The final phase is due for completion in September 2010.

Our long-term plan is to continue to acquire additional distinctive luxury properties throughout the world as market conditions improve.

Private Residences

Orient-Express real estate developments draw on over 30 years of experience in the creation of luxury resorts and travel experiences. The company's overriding commitment to providing the highest quality of service, products and amenities in its hotels, trains and cruises is also a standard in its real estate developments.

Some of our hotels have adjacent vacant land which is suitable for the construction of luxury vacation villas and apartments. In general, these residences would be for sale but in some cases, may form part of the hotel inventory. Most of these projects are on hold in the current economic climate.

We have recently completed Porto Cupecoy between the beach and the bay in prestigious Sint Maarten, just steps from the French side of this Caribbean island and Orient-Express' famous La Samanna hotel. Porto Cupecoy consists of 183 luxury residences, retail boutiques and a 48 slip marina in a village setting, designed in the style of a Mediterranean seaside town. There is a large waterfront plaza surrounded by boutique ground floor retail space which includes a varied selection of restaurants, a gourmet market, high end home furnishings stores and many fine boutiques. The marina has 41 pleasure craft slips and 7 mega-yacht slips.

In addition to Porto Cupecoy, Orient-Express is currently offering luxury lifestyle residences; the Villas at La Samanna (St Martin, French West Indies), Keswick Estate (Charlottesville, Virginia) and Napasai (Koh Samui, Thailand). The company owns development land in Madeira; Riviera Maya, Mexico; and St Michaels, Maryland.

History and strategy

Orient-Express Hotels began as the leisure division of an international marine leasing and passenger transport company and was later incorporated as Orient-Express Hotels Ltd., a Bermuda company. Orient-Express Hotels Ltd was floated on the New York Stock Exchange in August, 2000 and its parent company sold the last of its shareholding in November 2005.

We seek properties that are special and unique as well as luxurious, and we avoid the use of a chain brand. Instead, we promote the local brand and use the Orient-Express brand as an assurance of quality to our customers, since we believe that discriminating travellers seek distinctive individual hotels in preference to a chain.

We manage all of our owned properties and, in appropriate circumstances, will pursue management opportunities for properties in which we may also take an equity interest. We currently operate six of our 41 hotels under management contract and also own equity in these properties. We consider management or management with equity interest a model for growth, taking advantage of our superior brand power.

Industry Awards

We have gained a worldwide reputation for quality and service in the luxury segment of the leisure and business travel markets. Over the years, our properties have won numerous national and international awards given by consumer or trade publications, such as Condé Nast Traveler, Travel & Leisure and Tatler and private subscription newsletters such as Andrew Harper's Hideaway Report, or industry bodies such as the American Automobile Association.

Awards received in 2009/10 include:

- Hotel Monasterio - #1, Top Hotels South America, 2009 Readers' Choice Awards, Condé Nast Traveler (US), for the 5th consecutive year
- Venice Simplon-Orient-Express - #1 in the inaugural Trains category, Condé Nast Traveller (UK) 2009 Reader's Travel Awards
- Le Manoir aux Quat'Saisons - #2 Best UK Leisure Hotel, Condé Nast Traveller (UK) 2009 Reader's Travel Awards
- Hotel Splendido - #2 Best Overseas Leisure Hotel – Europe, Asia Minor & Russian Federation, Condé Nast Traveller (UK) 2009 Reader's Travel Awards
- Maroma Resort & Spa - #1 in Latin America, World's Best Awards, Travel + Leisure (US)
- Le Manoir aux Quat'Saisons has retained two Michelin Stars for 25 consecutive years
- Le Manoir aux Quat'Saisons - #1 restaurant for service, #2 for décor and #4 for food, 2009 Zagat Awards
- Casa de Sierra Nevada - #2 Mexican City Hotel, Travel + Leisure (US) World's Best Awards 2009
- Las Casitas del Colca - #1 hotel for Relaxation/Spa - Central & South America, 2010 TripAdvisor Travelers' Choice Awards

These awards are based on opinion polls of a publication's readers or the professional opinion of journalists or panels of experts, and they are highly prized because they are believed to influence consumer choice.

Further information about the company and its properties can be found at www.orient-express.com

Ends

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