



MILLENNIUM & COPTHORNE
HOTELS p.l.c

Interim Results
Presentation
August 2009

CEO Introduction

RICHARD HARTMAN
CHIEF EXECUTIVE

Introduction

Difficult trading conditions

**Headline PBT down 45.9% to
£31.6m**

**Tight control of costs:
54.9% cost recovery at constant exchange
rates**

Capex restricted to essential expenditure

**Balance sheet strength:
Low gearing of 14.8%**

Interest cover of 7.8x

Interim dividend maintained at 2.08p

Financial Review

**BENG LAN LOW
SENIOR VICE PRESIDENT
FINANCE**



MILLENNIUM & COPTIORNE
HOTELS plc

Performance Highlights







| | 2009 | Reported | Constant |
|----------------------------------|----------------|----------------|----------------|
| RevPAR | £51.86 | (5.6%) | (19.8%) |
| Revenue | £315.6m | (6.7%) | (20.5%) |
| Hotel operating profit | £38.5m | (42.5%) | (49.6%) |
| Headline operating profit | £38.4m | (43.2%) | (51.5%) |
| Headline PBT | £31.6m | (45.9%) | (54.5%) |
| PBT | £30.5m | (47.8%) | (56.1%) |

2009 Financial Highlights

| In reported currency £m | 30 Jun 2009 | 30 Jun 2008 | YoY |
|--|-------------|-------------|--------|
| Revenue | 315.6 | 338.4 | -6.7% |
| Headline Operating Profit | 38.4 | 67.6 | -43.2% |
| Profit before Tax | 30.5 | 58.4 | -47.8% |
| Profit after Tax | 25.0 | 43.4 | -42.4% |
| Basic Earnings per Share | 7.5p | 12.9p | -41.9% |
| Dividend | 2.08p | 2.08p | - |
| Headline PBT ⁽¹⁾ | 31.6 | 58.4 | -45.9% |
| Headline PAT ⁽¹⁾ | 26.1 | 43.4 | -39.9% |
| Headline Earnings per Share ⁽¹⁾ | 7.9p | 12.9p | -38.8% |

(1) Before the Group's £1.1m impairment of additional investment in Bangkok

Group headline operating profit flow

| | | |
|---|---------------|---|
| 2008 Headline operating profit | £67.6m | |
| Exchange rate movement | £11.6m |  |
| Refurbishments/closures | £2.1m |  |
| Central cost reduction | £0.8m |  |
| Property trading improvement | £0.6m |  |
| Joint ventures and associates reduction | £4.2m |  |
| Like for like hotel trading | £40.1m |  |
| 2009 Headline operating profit | £38.4m | |

Tax

30 Jun 2009

| | |
|---|--------------|
| PBT | 30.5 |
| Less : share of profit of JVs & associates | (5.8) |
| | 24.7 |
| Tax expense for the year | 5.5 |
| | 22.3% |
| Add: tax on “one-offs” | |
| Change in tax rates | 0.9 |
| Prior year adjustments | 1.2 |
| | 2.1 |
| | 7.6 |
| Tax on “Normal” income | 30.8% |

Highlights of Cash Flows

| Selected Activities (£m) | 30 Jun 2009 | 30 Jun 2008 |
|--|----------------|----------------|
| Cash generated from operations excl WC | 46.9 | 72.9 |
| Working capital | (4.2) | (12.6) |
| Interest and tax | (16.0) | (19.4) |
| Development and refurbishment of hotels | (9.7) | (36.4) |
| Disposals | - | 0.3 |
| Free cash flow | 17.0 | 4.8 |
| Investment in and loans to joint ventures and associates | (3.1) | (24.7) |
| Proceeds from aborted sale of Seoul | - | 28.8 |
| Dividends from associates | 7.1 | 5.3 |
| Dividends paid to equity holders of parent | (2.9) | (8.7) |
| Dividends paid to minorities | (1.7) | (3.2) |
| Other movements (primarily FX) | 25.5 | (3.5) |
| Increase in net debt | 41.9 | (1.2) |
| Opening net debt | (285.1) | (262.1) |
| Closing net debt | (243.2) | (263.3) |



Healthy Balance Sheet

| Selected Metrics | 30 Jun 2009 | 31 Dec 2008 |
|---|------------------|------------------|
| Gearing | 14.8% | 16.4% |
| Net debt | £243.2m | £285.1m |
| Ave remaining tenure of borrowings | 29 months | 30 months |
| Ave interest rate of borrowings | 2.63% | 3.72% |
| Interest Cover | 7.8x | 12.4x |
| Undrawn committed facilities | £117.8m | £188.6m |
| Unencumbered assets | £1,839.4m | £1,986.2m |

Dividend

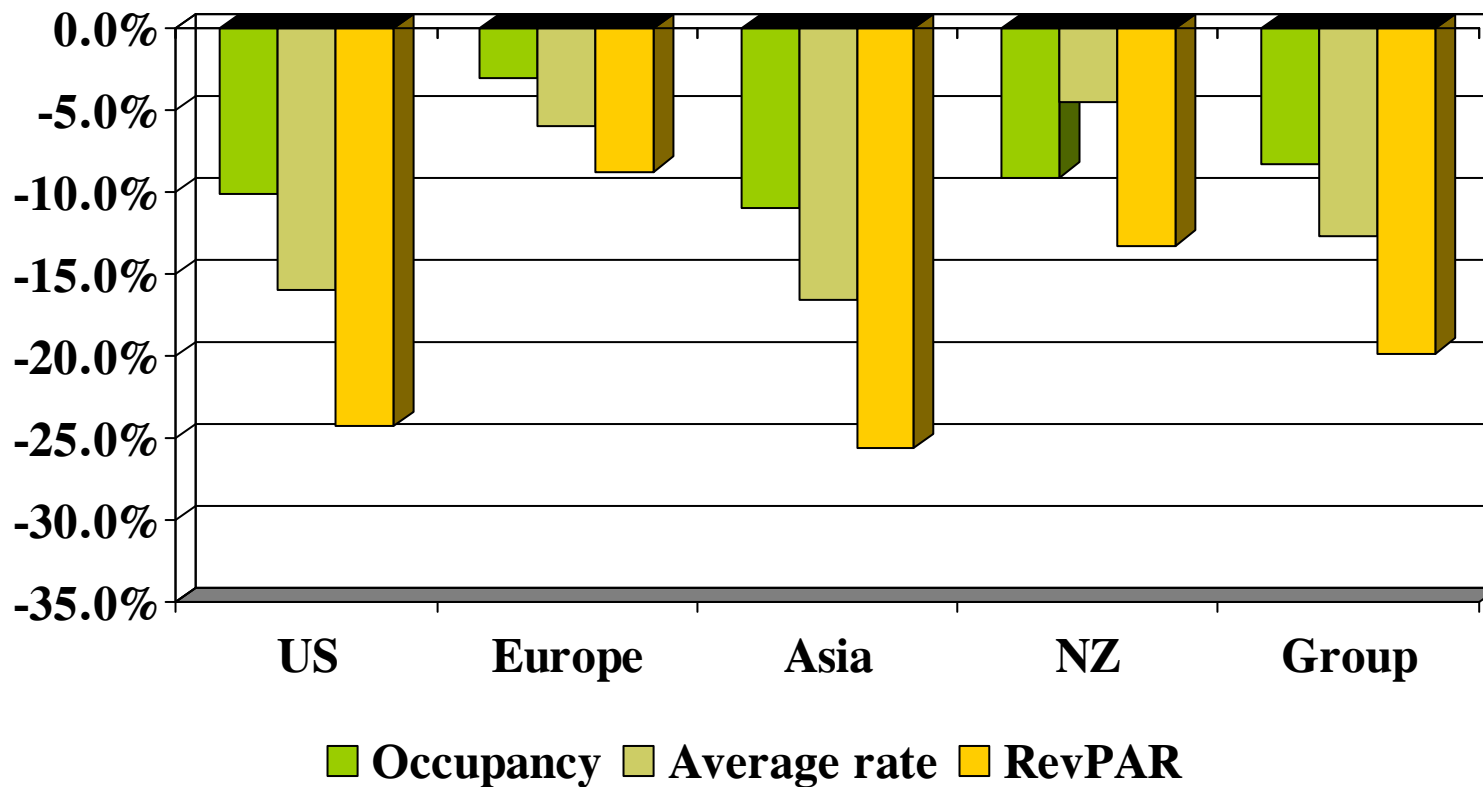
| | 2009 | 2008 |
|---------|-------|-------|
| Interim | 2.08p | 2.08p |

Performance by Region

RICHARD HARTMAN
CEO

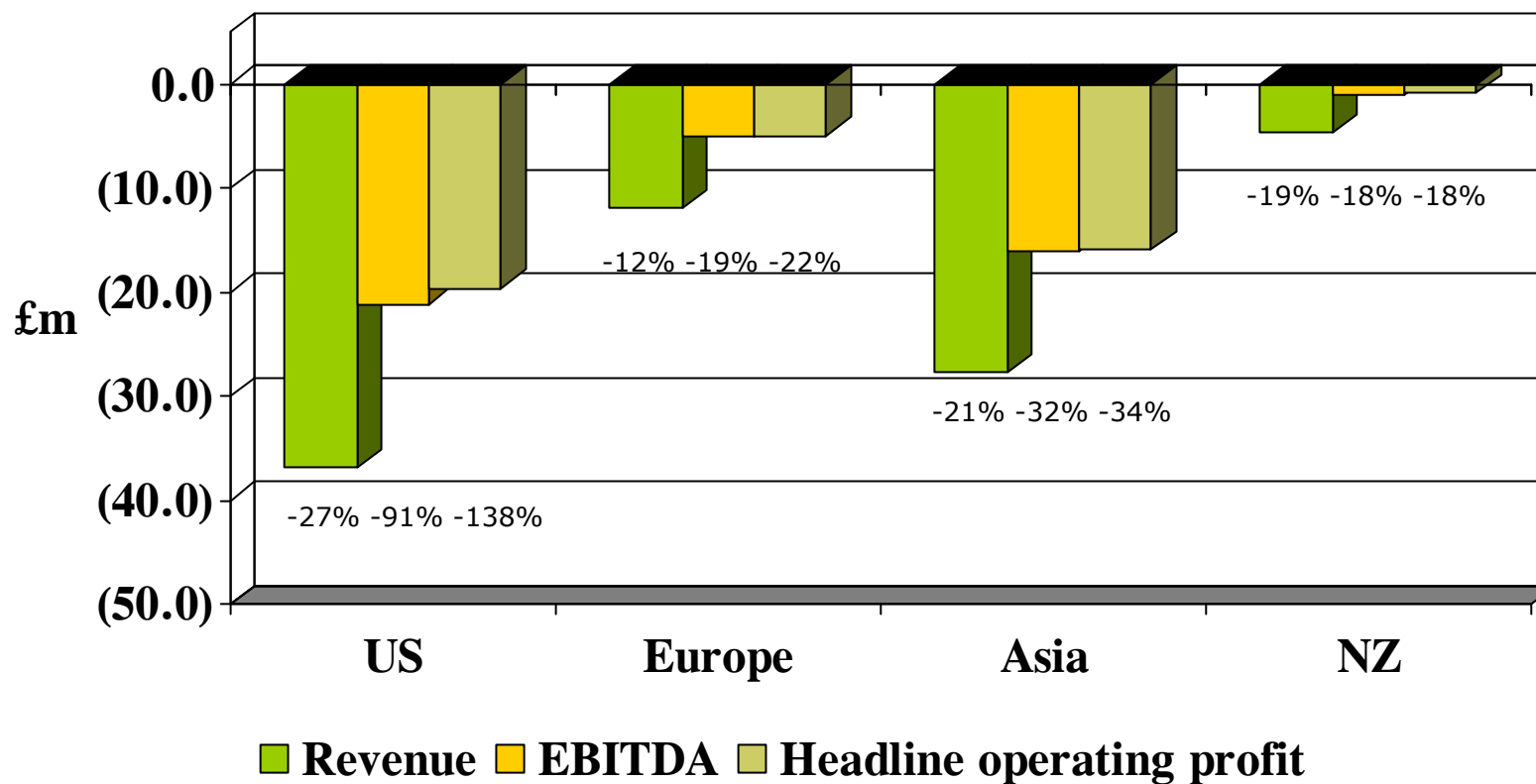
Performance by Region

➤ H1 Room statistics variance

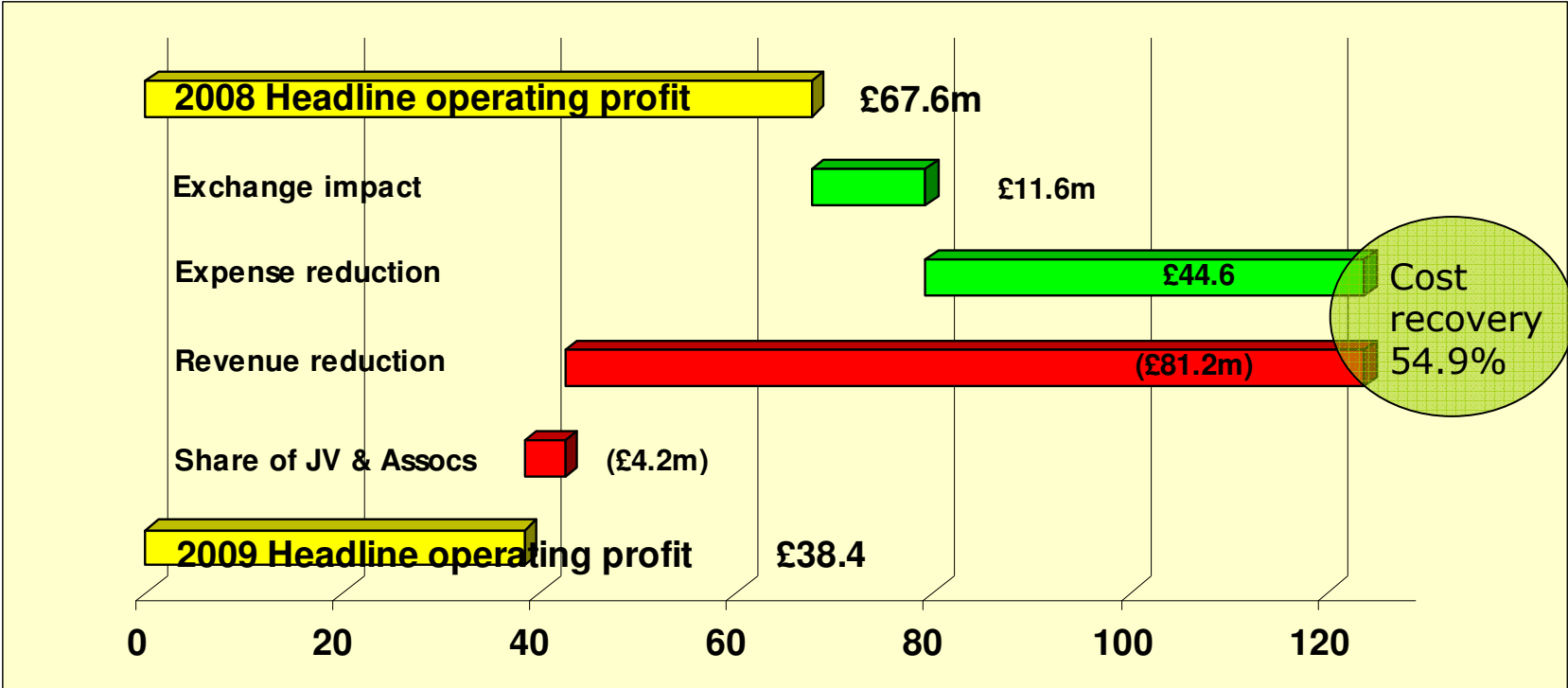


Performance by Region

➤ H1 Profit & loss variance



Cost Recovery



Singapore H1

At constant rates of exchange

Average Rate down 25.1%
from £107.52 to £80.51

RevPAR down 37.7% from £91.07 to
£56.76

Revenue down 27.2%
from £69.0m to £50.2m

Hotel GOP down 35.0% from £36.9m
to £24.0m

Headline Operating Profit
down 30.6% from £24.5m to £17.1m



Rest of Asia H1

At constant rates of exchange

Average Rate down 4.7%
from £74.44 to £70.91

RevPAR down 9.9%
from £52.18 to £47.01

Revenue down 13.7%
from £65.2m to £56.3m

Hotel GOP down 19.6% from £24.5m to £19.7m

Headline Operating Profit
down 37.6% from £22.9m to £14.3m

Millennium Wuxi opened in June



London H1

Average Rate down 4.0%
from £99.03 to £95.08

RevPAR down 2.5%
from £81.80 to £79.77

Revenue down 7.0%
from £45.4m to £42.2m

Hotel GOP down 1.8% from
£21.8m to £21.4m

Headline Operating profit down
3.2% from £15.4m to £14.9m



Rest of Europe H1

Average Rate down 8.8%
from £85.24 to £77.77

RevPAR down 15.3% from £60.44 to
£51.17

Revenue down 15.8%
from £55.1m to £46.4m

Hotel GOP down 25.3% from £16.6m to
£12.4m

Headline Operating Profit
down 64.3% from £7.0m to £2.5m

**Copthorne Hotel Sheffield opened January
2009 under management contract**



New York H1

At constant rates of exchange

Average Rate down 30.4%
from £195.95 to £136.38

RevPAR down 36.0%
from £164.60 to £105.29

Revenue down 37.0%
from £68.1m to £42.9m

Hotel GOP down 71.4% from £25.5m to
£7.3m

Headline Operating Loss of £2.3m
compared to a profit of £15.4m in 2008



Regional US H1

At constant rates of exchange

Average Rate down 0.7% from £66.25 to £65.80

**RevPAR down 11.8%
from £40.61 to £35.80**

**Revenue down 17.1%
from £69.0m to £57.2m**

Hotel GOP down 25.8% from £12.0m to £8.9m

**Headline operating loss increased by 158.3%
from -£1.2m to -£3.1m**



Australasia H1

At constant rates of exchange

Average Rate down 4.5%
from £46.23 to £44.15

RevPAR down 13.2%
from £32.04 to £27.81

Hotel revenue down 16.3%
from £23.3m to £19.5m

Hotel GOP down 20.4% from £9.3m to £7.4m

Hotel Operating Profit
down 8.9% from £4.5m
to £4.1m



Outlook

RevPAR (18.3%) for the month of July

New York (32.7%)

Regional US (6.6%)

Singapore (34.2%)

London (9.3%)

Markets stabilising

Longer term planning



Q & A



Thank You



**MILLENNIUM & COPTIORNE
HOTELS plc**