

ORIENT-EXPRESS HOTELS LTD.

**Canon's Court
22 Victoria Street
Hamilton HM 12, Bermuda**

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

June 4, 2008

The annual general meeting of shareholders of ORIENT-EXPRESS HOTELS LTD., a Bermuda company (the "Company"), will be held at the registered office of the Company at the offices of Appleby, Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda on Wednesday, June 4, 2008, at 10:00 a.m., Bermuda time, for the transaction of the following business:

(1) To consider and, if thought fit, to pass the following resolution electing seven (7) directors to be the entire Board of Directors of the Company:

RESOLUTION:

The number of directors constituting the entire Board of the Company is hereby fixed at seven persons, and each of John D. Campbell, James B. Hurlock, Prudence M. Leith, J. Robert Lovejoy, Georg R. Rafael, James B. Sherwood and Paul M. White is hereby severally elected to serve as a member of the Board of Directors of the Company until the 2009 annual general meeting.

(2) To consider and, if thought fit, to pass the following resolution appointing Deloitte & Touche LLP as the Company's independent registered public accounting firm, and authorizing the Audit Committee of the Board of Directors to fix the accounting firm's remuneration:

RESOLUTION:

Deloitte & Touche LLP is hereby appointed the Company's independent registered public accounting firm until the close of the 2009 annual general meeting, and the Audit Committee of the Board of Directors is hereby authorized to fix the accounting firm's remuneration.

The Board of Directors recommends that all shareholders vote FOR the election to the Company's Board of Directors of each of the seven nominees above (Proposal 1) and FOR the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm, and the authorization of the Audit Committee of the Board of Directors to fix the accounting firm's remuneration (Proposal 2).

Under applicable Bermuda law and the Company's Bye-Laws, if a quorum is present in person or by proxy at the annual general meeting, the favorable vote of a simple majority of the votes cast by holders of class A common shares and class B common shares, voting together as a single class, will be required in order to approve the two resolutions set forth above.

Only holders of record of class A common shares and holders of record of class B common shares at the close of business on April 18, 2008, are entitled to notice of, and to vote at, the annual general meeting and at any adjournment thereof.

The financial statements for the Company's 2007 fiscal year will also be presented at the annual general meeting.

Copies of the Company's 2007 annual shareholders report containing those financial statements, as well as this notice of the Company's 2008 annual general meeting and the accompanying proxy statement, are available in electronic form on the Investors page of the Company's website www.orient-express.com, and may be viewed and downloaded or printed from the website. These materials are also available on the website ww3.ics.adp.com/streetlink/OEH.

Whether or not you expect to attend the annual general meeting in person, the Company encourages you to vote your shares at your earliest convenience. If you received a paper copy of the form of proxy by mail, please complete, date, sign and mail the proxy form in the envelope provided. If your shares are held by a bank, broker or other nominee and you received a notice and electronic delivery of the proxy statement and form of proxy, you will not receive a printed copy of the proxy materials in the mail unless you so request. Instead, the notice instructs you how to access and review the proxy statement and 2007 annual shareholders report. The notice also instructs you how you may submit your proxy over the internet.

By order of the Board of Directors,

EDWIN S. HETHERINGTON
Secretary

April 21, 2008

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ORIENT-EXPRESS HOTELS LTD.

Canon's Court
22 Victoria Street
Hamilton HM 12, Bermuda

PROXY STATEMENT

ANNUAL GENERAL MEETING OF SHAREHOLDERS

June 4, 2008

This proxy statement is furnished in connection with the solicitation by the Board of Directors of Orient-Express Hotels Ltd., a Bermuda company (the "Company"), of proxies for use at the annual general meeting of shareholders, to be held on Wednesday, June 4, 2008, at 10:00 a.m. (Bermuda time) at the registered office of the Company, which is the office of Appleby, Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, and at any adjournment thereof. The Company expects either to mail or to provide notice and electronic delivery of this proxy statement and the appropriate form of proxy to holders of class A and class B common shares on or about April 24, 2008.

At the annual general meeting, the shareholders of the Company will be asked to consider and vote upon resolutions

- (1) electing seven directors as the entire Board of the Company, to serve until the 2009 annual general meeting, and
- (2) appointing Deloitte & Touche LLP as the Company's independent registered public accounting firm until the close of the 2009 annual general meeting, and authorizing the Audit Committee of the Board to fix the accounting firm's remuneration.

The Board recommends that you vote **FOR** these resolutions.

The financial statements for the Company's 2007 fiscal year will also be presented at the annual general meeting.

VOTING INFORMATION

The Board of Directors has fixed the close of business on April 18, 2008, as the record date for the determination of shareholders entitled to notice of, and to vote at, the annual general meeting and at any adjournment thereof. Accordingly, only holders of record of class A common shares and the holder of record of class B common shares of the Company at the close of business on that date will be entitled to receive notice of and to vote at the meeting. On any matter which may properly come before the meeting, holders of class A common shares of record on the record date will be entitled to one-tenth of one vote per share, and the holder of class B common shares of record on the record date will be entitled to one vote per share. On the record date, 42,469,500 class A common shares and 18,044,478 class B common shares were issued and outstanding, representing 22,291,428 votes in the aggregate. The quorum at the meeting will be constituted by shareholders, either present in person or represented by proxy, holding in the aggregate shares carrying a majority of voting rights entitled to be exercised at the meeting (i.e., carrying a

majority of the 22,291,428 votes which may be cast by the holders of all the class A and class B common shares voting together as a single class).

Whether or not a shareholder expects to attend the annual general meeting in person, shareholders are encouraged to vote their shares at their earliest convenience. If a shareholder received a paper copy of the form of proxy by mail, please complete, date, sign and mail the proxy form in the envelope provided. If a shareholder holds shares through a bank, broker or other nominee and received a notice and electronic delivery of this proxy statement and the form of proxy, the shareholder will not receive a printed copy of the proxy materials in the mail unless requested by the shareholder. Instead, the notice instructs the shareholder how to access and review this proxy statement and the 2007 annual shareholders report of the Company. The notice also instructs the shareholder how to submit his or her proxy over the internet.

All class A and class B common shares which are represented at the meeting by properly executed proxies received prior to or at the meeting and not revoked will be voted in accordance with the instructions given in the proxy. If no instructions are given, a properly signed and dated proxy will be voted **FOR** the election to the Company's Board of Directors of the seven nominees listed in this proxy statement (Proposal 1) and **FOR** the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm, and the authorization of the Audit Committee of the Board of Directors to fix the accounting firm's remuneration (Proposal 2).

Under applicable Bermuda law, business to be considered at the annual general meeting will be confined to that business described in the notice of meeting to which this proxy statement is attached. Thus, the matters to come before the meeting will be strictly limited to the two proposals described in the notice of meeting. All proxies presented at the annual general meeting, whether given to vote in favor of or against those two proposals, will, unless contrary written instructions are noted on the proxy form, also entitle the persons named in the proxy to vote the proxies in their discretion on any proposal to adjourn the meeting, or otherwise take action concerning the conduct of the meeting.

Shareholders have the right to revoke their proxies by notifying the Secretary of the Company in writing at any time prior to the time the common shares represented thereby are actually voted. Proxies may be revoked (i) by filing with the Secretary of the Company, before the vote is taken at the annual general meeting, either a written notice of revocation bearing a later date than the proxy, or a second duly executed proxy relating to the same shares bearing a later date than the other proxy, or (ii) by granting a subsequent proxy through the internet (if the shareholder received a notice and electronic delivery of this proxy statement and the form of proxy), or (iii) by attending the annual general meeting and voting in person (although attendance at the meeting without voting will not in and of itself constitute a revocation of a proxy). Any written notice revoking a proxy or any subsequent proxy should be sent to Orient-Express Hotels Ltd., P.O. Box HM 1179, Hamilton HM EX, Bermuda, Attention: Secretary.

Under applicable Bermuda law and the Company's Bye-Laws, if a quorum is present in person or by proxy at the annual general meeting, the favorable vote of a simple majority of the votes cast by holders of class A and class B common shares, voting together as a single class, will be required in order (i) to elect each of the nominees as directors (Proposal 1) and (ii) to appoint Deloitte & Touche LLP as the Company's independent registered public accounting firm until the close of the 2009 annual general meeting, and to authorize the Audit Committee of the Board of Directors to fix the auditor's remuneration (Proposal 2). Thus, a shareholder who does not vote at the annual general meeting will not affect the outcome of the votes so long as a quorum is present at the annual general meeting.

Orient-Express Holdings 1 Ltd. is the beneficial owner of all of the Company's outstanding class B common shares, which entitle it to vote approximately 80.9% of the total combined votes of all outstanding class A and class B common shares. See "Shareholding Information—Class A and Class B Common Shares." Therefore, it has the power to control the outcome of all matters put to a vote of the Company's shareholders at the 2008 annual general meeting.

A broker who holds common shares in "street name" as nominee for a customer who is the beneficial owner of the shares will have discretionary authority to vote the shares on the two proposals if the broker has not received voting instructions from the beneficial owner by the tenth day before the 2008 annual general meeting, provided that this proxy statement has been transmitted to the beneficial owner at least 15 days before the date of the 2008 annual general meeting.

PROPOSAL 1—ELECTION OF DIRECTORS

It is proposed that seven persons, constituting the entire Board, be elected to serve until the next annual general meeting of shareholders. The persons listed in the table below are nominated for election. They constitute the current Board of Directors with the addition of Mr. White, the President and Chief Executive Officer of the Company, who is being nominated for the first time.

<u>Name, Age</u>	<u>Principal Occupation and Other Major Affiliations</u>	<u>Year First Became Director</u>
John D. Campbell, 65	Senior Counsel (retired) of Appleby (attorneys) (British citizen)	1994
James B. Hurlock, 74	Non-executive Chairman of the Board of the Company, and Partner (retired) of White & Case LLP (attorneys) (U.S. citizen)	2000
Prudence M. Leith, 67	Non-executive Director of Omega International PLC, and Consultant to Compass Group PLC (British citizen)	2006
J. Robert Lovejoy, 63	Managing Director of Groton Partners LLC (a private merchant banking firm) (U.S. citizen)	2000
Georg R. Rafael, 70	Managing Director of Rafael Group S.A.M. (hoteliers) (German citizen)	2002
James B. Sherwood, 74	Retired Chairman of the Board of the Company (U.S.citizen)	1994
Paul M. White, 43	President and Chief Executive Officer of the Company (British citizen)	—

The principal occupations of each director during the last five years is that shown in the above table supplemented by the following information:

Mr. Campbell was a member of the law firm of Appleby until March 1999, and retired as Senior Counsel in July 2003. Mr. Campbell is currently the non-executive Chairman of the Board of The Bank of Bermuda Ltd., a subsidiary of HSBC Holdings PLC, as well as Chairman of the bank's Audit Committee, and a non-executive director and Chairman of the Nominations and Governance Committee of Argus Group Holdings Ltd., a public company listed on the Bermuda Stock Exchange. Mr. Campbell is also a non-executive director of Sea Containers Ltd., a leasing and transport company.

Mr. Hurlock acted as Chairman of the Management Committee of the law firm of White & Case LLP, overseeing worldwide operations from 1980 until his retirement in 2000. He also served as Interim CEO of Stolt-Nielsen Transportation Group Ltd., a chemical transport services company, from July 2003 until June 2004. Mr. Hurlock was appointed the non-executive Chairman of the Board of the Company in June 2007.

Ms. Leith was the founder, owner and Managing Director of Leith's Group which, from 1960 until its sale in 1995 to Accor, grew to encompass restaurants, a prestigious London-based chef school, contract catering, and event and party catering. She is an accomplished food writer, novelist, and television and radio food expert. Ms. Leith has served on the boards of British Railways, Whitbread PLC, Halifax PLC, Safeway PLC, Woolworths Group PLC and Nations Healthcare Ltd., and is currently on the Board of Omega International, a supplier of kitchen furnishings and equipment listed on the AIM market of the London Stock Exchange.

Mr. Lovejoy joined Groton Partners in January 2006. From 2000 to 2005, he was Senior Managing Director of Ripplewood Holdings LLC, a private equity investment firm. Prior to his time at Ripplewood, he was a Managing Director of Lazard Freres & Co. LLC, an investment banking firm, and a General Partner of Lazard's predecessor partnership for over 15 years. Mr. Lovejoy is also a non-executive director of One Liberty Properties Inc., a commercial real estate investment trust listed on the New York Stock Exchange.

Mr. Rafael was until early 2002 the Vice Chairman of the Executive Committee of Mandarin Oriental Hotels, having sold to them in 2000 Rafael Hotels Ltd., a deluxe hotel owning and operating company that Mr. Rafael established in 1986. Before Rafael Hotels, he was joint Managing Director of Regent International Hotels, a hotel group Mr. Rafael helped start in 1972.

Mr. James Sherwood retired in December 2006 from his executive duties with the Company (having ceased to be a co-principal executive officer in October 2006) and stepped down as non-executive Chairman of the Board in June 2007. He resigned as a director and non-executive Chairman of Sea Containers Ltd. in March 2006, having founded its predecessor company in 1965. He also served as President of Sea Containers Ltd. during that time until January 2006.

Mr. White succeeded Mr. Simon Sherwood as President and Chief Executive Officer of the Company in August 2007, having served as Vice President—Finance and Chief Financial Officer from September 2005. Previously, he was Vice President—Hotels, Africa, Australia and South America from 2000 to 2005, and was Director of Hotel Operations for the same geographical region from 1998 to 2000. He joined the Company's predecessor, Orient-Express Hotels Inc., in 1991 from Forte Hotels initially as Financial Controller. Having qualified as an accountant, he is currently a member of the Chartered Institute of Management Accountants.

Mr. Simon Sherwood, a stepson of Mr. James Sherwood, served as a director of the Company from 1994 until June 2007 when he did not stand for re-election by shareholders at the Company's 2007 annual general meeting. He continued as President and Chief Executive Officer of the Company until August 2007 when his resignation (submitted to the Company in February 2007) became effective and he was succeeded by Mr. White.

If any nominee for director should become unavailable for election (which the Board of Directors has no reason to believe will be the case), the shares represented by the proxy will be voted for such substitute

nominee as may be nominated by the Board of Directors and proposed by the Nominating and Governance Committee of the Board of Directors.

Board and Committees

The Board of Directors of the Company met 16 times during 2007. All of the directors attended at least 75% of those meetings.

The Board of Directors has established a standing Audit Committee for the purpose of overseeing the accounting and financial reporting processes of the Company and the audits of its financial statements. Messrs. Campbell, Hurlock and Lovejoy are the Audit Committee members. The committee met five times during 2007 with appropriate financial and accounting personnel of the Company and representatives of the Company's independent registered public accounting firm. All of the Audit Committee members attended those meetings. The Board has designated Mr. Lovejoy as the audit committee financial expert as defined in the rules of the U.S. Securities and Exchange Commission.

The Board of Directors has also established a standing Compensation Committee to assist the Board in setting senior executive compensation levels and to administer the Company's equity-based compensation plans, and a standing Nominating and Governance Committee to advise the Board on director nominations and on corporate governance matters. Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy and Rafael are the members of these committees. The Compensation Committee met six times in 2007, and all of the committee members attended those meetings. The Nominating and Governance Committee met six times in 2007, and all of the committee members attended those meetings except Ms. Leith who was absent from one meeting.

The Board of Directors has established a set of Corporate Governance Guidelines, which requires the non-executive directors of the Board to meet regularly in executive sessions without management present. Mr. Hurlock presides at these executive sessions of the Board.

The Company's Corporate Governance Guidelines, Charters of the standing Audit, Compensation, and Nominating and Governance Committees of the Board, Code of Business Conduct for Directors, Officers and Employees and Code of Business Practices for the Company's Principal Executive, Financial and Accounting Officers are published on the Company's website (www.orient-express.com) or may be obtained upon request and without charge by writing to the Company's Secretary at its registered office address (Orient-Express Hotels Ltd., 22 Victoria Street, Hamilton HM 12, Bermuda).

Because the Company is a foreign private issuer as defined in rules of the U.S. Securities and Exchange Commission, it is not required to comply with all New York Stock Exchange corporate governance requirements as they apply to U.S. domestic companies listed on the that exchange. The Company's corporate governance measures, however, do not differ in any significant way from the requirements applicable to U.S. domestic companies.

Regarding the independence of directors from the Company's management, the Board has reviewed the materiality of any relationship that each of the directors has with the Company, either directly or indirectly through another organization, including the fees and other compensation described under "Director Fees" below. The criteria applied included the director independence requirements set forth in the Company's Corporate Governance Guidelines, any other managerial, familial, professional, commercial or affiliated relationship between a director and the Company, a subsidiary or another director

and, with respect to the Company's Audit Committee, the independence rules of the U.S. Securities and Exchange Commission. Based on this review, the Board has determined that Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy and Rafael are independent directors.

Interested persons may communicate directly with any of the directors by writing to him or her at the Company's registered office address (Orient-Express Hotels Ltd., 22 Victoria Street, Hamilton HM 12, Bermuda).

Director Fees

In 2007, each of Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy and Rafael received a Board of Directors retainer fee at the annual rate of \$27,500, and a fee of \$2,750 for each meeting of the Board or a committee thereof which he or she attended. Members of the Audit Committee (Messrs. Campbell, Hurlock and Lovejoy) were paid a retainer fee of \$5,000 per year, and members of the Compensation Committee and Nominating and Governance Committee (Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy and Rafael) were paid a retainer fee of \$2,500 per year for service on each of those two committees. Mr. Lovejoy was also paid an additional retainer fee of \$20,000 per year as chairman of the Audit and Compensation Committees, and Mr. Hurlock an additional retainer fee of \$5,000 per year as chairman of the Nominating and Governance Committee. All retainer fees were payable quarterly.

The foregoing fee arrangement for Mr. Hurlock applied until June 2007 when he became non-executive Chairman of the Board of the Company. Since then he has received an all-inclusive retainer fee at the rate of \$500,000 per year, payable quarterly, instead of the retainer and attendance fees described above.

In addition, Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy and Rafael were paid additional fees through August 2007 (June 2007 in the case of Mr. Hurlock) for their extra time and effort in recruiting a new President and Chief Executive Officer of the Company, including the conduct of a worldwide search for candidates through an executive recruitment firm, in restructuring executive management of the Company following the retirement of Mr. James Sherwood from his executive duties in December 2006 and the resignation of Mr. Simon Sherwood as President and Chief Executive Officer submitted to the Company in February 2007, and in considering and responding to various strategic overtures to the Company.

In March 2007, the Company and Mr. James Sherwood entered into an agreement regarding his retirement from executive duties with the Company in December 2006, and his continuing as non-executive Chairman of the Board until the Company's annual general meeting in June 2007 and thereafter as a non-executive director of the Company. The agreement covered his compensation while he served as non-executive Chairman during the first six months of 2007 based on a continuation of his 2006 annual salary and bonus, and confirmed that after Mr. Sherwood retired as Chairman, he would receive the same annual Board retainer fee and per Board meeting attendance fees as the other directors described above. In addition, the agreement requires the Company to provide office accommodation and secretarial services to Mr. Sherwood in the offices of the Company's United Kingdom subsidiary, and private medical cover for him and his wife under that subsidiary's employee health insurance, and to reimburse Mr. Sherwood up to \$100,000 per year for his personal business expenses while he remains a non-executive director of the Company during the three-year period ending June 2010.

In September 2007, the Company and Mr. James Sherwood entered into another agreement under which he provides consultancy services to the Company for property acquisitions and guest relations under the supervision of the Company's President and Chief Executive Officer, and is compensated for those services at \$200,000 per year plus reimbursement of his reasonable business expenses incurred in providing the services.

Aggregate retainer, attendance and other director fees to Ms. Leith and Messrs. Campbell, Hurlock, Lovejoy, Rafael and James Sherwood described above amounted to \$2,202,000 in 2007. See "Other Agreements" below regarding other agreements between the Company and Mr. James Sherwood.

Mr. Hurlock may stay at the Company's properties without charge, except for third-party provided services he uses during his visits. The other directors are entitled to 75% discounts off the usual room rates and food and beverage prices for their personal visits at the Company's properties.

Executive Compensation

The following table shows the total salary and bonus of Mr. White paid in cash during 2007, and of all executive officers as a group (including Mr. Simon Sherwood and three other persons who resigned or retired as officers in 2007 and early 2008), for services to the Company and its subsidiaries in all capacities:

<u>Name of Individual or Group</u>	<u>Principal Capacities</u>	<u>Cash Compensation</u>
Paul M. White	President and Chief Executive Officer (previously Vice President—Finance and Chief Financial Officer)	\$ 852,000
All executive officers as a group (12 persons)		\$6,691,000

The Company has entered into agreements with Mr. White and most of the Company's other executive officers entitling them to terminate employment in certain circumstances constituting a change in control of the Company and to receive an amount equal to two times each officer's annual compensation. The agreements of the U.S. tax-paying officers also require the Company to pay the excise tax on their severance payments imposed pursuant to section 4999 of the U.S. Internal Revenue Code.

Pensions

Through May 2006, certain executive officers who are based in the United Kingdom participated in a contributory defined benefit pension plan established by a Company subsidiary for British employees. The amount of contribution by the subsidiary to the pension plan in respect of a specific person cannot readily be separated or individually calculated. Participants in the pension plan are eligible to receive at their normal retirement date an annual pension based on the number of years of pensionable service and their final pensionable compensation.

In May 2006, the subsidiary froze its U.K. defined benefit pension plan, thus stopping future benefit accrual, so that the benefit payable to participants at their normal retirement date will be calculated using pensionable service and final pensionable salary at that date. From May 2006 and for later years, the Company subsidiary established a defined contribution pension plan for British employees, including U.K.-based officers, under which the subsidiary contributes to individual pension accounts established by

employees. The subsidiary currently contributes for the executive officer participants in the defined contribution plan at the rate of ten percent of annual salary.

Under the U.K. defined benefit plan, currently estimated accrued annual benefits payable to participating executive officers of the Company amounted to approximately \$311,000 in the aggregate at December 31, 2007, and under the U.K. defined contribution plan, the Company subsidiary contributed on behalf of participating executive officers a total of \$238,000 during 2007. Regarding the pension plans, see note 10 to the financial statements in the 2007 annual shareholders report of the Company accompanying this proxy statement.

Certain U.S. subsidiaries of the Company have adopted a 401(k) pension plan that permits employees to contribute amounts out of their compensation into individual tax-deferred pension accounts. The maximum contribution an employee could make was \$15,500 in 2007. Two executive officers of the Company based in the U.S. participated in this plan in 2007, and the Company paid \$2,000 into each of their accounts as partial matching payments under the plan in addition to their own contributions.

Three officers of the Company participated in no Company-sponsored pension plan in 2007.

2000 and 2004 Stock Option Plans

Options to purchase class A common shares of the Company have been granted to directors, executive officers and selected employees under the Company's 2000 and 2004 Stock Option Plans, which are administered by the Compensation Committee of the Board of Directors and have substantially the same terms. The plans provide for the award of options to purchase up to 1,750,000 class A common shares at market value at the time of the award.

In general, options become exercisable three years after the date of grant and expire ten years from date of grant. In certain circumstances constituting a change in control of the Company, outstanding options become immediately exercisable, and optionees may thereafter surrender their options instead of exercising them and receive directly from the Company in cash the difference between the option exercise price and the value of the underlying shares determined according to the plans.

During 2007, options to purchase an aggregate of 104,500 class A common shares were granted to directors and executive officers of the Company at exercise prices of \$45.69 to \$59.23 per share, including options on 35,600 shares to Mr. White, 5,700 shares to Mr. James Sherwood and 4,200 shares to each of the other non-executive directors. Options were exercised by directors or officers during 2007 on an aggregate of 188,000 class A common shares at an aggregate gain of \$7,152,000. At April 18, 2008, options to purchase an aggregate of 281,450 class A common shares (of which 95,000 were exercisable) were held by directors and executive officers at per share exercise prices ranging from \$13.06 to \$59.23 and expiring between 2010 and 2018. See note 14 to the financial statements in the 2007 annual shareholders report of the Company regarding the 2000 and 2004 Stock Option Plans.

Stock options to purchase class A common shares held by the Company's directors (including Mr. White) are as follows at April 18, 2008:

Name	Number of Shares Underlying Options	Exercise Price per Share
John D. Campbell	20,450	\$13.40 to \$59.23
James B. Hurlock	20,450	13.40 to 59.23
Prudence M. Leith	8,400	34.90 to 59.23
J. Robert Lovejoy	15,450	14.70 to 59.23
Georg R. Rafael	12,950	28.50 to 59.23
James B. Sherwood	25,550	14.70 to 59.23
Paul M. White	65,300	28.20 to 59.23

2007 Performance Share Plan

At the 2007 annual general meeting of the Company, shareholders approved the Company's 2007 Performance Share Plan, which is administered by the Compensation Committee of the Board of Directors. Under this plan, directors, executive officers and selected employees may be awarded an amount of class A common shares in the Company to be issued in whole or in part to the grantee of the award after three years, depending on whether specified performance criteria in the individual award have been met such as earnings targets, total shareholder return goals or other criteria established by the Compensation Committee. Shares may also be issued under the awards before the three-year period has elapsed if a change in control of the Company occurs or certain other early vesting events occur. The plan also permits the Compensation Committee to make awards vesting in three years without any performance criteria. A total of 500,000 class A common shares may be issued under the plan.

During 2007, the first awards were made under the plan. The grantees were officers of the Company, and the awards did not specify performance criteria, will vest in 2010 and cover a total of 30,200 class A common shares, including 26,200 shares awarded to Mr. White. In March 2008, the Compensation Committee awarded an additional 29,800 class A common shares under the plan to officers of the Company, including 9,700 shares to Mr. White. These awards will vest in 2011 and are subject to achieving certain performance criteria based on the Company's consolidated earnings before tax and total shareholder return in 2010. No shares have been issued under the plan. See note 14 to the financial statements in the 2007 annual shareholders report of the Company regarding the 2007 Performance Share Plan.

Other Agreements

Mr. James Sherwood owns a private residential apartment in the Hotel Cipriani in Venice, Italy, a hotel owned by a subsidiary of the Company. The Company has granted Mr. Sherwood a right of first refusal to purchase the hotel in the event the Company proposes to sell it. The purchase price would be the offered sale price in the case of a cash sale or the fair market value of the hotel, as determined by an independent valuer, in the case of a non-cash sale. Similarly, if Mr. Sherwood proposes to sell his apartment, he has granted the Company a right of first refusal to purchase it at fair market value or, at Mr. Sherwood's option in the case of a proposed cash sale, the offered sale price. In addition, the Company has granted an option to Mr. Sherwood to purchase the hotel at fair market value if a change in control of the Company occurs.

Mr. James Sherwood and the subsidiary of the Company which owns the Hotel Cipriani have entered into an agreement under which he may rent his apartment to the hotel in return for 50% of the amounts paid by hotel guests for use of the apartment. In 2007, the hotel paid Mr. Sherwood approximately \$217,000 for the use of his apartment. Also, in any calendar year when the apartment is made available to the hotel for 90 days or more when the hotel is open to guests, the hotel is obligated to clean, repair and insure the apartment at its expense and provide Mr. Sherwood and his guests with all hotel services other than food and drink free of charge, including electricity, air conditioning, telephone rental, water and room services for the apartment. To the extent that the apartment is made available to the hotel for less than 90 days per year, Mr. Sherwood must pay a proportionate share of those expenses.

Mr. James Sherwood owns Capannelle S.r.l., a wine estate in the Chianti region of Italy that produces wine, olive oil and other products principally for public sale. In 2007, the estate sold \$55,000 of products to Company hotels at prices the same as its public prices.

Capannelle and the Company's subsidiary that owns the Villa San Michele near Florence, Italy have entered into an agreement under which Capannelle makes the main house and other parts of the wine estate available to short-stay guests provided by the hotel. The incremental costs of Capannelle and Villa San Michele in servicing the guests each year are netted against the amounts charged by the hotel for guest accommodation, food, beverage and other hotel services, and the net amount is shared equally between Capannelle and Villa San Michele. In 2007, Capannelle earned \$9,000 from this arrangement which continues on a year-to-year basis unless terminated by either party.

**PROPOSAL 2—APPOINTMENT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

Deloitte & Touche LLP acted as the Company's independent registered public accounting firm in 2007. The Audit Committee of the Board of Directors recommends that shareholders approve the appointment of Deloitte & Touche LLP in 2008. In accordance with applicable law, the Company's shareholders are asked to appoint Deloitte & Touche LLP as the Company's independent registered public accounting firm, to hold office until the close of the next annual general meeting in 2009, and to authorize the Audit Committee of the Board to fix the accounting firm's remuneration.

A representative of Deloitte & Touche LLP is expected to be present at the 2008 annual general meeting and to have the opportunity to make a statement if he desires to do so, and to respond to appropriate questions raised at the meeting.

The following table presents the fees of Deloitte & Touche LLP for audit and permitted non-audit services in 2006 and 2007:

	<u>2006</u>	<u>2007</u>
Audit fees	\$1,912,000	\$2,072,000
Audit-related fees	437,000	244,000
Tax fees	467,000	487,000
All other fees	—	—
Total	<u>\$2,816,000</u>	<u>\$2,803,000</u>

Audit services consist of work performed in connection with the audits of financial statements and internal control over financial reporting for each fiscal year and in the review of financial statements included in quarterly reports during the year, as well as work normally done by the independent registered public accounting firm in connection with statutory and regulatory filings, such as statutory audits of non-U.S. subsidiaries, and consents and comfort letters for registration statements filed with the U.S. Securities and Exchange Commission.

Audit-related services consist of assurance and related services that are normally performed by the independent registered public accounting firm and that are reasonably related to the audit or review of financial statements but are not reported under audit services, including due diligence reviews in potential transactions and audits of benefit plans.

Tax services consist of all services performed by the independent registered public accounting firm's tax personnel, except those services specifically related to the audit or review of financial statements, and include tax return preparation and compliance and tax planning and advice.

Other services consist of those services permitted to be provided by the independent registered public accounting firm but not included in the other three categories. None were provided in 2006 or 2007.

The Audit Committee of the Company's Board of Directors has established a policy to pre-approve all audit and permitted non-audit services provided by the independent registered public accounting firm. Prior to engagement of the accounting firm for the next year's audit, management and the accounting firm submit to the Audit Committee a description of the audit and permitted non-audit services expected to be provided during that year for each of the four categories of services described above, together with a fee proposal for those services. Prior to the engagement of the independent registered public accounting firm, the Audit Committee considers with management and the accounting firm and approves (or revises) both the description of audit and permitted non-audit services proposed and the budget for those services. If circumstances arise during the year when it becomes necessary to engage the firm for additional services not contemplated in the original pre-approval, the Audit Committee at its regularly scheduled meetings requires separate pre-approval before engaging the independent registered public accounting firm. To ensure prompt handling of unexpected matters, the committee may delegate pre-approval authority to one or more of its members who report any pre-approval decisions to the committee at its next scheduled meeting. For 2006 and 2007, all of the audit and permitted non-audit services described above were pre-approved under the policy.

SHAREHOLDING INFORMATION

Class A and Class B Common Shares

The following table contains information concerning the only persons known to the Company to be the beneficial owners of more than five percent of the outstanding class A common shares or class B common shares of the Company.

Orient-Express Holdings 1 Ltd. ("Holdings") listed in the table below is a wholly-owned subsidiary of the Company, owns all of the outstanding 18,044,478 class B common shares in the Company, and has sole voting and dispositive power over these shares. Under Bermuda law, the shares owned by Holdings are outstanding and may be voted. Each class B common share is convertible at any time at the holder's option into one class A common share of the Company and, therefore, the number of shares shown below would

also represent the number of class A common shares into which the class B common shares are convertible.

Voting and dispositive power with respect to the class B common shares owned by Holdings is exercised by its Board of Directors, who are Ms. Leith, Messrs. Campbell and James Sherwood and two other persons who are not directors or officers of the Company. Each of these persons may be deemed to share beneficial ownership of the class B common shares owned by Holdings for which he or she serves as a director, as well as the class A common shares into which those class B common shares are convertible, but is not shown in the table below.

Name and Address	Number of Class A and Class B Shares	Percent of Class A Shares(1)	Percent of Class B Shares
Orient-Express Holdings 1 Ltd 22 Victoria Street Hamilton HM 12 Bermuda	18,044,478	29.8%	100.0%
The Indian Hotels Co. Ltd. and Samsara Properties Ltd.(2) Mandlik House, Mandlik Road Mumbai 400 001, India	4,880,764(7)	11.5%	—
Jumeirah Assets LLC et al.(3) c/o Dubai Holding Emirates Towers/Offices, Level 49 P.O. Box 73311 Dubai, United Arab Emirates	3,911,611(7)	9.2%	—
SAC Capital Advisors LLC et al.(4) 72 Cummings Point Road Stamford, Connecticut 06902	3,185,400(7)	7.5%	—
D.E. Shaw & Co. LP et al.(5) 120 West 45 th Street Tower 45, 39 th Floor New York, New York 10036	2,431,218(7)	5.7%	—
BlackRock Inc.(6) 40 East 52 nd Street New York, New York 10022	2,206,313(7)	5.2%	—

(1) Each percentage of class A common shares shown in the table is based on 42,469,500 class A common shares outstanding on April 18, 2008, plus the class A shares issuable upon conversion of the class B common shares beneficially owned by that person, if any.

(2) The information with respect to The Indian Hotels Co. Ltd. (“Indian Hotels”) and its subsidiary Samsara Properties Ltd. relates only to class A common shares and is derived from their joint Schedule 13D report as amended as of December 19, 2007 and filed with the U.S. Securities and Exchange Commission on that date. The report states that these companies have shared voting and dispositive power with respect to 4,880,764 class A shares.

- (3) The information with respect to Jumeirah Assets LLC (“Jumeirah”) relates only to class A common shares and is derived from the joint Schedule 13D report as of October 18, 2007 and filed with the U.S. Securities and Exchange Commission on that date by Jumeirah, Dubai Holding Commercial Operations Group LLC, Dubai Holding LLC, and Mohammad Abdulla Ali Al Gergawi. The report states that these companies and Mr. Gergawi have shared voting and dispositive power with respect to 3,911,611 class A shares.
- (4) The information with respect to SAC Capital Advisors LLC (“SAC Capital Advisors”) relates only to class A common shares and is derived from the joint Schedule 13G report as of February 14, 2008 and filed with the U.S. Securities and Exchange Commission on February 15, 2008 by SAC Capital Advisors, SAC Capital Management LLC (“SAC Capital Management”), CR Intrinsic Investors LLC (“CR Intrinsic Investors”), CR Intrinsic Investments LLC (“CR Intrinsic Investments”) and Steven A. Cohen. The report states that (a) Mr. Cohen controls SAC Capital Advisors, SAC Capital Management and CR Intrinsic Investors, (b) CR Intrinsic Investments is a subsidiary of SAC Capital Associates LLC which has investment management agreements with SAC Capital Advisors and SAC Capital Management, (c) CR Intrinsic Investors has an investment management agreement with CR Intrinsic Investments, (d) SAC Capital Advisors and SAC Capital Management have shared voting and dispositive power with respect to 25,000 class A shares, (e) CR Intrinsic Investors and CR Intrinsic Investments have shared voting and dispositive power with respect to 3,160,400 class A shares, and (f) Mr. Cohen has shared voting and dispositive power with respect to 3,185,400 class A shares.
- (5) The information with respect to D.E. Shaw & Co. LP (“D.E. Shaw”) relates only to class A common shares and is derived from the joint Schedule 13D report as of February 12, 2008 and filed with the U.S. Securities and Exchange Commission on February 13, 2008 by D.E. Shaw, D.E. Shaw Valence Portfolios LLC (“Valence”), D.E. Shaw Oculus Portfolios LLC (“Oculus”), D.E. Shaw & Co. LLC (“Shaw LLC”) and David E. Shaw. The report states that (a) Mr. Shaw is President and sole shareholder of D.E. Shaw & Co. Inc. which is the general partner of D.E. Shaw which in turn is the managing member and investment adviser of Valence and the investment adviser of Oculus, (b) Mr. Shaw is President and sole shareholder of D.E. Shaw & Co. II Inc. which is the managing member of Shaw LLC which in turn is the managing member of Oculus, (c) D.E. Shaw and Mr. Shaw have shared voting and dispositive power with respect to 2,431,218 class A shares, (d) Valence has shared voting and dispositive power with respect to 2,256,365 class A shares, and (e) Oculus and Shaw LLC have shared voting and dispositive power with respect to 174,853 class A shares including 31 class A shares beneficially owned by D.E. Shaw Synoptic Portfolios 2 LLC.
- (6) The information with respect to BlackRock Inc. (“BlackRock”) relates only to class A common shares and is derived from its Schedule 13G report as of February 8, 2008 and filed with the U.S. Securities and Exchange Commission on that date. The report states that (a) BlackRock is a parent holding company and an investment adviser, (b) certain subsidiaries of BlackRock (BlackRock Advisors LLC, BlackRock Capital Management Inc., BlackRock Financial Management Inc., BlackRock Investment Management LLC, BlackRock Japan Co. Ltd., and State Street Research & Management Co.) are investment advisers that hold class A shares, and (c) BlackRock has shared voting and dispositive power with respect to 2,206,313 class A shares.
- (7) Class A common shares only.

Directors and Executive Officers

The following table contains information concerning the beneficial ownership as of April 18, 2008 of class A common shares of the Company by each director and executive officer of the Company, and by all directors and executive officers of the Company as a group. Each person has sole voting and dispositive power with respect to his or her shares except Mr. Campbell, who shares voting and dispositive power with respect to all his shares, Mr. Lovejoy, who shares dispositive power with respect to 200 class A common shares, and Mr. James Sherwood, who shares voting and dispositive power with respect to 10,300 class A common shares although he disclaims beneficial ownership of these shares. Each individual's holding is less than one percent of the class A common shares outstanding, other than Mr. Sherwood with 1.3%. The group total includes 95,000 class A common shares covered by exercisable stock options held by directors and executive officers under the Company's 2000 and 2004 Stock Option Plans which, together with the other shares owned by directors and executive officers, represents 1.6% of the class A common shares outstanding.

Ms. Leith and Messrs. Campbell and James Sherwood are directors of Holdings, but the shares owned by Holdings shown in the table immediately above are not included in the following table.

<u>Name</u>	<u>Number of Class A Shares</u>
Filip J. M. Boyen	—
John D. Campbell	1,000
Roger V. Collins	—
Edwin S. Hetherington	1,000
James B. Hurlock	1,000
Pippa Isbell	650
Prudence M. Leith.	—
J. Robert Lovejoy	5,200
Martin O'Grady	—
Georg R. Rafael	2,500
Maurizio Saccani	—
James B. Sherwood	545,295
Nicholas R. Varian	600
Paul M. White	7,500
David C. Williams	1,000
All directors and executive officers as a group (15 persons), including 95,000 class A common shares issuable upon exercise of currently exercisable stock options	660,745

OTHER MATTERS

Proxies are being solicited herein by and on behalf of the Board of Directors. The cost of soliciting proxies (including a fee of \$5,000 to be paid to Georgeson Inc. as proxy solicitor) will be borne by the Company.

The Company is incorporated in the Islands of Bermuda and is a “foreign private issuer” within the meaning of the rules of the U.S. Securities Exchange Commission. As such, the Company is exempt from the Commission’s rules relating to the disclosure and procedural requirements for proxy solicitations. For example, under “Proposal 1—Election of Directors—Executive Compensation” above, the Company is providing executive compensation disclosure in accordance with Item 402(a)(1) of the Commission’s Regulation S-K. In addition, directors, officers and ten percent shareholders of the Company are exempt from the reporting and “short-swing profits” liability provisions in Section 16 of the U.S. Securities Exchange Act of 1934. The Company has elected to file annual and periodic reports with the Commission on forms applicable to United States domestic issuers (Forms 10-K, 10-Q and 8-K, including the certifications required by Item 601(b)(31) of Regulation S-K) although it is eligible to file such reports on other forms available to foreign private issuers.

By order of the Board of Directors,

PAUL M. WHITE
President and Chief Executive Officer

April 21, 2008

