



Supplementary Information – restated for IFRS 16

31 December 2018



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- Revenue & Operating Profit – 2017-2018
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Revenue & Operating Profit 2017-2018 (restated*)

	Total Revenue			Total Operating Profit		
	Half Year	Full Year		Half Year	Full Year	
	2018	2018	2017	2018	2018	2017
Fee Business	413	853	811	312	638	613
Owned, Leased & Managed Leases	101	198	188	22	35	35
Total Americas	514	1,051	999	334	673	648
Fee Business	153	320	294	95	202	167
Owned, Leased & Managed Leases	80	249	163	0	4	8
Total EMEAA	233	569	457	95	206	175
Fee Business	69	143	117	32	70	53
Total Greater China	69	143	117	32	70	53
Central Results	84	170	157	(48)	(117)	(102)
Total Reportable Segments	900	1,933	1,730	413	832	774
System Fund	618	1,233	1,242	(12)	(146)	(34)
Reimbursement of costs	595	1,171	1,103			
Total IHG	2,113	4,337	4,075	401	686	740

* Restated for the adoption of IFRS 16.

Free Cash Flow Generation (restated*)

\$m	12 months to 31 Dec 2018	6 months to 30 June 2018	12 months to 31 Dec 2017
Operating profit from reportable segments ¹	832	413	774
System Fund result ²	(99)	18	(25)
Depreciation & amortisation ³	164	73	153
Working capital & other movements	4	(173)	(2)
Loyalty programme deferred revenue net movement	124	73	24
Equity-settled share-based cost	38	19	27
Retirement benefit contributions, net of cost	(12)	(12)	(1)
Purchase of shares by employee share trusts	(3)	(3)	(3)
Cash flows relating to exceptional items ⁴	(137)	(55)	(44)
Net interest paid & similar charges	(85)	(20)	(86)
Tax paid ⁵	(66)	(5)	(147)
Lease payments	(35)	(17)	(25)
Capital expenditure: key money	(56)	(25)	(57)
Capital expenditure: maintenance	(60)	(25)	(72)
Free cash flow	609	261	516

* Restated for the adoption of IFRS 16.

1. Before System Fund result and exceptional items.
2. System Fund result stated before exceptional cost of \$47m (6 months to 30 June 2018 \$30m, 12 months to 31 December 2017 \$9m) in relation to efficiency programme.
3. Includes System Fund depreciation & amortisation of \$49m (6 months to 30 June 2018 \$18m, 12 months to 31 December 2017 \$41m).
4. Includes \$106m (6 months to 30 June 2018 \$48m, 12 months to 31 December 2017 \$31m) relating to the efficiency programme (\$47m (6 months to 30 June 2018 \$16m, 12 months to 31 December 2017 \$9m) in relation to the System Fund).
5. Excludes tax paid on disposals.

Uses of Free Cash Flow (restated*)

\$m	12 months to 31 Dec 2018	6 months to 30 June 2018	12 months to 31 Dec 2017
Free cash flow	609	261	516
Capital expenditure: Recyclable investments	(38)	(32)	(85)
Capital expenditure: System Fund investment	(99)	(50)	(142)
Loans repaid by associates and joint ventures	-	-	9
Acquisitions	(38)	-	-
Disposal proceeds – Avendra	-	-	75
Distributions from associates and joint ventures	32	-	-
Disposal receipts: Other	10	2	20
Tax paid – disposals	(2)	-	(25)
Ordinary dividend	(199)	(130)	(189)
Special dividend	-	-	(404)
Dividends paid to non-controlling interests	(1)	(1)	(3)
Currency swap proceeds	3	-	-
Net cash inflow/(outflow)	277	50	(228)
Exchange, lease repayments & other non-cash items	11	5	(129)
Opening net debt	(2,253)	(2,253)	(1,896)
Closing net debt	(1,965)	(2,198)	(2,253)

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