



InterContinental Barclay, New York, USA

Annual General Meeting

5th May 2017



Holiday Inn Resort, Sanya Yalong Bay, China

Patrick Cescau
Chairman





Hotel Indigo, Los Angeles, USA

Richard Solomons

Chief Executive Officer

Q1 trading update – confident in the outlook for 2017

Solid Q1 performance

- 2.7% RevPAR growth
- 7 thousand rooms opened; 3.4% net system growth year-on-year
- 14 thousand rooms signed, taking pipeline to 232 thousand rooms

Enhancing portfolio of preferred brands

- Signed 112 hotels, our highest Q1 hotel signings since 2008
- Opened 300th hotel in China
- Expanded our “Franchise Plus” model with 25th signing and 1st opening

Driving direct revenues

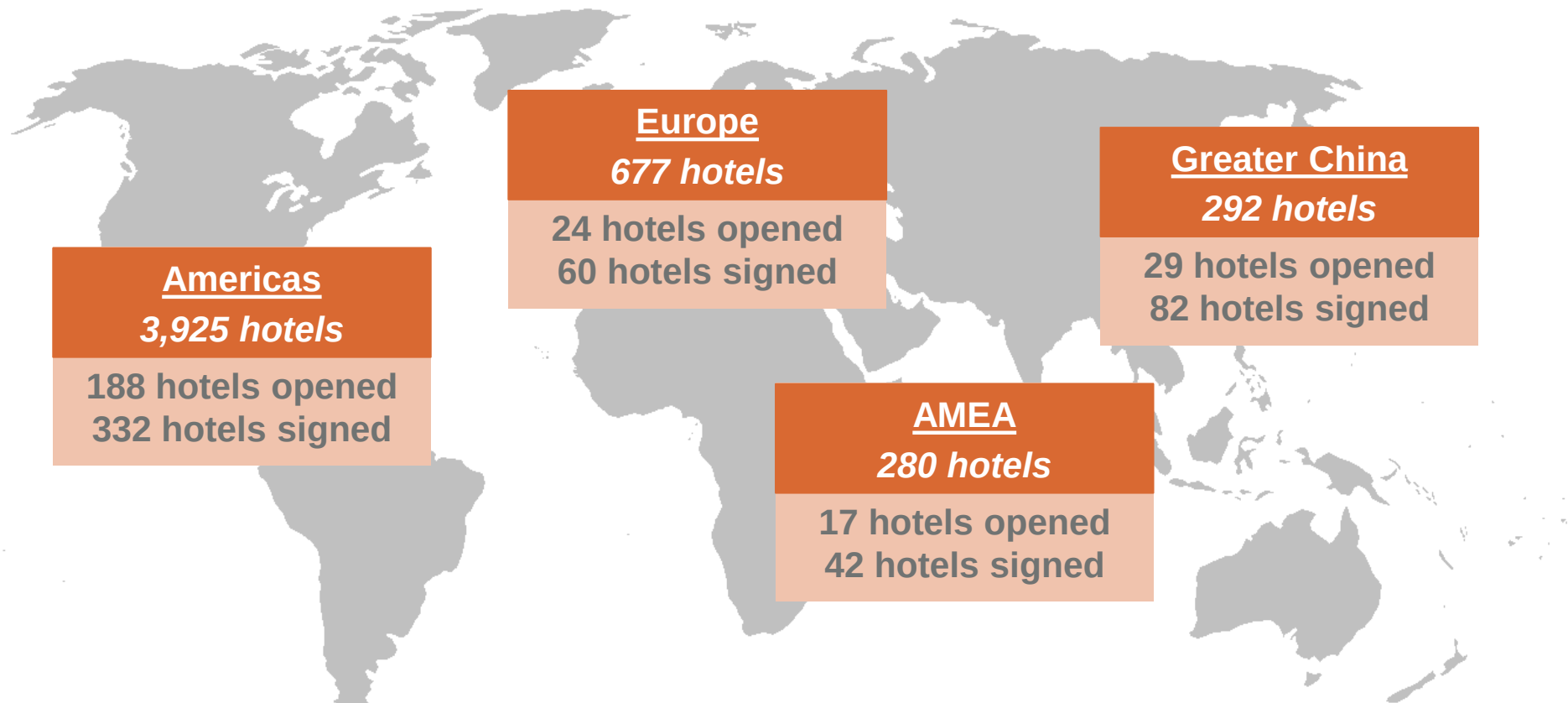
- “Your Rate by IHG Rewards Club” continues to drive direct bookings
- Guest Reservation System (GRS) on track to begin rollout by end of 2017

2016 highlights – consistent execution of our winning strategy

Solid financial performance	• RevPAR up 1.8%, in line with major peers • Underlying¹ fee revenue up 4.4%, underlying¹ operating profit up 9.5%
Building relevant scale	• 40 thousand rooms opened; 3.1% net system growth • Fee operating profit margin up 3.3%pts to 48.8%
Strengthening our portfolio of preferred brands	• 18 InterContinental Hotels & Resorts properties signed • Holiday Inn and Holiday Inn Express: new design rollout • Crowne Plaza: \$200m multi-year investment in the US to drive preference
Disciplined capital allocation	• Announced \$400m special dividend with share consolidation – first since completion of major asset disposal programme • 11% increase in ordinary dividend

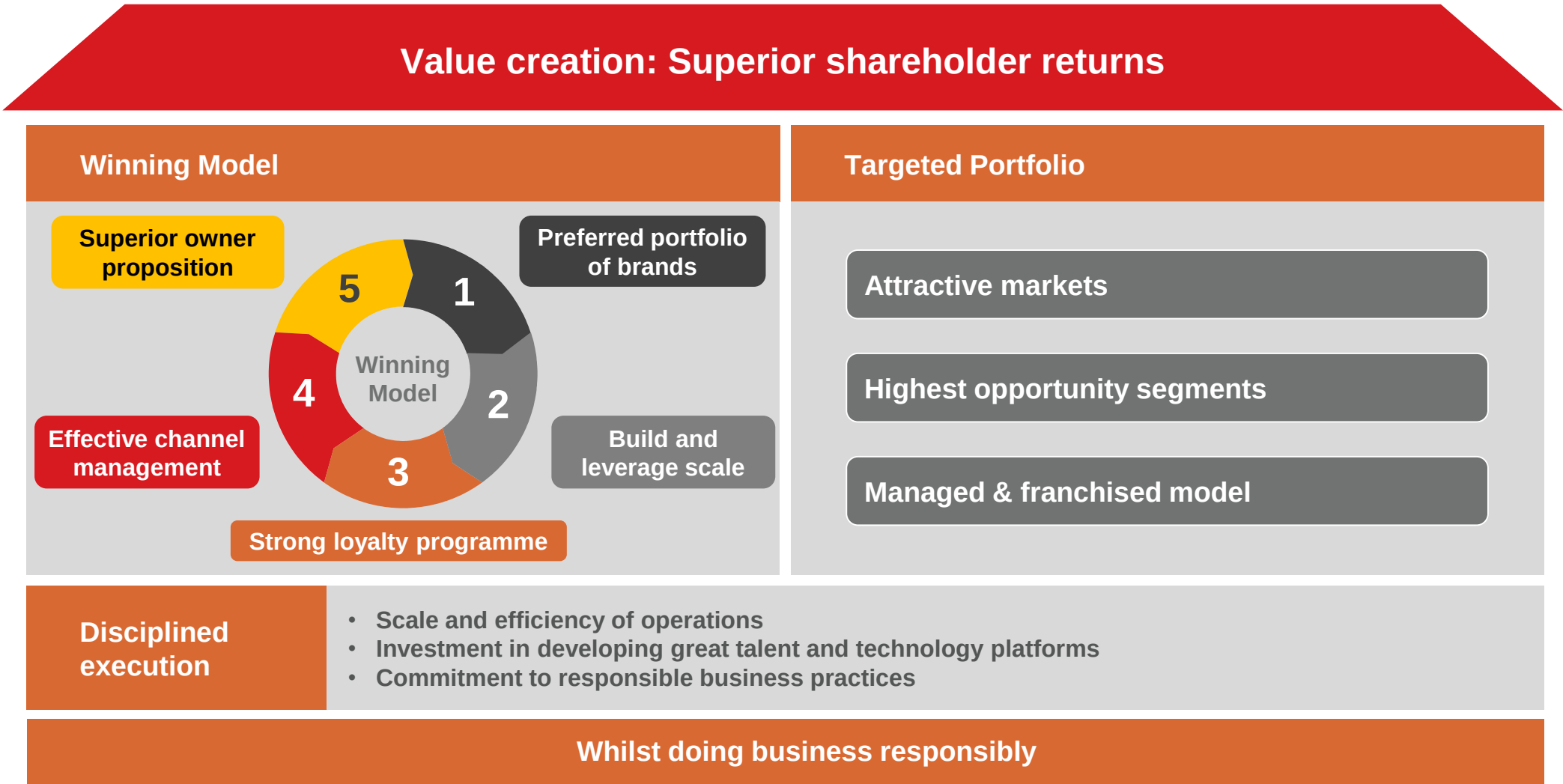
¹Underlying excludes owned asset disposals, managed leases and significant liquidated damages at constant FY15 exchange rates (CER).
All figures before exceptional items unless otherwise noted.

2016 highlights – openings & signings



Group: 5,174 hotels : 258 hotels opened, 516 hotels signed

Consistent execution of our winning strategy drives high quality growth



IHG's differentiated brand portfolio addresses a range of stay occasions



Holiday Inn – the leading global mainstream brand family



**25% of open
rooms in Upper
Midscale segment
globally**

**\$13bn
Total Gross
Revenues

(+4.1% growth)**

**1/3 of global
pipeline in Upper
Midscale segment
globally**

**2 times the size of
its nearest global
competitor**

¹Source: STR census and active pipeline data, 7 January 2017. IHG FY2016 actuals.

Total Gross Revenue = total rooms revenue from franchise hotels and total hotel revenue from managed, owned and managed lease hotels; Growth at CER.

Holiday Inn Amsterdam – Open Lobby



Holiday Inn – The Joy of Travel for all since 1952

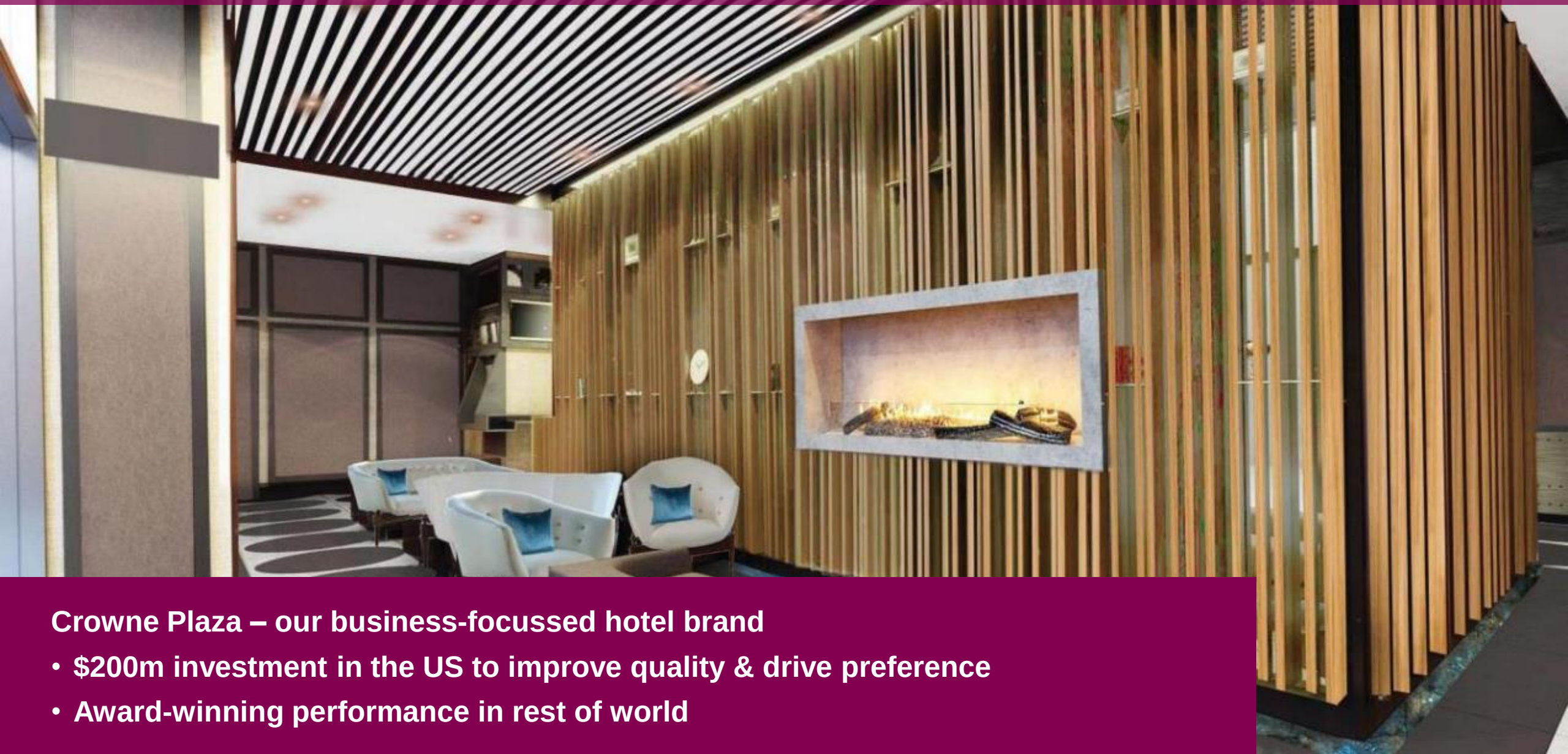
- “Open Lobby” – already in 52 hotels in Europe, expected in 100 by end 2017
- Driving significant uplifts in guest satisfaction and hotel revenues

Holiday Inn Express, Omaha Airport – Formula Blue Public Area



Holiday Inn Express – world's largest hotel brand

- New public space design in over 800 open or pipeline hotels – in 2/3 estate by 2020
- Driving guest satisfaction and hotel revenues uplifts



Crowne Plaza – our business-focussed hotel brand

- \$200m investment in the US to improve quality & drive preference
- Award-winning performance in rest of world

Kimpton Seafire Resort & Spa, Grand Cayman



Kimpton – boutique offering in Upper Upscale

- Opened 1st non-US hotel, Kimpton Seafire Spa & Resort, Grand Cayman
- Amsterdam signed in January 2016, opening in Q2 2017; Paris signed in July 2016

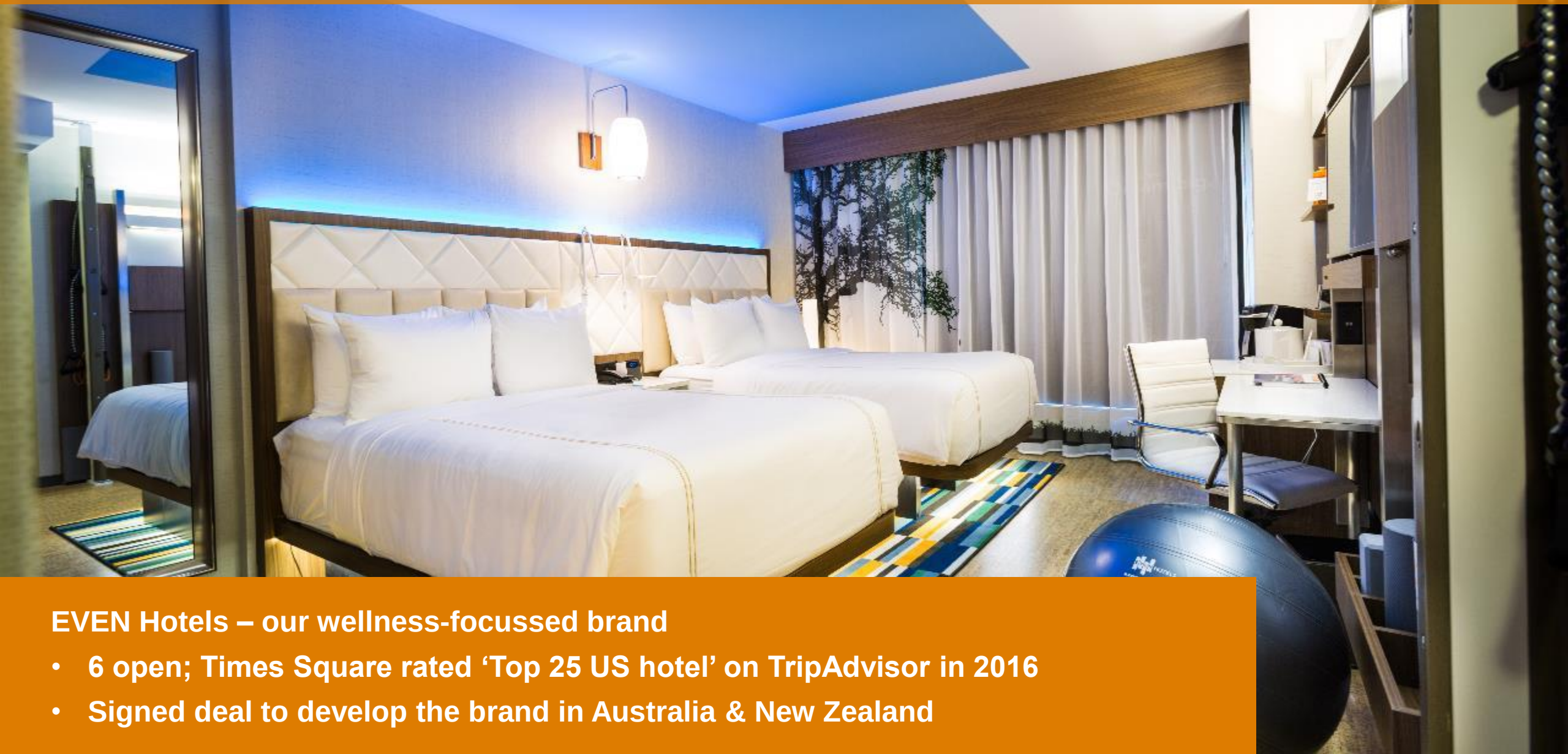
A photograph of a modern hotel room with a large window and a balcony. The room features a dark, curved wall on the left, a grey sofa, a colorful armchair, and a wooden coffee table. The balcony has a glass railing and a view of the New York City skyline, including the Freedom Tower. The text "Hotel Indigo Lower East Side, New York City" is overlaid in the top right corner.

Hotel Indigo Lower East Side, New York City

Hotel Indigo – world's first branded boutique hotel

- Opened 75th Hotel Indigo in 2016
- New country openings and signings

EVEN Hotel Times Square South, New York City



EVEN Hotels – our wellness-focussed brand

- 6 open; Times Square rated ‘Top 25 US hotel’ on TripAdvisor in 2016
- Signed deal to develop the brand in Australia & New Zealand



HUALUXE – first international hotel brand designed for Chinese travellers

- Fifth opening in Q1 2017; over 20 in the pipeline
- All hotels in the top 10 on TripAdvisor¹

¹ As at 17 January 2017, no score available for Kunming or for Zhangjiakou

Our IHG masterbrand – a reputation for trust & responsibility

IHG®


INTERCONTINENTAL
HOTELS & RESORTS

 hotel
INDIGO

KIMPTON®
HOTELS & RESTAURANTS

 EVEN HOTELS


HUALUXE
HOTELS AND RESORTS
華星酒店及度假村*


CROWNE PLAZA®
HOTELS & RESORTS


Holiday Inn

 Holiday Inn
Club Vacations

 Holiday Inn
Express

 Holiday Inn
Resort

STAYBRIDGE
SUITES

 CANDLEWOOD
SUITES

IHG® Rewards
Club*

*IHG® Rewards Club not applicable to Kimpton® Hotels & Restaurants; to be included at a future date.

AN IHG® HOTEL



Investing in China

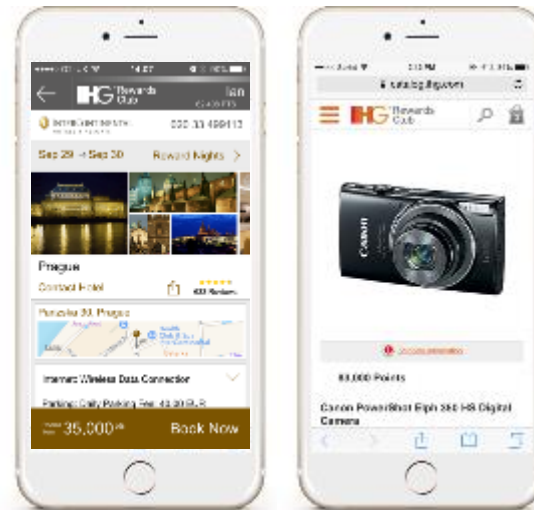
- First international branded hotel company (1984); standalone region (2011)
- \$2.6bn in revenues – 10% of Total Gross Revenues
- New franchising solution – ‘Franchise Plus’ – 25 deals signed; 1 hotel open

Enhancements to IHG Rewards Club driving loyalty

Improved status recognition



Better redemption options



Exclusive member pricing

Your Rate by IHG®
Rewards Club



IHG® Rewards Club

Investments in digital technology enhancing IHG's competitive advantage

Sales & Marketing

- Targeted 1-to-1 marketing



Direct Channels

- Multi award-winning App, rated ★★★★★



Loyalty & Lifetime Relationships

- Stay preferences – personalised experiences



Guest Innovation & Experience

- IHG Connect – enabling easy internet access



Guest Reservation System rollout beginning in late 2017

amadeus



- Leading provider of advanced technology solutions for the global travel industry
- Amadeus is creating the back-end booking system

IHG[®]



IHG will continue to own and develop the customer facing technology, and be able to offer:

- Personalisation of offers and upgrades
- Upselling opportunities
- Improved revenue management

Our commitment to operating our business responsibly underpins our entire strategy

IHG[®]
Academy



- Helps people build skills to improve their employment prospects.
- 11,985 participants in 2016

IHG
Green Engage[™]



- Online tool that minimises hotels' impact on the environment.
- ~7% reduction in carbon footprint per occupied room (2013 to 2016)

IHG[®]
Foundation



- Helps communities develop hospitality skills, supports those impacted by disasters, and protects the environment.
- 34 grants to 25 organisations in 2016

2016 Awards

People



Brands



Responsible Business



Conclusion & Outlook

Consistently executed strategy, driving high quality growth

Continue to invest in key brands and markets

Asset-light, cash generative model driving superior shareholder returns

Confidence in the future growth prospects of the business



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Resolutions

1. Report and Accounts 2016
2. Directors' Remuneration Policy
3. Directors' Remuneration Report 2016
4. Declaration of final dividend
5. Election and Re-election of Directors
6. Reappointment of Auditor
7. Remuneration of Auditor
8. Political donations
9. Share consolidation
10. Allotment of shares
11. Disapplication of pre-emption rights
12. Further disapplication of pre-exemption rights
13. Authority to purchase own shares
14. Notice of General Meetings



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