Annual General Meeting

3rd May 2019

IHG®

Patrick Cescau

Chairman

Placeholder – Chairman's video

Patrick Cescau

Chairman

Keith Barr

Chief Executive Officer

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Q1 trading update
- early progress in 2019

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Good Q1 performance

- 0.3% RevPAR growth
- 5.4% net system size growth year-on-year, taking our system to 843k rooms
- 12k rooms opened, up >50% on Q1 last year
- 24k rooms signed – our strongest Q1 pace for 12 years

Optimising our brand portfolio

- Luxury: expanding our portfolio through acquisition of Six Senses, and opened second Kimpton property in the UK, in Edinburgh
- Upscale: new upscale brand, voco, growing at pace with 5 hotels open and a further 12 deals signed since launch
- Mainstream: announced plans to launch a new all suites brand in the upper midscale segment

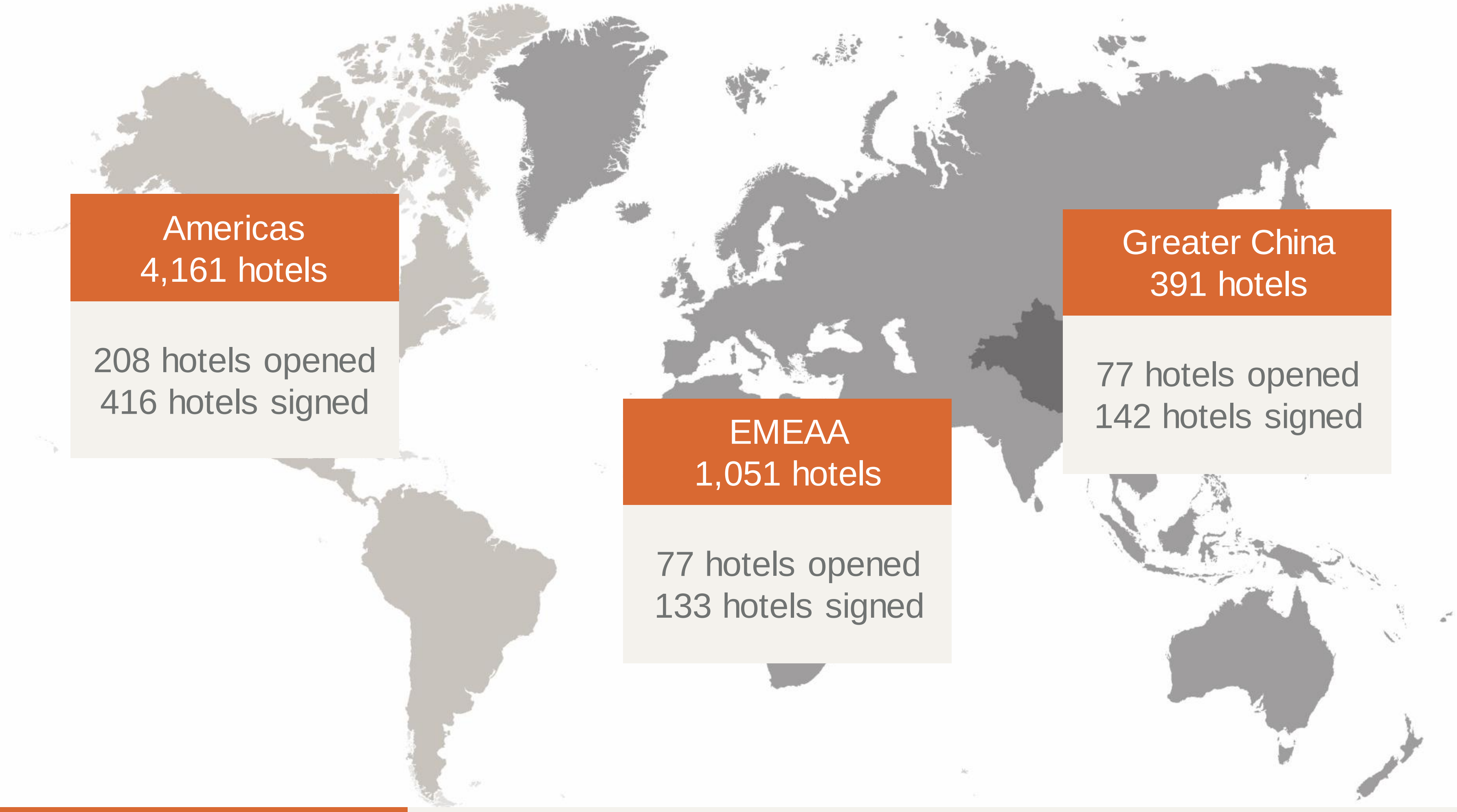
Efficiency programme on target

- Well on track to delivering $125m of annual savings by 2020 for reinvestment
- Continue to expect $200m of exceptional cash costs to achieve

2018 Highlights
- delivered a strong financial performance whilst executing against strategic initiatives

Solid financial delivery	• 2.5% RevPAR growth • 6% underlying revenue growth • 6% underlying operating profit growth • 10% ordinary dividend growth and $500m special dividend announcement
Accelerating scale growth	• 4.8% net system size growth – strongest growth for a decade • 99k rooms signed, taking pipeline to 271k
Strengthening our enterprise	• Continued to strengthen our established brands, which drove the bulk of our growth • IHG Concerto, which incorporates our new Guest Reservation System, now rolled out to all hotels • Enhanced our portfolio of preferred brands: – Midscale brand, avid, growing at pace with >180 signings to date and brand launched in Europe – Acquired and repositioned Regent Hotels & Resorts, with 3 new signings since acquisition

2018 Highlights
- highest number of signings for a decade



Americas
4,161 hotels

208 hotels opened
416 hotels signed

Greater China
391 hotels

77 hotels opened
142 hotels signed

EMEAA
1,051 hotels

77 hotels opened
133 hotels signed

Group: 5,603 hotels 362 hotels opened, 691 hotels signed

Placeholder – Keith’s video

2018 Highlights
- highest number of signings for a decade

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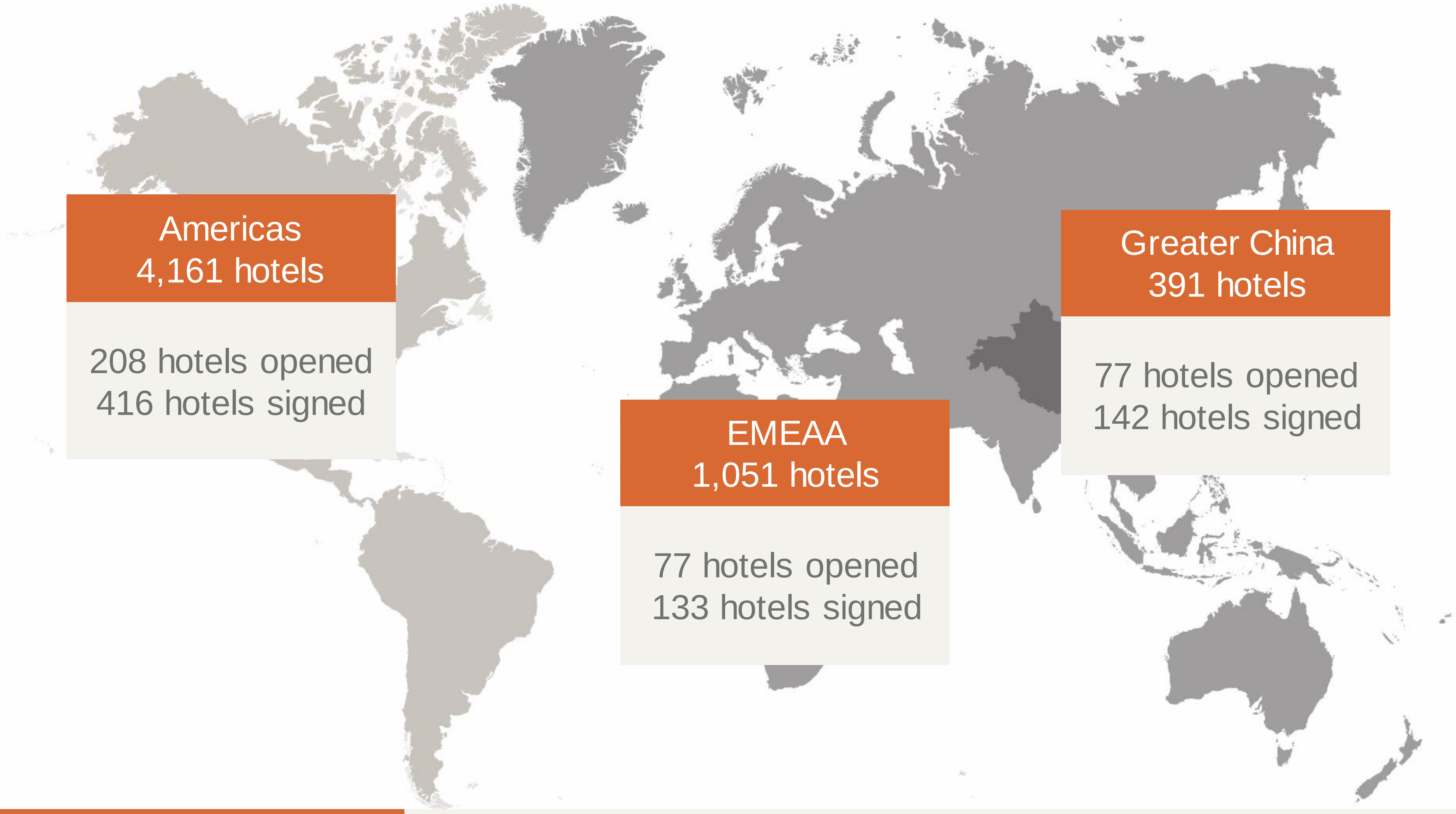


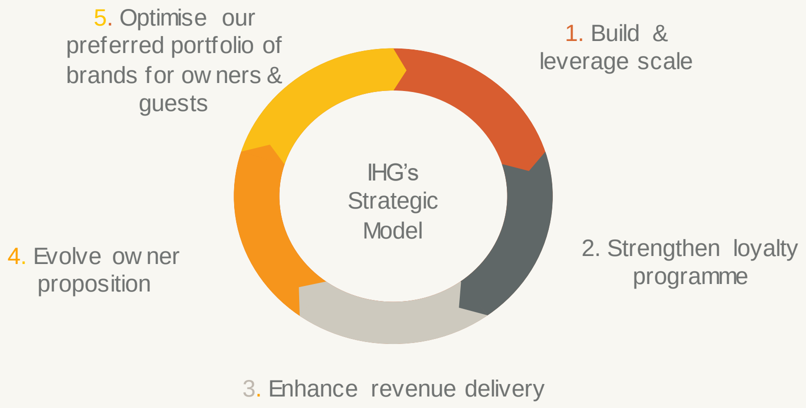
Group: 5,603 hotels

362 hotels opened, 691 hotels signed

We have a clearly defined strategy which will continue to drive superior shareholder returns

Value creation: delivering industry-leading medium term net rooms growth

Model



Targeted portfolio

- Attractive markets
- Highest opportunity segments
- Managed & franchised model

Disciplined execution

- New organisational design will redeploy resources to leverage scale and accelerate growth
- Initiatives funded by company-wide efficiency programme
- Capital discipline & balance sheet philosophy remain unchanged

Whilst doing business responsibly

True Hospitality
- putting responsible business at the heart of everything we do

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Our Culture

- Promoting responsible business attitudes and ethics
- Top 10 company in Hampton Alexander review
- External recognition

Our Hotels

- Safety & Security
- Developing colleagues
- Environmental impact
- Sourcing responsibly

Our Communities

- IHG Academy
- Charitable Partnerships
- Volunteering
- Disaster Relief

True Hospitality
- putting responsible business at the heart of everything we do

Climate Change & Energy

- Continued to reduce carbon footprint year on year
- IHG Green Engage system helped hotels avoid $67m of costs last year

Waste

- Commitment to eliminate single use plastic straws from estate
- Trialling innovative waste management technology

Water

- Conducted industry's most comprehensive water risk assessment
- Launched water stewardship projects in London and Delhi

Supporting our Communities

- IHG Academy helped >13.5k people last year
- >139k colleagues involved in community impact activities in 2018

Update on strategic initiatives
– on track to deliver industry leading net system size growth

5. Optimise our preferred portfolio of brands for owners & guests

- Strengthening established brands
- Enhancing portfolio with new brand launches and acquisitions

4. Evolve owner proposition

- Investments in development resources driving signings pace
- Franchise Plus preferred model for Holiday Inn Express owners in Greater China

1. Build & leverage scale

- New organisational structure embedded across the business
- Efficiency programme savings fully reinvested in growth initiatives

2. Strengthen loyalty programme

- Enhancing programme to drive member engagement
- +4%pts contribution growth in 4 years

3. Enhance revenue delivery

- IHG Concerto fully rolled out across estate
- Piloting additional GRS functionality

Optimising our brand portfolio
- our established brands continue to drive the growth of our business

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Established Brands

	Mainstream Segment value[1] = ~$115bn Growth potential = ~$65bn	Upscale Segment value = ~$40bn Growth potential = ~$20bn	Luxury Segment value = ~$60bn Growth potential = ~$35bn
Established Brands	Holiday Inn Holiday Inn Express Holiday Inn Club Vacations Staybridge Suites Candlewood Suites	Crowne Plaza Hotels & Resorts Hualuxe Hotels and Resorts 華邑酒店及度假村 EVEN Hotels Hotel Indigo	InterContinental Hotels & Resorts Kimpton Hotels & Restaurants
IHG Share of Industry System / Rank[2]	16% / 1st	5% / 4th	12% / 2nd
IHG Share of Industry Pipeline / Rank[2]	23% / 1st	8% / 4th	10% / 2nd

[1] STR & IHG estimates; [2] As per STR census data

Mainstream brands
- rolling out new room and public space designs

Holiday Inn Express Medina, USA

Holiday Inn London – Brentford Lock, UK

- **New hotel designs** being rolled out across the Americas and Europe
- Transformed the **breakfast experience** in >1,500 hotels across the Americas in <1 year
- Global roll out of **'Next Generation'** room design continuing at pace, with >100 open & in the pipeline across the Americas
- **'Open Lobby'** new public space designs launched in the Americas and now in 100 properties across Europe

Upscale brands
- rolling out new room and public space designs

Crowne Plaza HY36 Midtown Manhattan, USA

Hotel Indigo The Hague - Palace Noordeinde, Netherlands

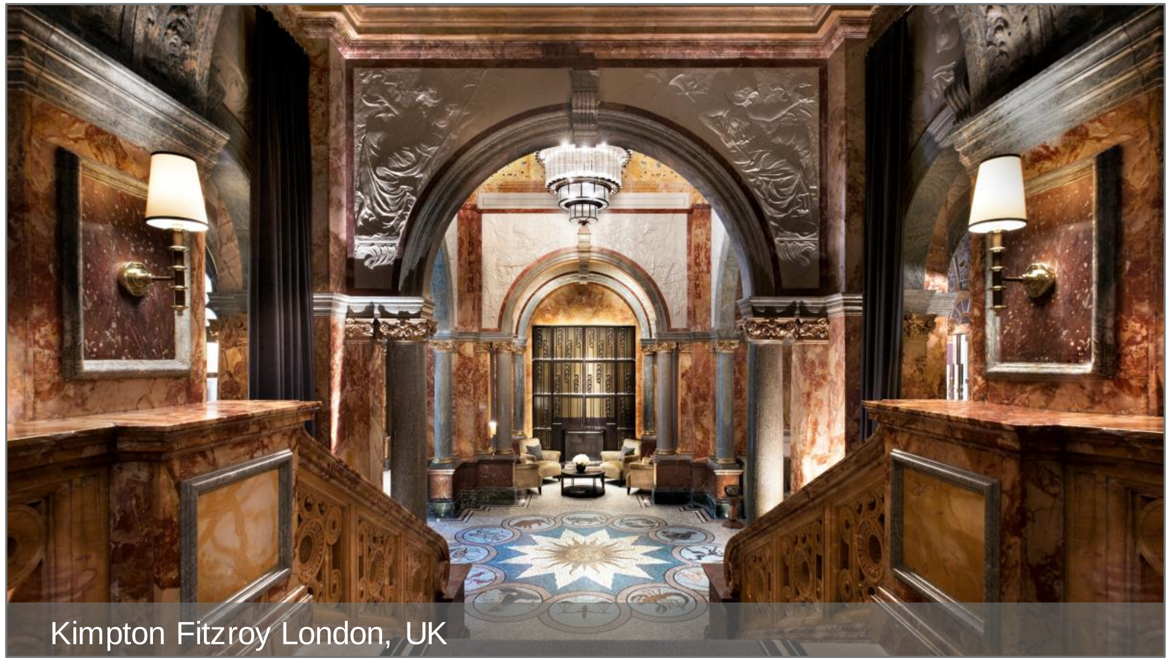
- **$200m Accelerate** programme driving uplifts in Guest Love
- Renovating hotels across the Americas, with **25 Plaza Workspaces** installed
- Continued global growth, with **highest first quarter signings** for the brand in 12 years

- Opened our **100th Hotel Indigo** in 2018
- **Highest ever year** of signings and openings for the brand
- Set to **double the size** of the portfolio over the next 5 years

Luxury brands
- further expansion for InterContinental and Kimpton

InterContinental Shanghai Wonderland, China

- Opened our **200th property** in 2018
- **204** open and **60** pipeline hotels
- Named **'World's Leading Hotel Brand'** for the 12th time at World Travel Awards 2018



Kimpton Fitzroy London, UK

- Opened our **first properties** in the UK – the Kimpton Fitzroy London and Kimpton Charlotte Square Edinburgh
- Signed **18 deals** in 2018; >half outside of the US
- **Best signings performance** since acquiring the brand

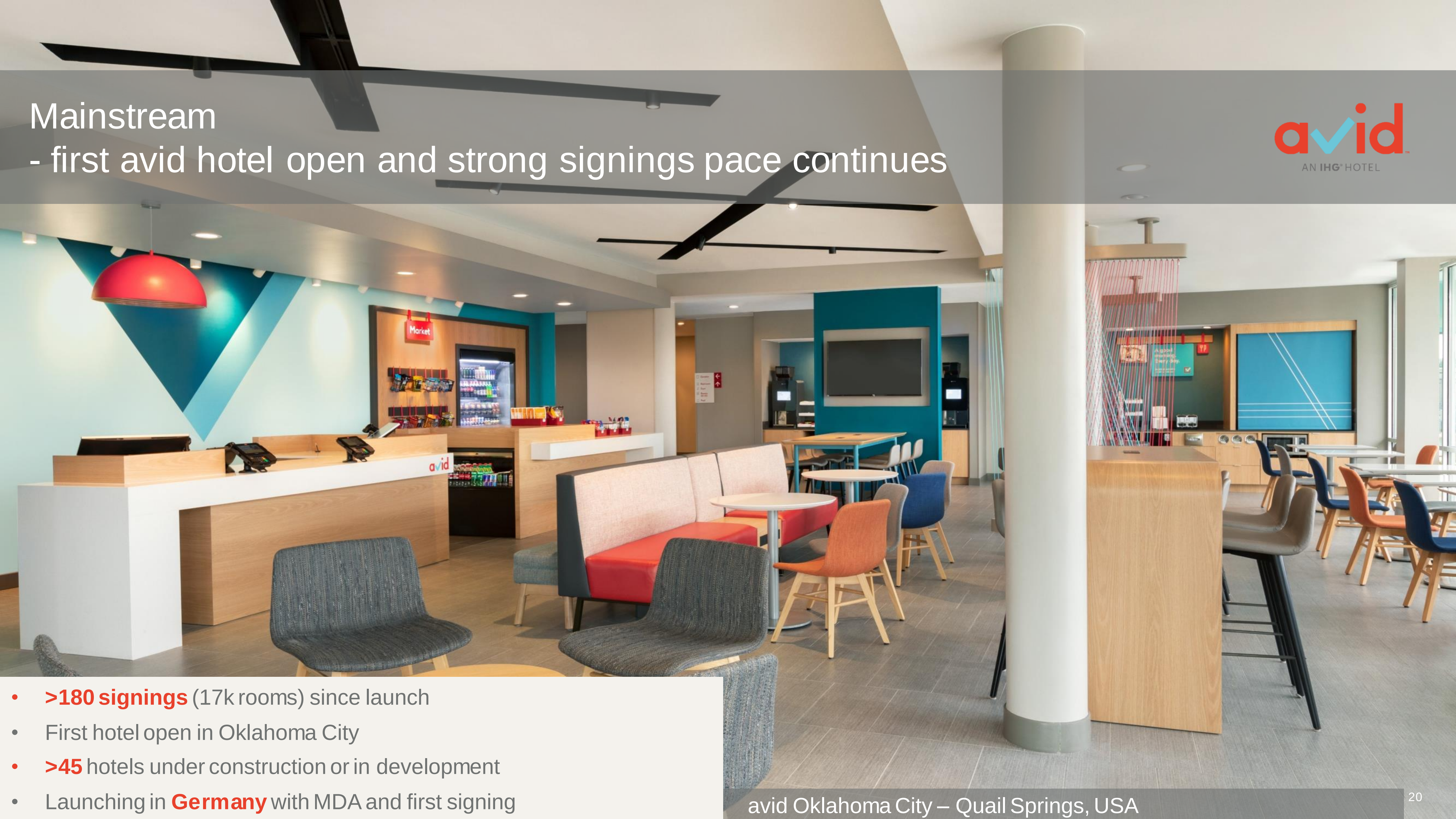
Optimising our brand portfolio
- we have taken a strategic approach to identify opportunities

Mainstream[1]		Upscale	Luxury	
~$115bn global segment[2] ~$65bn of growth to 2025		~$40bn global segment ~$20bn of growth to 2025	~$60bn global segment ~$35bn of growth to 2025	
avid AN IHG HOTEL	Launching new all suites upper-midscale brand in 2019	VOCO AN IHG HOTEL	Regent HOTELS & RESORTS	SIX SENSES HOTELS RESORTS SPAS
• New build only • Select service model • ~$10-15 less than Holiday Inn Express	• Stylish experiences and functional benefits at mainstream price • Options and flexibility for longer stay guests	• Existing hotel owners • Access to IHG systems and revenue delivery • Ideal for conversions	• Top tier luxury offering catering to our most sophisticated guests • IHG is already the operator of the largest global Luxury brand[3]	• Top tier luxury, leisure focused offering • World renowned, resort locations • Reputation for wellness and sustainability

[1.] Mainstream classified as Midscale and Upper-Midscale; [2.] STR and IHG estimates [3.] As per STR data

Mainstream
- first avid hotel open and strong signings pace continues

avid
AN IHG® HOTEL



- **>180 signings** (17k rooms) since launch
- First hotel open in Oklahoma City
- **>45** hotels under construction or in development
- Launching in **Germany** with MDA and first signing

avid Oklahoma City – Quail Springs, USA

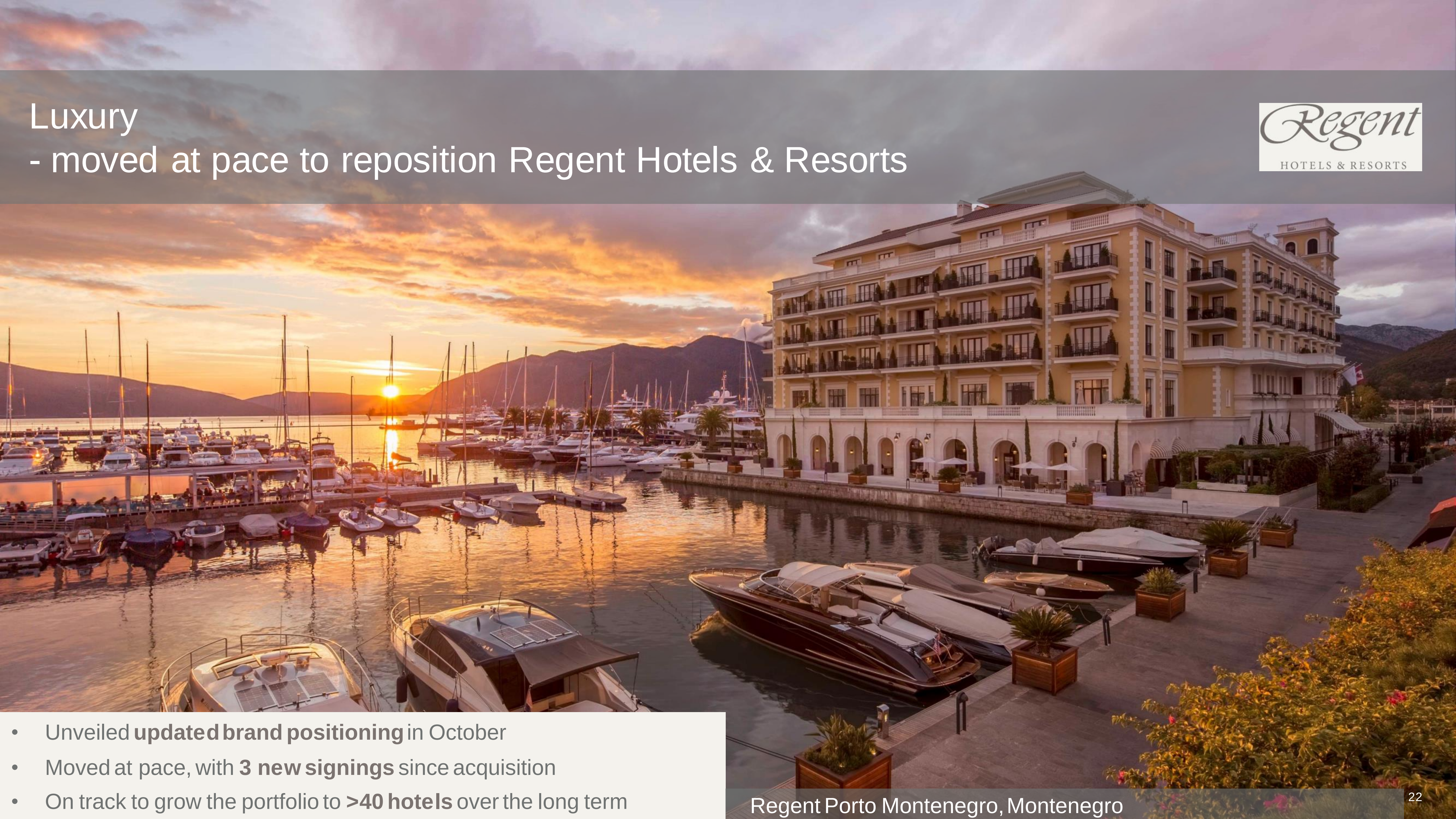
Upscale
- strong owner interest in new upscale brand voco

VOCO
AN IHG® HOTEL

- **5 voco hotels open** across the EMEAA region
- A further **12 hotels signed** to date
- Expect to grow brand to **>200 hotels** in 10 years

voco St. John's Solihull, UK

Luxury
- moved at pace to reposition Regent Hotels & Resorts

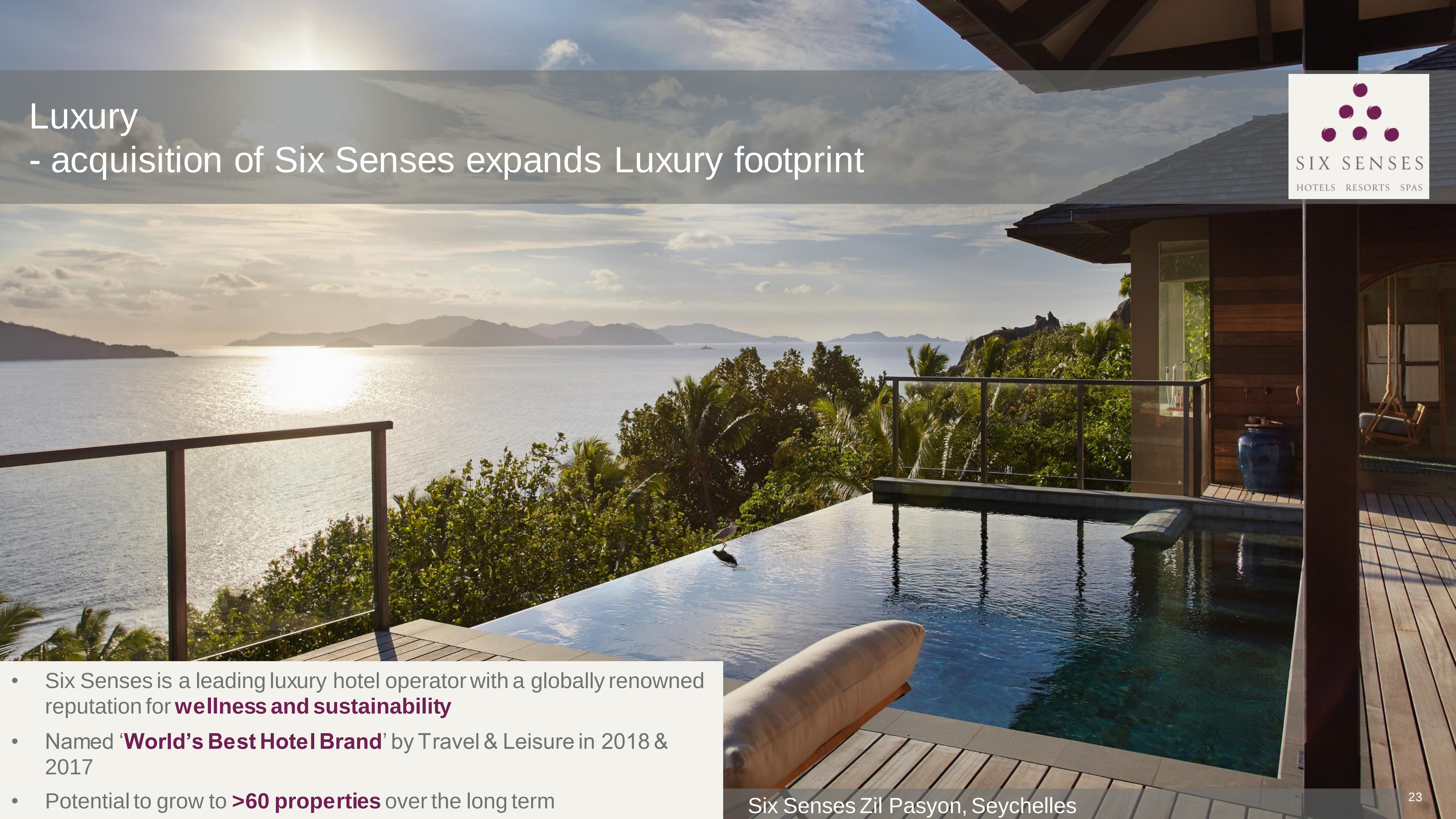


- Unveiled **updated brand positioning** in October
- Moved at pace, with **3 new signings** since acquisition
- On track to grow the portfolio to **>40 hotels** over the long term

Regent Porto Montenegro, Montenegro

Luxury
- acquisition of Six Senses expands Luxury footprint

SIX SENSES
HOTELS RESORTS SPAS



- Six Senses is a leading luxury hotel operator with a globally renowned reputation for **wellness and sustainability**
- Named '**World's Best Hotel Brand**' by Travel & Leisure in 2018 & 2017
- Potential to grow to **>60 properties** over the long term

Six Senses Zil Pasyon, Seychelles

Optimising our brand portfolio
- balanced portfolio gives access to markets with high growth potential

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Mainstream	Upscale	Luxury
Segment value = ~$115bn	Segment value = ~$40bn	Segment value = ~$60bn
Growth potential = ~$65bn	Growth potential = ~$20bn	Growth potential = ~$35bn

Mainstream
- Holiday Inn
- Holiday Inn Express
- Holiday Inn Club Vacations
- New brand launch
- avid AN IHG HOTEL
- Staybridge Suites
- Candlewood Suites

Upscale
- Crowne Plaza Hotels & Resorts
- Hualuxe Hotels and Resorts 華邑酒店及度假村
- voco AN IHG HOTEL
- EVEN Hotels
- Hotel Indigo

Luxury
- Six Senses Hotels Resorts Spas
- Regent Hotels & Resorts
- InterContinental Hotels & Resorts
- Kimpton Hotels & Restaurants

Conclusions

We have delivered a strong performance in 2018

We are executing against our strategic initiatives

We are supported by many positive industry trends

Our strategy will deliver industry-leading net rooms growth over the medium term

We remain committed to returning surplus funds to shareholders

Annual General Meeting

3rd May 2019

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Resolutions

1. Report and Accounts 2018
2. Directors' Remuneration Report 2018
3. Declaration of final dividend
4. Election and re-election of Directors
5. Reappointment of Auditor
6. Remuneration of Auditor
7. Political donations
8. Colleague Share Plan
9. Allotment of shares
10. Disapplication of pre-emption rights
11. Further disapplication of pre-emption rights
12. Authority to purchase own shares
13. Notice of General Meetings

Annual General Meeting

3rd May 2019

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