



# INTERNATIONAL HOTEL INVESTMENTS P.L.C.

## COMPANY ANNOUNCEMENT

### Interim Directors' Statement

IHI is on course to register a record operating profit in its business for the year 2017, driven by a solid underlying performance in all its hotel operations in Europe and beyond. Revenues and operating profits are up on 2016, and ahead of budgets.

IHI has an ownership interest, mostly wholly-owned, in 11 hotels, and its operating company, Corinthia Hotels, manages a further nine hotels on behalf of third party investors, of which three are located in Dubai, whilst others in Brussels and Doha are under various stages of development and construction.

The robust operating performance is the result of buoyant market conditions in the countries where IHI has a presence, as well as Corinthia Hotels' increasing focus on quality and marketing. However, these results may be impacted upon consolidation by exchange differences prevailing between the reporting currency of the country where the hotel is located and the euro, which is the Group's reporting currency.

QPM Limited, a wholly-owned subsidiary of IHI in the field of design, engineering and management services, whose majority shareholding was acquired in 2016, is also having a very solid performance for 2017, with profits expected to be surpassing both budget and last year's results.

A number of owned properties are undergoing refurbishment programmes in the hotels' bedrooms, at St Petersburg, Budapest and Lisbon, with the initial phases of these projects being completed within budget.

IHI is also a real estate owner, with offices, residences and retail estate under lease to tenants in London, St Petersburg and in Tripoli. Earlier on this year one of the last, remaining vacant 1,222 square metres of office space in Tripoli was leased on a five-year contract worth over €1 million annually to a major European oil company.

On the corporate front, regulatory procedures are in the final stage of merging Island Hotels Group Holdings p.l.c. (IHGH) with IHI. IHGH is the former holding company of the Island Hotels Group which was acquired in 2015.

Alfred Fabri  
Company Secretary

1 November 2017