



INTERNATIONAL HOTEL INVESTMENTS P.L.C.

COMPANY ANNOUNCEMENT

Interim Directors' Statement

The positive trends highlighted in the last Interim Statement have persisted during the third quarter of this year and expectations for the rest of the financial year remain buoyant, targeting a combined 2015 EBITDA across the Group of €47m including IHI's 50% share in the London hotel and the consolidation of the 100% ownership of the Island Hotels Group (IHG) but only as from July this year. Excluding the six months' results of IHG, the EBITDA results for IHI properties on a like-for-like basis, will show a 16% increase over 2014. Similarly, CHI Ltd, the management company is expected to register record profits in 2015.

Current forecasts indicate record profit performance in all of IHI's hotels, these being the Corinthia Hotels in Budapest, Prague, Lisbon, Malta [the St George's and Marina Hotels], London [where IHI owns a 50% share] and now also in St Petersburg when measured in Roubles.

The Corinthia Hotel in Tripoli has had a major upgrade and is now partially opened with the spa, commercial centre, function hall and restaurant services fully operational. The hotel enjoys very limited guests, however, the property is in readiness for business once there is a return to normality on the political front.

Growth and development

The Directors are also pleased to report a smooth integration of the business of IHG into IHI's structures, with substantial savings being made as a result of a stronger combined purchasing position in Malta. In parallel, with the acquisition by the Company of IHG in July, IHG has acquired the remaining 50% ownership in Buttigieg Holdings Limited, a catering company owning, among others, the Costa franchise in Malta and the Eastern coast of Spain. This means that the local Costa Coffee franchise operation is now wholly owned by IHG, which company is likewise wholly owned by IHI. Similarly, IHG is in the process of also acquiring the other 50% in the Heavenly Collection Limited, the company which owns a large tract of land for development known as Hal Ferh. This means that this 85,000 square metre property will totally belong to IHG and ultimately, IHI.

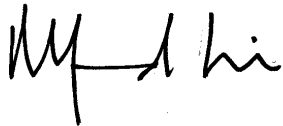
The acquisition of IHG, together with the further acquisitions referred to above, now translate not only in the full ownership of the Radisson Blu Resort at St George's Bay, adjacent to the Corinthia Hotel St George's Bay, but also the 100% ownership of Costa Coffee franchise and the 100% ownership of the Hal-Ferh tract of land, plus the Island Group catering. It is the intention of the Company to amalgamate both the industrial catering of IHI and that of Island Caterers into one activity, whilst still operating under two brands. IHG / IHI also own 50% of the Radisson Blu Resort & Spa, Golden Sands.

IHI anticipates a year of overall growth ahead with new development and management agreements expected to be entered into with third party investors in cities and resorts across Europe and the Gulf. Announcements will be made at the opportune time.

Discussions are ongoing with the Maltese authorities on the luxury mixed-use development at St George's Bay.

Corporate matters

On 23th October IHI issued, out of reserves, a 3 per cent bonus share to all its shareholders on the register as at 15th October 2015.



Alfred Fabri
Company Secretary

27th October 2015