



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

COMPANY ANNOUNCEMENT

Interim Directors' Statement

The reconstruction of the Corinthia Hotel London is nearing completion, and following a soft opening in March, the hotel welcomed its first paying guests in April. The twelve luxury apartments on Whitehall Place should be completed later this year.

The overall improvement in operating results referred to in the last Interim Directors' Statement has been maintained, with the exception of Corinthia Hotel Tripoli. In particular, significant progress in trading performance has been registered at Corinthia Hotel Lisbon and Corinthia Hotel St Petersburg.

The Corinthia Hotel Tripoli has continued trading throughout the current challenges, although on a reduced level of occupancy. Operating results from this property will be impacted during the year under review.

In St Petersburg there has been a sustained interest in the leasing of the Company's retail mall and offices with agreements signed with two major clients, one of whom has already relocated its premises to the Commercial Centre.

Initial positive results are being generated from the global distribution system developed by CHI Limited, the Company's hotel management arm. This is expected to enhance the revenue streams, particularly of IHI's hotel properties, in the coming months.

Alfred Fabri
Company Secretary

11th May 2011