



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

## COMPANY ANNOUNCEMENT

*The following is a Company Announcement issued by International Hotel Investments Plc in terms of Malta Stock Exchange Bye-Law 6.05.06 (iii).*

At a meeting held on 27<sup>th</sup> May 2003 the Board of Directors of International Hotel Investments Plc approved the Financial Statements for the twelve months ended 31<sup>st</sup> December 2002.

A copy of the Preliminary Profit Statement is attached.

A handwritten signature in black ink, appearing to read 'Alfred Fabri'.

Alfred Fabri  
Company Secretary

28<sup>th</sup> May 2003



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

## Preliminary Profit Statement for the Year ended 31 December 2002

	2002	2001
	Lm	Lm
<b>Revenue</b>	<b>13,756,516</b>	5,541,212
Direct Costs	(9,401,948)	(4,240,564)
<b>Gross Profit</b>	<b>4,354,568</b>	1,300,648
Marketing Costs	(1,054,304)	(516,551)
Administrative Expenses	(3,560,381)	(1,527,544)
Amortisation of Negative Goodwill/(Goodwill)	121,653	(25,741)
Operating Exchange Differences	211,819	17,242
Other Net Operating Income/(Expenses)	189,460	(24,177)
<b>Operating Profit /(Loss)</b>	<b>262,815</b>	(776,123)
Pre-Operating Expenses	(1,083,374)	(254,608)
Interest Receivable and Similar Income	61,907	687,506
Interest Payable and Similar Charges	(1,512,681)	(604,426)
Unrealised Net Exchange Differences on Intra-Group Balances	1,586,234	338,077
Other Unrealised Net Exchange Differences	1,654,496	(49,409)
Income from Associates	248,675	152,343
Profit on Sale of Investment	-	923,477
<b>Profit before Taxation</b>	<b>1,218,072</b>	416,837
Taxation	(320,940)	33,501
<b>Profit for the Year</b>	<b>897,132</b>	450,338
<b>Earnings Per Share:</b>	<b>2 cents</b>	1 cent

This financial information is being published in terms of section 6.05.06(iii) of the bye-laws of the Malta Stock Exchange. It has been extracted from the Group's audited financial statements for the year ended 31 December 2002.

International Hotel Investments p.l.c. carries on the business of an investment company in connection with the ownership, development, and operation of hotels, leisure facilities and other activities related to the tourism industry. In January 2002, the Company acquired the Nevskij Palace Hotel in St Petersburg together with other adjoining properties for further development. During the year construction works on the Corinthia Grand Hotel Royal in Budapest were practically completed and the hotel opened for business, early 2003.

The Company has a number of wholly-owned subsidiaries through which it furthers the business of the Group.

The Group's results for the comparative year include those of a subsidiary company operating the Corinthia Alfa Hotel and Congress Centre in Lisbon, Portugal, only from the 14 August 2001, the date the Group took control of this company. In addition, the results for 2002 include the full year operating results for the Corinthia Nevskij Palace Hotel.

During 2002, the Group's revenue amounted to Lm13,756,516. After deducting direct costs amounting to Lm9,401,948 the gross profit for the year amounted to Lm4,354,568. After deducting marketing costs, administrative expenses and taking into account the amortisation of negative goodwill, operating exchange differences and other net operating income, the operating profit for the year amounted to Lm262,815.

The expenses incurred in relation to the start-up activities of the Grand Hotel Royal in Budapest amounted to Lm1,083,374. After taking into account interest receivable and similar income, unrealised exchange differences amounting to Lm3,240,730, income from associates and deducting interest payable and similar charges and taxation, the Group's profit for the year amounted to Lm897,132.

Earnings per share amounted to 2 cents and is based on the profit for the year after tax amounting to Lm897,132 divided by the weighted average number of ordinary shares in issue during the year amounting to 47,370,993.

The Board of Directors  
27 May 2003

International Hotel Investments p.l.c.

22 Europa Centre Floriana VLT 15 Malta

Tel: +(356) 21233141 • Fax: +(356) 21234219 • Email: [ihi@corinthia.com](mailto:ihi@corinthia.com) • Website [www.corinthia.com](http://www.corinthia.com)