



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

COMPANY ANNOUNCEMENT

The following is a Company Announcement by International Hotel Investments p.l.c. pursuant to Listing Authority Listing Rules 8.7.1, 8.7.2 and 8.7.16.

International Hotel Investments p.l.c. held its Seventh Annual General Meeting on 29th May 2007 when the shareholders approved all the resolutions on the Agenda.

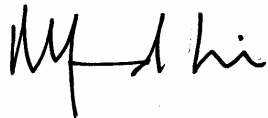
The Meeting was informed that all the conditions precedent included in the subscription agreement signed with Istithmar FZE and Corinthia Palace Hotel Company Limited (CPHCL) on 5th December 2006 have now been satisfied. To this end, Istithmar is subscribing to 178 million unlisted shares, which, in terms of the subscription agreement are being 25 per cent paid-up on subscription with the balance being fully paid-up by August 2007, while CPHCL is subscribing to 192 million new shares in IHI in return for the acquisition of the entire share capital of the companies owning the Corinthia Bab Africa Hotel and Commercial Centre in Tripoli, and the Corinthia Towers Hotel in Prague.

As agreed at the Extraordinary General Meeting held on 31st January 2007, IHI will capitalise an amount not exceeding Euro 5,000,000 from its revaluation reserves through the issue of fully-paid up Bonus Shares of a nominal value of Euro 1 each.

The Bonus Shares will be issued and allotted in a ratio of one Bonus Share for every six ordinary shares. The allotment of Bonus Shares will be made on the basis of the shares in issue as at 30th June 2006 (with Corinthia Palace Hotel Company Limited waiving its rights to such Bonus Shares) to members holding such shares as at the Effective Date, being the close of trading on 30th May 2007, the working day subsequent to closing of the transaction with Istithmar Hotels FZE.

Shareholders entitled to these Bonus Shares have the option to sell all or part of these Bonus Shares back to IHI, and IHI is committed to buy back such shares at Euro 1 per share within six weeks from the Effective Date, that is, by 11th July 2007. These shareholders are being individually informed by post with full details of their entitlement.

The Board of Directors is comprised of Mr Alfred Pisani, Chairman, Mr Mustafa Khattabi, Mr Giuseppe (Joe) Sita, Mr Joseph Fenech, Dr Joseph J. Vella, Mr Frank Xerri de Caro and Mr Simon Naudi.

A handwritten signature in black ink, appearing to read 'Alfred Fabri', written in a cursive style.

Alfred Fabri
Company Secretary

29th May 2007