



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

COMPANY ANNOUNCEMENT

Interim Directors' Statement

The development of the Corinthia Hotel and Residences, London is very much on track. The works being carried out by the main contractor are proceeding according to plan. The design and operation of the Spa has been entrusted to ESPA, world-class developers and operators in this sector. The David Collins Studio, a specialist interior design firm widely-known in London, has been commissioned to design the speciality restaurant and destination bar, Consultancy services during development and eventual operation of the speciality restaurant will be provided by Massimo Riccioli, operator of La Rosetta restaurant in Rome. The hotel should be completed as planned towards the end of 2010.

In Lisbon the Spa and Health Centre, the largest in any hotel in the city, has been completed this September and is now being operated by the Malo Group, one of the leading spa operators in the country.

The current global recession has continued to affect the international hospitality industry and the Group's operations are registering lower returns to different degrees than those achieved in 2008. Preliminary indications for the operating performance for the second half of the year appear to follow the pattern established in the first half. On the other hand there are indications that in 2010 the international hospitality industry will start a slow recovery. In the meantime the Group is retaining its constant vigilance on the hotels' operating costs.

Alfred Fabri
Company Secretary

13th November 2009