

Broadwater Park  
Denham  
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United Kingdom

March 2011

Dear Shareholder

**Andrew Cosslett to step down as Chief Executive; to be succeeded by  
Richard Solomons, Chief Financial Officer and Head of Commercial Development**

Please find enclosed IHG's Annual Report 2010 and Annual General Meeting 2011 communications pack.

Additionally, I am writing to you to let you know that, since these documents were printed, IHG has announced that Andy Cosslett will step down as Chief Executive on 30 June 2011, to be succeeded by Richard Solomons. A Board member since IHG listed as an independent company in 2003 and currently Chief Financial Officer and Head of Commercial Development, Richard will start in his new position as Chief Executive on 1 July.

Andy has been an outstanding Chief Executive since joining IHG in February 2005 and we are very appreciative of the contribution he has made during his time with us. While we understand and respect his decision to leave at this stage, after six years at the helm, we are extremely sorry to see him go.

In Richard Solomons we have an able and worthy successor. Richard is a highly respected executive and has a proven track record as a business leader, with a deep knowledge and understanding of our company, our industry, our business and our brands, gained in a number of senior roles throughout his career. He is the Board's first choice to take IHG forward. Richard and Andy have worked very closely over the last six years and in making this appointment the Board is ensuring continuity in management and in our strategy to drive growth. I am very much looking forward to working with Richard in his new role as Chief Executive.

A full search process is now under way for Richard's successor as Chief Financial Officer, which will be the subject of a further announcement in due course.

Yours sincerely



**David Webster**  
Chairman