

Broadwater Park
 Denham
 Buckinghamshire
 UB9 5HR
 United Kingdom

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION*

March 2011

Dear Shareholder

Publication of IHG's Annual Report and Financial Statements 2010

As one of our shareholders who receives IHG communications electronically, please note that IHG's 2010 Annual Report and Financial Statements and Annual Review and Summary Financial Statement have now been published and can be viewed on our website www.ihgplc.com/investors under financial library. Please accept my personal thanks for enabling IHG to save money and protect the environment as a result of not choosing to receive paper communications from us.

The economic environment remained uncertain throughout 2010, but as the year progressed the hotel recovery gathered pace and we continued to improve the strength of our brands and our system. This has resulted in our 18 per cent share of the global pipeline of new-build hotels and the imminent completion of our Holiday Inn relaunch with 89 per cent of our global estate operating under the new standards. The total number of rooms operating under IHG's brands is now 647,161 (4,437 hotels) and we signed 55,598 rooms, 319 hotels, into our forward development pipeline during the year. Furthermore, our operating profit before exceptional items increased 22 per cent to \$444 million. Adjusted earnings per share decreased 4 per cent from 102.8 cents to 98.6 cents. We continue to focus hard on our strategic priorities to drive market share and grow margins, and with industry trends set to be positive, we look forward to a successful 2011.

The Board is recommending that the final dividend for 2010 is 35.2 cents per share, taking the full-year dividend to 48 cents per share, an increase of 16 per cent compared with 2009. This converts to a sterling full-year dividend of 30 pence, up 15 per cent compared with 2009. Subject to shareholder approval at our 2011 Annual General Meeting ('AGM'), the final dividend will be paid on 3 June 2011 to shareholders on the register at the close of business on 25 March 2011.

The AGM is to be held at 11.00am on Friday, 27 May 2011 at The Brewery, Chiswell Street, London EC1Y 4SD. Enclosed with this letter is your Notice of AGM together with your Form of Proxy setting out the resolutions to be put at the AGM and information about the business of the Meeting.

Last year, I was pleased to announce that Jim Abrahamson and Kirk Kinsell would be joining IHG's Board as Executive Directors on 1 August 2010. They continue to retain their positions as President of the Americas and President of Europe, Middle East and Africa regions respectively. Both are highly regarded within the hotel industry, with a deep understanding of the hotel business, and therefore they bring to the Board greater executive representation and wider operational experience. Both Jim and Kirk are seeking formal election for the first time at this year's AGM. The new UK Corporate Governance Code, which will apply to IHG with respect to its 2011 financial year, recommends that all Directors of FTSE 350 companies be subject to annual re-election. In anticipation of this, all IHG's Directors are retiring and seeking re-election from this year. You can find more details on all Directors in the Notice of AGM.

If you cannot attend the AGM, you can register your vote in advance electronically at www.sharevote.co.uk. You will need the Voting ID, Task ID and Shareholder Reference Number shown on your Form of Proxy. Alternatively, please complete, sign and return the enclosed Form of Proxy to our Registrar, Equiniti. The results of the voting will be published on our website as soon as practicable after the AGM.

Yours sincerely



David Webster
 Chairman

Additional information

If, in future, you want to receive an email notification whenever shareholder documents and information are available on our website, please register your email address on www.shareview.co.uk. You will need your Shareholder Reference Number which can be found on your Form of Proxy. We will then send you an email message each time we display a shareholder document on our website.

If at any time you want to change the way you receive shareholder documents, want a paper copy of a specific document, have any queries regarding this letter or are unable to locate the documents on our website, please contact our Registrar at the following address:

Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA

Telephone 0871 384 2132[†] (UK callers)

+44 (0) 121 415 7034 (non-UK callers)

0871 384 2255[†] (textphone[∞] for UK callers)

+44 (0) 121 415 7028 (textphone[∞] for non-UK callers)

* If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your shares in InterContinental Hotels Group PLC, please pass this letter and the accompanying documents to the stockbroker, bank or other agent through whom you made the sale or transfer for transmission to the purchaser or transferee.

This notification is neither a summary of the Annual Report and Financial Statements 2010 nor a summary of the business to be transacted at the 2011 Annual General Meeting and should not be regarded as a substitute for reading the Annual Report and Financial Statements 2010 and the Notice of Annual General Meeting in full before taking a decision.

[†] Calls to 0871 helpline numbers are charged at 8p per minute from a BT landline. Other telephony provider costs may charge different rates. Lines are open Monday to Friday 8.30am – 5.30pm.

[∞] Callers must have compatible equipment.