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IHG announces sale of InterContinental Montreal

InterContinental Hotels Group PLC ("IHG") announces the sale of the 357 room InterContinental Montreal, Canada to Sweden-based Pandox AB ("Pandox") for CAN\$49 million (US\$46 million) in cash. IHG will continue to manage the hotel under a 30 year management contract, including contract renewals.

Pandox is purchasing the hotel from IHG, which owns 74.11 percent, and Cadim, a division of the Caisse de depot et placement du Quebec, which owns 25.89 percent.

Pandox will invest a further CAN\$11 million (US\$10 million) to renovate the hotel. Pandox also owns the Crowne Plaza Brussels City Centre, Crowne Plaza Antwerp and Holiday Inn Brussels Airport.

The hotel generated revenues of US\$22.5m, EBITDA of US\$3.6m and EBIT of US\$2.8m in 2006, and had a net book value of US\$30.2m at 31 March 2007.

The sale is a continuation of IHG's strategy of growing its management and franchise businesses and reducing asset ownership. Since 2003, IHG has disposed of 178 hotels globally with a net asset value of over £2.9bn, with proceeds in excess of net book value.

"We had previously announced that the InterContinental Montreal was on the market as part of our ongoing strategy to reduce our asset intensity. Our objective is only to own real estate where it drives the growth of our brands," said Andy Cosslett, Chief Executive of IHG.

"The InterContinental Montreal is a great property with tremendous potential to be a top of mind, leading business and meetings hotel in the city centre, said Anders Nissen, CEO, Pandox AB. "This is our fourth IHG branded hotel and we are excited about expanding our portfolio into North America."

Asset disposal programme detail

	Number of hotels	Proceeds	Net book value
Disposed since April 2003	178	£3.0bn	£2.9bn
Remaining hotels	21		£0.9bn

For a full list please visit www.ihg.com/Investors

Note to Editors:***InterContinental Hotels Group***

InterContinental Hotels Group PLC (IHG) of the United Kingdom [LON:IHG, NYSE:IHG (ADRs)] is the world's largest hotel group by number of rooms. IHG owns, manages, leases or franchises, through various subsidiaries, over 3,700 hotels and more than 558,000 guest rooms in nearly 100 countries and territories around the world. IHG owns a portfolio of well recognised and respected hotel brands including InterContinental® Hotels & Resorts, Crowne Plaza® Hotels & Resorts, Holiday Inn® Hotels and Resorts, Holiday Inn Express®, Staybridge Suites®, Candlewood Suites® and Hotel Indigo®, and also manages the world's largest hotel loyalty programme, Priority Club® Rewards with over 31 million members worldwide.

The company pioneered the travel industry's first collaborative response to environmental issues as founder of the International Hotels and Environment Initiative (IHEI). The IHEI formed the foundations of the Tourism Partnership launched by the International Business Leaders Forum in 2004, of which IHG is still a member today. The environment and local communities remain at the heart of IHG's global corporate responsibility focus.

IHG offers information and online reservations for all its hotel brands at www.ihg.com and information for the Priority Club Rewards programme at www.priorityclub.com. For the latest news from IHG, visit our online Press Office at www.ihg.com/media

Pandox AB

Pandox is one of the leading players in the hotel property market in Europe. Their portfolio consists of 44 hotels, with a total of approximately 10,000 rooms located in Sweden, Denmark, Germany, Belgium, Switzerland, the UK, the Bahamas and Canada. Pandox hotels operate under well known international brands, or through independent distribution channels.

Cadim

Cadim, a division of the Caisse de depot et placement de Quebec and a member of the Caisse's Real Estate Group, is a global real estate investment manager. Cadim invests in a diversified range of equity and financing products through a network of affiliates and prominent partners in the United States, Europe and Asia. Cadim is an opportunistic investor whose success relies on its capacity to close large-scale transactions and to take advantage of key leverage opportunities. As at 31 December 2006, total assets under management totalled \$36.3 billion.