



COMPANY ANNOUNCEMENT

ISLAND HOTELS

GROUP HOLDINGS PLC

**Redemption of €14,000,000 6.5% Island Hotels Group Holdings p.l.c. Bonds 2017-2019 (MT0000481219)
and
Issue of €40,000,000 International Hotel Investments p.l.c. Unsecured Bonds 2026**

Reference is made to a company announcement issued earlier today by International Hotel Investments p.l.c. (“IHI”), the parent company of Island Hotels Group Holdings p.l.c. (“IHG”), whereby IHI announced that: it has submitted an application to the Listing Authority of the Malta Financial Services Authority requesting the admissibility to listing of €40,000,000 International Hotel Investments p.l.c. Unsecured Bonds 2026 (the “**New IHI Bonds**”); and application has also been made for the New IHI Bonds to be listed and traded on the Official List of the Malta Stock Exchange.

IHG has resolved that, subject to IHI obtaining regulatory approval of the issue of the New IHI Bonds, IHG will redeem its 6.5% Bonds 2017-2019 (MT0000481219) (the “**Existing IHG Bonds**”) on 1 July 2017, this being the first early redemption date provided for in the prospectus issued by IHG on 28 August 2009.

As announced by IHI, it will be granting persons holding Existing IHG Bonds as at the 17 November 2016 (with the last applicable trading date being 15 November 2016) (the “**Cut-Off Date**”) preference to subscribe for New IHI Bonds, by surrendering the corresponding nominal value of Existing IHG Bonds in favor of IHI. Holders of Existing IHG Bonds will also have preference to subscribe for New IHI Bonds in excess of the amount corresponding to their holding of Existing IHG Bonds as at the said Cut-Off Date, subject to availability.

In light of the aforesaid, it is hereby announced that trading in the Existing IHG Bonds will be suspended as from 16 November 2016 until further notice.

Confirmation of the early redemption of the Existing IHG Bonds will be issued by IHG following announcement by IHI of the issue of the necessary approval by the Listing Authority.

Kenneth Abela
Company Secretary

11 November 2016

Island Hotels Group Holdings p.l.c.

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Company Registration No.: C44855

Island Hotels Group Holdings p.l.c. is a public limited company registered in terms of the Companies Act (Cap.386 of the Laws of Malta)