

**Addendum to the Financial Analysis Summary dated 15 June 2017 in relation to Island Hotels Group Holdings p.l.c. (“FAS2017”)**

Following the publication of the FAS2017, we wish to bring the following clarifications and/or corrections to the attention of the general public:

**General**

1. The financial statements for the year ended 31 December 2016 have been presented in the same format as the financial statements of the Company’s parent - International Hotel Investments p.l.c. (‘IHI’). Consequently, the comparative figures (FY2015) have been restated in order to comply with the latest financial year’s (FY2016) presentation of the financial statements.

Differences noted in FY2015 figures, when comparing FAS2017 to last year’s financial analysis summary dated 31 May 2016 (“FAS2016”), are the result of the above-explained restatement and primarily relate to a reclassification of certain items in the financial statements. As such, the summation of each of the Statement of Comprehensive Income, Statement of Financial Position and the Statement of Cash Flows for FY2015 is unchanged.

**Section 4.3 – Event Catering Business**

2. In compiling the FAS2016, the Company had projected that in FY2016 Island Caterers Limited would benefit from synergies with IHI’s catering business, and thus expected the EBITDA margin to improve from 6% in FY2015 to 11%. The planned implementation of said synergies commenced in 2016 and is today practically complete, such that the collective operational performance of the catering operation is now considerably more efficient at both administrative and operational levels. However, the resultant financial improvement is reflected in the financials of related companies not forming part of the IHGH Group. Consequently, the margin for FY2016 was unchanged at 6% and in monetary terms the FY2016 EBITDA was lower than projected by €330,000.

**Section 4.4 – Food Retail and Contract Catering Business (including Costa Coffee)**

3. The following sentence should be included at the end of the first paragraph on page 9 of FAS2017:  
*“Furthermore the company operates, amongst others, a catering contract at Mater Dei Hospital providing catering, vending machine and retail kiosk services to visitors and staff within the hospital premises. This concession expires in November 2017.”*
4. The following sentence (last paragraph page 10 of FAS2017) is a typo and should be deleted:  
*“Projected revenue for FY2016 is estimated at €3.2 million, which is comparably lower than normalised revenue generated in FY2015 of €4.6 million (being €5.4 million as adjusted to reflect a 12-month period).”*



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