INTERCONTINENTAL HOTELS GROUP PLC /NEW/
Form 6-K
February 18, 2014

SECURITIES AND EXCHANGE COMMISSION

Washington DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 AND 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For 18 February 2014

InterContinental Hotels Group PLC
(Registrant's name)

Broadwater Park, Denham, Buckinghamshire, UB9 5HJ, United Kingdom
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not applicable

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EXHIBIT INDEX

99.1 Final Results

Exhibit No: 99.1

InterContinental Hotels Group PLC
Preliminary Results for the year to 31 December 2013

Strong progress in our 10th anniversary year driven by focus on high quality growth

Financial summary1	2013	20122	% Change YoY Actual	CER4	Underlying5
Revenue	$1,903m	$1,835m	4%	4%	4%
Fee revenue	$1,176m	$1,135m	4%	4%	-
Operating profit	$668m	$605m	10%	10%	8%
Adjusted basic EPS	158.3¢	139.0¢	14%	-	-
Basic EPS3	140.9¢	187.1¢	(25)%	-	-
Total dividend per share	70.0¢	64.0¢	9%	-	-
Net debt	$1,153m	$1,074m	-	-	-

Richard Solomons, Chief Executive of InterContinental Hotels Group PLC, said:
"2013 marked IHG's tenth anniversary as a standalone company, and was another year of strong performance. We delivered good underlying growth in revenues and profits, further reduced the capital intensity of the business and continued to generate high returns.
Over the last 12 months we entered into agreements to dispose of three owned InterContinental hotels, with total gross proceeds of almost $830m. This includes InterContinental Mark Hopkins, San Francisco which we have announced today. At the same time we are continuing to invest behind our award-winning brands and technology platforms to meet changing consumer behaviours and sustain our industry-leading position.
We opened 237 hotels and signed a further 444 hotels into our pipeline, the highest number for five years, thereby reinforcing our already strong brand distribution platform and with it the promise of further high quality growth.

Our decision to increase our ordinary dividend by 9% reflects our confidence in our proven strategy to deliver high quality growth. Our preferred portfolio of brands, brought to life by talented people and best in class delivery systems, will enable us to continue to drive out-performance in an industry which has compelling long term prospects. Looking into 2014, although economic conditions in some markets remain uncertain, forward bookings data is encouraging and we are confident that we will deliver another year of growth."
Delivering high quality, sustainable growth

- $21.6bn of total gross revenue from hotels in IHG's system, up 2% (3% CER)
- Global comparable RevPAR growth of 3.8%, with rate up 1.8% and occupancy up 1.3%pts
  - Americas 4.3% (US 4.2%); Europe 1.7%; AMEA 6.1%; Greater China 1.0%.
  - Q4 global comparable RevPAR growth of 4.4%: Americas 4.0%; Europe 4.9%; AMEA 6.4%; Greater China 2.4%.
- System size of 687k rooms (4,697 hotels)
  - Net growth of 1.6%, 2.3% excluding 17 hotel removals for which significant liquidated damages totalling $46m were received.
  - 35k rooms (237 hotels) opened6, 25k rooms removed (142 hotels). 20k room openings and 18k room removals for the Holiday Inn brand family reflects our continued commitment to improving the quality of our largest brand.
  - 65k rooms (444 hotels) signed6, up 22% year on year.
  - Pipeline of 180k rooms (1,120 hotels) with over 45% under construction.
  - 5% global industry supply, 12% active industry pipeline; well positioned to deliver sustainable high quality growth.
- Building preferred brands
  - Clear focus on the needs of target guests has driven increased guest satisfaction across each brand globally.
  - Good momentum for our new brands with 21 HUALUXE Hotels & Resorts and 5 EVEN Hotels in the pipeline.
  - IHG Rewards Club relaunch, including free internet for all members (an industry first), has driven a 10%pt increase in awareness of IHG as a brand family.
- Growing margins
  - Group fee margin of 43.2%, up 1.3%pts2, with scale benefits and cost efficiencies more than offsetting increased investment for future growth. Continued focus on sustainable fee margin progression over the medium term.

Capital Expenditure

- Growth capital expenditure of $129m includes our first three owned EVEN Hotels, and was more than funded by $444m net cash proceeds from disposals. Maintenance capital expenditure of $140m.
- In 2014 we expect to remain at the top end of our previously guided $250m-350m capital expenditure range due to increased investment in brands and technology platforms. IHG's 20% share of InterContinental New York Barclay's c.$175m refurbishment cost will be in addition to this.

Progress on asset disposals

- InterContinental London Park Lane disposal completed on 1 May with up to 60 year management contract.
- Disposal of 80% interest in InterContinental New York Barclay agreed with a c.$175m refurbishment, repositioning and extension of the hotel and up to 50 year management contract. Deal completion expected in Q1'14.
- InterContinental Mark Hopkins, San Francisco disposal announced today for gross cash proceeds of $120m.

1 All figures are before exceptional items unless otherwise noted. 2 2012 restated for adoption of IAS 19R. 3 After exceptional items.
4 CER =constant exchange rates. 5 At CER & excluding owned asset disposals, results from managed lease hotels & significant liquidated damages
6 Openings & signings include 4k rooms on US Army bases in H1 2013

See appendix 3 for financial headlines and appendix 5 for definitions

Americas – Good performance driven by solid RevPAR growth
Comparable RevPAR increased 4.3%, with 2.6% rate growth; fourth quarter RevPAR increased 4.0%. US RevPAR was up 4.2%, with 3.0% growth in the fourth quarter, despite weaker trading conditions in October during the US government shut down.
Reported revenue increased 9% (10% at CER) to $916m and operating profit increased 13% (13% at CER) to $550m. On an underlying5 basis, revenue and operating profit were both up 7%. This was driven predominantly by the franchise business where royalties were up 5% and fees associated with the initial franchising, relicensing and termination of hotels increased $6m. This was partly offset by an $8m decrease in fees received due to the hotels that exited in Q1 for which $31m of liquidated damages were received. Owned profits increased 25%, driven by RevPAR growth of 10.0% and 9.0% respectively at our InterContinental hotels in Boston and San Francisco.
We opened 20k6 rooms (173 hotels), including 12k rooms for the Holiday Inn brand family. Removals of 18k rooms (112 hotels) resulted from our on-going focus on high quality growth and included 2.5k rooms (8 hotels) related to the significant liquidated damages receipt in Q1. We signed 34k6 rooms (305 hotels) up 33% year on year. Signings included four hotels for the new EVEN Hotels brand, with the first of these due to open H1 2014, and 21k rooms for the Holiday Inn brand family.
2014:
In the first half of 2014 we expect to receive one $4m significant liquidated damages payment in our Americas franchise business. In 2013 the owned operating profit from the InterContinental New York Barclay was $14m and was $6m from InterContinental Mark Hopkins, San Francisco. The refurbishment of InterContinental New York Barclay is expected to have a $5m negative impact on Americas managed operating profit in 2014.

Europe – Solid growth led by priority markets
Comparable RevPAR increased 1.7% led by a 1.5%pt increase in occupancy. In the first nine months RevPAR grew 0.7%, then accelerated sharply in the fourth quarter to 4.9%. RevPAR growth was resilient in our priority markets, despite tough comparatives, with an increase of 3.0% in the UK and 0.8% in Germany. In France RevPAR grew 2.6%, with 5.3% growth at our owned InterContinental hotel in Paris.
Reported revenue decreased 8% (10% at CER) to $400m and operating profit decreased 6% (8% at CER) to $105m. On an underlying5 basis, revenue increased 3% and operating profit increased 10%, driven by a 7% increase in franchise royalty fees and a $3m property tax recovery at InterContinental Paris Le Grand.
Openings of 4k rooms (21 hotels) included two iconic InterContinental hotels, one in Marseille, France and the other in Davos, Switzerland. We also opened three new properties for the Hotel Indigo brand, in prime locations in Tel Aviv, Barcelona and Dusseldorf. We signed 8k rooms (50 hotels) of which seven hotels were in London, including InterContinental London The O2, our third hotel for the InterContinental brand in the city. We also signed seven hotels under multiple development agreements in Germany and Russia, covering several of our brands.
2014:
Our flagship owned InterContinental Paris Le Grand will commence an $8m refurbishment programme to enhance the historic Salon Opera ballroom and c.15% of the guest rooms; this is expected to have a $5m negative profit impact in 2014.

AMEA – Strong trading in key markets with increasing developing markets contribution
Comparable RevPAR increased 6.1%, with 6.4% growth in the fourth quarter. Strong trading in South East Asia and Japan led the performance with RevPAR up 9.9% and 9.6% respectively. Trading was solid in Australasia, up 4.5% and the Middle East, up 2.9%, despite geopolitical unrest continuing to impact our business in Egypt and Lebanon. An increasing mix of new rooms opening in developing markets means that total RevPAR grew 2.8%.

Reported revenue increased 6% (12% CER) to $230m and operating profit decreased 2% (increased 1% at CER) to $86m, including one $6m significant liquidated damages receipt in the second half. On an underlying5 basis, revenue was down 3% and operating profit down 8%. This reflects good underlying growth in our continuing managed business offset by a $10m fee reduction; $6m from long standing contracts renewed onto standard market terms, as previously disclosed, and $4m from some older hotels that we have removed from the system.

We opened 4k rooms (20 hotels) including five hotels in India and two hotels in Indonesia as well as our first InterContinental hotels in Osaka, Japan and Lagos, Nigeria, both flagships for the brand in those countries. We signed 9k rooms (36 hotels) in the region, 75% of which were for the Holiday Inn brand family and included a 1.2k room Holiday Inn in Makkah. We also signed an iconic InterContinental hotel in Sydney which is expected to open in the second half of 2014 following a comprehensive refurbishment.

2014:

Given the favourable long-term outlook in several of our markets in AMEA, there are a number of significant refurbishment programmes scheduled to take place in 2014 which we expect to have a $4m negative impact on IHG's fee income in the year.

5 At CER and excluding: owned asset disposals, results from managed lease hotels and significant liquidated damages

6 Openings and signings both include 4k rooms on US Army bases in H1 2013.

Greater China – scale and premium position drove resilient performance despite challenging conditions

Comparable RevPAR increased 1.0% with 2.4% growth in the fourth quarter. IHG's scale and strength in the region drove significant outperformance compared to the industry throughout 2013. This reflects the resilience of our business despite the ongoing industry-wide challenges, including the impact of the China-Japan territorial island dispute, natural disasters in some regions and the slower macroeconomic conditions. An increasing mix of new rooms openings in developing markets means that total RevPAR was down 1.3% in 2013.

Reported revenue increased 3% (3% CER) to $236m and operating profit was up 1% (2% CER) to $82m. Managed profit was flat at $51m, reflecting 12% net room growth offset by the challenging trading conditions and our increased investment to drive future growth. Operating profit at our owned InterContinental hotel in Hong Kong increased by 4% with strong profit conversion and an 11% increase in food & beverage profits, despite flat RevPAR growth principally due to reduced Japanese business.

We opened 8k rooms in the year in Greater China, taking our system size in the region up 11% to 69k rooms (208 hotels), our 8th consecutive year of double digit room growth. Almost 90% of our signings in the year were outside primary cities, reflecting the alignment of our development strategy to future industry growth drivers. Openings included six hotels each for our InterContinental and Crowne Plaza brands, and two for Hotel Indigo, including the first for the brand in Hong Kong. Almost half of our 15k room signings were for the Holiday Inn brand family. 2k rooms signed for HUALUXE Hotels & Resorts in the year taking the pipeline for this brand to 21 hotels (7k rooms).

Sources and uses of cash – strong free cash flow generation

- Cash generation: Free cash flow of $502m up 11% year on year (2012: $454m). $444m net cash inflow from asset disposals.
- Ordinary dividend: up 9% to 70 cents, 11% compound annual growth since 2003.
- Good progress with return of funds to shareholders: $355m special dividend without share consolidation paid in October 2013. The $500m share buyback programme is 78% complete with 13.9m shares repurchased to date for $390m, with 9.8m shares repurchased during 2013 for $283m.

Interest, debt, tax, pension and exceptional items

- Interest: 2013 charge of $73m (2012: $54m) reflects the increase in average net debt year on year, and the issuance of a £400m bond in November 2012.
- Net debt: $1,153m at the end of the period (including the $215m finance lease on the InterContinental Boston). This is up $79m on the 2012 position of $1,074m as a result of the return of funds to shareholders in the year partly offset by the cash inflow from the disposal of the InterContinental London Park Lane.
- Tax: Effective rate for 2013 is 29% (2012: 27%). 2014 tax rate expected to be in low 30s, as previously guided.
- Pension: In August 2013 the trustees of IHG's UK pension plan completed a buy-in of the Group's UK funded defined benefit obligations with the insurer Rothesay Life as an initial step towards the full buy-out of the liabilities. As part of IHG's wider strategy to de-risk the balance sheet, this move removes the need for any further cash contributions by IHG in respect of these obligations.
- Exceptional operating items: Net exceptional credit before tax of $5m (2012: $4m net charge). This includes an exceptional accounting charge of $147m related to the UK pension plan buy-in and a net credit of $166m related to the gain on disposal of the InterContinental London Park Lane.
- Adoption of IAS 19 (Revised) Employee Benefits: adoption of this new accounting policy from 1 January 2013 has resulted in an additional $9m charge to operating profit for 2012, as reflected in the restated 2012 accounts.

Appendix 1: RevPAR Movement Summary

	Full Year 2013			Q4 2013		
	RevPAR	Rate	Occ.	RevPAR	Rate	Occ.
Group	3.8%	1.8%	1.3pts	4.4%	1.8%	1.6pts
Americas	4.3%	2.6%	1.1pts	4.0%	2.1%	1.1pts
Europe	1.7%	(0.4)%	1.5pts	4.9%	1.1%	2.5pts
AMEA	6.1%	3.0%	2.1pts	6.4%	3.9%	1.8pts
G. China	1.0%	(1.7)%	1.6pts	2.4%	(2.4)%	3.0pts

Appendix 2: Full Year System & Pipeline Summary (rooms)

	System					Pipeline	
	Openings	Removals	Net	Total	YoY%	Signings	Total
Group	35,467	(24,576)	10,891	686,873	1.6%	65,461	180,461
Americas	19,775	(17,968)	1,807	451,424	0.4%	33,884	76,018
Europe	3,528	(3,489)	39	102,066	0.0%	7,542	17,779
AMEA	4,495	(2,394)	2,101	64,838	3.3%	8,687	32,074
G. China	7,669	(725)	6,944	68,545	11.3%	15,348	54,590

Appendix 3: Full Year financial headlines

Operating Profit $m	Total		Americas		Europe		AMEA		G. China		Central	
	2013	20121	2013	2012	2013	20121	2013	2012	2013	2012	2013	2012
Franchised	595	547	499	466	79	65	12	12	5	4	-	-
Managed	247	221	74	48	30	32	92	90	51	51	-	-
Owned & leased	111	125	30	24	30	50	4	6	47	45	-	-
Regional overheads	(130)	(126)	(53)	(52)	(34)	(35)	(22)	(20)	(21)	(19)	-	-

Profit pre central overheads	823	767	550	486	105	112	86	88	82	81	-	-
Central overheads	(155)	(162)	-	-	-	-	-	-	-	-	(155)	(162)
Group Operating profit	668	605	550	486	105	112	86	88	82	81	(155)	(162)

1 2012 restated for the adoption on IAS 19R

Appendix 4: Constant exchange rate (CER) and underlying operating profit movement before exceptional items

	Total***		Americas		Europe		AMEA		G. China	
Reported	Actual*	CER**	Actual*	CER**	Actual*	CER**	Actual*	CER**	Actual*	CER**
Growth/ (decline)	10%	10%	13%	13%	(6)%	(8)%	(2)%	1%	1%	2%

Underlying****	Total***	Americas	Europe	AMEA	G. China
Growth/ (decline)	8%	7%	10%	(8)%	2%

Exchange rates:	GBP:USD	EUR:USD
2013	0.64	0.75
2012	0.63	0.78

* US dollar actual currency
** Translated at constant 2012 exchange rates
*** After central overheads
**** At CER and excluding: owned asset disposals, results from managed lease hotels and significant liquidated damages (see below for definitions)

Appendix 5: Definitions

Total gross revenue: total room revenue from franchised hotels and total hotel revenue from managed, owned and leased hotels. It is not revenue attributable to IHG, as it is derived mainly from hotels owned by third parties. The metric is highlighted as an indicator of the scale and reach of IHG's brands.

Owned asset disposals: InterContinental London was sold on 1 May 2013. It accounted for $89m revenue and $33m profit in 2012 and $22m revenue and $8m profit in 2013 as an owned hotel.

Significant liquidated damages: total $46m in 2013 ($31m Americas managed in Q1, $9m Europe franchised in Q2, $6m AMEA managed in Q4) and $3m 2012 (Americas managed in Q4).

Comparable RevPAR: Revenue per available room for hotels that have traded for a full 12 months in both years, reported at CER.

Total RevPAR: Revenue per available room including results from hotels that have opened or exited in either year, reported at CER.

Fee revenue: Group revenue excluding owned & leased hotels, managed leases and significant liquidated damages.

Fee margin: adjusted for owned and leased hotels, managed leases and significant liquidated damages receipts.

Managed lease hotels: properties structured for legal reasons as operating leases but with the same characteristics as management contracts

Americas: Revenue 2013 $34m; 2012 $34m; EBIT 2013 nil, 2012 nil. Europe: Revenue 2013 $89m; 2012 $80m; EBIT 2013 $2m, 2012 $2m. AMEA: Revenue 2013 $21m; 2012 nil; EBIT 2013 $1m, 2012 nil.

Appendix 6: Investor Information for 2013 final dividend

Ex-dividend date:	19 March 2014	Record date:	21 March 2014
Payment date:	9 May 2014	Dividend payment:	Ordinary shares = 28.1 pence per share ADRs = 47.0 cents per ADR

For further information, please contact:

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Media Relations (Yasmin Diamond; Zoe Bird):	+44 (0)1895 512008

Presentation for Analysts and Shareholders:

A presentation with Richard Solomons, Chief Executive Officer and Paul Edgecliffe-Johnson, Chief Financial Officer will commence at 9:30am UK time on 18 February at Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London, EC1A 1HQ. There will be an opportunity to ask questions. The presentation will conclude at approx. 10.30am.

There will be a live audio webcast of the results presentation on the web address www.ihg.com/prelims14. The archived webcast of the presentation is expected to be on this website later on the day of the results and will remain on it for the foreseeable future. There will also be a live dial-in facility:

UK toll:	+44 (0)20 3003 2666
UK toll free:	0808 109 0700
US toll:	+1 212 999 6659
Passcode	Hotel

A replay of the conference call will also be available following the event – details are below.

Replay	+44 (0)20 8196 1998
Pin	8855942

US conference call and Q&A:

There will also be a conference call, primarily for US investors and analysts, at 9.00am Eastern Standard Time on 18 February with Richard Solomons, Chief Executive Officer and Paul Edgecliffe-Johnson, Chief Financial Officer. There will be an opportunity to ask questions.

UK toll:	+44 (0)20 3003 2666
US toll:	+1 212 999 6659
US toll free:	+1 866 966 5335
Passcode	Hotel

A replay of the conference call will also be available following the event – details are below.

Replay	+44 (0)20 8196 1998
Pin	5245113

Website:

The full release and supplementary data will be available on our website from 7.00 am (London time) on 18 February. The web address is www.ihg.com/prelims14.

Notes to Editors:

IHG (InterContinental Hotels Group) [LON:IHG, NYSE:IHG (ADRs)] is a global organisation with a broad portfolio of nine hotel brands, including InterContinental® Hotels & Resorts, Hotel Indigo®, Crowne Plaza® Hotels & Resorts, Holiday Inn® Hotels and Resorts, Holiday Inn Express®, Staybridge Suites®, Candlewood Suites®, EVEN™ Hotels and HUALUXE™ Hotels & Resorts.

IHG manages IHG® Rewards Club, the world's first and largest hotel loyalty programme with over 77 million members worldwide. The programme was relaunched in July 2013, offering enhanced benefits for members including free internet across all hotels, globally.

IHG franchises, leases, manages or owns 4,700 hotels and 687,000 guest rooms in nearly 100 countries and territories. With more than 1,100 hotels in its development pipeline, IHG expects to recruit around 90,000 people into additional roles across its estate over the next few years.

InterContinental Hotels Group PLC is the Group's holding company and is incorporated in Great Britain and registered in England and Wales.

Visit www.ihg.com for hotel information and reservations and www.ihgrewardsclub.com for more on IHG Rewards Club. For our latest news, visit: www.ihg.com/media, www.twitter.com/ihg, www.facebook.com/ihg or www.youtube.com/ihgplc.

Cautionary note regarding forward-looking statements:

This announcement contains certain forward-looking statements as defined under US law (Section 21E of the Securities Exchange Act of 1934). These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements often use words such as ‘anticipate’, ‘target’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’ or other words of similar meaning. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty. There are a number of factors that could cause actual results and developments to differ materially from those expressed in or implied by, such forward-looking statements. Factors that could affect the business and the financial results are described in ‘Risk Factors’ in the InterContinental Hotels Group PLC Annual report on Form 20-F filed with the United States Securities and Exchange Commission.

This Business Review provides a commentary on the performance of InterContinental Hotels Group PLC (the Group or IHG) for the financial year ended 31 December 2013.

GROUP PERFORMANCE

	12 months ended 31 December		
Group results	2013	2012[1]	%
	$m	$m	change
Revenue			
Americas	916	837	9.4
Europe	400	436	(8.3)
AMEA	230	218	5.5
Greater China	236	230	2.6
Central	121	114	6.1
	1,903	1,835	3.7
Operating profit			
Americas	550	486	13.2
Europe	105	112	(6.3)
AMEA	86	88	(2.3)
Greater China	82	81	1.2
Central	(155)	(162)	4.3
Operating profit before exceptional items	668	605	10.4
Exceptional operating items	5	(4)	225.0
	673	601	12.0
Net financial expenses	(73)	(54)	(35.2)
Profit before tax	600	547	9.7
Earnings per ordinary share			
Basic	140.9¢	187.1¢	(24.7)
Adjusted	158.3¢	139.0¢	13.9
Average US dollar to sterling exchange rate	$1 : £0.64	$1 : £0.63	1.6

Revenue increased by $68m (3.7%) to $1,903m and operating profit before exceptional items increased by $63m (10.4%) to $668m during the 12 months ended 31 December 2013.

On 1 May 2013, IHG completed the disposal of its leasehold interest in the InterContinental London Park Lane for gross proceeds of $469m and entered into a 30-year management contract with three 10-year extension rights.

On an underlying basis, defined as Group results excluding those from the InterContinental London Park Lane whilst under IHG ownership, results from managed lease hotels, together with the benefit of $46m liquidated damages receipts in 2013 and a $3m liquidated damages receipt in 2012, revenue and operating profit increased by $68m (4.2%) and $44m (7.8%) respectively when translated at constant currency and applying 2012 exchange rates.

Fee revenue[2] increased by 4.3%, with Group RevPAR growth of 3.8% over the period (including an increase in average daily rate of 1.8%) and IHG System size growth of 1.6% to 686,873 rooms.

At constant currency, net central overheads decreased from $162m to $157m in 2013 ($155m at actual currency), helped by continued tight cost control, as well as additional technology fee income.

Operating profit margin was 43.2%, up 1.3 percentage points on 2012, after adjusting for owned and leased hotels, managed leases and significant liquidated damages.

Profit before tax increased by $53m to $600m. Adjusted earnings per ordinary share increased by 13.9% to 158.3¢.

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1 With effect from 1 January 2013 the Group has adopted IAS 19 (Revised) ‘Employee Benefits’ resulting in an additional charge to operating profit before exceptional items of $9m for the year ended 31 December 2012.

2 Fee revenue is defined as Group revenue excluding revenue from owned and leased hotels, managed leases and significant liquidated damages at constant currency.

	12 months ended 31 December		
	2013	2012	%
Global total gross revenue	$bn	$bn	change
InterContinental	4.5	4.5	-
Crowne Plaza	4.0	4.0	-
Holiday Inn	6.2	6.3	(1.6)
Holiday Inn Express	5.2	4.8	8.3
Staybridge Suites	0.6	0.6	-
Candlewood Suites	0.6	0.5	20.0
Hotel Indigo	0.2	0.2	-
Other brands	0.3	0.3	-
Total	21.6	21.2	1.9

Total gross revenue

One measure of IHG System performance is the growth in total gross revenue, defined as total room revenue from franchised hotels and total hotel revenue from managed, owned and leased hotels. Total gross revenue is not revenue attributable to IHG, as it is derived mainly from hotels owned by third parties.

Total gross revenue increased by 1.9% (2.8% increase at constant currency) to $21.6bn. Total gross revenue for Holiday Inn decreased by $0.1bn (1.6%), primarily because the number of rooms open under the brand fell by 6,911, driven by the removal of 10,933 rooms in the US reflecting the Group’s ongoing focus on quality.

Global hotel and room count at 31 December	Hotels 2013	Hotels Change over 2012	Rooms 2013	Rooms Change over 2012
Analysed by brand				
InterContinental	178	8	60,103	2,789
Crowne Plaza	391	(1)	108,891	584
Holiday Inn*	1,216	(31)	224,577	(6,911)
Holiday Inn Express	2,258	66	214,597	8,966
Staybridge Suites	196	7	21,518	822
Candlewood Suites	312	13	29,778	1,103
Hotel Indigo	55	5	6,199	538
Other	91	28	21,210	3,000
Total	4,697	95	686,873	10,891
Analysed by ownership type				
Franchised	3,977	43	502,187	1,395
Managed	711	53	180,724	9,726
Owned and leased	9	(1)	3,962	(230)
Total	4,697	95	686,873	10,891

* Includes 10 Holiday Inn Club Vacations (3,701 rooms) and 38 Holiday Inn Resort properties (8,818 rooms) (2012: 10 Holiday Inn Club Vacations (3,701 rooms) and 37 Holiday Inn Resort properties (8,806 rooms)).

Global hotel and room count
During 2013, the global IHG System (the number of hotels and rooms which are franchised, managed, owned or leased by the Group) increased by 95 hotels (10,891 rooms).

The Group continued to expand its global footprint, opening hotels in 33 different countries and territories. More than a third of 2013 openings were in developing markets, as classified by The World Bank, with 21% of the closing rooms balance located in these markets, representing an increase of two percentage points from 31 December 2012. Removals of 142 hotels (24,576 rooms) increased from the previous year (104 hotels, 16,288 rooms) reflecting the Group's ongoing focus on improving the quality of the estate.

Openings of 237 hotels (35,467 rooms) were 4.6% higher than in 2012. This included 115 hotel openings (12,448 rooms) in the Holiday Inn brand family in The Americas and 33 hotels (4,061 rooms) as part of the US government's Privatisation of Army Lodgings (PAL) initiative. 23 hotels (7,669 rooms) were opened in Greater China across five brands in 2013, up 1.1% from last year, with the Europe and AMEA regions contributing openings of 21 hotels (3,528 rooms) and 20 hotels (4,495 rooms) respectively.

In May 2013, the Group completed the disposal of its leasehold interest in the InterContinental London Park Lane and on 19 December 2013, announced the disposal of an 80% interest in the InterContinental New York Barclay for gross proceeds of $240m, with IHG holding the remaining 20% interest. The transaction is expected to be completed in the first quarter of 2014. The Group has secured a 30-year management contract on the hotel, with two 10-year extension rights at IHG's discretion. In February 2014, the Group signed an agreement to sell the InterContinental Mark Hopkins San Francisco for $120m in cash and enter into a long-term management contract on the hotel. The hotel had a net book value of $90m at 31 December 2013.

Global pipeline at 31 December	Hotels 2013	Hotels Change over 2012	Rooms 2013	Rooms Change over 2012
Analysed by brand				
InterContinental	51	3	16,860	1,147
Crowne Plaza	94	(4)	28,369	(2,814)
Holiday Inn*	264	21	50,241	5,253
Holiday Inn Express	473	21	54,744	2,984
Staybridge Suites	80	9	8,728	1,184
Candlewood Suites	80	2	6,914	172
Hotel Indigo	51	4	6,807	938
EVEN Hotels	5	4	880	650
HUALUXE	21	6	6,804	1,900
Other	1	1	114	17
Total	1,120	67	180,461	11,431
Analysed by ownership type				
Franchised	778	34	86,785	3,884
Managed	339	30	93,176	7,047
Owned and Leased	3	3	500	500
Total	1,120	67	180,461	11,431

Global pipeline signings at 31 December	Hotels 2013	Hotels Change over 2012	Rooms 2013	Rooms Change over 2012
Total	444	88	65,461	11,649

* Includes 1 Holiday Inn Club Vacations (120 rooms) and 14 Holiday Inn Resort properties (3,163 rooms) (2012: nil Holiday Inn Club Vacations (nil rooms) and 12 Holiday Inn Resort properties (2,390 rooms)).

Global pipeline
At the end of 2013, the global pipeline totalled 1,120 hotels (180,461 rooms), an increase of 67 hotels (11,431 rooms) on 31 December 2012. The IHG pipeline represents hotels where a contract has been signed and the appropriate fees paid.

The continued global demand for IHG brands is demonstrated by the Group signing hotels in 38 different countries and territories in 2013, 40% of which were in developing markets. 51% of the closing pipeline at 31 December 2013 was in developing markets, up by one percentage point compared to the previous year, including 30% in Greater China. More than 45% of the pipeline is under construction.

Excluding 35 hotels (4,118 rooms) signed as part of the US government's PAL initiative, signings increased from 356 hotels (53,812 rooms) to 409 hotels (61,343 rooms) in 2013. This included 280 hotels (39,555 rooms) in the Holiday

Inn brand family, up by 22.7% compared to 2012. More than half of this growth was contributed by Greater China, with signings increasing by 4,121 rooms to 7,343 rooms. The Greater China region signed a further 27 hotels (8,005 rooms) across other IHG brands, including the 1,002-room Holiday Inn Express Changbaishan, whilst the pipeline for HUALUXE Hotels & Resorts increased to 21 hotels (6,804 rooms). Four EVEN Hotels (644 rooms), of which three are owned and leased, were signed in The Americas, with the pipeline for this brand standing at five hotels (880 rooms) at the end of 2013. Active management out of the pipeline of deals that have become dormant or no longer viable reduced the pipeline by 18,563 rooms, compared to 31,344 rooms in 2012.

THE AMERICAS

	12 months ended 31 December		
	2013	2012	%
Americas results	$m	$m	change
Revenue			
Franchised	576	541	6.5
Managed	128	97	32.0
Owned and leased	212	199	6.5
Total	916	837	9.4
Operating profit before exceptional items			
Franchised	499	466	7.1
Managed	74	48	54.2
Owned and leased	30	24	25.0
	603	538	12.1
Regional overheads	(53)	(52)	(1.9)
Total	550	486	13.2

		12 months ended 31 December
Americas Comparable RevPAR movement on previous year		2013
Franchised		
	Crowne Plaza	4.8%
	Holiday Inn	2.6%
	Holiday Inn Express	3.4%
	All brands	3.2%
Managed		
	InterContinental	12.6%
	Crowne Plaza	13.9%
	Holiday Inn	10.6%
	Staybridge Suites	19.8%
	Candlewood Suites	19.3%
	All brands	13.9%
Owned and leased		
	All brands	6.0%

Americas results

In The Americas, the largest proportion of rooms is operated under the franchise business model (91% of rooms in The Americas operate under this model) primarily in the upper midscale segment (Holiday Inn brand family). Similarly, in the upscale segment, Crowne Plaza is predominantly franchised, whereas the majority of the InterContinental branded hotels are operated under franchise and management agreements. With 3,616 hotels (451,424 rooms), The Americas represented 66% of the Group's room count and 67% of the Group's operating profit before central overheads and exceptional operating items during the year ended 31 December 2013. The key profit producing region is the US, although the Group is also represented in each of Latin America, Canada, Mexico and the Caribbean.

Revenue and operating profit before exceptional items increased by $79m (9.4%) to $916m and by $64m (13.2%) to $550m respectively. On an underlying basis, revenue and operating profit increased by $52m (6.5%) and $36m (7.5%) respectively. Revenue and operating profit were adversely impacted by $8m lower fees on the exit of eight Holiday Inn hotels owned by FelCor Lodging Trust but were positively impacted by the benefit of a $31m liquidated damages receipt in 2013 in the managed business, compared to $3m in 2012.

The franchise business drove most of the growth in the region (excluding the liquidated damages in the managed estate). Franchised revenue increased by $35m (6.5%) to $576m. Royalties growth of 4.7% was driven by RevPAR growth of 3.2%, including 3.4% for Holiday Inn Express, together with a 0.7% increase in available rooms. Operating profit increased by $33m (7.1%) to $499m. Fees from initial franchising, relicensing and termination of hotels also increased by $6m compared to 2012.

Managed revenue increased by $31m (32.0%) to $128m and operating profit increased by $26m (54.2%) to $74m. Revenue and operating profit included $34m (2012 $34m) and $nil (2012 $nil) respectively from one managed lease property. Excluding results from this hotel, as well as the benefit of the $31m liquidated damages in 2013 and the $3m in 2012, revenue grew by $4m (6.7%) and operating profit decreased by $2m (4.4%) on a constant currency basis.

Owned and leased revenue increased by $13m (6.5%) to $212m and operating profit grew by $6m (25.0%) to $30m. The increase in revenue was driven by RevPAR growth of 6.0%.

	Hotels		Rooms	
Americas hotel and room count at 31 December	2013	Change over 2012	2013	Change over 2012
Analysed by brand				
InterContinental	51	(2)	17,453	(303)
Crowne Plaza	176	(7)	47,057	(1,673)
Holiday Inn*	786	(34)	138,830	(7,831)
Holiday Inn Express	1,985	54	174,431	6,033
Staybridge Suites	188	5	20,309	522
Candlewood Suites	312	13	29,778	1,103
Hotel Indigo	37	-	4,344	37
Other	81	32	19,222	3,919
Total	3,616	61	451,424	1,807
Analysed by ownership type				
Franchised	3,394	40	408,875	1,026
Managed	217	21	40,147	564
Owned and leased	5	-	2,402	217

Total	3,616	61	451,424	1,807

* Includes 10 Holiday Inn Club Vacations (3,701 rooms) and 18 Holiday Inn Resort properties (4,438 rooms) (2012: 10 Holiday Inn Club Vacations (3,701 rooms) and 17 Holiday Inn Resort properties (4,240 rooms)).

Americas hotel and room count

The Americas System size increased by 61 hotels (1,807 rooms) to 3,616 hotels (451,424 rooms) during 2013. 173 hotels (19,775 rooms) opened in the year, compared to 148 hotels (16,618 rooms) in 2012 and included 33 hotels (4,061 rooms) as part of the US government's PAL initiative. Openings included 115 hotels (12,448 rooms) in the Holiday Inn brand family, representing more than 60% of the regions openings. 19 hotels (1,705 rooms) opened as Staybridge Suites hotels and Candlewood Suites hotels, IHG's extended-stay brands.

112 hotels (17,968 rooms) were removed from the Americas System in 2013, compared to 66 hotels (9,199 rooms) in 2012. More than 60% of 2013 removals were Holiday Inn hotels in the US (53 hotels, 10,933 rooms). 13 Crowne Plaza hotels (3,326 rooms) were removed in 2013, partly reflecting the impact of the Group's Crowne Plaza repositioning programme. The increase in removals reflects the Group's ongoing focus on improving the quality of the estate, particularly Holiday Inn.

	Hotels		Rooms	
Americas pipeline at 31 December	2013	Change over 2012	2013	Change over 2012
Analysed by brand				
InterContinental	6	2	1,437	512
Crowne Plaza	16	-	3,228	(509)
Holiday Inn*	139	-	19,344	517
Holiday Inn Express	358	13	33,488	1,100
Staybridge Suites	71	7	7,495	847
Candlewood Suites	80	2	6,914	172
Hotel Indigo	23	-	3,118	42
EVEN Hotels	5	4	880	650
Other	1	1	114	114
Total	699	29	76,018	3,445
Analysed by ownership type				
Franchised	678	19	72,019	1,729
Managed	18	7	3,499	1,216
Owned and leased	3	3	500	500
Total	699	29	76,018	3,445

* Includes 1 Holiday Inn Club Vacations (120 rooms) and 5 Holiday Inn Resort properties (694 rooms) (2012: nil Holiday Inn Club Vacations (nil rooms) and 5 Holiday Inn Resort properties (640 rooms)).

Americas pipeline

The Americas pipeline totalled 699 hotels (76,018 rooms) as at 31 December 2013, representing an increase of 29 hotels (3,445 rooms) over 31 December 2012. Strong signings of 305 hotels (33,884 rooms), demonstrating the continued demand for IHG brand hotels, were ahead of last year by 79 hotels (8,348 rooms) and included 35 hotels (4,118 rooms) signed as part of the US government's PAL initiative. The majority of 2013 signings were within the Holiday Inn brand family (193 hotels, 20,544 rooms), up by 8.9% compared to 2012. Four more hotels (644 rooms) were added for the EVEN Hotels brand, taking the total pipeline to five hotels (880 rooms), with the first hotel for the brand expected to open in 2014. Staybridge Suites and Candlewood Suites, IHG's extended stay hotel brands, also contributed signings of 57 hotels (5,406 rooms), up by 50.2% compared to 2012.

103 hotels (10,664 rooms) were terminated from the pipeline in 2013, significantly down from terminations in 2012 (183 hotels, 20,795 rooms).

EUROPE

	12 months ended 31 December		
Europe results	2013 $m	2012 $m	% change
Revenue			
Franchised	104	91	14.3
Managed	156	147	6.1
Owned and leased	140	198	(29.3)
Total	400	436	(8.3)
Operating profit before exceptional items			
Franchised	79	65	21.5
Managed	30	32	(6.3)
Owned and leased	30	50	(40.0)
	139	147	(5.4)
Regional overheads	(34)	(35)	2.9
Total	105	112	(6.3)

Europe comparable RevPAR movement on previous year	12 months ended 31 December 2013
Franchised	
All brands	1.5%
Managed	
All brands	2.0%
Owned and leased	
InterContinental	5.3%

Europe results

In Europe, the largest proportion of rooms is operated under the franchise business model primarily in the upper midscale segment (Holiday Inn and Holiday Inn Express). Similarly, in the upscale segment, Crowne Plaza is predominantly franchised whereas the majority of the InterContinental branded hotels are operated under management agreements. Comprising 629 hotels (102,066 rooms) at the end of 2013, Europe represented 15% of the Group's room count and 13% of the Group's operating profit before central overheads and exceptional operating items during the year ended 31 December 2013. Profits are primarily generated from hotels in the UK and Continental European gateway cities.

Revenue and operating profit before exceptional items decreased by $36m (8.3%) to $400m and by $7m (6.3%) to $105m respectively. On an underlying basis, revenue and operating profit increased by $9m (3.4%) and $8m (10.4%) respectively. Overall, RevPAR in Europe increased by 1.7%. The UK achieved RevPAR growth of 3.0%, with particularly strong performance in the final quarter of 2013 with RevPAR increasing 7.3%. RevPAR in Germany increased by 0.8% despite a weaker year-on-year trade fair calendar, whilst IHG hotels in the Commonwealth of Independent States (CIS) collectively achieved RevPAR growth of 2.7%.

Franchised revenue increased by $13m (14.3%) to $104m, whilst operating profit increased by $14m (21.5%) to $79m. Excluding the benefit of a $9m liquidated damages receipt in 2013, revenue and operating profit increased by $4m (4.4%) and $5m (7.7%) respectively. Growth was mainly driven by an increase in royalties of 7.0% (6.3% at constant currency) reflecting RevPAR growth of 1.5%, partly offset by a 0.2% decline in available rooms.

Managed revenue increased by $9m (6.1%) to $156m and operating profit decreased by $2m (6.3%) to $30m. Revenue and operating profit included $89m (2012 $80m) and $2m (2012 $2m) respectively from managed leases. Excluding properties operated under this arrangement and on a constant currency basis, revenue was flat and operating profit decreased by $1m (3.3%).

In the owned and leased estate, revenue decreased by $58m (29.3%) to $140m and operating profit decreased by $20m (40.0%) to $30m. At constant currency and excluding the impact of the disposal of the InterContinental London Park Lane, the

Group's remaining owned hotel in Europe, the InterContinental Paris Le Grand, delivered a revenue increase of $5m (4.6%) with RevPAR growth of 5.3%. Operating profit increased by $4m (23.5%), benefitting from a one-off $3m property tax recovery in the year.

Europe hotel and room count at 31 December	Hotels 2013	Hotels Change over 2012	Rooms 2013	Rooms Change over 2012
Analysed by brand				
InterContinental	31	1	9,525	131
Crowne Plaza	83	(1)	19,522	(44)
Holiday Inn*	282	(6)	45,621	(989)
Holiday Inn Express	215	3	25,371	468
Staybridge Suites	5	1	784	179
Hotel Indigo	13	3	1,243	294
Total	629	1	102,066	39
Analysed by ownership type				
Franchised	528	-	79,517	(382)
Managed	100	2	22,079	868
Owned and leased	1	(1)	470	(447)

Total	629	1	102,066	39

* Includes 2 Holiday Inn Resort properties (212 rooms) (2012: 3 Holiday Inn Resort properties (362 rooms)).

Europe hotel and room count
During 2013, Europe System size increased by one hotel (39 rooms) to 629 hotels (102,066 rooms). The Group opened 21 hotels (3,528 rooms) in Europe in 2013, compared to 39 hotels (5,477 rooms) in 2012. 2013 openings included two InterContinental hotels, the 194-room InterContinental Marseille - Hotel Dieu, the fourth for the brand in France, and the 216-room InterContinental Davos in Switzerland. Three further Hotel Indigo properties (293 rooms) were opened in 2013, comprising a third hotel for the brand in Germany and first openings in Spain and Israel.

20 hotels (3,489 rooms) left the Europe System in the period, compared to 23 hotels (3,335 rooms) in the previous year.

	Hotels		Rooms	
Europe pipeline at 31 December	2013	Change over 2012	2013	Change over 2012
Analysed by brand				
InterContinental	2	-	653	249
Crowne Plaza	12	-	2,624	(145)
Holiday Inn	35	15	6,612	2,345
Holiday Inn Express	43	-	6,016	(268)
Staybridge Suites	3	2	298	130
Hotel Indigo	15	2	1,576	284
Total	110	19	17,779	2,595
Analysed by ownership type				
Franchised	97	14	14,119	1,933
Managed	13	5	3,660	662
Total	110	19	17,779	2,595

Europe pipeline
The Europe pipeline totalled 110 hotels (17,779 rooms) as at 31 December 2013, representing an increase of 19 hotels (2,595 rooms) over 31 December 2012. New signings of 50 hotels (7,542 rooms), compared to 48 hotels (7,023 rooms) in 2012, included 18 hotel signings in the UK (2,436 rooms), including signings for six different brands in London, notably the 453-room InterContinental London - The O2. The Group also signed six new hotels (1,116 rooms) in Germany and ten new hotels (1,737 rooms) in countries in the CIS.

10 hotels (1,419 rooms) were removed from the pipeline in 2013, compared to 16 hotels (3,044 rooms) in 2012.

ASIA, MIDDLE EAST & AFRICA (AMEA)

	12 months ended 31 December		
	2013	2012	%
AMEA results	$m	$m	change

Revenue			
Franchised	16	18	(11.1)
Managed	170	152	11.8
Owned and leased	44	48	(8.3)
Total	230	218	5.5
Operating profit before exceptional items			
Franchised	12	12	-
Managed	92	90	2.2
Owned and leased	4	6	(33.3)
	108	108	-
Regional overheads	(22)	(20)	(10.0)
Total	86	88	(2.3)

AMEA comparable RevPAR movement on previous year		12 months ended 31 December 2013
Franchised		
	All brands	9.6%
Managed		
	All bands	5.6%

AMEA results

In AMEA, 81% of rooms are operated under the managed business model. The region's hotels are in the luxury, upscale and upper midscale segments. Comprising 244 hotels (64,838 rooms) at 31 December 2013, AMEA represented 9% of the Group's room count and 10% of the Group's operating profit before central overheads and exceptional operating items during the year ended 31 December 2013.

Revenue increased by $12m (5.5%) to $230m and operating profit decreased by $2m (2.3%) to $86m. On an underlying basis, revenue and operating profit decreased by $6m (2.8%) and $7m (8.0%) respectively. The results included a $6m benefit from liquidated damages in 2013. RevPAR increased by 6.1%, with 3.0% growth in average daily rate. AMEA is a geographically diverse region and performance is impacted by political and economic factors affecting different countries. The Middle East delivered RevPAR growth of 2.9%, driven by strength in the United Arab Emirates and Saudi Arabia, though continuing political uncertainty impacted some of our other markets in the region, particularly Egypt and Lebanon. Performance in Japan was strong, with RevPAR increasing by 9.6%, whilst Australia also achieved solid RevPAR growth of 2.8%. RevPAR growth in developing markets remained buoyant, led by 12.2% RevPAR growth in Indonesia. Revenue and operating profit growth were muted by a $6m negative year-on-year impact from the renewal of a small number of long-standing contracts onto current commercial terms. In addition, there was a $4m negative impact from similar contracts that were not renewed.

Franchised revenue decreased by $2m (11.1%) to $16m, whilst operating profit was flat at $12m.

Managed revenue and operating profit increased by $18m (11.8%) to $170m and by $2m (2.2%) to $92m respectively. During 2013, a new property opened under an operating lease structure, with the same characteristics as a management contract, contributing revenue of $21m and operating profit of $1m. Excluding this property together with the benefit of the $6m liquidated damages receipt in 2013, revenue and operating profit decreased by $4m (2.6%) and $4m (4.4%) respectively at constant currency. RevPAR increased by 5.6%, with AMEA System size up 2.6%.

In the owned and leased estate, revenue and operating profit decreased by $4m (8.3%) to $44m and by $2m (33.3%) to $4m respectively, driven by a 7.3% RevPAR decline.

	Hotels		Rooms	
AMEA hotel and room count at 31 December	2013	Change over 2012	2013	Change over 2012