



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

COMPANY ANNOUNCEMENT

The following is a Company Announcement by International Hotel Investments Plc in terms of Malta Stock Exchange Bye-Law 6.05.06 (iii).

At a meeting held on 23rd May 2002 the Board of Directors of International Hotel Investments plc approved the Financial Statements for the twelve months ended 31st December 2001.

A copy of the Preliminary Profit Statement is attached.

Alfred Fabri
Company Secretary

23rd May 2002



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

Preliminary Profit Statement
for the Year Ended 31 December 2001

	1 Jan 2001 to 31 Dec 2001	29 Mar 2000 to 31 Dec 2000
	Lm	Lm
Revenue	5,541,212	3,561,928
Direct Costs	(4,240,564)	(2,716,706)
Gross Profit	1,300,648	845,222
Marketing Costs	(516,551)	(397,091)
Administrative Expenses	(1,782,152)	(535,205)
Amortisation of Goodwill	(25,741)	(71,229)
Other Net Operating (Expenses)/Income	(6,935)	51,918
Operating Loss	(1,030,731)	(106,385)
Interest Receivable and Similar Income	698,191	570,764
Exchange Differences on Intra-Group Balances	338,077	-
Interest Payable and Similar Charges	(664,520)	(384,090)
Income from Associates	152,343	42,273
Profit on Sale of Investment	923,477	-
Profit before Taxation	416,837	122,562
Taxation	33,501	(30,424)
Profit for the Year/Period	450,338	92,138
Earnings Per Share	0.011	0.003

This financial information is being published in terms of section 6.05.06(iii) of the bye-laws of the Malta Stock Exchange. It has been extracted from the group's audited financial statements for the year ended 31 December 2001. International Hotel Investments p.l.c. was incorporated on 29 March 2000 and accordingly the comparative amounts do not cover a full year.

The company is principally engaged in carrying on the business of a finance and investment company, in connection with the ownership, development, and operation of hotels, resorts, leisure facilities and other activities related to the tourism industry. In August 2001 the group acquired the entire shareholding in Alfa Investimentos Turisticos Lda, the owner of the Alfa Lisboa Hotel & Congress Centre, a four-star hotel in Lisbon, Portugal. The Company also signed a 20 year loan agreement for a total of Euros 43 million to partially cover the acquisition costs and the planned refurbishment works for this property. Construction works on the Corinthia Grand Hotel Royal in Budapest are proceeding according to plan and during the year the group signed a syndicated Loan Agreement for Euros 49 million for its end-financing. No drawings have been made on either of these loans during 2001.

During 2001, the group's revenue amounted to Lm5,541,212 from the full year operation of the Corinthia San Gorg Hotel in Malta and the operation for a four-and-a-half month period of the Alfa Lisboa Hotel in Lisbon, Portugal. After deducting direct costs amounting to Lm4,240,564, marketing costs, administrative expenses, amortisation of goodwill and other operating expenses amounting to Lm516,551, Lm1,782,152, Lm25,741 and Lm6,935 respectively, the operating loss for the year amounted to Lm1,030,731.

After taking into account interest receivable and similar income, non-operating exchange differences arising on intra-group balances which are due to/by group companies, the settlement of which will occur over agreed periods of time not extending beyond 31 December 2005, income from associates and the gain on the disposal of shares that the company had acquired in Hoteli Croatia d.d. Cavtat, amounting to Lm698,191, Lm338,077, Lm152,343 and Lm923,477 respectively, and deducting interest payable and similar charges and taxation, the group's profit for the year amounted to Lm450,338.

Earnings per share amounted to Lm0.011 and are based on the profit for the year after tax amounting to Lm450,338 divided by the weighted average number of ordinary shares in issue during the year amounting to 40,982,643.

The Board of Directors
23 May 2002

International Hotel Investments p.l.c.

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