INTERCONTINENTAL HOTELS GROUP PLC /NEW/
Form 6-K
February 15, 2011

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 15 February 2011

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

InterContinental Hotels Group PLC
Preliminary Results for the year to 31 December 2010

Brand delivery and scale advantage driving strong financial performance
in an improving market

Financial summary°	2010	2009	% Change YoY	
			Actual	CER[2]
Revenue	$1,628m	$1,538m	6%	6%
Operating profit	$444m	$363m	22%	22%
Total adjusted EPS	98.6¢	102.8¢	(4)%	
Total basic EPS[1]	101.7¢	74.7¢	36%	
Total dividend per share	48.0¢	41.4¢	16%	
Net debt	$743m	$1,092m[3]		

Andrew Cosslett, Chief Executive of InterContinental Hotels Group PLC, said:
"2010 was an excellent year for IHG. After a slow start to the year, the industry staged the sharpest recovery in its history, exceeding all expectations. By focusing on our brands and using our scale, we delivered 6% growth in revenue per available room (RevPAR). We signed more rooms into our pipeline than in 2009 and despite the planned exceptional number of removals to drive up quality, we grew the number of rooms in our system, led by a 12% increase in China.
"The $1bn Holiday Inn relaunch is almost complete, delivering RevPAR outperformance and improved guest satisfaction. We are now working with our hotel owners to refresh Crowne Plaza, already the fourth largest upscale hotel brand in the world, and one with great future potential.
"Our focus on efficiency has increased fee-based margins 1.1 percentage points. In line with our asset light strategy we have started the initial marketing for sale of the InterContinental New York Barclay today.
"The 21% growth in the final dividend reflects our confidence in IHG's prospects. Our priority is to increase market share and improve margins in an industry set for strong growth over the next few years."

Driving Market Share

- Total gross revenue* from hotels in IHG's system of $18.7bn, up 11%.
- 2010 global RevPAR growth of 6.2%, with 8.0% in the fourth quarter.
- Total system size of 647,161 rooms (4,437 hotels), up 0.1% year on year.
    - 35,744 rooms (259 hotels) added, with 35,262 rooms (260 hotels) removed.
    - Signings of 55,598 rooms (319 hotels), up on 2009 levels in all regions. Total pipeline of 204,859 rooms (1,275 hotels); half outside the Americas; 75,000 rooms currently under construction.
    - 2011 net system growth is expected to be modest as remaining Holiday Inn relaunch exits are completed.
    - Post 2011, robust pipeline should drive medium term net system growth of 3% - 5% per annum.

- Holiday Inn relaunch is substantially complete with refreshed hotels performing strongly.
  - 3,002 hotels now operating under the new standards (91% of the estate). RevPAR growth for hotels relaunched for more than one year was c.6% points higher than non-relaunched hotels in the US and c.5% points higher globally.
- Strong system delivery.
  - Record enrolments in Priority Club Rewards (PCR) took total membership to 56m (2009: 48m).
  - 68% of rooms revenue delivered through IHG's Channels or by PCR members direct to hotel (2009: 68%).

Growing Margins

- Continued focus on costs.
  - Regional and central costs broadly in line with 2009 excluding the impact of performance based incentives.
- Sustainable efficiencies drive fee-based margins* up 1.1%pts to 35.7%.
  - At constant currency, and reflecting the current trading outlook, total 2011 regional and central costs expected to be in the region of $250m to $260m compared to $258m in 2010.

Current trading update

- January global RevPAR up 8.4%. Americas 8.2%; EMEA 7.0%; and Asia Pacific 10.9%.
- $10m liquidated damages receipt in Americas managed revenue and operating profit in first quarter 2011.
- Initial estimate of impact on 2011 from unrest in Egypt of $3m.

º All figures are before exceptional items unless otherwise noted. See appendices 3 and 4 for analysis of financial headlines

[1] After exceptional items	[2] CER = constant exchange rates	[3] Restated for a change in presentation	* See appendix 6 for definition

Regional Highlights

Americas - strong brands drive new deals

RevPAR increased 4.9%; 7.7% in the fourth quarter when rate was up 1.4%. US RevPAR was up 4.3% in 2010, with 7.5% growth in the fourth quarter. 2010 RevPAR grew 8.1% at InterContinental New York Barclay.

Revenue increased 5% (4% at CER) to $807m and operating profit increased 28% (27% at CER) to $369m. After adjusting for the owned hotel disposals and the charge for priority guarantee shortfalls in 2009, revenue was up 7% and operating profit up 10%. Franchise royalties drove much of this growth, up 11%. This was offset by a 1% reduction in total system size due to exits associated with the Holiday Inn relaunch and a $10m increase in regional costs, including $4m in relation to our self-insured healthcare benefit plan.

During 2010 the InterContinental Times Square and the first Staybridge Suites opened in New York, taking IHG's room count in the city to 6,570. We re-entered the important Hawaii market with the Holiday Inn Beachcomber Resort in Waikiki Beach and formed an InterContinental Alliance with Las Vegas Sands Corp to bring the 6,874 all suite Venetian and Palazzo resorts into the system. The wider benefits of the Holiday Inn relaunch were clear, with full service Holiday Inn signings up on 2009.

We have formed a strategic relationship with Summit Hotel Properties, Inc. (Summit), a US hotel real estate investment trust focused on premium-branded select service hotels in the upscale and midscale without food and beverage sectors. In connection with Summit's initial public offering, which closed on 14 February 2011, IHG purchased 1,274,000 shares of Summit common stock, representing approximately 4.7%, for a purchase price of $11.6m. Of Summit's 65 properties seven already carry

IHG's brands, and under a sourcing agreement we have also entered into with them, Summit will provide IHG an exclusive right for a period of five years, of first offer to franchise or manage any unbranded hotel bought by them which they want to brand.

EMEA - increase in signings

RevPAR increased 6.1%, with 6.5% growth in the fourth quarter. Germany was the strongest of our major markets with RevPAR growth of 18.4% in 2010. Mixed trading conditions in the Middle East resulted in RevPAR down 1.0% for the year. 2010 RevPAR grew 15.0% at InterContinental London Park Lane and 11.5% at InterContinental Paris Le Grand.

Revenue increased 4% (8% at CER) to $414m and operating profit decreased 2% (2% growth at CER) to $125m. Excluding the impact of a $3m liquidated damages receipt in 2009, revenue was up 5% (8% at CER) and operating profit up 1% (5% at CER). Much of this was driven by the owned and leased hotels, where positive RevPAR combined with strong cost control drove good profit growth. Managed profits were down by $3m to $62m, due to a combination of the unfavourable trading environment across much of the Middle East and a $3m provision for total estimated net future cash outflows expected under a guarantee in relation to one hotel. Franchised profits declined $1m to $59m, but excluding the $3m liquidated damages receipt in 2009 and at constant currency, profits increased 7% driven by RevPAR growth of 7.6%.

We signed 58 new deals in the year, up 11 on 2009. These included eight Hotel Indigo contracts in key locations such as Lisbon, Madrid and Berlin. We also signed six Crowne Plaza hotels including the strategic markets of Istanbul, St. Petersburg and Amsterdam. Signings across Europe as a whole were very strong, particularly in Germany and France where we signed nine and six hotels respectively. Key openings included the Hotel Indigo Tower Hill, London, Staybridge Suites St. Petersburg and Holiday Inn Berlin International Airport.

Asia Pacific - strong profit growth

RevPAR increased 12.4%, with 11.5% growth in the fourth quarter. Greater China was our strongest market with RevPAR up 25.8% for the year, including 55.9% in Shanghai which was boosted by the World Expo which took place between May and October. Asia Australasia RevPAR grew 5.6% and at InterContinental Hong Kong RevPAR was up 15.3%.

Revenue increased 24% (20% at CER) to $303m and operating profit increased 71% (67% at CER) to $89m. This was predominantly driven by RevPAR growth; the contribution from new managed rooms (2010: 9% growth; 2009: 10% growth) and a $4m benefit to managed operating profit due to the collection of bad debts which had previously been provided for.

We continue to build on our leading position in Greater China with 48,527 rooms (145 hotels) open (a 12% increase year on year) and 50,236 rooms (147 hotels) in the pipeline. We opened 24 hotels in 17 cities across China, including Asia Pacific's first Hotel Indigo on the Bund and the InterContinental at the Expo site, both in Shanghai. In Asia Australasia, we signed six hotels in India, taking our pipeline there to 10,073 rooms. In Thailand we signed two new Holiday Inn resorts in the prime beachfront locations of Cam Ranh Bay and Phu Quoc, and we signed the Crowne Plaza Lumpini Park in Bangkok which opened in December.

Interest, tax and cash flow

The interest charge for the period increased $8m to $62m as the impact of lower levels of average net debt was offset by a higher average cost of debt following the issuance of a seven year £250m bond in 2009.

The effective tax rate for 2010 is 26% (2009: 5%). The 2011 tax rate is expected to be in the high 20s.

Free cash flow of $432m (2009: $377m) due to excellent profit conversion and tight control over maintenance capital expenditure.

Appendix 1: RevPAR Movement Summary

	January 2011			Full Year 2010			Q4'10		
	RevPAR	Rate	Occ.	RevPAR	Rate	Occ.	RevPAR	Rate	Occ.
Group	8.4%	2.0%	3.1%pts	6.2%	(0.2)%	3.8%pts	8.0%	2.4%	3.1%pts
Americas	8.2%	1.2%	3.3%pts	4.9%	(1.0)%	3.4%pts	7.7%	1.4%	3.3%pts
EMEA	7.0%	1.7%	2.7%pts	6.1%	0.5%	3.6%pts	6.5%	2.5%	2.5%pts
Asia Pacific	10.9%	6.5%	2.4%pts	12.4%	2.5%	6.0%pts	11.5%	7.0%	2.9%pts

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

	System					Pipeline	
	Openings	Removals	Net	Total	YoY%	Signings	Total
Group	35,744	(35,262)	482	647,161	-	55,598	204,859
Americas	20,980	(26,959)	(5,979)	439,375	(1)%	30,223	102,509
EMEA	5,767	(5,211)	556	120,852	-	9,303	31,435
Asia Pacific	8,997	(3,092)	5,905	86,934	7%	16,072	70,915

Appendix 3: Fourth quarter financial headlines

Operating Profit $m	Total		Americas		EMEA		Asia Pacific		Central	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Franchised	108	98	91	83	14	14	3	1	-	-
Managed	46	7	6	(19)	17	17	23	9	-	-
Owned & leased	32	29	5	4	12	11	15	14	-	-
Regional overheads	(35)	(26)	(17)	(11)	(11)	(9)	(7)	(6)	-	-
Operating profit pre central overheads	151	108	85	57	32	33	34	18	-	-
Central overheads	(41)	(48)	-	-	-	-	-	-	(41)	(48)
Group Operating profit	110	60	85	57	32	33	34	18	(41)	(48)

Appendix 4: Full year financial headlines

Operating Profit $m	Total		Americas		EMEA		Asia Pacific		Central	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Franchised	458	429	392	364	59	60	7	5	-	-
Managed	156	69	21	(40)	62	65	73	44	-	-
Owned & leased	88	74	13	11	40	33	35	30	-	-

Regional overheads	(119)	(105)	(57)	(47)	(36)	(31)	(26)	(27)	-	-
Operating profit pre central overheads	583	467	369	288	125	127	89	52	-	-
Central overheads	(139)	(104)	-	-	-	-	-	-	(139)	(104)
Group Operating profit	444	363	369	288	125	127	89	52	(139)	(104)

Appendix 5: Constant exchange rate (CER) operating profit movement before exceptional items

	Total***		Americas		EMEA		Asia Pacific	
	Actual currency*	CER**	Actual currency*	CER**	Actual currency*	CER**	Actual currency*	CER**
Growth/ (decline)	22%	22%	28%	27%	(2)%	2%	71%	67%

Exchange rates:

	GBP:USD	EUR:USD	
			* US dollar actual currency
2010	0.65	0.76	** Translated at constant 2009 exchange rates
2009	0.64	0.72	*** After central overheads

Appendix 6: 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.

Fee based margins: adjusted for owned and leased hotels, managed leases, individually significant liquidated damages payments, HPT guarantee payments and excludes the benefit in 2009 of non-sustainable incentive compensation cost savings.

Appendix 7: Investor Information for 2010 final dividend

Ex-dividend date:	23 March 2011	Record date:	25 March 2011
Payment date:	3 June 2011	Dividend payment:	Ordinary shares = 22.0 pence per share ADRs = 35.2 cents per ADR

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High resolution images to accompany this announcement are available for the media to download free of charge from www.vismedia.co.uk. This includes profile shots of the key executives.

Presentation for Analysts and Shareholders:

A presentation with Andrew Cosslett (Chief Executive) and Richard Solomons (Chief Financial Officer and Head of Commercial Development) will commence at 9.30am (London time) on 15 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 approximately 10.30am

(London time).

There will be a live audio webcast of the results presentation on the web address www.ihg.com/prelims11. 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:

International dial-in:	+44 (0)20 7138 0816
Passcode:	8564080

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 15 February with Andrew Cosslett (Chief Executive) and Richard Solomons (Chief Financial Officer and Head of Commercial Development). There will be an opportunity to ask questions.

International dial-in:	+44 (0)20 7108 6370
Standard US dial-in:	+ 1 517 345 9004
US Toll Free:	866 692 5726
Conference ID:	HOTEL

A recording of the conference call will also be available for 7 days. To access this please dial the relevant number below and use the access number 2524#.

International dial-in:	+44 (0)20 7108 6225
Standard US dial-in:	+1 203 369 4702
US Toll Free:	866 850 6506

Website:

The full release and supplementary data will be available on our website from 7.00 am (London time) on 15 February. The web address is www.ihg.com/prelims11. To watch a video of Richard Solomons reviewing our results visit our YouTube channel at www.youtube.com/ihgplc.

Notes to Editors:

InterContinental Hotels Group (IHG) [LON:IHG, NYSE:IHG (ADRs)] is the world's largest hotel group by number of rooms. IHG franchises, leases, manages or owns, through various subsidiaries, over 4,400 hotels and more than 640,000 guest rooms in 100 countries and territories around the world. The Group owns a portfolio of well recognised and respected hotel brands including InterContinental® Hotels & Resorts, Hotel Indigo®, Crowne Plaza® Hotels & Resorts, Holiday Inn® Hotels and Resorts, Holiday Inn Express®, Staybridge Suites® and Candlewood Suites® and also manages the world's largest hotel loyalty programme, Priority Club® Rewards with 56 million members worldwide.

IHG has almost 1,300 hotels in its development pipeline, which is expected to create 160,000 jobs worldwide 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.

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 our latest news visit www.ihg.com/media, Twitter www.twitter.com/ihgplc or YouTube 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 (BR) provides a commentary on the performance of InterContinental Hotels Group PLC (the Group or IHG) for the financial year ended 31 December 2010.

GROUP PERFORMANCE

		12 months ended 31 December		
		2010	2009	%
Group results		$m	$m	change
Revenue				
	Americas	807	772	4.5
	EMEA	414	397	4.3
	Asia Pacific	303	245	23.7
	Central	104	124	(16.1)
		1,628	1,538	5.9
Operating profit				
	Americas	369	288	28.1
	EMEA	125	127	(1.6)
	Asia Pacific	89	52	71.2
	Central	(139)	(104)	(33.7)
Operating profit before exceptional items		444	363	22.3
Exceptional operating items		15	(373)	n/m
		459	(10)	n/m
Net financial expenses		(62)	(54)	(14.8)
Profit/(loss) before tax		397	(64)	n/m
Earnings per ordinary share				
	Basic	101.7¢	74.7¢	36.1
	Adjusted	98.6¢	102.8¢	(4.1)

n/m - non meaningful

Group results
Revenue increased by 5.9% to $1,628m and operating profit before exceptional items increased by 22.3% to $444m during the 12 months ended 31 December 2010.

The 2010 results reflect a return to RevPAR growth in a recovering market, with an overall RevPAR increase of 6.2% led by occupancy. Fourth quarter comparable RevPAR increased 8.0% against 2009, including a 2.4% increase in average daily rate. Over the full year average daily rate grew for the InterContinental and Holiday Inn brands by 1.3%

and 0.5% respectively.

The $1bn roll-out of the Holiday Inn brand family relaunch is substantially complete, enabling the consistent delivery of best in class service and physical quality in all Holiday Inn and Holiday Inn Express hotels. By 31 December 2010, 2,956 hotels were converted globally under the relaunch programme, representing 89% of the total estate. The required improvement in quality standards contributed to the removal of a total of 35,262 rooms from the system during 2010. In spite of this necessary reduction, the closing global system size was 647,161 rooms, in line with 2009 levels.

The ongoing focus on efficiency across the Group largely sustained underlying cost reductions achieved in 2009. Regional and central overheads increased by $49m, from $209m in 2009 to $258m in 2010, driven by incremental performance based incentive costs of $47m and charges of $4m relating to a self-insured healthcare benefit plan.

Primarily as a result of these actions taken across the Group to improve efficiencies, operating profit margin was 35.7%, up 1.1 percentage points on 2009, after adjusting for owned and leased hotels, Americas managed leases, significant liquidated damages received in 2009, an onerous contract provision established in 2009 and non-payment of performance based incentive costs in 2009.

In 2010 the InterContinental Buckhead, Atlanta and the Holiday Inn Lexington were sold, with proceeds used to reduce net debt. These disposals result in a reduction in owned and leased revenue and operating profit of $19m and $4m respectively compared to 2009.

The average US dollar exchange rate to sterling strengthened during 2010 (2010 $1=£0.65, 2009 $1=£0.64). Translated at constant currency, applying 2009 exchange rates, revenue increased by 6.0% and operating profit increased by 22.3%.

Profit before tax increased by $461m from a loss of $64m in 2009 to a profit of $397m. Adjusted earnings per ordinary share decreased by 4.1% to 98.6¢ as a result of the particularly low tax rate of 5% in 2009, compared to 26% in 2010.

	12 months ended 31 December		
	2010	2009	%
Total gross revenue	$bn	$bn	change
InterContinental	4.2	3.8	10.5
Crowne Plaza	3.5	3.0	16.7
Holiday Inn	5.8	5.4	7.4
Holiday Inn Express	4.0	3.6	11.1
Staybridge Suites	0.5	0.4	25.0
Candlewood Suites	0.4	0.3	33.3
Other brands	0.3	0.3	-
Total	18.7	16.8	11.3

Total gross revenue

One measure of overall IHG hotel 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 11.3% from $16.8bn in 2009 to $18.7bn in 2010. All brands grew total gross revenue, with most brands growing by more than 10% compared to 2009.

Global hotel and room count at 31 December	Hotels 2010	Hotels Change over 2009	Rooms 2010	Rooms Change over 2009
Analysed by brand				
InterContinental	171	5	58,429	2,308
Crowne Plaza	388	22	106,155	5,161
Holiday Inn	1,241	(78)	227,225	(13,343)
Holiday Inn Express	2,075	6	191,228	3,221
Staybridge Suites	188	6	20,762	877
Candlewood Suites	288	34	28,253	2,970
Hotel Indigo	38	5	4,548	518
Holiday Inn Club Vacations	6	-	2,892	-
Other	42	(1)	7,669	(1,230)
Total	4,437	(1)	647,161	482
Analysed by ownership type				
Franchised	3,783	(16)	479,320	(4,221)
Managed	639	17	162,711	5,424
Owned and leased	15	(2)	5,130	(721)
Total	4,437	(1)	647,161	482

Global hotel and room count

During 2010, the IHG global system (the number of hotels and rooms which are franchised, managed, owned or leased by the Group) remained in line with 2009 at 4,437 hotels (647,161 rooms). Openings of 259 hotels (35,744 rooms) were driven, in particular, by continued expansion in the US and China and offset the removal of 260 hotels (35,262 rooms).

In Asia Pacific, demand for upscale brands (InterContinental, Crowne Plaza and Hotel Indigo) contributed 65% of total room openings in the region.

The Holiday Inn brand family relaunch is substantially complete with 2,956 hotels (89% of the total Holiday Inn brand family) open under the updated signage and brand standards as at 31 December 2010. During 2010, the removal of non brand conforming hotels contributed to the total removal of 247 Holiday Inn and Holiday Inn Express hotels (30,892 rooms).

Global pipeline at 31 December	Hotels 2010	Hotels Change over 2009	Rooms 2010	Rooms Change over 2009
Analysed by brand				
InterContinental	60	(3)	19,374	(799)

Crowne Plaza	123	(6)	38,994	439
Holiday Inn	313	(25)	57,505	(1,503)
Holiday Inn Express	494	(69)	53,219	(4,537)
Staybridge Suites	101	(22)	10,760	(2,600)
Candlewood Suites	120	(49)	10,506	(4,345)
Hotel Indigo	62	9	7,627	967
Other	2	2	6,874	6,874
Total	1,275	(163)	204,859	(5,504)
Analysed by ownership type				
Franchised	970	(188)	113,940	(12,446)
Managed	305	25	90,919	6,942
Total	1,275	(163)	204,859	(5,504)

Global pipeline signings at 31 December	Hotels 2010	Hotels Change over 2009	Rooms 2010	Rooms Change over 2009
Total	319	(26)	55,598	2,707

Global pipeline

At the end of 2010, the pipeline totalled 1,275 hotels (204,859 rooms). The IHG pipeline represents hotels and rooms where a contract has been signed and the appropriate fees paid.

Signings of 319 hotels (55,598 rooms) represent an increase in rooms signed from 2009 levels. Demonstrating the continued demand for IHG brands globally, 50% of the rooms pipeline is now outside the Americas region. There were 25 hotel signings (3,025 rooms) for Hotel Indigo as it gains real momentum in Europe and Asia Pacific where, together, 12 hotels (1,456 rooms) were signed. IHG also entered into an InterContinental Alliance relationship with the Las Vegas Sands Corp to bring the 6,874 all-suite Venetian and Palazzo Resorts into the system in 2011.

During 2010, the opening of 35,744 rooms contributed to a net pipeline decline of 5,504 rooms. Terminations from the pipeline in 2010 totalled 25,358 rooms, down 21% from 2009. Terminations occur for a number of reasons such as the withdrawal of financing and changes in local market conditions.

THE AMERICAS

	12 months ended 31 December		
	2010	2009	%
Americas Results	$m	$m	change
Revenue			
Franchised	465	437	6.4
Managed	119	110	8.2

Owned and leased	223	225	(0.9)
Total	807	772	4.5
Operating profit before exceptional items			
Franchised	392	364	7.7
Managed	21	(40)	152.5
Owned and leased	13	11	18.2
	426	335	27.2
Regional overheads	(57)	(47)	(21.3)
Total	369	288	28.1

Americas Comparable RevPAR movement on previous year		12 months ended 31 December 2010
Franchised		
	Crowne Plaza	4.5%
	Holiday Inn	4.1%
	Holiday Inn Express	4.4%
	All brands	4.5%
Managed		
	InterContinental	10.2%
	Crowne Plaza	6.2%
	Holiday Inn	7.1%
	Staybridge Suites	6.3%
	Candlewood Suites	3.7%
	All brands	7.5%
Owned and leased		
	InterContinental	8.7%

Americas results

Revenue and operating profit before exceptional items increased by $35m to $807m (4.5%) and $81m to $369m (28.1%) respectively.

Franchised revenue increased by $28m to $465m (6.4%) and operating profit by $28m to $392m (7.7%). Royalties growth was driven by RevPAR gains across all brands and by 4.5% in total. While year end system size was lower than opening system size, the weighting of removals towards the end of the year meant that daily rooms available actually grew in 2010 from 2009 levels, further boosting royalty growth. Non royalty revenues and profits remained flat on 2009, as real estate financing for new activity remained constrained.

Managed revenue increased by $9m to $119m (8.2%) in line with the RevPAR growth of 7.5%. Operating profit increased by $61m to $21m from a $40m loss in 2009. The prior year loss included a charge for priority guarantee shortfalls relating to a portfolio of hotels. A provision for onerous contracts was established on 31 December 2009 and further payments made during 2010 were charged against this provision. Excluding the effect of the provision, managed operating profit increased by $3m, driven by RevPAR growth of 23.3% in Latin America.

Results from managed operations included revenues of $71m (2009 $71m) and operating profit of $1m (2009 nil) from properties that are structured, for legal reasons, as operating leases but with the same characteristics as management contracts.

Owned and leased revenue declined by $2m to $223m (0.9%) and operating profit increased by $2m to $13m (18.2%). Improving trading conditions led to RevPAR growth of 6.4%, including 8.1% at the InterContinental New York. The disposal of the InterContinental Buckhead, Atlanta in July 2010 and its subsequent conversion to a management contract resulted in reductions of $15m in revenue and $4m in operating profit when compared to 2009. The Holiday Inn Lexington was also sold in March 2010, which has led to a $4m reduction in revenue and no reduction in operating profit compared to last year. Excluding the impact of these two disposals, owned and leased revenue grew by $17m (9.0%) and operating profit by $6m (150.0%).

Regional overheads increased by $10m (21.3%) during the year, from $47m to $57m. The increase comes primarily from performance based incentives and $4m from increased claims in a self-insured healthcare benefit plan.

Americas hotel and room count at 31 December	Hotels 2010	Hotels Change over 2009	Rooms 2010	Rooms Change over 2009
Analysed by brand				
InterContinental	56	1	19,120	621
Crowne Plaza	209	7	57,073	1,383
Holiday Inn	812	(72)	144,683	(13,518)
Holiday Inn Express	1,847	1	159,867	1,583
Staybridge Suites	183	5	20,014	694
Candlewood Suites	288	34	28,253	2,970
Hotel Indigo	35	3	4,254	288
Holiday Inn Club Vacations	6	-	2,892	-
Other brands	22	-	3,219	-
Total	3,458	(21)	439,375	(5,979)
Analysed by ownership type				
Franchised	3,230	(15)	392,536	(5,468)
Managed	219	(4)	43,848	210
Owned and leased	9	(2)	2,991	(721)
Total	3,458	(21)	439,375	(5,979)

Americas hotel and room count
The Americas hotel and room count in the year decreased by 21 hotels (5,979 rooms) to 3,458 hotels (439,375 rooms). Openings of 194 hotels (20,980 rooms) included key openings of the InterContinental Times Square and the first Staybridge Suites in New York, taking IHG's room count in the city to 6,570. The Holiday Inn brand family generated openings of 137 hotels (13,446 rooms) and IHG's extended-stay brands, Staybridge Suites and Candlewood Suites, achieved openings of 41 hotels (3,862 rooms). Removals of 215 hotels (26,959 rooms) were mainly from Holiday Inn and Holiday Inn Express hotels.

Americas pipeline at 31 December	Hotels 2010	Hotels Change over 2009	Rooms 2010	Rooms Change over 2009
Analysed by brand				
InterContinental	5	(1)	1,340	(700)
Crowne Plaza	27	(6)	5,669	(1,293)
Holiday Inn	187	(29)	25,260	(2,682)
Holiday Inn Express	407	(79)	37,011	(6,427)
Staybridge Suites	96	(20)	10,116	(2,392)
Candlewood Suites	120	(49)	10,506	(4,345)
Hotel Indigo	46	(1)	5,733	(254)
Other	2	2	6,874	6,874
Total	890	(183)	102,509	(11,219)
Analysed by ownership type				
Franchised	878	(185)	100,072	(11,036)
Managed	12	2	2,437	(183)
Total	890	(183)	102,509	(11,219)

Americas pipeline

The Americas pipeline totalled 890 hotels (102,509 rooms) as at 31 December 2010. Overall signings of 30,223 rooms were flat on 2009 as slow real estate and construction activity continued into 2010. Notable signings included the InterContinental Alliance established with the Las Vegas Sands Corp, and the re-entry to the Hawaii market with the Holiday Inn Beachcomber Resort in Waikiki Beach.

EUROPE, MIDDLE EAST AND AFRICA (EMEA)

EMEA results	12 months ended 31 December 2010 $m	2009 $m	% change
Revenue			