

AL MADINA A'ZARQA SIGNS AGREEMENT WITH INTERCONTINENTAL HOTELS GROUP (IHG) FOR THE DEVELOPMENT OF WATERFRONT HOTEL



Roger Kacou, VP-Development, BCC1; Richard Russel, MD and CEO, BCC1; John Bamsey, COO, IHG-MEA; Phil Kasselis, VP-Development, IHG-MEA

Muscat, Oman: 4 July, 2009: Blue City Company 1 (BCC1), the developers of phase one of Al Madina A'Zarqa, the most significant real estate infrastructure project in the Sultanate of Oman, has signed an agreement with InterContinental Hotels Group (IHG) for the development of a five star beachfront property, InterContinental Al Madina A'Zarqa.

The globally recognised hotel group will operate InterContinental Al Madina A'Zarqa and it will be the second hotel scheduled to open in Al Madina A'Zarqa. The coastline hotel consists of 200 elegant rooms, including 50 suites and is in close proximity to the Al Na'man community, the shopping district, golf course and the creek marina.

Commenting on the signing, John Bamsey, Chief Operating Officer, InterContinental Hotels Group, Middle East and Africa said: "Oman plans to highlight its natural beauty through premium developments, such as Al Madina A'Zarqa, in an effort to increase its international appeal. InterContinental Al Madina A'Zarqa will offer affluent leisure

and business travellers a more authentic experience, while delivering on the international standards that they have grown accustomed to.”

“We look forward to developing our partnership with Blue City Company 1, as we continue our expansion plans in the Sultanate. We currently have six properties in Oman, including our flagship Al Bustan Palace InterContinental Muscat and three hotels in the pipeline, one of these being the InterContinental Al Madina A’Zarqa. Our presence in Oman is a testimony of our confidence in the country’s Vision 2020 and its plans to develop in to a key leisure and business tourism destination,” he added.

InterContinental Al Madina A’Zarqa will offer several dining options including a fine dining restaurant, an all day restaurant and specialty outlets. In addition, the property will feature a complete fitness centre offering the latest equipment, a spa, as well as pools and tennis courts. The hotel will also offer state of the art meeting and conference facilities to cater to specific business needs.

“Al Madina A’Zarqa is a rapidly growing coastal city with a prime geographic location, easily accessible from Muscat International Airport and within a three hour drive from the UAE. We are pleased to be partnering with IHG to bring InterContinental to our development, Intercontinental is renowned for their premium standards and quality service,” said Richard P. Russell, PE, Managing Director & Chief Executive Officer, BCC1.

“InterContinental Al Madina A’Zarqa is one of three waterfront hotels in phase one of the development and will create a strong and dynamic international presence in the tourism sector of the Sultanate. Our city will have approximately 20 hotels offering spas, restaurants and other facilities that will put Al Madina A’ Zarqa on par with the global tourism scene” concluded Roger Kacou, Vice President of Hotel and Leisure Development, BCC1.

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Notes to the editor

About Blue City Company 1

Blue City Company 1 (BCC1), the developers of phase one of Al Madina A'Zarqa, the most significant real estate infrastructure project in the Sultanate of Oman.

Al Madina A'Zarqa is a 32 km² development in Al Sawadi, a 60-minute drive from Muscat. The city development will be home to more than 200,000 people. Al Madina A'Zarqa will radically expand the tourism facilities in the Sultanate of Oman and the City will become a world destination centering its economic development on trade, sports and wellness, medicine and healthcare, education, entertainment and tourism and hospitality including 20 5-star hotels. The City will generate large scale employment opportunities for Omani nationals, promote freehold property ownership for nationals and expatriates alike and serve as a hub for both business and leisure activities in the Sultanate.

About IHG

InterContinental Hotels Group (IHG) [LON:IHG, NYSE:IHG (ADRs)] is the world's largest hotel group by number of rooms. IHG owns, manages, leases or franchises, through various subsidiaries, more than 4,200 hotels and over 620,000 guest rooms in nearly 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 43 million members worldwide.

IHG's portfolio within Oman numbered six properties as of 31 March 2009, comprising two InterContinental, three Crowne Plaza and one Holiday Inn hotel.

IHG has nearly 1,700 hotels in its development pipeline, which will create 140,000 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 the latest news from IHG, visit our online Press Office at www.ihg.com/media.