

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the Resolution to be voted on at an Extraordinary General Meeting of the Company to be held at 10.30 a.m. on 26 June 2009. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser. The whole of the text of this document should be read.**

Application will be made for the New Hotel Corporation Shares to be admitted to trading on AIM, a market operated by the London Stock Exchange (“AIM”). AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the potential risks in investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. It is expected that Admission of the New Hotel Corporation Shares will become effective and that dealings will commence on 29 June 2009. The New Hotel Corporation Shares will, on Admission, rank *pari passu* in all respects with the Existing Hotel Corporation Shares and will rank in full for all dividends and other distributions (if any) declared, made or paid on Hotel Corporation Shares after Admission. The Hotel Corporation Shares are not dealt in on any other recognised investment exchange and no other such applications have been made.

If you have sold or transferred all of your Hotel Corporation Shares in the Company, please pass this document and the Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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# The Hotel Corporation plc

*(Incorporated in Isle of Man with registered number 111066C)*

Circular to shareholders

and

Notice of Extraordinary General Meeting

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Your attention is drawn to the letter from the Chairman of The Hotel Corporation plc (“Hotel Corporation” or the “Company”) which is set out in this document and which contains the unanimous recommendations of your Directors that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting to be held at 10.30 a.m. on 26 June 2009.

Shore Capital and Corporate, which is regulated in the United Kingdom by the Financial Services Authority, is acting as Nominated Adviser and Broker exclusively for the Company in connection with the Placing and is not acting for any other person and will not be responsible to any other person for providing the protections afforded to customers of Shore Capital and Corporate, or for advising any other person in connection with the Placing. The responsibilities of Shore Capital and Corporate, as Nominated Adviser, are owed solely to the London Stock Exchange plc.

A notice convening an Extraordinary General Meeting of the Company to be held at Burleigh Manor, Peel Road, Douglas, Isle of Man, IM1 5EP on 26 June 2009 at 10.30 a.m. is set out at the end of this document. A Form of Proxy for use at the meeting accompanies this document. To be valid, Forms of Proxy must be completed and returned so as to be received at the offices of the Company’s registrars Computershare Investors Services (Jersey) Limited, PO Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW not later than 10.30 a.m. on 24 June 2009. The completion and depositing of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you wish to do so. Please refer to the detailed notes contained in the Notice of Extraordinary General Meeting and Form of Proxy.

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## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

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Latest time and date for receipt of Forms of Proxy	10.30 a.m. on 24 June 2009
Extraordinary General Meeting	10.30 a.m. on 26 June 2009
Admission and dealings in the Placing Shares expected to commence on AIM	8.00 a.m. on 29 June 2009
CREST accounts to be credited for Placing Shares in uncertificated form	29 June 2009
Expected date for posting of share certificates for Placing Shares (where applicable)	by 10 July 2009

## DEFINITIONS

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*The following definitions apply throughout this document unless the context requires otherwise:*

<b>“Admission”</b>	the admission of the Placing Shares to trading on AIM
<b>“AIM”</b>	the AIM market operated by the London Stock Exchange
<b>“AIM Rules for Companies”</b>	the rules for AIM-quoted companies published by the London Stock Exchange, as amended from time to time
<b>“Anglo Irish Bank”</b>	Anglo Irish Bank Corporation Limited
<b>“Anglo Irish Bank Repayment”</b>	the repayment by Puma Hotels of £15 million to Anglo Irish Bank by no later than 14 July 2009 as part of the Puma Hotels Loan Extension
<b>“Company” or “Hotel Corporation”</b>	The Hotel Corporation plc, an Isle of Man registered company, with number 111066C
<b>“Directors” or the “Board”</b>	the directors of the Company as at the date of this document, whose names are set out on page 6
<b>“Existing Hotel Corporation Shares”</b>	the 34,619,050 Hotel Corporation Shares in issue as at the date of this document
<b>“Extraordinary General Meeting”</b>	the Extraordinary General Meeting of the Company convened for 10.30 a.m. on 26 June 2009, notice of which is set out at the end of this document, and any adjournment thereof
<b>“Form of Proxy”</b>	the form of proxy accompanying this document for use in connection with the Extraordinary General Meeting
<b>“Hotel Corporation Shares”</b>	ordinary shares of 5p each in the capital of the Company
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“New Puma Hotels Shares”</b>	new Puma Hotels Shares to be issued as part of the Puma Hotels Placing
<b>“Placing”</b>	the proposed placing of New Hotel Corporation Shares for cash to fund the Proposed Follow-on Investment
<b>“Placing Agreement”</b>	the agreement to be entered into between the Company and Shore Capital Stockbrokers relating to the Placing
<b>“Placing Shares” or “New Hotel Corporation Shares”</b>	up to 25,000,000 new Hotel Corporation Shares to be issued pursuant to the Placing
<b>“Proposed Follow-on Investment”</b>	the proposed investment in Puma Hotels pursuant to the Puma Hotels Placing
<b>“Puma Hotels”</b>	Puma Hotels plc
<b>“Puma Hotels Placing”</b>	the proposed placing by Puma Hotels

<b>“Puma Hotels Loan Extension”</b>	the extension of its senior debt facilities with Anglo Irish Bank by Puma Hotels as announced on 14 May 2009
<b>“Puma Hotels Shares”</b>	ordinary shares of 5p each in the capital of Puma Hotels
<b>“Resolution”</b>	the resolution to be proposed at the Extraordinary General Meeting, which is set out in the Notice of Extraordinary General Meeting at the end of this document
<b>“Shareholders”</b>	holders of Hotel Corporation Shares
<b>“Shore Capital and Corporate”</b>	Shore Capital and Corporate Limited
<b>“Shore Capital Stockbrokers”</b>	Shore Capital Stockbrokers Limited

## LETTER FROM THE CHAIRMAN

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# The Hotel Corporation plc

*(Incorporated in Isle of Man with registered number 111066C)*

### *Directors*

James Barclay Douglas (*Non-executive Chairman*)  
Derek William Short (*Non-executive*)  
David Peter Craine (*Non-executive*)

### *Registered Office*

Burleigh Manor  
Peel Road  
Douglas  
Isle of Man IM1 5EP

3 June 2009

Dear Shareholder,

### **Circular to shareholders and Notice of Extraordinary General Meeting**

#### **1. Introduction**

The Company announced on 14 May 2009 that Puma Hotels, in which the Company has a 49.93 per cent. interest, had successfully negotiated an extension to the term of its loan facilities with Anglo Irish Bank from 31 December 2009 to 31 December 2012. The full text of this announcement is set out under paragraph 4 below. The Puma Hotels Loan Extension is conditional on a repayment to Anglo Irish Bank of £15 million being made by Puma Hotels by 14 July 2009. As announced on 14 May 2009, Puma Hotels intends to raise £20 million in new equity in order to fund the Anglo Irish Bank Repayment.

The Company's principal asset is its holding of 16,550,000 Puma Hotels Shares representing 49.93 per cent. of Puma Hotels' issued share capital together with £17,543,000 nominal value of unsecured deep discount bonds issued by a Puma Hotels' subsidiary. Your Board announced today that it would be seeking approval from Shareholders to disapply existing pre-emption rights to facilitate a placing, through Shore Capital Stockbrokers, of New Hotel Corporation Shares with institutional and other investors. The net proceeds of the Placing will largely be used to finance the Proposed Follow-on Investment in Puma Hotels through the Puma Hotels Placing.

The purpose of this circular is to give you information on the Puma Hotels Loan Extension, the Proposed Follow-on Investment, the Resolution and to seek your approval for the Resolution at the Extraordinary General Meeting. The Notice of Extraordinary General Meeting is set out at the end of this document.

#### **2. Background to and reasons for the Placing**

Puma Hotels has £350 million of senior debt facilities with Anglo Irish Bank (of which £347.3 million was drawn down as at 18 May 2009) which mature on 31 December 2009. As stated above, Puma Hotels announced on 14 May 2009 that it had reached agreement with Anglo Irish Bank to extend these facilities for a further three years until 31 December 2012. The key terms of the extended loan facilities are described in the announcement which is reproduced in paragraph 4 below. As part of the Puma Hotels Loan Extension, Puma Hotels intends to raise £20 million through the issue of new shares to fund a reduction of the size of the outstanding principal of the Anglo Irish Bank facility to £332.3 million from the present drawn down amount (namely, the Anglo Irish Bank Repayment) and to meet associated costs.

As stated above, the Company's principal asset is its holding of 16,550,000 Puma Hotels Shares representing 49.93 per cent. of Puma Hotels' issued share capital. Your Board is seeking approval from Shareholders to disapply existing pre-emption rights to facilitate a placing, through Shore Capital Stockbrokers, of New Hotel Corporation Shares with institutional and other investors. The net proceeds of the Placing will largely be used to finance the Proposed Follow-on Investment in Puma Hotels through the Puma Hotels Placing.

The Puma Hotels Loan Extension is conditional on Puma Hotels making the Anglo Irish Bank Repayment by no later than 14 July 2009. Completion of the Puma Hotels Placing is necessary in order to fund the Anglo Irish Bank Repayment and thereby secure Puma Hotels' property investments which are financed primarily by Anglo Irish Bank. Shareholders should note that the Company has agreed to participate in the fund-raising by Puma Hotels subject to Shareholder approval of the Resolution. Hotel Corporation's participation in the Puma Hotels Placing will be necessary in order to finalise that placing which will thereby secure Puma Hotels' property investments. **As such, the Directors believe that it is very important that Shareholders vote in favour of the Resolution to facilitate the Placing which can enable the Company to fund the Proposed Follow-on Investment in Puma Hotels.**

### **3. Details of the Placing**

The Company is proposing to raise funds through the placing of New Hotel Corporation Shares for cash with investors. Shore Capital Stockbrokers is acting as placing agent to the Company. The Placing will not be underwritten.

The Placing Shares will be placed with investors at a price to be announced.

#### ***Placing Agreement***

The Company will shortly enter into the Placing Agreement under which Shore Capital Stockbrokers has agreed to use its reasonable endeavours to place New Hotel Corporation Shares with investors at the placing price to be announced.

The Placing is conditional, *inter alia*, on the passing of the Resolution and Admission of the Placing Shares becoming effective on or before 29 June 2009 (or such later date as the Company and Shore Capital Stockbrokers may agree, but in any event not later than 31 July 2009).

The Placing Agreement contains customary warranties and indemnities given by the Company in favour of Shore Capital and Corporate and Shore Capital Stockbrokers as to the accuracy of the information contained in the documents connected with the Placing and other matters relating to the company and its business. Shore Capital Stockbrokers is entitled to terminate the Placing Agreement in certain specified circumstances.

The Proposed Follow-on Investment is subject to, and conditional upon, the passing of the Resolution.

Upon issue, the Placing Shares will rank *pari passu* with the Existing Hotel Corporation Shares, including, in each case, the right to receive dividends and other distributions declared, paid or made after their respective issue. Application will be made for the Placing Shares, following their issue, to be admitted to trading on AIM. It is expected that, conditional upon the passing of the Resolution, dealings in the New Hotel Corporation Shares will commence on 29 June 2009.

Further announcements in relation to the Placing will be made by the Company in accordance with the AIM Rules for Companies.

### **4. Puma Hotels announcement**

The following is the text of the announcement issued on 14 May 2009 by the Company following the announcement by Puma Hotels of the loan extension with Anglo Irish Bank:

**“14 May 2009**

**The Hotel Corporation PLC (“The Hotel Corporation”)**

**Puma Hotels plc – Extension of bank loan facility**

The Board of The Hotel Corporation plc, whose principal asset is a 49.9 per cent. stake in Puma Hotels plc (“Puma Hotels”), announces that it has been informed by Puma Hotels that Puma Hotels is issuing the following press release.

Puma Hotels and The Hotel Corporation each expects to announce its preliminary results for the year ended 31 December 2008 in the next few days.

A copy of the announcement released today by Puma Hotels is attached to this announcement.

**14 May 2009**

## **Puma Hotels plc (“PHP” or “the Company”)**

### **PHP Extends Maturity of Bank Loan Facility for a Further Three Years**

The Board of PHP is pleased to announce that the Company has signed an agreement with Anglo Irish Bank Corporation Limited (“Anglo Irish”) to extend the term of its senior debt facility and waive the loan to value covenant for the remaining term of the loan.

This facility was due for repayment on 31 December 2009 but will now mature on 31 December 2012. In a volatile and difficult credit market, this extension by three years represents a key milestone in safeguarding the Company’s financial position.

The extension is subject to a reduction in the principal outstanding under the debt facility as outlined below:

- The facility is being reduced to £332.3 million from its present ceiling of £350 million (of which £347.3 million is currently drawn). PHP expects to fund this reduction, together with associated costs, by raising an additional £20 million in new equity from the Company’s shareholders and a copy of this announcement is being sent to them today.
- Anglo Irish have agreed that there will be no further loan to value covenant testing for the duration of the facility (i.e. up to and including 31 December 2012). This provides significant certainty to shareholders in the current market.
- The margin on the facility will increase from 1.75 per cent. to 2.5 per cent. from the Effective Date (see below). The extension is also subject to an arrangement fee of £1.0 million.
- The maturity of the Company’s outstanding shareholder bonds will be extended to 31 December 2012 to align it with the Bank facility, although approximately £2.0 million of these bonds will, as previously scheduled, be redeemed on 30 June 2009.
- It is also intended to seek bond-holder approval for a listing of the outstanding bonds on the Channel Islands Stock Exchange and for the bonds thereafter to bear 12 per cent. interest, payable semi-annually. Irrevocable commitments to vote in favour of these proposals have already been received from 55 per cent of the bond-holders which is sufficient for approval to be passed.

All variations to the loan agreement will become effective on the date on which the principal repayment of £15.0 million is made (the “Effective Date”) which is expected to be achieved by 14 July 2009.

Howard Shore, chairman of Puma Hotels plc, commented:

“We are delighted to have successfully negotiated an extension of our senior debt which will now mature in December 2012. That we were able successfully to conclude this agreement is a reflection of our strong relationship with Anglo Irish Bank and the confidence it has in our business model and our ability to steward the business through these difficult economic times.”

As part of the maturity extension agreement, the Company executed three interest rate SWAP agreements on 30 April 2009. These SWAP agreements relate to a principal amount of £182.345



million and commence on 31 December 2009 when the current SWAP arrangement relating to this amount expires. The profile of these SWAPS is as follows:

31 December 2009 to 31 December 2010: 2.230 per cent.

31 December 2010 to 31 December 2011: 3.330 per cent.

31 December 2011 to 31 December 2012: 3.945 per cent.

The remaining £150 million of the facility is already subject to an interest rate SWAP agreement at a rate of 5.145 per cent. until 31 December 2014.

A circular containing details of the terms on which the senior debt has been extended and including a notice of general meeting setting out the required resolutions to be passed by shareholders will be posted (or communicated by other permitted means) to shareholders.

The Company expects to release its annual results for the year ended 31 December 2008 in the next few days. The Board is pleased to confirm that the Company's current trading is in line with expectations."

## **5. Future potential equity requirement of Puma Hotels**

In a circular which will shortly be issued to shareholders of Puma Hotels in connection with the Puma Hotels Placing, resolutions will be proposed which will give its directors an authorities to issue new equity for cash. Following the Puma Hotels Placing, the directors will use such authorities, as they see fit, to issue new shares for cash in the event that, for example, the opportunity arises to expand any of Puma Hotels' hotel properties (in order to improve income generation possibilities) or to the extent that Puma Hotels is contractually obliged to make capital expenditure contributions in respect of its portfolio of hotel properties and Puma Hotels requires additional cash to fund such items. In particular, pursuant to the leases entered into with Barceló Group, Puma Hotels is contractually obliged over the first 10 years of the leases to fund additional capital expenditure of no greater than £18 million provided that, *inter alia*, an independent valuer from Puma Hotels' lender's panel certifies that such proposed capital expenditure will result in an increase of the market value of the relevant hotel(s) where the works are to be performed equal to at least 100 per cent. of the costs of carrying out such works.

## **6. Extraordinary General Meeting**

The Extraordinary General Meeting has been convened to consider the Resolution and will be held at Burleigh Manor, Peel Road, Douglas, Isle of Man, IM1 5EP at 10.30 a.m. on 26 June 2009.

The Resolution will be proposed as a special resolution to disapply pre-emption rights in relation to the issue of the New Hotel Corporation Shares. The authority proposed to be granted to the Directors pursuant to the Resolution is in addition to other subsisting authorities.

Shareholders should note that there is no general requirement under Isle of Man law for shareholders to authorise the directors of companies to issue new shares, and there is no restriction on the power of the Directors of the Hotel Corporation to exercise the powers of the Company to allot and issue new Shares. Therefore, no resolution authorising the Directors to allot the New Hotel Corporation Shares will be proposed at the Extraordinary General Meeting.

## **7. Action to be taken by Shareholders**

Shareholders will find enclosed with this document a reply-paid Form of Proxy for use at the Extraordinary General Meeting. Whether or not shareholders intend to be present at the Extraordinary General Meeting, the Form of Proxy should be completed and returned in accordance with the instructions printed thereon so as to arrive at the Company's registrars Computershare Investors Services (Jersey) Limited, PO Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW not later than 10.30 a.m. on 24 June 2009. The completion and depositing of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.

## **8. Recommendation**

**Your Directors consider the Placing and the Resolution to be proposed at the Extraordinary General Meeting to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution as they intend to do in respect of their own shareholdings of 123,239 Hotel Corporation Shares, representing approximately 0.36 per cent. of the Existing Hotel Corporation Shares.**

Yours faithfully

Barclay Douglas  
*Non-executive Chairman*

# The Hotel Corporation plc

*(Incorporated in Isle of Man with registered number 111066C)*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“Meeting”) of The Hotel Corporation plc (the “Company”) will be held at Burleigh Manor, Peel Road, Douglas, Isle of Man, IM1 5EP at 10.30 a.m. on 26 June 2009 to consider, and if thought fit pass, the following resolution which will be proposed as a special resolution:

1. THAT the Directors be generally and unconditionally authorised to allot equity for cash pursuant to the authority given to the Directors in the articles of association of the Company as if the pre-emption provisions contained in Article 10.1 of such articles did not apply to such allotment, provided that this power shall be limited to the allotment of the New Hotel Corporation Shares pursuant to the Placing (both terms as defined in the circular to shareholders dated 3 June 2009), such authority to be in addition to any previous authority conferred upon the Directors.

*Registered Office*  
Burleigh Manor  
Peel Road  
Douglas  
Isle of Man IM1 5EP

*By Order of the Board*  
David Craine  
Company Secretary

3 June 2009

### Notes:

1. Pursuant to Regulation 22 of the Uncertificated Securities Regulations 2005, the Company specifies that only those members registered on the Company’s register of members at:
  - (a) 10.30 a.m. on 24 June 2009; or
  - (b) if this Meeting is adjourned, at 10.30 a.m. on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy this form.
5. In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the Meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.
6. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to Computershare Investors Services (Jersey) Limited, PO Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW; and
- (c) received by no later than 10.30 a.m. on 24 June 2009.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investors Services at the address stated in note 6 above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investors Services at the address stated in note 6 above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investors Services no later than 10.30 a.m. on 24 June 2009. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
10. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
  - (a) calling David Craine, Company Secretary, on +44 (0)1624 626586 ; or
  - (b) writing to David Craine at The Hotel Corporation plc, Burleigh Manor, Peel Road Douglas, Isle of Man IM1 5EP.

You may not use any electronic address provided either:

- (a) in this notice of Meeting; or
- (b) any related documents (including the proxy form),

to communicate with the Company for any purposes other than those expressly stated.

11. As at 5.00 p.m. on the day immediately prior to the date of posting of this notice of Meeting, the Company's issued share capital comprised 34,619,050 ordinary shares of 5p each. Each Hotel Corporation Share carries the right to one vote at a Extraordinary General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m. on the day immediately prior to the date of posting of this notice of Meeting is 34,619,050.

# The Hotel Corporation plc

(Incorporated in Isle of Man with registered number 111066C)

## FORM OF PROXY

For use at the Extraordinary General Meeting of the Company to be held at Burleigh Manor,  
Peel Road, Douglas, Isle of Man, IM1 5EP at 10.30 a.m. on 26 June 2009.

I/We (name(s) in full).....  
(BLOCK LETTERS)

of (address).....

being (a) holder(s) of ordinary shares of 5p each in the Company hereby appoint the Chairman of the meeting or, failing him,

as my/our proxy to attend and, on a poll or on a show of hands, to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at Burleigh Manor, Peel Road, Douglas, Isle of Man, IM1 5EP at 10.30 a.m. on 26 June 2009, and at every adjournment thereof.

I/We direct the proxy to vote in respect of the resolution to be proposed as shown below.

Resolution	FOR	AGAINST	VOTE WITHHELD
1. Special resolution to authorise the directors to disapply the pre-emption rights contained in article 10.1 of the Company's articles of association in respect of the issue of New Hotel Corporation Shares.			

Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If no specific direction is given the proxy will vote or abstain at his discretion.

Dated: .....

Signature(s) or Common Seal: .....

(see Notes 6 to 8)

### Notes:

- As a member of the Company you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at an Extraordinary General Meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
- Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
- You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy this form.
- To appoint a proxy using this form, the form must be:
  - completed and signed;
  - sent or delivered to Computershare Investors Services (Jersey) Limited, PO Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW; and
  - received by Computershare Investors Services no later than 10.30 a.m. on 24 June 2009.
- In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
- Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
- In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- To change your proxy instructions simply submit a new proxy appointment using the method set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and if you would like to change the instructions using another hard-copy proxy form, please contact Computershare Investors Services at the address stated in note 5 above.
- In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investors Services at the address stated in note 5 above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Computershare Investors Services no later than 10.30 a.m. on 24 June 2009. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.

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RESPONSE SERVICE  
Licence No. JE 147



Computershare Investors Services (Jersey) Limited  
PO Box 83  
Ordnance House  
31 Pier Road  
St Helier  
Jersey  
JE4 8PW

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