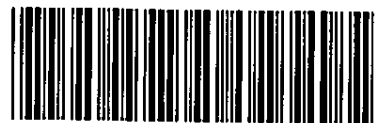


SC NAS 3 (formerly SC NAS 3 Limited)

Director's Report and Financial Statements

For the year ended 31 December 2007

FRIDAY



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COMPANIES HOUSE

SC NAS 3 (formerly SC NAS 3 Limited)

Registered No 3281742

DIRECTORS

A S McEwan
C Springett

SECRETARY

D Hiran

AUDITORS

Ernst & Young LLP
400 Capability Green
Luton LU1 3LU

REGISTERED OFFICE

67 Alma Road
Windsor
Berkshire SL4 3HD

SC NAS 3 (formerly SC NAS 3 Limited)

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SC NAS 3 (formerly SC NAS 3 Limited)

DIRECTORS' REPORT

For the year ended 31 December 2007

The directors present their report and financial statements for the year ended 31 December 2007. On 10 December 2007, the company changed its name from SC NAS 3 Limited to SC NAS 3 and re-registered as an unlimited company.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company has not traded during the year and therefore no Profit and Loss Account has been prepared.

RESULTS AND DIVIDENDS

The Company paid an interim dividend this year of £200,000 (2006 – £nil).

FUTURE DEVELOPMENTS

The directors anticipate that the Company will not trade in the foreseeable future.

Subsequent to the year end, on 20 June 2008, the board of directors approved a capital reduction of the Company. It was agreed that a payment of £18,210,000 would be made from share premium and returned to its parent company, Six Continents Limited.

DIRECTORS AND THEIR INTERESTS

The directors during the year and since the year end were as follows:

A S McEwan	R Wheeler (resigned 20 11 07)
C Springett	R T Winter (resigned 20 11 07)
N P Stocks (resigned 20 11 07)	

At 31 December 2007 none of the directors had beneficial interests in the shares of any InterContinental Hotels Group company, other than InterContinental Hotels Group PLC ("IHG PLC").

THIRD-PARTY INDEMNITIES

A qualifying third party indemnity provision had been granted in favour of existing and former directors of the Company by InterContinental Hotels Limited, in accordance with Sections 309A-B of the Companies Act 1985. This is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006 and is currently in force. A copy of this indemnity provision is available for inspection by the members of the Company at the Company's registered office at 67 Alma Road, Windsor, Berkshire SL4 3HD.

ELECTIVE RESOLUTIONS

The Company has passed Elective Resolutions to dispense with the laying of the Accounts before the Company in General Meeting, the appointment of auditors annually and the holding of Annual General Meetings, pursuant to sections 252, 386 and 366A of the Companies Act.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all steps that he or she is obliged to take as a director in order to make him or herself aware of any relevant information and to establish that the auditor is aware of that information.

SC NAS 3 (formerly SC NAS 3 Limited)

DIRECTORS' REPORT

For the year ended 31 December 2007

AUDITORS

Ernst & Young LLP will continue as the Company's auditor in accordance with the Elective Resolution passed by the Company under section 386 of the Companies Act 1985

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

By order of the Board



Secretary

Date 30 JULY 2008

SC NAS 3 (formerly SC NAS 3 Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business,

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SC NAS 3 (FORMERLY SC NAS 3 LIMITED)

We have audited the Company's financial statements for the year ended 31 December 2007 which comprise the Balance Sheet and related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in the auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SC NAS 3 (FORMERLY SC NAS 3 LIMITED) (CONTINUED)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP

Registered Auditor

Luton

Date *7 August 2008*

SC NAS 3 (formerly SC NAS 3 Limited)

BALANCE SHEET

As at 31 December 2007

	<i>Notes</i>	<i>2007</i> <i>£000</i>	<i>2006</i> <i>£000</i>
CURRENT ASSETS			
Debtors	4	18,456	18,656
NET ASSETS		<u>18,456</u>	<u>18,656</u>
CAPITAL AND RESERVES			
Called up share capital	5	1	1
Share premium account	6	18,447	18,447
Profit and loss account	6	8	208
EQUITY SHAREHOLDERS' FUNDS		<u>18,456</u>	<u>18,656</u>

Signed on behalf of the Board



Director

Date 30 JULY 2008

SC NAS 3 (formerly SC NAS 3 Limited)

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2007

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention. They have been drawn up to comply with applicable accounting standards.

Statement of cash flows

Under the provisions of Financial Reporting Standard 1 (Revised), the Company has not prepared a statement of cash flows because its ultimate parent undertaking, InterContinental Hotels Group PLC, which is incorporated within the European Union, has prepared consolidated financial statements which include the financial statements of the Company for the year and which contain an appropriate statement of cash flows of the Group.

2. DIRECTORS' REMUNERATION

The directors are directors of other undertakings within the InterContinental Hotels Group. The directors' remuneration, including share based payment charges, for the year was paid by other undertakings. The directors do not believe that it is practical to apportion this amount between their services as directors of the Company and their services as directors of the fellow subsidiary undertakings.

3. DIVIDENDS

	2007 £000	2006 £000
Interim dividend paid on ordinary shares	200	-

4. DEBTORS

	2007 £000	2006 £000
Amount receivable from group undertakings	18,456	18,656

5. SHARE CAPITAL

	2007 £000	2006 £000
Authorised 1,000 ordinary shares of £1 each	1	1
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	1	1

SC NAS 3 (formerly SC NAS 3 Limited)

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2007

6. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital £000</i>	<i>Share premium £000</i>	<i>Profit and loss account £000</i>	<i>Total Shareholders' Funds £000</i>
At 31 December 2006	1	18,447	208	18,656
Dividend paid in the year	-	-	(200)	(200)
At 31 December 2007	1	18,447	8	18,456

7. RELATED PARTY TRANSACTIONS

As the Company was a wholly owned subsidiary of InterContinental Hotels Group PLC at 31 December 2007, the Company has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the Group, headed by InterContinental Hotels Group PLC

8. PARENT UNDERTAKING AND CONTROLLING PARTY

As at 31 December 2007, InterContinental Hotels Group PLC, a company incorporated in Great Britain and registered in England and Wales was the ultimate parent undertaking and controlling entity of SC NAS 3

The largest and smallest group in which the results of the Company are consolidated is that headed by InterContinental Hotels Group PLC Consolidated financial statements of InterContinental Hotels Group PLC are available from the following address

Companies House, Crown Way, Cardiff CF14 3UZ

The immediate parent company is SC Leisure Group Limited, a company registered in England and Wales

9. PROFIT AND LOSS ACCOUNT

The Company did not trade in the current year and accordingly has neither a profit nor loss in the current or preceding year The audit fee for the Company has been borne by a fellow group undertaking There were no employees of the Company other than the directors in the current or preceding year

10. POST BALANCE SHEET EVENTS

On 20 June 2008 the board of directors approved a capital reduction of the Company It was agreed that a payment of £18,210,000 will be made from share premium and returned to its parent company, Six Continents Limited