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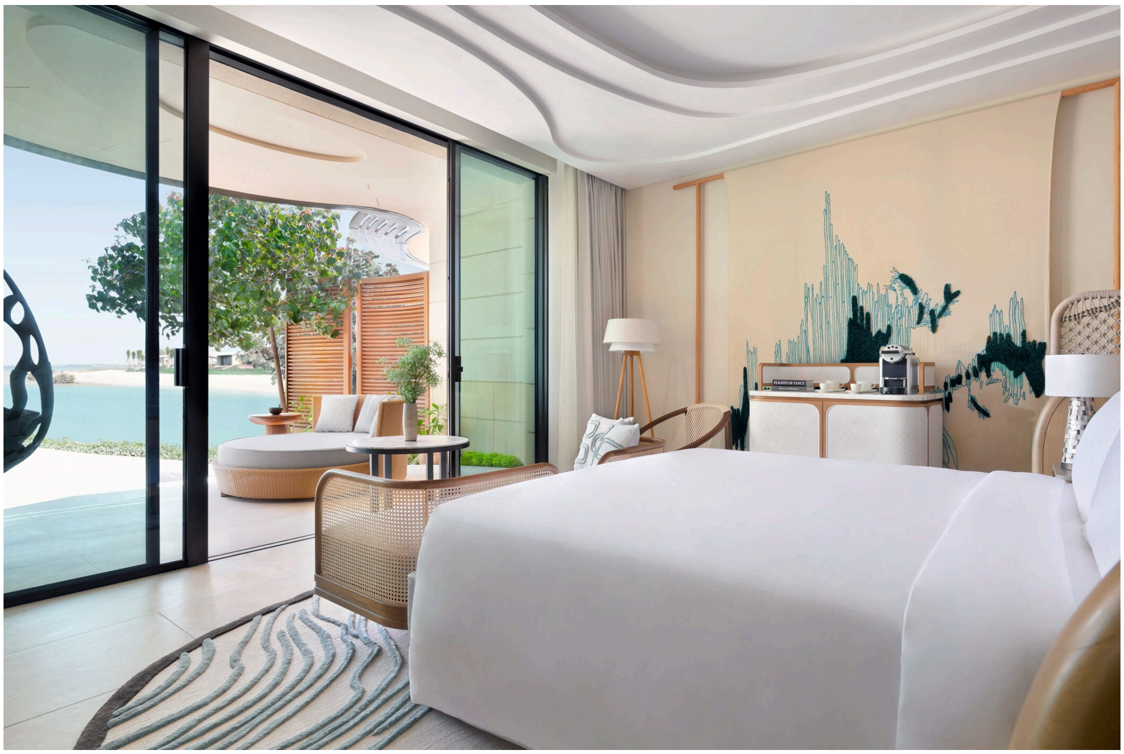
IHG adds new brand Noted and signs record number of 2025 hotels

British hotel firm launches new $950 million share-buyback program



In December, IHG Hotels & Resorts opened the InterContinental The Red Sea Resort, its 48th hotel in Saudi Arabia. (IHG Hotels & Resorts)

By Terence Baker
CoStar News
February 17, 2026 | 9:38 AM

After amassing 1 million global hotel rooms in 2025, IHG Hotels & Resorts is adding another brand to continue its growth momentum.

IHG has launched Noted Collection, a new hotel soft brand which CEO Elie Maalouf said discussions are already in progress with multiple property owners.

Maalouf said Noted will sit at the higher end of IHG's upscale segment and lower end of its upper-upscale segment, above the recently acquired brand Ruby Hotels and just below its Kimpton Hotels & Restaurants brand.

IHG executives hinted at such a brand launch in its third-quarter results in October 2025, stating then a new hotel brand would initially roll out in Europe.

Maalouf said Noted Collection is expected to be rolled out to 150 properties over the next decade. No specific signings or markets were provided in the brand's launch news.

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During Tuesday's conference call to discuss IHG’s full-year 2025 earnings results, Maalouf said the firm’s latest numbers showed “excellent financial performance,” with global RevPAR over the 12 months increasing in year-on-year terms by 1.5%. The British hotel firm achieved a record number of hotel openings in 2025.

IHG also launched a new $950 million share-buyback program. The company predicted the value of shareholder returns in 2026 is predicted to be $1.2 billion, equivalent to 5.8% of its opening market capitalization.

Maalouf said previous muted performance among IHG's hotels in Greater China is now “bottoming out.”

In the fourth quarter of 2025, IHG's hotel portfolio in Greater China rebounded across the board, with occupancy up 0.5%, average daily rate up 0.3% and revenue per available room up 1.1%, Chief Financial Officer Michael Glover said.

Glover added IHG's Chinese hotels have gained “good growth in each of business, leisure and group.”

In full-year 2025, though, Greater China saw IHG's largest drops, with RevPAR down 1.6% and ADR down 2.4%, even with occupancy up 0.5%.

"Higher removals in China [is] reflecting lagged, post-COVID exits combined with a natural lumpiness of exits elsewhere led to this temporary variance," Maalouf said.

He added that IHG's confidence in a Chinese rebound stems from China's gross domestic product currently at 5% and its tech industry being able to compete with that of the U.S.

IHG's hotels in the Middle East displayed the largest RevPAR growth in the year, "just under 9%," Glover added.

Across IHG's vast Europe, Middle East, Asia and Africa region, RevPAR increased 4.6% in the full year and by 7.1% in the fourth quarter. For the same period, occupancy increased 1.6% year over year and ADR increased 2.4%.

In the Americas, ADR grew by only 0.5%. The Americas' RevPAR increased 0.3%, but its occupancy decreased 0.1%.

Maalouf said IHG's fee margin for the year grew to 64.8%, an increase of 360 basis points, and there was a 12% increase over full-year 2024's earnings before interest, taxes, depreciation and amortization.

Blanket coverage

IHG is not only unveiling new brands but also debuting brands into new markets across the globe.

According to accompanying stock-exchange notes, IHG brands debuted in 32 countries in 2025.

In 2025, IHG opened 443 hotels with approximately 65,100 rooms, a 10.3% increase on the same period in 2024. It's global portfolio ended the year with approximately 1.03 million rooms in 6,963 hotels.

IHG's development pipeline of 340,000 rooms in 2,292 hotels represents 33% of its current network size. IHG's pipeline in Greater China is 117,300 hotel rooms; in EMEAA, 116,900 rooms are in development; and in the Americas, 105,400 rooms are in the pipeline.

“We signed 102,000 rooms across almost 700 hotels, 9% above 2024 levels when excluding the Ruby acquisition and Novum conversions. ... This performance is above the top end of what we laid out as the compound average we are targeting over the medium to long term,” Maalouf said.

A little more than half of IHG's hotel openings were conversions and that “26,000 rooms left the system, equivalent to a 1.9% removal rate when adjusting for the Venetian,” Maalouf said. IHG ended its agreement with The Venetian in Las Vegas on Jan. 1, 2025.

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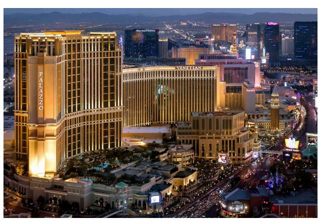

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IHG’s presence in Saudi Arabia has reached 48 operating hotels with 63 in its pipeline, while the equivalent numbers in India are 51 and 89, respectively.

Glover said IHG is continuing to monitor operating costs and capital expenditure.

“Expect future overhead growth to continue at a lower rate of increase than revenues, driving further margin expansion,” he said, adding that IHG's net debt had decreased by $551 million.

The company's key money for 2025 totaled $177 million, a decrease of approximately 15% from 2024 numbers.

“We previously indicated we expected key-money spend in 2025 to be broadly in line with 2024, but some of the outflows we had expected in late 2025 have shifted into 2026," Glover said.

He added IHG is not changing its outlook on capital expenditures, which remain between $200 million and $250 million per year, with medium-term outlook for gross CapEx being approximately $350 million per year.

Maalouf said IHG's strategy is to be "very prudent in deployment of capital ... whether it is key money, recyclable, maintenance."

IHG's full-year revenue reached $2.47 billion, an increase of 7% from the same period in 2024, numbers that Maalouf and Glover said have prompted them to continue returning money to shareholders.

"The total dividend is proposed to increase 10%, consistent with the growth rate in each of the past three years," Glover added.

At press time, IHG stock was trading at £142.50 ($194.38) a share, an increase of 37% year over year. The London Stock Exchange's FTSE 100 index was up 19.46% over the same period.

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