

C H ROBINSON WORLDWIDE INC

Form 424B5

April 09, 2018

Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-223896

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 9, 2018

Preliminary Prospectus Supplement

(To Prospectus dated March 23, 2018)

\$

% Notes due 20

We are offering \$ _____ aggregate principal amount of _____ % notes due 20 _____ (the notes). We will pay interest on the notes semi-annually in arrears on _____ and _____ of each year, beginning on _____, 2018.

We may redeem the notes, in whole or in part, at any time and from time to time prior to their maturity at the applicable redemption prices described herein under *Description of the Notes Optional Redemption*. Upon the occurrence of a change of control triggering event, we will be required to make an offer to repurchase the notes from holders at 101% of their principal amount plus accrued and unpaid interest to the date of repurchase described under *Description of the Notes Change of Control Triggering Event*.

The notes will be our senior unsecured obligations and will rank equally with our other unsecured and unsubordinated debt from time to time outstanding.

The notes are a new issue of securities with no established trading markets. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for the notes to be quoted on any quotation system.

Investing in the notes involves risks. See *Risk Factors* beginning on page S-5 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

| | Price to public⁽¹⁾ | Underwriting discount | Proceeds, before expenses |
|----------|--------------------------------------|------------------------------|----------------------------------|
| Per Note | % | % | % |
| Total | \$ | \$ | \$ |

(1) Plus accrued interest, if any, from _____, 2018, if settlement occurs after that date.

The underwriters expect to deliver the notes to purchasers through the book-entry delivery system of The Depository Trust Company for the benefit of its participants, including Euroclear Bank, S.A./N.V. and Clearstream Banking, *société anonyme*, on or about _____, 2018.

Joint Book-Running Managers

| | | | |
|--------------------|---------------------------|-------------------|-------------------------------|
| J.P. Morgan | BofA Merrill Lynch | US Bancorp | Wells Fargo Securities |
|--------------------|---------------------------|-------------------|-------------------------------|

The date of this prospectus supplement is _____, 2018.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

| | Page |
|--|-------------|
| <u>About this Prospectus Supplement</u> | S-ii |
| <u>Incorporation of Documents by Reference</u> | S-iii |
| <u>Forward-Looking Statements</u> | S-iv |
| <u>Summary</u> | S-1 |
| <u>Risk Factors</u> | S-5 |
| <u>Capitalization</u> | S-9 |
| <u>Ratio of Earnings to Fixed Charges</u> | S-10 |
| <u>Use of Proceeds</u> | S-11 |
| <u>Description of the Notes</u> | S-12 |
| <u>Material U.S. Federal Income Tax Consequences</u> | S-21 |
| <u>Underwriting (Conflicts of Interest)</u> | S-26 |
| <u>Experts</u> | S-31 |
| <u>Legal Matters</u> | S-31 |

Prospectus

| | Page |
|---|-------------|
| <u>About this Prospectus</u> | 1 |
| <u>Where You Can Find More Information</u> | 3 |
| <u>Incorporation by Reference</u> | 4 |
| <u>The Company</u> | 5 |
| <u>Risk Factors</u> | 6 |
| <u>Forward-Looking Statements</u> | 6 |
| <u>Use of Proceeds</u> | 7 |
| <u>Ratio of Earnings to Fixed Charges and Preferred Stock Dividends</u> | 8 |
| <u>Description of Capital Stock</u> | 9 |
| <u>Description of Debt Securities</u> | 13 |
| <u>Description of Warrants</u> | 22 |
| <u>Description of Purchase Contracts</u> | 23 |
| <u>Description of Depositary Shares</u> | 24 |
| <u>Description of Units</u> | 25 |
| <u>Global Securities</u> | 26 |
| <u>Plan of Distribution</u> | 30 |
| <u>Experts</u> | 32 |
| <u>Legal Matters</u> | 32 |

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, including the documents incorporated by reference herein, which describes the specific terms of the notes being offered. The second part, the accompanying prospectus, gives more general information, some of which may not apply to the notes being offered. You should read this entire prospectus supplement, as well as the accompanying prospectus and the documents incorporated by reference that are described under *Incorporation of Documents by Reference* in this prospectus supplement and *Incorporation by Reference* in the accompanying prospectus.

Unless otherwise specified or unless the context requires otherwise, all references in this prospectus supplement (other than references under the headings *Summary The Offering* and *Description of the Notes*) to we, us, our, the co, or similar references mean C.H. Robinson Worldwide, Inc. and its consolidated subsidiaries. However, in the *Summary The Offering* and *Description of Notes* sections of this prospectus supplement, such references mean C.H. Robinson Worldwide, Inc. (parent company only) and not any of its subsidiaries. When we refer to you, we mean the prospective purchasers or holders of the notes.

We have not and the underwriters have not authorized anyone to provide any information other than that which is contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and in any free writing prospectus prepared by us or on our behalf to which we have referred you. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information and we take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Further, you should not assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any such free writing prospectus, or in any document incorporated by reference is accurate as of any date other than the respective dates thereof. Our business, financial condition, results of operations and prospects may have changed since those dates.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. We are not, and the underwriters are not, making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. Persons into whose possession this prospectus supplement and the accompanying prospectus come should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Table of Contents

INCORPORATION OF DOCUMENTS BY REFERENCE

The U.S. Securities and Exchange Commission, or the SEC, allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means we can disclose information to you by referring you to another document we have filed with the SEC.

We incorporate by reference our documents listed below and any filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, after the date of this prospectus supplement and prior to the time that we sell all the securities offered by this prospectus supplement and the accompanying prospectus (other than any portions of any such documents that are deemed to be furnished and not filed under the Exchange Act in accordance with the Exchange Act and applicable SEC rules):

our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 28, 2018;

those portions of our Definitive Proxy Statement on Schedule 14A for our 2018 Annual Meeting of Stockholders, filed with the SEC on March 29, 2018, that were specifically incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2017;

our Current Reports on Form 8-K, filed with the SEC on February 8, 2018, February 26, 2018 and March 2, 2018; and

the description of the Company's common stock contained in our Registration Statement on Form 8-A filed with the SEC on October 9, 1997 (File No. 000-23189), and all amendments and reports filed for the purpose of updating such description.

To obtain copies of these filings, see *Where You Can Find More Information* in the accompanying prospectus.

The information contained in this prospectus supplement and the accompanying prospectus should be read together with the information in the documents incorporated herein and therein by reference.

Any statement made in this prospectus supplement, in the accompanying prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement or the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement or the accompanying prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement or the accompanying prospectus.

Table of Contents

FORWARD-LOOKING STATEMENTS

All statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus, other than statements of historical fact, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements (as the term is defined in Section 27A of the Securities Act of 1933, as amended, or the Securities Act , and Section 21E of the Exchange Act). Forward-looking statements typically use words such as believe, anticipate, should, intend, plan, will, expect, estimate, may and other similar words, phrases and expressions. These are based on assumptions and assessments made by our management in light of experience and perception of historical trends, current conditions, expected future developments and other factors that they believe to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties, including, but not limited to, those described under the heading *Risk Factors* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and those risks described in this prospectus supplement and elsewhere in documents filed with the SEC and incorporated by reference into this prospectus supplement and the accompanying prospectus, as well as other factors that our management has not yet identified. Forward-looking statements are not guarantees of future performance and actual results, developments and business decisions may differ from those contemplated by such forward-looking statements and such events could materially and adversely affect our business. Forward-looking statements speak only as of the date made. Except as required by applicable law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. We caution you not to place undue reliance on forward-looking statements.

Table of Contents

SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus and does not contain all of the information you should consider when making your investment decision. We urge you to read all of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference, including our consolidated financial statements and accompanying notes, carefully to gain a fuller understanding of our business and the terms of the notes, as well as some of the other considerations that may be important to you, before making your investment decision. You should pay special attention to the Risk Factors section of this prospectus supplement and the information under the heading Risk Factors contained in our Annual Report on Form 10-K for the year ended December 31, 2017.

Our Company

We are a global provider of transportation services and logistics solutions, operating through a network of offices in North America, Europe, Asia, Australia, New Zealand, and South America. As a third party logistics provider, we enter into contractual relationships with a wide variety of transportation companies, and utilize those relationships to efficiently and cost effectively transport our customers' freight. We utilized approximately 73,000 contracted transportation companies, including motor carriers, railroads (primarily intermodal service providers), and air and ocean carriers in 2017. Depending on the needs of our customer and their supply chain requirements, we select and hire the appropriate transportation for each shipment. Our model enables us to be flexible and provide solutions that optimize service for our customers. As an integral part of our transportation services, we provide a wide range of value-added logistics services, such as freight consolidation, supply chain consulting and analysis, optimization, and reporting.

In addition to transportation, we provide sourcing services under the trade name Robinson Fresh®. Our sourcing services consist primarily of the buying, selling, and/or marketing of fresh fruits, vegetables, and other value-added perishable items. It was our original business when we were founded in 1905. The foundation for much of our logistics expertise can be traced to our significant experience in handling produce and temperature controlled commodities. We supply fresh produce through a network of independent produce growers and suppliers. Our customers include grocery retailers, restaurants, foodservice distributors, and produce wholesalers. In many cases, we also arrange the logistics and transportation of the products we sell and provide related supply chain services, such as replenishment, category management, and managed procurement services. We have developed proprietary brands of produce and have exclusive licensing agreements to distribute fresh and value-added produce under recognized consumer brand names. The produce for these brands is sourced through a preferred grower network and packed to order through contract packing agreements. We have instituted quality assurance and monitoring procedures with each of these preferred growers.

We were reincorporated in Delaware in 1997 as the successor to a business existing, in various legal forms, since 1905. Our corporate office is located at 14701 Charlson Road, Eden Prairie, Minnesota, 55347-5088, and our telephone number is (952) 937-8500. We maintain an investor website at <http://investor.chrobinson.com>. Please note, however, that we have not incorporated any other information by reference herein from our website, other than the documents listed above under the heading *Incorporation of Documents by Reference*.

Table of Contents**The Offering**

The following is a brief summary of some of the terms of this offering and is not intended to be complete. For a more complete understanding of the notes, please refer to the section in this prospectus supplement entitled "Description of the Notes" and the section in the accompanying prospectus entitled "Description of Debt Securities." Unless the context requires otherwise, all references to we, and the company in this Summary The Offering section include only C.H. Robinson Worldwide, Inc. and not its subsidiaries.

| | |
|---|--|
| Issuer | C.H. Robinson Worldwide, Inc. |
| Notes Offered | \$ aggregate principal amount of % notes due 20 . |
| Maturity Date | , 20 . |
| Interest | % |
| Interest Payment Dates | We will pay interest on the notes semi-annually on and of each year, beginning on , 2018. |
| Ranking | The notes will be our senior unsecured obligations and will rank equally with our other unsecured and unsubordinated debt from time to time outstanding. |
| Optional Redemption | We may redeem the notes, in whole or in part, at any time and from time to time prior to their maturity at the applicable redemption prices described herein under <i>Description of the Notes Optional Redemption</i> . |
| Change of Control Triggering Event | Upon the occurrence of a change of control triggering event (as defined in this prospectus supplement), the holders of the notes will have the right to cause us to repurchase all or a portion of the notes at a price equal to 101% of the principal amount of such notes plus accrued and unpaid interest to the date of repurchase. See <i>Description of the Notes Change of Control Triggering Event</i> . |
| Covenants | The indenture under which the notes will be issued contains covenants that, among other things, restrict our ability to: |

incur certain secured indebtedness;

enter into sale and leaseback transactions; and

consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis.

These covenants are subject to important exceptions and qualifications, which are described in this prospectus supplement and the accompanying prospectus. See *Description of the Notes* in this prospectus supplement and *Description of Debt Securities* in the accompanying prospectus.

S-2

Table of Contents

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|--|---|
| Issuance of Additional Notes | We may create and issue additional notes ranking equally and ratably with the notes in all respects, except for any differences in the issue date, price to the public, interest accrued prior to the issue date of such additional notes and the initial interest payment date, so that such additional notes shall be consolidated with the notes offered hereby, including for purposes of voting and redemptions. |
| Form and Denomination | The notes will be issued in the form of one or more fully registered global securities, without coupons, in denominations of \$2,000 and in integral multiples of \$1,000 in excess thereof. Except in the limited circumstances described under <i>Global Securities</i> in the accompanying prospectus, notes in certificated form will not be issued or exchanged for interests in global securities. |
| Use of Proceeds | We expect that we will receive approximately \$ in net proceeds from this offering, after deducting the underwriting discounts and estimated offering expenses payable by us. We intend to use approximately \$ million of the net proceeds to repay the outstanding balance under our revolving credit facility, with any remaining proceeds being used for general corporate purposes. See <i>Use of Proceeds</i> . |
| Material U.S. Federal Income Tax Consequences | You should consult your tax advisor with respect to the U.S. federal, state, local and non-U.S. tax consequences in connection with buying, owning and disposing of the notes. See <i>Material U.S. Federal Income Tax Consequences</i> . |
| Risk Factors | See <i>Risk Factors</i> and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should consider carefully before deciding whether to invest in the notes. |
| Governing Law | The notes and the indenture will be governed by the laws of the State of New York. |
| Trustee | U.S. Bank National Association |
| Conflicts of Interest | Certain of the underwriters and their affiliates are lenders under our credit facilities and may receive more than 5% of the net proceeds of this offering. To the extent any one underwriter, together with its affiliates, receives more than 5% of the net proceeds, such underwriter would be |

considered to have a conflict of interest in regard to this offering. Accordingly, this offering is being made in compliance with the requirements of Rule 5121 of the Financial Industry Regulatory Authority. Because the notes to be offered will be rated investment grade, pursuant to Rule 5121, the appointment of a qualified independent underwriter is not necessary. No underwriter having such conflict of interest will confirm sales of the notes to any account over which it exercises discretionary authority without the prior written approval of the customer. See *Underwriting (Conflicts of Interest) Conflicts of Interest*.

S-3

Table of Contents**Summary Historical Consolidated Financial Data**

The following table presents selected historical consolidated financial data for us as of and for the fiscal years ended December 31, 2017, 2016, 2015, 2014 and 2013 (amounts in thousands, except per share amounts, operating data for employees and ratios of earnings to fixed charges). This financial data has been derived from, and is qualified in its entirety by reference to, our historical consolidated financial data and related notes. This information should be read in conjunction with our consolidated financial statements and the related notes thereto and the information under the heading *Management's Discussion and Analysis of Financial Condition and Results of Operations* set forth in our Annual Report on Form 10-K for the year ended December 31, 2017 which is incorporated by reference into this prospectus supplement.

STATEMENT OF OPERATIONS DATA

| Year Ended December 31, | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|---------------|---------------|---------------|---------------|
| Total revenues | \$ 12,752,076 | \$ 13,470,067 | \$ 13,476,084 | \$ 13,144,413 | \$ 14,869,380 |
| Net revenues | 1,836,095 | 2,007,652 | 2,268,480 | 2,277,528 | 2,368,050 |
| Income from operations | 682,650 | 748,418 | 858,310 | 837,531 | 775,119 |
| Net income | 415,904 | 449,711 | 509,699 | 513,384 | 504,893 |
| Ratio of earnings to fixed charges ⁽¹⁾ | 24.01x | 16.74x | 17.92x | 18.25x | 13.30x |

BALANCE SHEET DATA

| As of December 31, | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| Working capital | \$ 394,504 | \$ 529,599 | \$ 282,101 | \$ 162,384 | \$ 523,487 |
| Total assets | 2,802,818 | 3,214,338 | 3,184,358 | 3,687,758 | 4,235,834 |
| Current portion of debt | 375,000 | 605,000 | 450,000 | 740,000 | 715,000 |
| Long-term notes payable | 500,000 | 500,000 | 500,000 | 500,000 | 750,000 |
| Stockholders' investment | 939,724 | 1,047,015 | 1,150,450 | 1,257,847 | 1,425,745 |

OPERATING DATA

| As of December 31, | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| Employees | 11,676 | 11,521 | 13,159 | 14,125 | 15,074 |

⁽¹⁾ See *Ratio of Earnings to Fixed Charges*.

Table of Contents

RISK FACTORS

Investing in the notes involves risks. You should carefully consider the risks and uncertainties described below as well as any cautionary language or other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, including the risks described under the heading Risk Factors contained in our Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated herein by reference, before deciding whether to invest in the notes. The risks described therein or set forth below are those that we consider to be the most significant to your decision whether to invest in the notes. The risks described below are not the only risks we face. If any of the events described below occurs, the value of your investment in the notes could decline, and in some cases we may not be able to make payments on the notes, and this could result in your losing all or part of your investment. Additional risks not presently known to us or that we currently consider to be less significant may also have a material adverse effect on us. In addition, statements in the following risk factors may constitute forward-looking statements, as further described under the heading Forward-Looking Statements in this prospectus supplement. Our operations are affected by a number of underlying risks, both internal and external to the company. Our financial position and results of operations are directly impacted by these factors. A potential purchaser should consult his, her or its own financial and legal advisors before deciding whether to purchase our notes.

Risks Related to the Notes

The notes are subject to prior claims of any secured creditors and the creditors of our subsidiaries, and if a default occurs we may not have sufficient funds to fulfill our obligations under the notes.

The notes are our unsecured general obligations, ranking equally with our other senior unsecured indebtedness but below any secured indebtedness and effectively below the debt and other liabilities of our subsidiaries. The indenture governing the notes permits us and our subsidiaries to incur secured debt under specified circumstances. If we incur any secured debt, our assets and the assets of our subsidiaries will be subject to prior claims by our secured creditors. In the event of our bankruptcy, liquidation, reorganization or other winding up, assets that secure debt will be available to pay obligations on the notes only after all debt secured by those assets has been repaid in full. Holders of the notes will participate in our remaining assets ratably with all of our unsecured and unsubordinated creditors, including our trade creditors.

If we incur any additional obligations that rank equally with the notes, including trade payables, the holders of those obligations will be entitled to share ratably with the holders of the notes in any proceeds distributed upon our insolvency, liquidation, reorganization, dissolution or other winding up. This may have the effect of reducing the amount of proceeds paid to you. If there are not sufficient assets remaining to pay all these creditors, all or a portion of the notes then outstanding would remain unpaid.

An active trading market for the notes may not develop.

There is no existing market for the notes, and we do not intend to apply for listing of the notes on any securities exchange or any automated quotation system. Accordingly, there can be no assurance that a trading market for the notes will ever develop or will be maintained. Further, there can be no assurance as to the liquidity of any market that may develop for the notes, your ability to sell your notes or the price at which you will be able to sell your notes. Future trading prices of the notes will depend on many factors, including prevailing interest rates, our financial condition and results of operations, the then-current ratings assigned to the notes and the market for similar securities. Any trading market that develops would be affected by many factors independent of and in addition to the foregoing, including:

time remaining to the maturity of the notes;

outstanding amount of the notes;

the terms related to optional redemption of the notes; and

level, direction and volatility of market interest rates generally.

S-5

Table of Contents

The underwriters have advised us that they currently intend to make a market in the notes, but they are not obligated to do so and may cease market making at any time without notice.

We may not have the funds necessary to finance the change of control repurchase offer required by the indenture.

Upon the occurrence of a change of control triggering event (as defined under the heading *Description of the Notes Change of Control Triggering Event*), we will generally be required to make an offer to repurchase all outstanding notes at a repurchase price equal to 101% of their principal amount plus accrued and unpaid interest to the date of repurchase. We cannot assure you that we will have sufficient funds available to make any required repurchases of the notes. Any failure to repurchase the notes in those circumstances would constitute a default under the indenture. A default could result in the acceleration of the principal and interest on all the notes.

The terms of the indenture and the notes provide only limited protection against a number of significant corporate events that could adversely impact your investment in the notes.

While the indenture and the notes contain terms intended to provide protection to holders of notes upon the occurrence of certain events involving significant corporate transactions and our creditworthiness, such terms are limited and may not be sufficient to protect your investment in the notes.

The definition of *change of control* contemplates, among other things, the direct or indirect sale, lease, transfer, conveyance or other disposition of *all or substantially all* of the assets of the company and its subsidiary taken as a whole. Although there is a limited body of case law interpreting the phrase *substantially all*, there is no precise, established definition of the phrase under applicable law. Accordingly, the applicability of the requirement that we offer to repurchase the notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of our assets taken as a whole to another person or group may be uncertain.

The definition of the term *change of control triggering event* does not cover a variety of transactions (such as acquisitions by us or recapitalizations) that could negatively affect the value of the notes. If we were to enter into a significant corporate transaction that would negatively affect the value of the notes but would not constitute a change of control triggering event, we would not be required to offer to repurchase your notes prior to their maturity.

Furthermore, the indenture and the notes do not, among other things:

require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity;

limit our ability to incur debt that is equal in right of payment to the notes;

limit the ability of our subsidiaries to incur unsecured debt, which will be structurally senior to the notes;

limit the ability of us or our subsidiaries to incur debt that is secured by permitted liens or in any manner other than by a principal property or the stock of any restricted subsidiary (as described under the heading *Description of the Notes Restrictions on Secured Debt*);

restrict our ability to repurchase or prepay any other of our securities or other debt;

restrict our ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the notes; or

limit our ability to sell, merge or consolidate any of our unrestricted subsidiaries.

For a further discussion of the terms of the indenture and the notes, see the information under the heading *Description of the Notes* in this prospectus supplement and *Description of Debt Securities* in the accompanying prospectus.

S-6

Table of Contents

Our ability to generate the significant amount of cash needed to pay interest and principal on the notes and service our other debt and financial obligations and our ability to refinance all or a portion of our indebtedness or obtain additional financing depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including the notes, depends on our ability to generate cash in the future. We are subject to general economic, industry, financial, competitive, legislative, regulatory and other factors that are beyond our control. In particular, economic conditions could cause the prices of the products we sell to fall, our revenue to decline and hamper our ability to repay our indebtedness, including the notes. As a result, we may need to refinance all or a portion of our indebtedness, including the notes, on or before maturity. Our ability to refinance debt or obtain additional financing will depend on, among other things:

our financial condition at the time;

restrictions in the indenture governing the notes and any other indebtedness of ours; and

other factors, including financial market or industry conditions.

We may not be able to refinance any of our indebtedness, including the notes, on commercially reasonable terms, or at all. If our operations do not generate sufficient cash flow, and additional borrowings or refinancings are not available to us, we may not have sufficient cash to enable us to meet all of our obligations, including payments on the notes.

Despite our current levels of debt, we may be able to incur substantially more debt. This could further exacerbate the risks associated with our existing debt.

We may be able to incur additional debt in the future, including debt that is senior or effectively senior to the notes. The terms of our other indebtedness and the indenture governing the notes allow us to incur substantial amounts of additional debt, subject to certain limitations. If new debt is added to our current debt levels, the related risks we could face would be magnified.

We may issue additional notes.

Under the terms of the indenture that governs the notes, we may from time to time, without notice to or the consent of the registered holders of the notes, create and issue additional notes ranking equally and ratably with the notes being issued in this offering in all respects (other than the issue price, the date of issuance, the payment of interest accruing prior to the issue date of such additional notes and, in some cases, the first payment of interest following the issue date of such additional notes). Any such additional notes shall be consolidated and form a single series with the notes being issued in this offering, including for purposes of voting and redemptions. If the additional notes are not fungible with the notes offered hereby for United States federal income tax purposes, the additional notes will have a separate CUSIP number.

As the notes pay a fixed rate of interest, an increase in market rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase the notes and market interest

rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

Ratings of the notes may not reflect all risks of an investment in the notes.

Any ratings of the notes will primarily reflect our financial strength. A rating of the notes is not a recommendation to purchase, sell or hold any particular security, including the notes. Ratings do not comment as

S-7

Table of Contents

to market price or suitability for a particular investor. In addition, ratings at any time may be lowered or withdrawn in their entirety.

Changes in credit ratings issued by nationally recognized statistical rating organizations could adversely affect our cost of financing and the market price of our securities.

Credit rating agencies rate our debt securities, including the notes, on factors that include our operating results, actions that we take, their view of the general outlook for our industry and their view of the general outlook for the economy. Actions taken by the rating agencies can include maintaining, upgrading, or downgrading the current rating or placing us on a watch list for possible future downgrading. Downgrading the credit rating of our debt securities or placing us on a watch list for possible future downgrading would likely increase our cost of financing, limit our access to the capital markets and have an adverse effect on the market price of our securities, including the notes.

We may choose to redeem the notes prior to maturity.

We may redeem some or all of the notes at any time as described under *Description of the Notes Optional Redemption*. If prevailing interest rates are lower at the time of redemption, you may not be able to reinvest the redemption proceeds in a comparable security at an interest rate as high as the interest rate of the notes being redeemed.

Table of Contents**CAPITALIZATION**

The following table shows our total capitalization as of December 31, 2017:

on an actual basis; and

as adjusted to reflect the issuance and sale of the notes offered hereby and our currently contemplated use of the net proceeds from this offering, as described under *Use of Proceeds*.

This table should be read in conjunction with *Summary Summary Historical Consolidated Financial Data* and *Use of Proceeds* appearing elsewhere in this prospectus supplement, the information under the heading *Management's Discussion and Analysis of Financial Condition and Results of Operations* and our audited consolidated financial statements, including the accompanying notes, appearing in our Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference herein. The as adjusted and as further adjusted data in the table reflect certain assumptions and estimates. Actual amounts may vary from the estimated amounts reflected in the adjusted data in the table below, and any such variance may be material.

| (in thousands) | As of December 31, 2017 | |
|--|--------------------------------|--------------------|
| | Actual | As Adjusted |
| Cash | \$ 333,890 | \$ |
| Short-term debt: | | |
| Revolving credit facility | \$ 715,000 | \$ |
| Long-term debt: | | |
| Notes offered hereby | \$ | \$ |
| Long-term notes payable | 750,000 | 750,000 |
| Other long-term debt | 601 | 601 |
| Total long-term debt, including current maturities | \$ 750,601 | \$ |
| <i>Less: current maturities</i> | | |
| Long-term debt, excluding current maturities | \$ 750,601 | \$ |
| Total equity | \$ 1,425,745 | \$ 1,425,745 |
| Total capitalization ⁽¹⁾ | \$ 2,176,346 | \$ |

- (1) Total capitalization consists of total long-term debt, excluding current maturities, and total equity.

S-9

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our historical consolidated ratio of earnings to fixed charges for the periods indicated.

| | Fiscal Year Ended December 31, | | | | |
|---|---------------------------------------|-------------|-------------|-------------|-------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Ratio of Earnings to Fixed Charges ⁽¹⁾ | 24.01x | 16.74x | 17.92x | 18.25x | 13.30x |

(1) The ratio of earnings to fixed charges is calculated as follows:

$$\frac{\text{(earnings)}}{\text{(fixed charges)}}$$

Nominal Delta**Total (A+B+C)**

| | |
|--------------------------------|------------------------------------|
| Number of voting rights | Percentage of voting rights |
| 14,860,671 | 5.17% |

9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable:

Southeastern Asset Management, Inc., is the investment advisor to the Longleaf Partners Fund, a US mutual fund. The 14,860,671 voting shares held by Southeastern Asset Management Inc. , include 12,374,157 of the voting shares held directly by Longleaf Partners Fund.

Proxy Voting:

10. Name of the proxy holder:

11. Number of voting rights proxy holder will cease to hold:

12. Date on which proxy holder will cease to hold voting rights:

13. Additional information:

14. Contact name:

CATHERINE SPRINGETT
DEPUTY COMPANY SECRETARY

INTERCONTINENTAL HOTELS GROUP PLC

15. Contact telephone number:

01895 512242

Exhibit No: 99.3

Notification of Transactions of Directors/Persons Discharging Managerial Responsibility and Connected Persons

1. Name of the issuer
2. State whether the notification relates to (i) a transaction notified in accordance with DTR 3.1.2 R,
(ii) a disclosure made in accordance LR 9.8.6R(1) or
(iii) a disclosure made in accordance with section 793 of the Companies Act (2006).

INTERCONTINENTAL HOTELS GROUP PLC

A TRANSACTION NOTIFIED IN ACCORDANCE WITH DTR 3.1.2 R

3. Name of person discharging managerial responsibilities/director
4. State whether notification relates to a person connected with a person discharging managerial responsibilities/director named in 3 and identify the connected person

**RICHARD SOLOMONS,
CHIEF FINANCIAL OFFICER & HEAD OF
COMMERCIAL DEVELOPMENT**

**YES - SPOUSE:
KARIN SOLOMONS**

5. Indicate whether the notification is in respect of a holding of the person referred to in 3 or 4 above or in respect of a non-beneficial interest
6. Description of shares (including class), debentures or derivatives or financial instruments relating to shares

RICHARD SOLOMONS

**ORDINARY SHARES OF 13 29/47 PENCE
EACH**

7. Name of registered shareholders(s) and, if more than one, the number of shares held by each of them
8. State the nature of the transaction

**RICHARD SOLOMONS 100
KARIN SOLOMONS 322,643**

TRANSFER TO SPOUSE

9. Number of shares, debentures or financial instruments relating to shares acquired
10. Percentage of issued class acquired (treasury shares of that class should not be taken into account when calculating percentage)

- | | |
|---|--|
| 11. Number of shares, debentures or financial instruments relating to shares disposed | 12. Percentage of issued class disposed (treasury shares of that class should not be taken into account when calculating percentage) |
| 13. Price per share or value of transaction | 14. Date and place of transaction |
| NIL CONSIDERATION | 22 FEBRUARY 2010 |
| 15. Total holding following notification and total percentage holding following notification (any treasury shares should not be taken into account when calculating percentage) | 16. Date issuer informed of transaction |
| 1,163,602 INCLUDING ALL NOTIFIABLE INTERESTS | 22 FEBRUARY 2010 |

Name of contact and telephone number for queries:

**CATHERINE SPRINGETT
01895 512 000**

Name of authorised official of issuer responsible for making notification

**CATHERINE SPRINGETT
DEPUTY COMPANY SECRETARY**

Date of notification 22 FEBRUARY 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

InterContinental Hotels Group PLC
(Registrant)

By: /s/ C. Cox

Name: C. COX

Title: COMPANY SECRETARIAL OFFICER

Date: 26 February 2010