THE REZIDOR HOTEL GROUP

INTERIM REPORT

January-March 2012

First quarter, 2012

- Like-for-like (“L/L”) RevPAR was up by 5.6%.
- Revenue increased by 7.4% to MEUR 206.9 (192.7). On a L/L basis Revenue increased by 5.6%.
- EBITDA amounted to MEUR -5.0 (-8.5) and the EBITDA margin improved to -2.4% (-4.4).
- Loss after tax amounted to MEUR -14.1 (-17.4).
- Basic and diluted Earnings Per Share was EUR -0.09 (-0.12).
- Ca 1,000 new rooms opened and ca 1,400 new rooms were contracted.

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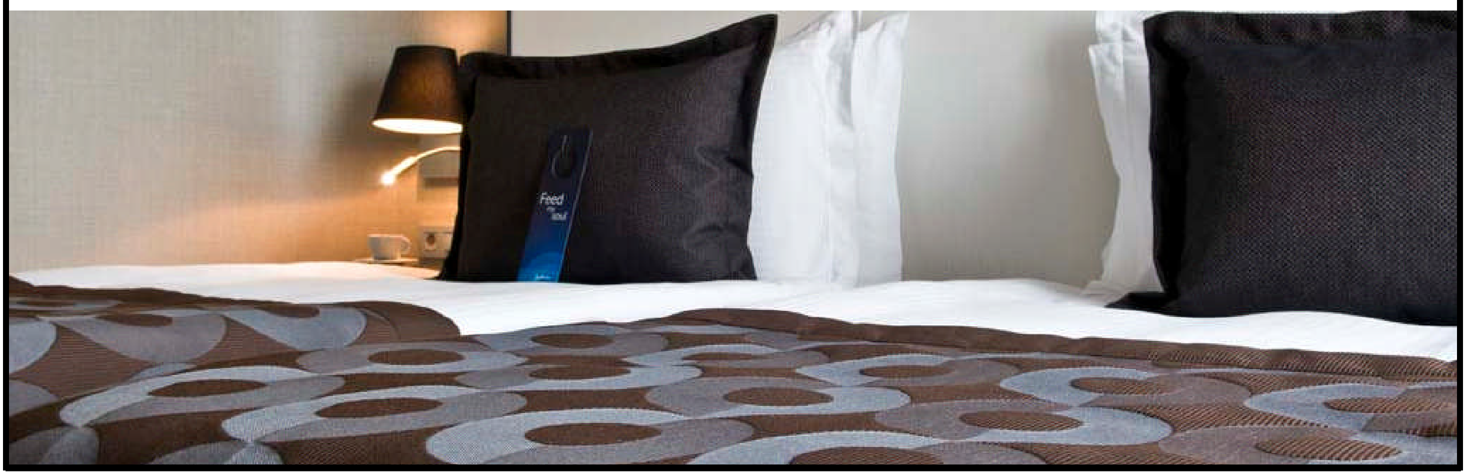
MEUR	Q1 2012	Q1 2011
Revenue	206.9	192.7
EBITDAR	58.4	52.7
EBITDA	-5.0	-8.5
EBIT	-12.5	-16.5
Profit/loss after Tax	-14.1	-17.4
EBITDAR margin, %	28.2%	27.3%
EBITDA margin, %	-2.4%	-4.4%
EBIT margin, %	-6.0%	-8.6%



Comments from the CEO

The EBITDA margin increased by 2 percentage points in the first quarter

- The revenue increase was the main driver of this improvement

"We are pleased to report a RevPAR growth of almost 6% in the first quarter of the year, an increase well above the market. Eastern Europe remained the best performing region followed by the Middle East and Africa, where we see a return to more normalised trading.

The positive RevPAR development combined with a stronger meetings and events business generated a 7% revenue growth over last year.

As outlined in our Route 2015 strategy, we remain focused on improving profitability, both in absolute terms and relative to the industry. We will on a regular basis communicate progress related to this strategy.

In the first quarter, we opened four hotels with close to 1,000 rooms, all located in the emerging markets of Eastern Europe and Africa. We contracted six new hotels, with over 1,400 rooms, all without financial committments."

Kurt Ritter, President & CEO

Market Development

The recovery of the European hotel market continued during the first quarter of the year. On an aggregated level, industry numbers show an accumulated RevPAR growth in Europe of 2.5% for the quarter. The improvement is a result of a 0.8% increase in occupancy and a 1.7% increase in room rates. However, the performance varied between the months: a solid 4.4% improvement was noted in January, whereas February delivered an unchanged growth to last year, and March rising to 3.7% increase in RevPAR.

Overall the growth in the mature Western European and Nordic markets was modest, impacted by the continuing economic instability in the Euro zone.

Eastern Europe, however, has witnessed a significant recovery after being hit hard by the recession in 2009. Russia and Poland were the key growth drivers of the region.

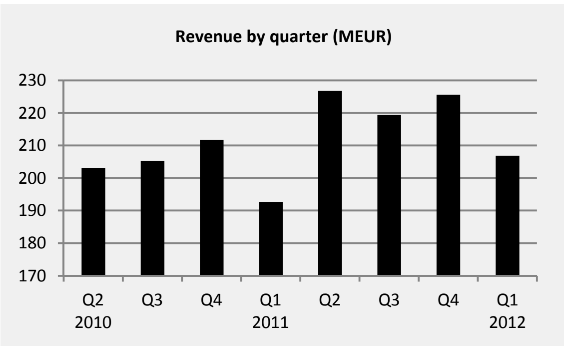
The Middle East and Africa also experienced a positive RevPAR development after being hit hard by the political turbulence in Bahrain, Egypt, Tunisia and Libya during 2011.

First quarter summary

The first quarter is seasonally the weakest of the year.

Total revenue increased by 7.4% compared to the same period last year, mainly due to a strong RevPAR increase, but also from an improved meetings and events business.

The revenue increase combined with a satisfying flow through to EBITDA in the leased business, additional high margin fee revenue, nearly unchanged central costs and the absence of pre-opening expenses, led to an EBITDA increase of MEUR 3.5, despite higher marketing expenses. Together with the leverage in our fixed rent structure, this resulted in a 2.0 percentage points improvement of the EBITDA margin.



Strategies and development

Rezidor is focused on hotel management and operates the Radisson Blu, Park Inn by Radisson and Hotel Missoni brands.

Currently, all hotels in Rezidor's portfolio are either operated by Rezidor itself under a lease or a management contract, or by a separate operator using one of the brands under a franchise agreement. Our strategy is to grow with management and franchise contracts and only exceptionally with leases. These contracts offer a higher profit margin and more stable income streams, therefore reducing the risk exposure and helping to make the portfolio less volatile. Of the 71,600 rooms in operation by the end of March 2012, 75% were under management or franchise contracts. Rezidor is operating in over 50 countries and the strategy is to expand presence in the emerging markets of e.g. Russia/CIS and Africa.

In the first quarter, Rezidor opened four new hotels with nearly 1,000 rooms. All of the new rooms were under management or franchise contracts. 143 rooms left the system, resulting in net openings of 834 rooms.

Between January and March Rezidor signed contracts for six new hotels with 1,400 rooms. Upcoming key properties such as the Radisson Blu Hotel Lusaka in Zambia and the Park Inn London Wembley in the UK are scheduled to join the system in 2012.

The contracted pipeline features nearly 22,000 rooms which are scheduled to open within three to four years. It represents 30% of the current number of rooms in operation, compared to an industry average of ca 20%. At this point the pipeline only comprises management or franchise contracts. More room data is presented on page 17.

RevPAR development

First quarter, 2012

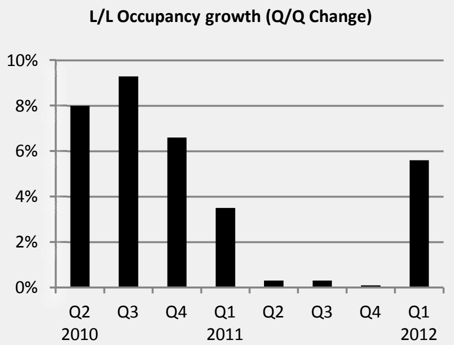
L/L RevPAR improved by 5.6% compared to last year, primarily due to higher occupancy. This was the highest reported growth since Q1 2011. L/L RevPAR for leased hotels grew by 4.4%, reflecting the slower recovery in the Nordics and Rest of Western Europe. The growth for Park Inn by Radisson continued to outperform Radisson Blu, mainly as a result of new hotels ramping up and an increased focus on sales activities.

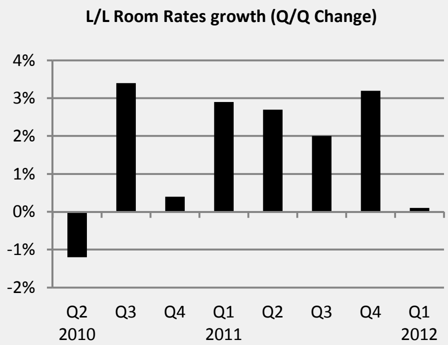
All four geographic segments reported a L/L RevPAR growth. The strongest development was still in Eastern Europe with Russia and the Baltics as the clear leaders. The Middle East and Africa also noted a strong development, as trading started to return in some of the politically troubled countries in Northern Africa. This, combined with a continued strong growth in Saudi Arabia, South Africa and UAE, has resulted in the first positive quarterly growth since Q4 2010. Rest of Western Europe and the Nordics delivered a softer RevPAR growth. Germany and Belgium experienced the most positive development while Switzerland continued to suffer because of the strong Swiss Franc.

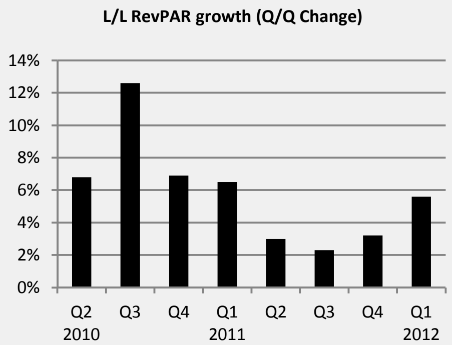
The RevPAR development for the quarter is presented in the table below.

RevPAR	Q1 2012
L/L growth	5.6 %
FX impact	1.3 %
Units out	0.4 %
New openings	0.6 %
Reported growth	8.0 %

Q1 2012 (Q/Q Change)	Nordics	Rest of Western Europe	Eastern Europe	Middle East, Africa & Others	Group
L/L RevPAR	1.7%	3.1%	12.2%	10.8%	**5.6%**
L/L Occupancy	1.2%	3.0%	10.0%	11.7%	**5.6%**
L/L Room Rates	0.5%	0.1%	2.0%	-0.8%	**0.1%**
Reported RevPAR	3.9%	5.5%	11.2%	20.8%	**8.0%**







Income statement

First quarter, 2012

The first quarter is seasonally the weakest of the year. Total revenue increased by 7.4% or MEUR 14.2 compared to last year. The increase was a result of the strong RevPAR growth and a good development in the meetings and events business. The fee business was particulary benefitted by the strong RevPAR development in Eastern Europe and the Middle East and Africa. Revenue was also positively impacted by the weakening of the Euro. Two leased contracts were terminated in 2011, resulting in a revenue loss of MEUR 0.9.

The change in revenue, compared to the same period last year is presented in the table below.

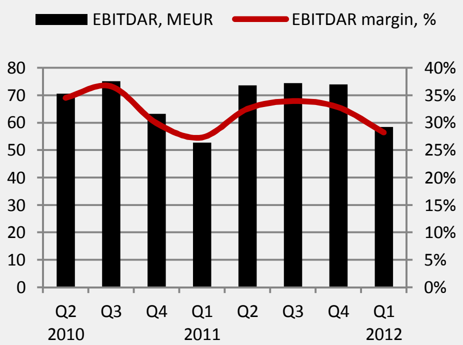
MEUR	L/L	New	Out	FX	Change
Rooms Revenue	4.0	-	-0.6	1.9	5.3
F&B Revenue	4.3	-	-0.3	1.1	5.1
Other Hotel Revenue	0.2	-	-0.0	0.1	0.3
Total Leased Revenue	**8.5**	**-**	**-0.9**	**3.1**	**10.7**
Fee Revenue	2.0	1.6	-0.2	-0.2	3.2
Other Revenue	0.3	-	-	0.0	0.3
Total Revenue	**10.8**	**1.6**	**-1.1**	**2.9**	**14.2**

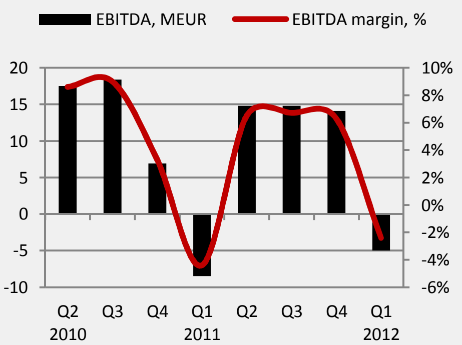
EBITDAR improved by MEUR 5.7 to MEUR 58.4. The increase was due to the growth in revenue combined with a satisfying flow-through of revenue to EBITDAR in the leased portfolio, the additional high-margin fee revenue, nearly unchanged central costs and the absence of pre-opening expenses this year. Although partly offset by higher marketing expenses in the quarter (MEUR 2.6 more than in Q1 2011), this resulted in an increase of the EBITDAR margin of 0.9 percentage points to 28.2%.

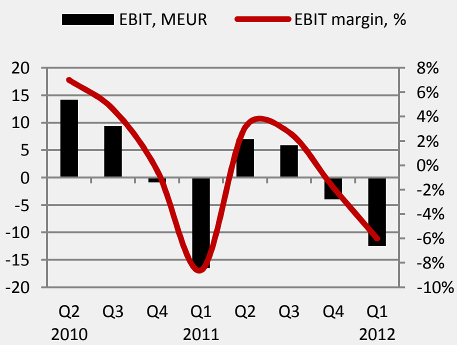
Rental expenses declined as a percentage of leased revenue, reflecting the leverage in the fixed rent structure in Rest of Western Europe and the fact that a couple of hotels switched from fixed rent to a lower variable rent as they had reached their contractual caps on minimum guaranteed rent. The total costs for shortfall guarantees were in line with last year. EBITDA improved by MEUR 3.5, and EBITDA margin by 2.0 percentage points (-2.4% versus -4.4 % in 2011).

Following the EBITDA margin improvement and lower depreciations due to the write-downs of fixed assets in Q4 2011, EBIT improved by MEUR 4.0 and the margin by 2.6 percentage points to -6.0%.

Loss after tax amounted to MEUR -14.1 compared to MEUR -17.4 last year. Further financial information per region is provided on page 5.







Comments by Region

Nordics

L/L RevPAR grew by 1.7%, driven by an increase in occupancy. The strongest performing country was Denmark with a RevPAR growth of 3.7%.

Revenue from the leased portfolio in the Nordics noted a healthy increase of MEUR 7.1 largely due to a strong development in the meetings and events business. A big part of this was attributable to Radisson Blu Waterfront in Stockholm, with the largest congress centre in the Nordics. A good flow-through from revenue combined with the absence of pre-opening expenses this year, led to an improvement of both the EBITDA and EBIT margin.

MEUR	Q1 2012	Q1 2011	Change
L/L RevPAR, EUR	77.2	76.0	1.7%
Total Revenue	97.0	89.7	8.1%
EBITDA	9.1	6.2	46.8%
EBITDA margin, %	9.4%	6.9%	2.5 pp
EBIT	4.8	2.2	118.2%
EBIT margin, %	4.9%	2.5%	2.4 pp

Rest of Western Europe

L/L RevPAR witnessed a growth of 3.1%, primarily due to an increase in occupancy. The majority of the markets in Rest of Western Europe noted RevPAR increases with Belgium, Germany and Ireland reporting the most significant improvements. Switzerland was the only key market with a noteworthy RevPAR decline, -10.5%, mainly related to a weaker demand from international customers due to the strong Swiss Franc.

Leased revenue increased by MEUR 3.5, or 4.1%, as a result of the RevPAR increase, but the increase was also supported by a good development in meetings and events business. The flow-through from revenue was not as strong as in the Nordics, mainly due to higher travel agent commissions and increased costs for energy and Food & Beverage. Despite this, the EBITDA margin improved by 0.5 percentage points as a result of the fixed rent structure in Rest of Western Europe. Furthermore, EBIT improved as a result of lower depreciation after the write-downs of fixed assets in Q4 2011.

MEUR	Q1 2012	Q1 2011	Change
L/L RevPAR, EUR	59.6	57.8	3.1%
Total Revenue	97.8	93.4	4.7%
EBITDA	-8.4	-8.5	-1.2%
EBITDA margin, %	-8.6%	-9.1%	0.5 pp
EBIT	-11.5	-12.4	7.3%
EBIT margin, %	-11.8%	-13.3%	1.5 pp

Eastern Europe

L/L RevPAR increased by 12.2%, predominantly driven by a higher occupancy. Russia, the Baltics and Poland were the top performing countries.

Fee revenue from managed hotels grew by 22.0% versus last year, due to the strong RevPAR increase in the region and new hotels added to the portfolio since the beginning of 2011. Fee revenue from franchised hotels was in line with last year. The EBITDA and EBIT margin was broadly in line with last year.

MEUR	Q1 2012	Q1 2011	Change
L/L RevPAR, EUR	40.5	36.1	12.2%
Total Fee Revenue	6.1	5.0	22.0%
EBITDA	2.9	2.4	20.8%
EBITDA margin, %	47.5%	48.0%	-0.5 pp
EBIT	2.8	2.3	21.7%
EBIT margin, %	45.9%	46.0%	-0.1 pp

Middle East, Africa and Others

L/L RevPAR increased by 10.8%, driven by a growth in occupancy. South Africa, Saudi Arabia and UAE reported strong RevPAR growth numbers. As to the MENA countries, Egypt reported a strong recovery in the quarter of 30.0% while Tunisia was still below last year.

Fee revenue from managed hotels increased due to the RevPAR improvement and new hotels opened in 2011. However, this was not reflected in an improved EBITDA or EBITDA margin because of higher marketing expenses.

MEUR	Q1 2012	Q1 2011	Change
L/L RevPAR, EUR	58.1	52.4	10.8%
Total Fee Revenue	6.0	4.6	30.4%
EBITDA	3.2	3.3	-3.0%
EBITDA margin, %	53.3%	71.7%	-18.4 pp
EBIT	3.2	3.3	-3.0%
EBIT margin, %	53.3%	71.7%	-18.4 pp

Central costs

Central costs amounted to MEUR 11.8, and were nearly unchanged to the same period last year with the strengthened organisation offsetting the approximately MEUR 1.5 one-off in central costs occurring in Q1 2011.

Comments to balance sheet

Compared to year-end 2011, non-current assets noted a minor increase, mainly due to investments during the quarter. Net working capital, excluding cash and cash equivalents, but including current tax assets and liabilities, at the end of the period was MEUR -56.7 (-61.7 at year-end 2011). The change is mainly explained by an increase in accrued income and accounts receivables due to the seasonality of the business.

Cash and cash equivalents went down from MEUR 9.8 at year-end 2011 to MEUR 7.4 and bank overdrafts increased from MEUR 7.9 at year-end 2011 to MEUR 23.0, due to a negative cash flow from operating activities.

Compared to year-end 2011, equity including non-controlling interests decreased by MEUR 13.5, mainly due to the loss for the period.

Following an increased focus on asset management, MEUR 3.5 of the assets and MEUR 7.2 of the liabilities were classified as held for sale. They are related to the same group of assets that were classified as held for sale at year-end 2011.

MEUR	31-Mar 12	31-Dec 11
Balance sheet total	385.1	373.8
Net working capital	-56.7	-61.7
Net debt (net cash)	-15.6	1.9
Equity	151.2	164.7

Cash flow and liquidity

Cash flow from operations amounted to MEUR -15.5 in Q1 2012, a negative deviation of MEUR 3.1 to the same period last year. This was mainly due to the settlement of current tax liabilities in Q1 this year.

Cash flow from change in working capital amounted to MEUR 3.1, which was MEUR 12.4 better than in Q1 last year. Last year was negatively affected by the settlement of the unusually large accruals recorded at the end of 2010. This year benefitted from a smaller increase in accounts receivables and accrued income than is normally the case during the first quarter.

Cash flow from investing activities amounted to MEUR -8.0 and was in line with Q1 last year.

The total credit facilities available for use by the company is MEUR 106.8. MEUR 5.4 was used for bank guarantees and MEUR 23.0 was used for overdrafts, leaving MEUR 78.4 available for use. At the end of March 2012, Rezidor had MEUR 7.4 in cash and cash equivalents. The tenor of the committed overdraft facility and credit line ranges between one and four years, combined with customary covenants.

Net interest bearing assets amounted to MEUR -5.8 (15.3 at year-end 2011). The drop compared to last year was mainly explained by increased use of overdraft. Net debt/cash, defined as cash & cash equivalents plus short-term interest-bearing assets minus interest-bearing financial liabilities (short-term & long-term), amounted to MEUR -15.6 (1.9 at year-end 2011).

MEUR	31-Mar 12	31-Mar 11
Cash flow from operations	-15.5	-12.4
Cash flow from change in working capital	3.1	-9.3
Cash flow from investing activities	-8.0	-6.8
Cash flow before financing activities	**-20.4**	**-28.5**

Post balance sheet events

There are no significant post balance sheet events to report.

Material risks and uncertainties

No material changes have taken place during the period and reference is therefore made to the detailed description provided in the annual report for 2011. The general market, economic and financial conditions as well as the development of RevPAR in various countries where Rezidor operates, continue to be the most important factors influencing the company’s earnings. Management is continuously analysing ways to improve the performance of the hotel portfolio, currently with a particular focus on how to increase the profitability of the leased business in ROWE. Portfolio management, a revision of plans and projections for loss-making hotels or a setback in the economic recovery with major implications on the performance of the company’s hotels, may lead to a renewed assessment of the value of certain assets and the risk for loss making contracts. The Parent Company performs services of a common Group character. The risks for the Parent Company are the same as for the Group.

Seasonal effects

Rezidor is active in an industry with seasonal variations. Sales and profits vary by quarter and the first quarter is generally the weakest. See the table on quarterly revenue and margins on page 16.

Auditors’ review

The report has not been subject to review by the auditors.

Presentation of the Q1 results

On 25 April, 2012 at 15:30 (Central European Time). Kurt Ritter, President & CEO, Knut Kleiven, Deputy President & CFO and Puneet Chhatwal, EVP & CDO, will present the report and answer questions.

To participate in the teleconference, please dial:

Sweden:	+46 (0)8 5051 3793
Sweden toll-free:	0200 883 440
UK:	+44 (0)20 3450 9987
UK toll-free:	0800 279 5004
US:	+1 646 254 3365
US toll-free:	1877 280 2296

Confirmation code: 5750954

To follow the webcast, please visit www.rezidor.com

A replay of the conference call will be available one month following the call by dialling +46 (0)8 5051 3897 (Sweden), +44 (0)20 7111 1244 (UK) and +1 347 366 9565 (US), access code 5750954#.

Financial calendar 2012

Annual General Meeting 2012: 25 April 2012
Q2-2012 results: 13 July 2012
Q3-2012 results: 26 October 2012

This quarterly report comprises information which Rezidor Hotel Group AB (publ) is required to disclose under the Securities Markets Act and/or the Financial Instruments Trading Act. It was released for publication at 08h30 Central European Time on 25 April, 2012.

Stockholm 25 April, 2012

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About the Rezidor Hotel Group

The Rezidor Hotel Group is one of the most dynamic and fastest growing hotel companies in the world. The group currently features a portfolio of 427 hotels with 93,000 rooms in operation and under development in more than 65 countries across Europe, the Middle East and Africa. Rezidor operates the core brands Radisson Blu and Park Inn by Radisson – as well as Hotel Missoni, a lifestyle brand which is developed worldwide following a licence agreement with the iconic Italian fashion house Missoni. Radisson Blu and Park Inn by Radisson are operated in Europe, the Middle East and Africa under long-term Master Franchise Agreements with Carlson, a global, privately held hospitality and travel company. Rezidor is a member of the Carlson Rezidor Hotel Group.

For more information, visit www.rezidor.com

Condensed consolidated statement of operations

MEUR	Q1 2012	Q1 2011
Revenue	206.9	192.7
F&B and other related expenses	-15.5	-14.8
Personnel cost and contract labour	-76.4	-74.1
Other Operating expenses	-53.2	-47.5
Insurance of properties and property tax	-3.4	-3.6
Operating profit before rental expense and share of income in associates and depreciation and amortisation and gain on sale of fixed assets (EBITDAR)	**58.4**	**52.7**
Rental expense	-63.9	-61.7
Shares of income in associates and joint ventures	0.5	0.5
Operating profit/loss before depreciation and amortisation and gain on sale of fixed assets (EBITDA)	**-5.0**	**-8.5**
Depreciation and amortisation	-7.5	-7.9
Write-downs	-	-0.1
Operating profit/loss	**-12.5**	**-16.5**
Financial income	0.3	0.7
Financial expense	-0.5	-0.9
Profit/loss before tax	**-12.7**	**-16.7**
Income tax	-1.4	-0.7
Profit/loss for the period	**-14.1**	**-17.4**
Attributable to:		
Owners of the company	-14.1	-17.3
Non-controlling interests	-	-0.1
Loss for the period	**-14.1**	**-17.4**
Basic average no. of shares outstanding	146,320,902	146,307,540
Diluted average no. of shares outstanding	146,320,902	147,759,988
Earnings per share, in EUR		
Basic	-0.09	-0.12
Diluted	-0.09	-0.12

Consolidated statement of comprehensive income

Loss for the period	**-14.1**	**-17.4**
Other comprehensive income:		
Exchange differences on translation of foreign operations	0.2	-1.6
Tax on exchange differences recognised directly in equity	-0.0	-0.0
Other comprehensive income for the period, net of tax	**0.2**	**-1.6**
Total comprehensive income for the period	**-13.9**	**-19.0**
Attributable to:		
Owners of the company	-13.9	-18.9
Non-controlling interests	-	-0.1

Condensed consolidated balance sheet statements

MEUR	31-Mar 2012	31-Dec 2011
ASSETS		
Intangible assets	72.8	73.6
Tangible assets	111.2	109.4
Investments in associated companies and joint ventures	4.5	4.6
Other shares and participations	7.3	7.2
Pension funds, net	9.6	9.2
Other long-term receivables	15.4	13.1
Deferred tax assets	31.6	31.7
Total non-current assets	**252.4**	**248.8**
Inventories	4.7	4.7
Other current receivables	115.9	103.9
Other short term investments	1.2	3.5
Cash and cash equivalents	7.4	9.8
Current assets	**129.2**	**121.9**
Assets classified as held for sale	3.5	3.1
Total current assets	**132.7**	**125.0**
TOTAL ASSETS	**385.1**	**373.8**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	151.2	164.7
Non-controlling interests	0.0	0.0
Total equity	**151.2**	**164.7**
Deferred tax liabilities	15.7	15.7
Retirement benefit obligations	1.9	2.2
Other long-term liabilities	15.9	12.5
Total non-current liabilities	**33.5**	**30.4**
Liabilities to financial institutions	23.0	7.9
Other current liabilities	170.2	164.0
Current liabilities	**193.2**	**171.9**
Liabilities directly associated with assets classified as held for sale	7.2	6.8
Total current liabilities	**200.4**	**178.7**
TOTAL EQUITY AND LIABILITIES	**385.1**	**373.8**
Number of ordinary shares outstanding at the end of the period	146,320,902	146,320,902
Number of ordinary shares held by the company	3,681,138	3,681,138
Number of registered ordinary shares at the end of the period	150,002,040	150,002,040

Consolidated statement of changes in equity

MEUR	Share capital	Other paid in capital	Translation reserves	Fair value reserve available for sale financial assets	Retained earnings incl. net profit/loss for the period	**Attributable to equity holders of the parent**	Non-controlling interests	**Total equity**
Ending balance as of Dec 31, 2010	**10.0**	**120.3**	**15.0**	**1.3**	**28.5**	**175.1**	**0.1**	**175.2**
Long term incentive plan	-	-	-	-	0.4	**0.4**	-	**0.4**
Total comprehensive income for the period	-	-	-1.6	-	-17.3	**-18.9**	-0.1	**-19.0**
Ending balance as of Mar 31, 2011	**10.0**	**120.3**	**13.4**	**1.3**	**11.6**	**156.6**	**0.0**	**156.6**
Long term incentive plan	-	-	-	-	0.8	**0.8**	-	**0.8**
Total comprehensive income for the period	-	-	2.9	-1.0	5.4	**7.3**	-	**7.3**
Ending balance as of Dec 31, 2011	**10.0**	**120.3**	**16.3**	**0.3**	**17.8**	**164.7**	**0.0**	**164.7**
Long term incentive plan	-	-	-	-	0.4	**0.4**	-	**0.4**
Total comprehensive income for the period	-	-	0.2	-	-14.1	**-13.9**	-	**-13.9**
Ending balance as of Mar 31, 2012	**10.0**	**120.3**	**16.5**	**0.3**	**4.1**	**151.2**	**0.0**	**151.2**

Condensed consolidated statement of cash flow

MEUR	Q1 2012	Q1 2011
Operating loss	**-12.5**	**-16.5**
Non cash items	6.3	7.5
Interest, taxes paid and other cash items	-9.3	-3.4
Change in working capital	3.1	-9.3
Cash flow from operating activities	**-12.4**	**-21.7**
Purchase of intangible assets	-0.1	-0.6
Purchase of tangible assets	-7.3	-7.4
Other investments/divestments	-0.6	1.2
Cash flow from investing activities	**-8.0**	**-6.8**
External financing, net	18.0	10.5
Cash flow from financing activities	**18.0**	**10.5**
Cash flow for the period	**-2.4**	**-18.0**
Effects of exchange rate changes on cash and cash equivalents	-0.0	-0.1
Cash and cash equivalents at beginning of the period	**9.8**	**26.7**
Cash and cash equivalents at end of the period	**7.4**	**8.6**

Parent Company, condensed statement of operations

MEUR	Q1 2012	Q1 2011
Revenue	0.8	0.7
Personnel cost	-0.8	-0.8
Other Operating expenses	-3.2	-2.6
Operating loss before depreciation and amortization	**-3.2**	**-2.7**
Depreciation and amortization expense	-0.1	-0.0
Operating loss	**-3.3**	**-2.7**
Financial income	1.4	0.5
Financial expense	-0.2	-0.3
Loss before tax	**-2.1**	**-2.5**
Income Tax	0.5	0.7
Loss for the period	**-1.6**	**-1.8**

Parent Company, statement of comprehensive income

Loss for the period	**-1.6**	**-1.8**
Other comprehensive income:	**-**	**-**
Total comprehensive income for the period	**-1.6**	**-1.8**

Parent Company, condensed balance sheet statement

MEUR	31-Mar 2012	31-Dec 2011
ASSETS		
Intagible assets	0.2	0.2
Tangible assets	0.1	0.1
Shares in subsidiaries	234.8	234.4
Deferred tax assets	9.0	8.4
Total non-current assets	**244.1**	**243.1**
Current receivables	12.8	11.4
Total current assets	**12.8**	**11.4**
TOTAL ASSETS	**256.9**	**254.5**
EQUITY AND LIABILITIES		
Equity	**205.6**	**206.8**
Current liabilities	51.3	47.7
Total current liabilities	**51.3**	**47.7**
TOTAL EQUITY AND LIABILITIES	**256.9**	**254.5**

Parent Company, statement of changes in equity

MEUR	Share capital	Share premium reserve	Retained earnings incl. net profit/loss for the period	Total equity
Balance as of Dec. 31, 2010	**10.0**	**197.3**	**-29.1**	**178.2**
Long term incentive plan	-	-	0.4	**0.4**
Total comprehensive income for the period	-	-	-1.8	**-1.8**
Balance as of Mar. 31, 2011	**10.0**	**197.3**	**-30.5**	**176.8**
Long term incentive plan	-	-	0.8	**0.8**
Total comprehensive income for the period	-	-	29.2	**29.2**
Balance as of Dec. 31, 2011	**10.0**	**197.3**	**-0.5**	**206.8**
Long term incentive plan	-	-	0.4	**0.4**
Total comprehensive income for the period	-	-	-1.6	**-1.6**
Balance as of Mar. 31, 2012	**10.0**	**197.3**	**-1.7**	**205.6**

Comments to income statement

The primary purpose of the Parent Company is to act as a holding company for the Group's investments in hotel operating subsidiaries in various countries. In addition to this main activity, the Parent Company also serves as a Shared Service Centre for all hotels in Sweden.

The main revenue of the company is internal fees charged to the hotels in Sweden for the related administrative services provided by the Shared Service Centre. In Q1 2012 the intercompany revenue of the Parent Company amounted to MEUR 0.8 (0.7). The intercompany costs in Q1 2012 amounted to MEUR 2.6 (2.0).

In Q1 2012 intercompany interest income amounted to MEUR 0.0 (0.0) and intercompany interest expenses to MEUR 0.1 (0.1).

Comments to balance sheet

At the end of the quarter the intercompany receivables amounted to MEUR 11.0 (11.1 at year-end 2011) and the intercompany liabilities to MEUR 49.7 (46.4 at year-end 2011). The changes in the balance sheet since year-end are mainly related to changes in short-term intercompany borrowing and lending.

Notes to condensed consolidated financial statements

Basis of preparation

The interim report has been prepared in accordance with the Swedish Annual Accounts Act and International Accounting Standard (IAS) 34 Interim Financial Reporting. The interim report has been prepared using accounting principles consistent with International Financial Reporting Standards (IFRS).

The interim report for the Parent Company has been prepared in accordance with Swedish Annual Accounts Act and Recommendation RFR 2, Accounting for Legal Entities, issued by Swedish Financial Accounting Standards Council.

The same accounting policies, presentation and methods of computation have been followed in this interim report as were applied in the company's annual report for the year ended 31 December 2011, except for the impact of the adoption of the standards and interpretations described below.

Amended standards *are Disclosures (Transfers of Financial Assets)* and amendments to *IAS 1 Presentation of Financial Statements (Presentation of Items of Other Comprehensive Income)*. All these new standards and interpretations have had little or no effect on the reported results or financial position of the group.

Incentive programmes

The AGMs of 2009, 2010 and 2011 have approved three long-term equity settled performance-based incentive programmes to be offered executives within Rezidor. Based on the outcome of certain performance criteria, defined as growth in earnings per share and total shareholder return relative to a defined peer group, the participants of the programmes may be awarded shares in the company at the end of the vesting periods (in 2012, 2013 and 2014 respectively). By the end of 2011, it was clear that the performance criteria of the 2009 programme would not be met, but the shares are not yet formally forfeited. The maximum number of shares that can be awarded in the 2010 and 2011 programmes is 874,108 and 1,045,000 respectively.

The cost for the incentive programmes in Q1, calculated in accordance with IFRS 2, amounted to MEUR 0.4 (0.4). Costs for social security charges related to the programmes in Q1 amounted to MEUR 0.1 (0.2).

Share buy-back

The number of treasury shares held by the company at the end of quarter was 3,681,138, corresponding to 2.5% of all registered shares. The average number of its own shares held by the company during Q1 was 3,681,138 (3,694,500). The shares have been bought back in 2007 and 2008 following authorisations at the AGMs in the same years. All shares bought back are held to secure delivery of shares in the incentive programmes and the related social security costs.

On April 13, 2011 the AGM authorised the Board of Directors to decide on the acquisition and transfer of the company's own shares. The purpose of the authorisation is to secure delivery of shares in the incentive programmes and the related social security costs and to give the Board of Directors an increased capacity to act in respect of organising the capital structure of the company. Shares may be acquired to the extent that the company's holding of its own shares following the acquisition reaches no more than one tenth of all shares in the company. No shares have been bought back based on this authorisation.

Related party transactions

Related parties with significant influence are The Carlson Group (Carlson) owning 51.3% of the outstanding shares. Rezidor also has some joint ventures and associated companies. On the 31 of March 2012 Rezidor had ordinary current receivables related to Carlson of MEUR 0.0 (0.0 as at 31 December 2011) and ordinary current liabilities of MEUR 1.3 (0.7 as at 31 December 2011). The business relationship with Carlson mainly consisted of operating costs related to the use of the brands and the use of the Carlson reservation system. During Q1 2012, Rezidor had operating costs towards Carlson of MEUR 3.1 (2.9). Carlson also charged MEUR 1.6 (1.2) for points earned in the Loyalty programme Club Carlson and reimbursed MEUR 0.3 (0.3) for points redeemed. Furthermore, Carlson recharged MEUR 0.7 (0.6) of costs incurred from third parties, mainly internet based reservation channels. Moreover, Rezidor paid commissions to the travel agencies' network of Carlson amounting to MEUR 0.0 (0.2). For these specific commissions Rezidor had current liabilities of MEUR 0.0 (0.2 as at 31 December 2011).

Pledged assets and contingent liabilities

Asset pledged, MEUR	31-Mar 2012	31-Dec 2011
Securities on deposits (restricted accounts)	2.4	3.5
Contingent liabilities, MEUR	**31-Mar 2012**	**31-Dec 2011**
Miscellaneous guarantees provided	5.4	3.9
Total guarantees provided	**5.5**	**3.9**

RevPAR development by brand (leased & managed hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**
Radisson Blu	59.5%	3.1pp	112.2	-0.1%	66.8	5.4%	67.7	7.2%
Park Inn	49.0%	2.7pp	67.6	0.9%	33.1	6.9%	34.0	9.3%
Group	**56.6%**	**3.0pp**	**101.6**	**0.1%**	**57.5**	**5.6%**	**58.5**	**8.0%**

RevPAR development by region (leased and managed hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**
Nordics	60.4%	0.7pp	127.9	0.5%	77.2	1.7%	78.7	3.9%
Rest of Western Europe	59.8%	1.7pp	99.7	0.1%	59.6	3.1%	60.2	5.5%
Eastern Europe	47.6%	4.3pp	85.1	2.0%	40.5	12.2%	40.2	11.2%
Middle East, Africa & Others	59.2%	6.2pp	98.2	-0.8%	58.1	10.8%	63.4	20.8%
Group	**56.6%**	**3.0pp**	**101.6**	**0.1%**	**57.5**	**5.6%**	**58.5**	**8.0%**

RevPAR development by region (leased hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**	**Q1 2012**	**vs. 2011**
Nordics	60.2%	1.0pp	131.0	0.7%	78.9	2.3%	80.4	4.6%
Rest of Western Europe	60.5%	0.6pp	103.0	0.4%	62.3	1.3%	63.2	4.1%
Group	**60.4%**	**0.7pp**	**114.8**	**0.6%**	**69.3**	**1.9%**	**70.5**	**4.4%**

Revenue per area of operation

MEUR	**Q1 2012**	**Q1 2011**	**Change %**
Rooms revenue	113.5	108.2	4.9%
F&B revenue	62.1	57.0	8.9%
Other hotel revenue	5.4	5.1	5.9%
Total hotel revenue (leased)	**181.0**	**170.3**	**6.3%**
Fee revenue (managed & franchised)	22.0	18.9	16.4%
Other revenue	3.9	3.5	11.4%
Total revenue	**206.9**	**192.7**	**7.4%**

Total fee revenue

MEUR	**Q1 2012**	**Q1 2011**	**Change %**
Management Fees	7.0	5.8	20.7%
Incentive Fees	5.2	4.8	8.3%
Franchise Fees	1.4	1.4	0.0%
Other Fees (incl. marketing, reservation fee etc.)	8.4	6.9	21.7%
Total fee revenue	**22.0**	**18.9**	**16.4%**

Revenue per region

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Other		Total	
Q1	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Leased	91.5	84.4	89.3	85.8	-	-	-	-	180.8	170.2
Managed	1.0	1.3	5.5	5.1	5.9	4.8	6.0	4.6	18.4	15.8
Franchised	1.4	1.2	2.0	1.8	0.2	0.2	-	-	3.6	3.2
Other	3.1	2.7	1.0	0.7	-	-	0.0	0.0	4.1	3.5
Total	**97.0**	**89.7**	**97.8**	**93.4**	**6.1**	**5.0**	**6.0**	**4.6**	**206.9**	**192.7**

Central marketing expenses

MEUR	Q1 2012	Q1 2011	Change %
Marketing expenses	10.5	7.9	32.9%

Rental expenses

MEUR	Q1 2012	Q1 2011	Change %
Fixed rent	51.6	49.3	4.7%
Variable rent	7.0	7.1	-1.4%
Rent	**58.6**	**56.4**	**3.9%**
Rent as a % of leased hotel revenue	32.4%	33.1%	-0.7pp
Shortfall guarantees	5.3	5.3	0.0%
Rental expense	**63.9**	**61.7**	**3.6%**

Operating profit before depreciation and amortization and gain on sales of fixed assets (EBITDA)

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
Q1	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Leased	8.0	4.3	-8.3	-8.8	-	-	-	-	-	-	-0.3	-4.5
Managed	0.5	1.0	-0.8	-0.5	2.8	2.3	3.2	3.2	-	-	5.7	6.0
Franchised	0.6	0.6	0.7	0.8	0.1	0.1	-	-	-	-	1.4	1.5
Other[1)]	0.0	0.3	-0.0	-0.0	-	-0.0	0.0	0.1	-	-	0.0	0.4
Central costs	-	-	-	-	-	-	-	-	-11.8	-11.9	-11.8	-11.9
Total	**9.1**	**6.2**	**-8.4**	**-8.5**	**2.9**	**2.4**	**3.2**	**3.3**	**-11.8**	**-11.9**	**-5.0**	**-8.5**

1) *Other also includes share of income from associates and joint ventures.*

Operating profit (EBIT)

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
Q1	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Leased	4.4	0.9	-11.2	-12.3	-	-	-	-	-	-	-6.8	-11.4
Managed	0.5	0.9	-0.8	-0.5	2.7	2.2	3.2	3.2	-	-	5.6	5.8
Franchised	0.6	0.7	0.6	0.7	0.1	0.1	-	-	-	-	1.3	1.5
Other[1)]	-0.7	-0.3	-0.1	-0.3	-0.0	-0.0	0.0	0.1	-	-	-0.8	-0.5
Central costs	-	-	-	-	-	-	-	-	-11.8	-11.9	-11.8	-11.9
Total	**4.8**	**2.2**	**-11.5**	**-12.4**	**2.8**	**2.3**	**3.2**	**3.3**	**-11.8**	**-11.9**	**-12.5**	**-16.5**

1) *Other also includes share of income from associates and joint ventures.*

Reconciliation of loss for the period

MEUR	Q1 2012	Q1 2011
Total operating loss (EBIT) for reportable segments	**-12.5**	**-16.5**
Financial income	0.3	0.7
Financial expense	-0.5	-0.9
Group's total loss before tax	**-12.7**	**-16.7**

Balance sheet and investments

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Total	
31-Mar	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Assets	165.2	162.5	156.5	158.3	27.5	21.5	35.9	36.7	385.1	379.0
Investments (tangible & intangible assets)	5.1	4.7	2.3	3.3	0.0	0.0	0.0	0.0	7.4	8.0

Quarterly key figures

MEUR	Q1 2012	Q1 2011	Q1 2010	Q1 2009	Q1 2008
RevPAR	58.5	54.2	51.6	54.0	66.3
Revenue	206.9	192.7	165.7	152.6	177.0
EBITDAR	58.4	52.7	45.1	37.7	51.6
EBITDA	-5.0	-8.5	-11.5	-14.9	0.2
EBIT	-12.5	-16.5	-19.0	-21.2	-6.3
Profit/loss after Tax	-14.1	-17.4	-17.7	-19.2	-7.0
EBITDAR Margin %	28.2%	27.3%	27.2%	24.7%	29.1%
EBITDA Margin %	-2.4%	-4.4%	-6.9%	-9.8%	0.1%
EBIT Margin %	-6.0%	-8.6%	-11.5%	13.9%	-3.5%

	2012	2011				2010			
MEUR	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
RevPAR	58.5	62.7	69.1	67.5	54.2	60.1	64.7	68.4	51.6
Revenue	206.9	225.6	219.4	226.7	192.7	211.7	205.3	203.0	165.7
EBITDAR	58.4	74.0	74.4	73.6	52.7	63.2	75.1	70.6	45.1
EBITDA	-5.0	14.1	14.8	14.8	-8.5	6.9	18.4	17.5	-11.5
EBIT	-12.5	-4.0	5.9	7.0	-16.5	-0.9	9.4	14.2	-19.0
Profit/loss after Tax	-14.1	-13.5	14.2	4.8	-17.4	-6.8	4.6	17.2	-17.7
EBITDAR Margin %	28.2%	32.8%	33.9%	32.5%	27.3%	29.9%	36.6%	34.8%	27.2%
EBITDA Margin %	-2.4%	6.3%	6.7%	6.5%	-4.4%	3.3%	9.0%	8.6%	-6.9%
EBIT Margin %	-6.0%	-1.8%	2.7%	3.1%	-8.6%	-0.4%	4.6%	7.0%	-11.5%

Hotel and room openings and signings

	Openings		Signings	
	Hotels	Rooms	Hotels	Rooms
	Q1 2012	Q1 2012	Q1 2012	Q1 2012
By region:				
Nordics	-	8	-	-
Rest of Western Europe	-	-3	-	-
Eastern Europe	3	652	1	100
Middle East, Africa & Others	1	320	5	1,303
Total	**4**	**977**	**6**	**1,403**
By brand:				
Radisson Blu	2	446	2	349
Park Inn by Radisson	1	211	3	724
Hotel Missoni & Others	1	320	1	330
Total	**4**	**977**	**6**	**1,403**
By contract type:				
Leased	-	3	-	-
Managed	3	723	6	1,403
Franchised	1	251	-	-
Total	**4**	**977**	**6**	**1,403**

- In Q1 2012, two hotels (143 rooms) left the system, resulting in a net opening of 834 rooms.

Hotels and rooms in operation and under development (in pipeline)

	In operation				Under development			
	Hotels		Rooms		Hotels		Rooms	
31-Mar,	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
By region:								
Nordics	57	58	13,979	13,591	8	7	1,539	1,486
Rest of Western Europe	160	160	29,794	29,277	17	21	3,193	4,071
Eastern Europe	66	61	16,745	15,377	34	35	7,354	7,778
Middle East, Africa & Others	44	37	11,082	9,122	41	37	9,569	8,146
Total	**327**	**316**	**71,600**	**67,367**	**100**	**100**	**21,655**	**21,481**
By brand:								
Radisson Blu	210	202	49,977	46,897	50	55	12,326	13,073
Park Inn by Radisson	109	105	20,667	19,475	45	40	8,461	7,102
Hotel Missoni & Others	8	9	956	995	5	5	868	1,306
Total	**327**	**316**	**71,600**	**67,367**	**100**	**100**	**21,655**	**21,481**
By contract type:								
Leased	77	78	17,689	17,764	-	-	71	71
Managed	171	163	38,300	35,601	90	90	19,568	19,147
Franchised	79	75	15,611	14,002	10	10	2,016	2,263
Total	**327**	**316**	**71,600**	**67,367**	**100**	**100**	**21,655**	**21,481**

Definitions

Average Room Rate
Average Room Rate – Rooms revenue in relation to number of rooms sold. Also referred to as ARR (Average Room Rate), ADR (Average Daily Rate) or AHR (Average House Rate) in the hotel industry.

Central Costs
Central Costs represent costs for corporate and regional functions, such as Executive Management, Finance, Business Development, Legal, Communication & Investor Relations, Technical Development, Human Resources, Operations, IT, Brand Management & Development, and Purchasing. These costs are incurred to the benefit of all hotels within the Rezidor group, i.e. leased, managed and franchised.

Earnings per share
Profit for the period, before allocation to minority interest divided by the weighted average number of shares outstanding.

EBIT
Operating profit before net financial items and tax.

EBITDA
Operating profit before depreciation and amortisation and gain on sale of shares and fixed assets and net financial items and tax.

EBITDA margin
EBITDA as a percentage of Revenue.

EBITDAR
Operating profit before rental expense and share of income in associates and before depreciation and amortisation and gain on sale of shares and of fixed assets and net financial items and tax.

FF&E
Furniture, Fittings and Equipment.

L/L hotels
Same hotels in operation during the previous period compared.

Net Cash/Debt
Cash & cash equivalents plus short-term interest-bearing assets (with maturity within 3 months) minus interest-bearing liabilities (short-term & long-term).

Net Interest Bearing Assets/Liabilities
Interest Bearing assets minus interest bearing liabilities.

Net working capital
Current non-interest-bearing receivables minus current non-interest-bearing liabilities.

Occupancy (%)
Number of rooms sold in relation to the number of rooms available for sale.

Revenue
All related business revenue (including rooms revenue, food & beverage revenue, other hotel revenue, fee revenue and other non-hotel revenue from administration units).

RevPAR
Revenue Per Available Room: Rooms revenue in relation to rooms available.

RevPAR L/L
RevPAR for L/L hotels at constant exchange rates.

System-wide revenue
Hotel revenue (including rooms revenue, food & beverage, conference & banqueting revenue and other hotel revenue) from leased, managed and franchised hotels, where revenue from franchised hotels is an estimate. It also includes other non-hotel revenue from administration units, such as revenue from Rezidor's print shop that prepares marketing materials for Rezidor hotels and revenue generated under Rezidor's loyalty programs.

Geographic regions/segments

Nordics (NO)
Denmark, Finland, Iceland, Norway and Sweden.

Rest of Western Europe (ROWE)
Austria, Belgium, France, Germany, Greece, Ireland, Italy, Luxemburg, Malta, the Netherlands, Portugal, Spain, Switzerland and the United Kingdom.

Eastern Europe (incl. CIS countries) (EE)
Azerbaijan, Belarus, Bulgaria, Croatia, the Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Macedonia, Poland, Romania, Russia, Serbia, Slovakia, Turkey, Ukraine and Uzbekistan.

Middle East, Africa and Others, (MEAO)
Angola, Bahrain, Brazil, China, Egypt, Ethiopia, Gabon, Ghana, Guinea, Jordan, Kenya, Kuwait, Lebanon, Libya, Mali, Mauritius, Mongolia, Morocco, Mozambique, Nigeria, Oman, Qatar, Rwanda, Saudi Arabia, Senegal, Sierra Leone, South Africa, Tunisia, the United Arab Emirates and Zambia.

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