REZIDOR HOTEL GROUP AB (publ)
FINANCIAL REPORT 1st JANUARY – 31st MARCH 2008

FIRST QUARTER 2008

- Revenue increased by 2.1% to MEUR 177.0 (173.4).
- EBITDA was MEUR 0.2 (4.5), and EBITDA margin was 0.1% (2.6).
- It is estimated that revenue in Q1 08 was negatively impacted by ca 14-16 MEUR due to Easter falling in March and by ca 3.5 MEUR due to foreign exchange effects. It is estimated that EBITDA in Q1 08 was negatively impacted due to Easter by ca 6-7 MEUR. Foreign exchange effects on EBITDA were minor.
- Loss after tax amounted to MEUR -7.0 (-1.1).
- Earnings Per Share amounted to EUR -0.05 (-0.01)[1)]
- RevPAR Like-for-Like (for leased and managed hotels at constant FX rates) grew by 4.2% to EUR 70.2 (67.4). Occupancy went down to 60.5% (63.1). RevPAR was negatively impacted due to Easter by ca 3% points.

OTHER HIGHLIGHTS

- In the quarter, Rezidor added 1,007 rooms into operations, all which were managed or franchised.
- During Q1 08, Rezidor entered into 14 new contracts totalling 2,918 rooms, out of which 85% were managed or franchised.
- During Q1 08 Rezidor bought back 945,200 of its own shares at an average price of SEK 33.51, representing an investment of MEUR 3.4. In total, 1,970,200 shares were held by the Company at the end of Q1 08.

KEY FIGURES

SELECTED FINANCIAL DATA (TEUR)	Jan-Mar 08	Jan-Mar 07
Revenue	176,954	173,395
EBITDAR	51,566	53,298
EBITDA	208	4,533
EBIT	(6,273)	(1,030)
Loss after Tax	(6,987)	(1,120)
SELECTED RATIOS		
EBITDAR Margin %	29.1%	30.7%
EBITDA Margin %	0.1%	2.6%
EBIT Margin %	(3.5)%	(0.6)%

Note 1) The calculation of Earnings Per Share is based on average number of ordinary shares outstanding during the period (please also refer to Consolidated Income Statement presented on page 8).

CEO STATEMENT

"The first quarter of 2008 has been yet another strong quarter for Rezidor. Adjusted for the estimated negative effect of Easter falling in March compared to April in 2007 we continue to show a robust development in both revenue and EBITDA, compared to the first quarter last year.

We are aware of the turmoil in the financial markets and the continued uncertainties surrounding the global economy, which make it difficult to predict the market outlook for 2008. We are confident of achieving our target of adding 20,000 rooms to operations from 2007 to year-end 2009, and believe that the ongoing shift in our business model driven by more fee based revenue will continue to support our EBITDA margin target."

Kurt Ritter, President & CEO

MARKET DEVELOPMENT

RevPAR development during Q1 08 was negatively affected due to Easter as well as weakening of the GBP and the US dollar versus the Euro (ca 13% and 14% respectively). Despite the negative Easter effect in the first quarter, the following figures, although preliminary, indicate a modest increase in RevPAR across most geographic segments if one were to exclude the FX fluctuations.

RevPAR per region	Jan-Mar 08	Jan-Mar 07	Var %
The Nordics First Class	74.0	72.8	1.6
The Nordics Mid Market	55.0	55.9	(0.7)
Europe First Class	74.0	76.2	(2.9)
Europe Mid market	51.5	52.3	(1.4)
Rest of Western Europe First Class	75.6	78.9	(4.2)
Rest of Western Europe Mid Market	52.6	53.8	(2.2)
Eastern Europe First Class	66.1	65.2	1.5
Eastern Europe Mid Market	32.7	30.8	6.4
Middle East First Class	81.4	78.0	4.4
Middle East Mid Market	47.5	46.2	2.7
UK First Class	89.5	101.2	(11.6)
UK Mid Market	61.1	69.1	(11.6)
Germany First Class	57.4	59.0	(2.7)
Germany Mid Market	40.4	41.0	(1.3)
Benelux First Class	80.0	79.4	0.8
Benelux Mid Market	62.0	58.8	5.5
Russia & CIS First Class	116.0	111.4	4.2
South Africa First Class (ZAR)	706.0	594.5	18.8
South Africa Mid Market (ZAR)	513.8	431.0	19.2

Source: STR Global (Deloitte). Numbers above are based on preliminary data. Growth rates are Euro based except stated otherwise. Market data for the mid-market segment in Russia and the other CIS are not available.

Europe	Jan-Mar 08
RevPAR growth per city	**%**
St. Petersburg	18.5
Paris Central	18.2
Warsaw	11.9
Brussels	8.4
Vienna	5.1
Moscow	3.5
Berlin	1.4
Stockholm	(0.1)
Amsterdam	(0.3)
Copenhagen	(1.9)
Frankfurt	(8.9)
London	(9.0)

Middle East	Jan-Mar 08
RevPAR growth per city	**%**
Muscat	18.3
Sharm-El-Sheikh	15.9
Riyadh	6.3
Manama	5.7
UAE Regional	3.0
Dubai City Centre	(1.0)
Kuwait	(4.8)
Jeddah	(5.2)

Source: STR Global (Deloitte). Numbers above are based on preliminary data. Growth rates are Euro based except stated otherwise. Market data for the mid-market segment in Russia and the other CIS are not available.

REVPAR & OCCUPANCY (LEASED & MANAGED)

	Jan-Mar 08	Jan-Mar 07	Var %/bps
REVPAR LIKE-FOR-LIKE (EUR) [1)]			
Radisson SAS	79.5	76.0	4.6%
Park Inn	37.5	36.5	2.7%
Rezidor	70.2	67.4	4.2%
OCCUPANCY LIKE-FOR-LIKE			
Radisson SAS	64.0%	65.4%	(140) bps
Park Inn	49.2%	55.7%	(650) bps
Rezidor	60.5%	63.1%	(260) bps
REVPAR (EUR)			
Radisson SAS	75.8	75.8	0.0%
Park Inn	36.5	36.5	0.0%
Rezidor	66.3	67.3	(1.5)%
OCCUPANCY			
Radisson SAS	63.2%	65.3%	(210) bps
Park Inn	49.6%	55.7%	(610) bps
Rezidor	59.6%	62.9%	(330) bps

	Q.o.Q growth %
REVPAR LIKE-FOR-LIKE [1)]	
Nordics	1.8%
Rest of Western Europe	0.2%
Eastern Europe	7.8%
Middle East, Africa and Other	15.0%
REVPAR	
Nordics	1.6%
Rest of Western Europe	(5.6)%
Eastern Europe	3.7%

Note 1) At constant exchange rates.

REVPAR

RevPAR for the period had a negative impact of ca 3% and 4% points due to Easter and changes in FX respectively compared with the same period last year. The main FX impact was on account of the GBP and the USD, which weakened by ca 13% and 14% respectively versus the Euro. All geographic segments noted growth in like-for-like RevPAR despite Easter falling in Q1 this year. RevPAR in the UK was negatively impacted by the weakening of the GBP and lowered by the growth rate in Rest of Western Europe. Excluding the FX impact, even the UK market noted a marginal growth in like-for-like RevPAR.

Apart from the negative impact of FX and Easter, the addition of several newly added rooms over the last 2-3 years also lowered the overall average RevPAR.

COMMENTS TO INCOME STATEMENT

Total Revenue marked a strong growth during Jan-Feb, however, it was negatively impacted by Easter in March. We estimate that Easter had a negative impact of 14-16 MEUR on revenue. Minor positive effect of leap year was noted during the quarter. Share of rooms revenue, which has a higher profit contribution, marginally increased to 62.4% (62.2) of total hotel revenue. A majority of the increase in rooms revenue came from the Nordics, particularly Norway. Revenue in Norway were supported by the strong NOK as well as new rooms that were added to the existing portfolio last year. Revenue in the Nordics also benefitted from a hotel that was previously franchised but was converted into a lease during Q4 07. The addition of a new leased hotel in France during Q1 07 also had a positive contribution to total revenue. However, the growth in revenue was partly off-set by our hotel portfolio in the UK, which account for ca 20% of total revenue. This was on account of the weak GBP and the ongoing renovation works at the Park Inn portfolio in that market.

The fee revenue marked a strong increase with good contribution from existing hotels in ramp-up phase, as well as the opening of new hotels (ca 2,700 rooms) and extensions at existing hotels (ca 800 rooms) since Q1 07. The growth in fee revenue was supported by RevPAR growth in most of the countries, with the main exception being the UK, as described earlier. The Rest of Western Europe and Eastern Europe contributed equally to the increase in fee revenue. The relatively modest increase in fee revenue from the Middle East, Africa and Other was negatively impacted by the weakening of the local currencies that are linked to the US dollar. The total fee revenue also increased by ca 0.5 MEUR due to fees from rendering technical services. Other Revenue declined mainly due to the transfer of the administration related to the goldpoints plus[SM] loyalty programme to Carlson Hotels Worldwide during Q4 07.

F&B and Personnel Costs as a percent of leased hotel revenue marked an increase due to the negative impact of Easter on revenue. However, such impact was mitigated due to the weak GBP, which resulted in lower costs in the UK when translated to Euro.

As a percent of leased hotel revenue, Rental Expense increased due to the negative effect of Easter on revenue, as well as the opening of two new leased hotels and extensions at our existing hotels since Q1 07. There was an increase in variable rent in Norway due to good performance and negative FX impact. Shortfall payments for management contracts with performance guarantees were relatively stable. We estimate that Easter had a negative impact of 6-7 MEUR on EBITDA.

Share of Income from Associates and Joint Ventures was relatively stable. Depreciation and amortisation increased on account of investments at existing hotels, particularly extensions at two Radisson SAS hotels in Norway and a large Park Inn in the UK.

Financial net noted a positive increase due to reduction in the use of overdraft facilities compared with the same period last year. The full repayment of an external loan during 2007 also had a positive impact. Higher interest rates therefore had a limited effect on financial expense, whereas the impact on interest income from bank accounts and short term investments was bigger. Financial expense coming from net exchange differences noted a slight increase compared to the same period last year.

Applying a more conservative approach, partly due to changes in tax legislation, tax losses carried forward mainly in Germany were not capitalized as deferred tax assets in Q1 08, unlike the case in Q1 07. This, along with the tax expense mainly in the Nordics, resulted in the stated tax expense.

SEGMENTAL REVENUE, EBITDA & CENTRAL COSTS

OVERVIEW - REVENUE (IN TEUR)

REGION	Jan-Mar 08	Jan-Mar 07	Var %
Nordics	81,130	77,886	4.2%
Rest of Western Europe	87,602	88,445	(1.0)%
Eastern Europe	4,701	3,761	25.0%
Middle East, Africa & Others	3,521	3,303	6.6%
TOTAL REVENUE	**176,954**	**173,395**	**2.1%**

OVERVIEW - EBITDA (in TEUR)

REGION	Jan-Mar 08	Jan-Mar 07	Var %
Nordics	10,246	12,277	(16.5)%
Rest of Western Europe	(3,789)	(2,658)	n/m
Eastern Europe	2,853	2,112	35.1%
Middle East, Africa & Others	2,814	2,716	3.6%
Central Costs	(11,916)	(9,914)	n/m
TOTAL EBITDA	**208**	**4,533**	**(95.4)%**

COMMENTS BY REGION

THE NORDICS

- Very strong RevPAR growth in Jan-Feb, lowered by Easter effect in March. For the quarter, modest RevPAR growth in Norway and Denmark, slight decline in Sweden.
- There was a small positive impact on revenue due to FX fluctuations, addition of new rooms at existing hotels, conversion of a franchised property to a lease, as well as fee income from a newly managed hotel.
- EBITDA: leased margin slightly down due to Easter, fee margin (managed & franchised) stable; other margin declined mainly lower profits at the unit providing brand services to the hotels.

REST OF WESTERN EUROPE

- Except in the UK which was negatively affected by the weak GBP, RevPAR growth in Jan-Feb was above that of the same period last year. Easter effect in March lowered the RevPAR growth for the quarter. Weak GBP resulted in a RevPAR decline compared with the same period last year.

- Leased revenue and fee income negatively impacted by weak GBP and USD respectively, but offset by a positive impact on revenue from leased hotels ramping up, opening of a new leased property and several managed hotels, as well as extensions at existing managed and franchised hotels. Ongoing renovations at Park Inns in the UK had a negative effect on revenue.

- EBITDA: leased margin slightly down due to Easter, fee margin (managed & franchised) improved due to strong growth in fee revenue and relatively stable shortfall payments.

EASTERN EUROPE

- Strong RevPAR growth in Jan-Feb, tempered by Easter effect in March for the quarter as whole. RevPAR growth for the quarter driven primarily by Russia, despite the negative impact of a weak USD.

- Positive impact on fee revenue from the addition of newly managed hotels as well as higher contribution from the Russian portfolio.

- EBITDA: fee margin improved due to strong growth in revenue and stable shortfall payments.

THE MIDDLE EAST, AFRICA & OTHER

- Very strong RevPAR growth throughout the quarter, however, fully offset due to the weakening of the USD.

- Positive impact on fee revenue from extensions at several managed properties since Q1 07.

- EBITDA: fee margin relatively stable.

CENTRAL COSTS

As a percent of System-wide Revenue, which was estimated at MEUR 461 (451), Central Costs were 2.6% (2.2). However, with System-wide revenue adjusted for Easter and FX, Central Costs as a percentage of adjusted System-wide revenue would have been constant.

COMMENTS TO BALANCE SHEET

Compared to 31st December 2007, intangible assets have mainly remained unchanged. Tangible fixed assets also remained on the same level with only a small increase of MEUR 0.7 as the investments during the first quarter were offset by depreciations and negative exchange differences. Financial fixed assets only saw minor changes. The increase due to share of income from associates and joint ventures and payments to pension funds was partly offset by negative exchange differences and dividend paid from one of the joint ventures.

Net working capital, excluding cash and cash equivalents, at the end of the period was MEUR -51.5 (-45.8 as at 31st December 07). Working capital in large followed the cyclical patterns with an increase in prepaid expenses and accrued income on the asset side and an increase in accrued expenses and prepaid income among the liabilities. Accounts receivables however dropped by MEUR 10 compared to 31st December 2007 and by MEUR 7.4 compared to Q1 07, explained by the lower sales in the first quarter in general and March 08 in particular. Cash and cash equivalents decreased by MEUR 7.1 to MEUR 44.3 and bank overdraft increased by MEUR 1.8 to MEUR 33.4.

Equity was negatively affected by translation differences which, including tax effects, amounted to MEUR 6.5. During the first quarter 08 the Company bought back its own shares for MEUR 3.4, affecting retained earnings negatively, whereas the accounting for the long term incentive plan had a small positive effect of MEUR 0.1 on retained earnings.

COMMENTS TO CASH FLOW & LIQUIDITY

Cash flow from operating activities amounted to MEUR 2.9, which was MEUR 6.9 better than the same period last year, despite the bigger operating loss this year. This was primarily coming from a positive cash flow effect in working capital, mainly originating from the decrease in accounts receivables during the first quarter 08.

Cash flow from investing activities was mainly on account of renovation related investments of MEUR 9.1 in leased hotels, most of them located in Norway and the UK. This negative cash flow from investments in tangible and intangible fixed assets was partly offset by the positive effect coming from the decrease in financial assets of MEUR 1.0 related to negative exchange effects and the reduction of restricted accounts,

Cash flow from financing activities was impacted by two items; the positive impact from the increased utilisation of bank overdraft facilities amounting to MEUR 1.8 and the negative impact from the share buy-back program amounting to MEUR 3.4.

The total credit facilities available for use amounted to MEUR 136.1, of which MEUR 5.5 was used for bank guarantees. MEUR 33.4 was used as overdrafts, leaving MEUR 97.2 available for use. At the end of March 08, Rezidor had MEUR 44.3 in cash and cash equivalents, which together with unutilised facilities gave a total available liquidity of MEUR 141.5.

Net cash (including pension assets and retirement benefit obligations) amounted to MEUR 37.6 (47.7 as at 31st December 07).

INCENTIVE PROGRAMME

On May 4, 2007 the Annual General Meeting approved a long-term equity settled performance-based incentive programme to be offered to approximately 25 executives within the Rezidor Group. The programme contains two different award elements, a bonus based award and a savings based award. Based on the outcome of certain performance criteria, including growth in earnings per share and total shareholder return relative to a defined peer group, the participants of the program may be awarded shares in the Company at the end of the vesting period (1st May 2010). The maximum number of shares that can be awarded is 249,535.

The total cost, calculated in accordance with IFRS 2, recognised for the performance share programme from grant date until 31st March 2008 is MEUR 0.3. Above that, costs for social security charges related to the programme amounting to MEUR 0.1 have been recognised.

SHARE BUY BACK

Following the authorisation at the Annual General Meeting 2007, the Company bought back 945,200 shares during the quarter at an average price of SEK 33.51 per share, representing an investment of MEUR 3.4. The number of shares held by the Company at the end of Q1 08 was 1,970,200. The weighted number of own shares held by the Company during the Q1 08 was 1,230,451. The authorisation at the Annual General Meeting was given to secure delivery of shares to participants in the share based incentive program and to cover social security costs pertaining to the program, totalling 332,733 shares, as well as to give the Group a more efficient capital structure.

POST BALANCE SHEET EVENTS
There are no post balance sheet events to report.

BUSINESS DEVELOPMENT

ROOMS ADDED INTO OPERATIONS	Jan-Mar 08
Radisson SAS	63
Park Inn	794
Other	150
Total	**1,007**
BY CONTRACT TYPE	
Managed	692
Leased	0
Franchised	315
Total	**1,007**

ROOMS CONTRACTS SIGNED	Jan-Mar 08
Radisson SAS	1,309
Park Inn	1,609
Other	0
Total	**2,918**
BY CONTRACT TYPE	
Managed	2,274
Leased	450
Franchised	194
Total	**2,918**

ROOMS CONTRACTED BY GEOGRAPHY	Jan-Mar 08
Nordics	**-**
Rest of Western Europe	**932**
Eastern Europe	**662**
Middle East, Africa & Others	**1,324**
Total	**2.918**

In Q1 08, Rezidor signed 14 contracts for new hotels (2,803 rooms) and extensions to existing hotels for 115 rooms for a total of 2,918 rooms. Out of these 2,918 rooms, only 23% carried a financial guarantee. Out of the 2,918 rooms contracted, 471 rooms went into operations in Q1 08 and are included in the operations count above.

In Q1 08, a total of 1,007 rooms went to operation.

During Q1 08, 176 rooms which were in operation left the system, all of which were franchised and had a marginal contribution to EBITDA.

OTHER DEVELOPMENTS

The group has appointed Catherine Rubbens as new Director for its social and environmental affairs. Ms. Rubbens brings extensive experience to the company. Prior to her appointment at Rezidor, she worked for CSR Europe, the leading European business network for corporate social responsibility. She also has a background with United Nations Division for Sustainable Development in New York, and United Nations Conference on Trade & Development in Geneva. Rezidor was one of the first hotel companies to have a dedicated programme for Responsible Business and also one of the first companies to offer guests carbon offsetting possibilities. Rezidor is currently a member of the Executive Committee of the IBLF's Tourism Partnership.

The group launched free high-speed Internet access for all participants of meetings and events at Radisson SAS hotels. This added value is a further development of a unique service concept: Radisson SAS was the first international hotel chain to offer free high-speed Internet access for all resident guests, and is now extending this "E@sy Connect" system to non-resident meeting delegates for free.

MATERIAL RISKS & UNCERTAINTIES
The general market conditions and the development of RevPAR in various countries where Rezidor operates will continue to be the most important factor influencing the company's earnings. Since no material changes have taken place during the period with respect to material risks and uncertainty factors, reference is made to the detailed description provided in the annual report for 2007.

AUDITOR'S REVIEW
This report has not been subject to review by the auditors.

FINANCIAL CALENDAR
24th July 2008
Interim report January –June 2008
3rd November 2008
Interim report January –September 2008

Stockholm, 23rd April 2008

Kurt Ritter
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Rezidor Hotel Group AB

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WEBCAST FOR ANALYSTS & SHAREHOLDERS
Knut Kleiven, CFO and **Puneet Chhatwal,** CDO, will jointly hold a presentation on the financial results on 23d April 2008 at **15:30 (Central European Time)**.

A live (audio) **webcast** of the results presentation will be available on the group's corporate website www.rezidor.com under **Investors & Media** section. To participate, please register at www.rezidor.com at least 5-10 minutes prior to the start of the presentation, and dial one of the following numbers:

UK:	+44 207 108 62 05
US Toll Free:	+1 866 676 58 69
Sweden:	+46 856 63 63 30
Sweden Toll Free:	0200 89 69 03

A replay of the webcast will also be available for a month. To access this, please dial +44 207 750 99 28 (UK) OR +1 866 508 80 15 (US) OR +46 850 62 69 49 with access code 220592#.

An archived webcast will be available on www.rezidor.com later on the day of the results.

CONSOLIDATED INCOME STATEMENT OF OPERATIONS

TEUR	Jan-Mar 08	Jan-Mar 07
Revenue	176,954	173,395
F&B and other related expenses	(13,906)	(12,964)
Personnel cost and contract labour	(66,202)	(62,364)
Other Operating expenses	(42,287)	(41,410)
Insurance of properties and property tax	(2,993)	(3,359)
Operating profit before rental expense and share of income in associates and depreciation and amortisation and gain on sale of fixed assets (EBITDAR)	**51,566**	**53,298**
Rental expense	(52,341)	(49,789)
Shares of income in associates and Joint Ventures	983	1,024
Operating profit before depreciation and amortisation and gain on sale of fixed assets (EBITDA)	**208**	**4,533**
Depreciation and amortisation expense	(6,481)	(5,563)
Operating loss	**(6,273)**	**(1,030)**
Financial income	892	688
Financial expense	(894)	(1,280)
Loss before tax	**(6,275)**	**(1,622)**
Income Tax	(712)	502
Loss for the period	**(6,987)**	**(1,120)**
Attributable to:		
Equity holders of the parent	(6,987)	(1,120)
Minority interest	-	-
Loss for the period	**(6,987)**	**(1,120)**
Average no. shares outstanding during the period	148,771,589	150,002,040
Earnings per share (EUR)		
Basic and diluted before allocation to minority interest	(0.05)	(0.01)

CONDENSED CONSOLIDATED BALANCE SHEET STATEMENTS

TEUR	31-Mar 08	31-Dec 07
ASSETS		
Goodwill	12,631	12,629
Licences and related rights and other intangible assets	64,004	65,152
Tangible assets	108,565	107,865
Investments in associated companies and joint ventures	7,761	7,823
Other shares and participations	10,411	10,411
Pension funds, net	14,234	13,679
Other long-term receivables	11,392	11,872
Deferred tax assets	22,091	21,758
Total non-current assets	**251,089**	**251,189**
Inventories	5,649	5,724
Other current receivables	103,578	100,875
Other short term investments	2,285	3,421
Cash and cash equivalents	44,252	51,389
Total current assets	**155,764**	**161,409**
TOTAL ASSETS	**406,853**	**412,598**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	184,507	201,262
Minority interest	215	215
Total equity	**184,722**	**201,477**
Deferred tax liabilities	26,401	25,447
Retirement benefit obligations	1,506	1,388
Other long-term liabilities	943	1,005
Total non-current liabilities	**28,850**	**27,840**
Liabilities to financial institutions	33,397	31,573
Other current liabilities	159,884	151,708
Total current liabilities	**193,281**	**183,281**
TOTAL EQUITY AND LIABILITIES	**406,853**	**412,598**
Number of ordinary shares outstanding at the end of the period	148,031,840	148,977,040
Number of ordinary shares held by the company	1,970,200	1,025,000
Number of registered ordinary shares at the end of the period	150,002,040	150,002,040

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TEUR	SHARE CAPITAL	OTHER PAID IN CAPITAL	TRANSLATION RESERVES	RETAINED EARNINGS	NET INCOME FOR THE PERIOD	**ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT**	MINORITY INTEREST	**TOTAL EQUITY**
Ending balance as of 31st December 2006	**127**	**153,978**	**20,578**	**(19,237)**	**20,719**	**176,165**	**215**	**176,380**
Allocation of net income of previous period	-	-	-	20,719	(20,719)	**-**	-	**-**
Net Loss for the period	-	-	-	-	(1,120)	**(1,120)**	-	**(1,120)**
Change in translation differences	-	-	(2,582)	-	-	**(2,582)**	-	**(2,582)**
Ending balance as of 31st March 2007	**127**	**153,978**	**17,996**	**1,482**	**(1,120)**	**172,463**	**215**	**172,678**
Allocation of net income of previous period	-	-	-	-	-	**-**	-	**-**
Bonus issue	9,873	(9,873)	-	-	-	**-**	-	**-**
Dividends paid to shareholders	-	(9,000)	-		-	**(9,000)**	-	**(9,000)**
Share buy-back	-	-	-	(4,911)	-	**(4,911)**	-	**(4,911)**
Long term incentive plan	-	-	-	235	-	**235**	-	**235**
Net profit for the period	-	-	-	-	46,836	**46,836**	-	**46,836**
Change in translation differences	-	-	(3,934)	-	-	**(3,934)**	-	**(3,934)**
Tax on exchange differences recognised directly in equity	-	-	(427)	-	-	**(427)**	-	**(427)**
Ending balance as of 31st December 2007	**10,000**	**135,105**	**13,635**	**(3,194)**	**45,716**	**201,262**	**215**	**201,477**
Allocation of net income of previous period	-	-	-	45,716	(45,716)	**-**	-	**-**
Share buy-back	-	-	-	(3,361)	-	**(3,361)**	-	**(3,361)**
Long term incentive plan	-	-	-	107	-	**107**	-	**107**
Net loss for the period	-	-	-	-	(6,987)	**(6,987)**	-	**(6,987)**
Change in translation differences	-	-	(5,055)	-	-	**(5,055)**	-	**(5,055)**
Tax on exchange differences recognised directly in equity	-	-	(1,459)	-	-	**(1,459)**	-	**(1,459)**
Ending balance as of 31st March 2008	**10,000**	**135,105**	**7,121**	**39,268**	**(6,987)**	**184,507**	**215**	**184,722**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

TEUR	Jan-Mar 08	Jan-Mar 07
Operating loss	**-6,273**	**-1,030**
Non cash items	2,908	4,149
Interest, taxes paid and other cash items[1)]	-810	-919
Change in working capital	7,037	-6,238
Cash flow from operating activities	**2,862**	**-4,038**
Purchase of intangible assets	-264	-182
Purchase of tangible assets	-8,787	-12,522
Other investments/divestments[1)]	1,021	2,943
Cash flow from investing activities	**-8,030**	**-9,761**
External financing, net	1,816	-6,597
Share buy back	-3,361	-
Cash flow from financing activities	**-1,545**	**-6,597**
Cash flow for the period	**-6,713**	**-20,396**
Effects of exchange rate changes on cash and cash equivalents	-424	-266
Cash and cash equivalents at beginning of the period	**51,389**	**51,241**
Cash and cash equivalents at end of the period	**44,252**	**30,579**

Note 1) Interest received, amounting to TEUR 680 (536), is as from Q4 2007 reclassified from investing activities to operating activities. The comparative numbers have been changed accordingly.

PARENT COMPANY, CONDENSED STATEMENT OF OPERATION

TEUR	Jan-Mar 08	Jan-Mar 07
Revenue	984	923
Personnel cost	(690)	(687)
Other Operating expenses	(2,776)	(727)
Operating loss before depreciation and amortization	**(2,482)**	**(491)**
Depreciation and amortization expense	(15)	(11)
Operating loss	**(2,497)**	**(502)**
Financial income	257	481
Financial expense	(478)	(348)
Loss before tax	**(2,718)**	**(369)**
Income Tax	760	-
Loss for the period	**(1,958)**	**(369)**

PARENT COMPANY, CONDENSED BALANCE SHEET STATEMENTS

TEUR	31-Mar 08	31-Dec 07
ASSETS		
Tangible assets	273	262
Shares in subsidiaries	231,442	231,335
Deferred tax assets	1,238	778
Total non-current assets	**232,953**	**232,375**
Inventories	1	1
Current receivables	17,947	16,840
Cash and cash equivalents	3,738	5,778
Total current assets	**21,686**	**22,619**
TOTAL ASSETS	**254,639**	**254,994**
EQUITY AND LIABILITIES		
Equity	**210,880**	**215,320**
Current liabilities	43,759	39,674
Total current liabilities	**43,759**	**39,674**
TOTAL EQUITY AND LIABILITIES	**253,639**	**254,994**

PARENT COMPANY, CONDENSED STATEMENT OF CHANGES IN EQUITY

TEUR	Share capital	Share premium reserve	Retained earnings	Net loss for the year	Total equity
Equity as of 31st December 2006	**127**	**230,973**	**-**	**(3,299)**	**227,801**
Allocation of last year's result	-	-	(3,299)	3,299	**-**
Net loss for the period	-	-	-	(369)	**(369)**
Equity as of 31st March 2007	**127**	**230,973**	**(3,299)**	**(369)**	**227,432**
Dividends paid	-	(9,000)	-	-	**(9,000)**
Increase of share capital (through a bonus issue)	9,873	(9,873)	-	-	**-**
Share buy back	-	-	(4,911)	-	**(4,911)**
Long term incentive plan	-	-	235	-	**235**
Group contribution	-	-	4,281	-	**4,281**
Tax effect on group contribution	-	-	(1,199)	-	**(1,199)**
Net loss for the period	-	-	-	(1,518)	**(1,518)**
Equity as of 31stDecember 2007	**10,000**	**212,100**	**(4,893)**	**(1,887)**	**215,320**
Allocation of last year's result	-	-	(1,887)	1,887	**-**
Share buy back	-	-	(3,361)	-	**(3,361)**
Long term incentive plan	-	-	107	-	**107**
Group contribution	-	-	1,072	-	**1,072**
Tax effect on group contribution	-	-	(300)	-	**(300)**
Net loss for the period	-	-	-	(1,958)	**(1,958)**
Equity as of 31stMarch 2008	**10,000**	**212,100**	**(9,262)**	**(1,958)**	**210,880**

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 are internal fees charged to the hotels in Sweden for the related administrative services provided by the Shared Service Centre. In Q1 08 the inter-company revenue of the Parent Company amounted to MEUR 0.8 (0.7). The inter-company costs in Q1 08 amounted to MEUR 2.0 (0.2). In Q1 08 inter-company interest income amounted to MEUR 0.2 (0.4) and intercompany interest expense to MEUR 0.4 (0.2).

Apart from the related personnel activity costs and the rent of the premises, the parent company also bears other listing and corporate related costs.

COMMENTS TO BALANCE SHEET

Compared to 31st December 2007, the major changes in the balance sheet of the Parent Company are the reduction of retained earnings of MEUR 3.4 due to the share buy-back, the net increase after tax in retained earnings of MEUR 0.8 due to group contribution and the corresponding changes in short-term inter-company receivables and liabilities related to the financing of these transactions. At the end of the quarter the inter-company receivables amounted to MEUR 17.5 (16.6 as at 31st December 2007) and the inter-company liabilities to MEUR 41.2 (37.4 as at 31st December 2007).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting and the Swedish Annual Accounts Act. The condensed financial statements have been prepared using accounting principles consistent with International Financial Reporting Standards (IFRS) as endorsed by the EU.

The formal condensed financial reports as defined by the Swedish Corporate Governance Code are included on pages 8-17.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December 2007. There are no new Standards ore Interpretations issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission, affecting the Company as from 1 January 2008.

PARENT COMPANY

The Parent Company reports in accordance with RR 32 "Reporting in separate financial statements". RR 32 requires the Parent Company to use similar accounting principles as for the Group, i.e. IFRS to the extent allowed by RR 32.

RELATED PARTY TRANSACTIONS

Related parties with significant influence are: Carlson owning 41.7% of the shares. Rezidor also has some joint ventures and associated companies. On 31st March 2008 Rezidor had ordinary current receivable related to Carlson of MEUR 1.1 (1.3) and ordinary current liabilities of MEUR 2.9 (2.3). The business relationship with Carlson mainly consisted of operating costs related to the use of the brands and for the use of the Carlson reservation system. As at 31st March 2008, Rezidor had operating costs towards Carlson of MEUR 2.9 (1.9). Moreover, Rezidor paid commissions towards the travel agencies' network of Carlson amounting to MEUR 0.1 (0.1). For these specific commissions Rezidor had current liabilities of MEUR 0.0 (0.1 as at 31st December 2007).

Other related parties are the management of Rezidor. Within this context, a member of the Executive Committee has received from Rezidor Hotel Group an interest-bearing loan amounting to TEUR 40 in order to acquire shares of Rezidor Hotel Group as part of the long-term equity settled performance-based incentive programme. The loan was granted effective 12th September 2007 and will mature at the end of May 2010. The related rate of interest is Euribor 3-month plus 0.6% per annum.

Information on the long-term equity settled performance-based incentive programme is included on page 5.

PLEDGED ASSETS AND CONTINGENT LIABILITIES

ASSETS PLEDGED (TEUR)	31-Mar-08	31-Dec-07
Securities on deposits (restricted accounts)	2,286	3,423

CONTINGENT LIABILITIES (TEUR)	31-Mar-08	31-Dec-07
Guarantees provided for management contracts	3,052	5,817
Guarantees provided for renovation works	1,252	1,663
Miscellaneous guarantees provided	1,203	1,201
TOTAL GUARANTEES PROVIDED	**5,507**	**8,681**

As at the 31th March 2008, the committed expansion investments amounted to MEUR 2.7 (2.7 as at 31st December 2007). Investments related to ongoing renovations at the leased hotels are expected to be approximately 4-5% of leased hotel revenue.

REVENUE PER AREA OF OPERATION

TEUR	Jan-Mar 08	Jan-Mar 07	Var%
Revenue			
Rooms revenue	97,974	95,769	2.3%
F&B revenue	54,203	52,697	2.9%
Other hotel revenue	4,831	5,469	(11.7)%
TOTAL HOTEL REVENUE	**157,008**	**153,935**	**2.0%**
Fee revenue	17,568	15,075	16.5%
Other revenue	2,378	4,385	(45.8)%
TOTAL REVENUE	**176,954**	**173,395**	**2.1%**

TOTAL FEE REVENUE

TEUR	Jan-Mar 08	Jan-Mar 07	Var%
Management Fees	5,976	5,905	1.2%
Incentive Fees	4,669	4,077	14.5%
Franchise Fees	1,337	1,015	31.7%
Other Fees (incl. marketing, reservation fee etc.)	5,586	4,078	37.0%
TOTAL FEE REVENUE	17,568	15,075	16.5%

REVENUE PER REGION

TEUR	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		TOTAL	
	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07
Leased	76,634	71,299	80,374	82,636	-	-	-	-	157,008	153,935
Managed	1,118	1,213	5,690	4,752	4,591	3,684	3,521	3,302	14,920	12,951
Franchised	1,384	1,251	1,153	795	110	77	-	1	2,647	2,124
Other	1,994	4,123	385	262	-	-	-	-	2,379	4,385
TOTAL	**81,130**	**77,886**	**87,602**	**88,445**	**4,701**	**3,761**	**3,521**	**3,303**	**176,954**	**173,395**

RENTAL EXPENSES

TEUR	Jan-Mar 08	Jan-Mar 07	Var %
Fixed rent	41,446	39,797	4.1%
Variable rent	5,910	5,163	14.5%
Rent	47,356	44,960	5.3%
Rent as a % of leased hotel revenue	30.2%	29.2%	100 bps
Guarantees	4,985	4,829	3.2%
Rental expense	52,341	49,789	5.1%

OPERATING PROFIT BEFORE DEPRECIATION AND AMORTIZATION AND GAIN ON SALE OF FIXED ASSETS (EBITDA)

TEUR	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		CENTRAL COSTS		TOTAL	
	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07
Leased	8,516	9,127	(4,282)	(2,172)	-	-	(43)	-	-	-	4,191	6,955
Managed	724	849	186	(584)	2,856	2,115	2,460	2,379	-	-	6,226	4,759
Franchised	676	547	393	188	(21)	4	-	1	-	-	1,048	740
Other (*)	330	1,754	(86)	(90)	18	(7)	397	336	-	-	659	1,993
Central Costs	-	-	-	-	-	-	-	-	(11,916)	(9,914)	(11,916)	(9,914)
TOTAL	**10,246**	**12,277**	**(3,789)**	**(2,658)**	**2,853**	**2,112**	**2,814**	**2,716**	**(11,916)**	**(9,914)**	**208**	**4,533**

(*) Other also include share of income from associates

OPERATING PROFIT (EBIT)

TEUR	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		CENTRAL COSTS		TOTAL	
	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07	Jan-Mar 08	Jan-Mar 07
Leased	5,474	6,149	(6,840)	(4,125)	-	-	(43)	-	-	-	(1,409)	2,024
Managed	709	834	139	(629)	2,818	2,078	2,429	2,346	-	-	6,095	4,629
Franchised	651	519	367	165	(23)	1	-	1	-	-	995	686
Other (*)	(94)	1,567	(359)	(350)	18	(8)	397	336	-	-	(38)	1,545
Central Costs	-	-	-	-	-	-	-	-	(11,916)	(9,914)	(11,916)	(9,914)
TOTAL	**6,740**	**9,069**	**(6,693)**	**(4,939)**	**2,813**	**2,071**	**2,783**	**2,683**	**(11,916)**	**(9,914)**	**(6,273)**	**(1,030)**

(*) Other also includes share of income from associates and income from sale of assets

BALANCE SHEET & INVESTMENTS

TEUR	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		TOTAL	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec 07
Total assets	190,843	193,478	173,520	174,782	19,580	20,082	22,910	24,256	406,853	412,598
Investments (tangible and intangible assets)	3,225	22,681	5,746	23.144	-	-	80	-	9,051	45.825

HOTELS IN OPERATION

CONTRACT TYPE	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		TOTAL	
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Leased	23	22	42	42	-	-	-	-	65	64
Managed	7	8	53	42	29	26	19	19	108	95
Franchised	32	38	34	25	4	4	-	1	70	68
TOTAL	**62**	**68**	**129**	**109**	**33**	**30**	**19**	**20**	**243**	**227**

ROOMS IN OPERATION

CONTRACT TYPE	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		TOTAL	
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Leased	6,129	5,964	8,678	8,679	-	-	-	-	14,807	14,643
Managed	2,064	2,209	8,852	7,228	7,641	7,182	4,870	4,672	23,427	21,291
Franchised	4,963	5,618	6,152	4,854	778	711	-	282	11,893	11,465
TOTAL	**13,156**	**13,791**	**23,682**	**20,761**	**8,419**	**7,893**	**4,870**	**4,954**	**50,127**	**47,399**

HOTELS & ROOMS IN DEVELOPMENT

31st MARCH 2008

	NORDICS		REST OF WESTERN EUROPE		EASTERN EUROPE		MIDDLE EAST, AFRICA & OTHERS		TOTAL	
	HOTELS	ROOMS	HOTELS	ROOMS	HOTELS	ROOMS	HOTELS	ROOMS	HOTELS	ROOMS
Radisson SAS	2	389	11	1,932	18	4,631	16	3,592	47	10,544
Park Inn	5	1,076	19	2,815	8	1,444	7	1,390	39	6,725
Missoni/ Lifestyle	-	-	1	136	-	-	1	200	2	336
Regent	-	-	-	-	1	130	1	433	2	563
TOTAL	**7**	**1,465**	**31**	**4,883**	**27**	**6,205**	**25**	**5,615**	**90**	**18,168**

DEFINITIONS

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

LIKE-FOR-LIKE HOTELS
Same hotels in operation during the previous period compared.

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 LIKE-FOR-LIKE
RevPAR for like-for-like 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

NORDIC REGION (NO)
Denmark, Finland, Iceland, Norway and Sweden.

REST OF WESTERN EUROPE (ROWE)
Austria, Belgium, France, Germany, Italy, Ireland, Malta, Netherlands, Portugal, Spain, Switzerland and the United Kingdom.

EASTERN EUROPE (INCL. CIS COUNTRIES) (EE)
Azerbaijan, Bulgaria, Croatia, the Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Poland, Romania, Russia, Slovakia, Turkey, Ukraine and Uzbekistan.

MIDDLE EAST, AFRICA AND OTHER (MEAO)
Bahrain, China, Egypt, Jordan, Kuwait, Lebanon, Mali, Nigeria, Oman, Saudi Arabia, Senegal, South Africa, Tunisia and the United Arab Emirates.