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Brussels, 7th Feb 2014

Rezidor's Board of Directors intends to propose a rights issue of approximately MEUR 60 to accelerate strategy and profitability initiatives

Rezidor reported strong results in 2013 which are in line with its "Route 2015" turnaround plan. The group's new management team has accelerated the implementation of key strategic initiatives, while exploiting opportunities in an improved market environment. Rezidor has successfully taken a number of steps in the field of asset management, and has seen the positive effects of exiting or re-negotiating unprofitable lease agreements and management contracts. Rezidor sees additional opportunities within asset management, but also recognizes that the current capital structure of the group may be a constraint for it to act on these opportunities.

In addition to asset management initiatives, additional capital will also put Rezidor in a stronger position to continue to invest in its hotel portfolio at an accelerated pace, and further position the company to take advantage of the positive development in the marketplace. The company is currently investing annually approximately 6-7% of revenues in its leased portfolio, in excess of a normal expected run-rate over time of approximately 5%. Rezidor intends to continue investing at this accelerated rate over the next 2-3 years to further upgrade the quality and profile of its offering to customers with an aim to continue to win market share. The capital raised from this rights issue will also allow Rezidor to accelerate development, with particular emphasis on emerging markets.

"We have made solid progress in improving the financial performance of Rezidor in 2013, and are confident that the proceeds of the intended rights issue will allow us to accelerate the pace in exploiting the defined strategic opportunities around asset management, focused growth and upgrading of our hotel portfolio", said Wolfgang M. Neumann, President and CEO of Rezidor.

The rights issue of MEUR 60 is expected to be approved in conjunction with the Annual General Meeting (AGM) of the company on 24th April with the subscription period for the rights issue and trading in rights expected to commence shortly thereafter. Given this intention to strengthen the balance sheet of Rezidor, no dividend will be proposed for 2013.

Carlson, Inc., owning 51% of Rezidor, supports Rezidor's plans as outlined above, and has informed Rezidor that it intends to subscribe for its pro rata share of the rights issue and to vote in favor of the rights issue at the AGM.

“Rezidor is in the middle of a turnaround process which has so far been very successful. The Board of Directors of the Company is confident that this additional capital will give the Company a solid platform to accelerate and continue its improvement in financial performance”, said Trudy Rautio, Chairman of The Rezidor Hotel Group.

Rezidor has appointed SEB Corporate Finance as financial adviser in relation to the rights issue.

For further questions, please contact

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implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

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