THE REZIDOR HOTEL GROUP

YEAR-END REPORT

January-December 2014

Fourth Quarter 2014

- Like-for-like ("L/L") RevPAR was up by 0.9%.
- Revenue increased by 0.8% to MEUR 238.0 (236.0).
  On a L/L basis Revenue decreased by 1.7%.
- EBITDA amounted to MEUR 14.8 (25.8), and the EBITDA margin decreased to 6.2% (10.9).
- EBIT amounted to MEUR 0.5 (12.9) and the EBIT margin decreased to 0.2% (5.5).
- Profit after tax amounted to MEUR -0.9 (7.3).
- Basic and diluted Earnings per Share were EUR -0.01 (0.05).
- 2,011 new rooms were contracted, 941 new rooms opened and 401 rooms left the system.

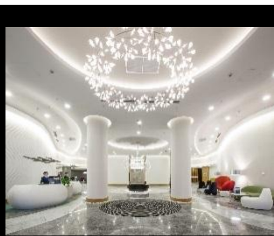
Contents

Twelve months ended December 2014

- L/L RevPAR was up by 2.7%.
- Revenue increased by 1.9% to MEUR 937.3 (919.5).
  On a L/L basis Revenue increased by 0.7%.
- EBITDA amounted to MEUR 71.3 (80.7) and the EBITDA margin decreased to 7.6% (8.8).
- EBIT amounted to MEUR 30.7 (44.2) and the EBIT margin decreased to 3.3% (4.8).
- Profit after tax amounted to MEUR 14.2 (23.2).
- Basic and diluted Earnings per Share were EUR 0.09 (0.16).
- Cash flow from operating activities amounted to MEUR 41.2 (54.6).
- 6,557 new rooms were contracted, 3,536 new rooms opened and 2,204 rooms left the system.
- The Board of Directors proposes a dividend of EUR 0.03 per share.

MEUR	Q4 2014	Q4 2013	FY 2014	FY 2013
Revenue	238.0	236.0	937.3	919.5
EBITDAR	71.4	79.6	313.8	317.0
EBITDA	14.8	25.8	71.3	80.7
EBIT	0.5	12.9	30.7	44.2
Profit/loss for the period	-0.9	7.3	14.2	23.2
EBITDAR margin, %	30.0%	33.7%	33.5%	34.5%
EBITDA margin, %	6.2%	10.9%	7.6%	8.8%
EBIT margin, %	0.2%	5.5%	3.3%	4.8%




CARLSON REZIDOR HOTEL GROUP | QUORVUS COLLECTION | Radisson BLU | Radisson RED | park inn by Radisson

Comments from the CEO

One-off costs and weaker Norwegian market impact 2014 results

"One-off costs related to a hotel closed for renovation and the challenging business climate in some of our key markets, especially Norway, had a negative impact on our financial performance in the fourth quarter.

For the quarter like-for-like RevPAR grew by 0.9 percent.

Our Route 2015 target of improving the EBITDA margin by 6 to 8 percentage points over the actual results of 2011 remains unchanged, but the achievement will be delayed due to the current business environment.

We have made solid progress over the past three years – addressing legacy issues and driving profitability by reducing our cost base, pursuing revenue generation and successfully taking asset management actions in loss-making hotels.

Furthermore, we have in 2014 accelerated theupgrading of our leased hotel portfolio with total investments of ca MEUR 54. These investments will secure the competitive positioning in selected markets.

During the quarter, we have signed ten new hotel agreements representing ca 2,000 rooms and opened five hotels with ca 900 rooms."

Wolfgang M. Neumann, President & CEO

Market Development

In 2014, Market RevPAR across Europe was up 5.0% (at constant exchange rates). The improvement was a result of a 2.1% increase in occupancy and a 2.8% increase in room rates.

The RevPAR improvement in the mature Western European markets of 2.6% was mainly via an increase in occupancy (2.0%). All key markets experienced positive growth with the exception of France (-0.6%).

In Northern Europe, the strong growth of 7.7% was room rate led (4.5%) with the key drivers being Ireland (13.4%) and the United Kingdom (7.9%). In Scandinavia, only Norway (-0.6%) was below last year as both Denmark (3.3%) and Sweden (1.2%) had positive developments.

Eastern Europe reported a RevPAR decrease of 3.0% linked to reduced occupancy (-4.0%). The key factor was Russia (-14.8%) for which the positive impact of the Winter Olympics in February was off-set by the political and economic turmoil.

Trading in the Middle East and Africa has been much more robust, with RevPAR up 7.0% with growth in both occupancy (3.8%) and room rates (3.0%). Leading the growth was Egypt (32.3%) and Bahrain (16.1%); both experiencing double-digit growth.

Sources: STR Global Ltd. © 2014 – European Hotel Review – Constant Currency Edition (December 2014); Hotel | trends by Benchmarking | Alliance © 2014

Fourth Quarter Summary

L/L RevPAR for leased and managed hotels improved by 0.9% compared to last year as a result of improvements in average room rate.

Revenue increased slightly by 0.8%, or MEUR 2.0, to MEUR 238.0. The increase is mainly due to the conversion of two hotels in Copenhagen from management contracts to leases, partly offset by the closure of Radisson Blu Hotel Lyon for renovation, weak development in Norway, as well as the strengthening of the Euro. On a L/L basis revenue decreased by 1.7%.

EBITDA was MEUR 14.8 (25.8) and the EBITDA margin decreased by 4.7 percentage points to 6.2%. The negative EBITDA impact of the hotel closed for renovation amounts to MEUR 5.1. EBITDA is further negatively impacted by the weak development in Norway as well as redundancy costs of MEUR 3.8. The decrease has been partly offset by savings due to changes in the Norwegian pension plans of MEUR 2.9 and reversed costs for personnel bonuses.

EBIT was MEUR 0.5 (12.9) and the EBIT margin decreased by 5.3 percentage points to 0.2%. The decrease is a result of the lower EBITDA, as well as increased costs of MEUR 3.3 for depreciation and write-downs of fixed assets, partly offset by the non-existence of costs for terminations of contracts in 2014, compared to costs of MEUR 1.9 last year.

Loss after tax amounted to MEUR 0.9 compared to a profit of MEUR 7.3 last year.

Strategies and Development

Rezidor is focused on hotel management and operates the core brands Radisson Blu and Park Inn by Radisson. In February 2014, Rezidor announced together with Carlson the launch of two additional brands; Radisson Red, an upscale “lifestyle select” brand, and Quorvus Collection, a traditional luxury brand.

Rezidor’s strategy is to grow with management and franchise contracts and only selectively with leases. Rezidor is operating in 58 countries across Europe, the Middle East and Africa. The strategy is to further expand in the emerging markets.

In the fourth quarter, Rezidor opened five new hotels with 941 rooms. Two hotels with 401 rooms left the system, resulting in a net opening of 540 rooms. Contracts were signed for ten new hotels with 2,011 rooms. All openings and signings were under management or franchise contracts.

Route 2015 Initiative Update

In December 2011 Rezidor announced “Route 2015”, a turnaround plan to improve the group’s EBITDA margin by 6 to 8 percentage points by 2015. The plan is crucial to help reach the EBITDA margin target of 12% over a business cycle. The program entailed initiatives across many areas including revenue generation, fee-based growth, cost savings, asset management initiatives and the full utilisation of contractual caps on fixed commitments.

In total it is estimated that the turnaround plan yielded 1.9 percentage points improvement in EBITDA margin in 2014, with 0.3 percentage points coming from revenue generation, 0.4 percentage points from fee-based growth, 0.6 percentage points from cost savings, 0.1 percentage point from cap utilisation and 0.5 percentage points from asset management.

Accumulated for the period 2012 to 2014, the estimated impact is 6.3 percentage points. However, overall the EBITDA margin dropped in 2014. The negative development is mainly related to the closure of Radisson Blu Hotel Lyon for renovation and the softening in some of the key markets like Norway and Russia. The target to improve the EBITDA margin by 6 to 8 percentage points over the actual results of 2011 remains, but the achievement will be delayed due to the current business environment.

RevPAR Development

Fourth quarter 2014

L/L RevPAR for leased and managed hotels improved by 0.9% compared to last year, as average room rate increases compensated for a marginal decline in occupancy. L/L RevPAR for leased hotels decreased by 1.0%, as a slight increase in the average room rate was off-set by a decline in occupancy.

Two of the four regions reported L/L RevPAR growth over last year. As with the third quarter, the strongest development was in the Middle East, Africa & Others with the Rest of Western Europe also continuing its positive development. In the Nordics, challenges in all three key countries led to RevPAR losses. Eastern Europe was also below last year, with one of the key factors being the situation in Russia and Ukraine.

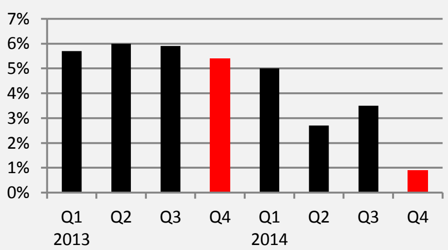
Reported RevPAR declined by 2.1%. It was mainly negatively impacted by 3.3% due to new openings and by 0.8% due to the strengthening of the Euro.

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

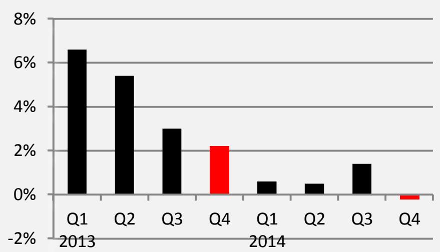
RevPAR	Q4 2014	FY 2014
L/L growth	0.9%	2.7%
FX impact	-0.8%	-3.0%
Units out or closed for renovation	1.4%	-1.1%
New openings	-3.3%	-0.0%
Re-allocation of F&D revenue in Norway	-0.3%	-0.3%
Reported growth	-2.1%	-1.7%

Q4 2014 Change	Nordics	Rest of Western Europe	Eastern Europe	Middle East, Africa & Others	Group
L/L RevPAR	-4.0%	4.3%	-5.5%	5.1%	**0.9%**
L/L Occupancy	-4.6 pp	2.0 pp	-7.1 pp	8.4 pp	**-0.2 pp**
L/L Room Rates	0.6%	2.3%	1.7%	-3.0%	**1.1%**
Reported RevPAR	-8.6%	7.4%	-18.3%	8.9%	**-2.1%**

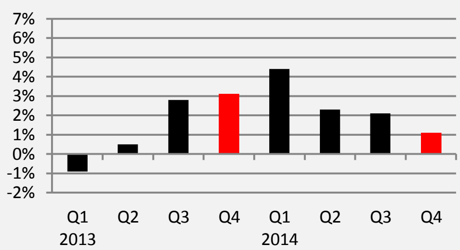
L/L RevPAR growth by quarter



L/L Occupancy growth by quarter



L/L Room Rates growth by quarter



Income Statement

Fourth quarter 2014

Total revenue increased by 0.8%, or MEUR 2.0, to MEUR 238.0. The two new leases in Copenhagen had a positive impact on leased revenue, partly offset by the negative impact of the temporary closure of one hotel for renovation, as well as the impact of hotels under fee agreements leaving the system. Foreign exchange, as a result of the strengthening of the Euro, had a negative impact of MEUR 1.4 on total revenue.

On a L/L basis total revenue decreased by 1.7% or MEUR 4.0, mainly due to the weaker Norwegian market and the geopolitical challenges in Russia and Ukraine.

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	-1.9	6.1	-1.5	-0.6	2.1
F&D Revenue	0.5	4.0	-1.1	-0.7	2.7
Other Hotel Revenue	-0.4	0.4	1.1	0.0	1.1
Total Leased Revenue	**-1.8**	**10.5**	**-1.5**	**-1.3**	**5.9**
Fee Revenue	-2.0	0.6	-2.2	-0.1	-3.7
Other Revenue	-0.2	-	-	0.0	-0.2
Total Revenue	**-4.0**	**11.1**	**-3.7**	**-1.4**	**2.0**

EBITDA decreased by MEUR 11.0 to MEUR 14.8, with a resulting EBITDA margin of 6.2%. The negative EBITDA impact of the hotel closed for renovation amounts to MEUR 5.1, of which MEUR 3.5 is due to a provision recognised for onerous contracts. EBITDA is further negatively impacted by the weak development in Norway as well as redundancy costs of MEUR 3.8.

Furthermore, the flow through in some markets has been weaker than in previous quarters. Higher costs for shortfall guarantees also had a negative impact on EBITDA. The decrease has been partly offset by savings due to changes in the Norwegian pension plans of MEUR 2.9 and reversed costs for personnel bonuses.

EBIT was MEUR 0.5 compared to MEUR 12.9 in Q4 2013 and the EBIT margin decreased by 5.3 percentage points to 0.2%. The decrease is a result of the lower EBITDA and increased costs of MEUR 3.3 for depreciation and write-downs of fixed assets, partly offset by the non-existance of costs for terminations of contracts in 2014, compared to costs of MEUR 1.9 last year.

Loss after tax amounted to MEUR 0.9 compared to a profit of MEUR 7.3 last year.

Twelve months ended December 2014

Total revenue increased by 1.9%, or MEUR 17.8, to MEUR 937.3. Revenue was positively impacted by the conversion of two hotels in Copenhagen from management contracts to leases, partly offset by the closure of Radisson Blu Hotel Lyon for renovation, weak demand in general in Norway, the situation in Russia, some non-recurring fee revenue items and the strengthening of the Euro.

The change in revenue compared to the previous year is presented in the table below.

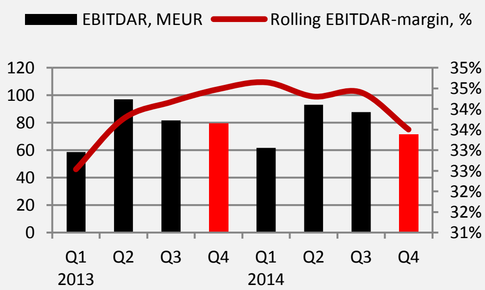
MEUR	L/L	New	Out	FX	Change
Rooms Revenue	5.1	27.9	-5.5	-8.9	18.6
F&D Revenue	2.7	13.1	-3.9	-5.2	6.7
Other Hotel Revenue	-0.2	2.1	-0.9	-0.3	0.7
Total Leased Revenue	**7.6**	**43.1**	**-10.3**	**-14.4**	**26.0**
Fee Revenue	-2.2	4.2	-7.5	-3.0	-8.5
Other Revenue	0.6	-	-	-0.3	0.3
Total Revenue	**6.0**	**47.3**	**-17.8**	**-17.7**	**17.8**

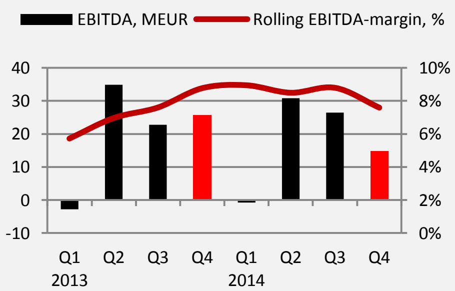
EBITDA decreased by MEUR 9.4 to MEUR 71.3, with a resulting EBITDA margin of 7.6%. The main reasons for the decrease is the above mentioned decline in fee revenue, the challenging situation in Norway and the hotel closed for renovation. The negative EBITDA impact of the closure alone amounts to MEUR 7.9, of which MEUR 3.5 is due to a provision recognised for onerous contracts. The hotel is expected to re-open during H2 2016.

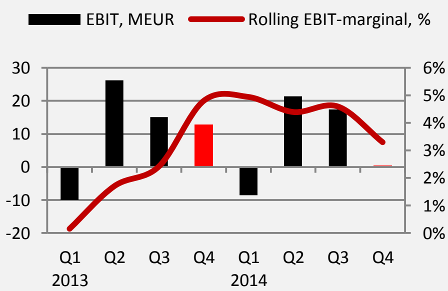
Total rent costs as a percentage of leased hotel revenue decreased from 30.0% to 29.1%, due to the re-structuring of leases. The positive impact on the EBITDA due to the re-structuring of leases has been partly offset by the disposal of Casino Copenhagen. Also, shortfall payments and pre-opening expenses for a Norwegian hotel under management agreement with guarantee, which opened in the second quarter and is ramping up, had a negative impact on EBITDA.

EBIT was MEUR 30.7 compared to MEUR 44.2 last year and the EBIT margin decreased by 1.5 percentage point to 3.3%. In addition to the above mentioned factors, the EBIT margin has been impacted by increased costs of MEUR 6.0 for depreciation and write-downs of fixed assets, partly offset by the non-existence of costs for terminations of contracts in 2014, compared to costs of MEUR 1.9 last year.

Profit after tax amounted to MEUR 14.2 compared to MEUR 23.2 last year.







Q4 Comments by Region

Nordics

MEUR	Q4 2014	Q4 2013	Change
L/L RevPAR, EUR	85.2	88.8	-4.0%
Total Revenue	110.6	108.7	1.7%
EBITDA	15.6	14.8	5.4%
EBITDA margin, %	14.1%	13.6%	0.5 pp
EBIT	8.4	10.4	-19.2%
EBIT margin, %	7.6%	9.6%	-2.0 pp

L/L RevPAR decreased by 4.0%, with all three countries below last year. Sweden (-1.3%), impacted by renovations, had the lowest decline, while Norway (-5.6%) had the most significant with key factors being increasing supply in the market and lower demand.

Total revenue increased by MEUR 1.9 (or 1.7%) compared to last year. The increase is mainly explained by the two converted hotels in Copenhagen, however partly offset by the weak RevPAR development in Norway and the strengthening of the Euro.

The increase in EBITDA is mainly due to savings of MEUR 2.9 as a result of changes in pension plans in Norway as well as intra segment reclassifications from Central costs. The decrease in EBIT is due to higher costs for depreciation and write-downs compared to last year.

Rest of Western Europe

MEUR	Q4 2014	Q4 2013	Change
L/L RevPAR, EUR	76.4	73.3	4.2%
Total Revenue	112.3	108.9	3.1%
EBITDA	6.0	11.8	-49.2%
EBITDA margin, %	5.3%	10.8%	-5.5 pp
EBIT	-1.0	3.3	-130.3%
EBIT margin, %	-0.9%	3.0%	-3.9 pp

L/L RevPAR grew by 4.3%, driven via average rate and occupancy growth. The key drivers were Ireland (10.4%) and the UK (7.1%), with the majority of other key markets also reporting RevPAR growth.

Total revenue grew by MEUR 3.4 (or 3.1%) compared to last year. The strong RevPAR development and the appreciation of the British Pound were offset by the temporary closure for renovation of Radisson Blu Hotel Lyon.

The temporary closure of the hotel in Lyon had a negative impact of MEUR 5.1 on EBITDA. Furthermore, the EBITDA in Q4 2013 was positively impacted by MEUR 1.3 due to released provisions for onerous management contracts.

The decrease in EBIT is due to the above mentioned factors, partly offset by the non-existence of costs for terminations of contracts in 2014, compared to costs of MEUR 1.9 last year.

Eastern Europe

MEUR	Q4 2014	Q4 2013	Change
L/L RevPAR, EUR	45.4	48.1	-5.6%
Total Fee Revenue	7.2	10.0	-28.0%
EBITDA	4.0	5.3	-24.5%
EBITDA margin, %	55.6%	53.0%	2.6 pp
EBIT	4.0	5.4	-25.9%
EBIT margin, %	55.6%	54.0%	1.6 pp

L/L RevPAR decreased by 5.5%, linked primarily to the ongoing situation in Ukraine (-8.1%) and Russia (-11.7%), with the latter also impacted by economic turbulence. Also below last year were Poland (-6.4%), linked to a UN Climate Conference in November 2013, and the Baltics (-4.8%) with the key factors being the EU Presidency last year in Lithuania and less Russian visitors.

The decrease in fee revenue of MEUR 2.8 (or 28.0%) is mainly due to the RevPAR development in Ukraine and Russia, the weakening of the Ruble, as well as decreases in incentive fees for a few hotels.

Middle East, Africa and Others

MEUR	Q4 2014	Q4 2013	Change
L/L RevPAR, EUR	74.0	70.4	5.1%
Total Fee Revenue	7.9	8.4	-6.0%
EBITDA	2.9	4.6	-37.0%
EBITDA margin, %	36.7%	54.8%	-18.1 pp
EBIT	2.8	4.5	-37.8%
EBIT margin, %	35.4%	53.6%	-18.2 pp

L/L RevPAR improved by 5.1%, as occupancy growth off-set a decline in average room rates. Country level performance was a mix of results. South Africa (-7.1%) having the key negative deviation linked to the impact of Nelson Mandela's funeral last year, while Egypt (50.9%) benefitted from the ongoing recovery post the political unrest.

The decrease in fee revenue of MEUR 0.5 (or 6.0%) is mainly due to lower incentive fees for a few hotels. The decrease in EBITDA and EBIT margins is mainly due to accrued costs for legal fees related to a hotel contract in Middle East.

Central costs

Central costs for the quarter amounted to MEUR 13.7 and were MEUR 3.0 higher than last year. The increase is mainly due to costs for redundancies of MEUR 3.8 and re-classifications between central costs and other segments, mainly Nordics. The increase has been partly offset by released provisions for personnel bonuses.

Comments to the Balance Sheet

Non-current assets increased by MEUR 13.4 from year-end 2013 and amounted to MEUR 250.1. The increase is mainly related to investments in tangible assets (MEUR 52.0), partly offset by depreciation and write downs (MEUR 40.6).

Net working capital, excluding cash and cash equivalents, but including current tax assets and liabilities, was MEUR -42.3 at year-end 2014 compared to MEUR -48.4 at year-end 2013. The change is mainly explained by an increase in current tax assets, included in other receivables.

Cash and cash equivalents increased by MEUR 28.6 from year-end 2013 to MEUR 35.5. The bank overdrafts amounting to MEUR 17.5 at year-end 2013 have been settled with proceeds from the rights issue.

Compared to year-end 2013, equity increased by MEUR 64.5 to MEUR 219.5. The increase is mainly explained by the rights issue completed in June and the profit for the year. The rights issue increased equity by MEUR 58.5, taking into account transaction costs of MEUR 1.2.

MEUR	31-Dec 14	31-Dec 13
Balance sheet total	427.5	381.7
Net working capital	-42.3	-48.4
Net cash (net debt)	35.5	-10.5
Equity	219.5	155.0

Cash Flow and Liquidity

Cash flow from operations (before change in working capital) amounted to MEUR 44.5, a decrease of MEUR 13.8 compared to last year, reflecting the decrease in EBITDA.

Cash flow from change in working capital amounted to MEUR -6.7, compared to -3.7 last year, mainly related to operating payables.

Cash flow used in investing activities was MEUR 4.4 higher compared to last year, and amounted to MEUR -53.3. This was mainly due to higher investments in tangible and intangible assets of MEUR 4.7.

Cash flow from financing activities amounted to MEUR 40.9 (-7.2). Proceeds received from the rights issue of net MEUR 58.5 were partly used to settle liabilities to financial institutions.

At the end of 2014, Rezidor had MEUR 35.5 in cash and cash equivalents. The total credit facilities available for use at the end of the year amounted to MEUR 200.0. MEUR 1.2 was used for bank guarantees, leaving MEUR 198.8 in available credit for use. The committed credit facilities have a tenor of up to four years and carry customary covenants.

Net interest bearing liabilities amounted to MEUR -46.3 (4.5 at year-end 2013). The decrease was primarily due to the received proceeds from the rights issue.

Net cash (debt), defined as cash & cash equivalents plus short-term interest-bearing assets minus interest-bearing financial liabilities (short-term & long-term), amounted to MEUR 35.5 (-10.5 at year-end 2013).

MEUR	FY 2014	FY 2013
Cash flow before working capital changes	47.9	58.3
Change in working capital	-6.7	-3.7
Cash flow from investing activities	-53.3	-48.9
Free cash flow	**-12.1**	**5.7**

Subsequent Events

There are no significant post balance sheet events to report.

Dividend

The Board of Directors proposes, in accordance with the dividend policy, for the Annual General Meeting 2015 that a dividend of EUR 0.03 per share is to be paid for the financial year 2014.

The Annual General Meeting of Rezidor Hotel Group AB (publ) will take place on April 24, 2015 in Stockholm.

The annual report will be available on the Company's website (www.rezidor.com) around March 18, 2015.

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 2013. 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. In order to reduce the risks associated with operating in Emerging Markets, Rezidor applies an asset light business model. 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 Rest of Western Europe. Future cash flow projections related to leases or management agreements with performance guarantees are sensitive to changes in discount rate, occupancy and room rate assumptions. Changes in such assumptions may lead to a renewed assessment of the value of certain assets and the risk for loss making contracts. The financial impact of exiting loss-making contracts is uncertain and it cannot be ruled out that an exit could lead to a cash outflow which is currently not fully reflected in the reported liabilities of the Group. 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. For quarterly revenue and margins, see table on page 19.

Sensitivity Analysis

With the current business model and portfolio mix Rezidor estimates that a EUR 1 RevPAR variation would result in a MEUR 6-8 change in EBITDA. Future cash flow projections related to leases or management agreements with performance guarantees are sensitive to changes in discount rates, occupancy and room rate assumptions. Changes in such assumptions may lead to a renewed assessment of the value of certain assets and the risk for loss making contracts.

Auditors' Review

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

Presentation of the Q4 Results

On February 17, 2015 at 10:00 (Central European Time) a combined telephone conference and live webcast (in English) concerning the report will be presented by the President & CEO, Wolfgang M. Neumann and Deputy President & CFO, Knut Kleiven. To follow the webcast, please visit www.investor.rezidor.com.

To access the telephone conference, please dial:

Sweden, Local:	+46(0)8 5033 6539
Sweden, Free:	0200 883 440
UK, Local:	+44(0)20 3427 1906
UK, Free:	0800 279 5736
USA, Local:	+1 212 444 0481
USA, Free:	1877 280 2342
France, Local:	+33(0)1 76 77 22 25
France, Free:	0805 631 579

Confirmation code: 9825837. For a replay of the conference call please visit www.investor.rezidor.com.

Financial Calendar

Q1 2015 results: April 24, 2015
AGM 2015: April 24, 2015
Q2 2015 results: July 23, 2015
Q3 2015 results: October 22, 2015

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About the Rezidor Hotel Group

The Rezidor Hotel Group currently features a portfolio of 432 hotels with over 95,000 rooms in operation and under development in 73 countries across Europe, the Middle East and Africa. Rezidor operates the core brands Radisson Blu and Park Inn by Radisson.

Rezidor is a member of the Carlson Rezidor Hotel Group.

For more information, visit www.rezidor.com.

This year-end 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 07:30 Central European Time on February 17, 2015.

Stockholm February 17, 2015

Wolfgang M. Neumann
President & CEO
Rezidor Hotel Group AB

Condensed Consolidated Statement of Operations

MEUR	Q4 2014	Q4 2013	FY 2014	FY 2013
Revenue	238.0	236.0	937.3	919.5
F&D and other related expenses	-15.0	-14.8	-55.7	-54.9
Personnel cost and contract labour	-84.5	-80.7	-325.2	-315.1
Other Operating expenses	-63.9	-57.3	-228.4	-217.6
Insurance of properties and property tax	-3.2	-3.6	-14.2	-14.9
Operating profit before rental expense and share of income in associates and depreciation and amortisation and gain on sale of fixed assets (EBITDAR)	**71.4**	**79.6**	**313.8**	**317.0**
Rental expense	-56.7	-54.4	-241.9	-238.5
Share of income in associates and joint ventures	0.1	0.6	-0.6	2.2
Operating profit before depreciation and amortisation and gain on sale of fixed assets (EBITDA)	**14.8**	**25.8**	**71.3**	**80.7**
Depreciation and amortisation	-9.2	-7.8	-33.0	-29.6
Write-downs and reversals of write-downs	-5.1	-3.2	-7.6	-5.0
Termination of contracts	-	-1.9	-	-1.9
Operating profit/loss (EBIT)	**0.5**	**12.9**	**30.7**	**44.2**
Financial income	0.4	0.2	0.9	0.8
Financial expense	-0.7	-0.9	-2.4	-2.6
Profit/loss before tax	**0.2**	**12.2**	**29.2**	**42.4**
Income tax	-1.1	-4.9	-15.0	-19.2
Profit/loss for the period	**-0.9**	**7.3**	**14.2**	**23.2**
Attributable to:				
Owners of the parent company	-0.9	7.3	14.2	23.2
Non-controlling interests	-	-	-	-
Profit/loss for the period	**-0.9**	**7.3**	**14.2**	**23.2**
Basic average no. of shares outstanding	170,707,719	146,320,902	161,019,805	146,320,902
Diluted average no. of shares outstanding	172,366,508	148,123,048	162,608,506	148,123,048
Earnings per share, in EUR				
Basic	-0.01	0.05	0.09	0.16
Diluted	-0.01	0.05	0.09	0.16

Consolidated Statement of Comprehensive Income

Profit/loss for the period	**-0.9**	**7.3**	**14.2**	**23.2**
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial gains and losses	-1.4	-6.6	-3.1	-8.5
Tax on actuarial gains and losses	0.3	1.7	0.9	2.2
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	-6.5	-2.9	-5.8	-9.0
Tax on exchange differences	0.7	0.1	0.8	0.5
Fair value gains and losses on cash flow hedges	0.6	0.2	0.1	0.3
Tax on fair value gains and losses on cash flow hedges	-0.1	-0.1	-	-0.1
Other comprehensive income for the period, net of tax	**-6.4**	**-7.6**	**-7.1**	**-14.6**
Total comprehensive income for the period	**-7.3**	**-0.3**	**7.1**	**8.6**
Attributable to:				
Owners of the parent company	-7.3	-0.3	7.1	8.6
Non-controlling interests	-	-	-	-

Condensed Consolidated Balance Sheet Statements

MEUR	31-Dec 2014	31-Dec 2013
ASSETS		
Intangible assets	68.3	68.2
Tangible assets	137.1	125.3
Investments in associated companies and joint ventures	2.5	2.9
Other shares and participations	5.2	5.2
Other long-term receivables	10.0	6.5
Deferred tax assets	27.0	28.6
Total non-current assets	**250.1**	**236.7**
Inventories	5.1	4.8
Other current receivables	120.5	115.8
Derivative financial instruments	0.4	0.5
Other short term investments	3.9	4.1
Cash and cash equivalents	35.5	6.9
Assets held for sale	12.0	12.9
Total current assets	**177.4**	**145.0**
TOTAL ASSETS	**427.5**	**381.7**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	219.5	155.0
Non-controlling interests	0.0	0.0
Total equity	**219.5**	**155.0**
Deferred tax liabilities	16.5	15.6
Retirement benefit obligations	5.7	6.7
Other long-term liabilities	19.3	18.7
Total non-current liabilities	**41.5**	**41.0**
Liabilities to financial institutions	-	17.5
Derivative financial instruments	0.1	0.1
Other current liabilities	166.4	168.1
Total current liabilities	**166.5**	**185.7**
TOTAL EQUITY AND LIABILITIES	**427.5**	**381.7**
Number of ordinary shares outstanding at the end of the period	170,707,719	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	174,388,857	150,002,040

Consolidated Statement of Changes in Equity

MEUR	Share capital	Other paid in capital	Other reserves	Retained earnings incl. net profit/loss for the period	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Opening balance as of January 1, 2013	**10.0**	**120.3**	**19.5**	**-4.0**	**145.8**	**0.0**	**145.8**
Profit for the period	-	-	-	23.2	**23.2**	-	**23.2**
Other comprehensive income:							
Actuarial gains and losses on defined benefit plans	-	-	-	-8.5	**-8.5**	-	**-8.5**
Tax on actuarial gains and losses on defined benefit plans	-	-	-	2.2	**2.2**	-	**2.2**
Currency differences on translation of foreign operations	-	-	-9.0	-	**-9.0**	-	**-9.0**
Tax on exchange differences recognised in other comprehensive income	-	-	0.5	-	**0.5**	-	**0.5**
Fair value gains and losses on cash flow hedges	-	-	0.3	-	**0.3**	-	**0.3**
Tax on fair value gains and losses on cash flow hedges	-	-	-0.1	-	**-0.1**	-	**-0.1**
Total comprehensive income for the period	**-**	**-**	**-8.3**	**16.9**	**8.6**		**8.6**
Transactions with owners:							
Long term incentive plan	-	-	-	0.6	**0.6**	-	**0.6**
Ending balance as of December 31, 2013	**10.0**	**120.3**	**11.2**	**13.5**	**155.0**	**0.0**	**155.0**
Profit for the period	-	-	-	14.2	**14.2**	-	**14.2**
Other comprehensive income:							
Actuarial gains and losses on defined benefit plans	-	-	-	-3.1	**-3.1**	-	**-3.1**
Tax on actuarial gains and losses on defined benefit plans	-	-	-	0.9	**0.9**	-	**0.9**
Currency differences on translation of foreign operations	-	-	-5.8	-	**-5.8**	-	**-5.8**
Tax on exchange differences recognised in other comprehensive income	-	-	0.8	-	**0.8**	-	**0.8**
Fair value gains and losses on cash flow hedges	-	-	0.1	-	**0.1**	-	**0.1**
Tax on fair value gains and losses on cash flow hedges	-	-	-0.0	-	**-0.0**	-	**-0.0**
Total comprehensive income for the period	**-**	**-**	**-4.9**	**12.0**	**7.1**	**-**	**7.1**
Transactions with owners:							
Rights issue (incl. transaction costs*)	1.6	56.9	-	-	**58.5**	-	**58.5**
Long term incentive plan	-	-	-	-1.1	**-1.1**	-	**-1.1**
Ending balance as of December 31, 2014	**11.6**	**177.2**	**6.3**	**24.4**	**219.5**	**0.0**	**219.5**

*) Total transaction costs amount to MEUR 1.2

Condensed Consolidated Statement of Cash Flow

MEUR	Q4 2014	Q4 2013	FY 2014	FY 2013
Operating profit/loss	**0.5**	**12.9**	**30.7**	**44.2**
Non cash items	11.1	8.1	36.0	30.5
Interest, taxes paid and other cash items	-6.2	-1.8	-18.8	-16.4
Change in working capital	12.7	9.4	-6.7	-3.7
Cash flow from operating activities	**18.1**	**28.6**	**41.2**	**54.6**
Purchase of intangible assets	-1.6	-0.1	-1.8	-0.2
Purchase of tangible assets	-19.9	-14.5	-52.0	-48.9
Other investments/divestments	-1.1	0.1	0.5	0.2
Cash flow from investing activities	**-22.6**	**-14.5**	**-53.3**	**-48.9**
Rights issue	-	-	58.5	-
External financing, net	-1.2	-14.7	-17.6	-7.2
Cash flow from financing activities	**-1.2**	**-14.7**	**40.9**	**-7.2**
Cash flow for the period	**-5.7**	**-0.6**	**28.8**	**-1.5**
Effects of exchange rate changes on cash and cash equivalents	-0.2	-0.1	-0.2	-0.2
Cash and cash equivalents at beginning of the period	**41.4**	**7.6**	**6.9**	**8.6**
Cash and cash equivalents at end of the period	**35.5**	**6.9**	**35.5**	**6.9**

Parent Company, Condensed Statement of Operations

MEUR	Q4 2014	Q4 2013	FY 2014	FY 2013
Revenue	1.7	1.9	6.3	4.8
Personnel cost	-1.6	-1.2	-4.7	-3.2
Other operating expenses	-1.9	-1.4	-9.0	-10.1
Operating loss before depreciation and amortization	**-1.8**	**-0.7**	**-7.4**	**-8.5**
Depreciation and amortization expense	0.3	-0.0	-0.1	-0.1
Operating loss	**-1.5**	**-0.7**	**-7.5**	**-8.6**
Financial income	21.3	5.1	30.6	14.6
Financial expense	-0.2	-0.2	-0.5	-0.6
Profit before tax	**19.6**	**4.2**	**22.6**	**5.4**
Income Tax	-4.4	-2.1	-5.1	-1.5
Profit for the period	**15.2**	**2.1**	**17.5**	**3.9**

Parent Company, Statement of Comprehensive Income

Profit for the period	**15.2**	**2.1**	**17.5**	**3.9**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**15.2**	**2.1**	**17.5**	**3.9**

Parent Company, Condensed Balance Sheet Statement

MEUR	31-Dec 2014	31-Dec 2013
ASSETS		
Intangible assets	0.1	0.1
Tangible assets	0.2	0.2
Shares in subsidiaries	233.0	234.2
Deferred tax assets	0.3	5.3
Total non-current assets	**233.6**	**239.8**
Current receivables	55.4	15.7
Total current assets	**55.4**	**15.7**
TOTAL ASSETS	**289.0**	**255.5**
EQUITY AND LIABILITIES		
Equity	**286.3**	**211.4**
Current liabilities	2.7	44.1
Total current liabilities	**2.7**	**44.1**
TOTAL EQUITY AND LIABILITIES	**289.0**	**255.5**

Parent Company, Statement of Changes in Equity

MEUR	Share capital	Share premium reserve	Retained earnings incl. net profit/loss for the period	Total equity
Opening balance as of January 1, 2013	**10.0**	**197.3**	**-0.4**	**206.9**
Total comprehensive income for the period	-	-	3.9	**3.9**
Transactions with the owners:				
Long term incentive plan	-	-	0.6	**0.6**
Ending balance as of December 31, 2013	**10.0**	**197.3**	**4.1**	**211.4**
Total comprehensive income for the period	-	-	17.5	**17.5**
Transactions with the owners:				
Rights issue (incl. transaction costs*)	1.6	56.9	-	**58.5**
Long term incentive plan	-	-	-1.1	**-1.1**
Ending balance as of December 31, 2014	**11.6**	**254.2**	**20.5**	**286.3**

*) Total transaction costs amount to MEUR 1.2

Comments on the 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 Q4 2014 and full year 2014 the intercompany revenue of the Parent Company amounted to MEUR 1.6 (2.0) and MEUR 6.0 (4.7) respectively. The intercompany costs in Q4 2014 and YTD 2014 amounted to MEUR 1.4 (1.0) and MEUR 6.0 (6.9) respectively.

In Q4 2014 and full year 2014, financial income was mainly related to group contribution received of MEUR 21.3 (5.0) and MEUR 30.5 (14.5) respectively.

Comments on the Balance Sheet

The main movements in the balance sheet since the prior year-end are due to the received proceeds from the rights issue of MEUR 58.5 (net after transaction costs), increasing equity, increasing intercompany receivables and decreasing intercompany liabilities. At year-end the intercompany receivables amounted to MEUR 31.3 (15.4) and the intercompany liabilities to MEUR 0.1 (42.0).

Notes to Condensed Consolidated Financial Statements

Basis of preparation

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

The year-end 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 year-end report as were applied in the company's annual report for the year ended December 31, 2013, except for the impact of the adoption of the standards and interpretations described below.

New standards are IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests of Other Entities. Furthermmore, there have been amendments to IAS 27, IAS 28, IAS 32, IAS 36 and IAS 39. All these new standards and amendments have had limited or no effect on the reported results or financial position of the Group.

Incentive programmes

The AGM in 2013 approved a long-term equity settled performance-based incentive programme to be offered to executives within Rezidor. The programme is comprised of both matching shares and performance shares. The President and CEO and other members of the Executive Committee have been offered the opportunity to participate in the performance share part as well as the matching share part of the programme. Other key executives have been offered to participate in the performance share part of the programme.

In order to qualify for matching shares, each participant shall meet certain requirements, including a share holding requirement of at least three years and continuing employment with the company during the vesting period. Exemptions may be prescribed in specific cases. In order to qualify for performance shares, each participant must, in addition to the requirement regarding continuing employment during the vesting period, meet a performance target based on Rezidor Group's cumulative earnings per share for the financial years 2013 to 2015.

Six members of the Executive Committee participate in the 2013 incentive programme entitling them to a maximum total of 663,422 shares, of which the President and CEO is entitled to a maximum of 279,942 shares. 17 other members of management participate in the programme, entitling them to a maximum of 275,165 shares in total.

The total value of the 2013 programme at grant date, incl. social security costs, amounted to MEUR 4.3.

An additional incentive programme was approved by the AGM on April 24, 2014. The programme is comprised of both matching shares and performance shares. The President and CEO and other members of the Executive Committee have been offered the opportunity to participate in the performance share part as well as the matching share part of the programme. Other key executives have been offered to participate in the performance share part of the programme.

The participants who have accepted the invitation for the matching share part of the programme have acquired Rezidor shares on Nasdaq Stockholm and/or allocated shares already held to the programme. The investment in and/or allocation of matching shares for the President and CEO amounts to 10 percent of the fixed annual gross base remuneration for 2014. The investment in and/or allocation of matching shares for other members of the Executive Committee amounts to not less than 2.5 percent, and not more than 5 percent of the fixed annual gross base remuneration for 2014. In order to qualify for matching shares, each participant shall meet certain requirements, including a share holding requirement of at least three years and continuing employment with the company during the vesting period. Exemptions may be prescribed in specific cases.

In order to qualify for performance shares, each participant must, in addition to the requirement regarding continuing employment during the vesting period, meet a performance target based on Rezidor Group's cumulative earnings per share for the financial years 2014 to 2016. The maximum number of performance shares that is allotted to each participant in the programme is calculated by dividing an amount corresponding to a certain percentage of each participant's fixed annual gross base remuneration for 2014, by the market price of the Rezidor share. The percentage of the fixed annual gross remuneration for 2014 is 150 percent for the President and CEO, between 35 and 75 percent for other members of the Executive Committee and between 30 and 38 percent for other key executives, in each case converted into SEK. The market price of the Rezidor share used amounts to SEK 46.14, which corresponds to the volume-weighted average price paid for the Rezidor share on Nasdaq Stockholm during a period of five consecutive trading days immediately before the day the participants were invited to participate in the programme, which was 16 June 2014.

Six members of the Executive Committee participate in the 2014 incentive programme entitling them to a maximum total of 491,843 shares, of which the President and CEO is entitled to a maximum of 207,307 shares. 20 other members of management participate in the programme, entitling them to a maximum of 228,359 shares in total.

The total value of the 2014 programme at grant date, incl. social security costs, amounted to MEUR 4.7.

The net costs recognized in the income statement during Q4 2014 in accordance with IFRS 2 for the two incentive programmes amounted to MEUR -1.1 (negative). The net costs recognised for the full year amounts to MEUR -1.7 (negative). The costs are negative due to reversals of costs recognised in previous periods.

Share buy-back

The number of treasury shares held by the company at the end of the quarter was 3,681,138, corresponding to 2.1% of all registered shares. The average number of its own shares held by the company during Q4 was 3,681,138 (3,681,138). The shares have been bought back in 2007 and 2008 following authorisations at the AGMs in the same years. A majority of the shares bought back are held to secure delivery of shares in the incentive programmes and the related social security costs.

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 December 31, 2014 Rezidor had no receivables related to Carlson (none as at December 31, 2013) and ordinary current liabilities of MEUR 1.5 (2.0 as at December 31, 2013). 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 2014, Rezidor had operating costs towards Carlson of MEUR 17.6 (16.0). Carlson also charged MEUR 5.9 (6.1) for points earned in the Loyalty programme Club Carlson and reimbursed MEUR 2.9 (2.4) for points redeemed. Furthermore, Carlson recharged MEUR 3.6 (3.5) of costs incurred from third parties, mainly internet based reservation channels. Moreover, Rezidor paid commissions towards the travel agencies' network of Carlson amounting to MEUR 0.5 (0.5). For these specific commissions Rezidor had current liabilities of MEUR 0.0 (0.2 as at December 31, 2013).

Information on the long-term equity settled performance-based incentive programmes is included on page 14.

Pledged assets and contingent liabilities

Asset pledged, MEUR	**31-Dec 2014**	**31-Dec 2013**
Securities on deposits (restricted accounts)	3.9	4.1

Contingent liabilities, MEUR	**31-Dec 2014**	**31-Dec 2013**
Guarantees provided	1.2	1.7

RevPAR Development by Brand (Leased & Managed Hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**
Radisson Blu	65.5%	-0.1pp	116.5	0.4%	76.3	0.3%	73.2	-3.2%
Park Inn by Radisson	62.0%	-0.2pp	69.9	3.6%	43.4	3.4%	41.3	0.9%
Group	**64.6%**	**-0.2pp**	**105.7**	**1.1%**	**68.3**	**0.9%**	**65.4**	**-2.1%**

	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013
Radisson Blu	68.4%	0.6pp	117.7	1.8%	80.5	2.5%	76.2	-2.5%
Park Inn by Radisson	64.7%	-0.4pp	70.3	3.8%	45.5	3.3%	43.2	0.0%
Group	**67.4%**	**0.4pp**	**106.6**	**2.3%**	**71.9**	**2.7%**	**68.0**	**-1.7%**

RevPAR Development by Region (Leased & Managed Hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**
Nordics	65.4%	-4.6 pp	130.4	0.6%	85.2	-4.0%	80.2	-8.6%
Rest of Western Europe	71.5%	2.0 pp	106.9	2.3%	76.4	4.3%	77.4	7.4%
Eastern Europe	53.5%	-7.1 pp	84.9	1.7%	45.4	-5.5%	38.6	-18.3%
Middle East, Africa & Others	68.3%	8.4 pp	108.3	-3.0%	74.0	5.1%	75.9	8.9%
Group	**64.6%**	**-0.2 pp**	**105.7**	**1.1%**	**68.3**	**0.9%**	**65.4**	**-2.1%**

	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013
Nordics	71.0%	0.5 pp	133.8	-0.2%	95.0	0.3%	88.5	-6.3%
Rest of Western Europe	73.2%	1.6 pp	106.7	2.7%	78.1	4.4%	78.8	7.5%
Eastern Europe	57.9%	-5.2 pp	89.3	3.4%	51.8	-1.9%	45.5	-13.0%
Middle East, Africa & Others	68.7%	5.8 pp	105.2	1.4%	72.2	7.3%	69.1	4.6%
Group	**67.4%**	**0.4 pp**	**106.6**	**2.3%**	**71.9**	**2.7%**	**68.0**	**-1.7%**

RevPAR Development by Region (Leased Hotels)

	L/L Occupancy		L/L Average Room Rates		L/L RevPAR		Reported RevPAR	
In EUR	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**	**Q4 2014**	**vs. 2013**
Nordics	64.7%	-5.5 pp	129.2	0.4%	83.6	-5.1%	80.5	-9.7%
Rest of Western Europe	70.8%	1.7 pp	104.6	1.1%	74.1	2.8%	75.9	5.5%
Group	**68.1%**	**-1.4 pp**	**114.8**	**0.4%**	**78.2**	**-1.0%**	**78.0**	**-1.6%**

	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013	FY 2014	vs. 2013
Nordics	70.4%	0.0 pp	133.1	-0.1%	93.7	-0.1%	89.0	-6.4%
Rest of Western Europe	72.6%	1.5 pp	105.4	1.4%	76.5	3.0%	78.0	5.5%
Group	**71.6%**	**0.9 pp**	**117.3**	**0.6%**	**84.0**	**1.5%**	**83.1**	**0.1%**

Revenue per Area of Operation

MEUR	Q4 2014	Q4 2013	Change %	FY 2014	FY 2013	Change %
Rooms revenue	124.2	122.1	1.7%	524.7	506.1	3.7%
F&D revenue	73.1	70.4	3.8%	255.4	248.7	2.7%
Other hotel revenue	8.4	7.3	15.1%	31.0	30.3	2.3%
Total hotel revenue (leased)	**205.7**	**199.8**	**3.0%**	**811.1**	**785.1**	**3.3%**
Fee revenue (manged & franchised)	28.2	31.9	-11.6%	110.4	118.9	-7.1%
Other revenue	4.1	4.3	-4.7%	15.8	15.5	1.9%
Total revenue	**238.0**	**236.0**	**0.8%**	**937.3**	**919.5**	**1.9%**

Total Fee Revenue

MEUR	Q4 2014	Q4 2013	Change %	FY 2014	FY 2013	Change %
Management Fees	8.5	9.1	-6.6%	34.0	34.9	-2.6%
Incentive Fees	8.7	10.8	-19.4%	28.5	33.7	-15.4%
Franchise Fees	2.5	2.2	13.6%	9.7	8.4	15.5%
Other Fees (incl. marketing, reservation fee etc.)	8.5	9.8	-13.3%	38.2	41.9	-8.8%
Total fee revenue	**28.2**	**31.9**	**-11.6%**	**110.4**	**118.9**	**-7.1%**

Revenue per Region

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Other		Total	
Q4	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	105.2	102.1	100.5	97.7	-	-	-	-	205.7	199.8
Managed	0.6	1.7	8.5	7.5	6.0	9.1	7.9	8.4	23.0	26.7
Franchised	1.6	1.5	2.3	2.8	1.2	0.9	-	-	5.1	5.2
Other	3.2	3.4	1.0	0.9	-	-	-	-	4.2	4.3
Total	**110.6**	**108.7**	**112.3**	**108.9**	**7.2**	**10.0**	**7.9**	**8.4**	**238.0**	**236.0**

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Other		Total	
FY	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	417.9	396.1	393.2	389.0	-	-	-	-	811.1	785.1
Managed	2.3	6.2	30.5	28.4	30.0	35.4	26.8	27.8	89.6	97.8
Franchised	7.0	6.9	9.7	11.8	4.0	2.4	-	-	20.7	21.1
Other	11.5	12.5	4.4	3.0	-	-	-	-	15.9	15.5
Total	**438.7**	**421.7**	**437.8**	**432.2**	**34.0**	**37.8**	**26.8**	**27.8**	**937.3**	**919.5**

Rental Expenses

MEUR	Q4 2014	Q4 2013	Change %	FY 2014	FY 2013	Change %
Fixed rent	47.2	43.6	8.3%	196.6	188.1	4.5%
Variable rent	8.7	11.4	-23.7%	39.3	44.3	-11.3%
Rent	**55.9**	**55.0**	**1.6%**	**235.9**	**232.4**	**-1.5%**
Rent as a % of leased hotel revenue	27.2%	27.5%	-0.4 pp	29.1%	30.0%	-0.9 pp
Shortfall guarantees[1)]	0.8	-0.6	233.3%	6.0	6.1	-1.6%
Rental expense	**56.7**	**54.4**	**4.2%**	**241.9**	**238.5**	**1.4%**

1) *Shortfall guarantees also include changes in provisions for onerous contracts*

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	
Q4	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	12.8	14.3	-0.8	4.7	-	-	-	-	-	-	12.0	19.0
Managed	-0.4	1.1	6.0	5.8	3.2	4.9	2.7	4.5	-	-	11.5	16.3
Franchised	0.7	0.7	0.8	1.3	0.8	0.4	-	-	-	-	2.3	2.4
Other[1)]	2.5	-1.3	-	-	-	-0.0	0.2	0.1	-	-	2.7	-1.2
Central costs	-	-	-	-	-	-	-	-	-13.7	-10.7	-13.7	-10.7
Total	**15.6**	**14.8**	**6.0**	**11.8**	**4.0**	**5.3**	**2.9**	**4.6**	**-13.7**	**-10.7**	**14.8**	**25.8**

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
FY	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	42.5	44.0	2.0	5.0	-	-	-	-	-	-	44.5	49.0
Managed	-1.1	4.5	19.2	15.0	21.0	22.3	15.6	16.7	-	-	54.7	58.5
Franchised	3.6	4.1	3.8	6.9	2.4	1.3	-	-	-	-	9.8	12.3
Other[1)]	7.9	2.9	-	-	-	-0.2	0.0	0.5	-	-	7.9	3.2
Central costs	-	-	-	-	-	-	-	-	-45.6	-42.3	-45.6	-42.3
Total	**52.9**	**55.5**	**25.0**	**26.9**	**23.4**	**23.4**	**15.6**	**17.2**	**-45.6**	**-42.3**	**71.3**	**80.7**

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	
Q4	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	6.2	10.7	-7.7	-3.8	-	-	-	-	-	-	-1.5	6.9
Managed	-0.3	1.0	5.9	5.8	3.3	4.9	2.7	4.4	-	-	11.6	16.1
Franchised	0.7	0.6	0.8	1.3	0.7	0.5	-	-	-	-	2.2	2.4
Other[1)]	1.8	-1.9	-	-	0.0	-0.0	0.1	0.1	-	-	1.9	-1.8
Central costs	-	-	-	-	-	-	-	-	-13.7	-10.7	-13.7	-10.7
Total	**8.4**	**10.4**	**-1.0**	**3.3**	**4.0**	**5.4**	**2.8**	**4.5**	**-13.7**	**-10.7**	**0.5**	**12.9**

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Central costs		Total	
FY	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Leased	24.9	29.5	-17.6	-13.5	-	-	-	-	-	-	7.3	16.0
Managed	-1.1	4.4	19.0	14.8	20.9	22.1	15.4	16.5	-	-	54.2	57.8
Franchised	3.5	4.2	3.7	6.8	2.3	1.2	-	-	-	-	9.5	12.2
Other[1)]	5.3	0.2	-	-	0.0	-0.2	0.0	0.5	-	-	5.3	0.5
Central costs	-	-	-	-	-	-	-	-	-45.6	-42.3	-45.6	-42.3
Total	**32.6**	**38.3**	**5.1**	**8.1**	**23.2**	**23.1**	**15.4**	**17.0**	**-45.6**	**-42.3**	**30.7**	**44.2**

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

Reconciliation of Profit/Loss for the Period

MEUR	Q4 2014	Q4 2013	FY 2014	FY 2013
Total operating profit (EBIT) for reportable segments	**0.5**	**12.9**	**30.7**	**44.2**
Financial income	0.4	0.2	0.9	0.8
Financial expense	-0.7	-0.9	-2.4	-2.6
Group's total profit before tax	**0.2**	**12.2**	**29.2**	**42.4**

Balance Sheet and Investments

MEUR	Nordics		Rest of Western Europe		Eastern Europe		Middle East, Africa & Others		Total	
	31-Dec 2014	31-Dec 2013	31-Dec 2014	31-Dec 2013	31-Dec 2014	31-Dec 2013	31-Dec 2014	31-Dec 2013	31-Dec 2014	31-Dec 2013
Assets	175.8	176.9	211.7	166.5	15.2	15.2	24.8	23.1	427.5	381.7
Investments (tangible & intangible assets)	22.0	21.3	31.7	27.7	0.0	0.0	0.1	0.1	53.8	49.1

Quarterly Key Figures

MEUR	Q4 2014	Q4 2013	Q4 2012	Q4 2011	Q4 2010
RevPAR	65.4	66.9	66.3	62.7	60.1
Revenue	238.0	236.0	240.6	225.6	211.7
EBITDAR	71.4	79.6	78.3	74.0	63.2
EBITDA	14.8	25.8	15.4	14.1	6.9
EBIT	0.5	12.9	-8.9	-4.0	-0.9
Profit/loss after Tax	-0.9	7.3	-13.5	-13.5	-6.8
EBITDAR Margin %	30.0%	33.7%	32.6%	32.8%	29.9%
EBITDA Margin %	6.2%	10.9%	6.4%	6.3%	3.3%
EBIT Margin %	0.2%	5.5%	-3.7%	-1.8%	-0.4%

	2014				2013				2012
MEUR	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
RevPAR	65.4	89.6	72.6	61.3	66.9	72.5	68.7	61.9	66.3
Revenue	238.0	240.8	247.1	211.4	236.0	227.4	248.9	207.1	240.6
EBITDAR	71.4	87.7	93.0	61.7	79.6	81.7	97.0	58.7	78.3
EBITDA	14.8	26.4	30.8	-0.8	25.8	22.8	34.9	-2.8	15.4
EBIT	0.5	17.3	21.4	-8.5	12.9	15.1	26.2	-10.0	-8.9
Profit/loss after Tax	-0.9	11.3	14.1	-10.3	7.3	9.7	17.4	-11.2	-13.5
EBITDAR margin, %	30.0%	36.4%	37.6%	29.2%	33.7%	35.9%	39.0%	28.3%	32.6%
EBITDA margin, %	6.2%	11.0%	12.5%	0.4%	10.9%	10.0%	14.0%	-1.4%	6.4%
EBIT margin, %	0.2%	7.2%	8.7%	-4.0%	5.5%	6.7%	10.5%	-4.8%	-3.7%

Hotel and Room Openings and Signings

	Openings				Signings			
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
	Q4 2014	Q4 2014	FY 2014	FY 2014	Q4 2014	Q4 2014	FY 2014	FY 2014
By region:								
Nordics	-	2	3	541	-	-	-	-
Rest of Western Europe	-	1	1	70	1	125	3	771
Eastern Europe	2	490	9	2,232	2	292	10	1,947
Middle East, Africa & Others	3	448	5	693	7	1,594	19	3,839
Total	**5**	**941**	**18**	**3,536**	**10**	**2,011**	**32**	**6,557**
By brand:								
Radisson Blu	2	607	11	2,493	6	1,420	22	4,664
Park Inn by Radisson	3	334	7	1,043	4	591	10	1,893
Total	**5**	**941**	**18**	**3,536**	**10**	**2,011**	**32**	**6,557**
By contract type:								
Leased	-	1	-	2	-	-	-	-
Managed	4	695	13	2,570	8	1,774	26	5,441
Franchised	1	245	5	964	2	237	6	1,116
Total	**5**	**941**	**18**	**3,536**	**10**	**2,011**	**32**	**6,557**

- In Q4 2014, two hotels and 401 rooms left the system, resulting in a net opening of 540 rooms.

Hotels and Rooms in Operation and under Development (in Pipeline)

	In operation				Under development			
	Hotels		Rooms		Hotels		Rooms	
31-Dec	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
By region:								
Nordics	60	59	14,890	14,565	1	4	215	748
Rest of Western Europe	142	153	27,535	29,151	8	8	1,745	1,459
Eastern Europe	86	77	21,838	19,606	29	34	5,638	7,736
Middle East, Africa & Others	52	48	12,346	11,955	54	46	11,402	9,593
Total	**340**	**337**	**76,609**	**75,277**	**92**	**92**	**19,000**	**19,536**
By brand:								
Radisson Blu	228	218	55,041	52,838	54	49	12,303	11,606
Park Inn by Radisson	107	114	20,816	21,687	38	41	6,687	7,532
Others	5	5	752	752	-	2	10	398
Total	**340**	**337**	**76,609**	**75,277**	**92**	**92**	**19,000**	**19,536**
By contract type:								
Leased	70	68	17,538	16,732	-	-	-	-
Managed	182	181	41,339	41,247	78	83	16,485	17,732
Franchised	88	88	17,732	17,298	14	9	2,515	1,804
Total	**340**	**337**	**76,609**	**75,277**	**92**	**92**	**19,000**	**19,536**

Definitions

Average Room Rate
Average Room Rate – Rooms revenue in relation to number of rooms sold. This is 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, costs due to termination/restructuring of contracts, gain on sale of shares and fixed assets, 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, depreciation and amortisation, costs due to termination/restructuring of contracts, gain on sale of shares and fixed assets, 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 & drinks 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 & drinks, 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, Moldova, Poland, Romania, Russia, Serbia, Slovakia, Turkey, Ukraine and Uzbekistan.

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

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