



Press Release

Stockholm, April 23 2001

Statement by the board of Scandic Hotels AB regarding the offer by Hilton Group.

The board of directors of Scandic Hotels AB (the "Board") has considered an offer by Hilton Group plc ("Hilton") to the shareholders in Scandic, to tender their shares to Hilton in exchange for cash and newly issued shares in Hilton for a total value of SEK 144 per share and to the holders of warrants issued by Scandic to tender their warrants for SEK 25 in cash for each warrant (the "Offers").

The Board has considered the Offers to the shareholders in and holders of warrants issued by Scandic and makes the following statement:

Enskilda Securities, which is acting as financial adviser to the Board, has provided a fairness opinion in relation to the Offers stating that the Offers, which means that Hilton is offering SEK 108 and 1,1238 newly issued shares in Hilton for each share in Scandic and SEK 25 in cash for each warrant, is fair and reasonable from a financial point of view.

The offer from Hilton of SEK 144 per share represents a premium of 30,9 percent by reference to the closing price of Scandic prior to the announcement of the Offers and a premium of 31,4 percent by reference to the average closing price of the Scandic share over the 30 days prior to the announcement of the Offers. Against this background and Enskilda Securities fairness opinion, the Board considers the Offers of SEK 144 per share and SEK 25 per warrant attractive and unanimously recommends shareholders and holders of warrants to accept the Offers.

Stockholm, 23 April 2001
Scandic Hotels AB (publ)
The Board of Directors

Commenting on the Offers, Roland Nilsson, CEO & President of Scandic Hotels AB, said:

“I see a very clear industrial logic in this deal. The Nordic region is an important area for any hotel company with a pan-European growth strategy and Scandic is the undisputed market leader here. The combination of the global strength of the Hilton brand and Scandic’s strong regional position creates significant scope for revenue synergies and a solid platform for further consolidation in Europe. Scandic’s and Hilton’s hotels are an excellent geographical fit and the groups have a similar customer focus and cultural affinity.

Trading in Scandic’s markets during the first quarter continued the positive trend seen in previous years, and this is reflected in Scandic’s first quarter results to be announced on 4 May 2001.”

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Scandic Hotels AB is the largest hotel operator in the Nordic region, with 152 hotels in 10 countries. Scandic’s strategy is to be a dedicated hotel operator. Its business mission is “to offer many people the highest value for money when staying in its hotels, during work and leisure”.



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