



# **Scandic Hotels AB (publ.)**

## **Press release**

[www.scandic-hotels.com](http://www.scandic-hotels.com)

**Stockholm, 7 February 2000**

### ***Scandic sells its shareholding (49.9%) in Hotellus to Pandox***

- *Through the sale of its stake, Scandic is helping to create a major listed hotel properties company with well-known brands and business operations in Northern Europe*
- *The transaction does not give rise to any capital gains/losses for Scandic*
- *Following the acquisition, Pandox will become the largest listed hotel property company in the Nordic Region*

*Together with the other shareholders in Hotellus International AB ("Hotellus"), Scandic has reached an agreement with Pandox regarding the sale of Scandic's shares in Hotellus. The sale is subject to Pandox's due diligence and to Pandox's Annual General Meeting of shareholders, to be held on 30 March 2000, approving the Board's decision regarding a non-cash issue.*

*The settlement will be financed by a combination of a new share issue from Pandox and a cash payment.*

*Following completion of the deal, Scandic will gain a stake in Pandox corresponding to approximately 20.8 per cent.*

*"Hotellus and Pandox complement one another very well and in joining forces they are forming a company that, in terms of size, will be an interesting player in the hotel property market. With its knowledge of the industry and developed strategy, Pandox will be an excellent business partner for Scandic in view of our plans to expand in the Nordic Region and Northern Europe. The shareholding in Pandox is a strategic holding and we expect to see our investment grow in value," says Roland Nilsson, President & CEO of Scandic.*

**For further information, please contact:**

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*Scandic Hotels is the Nordic region's leading hotel company with 133 hotels in 10 countries. Scandic's strategy is to be dedicated hotel operator and 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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