

NEWS RELEASE

Stockholm, November 19th 2007

New Senior Vice President, Business Development & General Counsel at Scandic

Scandic is very pleased to announce the appointment of Nevio Sagberg, 42, as Senior Vice President Business Development & General Counsel.

Nevio Sagberg, currently Vice President & General Counsel with IKEA in Russia & CIS, will in this new position head Scandic's Business Development team and oversee all legal issues within the company.

"With his solid background and experience from both hotel development as well as hospitality related legal work Nevio is a strong choice for leading our aggressive growth strategy", says Frank Fiskers, President & CEO of Scandic. "His previous experience from hotel acquisitions with Pandox AB, one of Europe's largest hotel real estate companies, and IKEA, the worlds leading furniture retailer, will be of great value for our company "

Nevio is a law graduate from the University of Lund, Sweden with further studies at the University of Montreal, Canada. He was with Pandox AB in Stockholm from 1996 to 2006 where he joined IKEA.

Nevio Sagberg will start his new position at Scandic mid-January 2008.

For further information please contact:

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Scandic is the leading hotel chain in the Nordic area and with 135 hotels in operation and under development one of the largest hotel operators in Europe. With a keen focus on growth we are actively pursuing opportunities to expand our network. A stay at Scandic is a step towards a more sustainable future - for our society and our environment.
Nordic common sense. www.scandic-hotels.com

The Scandic logo, featuring the word "Scandic" in a bold, dark red, sans-serif typeface.