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The fifth new hotel in Norway in seven months:

Scandic opens new, urban hotel in Oslo

Scandic's intensive growth strategy continues, with the chain now announcing its fifth hotel project in seven months. Scandic has signed an agreement to build a new 140-room hotel in Oslo. Work is expected to start during autumn 2008, with completion in January 2010.

Since November 2007 alone, the chain has announced new hotel projects in Norway in Haugesund, Stavanger, Bodø and at Gardermoen Airport. Now it's Oslo's turn, with an exciting and creative hotel concept in the new Vulkan area which is currently under development. The hotel will be built by Vulkan Eiendom AS, and will involve a total investment of NOK 170 million.

"The Vulkan area represents an innovative, creative and cultural part of Oslo, in which the Mathallen food hall, located in the old Broverkstedet building, the concert venue Vulkan Scene, and the various cultural institutions will be the key elements," says Scandic's President and CEO Frank Fiskers. "Scandic is keen to operate in this interaction between culture, design and creativity in a new and different way, and aims for the hotel to act as a future lab, where Scandic, working with other players, will be able to develop the hotel as a trailblazing project and a trendsetter for the whole chain. This will be the sixth hotel in Oslo," he concludes.

The new hotel, Scandic Vulkan, will enjoy an attractive location in Vulkan, on the Akerselva river just a stone's throw from Grünerløkka, in an area which is already home to a number of cultural institutions and creative colleges, including Dance House Norway, the Oslo School of Architecture and Design, the art college Kunstfagskolen and Westerdals School of Communication. The hotel will be close to Mathallen, which will be Norway's first food hall. The hotel will be a modern hotel with 140 rooms, a restaurant and bar, as well as conference facilities.

For further information about the project, see: <http://www.vulkan-oslo.no>

Scandic has a total of 20 hotels in operation or under development in Norway.

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Scandic is a leading European mid-market hotel company with 147 leased, managed and franchised hotels in operation and under development, with a total of over 26,000 rooms in ten countries. The aim is to grow the number of hotels to 200 over the next years, focusing on the Nordic region, Northern and Eastern Europe and Russia. Since 1994, sustainability has been an integrated part of the business and Scandic is proud of being a recognised industry leader today. From the start in 1963 the business concept has been to offer trouble-free and accessible hotel services for all - today delivered by 6,400 enthusiastic team members. Visit scandichotels.com

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