

PRESS RELEASE

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SEVEN PANDOX-OWNED HOTELS CHANGES BRAND

Pandox AB (publ) and Scandic/Hilton have reached agreement to rebrand seven Pandox-owned hotel properties. The decision has been reached after extensive market studies where different brands have been evaluated and benchmarked against each hotels competitor group and product segment. After negotiations and amendments to lease agreements, where the allocation and financing of the costs are included, the Pandox hotel property portfolio is further developed with five Hilton hotels and two Scandic hotels.

Hilton Brussels City is rebranded and fully operational since November last year. Hilton Bremen and Hilton Dortmund are under rebranding, which is expected to improve the hotels local market position. Hilton Stockholm Slussen will be the first Hilton hotel in Sweden and will officially open on February 21, 2002. Pandox hotel property in London, the former Holiday Inn Nelson Dock, will be upgraded to Hilton London Docklands with expected rebranding during the spring of 2002.

Scandic Hotel Antwerp and Scandic Hotel Lubeck will change brand and develop into Scandic hotels.

Pandox share of the investments is approx. 90 MSEK. The investments will be made over a three-year period.

-”This will increase the quality and the potential of Pandox hotel property portfolio. The agreement with Hilton/Scandic is a part of the strategic alliance and an example of the active ownership”, says Anders Nissen, CEO, Pandox AB.

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