

Park Inn brand grows in UK & Ireland from zero to 13 hotels in 18 months

Brussels, October 11th, 2005: Rezidor SAS Hospitality, one of the fastest growing hospitality companies in the world, has announced that from October 14th it will take over the management of five properties and from December 1st four properties, all nine to be operated under the Park Inn brand in the UK. The portfolio, previously part of the Queens Moat House Group and being sold by Goldman Sachs and Westmont Hospitality, will be operated under long term agreements with Jefferson Hotel LLP, as the new owners.

The nine hotels will give Park Inn great coverage across the UK, including the greater M25, the Midlands and Rezidor SAS's first property in Wales. The new portfolio totals 1,196 bedrooms across hotels located in Nottingham (172 rooms), West Bromwich (168 rooms), Bedford (120 rooms), Telford (153 rooms), Lakeside (97 rooms), Northampton (145 rooms), Cardiff (132 rooms), Harlow (119 rooms) and Watford (90 rooms).

All properties offer a restaurant and bar, conference facilities and a health club. The majority are located at major motorway junctions and close to a business park. Rezidor SAS plans to renovate and upgrade the current product for approximately 15 million pounds over the next two years, bringing them in line with the Park Inn brand. Service concepts including the 'Yes I Can' spirit of service will be introduced and for the first time guests will also find staying at these hotels more rewarding with the opportunity to join goldpoints plus, the loyalty programme operated by Rezidor SAS.

With the addition of the nine hotels, Park Inn becomes a significant hotel brand in the mid market sector within the UK and Ireland, with a total of 13 properties in operation and a further two properties under development and scheduled to open in 2007.

Due to the significant growth of Park Inn within the UK and the importance of these markets to Rezidor SAS, a new organizational structure has been put in place with immediate effect. Martin Holze takes on the role of Regional Director Park Inn, UK, reporting directly to Kurt Ritter, President and CEO of Rezidor SAS Hospitality. Mr Holze brings vast experience of the Park Inn brand to the role, since



November last year as General Manager of the 880 bedroom Park Inn Heathrow and prior to that, as General Manager of the Park Inn Berlin Alexanderplatz.

Since Rezidor SAS launched their new mid market brand in January 2003 with the opening of the Park Inn Berlin Alexanderplatz, the hotel brand has grown at a considerable pace and now operates more than 60 hotels across Europe and Africa. 27 of these hotels are in the home markets of Rezidor SAS in the Nordics. In June 2004 Rezidor SAS took over the former Partouche Group in France, five of which became Park Inn hotels and in January this year seven former Holiday Inn hotels in Germany were successfully converted into Park Inn hotels. Park Inn was launched in the UK in May 2004 with the opening of Park Inn Heathrow, followed by Park Inn Hyde Park, London in June 2005. In addition, the brand was launched in Ireland with two hotel openings in March this year. The rapid expansion is planned to continue with the intention to achieve excess of almost 100 Park Inn properties by the end of 2006.

With the new additions to the portfolio, Rezidor SAS Hospitality becomes a major international hotel operator in the UK and Ireland with a total of 41 properties in operation or under development in the mid market and first class segments. This totals 2,566 rooms under the Park Inn brand, 4,738 rooms under the Radisson SAS brand. Furthermore, in addition to the two new Park Inn hotels under development, four new hotels are under development under the Radisson SAS brand in Birmingham (opening January 2006), Durham (opening 2007), Cavan, Ireland (opening in spring 2006) and a city centre property in Dublin (opening October 2006).

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