



Press release

Stockholm, 13 November 2000

Scandic sells five Provobis hotels

Scandic Hotels AB have, today, signed agreements for the sale of five of the hotels included in the acquisition of the Swedish hotel chain Provobis Hotel & Restauranger. These hotels are Stora Hotellet in Jönköping, Växjö Stadshotell and Luleå Stadshotell for which the purchaser is Elite Hotels of Sweden, owned by Bicky Chakraborty, and Grand Hotel in Halmstad and Hotell Galaxen in Borlänge which have been purchased by MJN Hotell AB.

The five hotels have a combined total of 622 rooms and a turnover for 1999 of approx. SEK 135 million. The reason for the sale is primarily that the five hotels are not entirely in line with Scandic's structure and brand name.

The sale will generate a capital gain, which will be used to reduce the goodwill created through Scandic's acquisition of Provobis.

The remaining 12 hotels that were included in Scandic's acquisition of Provobis will, as of 15 November, have changed names to Scandic Hotel and be incorporated into Scandic's marketing, sales and operational systems.

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Scandic Hotels AB is the Nordic region's leading hotel company with 155 hotels in 10 countries. Scandic Hotels' strategy is to be a dedicated hotel operator. Its business concept is "to offer as many people as possible the best value for money hotel accommodation possible, whether they are travelling on business or for pleasure"



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