



The largest Nordic hotel company

## PRESS RELEASE

January 16, 2018

# Scandic predicts lower earnings for the fourth quarter

## - Deviation attributable to decreased earnings in the company's Swedish operations and non-recurring costs for central functions.

Scandic Hotels estimates that adjusted EBITDA for the fourth quarter 2017 will be around 330 MSEK. For the fourth quarter of 2016 adjusted EBITDA amounted to 392 MSEK adjusted for a one-off gain of 65 MSEK. The deviation is explained by lower earnings in the Swedish operations and one-time costs for central functions. Earnings development in Norway and Other Nordics & Europe have remained positive during the quarter.

Scandic estimates that adjusted EBITDA for the Swedish operations will be approximately 200 MSEK for the fourth quarter compared with 264 MSEK in the fourth quarter of the previous year, adjusted for a one-off gain of 65 MSEK. The decline in earnings is primarily attributable to operations in Stockholm where the market was weak in the quarter, and costs were not fully adjusted in line with the weaker LFL sales development.

Adjusted EBITDA for Scandic Hotels' central functions is estimated to amount to approximately -140 MSEK for the fourth quarter compared with -103 MSEK for the corresponding period in 2016. The variance is mainly due to a number of one-time items. The result includes, among other things, costs for Scandic's long-term incentive programs and other non-recurring personnel costs.

Earnings figures are preliminary and have not been reviewed by the company's auditor.

Scandic Hotels will publish its Year-end Report for 2017 on 20 February at 07:30 CET.

### For more information, please contact:

Even Frydenberg, President & CEO

Phone: +46 8 173 50 00

Jan Johansson, Chief Financial Officer

Email: [jan.johansson@scandichotels.com](mailto:jan.johansson@scandichotels.com)

Phone: +46 70 575 89 72

Henrik Vikström, Director Investor Relations

Email: [henrik.vikstrom@scandichotels.com](mailto:henrik.vikstrom@scandichotels.com)

Phone: +46 709 52 80 06

### About Scandic

Scandic is the largest hotel company in the Nordic region with 15,000 team members and a network of close to 230 hotels with about 45,000 hotel rooms in operation and under development. Scandic Friends is the biggest loyalty program in the Nordic hotel sector with 2 million members. Corporate responsibility has always been a part of Scandic's DNA and Scandic has been named Best Hotel Brand in the Nordic countries (BDRC). Since December 2, 2015, Scandic has been listed on Nasdaq Stockholm. [www.scandichotelsgroup.com](http://www.scandichotelsgroup.com)

# Scandic

The largest Nordic hotel company

*This information is information that Scandic Hotels Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.30 CET on 16 January.*

## **About Scandic**

Scandic is the largest hotel company in the Nordic region with 15,000 team members and a network of close to 230 hotels with about 45,000 hotel rooms in operation and under development. Scandic Friends is the biggest loyalty program in the Nordic hotel sector with 2 million members. Corporate responsibility has always been a part of Scandic's DNA and Scandic has been named Best Hotel Brand in the Nordic countries (BDRC). Since December 2, 2015, Scandic has been listed on Nasdaq Stockholm. [www.scandichotelsgroup.com](http://www.scandichotelsgroup.com)