

PRESS RELEASE

July 10, 2018

Scandic signs agreement for new hotel in Helsinki

Scandic has signed a long-term lease agreement with Finnish private equity fund CapMan to take over a 178-room hotel in Helsinki. In conjunction with this, the parties have also agreed to extend leases for an additional four hotels with a total of 979 rooms.

- We are extremely pleased to extend our already strong offering in the Helsinki area through Scandic Pasila, a hotel that will complement and diversify our existing portfolio, says Aki Käyhkö, Managing Director of Scandic Hotels Finland.

The new hotel is located in Helsinki's Pasila area. It has 178 rooms, seven meeting rooms with capacity for a total of almost 300 people, two restaurants and a gym. Scandic will take over the hotel from its current operator in 2020.

Pasila is a digital media hub. It also boasts the largest exhibition center and sports and events arena in Finland. Messukeskus, the large congress and trade fair area, hosts more than 100 events annually and 1.3 million visitors. The Pasila area is set to grow even more in the coming years thanks to a new traffic solution and a new center called Tripla, a three-block complex that will house a shopping center, residential units, offices and a public transport terminal.

The lease extensions comprise four hotels operated by Scandic where existing leases will expire within three years. The prolonged agreements are revenue based with minimum guarantees. Scandic and CapMan Hotels RE KY have also agreed on an extensive renovation program where the parties will invest approximately 20 EUR million each to secure hotel offerings for the future.

- This is a good agreement where we can ensure the long-term operation of these five hotels. Scandic has an excellent track record of running hotels in Finland, and it's the largest hotel chain with the best coverage in the country and the Nordics. We look forward to a profitable partnership with Scandic going forward, says Pirjo Ojanperä, Partner at CapMan Hotels RE KY.

The hotels with prolonged leasing agreements are:

- Scandic Aulanko in Hämeenlinna,
- Scandic Eden in Nokia,
- Scandic Waskia in Vaasa and
- Crowne Plaza Helsinki, (operated under a franchise agreement with InterContinental Hotels Group).

About Scandic Hotels Group

Scandic is the largest hotel company in the Nordic region with 16,000 team members and a network of around 280 hotels in operation and under development in more than 130 destinations. Scandic Friends is the biggest loyalty program in the Nordic hotel sector. Corporate responsibility has always been a part of Scandic's DNA and Scandic has been a pioneer when it comes to integrating sustainability in all of its operations. Scandic Hotels is listed on Nasdaq Stockholm.

www.scandichotels.com



The largest Nordic hotel company

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