

The Board of Directors of Rezidor Hotel Group AB (publ) statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act

The Board of Directors of Rezidor Hotel Group AB (publ) (the “**Company**”) proposes that out of the approximately EUR 274.7 million which is at the disposal of the Annual General Meeting, approximately EUR 5.1 million is distributed as dividends to the Company’s shareholders. The proposal implies a dividend of EUR 0.03 per each share. Provided that the Annual General Meeting decides in accordance with the Board of Directors’ proposal for a dividend, an amount of approximately EUR 269.6 million will be carried forward. The proposed record date is 28 April 2015. If the Annual General Meeting decides in accordance with the proposal by the Board of Directors, the dividend is expected to be paid through Euroclear Sweden AB on 6 May 2015.

Reasoned statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act

In the light of the abovementioned dividend proposal, the Board of Directors hereby submits the following statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act, as to whether the proposed dividend is justifiable in view of what is stated in Chapter 17, Section 3 second and third paragraphs of the Swedish Companies Act.

The Company’s and the Group’s financial position

The Company’s and the Group’s financial position as of 31 December 2014 is described in the annual report of the financial year 2014.

Unrestricted equity in the Company and total equity in the Group amounted to EUR 274.7 million and EUR 219.4 million, respectively, as of 31 December 2014.

As of 31 December 2014, the Company’s and the Group’s equity ratio amounted to 99.1 per cent and 51.3 per cent, respectively. After deduction of the proposed dividend, the Company’s and the Group’s equity ratio will amount to 99.0 per cent and 50.7 per cent, respectively. The total dividend corresponds to 35.9 per cent of the Group’s net profit for the year.

The nature, scope and risks of business

The activities of the Company and the Group do not entail risks beyond those that occur or can be assumed to occur in the industry or the risks associated with operating a business. The Board of Directors have considered the Company’s and the Group’s consolidation needs through a comprehensive valuation of the Company’s and the Group’s financial position and the Company’s and the Group’s possibilities to fulfil their long term commitments. The Company’s and the Group’s financial position do not give rise to any other conclusion than that the Company’s and the Group can continue its operations and meet its obligations in both a short and long term perspective and make the necessary investments. The Board of Directors believes that the size of the equity, taking the proposed dividend in account, is in reasonable proportion to the scale of the Company’s and the Group’s operations as well as the nature, scope and risks associated with the operations.

With reference to the aforementioned and what has come to the Board of Directors’ attention, it is the Board of Directors view that the proposed dividend is justifiable in view of what is stated in Chapter 17, Section 3 second and third paragraph of the Swedish Companies Act, which states that the dividend must be justified considering the equity requirements of the Company and the Group which are imposed by the nature, scope and risks of its operations as well as

the Company's and the Group's need to strengthen the balance sheet, liquidity and financial position in general.

Stockholm in March 2015
REZIDOR HOTEL GROUP AB (PUBL)
The Board of Directors