

PRESS RELEASE

Oslo, November 27, 2007

Scandic to open at Forus in Stavanger

Scandic has signed an agreement with Johs Lunde Eiendom for the construction of a 200-room hotel at Forus, outside Stavanger. Construction of the hotel is expected to commence during the first quarter of 2008, with completion in autumn 2009.

Construction of the new Scandic at Forus in Stavanger is the first step in Scandic's new, aggressive growth strategy in Norway. Earlier this year, the chain announced new projects in Sweden, Denmark and Berlin.

The new hotel will have 200 rooms, a restaurant and bar, as well as conference facilities for up to 500 persons. The hotel will have a unique location at the heart of the Forus business district, in close proximity to transportation, exciting shopping, restaurants and cafés.

Forus is a district of the city of Stavanger, about 9 km outside the center. It takes only ten minutes from Stavanger Airport and ten minutes from the city center to the new Scandic Hotel.

Stavanger is known as Norway's oil capital and has 120,000 inhabitants. Forus primarily comprises a large business area, where all of the largest oil companies - Exxon Mobil, Statoil, BP and ABB – have their operations and more than 20,000 people work on a daily basis.

"For a long time, we have discerned a need for a hotel for conferences and courses here in Forus, and now, in cooperation with Scandic, we will be first with such an offering," says Rune Nysted of Johs Lunde Eiendom AS. "We are extremely satisfied with our cooperation with Scandic, which is a professional and skilled hotel chain, with a distinct environmental profile."

"We are very pleased to return to Stavanger after an absence of three years," says Frank Fiskers, President & CEO of Scandic. "The city is a key hotel destination in Norway and a presence in Stavanger is important in enabling Scandic to efficiently serve our major Norwegian and international customers. A fantastic new hotel such as this one is a significant component in our new growth strategy."

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Scandic is the leading hotel chain in the Nordics and with more than 137 hotels in operation and under development, consequently one of the largest hotel operators in Europe. With a keen focus on growth, we are actively pursuing opportunities to expand our network. A stay at Scandic is a step towards a more sustainable future for our society and our environment.

Nordic common sense www.scandic-hotels.com

The Scandic logo is displayed in a bold, dark red, sans-serif font.