

Stockholm, 05/05/2015

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## **Pandox and Elite renew the leases on two hotels**

**Pandox and Elite Hotels have renewed and extended the leases on the Park Avenue Hotel in Gothenburg and Stora Hotellet in Jönköping. The agreements, both of which have a duration of 15 years, include a development and upgrade program for the two hotels of an estimated SEK 90 million in total, where Pandox's share is slightly more than half.**

"The two hotels have good locations in good markets, resulting in high interest from both guests and potential operators who wish to run the hotels," notes Erik Hvesser, Vice President and Area Manager Sweden & Finland at Pandox. "Elite Hotels has successfully operated the two hotels over the last decade and we are delighted to announce the extension of our strategic cooperation".

Elite Park Avenue is a classic and well-established hotel in the best location on Kungsporsavenyn in Gothenburg. The extension, which is expected to be completed by 2017, will add 16 rooms to the existing 317 rooms, and will also increase the conference and restaurant facilities by over 1,000 square meters.

Elite Stora Hotellet is Jönköping's leading business hotel. The renovation, which is expected to be completed in 2017, will include 35 additional rooms resulting in a total of 170 rooms. In addition, the hotel will undergo an internal and external facelift.

"The Pandox business model, built on owning well-known hotels leased by the best operators, continues to add value and generate good cash flow," notes Pandox President and CEO Anders Nissen.

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*Pandox is a leading owner of hotel properties in Northern Europe with a focus on sizeable hotels in key leisure and corporate destinations. Pandox's hotel property portfolio comprises 104 hotels with approximately 22,000 hotel rooms across eight countries. Pandox's business is organised into Investment properties, which comprises 89 hotel properties leased on a long-term basis to market leading regional hotel operators and leading international hotel operators, and Operating properties, which comprises hotel operations executed by Pandox in its 15 owner-occupied hotel properties. Pandox was founded in 1995 and is owned by Eiendomsspar AS, CGS Holding AS and Helene Sundt AS.*