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Dalata Hotel Group plc

(Dalata or the Company)

Posting of Open Offer Circular

10 September 2015

Dalata confirms that it has today, posted the Open Offer Circular to shareholders (the **Circular**). The Circular contains a notice of an extraordinary general meeting to be held at the Clayton Hotel, Ballsbridge, Merrion Road, Ballsbridge, Dublin 4, Ireland at 11.00 a.m. on 5 October 2015. The Firm Placing and the Placing and Open Offer are conditional, inter alia, upon the approval of the shareholder resolutions set out in the Circular.

Application Forms for Qualifying Non-CREST Shareholders accompany the Circular and Open Offer Entitlements are being credited to stock accounts of Qualifying CREST Shareholders by 8.00 a.m. on 11 September 2015.

In accordance with the timetable of the Open Offer announced on 9 September 2015, the latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate) is expected to be 11 a.m. on 28 September 2015.

Full details of the Open Offer, its terms and the procedures for participating in the Open Offer, are contained in the Prospectus which has been published and is available on Dalata's website www.dalatahotelgroup.com/investors/share-offering/ and, on request, in printed form at the Company's registered office, 4th Floor, Burton Court, Burton Hall Drive, Sandyford, Dublin 18, Ireland and at the offices of the Company's Registrar, Computershare Investor Services (Ireland) Limited, being Heron House, Corrig Road, Sandyford, Dublin 18.

The Circular is also available on the Company's website.

Capitalised terms used in this announcement and not otherwise defined shall have the meaning given to them in the Circular.

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The distribution or publication of this announcement, any related documents, and the offer, sale and/or issue of the Shares in certain jurisdictions may be restricted by law. No action has been taken to permit possession or distribution or publication of this announcement, other than in Ireland and the United Kingdom. Persons into whose possession this announcement (or any other offer or publicity material relating to the Shares) comes are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

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The New Ordinary Shares and Open Offer Entitlements have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan, New Zealand, Switzerland or South Africa.

Any subscription for New Ordinary Shares in the proposed Issue should be made solely on the basis of the information contained in the Prospectus to be issued by the Company in connection with Admission. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information contained in this announcement is given at the date of its publication (unless otherwise marked) and is subject to updating,

revision and amendment when the Prospectus is published. In particular, the proposals referred to herein are tentative and are subject to verification, material updating, revision and amendment.

Certain statements contained in this announcement constitute "forward-looking statements" regarding the belief or current expectation of the Company and the Directors about the Company's financial condition, results of operations and business. Generally, but not always, words such as "may", "could", "should", "will", "expect", "intend", "estimate", "anticipate", "assume", "believe", "plan", "seek", "continue", "target", "goal", "would" or their negative variations or similar expressions identify forward-looking statements. Such forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, which may cause the actual results, performance, achievements or developments of the Company or the industries in which it operates to differ materially from any future results, performance, achievement or developments expressed or implied from these forward-looking statements. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. A number of material factors could cause actual results to differ materially from those contemplated by the forward-looking statements. None of the Company or Davy undertakes any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, unanticipated events, new information or otherwise occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

The New Ordinary Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Shares, for whom an investment in the New Ordinary Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme. There is no guarantee that the Issue will proceed and that Admission will occur and you should not base your financial decisions on the Company's intention in relation to the Admission and Issue at this stage. Acquiring Shares to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. When considering what further action you should take you are recommended to immediately consult, if you are resident in Ireland, an organisation or firm authorised or exempted pursuant to the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) or the Investment Intermediaries Act 1995 (as amended) and, if you are resident in the United Kingdom, a person authorised under the Financial Services and Markets Act 2000, as amended by the United Kingdom, or another appropriately authorised professional adviser if you are in a territory outside Ireland or the United Kingdom. This announcement does not constitute a recommendation concerning the Issue. The price and value of the Shares may decrease as well as increase. Information in this announcement, past performance and any documents relating to the Issue or Admission cannot be relied upon as a guide to future performance.

J&E Davy, which is authorised and regulated in Ireland by the Central Bank of Ireland, is acting exclusively for the Company and no one else in connection with Admission and the Capital Raise and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission, the Capital Raise or any matter referred to herein.

In connection with the Issue and Admission, J&E Davy or any of its affiliates, acting as investors for its own account, in accordance with applicable legal and regulatory provisions, and subject to the provisions of the Placing and Open Offer Agreement, may retain, purchase, sell, offer to sell or otherwise deal for its own account(s) in relation to the Shares and/or related instruments in connection with the Capital Raise otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, or any of its affiliates acting as investors for their own accounts. Except as required by applicable law or regulation, J&E Davy does not propose to make any public disclosure in relation to such transactions.

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