

Acquisition of the Operating & Leasehold Interest in the Double Tree by Hilton Hotel in Dublin City Centre

DHG

Dublin, 30 September 2016 | Dalata Hotel Group plc (“Dalata” or the “Group”), Ireland’s largest hotel operator, announces it has conditionally agreed to acquire the operating interest of the Double Tree by Hilton Hotel (“The Hotel”), formerly known as “The Burlington Hotel” in Dublin 4 (“The Acquisition”). Deka Immobilien (“Deka”) has conditionally agreed to purchase the freehold interest of the property from Sussex Road Nominee Limited (as legal owner) and BNY Mellon Trust Company (Ireland) Limited (as trustee for and on behalf of the beneficial owner, BRE Ireland Property Fund).

On completion of the Acquisition, Dalata will commence operations in the hotel through a 25 year Operating Lease agreed with Deka as the new owners of the property; the lease will be subject to certain conditions, including periodic rent reviews. The acquisition is expected to complete in November.

The Acquisition is subject, inter alia, to approval of the (i) Competition and Consumer Protection Commission (CCPC); and (ii) Deka completing the purchase of the freehold interest in the Hotel.

The Hotel is a four star city centre property located on the corner of Sussex Road and Burlington Road, Dublin 4. It contains 502 bedrooms, two bars, a restaurant and lounge; a 24-hour gym and extensive conference and meeting facilities. The transaction consideration for Dalata is €2.5 million subject to certain adjustments. In 2015 the Hotel recorded revenues of €29.5 million and full year profit before tax of €2.2 million; if it had traded under the terms of the Operating Lease the hotel would have contributed €4.3 million to Dalata Group EBITDA in 2015. On completion, the Hotel will be rebranded as a Clayton hotel.

Shane Casserly, Head of Development and Strategy, of Dalata Hotel Group, said: *“We are delighted to announce the acquisition of the operating and leasehold interest in this iconic Dublin City Centre hotel. The hotel will be an excellent addition to our portfolio and the Clayton brand. We will continue to invest in the property to ensure that it retains its position as the leading venue for large conferences and functions in the city. We are delighted to be collaborating with such a respected partner as Deka for this investment.”*

ENDS

This announcement contains inside information regarding Dalata Hotel Group plc pursuant to the Market Abuse Regulations.

Contacts

Dalata Hotel Group PLC

Dermot Crowley, Deputy CEO Business

Development and Finance

T: +353 1 206 9400

E: dcrowley@dalatahotelgroup.com

Investor Relations & Public Relations

FTI Consulting

Melanie Farrell/ Jonathan Neilan

T: +353 1 66 33 683

E: melanie.farrell@fticonsulting.com

E: jonathan.neilan@fticonsulting.com

Company Broker

Davy

Anthony Farrell

T: +353 679 7788

E: anthony.farrell@davy.ie

About Dalata

Dalata Hotel Group plc is Ireland's largest hotel operator, with a current portfolio of 40 three and four star hotels (owned, leased and managed). Dalata successfully operates the Maldron Hotel brand and Clayton Hotel brand throughout Ireland and the UK, as well as managing a portfolio of Partner Hotels.

For the full year 2015, Dalata reported revenue of €225.7 million. In June 2016, the Group moved its stock market listing to the main markets of the Irish and London stock exchanges from ESM/AIM.

For further information visit: dalatahotelgroup.com