

Dalata Hotel Group Announces New Clayton Hotel in Aldgate London Expected opening date Q4 2018

ISE: DHG LSE: DAL

Dublin, 29 August 2018 | Dalata Hotel Group plc (“Dalata” or “the Company”) is pleased to announce that it has exchanged contracts to acquire the long leasehold interest of a hotel under development, located at Aldgate, London for a total consideration of £91 million (€100 million) (“the Transaction”). As part of the Transaction Dalata will acquire the entire issued share capital of Hintergard Limited from Aldgate Hotel Holdco LLC, an investment vehicle of an international private equity real estate investor.

Hintergard Limited owns the 300 year leasehold interest of a hotel under development, located at Aldgate, London. The Transaction is conditional on the completion of the hotel to an agreed specification. The construction of the hotel, which will be branded Clayton Hotel Aldgate London, is expected to be completed and operational towards the end of this year.

The hotel will have 212 rooms, with a restaurant, bar and access to a fitness centre. It will be located adjacent to Aldgate East Underground Station and in close proximity to the new Liverpool Street and Whitechapel Crossrail stations, both of which are scheduled to open in December 2018.

The Transaction will be funded by an additional debt facility which has been secured from the Company’s existing banking partners.

Dermot Crowley, Deputy CEO – Business Development & Finance, said:

“We are delighted to secure this new hotel in Aldgate, London. We already successfully operate two Clayton hotels in the Greater London area at Chiswick and Cricklewood. This new hotel gives us a presence in a key central location within the city and is ideally located for corporate customers who want to be close to the City of London and leisure guests visiting the many attractions that the city has to offer. Access to the Aldgate area will be further enhanced with the opening of two new Crossrail stations at Liverpool Street and Whitechapel in December 2018.

Although RevPARs have fallen slightly in London over the last 12 months, London remains a key gateway city in Europe that will continue to benefit from the growth in international travel. Our gearing levels will increase in the short term as a result of this transaction but will still remain below our guided upper level of 3.5 times Net Debt to EBITDA. The hotel is projected to be earnings per share enhancing from its first year of operation.

The announcement today represents another very important milestone in the growth of Dalata in the UK. We now have a pipeline of almost 2,000 rooms across key UK cities such as London, Birmingham, Glasgow, Manchester and Bristol”.

This announcement contains inside information within the meaning of the EU Market Abuse Regulation 596/2014.

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About Dalata

Dalata Hotel Group plc is Ireland's largest hotel operator with a growing presence in the United Kingdom. The Group's current portfolio consists of 39 hotels with over 8,200 rooms. Dalata successfully operates Ireland's two largest hotel brands, Clayton Hotels and Maldron Hotels across Ireland and the UK, as well as managing a small portfolio of partner properties. 28 of the hotels are owned by Dalata, nine hotels are operated under lease agreements and two are operated under management agreements. For the full year 2017, Dalata reported revenue of €348.5 million and a profit after tax of €68.3 million. Dalata is listed on the Main Market of the Euronext Dublin (DHG) and the London Stock Exchange (DAL).

For further information visit: www.dalatahotelgroup.com

Contacts

Dalata Hotel Group plc

Pat McCann, CEO

Dermot Crowley, Deputy CEO, Business Development & Finance

Sean McKeon, Company Secretary and Head of Risk and Compliance

Tel +353 1 206 9400

investorrelations@dalatahotelgroup.com

Joint Company Brokers

Davy: Anthony Farrell

Berenberg: Ben Wright

Tel +353 1 679 6363

T: +44 20 3753 3069

Investor Relations and PR | FTI Consulting

Melanie Farrell

Tel +353 1 66 33 686

dalata@fticonsulting.com