Dalata Hotel Group plc
("Dalata" or the "Company" or the "Group")

YEAR-END TRADING UPDATE

Dublin, 21 December 2016 |Trading in the final four months of the year has been marginally ahead of our expectations. Recent STR results to the end of November 2016 show that RevPAR in our largest region, the Dublin market, increased by 16.6% for the 11 months to the end of November versus 2015. As we had anticipated, the growth in the Dublin market was lower in the second half of the year but is still very healthy. RevPAR in our own Dublin hotels was up 20.8% for the same 11 month period. To date, we have seen no impact of Brexit on any of our hotels in Ireland or the UK.

The final four months of the year have seen progress on a number of fronts. The Clayton hotel brand has increased in size in Ireland from 1,588 rooms to 2,904 rooms with the rebranding to Clayton of the three former Clarion hotels and the former Doubletree by Hilton hotel in November and December 2016. There are now 17 Clayton hotels in Ireland and the UK with 4,369 rooms. Clayton is Ireland's largest hotel brand.

The Clayton Hotel Burlington Road has been smoothly transitioned into the Group and we expect trade in 2017 to be in line with the expectations we held when we acquired the operating interest last month.

We continue to make strong progress on our development pipeline on the island of Ireland, which will add over 950 rooms to our owned and leased portfolio:

- Construction is well underway on the Maldron Hotel in Belfast and is due for completion in the second quarter of 2018.
- Construction is also underway on the Clayton Hotel Charlemont with completion due in the middle of 2018.
- Construction will commence in January 2017 on the Maldron Hotel Kevin Street with the hotel due to open in the second quarter of 2018.
- Full planning permission has been received for the 140 room extension at the Clayton Hotel Dublin Airport. Construction is due to commence in the second quarter of next year with completion in the third quarter of 2018.
- We are currently completing a planning application for the new Maldron Hotel South Mall in Cork, which we expect to open in the third quarter of 2018.
- We are in various stages of the planning process for the extensions at Maldron Hotel Sandy Road, Maldron Hotel Parnell Square and the Clayton Hotel Ballsbridge. Each project is making good progress with the additional rooms due to be completed in the timeframes previously indicated.

In November, we announced the first hotel as part of our planned roll-out of new hotels in the UK. Construction is underway at the new 226 room Maldron Hotel Newcastle, which is due to open in the summer of 2018. We continue to actively look for further opportunities to open new hotels in the UK under the capital light leasing model. By Q3 2018, there will be over 4,700 Clayton rooms and over 2,700 Maldron rooms across Ireland and the UK.

EBITDA for the year ending 31 December 2016 will be at the upper end of analysts' expectations.

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About Dalata

Dalata Hotel Group plc is Ireland's largest hotel operator, with a current portfolio of 41 hotels with over 8,000 rooms. Dalata successfully operate Ireland's two largest hotel brands, Clayton Hotels and Maldron Hotels across Ireland and the UK, as well as managing a portfolio of partner properties. 24 of the hotels are owned by Dalata, 10 hotels are operated under lease agreements and 7 are operated under management agreements.

For the full year 2015 Dalata reported revenue of €225.7 million. Dalata is listed on the Main Market of the Irish Stock Exchange (DHG) and the London Stock Exchange (DAL).

For further information visit: www.dalatahotelgroup.com