

## **Dalata Agrees Sale and Leaseback of Hotel La Tour (Birmingham) with Deka Immobilien for £30 million**

### **Dalata Agrees Third Deal with Deka**

**ISE: DHG**

**LSE: DAL**

**Dublin, 11 August 2017** | Dalata Hotel Group plc (“Dalata” or “the Company”) is pleased to announce that it has agreed and completed contracts with Deka Immobilien on behalf of Deka Immobilien Investment GmbH (“Deka”), a global real estate investment company, for the sale and leaseback of the Hotel La Tour (“The Hotel”) in Birmingham for £30 million (c €33.2 million).

On July 21<sup>st</sup> 2017, Dalata announced it had acquired the entire issued share capital of Hotel La Tour (Birmingham) Limited (“HLTB”) for £31.0m (€34.9 million). Dalata will now operate the hotel on a new FRI (fully repairing and insuring) lease for a 35 year term. The agreed initial Rent for the property is £1.6 million per annum and will be subject to five yearly rent reviews, index-linked to the Retail Price Index.

Hotel La Tour is a four star hotel, superbly located within walking distance of Birmingham New Street Station in the centre of the city. Newly built in 2012, the hotel has 174 bedrooms, a restaurant and bar, as well as extensive conference and meeting facilities. The hotel will be rebranded as a Clayton hotel in the final quarter of this year. EBITDAR attributable to the hotel was circa £1.9 million (€2.14 million) for the year ended 31<sup>st</sup> March, 2017.

The proceeds of the sale will be used to reduce net debt arising from the recent acquisition of Hotel La Tour (Birmingham) Limited.

Shane Casserly, Head of Strategy & Development, said: *“We are delighted to announce the sale and leaseback of Hotel La Tour in Birmingham, continuing our successful relationship with Deka. The hotel, opened in 2012, is a very well invested property in the heart of Birmingham and we are confident that the hotel will deliver significant earnings growth and trade well within our standard rent cover criteria. The transaction, another milestone in the growth of our UK portfolio, is consistent with our stated strategy of growing in the UK primarily through Operating Leases”.*

**ENDS**

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## About Dalata

Dalata Hotel Group plc is Ireland's largest hotel operator, with a current portfolio of 38 three and four star hotels with over 7,700 rooms. Dalata successfully operate Ireland's two largest hotel brands, the Clayton and the Maldron Hotels across Ireland and the UK, as well as managing a portfolio of partner hotels. 21 of the hotels are owned by Dalata, 13 hotels are operated under lease agreements and 4 are operated under management agreements.

For the full year 2016 Dalata reported revenue of €290.5 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](http://www.dalatahotelgroup.com)