

Item 18 - The Board of Directors' proposal for the acquisition and transfer of the Company's own shares

The Board of Directors proposes that the annual general meeting of shareholders authorize the Board of Directors, in its own discretion, to resolve on the acquisition and transfer of the Company's own shares at one or several occasions, until the 2010 annual general meeting of shareholders. The following conditions shall apply.

1. Shares may be acquired on the NASDAQ OMX Stockholm at a price within the registered price interval from time to time. Shares may also be acquired in accordance with an offer to purchase which is directed to all shareholders against payment in cash, at a price corresponding to at least the price paid at the stock exchange at the time of the offer, with a maximum upward deviation of 20 percent.
2. Shares may be acquired to the extent that the Company's holding of its own shares following the acquisition at the most reaches one-tenth of all shares in the Company.
3. Shares may be sold on the NASDAQ OMX Stockholm for a price within the registered price interval from time to time.
4. Shares may also be transferred by other means than over the NASDAQ OMX Stockholm, with or without deviation from the shareholders' pre-emptive rights, and with or without provisions regarding payment in kind or set off rights. Such transfer may be made against payment in money or against payment in value of received property, which, at the time of the transfer, corresponds to the stock exchange price of the shares in Rezidor Hotel Group AB that are sold, with the deviation that the Board of Directors deems appropriate.
5. Shares may be transferred to the extent that the Company from time to time holds its own shares.

The purpose of the proposal is to give the Board of Directors an increased capacity to act in respect of organizing the capital structure of the Company, e.g., by reduction of the share capital through cancellation of shares held (which however requires a future resolution by a general meeting of shareholders). The reason for the option to deviate from the shareholders' pre-emptive rights in respect of the transfers of the Company's own shares, is that transfers of shares over the NASDAQ OMX Stockholm or otherwise without pre-emptive rights for the shareholders is more expedient, flexible and cost efficient, than a transfer to all shareholders. If the Company's own shares are transferred against compensation in a form other than cash in connection with an agreement regarding acquisition of property, the Company cannot offer the shareholders the possibility to use any preferential rights.

The resolution by the annual general meeting of shareholders in accordance with the Board of Directors' proposal under item 18 is valid only if supported by shareholders holding not less than two-thirds of the votes cast and the shares represented at the annual general meeting of shareholders.

Stockholm in March 2009

Rezidor Hotel Group AB (publ)

Board of Directors

Statement of the Board of Directors According to Ch. 19 § 22 of the Swedish Companies Act by Reason of the Proposal under Item 18 of the Proposed Agenda at the Annual General Meeting on Thursday 23 April 2009

The Board of Directors makes the following statement under Ch. 19 § 22 of the Swedish Companies Act by reason of the proposal under item 18 of the proposed agenda at the annual general meeting on Thursday 23 April 2009.

Nature and extent of the operations

The nature and extent of the operations are set forth in the articles of association and the annual accounts for 2008. The operations conducted by Rezidor Hotel Group AB and the group do not entail risks except as customary in operations of the same nature.

The financial position of the Company and the group

The financial position of the Company and the group as per 31 December 2008 is set forth in the annual accounts. As set forth in the dividend proposal, the Board of Directors proposes that no dividend be paid for the year 2008 and that the distributable funds are brought forward. The proposal under item 18 will result in the Company's holding of its own shares not exceeding ten percent of the total number of shares in Rezidor Hotel Group AB. The number of own shares acquired under item 17 (Performance Share Programme 2009) shall be included for the purpose of the calculation of the aforementioned ten percent. The assessment of the Board of Directors is that the amount of the equity, as accounted for in the latest annual accounts, is in reasonable proportion to the extent of the Company's and the group's operations and the risks associated therewith, taking into consideration the acquisition of the Company's own shares.

Justification of the proposal

With reference to the above and to other matters known to the Board of Directors, it is the assessment of the Board of Directors that an overall view of the Company's and the group's financial position results in the acquisition of the Company's own shares being justifiable with reference to the requirements that the nature, scope and risks of the operations place on the amount of the Company's and the group's equity and the Company's consolidation requirements, liquidity and position.

Group equity includes a fair value adjustment of other shares and participations amounting to Euro 3 million, equivalent to 1.6 percent of group equity. The adjustment is in accordance with Ch. 4 § 14a of the Swedish Annual Accounts Act and was recorded in net income as of December 31, 2005.

Stockholm in March 2009

Rezidor Hotel Group AB (publ)
Board of Directors