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Rezidor SAS Signs Financial Joint Venture with Nordic Government Funds for Faster Growth in Africa

Rezidor SAS Hospitality has signed a 35 million EUR financial Joint Venture Agreement with four Nordic Government Funds (IFU of Denmark, Finnfund of Finland, Norfund of Norway and Swedfund of Sweden) to expand its presence in Africa.

Through individual projects and portfolio deals, Rezidor SAS has ambitious expansion plans for Africa, primarily under its Radisson SAS and Park Inn brands. The company expects to have 20 hotels in operation in the foreseeable future, and is targeting over 50 hotels in the next five years. The Joint Venture will accelerate growth in Africa by providing development financing to hotel projects, which in turn would help promote local infrastructure for both business and tourism.

Currently Rezidor SAS operates two properties in Cape Town, the Radisson Waterfront Hotel and the Park Inn Greenmarket Square, with the Radisson SAS Lagos and the Radisson SAS Resort Djerba due to open in early 2006. The group is currently also pursuing several projects in countries including South Africa, Botswana, Zimbabwe, Zambia, Malawi, Kenya, Nigeria, Ghana, Senegal, D.R. of Congo, and Morocco.

Kurt Ritter, President & CEO of Rezidor SAS comments: *"Having established a relationship with the IFU, Swedfund and Finnfund under our Joint Venture in Russia, the extended partnership for Africa along with the additional support of Norfund shows great confidence in Rezidor SAS."*

Sven Riskær, Managing Director of IFU comments: *"Enhanced growth and development in Africa is a top priority for IFU and the other Nordic DFIs, and in this context the creation of a strong infrastructure including well-functioning hotels is of paramount importance. IFU hence welcomes SAS Rezidor's strategic decision to become a competent and committed hotel operator in African countries. It is a pleasure that the solid platform for cooperation already created in our Russian Joint Venture can be used to develop a new and similar strong partnership for developmental investments in Africa."*

Jaakko Kangasniemi, Managing Director, CEO of Finnfund comments: *"The good experience we have from our collaboration with Rezidor SAS in Estonia and Russia gives us confidence in this*



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venture. Africa's emerging economies both depend on and create opportunities for investments like this one."

Per Emil Lindøe, Managing Director of Norfund comments: "This joint venture is in line with our objective to create viable and profitable private enterprises in developing countries with focus on the least developed and low-income countries. That a prominent company like Rezidor SAS acknowledges Africa as an up and coming market for business hotels is significant in that regard."

Olle Arefalk, Managing Director of Swedfund comments: "We have very good experience from previous partnerships with the SAS group including Rezidor SAS. This latest partnership with its financial facility is indeed encouraging taking particularly the pan-african approach into account. Similar concepts are becoming more and more common also in other business sectors, says Olle Arefalk, Swedfund's Managing Director."

Ritter continues: "Africa is fast becoming recognised as a key area of growth within the leisure and business travel sectors. I believe that the strategic positioning of our properties in these key areas of the Continent will enhance the reputation of Rezidor SAS not only as one of the fastest growing hospitality groups in the world but also as the leading hotel chain in pre-empting and responding to the needs of today's traveller."

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