



PRESS RELEASE

The biggest Romanian hotel chain

GED PURCHASES 30% OF THE EQUITY OF CONTINENTAL HOTELS

- *The biggest investment of GED's portfolio in Eastern Europe*
- *GED already held 20% equity interest in the hotel chain until 2006*
- *GED, with this new operation, reaffirms its confidence in the tourism sector in Romania, after taking equity participation in Happy Tour, Travel House, Paravion and Prestige Tour*

Madrid, September 5, 2011. GED has purchased from the private equity fund PPF Partners its equity interest in the share capital of the holding of the Romanian hotel chain Continental Hotels. The main shareholder of Continental Hotels is the Enache Family. Since its inception in 1996, such transaction represents the biggest investment of GED in Eastern Europe.

Continental Hotels is the biggest hotel chain in Romania, with a total number of 14 establishments, among which there is a 5-star hotel, three 4-star hotels and four Ibis hotels managed by Accor. In 2011 the Company estimates to reach sales of EUR 21.1 million and EBITDA of EUR 5.3 million. Moreover, in 2008, Continental launched an essentially new concept for the Romanian market - Hello Hotel - a two-star city hotel. In total the hotel chain has 1.858 rooms distributed in some of the main towns of the country, Bucharest, Constantza, Oradea, Arad, Sibiu and Targu Mures. All Continental hotels are city hotels and are focused on business travellers.

GED believes that this purchase is a good opportunity given this moment in the economic cycle. Moreover, the excellent relationship with the current main shareholder of Continental Hotels, based on the previous GED participation in the Group until 2006, will greatly help the creation of value from the enormous potential of the hotel Group.

The good perspectives of Continental Hotels are also due to the important entry barriers existing in this business and particularly in Romania. Additionally, the hotel chain has already performed an important restructuring of the activity in the past financial year 2010, which allowed a major cut-down of its fixed costs.

With this new purchase, GED reaffirms its determined confidence in the tourism business in Romania. Continental Hotels is the fifth company of this sector in which it invests, after the investments made in Happy Tour, the



country's leader travel agency, Travel House, a company specializing in business travels, Paravion, an entity providing online travel services and Prestige Tour, a travel agency.

GED Consultants in this transaction:

Legal DD: Vilau & Mitel

Financial and Tax DD: PricewaterhouseCoopers

About GED:

GED is one of the main Spanish private equity management companies of the 'middle market' segment. The group manages a total volume of funds amounting to EUR 350 million through various vehicles. It is active in South-Eastern Europe and the Iberian Peninsula.

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