

The Hotel Corporation plc

Update re Investment in Puma Hotels

The Hotel Corporation plc (the "Company") is an AIM listed investment company owning 49.9% of Puma Hotels plc ("Puma Hotels"), owner of 20 four-star hotels across the UK. The hotels are leased to various UK subsidiary undertakings (together "the BCE Entities") of Barceló Corporación Empresarial S.A. ("BCE"), a leading Spanish hotel operator with substantial global operations, and carry the Barceló brand.

Further to the announcement dated 16 December 2011, the directors of Puma Hotels have informed the Company that Puma Hotels has signed a further agreement with BCE extending the expiry of the standstill arrangements from 24 February 2012 to 24 March 2012.

This extension to the standstill agreement states that BCE will on or before 25 February 2012, pay or procure payment by the BCE Entities to Puma Hotels of £2.25m plus VAT in part payment of the rents and VAT that would be payable from 25 February 2012 to 24 March 2012. The part payment is in consideration of Puma Hotels agreeing that it will not take any action before 25 March 2012 against the BCE entities in relation to non-payment of the full rents due for the period under any of the Leases.

The standstill agreement is expressly without prejudice to any other rights that Puma Hotels may have against BCE or the BCE Entities, including (without limitation) in relation to the unpaid sums due under the Leases.

A further announcement will be made in due course.

Enquiries

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