

**A CAPITAL TAKES OVER A GROUP OF 10 HOTELS IN GERMANY
TOGETHER WITH LOUVRE HOTELS GROUP, 2ND LARGEST OPERATOR IN EUROPE
AND CREATE A UNIQUE PARTNERSHIP, TO BUILD A LEADING HOTEL GROUP
FOCUSED ON EMERGING MARKETS, IN PARTICULAR CHINA
WITH AN INVESTMENT VOLUME OF UP TO 300 MILLION EURO**

- Important investment in Germany at the heart of Europe's growth engine into 10 hotels strategically situated in Germany's gateway cities (Frankfurt, Köln, Dortmund, Bremen, Mannheim, ...)
- Consortium led by A CAPITAL as majority shareholder
- Louvre Hotels Group to double its portfolio of hotels operated in Germany
- A CAPITAL was at the origin of the landmark Club Med transaction, and was instrumental to make Club Med growing again in emerging markets and attractive again for many investors globally
- With this first investment in Germany, A CAPITAL confirms its leadership on investing in European groups with strong growth potential with emerging markets
- A CAPITAL confirms its angle as a strategic investor, partnering with industrial players to create true value, to the benefit of customers and shareholders
- Common objective : boost profitability through an ambitious renovation programme, leverage Louvre Hotels' capabilities, develop customers from emerging markets in particular from Asia
- Closing expected during the Summer 2014

Berlin, Paris & Beijing, July 4th 2014, A CAPITAL, the leading Euro-Asia private equity fund, has partnered with Louvre Hotels Group, the second largest hotel group in Europe with the objective to build an important group of 50 hotels in Germany within the next 4 to 5 years.

A consortium led by A CAPITAL together with Louvre Hotels Group acquired 10 hotels in Germany, currently owned by the DHM group and operated under the Balladins brand. This portfolio consists of five 3 star and five 4 star hotels totalling 1,246 rooms located in gateway cities of Western Germany (Frankfurt, Köln, Dortmund, Bremen, Mannheim,...). These hotels will be renovated and rebranded under Tulip Inn and Golden Tulip brands with an offensive Capex repositioning plan. They will be operated by Louvre Hotels Group.

This investment represents an important milestone in Louvre Hotels Group's development strategy. In accordance to its "asset bright" strategy, the Group is looking for opportunities in attractive markets such as Germany where the growth is positive and stable and where there is room to create a leadership position.

This investment marks another milestone for A CAPITAL's investment strategy which is to support performing European groups and develop together a strategy to address the Chinese market potential. A CAPITAL, as a European and German leading player, is hereby making a breakthrough in the German private equity market which is traditionally more challenging for international funds.

André Loesekrug-Pietri founder and managing partner of A CAPITAL Group, commented:

"We are very excited by three 3 "firsts" for A CAPITAL : A first majority deal led by our fund. A first deal in Germany. And a first partnership with a leading European industrial player. We are delighted by our partnership with Louvre Hotels Group who has an outstanding track record in renovating and managing hotel assets and look forward building together an important hotel group in Germany. At the same time this transaction demonstrates our unique capacity to implement our sector focused fund strategy and build smart partnerships with leading industrial players. We will also bring our successful track record of forging strategic partnerships in emerging markets and China in particular, to create true value for the invested companies".

Matthieu Evrard, Chief Development Officer of Louvre Hotels Group added:

"This unique partnership will allow us to reach a critical size in Germany a key market for our expansion in Europe, in the mid-term. With this transaction we will double our footprint in the German market and we will create a platform for further investment in the near future. We are very proud to be associated with A CAPITAL, a strong European investment fund with a unique international growth strategy. A CAPITAL will bring its strong understanding of the German market and its support to attract tourists from emerging markets, in particular China, into Germany's major cities."

About A CAPITAL

A CAPITAL is a leading Private Equity fund that invests in European firms to support their growth in emerging markets and particularly in China. With European institutions and family offices as well as the Chinese sovereign wealth fund CIC as cornerstone investors, its track record includes landmark transactions like Club Med or Bang & Olufsen. Main sectors of focus are tourism, food, mobility, digital, environment&energy, healthcare and brands. A CAPITAL is also the publisher of the quarterly DRAGON INDEX™, which has quickly become the reference indicator for Chinese investments globally.

www.acapital.hk

About Louvre hotels Group

Following their respective purchase by Starwood Capital in 2005 and 2009, the alliance between Louvre Hôtels and Golden Tulip became Louvre Hotels Group in April 2011, making it a leader in the global hospitality market with more than 1,100 hotels in 43 countries ranging from 1 to 5 stars.

The Group, established in 1976, now counts 6 brands: Première Classe, Campanile, Kyriad, Tulip Inn, Golden Tulip and Royal Tulip Luxury Hotels.

www.louvrehotels.com

10 new hotels to open:

Tulip Inn Bad Bramstedt, 141 rooms
Tulip Inn Braunschweig, 78 rooms
Golden Tulip Bremen, 144 rooms
Golden Tulip Dortmund Airport, 96 rooms
Tulip Inn Mannheim, 162 rooms
Golden Tulip Neu-Isenberg, 225 rooms
Tulip Inn Offenburg, 79 rooms
Tulip Inn Peine, 98 rooms
Tulip Inn Troisdorf Cologne, 88 rooms
Tulip Inn Sindelfingen, 135 rooms

Contact for further information:

A CAPITAL

André Loesekrug-Pietri

alp_office@acapital.hk

+33 6 85 31 51 59 or +86 139 1006 8870

Louvre Hotels Group

Brunswick

Agnès Catineau, Morgane Le Gall, +33 1 53 96 83 83