

RNS Number : 4181S
Hotel Corp (The) PLC
21 November 2011

**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 "Barceló UK") of Barceló Corporación Empresarial S.A. ("BCE"), a leading Spanish hotel operator with substantial global operations, and carry the Barceló brand.

The directors of Puma Hotels have informed the Company that Puma Hotels has received a letter from lawyers acting for BCE proposing revised rental and other terms for the hotels. The letter states that unless a revision to the leases is agreed between the parties, BCE is intending to withdraw financial support from its UK hotels business, Barceló UK.

The directors of Puma Hotels have indicated that they intend to enforce all Puma Hotel's rights under the leases, including the guarantees provided by BCE (elements of which are disputed) of certain obligations of Barceló UK under the leases, to the fullest extent possible.

A further announcement will be made in due course.

Enquiries

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