

30 September 2011

## **Jupiter Hotels Limited Acquires Portfolio of 24 Hotels from the administrators of Jarvis Hotels Limited**

- 1,900 jobs safeguarded
- joint venture between Patron Capital and West Register

Jupiter Hotels Limited today announced that it has acquired a portfolio of 24 hotels from the administrators of Jarvis Hotels Limited. The 24 hotels (2,665 keys) comprise 21 freeholds and 3 leaseholds.

Jupiter Hotels is a new entity created for this transaction and is a 50:50 joint venture between Patron Capital, the pan European institutional investor focused on property backed investments, and West Register, part of the Global Restructuring Group of the Royal Bank of Scotland plc.

Andrew Gill, formerly of Intercontinental Hotels Group, will become interim CEO of Jupiter Hotels. With the exception of Jarvis's board of directors, all of the existing employees of Jarvis's head office and the 24 hotels will transfer to Jupiter. The hotels will be rebranded Mercure, under a franchise agreement with Accor, the world's leading hotel operator and the market leader in Europe. This is the biggest franchise deal for Accor this year.

The joint venture investors are injecting £40m, with debt financing of £71m provided by RBS, HSBC and Bank of Ireland, which were the original lenders to Jarvis.

### **Commenting on the acquisition, Stephen Green, Patron Capital's Senior Partner, Special Situations, said:**

*"We are delighted that West Register chose to partner with Patron Capital on this complicated restructuring transaction. The result is to the benefit of a wide range of stakeholders, including 1,900 employees across the UK."*

### **Josh Wyatt, Director, Hospitality & Leisure at Patron Capital, added:**

*"This is a perfect example of the type of transaction we are actively seeking in this sector. Our specialist team has extensive experience in the leisure and hotels sector and we are confident that this experience coupled with significant planned capital expenditure will enable us to create a highly regarded, successful hotel business."*

### **Jean-Jacques Dessors, Chief Operating Officer of Accor UK and Ireland said:**

*"This major franchise agreement is a significant milestone for Accor in the realisation of our ambitious growth targets. This expansion further demonstrates our commitment to building the Mercure hotel brand in the UK, which is such an*

*important market for Accor. We will continue to pursue further franchise growth opportunities this year and beyond.”*

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