

Helsingfors Stadsstyrelsen
Att: Fastighetskontoret
Verkschef Mikael Nordqvist
P.O.B 2200

FI-00099 Helsingfors Stad

Finland

Oslo, 23. November 2007

Reservation application – City site for a major hotel development in Helsinki.

Dear Sirs,

Scandinavian Hospitality Group holds a multiple franchise agreement with Marriott International. The agreement is expected to facilitate the expansion of Marriott Hotels in Finland as well as the rest of the Nordic region.

Background information

Scandinavian Hospitality Group (SHG) have the responsibility to identify suitable hotel sites in Finland on behalf of Marriott International Hotels. In general Helsinki is identified as a high priority area for a major new Marriott Hotel.

We have now identified a very interesting hotel site in Helsinki. SHG will thus be the company that will participate in the planning and development of the hotel, in close cooperation with the land owner, planning authorities and the Marriott International staff.

The architectural design of a hotel, and the nearby area, will be decided in accordance with the wishes of City of Helsinki and the planning authorities. Different solutions can be chosen for the development of a design/the buildings, including an architect competition, a direct enquiry to a preferred design/architect company or an engagement of an individual architect and his/her staff.

The building of the hotel will most probably be executed through a “turn key” contract with a major contractor. The building contract can include both the hotel and the surrounding city development if that is included in the hotel project. Most probably the building process itself will take 2,5 – 3 years, after having received all necessary permits.

The company that will own the hotel can both be SHG, Factor ASA (the company that owns SHG) or a single purpose company (SPA) for this individual hotel with dedicated financial investors. The ownership structure will be decided during the planning process and will also partly be dependant upon the contract between the land owner (the City of Helsinki) and the hotel development project.

The operation of the hotel will be the responsibility of SHG. As a Marriott branded hotel all training of personnel, national and international marketing of the hotel and the operational standards will be developed and

coordinated with Marriott International. In operation the hotel will have a 30 year franchise agreement with Marriott that will guarantee a high and international competitive standard of the hotel.

Site identification in Helsinki

SHG's advisor, ProCorp ASA, has during the last 18 months with interest followed the city development in Helsinki, especially the consequences of the movement of a major part of the Port of Helsinki to Vuosaari. This movement will open a number of new areas in Helsinki for urban development.

Based on ProCorps observations and recommendations the West Port or the Jätkäsaari area in general has been identified as a very interesting future urban area. Given the present process in the City of Helsinki we have been given the advice that the time for a contact with the City now is right.

Within the Jätkäsaari area different alternatives for a location of a Marriott hotel has been evaluated. Based on our present understanding of the area we have a preference for a site close to the existing city, the waterfront and an area that can become the new "gateway" to Jätkäsaari, both when it comes to the physical location and the future architecture.

Site reservation

SHG/Marriott hereby would like to apply to the City of Helsinki for a very specific site reservation for a future major hotel. The present plans facilitates a hotel with 25.000 m² including a major conference facility and a plan for the surroundings that will be attractive for the public.

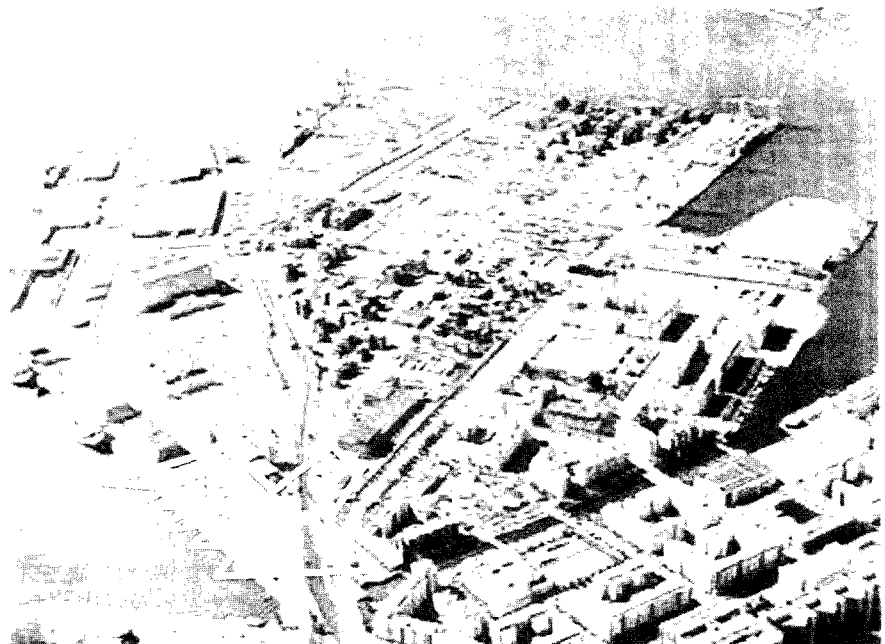
A confirmed site reservation is necessary if SHG/Marriott shall be in position to start the practical planning of the hotel, in cooperation with the City of Helsinki both as land owner and planning authority. A specific site is also necessary to be able to engage architects to come up with one or more alternatives for the buildings and the surroundings.

Below you will find two maps of the inner part of the Jätkäsaari area. On the maps we have indicated which site that we are interested in. The indications on the maps must only be understood as a frame for future discussions with the City of Helsinki. We fully understand and accept that the City might have very specific ideas about the development of this part of Jätkäsaari, which may not necessarily facilitate a future hotel development. We do however believe that the future discussion between the City and SHG/Marriott is easier to facilitate if we are very specific about our thinking and plans.

We believe that the development of the inner part of the harbor will be of specific importance for the attractiveness of this part of the city.

Based on this understanding of the area we have included the waterfront in the project area. In our opinion the waterfront will be the most important public space. It should probably be developed with as little traffic along the shore as possible.

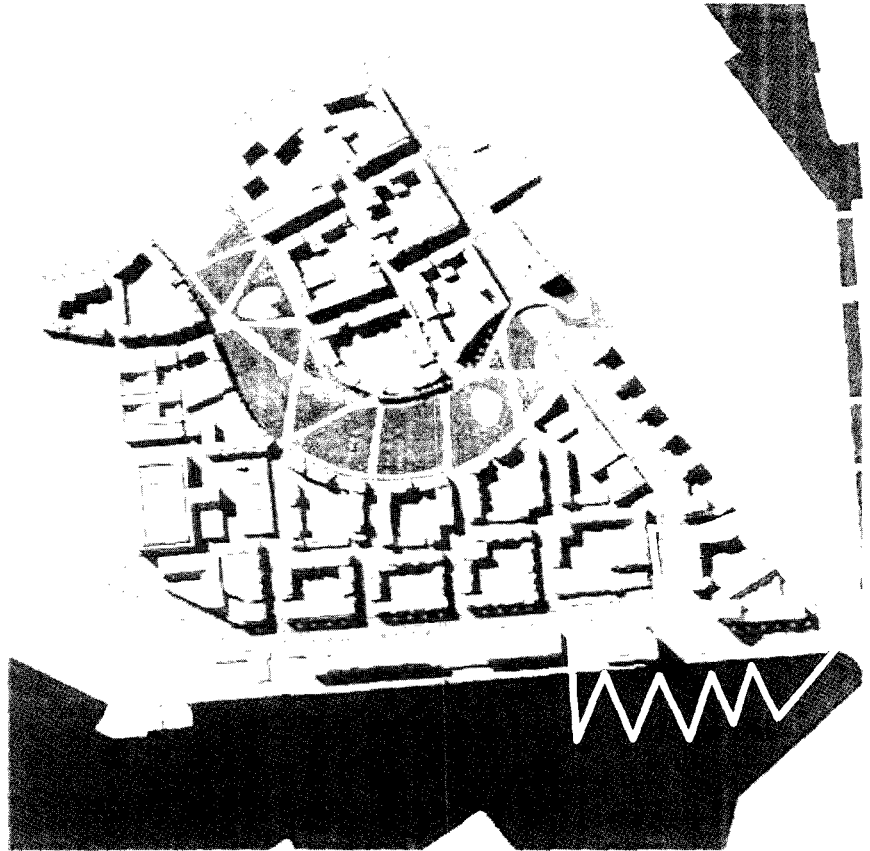
To be able to build a 25.000m² hotel and a conference center in



the entrance to Jätkäsaari the planning of the traffic to and from the hotel will be essential. In addition there will be a need for a large number of parking lots under the hotel.

With this as a background we think it will be interesting for the city planners to include in the planning area a somewhat larger site than probably necessary for the hotel as such.

We will also be very open for a discussion with the City when it comes to the height of the hotel, and a possible "landmark" architecture.



Process going forward

SHG and Marriott has the intention to come to Helsinki, on short a notice, to establish the required contacts with "Fastighetskontoret", the "West Harbour Project" team and the Development Division in the Economic and Planning Center in the City of Helsinki.

We are looking forward to hear from you on the above.

Yours faithfully,

Rune Firing