

Paris, November 18, 2019



B&B Hotels and Covivio sign deal boosting B&B Hotels' growth in Poland

- *A deal that will double B&B Hotels' capacity in Poland*
- *A venture testifying to the dynamic business model of B&B Hotels, which posted 2018 revenues up 18.2% driven by surging European growth*
- *A further transaction that bears out the two companies' solid alliance and Covivio's skill to support and fuel growth of European hotel chains*

No. 1 European independent budget hotel chain B&B Hotels and Covivio Hotels, in which Covivio holds a 43.2% stake, have signed an agreement whereby B&B Hotels will buy three existing hotels for €24m in Lodz, Warsaw and Krakow and develop other hotels. The transaction will double B&B Hotels' capacity in Poland.

This deal will give B&B Hotels a platform to ramp up growth in the country by building new hotels amounting to some 1,500 bedrooms in Poland's biggest cities. The transaction involves B&B Hotels acquiring its new Polish hotels under long-term leases.

Having first teamed up in 2010, B&B Hotels and Covivio now work together on major hotel ventures in France, Spain and Germany, where they own and operate 157 hotels totalling 13,715 bedrooms.

B&B Hotels CEO Fabrice Collet said: *"This latest deal will further bolster our partnership with Covivio while once again testifying to our brand appeal. We have considerable growth potential, particularly in central Europe."*

Covivio Deputy CEO Dominique Ozanne exclaimed: *"With this agreement, we continue our partnership with B&B Hotels who we've helped to grow across Europe ever since 2010. Meanwhile, this deal, initiated with the completed €24m purchase of three hotels in Lodz, Warsaw and Krakow, signal our arrival on the Polish hotel market, which is very buoyant and has excellent growth prospects."*

Poland, the no. 1 European budget hotel chain's latest target market

B&B Hotels currently has 7 hotels in Poland and plans to step up the pace of expansion over the next five years striving to double its bedrooms in the country.



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COVIVIO

COMMUNIQUÉ DE PRESSE

In 2018, the Company ramped up growth across Europe seizing top spot on the German and Italian markets, further expanding in France and Spain, and moving into five new countries - Portugal, Belgium, Switzerland, Austria and Slovenia. This latest transaction gives Covivio a hotel real estate presence in the biggest metropolitan areas of ten European countries. Backed by 400 owned hotels, Covivio's hotel assets are worth €5.7bn.

CONTACTS

Press Relations

Géraldine Lemoine
Tél : + 33 (0)1 58 97 51 00
geraldine.lemoine@covivio.fr

Investor Relations

Paul Arkwright
Tél : + 33 (0)1 58 97 51 85
paul.arkwright@covivio.fr

Laetitia Baudon
Tél : + 33 (0)1 44 50 58 79
laetitia.baudon@shan.fr

ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with 23 Bn€ in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Its living, dynamic approach opens up exciting project and career prospects for its teams.

Covivio's shares are listed in the Euronext Paris A compartment (FR0000064578 - COV) and on the MTA market (Mercato Telematico Azionario) of the Milan stock exchange, are admitted to trading on the SRD, and are included in the composition of the MSCI, SBF 120, Euronext IEIF "SIIC France" and CAC Mid100 indices, in the "EPRA" and "GPR 250" benchmark European real estate indices, EPRA BPRs Gold Awards (financial + Sustainability), CDP (A), Green Star GRESB and in the ESG FTSE4 Good, DJSI World & Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20), Euronext® CDP Environment France EW, Oekom, Ethibel, Sustainalytics and Gaïa ethical indices. Covivio is rated BBB+/Stable outlook by Standard and Poor's.

Notations solicited:

Financial part: BBB+ / Stable outlook by Standard and Poor's
Extra-financial part: A1+ by Vigeo-Eiris

ABOUT B&B HOTELS GROUP

B&B Hotels Group, majority-owned by Goldman Sachs, is the leading and fastest growing independent short-stay hotel chain. As of August 2019, the company operated 503 hotels including 283 in France, 128 in Germany, 38 in Italy, 32 in Spain, 3 in Switzerland, 3 in Brazil, 2 in Portugal, 2 in Belgium, 1 in the Czech Republic, 1 in Slovenia and 3 in Austria. B&B Hotels welcome both business and tourist guests providing them high quality comfort and services at affordable prices. The company reported 2018 revenues of €580 million.