

Horst Schulze and Capella Hotels & Resorts to Lead Rebirth of Germany's Grande Dame Hotel - Breidenbacher Hof

*Legendary Hotel and Mixed-Use Retail and Residential Property
to be rebuilt for 2007 Opening*

DÜSSELDORF, GERMANY (December 22) – It takes a legendary hotelier and a visionary owner to lead the rebirth of a great hotel. For more than 175 years, Breidenbacher Hof, in Düsseldorf, Germany, epitomized the ultimate in European luxury and hospitality. Finally shuttered in 1999 after falling into disrepair, the city of Düsseldorf has eagerly awaited the right plan for the rebirth of this extraordinary property. Now – the right plan, the right man, and the right vision have come together, as this renowned property will be rebuilt under the leadership of Horst Schulze and the hotel's owner, the Pearl of Kuwait Real Estate Company. The hotel will be managed by Schulze's Capella Hotels & Resorts brand.

“As a young man growing up in Germany and then entering the hospitality industry – just hearing the name Breidenbacher Hof gave me shivers,” said Schulze, CEO of The West Paces Hotel Group. He continued, “The name represented the very best in excellence and service in all of Germany, and all of Europe. With Capella Hotels & Resorts as operator of the new Breidenbacher Hof, we intend not just to honor that tradition, which we will do with the deepest

admiration and respect, but to establish nothing less than a new standard of excellence for the entire hospitality industry.”

The hotel, which will bear the Breidenbacher Hof name, is part of a mixed-use development scheduled for completion in late 2007. The nine-story building will consist of an approximately 100-room luxury hotel, superb restaurants, the very best high-end retailers, some offices, and serviced residential apartments.

The hotel is located on the world renowned Königsallee, known affectionately as the “Kö,” to residents of this historic city along the Rhine. One of the world’s great boulevards, the Königsallee is the elegant heart of Düsseldorf, and the destination of choice for the finest shopping, dining, and cultural amenities - including theater, concerts and historic sites.

Capella Hotels & Resorts, which will manage the hotel under a long-term agreement, is a new top-tier international hotel brand launched by The West Paces Hotel Group, based in Atlanta, in the United States. Horst Schulze founded West Paces following his departure from Ritz-Carlton, where Schulze served as president, COO, and vice-chairman through 2002, and where he and his team were renowned for establishing benchmarks in luxury service standards.

The Breidenbacher Hof property is owned and is being redeveloped by the Pearl of Kuwait Real Estate Company. The global law firm Clifford Chance is providing advisory services and ChandlerKBS is providing development and project management services.

The West Paces Hotel Group was founded by Horst Schulze, former president and COO of The Ritz-Carlton Hotel Company, along with several former Ritz-Carlton executives to create and operate branded hotels in several distinctive market segments. The principals of the company leverage unparalleled hospitality experience and a diverse track record of operating world-class hotels and resorts. The group's mission is to create value through superior service and luxury, world-class properties and conference centers in gateway cities and high-profile resort destinations around the world. For further information on Capella Hotels & Resorts, visit www.capellahotels.com.

CONTACT: Burns Patterson/Kate Johnston
Middleton & Gendron, Inc.
USA: (212) 980-9193/(212) 284-9938
EMAIL: bpatterson@mg-pr.com/kjohnston@mg-pr.com

#