

Peel Hotels PLC  
31 October 2007

PEEL HOTELS PLC

Directors' Dealings - Exercise of Options

The Company announces that its Chief Operating Officer, Norbert Petersen, yesterday exercised options to subscribe for an aggregate of 100,000 new ordinary shares in the capital of Peel Hotels plc.

The Options had been granted by the Company to Mr Petersen in October 1998 and were options over 100,000 shares at 116.5 pence per share. Following exercise of these options Mr Petersen owns a total of 141,830 shares representing 1.01% of the Company's issued share capital.

Application has been made for the 100,000 new ordinary shares issued in connection with the exercise of share options to be admitted to AIM. It is expected that admission will take place on 6th November 2007.

The new ordinary shares will rank pari passu in all respects with the existing ordinary shares

Peel Hotels plc  
Robert Peel, Chairman, - 020 7286 6823

Nominated Adviser  
KBC Peel Hunt Ltd - David Davies, - 020 7418 8900