

Austria's Legendary Lakeside Hotel will Reopen This May as Schloss Velden, a Capella Hotel

Capella Hotels and Resorts Unveils Debut Property in Velden, Austria

VELDEN, AUSTRIA (May 21, 2007) – The highly anticipated Capella Hotels and Resorts collection is set to unveil its very first property on May 28 – **Schloss Velden, a Capella Hotel** – in the scenic, lakeside village of Velden, Austria. Once in a great while a hotel opening promises more than a new destination. Schloss Velden heralds an evolution within the upper reaches of the luxury travel sector, as renowned hotelier Horst Schulze realizes his vision for the Capella Hotels and Resorts brand. At Schloss Velden, Capella Hotels and Resorts will honor the grand European hotel tradition - combining the best in service, luxury and setting – while reinterpreting this tradition to match the needs and desires of today's guests.

Schloss Velden, a landmark in Austria's Carinthian region, is located on the banks of picturesque Lake Woerth and is framed by the snow capped mountains of the Alps, in one of the world's greatest storybook settings. The lake itself is the largest and warmest Alpine lake in Europe, and once again serves as a playground to the elite of Europe. Originally constructed in 1603 as a private castle, the property later became one of Europe's grandest hotels, serving in uninterrupted style for more than a century until 1991.

The combination of elegant tradition with modern style and service is exemplified in all aspects of the hotel, from architecture and interior design to the extraordinary range of dining and recreational options.

The historic chateau itself, with its traditional architecture and distinctive "goldenrod" yellow hue reflecting off of the lake, is comprised of 39 guestrooms, a

fine dining room, the revered Schloss Bar, a wine and champagne cellar, and private “living room” for guests with stunning lakefront views. A contemporary Jabonegg & Pálffy-designed addition houses 66 rooms and 45 private residences brought to life by HID (Hotel Interior Design) and sold by Stiller & Hohl, a partner of Christie’s Great Estates Europe. The striking modern structure with wraparound glass views of the mountain and lake is also home to an extraordinary 30,000-square foot spa and wellness center called Auriga, exclusive to Capella Hotels and Resorts. A modern beach club and private marina, with distinctive cabanas and a lakeside restaurant, entices hotel guests to the water’s edge and to all of the recreational opportunities the lake has to offer.

Dining options at Schloss Velden epitomize the variety of styles and moods the hotel can cater to. Schlosstern, the fine dining room in the chateau, destined to become one of the great restaurants of Europe, features a daily written menu, a magnificent wine and champagne list (special tastings are available in the wine cellar), a superbly knowledgeable staff, and attention to detail at every turn, extending to hand-made wine glasses from Austria. Schlosstern offers dinner throughout the year, and lunch in season.

The lakeside restaurant Seespitz, by contrast, offers a sleek, modern setting which changes moods throughout the day. Guests may greet the morning with a luxurious breakfast overlooking the lake, featuring local specialties, or enjoy lunch with an international flair. They may wish to retire to a cabana or have lunch brought in, or reserve the cabana fully stocked for the day. Evening dining Seespitz includes local and international Tapas selections. After 10:00 p.m., the restaurant undergoes a further metamorphosis as a sophisticated lakeside lounge, where good music and

good food combine to create the center of Velden's social scene.

The Schloss Bar, a favorite among European royalty and celebrity guests in earlier decades, offers a more formal bar alternative, where scotch or champagne may be the beverages of choice, mixed with a splash of daily live music. Schloss Velden represents an unparalleled wedding destination, as well, with a ballroom and outdoor terrace overlooking the lake available to make a fairy tale wedding of a storybook site.

Schloss Velden's crowning jewel is the signature Auriga wellness, spa and fitness center which will incorporate Austrian traditions and indigenous ingredients into each treatment offered. The 30,000-square foot lake-front spa will be the ideal destination for pampering with private treatment rooms, personal training space, a world-class fitness center, an indoor pool, spa café, steam sauna, an indoor, interactive golf simulator and a grotto-style ice room complete with falling snow.

"Capella Hotels and Resorts is proud to join Hypo Alpe-Adria-Bank International in leading the rebirth of Schloss Velden," said Bob Warman, Executive Vice President and Chief Operating Officer, Capella Hotels and Resorts. "We can think of no more majestic and storied place to debut the Capella brand."

Commonly referred to as the Monte Carlo of Austria, the community of Velden is situated near the Northern Italian border and Austrian city of Klagenfurt. The region's many four-season attractions include skiing the nearby Alps, dog-sledding, hiking, boating, swimming and gaming at the Velden Casino.

For more information, call +43 4274 52000 5031 or visit www.schlossveldencapella.com.

Capella Hotels and Resorts serves today's top-tier travelers and residential property owners and is setting a new standard in the hospitality industry. Capella promises the unique benefits of the finest boutique hotels, including superb architecture and interior design, privacy, individualised service and attention to detail – combined with the amenities and activities of the world's great luxury hotels and resorts. Capella, led by founder Horst Schulze, is a brand focused on customer choice, and offers choices that no other hotel company in the world can match. Capella is opening world-class properties in gateway cities and high-profile resort destinations around the world, including: Capella Telluride (Telluride, Colorado); Capella Singapore (Sentosa Island, Singapore); Breidenbacher Hof, a Capella Hotel (Düsseldorf, Germany); Capella Pedregal (Cabo San Lucas, Mexico); Capella Castlemartyr (Cork, Ireland); Capella Dunboy Castle (Castletownbere, Ireland); and Schloss Velden, a Capella Hotel (Velden, Austria). Learn more at www.capellahotels.com

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