2010 Results

February 23, 2011

Denis Hennequin

Chairman and Chief Executive Officer

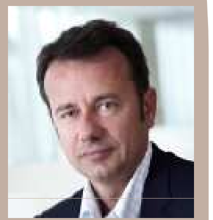
Presentation of the new Executive Committee

Denis Hennequin

Chairman and Chief Executive Officer

Yann Caillère

President and Chief Operating Officer



Gregoire Champetier

Global Chief Marketing & Distribution Officer

Dominique Esnault

Global Chief Franchise, Expansion & Procurement Officer

Sophie Stabile

Chief Financial Officer

Marc Vieilledent

Global EVP

Asset Management

Anne-Marie Cambourieu

Global Chief Human Resources Officer

Pascal Quint

Corporate Secretary

2010 Results

Sophie Stabile
Chief Financial Officer

2010: a very good performance for Accor

- **Good operating performance**
  - **Operating profit up 82%** on revenue growth of 7.1% L/L
  - €45m reduction in support costs
  - Flow-through: **54%**
- **Asset Management program over target**
  - **More than 18,000 rooms sold** for a **€630m** impact on adjusted net debt
  - Confirmation of our **€2.0bn asset disposal plan [(1)]**
- **An expansion plan reoriented towards asset-light structures**
  - **25,000 rooms opened**, 78% under franchise or management contracts
  - Expansion capex discipline, at €340m
- **A financial position enhanced by strategy execution**
  - Net debt reduced to **€730m** (vs. €1,624m in 2009)
  - FFO/Net debt ratio of 20.1% or 21.3% L/L after GLB disposal
  - Dividend proposed to the Annual Shareholders Meeting: **€0.62 per share** for a 50% payout ratio

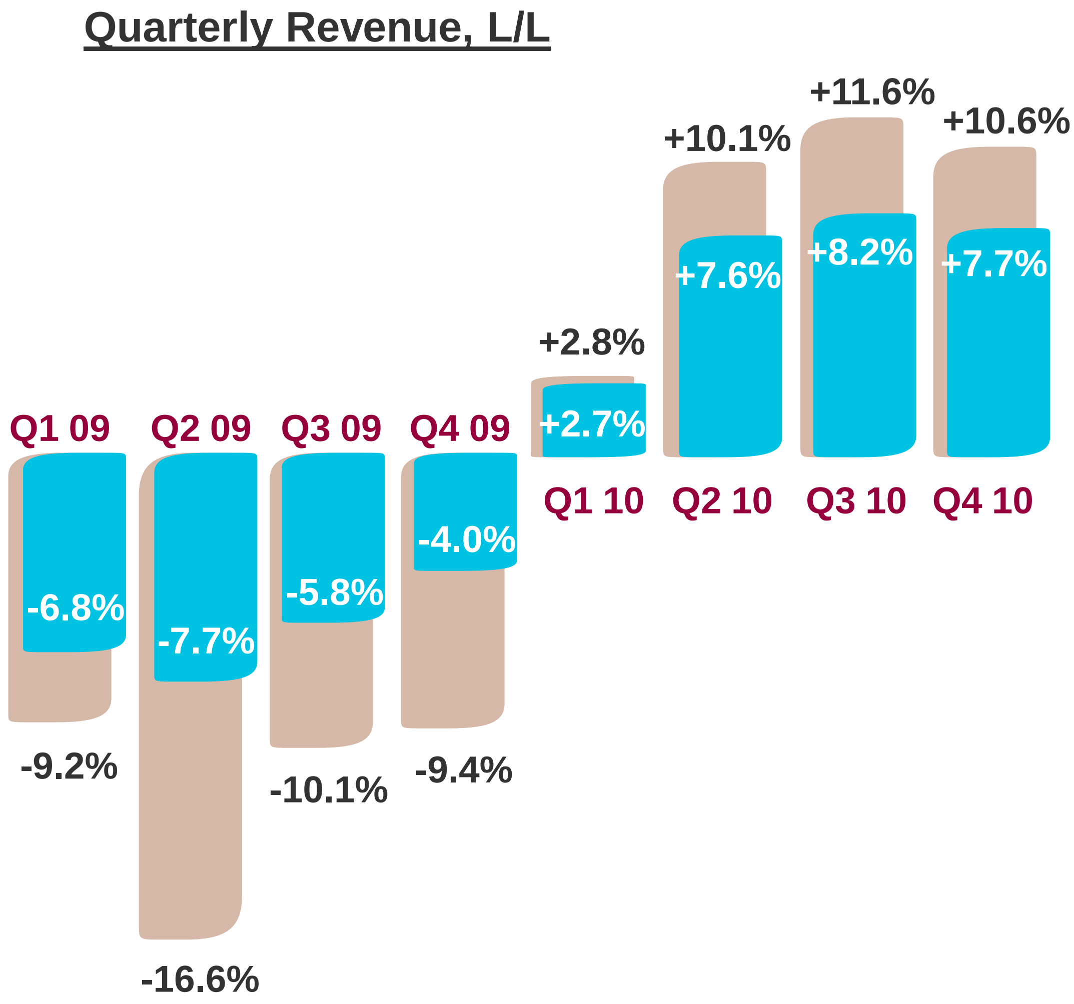
[(1)] Net debt adjusted for NPV of minimum lease payments discounted at 8% (Standard & Poor's methodology)

Strong growth in 2010 revenue[1]: up 7.1% L/L to €5,948m

+7.1 %	*Like-for-Like* +€388m	**Like-for-like growth** Hotels: +7.4 % Other Businesses: +1.0 %
+1.4 %	*Expansion* +€76m	**Impact of expansion** Openings: 214 new hotels (25,000 rooms)
-3.7 %	*Disposals* €(205)m	**Impact of disposals** Hotels (asset right strategy): €(136.3)m Orbis Travel: €(36.2)m
+3.6%	*Currency* +€200m	**Currency effect** AUD: +1.3%, +€71.1m BRL: +0.7%, +€38.5m USD: +0.5%, +€29.9m PLN: +0.3%, +€16.9m
+8.4 %	*Reported* +€458m	

[1]Post-demerger (i.e. excluding Edenred), excluding Onboard Rail Catering business and Groupe Lucien Barrière, reclassified in assets and liabilities held for sale.

Strong recovery across all segments



Up & Midscale

- Higher occupancy rates
- Average daily rates rising in all the key markets except Italy and Spain

Economy excl. US

- Growth fueled by occupancy rates
- Average room rates stabilizing

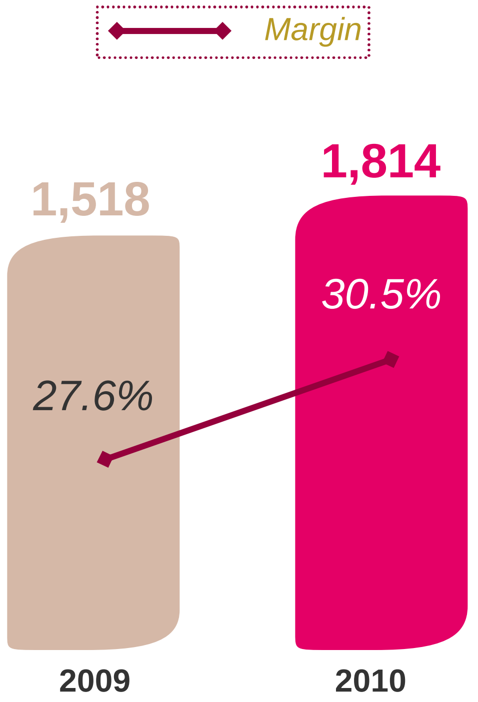
Strong growth in EBITDAR margin: up 1.9pt L/L

- **Improved operating performance**:
  +2.9 pts reported, +1.9 pt L/L

- **High flow-through ratio for hotels: 54%**
  - Different positions in the recovery cycle:
    - United Kingdom, Germany, emerging markets: ++
    - France, rest of Europe: +
    - United States, Spain, Italy: -

- **Cost savings over target**
    - €132m in support costs saved over the last two years (vs. a projected €125m) of which €45m in 2010
    - €165m saved in owned & leased hotels in 2009 (vs. a projected €150m)

EBITDAR (in €m)



Continuous cost discipline
towards a more efficient, responsive model

Up & Midscale: Strong recovery in 2010

In € millions	2009	2010	% change Reported	% change L/L[1]
Revenue	**3,026**	**3,332**	**+10.1%**	**+9.0%**
EBITDAR	**765**	**949**	**+24.1%**	**+20.6%**
EBITDAR margin	*25.3%*	*28.5%*	***+3.2 pts***	***+2.7 pts***

[1] Like-for-like, i.e. excluding changes in scope of consolidation and exchange rates

- Strong improvement in margins for all brands and especially Sofitel and Pullman
- Good performance in every market thanks to Corporate clients

Strong margin improvement, with increasing prices in main markets

Economy excl. US: Steadily improving trend

In € millions	2009	2010	% change Reported	% change L/L[1]
Revenue	**1,626**	**1,806**	**+11.1%**	**+6.8%**
EBITDAR	**577**	**668**	**+15.7%**	**+10.0%**
EBITDAR margin	*35.5%*	***37.0%***	***+1.5 pts***	***+1.0 pt***

[1] Like-for-like, i.e. excluding changes in scope of consolidation and exchange rates

- Margin improvement led by Ibis
- Excellent performance in Germany and the United Kingdom

Back to pre-crisis margin levels with the recovery in demand

Economy US: Recovery from June 2010

In € millions	2009	2010	% change Reported	% change L/L(1)
Revenue	**534**	**555**	**+3.8%**	**+0.7%**
EBITDAR	**165**	**165**	**0.1%**	**-3.8%**
EBITDAR margin	*30.8%*	*29.7%*	*-1.1 pt*	*-1.3 pt*

(1) Like-for-like, i.e. excluding changes in scope of consolidation and exchange rates

- RevPAR turned upwards in June 2010 and gained momentum in Q4 (+7.2%)
- Margin turned around in H2, gaining 0.7 pt L/L vs. a decline of 3.5 pts in H1
- 58 new franchised hotels opened and 17 Sales and Franchise back

Moving faster towards a franchise model: 125 hotels opened in 2 years

The new management tool: the "P&L Performance"
Enhanced operational agility

Management & Franchise

- Revenues based on fees (including fees from owned & leased hotels)

Sales & Marketing Fund

- Sales, Distribution & Marketing

Fees

Services

Owned & Leased Managed Franchised

Owned & Leased

- Hotels owned or leased by Accor

Contribution to P&L

Owned & Leased

ACCOR

"P&L Performance": first year, first improvements

2010	Management & Franchise	Sales & Marketing Fund	Owned & Leased	Not allocated, platform & intercos	Total
Gross Revenue	9,810	N/A	5,330	255	10,065
o/w Revenue[(1)]	593	258	5,330	(233)	5,948
EBITDAR	312	(18)	1,530	(10)	1,814
Contributive margin	*53%*	(7)%	*29%*	*N/A*	*30.5%*
EBIT	*312*	*(18)*	*226*	*(74)*	*446*
EBIT margin	*53%*	*(7)%*	*4%*	*N/A*	*8%*

[(1)] Including fees from owned & leased hotels

Reminder: 2009

EBITDAR margin	*49%*	*(23)% at €(48)m*	*28%*	*N/A*	*27.6%*

Improving margins and reduced loss for the Sales & Marketing Fund

Very strong rebound in EBIT

In € millions	2009	2010	% change Reported	% change L/L[(1)]
EBITDAR	**1,518**	**1,814**	**+19.5%**	**+14.7%**
Rents	(854)	(934)	-9.4%	-3.7%
Depreciation & amortization	(429)	(434)	-1.0%	+0.6%
EBIT	**235**	**446**	**+90.1%**	**+82.4%**
Net financial expense	(124)	(134)	-8.9%	-18.4%
Share of profits/(losses) of associates	(3)	22	N/A	N/A
Operating profit before tax and non-recurring items	**108**	**334**	**+209%**	**+167%**

[(1)]Like-for-Like, i.e. excluding changes in scope of consolidation and exchange rates

Strong contribution to growth from every segment

Net profit impacted by non-recurring, non-cash items

In € millions	2009	2010
Operating profit before tax and non-recurring items	**108**	**334**
Restructuring costs	(110)	(31)
Impairment losses	(241)	(284)
Gain and losses on management of assets	(20)	(31)
Income tax expense	(32)	(392)[1]
Minority interests	(17)	(10)
Profit or loss from discontinued operations	30	4,014
Net profit/(loss) attributable to shareholders	**(282)**	**3,600**

Operating profit before non-recurring items, net of tax[2]	**78**[3]	**280**
Operating profit before non-recurring items, net of tax per share (in €)	***0.35***[3]	***1.24***

[1] *Of which withholding tax refund CIWLT €(263)m*
[2] *Operating profit before tax and non-recurring items, less operating tax, less minority interests*
[3] *Historical data after IFRS5 (reclassified in assets and liabilities held for sale)*

Operating profit before non-recurring items, net of tax per share: €1.24

Proposed dividend for 2010: €0.62

	2010
Operating profit before non-recurring items, net of tax [1] *(in € millions)*	**280**
Average weighted shares outstanding (in millions)	226
Operating profit before non-recurring items, net of tax per share *(in €)*	1.24
Dividend per share *(in €)*	0.62[2]
Dividend *(in € millions)*	140
Payout Ratio	**50%**

[1] *Operating profit before tax and non-recurring items, less operating tax, less minority interests*

[2] *Subject to shareholder approval at the Annual Shareholders Meeting on May 30, 2011*

Payout Ratio: 50%

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A strong cash flow model (1/2)

In € millions	2009	2010	% change Reported
Adjusted funds from operations	**520**	**695**	+34%
Renovation & maintenance capex	(288)	**(281)**	+2%
Funds from operations before non-recurring items (1)	**232**	**414**	**+78%**

(1) Excluding discontinued operations

Capex discipline: 4.7% of revenue
Strong growth in funds from operations before non-recurring items

A strong cash flow model (2/2)

In € millions	2009	2010
Funds from operations before non-recurring items	**232**	**414**
Expansion capex	(420)	(340)
Operating free cash flow	**(188)**	**74**
Proceeds from disposals of hotel properties	290	541
Proceeds from disposals of other assets	49	15
Ordinary dividends	(396)	(249)
Capital increase, net	175	44
Change in Working Capital	(49)	198
Withholding tax refund (CIWLT)	(242)	-
Others	(78)	(170)
Cash flow from discontinued operations	*(113)*	*441*
(Increase) / Decrease in net debt	**(552)**	**894**

A positive free cash flow already in 2010 and a fast deleveraging

Asset Management: 2010-2013 program for 450 hotels and €2bn already 30% completed

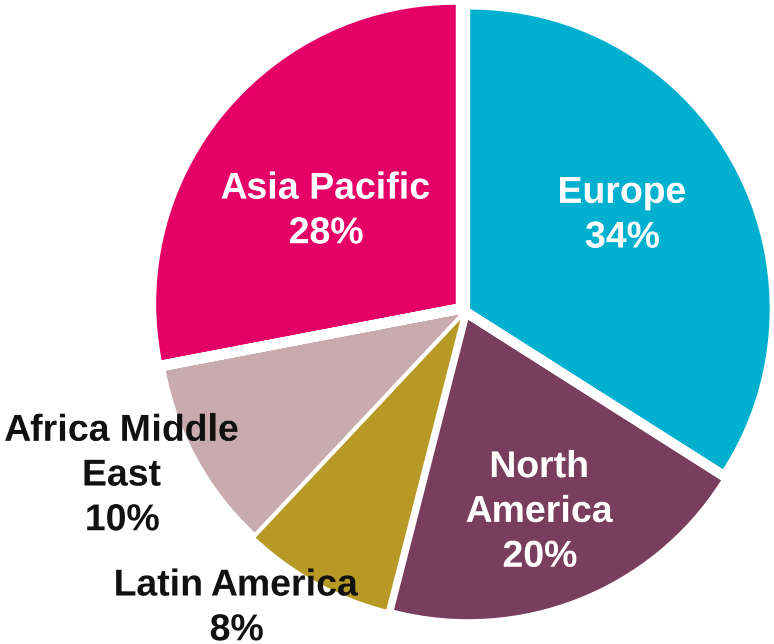
Proceeds from asset disposals in 2010	# hotels	# rooms	Cash (€m)	Adjusted net debt[1] (€m)
			Impacts on cash /debt	
Sales & Variable Lease Back	53	7,298	323	356
Sales & Management Back	3	303	23	23
Sales & Franchise Back	85	7,544	128	162
Outright Sales	30	3,178	67	89
Total	**171**	**18,323**	**541**	**630**

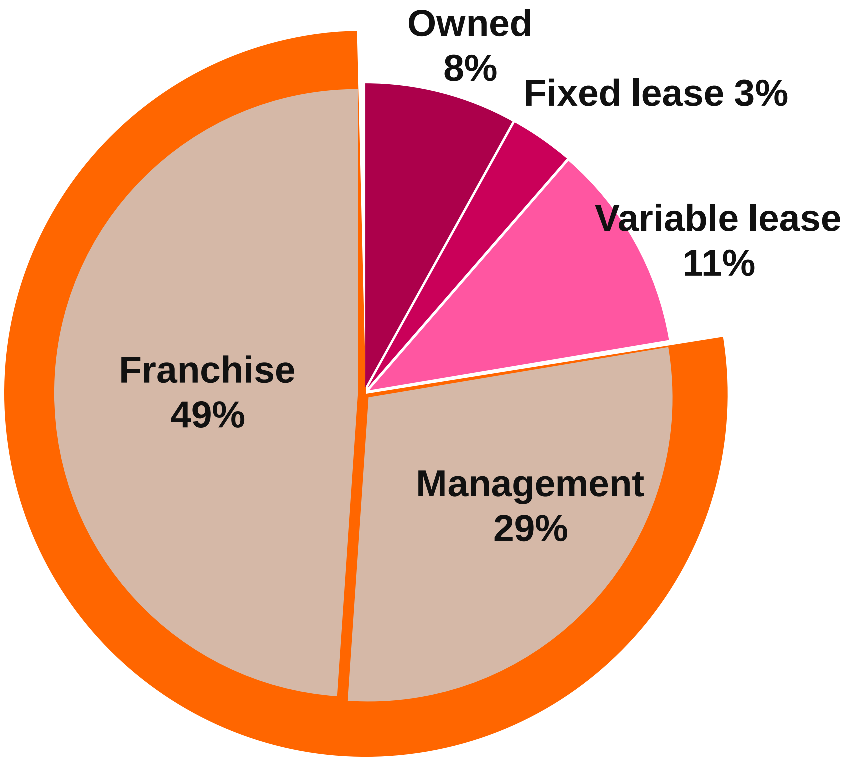
(1) Net debt adjusted for NPV of minimum lease payments discounted at 8% (Standard & Poor's methodology)

Impact of Asset Management program on adjusted net debt: €630m in 2010

Expansion in line with the strategic targets

214 hotels (25,000 rooms) opened in 2010





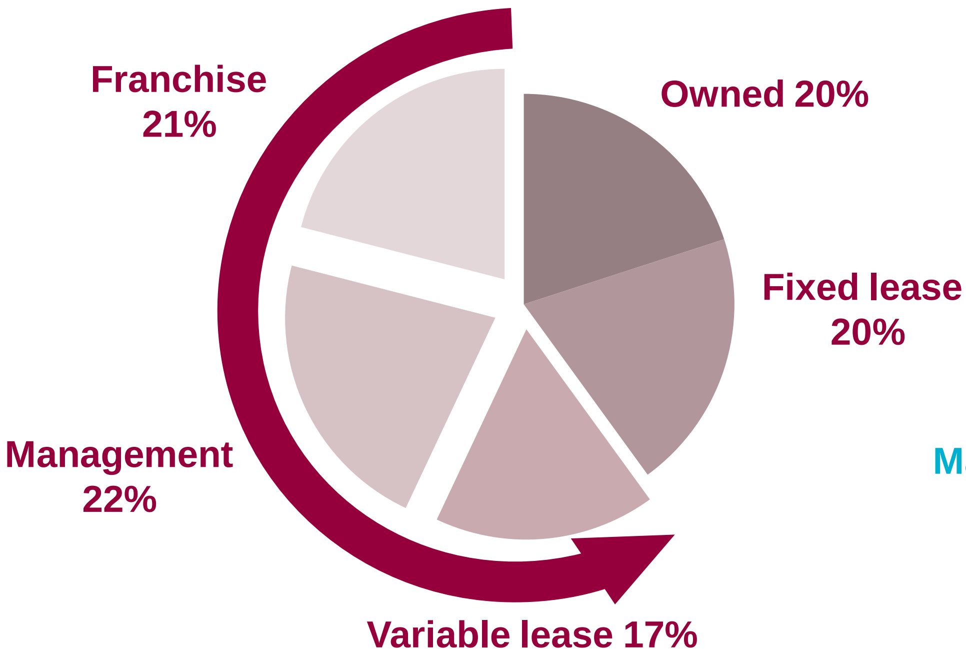
46% (1) in emerging countries

78% (1) under franchise & management contracts

(1) In number of rooms

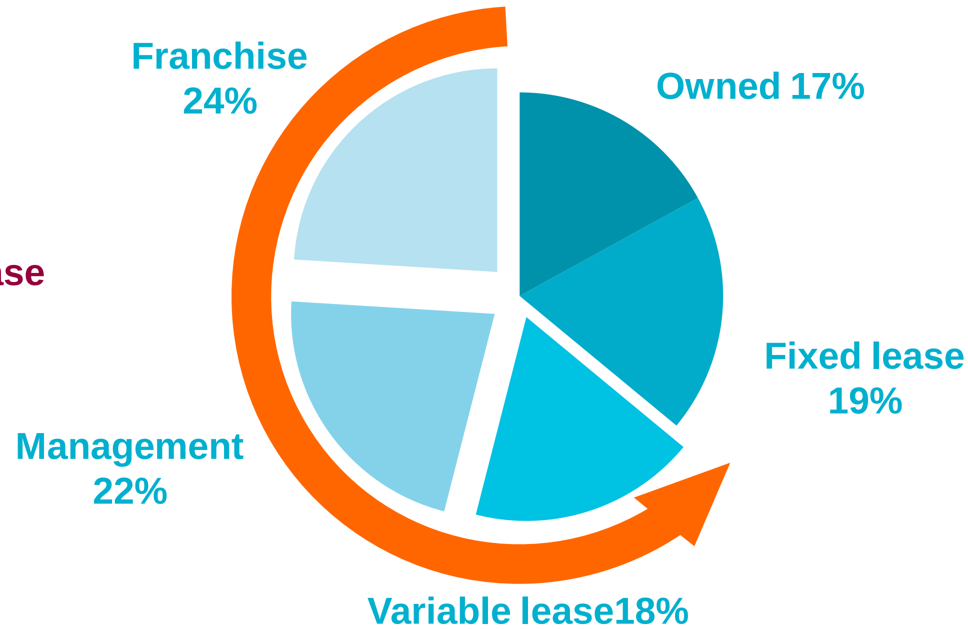
Over 500,000-room portfolio at end-2010

2009
493,000 rooms



60% Asset Light (295k rooms)

2010
507,000 rooms



64% Asset Light (325k rooms)

Credit ratios

In € millions	2009	2010
Gross debt	**2,848**	**1,988**
Current financial assets	(1,224)	(1,258)
Net debt	**1,624**	**730**
Net debt / Shareholders equity (gearing)	50%	18%
Adjusted Funds from operations / Adjusted net debt (1)	20.0% (2)	**20.1%** (3)

(1) *Net debt adjusted for NPV of minimum lease payments discounted at 8% (Standard & Poor's methodology)*
(2) *Excluding Edenred, Groupe Lucien Barrière and Onboard Train Services, this ratio would have been **15.5%***
(3) *Would have been **21.3%** on a pro-forma basis including the Groupe Lucien Barrière disposal*

A sound financial position, including
€2.0bn in unused and confirmed credit lines

A value creating model

In € millions	2009 Capital employed	2009 *ROCE*	2010 Capital employed	2010 *ROCE*
Upscale & Midscale	4,147	*6.6%*	4,279	*10.4%*
Economy excl. US	2,114	*14.7%*	2,008	*18.2%*
Economy US	1,566	*4.4%*	1,586	*4.1%*
HOTELS	**7,827**	***8.4%***	**7,873**	***11.1%***
TOTAL GROUP	**8,091**	***8.3%***	**8,123**	***11.3%***

+3.0 pts

Very strong improvement in ROCE
especially for Economy excl. US at +3.5 pts

Conclusion: all the objectives have been fulfilled

Free cash flow	**Positive free cash flow** after capex and before disposals
Cost savings	Support costs: **€132m over 2 years** vs. an announced €125m
Capex discipline	**4.7% of revenues** for renovation & maintenance capex
Growth in asset-light network	**78% of openings under management & franchise contracts**
Asset disposals	**30% of the 2010-2013 Asset Management program (€630m) already fulfilled after one year**
Non-strategic assets disposal	**Disposal of Groupe Lucien Barrière effective in 2011**

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Outlook

2011 Trends and Outlook

- **Business in January 2011: in line with Q4 2010 trends**
  - Continued, steady cycle recovery in almost every market
  - Emerging countries remain very dynamic

	Up & Midscale			Economy excl. US			Economy US		
	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.
OR (pts)	+4.8	+1.3	+2.3	+5.7	+2.6	+4.6	+5.2	+3.7	+2.1
ARR (%)	+2.5	+3.4	+5.3	-0.5	-0.8	-0.7	-1.8	-1.1	+0.0
RevPAR (%)	+11.1	+6.1	+10.4	+8.7	+3.8	+8.1	+8.1	+6,4	+4.3

- **Outlook**
  - A few markets still lack visibility

Confirmed upturn in 2011 mostly led by improving demand, and to a lesser extent by the gradual recovery in room rates

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Strategy

Denis Hennequin
Chairman and Chief Executive Officer

4 Observations

A comprehensive brand portfolio aligned with our ambitions

Unrivalled expertise as the world's leading hotel operator

A Group with real strengths, ready to move up a gear

Leading positions on four continents

A business model built on strong fundamentals

Strategic priorities

Accelerate the execution of our strategy

- **Be more ambitious for our brands**
- **Promote our services and expertise more effectively**
- **Step up the implementation of our expansion plan**

Sofitel Buenos Aires Arroyo
Argentina

Pullman Bangkok King Power
Thailand

Novotel Bucharest City Centre
Romania

Mercure Frankfurt Dreiech

Germany

ibis Hangzhou Xiasha
China

all seasons Macon Centre
France

Etap hotel Barcelona Vialdecans
Spain

Hotel F1 Poitiers Sud
France

Motel6 Las Vegas- I 15, Nevada
USA

ACCOR


A|CLUB
1 CARD
90 COUNTRIES
2,300 HOTELS
YOU'RE WELCOME
ALL OVER THE WORLD
SOFITEL LUXURY HOTELS
pullman
Gallery
NOVOTEL
Suite NOVOTEL
Mercure
adagio
ibis
all seasons
Thalassa
A|CLUB
Join A|Club, the free Accor hotels loyalty program,
www.a-club.com

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Strategic priorities

Accelerate the execution of our strategy

Be more ambitious for our brands

Promote our services and expertise more effectively

Step up the implementation of our expansion plan

Conclusion

Strengthen our brand DNA & our marketing chain

Assert our expertise as operator & franchisor

Conquer new markets & Strengthen our leadership

A unique Group asserting its differences to strengthen its model & drive faster growth

Appendices

Annexes

Upscale & Midscale – France

France

- 50,000 rooms, of which 78% Novotel & Mercure
- Occupancy rate: 64.5%, +4.4 pts L/L
- Average room rate excl. VAT: €110.00, +1.6% L/L
- Revenue: €1,184m, +8.7% L/L
- EBITDAR margin: 28.7%, +1.6pt L/L

Upscale & Midscale – Rest of Europe

Rest of Europe

- 72,000 rooms, of which 83% Novotel & Mercure
- Occupancy rate: 62.9%, +4.4pts L/L
- Average room rate excl. VAT: €80.7, +3.3% L/L
- Revenue: €1,497m, +7.8% L/L
- EBITDAR margin: 29.0%, +2.7pts L/L

Economy – France

France

- 80,000 rooms, of which 42% Ibis, 29% Etap Hotel & 24% Hotel F1
- Occupancy rate: 69.8%, +2.5 pts L/L
- Average room rate excl. VAT: €51.4, -0.1% L/L
- Revenue: €699m, +4.4% L/L
- EBITDAR margin: 34.0%, +0.6 pt L/L

Economy – Rest of Europe

Rest of Europe

- 57,000 rooms, of which 72% Ibis, 22% Etap Hotel
- Occupancy rate: 67.4%, +3.8 pts L/L
- Average room rate excl. VAT: €55.3, +1.4% L/L
- Revenue: €781m, +7.4% L/L
- EBITDAR margin: 39.2%, +1.4 pt L/L

Asset Management in 2010: P&L Impacts

P&L Impacts[1] (€m)	
Revenue	(133)
EBITDAR	(26)
EBITDA	(36)
Capital gains	+47

[1] Based on 2009 figures

Asset Management in 2010
Focus on Sales & Franchise Back and Outright Sales

FRANCE

35 Sales & Franchise Back

10 Outright sales

=12.5x 2009 EBITDA

UNITED STATES

17 Sales & Franchise Back

11 Outright sales

OTHER COUNTRIES

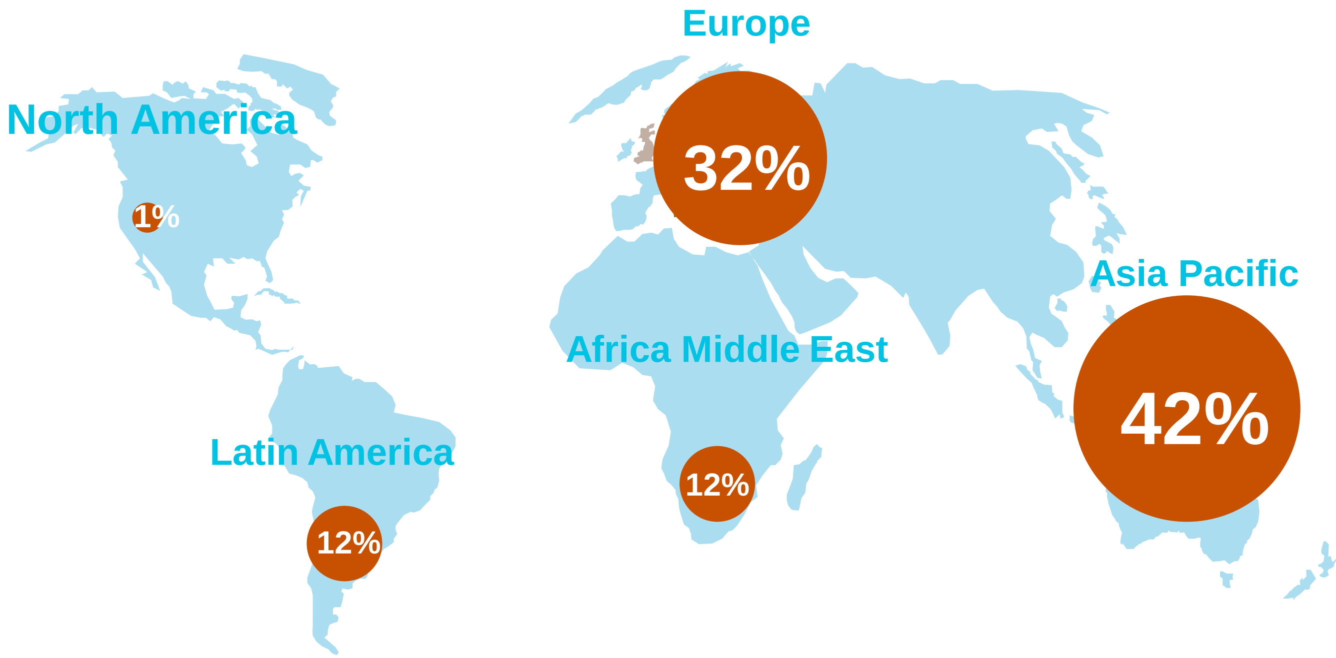
33 Sales & Franchise Back

9 Outright sales

Pipeline

620 hotels (101,000 rooms)

Pipeline at end 2010 by region, in % of total rooms



74%(1) in Asia-Pacific & Europe
76%(1) under management & franchise contracts

(1) In number of rooms

Hotels: FY 2010 RevPAR by segment

HOTELS: 2010 RevPAR by segment	Occupancy rate			Average Room Rate			RevPAR			
	Owned & Leased			Owned & Leased			Owned & Leased			Owned, Leased & Managed
Incl. VAT	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale Europe (in €)	63.4	+4.6	+4.4	98	+1.9	+0.5	62	+9.8	+8.0	+10.0
Economy Europe (in €)	68.6	+3.2	+3.2	58	+0.8	-0.9	40	+5.8	+4.1	+6.1
Economy US (in $)	61.1	+2.9	+2.8	42	-3.4	-3.9	25	+1.5	+0.7	+1.5

Up & Midscale Hotels: FY 2010 RevPAR by Country

UP & MIDSCALE HOTELS: 2010 RevPAR by Country Incl. VAT *(in local currency)*	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Owned & Leased		Owned & Leased		Owned & Leased			Owned, Leased & Managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	27,898	64.5	+4.6	116	+2.5	75	+10.4%	+9.1%	+10.1%
Germany	19,078	64.9	+5.5	89	-1.0	58	+8.1%	+8.4%	+8.2%
Netherlands	3,528	67.2	+6.3	95	3.6	64	+14.4%	+8.9%	+19.6%
Belgium	1,802	73.1	+7.5	102	-0.2	74	+11.2%	+11.2%	+12.3%
Spain	2,649	57.8	+5.3	79	-3.5	45	+6.3%	+2.3%	+10.8%
Italy	3,988	60.9	+4.4	99	-4.5	60	+2.9%	+4.2%	+2.1%
UK (in £)	5,541	77.4	+2.2	92	10.0	71	+13.2%	+14.2%	+12.7%

Economy Hotels: FY 2010 RevPAR by Country

ECONOMY HOTELS: 2010 RevPAR by Country Incl. VAT *(in local currency)*	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Owned & Leased		Owned & Leased		Owned & Leased			Owned, Leased & Managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	39,934	69.8	+2.8	54	+0.5	38	+4.7	+3.8	+4.7
Germany	15,160	68.5	+4.2	58	-1.7	40	+4.7	+3.7	+4.3
Netherlands	2,414	73.2	+8.1	77	-2.4	56	+9.6	+11.1	+9.6
Belgium	2,639	72.6	+2.4	69	+2.6	50	+6.1	+6.5	+6.1
Spain	4,898	54.6	-0.8	53	-1.1	29	-2.5	-2.9	-2.5
Italy	1,552	65.0	+9.0	65	-6.3	42	+8.7	+8.7	+8.7
UK (in £)	9,013	72.3	+4.8	54	+2.4	39	+9.6	+8.3	+9.5
USA (in $)	73,403	61.1	+2.9	42	-3.4	25	+1.5	+0.7	+1.5

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Reconciliation: FY 2010 L/L RevPAR vs. Revenue

	RevPAR Owned, Leased and Managed Reported incl. VAT	RevPAR Owned & Leased Only Like-for-like incl. VAT	RevPAR Owned & Leased Only Like-for-like excl. VAT	Like-for-like room revenues excl. VAT	Total Like-for-like revenues excl. VAT
▪ Up & Midscale Europe	10.0%	8.0%	+10.3%	+9.9%	+8.2%
▪ Economy Europe	6.1%	4.1%	+5.7%	+5.7%	+5.9%
▪ Economy US ($)	1.5%	0.7%	+0.7%	+0.6%	+0.7%

FY 2010 Management & Franchise Fees by Segment

Revenue (in €m)	2009 (reported)			2010 (reported)			% change, at constant exchange rates		
	Managed	Franchised	Total	Managed	Franchised	Total	Managed	Franchised	Total
Up & Midscale	115,240	26,167	141,407	142,832	32,001	174,834	+15.1%	+19.4%	+15.9%
Economy	14,811	31,657	46,468	20,732	36,269	57,001	+29.0%	+13.1%	+18.2%
Economy US	-	14,559	14,559	-	15,578	15,578	N/A	+1.9%	+1.9%
TOTAL	130,051	72,383	202,434	163,565	83,848	247,413	+16.7%	+13.2%	+15.4%

FY 2010 Exchange Rates

1€ = X foreign currency	2009 average rate	2010 average rate	% change
US dollar (USD)	1.39	1.33	+5.0%
British pound (GBP)	0.89	0.86	+3.8%
Brazilian real (BRL)	2.77	2.34	+18.6%
Australian dollar (AUD)	1.77	1.44	+18.6%
Polish zloty (PLN)	4.33	4.00	+7.7%