ACCOR
Open New Frontiers in Hospitality

2012 RESULTS

February 20, 2013

DENIS HENNEQUIN

Chairman and Chief Executive Officer

2012 Takeaways

€526m **EBIT**
at December-end 2012
EBIT target achieved

90%
ibis megabrand hotels rebranded
To-date more than 1,500 hotels with new signs & beds

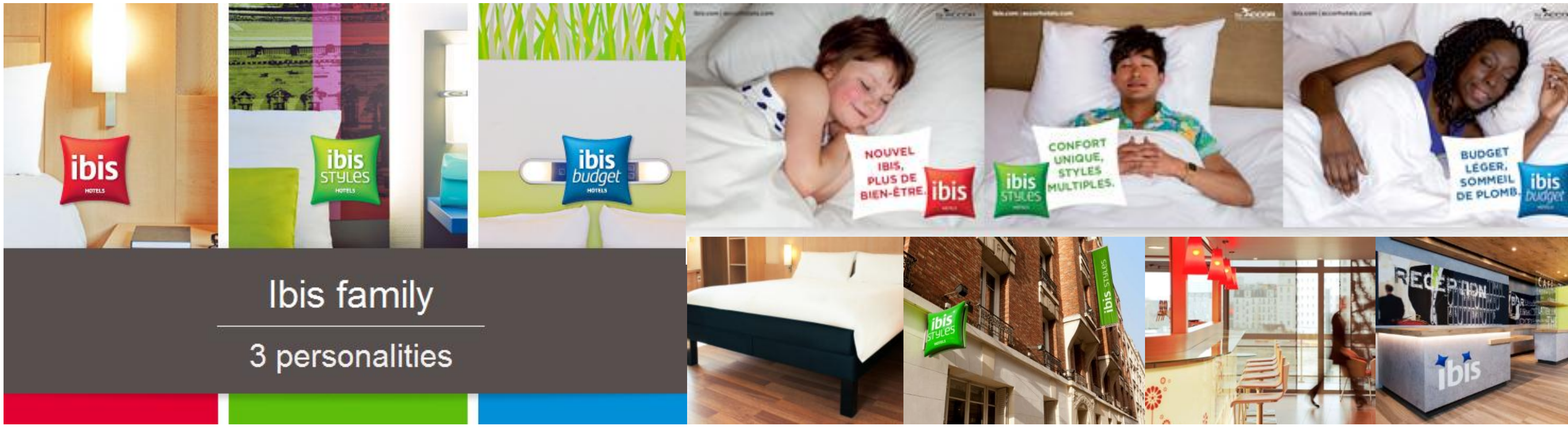
38,085 **Rooms opened**
in 2012 with key acquisitions
Another Record Year

€1,935m **total impact of disposals**

€796m **Motel 6 sale's impact on Adjusted Net Debt**
at December-end 2012

€1,139m **Asset Management**
Total impact on Adjusted Net Debt
2011-2012 Target achieved

2012 milestones
ibis megabrand: a fast roll out



- **2012: Record openings for the ibis family without acquisitions**
- **A unique and dedicated website *www.ibis.com* and Smartphone's app**
- **Steady improvement in bed comfort's satisfaction over the last 6 months for both business and leisure clients**

A reinforced brand architecture to support growth & expansion

2012 milestones
All-time high for Accor's distribution

50% of rooms sold through Accor's central system, representing **€4.3bn**(1), **up 21%** vs. 2011

€2.4bn of total room sales through Internet in 2012

- 59% through Accor's websites
- 41% through third-parties websites

LE CLUB ACCOR HOTELS

10.1m members all around the world, of which 48% outside Europe

ACCOR HOTELS.COM

Revenue generated by Smartphone's App Accorhotels.com **up 49%** vs. 2011

Transformation of Accor's distribution well on track

(1) Total 2012 room gross revenue (for owned & leased, managed and franchised hotels): €8.6bn

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2012 milestones
New Record for Expansion

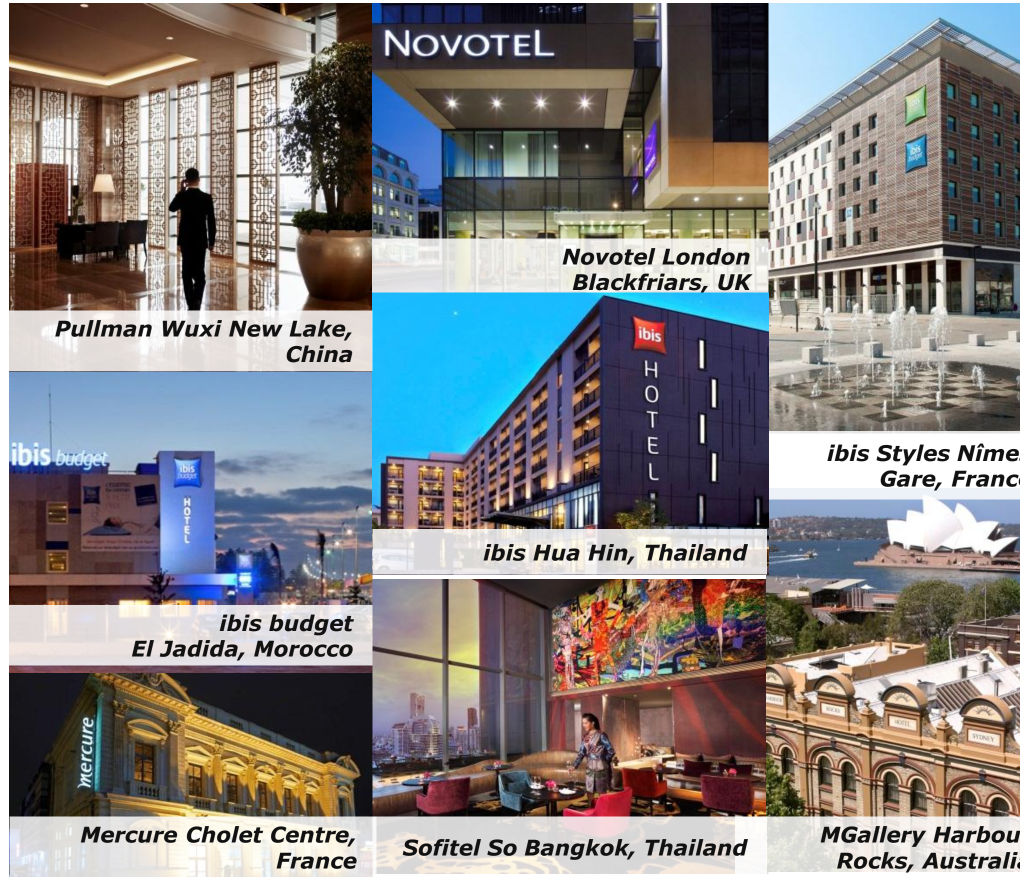
Record 38,085 rooms openings (266 hotels)

85% asset light

72% in Emerging markets
o/w **48%** in Asia Pacific alone

40% rooms for ibis family

21% rooms for Mercure



Pullman Wuxi New Lake, China
Novotel London Blackfriars, UK
ibis Styles Nîmes Gare, France
ibis budget El Jadida, Morocco
ibis Hua Hin, Thailand
Mercure Cholet Centre, France
Sofitel So Bangkok, Thailand
MGallery Harbour Rocks, Australia

Strategic acquisitions boosting record expansion in emerging markets

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2012 milestones
Continued roll out of the Asset Management plan

228 hotels restructured over 2011-2012

including more than 65% through Sale & Management Back or Sale & Franchise Back agreements

Pullman Paris Rive Gauche, France

Novotel New York Times Square, United States

Motel 6 Mississippi, United States

More than 1,100 hotels sold

Sale to Blackstone closed on October 1st 2012 for a total amount of $US 1.9bn

Mgallery The Convent Amsterdam, Netherlands

Pullman Paris Tour Eiffel, France

€1,935m total impact on Adjusted Net Debt over 2011-2012

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2012 RESULTS

SOPHIE STABILE – Global Chief Financial Officer

Disposal of Motel 6: A transforming sale improving the Group's profile

In € millions	2011	Impact of Motel 6 disposal	2011 Restated
Revenues	**6,100**	**(532)**	**5,568**
Rents	(995)	(92)	(903)
EBIT	**530**	**(15)**	**515**
EBIT margin	*8.7%*	**+50 bps**	***9.3%***
PBT	**438**	**(10)**	**428**
ROCE	**12.3%**	**+160 bps**	**13.9%**
Adj. FFO / Adj. Net Debt (1)	**25.0%**(2)	**+100 bps**	**26.0%**

(1) Net debt adjusted for NPV of minimum lease payments discounted at 7.0% as per revised S&P methodology
(2) Using precedent S&P methodology (8.0% discount rate), 2011 adj. FFO / Adj. net debt was 25.7%

A highly positive impact on Accor's profitability and value creation

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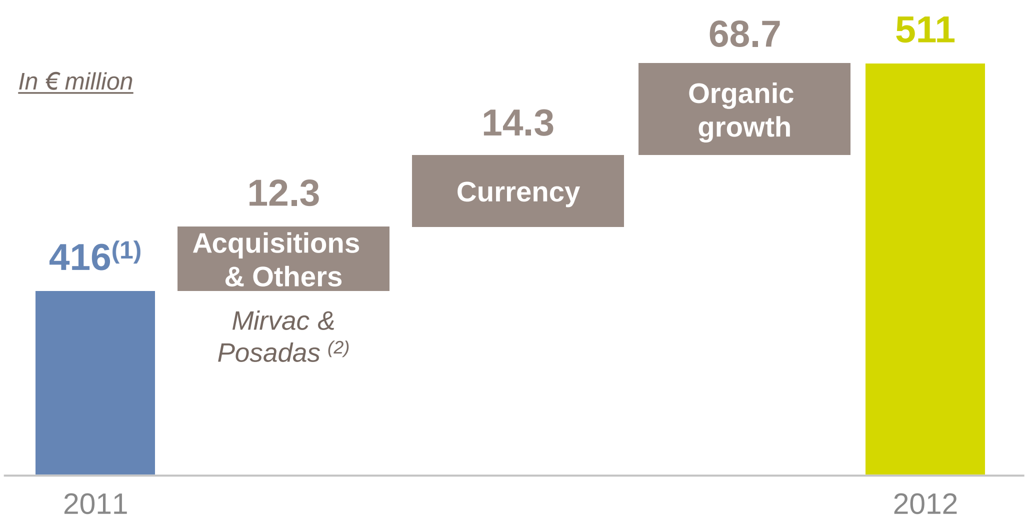
FY 2012 Revenue: €5,649m

Total Group

2011[(1)] **€5,568m** → **2012** **€5,649m**

+2.7%	***Like-for-Like***	*+€152m*
+2.8%	***Expansion***	*+€154m*
-5.1%	***Disposals***	*€(285)m*
+1.1%	***Currency***	*+€60m*
+1.5 %	***Reported***	*+€81m*

- **Reported revenue of owned & leased hotels stable, up 1.5%**
- **16.5% increase in Management & Franchise fees**



- **Solid performance in emerging markets**

(1) All 2011 figures in this presentation are restated from Motel 6 / Studio 6
(2) Mirvac was consolidated 7 months in 2012, and Posadas 3 months

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Stable EBITDAR margin

Total Group

2011		2012
€1,759m	→	**€1,788m**
31.6%		***31.7%***

-0.3pt	***Like-for-Like*** *+€33m*
-0.3pt	***Expansion*** *+€33m*
+0.6pt	***Disposals*** *€(55)m*
+0.1pt	***Currency*** *+€18m*
+0.1pt	***Reported*** *+€29m*

- **Globally steady business trading levels**
- **Positive impact of disposals on EBITDAR margin with operations on low-margin assets**
- **EBITDAR margin slightly impacted by acquisitions not at cruise speed yet**
- **Southern Europe and increase in Tax, Energy as well as Distribution Costs weighing on margin, particularly in H2**

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Up & Midscale

In € millions	2011	2012	% change	% change L/L(1)
Revenue	**3,488**	**3,536**	**+1.4%**	**+2.7%**
EBITDAR	**1,008**	**1,018**	**+1.0%**	**+1.1%**
EBITDAR margin	*28.9%*	*28.8%*	*-0.1pt*	*-0.5pt*
EBIT	**229**	**234**	**+2.3%**	**+2.4%**
EBIT margin	*6.6%*	*6.6%*	*+0.1pt*	*-0.0pt*

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

- Best performance for Sofitel and Mercure
- Southern Europe and renovation at Pullman weighing on margins

Resilient margins despite some negative impacts

Economy

In € millions	2011	2012	% change	% change L/L(1)
Revenue	1,896	1,960	+3.4%	+2.6%
EBITDAR	723	756	+4.6%	+2.5%
EBITDAR margin	*38.1%*	*38.6%*	*+0.4pt*	*-0.0pt*
EBIT	272	277	+1.9%	+1.7%
EBIT margin	*14.3%*	*14.1%*	*-0.2pt*	*-0.1pt*

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

- Mixed situation in Europe
- Fast EBIT growth in Emerging markets

Record EBITDAR margin at 38.6%

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Continuous increase in EBIT, up 3% L/L

In € millions	2011	2012	% change	% change L/L[1]
EBITDAR	**1,759**	**1,788**	**+1.7%**	**+1.9%**
Rents	(903)	(938)	-3.9%	-2.2%
Depreciation & amortization	(341)	(324)	+4.6%	+0.6%
EBIT	**515**	**526**	**+2.0%**	**+3.0%**
EBIT margin	*9.3%*	*9.3%*	*+0.1pt*	*+0.0pt*

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

Depreciation and amortization benefitting from the Asset Management strategy

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EBIT: split by business

	EBIT *(in €m)*	Change vs. 2011 *(in €m)*	EBIT margin
Management & Franchise [(1)]	350	+33	52.6%
Sales & Marketing Fund [(1)]	1	+2	NA
Owned & Leased	229	(12)	4.6%
Central costs, Other Businesses & Intercos	(54)	(11)	NA
Total	526	+11	9.3%

(1) *Including fees from owned and leased hotels*

Group's margin supported by the model's transformation

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Operating PBT up 9% at €468m

In € millions	2011	2012
EBIT	**515**	**526**
Net financial expense	(92)	(75)
Share of profits/(losses) of associates	5	17
Operating profit before tax and non-recurring items	**428**	**468**
Non-recurring items	9	(229)
Income tax expense	(166)	(143)
Minority interests	(23)	(15)
Net profit/(loss) before discontinued operations	**248**	**80**
Profit or loss from discontinued operations	(221)	(679) (1)
Net profit/(loss) attributable to shareholders	**27**	**(599)**

(1) Loss linked to the sale of Motel 6 / Studio 6 to Blackstone closed on October 1st 2012

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Positive recurring free cash flow at €150m

In € millions	2011	2012
Funds from operations	**670**	**694**
Renovation & maintenance capex	(268)	(299)
Recurring expansion capex	(203)	(245)
Recurring free cash flow	**199**	**150**

Capex in line with targets
including €39m linked to ibis megabrand

Strategic acquisitions weighing on Net Debt

P&L
Cash Flow
Performance

In € millions	**2011**	**2012**
Recurring free cash flow	**199**	**150**
Acquisitions & ibis megabrand(1)	(92)	(468)
Proceeds from disposals(2)	773	620
Dividends	(155)	(269)
Capital increase, net	11	3
Others	(232)	(231)
(Increase) / Decrease in net debt	**504**	**(195)**

(1) In 2012 → Mirvac: €193m // Posadas: €217m // Sofitel Los Angeles: €21m // ibis megabrand: €38m
(2) In 2012, proceeds of which: hotel assets €352m // proceeds from Motel 6: €249m
In 2011, proceeds of which: hotel assets €396m // Groupe Lucien Barrière €271m // Lenôtre: €68m

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Key acquisitions leading to undisputed leadership in Australia and Brazil

P&L
Cash Flow
Performance

€193m

Mirvac

- Portfolio of **43 hotels** with the majority in Australia and a strong presence on the Up & Midscale segment
- **Mirvac Wholesale fund successfully refinanced** in July through a **strong partnership with Ascendas** through A-HTRUST

€217m

Posadas

- Portfolio of **15 hotels (2,600 rooms) in Latin America** and a **secured pipeline of 14 hotels** (c. 2,000 rooms) under Management contract
- **Reinforced presence on the Up & Midscale segment and confirmed leadership in Brazil**

Full synergies to be effective by 2013

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Asset Management Program: 2011-2012 plan achieved

P&L
Cash Flow
Performance

	2011 completed	2012 completed	Total
Sales & Variable Lease Back	13	9	22
Sales & Management Back	9	10	19
Sales & Franchise Back	69	60	129
Outright Sales	38	20	58
Total hotels	**129**	**99**	**228**
Cash Impact	€394m	€352m	€746m
Impact on Lease commitments	€139m	€254m	€393m
Impact on adj. net debt(1)	**€533m**	**€606m**	**€1,139m**

(1) Net debt adjusted for NPV of minimum lease payments discounted at 7% in 2012 and 8% in 2011 due to a change in Standard & Poor's methodology

Total impact on Adjusted Net Debt of €1,250m including transactions closed to-date

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Asset Management: 2012 impacts

P&L
Cash Flow
Performance

	Of owned hotels[1]	Of leased hotels[1]	
Number of hotels	**68**	**31**	
Revenue	**146**	**82**	
EBITDAR	**32**	**17**	
Rents	*(2)*	*(23)*	
D&A	*(18)*	*(2)*	
EBIT	**12**	**(8)**	
EBIT margin	***8.2%***	***(10.7)%***	
Proceeds	**386**	**22**	**€352m**
Cash Out	**N/A**	**(57)**	
Impact on Adjusted Net Debt	**€424m**	**€182m**	**€606m**

S&FB and outright sales at 12.9x EBITDA
Restructured leased hotels at 2.6 annual rental expense[2]

(1) Based on 2012 FY figures, in €m
(2) Excluding lease termination

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Credit ratios: in line with the investment grade status

P&L
Cash Flow
Performance

In € millions	2011	2012
Gross debt	**1,717**	**2,381**
Current financial assets	(1,491)	(1,960)
Net debt	**226**	**421**
Adjusted Funds from operations / Adjusted net debt[1]	26.0%	**28.5%**

(1) Net debt adjusted for NPV of minimum lease payments discounted at 7%

► Dividend withholding tax dispute: €185m to be paid in 2013

A sound financial position, backed by €1.5bn in unused and confirmed credit lines

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Strong optimization of the financial structure

P&L
Cash Flow
Performance

	Average cost of debt to be refinanced	Average cost of refinancing	Change in Financial result (prorata temporis, in €m) 2013	2014
€700m in 2013	6.14%	2.88%	13	23
€400m in 2014	7.50%	(0.64)%*	-	23
TOTAL			**13**	**46**

** Average interest income*

A more efficient balance sheet to significantly reduce financial expense, i.e. positive impact on EPS

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ROCE up +0.1pt at 14%

P&L
Cash Flow
Performance

In € millions	2011 Capital employed	2011 ROCE	2012 Capital employed	2012 ROCE
Upscale & Midscale	4,138	11.1%	4,142	11.4%
Economy	1,987	19.5%	2,050	19.5%
Total Group	**6,322**	**13.9%**	**6,355**	**14.0%**

+0.1pt

Strong ROCE on the Economy segment
Improvement in Up & Mid thanks to the Asset Management

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Proposed dividend for 2012

	2012
Operating profit before non-recurring items, net of tax[1] *(in € millions)*	**345**
Operating profit before non-recurring items, net of tax per share *(in €)*	**1.52**
Ordinary Dividend per share (50% payout ratio) *(in €)*	**0.76**
Ordinary Dividend *(in € millions)*	**173**

(1) Operating profit before tax and non-recurring items, less operating tax, less minority interests

(2) Subject to shareholder approval at the Annual General Meeting on April 25, 2013

Ordinary dividend at €0.76 per share[2], up 17% vs. 2011

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STRATEGY

DENIS HENNEQUIN - Chairman and Chief Executive Officer

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Our ambition

450K rooms

57% asset-light

23% of EBIT coming from emerging markets

Enhance Accor unique Expertise

Reshape our European portfolio

Strengthen leadership in Emerging markets

550K rooms
40/40/20
80% asset-light

50% of EBIT coming from Emerging markets

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Five pillars to reach the new target

1. **A reinforced brand and distribution system**
2. **An aggressive development plan**
3. **An ambitious asset management plan for Owned and Leased hotels**
4. **An organization to be aligned on the new model**
5. **Operational Excellence to improve competitiveness**

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A complete and complementary brand portfolio

1. Brands & Distribution

Relevant brands to address all markets needs

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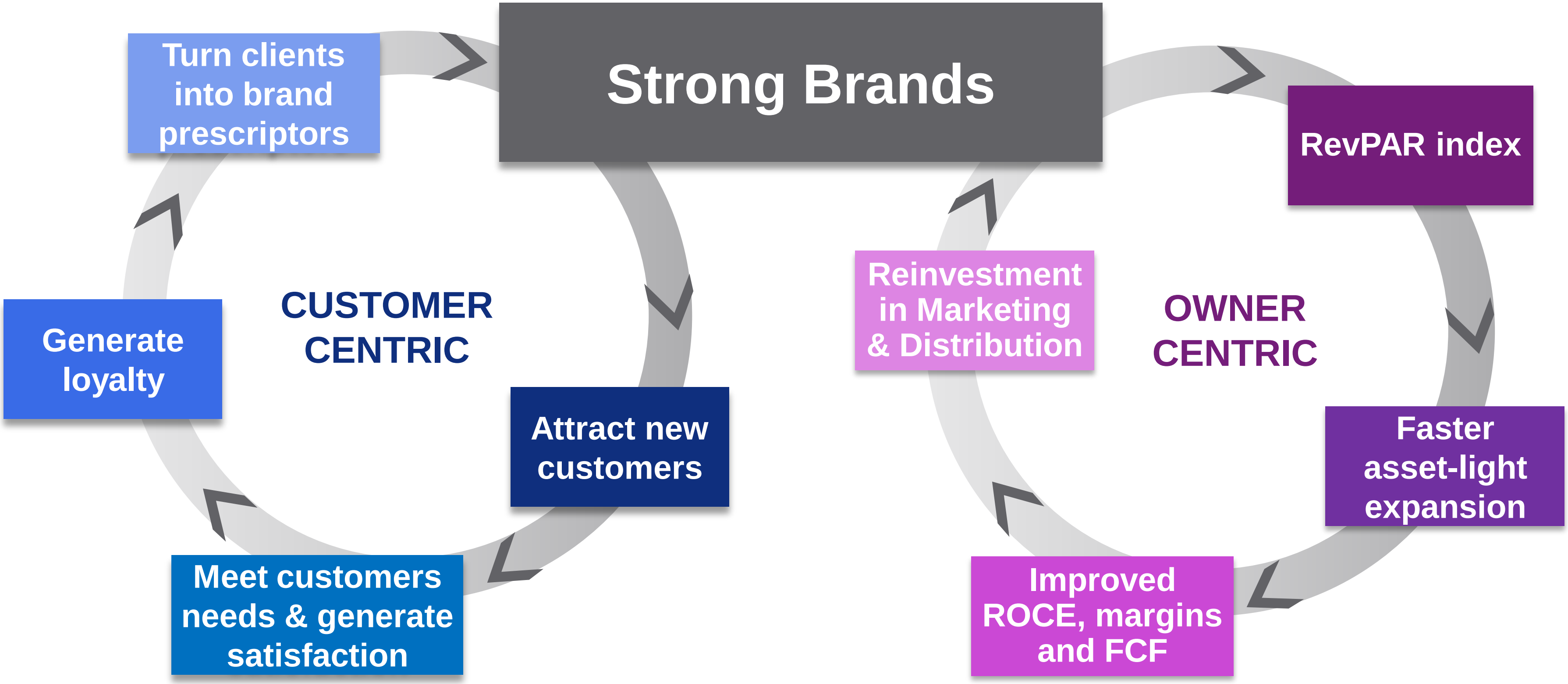
Strong Brands: genuine virtuous circles



A brand portfolio shaped for fast expansion

A new approach to distribution

1. Brands & Distribution

50% of online bookings by the end of 2016

Accor Digital Distribution

Customer Relation

Web

c. €30m/year to be spent over 2013-2016

Accor Customer Relation

A key digital relation for future hospitality

1. Brands & Distribution

28 millions clients on data base

+2 millions new members each year in our Loyalty program

+3 pts on average occupancy rate

New digital services

Self check-in/out	e-Check-in/out	Digital key	Touchpad	Desk

- Become the most attractive Loyalty program
- Simplify access for both hotels and customers
- Ease customer stay in the hotel

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ACCOR STORE A unique concept to be visible and preferred

1. Brands & Distribution

Accorhotels.com
the **“brands store”**

The power of one distributor
30 digital “stores” across the world

The **“brand boutiques”**

Personalization and attractiveness
20 digital “boutiques” across the world

- **Modernized websites**
- **Personalized answer** for customers
- A « **good deal** » image to build
- **Diversified tools** for bookings

A strong and ambitious development plan

2. Expansion

- **30,000 rooms** to be added organically every year
- **Opportunistic acquisitions**
  to strengthen leadership in emerging markets
  (c. 5,000 rooms per year)
- More than **85% asset-light**
- **80% of Expansion Capex for Owned & Leased openings**
  mostly Economy hotels in key European Gateways
- **20% for partnerships** in emerging markets

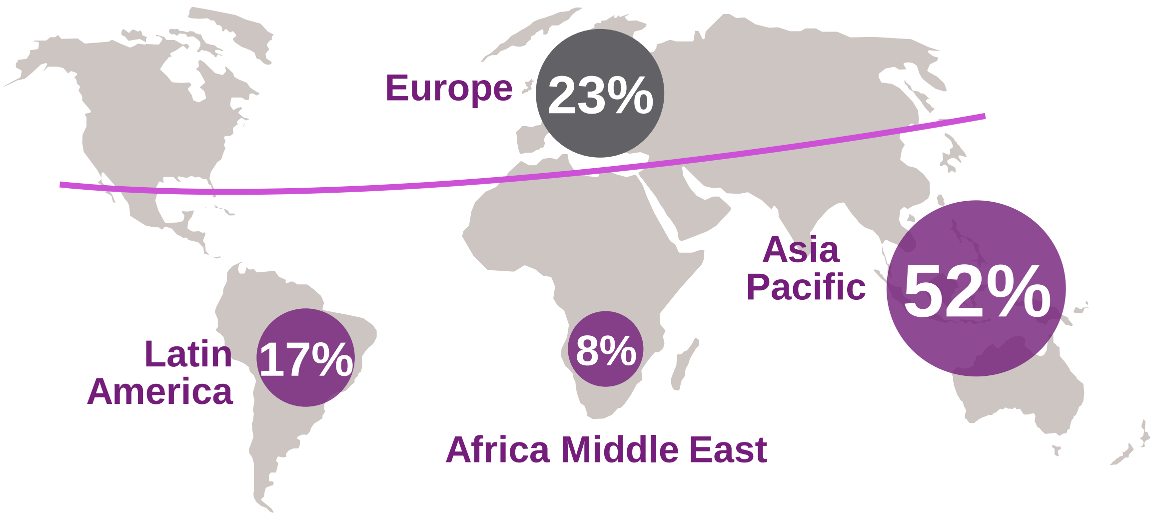
Fast expansion to drive topline and margin growth

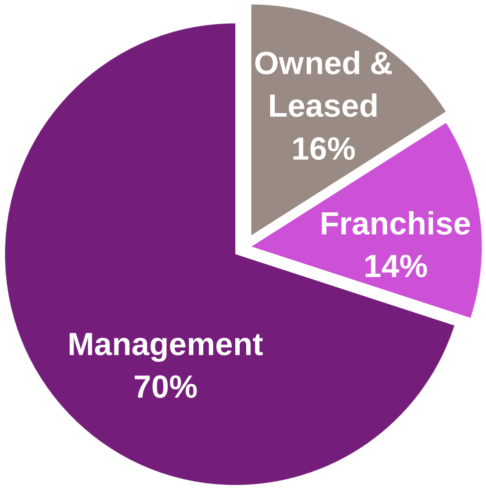
A strong asset-light pipeline

2. Expansion

633 hotels (112,600 rooms)

▶ Projects in pipeline at December-end 2012 by region and by detention mode, in % of total rooms





77% of the pipeline located in emerging markets

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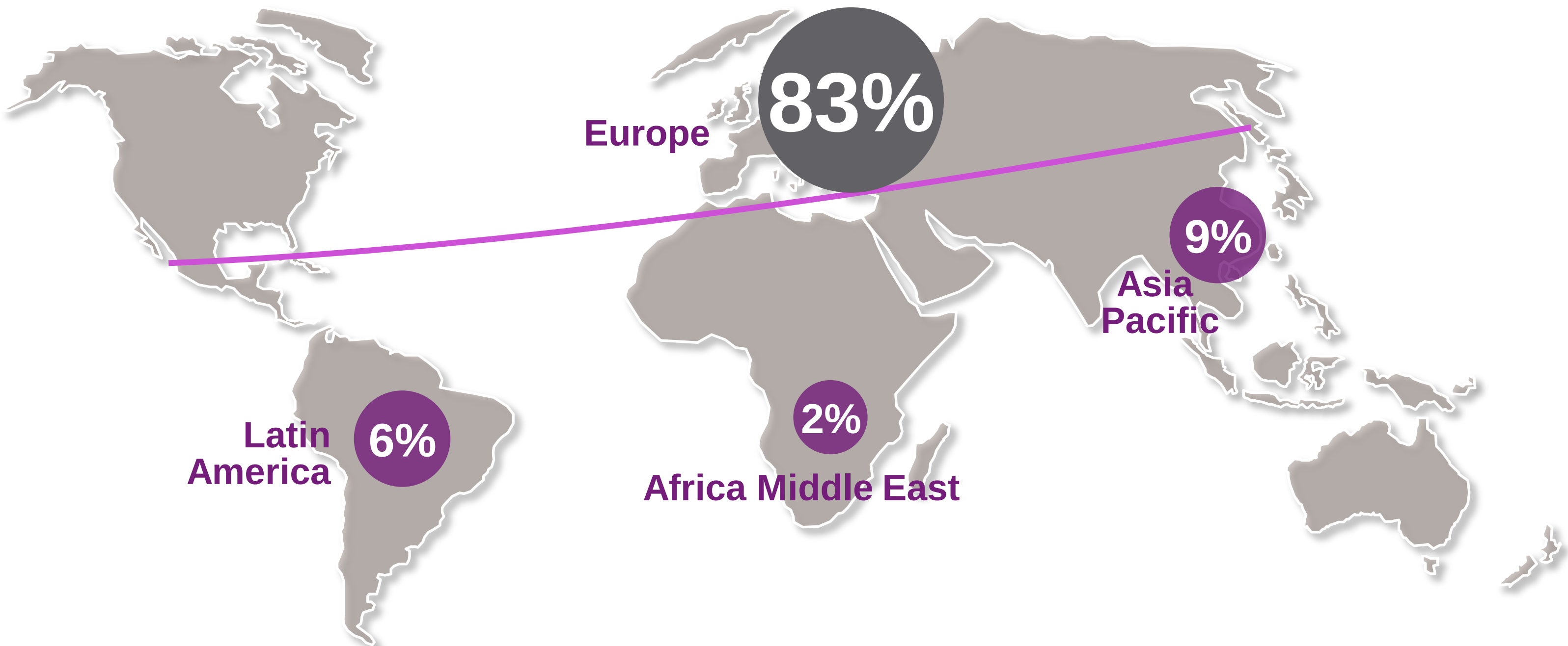
Asset Management: focused on European countries

3. Asset Management

c. 800 hotels to be restructured by the end of 2016



56% of the current owned & leased hotels to be restructured

A new organization

4. Streamlined Organization

Finance

HR

Legal

Comm.

IT

Operations Department

- Enhance operations excellence
- Raise brands awareness
- Develop Accor's distribution
- Accelerate Asset Light expansion

Property Management Department

- Manage asset portfolio
- Accelerate the asset management plan
- Optimize capex allocation
- Increase capital gain and terminal value

Reinforce expertise and accountability

Dedicated KPIs for each department

4. Streamlined Organization

Operations Department	Property Management Department
▶ RevPAR index	▶ EBIT margin
▶ EBITDAR margin	▶ CAPEX
▶ Flow Through	▶ ROCE optimization
▶ Expansion plan	▶ Net Asset Value

A strong
Free Cash Flow generation

A Group reorganized around specific expertise to enhance performance

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Operational Excellence to support the strategy

Operational Excellence and improved cost management

- OTAs & new entrants reshuffle distribution issues
- Structural increase in operating costs (tax, energy)
- Continued deterioration in Southern Europe

+ **Savings plan: €100m between 2013 and 2014**

Improve competitiveness to meet future challenges

FINANCIAL FRAMEWORK OF THE TRANSFORMATION

SOPHIE STABILE – Global Chief Financial Officer

Cost adjustments to master industry changes

Increase in tax and energy costs
OTAs & new entrants reshuffle distribution issues

c. €30m per year
to be spent for Distribution

- To raise brand awareness
- To grow online bookings to 50%
- To control distribution costs
- To support expansion

€100m savings plan
between 2013 & 2014

- Strategic review and prioritization of projects
- Reduction in operating costs of the Group and its European subsidiaries

Improve competitiveness to meet future challenges

Fast asset-light expansion to leverage margin

Asset-Light Expansion

Owned & Leased

Annual impacts*(€m)*
at cruise speed

Revenue	**175-225**
EBITDAR	**60-80**
EBIT	**30-40**
EBIT Margin	***c.17%***

€100-150m **yearly expansion capex by 2016**

Profitable expansion to drive margin growth

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About 800 hotels
to be restructured by the end of 2016

3. Asset Management

Asset Management *(in number of hotels)*	**New Plan 2013 - 2016**
Conversions into Variable Lease contracts	c.25
Conversions into Management contracts	c.125
Conversions into Franchise contracts	c.600
Outright Sales or Termination of Lease contracts	c.50
Total	**c.800**

More than 90% of the restructured hotels to be converted to Management or Franchise contracts

Asset Management of Leased hotels: c. 600 leased hotels to be restructured

3. Asset Management

Leased Hotels

- **34%** of existing room portfolio (12% of fix-leased and 22% of variable)
- **54%** of leased hotels to be restructured
- **Mostly unit by unit agreements for fix-leased hotels**
- **Mostly portfolio deals for variable leased hotels**

€700m **Positive impact on Adj. Net Debt**

- **o/w €600m to be spent to exit lease contracts**

P&L Contribution[1]
(€m)

Revenue	**1,500**
EBITDAR	**350**
Rents	(340)
D&A	(60)
EBIT	**(50)**
EBIT Margin	**(3)%**

(1) Based on 2012 figures

A strong positive impact on EBIT margin

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Asset Management of Owned hotels: Extended disposal plan of 200 hotels

3. Asset Management

Owned hotels

- 9% of existing room portfolio
- 2/3 of owned hotels to be restructured

€1.3bn Positive impact on Adj. Net Debt

P&L Contribution[1]
(€m)

Revenue	**500**
EBITDAR	**100**
Rents	(3)
D&A	(70)
EBIT	**27**
EBIT Margin	**6%**
Proceeds	**1,300**

(1) Based on 2012 FY figures

A €2bn total impact from the Asset Management on Adj. Net Debt over the period

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Accor by 2016: a new financial profile

Increased EBIT margin	**>15%**
Reduced annual capex(1)	**€300-400m**
Improved ROCE	**>18%**
Reduced volatility of profits(2)	**-50%**

A reinforced financial strategy to strengthen strong Cash Flow Generation

(1) At cruise speed: Maintenance capex: €200-250m per year // Expansion: €100-150m per year
(2) Vs. 2010

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A strong financial capacity

Cash Flow from operations

Net cash proceeds from Asset Management

Cash utilization in line with investment grade status

Asset light acquisitions

- Asset light acquisitions with ROCE >12%

Return to shareholders

- Pay out ratio = 50%
- Special return (cash or share buy-backs)

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CONCLUSION

DENIS HENNEQUIN - Chairman and Chief Executive Officer

Our Vision for 2016

Be the Global Reference in the Hospitality Industry

Shape the future of hospitality through our conquering and caring values

Build strong relationship with customers and owners

Leverage the attractiveness of our brands

Empower our distribution systems

Create shareholder value

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APPENDICES

2013 Trends

L/L – excl. VAT O&L	Up & Midscale Worldwide			Economy Worldwide		
	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.
OR (pts)	+0.3	+0.6	+0.4	-0.5	-1.0	-0.6
ARR (%)	-1.4	+0.7	+1.1	+1.4	+1.6	+1.0
RevPAR (%)	-1.0	+1.8	+1.9	+0.6	-0.1	-0.1

FY 2012 EBIT margins by detention mode and segment

EBIT margin	Owned	Fixed lease	Var. lease
Up & Midscale	5.6%	(1.2)%	3.3%
Economy	13.1%	6.1%	8.2%
2012	**8.0%**	**1.2%**	**5.3%**

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"P&L Performance": A powerful tool to drive the Asset Management strategy

2012	Management & Franchise [1]	Sales & Marketing Fund [1]	Owned & Leased	Central Costs Other Businesses & Intercos	Total
Gross Revenue	**11,095**	**N/A**	**4,943**	**152**	**11,247**
o/w Revenue[1]	**665**	**339**	**4,943**	**(298)**	**5,649**
EBITDAR	**350**	**1**	**1,437**	**0**	**1,788**
Contributive margin	*52.6%*	*0.4%*	*29.1%*	*N/A*	*31.7%*
EBIT	**350**	**1**	**229**	**(54)**	**526**
EBIT margin	*52.6%*	*0.4%*	*4.6%*	*N/A*	*9.3%*

(1) Including fees from owned and leased hotels

2011 Restated	***Margin*** ***53.5%***	***EBIT*** ***(1)***	***Margin*** ***4.9%***	***EBIT*** ***(43)***	***Margin*** ***9.3%***

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