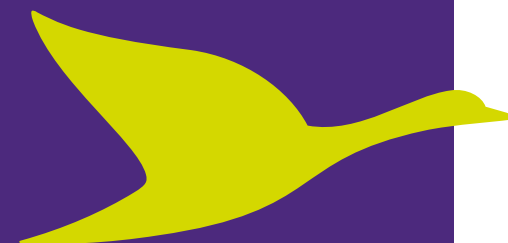
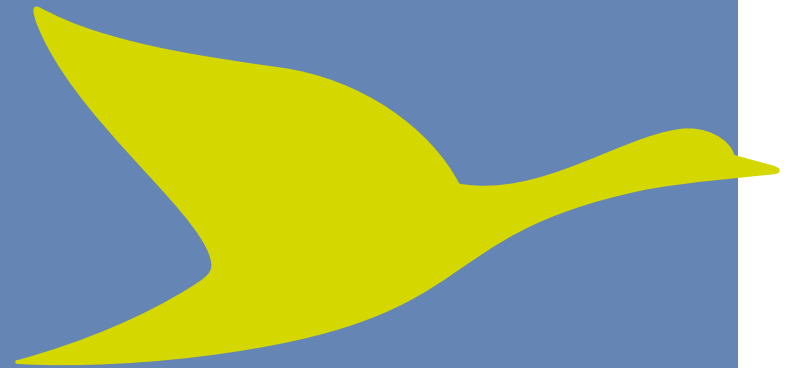


2013 INTERIM RESULTS

August 28, 2013





2013 INTERIM RESULTS

SOPHIE STABILE – Global Chief Financial Officer



Income Statement

<i>In € millions</i>	June 2012	June 2013	% change	% change L/L ⁽¹⁾
Revenue	2,717	2,694	-0.9%	+1.8%
EBITDAR	835	817	-2.2%	-0.4%
<i>EBITDAR margin</i>	30.7%	30.3%	-0.4pt	-0.6pt
EBIT	212	198	-6.6%	-6.4%
<i>EBIT margin</i>	7.8%	7.4%	-0.5pt	-0.6pt
Operating profit before tax	190	148	-22%	-14.7%
Net profit/(loss) before discontinued operations	80	33	N/A	N/A
Profit or loss from discontinued operations	(612)	1	N/A	N/A
Net profit/(loss)	(532)	34	N/A	N/A

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



H1 2013 Revenue: €2,694m

+1.8%

Like-for-Like
+€47.6m

Like-for-like growth

- ▶ Hotels: +1.7%
 - Subsidiaries: +0.3%
 - Fees: +15.9%

+3.3%

Expansion
+€90.2m

Impact of expansion

- ▶ Openings: 9,940 new rooms (77 hotels) of which
 - 3,540 franchised rooms (36% of openings)
 - 4,357 managed rooms (44% of openings)

-4.7%

Disposals
€(127.3)m

Impact of disposals

- ▶ Asset Light Strategy: €(119.0)m

-1.2%

Currency
€(33.7)m

Currency effect

- ▶ BRL: -0.6%, €(15.6)m
- ▶ GBP: -0.3%, €(6.8)m
- ▶ AUD: -0.2%, €(6.2)m
- ▶ ARS: -0.1%, €(1.5)m

-0.9%

Reported
€(23.2)m



H1 2013 EBITDAR: €817m

Total Group

H1 2012
€835m
30.7%

→

H1 2013
€817m
30.3%

-0.4%

Like-for-Like
€(3)m

+3.0%

Expansion
+€25m

-3.5%

Disposals
€(29)m

-1.3%

Currency
€(11)m

-2.2%

Reported
€(18)m

- ▶ **Stable EBITDAR in a complex environment**
- ▶ **Strategic initiatives to protect Group's performance:**
 - ▶ Increase in **Distribution expenses and loyalty program** in line with **digital plan**
 - ▶ Implementation of the **€100m savings plan**, with **tangible positive impacts expected in H2**



H1 2013 EBIT: €198M

<i>In € millions</i>	June 2012	June 2013	% change	% change L/L ⁽¹⁾
EBITDAR	835	817	-2.2%	-0.4%
Rents	(460)	(446)	+3.1%	-1.2%
Depreciation & amortization	(163)	(173)	-6.2%	-3.2%
EBIT	212	198	-6.6%	-6.4%
<i>EBIT margin</i>	<i>7.8%</i>	<i>7.4%</i>	<i>-0.5pt</i>	<i>-0.6pt</i>

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

Short term effect of acquisitions and ibis megabrand on D&A



Up & Midscale

H1 2013 EBIT: €71m

S O F I T E L
LUXURY HOTELS

pullman
HOTELS AND RESORTS



Mercure



<i>In € millions</i>	June 2012	June 2013	% change	% change L/L ⁽¹⁾
Revenue	1,710	1,680	-1.7%	+2.3%
EBITDAR	475	446	-6.0%	-3.2%
<i>EBITDAR margin</i>	<i>27.8%</i>	<i>26.6%</i>	<i>-1.2pt</i>	<i>-1.6pt</i>
EBIT	91	71	-21.3%	-25.0%
<i>EBIT margin</i>	<i>5.3%</i>	<i>4.3%</i>	<i>-1.1pt</i>	<i>-1.5pt</i>

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

- ▶ Moderate RevPAR growth driven by occupancy
- ▶ Good results in MEA, UK and Germany - High comps in Poland & Australia
- ▶ EBIT loss in Southern Europe reduced, thanks to cost cutting measures

Distribution expenses weighing on EBIT margin



Economy

H1 2013 EBIT: €115m



hotelF1

<i>In € millions</i>	June 2012	June 2013	% change	% change L/L ⁽¹⁾
Revenue	952	948	-0.5%	+0.5%
EBITDAR	358	351	-1.8%	-1.4%
<i>EBITDAR margin</i>	<i>37.5%</i>	<i>37.0%</i>	<i>-0.5pt</i>	<i>-0.7pt</i>
EBIT	121	115	-5.5%	-3.6%
<i>EBIT margin</i>	<i>12.8%</i>	<i>12.1%</i>	<i>-0.6pt</i>	<i>-0.5pt</i>

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

- ▶ RevPAR marginally down but pricing power remains
- ▶ Mitigated environment in Continental Europe
- ▶ Sharp business drop in the Australian mining region

Satisfactory resilience despite moderate trends



EBIT: split by business

	EBIT <i>(in €m)</i>	Change vs. H1 2012 <i>(in €m)</i>	EBIT margin
Management & Franchise ⁽¹⁾	175	+8	53.0%
Sales & Marketing Fund ⁽¹⁾	1	+1	NA
Owned & Leased	72	(17)	3.1%
Central costs, Other Businesses & Intercos	(49)	(5)	NA
Total	198	(14)	7.4%

(1) Including fees from owned and leased hotels

Group's margin backed by the model's transformation



Net Profit: €34m

<i>In € millions</i>	June 2012	June 2013
EBIT	212	198
Net financial expense	(29)	(48)
Share of profits/(losses) of associates	7	(2)
Operating profit before tax and non-recurring items	190	148
Restructuring costs	(20)	(49)
Impairment losses	(52)	(59)
Gain and losses on management of assets	25	43
Income tax expense	(54)	(45)
Minority interests	(9)	(5)
Net profit/(loss) before discontinued operations	80	33
Profit or loss from discontinued operations	(612) ⁽¹⁾	1
Net profit/(loss) attributable to shareholders	(532)	34

(1) Mainly linked to the sale of Motel 6. It is accounted for in Asset Held For Sale, as Accor announced it has signed an agreement to sell its United States Economy Hotels Division to an affiliate of Blackstone Real Estate Partners VII on May 22nd, 2012



Positive recurring free cash flow at €115m

<i>In € millions</i>	June 2012	June 2013	% change
Adjusted funds from operations	310	293	-5%
Renovation & maintenance capex	(95)	(81)	-15%
Funds from operations	215	212	-1%
Recurring expansion capex	(75)	(97)	+29%
Recurring free cash flow	140	115	-18%

Positive free cash flow generation confirmed



Net Debt impacted by one-off items

<i>In € millions</i>	June 2012	June 2013
Recurring free cash flow	140	115
Acquisitions	(196)	4
Proceeds from disposals of hotel properties	213	154
Proceeds from disposals of other assets	10	1
Dividends	(271)	(184)
Capital increase, net	1	1
Recurring change in working capital	(167)	(13)
Non recurring change in working capital*	-	(185)
Others	(36)	(53)
Cash flow from discontinued operations	(273)	-
(Increase) / Decrease in net debt	(578)	(160)

* Refund to the French State related to the précompte withholding tax dispute



Asset Management: H1 2013 impacts

	Of owned hotels ⁽¹⁾	Of leased hotels ⁽¹⁾	
Number of hotels	11	13	
Revenue	32	35	
EBITDAR	9	7	
<i>Rents</i>	<i>1</i>	<i>(10)</i>	
<i>D&A</i>	<i>(4)</i>	<i>(1)</i>	
EBIT	6	(4)	
<i>EBIT margin</i>	<i>19%</i>	<i>(11)%</i>	
Proceeds	152	13	} €154m
Cash Out	N/A	(11)	
Impact on Adjusted Net Debt	€153m	€31m	€184m

€248m Adjusted Net Debt reduction secured to date

(1) Based on 2012 FY figures, in €m



H1 2013 ROCE: 13.6%

June 2012

June 2013

<i>In € millions</i>	Capital employed	ROCE	Capital employed	ROCE
Upscale & Midscale	4,012	11.5%	4,155	10.8%
Economy	2,038	19.6%	2,183	18.3%
Total Group	6,214	14.2%	6,491	13.6%

Raise in Capital employed lifted by expansion and ibis

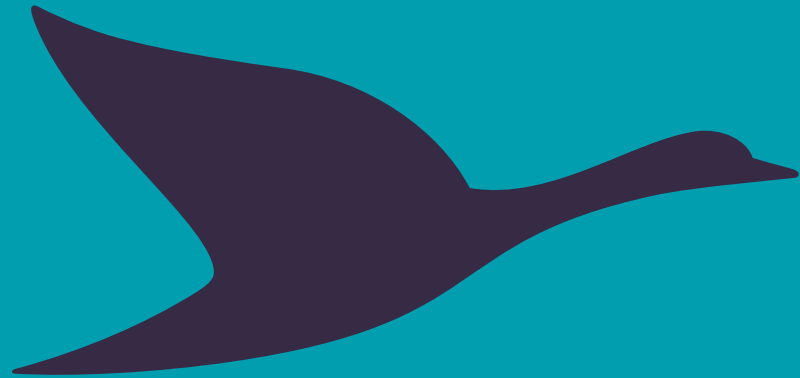


Credit ratios: ongoing improvements

<i>In € millions</i>	Dec. 2012	June 2013
Gross debt	2,381	2,525
Current financial assets	(1,960)	(1,944)
Net debt	421	581
Net debt / Shareholders equity (gearing)	14%	21%
Adjusted Funds from operations / Adjusted net debt ⁽¹⁾	28.5%	27.1%

(1) Net debt adjusted for NPV of minimum lease payments discounted at 7% (Standard & Poor's methodology), and restated from Motel 6

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



OUTLOOK & CONCLUSION



<i>in %</i>	YoY RevPAR change L/L ⁽¹⁾ Excl. VAT July MTD
Upscale and Midscale Hotels Worldwide	+2.8%
▪ France	+2.9%
▪ Rest of Europe	+2.5%
▪ Asia-Pacific	+8.9%
▪ Latin America	+5.9%
Economy Hotels Worldwide	+2.1%
▪ France	+1.1%
▪ Rest of Europe	+3.8%
▪ Asia-Pacific	-2.8%
▪ Latin America	+3.2%

(1) Subsidiaries only

Up & Midscale hotels still driving growth in July

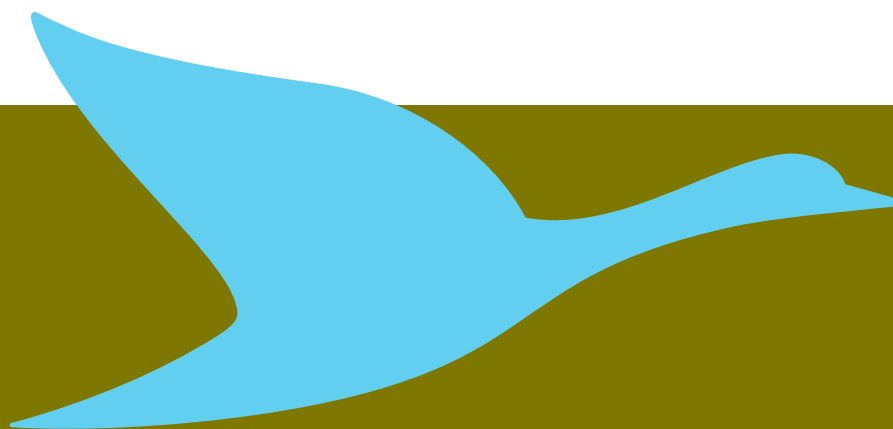


Full-Year 2013 EBIT target of €510m to €530m

Underlying business trends expected to continue in H2 2013

Investment in Distribution weighing on Group's performance

Profit growth to be supported by savings plan in H2 2013



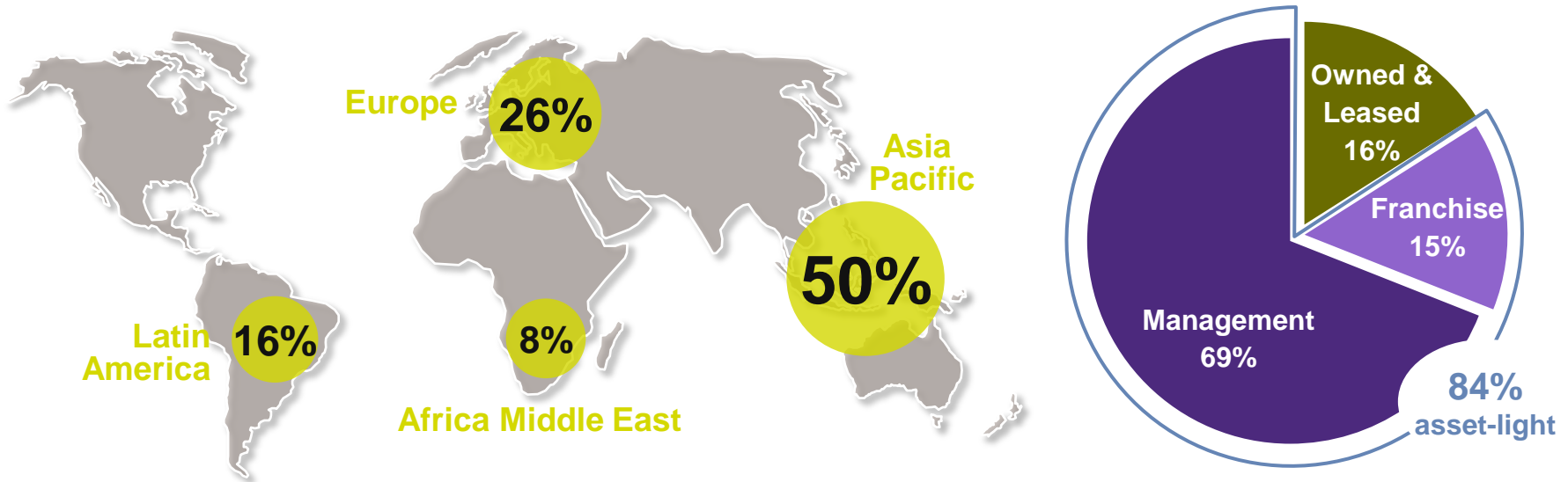
APPENDICES



Strong pipeline at June-end 2013

670 hotels (117,700 rooms)

- ▶ Projects in pipeline at June-end 2013 by region and by detention mode, in % of total rooms





P&L Performance

H1 2013	Management & Franchise ⁽¹⁾	Sales & Marketing Fund ⁽¹⁾	Owned & Leased	Not allocated, platform & intercos	Total
Gross Revenue	5,542	N/A	2,324	66	5,608
o/w Revenue ⁽¹⁾	330	181	2,324	(142)	2,694
EBITDAR	175	1	650	(9)	817
<i>Contributive margin</i>	53.0%	0.4%	27.9%	N/A	30.3%
EBIT	175	1	72	(49)	198
<i>EBIT margin</i>	53.0%	0.4%	3.1%	N/A	7.4%
H1 2012	<i>Contrib. margin</i> 52.9%	<i>EBIT</i> 0	<i>EBIT Margin</i> 3.7%	N/A	<i>EBIT Margin</i> 7.8%



EBIT margins by segment and operating mode

EBIT margin	Owned	Fixed lease	Var. lease
Up & Midscale	4.3%	(2.4)%	1.3%
Economy	13.3%	4.2%	6.0%
H1 2013	7.2%	(0.1)%	3.3%
H1 2012	6.8%	0.6%	4.4%
Midterm Target	12-15%	8-10%	8-10%