



# ACCOR HOTELS

Feel Welcome

December 9, 2015

SO F I T E L  
LEGEND

SO  
SO F I T E L

SO F I T E L

M  
GALLERY

pullman

NOVOTEL

Mercure

MAMA  
SHELTER

adagio

ibis

ibis  
styles

ibis  
budget

RAFFLES *Fairmont* swissôtel



HOTELS & RESORTS

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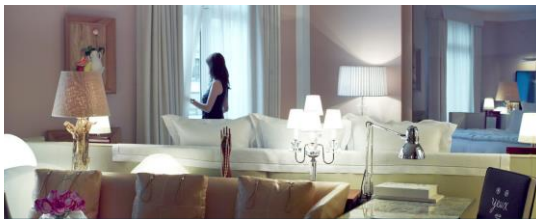
# A strategic deal

## CREATING A WORLDWIDE LEADER IN THE LUXURY SEGMENT

- Strengthen **our presence and expertise** in the Luxury segment with **strong, iconic brands**
  - Increase **share of contribution** from the Luxury segment in HotelServices (from 19% to 35% of fee revenues)
  - Significantly strengthen our position in the **US market** with flagship properties in key cities
  - Leverage **high-end client databases**, mostly US-based
- Build a **new global brand architecture** to address strong growth market potential
  - Enhance the **Group's overall growth profile**
  - Create **significant synergies** thanks to shared expertise, distribution platform & loyalty programs
  - **EPS accretion**, post synergies



# A global leader in Luxury Hospitality



A legacy spanning 128 years

Pioneer in worldly elegance & hospitality

12 hotels - 2,000 rooms

10 countries



Established 108 years ago

Strong footprint and brand awareness in North America

70 hotels - 29,000 rooms

22 countries



Capitalizing on the “Swiss” reputation

For quality, design, hospitality and safety

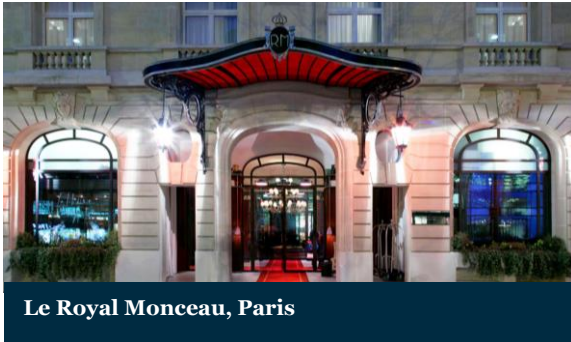
32 hotels - 12,000 rooms

16 countries

- 155 hotels in more than 40 countries worldwide, including 40 hotels in the pipeline
- Three iconic, widely recognized Luxury brands, with a global footprint and strong expertise

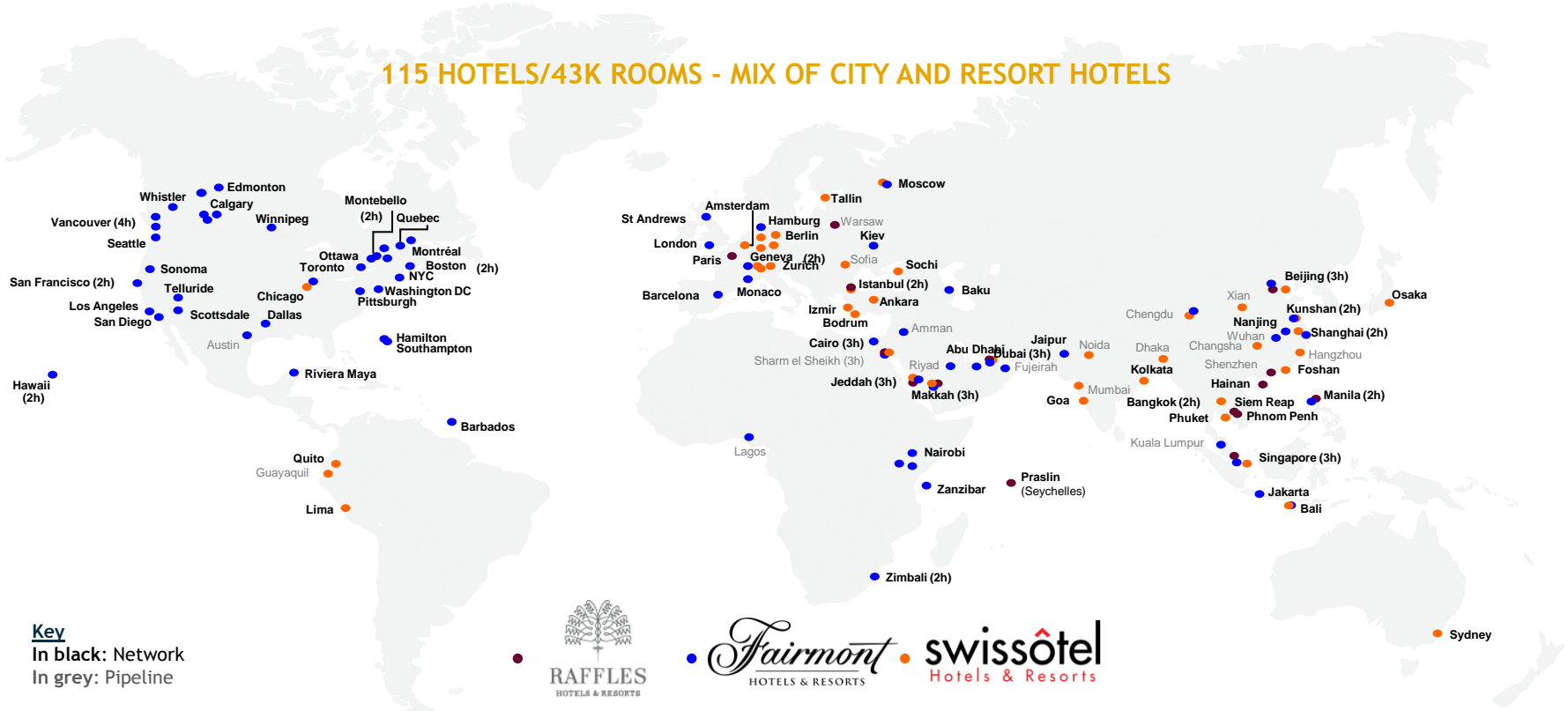


# Exceptional properties



# Strong presence IN NORTH AMERICA & IN GATEWAY CITIES WORLDWIDE

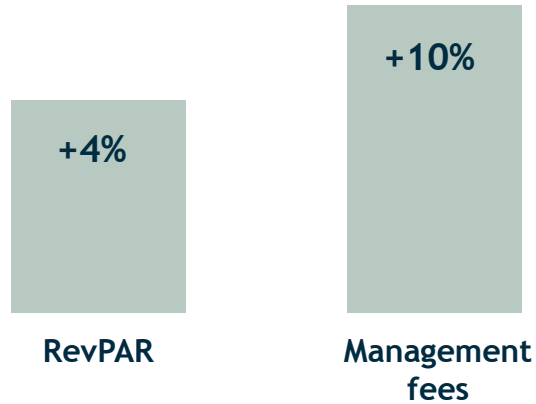
115 HOTELS/43K ROOMS - MIX OF CITY AND RESORT HOTELS



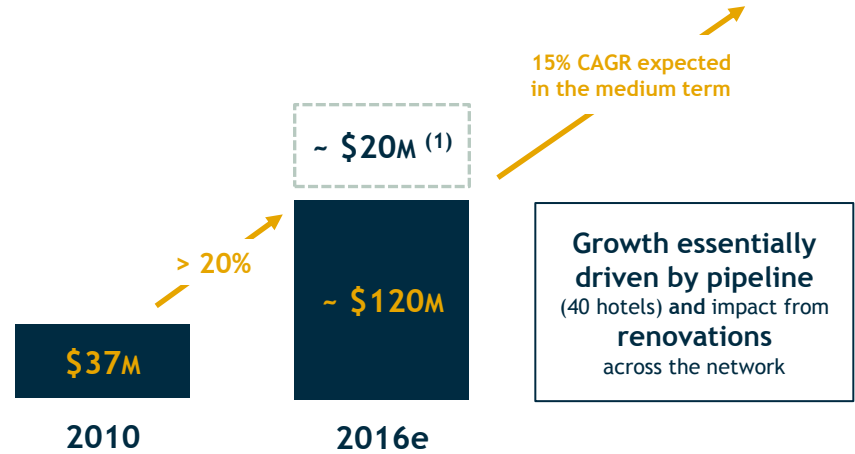
**Key**  
In black: Network  
In grey: Pipeline

# Solid track record

## FRHI Growth 2010 – 2015 F (CAGR)



## FRHI Economic EBITDA growth (CAGR)



(1) Share of EBITDA from JV investments



# Highly complementary brand portfolio



RAFFLES  
HOTELS & RESORTS  
12 hotels



Fairmont  
HOTELS & RESORTS  
70 hotels



swissôtel  
Hotels & Resorts  
32 hotels

**115 hotels**  
(+40h. in the pipeline)




SOFITEL  
LEGEND  
5 hotels



SO  
SOFITEL  
3 hotels



SOFITEL  
HOTELS & RESORTS  
103 hotels



M  
GALLERY  
77 hotels



pullman  
HOTELS AND RESORTS  
99 hotels



THE  
SEBEL GRAND MERCURE  
HOTELS & RESORTS  
69 hotels

**356 hotels**  
(+134h. in the pipeline)

**22 hotels**  
**4,000 rooms**

**320 hotels**  
**81,000 rooms**

**303 hotels**  
**80,000 rooms**

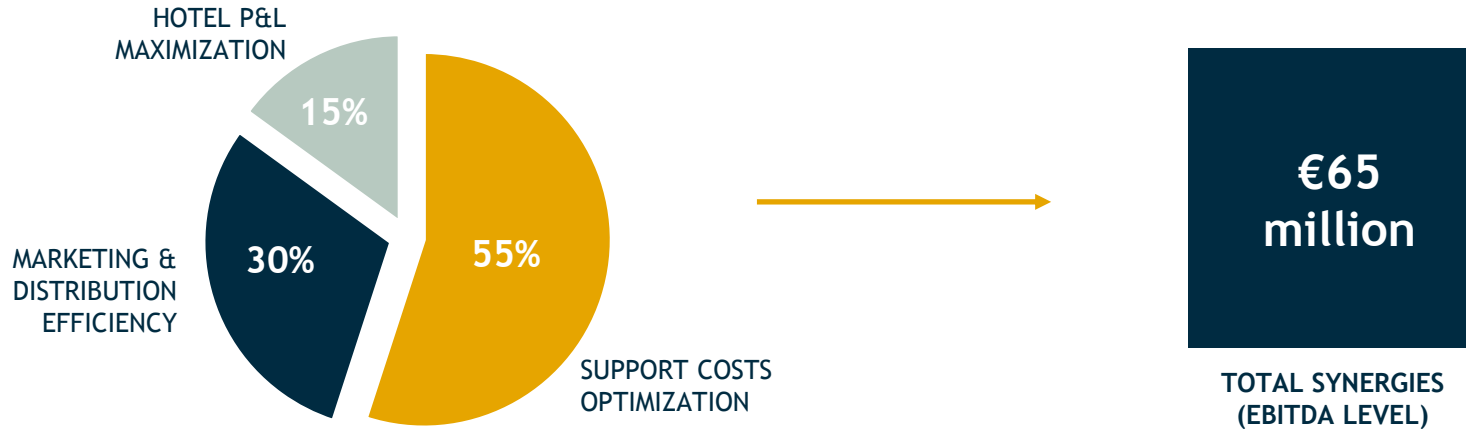
**645 hotels**  
**> 165k rooms**  
Including medium-term  
pipeline





# Significant synergies expected

## 3 key levers



€120m implementation cost - Full synergies reached within 3 years



# Key transaction parameters

## Purchase 100% of the FRHI shares for

- \$840 million in cash
- 46.7 million Accor shares not eligible for 2015 dividend (current market value of \$2.0bn<sup>(1)</sup>)
- Robust balance sheet and financial flexibility unaltered

## Implied enterprise value of \$2.9bn <sup>(2)</sup>

- 13.8x 2016e economic EBITDA post synergies
- EPS accretive from year 2 including run-rate synergies

## New anchor shareholders for AccorHotels

- QIA with 10.5% of share capital (proforma)
- Kingdom Holding Company with 5.8% of share capital (proforma)

(1) Based on 1 month VWAP to 8 December 2015 of €40.3 per share, total value adjusted ex-dividend

(2) Enterprise value including adjustments for 2015 dividend not paid to sellers, net debt at closing, share of JV debts (not consolidated) and other debt-like items



# Transaction next steps

**Transaction subject to customary antitrust conditions**

**Accor S.A. EGM to approve the capital increase**

- Stock consideration subject to Accor S.A. Extraordinary General Meeting vote

**Expected to close in Q2 2016**





# ACCOR HOTELS

Feel Welcome



UNDISPUTED LEADER IN  
ECONOMY & MIDSACLE  
OUTSIDE THE USA



A NEW LEADER IN THE  
LUXURY SEGMENT



INNOVATIVE DIGITAL  
STRATEGY



BEST-IN-CLASS HOTEL  
OWNER & INVESTOR  
THROUGH HOTELINVEST

**The best-performing platform in the industry**

**Geared for growth and further developments**





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