

Prospectus dated 30 January 2019



Accor

(a *société anonyme* incorporated in France)

€600,000,000 1.750 per cent. Bonds due 4 February 2026

Issue Price: 99.661 per cent.

The €600,000,000 1.750 per cent. Bonds due 4 February 2026 (the “**Bonds**”) of Accor (the “**Issuer**”) will mature on 4 February 2026.

Interest on the Bonds will accrue at the rate of 1.750 per cent. per annum from 4 February 2019 (the “**Issue Date**”) and will be payable in Euro annually in arrear on 4 February in each year, commencing on 4 February 2020. Payments of principal and interest on the Bonds will be made without withholding or deduction for or on account of taxes of the Republic of France (See “**Terms and Conditions of the Bonds—Taxation**”).

Unless previously redeemed or purchased and cancelled, the Bonds may not be redeemed prior to 4 February 2026 (the “**Maturity Date**”). The Issuer may, and in certain circumstances shall, redeem the Bonds, in whole but not in part, at their principal amount together with accrued interest to the date set for redemption in the event of certain tax changes in accordance with Condition 4(b) (*Redemption for Taxation Reasons*). The Issuer may, at its option, (i) redeem all (but not some only) of the Bonds on the Make-whole Redemption Date (as defined in “*Terms and Conditions of the Bonds—Redemption and Purchase—Redemption at the option of the Issuer*”) at the amount calculated as described under Condition 4(c)(i) (*Redemption at the option of the Issuer*), (ii) redeem all (but not some only) of the Bonds, in the event that 20 per cent. or less of the initial aggregate principal amount of the Bonds remain outstanding, at their principal amount together with any interest accrued to, but excluding, the date set for redemption, in accordance with Condition 4(c)(ii) (*Redemption at the option of the Issuer*), (iii) on any date from and including 3 months prior to the Maturity Date, but excluding the Maturity Date, redeem all (but not some only) of the outstanding Bonds, at their principal amount plus accrued interest up to but excluding the date set for redemption, in accordance with Condition 4(c)(iii) (*Redemption at the option of the Issuer*). In addition, the holder of a Bond will have the option, following a Change of Control (as defined in “*Terms and Conditions of the Bonds—Redemption and Purchase—Redemption at the option of Bondholders following a Change of Control*”), to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Bond, at its principal amount outstanding of such Bonds together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date (as defined in “*Terms and Conditions of the Bonds—Redemption and Purchase—Redemption at the option of Bondholders following a Change of Control*”), in accordance with Condition 4(d) (*Redemption at the option of Bondholders following a Change of Control*).

The Bonds will, upon issue on 4 February 2019, be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined in “*Terms and Conditions of the Bonds—Form, Denomination and Title*”) including Euroclear Bank S.A./N.V. (“**Euroclear**”) and the depository bank for Clearstream Banking, S.A. (“**Clearstream**”).

The Bonds will be in dematerialised bearer form (*au porteur*) in the denomination of €100,000. The Bonds will at all times be represented in book entry form (*inscription en compte*) in the books of the Account Holders in compliance with Article L.211-3 of the French *Code monétaire et financier*. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

Application has been made to the *Autorité des marchés financiers* (the “**AMF**”), in its capacity as competent authority pursuant to Article 212-2 of its *Règlement général*, implementing Article 13 of Directive 2003/71/EC (as amended) (the “**Prospectus Directive**”), for the approval of this Prospectus as a prospectus for the purposes of Article 5.3 of the Prospectus Directive. Application has also been made to Euronext Paris for the Bonds to be admitted to trading. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive, Directive 2014/65/EU as amended (a “**Regulated Market**”).

The Bonds are expected to be rated BBB- by S&P Global Ratings Europe Limited (“**S&P**”) and BBB- by Fitch Ratings Limited (“**Fitch**”). The Issuer's long-term senior unsecured debt is rated BBB- (stable outlook) by S&P and BBB- (positive outlook) by Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. Each of S&P and Fitch is established in the European Union and is registered under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”) and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (the “**ESMA**”) (www.esma.europa.eu/page/List-registered-and-certified-CRAs).

Prospective investors should have regard to the factors described in the section headed “Risk Factors” in this Prospectus. This Prospectus does not describe all of the risks of an investment in the Bonds.

Global Coordinators

CREDIT AGRICOLE CIB

BNP PARIBAS

Joint Lead Managers

BofA MERRILL LYNCH

ING

NATIXIS

**SOCIETE GENERALE CORPORATE &
INVESTMENT BANKING**

UNICREDIT BANK

This Prospectus constitutes a prospectus for the purposes of Article 5.3 of the Prospectus Directive, and has been prepared for the purpose of giving information with regard to Accor (the “**Issuer**”), the Issuer and its subsidiaries and affiliates taken as a whole (the “**Group**”) and the Bonds which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers (as defined in “Subscription and Sale” below) to subscribe or purchase, any of the Bonds. The distribution of this Prospectus and the offering of the Bonds may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”). For a description of certain restrictions on offers and sales of Bonds and on distribution of this Prospectus, see “Subscription and Sale”.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the extent permitted by law, each of the Joint Lead Managers accepts no responsibility whatsoever for the content of this Prospectus (including the documents which are incorporated herein by reference) or for any other statement in connection with the Issuer.

The Joint Lead Managers have not separately verified the information or representations contained or incorporated by reference in this Prospectus in connection with the Issuer. None of the Joint Lead Managers makes any representation, express or implied, or accepts any responsibility, with respect to the sincerity, accuracy or completeness of any of the information in this Prospectus in connection with the Issuer. Neither this Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer and the Joint Lead Managers that any recipient of this Prospectus or any other financial statements should purchase the Bonds. Each potential purchaser of Bonds should determine for itself the relevance of the information contained in this Prospectus and its purchase of Bonds should be based upon such investigation as it deems necessary. None of the Joint Lead Managers has reviewed or undertakes to review the financial condition or affairs of the Issuer prior or during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Bonds of any information coming to the attention of any of the Joint Lead Managers.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of

Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**Distributor**") should take into consideration the manufacturers’ target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**EUR**" or "**euro**" or "**€**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

TABLE OF CONTENTS

	Page
RISK FACTORS	6
DOCUMENTS INCORPORATED BY REFERENCE	11
TERMS AND CONDITIONS OF THE BONDS	14
USE OF PROCEEDS	27
RECENT DEVELOPMENTS	28
TAXATION	40
SUBSCRIPTION AND SALE	42
GENERAL INFORMATION	44
PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS.....	47

RISK FACTORS

The following are certain risk factors of the offering of the Bonds of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including in particular the risk factors detailed below. This description is not intended to be exhaustive and prospective investors should make their own independent evaluations of all risk factors and should also read the detailed information set out elsewhere in this Prospectus.

The terms defined in “Terms and Conditions of the Bonds” shall have the same meaning where used below.

Risks related to the Issuer

The risk factors relating to the Issuer and its activity are set out in particular in pages 54 to 67 and pages 321 and 322 of the reference document (*document de référence*) of the Issuer for the year ended 31 December 2017 incorporated by reference into this Prospectus, as set out in the section “Documents Incorporated by Reference” of this Prospectus and include the following:

- risks related to the business environment, including (i) risks related to the legislative and regulatory environment, (ii) risks related to the geopolitical, health and social environment, (iii) risks related to the competitive environment, (iv) risks related to the economic environment, (v) risks related to the natural environment, (vi) risks related to the social environment;
- operational risks specific to the Group's business and organization, including (i) legal and regulatory risks, (ii) industrial and environmental risks, (iii) data risks, (iv) talent risks (v) risks concerning relations with business partners, (vi) ethics and corporate social responsibility risk;
- financial risks, including (i) liquidity risk, (ii) counterparty and country risk (iii) currency and interest rate risk.

Risks related to the Bonds

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, monetary, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

The Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds in the secondary market in which case the market or trading price and liquidity may be adversely affected or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

The Bonds bearing interest at a fixed rate, investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. In addition, the interest rate for an interest period may vary depending on the credit rating of the Issuer.

Credit risk

An investment in the Bonds involves taking credit risk on the Issuer. If the credit worthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Bonds, and investors may lose all or part of their investment.

The Bonds may be redeemed prior to maturity

In the event that the Issuer would be obliged to pay additional amounts payable in respect of any Bonds due to any withholding as provided in Condition 4(b), the Issuer may redeem all outstanding Bonds in accordance with such Terms and Conditions of the Bonds.

In addition, the Issuer has the option to redeem all (but not some only) of the Bonds at any time prior to the Maturity Date, at the relevant make-whole redemption amount, as provided in Condition 4(c)(i), all (but not some only) remaining Bonds, as provided in Condition 4(c)(ii) and all (but not some only) of the Bonds outstanding from and including 3 months prior to the Maturity Date to but excluding the Maturity Date, as provided in Condition 4(c)(iii).

During a period when the Issuer may elect to redeem Bonds, such Bonds may feature a market value not above the price at which they can be redeemed. If the market interest rates decrease, the risk to Bondholders that the Issuer will exercise its right of early redemption increases. As a consequence, the yields received upon such early redemption may be lower than expected, and the redeemed face amount of the Bonds may be lower than the purchase price paid for such Bonds by the Bondholder where the purchase price was above

par. As a consequence, part of the capital invested by the Bondholder may be lost, so that the Bondholder in such case would not receive the total amount of the capital invested. However, the redeemed face amount of the Bonds may not be below par. In addition, investors who choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than such redeemed Bonds.

In particular, with respect to the redemption at the option of the Issuer when only 20 per cent. or less of the principal amount of the Bonds remains outstanding (Condition 4(c)(ii)), there is no obligation on the Issuer to inform investors if and when the 20 per cent. threshold referred to therein has been reached or is about to be reached. The Issuer's right to redeem will exist notwithstanding that immediately prior to the publication of a notice in respect of the redemption at the option of the Issuer the Bonds under Condition 4(c)(ii), the Bonds may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

Exercise of put option in respect of certain Bonds may affect the liquidity of the Bonds in respect of which such put option is not exercised

Depending on the number of Bonds in respect of which the put option provided in Condition 4(d) is exercised, any trading market in respect of those Bonds in respect of which such put option is not exercised may become illiquid.

Market value of the Bonds

The value of the Bonds depends on a number of interrelated factors, including the creditworthiness of the Issuer, economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Credit Rating may not reflect all risks

The Bonds are expected to be rated BBB- by S&P and BBB- by Fitch. The Issuer's long-term senior unsecured debt is rated BBB- (stable outlook) by S&P and BBB- (positive outlook) by Fitch. The ratings assigned by S&P and/or Fitch to the Bonds and/or to the Issuer may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by S&P and/or Fitch at any time.

Change of law

The Terms and Conditions of the Bonds are based on the laws of France in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of France or administrative practice after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations in France and elsewhere. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Prospectus.

French insolvency law

Under French insolvency law, in the case of the opening in France of a safeguard procedure (*procédure de sauvegarde*, *procédure de sauvegarde accélérée* or *procédure de sauvegarde financière accélérée*), a judicial reorganisation procedure (*procédure de redressement judiciaire*) or a judicial liquidation (*liquidation judiciaire*) of the Issuer, all creditors of the Issuer (including Bondholders through the Representative of the Masse) must file their proof of claims¹ with the creditors' representative or liquidator, as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of

¹ Subject to specific rules applying in case of *procédure de sauvegarde accélérée* or *procédure de sauvegarde financière accélérée*.

the publication of the opening of the procedure against the Issuer in the BODACC (*Bulletin officiel des annonces civiles et commerciales*).

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde, procédure de sauvegarde accélérée* or *procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Bonds), regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde, projet de plan de sauvegarde accélérée* or *projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Bondholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Bondholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Bonds) into shares.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities cast by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Bondholders described in the Terms and Conditions of the Bonds set out in this Prospectus will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

Modification

The Terms and Conditions of the Bonds contain provisions for collective decisions of Bondholders to consider matters affecting their interests generally to be adopted either through a general meeting or by consent following a written consultation. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote or were not represented at the relevant meeting or did not consent to the written decision and Bondholders who voted in a manner contrary to the majority.

It should be noted that Condition 9(e) allows the Issuer to change its corporate form or proceed with a merger or demerger within the current group perimeter without being required to seek the approval of the Bondholders.

Potential Conflicts of Interest

Certain of the Joint Lead Managers (as defined under “Subscription and Sale” below) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer’s affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk

management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Bonds. Any such short positions could adversely affect future trading prices of the Bonds. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Bonds. Potential investors are advised not to rely upon the tax overview contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

Financial Transaction Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary' market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and its scope is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or participating Member States may decide to withdraw.

Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with the Prospectus and that have been filed with the AMF:

- (a) the Issuer's 2017 reference document (*document de référence*) (the “**2017 Registration Document**”) in the French language filed with the AMF under registration N° D. 18-0227, dated 29 March 2018; except for (i) the third paragraph of the section "Person responsible for the Registration Document" on page 386 and (ii) the cross-reference table and the section on information incorporated by reference (such excluded parts are not relevant for investors);
- (b) the Issuer's 2016 reference document (*document de référence*) (the “**2016 Registration Document**”) in the French language filed with the AMF under registration N° D.17-0284, dated 31 March 2017; except for (i) the third paragraph of the section "Person responsible for the Registration Document" on page 328 and (ii) the cross-reference table and the section on information incorporated by reference (such excluded parts are not relevant for investors); and
- (c) the Issuer's interim financial report for the period ended 30 June 2018 (the “**2018 Interim Financial Report**”) in the French language.

Such documents shall be incorporated in and form part of this Prospectus, save that:

- (i) in relation to paragraphs (a) to (c) above, the information incorporated by reference that is not included in the cross-reference list and that is not expressly excluded under paragraphs (a) and (b) above is considered as additional information and is not required by the relevant schedules of the Commission Regulation No. 809/2004 as amended or is covered elsewhere in the Prospectus; and
- (ii) any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of the documents incorporated by reference in this Prospectus may be obtained without charge (i) from the primary business office of the Issuer, (ii) on the website of the Issuer (<http://www.accorhotels-group.com/fr/finance.html>) and (iii) (with the exception of the 2018 Interim Financial Report) on the website of the AMF (www.amf-france.org). The Prospectus and any supplement thereto will also be available on the website of the AMF (www.amf-france.org). Non-official English translations of the 2017 Registration Document, the 2016 Registration Document and the 2018 Interim Financial Report are available on the website of the Issuer (<http://www.accorhotels-group.com/en/finance.html>). These documents are available for information purposes only and are not incorporated by reference in this Prospectus. The only binding versions are the French language versions filed with the AMF.

The following table cross-references the pages of this Prospectus to the documents incorporated by reference with the main heading required under Annex IX of the Commission Regulation No. 809/2004, as amended implementing the Prospectus Directive.

Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)	2018 Interim Financial Report (page number)
2. STATUTORY AUDITORS	386	-	-
3. RISK FACTORS RELATED TO THE ISSUER	54-67; 321-322	-	-
4. INFORMATION ABOUT THE ISSUER			
4.1. <u>History and development of the issuer</u>	7-10	-	
4.1.1. Legal and commercial name of the issuer	372	-	-
4.1.2. Place of registration and registration number of the issuer	372	-	-
4.1.3. Date of incorporation and length of life of the issuer	372	-	-
4.1.4. Domicile, legal form, legislation, country of incorporation, address and telephone number	372-386	-	-
4.1.5. Recent events material to evaluation of issuer's solvency	275-279	-	38-39
5. BUSINESS OVERVIEW			
5.1. <u>Principal activities</u>			-
5.1.1. Description of the issuer's principal activities	11-27; 248-250; 283-286	-	-
5.1.2. Basis for any statements made by the Issuer on its competitive position.	26-27	-	-
6. ORGANISATIONAL STRUCTURE			
6.1. Description of the group and of the issuer's position within it	258-260 324-325; 360-363	-	-
6.2. Dependence relationships within the group	258-260 324-325; 360-363	-	-
7. TREND INFORMATION			
7.1. Statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements	275-279		38-39

Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)	2018 Interim Financial Report (page number)
9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES			
9.1. Information concerning the administrative and management bodies and their names and functions of their members in the issuer	164-190	-	-
9.2. Conflicts of interest	164-188; 237-239	-	-
10. MAJOR SHAREHOLDERS			
10.1. Information concerning control	377-380	-	74
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES			
11.1. <u>Historical financial information</u>	263-368	211-309	41-78
- Consolidated balance sheet	265-266	214-215	45-46
- Parent company balance sheet	330-331	276-277	-
- Consolidated income statement	264	213	43
- Parent company income statement	332-333	278-279	-
- Cash flow statement	267	216	47
- Accounting policies and explanatory notes to the consolidated financial statements	269-329	218-274	49-84
- Accounting policies and explanatory notes to the parent company financial statements	334-364	280-307	-
11.2. <u>Financial statements</u>	263-368	211-309	41-78
11.3. <u>Auditing of historical annual financial information</u>	326-329; 365-368	212; 275	85-87
11.5. <u>Legal and arbitration proceedings</u>	59; 321-322	-	77
12. MATERIAL CONTRACTS	261; 273-279; 296; 320-322; 308-313; 358-359	-	17-18; 77

TERMS AND CONDITIONS OF THE BONDS

The terms and conditions of the Bonds will be as follows:

The issue of €600,000,000 1.750 per cent. Bonds due 4 February 2026 (ISIN: FR0013399029; Common Code: 194272642) (the “**Bonds**”) of Accor (the “**Issuer**”) was authorised by resolution of the Board of Directors (*Conseil d’administration*) of the Issuer dated 20 December 2018 and a decision of Jean-Jacques Morin, Deputy CEO responsible for Finance, Communications and Strategy of the Issuer dated 24 January 2019. The Issuer has entered into an agency agreement (the “**Agency Agreement**”) dated 30 January 2019 with BNP Paribas Securities Services, as fiscal agent, principal paying agent and put agent and a make-whole calculation agent appointment letter dated 30 January 2019 with Aethers Finance Services as calculation agent. The fiscal agent, the principal paying agent, the paying agents, the put agent and the calculation agent for the time being are referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent), the “**Put Agent**” and the “**Calculation Agent**”, each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement or any replacement calculation agent appointment letter, as applicable, and are collectively referred to as the “**Agents**”. References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

1 Form, Denomination and Title

The Bonds are issued on 4 February 2019 (the “**Issue Date**”) in dematerialised bearer (*au porteur*) form in the denomination of €100,000 each. Title to the Bonds will be evidenced in accordance with Article L.211-3 *et seq* and R. 211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription en compte*) in the books of Account Holders. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

The Bonds will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the Account Holders. For the purpose of these Conditions, “**Account Holders**” shall mean any authorised intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank S.A./N.V. (“**Euroclear**”) and the depositary bank for Clearstream Banking, S.A. (“**Clearstream**”).

Title to the Bonds shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Bonds may only be effected through, registration of the transfer in such books.

2 Status and Negative Pledge

(a) Status of the Bonds

The obligations of the Issuer in respect of the Bonds constitute direct, unconditional, (subject as provided below) unsecured and unsubordinated obligations and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present and future unsecured and unsubordinated obligations of the Issuer.

(b) Negative Pledge

So long as any of the Bonds remains outstanding (as defined below), the Issuer will not create or permit to subsist any mortgage, charge, lien, pledge or other security interest (*sûreté réelle*) upon the whole or any part of its present or future assets or revenues for the benefit of any holders of any Relevant Debt (as defined below) to secure (1) payment of any sum due in respect of any such Relevant Debt or (2) any payment under any guarantee of or indemnity or other like

obligation relating to any Relevant Debt, unless the Issuer's obligations under the Bonds are equally and rateably secured (A) by such mortgage, charge, lien, pledge or security interest or (B) by such other security as shall be approved pursuant to Condition 9 by the *Masse* (as defined in Condition 9).

“**Relevant Debt**” means any present or future indebtedness for borrowed money which is in the form of, or represented by, bonds or notes (*obligations*) which are at the relevant time listed on any stock exchange.

“**outstanding**” means, in relation to the Bonds, all the Bonds issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 3 after such date) have been duly paid to the Fiscal Agent and (c) those which have been purchased and cancelled as provided in Condition 4.

3 Interest

The Bonds bear interest from and including 4 February 2019 (the “**Interest Commencement Date**”) at the Rate of Interest payable annually in arrear on 4 February in each year (each an “**Interest Payment Date**”), commencing on 4 February 2020. The period commencing on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period commencing on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Bonds will cease to bear interest from the date provided for their redemption, unless the Issuer defaults in making due provision for their redemption on said date. In such event, interest will continue to accrue on the principal amount of such Bonds at the Rate of Interest (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Bonds up to that day are received by or on behalf of the relevant holder and (ii) the day after the Fiscal Agent has notified the Bondholders in accordance with Condition 10 of receipt of all sums due in respect of all the Bonds up to that day.

Interest will be calculated on an Actual/Actual (ICMA) basis. If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of a day count fraction which will be calculated by taking the actual number of calendar days in the relevant period, from (and including) the date from which interest begins to accrue to (but excluding) the date on which it falls due, divided by the number of calendar days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

In these Conditions:

“**Initial Rate of Interest**” means 1.750 per cent. *per annum*.

“**Investment Grade Rating**” means a rating of the Issuer of BBB- solicited by the Issuer from S&P Global Ratings Europe Limited (“**S&P**”) (as defined at Condition 4(d)) or its equivalent for the time being solicited by the Issuer from another rating agency in the place of S&P, or better;

“**Non-Investment Grade Rating**” means a rating of the Issuer of BB+ solicited by the Issuer from S&P or its equivalent for the time being solicited by the Issuer from another rating agency in the place of S&P, or worse; and

“**Rate of Interest**” means the interest rate *per annum* applicable to the Bonds in respect to any Interest Period or any other period, as follows:

- (i) if, on the first day of any Interest Period, the Issuer has an Investment Grade Rating, the Rate of Interest with respect to such Interest Period shall be the Initial Rate of Interest; and
- (ii) if, on the first day of any Interest Period, the Issuer has a Non-Investment Grade Rating or has no rating, the Rate of Interest with respect to such Interest Period shall be the Initial Rate of Interest plus 1.250 per cent. *per annum*.

4 Redemption and Purchase

The Bonds may not be redeemed otherwise than in accordance with this Condition 4.

(a) *Final Redemption*

Unless previously redeemed or purchased and cancelled as provided below, the Bonds will be redeemed by the Issuer at their principal amount on the Interest Payment Date falling on 4 February 2026 (the “**Maturity Date**”).

(b) *Redemption for Taxation Reasons*

- (i) If, by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified in Condition 6 below, the Issuer may on any Interest Payment Date, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days’ prior notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 10, redeem all, but not some only, of the outstanding Bonds at their principal amount together with any accrued interest to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.
- (ii) If the Issuer would on the occasion of the next payment in respect of the Bonds be prevented by French law or regulation from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 6 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) calendar days’ prior notice to the Bondholders in accordance with Condition 10 redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest to the date set for redemption on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Bonds without withholding or deduction for French taxes, or, if such date has passed, as soon as practicable thereafter.

(c) *Redemption at the option of the Issuer*

- (i) The Issuer may, subject to compliance with all relevant laws, regulations and directives and to having given not more than thirty (30) nor less than fifteen (15) calendar days’ notice to the Bondholders (which notice shall be irrevocable and shall specify the date set for redemption) in accordance with Condition 10, redeem all (but not some only) of the Bonds at any time prior to their Maturity Date (the “**Make-whole Redemption Date**”) at an amount per Bond calculated by the Calculation Agent (as defined above) and equal to the greater of:

(a) 100 per cent. of the principal amount of the Bonds; or

(b) the sum of the then current values of the remaining scheduled payments of principal and interest (not including any interest accrued on the Bonds to, but excluding, the Make-whole Redemption Date) discounted to the Make-whole Redemption Date on an annual basis (based on the actual number of calendar days elapsed divided by 365 or, in the case of a leap year, by 366) at the Reference Rate (as defined below) plus 0.300 per cent.,

plus, in each case (a) or (b) above, any interest accrued on the Bonds to, but excluding, the Make-whole Redemption Date.

The Reference Rate will be published by the Issuer in accordance with Condition 10.

The Reference Rate is the average of the four quotations given by the Relevant Dealers of the mid-market annual yield of the Reference Bund on the fourth Business Day (as defined in Condition 5(b) preceding the Make-whole Redemption Date at 11.00 a.m. (Central European Time (“CET”))).

If the Reference Bund is no longer outstanding, a Similar Security will be chosen by the Calculation Agent at 11.00 a.m. (CET) on the third (3rd) Business Day in London preceding the Make-whole Redemption Date, quoted in writing by the Calculation Agent.

Where:

“**Reference Bund**” means the Federal Government Bund of Bundesrepublik Deutschland DBR 0.5 due 15 February 2026, with ISIN DE 0001102390;

“**Reference Dealers**” means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues;

“**Similar Security**” means a reference bond or reference bonds issued by the German Federal Government having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

The Issuer will procure that, so long as any Bond is outstanding, there shall at all times be a Calculation Agent for the purposes of the Bonds. If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent or if the Calculation Agent fails duly to establish the amount due in relation to this Condition 4(c), the Issuer shall appoint some other leading bank engaged in the Euro interbank market (acting through its principal Euro-zone office) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

All notifications, opinions, determinations, certifications, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4(c) by the Calculation Agent shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer and the Bondholders and (in the absence as aforesaid) no liability to the Issuer or the Bondholders shall attach to the Calculation Agent in connection with the exercise or non-exercise of its powers, duties and discretions.

- (ii) In the event that 20 per cent. or less of the initial aggregate principal amount of the Bonds (including any assimilated Bonds issued pursuant to Condition 12) remains outstanding, the Issuer may, at its option but subject to having given not more than sixty (60) nor less than thirty (30) calendar days’ notice to the Bondholders (which notice shall be

irrevocable) in accordance with Condition 10, redeem all, but not some only, of the outstanding Bonds at their principal amount together with any interest accrued to, but excluding, the date set for redemption.

- (iii) The Issuer may, at its option, from and including 3 months prior to the Maturity Date to but excluding the Maturity Date, subject to having given not more than thirty (30) nor less than fifteen (15) calendar days' prior notice to the Bondholders in accordance with Condition 10 (*Notices*) (which notice shall be irrevocable and shall specify the date set for redemption), redeem all, but not some only, of the outstanding Bonds, at their principal amount plus accrued interest up to but excluding the date set for redemption.

(d) *Redemption at the option of Bondholders following a Change of Control*

- (i) If at any time while any Bond remains outstanding, there occurs (i) a Change of Control (as defined below) and (ii) within the Change of Control Period, a Rating Downgrade (as defined below) occurs or has occurred as a result of such Change of Control or as the result of a Potential Change of Control (in either case a "**Put Event**"), the holder of each Bond will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice to redeem the Bonds under Condition 4(b) (*Redemption for Taxation Reasons*) or 4(c) (*Redemption at the option of the Issuer*)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Bond, on the Optional Redemption Date (as defined below) at its principal amount outstanding of such Bonds together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date.

A "**Change of Control**" shall be deemed to have occurred at each time that any person or persons acting in concert come(s) to legally or beneficially own or acquire(s) directly or indirectly such number of shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights exercisable at a general meeting of the Issuer.

"**Change of Control Period**" means the period commencing on the date that is the earlier of (1) the first public announcement of the result (*avis de résultat*) by the *Autorité des marchés financiers* ("**AMF**") or by the Issuer of the relevant Change of Control and (2) the date of the Potential Change of Control and ending on the date which is ninety (90) calendar days after the date of the first public announcement of the result.

A "**Potential Change of Control**" means any public announcement or statement by the Issuer, or by any actual or potential bidder(s) relating to any potential Change of Control of the Issuer.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control or of a Potential Change of Control if within the Change of Control Period, the rating previously assigned to the Bonds by any Rating Agency (as defined below) solicited by the Issuer is (x) withdrawn or (y) changed from an investment grade rating (BBB-, or its equivalent for the time being, or better) to a non-investment grade rating (BB+, or its equivalent for the time being, or worse) or (z) if the rating previously assigned to the Bonds by any Rating Agency solicited by the Issuer was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB; or their respective equivalents), provided that (i) a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control or Potential Change of Control, as the case may be, if the Rating Agency does not publicly announce or publicly confirm that the reduction was the result, in whole or in part, of the Change of Control or the

Potential Change of Control, as the case may be, and (ii) any Rating Downgrade must have been confirmed in a letter or other form of written communication sent to the Issuer and publicly disclosed. If the Bonds is rated by more than one Rating Agency and such rating has been solicited by the Issuer, the rating to be taken into account to determine whether a Rating Downgrade has occurred shall be the lower rating assigned by any such Rating Agency.

If the Bonds cease at any time to have a rating assigned to them by at least one Rating Agency, the Issuer shall use its best endeavours to obtain a rating of the Bonds from a Rating Agency as soon as practicable.

“**Rating Agency**” means S&P, Fitch Ratings Limited or any other rating agency of equivalent international standing specified from time to time by the Issuer and, in each case, their respective successors or affiliates.

- (ii) Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer or the Put Agent on its behalf shall give notice (a "**Put Event Notice**") to the Bondholders in accordance with Condition 10 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 4(d).
- (iii) To exercise the Put Option to require redemption or, as the case may be, purchase of the Bonds under this Condition 4(d), a Bondholder must transfer or cause to be transferred its Bonds to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer within the period (the "**Put Period**") of forty-five (45) calendar days after a Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the specified office of the Put Agent or, any Paying Agent, if different (a "**Put Option Notice**") and in which the holder may specify a bank account to which payment is to be made under this Condition 4(d).

A Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Bonds in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Bonds to the account of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the "**Optional Redemption Date**"). Payment in respect of such Bonds will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Option Notice and otherwise subject to the provisions of Condition 5.

- (iv) For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Bondholder may incur as a result of or in connection with such Bondholder's exercise or purported exercise of, or otherwise in connection with, any Put Option (whether as a result of any purchase or redemption arising there from or otherwise).

(e) *Purchases*

The Issuer may at any time purchase Bonds together with rights to interest relating thereto in the open market or otherwise at any price, subject to the applicable laws and/or regulations. Bonds so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Bonds.

(f) *Cancellation*

All Bonds which are redeemed or purchased pursuant to paragraphs (b) to (e) (subject to the applicable laws and/or regulations in respect of paragraph (e)) of this Condition will forthwith be cancelled and accordingly may not be reissued or sold.

5 Payments

(a) *Method of Payment*

Payments of principal and interest in respect of the Bonds will be made in Euro by credit or transfer to a Euro-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a city in which banks have access to the TARGET System.

“**TARGET System**” means the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

Such payments shall be made for the benefit of the Bondholders to the Account Holders and all payments validly made to such Account Holders in favour of the Bondholders will be an effective discharge of the Issuer and the Paying Agents, as the case may be, in respect of such payments.

Payments of principal and interest on the Bonds will, in all cases, but without prejudice to the provisions of Condition 6, be subject to (i) any fiscal or other laws and regulations applicable thereto in the place of payment and, as the case may be, (ii) any withholding or deduction imposed or required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, (the “**Code**”) or otherwise imposed pursuant to sections 1471 through 1474 of the Code (or any regulations or agreements thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (any such withholding or deduction, a “**FATCA Withholding**”).

(b) *Payments on Business Days*

If any due date for payment of principal or interest in respect of any Bond is not a Business Day (as defined below), then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a Business Day and the holder shall not be entitled to any interest or other sums in respect of such postponed payment.

In this Condition “**Business Day**” means a day (other than a Saturday or a Sunday or any public holiday in France) on which Euroclear France is open for general business and which is a TARGET Business Day.

No commission or expenses shall be charged to the Bondholders in respect of such payments.

(c) *Agents*

The names of the initial Agents and their specified offices are:

Fiscal Agent, Paying Agent, Put Agent

BNP Paribas Securities Services
3, 5, 7 rue de Général Compans
93500 Pantin
France

Calculation Agent

Aethers Financial Services
36 rue de Monceau

75008 Paris
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent, the Put Agent or the Calculation Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent and a Principal Paying Agent having a specified office in a European city. Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty-five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Bondholders by the Issuer in accordance with Condition 10.

6 Taxation

(a) *Withholding Tax*

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes or duties of whatever nature imposed, levied or collected by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) *Additional Amounts*

If, pursuant to French law, payments of principal, interest or other revenues in respect of any Bond become subject to withholding or deduction in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed by or on behalf of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Bond, after such withholding or deduction, will receive the full amount then due and payable thereon in the absence of such withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Bond to, or to a third party on behalf of a Bondholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with France other than the mere holding of such Bond.

Any references to these Conditions to principal, interest and other revenues shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 6.

Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

7 Events of Default

If any of the following events (each an “**Event of Default**”) shall have occurred and be continuing:

- (i) default in any payment when due of interest on any of the Bonds, if such default shall not have been remedied within five (5) Business Days (as defined in Condition 5(b)) thereafter; or
- (ii) default in the performance of, or compliance with, any other obligation of the Issuer under the Bonds other than as referred to in Condition 7(i) above, if such default shall not have been remedied within thirty (30) calendar days after receipt by the Fiscal Agent of written notice of such default given by the Representative (as defined in Condition 9); or

- (iii) the Issuer makes any proposal for a general moratorium in relation to its debts or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of its business (*cession totale de l'entreprise*); or, to the extent permitted by applicable law, if it is subject to any other insolvency or bankruptcy proceedings; or if the Issuer makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, all or a substantial number of its creditors with a view to a restructuring or rescheduling of its indebtedness; or if the Issuer is wound up or dissolved except with the prior approval of the *Masse* for the purposes of an amalgamation, reorganisation, consolidation or merger which is implemented; or
- (iv) any other present or future indebtedness of the Issuer for or in respect of borrowed money becomes due and payable (*exigible*) prior to its stated maturity by reason of the occurrence of a default, event of default or other similar condition or event (however described) with equivalent effect (together, "**default**"), provided that the aggregate amount of the relevant indebtedness equals or exceeds €100,000,000 or its equivalent unless such default is contested in good faith by the Issuer before a competent court or by other appropriate proceedings provided that the claim alleging the occurrence of such default is withdrawn, dismissed or stayed within ninety (90) calendar days from the date on which the relevant indebtedness was first alleged to have become due and payable; or
- (v) all or any substantial part of the property, assets or revenues of the Issuer shall be attached or shall become subject at any time to any order of court or the enforcement of any security interests (*sûretés réelles*) and such attachment or order shall remain in effect and not be discharged for, or the steps taken to enforce any such security interests shall not be withdrawn or stayed within thirty (30) calendar days,

then the Representative (as defined below) may, by notice in writing to the Issuer and the Fiscal Agent given on behalf of the Bondholders before all continuing Events of Default shall have been remedied, cause the Bonds to become immediately due and payable whereupon they shall become immediately due and payable without further formality at the principal amount of the Bonds together with any accrued interest thereon.

8 Issuer Authorisations

If at any time an authorisation becomes necessary to permit the Issuer to pay the principal of, or interest on, the Bonds as a result of any change in the official application of, or any amendment to, the laws or regulations of France, the Issuer shall immediately apply for the necessary authorisations and forthwith provide copies of such application to the Fiscal Agent. The Issuer shall provide copies of such authorisations to the Fiscal Agent within a reasonable period after they are obtained.

9 Representation of the Bondholders

The Bondholders will be grouped automatically for the defence of their common interests in a *masse* (the "**Masse**") which will be governed by the provisions of articles L.228-46 et seq. of the French *Code de commerce* as amended by this Condition 9.

(a) Representation of the Bondholders

The *Masse* will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through collective decisions of the Bondholders (the "**Collective Decisions**").

The *Masse* alone, to the exclusion of all individual Bondholders, shall exercise the common rights, actions and benefits which may accrue with respect to the Bonds, without prejudice to the

rights that Bondholders may exercise individually in accordance with, and subject to, the provisions of the Terms and Conditions of the Bonds.

(b) *Representative:*

The following person is designated as Representative of the Masse:

MASSQUOTE S.A.S.U.
RCS 529 065 880 Nanterre
7bis rue de Neuilly
F-92110 Clichy

Mailing address:
33, rue Anna Jacquin
92100 Boulogne Billancourt
France

The Issuer shall pay to the Representative of the Masse an amount equal to €450 per annum (excluding taxes), payable annually on the anniversary date of the issue.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, another Representative may be appointed.

(c) *Powers of the Representatives:*

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Bondholders, with the capacity to delegate its powers.

All legal proceedings against the Bondholders or initiated by them, must be brought by or against the Representative.

(d) *Collective Decisions*

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), or (ii) by unanimous consent of the Bondholders following a written consultation (the "**Written Unanimous Decision**"), or (iii) by the consent of one or more Bondholders holding together at least 662/3 per cent. of the principal amount of the Bonds outstanding, following a written consultation (the "**Written Majority Decision**").

In accordance with Article R.228-71 of the French Code de commerce, the rights of each Bondholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) of the name of such Bondholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 9(h).

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Bonds.

(i) *General Meetings*

A General Meeting may be called at any time, either by the Issuer or by the Representative. One or more Bondholders, holding together at least one-thirtieth (1/30) of the principal amount of Bonds outstanding, may address to the Issuer and the Representative a demand for a General Meeting to be called. If such General

Meeting has not been called within two (2) months after such demand, the Bondholders may commission one of them to petition the competent court to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if the Bondholders present or represented hold at least one-fifth (1/5) of the principal amount of the Bonds then outstanding. On second convocation, no quorum shall be required. Decisions of the General Meetings shall be taken by a simple majority of votes cast by the Bondholders attending such meeting or represented thereat.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 9(h) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Bondholder has the right to participate in a General Meeting in person, by proxy or by correspondence.

Each Bondholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Bondholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

The General Meeting is chaired by the Representative. In the event of the absence of a representative at the start of a General Meeting and if no Bondholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

(ii) Written Decisions

At the initiative of the Issuer, Collective Decisions may also be taken by Written Unanimous Decisions or Written Majority Decisions.

(a) Written Unanimous Decision

Written Unanimous Decisions shall be signed by or on behalf of all the Bondholders. Approval of a Written Unanimous Decision may also be given by way of electronic communication allowing the identification of Bondholders in accordance with Article L.228-46-1 of the French Code de commerce ("**Electronic Consent**"). Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Bondholders. Such Written Unanimous Decision may be contained in one document, or in several documents in like form each signed by or on behalf of one or more of such Bondholders, and shall be published in accordance with Condition 9(h).

(b) Written Majority Decision

Notices seeking the approval of a Written Majority Decision will be published as provided under Condition 9(h) no less than 15 calendar days prior to the date set for the passing of such Written Majority Decision (the "**Written Majority**").

Decision Date"). Notices seeking the approval of a Written Majority Decision will contain the conditions of form and time limits to be complied with by the Bondholders who wish to express their approval or rejection of such proposed Written Majority Decision. Bondholders expressing their approval or rejection before the Written Majority Decision Date will undertake not to dispose of their Bonds until after the Written Majority Decision Date.

Written Majority Decisions shall be signed by one or more Bondholders holding together at least 66^{2/3} per cent. of the principal amount of the Bonds outstanding. Approval of a Written Majority Decision may also be given by Electronic Consent. Any Written Majority Decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of the Bondholders. Such Written Majority Decisions may be contained in one document, or in several documents in like form each signed by or on one behalf of one or more of the Bondholders, and shall be published in accordance with Condition 9(h).

(e) *Exclusion of certain provisions of the French Code de commerce*

Changes in the corporate form of the Issuer or merger or demerger of the Issuer relating to intra-group reorganisation within the current group perimeter ("**Intra-Group Reorganisation**"), will not require prior approval by the General Meeting of the Bondholders and consequently, the provisions of Article L.228-65 I. 1°, in relation to proposed changes in the corporate form of the Issuer only, and 3°, in relation to proposed Intra-Group Reorganisation of the Issuer, of the French *Code de commerce*, and the related provisions of the French *Code de commerce*, shall not apply to the Bonds.

(f) *Expenses*

The Issuer shall pay all expenses relating to the operations of the Masse, including all expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Bonds.

(g) *Sole Bondholder*

If and for so long as the Bonds are held by a sole Bondholder and unless a Representative has been appointed, such Bondholder shall exercise all powers, rights and obligations entrusted to the Masse by the provisions of the French *Code de commerce*. The Issuer shall hold a register of the decisions taken by the sole Bondholder in this capacity and shall make it available, upon request, to any subsequent holder of any of the Bonds.

(h) *Notices to Bondholders for the purposes of this Condition 9*

Any notice to be given to Bondholders in accordance with this Condition 9 shall be published in accordance with Condition 10.

Any decision to proceed with a transaction, notwithstanding the failure to obtain Bondholders' approval, as contemplated by Article L.228-72 of the French *Code de commerce* (subject to Condition 9(e)) will be notified to Bondholders in accordance with Condition 10. Any Bondholder will then have the right to request redemption of its Bonds at par within thirty (30) days of the date of notification, in which case the Issuer shall redeem such Bondholder within thirty (30) days of the Bondholder's request for redemption.

If a merger or a spin-off is contemplated by the Issuer, the Issuer will have the option to submit the proposal for approval by a Collective Decision of the Masse or to offer redemption at par to Bondholders pursuant to Article L. 228-73 of the French *Code de commerce* (subject to

Condition 9(e)). Such redemption offer shall be notified to Bondholders in accordance with this Condition 10. If the Masse does not approve the merger or spin-off proposal, any decision to proceed with the transaction will be notified to Bondholders in accordance with Condition 10.

10 Notices

Any notice to the Bondholders will be valid if delivered to the Bondholders through Euroclear France, Euroclear or Clearstream, for so long as the Bonds are cleared through such clearing systems and published on the website of the Issuer (<http://www.accorhotels-group.com>). Any such notice shall be deemed to have been given on the date of delivery of such notice to Euroclear France, Euroclear or Clearstream or, if delivered more than once or on different dates, on the first date of which such delivery is made, and if later, on the date of such publication on the website of the Issuer.

11 Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall be prescribed and become void unless made within ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

12 Further Issues

The Issuer may, from time to time without the consent of the Bondholders, issue further Bonds to be assimilated (*assimilables*) with the Bonds as regards their financial service, provided that such further Bonds and the Bonds shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further Bonds shall provide for such assimilation. In the event of such assimilation, the Bondholders and the holders of any assimilated Bonds will, for the defence of their common interests, be grouped in a single *Masse* having legal personality.

13 Governing Law and Jurisdiction

The Bonds are governed by, and construed in accordance with, the laws of France.

Any claim against the Issuer in connection with any Bonds will be submitted to the exclusive jurisdiction of the competent courts in Paris.

USE OF PROCEEDS

The net proceeds of the issue of the Bonds will be used by the Issuer to purchase part of the outstanding 2.625 per cent. bonds due 5 February 2021, following the acquisition thereof by Crédit Agricole Corporate and Investment Bank by way of Tender Offer (referred to in the section *Recent Developments* below) and the balance (if any) will be used for general corporate purposes and the refinancing of the Euro 600,000,000 2.500 per cent. bonds due March 2019 issued by the Issuer, of which approximately Euro 335.1 million remain outstanding.

RECENT DEVELOPMENTS

- **AccorHotels acquires Mövenpick Hotels & Resorts**

The following is an extract from a press release dated 30 April 2018.

"AccorHotels has today announced that it has signed an agreement with Mövenpick Holding and Kingdom Holding to acquire Mövenpick Hotels & Resorts, for a cash amount of CHF560 million (€482 million). The transaction implies a 14.9X 2019e EBITDA multiple before synergies (including transaction costs), and less than 10X pro forma 2019e EBITDA after run rate synergies and committed development pipeline. The transaction will have an accretive impact on Group earnings from the first year.

Founded in 1973 in Switzerland, Mövenpick Hotels & Resorts operates in 27 countries with 84 hotels (more than 20,000 rooms) and a particularly strong presence in Europe and the Middle East. Mövenpick Hotels & Resorts also plans to open 42 additional hotels by 2021, representing almost 11,000 rooms, with significant expansion in Middle East, Africa and Asia-Pacific. The Group, which has high-end expertise in the main hotel-related services, employs more than 16,000 people worldwide.

Sébastien Bazin, Chairman and CEO of AccorHotels, said, *"With the acquisition of Mövenpick, we are consolidating our leadership in the European market and are further accelerating our growth in emerging markets, in particular in Middle East, Africa and Asia-Pacific. The Mövenpick brand is the perfect combination of modernity and authenticity and ideally complements our portfolio. Its European-Swiss heritage is a perfect fit with AccorHotels. By joining the Group, it will benefit from AccorHotels' power, particularly in terms of distribution, loyalty-building and development. This transaction illustrates the strategy we intend to pursue with the opening up of AccorInvest's capital: to seize tactical opportunities to strengthen our positions and consolidate our leaderships, as well as leverage our growth."*

Mövenpick Hotels & Resorts will benefit from AccorHotels' loyalty program, distribution channels and operating systems, which will help optimize their performance.

This acquisition further consolidates the current footprint in Europe and in the Middle East and accelerates growth notably in key regions where the Group has been established for many years, such as Africa and Asia.

The transaction is subject to regulatory approvals. It should be completed during the second half of 2018."

- **AccorHotels and sbe Entertainment Group Announce Strategic Partnership**

The following is an extract from a press release dated 29 June 2018.

"AccorHotels and sbe Entertainment Group ("sbe") have signed a Letter of Intent and entered into exclusive negotiations for AccorHotels to acquire a 50% stake in sbe, further illustrating AccorHotels's strategy to expand its offering in the luxury lifestyle hospitality segment.

This partnership will combine the expertise and savoir-faire of the two groups; AccorHotels will acquire the 50% of sbe's common equity held in part by Cain International for \$125 million. Sam Nazarian will continue to own the remaining 50% of sbe. In addition, AccorHotels will invest \$194 million in a new preferred debt instrument that will be used to redeem all existing preferred units, also held in part by Cain International. AccorHotels' total investment in sbe will be \$319 million.

This long-term investment will allow sbe to leverage AccorHotels' leading global hospitality platform while remaining an independent luxury lifestyle operator. Sbe will continue to be led by its Founder and CEO Sam Nazarian as well as its expert management team while retaining its global headquarters in New York.

Sam Nazarian, Founder and CEO of sbe: *"This partnership with AccorHotels marks a new milestone in sbe's history. This long-term investment by AccorHotels provides sbe, its customers and hotel owners with greater depth and breadth around the world and supports our collective ambition to be the best lifestyle hospitality company in the market. Building on our acquisition of Morgans Hotel Group in 2016, this investment will further accelerate our growth both domestically in the United States and in new markets internationally,*

particularly in Europe. Myself and the over 7,000 associates at sbe are thrilled and honored to partner with AccorHotels and be part of the amazing, innovative and pioneering culture that my dear friend, Chairman and CEO Sébastien Bazin and his team have implemented. Moving forward, sbe and AccorHotels together are committed to bringing our unique lifestyle experiential offering to more destinations and serving our discerning guests with unforgettable memories."

Sébastien Bazin, Chairman & CEO, AccorHotels: *"I am delighted to announce this strategic partnership with one of the most innovative Groups in the luxury lifestyle space worldwide. It marks a new step in expanding AccorHotels' footprint in this fast growing segment in key US cities such as Miami, Los Angeles or Las Vegas, and in other international destinations. "The new luxury" is all about exclusive experiences and incredible lifestyle concepts and sbe brands have the perfect know-how that will complete perfectly the AccorHotels portfolio. We remain committed to providing all our guests with unparalleled service and always renewed experiences around the world"*.

Jonathan Goldstein, Chief Executive of Cain International, commented: *"Cain International became partners to sbe in 2016 providing the investment required at that time to enable the group to expand its footprint of some of the leading luxury lifestyle hospitality assets in the world. We are confident that sbe will continue to go from strength to strength with its new partners, AccorHotels; we wish them every success in the future and are proud of the role we have played in their exciting growth story."*

Founded in 2002 by Sam Nazarian, sbe is a leading lifestyle hospitality company that develops, manages and operates award-winning global properties and brands. It is renowned for its unique 360-degree approach to lifestyle hospitality that includes branded luxury residences and serviced apartments, wellness and spa platforms and dining & entertainment experiences.

sbe's leading hospitality and residential brands include SLS, Delano, Mondrian, Hyde, The Originals (Sanderson, St. Martin Lane, Hudson, 10 Karakoy, Shore Club) and the Redbury Hotels. Through its Disruptive Restaurant Group platform, sbe has created global award-winning culinary brands Katsuya, Umami Burger, Cleo, Leynia, Diez & Siez and Filia and innovative entertainment brands including Hyde nightclub and dayclub, Nightingale, Privilege dayclub Black Orchid, S Bar, Skybar and the Doheny Room. Landmark destinations in its portfolio include, Delano South Beach in Miami, SLS Baha Mar in the Bahamas, Mondrian Doha in Qatar, Hyde Bellagio in Las Vegas, Mondrian Park Avenue in New York City and the newly-opened 57 story SLS LUX Brickell in Miami. Upcoming opening includes Delano Rio de Janeiro, Delano Dubai at the Palm and Hyde Midtown in Miami.

Through this investment, sbe will accelerate its international growth with expansion into new markets outside of the US, including priority growth markets in the Middle East and Latin America. sbe's pipeline includes projects in some of the most important global gateway cities such as Atlanta, Chicago, Washington D.C., Dubai, Rio de Janeiro, Mexico City, Cancun, Tokyo and Los Cabos.

By the end of 2018 sbe will operate 25 hotels, comprising 7,498 keys with a majority in North America, 170 award winning restaurants and entertainment venues in global destinations as well as new properties in the Middle East, Asia and Latin America. It currently has a further 20 hotels and residences around the world in its pipeline, as well as 59 standalone restaurants and nightlife venues. In addition, sbe has sold 1,500 branded residential units valued at \$2 billion with over 2,500 units valued at \$2.5 billion in its pipeline.

Through this partnership, AccorHotels will expand its current geographic footprint in gateway North American cities such Los Angeles, Miami, Las Vegas and New York with iconic hotels. Additionally, sbe's core millennial customer base will gain access to the AccorHotels platform.

With its global hotel development platform and presence in 100 countries, AccorHotels will play a key role in developing sbe's luxury lifestyle hotel, restaurant and entertainment brands globally. sbe hotels will also be distributed on the AccorHotels distribution platform, be featured on Accorhotels.com and will be part of the AccorHotels loyalty programme.

The transaction is subject to regulatory approvals. It should be completed by July 31, 2018."

- **Launch of the Share Buy Back Program**

The following is an extract from a press release dated 27 July 2018.

"Accor S.A. has announced on February 27, 2018 that it intended to implement, over a two-year period, a share buyback program that would cover up to 10% of its share capital, i.e. 1,350 million euros based on the market capitalization as of end of February 2018.

In this context, the Group has signed today with an investment services provider a share buy-back agreement to implement a first tranche of this share buyback program.

According to this agreement, Accor undertakes to acquire Accor shares for a maximum amount of 350 million euros.

The purchase period provided in the agreement shall start on July 30, 2018 and end on January 31, 2019, without being shorter than 3 months. The average price per share shall be determined on the basis of the arithmetic mean of the volume-weighted average prices during the duration of the agreement. This price shall not exceed the maximum price of 70 euros set by the Combined Ordinary and Extraordinary Shareholders' Meeting of April 20, 2018.

In this context, the Group has decided to suspend the execution of its liquidity agreement for the duration of the program."

- **AccorHotels signs agreement to acquire 21c Museum Hotels**

The following is an extract from a press release dated 31 July 2018.

" AccorHotels today announced that it has signed an agreement to acquire 85% of 21c Museum Hotels, an award-winning hospitality management company pushing the boundaries of the museum and hotel worlds to create a new kind of travel experience. 21c combines a multi-venue contemporary art museum, boutique hotels and chef-driven restaurants, with 11 properties currently open and under development across the United States.

21c Museum Hotels was founded in 2006 in Louisville by philanthropists and contemporary art collectors Laura Lee Brown and Steve Wilson. The pair had seen the region's farmland and rural landscapes fall to development while the historic buildings of Louisville's downtown sat vacant. Inspired by the idea that art can ignite urban revitalization and catalyze civic connection, Brown and Wilson rehabilitated a series of 19th century warehouses in Louisville's downtown arts and theater district to open the first 21c Museum Hotel.

The success of the Louisville flagship created opportunities for expansion; today the company operates eight 21c properties in Bentonville, Cincinnati, Durham, Kansas City, Lexington, Louisville, Nashville and Oklahoma City, with 3 more in development in Des Moines, Miami and Chicago. 21c Museum is one of the largest contemporary art museums in the United States, and North America's only collecting museum dedicated solely to art of the 21st century. Open and accessible 24 hours a day, 7 days a week, 21c's exhibitions and programs are free to the public. Each property remains an innovative union of genuine hospitality, thoughtful design, artistic expression and culinary creativity.

21c Museum Hotels will join AccorHotels' MGallery collection of boutique hotels, marking the introduction of the MGallery brand into the North American market. Each MGallery property has its own unique design and story to tell, from Hotel Molitor Paris - MGallery and INK Hotel Amsterdam - MGallery to Hotel Muse Bangkok Langsuan – MGallery and Harbour Rocks Hotel Sydney - MGallery. 21c Museum Hotels will benefit from AccorHotels' support in terms of development opportunities, increased sales and marketing exposure, and access to one of the largest distribution networks in the industry.

This agreement will allow 21c Museum Hotels to leverage AccorHotels' leading global hospitality platform while retaining its independent spirit. Co-founders Laura Lee Brown & Steve Wilson will retain a 15% stake in the company, and will remain closely involved in providing creative guidance and support of the unique

combination of art, design and hospitality that defines the 21c experience. 21c Museum Hotels will continue to be led by President & CEO Craig Greenberg. Corporate headquarters for 21c will remain in Louisville, Kentucky.

The purchase price for the 85% stake is \$51 million, including a potential earn out payment. No real estate is included in this acquisition. The transaction should be completed during the third quarter of 2018.

Kevin Frid, Chief Operating Officer, North & Central America, AccorHotels, said: *“We are delighted to welcome 21c Museum Hotels as part of the AccorHotels family of brands, hence strengthening the Group’s footprint in North America in a very unique and promising niche. Together, we have a tremendous opportunity to grow the 21c brand, as well as introduce MGallery into the North American market, building both brand equities and further expanding the full range of unparalleled experiences for our guests. This strategic acquisition marks a new step in AccorHotels’ strategy of being the leading player in the Luxury and Lifestyle segment in North America.”*

21c founder, Steve Wilson, said: *“21c Museum Hotels is proud to announce our entry into the AccorHotels family. AccorHotels is one of the world’s leading hotel operators and will be a perfect partner and catalyst for 21c’s continued growth. We are confident that the unique spirit of 21c will not only be preserved, but will flourish within the MGallery collection of boutique hotels. 21c will continue to bring the work of today’s most dynamic and engaging contemporary artists to the public, and this partnership will be a tremendous boost for 21c’s continued development in North America and abroad. We are extremely excited to see what the future holds.”*

- **AccorHotels completes the acquisition of Mövenpick Hotels & Resorts**

The following is an extract from a press release dated 4 September 2018.

"AccorHotels announces that the acquisition of Mövenpick Hotels & Resorts has been completed on September 3rd, 2018."

- **Appointments of Chris Cahill and Jean-Jacques Morin as Deputy Chief Executive Officers of AccorHotels**

The following is an extract from a press release dated 20 September 2018.

"Chris Cahill and Jean-Jacques Morin have been appointed as Deputy Chief Executive Officers of AccorHotels and their respective remits have been extended accordingly.

Chris Cahill, until now CEO Luxury Brands and CEO North America, Central America and Caribbean Region, assumes the role of Deputy CEO responsible for Hotel Operations.

Jean-Jacques Morin, until now Chief Financial Officer, has been appointed Deputy CEO responsible for Finance, Communications and Strategy.

Sébastien Bazin, Chairman and CEO of AccorHotels, said, *“The appointments of Chris Cahill and Jean-Jacques Morin as Group Deputy CEOs alongside Deputy CEO Sven Boinet are intended to further improve our operational efficiency and the quality of delivery of the Group’s strategy. Following the disposal of the majority of our real estate assets, our organization now mirrors the challenges of an asset-light model serving the Group’s customers and partners and our drive to continue the roll-out of the Group’s growth drivers.”*

The composition of the Group’s Executive Committee and Shadow Comex remains unchanged.

About Chris Cahill

Chris J. Cahill, a Canadian, holds two Bachelor’s Degrees, in Education and Political Science, from the University of Ottawa, and an MBA from the University of Toronto.

Prior to joining AccorHotels, Chris worked as Executive Vice-President Global Operations for Las Vegas Sands Corp, a publicly traded casino operator with activities in the US, China and Singapore. Previously, from 1993 to 2012, Chris served in various capacities at Fairmont Raffles Hotels International (FRHI) and its predecessor companies, including as President and Chief Operating Officer responsible for the operational performance of all brands worldwide.

He joined AccorHotels' Executive Committee in July 2016 as CEO Luxury Brands when the Group finalized the acquisition of FRHI. Chris also serves as Chairman of the Board of Directors of Temple Hotels Inc. and sits on the Board of Directors of Morguard Corporation.

About Jean-Jacques Morin

Jean-Jacques Morin holds an engineering Degree from the École Nationale Supérieure de l' Aéronautique et de l' Espace, a CPA (Certified Public Accountant) and an MBA from the Arizona State University.

He began his career at Deloitte, where he spent 5 years conducting audits and consulting assignments in Paris then Montreal. He then spent 13 years in the international high-tech sector, first with Motorola and then with ON Semiconductor in the US, where he worked on the company's NASDAQ listing. He went on to work as CFO for Communicant AG in Berlin. He joined Alstom in 2005 and notably served as CFO for the Power Service sector, and subsequently the Transport sector, before his promotion as Group CFO.

He was appointed to the AccorHotels Executive Committee as Chief Financial Officer in 2015.

He also sits on the Board of Directors of Vallourec Group where he chairs the Audit Committee."

- **AccorHotels completes its acquisition of a 50% stake in sbe Entertainment Group. Founder & CEO Sam Nazarin will control the remaining 50%**

The following is an extract from a press release dated 9 October 2018.

"AccorHotels and sbe Entertainment Group ("sbe") announced today the completion of AccorHotels' acquisition of a 50% stake in sbe.

Through this partnership, AccorHotels' will pursue its strategy to expand its offering in the luxury lifestyle hospitality segment and its footprint in gateway cities across North America.

This long-term investment will allow sbe to leverage AccorHotels' leading global hospitality platform while remaining an independent luxury lifestyle operator. sbe will continue to be led by its Founder and CEO Sam Nazarian as well as its expert management team while retaining its global headquarters in New York.

Sébastien Bazin, Chairman & CEO, AccorHotels: Sébastien Bazin, Chairman & CEO, AccorHotels: *"I am very proud of this unique partnership. It combines the best of both groups by offering all our guests lifestyle concepts in the luxury segment. With sbe's brand portfolio, AccorHotels is also taking a significant step forward in its group's expansion in key gateway cities in the US. Sam Nazarian is an innovator with an inborn sense of creating unique experiences and groundbreaking hotels and F&B concepts. We are delighted to join forces and mutualize our skills for the benefits of our guests"*.

Sam Nazarian, Founder and CEO of sbe: *"This partnership with AccorHotels marks the beginning of a new chapter in sbe's history and I'm thrilled that this strategic partnership has now been completed. sbe has grown rapidly since the acquisition of Morgans Hotel Group in 2016. The sbe portfolio will grow to over 50 hotels by 2020, paired with tremendous expansion in the residential, culinary and entertainment segment of the 360 lifestyle experience, including over 50 global venues in the pipeline. The partnership with AccorHotels is only going to accelerate this growth both in the US and in international markets. Sébastien Bazin has built an incredibly successful global platform in an ecosystem and digital market. Everyone at sbe is hugely excited to combine the unique offerings of both groups to provide our guests with unparalleled lifestyle experiences."*

sbe hotels, culinary and entertainment venues will be distributed on the AccorHotels platform, be featured on Accorhotels.com and will be part of the AccorHotels loyalty program. With its global hotel development platform and its presence in 100 countries, AccorHotels will play a key role in developing sbe's iconic luxury lifestyle hotel, restaurant and entertainment brands globally including SLS, Delano, Mondrian, Hyde and The Originals (Sanderson, St. Martin Lane, 10 Karakoy, Shore Club and Redbury).

Renowned for its unique 360-degree approach to lifestyle hospitality sbe develops, manages and operates award-winning global properties and brands that includes luxury residences, serviced apartments, wellness and spa platforms and dining & entertainment experiences.

Through this investment, sbe will accelerate its international growth with expansion into new markets outside of the US, including priority growth markets in the Middle East and Latin America. sbe's pipeline includes projects in some of the most important global gateway cities such as Atlanta, Chicago, Washington D.C., Dubai, Rio de Janeiro, Mexico City, Cancun, Tokyo and Los Cabos.

sbe's leading hospitality and residential brands include SLS, Delano, Mondrian, Hyde, The Originals (Sanderson, St. Martin Lane, Hudson, 10 Karakoy, Shore Club and Redbury Hotels). Through its Disruptive Restaurant Group platform, sbe has created global award-winning culinary brands Katsuya, Umami Burger, Cleo, Leynia, Diez & Siez and Fili'a and innovative entertainment brands including Hyde nightclub and dayclub, Nightingale, Privilege dayclub Black Orchid, S Bar, Skybar and the Doheny Room. Landmark destinations in its portfolio include, Delano South Beach in Miami, SLS Baha Mar in the Bahamas, Mondrian Doha in Qatar, Hyde Bellagio in Las Vegas, Mondrian Park Avenue in New York City and the newly-opened 57 story SLS LUX Brickell and Hyde midtown both in Miami. Upcoming openings include Delano Dubai at the Palm and Hyde Beach House in Hollywood Florida.

By the end of 2018 sbe will operate 25 hotels, comprising 7,498 keys with a majority in North America, 170 award winning restaurants and entertainment venues in global destinations as well as new properties in the Middle East, Asia and Latin America. It currently has a further 20 hotels and residences around the world in its pipeline, as well as 59 standalone restaurants and nightlife venues. In addition, sbe has sold 1,300 branded residential units valued at \$2 billion with over 2,500 units valued at \$2.5 billion in its pipeline.

Dakota Development is a division of sbe that is responsible for the design and development of sbe properties around the world. Dakota Development will remain at the forefront of the design and development process as our pipeline continues to grow with the support of AccorHotels."

- **Third-quarter 2018 revenue: up 7.6 like for like for €1,033 billion; Full-year EBITDA target between €700 million and €720 million**

The following is an extract from a press release dated 18 October 2018.

"Sébastien Bazin, Chairman and Chief Executive Officer of AccorHotels, said: "AccorHotels turned in a solid performance in the third quarter, reflecting positive operating trends in the majority of our markets as well as the Group's strong growth as a result of acquisitions made since the start of the year. In addition to these operations, which enable us to cement our international leadership, our organic growth continued at a fast pace and our pipeline rose above the 1,000 hotel mark, underlining the strength of our brand portfolio. Despite contrasting conditions across our geographies, this strong operating momentum enables us to narrow our EBITDA target to the upper range of the guidance announced in July."

In the third quarter of 2018, **revenue** came in at **€1,033 billion**, up 22.3% as reported and **7.6% like for like**.

RevPAR climbed 5.9%, reflecting positive performances in all regions – particularly in Europe (+7.1%) and Asia-Pacific (+3.1%) – primarily as a result of a strong price effect (76%).

Changes in the scope of consolidation (acquisitions and disposals) had a positive impact of €144 million (+17.0%), thanks in particular to the addition of Mantra, Mövenpick and Gekko.

Currency effects had a negative impact of €20 million, attributable to the euro's substantial appreciation against a number of currencies, and despite a fall in value versus the US dollar (1.0%).

During the period, AccorHotels opened **73 hotels**, adding **nearly 11,000 rooms**. At end-September 2018, **the Group's pipeline** had risen above the symbolic 1,000 hotel mark with **1,031 units** in planning, representing record volumes of around **184,000 rooms**.

<i>In € millions</i>	Q3 2017 ⁽¹⁾	Q3 2018	Change (as reported)	Change (LFL) ⁽²⁾
HotelServices	628	679	+8.1%	+9.1%
New Businesses	32	40	+27.1%	(5.8%)
Hotel Assets	203	333	+64.1%	+6.3%
Holding & Intercos	(19)	(20)	N/A	N/A
Total	844	1,033	+22.3%	+7.6%

(1) Pro forma financial information.

(2) Like for like: at constant scope of consolidation and exchange rates.

POSITIVE MOMENTUM FOR HOTELSERVICES

HotelServices, which operated 4,681 hotels (684,836 rooms) under franchise agreements and management contracts at the end of September 2018, reported a **9.1% like-for-like increase in revenue to €679 million**. This growth resulted from very strong activity in all regions.

Within the division, **Management & Franchise (M&F)** posted like-for-like revenue growth of 8.5%, supported by a solid RevPAR performance and expansion of the hotel portfolio:

<i>In € millions</i>	Q3 2017 ⁽¹⁾	Q3 2018	Change (LFL) ⁽²⁾
Europe	133	139	+10.2%
Asia-Pacific	48	50	+6.1%
Middle East & Africa	16	18	+1.5%
North America, Central America & the Caribbean	31	34	+7.1%
South America	12	11	+13.4%
HotelServices Management & Franchise	239	251	+8.5%

(1) Pro forma financial information.

(2) Like for like: at constant scope of consolidation and exchange rates.

Systemwide RevPAR system was up 5.9% overall.

In **Europe**, M&F posted strong like-for-like revenue growth (+10.2%), driven by RevPAR growth of 7.1%.

- In France, RevPAR was up 8.3% like for like. This good performance was driven essentially by Paris (+16.5%), where conditions were favorable thanks to a busy trade fair and sporting calendar. Activity was also strong outside Paris, with RevPAR up 3.5%.
- In the United Kingdom, RevPAR growth during the quarter (+3.4%) reflected a particularly favorable summer period. Unlike in the first half, activity was up sharply in London (+5.8%), where the occupancy rate reached a record high of over 90% in the third quarter. Outside London, RevPAR also increased, albeit at a more modest rate (+1.4%).
- RevPAR growth was +3.7% in Germany thanks to a busy trade fair calendar during the quarter, particularly in September.
- Spain was impacted by the complex political situation in Catalonia, recording a 1.4% decline in RevPAR.

In **Asia-Pacific**, RevPAR growth slowed slightly to +3.1% while M&F revenue rose 6.1% on a like-for-like basis. In Australia, RevPAR (+0.6%) was affected by political uncertainty as well as the overcapacity of hotel rooms in some major towns and cities. In China, RevPAR remains solid at +6.0%, following growth of +8.1% in the first half of the year.

In the **Middle East & Africa region**, RevPAR climbed 5.4% during the third quarter, up sharply compared with the first half of the year. The increase was driven by the implementation of a sound pricing strategy

during the Hajj celebration in the Middle East. M&F revenue grew by 1.5% on a like-for-like basis during the period.

North America, Central America & the Caribbean delivered a 4.6% increase in RevPAR, with healthy business in Canada (+8.6%). M&F Revenue for the region advanced 7.1% like for like.

Lastly, the recovery in **South America** continued apace, with RevPAR up 11.2% and M&F revenue up 13.4%. In Brazil, RevPAR rose 10.1%, with a very pronounced acceleration across the entire country, except in Rio, where overcapacity and socio-economic difficulties continued to dampen demand.

The Group's **development** continues at a rapid pace. During the third quarter, AccorHotels opened 73 hotels, representing nearly 11,000 rooms. At the end of September 2018, the Group's pipeline comprised 1,031 hotels and over 184,000 rooms, of which 80% in emerging markets and 49% in the Asia-Pacific region.

MIXED PERFORMANCES IN NEW BUSINESSES

In third-quarter 2018, **revenue** for the **New Businesses** division came in at €40 million, reflecting mixed performances across the different businesses. AvailPro, FastBooking and VeryChic posted strong growth, as did recent acquisitions such as Gekko, ResDiary and Adoria, while onefinestay and John Paul turned in negative performances, in part due to the strategic review launched this summer. Overall, the segment grew by 27.1% as reported, and contracted by 5.8% like for like.

HOTEL ASSETS: A SOLID PERFORMANCE IN EASTERN EUROPE AND BRAZIL

Revenue from the **Hotel Assets** division grew by 6.3% at constant scope of consolidation during the third quarter. The increase reflects brisk business, with 6.2% growth in RevPAR driven by Brazil and Turkey.

At September 30, 2018, the division's hotel base comprised 242 hotels and 45,291 rooms.

FULL-YEAR 2018 EBITDA TARGET

In light of these factors and the expected continuation of the trends observed since the beginning of the year in its different markets, the Group expects **full-year 2018 EBITDA** to come out in the upper range of the target disclosed in July, i.e., **between €700 million and €720 million.**

SHARE BUYBACK PROGRAM

As part of the share buyback program announced on July 27, 2018, the Group has bought back 5.7 million shares to date, representing a total of €243 million.

HIGHLIGHTS OF THE PERIOD FROM JULY 1, 2018 to SEPTEMBER 30, 2018

On July 2, the Group announced it had established a new €1.2 billion revolving credit facility for which the Group's environmental, social and governance (ESG) performance would be taken into account in calculating the margin.

On July 23, Katara Hospitality and AccorHotels created an investment fund with an investment capacity of over USD 1 billion dedicated to hospitality in Sub-Saharan African countries.

On July 31, the Group signed an agreement to acquire 21c Museum Hotels. The transaction was completed at the end of September.

On September 4, AccorHotels completed the acquisition of Mövenpick.

On September 20, Chris Cahill, until that date CEO Luxury Brands and CEO North America, Central America and Caribbean Region, assumed the role of Deputy CEO responsible for Hotel Operations. Jean-Jacques Morin, until that date Chief Financial Officer, was appointed Deputy CEO responsible for Finance, Communications and Strategy.

On October 5, AccorHotels completes the acquisition of a 50% stake in sbe Entertainment Group.

SHARP GROWTH IN REVENUE

In third-quarter 2018, the Group posted a sharp 22.3% rise in revenue, mainly reflecting the impact of consolidating Mantra and Mövenpick. Like-for-like growth came in at a solid 7.6%, driven by HotelServices (+9.1%) and Hotel Assets (+6.3%). Revenue from New Businesses contracted by 5.8% like for like."

- **AccorHotels completes the acquisition of its Paris head office building**

The following is an extract from a press release dated 25 October 2018.

"AccorHotels announced today the successful closing of the acquisition of the "Tour Sequana" building, its head office since 2016 located near Paris in Issy Les Moulineaux, for an amount of EUR 363 million. This amount had been determined in 2015, at the signing of the lease contract, which included a call option. The building is currently valued at more than EUR 500 million.

The transaction is financed by a EUR 300 million 8-year Green Mortgage Loan, which carries an annual coupon of 1.8%. Established in line with Green Loan Principles, the Green Mortgage Loan benefits from a Second Opinion by the extra-financial rating agency Sustainalytics. The Sequana Tower benefits from a high level of HQE™ certification.

The balance of the acquisition price was paid in cash. The acquisition will notably translate into savings of about EUR 20 million per annum in rental charge."

- **AccorHotels announces the launch of a Tender Offer for 100% of Orbis shares**

The following is an extract from a press release dated 26 November 2018.

"AccorHotels announces that today it filed with the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego) a notification concerning the intention to launch a Tender Offer together with a tender offer circular for the acquisition in cash of the 21,800,593 shares of Orbis it does not already own today, representing 47.31% of the share capital (the "Offer").

Orbis, which is headquartered in Warsaw, Poland, is the largest hotel operator in Central & Eastern Europe and the exclusive master franchisee of certain AccorHotels brands in the region. Its portfolio comprises 128 hotels (21,000 rooms) in 16 countries (Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia) operated under the Sofitel, Pullman, MGallery, Novotel, Mercure, ibis, ibis Styles and ibis budget brands.

The Offer, at a price of 87.0 zlotys per share, is unconditional. In accordance with the Offer, the subscription period of the Offer will be opened from December 17, 2018 to January 18, 2019. The offer price represents:

- a 20% premium over the closing price of the day prior to the announcement,
- a 11% premium over the volume-weighted average price of the last 3 months,
- a 3% premium over the volume weighted average price of the last 6 months.

Assuming AccorHotels acquires 100% of the shares it does not currently own, the overall cash consideration would amount to EUR442m (PLN1.9bn).

Sebastien Bazin, Chairman and CEO of AccorHotels said: *"AccorHotels and Orbis have built a long-term partnership since their first business agreement 45 years ago. As its largest shareholder since 2000, AccorHotels has fully supported Orbis' growth in Poland, then across Central Europe since 2014, where Orbis has become today a formidable leader. The proposed transaction will enable AccorHotels to accelerate its development in the region. In addition, it will enable AccorHotels to further implement its active asset management policy."*

Through this transaction, AccorHotels intends to consolidate its leadership in Central Europe and improve optionality on Orbis' asset portfolio management, including replication of the active asset management strategy implemented by AccorHotels for several years.

AccorHotels has decided to launch the Offer to initiate the delisting of Orbis' shares from the Warsaw Stock Exchange. In accordance with the Offer, if upon the completion of the Offer AccorHotels holds shares in the share capital of the Company constituting at least 90% of the share capital of Orbis, AccorHotels intends to proceed with a squeeze-out of the minority shareholders of the Company."

- **AccorHotels reaffirms its ambitions and targets the doubling of its EBITDA by 2022**

The following is an extract from a press release dated 27 November 2018.

"In the context of its Capital Market Day to be held in Paris today, AccorHotels reaffirms the key components of its strategy and presents its midterm targets for value creation. As the Group's transformation into an asset-light model comes to completion, AccorHotels now builds on many strengths:

- The richest portfolio of iconic brands in the industry, covering all segments & niches,
- Leading positions in the highest-potential markets, with number one position in Europe, Asia-Pacific, Middle-East & Africa and Latin America,
- Accelerating development pattern, with an increasing share of upscale and luxury hotels, delivering a continuous 5% net system addition per annum, among the industry highest.
- State-of-the-art distribution tools, with emphasis on personalization, usage and loyalty.

The execution of this strategy will be fostered by two initiatives:

- The public tender offer for 47% of the share Capital of the Polish company Orbis that AccorHotels does not own today, with a view to replicate of the active asset management strategy implemented by AccorHotels for several years;
- The alignment of the Group's support functions with its new economic model, notably in Europe, in order to better serve partners and clients, while optimizing central costs, expected to remain stable over the midterm.

Sebastien Bazin, Chairman and CEO of AccorHotels said: *"AccorHotels has gone through a major transformation over the last few years. This was evidenced by numerous acquisitions of brands and new ancillary business activities, the strengthening of our digital platforms, and the shift to an asset-light model with the sale of a majority stake in AccorInvest. These major steps behind us, we are now focused on executing on our strategy to unleash the Group's full potential. Our targets are ambitious yet achievable. AccorHotels is more agile, more profitable, and more global, with a well-balanced brand portfolio. These assets are unique in the industry. Combined with a rigorous management, this will enable the Group's to create sustainable value for our shareholders, our clients and our employees."*

Based on the above, AccorHotels targets the doubling of its EBITDA between 2017 and 2022, to reach €1.2bn, driven by:

- The integration and ramp-up of recent acquisitions,
- Solid revenue growth, reflecting both sound business levels in the Group's key markets and the continued increase in development, supported by the upscaling of its brand portfolio,
- Operating margin improvement, thanks to strict control of central costs.

Operating performance enhancement, combined with stable CAPEX will lead to sharp increase in recurring cash-flows, and hence the Group's dividend per share."

- **Launch of a second tranche of the Share Buy-Back program for 500 million euros**

The following is an extract from a press release dated 19 December 2018.

"After completing the initial tranche of its share buyback program for 350 million euros in November 2018, AccorHotels announces today the launch of a second tranche for an amount of 500 million euros.

The purchase period will start on December 20th, 2018 and end on June 20th, 2019, without being shorter than 3 months.

The Group will maintain the suspension of its liquidity agreement for the duration of this program."

- **AccorHotels raises the price offered in its tender offer for Orbis shares to a final PLN 95.0 per share**

The following is an extract from a press release dated 10 January 2019.

"On November 26, 2018, AccorHotels launched a Tender Offer for the acquisition of the 21,800,593 shares of Orbis it did not own on the day of the announcement, representing 47.31% of the share capital (the "Offer"), at a price of PLN 87.0.

AccorHotels announces today a final increase of the offered price from PLN 87.0 to PLN 95.0. Other terms and conditions of the Offer remain unchanged.

PLN 95.0 represent:

- a premium of 30.5% to the closing price of Orbis shares on November 23, 2018 (last close price before the Offer announcement),
- an increase of 9.2% above the previous offered price of PLN 87.0.

The Offer remains unconditional. In accordance with the Tender Offer circular, the subscription period of the Offer ends on January 18, 2019."

- **Tender Offer on Existing Bonds**

On 18 January 2019, Crédit Agricole Corporate and Investment Bank (the "**Offeror**") launched an offer to purchase for cash the 2.625 per cent. bonds due 5 February 2021 (ISIN: FR0011731876) of the Issuer (the "**Existing Bonds**") up to a maximum amount of Euro 350,000,000, subject to adjustment (the "**Tender Offer**"). Such bonds have an aggregate principal amount outstanding of Euro 900,000,000. As part of the Tender Offer, the net proceeds of the issuance of the Bonds will be transferred in part to the Offeror in exchange for the Existing Bonds which will be cancelled by the Issuer upon receipt.

- **AccorHotels announces the preliminary results of the tender offer for Orbis S.A. shares**

The following is an extract from a press release dated 18 January 2019.

"Following today's end of the subscription period for the tender offer (the "Offer") announced by AccorHotels on 26 November 2018 for the acquisition of 21,800,593 shares in Orbis S.A. constituting all of the shares AccorHotels did not already own in Orbis, AccorHotels received today the preliminary results of the Offer.

In accordance with the preliminary results of the Offer, investors submitted subscription for approximately 15.3 million shares in Orbis at an offer price of PLN95.0, for a total consideration of PLN1,450 million (i.e. EUR337 million) constituting approximately 33.1% of the share capital of Orbis.

The final number of shares in Orbis subscribed for in the Offer will be confirmed on the date of the share purchase transaction by AccorHotels, which will take place on Wednesday, 23 January 2019. The settlement of the shares by AccorHotels will take place on Monday, 28 January 2019.

Following the settlement of the Offer and subject to the final confirmation of the number of shares submitted by the investors in the Offer, AccorHotels will own, directly and indirectly, 85.8% of Orbis' share capital.

AccorHotels strengthens the control on Orbis and consolidate its leadership in Central Europe. As announced on 26 November, the Group shall explore options to crystallize the value of Orbis' asset portfolio."

- **AccorHotels confirms the results of the tender offer for Orbis shares**

The following is an extract from a press release dated 23 January 2019.

"AccorHotels confirms today the final number of shares in Orbis subscribed for in the tender offer following the completion today of the share purchase transaction.

Investors have submitted 15.3 million shares in Orbis at an offer price of PLN95.0, for a total consideration of PLN1,451 million (i.e. EUR338 million) constituting 33.15% of the share capital of Orbis.

Following the settlement of the Offer, which will take place on Monday 28 January 2019, AccorHotels will own, directly and indirectly, 85.84% of Orbis' share capital."

- **Issuance of Hybrid Bonds**

On 24 January 2019, the Issuer announced that it had successfully placed €500,000,000 Undated Deeply Subordinated Fixed to Reset Rate NC 5.25 Bonds (the "**Hybrid Bonds**"), which are expected to be issued on 31 January 2019. The net proceeds from the issue of the Hybrid Bonds will be used for the general corporate purposes of the Issuer including the refinancing of existing debt (in particular the EUR 385,900,000 bonds to be purchased as part of its tender offer in relation to its Euro 900,000,000 Undated 6-Year Non Call Deeply Subordinated Fixed to Reset Rate Bonds (ISIN FR0012005924), expected to settle on or around 1 February 2019). Further information on the Hybrid Bonds can be found in the prospectus dated 29 January 2019, which received visa number 19-031 from the AMF on 29 January 2019 and is available on the websites of the AMF (www.amf-france.org) and the Issuer (<http://www.accorhotels-group.com/en>).

TAXATION

The following is an overview of certain withholding tax considerations in France relating to the holding of the Bonds. It does not purport to be a complete analysis of all tax considerations relating to the Bonds. It is based upon the legislation as in force in France on the date of this Prospectus and is subject to any change in legislation and/or interpretation thereof that may take effect after such date (potentially with a retroactive effect).

Prospective purchasers of Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts under the Bonds and the consequences of such actions under the tax laws of those countries.

The following may be relevant to holders of Bonds who do not concurrently hold shares of the Issuer.

Payments of interest and other revenues made by the Issuer with respect to the Bonds will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in certain non-cooperative States or territories (*Etats ou territoires non coopératifs*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**" or "**Non-Cooperative States**"). If such payments under the Bonds are made outside France in certain Non-Cooperative States, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other revenues on such Bonds are not deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account opened in a financial institution established in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 75 per cent. for payments made outside France in certain Non-Cooperative States, (ii) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) 12.8 per cent. for payments benefiting individuals who are not French tax residents (in each case subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent that the relevant interest and other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (and therefore the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of the Deductibility Exclusion) will apply in respect of the Bonds if the Issuer can prove that the main purpose and effect of the issue of the Bonds were not that of allowing the payments of interest and other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* (BOI-INT-DG-20-50-20140211, n°550 and n°990, BOI-RPPM-RCM-30-10-20-40-20140211, n°70 and n°80 and BOI-IR-DOMIC-10-20-20-60-20150320, n°10), the Bonds will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Bonds if the Bonds are *inter alia*:

(i) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign

entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(ii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depositories or operators are not located in a Non-Cooperative State.

Since the Bonds will *inter alia* be admitted, at the time of their issue, to the operations of Euroclear France, the Bonds will benefit from the Exception and are therefore exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*. In addition, they will be subject neither to the Deductibility Exclusion nor to the withholding tax set out under Article 119 *bis* 2 of the same Code solely on account of their being paid to an account opened in a financial institution established in a Non-Cooperative State or accrued or paid to persons domiciled or established in a Non-Cooperative State.

Pursuant to Article 125 A I of the French *Code général des impôts* (i.e. where the paying agent is established in France) and subject to certain exceptions, interest and other similar revenues received by individuals who are fiscally domiciled in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) on such interest and other similar revenues are also withheld at source at an aggregate rate of 17.2 per cent., subject to certain limited exceptions.

SUBSCRIPTION AND SALE

Subscription Agreement

BNP Paribas, Crédit Agricole Corporate and Investment Bank, ING Bank N.V. Belgian Branch, Merrill Lynch International, Natixis, Société Générale and UniCredit Bank AG (the “**Joint Lead Managers**”) have, pursuant to a Subscription Agreement dated 30 January 2019 (the “**Subscription Agreement**”), jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Bonds at an issue price equal to 99.661 per cent. of the principal amount of the Bonds, less any applicable commission. In addition, the Issuer will pay certain costs incurred by it and the Joint Lead Managers in connection with the issue of the Bonds.

The Joint Lead Managers are entitled to terminate the Subscription Agreement in certain limited circumstances prior to the issue of the Bonds. The Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Bonds.

General Restrictions

Each Joint Lead Manager has agreed to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Bonds or have in its possession or distribute this Prospectus or any other offering material relating to the Bonds. No action has been, or will be, taken in any country or jurisdiction that would permit a public offering of the Bonds, or the possession or distribution of this Prospectus or any other offering material relating to the Bonds, in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Bonds may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Bonds by it will be made on the same terms.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Bonds to any retail investor in the EEA. For the purposes of this provision the expression "retail investor" means a person who is one (or both) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II and/or (ii) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

France

Each of the Joint Lead Managers has represented and agreed that (i) it has not offered or sold and will not offer or sell, directly or indirectly, any Bonds to the public in France and (ii) it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Bonds and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

United States

The Bonds have not been and will not be registered under the Securities Act or the securities law of any U.S. State or other jurisdiction, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Bonds are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each Joint Lead Manager has represented and agreed that:

- (i) it has not offered or sold, and will not offer or sell, the Bonds (a) as part of their distribution at any time or (b) otherwise until forty (40) calendar days after the later of the commencement of the offering and the issue date of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or dealer to which it sells Bonds during such forty (40) calendar day period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

In addition, until forty (40) calendar days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

GENERAL INFORMATION

1. The Legal Entity Identifier (LEI) of the Issuer is: 969500QZC2Q0TK11NV07.
2. The Bonds have been accepted for clearance through Euroclear France, Clearstream and Euroclear. The International Securities Identification Number (ISIN) for the Bonds is FR0013399029. The Common Code number for the Bonds is 194272642.
3. Application has been made for the Bonds to be admitted to trading on Euronext Paris on or about 4 February 2019.
4. The Issuer has obtained all necessary consents, approvals and authorisations in France in connection with the issue and performance of its obligations under the Bonds. The issue of the Bonds was authorised by resolution of the Board of Directors (*conseil d'administration*) of the Issuer dated 20 December 2018 and a decision of Jean-Jacques Morin, Deputy CEO responsible for Finance, Communications and Strategy of the Issuer dated 24 January 2019. The share capital of the Issuer, as at 31 December 2018, is EUR 847,823,400.
5. Copies of:
 - (i) the *statuts* of the Issuer;
 - (ii) the Agency Agreement;
 - (iii) this Prospectus together with any supplement to this Prospectus; and
 - (iv) the documents incorporated by reference, including:
 - (a) the Issuer's 2017 reference document (*document de référence*) in the French language filed with the AMF under registration N° D. 18-0227, dated 29 March 2018;
 - (b) the Issuer's 2016 reference document (*document de référence*) in the French language filed with the AMF under registration N° D. 17-0284, dated 31 March 2017; and
 - (c) the Issuer's interim financial report in the French language for the period ended 30 June 2018.

will be available for inspection during the usual business hours on any week day (except Saturdays and public holidays) at the primary business office of the Issuer.

The Prospectus, any supplement thereto and the documents incorporated by reference in the Prospectus will be published (i) on the website of the Issuer (<http://www.accorhotels-group.com/fr/finance.html>) and (ii) (with the exception of the 2018 Interim Financial Report) on the website of the AMF (www.amf-france.org). Non-official English translations of the 2017 Registration Document, the 2016 Registration Document and the 2018 Interim Financial Report are available on the website of the Issuer (<http://www.accorhotels-group.com/en/finance.html>). These documents are available for information purposes only and are not incorporated by reference in this Prospectus. The only binding versions are the French language versions filed with the AMF.

6. Save as disclosed in the Recent Developments section herein on pages 31 to 41 and in the 2018 Interim Financial Report on pages 38-39, there has been no significant change in the financial or trading position of the Issuer or of the Group since 30 June 2018 and save as disclosed in the 2017 Registration Document on pages 275 to 276, in the Recent Developments section herein on pages 31 to 41 and in the 2018 Interim Financial Report on pages 38-39, there has been no material adverse change in the prospects of the Issuer or of the Group since 31 December 2017.

7. Save as disclosed in the 2017 Registration Document on pages 54 and 59 and in the 2018 Interim Financial Report on page 77 neither the Issuer nor any of its consolidated subsidiaries is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer or the Group's financial position or profitability.
8. Save as disclosed in the 2018 Interim Financial Report on page 77, the Issuer has not entered into contracts outside the ordinary course of its business, which could result in the Issuer or any of its consolidated subsidiaries being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of Bonds in respect of the Bonds being issued.
9. This Prospectus contains or incorporates by reference certain statements that are forward-looking including statements with respect to the Issuer's and the Group's business strategies, expansion and growth of operations, trends in the business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.
10. The business address of the members of the administrative and management bodies of the Issuer is located at 82 rue Henri Farman, 92130 Issy-Les-Moulineaux, France.
11. There are no potential conflicts of interest between the duties of the members of the Board of Directors (*conseil d'administration*) of the Issuer to the Issuer and their private interests or other duties.
12. Ernst & Young et Autres and Deloitte & Associés are the statutory auditors of the Issuer. Ernst & Young et Autres and Deloitte & Associés have audited or reviewed, and rendered unqualified reports on, the consolidated financial statements of the Issuer as at, and for the two years ended, 31 December 2017 and 31 December 2016, and the interim financial statements of the Issuer for the period ended 30 June 2018. Ernst & Young et Autres and Deloitte & Associés are registered as *Commissaires aux Comptes* (members of the *Compagnie Nationale des Commissaires aux Comptes*) and regulated by the *Haut Conseil du Commissariat aux Comptes*.
13. Save for any fees payable to the Joint Lead Managers, as far as the Issuer is aware, no person involved in the issue of the Bonds has an interest material to the issue.
14. The estimated costs for the admission to trading are EUR 8,600.
15. The yield in respect of the Bonds is 1.802 per cent. per annum and is calculated at the Issue Date on the basis of the issue price of the Bonds. It is not an indication of future yield.
16. The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.
17. The Bonds are expected to be rated BBB- by S&P and BBB- by Fitch. The Issuer's long-term senior unsecured debt is rated BBB- (stable outlook) by S&P and BBB- (positive outlook) by Fitch.
18. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. Each of S&P and Fitch is established in the European Union and is registered under Regulation (EC) No 1060/2009 as amended

(the “**CRA Regulation**”) and is included in the list of registered credit rating agencies published on the website of the ESMA (www.esma.europa.eu/page/List-registered-and-certified-CRAs).

19. In connection with the issue of the Bonds, Crédit Agricole Corporate and Investment Bank (the “**Stabilising Manager**”) (or any person acting on behalf of the Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) calendar days after the Issue Date and sixty (60) calendar days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or any person acting on behalf of the Stabilising Manager) to the extent and in accordance with all applicable laws and regulations.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

To the best knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information. The Issuer accepts responsibility accordingly.

ACCOR

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Duly represented by Mr. Pierre Boisselier

signed in Issy-Les-Moulineaux

dated 30 January 2019



In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and its General Regulations (*Règlement Général*), in particular Articles 211-1 to 216-1, the AMF has granted to this Prospectus the visa n°19-032 on 30 January 2019. This Prospectus has been prepared by the Issuer and its signatories assume responsibility for it.

In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out herein or the appropriateness of the issue of the Bonds.

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