

H1 2019 Results

July 31st, 2019



Disclaimer

By reading the following presentation slides, you further agree to be bound by the following limitations and qualifications:

This presentation is for information purposes only and does not constitute an offer or solicitation for the sale or purchase of any securities, any part of the business or assets described herein, or any other interests. It includes only summary information and does not purport to be comprehensive. The information contained in this document has not been independently verified.

This document may contain certain statements that are forward-looking with respect to the financial condition, results of operations, business and strategy of Accor S.A. Such statements are based on management's current views and assumptions, which are naturally subject to risks and contingencies that may lead such statement to ultimately prove inaccurate. These risk factors are further developed in Accor's Registration Document. Accor S.A., its affiliates, directors, advisors, employees and representatives, expressly do not assume any liability whatsoever for such forward-looking statements. Accor S.A. does not undertake to update or revise the forward-looking statements or any other information that may be presented in this document to reflect new information, future events or for any other reason and any opinion expressed in this presentation is subject to change without notice.

The figures included in this presentation are restated after IFRS 5, excepted otherwise stated.

This presentation may include some information on specific transactions that shall be considered as projects only and may remain subject to certain approvals and other conditions.

H1 2019 Key achievements

Business Momentum

Systemwide RevPAR
+ 2.9% L/L

+5.2% yoy Net Organic
System Growth

Business volume of **€10.4bn**
vs. €8.9bn in H1 2018

Financial performance

€1,926m Revenue
up +27.8% reported
up +4.8% L/L

€375m EBITDA
up 30.1% reported
up +5.1% L/L

Cash conversion of **76%**

Strategy delivery

Launch of **Marketing plan**
and **All** set-up

Mantra and Mövenpick
Integration & synergies on track

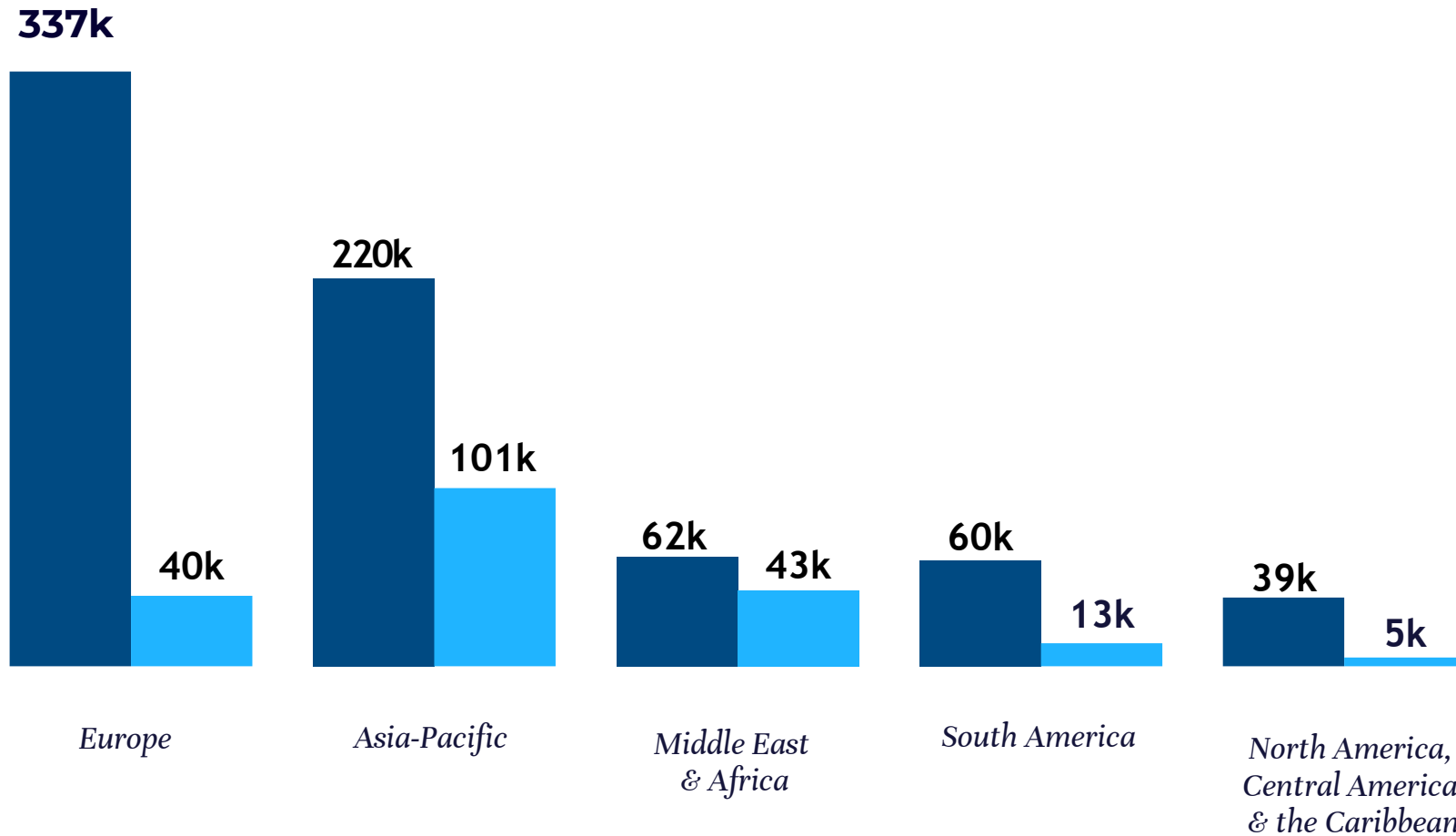
Orbis⁽¹⁾ disposal process
ongoing per plan

⁽¹⁾ Reported per IFRS 5 as "Discontinued operations"



On track to reach 5,000 hotels in network by year-end

In rooms, as of June 2019



Network	
Hotels	4,892
Rooms	717k

Pipeline	
Hotels	1,153
Rooms	202k



H1 Development supporting densification in our key markets

TOP 20 CITIES

Less than 25% of AccorHotels total network

	% of total network	Cumulative %
Paris	2.6%	2.6%
London	1.7%	4.3%
Dubai	1.6%	5.9%
Bangkok	1.4%	7.3%
Sao Paulo	1.3%	8.6%
Shanghai	1.1%	9.7%
Jakarta	1.1%	10.8%
Makkah	1.1%	11.9%
Berlin	1.0%	12.9%
Rio de Janeiro	0.9%	13.8%
Singapore	0.9%	14.7%
Sydney	0.9%	15.6%
Melbourne	0.8%	16.4%
Munich	0.8%	17.2%
Beijing	0.8%	18.0%
Seoul	0.7%	18.7%
Amsterdam	0.7%	19.4%
Istanbul	0.7%	20.1%
Surfers Paradise	0.6%	20.7%
Brisbane	0.6%	21.3%

In number of rooms as of end-September 2018

DUBAI: +320 rooms open
Total 12k rooms



JAKARTA: +450 rooms open
Total 8k rooms



BANGKOK: +560 rooms open
Total 10k rooms



MELBOURNE: +280 rooms open
Total 6k rooms



19k

Rooms opened
in H1 2019

51%

Asia-Pacific

30%

Europe

9%

South America

8%

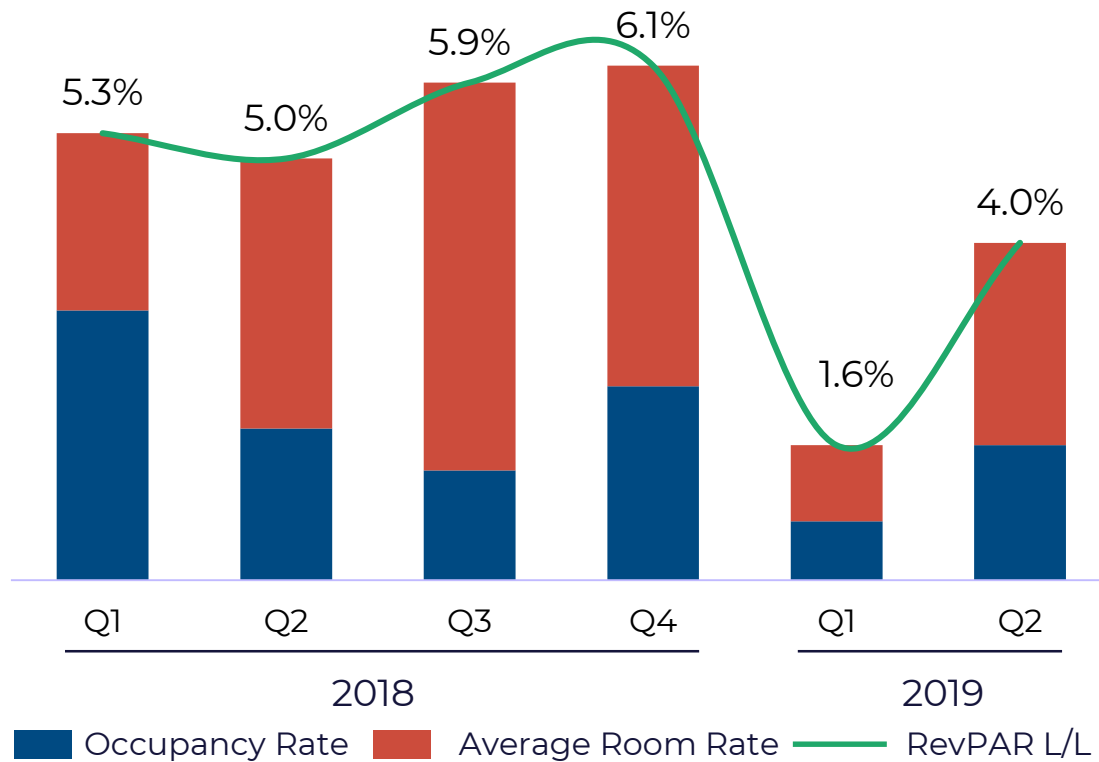
Middle-East & Africa

2%

North America,
Central America & Caribbean



+2.9% RevPAR growth in H1 19, as expected a stronger Q2

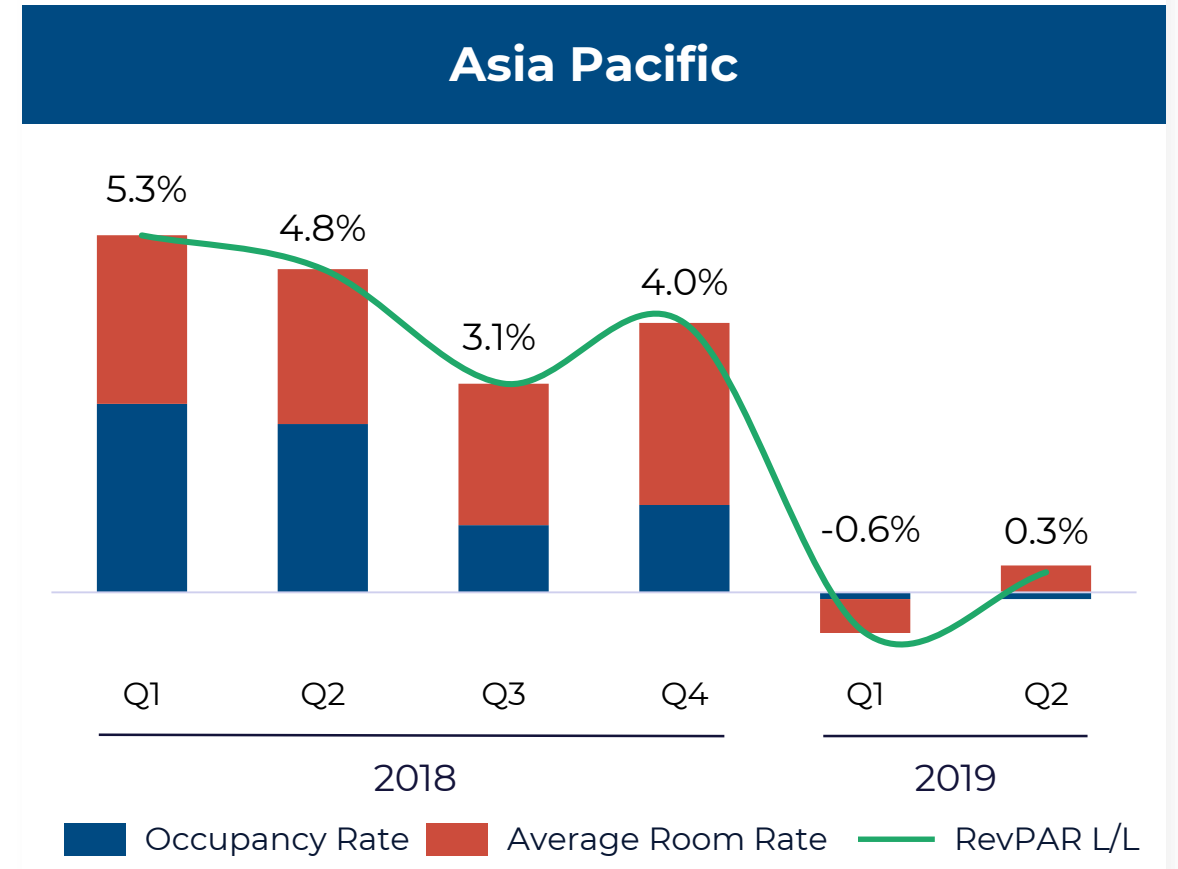
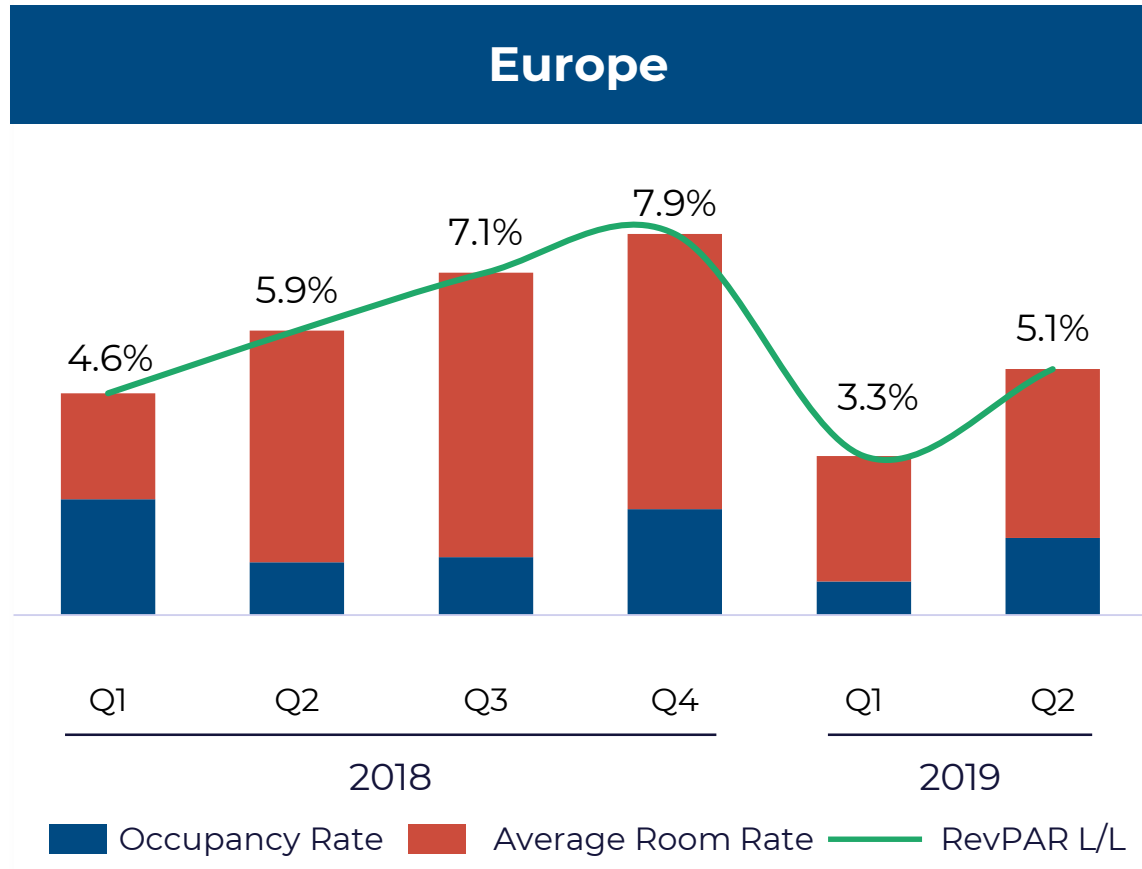


H1 2019 RevPAR by segment

Luxury	↗	+2.5%
Midscale	↗	+2.9%
Economy	↗	+3.6%

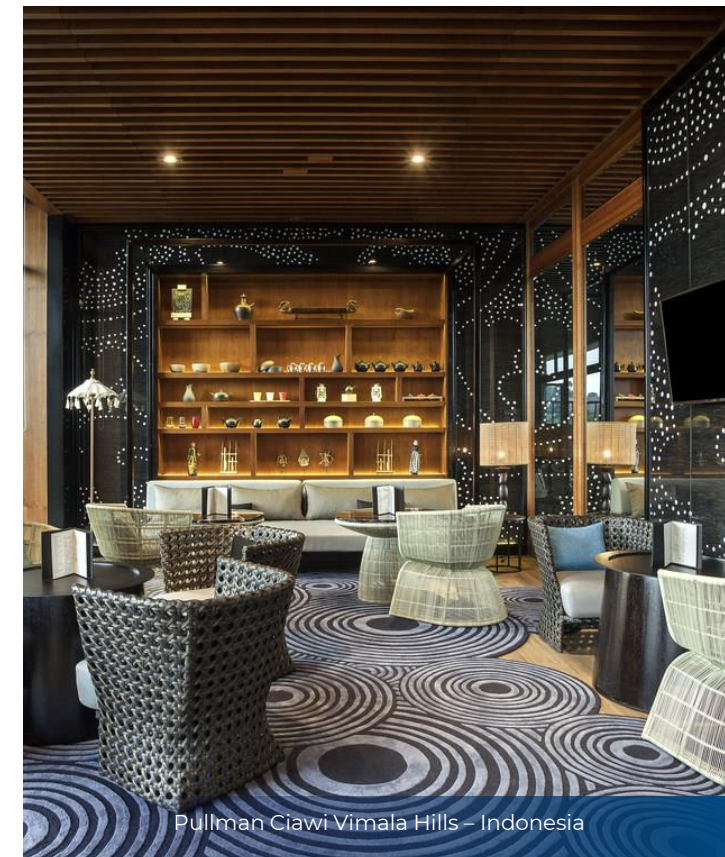


RevPAR improvement fueled by notably a strong Europe



Solid H1 Revenue growth of +4.8% L/L

<i>In € millions</i>	H1 2018 ⁽¹⁾	H1 2019	Reported change	L/L change
Hotel Services	1,231	1,366	+ 10.9%	+ 5.0%
Hotel Assets	225	519	+ 130.5%	+ 7.1%
New Businesses	70	77	+ 10.3%	+ 4.5%
Holding & Intercos	(20)	(36)	N/A	N/A
Total	1,507	1,926	+ 27.8%	+ 4.8%



⁽¹⁾ Restated and Proforma financial information

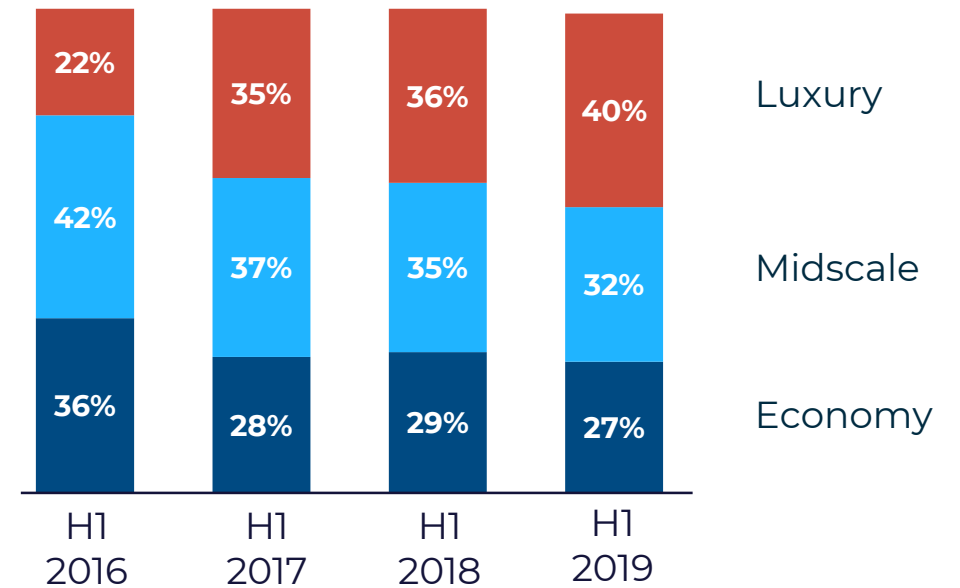


A +5.0% L/L increase in M&F Revenue

In € millions

	H1 2018 ⁽¹⁾	H1 2019	L/L change
Europe	242	245	+ 5.7%
ASPAC	97	100	(0.0)%
MEA	38	52	+ 4.6%
NCAC	59	65	+ 7.2%
South America	21	24	+ 16.1%
Total	458	486	+ 5.0%

By segment



⁽¹⁾ Restated and Proforma financial information



New Businesses turnaround in progress

Revenue in € millions



Double-digit revenue growth

d-edge
HOSPITALITY SOLUTIONS



GEKKO GROUP

VERYCHIC



ResDiary

Positive EBITDA impact from restructuring

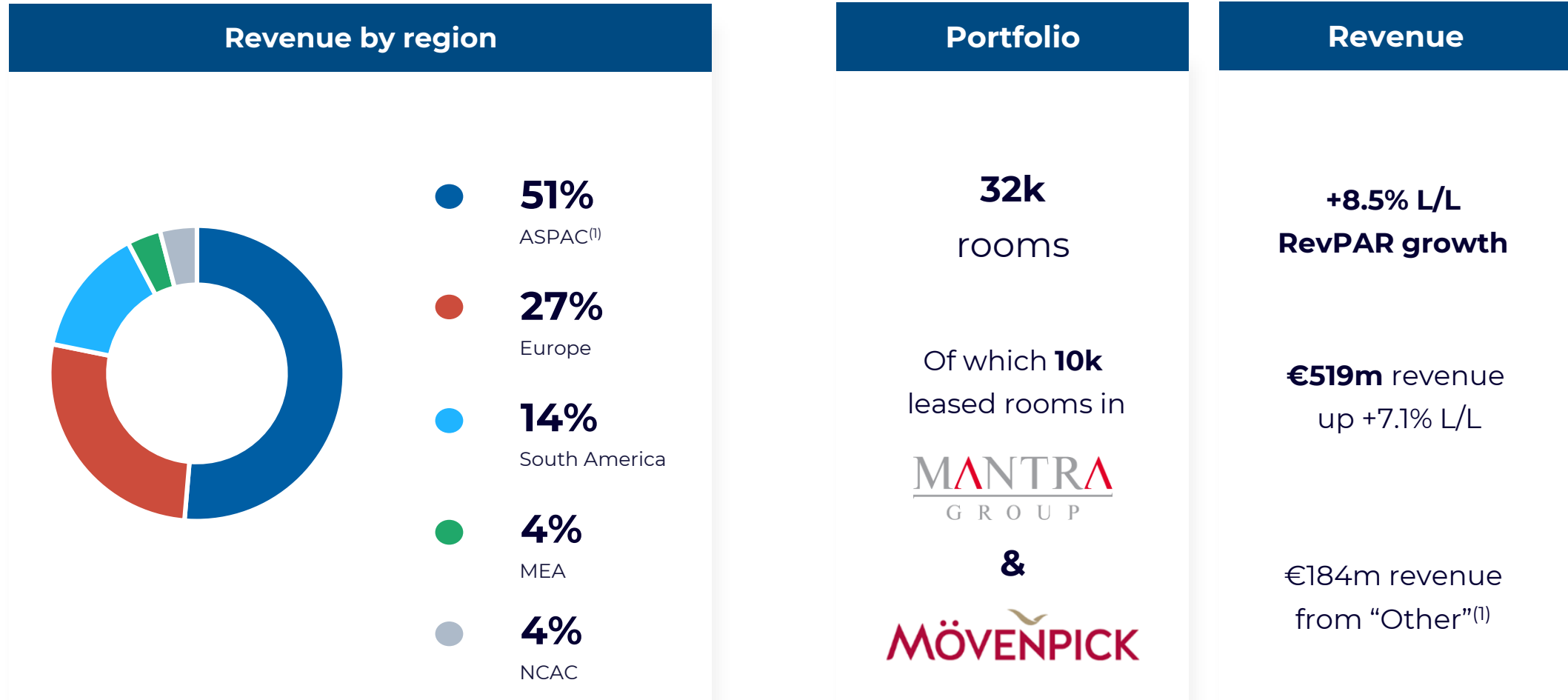
onefinestay



Breakeven confirmed for Q4 19



With Orbis deconsolidation, Hotel Assets & Other is now driven by ASPAC



⁽¹⁾ ASPAC and "Other" includes **Timeshare** (named Accor Vacation Club), **Strata** (i.e. Management Letting Rights in Australia) and **AccorPlus** (a pay-to-join loyalty program)



Sustained H1 EBITDA growth of +5.1% L/L

<i>In € millions</i>	H1 2018 ⁽¹⁾	H1 2019	Reported change	L/L change
Hotel Services	326	344	+ 5.5%	+ 3.7%
Hotel Assets	29	97	+ 241.1%	+ 0.2%
New Businesses	(11)	(1)	+89.5%	+ 84.7%
Holding & Intercos	(55)	(65)	N/A	N/A
Total	288	375	+ 30.1%	+ 5.1%

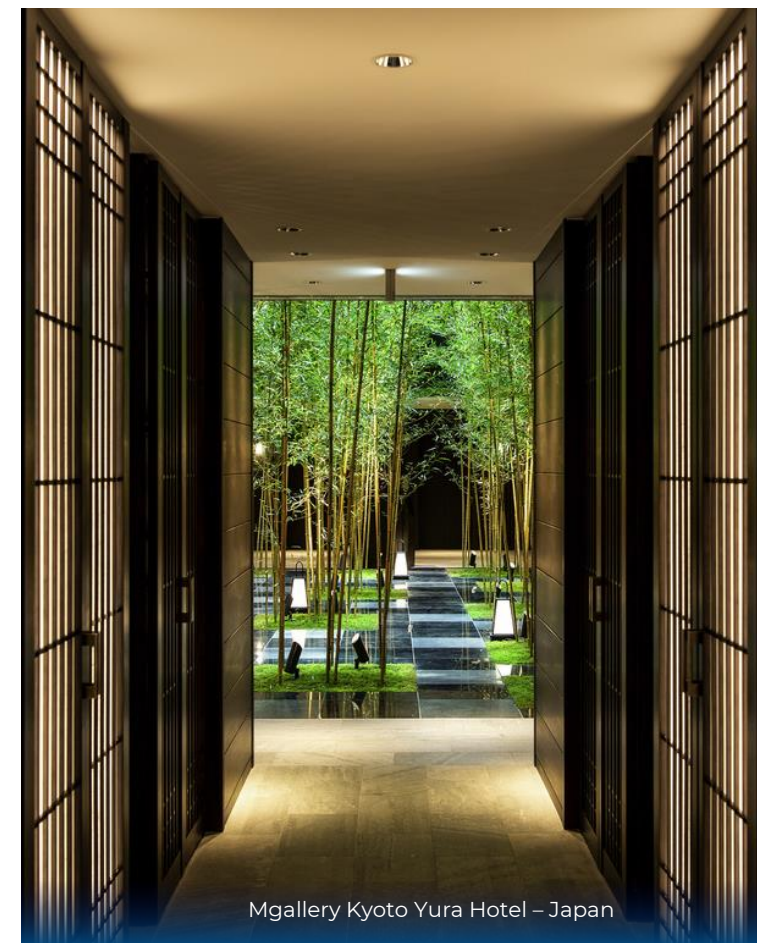


⁽¹⁾ Restated and Proforma financial information



Solid +7.1% Management & Franchise EBITDA growth

<i>In € millions</i>	H1 2018 ⁽¹⁾	H1 2019	L/L change
Europe	180	191	+ 7.9%
ASPAC	58	67	+ 3.2%
MEA	29	38	(4.8)%
NCAC	35	46	+ 17.8%
South America	7	11	+ 17.4%
Total	311	353	+ 7.1%



⁽¹⁾ Restated and Proforma financial information



From EBITDA to Net Profit

<i>In € millions</i>	H1 2018 ⁽¹⁾	H1 2019
EBITDA	288	375
Depreciation, amortization and provision expenses	(82)	(141)
EBIT	206	234
Share of net profit of associates and joint ventures	20	(14)
Non-recurring items	(280)	(6)
Operating profit	(54)	214
Net financial expense	(35)	(38)
Income tax	(16)	(43)
Minority interests	(10)	(8)
Profit from continuing operations	(115)	125
Profit from discontinued operations	2,294	16
Net profit for the year	2,179	141

⁽¹⁾ Restated and Proforma financial information



Cash Conversion at 76%

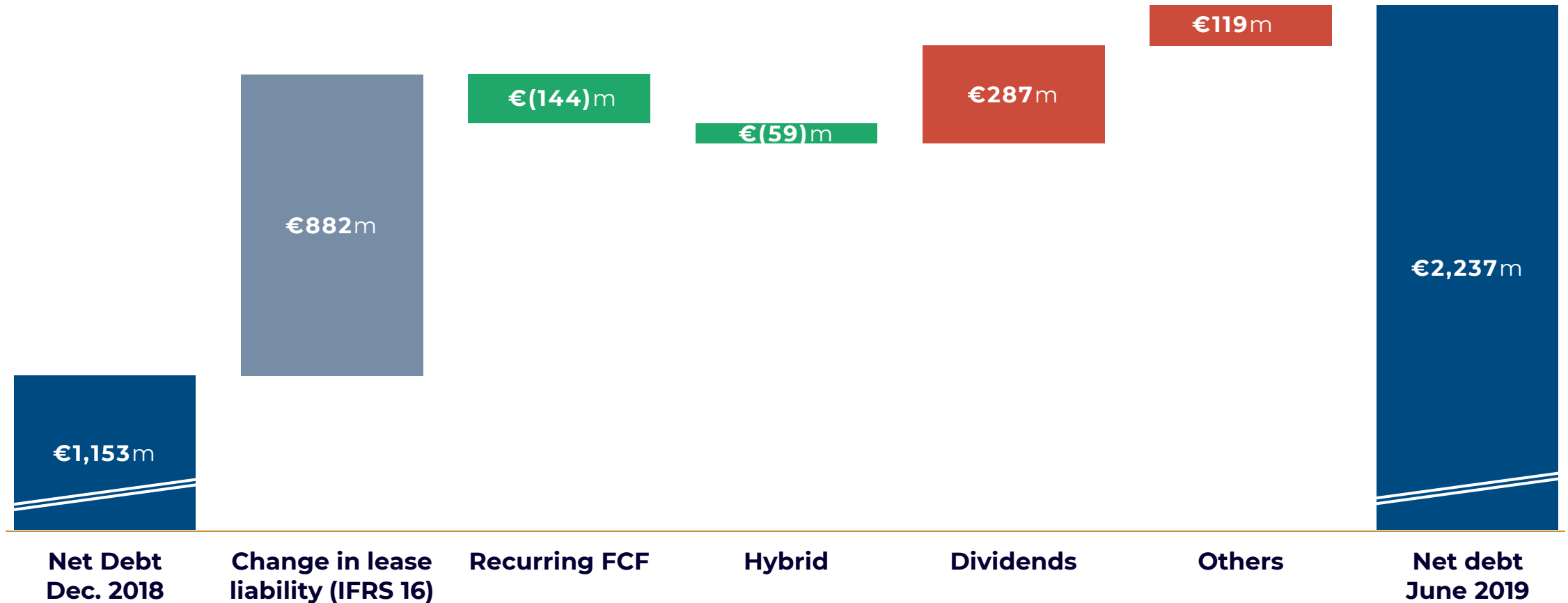
In € millions	H1 2018 ⁽¹⁾	H1 2019	H1 19 recurring investment by segment
EBITDA	288	375	<ul style="list-style-type: none"> 64% HotelServices 16% Hotel Assets 8% New Businesses 9% Holding
Cost of net debt	(30)	(30)	
Income tax (cash)	(26)	(39)	
Reimbursement of lease liabilities	(31)	(67)	
Non-cash items & other	5	54	
FUNDS FROM OPERATIONS	206	293	
Recurring investment	(55)	(75)	
Working capital and contract assets/liabilities	15	(74)	
RECURRING FREE CASH FLOW	166	144	
Cash conversion rate ⁽²⁾	78%	76%	

⁽¹⁾ Restated and Proforma financial information

⁽²⁾ Cash conversion rate = (EBITDA – Recurring investment – reimbursement of lease liability) / (EBITDA – reimbursement of lease liability)



Net debt is impacted by the IFRS 16 standard



⁽¹⁾ Restated and Proforma financial information



Key takeaways

- ◇ Confirmed **+3% RevPAR growth outlook for FY 2019**
- ◇ Solid pipeline fueling **+5% net system growth over FY 2019**

Focus on value creation through a successful delivery of :

- ◇
 - The asset-light roadmap
 - The M&A integration plan
 - The marketing plan & **All**

Full-Year 2019 EBITDA expected in a range **between €820m and €850m**



Appendices

Novotel Melbourne South Wharf - Australia



Restated and Proforma figures for FY 2018

<i>In € millions</i>	FY18 reported	IFRS 5	FY18 Restated	IFRS 16 ⁽¹⁾	Booster ⁽²⁾	FY18 Proforma
Revenue	3,610	(328)	3,282	-	207	3,490
EBITDA	712	(87)	626	93	-	719
EBIT	550	(45)	505	11	-	516
Net profit before discontinued operations	(8)	(33)	(41)	-	-	(41)
Net profit attributable to shareholders	2,233	-	2,233	-	-	2,233

- ◇ **Restated figures** are Disclosed figures in Consolidated financial statements and adjusted from **IFRS 5** implementation only (i.e. Orbis assets reported as “Discontinued operations”)

- ◇ **Proforma figures** are Disclosed figures in this presentation, in order to ensure a proper comparability. It is adjusted from **IFRS 5** (i.e. Orbis assets reported as “Discontinued operations”), **IFRS 16** (i.e. fixed rents excluded from EBITDA) and **Booster closing** (Fees from AccorInvest disclosed in Revenue from January 1st).

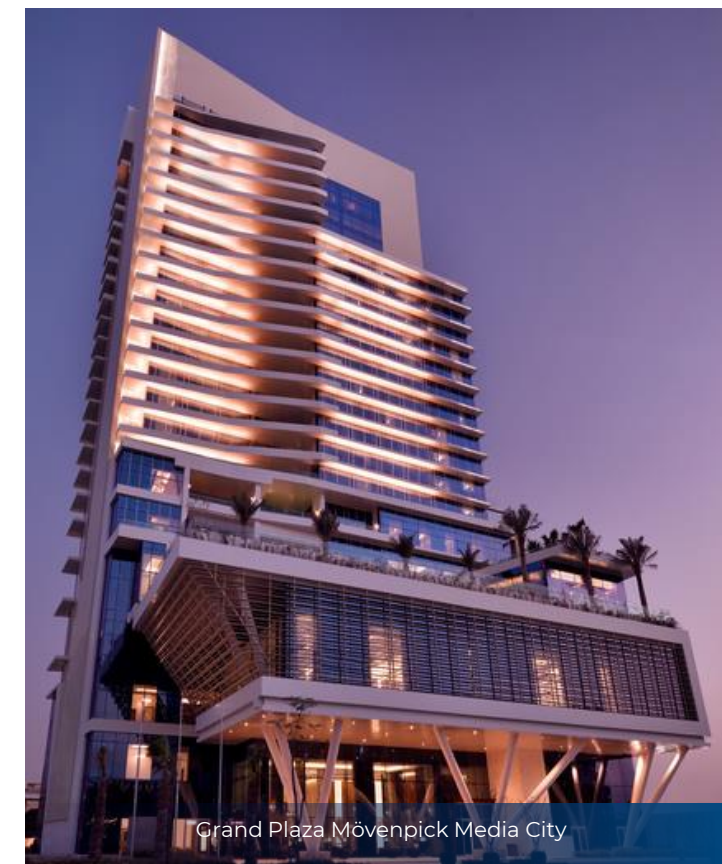
⁽¹⁾ Simplified approach for illustrative purposes (split to depreciation & interests based on estimated pro rata)

⁽²⁾ 5 months revenue adjustments: gross-up of fees with AccorInvest from January to May



Solid H1 margin for Management & Franchise

	<i>In € millions</i>	<i>Management & Franchise</i>	<i>Services to Owners</i>	<i>HotelServices</i>
H1 2019	Revenue	486	879	1,366
	EBITDA	353	(9)	344
	Margin	72.5%	(1.1)%	25.2%
H1 2018 ⁽¹⁾	Revenue	458	773	1,231
	EBITDA	311	15	326
	Margin	67.8%	1.9%	26.5%



⁽¹⁾ Restated and Proforma financial information



H1 Revenue – From Like-for-Like to Reported

+4.8%

Like-for-Like
+€72m

Hotel Services: +5.0% comp ⁽¹⁾
New businesses: +4.5% L/L
Hotel Assets: +7.1% L/L

+21.5%

Perimeter
+€324m

M&A integration
• Mantra: €192m
• Mövenpick: €111m

+1.5%

Currency
+€23m

Slight negative currency effect
• USD: €30m
• CAD: €4m
• BRL: €(5)m
• AUD: €(4)m

+27.8%

Reported
+€419m

⁽¹⁾ Comparable (comp.) revenue growth – includes fees linked to organic expansion, at constant exchange rates



Q2 Revenue – From Like-for-Like to Reported

+1.3%	Like-for-Like +€11m	HotelServices: +3.1% comp ⁽¹⁾ New businesses: +0.2% L/L Hotel Assets: +4.4% L/L
+17.4%	Perimeter +€145m	M&A integration <ul style="list-style-type: none">• Mantra: €73m• Mövenpick: €59m
+1.2%	Currency +€10m	Slight negative currency effect <ul style="list-style-type: none">• USD: €13m• CAD: €2m• AUD: €(2)m• BRL: €(1)m
+19.9%	Reported +€166m	

⁽¹⁾ Comparable (comp.) revenue growth – includes fees linked to organic expansion, at constant exchange rates



Q2 revenue growth of +1.3% L/L

<i>In € millions</i>	Q2 2018	Q2 2019	Reported change	L/L change
Hotel Services	662	720	+ 8.7%	+ 3.1%
Hotel Assets	134	260	+ 94.9%	+ 4.4%
New Businesses	40	40	+ 1.3%	+ 0.2%
Holding & Intercos	(1)	(19)	N/A	N/A
Total	835	1,002	+19.9%	+ 1.3%



Hotel Services Q2 M&F Revenue

<i>In € millions</i>	Q2 2018	Q2 2019	L/L change
Europe	141	143	+ 4.4%
ASPAC	47	45	(4.6)%
MEA	19	27	+ 9.8%
NCAC	29	34	+ 1.4%
South America	11	13	+ 19.1%
Total	248	261	+ 3.3%



1 *RevPAR*



RevPAR – Systemwide

	Q2 2019						H1 2019					
	OR		ARR		RevPAR		OR		ARR		RevPAR	
	%	chg pts L/L	€	chg % L/L	€	chg % L/L	%	chg pts L/L	€	chg % L/L	€	chg % L/L
Lux. & Upscale	67.4	+1.2	155	+2.1	105	+3.9	66.5	+1.1	151	+0.8	100	+2.5
Midscale	71.9	+1.0	90	+2.3	65	+3.7	68.4	+0.6	89	+2.0	61	+2.9
Economy	71.7	+0.9	60	+3.2	43	+4.6	67.8	+0.6	58	+2.7	39	+3.6
SYSTEMWIDE	70.6	+1.1	93	+2.4	66	+4.0	67.6	+0.7	91	+1.8	62	+2.9



RevPAR – Geographical breakdown (1/2)

	Q2 2019						H1 2019					
	OR		ARR		RevPAR		OR		ARR		RevPAR	
	%	chg pts L/L	€	chg % L/L	€	chg % L/L	%	chg pts L/L	€	chg % L/L	€	chg % L/L
Lux. & Upscale	75.9	+1.6	177	+5.2	134	+7.4	70.0	+1.8	165	+4.2	115	+6.9
Midscale	75.7	+1.2	100	+2.8	76	+4.5	69.2	+0.7	96	+2.7	66	+3.8
Economy	76.2	+1.1	68	+3.4	52	+4.9	70.0	+0.7	65	+3.0	46	+4.0
EUROPE	75.9	+1.2	90	+3.5	68	+5.1	69.6	+0.8	85	+3.2	59	+4.4
Lux. & Upscale	63.8	+0.1	108	+0.3	69	+0.5	64.5	+0.2	114	-0.3	73	+0.1
Midscale	69.2	+0.0	78	+0.4	54	+0.4	69.0	-0.2	81	+0.2	56	-0.1
Economy	71.3	-0.7	42	-0.2	30	-1.1	70.9	-0.5	44	-0.1	31	-0.8
ASPAC	67.8	-0.1	78	+0.3	53	+0.3	67.9	-0.1	81	-0.0	55	-0.2



RevPAR – Geographical breakdown (2/2)

	Q2 2019						H1 2019					
	OR		ARR		RevPAR		OR		ARR		RevPAR	
	%	chg pts L/L	€	chg % L/L	€	chg % L/L	%	chg pts L/L	€	chg % L/L	€	chg % L/L
Lux. & Upscale	62.9	+3.6	166	-1.8	104	+3.8	65.1	+3.6	152	-2.9	99	+2.5
Midscale	63.4	+1.1	65	-4.8	41	-3.2	66.9	+1.1	70	-5.1	47	-3.6
Economy	59.2	-0.4	51	-4.1	30	-4.8	63.1	-1.6	56	-3.4	35	-5.9
MEA	62.0	+2.2	127	-1.1	79	+2.5	64.6	+1.9	119	-1.9	77	+1.0
Lux. & Upscale	76.9	+1.2	230	+1.7	177	+3.4	71.8	+0.2	230	+0.6	165	+0.9
Midscale	78.1	+2.6	143	+0.7	111	+4.1	75.8	+2.3	136	+0.8	103	+3.8
Economy	60.8	-3.8	43	+2.5	26	-3.2	60.3	-4.2	42	+2.2	25	-4.2
NCAC	75.6	+0.9	205	+1.9	155	+3.1	71.3	-0.0	204	+0.9	145	+0.8
Lux. & Upscale	55.1	+0.8	113	+13.0	62	+14.7	56.7	+1.3	118	+11.1	67	+13.9
Midscale	58.4	+2.9	66	+12.4	39	+18.4	58.1	+2.7	66	+9.5	39	+14.8
Economy	54.8	+3.4	42	+9.7	23	+16.9	54.5	+2.6	43	+8.3	23	+13.7
SOUTH AMERICA	55.8	+3.0	56	+10.4	31	+16.7	55.7	+2.5	57	+8.7	32	+13.8



RevPAR – France

	Q2 2019						H1 2019					
	OR		ARR		RevPAR		OR		ARR		RevPAR	
	%	chg pts L/L	€	chg % L/L	€	chg % L/L	%	chg pts L/L	€	chg % L/L	€	chg % L/L
Lux. & Upscale	75.8	+2.6	221	+3.6	168	+7.2	68.3	+1.3	206	+3.8	141	+5.8
Midscale	74.6	+2.4	113	+3.1	84	+6.4	66.9	+1.2	109	+2.6	73	+4.4
Economy	74.0	+1.9	66	+3.4	49	+6.2	67.8	+1.2	64	+3.0	43	+4.9
FRANCE	74.2	+2.1	87	+3.4	65	+6.3	67.5	+1.2	84	+2.9	57	+4.7



2 *Portfolio*



Portfolio as of June 30th, 2019 (1/2)

	OWNED & LEASED		MANAGED		FRANCHISED		TOTAL	
	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms
Luxury & Upscale	22	6,021	101	18,787	59	11,000	182	35,808
Midscale	58	10,940	318	50,927	568	60,908	944	122,775
Economy	55	8,498	596	76,249	1,197	93,447	1,848	178,194
EUROPE	135	25,459	1,015	145,963	1,824	165,355	2,974	336,777
Luxury & Upscale	11	2,316	256	62,010	61	9,865	328	74,191
Midscale	26	4,201	271	63,527	110	16,792	407	84,520
Economy	2	350	196	35,890	203	24,664	401	60,904
ASPAC	39	6,867	723	161,427	374	51,321	1,136	219,615
Luxury & Upscale	2	525	148	37,034	6	956	156	38,515
Midscale	2	235	52	10,339	9	2,015	63	12,589
Economy	5	826	50	9,129	3	530	58	10,485
MEA	9	1,586	250	56,502	18	3,501	277	61,589



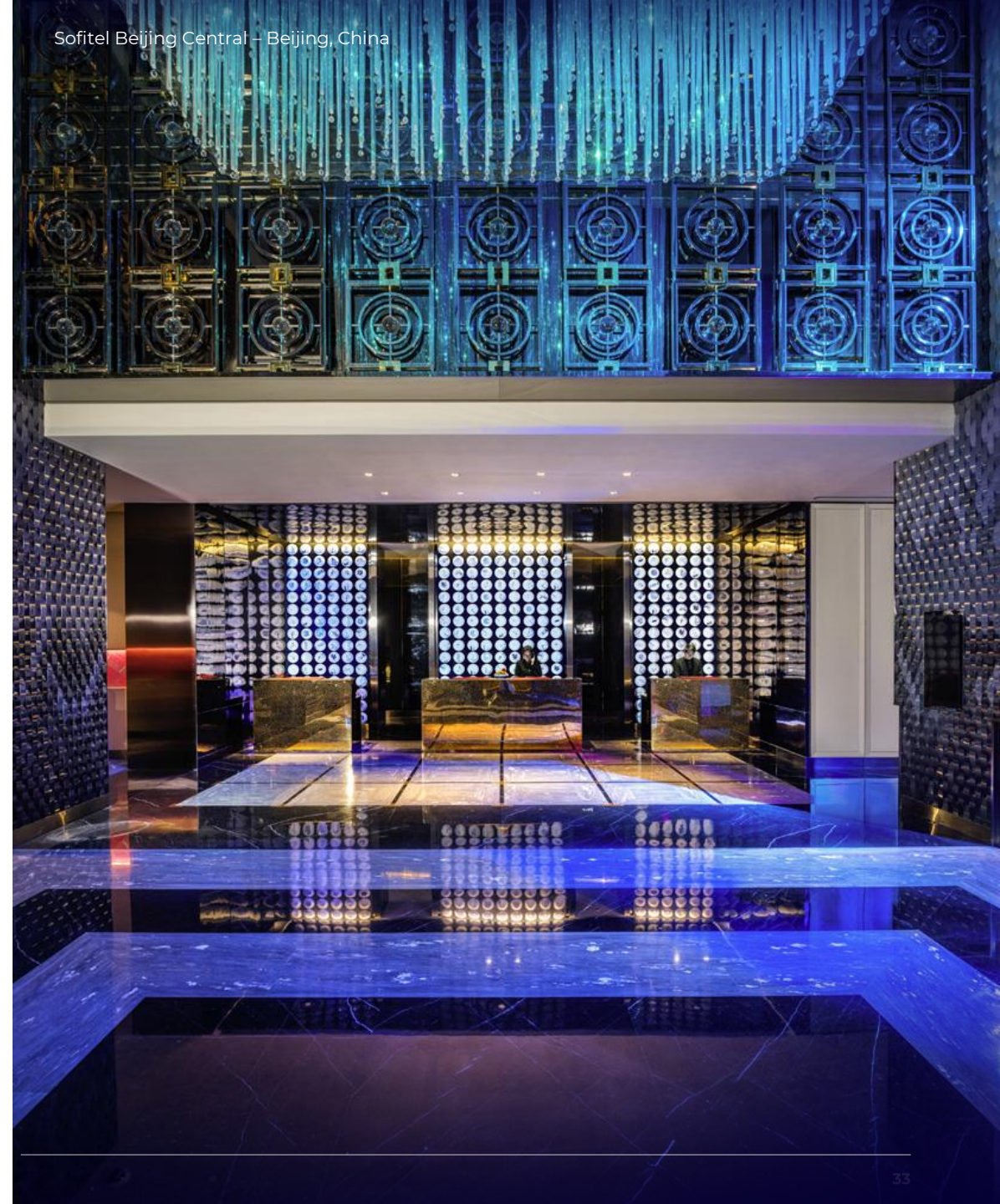
Portfolio as of June 30th, 2019 (1/2)

	OWNED & LEASED		MANAGED		FRANCHISED		TOTAL	
	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms
Luxury & Upscale	0	0	71	27,000	10	4,718	81	31,718
Midscale	0	0	6	2,641	8	1,725	14	4,366
Economy	0	0	21	2,775	3	377	24	3,152
NCAC	0	0	98	32,416	21	6,820	119	39,236
Luxury & Upscale	0	0	26	5,948	5	1,094	31	7,042
Midscale	13	2,205	80	11,290	13	1,651	106	15,146
Economy	49	9,908	82	13,664	118	14,337	249	37,909
SOUTH AMERICA	62	12,113	188	30,902	136	17,082	386	60,097
Luxury & Upscale	35	8,862	602	150,779	141	27,633	778	187,274
Midscale	99	17,581	727	138,724	708	83,091	1,534	239,396
Economy	111	19,582	945	137,707	1,524	133,355	2,580	290,644
TOTAL	245	46,025	2,274	427,210	2,373	244,079	4,892	717,314



3

Exchange rates



Q2 2019 Exchange Rates

1€ = X foreign currency	Q2 2018 <i>Average Rate</i>	Q2 2019 <i>Average Rate</i>	Q2 2018 vs. Q2 2019
Australian Dollar (AUD)	1.57	1.60	(1.8)%
Brazilian Real (BRL)	4.29	4.41	(2.7)%
Canadian Dollar (CAD)	1.54	1.50	+2.2%
Egyptian Pound (EGP)	21.21	19.13	+10.9%
British Sterling (GBP)	0.88	0.87	+0.4%
American Dollar (USD)	1.19	1.12	+6.2%



H1 2019 Exchange Rates

1€ = X foreign currency	<i>H1 2018</i> <i>Average Rate</i>	<i>H1 2019</i> <i>Average Rate</i>	<i>H1 2018</i> <i>vs. H1 2019</i>
Australian Dollar (AUD)	1.57	1.60	(1.9)%
Brazilian Real (BRL)	4.14	4.34	(4.6)%
Canadian Dollar (CAD)	1.55	1.51	+2.5%
Egyptian Pound (EGP)	21.46	19.59	+9.5%
British Sterling (GBP)	0.88	0.87	+0.7%
American Dollar (USD)	1.21	1.13	+7.2%



4 *Glossary*



Glossary

Region organization

- Europe (including France & Switzerland)
- MEA: Middle-East and Africa
- ASPAC: Asia Pacific Region
- NCAC: North & Central America & Caribbean
- South America





RAFFLES \ ORIENT EXPRESS \ BANYAN TREE \ DELANO \ SOFITEL LEGEND \ FAIRMONT \ SLS \ SO \ SOFITEL \ THE HOUSE OF ORIGINALS
RIXOS \ ONEFINESTAY \ MANTIS \ MGALLERY \ 21C \ ART SERIES \ MONDRIAN \ PULLMAN \ SWISSÔTEL \ ANGSANA
25HOURS \ HYDE \ MÖVENPICK \ GRAND MERCURE \ PEPPERS \ THE SEBEL \ MANTRA \ NOVOTEL \ MERCURE \ ADAGIO
MAMA SHELTER \ TRIBE \ BREAKFREE \ IBIS \ IBIS STYLES \ IBIS BUDGET \ GREET \ JO&JOE \ HOTELF1