

Sustained Revenue Growth in the First quarter 2011

- **Revenue up 5.8%** as reported, including like-for-like growth of **5.5%**
- Robust performances in **all segments**, mainly led by **higher occupancy rates**
- **A dynamic expansion**: A record first quarter, with **6,600 rooms** (50 hotels) opened during the period, mainly under **management** and **franchise contracts**

Accor's consolidated revenue totaled €1,354 million for the first quarter of 2011. This represented an increase of **5.8%** as reported and **5.5%** at comparable scope of consolidation and exchange rates (like-for-like).

(in € millions)	Q1 2010 ¹	Q1 2011	% change as reported	% change like-for-like ²
Hotels				
Upscale & Midscale	726	770	+6.0%	+5.7%
Economy	385	412	+7.0%	+5.9%
Economy US	118	121	+2.2%	+4.1%
	1,229	1,302	+6.0%	+5.6%
Other Businesses	50	52	+2.1%	+2.0%
Group	1,279	1,354	+5.8%	+5.5%

¹ After reclassification of €10 million in Loyalty programs revenue in Asia-Pacific region from "Other businesses" to "Upscale & Midscale"

² At constant scope of consolidation and exchange rates.

First-quarter 2011 revenue up 5.8% as reported and 5.5% like-for-like

First-quarter 2011 revenue amounted to €1,354 million, shaped by the following factors:

- RevPAR continued to improve, reflecting higher occupancy rates in all segments despite decreasingly favorable comps vs. 2010.
- Expansion increased revenue by €22 million, adding 1.7% to reported growth. A total of 50 hotels representing some 6,600 rooms were opened during the period, mainly under management and franchise contracts.
- Changes in the scope of consolidation related to the ongoing deployment of the asset-right strategy reduced revenue by €44 million and reported growth by 3.5%.
- The currency effect was a positive €27 million or 2.1%, reflecting favorable changes in the exchange rates for the Australian dollar, the Brazilian real and the British pound against the euro.

At constant scope of consolidation and exchange rates, the like-for-like increase was **5.5%** for the quarter.

Upscale & Midscale Hotels: up 5.7% like-for-like to €770 million

Revenue in the Upscale & Midscale segment rose **6.0%** as reported, including like-for-like growth of **5.7%**. RevPAR increased in all markets, lifted by higher average prices particularly in the European key countries. The Italian and Spanish markets, which were badly hit by the crisis, finally showed first signs of stabilizing with RevPAR back in positive territory.

Economy Hotels excluding the US: up 5.9% like-for-like to €412 million

The Economy Hotels segment excluding the US performed well, with revenue up **7.0%** as reported and **5.9%** like-for-like. The increase was once again attributable to improved occupancy rates, which drove up RevPAR in most of European countries except Spain.

Geographic focus

In **France**, revenue expanded **6.8%** like-for-like in the Upscale & Midscale segment and **5.5%** like-for-like in the Economy segment. Growth was led by increased occupancy rates, reflecting the dynamism of the economic activity and the many trade fairs held during the period.

In the **Upscale & Midscale segment**, RevPAR continued to rise as prices recovered. All of the segment's brands reported sharply improved RevPAR, led by Upscale. Activity for the Paris hotels was particularly high during the quarter. The Business Group market acted as a significant growth driver, with the number of hotel nights up 7.3% compared with first-quarter 2010.

In the **Economy segment**, occupancy rates were higher and average prices were stable over the quarter. However, the uptrend slowed in March due to the unfavorable comparison and negative calendar effects.

In **Germany**, revenue grew **6.4%** like-for-like in the Upscale & Midscale segment and **7.2%** like-for-like in the Economy segment. Demand was sustained by the healthy local economy. In addition, several major trade fairs took place during the quarter. Average prices improved for all Upscale & Midscale brands and stabilized in the Economy segment.

In the **United Kingdom**, like-for-like revenue growth stood at **1.8%** in the Upscale & Midscale segment and **4.1%** in the Economy segment. This represented a solid performance, as the UK was the first market to recover in 2010 creating an unfavorable comparison effect. Growth was led by the strong London market, where average occupancy rates topped 80%. The Economy segment also experienced a sharp rise in occupancy rates, but average prices declined in the regions due to increased competition in this segment.

Emerging markets delivered strong performances despite high first-quarter 2010 comparatives, with Upscale & Midscale revenues up **10.8%** in **Latin America** and **8.3%** in the **Asia-Pacific** region on a like-for-like basis. In the Economy segment, like-for-like revenue growth was **14.7%** in **Latin America** and **8.4%** in the **Asia-Pacific** region.

Economy Hotels in the United States: up 4.1% like-for-like to €121 million

Revenue from the US Economy Hotels segment increased by a satisfactory **4.1%**, continuing the recovery observed in the second half of 2010. Occupancy rates improved and average prices rose for the first time since second quarter 2008.

Motel 6 opened 13 hotels under franchise agreements during the quarter, lifting the total to over 1,100 units.

Conclusion: robust performances in first quarter 2011

Continuing the **recovery observed in 2010**, Accor delivered a **robust revenue performance** in the first quarter. Growth drivers included the **ongoing improvement in demand** in most of customer segments. Growth rates for the period were strong despite **higher comparatives** than in 2010. Note that the impact of prior-period comparatives will increase in next three quarters. The Group delivered a dynamic expansion, with the 6,600 rooms opened during the period constituting a first quarter record.

Despite the uncertainty created by recent geopolitical events in Japan, Africa and the Middle East, and by the macro-economic environment, the Group is confident that the **hotel cycle will continue to recover** in 2011, mainly driven by demand.

Quarterly Report

Significant transactions and events of the period

Completion of the Groupe Lucien Barrière sale

On March 4, Accor announced that it had completed the sale of its 49% stake in Groupe Lucien Barrière for €268 million. Following the transaction, Accor no longer holds any Groupe Lucien Barrière shares.

CIWLT tax audit

In a ruling handed down on March 15, the Versailles Administrative Court of Appeal found against CIWLT. CIWLT was notified of the ruling on March 17 and has two months from that date to file an appeal with the Court of Cassation. The Group had written down the related tax receivable by €263 million as of December 31, 2010.

Financial position and results

Expansion

The first quarter set a new record in terms of expansion, with 6,600 rooms (50 hotels) opened during the period of which:

- 76% under management contracts and franchise agreements (and 93% in all asset-light ownership structures)
- 44% were in Europe and 29% in Asia.

Accor confirms its objective of opening 30,000 new rooms in 2011.

BBB- rating affirmed by Standard & Poor's

On April 5, Standard & Poor's affirmed its BBB- rating, and took Accor off CreditWatch with negative implications.

Upcoming events

- *May 30, 2011: Combined Annual and Extraordinary Shareholders' Meeting*
- *July 19, 2011: First-half 2011 Revenue*

Accor, the world's leading hotel operator and market leader in Europe, is present in 90 countries with 4,200 hotels and more than 500,000 rooms. Accor's broad portfolio of hotel brands - Sofitel, Pullman, MGallery, Novotel, Suite Novotel, Mercure, Adagio, ibis, all seasons, Etap Hotel, Formule 1, hotelF1 and Motel 6, and its related activities, Thalassa sea & spa and Lenôtre - provide an extensive offer from luxury to budget.

With 145,000 employees worldwide, the Group offers to its clients and partners nearly 45 years of know-how and expertise.

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Revenue

in € thousand	Quarter 1		Quarter 1	
	2010 ⁽¹⁾	2011	Change reported	Change L/L ⁽²⁾
Up & Midscale	726,226	769,857	+6.0%	+5.7%
Economy	384,721	411,764	+7.0%	+5.9%
Economy US	118,032	120,572	+2.2%	+4.1%
Hotels Sub-total	1,228,979	1,302,194	+6.0%	+5.6%
Lenôtre	23,603	25,090	+6.3%	+7.2%
Holdings & Other	26,914	26,490	-1.6%	-2.5%
Other Businesses Sub-total	50,517	51,580	+2.1%	+2.0%
TOTAL GROUP	1,279,496	1,353,774	+5.8%	+5.5%

(1) After reclassification of €10 million in Loyalty programs revenue in Asia-Pacific region from "Other businesses" to "Upscale & Midscale"

(2) At constant scope of consolidation and exchange rates.

Quarterly RevPAR excl. VAT by segment

HOTELS : RevPAR by segment Q1	Occupancy Rate			Average room rate			RevPAR			
	Subsidiaries			Subsidiaries			Subsidiaries	Subsidiaries	Subsidiaries & managed	
	(in %)	(chg in pts reported)	(chg in pts L/L (1))	(chg in % reported)	(chg in % L/L (1))	(chg in % reported)	(like-for-like(1))	(reported)		
Upscale and Midscale Europe (in €)	55.7%	+1.7	+1.6	94	+5.3%	+4.0%	53	+8.6%	+7.1%	+9.4%
Economy Europe (in €)	62.8%	+3.5	+3.1	54	+1.1%	-0.2%	34	+7.0%	+5.1%	+7.4%
Economy US (in \$)	58.2%	+1.7	+1.3	41	+1.4%	+1.1%	24	+4.4%	+3.5%	+4.4%

(1) at comparable scope of consolidation and exchange rates.

Quarterly RevPAR excl. VAT by country

UPSCALE AND MIDSCALE HOTELS		Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
RevPAR by country Q1			Subsidiaries			Subsidiaries			Subsidiaries		Subsidiaries	Subsidiaries & managed
(in local currency)			(in %)	(chg in pts reported)	(chg in pts L/L (1))	(chg in % reported)	(chg in % L/L (1))	(chg in % reported)	(like-for-like(1))	(reported)		
France	28,355	56.9%	+2.0	+1.9	114	+5.5%	+4.5%	65	+9.4%	+8.1%	+9.5%	
Germany	18,669	60.8%	+2.2	+1.9	87	+5.8%	+4.0%	53	+9.8%	+7.5%	+10.3%	
Netherlands	3,528	57.0%	+2.1	+2.1	88	+0.0%	+0.0%	50	+3.8%	+3.8%	+11.9%	
Belgium	1,677	62.2%	-0.4	-0.4	107	+7.3%	+8.0%	67	+6.6%	+7.3%	+7.5%	
Spain	2,739	48.0%	+1.7	+0.5	76	+1.4%	-0.5%	37	+5.0%	+0.5%	+6.3%	
Italy	3,891	49.6%	+0.2	+2.6	83	-0.6%	-1.4%	41	-0.1%	+3.9%	+3.3%	
UK (in £)	5,541	73.4%	+2.2	+1.4	79	+3.1%	+2.8%	58	+6.2%	+4.8%	+6.6%	

(1) at comparable scope of consolidation and exchange rates.

ECONOMY HOTELS		Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
RevPAR by country Q1			Subsidiaries			Subsidiaries			Subsidiaries		Subsidiaries	Subsidiaries & managed
(in local currency)			(in %)	(chg in pts reported)	(chg in pts L/L (1))	(chg in % reported)	(chg in % L/L (1))	(chg in % reported)	(like-for-like(1))	(reported)		
France	39,586	65.3%	+3.7	+3.1	52	+0.8%	+0.0%	34	+6.8%	+5.1%	+6.8%	
Germany	15,058	64.3%	+4.7	+4.4	55	+1.4%	+0.1%	35	+9.3%	+7.7%	+9.2%	
Netherlands	2,414	58.9%	+1.2	+1.2	66	+2.6%	+2.6%	39	+4.7%	+4.7%	+4.7%	
Belgium	2,744	60.6%	-4.0	-2.0	67	+1.4%	+4.5%	40	-4.9%	+1.4%	-4.9%	
Spain	4,922	47.6%	+0.1	+0.8	48	-2.8%	-3.1%	23	-2.5%	-1.5%	-2.5%	
Italy	1,552	61.8%	+7.9	+7.9	57	-6.9%	-6.9%	35	+6.8%	+6.8%	+6.8%	
UK (in £)	9,014	69.3%	+5.8	+6.1	44	-2.8%	-3.0%	31	+6.1%	+6.4%	+4.9%	
USA (in \$)	72,617	58.2%	+1.7	+1.3	41	+1.4%	+1.1%	24	+4.4%	+3.5%	+4.4%	

(1) at comparable scope of consolidation and exchange rates.

2010 Year-to-Date RevPAR excl. VAT by segment¹

HOTELS : RevPAR by segment Subsidiaries	Occupancy rate				Average Room Rate				RevPAR			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Upscale and Midscale Europe (in €)	54.1%	67.0%	69.9%	62.5%	90	92	89	93	48	61	62	58
Economy Europe (in €)	59.3%	72.6%	74.8%	67.3%	53	54	53	54	31	39	39	37
Economy US (in \$)	56.6%	63.2%	67.0%	57.5%	40	42	44	40	23	26	29	23

UPSCALE AND MIDSCALE HOTELS (in local currency)	Number of rooms	Occupancy rate				Average Room Rate				RevPAR			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	29,597	54.9%	69.6%	70.9%	62.8%	108	110	108	115	59	77	77	72
Germany	19,409	58.5%	65.5%	68.4%	67.0%	82	82	82	85	48	54	56	57
Netherlands	3,475	54.9%	70.8%	73.9%	68.7%	88	89	81	87	48	63	60	60
Belgium	1,802	62.6%	77.5%	77.8%	74.4%	100	97	86	102	62	75	67	76
Spain	2,385	46.4%	61.7%	65.9%	56.0%	75	76	69	72	35	47	46	40
Italy	3,715	49.4%	66.7%	67.3%	59.2%	83	93	96	86	41	62	65	51
UK (in £)	5,641	71.3%	79.0%	82.4%	77.0%	77	78	76	83	55	62	63	64

ECONOMY HOTELS (in local currency)	Number of rooms	Occupancy rate				Average Room Rate				RevPAR			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	41,538	61.6%	75.0%	74.7%	67.9%	52	52	50	53	32	39	37	36
Germany	15,274	59.6%	69.5%	75.0%	69.6%	54	54	55	55	32	38	41	38
Netherlands	2,410	57.7%	80.4%	82.1%	72.4%	64	73	70	69	37	58	57	50
Belgium	2,392	64.6%	75.9%	76.7%	72.6%	66	67	60	68	43	51	46	49
Spain	4,680	47.5%	58.5%	62.0%	50.4%	50	50	49	49	24	30	30	25
Italy	1,552	53.9%	70.4%	70.5%	64.9%	61	61	57	56	33	43	40	37
UK (in £)	8,984	63.4%	75.5%	77.8%	72.5%	45	46	46	48	29	35	36	35
USA (in \$)	76,071	56.6%	63.2%	67.0%	57.5%	40	42	44	40	23	26	29	23

¹ Given significant changes in VAT rates in Germany and United-Kingdom in 2010, RevPAR are presented excluding VAT from now.