

Press Release

Paris – January 15, 2009

2008 Revenue Up 2.8% Like-for-Like

- Strong growth in Prepaid Services: up 12.9%
of which 13.6% in the fourth quarter
- Resilience in Economy Hotels (excluding Motel 6): up 3.2%
of which a negative 0.5% in the fourth quarter

2008 profit before tax target confirmed at €870-890 million, up 12% like-for-like, excluding the impact of the return to shareholders

Accor's consolidated revenue totaled €7,739 million in 2008, up 2.8% like-for-like¹ compared with the previous year and down 4.7% on a reported basis.

Revenue (in € millions)	2007	2008	% change as reported	% change like-for-like
Hotels	5,827	5,767	-1.0%	+2.1%
Upscale and Midscale	3,323	3,448	+3.7%	+2.6%
Economy	1,663	1,719	+3.4%	+3.2%
Economy US	841	600	-28.7%*	-2.1%
Prepaid Services	885	978	+10.5%	+12.9%
Other businesses	1,409	994	-29.4%**	-0.6%
Total	8,121	7,739	-4.7%	+2.8%

*Reflects the disposal of Red Roof Inn and the €/\$ currency effect

** Reflects the disposal of Italian and Brazilian Foodservices businesses and Go Voyages.

¹ Based on a comparable scope of consolidation and at constant exchange rates

2008 revenue performance was shaped by the following factors:

- 2.8% like-for-like growth.
- The strategic refocusing on the Hotels and Prepaid Services businesses (with the disposals of Red Roof Inn, Go Voyages and the Italian and Brazilian foodservices operations) and the continued deployment of the asset-right strategy, which together reduced revenue for the year by €865 million or 10.6%.
- The expansion strategy, which increased revenue by €422 million or 5.2%, including the consolidation of Orbis in the third quarter.
- The negative 2.1% currency effect resulting from the weakness of the dollar, the British pound and most South American currencies against the euro.

Revenue for the fourth quarter alone came to **€1,952 million, down a reported 2.5%** over the year-earlier period. **Like-for-like**, revenue was down **1.1%** for the quarter, as softening demand in the Hotels business, particularly in the upscale and midscale segments, offset sustained growth in Prepaid Services.

Prepaid Services **Revenue up 12.9% like-for-like for the year**

Revenue from the Prepaid Services business amounted to **€978 million in 2008**, an increase of **10.5% as reported** and of **12.9% like-for-like**. Revenue growth tracked the increase in issue volume, which rose 11.0% to €12,696 million from €11,436 million in 2007.

Acquisitions added 3.7% to growth for the year. However, the currency effect was a negative 2.8%, mainly due to the weakness of the British pound and Latin American currencies.

Prepaid Services revenue for the fourth quarter alone stood at €285 million, up 9.3% as reported and 13.6% like-for-like.

In Europe, revenue rose by 7.7% like-for-like in the fourth quarter.

- Revenue in **France** was up 9.6% like-for-like and 16.8% excluding an adjustment, with increases of 12.2% in meal vouchers and 14.2%* in gift vouchers.
- Revenue rose 6.9% like-for-like in the **United Kingdom**, led by a 16.0% increase in childcare and luncheon voucher products. On the other hand, gift voucher revenue was down 9.2% like-for-like for the period.
- Adjusted for the loss of the Onem contract in October 2007, revenue in **Belgium** was up 5.4%.

In Latin America, revenue climbed 22.2% like-for-like over the quarter. In Brazil, like-for-like revenue remained on the strong upward trend that began early in the year, rising 27.7% during the quarter, while the other Latin American countries enjoyed an aggregate 15.9% increase like-for-like. This performance takes into account the 50.5% fall in revenue in Argentina during the quarter following the withdrawal of local payroll tax breaks. Excluding Argentina, revenue growth in Latin America came to 29.7% for the period.

*After adjustment for a revenue item recognized in December 2007.

Hotels

Revenue up 2.1% like-for-like for the year

Hotels revenue for the year amounted to **€5,767 million, up 2.1% like-for-like and down 1.0% as reported**, reflecting the following factors:

- The 5.1% like-for-like increase in the first six months of the year, when the economy was still favorable, was followed in the third quarter by the first signs of a slowdown, with growth easing to just 1.1% like-for-like on a decline in demand, notably in the United States and Southern Europe. Business conditions further deteriorated in the final quarter, when Hotels revenue contracted by 2.8%.
- The sale of Red Roof Inn and other hotel units as part of the asset-right strategy had a negative impact of €316 million or 5.4% on revenue for the year.
- The expansion strategy added €267 million or 4.6% to annual revenue, of which €108 million from the consolidation of Orbis (€93 million in the Upscale and Midscale Hotels segment and €15 million in the Economy Hotels in Europe segment). In all, **28,000 rooms** were opened over the period.
- The currency effect was a negative 2.3%, stemming mainly from the increased strength of the euro against the dollar and the British pound.

Revenue for the fourth quarter alone came to **€1,438 million, unchanged** from the year-earlier period as reported **and down 2.8% like-for-like**, due primarily to the Upscale and Midscale Hotels segment and the Economy Hotels US business.

Upscale and Midscale Hotels

2008 revenue up 2.6% like-for-like

Revenue from upscale and midscale hotels amounted to **€3,448 million** in 2008, an increase of **2.6% like-for-like** (2.9% excluding the impact of the Rugby World Cup) and of **3.7% as reported**.

Fourth-quarter revenue down 3.3% like-for-like

In a challenging economy, Upscale and Midscale Hotels revenue declined by 3.3% like-for-like in the fourth quarter, compared with a 6.2% increase in the first-half and a 1.8% gain in the third quarter.

The revenue impact varied by region:

- A **first set of countries (including the United Kingdom, Spain, Italy and Portugal)**, which contribute 31% of segment revenue, are experiencing a deep recession, with a more than 8% decline in like-for-like revenue.
- Operations in **Germany and France**, which account for 54% of segment revenue, are being less impacted by recession, with like-of-like revenue declines of 2 to 4% for the period.
- Lastly, a **third set of countries (in Africa, Asia and Latin America)**, which reported an aggregate €132 million or 15% of quarterly segment revenue, are withstanding the economic situation and maintaining their growth momentum.

In **France**, like-for-like fourth-quarter revenue was down 3.6%, or 2.0% excluding the impact of the Rugby World Cup. The midscale segment is proving more resilient (down 2.7%) than the upper upscale and upscale (down 8.2%).

Revenue was down 2.6% like-for-like in **Germany**, with again, firmer resistance in the midscale (down 2.1%) than in the upper upscale and upscale (down 4.4%).

In the **United Kingdom**, revenue fell 8.8% like-for-like, with stronger resistance in London (Novotel RevPAR down 2.8%) than in the regions (Novotel RevPAR down 10.1%).

Economy Hotels (excluding Motel 6)

2008 revenue up 3.2% like-for-like

Revenue from economy hotels outside the US totalled **€1,719 million** in 2008, an increase of **3.2% like-for-like** and of **3.4% as reported**.

Fourth-quarter revenue down 0.5% like-for-like

Revenue eased back 0.5% like-for-like in the fourth quarter after expanding 6.1% in the first half and 1.7% in the third quarter. It is worth noting that excluding operations in Spain, Portugal and Italy, Economy Hotel revenue outside the US rose by 0.7% during the quarter.

Revenue in **France** was up 1.2% like-for-like, led by the Ibis brand, which reported 2.5% like-for-like growth and a 5.0% increase in RevPAR for its Paris units.

In **Germany**, revenue was down just 0.6% like-for-like, while in the **United Kingdom**, it declined by 1.1%, with a better performance in London (Ibis RevPAR down 1.1%) than in the regions (Ibis RevPAR down 5.2%).

Economy Hotels in the United States

2008 revenue down 2.1% like-for-like

Revenue from economy hotels in the United States stood at **€600 million for the year**, a **decline of 28.7% as reported** (due to the disposal of Red Roof Inn) and of **2.1% like-for-like**.

Fourth-quarter revenue down 6.5% like-for-like

On a like-for-like basis, revenue contracted by 6.5% in the fourth quarter, after dipping 0.4% in the first half and declining 2.7% in the third quarter. Motel 6 outperformed the competition during the period.

Franchise fees were up 23.4%.

Other businesses

Like-for-like revenue from the other businesses (Casinos, Lenôtre, Onboard Train Services and Others) came to **€995 million** in 2008, down 0.6% with a 5.9% decline in the final quarter.

Reported revenue for the fourth quarter was down 24.4% to **€229 million**, primarily due to the disposal of the Brazilian foodservices business (deconsolidated as of March 31, 2008), which offset the positive €18 million impact over the quarter from the consolidation of Orbis Travel and Orbis Transport since July 1, 2008.

Casinos revenue contracted 10.3% like-for-like, reflecting the decline in traffic caused in part by France's new anti-smoking legislation.

The **Restaurant** business (mainly Lenôtre) saw a 4.7% like-for-like decline in revenue.

Revenue from **Onboard Train Services** rose 3% like-for-like, led by the increasing passenger numbers on the TGV Est high-speed train line.

2008 earnings guidance

Accor confirms its target, announced last October, of full-year 2008 profit before tax and non-recurring items of between €870 million and €890 million. This guidance takes into account the clear slowdown in business in the fourth quarter and the resilience of the Prepaid Services division.

Accor, a major global group and the European leader in hotels, as well as the global leader in services to corporate clients and public institutions, operates in nearly 100 countries with 150,000 employees. It offers to its clients over 40 years of expertise in two core businesses:

- **Hotels**, with the **Sofitel**, **Pullman**, **MGallery**, **Novotel**, **Mercure**, **Suitehotel**, **Ibis**, **all seasons**, **Etap Hotel**, **Formule 1** and **Motel 6** brands, representing 4,000 hotels and nearly 500,000 rooms in 90 countries, as well as strategically related activities, such as **Lenôtre**.
- **Prepaid Services**, with 30 million people in 40 countries benefiting from Accor Services products in employee and public benefits, rewards and loyalty, and expense management.

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Revenue

in € thousands	Quarter 1		Quarter 2		Quarter 3		Quarter 4		December end (YTD)	
	2007 adjusted (1)	2008	2007 adjusted (1)	2008	2007 adjusted (1)	2008	2007 adjusted (1)	2008	2007 adjusted (1)	2008
HOTELS										
Up & Midscale	742 364	761 765	853 963	919 504	845 286	887 929	881 916	878 446	3 323 528	3 447 644
Economy	364 770	387 196	427 857	455 013	451 014	463 792	418 892	413 425	1 662 533	1 719 426
Economy US	215 940	137 255	245 286	149 573	242 971	166 729	137 184	145 988	841 383	599 545
Total HOTELS	1 323 074	1 286 216	1 527 106	1 524 089	1 539 272	1 518 451	1 437 992	1 437 859	5 827 444	5 766 615
PREPAID SERVICES	206 984	226 635	210 783	232 372	206 261	233 571	261 146	285 478	885 174	978 056
Other Businesses										
Casinos	78 172	86 252	80 619	83 471	91 942	87 513	95 437	88 728	346 170	345 964
Restaurants (3)	151 766	100 937	164 521	32 605	147 666	24 792	109 352	28 800	573 306	187 134
On-board train services	59 704	69 461	70 568	78 795	75 109	82 804	67 418	75 289	272 798	306 348
Holding & Other (4)	67 737	21 919	73 507	22 887	44 401	74 383	30 623	36 132	216 269	155 320
TOTAL OTHER BUSINESSES	357 380	278 569	389 216	217 758	359 118	269 492	302 829	228 948	1 408 543	994 767
TOTAL	1 887 437	1 791 420	2 127 105	1 974 219	2 104 650	2 021 514	2 001 967	1 952 285	8 121 160	7 739 438

in € thousands	Quarter 1		Quarter 2		Quarter 3		Quarter 4		December end (YTD)	
	Change reported	Change L/L(2)	Change reported	Change L/L(2)	Change reported	Change L/L(2)	Change reported	Change L/L(2)	Change reported	Change L/L(2)
HOTELS										
Up & Midscale	2.6%	3.9%	7.7%	8.2%	5.0%	1.8%	-0.4%	-3.3%	3.7%	2.6%
Economy	6.1%	5.3%	6.3%	6.8%	2.8%	1.7%	-1.3%	-0.5%	3.4%	3.2%
Economy US	-36.4%	0.1%	-39.0%	-0.8%	-31.4%	-2.7%	6.4%	-6.5%	-28.7%	-2.1%
Total HOTELS	-2.8%	3.7%	-0.2%	6.3%	-1.4%	1.1%	0.0%	-2.8%	-1.0%	2.1%
PREPAID SERVICES	9.5%	10.4%	10.2%	13.3%	13.2%	14.1%	9.3%	13.6%	10.5%	12.9%
Other Businesses										
Casinos	10.3%	6.1%	3.5%	-1.7%	-4.8%	-9.3%	-7.0%	-10.3%	-0.1%	-4.3%
Restaurants (3)	-33.5%	8.7%	-80.2%	-2.5%	-83.2%	1.1%	-73.7%	-4.7%	-67.4%	1.0%
On-board train services	16.3%	8.5%	11.7%	1.0%	10.2%	1.6%	11.7%	3.0%	12.3%	3.3%
Holding & Other (4)	-67.6%	-4.3%	-68.9%	-0.7%	67.5%	0.8%	18.0%	-15.7%	-28.2%	-3.6%
TOTAL OTHER BUSINESSES	-22.1%	5.6%	-44.1%	-1.4%	-25.0%	-1.5%	-24.4%	-5.9%	-29.4%	-0.6%
TOTAL	-5.1%	4.8%	-7.2%	5.6%	-4.0%	1.9%	-2.5%	-1.1%	-4.7%	2.8%

(1) after reclassification of Timeshare in Australia from "Upscale and Midscale Hotels" to "Holding and Other"

(2) at constant scope of consolidation and exchange rates

(3) including the Italian and Brazilian food services businesses

(4) including Go Voyages and Scapa Italia

Fourth Quarter 2008 RevPAR by Segment

HOTELS : RevPAR by segment Q4	Occupancy Rate			Average room rate			RevPAR			
	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries & managed (reported)
	(in %)	(chg in pts)	(chg in pts)	(chg in %)	(chg in %)	(chg in %)	(chg in %)	(chg in %)	(reported)	
Upscale and Midscale Europe (in €)	60.8	-6.7	-5.0	104	-1.7	1.6	63	-11.5 ⁽²⁾	-5.8 ⁽²⁾	-11.1
Economy Europe (in €)	67.2	-5.0	-5.0	58	3.7	5.5	39	-3.4	-1.7	-3.6
Economy US (in \$)	58.6	-3.2	-3.5	43	-1.1	-1.8	25	-6.2	-7.4	-6.2

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

(2) impacted by Orbis integration

2008 RevPAR by Segment (December-end, YTD)

HOTELS : RevPAR by segment DecYTD 2008	Occupancy Rate			Average room rate			RevPAR			
	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries (reported)		Subsidiaries (L/L) ⁽¹⁾	Subsidiaries & managed (reported)
	(in %)	(chg in pts)	(chg in pts)	(chg in %)	(chg in %)	(chg in %)	(chg in %)	(chg in %)	(reported)	
Upscale and Midscale Europe (in €)	64.8	-2.6	-2.0	105	2.0	4.3	68	-1.8	1.3	-2.3
Economy Europe (in €)	71.6	-2.3	-2.4	58	4.6	5.8	41	1.3	2.4	1.1
Economy US (in \$)	64.4	-2.4	-2.4	45	0.6	0.1	29	-3.0	-3.6	-3.0

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

Fourth Quarter 2008 RevPAR by Country

UPSCALE AND MIDSACLE HOTELS RevPAR by country Q4 (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries	Subsidiaries & managed
		(in %)	(chg in pts)	(chg in %)		(chg in %)		(like-for-like(1))	(reported)
France	29 289	62.3	-5.0	120	3.2	75	-4.5	-4.2	-3.8
Germany	19 845	63.8	-2.8	94	2.7	60	-1.6	-3.1	-1.5
Netherlands	4 005	60.3	-6.9	107	-1.1	65	-11.2	-11.5	-15.6
Belgium	1 802	71.7	-0.6	108	1.6	78	0.8	-5.7	0.0
Spain	2 259	54.2	-10.9	92	-8.5	50	-23.8	-23.8	-23.8
Italy	3 462	57.1	-3.5	110	-5.3	63	-10.7	-8.6	-10.7
UK (in £)	5 432	74.0	-4.1	89	0.4	66	-4.8	-6.5	-6.7
USA (in \$)	480	84.3	-10.9	319	0.3	269	-11.2	-11.2	-6.5

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

ECONOMY HOTELS RevPAR by country Q4 (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries	Subsidiaries & managed
		(in %)	(chg in pts)	(chg in %)		(chg in %)		(like-for-like(1))	(reported)
France	42 249	67.9	-3.3	53	8.8	36	3.8	2.0	3.8
Germany	14 945	67.3	-2.7	59	3.9	40	-0.1	-0.1	0.1
Netherlands	2 316	67.0	-10.0	81	4.3	54	-9.2	-9.9	-9.2
Belgium	2 561	75.9	-4.6	70	6.0	53	-0.1	-0.1	-0.1
Spain	4 595	60.5	-14.4	55	1.4	34	-18.1	-19.4	-18.1
Italy	1 550	57.1	-5.9	70	-6.6	40	-15.4	-15.3	-15.4
UK (in £)	8 632	68.6	-7.9	55	1.7	38	-8.8	-3.0	-9.3
USA (in \$)	80 152	58.6	-3.2	43	-1.1	25	-6.2	-7.4	-6.2

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

2008 RevPAR by Country (December-end, YTD)

UPSCALE AND MIDSCALE HOTELS RevPAR by country FY 2008 (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries	Subsidiaries & managed
		(in %)	(chg in pts)	(chg in %)		(chg in %)		(like-for-like(1))	(reported)
France	29 599	66.1	-1.0	116	5.2	77	3.6	2.7	3.1
Germany	20 127	63.7	-1.2	95	5.4	61	3.5	3.0	3.4
Netherlands	3 989	65.4	-3.2	108	2.4	71	-2.3	-2.4	-6.8
Belgium	1 802	71.1	-0.4	108	6.2	77	5.6	-0.3	4.7
Spain	2 259	62.3	-4.2	98	-1.3	61	-7.5	-7.5	-7.5
Italy	3 456	58.6	-3.6	116	-1.4	68	-7.1	-4.2	-7.1
UK (in £)	5 280	77.4	-0.9	89	4.5	69	3.3	1.8	-0.3
USA (in \$)	480	91.6	-2.3	260	1.7	238	-0.8	-0.8	-6.4

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

ECONOMY HOTELS RevPAR by country FY 2008 (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries (reported)		Subsidiaries	Subsidiaries & managed
		(in %)	(chg in pts)	(chg in %)		(chg in %)		(like-for-like(1))	(reported)
France	42 986	71.9	-1.7	51	7.6	37	5.1	3.8	5.2
Germany	15 031	69.8	-1.5	59	4.7	41	2.5	2.5	1.8
Netherlands	2 207	73.8	-8.2	82	6.4	61	-4.3	-5.9	-4.3
Belgium	2 560	77.0	-1.1	69	6.3	53	4.8	4.6	4.8
Spain	4 492	70.3	-7.7	56	3.6	40	-6.6	-6.9	-6.6
Italy	1 550	61.5	-2.2	73	-0.6	45	-4.1	-4.4	-4.1
UK (in £)	7 966	74.3	-2.8	56	5.1	41	1.3	4.2	1.1
USA (in \$)	80 152	64.4	-2.4	45	0.6	29	-3.0	-3.6	-3.0

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