



ACCORHOTELS

Feel Welcome

Press Release

Paris - July 12, 2016

AccorHotels initiates project to turn HotelInvest into a subsidiary to accelerate its transformation and growth

After three years of transformation that have resulted in the development of two well-structured, strategically related business lines with record performances, AccorHotels is pursuing its strategy of continuous improvement and significant expansion by initiating a project to create a dedicated subsidiary for its HotelInvest operations.

The aim of the project is to strengthen AccorHotels' financial resources in order to accelerate growth, while also providing a legal structure that will ultimately enable third-party investors to hold the majority of HotelInvest's capital. AccorHotels would use the additional financial leeway to develop its two business lines and seize new growth opportunities, thereby maximizing the Group's overall value.

Initiated in 2013 and based on a new organizational model, the restructuring of the HotelInvest portfolio has significantly increased the value and profitability of the Group's assets.

Between 2013 and 2015, gross asset value increased from €5.5 billion to €7 billion and the profitability of the portfolio improved significantly, with operating margin standing at 7.8% in 2015 (versus 4% in 2013). As a result, HotelInvest is now Europe's leading hotel investor.

The project would enable HotelInvest to initiate a new phase of dynamic growth, by consolidating its existing asset portfolio through renovations, extensions and repositioning, expanding its network through acquisitions and hotel construction, and implementing an assertive asset turnover strategy.

At a time when the hotel and travel industries are changing profoundly, this project would give AccorHotels significant room for maneuver and greater financial flexibility to implement new initiatives, develop new products and services and, in doing so, capitalize on growth opportunities in the travel and digital spheres that would strengthen the Group's competitive edge.



Sébastien Bazin, Chairman and Chief Executive Officer of AccorHotels, commented: *“As the restructuring begun in late 2013 comes to an end in line with the initial timeframe and objectives, turning HotelInvest into a subsidiary is the new step that offers a wealth of opportunities for AccorHotels. By making it possible to bring in new investors for part of our business, this project will significantly increase the resources available to the Group to consolidate the respective leadership positions of HotelServices and HotelInvest, while also enabling us to continue to leverage synergies between the two business lines. This way, each business will be able to continue to grow within the Group based on a valuation that reflects its specific business model and growth outlook. At the same time, all of our teams will remain under the AccorHotels umbrella brand.”*

The project was given the go-ahead by the AccorHotels' Board of Directors at its meeting on July 12. It will be presented to the appropriate employee representative organizations and submitted for approval to AccorHotels' governing bodies, including the Board of Directors and Shareholders' Meeting. It is expected to be completed by the end of first-half 2017.

ABOUT ACCORHOTELS

AccorHotels is a world-leading travel & lifestyle group and digital innovator offering unique experiences in more than 4,000 hotels, resorts and residences, as well as in over 2,500 of the finest private homes around the globe. Benefiting from dual expertise as an investor and operator through its HotelServices and HotelInvest divisions, AccorHotels operates in 95 countries. Its portfolio comprises internationally acclaimed luxury brands including Raffles, Fairmont, Sofitel Legend, SO Sofitel, Sofitel, onefinestay, MGallery by Sofitel, Pullman, and Swissôtel; as well as the popular midscale and boutique brands of Novotel, Mercure, Mama Shelter and Adagio; the in-demand economy brands including ibis, ibis Styles, ibis budget and the regional brands Grand Mercure, The Sebel and hotelF1.

With an unmatched collection of brands and rich history spanning close to five decades, AccorHotels, along with its global team of more than 240,000 dedicated women and men, has a purposeful and heartfelt mission: to make every guest Feel Welcome. Guests enjoy access to one of the world's most rewarding hotel loyalty programs - Le Club AccorHotels.

AccorHotels is active in its local communities and committed to sustainable development and solidarity through PLANET 21, a comprehensive program that brings together employees, guests and partners to drive sustainable growth.

Accor SA is publicly listed with shares trading on the Euronext Paris exchange (ISIN code: FR0000120404) and the OTC marketplace (Code: ACRFY) in the United States.

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