

**Press Release**

Paris – January 16, 2014

## Good revenue growth in 2013

\*\*\*\*

### 2013 EBIT target revised upwards

- **Gross revenue<sup>1</sup> for the year up 2.8% to €11.5 billion.**
- **Solid growth in all key markets during 2013, with Group revenue up 2.7% like-for-like and down 2.0% as reported.**
  - Revenue from **owned and leased hotels up 1.5%.**
  - Revenue from **management and franchise fees up 14.7%.**
- **Strong increase of the fourth-quarter revenue: up 3.4% like-for-like and down 3.1% as reported due to a highly negative currency effect.**
- **Full year EBIT target raised to around €530 million, from €510-530 million previously.**

Revenue breakdown:

<i>(in € millions)</i>	Q4 2012	Q4 2013	Change	Change L/L <sup>(1)</sup>	FY 2012	FY 2013	Change	Change L/L <sup>(1)</sup>
Upscale & Midscale	912	879	-3.6%	+3.3%	3,536	3,438	-2.7%	+2.9%
Economy	484	491	+1.3%	+4.1%	1,961	1,970	+0.4%	+2.4%
<b>Hotels</b>	<b>1,396</b>	<b>1,370</b>	<b>-1.9%</b>	<b>+3.6%</b>	<b>5,497</b>	<b>5,408</b>	<b>-1.6%</b>	<b>+2.7%</b>
Other activities	51	32	-35.9%	-0.1%	152	128	-16.0%	+2.7%
<b>Total Group</b>	<b>1,447</b>	<b>1,402</b>	<b>-3.1%</b>	<b>+3.4%</b>	<b>5,649</b>	<b>5,536</b>	<b>-2.0%</b>	<b>+2.7%</b>

<sup>(1)</sup> At comparable scope of consolidation and exchange rates.

**Sébastien Bazin, Chairman and CEO of Accor, said:** *“In 2013, Accor delivered a solid improvement in its business. This performance reflects the Group’s strengths, including its recognized brands covering every segment of the hospitality market, a global footprint with leadership positions in the most promising growth regions and enthusiastic teams dedicated to driving the Group’s development.*

*Accor’s ambitious new vision is leveraging these strengths. It clearly redefines our business model around two core competencies: HotelServices, a hotel operator and brand franchisor, and HotelInvest, a hotel owner and investor supported by a more agile, locally focused organization. This roadmap is designed to quickly enhance our clarity and effectiveness, in a commitment to making Accor the world’s best performing and most highly valued hotel company.”*

<sup>1</sup> Gross revenue corresponds to revenue from owned, leased and managed hotels and to room revenue from franchised hotels. Change is as reported.

## Rise in gross revenue

Owing to a robust demand in 2013 and expansion of managed and franchised hotels, the group's **gross revenue** rose by **2.8%** to **€11.5 billion**, despite the negative currency effect particularly in the second half.

### 2013 revenue: €5,536 million, up 2.7% like-for-like

**At comparable scope of consolidation and exchange rates**, revenue for the year was **up 2.7%**, thanks in particular to the sharp 14.7% rise in revenue from management and franchise fees.

Reported revenue reflected the following factors:

- Expansion, which added €130 million to revenue and 2.3% to growth, with the opening of 22,637 rooms (170 hotels), of which 85% under management and franchise agreements and 59% in emerging markets.
- Changes in the scope of consolidation due to asset disposals, which reduced revenue by €258 million and growth by 4.6%.
- The €138 million negative currency effect, which reduced growth by 2.4%, with an overall decline in exchange rates, notably for the Australian dollar, Brazilian real and British pound.

**Reported 2013 revenue** totaled €5,536 million, **down 2.0%**.

### Fourth-quarter 2013 revenue: €1,402 million, up 3.4% like-for-like

**At comparable scope of consolidation and exchange rates**, fourth-quarter revenue was up **3.4%**, thanks to very robust demand in all the Group's key markets, particularly in Europe. Among the emerging markets, demand remained very strong in Latin America and the Africa-Middle East region. Performance in the Asia-Pacific region was satisfactory overall, despite lower business in China, as well as in Australia where the Economy hotels segment remains under pressure.

Revenue from management and franchise fees was up by 10% compared with fourth-quarter 2012.

Reported revenue for the quarter reflected the following factors:

- Expansion, which added €8 million to revenue and 0.6% to growth, with the opening of 8,537 rooms (57 hotels), of which 91% under management and franchise agreements.
- Changes in the scope of consolidation, which reduced fourth-quarter revenue by €53 million or 3.7%.
- The highly negative €50-million currency effect, which reduced reported growth by 3.5%, mainly due to a decline in the Australian dollar and Brazilian real against the euro.

In all, fourth-quarter revenue stood at €1,402 million, **down 3.1% as reported**.

## ❖ Upscale & Midscale hotels: revenue up 3.3% like-for-like

**Revenue in the Upscale and Midscale segment** rose by **3.3%** like-for-like and declined by **3.6%** as reported in the **fourth quarter**.

Thanks to a balanced spread of business between capital cities and provinces, combined with sustained demand from leisure travelers at the end of the year, the segment saw robust growth in all its key markets. Growth was particularly strong in the United Kingdom and Germany, with revenues up by 8.9% and 4.0% respectively, like-for-like. Upscale & Midscale hotels in France also delivered a very satisfactory performance, considering that fewer trade fairs took place in October 2013 than in the year-earlier period. Ramp-up of the MGallery brand and the re-opening of newly renovated Pullman flagships helped to drive particularly strong growth in the Upscale segment.

## ❖ Economy hotels: revenue up 4.1% like-for-like

**Revenue from Economy hotels** increased by **4.1%** like-for-like and **1.3%** as reported in the **fourth quarter**.

All European countries contributed to the segment's performance. Growth was in the double digits in the United Kingdom, while the situation in Southern Europe continued to improve, with like-for-like increases of 5.4% in Spain and 5.5% in Italy. The opportunistic and mastered management of distribution channels implemented in the second half of the year had direct impact on both volumes and prices and therefore played a key role in driving the segment's revenue up. At the same time, revenue from management and franchise rose by 13.2% like-for-like during the fourth quarter.

## On-going expansion in all markets

A total of **22,637 rooms (170 hotels) were opened in 2013**, of which 85% under management and franchise agreements, 41% in Europe, 37% in the Asia-Pacific region, 13% in Latin America and 9% in the Africa-Middle East region.

By year-end, the Group's portfolio stood at 461,719 rooms, 59% of which were operated under management and franchise agreements.

## 2013 EBIT target revised upwards

Accor enjoyed solid business trends in all its key markets in 2013 and fourth quarter was very satisfactory, led by solid performances in Europe. The Group continued to see sustained growth both in its traditional and emerging markets.

In light of this environment and of the cost-saving policy effects which were particularly significant in the fourth quarter, Accor has revised its EBIT target upwards, to **around €530 million** versus the €510-530 million target announced previously.

## Quarterly Information

On November 27, 2013, Accor announced that it was implementing a new strategy to clarify the Group's business model and introduce a new organization based on its two core competencies with specific objectives for each one, in order to strengthen its leadership and enhance its performance.

Today, the business model is organized around two core competencies:

- **HotelServices**, a hotel operator and brand franchisor, and
- **HotellInvest**, a hotel owner and investor.

The new organization, led by a restructured Executive Committee, is currently being deployed. The 2014 half-year results presentation will reflect the implementation of this strategy since January 1, 2014.

### Upcoming event:

February 20, 2014: publication of 2013 annual results, in Paris



Accor, the world's leading hotel operator and market leader in Europe, is present in 92 countries with more than 3,600 hotels and 460,000 rooms. Accor's broad portfolio of hotel brands - Sofitel, Pullman, MGallery, Grand Mercure, Novotel, Suite Novotel, Mercure, Adagio, Ibis, Ibis Styles, Ibis Budget and hotelF1 - provide an extensive offer from luxury to budget. With more than 160,000 employees in Accor brand hotels worldwide, the Group offers its clients and partners 45 years of know-how and expertise.

Follow news on Accor :

@accor | [www.accor.com](http://www.accor.com)

Book a hotel :

[www.accorhotels.com](http://www.accorhotels.com)

### MEDIA RELATIONS

**Charlotte Bourgeois-Cleary**  
Vice President, Media Relations  
Phone: +33 1 45 38 84 84

**Elodie Woillez**  
Phone: +33 1 45 38 87 08

### INVESTOR AND ANALYST RELATIONS

**Sébastien Valentin**  
Vice President, Investor Relations and  
Financial Communication  
Phone: +33 1 45 38 86 25

## Revenue

in € millions	Quarter 1		Quarter 2		Quarter 3		Quarter 4		December-end YTD	
	2012 Restated <sup>(1)</sup>	2013 Reported	2012	2013	2012	2013	2012	2013	2012	2013
Upscale & Midscale	781	768	929	912	914	879	912	879	3,536	3,438
Economy	437	425	516	523	524	531	484	491	1,961	1,970
<b>Hotels</b>	<b>1,218</b>	<b>1,193</b>	<b>1,445</b>	<b>1,435</b>	<b>1,438</b>	<b>1,410</b>	<b>1,396</b>	<b>1,370</b>	<b>5,497</b>	<b>5,408</b>
Other Activities	25	34	30	32	47	30	51	32	152	128
<b>Total Group</b>	<b>1,242</b>	<b>1,227</b>	<b>1,475</b>	<b>1,467</b>	<b>1,485</b>	<b>1,440</b>	<b>1,447</b>	<b>1,402</b>	<b>5,649</b>	<b>5,536</b>

in %	Quarter 1		Quarter 2		Quarter 3		Quarter 4		December-end YTD	
	Change reported	Change L/L <sup>(2)</sup>	Change reported	Change L/L <sup>(2)</sup>	Change reported	Change L/L <sup>(2)</sup>	Change reported	Change L/L <sup>(2)</sup>	Change reported	Change L/L <sup>(2)</sup>
Upscale & Midscale	-1.6%	+0.7%	-1.8%	+3.7%	-3.9%	+3.6%	-3.6%	+3.3%	-2.7%	+2.9%
Economy	-2.8%	-1.8%	+1.4%	+2.4%	+1.4%	+4.2%	+1.3%	+4.1%	+0.4%	+2.4%
<b>Hotels</b>	<b>-2.0%</b>	<b>-0.2%</b>	<b>-0.7%</b>	<b>+3.3%</b>	<b>-2.0%</b>	<b>+3.8%</b>	<b>-1.9%</b>	<b>+3.6%</b>	<b>-1.6%</b>	<b>+2.7%</b>
Other Activities	+36.7%	+4.6%	+5.7%	+7.3%	-36.3%	+2.0%	-35.9%	-0.1%	-16.0%	+2.7%
<b>Total Group</b>	<b>-1.2%</b>	<b>-0.1%</b>	<b>-0.5%</b>	<b>+3.3%</b>	<b>-3.1%</b>	<b>+3.8%</b>	<b>-3.1%</b>	<b>+3.4%</b>	<b>-2.0%</b>	<b>+2.7%</b>

(1) Following the sale of Motel 6 to Blackstone, consolidated revenue for Q1 2012 has been adjusted

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

## RevPAR excluding tax Worldwide by segment (December-end YTD)

	Owned & leased (O&L)						O&L and Managed			
	Occupancy Rate			Average room rate			RevPAR			
	(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 (in €)	67.5%	+1.9	+1.6	98	-1.9%	+0.1%	66	+1.0%	+2.5%	+0.5%
Economy (in €)	70.1%	+0.8	+0.8	55	-1.3%	+0.6%	39	-0.1%	+1.9%	+0.5%

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

## RevPAR excluding tax Worldwide by segment (4th quarter)

	Owned & leased (O&L)						O&L and Managed			
	Occupancy Rate			Average room rate			RevPAR			
	(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 (in €)	66.2%	+1.8	+1.6	99	-2.4%	+1.2%	65	+0.3%	+3.7%	-2.2%
Economy (in €)	69.1%	+1.5	+1.6	56	-1.2%	+1.8%	38	+1.0%	+4.2%	+1.3%

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

## RevPAR excluding tax by country (December-end YTD)

Owned & leased (O&L)	O&L and Managed
----------------------	--------------------

UPSCALE AND MIDSACLE HOTELS (in local currency)	Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
		(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	23,218	66.7%	+2.2	+1.9	117	-2.2%	-0.5%	78	+1.2%	+2.4%	+2.2%
Germany	16,441	69.5%	+2.7	+1.3	92	+3.4%	+1.3%	64	+7.6%	+3.3%	+7.5%
Netherlands	3,314	68.4%	+0.5	+0.6	88	-0.9%	-2.4%	60	-0.2%	-1.5%	+1.2%
Belgium	1,430	76.9%	+3.4	+3.3	99	+1.2%	+0.5%	76	+5.9%	+5.1%	+2.7%
Spain	2,283	58.8%	+1.1	+0.1	69	-3.7%	-4.3%	41	-2.0%	-4.1%	+2.3%
Italy	3,309	62.0%	+2.0	+0.9	90	-0.4%	-0.7%	56	+3.0%	+0.8%	+1.6%
UK (in £)	5,850	80.8%	+2.4	+2.8	86	+3.3%	+2.1%	70	+6.4%	+5.9%	+6.6%

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

ECONOMY HOTELS (in local currency)	Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
		(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	35,787	70.2%	+0.5	+0.1	55	+0.5%	+0.1%	39	+1.2%	+0.3%	+1.8%
Germany	15,708	70.3%	-0.2	-0.0	58	+1.7%	+1.9%	41	+1.4%	+1.9%	+1.7%
Netherlands	2,382	76.3%	+3.5	+3.6	71	-2.8%	-2.4%	54	+1.9%	+2.3%	+1.9%
Belgium	2,821	77.8%	+2.3	+2.3	64	+1.3%	+0.9%	50	+4.3%	+4.0%	+5.3%
Spain	4,973	54.8%	+3.1	+2.5	46	-5.0%	-6.2%	25	+0.6%	-1.8%	+0.8%
Italy	1,740	69.6%	+2.0	+2.0	55	-0.6%	-0.6%	38	+2.4%	+2.4%	+0.0%
UK (in £)	10,219	80.2%	+2.6	+2.4	51	+6.3%	+3.2%	41	+9.8%	+6.4%	+8.8%

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

## RevPAR excluding tax by country (4<sup>th</sup> quarter)

Owned & leased (O&L)	O&L and Managed
----------------------	-----------------

UPSCALE AND MIDSACLE HOTELS <small>(in local currency)</small>	Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
		(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	23,218	64.6%	+2.3	+1.6	117	-3.3%	-2.1%	76	+0.2%	+0.5%	-0.5%
Germany	16,441	70.9%	+3.3	+2.2	95	+6.1%	+3.8%	67	+11.2%	+7.3%	+10.8%
Netherlands	3,314	65.7%	-0.6	-0.4	89	-2.1%	-3.6%	58	-3.0%	-4.1%	-0.1%
Belgium	1,430	77.5%	+1.6	+1.0	102	+1.3%	+2.0%	79	+3.5%	+3.3%	+1.1%
Spain	2,283	56.3%	+3.3	+2.8	66	-6.1%	-6.9%	37	-0.2%	-2.0%	+3.1%
Italy	3,309	60.1%	+1.6	+0.7	83	-0.8%	-0.1%	50	+2.0%	+1.1%	+0.1%
UK (in £)	5,850	81.0%	+3.4	+3.9	89	+5.8%	+6.2%	72	+10.5%	+11.5%	+9.5%

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

ECONOMY HOTELS <small>(in local currency)</small>	Nb of rooms	Occupancy Rate			Average room rate			RevPAR			
		(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	35,787	67.7%	+1.0	+0.7	56	-0.1%	-0.4%	38	+1.4%	+0.7%	+1.4%
Germany	15,708	69.6%	+0.3	+0.6	59	+4.0%	+4.3%	41	+4.4%	+5.2%	+4.8%
Netherlands	2,382	73.9%	+2.7	+2.8	68	-3.6%	-2.2%	50	+0.1%	+1.7%	+0.1%
Belgium	2,821	78.9%	+0.8	+1.1	67	+3.7%	+3.3%	53	+4.8%	+4.7%	+5.7%
Spain	4,973	55.7%	+7.1	+6.0	44	-4.5%	-5.6%	24	+9.6%	+6.2%	+10.1%
Italy	1,740	65.2%	+1.3	+1.3	54	+2.1%	+2.1%	35	+4.2%	+4.2%	+3.9%
UK (in £)	10,219	80.3%	+4.3	+4.8	52	+7.1%	+7.3%	42	+13.2%	+14.1%	+12.6%

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