



Press Release

2004 Interim Results Profit before Tax Up 25%

Paris, September 8 2004

En EUR millions	1H 2003	1H 2004	Reported change	Like-for-like*
Revenues	3,306	3,443	+4.1%	+5.3%
Ebitdar	817	856	+4.8%	+5.9%
Ebitdar margin	24.7%	24.9%	+0.2 pts	+0.2 pts
Profit before tax	180	225	+25.0%	+26.7%
Net income (Group share)	106	81	-23.6%	
Funds from operations	379	389	+2.6%	

*at comparable scope of consolidation and exchange rates

First-half results

Business continued to improve in first-half 2004, driving a 25% **increase in profit before tax** to EUR 225 million. On a like-for-like basis, the increase was 26.7%. Net income (Group share) totaled EUR 81 million, a decline of EUR 25 million due to higher capital gains recorded in first-half 2003.

In **Hotels**, the situation was mixed depending on the country and its position in the economic cycle. In regions that have felt the effects of the recovery—the upscale segment in the United States (Sofitel), the United Kingdom, Asia-Pacific, South America and certain countries in Continental Europe—Ebitdar rose sharply on a like-for-like basis. On the other hand, the Economy segment in the United States and the hotels business in France saw only a modest like-for-like increase. For the hotels business as a whole, Ebitdar margin was unchanged at 27.9%.

The **Services** business enjoyed continued growth in all its markets, with an improvement in margins. Ebitdar rose by 19.3% on a like-for-like basis.



Strategic progress

A large number of strategic advances were made during the first half. In Hotels, the Accor network was extended with the opening of more than 100 units representing 13,000 rooms (of which 46% outside Europe) and the completion of the program to co-brand Dorint hotels, now operated under a management contract, with the Sofitel, Novotel and Mercure chains. Accor also announced the purchase of a 28.9% stake in Club Méditerranée and expanded its offering for weekend, getaway and leisure customers. New acquisitions were made by Accor Services in gift vouchers and cards in the United Kingdom (Capital Incentives) and by Carlson Wagonlit Travel in France (Protravel) and the United States (Maritz). In casinos, Accor is joining forces with Groupe Lucien Barrière to create a European leader.

Outlook

After the first-half growth in results, summer business was lackluster in France and the Economy segment in the United States has yet to benefit from the return to growth. The outlook for the fall is more promising and the Services business is pursuing its growth. In this context, Accor has set a full-year profit before tax objective of EUR 570 to 590 million, versus EUR 523 million in 2003.

Thanks to its unique advantages and steady, balanced expansion that provides new sources of growth around the world, Accor continues to look to the future with confidence.

With 158,000 people in 140 countries, **Accor** is the european leader and one of the world's largest groups in travel, tourism and corporate services, with two major international activities :

- **hotels**: nearly 4,000 hôtels (455,000 rooms) in 90 countries, casinos, travel agencies and restaurants ;
- **services** to corporate clients and public institutions: 14 million people in 34 countries use a broad range of services (food vouchers, people care and services, incentive, loyalty programs, events) engineered and managed by Accor.

Contacts

Eliane Rouyer

Director

Investor Relations

Tel : +33.(0).1.45.38.86.26

*Further information on Accor is available on Internet at : **accor.com***