



ACCORHOTELS

Feel Welcome

Press Release

Paris - January 27, 2016

AccorHotels enters into exclusive negotiations for the sale of a portfolio of 85 hotels in Europe to a new franchisee hotel operator

- A portfolio of 85 hotels in Europe in the Economy and Midscale segments, for an asset value of €504 million, including:
 - 28 hotels assets and the business interest of all 85 hotels, sold by AccorHotels for €146 million.
 - 57 hotel assets covered by the purchase agreements containing a substitution clause for the buyer signed with Foncière des Régions, Axa IM - Real Assets and Invesco, for a total amount of €358 million.
- All of the hotels included in the transaction will maintain their AccorHotels brand via long-term franchise agreements and will benefit from an ambitious renovation program to be carried out within 36 months after the transaction has been finalized.
- The entity's management team will be partially made up of AccorHotels employees who are leaving the Group to contribute their expertise to the new franchisee.
- The newly created entity will be owned by Eurazeo (70%) and AccorHotels (30%). This ownership structure may rapidly be strengthened by the arrival of an additional institutional investor.

Pursuing the transformation of HotelInvest's hotel portfolio, AccorHotels today announces that it has entered into exclusive negotiations with a new hotel investment company for the sale of 85 owned and leased hotels that it currently operates. The portfolio comprises one Pullman, 19 Novotel, 13 Mercure, 35 ibis, 3 ibis Styles and 14 ibis budget hotels. The majority of these hotels are located in France (61 hotels, primarily in regional cities and on the outskirts of urban agglomerations) and Spain (9 hotels), while the remainder are spread across Italy, Portugal, Germany, Austria, Belgium and the Netherlands. All of the hotels will remain under AccorHotels brands via franchise



agreements. The new company will be up and running by the end of first-half 2016 and will become HotelServices' largest franchisee.

AccorHotels will sell to its new partner the 28 owned hotels and the business interest of all 85 hotels involved in the transaction for a total of €146 million, corresponding to the gross asset value of these assets.

The 57 other hotel assets are currently owned by Foncière des Régions, Axa IM - Real Assets, acting on behalf of its clients, and Invesco, and are covered by purchase agreements that include a substitution clause for the buyer. They will be acquired directly by the new entity under the terms and conditions announced in October and December 2015, for a total of €358 million.

The buyer is a newly created hotel investment company, which will be owned by Eurazeo (70%) and AccorHotels (30%). The two partners may rapidly be joined by a third institutional investor. The newly created entity will have access to significant resources to restructure and develop its portfolio, including a budget of more than €100 million for hotel renovations.

The transaction will be the subject of a consultation procedure with employee representatives.

John Ozinga, Chief Operating Officer of HotelInvest, commented: *"This wide-reaching, innovative transaction is another key step in the transformation of HotelInvest. We are delighted to be contributing to the emergence of a major new hotel investor in the European market, which we intend to support over the long term. The deal will create value for AccorHotels, for all of the employees and entities involved in the transaction, and for the new entity, which will serve as a key partner for the Group going forward."*



ABOUT ACCORHOTELS

AccorHotels is a Group united by a shared passion for hospitality and driven by a shared promise to make everyone Feel Welcome.

Over 180,000 women and men in nearly 3,800 AccorHotels establishments look after thousands of guests every day in 92 countries.

AccorHotels is the world's leading hotel operator and offers its customers, partners and employees:

- its dual expertise as a hotel operator and franchisor (HotelServices) and a hotel owner and investor (HotelInvest);
 - a large portfolio of internationally renowned brands covering the full spectrum, with luxury (Sofitel, Pullman, MGallery, Grand Mercure, The Sebel), midscale (Novotel, Suite Novotel, Mercure, Adagio) and economy (ibis, ibis Styles, ibis budget, adagio access and hotelF1) establishments;
 - the strength of its marketplace and its Le Club AccorHotels loyalty program;
- almost half a century of commitment to corporate citizenship and solidarity with the PLANET 21 program.

Accor SA shares are listed on the Euronext Paris stock exchange (ISIN code: FR0000120404) and traded in the USA on the OTC market (Code: ACRFY)

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