



Press Release

Shanghai, February 28, 2012

Accor roots in China, heralding the tailor-made Grand Mercure hotel brand

Grand Mercure is postured towards the upscale Chinese traveller and is destined to be a growth driver for the group in the country

Accor, the world's leading hotel operator and market leader in Asia-Pacific, today announced the re-engineering of its Grand Mercure brand, tailored for the China market. The brand was unveiled at the inauguration of Grand Mercure Shanghai Zhongya by Accor, the first hotel adapted to the new positioning. Grand Mercure combines Accor's extensive China and international hotel experience and significant distribution infrastructure with products and services customised to the needs of the upscale Chinese traveller.

Known in Chinese as 美爵 (Mei Jue), each hotel within the Grand Mercure network in China will sport the new Chinese identity, reflecting the brand's commitment to developing products and services tailored to its Chinese clientele. The new identity, highly influenced by Chinese design form and fluid, rich in tones, has been designed to appeal to upscale consumers.

Grand Mercure hotels in China will invite guests to 'Discover a new authentic', to connect with and learn from their surroundings in new, innovative ways. Grand Mercure hotels in China are a reflection of their location and form an integral part of each city. In each Grand Mercure hotel in China, 12 brand signatures will be installed – conveyed through ceremonies that exemplify strong aspects of Chinese culture and blend in elements of European influence. These include:

- Each guest can expect a personalized and authentic welcome reflecting the hotel's location. In Shanghai, for example, employees will use local language and guests will be welcomed by team members wearing Qipao, a traditional elegant evening dress. All team members will be identified with name badges bearing firstly Chinese characters, followed by a pinyin transliteration enabling employees to use their given names rather than adopting foreign equivalents.
- Guests can achieve mental and physical well-being through daily Tai-chi sessions, upscale lavender-scented bathroom amenities in guest bathrooms and complimentary head and shoulder massage services for guests staying on premium floors.
- An emphasis has been placed on catering to the expectations of Chinese customers. For example, each Grand Mercure provides an extensive range of local and imported tea, delivered in an engaging manner to encourage guest participation. Furthermore, a selection of Cognac is available in the hotel bars alongside a wine selection that provides both local and imported choices.

- Each Grand Mercure offers a special 24-hour congee menu providing guests with home comforts no matter what time they may be hungry. Beyond this, a large congee selection with extensive condiments plays a big part of the breakfast at Grand Mercure. An emphasis in each hotel is placed on Chinese cuisine and where guests will discover dishes representing both local specialties as well as wide-ranging national dishes.
- To establish connections with the area surrounding each hotel, Grand Mercure invites guests to participate in discovery walks, to see the city from new perspectives and gain insights to local culture and customs. In addition, hotels will invite local artisans to link visitors with the arts and to provide a bridge between communities.
- In every guest room, guests will discover an extensive tea selection as well as a welcome gift pack of macarons to showcase both the hotel's China focus and its European heritage.

According to the China's 12th five-year tourism industry development plan, China is expected to reach 2.5 trillion RMB in total tourism receipts, accounting for 4.5% of national GDP, by 2015. The blooming tourism industry attracts more and more hotel giants to invest and innovate.

"Accor has tailored the Grand Mercure brand to better suit the Chinese clientele's needs, in a strategic country for the Group and in the context of a booming upscale domestic travel business," remarked Mr. Grégoire Champetier, Chief Marketing Officer of Accor at the launch event. "This brand is launched in the framework of our global project to modernize our brand portfolio. Our clients are now expecting brands capable of understanding the diversity and the complexity of their identity. With Grand Mercure ("Mei Jue") the Group demonstrates its ability to have more flexible brands, that are locally relevant," Grégoire Champetier added.

"We are acutely aware of the opportunity that the significantly increasing number of sophisticated Chinese tourists creates an unprecedented upscale hotel market in China. Accor has tailored the Grand Mercure brand to better suit the local market, which again demonstrates the Group's ability to adapt to market opportunities and long-term commitment to remaining one of the leading international operators of hotels in China." Champetier added.

At present, Accor operates 7 brands, 121 hotels in 47 cities across Greater China and has planned to quadruple its network in the region by 2015. The tailor-made Grand Mercure is expected to be one of the growth engines for Accor's future in the country.

Sam Shih, Chairman and Chief Operating Officer, Accor Greater China, said, "According to a report issued by BCG, the number of millionaire families in China reached 5,200,000 in 2010. More and more people are willing and able to spend a larger amount of money on tourism and can afford upscale hotel. The Grand Mercure brand embraces the more upscale nature of the hotel industry in China."

Sam Shih also mentioned, "Throughout Accor's 27 years of operation in China, we have developed a strong understanding of the China hotel industry and the specific desires of the Chinese traveller. Accor has built upon this expertise in the development of the new Grand Mercure brand, which has garnered great support from hotel owners – validated by the commitment of 10 hotels that we operate today in addition to the 10 new Grand Mercure Hotels committed in Greater China." Accor announced that it will expand its network to around 65 hotels in tier 1 to tier 3 cities throughout China by 2015.

About Accor Greater China

As one of the pioneering international hotel management companies to enter the Chinese market, Accor signed its first management agreement in 1985. With 27 years' development experience in China, Accor has

established strong relationships with its local partners such as Beijing Tourism Group, Jinjiang Group, COSCO, and Dalian Wanda Group etc.

As of February 2012, Accor operated 121 hotels in 47 cities in Greater China representing 29,552 rooms.

All Accor hotels in China are situated in major metropolitan areas, gateway cities, popular resort destinations, and are developing fast into tier two and tier three cities under 7 different brands: Sofitel, Pullman, MGallery, Grand Mercure, Novotel, Mercure and Ibis, covering a full spectrum of markets from luxury to economy.



Accor, the world's leading hotel operator and market leader in Europe, is present in 90 countries with more than 4,400 hotels and 530,000 rooms. Accor's broad portfolio of hotel brands - Sofitel, Pullman, MGallery, Novotel, Suite Novotel, Mercure, Adagio, ibis, all seasons/ibis Styles, Etap Hotel/Formule 1/ibis budget, hotelF1 and Motel 6 - provide an extensive offer from luxury to budget. With 145,000 employees worldwide, the Group offers to its clients and partners nearly 45 years of know-how and expertise.

Tailor-made Grand Mercure (Mei Jue) is an upscale hotel brand that speaks and appeals to Chinese travellers and complemented by the hospitality know-how, distribution and reassurance of the international hotel group Accor. In addition, each Grand Mercure hotel is anchored around 'Discover a new authentic' with a connection to the local area evidenced through the welcome, relationship with local arts and the walking tours uniquely designed for the surroundings.

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