

Press Release

London, 24th April 2014

Accor to add three hotels to the MGallery Collection in the UK and promises six new flagship hotels for the Mercure brand by 2015

- **Three elegant MGallery Collection hotels to be located in Windsor, Cheltenham and Aberdeen**
- **New flagships hotels for the Mercure brand, incorporating Mercure's innovative lobby concept, to be located in Bristol, Cardiff, Oxford, Exeter, Sheffield and Boxhill**
- **Extension of contract with Moorfield Group shows confidence in Accor's HotelServices offer as a hotel operator**

Accor, the world's leading hotel operator and market leader in Europe, and Moorfield Group (Moorfield), one of the UK's leading real estate and real estate-related private equity fund manager, are pleased to announce the addition of three hotels to the MGallery Collection and the creation of six flagship hotels for the Mercure brand in the UK.

Located in Windsor, Cheltenham and Aberdeen, the three new members for the MGallery Collection have been carefully handpicked as prime examples of the upscale brand. They will strengthen the presence of the boutique brand across the UK and join the stunning Francis Hotel in Bath, making a total of four hotels in the MGallery Collection in the UK.

The MGallery Collection is aimed at a demanding, pleasure-seeking clientele of experienced travelers and includes 70 hotels in 22 countries across the world, each with a distinct personality and story, shaped by history, location, vision and design. Additions to the MGallery Collection are made by finding properties that meet the brand's rigorous criteria of excellence and, above all, offer a truly unique guest experience thanks to the character and style of each hotel.

The additions demonstrate the exciting momentum of the MGallery Collection in the UK which aims to increase its footprint to ten carefully selected hotels in key leisure locations.

In addition to the MGallery properties, an accelerated renovation programme will see the establishment of six flagship hotels for the Mercure brand in Bristol Holland House Hotel and Spa; Cardiff Holland House Hotel and Spa; Oxford Eastgate Hotel, Sheffield St.Paul's Hotel and Spa; Exeter Southgate Hotel and Box Hill Burford Bridge Hotel. The renovations of all six properties will commence in 2014 and will incorporate Mercure's innovative public area concept.

These properties will sit alongside the existing flagship Mercure London Bridge, strengthening the brand's leading position in the UK mid-scale sector and reinforcing its status as, "the UK's best mid-scale brand" as voted by the British Travel Awards and Business Travel Awards.

This expansion of Accor's hotel portfolio coincides with the extension of the Company's management contract with Moorfield until 2032. Accor has operated 24 hotels in the UK for Moorfield since 2007, and the portfolio has enjoyed a strong performance in recent years, with RevPAR growth -significantly above the UK industry benchmark. The three new members of the MGallery Collection and six Mercure hotels are already part of the existing 24-hotel Moorfield portfolio.

The extension of this agreement marks a continuation of Accor's long-term relationship with Moorfield and demonstrates the complementary services and expertise offered by both companies. Accor's HotelServices offering, backed by the Group's long track record of operational excellence and strong stable of brands, combined with Moorfield's depth of knowledge in financing real estate and operational management makes for a robust partnership.

Thomas Dubaere, Managing Director, Accor UK & Ireland, commented: "With three new elegant hotels in the MGallery Collection and six flagship hotels for Mercure, we are really proving the strength of our brands in the UK, and we are delighted to be working on this project alongside our long-term partner Moorfield. Accor's HotelServices division will be dedicated to operating these hotels, and our expert offering means that we deliver real value for owners and investors. We are looking forward to continuing our work with Moorfield and deploying our industry expertise and leading brands to drive further growth."

Jonathan Sheard, SVP Operations Luxury, Upscale & Midscale Hotels, Accor UK & Ireland added: "The further roll out of the innovative lobby concept for the Mercure brand proves its success at meeting new customer expectations and behaviour. We are delighted to see the MGallery Collection increase its footprint in the UK with properties that totally exemplify the unique personality of this brand. The rapid renovation program will see the six Mercure hotels and additions to the MGallery Collection, completed in 2015."

Heiko Figge, Head of Operational Management at Moorfield, added: "During the last six years we have enjoyed a successful partnership with Accor. The combination of Moorfield's expertise in financing, real estate and operational management has been complemented by Accor's deep knowledge of the hospitality industry and its track record of operational excellence. We are delighted to be extending our relationship with Accor in the UK and look forward to the portfolio's continued outperformance."

The Group's strong portfolio of brands continues to gain traction as it opens hotels in key locations across the UK and Ireland. Accor currently has 200 hotels in the UK.

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Accor, the world's leading hotel operator, offers its guests and partners the dual expertise of a hotel operator and brand franchisor (**HotelServices**) and a hotel owner and investor (**HotelInvest**) with the objective of ensuring lasting growth and harmonious development for the benefit of the greater number.

With around 3,600 hotels and 460,000 rooms, Accor welcomes business and leisure travelers in 92 countries across all hotel segments: luxury-upscale with **Sofitel, Pullman, MGallery, and Grand Mercure**, midscale with **Novotel, Suite Novotel, Mercure and Adagio** and economy with **ibis, ibis Styles, ibis budget** and **hotelF1**. The Group boasts a powerful digital ecosystem, notably its booking portal **accorhotels.com**, its brand websites and its loyalty program **Le Club Accorhotels**.

As the world's top hospitality school, Accor is committed to developing the talents of its **170,000 employees** in Accor brand hotels. They are the daily ambassadors of the culture of service and innovation that has driven the Group for over 45 years.

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