

## Accor 2007 Revenue Up by 6.8%

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2007 Operating Profit Before Tax and Non-Recurring Items Upgraded to Slightly Above EUR900 Million

Accor's consolidated revenue totalled EUR8,121 million in 2007, an increase of 6.8% compared with the previous year. Based on a comparable scope of consolidation and at constant exchange rates, the like-for-like increase was 6.5%.

Revenue	2006(1)	2007	Reported change	Like-for-like change(2)
(in EUR millions)				
Hotels	5,410	5,830	+7.8%	+5.8%
Upscale and Midscale	2,927	3,370	+15.1%	+7.2%
Economy	1,492	1,618	+8.4%	+6.1%
Economy US	991	841	-15.1%	+1.5%
Services	760	885	+16.5%	+11.9%
Other businesses	1,437	1,406	-2.1%	+6.0%
Total	7,607	8,121	+6.8%	+6.5%

1) In accordance with IFRS 5, CWT revenue has been classified in Results from discontinued operations until its disposal in August, 2006.

(2) Based on a comparable scope of consolidation and at constant exchange rates.

The Group's expansion strategy boosted revenue for the year by 7.9%, while the disposals carried out under the ongoing asset right strategy and divestments of non-strategic businesses led to a 6.5% reduction. The currency effect for the year was a negative 1.1%.

Revenue for the fourth quarter of 2007 came to EUR2,002 million, up 1.9% over the year-earlier period. Reported growth takes into account the divestment of Red Roof Inns and the Italian Food Services business, which were removed from the scope of consolidation effective August 31, 2007 and September 30, 2007 respectively. The like-for-like increase in revenue for the quarter was 6.9%, versus 6.6% in the third quarter and 6.1% in the first half.

This very good fourth quarter performance reflects:

- Sustained demand in the Hotels business, with revenue up 6.9% like-for-like compared with increases of 6.1% in the third quarter and 5.2% in the first half. Growth was led by Europe, where all segments performed well. Revenue in this region rose 7.9% like-for-like in the fourth quarter - compared to a 6.9% increase in worldwide Hotels revenue - reflecting a significant improvement in occupancy rates and average prices.
- The Services business also enjoyed sustained growth, with fourth quarter revenue up 11.5% like-for-like.

The expansion strategy lifted revenue for the quarter by 8.6%, while divestments (mainly of Red Roof Inns, Go Voyages and the Italian Food Services business) had a negative impact of 12.6%. The currency effect for the quarter was a negative 1.1%, mainly reflecting the euro's appreciation against the dollar.

### Services

Reported 2007 revenue up 16.5%

Revenue from the Services business in 2007 increased 16.5% on a reported basis and 11.9% like-for-like, in line with the Group's medium-term organic growth target for the business of 8% to 16% a year.

The Group's assertive expansion strategy in the Services business - including the acquisition of Kadéos, France's leading gift card and voucher company - drove 6.0% revenue growth, while the depreciation of certain South American currencies against the euro led to a negative currency effect of 0.9%.

Services revenue for the fourth quarter was 20.6% higher on a reported basis and 11.5% like-for-like.

In Europe, fourth quarter revenue increased 9.7% like-for-like, on the back of 14.3% growth in the third quarter and 13.5% in the first half, translating into a 12.5% increase over the year. Registered growth in the fourth quarter reflects a more modest increase in France for products other than Meal Vouchers and also in the United Kingdom for Childcare Vouchers business after several years of strong revenue increase.

In Latin America, revenue for the quarter was up 12.3% like-for-like, compared with 8.4% in the third quarter and 8.6% in the first half, driving a 9.5% increase over the year. The sustained growth observed in the fourth quarter attests to the improved situation in Brazil, where revenue grew 4.1% like-for-like after dipping 0.6% in the third quarter, and to continued strong gains in other South American markets, where revenue was 24.2% higher (excluding Brazil).

## Hotels

Reported 2007 revenue up 7.8%

Hotels revenue for the year rose 7.8% on a reported basis and 5.8% like-for-like, reflecting the upturn in the European hotel cycle observed since mid-2005, which led to improved occupancy rates and higher average prices. "Dynamic pricing" policy implemented by Accor combined with its "marketplace policy" also led to improved RevPAR.

The 2007 Rugby World Cup generated EUR16 million in revenue for the Hotels business. Excluding this event, the Hotels business's revenue would have increased by 5.5% like-for-like, compared with the actual like-for-like increase of 5.8%.

In addition, Germany's Dorint was consolidated for the first time and 28,400 new rooms were opened. In all, the Group's Hotel expansion strategy boosted annual Hotels revenue by 9.5%. During the year, the Group continued to sell hotel properties under its "asset right" strategy. These transactions, which included outright sales and sales under management-back and franchise-back agreements, reduced Hotels revenue for the year by 6.0%. The currency effect in the Hotels business was a negative 1.6%, mainly due to the euro's appreciation against the dollar.

Hotels revenue for the fourth quarter rose 6.0% on a reported basis and 6.9% like-for-like. Excluding the effect of the Rugby World Cup, the like-for-like increase was 6.5%.

In Europe, fourth quarter Hotels revenue increased 7.9% like-for-like, on the back of 6.7% growth in the third quarter and 5.4% in the first half, leading to a 6.4% increase over the year.

### Upscale and Midscale Hotels

Revenue from upscale and midscale hotels rose 8.8% like-for-like in the fourth quarter, compared with increases of 7.7% in the third quarter and 6.0% in the first half, translating into annual growth of 7.2%.

In France, which accounts for over 36% of revenue from this segment, growth came to 10.6% like-for-like in the fourth quarter and 9.0% over the full year. This performance was attributable to a sharp 12.8% rise in RevPAR, reflecting the efficiency of Accor's "dynamic pricing" policy, with the French transport strikes having only a limited impact on fourth quarter business.

Northern Europe also performed well in the fourth quarter, particularly the United Kingdom and Germany where like-for-like revenue was up 10.7% and 5.0% respectively, compared with a 6.7% increase and a 0.4% decline in the third quarter, and rises of 8.1% and 1.2% in the first half. Over the full year, revenue was up 8.5% like-for-like in the United Kingdom and 1.7% in Germany, where 2006 activity had been boosted by the Football World Cup.

### Economy Hotels (outside the United States)

Revenue from economy hotels outside the United States rose 6.6% like-for-like in the fourth quarter, compared with increases of 6.2% in the third quarter and 5.7% in the first half, leading to annual growth of 6.1%.

In France, which contributes 42% of the segment's revenue, like-for-like growth in the fourth quarter came to 5.6%, versus 6.0% in the third quarter and 3.6% in the first half, leading to a 4.7% increase over the year.

In the United Kingdom, revenue increased 8.0% like-for-like in the fourth quarter, compared with 10.2% in the third quarter and 12.4% in the first half, representing annual growth of 10.6%. In Germany, fourth quarter revenue was 4.9% higher like-for-like, compared with increases of 3.0% in the third quarter and 0.6% in the first half. Over the full year, like-for-like revenue growth in Germany stood at 2.3%.

### US Economy Hotels

Like-for-like revenue from economy hotels in the United States was up 1.5% for the year. Growth slowed to 0.7% in the fourth quarter, from 1.6% in the third quarter and 1.9% in the first half. The 15.1% decline in reported revenue for the year reflects the early-September divestment of Red Roof Inns, which was removed from the scope of consolidation effective August 31, 2007, and the dollar's weakness against the euro.

Motel 6's like-for-like revenue rose 0.7% in the fourth quarter, compared with increases of 1.6% in the third quarter and 1.2% in the first half, translating into 1.2% growth over the full year. The modest growth in the fourth quarter reflects the gas price per gallon surge and the slowdown of housing starts.

### Other businesses

Reported revenue from other businesses contracted 22.8% in the fourth quarter, following divestment of the Italian Food Services business (removed from the scope of consolidated effective September 30, 2007) and of Go Voyages (removed from the scope of consolidation effective April 30, 2007). Like-for-like growth in revenue from other businesses was 4.7% for the fourth quarter and 6.0% for the year. Amongst these activities, Lenôtre annual reported revenue rose 5.6%, reflecting the positive impact of the Rugby World Cup (bringing EUR2 million additional revenue) and Pré Catelan Restaurant's obtaining of a third Michelin Star.

### 2007 earnings objective

Dynamic growth in the European hotel market in the fourth quarter and ongoing sustained growth in the Services business led to higher-than-expected revenue for the last three months of the year. As a result, the Group has upgraded its 2007 earnings forecast and now expects to report Operating Profit before tax and non-recurring items slightly above EUR900 million, compared with the target of EUR870 million to EUR890 million announced in August 2007.

Accor, the European leader and a major global group in hotels, the global leader in services to corporate clients and public institutions, operates in nearly 100 countries with 170,000 employees. It offers to its clients over 40 years of expertise in its two core businesses:

- Hotels, with the Sofitel, Pullman, Novotel, Mercure, Suitehotel, Ibis, All Seasons, Etap Hotel, Formule 1 and Motel 6 brands, representing more than 4,000 hotels and nearly 500,000 rooms in 90 countries, as well as strategically related activities, such as Lenôtre.

- Services, with 23 million people in nearly 40 countries benefiting from Accor Services products in human resources, marketing services and expense management.

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