

Accor Sells Sofitel The Grand (Amsterdam) Under a Sale and Management-Back Agreement for EUR
92 Million
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As part of the ongoing implementation of its "asset-right" strategy, Accor announced today that it has sold the Sofitel The Grand hotel in Amsterdam under a sale and management-back arrangement. The transaction is based on an enterprise value of EUR92 million.

Accor sold the Sofitel The Grand for a consideration of EUR60 million (EUR330,000 per room). The buyer has agreed to finance EUR32 million in renovation work. Including the renovation costs, the total price per room comes to EUR505,000.

Accor will continue to run the hotel under a 25-year management contract and retain a 40% interest in the owning company.

The transaction will have a EUR68 million impact on adjusted net debt.

The transaction is aligned with Accor's luxury hotel asset management strategy, which is designed to reduce capital intensity and earnings volatility by selling hotel properties while continuing to manage them over the long term. This strategy is enabling the Group to focus on its core competency, which is hotel management.

A national heritage building and the former Amsterdam town hall, the Sofitel The Grand enjoys an exceptional location in the heart of the Dutch capital. It currently has 182 rooms and 1,300 square meters of meeting and banquet space.

When renovation work is completed in June 2009, the Sofitel The Grand will become a Sofitel Legend property, thereby ranking among the most prestigious in the Sofitel network. These unique hotels all feature outstanding architecture, sumptuous interior decoration and a rich cultural and historical heritage.

In addition to The Grand, six other Sofitels will eventually be rebranded as Sofitel Legend properties: the Winter Palace in Luxor, Egypt, the Old Cataract in Aswan, Egypt, the Palais Jamai in Fes, Morocco, the Metropole in Hanoi, Vietnam, the Hua Hin resort in Thailand and the Santa Clara in Cartagena, Colombia.

Accor, a major global group and the European leader in hotels, as well as the global leader in services to corporate clients and public institutions, operates in nearly 100 countries with 150,000 employees.

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