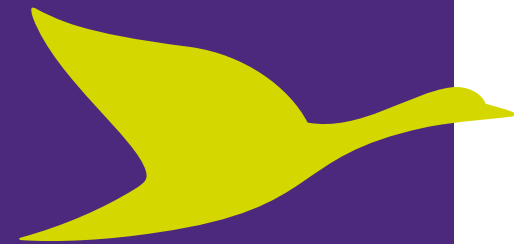


CONFERENCE CALL
Q4 and FY 2011 REVENUE
January 17, 2012





+5.2%

Like-for-like
+€311.5m

■ L/L growth

- Hotels: +5.4%
 - Up & Midscale: +5.0%
 - Economy excl. US: +6.3%
 - Economy US: +4.3%
- Other businesses: +2.2%

+1.8%

Expansion
+€107.7m

■ Expansion

- FY 2011: opening of 38,700 new rooms (318 hotels), of which
 - 15,500 rooms in Franchise (40% of openings)
 - 18,800 rooms in Management (49% of openings)

-4.3%

Disposals
€(255.2)m

■ Disposals

- o/w Asset Right Strategy for €(221.0)m
- o/w Lenôtre for €(32.0)m

-0.2%

Currency
€(12.6)m

■ Currency effect

- AUD: +0.5%, +€27.5m
- CHF: +0.2%, +€11.7m
- PLN: -0.1%, €(6.4)m
- USD: -0.5%, €(30.7)m

+2.5%

Reported
+€151.5m



+3.6%

Like-for-like
+€54.5m

■ L/L growth

- Hotels: +3.7%
 - Up & Midscale: +3.1%
 - Economy excl. US: +4.8%
 - Economy US: +4.5%
- Other businesses: +0.1%

+1.8%

Expansion
+€27.7m

■ Expansion

- Q4 2011: opening of 11,000 new rooms (94 hotels), of which:
 - 5,100 rooms in Franchise (46% of openings)
 - 5,200 rooms in Management (47% of openings)

-6.1%

Disposals
€(92.7)m

■ Disposals

- o/w Asset Right Strategy for €(60.4)m
- o/w Lenôtre for €(31.4)m

-0.4%

Currency
€(5.4)m

■ Currency effect

- AUD: +0.3%, +€4.1m
- USD: +0.1%, +€1.8m
- BRL: -0.2%, €(3.6)m
- PLN: -0.4%, €(5.9)m

-1.1%

Reported
€(16.0)m



Up & Midscale – Q4 2011 Revenue: €883m, +3.1% L/L

S O F I T E L
LUXURY HOTELS

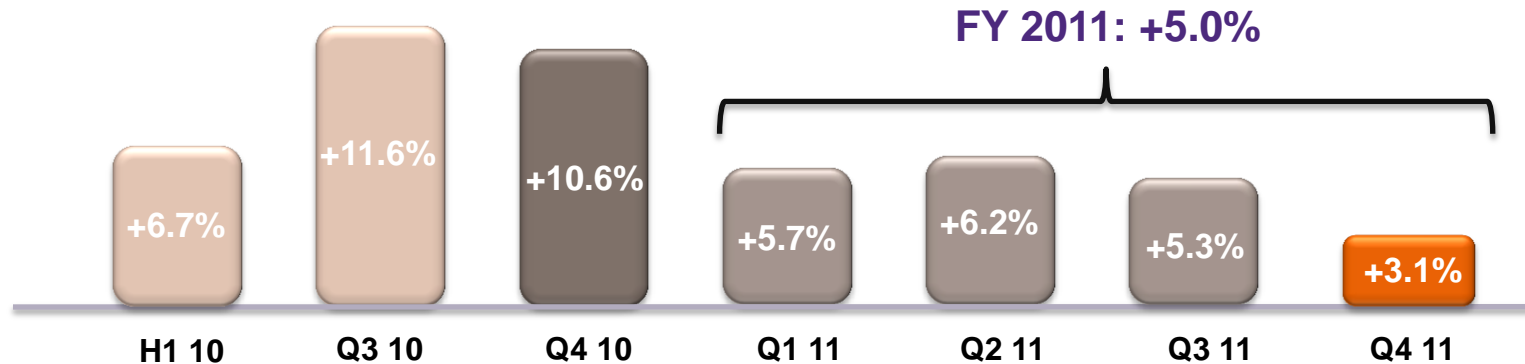
pullman
HOTELS AND RESORTS

NOVOTEL

Mercure

SOITE
NOVOTEL

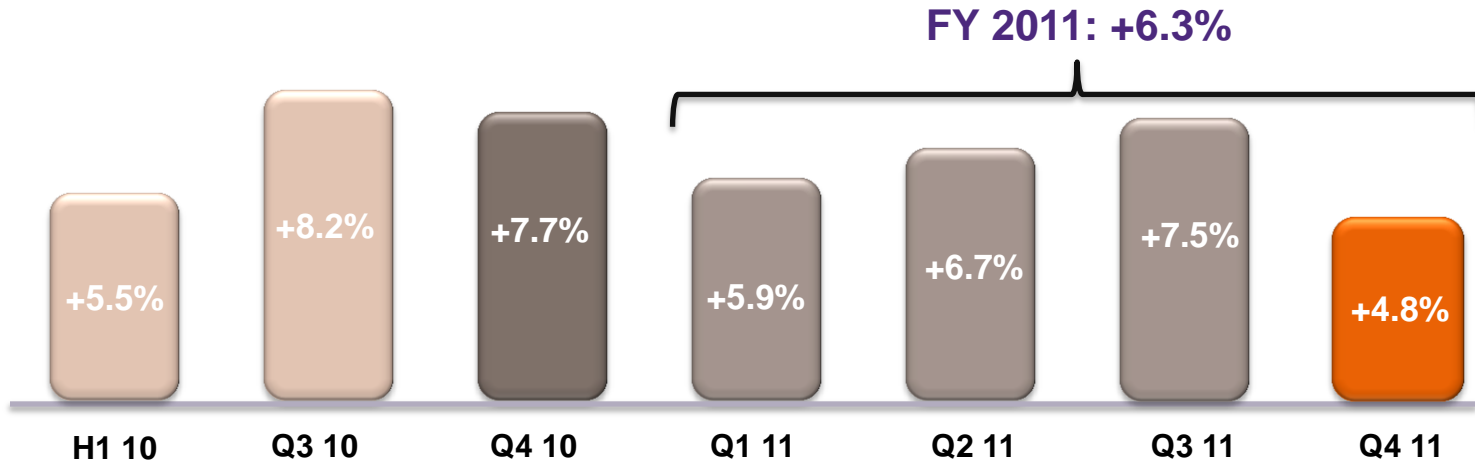
adagio
city apartment



- Continued solid performance in Q4 in our major markets
- RevPAR growth mainly led by price
- Emerging markets still booming: Q4 revenue up 8.0% in Asia Pacific and 14.6% in Latin America
- Southern Europe weighing on Q4 growth



Economy excl. US – Q4 2011 Revenue: €469m, +4.8% L/L



- Solid performance in Q4
- Robust price increase thanks to high occupancy
- Continued solid performance in emerging countries: Q4 revenue up 6.6% in Asia Pacific and 19.3% in Latin America



France: Continued Solid Performance in Q4

S O F I T E L
LUXURY HOTELS

pullman
HOTELS AND RESORTS

NOVOTEL

Mercure

ibis
NOVOTEL

adagio
city residences

ibis
HOTELS

ibis
STYLES
HOTELS

ibis
budget
HOTELS

hotelF1

Revenue

	H1 2011		Q3 2011		Q4 2011		FY 2011	
	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)
Up & Midscale	613	+7.1	325	+6.7	306	+3.3	1,245	+6.1
Economy	351	+5.6	187	+7.1	171	+3.9	708	+5.6

- Increasing price impact now driving RevPAR growth in both segments across the country (Paris & Provinces)
- Batimat fair in November 2011 in Paris offsetting the lack of Motorshow in October, tougher comps in December as 2010 snowstorms had favorably impacted our business



Germany: Maintained at High Level



Revenue

	H1 2011		Q3 2011		Q4 2011		FY 2011	
	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)
Up & Midscale	277	+4.5	141	+1.8	147	+1.7	565	+3.1
Economy	121	+4.7	71	+2.6	64	+1.5	256	+3.3

- Occupancy at record level⁽¹⁾ (68.1% L/L for Up & Midscale, 70.4% for Economy), still leading RevPAR growth
- Improving pricing environment versus Q3

(1) Highest level since 2002



UK: Robust Growth in London

S O F I T E L
LUXURY HOTELS



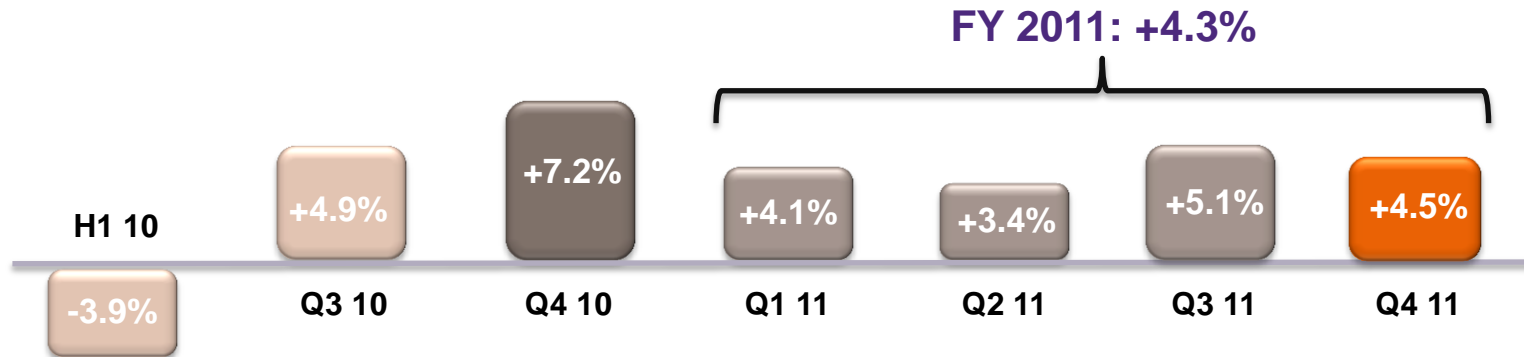
Revenue

	H1 2011		Q3 2011		Q4 2011		FY 2011	
	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)	€m	Δ (L/L, %)
Up & Midscale	112	+7.2	58	+6.6	59	+1.5	229	+5.6
Economy	76	+5.0	44	+9.8	41	+3.4	161	+5.9

- London remains at record levels (occupancy above 87%) with significant price increases in both segments
- Sharp improvement in occupancy in UK regions, particularly in Economy hotels



Economy US – Q4 2011 Revenue: €125m, up +4.5% L/L

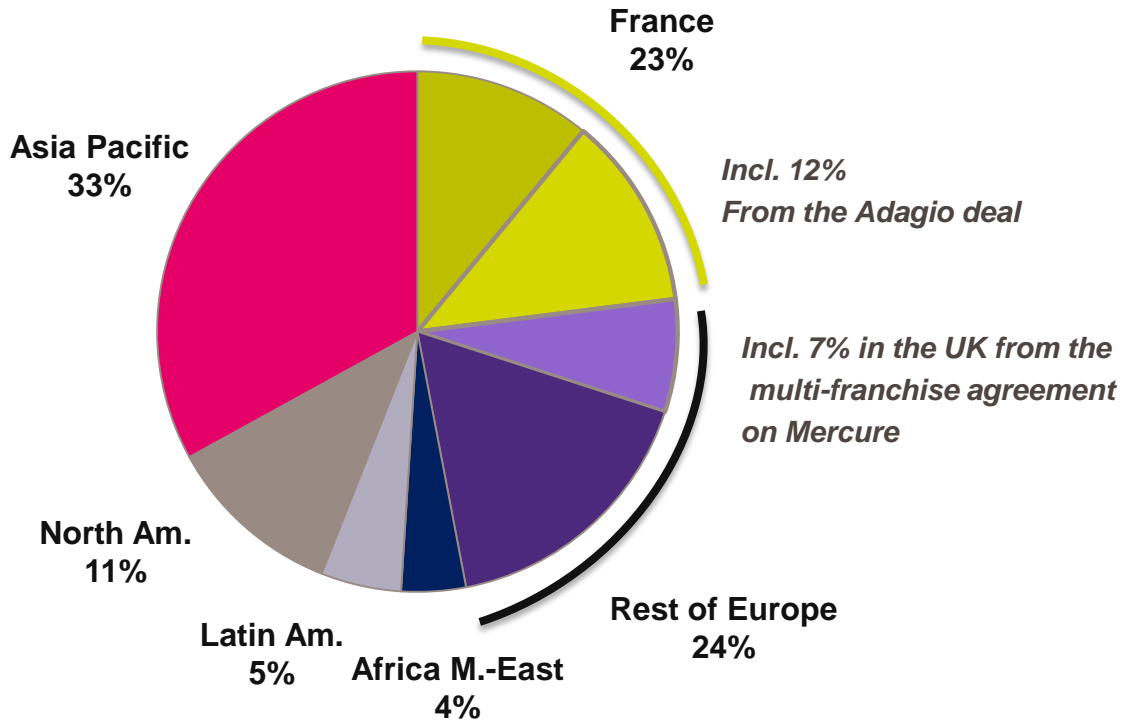


- Strong Revenue growth in Q4, mainly driven by prices (up 3.4%)
- Solid expansion: 55 franchise openings (4,100 rooms) in 2011, leading to a network of 488 franchised hotels (37,500 rooms, up 10% vs. 2010)

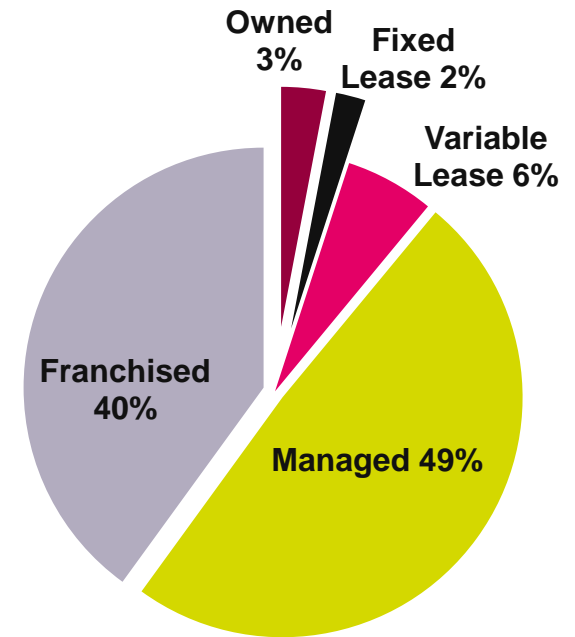


Record expansion in 2011: 38,700 rooms (318 hotels)

Openings in 2011 by region ⁽¹⁾



Openings in 2011 by ownership structure ⁽¹⁾

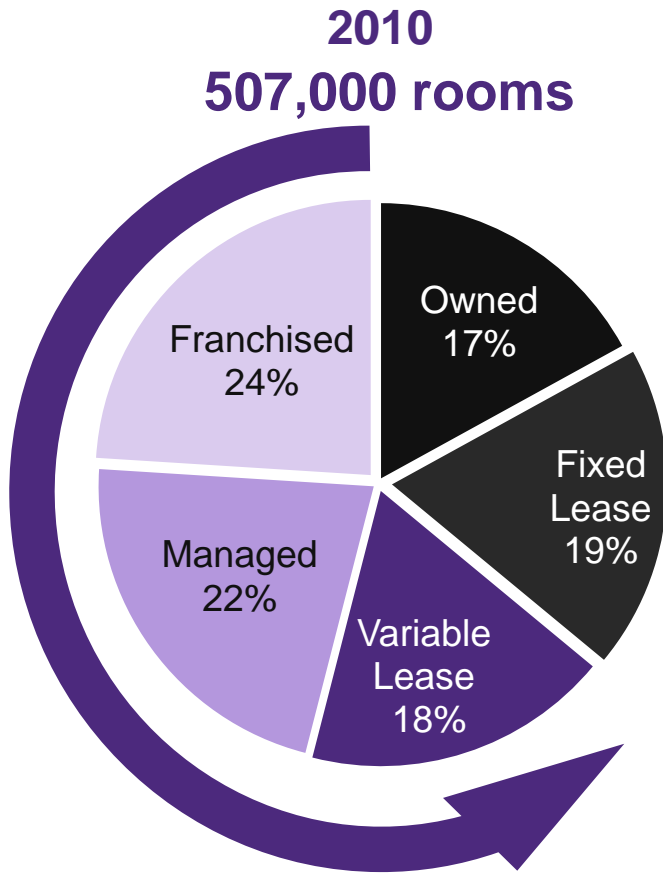


89% in Management and Franchise
95% Asset-Light

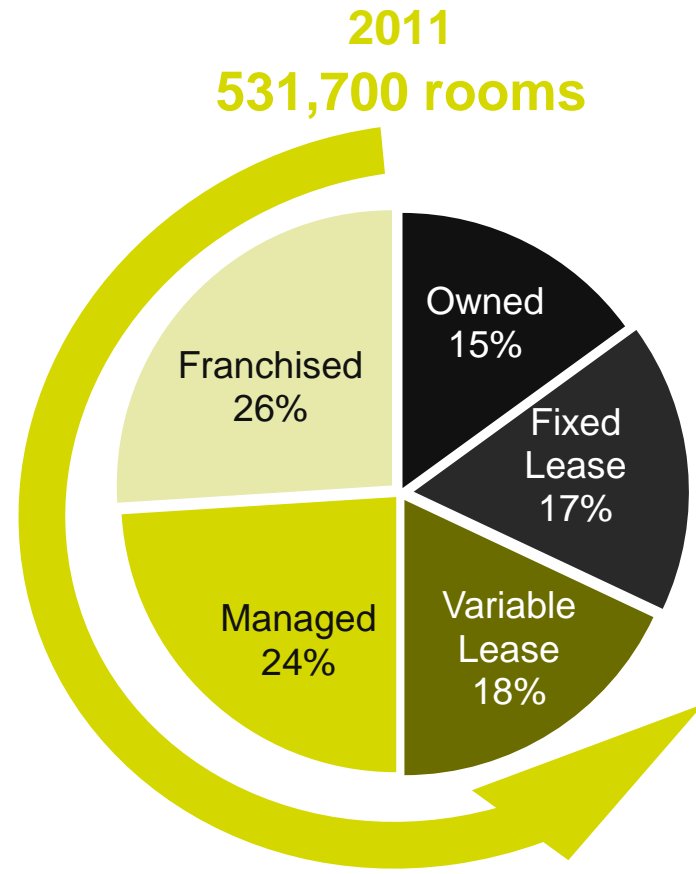
⁽¹⁾ In number of rooms



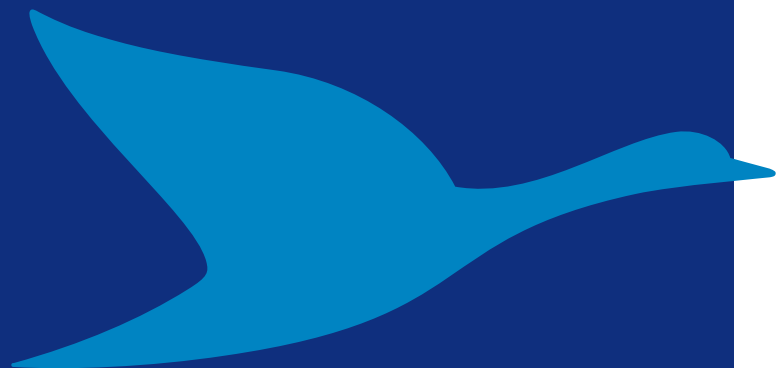
Portfolio at Year-End 2011



**64% Asset Light
(325k rooms)**



**68 % Asset Light
(362 k rooms)**



CONCLUSION



Confirmation of 2011 EBIT target

Ongoing cycle recovery in Q4

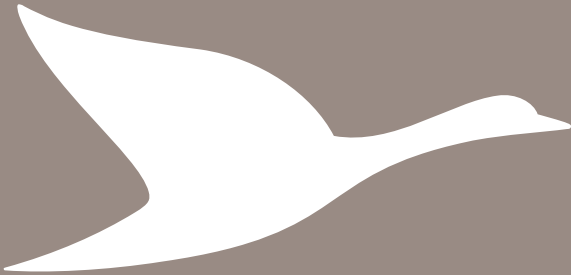
- High demand levels across all key markets
- Increasing pricing power throughout the year

Record year for expansion

- 38,700 room openings vs. 35,000 rooms targeted (95% Asset Light)

**2011 EBIT Target Confirmed:
between €510m and €530m**

Appendices





Hotels FY 2011 RevPAR by segment

<i>Excl. VAT</i>	Occupancy rate			Average Room Rate			RevPAR			
	Subsidiaries			Subsidiaries			Subsidiaries			Subsidiaries & managed
	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale Europe (in €)	65.4%	+1.9	+1.8	94	+3.9%	+2.9%	62	+7.0%	+5.7%	+6.2%
Economy Europe (in €)	71.0%	+2.5	+2.1	54	+1.8%	+1.2%	39	+5.5%	+4.3%	+5.7%
Economy US (in \$)	62.7%	+1.7	+1.2	43	+2.4%	+1.8%	27	+5.2%	+3.9%	+5.2%



Hotels Q4 2011 RevPAR by segment

<i>Excl. VAT</i>	Occupancy rate			Average Room Rate			RevPAR			
	Subsidiaries			Subsidiaries			Subsidiaries			Subsidiaries & managed
	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale Europe (in €)	62.9%	+0.2	+0.2	96	+2.7%	+2.2%	60	+3.0%	+2.5%	+1.2%
Economy Europe (in €)	67.9%	+0.6	+0.3	55	+1.8%	+1.6%	38	+2.7%	+2.0%	+3.1%
Economy US (in \$)	58.5%	+1.0	+0.6	42	+4.0%	+3.5%	25	+5.9%	+4.5%	+5.9%



Up & Midscale Hotels FY 2011 RevPAR by Country

<i>Excl. VAT</i> <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	27,490	66.8%	+2.3	117	+5.8%	78	+9.6%	+7.5%	+5.6%
Germany	18,312	67.0%	+2.0	84	+1.9%	57	+5.1%	+3.1%	+5.3%
Netherlands	3,528	69.5%	+2.3	89	+3.3%	62	+6.9%	+6.9%	+11.2%
Belgium	1,677	70.7%	-2.4	101	+5.2%	71	+1.8%	+2.0%	+2.7%
Spain	2,739	58.1%	+0.2	74	+1.6%	43	+2.0%	+1.7%	+2.6%
Italy	3,884	61.6%	+0.7	90	+0.0%	56	+1.1%	+2.7%	+1.1%
UK (in £)	5,541	79.8%	+2.4	81	+3.4%	65	+6.6%	+5.7%	+5.9%



Up & Midscale Hotels Q4 2011 RevPAR by Country

<i>Excl. VAT</i> <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	27,490	63.1%	+0.3	119	+3.8%	75	+4.3%	+3.6%	-2.5%
Germany	18,312	68.1%	+1.1	86	+2.2%	59	+3.9%	+1.5%	+3.6%
Netherlands	3,528	66.7%	-2.0	89	+2.3%	60	-0.6%	-0.6%	+1.7%
Belgium	1,677	70.7%	-3.7	105	+2.6%	74	-2.5%	-2.1%	-1.2%
Spain	2,739	52.4%	-3.7	73	+1.4%	38	-5.2%	-5.3%	-5.9%
Italy	3,884	57.3%	-1.9	86	+0.4%	50	-2.9%	-2.5%	-2.2%
UK (in £)	5,541	78.6%	+1.5	83	+0.2%	65	+2.2%	+2.2%	+1.4%



Economy Hotels FY 2011 RevPAR by Country

<i>Excl. VAT</i> <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	37,364	72.1%	+2.2	53	+3.1%	38	+6.4%	+4.3%	+6.4%
Germany	15,391	71.2%	+2.8	55	+0.6%	39	+4.7%	+3.8%	+4.6%
Netherlands	2,289	73.9%	+0.7	74	+6.3%	54	+7.3%	+7.1%	+7.3%
Belgium	2,744	73.8%	+1.2	65	+0.4%	48	+2.0%	+4.4%	+0.4%
Spain	4,838	57.3%	+2.7	49	-1.9%	28	+2.9%	+2.9%	+2.9%
Italy	1,740	69.4%	+4.4	58	-2.3%	40	+4.3%	+6.4%	+4.3%
UK (in £)	9,121	77.4%	+5.1	46	-0.5%	36	+6.4%	+6.8%	+6.3%
USA (in \$)	68,658	62.7%	+1.7	43	+2.4%	27	+5.2%	+3.9%	+5.2%



Economy Hotels Q4 2011 RevPAR by Country

<i>Excl. VAT</i> <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(reported)
France	37,364	68.4%	+0.5	55	+3.9%	37	+4.7%	+2.5%	+4.9%
Germany	15,391	70.4%	+0.8	55	+0.4%	39	+1.5%	+2.1%	+1.5%
Netherlands	2,289	68.3%	-4.1	73	+6.4%	50	+0.4%	-0.8%	+0.4%
Belgium	2,744	74.8%	+2.2	67	-0.2%	50	+2.8%	+2.8%	+0.6%
Spain	4,838	51.1%	+0.7	48	-2.5%	24	-1.1%	-2.9%	-1.1%
Italy	1,740	59.6%	-5.3	58	+2.8%	34	-5.6%	+1.6%	-5.6%
UK (in £)	9,121	76.4%	+3.9	47	-2.1%	36	+3.2%	+3.5%	+3.7%
USA (in \$)	68,658	58.5%	+1.0	42	+4.0%	25	+5.9%	+4.5%	+5.9%



Reconciliation: FY 2011 L/L RevPAR vs Revenue

	RevPAR Sub. and Managed Reported	RevPAR Sub. Only Like-for-like	Like-for-like room revenues	Total Like-for-like revenues
Up & Midscale Europe	+6.2%	+5.7%	+5.5%	+4.9%
Economy Europe	+5.7%	+4.3%	+4.4%	+4.7%
Economy U.S (\$)	+5.2%	+3.9%	+3.7%	+4.3%



Reconciliation: Q4 2011 L/L RevPAR vs Revenue

	RevPAR Sub. and Managed Reported	RevPAR Sub. Only Like-for-like	Like-for-like room revenues	Total Like-for-like revenues
Up & Midscale Europe	+1.2%	+2.5%	+1.8%	+2.1%
Economy Europe	+3.1%	+2.0%	+2.2%	+2.5%
Economy U.S (\$)	+5.9%	+4.5%	+4.2%	+4.5%



FY 2011 Management & Franchise Fees by Segment

<i>Revenue (in €m)</i>	FY 2010 (reported)			FY 2011 (reported)			Change, at constant exchange rates		
	Managed	Franchised	Total	Managed	Franchised	Total	Managed	Franchised	Total
Up & Midscale	142,832	32,001	174,834	140,867	39,096	179,963	+3.0%	+22.4%	+6.5%
Economy	20,732	36,269	57,001	24,770	44,077	68,847	+21.2%	+21.2%	+21.2%
Economy US	-	15,578	15,578	-	18,228	18,228	-	+22.8%	+22.8%
TOTAL	163,565	83,848	247,413	165,637	101,401	267,038	+5.3%	+21.9%	+10.9%



Q4 2011 Management & Franchise Fees by Segment

Revenue (in €m)	Q4 2010 (reported)			Q4 2011 (reported)			Change, at constant exchange rates		
	Managed	Franchised	Total	Managed	Franchised	Total	Managed	Franchised	Total
Up & Midscale	41,439	8,206	49,645	39,098	10,295	49,392	-2.7%	+25.7%	+2.0%
Economy	5,722	8,960	14,681	7,137	10,823	17,959	+27.4%	+21.0%	+23.5%
Economy US	-	4,148	4,148	-	4,721	4,721	-	+13.0%	+13.0%
TOTAL	47,161	21,313	68,474	46,234	25,838	72,072	+1.0%	+21.2%	+7.3%



FY 2011 Exchange Rates

1€ = X foreign currency	FY 2010 average rate	FY 2011 average rate	2011 vs 2010 Change
Australian dollar (AUD)	1.44	1.35	+6.6%
Brazilian real (BRL)	2.34	2.33	+0.3%
Sterling (GBP)	0.86	0.87	-1.2%
Swiss Franc (CHF)	1.38	1.24	+10.6%
US Dollar (USD)	1.33	1.39	-4.9%
Chinese Yuan (CNY)	8.98	9.00	-0.2%



Q4 2011 Exchange Rates

1€ = X foreign currency	Q4 2010 average rate	Q4 2011 average rate	2011 vs 2010 Change
Australian dollar (AUD)	1.38	1.33	+3.2%
Brazilian real (BRL)	2.31	2.43	-5.2%
Sterling (GBP)	0.86	0.86	+0.3%
Swiss Franc (CHF)	1.32	1.23	+7.1%
US Dollar (USD)	1.36	1.35	+0.8%
Chinese Yuan (CNY)	9.04	8.57	+5.2%



2010 RevPAR excl. VAT – by segment

	Occupancy rate (%)				ARR				RevPAR			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Up & Midscale Europe (in €)	54.1	67.0	69.9	62.5	90	92	89	93	48	61	62	58
Economy Europe (in €)	59.3	72.6	74.8	67.3	53	54	53	54	31	39	39	37
Economy US (in \$)	56.6	63.2	67.0	57.5	40	42	44	40	23	26	29	23



2010 RevPAR excl. VAT – Up & Midscale

	Number of rooms	Occupancy rate (%)				ARR (in € exc. UK)				RevPAR (in € exc. UK)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	29,597	54.9	69.6	70.9	62.8	108	110	108	115	59	77	77	72
Germany	19,409	58.5	65.5	68.4	67.0	82	82	82	85	48	54	56	57
Netherlands	3,475	54.9	70.8	73.9	68.7	88	89	81	87	48	63	60	60
Belgium	1,802	62.6	77.5	77.8	74.4	100	97	86	102	62	75	67	76
Spain	2,385	46.4	61.7	65.9	56.0	75	76	69	72	35	47	46	40
Italy	3,715	49.4	66.7	67.3	59.2	83	93	96	86	41	62	65	51
UK (in £)	5,641	71.3	79.0	82.4	77.0	77	78	76	83	55	62	63	64



2010 RevPAR excl. VAT – Economy Hotels excl. US

	Number of rooms	Occupancy rate (%)				ARR (in € exc. UK & USA)				RevPAR (in € exc. UK & USA)			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	41,538	61.6	75.0	74.7	67.9	52	52	50	53	32	39	37	36
Germany	15,274	59.6	69.5	75.0	69.6	54	54	55	55	32	38	41	38
Netherlands	2,410	57.7	80.4	82.1	72.4	64	73	70	69	37	58	57	50
Belgium	2,392	64.6	75.9	76.7	72.6	66	67	60	68	43	51	46	49
Spain	4,680	47.5	58.5	62.0	50.4	50	50	49	49	24	30	30	25
Italy	1,552	53.9	70.4	70.5	64.9	61	61	57	56	33	43	40	37
UK (in £)	8,984	63.4	75.5	77.8	72.5	45	46	46	48	29	35	36	35
USA (in \$)	76,071	56.6	63.2	67.0	57.5	40	42	44	40	23	26	29	23