



Press Release

First-Half 2006 Revenue Good Performance in Accor's Two Core Businesses Hotels: +7.0% Services: +25.6%

(Paris – July 20, 2006) – Accor's consolidated **revenue rose 8.4%** to €3,690 in the first six months of 2006. At constant scope of consolidation and exchange rates, the increase was 6.0%.

Business expansion accounted for 3.6% of growth while asset disposals had a negative impact of 3.4%.

The increase in like-for-like revenue over the first half reflects a good performance across all businesses and regions. The Hotels business benefited from a solid recovery in Northern Europe (Germany, Benelux and the United Kingdom), led by Germany. Although growth was more moderate in Southern Europe (France, Spain and Italy), signs of an upturn were apparent in the second quarter especially in France. Revenue from Economy hotels in the US continued to deliver sustained growth in the first half. The Services business again reported excellent revenue growth.

(in € millions)	First-half 2005 proforma	First-half 2006 proforma	% Change (reported)	% Change (like-for-like*)
Hotels	2,493	2,666	+7.0%	+5.5%
Upscale and Midscale	1,390	1,462	+5.2%	+5.7%
Economy	655	712	+8.7%	+4.7%
Economy US	448	492	+9.9%	+6.0%
Services	290	364	+25.6%	+16.3%
Other businesses	621	660	+6.2%	+3.2%
Total	3,404	3,690	+8.4%	+6.0%

* At constant scope of consolidation and exchange rates

Note: In accordance with IFRS, all data reported in 2005 and 2006 have been adjusted to reflect the disposal of Carlson Wagonlit Travel (see appendix).



Hotels

Growth accelerated in the second quarter compared to the first. Adjusted for the positive impact of the soccer World Cup and Easter vacation, revenue rose 5.6% in the second quarter and 4.6% in the first three months of the year.

Upscale and Midscale Hotels

First-half revenue in the Upscale and Midscale segment increased 5.2% as reported and 5.7% like-for-like.

In Germany, like-for-like revenue growth came to 10.4%. Excluding the impact of the World Cup, the increase was 7.3%, reflecting a more favorable economic environment. Business conditions were also more favorable in Benelux, where revenue rose 6.0% like-for-like. In the United Kingdom, particularly strong business in London lifted like-for-like revenue by 7.5%.

Activity in France picked up speed over the period, with like-for-like revenue up 0.9% in the first quarter and 3.0% in the second, for a total gain of 2.1%.

Economy Hotels (outside the United States)

In the Economy segment (excluding the US), revenue rose 8.7% as reported and 4.7% like-for-like.

The World Cup fueled the 7.7% like-for-like increase in Germany. Factoring out this event, first-half revenue was up 4.3% thanks to the good business environment. In Benelux, like-for-like revenue growth came to 9.3%.

In France, stronger demand led to a 3.1% gain over the period, with like-for-like revenue up 1.8% in the first quarter and 4.1% in the second.

Economy Hotels in the US

Growth continued in this segment, with revenue up 6.0% like-for-like. The upward trend tapered off slightly at the end of the period, in an environment shaped by higher oil prices. The positive currency effect accounted for 4.8 points of the 9.9% rise in reported revenue.



Services

The Services business again turned in an excellent performance, with revenue up 25.6% as reported and 16.3% like-for-like.

Product range extensions made a significant contribution to growth. Examples include the *Ticket Emploi Service* in Belgium (like-for-like revenue up 22.5%), the *Childcare voucher* in the UK (up 21.1%) and the *Ticket Car* in Mexico (up 21.1%).

Increase of penetration rates also made a contribution to revenue growth. For instance in Venezuela, revenue rose 40.7% like-for-like.

Business expansion accounted for 4.7% of reported growth, mainly through four recent acquisitions: Hungastro in Romania (meal vouchers), Delicard in Sweden (gift vouchers), Stimula in France (gift vouchers) and Commuter Check in the United States (transportation vouchers).

The currency effect added 5.9 points to revenue growth and primarily reflected the appreciation of the Brazilian real against the euro.

Accor, European leader in hotels and tourism, global leader in corporate services, operates in nearly 100 countries with 160,000 employees. It offers to its individual and corporate clients nearly 40 years of expertise in its two core businesses:

- **Hotels**, with the **Sofitel, Novotel, Mercure, Suitehotel, Ibis, Red Roof Inn, Etap Hotel, Formule 1 and Motel 6 brands**: over 4,000 hotels and 475,000 rooms in 90 countries, as well as strategically related activities, such as **Lenôtre**;
- **Services to corporate clients and public institutions**: 21 million people in 35 countries benefit from **Accor Services** products – meal and food vouchers, people care, incentive and loyalty programs.

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**Disposal of Carlson Wagonlit Travel :
IFRS restatement**

Consolidated Revenue in Euro million	Reported Revenue	Proforma Revenue
1st quarter 2005	1,676	1,562
2nd quarter 2005	1,967	1,842
Half year 2005	3,643	3,404
1st quarter 2006	1,850	1,733
2nd quarter 2006	2,089	1,957
Half year 2006	3,939	3,690





Disposal of Carlson Wagonlit Travel : P&L IFRS restatement

H1 2005 P&L on a proforma basis following the disposal of Carlson Wagonlit Travel

<i>In Euro million</i>	<i>H1 2005 Reported</i>	<i>Adjustments from CWT</i>	<i>H1 2005 Proforma</i>
Consolidated Revenue	3 643	(239)	3 404
EBITDAR	904	(40)	864
EBITDA	498	(29)	469
EBIT	290	(24)	266
Operating Profit Before Tax and Non Recurring Items	230	(24)	206
Profit Before Tax	238	(21)	217
Income Tax Expense	(69)	6	(63)
Profit or Loss From Discontinued Operations	0	15	15
Net Profit	169	0	169
Minority Interests	(13)	0	(13)
Net Profit, Group Share	156	0	156

FY 2005 P&L on a proforma basis following the disposal of Carlson Wagonlit Travel

<i>In Euro million</i>	<i>FY 2005 Reported</i>	<i>Adjustments from CWT</i>	<i>FY 2005 Proforma</i>
Consolidated Revenue	7 622	(486)	7 136
EBITDAR	1 986	(80)	1 906
EBITDA	1 149	(52)	1 097
EBIT	717	(36)	681
Operating Profit Before Tax and Non Recurring Items	603	(34)	569
Profit Before Tax	488	(29)	459
Income Tax Expense	(124)	7	(117)
Profit or Loss From Discontinued Operations	0	22	22
Net Profit	364	0	364
Minority Interests	(31)	0	(31)
Net Profit, Group Share	333	0	333

Carlson Wagonlit Travel Net Profit will be consolidated in 2005 and 2006, below "Operating Profit Before Tax and Non Recurring Items" under "Profit or Loss from Discontinued Operations"



Revenue

In Euro thousand	Quarter 1		Quarter 2		Half Year	
	2005 proforma	2006 proforma	2005 proforma	2006 proforma	2005 proforma	2006 proforma
HOTELS						
Upscale and Midscale	631 473	680 442	758 144	781 295	1 389 617	1 461 737
Economy	294 400	321 437	361 011	390 876	655 411	712 313
Economy US	200 753	231 601	246 767	260 157	447 521	491 758
Total HOTELS	1 126 626	1 233 480	1 365 923	1 432 328	2 492 549	2 665 807
SERVICES	139 716	179 360	150 374	185 118	290 090	364 479
Other Businesses						
Casinos	76 070	76 980	75 597	80 759	151 667	157 738
Restauration	118 125	141 609	133 275	141 505	251 400	283 114
On-board train services	59 638	59 343	68 842	65 572	128 479	124 915
Other	42 102	42 438	47 859	51 738	89 960	94 176
Total other businesses	295 935	320 370	325 572	339 574	621 506	659 943
Total	1 562 277	1 733 210	1 841 869	1 957 020	3 404 146	3 690 229

*Based on constant scope of consolidation and exchange rates

According to IFRS rules, all figures included Q1 and Q2 released in 2005 and 2006 have been restated, excluding Carlson Wagonlit Travel figures.

	Quarter 1		Quarter 2		Half Year	
	Change Reported %	Change L/L %	Change Reported %	Change L/L %	Change Reported %	Change L/L % (*)
HOTELS						
Upscale and Midscale	7.8%	5.5%	3.1%	5.9%	5,2%	5,7%
Economy	9.2%	3.6%	8.3%	5.6%	8,7%	4,7%
Economy US	15.4%	6.6%	5.4%	5.5%	9,9%	6,0%
Total HOTELS	9.5%	5.2%	4.9%	5.7%	7,0%	5,5%
SERVICES	28.4%	15.9%	23.1%	16.7%	25,6%	16,3%
Other Businesses						
Casinos	1.2%	0.8%	6.8%	6.6%	4,0%	3,7%
Restauration	19.9%	8.9%	6.2%	-2.9%	12,6%	2,7%
On-board train services	-0.5%	-0.1%	-4.7%	-4.6%	-2,8%	-2,5%
Other	0.8%	8.5%	8.1%	14.9%	4,7%	11,9%
Total other businesses	8.3%	4.9%	4.3%	1.6%	6,2%	3,2%
Total	10.9%	6.1%	6.3%	5.9%	8,4%	6,0%

*Based on constant scope of consolidation and exchange rates



RevPAR by segment

HOTELS : RevPAR by segment at June-end 2006 (YTD)	Occupancy Rate subsidiaries (reported)		Average room rate subsidiaries (reported)		RevPAR			
	(in %)	(var in pts)		(var in %)	subsidiaries (reported basis)	subsidiaries (reported basis)	subsidiaries (like-for-like basis(1))	subsidiaries & managed (reported basis)
Upscale and Midscale Europe	63.2%	+1,5	99	4.8%	62	7.3%	6.4%	7.5%
Economy Europe	71.0%	-0.4	52	6.2%	37	5.7%	4.9%	5.5%
Economy US (in \$)	64.7%	-0.2	46	6.6%	30	6.3%	6.0%	6.3%

(1) at comparable scope of currency and perimeter



RevPAR by country

UPSCALE AND MIDSCALE HOTELS RevPAR by country at June-end 2006 (YTD) (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		subsidiaries (reported)		subsidiaries (reported)		subsidiaries	subsidiaries	subsidiaries	subsidiaries & managed
		(in %)	(var in pts)	(var in %)	(var in %)	(reported basis)	(reported basis)	(like-for-like basis(1))	(reported basis)
France	30,395	61.4%	+0.5	105	2.2%	64	3.1%	2.9%	3.0%
Germany	13,623	63.8%	+5.0	79	8.6%	50	17.7%	15.4%	15.2%
Netherlands	3,696	64.8%	+0.1	113	12.1%	73	12.3%	12.3%	11.6%
Belgium	2,230	66.2%	+0.4	102	2.8%	67	3.4%	3.4%	6.6%
Spain	2,250	60.0%	-2.2	99	3.6%	59	0.0%	11.8%	-0.2%
Italy	3,023	64.3%	+4.3	113	0.2%	73	7.3%	7.3%	7.3%
UK (in £)	5,146	74.4%	+2.5	79	3.5%	59	7.1%	7.4%	7.3%
USA (in \$)	2,626	70.5%	-3.8	197	16.0%	139	10.0%	9.5%	10.7%

(1) at comparable scope of currency and perimeter

ECONOMY HOTELS RevPAR by country at June-end 2006 (YTD) (in local currency)	Number of rooms	Occupancy Rate		Average room rate		RevPAR			
		subsidiaries (reported)		subsidiaries (reported)		subsidiaries	subsidiaries	subsidiaries	subsidiaries & managed
		(in %)	(var in pts)	(var in %)	(var in %)	(reported basis)	(reported basis)	(like-for-like basis(1))	(reported basis)
France	44,353	71.9%	-1.4	45	5.4%	32	3.4%	3.2%	3.4%
Germany	15,259	69.3%	+1.1	55	7.1%	38	8.9%	8.6%	9.1%
Netherlands	2,215	77.1%	+6.0	73	6.3%	57	15.3%	15.3%	15.3%
Belgium	2,477	74.0%	+0.4	64	4.9%	47	5.5%	5.5%	5.5%
Spain	3,623	74.3%	+2.5	51	6.4%	38	10.2%	9.7%	10.2%
Italy	1,317	58.2%	+0.3	75	1.3%	44	1.9%	5.4%	1.9%
UK (in £)	6,632	71.4%	-3.2	50	5.0%	36	0.5%	0.8%	0.9%
USA (in \$)	107,970	64.7%	-0.2	46	6.6%	30	6.3%	6.0%	6.3%

(1) at comparable scope of currency and perimeter