



Press release

Paris, March 5, 2003

2002 Annual Results

Free Cash Flow Up, Margins Maintained

Proposed Dividend Unchanged

(in EUR millions)	2001	2002	% change
Consolidated sales	7,290	7,139	-2.1
EBITDAR	1,971	1,936	-1.8
<i>as a % of sales</i>	<i>27.0%</i>	<i>27.1%</i>	
Profit before tax	758	703	-7.3
Net income, Group share	474	430	-9.3
Earnings per share (in EUR)	2.40	2.18	-9.2
Proposed dividend (in EUR)	1.05	1.05	-
Free cash flow	600	645	+7.5

Sound Results in a Challenging Environment

Accor reported profit before tax of EUR 703 million in 2002, in line with the target of EUR 700 million announced during the year. Free cash flow improved by 7.5% to EUR 645 million, while the dividend to be approved by Annual General Meeting of Shareholders on May 20, 2003 is unchanged at EUR 1.05.

In an environment shaped by a slowdown in business in major cities worldwide, the Business & Leisure Hotels division maintained its margins thanks to good performance in France. In Economy Hotels (outside the U.S.), margins were adversely impacted in France by higher payroll costs and new contractual arrangements with independent operators of hotels.

Economy hotels margins rose elsewhere in Europe. In U.S. Economy Hotels, a significant cost savings program limited the decline in margins, despite lower sales.



Accor Services performed well in local currencies, but was negatively affected by South American currency devaluations.

Of the Group's other businesses, Travel Agencies saw a substantial improvement in profitability.

Overall, the consolidated EBITDAR margin held firm at 27.1% of sales, compared with 27.0% in 2001, thanks to tight management and efficient control over operations.

Priorities for 2003

Despite the current unfavorable environment, Accor is committed to leveraging its unique strengths to increase its market share, streamline its organization and maintain its expansion, while pursuing a more selective investment strategy.

With 150,000 associates in 140 countries, **Accor** is the European leader and one of the world's largest groups in travel, tourism and corporate services, with two major international activities:

- **hotels**: 3,836 hotels (441,281 rooms) in 90 countries, casinos, travel agencies, and restaurants;
- **services** to corporate clients and public institutions: each day, 13 million people in 32 countries use a broad range of services (food vouchers, people care and services, incentive, loyalty programs, events) engineered and managed by Accor.

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Further information on Accor is available on Internet at accor.com