



Press Release

Paris, March 19, 2007

Mercure Steps Up Development in the United Kingdom and Asia-Pacific

A Major Step Forward in the UK for Mercure

Accor announced today that it has signed a management contract with **Moorfield Real Estate Fund for 23 hotels in the United Kingdom**, representing 2,236 rooms. The 20-year contract to manage Mercure brand hotels is renewable for a period of 10 years.

Already present in Britain with the Mercure London City Bankside and the Mercure Brigstow Bristol, Mercure is adding unique establishments that meet the brand's standards of excellence, like the **Castle Hotel in Windsor**, the **Queen's Hotel in Cheltenham**, the **St Paul's Hotel in Sheffield** and **The Shakespeare Hotel in Stratford-upon-Avon**.

Mercure, Accor's non-standardized midscale hotel brand, is Europe's third-largest chain with 723 properties in 49 countries. The 23 new hotels, which are well located in most of the country's regions, will benefit from the leverage of all the brand's skills and know-how, as well as enabling the chain to step up its development and expand its market coverage in the United Kingdom. Combined 2006 revenue for the hotels is estimated at around £84 million.

Accor already has **97 hotels with a total** of 14,111 rooms **in the UK**, of which there are 2 Sofitel, 30 Novotel, 2 Mercure, 47 Ibis, 6 Etap Hotel and 10 Formule 1. The Mercure transaction is in line with Accor's strategic commitment to developing its operations in the country, notably with the opening of 2 Sofitel, 2 Novotel, 17 Etap Hotel and 10 Ibis by 2009.

Mercure pursues its development in the Asia-Pacific region

Accor's **300th hotel** in the Asia-Pacific region, the **Grand Mercure Xidan Beijing** (formerly the Marco Polo) offers 296 rooms and suites, ideally located in the heart of the Xidan shopping district, across from the Forbidden City and Tiananmen Square and near the Financial Street business district.

The Mercure chain is already present in the Asia-Pacific region with 17 unique hotels that have a strong regional character, particularly in China with the Mercure Shanghai Baolong (372 rooms), the Grand Mercure Xian on Renmin Square (202 rooms) and the Grand Mercure Shenzhen Oriental Ginza (481 rooms).

Six new Mercure hotels are expected to open in the region by year-end 2007.

“Each Mercure hotel is unique and nurtures its hospitality expertise, to provide customers with a personalized stay and experience,” said Accor Chief Executive Officer **Gilles Pélisson**. “As a springboard for Mercure’s development in the United Kingdom, the 23 new hotels will support the chain’s commitment to delivering comfortable lodging, a warm welcome, and the outstanding hospitality that has made the brand’s reputation in its 49 host countries.”

“We are delighted to have formed this partnership with Accor and we look forward to optimising the operational and asset potential of these hotels together,” said Moorfield Group Chief Executive **Marc Gilbard**. “Accor is clearly a first class international operator and their skills combined with Moorfield Group’s asset and financial capabilities should ensure a successful future for all concerned.”

Moorfield Real Estate Fund Limited Partnership (MREF) was established by Moorfield Group (www.moorfield.com) in July 2005 and is a private equity fund focused on real estate and real estate-related investment opportunities. MREF has over £1 billion of purchasing capacity plus the ability to raise further funds through co-investment with its international ‘blue chip’ fund investors.

Offering the promise of a personalized stay, nurtured by exceptional hospitality expertise, Mercure serves the needs of business travelers and tourists with 723 hotels, often in city centers, in 49 countries worldwide.

Accor, the European leader in hotels and tourism, and a 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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