



Press Release

Accor sells 30 hotel properties in the United Kingdom for €11 million and signs a development partnership with Land Securities

Paris, February 12, 2007. _ As part of its asset management strategy, Accor said today that it has signed a memorandum of understanding to sell 30 hotel properties (5,000 Ibis and Novotel rooms) in the United Kingdom to **Land Securities** for **€11 million**.

Accor will continue to operate the hotels under 12-year variable leases, whose rents are based on an average 21% of annual revenues with no guaranteed minimum. The leases are renewable six times, for a total of 84 years (the variable rent for 2006 would have amounted to €41 million). Expenses related to the real estate and hotel building – structural maintenance capex and insurance costs – will henceforth be borne by the new owner. Finally, the agreement includes a €53 million renovation program financed by the owner.

The transaction enables Accor to partner with a leading UK property company. Land Securities is a FTSE 100 company with a market value of more than €15 billion, which owns property assets in England, Scotland and Northern Ireland. In addition, the agreement signed today calls for the creation of a long-term development partnership that will enable Accor to step up its expansion program in the United Kingdom.

Financially, the transaction will enable Accor to reduce its adjusted net debt by €584 million, of which €172 million will be added to the Group's cash reserves. It will have no impact on EBITDA but will add €7 million to 2007 profit before tax.

Accor's financial advisers on the transaction were NM Rothschild & Sons, with legal and tax advice by CMS Cameron Mc Kenna.

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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