



Press Release

2003 Interim Results EUR 180 Million in Profit Before Tax

Paris, September 10, 2003

in EUR millions	H1 2002	H1 2003	Change	
			Reported	Like-for-Like*
Revenues	3,585	3,306	-7.8%	-0.4%
Ebitdar	933	817	-12.5%	-5.5%
Ebitdar margin	26.0%	24.7%	-1.3 pts	-1.4 pts
Profit before tax	303	180	-40.6%	-22.8%
Net income (Group share)	221	106	-52.0%	-
Funds from operations	465	379	-18.5%	-

*At comparable scope of consolidation and exchange rates

First-half results

First-half 2003 was shaped by a combination of events unprecedented in the tourism industry and by a negative currency effect. In this environment, Accor reported an Ebitdar margin of 24.7%, compared with 26% in first-half 2002, thanks to its balanced business portfolio and efficient management of costs. On a like-for-like basis, profit before tax declined by 22.8%.

The Hotels business was particularly hard hit, reaching a low point in April, with the combined effects of the war in Iraq, the SARS epidemic, the decline in US and Asian tourists in Europe, and social unrest in France in May and June. Nonetheless, the Economy hotel segment in Europe again demonstrated its resilience.

The Services business was strongly affected by currency devaluations in Latin America and the impact of lower financial revenues in these countries. At constant scope of consolidation and exchange rates, Ebitdar from Services rose by 4.8%.



Current actions

Led by the dedication and responsiveness of its teams, Accor is pursuing its short and medium-term actions to:

- Increase market share through sales initiatives and an assertive expansion strategy in Europe, with the opening of nearly 180 hotels (20,000 rooms) in 2003 worldwide.
- Improve productivity through the new Hotels organization in Europe.
- Carefully select its capex commitments.

Outlook

In light of the first-half results and continuing weak business during the summer, except in the United States where a slight upturn has been observed, the Group has set a full-year profit before tax objective of approximately €500 million.

The current actions and Accor's still solid fundamentals effectively position the Group to benefit from the forthcoming economic rebound.

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**: nearly 4,000 hotels (450,000 rooms) in 90 countries, casinos, travel agencies, and restaurants;
- **services** to corporate clients and public institutions: 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***