



Press release

Paris - September, 27, 2000

Sharp increase in first half 2000 results

<i>(EUR million)</i>	H1 99	H1 00	<i>Change</i>
Consolidated Sales	2 854	3 316	+ 16,2%
EBITDAR	683	851	+ 24,6%
Total Income from Operations	239	326	+ 36,1%
Net Income, Group Share	155	196	+ 26,9%

Higher Results and Profitability

Consolidated Sales rose by 20.7% excluding disposals and currency impact. Of this total, 14.8% reflects new business development (notably the acquisition of Red Roof Inns in the US in July 1999). **EBITDAR** rose by 24.6%.

Reflecting productivity gains, the ratio of EBITDAR to sales rose by 1.8 point, to 25.7%, in the first half of 2000.

Total Income from Operations rose by 36.1% ; It represents 9.8% of sales, 1.4 point higher than the prior year period.

Net Income, Group Share jumped by 26.9% to EUR 196 million. Earnings Per Share rose by 16.7%, following conversion of bonds issued in 1991.

Return on Capital Employed (ROCE) amounted to 11.3% - or 11.7% excluding hotels under construction -, an increase of 0.3 point over the first half of 1999.

The Group's **Debt-to-Equity ratio** improved by 5 percentage points over the first half of 1999 to 73.5%.

Sustainable, Well-Balanced Growth Strategy

In the **hospitality** industry, Accor enjoys a unique positioning in a high-growth potential sector. As of the end of August, the hotel portfolio comprised nearly 3,500 units (385,000 rooms) across all regions of the world and all market segments.

With expected 10.0% annual growth in its hotel portfolio, Accor strengthens its European leadership, pursues the international expansion of its economy lodging offering, develops Sofitel in key world gateways, and selectively expands its presence in emerging markets and leisure resorts.

This expansion is supported by a diversified, well-balanced financing strategy, without further capital dilution. It enables Accor to achieve sustainable, steady earnings growth by reducing cyclicity.



Services constitute a high-potential activity conducted on fast-growing markets, with sustained, steady development. Services are being expanded into new markets - Lebanon and China in the first half of 2000 - complementing the ongoing diversification of products and technologies.

Worldwide accessibility of Accor's products - notably economy lodging and European hotels - via the **Internet** will energize the Group's sales and reinforce the international recognition of Accor and its brands.

Favourable Trend in the First Eight Months of 2000

Hospitality (RevPAR)	<i>Change</i>
Upscale and Midscale Europe	+6,1%
Budget/Economy Europe	+7,0%
Budget/Economy USA	+2,8%
Services (issuance volume)	+22,0%
Travel Management (traffic)	+9,1%

2000 Targets

In each of the past six years, Accor has achieved double-digit earnings growth. For 2000, the Group expects **growth of at least 20% in Total Income from Operations and Net Income.**

Accor with 130,000 associates in 140 countries, is the European leader and one of the world's largest group in travel, tourism and services with two major international activities:

- **hotels:** 3,500 hotels (385,000 rooms) in 90 countries, and travel agencies, restaurants and casinos;
- **services:** each day, over 11 million people in 30 countries use a broad range of services (vouchers and cards, online services) developed, issued and managed by Accor on behalf of corporate clients and public authorities.

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Information on Accor are available on Internet at www.accor.com/finance