

Press release

Ho Chi Minh City, 5 March 2008

Accor strengthens its presence in Vietnam

- Launch of three Pullman and two Mercure hotels
- Two new Novotel hotels
- Opening of Accor Vietnam representative office in Ho Chi Minh City

Accor, Vietnam's leading international hotel operator, announced today its largest expansion, with the launch of its upscale Pullman and mid-scale Mercure brands, and the expansion of its well-established Novotel brand.

Accor also officially opened today in Ho Chi Minh City, the first full representative office of an international hotel operator in Vietnam. The new office will support and drive the growth of the Accor hotels network from its existing eight hotels to at least twenty hotels by the end of 2010.

Pullman hotels for Vietnam

Accor announced today that three Pullman hotels would be developed in Vietnam - two in the country's northern Lao Cai region and one in Vung Tau. **Pullman Lao Cai**, **Pullman Sapa Resort** and **Pullman Vung Tau** will be the first internationally branded hotels in two of Vietnam's rapidly growing tourist regions.

Pullman hotels target the business and conference markets in particular. They will typically be located in the heart of large international and regional cities, and close to major airports. The launch of the Pullman hotel brand is part of Accor's drive to reposition its brands, which will in particular elevate the Sofitel brand into the luxury segment. This strategy has created the opportunity to launch Pullman, a new brand of hotels clearly positioned in the upscale segment.

Pullman Sapa Resort (150 rooms) is expected to open in early 2010. It will be in the heart of Sapa town, with views of nearby mountains. The Pullman will comprise villa-style accommodation designed in the style of a village. The use of wood, stone, and bronze metals will ensure the hotel blends in with its natural environment.

Pullman Lao Cai (200 rooms), 260 kilometers northwest of Hanoi, will open in early 2011. It is located between the new city centre and the Lao Cai Train Station that serves the Haiphong Railway, the base for twice-daily train services from Hanoi.

Pullman Vung Tau (360 rooms), is expected to open in early 2010. It is located in the seaside capital city of Ba Ria Province, the petroleum centre of Vietnam. Adjacent to a 2,000 people convention centre, the hotel will become a leading MICE destination outside of Ho Chi Minh City.

These Pullman hotels will have excellent meeting facilities with the latest equipment, that balances conviviality, calm, and connectivity for business travelers.

According to Michael Issenberg, Accor Asia Pacific Chairman, the opening of these hotels will significantly upgrade the tourism infrastructure in Vietnam and will complement Accor's already strong presence in Hanoi. "The Pullman name is already well known in Vietnam as the Metropole Hanoi was a Pullman hotel before we re-branded it to Sofitel in the early 1990s. These three new Pullmans will revive one of the great names in hospitality," said Issenberg. "With inbound tourism to Vietnam booming and playing an important role in driving the economy, the two new Pullman hotels in Lao Cai and Sapa will meet a growing demand for international standard upscale hotels in northern Vietnam," he added.

Mercure to launch in Vietnam with 2 Hanoi hotels

In a major push to support the development of tourism infrastructure in Vietnam, Accor also announced that it will develop two Mercure hotels in Hanoi to accommodate the rapid increase in demand for quality mid-scale, non-standardized accommodation.

Mercure Hanoi La Gare (102 rooms) and **Mercure Hanoi Hado (380 rooms)** will be the first Mercure hotels in Vietnam and the start of a planned development of up to twenty Mercure hotels throughout the country.

Mercure Hanoi La Gare (opening early 2009) will be built on Ly Thuong Kiet Street, near Hanoi's main corporate area and a short stroll from the Hanoi Train Station. **Mercure Hanoi Hado** will open early 2010 on Cat Linh Street just across from Hanoi's famous Temple of Literature.

New era for Novotel in Vietnam

Accor announced a major expansion of its well-established Novotel brand in the economic and standardized scale, with a new Novotel planned for the rapidly emerging tourist destination, Phu Quoc. Accor was the pioneering international hotel group in Phu Quoc after it launched the Grand Mercure La Veranda in 2007, and the Novotel resort will be located on a beachfront site just five minutes from the Grand Mercure. The 200-room resort developed by Esaco and Long Beach is due for completion in late 2010.

The opening of **Novotel Phu Quoc Resort** will follow four other significant Novotel openings scheduled for the next two years. **Novotel Halong Bay** will open in June 2008 and will be the first international hotel in the world-renowned tourist destination.

Other Novotels to open in Vietnam will be **Novotel Nha Trang (late 2008)**, **Novotel Hoi An Imperial Resort (late 2009)**, and **Novotel Hanoi On The Park (2010)**. They will join Novotels in Dalat and Phan Thiet.

Vietnam – one of Asia's fastest growing destinations

Vietnam attracted 4.2 million international visitors in 2007, a year-on-year increase of 17.1%, according to the Vietnam National Administration of Tourism (VNAT). Tourist arrivals increased by 25.4%, while business travel grew by 13.7% compared to the same period in 2006. The largest feeder markets of Vietnam's tourism include China, South Korea, Japan, and the United States. The VNAT is targeting 6.0 million international arrivals, 26 million domestic visitors, and tourism revenues of US\$4.5 billion in 2010.

Michael Issenberg added, "Accor has led the way in Vietnam over the past two decades by providing international quality hotel accommodation. With the addition of these new hotels in the network, Accor will tap into one of Asia's fastest growing tourism market. The opening of our representative office in Ho Chi Minh City will help support our existing hotels and manage our current development programme, as well as attract new projects across the country".

About the Accor hotel brands:

Pullman is the upscale hotel brand of Accor. It was designed with the requirements of businessmen and women in mind. Located in major regional and international cities, Pullman hotels provide an extensive range of tailored services, access to groundbreaking technologies and the "Co-Meeting" offer, a new approach to organizing meetings and seminars, and high-end incentives. At Pullman hotels, business travelers can choose between being independent or relying on the staff available round the clock. Starting 2009, the Pullman network will count on 59 hotels in 23 countries across Europe, Asia, Latin America, and the Middle East. By 2015, we expect over 300 establishments around the world.

Mercure embodies the hospitality know-how that makes every stay unique. For both business and leisure travels, the 758 Mercure hotels are all unique and can meet every expectation. Comfort, service quality, and hospitality are the foundations of the reputation of Mercure hotels in 49 countries throughout the world.

Novotel is an international brand of contemporary hotels, designed for living. With more than 400 worldwide upper midscale hotels and resorts, Novotel is designed for travelling people to feel naturally good. All information about Novotel hotels is available on the Internet at Novotel.com and Accorhotels.com.

About Accor:

Accor, the European leader and a major global group in hotels, the global leader in services to corporate clients and public institutions, operates in nearly 100 countries with 150,000 employees. It offers to its clients over 40 years of expertise in its two core businesses:

- Hotels, with the Sofitel, Pullman, Novotel, Mercure, Suitehotel, Ibis, all Seasons, Etap Hotel, Formule 1 and Motel 6 brands, representing 4,000 hotels and nearly 500,000 rooms in 90 countries, as well as strategically related activities, such as Lenôte.
- Services, with 30 million people in 40 countries benefiting from Accor Services products in human resources, marketing services and expense management.

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