



Press Release

PARIS, JUNE 12, 2019

Accor announces material progress in the divestment process of Orbis

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ACCOR AGREED KEY TERMS OF TAKING OVER ORBIS' HOTEL SERVICES BUSINESS FOR €286M, AND BEGINS DISPOSAL OF ITS REAL ESTATE OPERATIONS, WHOSE GROSS ASSET VALUE (EXCLUDING CORPORATE OVERHEADS) TOTALED €1.18BN AT END-2018

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In line with its "asset-light" strategy, and as presented at Capital Market Day on November 27, 2018, Accor announced today that it has made material progress in the disposal process of Orbis' real estate assets. The Group currently holds an 85.8% stake in the company, which had the gross asset value of its portfolio revalued by an independent expert. The valuation, based on Orbis' results at December 31, 2018, came to €1.18 billion, not including the entity's corporate overheads, which represent around €11 million per year.

Following Orbis' decision to separate its hotel services business (franchise agreements and management contracts) and its real estate assets, Accor agreed with Orbis key terms of the planned acquisition of the services business for 1.2 billion zlotys (€286 million). The transaction will have no impact on the Group's EBITDA or net debt, since Orbis is fully consolidated in its financial statements.

Through the transaction, the Group will take over the franchise agreements and management contracts on its 136 hotels in Central Europe. In particular, this will allow the Group to:

- facilitate relationships with investor partners;
- simplify the disposal process for real estate assets by disposing its stake in Orbis, since the transaction will turn Orbis into a pure-play asset-heavy model.

Accor has also begun the process of disposing of its controlling stake in Orbis' share capital, and intends to approach selected entities in connection therewith. In light of these developments, Accor will recognize Orbis' real estate business as an asset held for sale, in line with IFRS 5, starting from the publication of its financial statements for first-half 2019. The Group will issue pro forma financial statements for 2018 shortly to reflect these adjustments.



ABOUT ACCOR

Accor is a world-leading augmented hospitality group offering unique and meaningful experiences in 4,800 hotels, resorts, and residences across more than 100 countries. With an unrivalled portfolio of brands from luxury to economy, Accor has been providing hospitality savoir-faire for more than 50 years.

Beyond accommodations, Accor enables new ways to live, work, and play with Food & Beverage, nightlife, wellbeing, and co-working brands. To drive business performance, Accor's portfolio of business accelerators amplifies hospitality distribution, operations, and experiences. Guests have access to one of the world's most attractive hotel loyalty programs.

Accor is deeply committed to sustainable value creation, and plays an active role in giving back to planet and community. Planet 21 – Acting Here endeavors to act for “positive hospitality”, while Accor Solidarity, the endowment fund, empowers disadvantaged people through professional training and access to employment.

Accor SA is publicly listed on the Euronext Paris Stock Exchange (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACRYF) in the United States.

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Media Relations Contacts

Charlotte Thouvard

SVP, External Group Communications
Relations Worldwide
Tel.: +33 (0)1 45 38 19 14
charlotte.thouvard@accor.com

Line Crieloue

Media Relations Manager
Tel.: +33 (0)1 45 38 18 11
line.crieloue@accor.com

Investor and Analyst Relations

Sébastien Valentin

Chief Communications Officer
Tel.: +33 (0)1 45 38 86 25
sebastien.valentin@accor.com

Pierre-Loup Etienne

VP, Investor Relations
Tel.: +33 (0)1 45 38 47 76
pierre-loup.etienne@accor.com



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