



Press release
JULY 25, 2024

First half 2024
***Solid performances
in line with growth targets***

**REVPAR UP 6% IN THE FIRST HALF
COMPARED TO H1 2023**

**NET UNIT GROWTH ACCELERATED TO 4.1%
OVER THE LAST 12 MONTHS**

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**REVENUE UP 11% TO €2,677M
EBITDA UP 13% TO €504M
EARNINGS PER SHARE UP 11% TO €0.90**

Sébastien Bazin, Chairman and CEO of Accor, said:

“Once again in this first half-year, Accor posted solid performances, in line with the medium-term outlook we presented to our investors last year. This demonstrates the strength of our model, the operational and financial discipline of our teams, and the strong momentum of the Group and its brands.

Activity in the second quarter remained strong in all regions and for all our brands, our pace of development accelerated and our leading position in luxury and lifestyle was further strengthened by major partnerships. These performances enable us to raise our RevPAR target for 2024 and to reaffirm our confidence in the Group’s strength and ambition.

The coming weeks will also be marked by the Paris 2024 Olympic and Paralympic Games, of which Accor is one of the partners. For this unique event, our teams, who have been mobilised for months, will be putting their expertise, their passion for hospitality and their generosity at the service of the Athletes’ Village, the Media Village and all visitors to our hotels, thereby helping to raise the profile of France throughout the world.”



The first half of 2024 confirms Accor's growth outlook, as presented at the Capital Markets Day on June 27, 2023 and reiterated in recent earnings and revenue releases.

The Group's diversification, both in terms of geographies and segments, plays a key role for each of the two divisions. Demand remains generally robust and Accor has the required exposure to capture it.

During the first half of 2024, Accor opened 146 hotels, representing 24,000 rooms, i.e. net unit growth of 4.1% over the last 12 months. At the end of June 2024, the Group had a hotel portfolio of 838,722 rooms (5,682 hotels) and a pipeline of 218,000 rooms (1,297 hotels).

Second quarter 2024 RevPAR

The **Premium, Midscale and Economy (PM&E)** division posted a 4% increase in RevPAR compared to the second quarter of 2023, still mostly driven by prices rather than by occupancy rates.

- The **Europe North Africa (ENA)** region posted a 1% increase in RevPAR compared to the second quarter of 2023.
 - In **France**, which represents 43% of the region's room revenue, RevPAR growth was negative compared to the second quarter of 2023, solely due to the Paris region, while the provinces continued to record positive RevPAR growth. This change was anticipated and mainly reflects a high comparison base (due in particular to the presence of the Paris Air Show in June 2023).
 - The **United Kingdom**, representing 13% of the region's room revenue, posted slightly positive RevPAR growth, in line with the first quarter. The provinces slightly outperformed London.
 - In **Germany**, representing 14% of the region's room revenue, RevPAR growth was stronger than in France and the UK, particularly in June thanks to the European Football Championship.
- The **Middle East, Africa & Asia-Pacific** region posted a 7% increase in RevPAR compared to the second quarter of 2023, with a particularly solid performance in the Middle East and South-East Asia.
 - The **Middle East Africa** region, representing 27% of the region's room revenue, continued to post double-digit RevPAR growth, particularly in the United Arab Emirates and Saudi Arabia. This latter country's performance was boosted by the Hajj religious pilgrimage in June.



- **South-East Asia**, representing 30% of the region's room revenue, also posted double-digit RevPAR growth. Countries such as Thailand benefited from the gradual recovery of Chinese tourist flows.
- The **Pacific**, representing 25% of the region's room revenue, recorded an improvement in the occupancy rate compared to the second quarter of 2023, but RevPAR growth was negative due to weak leisure demand.
- In **China**, representing 19% of the region's room revenue, RevPAR growth was negative. Tourism has recovered as expected, but is not benefiting the domestic market, as Chinese customers are travelling more to South-East Asian countries.
- The **Americas** region, which mainly reflects the performance of Brazil (64% of the region's room revenue), recorded RevPAR growth of 12% compared to the second quarter of 2023. Brazil benefited from a strong event calendar, particularly in Sao Paulo and Rio de Janeiro.

The **Luxury & Lifestyle (L&L)** division posted an 8% increase in RevPAR compared to the second quarter of 2023, mainly driven by higher occupancy rate.

- The **Luxury** segment, representing 76% of the division's room revenue, posted a 6% increase in RevPAR compared to the second quarter of 2023. This performance was driven by all brands. Growth in the occupancy rate was the main factor behind this improvement.
- **Lifestyle** RevPAR increased by 14% compared to the second quarter of 2023, driven by prices, particularly at resorts in Turkey, Egypt and the United Arab Emirates.

Group revenue

For the first half of 2024, the Group recorded **revenue** of €2,677 million, up 11% compared to the first half of 2023. This growth breaks down as a 4% increase for the Premium, Midscale and Economy division and a 22% increase for the Luxury & Lifestyle division.

Scope effects, mainly related to the takeover of Potel & Chabot (in October 2023) in the Luxury & Lifestyle division (Hotel Assets & Other segment), contributed by €117 million.

Currency effects had a negative impact of €63 million, mainly related to the Turkish lira (-39%), the Australian dollar (-4%), the Egyptian pound (-18%) and the Argentine peso (-77%).

In millions of euros	H1 2023	H1 2024	Change (reported)
Management & Franchise	403	431	+7%
Services to Owners	521	538	+3%
Hotel Assets & Other	494	505	+2%
Premium, Mid. & Eco. ⁽¹⁾	1,418	1,473	+4%
Management & Franchise	210	242	+15%
Services to Owners	655	716	+9%
Hotel Assets & Other	155	285	+84%
Luxury & Lifestyle	1,020	1,243	+22%
Intercos	(37)	(39)	N/A
TOTAL	2,402	2,677	+11%

⁽¹⁾ Premium, Mid. & Eco. = Premium, Midscale and Economy



Premium, Midscale and Economy revenue

Premium, Midscale and Economy, which includes fees from Management & Franchise (M&F), Services to Owners and Hotel Assets & Other of the Group's Premium, Midscale and Economy brands, generated revenue of €1,473 million, up 4% compared to the first half of 2023. This increase is broadly in line with the level of activity in the first half.

The **Management & Franchise (M&F)** business posted revenue of €431 million, up 7% compared to the first half of 2023 and slightly exceeding RevPAR growth during the period (+6%).

Services to Owners revenue, which includes Sales, Marketing, Distribution and Loyalty activities, as well as shared services and the reimbursement of hotel costs, amounted to €538 million, up 3% compared to the first half of 2023. This increase, which was more moderate than the change in RevPAR, reflects a base effect from the previous year, mentioned in the first quarter revenue release, which included the re-invoicing of costs incurred by Accor in providing supporter reception services during the soccer World Cup in Qatar.

Hotel Assets & Other revenue was up 2% compared to the first half of 2023. This segment, which is closely tied to activity in Australia, is affected by the current weakness of leisure demand.

Luxury & Lifestyle revenue

Luxury & Lifestyle, which includes fees from Management & Franchise (M&F), Services to Owners and Hotel Assets and Other of the Group's Luxury & Lifestyle brands, generated revenue of €1,243 million, up 22% compared to the first half of 2023. This increase reflects the excellent performance of this business, the increase of the fees linked to the residential activity and a scope effect linked to the takeover of Potel & Chabot.

The **Management & Franchise (M&F)** business posted revenue of €242 million, up 15% compared to the first half of 2023, driven by RevPAR growth (+7%) and the favorable timing of fees related to the residential activity in the Lifestyle segment.

Services to Owners revenue, which includes Sales, Marketing, Distribution and Loyalty activities, as well as shared services and the reimbursement of hotel costs, amounted to €716 million, up 9% compared to the first half of 2023. This increase is linked to business growth in terms of RevPAR and the number of rooms.

Hotel Assets & Other revenue was up 84% compared to the first half of 2023. This activity includes a significant scope effect linked to the takeover of Potel & Chabot in October 2023.

Management & Franchise revenue

In millions of euros	H1 2023	H1 2024	Change (reported)
ENA ⁽¹⁾	242	254	+5%
MEA APAC ⁽²⁾	128	140	+10%
Americas	33	37	+9%
Premium, Mid. & Eco.	403	431	+7%
Luxury	153	159	+4%
Lifestyle	57	83	+45%
Luxury & Lifestyle	210	242	+15%
TOTAL	613	673	+10%

⁽¹⁾ ENA = Europe North Africa

⁽²⁾ MEA APAC = Middle East, Africa & Asia-Pacific

The **Management & Franchise (M&F)** business recorded revenue of €673 million, up 10% compared to the first half of 2023. This reflected the increase in RevPAR in the Group's various regions and segments (+6% compared to 2023), amplified by the residential activity in the Lifestyle segment.

Group EBITDA

Group EBITDA amounted to €504 million for the first half of 2024, up 13% compared to the first half of 2023. This performance was linked to strong revenue, the operating leverage of the M&F activity and strict cost discipline in Services to Owners, enabling the Group to post positive EBITDA for this part of the business, as expected.

In millions of euros	H1 2023	H1 2024	Change (reported)
Management and Franchise	276	299	+8%
Services to Owners	2	13	N/A
Hotel Assets & Other	52	48	(6)%
Premium, Mid. & Eco.	330	360	+9%
Management and Franchise	141	169	+20%
Services to Owners	19	4	N/A
Hotel Assets & Other	14	24	+69%
Luxury & Lifestyle	174	196	+13%
Holding	(57)	(52)	N/A
TOTAL	447	504	+13%

Premium, Midscale and Economy EBITDA

The **Premium, Midscale and Economy** division posted EBITDA of €360 million, up 9% compared to the first half of 2023.

The **Management & Franchise (M&F)** business posted EBITDA of €299 million, up 8% compared to the first half of 2023, illustrating the operating leverage expected for this business.

Services to Owners EBITDA amounted to €13 million for the first half of 2024, slightly positive as anticipated in our outlook.

Hotel Assets & Other EBITDA was down 6% compared to the first half of 2023. Weak leisure demand in Australia coupled with an unfavorable cost environment explain this decline.

Luxury & Lifestyle EBITDA

The **Luxury & Lifestyle** division generated EBITDA of €196 million, up 13% compared to the first half of 2023.

The **Management & Franchise (M&F)** business posted EBITDA of €169 million, up 20% compared to the first half of 2023, reflecting strong revenue growth amplified by operating leverage.

Services to Owners EBITDA amounted to €4 million in the first half of 2024, also slightly positive.

Hotel Assets & Other EBITDA mainly reflects the acquisition of Potel & Chabot in October 2023.

Net profit

In millions of euros	H1 2023	H1 2024
Revenue	2,402	2,677
EBITDA	447	504
EBITDA margin	19%	19%
EBIT	316	345
Share of net profit of equity-investments	9	49
Non-recurring items	26	(2)
Operating profit	351	393
Net profit, Group share	248	253
Net profit, Group share, per share	0.81	0.90

Net profit, Group share, amounted to €253 million for the first half of 2024 compared to €248 million in the first half of 2023.

The improvement to €49 million in the **share of net profit of equity-investments** for the first half of 2024, compared with €9 million in the first half of 2023, is mainly linked to AccorInvest, which benefited from the stabilization of activity in Europe and the recognition of capital gains linked to its ongoing asset disposal plan.

Liquidity generation

In millions of euros	H1 2023	H1 2024
EBITDA	447	504
Interest paid	(28)	(42)
Income tax paid	(67)	(105)
Payment of lease liabilities excluding interest	(49)	(54)
Non-cash expenses and income included in EBITDA	23	29
Funds from operations excluding non-recurring items	325	332
Recurring investments	(80)	(90)
Change in working capital requirement and contract assets	(88)	(123)
Recurring free cash flow	157	120
Cash conversion ⁽¹⁾	35%	24%
Net debt	2,074 ⁽²⁾	2,934

⁽¹⁾ Defined as recurring free cash flow/EBITDA

⁽²⁾ Net debt as of December 31st, 2023

During the first half of 2024, the Group's **recurring free cash flow** amounted to €120 million compared to €157 million in the first half of 2023. The cash conversion rate was therefore 24%.

Interest paid increased between the first half of 2023 and the first half of 2024, impacted by the increase in lease liabilities interest.



Income tax amounted to €105 million in the first half of 2024 compared to €67 million in the first half of 2023, an increase linked to growth and normalization of tax rate post-Covid.

Recurring investments, which include key money paid for development as well as digital and IT investments, were slightly higher than in the first half of 2023 at €90 million due to the Group's acceleration in the Luxury & Lifestyle segment, in line with the guidance presented at the Capital Markets Day on June 27, 2023.

Change in working capital requirement is seasonal by nature, and reflects the good level of business during the first half of the year, with an increase in trade receivables.

Group **net financial debt** at June 30, 2024 was €2,934 million, compared to €2,074 million at December 31, 2023. The main explanation for this change is the execution of the share buyback program and the payment of the dividend during the first half of 2024.

At June 30, 2024, the **Group's average cost of debt** stood at 2.6% with **an average maturity** of around 3.5 years.

At the end of June 2024, including the €1 billion undrawn revolving credit line signed in December 2023, Accor had a liquidity position of €1.9 billion.

Outlook for FY 2024

For FY 2024, Accor is announcing the following guidance:

- RevPAR growth of between 4% and 5%
- Network unit of between 3% and 4%
- A positive contribution to EBITDA by Services to Owners
- EBITDA of between €1,095 million and €1,125 million

Medium-term outlook

The Group maintains its medium-term outlook as presented at its Capital Markets Day on June 27, 2023:

- Annual RevPAR growth of between 3% and 4% (CAGR 2023-27)
- Annual network unit growth of between 3% and 5% (CAGR 2023-27)
- M&F revenue growth of between 6% and 10% (CAGR 2023-27)
- A positive contribution to EBITDA by Services to Owners
- EBITDA growth of between 9% and 12% (CAGR 2023-27)
- Recurring free cash flow conversion of more than 55%
- A return to shareholders of around €3 billion over the period 2023-2027



Events in first half 2024

Sale of Accor Vacation Club

On March 1, 2024, Accor sold to Travel + Leisure its timeshare business in Australia, New Zealand and Indonesia, Accor Vacation Club, based on an enterprise value of AUD77 million (i.e. €47 million). This agreement also provides for the establishment of an exclusive franchise contract for the future development by Travel + Leisure of new timeshare properties under Accor brands in Asia-Pacific, the Middle East, Africa and Turkey. This transaction is part of the continuation of the Group's asset-light strategy and was finalized at the end of Q1 2024.

Accor and IDEaS enter into a global partnership

On February 28, Accor announced the conclusion of a global revenue management partnership for the Accor portfolio. With the adoption of the bespoke suite of IDEaS advanced RMS solutions, Accor continues to transform its business strategy for the benefit of its hotels, owners and managers, providing best-in-class revenue management tools to drive growth in RevPAR and the Group's Revenue Generation Index (RGI). Accor will rely on IDEaS to sustain its revenue management strategy by deploying the very best technologies, thereby securing a competitive advantage and strengthening value creation across its global portfolio. Based on strategic pillars, these new tools will enable hotels to benefit from dynamic pricing, revenue and profit optimization, and a clearer understanding of the competitive landscape, improving revenue management strategies while fostering a strong revenue management culture across Accor's global portfolio.

Bond issue

On March 4, 2024, Accor successfully placed a €600 million 7-year bond issue with a coupon of 3.875%. The deal was more than 4 times oversubscribed, reflecting Accor's strong credit quality and investor confidence in its business model, growth potential and financial structure. This transaction allowed the Group to take advantage of favorable market conditions and significantly extend the average maturity of its debt.

Rikas takeover

On March 8, 2024, Accor, through its subsidiary Ennismore, acquired a 51% stake in Rikas Restaurants Management LLC ("Rikas"), a hospitality company based in Dubai, specializing in managing high-end restaurants and dining establishments.



Share buyback

On April 5, 2024, Accor announced the completion of its €400 million share buyback program announced on February 22, 2024.

An initial €275 million share buyback tranche was executed through a share purchase agreement signed with Jinjiang International on March 11, 2024. The transaction involved 7 million shares at an Accor share price of €39.22.

The remaining amount of the share buyback program, launched on March 20, 2024, for €125 million was finalized on April 4, 2024 with the acquisition of 2,923,228 shares at an average price of €42.93.

On completion of this program, the Group acquired 9,923,228 shares at an average price of €40.31. These shares have been cancelled.

Dividends

On June 7, 2024, based on the 2023 results and the dividend distribution policy implemented since 2019 (based on the distribution of 50% of recurring free cash flow), Accor paid out an ordinary dividend of €1.18 per share, representing a total amount of €286 million.

LVMH and Accor join forces to lead Orient Express towards new horizons

On June 13, 2024, LVMH joined forces with Accor through a strategic investment in the Orient Express brand, the company that will operate the future hotels and trains, as well as in the entity that owns the two sailboats. The first sailboat is currently under construction at Chantiers de l'Atlantique and the two groups seek a third partner for this new activity.

By partnering in the renewal of this iconic brand, LVMH brings its unique know-how to high-quality products and services, illustrated in the world of travel by the Venice Simplon-Orient-Express train and the five other trains also operated by Belmond around the world. These extraordinary experiences reflect the operational expertise and creativity of LVMH Hospitality Excellence in this area.



Accor and Amadeus announce a new collaboration

On June 5, 2024, Amadeus and Accor strengthened their strategic partnership to deploy the Amadeus central reservation system (ACRS) across the Group's entire hotel portfolio. Amadeus' cloud-based technology will enable Accor, a global leader in hospitality, to increase its revenues, optimize its distribution strategies and further personalize its relationships with its customers.

Our Habitas integrates Ennismore

On June 20, 2024, Ennismore announced the addition of Our Habitas to its global collective of lifestyle brands. Our Habitas, a brand whose mission is to create human connection, will bring a new dimension to the Ennismore collective of founder-built brands. In return, Ennismore will give Our Habitas, a leader in sustainable hospitality, access to its operational expertise and international development capabilities.

Subsequent events

Since 2023, AccorInvest, which is accounted for under the equity method in the Group's consolidated statements, has initiated a significant asset disposal plan by 2025, aimed at optimizing its financial structure by reducing its debt and improving the profitability of its asset portfolio.

In July 2024, AccorInvest finalized the refinancing of its bank borrowings, extending by two years the maturities due in 2025, along with a partial reimbursement. To facilitate the execution of this refinancing, a capital increase in the form of preferred shares was subscribed to by the company's shareholders, including Accor for €67 million.

Furthermore, the shareholders are committed to subscribe, by March 2025, to an additional issuance of preferred shares for maximum amount equivalent to the first issuance, and a function of the amount of asset disposal plan completed by AccorInvest.

Additional information

The Board of Directors met on July 24, 2024 to examine the financial statements for the period ended on June 30, 2024. The Statutory Auditors performed the limited review procedures on the consolidated financial statements. Their limited review report is currently being issued. The consolidated financial statements and notes related to this press release are available at www.group.accor.com.



ABOUT ACCOR

[Accor](https://www.group.accor.com) is a world-leading hospitality group offering experiences across more than 110 countries in 5,700 properties, 10,000 food & beverage venues, wellness facilities and flexible workspaces. The Group has one of the industry's most diverse hospitality ecosystems, encompassing more than 45 hotel brands from luxury to economy, as well as Lifestyle with Ennismore. Accor is focused on driving positive action through business ethics, responsible tourism, environmental sustainability, community engagement, diversity, and inclusivity. Founded in 1967, Accor SA is headquartered in France and publicly listed on the Euronext Paris Stock Exchange (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACCYY) in the United States. For more information, please visit [group.accor.com](https://www.group.accor.com) or follow us on [X](#), [Facebook](#), [LinkedIn](#), [Instagram](#) and [TikTok](#).

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IBIS BUDGET \ HOTELFI

RevPAR before tax by segment – 1st half 2024

H1 2024 vs. H1 2023	Occupancy rate		Average price		RevPAR	
	%	chg. pts LFL	€	chg. % LFL	€	chg. % LFL
ENA	64.7	0.1	100	2.3	65	2.4
MEA APAC	66.5	2.1	86	6.1	57	9.4
Americas	56.8	0.7	71	6.6	40	7.8
Premium, Mid. & Eco.	64.6	0.9	91	4.1	59	5.6
Luxury	62.9	2.0	255	2.3	160	5.7
Lifestyle	63.4	4.0	215	5.5	136	12.2
Luxury & Lifestyle	63.1	2.5	244	3.0	154	7.1
Total	64.4	1.1	112	4.2	72	6.0

RevPAR before tax by segment – 2nd quarter 2024

Q2 2024 vs. Q2 2023	Occupancy rate		Average price		RevPAR	
	%	chg. pts LFL	€	chg. % LFL	€	chg. % LFL
ENA	71.1	(0.7)	107	1.9	76	0.9
MEA APAC	67.1	2.1	83	3.5	56	6.7
Americas	59.0	2.6	71	7.1	42	12.1
Premium, Mid. & Eco.	68.2	0.8	93	2.6	64	3.7
Luxury	65.2	2.6	262	1.5	171	5.7
Lifestyle	68.6	3.1	212	9.2	145	14.1
Luxury & Lifestyle	66.2	2.7	247	3.2	163	7.5
Total	67.9	1.0	114	3.2	77	4.8



Hotel portfolio – June 2024

June 2024	Hotel assets		Managed		Franchised		Total	
	No. hotels	No. rooms	No. hotels	No. rooms	No. hotels	No. rooms	No. hotels	No. rooms
ENA	8	2,493	900	135,720	2,069	192,068	2,977	330,281
MEA APAC	40	7,090	800	183,501	866	125,446	1,706	316,037
Americas	54	10,930	166	27,765	233	33,251	453	71,946
Premium, Mid. & Eco.	102	20,513	1,866	346,986	3,168	350,765	5,136	718,264
Luxury	5	811	288	73,015	82	9,184	375	83,010
Lifestyle	2	154	142	29,213	27	8,081	171	37,448
Luxury & Lifestyle	7	965	430	102,228	109	17,265	546	120,458
Total	109	21,478	2,296	449,214	3,277	368,030	5,682	838,722