



Press Release

Accor Announces Sale and Management-Back of Sofitel Hotels in New York and Philadelphia

(Paris – January 8, 2007) — Accor has announced the sale of two US Sofitel hotels located in New York and Philadelphia, totaling 704 rooms, for US \$255 million to a joint venture comprised of GEM Realty Capital, Inc., Whitehall Street Real Estate Fund and Accor. Created in March 2006, the joint venture already owns six US Sofitel hotels in Chicago, Los Angeles, Miami, Minneapolis, San Francisco and Washington, DC.

Accor will remain a 25% shareholder in the joint venture and continue to manage the hotels under the Sofitel brand through a 25-year contract.

The transaction is part of the Group's asset management strategy in the upper upscale segment, which is designed to increase the return on capital employed and reduce earnings volatility through sale and management-back arrangements. It effectively completes Accor's transformation of its Sofitel business model for North America, with a hotel base operated primarily under management contracts.

The sale strengthens the original partnership formed between Accor and two reputable hotel real estate investment companies, which offers opportunities for developing the Sofitel network in North America through management contracts.

The transaction will have a positive impact on 2007 profit before tax and will enable the Group to reduce its adjusted debt by more than €150 million.

Accor North America is a division of Accor S.A. **GEM Realty Capital, Inc.** is a real estate investment company based in Chicago, Illinois. **Whitehall Street Real Estate Fund** is a real estate investment fund managed by Goldman Sachs.

Sofitel is Accor's upper upscale hotel brand, with a chain of nearly 200 units showcasing French art de vivre around the world. Sofitel hotels are located in major cities worldwide, including Paris, New York, Los Angeles, London, Washington, DC, Berlin, Chicago, Bangkok, Shanghai and Manila, and at such popular tourist destinations as Mauritius, Morocco, Egypt, the French West Indies, Indonesia and Brazil.

With 160,000 associates in nearly 100 countries, **Accor** is the European leader in hotels and tourism and the global leader in corporate services. To provide private and business clients with superior service, it leverages nearly 40 years of expertise in its two core activities:

- **Hotels, with the Sofitel, Novotel, Mercure, Suitehotel, Ibis, Red Roof Inn, Etap Hotel, Formule 1 and Motel 6 brands**, representing more than 4,000 hotels and 475,000 rooms in 90 countries, as well as strategically related activities, notably **Lenôtre**.
- **Services to corporate clients and public institutions through Accor Services**. A total of 21 million people in 35 countries benefit from our broad portfolio, which includes food vouchers, people care, incentives and loyalty programs.

Contacts

Armelle Volkringer

Vice President, Corporate Communication
and Public Relations

Tel: +33 (0)1 45 38 84 85

Arnaud Leblin

Chief Media Relations Officer

Tel: +33 (0)1 45 38 84 85

Eliane Rouyer

Senior Vice President, Investor Relations and
Financial Communication

Tel: +33 (0)1 45 38 86 26

Anthony Pallier

Investor Relations

Tel: +33 (0)1 45 38 86 33

For further information about Accor, visit www.accor.com