

Conference Call H1 2009 Revenue

July 16, 2009

H1 2009 Revenue: €3,410m

-8.1%

Like-for-Like
€(304)m

■ Like-for-like growth: -8.1%

- Prepaid Services: +€26.4m, +5.7% L/L
- Hotels: €(320.1)m, -11.4% L/L

+4.3%

Expansion
+€161m

■ Impact of expansion

- Orbis integration: +€104.3m, +2.8%
- Openings: 12,100 new rooms (vs. 11,000 in H1 2008)

-4.5%

Disposals
€(169)m

■ Impact of disposals

- Catering Brazil: €(70.4)m, -1.9% L/L
- Real estate transactions: €(56.2)m, -1.5% L/L
- “On Board Train Services” contract in France: €(31.5)m, -0.8% L/L⁽¹⁾

-1.0%

Currency
€(36)m

■ Currency effect

- USD: +1.1%, +€39.1m
- AUD: -0.6%, €(21.0)m
- BRL: -0.6%, €(21.6)m
- GBP: -0.7%, €(26.6)m

-9.3%

Reported
€(348)m

⁽¹⁾ Contract lost since March 1st, 2009

Q2 2009 Revenue: €1,794m

-10.1%

Like-for-Like
€(200)m

■ Like-for-like growth: -10.1%

- Prepaid Services: +€7.4m, +3.2% L/L
- Hotels: €(208.0)m, -13.7% L/L

+4.5%

Expansion
+€88m

■ Impact of expansion

- Orbis integration: +€59.2m, +3.0%
- Openings: 6,990 new rooms (vs. 6,391 in Q2 2008)

-2.8%

Disposals
€(55)m

■ Impact of disposals

- Real estate transactions: €(29.1)m, -1.5% L/L
- “On Board Train Services” contract in France: €(23.7)m, -1.2% L/L⁽¹⁾

-0.5%

Currency
€(10)m

■ Currency effect

- USD: +1.0%, +€19.9m
- AUD: -0.4%, €(7.4)m
- BRL: -0.4%, €(8.5)m
- GBP: -0.5%, €(10.4)m

-9.0%

Reported
€(177)m

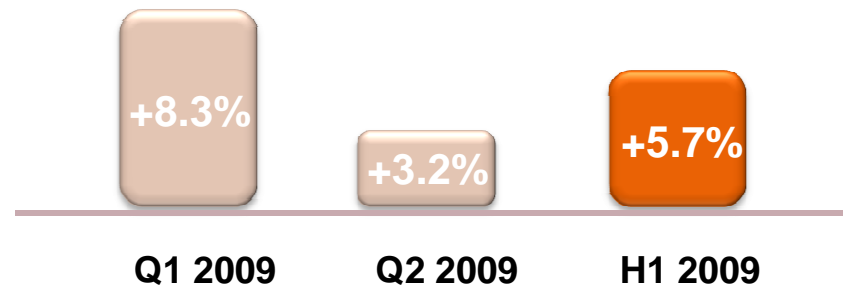
⁽¹⁾ Contract lost since March 1st, 2009

Q2 2009 Revenue by Business

■ Prepaid Services: Q2 revenue up 3.2% L/L

- Rising unemployment rate impacting operating revenue (+5.8%)
- Declining interest rates impacting financial income (-13.5%)

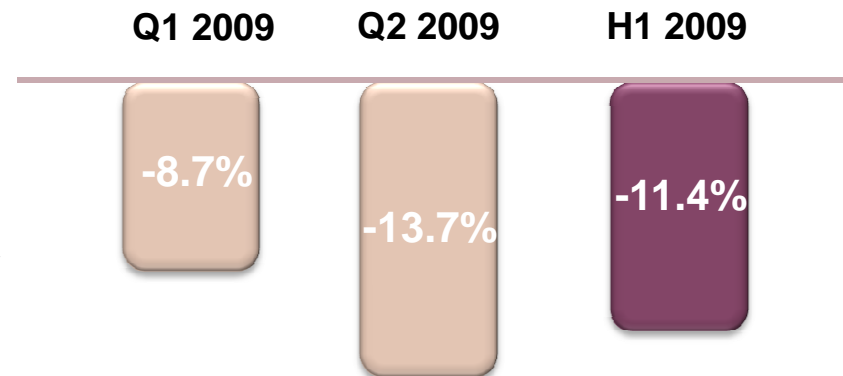
Prepaid Services Revenue (L/L)

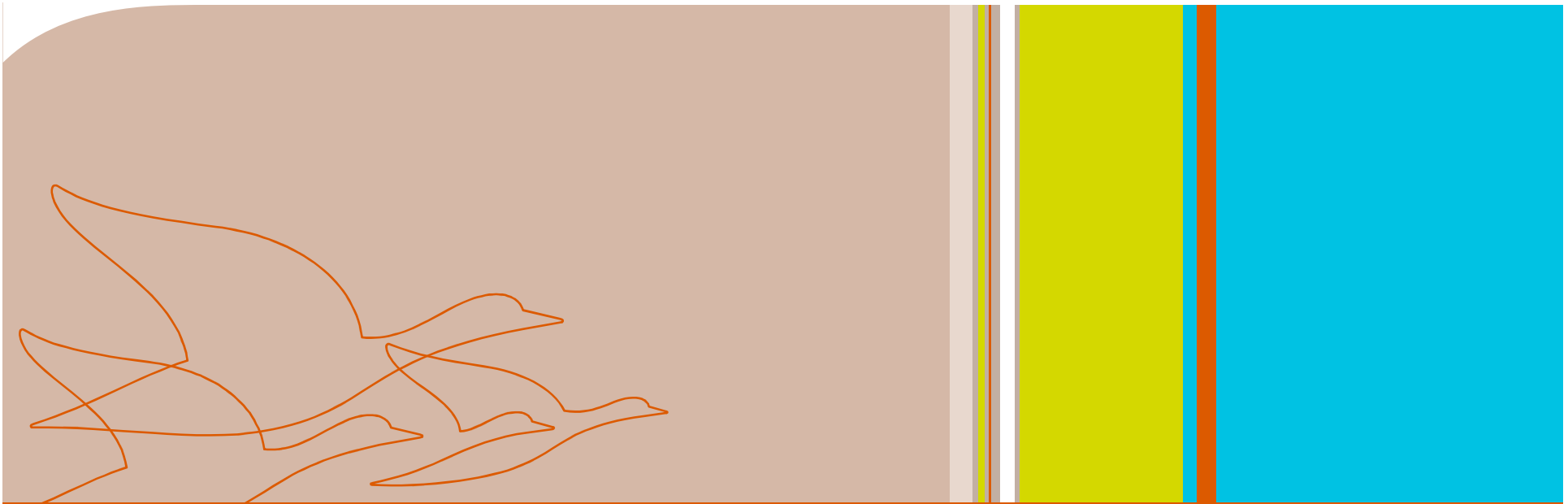


■ Hotels: revenue down 13.7% L/L

- Still deteriorated environment in Q2
 - Up & Midscale: -16.6% vs. Q1: -9.2%
 - Economy: -7.7% vs. Q1: -6.8%
 - Motel 6: -14.1% vs. Q1: -11.5%
- Economy hotels more resilient
 - Up & Midscale down by 8.9pts more than Economy hotels in Q2 vs. 2.4pts in Q1
 - France: Up & Midscale down by 12.5pts more than Economy hotels in Q2 vs. 6.9pts in Q1

Hotels Revenue (L/L)





Prepaid Services H1 2009 Revenue

Prepaid Services – H1 2009 Revenue: €465m

+5.7%

Like-for-Like
+€26m

0.0%

Expansion

-0.7%

Disposals
€(3)m

-3.8%

Currency
€(17)m

+1.3%

Reported
+€6m

■ L/L revenue growth up 5.7%, of which

- Europe: +3.9%
- Latin America: +7.9%
- Up 7.8% L/L growth excluding the impact of the change in law in Argentina

■ Currency effect

- BRL: -2.6%, €(11.8)m
- GBP: -0.7%, €(3.2)m
- MXN: -0.6%, €(2.6)m

Prepaid Services – Q2 2009 Revenue: €234m

+3.2%

Like-for-Like
+€7m

0.0%

Expansion

+0.2%

Disposals
+€1m

-2.9%

Currency
€(7)m

+0.5%

Reported
+€1m

■ L/L revenue growth up 3.2%, of which

- Europe: +2.0%
- Latin America: +4.4%
- Up 4.5% L/L growth excluding the impact of the change in law in Argentina

■ Currency effect

- BRL: -2.0%, €(4.5)m
- GBP: -0.5%, €(1.1)m
- MXN: -0.5%, €(1.1)m

Prepaid Services – H1 2009 Revenue: €465m

Breakdown of Revenue by Origin



<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09	
Operating revenue	+7.7%	+5.8%	€409m	+6.8%
Financial income	+12.9%	-13.5%	€56m	-1.2%
Total Revenue	+8.3%	+3.2%	€465m	+5.7%

■ L/L financial income evolution by geography

	Q1 09	Q2 09
Europe	+5.1%	-10.8%
Latin America	+26.3%	-16.5%
Total	+12.9%	-13.5%

Prepaid Services Europe – H1 2009 Revenue: €259m

Breakdown of Revenue by Geography



<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09
France	+7.1%	+10.3%	+8.6%
UK	+7.0%	+2.9%	+5.1%
Italy	+7.0%	+3.7%	+5.3%
Total Europe	+5.8%	+2.0%	+3.9%

■ France

- Increase in operating revenue: +11.9% in H1, incl. +9.2% in Q1 and +14.9% in Q2 driven by the Universal Employment Service Vouchers (CESU Social)
- Decrease in financial income: -9.3% in H1, incl. -5.3% in Q1 and -13.2% in Q2

■ UK

- Increase in operating revenue: +6.8% in H1, incl. +8.4% in Q1 and +5.0% in Q2
 - Solid growth of Childcare: +8.7% L/L in H1
 - Poor performance in the Gift vouchers (15% of the revenue from Prepaid Services): -18.5% L/L in H1
- Decrease in financial income: -10.3% in H1, incl. -6.1% in Q1 and -14.6% in Q2

Prepaid Services Latin America – H1 2009 Revenue: €175m

Breakdown of Revenue by Geography



<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09
Brazil	+16.3%	+7.8%	+11.9%
Latin America (excl. Brazil)	+5.6%	+0.3%	+2.8%
Total Latin America	+11.6%	+4.4%	+7.9%

■ Brazil

- Limited deceleration of operating revenue: from +12.8% in Q1 to +8.0% in Q2
- Declining interest rates impacting financial income in Q2

■ Latin America excluding Brazil

- Increase in operating revenue: +6.2% in H1, incl. +4.9% in Q1 and +7.4% in Q2
- Decrease in financial income: -14.6% in H1, incl. +9.5% in Q1 and -35.3% in Q2 mainly due to decline in interest rates in Venezuela



Hotels H1 2009 Revenue

H1 2009 Hotels Revenue: €2,534m

-11.4%

Like-for-Like
€(320)m

+4.4%

Expansion
€122m

-2.1%

Disposals
€(59)m

-0.4%

Currency effect
€(12)m

-9.6%

Total reported
€(269)m

■ L/L growth

- Up & Midscale: -13.3%
- Economy: -7.3%
- Motel 6: -12.8%

■ Expansion

- Up & Midscale: +5.3%
- Economy: +3.6%
- Openings: 12,100 new rooms (vs. 11,000 in H1 2008)

■ Disposals: Asset right strategy

■ Currency effect, of which

- USD: +1.6%, +€40m
- GBP: -0.9%, €(22.9)m
- AUD: -0.6%, €(14.2)m
- BRL: -0.4%, €(9.8)m

■ Total reported

- Up & Midscale: -11.9%
- Economy: -7.6%
- Motel 6: -2.0%

Q2 2009 Hotels Revenue: €1,351m

-13.7%

Like-for-Like
€(208)m

+4.5%

Expansion
€68m

-1.9%

Disposals
€(29)m

-0.0%

Currency effect
€(1)m

-11.1%

Total reported
€(169)m

■ L/L growth

- Up & Midscale: -16.6%
- Economy: -7.7%
- Motel 6: -14.1%

■ Expansion

- Up & Midscale: +5.6%
- Economy: +3.4%
- Openings: 6,990 new rooms (vs. 6,391 in Q2 2008)

■ Disposals: Asset right strategy

■ Currency effect, of which

- USD: +1.3%, +€20.2m
- GBP: -0.6%, €(9.0)m
- AUD: -0.3%, €(4.5)m
- BRL: -0.3%, €(4.0)m

■ Total reported

- Up & Midscale: -14.2%
- Economy: -7.4%
- Motel 6: -3.8%

Up & Midscale – H1 2009 Revenue: €1,472m

S O F I T E L
LUXURY HOTELS

pullman
HOTELS AND RESORTS

NOVOTEL
HOTELS

Mercure

Suite
HOTEL

adagio
city apartHotel

<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09
France	-10.1%	-14.8%	-12.7%
Germany	-1.9%	-19.6%	-11.6%
UK	-8.9%	-11.4%	-10.2%
Total Worldwide	-9.2%	-16.6%	-13.3%

■ France

- Acceleration of deterioration in Q2 comes from Business travelers (-18.7% vs -12.6% Q1), particularly with key accounts
- Leisure segment more resilient in Q2: -4.1%
- Better resilience in Provinces than in Paris despite Paris Air Show in June (H1 Revpar -9.1% vs. -17.2%)

■ Germany

- Restated from Easter Vacation and lack of DRUPA exhibition: -11.5% in Q2 vs. -8.1% in Q1

■ UK

- London more resilient than Provinces (H1 Revpar : -7.2% vs. -19.2%) due to strong individual leisure (+10.4% in H1) encouraged by the devaluation of the Pound

Economy – H1 2009 Revenue: €781m



<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09
France	-3.2%	-2.3%	-2.7%
Germany	-5.0%	-13.8%	-9.8%
UK	-12.1%	-11.0%	-11.5%
Total Economy excl. US	-6.8%	-7.7%	-7.3%

■ France




- Good resilience of the Economy and Budget segment

■ Germany

- Restated from Easter Vacation and lack of DRUPA exhibition: -8.4% in Q2 vs. -8.5% in Q1

Economy – Focus on France

France: 46% of Economy Hotel portfolio (in number of rooms)

		Q1 09 Revpar growth	Q2 09 RevPAR growth	H1 09 RevPAR growth
	Ibis	-2.2%	-4.3%	-3.3%
	Etap Hotel	-1.7%	-0.1%	-0.8%
	Hotel F1	-1.0%	+0.4%	-0.2%

■ H1 RevPar Ibis:

- Better resilience in Provinces (-0.5%) vs. Paris (-6.0%)
- Occ.: -5.8 pts
- ARR: +4.7%

■ H1 RevPar Etap Hotel:

- Better resilience in Provinces (+0.2%) vs. Paris (-2.1%)

■ H1 RevPar Hotel F1:

- Renovated hotels: +3.6% (112 hotels)
- Hotels under renovation: -5.4% (33 hotels)
- Non renovated hotels: -4.6% (82 hotels)

Motel 6 – H1 2009 Revenue: €281m



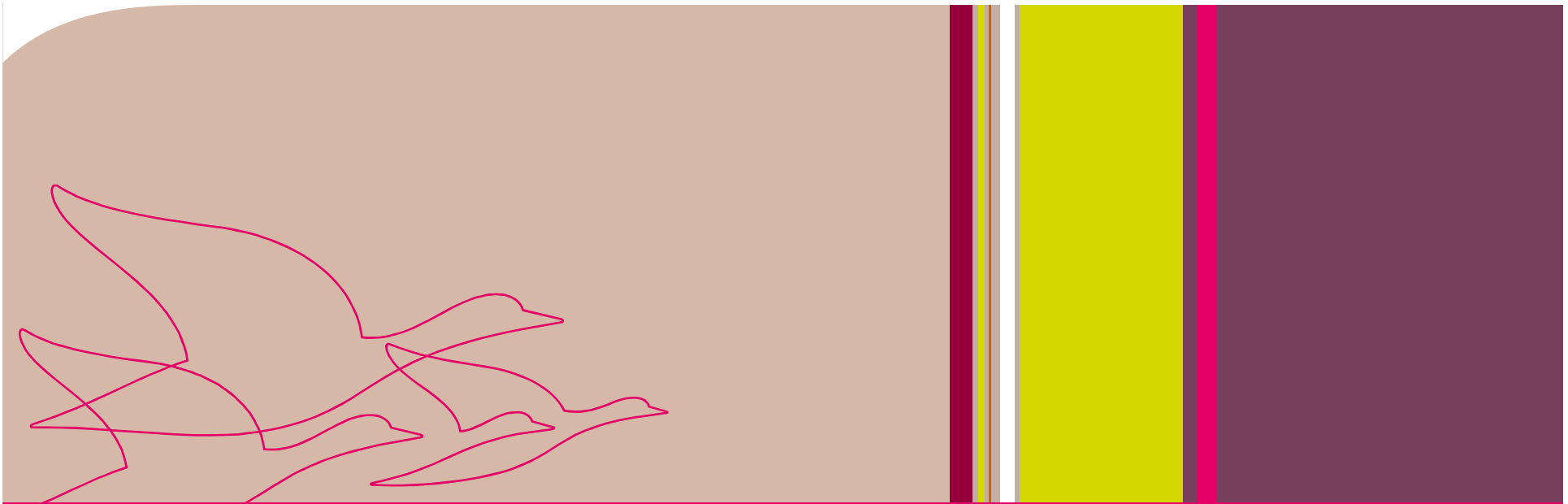
<i>L/L Revenue Growth</i>	Q1 09	Q2 09	H1 09
Total	-11.5%	-14.1%	-12.8%

- **Deteriorated economic environment**

- **Motel 6 outperforms its competitive set by +2.0 points**
 - Motel 6: Revpar down 12.2% in May YTD
 - Competitive set⁽¹⁾: Revpar down 14.2% in May YTD




- **Franchising fees: +26.6% at constant exchange rate (50 new franchised hotels in 2008 and 23 new franchised hotels in H1 2009)**

⁽¹⁾ US Economy segment, excluding Motel 6 / Studio 6 (Source: STR)



Other Businesses

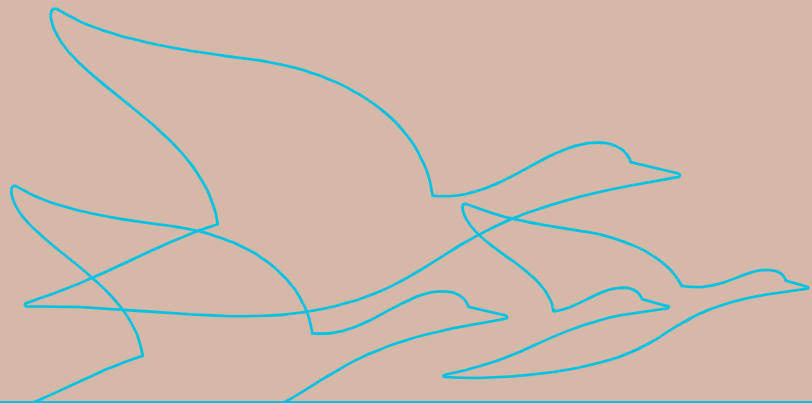
Other businesses – H1 2009 Revenue

	H1 09 (€m)	H1 09 Reported Growth (%)	H1 09 L/L Growth (%)
 Casinos	164	-3.7%	-5.9%
 Restaurants	50	-62.5% ⁽¹⁾	-7.5%
 Onboard Train Services	124	-16.4% ⁽²⁾	+3.7%
Holding & Other	74	+65.9% ⁽³⁾	+10.2%
TOTAL	412	-17.0%	-2.0%

⁽¹⁾ Disposal of Brazilian foodservices (deconsolidated on March 31, 2008; €70.4m revenue in H1 2008)

⁽²⁾ "On Board Train Services" contract in France lost since March 1st, 2009 (impact on H1 2009 revenue: €(31.5)m)

⁽³⁾ Integration of Travel & Transport activities of Orbis (H1 2009 revenue: €31.3m)



Outlook

Outlook

Q2 still reflects the unprecedented deterioration of the economic environment

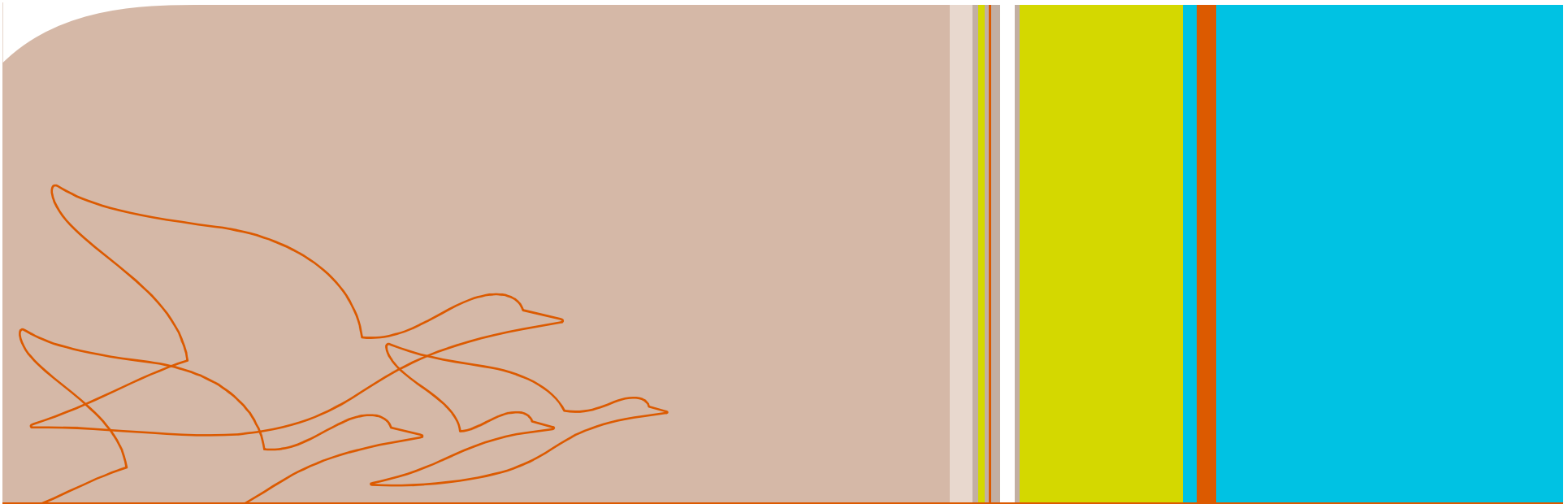
Prepaid Services revenue up 5.7% despite:

- Surge in unemployment rate especially in Europe
- Decrease in interest rates (Europe and Latin America)

Given the faster reduction in interest rates, particularly in Latin America, the Group expects financial income to fall by more than 25% in the second half, driving to a slight positive L/L revenue growth for the full year.

Hotels

- Economy segment more resilient than Up & Midscale hotels: revenue down 7.3% in Economy hotels vs. down 13.3% in Up & Midscale, ie. 6.0pts of difference between the two segments in the first half.
- No stabilization yet in most countries in a context of low visibility



Appendices

Hotels H1 2009 RevPAR by Segment

HOTELS: RevPAR H1 2009 by segment

	Occupancy rate			Average Room Rate			RevPAR			
	Subsidiaries			Subsidiaries			Subsidiaries			Subsidiaries & managed
	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale Europe (in €)	56.5%	-8.9	-7.3	98	-8.9%	-4.7%	56	-21.3%	-15.3%	-21.1%
Economy Europe (in €)	64.1%	-7.3	-7.4	57	-0.1%	+1.9%	37	-10.4%	-8.6%	-10.5%
Economy US (in \$)	58.7%	-5.8	-6.1	43	-4.1%	-4.6%	25	-12.8%	-13.7%	-12.8%

Hotel Q2 2009 RevPAR by Segment

HOTELS: RevPAR Q2 2009 by segment

	Occupancy rate			Average Room Rate			RevPAR			
	Subsidiaries			Subsidiaries			Subsidiaries			Subsidiaries & managed
	(in %)	(chg in pts, rep.)	(chg in pts, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
Up & Midscale Europe (in €)	61.1%	-10.1	-8.8	98	-11.6%	-7.9%	60	-24.1%	-19.2%	-23.6%
Economy Europe (in €)	68.9%	-7.8	-7.7	58	-1.4%	+0.4%	40	-11.3%	-9.7%	-11.7%
Economy US (in \$)	60.3%	-7.0	-7.3	44	-4.7%	-5.3%	26	-14.6%	-15.7%	-14.6%

Up & Midscale Hotels H1 2009 RevPAR by Country

UP & MIDSACLE HOTELS: H1 2009 RevPAR by Country

(in local currency)

	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
France	29,993	58.3%	-8.2	115	-0.9%	67	-13.2%	-13.1%	-13.3%
Germany	19,666	57.7%	-5.1	91	-5.4%	53	-13.1%	-14.0%	-13.0%
Netherlands	3,959	58.9%	-7.9	97	-14.0%	57	-24.2%	-24.2%	-24.5%
Belgium	1,801	62.8%	-7.1	107	-5.6%	67	-15.2%	-15.2%	-13.5%
Spain	2,333	48.9%	-15.3	86	-18.6%	42	-38.0%	-36.8%	-38.0%
Italy	3,522	54.0%	-3.6	103	-11.6%	55	-17.1%	-14.8%	-15.9%
UK (in £)	5,432	72.3%	-4.6	84	-5.9%	61	-11.5%	-12.9%	-11.9%

Up & Midscale Hotels Q2 2009 RevPAR by Country

UP & MIDSCALE HOTELS: Q2 2009 RevPAR by Country

(in local currency)

	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
France	30,292	63.3%	-8.7	115	-2.9%	73	-14.7%	-15.0%	-14.5%
Germany	19,667	59.1%	-8.6	87	-11.5%	51	-22.7%	-23.3%	-22.4%
Netherlands	4,011	63.9%	-11.1	97	-16.9%	62	-29.2%	-29.2%	-28.9%
Belgium	1,801	68.2%	-8.3	105	-8.8%	72	-18.7%	-18.7%	-17.8%
Spain	2,385	53.5%	-16.9	80	-21.3%	43	-40.2%	-38.3%	-40.2%
Italy	3,613	61.0%	-2.3	107	-11.9%	65	-15.1%	-14.2%	-13.5%
UK (in £)	5,432	75.6%	-4.7	85	-7.0%	64	-12.4%	-14.1%	-12.7%

Economy Hotels H1 2009 RevPAR by Country

ECONOMY HOTELS: H1 2009 RevPAR by Country <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
France	41,943	66.9%	-4.8	54	+7.3%	36	+0.1%	-1.8%	+0.1%
Germany	15,052	61.5%	-6.9	60	+0.7%	37	-9.4%	-9.7%	-8.1%
Netherlands	2,256	65.5%	-10.5	80	-4.4%	52	-17.7%	-17.7%	-17.7%
Belgium	2,562	66.5%	-9.9	70	-1.0%	46	-13.9%	-13.9%	-13.9%
Spain	4,627	55.6%	-17.2	54	-4.3%	30	-26.9%	-27.8%	-26.9%
Italy	1,550	54.7%	-6.9	72	-6.2%	39	-16.8%	-16.8%	-16.8%
UK (in £)	8,856	66.0%	-9.0	53	-5.9%	35	-17.1%	-13.0%	-16.8%
USA (in \$)	77,836	58.7%	-5.8	43	-4.1%	25	-12.8%	-13.7%	-12.8%

Economy Hotels Q2 2009 RevPAR by Country

ECONOMY HOTELS: Q2 2009 RevPAR by Country <i>(in local currency)</i>	Number of rooms	Occupancy Rate		Average Room Rate		RevPAR			
		Subsidiaries		Subsidiaries		Subsidiaries			Subsidiaries & managed
		(in %)	(chg in pts, rep.)	(in €)	(chg in %, rep.)	(in €)	(chg in %, rep.)	(chg in %, L/L)	(chg in %, reported)
France	41,974	71.9%	-4.6	54	+6.3%	39	-0.1%	-1.8%	-0.2%
Germany	15,029	64.3%	-9.2	59	-1.9%	38	-14.2%	-14.4%	-13.8%
Netherlands	2,301	73.8%	-10.1	84	-6.2%	62	-17.5%	-16.7%	-17.5%
Belgium	2,562	72.0%	-11.6	69	-3.2%	50	-16.6%	-16.6%	-16.6%
Spain	4,660	58.6%	-17.5	54	-4.9%	32	-26.7%	-27.2%	-26.7%
Italy	1,550	61.8%	-9.2	70	-5.2%	43	-17.5%	-17.5%	-17.5%
UK (in £)	8,898	69.9%	-8.5	53	-6.9%	37	-17.0%	-13.0%	-16.6%
USA (in \$)	77,641	60.3%	-7.0	44	-4.7%	26	-14.6%	-15.7%	-14.6%

Reconciliation

H1 2009 Like-for-Like RevPAR / Revenue

	RevPAR Sub. and Managed Reported	RevPAR Sub. Only Like-for-like	Like-for-like room revenues	Total Like-for-like revenues
▪ Up & Midscale Europe	-21.1%	-15.3%	-15.3%	-13.7%
▪ Economy Europe	-10.5%	-8.6%	-8.4%	-8.2%
▪ Economy U.S (\$)	-12.8%	-13.7%	-13.7%	-12.8%

H1 2009 Management & Franchise Fees by Segment

Revenue (in €m)	H1 2008 (reported)			H1 2009 (reported)			Change in %, at constant exchange rates		
	Managed	Franchised	Total	Managed	Franchised	Total	Managed	Franchised	Total
Up & Midscale	67,742	15,091	82,833	54,587	12,403	66,990	-21.7%	-2.6%	-18.2%
Economy	7,501	13,607	21,108	7,210	14,692	21,902	+7.7%	+11.8%	+10.4%
Economy US	0	4,097	4,097	0	6,995	6,995	0%	+26.6%	+26.6%
TOTAL	75,242	32,795	108,038	61,797	34,090	95,887	-19.1%	+7.3%	-11.0%

Q2 2009 Management & Franchise Fees by Segment

Revenue (in €m)	Q2 2008 (reported)			Q2 2009 (reported)			Change in %, at constant exchange rates		
	Managed	Franchised	Total	Managed	Franchised	Total	Managed	Franchised	Total
Up & Midscale	35,847	8,482	44,329	27,002	6,956	33,958	-27.3%	-3.1%	-22.6%
Economy	4,280	7,643	11,923	3,931	8,131	12,062	+2.9%	+10.1%	+7.7%
Economy US	0	1,931	1,931	0	4,058	4,058	0%	+32.3%	+32.3%
TOTAL	40,127	18,055	58,182	30,933	19,145	50,078	-24.5%	+7.1%	-14.4%

Main disposals, 2008-2009: Impact on Revenue

Revenue (€m)	2008 Classification	Q1 08	Q2 08	H1 08	Q3 08	Q4 08	H2 08	FY 08
Brazilian foodservices ⁽¹⁾	Restaurants	70	-	70	-	-	-	70
“On Board Train Services” contract in France ⁽²⁾	Holding & Other	8	23	31	24	21	45	76
TOTAL		78	23	101	24	21	45	146

(1) Deconsolidated on March 31, 2008

(2) Contract lost since March 1st, 2009

Restatements of 2008 revenue figures

Revenue (€m)	2008 Classification	Q1 08	Q2 08	H1 08	Q3 08	Q4 08	H2 08	FY 08
Revenue reported in 2008	Total revenue	1,791	1,974	3,766	2,022	1,952	3,974	7,739
Adjustment related to loyalty program ⁽¹⁾	Hotels (Up & Midscale)	(4)	(4)	(8)	(4)	(5)	(9)	(17)
TOTAL	Total revenue	1,787	1,970	3,758	2,018	1,947	3,965	7,722

(1) Impact of the change in accounting method (IFRIC 13) retroactive to January 1st, 2008

H1 2009 Exchange Rates

1€ = X foreign currency	H1 2008 average rate	H1 2009 average rate	2009 vs. 2008 Change (in %)
US Dollar (USD)	1.53	1.33	+13.0%
Sterling (GBP)	0.78	0.89	-15.3%
Brazilian real (BRL)	2.59	2.92	-12.6%
Australian dollar (AUD)	1.65	1.88	-13.6%
Mexican Peso (MXN)	16.24	18.43	-13.5%

Q2 2009 Exchange Rates

1€ = X foreign currency	Q2 2008 average rate	Q2 2009 average rate	2009 vs. 2008 Change (in %)
US Dollar (USD)	1.56	1.36	+12.9%
Sterling (GBP)	0.79	0.88	-10.9%
Brazilian real (BRL)	2.59	2.83	-9.2%
Australian dollar (AUD)	1.66	1.79	-8.3%
Mexican Peso (MXN)	16.29	18.14	-11.4%