

PRESS RELEASE

SOFITEL, RE-INVENTING FRENCH ELEGANCE IN LUXURY HOTELS



Sofitel Luxury Hotels reveals its strategic plan to elevate the brand into the premium-end of the international luxury hotel market

Sofitel Wanda Beijing, November 19, 2007. Sofitel Luxury Hotels reveals its ambitious strategic plan to elevate the brand into the premium-end of the international luxury hotel market. The brand aims to become a new global reference in international luxury hotels between now and 2010, and will become the first European luxury hotel brand. The new Sofitel creates unique contemporary luxury hotels and resorts in the world's most attractive destinations, by the artful blending of its French origins and the very best of local cultures.

Sofitel Luxury Hotels will broaden its luxury offer with the creation of two sister brands to address niche segments in the luxury market: Sofitel Legend, a collection of unique legendary properties with exclusive services, destined for travelers seeking the ultimate luxury experience; and So by Sofitel, a creative, edgy and stylish offer dedicated to a new generation of guests.

REDEFINING THE PRODUCT, AND RESHAPING THE NETWORK

Sofitel has worked relentlessly to redefine each element of the brand, with a special focus on new luxury service standards, the food and beverage offering, innovation and design along with developing unique spas. This will mean significant investment in staff training in order to upgrade service levels.

Yann Caillère, CEO Sofitel, Member of Accor Executive Committee, commented: "The Sofitel network is being completely reviewed through a robust program to reshape our current network and to upgrade each of our hotels through extensive renovation and refurbishment. We have launched a vast new development program, and aim to improve our presence in North America, Europe, Russia, North Africa, Middle East and Asia. By 2010, we will have a very consistent network of 139 business and resort hotels in prime locations around three distinctive and clear offers to address the specific needs and expectations of luxury guests. We have a mid-term objective of 250 hotels in total."

Examples of the new Sofitel Luxury Hotels include the recently launched Sofitel Wanda Beijing, the first hotel that illustrates the brand's new ambitions, with outstanding design features, the Pré Lenôtre restaurant and a beautiful spa and swimming pool.

Other recent openings include the Sofitel El Gezira in Cairo, Egypt, and the Sofitel The Palace The Old Town, Dubai, both superbly located properties.





The pace of this revamp program will now be stepped up in order to accelerate the repositioning of the brand, and put Sofitel on the path to profitable and sustainable growth.

SOFITEL'S UNIQUE POSITIONING IN THE INTERNATIONAL HOTEL INDUSTRY

"The world's wealthy population continues to grow. In value, 55% of the hospitality market offer is in the upscale to luxury segment*. We can see a trend where luxury is shifting from material possession to experience. Consumers want unique sensations and pleasures, and increasingly memorable experiences. We believe that we can deliver inspired moments, and create a harmonious balance between the pleasure of feeling at home and the exquisite feeling of being elsewhere."

Yann Caillère added: "France is renowned the world over for its leadership in luxury and is admired for its *art de recevoir*. We plan to capitalize on this unique expertise and tradition, setting us apart from other international players, and firmly establish Sofitel's leadership in luxury hotels. We plan to take cosmopolitan and discerning travelers to an even higher level of excellence, played through with a French touch."

HUMAN RELATIONS AT THE HEART OF SOFITEL LUXURY

Relations are at the heart of this vision and it is here that the *art de recevoir* will interweave intangible links between the senses and emotions of Sofitel guests. The Sofitel *art de recevoir* will be translated into six dimensions: an atmosphere of well-being and *sensorialité*; personalized service; French *mise en scène* with the best of local cultures; French rituals for food & wine; designed technology to uplift experience; and places where life is *magnifique*. Each Sofitel hotel will feature a stylish façade, an iconic lobby, inspired French Style Décor, well-being bedrooms, inspired meeting rooms and a wellness area, with unique spas.



Sofitel Palais Jamaï Fez Morocco

THE ULTIMATE LUXURY EXPERIENCE WITH SOFITEL LEGEND

Sofitel Legends will regroup legendary luxury properties, combining heritage and modernity. These prestigious hotels, already the treasures of the Sofitel network, are full of local history. Each of them is among the best in the destination, where guests will be indulged in luxury-class service such as personal Butler Services and the best chefs, pâtissiers and sommeliers in the world. Each Sofitel Legend will be resplendent in atmosphere and will be distinguished by rich décor and surroundings, fine dining restaurants, legendary bars, iconic spas and exceptional suites. Approximately seven Sofitel hotels will become Sofitel Legend properties over the next two years: the Grand in Amsterdam, Netherlands; the Palais Jamaï in Fes, Morocco; the Winter Palace in Luxor, Egypt; the Old Cataract in Aswan, Egypt; the Santa Clara in Cartagena, Colombia; the Hua Hin resort in Thailand; and the Metropole in Hanoi, Vietnam, which will be the first hotel to open under the Sofitel Legend ensign in mid-2008.

* Source: Advancy Consulting Group



SO BY SOFITEL, A BLEND OF STYLE AND SOUL

So by Sofitel is a re-interpretation of boutique hotels, with style and soul. They will reconcile design and pleasure for trend conscious consumers. Each property will be of intimate size (80 to 200 rooms) with a strong expression of the destination, a "signature" from renowned designers or artists and a clear focus on a highly trendy bar. The first So by Sofitel will open its doors in 2009 in Paris, replacing the current Sofitel Arc de Triomphe property, followed by So Berlin, which will replace the existing Sofitel Am Gendarmenmarkt. Each hotel will be a chapter of a global story - So Paris, So London, So Shanghai – with an overall objective of 15 to 20 hotels.

CREATION OF A SEPARATE BUSINESS UNIT WITHIN THE ACCOR GROUP, A NEW MANAGEMENT TEAM, AND THE APPOINTMENT OF A NEW CHIEF OPERATING OFFICER (COO)

Sofitel will become a separate business within the Accor Group in order to stimulate change and ensure the successful implementation of the strategic plan. Seasoned hotelier Robert Gaymer-Jones has joined Sofitel as COO to lead a newly formed management team.

'In order to create a true luxury culture within the Accor Group, I wished for Sofitel to become a separate business unit, which can leverage the resources of the Group in order to best develop the brand. With this in mind, I am delighted to welcome Robert Gaymer-Jones,' commented Gilles Pélisson, Director and Chief Executive Officer of Accor.

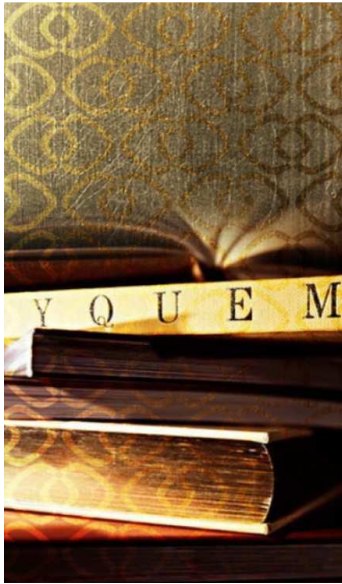


MARKETING AND COMMUNICATIONS TO SUPPORT THE BRAND REPOSITIONING

Marketing and communications will strongly support the brand repositioning. Already, the brand has redefined its new visual identity, clearly illustrating its vision that human relations are at the heart of luxury. Sofitel has created a symbol - the link - connecting worlds, countries and people. The new logo embodies the new Sofitel using a contemporary, pure and simple typography. An advertising campaign will be launched during the second quarter 2008 around Sofitel's new credo "Life is *magnifique*".

The roll out of the new visual identity has begun with newly opened properties, and is expected to be completed by the end of 2008.





SOFITEL: RE-INVENTING FRENCH ELEGANCE IN LUXURY HOTELS

Sofitel creates unique luxury hotels in the world's most attractive destinations, by the artful blending of its French origins with the very best of local cultures. Sofitel forges a privileged bond between its staff of devoted service professionals and its cosmopolitan guests who expect and appreciate beauty, quality and excellence. Sofitel offers the best of French elegance, from food and wine rituals to bedding, design and personal care products. Hotels where life can be savored, shared with others, lived in harmony with oneself; transforming every stay into a unique and unforgettable experience.

The Sofitel brand portfolio will offer clear and attractive options adapted to today's more demanding and more versatile consumers.

Sofitel Legend: a collection of legendary luxury properties, defining a renewed way of living heritage and palace hotels for inner luxury driven travelers.

Sofitel: World-class hotels, with French elegance, blending relationships and pleasures for today's discerning travelers in the upper-upscale segment.

So by Sofitel: a new kind of boutique hotel, with style and soul, reconciling design and pleasure for trend conscious consumers.

Discover Sofitel's new website www.sofitel.com with new reservation features.

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