

Paris/ Regions (excl. Riviera)

October 2007

**An excellent month of October!**

For the month of October, both the Parisian and regional markets show a very good trend. The strong performance of Paris is driven by a significant increase in ADR. In fact, the potential occupancy increase is small as the occupancy rate of the capital is already high. Regional France, however, benefits from a strong increase in both occupancy rate and ADR that suggests top records for the year 2007.

In Paris, the month of October shows excellent results. Both the upscale and midscale markets record a two digit RevPAR increase. 4 Star hotels have demonstrated the best performance, more specifically the Standard 4 Star hotels with an increase in room revenue of 23%(!) compared to October 2006. Considering the midscale market, the room revenue increased by nearly 12% for the 2 Star market and by 13% for the 3 Star segment.

The RevPAR increase of the upscale and midscale markets is due to a significant ADR rise. All hotel categories in Paris have benefited from an ADR increase superior to 10%.

In fact, it is more and more challenging to increase RevPAR through occupancy as Parisian hotels already account for high occupancy rates. During October, 4 Star hotels have already exceeded an average of 85% occupancy rate and midscale properties achieved around 90%.

In regional France, results are not comparable to the ones observed in Paris but still show a solid growth trend. The hospitality market outside Paris is undoubtedly an appealing one.

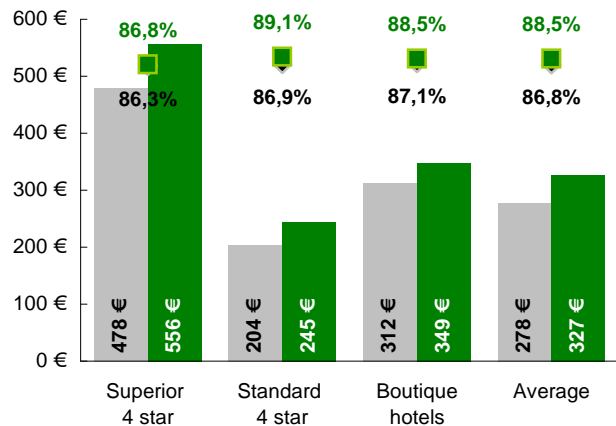
Like in Paris, ADRs show a significant rise, representing on average 11% for 4 Star hotels and 6% for midscale ones.

Nevertheless, hotels still get potential leverage through occupancy as opposed to Paris. The average occupancy rate of 70% registered still leaves room for improvement. In October, occupancy of all hotel categories shows a favorable trend, with a 7% rate increase for the upscale market and slightly more than 5% for the midscale market.

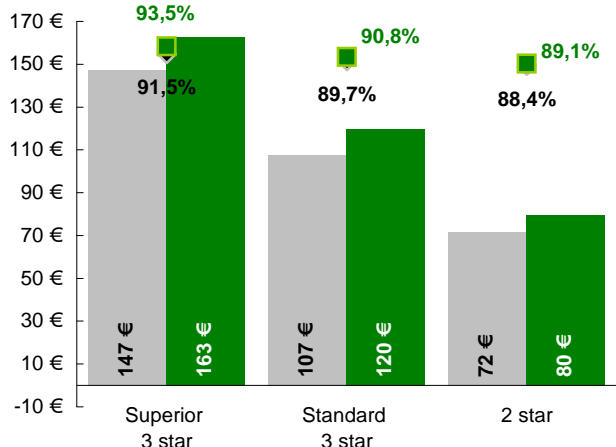
Despite the disappointing performance of the Parisian hotel market during September, the year 2007 is expected to close on exceptional high performances both in Paris and in regional France.

Monthly indicators

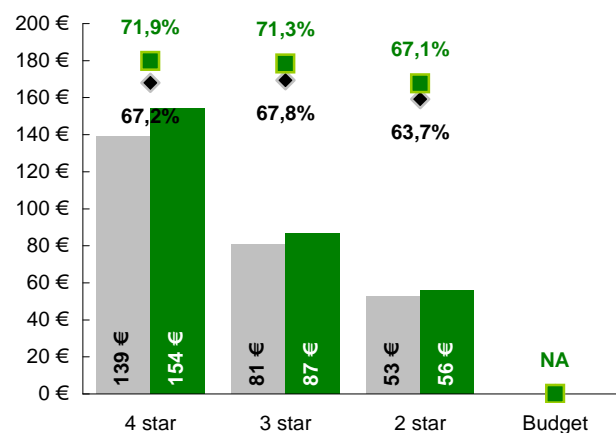
Upscale hotel markets - Paris



Midscale hotel markets - Paris



Regional hotel markets



ADR 2006      ADR 2007  
 OR 2006      OR 2007

ADR = Average Daily Rate  
OR = Occupancy Rate

## Paris/ Regions (excl. Riviera) - Detailed performances (1/2)

October 2007

### Upscale hotel markets - Paris

October	Superior 4 star	Standard 4 star	Boutique hotels	Average
OR 2006	86,3%	86,9%	87,1%	86,8%
OR 2007	86,8%	89,1%	88,5%	88,5%
Var.	<b>+0,5%</b>	<b>+2,5%</b>	<b>+1,5%</b>	<b>+1,9%</b>
ADR 2006	478 €	204 €	312 €	278 €
ADR 2007	556 €	245 €	349 €	327 €
Var.	<b>+16,3%</b>	<b>+20,0%</b>	<b>+11,6%</b>	<b>+17,8%</b>
RevPAR 2006	413 €	177 €	272 €	241 €
RevPAR 2007	483 €	218 €	308 €	290 €
Var.	<b>+16,9%</b>	<b>+23,0%</b>	<b>+13,3%</b>	<b>+20,1%</b>

YTD October	Superior 4 star	Standard 4 star	Boutique hotels	Average
OR 2006	78,1%	76,0%	72,9%	76,4%
OR 2007	81,1%	79,3%	79,4%	79,7%
Var.	<b>+3,8%</b>	<b>+4,2%</b>	<b>+8,8%</b>	<b>+4,4%</b>
ADR 2006	457 €	182 €	288 €	258 €
ADR 2007	501 €	195 €	308 €	278 €
Var.	<b>+9,7%</b>	<b>+7,0%</b>	<b>+6,7%</b>	<b>+7,7%</b>
RevPAR 2006	357 €	139 €	210 €	197 €
RevPAR 2007	407 €	155 €	244 €	221 €
Var.	<b>+13,9%</b>	<b>+11,6%</b>	<b>+16,2%</b>	<b>+12,4%</b>

### Midscale hotel markets - Paris

October	Superior 3 star	Standard 3 star	2 star
OR 2006	91,5%	89,7%	88,4%
OR 2007	93,5%	90,8%	89,1%
Var.	<b>+2,2%</b>	<b>+1,2%</b>	<b>+0,7%</b>
ADR 2006	147 €	107 €	72 €
ADR 2007	163 €	120 €	80 €
Var.	<b>+10,2%</b>	<b>+11,5%</b>	<b>+10,8%</b>
RevPAR 2006	135 €	96 €	64 €
RevPAR 2007	152 €	109 €	71 €
Var.	<b>+12,7%</b>	<b>+12,9%</b>	<b>+11,6%</b>

YTD October	Superior 3 star	Standard 3 star	2 star
OR 2006	80,0%	78,7%	78,5%
OR 2007	82,9%	81,7%	83,1%
Var.	<b>+3,7%</b>	<b>+3,9%</b>	<b>+5,8%</b>
ADR 2006	130 €	91 €	66 €
ADR 2007	137 €	99 €	69 €
Var.	<b>+5,4%</b>	<b>+8,2%</b>	<b>+4,8%</b>
RevPAR 2006	104 €	72 €	52 €
RevPAR 2007	113 €	81 €	57 €
Var.	<b>+9,2%</b>	<b>+12,4%</b>	<b>+10,9%</b>

Notes: OR = Occupancy Rate      RevPAR = Revenue per Available Room  
 ADR = Average Daily Rate (Room revenue only)  
 ADR and RevPAR are expressed in Euros, excluding VAT  
 Samples are constant over the 2 year period

For further information, please contact Florent Daniel (+33 (0)1 58 37 90 61 or fdaniel@deloitte.fr)

Deloitte - 185 avenue Charles de Gaulle - 92 200 Neuilly Sur Seine France

Tel : +33 (0)1 58 37 90 37 Fax : +33 (0)1 55 61 59 16

©2007 Deloitte & Associés

## Paris/ Regions (excl. Riviera) - Detailed performances (2/2)

October 2007

### Regional hotel markets

October	4 star	3 star	2 star	Budget
OR 2006	67,2%	67,8%	63,7%	n.a.
OR 2007	71,9%	71,3%	67,1%	n.a.
Var.	<b>+7,0%</b>	<b>+5,3%</b>	<b>+5,4%</b>	<b>n.a.</b>
ADR 2006	139 €	81 €	53 €	n.a.
ADR 2007	154 €	87 €	56 €	n.a.
Var.	<b>+11,0%</b>	<b>+6,7%</b>	<b>+6,1%</b>	<b>n.a.</b>
RevPAR 2006	93 €	55 €	34 €	n.a.
RevPAR 2007	111 €	62 €	38 €	n.a.
Var.	<b>+18,8%</b>	<b>+12,3%</b>	<b>+11,8%</b>	<b>n.a.</b>

YTD October	4 star	3 star	2 star	Budget
OR 2006	60,5%	62,7%	63,1%	n.a.
OR 2007	63,5%	65,2%	64,1%	n.a.
Var.	<b>+4,8%</b>	<b>+4,1%</b>	<b>+1,6%</b>	<b>n.a.</b>
ADR 2006	145 €	79 €	53 €	n.a.
ADR 2007	155 €	84 €	55 €	n.a.
Var.	<b>+6,8%</b>	<b>+5,8%</b>	<b>+4,5%</b>	<b>n.a.</b>
RevPAR 2006	88 €	50 €	33 €	n.a.
RevPAR 2007	98 €	55 €	35 €	n.a.
Var.	<b>+11,9%</b>	<b>+10,1%</b>	<b>+6,1%</b>	<b>n.a.</b>

Notes: OR = Occupancy Rate      RevPAR = Revenue per Available Room

ADR = Average Daily Rate (Room revenue only)

ADR and RevPAR are expressed in Euros, excluding VAT

Samples are constant over the 2 year period