

**First half of the year:
Period of growth**

During the first half of the year, the French hotel market has shown an excellent performance, marked by a growth of the RevPAR in all categories. This growth is fuelled by an increase in demand (OR) for the upscale market and an increase of the average rate (ADR) for the midscale market (2/3*). The upscale segment, in Paris as well as in the other regions, has registered the best performances of the French hotel market, showing an increase of +10.8% in RevPAR for Paris and +7.8% for the other regions (excl. Riviera), compared to the same period in 2005.

Over the course of the first six months in 2006, the Parisian upscale hotel market has registered a period of significant growth, mainly due to the increase in demand. At the end of June 2006, the cumulated occupancy rate is up by + 8.6% compared to the same period in 2005.

Demand being the basis for growth is indeed very good news. If it hadn't been for a sustainable growth in demand, increasing the RevPAR simply by means of increasing the rates would only lead to a temporary effect.

The upscale hotel market has managed to increase its occupancy rate without diluting the average rates. On the contrary, they even progressed. This double increase in OR and ADR has generated a boost of room revenue. We note a double-digit growth for almost all hotel categories. This dynamic has equally benefitted all members of the 4 star hotel category.

Regarding the Parisian midscale market, room revenue has just as well increased for the two categories (2/3*), however to a lesser degree than for the upscale market. The progression of the RevPAR goes from +1.5% for the 2 star hotels to +5.8% for the 3 star superiour hotels compared to the same period in 2005.

Only the 3 star superiour hotel category has succeeded in increasing its occupancy rate. The 3 star standard category as well as the 2 star hotels have seen their visits stagnate. These two categories, as opposed to the upscale and 3 star superiour hotel markets, have sustained their growth in RevPAR through an increase in the average rate.

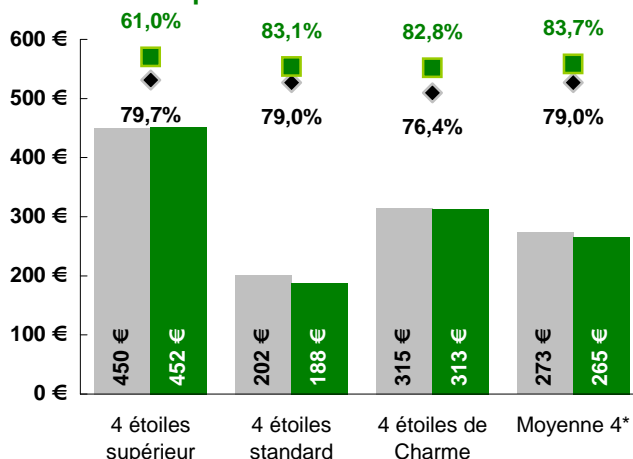
As for the other regions, in the course of this first half of the year 2006, only the 4 star hotel category has succeeded in increasing its demand, noting a +4.9% growth of the OR (YTD). The 2 and 3 star hotels, however, have seen their demand stagnate.

As opposed to the upscale market, the growth for the hotels of the midscale market is only due to a slight increase of the average rate, with +1.5% for the 3 star hotels and +1.7% for the 2 star hotels.

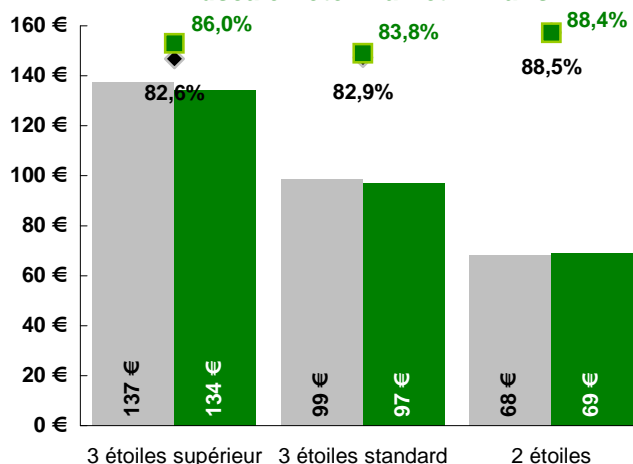
In the end, it is the 4 star hotels who have registered the strongest growth of their RevPAR thanks to a double increase in demand and average rate. The midscale hotel market is left slightly behind, registering a growth of about +2%. As in Paris, the dynamic is strong for the upscale hotel market. This tendency is mainly due to the fact that it is this category that has largely suffered from the crisis, especially with regards to occupancy levels, but is now recuperating its markets.

Monthly indicators

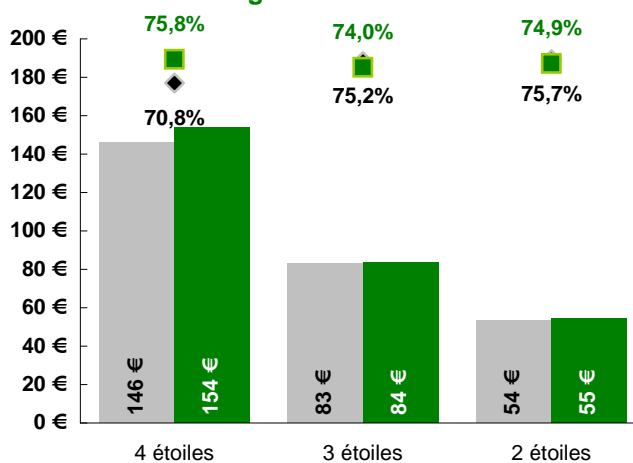
Upscale hotel market in Paris



Midscale hotel market in Paris



Regional hotel markets



ADR 2005 ADR 2006
 OR 2005 OR 2006

ADR = Average Daily Rate
OR = Occupancy Rate

Upscale hotel markets in Paris

MONTH OF JUNE	Superiour 4 star	Standard 4 star	Boutique hotels	Average 4*
OR 2005	79,7%	79,0%	76,4%	79,0%
OR 2006	85,5%	83,1%	82,8%	83,7%
Var.	+7,4%	+5,2%	+8,3%	+6,0%
ADR 2005	450 €	202 €	315 €	273 €
ADR 2006	452 €	188 €	313 €	265 €
Var.	+0,3%	-7,0%	-0,6%	-2,9%
RevPAR 2005	359 €	159 €	240 €	216 €
RevPAR 2006	386 €	156 €	259 €	222 €
Var.	+7,7%	-2,2%	+7,8%	+2,9%

YTD JUNE	Superiour 4 star	Standard 4 star	Boutique hotels	Average 4*
OR 2005	64,9%	67,9%	60,7%	66,6%
OR 2006	71,5%	73,2%	67,1%	72,3%
Var.	+10,2%	+7,8%	+10,4%	+8,6%
ADR 2005	392 €	173 €	287 €	235 €
ADR 2006	399 €	175 €	295 €	240 €
Var.	+2,0%	+1,2%	+2,7%	+2,1%
RevPAR 2005	254 €	118 €	175 €	157 €
RevPAR 2006	286 €	128 €	198 €	173 €
Var.	+12,4%	+9,0%	+13,4%	+10,8%

Midscale hotel markets in Paris

MONTH OF JUNE	Superiour 3 star	Standard 3 star	2 star
OR 2005	82,6%	82,9%	88,5%
OR 2006	86,0%	83,8%	88,4%
Var.	+4,2%	+1,1%	-0,1%
ADR 2005	137 €	99 €	68 €
ADR 2006	134 €	97 €	69 €
Var.	-2,5%	-1,4%	+0,7%
RevPAR 2005	113 €	82 €	60 €
RevPAR 2006	115 €	81 €	61 €
Var.	+1,6%	-0,3%	+0,6%

YTD JUNE	Superiour 3 star	Standard 3 star	2 star
OR 2005	74,7%	72,5%	78,1%
OR 2006	78,3%	73,2%	77,4%
Var.	+4,8%	+0,9%	-0,8%
ADR 2005	126 €	88 €	65 €
ADR 2006	127 €	90 €	67 €
Var.	+1,0%	+2,1%	+2,3%
RevPAR 2005	94 €	64 €	51 €
RevPAR 2006	99 €	66 €	52 €
Var.	+5,8%	+3,0%	+1,5%

Notes :

OR = Occupancy Rate

ADR = Average Daily Rate (Room revenues only)

RevPAR = Revenue per Available Room (Room revenues only)

ADR and RevPAR are quoted in Euros excluding VAT

All samples used are stable from one year to the next

Regional hotel markets

MONTH OF JUNE	4 star	3 star	2 star
OR 2005	70,8%	75,2%	75,7%
OR 2006	75,8%	74,0%	74,9%
Var.	+7,0%	-1,6%	-1,1%
ADR 2005	146 €	83 €	54 €
ADR 2006	154 €	84 €	55 €
Var.	+5,3%	+0,5%	+1,8%
RevPAR 2005	104 €	63 €	41 €
RevPAR 2006	117 €	62 €	41 €
Var.	+12,7%	-1,1%	+0,7%

YTD JUNE	4 star	3 star	2 star
OR 2005	56,8%	60,2%	63,3%
OR 2006	59,6%	60,6%	62,7%
Var.	+4,9%	+0,5%	-0,8%
ADR 2005	137 €	80 €	52 €
ADR 2006	140 €	81 €	54 €
Var.	+2,7%	+1,5%	+2,5%
RevPAR 2005	78 €	48 €	33 €
RevPAR 2006	84 €	49 €	34 €
Var.	+7,8%	+2,0%	+1,7%

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