ACCOR HOTELS

Feel Welcome

Press release
July 31, 2018

AccorHotels signs agreement to acquire 21c Museum Hotels





AccorHotels today announced that it has signed an agreement to acquire 85% of 21c Museum Hotels, an award-winning hospitality management company pushing the boundaries of the museum and hotel worlds to create a new kind of travel experience. 21c combines a multi-venue contemporary art museum, boutique hotels and chef-driven restaurants, with 11 properties currently open and under development across the United States.

21c Museum Hotels was founded in 2006 in Louisville by philanthropists and contemporary art collectors Laura Lee Brown and Steve Wilson. The pair had seen the region's farmland and rural landscapes fall to development while the historic buildings of Louisville's downtown sat vacant. Inspired by the idea that art can ignite urban revitalization and catalyze civic connection, Brown and Wilson rehabilitated a series of 19th century warehouses in Louisville's downtown arts and theater district to open the first 21c Museum Hotel.

The success of the Louisville flagship created opportunities for expansion; today the company operates eight 21c properties in Bentonville, Cincinnati, Durham, Kansas City, Lexington, Louisville, Nashville and Oklahoma City, with 3 more in development in Des Moines, Miami and Chicago. 21c Museum is one of the largest contemporary art museums in the United States, and North America's only collecting museum dedicated solely to art of the 21st century. Open and accessible 24 hours a day, 7 days a week, 21c's exhibitions and programs are free to the public. Each property remains an innovative union of genuine hospitality, thoughtful design, artistic expression and culinary creativity.

21c Museum Hotels will join AccorHotels' MGallery collection of boutique hotels, marking the introduction of the MGallery brand into the North American market. Each MGallery property has its own unique design and story to tell, from Hotel Molitor Paris - MGallery and INK Hotel Amsterdam - MGallery to Hotel Muse Bangkok Langsuan – MGallery and Harbour Rocks Hotel Sydney - MGallery. 21c Museum Hotels will benefit from AccorHotels' support in terms of development opportunities, increased sales and marketing exposure, and access to one of the largest distribution networks in the industry.

This agreement will allow 21c Museum Hotels to leverage AccorHotels' leading global hospitality platform while retaining its independent spirit. Co-founders Laura Lee Brown & Steve Wilson will retain a 15% stake in the company, and will remain closely involved in providing creative guidance and support of the unique combination of art, design and hospitality that defines the 21c experience. 21c Museum Hotels will continue to be led by President & CEO Craig Greenberg. Corporate headquarters for 21c will remain in Louisville, Kentucky.

The purchase price for the 85% stake is $39 million, excluding potential earn out. No real estate is included in this acquisition. The transaction should be completed during the third quarter of 2018.

Kevin Frid, Chief Operating Officer, North & Central America, AccorHotels, said: *"We are delighted to welcome 21c Museum Hotels as part of the AccorHotels family of brands, hence strengthening the Group's footprint in North America in a very unique and promising niche. Together, we have a tremendous opportunity to grow the 21c brand, as well as introduce MGallery into the North American market, building both brand equities and further expanding the full range of unparalleled experiences for our guests. This strategic acquisition marks a new step in AccorHotels' strategy of being the leading player in the Luxury and Lifestyle segment in North America."*

21c founder, Steve Wilson, said: "*21c Museum Hotels is proud to announce our entry into the AccorHotels family. AccorHotels is one of the world's leading hotel operators and will be a perfect partner and catalyst for 21c's continued growth. We are confident that the unique spirit of 21c will not only be preserved, but will flourish within the MGallery collection of boutique hotels. 21c will continue to bring the work of today's most dynamic and engaging contemporary artists to the public, and this partnership will be a tremendous boost for 21c's continued development in North America and abroad. We are extremely excited to see what the future holds.*"

ABOUT ACCORHOTELS

AccorHotels is a world-leading travel & lifestyle group and digital innovator offering unique experiences in more than 4,500 hotels, resorts and residences across 100 different countries.

With an unrivaled portfolio of internationally renowned hotel brands encompassing the entire range from luxury to economy, from upscale to lifestyle and midscale brands, AccorHotels has been providing savoir-faire and expertise for more than 50 years.

In addition to its core hospitality business, AccorHotels has successfully expanded its range of services, becoming the world leader in luxury private residence rental with more than 10,000 stunning properties around the world. The Group is also active in the fields of concierge services, co-working, dining, events management and digital solutions.

Relying on its global team of more than 250,000 dedicated staff, AccorHotels is committed to fulfilling its primary mission: to make every guest Feel Welcome. Guests have access to one of the world's most attractive hotel loyalty programs - Le Club AccorHotels.

AccorHotels plays an active role in its local communities and is committed to promoting sustainable development and solidarity through PLANET 21 Acting Here, a comprehensive program that brings together employees, guests and partners to drive sustainable growth.

From 2008, the AccorHotels Solidarity Endowment Fund has acted as a natural extension of the Group's activities and values, helping to combat the social and financial exclusion experienced by the most disadvantaged members of society.

RAFFLES ORIENT EXPRESS BANYAN TREE LEGEND Fairmont SO SOFITEL onefinestay RIXOS pullman
swissôtel ANGSANA 25h GRAND MERCURE SEBEL NOVOTEL Mercure adagio MAMA SHELTER ibis ibis STYLES ibis Budget JO&JOE hotelF1

Accor SA is publicly listed on the Euronext Paris Stock Exchange (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACRFY) in the United States.
For more information or to make a reservation, please visit accorhotels.group or accorhotels.com. Or join and follow us on Twitter and Facebook.

ABOUT 21c MUSEUM HOTELS

21c Museum Hotels, an award-winning hospitality company based in Louisville, Kentucky, is pushing the boundaries of both the museum and hotel worlds to create a new kind of travel experience. The company was founded as a single property by contemporary art collectors and preservationists Laura Lee Brown and Steve Wilson, whose mission was to share innovative contemporary art with the public and participate in the revitalization of downtown Louisville. The couple opened the first 21c in 2006 along downtown's West Main Street, rehabilitating a series of 19th century warehouses to create a union of genuine hospitality, thoughtful design and culinary creativity — all anchored by a contemporary art museum. Today, 21c operates eight museum hotels in Louisville, Kentucky; Cincinnati, Ohio; Bentonville, Arkansas; Durham, North Carolina; Lexington, Kentucky; Nashville, Tennessee, Oklahoma City and Kansas City, 21c projects are also under development in Chicago, Illinois; Miami, Florida; and Des Moines, Iowa. The company is equally focused on creating unique, chef-driven restaurants that are as much a part of the community as each hotel. The 21c restaurant portfolio includes; Proof on Main, Metropole, The Hive, Counting House, Lockbox, Mary Eddy's Kitchen x Lounge, Gray and Dudley, The Savoy, and Garage Bar.

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