

Rio de Janeiro, 2 March 2017

BHG and AccorHotels announce a partnership to manage 26 hotels in Brazil

Brazil Hospitality Group (BHG) and its shareholders - Funds managed by GP Investments and GTIS Partners - announce today an agreement with French group AccorHotels by means of which Accor will reflag and manage a portfolio of 26 hotels (4,400 rooms). AccorHotels will pay R\$ 200 million for the transaction.

BHG is the largest owner of hotel real estate in Brazil and the third largest hotel management company. As soon as the transaction is completed, BHG will maintain a leadership position as a hotel management company, operating 20 hotels with 3,700 rooms in all categories, including the management of Marina Palace Hotel, a landmark hotel in Rio de Janeiro, Brazil.

The portfolio managed by AccorHotels includes hotels of economic, medium and high standard categories in several of Brazil's main states, such as Rio de Janeiro, São Paulo, Pará, Paraná, Rio Grande do Sul, Pernambuco, Mato Grosso, Bahia, Minas Gerais and Maranhão. Such portfolio will be progressively renewed and repositioned until the end of 2019, and will operate under the brands ibis, ibis Styles, ibis Budget, Mercure, Novotel, Mama Shelter, MGallery and Pullman.

Alexandre Solleiro, CEO of BHG said: "We are thrilled with the opportunities that this transaction creates for our company, our business partners and our teams. Because 100% of the resources generated from this transaction will be reinvested in our owned hotels, we will be able to accelerate the repositioning and performance of BHG as a leading owner of hotels in Brazil."

Solleiro further mentioned: "In addition, we will also be able to better focus our resources and management teams in the development of our business of managing third party hotels through our owned (Soft Inn, Solare and The Capital) and licensed brands (Royal Tulip, Golden Tulip and Tulip Inn)."

Rubens Freitas, Partner of GP Investments and Chairman of BHG said: "This transaction is one more step in the process of value creation that started when we founded BHG back in 2007, for which GP remains fully committed to."

Josh Pristaw, Senior Managing Director, co-head of Brazil and head of capital markets at GTIS Partners said: "This transaction represents an important milestone in our strategic plan to unlock the value in BHG's irreplaceable portfolio of high quality Brazilian hotel assets through capital improvements and repositioning. Further, we look forward to continuing to support BHG's growth as a leading hotel operating platform in Brazil."

Sebastien Bazin, Chairman & CEO of AccorHotels said: "Today's Brazil is a land of major opportunities. This transaction is a new milestone in the history of AccorHotels in this country, where we have been a firm leader for decades. It will bring new landmark hotels as well as an increased brand awareness across all segments. It also anchors a strong and long-term

relationship with BHG, one of the largest owners of hotel real estate in Brazil, which will bring incremental growth opportunities going forward.”

BHG was advised by Avington and Accor was advised by Itaú BBA.

Both companies expect that the transaction will be completed in the last quarter of 2017, after approval by the Administrative Council of Economic Defense (CADE).

ABOUT BHG

BHG, third largest hotel chain in Brazil, has as its mission to host and make people feel good. The company owns and manages a portfolio of more than 50 hotels, of which 17 are prime locations in the economic, mid-scale, up-scale and luxury segments. The group, recognized for its multi-brand management / operator expertise, represents Royal Tulip, Golden Tulip and Tulip Inn brands in Brazil. BHG also has hotels with their own flags, such as Soft Inn, and hotels without flags, such as Marina Palace, in Leblon - Rio de Janeiro and The Capital, in São Paulo. The company focuses on the modernization of its hospitality and products, the implementation of most advanced methods and technology of management and distribution, as well as the evolution of the service provided to all those who travel for leisure or business. Headquartered in Brazil, BHG is committed to the development of the sector in the country and is looking for business opportunities.

ABOUT GP

GP Investments is a listed company since 2006 with USD 1 Billion in proprietary capital. Since its inception in 1992, the company has raised approximately US\$5.0 billion from international investors and has acquired 54 companies in 16 sectors, including Telecom, Logistics, Retail, Real Estate, Consumer Goods, Education and Insurance Services. GP Investments has followed a consistent and disciplined Investment strategy targeting established companies that have the potential, through hands on approach and active management, to grow and to be more efficient and profitable, becoming the leaders in their respective industries. GP Investments currently has offices in Bermuda, US, UK and Brazil. For further information, please visit www.gp-investments.com.

ABOUT GTIS PARTNERS

GTIS Partners is a global real estate investment firm headquartered in New York with offices in Los Angeles, San Francisco, Houston, Atlanta, São Paulo, Paris, and Munich. GTIS Partners has 85 employees and had approximately \$3.8 billion of assets under management as of September 2016. To date, the firm has committed capital to residential, retail, industrial, office, hotel and mixed-use projects in the U.S. and Brazil. In the U.S., GTIS has committed over \$1.5 billion of equity and debt to 91 projects in 22 states. In Brazil, GTIS has invested in 91 assets comprised of approximately 13,000 planned or completed residential units, over 530,000 square meters of planned or completed office and industrial space, and over 9,800 hotel rooms owned, managed, or under development. By combining hands-on real estate expertise with a disciplined investment approach, GTIS Partners helps create value for its investors and partners. The firm

pursues opportunistic real estate investments through direct equity investment and non-traditional lending activities and the firm relies on macro-research as well as the hands-on industry knowledge of its experienced investment and asset management teams. For further information, please visit www.gtispartners.com.

ABOUT ACCORHOTELS

AccorHotels is a world-leading travel & lifestyle group and digital innovator offering unique experiences in more than 4,000 hotels, resorts and residences, as well as in over 3,500 of the finest private homes around the globe. Benefiting from dual expertise as an investor and operator through its HotelServices and HotelInvest divisions, AccorHotels operates in 95 countries. Its portfolio comprises internationally acclaimed luxury brands including Raffles, Fairmont, Sofitel Legend, SO Sofitel, Sofitel, onefinestay, MGallery by Sofitel, Pullman and Swissôtel; as well as the popular midscale and boutique brands of Novotel, Mercure, Mama Shelter and Adagio; the in-demand economy brands including ibis, ibis Styles, ibis budget and the regional brands Grand Mercure, The Sebel and hotelF1. With an unmatched collection of brands and a rich history spanning close to five decades, AccorHotels, along with its global team of more than 240,000 dedicated women and men, has a purposeful and heartfelt mission: to make every guest Feel Welcome. Guests enjoy access to one of the world's most rewarding hotel loyalty programs – Le Club AccorHotels. AccorHotels is active in its local communities and committed to sustainable development and solidarity through PLANET 21, a comprehensive program that brings together employees, guests and partners to drive sustainable growth. Accor SA is publicly listed with shares trading on the Euronext Paris exchange (ISIN code: FR0000120404) and the OTC marketplace (Code: ACRYF) in the United States. For more information and reservations visit accorhotels-group.com or accorhotels.com. Or become a fan and follow us on Twitter and Facebook.

For further information:

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