



B&B Hotels

November 28, 2007



[www.hotelbb.com](http://www.hotelbb.com)



Control and interest: 73.3%<sup>(1)</sup> – Fully consolidated

- ✓ 8 hotel openings YTD November 2007
- ✓ Completed sale of 159 B&B hotel properties to ANF
- ✓ Agreement with Tank & Rast in Germany

(1) After acquisition of Villages Hôtel

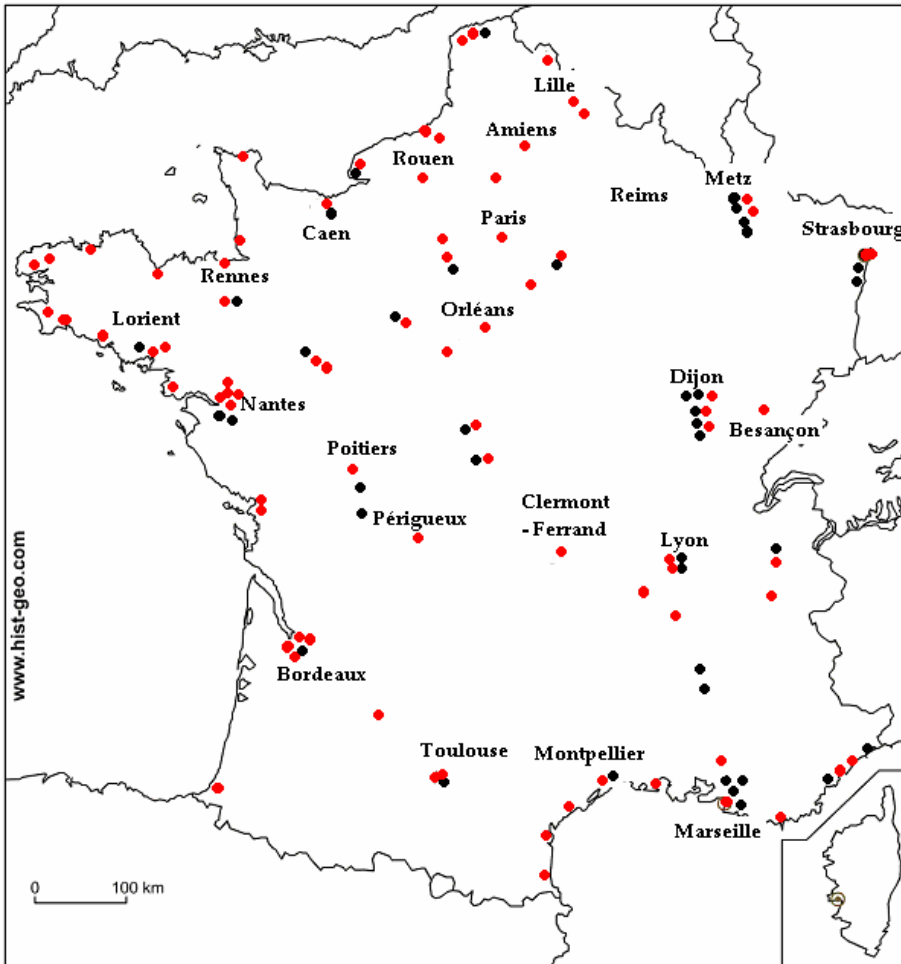
- ✓ **B&B in August 2005 : 117 hotels**
- ✓ **13 openings**
  - **9 in France**
  - **4 in Germany**
- ✓ **Acquisition of the Villages Hôtel chain**
  - **59 hotels**

## Portfolio as of November 28, 2007



	<b>B&amp;B</b>	<b>Villages</b>	<b>Total</b>
Hotels	130	59	189
Rooms	9 220	4 472	13 692

11 franchised hotels in France with a total of 619 rooms



● VH      ● B&B Hotels

- ✓ **Hotels located in France : 175**
    - 150 hotel premises in full property
    - 9 hotel premises in leasing
    - 5 remained held by B&B
    - 11 under franchise
- } Sold to ANF
- 
- ✓ **Hotels located in Germany : 14**
    - held by B&B

✓ **Overview of the acquisition signed on July 23, 2007 and closed on October 31, 2007**

- Acquisition of 159 B&B properties located throughout France
- Total investment: €471 m duties included
- 12 year firm lease, renewable twice for a duration of 12 years each time
- Triple net rents, fixed, indexed from an initial amount of €27.3 m
- ANF signs a partnership with B&B throughout a 3 year development phase, based on an investment program of €58 m
- Good complementarities between recurrent cash flows (B&B) and asset value creation on historical ANF assets

## ✓ Transaction opportunities for B&B

- **Focus** on hotel business
- Net debt as of June 30, 2007: €444 m
- Net proceeds : €385 m
- Net debt without distribution / re-leveraging: € **59 m**
  
- Potential re-leveraging: 5x-6x EBITDA
  
- **Increased visibility** among banks and “asset light” operators

## ✓ Transaction opportunities for ANF

- Significant development of ANF :
  - Additional rentals of €27 m, versus €24 m in 2006, +112 %
  - Asset valuation from €757 m as of June 30, 2007 + €471m\* = €1,228 m, +62 %
- High quality locations: 94% qualified as “very good” or “good” locations by Jones Lang LaSalle Hotels
- Compliance with the SIIC 4 regulation: Eurazeo must reduce its stake to 60% as of January 1, 2009 (62.8% following the capital increase)
- Capital opened to new investors
- EPS enhancement by 4% in 2008
- Improvement of the distribution capacity

## ✓ Financing

- Successful capital increase of €335 m, after full exercise of the extension facility of 15%
- Transaction financed by €182 m of debt and the balance by equity

- ✓ **A transforming agreement for B&B : major step for B&B in its German development**
  
- ✓ **Tank & Rast**
  - Service station operator in Germany
  - Leader in catering, shopping, accommodation and service station on German motorways
  - 340 service stations
  - 370 restaurants
  - 500 million travelers using Tank & Rast service areas each year
  
- ✓ **German market**
  - One of the largest European market for 0 to 2-star hotels
  - Hotel chain underrepresented

- ✓ **B&B strengthens its presence in Germany**
  - Long-term partnership: a 20 year agreement
  - Co-operation agreement covering the 3 coming years to develop at least 34 hotels alongside the German motorway network
  - €50 m will be invested to build and modernize hotels
  - From 14 B&B hotels as of today, of which 6 opened or acquired over the last 18 months, to 60 before the end of 2010
  
- ✓ **Further organic developments**
  - A subsidiary opened in Poland
  - Further growth initiatives across Europe
  
- ✓ **Constant monitoring for potential acquisitions**

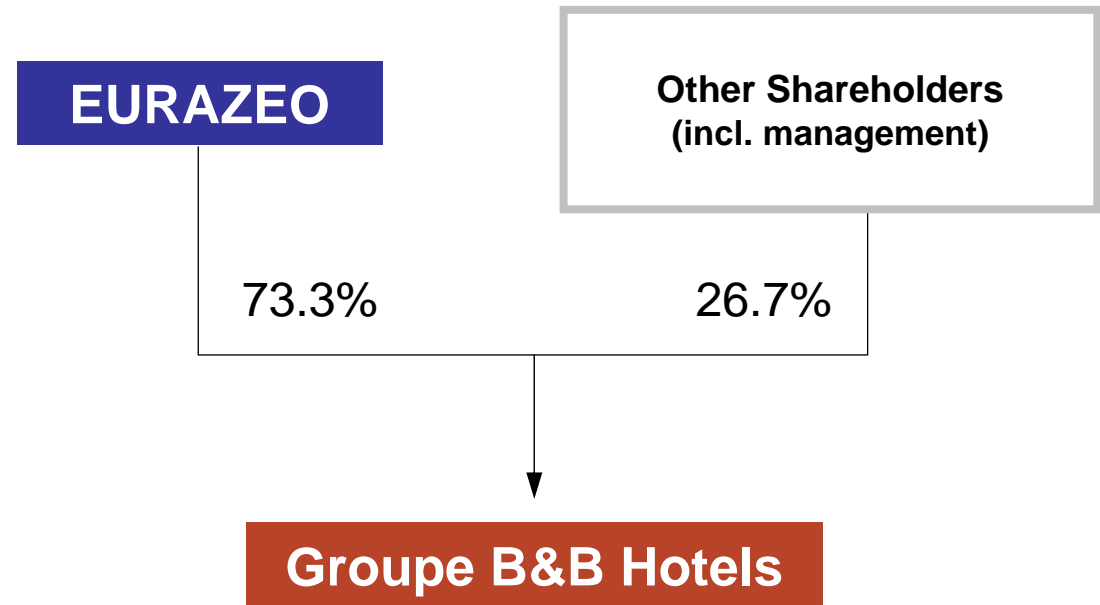
# Appendices



## Key figures

- ✓ N° 3 in the budget hotel segment with 175<sup>(1)</sup> hotels in France and 14<sup>(1)</sup> in Germany
- ✓ Enterprise value at acquisition: €383 m, multiple 11,6 x EBITDA 2005 estimate
- ✓ Eurazeo initial investment €128 m

## Shareholder structure\*



(1) As of November 28, 2007 and after acquisition of Villages Hôtel

## ✓ Integration of Villages Hôtel chain

- Centralization of operational functions underway
- Villages Hôtel to be B&B branded before the end of 2007 (Lorient in July 2007, all the others between August and December 2007)

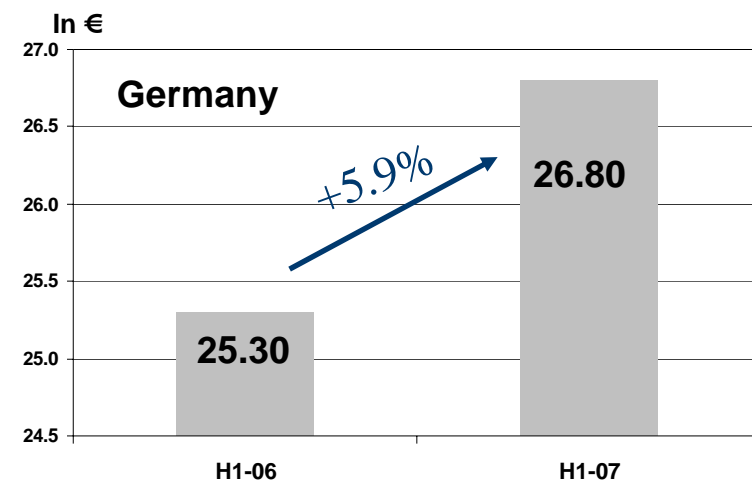
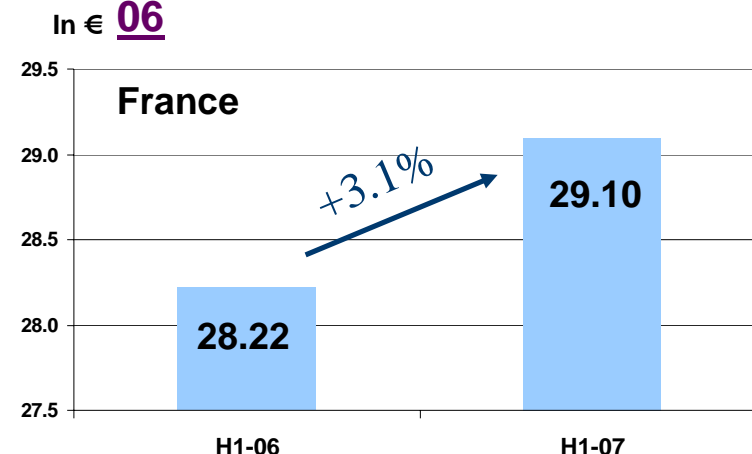
## ✓ 8 new hotel openings

- 6 in France: Oullioules, Gerzat, Rennes-Atalante, Evreux, Toulouse Basso Combo and Belfort
- 2 in Germany: Frankfurt Hahn Airport and Erlangen

## ✓ Operating performance

- Increase in revenue of 66% YTD June 2007, and 12.5% excluding Villages Hôtel acquisition
- France - Occupancy rate: 72.31%, - 2.01 points, impacted by the presidential elections and hotel openings
- Germany - Occupancy rate: 57.83%, - 0.64 points, impacted by hotel openings

### RevPar Excl. Tax H1-07 vs H1-06



## January to June

<i>(€m)</i>	Actual 2006 6 months	Actual 2007 6 months	Change
<b>Revenue</b>	<b>42.8</b>	<b>71.3</b>	<b>+66.6%</b>
<b>EBITDA</b>	<b>15.4</b>	<b>25.5</b>	<b>+65.6%</b>
<i>% margin</i>	<i>35.9%</i>	<i>35.8%</i>	
<b>Net debt</b>	<b>252</b>	<b>444</b>	

- ✓ Excellent geographic complementarities: B&B Hotels is mainly present in Western France, while Villages Hôtel is more solidly implanted in the East.
- ✓ Similar hotel concepts: quality facilities and services (air-conditioning, traditional bathroom, breakfast, secure surroundings, etc.) at a moderate price.
- ✓ Strengthens market position and enables critical mass in the French market with almost 175 hotels in France. The group also owns 14 in Germany.
- ✓ All hotels benefit from the state of the art B&B Hotels website and booking center.
- ✓ Accelerates expansion in targeted regions and internationally
- ✓ Existing management and staff structures are maintained, headed by Georges Sampeur, Chairman of the B&B Hotels Management Board.
- ✓ Support of Villages Hôtel founders, who are taking a minority stake in the capital of the new entity

✓ **Full Year 2007 revenues**

**February 15, 2008**

✓ **Full Year 2007 results**

**March 27, 2008**

## Eurazeo share

Isin: FR0000121121

Bloomberg/Reuters: RF FP, Eura.pa

Index : SBF 120, DJ Euro Stoxx, DJ Stoxx,

53,936 638 outstanding shares as of  
10/31/2007

Statutory declarations: each 1% of share capital

## Research on Eurazeo

Aurel Leven, J. Guez

Cazenove, C. Brown

Cheuvreux, L. Marie

Exane BNPParibas, F. El Haik

HSBC, P. Bosset

Oddo, Q. Philippe

SG, P. Jousseau

UBS, A. Dergatcheff

[www.eurazeo.com](http://www.eurazeo.com)

## Investor Relations

Carole Imbert – [cimbert@eurazeo.com](mailto:cimbert@eurazeo.com)

Tel : + 33 (0)1 44 15 16 76

