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Press release

For immediate release

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B&B Hôtels enters into exclusive negotiations for the acquisition of Villages Hôtel

Groupe B&B Hôtels has announced that it has entered into exclusive negotiations with a view to acquiring 100% of the capital of the company that owns the Villages Hôtel hotel group. Founded in the 1990s, the Villages Hôtel chain is present in France and Germany with over 60 directly owned hotels.

The completion of this acquisition would allow Groupe B&B Hôtels to accumulate over 180 hotels (including 12 in Germany) and almost 13,000 rooms in the budget hotel segment. The combined turnover will amount to over 130 million euros.

Georges Sampeur, Chairman of the Board of Directors of Groupe B&B Hôtels, states:

“Thanks to the strong geographical complementarity of the two entities and the clear affinity between the hotel concepts of B&B and Villages Hôtel, the group would have a densified network throughout France, offering its business or leisure customers in every region high-quality budget accommodation.”

Xavier Marin, Chairman of the Supervisory Board of Groupe B&B Hôtels and member of Eurazeo’s Board of Directors, states:

“As announced during its acquisition and thanks to the support of its shareholders, B&B Hôtels would thus achieve the first important step in its development, whose aim is to allow this company to become a major player on the European budget hotel market.”

The Founders of Villages Hôtel state:

“During our discussions with the management teams of B&B Hôtels, we were able to determine that we share a common vision and philosophy with regard to the future of the budget hotel industry in France and Europe.”

If the acquisition is finalised, the founding group of Villages Hôtel is set to take a minority interest in the capital of the new corporation.

The management structures for the two companies will remain in place, in Brest and Dijon, under the authority of Georges Sampeur, Chairman of the Board of Directors of Groupe B&B Hôtels.

About B&B Hôtels:

Held by the investment company Eurazeo, B&B Hôtels is the leading independent budget hotel chain in France, with over 120 hotels in France and Germany.

B&B hotels aim to satisfy all the demands of their clientele, whether they are travelling for business or pleasure, by offering them comfort and high-quality services at a reasonable cost. The roll-out of a new budget hotel concept, information on which is given on B&B Hôtels' website (www.hotelbb.com), will allow B&B Hôtels to be even more effective in meeting its customers' needs.

B&B Hôtels generated a turnover of 82 million euros in 2005.

About Villages Hôtel:

Created in 1990, the burgundy-based group holds over 60 hotels in France and two in Germany.

In 2005, Villages Hôtel generated a turnover of 43 million euros.

About Eurazeo

With over 5.5 billion euros in diversified assets and a market capitalisation of more than 5.3 billion euros, Eurazeo is one of the top listed investment companies in Europe.

As a major private equity company, Eurazeo analyzes many investment opportunities and has an active approach towards value creation in its portfolio companies. Eurazeo is a majority or reference shareholder in Europcar, Rexel, Eutelsat, Fraikin, B&B and ANF.

Groupe B&B Hôtels

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