

5th April 2016

Hotels

## AccorHotels

Price EUR36.90

New diversification in private rentals with the acquisition of Onefinestay

Fair Value EUR48 (+30%)

BUY

Bloomberg	AC FP
Reuters	ACCP.PA
12-month High / Low (EUR)	51.3 / 30.0
Market Cap (EURm)	8,687
Avg. 6m daily volume (000)	1 550

	1 M	3 M	6 M	31/12/15
Absolute perf.	-7.3%	-5.3%	-12.2%	-7.8%
Travel&Leisure	-2.4%	-7.3%	-0.3%	-9.0%
DJ Stoxx 600	-2.1%	-6.2%	-3.8%	-8.6%

  

	2014	2015e	2016e	2017e
P/E	22.0x	19.6x	18.6x	16.3x
Div yield (%)	2.6%	2.7%	3.0%	3.4%

### ANALYSIS

- New diversification: AccorHotels has entered a new hospitality segment, with the acquisition of Onefinestay specialised in luxury serviced home rentals in key worldwide gateways. AccorHotels is to spend EUR148m (GBP117m) with a commitment to invest EUR64m (GBP50m) to accelerate the group's international expansion.
- Onefinestay was created in 2010 in London and now manages a portfolio of 2,600 properties in London, New York, Paris, Los Angeles and Rome under exclusive contracts. For AccorHotels this is a new diversification to compete with new entrants, bringing its expertise in hospitality and IT (reservation system) and will support the company's expansion with a target of 40 new cities around the world over the next five years.
- With AccorHotels, Onefinestay will remain an independent business unit and will continue to be managed by Greg Marsh, co-founder in 2010.

### VALUATION

- At the current share price, the stock is trading on EV/EBITDA of 7.9x for 2016e and 7.1x for 2017e compared with an historical median of 7.6x and an average for European peers of 9.4x for 2016e and 8.5x for 2017e.

### NEXT CATALYSTS

- Conference call at 9:00am
- Q1 2016 revenue on 19th April (after market)

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## Distribution of stock ratings

BUY ratings 63,2%

NEUTRAL ratings 30,1%

SELL ratings 6,6%

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