



ANF completes the €471m acquisition of 159 B&B hotel premises

Paris, 31 October 2007 – Following the announcement on 24 July, ANF confirms that it has completed the acquisition of the freeholds of 159 hotels for €471 million, duties included. The assets, spread across all of France, are run by B&B, France's third largest budget hotel group.

B&B Hotels will continue to manage these hotels and has signed 'triple net' leases, for an initial global rent of €27.3 million, which will be linked to a composite index until the implementation of the IRLC index.

Leases are firm for an initial period of twelve years and will be twice renewable at the request of B&B. The renewed rents will be calculated as a margin on the three year average sales, limited to a 115% increase of the last year's indexed rent.

Alongside the acquisition, ANF has signed a partnership agreement with B&B Hotels enabling it to participate in the development of the B&B hotel chain for a sum of approximately €58 million for a three year period, on the understanding that B&B will pay additional rent.

Part of the proceeds from ANF's recent capital increase will finance €300m of this transaction, and the balance will be financed with bank debt.

The success of ANF's capital increase has enabled it to strengthen its equity base, underpinning its potential to grow both through its current portfolio as well through acquisition. The capital raising has enabled new shareholders to invest and has increased the free float. Eurazeo's stake in ANF has decreased from 89.8 per cent to 62.8 per cent

Bruno Keller, Chairman of ANF, commented: "This acquisition will enable ANF to grow and will increase its free float, making it a more attractive listed company. This will reinforce the unique character of ANF, offering its shareholders a complimentary balance between regular cash flows from B&B rentals and value creation on an historic and unique portfolio in two of the largest French provincial towns, Lyon and Marseille."

ANF was advised by the law firm Clifford Chance, the real estate advisors Jones Lang Lasalle Hotels, BNP Paribas and the legal practice Ugen-Vidalenc & Associates. Natixis was

the only book runner and mandate coordinator alongside Credit Mutuel (BECM) and Societe Generale, who supplied the financing.

About ANF

ANF is a leading real estate company with SIIC status, targeting residential and third party property rentals, with significant operations in the Lyons and Marseilles city centres. Listed on Euronext Paris' EurolistB, ANF is part of the Eurazeo group.

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