

AccorHotels buys Canada's FRHI for \$2.9b

PARIS: French hotel group AccorHotels said on Wednesday it had agreed to buy Canada's FRHI, owners of the Fairmont, Raffles and Swissotel luxury hotel groups, from its current Qatari and Saudi owners.



Huaiwei via [Wikimedia](#)

The \$2.9 billion acquisition, which covers 155 hotels and resorts, will make AccorHotel a world leader in luxury hotels, it said. AccorHotel added that it would pay the Qatar Investment Authority and Kingdom Holding Company of Saudi Arabia a total of \$840 million in cash and 46.7 million in Accor shares.

Managing director of AccorHotels Sebastien Bazin told reporters that the deal constituted "the largest acquisition in the hotel group's history" after the \$1.3 billion purchase of Motel6 more than two decades ago. Bazin said the accord was "a strategic operation which gives birth to an uncontested world leader in the luxury segment" of the industry, fighting to stay ahead of upstart rivals such as Airbnb.

The company added that Qatar Investment Authority and Kingdom Holding Company of Saudi Arabia would "become shareholders with respectively 10.5 and 5.8 percent capital stakes in AccorHotels".

Bazin described Fairmont, Raffles and Swissotel as three "legendary brands" that would "strategically complete our portfolio and our geographic reach, in particular in the United States, the primary issuing market for international tourism."

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