CLUB MÉDITERRANÉE

PRESS RELEASE

Thursday, 7 June 2012

Further Improvement in Sales and Earnings in First-Half 2012

- Business volume up 4.6% to €798 million

- 33,000 additional 4 and 5-Trident customers, a 7.6% increase

- Villages operating income up 13% to €53 million

- Net income before tax and non-recurring items up 38% to €39 million

- Net income up 72% to €17 million

- Free cash flow up 57% to €47 million

Henri Giscard d'Estaing, Chairman and Chief Executive Officer, commented:

"Club Méditerranée reported a further improvement in earnings for first-half 2012, in a contracting European tourist market. The increase in sales, the number of customers and their satisfaction rate, especially in 4 and 5-Trident villages, are powerful indicators of Club Med's success in the premium all-inclusive vacation segment. Market share gains in mature countries, especially France, as well as the strategy of expanding in fast-developing countries and the scheduled openings of 4 and 5-Trident villages in 2013 provide us with advantages in an increasingly difficult European market."

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New improvement in sales and profitability in first-half 2012

➢ 1st semester 2012 financial highlights (1 November 2011-30 April 2012)

(in € millions)	H1-10	H1-11	H1-12	Change H1-12 vs. H1-11
Village business volume [1]	**680**	**763**	**798**	**+4.6%**
Consolidated revenue				
Consolidated [2]	679	754	**783**	+3.8%
Villages [3]	693	747	**774**	+3.7%
Villages EBITDA[4]	61	80	**85**	+5.7%
As a % of revenue	*9.1%*	*10.7%*	***10.9%***	+0.2 pts
Operating Income – Villages	**28**	**47**	**53**	**+13.2%**
Operating income – Management of assets	(3)	(14)	**(14)**	
Other operating income & expense	(7)	(7)	**(7)**	
Operating income	18	26	**32**	+25%
Net income before tax and non-recurring items	**14**	**28**	**39**	
Net income	3	10	**17**	
Investments	(22) [5]	(30)	**(24)**	
Disposals	2	17	**23**	
Free cash flow	21	30	**47**	
Net debt	(218)	(169)	**(123)**	

(1) Total sales, regardless of village operating structure

(2) Includes €6 million, €7 million and €9 million in property development revenue for, respectively, H1-2010, H1-2011 and H1-2012.

(3) Like-for-like

(4) Village earnings before interest, taxes, depreciation and amortization.

(5) Nets of grant and insurance settlements

- In the first six months of fiscal 2012, **Villages business volume** (corresponding to total sales regardless of village operating structure) rose by 4.6% to €798 million from €763 million in first-half 2011.

- **Villages revenue** grew by 3.7% like-for-like, with increases of 4.5% in Europe and 4.4% in the Americas. In Asia, the slight 1.2% decline in revenue was due to the impact on the Australian market of the closing of the 3-Trident Lindeman Island village and to sluggish demand in the Japanese market. Excluding the impact of Lindeman Island, revenue in Asia increased by 3.5%.

- **RevPAB** (revenue per available bed) rose 1.5%, led by the 1.1% improvement in the average price per hotel day to €157 and a 1.2-point increase in the occupancy rate to 71.1%.

➢ Performance indicators

(in € millions)	H1-10	H1-11	H1-12	Change H1-12 vs. H1-10
Villages EBITDAR(1)	140	156	**163**	
As a % of revenue	*20.8%*	*20.9%*	***21.1%***	*+0.3 pts*
Villages EBITDA(2)	**61**	**80**	**85**	
As a % of revenue	***9.1%***	***10.7%***	***10.9%***	***+1.8 pts***
Operating income – Villages	28	47	**53**	
As a % of revenue	*4.1%*	*6.2%*	***6.8%***	*+2.7 pts*

(1) Village earnings before interest, taxes, depreciation, amortization and rents

(2) Village earnings before interest, taxes, depreciation and amortization

- **Villages EBITDA** rose to €85 million from €80 million in first-half 2011. EBITDA margin widened to 10.9% from 10.7% a year earlier and could amount to around 9% for the full fiscal year, depending on the extent of the deterioration in European tourist markets. Villages EBITDA margin in fiscal 2011 came to 8.9%.

- **Operating income – Villages** amounted to €53 million, compared with €47 million in first-half 2011, a 13.2% increase.

- **Net income before tax and non-recurring items** rose by 38% to €39 million, from €28 million in first-half 2011.

- **Net income** stood at €17 million, compared with €10 million in first-half 2011.

- **Free cash flow** improved to €47 million from €30 million one year earlier and came to €24 million before disposals.

- **The Group continued to pay down debt,** which was reduced to €123 million at 30 April 2012, from €165 million at 31 October 2011.

➢ Subsequent events

- **Accelerated repayment of a €50-million loan.** In light of its improved financial position Club Méditerranée decided to move forward the repayment of a €50-million loan secured by the Cancun village to 31 May 2012. Initially repayable in 2017, the loan carried a 6.58% interest rate. After paying back the loan, the Group had €147 million in cash and cash equivalents.

- **Conversion of ORANE issued in June 2009.** Conversion of the ORANE bonds issued in June 2009 at a price of €8.55 will be mandatory on 8 June 2012. Of the 5,962,432 ORANEs originally issued, only 1,448,681 had not yet been converted into shares as of 31 May 2012. After conversion of the ORANE, the number of Club Méditerranée shares will total 31,821,142 and its share capital €127,284,568.

1. Snow village sales up sharply in first-half 2012

The number of customers for European snow destinations rose by 5.4% in the 2012 Winter season to 184,000, from 174,000 in the prior-year period.

The Valmorel village in the French Alps, which opened in December 2011, was successfully launched with an 85% occupancy rate in its first season and a very high satisfaction rate. The village had 31,000 customers, of which 43% non-French. It will be open during the Summer season and has already received a large number of bookings.

2. Club Med continues to gain market share in a contracting European tourist market.

- **Outperforming the market in France**

Club Med's business volume in France rose by 5.3% for the 2012 Winter season with the number of 4 and 5-Trident customers rising by nearly 10%. This good performance was obtained in an increasingly difficult business environment that saw a 4.2% decline in the market, according to the French Tour Operators Association (CETO).

- **New market share gains in Europe**

In other mature countries, Club Med continue to outperform the market, recording a 2% increase in number of clients in Belgium (versus a 6.7% market decline), a 5% rise in business volume in the United Kingdom (versus a 7% market decline) and a 19% increase in Germany in business volume (where the market expanded by 9%).

- **Customer gains in fast-developing countries***

The number of customers from fast-developing countries rose by 10% to 129,000 and accounted for 20% of Club Med's 2012 Winter season clientele. The increase was 31% in the Chinese market.

*China, Brazil, Russia, Singapore, South Korea, Argentina, South Africa, Mexico and Turkey

3. New developments in the upmarket segment

Openings and renovations of upmarket villages continued in the first half as the Group pursued its strategic objective of a portfolio comprising two-thirds 4 and 5-Trident villages by year-end 2012. Following the opening of the Valmorel village this winter, the Guilin village in China will be pre-opened this summer and will operate at full capacity starting spring 2013.

During Winter 2013 season, two new villages will complete the up market portfolio:

- Opening in December 2012, Pragelato Via Lattea (Italy) will be a 4-Trident, 2-season, 700-bed village comprising several clusters of chalets at the foot of the Via Lattea Olympic ski area.
- Belek (Turkey), near Antalya, will be a 4-Trident village with more than 900 beds. Scheduled to open in March 2013, the village will be operated under a management contract.

Several other development projects are underway:

- A second village in the Maldives. Operated under a management contract, this year-round 4-Trident village with a 5-Trident section would open in the winter of 2015.
- Chbika, a 4-Trident village with a 5-Trident section in southern Morocco is planned to open in winter 2015. The village would be developed in partnership with Orascom Development, Caisse de Dépôt et de Gestion du Maroc and Rolaco and operated under a management contract.

4. Outlook for Summer 2012

At constant exchange rates	**Year-to-date, at 2 June 2012**	**Past 4 weeks**
Europe	+3.1%	-2.7%
Americas	+10.1%	+1.5%
Asia	+1.9%[1]	+2.5%
Total	**+3.5%**	**-1.1%**
Summer 2012 capacity	**-2.9%**	

(1) Excluding the impact of Lindeman Island, Asia is up 7.4%.

As of 2 June 2012, bookings for the 2012 Summer season (expressed as business volume at constant exchange rates) were up 3.5% over the prior-year date. At the same date last year, nearly two-thirds of the summer bookings had been recorded. Capacity for the 2012 Summer season has been reduced by 2.9%.

Bookings to date are up in all regions: 3.1% in Europe, 10.1% in the Americas and 1.9% in Asia (7.4% excluding the impact of the Lindeman Island closing).

Trailing four-week bookings are down 1.1% with a 2.7% decline in Europe, partly due to the ongoing market deterioration. The increases of 2.5% in Asia and 1.5% the Americas were led by a more favorable economic environment.

ADDITIONAL INFORMATION

The consolidated financial statements for the six months ended 30 April 2012 were approved by the Board of Directors on 6 June 2012.

The Auditors have performed a limited review of these financial statements and are in the process of issuing their report.

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Appendices

➢ Net income before tax and non-recurring items

(in € millions)	H1-10	H1-11	H1-12
Net income before tax and non-recurring items	**14**	**28**	**39**
Disposal gains/(losses), net	-	6,5	16
Impairment/scrapping/village closure costs/other	(1)	(16)	(23)
Restructuring costs	(4)	(4.5)	(5.5)
Net income before tax	**9**	**14**	**27**
Income tax	(6)	(4)	(10)
Net income	**3**	**10**	**17**

➢ Shareholder structure at 31 May 2012, taking into account the conversion of ORANE bonds on 8 June 2012

	Number of shares after conversion of the ORANEs		**Voting rights** after conversion of the ORANEs	
	31 May 2012	% capital	31 May 2012	% capital
Fosun Property Holdings Limited	3 170 579	9,96%	3 170 579	9,7%
CMVT International*	2 250 231	7,1%	2 250 231	6,9%
Rolaco	1 793 053	5,6%	1 793 053	5,5%
AXA Private Equity Capital	2 982 352	9,4%	2 982 352	9,1%
Benetton	708 000	2,2%	708 000	2,2%
Total Conseil d'Administration	10 904 215	34,3%	10 904 215	33,3%
Fidelity (FMR LLC)	2 644 807	8,3%	2 644 807	8,1%
Caisse des dépôts et consignations	1 908 492	6,0%	1 908 492	5,8%
Franklin Finance	1 606 169	5,0%	1 606 169	4,9%
Air France	635 338	2,0%	635 338	1,9%
GLG Partners LP	532 552	1,7%	532 552	1,6%
French institutions	2 991 551	9,4%	3 049 454	9,3%
Foreign institutions	7 013 834	22,0%	7 689 936	23,5%
Treasury shares	199 420	0,6%	199 420	0,6%
Employees	27 640	0,1%	55 280	0,2%
Public and other	3 357 124	10,5%	3 472 288	10,6%
TOTAL,	31 821 142	100,0%	32 697 951	100,0%

*Previously named Fipar International (a subsidiary of Caisse de Dépôt et de Gestion Maroc)