Groupe
Pierre & Vacances
CenterParcs

Third quarter 2019/2020 revenue

Paris, 16 July 2020

Non-significant third quarter revenue,
affected by the Covid-19 crisis

1] Third quarter revenue

Under IFRS standards, Q3 2019/2020 revenue totalled €85.1 million (€50.7million for the tourism activities and €34.3 million for the property development activities).

The Group nevertheless continues to comment on its revenue and the associated financial indicators, in compliance with its operating reporting namely:
- with the presentation of joint undertakings in proportional consolidation,
- excluding the impact of IFRS16 application

A reconciliation table presenting revenue stemming from operating reporting and revenue under IFRS accounting is presented in the appendix at the end of the press release.

€ millions	**2019/2020** *according to operating reporting*	**2018/2019** *according to operating reporting*	**Change**
Tourism	**51.6**	**335.3**	**-84.6%**
Pierre & Vacances Tourisme Europe	19.6	133.3	-85.3%
Center Parcs Europe	32.0	202.0	-84.2%
o/w accommodation revenue	***32.7***	***227.7***	***-85.6%***
Pierre & Vacances Tourisme Europe	*10.0*	*91.9*	*-89.1%*
Center Parcs Europe	*22.7*	*135.8*	*-83.3%*
Property development	**58.0**	**36.1**	**+60.4%**
Total Q3	**109.6**	**371.5**	**-70.5%**
Tourism	**599.1**	**878.8**	**-31.8%**
Pierre & Vacances Tourisme Europe	246.4	376.8	-34.6%
Center Parcs Europe	352.7	502.0	-29.7%
o/w accommodation revenue	***399.8***	***595.2***	***-32.8%***
Pierre & Vacances Tourisme Europe	*165.8*	*262.0*	*-36.7%*
Center Parcs Europe	*234.0*	*333.2*	*-29.8%*
Property development	**206.6**	**230.8**	**-10.5%**
Total 9 months	**805.7**	**1,109.6**	**-27.4%**

- **Tourism revenue**

Decisions taken by government authorities in the context of the Covid-19 crisis obliged the Group to close virtually all the sites operated from mid-March to end-May (for the first Center Parcs Dutch and German domains)/early-June.

As a consequence, Q3 revenue for the 2019/2020 financial year was heavily impacted by two months of lost revenue, followed by a gradual recovery in June. Lost revenue over the quarter relative to Q3 2018/2019 was initially estimated at around €300 million (i.e. an impact of around -€130 million on underlying operating profit in view of the savings made) but stood at €284 million, with the improvement related to higher than expected revenue in June (35% of the June 2019 amount vs. 30% estimated).

- Accommodation revenue stood at €32.7 million, down 85.6%, of which €10,0 million for Pierre & Vacances Tourisme Europe (-89.1%) and €22.7 million for Pierre et Vacances Tourisme Europe (-83.3%), showing a lower decline in revenue since activities resumed in Germany and the Netherlands as of late-May/early-June.
- Revenue from the tourism activities totalled €18.9 million, down 82.4%.

Lost accommodation revenue over Q3, estimated at €202 million, added to that recorded over the last half of March, or €31 million, as well as robust pre-Covid levels (revenue up 6.7% on a constant scope basis, ahead of the 4.7% target set in the strategic plan).

Nine-month revenue therefore totalled €599.1 million, down 31.8%.

- **Revenue from property development**

Third quarter property development revenue totalled €58.0 million, compared with €36.1 million in the year-earlier period, driven primarily by the contribution from Senioriales residences (€13.3 million), the Center Parcs Lot-et-Garonne domain (€7.2 million) and Center Parcs renovation operations (€29.7 million).

Over the first nine months of 2019/2020, the property development activities recorded revenue of €206.6 million compared with €230.8 million over the year-earlier period (of which €132,6 million for the Center Parcs renovation operations, with the majority of this contribution related to the shift from 2017/2018 to 2018/2019 of signings of block sales on property renovation programmes in Belgium and the Netherlands).

Property reservations recorded over the first nine months of the year with individual investors represented sales volumes of €162.2 million, vs. €194.3 million over the year-earlier period, after a slowdown in third quarter reservations (€36.9 million vs. €62.1 million in Q3 2018/2019).

2] Tourism outlook for the fourth quarter

The level of tourism reservations taken for the fourth quarter confirms the adequacy of Group's brands offers to demand for family oriented and local tourism in the post-Covid context.

While activity at Adagio and the residences in Spain (or 20% of Q4 2019 accommodation revenue) is more dependent on international customers and remains in decline by around 50 points over the summer period, the portfolio of reservations to date stands at 70% of revenue budgeted for Q4 for the Pierre & Vacances scope in France and all of the Center Parcs Europe domains. The difference relative to the year-earlier achievement rate is 4 points for Center Parcs and 9 points for P&V France and continues to narrow every week thanks to sharp growth in weekly reservations relative to the previous year, thereby suggesting performances in this scope could be fairly similar to those noted in Q4 2018/2019.

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APPENDIX:
Reconciliation table between revenue stemming from operating reporting and revenue under IFRS accounting.

€ millions	**2019/2020** *according to operating reporting*	*Restatement IFRS11*	*Impact IFRS16*	**2019/2020** *IFRS*
Tourism	**51.6**	**-0.9**		**50.7**
Pierre & Vacances Tourisme Europe	19.6	-1.2		18.4
- Center Parcs Europe	32.0	+0.3		32.3
Property development	**58.0**	**-4.8**	**-18.9**	**34.3**
Total Q3	**109.6**	**-5.7**	**-18.9**	**85.1**

IFRS11 adjustments: *for its operating reporting, the Group continues to integrate joint operations under the proportional integration method, considering that this presentation is a better reflection of its performance. In contrast, joint ventures are consolidated under equity associates in the consolidated IFRS accounts.*

Impact of IFRS16:

Application of IFRS 16 as of 1 October 2019 has led to the cancellation in the consolidated financial statements of a share of revenue and the capital gain relative to disposals made under the framework of property development operations with third parties (given the right of use owned by the Group), see above for the impact on Q3 revenue.
In view of the Group's business model based on two distinctive businesses, as monitored and presented in its operating reporting, this adjustment does not enable the measurement and reflection of the underlying performance of the Group's property development business. For this reason, the Group's financial communication continues to present property development operations as they are presented in its operating monitoring.