Groupe
Pierre & Vacances
CenterParcs

2021/2022 first half results

Paris, 31 May 2022

- **Sharp increase in 2022 half-year results[1] compared to the same period in 2021, higher than in H1 2019 (pre-Covid) :**
    - **Accommodation revenue: +7.5% vs 2019**
    - **Adjusted EBITDA: +89% vs 2019 (+21% excluding non-recurring income)**
    - **Net result: +24% vs 2019**
- **Crossing of stages prior to financial Restructuring Transactions**
- **Outlook for 2021/2022 revised upwards and confirmation of the strategic directions of the Reinvention plan**

I. Main events

Approval of Adagio and Pierre et Vacances SA conciliation protocols

Under the framework of agreements concerning the New Financing concluded on 19 June 2021, two conciliatory protocols were signed, on 4 November 2021 between Adagio, its associates and seven banking institutions, and on 10 November 2021, between Pierre et Vacances SA, seven banking institutions, Euro PP holders and certain Ornane bond holders.

Approval hearings were held at the Paris Court of Commerce on 15 November 2021 with the rulings given respectively on 14 November 2021 for Pierre et Vacances SA, and 30 November 2021 for Adagio. As such, (i) the New Group PGE (state-backed) loan of €34.5 million was made available to Pierre et Vacances SA on 1 December 2021, and (ii) state-backed loans amounting to €23 million were made available to Adagio on 7 December 2021.

Second tranche of New Financing made available

In accordance with the terms of the New Financing concluded on 19 June 2021 between Pierre et Vacances SA and some of the Group's creditors, the second tranche of the New Financing, of a principal amount of €125 million (including the New Group PGE) was made available to Center Parcs Europe N.V. And Pierre et Vacances SA (concerning the New Group PGE on 1 December 2021.

In accordance with the New Financing documentation, the drawing of the second tranche was accompanied by a second rank pledge concerning Center Parcs Holding Belgium shares owned by Center Parcs Europe N.V.

Success of restructuring process: agreement with Alcentra, Fidera, Atream and the Group's main creditors

Under the framework of the equity strengthening process, the Group concluded firm agreements on 10 March 2022 with Alcentra, Fidera and Atream, as well as the banking creditors, Euro PP holders and the group of Ornane bond holders.

These firm agreements meet the objective to preserve the entire Group and to reach a balanced financial structure by reducing the Group's debt and securing the liquidity required to enable it to deploy its Reinvention 2025 strategic plan.

The Restructuring Transactions plan for:

- a €200 million injection of shareholders' equity,
- the conversion into capital of almost €522 million of unsecured debt,
- the roll-out of a new governance organisation,
- the outsourcing of financing of the property development business through the creation of a dedicated real estate company whose main purpose is to acquire and lease new sites to the Group.

The Restructuring Transactions, which must be completed by 16 September 2022 (barring a specific extension), are set out in the press releases published on 10 March 2022, on 22 April 2022 and on 25 May 2022, available on the Group's website: www.groupepvcp.com.

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[1] Figures based on operational reporting

Review of negotiations with individual lessors

As announced in the press release of 10 November 2021, the Group sent a new alternative proposal for the lease contract amendment to its individual owners, offering payment of an amount equivalent to 11 months of rent over the 16-month period affected by the health crisis (between March 2020 and June 2021), or almost 70% of contractual rents.

In return, owners signing the new amendment agreed to forego (i) payment of any compensation envisaged by the state, and (ii) holiday vouchers worth €2700 including tax, as included in the amendment proposed in September 2021.

For those who signed the original proposal of September 2021 but did not accept the new proposal, all of the original effects relative to the lessor remain valid.

On 31 May 2022:

- the overall acceptance rate (for all amendments) stood at 81%.
- The total amount of rents unpaid to individual lessors not signing the amendment over the period of administrative closure (mid-March to end-May and November to mid-December 2020) represents almost €11 million. For these periods, the Group considers that the rental debt is extinguished, basing its assessment on the legal basis of the defence of non-performance or that of the measures set out in Article 1722 of the French Civil Code.
- The assignations notified to the Group from owners for non-payment of rents concern a total amount of around €23.5 million and stem from almost 2,500 claimants. This amount nevertheless includes requests formulated by lessors who signed the amendments proposed under the framework of the conciliation, as well as requests concerning rents paid since.

The Group also aims to manage the claims filed by individual lessors who did not sign the amendment proposal by opposing various legal reasonings, or depending on the case, by requesting periods of grace.

Reception of “closure” aid from the French state

On 22 March 2022, the Group obtained an amount of €24.2 million from the French state in so-called “closure” aid, aimed at compensating for uncovered fixed costs for companies whose business suffered especially harshly due to the Covid-19 pandemic and which respected the conditions stipulated. The Group is set to pass a percentage of this aid onto certain individual lessors in accordance with the amendments concluded with these lessors under the framework of the conciliation procedure opened in 2021.

Opening of conciliation procedure

On 22 March 2022, the Paris Court of Commerce opened a conciliation procedure for a four-month period and designated SCP Abitbol & Rousselet as the conciliator in particular for the implementation subsequent to the agreement of 10 March 2022 as part of an accelerated safeguard procedure.

II. Revenue and net income for the first half of 2021/2022 (1 October 2021 to 31 March 2022)

The financial items commented on hereafter stem from operational reporting, which is more representative of the performances and economic reality of the contribution from each of the Group’s businesses, i.e. excluding the impact of IFRS16 application for all financial statements and excluding the impact of IFRS11 for income statement items.

The Group’s results are also presented according to the following operational segments, as defined under IFRS 8[2], i.e.:

- the **Center Parcs** operating segment covering both operation of the domains marketed under the Center Parcs, Sunparks and Villages Nature brands, and the building/renovation activities for tourism assets and property marketing in the Netherlands, Germany and Belgium;
- the **Pierre & Vacances** operating segment covering the tourism businesses operated in France and Spain under the Pierre & Vacances and maeva.com brands, the property development business in Spain and the Asset Management business line (responsible notably for relations with individual and institutional lessors);
- the **Adagio** operating segment covering operation of the city residences leased by the Pierre & Vacances-Center Parcs Group and entrusted to the Adagio SAS joint venture under management mandates, as well as operation of the sites directly leased by the joint venture;
- an operational sector covering the **Major Projects** business line responsible for construction and development of new assets on behalf of the Group in France, and **Senioriales**, the subsidiary specialised in property development and operation of non-medicalised residences for independent elderly people;
- the **Holding** operational segment.

Note that the Group’s operational reporting is set out in Note 3 - Information by operating segment in the appendix to the half-year consolidated financial statements. A reconciliation table with the primary financial statements is presented hereafter.

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2 *See pages 181-182 of the Universal Registration Document, filed with the AMF on 17 March 2022 and available on the Group’s website: www.groupepvcp.com*

2.1. Revenue

(€m)	H1 21/2022 operational reporting	H1 20/2021 proforma operational reporting*	Change vs. 2020/21	H1 2018/19 proforma operational reporting*	Change vs. 2018/19
Center Parcs	422.8	161.8	161%		
o/w accommodation revenue	*280.2*	*76.2*	*268%*	*228.8*	*22.4%*
Pierre & Vacances	165.6	48.6	240%		
o/w accommodation revenue	*116.9*	*29.0*	*304%*	*121.0*	*-3.4%*
Adagio	67.1	25.5	163%		
o/w accommodation revenue	*59.9*	*21.4*	*180%*	*75.2*	*-20.4%*
Major Projects & Seniorales	58.7	59.3	-1%		
Holding	1.2	2.0	-41%		
Group revenue	**715.4**	**297.2**	**141%**		
Accommodation revenue	***457.0***	***126.5***	***261%***	***425.1***	***7.5%***
Supplementary income	***131.0***	***38.5***	***240%***		
Other revenue	***127.4***	***132.2***	***-4%***		

** Accommodation revenue expressed in gross terms including marketing fees*

After an excellent summer season and revenue up +113% in the first quarter of 2021/2022 (vs. Q1 2020/2021), growth momentum continued during the second quarter of the year (+177% relative to the year-earlier period). **In all, the Group's first half revenue totalled €715.4 million, up 141% relative to 2020/2021.**

Accommodation revenue:

Accommodation revenue totalled €457.0 million during H1 2021/2022, representing 3.5x the revenue seen in the year-earlier period.

Compared with the first half of 2018/2019 (the reference period not affected by the pandemic), the Group recorded accommodation revenue **7.5% higher than the pre-crisis level,** with:

- robust revenue growth at Center Parcs: +22.4% over H1, primarily driven by the rise in average letting rates stemming from the premiumisation of renovated domains, and benefiting all destinations (+25.1% for the French domains, and +21.0% for the domains located in BNG[3]).
- revenue down 3.4% for Pierre & Vacances related to the decline in the stock of accommodation marketed (non-renewal of leases or withdrawals from loss-making sites), with:
  - slight growth in the residences business in France (+0.6%) in the first half, despite the 7.8% decline in the supply of accommodation. On a same-structure basis, revenue over the first half was higher driven by healthy performances at the mountain destinations over Q2 (average letting rates up by almost 13% and occupancy rate of 92%, close to the level in Q2 2018/2019).
  - non-significant revenue in Spain, accounting for just 6% of accommodation revenue in the P&V scope over the first half.
- Revenue from the Adagio city residences up 180% relative to the first half of 2020/2021, but still in decline by 20.4% relative to the first half of 2018/2019, although this was a smaller decline than in the previous year and related to a lack of international and corporate clients.

Revenue from other tourism activities:

First half supplementary income jumped by 240% to €131.0 million relative to the year-earlier period, and by 10.6% relative to the same period in 2018/2019. It was driven in particular by outstanding performances at maeva.com (with revenue doubling relative to the first half of 2018/2019) and higher revenue from on-site activities at Center Parcs domains.

[3] Belgium, Netherlands and Germany

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Other revenue:

The Group recorded €127.4 million in revenue from its other activities stemming mainly from:

- Seniorales residences for €31.3 million (vs. €33.6 million in H1 2020/2021);
- Major Projects for €27.4 million (primarily Center Parcs Landes de Gascogne for €21.2 million), compared with €25.7 million in H1 2020/2021 (of which €16.9 million relative to Center Parcs Landes de Gascogne);
- renovation operations at Center Parcs domains in BNG for €66.8million, compared with €68.5 million in 2020/2021).

2.2 Net result

The Group's earnings are structurally loss-making in the first half of the year due to the seasonal nature of its businesses. On 31 March 2021, earnings were also harshly affected by the health crisis.

€ millions	**H1 2022 Operational reporting**	**H1 2021 Operational reporting**	**H1 2019 Operational reporting**
Revenue	**715.4**	**297.2**	**738.1**
Adjusted EBITDA	**-8.8**	**-286.1**	**-82.4**
Center Parcs	-2.8	-176.6	
Pierre & Vacances	1.5	-77.2	
Adagio	-2.9	-25.3	
Major Projects & Seniorales	-4.3	-8.0	
Holding companies	-0.3	1.1	
Current operating result	**-35.3**	**-307.2**	**-111.6**
Financial items	-22.5	-13.1	
Other non-operating income and expense	-19.6	-11.2	
Equity associates	-1.1	-0.9	
Taxes	-13.8	-9.6	
Net result for the year	**-92.4**	**-342.0**	**-121.1**
Group share	*-92.6*	*-342.2*	
Non-controlling interests	*+0.2*	*+0.2*	

Adjusted EBITDA stood at -€8.8 million, **a substantial improvement on the loss recorded in H1 2020/2021 (-€286.1 million) when the health crisis was still prevailing, and higher than the H1 2019 EBITDA**.

The Group benefited from a dynamic recovery in business, with revenue up €418 million relative to the year-earlier period.

Apart from the impact of this rise in revenue, the H1 2022 adjusted EBITDA included:

- The so-called 'closure" aid provided in France, for an amount of €24 million as well as the subsidies granted by the German Federal government, recorded as earnings over the half-year period for an amount of €21 million. Note that the first half of 2020/2021 included compensation related to the decline in revenue (primarily for short-time working measures in France) of around €30 million.

- The impact of the agreements concluded with the Group's lessors for a net amount of €11 million (vs. €20 million during the first half of 2020/2021), including primarily:
    - o Net savings of €9.5 million generated by the application of the agreements concluded with individual lessors, corresponding to:
        - i. Net savings of €1.3 million generated by the application of the agreements concluded over FY 2022 with new signatories of the amendments proposed in September and in November
        - ii. €17.6 million income for the holiday vouchers granted to signatories of the September amendment who finally opted for the November amendment on 31 March 2022 (write-off of five months of rents vs. 7.5 months for the September amendment, in return for giving up the holiday voucher and foregoing a share of the so-called "closure" aid).
        - iii. Partly offset by the expense recorded for signatories switching from the September amendment to the November amendment (expense of €9.4 million corresponding to 2.5 months of rents, with the write-off of rental income reduced from 7.5 months to five months).
    - o Residual savings for an amount of €1.5 million related to the application of agreements concluded with institutional lessors.

Adjusted for the positive impact of these non-recurring elements, the Group's adjusted EBITDA in H1 2021/2022 is still 21% higher than the level recorded in the first half of 2018/2019.

Net financial expenses totalled €22,5 million, up €9.4 million relative to the first half of 2020/2021, primarily related to interest expenses for the New Financing signed on 10 May 2021, for €9.5 million (o/w €5.3 million in provisions for interest expenses with no impact of cash).

Other non-operating income and expense totalled -€19.6 million, mainly including:
- impairment charges for assets and property stocks related to Villages Nature for an amount of €12.4 million (postponement of delivery of Tranche 1B, an additional extension of almost 550 accommodation units, beyond the time-frame of the revised Reinvention business plan).
- the costs engaged by the Group as part of the deployment of its Reinvention strategic plan (consulting fees and departure benefits) for a total amount of €7.2 million;

Tax expenses totalled €13.8 million, primarily following a reversal of deferred tax assets in France (-€12.2 million) and related to the updating of revenue projections under the framework of the revised Reinvention business plan.

The net loss stood at €92.4 million, substantially smaller than the net loss seen in H1 2020/2021 when the health crisis was still prevailing (-€342 million) and in improvement of 24% relative to the H1 2019 net loss.

2.3. Balance sheet items

Simplified balance sheet

€ millions	31/03/2022	30/09/2021	Change
Goodwill	138.2	138.2	-
Net fixed assets	370.2	356.8	+13.4
Lease assets	77.7	80.5	-2.8
TOTAL USES	**586.1**	**575.5**	**+10.6**
Equity	-514.7	- 423.9	-90.8
Provisions for risks and charges	107.0	92.3	+14.7
Net financial debt	747.5	529.8	+ 217.7
Debt related to lease asset obligations	90.0	91.7	-1.7
WCR and others	156.3	285.7	-129.4
TOTAL RESOURCES	**586.1**	**575.5**	**+10.6**

Net financial debt

€ millions	31/03/2022	30/09/2021	Change	31/03/2021
Bank/bond debt	**881.4**	**750.8**	**130.6**	**532.4**
Cash (net of overdrafts/drawn revolving credit lines)	**-133.9**	-221.0	87.1	**112.3**
Available cash	*-364.5*	*-446.7*	*82.2*	*-149.6*
Credit lines and overdrafts drawn	*230.6*	*225.7*	*4.9*	*261.9*
Net financial debt	**747.5**	**529.8**	**217.7**	**644.7**

Net financial debt on 31 March 2022 (€747.5 million) corresponded primarily to:

- the ORNANE bond issued in December 2017 for a nominal amount of €100 million;
- Euro PP bond loans issued respectively in July 2016 for a nominal amount of €60 million and in February 2018 for a nominal amount of €76 million;
- the State-backed loan obtained in June 2020 for a nominal amount of €240 million;
- the drawing of the New Financing signed on 10 May 2021 for a nominal amount of €304 million (including the guarantee and engagement commission fees).
- credit lines drawn down during the health crisis for an amount of €230.6 million (revolving, confirmed credit lines and overdrafts authorised);
- the conversion into a loan of authorised renewable credit lines for €43.5 million;
- loans taken out by the Group as part of its financing of property development programmes destined to be sold off for €50.3 million (of which €34 million for the CP programme in the Lot-et-Garonne, €12.5 million for the Avoriaz programme and €3.8 million in Senioriales bridging loans);
- accrued interest for an amount of €3.7 million;
- deposits and guarantees for an amount of €2 million;
- net of available cash for €364.5 million.

III. Outlook

Opening of a new Center Parcs in Lot-et-Garonne

On 23 May 2022, Center Parcs opened the doors to its first domain in the south-west of France and the seventh in the country: Landes de Gascogne. A domain with 400 cottages with an original concept and designed to raise awareness and educate families in understanding and respecting nature. Located around 100km from Bordeaux, it offers an open experience focused on the riches of the Lot-et-Garonne department and the New Aquitaine region. The domain is already enjoying a huge successful with an occupancy rate of almost 90% for the summer season so far.

Tourism reservations

In view of tourism reservations to date for the third quarter 2021/2022 and compared to Q3 of 2018/2019 (pre-Covid), the Group is currently expecting:

- further growth in performances by Center Parcs Europe, with revenue growth likely to exceed the level seen in Q2,
- growth in revenue at Pierre & Vacances in France, adjusted for the decline in the supply of accommodation (around 20% lower than in 2018/2019).
- a decline in revenue at Adagio, albeit far less so than in the first half of the year, with the recovery in business taking shape as the weeks go by.

Business growth continues in the 4th quarter, with performances expected to be higher than Q4 2019.

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Reinvention - revised financial targets

Under the framework of the Group's restructuring agreement signed on 10 March 2022, Alcentra, Fidera and Atream have **confirmed they share the strategic directions of the ReInvention 2025 plan**.

The Group has updated the financial targets of this plan to include a shift in its timeframe prompted by the current health and international context, as well as the following main factors:

- Greater care in selecting development projects chosen in the business plan and a delayed timeframe for certain programmes (impact in terms of property development and tourism margin).
- Full consolidation of Villages Nature as of 15 December 2022 (vs. 50% previously).
- Higher raw materials and energy costs, as well as wage inflation on site (tension in the job market in certain sectors, especially cleaning and catering)
- A more cautious approach concerning the change in average letting rates and occupancy rates, and in general caution on targets, especially over the past two years of the plan for which the predictive quality is more uncertain.

This update to the strategic directions has been approved with investors, bearing in mind that the Group's business plan carries an ambitious transformation project and is thus by nature the object of continuous work.

Main targets[4] expressed according to operational reporting[5]

- **Revenue from tourism activities**: €1,620 million in 2023 and €1,795 million in 2025.
- **Group adjusted EBITDA**[6]: €105 million in 2023 and €170 million in 2025, primarily generated by tourism businesses.
- **Group operating cash flows**[7] : €37 million in 2023 and €65 million in 2025.

The Group also plans to finance €381 million in capex over 2022-2025, in addition to almost €290 million in investments financed by the owners of Center Parcs domains over this same period.

The business plan has also been projected out to 2026, with the following targets for the final year:

- revenue from tourism businesses of €1,877 million;
- Group adjusted EBITDA of €187 million;
- Group operating cash flows of €93 million.

Finally, concerning the 2021/2022 financial year underway, the Group's forecasts are currently higher than previous communications:

- Revenue from the tourism businesses ahead of budget (up almost 7% compared to revenue in 2019).
- Group adjusted EBITDA also ahead of budget, estimated at €96 million excluding non-recurring income (which could represent total income of more than €50 million, including the "closure" aid received in France, subsidies requested from the German government and the impact of agreements concluded with the Group's lessors). This adjusted EBITDA has been revised upwards relative to the previous amount communicated on 22 April 2022 (Group adjusted EBITDA of €83 million excluding non-recurring items).
- A cash position currently estimated at €451 million for 30 September 2022 (vs. €438 million communicated on 22 April 2022), including the benefit of the above-mentioned aid and after completion of the Restructuring Transactions.

[4] The full financing of the strategic plan remains conditioned on delivering the restructuring operations mentioned in the press release of 10 March 2022 (***Restructuring Transactions***). The targets mentioned prevail above all other target previously announced by the Group and presume that financing of property development over the duration of the plan is undertaken by the real-estate company due to be created by Atream.

[5] To reflect the operating reality of the Group's activities and the transparency of their performance, the Group's financial communication, in line with operational reporting as followed by management, proportionally consolidates joint-ventures and does not include application of the standard IFRS 16.

[6] Adjusted EBITDA = current operating profit stemming from operational reporting (consolidated operating income before other non-current operating income and expense, excluding the impact of IFRS 11 and IFRS 16 accounting rules) adjusted for provisions and et depreciation and amortisations of fixed operating assets.

[7] Operating cash flows after capex and before non-recurring items and flows related to financing activities.

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Update on the Group's restructuring process

High level of backing from Ornane bond holders for Restructuring Transactions

Holders of the Group's Ornane bonds (redeemable in cash or new/existing shares), excluding Steerco (i.e. already committed on 10 March 2022), were offered a period to accept the 10 March agreement running from 28 March 2022 to 28 April 2022, after which a total of 84.32% of holders had pledged to back the Restructuring Transactions with subscription commitments received for €9,630,464.25 (or €12,840,619 shares) out of the €21 million allocated to them.

Completion of prior stages and removal of suspensive conditions for the Restructuring Transactions

The Company has crossed significant milestones and addressed the suspensive conditions required to complete the transactions planned for by the agreement of 10 March 2022 (Restructuring Transactions):

(i) In May 2022, the Group obtained all agreements requested from several of its institutional lessors to undertake the necessary adaptations of their documentation under the framework of the Restructuring Transactions.

(ii) On 26 April 2022, the capital reduction unmotivated by losses, authorised by the AGM of 31 March 2022, was definitively completed by reducing the nominal unit value of the Company's shares from €10 to €0.01. Shareholders' equity at the Company now totals €98,934,63, represented by 9,893,463 ordinary shares with a nominal unit value of €0.01 each.

(iii) On 27 April 2022, the Group obtained the authorisations required concerning the Restructuring Transactions for regulations applicable to control of concentrations in Germany.

(iv) On 24 May 2022, Finexsi submitted its independent expert report[8] concluding that the financial terms of the Restructuring Transactions are fair from the point of view of the Company's shareholders.

(v) On 19 May 2022, the Paris Court of Commerce approved the conciliation protocol for Villages Nature.

(vi) The agreement in principle from the parties concerned has been obtained on the terms of the draft accelerated safeguard plan and on the documentation relating to refinancing of existing debt.

(vii) On May 25, 2022, a request was filed for the opening of an accelerated safeguard procedure for the benefit of Pierre et Vacances SA (a procedure that only impacts the financial creditors directly concerned by the Restructuring Transactions). The judgment of the Paris Commercial Court is expected today. In this context, it is anticipated that the court-appointed administrator ('administrateur judiciaire') will convene the classes of affected parties on the same date as the so-called "restructuring" general meeting and the special meeting of holders of double voting rights (currently envisaged to be held at the beginning of July 2022) in order for them to vote on the Company's accelerated safeguard plan project. The Company will communicate on the actual dates of these meetings in the coming days.

(viii) On 24 May 2022, the AMF granted Alcentra/Fidera an exemption from the requirement to file a takeover bid pursuant to Article 234-9 of the AMF's General Regulations.

The purely indicative date of 16 September 2022 announced in the press release of 10 March remains the target date for the completion of the Restructuring Transactions. Any minor deviations from this indicative timetable have been agreed by all parties concerned.

Terms and conditions for the allocation of warrants issued in the context of the Restructuring Transactions

Finally, it is recalled that the Agreement provides for the implementation of the following Restructuring Transactions[9]:

- the free allocation of share warrants to all shareholders of the Company present in the capital at the launch of the capital increase with preferential subscription rights.
- the conversion of debt into capital via an issue of shares with share warrants reserved for the unsecured financial creditors of the Company and its subsidiary Pierre et Vacances Fi.
- the free allocation of share warrants to Alcentra and Fidera.

[8] This report, the conclusion of which is presented in the form of a fairness opinion, is available to the public on the Company's website (www.groupepvcp.com) under Finance/Publications/Presentations).

[9] For more details on the ***Restructuring Transactions,*** please refer to the press release dated 10 March 2022 available on the Company's website (www.groupepvcp.com) under Finance/Press Releases.

The terms and conditions for the allocation of all these warrants are described in the press release of 25 May 2022, available on the group's website www.groupepvcp.com.

IV. Appendix: Reconciliation table

As stated above, the Group's financial communication is in line with its operational reporting, representative of the operational reality of the Group's businesses, i.e.:

- excluding the impact of IFRS16 application for all financial statements. Indeed, in the Group's internal financial reporting, rental expense is recognised as an operating expense. Rental savings obtained in the form of credit notes or write-offs, are recognised as a deduction from operating expenses at the time when the rental debt is removed legally. In contrast, under IFRS16, rental expenses are replaced by financial interest and the linear depreciation change over the duration of the right of use lease. The rental savings obtained from lessors are not recognised in the income statement, but are deducted from the right of use value and the rental obligation, thereby reducing by as much the depreciation and financial expenses still to be booked over the residual duration of the leases;
- with the presentation of joint undertakings in proportional consolidation (i.e. excluding application of IFRS 11) for profit and loss items.

The reconciliation table with the primary financial statements are therefore set out below:

Income statement

(€ millions)	***H1 2022* operational reporting**	**IFRS 11 adjustments**	**Impact of IFRS 16**	**H1 2022 IFRS**
Revenue	715.4	- 35.7	- 43.0	636.7
o/w revenue from tourism activities	*588.0*	*-27.6*	-	*560.4*
External purchases and services	- 565.1	+32.7	+ 219.2(1)	- 313.2
o/w provision reversals used	*4.8*	*-0.9*	-	*3.8*
Personnel costs	- 190.2	+7.0	-	- 183.3
o/w amortization on pension commitments	*-0.2*			*-0.2*
Other operating income and expense	36.6	-2.4	+0.1	34.3
o/w provision reversals used	*0.9*	*-0.1*		*0.8*
Amortization net of unused reversals	- 32.0	+2.8	- 92.0	- 121.2
CURRENT OPERATING PROFIT (LOSS)	**- 35.3**	**+4.3**	**+84.2**	**53.2**
ADJUSTED EBITDA	***-8.8***	***+2.6***	***+176.3***	***170.1***
Other operating income and expense	- 19.6	+12.6	-	- 7.0
Financial items	- 22.5	+0.3	- 108.0	- 130.2
Equity associates	- 1.1	- 17.4	- 0.8	- 19.3
Income tax	- 13.8	+0.1	+2.0	- 11.7
NET PROFIT (LOSS) FOR THE YEAR	**- 92.4**	**-**	**- 22.6**	**- 114.9**

(1) o/w

- *Cost of sales: +€42.8 million*
- *Owner rents: +€171.4 million. In the Group's internal financial reporting, rental expense is recognised as an operating expense. Rental savings obtained in the form of credit notes or write-offs, are recognised as a deduction from operating expenses at the time when the rental debt is removed legally. The amount of €171..4 million therefore includes a saving of €11 million over the period, through the application of agreements concluded with lessors.*

(€ millions)	H1 2021 operational reporting	IFRS 11 adjustments	Impact of IFRS 16	H1 2021 IFRS
Revenue	297.2	- 12.5	- 40.2	244.5
o/w revenue from tourism activities	*165.0*	*-7.0*	-	*158.0*
External purchases and services	- 449.7	+23.1	+195.1 (1)	- 231.5
o/w provision reversals used	*5.8*	*-1.1*	-	*4.7*
Personnel costs	- 121.5	+4.3	-	- 117.3
o/w amortization on pension commitments	*-0.3*			*-0.3*
Other operating income and expense	-6.5	-0.6	+0.1	-6.8
o/w provision reversals used	*0.2*	-		*0.2*
Amortization net of unused reversals	- 26.7	+2.0	- 122.3	- 147.0
CURRENT OPERATING PROFIT (LOSS)	**- 307.2**	**+16.3**	**+32.7**	**- 258.1**
ADJUSTED EBITDA	***-286.1***	***+15.4***	***+155.0***	***-115.7***
Other operating income and expense	- 11.2	-	-	- 11.2
Financial items	- 13.1	+1.3	- 81.7	- 93.5
Equity associates	- 0.9	- 17.6	- 1.7	- 20.2
Income tax	- 9.6	- 0.1	-	- 9.7
NET PROFIT (LOSS) FOR THE YEAR	**- 342.0**	**-**	**- 50.7**	**- 392.7**

(1) Of which:

- *Cost of sales: +€40.0m*
- *Rents: +€155.1m. Rental savings obtained in the form of credit notes or write-offs, are recognised as a deduction from operating expenses at the time when the rental debt is removed legally. The amount of €155m therefore includes €18m in rental write-offs for the periods of administrative closures during which the Group considers, on the basis of the defence of non-performance legal foundation or that of the measures set out in Article 1722 of the Civil Code, that the rental debt has been extinguished.*

Balance sheet

(€ millions)	31 March 2022 operational reporting	Impact of IFRS 16	31 March 2022 IFRS
Goodwill	138.2	-	138.2
Net fixed assets	370.2	-	370.2
Lease/right of use assets	77.7	+1,959.0	2036.7
USES	**586.1**	**+1,959.0**	**2,545.1**
Equity	- 514.7	- 585.1	- 1,099.7
Provisions for risks and charges	107.0	+16.2	123.3
Net financial debt	747.5	-	747.5
Debt related to financial leases/rental obligations	90.0	+2,569.1	2,659.1
WCR and others	156.3	-41.2	115.0
RESOURCES	**586.1**	**+1,959.0**	**2,545.1**

(€ millions)	30 September 2021 operational reporting	Impact of IFRS 16	30 September 2021 IFRS
Goodwill	138.2	-	138.2
Net fixed assets	356.8	-	356.8
Lease/right of use assets	80.5	+2,010.1	2,090.6
USES	**575.5**	**+2,010.1**	**2,585.6**
Equity	- 423.9	- 562.5	- 986.4
Provisions for risks and charges	92.3	+15.4	107.6
Net financial debt	529.8	-	529.8
Debt related to financial leases/rental obligations	91.7	+2,626.2	2,717.8
WCR and others	285.7	- 69.0	216.7
RESOURCES	**575.5**	**+2,010.1**	**2,585.6**

Groupe
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Cash flow statement

(€ millions)	*H1 2022* operational reporting	Impact of IFRS 16	H1 2022 IFRS
Cash flow after financial interest and taxes	- 32.1	+68.2	+36.1
Change in working capital requirement	- 147.0	+27.9	- 119.1
Flows from operations	**- 179.1**	**+96.0**	**- 83.0**
Net investments related to operations	- 20.1	-	- 20.1
Net financial investments	- 12.1	-	- 12.1
Flows allocated to investments	**- 32.2**	**-**	**- 32.2**
OPERATING CASH FLOWS	**- 211.3**	**+96.0**	**- 115.2**
FLOWS ALLOCATED TO FINANCING	**+124.3**	**- 96.0**	**+28.3**
CHANGE IN CASH	**-87.0**	**-**	**-87.0**

(€ millions)	*H1 2021* operational reporting	Impact of IFRS 16	Reclassifications*	H1 2021 IFRS
Cash flows after financial interest and taxes	- 293.9	+73.2		- 220.7
Change in working capital requirement	-4.8*	+32.5	-0.4	+27.3
Flows from operations	**- 298.7**	**+105.7**	**-0.4**	**- 193.4**
Net investments related to operations	- 11.4	-		- 11.4
Net financial investments	+3.1	-		+3.1
Acquisition of subsidiaries	+ 0.9	-	+ 0.4	+ 1.3
Flows allocated to investments	**-7.4***	**-**	**+0.4**	**- 7.0**
OPERATING CASH FLOWS	**- 306.1**	**+105.7**	**-**	**- 200.4**
FLOWS ALLOCATED TO FINANCING	**- 4.4**	**- 105.7**	**-**	**- 110.1**
CHANGE IN CASH	**- 310.5**	**-**	**-**	**- 310.5**

*Reclassification of earnings moved up from equity associates (+€0.4 million in H12020/2021) from flows allocated to investments to flows from operations (change in WCR).

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: The application of IFRS16 as of 1 October 2019 leads to the cancellation, in the financial statements, of a share of revenue and the capital gain for disposals undertaken under the framework of property operations with third-parties (given the Group's right-of-use rights). See above for the impact on H1 revenue.

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