Groupe
Pierre & Vacances
CenterParcs

Paris, 2 December 2010

Note: This press release presents consolidated earnings established under IFRS accounting rules and closed by the Board of Directors of Pierre & Vacances SA on 29 November 2010.

<u>2009/2010 business</u>

- **Stable like-for-like turnover**
- **Current operating income of €27 million**
- **Property reservations up by more than 50%, to a record level of €614 million**

<u>Strategic aims</u>

- **Three-year transformation plan:**
  - **€65 million in cost reductions**
  - **€100 million in additional turnover**
- **Five-year development plan: growth in tourism portfolio of 30%**

2009/2010 TURNOVER AND EARNINGS (1 October 2009 - 30 September 2010)

1) Stable like-for-like[1] turnover of €1,427.2 million

➢ **Group tourism turnover in 2009/2010 rose 3.1% like-for-like to €1,163.7 million.**

Accommodation turnover rose 3.9% to €640.8 million:

- **Pierre & Vacances Tourisme Europe** contributed €341.0 million of this amount, representing a 4.8% increase primarily on the back of a wider offering with seven new Adagio residences, Arc 1950, Flaine Montsoleil, three sites in Spain and the recovery of direct management of a site in Italy. Adjusted for this impact, accommodation turnover fell by 2%. Average occupancy rates rose slightly to 62.1%, while average letting rates dropped 1.3%. Direct sales accounted for 75% of sales over the year (including 23% on the internet vs. 21% last year).
- **Center Parcs Europe** contributed €299.8 million, up 3%, with growth primarily driven by the opening on 22 May 2010 of the Domaine des Trois Forêts (Moselle), for which occupancy rates exceeded 95% over the summer. Excluding the Domaine des Trois Forêts, accommodation turnover dropped 1.1% due to the winter season (lower frequency rates for Dutch clients), with the summer season showing growth in turnover, particularly with French and German clients. Direct sales totalled 91% of sales over the year, vs. 90% in the previous year (o/w 50% via Internet vs. 48% in the previous year), while average letting rates grew by 2.3%. Average occupancy rates stood at 73.7% over the year.

[1] Like-for-like turnover has been adjusted for the impact of the outsourcing of catering in the Netherlands

- **2009/2010 turnover from property development totalled €263.5 million** compared with €303.3 million in the year-earlier period, with the decline due to the phasing of building work. Property development turnover stemmed for 78% from new residences (Center Parcs Domaine des Trois Forêts, Pont Royal, extensions at Avoriaz and Belle Dune…) and 22% from renovations (Belle Plagne Gémeaux, Tania Christiana…).

  Turnover from reservations reached a record level of €614 million including VAT in 2009/2010 vs. €395.3 million in 2008/2009.

2) Full-year 2009/2010 earnings

Millions of euros	**2009/2010**	**2008/2009**
Turnover	1 427.2	1 451.3
Current operating income	**27.0**	**64.2**
Financial expenses	-14.2	-13.0
Taxes	-5.4	-18.3
Attributable current net profit[2]	**7.4**	**32.9**
Other operating income/expense net of tax[3]	-0.1	9.4
Attributable net profit	**7.3**	**42.3**
Net financial debt	92.2	97.6
Attributable equity	486.8	490.9
Net debt/group equity ratio	**18.9%**	**19.9%**

2.1 Current operating income of €27 million

- The contribution from **tourism businesses** stood at €3.2 million (including €26.6 million for Center Parcs Europe and -€23.4 million for Pierre & Vacances Tourisme Europe), compared with €41.9 million in 2008/2009. The decline was mainly due to:

  - A near €10 million fall in accommodation turnover over the year, excluding the impact from new residences (Domaine des Trois Forêts, Adagio, Spain, Italy).

  - The negative contribution from the first year of operating of these new residences, representing a loss of almost €13 million.

  The unlocking of further cost cuts in line with targets only partly offset the cost of bolstering marketing means, as well as the impact of inflation on charges and rents and the cost of new IT facilities.

- The contribution from **property businesses** totalled €23.8 million, compared with €22.3 million in 2008/2009. Current operating margin widened from 7.4% in 2008/2009 to 9% in 2009/2010.

2.2 Attributable current net profit of €7.4 million:

Financial expenses totalled €14.2 million vs. €13 million in 2008/2009.

2.3 Attributable net profit of €7.3 million:

Other operating income and expense included the majority of restructuring costs caused by the roll-out of the group transformation plan (staff costs, write-off of certain IT facilities etc.) offset by non-recurring tax savings prompted by the reorganisation of legal structures.

---

[2] Attributable current net profit corresponds to current operating income, financial items and underlying taxes excluding exceptional items, which are reclassified as other operating income and expense.

[3] Other operating income and expense net of tax includes earnings items, which due to their non-recurring nature are not considered as part of current earnings (tax savings, update of group tax position, restructuring costs etc.).

2.4 A robust balance sheet:

On 30 September 2010, net debt only accounted for 18.9% of equity, confirming the group's robust balance sheet.

2.5 Dividend:

A dividend of €0.70 per share is to be proposed to the Annual General Meeting, representing a total payout of €6.2 million.

2010/2011 WINTER TRENDS

Tourism businesses:

The tourism residence businesses for the winter season are at a similar level to that of the previous year. Sales performances at the Center Parcs domains have improved slightly in all client nationalities.

Property development business:

The pace of reservations on property programmes currently being marketed remains robust.

OUTLOOK

The Group is implementing a plan to transform its organisation in order to improve earnings.

This plan is based on the merger of the Pierre & Vacances and Center Parcs organisations and includes three main focuses:

– Growth in turnover, via an optimisation of the brand portfolio and the overhaul of the sales policy.
– Cutting operating and structural costs by pooling resources and sales tools and by bolstering the purchasing policy.
– Reducing rents, by implementing a 2% cap on indexation and reducing cash rents offset by increased occupancy time by owners.

The three-year cost-cutting target stands at €50 million for operating and structural costs and €15 million for rents. Over the same period, the plan aims to generate €100 million in additional turnover.

The Group's strategic plan is also based on stepping up tourism and property development in the core businesses on the back of robust property business, for which potential turnover from projects currently being completed or being considered totals €1.5 billion over the next five years, notably at Center Parcs in France and Villages Nature.

The five-year growth target for the tourism portfolio stands at 30% or more than 15,000 additional apartments and homes in France, Germany, Spain, Morocco and major European cities.

For further information:

Investor relations	**Press relations**
Emeline Lauté +33 (0) 1 58 21 54 76 elaute@pierre-vacances.fr	Valérie Lauthier +33 (0) 1 58 21 54 61 vlauthier@pierre-vacances.fr