

2018/2019 full-year revenue

Paris, 15 October 2019

Revenue* from the tourism businesses
up 7.2% over 2018/2019

1] Revenue

As of 1 October 2018, the Group applies the new revenue recognition standard "IFRS 15 - Revenue from Contracts with Customers".

The main impacts on revenue are the following:

- **Tourism:** in terms of its tourism marketing mandates and various outsourcing contracts (catering, events, ski lifts etc.), the Group acts mostly as an "agent" in the wording of IFRS 15 and only its net remuneration must be recognised in revenue.
Application of IFRS 15 therefore leads to a decline in tourism revenue, which so far recorded the volume of business generated by these activities, with no impact on the Group's net profit (loss) for the year.
- **Property development:** sales operations on behalf of third parties are analysed on a case by case basis in order to establish whether the Group acts as an "agent" or a "principal".
The outcome of this analysis is a sharp increase in revenue over the full-year 2018/2019, driven primarily by the signing of renovation/disposal operations at Center Parcs during the first half, for which the Group is considered as a "principle" under the terms of IFRS 15.

Under IFRS accounting:

- Q4 2018/2019 revenue totalled €537.7 million (€466.8 million for the tourism activities and €70.9 million for the property development activities).
- FY 2018/2019 revenue totalled €1,595.0 million (€1,300.7 million for the tourism activities and €294.3 million for the property development activities).

The Group nevertheless continues to comment on its revenue and the associated financial indicators with the presentation of joint undertakings in proportional integration, in compliance with its operating reporting.

**The revenue and financial indicators commented on in this press release stem from operating reporting with the presentation of joint-ventures under proportional consolidation.*

€ millions	2018/2019	2017/2018	Change	Change excl. supply effects*	2017/2018
	<i>according to operating reporting</i>	Pro-forma IFRS 15 <i>according to operating reporting</i>			<i>Reported (Before IFRS15) according to operating reporting</i>
Tourism	486.3	445.3	+9.2%		476.6
Pierre et Vacances Tourisme Europe	220.0	217.9	+0.9%		247.8
Center Parcs Europe**	266.3	227.4	+17.1%		228.8
<i>o/w accommodation revenue</i>	328.3	302.5	+8.6%	+4.2%	302.5
<i>Pierre et Vacances Tourisme Europe</i>	<i>145.0</i>	<i>147.4</i>	<i>-1.7%</i>	<i>+0.9%</i>	<i>147.4</i>
<i>Center Parcs Europe**</i>	<i>183.4</i>	<i>155.1</i>	<i>+18.3%</i>	<i>+7.0%</i>	<i>155.1</i>
Property development	76.9	56.0	+37.4%		48.4
Total Q4	563.2	501.3	+12.4%		525.0
Tourism	1,365.1	1,273.1	+7.2%		1,356.4
Pierre et Vacances Tourisme Europe	596.8	580.9	+2.7%		659.7
Center Parcs Europe**	768.2	692.2	+11.0%		696.8
<i>o/w accommodation revenue</i>	923.6	858.4	+7.6%	+4.5%	858.4
<i>Pierre et Vacances Tourisme Europe</i>	<i>406.9</i>	<i>400.1</i>	<i>+1.7%</i>	<i>+3.6%</i>	<i>400.1</i>
<i>Center Parcs Europe**</i>	<i>516.6</i>	<i>458.2</i>	<i>+12.7%</i>	<i>+5.2%</i>	<i>458.2</i>
Property development	307.7	196.6	+56.6%		166.5
Full-year total	1,672.8	1,469.6	+13.8%		1,523.0

* Adjusted for the impact of:

- at PVTE, the net reduction in the network operated (withdrawals from loss-making sites and the non-renewal of leases),
- at CPE, net growth in the network operated prompted mainly by the opening of the Center Parcs Allgau in October 2018.

** Including Villages Nature Paris (€29.1m over the year and €9.5m during Q4), o/w €23.0m in accommodation revenue (€7.4m over Q4).

• Tourism revenue

Q4 2018/2019:

Revenue from the tourism activities **rose 9.2%** to €486.3 million compared with Q4 of the previous year.

- **Accommodation revenue rose +8.6% to €328.3 million**, driven by both net average letting rates (+5.9%) and the number of nights sold (+2.5%). The occupancy rate stood at 84% (vs. 82.3% in Q4 2017/2018).

Adjusted for the impact of supply effects, revenue was up **4.2%**.

✓ **Pierre & Vacances Tourisme Europe** contributed €145.0 million, up 0.9%, driven by seaside destinations (+1.1%) and mountain destinations (+2.4%). Revenue from the Adagio residences was stable, after noting that Q4 2017/2018 provided demanding comparison (+7.9% growth in revenue).

✓ **Center Parcs Europe** contributed €183.4 million, up +7.0%, with higher performances in both France (+9.6% o/w +7.2% for the Center Parcs domains and +28.1% for Villages Nature Paris) and in Belgium, Germany and the Netherlands (+5.7%).

- **Supplementary income grew by +10.6%**, with a rise of +14.7% for Center Parcs Europe and +6.4% for Pierre & Vacances Tourisme Europe.

Full year 2018/2019:

Revenue from the tourism activities **rose 7.2%** to €1,365.1 million compared with the previous year.

- **Accommodation revenue rose +7.6%**, driven by both net average letting rates (+5.1%) and the number of nights sold (+2.4%). Occupancy rates totalled 75% over the full year (vs. 73.6% over 2017/2018).

On a same-structure basis revenue rose 4.5%, ahead of the full-year target of +4% set by the Ambition 2022 strategic plan.

This growth was driven by all destinations: +5.2% at Center Parcs Europe (+3.7% for the Center Parcs domains and +45.7% for Villages Nature Paris), +4.7% for the Adagio residences, +4.7% for the mountain resorts and + 2.2% for coastal resorts (mainland France, French West Indies and Spain).

- **Supplementary income grew by +6.5%**, with a rise of +7.5% for Center Parcs Europe and +5.1% for Pierre & Vacances Tourisme Europe.

• Revenue from property development

Q4 2018/2019 property development revenue totalled €76.9 million, compared with €56.0 million over the same period of the previous year. This was driven primarily by the contribution from renovation operations at Center Parcs domains (€25.5million), and the Seniorales residences (€24.0 million).

Full-year 2018/2019 property development revenue came in at €307.7 million (of which €158.1 million for renovation operations at Center Parcs) compared with €196.6 million over the same period in 2017/2018.

Property reservations with individual investors for the year represent revenue of €541.4 million, ahead of the level noted in the year-earlier period (€364.4 million).

2] Outlook

• 2018/2019 earnings outlook

In view of the information available to date, the Group is expecting an increase in current operating profit for 2018/2019 relative to the year-earlier period.

• Tourism businesses in Q1 2019/2020

In view of the portfolio of reservations to date, the Group expects growth in the tourism businesses in Q1 2019/2020, at both Pierre & Vacances Tourisme Europe and Center Parcs Europe.

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