

PRESS RELEASE

Signature of the strategic partnership agreements

between Pierre & Vacances-Center Parcs and HNA Tourism Groups

Paris, November 9th, 2015 - Pierre & Vacances-Center Parcs and HNA Tourism Groups have signed the strategic partnership agreements that follow the signature of the non-binding Memorandum of Understanding on July 2nd, 2015 in Toulouse (France).

These agreements are twofold: firstly, development of Pierre & Vacances-Center Parcs concepts in China and secondly, equity investment from HNA Tourism Group into Pierre et Vacances S.A. capital.

The implementation of these agreements remains subject to the customary approvals by the French and Chinese authorities.

1. Development in China

Both groups aim at developing a leading platform in China for the design and operation of a new type of tourism destinations inspired by the Center Parcs and Pierre & Vacances concepts.

These kinds of tourism match the rising demand of Chinese families for a tourism offer combining proximity of large cities, short stays, outdoor experience breaking with urban life and several leisure and sports activities for grown-up and children. They will gather innovative accommodation and leisure facilities, while valuing culture and local heritage.

The national and international environmental certifications will be implemented and will cover both construction and exploitation.

The market analysis and studies conducted over the last months point out tourism developments potential like Center Parcs in China higher than the one in whole Europe.

Projects with the most advanced preliminary study are located close to large cities of Shanghai, Beijing, Chengdu and Fuzhou.

In addition, based on Avoriaz resort standards (recognized as a pioneer in sustainable mountain development), both Groups will take part in the development of mountain resorts in China, in view of the 2022 Winter Olympic Games in Beijing and considering the increasing appetite for holidays in

mountain among Chinese people. First sites have already been selected according to their location, environmental quality and their respective capacities in terms of constructability and ski resorts.

These projects will be implemented within a Joint-Venture 60% owned by HNA Tourism Group and 40% by Pierre & Vacances-Center Parcs that will be incorporated by the end of 2015.

This Joint-Venture will support the real estate and tourism services provided on behalf of investors from each project. It will be granted exclusivity to develop concepts inspired by Center Parcs in China.

In return, HNA Tourism Group commits to mobilize funding for the five first projects over the next three years, for a total investment value estimated at 1 billion euros. Beyond these projects, two projects per year are expected to be developed and funded by various institutional investors.

HNA Tourism Group will also actively support the Joint-Venture regarding property development and procedures for administrative authorizations.

Pierre & Vacances-Center Parcs Group will contribute to the Joint-Venture its expertise in property development and tourism by leading:

- architectural and landscaping planning and conception as well as design of each project,
- the sale of properties to individuals,
- tourism activity management - distribution and operation - of realized projects.

Additionally, HNA Tourism Group - through its travel agency subsidiary HNA CAISSA Travel Group - will foster the tourism activity distribution for European destinations of Pierre & Vacances and Center Parcs towards Chinese clients.

2. Capital partnership

In order to strengthen this strategic partnership, agreements between both Groups plan an equity investment of HNA Tourism Group into Pierre et Vacances S.A. (PVSA), the listed holding of Pierre & Vacances-Center Parcs Group.

HNA Tourism Group will subscribe to a reserved capital increase representing 10.00% of PVSA capital post transaction at a price of €25.18 per share, which corresponds to a 3% premium on the 20 trading day volume weighted average price as at November 6th, 2015. Following this capital increase, SITI (holding controlled by Mr. Gérard BREMOND) will hold 39.83% of PVSA capital and 57.99% of voting rights.

As part of this partnership, SITI and HNA Tourism Group signed a shareholders' agreement pursuant to which they act as concerted parties that notably plans:

- HNA Tourism Group to commit to a lock-up and standstill clauses,
- HNA Tourism Group to have two representatives at PVSA board of directors,

- SITI to maintain its majority representation at PVSA board of directors.

The detailed terms and conditions of this shareholders' agreement will be disclosed to the public according to French law requirements.

In this context, SITI and HNA Tourism Group have requested and obtained from French regulator *Autorité des Marchés Financiers* an exemption to the obligation to fill a public tender offer on PVSA shares. This exemption will be disclosed as per applicable law requirements.

The completion of the reserved capital increase remains subject to customary conditions (including the approval of the share capital increase and the election of members proposed by HNA Tourism Group by a general assembly of PVSA shareholders that should be the general assembly for the PVCP's annual accounts approval for the year ending September 2015 that will occur in the first quarter of 2016).

Following the signing, Mr. Gérard BREMOND, Chairman and Chief Executive of Pierre & Vacances-Center Parcs Group, said: "This partnership creates the opportunity for Pierre & Vacances-Center Parcs Group to achieve its ambition of developing a proximity, responsible and sustainable tourism offer beyond European territories, and exporting its business model towards the leading real estate and tourism market in the world. We are convinced that the experience of HNA Tourism Group on the Asian market and its recognized expertise in the tourism sector will be major assets to accelerate and amplify the Group development internationally."

Mr. Zhang Ling, member of the Board of HNA Group and Chairman of HNA Tourism Group, said: "For three consecutive years, China has held its position as the world's largest outbound tourism market; yet the enormous potential of its domestic travel market remains underdeveloped. The near future will uncover opportunities for high-end tourism and world class brands. Following with this trend, our relationship has a very promising future and strategic meaning. This long term partnership between HNA Group, a Global Fortune 500 company; HNA Tourism, China's sixth largest tourism group; and PVCP, Europe's leading tourism and real estate company, will transform the layout of the tourism sector in China and across Asia."

About HNA Tourism Group Co., Ltd.

Founded in Beijing in March 2007, **HNA Tourism Group** is one of three strategic industrial conglomerates of HNA Group, specialized in tourism assets management, it owns and operates one of the most extensive and advanced industrial chains in the region comprising airlines, hotels, travel operators, finance and internet among other tourism businesses.

As for 2014, HNA Tourism had total assets valued at about 17 billion of euros and an annual turnover of more than 5 billion of euros. Positioned as the 6th largest tourism group in China, It has full ownership and majority stakes in more than 20 quality brands such as Capital Airlines, Deer Jet, Caissa Touristic, Tangla Hotels, etc. delivering unmatched travel experiences to more than 30 million customers each year across Asia-Pacific, the Americas, Europe and Africa.

About Pierre & Vacances-Center Parcs Group

The Pierre & Vacances-Center Parcs Group develops and manages innovative and environmentally friendly leisure and holiday concepts in order to offer the most attractive seaside, mountain, country and city destinations in Europe.

Created in 1967 by Mr. Gérard BREMOND, the Pierre & Vacances-Center Parcs Group is the European leader in local tourism.

With its complementary brands – Pierre & Vacances, Maeva, Center Parcs, Sunparks and Aparthotels Adagio – Pierre & Vacances-Center Parcs welcomes 7.5 million clients to its tourism network of almost 50,000 apartments and homes, located in 300 sites around Europe.

The Group's holding company, Pierre et Vacances SA, is listed on the Paris stock market on the NYSE Euronext Paris index.

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