

**PIERRE & VACANCES GROUP**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

(in thousand of euros)	1st Sem. 2006/2007	1st Sem. 2005/2006	Exercice 2005/2006
Turnover	748 112	611 273	1 414 356
Purchases and external services	-575 478	-451 206	-946 118
Personnal expenses	-157 716	-149 978	-305 269
Amortisation and provisions	-19 527	-22 141	-42 354
Other current items	-6 724	-10 357	-22 996
<b>CURRENT OPERATING INCOME</b>	<b>-11 333</b>	<b>-22 409</b>	<b>97 619</b>
Other operating expenses and earnings	2 414	-5 924	11 208
<b>OPERATION INCOME</b>	<b>-8 919</b>	<b>-28 333</b>	<b>108 827</b>
Financial earnings	2 539	1 090	4 331
Financial expenses	-3 697	-5 121	-9 957
<b>FINANCIAL INCOME</b>	<b>-1 158</b>	<b>-4 031</b>	<b>-5 626</b>
Corporate income tax	2 313	7 508	-29 450
Share of income of companies accounted for by the equity method		106	106
<b>NET INCOME</b>	<b>-7 764</b>	<b>-24 750</b>	<b>73 857</b>
Including : - Attributable	-7 797	-24 858	73 676
- Minority interests	33	108	181

**PIERRE & VACANCES GROUP**

**CONSOLIDATED BALANCE SHEET**

<b>ASSETS (in thousand of euros)</b>	<b>31/03/2007</b>	<b>30/09/2006</b>	<b>31/03/2006</b>
Goodwill	130 260	130 260	130 260
Intangible fixed assets	126 109	125 934	122 710
Tangible fixed assets	229 365	203 289	157 864
Investments in companies accounted for by the equity method		1 417	1 417
Non-current financial assets	27 581	27 537	32 553
Deferred tax assets	50 331	48 087	81 844
<b>NON-CURRENT ASSETS</b>	<b>563 646</b>	<b>536 524</b>	<b>526 648</b>
Inventories and work in progress	138 950	190 532	231 043
Trade receivables and related accounts	187 774	242 701	358 168
Other current assets	199 433	196 260	205 814
Cash and cash equivalents	114 935	118 292	24 374
<b>CURRENT ASSETS</b>	<b>641 092</b>	<b>747 785</b>	<b>819 399</b>
<b>TOTAL ASSETS</b>	<b>1 204 738</b>	<b>1 284 309</b>	<b>1 346 047</b>

<b>LIABILITIES (in thousand of euros)</b>	<b>31/03/2007</b>	<b>30/09/2006</b>	<b>31/03/2006</b>
Share capital	87 856	87 818	87 762
Additional paid-in capital	7 820	7 671	7 440
Treasury stock	-5 306	-5 286	-3 025
Items reported directly in shareholders' equity	532	274	348
Reserves	257 547	204 685	204 083
Consolidated income	-7 797	73 676	-24 858
<b>ATTRIBUTABLE SHAREHOLDERS' EQUITY</b>	<b>340 652</b>	<b>368 838</b>	<b>271 750</b>
Minority interests	-33	2	-47
<b>SHAREHOLDERS' EQUITY</b>	<b>340 619</b>	<b>368 840</b>	<b>271 703</b>
Long-term debt	131 376	113 715	121 820
Provisions for contingencies and charges, non-current	37 061	35 278	35 605
Deferred tax liabilities	0		
<b>NON-CURRENT LIABILITIES</b>	<b>168 437</b>	<b>148 993</b>	<b>157 425</b>
Short-term debt	29 132	64 026	120 680
Provisions for contingencies and charges, current	16 002	18 298	16 683
Trade payables and related accounts	269 594	269 981	213 433
Other current liabilities	380 954	414 171	566 123
<b>CURRENT LIABILITIES</b>	<b>695 682</b>	<b>766 476</b>	<b>916 919</b>
<b>TOTAL LIABILITIES</b>	<b>1 204 738</b>	<b>1 284 309</b>	<b>1 346 047</b>

PIERRE & VACANCES GROUP

CONSOLIDATED CASH FLOW STATEMENT

(in thousand of euros)	1st semester 2006/2007	1st semester 2005/2006	Exercice 2005/2006
<b>Operations</b>			
<b>Net consolidated income</b>	<b>-7 764</b>	<b>-24 750</b>	<b>73 857</b>
Depreciation, amortisation and provisions (not related to current assets)	13 264	14 527	26 249
Expenses related to share subscription and purchase option plans	917	560	1 142
Capital gains and losses on disposals	-2 216	235	-22 714
Share in income of companies accounted for by the equity method	0	-106	-106
Cost of net long-term debt	1 615	4 614	5 867
Taxation (including deferred taxes)	-2 313	-7 508	29 450
<b>Cash flow generated by operations</b>	<b>3 503</b>	<b>-12 428</b>	<b>113 745</b>
Net cost of long-term debt: net interest paid	-1 417	-4 418	-4 475
Taxes paid	-1 419	-3 855	-4 803
<b>Cash flow after debt interest and taxes</b>	<b>667</b>	<b>-20 701</b>	<b>104 467</b>
Change in working capital requirement from operations (including debt relating to staff benefits)	71 446	-6 269	63 841
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (I)</b>	<b>72 113</b>	<b>-26 970</b>	<b>168 308</b>
<b>Investments</b>			
Acquisitions of tangible and intangible fixed assets	-52 416	-18 686	-81 506
Acquisitions of long-term investments	-625	-439	-3 173
Acquisitions of subsidiaries (net of cash acquired)	0	-19 019	-19 855
<b>Subtotal of disbursements</b>	<b>-53 041</b>	<b>-38 144</b>	<b>-104 534</b>
Disposals of tangible and intangible assets	13 308	277	23 661
Disposals of long-term investments	530	1 121	10 443
Disposal of subsidiaries (net of cash paid)	2 773	0	415
<b>Subtotal of receipts</b>	<b>16 611</b>	<b>1 398</b>	<b>34 519</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (II)</b>	<b>-36 430</b>	<b>-36 746</b>	<b>-70 015</b>
<b>Financing</b>			
Capital increases in cash by the parent company	187	293	580
Acquisitions and disposals of treasury stock	-20	-940	-3 201
Dividends paid to parent company shareholders	-21 765	-13 085	-13 085
Dividends paid to minority shareholders in subsidiaries	-68	-437	-461
Receipts from new bank loans	116 060	41 712	49 881
Repayment of bank loans	-140 061	-52 733	-99 830
Other flows from financing operations	122	-71	-141
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (III)</b>	<b>-45 545</b>	<b>-25 261</b>	<b>-66 257</b>
<b>CHANGE IN NET CASH FLOW (IV=I+II+III)</b>	<b>-9 862</b>	<b>-88 977</b>	<b>32 036</b>
Cash and cash equivalents at beginning of year (V)	117 393	85 357	85 357
Cash and cash equivalents at end of year (VI=IV+V)	107 531	-3 620	117 393

## PIERRE &amp; VACANCES GROUP

## STATEMENT OF CHANGES IN ATTRIBUTABLE CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousand of euros)	Number of shares	Capital stock	Additional paid-in-capital	Treasury stock	Changes reported directly in shareholders' equity	Reserves	Consolidated income	Attributable shareholders' equity	Minority interests	Total shareholders' equity
<b>Balance at October 1st 2005</b>	<b>8 769 098</b>	<b>87 691</b>	<b>7 218</b>	<b>-2 085</b>	<b>-428</b>	<b>174 421</b>	<b>42 160</b>	<b>308 977</b>	<b>282</b>	<b>309 259</b>
Hedging instruments Deferred taxes on these items					1 114 -338			1 114 -338		1 114 -338
<b>Changes in value recognised directly in shareholders' equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>776</b>	<b>0</b>	<b>0</b>	<b>776</b>	<b>0</b>	<b>776</b>
Net income							-24 858	-24 858	108	-24 750
<b>Total expenses and earnings booked</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>776</b>	<b>0</b>	<b>-24 858</b>	<b>-24 082</b>	<b>108</b>	<b>-23 974</b>
Capital increase	7 134	71	222					293		293
Dividends						-13 085		-13 085	-437	-13 522
Change in treasury stock				-940		27		-913		-913
Expenses on option plans						560		560		560
Other movements						42 160	-42 160	0		0
<b>Balance at March 31st 2006</b>	<b>8 776 232</b>	<b>87 762</b>	<b>7 440</b>	<b>-3 025</b>	<b>348</b>	<b>204 083</b>	<b>-24 858</b>	<b>271 750</b>	<b>-47</b>	<b>271 703</b>
Hedging instruments Deferred taxes on these items					-111 37			-111 37		-111 37
<b>Changes in value recognised directly in shareholder's equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-74</b>	<b>0</b>	<b>0</b>	<b>-74</b>	<b>0</b>	<b>-74</b>
Net income							98 534	98 534	73	98 607
<b>Total expenses and earnings booked</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-74</b>	<b>0</b>	<b>98 534</b>	<b>98 460</b>	<b>73</b>	<b>98 533</b>
Capital increase	5 604	56	231					287		287
Dividends						0		0	-24	-24
Change in treasury stock				-2 261		20		-2 241		-2 241
Expenses on option plans						582		582		582
Other movements						0	0	0		0
<b>Balance at September 30th 2006</b>	<b>8 781 836</b>	<b>87 818</b>	<b>7 671</b>	<b>-5 286</b>	<b>274</b>	<b>204 685</b>	<b>73 676</b>	<b>368 838</b>	<b>2</b>	<b>368 840</b>
Hedging instruments Deferred taxes on these items					328 -70			328 -70		328 -70
<b>Changes in value recognised directly in shareholder's equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>258</b>	<b>0</b>	<b>0</b>	<b>258</b>	<b>0</b>	<b>258</b>
Net income							-7 797	-7 797	33	-7 764
<b>Total expenses and earnings booked</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>258</b>	<b>0</b>	<b>-7 797</b>	<b>-7 539</b>	<b>33</b>	<b>-7 506</b>
Capital increase	3 750	38	149					187		187
Dividends						-21 765		-21 765	-68	-21 833
Change in treasury stock				-20		34		14		14
Expenses on option plans						917		917		917
Other movements						73 676	-73 676	0		0
<b>Balance at March 31st 2007</b>	<b>8 785 586</b>	<b>87 856</b>	<b>7 820</b>	<b>-5 306</b>	<b>532</b>	<b>257 547</b>	<b>-7 797</b>	<b>340 652</b>	<b>-33</b>	<b>340 619</b>