

PIERRE & VACANCES GROUP

FINANCIAL INFORMATION

THIRD QUARTER 2006/2007

(1 April 2007 to 30 June 2007)

1- Highlights

1.1 Acquisition of Belgian Group Sunparks a new dimension for Center Parcs Europe

On 19 April 2007, the Pierre & Vacances Group acquired Belgian Group Sunparks, including operation and property assets of four villages similar to Center Parcs in the three/four-star category. The offering comprises a total of 1,683 cottages and 50 hotel rooms as well as various indoor leisure facilities (aqua centre, restaurant, supermarket, childrens' play centre etc.) and outdoor sports complexes. In 2006, Sunparks has 450,000 clients (1,800,000 sold night stays) and sold 80% of its holidays via direct sales channels (40% on the internet). The average occupancy rate is 56%. The group has 387 staff. Sales totalled €39 million in 2006, 70% of which stemmed from accommodation and 30% from other services, while EBITDAR totalled €12.5 million.

Via this acquisition, Center Parcs Europe has bolstered its positions in the Belgian market and rounded out its three/four-star accommodation offering, which is similar to the Sunparks villages and complementary in terms of location. The Group has identified significant sources of booster earnings at Sunparks, primarily by raising occupancy rates and unlocking cost and revenue synergies with Center Parcs Europe. In addition, the Sunparks brand could provide a source of growth for the three/four-star segment in Europe.

The acquisition of Sunparks was based on enterprise value (including debt) of €150 million. In line with the group's policy to not own the assets it operates, P&V Group signed, on 25th July 2007, a Sale and Purchase Agreement with Fonciere des Murs for the sale of the real estate of the 4 villages. The transaction amounts to 177 million euro, corresponding to the price paid for the acquisition of Sunparks Group by P&V, with a complementary budget of 20 million euro covering the capex to be realised on the next two years. These villages are operated by Sunparks Group, a 100% subsidiary of Center Parcs Europe, through 15 years leases, with 6,20% yield for Fonciere des Murs . Completion is planned for end of September 2007.

Following these refinancing moves, the acquisition is set to boost earnings at Pierre & Vacances as of 2007/2008.

1.2 Acquisition of Les Senioriales

On 15 May 2007, Pierre & Vacances acquired Les Senioriales, a property development company specialised in homes for elderly people, from its founders André and Paul Ramos.

The property development company is specialised in the construction of residences destined for a client base of active elderly people. It has a novel concept in specialised, non-medicalised residences, meeting three specific requirements for this category of clients in terms of housing:

- comfort: individual one-level houses with practical fittings (electrical rolling shutters, air conditioning, terrace...);
- security: warden housed at the residence, an electric entrance gate, cameras, intercom systems;
- conviviality: club-house, events co-ordinator every afternoon and organisation of evening events.

The houses are sold on a full-ownership basis, with no operating commitment on the part of the developer, with prices ranging from €180-270,000 and low co-ownership costs.

Boasting easy access to property groups (the Senioriales concept is highly approved by town mayors) and strictly controlled construction costs given the product's standardisation, the company has stepped up its development considerably. After the first nine constructions, 11 Senioriales residences are currently being marketed and 12 others are being studied.

The acquisition is set to boost Pierre & Vacances Group earnings as of 2007/2008. In the financial year ending 31 March 2007, the company had sales of €31 million and current operating profit of €4 million, which is set to double in the year ending 31 March 2008. The acquisition price stood at €23 million (equating to enterprise value of €31 million, with debt of €8 million).

In a rapidly-growing target market (more than 800,000 new "senior-age" people each year), the expertise and reputation of the Pierre & Vacances Group in the property development business should help step up expansion of the Les Senioriales concept. In addition, via this acquisition which provides further access to the old-age people market, the Pierre & Vacances Group has again enhanced its know-how and this should also contribute to the development of its tourism activities.

2- Turnover

Like-for-like nine-month turnover 2006/2007 up 10.2% to €1.061bn. Q3 turnover (1 April 2007 to 30 June 2007) totalled €312.7m.

	IFRS		Change	
	2006/07	2005/06	Current structure	Like-for-like
Tourism	250.4	231.1	8.4%	3.2%
. PV/Maeva/Résidences MGM/ Hôtels Latitudes	102.7	98.7	4.1%	1.8%
. Center Parcs Europe	136.9	132.4	3.4%	4.7%
. Sunparks	10.8			-1.8%
Property development	62.3	98.0	-36.5%	-39.0%
. Pierre & Vacances	49.7	98.0	-49.3%	-49.3%
. Les Senioriales	12.6			215.9%
Total Q3	312.7	329.1	-5.0%	-9.3%
Tourism	669.8	646.0	3.7%	0.8%
. PV/Maeva/Résidences MGM/ Hôtels Latitudes	293.3	284.2	3.2%	0.5%
. Center Parcs Europe	365.7	361.8	1.1%	1.1%
. Sunparks	10.8			-1.8%
Property development	391.0	294.4	32.8%	31.0%
. Pierre & Vacances	378.4	294.4	28.6%	28.6%
. Les Senioriales	12.6			215.9%
Total 9 months	1,060.8	940.4	12.8%	10.2%

On a like-for-like basis, nine-month 2005/2006 turnover was adjusted for the following items:

- The consolidation as of 1 April, of Sunparks and Les Senioriales, acquired respectively on 19 April 2007 and 15 May 2007.
- The booking of turnover in volume terms at the two villages in the French West Indies following the switch from a mandate management method (where only management fees were booked) to a lease method as of 1 October 2006.

In addition, Q3 2005/2006 turnover was adjusted for a calendar effect caused by the fact that the Easter holidays in Germany fell in Q2 2006/2007, with an estimated dent of €1.6m for Center Parcs Europe.

2.1 Q3 2006/2007 tourism turnover: €250.4 million (+3.2% like-for-like)

On a like-for-like basis and adjusted for the negative impact of the shift of Easter holidays in Germany to Q2 this year, Q3 tourism turnover rose 3.2%, including 4.8% for accommodation turnover. Growth broke down as follows:

- Accommodation turnover at the Pierre & Vacances/Maeva/Résidences MGM/Hôtels Latitudes banner rose 5.4% (including +1.5% for the opening of the Paris Eiffel Tower residence), driven by sound performances at seaside resorts (+5.8%).
- Accommodation turnover at Center Parcs Europe rose 5% on the back of growth in all client nationalities: German (+1.7%), Dutch (+8.4%), Belgian (+4.5%) and French (+3.6%).
- The Sunparks group acquired on 19 April 2007, posted turnover of €10.8 million (€6.1 million of which in accommodation turnover) similar to the level seen in the year-earlier period (€11.0 million).

In all on a like for like basis, nine-month 2006/2007 tourism turnover rose 0.8%, including 0.5% for the Pierre & Vacances/Maeva/Résidences MGM/Hôtels Latitudes banner and +1.1% for Center Parcs Europe.

2.2 Q3 2006/2007 property development turnover: €62.3 million

In Q3 2006/2007, in line with the progress schedule planned for the year, turnover from property development stood at €62.3 million. The main contributors to turnover in the quarter were:

- Pierre & Vacances, with turnover of €49.7 million, breaking down as follows:
 - New property (23% of turnover): Le Crotoy, Branville, Audierne,...
 - Renovation (77% of turnover): Val d'Isère, Courchevel, Arles, Méribel, ...
- The integration of Les Senioriales which posted turnover of €12.6 million in the quarter vs. €4 million in Q3 2005/2006.

In all, nine-month 2006/2007 turnover from property development totalled €391.0 million, up 31% compared to the year-earlier period, on a like for like basis.

3- Outlook: confirmation of target for 2006/2007 current operating profit up 8% to €105 million

Given that nine-month turnover was in line with the Group's expectations and that the level of reservations to date for Q4 has risen 4% for the tourism businesses, the Pierre & Vacances Group has confirmed its target for growth of 8% in operating profit before exceptional items to €105 million (excluding exceptional costs for the opening of the new Center Parcs at Ailette and the contribution from the companies acquired this year, Sunparks and Les Senioriales)