Paris, 4 december 2008

GROUPE PIERRE & VACANCES

2007/2008 results

- **Current operating income of €103.5m, exceeding the Group's target of €95/100m, on the back of 29% growth in the tourism businesses**
- **Attributable net profit of €73.4m**
- **Winter tourism reservations in line with the year-earlier period**
- **Proposed dividend maintained at €2.7**

Presenting the Group's 2007/2008 results, Gérard Brémond stated:
"The 2007/2008 results testify to the Group's solid and reactive nature as well as the adaptability of our business model to changes in growth cycles in the tourism and property development businesses. European leader of local tourism holiday rentals, our offers in residences and villages meet the expectations and budgets of European holidaymakers, especially in the current economic environment. In addition, our financing ability should help us grasp acquisitions opportunities".

2007/2008 RESULTS (1 October 2007 - 30 September 2008)

1) Turnover of €1 424.5 million:

- **2007/2008 turnover in the Group's tourism business totalled €1 168.5 million,** up 9% on a like-for-like basis. Accommodation turnover rose 9% and broke down as follows :
  - +6.6% for **Pierre & Vacances Europe**, with growth in all destinations: seaside France +3.6%, mountain +7.6%, cities +26.1%. Turnover generated by foreign clients rose by 6.1% while internet sales represented 18% of total sales vs. 14% in the year-earlier period.
  - +11.7% for **Center Parcs Europe,** which broke down as follows: Germany +3.3%, the Netherlands +0.9%, Belgium +3.8% and above all, France +52.6%. Internet sales totalled 45% of overall sales vs. 36% in the year-earlier period.
- **2007/2008 turnover from property development totalled €256.0 million**, compared with €491.7 million in the year-earlier period (1,271 apartments delivered over the year vs. 2,839 in 2006/2007). The difference in turnover stemmed from the Group's cautious policy to acquire land and property assets.

2) Current operating income stood at €103.5 million and was virtually stable compared with 2006/2007, with operating margin widening from 6.8% to 7.3% :

- The contribution from **tourism businesses** rose 29% to €76.7 million and stemmed from:
  - Pierre & Vacances Europe, which generated current operating income of €15.8 million, up 26% vs. 2006/2007;
  - Center Parcs Europe, which generated current operating income of €60.9 million, up 30% relative to 2006/2007.

Current operating margin widened from 5.6% in 2006/2007 to 6.6% in 2007/2008.

➢ The contribution from **property development** totalled €26.8 million compared with €46.3 million in 2006/2007. Current operating margin in the division widened from 9.4% in 2006/2007 to 10.5% in 2007/2008.

3) Attributable current net profit of €63.6 million :

Financial expenses totalled €10.8 million vs. €4.2 million in 2006/2007, with the increase stemming primarily from interest expenses on the financing of equipment at the Center Parcs Domaine du Lac d'Ailette, opened in September 2007.

4) Attributable net profit of €73.4 million :

Other operating income and expense included non-recurring tax savings and restructuring costs prompted by the reorganisation of the tourism businesses.

5) Bolstered balance sheet :

On 30 September 2008, net debt represented just 17.5% of equity, thereby confirming the solidity of the Group's balance sheet.

6) Dividend :

A dividend of €2.7 per share is to be proposed to the AGM, equivalent to the year-earlier level and representing a yield of 8% relative to the current share price.

€ millions	**2007/2008**	**2006/2007***
Turnover	1 424.5	1 550.3
Current operating income	**103.5**	**105.8**
Financial expenses	-10.8	-4.2
Taxes	-29.1	-34.3
Attributable current net income[1]	**63.6**	**67.3**
Other operating income/expense net of tax[2]	9.8	8.2
Attributable net income	**73.4**	**75.5**
Net financial debt	82.4	74.4
Attributable equity	470.0	422.2
Group net debt to equity ratio	**17.5%**	**17.6%**

* After changes in the accounting method for advertising spend, which is now booked each time a campaign is undertaken (adjustment on opening attributable equity of -3.2M€ and on 2006/2007 current operating income of +0.6 M€, +0.3 M€ net of taxes)

2008/2009 WINTER TRENDS

- **Tourism businesses**

Despite the disadvantageous economic backdrop, tourism reservations for the winter season are at a similar level to the year-earlier period, which provided a particularly high benchmark.

[1] Attributable current net income corresponds to current operating income, financial items and current taxes before exceptional items which are reclassified under other operating income and expense.
[2] Other operating income/expense net of tax includes income/expense elements whose non-recurring nature means they are not considered as belonging to current net income (tax savings, updates to the Group's tax position, restructuring costs etc.)

- **Property development**

Reservations and signatures for residences currently being marketed - and more specifically at the Center Parcs in Moselle and in Avoriaz - benefit from the Group's leading positions and the specific nature of its offering which combines personal usage and profitability.

OUTLOOK

In the current backdrop, the Pierre & Vacances Group boasts specific assets :

- Its position as the European leader in local tourism, which has proved to resist well during earlier difficult economic periods.

- Its eight brands, which are present in all market segments.

- Tourism residences, which are the holiday formula most well suited to periods of lower consumer spending.

In addition, the Group is leading a significant synergies plan between Pierre & Vacances Europe and Center Parcs Europe in order to reduce its costs and increase its revenues. In 2008/2009, the programme is set to generate savings of €10 million.

Successfully delivering this target, which is underpinned by the creation of a single Tourism division for the group, is mainly based on:

- Further expansion in the tourism offering, with more than 10,000 additional apartments/cottages over the next five years.
- Bolstering internet sales with a five-year target for internet sales to account for 40% of total sales.
- International expansion and conquering new markets.
- Respecting ambitious targets in terms of sustainable development.

The property businesses are set to be underpinned by numerous development projects with limited commitment and risk levels:

- For Center Parcs Europe, extending the Moselle village and a new village project in France in Rhone Alps.
- Numerous projects for Pierre & Vacances, Maeva and Residences MGM in Avoriaz, Deauville (presqu'île de la Touques), Eco-Village Alsace etc.

The Pierre & Vacances Group boasts a solid balance sheet and is set to grasp fresh acquisitions opportunities in its core business in Europe. Moreover, operations to take over tourism operators under management mandates are currently being considered in Spain and Morocco.

For further information:

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