



H1 2008/2009 results

Stable turnover relative to 2007/2008 confirming good resistance by the Pierre & Vacances Group during crisis periods

Synergies plan reinforced between Pierre & Vacances Tourisme Europe and Center Parcs Europe to increase revenues and reduce costs

H1 2008/2009 TURNOVER AND EARNINGS (1 October 2008 – 31 March 2009)

1. Consolidated turnover: € 613.1 million, stable relative to the year-earlier period

Tourism turnover

Tourism turnover totalled €480.7 million, compared with €500.7 million in the year-earlier period. The decline stemmed primarily from the fact that Easter weekend fell in April this year instead of March last year (impact of €12 million), and due to the strikes in the French West Indies (impact of €4.3 million). Adjusted for these factors, turnover was virtually stable (-0.8%) :

- Like-for-like accommodation turnover was stable at €247.9 million.
- 1.1% increase at **Pierre & Vacances Tourisme Europe**¹ on like-for-like basis (€123.9 million) on the back of city and mountain residences.
- Stability at **Center Parcs Europe**² on like-for-like basis (€124.0 million). The 2.6% increase in average letting prices offset the 2.9% decline in the number of nights sold.
- Turnover evolution in services turnover at Pierre & Vacances Tourisme Europe and Center Parcs Europe was in line with that in the number of nights sold.

Turnover from **property development** totalled €132.4 million, vs. €113.1 million in the year-earlier period.

¹ Pierre & Vacances Tourisme Europe includes the Pierre & Vacances, Adagio City Aparthotel, Maeva, Résidences MGM and Hôtels Latitudes brands

² Center Parcs Europe includes the Center Parcs and Sunparks

2. H1 2008/2009 earnings

(millions of euros)	H1 2008/2009	H1 2008/2009 adjusted (3)	H1 2007/2008 (2)
Turnover	613.1	625.1	613.8
- Tourism	480.7	492.7	500.7
- Property development	132.4	132.4	113.1
Current operating income	-57.1	-47.6	-33.9
- Tourism	-61.5	-52.0	-44.4
Pierre & Vacances Tourisme Europe	-38,0	-35,3	-34,9
Center Parcs Europe	-23,5	-16,7	-9,5
- Property development	4.4	4.4	10.5
Financial items	-6.5	-6.5	-4.6
Taxes (1)	19.0	16.0	12.1
Attributable current net income (1)	-44.6	-38.1	-26.4
Other operating income/expense net of tax (1)	4.4	4.4	7.2
Attributable net income	-40.2	-33.7	-19.2

(1) Other operating income/expense is presented net of tax and also includes non-recurring items associated with tax (tax savings, update of Group fiscal position) which are reclassified from accounting tax.

(2) After changes in the accounting method for advertising spend, which is now booked each time a campaign is undertaken.

(3) Earnings adjusted for the shift in Easter weekend from March last year to April this year.

2.1 Current operating loss of €47.6 million adjusted of later Easter weekend

Note that the seasonal nature of revenue trends in the Pierre & Vacances Tourisme Europe division, and to a lesser extent, Center Parcs Europe, has the structural effect of pushing tourism operating profit into the red in H1 due to lower turnover in the winter season than that generated in the summer season, whereas fixed costs (especially rents) are booked in a linear manner.

This seasonal nature was amplified during H1 2008/2009 by the fact that Easter weekend fell in April (impact of €9.5 million).

Adjusted of this impact, the current operating income comes to a loss of €47.6 million vs -€33.9 million in the H1 2007/2008. That decrease includes the following non recurring items :

- impact of the strikes in the French West Indies for Pierre & Vacances Tourisme Europe (-€3,6 million),
- surcharges on energy for Center Parcs Europe (-€5,0 million),
- intensification of marketing and sales actions in order to underpin the property business, prior to the announcement that the Scellier law would be extended to tourism residencies (-€5 million).

2.2 Attributable net loss: €33.7 million adjusted of the impact of the later Easter weekend.

Financial expenses increase of €1.9 million in H1 2007/2008 to €6.5 million, in line with the increase in net debt.

Other operating income/expense net of tax primarily concerned non-recurring tax savings.

OUTLOOK FOR 2008/2009

After good resistance of revenue in H1 2008/2009, tourism reservations to date for the summer season reflect a wait-and-see attitude that prevents the Group from giving a precise estimate for H2 2008/2009 turnover. However, last minute sales helped the Group to post healthy performances over the Easter holidays and the May bank holidays, visibility remains poor for the entire season, and especially the low seasons.

Full-year turnover from property development should be in line with the 2007/2008 level, with the H2 margin restored to the year-earlier level.

ACTION PLAN

- Facing an unprecedented recession, the Pierre & Vacances Group benefits from specific strong assets.
- The Group is implementing a plan to increase revenues and reduce costs reinforcing synergies plan between Pierre & Vacances Europe and Center Parcs Europe.
 - Increase in revenues by :
 - Enhancing segmentation and visibility of the brands portfolio.
 - Rising internet sales which should account for 50% of the tourism turnover by 2012/2103, on the back of the roll-out of a joint platform for all of the Group's brands.
 - Bolstering sales efficiency by merging the Pierre & Vacances Europe and Center Parcs Europe teams.
 - Reduction in costs by :
 - Cost savings of €10 million in 2009/2010, in addition to the €10 million scheduled in 2008/2009 (€5 million of which was already achieved in H1).
- In property development, the extension of the Scellier law to tourism residences has stepped up the pace of reservations since April and benefited the property business, enabling the Group to confirm its target for €1 billion in turnover to be generated on the Group's major projects (extension of Center Parcs village in Moselle, Center Parcs Isère, Avoriaz, Deauville, Villages Nature...).

For further information:

Investor relations	Press and public relations
Sophie Machino +33 (0) 1 58 21 53 72 infofin@pierre-vacances.fr	Valérie Lauthier +33 (0) 1 58 21 54 61 vlauthier@pierre-vacances.fr