Paris, December 9th 2004

Net attributable income before extraordinary items for 2003/2004: € 52.0 million

- **The Pierre & Vacances Group achieved strong growth, despite a weak economic environment, thanks to:**

  - the full consolidation of Center Parcs Europe ;
  - the high level of turnover from property development ;
  - the good resistance of tourism activities despite tight market conditions.

- **In addition, the robust activity levels seen in property development guarantee both an increase and upgrade of the Group's tourist residence portfolio.**

SHARP GROWTH IN GROUP RESULTS OVER THE 2003/2004 FINANCIAL YEAR

- **Turnover up 28.8% (-1.5% like-for-like)**

Despite an unfavourable environment, with occupancy rates down on the Mediterranean region (due to fears of another heat wave in France) and a reduction in the number of foreign customers, the Group's turnover remained high (almost stable on a like-for-like basis):

➢ Turnover from tourism activities came out at € 933.7 million (vs. € 692.9 million in 2002/2003): in addition to the positive impact of the full consolidation of Center Parcs Europe, sustained business levels on the Atlantic and Channel coasts and an excellent resistance of Center Parcs Europe in France and Germany limited the fall in turnover for the financial year to 3% (like-for-like);

➢ Turnover from property development continued to rise, reaching € 201.6 million compared with € 188.6 million in 2002/2003.
Note the significant contribution from renovation activities, which generated turnover of € 148 million for 2003/2004.

- **Net attributable income before extraordinary items rose by 29.7%**

➢ Group operating income was up 22.3% at € 100.8 million, compared with € 82.5 million in 2002/2003.

The contribution from tourism activities amounted to € 73.4 million (compared with € 68.3 million in 2002/2003). The operating margin came out at 7.9% (vs. 9.0 % in 2002/2003 pro-forma), as the impact of reduced turnover on operating income was limited by tight cost control.
Property development activities registered sharp growth, with operating income rising to € 27.4 million (vs. € 14.2 million in 2002/2003) and the operating margin to 13.6% (vs. 7.5% in 2002/2003).

- Financial income amounted to € -10.6 million, down from € -13.5 million in 2002/2003. This mainly corresponded to interest charges on the debt incurred for the acquisition of 100% of Center Parcs Europe.

- The increase in goodwill amortisation to € 8.1 million (compared with € 6.4 million in 2002/2003) was mainly attributable to the acquisition of 100% of Center Parcs Europe in September 2003.
  The allocation of the goodwill linked to the acquisition of 100% of Center Parcs Europe to the value of the brand (€ 86 million), led to a reduction of the Group's annual amortisation charge by € 4.3 million.

Net attributable income before extraordinary items came out at € 52.0 million, up 29.7% on 2002/2003.

Excluding the impact of the allocation of goodwill to the Center Parcs brand, net attributable income before extraordinary items would have been € 47.7 million (up 19%), above the announced target of € 45 million.

- Extraordinary results (net of tax) were positive at € 7.5 million (vs € 7.2 million in 2002/2003) and were mainly the result of the update of the Group's deferred tax position.

Attributable net income for the period rose by 25.6% to € 59.5 million (compared with € 47.3 million in 2002/2003).

Thanks to these results and to the disposal of renovated residence assets, **the Group was able to reinforce its financial structure:** the net debt/equity ratio was brought down to 60%, compared with 115% at the end of 2002/2003**.**

A dividend payment of € 1.80 per share will be proposed, up 20% on 2002/2003.

€ million	**F/Y 2003/2004**	**F/Y 2002/2003**	**% Change**
Turnover	1,135.3	881.5	28.8%
Operating income	100.8	82.5	22.3%
Net financial income	-10.6	-13.5	-21.2%
Earnings before tax and extraordinary items	**90.2**	**69.0**	**30.8%**
Share in earnings of equity affiliates	0.1	-0.1	N/S
Amortisation of goodwill	-8.1	-6.4	23.4%
Corporate income tax	-29.7	-21.7	37.3%
Minority interests	-0.5	-0.7	-15.5%
Net attributable income before extraordinary items	**52.0**	**40.1**	**29.7%**
Net attributable income before extraordinary items and without goodwill allocation to the brand	**47.7**	**40.1**	**19.0%**
Extraordinary items (net of tax)	7.5	7.2	4.2%
Net attributable income	**59.5**	**47.3**	**25.6%**
Net debt	187.3	298.2	-37.2%
Shareholders' equity	314.2	258.9	21.7%
Group net debt/equity ratio	60%	115%	-47.8%

ENHANCED FROSPECTS FOR 2004/2005

In 2004/2005, Pierre & Vacances Group will continue to implement its growth strategy based on:

- **improved operating performances in tourism activities, with:**
  - the development of direct sales, notably through:
    - growth in Internet sales as a result of new recruitments, investments in site improvements and the establishment of partnerships,
    - the first commercial synergies between Pierre & Vacances/Maeva/Résidences MGM and Center Parcs Europe, to be implemented in the 2005 summer season.
  - the upgrade of Pierre & Vacances products via renovations and, for Center Parcs Europe, the development of themed villages and expansion of the service offering.
  - increased sales of short-stay holidays and seminars,
  - continued cost reduction (centralised purchasing, productivity gains, etc.).
- **robust activity in property development for new and renovated properties:** the high level of reservations seen in 2003/2004 (€ 499 million, compared with € 242 million in 2002/2003) guarantees property gains for the next few years and, moreover, an intensification of the Group's strategy of upgrading its tourist property portfolio.

The target for net attributable income before extraordinary items in 2004/2005 is € 57 million, which represents a 10% increase on 2003/2004.

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