Paris, June 9th 2005

GROUPE PIERRE & VACANCES

First half-year results (from October 1st 2004 to March 31st 2005)

- **Growth in property development business**
- **Tourism activities hit in 2004/2005 by the tough economic climate in Europe**

I. ACTIVITY AND RESULTS FOR THE FIRST HALF OF 2004/2005

1. Consolidated turnover: € 530.2 million.

- Turnover from tourism activities: € 413.9 million.

Accommodation turnover in the tourism business was generally stable compared to the first half-year 2003/2004.

– Turnover at Pierre & Vacances/Maeva/Résidences MGM/Latitudes Hôtels (up by 2.8 % for accommodation) was comparable to the 2003/2004 winter season.

– Accommodation turnover for Center Parcs Europe fell (by 0.7% for accommodation) because of the decrease in Dutch customers. French, German and Belgian visitor numbers to Center Parcs Europe are growing.

- Turnover from property development: € 116.3 million.

A total of 911 apartments were delivered over the half-year, including 222 new apartments and 689 renovated units.

2. Net attributable income before extraordinary items: € -17.3 million.

As results of the seasonal nature of the Pierre & Vacances/Maeva/Résidences MGM/Latitudes Hôtels division, first half operating income from tourism activities is structurally negative. Winter season turnover is lower than one booked for the summer season whereas fixed operating expenses (notably rents) are spread out equally throughout the year.

The operating income for the first half-year amounted to € -13.8 million:

- Income from tourism activities was € -31.8 which breaks down as follows:

- Pierre & Vacances/Maeva/Résidences MGM/Latitudes Hôtels stood at € -33.6 million.

  Part of the change from the first half-year 2003/2004 is explained by cost increase due to inflation and by rent rises in relation with new property development deliveries and renovations. The latter mostly concerned seaside residences delivered in the second half-year 2003/2004, which make most of their turnover in the summer. Also, some costs (notably part of the net cost of renovation) have been shifted from the second to the first half-year compared to 2003/2004.

- Center Parcs Europe Group reported operating income of € +1.8 million. The difference with the first half-year 2003/2004 basically reflected a decline in activity in the Netherlands and the impact of inflation on costs. This latter will be offset in the second half-year by € 5 million in savings from streamlining back office functions (Finance and Human Resources) and procurement.

- Operating income from property development was € +18 million, driven by rising turnover.

Financial income stood at € - 4.1 million in the first half-year 2004/2005. This includes interest payments on the debt taken on to acquire 100% of Center Parcs Europe.

Goodwill amortisation fell to € 4 million, mainly because part of the goodwill from the 100% takeover of Center Parcs Europe was allocated to the value of the brand (€ 86 million).

Net attributable income before extraordinary items (net of tax) amounted to € - 17.3 million.

Net extraordinary income reached € 2.2 million. This included:

- € 5.4 million in tax savings at Center Parcs Europe, after a change in Dutch tax law,

- € 3.5 million in net restructuring charges at Center Parcs Europe to streamline back office functions.

Net attributable income came out at € - 15.1 million for the period.

€ million	**1st half 2004/2005**	**1st half 2003/2004**
Turnover	530.2	496.6
Operating income	**-13.8**	**9.0**
Financial income	-4.1	-6.1

II. FORECAST NET ATTRIBUTABLE INCOME BEFORE EXTRAORDINARY ITEMS FOR THE 2004/2005 FINANCIAL YEAR

With no recovery in the home markets of countries that send tourists to France and a decline in Dutch visitors to Center Parcs Europe, the Group has reduced its 2004/2005 estimate of net income before extraordinary items to € 30 million.

Going forward, the European economic outlook is likely to remain difficult and Pierre & Vacances Group is implementing a policy to stimulate growth in turnover by increasing direct sales (particularly via the internet and to foreign clients) and by the expansion of its customer base, particularly at the start and tail-end of the season.
The Group has also stepped up its cost-cutting programme. First results are likely to be felt in 2005/2006 with savings of € 15 million.

For further information, please contact:
Group Finance Division
Patricia Damerval and Claire Plais – Tel. +33 1 58 21 53 72 – Fax +33 1 58 21 54 10
infofin@pierre-vacances.fr

Press and Public Relations
Valérie Cretin and Valérie Lauthier – Tel. +33 1 58 21 51 81/54 61– Fax + 33 1 58 21 55 93
communication@pierre-vacances.fr