Paris, December 7th, 2006

2005/2006 FY results

Current operating profit up 30% to € 97.6 million
Attributable net current profit up 41% to € 58.7 million
Attributable net profit up 75% to € 73.7 million

- **In 2005/2006, the Pierre & Vacances Group restored earnings growth on the back of improved performances in the tourism businesses and robust activity in the property development segment.**
- **The Pierre & Vacances Group is continuing to expand in Europe, particularly via Center Parcs and in the city residence segment.**
- **With a bolstered balance sheet and after three years of consolidation, the Group intends to embark on a fresh phase of acquisitions.**

2005/2006 EARNINGS (October 1st, 2005 to September 30th, 2006)

1) Turnover of €1,414.3 million, up 13.6% on a like-for-like basis

- The tourism businesses generated turnover of € 996.3 million, up 3.1% on a like-for-like basis:

  - Turnover in the Pierre & Vacances, Maeva, Résidences MGM and Hôtels Latitudes division stands at € 480.5 million, up 3.9% on a like-for-like basis. The division benefited from an increase of its portfolio (with numerous openings and site renovations), growth in French customer occupancy rates for all destinations and strong direct sales (particularly on internet).

  - Sales at Center Parcs Europe increased by 2.3% to € 515.8 million. After a virtually stable first half, sales picked up massively in the second half with healthy performances in all customer types (Dutch, German, French and Belgian).

- The property development continued to enjoy robust activity over the period with turnover up 50.0% to € 418.0 million (versus € 278.7 million in 2004/2005).

2) Current operating profit up 30% to € 97.6 million

- Current operating profit in the tourism businesses rose 29.8% to € 54.8 million:

  - The contribution of Pierre & Vacances / Maeva / Résidences MGM / Hôtels Latitudes increased by 30.4% to € 15.3 million. Growth was driven by a 6.2% hike in accommodation turnover as well as the € 7 million in cost savings generated over the year.

  - Current operating profit from Center Parcs Europe rose 29.6% to € 39.5 million and was driven by a 2.3% rise in turnover and the € 15 million in cost savings generated over the year.

- In the property development division, current operating profit increased by 30.6% to € 42.8 million (equating to operating margin of 10.2%).

3) Attributable net current profit up 41% to € 58.7 million

Financial expenses totalled € 5.6 million versus € 10.0 million in 2004/2005, on the back of an € 81.6 million decline in Group net financial debt.

After factoring in taxes, earnings from equity affiliates and minority interests, Group attributable net current result rose 41.0% to € 58.7 million.

4) Attributable net profit rose 75% to € 73.7 million

Other operating income and expense net of tax included mainly profits generated by an earn-out clause as part of the disposal of property of seven Center Parcs villages in July 2006, net of restructuring costs prompted by the implementation of a cost-saving programme, primarily for the tourism division.

After factoring in these items, attributable net profit rose 74.8% to € 73.7 million versus € 42.1 million in 2004/2005.

5) Bolstered balance sheet

The earnings generated by the Group and the disposal of renovated assets enabled the **Group to bolster its balance sheet even further, with the ratio of net financial debt to equity standing at 16% over the period,** compared to 46% at the end of 2004/2005**.**

6) Dividend

A dividend payment of € 2.50 per share will be proposed to the shareholders, representing a 67% hike versus 2004/2005 and a total pay-out of € 22.0 million, or 37% of attributable net current profit.

million euros	**2005/2006**	**2004/2005**	***% change***
Turnover	1,414.3	1,230.6	*+14.9%*
Current operating profit	**97.6**	**75.0**	***+30.2%***
Financial result	-5.6	-10.0	***-43.7%***
Corporate income tax (*)	-33.2	-23.3	***+43.1%***
Results of equity affiliates	0.1	0.2	
Minority interests	-0.2	-0.3	
Attributable net current profit (*)	**58.7**	**41.6**	***+41.0%***
Other operating expense and income net of tax (*)	15.0	0.5	
Attributable net profit	**73.7**	**42.1**	***+74.8%***
Net financial debt	59.1	140.7	*-58.0%*
Shareholders' equity	368.8	309.3	*+19.4%*
Net financial debt-to-equity ratio	**16%**	**46%**	

(*) Other operating income and expense are presented net of tax. They also include non-recurring tax elements (tax savings, update in the Group's tax position), reclassified from corporate income tax.

OUTLOOK

Following the 2004/2005 difficult economic backdrop in Europe, and especially in the Netherlands, the Group posted a surge in 2005/2006 earnings on the back of improved operating performances and reduced costs.

The actions implemented in the tourism businesses are set to be continued in 2006/2007. Those undertaken in the Pierre & Vacances / Maeva / Résidences MGM / Hôtels Latitudes division are primarily focused on stepping up internet sales, strengthening the international sales distribution, developing customer relation management and optimising the contribution of services. Concerning Center Parcs Europe, priorities concern the offer of services, expanding internet business, conquering new markets and bolstering BtoB activities.

2006/2007 financial year is set to see the opening in France of the new Lac d'Ailette Center Parcs village (861 cottages) and the Paris Tour Eiffel residence (375 apartments).

The property development businesses should remain at a high level.

The Pierre & Vacances Group is continuing to develop:

- Center Parcs in Europe, by building new villages and buying existing ones;
- Pierre & Vacances City in major French towns and European cities;
- The Pierre & Vacances, Maeva, Résidences MGM and Hôtels Latitudes brands by the prospecting of property assets for renovation and the development of new destinations outside France (Spain, Morocco).

With a bolstered balance sheet and following three years of consolidation, the Group intends to embark on a fresh phase of acquisitions in its European businesses.

Information:

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