

P R E S S K I T

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40 YEARS
O U R H I S T O R Y H A S A F U T U R E

GROUPE
PIERRE & VACANCES

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AND NOW WE ARE 40

FOR THE 40TH ANNIVERSARY, 40 ARTICLES

TO DISCOVER THE GROUP TODAY



It all began in 1967. In the snow-covered mountains of Avoriaz, a project was born which was to revolutionise not only mountain resorts, but also tourist real estate investment ; allowing people to feel at home on holiday, whilst using hotel services.

Since this project combined buildings and tourism, we gave our company a name that truly summed up this concept: Pierre & Vacances.

Over the years, our company has grown from its small beginnings. After starting off with a handful of workers, there are now over 8 500. In the mountains, by the sea, in the countryside or in the city, in France and abroad, Pierre & Vacances has found the most beautiful sites to build its apartments, houses and villages, taking care of the entire life of its holiday villages, from the construction phase through to management. Other brands have joined us on our journey: Maeva, Résidences MGM, Hôtels Latitudes and Center Parcs, making us the leading European group in our sector.

As we build on this rich past, I am convinced that Pierre & Vacances has a wonderful future in store, expanding its scope in an ever-stronger vision of sustainable tourism. Enabling holidaymakers to make the most of the new leisure society and investors to safeguard their future with a wise acquisition is as exciting a mission in 2007 as it was in 1967.

We have devoted 40 pages to the first 40 years of Pierre & Vacances and look forward to writing further chapters with you...

In the mean time, we invite you to explore 40 different views of the group today.



GÉRARD BRÉMONT

Founder

and Chairman



THE YEAR IT ALL BEGAN

It was 1964. A large number of mountain resorts were under construction, all copied from a 1960's model of town planning which did little more than move cities to mountaintops, complete with urban architecture and streets filled with cars.

Among the so-called third-generation resort sites being developed, Avoriaz stood out thanks to its south-facing location at 1 800 m altitude, with a balcony view over the Morzine valley. The project, the brainchild of Olympic champion Jean Vuarnet, was offered to Robert Brémond, builder of sites such as Garonor. He entrusted it in turn to his 27-year-old son, Gérard, a graduate in economics and business administration. He was joined by architects who also represented the younger generation: Jacques Labro, Jean-Jacques Orzoni and Jean-Marc Roques. Their ambition was to make Avoriaz a resort of the future, breaking free of the blinkered mindset characterising other mountain development and construction. Their design involved a car-free resort where people got around on foot, by sleigh, or on skis, architecture which blended in with the environment, and a new type of holiday based in apartments with services à la carte. The foundations of Pierre & Vacances had been laid.



SWINGING PIERRE & VACANCES

G érard Brémond's career path seemed mapped out for him - both his father and grandfather were construction managers. But at 15, real estate was the last thing on his mind: he was a musician, regularly winning the weekly competition on the « jazz lovers » radio programme. His own personal Star Academy involved playing guitar and bass in an orchestra made up of high-school students from Claude Bernard and Janson de Sailly, competing with Sacha Distel's. He later put music into words, joining the editorial staff of Jazz Hot magazine, of which he was to become the owner. Years later, he also became a shareholder in the TSF Jazz radio station.

Could there possibly be more to life than jazz ? Apparently so, because as well as his music, Gérard Brémond also studied economics and management (though he had a tendency to « forget » some classes if they clashed with film showings in the Latin Quarter's cinema). At 27, the tempo of his life was to change dramatically, with the Avoriaz adventure and the birth of a revolutionary concept combining real estate and tourism. The Pierre & Vacances adventure was getting under way ... with a swing.

SOME KEY DATES

- 1967: Launch of a new concept in tourist resorts by Gérard Brémond at Avoriaz.
- 1970-1997: Growth of the Pierre & Vacances Group, with the purchase of other companies, locations and major tourist developments including Cap Esterel, Port-Bourgenay, Port-Crouesty and Pont-Royal.
Launch of « New Property Ownership » in 1979.
- 1999: Acquisition of Orion Vacances, floatation of Pierre & Vacances on the stock market.
- 2001: Purchase of Maeva Group, no. 2 in holiday Residences, and acquisition of a 50 % stake in Center Parcs Europe.
- 2002: Acquisition of Résidences MGM.
- 2003: The group acquires a 100 % stake in Center Parcs Europe.
- 2005: First residence opens in Spain. Partnership with WWF France for environmental progress initiative.
- 2007: Opening of the Pierre & Vacances City Paris Tour Eiffel and 3rd Center Parcs village in France, the Domaine du Lac d'Ailette.

STOCK MARKET FLOATATION

June 11 1999 marked a major milestone for the Pierre & Vacances Group, with its floatation on the stock market.

With an opening price of €17, the offer opened in booth B of the Euronext Paris stock market. The Pierre & Vacances Group is listed on the SBF 120, CAC Mid 100 and NextPrime indexes. Its stock-market value has multiplied fivefold since its flotation.

Share allocation has remained very stable: 50.18 % of the capital and 66.60 % of voting rights are retained by the Gérard Brémond Holding, 48.52 % is privately owned, 0.43 % is owned by employees and 0.87 % is self-owned.

FROM THE AVORIAZ FESTIVAL TO MULTICULTURAL EVENTS

Right from its inception in 1973, the International Festival of Fantastic Film proved to be an excellent media springboard. The futuristic architecture and snow-covered landscapes of Avoriaz offered a dream setting for lovers of the strange and fantastic. For 20 years, the Festival became an unmissable event: It was here that Steven Spielberg presented « Duel » in 1973, Brian de Palma walked off with the Grand Prix for « Phantom of Paradise » in 1975 and David Lynch stole the show in 1981 with « The Elephant Man ».

After this cinematic success in Avoriaz, the Pierre & Vacances Group decided to base its cultural activities in its village of Pont-Royal-en-Provence, located between Aix-en-Provence and Avignon. In 2002, the Académies de Pont-Royal were created to promote and encourage emerging new talent in various artistic disciplines: classical music, jazz, visual arts, and, soon, theatre. High-level training and other gatherings provide an opportunity to stage events open to the Pont-Royal guests and residents from the surrounding region.

In another musical achievement, « State of Happiness », a theme tune composed for a Center Parcs advertising campaign, has recently been riding high on the Dutch pop charts !

2000: DEVELOPMENT THROUGH EXTERNAL GROWTH

Following the launch and development of the Pierre & Vacances concept in the 1970's, the dawn of the new millennium saw a shift in the group's strategy with various significant acquisitions.

The group strengthened its position in France, firstly by buying out Orion Vacances (1999) and then Maeva (2001) and Résidences MGM (2002). It then became European market leader in short-stay breaks by acquiring a 100 % stake in Center Parcs in 2003.

Today, this external growth policy is being pursued with selective acquisitions. Combined with a strategy of purchasing property from institutional bodies (resold to private buyers), this enables the group to broaden its offer whilst contributing to its organic growth through real estate development.

ONE GROUP, SIX BRANDS

With over 45 000 apartments, houses with a total of over 210 000 beds, and 213 destinations in France and the rest of Europe in 4 types of location: seaside, mountain, countryside and city-centre, Pierre & Vacances's position as the N° 1 european leader in holiday Residences is the sum of six complementary brands: Pierre & Vacances, Pierre & Vacances City, Maeva, Résidences MGM, Hôtels Latitudes and Center Parcs.

AN ORIGINAL MODEL, BASED ON TWO COMPLEMENTARY BUSINESSES

The Pierre & Vacances Group is developing two complementary lines of business - real estate and tourism. This enables the group to oversee the entire development of holiday residences, from the initial purchase of land and construction through to marketing of apartments and rental management. The real estate cluster is made up of three entities: « Pierre & Vacances Développement France et International » is responsible for locating development sites in France and abroad, while « Pierre & Vacances Promotion Immobilière » selects architects and oversees construction ; « Pierre & Vacances Conseil Immobilier » sells new and renovated apartments and houses to private buyers.

The tourist subsidiaries then take delivery of the new residences and carry out day-to-day management and tourist marketing on behalf of the owners.

The symbiotic nature of these two lines of business - a Pierre & Vacances distinctive - has a double advantage: for the group, these two « counter-cyclical » sectors make it easier to weather downturns in the economy or the property market. Combining the two sectors also means customers can be sure of good facilities, site quality, architecture, and long-term durability.



A REVOLUTIONARY CONCEPT BRINGS NEW FREEDOM

In 1967, while his architects were busy designing the future resort of Avoriaz, Gérard Brémont hit on the idea of applying an idea from standard real estate in the tourist sector: selling apartments by plan. In a further breakthrough, he took charge of all the details relating to management and maintenance, offering advantageous purchase prices in return for owners renting out their apartment when they were not using it. « New Property » and tourist real estate had arrived.

Holiday residences offered the French an alternative to hotel accommodation and traditional rentals: comfortable apartments with built-in kitchens where they could feel at home and be independent, but benefit from inclusive or pay-as-you-go hotel services.

The experience gained in Avoriaz was gradually implemented at Val d'Isère and les Ménuires, and in seaside locations such as Juan-les-Pins or Sainte-Maxime, supported by local authorities who preferred the year-round high occupancy rates provided by rental management to holiday homes that remained empty for most of the year.

THE TWO MAIN WAYS OF PURCHASING REAL ESTATE

Pierre & Vacances's « Ownership plus holidays » solution enables buyers to have a place to go on holiday while simultaneously providing them with a guaranteed revenue free of all costs apart from land tax. The « Financial ownership » solution enables investors to have a cash rent guaranteed for nine years.

INVESTING AND MAKING THE MOST OF TAX INCENTIVES

There are four kinds of tax credit status available to property buyers:

- Non Commercial Furnished Property Lessor (LMNP): notarie's fees, land tax, real estate depreciation and furnishings are deductible against rent paid.
- Commercial Furnished Property Lessor (LMP): this status allows investors either to have a regular income or to create or increase their property investments by saving rent income which benefits from specific tax credits. They enjoy tax breaks on wealth tax, capital gains and transfer of ownership, and long-term tax-free revenue. Two conditions are vital for this tax status: registration on a Trade and Company Register and a minimum annual rent income of €23 000 including taxes.
- Financial measures applicable to ZRR « Rural Renewal Zone »: these grant married couples a 25 % reduction in the purchase price before tax, up to a maximum of €100 000. The tax relief applies to all tax bands. There is only one condition - the geographical location of the property being purchased.
- Renovation tax credit: subject to some conditions (property completed before 1989) and in some areas, purchasing an apartment for rental located in a tourist residence enables buyers to benefit from a 20 % tax credit spread over 6 years and calculated on the basis of the cost price of the apartment plus renovation costs, for up to €100 000 for a married couple.

AN UNPARALLELED RANGE OF TOURIST ACCOMMODATION

With six complementary brands - Pierre & Vacances, Pierre & Vacances City, Maeva, Résidences MGM, Hôtels Latitudes and Center Parcs - and 213 destinations in France and across Europe, by the sea and in mountain, countryside and city centre locations, with over 45 000 apartments and houses, the Pierre & Vacances Group has a range of tourist accommodation unparalleled in Europe. Short or long stays for couples, families and friends; business and holiday trips ; refreshing breaks, sports, events, new discoveries, friendship, luxury, and comfort: whatever holidaymakers are looking for, one of the Pierre & Vacances Group's brands can supply it. The same concept lies at the heart of each: complete holiday freedom with services on demand.

« PROPERTY OWNERSHIP WITH NO WORRIES »

JEAN-LOUIS B., PROPERTY OWNER IN AVORIAZ AND CAP ESTEREL

« A few years ago, I was working abroad. We bought an apartment at Cap Esterel first. We fell in love with the place; it was truly magnificent, ideal for holidaying in France, in the sun. We used to go skiing in Avoriaz regularly and we were lucky enough to be able to buy an apartment. Since then, we've been staying there every year. My children are now 11 and 12, and they will be growing up there and going back regularly. They have everything they need on site and when they are older, I won't have to worry about them driving back late from night clubs... What I found attractive about the « New Property » concept was firstly, the quality of the residences, as much in terms of looking after children as in terms of maintaining the premises. Plus, I own my property outright but it's maintained and rented out, and I don't have to worry about a thing. »

« I'VE TESTED EVERY TYPE OF HOLIDAY »

NATHALIE N., ÉPINAL

« **W**hen I was little, I used to spend the holidays in my parents's house in the country, which used to belong to my grandparents. I have wonderful memories of this family home, but it meant that we didn't get to explore other regions. Having a second home isn't very conducive to discovering new places.

Now I'm grown up, I've visited many places and tried out different holiday solutions. First of all, I tried hotels. There was everything from the stuff of dreams to major disappointments. You have to be prepared to pay for quality or be let down by old furnishings and fittings, small rooms, and an anonymous style. And for meals, you have no option: you have to eat out. So it's a big financial outlay.

I've tried rentals as well. There's good and bad there too, and managing to find the right place is a real struggle. Sometimes the gap between agency descriptions and what you find when you get there is huge. One day, friends of mine mentioned Pierre & Vacances, so we gave it a go. For a start, there's a huge choice. Along with my husband and children, we travelled to the mountains and the sea as the fancy took us. In all our stays in several different regions, we've never been disappointed by the level of comfort or facilities in the residences. You know you can count on it. With both Maeva and Pierre & Vacances, we've been totally independent, with no fixed meal times to worry about. We feel quite at home, with all the different hotel services on top ! Some are included, others are à la carte. So we can have made-to-measure holidays which are always good value for money. We enjoy the friendly atmosphere in these residences too. People say hello, we get to know other families through the children and we meet people from other places. We're at home there, but not cut off. Next year we're planning to use this solution to go to Spain. »





WOMEN WITH CAREERS AT PIERRE & VACANCES

What glass ceiling ? The equal opportunities debate is a thing of the past at the Pierre & Vacances Group: some two thirds of the workforce are women (64.7 %). Almost half of the group's site managers and over 42 % of executive staff are women, well ahead of national statistics.

Nearly half of the Executive Committee are women. There are three women: Martine Balouka, Managing Director, Pierre & Vacances Tourisme France, Patricia Damerval, Assistant Managing Director, Finance and Isabelle de Wavrechin, Managing Director of Pierre & Vacances Conseil Immobilier.

A WIDE RANGE OF NATIONALITIES AND CULTURES

The diversity of Pierre & Vacances Group tourist locations across Europe is reflected in its staff's nationalities and locations: 54.7 % in France, 26.9 % in the Netherlands, 9.6 % in Germany, 8.3 % in Belgium and 0.5 % in Spain and Italy.

An initiative begun four years ago with the help of SOS Racisme and the AFIJ (« let's make it happen ») has begun to pay off in terms of hiring young foreign graduates.

FARÉDA: « I'VE SEEN PIERRE & VACANCES GROW »



wanted to try something different. After fifteen years in hospital work as a nursing auxiliary, it was time for a change ». The change came through Faréda's brother-in-law, some 18 years ago. « My brother-in-law was Robert Brémont's driver. He told me that the company was looking for a new receptionist. I knew nothing about the leisure industry, in fact I'd never been on holiday. I made an appointment with the manager, who asked me if I had any experience relating to the position » - « Of course », I said. Actually, I had never seen a switchboard in my life. I joined the receptionist who was going to be retiring in her office, and spent ages watching her flip switches, answer with a smile, and give precise information. Finally she said to me: « Now it's your turn ». When I took my first call, I gabbled: « Good morning, Pierre Vacances ». « No dear, she whispered, we say Pierre ET Vacances ! ». It was December 15 1988. Faréda had just made her official début at Pierre & Vacances, where her friendliness and approachability ensured she quickly won a place in everyone's hearts. Over the years, she has seen younger staff get married and have children, watched careers develop and witnessed the company grow. « When I arrived, there were 70 of us, now there are over 900 at head office alone ». That includes reception staff in the Artois offices, whose smile is still the first you see in the company. Almost twenty years later, Faréda has become the living memory of Pierre & Vacances. « This is family for me », she says. Her three daughters and her son have also been part of the team, either on work placements or full-time. If you want to hear Faréda's voice, just call head office. And for those who'd like to meet her but aren't in the area, there is still another possibility: go to the cinema ! Five years ago a son-in-law in the business gave her a part in a film, and rumour has it that she may be featuring on screen again soon. Pierre & Vacances & Cinema...



DIFFERENTLY ABLED

Integrating diversity and disability has always been a concern for Pierre & Vacances: holiday residences allow access for the disabled, and the company itself has worked hard in this area. After all, serving others is a part of the corporate culture. In 2005, a corporate agreement set down the provisions for promoting the integration of disabled staff within the group and the « Solidarité Handicap » initiative was launched.

This initiative raises funds for adapting workstations, travel expenses and training and professional retraining for staff suffering from disabilities. It also enables recruitment staff across the group to have access to a list of employment applications from the disabled.

Another demonstration of the group's commitment in this respect is its policy of ordering from sheltered-employment suppliers, encouraging the integration of the disabled into the world of work.





PIERRE & VACANCES: PUTTING SUSTAINABLE TOURISM FIRST

In 1967, the brand new Avoriaz resort was designed to be car-free. Residences were fitted with electric radiators instead of the traditional fuel-oil boilers. This was a double revolution. Since its inception, the Pierre & Vacances Group has pursued a policy of sustainable development combined with environmental and cultural awareness. This applies both upstream, at the main contractor stage, and downstream, as operators. Today more than ever before, minimising power and water use is an important factor when designing and renovating residences, as part of a genuinely green construction policy. 80 % of our residences use timer switches in all communal areas and motion-detector switches are also being installed ; 43 % of residences have water flow regulators.

In 2005, the Belle Dune village, in the Somme bay, was chosen to test out and validate various environmental initiatives such as an energy diagnostic report aimed at keeping wastage to a minimum, the drafting of a management plan for the natural areas within the site, optimising waste sorting, and customer programmes to raise environmental awareness with « acts of greenness » and promotion of organic and other locally-grown produce.

Ensuring construction blends in as fully as possible with its surroundings is a constant goal. The landscape architect is generally involved well before the architect. For instance, when the new cottages for the Lac d'Ailette Center Parcs village in the Aisne were designed, landscape architect Thierry Huau made sure these cottages blended in with the forest and that the natural environment was preserved as fully as possible.

WWF - A NATURAL PARTNER FOR PIERRE & VACANCES

In support of the firm, long-term commitment of the Pierre & Vacances Group to the environment, a partnership agreement has been signed with the environmental protection agency World Wide Fund for Nature. The aim of this partnership is to help Pierre & Vacances identify priorities for action and assist them in implementing various awareness initiatives.

The first awareness games designed for children were launched in 2005, with « Environment Tuesdays ». In 2006, giant pandas helped to let over 30 000 people know about « acts of greenness ». In 2007, Pierre & Vacances will be concentrating on wood with the WWF Wood initiative.

PIERRE & VACANCES AND ARCHITECTURE

Pierre & Vacances and architecture have been closely linked since the birth in 1967 of both the company and the Avoriaz resort. Alongside Gérard Brémont, three young architects - Jacques Labro, Jean-Jacques Orzoni and Jean-Marc Roques - designed « mimetic architecture » in which shapes, volumes and material all blended in with the natural environment. In recognition of this, the resort was honoured with the prestigious Equerre d'argent architectural award in 1969.

Over the years, the group has made sure to enlist some of the greatest names in architecture to design new villages and residences which have come to characterise their time: François Spoerry (the father of the lakeside development at Port Grimaud) for Les Parcs de Grimaud, Christian de Portzamparc in Antibes, Jean Nouvel at the Cap-d'Ail, and Pierre Diener at Belle Dune and for the Center Parcs village at the Lac d'Ailette.

For the new Paris Tour Eiffel apparthôtel in one of the « Front de Seine » waterfront towers (opening in March 2007), the architects Valode and Pistre have daringly transformed the 1970's spirit: the old façade has been replaced by a stainless steel framework cladding, emphasising the building's prestige and modernity.

Each context calls for a distinctive approach: for Center Parcs, the priority set for the architects is for buildings to blend as fully as possible into the environment, as Jean de Gastines has achieved in the design of the new cottages at the Bois-Francs Center Parcs in Normandy.

THE HEIGHT OF RENOVATION

Pierre & Vacances and Maeva have been pursuing an ambitious policy of renovating residences built in the 80's and 90's (169 m€ invested in 2005, 219.5 m€ in 2006). This renovation work aims to fulfil customer expectations in terms of facilities and top-of-the-range fittings.

Over the last four years, some 3 000 apartments have been fully renovated, with increased surface area, new decor and new furnishings.

For instance, four of Pierre & Vacances's mountain residences were renovated for the 2006-2007 season, in the heart of sought-after resorts: Val d'Isère, Belle Plagne, Méribel-Mottaret and Alpe d'Huez.

Maeva has done the same in five residences in the Alps and the Pyrenees: Val d'Isère, Megève, Méribel, Font-Romeu and La Mongie.

PROGRESS IN REAL TIME

Television, household appliances, hi-fi, multi-media... over the last few decades, innumerable technological changes and other trends have changed and sometimes revolutionised our day-to-day lives. The Pierre & Vacances Group has reflected this by including such innovations in the facilities on offer.

Right from the design of the Avoriaz resort in 1967, traditional fuel oil-fired boilers were turned down in favour of electric radiators, which performed better and polluted less. As new residences were built and others were renovated, appliances such as dishwashers, microwave ovens, ceramic hobs, flatscreen TV and wi-fi routers have been fitted to apartments, increasing the level and quality of the facilities available. Over and above changes in technology, Pierre & Vacances has also been keen to follow changes in society. Residences have accommodation suitable for single-parent and reconstituted families, including large apartments with communicating doors, catering for all sorts of clans and crews. Special rates are also available for groups of friends who wish to rent several studio apartments together. Thalassotherapy and balneotherapy packages, massage sessions... the current quest for wellness is refreshingly satisfied in the group's villages and résidences. For young people, several Pierre & Vacances villages have an area called « Le SpOt », a real den providing video games, DVD players and sound equipment. And in further recognition of the place of new technology, customers may get a text message as soon as their apartment is ready.





HOLIDAYS FOR CHILDREN... AND THEIR PARENTS

Finding things for the children to do and making sure parents get some peace and quiet are two vital ingredients of family holidays. The Pierre & Vacances Group brands offer specific fun and sports activities for children of all age groups.

Maeva residences now have a new kind of rating which shows which of them have events, which in most cases are focused on children's clubs and events for teenagers. « Résidences Club » (♥♥♥ Events rating) have dedicated activities for children aged 3-12 (6 and up for ♥♥ and ♥ Residences) and for 13 to 17-year-olds. The children are looked after by qualified staff, during school holiday periods. Team sports, crafts, preparing shows and other daytime and evening activities are included in rates for each age group: « Maison des enfants » for 3 to 5-year-olds and « Kid's » for 6-12s.

Some Pierre & Vacances residences have a « recommended by children » label which guarantees facilities such as playgrounds, paddling pools and grounds suitable for our younger guests. In all Villages, « pay-as-you-go » clubs are available: Club Baby (3-35 months), Club Mini (3-5s), Clubs Kid's (6-8s), Juniors (9-12s), Teens (13-15s) and Fun (16-18s). In some villages, teenagers can enjoy a new dedicated area called « Le SpOt » geared to their lifestyle with a « cool zone » (furnished relaxation area), a large screen, Internet access and all the necessary party accessories: mixing desk, lighting rigs, a dance floor and more.

At Center Parcs, children also enjoy a wide range of specially designed activities such as the Experience Factory, a climbing room, « Le Monde des Enfants », the House of Games, tiny tots's corner, conjuring workshops, children's farm, pony clubs, and so on.





PIERRE & VACANCES, CENTER PARCS: A COMMON DESTINY

Gérard Brémont, Piet Derksen - a Frenchman and a Dutchman. The Frenchman created the Avoriaz resort and invented the Pierre & Vacances concept in 1967, offering the French a new style of winter sports resort and a totally new holiday solution. The Dutchman imagined a village of cottages in the middle of the Lommerbergen forest in 1968, providing country holidays for Dutch city-dwellers.

Both stories involved major projects and many common points, including a taste for innovation, a sense of service, and environmental awareness. The concept launched at Avoriaz was to become the Pierre & Vacances Group.

The first Center Parcs had five offspring in the Netherlands before the now-familiar « De Eemhof » village appeared in 1978 with its revolutionary « Subtropical Swimming Paradise ».

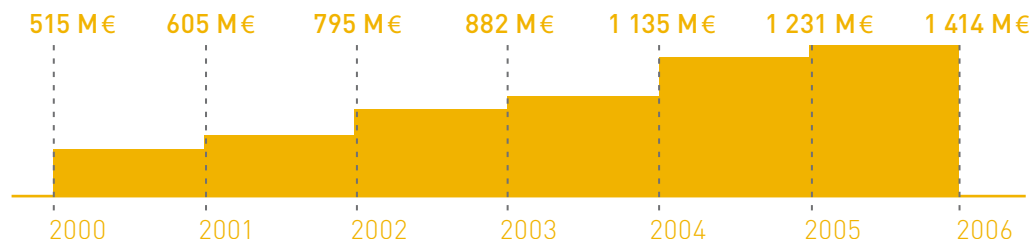
Piet Derksen retired in 1989 and entrusted the future of Center Parcs to a Scottish company. In 2000, Pierre & Vacances acquired 50 % of the capital and then 100 % in 2003.

In 2007, the two brands, now together in one group, retain their distinctive history, personality and identity as they grow together - after all, they say life begins at 40. Innovation, holidays, unspoiled countryside: the founding spirit of both Pierre & Vacances and Center Parks is intact.

REGULAR, SUSTAINABLE GROWTH FOR THE EUROPEAN LEADER

IN HOLIDAY RESIDENCES

Since its floatation on the stock market in 1999, the Pierre & Vacances Group culture of results and swift reaction, allied to the strength of its economic model, based on the synergy between the two worlds of real estate and tourism, has enabled the group to pursue stable, regular growth despite fluctuations in the economy as a whole. Turnover growth is a proof of this constant progression:



INTERNATIONAL HORIZONS

Born in the Northern Alps of France, the Pierre & Vacances Group has gradually developed its concept in coastal locations, in the countryside and then in the heart of cities, firstly in France, and then in other European countries.

The Pierre & Vacances, Maeva, Center Parcs and Pierre & Vacances City brands have developed tourist destinations in Italy, Spain, the Netherlands, Germany and Belgium, as well as in Martinique and in Guadeloupe.

In Spain, the Pierre & Vacances Group aims to be managing some 5 000 apartments by 2009.

The internationalisation of the group in terms of its tourist range (with 45 % of turnover generated outside France in 2005) can also be seen in terms of its real estate business. The development of the first top-of-the-range residence in Spain (Bonavista Bonmont on the Costa Dorada) and major projects such as Paris Tour Eiffel have led to increased geographical diversification of property purchasers (with investors from Britain, Ireland, Spain, and elsewhere).

With a projected new Center Parcs in Moselle to meet German customer expectations, and Pierre & Vacances City appartôtels in Belgium and Spain, the development of high-quality tourist accommodation and services across Europe continues to be a major priority.

The group is also preparing to offer a new destination outside Europe: Morocco.

CREATING EMPLOYMENT

Each project undertaken by the Pierre & Vacances Group creates a large number of jobs, firstly in construction, then in the longer term for operations and management.

Today, the group employs 8 500 equivalent full-time staff and more than 15 000 in the high season, indirectly employing as many again. As well as jobs created in the building industry and in other sectors as diverse as catering, management, reception, upkeep and maintenance, and leisure, the management and operation of a village, Center Parcs or hotel generates increased business for local companies and traders, as well as for the regional economy.

For instance, operating the new Center Parcs at the Domaine du Lac d'Ailette village in the Aisne (opening in 2007) requires the creation of 690 direct jobs of which 490 are full-time. Construction lasted 23 months and involved 420 000 hours of work and 300 equivalent full-time jobs in the building trade.

In addition, the forecast turnover generated in the economy of the Aisne is estimated at 16.5 M€ annually.



CENTER PARCS - N° 1 IN EUROPE FOR SHORT BREAKS IN THE COUNTRY

Today, Center Parcs Europe has sixteen villages (two in France, eight in the Netherlands, four in Germany and two in Belgium), with over 10 000 cottages, 50 000 beds, and over 3 million guests. Created in 1967 in the Netherlands, the Center Parcs concept remains unmatched in Europe - a short, relaxing break with family or friends in a vast expanse of greenery and lakes, centred on wellness and the natural world, far from the stress of city life and yet close to home. This concept corresponds to a strong and durable need: Center Parcs village occupancy rates are remarkably high, with a yearly average of over 80 % - 93 % in French villages.

Center Parcs offers rentals of cottages accommodating from 4 to 8 people in the heart of forest estates located in the most outstandingly beautiful European regions, less than two hours from urban centres but free of all pollution (inside the villages, all travel is on foot or by bike).

The three categories of cottage (Comfort, Premier and VIP) are built and designed to blend in perfectly with their surroundings and preserve the environment.

One of the distinctives of Center Parcs is the wide variety and high quality of its sports and leisure facilities and equipment. First of all, there is Aqua Mundo: a 4 500 m² covered pool area with a wave pool, water games, flumes, jacuzzi, solarium, and wild river beneath a vast transparent dome, maintained at a temperature of 29°C all year round, in a tropical decor.

A wide range of activities are on offer on a « pay-as-you-go » basis: tennis, golf, riding, tree trekking, bowling, and more. Most Center Parcs also have their own fitness centre, with spa, balneotherapy, sauna and Turkish bath areas.

NEW FOR THE BOIS-FRANCS NORMANDY VILLAGE

The Domaine des Bois-Francis village in Normandy brings together everything Center Parcs has to offer in terms of comfort and change of scenery, both close to hand and far from the daily grind. A 19th-century castle, 310 hectares of woodland, a riding farm, golf course, plus a completely new spa, over 1 000 m² in size, inspired by zen philosophy and Asian architecture, and a greatly enlarged water park Aqua Mundo with a new surprise which is a unique feature in Europe: the Tree House. Amidst 11 000 plants from managed forests in South-East Asia, children will be able to play up to 9 m above the ground on a water game platform. Plus of course water pistols, hoses, flumes, and a hidden pool with lots of surprises and another original feature: an enormous bucket which will regularly (and safely) empty 900 litres of water onto bathers.

Also new for the Winter 2006-7 season are 204 « Style » cottages, for which architect Jean de Gastines has blended timber construction and modern lines.

DOMAINE DU LAC D'AILETTE: A NEW GENERATION OF CENTER PARCS

In the Aisne, less than two hours from Paris, Center Parcs will be opening its third village in France for the Summer 2007 season. Close to the Nord-Pas de Calais region, Benelux and England, this Center Parcs will also be accessible from the forthcoming TGV high-speed train station in Rheims.

With 80 hectares of wooded parkland situated alongside a 140 hectares lake, between water and wood, the Domaine du Lac d'Ailette village will provide privacy and elegance as well as blending nature and habitat. The interplay and variation of the building fronts, the colour of the materials used (wood, tiles, and brick in styles inspired by local Aisne architecture) and the landscaping and interior decor of the 861 cottages are perfectly integrated into the surrounding leafy environment. Private wooden terraces, a new sort of « living room », will offer outstanding views across the lake and other vistas. The large stretch of water, the setting for many waterborne activities, links the many aspects of the village (village centre, services, shops, restaurants and more), Aqua Mundo is one of the star attractions: 5 200 m² of indoor and outdoor pools, poolsides and solariums, of which about 1 900 m² is water itself !

JEAN HENKENS: « LESS OF A JOB, MORE A WAY OF LIFE »

At Center Parcs, Jean Henkens is known by his nickname: « Mr. Nature ». This Belgian has the details of almost one million plant species at his fingertips. An expert on some of the least known tropical plants, he has been managing and enriching the plant stock of the sixteen villages for over 20 years. He designed the architecture for the new Aqua Mundo at Bois-Francs Normandy.

Jean also looks after the training for the teams of gardeners and horticulturalists who help him maintain the forests and tropical areas. « I grew up on a large family farm », he recalls. « Ever since I was little, my parents encouraged me to ask questions about everything to do with nature and try and understand it. For instance, I remember wondering why trees lost their leaves every year ». He's obviously found out more since... his study of tropical agricultures has even helped him to develop magical powers: he has developed a « secret potion » which puts plants to sleep so they can be transported safely !

He joined the Center Parcs team in 1984 and took part in the design of the Plaza, an exotic world beneath a glass dome which was to house a variety of plant species.

Since then, Jean Henkens has been travelling the world, from the Americas to Asia via Africa and the Pacific, in search of exotic and extraordinary plants. He returns from these expeditions with shrubs weighing just 10 grammes alongside specimens up to 12 metres in height and weighing more than 5 tonnes ! But whatever the plant, Jean is careful to make sure that Center Parcs imports don't harm the environment and comply with legislation. « We don't touch protected species or others which are becoming rare », he explains.

PIERRE & VACANCES, THE GROUP'S HISTORICAL BRAND

With 109 coastal or mountain sites, over 20 000 apartments, over 100 000 beds and over 1.6 million guests, Pierre & Vacances is both the group's historical and top-of-the range brand. With sites in metropolitan France, the West Indies, Italy and Spain, Pierre & Vacances offers fully equipped apartments or houses for short or long stays, offering complete independence combined with à la carte services.

Avoriaz, Val d'Isère, Port-Bourgenay, Monaco, Bonmont in Spain... ever since 1967, the history of Pierre & Vacances has been marked by creation and innovation. Ensuring residences and villages blend in with their surroundings, new destinations featured every year, regular renovation work, continuous upgrading of services, sports, games, discovery activities and children's programmes: for 40 years now, Pierre & Vacances has been responding to European guests's requirements and meeting their need for family-oriented holidays.

For the Winter 2006/7 seasons, five new destinations are available in France (Saint-Laurent-du-Var, La Baule, Deauville, Port-en-Bessin and Loches) and four mountain resort residences have been fully renovated (Val d'Isère, Belle Plagne, Méribel-Mottaret and Alpe d'Huez). For Summer 2007, there will be seven new destinations in France and Spain: Le Crotoy, Eguisheim, Branville, Monaco, Ciboure, Torremirona (in Catalonia) and Huelva (in Andalusia). Pierre & Vacances also offers an increasingly broad range of leisure activities, courses and wellness packages: spa, golf, tennis, circus, flying trapeze, sand sailing, children's clubs, « Le SpOt » for teenagers, and more.

OUR GUESTS ARE INVITED TO JOIN IN THE ANNIVERSARY CELEBRATIONS !

Tourist guests and Pierre & Vacances owners will be invited to join us in celebrating this special anniversary year. Exceptional discounts of up to 40 % and lucky draw competitions with plenty of prizes will be on offer through the post, on our website and in holiday residences and villages.

MAEVA, « SHARING MORE THAN A HOLIDAY »

With 110 destinations and 170 residences featuring 15 000 apartments and houses totalling over 70 000 beds and nearly 1 410 000 guests, the Maeva brand of the Pierre & Vacances Group continues to cultivate its values of friendliness, simplicity, sharing and liveliness.

Maeva offers a wide selection of seaside and mountain destinations, with à la carte breaks in holiday residences or holidays in « Résidences Club » including an events programme ; both leisure solutions come with additional à la carte hotel services available.

Set at the heart of major tourist resorts or close by, Maeva residences offer access to a wide range of activities, events, new things to explore and new people to meet.

Maeva's catalogue will be expanding once again in the Winter 2006-7 season. In the mountain resorts, there is one new residence, at Avoriaz, and five fully renovated residences (Font-Romeu, La Mongie, Val d'Isère, Megève and Méribel). There is one new seaside destination (Villefranche-sur-Mer) and four fully renovated facilities (Bénodet, Deauville, Nice and Antibes-Juan les Pins).

For Summer 2007, Maeva's programme will be focused around events. As well as criteria rating location, the residence itself and individual apartments, an events rating will be supplied for events taking place during the day and in the evenings aimed at adults, children, and teenagers.

Maeva's dynamic will continue into Summer 2007 with a new Résidence Club at Les Issambres and six seaside renovations (Camargue, Sainte-Maxime, Saint-Raphaël, Cannes and Cavalaire-sur-Mer), plus five new mountain residences (Les Coches, Avoriaz, Val d'Isère, La Mongie and Font-Romeu). Maeva will also be strengthening its presence in Spain with four new residences (L'Ampola, Denia and two in La Manga).



PIERRE & VACANCES CITY: 16 APPARTHÔTELS IN FRANCE AND BEYOND

For business trips or family getaways, a few days' mini-break or several weeks' stay, the Pierre & Vacances group makes it possible to have a fully independent, city-based « home from home » in a comfortable apartment with all hotel services available.

In Paris, Pierre & Vacances City has chosen a wide diversity of locations: Haussmann, Bercy, Paris XV, Porte de Versailles, La Défense, Montmartre, Val d'Europe... and Paris Tour Eiffel, opening in March 2007.

Pierre & Vacances City also has apparthôtels in some of the most beautiful cities in the south of France and in Rome: Aix-en-Provence, Marseilles, Monaco and Rome. Coming soon: Montrouge (due to open in 2007), Brussels (2008), Marseilles (2008), Paris-Opéra (2008), and more...

PARIS TOUR EIFFEL: PIERRE & VACANCES CITY'S FLAGSHIP

A new address for Pierre & Vacances City in Paris ... One with true class. With the Eiffel Tower and the Champ de Mars, the « Front de Seine » waterfront neighbourhood in the 15th district of Paris is one of a kind, with the outline of its distinctive cluster of skyscrapers. This unique location provides an exceptional viewpoint from which to discover the capital all over again.

The new apparthôtel, opening in March 2007, complements the nine other Parisian locations and further consolidates Pierre & Vacances City's catalogue. Its outstanding location and its apartments naturally make it the Pierre & Vacances Group's city brand's flagship destination.

The contemporary design of the 32-floor building houses 375 « ready-to-live » apartments (studio flats and 2 bedroomed apartments), destined for both French and foreign guests. All apartments have top-of-the-range fittings and have breathtaking views over Paris.

RÉSIDENCES MGM - LUXURY MOUNTAIN RESIDENCES

There are ten such residences. The ten Résidences MGM are located in the major Northern Alps resorts (Val d'Isère, Méribel, Tignes, Arc 1800, Chamonix, les Carroz-d'Arâches, Les Houches, Aime-la-Plagne, Pralognan-la-Vanoise and les Ménuires) and are a reference for luxury holiday residence accommodation.

With traditional Savoyard architecture and built from natural, high-quality materials, these residences blend in perfectly with their surroundings. With a genuine, warm atmosphere, they have been set out in small buildings with around 80 apartments in each, ranging from 2 rooms for three people to 5 rooms for ten or eleven, available for rent for any length guests wish to specify.

Roomy, fully equipped and with top-of-the-range facilities, the apartments have a mountain chalet feel, decorated in traditional style with sculpted door frames, stone hearths and craft ornaments.

In their outstanding setting, the MGM holiday residences also offer an invitation to wellness in partnership with Algotherm®, with various relaxation facilities available to guests: covered, heated swimming pools, saunas, Turkish baths, cardio-training and relaxation rooms, and more.

A wide range of pre-booked services (ski lift passes, ski equipment rental, French Ski School classes, etc) round off the exceptionally high level of service available in the « Résidences MGM » (massages and body-sculpting with Cap Bien-Être, exploration treks with Cap Nature, children's and teens's clubs and more).



HÔTELS LATITUDES - THE KIND OF HOTEL PEOPLE LIKE

With the Hôtels Latitudes brand, Pierre & Vacances offers 3 and 4 star hotel accommodation in seaside and mountain resorts and in city centres. For business trips, holiday breaks or weekend getaways, the 12 Hôtels Latitudes in France provide a high level of facilities with spacious, modern rooms sleeping up to four and decorated in traditional local styles.

The brand's distinctive is to combine various leisure and hotel services: relaxation areas (lounge, piano bar, patio...), genuine regional cuisine, integrated leisure facilities (pool, sauna, gym room, tennis courts, etc.) and a range of à la carte leisure activities.

For mountain destinations - Arc 1 800, les Ménuires, Méribel et Val d'Isère - Hôtels Latitudes offers guests the option of pre-booking ski-lift passes, equipment and lessons at preferential rates, at the same time as rooms are booked.

Seaside and city-centre hotels - Deauville, Trouville, Valescure, Grimaud, Cap Esterel, Pornichet and Toulouse - offer thalassotherapy and balneotherapy packages, golf lessons, and more.

Hôtels Latitudes are also fully equipped to cater for conferences, incentive events, and seminars, with modular areas for up to 300 people, and organisational facilities for every kind of professional event.

SOME KEY FIGURES

- The group is the European leader for holiday Residences
- Six brands: Pierre & Vacances, Pierre & Vacances City, Maeva, Résidences MGM, Hôtels Latitudes, Center Parcs
- 250 destinations to choose from in six countries: France, Spain, Italy, the Netherlands, Germany, Belgium
- Management of over 45 000 apartments
- Over 210 000 beds
- Over €1.414 bn turnover (2005-2006)
- Over 6.6 million guests of whom 50 % are French
- 8 500 employees.

Media contact :
Valérie Lauthier
e-mail : vlauthier@pierre-vacances.fr
Tél. : +33 (0)1 58 21 54 61
<http://groupe.pierreetvacances.com>