



Groupe
Pierre & Vacances
CenterParcs

2015/2016 FULL-YEAR RESULTS

24 November 2016

1

Further growth in earnings

2

Tourism: consolidation of underlying performance and customer-centric strategies in each brand

3

Property development: innovative and upscale property development

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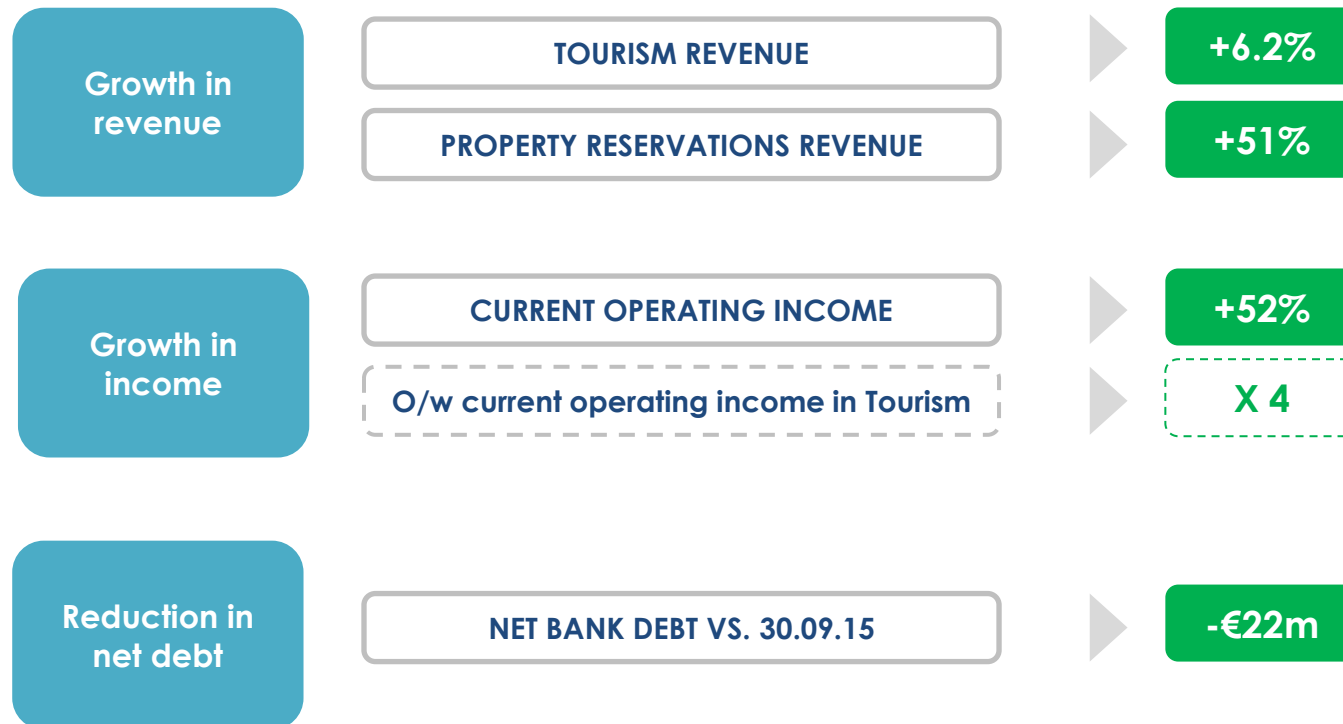
Conclusion

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Appendix – Reconciliation tables - P&L IFRS

1

Further earnings growth



NB: The income statement items and commercial indicators commented on in this presentation stem from operating reporting, with joint ventures presented under proportional integration.

Group revenue: €1,424m

TOURISM

Tourism revenue
€1,253m

+6.2%

+5.0% same structure*

CPE
€644m

+9.9%

PVTE
€609m

+2.5%

Accommodation
revenue
€811m

+4.0%

Revenue from other
activities
€442m

+10.3%

+6.8% same structure*

*excluding the impact of the acquisition on
13 April 2016 of "La France du Nord au Sud"

**PROPERTY
DEVELOPMENT**

**Property
development
revenue**
€171m

Main contributors (€ millions)

FY 15/16

FY 14/15

Villages Nature

21

24

PV Spain – Manilva

20

2

CP Domaine des Trois Forêts (Moselle) extension

15

0

CP Domaine du Bois aux Daims (Vienne)

8

110

PV premium Deauville

6

3

PV Premium Flaine

4

14

CP Domaine Bostalsee (Germany)

0

14

Les Senioriales programs

64

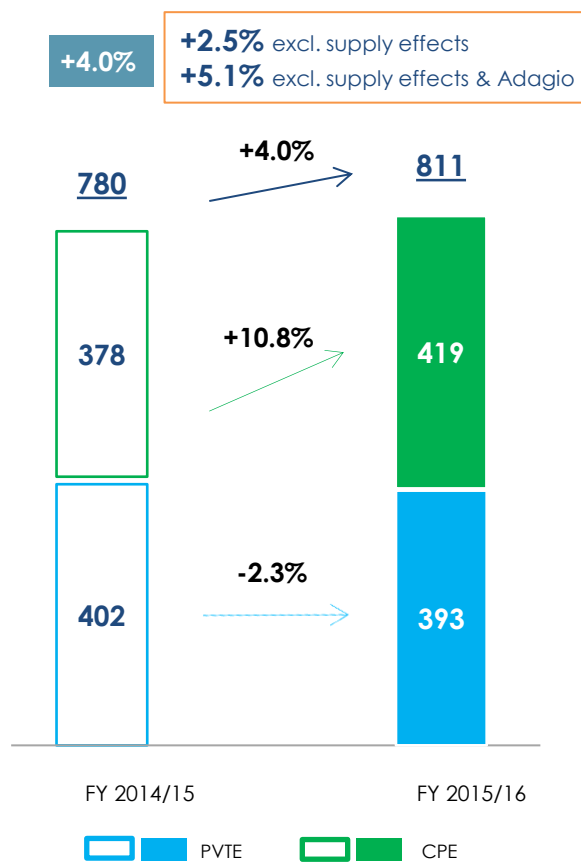
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Revenue from
reservations with
individuals
€329m

+51%

Focus on accommodation revenue: €811 million, up 4% (including a +3% price effect)

Euro millions



Center Parcs Europe

+10.8%

+4.7% excl. supply effects

- **Domains located in Germany, the Netherlands and Belgium (BNG):**
 - Growth of +6.8%
- **Domains located in France:**
 - Excellent performances at the new Domaine du Bois aux Daims
 - Slight growth in revenue at other domains: +0.5%

Pierre & Vacances Tourisme Europe

-2.3%

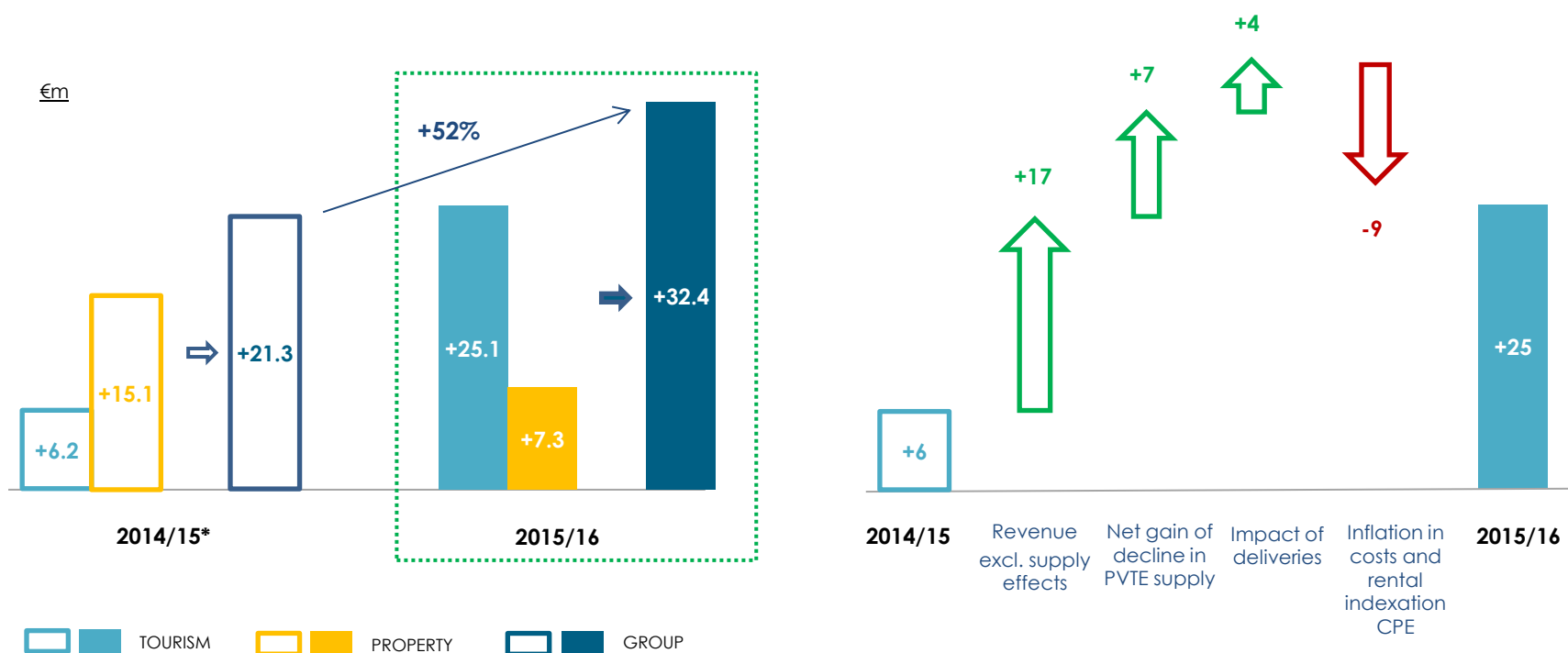
+0.3% excl. supply effects
+5.8% excl. supply effects & Adagio

- **Growth excl. stock effects at destinations excl. Adagio: +5.8%**
(seaside: +4.9%, mountain: +6.6%, West Indies: +10.3%)
- **Decline at Adagio residences: -6.7%**
business penalised by impact of terrorist attacks in Paris and Brussels

Group current operating income:

+52%

FOCUS on TOURISM current operating income



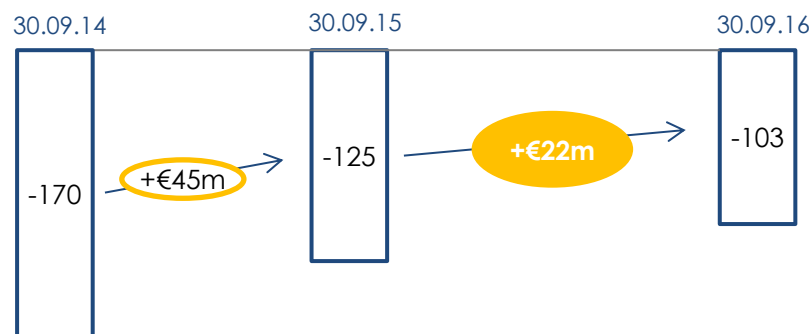
* Adjusted for the impact of IFRIC 21 on the Group's audiovisual licence fee (+€0.1m on income)

<i>Euro millions</i>	2015/2016	2014/2015 adjusted ⁽¹⁾
Revenue	1,424.2	1,436.3
Current operating income	32.4	21.3
<i>Tourism</i>	25.1	6.2
<i>Property Development</i>	7.3	15.1
Financial expenses	-18.8	-18.3
Current income before taxes	13.6	3.0
Other operating income / (expense) net of tax	-6.1	-3.8
<i>of which cost of early redemption of the syndicated loan</i>	-1.1	
Share of net profit in joint-ventures	0.6	0,3
Taxes	-9.8	-12.1
Net income before the change in the fair value of ORNANE	-1.8	-12.6
Change in the fair value of ORNANE	-5.7	1,2
Net income	-7.5	-11.4
<i>Attributable to the owners of the Company</i>	-7.4	-11.5
<i>Non-controlling interests</i>	-0,1	0,1

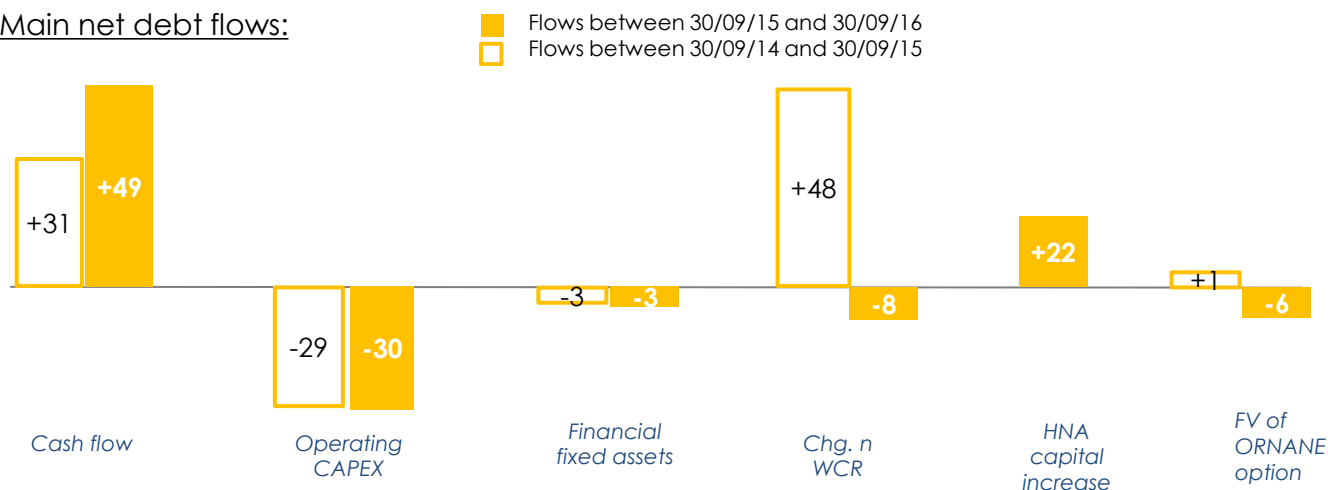
(1) Adjusted for the impact of the IFRIC 21 interpretation on the audiovisual licence fee paid by the Group (+€ 1m on earnings).

Net bank debt on 30 September 2016 down €22m relative to 30 September 2015

Change in net debt (€m) excluding consolidated rental commitments (Domaine du Lac d'Ailette):



Main net debt flows:



Pierre & Vacances Tourisme Europe



Center Parcs Europe



In view of the portfolio of reservations to date, **revenue from the tourism business is set to rise during Q1 2016/2017**, driven by:

- For Center Parcs Europe, revenue growth in all destinations
- For Pierre & Vacances Tourisme Europe, healthy performances at seaside destinations in France and Spain

2

Tourism: Consolidation of underlying performance and customer-centric strategies at each brand

Pierre & Vacances Tourisme Europe
(excluding Adagio)

+0.3% Growth in **accommodation revenue**
on a **current** structure basis

+5.8% Growth in **accommodation revenue**
adjusted for supply effects

+7% Growth in **REVPAR**

+2.5% Growth in **net average letting rates**

67.2% **Occupancy rates**

Center Parcs Europe

+10.8% Growth in **accommodation revenue**
on a **current** structure basis

+4.7% Growth in **accommodation revenue**
adjusted for supply effects

+9% Growth in **REVPAR**

+5.5% Growth in **net average letting rates**

73.4% **Occupancy rates**

Affirmation of the brand and upscale positioning

Achievements in 2015-2016

- New TV advertising campaign and new signature: "Happy Together"
- Further moves upscale (services/wifi/apartment categories), flexibility and segmentation policies
- Improvement in customer journey (Planet PV/Web check-in/optimised reservation corridors)
- Acceleration in international development by tourism marketing (60% of new customers)
- Ongoing selective withdrawal policy in France

For 2016-2017

Continuing to strengthen the brand and stand out from the crowd :

- Enhancing the attributes of the **brand platform** (zero restrictions/modularity/sharing)
- Change in recognition programme **P(&)V Gold**
- Modernisation and conviviality of **reception areas** (laptops/collaborative walls/animations)
- New functionalities and exclusive contents **Planet PV**
- Capitalisation over the brand's 50 years anniversary

Developing targeted offers and services, additional services and optimising pre-sales:

- Kid Ski/Animations **Teens**/Folie Douce formulas/**Senior** animations in fringe seasons
- Shopping delivery/Wifi full access / Hotel and B&B formulas
- Roll-out of **Dynamic packaging** transport with Suntrade (FWI/Mauritius/Canaries)

Stepping up international development by marketing and management mandates:

- Strengthening existing destinations (Portugal, Italy, Croatia)
- New destinations (Greece and Crete/Malta/Montenegro)
- Objective: **100** residences outside France and Spain



Enhancing and segmenting the customer experience

Achievements in 2015-2016

- Gradual flexibility in arrivals and departures in all markets
- Completion of Planet CP deployment
- Communication campaigns specific to each destination
- New businesses, experiences, and leisure infrastructure
- Implementation of CP Europe organisation by market (DGs by country)

For 2016-2017

- **Creation of Winter Wonderland programme:**
 - Better **animation** of winter period/support from targeted **activations** campaign
- **Optimisation of flexibility of arrivals/departures ("Flex"):**
 - Integration of **BNG communication campaigns**
 - Specific improvement of **visibility and ergonomics on the internet**
 - Adaptation of onsite **operating procedures and activities**
 - Making **trialist** customers **loyal** who have discovered Center Parcs using Flex
- **Maximising sales via Planet CP:**
 - Overhaul of **ergonomics**
 - Planning and payment of activities **during the holiday**
- **Ongoing renovation and modernisation plan:**
 - **Renovation** of Ailette (FR), Port Zelande and Zandvort (NL), NordseeKuste - HochauerLand (GE)
 - New onsite **digital interaction concepts** (Kid Watch – digitalised reception areas)
 - New **leisure infrastructure** (Action Factories / children's clubs / new concepts: "The Place" at Trois Forêts)
 - Plan to **shake up and overhaul retail**



Success of operating launch of Maeva.com

Achievements in 2015-2016

- Acquisition of La France du Nord au Sud (April 2016)
- Creation of a subsidiary and an agile start-up organisation
- New website (September 2016)
- 1,000 Maeva.com individual management mandates

For 2016-2017

■ Rental management: strengthening of owner value proposal and faster development :

- **Automated management** of mandates – new functionalities on owner website, optimisation of time to place rentals online
- Creation of a new **mandate** focused on **distribution**
- Launch of a **purchases market place** (early 2017) (preferential prices/quality of planning and facilities)
- Addition of **cleaning at the end of the stay** for individual rentals
- Objective: **+2,000 individual mandates**

■ Distribution: optimisation of organisations, tools and channels for a maximisation of sales performance :

- **Merger** of Maeva and LFNS teams
- Maximisation of **web performance** (conversion rate/sales of additional services)
- Development in synergy of **new commercial channels** (CEs, travel agents) on a selection of Maeva products
- **Clarification** of product promise, **certification** and new **labelling**



Adagio - Adagio Access - Adagio Premium

Achievements in 2015-2016

- A particularly difficult market in 2015/2016
(terrorist attacks in Paris and Brussels - increased competition from C2C)
- Roll-out of a savings plan by launching a commercial stimulus plan
- Improvement in customer experience (fast check-in/check-out) and development of the Be my Guest corporate project
- International expansion (Edinburgh/Frankfurt/Moscow/Brazil)

For 2016-2017

■ Strategic development of the brand in a customer-centric and relational stance:

- New signature **Stay, Live, Enjoy**
- **Web communication** campaign "Objects that talk"
- Deployment of project to overhaul and animate communal areas
- Experiential mobile application "Adagio Connect"

■ Restructuring of sales stance for 2016/17:

- Market share growth plan for the small/mid-sized company segment
- New offers in long-stay segments
- Simplification of pricing in the business segment
- Strengthening of data approach

■ Further international expansion:

- 22 projects signed in the future opening portfolio
- 2017: Abidjan / Doha and also London/Bremen/Jeddah...





Roll-out of digital for all distribution channels

Achievements in 2015-2016

- **CRM/Data/Direct Marketing:**

- **Enhancement and qualification** of customer bases
- Optimised targeted **activation campaigns**
- Animation on **social networks** to develop sales (€3m generated)

- **Web:**

- **Iterative improvements** to maximise **conversion** on all devices (desktop/tablets/mobile)

- **Call Centres:**

- New **organisation** and further **modernisation of tools and processes** (single telephone platform/new work station/call management and performance monitoring)
- Development of **outgoing call** campaigns
- Creation of the **Social Room**

- **Indirect sales:**

- Deployment of **connectivity** to all OTA and TO partners
- For work's councils, **animation of Intranets** for major accounts and extension of direct marketing approaches to Request WCs
- Modernisation of MICE tools for better competitiveness in offers



For 2016-2017

▪ Customer data: better exploitation of data at the heart of our digital strategy:

- Roll-out of **"Data Intelligence"** project to optimise use of customer data, by taking account of:
 - Web navigation, and contacts with the call centre
 - Reactions to mailing campaigns and social media

Enabling increased personalisation of website, and optimised retargeting

- New **scoring tools** enabling cross-referencing of segmentation criteria for a more relevant targeting
- New steering tools **for multichannel journeys** and return on investment of various activation levers
- **Customer satisfaction** taken more into account in the reservation stages (web and call centre).
- Ongoing **reduction in paper mailings**

▪ Optimisation of conversion:

- Optimisation of **shopping conversion*** to accompany the ramp-up in mobile traffic
- New **Full Responsive PV** site (early 2017)
- Call centre: ongoing optimisation of **conversion** and development of **outgoing call** campaigns
- Maximisation of **sales of complementary products and services**
- Further roll-out of **dynamic package**

▪ Indirect sales:

- Renewed stimulus for **major partnerships** and optimisation of **distribution costs**
- Strengthen commercial actions for **traditional international markets** (Germany, UK) and in **emerging markets**, with for China:
 - An offer of **15 PV-CP-Adagio sites** corresponding to Chinese expectations
 - Signing of agreement protocols with **HNA Caissa Touristic** and **Tuniu.com**
 - Signing of contracts with **Caissa** and **CTrip**
- Plan to win back **secondary markets** (Italy/Switzerland/Scandinavia)
- **Works' councils**: new full responsive site/flexible linears/simplification of price grids

*Achievements
in
2015-2016*

- Consolidation of economic and operating performances in Tourism
- Affirmation and deployment of customer-centric strategies at all brands
- Faster roll-out of additional economic models
- Further optimisation and modernisation of distribution and sales

For 2016-2017

- Optimisation of conversion for all sales channels and from a multi-device perspective
- Maximisation of use of customer data to underpin:
 - the respective brand strategies
 - growth in commercial and economic performances

3

Innovative and upscale property development

- A. Projects underway
- B. Outlook

3

Innovative and upscale property development

A. Projects underway



- **A 50/50 joint venture between PVCP and Euro Disney S.C.A.**
- **Located 32km from Paris and 6km from the Disney parks**
- **A unique concept:**
 - 259 hectares of landscaped land, 15 hectares of lakes
 - 16 hectares of recreational facilities including the Aqualagon, a covered water park of 9,000 m2 and an open-air lagoon of 2,500 m2, heated all-year round at more than 30° by geothermal energy
- **1st tranche of phase 1:** 916 cottages / apartments, o/w 783 sold as a block to a company owned by EUROSIC, PVCP and EURO DISNEY and sold onto individuals (84% marketed so far)
- **Work underway** on equipment and cottages
- **Opening planned for summer 2017**

Aqualagon – September 2016



Promenade du Lac – September 2016



Aerial view – August 2016



Photo : www.leuropevueduciel.com

In France

Extension of Domaine des Trois Forêts – Moselle

- 141 cottages sold as a block to MACSF
- Delivery of cottages in summer 2017



In Germany

Allgäu (Baden-Wurtemberg)

- 1,000 cottages
- €350m investment financed by two institutional investors:
 - ✓ Eurosic: 750 cottages and central recreational facilities
 - ✓ La Française: 250 cottages and sales building
- Opening planned for end-2018



Operations to sell existing renovated Center Parcs cottages to individual and institutional investors on behalf of current institutional owners

In Germany

Nordseeküste

- Domain located on the Wadden coast, listed as a UNESCO world heritage site
- Renovation of 345 cottages and recreational facilities
- €14m in works
- Marketing rate to date: 56%



In the Netherlands

Port Zélande

- Domain located near the North sea coast and the largest salt-water lake in Europe, Grevelingen
- Renovation of 554 cottages and recreational facilities
- €21m in works
- Marketing rate to date: 100%



In Belgium

Vielsalm

- Sunparks domain located on a hill in the heart of the Ardennes forests
- Renovation of 350 cottages and recreational facilities – transformation into a Center Parcs
- €35m in works
- Marketing rate to date: 75%



Deauville – Presqu'île de la Touques

- PV Premium five-star residence
- Outstanding location just between Deauville and Trouville
- 161 apartments
- Spa and wellness centre, two heated indoor and outdoor pools
- Opening: 2018



Méribel – L'Hévana

- PV Premium five-star residence
- Located next to the slopes and near the Méribel shopping street
- 93 apartments
- Spa, indoor pool and outdoor jacuzzi
- Marketing rate to individuals: 26%
- Opening: 2019



3

Innovative and upscale property development

A. Projects underway

B. Outlook

Center Parcs Mid Size (Bourgogne & Franche-Comté, Lot-et-Garonne)

- 400 cottages by domain
- €170m investment by domain
- **Bourgogne (Le Rousset) and Franche-Comté (Poligny):**
 - ✓ Public debates from 20 April to 4 September 2015
 - ✓ Definitive validation of Local Urbanisation Plan awaited in order to continue studies enabling administrative permission requests to be filed (building permits and unique environmental authorisation).
- **Lot-et-Garonne:**
 - ✓ Favourable ruling from Department Council in Lot-et-Garonne and Aquitaine Region on the project's opportunity
 - ✓ Environmental feasibility studies now started



Center Parcs Roybon (Isère)

- 1,000 cottages
- **Recent legal decisions:**
 - ✓ 18 June 2015: The State Council cancelled the suspension of the water law ruling pronounced by the Grenoble courts at the end of December 2014 and confirmed the maintenance of the protected species decree.
 - ✓ 16 July 2015: The Grenoble courts validated the protected species derogation and cancelled the ruling on the water law. Pierre & Vacances-Center Parcs appealed the ruling.
 - ✓ 22 November 2016: the Lyon administrative appeals court decided to set a new date for the examination of the dispute over the Water Law and Protected Species decrees that has yet to be fixed.

Framework agreement concluded with Eurosic in December 2015 for development of the offer in Spain

- Acquisition by Eurosic of property assets destined to be renovated, sold in units and managed by PV
- Pierre et Vacances partnership: services, asset transfers, assistant project management, property sales, tourism management

⇒ **Three sites acquired by Eurosic during 2015/2016:**

- Village Terrazas Costa del Sol (Manilva – Malaga)
- Fuengirola el Puerto (Malaga)
- Estarlit (Costa Brava)



A sizeable project under the framework of the overhaul of the Plagne Aime 2000 ski station

- **Pierre & Vacances-Center Parcs: planning, developer and operator**
- **Architect: Wilmotte & Associés**

This project breaks down into three tranches:

- A **Pierre & Vacances Premium residence** of 120 apartments with upscale services and leisure areas (swimming pool, solarium etc.).
- A **Pierre & Vacances Famille residence** with 370 apartments and a water-park complex. Facilities will also include a shopping gallery, numerous terraces, seminar rooms, a childcare centre and a panoramic restaurant.
- A **"Folie Douce" hotel** with 160 rooms, a spa and wellness centre and a nightlife area with a nightclub.

Delivery of the first tranche is planned for winter 2019.





Reminder: partnership signed with HNA Group on 6 November 2015

Including three parts:

- development of Center Parcs and Pierre & Vacances concepts in China, via a 60% HNA - 40% PVCP joint-venture
- HNA to take a stake in PV SA (10% of capital after reserved rights issue) with 2 board members : operation completed at end-March 2016.
- Development of Chinese tourism clients at the PVCP Group's European sites via HNA tourism networks

Recent developments

- Official creation of the JV on 21 June 2016.
- Signature of letters of intent :
 - On 4 July 2016 for the acquisition of three plots of land located near Shanghai and Beijing,
 - On 18 November 2016 for an additional land on the seaside in the South of China
- On 4 July 2016, agreements were concluded with three major Chinese retailers. As such, 15 French destinations belonging to Pierre & Vacances, Center Parcs and Adagio are to be marketed to Chinese tourists. The first tourism reservations have since been made on mountain destinations.

A special focus is put on Villages Nature, the concept matching to holiday wishes from upper middle-class Chinese tourists.
- Appointment of Mr Nong XIA (former Senior VP for the development of Hyatt hotels in Asia, winner of multiple awards in China) as CEO of the HNA-PVCP joint venture.



**Pierre et Vacances – Center Parcs
obtains its best score
within the ISR Gaïa 2016 index**

Ranking:

- General : 25 / 230
- Category «Revenue > €500 millions» : 22 / 81
- PVCP is performing in the index since its creation in 2009, in continuous improvement.

***Gaïa index: index composed of the 70
intermediate size firms best rated for their extra-
financial performances among a panel of 230.***



**Center Parcs Bois aux Daims voted world
no. 1 in eco-tourism destinations
By Themed Entertainment Association
(TEA)**

In the category Tourism resorts & destinations, for
its unique experience "ECO-FRIENDLY"



4

Conclusion

2015/2016: earnings growth despite the difficult context:

- **Current operating income: +52% to €32 million**
- **Operating income from tourism business multiplied by four**
- **Reduction in net bank debt of €22 million**

Outlook:

- **Tourism: pursuit of growth and differentiation strategy**
 - Moves upscale in accommodation and services, with an enhanced, more flexible and ever more segmented offer to counter competition from the “collaborative economy”.
 - Simplification and digitalisation of customer journey.
 - Acceleration of roll-out of complementary economic models.
- **Property development: quantitative and qualitative leverage to growth in the tourism offer**
 - Development of new destinations at Center Parcs, Villages Nature, Pierre & Vacances premium and Adagio.
 - Further renovations of existing Center Parcs in Germany, the Netherlands and Belgium by selling on renovated cottages to individual and institutional investors.
 - Development projects in Spain and China.

5

Appendix – Reconciliation tables – P&L IFRS

Reconciliation tables – P&L IFRS

	FY 2015/2016 operating reporting	Change in the fair value of ORNANE	Cost of early redemption of the syndicated loan	Tax on other operating income / expense	Adjustments IFRS 11	FY 2015/2016 IFRS
(Euro millions)						
Revenue	1 424.2				- 51.6	1 372.6
Current operating income	32.4				+9.5	41.9
Other operating income/expense	- 6.1		+ 1.1	- 0.2	+0.8	- 4.4 (*)
Financial items	- 18.8	- 5.7	- 1.1		- 0.1	- 25.8
Share of net profit in joint-ventures	0.6				-6.1	-5.5
Taxes	- 9.8			+ 0.2	- 4.1	- 13.7
Change in the fair value of ORNANE	- 5.7	+ 5.7				(**)
NET INCOME	- 7.5	0.0	0.0	0.0	0.0	- 7.5

(*) gross of tax

(**) the change in the fair value of ORNANE is included in the IFRS financial result

	FY 2014/2015 operating reporting	Change in the fair value of ORNANE	Tax on other operating income / expense	Adjustments IFRS 11	FY 2014/2015 IFRS
(Euro millions)					
Revenue	1 436.3			- 53.8	1 382.5
Current operating income	21.3			- 5.1	16.2
Other operating income/expense	- 3.8		-1.6		- 5.4 (*)
Financial items	- 18.3	+1.2		+0.2	- 16.9
Share of net profit in joint-ventures	0.3			+2.8	3.1
Taxes	- 12.1		+1.6	+2.1	- 8.4
Change in the fair value of ORNANE	1.2	-1.2			(**)
NET INCOME⁽¹⁾	- 11.4	0.0	0.0	0.0	- 11.4

NB : 2014/2015 P&L is adjusted for the impact of the IFRIC 21 interpretation on the audiovisual licence fee paid by the Group (+€0.1m on earnings).

(*) gross of tax

(**) the change in the fair value of ORNANE is included in the IFRS financial result