

PRESENTATION OF RESULTS FOR THE 2002/2003 FINANCIAL YEAR

Paris, December 11th 2003

Contents

- I - The Pierre & Vacances Group
- II - Results for the 2002/2003 financial year
- III - Our challenges in 2003/2004

I - THE PIERRE & VACANCES GROUP

Pierre & Vacances: a major player in the European tourist industry

- **Two main products:** residences (57%) & villages (43%)

- **4 segmented brands:**
Pierre & Vacances, Maeva, MGM, Center Parcs

- **Key figures:**
 - 45,000 apartments & houses in Europe (34,400 in France)
 - 205,000 beds (including 154,000 in France)
 - 6.6 million customers
 - 8,400 employees (FTE)
 - Consolidated turnover: €881.5 million
 - Operating income: €82.5 million

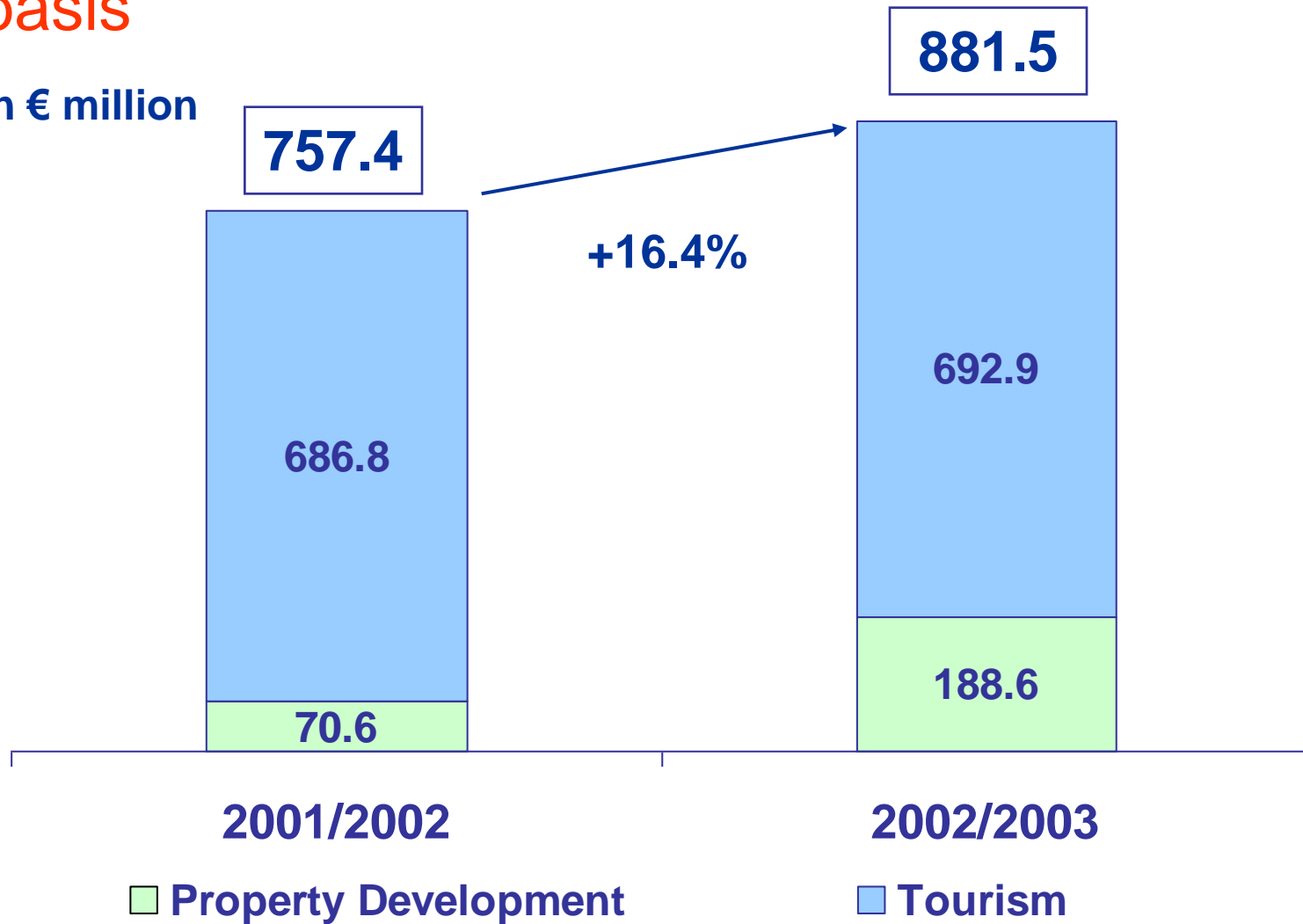


II – RESULTS FOR THE 2002/2003 FINANCIAL YEAR

**Period from October 1st 2002
to September 30th 2003**

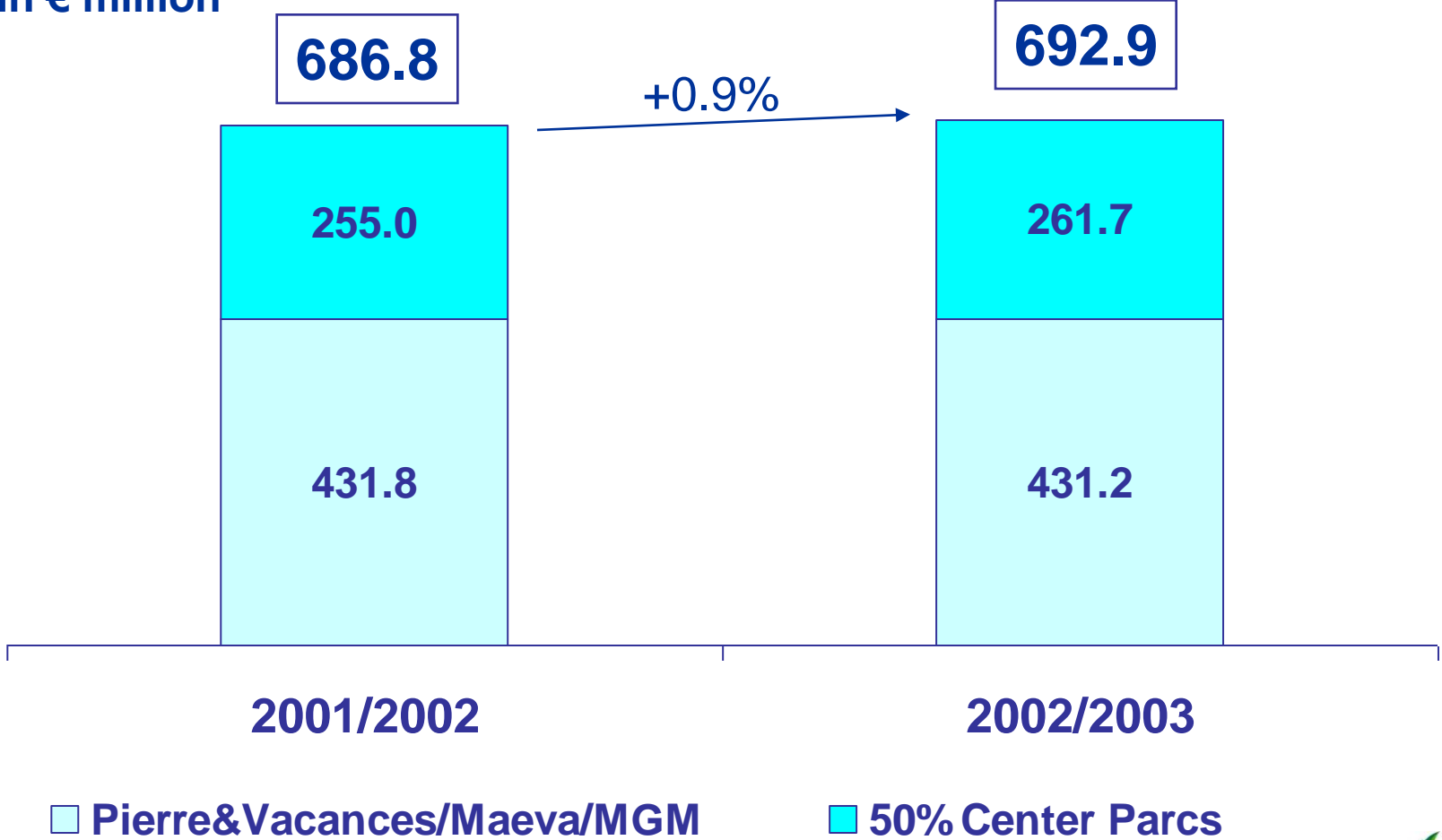
16% growth in Group turnover on a like-for-like basis

In € million



Tourism: 0.9% increase in turnover (on a like-for-like basis)

In € million



□ Pierre&Vacances/Maeva/MGM

■ 50% Center Parcs

Tourism: 4% increase in net average letting rates on a like-for-like basis

	2002/2003	2001/2002	Change
Net average letting rates (*) (in €)	498	480	+4.0%
Weeks sold	828 101	845 124	-2.0%
Weeks offered	1 347 465	1 331 123	+1.2%
Occupancy rate	67.9%	70.2%	-3.2%

(*) Average price for one week's accommodation

Tourism: sustained level of activity despite an unfavourable economic environment

Accommodation turnover on a like-for-like basis

- **PV/Maeva/MGM: up +1.2%**
 - Increase in net average letting rates: +4.0%
 - Slight drop in number of weeks sold: -2.7%
(conflict in Iraq, Prestige oil slick, forest fires in the Var region)

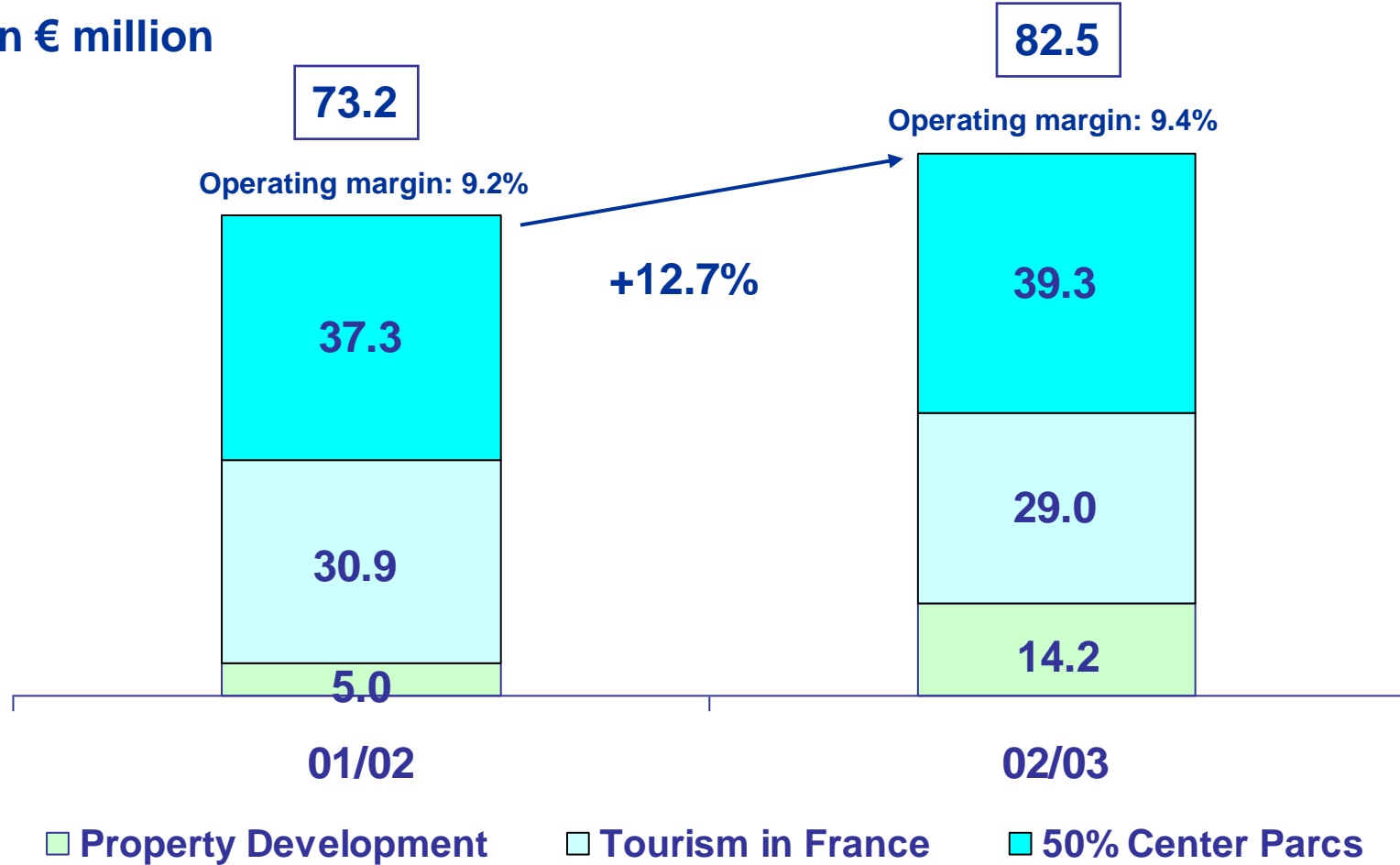
- **Center Parcs Continental Europe: up +3.6%**
 - Increase in net average letting rates: +3.7%
 - Number of weeks sold stable

Property Development: 1,607 new & renovated apartments

	2002/2003 No. of apartments	2001/2002 No. of apartments
New	809	491
Val d'Europe (Paris)	286	
Saint Lary	82	
Bourgenay	77	
Monflanquin	71	
Ax les Thermes	70	
Marciac	70	
Valmeinier	68	
Le Guilvinec	62	
Ciboure	12	
Other	11	
Renovated	798	77
Cannes Beach	307	
Mandelieu	136	
Issambres	191	77
Calarossa	49	
Ploemel Carnac	37	
Branville	34	
Pyrénées 2000	27	
Avoriaz	17	
TOTAL	1 607	568

Operating income: +12.7%

In € million



■ Property Development

■ Tourism in France

■ 50% Center Parcs

Net income before extraordinary items: +26%

In € million	2002/2003	2001/2002	Change
Turnover	881.5	794.7	+10.9%
Operating income	82.5	73.2	+12.7%
Net financial income	-13.5	-15.4	-12.3%
Amortisation of goodwill	-6.4	-6.3	+1.6%
Corporate income tax	-22.5	-19.6	+14.8%
Net income before extraordinary items	40.1	31.9	+25.7%
Extraordinary items (net of tax)	7.2	5.9	+22.0%
Net income	47.3	37.8	+25.1%

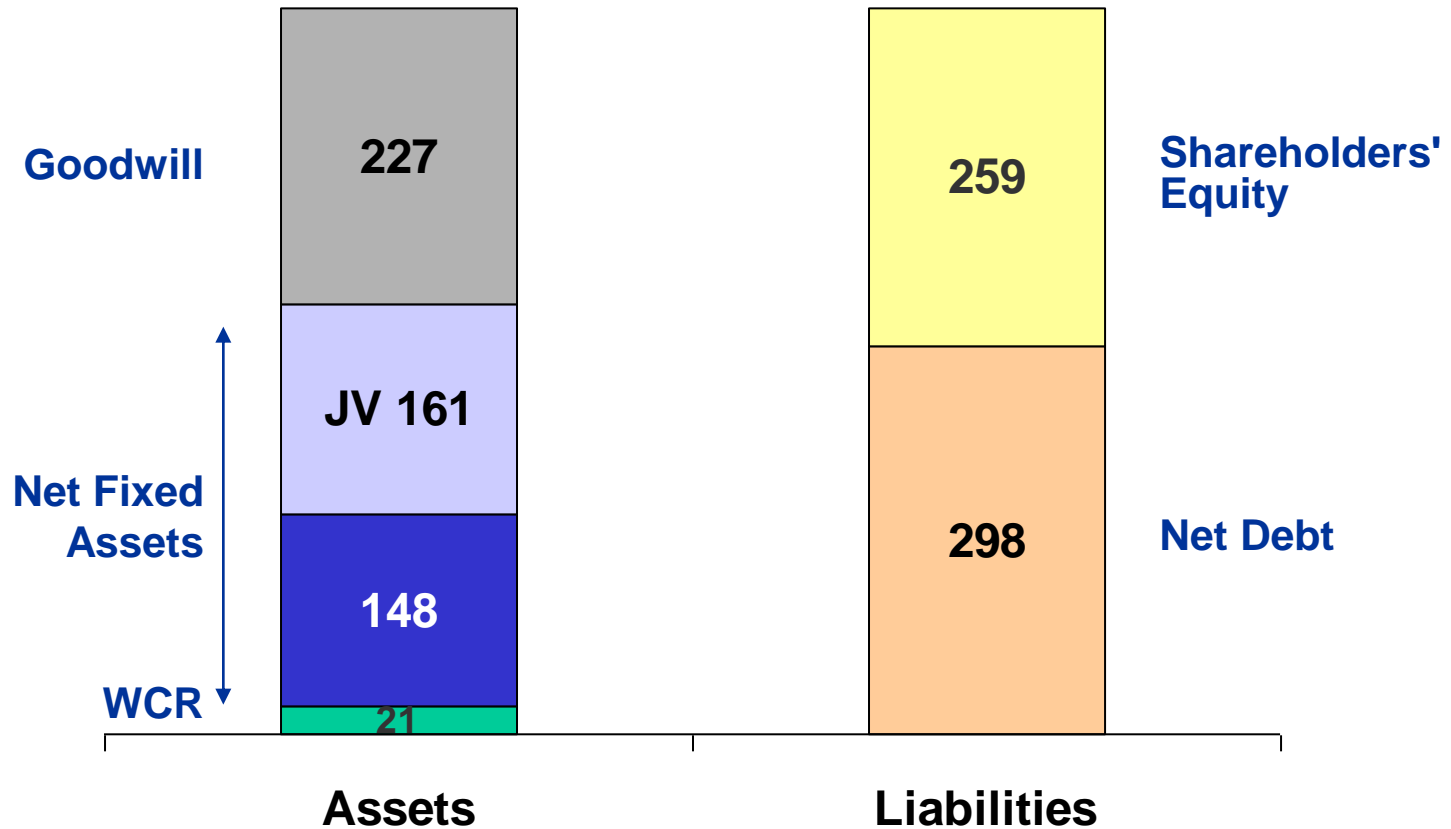
Statement of cash flows

In € million	2002/2003	2001/2002
Operating cash flow excluding WCR	89.9	60.1
Change in working capital requirement	-19.4	26.8
Cash flows provided by operating activities	70.5	86.9
Cash flow used in investment activities	-284.1	-4.1
Capital increase	0.3	55.9
Dividends paid	-9.4	-6.9
Change in borrowings	208.0	-149.0
Change in cash flow	-14.7	-17.2

A well-balanced financial structure (pre-Eemhof S&LB)

In € million

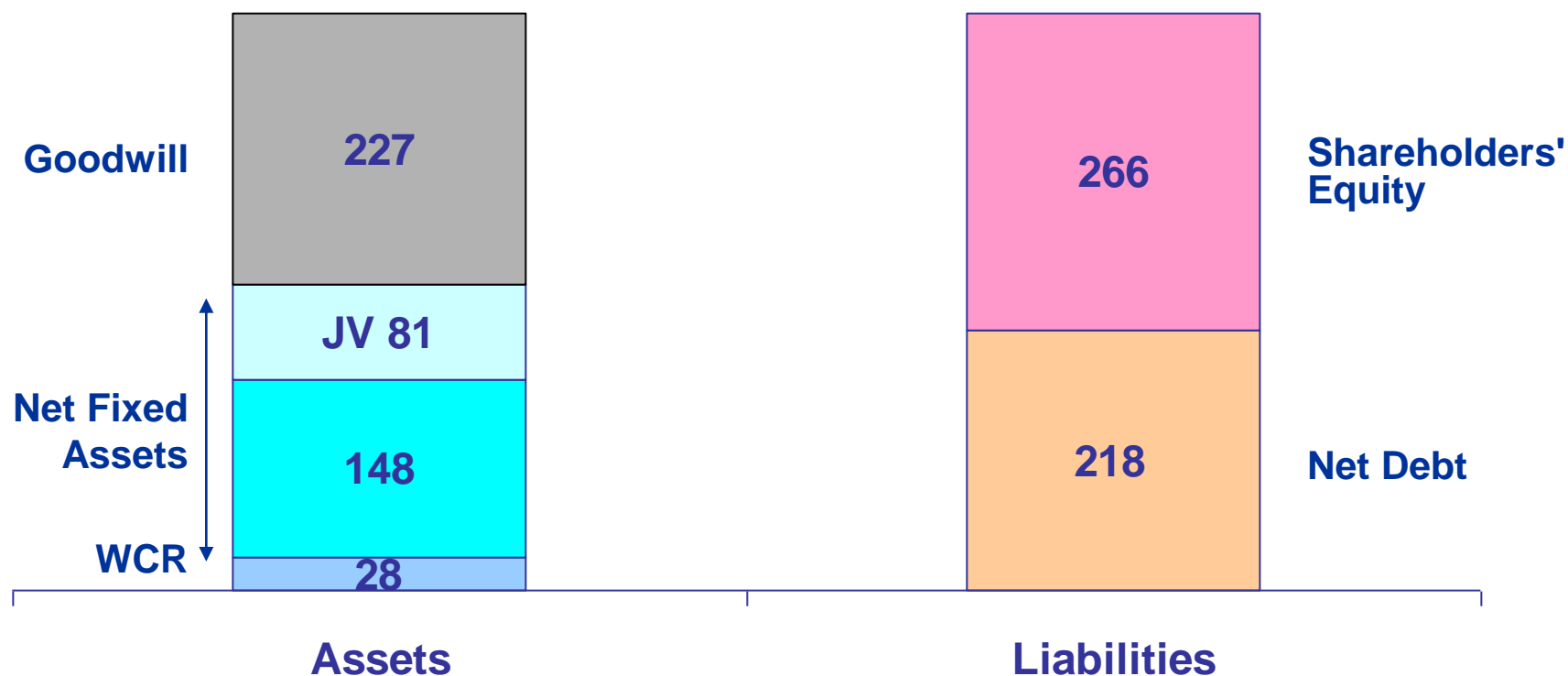
Gearing: 1.15



A well-balanced financial structure (post-Eemhof S&LB)

In € million

Gearing: 0.82

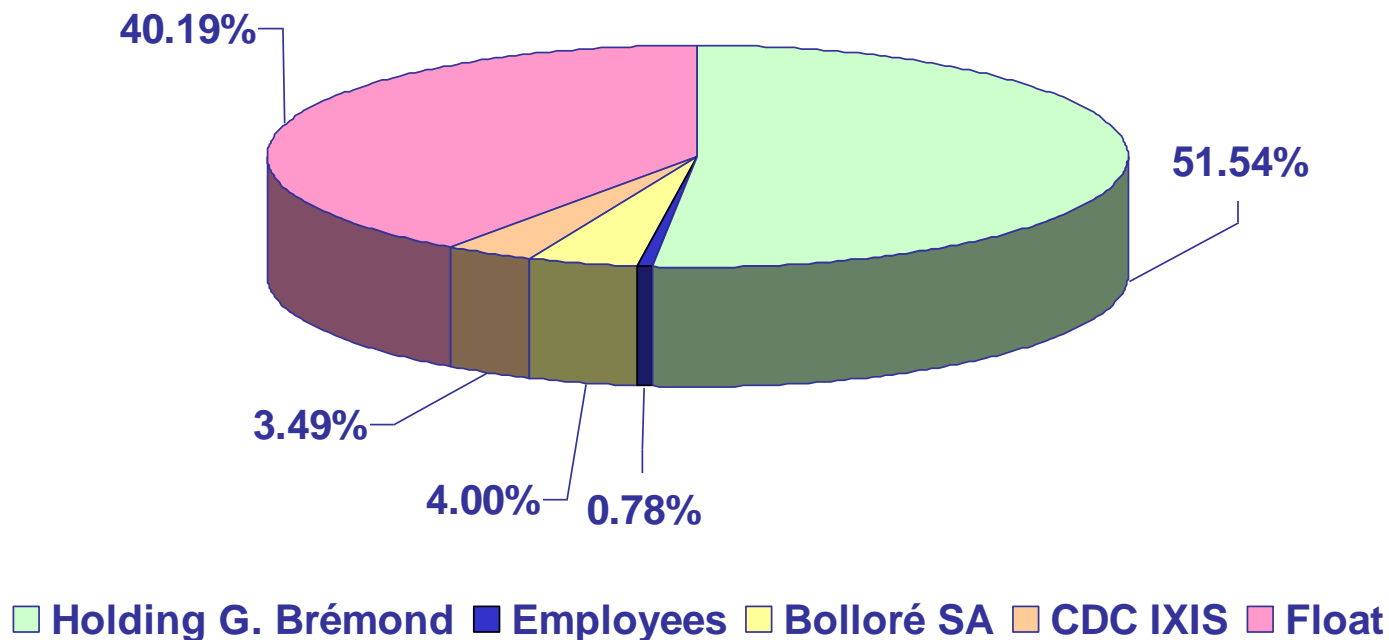


Proposed payment

Proposed payment (without tax credit):
€1.50 per share
for a total amount of €12.8 million

Shareholder ownership structure (*)

Total number of shares: 8,544,850



(*) As at December 11th 2003



III – OUR CHALLENGES IN 2003/2004

Our challenges in 2003/2004

- A - Improve the Group's operating performances
- B - Harness new opportunities linked to the full integration of Center Parcs Continental Europe
- C - Pursue our development strategy

A – Improve the Group's operating performances

1 – Optimise the management of our Tourism business

- **Sales initiatives in line with the Group's business strategy**
 - Develop direct sales
 - Step up promotion and sale of short-stay holidays
 - Implement a customer-contact marketing strategy (sites, boutiques)
 - Develop partnerships (Décathlon, tour operators)

- **Implementation of new tools to enhance reservation management, site management, tourist residence owner management, ...**

A – Improve the Group's operating performances

2 – Revenue growth based on:

- Maximising average letting rates during peak season (price hikes, reduction in works council and group discounts, ...)
- Increasing occupancy on start & end of seasons (short stays, special promotions, development of works council and group sales, partnerships with tour operators, low-cost operations, ...)
- Selective initiatives focused on specific geographical regions:
 - Germany: special pricing policy with tour operators, increased promotion
 - South Atlantic coast: special length-of-stay offer

A – Improve the Group's operating performances

3 – Continued implementation of cost-cutting policy

➤ **Site costs:**

- Renegotiation of prices with suppliers (energy, laundry, housekeeping, maintenance, catering, ...)

➤ **Head-office costs:**

- Optimisation of purchasing (administrative, communication & marketing)
- Productivity gain linked to reorganisation of Tourism business

B – Harness new opportunities linked to the full integration of Center Parcs Continental Europe

1 – Develop strong synergies within the Group

➤ Sales synergies:

- Sharing of customer files (cross-marketing)
- Study to develop a common sales application in the Netherlands, Germany and Belgium (cross-selling)

➤ Operational and functional synergies:

- Renovations
- Purchasing
- Centralisation of cash management
- Operational exchanges between teams, ...

Benefit from Group synergies while preserving each brand's separate identity

B – Harness new opportunities linked to the full integration of Center Parcs Continental Europe

2 – Develop the Center Parcs villages

➤ Developments under way

- **Center Parcs site in Ailette (Picardy), delivery planned for end-2006**
- 700 cottages, accommodation capacity for 3,000 people, 1,850 m² swimming complex
- Leveraging of the Group's property development know-how:
 - Marketing and project management
 - Financial structuring:
 - Sale of cottages (€70 million) at the design stage to individual investors benefiting from tax incentives
 - Financing of infrastructure facilities (€80-100 million) in part by local authorities (€30 million) and in part through sale-and-leaseback transaction
- EBITDA of €10 million on turnover of €50 million once ticking over normally



B – Harness new opportunities linked to the full integration of Center Parcs Continental Europe

2 – Develop the Center Parcs villages

- **Project to take over management of a new village in Germany**
 - 420 cottages
 - Investment of €16 million financed by sale and lease back
 - EBITDA of €3.0 million on turnover of €12 million once ticking over normally
- **Projects under consideration:**
 - **Extension of villages in France, the Netherlands and Germany (around 600 cottages)**
 - **Creation of a new village in Lorraine region (France) (2007)**

C – Pursue our development strategy

1 – Acceleration of organic growth in France

➤ Sustained growth in activity in 2003/2004

- New property:
 - Winter deliveries: Isola 2000
 - Spring/summer deliveries:
 - Port Bourgenay, Biscarosse, Saint-Jean Pied de Port, Montflanquin, Jonzac, Loches
- Renovation:
 - Portfolio of residences acquired from institutionals (Avoiaz, La Plagne, La Rochelle, Lacanau, ...)
 - Front de Seine tower in the heart of Paris

C – Pursue our development strategy

1 – Acceleration of organic growth in France

➤ Favourable changes in terms of tax incentives

- New property: tax credit raised from 15% to 25% with ceiling raised from €92,000 to €100,000
- Renovation: 20% tax credit with ceiling of €100,000

C – Pursue our development strategy

2 – Southern Europe

➤ In Spain:

- Property development projects, properties currently being sold
- Takeover of management of residences under development or existing residences (Marbella, ...)
- Study the development of city residences (Barcelona...)

➤ In Italy:

- Ongoing sale of Calarossa properties (330 homes)
- Delivery in spring 2004 of the Cefalu village (150 apartments)
- Takeover of management of a second residence in Rome

C – Pursue our development strategy

3 - New development axes

- Continue to implement selective acquisitions policy
- Reinforce presence on city residence segment
 - Front de Seine tower (400 apartments), delivery in 2006
 - Boulogne Billancourt (75 apartments), delivery in 2006
 - Place de Clichy (80 apartments), delivery in 2006
- Extend geographic presence

Conclusion:
net income before extraordinary items growth
target for 2003/2004: +25%

**Net income before extraordinary items:
target of €50 million for 2003/2004**

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