



Groupe

Pierre & Vacances *CenterParcs*

FY 2009-2010



CONTENTS

- I** **2009/2010 RESULTS**
- II** **2011/2013 STRATEGIC PLAN**
- III** **SUSTAINABLE DEVELOPMENT**
- IV** **GROUP DEVELOPMENT**



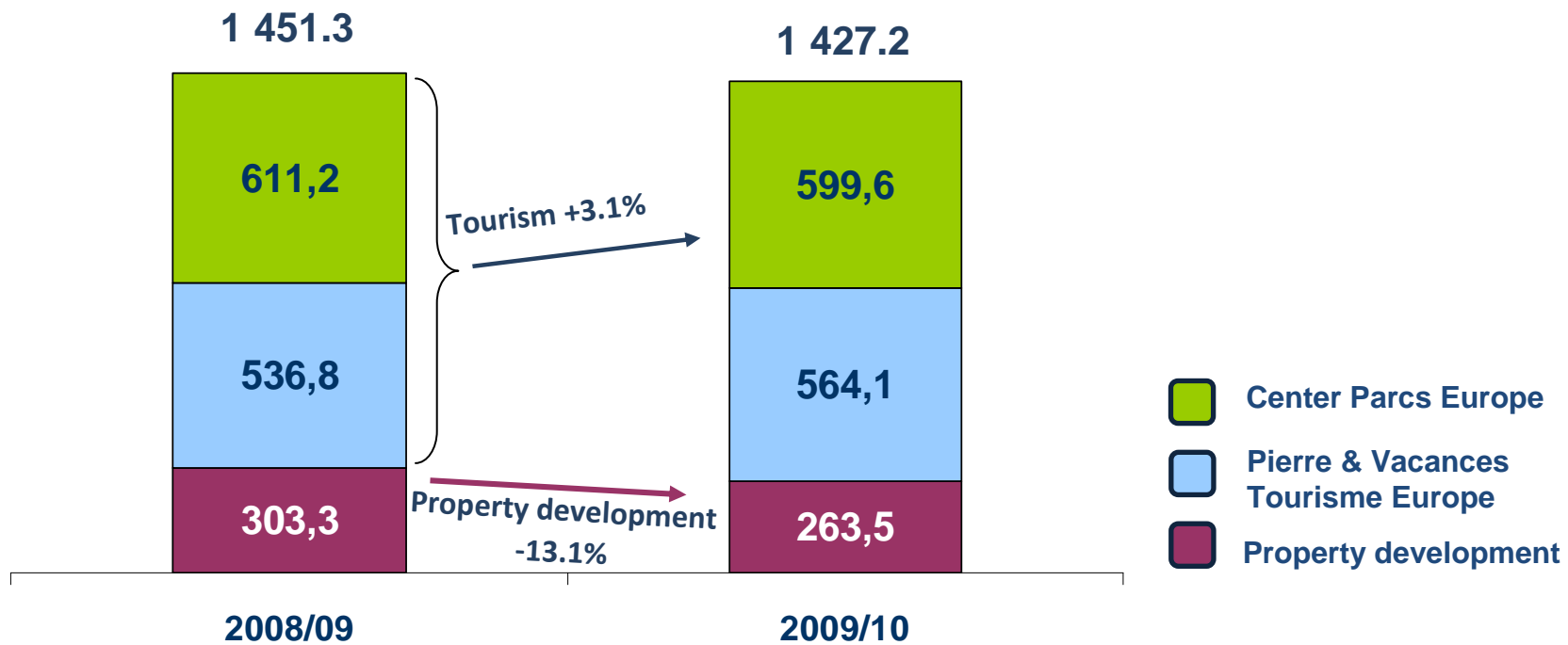
I – 2009-2010 RESULTS



2009-2010 turnover

Stable turnover*

(Euro millions)



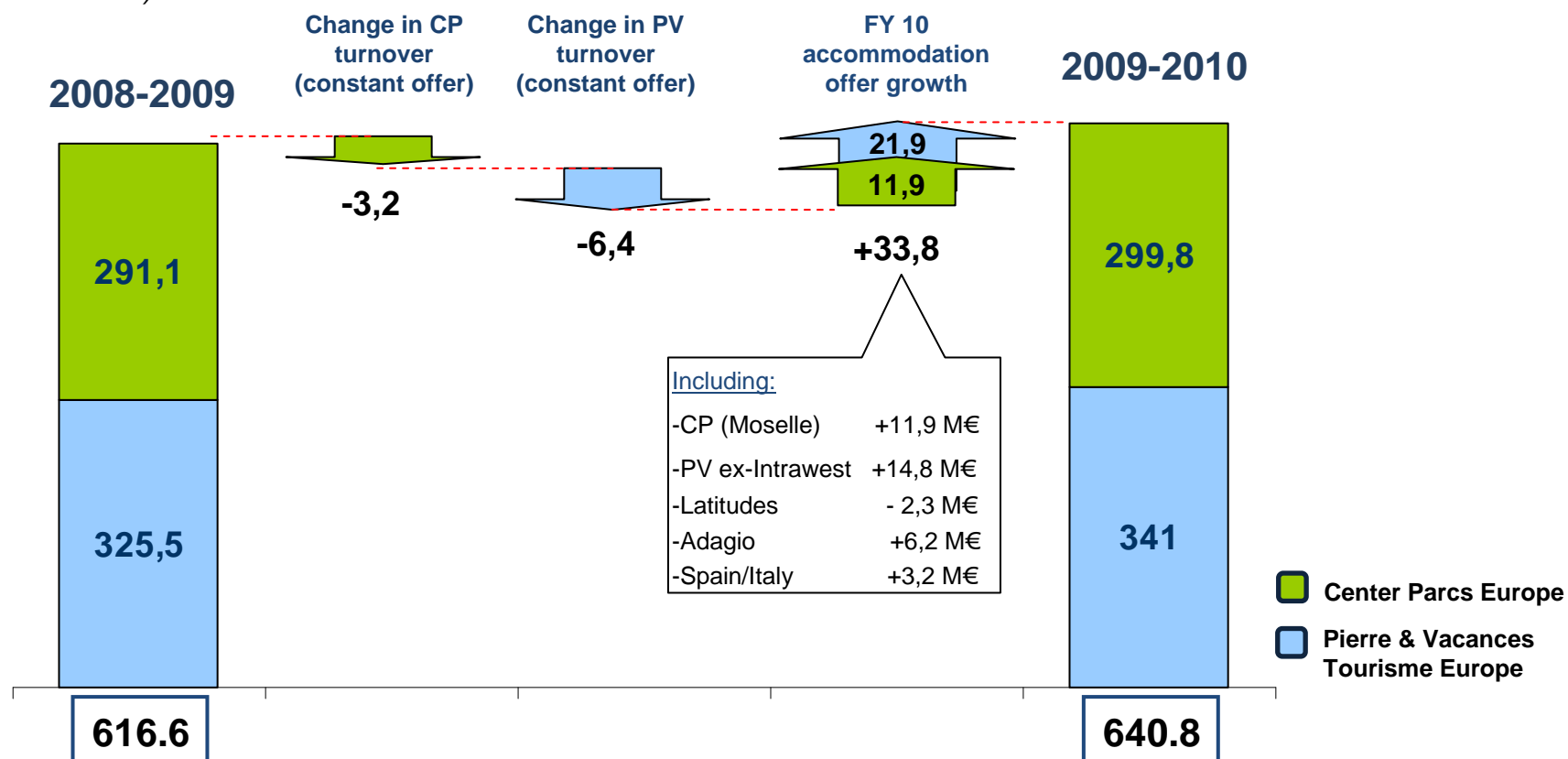
*Excluding the impact of the outsourcing of catering in the Netherlands for Center Parcs



2009-2010 accommodation turnover

Growth driven by extended offering

(Euro millions)





2009-2010 tourism accommodation turnover

Up 3.9% in current scope

PIERRE & VACANCES TOURISME EUROPE

Accommodation turnover: +4.8%

- **ALR:** -1.3%, **OR:** 62.1%
 - **Offer growth:** 7 new Adagio residences, ex-Intrawest residences (Arc 1950 and Flaine Montsoleil)
 - **Internet sales:** 23% of turnover vs 21% in FY 2008-2009.
- Direct** sales accounted for 75% of turnover

CENTER PARCS EUROPE

Accommodation turnover: +3.0%

- **ALR:** +2.3%, **OR:** 73.7%
 - **Offer growth:** opening of the Domaine des Trois Forêts (Moselle) on 22 May 2010
 - **Internet sales:** 50% of turnover vs. 48% in FY 2008-2009.
- Direct** sales accounted for 91% of turnover vs. 90% in FY 2008/09



2009-2010 property development turnover

- €263.5 million split into:

**New property development: €163.3 million,
including:**

Center Parcs Domaine des Trois Forêts (Moselle) :€88 million
Avoriaz:.....€30 million
Pont Royal:..... €21 million
Belle Dune:..... €13 million

Renovation property: €56.8 million

Les Senioriales: €43.4 million

- A €40 million decrease compared with the previous year due to the phasing of building work

Property reservations (including Les Senioriales) as of 30 September 2010: record high level of €614 million (including VAT)



2009-2010 current operating income of €27.0 million

• 2009-2010 current operating income split by business:

(Euro millions)

Pierre & Vacances Tourisme Europe	Center Parcs Europe	Property development	
-23,4	+26,6	+23,8	= +27

• Main change factors compared with FY 2008/09:

Reminder: FY 2008-2009 current operating income	+64
Impact of turnover decrease (excluding new offers)	(13)
Negative contribution from developments (Moselle –€5m, Adagio, Spain, Morocco)	(13)
Cost inflation	(18)
Cost reduction	+10
Other, including amortisation of new IT tools	(3)
2009/2010 current operating income	+27



2009-2010 attributable net profit: €7.3 million

(Euro millions)

	2009/10	2008/09
Turnover	1 427.2	1 451.3
Current operating income	27.0	64.2
Financial expenses	-14.2	-13.0
Tax	-5.4	-18.3
Attributable current net profit	7.4	32.9
Other operating income and expenses net of tax	-0.1*	9.4
Attributable net profit	7.3	42.3

*Including €20 million in restructuring costs



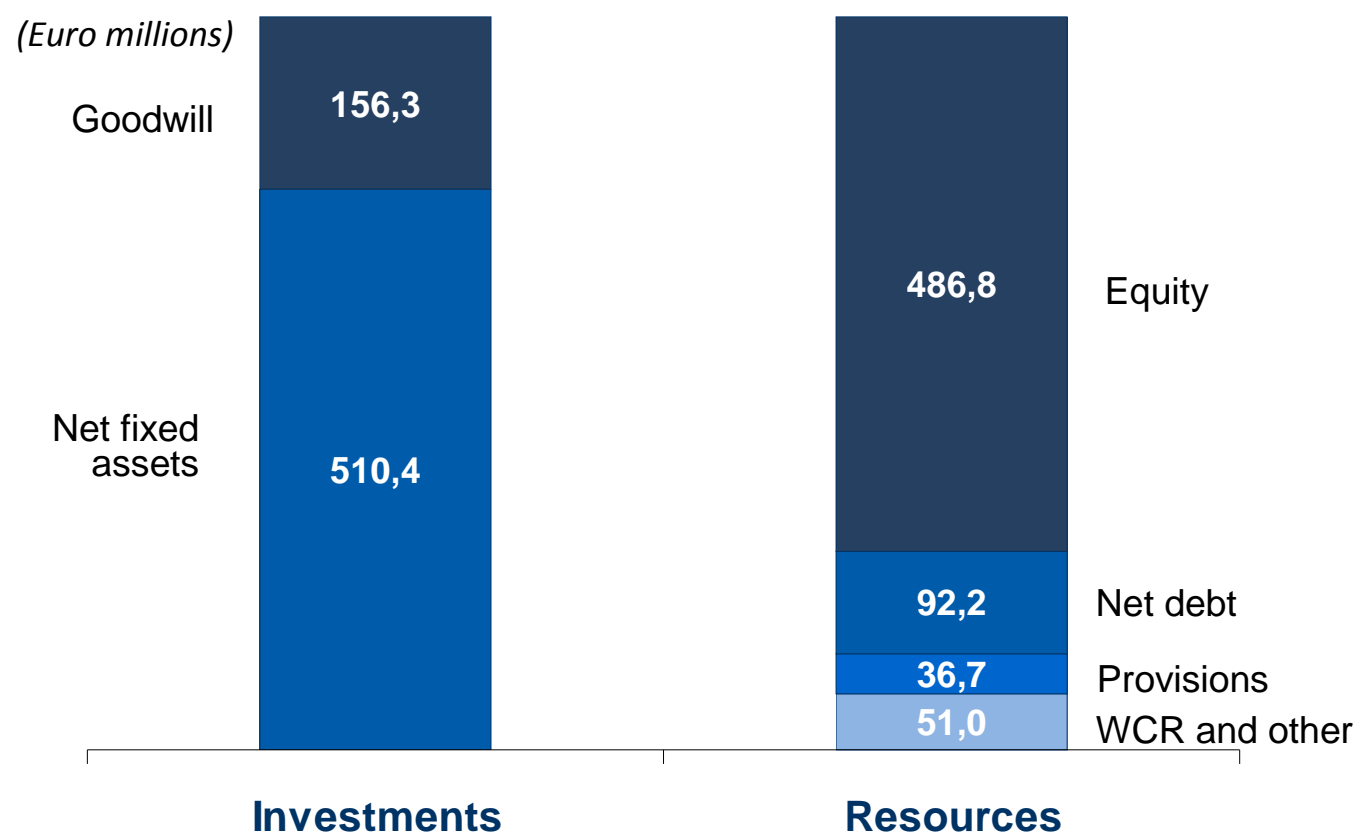
2009-2010 Cash flows

	2009/10	2008/09
Cash flows	32.1	93.9
Change in WCR	-25.7	-28.0
Cash flows from operating activities	6.4	65.9
Investment flows	12.2	-57.3
Capital increase	0.1	-
Acquisition/disposal of treasury stock	0.1	0.1
Dividends paid	-13.0	-23.4
Cash flows before loan refund	5.8	-14.7
Change in debt	38.1	-37.8
Change in cash position	43.9	-52.5



Simplified balance sheet on 30 September 2010

Gearing (net debt/equity): 18.9% (vs. 19.9% on 30 September 2009)





Dividend proposed to AGM on 3 March 2011

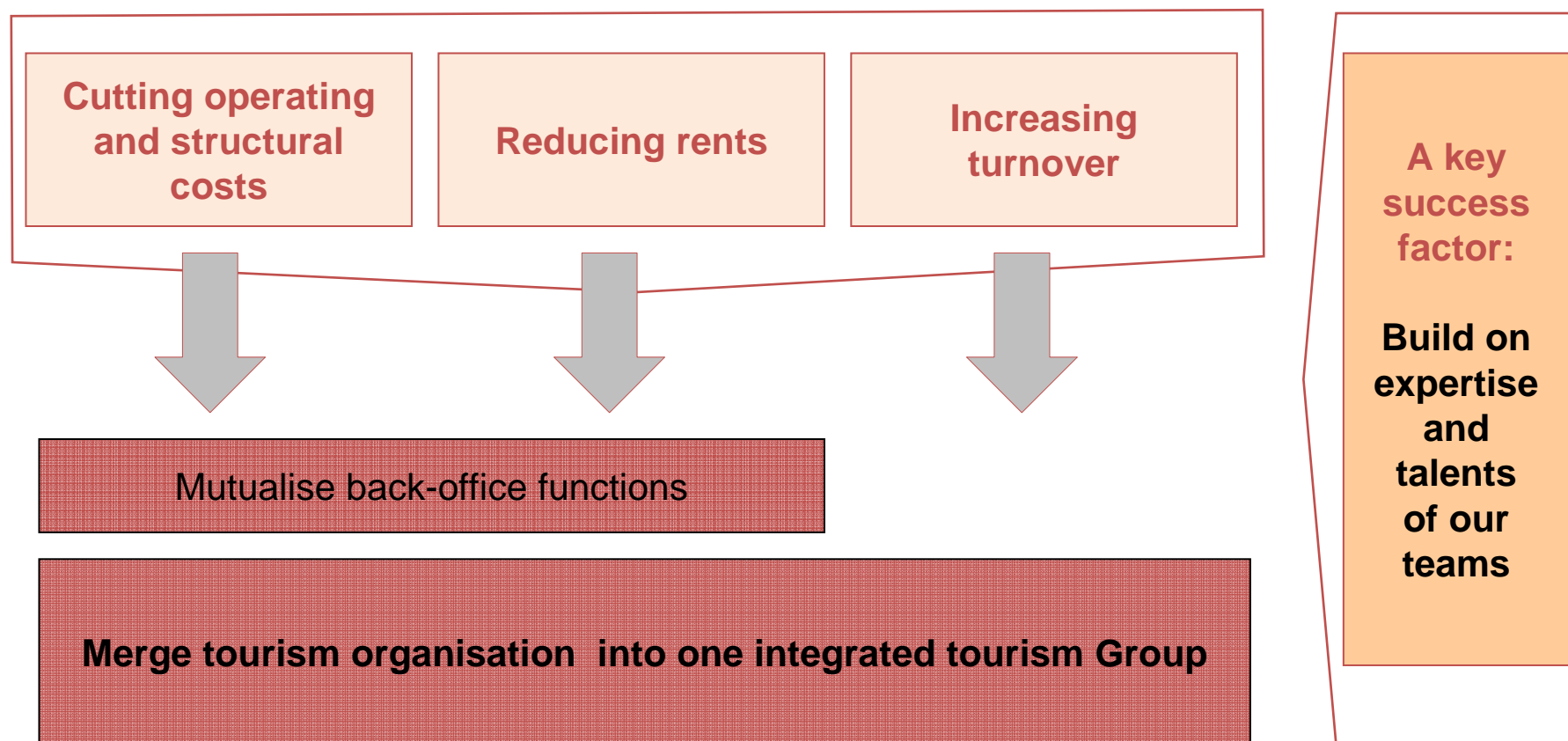
Proposed dividend of €0.70 per share
(overall payout of €6.2 million)



II - 2011/2013 STRATEGIC PLAN








Implementation of a Group transformation plan in order to improve earnings in a sustainable way





Two companies become one

	FROM:				TO:	
Tourism operation	P&V	and	CPE	→	1 integrated tourism Group	
Brands	  	and	 	→	Brand streamlining	
Back-office	P&V	and	CPE	→	1 corporate back-office	
Corporate head office	Paris	and	Rotterdam	→	Paris	
Systems and infrastructure Administration Reservation	Anael & others	and	JD Edwards	→	1 ERP	
	OPUS	and	RES	→	1 reservation system	
Management culture	P&V	and	CPE	→	PVCP Group management culture	

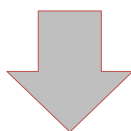


Plan objectives

**Cutting operating
and structural costs**

Reducing rents

Increasing turnover



	Key measures	Cost reduction Total over 2012/2013
1.	Operational functions	€20 million
2.	Head-office functions	€10 million
3.	Purchase policy	€20 million
Total		€50 million

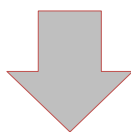


Plan objectives

**Cutting operating
and structural costs**

Reducing rents

Increasing turnover



1. Pooling of operational functions:

- Common Call Centers (today 4 call centers in Paris, Peer and Cologne)
- A common Internet platform to serve the different brands of the Group
- Common sales teams (distribution and customer relationship departments common to all brands)
- Optimising marketing expenses

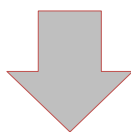


Plan objectives

**Cutting operating
and structural costs**

Reducing rents

Increasing turnover



2. Pooling of head office functions:

- Grouping Finance, Legal, HR, IT teams...
- Implementation of common systems and processes within the Group to finance (ERP), human resources, purchasing,...
- Converging IT back office and front office systems within 3 years

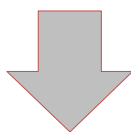


Plan objectives

**Cutting operating
and structural costs**

Reducing rents

Increasing turnover



3. Bolstering the Group's purchasing policy

- Applicable to the whole Group
- A unique and smaller base of referenced suppliers
- Purchases reduction policy included in budget targets for Group managers



Plan objectives

Cutting operating and structural costs

Reducing rents

Increasing turnover



• **New rents:** IRL indexation cap at 2%

• **Lease renewals:**

- Reduction of rents in cash offset by increased occupancy time by owners
- ICC indexation cap at 2%

⇒ **Rents to be reduced by €15 million over 3 years**

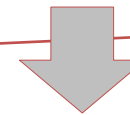


Plan objectives

Cutting operating and structural costs

Reducing rents

Increasing turnover



- **Commercial policy**
- **Price**
 - ✓ Raise net ALR by:
 - Yield management
 - Optimisation of distribution channels
 - Increase internet sales
- **Volume**
 - ✓ Raise:
 - Direct sales
 - Call center transformation ratios
 - PV short stays in order to raise frequency rate at the beginning and end of season
 - CP long stays (one or more weeks)

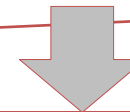


Plan objectives

Cutting operating and structural costs

Reducing rents

Increasing turnover



- **Cross-selling between PV/CP**

- ✓ Attract BNG customers to PV residences and resorts

- **Increasing Internet sales:**

- ✓ 40% of PV accommodation turnover (vs. 23% today)
- ✓ 60% of CP accommodation turnover (vs. 50% today)

- **Developing international markets** (from 23% of sales to 25% in France)

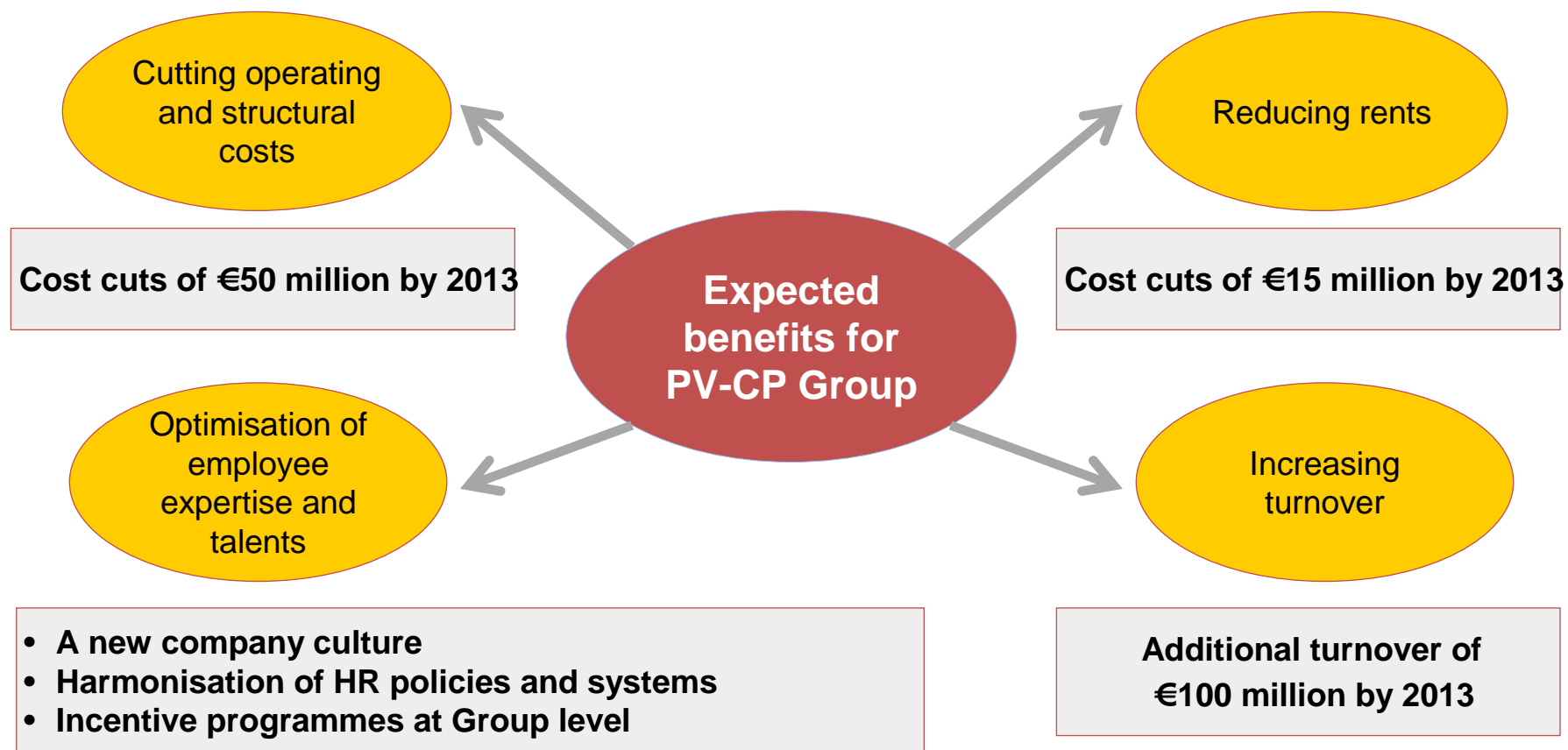
- ✓ With direct sales: UK, Switzerland, Netherlands, Germany and Belgium
- ✓ Via partnerships with tour-operators and travel agencies

- **Optimising brand portfolio** around 2 product lines - Residences and Resorts, under 4 major brands - Pierre & Vacances, Center Parcs, Maeva and Adagio

- **Creation of a Group customer loyalty programme**



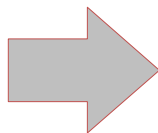
Overview of expected benefits





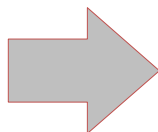
Status report on 1 December 2010

Structure



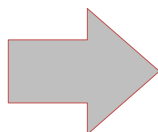
- New organisation being validated by social partners
- Moving and effective setting-up between 1 January 2011 and 30 June 2011
- New legal structures set up

Back office



- Three-year plan implementation in preparation for IT systems converging
- Purchasing: organisation set up and positive first results

Front office



- Outsourcing of catering activity to Elicor and Albron
- Switch from Sunparks brand to Center Parcs brand in the Netherlands and in Germany underway
- Division of brands/products of brands Group portfolio being studied
- Cross-offer set in the web-sites and in the new catalogues



III SUSTAINABLE DEVELOPMENT



Sustainable Holidays programme: 2009-2010 achievements

Global approach

- **Skills transfer to the operational departments**

Progressive identification of a relay network

- **Ongoing deployment of BEST tool in 100% of French sites: sustainable development management system**

- ** Be Environmentally and Socially Tremendous*

- **17 French sites awarded “Clef Verte” label:**

14 Pierre & Vacances et Maeva residences, 3 Center Parcs villages

- * *The first international eco-label for tourism accommodation*



La Clef
Verte



La nature a besoin
de vacances



Sustainable Holidays programme: 2009-2010 achievements

Commitment #1: Fighting against climate change

- **Completion of wood boiler project and choice of Avoriaz extension as pilot low consumption building (BBC)**

- **Ongoing concrete and ambitious actions for Center Parcs**

- CO₂ standard integrated into requests for proposals of builder choice
- Studies on low consumption buildings (BBC)
- Renewable energy potential search
- Electric consumption reduction policy: 9.6% over 3 years

- **Center Parcs Moselle, symbolic site of Group commitments**

- Completion of wood boiler: 2,800 tonnes CO₂ equi. saved per year
- The best ecological mark*: a short stay in a CP village is equivalent to 9 kg of CO₂ per person and per day (travel, accommodation, meals, activities included)

**assigned by the Independent Institute for applied ecology in Berlin*

- **Pursuit of Villages Nature project, the Group's first positive energy site, thanks mainly to deep geothermal exploitation**





Sustainable Holidays programme: 2009-2010 achievements

Commitment # 2: Preserving natural resources

- **Implementation and deployment of Green Spaces ecological management charter** in our sites

Dedicated teams and apartments owner ongoing awareness

- **Initiation of sustainable catering process (charter being deployed)**

- 23% improvement in **waste recycling rate** in Center Parcs villages



- **Continuing to enhance client awareness by events and actions**

- 80,000 clients participated in nature protection activities between June and September 2010

- Creation of an “Eco’lidays” game poster, deployed in each of the Group’s sites

- Creation of a forest protection activity: “Quand j’serai grand, j’serai Gardien de la forêt” deployed in Center Parcs Moselle

- Special newsletter for the World Biodiversity Day on 22 May





Sustainable Holidays program: 2009-2010 achievements

Commitment # 3: Strengthening the social responsibility policy

- **Regional responsible employer (e.g. Center Parcs Moselle)**
 - Recruitment method by simulation: skills appraisal
 - 85% of recruits stemming from the region
- **Employment of seniors:** Company agreement signature and subsequent implementations ongoing
- **Ambitious health agreement:** Agreement signature about psychosocial risks prevention, setting up of a work team for the implementation of a dedicated programme named “Health & Care”
- **Undertaking of suppliers social audits** in low cost countries
- **Training tailored to different business and challenges**
 - New project management training course
 - Specific cycle in the context of “Clef Verte” recognition
 - “Responsible purchasing” training given to entire purchases team
 - Best environmental practices for site staff
 - Specific modules for animation teams



La nature a besoin
de vacances



III GROUP DEVELOPMENT

TOURISM OFFER GROWTH

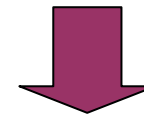
- Growth in Group offer to be stepped up in **core business**: tourism residences, resorts and CP/Sunparks villages
- In France, Germany, Spain, Morocco and in major European cities
- With significant projects: Villages Nature, Center Parcs, Oasis Eco Resorts...



PROPERTY DEVELOPMENT

- A **favorable property development context**: Low interest rates, safe investment, reduced competition, tax incentives...
- **Reservation turnover** on 30.09.2010 at **record high level** of €614 million
- **Many projects** being studied and finalised

Potential sales of more than €1.5bn



**Five-year target:
Growth in tourism portfolio of 30%**

Tourism offer growth

Target: more than **15,000 additional apartments and homes over 5 years**



- 14,000 homes in 2009/10
- **+5,000** homes by 2014/15



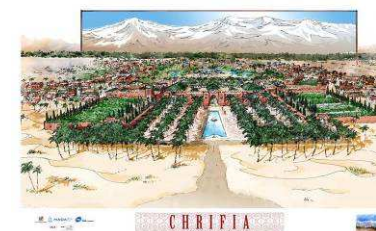
- 4,000 apartments in 2009/10
- **+4,800** apartments by 2014/15



- 1,300 apartments in 2009/10
- **+2,700** apartments by 2014/15



- **+1,700** apartments and homes by 2014/15



- **+, 500** apartments and homes by 2014/15

Center Parcs development (France)

Center Parcs des Trois Forêts (Moselle-Lorraine)

- 1,100 cottages in three steps, 435 hectares
- Financing of central facilities by an institutional investor
- Opening of the first step of 800 cottages on 22 May 2010:
 - ⇒ Average occupancy rates exceeded 95% over the summer and were still at this level over the first two months of FY 2010-2011
- Second step of 107 cottages delivered within 2 years
- Third step of 200 cottages by 2013



Center Parcs development (France)

Center Parcs du Domaine de la Forêt de Chambaran (Isère)

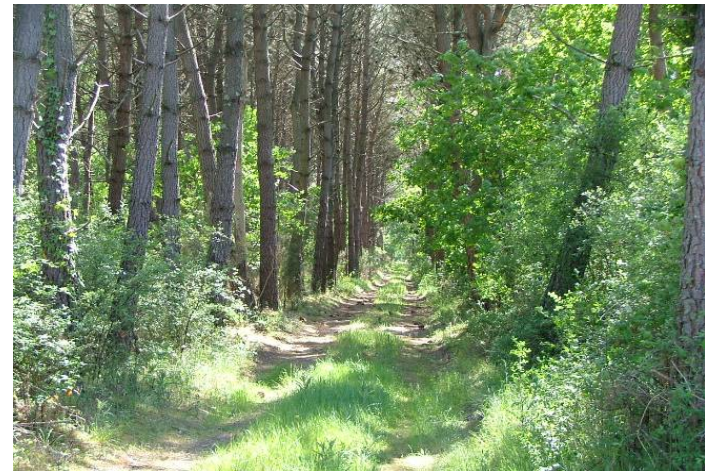
- 1h20 from Lyon and from Chambéry
- 1,000 cottages, built respecting THQE (Very high energy performance) and HQE (High environmental quality) norms
- Up to 1,500 jobs to be mobilised over 2 years of construction, with at least 50% of local jobs
- 700 direct jobs and 140 indirect jobs after opening of the domain.



Center Parcs development (France)

6th Center Parcs project - La Vienne district

- 264 ha field near Poitiers, Futuroscope and Châteaux de la Loire
- 800 cottages + 200 cottages for potential extension
- Partnerships with local tourism actors, in particular with the Futuroscope
- About 600 direct jobs and 500-1000 indirect jobs during construction phase
- A €300 million project
 - Cottages sold to individuals
 - Central facilities acquired by a SEM
- Domain opening scheduled for spring 2015



Center Parcs development (Europe)

In Germany:

- **Center Parcs de Bostalsee (Sarre)**
 - 120 ha
 - 500 cottages in a 1st phase (+ 200 potential cottages)
 - Opening scheduled for 2013
- **Center Parcs de Leutkirch (Badenwurttemberg)**
 - 800 cottages in a 1st phase (+ 200 potential cottages)
 - Opening scheduled for 2015

In the Netherlands:

- **Center Parcs Sandur**
 - Management contract
 - 40 ha natural site, on the edge of a 130 ha lake, near Emmen
 - 328 cottages

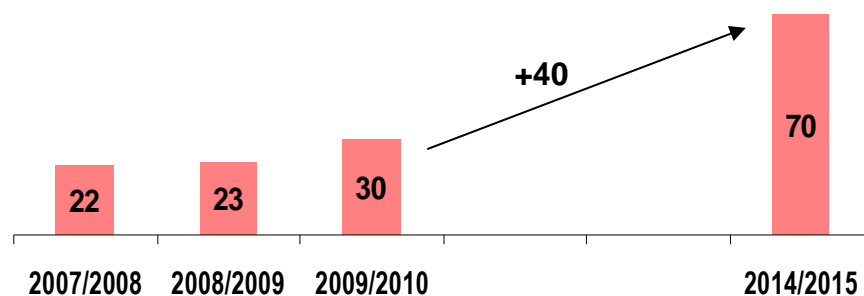


Adagio city residences development

- In 2009, 30 residences operated mainly in France
- Development by lease agreements, management agreements or franchising:
 - 7 openings in 2009-2010: Brussels, Vienna, Berlin, Marseille, Nantes, Grenoble and Saint - Etienne
 - Next openings: Abu Dhabi (2011), Caen (2011), Vincennes (2011), Liverpool (2012).
 - Projects: London, Manchester, Russia



Change in number of residences



Development potential in Europe of 40 additional residences over 5 years (i.e. nearly €150 million in sales volume for the Group by 2014-2015)

International development - Spain

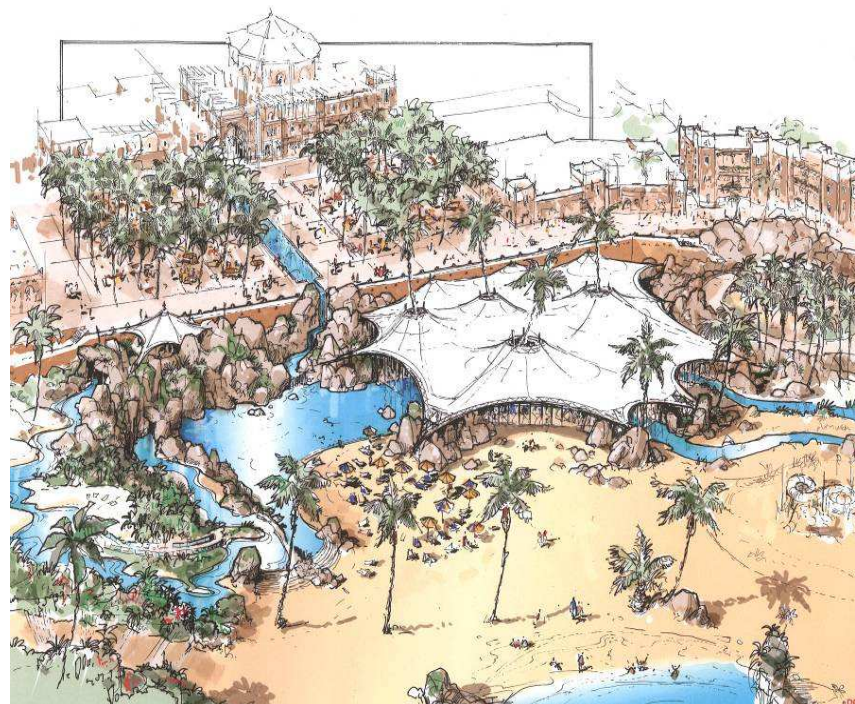
- Leases and management contracts for 2,000 apartments
- Target of 3,000 apartments under management by 2013, including:
 - **Malaga - Torremolinos :**
 - Costa del Sol
 - 189 studio flats
 - **Alicante - Benidorm:**
 - 207 apartments
 - **Malaga – Benalmadena:**
 - Costa del Sol
 - 130 apartments



International development – Morocco

L'OASIS DE
NORIA
MARRAKECH - Marrakech

- **47 hectare field, 10 minutes from airport and Marrakech medina**
- **480 tourism units**
 - 280 Pierre & Vacances apartments
 - 200 PV-Premium homes and villas
- **580 property units**
 - 100 “les Sénioriales” homes
 - 480 “les Domaniales” apartments and homes
 - 210 units in a first phase
- **A 2 hectare aqualudique space**
5 restaurants –spa – markets
leisure equipments - ...
- **A project in partnership with the**
Caisse des Dépôts et de Gestion of Morocco
- About 350 jobs
- **Opening scheduled for spring 2013**



- **Other developments and management contracts being studied in the regions of:**
 - Marrakech
 - Agadir
 - Tanger

Villages Nature

A new concept based on the harmony between Man and Nature: “One planet living”



- **Location:**
 - A 530 ha domain, 6 km from the Paris Disney parks
- **Partnership :**
 - Public-private with the State, Ile de France region, Seine & Marne department and local authorities
 - Joint-venture PVCP/Eurodisney
 - Property development and tourism management by application of PVCP business model
- **Capacity:**
 - 7,000 homes and apartments, for a capacity of 25,000 people
- **Overall project: €1.8bn**

Villages Nature

A new concept based on the harmony between Man and Nature: “One planet living”

▪ **The first phase: Lakeside village of 1730 homes and apartments around a lake**

- 2 lakeside villages and a forest village st in 175 hectares
- Geothermal lagoon
- 1,730 apartments and homes in tourism residences
- €700 million project (€17 million for the Group spread over 3 years)
- Opening scheduled for 2015



Group development

Property development

Potential sales of more than €1.5 billion

<u>Main programmes:</u>		2009/10	2010/11	2011/12	2012/13	2013/14	Next years
Avoriaz	450 apts		€180m				
CP Chaumont / Bois Francs - Extension and renovation	400 cottages		€100m				
CP Isère	1 000 cottages			€300m			
CP Moselle – Extension (2 phases)	300 cottages			€90m			
Deauville	170 apts			€100m			
CP Grand Ouest (Vienne)	800 cottages				€250m		
Marrakech (attributable to the Group)	450 apts and homes				€50m		
Villages Nature (attributable to the Group)	1 700 apts and homes						

■ Construction-sale turnover



CONCLUSION

- **Three-year transformation plan:**

- €65 million in cost reductions
- €100 million in additional turnover

- **Five-year development plan:**

- Growth in tourism portfolio of 30%