



Groupe

Pierre & Vacances

CenterParcs



The Pierre & Vacances - Center Parcs Group European leader in local tourism



I H1 2009/2010 RESULTS AND OUTLOOK FOR H2 2009/2010



II STRATEGIC PLAN



III GROUP DEVELOPMENT



IV CONCLUSION





Pierre & Vacances – Center Parcs Group European leader in local tourism

Pierre & Vacances

Key figures:

48,800 homes and apartments in Europe (228,000 beds)

7.3 million clients, including 2.5 million children

9,400 staff (full-time equivalent)

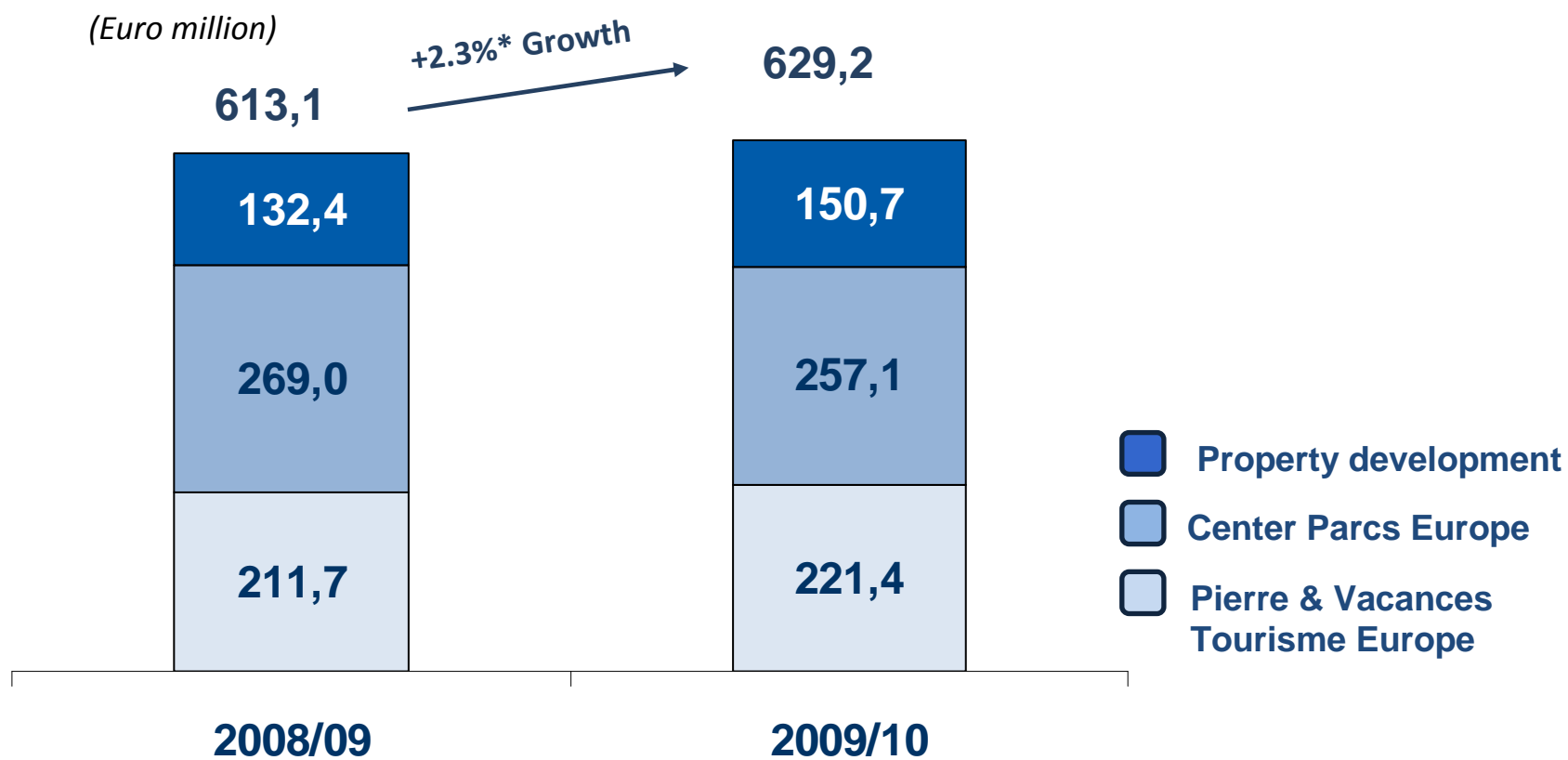




I – H1 2009/2010 RESULTS AND OUTLOOK FOR H2 2009/2010



H1 2009/10 Turnover



**On a like-for-like basis , Q2 2008/2009 turnover has been adjusted for the shift in Easter weekend In Netherland , Belgium and Germany*



H1 2009/10 tourism accommodation turnover: +1,8%*

PIERRE & VACANCES TOURISME EUROPE

Accommodation turnover : +8,0%

(Including Arc 1950 and Flaine-Montsoleil integration)

- **ALR** : +4,2%, **Nights sold**: +3,6%
- **Direct sales**: 70% of accommodation turnover, including 20% from Internet sales.

CENTER PARCS EUROPE

Accommodation turnover : -4,4%*

- **ALR** : -1,5%, **Nights sold**: -2,2%
- **Direct sales**: 93% of turnover including 52% from Internet sales

In the last two months tourism reservations for the summer season are higher than those noted in the year-earlier period and show growth in the core summer period in particular.

**On a like-for-like basis , Q2 2008/2009 turnover has been adjusted for the shift in Easter weekend In Netherland , Belgium and Germany*



H1 2009/10 Property development turnover

€150,7 million splited into:

- **€ 100,5 million of new property development, including:**

Center Parcs du Domaine des Trois Forêts
(Moselle – Lorraine) : €85,6 million

- **€ 17,1 million of renovation property**
- **€ 23,4 million of Les Senioriales**
- **€ 9,7 million of others**

Reservations and signatures pace was extremely robust, with half of them concerning Avoriaz. Nevertheless property development turnover expected for 2009/10 as a whole is likely to be slightly lower than the 2008/2009 level in view of delivery schedules.



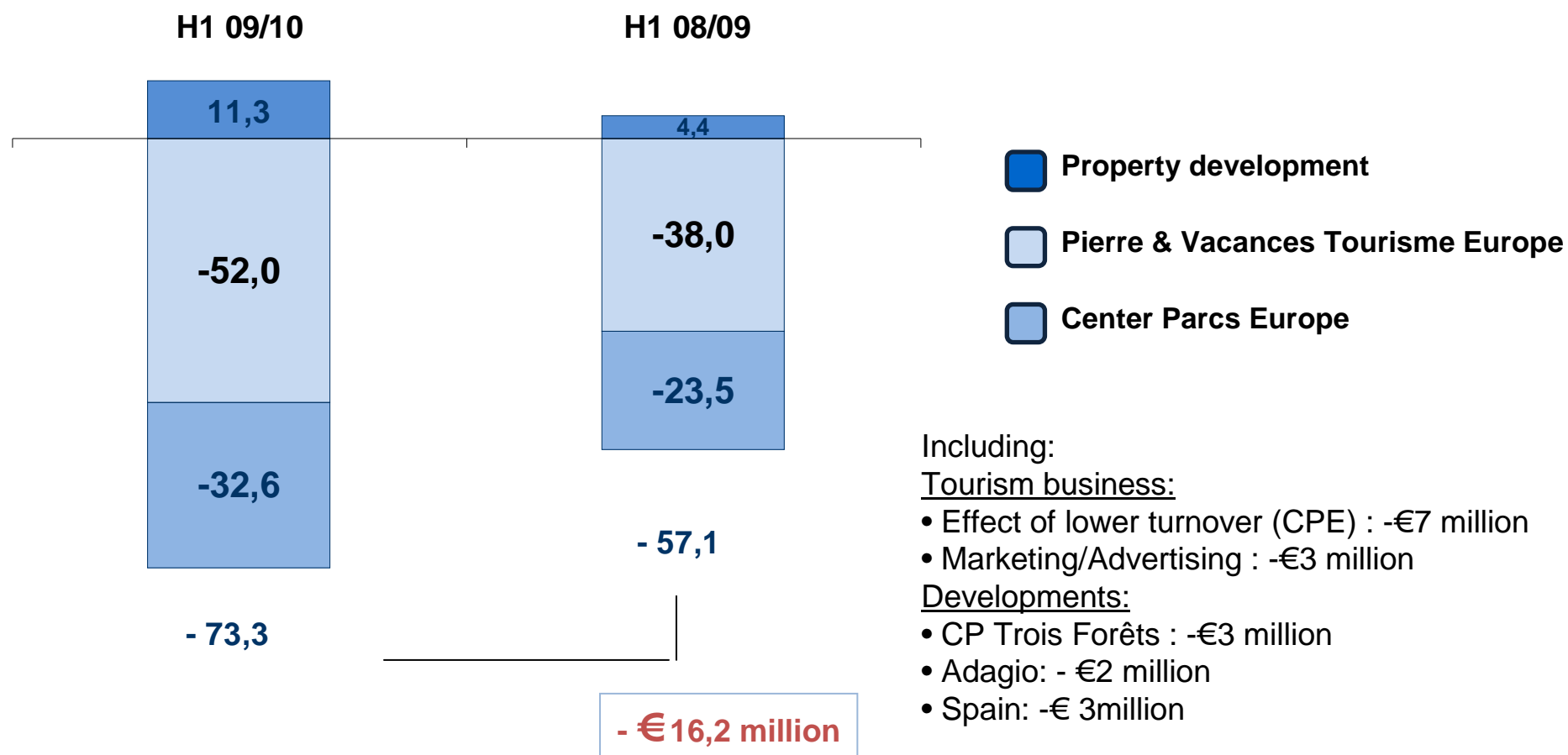
H1 current operating income structurally loss making

- **Seasonal structure of tourism business in H1 :**
around 40 % of turnover...but 50 % of fixed costs.
- **Seasonality amplified on H1 by the rising in momentum of developments:**
 - Costs caused by preparation for the opening of Center Parcs Domaine des Trois Forêts (-€3 million),
 - The rising momentum of new Adagio residences (-€2 million)
 - Development in Spain (-€3 million)



Current operating income

(Euro millions)





Attributable net profit

(Euro millions)

	H1 09/10	H1 08/09
Turnover	629,2	613,1
Current operating loss	-73,3	-57.1
Financial expenses	-6,7	-6,5
Taxes (1)	22,4	19,0
Attributable current operating loss (1)	-57,6	-44,6
Other operating income/expense net of tax (1)	-0,3	4,4
Attributable net profit	-57,9	-40,2

(1) Other operating income/expense is presented net of tax and also includes non-recurring items associated with tax (tax saving, update of Group fiscal position) which are reclassified from accounting tax.



II – STRATEGIC PLAN



Group transformation plan within 3 years (2011 – 2013)

▪ Context

- Tourism market deterioration since 2 years
- High rents indexation due to the growth of the Construction Cost Index (CCI)

▪ Group situation

- Good resistance of tourism turnover, but profitability have to be reinforced
- Synergies and optimizations within the Group have to be intensified
- Many significant developments

▪ Action plan within 3 years

- Overhaul of group organization
- Increasing profitability by boosting tourism sales and reduction of costs
- Modernization of common tools



Overhaul of organization

Refocusing on two product lines: Residences et Resorts, under two major brands : Pierre & Vacances et Center Parcs

- Organization of tourism segment around these 2 product lines
- Portfolio strategies around the 2 flagship brands
- Renovation of existing parks (leases renewal of Pierre & Vacances Tourisme Europe ...)
- Projects development

Converging back office and front office systems

- Implementation of common systems and processes within the Group to finance (ERP), human resources, IT, purchasing, ...
- Business tools sharing , including Internet, CRM, sales offices ...
- Reinforcement of loyalty systems



Overhaul of organization

Pooling Group-wide functions with a structural costs cutting programme:

- Streamlining back office by grouping Finance, Legal, HR, IT, Construction teams ...

Outsourcing catering at Center Parcs Europe:

- Signature of an agreement with Elior (France and Germany) and Albron (Netherlands and Belgium) with investments of € 38 million to improve the attractiveness of products
- Streamlining of central functions and commissions related to parks frequentation



Overhaul of organization

Sharing sales teams and tools:

- Common Call Centers
- Internet: a common platform to serve the different brands of the Group
- Common sales teams (distribution and customer relationship departments common to all brands)

Strengthening of purchasing policy

**Cost reduction objective of €50 million
between 2010/11 and 2012/13**



Increasing profitability of the group

Increase of Tourism turnover

- Increase of Internet sales to 50% of accommodation turnover (vs. 35% to date)
- Development of common loyalty programmes
- Systematization of cross selling between PV / CP
- Short stays development (in particular at the beginning and end of the season)
- Value management (pricing, revenue management, discount management)



Increasing profitability of the group

Controlling changes in rents

- Indexation cap at 2%,
- Reduction of rents in cash et increase of owner occupancy rents,
- Leases renewals: 2% indexation cap, reduction for excessive rents (over indexation)
- Objective gain of 1.5 of Rents / Sales ratio by 2013



Synthesis of strategic action plan within 3 years

Turnover growth

Cost reduction objective by € 50 million

Controlling changes in rents: objective gain of 1,5 of Rents / Sales ratio



III GROUP DEVELOPMENT



Sustainable Holidays Programme

Ambitions of the Group :

- Sustainable development in the core strategy and product innovation of Pierre & Vacances – Center Parcs Group
- Identifying the Group as a SRI value
- In progress : “Bilan” of Sustainable Holidays Program and preparation of the Sustainable Action Plan post 2011



Sustainable Holidays Programme

- Delivery of Center Parcs Bois des Harcholins : "NF Bâtiments Tertiaires Démarche HQE" certification and HQE Very High Energy Performance label of cottages
- BBC labelling of some cottages of Center Parcs Isère and photovoltaic cover of parking
- Avoriaz extension : dual-energy wood-electrical boiler, construction of a BBC building, PREBAT winner, green building approach...
- Global approach of sustainable development reference for « Villages Nature »



Sustainable Holidays Programme Achievements and projects

- Launch of BEST! : Environmental management system for the management of operating sites (deployment of sites in France)
- « Clef Verte » labeling approach in a panel of 10 pilot sites in France
- Creation of WWF / Center Parcs France animation: « Quand j'serai grand, je serai gardien de la forêt »
- Strengthening purchasing process: training, formalization of a sustainable and ethics purchasing policy, etc..
- Diversity: signature of senior agreements and renewal of the disability agreement for PSCI





Group development

Continuing Group expansion in its core businesses: **tourism residences and resorts.**

- Main projects: Villages Nature, Center Parcs, Oasis Eco Resorts...
- A development by three ways :
 - New and renovation **property**
 - **The partnerships for** city residences, Villages Nature and Morocco
 - **Internal growth**



Tourism development

Objective: More than **15,000 additional apartments and homes** over 5 years



* Net of leases loss



Center Parcs in France - Domaine des Trois Forêts

- In Moselle - Lorraine, **near three European countries** (Belgium, Luxembourg and Germany) 1320 cottages in three steps.

- **Opening of the first step of 800 cottages the 4th June 2010**



- The cottages are true country houses built in nature. Three ranges: **Comfort, First and VIP**

- Designed by John Gastines, they combine many **innovations**: energy performance, wood construction, design and reworked areas ... They are labeled **Very High Energy Efficiency** (reduction of energy consumption for heating and daily life).



Center Parcs in France - Domaine des Trois Forêts

- **A new generation of Aqua Mundo** with four spaces with different atmospheres, "Active", "Children", "Relax" and "Plein Air".

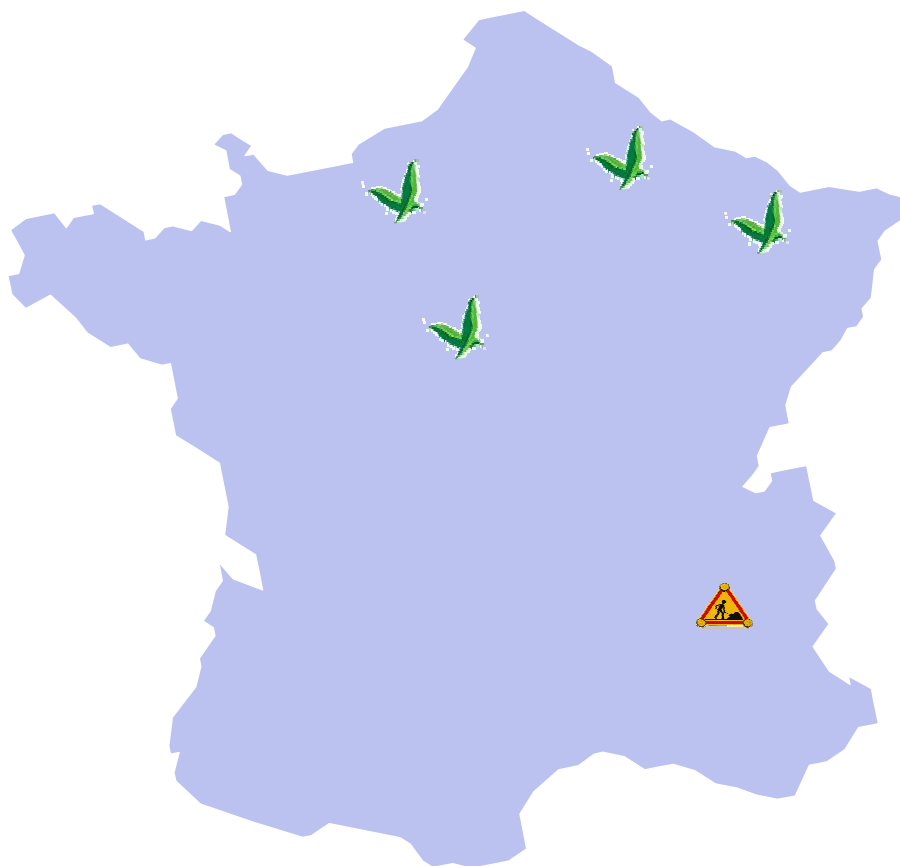


- The hamlet of the farm:** facilities and activities for children, grouped around a farm.
 - an outside area for sport, play and discovery activities of 3000 m2 made of wooden structures and traditional games,
 - an interior space of 800 m2 (Scarecrow Giant, Baluba, Electric Karting)





Center Parcs in France



- **Center Parcs du Domaine de la Forêt de Chambaran (Isère)**
 - 1000 cottages whose marketing is in progress
 - Opening scheduled for 2013

- **Project of the 6th Center Parcs in the “Grand West”**
 - 800 cottages
 - Opening of tourism business scheduled for 2015



Projets



Center Parcs



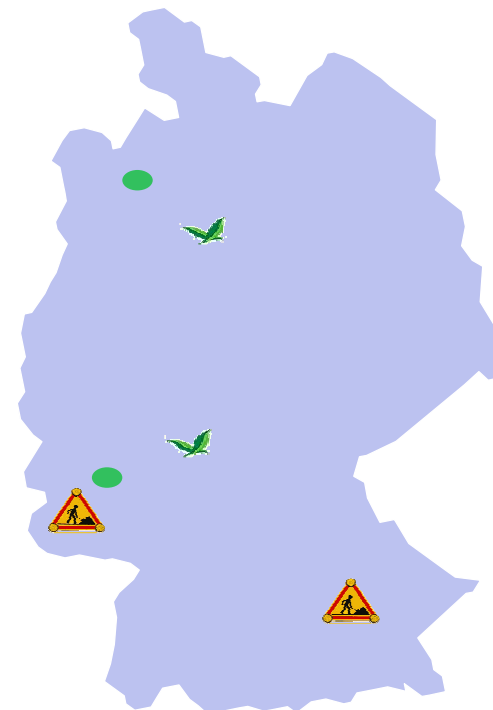
Center Parcs in Germany

- **Sunparks of Bostalsee (Sarre)**

Opening of 500 cottages scheduled for 2012

- **Center Parcs of Leutkirch (Badenwurttemberg)**

Opening of 800 cottages scheduled for 2013.



Projets



Center Parcs



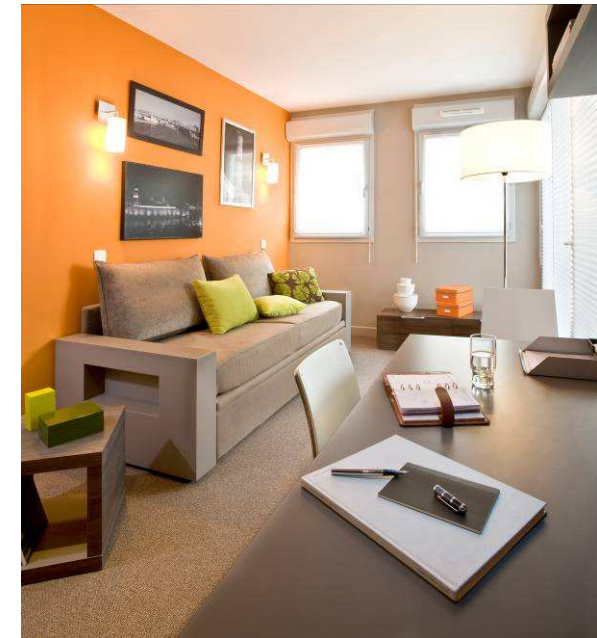
Sunparks



Development of Adagio city residences

In partnership with Accor – Adagio city aparthotel

- 28 residences for the moment, 3 800 apartments
- 5 residences open since 1 October 2009 (Berlin, Nantes, Marseille, Toulouse and Vienna).



**Development potential with high profitability:
3,000 additional apartments over 5 years**





International development

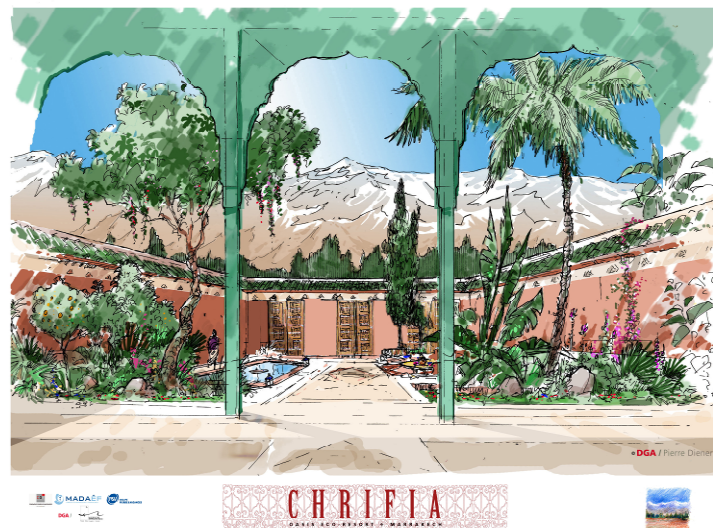
■ In Spain

- Leases and managements contracts for 2,000 apartments
- Objective of 5,000 apartments managed within 2013



■ In Morocco, mainly in partnership with the Caisse de Dépôts et Gestion

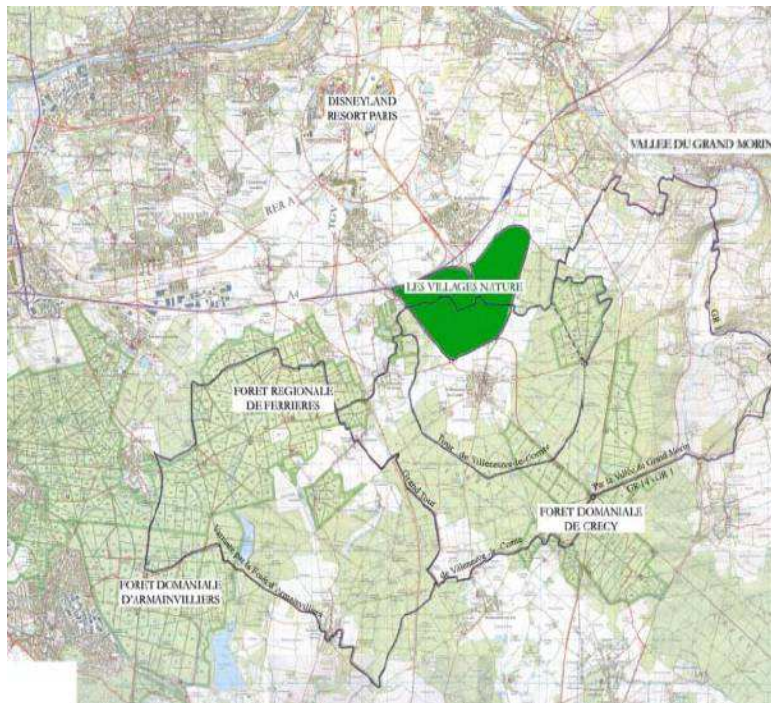
- The first « Oasis Eco-Resort » in Marrakech: 480 apartments and homes of tourism residences and 450 units in senior and secondary residences
- Negotiations of contracts in progress
- Objective of 3,000 apartments and homes within end-2014





Villages Nature

A new concept of tourism based on the harmony between Man and Nature: « One planet living »



■ A joint-venture with Eurodisney :

- 520 hectares, 6 km away from Disney parks
- A public-private partnership with the State, Ile-de France region, Seine and Marne department and local authorities
- 7,000 homes and apartments, for a total capacity of 25 000 people
- Application of Group business model
- European clients



Villages Nature



First phase : lakeside village of 1,700 homes and apartments around a lake

- Geothermal lagoon
- 85% of heating and hot water needs provided by geothermal energy
- Low consumption homes and green buildings (vertical gardens).



New Property

Potential sales of more than 1,5 billion euros

Main property development	Units	Marketing	Delivery
CP Moselle- extensions	450	2009-10	2011 - 13
CP Isère	1 000	2009-10	2013
6ème CP France	800	?	2015
Avoriaz	450	2009	2011 – 12
Deauville	120	2012	2013
Bioscope	500	2012	2014
Marrakech	450	2011	2013
Villages Nature	1 700	2011-12-13	2014
Others projects	530	2010-11-12	2011-12-13
TOTAL	6 000		



Renovation property

- Application of Scellier / Bouvard law to property renovation programmes
- Projects in progress:
 - Plagne Lauze
 - Acquisition, from institutional investors, of assets operated by the Group for renovation financed by the sales to individual investors



CONCLUSION



CONCLUSION

- Business performances reflecting the resistance of the Group in a deteriorated economic context
- An ambitious transformation plan aimed at significantly increasing Group earnings
- An accelerated Group development