

# PRESENTATION OF H1 2007/2008 RESULTS

1 October 2007 to 31 March 2008

GROUPE  
**PIERRE & VACANCES**



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- II - H1 2007/2008 results
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# I- The Pierre & Vacances Group

# The Pierre & Vacances Group: a major player in European tourism

## Segmented tourism brands



## Key figures in 2006/2007

48,300 apartments and homes in Europe (35,600 in France)

6.9 million clients

8,800 staff (full-time equivalent)

# **II- H1 2007/2008 RESULTS**

**1 October 2007 to 31 March 2008**

# H1 2007/2008 tourism turnover

**Turnover: €220.5 million, +15.7%**

**Accommodation turnover +16.0%**

Sold weeks: +8.9% (incl. offer impact +6.1%) and  
occupancy rate +2.6% to 62.3%

Average selling prices: +6.5%

Internet sales: +58% to 17% vs. 13% last year

Foreign clients: rise to 33% of turnover

**Other turnover +15.3%**

Pierre &  
Vacances  
Europe

# H1 2007/2008 tourism turnover

**Turnover: €280.2 million +11.5%<sup>1</sup>**

**Accommodation turnover +11.6%**

Sold weeks: +13.0% (incl. offer impact +6.5%) and  
occupancy rate +6.1% to 77.0%  
Average selling prices: +3.1%

Internet sales: + 58%

By destination: France +45.1%, Germany +5.3%, The  
Netherlands +4.1%, Belgium +0.5%

**Other turnover +11.4%**



(1) Adjusted for changes in the scope of consolidation (integration of Sunparks) and the impact of the Easter holidays falling in Q2 in 2007/2008

# Le Crotoy

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# H1 2007/2008 property development turnover

New	28,1	Renovation	47,4
Audierne	5,0	Courchevel Forum	11,5
Montrouge	3,3	Les Arcs	7,3
Branville	2,8	Val d'Isère Aquila	6,0
Port Barcarès	2,6	Les Menuires Aconit	3,6
Le Crotoy T2	2,3	La Grande Motte	3,4
Houlgate	2,1	La Tania	2,7
Other	10,0	Other renovation	12,9
<b>Les Senioriales</b>	<b>25,4</b>	<b>Other</b>	<b>12,2</b>

Turnover of €113.1 million vs. €328.7 million in the same year-earlier period. The difference stemmed from a shortfall in the property offering due to a cautious acquisitions policy.

# Le Crotoy

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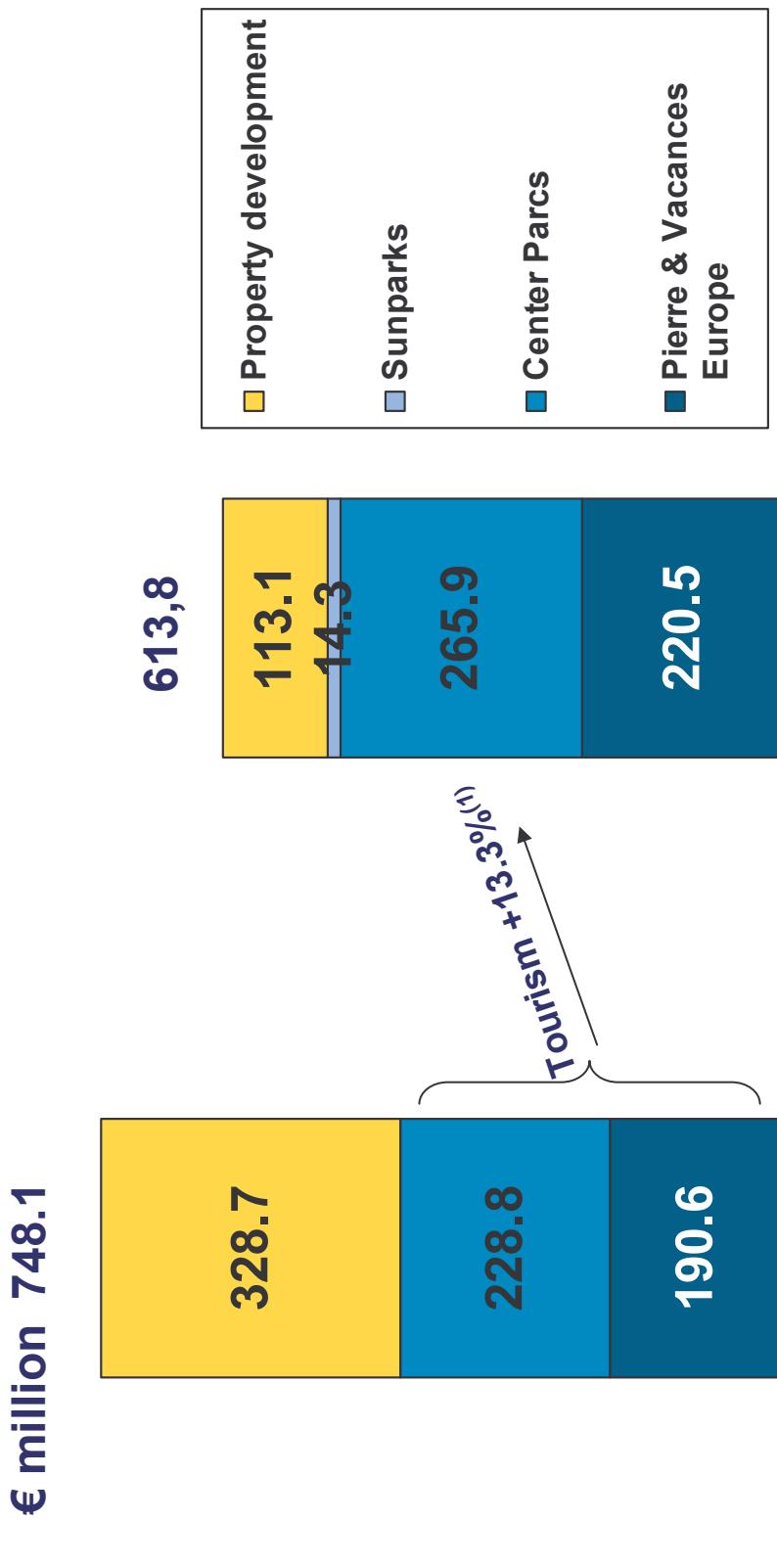


# Courchevel Forum

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# H1 2007/2008 turnover



H1 2006/07

H1 2007/08

- (1) Adjusted for changes in the scope of consolidation (integration of Sunparks) and the impact of the Easter holidays falling in Q2 in 2007/2008 (Germany and Belgium)

# **Interim results structurally loss-making due to seasonal nature of tourism business**

- Structural seasonal nature of tourism turnover in

**H1:**

- 40% of turnover
- 50% f fixed costs

- ... and amplified this year by the integration of Sunparks (2 villages at seaside resorts).

# Contribution of businesses to current income

## ● Pierre & Vacances Europe:

- Turnover growth helped offset the rise in costs prompted by inflation, the indexation of rents and the full year cost of strengthening sales offices outside France.
- The rising momentum of new residences, for which the majority of turnover is generated in the summer season, took a temporary toll on H1 earnings (-€3 million).

## ● Center Parcs:

- Operating income was driven by turnover growth.

## ● Sunparks:

- Given the location of two villages at seaside resorts, business was more seasonal.

# Contribution of businesses to the current operating profit



## Attributable net income

	H1 2007/08	H1 2006/07
Turnover	613.8	748.1
<b>Current operating income</b>	<b>-38.3</b>	<b>-11.3</b>
Financial items	-4.6	-1.2
Taxes	13.4	3.3
<b>Attributable current net income</b>	<b>-29.5</b>	<b>-9.2</b>
Other operating income/expense net of tax	7.2	1.4
<b>Attributable net income</b>	<b>-22.3</b>	<b>-7.8</b>

€ million

## III – Outlook for H2 2007/2008

# Tourism businesses



## Growth in summer tourism reservations trends to date (like-for-like)

- Growth focused on towns and seaside

**Pierre & Vacances Europe  
Growth of 4%**

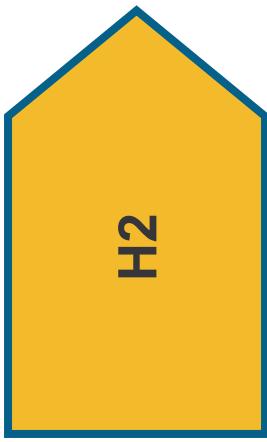
- Growth in internet sales to 20% of turnover at year-end
- Growth in French and foreign clients

**Center Parcs Europe  
Growth of 10%**

- Excellent performance in France especially at Domaine du Lac d'Ailette
- Successful integration of Sunparks

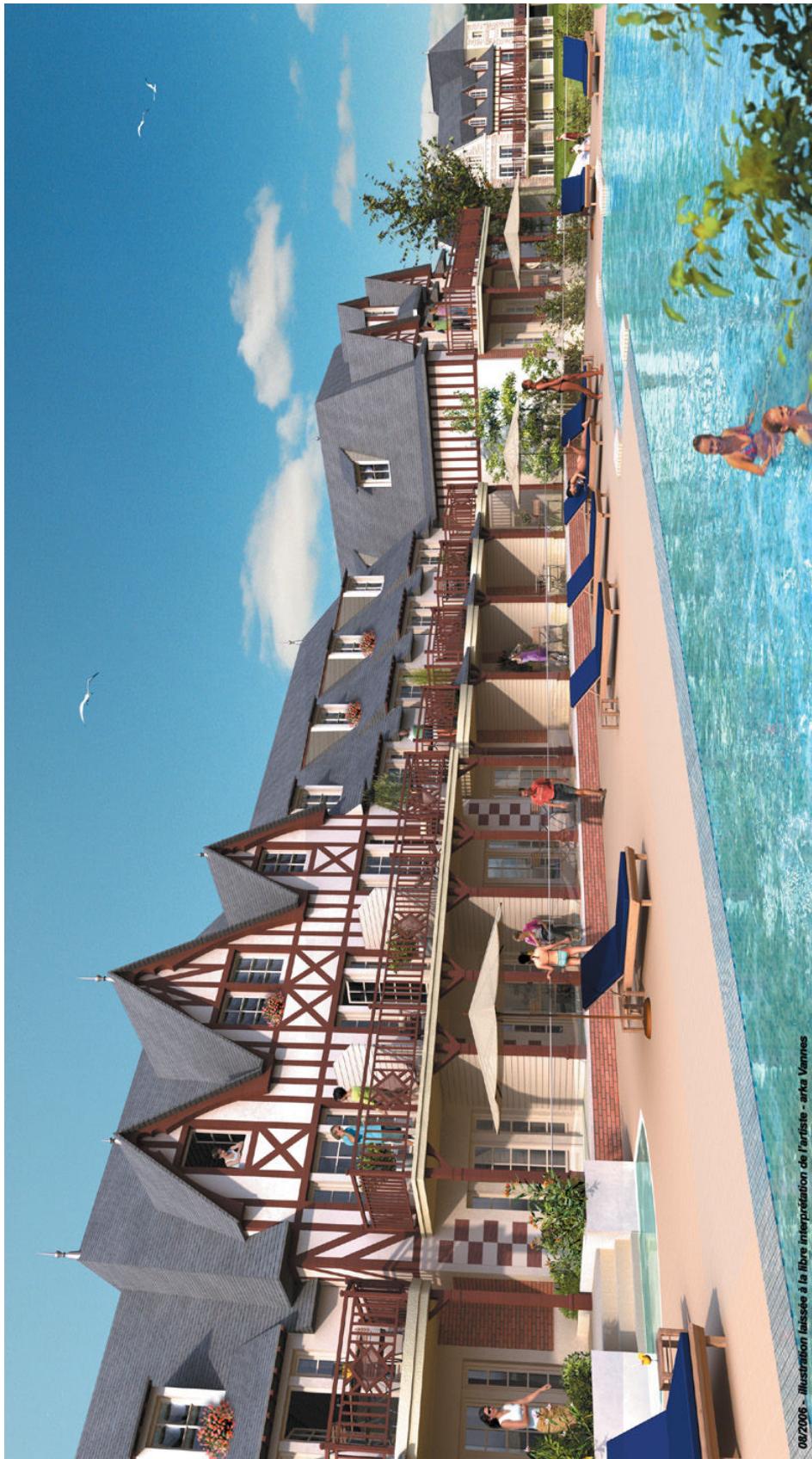
Like for like: adjusted of the impact for Center Parcs Europe of the Easter holidays falling in Q2 in 2007/08 in Germany and Belgium

- Turnover should be similar to the year-earlier level especially thanks to the contribution from the Center Parcs in Moselle



# Houlegate

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08/2006 - Illustration basée à la libre interprétation de l'artiste - arka Vannes

# Target for 2007/2008 current operating income of €95-100m

Target for 2007/2008  
current operating  
income of €95-100m

Robust tourism business in H1 and  
growth in reservations to date at  
Center Parcs Europe and Pierre &  
Vacances Europe...

... which should make up for the  
majority of the decline in property  
turnover due to a temporary shortfall in  
property stocks.

## IV- Strategic focuses

# A - Pierre & Vacances Europe

# Pierre & Vacances Europe

## Bolstering sales with foreign clients

- Developing Group's visibility in target markets
- Developing the group brand PV Holidays
- Adapting the offering
  - e.g.: In certain villages, children's clubs included in package outside French school holidays...
- Strengthening sales offices outside France and marketing via internet
  - e.g.: internet sales up 39% for summer period

# Pierre & Vacances Europe

## Bolstering sales with foreign clients

Eicher    Édition    Affichage    Historique    Marque-pages    Outils    ?

Personnaliser les liens

**p&v** [www.pv-holidays.de](http://www.pv-holidays.de)  
NUMMER 1 FÜR FERIENDÖRFER UND APARTMENTS

**SUCHEN**

Anreisedatum  Reiseziel   
 Gebirge  Meer  Städte  
 Land  Alle

[277 Angebote gefunden](#)

**MULTIKRITERIEN**

PREIS

[Alle Preise](#) [Mehr Kriterien](#) **SUCHEN**

**THEMEN**

Familienurlaub  DisneyLand Paris  G'st'lt  
 Wellness  Alle Themen

**GEOGRAPHISCHE**

Spanien   
 Frankreich  Italien  Marocco

**Unsere 15 Feriendorfer**

[Pierre & Vacances](#) [Belle Dune](#) [Braville](#) [Port du Crouesty](#)  
[Lacanau](#) [Moliets](#) [Le Rouret en Ardeche](#) [Pont Royal en Provence](#)  
[Cap Esterel](#) [Les Restanques](#) [maxeva](#) [Moliets](#)  
[Port-la-Nouvelle](#) [Camargue](#) [Les Issambres](#) [Saint-Raphael](#)  
**Kinder-Clubs inklusive**



**WIR VERDOPPELN IHRE KAUFKRAFT!**

**7 = 14 Nächte\***

[Jetzt buchen](#)

**maeva** Angebot der Woche:

**199€ pro Woche**

**Provence – Pont Royal**  
Feriendorf Pierre & Vacances  
Z.B. Studios für bis zu 4/5 Personen  
Woche vom 31.5. 2008  
Pro Wohnung/Woche **nur 580 €**

**Côte d'Azur – Hyères**  
Residenz Pierre & Vacances  
Z.B. Studios für bis zu 4 Personen  
Woche vom 20.9. 2008  
Pro Wohnung/Woche **nur 423 €**

**Côte d'Azur – Pramousquier**  
Residenz Pierre & Vacances  
Z.B. Studios für bis zu 4/5 Personen  
Woche vom 7.6. 2008  
Pro Wohnung/Woche **nur 610 €**

**Frankreich**

**City-Trips Paris**  
Appartement 1-Woche ab **123€**

**Elisats - Eguisheim**  
LE CLOS D EGUISHEIM  
Pro Woche /Wohnung  
**ab 332 €**

**UNSER TIPP**

**Côte d'Azur - MAEVA - Cannes**  
Z.B. 2-Zl.-Wng. für 4/5 Pers./Woche vom  
14.06.2008  
Preis pro Apartment /Woche ab **560.00€**

**Côte d'Azur - Pierre & Vacances - Cap d'Antibes**  
Z.B. Studios für 4/5 Pers./Woche vom  
14.06.2008  
Preis pro Apartment /Woche ab **630.00€**

**Côte d'Azur - Cannes Villa Francia**

# Pierre & Vacances Europe

## Expanding city residence offering



- In 2008, 22 residences are operated primarily in France with annual turnover of around €60 million.
- Development by leases, management mandates or franchises:
  - Opening of six residences in 2008 (581 apartments): Montrouge, Annecy, Basel, Paris Opera, Bordeaux and Strasbourg
  - Four residence openings programmed for 2009 (526 apartments): Brussels, Vienna, Nantes and Marseille
  - Advanced negotiations in France (Paris, Toulouse...) and Europe (UK, Spain, Germany...)

**2012 target**

**50 residences in operation  
(turnover for Group of around €140 million)**

# Pierre & Vacances Europe Developments in Morocco

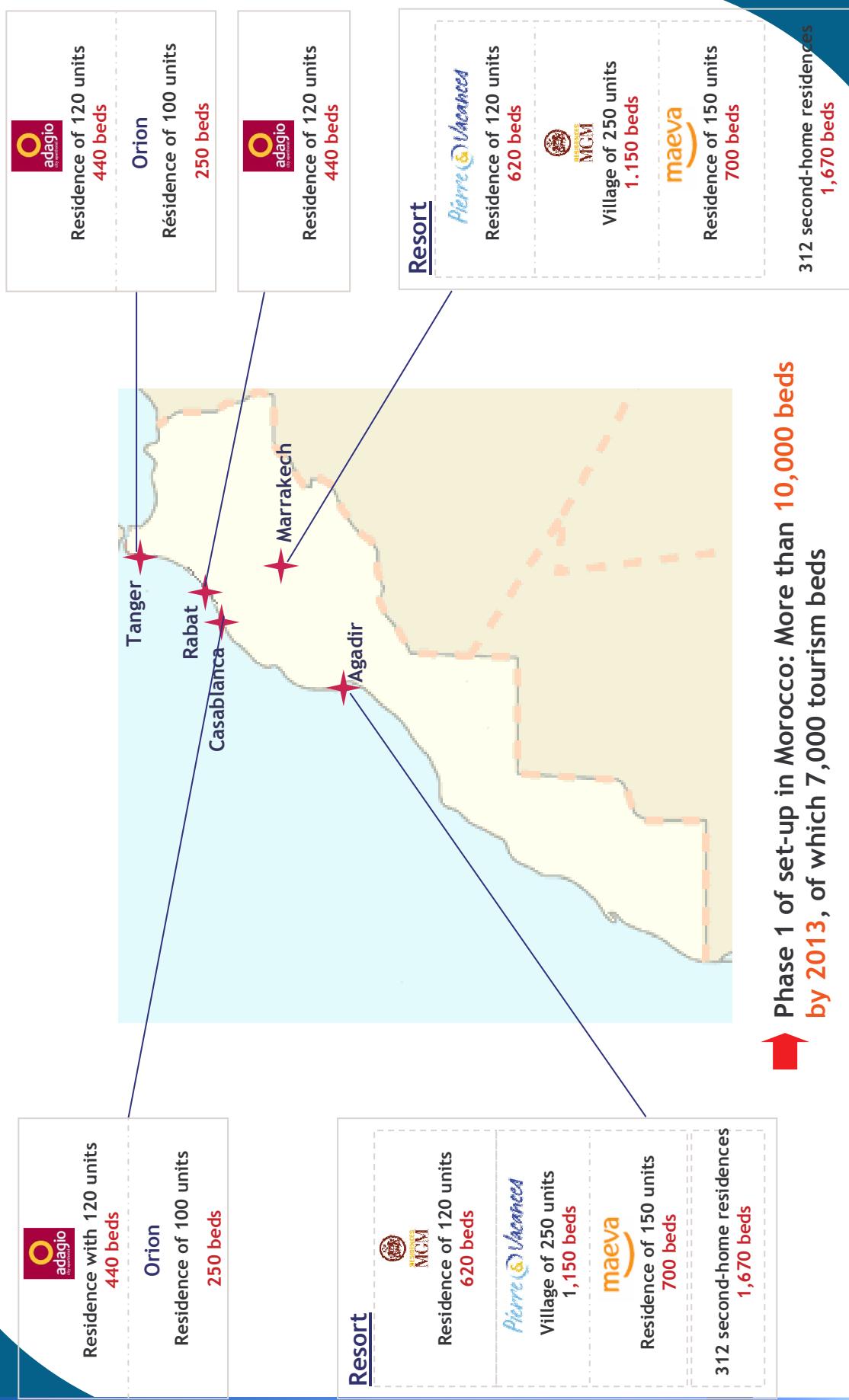
## Strategy

- A natural market for Pierre & Vacances, structurally growing
- A pro-active strategy: to attain critical mass by 2013 with 10,000 beds and a diversified and innovative product portfolio

## Locations

- A complementary multi-brand development based on three concepts :
  - The « Oasis Eco-resort »
  - City residences
  - Second homes for retired people

# Morocco location plan



# Pierre & Vacances Europe Development in Morocco

Progress

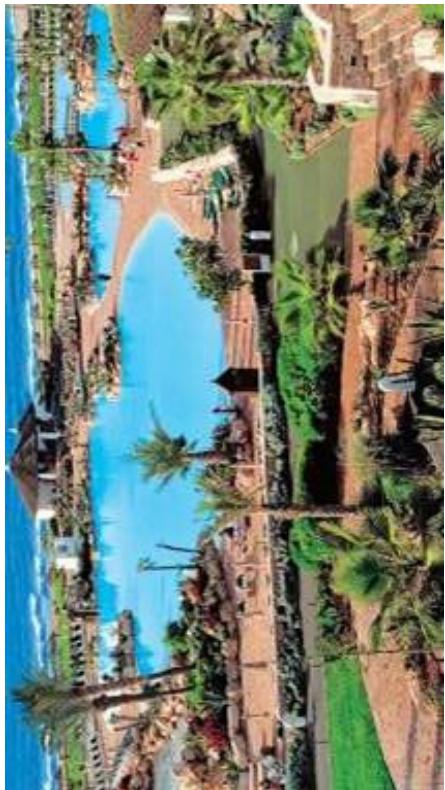
- Establishing location strategy
- Identifying property company under state control
- Signing of Memorandum of Understanding with the Moroccan state

Financial  
structure

- Investment in tourism and city residence property is to be financed by a specific investment company joining the Group (15% of capital) and institutional investors (85%)
- The property business for the sale of second-home residences is set to generate turnover of around €100 million (50% for Pierre & Vacances) between 2011 and 2013
- Tourism operations are set to generate sales volumes of some €60m further out

# The Oasis Eco-Resort

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## B. Center Parcs Europe

● **Domaine du Lac d'Ailette**

- Sales of all Ailette cottages before the beginning of the building process
- Opening on September 2007
- H1 turnover of € 20 million without « cannibalisation »
- High representation of foreign clients
- Target occupancy rate of more than 80% for 2008/2009

# Center Parcs du Domaine du Lac d'Ailette



# Center Parcs Europe

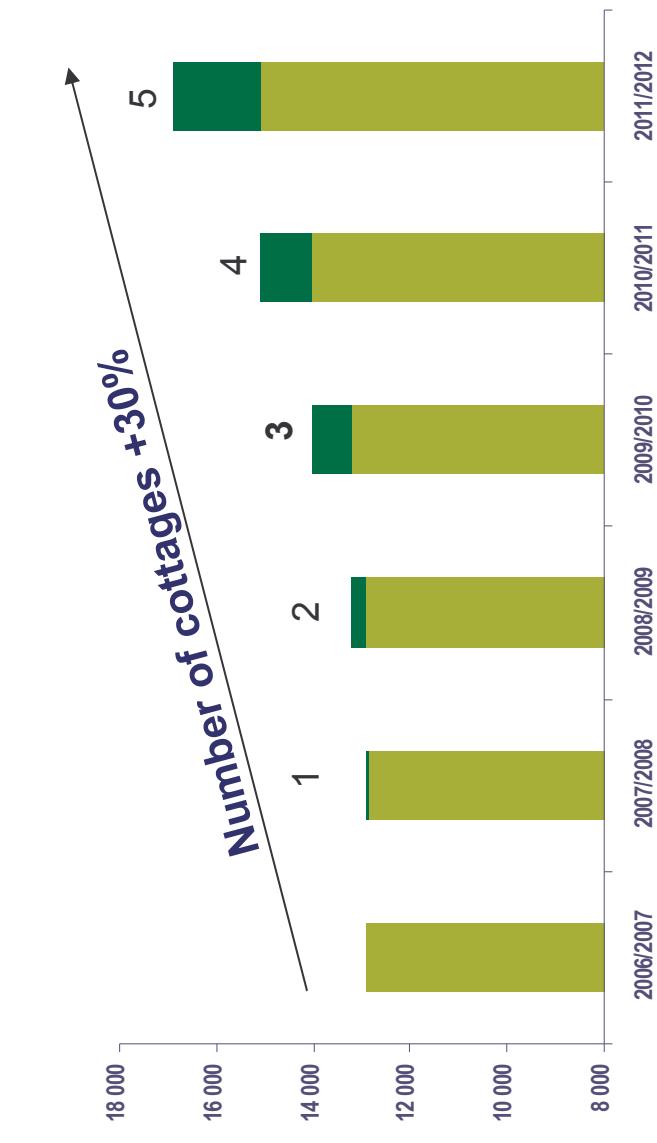
## Rising momentum of new offering

- Sunparks:
  - Growth in occupancy rates of 12% in H1 2007/2008
  - Renovation programme of €20 million financed by Foncière des Murs set to be completed as of end-2008
  - Extension of De Haan park: 62 additional cottages
- 280 new cottages set to come onstream in 2008/2009 as extensions of existing Center Parcs villages

# Center Parcs Europe

## Ongoing development of the offering

**Turnover growth of at least 50% by 2011/2012**



- 1 SP extensions (62)**
- 2 CP extensions (280)**
- 3 CP Moselle (870)**
- 4 CP Moselle (450),  
SP Germany (500)**
- 5 CPE Germany (800),  
CPE Isère (1000)**

# Center Parcs de Moselle

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## C. Property businesses

## Property development

**Over the next four years, potential turnover  
of €1 billion from major projects  
(excluding operations currently underway and development in Morocco)**

- Center Parcs in Moselle (extension: 450 cottages) and Isère (1,000 cottages)
- Adagio: development in Paris area
- Avoriaz: extension of two districts at the resort, La Falaise: 230 Résidences MGM homes,  
Le Crozat: 320 Pierre & Vacances and Maeva homes
- Deauville – Presqu'île de la Touques: creation of 120 Résidences MGM apartments
- Villages Nature: partnership with Euro Disney
  - Completion of project at end-2008
  - A sizeable project benefiting from backing by state and land authorities
  - First phase projected: launch of 1,100 homes and apartments in first village in lakeland environment

## Conclusion

- Current operating income target of €95 – 100 million, similar to the previous year level despite the temporary decline in property business development
- Reinforcement of property businesses with the completion of major projects, representing potential turnover of € 1 billion
- Increase in tourism offer thanks to the developments of Center Parcs, Adagio and Morocco