


P&V GROUPE
PIERRE & VACANCES

PRESENTATION OF H1 2006/2007 EARNINGS

1 October 2006 to 31 March 2007

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2006/2007
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I- The Pierre & Vacances Group, a major player in European tourism

Segmented brands

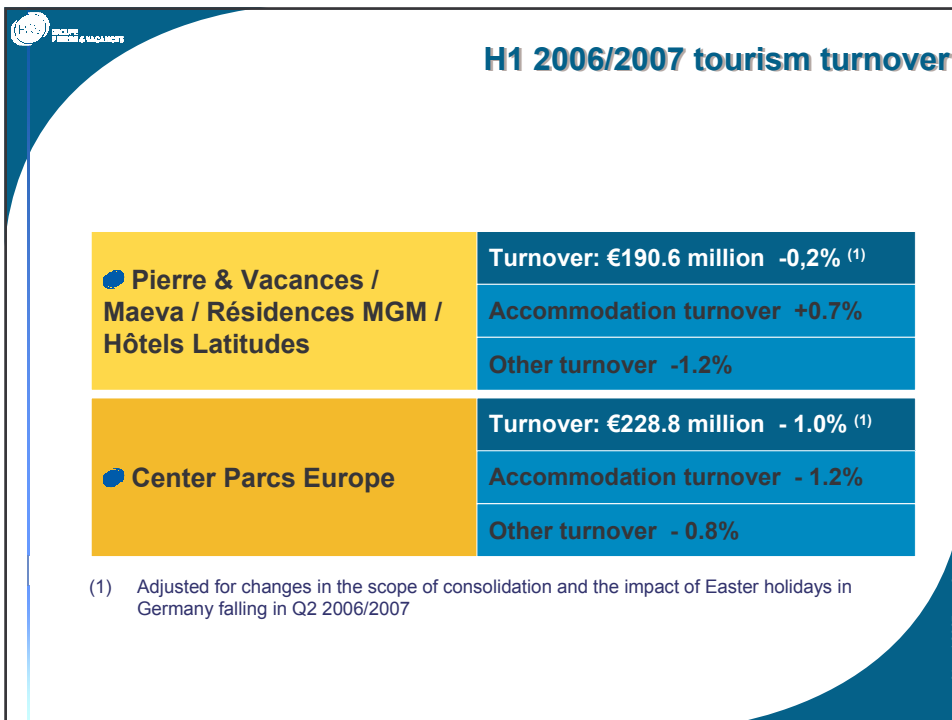
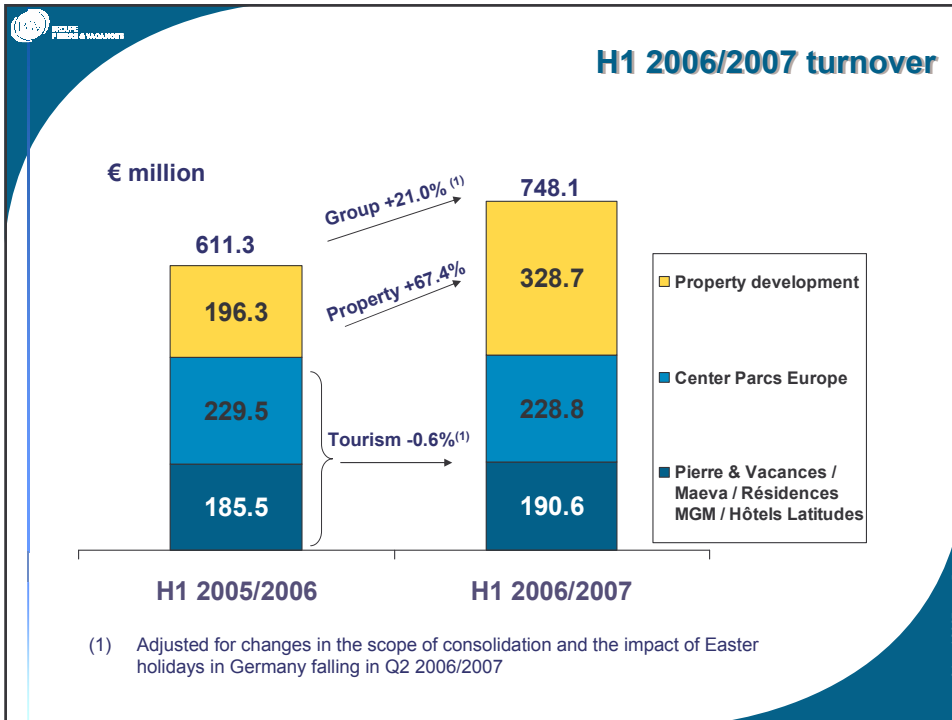


Key figures in 2005/2006

45,000 apartments and homes in Europe (35,000 in France)	Turnover: €1.414 billion
6.6 million clients	Current operating profit: €97.6 million
8,400 staff (full-time equiv.)	Group current net profit: €58.7 million
	Attributable net profit: €73.7 million

II- H1 2006/2007 earnings

1 October 2006 to 31 March 2007



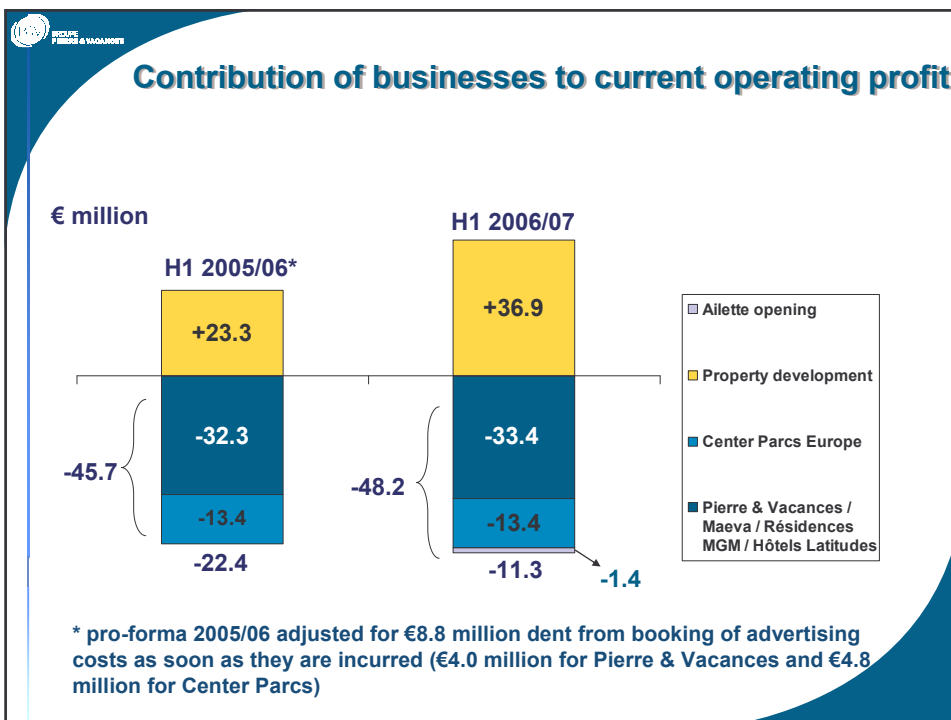
H1 2006/2007 property development turnover

New	147.3	Renovation	166.7
Center Parcs Ailette	78.4	Paris Tour Eiffel	38.3
Center Parcs Bois-Francis	26.8	Val d'Isère	25.5
Eguisheim	10.1	Méribel	18.1
Le Crotoy	5.4	Avoriaz	11.1
Branville	5.3	Courchevel	9.4
Montrouge	2.4	La Plagne	8.9
Bonmont	1.6	Alpe d'Huez	6.3
Audierne	1.4	Other renovation	49.1
Others	15.9	Others	14.3

€328.7 million in turnover, i.e. + 67.4%

H1 earnings structurally loss-making due to tourism business

- **Seasonal nature of tourism turnover**
(on average around 40% of sales booked in H1) ...
- ... together with linear amortisation of fixed costs over the 12 months of the year...
- ... and amplified this year by the booking of advertising costs as soon as they are incurred.




Current net profit: - €9.2 million (i.e. +€10.8 million)

€ million

	H1 2006/07	H1 2005/06*
Turnover	748.1	611.3
Current operating profit	-11.3	-22.4
Financial items	-1.2	-4.0
Taxes	3.3	6.4
Equity affiliates	0.0	0.1
Minority interests	0.0	-0.1
Attributable current net profit	-9.2	-20.0
Other operating income/expense net of tax	1.4	-4.9
Attributable net profit	-7.8	-24.9

* pro-forma 2005/06 adjusted for €8.8 million dent from booking of advertising costs as soon as they are incurred (€4.0 million for Pierre & Vacances and €4.8 million for Center Parcs)

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III- Outlook for H2 2006/2007

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Tourism businesses

Growth in tourism reservations to date for the summer season	
<ul style="list-style-type: none"> ● Pierre & Vacances / Maeva / Résidences MGM / Hôtels Latitudes: stable (excl. Paris Tour Eiffel) 	<ul style="list-style-type: none"> • Growth in city destinations and French West Indies • Stable seaside reservations • Decline in mountain reservations • Growth in internet sales (+65% as of 15% of turnover) • Decline in traditional TO and growth in online TO
<ul style="list-style-type: none"> ● Center Parcs Europe : growth of 5% 	<ul style="list-style-type: none"> • Growth in all client types (Dutch, German, French and Belgian) • Growth in internet (+50%, or 33% of turnover to date)

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Property activities

H2

- **1,700 apartments and homes to come onstream in H2**
 - ✓ New: 1,200 apartments/homes
Ailette, Bois-Francis, Branville, Eguisheim, Le Crotoy
 - ✓ Renovation: 500 apartments/homes
Arles, Bénodet, Paris-Tour-Eiffel

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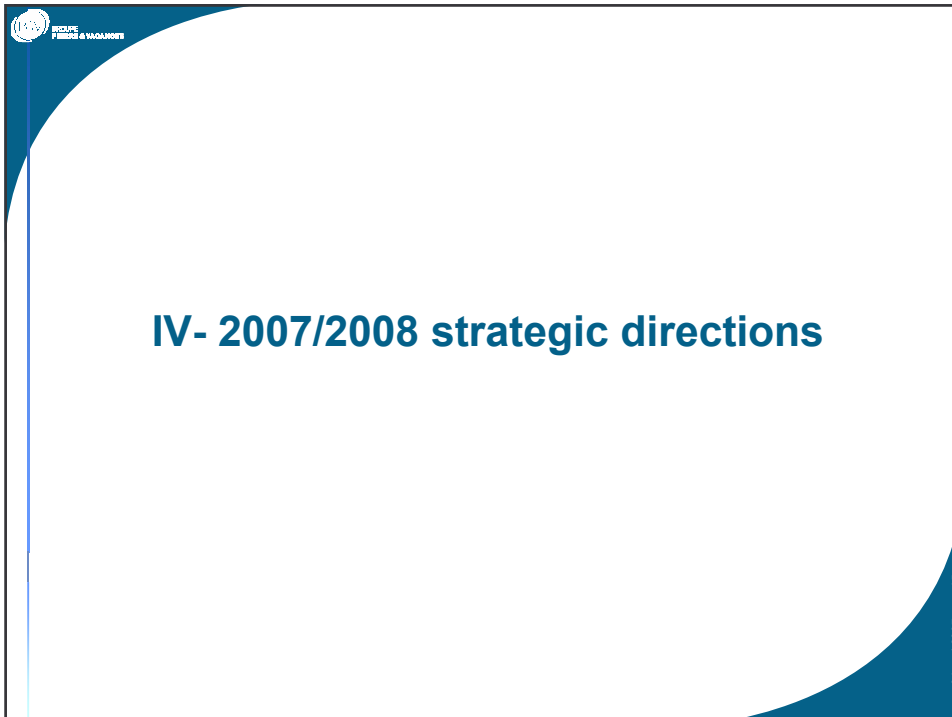
**Current operating profit target
2006/2007: €105m**

● **2006/2007 current operating profit of €105 million***

- Growth in reservations to date at Center Parcs Europe and stability at Pierre & Vacances / Maeva / Résidences MGM / Hôtels Latitudes
- Growth in property business

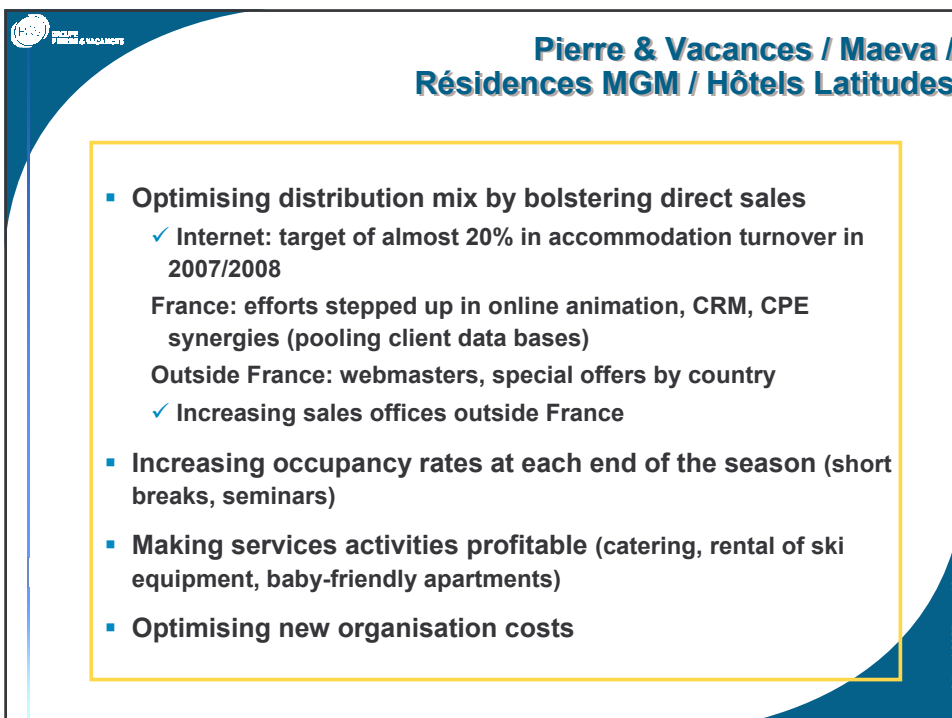
* Excluding impact of opening of Ailette and contribution of Sunparks and Les Senioriales acquisitions

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IV- 2007/2008 strategic directions

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Pierre & Vacances / Maeva / Résidences MGM / Hôtels Latitudes

- **Optimising distribution mix by bolstering direct sales**
 - ✓ Internet: target of almost 20% in accommodation turnover in 2007/2008
 - France: efforts stepped up in online animation, CRM, CPE synergies (pooling client data bases)
 - Outside France: webmasters, special offers by country
 - ✓ Increasing sales offices outside France
- **Increasing occupancy rates at each end of the season (short breaks, seminars)**
- **Making services activities profitable (catering, rental of ski equipment, baby-friendly apartments)**
- **Optimising new organisation costs**

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Center Parcs Europe

- **Continuing to enhance the offering**
 - ✓ Increasing moves to standardise villages (transformations, upgrades, renovations)
 - ✓ Extension in Belgium, The Netherlands, Germany
- **Increasing sales efficiency**
 - ✓ Efficiency of Early Bird offering
 - ✓ Optimising revenue management
 - ✓ Impact of new web site
- **Succeeding development in France**
- **Continuing to optimise costs**
 - ✓ Productivity gains (cleaning....)
 - ✓ Internal programme to maximise value received by client

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V- Expansion

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1- Center Parcs on-going developments

France

- Ailette (861 cottages, July 2007)
- Moselle (800 cottages, July 2010)
- Development study in Rhône-Alpes

Germany

- Projects being studied (Center Parcs / Sunparks)

Acquisition of Sunparks in Belgium

- Development prospects in mid-range segment

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1- Center Parcs Acquisition of Sunparks

Offering

- **Four three/four-star villages** on Belgian coast, the Ardennes and Campine
- **1,683 cottages and 50 hotel rooms** primarily fully-owned (9,740 beds)
- **numerous indoor leisure equipment** (aqua centre, restaurant, supermarket, childrens' play centre) and outdoor sports complexes

Key figures 2006

- **450,000 clients:** 35% Belgian, 30% Dutch, 25% German, 10% other (French and UK)
- **Direct distribution for 80% (40% over the internet)**
- **Average occupancy rate of 56%**
- **Staff: 387 employees.**
- **Turnover: €39 million** (70% rental, 30% services); **EBITDAR: €12.5 million**

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1- Center Parcs Acquisition of Sunparks

New dimension for CPE

- **Bolstering positions in Belgium**, with complementary locations

Positive impact as of 2007/2008

- **Enterprise value of €150 million**
- **Sale and lease-back** in property assets currently being negotiated

Sources of improvement

- **30% hike in EBITDAR over three/four years**
 - rise in occupancy rates
 - cost and revenue synergies with CPE

Sunparks could provide a source of growth for the three/four-star segment in Europe

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2- Pierre & Vacances
Accor partnership for development of city residences in Europe in the three-star and above segment

Motivation

- **A high-potential market in Europe**
- **Combination of two leaders with complementary expertise**
 - ✓ know-how of P&V Group in property and in the segment of city residences
 - ✓ European development platform and international distribution network at Accor

Scope

- **Scope of 22 residences** (management contracts):
 - ✓ 15 existing residences + 5 P&V projects
 - ✓ 2 Accor projects at Annecy and Nantes
 - ✓ Management royalties received by the joint venture: 10% of business volumes

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2- Pierre & Vacances
Accor partnership for development of city residences in Europe in the three-star and above segment

State of progress

- **Creation of a 50/50 joint venture** submitted to competitions authorities for approval (planned for July 2007)
- **Governance defined:** rotating chairmanship
- **Working groups in place:** Human resources, marketing, commercial, financial, legal, development and IT
- **Creation of a new European brand**

Development plan

- **Five-year target: 50 residences and business volume of €180m**
- **Development methods:** property development with sales to individual or institutional investors, leases, management contracts etc.
- **Leases signed:** Vienna, Basel
- **Studies underway:** London, Edinburgh, Munich, Prague...

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3- Les Senioriales

Acquisition on 16/05/07 of property development company, Les Senioriales, specialised in residences for retired elderly people

An innovative concept

- **Non-medicalised residences meeting the specific needs of active retired people:**
 - ✓ comfort: single-storey homes with practical fittings (electric shutters, air conditioning, terrace etc.)
 - ✓ security: warden, electric gate, camera, interphone
 - ✓ conviviality: Club-House, events organiser every afternoon, evening events.
- **Full-ownership, with no operating commitment, price range of €180-270,000 and low co-ownership costs.**

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A complementary and profitable development path for the group

- **A rapidly-expanding target market for active retired people:** 7 million people at present, +10% a year.
- **Considerable assets:** easier access to property, standardised product with controlled costs, limited competition.
- **High-growth and profitable company.**
 - ✓ 9 completed, 11 Senioriales being marketed and 12 others under review.
 - ✓ Turnover of €31 million and current operating profit of €4 million on 31 March 2007, set to double by 31 March 2008.
- **Acquisition price of €23 million.**
- **Set to enhance Group earnings as of 2007/08**
- **Synergies with Pierre et Vacances:**
 - ✓ The search for property.
 - ✓ Further access to retired people market and know-how set to contribute to development of tourism activities.
 - ✓ Study for extension into rental market with sale to investors by Pierre & Vacances Conseil Immobilier.
 - ✓ Potential developments in Spain and Morocco.

- 2006/2007 saw a return of acquisitions moves (Sunparks, Les Senioriales)
- Several projects have been identified for coming years at Center Parcs and in city residences.
- Further organic growth and the search for acquisitions possibilities in Europe and Morocco.