

Group Pierre & Vacances

A further step to growth :
Pierre & Vacances acquires sole ownership
of Center Parcs Continental Europe

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1. A strategic acquisition

A new dimension for the Pierre & Vacances Group

- A deal fully in line with the Group's strategy, reinforcing its European leadership in leisure residences
- No operational risk : Pierre & Vacances Group has been running Center Parcs Continental Europe since March 2001

Center Parcs Continental Europe key figures

- An original concept of 3* to 4* holiday villages open all year round and essentially focused on short stays, with a range of “à la carte” hotel-style services and leisure activities
- 8 villages in the Netherlands, 3 in Germany, 2 in Belgium and 2 in France: almost 10,000 cottages (49,000 beds) with 3 ranges (Original, FreeLife, SeaSpirit)
- 3.3 million of clients, of which 49 % are Dutch, 25 % Germans and 16 % French
- 75 % of turnover through direct sales
- €525.6 million of turnover in 2001/2002
- €74.6 million of operating income in 2001/2002



- 1 **De Vossemeren (B)**
Elzen 145, 3920 Lommel
Tél.: 011 54 82 00
- 2 **Erperheide (B)**
Erperheidestraat 2, 3990 Peer
Tél.: 011 61 62 63
- 3 **De Kempervennen (P-B)**
Kempervennendreef 8, 5563 VB Westerhoven
Tél.: 0031 40 208 33 33
- 4 **Het Heijderbos (P-B)**
Hommersumseweg 43, 6598 MC Heijen
Tél.: 0031 485 49 67 00
- 5 **Het Meerdal (P-B)**
Laagheideweg 11, 5966 PL America
Tél.: 0031 77 464 72 72
- 6 **De Eemhof (P-B)**
Slingerweg 1, 3896 LD Zeewolde
Tél.: 0031 36 522 91 00
- 7 **De Huttenheugte (P-B)**
Reindersdijk 55, 7751 SH Dalen
Tél.: 0031 524 59 46 66
- 8 **Les Bois-Francis (F)**
Les Barils, 27130 Verneuil-sur-Avre
Tél.: 0033 232 60 50 00
- 9 **Les Hauts de Bruyères (F)**
41600, Chaumont-sur-Tharonne
Tél.: 0033 254 95 10 00
- 10 **Bispinger Heide (A)**
Töpinger Straße 69, 29646 Bispingen
Tél.: 0049 519 49 40



- 11 **Park Loohorst (P-B)**
Peelheideweg 25, 5966 PJ America
Tél.: 0031 77 464 84 84
- 12 **Park Heilbachsee (A)**
Am Kurberg, 56767 Gunderath
Tél.: 0049 2657 80 90
- 13 **Park Hochsauerland (A)**
Sonnenallee 1, 59964 Medebach
Tél.: 0049 2982 95 00

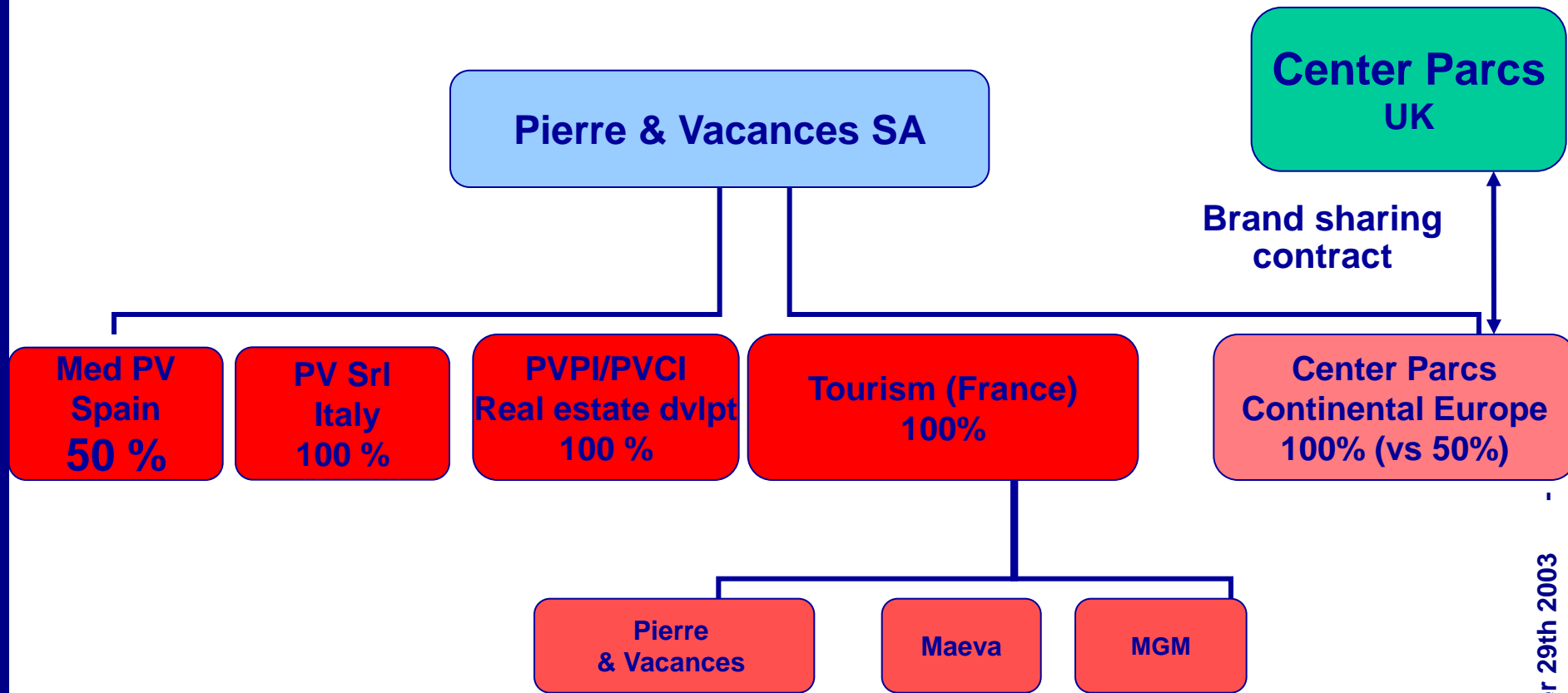


- 14 **Port Zélande (P-B)**
Port Zélande 2, 3253 MG Ouddorp
Tél.: 0031 111 67 40 00
- 15 **Park Zandvoort (P-B)**
Vondellaan 60, 2041 BE Zandvoort
Tél.: 0031 23 572 00 00

Acquisition details

- **Closing:** on September 26th 2003, after approval by French, Belgian and Dutch competition authorities
- **Total acquisition price:** €303 million
(of which MidOcean: €270 million)
- **Contract of brand sharing between CPCE and CPUK**
- **EBITDA multiple of acquisition:**
7.3x based on accounts ending September 2003
- **Goodwill:** estimated at €180 million

Pierre & Vacances Group's new organisational chart



September 29th 2003

2. A financing through the disposal of 8 villages freehold

A financing in accordance with the Group's financial policy

The disposal of the freehold of 8 villages allows to:

- pay off the whole debt carried by Center Parcs Continental Europe
- partially finance the acquisition of the stake from MidOcean

First disposal: freehold of 7 villages

- **Closing:** September 25th 2003
- **Buyer:** Green Buyco (Nomura)
- **Selling price:** €440 million,
(€415 million net of costs and tax)
- **Rent:** €39.0 million (yield of 8.86 %)
- **Average maturity:** 15 years

Second disposal: freehold of Eemhof village

- **Signing:** binding agreement on August 20th 2003
closing scheduled in October 2003
- **Buyer:** Zeeland Investments Beheer BV
(Dutch investor)
- **Selling price:** €90 million
(€80 million net of fees and tax)
- **Rent:** €7.65 million (yield of 8.5 %)
- **Maturity:** 15 years

3. A positive financial impact

A new critical size

Taking into account for the 2002/2003 financial year the combination of the acquisition and disposals :

- turnover grow up to €1.1 billion
- EBITDA rise by 10 % to €120 million
- increase in net earnings per share:
 - by 33 % before goodwill amortization
 - by 15 % after goodwill amortization

An increase in the contribution of CPCE to the Group's results

(€m)

<i>2002/2003 (e)</i>	Pre acquis. (50%)	Post acquis. (100%) (*)
Turnover	263	526
EBITDA	59	71
Operating Income	40	60
Financial charges	-12	-10
Goodwill amortization	-2	-11
Tax/minorities	-11	-19
Net current income	15	20
Net current income (before goodwill amo.)	17	31

(*) taking into account the disposals of the 8 villages freehold

An positive effect on results

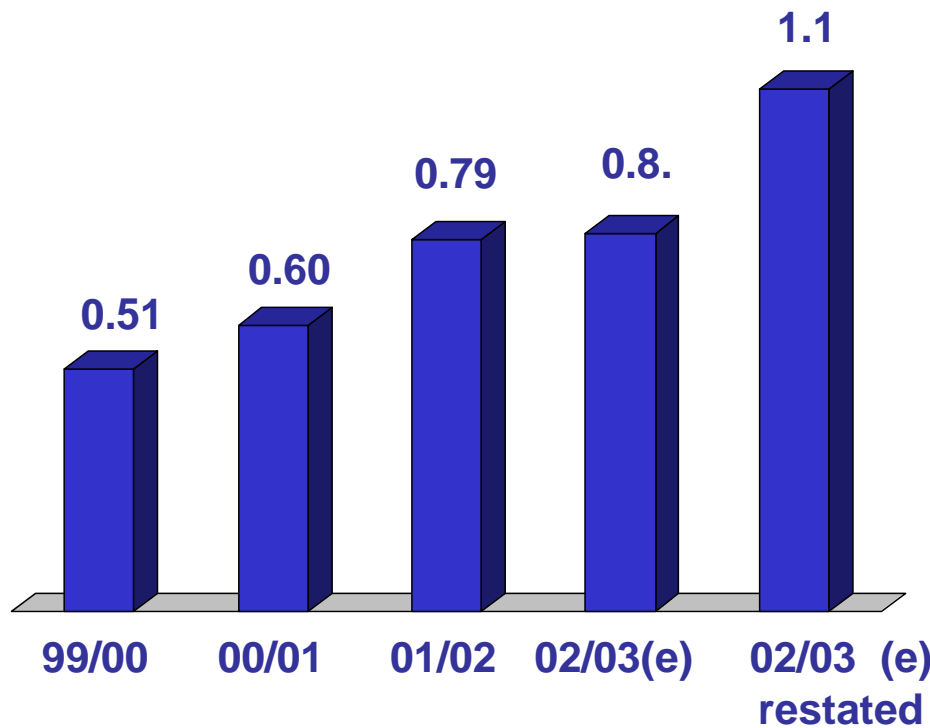
(€m)	Net current income	Net current income before goodwill amo.
2002/2003 (e)		
Pre-acquisition estimated income	36	42
Acquisition impact (**)	5	14
Post-acquisition estimated income	41	56
Income growth (*)	15%	33%

(*) calculated on figures in € thousand

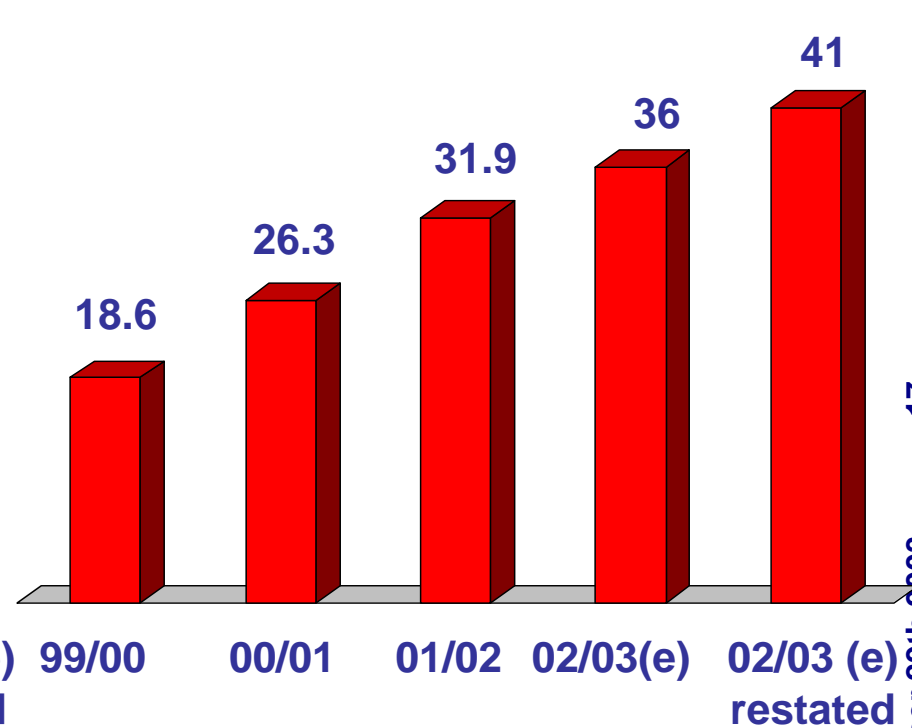
(**) taking into account the disposal of the 8 villages freehold

An positive effect on results

Turnover
(in € billion)



Net current result
(in € million)

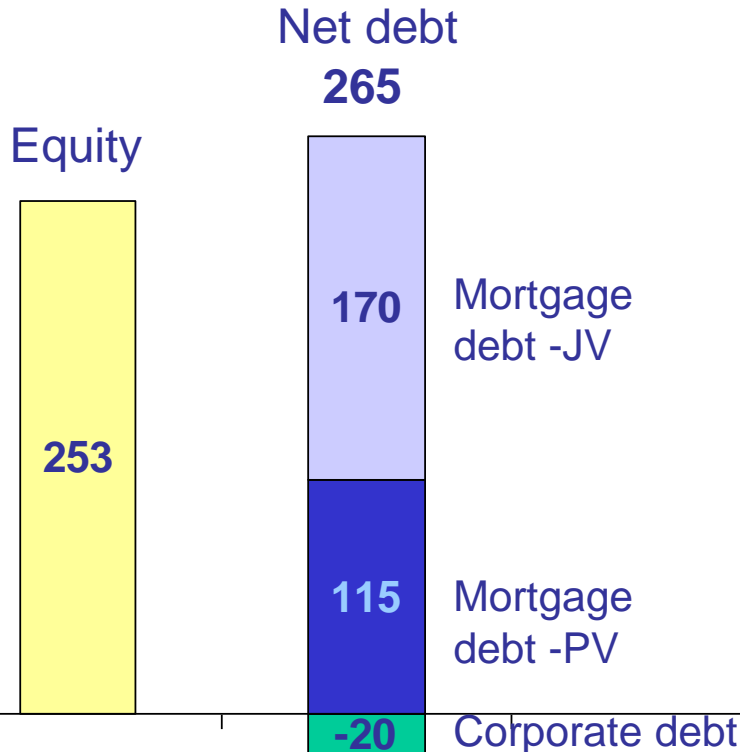


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A balanced financial structure

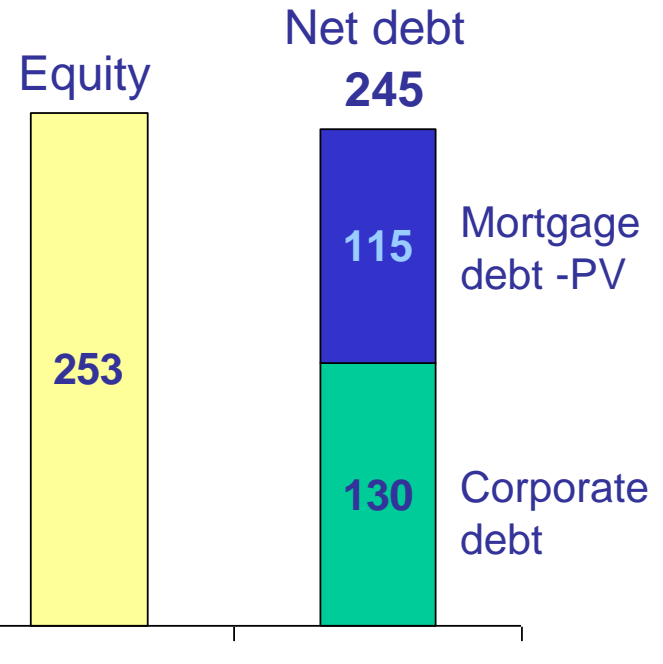
Basis September 30, 2003 (in €m)

Balance sheet before acquisition



Gearing : 1.05

Balance sheet after acquisition (after Eemhof disposal)



Gearing : 0.97

4. Strong growth prospects

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- Synergies
- Development of new Center Parcs villages
- Acceleration of organic growth
- Ongoing development policy

Strong synergies between Pierre & Vacances and Center Parcs Continental Europe

- Revenue synergies :
 - sharing of customer base,
 - commercial organizations in the Netherlands, Germany and Belgium

- Operating and functional synergies :
 - renovations,
 - purchasing,
 - cash pooling...

Development of new Center Parcs villages

- In France: 2 projects under completion
Use of the Group's property know-how to extend or develop new Center Parcs villages:
 - know how in sales and project management
 - financial structure:
 - «central facilities» financed by local authorities
 - cottages sold on plan to individual investors benefiting from tax incentives

- In Germany: project for the acquisition of the management of a new village

Acceleration of organic growth

Reinforced prospects in property development bolstered by new tax incentives

➤ **New property development:**

- Bourgenay
- Biscarosse
- Saint-Jean Pied de Port

➤ **Renovation activity:**

Transformation of 2/3- star residences into 4-star products sold to individual investors;

- renovation of the residence portfolio acquired from GMF/MACIF
- riverside building in the center of Paris

Ongoing development policy

- **Reinforcement of the Group presence in Europe:**
 - Northern Europe : Center Parcs
 - France and Southern Europe : Pierre & Vacances and Maeva

- **Ongoing policy of selective acquisitions**

Key figures of the Group Pierre & Vacances post-acquisition (estimate)

- Management of 49,000 apartments and houses (38,400 in France, 5,130 in the Netherlands, 2,460 in Italy, 1,830 in Germany and 1,325 in Belgium)
- 6.8 million of customers
- Restated turnover for 2002/2003 : €1.1 billion
- Restated EBITDA for 2002/2003 : €120 million
- Restated net current income for 2002/2003: €41 million